

AESC Plant 3, IAMP Planning Statement

AESC UK Ltd

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1.0 Introduction

Purpose of the Statement

- 1.1 This Planning Statement has been prepared by Lichfields on behalf of our client, AESC UK (‘the Applicant’). Its purpose is to accompany a full planning application for the following development on land to the west of International Drive and north of the A1290 at the International Advanced Manufacturing Park (‘IAMP’), Washington (‘the Site’):

“Erection of a building to be used for the manufacture of batteries for electric vehicles, an assembly & warehousing building, an office building, sub-stations, gatehouse, ancillary compounds / structures and associated infrastructure provision, access, parking, drainage, landscaping and engineering operations, with temporary site compounds and parking associated with construction of the development.”

- 1.2 Having regard to Section 38(6) of the Planning and Compulsory Purchase Act 2004, this Statement considers the application’s conformity with relevant planning policy, the adopted local plan and other material considerations.

Background

- 1.3 AESC UK is a world leading battery technology company and manufacturer of lithium-ion batteries for the automotive industry. It already runs what was Europe’s first EV battery plant (hereinafter referred to as ‘AESC Plant 1’), which opened in Sunderland in 2012 to produce batteries for the Nissan LEAF, the company’s best-selling all-electric model. The business is headquartered in Japan, with manufacturing sites in the United States and here in Sunderland where over 470 workers are employed. The company has a track record of quality and safety having just produced its fifty millionth battery cell.
- 1.4 As the demand for electric vehicles (‘EV’) is forecast to grow significantly over the coming years, supporting the transition towards a net zero carbon future, additional capacity for battery manufacturing is needed. To meet this increased future demand, AESC UK is:
- investing £450 million into AESC Plant 2 which is currently being constructed at IAMP¹. Plant 2 will build AESC’s latest generation of battery, with 30% more energy capacity, offering improved range and efficiency; and
 - seeking to expand its operations further through the development of a third battery plant (hereinafter referred to as ‘AESC Plant 3’) with an associated Assembly & Warehousing Building and a headquarter office for AESC UK which will operate as a shared facility with AESC Plant 2.
- 1.5 The development of AESC Plant 3 is a unique and most exciting opportunity to help Sunderland and the UK become one of the best international locations for automotive and advanced manufacturing. The proposals will help ensure that AESC UK, the IAMP and Sunderland are at the forefront of innovations in battery technology and are playing a critical role in leading the de-carbonisation revolution through the promotion of clean energy and new energy electric vehicles.

¹ The original planning application reference number is 21/01764/HE4 and the S73 application reference is 23/01542/VA4

Accompanying Documentation

- 1.6 This Planning Statement should be read in conjunction with the complete suite of technical reports and plans which accompany the planning application. The reports and drawings are listed at the end of the covering letter.

Structure of the Statement

- 1.7 The remainder of this Statement is structured as follows:
- Section 2: The Site;
 - Section 3: Planning History Context
 - Section 4: The Proposed Development;
 - Section 5: Planning Policy Context;
 - Section 6: Conformity with Planning Policy;
 - Section 7: Compliance with the Draft IAMP Design Code;
 - Section 8: Changing Context for the Decision and the Planning Balance; and
 - Section 9: Conclusion

2.0 The Site

The Site

- 2.1 The Site comprises approximately 42.39 hectares of land and lies at the south-western side of IAMP, to the west of AESC Plant 2, which is currently under construction. The redline boundary of the Site is shown on Figure 2.1, with the location of AESC Plants 1 and 2 also identified. The AESC Plant 3 application boundary overlaps with the application boundary for AESC Plant 2, as illustrated on this figure.

Figure 2.1



Source: © Google Earth

- 2.2 The majority of the Site comprises an area of former agricultural land which has been brought forward as part of the IAMP ONE ELMA. The site was occupied by North Moor Farm until it was demolished in late March / early April 2024². The Site is currently accessed via International Drive along a track which lies opposite Faltec. The land is largely level, with only minor variations in elevation.
- 2.3 Existing field boundaries within the Site are formed by a mix of hedgerows and trees. A high voltage overhead powerline carried on a series of pylons lies runs along the western and northern site boundaries. This powerline has recently been constructed to redirect the line that previously ran diagonally across the Site from south-west to north-east.

² Planning permission reference 23/02611/FUL

Surrounding Area

- 2.4 The immediate surrounding area is defined by a mix of industrial and agricultural uses. Established and emerging industrial areas lie to the south and east of the Site, with the agricultural landscape still evident to the north and west.
- 2.5 The Site is bounded by the A1290 to the south with a dense tree belt partially screening the Nissan complex that lies beyond. However, in long distance views of the Site from the north, the wind turbines and the roofs of factory units within the Nissan site are clearly visible above the tree line. AESC Plant 2 lies to the east, beyond which lies International Drive which provides the internal spine road through IAMP ONE.
- 2.6 Two photographs are provided in Figures 2.2 and 2.3 which show the three bespoke manufacturing buildings which have been completed within IAMP ONE, together with International Drive. Two of the buildings are occupied by Nissan's suppliers (SNOP and Faltec). The third building, which was a speculative build by Sunderland City Council was vacant at the time of preparing this report. It was previously fitted out as a Nightingale hospital in response to Covid-19 and was used as a temporary vaccination centre.

Figure 2.2 Photograph of the three industrial units looking westwards (These photographs were taken before construction work commenced on AESC Plant 2.)



Figure 2.3 Photograph of the three industrial units looking eastwards



- 2.7 Agricultural land bounds the Site to the north and west. The residential areas of Sulgrave and Usworth Hall are located over 1km to the west and those of Town End Farm and Hylton Castle are over 1.5km to the east.

Transport Network

- 2.8 The A1290 forms the southern boundary of the Site. Work is due to commence in Spring 2024 to widen a section of the A1290 between the southern junction of the A1290 with International Drive and up to the Downhill Lane junction to the north. This work is due to be completed in late 2025. These works will increase the capacity of the A1290 and need to be undertaken before AESC Plant 3 can be occupied.
- 2.9 The A19 (T) is located approximately 1 km to the east of the site and is one of the region's key north-south routes. The A194 (M) (orientated south-west to north-east) is located approximately 2.5-3 km to the north-west of the site. In addition, a network of 'A' roads and more minor roads also provide connections to and within the nearby settlements.

Designations

- 2.10 The majority of the Site lies within the Green Belt and on land designated as and created as the IAMP ONE Ecological and Landscape Mitigation Area (hereinafter referred to as the 'ELMA'). The Usworth Burn and River Don to the north are designated as Local Wildlife Sites.

2.11 Relevant planning designations within the vicinity of the Site are set out in Table 2.1, however this is not an exhaustive list.

Table 2.1: Planning designations

Type of Designation	Name and Proximity to the Site
Ecological Designations	Durham Coast SSSI; Durham Coast SAC; Northumbria Coast RAMSAR; Northumbria Coast SPA: Approximately 8.9km to the north east Hylton Castle Cutting SSSI: Approximately 2.9km to the east Wear River Bank SSSI: Approximately 2.9km to the south east There are a range of Local Wildlife Sites within 2km of the site including Usworth Burn, Elliscope Farm / Hylton Bridge, Strother House Farm, Severn Houses and Barmston Pond. Further details are provided in the Ecology and Biodiversity Chapter of the Environmental Statement
Ancient/Scheduled Monuments	Hylton Castle: Approximately 2.8km to the east Colliery Engine House: Approximately 2.9km to the south west
Listed Buildings/Structures	Penshaw Monument (Grade I): Approx. 4.2km to the south Hylton Grove Bridge (Grade II): Approx. 1.1km to the north east Usworth Hall (Grade II): Approx. 1.6km to the north west Low Barmston Farmhouse (Grade II): Approx. 1.8km to the south Downhill Farm (Grade II): Approx. 2.5km to the north east Hylton Chapel (Grade I): Approx. 2.8km to the east
Flood Risk Zone	The majority of the Site lies within Flood Zone 1 and is not at risk of flooding from the seas, rivers or reservoirs. There are no watercourses or waterbodies within the site. There is a very small area of the Site between the former North Moor Farm site and International Drive that is modelled to be at risk of fluvial flooding.

3.0 **Planning History Context**

IAMP Area Action Plan

- 3.1 IAMP is allocated within the IAMP Area Action Plan (AAP) (adopted November 2017) for up to 392,000 sqm of advanced manufacturing and automotive uses on 150 hectares of land, with 110 hectares of land designated for ecological and landscaping mitigation. IAMP is split into two employment areas: a Northern Employment Area and a Southern Employment Area as defined by the IAMP AAP. These employment areas are separated by a belt of agricultural land which lies within the Green Belt. This land is also designated as an Ecological and Landscape Mitigation Area (ELMA). The River Don and its tributary (Usworth Burn) run through the centre of the ELMA. Of the 110 hectares of land for the ELMA, 43.6 hectares relate to IAMP ONE and 66.4 hectares relate to IAMP TWO.

IAMP ONE Application

- 3.2 The first phase of IAMP, known as IAMP ONE, was granted planning permission in May 2018 for up to 156,840 sqm of floorspace for automotive and advanced manufacturing uses (around 1.69 million sqft) (hereinafter referred to as the 2018 IAMP ONE permission³). To date, three buildings and the internal spine road (known as International Drive) have been completed, whilst the IAMP ONE ELMAELMA has been created. Two of the buildings are occupied by SNOP and Faltec, whilst the third building is currently vacant but was used as a nightingale hospital and then for the role out of vaccinations in response to Covid 19.

IAMP ONE Phase 2 Application

- 3.3 Within IAMP ONE, planning permission was granted for a reconfiguration of land to allow the occupancy of larger units (up to 1m sqft) in June 2020 (hereinafter referred to as the 2020 IAMP ONE Phase 2 permission⁴). It included part of IAMP ONE that already has planning permission, as well as a further triangular area of land to the south west which would provide extra development land. The reason for the IAMP ONE Phase 2 application was to provide greater flexibility in the size and location of units coming forward. It did not seek to increase the amount of floorspace above that already approved through the 2018 IAMP ONE permission.

³ IAMP ONE planning permission reference is 18/00092/HE4

⁴ IAMP ONE Phase 2 permission reference is 20/00556/OU4

Figure 3.1 Overlap between the IAMP ONE permission boundary and the IAMP ONE Phase 2 application boundary



Source: © Google Earth

AESC Plant 2 Application

3.4 Planning permission was granted for AESC Plant 2 in October 2021⁵ and construction work is progressing on-site. The proposed facility will manufacture lithium-ion battery pouch cells and modules for EVs (and other applications) via four production areas comprising of: electrode manufacture; cell production; formation and testing; and module assembly. The facility will employ 1,000 staff consisting of 848 shift-based staff and 152 day-based (office) staff.

⁵ AESC Plant 2 permission reference is 21/01764/HE4 and the Section 73 application reference is 23/1542/VA4

Figure 3.2 AESC Plant 2 under construction



Source: AESC

- 3.5 A section 73 application for minor material amendments to the planning permission for the battery plant and three separate planning applications for the development of a gas governor house, High Voltage (HV) substation and bulk store canopy to help facilitate the approved battery plant development were approved in August and September 2023.

Early Infrastructure and Northern Employment Area Application

- 3.6 The Early Infrastructure and Northern Employment Area applications (hereinafter referred to as the 'EI & NEA applications'⁶) are for the next phase of advanced manufacturing and automotive development at the IAMP and include up to 168,000sqm of floorspace with associated infrastructure provision and an extensive landscape and ecological mitigation area. The site straddles the administrative boundaries of Sunderland and South Tyneside. Planning permissions were granted in August 2023.
- 3.7 The majority of the proposed new industrial units will be situated within South Tyneside, with part of one plot lying in Sunderland. The scheme includes the northern spine road which will link from International Drive and the A1290 through to Follingsby Lane to the north west, with a new bridge crossing over the River Don.
- 3.8 The works include the widening of a section of the A1290. This work is required to increase capacity on the A1290 and needs to take place in advance of AESC Plant 3 becoming operational. The work is due to start in spring 2024 and should be completed in late 2025.

⁶ EI & NEA permissions references are 21/02807/HE4 and ST/1722/FUL

Figure 3.3 Early Infrastructure and Northern Employment Area Landscape Strategy Drawing



Source: Southern Green

North Moor Farm

- 3.9 The former North Moor Farm site lies within the application boundary and within the IAMP ONE ELMA. The farm did include a farmhouse, kennels, stables, barn and stable block. The site was last used by Morgan Sindall up until November 2023 as a site compound area associated with the diversion of the powerlines. Planning permission was granted for its demolition on 11th March 2024 (application reference 23/02611/FUL) and the demolition work took place in late March / early April 2024.

Microgrid

- 3.10 Planning permission was granted for the microgrid development on 11th March 2024⁷, which consists of the erection of a 275kV substation and 66kV substation. The 275kV substation will connect to the adjacent overhead line transmission network. The microgrid is a fundamental element in securing power supply for the existing and future developments at IAMP. Construction work is due to start in May 2024.

⁷ Planning application reference 22/02384/FU4

4.0 The Proposed Development

4.1 Full planning permission is sought for the following development:

“Erection of a building to be used for the manufacture of batteries for electric vehicles, an assembly & warehousing building, an office building, a sub-station, gatehouse, ancillary compounds / structures and associated infrastructure provision, access, parking, drainage and landscaping, with temporary site compounds and parking associated with construction of the development.”

4.2 The Proposed Development will provide manufacturing space and support accommodation for the production of automotive batteries to enable the drive towards the removal of fossil fuel in automotive vehicles. The proposal will include a gigafactory, together with an Assembly & Warehousing Building and an AESC Office HQ building (which will operate as shared facilities with AESC Plant 2), along with other ancillary buildings and structures including a security gatehouse, bulk store and waste canopies, a HV compound containing a sub-station, plant rooms, MEP plant compounds, sprinkler tank and pumphouse.

4.3 The proposed floorspace is provided in Table 4.1.

Table 4.1 The Proposed Floorspace

Building / Structure	Floorspace (Gross Internal Area)
AESC Plant 3 (including substation and plant rooms)	133,048sqm
Assembly & Warehousing Building (including substation and plant rooms)	41,015sqm
Office	3,906sqm
MEP Plant Rooms	7,857sqm
Gatehouse	130sqm
Bulk store canopies, waste canopies and mezzanine floors (containing plant & equipment)	8,827sqm
Total	194,783sqm

4.4 A CGI of the Proposed Development is set out at Figure 4.1:

Figure 4.1: CGI of the proposed AESC Plant 3 development and AESC Plant 2 (under construction)



Source: RPS

Layout

4.5 The building footprint has been established by the demand of product output and requirements for the process equipment to provide this demand. This building footprint has been used in early masterplan studies to determine the optimum building orientation to provide safe and efficient site access from International Drive, as well as to provide space for suitable boundary treatments to the A1290 which runs along the southern site boundary.

4.6 The proposed site layout is provided at Figure 4.2.

Figure 4.2: Proposed site layout



Source: RPS

Scale

- 4.7 The manufacturing plant has several types of processes in a linear route which sets the height requirements for the various parts of the building. These building heights have been rationalised to create a simple and legible building form, with varying roof heights providing an efficient building skin to the overall process and ensuring that rainwater management is efficient and robust due to the sensitivity of the internal process to water ingress.
- 4.8 The tallest part of the process is on the Northeast of the factory building with roof heights set at 33m to ridge, with a small number of flues, perimeter handrails, and Solar PV panels projecting beyond this point. The maximum height of associated flues is 40m located in the gantry area between the Plant Room and Plant 3 Building. The lower parts of the manufacturing plant roof are 26m and 18m to ridge and smaller ancillary stores, canopies,

and the goods out area project out beyond the main footprint to provide relief to the building elevations.

Appearance

- 4.9 The same palette of materials and colours are generally applied to all the buildings within the Proposed Development. This consistency in design will help visually harmonise the wider site as well as with the wider industrial campus, including the Nissan campus to the South-East.
- 4.10 To add interest, towards the east of the Site and accessed through the car park, the AESC UK office HQ building will create a main entry focal point for visitors and staff. The elevations have been developed to compliment the material palette of the surrounding facilities with opportunities to include accent colours and geometries inspired by the production process of the batteries and the raw materials utilised as well as represent the company brand identity. The selection of materials for the office HQ construction will have due regard to the embodied energy for construction, environmental impact, and ongoing maintenance, the use of recyclable materials, renewables, and low carbon sources will be considered and implemented where appropriate.
- 4.11 Ancillary buildings and structures such as the gatehouse, cycle shelters, and other points where there is close interaction with visitors and staff, will have cladding and detailing that is more human in scale.
- 4.12 The manufacturing plant roof will be expressed as two low-pitched barrels with eaves containing a hidden gutter detail and permanent edge protection provided via a handrail system. Photovoltaic panel arrays will be incorporated into the roof design.
- 4.13 The roof of the assembly and warehousing building will be expressed as a singular low-pitched barrel with similar eaves, gutter, and handrailing details. Photovoltaic panel arrays will also be incorporated into its roof design. The selection, detailing and maintenance of all external materials was considered at the outset of the original design process and only products with proven lifespan and quality will be specified.
- 4.14 Where possible external plant and process equipment has either been contained within the building volume or within dedicated ancillary plant rooms.
- 4.15 The proposed appearance of the buildings are shown in Figure 4.3 (with AESC Plant 2 lying to the east and the buildings at Nissan and Unipres in the foreground). The buildings have been designed to be consistent with AESC Plant 2.

Figure 4.3: Proposed Appearance



Source: RPS

Landscaping and Boundary Treatment

- 4.16 A holistic approach to landscape design has been adopted throughout the Proposed Development, creating a coherent landscape character. Existing landscape assets have been retained and successfully incorporated throughout the development wherever possible. A comprehensive palette of soft landscape materials that complement the scale and form of the new development ensures that users will benefit from an attractive and welcoming environment. Trees, hedgerows, shrubs, grasses and swathes of wildflowers are incorporated within the planting scheme to provide seasonal interest, optimise biodiversity and enhance legibility.
- 4.17 Native planting along the southern boundary is proposed to help soften the impact of the development when viewed from the A1290, with species selected to avoid conflict with overhead services. To the north of the site, an ecological enhancement area includes a wet woodland buffer with groups of native specimen trees. A range of marginal vegetation species, including wildflower grassland mixes that can tolerate wet soils are proposed along the banks of Swale features along the site boundaries.
- 4.18 Within the Site, specimen trees and a range of ornamental shrubs are proposed at key arrival points, providing shade, structure and enhancing legibility. Native hedgerows act to screen fencing and provide structure and definition within the site.
- 4.19 The proposed landscaping layout is set out in Figure 4.4:

Figure 4.4: Proposed landscaping layout



Source: RPS

Access / Parking

- 4.20 Access to the site will be taken from the priority-controlled junction on International Drive established as part of the AESC Plant 2. This junction has two exit lanes provided; one dedicated for left turn movements and the other for right turn movements – these are separated by a pedestrian refuge island. For inbound movements, a short-dedicated taper lane is provided for left turn movements from the south, which then give-way to any right-turning inbound movements.
- 4.21 A separate emergency access is provided onto the A1290 to the south in the approximate location of the former West Moor Farm access.
- 4.22 Within the site, at the main site entrance, separate access lanes are provided for car and HGVs / delivery vehicles. Signage would be provided to direct vehicles to the correct areas.

- 4.23 Once within the Site, any cars would travel into the car park or to the drop off / pick up area near the main entrance to the building.
- 4.24 HGVs / service vehicles will travel through a gatehouse and along an access route which travels around the perimeter of the AESC Plant 3 and accompanying warehouse.
- 4.25 Care has been taken to ensure pedestrian access to the building does not have to cross HGV routes, and in front of the office accommodation vehicle access will be controlled by barriers.
- 4.26 The car parking area is laid out in aisles to avoid traffic conflicts and congestion with standard size bays of 2.4m wide by 4.8m long, with 6m roads in-between for manoeuvring. The car parking area will connect to the car parking area for AESC Plant 2.
- 4.27 The car parking area includes 780 spaces, of which 5% will be accessible and up to 10% of spaces will be EV charging bays. The proposed bicycle and motorcycle shelter will contain up to 80 spaces. Across the site, up to 75 spaces (including docks) is provided for HGVs.

Temporary Site Compounds and Parking

- 4.28 During the construction and fit out of the Proposed Development, a temporary site compound(s) will be required which will include cabins to provide offices, welfare facilities and to house equipment. The welfare facilities will include toilets, showers and a canteen. Temporary parking will also be required for the staff.
- 4.29 The location of the site compound and parking area(s) has not yet been established. Given the size of the Site, they could be moved around as work progresses.
- 4.30 If planning permission is granted, it is anticipated that there will be planning conditions requiring the submission of a Construction Environmental Management Plan (CEMP) and Construction Traffic Management Plan (CTMP). It is proposed that details of the site compound and temporary parking associated with the construction phase is submitted for approval as part of these documents.
- 4.31 The assessments provided within the Environmental Statement ('ES') have taken into account that temporary site compounds and parking will be provided as part of the construction phase.

