

Hayle Harbour – CoSERG Briefing Paper July 2008

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Summary

- The proportion of brownfield land in the new built up area is exaggerated.
- There will be a loss of significant areas of green field and open space.
- The current informal recreational use of the area will end.
- Eighty-three % of dwellings will be unaffordable and therefore not available to the local community.
- The number of affordable dwellings built will only provide sufficient dwellings for a third of those households with a local connection seeking an affordable home in Hayle.
- The number of jobs created for the existing community is limited.
- The port area will be sterilised for future maritime use.

The context

Hayle Harbour

Hayle Harbour itself has experienced a long period of decline from its heyday as West Cornwall's major port. The development and growth of Hayle was synonymous with the name of Harvey's. Harvey & Co. was originally a locally owned and run company. After becoming a public company it was taken over by UBM. The change in ownership was a seminal point in the port's history. UBM had its own transportation network, with goods imported into ports on the East coast of England, then transported by road. A significant element of the port's trade was lost. In 1972 regular sluicing was stopped, resulting in a build up of sand. As a consequence, certain vessels were no longer able to use the port. The power station was the port's main user but this closed in 1975. Two years later the harbour saw its last commercial traffic.

The next change of ownership occurred in 1983 when Tekoa Hayle Ltd bought out UBM Harvey. At this stage the total area owned by the new company equalled 223 hectares. Tekoa put forward development proposals for the harbour in the late eighties. The emphasis was on recreation, retail and housing development.

In the eighties the harbour, together with Riviera Farm, was bought by Aldersgate Developments Ltd, under the leadership of Peter de Savary. In August 1988, the company unveiled their plans for the area, which included 4,000 jobs and homes for local people. During 1989 proposals were made for 650 units on South Quay and North Quay, together with leisure accommodation and associated facilities (3500 bed spaces) on Riviere Farm and a leisure facility on the old power station site. In May 1989 the District Council granted permission for 142 dwellings, 3000 sq. m. of shopping/commercial space, a health centre and museum at South Quay. Proposals were brought forward in late 1989 for 316 dwellings (Hayle estuary village).

In the mid nineties following the collapse of Aldersgate the area was acquired by another company and then in 1996 by Rosshill. Following this a substantial redevelopment scheme was submitted in 1998 but withdrawn in 1999 following objections. By 2003 it was revealed that Penwith were considering using compulsory purchase powers as an option. By 2004 the site had been bought by ING Real Estate.

ING Real Estate is part of the **Internationale Nederlanden Groep**. It is a public company originating in the Netherlands. In the 2008 Forbes Global 2000, ING was the ninth-largest company in the world.

Hayle Area Action Plan

In January 2008 Penwith District Council issues the Hayle Area Action Plan: Issues and Options document. This describes the options for Hayle as part of the Local Development Framework. The plan sets out a range of sites, which could be developed for housing, employment and other uses. The total extent of the sites is 205 hectares (506 acres). Of this, 80% is greenfield, 10% brownfield with the remaining area a mix of greenfield and brownfield.

The Draft RSS has set a requirement of 4,800 new homes to be built in Penwith during the 2006-2026 period, which equates to 240 new homes per year. Penwith have recently set out their proposals for the area.

4.29 A key part of the Council's preferred options, in terms of a spatial strategy for Penwith, is to direct a large proportion of the required new homes to Hayle with the intention of also increasing employment opportunities and services and facilities to support the growing community and enable balanced housing and economic growth. In terms of the actual level of development to be directed to Hayle, the Preferred Options document for the Core Strategy sets out a requirement to provide 2000 new homes (with the aspiration that half of these will be affordable) and 12.17 hectares of employment land during the twenty year plan period to 2026.

