Response to Inspector's Request for a Statement of Common Ground in respect of NMT2, 3 and 4.

1. The Inspector has raised the following questions and requests in respect of these proposed allocations:

   **Question:**
   Does: the current use of part of this area for minerals processing or possible future use in connection with extraction elsewhere (see rep 224); its safeguarding in the emerging Hampshire Minerals and Waste Plan; possible contamination; need for reclamation; and viability considerations undermine the justification for this allocation or make delivery uncertain?

   *I would welcome a SCG addressing this question prepared, as far as possible, by the Council, the landowners, the proposed developer, the mineral operator and Hampshire County Council as minerals authority.*

2. The following comprises common ground between New Forest District Council (Local Planning Authority), Solent Industrial Estates (Landowner), New Milton Sand & Ballast (Mineral Operator/ principal shareholder in Solent Industrial Estates Ltd) and Hampshire County Council (Mineral Planning Authority). At the request of the District Council, the preparation of this Statement of Common Ground has been led by the agents representing the site owners.

3. There are no contractual agreements in place as yet with a developer for the NMT2, 3 and 4 sites. Solent Industrial Estates Ltd (SIEL) confirm their intention is to market the site to developers in 2013, following the adoption of the Local Plan Part 2: Sites & Development Management DPD, and the approval of a planning application to relocate New Milton Sand & Ballast's (NMSB) aggregate infrastructure to their Pennington site.

4. The following comprises common ground:

   **The Site**

5. The proposed Policy NMT2, 3 and 4 sites (Document S1) amount to approximately 16Ha and comprises part of a former gravel quarry that historically extended west of Caird Avenue, where Tesco and its car park now sit. The proposed sites are currently used for the processing of sand and gravel, other aggregates, waste recycling and various business/industrial operations. The majority of the buildings and infrastructure associated with such operations lie on the NMT2 site or on its boundaries with NMT3 and NMT4.

6. The proposed allocations are well contained by existing landscape features such as topography and mature vegetation, all of which is capable of being retained and
enhanced, if necessary, through the imposition of suitable planning conditions on planning consents granted for these allocations.

7. The NMT2 site and its boundaries with NMT3 and NMT4 have a history of industrial /business uses. These uses currently include an industrial aggregates processing plant with associated maintenance and office buildings, a sand and gravel bagging plant, a concrete plant (previously Hibbs Concrete and now NMSB), an MOT garage (Geoff Kilbey Commercial), a car servicing garage (Steve Williamson), a haulage company (Gary Parsons Haulage) and a skip hire business (SMS Waste Services). These businesses occupy a collection of single storey industrial sheds and structures. A much taller processing tower associated with Cemex has recently been cleared.

8. The southern parts of NMT3 and the majority of NMT4 comprise former mineral extraction lands, some of which has been temporarily cleared and grassed and some used for processed mineral storage. The remainder comprising former silt settling ponds (now largely cleared) and a former Hibbs builder’s yard. As a consequence, the NMT4 site has historically had less industrial disturbance and/or potential for contaminating uses than that of NMT2 and the northern parts of NMT3.

Planning Context

9. The NMT2, 3 and 4 sites aggregates use has become lawful through the passage of time over the last century and is not therefore time limited nor subject to any restoration requirements of a planning consent. The development proposed in Policies NMT2, 3 and NMT4 serves as enabling development to clear and decontaminate the site, relocate aggregate uses to an alternative site (see paragraph 16 below) and will provide housing (particularly affordable housing), employment and open space for the area. The environmental, social and economic gains from this are factors that weigh heavily in favour of these allocations.

10. The relocation of existing aggregates infrastructure to an alternative site under a new planning consent would offer the opportunity of securing greater planning controls over such uses than presently exist at NMSB Caird Avenue site, due to the way the site has evolved.

