

## CABINET MEETING – 13<sup>th</sup> March 2013

### EXECUTIVE SUMMARY SHEET – PART I

**Title of Report:**

A19 Low Carbon Enterprise Zone: Local Development Order (Turbine Park and Vehicle Test Centre site)

**Author(s):**

Deputy Chief Executive

**Purpose of Report:**

The purpose of this report is to advise Cabinet of the responses received following consultation on the A19 Low Carbon Enterprise Zone: Draft Local Development Order (Turbine Park and Vehicle Test Centre site) and to seek Cabinet's approval of the revised A19 Low Carbon Enterprise Zone: Local Development Order (Turbine Park and Vehicle Test Centre site)

**Description of Decision:**

**Cabinet is recommended to**

- a) Note the amendments made to the A19 Ultra Low Carbon Enterprise Zone: Draft Local Development Order (Turbine Park and Vehicle Test Centre site) in light of responses received during the public consultation and consultation with the Secretary of State;
- b) Approve the revised A19 Low Carbon Enterprise Zone: Local Development Order (Turbine Park and Vehicle Test Centre site)

**Is the decision consistent with the Budget/Policy Framework?** **\*Yes**

**If not, Council approval is required to change the Budget/Policy Framework**

**Suggested reason(s) for Decision:**

The implementation of a simplified planning regime at the A19 Low Carbon Enterprise Zone is required by the Department for Communities and Local Government (DCLG) as part of the package of measures set out under Enterprise Zone (EZ) status. A Local Development Order (LDO) is an established alternative form of administering the planning process and is considered the most appropriate means of simplifying planning procedures on all Enterprise Zone sites within the North Eastern Local Enterprise Partnership (LEP) area.

**Alternative options to be considered and recommended to be rejected:**

The alternative option is not to prepare an LDO for the Turbine Park and Vehicle Test Centre site. The consequences of this would be a failure to implement a simplified planning regime for the EZ sites and therefore a failure to provide the full package of measures geared towards stimulating growth within designated EZ areas; as set out by the DCLG.

This would put the Sunderland EZ sites at a competitive disadvantage compared to other EZ sites within the North Eastern LEP area.

**Impacts analysed:**

Equality  Privacy  Sustainability  Crime and Disorder

Is this a “Key Decision” as defined in the Constitution? Yes

Is it included in the 28 day Notice of Decisions? Yes

Scrutiny Committee

**A19 LOW CARBON ENTERPRISE ZONE:  
LOCAL DEVELOPMENT ORDER (TURBINE PARK & VEHICLE TEST  
CENTRE SITE)**

**REPORT OF THE DEPUTY CHIEF EXECUTIVE**

**1.0 Purpose of Report**

- 1.1 The purpose of this report is to advise Cabinet of the responses received following consultation on the A19 Low Carbon Enterprise Zone: Draft Local Development Order (Turbine Park and Vehicle Test Centre site) and to seek Cabinet's approval of the revised A19 Low Carbon Enterprise Zone: Local Development Order (Turbine Park and Vehicle Test Centre site)

**2.0 Description of Decision**

- 2.1 Cabinet is recommended to
- a) Note the amendments made to the A19 Low Carbon Enterprise Zone: Draft Local Development Order (Turbine Park and Vehicle Test Centre site) in light of responses received during the public consultation and consultation with the Secretary of State;
  - b) Approve the revised A19 Low Carbon Enterprise Zone: Local Development Order (Turbine Park and Vehicle Test Centre site).

**3.0 Background**

- 3.1 As part of the coalition Government's plans to stimulate growth and the creation of new businesses and jobs, a new wave of Enterprise Zones (EZs) have been created. The stimulus for economic development with EZs is a package of measures primarily focused on financial incentives and simplified planning procedures.
- 3.2 Enterprise Zones are to be driven by Local Enterprise Partnerships (LEPs). Within the North Eastern LEP area, EZs have been designated at A19 around Nissan in Sunderland, the River Tyne North Banks including Port of Tyne and Swan Hunter in North Tyneside and Neptune Yard in Newcastle, and sites near Port of Blyth.
- 3.3 The EZ for Sunderland comprises three sites to the west of the A19 totalling 42.9 Hectares (see attached plan):
- two adjoining sites located to the south of the Nissan car plant: Turbine Park (23.5 hectares) and the Vehicle Test Centre site (6.5 hectares);