Hazardous Substances

Control of Major Accident Hazards (COMAH) Statement

- 4.32 Due to the large volume of a Schedule 1 Part 1 material being processed as key component of the manufactured batteries, this Site will be classed as an Upper Tier COMAH site. This means that a pre-construction and pre-operation safety report will have to be submitted prior to each stage and maintained throughout the lifetime of the plant.
- 4.33 The COMAH and Hazardous Substances Consent reports that have been prepared for AESC Plant 2 will be amended to include the Plant 3 quantities. The Health and Safety Executive are fully aware of this and it is understood that they are on board with the project to come.

4.34 AESC is aware of its responsibilities and will ensure that that the plant will use Best Available Techniques (BAT) and As Low as Reasonably Practical (ALARP) principle to ensure the safety of the site. The use of BAT and ALARP will be demonstrated through the safety report for the factory and will be maintained throughout the plant's operational lifetime.

Environmental Permitting Regulations

4.35 The large-scale use of solvents in the manufacturing processes to be operated in AESC Plant 3 will result in the Proposed Development being subject to regulation under the Environmental Permitting (EP) Regulations (2016, as amended). A permit will be required under these regulations before the gigafactory can commence operation.

4.36 The gigafactory will be regulated as a Part A activity under the regulations, which means that the full range of impacts that the gigafactory may have on the environment will need to be considered before the permit can be issued, including:

- Air quality impact;
- Water quality impact;
- Global warming potential;
- Waste production;
- Resource efficiency;
- Accident risk; and
- Noise and vibration impact.

4.37 AESC is currently holding discussions with the Environment Agency about the Environmental Permit and they have not raised any objections.

4.38 Overall, the use and storage of any hazardous substances will be controlled through the environmental permitting regulations, which is a separate consenting regime and is separate from the planning process.

5.0 **Planning Policy Context**

5.1 This Chapter sets out the relevant planning policy against which the Proposed Development has been prepared and against which it must be determined. It is structured as follows:

- National Planning Policy;
- Adopted Development Plan; and
- Other Material Considerations.

National Planning Policy Framework

Achieving Sustainable Development

5.2 Paragraph 7 of the National Planning Policy Framework ('NPPF') (revised on 19 December 2023) confirms that the purpose of the planning system is to contribute to the achievement of sustainable development, broadly defined as "*development that meets the needs of the present without compromising the ability of future generations to meet their own needs*". Paragraph 8 sets out the following three interdependent dimensions of sustainable development which are to be pursued in mutually supportive ways:

- **An economic objective** - to help build a strong, responsive and competitive economy by ensuring that sufficient land of the right types is available in the right places and at the right time to support growth, innovation and improved productivity; and by identifying and coordinating the provision of infrastructure;
- **A social objective** - to support strong, vibrant and healthy communities by ensuring that a sufficient number and range of homes can be provided to meet the needs of present and future generations and by fostering well-designed, beautiful and safe places, with accessible services and open spaces that reflect current and future needs and support communities' health, social and cultural well-being; and
- **An environmental objective** - to protect and enhance our natural, built and historic environment, including making effective use of land, improving biodiversity, using natural resources prudently, minimising waste and pollution, and mitigating and adapting to climate change, including moving to a low carbon economy.

5.3 The NPPF confirms that plans and decisions should apply a presumption in favour of sustainable development. Paragraph 11 notes that development proposals that accord with an up-to-date plan should be approved without delay, or that where the development plan is absent, silent or relevant policies are out-of-date, permission should be granted unless any adverse impacts of doing so would significantly and demonstrably outweigh the benefits when assessed against the NPPF as a whole, or where the application of policies within the Framework that protect areas or assets of particular importance provides a clear reason for refusing the development proposed.

Building a Strong, Competitive Economy

5.4 Paragraph 85 states:

*"Planning policies and decisions should help create the conditions in which businesses can invest, expand and adapt. **Significant weight should be placed on the need to support economic growth and productivity**, taking into account both local business needs and wider opportunities for development". (Lichfields emphasis)*

Promoting Healthy and Safe Communities

5.5 The planning system can play an important role in facilitating social interaction and creating healthy, inclusive communities. Paragraph 96 advises that decisions should aim to achieve places which promote:

- Safe and accessible environments for example through the use of attractive, well-designed, clear and legible pedestrian and cycle routes, and high quality public spaces, which encourage the active and continual use of public areas; and
- Enable and support healthy lifestyles, including safe and accessible green infrastructure and layouts that encourage walking and cycling.

Promoting Sustainable Transport

5.6 The NPPF advises that when considering applications, it should be ensured that:

- Appropriate opportunities for sustainable transport modes can be, or have been, taken up given the type of development and its location;
- Safe and suitable access to the site can be achieved for all users;
- The design of streets, parking areas, other transport elements and the content of associated standards reflects current national guidance, including the National Design Guide and the National Model Design Code; and
- Any significant impacts from the development on the transport network or on highway safety can be cost effectively mitigated to an acceptable degree. (para. 114)

5.7 Paragraph 115 advises that development should only be refused on highways grounds if there would be an unacceptable impact on highway safety, or the residual cumulative impacts on the road network would be severe.

5.8 All developments that will generate significant amounts of movement should provide a Travel Plan, and the application be supported by a Transport Statement or Transport Assessment so that the impacts can be assessed (para. 117).

Achieving Well-Designed and Beautiful Places

5.9 The NPPF advises that *"the creation of high quality, beautiful and sustainable buildings and places is fundamental to what the planning and development process should achieve"* (para. 131). Good design is therefore considered a key aspect of sustainable development, creates better places in which to live and work and helps make development acceptable to communities.

- 5.10 Paragraph 135 further confirms that planning decisions should ensure that developments:
- Will function well and add to the overall quality of the area, not just for the short term but over the life lifetime of the development;
 - Are visually attractive as a result of good architecture, layout and appropriate landscaping;
 - Are sympathetic to local character and history, including the surrounding built environment and landscape setting, while not preventing or discouraging appropriate innovation or change (such as increased densities);
 - Establish or maintain a strong sense of place, using the arrangement of streets, spaces, building types and materials to create attractive, welcoming and distinctive places to live, work and visit;
 - Optimise the potential of the site to accommodate and sustain an appropriate amount and mix of development (including green and other public space) and support local facilities and transport networks; and
 - Create places that are safe, inclusive and accessible and which promote health and well-being, with a high standard of amenity for existing and future users; and where crime and disorder, and the fear of crime, do not undermine the quality of like or community cohesion and resilience.
- 5.11 Paragraph 136 recognises that trees make an important contribution to the character and quality of urban environments, and can also help mitigate and adapt to climate change. Opportunities should be taken to incorporate trees in developments.

Protecting Green Belt Land

- 5.12 Paragraph 142 states that the fundamental aim of Green Belt policy is to prevent urban sprawl by keeping land permanently open; the essential characteristics of Green Belts are their openness and their permanence. Paragraph 143 further sets out the five purposes that serves the Green Belt:
- a To check the unrestricted sprawl of large built-up areas;
 - b To prevent neighbouring towns merging into one another;
 - c To assist in safeguarding the countryside from encroachment;
 - d To preserve the setting and special character of historic towns; and
 - e To assist in urban regeneration, by encouraging the recycling of derelict and other urban land.
- 5.13 Paragraph 152 sets out that inappropriate development is, by definition, harmful to the Green Belt and should not be approved except in very special circumstances. Paragraph 153 states that when considering any application, local planning authorities should ensure that substantial weight is given to any harm to the Green Belt. 'Very special circumstances' will not exist unless the potential harm to the Green Belt by reason of inappropriateness, and any harm resulting from the proposal, is clearly outweighed by other considerations.

Meeting the Challenge of Climate Change, Flooding and Coastal Change

- 5.14 Paragraph 157 affirms that the planning system should support the transition to a low carbon future in a changing climate, taking full account of flood risk and coastal change. It should help to shape places in ways that contribute to radical reductions in greenhouse gas emissions, minimise vulnerability and improve resilience, encourage the reuse of existing resources including the conversion of existing buildings, and support renewable and low carbon energy and associated infrastructure.

Conserving and Enhancing the Natural Environment

- 5.15 The NPPF advises at paragraph 180 that planning decisions should contribute to and enhance the natural and local environment by minimising impacts on and providing net gains for biodiversity, including by establishing coherent ecological networks that are more resilient to current and future pressures.
- 5.16 Paragraph 180 further stipulates that planning decisions should protect and enhance valued landscapes and prevent new and existing development from contributing to, being put at unacceptable risk from, or being adversely affected by unacceptable levels of soil, air, water or noise pollution or land instability.

Conserving and Enhancing the Historic Environment

- 5.17 Paragraph 200 requires applicants to describe the significance of any heritage assets affected, including any contribution made by their setting.
- 5.18 In determining applications, Paragraph 203 sets out that Local Planning Authorities should take account of various criteria including the desirability of sustaining and enhancing the significance of heritage assets; and the desirability of new development making a positive contribution to local character and distinctiveness.

Implementation

- 5.19 Paragraph 225 states that due weight should be given to relevant policies in existing plans according to their degree of consistency with the NPPF. The closer the policies to the NPPF, the greater the weight to be given.

Adopted Development Plan

- 5.20 Section 38(6) of the Planning and Compulsory Purchase Act 2004 requires the determination of planning applications to be in accordance with the Development Plan unless material considerations indicate otherwise. Accordingly, the adopted development plan relevant to the Site comprises the following:
- International Advanced Manufacturing Park Area Action Plan (adopted 30 November 2017);
 - Sunderland Core Strategy and Development Plan 2015-2033 (adopted January 2020); and
 - Sunderland Unitary Development Plan (adopted September 1998).

International Advanced Manufacturing Park Area Action Plan

5.21 The International Advanced Manufacturing Park Area Action Plan ('AAP') provides the planning policy framework for the comprehensive development of approximately 392,000 sqm of floorspace for uses relating to the Automotive and Advanced Manufacturing sectors. This is to be delivered on 150 hectares of land, with 110 hectares of adjacent land safeguarded for ecological and landscape mitigation. The AAP was jointly adopted by both the Council and South Tyneside Council on 30 November 2017.

5.22 The AAP's vision for the IAMP is:

"A nationally important and internationally respected location for advanced manufacturing and European-scale supply chain industries. A planned and sustainable employment location that maximises links with Nissan and other high value automotive industries as well as the local infrastructure assets, including the ports, airports and road infrastructure." (para. 2.6)

5.23 The AAP states that the type of place which the Council want to create is:

"an attractive working environment that creates the conditions in which businesses can establish and thrive and where people choose to work. A unique opportunity for increased job and business creation and the promotion of regional prosperity whilst taking advantage of natural assets and green infrastructure including the River Don corridor." (para. 27)

5.24 The following AAP Policies are considered relevant to the development proposals:

- **Policy S1: Spatial Strategy for Comprehensive Development** sets out the strategy for the comprehensive development of the IAMP for the principal uses associated with the automotive and advanced manufacturing businesses and states that this will be delivered by:
 - 1 *"Revising the Green Belt boundary to release 150ha of land from the Green Belt.*
 - 2 *Allocating approximately 150ha of land for the development of principal uses (as defined in Policy S2) in the Employment Areas.*
 - 3 *Designating approximately 110ha of land as an Ecological and Landscape Mitigation Area to provide for mitigation and/or compensation of the ecological and landscape impacts of the IAMP development.*
 - 4 *Requiring Masterplans, Design Codes and Phasing Plans to be submitted which demonstrate how development:*
 - i *will meet the objectives of the AAP and will not prejudice comprehensive development of the IAMP;*
 - ii *ensures the Proposed Development is designed and orientated to relate well to the existing employment area and Enterprise Zone and established infrastructure;*
 - iii *contributes fully to the delivery of the IAMP as a project of national significance;*

- iv *contributes fully, in a proportionate and timely manner, towards providing the infrastructure identified in the IDP;*
- v *contributes fully, in a proportionate and timely manner, to providing for the mitigation required for the IAMP, including environmental mitigation; and*
- vi *is capable of being implemented without breaching the provisions of the Planning Act 2008.”*

5.25 **Policy S2: Land Uses** supports the IAMP AAP objectives to build on the area’s international reputation in the automotive industry; support Nissan; and attract European-scale ‘super-suppliers’ linked to the automotive industry. This policy states:

- a Development of the Employment Areas must be for the Principal Uses of production, supply chain and distribution activities directly related to the Automotive and Advanced Manufacturing sectors, as defined in paragraphs 86-87, and related Supporting Uses; and
- b To ensure premises are retained for their original permitted use in the long term, the DCO must contain requirements to that effect, or otherwise the Councils may consider making a direction under Article 4 of the Town and Country Planning (General Permitted Development) (England) Order 2015 to that effect.

• **Policy S3: Scale and Quantum of Principal and Supporting Employment Uses** states that consent will be granted for up to 392,000sqm of space consisting of:

- i 356,000sqm of employment space for the Principal B1(c), B2 and B8 classes; and
- ii up to 36,000sqm of employment space for Supporting B1(a) and B1(b) class uses, only where this is related to the Principal Uses defined in Policy S2.

5.26 The other AAP policies considered relevant to the development proposals are summarised as follows:

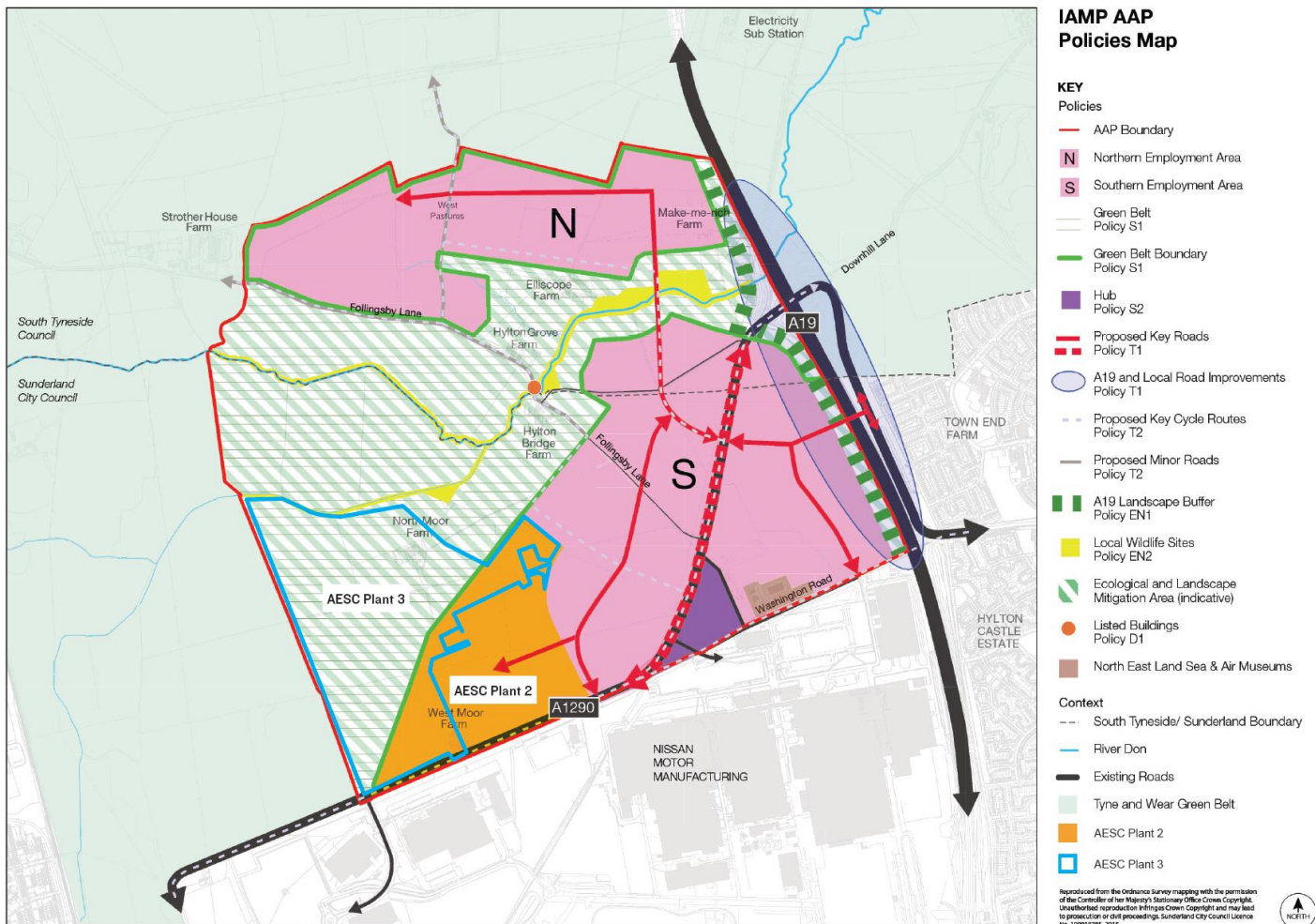
- Policy D1 (Masterplan Design);
- Policy D2 (Public Realm);
- Policy T1 (Highway Infrastructure);
- Policy T2 (Walking, Cycling and Horse Riding);
- Policy T3 (Public Transport);
- Policy T4 (Parking);
- Policy IN1 (Infrastructure Provision);
- Policy IN2 (Flood Risk and Drainage);
- Policy EN1 (Landscape);
- Policy EN2 (Ecology);
- Policy EN3 (Green Infrastructure);
- Policy EN4 (Amenity);
- Policy Del1 (Phasing and Implementation); and

- Policy Del2 (Securing Mitigation).

5.27 A summary these policies is provided in Appendix 1.

5.28 Figure 5.1 shows the IAMP AAP Policies Map, which allocates the Site as part of the Southern Employment Area.

Figure 5.1 Extract from the IAMP AAP Policies Map with the Location of AESC Plants 2 and 3 Identified



Source: IAMP AAP (with Lichfields annotation for AESC Plants 2 and 3)

Sunderland Core Strategy and Development Plan 2015-2033

5.29 The Sunderland Core Strategy and Development Plan 2015-2033 (‘CSDP’) sets out the Council’s long-term plan for development across Sunderland up to 2033. It seeks to ensure that the right type of development is focused in the right places to meet the needs of local people and businesses. The CSDP was adopted by the Council in January 2020.

5.30 Through the implementation of the CSDP policies, the Council seeks to guide investment and development to deliver the plan’s overarching spatial vision which includes the following objectives:

By 2033, Sunderland will be a place that is:

- Open to business and is responsive to the changing needs and demands of their growing economy;
- Is vibrant and growing with excellent access to a range of job opportunities for all ages, abilities and skills; and
- Which creates new and diverse job opportunities particularly in advanced manufacturing.

5.31 To assist the delivery of the spatial vision, various strategic priorities are provided which include:

- **Strategic Priority 1 (Spatial Strategy):**

“To deliver sustainable economic growth and to meet objectively assessed needs for employment and housing, in particular through providing opportunities for young economically active age groups and graduates.”

- **Strategic Priority 5 (Economic Growth):**

“To provide a wide portfolio of employment sites to support the development of key employment sectors and expand the opportunities for new office development.”

5.32 Paragraph 2.55 of the CSDP state:

“Advanced manufacturing and particularly the automotive sector are a key part of the local economy, centred around the Nissan plant, which is producing more than 500,000 vehicles a year, and a thriving supply chain extending along the A19, A1 corridors. The sector employs 30,000 people regionally. To support the continued growth of this sector, the IAMP will be delivered on land to the north of the existing Nissan plant. It is anticipated that the IAMP would create approximately 7,850 new jobs and would be a significant driver for the regional economy and the automotive sector within the UK.”

