



The Planning Inspectorate

Report to Redcar and Cleveland Borough Council

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an Inspector appointed by the Secretary of State

Date 23 March 2018

Planning and Compulsory Purchase Act 2004

(as amended)

Section 20

Report on the Examination of the Redcar and Cleveland Local Plan

The Plan was submitted for examination on 19 April 2017.

The examination hearings were held between 5 September and 6 October 2017.

File Ref: PINS/V0728/429/7

Abbreviations used in this report

2004 Act	Planning and Compulsory Purchase Act 2004
AA	Appropriate Assessment
AMR	Annual Monitoring Report
BRES	Business Register and Employment Survey
BREEAM	Building Research Establishment's Environmental Assessment Method
CIL	Community Infrastructure Levy
CS	Redcar and Cleveland Core Strategy
DCO	Development Consent Order
DtC	Duty to Co-operate
dpa	Dwellings per annum
ELR	Employment Land Review
EA	Environment Agency
FRA	Flood Risk Assessment
GTAA	Gypsy and Traveller Accommodation Assessment
HCA	Homes and Communities Agency
HMO	House in Multiple Occupation
HMA	Housing Market Area
JPS	Joint Position Statement
LEP	Local Enterprise Partnership
LDO	Local Development Order
LDS	Local Development Scheme
MM	Main Modification
OAN	Objectively assessed need
ONS	Office for National Statistics
OE	Oxford Economics
PPG	Planning Practice Guidance
PSA	Primary Shopping Area
RMP	Recreation Management Plan
RCLP	Redcar and Cleveland Local Plan
RSS	Regional Spatial Strategy
RSPB	Royal Society for the Protection of Birds
SA	Sustainability Appraisal
SAC	Special Area of Conservation
SPA	Special Protection Area
SEP	Strategic Economic Plan
SHLAA	Strategic Housing Land Availability Assessment
SHMA	Strategic Housing Market Assessment
SPD	Supplementary Planning Document
STDC	South Tees Development Corporation
TVU	Tees Valley Unlimited
WMS	Written Ministerial Statement

Non-Technical Summary

This report concludes that the *Redcar and Cleveland Local Plan* provides an appropriate basis for the planning of the Borough of Redcar and Cleveland, provided that a number of main modifications are made to it. Redcar and Cleveland Borough Council has specifically requested that I recommend any main modifications necessary to enable the Plan to be adopted.

The main modifications all concern matters that were discussed at the examination hearings. Following the hearings the Council prepared a schedule of the proposed modifications and where necessary carried out a sustainability appraisal of them. The main modifications were subject to public consultation between 20 November 2017 and 10 January 2018. I have recommended their inclusion in the Plan after considering all the representations made.

In summary, they:

- Amend Policy SD2 to specify that approximately 60% of development will take place in the Urban and Coastal area and 40% in the Rural Area;
- Amend Policy SD3 to support development within settlement boundaries and set clear requirements for proposals outside development limits, including the conversion or re-use of existing buildings and previously developed, brownfield land;
- Modify Policy SD4 by introducing requirements for development to respond to local character, provide safe and suitable vehicular access and consider the needs of people with disabilities, including the elderly;
- Introduce a requirement to consider economic viability where planning obligations are sought under Policy SD5;
- Amend Policy LS4 to reflect the regeneration aims and objectives of the South Tees Development Corporation;
- Modify Policy ED6 to differentiate between specialist and general employment uses;
- Introduce criteria in Policy ED6 for employment proposals on non-allocated sites, and proposals for the reuse or redevelopment of existing employment land and buildings;
- Expand Policy ED7 to reflect existing uses on site, which include retail;
- Modify Policy H1 to include a mechanism to review housing delivery;
- Delete residential allocations H3.13 and H3.15;
- Amend Policy H3.16 to reflect the Dogger Bank Teesside Development Consent Order;
- Amend Policy H4 to reflect viability in the 'low value area';
- Amend Policy N2 by including specific criteria for development proposals in strategic gaps and green wedges;
- Amend Policy N3 to include criteria for development proposals on Primary and Secondary open spaces, and other amenity open space not shown on the policies map;
- Modify Policy N4 by reference to the Teesmouth and Cleveland Coast Recreation Management Plan; and
- Amend Policies TA1-TA3 to provide a clear framework to consider accessibility and promote the use of more sustainable modes of transport.

Introduction

1. This report contains my assessment of the *Redcar and Cleveland Local Plan* ('RCLP') in terms of Section 20(5) of the Planning & Compulsory Purchase Act 2004 (as amended). It considers first, whether the Plan's preparation has complied with the duty to co-operate ('DtC'). It then considers whether the Plan is sound, and finally, whether it is compliant with the legal requirements. Paragraph 182 of the National Planning Policy Framework ('the Framework') states that in order to be sound a Local Plan should be positively prepared, justified, effective and consistent with national policy.
2. The starting point for the examination is the assumption that Redcar and Cleveland Borough Council ('the Council') has submitted what it considers to be a sound plan. The RCLP, submitted in April 2017, is the basis for the examination. It was published for consultation during December 2016 and January 2017.

Main Modifications

3. In accordance with Section 20(7C) of the 2004 Act the Council has requested that I should recommend any Main Modifications ('MMs') necessary to rectify matters that make the plan unsound, and thus incapable of being adopted. This report explains why the recommended MMs, all of which relate to matters that were discussed at the examination hearing sessions, are necessary. The MMs are referenced in bold in the report (**MM01**, **MM02** etc.) and are set out in full in Appendix 1.
4. Following the examination hearings the Council prepared a schedule of the proposed MMs and carried out a sustainability appraisal ('SA') of them where relevant. The MM schedule was subject to public consultation between 20 November 2017 and 10 January 2018. I have taken account of the consultation responses in coming to my conclusions and have made minor amendments to the detailed wording where necessary for clarity. The changes are highlighted in the report and do not significantly alter the modifications or undermine the participatory process.
5. Consulted upon alongside the recommended MMs were changes to the introductory paragraphs of the Plan which relate to the different stages of its preparation. However, **MM01**, **MM02** and **MM03** only relate to descriptive background text. They are not necessary for soundness and have therefore been deleted from the accompanying schedule.

Policies Map

6. The Council must maintain an adopted policies map which illustrates geographically the application of the policies in the adopted development plan. When submitting a local plan for examination the Council is required to provide a submission policies map showing the changes that would result from the proposals in the plan. In this case, the submission policies map comprises the allocations in Appendix 3 of the Plan, policies maps 1-4 and the inset maps.
7. The policies map is not defined in statute as a development plan document and therefore I do not have the power to recommend main modifications to it.

However, a number of the proposed MMs require corresponding changes to the policies map. This includes the deletion of Policies H3.13 and H3.15, changes to the identification of settlements under Policies SD2 and SD3, reference to the South Tees Development Corporation in Policies ED6 and LS4 and reference to a 6km 'buffer zone' in Policy N4. There are also instances where the geographic illustration of policies is not justified and amendments are required to ensure that they are effective. For example, changes to site boundaries under Policies SD7, H3.7, H3.9, H3.30, H7, ED6, ED7 and TA3.

8. Changes to the submission policies map were published for consultation alongside the MMs. When the RCLP is adopted, in order to comply with the legislation and give effect to its policies, the Council will need to update the adopted policies map to include the proposed changes. Any cartographical errors should also be rectified.
9. Although **MM132** was published for consultation, Appendix 3 of the Plan forms part of the policies map. As a result, I have not recommended the modification, which is not necessary in the interests of soundness.

Assessment of Duty to Co-operate

10. Section 20(5)(c) of the 2004 Act requires that I consider whether the Council has complied with any duty imposed on it by section 33A in respect of the Plan's preparation.
11. The Council's *Duty to Cooperate Statement*¹ sets out the strategic matters which have been the subject of constructive engagement with neighbouring authorities. It confirms that Redcar and Cleveland participates in the Tees Valley Development Plans Officer Group, which meets every 6 weeks. The group includes Officers from Middlesbrough, Stockton-on-Tees, Hartlepool and Darlington, in addition to a representative from the Tees Valley Local Enterprise Partnership ('LEP'). Authorities from outside the Tees Valley also attend every quarter including Hambleton, Scarborough, Durham County Council, North Yorkshire County Council and the North York Moors National Park Authority. The Statement demonstrates how the Council has been actively engaging with its neighbours throughout the Plan's preparation.
12. One of the main strategic issues raised by objectors to the Plan is the fact that housing needs have not been considered jointly. Given the close physical and functional relationship between parts of Greater Eston and Middlesbrough the Council accepts that a joint plan *could* have been produced. Ultimately, it was not taken forward for practical reasons due to the different stages of each area's development plan. In 2014 Middlesbrough Council adopted their *Housing Core Strategy and Housing Development Plan Document (the 'Middlesbrough Housing Local Plan')*. Although the Council has recently embarked on the preparation of a new Local Plan, it is still at a relatively early stage and the Preferred Options have not been published.
13. To put this into context, no additional sites have been allocated in the borough since the 1999 *Redcar & Cleveland Local Plan*, and the housing requirement in the *Redcar and Cleveland Core Strategy ('CS')* is based on the abolished *North*

¹ Document RC03/1/2

East of England Plan Regional Spatial Strategy to 2021 (the 'RSS'). Waiting for Middlesbrough to 'catch up' would have left the area without an up-to-date plan to guide new development. This is entirely at odds with paragraph 12 of the Framework which confirms that it is "*highly desirable that local planning authorities should have an up-to-date plan in place.*" It would have also led to incremental growth and expansion on an ad-hoc and unplanned basis.

14. In response Middlesbrough Council has not raised any objections to the RCLP or identified any unmet needs which it cannot accommodate. The Council has therefore identified a potential cross-boundary issue, considered it with other Tees Valley authorities and taken forward an agreed strategy. This accords with the aims and objectives of the Duty.
15. The need to promote economic development and address higher than average levels of unemployment apply across the Tees Valley. As a result, the issues are dealt with at a sub-regional level by Tees Valley Unlimited ('TVU'), and more latterly, the Tees Valley Combined Authority. Redevelopment of sites such as the SSI Redcar Steelworks is overseen by the Combined Authority and the South Tees Development Corporation ('STDC'), which is a Mayoral Development Corporation created by the Tees Valley Mayor. The Council is actively engaged with the STDC to ensure that the Plan provides a positive framework for the regionally-significant site.
16. As part of the Plan's preparation the *Employment Land Review* ('ELR') was updated. The process involved collaboration with local businesses and neighbouring authorities including Middlesbrough. One of the main issues identified was the need to upgrade access to Teesport, which is a fundamental constraint to development. The outcome of this joint-working was Policy LS4 which supports the extension of the road network to unlock development potential at South Tees. Proactive dialogue between Officers has therefore led to the production of an effective policy which seeks to address a strategic cross-boundary issue. This is consistent with the outcomes expected in the Planning Practice Guidance ('PPG').² Another example includes changes made to Policy SD6 to reflect dialogue with the North York Moors National Park Authority concerning proposals for renewable energy.
17. Aside from housing and employment, dialogue with Middlesbrough Council has identified long-standing concerns regarding the capacity of the local road network. One project that both Councils have considered is a potential new bypass to join the A171 (Middlesbrough Road) with the A174 (Parkway).
18. The 1999 Local Plan includes reference to an East Middlesbrough by-pass. It confirms that the by-pass was replaced in Structure Plan Alteration No.1 by a 'transport corridor' intended to include an all-purpose carriageway as an extension of Stainton Way to Swan's Corner. The project (referred to as 'The East Middlesbrough Gateway') was being reviewed as part of proposals to improve local rail services. In recognition of its wider scope an 'East Middlesbrough Transport Corridor' was safeguarded.
19. However, in 2005 the Council concluded that although the route was required as part of a wider suite of traffic management measures, it was not

² Paragraph: 010 Reference ID: 9-010-20140306

deliverable.³ Amongst other things, this was due to the feasibility of securing land at the Ormesby Hall Estate. Whether or not the decision was justified at the time, in October 2016 planning permission was granted for 128 dwellings at Swan's Corner. The scheme has been implemented, new homes are under construction and the site is allocated for residential development (Policy H3.2).

20. Although local residents have been waiting for transport improvements for a significant period of time, I am required to consider whether the Council has complied with the DtC. In this regard Middlesbrough Council has clearly been involved throughout the preparation of the RCLP, has been aware of the policies and allocations coming forward and has raised no objections to any proposed sites. Comments were also provided in May 2016 in support of the criteria in Policy H3.2. There has been no failure on behalf of the Council to engage with its neighbours on strategic cross-boundary issues.
21. In summary, the Council has engaged constructively, actively and on an on-going basis with other Tees Valley authorities. I therefore conclude that the DtC has been met.

Assessment of Soundness

Main Issues

22. Taking account of all the representations, the written evidence and the discussions that took place at the examination hearings, I have identified 16 main issues upon which the soundness of the Plan depends. The following sections of the report deal with the main issues and focus on matters of soundness, rather than responding to every point raised by representors.

Issue 1 – The effect of the Plan's policies and allocations on the Teesmouth and Cleveland Coast SPA and Ramsar Site

23. The Teesmouth and Cleveland Coast Special Protection Area ('SPA') and Ramsar site is situated to the north-east of the borough, close to Redcar. Designated as a wetland area of international importance the SPA comprises intertidal sand and mudflats, rocky shores, sand dunes, saltmarsh and freshwater marsh used by birds for breeding, feeding and roosting. Amongst others this includes the little tern, sandwich tern and the common redshank. One of the main conservation objectives for the SPA is to maintain the condition of the habitats and avoid potentially damaging activities.
24. The *Redcar and Cleveland Sustainability Appraisal and Habitats Regulations Assessment – Appropriate Assessment*⁴ concludes that there is potential for adverse effects on the integrity of the SPA as a result of recreational disturbance from policies and allocations in the Plan. The main issue relates to people walking dogs and disturbing/causing stress to the bird population.
25. In response the Council has been working alongside Natural England and the RSPB to agree on appropriate mitigation. This culminated in the preparation of a *Joint Position Statement* ('JPS') between the Council and Natural England.

³ Document EX/RC/29 and EX/RC/30

⁴ Document RC01/6/1

It confirms that as submitted the Plan lacks any strategic mitigation and relies on the need for proposals to require an Appropriate Assessment ('AA') on a site-by-site basis.

26. Shortly before the hearing sessions the Council produced an *Interim Mitigation Strategy* and a draft *Recreation Management Plan* ('RMP').⁵ Both were discussed throughout the hearings and lead to the submission of a final RMP following dialogue between the Council, Natural England and the RSPB.
27. The aim of the RMP is provide attractive, alternative greenspaces for potential future residents to walk their dogs. Measures include upgrading existing greenspaces at the Fox Rush Community Woodland, the Kirkleatham Showground and Errington Woods by improving access, car parking and signage. Additional signage and educational material is also proposed around the Redcar seafront to increase awareness of the SPA.
28. The *Habitats Regulations Assessment Addendum*⁶ concludes that the RMP provides an appropriate framework for mitigation and addresses the residual effects of recreational impacts on the SPA. In addition, subject to proposed developments contributing towards the measures identified in the RMP, Natural England is satisfied that adverse effects on the integrity of the SPA can be prevented. The RSPB also confirms that the RMP will provide an appropriate level of mitigation.
29. To ensure that developments contribute towards strategic mitigation several modifications are required to the Plan. Firstly, in order to be effective, Policy N4 should refer to the need for mitigation as set out in the RMP (**MM119**). For the same reasons additional supporting text is required to confirm what types of developments are likely to increase pressure on the SPA. (**MM120**)
30. Secondly, as a consequence of MM119 the 6km 'buffer zone' will be shown on the Policies Map. Although the boundary of the SPA may change in the future, this has not yet occurred. If any boundaries do change then the Council will need to consider if any action would be necessary at the appropriate time.
31. Thirdly, because the potential for recreational disturbance has been considered at the Local Plan level, and strategic mitigation referred to in Policy N4, there is no need to repeat the requirement for an AA throughout the Plan. Instead, in order to make the Plan clear to decision-makers, developers and local communities where relevant developments fall within the 6km buffer zone they should be considered against Policy N4. (**MM18, MM19, MM22, MM23, MM38, MM40, MM41, MM42, MM49, MM52, MM65, MM67, MM69, MM71, MM72, MM73, MM74, MM81, MM83 and MM84**)
32. The effectiveness of Policy N4 relies on the deliverability of the RMP. With this in mind, I note that Regulation 123(3) of the Community Infrastructure Levy ('CIL') Regulations 2010 prevents more than five separate planning obligations from funding the same type of infrastructure. In the absence of a CIL charging schedule the Council's ability to fund the RMP would be limited.

