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Dear Planning Policy Team,

## **GATESHEAD METROGREEN AREA ACTION PLAN: DRAFT PLAN**

1. Thank you for consulting with the Home Builders Federation (HBF) on the Gateshead MetroGreen Area Action Plan (AAP) Draft Plan.
2. The HBF is the principal representative body of the house-building industry in England and Wales. Our representations reflect the views of our membership, which includes multi-national PLC's, regional developers and small, local builders. In any one year, our members account for over 80% of all new "for sale" market housing built in England and Wales as well as a large proportion of newly built affordable housing.
3. The MetroGreen Draft AAP provides the planning policy framework for the comprehensive development of 974 homes, 25,500sqm of leisure and ancillary uses and a hotel. The MetroGreen is a 213ha brownfield site on the south bank of the River Tyne, surrounding the MetroCentre. The HBF generally supports the development of this site, however, we have significant concerns over the deliverability of the site and the timescales within which it will come forward. The HBF recommends that the Council ensure that the emerging Plan sees the MetroGreen site as a small part of the wider Plan, with a large range and variety of housing sites identified throughout Gateshead which also contribute to the Plan, and does not rely on the MetroGreen site to deliver a significant proportion of the housing requirement within the Plan period.

### **Policy MG1: Spatial Strategy for Comprehensive Development**

4. This policy states that this location will deliver 974 homes at an average of 40 dwellings per hectare (dph). It also provides a list of the requirements a development must meet including improved pedestrian and cycle accessibility, integrated infrastructure to manage fluvial, tidal and surface water flooding, a new public green space to serve the new residential community and the protection and enhancement of biodiversity through on and off-site mitigation.
5. The HBF has concerns in relation to the delivery of these homes. The MetroGreen Stage 3 Viability Report (Jan 2024) demonstrates that there are viability challenges at MetroGreen, it suggests that this is a result of the significant remediation costs which place a high-cost burden on development. The Report also identifies infrastructure requirements including utilities, electric, gas, telecoms, foul and surface water drainage, sustainable and active travel, highway improvements, flood risk and water management, green infrastructure and ecology, it states that the requirements are still evolving and



due to viability pressures, it is not envisaged that developer contributions alone will meet the costs of these requirements. It also notes that the appraisals show that the affordable housing requirements are unviable in this area, and would need to be delivered through other routes such as securing Homes England Social Housing Grants. The HBF considers that it would be beneficial for the Council to explore all of the possible sources of grant funding that could be used to support the delivery of this area.

- The HBF has set out its concerns in relation to the density of development in relation to Policy MG6: Housing Sites Allocations and MG7: Housing Density.

### Policy MG6: Housing Sites Allocation

- This policy provides the allocations for approximately 974 homes over the plan period. The MetroGreen Area Action Plan Spatial Framework & Design Guide (Jan 2024) provides more details about the sites.

Parcel No.	Short/Medium/Long Term	Proposed Land Use	Area (ha)	Proposed Average Density (Dph)	No. of Homes
<b>Residential (Short/Medium Term)</b>					
1A	Short/Medium	Residential	6.5	35	228
2A-1	Short/Medium	Residential	7.2	40	288
2C-2	Short/Medium	Residential	2	40	80
2D	Short/Medium	Residential	1.4	40	56
2E	Short/Medium	Residential	1.8	40	72
2H-2	Short/Medium	Residential	1.68	35	59
2J-2	Short/Medium	Residential	1.55	35	54
2K-1	Short/Medium	Residential	0.96	45	43
2K-2	Short/Medium	Residential	2.08	45	94
<b>SUB TOTAL</b>			<b>25.17</b>		<b>974</b>

- This table identifies the site area of each of the allocations and the proposed average density. The HBF notes that these proposed average densities and the number of homes proposed do not take account of the net developable area and assume that the whole of the site is developed in order to achieve the average density proposed. The HBF is concerned that these sites will not be deliverable at the rates proposed, as this does not appear to allow for other planning requirements such as biodiversity net gain (BNG), sustainable drainage systems (SuDS), open space, landscape buffers etc.
- The Spatial Framework & Design Guide goes on to provide more details about what would be expected in each of the Character Areas so for example allocations 2A-1, 2C-2, 2D and 2E would be expected to be built at a density of between 38-43 dwellings per hectare (dph), with a block size of 45-80m wide and long, with a max building height of 4 storeys and with the predominant building types being apartments, terraces and maisonettes. The HBF notes that there are limited opportunities for family homes within the residential allocations for the MetroGreen area based on the densities proposed and the character area descriptions provided in the Spatial Framework and Design Guide. The HBF considers that this is another issue that will need to be considered as part of

the wider plan to ensure that all elements of the housing market and housing need are met.