In terms of the level of development, the requirements are to provide 2000 new homes and 12.17 hectares of employment land in Hayle during the plan period to 2026. However, these figures are reduced to about 1874 new dwellings if account is taken of housing completions since the start of the plan period, and 6.8 hectares of additional employment land if account is taken of existing constrained supply, i.e. vacant units, development with planning permission and under construction, and serviced but undeveloped plots. (Penwith District Council, 2008, 7.1.2).

Using data from the Penwith Homeseekers Register *The number of households seeking an affordable home in Hayle specifically is 595, of which 476 have a local connection.* (Penwith District Council, 2008, para 7.1.14).

The proposals

The key elements of the scheme are:

- Reinstatement of the historical sluicing system
- Removal of a sand bar called Cockle Bank to provide a new marina
- Impoundment of Penpol Creek through use of a half tide gate

- Creation of 1,039 dwellings (175 of which are affordable)
- Creation of over 1,766 jobs (including jobs created during construction)
- Provision of new industrial and business space
- Provision of multi-purpose building containing business and education facilities
- Hotel and leisure facilities
- Space for primary health care facilities

(ING Real Estate, 2007)

Overall there will be a significant increase in the population of Hayle as a result of the development. This will have a major beneficial impact upon the town in terms of increased vitality, demand for services and structure of the local community. The population will be strengthened by an increase in the economically active population which in turn has the capacity to strengthen the local economy. (ING Real Estate, 2007).

Employment

'This overall comparison suggests that the proposed development will contribute to providing new employment for existing residents of Penwith and may contribute to reducing existing net outflows of residents to work in other areas. In essence, there will be more jobs provided by the new development than can be taken up by the new development population.' (ING Real Estate, 2007).

Housing

'The proposed 1,039 new dwellings in the Hayle Harbour comprise 668 flats and 371 houses (64%/36% split). Of these 175 affordable units are proposed (17% of units).' (ING Real Estate, 2007).

Brownfield

'Making the best use of previously developed land – to realise the full potential of the brownfield harbour, enabling Penwith to provide a significant number of homes, jobs and services with minimal impact on greenfield land.' (ING Real Estate, 2007).

The flaws

Short-termism

The development project is designed to ensure that the developers can obtain the best profit for their investment. This is an understandable approach. However, it is not necessarily in the best interests of the people of Hayle or Cornwall. One effect of the development will be the sterilisation of the site for maritime purposes. Building a marina, designed to help sell the luxury houses that presumably have the highest profit margins, will effectively sterilise the potential of the harbour for future generations. Given the long-term fuel crisis and the urgent need to reduce environmentally inefficient modes of transport in order to combat global warming, it is short-sighted in the extreme to close off the maritime transport options that Hayle enjoys.

Over-dependence on private sector

As with most developments in Cornwall there is an over-dependence on the private sector. Such involvement comes at a high price, notably loss of control over policy and negative outcomes. For example, despite the stated need for affordable housing, the development provides a very small proportion. Instead, this style of housing investment traps us into the bizarre situation where we have to build five unaffordable houses for incomers for every one 'affordable' home for locals. Given the growing problems of congestion and over-population in Cornwall stoking up already excessive population growth rates in this manner is an irresponsible recipe for disaster.

Scale

The development is totally out of scale. An additional 1,040 dwellings constitutes an increase of 31% in the population of Hayle, a substantial number. This will inevitably have serious repercussions on the existing community. In terms of landscape impact the proposals include

a substantial number of high rise dwellings not in keeping with current housing in Hayle. Moreover, 64% of the dwellings are intended to be flats. Given the current strains in the UK housing market the wisdom of such a high proportion of flats is questionable.

Greenfield not brownfield

Considerable emphasis is placed upon the brownfield nature of the site. '*The site that is proposed for development is predominantly a brownfield site.*' (ING, 2007). However, of the 55 hectares included within the site, the total proposed for development equals 25ha. Of this only 10.6ha (43%) is brownfield, the rest consisting of farmland (7.9ha), and dunes/other habitats (6.2ha). The remaining area consists of mudflats, beach and most of the spit. In planning terms both Riviera Fields and Hilltop should be excluded from any development proposals for the Hayle Harbour area. [See Appendix 1 for land uses].