⁵ Documents EX/RC/011 and EX/RC/012

⁶ Document EX/RC/042

33. However, the only new infrastructure necessary are works to increase the capacity of the Fox Rush Community Woodland car park and improve site access and drainage. The estimated cost of the work is roughly £21,000. The Council, who owns the site, are expected to carry out any tree and hedge pruning where required.
34. At present there are 4 sites allocated for residential development within 6km of the SPA which do not have planning permission. In total, the sites are expected to provide approximately 241 new dwellings. Evidence provided by the Council illustrates that the sites could contribute towards the RMP without undermining viability or conflicting with the CIL Regulations.⁷ Based on the information available the RMP will be deliverable, and will provide an effective mechanism to mitigate the effects of increased recreational disturbance.

Conclusion

35. Subject to the recommended MMs I conclude that the policies and allocations in the Plan will not adversely affect the integrity of the Teesmouth and Cleveland Coast SPA and Ramsar site.

Issue 2 - Whether the Plan identifies a sound assessment of housing need

36. The objectively assessed need ('OAN') for housing is set out in the *Strategic Housing Market Assessment ('SHMA') Volume Two*, supplemented by the *SHMA Volume Two September 2016 Update*.⁸ Both conclude that the OAN is 132 dwellings per annum ('dpa') or **2,244** dwellings over the plan period. The figure is derived from a demographic starting point of 121 dpa with a 10% 'market signals' uplift applied.
37. In contrast Policy H1 sets out a net requirement for 234 dpa or **3,978** dwellings in total. The increase is due to the Council's Population Growth Strategy which seeks to retain more residents of a working age in the borough and rebalance the ageing population profile.

Housing Market Area ('HMA')

38. A report prepared in 2010 by the *Centre for Urban and Regional Development Studies* found that Redcar and Cleveland was part of a wider HMA including Middlesbrough, Stockton-on-Tees and Hartlepool. However, the SHMA demonstrates that whilst Middlesbrough accounts for the greatest proportion of all moves in and out of the borough, the level of containment in Redcar and Cleveland remains high. At approximately 70% for origin and 75% for destination, the majority of household moves take place within the borough. The PPG⁹ defines a high proportion of household moves as typically 70%.
39. The PPG also advises that travel to work areas can provide information about commuting flows and the spatial structure of the labour market which will influence household price and location. The ONS definition of a Travel to Work Area is that generally, at least 75% of an area's resident workforce work in the

⁷ Document EX/RC/039

⁸ Documents RC06/01/2 and RC06/01/3

⁹ Paragraph: 011 Reference ID: 2a-011-20140306

area, and the same number of people working in the area also live in it. For areas with a working age population exceeding 25,000 (such as Redcar and Cleveland) self-containment rates as low as 66.7% are accepted.¹⁰

40. When looking at the destination of employed residents the 2011 census shows that the level of containment is only 59%, with nearly 16,000 residents commuting out of the borough. But when taking into account the origin of people working in Redcar and Cleveland, the SHMA demonstrates that around 72% are from the borough, exceeding the 66.7% self-containment threshold. The available evidence therefore supports a HMA based on the administrative boundary of Redcar and Cleveland.

Demographic Starting Point

41. Household projections should provide the starting point for estimating housing need. They are trend-based and do not attempt to predict the impacts of changing economic circumstances or other factors such as Government policy.¹¹
42. The SHMA uses the 2012-based sub-national household projections. These were the most up to date projections at the time and identify a need for 121 dpa, or 2,040 dwellings over the plan period.
43. The Government's 2014-based household projections (published in July 2016) show very slightly lower household numbers in 2032 (61,920) compared with the 2012-based version (62,258). The difference of 339 households equates to only roughly 0.5%. It is not meaningful in the context of calculating housing need over the plan period and the assessment has not been rendered out-of-date.
44. In reaching this view I note that the 2012-based sub-national household projections are based on a 5 year trend. This also coincided with a period of economic downturn. Nevertheless, the SHMA tested alternative demographic scenarios which demonstrated that 5 and 10 year projections in households and dwelling numbers were very similar (within 11 dpa). Moreover, with the exception of 2002-04, the profile of past migration does not suggest that 2007-12 was untypical due to effects of the recession. The demographic starting point is therefore robust and based on appropriate available evidence.

Adjustments

Household Formation Rates

45. The PPG advises that household projections may require adjustment to reflect factors affecting household formation rates not captured in past trends. For example, where rates were suppressed by historic under-supply or worsening affordability. As household projections do not reflect unmet housing need,

¹⁰ Document RC06/01/2 paragraph 3.15

¹¹ Paragraph: 015 Reference ID: 2a-015-20140306

local planning authorities should take a view based on available evidence to determine whether formation rates have been constrained by supply.¹²

46. The SHMA is based on un-adjusted household formation rates from the 2012-based projections. In turn, these are based on rolling forward past trends for each demographic group. An alternative view is that a partial or full return to 2008 rates is justified for the 25-44 age groups due to levels of suppressed housebuilding in the borough.
47. However, the SHMA has assessed local formation rates. It demonstrates that for most age groups in Redcar and Cleveland (with the exception of 45-59 year olds) rates were either slightly higher than, or equal to, the average for England. In areas where housing land is constrained it is reasonable to assume that rates would fall below the average. That is not the case in Redcar and Cleveland. Based on the available evidence an adjustment to household formation rates is not justified in this particular instance.

Market Signals

48. The demographic starting point should also be adjusted to reflect 'appropriate market signals' as well as other market indicators concerning supply and demand. The PPG advises that relevant signals may include land prices, house prices, rental levels, affordability, the rate of development and overcrowding.¹³
49. Analysis of median house prices shows a similar trend between Redcar and Cleveland, the North East and England up until roughly 2005-06. Since then, house price change has been much lower. When considering the ratio of lower-quartile house prices to lower-quartile earnings, the SHMA demonstrates that affordability in Redcar and Cleveland has closely matched the regional position since 1997. It has also been consistently better than national trends.
50. Data on a statistically consistent and comparable basis has only been available for market rents since 2011. Nonetheless, it shows that average rents in Redcar and Cleveland are typically £200 per month cheaper than the average for England. The vast majority of properties in the borough (over 70%) are also under-occupied based on 2011 Census data. In addition, the proportion of concealed families (1.19%) is lower than both regional (1.27%) and national rates (1.85%). Thus, when taking into account the indicators referred to in the PPG, the evidence does not point to a shortage of supply against demand.
51. That being the case, interrogation of Annual Monitoring Reports ('AMR's) show that 72% of completions from 2004-10 were on windfall sites. This is because the majority of allocations in the 1999 Local Plan had been completed, leaving only sites in lower-value areas. Due to the lack of a planned supply the SHMA suggests that housing may have been constrained, and that rather than struggling to find accommodation, residents moved further afield.
52. To account for the 'qualitative mismatch' between supply and demand the SHMA applies a 10% uplift to the demographic starting point. This reflects the

¹² Paragraph: 015 Reference ID: 2a-015-20140306

¹³ Paragraph: 019 Reference ID: 2a-019-20140306

evidence base and is justified due to the lack of planned sites which have been available. Although the increase is only relatively modest, it is consistent with the wider evidence on market signals which do not illustrate any worsening trends in affordability.

53. At the examination hearing sessions the Council suggested that a higher 30% uplift should be applied. But none of the indicators such as household formation rates, house prices, rental levels or affordability have worsened. The SHMA also confirms that the vast majority of people leaving the borough between the 2001 and 2011 Censuses were 15-19 year olds. Given that Redcar and Cleveland has no university and greater than average unemployment, it is highly likely that this out-migration was to access education or to find work. A higher market signals uplift is not justified.

Future Jobs

54. Diverting from Government projections can also be justified by local economic circumstances, such as changes in employment growth or a one off event such as a large employer moving in or out of an area. In all cases the PPG¹⁴ advises that local changes should be "*...clearly explained and justified on the basis of established sources of robust evidence.*"
55. The Council has relied on forecasts provided by Experian and Oxford Economics ('OE'). The Experian model suggests that demand grows over the plan period, but only by around 510 jobs from 45,870 to 46,380. OE forecast negative growth, falling by around 1,100 jobs over the plan period. Both illustrate that the likely effects would be insignificant, and do not justify changes to the OAN for housing.
56. One of the main reasons for the relatively small overall job growth is because Redcar and Cleveland has a high proportion of business sectors which are expected to decline, such as manufacturing. The borough also relies on public sector employment which is expected to contract. When taking into account that the local economy has been based on traditional steel and chemical industries for much of the 20th century, these assumptions are reasonable. Diversifying the local economy is a key objective for the Plan.
57. An alternative view has been presented based on past trends, with positive growth of around 132 jobs p/a or 2,244 jobs over the plan period. This is derived from the annual average change in the number of self-employed people between the 2001 and 2011 Censuses, and the annual average change in the number of employees between 2000 and 2014. Reference has also been made to ONS job density estimates which show an annual increase of 200 jobs between 2000 and 2015.
58. However, comparing Census data from 2001-11 only looks at two inputs. Given that job numbers fluctuate year-on-year, it does not accurately analyse past trends in sufficient detail to suggest what might happen in the future. Similarly, ONS job density data shows more jobs in 2015 than in 2000 (47,000 compared to 44,000), but this only compares two data points. It does not identify any clear trends which can be used to accurately understand what will

¹⁴ Paragraph: 017 Reference ID: 2a-017-20140306

happen over the next 5, 10 or 15 years. Instead, it shows jobs falling after the recession from 2006-12 and recovering thereafter. There is no certainty that this will continue at the same rate throughout the plan period. For example, it does not account for the job losses suffered as a result of the SSI closure in Redcar and the knock-on effects on the supply chain.

59. Alternative assessments also show a similar upward trend in jobs, such as the growth identified in the Business Register and Employment Survey ('BRES'). But this only relates to the period 2009-15. It is a short timeframe which focuses on post-recession recovery.
60. Furthermore, establishing a robust picture of past employment trends to calculate future demand is not straightforward. For example, BRES surveys, Annual Population Surveys and Labour Force Surveys are only available by region, not local authority area. Forecasters such as Experian and OE therefore produce their own estimates based on a number of sources to disaggregate regional totals.
61. Historic estimates of total workplace jobs produced by Experian and OE show a varied picture from 2000-2015. The Experian model shows jobs increasing to 2006-07 before falling sharply after the recession. Rising job numbers have occurred since 2012 but have not reached pre-2007 levels. A similar picture is presented by OE, which is used to underpin the ELR Update.
62. I appreciate that there are local policy-led initiatives aimed at increasing employment. The *Tees Valley Strategic Economic Plan* ('SEP') aims to generate 25,000 net new jobs across the Tees Valley, with around 215 new jobs per year in Redcar and Cleveland. In addition, following the examination hearing sessions the draft *South Tees Master Plan Supplementary Planning Document* ('SPD') was published for consultation. It is based on the *South Tees Regeneration Master Plan 'Building our Industrial Strategy'* which seeks to create 20,000 new jobs. The Government has also committed to providing financial support to facilitate the regeneration of South Tees.
63. But neither are short-term initiatives. Due to the scale of site assembly, demolition, remediation and infrastructure required, the emerging South Tees Master Plan SPD states that the project will be realised over the next 15-19+ years. A similar, longer-term view was shared by the STDC at the examination hearing sessions. When taking into account the considerable amount of work required to successfully regenerate the area, the level of job growth identified will not be realised in the short-term future.
64. It is also pertinent to consider that the SEP seeks to create more and better paid jobs to address the high rates of unemployment across the Tees Valley. Part of the strategy is to increase educational attainment and produce the skilled workforce that both new and existing businesses are going to require. It is not based on the long-term in-migration of workers.
65. In summary therefore, although recent job growth has been positive, analysis of past-trends does not clearly and robustly demonstrate that this is likely to continue throughout the plan period. Instead, both Experian and OE forecast that job numbers will stabilise. When considering that the local economy is still heavily influenced by traditional steel and chemical industries, some of which are expected to decline, the economic forecasts cannot be discounted.

Population Growth Strategy

66. The Council's corporate plan, *Our Plan 2015-2017*,¹⁵ seeks to increase the borough's population by an additional 250 residents per year over and above demographic projections. The growth strategy starts from the 2012-based household projections, shifts to a 2014-base and reduces projected out-migration by 250. In doing so, it aims to return the borough's population to 2001 Census levels. Converted into additional houses equates to 113 dpa.
67. Alternative scenarios have been tested which considered annual population increases of 375, 500 and 625. Although incremental 'steps' of 125 have been used, the evidence shows that the Council has considered a range of options. Whether the increase was 50, 100 or 125, suitable alternatives were tested.
68. It has been suggested that the growth strategy will not rebalance the population profile, and that even under the +500 scenario (347 dpa) there would be fewer 43-59 year olds in 2032 than 2012. However, paragraph 154 of the Framework states that Local Plans should be "*aspirational but realistic*". Between the 2001 and 2011 Censuses the population in Redcar and Cleveland decreased by almost 4,000, mainly due to out-migration to other parts of the UK. The largest losses (almost 300 per annum) were 15-19 year olds. Population also declined for those aged 25-34, suggesting that young people leaving for education or employment are not returning.
69. As identified above, there are no universities in the borough nor are there any plans to provide one. Whilst recovering, the local economy also remains fragile, with unemployment above the national average. With this in mind options 5 and 6 would have involved a rate of population growth not seen since the 1960s. Neither of these options is realistic.
70. Option 4, which would have resulted in a housing requirement of 290 dpa, was considered credible. But it would still require a rate of population growth last achieved during the expansion of the steel and petrochemical industries in the 1970s. It was therefore discounted to ensure that the housing requirement in the Plan remained realistic and achievable.
71. I appreciate that housing delivery, and subsequently population, is increasing. In 2014-15 a total of 460 new dwellings were completed, with 516 in 2016-17. However, the spike in completions in 2014-15 and 2016-17 are not representative of longer-term trends. Net completions over the past 10 years have averaged 235 dpa. Over a 15 year period the average is 223 dpa, and 200 dpa over the past 20 years. Recent completions also relate to a period where the Council has been granting planning permissions outside settlement boundaries to maintain supply in the absence of an up-to-date plan.
72. The Council's decision to pursue Option 3 is therefore justified. By setting the housing requirement 113 dpa above the demographic starting point the level of additional growth proposed is aspirational but realistic. It will ensure that the Local Plan is aligned with other initiatives such as workforce planning and development, promoting regeneration throughout South Tees and delivering programmes in the Enterprise Zone, at the Kirkleatham Estate and

¹⁵ Document RC04/04

implementing masterplans in Coatham and Redcar. The strategy for additional housing growth is appropriate, and will contribute to addressing out-migration and rebalancing the ageing population profile.