11. Proposed policies NMT2 and NMT3 comprise land allocated for housing (2Ha) and employment (5Ha) carried forward from policies NM-9 and NM-11 of the adopted New Forest District Local Plan (First Alteration) 2005. The NM-9 and NM-11 allocations are ‘saved policies’ from the New Forest District Local Plan First Alteration (Document S21), retained as existing allocations under adopted Core Strategy DPD (2009) policies CS10(e) and CS17(d).

12. In August 2009, minerals planning consent was given to NMSB at appeal for sand and gravel extraction, access and restoration at Downton Manor Farm, Downton. The application proposed that the sand and gravel would be processed off-site, and consequently there is no permission for mineral processing at the site. There are no conditions to require this to be processed at Caird Avenue. There is currently no other active mineral processing facility in Hampshire in proximity to the site. Mineral extraction at Downton Manor Farm commenced in June 2012.

13. In parallel, NMSB committed significant investment to securing outline planning consent for the adopted Local Plan NM-9 and NM-11 housing and employment allocations. This confirmed the land owner and operators intention to deliver these allocations. It also signalled NMSB commitment to relocating and consolidating their mineral and waste infrastructure from Caird Avenue to their Manor Farm, Pennington site. NMSB consider this to be a sensible alternative site given that 55% of the raw feed is derived from construction waste originating from Manor Farm.

14. On the 20 October 2010, New Forest District Council (NFDC) granted outline planning permission (09/05023) to Solent Industrial Estates Ltd to develop the adopted Local Plan
NM-9 and NM-11 sites for 54 dwellings, 10,191sqm B1 Use and 6,430sqm B2 Use, with associated access (Appendix 1). All other matters were reserved. Applications for approval of these reserve matters is required to be made by 20 October 2015, with development begun within two years of the approval of the last reserved matters application. The s106 agreement for this consent includes at paragraph 6.5 the requirement to remove the processing plant from the site prior to occupation of any open market dwelling. This paragraph also precludes the mineral processing plant being relocated within the site or adjoing land within the applicant's control (Appendix 2).

15. Land at Caird Avenue is not currently safeguarded for minerals and waste infrastructure specifically through current policy provisions. However, it is included as a safeguarded site in the submitted version of the Hampshire Minerals and Waste Plan through the provisions of policy 16 (Safeguarding - minerals infrastructure and policy 25 (now policy 26) (Safeguarding – waste infrastructure). As the plan sets out the safeguarding of aggregate recycling sites more specifically under the provisions of policy 16, this policy is the most relevant to the safeguarding of Caird Avenue. The Examination in Public into this document is yet to close, therefore further changes to this policy cannot be ruled out. Policy 16 confirms that the Minerals Planning Authority will object to incompatible development on such sites unless it can be demonstrated that at least one of four criteria (a-d) are satisfied. Criterion c) of this policy confirms incompatible development may be justified where the capacity of the infrastructure ‘can be relocated or provided elsewhere.’ This could be achieved subject to grant of planning permission by relocating the processing plant at Caird Avenue to Pennington.

16. NMSB have submitted pre-application proposals to Hampshire County Council (HCC) to relocate their aggregates infrastructure from Caird Avenue to their site at Manor Farm, Pennington. This is a commercial waste recycling and composting facility, which has a permanent consent and lies within the South West Hampshire Green Belt to the west of Lymington. It is adjacent to former mineral extraction sites which have been restored to agriculture. It also lies near to the former Efford landfill site and its environmental control plant (landfill gas and leachate control), a Household Waste Recycling Centre and a waste water treatment plant operated by Southern Water. NMSB state they have invested over £1m modernising plant and buildings at this site to date. NMSB confirm they are now intending to invest in further infrastructure at this site in support of proposals to relocate and consolidate their operations from Caird Avenue to Pennington. The first step being pre-application assessments and submissions to HCC. If permission is granted, NMSB confirm they will implement this consent immediately. This would then facilitate the release of land at Caird Avenue for development. NMSB confirm the release of land at Caird Avenue for development justifies and underpins NMSB decision to invest in the relocation and upgrading of their infrastructure from Caird Avenue to Pennington.