5.33 The following CSDP Policies are considered relevant to the development proposals:

- **Strategic Policy SP3 (Washington)** states that *“Washington will continue to thrive as a sustainable mixed community and a driver of economic growth for Sunderland. In order to achieve this, economic growth will be focused in identified Employment Areas (Policies EG1 and EG2) and at the IAMP.”* The supporting text states that the IAMP AAP will drive the comprehensive development of the IAMP (para. 4.43).
- **Strategic Policy SP10 (Connectivity and Transport Network)** promotes the delivery of various new highway schemes and initiative including key junctions on the A19, including providing access to the IAMP. The supporting text to this policy states that: *“The IAMP AAP Infrastructure Delivery Plan contains the road improvement works that are required to specifically support the IAMP”*. (para. 12.6)

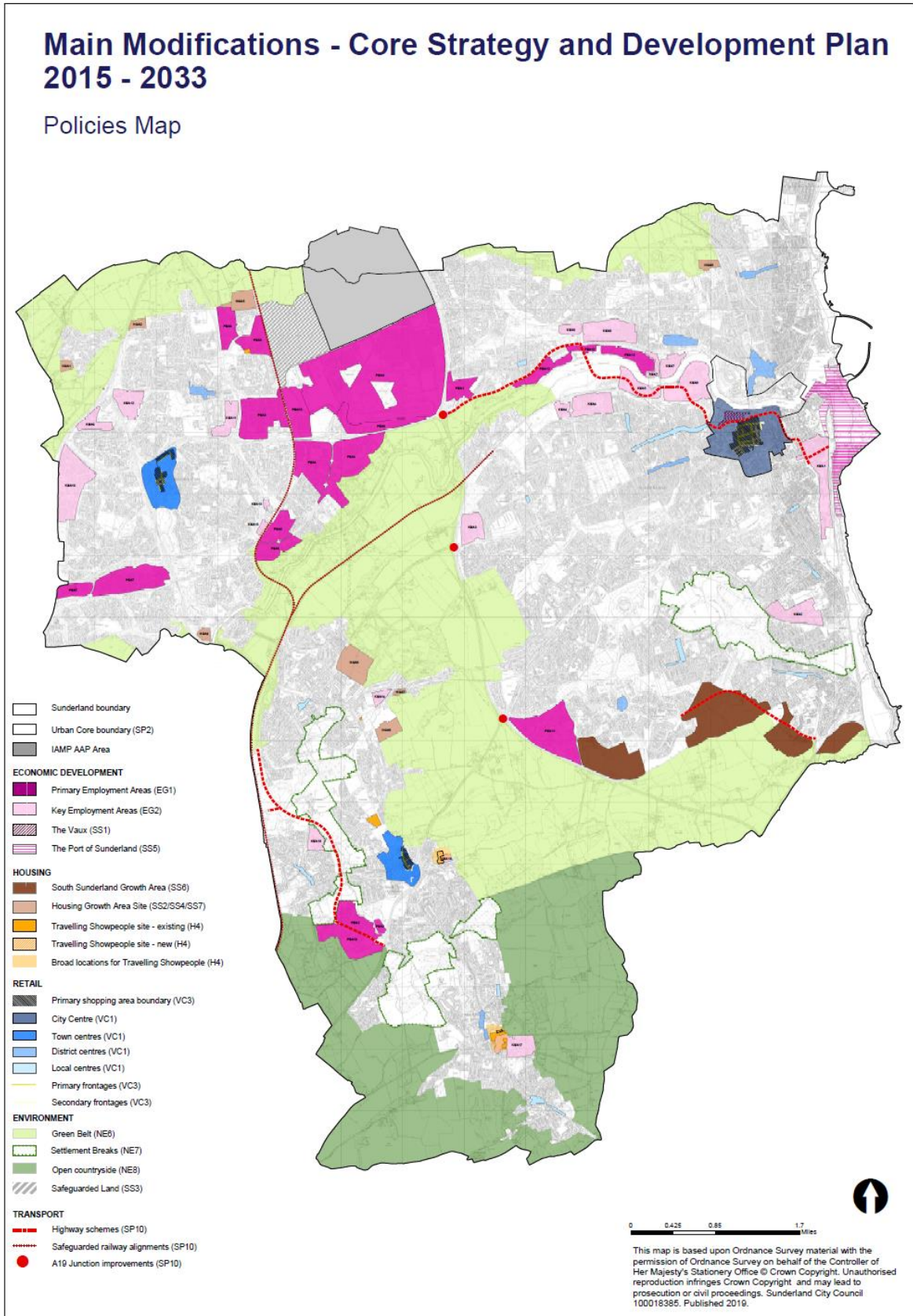
5.34 The following additional CSDP policies are also considered relevant to the consideration of the Proposed Development:

- Strategic Policy SP1 (Development strategy);
- Strategic Policy SP7 (Health and wellbeing);

- Policy HS1 (Quality of life and amenity);
- Policy HS2 (Noise-sensitive development);
- Policy HS3 (Contaminated land);
- Policy HS4 (Health and safety executive areas and hazardous substances);
- Policy BH1 (Design quality);
- BH2 (Sustainable design and construction);
- BH3 (Public realm);
- Policy BH7 (Historic Environment);
- Policy BH8 (Heritage Assets);
- Policy BH9 (Archaeology and recording of heritage assets);
- Policy NE1 (Green and blue infrastructure);
- Policy NE2 (Biodiversity and geodiversity);
- Policy EN3 (Woodlands / hedgerows and trees);
- Policy NE9 (Landscape Character);
- Policy NE11 (Creating and Protecting Views);
- Policy NE12 (Agricultural Land);
- Policy WWE2 (Flood risk and coastal management);
- Policy WWE3 (Water management);
- Policy WWE4 (Water quality);
- Policy WWE5 (Disposal of foul water);
- Policy WWE6 (Waste management);
- Policy ST2 (Local road network);
- Policy ST3 (Development and transport); and
- Policy ID1 (Delivering infrastructure).

5.35 A summary of these policies is provided in Appendix 2, whilst an extract from the CSDP Policies Map is provided in Figure 5.2 which highlights the IAMP AAP area in grey to the north.

Figure 5.2: CSDP Policies Map with the IAMP AAP Area highlight in grey



Source: Sunderland City Council

Sunderland Unitary Development Plan

- 5.36 The Sunderland Unitary Development Plan ('UDP') was adopted by the Council in September 1998. Following the adoption of the CSDP in January 2020, a number of UDP Policies were retained and are therefore to be considered alongside policies contained within the CSDP.
- 5.37 The UDP Proposals Map allocates Nissan, which lies to the south of the Site, as an area to be retained and improved for economic development (Policy EC2).
- 5.38 Paragraph 4.26 of the UDP states the following about Nissan:
- “The story of Nissan's location in Sunderland is one of continuing expansion and growth. There has also been a significant multiplier effect with almost 3,000 people employed by Nissan suppliers within the City area, as well as the 4,000 or so who are directly employed. Following Nissan's decision to locate in the North East in 1984, some 28 Japanese companies have chosen to settle here, forming the largest concentration of Japanese engineering investment in Europe. Despite market fluctuations, sales of Nissan cars in Western Europe are expected to increase. Nissan is now one of the UK's largest car manufacturers with a substantial proportion of production going for export. It claims to contribute some £500million annually to the Region's economy.***
- The company operates a lean production system keeping stocks to a minimum, requiring regular and frequent deliveries of parts, meaning that suppliers often need to be physically close to their customer. Some, such as Ikeda Hoover, are literally at the factory gate. This track record of rapid development and expansion is exceptional and the Council recognises the important role which the Nissan company plays in the economy. An extension into other land north of the A1290 by Nissan itself or for an associated business which needs to be located close to the Nissan complex may be considered. Because of the area's Green Belt status, any proposal will have to demonstrate exceptional need and include appropriate nature conservation measures.”*
- 5.39 A Wildlife Corridor, as designated under saved Policy CN23, is located within the ELMA, beyond the site's northern / western boundaries. Policy CN23 advises that within the wildlife corridor (i) measures to conserve and improve the environment will be encouraged, (ii) development which would adversely affect the continuity of corridor will normally be refused and (iii) where, on balance, development is acceptable because of wider plan objectives, appropriate habitat creation measures will be required to minimise its detrimental impact’.
- 5.40 The following saved UDP policies are also considered relevant to the determination of this planning application:
- **Policy L10 (Countryside Recreation)** seeks to improve and promote countryside recreational activities including (i) improving and extending the network of footpaths, bridleways and cycleways;
 - **Policy T10 (Paths and Multi-User Routes)** advises that consideration will be given to the feasibility of adapting some of these routes for use by cyclists, people with disability and horse riders to provide multi-user routes;

- **Policy T11 (People with Disabilities and Other Special Needs)** requires particular attention to be given to the needs of persons with mobility problems and sensory impairments; and
- **Policy B14 (Built Environment – Archaeological Assessment)** states that archaeological assessments are required where a development will affect sites of known or potential archaeological importance and where major developments involve large scale ground disturbance in currently undeveloped areas.

Other Material Considerations

IAMP Interim Position Statement

- 5.41 The Council and South Tyneside Council commissioned Lichfields to produce an IAMP Interim Position Statement on the APP ('the IPS'). The IPS is used as a material planning consideration in the determination of planning applications relating to IAMP until a plan review of the AAP is undertaken. The AAP does however continue to form part of the adopted development plan in the planning decision making process.
- 5.42 The IPS considers the potential areas that a future review could focus on in response to the fast-evolving needs of the market that are forecast in the years ahead. This includes a focus on reviewing the Masterplan and Design Code for the IAMP site, as well as incorporating the environmental and sustainability requirements that both local authorities are seeking to achieve moving forward.
- 5.43 The IPS sets out that in recent years, the market context has changed due to a combination of macroeconomic shocks and developments specific to the automotive industry, including the electrification of the automotive industry, EU Exit and Covid-19. Most notably, the UK Government's commitment to achieving 'net zero' by 2050 and the ambitious target for phasing out internal combustion engine vehicles by 2030 is driving forward the need to decarbonise cars and vans and to electrify the automotive industry. This will create opportunities to grow existing businesses and attract new ones to meet the needs of the changing technology, including the need to manufacture hybrid vehicles and EVs.
- 5.44 In particular, the IPS states that there is a need to focus on the development of battery production facilities. Furthermore, in light of Covid-19, it is recognised by the IPS that there is an urgent need to create greater resilience and flexibility in supply chains moving forward. Indeed, the IAMP, with available land located in close proximity to Nissan UK's Sunderland plant and the wider North East automotive cluster, is considered by the IPS as ideally placed to compete for emerging opportunities, as evidenced by AESC UK's recent investment at the IAMP.

Sunderland Cabinet Report (31st January 2024) – Investment Zones

- 5.45 On 31st January 2024, a report was presented to Sunderland's Cabinet to provide an overview of the North East Investment Zone ('NEIZ') proposal focused on Advanced Manufacturing and Green Industries and which sought authorisation for the designation of a Business Rates Retention ('BRR') Site in Sunderland. At the Meeting, the Cabinet approved proposal to include the International Advanced Manufacturing Strategic Site ('IAMSS') as an Investment Zone ('IZ') Tax Site.

5.46 IZs are being introduced by Government to accelerate economic growth through clustering and agglomeration in specific sectors with significant growth potential. In November 2023, Government announced that the programme would be extended from 5 to 10 years, with the total amount of funding available to each IZ increased from £80m to £160m. Each IZ can include up to three tax sites of 200ha each, where new investment on under-developed land will benefit from tax reliefs on: employer National Insurance contributions, business rates (with the billing authority fully compensated), stamp duty and enhanced capital allowances benefits.

5.47 The NEIZ will have a sectoral focus of ‘clean energy and green manufacturing’, including batteries and electric vehicles at IAMSS.

5.48 Paragraph 4.2 of the Cabinet Report states:

“The proposed IAMSS IZ Intervention Site is increasingly recognised as a nationally significant location for advanced manufacturing and particularly EV and battery production. This reflects the significance of automotive, advanced manufacturing, and electrification in the city’s economy alongside regional strengths across Advanced Manufacturing and Green Industries. The ambition for the IAMSS IZ Intervention Site is to build on this investment to date..”

5.49 Paragraph 4.2 continues by recognising that there is a requirement for further gigafactory development in this location.

5.50 The Cabinet Report continues by stating the following:

“In addition to the direct tax benefits which will be available to companies locating at, or expanding into additional premises at, IAMSS it is recognised that investment will be required in infrastructure, skills and innovation to maximise economic growth and build on the existing cluster in the priority IZ sectors.” (para. 4.3)

“Enabling infrastructure is key to maximising the investment that can be captured at IAMSS and to maximising the benefits of this key sector to the city, its communities, and the wider region. Significant employment opportunities have already been announced, and future investment is expected to create further employment opportunities. This requires an increase in trained residents ready to enter the workforce as well as upskilling in the region’s existing workforce to reflect advances in electrification, digitisation and battery manufacturing, with staff progression within the sector expected to create further opportunities. Process innovation and innovation in industrial digitisation will also be key to ensure maximum productivity given the global competitiveness of all investment in relation to EV and battery manufacturing.”

The North East Strategic Economic Plan

5.51 The North East Local Enterprise Partnership (‘NELEP’) published a revised version of ‘*The North East Strategic Economic Plan*’ (‘SEP’) in January 2019. The SEP is recognised as the North East’s plan for growing and developing a more productive, inclusive and sustainable regional economy. Its ambition is to increase the number of jobs in the North East by 100,000 between 2014 and 2024, with 70% of these being better jobs, defined as managerial, professional and technical roles.

5.52 In delivering this ambition, the SEP identifies four areas within the North East economy where assets and capabilities have enabled a strong opportunity for growth. These areas include Digital, Advanced Manufacturing, Health and Life Sciences and Energy.

5.53 Having particular regard to Advanced Manufacturing, the SEP identifies the IAMP as a major and nationally significant employment site. The plan highlights the broader site as part of the North East Enterprise Zone, stating the following:

*“Enterprise Zones are crucial to the **growth of the advanced manufacturing sector** and we will continue to work hard to attract business and investment, **with particular focus on the IAMP**. A £500 million development, IAMP is strategically located near Nissan to house major international supply chain companies and **create over 5,000 jobs by 2024**.*

City Deal

5.54 The City Deal was signed between the Council, South Tyneside Council and the Government in 2014. The City Deal has five key aims:

- Delivery of the International Advanced Manufacturing Park;
- Commitment to co-designing a local Skills Compact with local businesses;
- Delivery of the New Wear Crossing;
- Infrastructure for Ultra Low Emission Vehicles; and
- Sunderland and South Tyneside Councils’ commitment to supporting the development of the North East Combined Authority.

5.55 A key objective of the City Deal is to enable the local economy to build on its strengths in advanced manufacturing, with a focus on the automotive sector but also expanding the opportunities for enterprise and employment in the area.

5.56 The City Deal partners have committed funding to support the delivery of the initial planning phases. Sunderland City Council, South Tyneside Council and the NELEP will commit local funding as the project progresses.

Sunderland Transforming our City: The 3.6.9 Vision

5.57 This vision sets out that by 2024, Sunderland will deliver:

- Over £1bn of investment into the city’s infrastructure and industrial assets;
- Approximately 20,000 new jobs created across a range of sectors, increasing the city’s productivity and reducing unemployment levels;
- A more vibrant and attractive city with more happening in terms of events, entertainment and culture; and
- A significant increase in our levels of education and skills.

5.58 With respect to the IAMP, the document states:

*“We see the **most important sectors for job creation in the city being the Manufacturing and Automotive sector** where we anticipate more than 5,000 new jobs as a result of continued organic growth in the sector and the stimulus given by the establishment of **the International Advanced Manufacturing Park and the associated Enterprise Zone.**”*

*“The IAMP will bring a predicted **£295 million in private sector investment** and the creation of **over 5,200 new jobs over the next decade** with more than 500 new jobs being created every year from 2018.”*

Northern Powerhouse

5.59 The Northern Powerhouse is a proposal to boost economic growth in the North of England, bringing together cities, towns and rural communities of the North to become a powerhouse for economic growth. This is to be achieved through modern transport links, a revolutionary new style of governance and increased investment.

5.60 The Northern Powerhouse strategy which underpins this ambition seeks to ensure the Northern Powerhouse is recognised worldwide for the trade and investment opportunities it offers, supported by over half a billion pounds of investment to improve transport links, unlock housing and to enhance digital connectivity. However, key barriers to driving productivity growth are identified as: lower levels of foreign direct investment (FDI) projects per head, lower proportions of graduates and poor connectivity.

5.61 In order to address this, the strategy seeks to support 17 Enterprise Zones across the North by 2017, including the IAMP. It also recognises that the North has significant strengths in a number of sectors which will be built upon to drive growth, including manufacturing; with 42% of the UK’s total car production manufactured in the Northern Powerhouse in 2015.

Northern Powerhouse Independent Economic Review

5.62 The Northern Powerhouse Independent Economic Review (‘NPIER’) was commissioned by the Transport for the North (‘TfN’) partners, collaborating with the wider Northern Powerhouse partnership. The findings of the Review characterise the North’s economic position and the drivers underpinning its performance, and identify opportunities where pan-Northern drivers and collaboration can support local activities.

5.63 In particular, the Review identifies the North as having four prime capabilities which are highly productive and can compete on the national and international stage, comprising of: the advanced manufacturing, energy, health innovation and digital sectors.

5.64 However, in order to support further growth, the conclusions of the Review set out the need to support investment and improved performance in a number of critical areas in order to support further growth, including:

- Improved education outcomes and work-based and vocational training;
- Improved graduate retention and attraction, helped by better prospects for skilled, mobile workers to make their careers in the North through good access to opportunities in more than one town/city, and by a good supply of high-quality housing;

- Better commercialisation of university research to the benefit of the North’s business base;
- Better management skills, including the uptake of innovation; and
- Attraction of inward investment by world-leading, international businesses that can bring transformed business practices and access to leading technologies.

5.65 Overall, the Review identifies that by 2050, a ‘transformed North’ which incorporates these measures could create 850,000 more jobs and £97 billion more in GVA than if there was ‘business as usual’.

Great North Plan

5.66 The Institute for Public Policy Research (‘IPPR’) North and the Royal Town Planning Institute (‘RTPI’) have set out a blueprint for a ‘Great North Plan’ to support the development of the powerhouse and to provide a joined up approach to economic planning. It is proposed that this should include:

- An overall vision or the North up to 2050; northern transport, economic, natural assets and people and place strategies; and a prospectus for the North to encourage national and international investors. It is considered that this approach will present a unique opportunity to put forward a dynamic and timely representation of the North and its ‘offer’, helping to attract investment that will help the North to achieve its geographical and social vision.

Transport for the North’s Strategic Transport Plan

5.67 Transport for the North’s emerging Strategic Transport Plan seeks to create “*a thriving North of England, where modern transport connections drive economic growth and support an excellent quality of life.*”

5.68 The Plan recognises that the success of the UK in the global marketplace, and the achievement of the Government’s Industrial Strategy, depend on the transformation of the economy of the North of England. As a result, it seeks to direct investment to deliver a transport system that is user-centric, smart, autonomous and integrated, as well as resilient and sustainable. Achieving this will allow the North to make a greater contribution to the UK economy through higher productivity and will increase job opportunities across the region, as well as:

- Improving competitiveness, rebalancing growth and allowing economic assets to thrive, addressing the long-term economic activity gap;
- Providing employers and businesses with better access to a highly skilled and talented labour market, with improved links to the supply chain, more diverse and cost-effective business opportunities and a more buoyant marketplace;
- Enabling freight and logistics operators to meet ever increasing demands for smart logistics activities and drive down operating costs, helping to attract additional investment as companies cluster in more accessible locations;
- Generating a greater return on investment from public expenditure through higher productivity and increased economic participation; and

- Providing access to more work and leisure opportunities, enhancing the quality of life, and improving living standards and the communities of the North.

The UK's Industrial Strategy

5.69 The Industrial Strategy sets out the Government's long-term plan to create an economy that boosts productivity and earning power throughout the UK. This includes the need to build on existing strengths, improving productivity and keeping employment high to support higher living standards.

5.70 Key policies include (inter alia):

- Launching and rolling out Sector Deals – with the first including the automotive sector;
- Investing in programmes to capture the value of innovation;
- Supporting investments in transport, housing and digital infrastructure; and
- Driving over £20bn investment in innovative and high potential businesses.

5.71 The overall vision is to create:

- The world's most innovative economy;
- Good jobs and greater earning power for all;
- A major upgrade to the UK's infrastructure;
- The best place to start and grow a business; and
- Prosperous communities across the UK.

Batteries for electric vehicle manufacturing

5.72 The 'Batteries for electric vehicle manufacturing – First report of session 2023/24' (House of Commons, Business & Trade Committee, published on 21st November 2023) is a House of Commons Committee report with recommendations to the Government. The report is hereinafter referred to as the 'Batteries for EV Manufacturing Report'.

5.73 The report was produced following an inquiry into the supply and viability the manufacture of batteries for EVs in the UK. The Committee recognised that the industry had recently suffered a series of setbacks, including the Government-championed battery start-up Britishvolt which entered administration in January 2022. The Committee is interested in the UK's potential to scale-up battery manufacturing to meet growing demand for electric vehicles domestically and globally, including what lessons the UK can learn from other countries.

5.74 The summary of the 'Batteries for EV Manufacturing Report' states:

“Harnessing power has been at the core of the UK's industrial success since the Industrial Revolution. Today, the UK is in a global battery race with competitor countries that want to develop their industrial capabilities in the battery sector... The UK lags far behind many of its competitors. Other countries, especially in Europe and North America, are rapidly expanding capacity and are expected to gain a larger share of the global battery market by 2030.”

Gigafactories in the UK

Large scale production of batteries takes place in gigafactories. The UK faces a gigafactory gap, because of insufficient domestic manufacturing capacity to satisfy UK industry's demand for batteries. Satisfying demand from the UK's automotive industry and other sectors will require 100GWh of battery manufacturing capacity by 2030. That requirement will increase to 200GWh by 2040. The UK, however, currently has only one gigafactory, which has less than 2GWh of capacity. It is run by AESC UK near Nissan's plant in Sunderland. More gigafactories are under development, albeit at different stages of planning and construction. At best, announced plans satisfy a little over half the capacity the nation needs by 2030. Time is now running short. The UK has a limited window in the next three years to attract further investment into this sector.

