



Hayle Harbour, Hayle, Cornwall

Application to the Secretary of State to exclude the land specified in Schedule 1, attached, from Hayle harbour under Section 16 of the Hayle Harbour Act 1989.

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Introduction

This report has been prepared to support an application under Section 16 of the Hayle Harbour Act 1989.

Hayle Harbour is the subject of a major redevelopment and investment programme which is set to transform the fortunes of the Harbour and the Town.

Planning permission has recently been granted for a major regeneration project which comprises the following:

- i) The creation of a new marina and commercial harbour.
- ii) In excess of 1,000 residential homes and
- iii) A publicly funded Marine Renewables Business Park.
- iv) An hotel.
- v) Retail stores and shops.
- vi) Restaurant units.
- vii) Offices and new business premises
- viii) Leisure floorspace

The completed investment value of the scheme amounts to over £220 million. The scheme includes the repair, restoration and reinstatement of the historic harbour walls and quaysides and the reinstatement of historic sluicing arrangements. The Investment in the historic and new infrastructure required to bring the project to fruition is in itself in excess of £20 million.

The project covers the development of over 70 acres of land and includes the restoration and reinstatement of four separate quaysides, known as North Quay, East Quay, South Quay and Dynamite Quay.

An indicative masterplan and aerial photo montage of the proposed development are included at **Appendix 1**. Images of the proposed first phase of development on South Quay are included at **Appendix 2**.

Work commenced on site in March 2010 on the repair and restoration of North Quay and East Quay and the construction of a new road and infrastructure to serve the Marine Renewables Business Park, which is being promoted by Cornwall Council. This first phase of Infrastructure has been publicly funded and represents an investment of over £14 million. The work is due to complete in November 2012 and Cornwall Council would like to commence the development of a first phase of buildings at the business park immediately.

Full planning permission was also granted on 8th May 2012 for a proposed first phase of mixed use development on South Quay, comprising retail and residential uses. Work is programmed to commence on site during the final quarter of 2012.

The application under Section 16 of the Hayle Harbour Act 1989 is required to separate the harbour operation from the proposed commercial and residential development.

The plans included at **Appendix 3** show the proposed amendment to the Harbour Lands Plan included within the Act and which currently falls under the jurisdiction of the Harbour Authority.

The decision to amend the Harbour Lands Plan should be made having regard to the following:

- i) The harbour was closed to commercial shipping in 1977. The entire harbour and port was subsequently sold in 1983. This led to the sporadic removal over time of all of the quayside buildings on South Quay and the majority of buildings on North Quay.

The former South Quay slipways/Carnsew Dock and part of the Carnsew Channel were in-filled with the demolition rubble and the historic sluicing arrangements fell into disrepair.

As a consequence of the above, none of the land enclosing the harbour has been used for commercial, port related activities for a considerable period - over 35 years. Photos showing the current state of dereliction on South Quay are included at **Appendix 4**.

- ii) Over 5 acres of quayside are proposed to be repaired, reinstated and retained by the Harbour Authority for the current harbour operation, which primarily serves local fishermen and leisure craft.
- iii) Additional land has been retained on North Quay for the possible future expansion or use by the harbour in the unlikely event that commercial operations experience a resurgence.
- iv) The land which is proposed to be removed from the harbour lands designation, together with the adjacent development land on Hill Top and Riviera Fields benefits from planning permission for a major £220 million regeneration scheme which will provide a major boost to the local economy and provide a diversity of uses and activity that will benefit the harbour as a whole.
- v) The proposed development will secure the future of the harbour due to the following measures and initiatives:-
 - It makes a significant investment in the harbour infrastructure, including the development of a new fishermen's compound on North Quay.
 - The historic sluicing regime at Carnsew Pool/Carnsew Channel will be fully restored and sluicing will be reintroduced by the Harbour Authority, reducing the need for costly dredging of the Harbour.
 - The proposed development includes a commitment to the creation of a Heritage Harbour Levy, to be paid by the occupants of the development, which will contribute towards the maintenance, improvement and running costs of the harbour.
 - The harbour will be transferred from private ownership to a Community Trust, which will be managed by and for the benefit of the people of Hayle.

Background to Hayle Harbour

Hayle Harbour grew rapidly from the mid-18th Century following the establishment of the Cornish Copper Company and Harvey & Co; two industrial companies who oversaw the creation of the quaysides that now define Hayle Harbour. These two pioneering industrial

companies developed the quays, slipways and docks to serve their own merchant trading activities and with the intensification of activity the sluicing arrangements were introduced to keep the harbour navigable and clear of silt.

With the creation of other more accessible trading ports and the decline of the foundries upon which the local economy was so dependant, Hayle's dominance waned. Between 1920 and the late 1950s the quays were predominantly used for ship breaking, with merchant trading reducing to such a degree that the port was finally closed to commercial shipping in 1977 and sold in 1983.