Relevance

The proposals include the usual mix of luxury housing, tourism facilities and marina lifestyle facilities. In terms of investment opportunities the site is ideal – coastal, provision of dwellings and marina facilities are ideal for attracting well-off incomers. They represent opportunities for affluent households to move from the South East of England to live the lifestyle associated by those who market Cornwall and by the tourist industry with Cornwall – sun, sand, surfing – a life of leisure and an opportunity to get away from it all. The location could also therefore be regarded as ideal for investment in the second home market.

Housing

Local needs ignored

It is implied that the new dwellings and jobs will be for the benefit of the people of Hayle. Yet the reality is that the vast majority of dwellings and jobs are required simply to accommodate people moving to Cornwall. This proposal follows a pattern found elsewhere in Cornwall. Developments are brought forward, attention is focused on the fact that affordable housing will be made available yet most of the housing is actually unaffordable. This raises a fundamental question. If most people cannot afford to purchase why are the majority of dwellings unaffordable?

Absence of affordable housing

A paltry 17% of dwellings are intended to be affordable. A significant factor underlying this approach is that the dwellings are required to provide '*income streams ... to cover the cost of repairing the infrastructure and to cover non-revenue producing items*' Harbour Update, 10 May 2006, Hayle Town Council. It would appear to be better therefore to provide the affordable housing directly and use other funds to develop the infrastructure.

The planning documents and those produced by Penwith all assume that the population will increase through in-migration. A circular argument is being used with regard to future housing demand. It is assumed that population movement to Cornwall is a natural process, something which is inherently beneficial and certainly not something to object to or devise policies to resist. Hence, houses have to be built to meet 'demand', otherwise 'demand' will drive up house prices for the local population. Yet, what exactly is this 'demand'? Why do people move to Cornwall? There are four main elements responsible for creating 'demand'.

- 1) The marketing of Cornwall as a good place to live, work and play.
- 2) Tourism, which introduces considerable numbers of people to Cornwall.
- 3) The building of properties specifically for a population which resides outside Cornwall. Building luxury dwellings is surely not intended to meet local housing needs.
- 4) Advertising and marketing properties in areas where there are households affluent enough and influenced by (1) and (2), seek to move.

All of this of course occurs in the context of an economic system that considers it quite acceptable to allow those with high earnings and wealth to move to wherever they wish but fails abysmally to provide decent homes for those who have long family roots in their communities.

Employment

There is some confusion, indeed hype over the number of jobs, which are asserted, will result from the development. *'The project could create up to 2,500 jobs'*. (ING, 2008a). Though the Environmental Statement states that a total of 1,766 jobs are projected to be created, 1,636 if 130 construction jobs are excluded). By a most curious coincidence, the estimated number of adults of working age who will reside in the new dwellings equals exactly 1,636, of whom we are precisely told 983 will be economically active. This implies a surplus of 653 jobs for the existing community. However, the figure of 983 assumes that only 60% of the number of adults of working age will be looking for employment. This is only three-quarters of the current figure for economically active adults in Cornwall, which is 79%. If the latter percentage were applied to the new population the number of economically active new residents will be 1,292, 309 more than suggested. This might imply that there will be a surplus of 344 jobs, not 653.

However, the 1,636 figure is the gross number of jobs created. If the additionality effects are taken into account the net figure for job creation is 1,311. This might then give a total of 19 new jobs, a far less impressive total than that suggested by the developers.

Additionality is defined as, "the extent to which something happens as a result of an intervention that would not have occurred in the absence of the intervention." (English Partnerships Additionality Guide, September 2004). In essence it means calculating the total number of jobs projected minus those lost through: leakage to other areas; displaced elsewhere; substitution of one employee by another; plus, additional jobs created by the knock-on effects of the development.

