

Brownfield Land Regeneration Case Study:

North-East Lincolnshire Council:

Land at Diana Princess of Wales Hospital, Grimsby

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This case study highlights that, despite working with an ageing local plan, an unallocated site and several potential viability showstoppers, brownfield sites can be brought forward and successfully delivered with strong leadership, an ethos of problem-solving and partnership working.

“It’s about the people not the process. If we hadn’t worked together for such a long time and built up those relationships, I feel like it would have been a much more challenging process” (Local Planning Authority)

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1. Introduction

- In 2011 this 6.34 ha site became surplus to the requirements of the Northern Lincolnshire and Goole Hospitals NHS Foundation Trust (the Trust).
- The site comprised a helicopter landing pad (decommissioned in 2014), nursing accommodation, cricket pitch, derelict hospital buildings and ancillary structures. Asbestos contamination was identified across the site.
- The development formed part of a strategy to reinvest in new staff accommodation to help with recruitment and retention issues and ensure the long-term viability of the hospital.
- North-East Lincolnshire's planning team worked with the Trust to turn the site into an opportunity to deliver the Trust's reinvestment ambitions and deliver a housing-led development that suited both parties housing ambitions.
- The council's planning team led and coordinated the work and negotiations with the Trust and the developer, overcoming obstacles including working with an ageing local plan, the site having been allocated for a different use and several potential show-stopping viability issues.
- The site is divided into six zones, five of which were sold to a housing developer (E5 Holdings), and the other retained for development by the Trust. In 2018 new accommodation was constructed on the zone retained by the Trust. It achieved full occupancy within 8 weeks of opening, and now has a waiting list. Construction is currently underway on the first of the five zones sold to the housing developer.

2. Executive Summary and Key Success Factors

Planning

- **De-risking the site by creating a Development Framework** – At the time of the initial negotiations, the site was not allocated for housing, and the council's Local Plan was ageing. The planning team saw this as an opportunity to prepare a development framework setting out the details of the site and clear development expectations to potential investors. This ensured that the ageing -date local plan did not hinder bringing the development forward and paved the way for a coherent approach to developing a complex site.
- **A Clear, Shared Vision** - Planning officers worked to ensure that the aspirations of the Council, the Trust and the Developer were shared and understood by all parties. This helped ensure that each party's vision could be aligned and kept front of mind when making decisions affecting the development of the site.
- **Planning team took ownership for problem resolving** - Planning officers provided the key point for the reconciliation of issues in bringing the site forward and its delivery.
- **Creativity, flexibility and balance** – a new retail unit was proposed at reserved matters stage on one of the Zones. The planners had to balance a clear evidence of need that had emerged, so as not to prejudice other retail developments coming forward, and the fact that the original allocation of the site was for housing. Planning committee approved the new retail unit demonstrating a willingness and the flexibility to respond to changing circumstances where the evidence was compelling.
- **Continuity of staff** – the ability to retain the involvement of staff over a number of years instilled confidence and enabled effective and open communication.

Key Planning Tools

- Development framework (Local Planning Authority Led).
- Strategic masterplan (Developer Led), submitted with the outline application.
- Reserved matters applications for the 6 individual zones of the development site.

Site Identification

- **Getting ahead of the Local Plan site allocations** – the site was originally allocated in the previous local plan as a Community Use Area. The **development framework** created in advance of work on updating the local plan identified the site as suitable for housing development.

Site Viability

- **Understanding partners' requirements** – central to the success of the redevelopment was ensuring that the trust received sufficient receipts from sale of the land to enable re-investment in improve staff accommodation.
- **Expect initial land remediation and mitigation requirements to change** - the costs of contamination remediation changed as the site developed and new challenges emerged. . Planners had to be flexible and prepared to create different solutions as the development progressed.
- **Being prepared to intervene directly** - the planning team had to involve itself directly in brokering a deal on highways mitigation to ensure the scheme's viability.

Leadership & Governance

- **Strong leadership and coordination** – the planning team marshalled the input of **experts** across the local authority and worked with the developer and other stakeholders in resolving issues.
- **Commitment to working with each of the key stakeholders** - the LPA, the Trust and the housing developer committed to a tripartite approach to bringing the development forward.
- **Effective negotiation** – the planning team will often have to focus on balancing requirements when negotiating potential site issues - this case involved securing highways improvements and ensuring the retention of sports facilities. .

