

AESC Plant 3 Consultation Statement

AESC UK Limited

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LICHFIELDS

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1.0 Introduction

- 1.1 This Consultation Statement has been prepared by Lichfields on behalf of AESC UK Ltd ('the applicant'). It accompanies a full planning application for the erection of a gigafactory for the manufacture of batteries for electric vehicles ('EV'), with an associated Assembly & Warehousing Building and an office headquarter building on land west of International Drive and north of the A1290 at the International Advanced Manufacturing Park ('IAMP'), Washington, Sunderland ('the Application Site').

AESC UK and the Proposed Development

- 1.2 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 mass scale 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.
- 1.3 As the demand for EVs 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 is:
- investing £450 million into AESC Plant 2 which is currently being constructed at IAMP. 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.
- 1.4 The development of the two new gigafactories is a unique, most exciting and once-in-a-lifetime opportunity to help Sunderland and the UK become one of the best international locations for automotive and advanced manufacturing. The Proposed Development will help ensure that AESC 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 EVs.

Purpose of the Statement

- 1.5 This Consultation Statement discusses the engagement that has taken place prior to the submission of the planning application.
- 1.6 Due to the commercial sensitivity and national importance of the scheme, it was decided that formal consultation should be strictly restricted prior to submission. As such, discussions have taken place with Sunderland City Council and with National Highways; however, wider community engagement has not been undertaken.
- 1.7 As discussed in this Statement, there is no legal requirement for pre-application community engagement to take place.
- 1.8 The remainder of this Statement is structured as follows:
- Chapter 2: Planning Policy Context;
 - Chapter 3: IAMP: Previous Engagement;
 - Chapter 4: AESC Plant 3 Engagement; and
 - Chapter 5: Conclusions.

2.0 Planning Policy Context

2.1 This Chapter considers the planning policy context of pre-application engagement under the following headings:

- Legislation;
- National Planning Policy Framework;
- Planning Practice Guidance; and
- Sunderland City Council Statement of Community Involvement.

2.2 A conclusion is then provided.

Legislation

2.3 There is no legal requirement to undertake pre-application engagement with the local communities, except for planning applications for certain types of wind turbine development.

National Planning Policy Framework

2.4 The National Planning Policy Framework ('NPPF') (revised December 2023) states that:

*“Local planning authorities have a key role to play in encouraging other parties to take maximum advantage of the pre-application stage. They **cannot require** that a developer engages with them before submitting a planning application, but they should encourage take-up of any pre-application services they offer. They should also, where they think this would be beneficial, **encourage** any applicants who are not already required to do so by law to engage with the local community and, where relevant, with statutory and non-statutory consultees, before submitting their applications.”*

Planning Practice Guidance

2.5 The Planning Practice Guidance states the following about involving local people at the pre-application stage:

*“Pre-application engagement with the community is **encouraged** where it will add value to the process and the outcome. It is mandatory to carry out pre-application consultation with the local community for planning applications for wind turbine development involving more than 2 turbines or where the hub height of any turbine exceeds 15 metres.”¹*

Sunderland City Council Statement of Community Involvement

2.6 The Sunderland City Council 'Statement of Community Involvement' ('SCI') (adopted June 2020) at Section 6 (Decision Taking) states:

¹ <https://www.gov.uk/guidance/before-submitting-an-application> Paragraph: 010 Reference ID: 20-010-20150326 (website viewed on 2 February 2024)

“Before making a planning application/notification many potential applicants wish to get advice from the local planning authority about how they can bring forward an application that best aligns with local planning polices and local communities’ wishes.

*The council as local planning authority **cannot require** potential applicants to discuss their proposals with residents, business and others who may be affected. However, we will **strongly encourage** engagement at every stage of the planning process.”*

- 2.7 Where pre-application engagement is undertaken, the Council’s SCI confirms that applicants should prepare a report to summarise the type of engagement carried out, the key issues raised, and how the scheme addresses these issues. The report is then to be submitted with any subsequent planning application.

Conclusion

- 2.8 In summary, there is no legal requirement to undertaken pre-application engagement with the local authority and local community. Instead, pre-application engagement is encouraged, with the Council’s SCI recognising that they cannot require applicants to discuss the proposals with the community.

3.0 IAMP: Previous Engagement

- 3.1 Several engagement exercises have previously taken place on the IAMP, which are summarised below.