Since the closure of the harbour the quaysides have been largely cleared and have lain unused and neglected. In recent years the harbour has operated on a shoe string and become home to a small number of individual fishing boats whilst also providing moorings for leisure craft. Some of the quays have been used for open storage with other small scale marine related uses located on East Quay (Attached as **Appendix 5** are photos of the harbour showing the desolate nature of the quays and the moorings)

Various redevelopment proposals have been advanced by different developers but all failed to bring forward a commercially viable proposal; with a number going bankrupt as a result.

It is understood that the Hayle Harbour Act (1989) was originally promoted by one of the developers in order to facilitate a major redevelopment, but this too failed.

The harbour was ultimately acquired by ING in 2005 who have been working ever since to secure planning permission for a viable mix of uses that will cover the huge cost associated with the restoration of the quays and delivering the requisite regeneration.

The new infrastructure works that are opening up North Quay and the more recent planning permission for South Quay, which has attracted a national retailer as a tenant, means that ING's development will happen. In particular it is the only proposal for the harbour over the past 35 years that has the support of the local community.

The Hayle Harbour Act (1989)

The Hayle Harbour Act (1989) established the Hayle Harbour Company Limited and conferred upon the company, inter alia, certain powers to enable them to operate the Harbour as a public harbour undertaking.

The harbour company was made responsible for managing the commercial operations and facilities for the fishing fleet and leisure craft. The Act placed certain responsibilities on the harbour company including, inter alia, ensuring safe navigation within the harbour limits and the maintenance and improvement of the harbour fabric. Against this background, the Hayle Harbour Authority Limited, the statutory harbour authority under the Act, is committed to undertaking and regulating marine operations to safeguard the harbour, its users, the public, the environment and the local heritage.

However, as indicated above, Hayle Harbour is no longer used for any kind of commercial shipping and none of the quaysides are currently used for wharfage., The Harbour Authority's principal activity now relates to the administering of the moorings for the local fishermen and leisure craft, providing security for users and maintaining the harbour fabric.

The harbour operation has run up a loss every year since it was acquired by ING and as a consequence has benefited from a subsidy from the developer of more than £1m; in the current running costs of the harbour currently stands at more than £150 k per annum.

The future use of the harbour

Given the decline of the commercial operation of the harbour over the past 35 years, successive developers have sought to redevelop the harbour land and regenerate the harbour itself. As a consequence, in working up its regeneration proposals for Hayle, ING, in conjunction with the Harbour Authority, has paid specific regard to the requirements of the local fishing fleet, leisure users and the potential future needs of commercial operators associated with the Renewables Business Park and Wave Hub.

In so doing a fundamental principle underpinning the proposals for the harbour is the need to maintain pedestrian and vehicular access to the quaysides, strategies for ensuring safe navigation, the enhancement of flood protection and providing enhanced port services and facilities; including additional moorings. These measures are seen as being essential to ensuring the port can sustain itself as an on-going operation.

Planning Background

In evolving proposals for the harbour it has been necessary to balance the aims and objectives of heritage guidance [now enshrined in PPS 5, which relates to the conservation of designated assets; i.e. the process of maintaining and managing change to a heritage asset in a way that sustains and, where appropriate, enhances its significance] and the provisions of the development plan; in particular Proposal TV-D of the Penwith Local Plan (2004) which allocated the harbour for redevelopment.

In light of the above, on 29th June 2010 outline planning permission (Ref:LPA 08-0613-P) was granted to ING for the £220 million regeneration of the harbourlands master plan area.

The master plan area comprises South Quay, East Quay and Carnsew Quay, which are all listed structures (as is the historic sluicing arrangement), North Quay, Hilltop and Riviere Fields. The outline planning permission provided for 1,039 residential units, 13,198 m² of retail floorspace (A1 – A5), 12,940 m² of office floorspace (B1), by 5,577 m² of industrial space (B2 and B8), a hotel 2,430 m² and Leisure and non-residential D1 & D2 space, new infrastructure works and repairs to the quay walls.

On 29th June 2010 permission was also granted for infrastructure improvements (Ref: 08-1721) to facilitate the development of North Quay and the Renewables Business Park. These works included, inter alia, a new bridge to North Quay, an access road along North Quay to serve the Business Park, a fishing harbour, flood defence improvements and repairs to the fabric of the quays. The cost of the infrastructure works (c. £14 million) have been jointly funded by Cornwall Council and central government. Work is due to be completed by November 2012.

Revised proposals for South Quay

On May 8th 2012, ING secured planning permission for revised proposals for South Quay which will now form the first phase of development of the Hayle Harbour Project.

South Quay is fundamental to the success of the Hayle Harbour Regeneration Project. It is situated in a prominent and visible position in the heart of the Town Centre. It has lain vacant

and partly derelict for over 35 years. The costs of repairing and reinstating the Quay and undertaking the necessary infrastructure works required to bring the Quayside back into active use (which includes major off site highway improvements and creating a raised development platform to deal with flood risk/climate change) are astronomical (circa £8 million).

The Quay walls are also listed and the site forms part of the Devon and Cornwall Mining World Heritage Site.