Key Lessons:

- **Bringing forward complex sites is a learning process, for both the developer and the LPA.** The Trust observed, "*The rejection of the initial outline - that naivete of 'just get as many houses as possible and get it through planning, get rid of the land'. If I had worked through with the local planning authority first, we would have saved time*".
- **Site viability issues bite at several points in the planning process.** Early consideration of the key issues that impact viability (such as contamination) can help ensure clarity about what can realistically be achieved and prevent outcomes being renegotiated later in the planning process.
- **Levels of on-site risk are not always clear-cut** - solutions must be negotiated in the context of the circumstances of a site which often aren't apparent until work on the development begins e.g., the full extent of contamination and approaches to mitigation.

- **Full planning applications can provide for more detail to be fixed earlier** in the process, “*to give us a bit more comfort*” (LPA), but these do not prevent subsequent changes in direction.
- **Elements beyond the realm of planning can cause major shifts in direction.** Large developments take time to deliver, and external factors can and will change. For example, shifts in the funding environment for social care provision has the potential to impact what will ultimately be delivered on zones 2,4,5 and 6.
- **Effective and open communication** is fundamental to success. It doesn’t just happen, there needs to be a commitment to lead on this – in this case the planning team.
- **Don’t leave it to the experts.** The planning team involved itself in understanding the issues at each stage and were well placed to resolve any problems, “*I think too often we say...contamination... that’s environmental health and junctions - that’s highways. The process is about us being involved at every stage and understanding what the issue is, because it’s us that have to resolve these things with the developer and be able to communicate that in a way that’s effective*” (LPA).
- **Be prepared for the unexpected**, “*We found an old Cortina on the hospital site*” (the Trust).

3. Basic Site Information, Key Stakeholders & Dates

The Site

Local Planning Authority	North East Lincolnshire Unitary Authority
Land ownership	NHS Estates
Current land ownership	NHS Estates / E5
Type of location	Urban, 2.4 miles to the south of Grimsby town centre, juxtaposed between a predominantly residential area and a major hospital
Previous uses	Helicopter landing pad (decommissioned in 2014), nursing accommodation, cricket pitch, derelict hospital buildings and ancillary structures, with some parts un-developed; asbestos contamination identified across the site.
Size of site	6.34 hectares
Current stage of planning	Outline consent granted for the whole site subject to conditions requiring reserved matters applications for the individual zones, of which there are 6
Current site status	Zone 1 completed and occupied, zones 3a and 3b are being built out at the time of writing, zones 2, 4, 5 & 6 are yet to be delivered
LRF Funding Received	N/A
Main developer(s)	Northern Lincolnshire and Goole Hospitals NHS Foundation Trust (Zone 1), E5 (Zones 2-6)

Site Maps



Figure 1: Location Plan.

Source: UWE Bristol



Figure 2: Zoning Plan.

Source: 2015 outline application

Key dates in Planning History

2011	Initial discussions about future of the site begins
2013	Draft Development Framework published for consultation
2014	Development Framework adopted by the council
2014	Outline planning application submitted and withdrawn (site use/highways concerns)
2015	Outline planning application submitted
2017	Outline planning permission granted
2018	Commencement of construction on zone 1 (NHS accommodation)
2020	Zone 1 completed and occupied
2021	Commencement of construction on zones 3a and 3b
upcoming	Delivery of zones 2-6 yet to commence as of time of writing, although discussion between the LPA and the developer ahead of reserved matters applications are currently underway.

Key Stakeholders

Public Sector

- Northern Lincolnshire and Goole Hospitals NHS Foundation Trust (Original landowner, and developer of Zone 1)
- Sport England
- Elected Members
- Local Education Authority
- Homes and Communities Agency

Private Sector

- E5 Holdings (Developer of zones 2-6)
- Hodson Architects
- Jem Build
- Anglian Water / Utilities
- GVA (acting as land agents and advisors to the NHS Trust)

4. Planning strategy, site allocation & key decision dates

Discussions about the future of the site began in 2011 when three plots of land and buildings held by the Trust and the Homes and Communities Agency were identified as surplus to requirements. The sale of this land was part of an enabling strategy to re-invest in improved staff accommodation intended to address staff recruitment and retention challenges at the hospital and ensure the viability of key services at Diana Princess of Wales Hospital in the longer-term.

Working with an ageing local plan

When the site initially came forward, it was allocated in the local plan as a Community Use Area. However, the local plan was ageing date (adopted in 2003). An undersupply of housing in the area drove the need for “a more immediate solution” (LPA) to steer the development and still have weight in the planning decision making process.