17. SIEL owns the land at Caird Avenue and NMSB have a lease to occupy that land. This lease is excluded from the 1954 Landlord and Tenant Act and a notice period of 12 months could be served on NMSB at any time. Hence the continued occupation by NMSB at Caird Avenue represents a significant business risk and NMSB have an imperative to find a suitable alternative site for strategic business reasons also.

18. HCC have confirmed that they have no objection in principle to the relocation and consolidation of NMSB aggregate infrastructure from Caird Avenue to within the existing Manor Farm site, as it is an established site with permanent planning permission. HCC also recognise the ability to secure greater planning control over these operations than is presently the case at Caird Avenue, and the potential benefits in improving waste recycling capacity and quality. The detailed environmental and amenity implications of the relocation of such infrastructure to Manor Farm will however need to be assessed through a detailed planning application. Pre-application submissions have been made by NMSB and discussions are underway to agree the information and details required to be submitted with the application to follow. NMSB intend to submit a full planning application

1 Policies relating to safeguarding were quashed from the Hampshire Minerals and Waste Core Strategy following a legal challenge in 2008.
for these proposals to HCC by spring 2013. If planning permission is granted, NMSB confirm they would move to discharge conditions and commence works on site before the end of 2013.

19. Should planning permission be granted, the relocation of aggregates infrastructure from Caird Avenue to Manor Farm, Pennington would satisfy criterion c) of policy 16 of the submitted (as proposed to be amended) HMWP (2012). The safeguarding status of the Caird Avenue site could therefore be removed.

Viability

20. The viability of the NMT2, NMT3 and NMT4 policy proposals has been assessed in two stages. The first through the submission of an outline planning application to develop the adopted Local Plan Policy (Document S21) NM-9 and NM-11 sites (the NMT2 and NMT3 sites in the Local Plan Part 2 (Document S1)). The second through the promotion of the NMT4 land for allocation.

NMT2 and NMT3 Sites

21. Prior to submission of an outline planning application for the adopted Local Plan NM-9 and NM-11 sites, SIEL undertook extensive site investigations to establish the extent and cost of highway and drainage works, along with air, noise, contamination, land remediation, processing plant relocation, costs and associated build costs for the development. This informed the drafting of an open book viability assessment for the application proposals. This was submitted to, informed and agreed as a reasonable basis for assessing site viability by NFDC’s District Valuer. This informed and justified the s106 obligations NFDC sought for this development, which included a deferred payment and recovery mechanism to enable the development to be viably delivered within five years of a planning consent being granted in 2010 (Appendix 2).

22. In granting planning consent in October 2010, NFDC was therefore satisfied that the planning obligations contained within the s106 were justified to viably deliver the application proposals within the time limit of the permission to 2015. SIEL had also signalled their firm commitment to deliver this site through investing significantly in assessing, submitting and securing outline planning consent for this part of their site; and promoting the remainder for release through the LDF.

23. SIEL’s surveyors (Keygrove) have assessed the sales assumptions used to inform the viability assessment submitted to NFDC in support of the outline planning application for the NMT2 and NMT3 sites (Appendix 3). Keygrove conclude these have not demonstrably deteriorated since NFDC granted outline planning permission in October 2010. Certainly not to an extent that would materially undermine the conclusions reached by NFDC in respect of the delivery of this consent before its expiry in 2015/17, or indeed within the Local Plan period to 2026.

NMT4 site

24. SIEL have undertaken assessments of this proposed allocation and conclude there are no overriding constraints to its delivery in principle within the plan period to 2026. A desktop contamination assessment was undertaken for the entire NMT2-4 site in 2007, updated in 2009. Detailed and intrusive site investigations have also been undertaken for the outline planning application site (NMT2 and NMT3 sites), along with the drafting and costing of remediation measures necessary for these sites. These assessments confirm the greatest potential for contamination and hence abnormal remediation costs is likely to lie on or around the NMT2 site. The NMT4 site in comparison having far less potential for contamination, and there is no evidence to suggest its remediation would be prohibitive to its development within the plan period (Appendix 4).