Summary

73. Establishing the future need for housing is not an exact science, and no single approach will provide a definitive answer. Assessing the OAN for housing is based on an exercise of reasoned judgements on a careful assessment of the relevant evidence. In my opinion, the Council has followed this approach.
74. Although the housing requirement in Policy H1 is significantly higher than the demographic starting point, it is based on a clear and justified strategy that seeks to retain more residents of a working age and rebalance the ageing population profile. It is aligned with other specific, measurable and deliverable strategies which aim to deliver significant regeneration.
75. If successful the regeneration initiatives promoted by the Council, the LEP and the STDC could generate new jobs over and above the estimates provided by Experian and OE. I am also mindful that the Secretary of State's 2017 decision concerning land south of Marske concluded that "*...the appropriate job growth prediction will be nearer to the Appellant's figure of 2,200 than to the Council's figure of 500.*"¹⁶
76. In response additional evidence has been provided by the Council. It demonstrates that if job demand grows by 2,200 over the plan period the number of unfilled roles would rise from 0 to 600.¹⁷ Converted into the need for housing equates to an additional 840 homes that would be required over the plan period (or 49 dpa).
77. The revised calculations in Document EX/RC/037 alter the unemployment rate to 4.9% at 2032 and assume that around 1,100 fewer people commute out of Redcar and Cleveland each day. Neither are certain, and would result in a rate of unemployment not seen in the borough over the past decade. However, strategies such as the SEP aim to reduce unemployment and bring rates in line with the national average. Assuming that the SEP and regeneration initiatives at South Tees are successful would therefore result in lower unemployment. Annual levels of commuting can also fluctuate significantly. Between 2011 and 2015 Experian estimates that net out-commuting varied from 6,400-11,200. In this context the changes suggested are not unreasonable.
78. Ultimately, even if a future jobs uplift of 49 dpa was added to the OAN of 132 (or the higher OAN suggested at the hearings), it would still be exceeded by the housing requirement of 234 dpa in Policy H1. As a result, in the event that job growth out performed economic forecasts, sufficient flexibility would be provided to ensure that additional workers could access housing in the borough. The plan would not lead to unsustainable commuting patterns.
79. I therefore conclude that the Plan identifies a sound assessment of housing need.

¹⁶ Appeal Ref APP/V0728/W/15/3134502

¹⁷ Document EX/RC/037

Issue 3 – Whether the Plan identifies the level of affordable housing need and makes appropriate provision to meet it

Definition of Affordable Housing

80. Appendix 2 includes a definition of affordable housing from the Framework. Although this may change in the future, as submitted it is consistent with national policy. It should, however, be made clear that the current definition derives from the Framework published in 2012. Including the publication date will ensure that any potential future changes are obvious. **(MM131)**

Need for Affordable Housing

81. Due to the provision of social re-lets and intermediate tenure sales the SHMA identifies a need for 20 additional affordable homes per year. However, because predominantly 3-bedroom houses are being delivered in the area there is a net shortfall of 140 smaller 1 and 2-bedroom properties. A further 40 houses are also required for older people each year. To accurately reflect this evidence the figure in paragraph 6.188 should be updated. **(MM107)**

Threshold for Affordable Housing – Policy H4

82. Policy H4 requires developments of 15 or more dwellings (gross) to provide at least 15% affordable housing on site. It is therefore broadly consistent with national policy as expressed in the Written Ministerial Statement ('WMS') on *Small-scale Developers* and with the PPG.¹⁸ Both state that affordable housing should not be sought on sites of 10 units or less.
83. To ensure consistency with national policy the Plan should also refer to the 1,000 square metre threshold. In addition, the word "*generally*" should be deleted, which is unclear, lacks precision and implies that there would be instances where the Council would depart from policy, but with no justification provided. **(MM106)**
84. For schemes of 11-14 units a financial contribution is expected in lieu. This is justified because at 15% a qualifying development would only be required to contribute a single affordable home. Providing such limited and potentially sporadic provision across several smaller sites would be difficult for Registered Providers to successfully manage and control.

Affordable Housing Delivery

85. Between 2011-12 and 2015-16 a total of 1,460 dwellings were built, of which 820 were affordable. Although this equates to 164 affordable units per year, the Council has been involved in several large-scale housing regeneration programmes across Redcar and Loftus. As such, this level of provision will not necessarily be sustained.
86. The requirement to provide 15% affordable housing has been used in Redcar and Cleveland since publication of the *Affordable Housing SPD* in 2011. With the exception of site-specific cases, the Council confirms that no significant

¹⁸ WMS of 28 November 2014 and PPG ID: 23b-031-20161116

issues have arisen with its application. This reflects comments from developers at the examination hearing sessions and the *Whole Plan Viability Study* for all but the 'low-value' areas.¹⁹ It demonstrates that the 15% requirement is realistic and achievable.

87. Based on Policy H4 the Council has prepared a trajectory of expected affordable housing completions over the first 10 years of the plan.²⁰ It uses delivery estimates from the *Strategic Housing Land Availability Assessment* ('SHLAA')²¹ and takes account of low demand areas and planned provision of specialist affordable housing schemes. On average, 67 affordable homes per annum are expected in years 1-5, with 49 per annum in years 6-10.
88. Where it could help deliver the required number of affordable homes the PPG advises that increasing the housing requirement should be considered.²² However, the housing requirement in Policy H1 is already significantly higher than the demographic starting point based on the Government's projections. In addition, affordable housing is only viable at 15% with other policy costs. A substantial increase in supply would therefore be required to make any meaningful contribution to meeting needs. When taking into account that some parts of the Urban area are unviable, even with no affordable provision, this could result in unsustainable patterns of development with a reliance on smaller rural settlements. An additional uplift to the housing requirement is therefore not appropriate.

Type and Tenure

89. Policy H4 requires a minimum 70% of affordable housing to be provided on-site as social or affordable rent, with the remaining intermediate housing. Although this reflects the SHMA, there may be instances where an alternative tenure is appropriate and responds to localised needs. Specific needs could also change, or other appropriate local evidence could emerge. To ensure that Policy H4 is effective **MM106** is therefore necessary to confirm that in determining tenure, the Council will have regard to the findings of the SHMA, its successor or other appropriate local evidence.

Off-site provision

90. As submitted Policy H4 requires affordable housing to be provided on-site for developments of 15 or more dwellings unless it meets the exceptions in (a)-(e). Criterion (b) includes schemes which are intended to provide executive or executive-style housing. Whilst the intention is to create more balanced and mixed communities, this would not be achieved at the expense of affordable housing on all sites where there is an identified need. **MM106** is therefore necessary to clarify that exceptions will be made for executive and executive-style housing where off-site provision would have wider regeneration benefits and contribute towards sustainable, inclusive and mixed communities.

¹⁹ Document RC09/3

²⁰ Document EX/HS/Matter09/RCBC

²¹ Document EX/RC/007

²² Paragraph: 029 Reference ID: 2a-029-20140306

91. Finally, criterion (e) permits off-site contributions in "any other circumstances" where the Council considers it "preferable". This lacks clarity for decision-makers, developers and local communities and should be modified to ensure that the policy is effective. **(MM106)**

Conclusion

92. Subject to the recommended MMs I conclude that the Plan makes appropriate provision to help contribute towards meeting affordable housing needs.

Issue 4 – Whether the settlement hierarchy and the spatial distribution of growth are justified and consistent with national planning policy

Settlement Hierarchy – Policy SD2

93. The majority of new development will be focused in the Urban and Coastal areas, then the Rural area, which contains a Rural Service Centre (Guisborough), the East Cleveland towns, Service Villages and Villages.
94. The hierarchy is based on the adopted Redcar and Cleveland CS with two exceptions. Firstly, the CS defines a 'conurbation' which includes Greater Eston, Redcar and Marske. This is a wide-ranging definition which fails to reflect the geography of the borough or how it is perceived by local residents. Identifying the Urban and Coastal settlements separately is therefore justified.
95. Secondly, as a result of the change, Saltburn has been moved from an East Cleveland Town to form part of the Coastal Area. Again, this accurately reflects the geography of the area, its relationship with the coast and how the traditional seaside resort is perceived. It also acknowledges the good range of services, facilities and public transport connections in Saltburn, which includes connections with other coastal settlements such as Redcar and Marske.
96. Directing the majority of growth to the Urban and Coastal areas is consistent with one of the Framework's Core Planning Principles which seeks to focus significant development in locations which are, or can be made sustainable. However, as submitted the rationale and reasoning behind Policy SD2 is unclear. For clarity and effectiveness additional supporting text is necessary. **(MM06)**
97. The *Settlement Characteristics* study (contained in Appendix D to the SA) defines Guisborough as the largest and most sustainable settlement in the Rural area. It has a population of approximately 18,000 and provides retailing, employment, business services, and leisure and community facilities to its wider rural hinterland. Guisborough also has its own hospital and bus services with connections to Middlesbrough, Redcar and East Cleveland. As the main rural town it is appropriately reflected in the hierarchy.
98. The East Cleveland Towns of Brotton, Loftus and Skelton are smaller in size than Guisborough with inferior transport links. But they are still supported by a good range of services. Brotton contains a secondary school, Skelton has a major employment and regeneration site (Policy REG3) and Loftus has a leisure centre. It is therefore appropriate to identify the settlements above the Service Villages of Boosbeck, Carlin How, Lingdale and New Marske. Each of the Service Villages has a primary school and a limited range of other

facilities (such as a local shop). This distinguishes them from Villages, some of which have no services, facilities and/or public transport connections.

99. The *Settlement Characteristics* study confirms that New Marske has by far the largest population of the Service Villages and is much closer to the Urban area than Boosbeck or Lingdale. Nevertheless, it is physically and visually separated from Marske by open farmland, even accounting for commitments. It is also on higher land to the south, separated by the A174. As a result, it does not form part of the Coastal Area which includes settlements adjacent to the coastline connected to Redcar by rail. Furthermore, although New Marske has a small Local Centre, primary school, church and a sports and social club, its size and range of services are materially different to the likes of Brotton, Skelton and Loftus, which serve a much wider rural area. The identification of New Marske as a Service Village is appropriate.
100. To the north of the A174 is Lazenby. Despite being situated close to Wilton, Lazenby is on the opposite side of the A174 surrounded by Wilton International (a large employment site allocated under Policy ED6). It is materially different to the Villages in the Rural area which have a far less urbanised context. Identifying Lazenby in the Urban area for purposes of Policy SD2 is therefore justified.

Distribution of growth – Policy SD2

101. Policy SD2 states that a minimum 60% of all new development will take place in the Urban and Coastal areas. The remaining 40% will be in the Rural area.
102. An alternative scenario considered by the Council was to maintain the spatial distribution in the CS, which seeks to deliver 70% of new development in the conurbation. However, the conurbation includes low value areas such as South Bank and Grangetown. Demand in these areas is weak and previous policies to focus 70% of development in the conurbation led to a 'qualitative mismatch' in the supply of housing land. Focusing 60% of development in the Urban and Coastal area therefore reflects past performance but still directs the majority of new development to the main built-up areas which benefit from good access to transport and jobs.
103. Alternative scenarios tested in the SA include a 55-45% split and having no locational strategy. The absence of any clear strategy would result in a plan that failed to positively guide the distribution of new development in the borough and lead to unsustainable patterns of development. Having a lower target for the Urban and Coastal areas would also result in nearly half of all new development taking place in rural locations, which typically have fewer shops, services and facilities. In addition, it would focus a significant amount of new development away from those parts of the borough where the Plan seeks to achieve significant regeneration. Policy SD2 therefore includes a reasonable split having regard to the geography of the area and the size of settlements. Other policies, such as N2, provide an appropriate framework to ensure that there would be no harmful coalescence of coastal areas or erosion of their separate character.
104. At the submission stage the Council identified developable sites sufficient to provide 2,926 dwellings in the Urban and Coastal area and 1,924 dwellings in the Rural area. The 60.3%-39.7% split was almost identical to Policy SD2.

Although planning permissions granted since April 2017 have altered the balance, 66.1% of new homes are still identified in the Urban and Coastal area. The committed supply therefore broadly reflects the spatial strategy and no additional sites are required at this moment in time to redress the balance. This does, however, demonstrate the need to ensure that Policy SD2 remains sufficiently flexible to allow for changing circumstances. To be effective in achieving the 60/40 split the policy should therefore refer to approximate values, as the supporting text already does at paragraph 2.9. **(MM05)**

105. Policy SD2 does not set targets for individual settlements. Although a 'finer grain' distribution could have been used, the approach taken by the Council is justified as it allows for greater flexibility in achieving the proposed 60/40 split. Furthermore, assessing residential allocations, commitments on small sites and completions in 2015-17 demonstrates that the main settlements will accommodate a significant, yet proportionate amount of development. Roughly 23% of dwellings are attributed to Redcar, around 11% to Marske and nearly 6% to Guisborough. The 989 dwellings in Guisborough exceed the total number of new homes in Skelton, Brotton and Loftus combined (936). As the only Rural Service Centre it will therefore be the main focus for growth.
106. Elsewhere only 2% of dwellings will be in Saltburn (around 148 dwellings). Nevertheless, Saltburn forms part of the Coastal sub-area which will see the highest proportion of housing growth – around 36%. A major scheme for 116 dwellings is also under construction to the west of the town, and additional housing is permitted within development limits.
107. It is also relevant to consider that the distribution of housing has been influenced by the site selection process and existing commitments. As a result, there is no precise correlation between settlement size, its services and the level of housing planned for. For example, there are no residential allocations in Marske. However, the overall level of growth proposed is commensurate with its size, scale and role within the hierarchy. Whether or not Marske could accommodate more growth without undermining existing infrastructure, the lack of allocated sites does not make the Plan unsound, especially when taking into account that the Coastal sub-area contains the highest proportion of overall housing growth.

Conclusion

108. Subject to the recommended MMs the settlement hierarchy and spatial distribution of growth are justified and consistent with national planning policy.

Issue 5 – Whether Policies SD2 and SD3 will be effective in achieving the proposed distribution of growth in the Plan

109. Establishing boundaries around the settlements identified in Policy SD2 provides certainty and clarity to decision-makers, local communities and developers concerning the location of new development. It is consistent with paragraphs 154 and 157 of the Framework which state that local plan policies should provide a clear indication how a decision-maker should react to proposals, allocate sites to promote development and identify areas where development would be inappropriate. The settlement boundaries also seek to focus the majority of new development in the Urban and Coastal areas to achieve the spatial distribution of growth justified above.

110. For windfall sites Policy SD2 requires a sequential test to be carried out. It prioritises previously developed land and buildings within settlement limits ahead of brownfield land on the edge of, or outside settlements. To ensure that the policy is consistent with the Framework, which does not prioritise the use of land in the same way, **MM05** is necessary. Although it has been suggested that the MM does not go far enough, Policy SD2 states that brownfield land should be prioritised "*wherever possible*". It does not state that the development of other land within settlements is unacceptable.
111. One issue with the effectiveness of Policy SD2 is that it supports appropriate development within Villages, but the list of settlements is contradicted by the supporting text to Policy SD3. **MM05**, **MM06** and **MM08** are therefore necessary to ensure that the policy is effective.
112. The requirement for "*limited development of an appropriate scale*" in Service Villages is also ambiguous and lacks clarity. To ensure that the policy is effective a MM is necessary to confirm that the size of a settlement, its character, accessibility and public transport provision will be taken into account. In addition, within Service Villages and Villages paragraph 2.10 states that only local needs housing will be allowed. This does not reflect the policy wording and should be deleted. (**MM06**)
113. Outside development limits Policy SD3 applies. As a result of identifying the Villages on the policies map the opening paragraph should be amended by deleting reference to certain settlements. In order to be positively prepared the Plan should also support development in settlements, rather than being "*generally acceptable*".
114. The diversification of agricultural or forestry businesses outside development limits is appropriate. However, to be consistent with paragraph 28 of the Framework the Plan should allow for the growth and expansion of existing businesses. For clarity it should also confirm that rural exception housing will be considered against the criteria in Policy H4. (**MM07**)
115. As submitted the criteria for decision-makers to consider proposals for the conversion or reuse of existing buildings are found in Policy H5. Because Policy H3 permits such development, for clarity and effectiveness the relevant criteria should form part of the same policy. (**MM07**)
116. Finally, paragraph 2.17 states that extensions to existing buildings outside settlement boundaries will normally be limited to 50% of the original floor area. This has not been justified by the Council and is not referred to in the policy wording. It should be deleted by **MM08**.

Conclusion

117. Subject to the recommended MMs I therefore conclude that Policies SD2 and SD3 will be effective in achieving the proposed distribution of growth in the Plan.