ING has secured tenant interest for a first phase of development on South Quay which is capable of funding all the requisite infrastructure works, including the restoration and reintroduction of the historic sluicing mechanism in the Carnsew Channel Furthermore, ING has devised a strategy for the future of the Harbour and its funding, which has secured widespread support from Cornwall Council and the local community.

Due to the importance of South Quay and the need to find a sustainable future for the harbour, ING undertook a comprehensive public consultation exercise and worked with local stakeholders and the local community to bring forward a viable form of development that would also fund the future Harbour Authority. As a consequence, the proposed development and the proposals for the future of the harbour received the unanimous support of Hayle Town Council and Cornwall Council. A copy of the Statement of Community Involvement prepared by Consensus, which under-pinned the South Quay planning application is attached at **Appendix 6**.

The South Quay permission allows for:-

Full Planning permission for the erection of a Foodstore (A1), 3 non-food units(A1), a restaurant /bar (A3/A4); the creation of a new public realm including quayside promenade and public open space, associated infrastructure including the construction of a raised development platform and related flood prevention measures, new highway junction on Carnsew Road and improvements to the existing highway, car parking and servicing arrangements, and access to the residential development to the north of the quay.

Outline planning permission for the erection of 30 residential units, the construction of a new restaurant (A3), associated infrastructure including estate roads, car parking and amenity spaces, the erection of a new pedestrian footbridge over Penpol Creek, and the creation of improved pedestrian access and landscaping proposals to enhance Isis Garden.

Combined, the Outline Planning Permission and the South Quay permission promote a range of non-harbour related land uses, whilst maintaining access to the quayside so that the future running of the harbour for commercial purposes, fishing and leisure uses is enhanced.

Ensuring the continued operation of the harbour through the South Quay Application.

The South Quay approval brings forward a wide range of benefits through a Section 106 Agreement that deliver a sustainable future for the harbour. In particular, the permission will:

1. Provide for an extensive area of public realm in the form of a promenade to the periphery of the quays that will -
 - Provide full pedestrian access to the whole quayside area
 - Provide access to the quay for harbour users, both leisure craft users and the local fishing fleet

- Allow for emergency vehicular access
 - Allow for the loading and unloading of boats
2. Ensure the development is protected from climate change -
- All new floorspace is to be provided on a flood defence platform at a level agreed with the Environment Agency.
3. Ensure safe navigation and continued operation of the harbour -
- The traditional sluicing arrangements to Carnsew Pool are to be reinstated to operational standards. The Harbour Authority will thereafter be committed to the operation of the new sluicing
 - The existing fill within Carnsew Channel is to be removed.
4. Provide port facilities and services -
- The breached section of the quay will be repaired
 - Additional quayside moorings are to be created; particularly along the 100m of new quayside in Carnsew Channel.
 - Access to the quayside is to be maintained at all times via the public promenade that is retained at the existing quay level
 - Provision is made for trolley stores and other facilities for boat users
 - A new fishermen's harbour is to be provided at North Quay. This will include loading and unloading facilities, a storage compound and ice store
 - The existing slipway on North Quay is to be retained
5. Provide for the protection of heritage assets -
- The restoration to full working condition of both Carnsew sluices and the reinstatement of the historic Carnsew Sluicing system. Sluicing forms part of the wider proposed heritage package put forward to mitigate the development's impact on the Outstanding Universal Value (OUV) of the World Heritage Site. The historic sluicing arrangement is a unique element within the whole of the World Heritage Site and its renovation and re-introduction will be a positive contribution to the harbour's OUVs and help increase the public's understanding of the historic operation of Hayle Harbour
 - The excavation of the Carnsew Dock (the extent of which is limited by the land in the applicant's control)
 - The provision of interpretation boards relating to the heritage assets within the site and their relationship to the wider Conservation Area and World Heritage Site
 - Repairs to the existing harbour walls to conservation standards
 - Reinstatement of the harbour furniture – bollards, mooring rings and access ladders etc
 - The protection of sub-surface designated heritage assets during the construction and operational phases.
6. Provide a sustainable future management of the Harbour –

- Following further public consultation a Trust will be formed which will ultimately take over the running of the harbour. The exact form of Trust, its composition, constitution and responsibilities will be derived through the consultation process
- The harbour land which is not being released, together with other land in ING's ownership within the town will be transferred to the new Harbour Trust. The Trust will also receive an on-going annual income in the form of the Harbour Heritage Levy.
- The Levy will be raised via a ground rent charge on each residential and commercial property developed by ING, generating approximately £200,000 per annum. The money raised through the Levy will be collected by the Harbour Authority and ring-fenced, to be solely used for the future maintenance, improvement and running of the harbour and will supplement the income derived from harbour dues and mooring fees.

Conclusions

In summary, the application under Section 16 of the Hayle Harbour Act only seeks the de-designation of lands that no longer serve a harbour purpose. Furthermore, given the form of the consented development and the terms of the conditions and S106 Agreements, as referred to above, a sustainable future for the harbour will be secured.

Against this background, it is considered that no harm will result from the de-designation of the lands forming part of this application as none of the land is required in relation to the future operation of the harbour. Furthermore in the future the harbour will be able to operate without private or public subsidy