The decision was taken to prepare a development framework: “*We had three really quite big sites coming forward at the same time in totally different forms ... it was a proactive decision of the Council to go ahead with the development framework and getting the resource to do that. We didn't necessarily have a developer on board for any of the sites at that point. What we wanted to try and do was see if we could maybe de-risk (the sites) through the work to create the development framework*” (LPA). The framework was adopted in 2014, “*Setting out our planning expectations in a Development Framework makes it easier for developers to decide whether to invest ... by explaining what they need to address from the outset ... and [avoids] the risk of the site being developed on a piecemeal basis*” (NELC, 2014). “*Planning was the initial driver to allow a residential form of development to be granted*” (LPA).

Key features of the development framework include:

- **Clear objectives** detailing how the development of the site will help address both an undersupply of housing and provide new residential accommodation for the hospital.
- **Over-arching planning requirements** applicable to all parts of the site covering operational requirements of the retained hospital site, range, type and tenure of property, education, traffic management access and parking, green infrastructure, heritage assets, flood risk and drainage, ecology and biodiversity, trees, and s106 obligations.
- **Site specific requirements**, such as retention of historic buildings, and the cricket pitch (identified as a key facility in the Council's Playing Pitch Strategy).
- **A clear route into pre-application discussions** - Encouragement of pre-application discussion with the Council's Major Applications Planning Service.

Strategic masterplan

This was prepared by the NHS Trust and submitted in 2015 with an application for outline planning permission which sub-divided the site into 6 zones (see *Fig. 2 Zoning Plan*):

Zone 1 – replacement staff accommodation

Zone 2 – step down care unit

Zone 3a – 79 dwellings

Zone 3b – 17 dwellings

Zone 4 – assisted living unit

Zone 5 – retirement apartments

Zone 6 – 35 dwellings

The current North-East Lincolnshire Local Plan 2013-2032 was adopted in March 2018, in which the site was allocated for housing. The Hospital site was detailed within the Plan as being ‘under construction’.

Planning decision making process – key dates

- The initial outline planning application, submitted in **2014**, was withdrawn following concerns about the impacts on highways (junction improvements) and a desire to retain the existing cricket pitch.
- Following pre-application discussions, a subsequent outline application was submitted in **2015**, with permission granted in March **2017** for: “*residential development for up to 131 dwellings with Step Down Care Unit (approximately 40 bedrooms), Assisted Living Unit (approximately 80 bedrooms), Retirement Living Unit (approximately 59 apartments), NHS Trust Accommodation (approximately 125 apartments & 96 student bedrooms) and club house* (Application reference DM/0937/15/OUT). The highways issues were addressed by a combination of investment by the council and the gift of land by the Trust (see ‘Key Site Challenges’ . The retention of the cricket pitch formed part of the green space strategy.
- Approval of reserved matters for Zone 1 followed later in **2017**. This included the replacement doctors’ and nurses’ accommodation, with construction commencing in **2018**. This was led by the Trust.
- Reserved matters have been approved for Zones 3a and 3b, for the erection of 78 dwellings, and for Zone 6 for 19 dwellings. This approval process allowed the developer (E5) to explore an alternative housing design to that originally envisaged, gaining permission to construct bungalows. This demonstrates innovation on the part of the developer and flexibility on the part of the local authority. The original outline application for Zone 6 was also amended in the reserved matters application to reflect the approval in **2020** of a single-storey retail store and three commercial units on parts of both Zone 6 and Zone 2. The application for the new retail unit had to be carefully considered and balanced given the use of the land was allocated for housing and the council did not want to prejudice other retail developments coming forward. There was also a potential conflict with the retail hierarchy in the local plan. The applicant’s justification around provision of services for new residents and for hospital staff, was found to be acceptable by the Planning Committee, which, in approving the application, demonstrated a commitment to flexibility to respond to changing local circumstances where evidence was compelling.
- Reserved matters applications at the time of writing are still awaited for zones 2, 4 and 5, and there is some uncertainty about whether the plans will come forward in line with the outline permission. This is as a result of matters outside of planning relating to challenges in the funding model for social care.

Section 106 / Community Infrastructure Levy

A Section 106 (S106) agreement was secured under the original outline planning permission and signed in 2017. The signatories are North East Lincolnshire Council, Northern Lincolnshire

and Goole Hospitals NHS Foundation Trust, Riverhead developments and Jigsaw developments (now part of E5). The agreement provided for:

- Education Provision - relevant to all zones (£11,276.44 – payable for every 4 qualifying houses towards capital cost of expanding local primary education provision where no capacity exists)
- Affordable housing (20%)
- Transport Contribution - only relevant to zones 3A, 3B, 4, 5, 6 and 6A
- Sustainable drainage scheme (SuDS) - relevant to all zones
- Open Spaces - relevant to all zones
- Cricket Pitch - only relevant to zones 3A, 3B, 6 and 6A
- Age Restrictions - only relevant to zone 5
- Parking Management - only relevant to 3A, 3B, 5, 6 and 6A
- Highways Mitigation - only relevant to 3A, 3B, 4, 5, 6 and 6A.