A failure to invest in battery manufacturing could cause a gradual decline in automotive production in the UK because global original equipment manufacturers (OEMs) might prefer to locate electric vehicle production overseas in countries hosting clusters of gigafactories. There are 160,000 people directly employed in the automotive industry, but the sector supports many more jobs in the wider economy. Employment in this industry is concentrated outside of London and the South East, especially in the West Midlands, North East and North West of England. Many of these jobs could be at risk if OEMs decide to locate electric vehicle manufacturing elsewhere because of a lack of domestic battery manufacturing capacity. Building an industrial base of gigafactories in the UK is strategically important for the UK's energy security, for national security and for the UK's ability to reach Net Zero and to unlock the benefit of economic growth, new jobs and new tax contributions from green industries.

Automotive manufacturers comprise most of the demand for batteries. Large global OEMs with vehicle assembly plants in the UK are expected to have enough demand for batteries to justify building gigafactories. However, the UK needs gigafactories that can cater for the diverse array of vehicles built in the UK, and other sectors outside the automotive industry that are likely to need batteries from 2030 onwards. Serving those markets will deliver strategic benefits.

The battery supply chain

Global battery supply chains, and especially the upstream supply of critical minerals, have environmental, social and governance challenges...The UK Government must continue to collaborate internationally, especially with our allies, to diversify the battery supply chain, safeguard the thousands of tonnes of critical minerals required for future battery production, ensure that batteries are produced to high environmental and social standards and to safeguard UK consumers from the risks of consuming products made in unethical ways.

...A battery supply chain in the UK would enable businesses based in this country to manufacture batteries sustainably and ethically. Such a supply chain would offer the UK a competitive advantage over other markets, especially among the many consumers who demand higher environmental, social and governance standards. The UK's access to low-carbon sources of electricity means that batteries produced in the UK will be produced more sustainably than ... in other countries."

- 5.75 The report makes various recommendations to the Government including:
- explaining how it will ensure the UK develops the capacity to build the battery supply needed by the nation to achieve our targets for Net Zero.
 - specifying strategically critical industrial capabilities within the battery supply chain and set out the key interventions to incentivise businesses that can deliver those capabilities to locate in the UK. Those specifications and interventions could be explained either in the forthcoming UK Battery Strategy or in the Government’s response to this Report.

- 5.76 The summary continues by stating the following about encouraging investment into the UK’s battery supply chain:

“Global competition in relation to the electric vehicle supply chain has intensified following the passing in 2022 of the Inflation Reduction Act in the United States. The Inflation Reduction Act has caused investment to flow into the electric vehicle supply chain, especially gigafactories, in the United States at the expense of Europe. The UK Government must urgently respond to intensified global competition with an internationally competitive package of long-term support to attract private investment into gigafactories and the wider battery supply chain within the UK.

The UK is in a race with other large markets that are offering significant subsidies to boost domestic production of electric vehicles and batteries and onshore businesses in the supply chain. The UK Government does not necessarily need to match the scale of subsidies on offer in these markets, if the UK’s overall package is internationally competitive. However, the UK Government must provide a long-term stable business environment, with conditions that de-risk investments in the UK’s battery supply chain. The Government needs to set out a package of measures on subsidies, land access, low cost power, skills, de-risked supply chains, tariff-trade and research and development support.”

- 5.77 The Government has produced a response to the ‘Batteries for EV Manufacturing Report’ which was published on 14th February 2024⁸. The response refers to the UK Battery Strategy and Advanced Manufacturing Plan, which are now discussed, and which set out how the Government wishes to achieve a globally competitive battery supply chain by 2030.

UK Battery Strategy

- 5.78 The ‘UK Battery Strategy’ (Department for Business & Trade, 26 November 2023) sets out the Government’s vision to achieve a globally competitive battery supply chain by 2030, that supports economic prosperity and the net zero transition.

- 5.79 Page 3 states:

“Batteries will play an essential role in our energy transition and our ability to successfully achieve net zero by 2050. High capacity and reliable rechargeable batteries are a critical component of many devices, modes of transport, and our evolving energy generation capability.”

⁸ [Batteries for electric vehicle manufacturing: Government Response to the Committee’s First Report of Session 2023-24 \(parliament.uk\)](https://www.parliament.uk)

“The Government’s 2030 vision is for the UK to have a globally competitive battery supply chain that supports economic prosperity and the net zero transition. The UK will be a world leader in sustainable battery design and manufacture, underpinned by a thriving battery innovation ecosystem. Batteries represent one of the highest growth clean energy sectors and the UK is well placed to reap the rewards thanks to its comparative advantage in research and advanced manufacturing.”

“Research at the University of Oxford in the 1970s made the lithium-ion battery possible. But, today, most industrial rechargeable batteries are manufactured in East Asia. The UK and other industrialised countries are responding to the challenge given the importance of the growth of the sector and its critical role in ensuring our economic security.

5.80 Page 4 states:

“Our successful battery industry will be a significant source of jobs and regional economic growth, supporting the Government’s levelling up agenda. A battery industry that addresses domestic demand could employ 100,000 people by 2040, with the majority likely to be located outside of London and the South East.”

“We are already supporting businesses to capitalise on the growth of the green economy. The new AESC Group gigafactory being built in Sunderland – AESC UK plant 2 – and Tata’s announcement of the construction of a new gigafactory are jointly creating over 5,000 jobs and increasing future UK annual production capacity to an estimated 52GWh.”

“The UK has set one of the most ambitious targets to reduce carbon emissions. To successfully achieve this, we will create and maintain favourable conditions for ongoing industry investment amid strong overseas competition. The UK Government is committed to continuing to invest in UK battery manufacturing.”

5.81 The sets out that the Government is exploring a range of policy options to deliver the priorities including:

- 1 Provide targeted support for zero emission vehicles, batteries, and their supply chains, including through **over £2 billion of new capital and R&D funding for five years to 2030**, building on the work of the Automotive Transformation Fund and the Advanced Propulsion Centre.
- 2 Provide sustained, consistent, and targeted support for large-scale, long-term research and innovation activities, from early to late stages, across applications and key areas of the battery supply chain.
- 3 Invest an additional **£38 million to enhance the UK Battery Industrialisation Centre development facilities**, boosting its capability for research and development in new chemistries and future technologies. This builds on our know-how in lithium-ion solutions and enables the scale-up of emerging innovations.
- 4 **Invest £12 million in the Advanced Materials Battery Industrialisation Centre**, a new world-class battery materials scale up facility in the West Midlands and

North East to bridge the gap between laboratory research and commercial production.

5.82 Page 11 states securing investment into the battery value chain is key to our economic security.

Advanced Manufacturing Plan

5.83 The purpose of the Advanced Manufacturing Plan (Department for Business & Trade, last updated 6th December 2023) is to ensure that the UK continues to lead in the development and deployment of clean and digital manufacturing technologies. It will also provide businesses with a clear commitment to the longer-term success of the sector and will take targeted and strategic action to ensure our business environment and international competitiveness remain strong.

5.84 These ambitions are to be met through the following 3 priorities:

- investing in the future of manufacturing by extending and building on our successful programmes to 2030;
- cooperating internationally and increasing UK capability to build supply chain resilience, boost economic security and ensure our sectors have access to the goods that drive prosperity; and
- reducing costs and removing barriers to boost competitiveness and ensure the UK retains its attractiveness to international investors in the long term.

5.85 The Plan identifies that over £2 billion is being made available for the automotive sector to support manufacturing and development of zero emission vehicles, their batteries and the supply chain. As part of this capital grants will be available to unlock strategic investments in an internationally competitive electric vehicle and battery supply chain, enabling automotive transformation and attracting future investment in UK manufacturing of zero emission vehicles and batteries (page 10).

5.86 The Plan recognises that the automotive sector is the second largest in Europe in value added terms accounting for £15.2 billion of UK manufacturing GVA and £38.3 billion of exports in 2022 and has successful hubs in the North East and West Midlands. It is transitioning rapidly to produce more EVs and batteries and there is potential to capitalise on our world-leading position on CAM to transform how we move people and goods (page 4).

Summary

5.87 The NPPF states that the planning system should proactively drive and support sustainable economic development, including delivering the businesses, industrial units and infrastructure that the country needs.

5.88 The Site forms part of the wider IAMP area which is allocated for approximately 392,000sqm of floorspace for uses relating to the Automotive and Advanced Manufacturing sectors in the adopted AAP. Wider policy objectives include the need to deliver additional employment opportunities in order to support the growth of the Northern Powerhouse; retain skilled workers; capitalise on the region's strengths in key sectors such as

manufacturing, transport and logistics; and supporting inward investment in highly accessible locations close to key transport networks.

- 5.89 National and local planning policy set out a range of policies that relate to design, environmental and technical issues which need to be taken into account in the determination of planning applications, whilst the UK Battery Strategy recognises the importance and achieving a globally competitive battery supply chain by 2030, that will support economic prosperity and the net zero transition. These are considered in the following chapters of this Planning Statement.

6.0 **Conformity with Planning Policy**

6.1 In accordance with Section 38(6) of the Planning and Compulsory Purchase Act 2004, planning applications are to be determined in accordance with the development plan unless material considerations indicate otherwise.

6.2 This Section of the Statement therefore assesses the conformity of the Proposed Development against the adopted local plan and the planning policy requirements set out in Section 4 under the following headings:

- Principle of Development;
- Socio-Economic;
- Design;
- Access and Transport
- Flood Risk, Drainage and Water Resources;
- Ecology and Biodiversity
- Landscape and Trees;
- Landscape and Visual Impact;
- Archaeology and Cultural Heritage;
- Air Quality;
- Noise and Vibration;
- Amenity;
- Health Impact;
- Climate Change;
- Energy and Sustainability;
- Ground Conditions;
- Soils and Agriculture;
- Waste; and
- Lighting.

Principle of Development

Urgent Need for More Large-Scale Battery Production Capacity

6.3 The UK Government is committed to achieving ‘net zero’ by 2050, as set out in the Climate Change Act (as amended in 2019). In 2020, transport was the largest emitting sector of greenhouse gas emissions producing 24% of the UK’s total emissions (406 MtCO₂e)⁹. This demonstrates the importance of decarbonising transport – by moving away from the

⁹ <https://www.gov.uk/government/statistics/transport-and-environment-statistics-2022/transport-and-environment-statistics-2022>

Internal Combustion Engine (ICE) towards hybrid and EVs – to achieve the UK Government’s net zero ambitions.

6.4 The UK Battery Strategy¹⁰ states:

“Batteries will play an essential role in our energy transition and our ability to successfully achieve net zero by 2050.”

“The Government’s 2030 vision is for the UK to have a globally competitive battery supply chain that supports economic prosperity and the net zero transition. The UK will be a world leader in sustainable battery design and manufacture, underpinned by a thriving battery innovation ecosystem. Batteries represent one of the highest growth clean energy sectors and the UK is well placed to reap the rewards thanks to its comparative advantage in research and advanced manufacturing.”

6.5 On 28th September 2023, the Government made an announcement on ‘the path to zero emission vehicles by 2035’ that by 2030 80% of all new cars and 70% of new vans sold should be set to be zero emission increasing to 100% by 2035¹¹. The Government’s announcement on the path to zero emissions by 2035 states:

“Recent investment by major manufacturers has shown the UK is a world-leading country for the automotive sector. BMW has announced its intention to invest over £600 million in its UK factories, including a multimillion-pound investment to transform its Oxford plant, securing 4,000 high-quality jobs and strengthening the electric vehicle supply chain. This followed other major investments, including £4 billion from Tata to build a new gigafactory in the UK, and £1 billion from Nissan and AESC to create an EV manufacturing hub in Sunderland.”

“With transport providing the largest share of the UK’s carbon emissions, the switch to zero emission cars and vans will be the single biggest carbon saving measure in the UK’s journey to net zero.”

6.6 The Faraday Institution’s report “UK Electric Vehicle and Battery Production Potential to 2040” (June 2022) (hereinafter referred to as the ‘Faraday Report’) predicts that by 2030 around 100 GWh of supply will be needed in the UK to satisfy the demand for batteries for private cars, commercial vehicles, heavy goods vehicles, buses, micro-mobility and grid storage. This demand is equivalent to five gigafactories, with each plant running at a capacity of 20 GWh per annum. By 2040, it is predicted that demand will rise to nearly 200 GWh and the equivalent of 10 gigafactories. It shows that the combined EV automotive and battery ecosystem could be worth £22 billion by 2030 and £27 billion by 2040. The UK Government has played its part by making bold policy commitments and increasing investor confidence in the UK as a location to do business.

6.7 It is estimated that there will be up to 37.4 million EVs on UK roads by 2050¹², which is a huge increase. At the end of March 2024 there were only over 1 million fully electric cars on UK roads¹³.

¹⁰ UK Battery Strategy (Department for Business & Trade, 26 November 2023), page 3

¹¹ <https://www.gov.uk/government/news/government-sets-out-path-to-zero-emission-vehicles-by-2035>

¹² <https://www.nationalgrideso.com/future-energy/our-progress-towards-net-zero/net-zero-explained/electric-vehicles/evs-and>

¹³ <https://www.zap-map.com/ev-stats/ev-market>

- 6.8 There is therefore an urgent need for the UK to develop large scale battery production capacity to enable the transition to EVs and to help the UK become net zero. The industry is facing a huge challenge and needs to gear up in the production of batteries for EVs. The market is fast moving and competitive and the UK risks being left behind in the global race if it does not ramp up production.
- 6.9 AESC Plant 1 is the only operational gigafactory in the UK and supplies batteries for the Nissan Leaf. It has capacity to produce 1.8 GWh of batteries for EVs per year. AESC Plant 2 is currently under construction and will become the second operational gigafactory in the UK and will be operational soon. It will have capacity to produce 12GWh of batteries for EVs per year. Planning permission was granted for a gigafactory at Coventry but this plant does not currently have an operator or customer and in July 2023 Tata (the parent company of Jaguar Land Rover) announced that it will build a giant new EV battery plant in Somerset. It is therefore evident that the UK urgently needs more large-scale battery production capacity.
- 6.10 The Proposed Development provides a once-in-a-lifetime opportunity to help AESC, Sunderland and the UK compete in the global market in the move to the EVs, whilst ensuring that Sunderland continues to be one of the best international locations for automotive and advanced manufacturing.
- 6.11 By localising production within the UK, this will help car manufacturers meet the Rule of Origin requirements, otherwise there would be 10% import tariff should the vehicle's locally sourced components fall short of 55% of the total. This will help ensure the UK automotive industry remains competitive.
- 6.12 It is therefore clear that there is an urgent need for this Proposed Development to help meet the UK the need for more large-scale production of batteries for EVs. Further details about the need and demand for gigafactories is provided in the AESC Plant 3 Very Special Circumstances (VSC) report which accompanies this planning application.

Consideration against the IAMP AAP Policies

Policy S1: Spatial Strategy for Comprehensive Development

- 6.13 The Proposed Development is located within the overall IAMP AAP boundary but on land outwith the area allocated for automotive and advanced manufacturing uses. The majority of the Site lies within the Green Belt and on the IAMP ONE ELMA.
- 1 Green Belt – a separate report has been prepared which demonstrates VSC for the erection of the Proposed Development within the Green Belt. In summary, this report demonstrates that:
 - i The UK has an urgent need for more large-scale battery production capacity given that the sale of new petrol and diesel cars will end by 2035 to help the UK become net zero;
 - ii AESC Plants 2 and 3 have been designed as a comprehensive development and need to be located next to each other as they are interlinked, with share logistics, facilities, automated processes and staff. AESC UK must remain competitive within the AESC Group and needs to compete against other worldwide businesses. If AESC cannot do this in the chosen location, they

could develop an alternative facility elsewhere in Europe. This would be a most significant loss to Sunderland, the regional economy and to the UK automotive industry. There is therefore a specific locational requirement for the development in the chosen location.

- iii The Proposed Development will deliver significant socio-economic benefits including helping AESC, Sunderland and the UK compete in the global race for the large-scale manufacture of batteries and in the electrification of vehicles. It will act as a catalyst for the attraction of more suppliers to the IAMP and the North East, which will further stimulate the economic growth of the region. It will deliver a substantial number of jobs (over 1,000 no. jobs once operational); upskill the local population; provide training, apprenticeships and work experience opportunities, as well as working with local schools and colleges both during construction and on operation of the gigafactory; and increase expenditure to support other local services, shops and facilities.
 - iv The Proposed Development will deliver significant environmental benefits through helping increase the production of EVs which will play an important role in helping to decarbonise transport and an important role in driving the UK forward to becoming net zero. It is predicted that the Proposed Development could save the equivalent of 130,345 tCO₂e per year through displacing petrol and diesel vehicles for EVs. This is a most significant reduction in CO₂ emissions.
 - v The Proposed Development would result in built development within the Green Belt, which would be harmful to the Green Belt and in accordance with the NPPF needs to be given substantial negative weight. However, the urgent need for the production of batteries, the significant economic benefits and the significant environmental benefits should each be given significant positive weight. Furthermore, there is a specific locational requirement for the chosen Site and an alternative non-Green Belt site would not work from a logistical point of view.
 - vi It is recognised that the Green Belt is a planning designation (to preserve the openness of land and to prevent settlements merging) rather than a landscape designation (which relates to land of high landscape value or outstanding beauty);
 - vii The most significant benefits of the Proposed Development clearly outweigh the harm identified and therefore amount to the VSC case necessary to justify the development in the Green Belt.
- 2 Amount of land for automotive and advanced manufacturing uses
- i The Proposed Development lies outwith of the land allocated for 150 ha of employment uses.
 - ii As part of the IAMP AAP preparation, three alternative growth scenarios were modelled in 2013 using production and sales forecasts to identify potential floorspace demand for these sectors up to 2033. The moderate scenario was viewed as the most achievable at that time (150 ha) and was taken forward in the IAMP AAP. The very optimistic scenario (up to 300 ha) included a step

increase in EV production due to increased demand from overseas markets. This work is now over 10 years old and this step increase in EV production and the requirement for a significant increase in battery production is now happening.

- iii The IPS (January 2022) identified potential areas that any AAP review could focus on. It recognises that the changing market conditions and that the need to decarbonise vehicles and to electrify the automotive industry will create opportunities to grow existing businesses and attract new ones to meet the needs of the changing technology, including the need to manufacture hybrid vehicles and EVs. In particular, a need was identified to focus on the development of battery production facilities.
- iv Although the Proposed Development would deliver floorspace that is over and above that allocated in the IAMP AAP, the Proposed Development accords with the spirit of the AAP through delivering more automotive and advanced manufacturing uses, which is the reasons why IAMP was originally released from the Green Belt.
- v The IPS recognises that the market is changing and it supports the need to attract businesses including those that manufacture hybrid and electric vehicles.

3 The ELMA

- i The AAP designates 110 ha of land to mitigate and / or compensate for the ecological and landscape impacts of development at IAMP.
- ii The Proposed Development is contrary to this policy as it would result in the loss of part of the IAMP ONE ELMA, with the purpose of the ELMA being to provide the ecological and landscape mitigation for the IAMP ONE developments. This has been recognised in the Biodiversity Offsetting Assessment and a strategy is being considered for off-site provision to compensate for the loss of part of the IAMP ONE, and also to provide compensation for the actual Proposed Development. Notwithstanding this, the landscape strategy has been designed to include a mixture of habitats including species rich neutral grassland, shade tolerant neutral grassland, flood meadows, wet woodland mix, water scrapes, native trees and enhancement of existing hedgerows to provide a rich and diverse range of habitats for a range of species.

4 Masterplans, Design Codes and Phasing Plans

- i The Proposed Development will not prejudice the comprehensive development of the IAMP. The Transport Assessment (TA) has assessed the impact of AESC Plant 3 plus the build out of the rest of the land at IAMP and has concluded that all junctions will operate in a safe and efficient matter. The TA includes an assessment of the Local Plan sites, including the full delivery of the IAMP AAP land and the new bridge over the A19 linking the a1290 with Washington Road. Only small increases in queues at the three junctions assessed on the strategic highway network (A19 Testos, A19 Downhill Lane and A19 / A1231 junctions). This small increase will not affect the safe and efficient operation of

the junctions. The ecological mitigation will be through on-site mitigation and off-site compensation. Some adverse landscape and visual effects have been identified; however, there are considered to be overriding benefits that outweigh the harm as demonstrated later in this Chapter and in the conclusions to this report.

- ii The Proposed Development relates well to the existing employment area and has been designed to share logistics, facilities, staff and an access point onto International Drive with AESC Plant 2.
- iii Sunderland City Council is seeking for the North East Investment Zone (NEIZ) to include the International Advanced Manufacturing Strategic Site (IAMSS) to accelerate economic growth through clustering specific sectors with growth potential. The IAMSS has been identified to have a focus on batteries and EVs. The Cabinet Report recognises that is a need for further gigafactory development in this location for EVs. The Proposed Development fully accords with this approach and will help drive forward the significant growth potential of this sector.
- iv The Development Consent Order is no longer being progressed; however, the Proposed Development will help drive forward the economy of Sunderland and will support the expansion of the UK automotive sector;
- v With regard to infrastructure, the number of vehicle movements can be safely accommodated on the highway network. Suitable surface water and foul water drainage will be provided and a new HV compound will be brought forward to support the development;
- vi The ecological mitigation will be provided off-site, whilst a range of mitigation is provided in the Environmental Statement to address other environmental effects, including air and noise. The Proposed Development will have a minor adverse impact on the significance of Penshaw Monument because of changes within its setting and the loss of visibility along parts of Follingsby Lane. The Proposed Development will be seen from the Monument in the context of a highly industrialised setting to the north and would be positioned directly alongside and behind AESC Plant 2 which is nearing completion. From the heritage point of view, the benefits of the scheme are considered to outweigh the harm as discussed later in this Chapter and in the overall conclusion to this report; and
- vii The Proposed Development will conflict with the development plan with regard to development in the Green Belt and because there will be some harmful landscape and minor adverse heritage effects; however, there are overriding benefits that outweigh this harm.