IAMP Area Action Plan

- 3.2 In 2015, Sunderland City Council and South Tyneside Metropolitan Borough Council began the first of a series of engagement exercises in respect of the preparation of the IAMP Area Action Plan and its progression through the public examination process. The engagement documents set out the policy and development principles for the IAMP; the most appropriate location for, and size of, the IAMP and the proposed changes to the AAP following examination. Through the adoption of the AAP, the principle of a development of automotive and advanced manufacturing uses at IAMP was established.
- 3.3 As part of the preparation of the IAMP AAP, consideration was given to three alternative growth scenarios. The moderate scenario was viewed as the most achievable at that time and was taken forward in the IAMP AAP through the allocation of 150 ha of land for advanced manufacturing and automotive uses. The very optimistic scenario included a step increase in EV production due to increased demand from overseas markets. This step increase in EV production and the requirement for a significant increase in battery production is now happening.

Development Consent Order

- 3.4 Between November 2016 and January 2017, IAMP LLP consulted on the IAMP when it was the entirety of the IAMP (that is, comprising both 'IAMP ONE' and 'IAMP TWO'). Initial plans and thoughts were shared with the public at exhibitions held at points across Sunderland and South Tyneside, with the purpose of seeking initial views on the Project to begin to inform what the Project might look like. This was the first engagement undertaken on the Development Consent Order ('DCO') (stage 1) and was a non-statutory exercise.
- 3.5 Between March and May 2019, IAMP LLP undertook statutory consultation on IAMP TWO to seek views from the surrounding communities on IAMP TWO, including the preliminary environmental information, a draft Design Code and event materials. Following this date, further discussions have taken place with some parties. The DCO was not progressed and was withdrawn. Instead, the Early Infrastructure and Northern Employment Area application was submitted which is discussed later in this chapter.

IAMP ONE Planning Application

- 3.6 In December 2017, the IAMP LLP undertook engagement on IAMP ONE, with the purpose of gaining feedback to inform the 2018 IAMP ONE planning application, with support from the IAMP LLP's development partner HBD. This engagement was undertaken following the IAMP splitting into two Projects (IAMP ONE and IAMP TWO). The proposed development was for up to 156,840sqm of floorspace for advanced manufacturing and automotive uses.
- 3.7 A total of five feedback forms were completed on the day with a further one submitted via email at a later date. Additionally, two letters were received from owners of land within IAMP TWO.

- 3.8 In early 2018, the Council consulted the landowners, businesses and residents in the area to seek comments on the planning application. In response to this engagement, eight letters of representation were received, consisting of one letter of support from Nissan and four objecting to the application (three letters from one owner of land within IAMP TWO, two letters from another owner of land within IAMP TWO, as well as a letter each from the British Horse Society and Plantlife UK).
- 3.9 This application was granted permission in May 2018 (ref:18/00092/HE4). Three industrial units have since been constructed and the associated infrastructure (roads and drainage system) has been delivered.

IAMP ONE Phase 2 Planning Application

- 3.10 The purpose of this application was to include an additional plot of land within the IAMP ONE boundary. The application did not seek permission to increase the amount of floorspace above that already approved through the 2018 IAMP ONE permission.
- 3.11 Given that extensive engagement had been undertaken in relation to the IAMP and the limited number of responses that has been received to the 2018 IAMP ONE application, it was agreed with the Council that rather than undertake a further drop-in engagement event, a leaflet could instead be circulated in the local community to provide details of the proposed development and to seek feedback.
- 3.12 Approximately 2,800 leaflets were distributed in the local area in February 2020. The response level was low, with a letter and email being submitted by planning consultants acting on behalf of two landowners within IAMP TWO, whilst three comments forms were completed and returned.
- 3.13 In response to the local planning authority's consultation on the planning application, no representations from the local community were made. Planning permission was granted in June 2020 (ref: 20/00556/OU4).

AESC Plant 2 Planning Application

- 3.14 As part of the preparation of the detailed planning application for AESC Plant 2, and in accordance with the updated legislation, Planning Practice Guidance and given the ongoing Covid-19 pandemic, it was agreed with Sunderland City Council to undertake a similar engagement exercise that has been undertaken for IAMP ONE Phase 2. Approximately 2,800 leaflets were distributed in the local area in July 2021 to publicise and seek feedback on the proposed development. The headline results were:
- A total of 33 comments forms were returned;
 - The majority of the 79% (26/33) of respondents either strongly agreed or agreed that the proposed battery plant is a welcome continuation of the IAMP development for advanced manufacturing and automotive uses. 3% (3/33) of respondents answered neutral, and 18% (6/33) respondents either disagreed or strongly disagreed with that statement;
 - 15 general comments were provided. Of these, 6 were positive comments, 7 were negative and 2 provided neutral comments;

- The positive comments supported proposals and the investment in the economy; and
- The concerns raised generally related to the principle of the development, the loss of green space, increased traffic on the A1290, increased noise and disturbance, the impact on biodiversity and the implications on climate change.