10. Paragraph 6.2.3 highlights that the requirement for affordable housing is set out in CSUCP Policy CS11 requiring developments to provide 15% affordable homes subject to development viability. A viability assessment has been undertaken for the MetroGreen AAP which concludes that there is likely to be a significant viability challenges to overcome. The HBF is concerned that the affordable housing need will not be met by development at MetroGreen and this will again need to be addressed in the wider plan to ensure that all elements of the housing need are met.

### **Policy MG7: Housing Density**

11. This policy states that new housing development located within 400m of the Public Transport Interchange or within the MetroCentre boundary will have a net density of at least 40dph.
12. The setting of residential density standards should be undertaken in accordance with the NPPF<sup>1</sup> where policies should be set to optimise the use of land. The HBF would also recommend the Council ensure appropriate flexibility is provided by this policy to allow developers to take account of the evidence in relation to site specific conditions, market aspirations, deliverability, viability and accessibility.
13. The Council will also need to consider its approach to density in relation to other policies in the plan. Policies such as open space provision, SuDs, tree provision, biodiversity net gain, cycle and bin storage, housing mix, residential space standards, accessible and adaptable dwellings, energy efficiency and parking provision will all impact upon the density and the net developable area that can be delivered upon a site.
14. The Council will also need to consider how the density requirements apply to the site, in relation to the gross site area or to the net developable area of the site, which can be significantly different dependent on the site and the policy requirements applicable.

### **MG9: The Management of Parking**

15. This policy states that residential development will provide electric vehicle charging points for each residential unit and for 20% of visitor spaces, it goes on to state that it must be demonstrated that sufficient capacity exists in the energy network to meet the demands of this infrastructure.
16. The Council will be aware that the Building Regulations Part S covers Infrastructure for the Charging of Electric Vehicles. Regulation 44D states that the number of electric vehicles vehicle charge points that must be installed is the maximum number of electric vehicle charge points that it is possible to install at an average of £3600 or less for the connection cost of each electric vehicle charge point connection. It goes on to state that if it is not possible to completely fulfil the requirements of paragraph S1(2) of Schedule 1 as a result of the operation of the £3600 cap, cable routes for electric vehicle charge

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<sup>1</sup> NPPF 2023 Paragraph 129

points must be installed in the associated parking spaces that would otherwise be required to have electric vehicle charge points, but for the operation of the £3600 cap.

17. Therefore, the HBF considers that the part of the policy in relation to electric vehicle charging points is not necessary and may need to inconsistencies between the application of the Plan and the Building Regulations.

#### **Policy MG12: Place-Making**

18. This policy states that proposals for MetroGreen must demonstrate compliance with the design principles set out in the MetroGreen Spatial Framework and Design Guide.
19. The HBF has concerns in relation to the reference to '*demonstrate compliance with*', the HBF does not consider it appropriate to require a development to demonstrate compliance with the Spatial Framework and Design Guide, as any requirements within these documents will not have been tested and examined in the same way as the Local Plan and should not therefore be elevated to having the same weight as the development plan. The HBF recommends that the wording is amended to '*Proposals for MetroGreen **should give consideration to** the design principles set out in the MetroGreen Spatial Framework and Design Guide*'.