Issue 6 – Whether the process for selecting residential allocations and regeneration sites was robust, and whether they are justified, viable and capable of being developed over the plan period

Methodology

118. In selecting residential allocations the Council has primarily relied upon the SHLAA, the *Housing Land Supply and Allocations Background Evidence Paper* (including 2017 update)²³ and the SA. The initial SHLAA was prepared in 2007. It was based on a desk-top assessment and site surveys and included input from highways, drainage and heritage officers at the Council in addition to external bodies such as Northumbrian Water, the Environment Agency ('EA') and the Tees Valley Wildlife Trust. A 'call for sites' was made in 2015 with consultation on indicative development potential. This led to a review of the SHLAA in 2016, which has been updated for the examination in 2017.
119. In considering sites the Council took into account location, the 60/40 split in Policy SD2, environmental constraints, access to services, planning policy designations and viability.
120. With regard to location priority has been given, where possible, to available and deliverable brownfield land and other sites within settlement limits. Thereafter the most 'sustainable' greenfield extensions were considered. As part of this process preferred sites were considered alongside reasonable alternatives in the SA.
121. To define accessibility in a consistent and transparent manner sites were scored against Service Accessibility Criteria, using distances to centres, employment areas, bus routes and education. Although this does not take into account the frequency of bus services or the type and range of facilities in a particular centre, it provides a useful starting point to consider accessibility.
122. Sites were then assessed against relevant planning policy designations and constraints. Factors included proximity to flood zones, green wedges, strategic gaps or the heritage coast. Combined with the accessibility scoring, this informed the process of site selection. Other factors included viability, deliverability and physical constraints based on the SHLAA. The relationship with heritage assets is set out in the *Heritage Impact Appraisals*.²⁴
123. The site selection process has been criticised as lacking consistency and transparency. However, the process relies on professional judgement about which sites to allocate. It is not a simple exercise of adding up scores to find which ones are 'best'. For example, there may be instances where a site scores highly but is discounted by a single factor such as flood risk. The process also relies on input from internal and external consultees. Although it has the potential for slightly different conclusions, overall the methodology used is sound and the supporting evidence is robust and proportionate. The site selection process has been adequate, and reasonable alternatives have been taken into account.

²³ Documents RC06/04/1 and RC06/04/2

²⁴ Documents RC08/1 and RC08/1/1

124. Not every settlement has land allocated for residential development, such as New Marske. But the starting point for considering potential site allocations was the need for new housing in Policy H1 and the spatial distribution and settlement hierarchy in Policy SD2. Under Policy SD2 only limited development of an appropriate scale is permitted in New Marske. This reflects its size, scale and location within the Rural area. New Marske is also situated close to other, larger settlements where alternative sites would benefit from access to a greater range of shops, services and facilities. The decision not to pursue allocations in this location is appropriate.

Site Allocations

125. For the reasons set out below some of the allocated sites are no longer developable within the plan period and should be deleted (**MM50** and **MM51**). Alternatively, some sites have been granted planning permission during the examination process, most notably land at Woodcock Wood and land south of Marske. Nonetheless, the Plan is not unsound because it fails to allocate land for housing which has recently secured planning permission.

126. The majority of allocations specify a number of dwellings or an 'up to' figure. Despite being derived from consultation with developers and site capacity studies, greater flexibility should be provided to ensure that the policies are effective and the allocations developable. This can be achieved by referring to approximate values, which still provides sufficient certainty. (**MM53, MM54, MM56, MM57, MM59, MM60, MM62, MM64, MM72, MM78, MM80, MM84, MM88, MM91, MM96, MM97, MM98, MM102, and MM103**)

127. Furthermore, several allocations include a requirement to provide a mix of house types, with specific reference to bungalows. Although the SHMA has identified a current need, no robust evidence has been provided to demonstrate why bungalows should be provided on some sites rather than others. Criterion (a) should therefore be deleted where necessary. This modification does not, however, remove the need to provide bungalows on allocated sites where required. Because the Plan is read as a whole, Policy H2 would still apply, which requires the type and tenure of new housing to reflect evidence contained in the SHMA or other relevant local evidence. (**MM58, MM62, MM63, MM67, MM69, MM71, MM73, MM75, MM83, MM85, MM86, MM90, MM91, MM93, MM94, MM95, MM99, MM101 and MM104**).

South Bank, Nunthorpe, Ormesby, Normanby and Eston (Policies H3.1-H3.9)

128. Although the delivery of housing has been questioned at Low Grange Farm, planning permission was granted in March 2016 and a national housebuilder active in the area is involved with the site. There is nothing to suggest that at least 200 units cannot be delivered before 2032.

129. At Swan's Corner residential development is already underway (Policy H3.2). The site constraints and effect of the proposal on highway safety have therefore been considered by the Council and approved. Based on the progress to date the site is developable. However, it is not complete. As a result, there is no need to delete Policy H3.2 as suggested by the Council.

130. Planning permission has also been granted the erection of 10 dwellings on land at Gypsy Lane (Policy H3.3). As part of the application process the Council

concluded that the scheme is unlikely to be visible from Ormesby Hall and would not compromise the integrity of the green wedge between Ormesby and Nunthorpe. The planning application process also determined that off-site contributions towards public open space were not required. To reflect the most up-to-date position the policy and supporting text should therefore be modified. To ensure that the policy provides a robust framework for the reserved matters process to follow it should also confirm that a high quality development is required which preserves or enhances the character or appearance of the Ormesby Hall Conservation Area. (**MM58** and **MM59**)

131. Policy H3.4 allocates land at Morton Carr Lane for approximately 30 executive-style homes. Requiring the construction of larger family homes in this location accords with the aims and objectives of the Plan which seek to rebalance the population profile and retain working age households. The type of housing proposed is therefore justified. However, in order to ensure that the policy is effective reference to site density and the 'core' should be deleted. The layout will be determined by the planning application process. (**MM60** and **MM61**)
132. At the examination stage the Council suggested that Policy H3.5(d) is deleted, which restricts development taking place within the "*higher and more environmentally-sensitive parts of the site*" at Longbank Farm, Ormesby. Although the wording could have been clearer, the requirement reflects the fact that the southern part of the site is at a higher level and adjacent to a Sensitive Landscape Area. Criterion (d) is therefore appropriate and justified.
133. Land at Spencerbeck Farm (Policy H3.6) benefits from two separate planning permissions. In December 2016 outline planning permission was granted for 41 dwellings on the front part of the site. As the approved scheme does not include a financial contribution towards off-site open space, and revised proposals could include on-site provision, it is necessary to delete criterion (f) and paragraph 6.76 in the interests of effectiveness. The supporting text should also be amended to ensure that the Plan reflects the latest position. (**MM63** and **MM64**)
134. Normanby Hall (Policy H3.7) is a Grade II listed former manor house which has been vacant for over a decade. Previous proposals included a scheme for 50 dwellings which raised concerns over the access and capacity of Normanby Hall Park, including its junction with the B1380. As part of the site selection process the Council's highways officers have therefore recommended that the allocation is restricted to 25 dwellings. This is justified on safety grounds.
135. In addition to the limited site access, the latest SHLAA describes Normanby Hall as subject to abnormal development costs. Nevertheless, it is within a suburban area surrounded by family housing and the main landowners have reaffirmed their commitment to bring forward development. Historic England also supports the principle of reusing the building. Based on the evidence provided it is developable within the plan period.
136. In order to facilitate redevelopment of Normanby Hall some trees will need to be pruned or felled. To allow this to occur Policy H3.7(c) should be modified to 'minimise' rather than 'avoid' disturbance to trees. There is also no need to carry out an AA as the requirements in Policy N4 relating to the Teesmouth

and Cleveland Coast SPA would apply (**MM65**). To reflect these changes and provide clarity **MM66** is required to update the supporting text.

137. As published for consultation MM66 refers to enabling development within the grounds of Normanby Hall. This indicates that development would come forward other than in accordance with the Local Plan, which is not the case. I have therefore amended the accompanying schedule of MMs by removing "enabling".
138. At Normanby High Farm (Policy H3.8) the amount of development has been limited due to the need to serve the site from Skippers Lane, which already provides access to around 220 dwellings. Evidence on behalf of the current owners suggests that the site could accommodate up to 300 dwellings, with 100 units accessed from the existing High Farm site and 200 from Skippers Lane to the south.
139. But the report states that "*...subject to the results of a topographical survey, a tree survey and the limit of the adopted highways, a ghost island could potentially be incorporated into the existing junction, which could resolve potential highways constraints associated with both safety and junction capacity...*" No definitive evidence has been provided at this stage to justify modifying Policy H3.8 in the interests of soundness. In any case, the policy does not set a limit to the number of dwellings and provides an approximate total for the site. The final scheme would be for the planning application process to determine once more specific details are known, including matters relating to the living conditions of neighbouring residents.
140. That being the case, because Policy H3.8 requires vehicular access to be taken from Skippers Lane to the south there is no need for the prior completion of the existing High Farm scheme. To ensure that the policy is effective criterion (d) should therefore be deleted. (**MM67** and **MM68**)
141. The former Eston Park School, including part of the former playing field is allocated for residential development under Policy H3.9. Paragraph 74 of the Framework states that playing fields should not be built on unless it has been clearly shown that the land is surplus to requirements, that the space would be replaced by equivalent or better provision in terms of quantity and quality, or that the scheme is for alternative provision, the needs for which clearly outweigh any loss.
142. The buildings and playing field associated with the former Eston Park School are vacant following completion of the Hillside Academy, and are surplus to requirements. Moreover, in deciding not to reuse the playing fields the Council points to nearby open space at the Eston Recreation Ground which has sufficient unused capacity. At the examination hearing sessions it was suggested that the recreation ground would provide equivalent or better provision nearby.
143. The submitted evidence confirms that the recreation ground is currently subject to litter, glass and dog fouling. In order to ensure that alternative provision is usable Policy H3.9 should therefore require proposals to upgrade the recreation ground, or other open space including playing fields, where necessary. (**MM69** and **MM70**)

Redcar (Policies H3.10-H3.17)

144. MMs are required to Policy H3.11 (St. Hilda's Church) to reflect changes to Policy N4 (**MM73** and **MM74**). A similar MM is required to Policy H3.12, and, for the reasons given above, to remove specific density targets. (**MM75**). Consequential changes are also necessary to the supporting text. (**MM76**)
145. At Wykeham Close the landowner has abandoned proposals for housing and is now pursuing other non-residential uses. Because the allocation is not developable it should be deleted (**MM77** and **MM78**). Likewise, housing is no longer being pursued at Roseberry Road (Policy H3.15). (**MM79** and **MM80**)
146. Policy H3.16 allocates land between the A174 and the recently constructed Rowan Garth development for approximately 100 dwellings. Despite initially objecting to criterion (c), Taylor Wimpey confirms that access can be achieved through the existing development.²⁵
147. The removal of this parcel of land from the green wedge is justified because the site is well-related to development under construction to the north and represents a logical extension to 'round-off' the settlement. Subject to an appropriate design it will result in a strong defensible boundary.
148. Part of the site is subject to a Development Consent Order ('DCO') granted by the Secretary of State for the Department of Energy and Climate Change in 2015. The DCO runs until 2022 and allows two adjacent cable corridors to run across the site as part of the Dogger Bank Teesside offshore wind farm project (Teesside A and Teesside B).
149. A Statement of Common Ground has been submitted which confirms that subject to the prior installation of the cables, and provision of an appropriate easement, the buried infrastructure would not preclude development. An indicative masterplan has also been provided to show how the necessary easement could be incorporated into a residential layout.²⁶
150. Based on the information available the site is therefore developable within the plan period which extends beyond expiration of the DCO in 2022. To reflect the requirements of the DCO, Policy H3.16 and the supporting text should be modified to ensure that development responds to its delivery timeframes and practical requirements. Given the extent of the works required it is also necessary to ensure that dwellings are not occupied until the cables have been installed in order to provide an adequate standard of living accommodation for potential future occupiers. In addition, because works to the cables may be required in the future, the policy should specify that any public open spaces do not preclude access. (**MM81** and **MM82**).
151. Land at Kirkleatham Lane (Policy H3.17) now has planning permission for 550 dwellings, but does not include on-site neighbourhood shopping facilities. The supporting text also states that the site is in a sustainable location with good access to local schools, public transport and the Roseberry Square Local Centre. As a result, the requirement to provide neighbourhood shops is not

²⁵ Document EX/OTH/005

²⁶ Document EX/OTH/003 and Document EX/HS/Matter05/002

justified and should be deleted. The need for a transport assessment is part of the Council's planning application validation checklist and should be removed from the criteria in Policy H3.17. (**MM83** and **MM84**).

Guisborough (Policies H3.19-H3.22)

152. Following the grant of planning permission Policy H3.19 should be modified to reflect the latest position. In accordance with Policy H4 it should also include a requirement to provide affordable housing. (**MM86** and **MM87**).

153. At Park Lane (Policy H3.19) the developer is now seeking to deliver general housing without HCA funding. In order to be effective **MM88** and **MM89** are necessary to remove reference to the HCA's requirements. To reflect the findings of the *Heritage Impact Appraisals* the policy should also recognise the proximity of the nearby Guisborough Conservation Area.

154. Although residential development has commenced at Cleveland Gate it does not make Policy H3.21 unsound. Instead, **MM90** is required to reflect the most up-to-date position and slightly higher number of approved dwellings.

155. To the north-west of Guisborough development is underway at Galley Hill. Policy H3.22 provides a logical extension with access taken through the site. But there is no reason to restrict housing coming forward until the final phase at Galley Hill has started. This would impose unnecessary restrictions on the developer. Criterion (e) and the associated supporting text should therefore be removed. (**MM91** and **MM92**)

Skelton, Brotton and Loftus (Policies H3.23-H3.28)

156. As submitted Policy H3.25(h) requires the resolution of sewerage treatment capacity issues. But Northumbrian Water confirms that they are unaware of any specific issues affecting the site, and that drainage could be dealt with at the detailed design stage. Criterion (h) should therefore be deleted. (**MM95**)

157. Similarly, it is unclear what is required of Policy H3.25(i) which relates to the resolution of archaeological matters. To be effective this should be amended to confirm that further archaeological investigations are required and that any necessary mitigation should be undertaken prior to, or alongside development. (**MM95** and **MM96**)

158. To reflect the latest position regarding HCA funding the supporting text to Policy H3.26 (Newbury Road) should be amended (**MM98**). Likewise, the supporting text to Policy H3.27 (Former Rosecroft School) should reflect the most up-to-date position regarding the expired planning permission and clarify why the site has been expanded beyond the application site boundary. The reasons for expanding the site are justified in order to facilitate redevelopment and because the vacant former school is surplus to requirements. (**MM100**)

159. Finally, to reflect the *Heritage Impact Appraisals* and its location Policy H3.28 should require high quality development that has regard to the neighbouring Loftus Conservation Area (**MM101** and **MM102**). The former primary school site is also surplus to requirements following the completion of a new building.

Carlin How and Boosbeck (Policies H3.29 and H3.30)

160. Although concerns have been raised regarding the deliverability of land at Low Cragg Hall Farm (Policy H3.29) planning permission was granted for 46 dwellings in 2016. A flood attenuation area, incorporated in the public open space, was included to ensure that peak surface water run-off would not exceed existing rates and cause localised flooding. Representations from the landowner also state that the site is in the process of being sold to a developer. Based on the information provided it is developable.
161. Similarly, planning permission has been granted for 69 dwellings on the former abattoir site and adjacent land at Boosbeck (Policy H3.30). The site has been cleared and is awaiting development. To reflect this position the supporting text should be amended by reference to the planning permission granted in February 2017 (**MM104** and **MM105**). Because the planning permission relates to a larger site encompassing land to the south-west the geographic illustration of the allocation should also be updated.

Skelton Regeneration Site (REG3)

162. As submitted Policy REG3 refers to broad locations where each use will take place, without providing any certainty. To be effective **MM22** is therefore needed to specify that around 17ha of land at the western part of the site will be residential development, with 5ha on the eastern side for commercial uses.
163. The supporting text also states that due to outstanding commitments in Skelton the site is not expected to come forward until later in the plan period. However, a planning application for residential development has already been submitted and there is nothing to prevent the site coming forward sooner. The supporting text is inaccurate and should be amended. (**MM23**)

Conclusion

164. Subject to the recommended MMs I conclude that the residential allocations are justified, viable and capable of being developed over the plan period.