The agreement remains in force. The Trust observed, *“We talked it through and luckily everybody was sensible about it ... We all knew what we were trying to achieve. I think if you keep your eyes on the bigger prize, you can navigate yourselves through anything”*. The LPA reported that negotiations *“were extensive”*, principally because of the issues around contamination and access (see above). There was also a risk to the council that the transport contribution would be insufficient (because the mitigation scheme had not been drafted at the time the s106 was being negotiated). It was agreed that the council would agree a scheme through condition and deliver it via a Section 278 agreement.

North East Lincolnshire Council is not currently pursuing a Community Infrastructure Levy (CIL).

5. Key site challenges

“You name it, every barrier that we could have faced, we faced, but I think that’s what made it more exciting ... but now when you see the output, you just think that was worth it, it feels good” (The Trust).

Three key issues stand out as having been particularly challenging in relation to bringing this site forward. The resolution of two of these – the **capacity of the highways network and land contamination** were key to ensuring the overall viability of the project with the third challenge being the requirement to retain the existing cricket pitch for community use.

Contamination / remediation

The cost of the land contamination remediation was at the centre of the negotiations between the Trust and the developer due to the impact this would have on land values, which in turn impacted the affordability of the highways mitigation at the hospital junction. The LPA could see that the hospital needed to sell the land and achieve a certain value and that without the intervention of the council the whole project would fail ... discussions about viability were very serious and fundamental ... there was a genuine risk here that some of the key services at the hospital would be threatened, and homes wouldn’t be built.

The original site survey, forming part of the outline application submission, only revealed a limited amount of contamination. The full extent of the contamination emerged later, following further investigation. As the Trust observed, *“After it [the bid for the site] was signed off we found out that some of the site was contaminated with asbestos fibres... it was peppered across the site”* (the

Trust). For the housing developer, this resulted in renewed negotiations over the land sale. For the LPA and the developer, an agreement had to be reached over the appropriate remediation strategy in the context, according to the LPA, of insufficient guidance on safe limits for asbestos fibres. Negotiations over the remediation method centred around the developer favouring capping (covering and isolating contaminants to stop them spreading), and the LPA favouring dig and removal (“*we take a precautionary approach on most sites, especially when it’s residential*”, Environmental Health Officer). The decision was taken to follow the LPA’s favoured approach of removal. Key to achieving this agreement included:

- **Early engagement** - substantial and early engagement between the developer and the authority’s Environmental Health Team facilitated by the LPA, enabled “*us to set up boundaries and expectations around further investigation and sampling*” (EHO).
- **Trust and confidence** - the use of local consultants that both the developer and the LPA had confidence in.
- **Professional guidance** - the availability of developer guidance on remediation developed by Yorkshire and Lincolnshire Pollution Advisory Group.
- **Clear planning conditions** - the use and availability of model planning conditions “*that are helpfully prescriptive about what’s required at each stage*” (EHO), and the agreement of a phased approach to the discharge of conditions.

Capacity of the Highways Network

There were extensive discussions about finding a design solution to increase vehicle capacity at the junction to the main hospital entrance. For the Council, improvements at this junction were part of a bigger strategic ambition; achieving the right solution was critical not only to delivery of this site, but to the delivery at one of the authority’s major strategic housing sites at nearby Scartho Top (also under construction at the time of writing). Discussion reached an impasse because the Trust was unable to fund the mitigation needed. Work to improve the junction was also relatively constrained by the land ownership situation adjacent to it which would potentially limit the effectiveness for meaningful improvements in the future.

The LPA acted to broker a solution. The LPA considered its obligations to maintain the highways network and the likelihood that they would need to invest in future improvements. Discussions were held well beyond Highways at director level across the council to ensure that the significance of the Trust’s position and the need for the Council to invest in improvements was understood. For these reasons the Council agreed to carry out the junction improvements and negotiated that in return that the Trust would gift the local authority the key piece of land that was needed to facilitate the work. This kind of collaborative agreement ensured that there were benefits delivered that were beyond solely mitigating the impacts of this development. It required input from the key stakeholders and solved the access issues to the site and risk to the development not coming forward.