[See Appendix 2 for more on additionality].

Other problems

Traffic generation

Despite the usual references to reducing the need to travel, the proposals actively generate traffic. There are a number of factors here. Firstly, more households mean more cars and more traffic. Secondly, it is expected that the new residents will be more affluent than the existing population of Hayle. More affluent residents are more likely to have more cars and make more trips. With continued plans to increase road capacity it will be easier for residents to visit other places across Cornwall – the shops on the Hayle retail park, the new leisure centre at Pool, shops and the Hall for Cornwall in Truro. The plans will also generate traffic to Hayle from other areas of Cornwall because they include additional shopping, partly to attract tourists and partly for people elsewhere. As ING themselves state –

'shopping has also become an experience, turning retail locations into places people visit for leisure purposes in their free time. As a result, retail functions are mixed with leisure functions such as sports, entertainment and music.' (ING Real Estate, 2008b)

All these factors will increase the amount of traffic on the roads with the consequent reduction of the quality of life for local residents as well as the impact on the global environment.

Car parking

The plans envisage an additional 1,872 car parking spaces (South Quay – 451, Spit 250, North Quay 1,171), though in the environmental statement a total of 1622 spaces is given. Included within the 1,171 for North Quay are 450 on land which is currently dune habitat.

'The proposed development includes the creation of car parking to the north east of the electricity substation on an area of dune grassland with dune scrub. This would result in the direct loss of approximately 1.3 hectares of dune grassland and dune scrub, the majority of which is dune grassland.' ING, 2007).

It is stated that the car parking areas will actually cater for existing demand with the implication that car parking areas elsewhere might not be required. However, it is an inescapable fact that the overall development will generate more traffic and therefore

more demand for car parking. Despite a rhetoric of reducing car use, the proposals support additional car use.

Unsustainability

The population of Cornwall, in common with the population of the UK, already consumes more resources than can be provided in terms of biocapacity. We currently consume three times as much as is available from the land area of Cornwall. Increasing the population makes this imbalance worse and cannot therefore be regarded in any way as sustainable.

Wasteful energy use

The environmental statement states that with mitigation, although the number of households in Hayle would increase by approximately 27%, CO₂ levels would rise 'by only 15%. Likewise the number of households for Penwith District would be increased by 4% with an associated CO₂ emissions increase of only 2%.' (ING, 2007). Yet what this means is that the extra houses and people will still lead to a considerable increase in carbon emissions. When all the other proposed spin-off developments are included, CO₂ levels around Hayle will increase substantially. The statement also excludes energy use related to transport, a substantial component of energy use.

Limiting public access

The area is currently accessible by a number of tracks and paths. There is therefore a high degree of access for the community to the area for informal recreational purposes. When this becomes built up and in private ownership such access will be lost. The proposals, in common with other new developments, imply there will be better access for the community to the local environment, to enjoy the stunning views and additional recreational resources. Yet these resources already exist. The development will degrade and diminish not enhance them.

Diminished amenity/environment

Riviere Farm currently forms part of open area. Its importance to the community was set out in the Penwith Local Plan.

'The area forms an important feature from within the town and retains the separate identity and character of Phillack Churchtown. Set against the backdrop of dunes, the area is seen to best effect from the main part of Hayle south of the estuary, and makes a significant contribution to the environment of the town.'
Penwith District Council, (2004), Penwith Local Plan.

This area would be lost if the development proceeded. Indeed the whole project would have an impact upon local amenities and environment.

For more details of Open areas see Appendix 3.

Extra community facilities for a new community

A feature common to large development proposals is the promise of more community facilities – health, etc. On the surface such proposals appear to provide an additional benefit to the local community, another reason for supporting the development plan. However, the extra facilities, much like the 'extra' jobs are there to cater for the additional people moving into the area.