Issue 7 – Whether there is a reasonable prospect of a five-year supply of deliverable housing sites on adoption, and whether the policies and allocations in the Plan will ensure that the housing requirement is met

Five-Year Housing Land Supply

165. Paragraph 47 of the Framework states that local planning authorities should identify and update annually a supply of specific deliverable sites sufficient to provide five years' worth of housing against their requirements, with an additional buffer of 5% to ensure choice and competition in the market for land. Where there has been a record of persistent under delivery the buffer should be increased to 20%.
166. Comparison of gross and net completions in Redcar and Cleveland shows a varied picture. Since 2012 net completions have ranged from 61 to 516 dpa. In 2014-15 and 2016-17 the number of new homes exceeded the housing requirement in Policy H1, and, the higher CS requirement. On the other hand, taking a slightly longer-term view illustrates that housing targets have

consistently been missed. Prior to the current plan period net completions only exceeded the CS housing requirement in 4 out of the previous 11 years. It is therefore agreed by the Council that there has been a persistent under-delivery of housing. At this moment in time a 20% buffer is applicable.

Shortfall

167. By consistently delivering fewer houses than the CS requirement a shortfall accrued over the last plan period. From 2004-2014 it equated to 707 dwellings as identified in Appeal Ref APP/V0728/W/15/3134502.
168. Although it has been suggested that the shortfall should be carried forward into *this* plan period, any under supply should have been accounted for in the assessment of the OAN – for example through market signals. The shortfall referred to by representors is also derived from a housing requirement set out in the (now abolished) *North East of England RSS*. The regional housing figures have been superseded by new information, namely the Government's household projections, which is the starting point for assessing housing needs.
169. Using April 2015 as the start of the plan period the Council can demonstrate a surplus of 261 dwellings against the housing requirement. Thus, the five-year housing requirement is **1,091** dwellings (or **218 dpa**) which includes a 20% buffer to provide choice and competition in the market for land.²⁷

Components of Supply

170. The schedule at Appendix 4 is based on the 2016 SHLAA and provides an indicative estimate of deliverability. Following consultation with developers, landowners and agents an updated supply trajectory has been prepared and is included in the 2017 SHLAA.²⁸
171. In summary, sites sufficient to provide some **2,447** dwellings from 2017-18 to 2021-22 have been identified. The figure includes ongoing developments, sites with planning permission for at least 10 dwellings, allocated sites, sites with potential for at least 10 dwellings which are the subject of a planning application and commitments on small sites subject to a 10% lapse rate.
172. Of the identified supply around 562 units are expected to come forward from sites with outline planning permission. This includes land at Woodcock Wood and land south of Marske. Both are going to take a significant period of time before new houses are delivered. Detailed reserved matters applications will be required, developers will need to be secured, conditions discharged and building work completed. The delivery of 325 dwellings across the two sites is therefore optimistic. Similarly, outline planning permission for 550 dwellings on land at Kirkleatham Lane was only granted in 2017.
173. Nevertheless, 1,426 units are expected to come forward from sites already under construction and small sites with planning permission. Sites underway are considered to be deliverable, and there is nothing to show that any of the

²⁷ Document EX/HS/Matter11/RCBC

²⁸ Document RC06/2/1 and Document EX/RC/007

non-strategic commitments will not be implemented in five years. The Council's assessment of supply is robust.

Conclusions on five-year housing land supply

174. In summary, although some of the Council's assumed delivery rates are optimistic, the number of dwellings identified on sites under construction and small sites with planning permission already exceeds the five-year housing requirement. Even applying more conservative estimates to some of the larger sites, I am satisfied that the deliverable supply would exceed the five-year housing requirement. There is a good prospect that there will be an up-to-date supply of specific deliverable sites sufficient to provide five years' worth of housing land against the requirements of Policy H1 upon adoption.

Flexibility

175. As submitted Policy H1 states that to promote a flexible and continuous supply of housing land a 20% buffer has been identified "*in line with national policy*". Due to sites which have come forward since the start of the examination process the Plan now identifies a buffer well in excess of 20%. For clarity and effectiveness **MM45** is therefore necessary to delete the third paragraph.

176. The final paragraph of Policy H1 confirms that the Council will work with landowners and the development industry to address any potential shortfall where a five-year housing land supply cannot be evidenced. Although this is positively worded, it lacks precision. To be effective **MM45**, **MM46** and **MM130** are necessary to set out the remedial action that the Council may pursue.

177. Subject to these changes the Plan will include an appropriate mechanism to consider potential under-supply without the need to relax settlement boundaries. Whether other Inspectors have endorsed a more flexible stance elsewhere, it is not necessary in Redcar and Cleveland given the total supply compared to the housing requirement. Because monitoring is reported in the Council's AMRs there is also no need to include a specific monitoring period.

Meeting the Housing Requirement

178. The table in Policy H3 summarises the anticipated housing supply from allocations over the plan period. Table 3 also includes major schemes under construction and smaller sites with permission. Because a more up-to-date version is available both should be amended (**MM54** and **MM55**). Appendix 4 should also be modified so that the plan is up-to-date upon adoption. (**MM133**)

179. The housing trajectory in Appendix 4 (as amended) identifies a total remaining supply of **5,507** dwellings. It therefore comfortably exceeds the housing requirement of **3,978**. In this regard the Plan is consistent with paragraphs 47-49 of the Framework which seek to boost significantly the supply of housing, especially when taking into account that the housing requirement already exceeds the OAN. It makes appropriate provision to ensure that the housing requirement in Policy H1 will be met in full.

180. Part of the future supply comprises longer-term housing allocations at Low Grange Farm (Policy H3.1) and Skelton (Policy REG3). In addition, due to its size and scale land south of Marske is likely to provide housing over several years, with completions expected to continue beyond the plan period.

181. As a result, the Plan identifies sites for years 6-10 and broad locations for growth in years 11-15. It makes adequate provision, through identifying a range of different sites, to ensure that there is a reasonable prospect of maintaining a rolling five-year supply.

Issue 8 – Whether policies relating to the type and mix of housing are justified and consistent with national policy

Type and Mix of Housing – Policy H2

182. Policy H2 requires proposals to provide a mix of house types and sizes which are 'acceptable' for a site and its location. This is ambiguous and unclear to decision-makers. Criterion (b) should therefore be amended to state that developments must provide a mix of housing which reflects local needs as set out in the SHMA or other appropriate evidence. For consistency with the Framework criterion (a) should also confirm that proposals should contribute towards market and affordable housing, rather than 'social housing'. **(MM47)**

183. Promoting executive and executive-style housing is justified in this instance as the Plan aims to retain more residents of a working age and rebalance the population profile. However, to be effective a definition should be provided in the supporting text. Because affordable housing is dealt with by Policy H4, not Policy H2, paragraphs 6.16-6.18 should also be removed. **(MM48)**

184. In addition to larger 3 and 4-bedroom houses the SHMA identifies a need for bungalows. Policy H2(d), which seeks to increase supply, is therefore justified. It also includes sufficient flexibility to reflect circumstances where providing bungalows would be inappropriate.

185. However, the supporting text goes further and states that proposals of an appropriate scale will be expected to contribute at least 10% of units as bungalows. No evidence has been provided to demonstrate what the 10% is based on, how it relates to overall needs or to confirm that schemes will be viable. Paragraph 6.24 is not justified and should be deleted. **(MM48)**

186. A Self-Build and Custom Register was set up in March 2016 and has been published on the Council's website. At present there is a need for 6 plots from 6 individuals. The current level of demand does not, therefore, warrant the inclusion of any specific site allocations.

187. Should the position change Policy H2 requires proposals to promote self-build and custom housebuilding where there is an identified need. The Plan therefore includes a positively worded policy framework to support smaller scale development, such as including self-build plots as part of new housing schemes. However, in accordance with other policies in the Plan, this should only be where it is viable to do so. **(MM47)**

188. Finally, criterion (g) requires proposals to have "full regard" to the *Design of Residential Areas SPD*. As submitted the policy suggests that any conflict with

the SPD would lead to the refusal of planning permission. This is not what the Council had intended. To be clear and effective it should therefore be amended by deleting the word "full". (**MM47**)

Sub-division and Conversion of Buildings to Residential Use – Policy H5

189. Changes to Policy SD3 (MM07) introduce criteria for the reuse or conversion of buildings outside development limits. As a consequence Policy H5 should be amended to confirm that it relates to proposals within settlement boundaries. In order to be clear and positively worded it should also remove reference to proposals "normally" being permitted, with consequential changes required to the supporting text for effectiveness. (**MM108** and **MM109**)

190. Criterion (c) seeks to prevent proposals that would lead to a shortage of family housing in a particular area, therefore undermining the objectives of creating balanced and mixed communities. This is currently unclear to decision-makers and should also be modified by MM108 and MM109.

Houses in Multiple Occupation ('HMO') – Policy H6

191. The first requirement of Policy H6 is not justified or necessary given the need for proposals to consider the supply of single family dwellings in Policy H5. Criterion (b) also permits changes of use to HMOs where a property no longer lends itself to use as a single family residence.

192. In order to be effective, provide a robust policy framework for decision-makers and be consistent with the Framework, Policy H6 should ensure that buildings proposed for conversion to HMOs are capable of providing an adequate standard of accommodation for potential future occupants. For the same reasons it should refer to the living conditions of local residents and the character of the area, rather than "local amenity" (**MM110**). Finally, for clarity and to ensure that the Plan is up-to-date reference to the Council's emerging SPD should be amended to reflect the latest situation. (**MM111**)

Conclusion

193. Subject to the recommended MMs I therefore conclude that Policy H2 is justified and consistent with national planning policy. It will ensure that the type and mix of housing will contribute towards meeting identified needs.

Issue 9 – Whether the Plan makes adequate provision to meet the needs of gypsies and travellers and travelling showpeople

Allocated Sites

194. The *Redcar and Cleveland Gypsy and Traveller Accommodation Assessment*²⁹ ('GTAA') identifies a need for 8 additional residential pitches from 2015-2030. Across the plan period this equates to 9 residential pitches up to 2032.

195. The GTAA recommends that there is no need for any travelling showpeople provision because none were identified in Redcar and Cleveland or seeking to

²⁹ Document RC06/05

move into the area. No need has been identified for any transit pitches either. This is due to the very small number of roadside encampments recorded in the past, and because almost all consist of families travelling through the area to another destination, to visit family and friends or to attend a specific event.

196. Since publication of the GTAA, the Planning Policy for Traveller Sites has updated the definition of gypsies and travellers and travelling showpeople. Previously included within the definition were those who had ceased to travel temporarily or permanently for reasons of health, education or old age. Whilst this is not reflected in the GTAA, there is no evidence which sets out an alternative assessment of accommodation needs in the area. This change will, however, need to be reflected in any subsequent review of local need.
197. In seeking to meet the identified need the Council assessed a range of sites through the *Potential Future Gypsy/Traveller Sites Initial Assessment Report*.³⁰ A total of 30 sites were shortlisted and considered against factors such as their proximity to business, existing residential communities, services and facilities, their environmental impact, loss of open space and evidence of travellers nearby. Site visits were also carried out to determine access arrangements.
198. As with residential site allocations this process involves an element of professional planning judgement by Officers. In summary, it was concluded that an extension to the existing Haven Traveller site in South Bank would be the most appropriate solution. One of the main reasons was because the identified need in the GTAA is predominantly from household growth within The Haven. Extending the site would therefore allow these families to remain. It also benefits from good access to local services and public transport. Allocating land at The Haven for a minimum of 9 residential pitches is therefore justified and has been subject to a sound selection process.
199. The geographic illustration of Policy H7 shows the site bounded to the north by the railway embankment. However, extending to the north/north-west would preclude any potential expansion of the neighbouring commercial operator. The motorsports park on Council-owned land to the west has also relocated (Policy ED10), leaving the site vacant. Extending to the west of The Haven is justified as it would reuse part of a vacant site and allow for possible future expansion of businesses premises to the north. A MM is therefore necessary to amend the description in Policy H7. **(MM112)**

Proposals on non-allocated sites

200. Elsewhere proposals on alternative sites are permitted where the demand cannot be accommodated on The Haven, or an alternative site is required for operational or "other reasons". Reference to other reasons is unclear, provides no certainty to decision-makers and should be deleted. **(MM112)**
201. In order to be effective it is also necessary to amend Policy H7 to make it clear that (a)-(g) apply to all proposals for gypsy and traveller accommodation. In addition, for consistency Policy ED11 criterion (b) should specify that caravan sites should be screened by existing or proposed landscaping.

³⁰ Document RC06/07

202. For the same reasons Policy H7(g) should specify that developments are of a reasonable scale, rather than the 'sites'. A site may encompass a large area but the relevant consideration would be a proposal's impact. Finally, reference to the locational strategy is justified, but this should reflect modifications to the sequential approach to brownfield land under MM05. **(MM112)**

Conclusion

203. Subject to the recommended MMs I conclude that the Plan makes adequate provision to meet the needs of gypsies and travellers.

Issue 10 – Whether the strategy for job growth and employment, and allocations and policies concerning employment sites are justified and consistent with national planning policy

Demand

Baseline Forecasts

204. Economic forecasts expect a reduction in public administration and defence roles, mining and extraction and metalworking over the plan period. Sectors forecast to experience the largest losses are chemicals and metal products. Alternatively, some growth is expected in specialist construction, land transport, storage, administration and professional services. Overall, economic growth is therefore expected to be relatively stable compared with past performance.

205. One sector of critical importance to the local economy is the port and process industry at Teesport. Historically, demand has fluctuated dramatically, with long periods of inactivity followed by large new developments. This makes predicting future need more difficult, especially when taking into account one-off events such as closure of the SSI Steelworks in October 2015.

206. The ELR Update therefore considers 'specialist uses' separately from 'general' employment. Applying adjustments to the baseline economic forecast suggests an increase of 130 'B' Use Class jobs over the plan period (excluding steel, chemicals and port-related uses). The majority of growth is expected to come from office employment and warehousing/distribution.

Past Take-Up

207. Data available on past take-up rates in the ELR Update only covers the period 2006-07 to 2015-16. It spans the economic downturn and post-recession recovery and is not representative of the local economy over the longer term. As the ELR Update recognises, past take-up rates also represent a *"...backward-looking indicator, which limits its usefulness in predicting future trends and requirements when considered in isolation."* (paragraph 9.38)

208. Discounting specialist uses demonstrates that 32,163 square metres of 'general' employment space was delivered between 2006-07 and 2015-16. When considering losses, the net requirement for general industrial floorspace equates to just 12,695 square metres.

209. Specialist uses are different. This is because port-related activities at Teesport or processing industries at Wilton International often require large areas of land with low levels of employment. Nevertheless, assuming that a similar demand is carried forward over the plan period, analysis of past take-up demonstrates a need for up to **163ha** of additional land.

Labour Supply Scenario

210. The labour supply scenario in the ELR is based on the OAN of 132 dpa. It has been used to understand the future demand for employment space that the planned level of housing growth could be expected to support.

211. Translating the figures into job growth suggests an overall increase of 510 jobs across all sectors over the plan period. In order to meet the needs of local workers the ELR forecasts that an additional 980 square metres of 'B' Use Class floorspace would be required up to 2032. Unlike the scenarios above it does not separate needs into specialist and general employment categories because the number of industrial sectors is too broad.

Estimated Land Requirement

212. In summary, the ELR Update demonstrates that **8.3ha** of general employment land would be needed from baseline job forecasts, **11.2ha** based on past take-up rates and **7.4ha** from the labour supply assessment. This in addition to up to **163ha** for specialist uses.

213. Further sensitivity testing in the ELR Update includes the growth targets in the SEP and an assessment of past trends over a shorter, pre-recession timescale. Based on the SEP aspirations an additional 15.5ha of general employment land would be required. Alternatively, using a shorter, pre-recession assessment of past take-up results in a need for around **26ha** of additional employment land.