Policy S2: Land Uses

- 1 The principle of a gigafactory for the manufacture of batteries for EVs accords with the Principle Uses identified under Policy S2 given it is for automotive uses.

- 2 An office headquarter building is proposed for AESC. The office will operate as a shared facility with AESC Plant 2. The use will be ancillary to the overall development and represents one of the supporting uses identified under Policy S3.

Policy S3: Scale and Quantum of Principle of Supporting Employment Uses

- 1 This policy details the amount of Principal (356,000sqm) and Supporting Employment Uses (36,000sqm), with the Supporting Uses representing 10% of the total amount of uses.
- 2 The floorspace of the office (3,906sqm) is only 2.24% of the amount of floorspace proposed for AESC Plant 3 and the Assembly & Warehousing Building. This is clearly ancillary to the overall development. The office will provide an important supporting uses which will ensure the successful operation of the two gigafactories. It is recognised that Policy EG5 (Offices) of the CSDP provides a hierarchy of locations for office development. The supporting text to this policy (paragraphs 7.18 to 7.20) states that development of new office floorspace in other locations will normally be resisted unless they are ancillary to the Principal Use. As mentioned earlier, this use is ancillary to the Principal Use.
- 3 The Proposed Development is additional floorspace from the amount identified within this policy. However, the Council is seeking for the IAMSS to be included in the NEIZ, recognising that there is significant potential for growth in the battery and EV industry. The Proposed Development fully accords with this approach.

Socio-Economic

6.14 The Proposed Development will help ensure that AESC, the IAMP and Sunderland are:

- driving forward economic growth;
- at the forefront of innovations in battery technology;
- playing a critical role in leading the de-carbonisation revolution through the promotion of clean energy and new energy electric vehicles;
- helping the UK complete in the global race for the large-scale manufacture of batteries and in the electrification of vehicles;
- acting as a catalyst for the attraction of more suppliers to the IAMP and the North East, which will further stimulate the economic growth of the region;
- helping underpin the continued success of the automotive and advanced manufacturing sectors in the North East; and
- helping create a new, dynamic and highly skilled battery industry in the UK.

6.15 AESC Plant 3 will deliver the following socio-economic benefits during the construction phase:

- Initial capital investment in the facility of around £500 million;
- Supporting 1,525 direct full time equivalent construction jobs and 1,450 indirect full time equivalent jobs in the supply chain per year throughout the construction period (2.6 years);

- Delivering an uplift in (direct and indirect) Gross Value Added ('GVA') (economic output) of £90.7 million per year throughout the construction period;
- Provision of training, apprenticeships and work experience placements which will help to upskill the local population; and
- Increased expenditure from wages on local services, shops and facilities.

6.16 The socio-economic benefits on operation of the plant are as follows:

- Initial capacity to produce up to 12GWh of batteries per year;
- Once the plants are operational, AESC will have capacity to build batteries for ten times as many EVs a year than at present;
- The Site will employ over 1,000 people in Sunderland, taking AESC's workforce in Sunderland to over 2,500 high skill, high value jobs.
- The operations will support a further 800 indirect and induced full time equivalent jobs in the wider region in the supply chain;
- Delivering an estimated uplift in direct and indirect GVA of £109.3 million per year;
- Providing opportunities for the materials used in battery production to be sourced from local suppliers, further enhancing the benefits for the regional and national economies;
- Uplift in local wages of approximately £33.8 million per year¹⁴;
- Increased expenditure from wages on local services, shops and facilities; and
- Promoting Sunderland as the heart of automotive electrification activities in the UK, building on AESC UK's existing operations and investment in the area.

¹⁴ Taking into account an indicative breakdown of roles supported by industrial developments once operational, as well as the average annual salary for such roles

Initial Capacity to produce 12 Gwh of batteries per year.

AESC has produced batteries for a million vehicles across 59 countries.

The site will employ an additional 1,000 people in Sunderland, taking AESC's workforce in Sunderland to 2,500 high skill, high value jobs. The proposals are anticipated to support a further 800 jobs within the supply chain.

Delivering an uplift in GVA of £109.3m per annum.

Promoting Sunderland as the heart of automotive electrification activities in the UK, building on AESC's existing operations at IAMP.

6.17 In addition to the above, the Proposed Development will provide training, apprenticeships and work experience opportunities both during the construction and operational phases which will help upskill the local population. AESC will also work with local schools and colleges. Further details on this matter are provided in Chapter 9 of the VSC report, whilst details of how the economic benefits have been calculated are provided in the Socio-Economic Chapter of the ES. This ES chapter identifies that the Proposed Development will have significant beneficial effects both during construction and operation in terms of the level of employment and economic output.

Design

- 6.18 A Design and Access Statement ('DAS') has been prepared by RPS to accompany the planning application. The DAS sets out the design development process undertaken which has been informed by a consideration of factors including use, amount, layout, scale, landscaping. Appearance and inclusivity.
- 6.19 As previously set out within this Planning Statement, the building footprint has been established by the demand of product output and requirements for the process equipment to provide this demand. This building footprint has been used in early masterplan studies to determine the optimum building orientation to provide safe and efficient site access from International Drive, as well as to provide space for suitable boundary treatments to the A1290 which runs along the southern site boundary.
- 6.20 The same palette of materials and colours are generally applied to all the buildings within the development. This consistency in design will help visually harmonise the wider site as well as with the wider industrial campus, including the Nissan campus to the South-East.

Ancillary buildings and structures such as the gatehouse, cycle shelters, and other points where there is close interaction with visitors and staff will have cladding and detailing that is more human in scale.

- 6.21 A holistic approach to landscape design has been adopted throughout the development, creating a coherent landscape character. Existing landscape assets have been retained and successfully incorporated throughout the development wherever possible. A comprehensive palette of soft landscape materials that complement the scale and form of the new development ensures that users will benefit from an attractive and welcoming environment. Trees, hedgerows, shrubs, grasses and swathes of wildflowers are incorporated within the planting scheme to provide seasonal interest, optimise biodiversity and enhance legibility.
- 6.22 Overall, it is considered that the Proposed Development accords with Policies D1 (Masterplan Design) and D2 (Public Realm) of the IAMP AAP, as well as Policy BH1 (Design Quality) of the CSDP with regards to maximising opportunities to create sustainable developments of high-quality design.

Access and Transport

- 6.23 A Transport Assessment (“TA”) and Travel Plan (“TP”) have been prepared by Systra to accompany the planning application. The TA provides a full and systematic review and robust assessment of the transport impacts of the Proposed Development and identifies any mitigation that may be required. The TP seeks to create a more sustainable environment for users of the development by encouraging staff and visitors to adopt healthy, sustainable lifestyle and travel choices to reduce reliance on single occupancy vehicle trips.
- 6.24 The TA sets out that access to the Site will be taken from the priority-controlled junction on International Drive that will also serve AESC Plant 2. This junction provides two exit lanes; one dedicated for left turn movements and the other for right turn movements – separated by a pedestrian refuge island.
- 6.25 A review of the most recent five-year collision data has been undertaken and concludes that the Proposed Development will not have a detrimental effect on road safety. The impact of the development proposals on the key junctions on the local and strategic road network within the study area have also been presented and the TA confirms that junctions will operate in a safe and efficient manner.
- 6.26 The vehicle trip generation has been calculated as part of the assessment undertaken, demonstrating that in the peak hour of 06:30 – 07:30hrs, 384 no. vehicle trips are expected within the assessed AM time period. Over the course of a typical day, there are expected to be 707 no. arrivals from shift workers, 63 no. visitors and 186 no. arrivals for servicing and deliveries. Overall, the TA confirms that all key junctions on the local and strategic road network within the study area will operate in a safe and efficient manner.
- 6.27 In terms of parking provision, the Proposed Development will provide 780 no. spaces for staff, of which 5% are accessible and 10% for EV charging. This level of parking is considered appropriate to meet operational needs without the risk of overspill outside of the site.
- 6.28 To facilitate the achievement of sustainable travel to and from the Proposed Development, the TP identifies a range of measures which concentrates on encouraging the uptake of

walking, cycling, public transport use and car sharing. The TP includes for the appointment of a Travel Plan Co-ordinator to implement and oversee the plan and to monitor progress. The Co-ordinator will work closely with the IAMP Principal Travel Plan Co-ordinator and will produce a monitoring report after two years of implementation for submission to the Council, detailing the usage of various alternative transport modes and reviewing the effectiveness of measures implemented.

- 6.29 The Access and Transport Chapter of the ES has been prepared by Systra. It assesses the likely significant effects of the Proposed Development in the context of the Site and surrounding area with respect to severance; driver stress and delay; pedestrian, cyclist and equestrian amenity and delay; fear and intimidation; and highway safety for the construction and operational stages. It concludes that the most severe environmental effect will be 'Minor Adverse' and 'Not Significant'.

Flood Risk, Drainage and Water Resources

- 6.30 A Flood Risk Assessment & Drainage Strategy has been prepared by Systra to accompany the planning application. The purpose of the assessment is to develop a full appreciation of possible flood risks to the development and to other properties in the surrounding areas that may be affected as a result. It also describes the strategy for managing the drainage needs of the Proposed Development in order to satisfy the requirements set out in the NPPF and PPG, together with the specific requirements of the Environment Agency and the Council as Lead Local Flood Authority.
- 6.31 The assessment sets out that the majority of the Site sits in the Usworth Burn Catchment. The Burn passes the site beyond its northern boundary before converging with the River Don to the north east. The Don flows off eastwards, passing beneath Hylton Bridge which controls flood levels back towards the former North Moor Farm site. The greater part of the site drains in a north-easterly direction towards Usworth Burn via a network of field ditches and land drains. A small part of the site at its south-eastern corner drains into the headwaters of Hylton Dene Burn via the IAMP ONE storm drainage.
- 6.32 The Site lies almost entirely within Flood Zone 1 throughout its lifetime. The floodplain of Usworth Burn encroaches onto the northern margins of the site but only affect areas intended for landscaping. The built development itself lies wholly in Flood Zone 1. There is a localized low area on the scheme's western boundary that is at high risk of surface flooding but this will be removed by the Proposed Development earthworks and land drain diversions. There are no other significant sources of flood risk affecting or affected by the Proposed Development.
- 6.33 The Proposed Development is classified as 'highly vulnerable' to flooding, due to the use of certain raw materials that are categorized as hazardous. The vulnerability class is compatible with the level of flood risk on the development and the spatial positioning of the development satisfies the sequential approach. An exceptions test is not required.
- 6.34 Ground conditions across the Site are dominated by poorly-permeable clayey and silty soils as evidenced by regular waterlogging of the farmland following wet weather and ponding in local depressions. This has dictated the surface drainage approach in that infiltration is not a practicable mechanism to drain the development. Restriction of flows to greenfield equivalent rates and attenuation of the excess run-off on Site will be used to manage surface

run-off up to and including the 100-year storm condition. An allowance of 45% for future climate change effects upon rainfall has been applied to the storm drainage design.

- 6.35 The storm drainage system is controlled by pumps: the size of the Site and its level relative to the receiving watercourse makes a passive flow-control solution impracticable without excessive land raising. The system discharges into a small land drain near the former North Moor Farm site before flowing into the Usworth Burn.
- 6.36 The foul drainage system for Plant 3 will pump the foul water flows generated to a suitable connection point with the NWL sewer system. The exact location of this connection has yet to be established. The likeliest location is onto a large combined sewer about 1km west of the site near the eastern edge of Washington, where the IAMP rising mains discharge.
- 6.37 The ES contains a Water Resources Chapter which has been prepared by Wardell Armstrong. The chapter sets out that the residual impact associated with the new surface drainage arrangements is very small due to the provision of a new storm drainage system capable of handling and managing the development runoff up to the design standard and including provision for future changes in rainfall behaviour as a result of climate change; the residual effect of the risk is considered to be Negligible Adverse (Not Significant). In terms of new demand for conveyance and treatment of sewage and trade effluent originating from the site, the residual effect of the Proposed Development upon foul drainage is considered to be Minor Adverse (Not Significant).
- 6.38 The cessation of current farming practices (such as applications of fertiliser/pesticide) and the implementation of a new surface water drainage system will help ensure that there is negligible change in water quality within the receiving rivers that affects those rivers. Countermeasures for dealing with potential spillages that could contaminate storm drainage and receiving water features will be implemented to manage. Overall, the residual effect upon water quality in the various surface water features on or adjacent to/downstream of the site is considered to be Negligible Adverse (Not Significant).
- 6.39 The Proposed Development's effects upon the local water environment are not confined within the Site limits and may extend far enough to compound similar impacts generated by other nearby developments. Similarly, effects from other nearby developments may extend to exacerbate those effects generated by the Proposed Development. In terms of inter-cumulative effects, of the other developments considered, the most likely combination of simultaneous construction is the Proposed Development and the dualling of the A1290. It is considered that the any inter-cumulative effect in relation to flood risk, surface and foul drainage, water quality, and water supply would be Minor to Negligible Adverse (Not Significant).

Ecology and Biodiversity

- 6.40 The Site has been subject to extensive ecological surveys with various breeding bird, wintering bird, barn owl, bat, otter, water vole, great crested newt and habitat surveys having been undertaken.
- 6.41 The land within the Site comprises former agricultural land and includes a combination of species of poor neutral grassland and modified grassland fields, hedgerows and mature trees, scrub, ditches, a stream, areas of hard standing associated with North Moor Farm

and unvegetated unsealed surface in the form of bare earth and hardcore access tracks. There are no invasive species present within the Site. The habitats present are common within the wider landscape and readily replicated and, as such, are of site / local value, only.

6.42 The species are summarised as follows:

- Breeding and wintering birds - The habitats support a number of over-wintering bird species, including Red-listed Birds of Conservation Concern (BoCC) species, Amber-listed BoCC species and Green-listed BoCC species, and the Site is considered to be of District value for the overwintering assemblage. The habitats also support a number of breeding bird species, including Red-listed, Amber-listed and Green-listed BoCC species. Some of the species present are listed on Annexe 1 of the Birds Directive (2009) and Schedule 1 of the Wildlife & Countryside Act 1981 (as amended). The Site is considered to be of County value for the breeding assemblage.
- Barn owl – in June 2023 an active roost and an active nest (with three chicks) was found within a box to the north of Hylton Farm (which lies outside the planning application boundary). There are no records of barn owls at North Moor Farm. Barn owl is therefore known to breed within the wider area and hold a home range across the site. The Site is considered to be of Local value to barn owl.
- Bats – the Site supports limited bat activity, the majority of which pertains to common pipistrelles with some pertaining to soprano pipistrelles and Nathusius' pipistrelles also recorded. The buildings which were onsite were considered to be of negligible value for roosting bats and the trees onsite are considered to be of local value to roosting bats. Overall, the Site is considered to be of local value to bats.
- Water vole – there is no recent evidence of water voles. Abandoned burrows were found during surveys in 2018, 2020 and 2022; however, mink signs have been recorded. Although they appear to have been lost from the IAMP area, there is potential for recolonisation in the future.
- Otter - evidence of otter activity was recorded within the Usworth Burn and the River Don during surveys in 2022. A single spraint was recorded to the Usworth Burn to the east of the Site, with prints, further spraint and a possible holt recorded along the River Don to the east, away from the Site. However, the Usworth Burn is considered to be a commuting route for otter. The Site is considered to be of Local value to otter and water vole.
- Badger – no evidence; however, suitable habitat is present and hence the Site is considered to be of Site value to badgers.
- Great crested newts – no evidence has been found and the Site does not fall within 500m of a known great crested newt pond.
- Other species – reptiles were not recorded. Hedgehog and brown hare populations are considered Local value receptors.

6.43 The Ecology and Biodiversity Chapter of the ES has been prepared by Wardell Armstrong. The chapter assesses the likely significant effects of the Proposed Development on the ecology and biodiversity of the Site and locality, describing the baseline conditions; the effects of the Proposed Development on them; the measures required to avoid, mitigate or

compensate for any significant adverse effects; and the likely residual effects after these measures have been adopted.

- 6.44 The Proposed Development is mostly located within the IAMP ONE ELMA which has been brought forward to mitigate the loss of habitats associated with the IAMP ONE developments. Additionally, the Proposed Development will result in the loss of some habitats proposed for AESC Plant 2. The AESC Plant 2 application area covered approximately 26.15 ha. The combined development area is approximately 58.46 ha.
- 6.45 The assessment has considered potential impacts to ecology receptors arising from both the proposed AESC Plant 3 development and the adjacent AESC Plant 2 development. The influence of the construction of the AESC Plant 2 site on faunal populations (especially breeding and wintering birds and bats) is not fully understood and, as such, compensatory measures have been recommended (in term of area quantum) on a precautionary basis.
- 6.46 Given the scale of development and loss of ecological mitigation for other IAMP developments, off-site compensation will be required. The extent of land required, the enhancement provisions and the resulting positive impact on faunal populations is heavily influenced by the proximity of such areas to the donor site and by the type / quality and extent of habitats present at the mitigation areas prior to enhancement measures (i.e. the baseline populations) and cannot be fully assessed until the sites have been identified and surveyed. It will, therefore, be necessary to consider the selection of such areas carefully such that all necessary species and habitats can be addressed. On the assumption that such measures can be secured, enhanced and monitored, there will be no significant residual effects, and the scheme can be delivered in conformity with legislative and policy considerations.

Biodiversity Net Gain

- 6.47 On 12th February 2024, a new mandatory requirement was introduced that nearly all major planning permissions need to deliver a 10% net gain in biodiversity. The purpose of the 10%v biodiversity net gain (BNG) is to make sure that a development has a measurable positive impact (net gain) on biodiversity compared to what was there before the development. The net gain can either be delivered on-site, off-site or through the statutory credits.
- 6.48 The Biodiversity Offsetting Assessment (Wardell Armstrong, April 2024) provides the results of the BNG assessment. The assessment identifies that the Proposed Development will deliver a net loss in biodiversity habitats, hedgerows and watercourses following development. Given this reduction, an external offset will be required. The delivery of external offset is under review and will be confirmed with the council.
- 6.49 A Habitat Management and Monitoring Plan will be required in order to confirm the habitat creation, management and monitoring requirements, over the 30-year management period.

Landscape and Trees

- 6.50 Dendra have prepared a Pre-Development Arboricultural Report and an Arboricultural Impact Assessment to accompany the planning application, whereby three groups of trees and several hedgerows were surveyed. The trees were examined for physiological and

structural defects, with remedial works for any defects provided where appropriate. The tree quality assessment found no high-quality trees, with several groups falling within the moderate and low categories.

- 6.51 The assessment sets out that the Proposed Development will require the removal of tree groups G3 and H1, comprising of moderate and low values respectively. In terms of mitigation, the proposed landscaping scheme includes the planting of 70 no. native trees, in addition to both native and ornamental hedgerows. Furthermore, the existing hedgerows will be restocked where necessary. The Proposed Development will also provide screening and amenity benefit to the northern, western and southern boundaries of the Site, helping to mitigate for the required losses.
- 6.52 To prevent damage to existing trees and hedgerows during ground works, protective fencing is recommended to be installed prior to the start of works and is to remain in place for the entire project including the construction phase.
- 6.53 Overall, the assessment concludes that with the appropriate mitigation measures in place comprising of the replacement tree strategy set out in the landscape design and the erection of protective fencing during groundworks and the construction phase, the Proposed Development will result in a neutral arboricultural impact.

Landscape and Visual Impact

- 6.54 The Landscape and Visual Impact Assessment chapter of the ES has been prepared by Wardell Armstrong. The chapter identifies and assesses the effects of the Proposed Development on the landscape character and resource, and on the visual amenity of the Site and surroundings.
- 6.55 With regard to the impact on landscape character, changes to the scale of the Site would result from its development as a part of the wider AESC and IAMP development. The medium scale of the existing landscape is likely to increase to large scale with the development of two large buildings. The scale of the wider landscape is influenced by the presence of the existing and under-construction large and medium size buildings within the previous phases. Effects are assessed as Significant, reducing to Not Significant in the long-term as the proposed planting within the development, as well as the IAMP TWO ELMA (which is to be brought forward as part of the Early Infrastructure and Northern Employment Area application) establishes and matures helping to integrate the development into the surrounding landscape in the long-term.
- 6.56 In terms of the effects on visual receptors, significant visual effects have been identified on Hylton Bridge and Hylton Grove Farms, East House and the right of way that passes here. Some significant effects have also been identified in views from various points along Follingsby Lane (including at Strother House Farm) and from the BOAT / footpath at East House. The effect(s) for residents at Hylton Grove Farm and Hylton Bridge Farm, respectively, would be Significant due to built development in closer proximity (occupying more of the horizontal field of view) and the taller part of the building breaking the skyline.
- 6.57 The Proposed Development would initially result in some localised Significant adverse effects on the visual and spatial openness of this part of the Green Belt, but as the Green Belt to the north would remain and would be enhanced through the extensive area of

ecology and landscape mitigation, it is considered that the long-term and permanent effects would be Not Significant. The ELMA land would create a strong but soft boundary to what would become the new Green Belt boundary to the north of the site.