The Cricket Pitch

The site contained a cricket pitch, which the developer was not keen to retain, seeing it as a “*future burden*” (LPA), and the first outline application in 2014 proposed the replacement of the pitch with homes. The LPA required the pitch to be retained, as a necessary part of the open space requirements for the site, but also in the context of the council’s playing field strategy which had flagged cricket as an under-provided for sport. Sport England also raised objections. The LPA

had to work hard to resolve these issues which culminated in the inclusion of planning conditions on the permission to control the retention of the cricket pitch.

It is worth noting that both the Trust and the housing developer remain of the view that multi-use games area could better meet the needs of the local community and may pursue permission for this through a reserved matters application / amendment in the future.

6. LPA skills and resources: means of deployment onsite

North East Lincolnshire Council - which outsources its planning service to EQUANS (formerly Engie) – has taken a proactive role in bringing this site forward, reflected both in the decision to prepare the Development Framework, and in the collaborative approach to working with the Trust and the housing developer (see below).

Four things are critical to the effective role played by the LPA:

Continuity

The continuity provided by **the same planning officer** having been involved in the scheme since 2011, was cited as fundamental by all parties involved. The officer's soft skills – notably perseverance, honesty, open mindedness, and facilitation - were highly praised by both the Trust and the developer (E5): *“without (this officer), I don't think this would have happened. (The officer) was the key link, a link into certain departments within the local authority. They'd see the case from both sides and really helped us navigate through the process” (the Trust). “... We were very fortunate (this officer) was involved” (E5).*

Facilitating development and solving problems

The nature of the role the planning officers perceived themselves as playing and how this reflected in their approach to engaging experts was also key, *“We see ourselves as **development facilitators, problem solvers**” (LPA).* For example, officers were honest about the limits to their expertise when it came to resolving key details around contamination and highways and instead of seeing this as a weakness, they sought to engage other experts as appropriate, whilst remaining integral to discussions, and learning in parallel (see reflections below).

Coordination

The authority has taken advantage of its Unitary status to set itself up to achieve ease of access to internal expertise. As one planning officer observed, *“highways is an integral part of us ... we've worked to change our system so that highways are really close to us out there ... we're always talking to each other” (LPA).* Practices include weekly team meetings between planning and highways.

Effective partnership working

A distinct feature of this case study is the recognition by all players of the strong partnership working that has characterised bringing forward this site and, importantly, the crucial role that the LPA has, and continues to play, in making this effective. The effectiveness of this partnership stems from the following features:

- **Early engagement between the Trust and the LPA** - the planning team had a very clear understanding of the needs of the Trust, the implications for hospital provision in Grimsby if these needs could not be met, and the import role of planning in addressing this. This understanding crystallised into a shared vision for the site. The trust observed that

“everybody could see the bigger picture, and the role of planning in that” (the Trust). “I want to look at something really beautiful when it’s finished at the end so we can be proud of an area that we’ve created or helped create” (E5).

- **A clear understanding of the real risk** that the hospital would have to retract its services if it could not achieve its ambitions, better enabled them to broker solutions with colleagues.
- **Clearly communicated roles** - for the Trust, open communication has given it a clearer understanding of the planning process, and the expectations on them as a developer, *“working hand in hand with a local authority and the future developer, that was the game changer ... like a family, that’s what it became in the end ... we all got to know each other really well and this sort of journey, we all went on together” (the Trust).*
- **Understanding the motivations of all parties, and an acknowledged level of honesty between all parties** *“they’ve always been honest and upfront about their position ... and I think they appreciated the honesty back and the fact that they know they could pick up the phone, they could get me anytime. I’ve been involved from day one. So, they weren’t being passed from pillar to post” (LPA)*. This honesty enabled more difficult conversations to take place more easily.
- **A long-term interest in achieving a quality outcome on the site** : the Trust remains a landowner of part of the site, and sees the housing development as important to their ongoing staffing strategy; the housing developer is *“in it for the long term, is really passionate and invested in what they do” (LPA)*, and keenly wants to create *“not just a home, but a place that people want to live” (E5)*; and, the local authority remains invested in seeing the whole of the site come forward with the social care provision proposed.



Figure 3: Zone 3a Home
Source: NELC 2022



Figure 4: Zone 1 doctor’s and nurses’ accommodation
Source: NELC 2022

7. Key links

EQUANS - <https://www.equans.co.uk/local-authorities>

OUTLINE APPLICATION - <http://planninganddevelopment.nelincs.gov.uk/online-applications/applicationDetails.do?keyVal=NVV0XQLJLSP00&activeTab=summary>

E5 - <https://e5-holding.com/property-kings-park/>