214. Seeking to provide up to 26ha of general employment land is justified based on past performance. It will also provide greater flexibility and choice in the market for employment land, and will ensure that initiatives such as the SEP are not constrained by site availability. Following publication of the SEP paragraph 1.64 should be deleted to ensure that the Plan is up-to-date on adoption. (**MM04**)

Supply

215. Policy ED6 allocates 8 sites for general employment purposes with 32ha of additional land available. Although this exceeds the amount of land considered necessary (26ha), the Council has already de-allocated around 30ha at Guisborough, Kirkleatham and Dormanstown. Land at Skelton has also been re-allocated for mixed use development under Policy REG3. The remaining industrial estates and business parks seek to provide a range of sites distributed across the borough aimed at meeting local needs. The amount of additional land allocated for general employment is therefore appropriate and justified.

216. Compared to a need for up to 163ha, Policy ED6 allocates 405ha of additional land for specialist uses at South Tees and Wilton International. However, the approach is based on sound planning reasons.

217. Firstly, the amount of land required for specialist uses such as port-related activities and process industries are significant. To retain a sufficient supply of large plots requires a substantial land-take.
218. Secondly, specialist uses are restricted by their operational requirements. For example, port or processing industries need an extensive river frontage. Because Redcar and Cleveland is competing with other sites globally, sufficient land of the right type in the right place needs to be available.
219. Thirdly, significant areas of land at South Tees and Wilton International have been subject to historic contamination associated with previous uses. Wilton International also benefits from an Instrument of Consent which permits chemical and industrial development on undeveloped parts of the site without planning permission. Finding alternative uses for large areas of potentially contaminated land is unlikely to result in an effective or deliverable plan.

Employment Site Allocations – Policies ED6.1-6.11 and Policy ED7

Specialist Use Sites

220. Policy ED6.1 incorporates the main complex of Wilton International and land west of the A1053. Although the 2013 ELR³¹ concluded that the site adjacent to Greystones Road should be discounted, it is owned and managed by Sembcorp Utilities as part of the same complex. It also forms part of the same Instrument of Consent. Its inclusion as part of Policy ED6.1 is therefore justified. For the same reasons so is the undeveloped land north of Lazenby.
221. Policy ED6.2 relates to Teesport, Teesport Commerce Park and land along the River Tees, referred to as 'Steel Corridor'. Due to the difficulties facing the UK steel industry, the ELR Update advises that additional land for steel production is not required. The Plan therefore permits a range of uses at South Tees supporting Class B1, B2, B8 and appropriate employment generating *sui generis* uses. In doing so, it provides a flexible, positive framework for future economic development.
222. The wider spatial strategy for South Tees is set out in Policy LS4 and confirms how the Council and its partners aim to regenerate the area. One of the main barriers to investment is the current road infrastructure. Safeguarding the route for an extension to Dockside Road is therefore justified. However, to reflect the latest position several MMs are required to ensure that the Plan is up-to-date (**MM16**, **MM17** and **MM127**).
223. Elsewhere the employment site at Skinningrove is occupied by British Steel and Caterpillar (Policy ED6.3). Although no additional land is available, it is a strategic site which provides an important source of employment to the East Cleveland towns. It is also separate from facilities along the River Tees and the continued allocation of the site for specialist uses is therefore justified.

³¹ Document RC05/03/3

General Employment Sites

224. The rationalisation of general employment sites is consistent with paragraph 22 of the Framework which states that planning policies should avoid the long term protection of sites allocated for employment use where there is no reasonable prospect of a site being used for that purpose.
225. Although around 22ha remains allocated for general employment uses at Kirkleatham Lane, it forms part of a prestigious, high quality employment site aimed at advanced manufacturing and engineering, chemicals and renewable energy. Local commercial agents have confirmed that the space available is good quality and is accessible to the wider Tees Valley. Agents also advise that small scale units are likely to be well received by the market. Retaining the rest of the site for employment uses is therefore justified.
226. Land is also allocated for general employment at 'the South Tees Industrial Estates and Business Parks'. As submitted this is unclear and lacks precision. In order to be effective Policy ED6 should clarify that the general employment areas at South Tees comprise the South Tees Freight Park, South Tees Imperial Park and the Nelson Street and Bolckow Industrial Estates. For the same reasons the Plan should confirm that the mixed-use sites at Skelton (REG3) and Guisborough (ED7) will also contribute towards meeting general employment needs. **(MM32)**

Cleveland Gate Mixed Commercial Site – Policy ED7

227. Policy ED7 refers to an approved mix of uses at Cleveland Gate. However, the workshops and retail space have now been completed and the Plan should be modified to ensure that Policy ED7 is up-to-date. **(MM34)**
228. As submitted it is unclear what uses are permitted on which parts of the site. This should be rectified by MM34 to ensure that the policy is effective. Because the site contributes to meeting employment needs under Policy ED6 this should also be made clear to decision-makers, developers and local communities. Consequential changes are also required to the text. **(MM35)**
229. During the examination hearing sessions the Council confirmed that not all of the existing occupiers of the site fall within Use Classes B2 or B8. In order to reflect the existing mix of uses, and ensure that the policy is effective in supporting start-up companies and smaller local business, it should permit a wider range of commercial and business uses, including offices. The title of the policy should also be updated to reflect its more accurate site boundary which includes Morgan Drive but not Belmont View.

Promoting Economic Development – Policy ED6

230. To reflect the evidence base Policy ED6 should differentiate between specialist and general employment uses. For the same reasons it should set out how much additional land is allocated for development. In addition, rather than just 'safeguarding' land, in order to be consistent with the Framework and promote economic development the policy should support proposals falling within Use Classes B1, B2 and B8. Because some specialist industries fall outside typical 'B' use classes, such as waste processing or chemical treatment, this should also be reflected in the policy. **(MM32)**

231. Following submission of the Plan the STDC has been formally established. To align the Plan with the STDC a MM is required to bring Policy ED6 up-to-date and support proposals which contribute towards regeneration (**MM31**). As a result of the changes additional supporting text is also required. (**MM33**)

The re-use of employment land and buildings – Policy ED6

232. Policy ED6 states that existing employment sites and buildings outside designated employment areas will be safeguarded where they are important to sustaining the local economy and meeting regeneration objectives. Defining whether or not a site or building is 'important' to the local economy is unclear to decision-makers, developers and local communities. In order to be effective **MM32** is necessary to set out specific criteria against which proposals for alternative uses will be assessed.

233. To avoid the unnecessary long-term protection of land and buildings, and considering that the plan over-provides for employment land, the criterion in MM32 should also apply to allocated employment sites. In demonstrating that there is no reasonable prospect of employment, redevelopment proposals should be expected to demonstrate a lack of demand through an active marketing exercise. Subject to the recommended MMs the policy will provide a clear basis for decision-makers to consider proposals for alternative uses.

Employment Proposals on non-allocated sites

234. The Plan does not include any criteria for assessing proposals for new business and employment development on non-allocated sites. **MM32** and **MM33** are therefore necessary to ensure that the plan positively and proactively encourages sustainable economic growth in accordance with paragraph 21 of the Framework. It will ensure that Policy ED6 reflects the Plan's vision which seeks to grow a successful, resilient and diverse local economy.

Conclusion

235. Subject to the recommended MMs I conclude that the strategy for job growth and employment, and the allocations and policies concerning employment sites are justified and consistent with national planning policy.

Issue 11 – Whether the strategy for the rural economy and leisure and tourism is justified and consistent with national planning policy

Rural Economy – Policy ED8

236. To diversify the local jobs market and move away from a dependency on large employers Policy ED8 seeks to improve the rural economy. In doing so, criterion (a) promotes the growth and expansion of existing rural businesses. Although this is appropriate, in order to grow the rural economy the Plan should also support and facilitate *new* businesses that require a rural location. **MM36** is therefore necessary to ensure that the Plan is consistent with paragraph 28 of the Framework which states that planning policies should support economic growth in rural areas in order to create jobs and prosperity by taking a positive approach to sustainable new development.

237. Paragraph 28 of the Framework also states that plans should promote the development and diversification of agricultural and *other* land-based rural businesses. As such, Policy ED8(b), which only refers to farm diversification, should be modified to ensure consistency with national policy. (**MM36**)
238. Supporting new local services and facilities, and retaining existing ones, is also important to sustainable economic growth in rural areas. In the interests of effectiveness Policy ED8(e) should therefore be amended to ensure that this is clear to decision-makers, developers and local communities. For the same reasons the supporting text should be expanded by reference to Policy ED1, which provides the relevant policy tests for considering proposals involving the loss of local community facilities. (**MM37**)
239. The final requirement of Policy ED8 states that new development should be well-related to existing buildings. This is justified, but to be effective it should be expanded to confirm that buildings also need to be well-designed. (**MM36**)

Leisure and Tourism Development – Policies ED9, ED10, ED11 and ED12

240. Amongst other things, Policy ED9 expects proposals for leisure and tourism uses to follow the sequential approach to site selection in Policy SD2. As the sequential approach has been amended by MM05, to be effective changes are also required to Policy ED9. In addition, the relationship between leisure and tourism development and the Teesmouth and Cleveland Coast SPA are addressed by Policy N4 (as modified).
241. Where alternative uses of tourist accommodation are proposed Policy ED9 requires applicants to demonstrate that accommodation is no longer financially viable. This lacks precision and no guidance is provided to determine what constitutes a viable business, or over what time period accounts should be provided. To be effective **MM38** and **MM39** are required to confirm that changes of use or redevelopment will be permitted where there is no demand for the business as demonstrated by a 12-month marketing exercise.

South Tees Motorsports Park – Policy ED10

242. The South Tees Motorsports Park is identified on the policies map and safeguarded for off-road motorcycle use. Although the intended occupier has now moved onto the site, it does not mean that the policy is unsound. There is also no need to allocate the former site for alternative uses because it has become available. Policy SD2 supports the principle of new development and provides a positive framework to allow for any potential future re-use.

Caravan Sites and Tourist Accommodation – Policy ED11

243. Policy ED11 only relates to new sites. To be effective it should specify that the criteria also relate to extensions to existing ones.
244. Although the policy seeks to avoid caravan sites and tourist accommodation in the most sensitive landscape areas, Policy N1 allows small-scale leisure or tourism development on the Heritage Coast. It also allows new development in Sensitive Landscape Areas. Part (a) should therefore be deleted to reflect other policies in the Plan.

245. The requirement for development to avoid "*cumulative harm*" in Policy ED11(e) is unclear to decision-makers. To be effective it should be modified to state that a concentration of similar uses should avoid harm to landscape character and the living conditions of neighbouring residents. For the same reasons a similar change is required to the penultimate paragraph relating to ancillary buildings such as offices and shower blocks.
246. Because leisure and tourism uses are considered under Policy N4 (as modified), the third paragraph of Policy ED11 is superfluous and should be deleted. Finally, for consistency with national planning policy the last paragraph should confirm what is required of proposals falling within Flood Zones 2, 3a and 3b (**MM40**). As a consequence of MM40, and to ensure that the policy is effective, several changes are required to the supporting text. (**MM41**)

New Hotel and Guest House Accommodation – Policy ED12

247. Hotels and guest houses form an important part of the tourist industry which the Council wishes to retain as part of promoting a more diverse economy. However, some areas of the borough contain a high proportion of large family properties, the loss of which could exacerbate issues surrounding the mix of housing. Policy ED12 therefore seeks to prevent changes of use that would lead to a shortage of single family dwellings.
248. As submitted this objective is not clear from Policy ED12(b). In order to be effective, and avoid duplication with ED12(a), a MM is necessary to stipulate that proposals should not give rise to an over-concentration of hotel and guest houses and exacerbate a shortage of single family dwellings in the area.
249. Alternatively, there may be instances where a proposal for a new hotel or guest house adjoins a family home but no harm would be caused. As submitted criterion (c) would prevent the appropriate reuse of a building and should be deleted. (**MM42**)

Conclusion

250. Subject to the recommended MMs I conclude that the strategy for the rural economy and leisure and tourism is justified and consistent with national planning policy.

Issue 12 – Whether the strategy for retailing and main town centre uses is justified and consistent with national policy

Retail Hierarchy – Policy ED1

251. The 2011 *Redcar and Cleveland Strategic Retail, Leisure and Office Study Update – Volume 1*³² concluded that the hierarchy of centres remained broadly consistent with the CS, and were therefore carried forward. Additional evidence in the 2016 *Town Centre Study: Final Study Report*³³ also considered the role and function of centres including their mix of uses, vacancy rates and

³² Document RC05/05/1

³³ Document RC05/08

environmental quality. The Study reaffirmed that Redcar is the main town for retail, leisure and community uses and should continue to be defined as the only Town Centre. Policy ED1 is therefore sound and adequately reflects the role and function of Redcar.

252. Guisborough is the largest District Centre and has a significant amount of retail floorspace (around 7,900 square metres). Although Marske and Saltburn are much smaller, they both contain a good range of retail and service uses including anchor supermarkets. Low Grange also contains a Tesco Extra Store. As such, they play an important role in meeting the day-to-day shopping needs of local residents.
253. Similarly, whilst Loftus and Eston have a high proportion of vacant units, they still perform important roles serving the needs of their respective catchment areas. Both centres also contain a mix of uses including retail, services and community facilities. As a result, identifying Loftus and Eston as District Centres is justified and their place in the retail hierarchy is sound.
254. Below the District Centres Carlin How and New Marske perform important roles serving rural communities. Both centres have general retail stores which meet the day-to-day needs of local residents, in addition to hot-food takeaways and hair salons. Situated in a rural area the services are also likely to be used by residents from neighbouring villages. Both are justified as Local Centres.

Boundaries

255. The Redcar PSA was established in the 1999 Local Plan. It pre-dated the Regents Walk development which contains a mix of high-street uses and is directly linked to the retail core of the town. As a result, the enlarged PSA to include Regents Walk is justified.
256. In Guisborough the District Centre boundary is focused around Westgate and excludes the retail uses at Cleveland Gate. This is justified due to the physical separation of the nearest retailers (Aldi and Iceland) from Westgate by a range of uses, including residential. Given the importance of Guisborough as the main rural centre, and the need to retain its retail role, function and character, a identifying a PSA along Westgate is appropriate and justified.

Meeting Needs

257. In seeking to promote competitive town centres paragraph 23 of the Framework states that local plans should allocate suitable sites to meet the needs for a range of uses. This is to ensure that the needs for retail, leisure, office and other main town centre uses are met in full, and are not compromised by limited site availability.
258. No quantitative capacity has been identified for additional convenience retail floorspace. However, the Town Centre Study did identify a qualitative need for enhanced provision in/on the edge of Redcar, and a new medium-sized foodstore in the Eston District Centre. The Study also identified capacity for additional comparison retail uses, in addition to the need for a new bingo hall, tenpin bowling facilities, food and drink uses and hotel accommodation.

259. In Redcar land at Coatham is allocated for a mixed-use scheme comprising leisure, tourism, visitor facilities and retail (Policy REG1). Illustrative details provided in the *Coatham Enclosure Retail and Leisure Statement*³⁴ identify a range of uses for the site including a cinema, hotel, retail and leisure units, bars, restaurants and a health and fitness club. It therefore seeks to bring forward development that will contribute towards meeting identified needs in the town. The allocation is justified.
260. The supporting text to Policy REG1 states that proposals for main town centre uses at Coatham will be expected to pass the sequential test in Policy ED1. But Policy ED1 only requires a sequential assessment for proposals on non-allocated sites. The *Coatham Enclosure Retail and Leisure Statement* also confirms that there are no sequentially preferable sites in Redcar that could accommodate the scale of development proposed. Thus, the need to carry out a sequential test is unnecessary and should be deleted. **(MM19)**
261. Elsewhere approximately 5ha of land is allocated for commercial development at Skelton (Policy REG3). Around 3.6ha has already been developed for retail and food and drink uses, with the remaining land available for main town centre uses, subject to considering the effect on the vitality and viability of Skelton High Street. The allocation has the potential to contribute towards meeting additional comparison retail needs.
262. Since completion of the 2016 Study planning permission has also been granted for 3,020 square metres of comparison goods floorspace in the Low Grange Farm District Centre.³⁵ In addition, a mix of uses including retailing and hotel accommodation has been approved on land south of Markse. Both schemes will contribute towards meeting the need for comparison retailing and leisure development over the plan period.