3.15 In response to the local planning authority's consultation on the planning application, one letter of support was received from a party with an interest in the adjacent land. They raised a query about landscape mitigation. The planning application was granted permission in October 2021 (ref: 21/01764/HE4) and construction work is progressing on-site.

Early Infrastructure and Northern Employment Area Planning Application

3.16 This application sought permission for the Northern Employment Area at IAMP (up to 168,000sqm of floorspace) with associated infrastructure provision and an extensive landscape and ecological mitigation area (ref. 21/02807/HE4 and ST/1722/FUL). Engagement with the local community was via the distribution of 2,400 leaflets in the local area and through a project website.

3.17 The response level was low, with eight responses submitted via the online survey and four via the email address. The responses showed support for the proposals, with some detailed points raised about impacts on transport, existing business and farming operations.

3.18 In response to the local planning authority's three rounds of consultation on the planning application, five letters were received from landowners (two of the parties submitted two letters each) and a further letter was submitted by a local resident / business owner. The matters raised related to transport, landscape, ecology, residential amenity, lack of a comprehensive approach to the development of IAMP and detailed queries about the operation of Follingsby Lane / Downhill Lane.

4.0 **AESC Plant 3 Engagement**

4.1 This section outlines the pre-application engagement that has taken place.

Planning Department

4.2 Various discussions have taken place with the Council's Planning Department about the principle of the proposed development in the Green Belt, the scope of the planning application documents, the scope of the Environmental Statement and the ecological / landscape issues surrounding the use of tree planting to visually soften the lower parts of the building versus providing open habitats for farmland birds.

Ecology and Landscape Officers

4.3 Discussions have taken place with the Council's Landscape and Ecology Officers. It was agreed that the strategy should be to avoid tree planting around the edges and northern parts of the site. This is because the trees would produce habitats and vantage points for species who are predators to farmland birds – with farmland birds liking large, open spaces.

4.4 Given the height of the building it was also considered that trees would not be tall enough to screen the buildings. Additionally, power lines run along the western and northern parts of the site which would also restrict tree planning.

4.5 Overall, it was considered more important to design a landscape strategy that considered the need for open habitats for farmland birds than to provide trees to screen the lower parts of the building.

Lead Local Flood Authority

4.6 A meeting was held with the Lead Local Flood Authority to discuss the drainage strategy and flood risk requirements which should be considered as part of the planning application.

National Highways

4.7 During the preparation of the Transport Assessment, Systra met with National Highways to broadly agree the scope and methodology for assessment.

4.8 At the time of meeting, they had already conducted an initial assessment of the road network operations and these results were tabled and discussed.

Local Highways Authority

4.9 During the preparation of the Transport Assessment, Systra met with the Local Highways Authority to broadly agree the scope and methodology for assessment.

4.10 At the time of meeting, they had already conducted an initial assessment of the road network operations and these results were tabled and discussed.

Environmental Health

- 4.11 The proposed methodology for the construction dust and road traffic assessment was sent to the Council's Senior Environmental Health Officer. They responded and stated that they had no further comments to make regarding the methodology.

AESC Engagement

- 4.12 AESC has undertaken the following engagement:

- Tyne and Wear Fire & Building Control – workshop held with T&W Fire & Building Control introducing overall scope of works 19/5. Interest in any variations to Plant 2. No objections.
- National Grid – Meeting held with National Grid introducing overall scope of works 11/5. Interest in access to pylons close to east side of factory. No objections.
- Northern Gas – Ongoing consultation through AESC Construction team.
- Health & Safety Executive (HSE) and Environment Agency (EA) – consultation with the HSE & EA are ongoing and they are both on board with the project. The Control of Major Accident Hazards (COMAH) report and the Hazardous Substances Consent reports are to be amended to include the Plant 3 quantifies.
- Northumbria Water – they have been consulted and are aware of the predicted water demands. They understand that upgrades that will be required to system in order to meet the demand for water. They have not raised any objections or concerns.

5.0 **Conclusion**

- 5.1 This Consultation Statement has discussed the engagement that has taken place with the Council and some consultees. Due to the commercial sensitivity and national importance of the scheme it was decided that formal consultation should be strictly restricted prior to submission and it is recognised that there is no legal requirement for pre-application community engagement.
- 5.2 AESC UK recognises that the local planning authority will undertake statutory consultation on submission of the planning application, where statutory consultees and the local community will be notified about the proposed development and given the opportunity to provide comments. AESC will monitor this process closely and will work with the Council to address any points raised.

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