- 6.58 The assessment concludes that the Proposed Development of the Site would result in limited significant effects on the landscape character and landscape resource of the area, restricted to the operational phase of the site, and limited significant effects on visual amenity, also during the operational stage, for properties close to the site. In the longer-term, with the assimilation of the Proposed Development into the general area and the implementation of the proposed mitigation within the ELMA land, it is considered that there would, overall, be scope for some positive effects on the landscape character, landscape resource and visual amenity of the local area.
- 6.59 Given the national importance of the development and lack of alternatives (as discussed in the AESC Plant 3 Very Special Circumstances Report), it is considered that the demonstrable need for the Proposed Development overrides the localised Significant adverse effects on the landscape character, visual amenity and on the Green Belt. It is noted that the nearest residential property is over 500m away and hence there would not be any short-range Significant effects.

Archaeology and Cultural Heritage

Cultural Heritage

- 6.60 A Heritage Impact Assessment ('HIA') has been prepared by Lichfields to accompany the planning application. The HIA identifies the above ground heritage assets which may be affected by the Proposed Development and establishes the significance of these assets, including an understanding of their setting and how this contributes to significance.
- 6.61 The HIA sets out that the Proposed Development would have a minor adverse impact on the significance of Penshaw Monument because of changes within its setting and the loss of visibility along parts of Follingsby Lane. However, the Proposed Development will be seen from the Monument in the context of a highly industrialised setting to the north and would be positioned directly alongside and behind AESC Plant 2 which is nearing completion.
- 6.62 The significance of the monument is derived from its historic association with the first Earl of Durham, its architectural significance as an important example of the Greek revival in the region and its role as a prominent landmark across a wide area. These aspects of the monument's heritage significance will be largely unaffected by the Proposed Development. Although the setting and views towards the monument play a role in its significance as a landmark, views of the monument are possible from miles around. The Proposed Development will have a localised impact on the setting by introducing additional industrial buildings within an existing industrial area to the north.
- 6.63 The wider setting of the group of listed buildings at Downhill Farm makes a very limited contribution to their significance. The Site is a very distant feature of the setting and is screened to a large extent by AESC Plant 2. The Proposed Development would be largely screened by AESC Plant 2 and other industrial development in views from Downhill Farm. In this context, the Proposed Development would have a very minor adverse impact on the setting of these heritage assets by slightly extending the area of industrial development

within the wider setting of these buildings. Their architectural and historic significance would be unaffected.

- 6.64 The Proposed Development would noticeably increase the amount of development within the wider setting of Strother House and East Moor Farm by introducing a large-scale industrial use on the horizon in views from these non-designated heritage assets. This would have a minor adverse effect on their setting by further eroding the rural context, although this has already been affected by industrial developments and infrastructure. This would have a negligible impact upon their significance.
- 6.65 The siting, form and design of the Proposed Development is appropriate considering the existing industrial development within its immediate surroundings.
- 6.66 Whilst the design of the Proposed Development is of high quality there is no scope for the design to be informed by the surrounding historic environment given that development in the area was defined by small farmsteads and the area is now being redeveloped for large scale industrial uses.
- 6.67 As set out above, the Proposed Development will result in a minor adverse effect on heritage assets. This triggers the requirement to balance harm to heritage significance with public benefits, as set out in Paragraph 208 of the NPPF. A clear and convincing justification needs to be provided for this harm. Appropriate weight should be given to this harm in the decision-making process, in accordance with Section 66 of the Planning (Listed Buildings and Conservation Areas) Act 1990.
- 6.68 Given the national importance of the development and lack of alternatives (as discussed in the AESC Plant 3 Very Special Circumstances Report), it is considered that the demonstrable need for the Proposed Development overrides the minor adverse effect on Penshaw Monument in accordance with the paragraph 208 NPPF.

Archaeology

- 6.69 An Archaeology and Cultural Heritage Chapter has been prepared by Wardell Armstrong as part of the ES. The chapter sets out that the construction phase will result in indirect effects to the settings of four post medieval farmsteads and a Grade II listed road bridge (within the wider area). These would be permanent, continuing into the operational phase. However, with the proposed mitigation measures in place (comprising of preservation by record), the residual effect on heritage assets would be lessened. Overall, it is considered that effects upon archaeological and heritage assets as a result of the Proposed Development would be Not Significant.
- 6.70 Wardell Armstrong have also undertaken a geophysical survey of the site in order to determine the presence, nature and extent of potential archaeological remains. The survey was undertaken over twelve days during 15th to 23rd June and 7th to 11th November 2022, across approximately 36 ha of arable land. The survey results were dominated by evidence of former ridge and furrow cultivation, in addition to a number of probable former field boundaries and two historic boundaries that correspond with historic Ordnance Survey maps of the site. Other anomalies of possible archaeological origin included numerous discrete positive anomalies, which have the potential to be cut and infilled pits or pit clusters, and a group of positive anomalies that appeared to include a penannular form. The

survey also detected two probable palaeochannels, likely former braided channels flowing into the watercourse on the northern boundary of the site.

- 6.71 In general, the results from the survey are comparable with those from earlier surveys¹⁵ of adjacent land which identified predominantly features associated with agriculture, including ridge and furrow and field boundaries, with relatively limited evidence of well-defined features of probably archaeological origin. Trial Trenching, excavation and archaeological monitoring will be undertaken and a specification for this work has been provided by Tyne and Wear Archaeology Service.

Air Quality

- 6.72 The Air Quality Chapter of the ES has been prepared by Wardell Armstrong. The chapter addresses the likely significant effects of the Proposed Development on air quality during the construction and operational phases of development. Cumulative effects associated with the operation of the AESC Plant 2 site, which is currently under construction, are also considered within the assessment.
- 6.73 An air quality assessment has also been completed to consider the potential air quality effects of both the construction and operational phases of the proposed AESC Plant 3 development proposals.
- 6.74 A construction phase dust risk assessment has concluded that there is a risk of potential dis-amenity dust and fine particulate matter releases associated with the earthworks, construction and track-out activities during construction of the development. As such, mitigation measures to control and limit dust generation during construction would be outlined in a Dust Management Plan within the Construction Environment Management Plan which will ensure that the potential for dust and fine particulate matter arising from construction activities will be minimal and will be controlled.
- 6.75 A road traffic assessment has been carried out to assess the impacts of traffic movements in both the construction and operational phases of the Proposed Development. The assessments concluded that the impact at existing sensitive receptor locations would be Not Significant. However, the mitigation measures could further reduce any air quality impacts.
- 6.76 A detailed assessment has also been undertaken to consider the potential for air quality effects arising as a result of stack emissions from the battery manufacturing processes that will take place at the site. The assessment concludes that there will be a Negligible to Slight Adverse (Not Significant) effect for nearby existing sensitive human receptors, and a Negligible (Not Significant) effect for the closest existing sensitive ecological receptor points.
- 6.77 No significant inter-cumulative effects on air quality have been identified.

Noise and Vibration

- 6.78 The Noise and Vibration Chapter of the ES has been prepared by Wardell Armstrong. The chapter assesses the likely significant effects of the Proposed Development on the nearest

¹⁵ *International Advanced Manufacturing Park, IAMP Two, Sunderland: Geophysical Survey Report, Headland Archaeology Report IAMP18*

Existing Sensitive Receptors ('ESRs') with respect to noise and vibration impacts during the construction and operational phases of development.

- 6.79 A noise assessment has also been undertaken for the construction and operational phases of the Proposed Development to assess the potential impact at the nearest ESRs, which are ESR1 Hylton Bridge Farm and ESR2 Rustica Trattoria & Inn. The following potential impacts have been assessed at each ESR:
- Construction noise impact.
 - Construction vibration impact.
 - Operational noise impact.
- 6.80 The baseline noise levels at the ESRs have been taken from those identified within the AESC Plant 2 application. Baseline data was used to establish potential threshold for construction noise, and these were compared to predictions of construction noise levels. The effects of noise and vibration during construction was found to be Not Significant and no specific mitigation measures are required. The use of best practice during construction should, however, be employed in order to reduce the level of effect of potential impacts and examples have been provided.
- 6.81 In the absence of detailed information, indicative noise predictions have been carried out for the potential noise sources during the operational phase. The predicted noise levels at all ESRs were compared to background noise levels. The effects of noise during operation are predicted to be low with mitigation in place and Not Significant. Additional, indicative mitigation measures are also suggested that will be reviewed at the detailed design stage.
- 6.82 No significant sources of vibration have been identified as part of the operational phase of the development. The closest ESR to the development is situated approximately 500m away and, as such, vibration impacts during the operational phase of the development would be negligible.
- 6.83 No intra-cumulative construction noise and vibration impacts have been identified. However, the potential inter-cumulative operational noise impact has been assessed at ESRs. The assessment has identified that noise from both the AESC Plant 2 development and the Proposed Development has the potential to slightly exceed the background sound level. In accordance with BS4142, this slight exceedance is considered to be minor adverse and Not Significant.

Health Impact

- 6.84 A Health Impact Assessment has been prepared by Lichfields to accompany the planning application. The assessment identifies, assesses and presents any potential effects on the health of the population arising from the Proposed Development.
- 6.85 The assessment demonstrates that no significant adverse impacts on health are anticipated. In contrast, a number of beneficial impacts are anticipated primarily relating to the impact of the Proposed Development on new employment opportunities. Indeed, material weight should be placed on the estimated impact of the Proposed Development on economic factors, as such impacts are considered to be highly influential on health outcomes.

- 6.86 The assessment does recommend some mitigation and enhancement measures to minimise specific adverse impacts. Such measures could include:
- Ensuring that the employment generated by the development (during both the construction and operational phases) is taken up by a large proportion of local people, which can be secured by way of Training and Employment Management Plan (“TEMP”). This concentrates the highly beneficial economic impacts supported by the development, as well as increases the potential for individuals to commute to work via active travel or public transport;
 - The preparation of a CEMP and Construction Traffic Management Plan which will contain approved method statements and relevant environmental legislation. This is to ensure that construction work takes places in a well-managed and satisfactory manner and does not cause a nuisance, waste issues or create pollution;
 - Ensure that construction machinery is well-maintained (for both the safety of workers and local residents), as well as ensuring local residents are informed of development activity on the site so they can plan alternative arrangements if desired; and
 - The appointment of a Travel Plan coordinator on site to assist with monitoring the trip generation for the development and to promote active and more sustainable modes of travel throughout the lifetime of the development.

Climate Change

- 6.87 The Climate Change Chapter of the ES has been prepared by Wardell Armstrong. The chapter considers the likely effects of the Proposed Development in terms of climate change and risk mitigation in the context of the Site, the surrounding area and the wider environment, recognising that climate change is a global issue.
- 6.88 The assessment undertaken considered potential impacts of the Proposed Development upon the climate from greenhouse gas (‘GHG’) emissions over the project’s assumed lifetime, as well as the potential impact of the changing climate upon the Proposed Development. In terms of potential impacts upon the climate from GHG emissions, with embedded mitigation in place, the Proposed Development’s absolute whole life cycle emissions were modelled to be around 34% below the sectoral business as usual baseline based upon the assumption that roof-top solar PV and heat pumps for space heating will be installed; relative emissions over the assumed 60-year lifetime of the Proposed Development were estimated at between -31,853 to -26,284 tCO₂e.
- 6.89 The Proposed Development will comply with current 2021 Building Regulations and meet the minimum emissions targets as set within national and local policy for buildings constructed before the end of 2026. However, the Proposed Development falls short of fully contributing to the UK’s trajectory towards net zero and the residual operational effect for the uses proposed is Moderate Adverse (Significant).
- 6.90 However, it is not practical to consider inter-cumulative effects with locally identified developments, beyond recognising that it is necessary to reduce carbon emissions across the board and each and every development has a duty to minimise its own emissions as far as technically viable. Similarly, intra-cumulative effects are also unrealistic to appraise. Climate change effects manifest as effects considered within the other environmental

disciplines (e.g. air quality and flood risk), but do not really have a quantifiable direct effect on local receptors. The effects act on a global receptor but the individual contribution from a single development of this scale is almost indistinguishable.

- 6.91 In terms of climate resilience, it is not possible to eliminate every risk associated with climate change, but through intelligent design, preparation and responsible construction and operation, these risks will be minimised. The assessment focussed on reducing these risks in key areas and has taken into consideration both the health and safety of the users of the Proposed Development and the resilience of the Proposed Development itself to future climate impacts. With the implementation of the embedded mitigation measures the residual effects are deemed to be Minor Adverse (Not Significant).

Energy Statement

- 6.92 An Energy Statement has been prepared by Wardell Armstrong to accompany the planning application. The statement has been developed through consideration of the predicated energy demand across the development and the application of the energy hierarchy to reduce energy use and thereby minimise carbon emissions.
- 6.93 The impacts of the Proposed Development will be considered from a lifecycle perspective (i.e. from concept stage through to a fully constructed building). This includes driving sustainable building approaches and technologies.
- 6.94 The 'Be Lean' element of the energy hierarchy is concerned with reducing energy demand. This has been applied through passive sustainable design measures and the use of modern methods of construction and improved specifications for building fabric efficiency. The 'Be Clean' element of the energy hierarchy focusses on supplying energy more efficiently. This usually entails consideration of district heating networks or combined heat and power generation. Neither of these options are considered practical or viable in this case. The 'Be Green' element of the energy hierarchy involves the use of renewable technologies to reduce the carbon emissions associated with supplying the energy demands for the Proposed Development.
- 6.95 The Energy Strategy set out in this report uses Solar PV as the primary means of reducing carbon emissions, with potential use of Air Source Heat Pumps (ASHPs) in the office areas and potential Waste Water Heat Recovery ('WWHR').
- 6.96 The energy demand from the Proposed Development is split between regulated energy to operate the building facilities and unregulated energy which is used for running the manufacturing processes. There is a strong desire to decarbonise the production process but at present gas is the normal source of the heat that is required. If it can be demonstrated to be technically viable and affordable to do so, the plant will adopt an all-electric approach which will be much easier to decarbonise as the electric grid itself decarbonises. There will also be potential for additional onsite renewables to be added to the energy supply.
- 6.97 The mitigation proposed includes rooftop solar PV installation and the ASHPs that are proposed for the office spaces. This installed capacity of the solar PV panels is expected to generate approximately 8,352 MWh over the course of a year. However, these measures alone may be insufficient to meet the Future Building Standard so it is anticipated that

enhanced fabric will be incorporated and WWHR may also be required to help deliver the target 27% emission reduction for regulated emissions. SBEM assessments will help determine this once final detail of internal design and fit out is confirmed. In all cases the minimum building regulations will be met or exceeded.

- 6.98 It is proposed that ongoing monitoring will take place through ongoing analysis of energy use statistics and ensuring mechanisms are in place to optimise use and increase efficiency wherever possible. In the unlikely event that regulated energy use is not performing as expected, remedial action will be undertaken to ensure that these minimum standards are complied with, either through snagging improvements or through additional or alternative upgrade measures should this be necessary will be considered to ensure that, as a minimum, the proposed targets are met.

Sustainability Statement

- 6.99 A Sustainability Statement has been prepared by Wardell Armstrong to accompany the planning application. The statement outlines how the Proposed Development will meet the various sustainability objectives in line with relevant national and local policy requirements.

- 6.100 Following a review of the relevant national, regional and local sustainability objectives, the following sustainability topics have been identified, against which the Proposed Development has been evaluated:

- Waste & Recycling (includes Construction & Demolition);
- Flood Risk;
- Development Ratings;
- Materials;
- Energy;
- Water;
- Pollution;
- Biodiversity;
- Secure Design;
- Contaminated Land;
- Travel; and
- Adapting to Climate Change.

- 6.101 The statement demonstrates the approach that has been taken to sustainability during the design process and considers the extent to which the Proposed Development meets with the principle of sustainable development. Consideration has been given to where the Proposed Development accords with national and local planning policy comprising the NPPF, the CSDP and AAP.

Ground Conditions

- 6.102 The Ground Conditions chapter of the ES has been prepared by RPS. The chapter considers potential effects from contamination and ground conditions on human health and the environment including controlled waters, as well as the effects of potentially contaminated ground or groundwater, and land stability on the Proposed Development.
- 6.103 Historically, the Site is indicated to have been occupied by two farms, North Moor Farm in the north and part of West Moor Farm in the south since earliest mapping. Both farms have undergone phases of redevelopment over their history. A pond appears to have been infilled in the early 20th century near to North Moor Farm. West Moor Farm was demolished to make way for the development of AESC Plant 2 and North Moor Farm was demolished in late March / early April 2024.
- 6.104 Current use of the Site for construction activities, and historical use of the Site for agricultural purposes with associated farm buildings is unlikely to have resulted in significant widespread contamination of soil and groundwater. There is, however, the potential for localised contamination, particularly in the area of the farm buildings, associated with the current and historical storage of materials, vehicles and plant. Made Ground may be present in some areas of the site, particularly in the area of the farm buildings and any area of land raising/ infilling. Where present this could represent a potential source of contaminants and / or ground gas. Potential contaminants could include in metals, asbestos, hydrocarbons, inorganic compounds, volatile organic compounds.
- 6.105 Assuming there is no development at or in the vicinity of the Site that introduces new sources of potential contaminants of concern to the Site, it is anticipated that there will be no change to baseline conditions at the Site in the future, on the basis that risks from any new potential contamination sources are suitably mitigated in accordance with the requirements of the relevant environmental and construction legislation.
- 6.106 During the construction phase , the Site will be subject to a nominal cut and fill exercise to provide a flat development platform across the site. The cut and fill will involve the stripping of the topsoil and soils from across development area. Small retaining structures are understood to be proposed in the north of the Site to minimise the cut and fill exercise to beneath the development platform only.
- 6.107 The magnitude of impacts potentially arising during the construction phase associated with ground conditions is considered to be negligible and consequently the significance of the effect is likely to be minor adverse. If any significant contamination is encountered during the construction phase, this will be fully investigated, a risk assessment will be undertaken and, if necessary, remediation will be undertaken/mitigation provided in consultation with the Local Planning Authority.
- 6.108 The final development area of the Site will largely be covered with low permeability hardstanding and building cover. Any impacts which may have occurred during the construction phase would have been mitigated through a staged process of ground investigation and assessment with any remedial measures having been implemented prior to operation.

- 6.109 Given the potential for contamination to be present on the Site is typically low, the potential effect on site workers is, in general, considered to be Negligible. The exception relates to the relatively limited number of localised and discrete sources of contamination presenting a low risk, and considering the number and length of time they are likely to be on this area of the site, it is considered that the effect to soil and groundwater during the operational phase will be negligible to minor beneficial based on the surface cover provided by the Proposed Development.
- 6.110 The risk to the built environment associated with ground contamination following completion of the Proposed Development is considered to be very low and hence the potential effect on the built environment is considered to be Negligible. In relation to the geological hazards identified at the Site, they are unlikely to be significant as development is not proposed in the higher risk areas of Site and therefore the potential effect is likely to be Moderate Negative at most.
- 6.111 On the basis of the above, the construction phase impacts are short-term and of local spatial extent; the magnitude of impact would be negligible and the significance of effects are considered to be negligible, which is not significant. The operational phase impacts to soil and groundwater will be negligible to minor beneficial based on the surface cover provided by the development.

Soils and Agriculture

- 6.112 The Soils and Agriculture Chapter of the ES has been prepared by Wardell Armstrong. The chapter reports the likely significant effects of the Proposed Development with respect to soil and agricultural land in the context of the Site and surrounding area, considering the likely effects due to soil damage or loss, and the loss or change in the agricultural potential of the land.
- 6.113 The construction of the Proposed Development would result in the loss of land within the Site due to built development and would permanently change agricultural land to non-agricultural use. There is also the potential for damage and loss of soil resource as a result of unsuitable handling, storage and management practices during construction.

Impact on Soils

- 6.114 Soils are considered under the term “geodiversity” under paragraph 10.8 of the CSDP, with Policy NE2 (Biodiversity and Geodiversity) stating that:
- “Where appropriate development must demonstrate how it will avoid (through locating on an alternative site with less harmful impact) or minimise adverse impacts on biodiversity and geodiversity in accordance with the mitigation hierarchy”.*
- 6.115 Paragraph 10.13 states that dependent on the biodiversity and geodiversity impact, the council may require developers to produce a management strategy to ensure the continued protection of the features of interest.
- 6.116 In this case, activities associated with the construction phase may result in the disturbance and damage to the soil present, which could result in a long-term adverse impact to the onsite soil resource due to reduced quality.