Proposals for Main Town Centre Uses – Policy ED1

263. In order to be consistent with national planning policy footnote 11 on page 86 should be modified to reflect the definition of main town centre uses in the Framework. In the interests of clarity and effectiveness Policy ED1 should also confirm that proposals for main town centre uses will be focused in Town, District and Local Centres. **(MM24)**
264. Policy ED1 does not require a sequential site assessment for proposals under 200 square metres. Although this is different to paragraph 25 of the Framework (which states that the sequential test does not apply to small scale *rural* development) the policy would only permit relatively minor proposals. In an urban area such schemes are typically going to be aimed at neighbourhood provision. The Council also confirms that they have been using the same threshold successfully for a number of years, and that it allows small-scale developments to come forward without placing a disproportionate burden on applicants. In this particular instance it is therefore appropriate and justified.
265. With regard to impact assessments, the 2016 Study recommended adopting a lower threshold than the Framework (2,500 square metres). This is due to the

³⁴ Document RC05/09

³⁵ Planning Permission Ref R/2017/0252/FFM

current health of Redcar Town Centre, the need to secure investment and the impact of proposals on the ability of centres to attract new retail operators. It recommended 750 square metres for retail proposals, 1,000 square metres for leisure and 500 square metres for cafes, restaurants, pubs and bars.

266. In contrast Policy ED1 sets a requirement of 1,000 square metres where the nearest centre is Redcar and 500 square metres for all other locations. Given the significant size, role and function of Redcar as the main Town Centre, and its resilience to additional out-of-centre retailing, the slightly higher threshold is justified. Equally, due to the fragile nature of some of the District Centres, such as Eston and Loftus, lower thresholds are necessary.
267. Because Policy ED1 contains clear thresholds for assessing impact there is no need to have a separate test which relates to a percentage increase in the size of a centre. A proposal that would significantly increase the size of a centre would already require the submission of a retail impact assessment. The test is unnecessary, unjustified and should be deleted. **(MM24)**

Vitality and Viability – Policy ED1

268. To maintain the vitality and viability of Redcar Town Centre the 2011 *Strategic Retail, Leisure and Office Study*³⁶ recommended that no more than 10% of non-retail uses should be permitted in the PSA. This would be very restrictive. Considering that the amount of non-retail uses in the Redcar PSA already exceeds 10% it would also be ineffective. Instead, 75% would allow a mix of uses that would complement the retail function of the centre, such as banks or cafes, whilst retaining the retail core of the centre.
269. Although the threshold in Guisborough is much lower (55%) it reflects the number of units which are already in a non-retail use. The policy is therefore effective and realistic but still ensures that the majority of units in the PSA will be used for retail. This is justified in Guisborough, despite being a District Centre, due to the important role it plays as the main Rural settlement.
270. Seeking to strengthen the role of Local Centres to better serve their communities is consistent with the Framework. However, in order to be clear to decision-makers, Policy ED1 should support proposals where they contribute to vitality and viability and enhance the range and quality of shops and services on offer. **(MM24 and MM25)**
271. Outside defined centres, neighbourhood shops, services and community facilities are protected where they are important to the day-to-day needs of communities. In this regard the Plan is consistent with the Framework. But there may be instances where buildings are no longer required and their appropriate reuse would contribute towards sustainable patterns of development. To ensure that Policy ED1 is positively prepared it should state that community facilities will be protected unless there is no longer a need for the use, or that wider regeneration benefits would be secured. **(MM24)**

³⁶ Document RC05/05/1

Hot Food Takeaways – Policies ED1 and ED3

272. Paragraph 5.10 states that Redcar needs to improve its attractiveness as a town centre, and, combined with regeneration projects, needs to safeguard and improve its retail character. Paragraph 5.17 also confirms that it is important to maintain an appropriate balance of uses in Town, District and Local Centres, particularly during the day. When taking into account that hot food takeaways typically open during the evening, the restriction on Class A5 uses in PSAs is justified. Policies ED1 and ED3 will ensure that the PSAs continue to be an area where retail development is concentrated, as defined by Annex 2 of the Framework.
273. Although the 5% threshold in Policy ED3 is relatively low, the Plan does not preclude hot food takeaways in centres outside PSAs. Policy ED3 provides an appropriate balance between retaining daytime pedestrian flows in centres and promoting a vibrant mix of uses. The policy is appropriate and justified.
274. Neither policy seeks to limit Class A5 uses as a result of any evidence relating to health. The Council also confirms that no information has been produced to support a link between unhealthy eating particular uses. **MM28** is therefore necessary to remove reference to the "*recognised link between takeaway food and obesity*". The remainder of the supporting text encourages applicants for takeaway uses to seek the advice of the Council's public health team on how to provide healthier choices. It does not restrict development on health grounds and its inclusion is not unsound.
275. Finally, Footnote 12 states that Policy ED3 applies to Class A5 uses and Class A3 and A4 uses which include the sale of hot food for consumption off the premises. Several restaurants, cafes and pubs include the sale of hot food which can be taken away but open during the day and promote town centre footfall. Seeking to restrict such uses is not justified for the reasons given above, and Footnote 12 should be amended accordingly. (**MM28**).

Cleveland Retail Park and Retail Development on Industrial Estates and Business Parks – Policies ED2 and ED4

276. Continued 'bulky goods' retailing is supported at The Cleveland Retail Park where alternative 'viable' sites cannot be found in existing centres. To be effective the policy should also refer to the potential suitability and availability of alternative sites, not just their viability (**MM26**). For the same reasons the supporting text should be clear what is meant by 'bulky goods' retail. (**MM27**)
277. To ensure consistency with The Cleveland Retail Park Policy ED4 should state that proposals for bulky goods retail will only be permitted on industrial estates where there are no other sequentially preferable sites (**MM29**). It is also necessary to ensure that the reuse of land and buildings on industrial estates and business parks accords with the tests in Policy ED6. (**MM30**)

Advertisements – Policy ED5

278. The intention of the supporting text to Policy ED5 is to provide an example of signage that may require careful consideration, not infer that box signs and illumination advertisements will be refused. For clarity **MM31** is therefore necessary to include the caveat 'for example'.

Conclusion

279. Subject to the recommended MMs I therefore conclude that the strategy for retailing and main town centre uses is justified and consistent with national planning policy.

Issue 13 – Whether the approach to landscape, green infrastructure and open space and recreation is justified and consistent with national policy

Landscape – Policy N1

280. Defining national and local landscape areas reflects national planning policy. However, to ensure consistency with paragraph 113 of the Framework the Plan should state that protection will be commensurate with their status (**MM113**). The historic landscape of Eston Hills is referred to in Policy N1 and identified on the policies map. This reflects its local importance and is sound.

281. Within the North Yorkshire and Cleveland Heritage Coast proposals are restricted to development required for operational reasons or small-scale leisure and tourism. Although this is justified, to take account of the needs of rural communities and support sustainable rural development Policy N1 should also allow suitable extensions to existing buildings, provided that no harm occurs to the special character of the coast.

282. For proposals in Sensitive Landscape Areas it is unclear what constitutes "appropriate" development for the purposes of Policy N1. MM113 is therefore required to specify that proposals should meet criteria (d)-(f) (as amended). Further explanation should also be provided in the supporting text. (**MM114**).

283. To the south-east of Guisborough is an area of open land surrounded by Belmangate, Whitby Avenue, Butt Lane and Whitby Road. In the Draft Plan it was allocated for residential development and the settlement boundary amended as required.

284. The site was not taken forward into the submission version Local Plan due to concerns regarding the effect of development on the character and appearance of the area. The allocation was therefore deleted, but in error, the settlement boundary was not re-drawn on the submission policies map.

285. No alterations are required to the adopted policies map in this location because no changes are proposed to the development limits of Guisborough. Although representations have suggested that the boundary *should* change, I find no convincing evidence that the limits to development are unsound in this location, having regard to my conclusions on Policies SD2 and SD3 above.

Green Infrastructure – Policy N2

Strategic Gaps

286. Two strategic gaps are identified on the policies map. They aim to prevent coalescence and maintain the separate identities of Marske, New Marske and Saltburn.

287. The same strategic gaps are carried forward from the CS and have been considered against a range of criteria in the *Redcar and Cleveland Green Wedge and Strategic Gap Review*.³⁷ The evidence sets out, in a clear and transparent manner, why the designations are necessary and justified. In principle they are consistent with national planning policy which states that planning should take account of the different roles and character of different areas.
288. However, in order to be effective and clear to decision-makers, developers and local communities Policy N2 should set out what the strategic gaps are and their purpose. For the same reasons the Plan should include specific criteria for decision-makers to assess new development against. **(MM115)**
289. Given their strategic nature there will inevitably be sites on and around the edges of settlements where some limited development is unlikely to result in coalescence or harmfully erode the separate identities of Marske, New Marske or Saltburn. But this does not justify removing individual parcels of land, especially where they contribute towards the aims and objectives of maintaining separation, preserving character and preventing coalescence. The defined extent of the strategic gaps is therefore justified.
290. In reaching this view I note that planning permission has been granted at appeal for a large mixed-use development on land south of Marske (Appeal Ref APP/V0728/W/15/3134502). Although the site falls within a strategic gap, the fact it has planning permission does not make Policy N2 unsound. Instead, the Secretary of State's decision concluded that "*...the strategic gap between Marske and New Marske – i.e. the land to the south of the site – would remain, and the quality, value, multi-functionality and accessibility of the part of the gap that would be developed would be enhanced.*" As it did not state that the strategic gap was unjustified, unsound or incorrectly defined, there is no need to alter the designation in the interests of soundness at present.

Green Wedges

291. Green wedges are smaller than strategic gaps. They are open parcels of land within built-up areas which provide buffers between different uses, delineate communities and are valuable for local recreation and wildlife. As submitted this is unclear. Policy N2 should therefore be modified to clarify the role and function of green wedges. To be effective it should also set out criteria that proposals will be expected to meet. **(MM115)**
292. To the east of Redcar the green wedge includes land occupied by Redcar Football and Rugby Club. The site is used for recreational purposes and the public footpath running along Green Lane provides an attractive route for pedestrians which makes the area accessible to local residents. It also forms part of a Sensitive Landscape Area with wide-ranging coastal views and helps to delineate the communities of Marske and Redcar. The geographical illustration of the green wedge in this location is therefore appropriate and justified.

³⁷ Document RC07/04/1

293. The Spencer Beck Valley green wedge is a narrow parcel of land which delineates the communities of East Middlesbrough and Greater Eston. Policy H3.8 is justified as a logical extension to the existing High Farm development and will provide additional family housing as part of the wider regeneration of Greater Eston. Allocating further land to the north and south to create a linear development could maintain the existing separation between parts of Eston and Middlesbrough. But it would significantly erode the green wedge leaving only a very narrow parcel of land between the two communities. Its value and purpose as a useable, functional area of open space would be seriously undermined. For this reason, the extent of the designation is justified.

Open Spaces in Urban Areas and 'Net Gain'

294. The requirement to protect open spaces in urban areas where they provide "other benefits" lacks precision and clarity to decision-makers. Policy N3 also includes specific criteria for development affecting smaller areas of space. **MM117** is therefore necessary to remove reference to other benefits and refer to the tests in Policy N3.

295. The supporting text to Policy N2 provides further information regarding the principle of net gain. It confirms that the positive impacts of development, for example through improvements to the function of green infrastructure, should outweigh any loss. The Plan is clear, and consistent with paragraph 114 of the Framework which requires local planning authorities to plan positively for the creation, protection, enhancement and management of green infrastructure.

296. However, because the policy could include financial contributions to upgrading alternative sites it should refer to the need for sites to remain viable. Further information is also provided in the *Redcar and Cleveland Green Infrastructure Strategy and Implementation Plan*, which, for effectiveness should be referred to in the Plan. (**MM115** and **MM116**)

Open Space and Recreation – Policy N3

297. Policy N3 is concerned with not only the provision of new open spaces, but also the protection of existing ones. The title of the policy should therefore be amended to accurately reflect its scope. In addition, because the policies map identifies Primary and Secondary Open Spaces, to be effective and clear to decision-makers the policy should use the same terminology. (**MM117**)

298. The *Redcar and Cleveland Open Space Assessment*³⁸ considers the quality of publically accessible open spaces by scoring each area against a set of indicators. Private sporting facilities are assessed in the *Redcar and Cleveland Playing Pitch Strategy & Action Plan*.³⁹ The evidence sets out in a clear and transparent manner how 'Primary' and 'Secondary' open spaces have been categorised.

299. The Open Space Assessment used a minimum site threshold of 0.1ha. As a result, some smaller open spaces may have been omitted which make a positive contribution to the character and appearance of an area or are

³⁸ Document RC07/05

³⁹ Document RC07/08

actively used for recreation. **MM117** is therefore necessary to confirm that criteria (a)-(d) apply to proposals for the redevelopment of Primary and Secondary open spaces and other amenity open space or recreational buildings and land, including playing fields. Additional supporting text is also necessary for to ensure that the policy is effective.

300. As submitted only proposals affecting amenity open space need to consider character and appearance. Because some Primary and Secondary Open spaces might contribute positively to local character also, such as a park, **MM17** is required to ensure that part (d) applies in all cases.

301. Where schemes propose a contribution towards off-site provision Policy N3 refers to Appendix 5 and the *Developer Contributions SPD*. However, the requirements are not the same. To be effective, and because Appendix 5 is no longer up-to-date, it should be deleted. The phrase "*in accordance*" with the SPD should also be modified because it is not a development plan document and is intended to provide additional guidance only. Finally, it may not be necessary or appropriate for all schemes to fund the on-going maintenance of open space. For example, where areas remain private and their upkeep is managed by a maintenance company. To be effective this should be modified. (**MM134** and **MM118**)

Conclusion

302. Subject to the recommended MMs I conclude that the approach to landscape, green infrastructure and open space and recreation is justified and consistent with national planning policy.

Issue 14 - Whether the Plan makes adequate provision for new infrastructure, and whether the approach to accessibility and transport is justified and consistent with national planning policy

Infrastructure

303. Highways England initially objected to the Plan because the infrastructure proposals did not reflect the latest aspirations and were not based on up-to-date evidence. In particular, the *Tees Valley Action Plan (2011)* and the *Strategic Transport Assessment (2013)* were 'significantly' out-of-date.

304. Additional analysis has been carried out following further dialogue between Highways England, the Council and the Tees Valley Combined Authority. It is presented in the JPS produced by Highways England and the Council.⁴⁰

305. Following meetings in June 2017 details of all the proposed site allocations, sites under development and sites with planning permission were assessed by the Combined Authority. Outputs of the modelling work were then sent to Highways England to consider the cumulative impact of development on the strategic road network.

306. In summary, the updated evidence demonstrates that development proposed in the Plan is unlikely to have a significant impact on the strategic road

⁴⁰ Documents EX/RC/026 and EX/RC/027

network. The schemes proposed in Policy TA2 (as modified) are acceptable to Highways England in ensuring that the strategic road network can support the growth aspirations in the Plan. It is also agreed that 'significant' development can come forward in advance of proposed highway improvements without having a severe impact. I am therefore satisfied that policies and allocations in the Plan will not prejudice the safe and efficient operation of the strategic road network. The cumulative effect of development on the local road network has also been considered through the site allocations and SHLAA process, with specific requirements and upgrades identified where necessary.

307. With regard to other types of infrastructure, proposed housing allocations have been subject to dialogue with drainage and heritage officers at the Council in addition to external bodies such as Northumbrian Water, the EA and the Tees Valley Wildlife Trust. None have raised any objections to sites in the Plan, either individually or cumulatively.

308. It is also important to consider that the identification of a site for development does not remove the need to accord with other policies, notably Policies SD5 concerning developer contributions and Policy N4 concerning SPA mitigation. Policy SD5 provides a robust framework to ensure that contributions can be sought, where appropriate, towards necessary new infrastructure such as highway improvements, education facilities and healthcare. The Plan therefore includes an adequate policy framework to ensure that new development can be managed in a way that does not undermine existing infrastructure.