An alternative vision

An alternative vision would be based upon three core values:

- Real sustainability
- Meeting community needs
- Making best use of resources

Real sustainability

Real sustainability requires two fundamental changes in policy. We must

- 1) end the currently unsustainable levels of population growth across Cornwall
- 2) invest in measures to reduce the resources used by the current population.

Measures could include such things as improving the energy efficiency of existing housing stock; reducing car use; developing maritime rather than road transport; improving use of the rail system.

Meet community needs

Ensuring that the employment, housing and environmental needs of the people of Hayle can be achieved in a sustainable manner.

Make best use of resources

Maintaining the various green areas within and on the outskirts of the urban area, while using the brownfield land in the harbour area to meet community needs. There is a substantial area here, which should be developed, in the long-term interests of the community. The harbour might be developed with the aim of meeting local requirements. In the short term this would mean the retention and enhancement of the fishing facilities. At the same time an assessment of the port's potential for other port related activities would be carried out. In view of the detrimental social effects of marina development, this proposal would be dropped.

Conclusion

The Hayle harbour site has the potential to be an important element in the revitalisation of the town, with new jobs, port facilities and appropriate housing. Yet the current proposals are simply a means of creating a new suburb of little benefit to the existing community and indeed not addressing their needs. In the future there will be two Hayle's – the old town, which will no doubt still suffer from deprivation - and the new, a coastal suburb catering for a more affluent group of incomers.

Appendices

Appendix 1: Land areas

Area		Hectares
North Quay	Brownfield	6.3
North Quay car park	Dune	1.3
East Quay	Brownfield	0.8
South Quay	Brownfield	3.5
Hilltop and Clifftop	Dune	4.1
Riviere Fields	Greenfield	7.9
Spit car park		0.8
Spit *		5.0
Mudflats and beach		25.3
Total		55.0

[* Assumes most of spit is left undeveloped].

Source: Figures derived from LDA Design.

Appendix 2: Additionality

*The first calculation is the **reference case** (or **deadweight**) which is the outputs (i.e. new jobs) that would have occurred whether or not the proposed development takes place.*

***Leakage** – This is the proportion of the outputs (new jobs) that are likely to benefit those outside the proposed development's target area.*

Displacement – This is the proportion of project outputs/outcomes which should be discounted because the project results in reduced outputs elsewhere in the target area.

Substitution – This is where a firm substitutes one activity for a similar one (such as recruiting a jobless person while another employee loses a job) to take advantage of public sector assistance.

Economic multiplier effects – Further economic activity associated with additional local income and local supplier purchases, i.e. the knock-on effects within the local economy.

Net impact of additionality is calculated using the following equation:

$[Gross\ impact \times (1-leakage) \times (1-displacement) \times (1-substitution) \times Multiplier] - Deadweight.$

For the proposed development this equates to: $[1,766\ gross\ jobs \times .0.9 \times .75 \times 1.1] - 0 = 1,311\ net\ jobs.$

Source: ING, 2007.

Appendix 3: Open Areas Related to Settlements

These areas may be within a settlement and make a valuable contribution to the wider environmental value of their locality by providing an open aspect and offering some tranquility in otherwise built surroundings. In many cases such open spaces may be historically significant in that they represent a specific period of a settlement's development and economic prosperity. The value of such areas is not dependent on public access but stems from their contribution, in visual and environmental terms, to the overall scene. They also frequently provide valuable habitats for wildlife. Penwith District Council, (2004), Penwith Local Plan.

7.3.9 The basis for the designation of an Open Area Related to a Settlement is that there is a strong relationship between the area and the form, character and environmental quality of the settlement. The factors taken into account, and considered sound by the Local Plan Inspector, are;

an open break between settlements which serves to retain their individual identity and character;

a green finger or wedge which enables the countryside to penetrate into a built up area and helps maintain a semi rural character and appearance;

an important open space within built surroundings, providing tranquility and interest; and

a prominent local physical feature within the settlement which contributes to its character.

Penwith District Council, (2004), Penwith Local Plan.

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