- 6.117 Incorrect handling and storage of soils has the potential to damage soil. The traffic movements required during the construction works may also cause short-term damage to the soil through compaction or erosion.
- 6.118 Damage to soils which occurs through disturbance, handling and trafficking soils, is a main concern during the construction phase. Clay soils are susceptible to compaction and structural damage during both the construction and operations phase when handled in wet conditions; however, standard mitigation measures will provide appropriate protection. The majority of soils were of a clay texture (medium clay loam, heavy clay loam, clay, sandy clay loam) although a fine sandy loam topsoil was recorded at one location.
- 6.119 During the construction phase all the land (42.4 ha) within the site will be removed from agriculture and during the operational phase 18 ha of this land will be retained as existing vegetation, however, will not be used for agriculture. The land will be maintained, and following decommissioning has the potential to be returned to agricultural use.
- 6.120 The soils in the areas of retained vegetation will be subjected to minimal disturbance and it is expected that their soil volume remains intact. Therefore, the disturbance to soils on areas marked in the Proposed Site Plan as retained vegetation have been assessed as being temporary in nature.
- 6.121 In accordance with CSDP Policy NE2, a Soil Management Plan is provided as an appendix to the ES. This identifies the best practice measures that would be implemented onsite by the contractor to minimise the risk of potential damage to / loss of the existing onsite soil resources. Good practice soil storage, handling and reinstatement methods will be used as standard for all construction-related operations. This mitigation will be based on such guidance as Defra's 'Construction Code of Practice' and IQ's Good Practice Guide for Handling Soils in Mineral Workings. The mitigation measures will include (but are not limited to) the following:
- Avoiding or limiting soil handling after periods of heavy rainfall or during periods when soils are waterlogged to minimise compaction and damage to soil structure;
 - Limiting the number of plant/machine movements within defined areas in order to minimise compaction and damage to soil structure;
 - Establishment of vegetative cover on stockpiles as soon as possible to maintain soil structure and prevent soil loss through erosion; and
 - Reducing the potential for soil compaction via the use of Low Ground Pressure (LGP) tracked or wheeled tyres to spread the weight of vehicles, limiting the height of soil stockpile mounds, restricting construction traffic to demarcated working areas and loosening the area afterwards using recognised practices and equipment to remove any compaction.

Loss of Agricultural Land

- 6.122 Paragraph 180(b) of the NPPF requires local authorities to take into account the economic and other benefits of the best and most versatile agricultural land and states the following:

“Where significant development of agricultural land is demonstrated to be necessary, areas of poorer quality land should be preferred to those of a higher quality’. he availability of agricultural land used for food production should be considered, alongside the other policies in this Framework, when deciding what sites are most appropriate for development.”

6.123 The best and most versatile (BMV) agricultural land is defined in the NPPF as land in grade 1, 2 and 3a of the Agricultural Land Classification.

6.124 CSDP Policy NE12 (Agricultural Land) states that:

“Development which would result in the loss of best and most versatile agricultural land should be considered in the context of the agricultural land’s contribution in terms of economic and other benefits”.

6.125 Table 6.1 illustrates the Agricultural Land Classification (ALC) within the Site. The Site falls within ALC Subgrade 3a (23.93 ha, 56.5% of the site) towards the north and ALC Subgrade 3b (17.31 ha, 40.8% of the site) in the south, plus smaller areas of Subgrade 3b in the north and northeast and a small area of non-agricultural land (1.15 ha, 2.7%).

Table 6.1 Summary of ALC within the Site

ALC or other land category	Area (HA)	Percentage (%)
Subgrade 3a (good)	23.92	56.5
Subgrade 3b (moderate)	17.31	40.8
Non-agricultural	1.15	2.7
Total	42.39	100

Source: Wardell Armstrong

Figure 6.1 Agricultural Land Classification of the Site



Source: Wardell Armstrong

6.126 Table 6.2 provides a breakdown of the land uses within the Site.

Table 6.2 Land use breakdown of the Site in Hectares

Land Use	Subgrade 3a	Subgrade 3b	Non-agricultural	Subtotal	Percent of Site Covered
Permanent/ Long term temporary Development (Built Environment)					
Buildings	5.48	7.78	0.01	13.27	31.3% (12.9% Subgrade 3a; 18.4% Subgrade 3b)
Hardstanding	4.06	4	0.28	8.34	19.7% (9.6% Subgrade 3a; 9.4% Subgrade 3b; 0.7% non-agricultural)
Gravel	1.64	0.99	0.12	2.75	6.5% (3.9% Subgrade 3a; 2.3% Subgrade 3b; 0.3% non-agricultural)
Temporary/ Reversible Development					
Green Spaces	12.75	4.55	0.72	18.02	42.5% (30.1% Subgrade 3a; 10.7% Subgrade 3b, 1.7% non-agricultural)
Totals	23.93	17.31	1.14	42.39	100% (56.5% Subgrade 3a; 40.8% Subgrade 3b; 2.7% non-agricultural)

Source: Wardell Armstrong

- 6.127 The Site is 42.39 ha in size. The proposed built development will result in a long-term permanent loss of 23.95 ha of agricultural land, including the loss of 11.18 ha of Subgrade 3a BMV agricultural land (high receptor sensitivity) and 12.77 ha of Subgrade 3b non-BMV agricultural land (medium receptor sensitivity), and 0.42 ha of non-agricultural land (negligible receptor sensitivity). It would not be possible to mitigate the loss of this land. This is considered to be a moderate to major adverse and significant effect in EIA terms.
- 6.128 The green space areas will be disturbed but ultimately this change is reversible in nature. This is because this section of land has the potential to be returned to agricultural land as the soil resource will remain in-situ and provided the best practice measures are implemented to ensure sustainable soil management.
- 6.129 At the Sunderland level, there is 5,424.7ha of Grade 3 agricultural land of which 2,712.35ha is Grade 3a (19.65%)¹⁶. The amount lost represents approximately 0.4% of the Grade 3a agricultural land across Sunderland. This loss is therefore not considered to have a harmful impact on the amount of land available across Sunderland for food production. Given the national importance of the development and lack of alternatives (as discussed in the AESC Plant 3 Very Special Circumstances Report), it is considered that the demonstrable need for the Proposed Development overrides the harm from the loss of 11.18ha of Grade 3a agricultural land and loss of a further 31.21ha of land from agricultural use (although of this 18.02ha will be retained as open space and could potentially be reused in the future for agricultural purposes.)

Waste

- 6.130 The Waste Chapter of the ES has been prepared by Wardell Armstrong. The chapter assesses the likely significant effects of the Proposed Development in terms of materials and waste in the context of the site and surrounding area; and considers the likely significant effects associated with the construction and operational phases.
- 6.131 The Proposed Development will require the levelling and grading of the existing site, construction of the new buildings, infrastructure and landscaping. The assessment undertaken has focused on the likely quantities and waste types arising from these activities and how they can best be managed.
- 6.132 It is expected that the majority of waste arisings will be sent for disposal to local landfill sites or to suitable offsite locations for reuse. The anticipated waste volumes form a small fraction of regional waste generation and capacity. Any hazardous waste arisings would be dealt with by a specialist hazardous waste operator and an appropriate number of hazardous waste transfer station sites and metal recycling sites have been identified for storage prior to onward treatment. No significant environmental effects have been identified as a result of waste arisings and management practices in relation to the Proposed Development.
- 6.133 In terms of cumulative effects, no significant inter-cumulative and no significant inter-cumulative effects have been identified.

¹⁶ 1:250,000 scale ALC mapping provided by DEFRA

Lighting

- 6.134 A Lighting Strategy/Impact Assessment has been prepared by Stainton Lighting Design Services to accompany the planning application. The assessment sets out a detailed description of why the Site needs to be lit and the strategic approach to how this can be achieved effectively and efficiently, whilst taking into account ecological considerations, Green Belt considerations and the safety and security of workers and motorists.
- 6.135 The assessment sets out that, in account of the Lux readings taken at the time of the site visit, the existing Site is intrinsically dark, with readings generally less than 0.4 Lux which can be considered similar to a clear night sky with a full moon. At no point around the Site did the readings exceed 1.0 Lux, even when the meter reading points became close to adjoining roadways. Taking this into consideration, it is without any doubt that the proposal of a new lighting installation as part of the Proposed Development will increase the lighting levels at the Site when compared to the existing baseline, nighttime readings.
- 6.136 The main areas of consideration for the Site comprised of the boundary along the north and west side of the proposed plot, with the Green Belt and ecologically sensitive areas lying adjacent. The readings taken along this boundary line were typically no greater than 0.10 Lux, with the odd one at 0.22. These readings were taken at a location closer to the boundary with the A1290 which is likely to have contributed to such value. The assessment recommends that lighting is kept to an absolute minimum in this area and any lighting that is proposed should be carefully selected and located, so as to have the minimal impact possible along this boundary with the Green Belt.
- 6.137 By taking full advantage of the tight optical control of modern luminaries available, in conjunction with careful consideration of the colour temperature, mounting height, location and orientation of the luminaire, as well as correctly selecting the applicable lighting levels required, the potential adverse effects associated with light trespass, glare, and sky glow, experienced by surrounding receptors will be minimised to fall in line with the limits specified in the Institute of Lighting Professionals ('ILP') Guidance Note. The ILP Guidance Note should be considered an industry-wide best-practice document with which adherence to it represents best practice for this development.
- 6.138 The proposals could also be linked to an adaptive lighting system - be it simple switching or standalone dimming - this situation could be improved upon further if viable. Reducing lighting levels at times of low usage or switching off outside of the operating hours would help towards minimising the environmental and ecological impact of any proposed lighting.
- 6.139 With good design and management of the lighting, the effect of the additional lighting to the environment could be kept to an acceptable level contributing very little to the existing situation in many areas.
- 6.140 It can be demonstrated that there will be a suitable solution for an LED lighting option for the Proposed Development. The LED solution will not only provide significantly improved benefits regarding ongoing maintenance, adaptability, and energy costs, but enables maximum mitigation of environmental and ecological impacts – particularly in relation to any adjacent areas.

7.0 **Compliance with the Draft IAMP Design Code**

7.1 This chapter considers the compliance of the Proposed Development against the Chapters 4 and 5 of the draft IAMP Design Code (Urbed, January 2018) which outlines different components that need to be addressed by the individual occupiers within the IAMP.

7.2 A separate Early Infrastructure and Northern Employment Area Design Code has been prepared and was submitted with these applications; however, that Design Code was specific to this part of IAMP and considered matters such as design principles for the main site infrastructure (which has already been agreed and implemented for IAMP ONE) and for the Hub (which lies outwith the planning application boundary). It is recognised that the A1290 widening works was approved as part of that permission and these works are due to start in April 2024.

7.3 As such, for the purposes of this planning application it is considered more appropriate to use the draft IAMP Design Code which provides the principles for the whole of IAMP.

7.4 The draft Design Code recognises that the IAMP AAP sets out the following vision for IAMP and advises that the Code should be read in conjunction with the AAP:

“A nationally important and internationally respected location for advanced manufacturing and European-scale supply chain industries. A planned and sustainable employment location that maximises links with Nissan and other high value automotive industries as well as the local infrastructure assets, including the ports, airports and road infrastructure.”

Masterplan Principles

• A 21st Century Advanced Manufacturing Park

7.5 A guiding principle is the creation of a nationally significant, world class centre for automotive and other advanced manufacturing, engineering and related businesses that will attract leading technologies and industrial to location within it. The Proposed Development fully accords with this approach through providing a once-in-a-lifetime opportunity to help AESC, Sunderland and the UK compete in the global market in the move to the EVs, whilst ensuring that Sunderland continues to be one of the best international locations for automotive and advanced manufacturing.

7.6 In accordance with the draft Design Code, the Proposed Development provides good linkages to the local and strategic highway network; a landscaping strategy that will deliver an attractive environment for users of the site and a place that is easy for pedestrian and cyclists to get around. Informal paths will be provided in the wider the ELMA for people to walk.

• The Ecological and Landscape Mitigation Area

7.7 The Proposed Development conflicts with the IAMP AAP and principles of the draft Design Code given it proposes built development on the ELMA. However, it is considered that there is a demonstrable need for the Proposed Development which overrides the conflict

with this policy as demonstrated throughout this Planning Statement and in the accompanying Very Special Circumstances Report.

- **Green and Blue Infrastructure**

7.8 A range of green and blue spaces are provided around the building, the landscape strategy having been designed to include a mixture of habitats including species rich neutral grassland, shade tolerant neutral grassland, flood meadows, wet woodland mix, water scrapes, native trees and enhancement of existing hedgerows. This will provide a rich and diverse range of habitats for a range of species.

7.9 Site drainage is addressed in the Flood Risk Assessment & Drainage Strategy prepared by Systra, as well as the AESC Drainage Strategy prepared by RPS.

- **Visitor Experience**

7.10 The Proposed Development will help ensure that IAMP continues to have an attractive, obvious and legible environment for all visitors including from delivery drivers to executives. Signs will be used to help delineate routes and aid navigation.

7.11 The landscape strategy for the Early Infrastructure and Northern Employment Area application includes the provision of informal paths within the ELMA for people to walk and enjoy the spaces.

Plot Design Principles

Landscaping

7.12 The landscaping scheme will be designed to create an attractive and pleasant environment, will tree planting used to help soften the impact of the development from the A1290 to the south and from some views from the north east.

7.13 The detailed planting plans will be submitted for approval in due course; however, in accordance with the draft IAMP Design Code, the landscaping scheme includes trees, hedgerows, shrubs, grasses, wetland species to optimise biodiversity, enhance legibility and create an attractive and welcoming environment. Both native species and evergreen species are proposed to provide year-round interest. The planting design will be robust and easily accessible for maintenance.

Lighting Strategy

7.14 The lighting scheme will be designed to ensure that light spill into the surrounding area is minimised as far as possible to reduce the impact on both ecology and on visual amenity. In accordance with the draft Design Code, the lighting scheme will be designed to ensure that the site access, parking area and goods yards all have appropriate lighting levels. The car parking area will be well lit to ensure that users feel safe. Flood lighting will likely be used in the goods yards; however, it will be designed to minimise light spill.

Parking

7.15 In accordance with the draft IAMP Design Code, the car parking area has been situated in front of the Plant 3 factory building and AESC UK Office HQ, with the accessible and EV spaces next to the office, and a taxi / drop off / pick up outside the office.

7.16 The Proposed Development makes provision for 780 car parking spaces. Of these, 5% are accessible and up to 10% will feature electric charging facilities. A bicycle and motorcycle shelter is proposed with up to 80 spaces adjacent to AESC UK Office HQ ensuring that it is overlooked.

7.17 All car parking and pedestrian areas will be adequately illuminated to ensure that users feel safe.

Servicing / Emergency Access

7.18 Once within the Site, the HGVs / delivery / service vehicles will travel through a gatehouse and along an access route which travels around the buildings. Signage will be provided to direct vehicles to the correct areas.

7.19 This approach will ensure that there is no conflict between service vehicles / HGVs, emergency vehicles and pedestrians, cyclists and cars.

7.20 Any refuse storage areas will be screened and discretely located away from the main building entrances.

Building Design Principles

Façade Treatment

7.21 In keeping with the draft IAMP design code, materials and colour have been carefully selected to ensure consistency with the IAMP palette. This will ensure consistency in design and will help visually harmonise the proposed building with those already constructed at IAMP, as well as the Nissan campus to the south. The overall approach has been to keep the appearance of the building simple, legible and uncluttered, whilst using articulation to provide emphasis and interest.

Active Frontage

7.22 The AESC UK Office HQ is located at the front of Plant 3 and next to the car park. It has been carefully located to provide a positive outlook for users within the building and to face onto the main site entrance which helps to create a strong interrelationship with those coming to visit. The building design includes large, glazed areas on the eastern and southern elevations which overlook the car parking surrounding environment.

Signage

7.23 Appropriate signage will be provided to provide advance notice and branding for the business, whilst also directing visitors to where they need to go.

Building Lighting

7.24 Any lighting on the building and in the goods yard will be designed and positioned to highlight the main entrances. Lighting will also be designed to reduce the impact of light pollution into the surrounding area.

Sustainable Design

- 7.25 The Energy Strategy uses Solar PV as the primary means of reducing carbon emissions and may include Air Source Heat Pumps (ASHPs) in the office areas and potentially a Waste Water Heat Recovery ('WWHR'). Natural daylight and ventilation will be maximised in the office areas. The thermal performance of the building fabrics will be a key part of energy efficient – this will be considered as part of the Building Regulation process. Further details are provided within the Energy Strategy and Sustainability Statement.

8.0 **Changing Context for the Decision and the Planning Balance**

8.1 There is an urgent need for the UK to develop large scale battery production capacity to enable the transition to EVs and to help the UK become net zero. The sale of new petrol and diesel cars will end by 2035, with all new cars and vans having to be fully zero emissions at the tailpipe by 2035. To meet the need for EVs, the industry is facing a huge challenge and needs to gear up in the production of batteries for EVs. The market is fast moving and competitive and the UK risks being left behind in the global race if it does not ramp up production.

8.2 This chapter considers the changing economic context that is taking place following the adoption of the IAMP AAP that should be taken into account in this decision and goes on to weight the benefits of the Proposed Development against the harm.

Changing Context for Decisions

8.3 Planning law requires that applications for planning permission be determined in accordance with the development plan, unless material considerations indicate otherwise. However, as established in case law if a decision maker judges a policy is out of date (either because of inconsistency with the NPPF, or because facts on the ground have changed) it is necessary to consider the weight to be given to its bearing upon the proposal.

8.4 In this case, there is considered to be a changing context for making a decision on this application given the following:

- 1 During the IAMP AAP preparation, in 2013 three alternative growth scenarios were modelled using production and sales forecasts to identify potential floorspace demand for these sectors up to 2033. The moderate scenario was viewed as the most achievable at that time (150 ha) and was taken forward in the IAMP AAP. The very optimistic scenario (up to 300 ha) included a step increase in EV production due to increased demand from overseas markets. This work and evidence base is now over 10 years old and has become out-of-date.
- 2 Following the adoption of the IAMP AAP in 2017 there have been the following changes:
 - i The impact of human activities on climate change has become more evident, with the UK Government and Sunderland City Council having declared a Climate Emergency. In 2020, transport was the largest emitting sector of greenhouse gas emissions producing 24% of the UK's total emissions (406 MtCO₂e) – hence the urgent need for EVs;
 - ii On 28th September 2023, the Government made an announcement on 'the path to zero emission vehicles by 2035' that by 2030 80% of all new cars and 70% of new vans sold should be set to be zero emission increasing to 100% by 2035 – hence the urgent need for the UK to develop large scale battery production capacity to enable the transition to EVs and to help the UK become net zero.

- iii *'Batteries for electric vehicle manufacturing'* (House of Commons, Business and Trade Committee First Report of Session 2023-24, November 2023) states:

"There are limited number of potential gigafactory sites—but we have enough sites in the UK to meet the nation's needs, including sites in the UK's key automotive clusters. These sites are strategic national assets and should be treated as such. The Government must designate gigafactory sites as strategically important sites and work with local partners to put together a targeted package of support, with a view to attracting investors and ensuring gigafactories can be built at pace. These sites should be given priority for improvements to energy and transport infrastructure. The Government should work with local partners to grant those areas special economic status." (para. 29)

- iv On 26th November 2023, the Department for Business & Trade published the *'UK Battery Strategy'*. The Strategy sets out the Government's vision to achieve a globally competitive battery supply chain by 2030, that supports economic prosperity and the net zero transition by 2050. It states that: *"The Government's 2030 vision is for the UK to have a globally competitive battery supply chain that supports economic prosperity and the net zero transition. The UK will be a world leader in sustainable battery design and manufacture, underpinned by a thriving battery innovation ecosystem."* The Strategy recognises that the UK currently meets most domestic demand for batteries and their components through imports. Like most countries, the UK currently relies on China as the largest import source of lithium-ion batteries for all applications. As such, the Strategy identifies that securing investment into the battery value chain is key to our economic security. The need to scale up our emerging supply chain is recognised, with AESC and the North East being identified as part of the UK's significant battery ecosystem.
- v As part of the Brexit agreement, a final Trade and Cooperation Agreement (TCA) was signed in December 2020 and became active in May 2021. The TCA includes a 'Rules of Origin' (RoO) clause which has significant implications for the future of the UK automotive industry including as it moves towards electrification. The RoO clause states that 55% of a vehicle's value must be made up of locally sourced components. This applies to the UK and the EU specifically, so EU parts in a UK-built car would not count. Should the value of a vehicle's locally sourced components fall short of 55% of the total, then an import tariff of 10% would be applied. The need for locally source components increases the need for the UK to increase local production to help avoid the import tariffs;
- 3 As a result of these changes, there is a need for a significant increase in battery production to reflect the forecast uptake of EVs and to help avoid the import tariffs as a result of Brexit.
- 4 The NPPF requires that local plans are reviewed at least once every five years. A review of the IAMP was due in late 2022. An IAMP Interim Position Statement (IPS) (January 2022) has been prepared which identifies the matters that any AAP review could focus

on which includes the fast-evolving market that is forecast in the years ahead. It recognises that the changing market conditions and that the need to decarbonise vehicles and to electrify the automotive industry will create opportunities to grow existing businesses and attract new ones to meet the needs of the changing technology, including the need to manufacture hybrid vehicles and EVs. In particular, a need was identified to focus on the development of battery production facilities.