25. NMSB consider the bulk of remediation costs associated with the NMT4 site will relate to site re-modelling and particularly to the slt associated with the former slt settling lagoons.
NMSB have calculated the volume of material requiring re-distribution on/off site. NMSB consider there are a number of options to address this in a manner that would not be prohibitive to the delivery of NMT4 within the plan period. A sizeable amount of this material will be needed to level and landscape the NMT2, 3 and 4 sites for development. NMSB confirm that the remainder can be accommodated off-site as part of NMSB’s restoration of the Downton Manor Farm and Efford sites. Provisional costs associated with such works have been estimated and provided to SIEL surveyors Keygrove, who conclude it would not be prohibitive to the development of the site in principle within the plan period (Appendix 3).

26. In respect of off-site highway related costs, Keygrove have been able to refer to the extensive transportation and junction remodelling information SIEL submitted in support of their outline planning application for the NMT2 and 3 sites. In addition, SIEL commissioned Paul Basham Associates (PBA) to assess the highway implications of adding the development proposed in NMT4 to that approved in outline for the NMT2 and 3 sites. PBA concludes the additional traffic generated by the land uses proposed in NMT4 can be met through relatively minor modifications to the off-site works proposed in the outline consent for the NMT2 and 3 sites.

27. PBA conclude there are no overriding highway constraints to the delivery of the NMT4 policy in principle within the plan period. Keygrove have factored the costs associated with this into their viability assessment of NMT4 and concluded it would not be prohibitive to the development of the site in principle within the plan period (Appendix 3).

28. The District Council’s Valuer has considered the Valuation and Financial Viability Report dated October 2012 put forward by Keygrove Chartered Surveyors (Appendix 3). The report provides a present valuation as well as assessing the financial viability of the site over the plan period (up to 2026).

29. It is important to note that as no scheme exists for the site a number of assumptions have been made based on information obtained for the detailed assessment of the adjoining site. It should be stressed that for any brownfield site the level of site specific accommodation works can vary significantly from one location to another and the associated costs should be assessed against the background of a detailed site inspection and evaluation. The findings of the valuation therefore can only be assessed in the context of the assumptions contained therein.

30. The nature of the site, location and the current market all conspire to make accurate evaluation difficult. Additionally the further one seeks to predict market trends into the future the greater the risk of uncertainty is introduced into the valuation.

31. The foregoing being accepted the assumption and conclusions contained within the Valuation and Financial Viability Report would appear to be reasonable in light of the information available to date. The conclusion that it would be viable to bring forward this site within the period of the current plan up to 2026 would therefore also seem to be reasonable.

32. In summary, SIEL and NMSB have invested significantly in securing planning permission for the NMT2-3 site and promoting the NMT4 sites release for development. Further significant investment has and is being incurred to secure the necessary consents to relocate and consolidate NMSB aggregate infrastructure from the Caird Avenue site to their Manor Farm site. The relocation of such infrastructure from Caird Avenue to Manor Farm is acceptable in principle to NMSB, NFDC and HCC. The detail of which is to be assessed through the formal planning application process. The actions of the landowner/miner or operator to positively seek to facilitate the release of NMT2-4 sites for development within the plan period are evident. These actions indicate a clear intention and commitment to implement the proposed allocations within the plan period. NFDC, HCC, SIEL and NMSB are not aware of any overriding constraints to the delivery of these allocations within the plan period. No substantive evidence has been submitted to the contrary to justify a different conclusion being reached.
Signed

Louise Evans
Lisa Kirby
Trevor Poole
Michael Badcock
Ryan Johnson

...........................................(New Forest District Council)
...........................................(Hampshire County Council)
...........................................(New Milton Sand & Ballast)
...........................................(Solent Industrial Estates Ltd)
...........................................(Turley Associates for Solent Industrial Estates Ltd)