- Hillthorn Farm site situated approximately 700m to the west and adjacent to the Leamside railway line (12.9 hectares)
- 3.4 The North Eastern LEP seeks to support investment in a low carbon economy – in particular offshore wind energy and Ultra Low Carbon Vehicles (ULCV). Accordingly, within the EZ sites, businesses in the ULCV or Advanced Manufacturing sectors which seek to locate in the Sunderland EZ may benefit from Enhanced Capital Allowances or business rate discounts, and a simplified planning regime.
  - 3.5 It has been agreed by the North Eastern LEP that the most appropriate means of implementing a simplified approach to planning on the EZ sites within the region is through Local Development Orders (LDOs). Further information on an LDO can be found in part 4.0 of this report.
  - 3.6 It is intended to adopt two Local Development Orders for the Sunderland EZ sites; an LDO for Turbine Business Park (site 1 on the plan) and the Vehicle Test Centre site (site 2); and a separate LDO for Hillthorn Farm (site 3).
  - 3.7 Some preparatory work has already been undertaken on the Turbine Business Park site and the Vantec development is almost complete. It is considered that an LDO for this and the Vehicle Test Centre site can be brought forward immediately. Further masterplanning and feasibility work is required for the Hillthorn Farm site to determine options for its development, with consideration given to the presence of the Leamside Line and Nissan's future operational requirements. This work is currently ongoing and will inform the preparation of an LDO for the Hillthorn Farm site.

#### **4.0 A Local Development Order**

- 4.1 LDOs were first established within the 1990 Town & Country Planning Act with further revisions to the legislation most recently in the Town & Country Planning (Development Management Procedure) (England) Order 2010.
- 4.2 An LDO removes the requirement to obtain planning permission for certain types of development specified within the Order and consequently removes the requirement for a developer to submit an application for planning permission. This is on the provision that development proposals are in accordance with the uses and type of development specified in the LDO, and that other procedures and conditions in the LDO are adhered to. Should development proposals not accord with the Order, applicants will be required to pursue the normal route of obtaining planning permission.
- 4.3 LDOs should not be regarded as a withdrawal of planning control; instead they are a useful tool to be utilised where it is considered that

the impact of development would not be significant. An LDO would be appropriate where under normal circumstances a planning application would be required for a type of development which would feasibly have little material impact on neighbours, being limited to the confines of a discrete development site such as a business park or industrial estate. Given the location of the Sunderland Enterprise Zone sites and the largely industrial nature of development envisaged, an LDO would be an appropriate means of administering the planning process in these areas.

- 4.4 The key advantages of an LDO to prospective developers of the EZ sites will be reduced costs through the removal of planning fees, a higher degree of certainty due to the site specific nature of the LDO and time savings associated with the removal of normal planning procedures.
- 4.5 LDOs relate only to simplifying planning procedures and do not remove the need to obtain other statutory consents such as Building Regulations approval, Highways Legislation, Listed Building Consent, Health and Safety Executive consents.

## **5.0 The Local Development Order for Turbine Business Park and Vehicle Test Centre site**

- 5.1 The proposed LDO will permit a number of primary uses: (B1a) Offices; (B1b) Research & Development; (B1c) Light Industry; (B2) General Industry; (B8) Storage and Distribution; (D1c) Education. A limited quantum of supporting amenity convenience facilities and potentially a hotel use will also be allowed on the Turbine Park site in accordance with an existing outline planning consent granted in December 2010.
- 5.2 Consistent with the LEP's low carbon growth agenda, the above uses will only be permitted under the proposed terms of the LDO provided it can be demonstrated that the associated operations will be linked to the ULCV or Advanced Manufacturing sectors. Proposals for the above uses outside these sectors will need to be assessed under the normal planning procedures.
- 5.3 Proposals permitted under the LDO must conform to a set of development criteria and conditions set out within the LDO document. These matters relate to design of development (including site layout, building heights and use of materials), landscaping and planting, access and parking, contamination, noise and air quality, ecology and flood risk.
- 5.4 The LDO contains criteria which seek to avoid proposals, which would result in the 'displacement' or relocation of existing businesses from within the City of Sunderland to the EZ sites simply because of the financial incentives available, as this would result in no net economic growth or increased employment. In all cases developers will be

required to submit a statement demonstrating how proposals will avoid displacement. Consideration must be given to employment growth, additional floor space and projected growth in output.

- 5.5 Development requiring an Environmental Impact Assessment will not be permitted under the Local Development Order.
- 5.6 It is envisaged that the LDO process will be overseen by the City Council's Planning Service. The LDO defines the procedural mechanics for the assessment of proposals and clarifies the information to be submitted to the City Council in the first instance. The LDO also sets out a procedure by which a developer notifies the Council of the proposed date to start development on site.
- 5.7 The LDO is set to be in place for 5 years after which the City Council will be able to either: re-adopt the LDO under the same criteria and conditions, re-adopt the LDO but modify the criteria and conditions; or revoke the LDO and return to the established planning system.
- 5.8 Copies of the LDO are available in the Member's Library.