- 5 Sunderland and South Tyneside Councils prepared an IAMP AAP Plan Review in October 2022. This took account the findings of the IPS. This review concluded that the IAMP continues to form an appropriate policy framework; however, the councils will continue to monitor and review the latest intelligence.
- 6 The Sunderland Cabinet report on Investment Zones from January 2024 identifies that Sunderland City Council is seeking for the North East Investment Zone (NEIZ) to include the International Advanced Manufacturing Strategic Site (IAMSS) to accelerate economic growth through clustering specific sectors with growth potential. The IAMSS has been identified to have a focus on batteries and EVs. The Cabinet Report recognises that there is a need for further gigafactory development in this location for EVs. The Proposed Development fully accords with this approach and will help drive forward the significant growth potential of this sector.

8.5 It is clear that the economic context has changed following the adoption of the IAMP AAP and the Council is recognising that there is a need to accelerate economic growth and focus on the development of battery production facilities at IAMP. Although the Proposed Development does conflict with the Development Plan, with regard to development in the Green Belt and on the IAMP ONE ELMA, this changing economic context is setting the direction of travel and should be taken into account as a material consideration in decision taking.

The Planning Balance

Considerations in support of this application:

1. There is a demonstrable need for the development

- **The Government’s 2030 vision is for the UK to have a globally competitive battery supply chain that supports economic prosperity and the net zero transition; and that the UK will be a world leader in sustainable battery design and manufacture, underpinned by a thriving battery innovation ecosystem¹⁷.**
- **The UK urgently needs more large-scale battery production** capacity to meet the predicted need for 100 GWh of supply by 2030 and 200 GWh by 2040¹⁸. This is the equivalent of five gigafactories by 2030 and ten by 2040.
- The House of Commons, Business and Trade Committee report ‘Batteries for electric vehicle manufacturing’ states that the UK faces a gigafactory gap, because of insufficient domestic manufacturing capacity to satisfy UK industry’s demand for batteries and that

¹⁷ UK Battery Strategy (Department for Business & Trade, 26 November 2023), page 3

¹⁸ The Faraday Report, June 2022

building an industrial base of gigafactories in the UK is strategically important for the UK's energy security, for national security and for the UK's ability to reach Net Zero and to unlock the benefit of economic growth, new jobs and new tax contributions from green industries¹⁹.

- **The Faraday Report advises that gigafactories take at least five years to reach operational capacity, so investment and location decisions to meet battery demand in 2030 are all likely to be made in the next 2 to 3 years²⁰.**
- **There is a shortage of gigafactories in the UK. AESC Plant 1 is the only operational gigafactory in the UK, whilst AESC Plant 2 is currently under construction. At best the other announced plans will satisfy a little over half the capacity the nation needs by 2023²¹.**
- VSC were granted for the West Midland gigafactory in the Green Belt on the grounds that immediate investment in the UK battery technology is required for the UK sector to stay competitive and to not lose jobs overseas and in relation to the socio and economic benefits.
- This is a critical time for the EV battery sector, with a number of companies announcing ambitious plans. But it must be noted that AESC is the only operational EV battery gigafactory in the UK and the only company that is building new capacity (Plant 2) and investing in the UK.
- The Proposed Development provides a **once-in-a-lifetime opportunity to help AESC Sunderland and the UK compete in the global market** in the move to the electrification of transport, whilst ensuring that Sunderland continues to be one of the best international locations for automotive and advanced manufacturing.
- **By localising production, this will help the UK meet the RoO requirements**, otherwise there would be 10% import tariff should the vehicle's locally sourced components fall short of 55% of the total. This will help ensure the UK remains competitiveness.
- The amount of land that was removed from the Green Belt and was allocated at IAMP for advanced manufacturing and automotive uses, as part of the AAP process, was based on a moderate growth scenario. **The optimistic growth scenario included a step increase in EV production. This change is now happening.**
- **There is therefore a demonstrable need for the development.**

2. There is a specific locational requirement

- **AESC Plants 2 and 3 have been designed as a comprehensive development and need to be located next to each other as they are interlinked, with share logistics, facilities, automated processes and staff.** Separating AESC's cluster of buildings would not work from a logistical point of view, would increase costs and would reduce competitiveness.

¹⁹ Batteries for electric vehicle manufacturing (House of Commons, Business and Trade Committee First Report of Session 2023-24, November 2023), page 3

²⁰ [UK Electric Vehicle and Battery Production Potential to 2040 \(faraday.ac.uk\)](https://www.faraday.ac.uk), page 1

²¹ 'Batteries for electric vehicle manufacturing' (House of Commons, Business and Trade Committee First Report of Session 2023-24, November 2023) page 3

- **The AESC Group has specifically chosen the Site for these reasons. AESC UK must remain competitive within the AESC Group and need to compete against other worldwide businesses and. If AESC cannot do this in the chosen location, they could develop an alternative facility in Europe. This would be a most significant loss to Sunderland, the regional economy and to the UK automotive industry.**
- **There is therefore a specific locational requirement for the development in the chosen location.**

3. Delivery of Significant Socio-Economic Benefits

8.6 The NPPF places **significant weight** on the need to **support economic growth** and productivity and states that this is particularly important where Britain can be a global leader in driving innovation, and in areas with high levels of productivity (para. 85).

8.7 The Proposed Development will:

- **help AESC, Sunderland and the UK complete in the global race for the large-scale manufacture of batteries and in the electrification of vehicles**, as well as being at the forefront of innovations in battery technology.
- **act as a catalyst for the attraction of more suppliers** to the IAMP and the North East, which will further stimulate the economic growth of the region.
- deliver significant benefits through **substantial job creation** (over 1,000 jobs once operational); **upskilling** the local population; **providing training, apprenticeships, work experience** opportunities, as well as working with **local schools and colleges** both during construction and on operation of the gigafactory, and increased expenditure to support other local services, shops and facilities.
- create most important **supply chain opportunities** for the region.
- **expand the existing automotive cluster** in Sunderland which will enhance the strategic importance of this world-class automotive manufacturing area and will underpin the continued success of the automotive and advanced manufacturing sectors in the North East and UK.
- In accordance with the NPPF, it is considered that **substantial weight** should be given to these benefits in decision-taking.

4. Delivery of Significant Environmental Benefits

- There is an international **climate change emergency**, with the UK Government being committed to achieving 'net zero' by 2050.
- The Proposed Development will help increase the production of EVs which will play an important role in **helping to decarbonise transport** and an important role in driving the UK forward to becoming net zero.
- It is predicted that **the Proposed Development could save the equivalent of 130,345 tCO₂e per year** through displacing petrol and diesel vehicles for EVs. This is a most significant reduction in CO₂ emissions.

- The Proposed Development will help AESC achieve their internal strategy of carbon neutrality by 2028 by streamlining transportation activities and logistics. This is a most ambitious target and is significantly in advance of the UK's requirement to be net zero by 2050.
- The development will therefore deliver significant environmental benefits which should be given **moderate positive weight**.

Considerations against this application:

- 1 There are areas of conflict with the development plan given the following:
 - The Proposed Development will result in the total amount of floorspace, as set out in the IAMP AAP, for automotive and advanced manufacturing uses being exceeded. However, notwithstanding the environmental considerations, no harm has been identified from increasing the floorspace. The vision for IAMP to be a nationally important and internationally respected location for these uses and the Proposed Development accords with this vision. This is further supported through the Council's Interim Policy Statement (IPS) which recognises that the market is changing and supports the need to attract businesses including those that manufacture hybrid and electric vehicles (with the IPS being a material consideration in the determination of planning applications). The Transport Assessment includes an assessment of the Local Plan sites, including the full delivery of the IAMP AAP land and the new bridge over the A19 linking the a1290 with Washington Road. Only small increases in queues at the three junctions assessed on the strategic highway network (A19 Testos, A19 Downhill Lane and A19 / A1231 junctions). This small increase will not affect the safe and efficient operation of the junctions.
 - The Proposed Development would result in **built development within the Green Belt**, which would be harmful to the Green Belt and in accordance with the NPPF needs to be given **substantial negative weight**.
 - The Proposed Development would be on land designated for and implemented as an ecological and landscape mitigation for the IAMP ONE built development. This should be given **moderate negative weight**.
- 2 The other harm that should be considered as part of the planning balance is as follows:
 - The Proposed Development would result in limited significant harm to landscape character and visual amenity which should be given **moderate negative weight**.
 - The Proposed Development would result in a minor adverse effect on Penshaw Monument (Grade I), a very minor adverse effect on the wider setting of the group of Grade II listed buildings at Downhill Farm and a minor adverse effect on the setting of Strother House and East Moor Farm (non-designated heritage assets) which should be given **limited negative weight**.
 - The Proposed Development would result in the loss of some Grade 3a agricultural land (BMV) which should be given **limited negative weight**.

8.8 Table 8.1 provides a summary of the benefits versus harm.

Table 8.1 – Benefits versus Harm

Benefits	Harm
Meeting the national need for battery production – very substantial weight	Harm to the Green belt – substantial weight
Socio-economic benefits – very substantial weight	Loss of the IAMP ONE ELMA – moderate weight
Environmental benefits – moderate weight	Harm to landscape character and visual amenity – moderate weight
Changing economic context and direction of travel for decisions – substantial weight	Less than substantial harm to heritage assets – limited weight
	Loss of BMV agricultural land – limited weight

- 8.9 With regard to ecology, off-site compensation will be provided; however, the details are not yet known and so this cannot yet be included in the balancing exercise.
- 8.10 In addition to the above, the inability to deliver this scheme elsewhere to a very tight delivery programme is given very substantial weight.

Conclusion

- 8.11 It is clear that the Proposed Development will have very substantial benefits that clearly outweigh the harm and which exist to justify this development. In this context, it is considered that the Proposed Development is acceptable in planning terms and permission should be granted without delay.

9.0 Conclusion

- 9.1 This Planning Statement has been prepared by Lichfields on behalf of AESC UK to accompany a full planning application for the development of a large-scale battery manufacturing plant at IAMP.
- 9.2 There is an urgent need for the UK to develop large scale battery production capacity to enable the transition to EVs and to help the UK become net zero. The sale of new petrol and diesel cars will end by 2035, with all new cars and vans having to be fully zero emissions at the tailpipe by 2035. To meet the need for EVs, the industry is facing a huge challenge and needs to gear up in the production of batteries for EVs. The market is fast moving and competitive and the UK risks being left behind in the global race if it does not ramp up production.
- 9.3 The development of AESC Plant 3 is a unique and most exciting opportunity to help Sunderland and the UK become one of the best international locations for automotive and advanced manufacturing. The proposals will help ensure that AESC UK, the IAMP and Sunderland are at the forefront of innovations in battery technology and are playing a critical role in leading the de-carbonisation revolution through the promotion of clean energy and new energy electric vehicles.
- 9.4 This Planning Statement has demonstrated that the Proposed Development would have significant employment and economic benefits through helping drive forward economic growth within Sunderland and the wider region, including the creation of both temporary and permanent new jobs both during the construction and operational phases, increased economic output and increased business rates.
- 9.5 It is acknowledged that there is some conflict with the development plan and national policy given the proposals are for built development in the Green Belt and on the designated IAMP ONE ELMA. Some localised significant harm has been identified on landscape character and visual amenity, through the loss of some agricultural land and a minor adverse effect on Penshaw Monument and the wider setting of other heritage assets. However, it is clear that the Proposed Development will have very substantial benefits that clearly outweigh the harm.
- 9.6 Overall, the Proposed Development conforms to the NPPF's commitment to support economic growth and deliver the business and industrial units that the country needs, along with the AAP's objectives to build on the area's international reputation in the automotive industry. The Proposed Development will also help Sunderland and the UK compete in the global market in the move to the EVs, ensuring that Sunderland continues to be one of the best international locations for automotive and advanced manufacturing.
- 9.7 In this context, it is considered that the Proposed Development is acceptable in planning terms and permission should be granted without delay.

Appendix 1 IAMP Area Action Plan Policies

- **Policy D1 (Masterplan Design)** – provides the design concept and masterplan objectives for IAMP; to encourage a compact, permeable development which is attractive to future occupiers and flexible enough to accommodate a range of businesses. This includes maximising the interface with Nissan;
- **Policy D2 (Public Realm)** – provides the key principles for addressing the key public realm elements of the masterplan to deliver a scheme with a sense of place and which creates its own unity identity;
- **Policy T1 (Highway Infrastructure)** – identifies specific highway improvements, including upgrading the A1290; providing of a new bridge of the River Don, delivery of new distributor roads within the IAMP. This policy states that development proposals must be accompanied by a Transport Assessment and Travel Plan; and that consent will not be granted for development which adversely affects highway safety, comprises the delivery of highway improvements or prejudices the comprehensive development and delivery of the IAMP;
- **Policy T2 (Walking, Cycling and Horse Riding)** – the aspiration is for the IAMP to be an attractive sustainable multi-modal environment. To promote walking, cycling and horse riding, development must (A. i) ensure that any junction / highway measures and any new roads are designed to safety integrate potential pedestrian and cycle movements and reflect desire lines, (A. ii) consider the needs of all types of users, (A. iii) include appropriate cycling facilities, (A. iv) incorporate opportunities for new cycle routes and signage, (A. v) provide for improved connections along Follingsby Lane, which will be restricted to use for local access. provide for the delivery of a permeable pedestrian and cycle network within the IAMP. Part B of Policy T2 states that safe access to the open space within the IAMP will be ensured for horse riding through the provision of bridleways linked to the wider bridleway network. Part C of Policy T2 states that where new routes abut agricultural land, appropriate measures to deter public access to agricultural land must be incorporated. Paragraph 124 of the supporting text states that bridleways will be provided to enhance access to the open space within the IAMP for recreational horse riders;
- **Policy T3 (Public Transport)** – requires the provision of enhanced bus services and associated facilities, including bus priority measures on the key routes entering the IAMP; adequate provision for buses on the proposed new bridges over the A19 and over the River Don; new bus stops and improved waiting facilities within the IAMP AAP area; and new traffic signal installations incorporating facilities to enable priority for buses;
- **Policy T4 (Parking)** – development must ensure that appropriate provision for car parking is provided in accordance with the Council’s standards, including a car park management plan, provision of disabled parking spaces, 25% of spaces to be for the use of car-sharing, provision of car and bicycle electric charging points and ensure provision if made for lorry parking. The scheme should consider the introduction of a car club facility for the IAMP site;
- **Policy IN1 (Infrastructure Provision)** – requires the delivery of infrastructure to meet the needs of the development for electricity, gas, water and telecommunications. A

new electricity sub-station may be required. The provision of low carbon and renewable energy systems should be explored;

- **Policy IN2 (Flood Risk and Drainage)** – Part A of this policy states that a new bridge will be required over the River Don, the design of which must demonstrate that there will be no net loss in floodplain storage capacity nor an increase in maximum flood levels within adjoining properties as a consequence of the proposed works. Part B requires a Flood Risk Assessment and surface water drainage strategy to address drainage and flood risk, including SuDS provision. Evidence is required that there is sufficient capacity, both on and off-site, in the foul sewer network to support the development;
- **Policy EN1 (Landscape)** – this policy seeks to minimise the impact of the IAMP on the landscape character and visual amenity. Development proposals must (A. i) minimise the visibility of the development from the A19 and maintaining an appropriate landscape buffer, (A. ii) use design and landscaping measures to reduce the impact of development along public rights of way; (A. iii) incorporate a landscape buffer around the development edges to integrate the development with the surrounding countryside and provide defensible boundaries for the Green Belt. The designated Ecological and Landscape Mitigation Area (ELMA) is to provide the focus for necessary landscape impact mitigation, in addition to landscaping within the allocated employment areas;
- **Policy EN2 (Ecology)** – this policy sets out the principles to protect and enhance the ecological value of the IAMP and to encourage development based on sound sustainability principles. Again, this policy confirms that the ELMA land is to provide the focus for necessary ecological mitigation and compensation measures;
- **Policy EN3 (Green Infrastructure)** – this policy sets out the principles for the creation of Green Infrastructure, including retaining and enhancing existing mature trees, woodland and hedgerows around the edges of the development, the creation of green linkages along main roads and inclusion of informal open spaces to provide recreational and wildlife benefits and green links between habitats;
- **Policy EN4 (Amenity)** – this policy takes account of amenity considerations including noise, traffic, odours and dust during the construction and operational phases of the IAMP;
- **Policy Del1 (Phasing and Implementation)** – this policy seeks a Phasing Strategy with any application for Proposed Development; and
- **Policy Del2 (Securing Mitigation)** - this policy advises that mitigation will be secured via articles and requirements within a DCO or by planning obligations or planning conditions.

Appendix 2

Sunderland Core Strategy and Development Plan Policies

- **Strategic Policy SP1 (Development Strategy)** - provides a development strategy for supporting sustainable economic growth and meetings people's needs including creating at least 7,200 new jobs, particularly in key growth sectors;
- **Strategic Policy SP7 (Health and Wellbeing)** - provides criteria for improving health and wellbeing in Sunderland;
- **Policy HS1 (Quality of Life and Amenity)** - new development should not have an unacceptable adverse impact on the quality of life and amenity which cannot be addressed through appropriate mitigation;
- **Policy HS2 (Noise-Sensitive Development)** - development proposals which may generate noise should be accompanied by a noise assessment and appropriate mitigation should be provided;
- **Policy HS3 (Contaminated Land)** - where it is considered that land may be affected by contaminated land, development should ensure that appropriate investigations take place and that mitigation is provided;
- **Policy HS4 (Health and Safety Executive Areas and Hazardous Substances)** - development within the specified distances must take account of any risks involved and the need for appropriate separation distances;
- **Policy BH1 (Design Quality)** - development should achieve high quality design, which satisfies various criteria;
- **BH2 (Sustainable Design and Construction)** - provides various criteria in relation to sustainable design and construction;
- **BH3 (Public Realm)** - existing and proposed areas of public realms should create attractive, safe, legible, functional and accessible public spaces; be constructed from quality, sustainable and durable materials; and incorporate public art, where appropriate;
- **Policy BH7 (Historic Environment)** - should be valued, recognised, conserved and enhanced, sensitively managed and enjoyed for its contribution to character, local distinctiveness and sustainable communities;
- **Policy BH8 (Heritage Assets)** - development proposals should recognise and respond to their significance and demonstrate how they conserve and enhance the significance and character of the asset;
- **Policy BH9 (Archaeology and Recording of Heritage Assets)** – applications that may affect buried archaeological remains must be supported by an archaeological desk-based assessment and evaluation reports, where appropriate. Preservation in situ is the preference. However, where the loss is justified in accordance with national policy, the remains should be appropriately recorded;

- **Policy NE1 (Green and Blue Infrastructure)** - the aim is to maintain and improve the Green Infrastructure network by enhancing, creating and managing multifunctional greenspaces and bluespaces that are well connected to each other and the wider countryside;
- **Policy NE2 (Biodiversity and Geodiversity)** - where appropriate proposals must demonstrate how it will provide net gains in biodiversity and how it will avoid or minimise adverse impacts on biodiversity and geodiversity;
- **Policy EN3 (Woodlands / Hedgerows and Trees)** - relates to the conservation of significant trees, woodlands and hedgerows;
- **Policy NE9 (Landscape Character)** - the council will protect, conserve and enhance the varied landscape character;
- **Policy NE11 (Creating and Protecting Views)** - views in to, out of and within development areas should be taken account of;
- **Policy NE12 (Agricultural Land)** – development which would result in the loss of best and most versatile agricultural land should be considered in the context of the agricultural land’s contribution in terms of economic and other benefits;
- **Policy WWE2 (Flood Risk and Coastal Management)** – provides various criteria for reducing flood risk;
- **Policy WWE3 (Water Management)** – development must consider the effect on flood risk, on-site and off-site, commensurate with the scale and impact;
- **Policy WWE4 (Water Quality)** - the quantity and quality of surface and groundwater bodies and quality of bathing water shall be protected and where possible enhanced in accordance with the Northumbria River Basin Management Plan;
- **Policy WWE5 (Disposal of Foul Water)** - connection to the public sewer is the preferred approach;
- **Policy WWE6 (Waste Management)** – minimise of waste production and the re-use and recovery of waste materials will be supported;
- **Policy ST2 (Local Road Network)** - development proposals should have no adverse impact on the Local Road Network and safe and adequate access, egresses and internal circulation should be provided;
- **Policy ST3 (Development and Transport)** - provides various criteria for new developments, including that they are expected to provide safe and convenient access for all road users, incorporate pedestrian and cycle routes and include vehicle and cycle parking; and
- **Policy ID1 (Delivering Infrastructure)** - development will be expected to provide, or contribute towards, the provision of measures to directly mitigate its impact and make it acceptable in planning terms.

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