Developer Contributions – Policy SD5

309. Paragraph 173 of the Framework states that plans should be deliverable, and that the costs of policy requirements should not render development unviable. **MM11** is therefore necessary to ensure that the viability of proposals is taken into account when considering developer contributions. To ensure that Policy SD5 is effective it is also necessary to identify under what circumstances planning obligations could be required.

310. In some instances a proposal may be able to contribute towards some, but not all the infrastructure identified as necessary. To ensure consistency and transparency in decision-making the policy and supporting text should therefore set out how the Council will approach such situations. (**MM12**)

Transport and New Development – Policies TA1, TA2 and TA3

311. Policies TA1 and TA3 set out how plans, strategies and programmes will improve accessibility and address congestion, environmental issues and safety concerns. But neither policy requires development proposals to meet any specific criteria. **MM124** and **MM125** are therefore necessary to confirm how the Council will ensure that proposals improve accessibility, widen choices and maximise the use of more sustainable modes of transport. Subject to the recommended MMs the Plan will be consistent with paragraphs 34 and 35 of the Framework which require plans and decisions to minimise the need to travel and maximise the use of sustainable transport.

312. Paragraph 36 of the Framework also states that travel plans are a key tool to facilitate the change towards more sustainable modes of transport. Policy TA2

is therefore justified, but for clarity and effectiveness it should be incorporated into TA1 (as it applies to new development). (**MM126** and **MM129**)

313. Finally, in order to be clear to decision-makers, developers and local communities Policy TA3 should differentiate between highway improvement schemes that apply to Redcar and Cleveland and the wider area. For the same reasons the policy should confirm that contributions from developers may be required, where appropriate. (**MM126**, **MM127** and **MM128**).

Conclusion

314. Subject to the recommended MMs I conclude that the Plan will make adequate provision for new infrastructure and will support the use of sustainable modes of transport. The approach to infrastructure, accessibility and transport is sound, justified and consistent with national planning policy.

Issue 15 – Whether the Plan provides sufficient measures to protect, preserve and enhance the built and natural environments

Heritage Assets – Policies REG2, HE1, HE2 and HE3

315. Listed building consent and planning permission have been granted for the re-development of the walled garden at the Kirkleatham Estate. The Council has also prepared an Investment Prospectus for the site rather than a strategic masterplan. To reflect the latest position and ensure that the Plan is up-to-date Policy REG2 should be amended by **MM20** and **MM21**.

316. Paragraph 8.3 lists some of the borough's 'finest' heritage assets. During the examination hearing sessions the Council suggested that the list did not include examples such as Saltburn's historic Valley Gardens, Redcar Heritage Centre and historic country houses such as Ormesby Hall. Although **MM121** was consulted upon as part of the changes to Policy REG2, expanding the list is not necessary for soundness. I have therefore removed MM121 from the schedule in Appendix 1.

317. Policy HE1 lists conservation areas across the borough along with a very brief description of their character. Despite being a useful reference, it does not provide a thorough assessment of significance. The policy could therefore lead to confusion if another characteristic was relevant to a site or development proposal but is not listed. New conservation areas may also be established, leaving Policy HE1 out-of-date. Because separate conservation area appraisals are also available, the list should be deleted.

318. Where demolition is proposed in a conservation area detailed plans for redevelopment should be provided to prevent sites from becoming vacant for long periods of time. However, there may be instances where buildings are proposed for removal with no redevelopment in their place, for example to create areas of public or private open space. Criterion (f) should be amended to reflect such circumstances.

319. Criterion (f) also requires developers to have entered into a contract for new development in conservation areas. The policy is not effective as it does not specify what the contract must entail or whom it should be between. A MM is therefore necessary to set out that a schedule of works should be agreed prior

to demolition. This is clear to all parties and provides the Council with the necessary controls to ensure that sites are not demolished without a clear understanding of the works taking place thereafter.

320. In addition, criterion (h) states that outline planning applications should include sufficient detail to assess schemes. For consistency with paragraph 128 of the Framework this should apply to all applications. (**MM122**)
321. The requirement for proposals to protect hard and soft landscaping under Policy HE2 may not always be appropriate. For example, Normanby Hall (Policy H3.7) has been vacant for over a decade and numerous self-seeded trees need to be removed. To be effective Policy HE2 should therefore specify that part (b) relates to historically significant landscaping. For the same reasons part (f) should be modified in a similar manner. (**MM123**)
322. Where a proposal would lead to substantial harm or loss of a designated heritage asset Policy HE2 broadly reflects national planning policy. However, criterion (k) requires harm to be significantly outweighed by benefits. This is not consistent with paragraph 133 of the Framework and should be modified by **MM123**.

General Development Principles – Policy SD4

323. To ensure that Policy SD4 is effective, justified and consistent with national planning policy several changes are required as recommended by **MM09**.
324. Criterion (b) seeks to prevent significant adverse impacts on the amenity of neighbouring residents. To be effective and ensure consistency with one of the Framework's Core Planning Principles it should be expanded to include occupiers of land and buildings.
325. In some cases a lower density of development may be appropriate in order to meet the aims and objectives of the Plan. For example, where executive-style housing is proposed. Criterion (i), which seeks to maximise the use of land, should therefore be modified to allow for such circumstances.
326. The need for developments to provide an 'artistic element' under part (q) lacks clarity for decision-makers, developers and local communities. At the hearings the Council also confirmed that the reason for its inclusion was to ensure that schemes respond to local character, reflect local history and create a strong sense of place. The policy should therefore be modified to make this clear.
327. In order to be effective and consistent with paragraph 32 of the Framework criterion (o) should confirm that access and parking arrangements should be safe. Furthermore, part (m) should clarify that proposals should seek to minimise pollution in accordance with paragraph 110 of the Framework.
328. National planning policy also seeks to deliver a wide choice of high quality homes and create sustainable, inclusive and mixed communities. This includes meeting the needs of different groups, such as older people and people with disabilities. Policy SD4 should therefore include a requirement that schemes should consider the needs of people with disabilities through site layout and design, which is more effective than considering its 'social value'. It should also be clear that new developments should be designed, constructed

and managed in a way that promotes healthy lifestyles to reduce health inequalities, in accordance with the Framework.

329. In the absence of any evidence to suggest that development may exacerbate water stress, or to justify the need for localised standards, criterion (p) is not justified and should be deleted. Part (s) should also be deleted as it duplicates the requirements in criterion (a).
330. In addition to setting out criteria to assess new development Policy SD4 states what supporting documents will be required with planning applications. Such detail should be included in the Council's local validation checklist, not the local plan. In the event that local requirements changed it would render Policy SD4 quickly out of-date. MM09 is therefore necessary to delete (t)-(z).
331. Deleting criterion (t)-(z) removes reference to the need for developers to carry out a Land Stability Risk Assessment. However, Policy SD4 states that in assessing site suitability development should avoid locations that would put the environment, human health or safety at unacceptable risk. The supporting text also confirms that due to past and present mineral activity applicants may be required to carry out an assessment of land stability. Policy SD4 therefore remains consistent with paragraph 121 of the Framework which states that planning policies and decisions should ensure that sites are suitable for their intended use taking account of ground conditions and land instability.
332. To reflect the changes above, and to provide additional clarity, the supporting text to Policy SD4 should be updated by **MM10**. Reference to standards such as the Code for Sustainable Homes and 'BREEAM' should also be deleted as they are not referred to in the policy. As modified the supporting text still refers to Health Impact Assessments, but only insofar as they should be considered by developers as part of promoting healthy lifestyles.
333. Finally, paragraph 2.31 states that Local Employment Agreements should be used for major development proposals, and where development value exceeds £5m, at least 20% of the supplies and services should be from companies within the borough. This is not based on any evidence to indicate that such a target is justified or achievable, and should be deleted. (**MM10**)

Equestrian Development – Policy ED13

334. Some proposals for equestrian-related developments may have the potential to cause adverse impacts on the character and appearance of the countryside. Policy ED13(c) is therefore justified. However, to be effective **MM43** is necessary to confirm that external facilities should be appropriately located and adequately screened, rather than just 'well sited'. Because a mitigation strategy is now in place for the Teesmouth and Cleveland Coast SPA paragraph 5.75 should also be removed for clarity. (**MM44**)

Conclusion

335. Subject to the recommended MMs I conclude that the Plan provides adequate policies to protect, preserve and enhance the built and natural environments.

Issue 16 – Whether the Plan supports the transition to a low carbon future and includes appropriate policies to address climate change

Renewable and Low Carbon Energy – Policy SD6

336. In helping to increase the use and supply of renewable and low carbon energy paragraph 97 of the Framework states that local planning authorities should identify suitable areas for such technologies. The PPG confirms that there are no hard and fast rules about how suitable areas for renewable energy should be identified, but the process should take into account the requirements of the technology and potential environmental impacts.⁴¹

337. Evidence contained in the *Renewable and Low Carbon Study*⁴² is based on an assessment of areas which are technically viable for wind and solar energy. Maps have then been overlaid with a landscape sensitivity assessment to identify the 'most suitable' areas, which are shown on the policies map.

338. The Study concludes that the areas identified do not provide a definitive answer to the suitability of a particular location and schemes still need to be assessed on their merits. For example, it is not possible to take into account cumulative effects at a strategic level, or accurately consider site specific impacts on the living conditions of local residents or heritage assets. The conclusions therefore only identify *potentially* suitable areas. This is consistent with the PPG which advises that it is important to set out the factors that will be taken into account when considering proposals.

339. To reflect the evidence base, and to be effective, Policy SD6 and the supporting text should refer to potentially suitable areas and the likely factors that will be taken into account in assessing proposals, including heritage assets and their settings. (**MM13** and **MM14**)

Flood and Water Management – Policy SD7

340. A total of 295 potential development sites were assessed as part of the *Redcar and Cleveland Borough Council Level 1 Strategic Flood Risk Assessment Update*⁴³ ('FRA'). The evidence formed part of the SA and enabled the Council to direct development away from areas at the highest risk of flooding. Only 5 sites are partially within Flood Zones 2/3. This includes the mixed-use allocation at Coatham (REG1), Corus Corridor sites 1-3 and the Tees Offshore Base (Policies ED6.1-6.2).

341. At Coatham only approximately 9% of the site falls within Flood Zone 3a, a large part of which has already been developed and includes a boating lake. The proposed shops, restaurants, cafes and leisure facilities are also defined as 'less vulnerable' uses by the PPG. Based on the flood risk vulnerability classification index such developments are appropriate.⁴⁴ Thus, subject to a suitable site layout and design, informed by a FRA, the allocation does not propose new development in an area where people or property would be

⁴¹ Paragraph: 005 Reference ID: 5-005-20150618

⁴² Document RC04/02/1

⁴³ Document RC04/03/1

⁴⁴ Paragraph: 066 Reference ID: 7-066-20140306 and Table 3

subject to the risk of flooding. Subject to ensuring that proposals come forward for leisure, tourism, visitor and retail uses it is not necessary to apply the exceptions or sequential tests required by Policy REG1(e).(**MM18**)

342. Elsewhere the Corus Corridor sites all form part of a wider employment allocation under Policy ED6. Although industrial development is supported in principle, less than 3% of the site areas fall within Flood Zones 2/3. Again, subject to an appropriate design informed by a FRA additional development would be safe from flooding. The same also applies at the Tees Offshore Base where only 13% of the site falls within Flood Zone 3.
343. Policy SD7 also restricts surface water run-off from brownfield redevelopment schemes to a maximum of 50% of the previous use. For greenfield sites, surface water run-off must not exceed the existing greenfield rate. Major development proposals are also expected to present details which incorporate Sustainable Urban Drainage techniques unless they would be inappropriate. Policy SD7 therefore provides a sound, robust policy framework to ensure that developments proactively manage water and flood risk.
344. Finally, as part of the coastal area spatial strategy Policy LS4 protects bathing water quality. However, the same objectives apply to the entire coastline. **MM15** is therefore required to ensure that bathing water is also a requirement of Policy LS3 which includes coastal settlements.

Assessment of Legal Compliance

Local Development Scheme ('LDS')

345. The RCLP conforms to the subject matter and geographic area set out in the LDS. It was submitted for examination within the timescales given of March-August 2017. The Plan area is logical given that the administrative boundary of the borough and the conclusions reached on the HMA.

Consultation

346. Consultation has been carried out in accordance with the *Redcar and Cleveland Statement of Community Involvement*.⁴⁵ It included three separate stages, covering the Local Plan Scoping Report, Draft Local Plan and Publication Local Plan. At each stage the Plan was available on-line and at Council offices and libraries. Direct mailshots were sent to around 2,700 contacts on the Council's database and through the *This is Redcar & Cleveland* magazine which is distributed to every household in the borough. Consultation on the Publication RCLP lasted 6 weeks. Throughout each stage the Council has sought views electronically using a dedicated online consultation 'portal' and in paper. Different techniques have also been used including staffed exhibitions and drop-in events, briefings to elected Members and the use of social media.
347. Whilst the website interface could have been more 'user-friendly', sufficient publicity has been carried out and interested parties have had adequate opportunities to engage in the process and make representations. No

⁴⁵ Document RC02/2

evidence has been provided to show that any party has been denied an opportunity to comment or that their interests have been prejudiced.

348. Following consultation on the Publication RCLP the Council produced a *Comments and Response Schedule*.⁴⁶ Similar reports were also created following earlier consultation stages and included responses to points raised by representors. This demonstrates how the Council took representations into account, and how the Plan has evolved throughout the consultation process.

Sustainability Appraisal

349. The Council has carried out a SA of the Plan and of the MMs where necessary. The SA considered alternative housing growth scenarios, different options for levels of growth across the urban, coastal and rural areas and alternative choices for the allocation of land for residential development.

350. Although a 'finer-grain' approach could have been used, for the reasons given above the Plan's spatial distribution of development is justified and sound. Likewise, whilst different growth rates could have been tested for settlements at the same level, the Council has carried out an adequate SA of the Plan and reasonable alternatives have been considered to a sufficient degree.

Habitat Regulations

351. For the reasons identified above the HRA Addendum confirms that the policies and allocations in the Plan will not have an adverse impact on the integrity of the Teesmouth and Cleveland Coast SPA and Ramsar site. As confirmed by Natural England, the RMP will provide an effective strategy to ensure that the effects of policies and allocations in the plan will be mitigated.

Climate Change

352. Policies SD2, SD3, SD4, SD6 and SD7 will help ensure that development and the use of land will contribute to the mitigation of, and adaptation to, climate change. The policies include requirements relating to resource management, energy efficiency, the use of renewable and low carbon energy and minimising flood risk. The strategic focus of Policies SD2 and SD3 also seek to focus the majority of new development in areas which have the best access to employment, services and public transport.

National Policy

353. The examination process has considered whether the RCLP is consistent with national policy at the time of the examination. Although the Government has now published the consultation draft of the revised Framework, any changes have not yet come into force. Once changes to national planning policy are in place the Council will need to consider if any action would be necessary.

354. I therefore conclude that the Plan meets the relevant legal requirements, including in the 2004 Act (as amended) and the 2012 Regulations.

⁴⁶ Document EX/RC/002

Overall Conclusion and Recommendation

355. The RCLP has a number of deficiencies in respect of soundness and legal compliance which, for the reasons set out above, mean that I recommend non-adoption of the Plan as submitted, in accordance with Section 20(7A) of the 2004 Act. These deficiencies have been explored in the main issues set out above.

356. The Council has requested that I recommend MMs to make the Plan sound, legally compliant and capable of adoption. Overall, I conclude that with the recommended modifications set out in the accompanying Appendices the Plan satisfies the requirements of Section 20(5) of the 2004 Act and meets the criteria for soundness in the National Planning Policy Framework.

Matthew Birkinshaw

INSPECTOR

This report is accompanied by the following Appendices:

Appendix 1 – Schedule of Recommended Main Modifications

Appendix 2 – Revised Housing Delivery Schedule (Appendix 4 to Local Plan)