## **6.0 Public Consultation on the draft Local Development Order for Turbine Business Park and Vehicle Test Centre site**

- 6.1 Cabinet approved a draft Local Development Order for Turbine Park and Vehicle Test Centre site for the purposes of consultation at its June meeting. Subsequently, the document and accompanying Sustainability Appraisal was subject to a statutory six week public consultation between 20<sup>th</sup> July and 24<sup>th</sup> August.
- 6.2 During this period all information relating to the consultation, including the draft LDO was made available online.
- 6.3 Statutory and formal consultees including and a range of voluntary organisations and other groups were consulted by letter. Letters were also delivered to all households, businesses and landowners within the EZ study area and its immediate surroundings. The letters provided a summary of key EZ proposals and notified recipients of the consultation period and the online link to view the relevant documents.
- 6.4 Consultees were able to view the main proposals plan and consultation documents; and submit comment forms at an exhibition displayed in the City Council's Customer Service Centre at Fawcett Street. The consultation documents and comments forms were also available at all local libraries across the city.

## **7.0 Public Consultation Responses and Amendments to the Local Development Order**

- 7.1 In total 13 responses were received, 12 expressing support and 1 objecting to the proposed LDO.
- 7.2 11 responses were received from statutory and non-statutory consultees. Responses covered issues such as public transport, displacement and impact on the existing road network; however were supportive of the draft LDO overall. Consideration of representations submitted by the Environment Agency, Nexus, English Heritage, Highways Agency, Coal Authority, Northumbrian Water and landowners Barmston Developments have resulted in minor changes to sections of the LDO.
- 7.3 The itemised representations received, together with the City Council's response to them and details of any necessary changes can be found in the appendices of this report.

## **8.0 Consultation with the Secretary of State**

- 8.1 On 3 January 2013, in accordance with the legislation, the revised LDO and Statement of Reasons (included within the LDO document), and details of the consultation responses and amendments to the document were submitted to the National Planning Case Unit (NPCU) for consideration on behalf of the Secretary of State.
- 8.2 On 11 January 2013, it was confirmed that the Secretary of State did not wish to intervene. No further amendments to the LDO document are required. A copy of the response letter from NPCU can be viewed in the appendices.

## **9.0 Reasons for decision**

- 9.1 The implementation of a simplified planning regime at the A19 Low Carbon Enterprise Zone is required by the Department for Communities and Local Government (DCLG) as part of the package of measures set out under Enterprise Zone (EZ) status. A Local Development Order (LDO) is an established alternative form of administering the planning process and is considered the most appropriate means of simplifying planning procedures on all Enterprise Zone sites within the North Eastern Local Enterprise Partnership (LEP) area.

## **10.0 Alternative options**

- 10.1 The alternative option is not to prepare a Local Development Order (LDO) for the Turbine Park and Vehicle Test Centre sites. The consequences of this would be a failure to implement a simplified planning regime for the EZ sites and therefore a failure to provide the full package of measures geared towards stimulating growth within designated EZ areas; as set out by the DCLG.

This would put the Sunderland EZ sites at a competitive disadvantage compared to other EZ sites within the North Eastern LEP area.

## **11.0 Relevant considerations**

- 11.1 a) Financial Implications - An approved LDO will not involve any direct costs to the Council.
- b) Policy Implications - The document has been prepared to meet the requirements of relevant local and national planning policy.
- c) Sustainability Implications –A Sustainability Impact Assessment has been completed demonstrating that the LDO will deliver a net positive sustainability impact. The SIA is available in the Member's Library
- d) Equality Implications – An Equality Analysis has been completed to reflect the amended LDO and is available in the Member's Library.

## **12.0 List of Appendices**

- Appendix 1: Sunderland Low Carbon Enterprise Zone Site Plan
- Appendix 2: Summary of consultation responses and The City Council's Response
- Appendix 3: Consultation response letter from DCLG
- Appendix 4: Natural England Consultation response to HRA Screening Assessment (March 2012)

## **13.0 Background papers**

- Revised A19 Low Carbon Enterprise Zone: Local Development Order (Turbine Park and Vehicle Test Centre site)
- HRA Screening Assessment for A19 Low Carbon Sites (March 2012)
- Equality Analysis
- Sustainability Impact Assessment