#### **Policy MG18: Biodiversity**

20. This policy states that biodiversity and ecological connectivity will be protected and enhanced in accordance with the mitigation hierarchy, and it states that development must achieve a minimum of 10% Biodiversity Net Gain (BNG).
21. The Ecological Report (July 2022) sets out that the pre-development baseline biodiversity units within the MetroGreen AAP area were calculated to be 986.53BU, relating to the presence of Open Mosaic Habitats on PDL, lowland meadows and pastures and broadleaved woodland. The report goes on to state that based on the current understanding of future development, the likely loss of biodiversity units within the MetroGreen AAP (as a result of habitat loss) is anticipated to be in the region of 665.85BU.
22. The Report suggests that the most significant challenge for the development of the MetroGreen is the effect of the habitat loss of the priority habitat Open Mosaic Habitats on PDL and the likely loss of this habitat is expected to be in the region of 21.3ha and the equivalent loss of 424.7BU.
23. In light of all the new guidance on Biodiversity Net Gain (BNG) that has recently been published, the Council will need to ensure its approach to BNG to ensure it fully reflects all the new legislation, national policy and guidance. The HBF has been involved in a significant amount of work, being led by the Future Homes Hub, on BNG preparedness for some time and note the final version of DEFRA BNG Guidance was published on 12th Feb 2024 and the final version of the PPG published on Feb 14<sup>th</sup> 2024. The HBF understands that both may be further refined once mandatory BNG is working in practice, to reflect any early lessons learnt. The HBF notes that there is a lot of new information for the Council to work though and consider the implications of, in order to ensure that any policy on BNG policy so that it complies with the latest policy and

guidance now this has been finalised. It is important that mandatory BNG does not frustrate or delay the delivery of much needed homes.

24. The PPG<sup>2</sup> is clear that there is no need for individual Local Plans to repeat national BNG guidance. It is HBF's opinion that the Council should not deviate from the Government's requirement for 10% biodiversity net gain as set out in the Environment Act. There are significant additional costs associated with biodiversity gain, which should be fully accounted for in the Council's viability assessment. Although the national policies requiring 10% BNG cannot be subject to site specific viability discussion, any policy requirements over 10% can be. Any policy seeking more than 10% BNG needs to reflect this position. The PPG<sup>3</sup> is also clear that plan makers should not seek a higher percentage than the statutory objective for 10% BNG, unless justified. Therefore, the HBF recommends that the policy is amended to state '10%' rather than 'a minimum of 10%'.
25. The HBF notes that BNG has been designed as a post permission matter to ensure that the 10% BNG will be met for the development granted permission. Schedule 14 of the Environment Act sets out that a general condition will be applied to every planning permission (except those exempt from BNG) that a BNG Plan should be submitted and approved by the LPA before commencement of development. This is particularly the case for large sites where development will be phased. The PPG now includes additional Guidance on how phased development should be considered, which the Council will need to consider and accommodate when revising this BNG policy. The PPG<sup>4</sup> clearly sets out what information an applicant must submit as part of a planning application, and as planning policy does not need to repeat this guidance.
26. The HBF considers that the Ecological Report highlights very real issues in relation to the deliverability of BNG at the MetroGreen, and that this tied in with the viability challenges identified in the Viability Assessment create significant concerns in relation to the deliverability of the Area Action Plan, and any reliance placed on this area in terms of the housing requirement for Gateshead.

### **Infrastructure and Delivery**

27. The Plan states that proposals in the AAP are supported by evidence on viability and deliverability and an Infrastructure Delivery Plan (IDP). The HBF agrees that these evidence documents exist however, the HBF is concerned that these documents raise significant concerns in relation to the delivery of the required infrastructure and the proposed development. The HBF considers that the Council need to be clearer about these challenges and how they will actually be addressed to ensure the provision of the required infrastructure and the proposed development.

### **Monitoring and Implementation**

28. Appendix 2 provides a monitoring framework for the AAP, however, as yet it has not been completed. The HBF considers that the framework looks generally appropriate with

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<sup>2</sup> PPG ID: 74-006-20240214

<sup>3</sup> PPG ID: 74-006-20240214

<sup>4</sup> PPG ID: 74-011-20240214

consideration expected to be given to the trigger for remedial action and the potential action that will be taken, and to the targets and monitoring. However, it is important that this is actually completed and in sufficient detail for the success of the Area Action Plan to be determined.

### **Future Engagement**

29. I trust that the Council will find these comments useful as it continues to progress its Local Plan. I would be happy to discuss these issues in greater detail or assist in facilitating discussions with the wider house building industry.

30. The HBF would like to be kept informed of all forthcoming consultations upon the Local Plan and associated documents. Please use the contact details provided below for future correspondence.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'J. Harding', written in a cursive style.

**Joanne Harding**  
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