Appendix 1

Local Impact Report under section 60 of the Planning Act 2008 in relation to the proposed underground gas storage facility at Preesall salt field, Lancashire

Report of Wyre Borough Council as Local Planning Authority

1. Introduction

1.1 Halite Energy Group (Halite) has submitted an application for a Development Consent Order for the construction of an underground gas storage facility. This includes the creation of caverns by solution mining in salt; the construction of associated above and below ground infrastructure; construction of a new access road at Preesall; and the construction of a new gas pipeline between Preesall and Nateby interconnecting to the national transmission system.

1.2 The application will be determined by the Secretary of State after consideration by an Examining Panel of Inspectors and specialist advisor of the National Infrastructure Directorate (NID) which is part of the Planning Inspectorate. The NID is responsible for considering Nationally Significant Infrastructure Projects (NSIP's). The proposed development is a NSIP.

1.3 Local Authorities in whose areas applications for NSIP's are submitted are invited to produce a Local Impact Report (LIR). The Planning Act 2008 requires that the Examining Authority (and Secretary of State) must have regard to the LIR in determining applications for Development Consent Order. The definition of an LIR in the Planning Act 2008 is 'a report in writing giving details of the likely impact of the proposed development on the authority's area (or any part of that area). The content of the LIR is a matter for the Local Planning Authority concerned but the Planning Inspectorate has published guidance on its content. This report follows that guidance.

1.4 Lancashire County Council is also a relevant local authority for the area affected by the proposed development. Lancashire County Council has
produced its own LIR which concentrates on the detailed environmental impacts of the scheme with regard to the previous development proposals for similar developments. This LIR includes much that is also set out in Lancashire County Council’s LIR.

1.5 The Examining Authority has requested Halite to prepare statements of common ground (SOCG) on specific issues with relevant bodies including the County Council and Wyre Borough Council. Reference is made in this report to a number of such statements on which agreement between the applicant, the County Council (and in some cases Wyre Borough Council) can, or have been reached and can be submitted to the Examining Authority. These are significant in that they seek to establish the acceptability of elements of the application and content of the supporting environmental assessment, both of which have sought to address the County Council’s concerns in respect of previous applications and which are referred to in the site history section of this report.

2. **Details of the Proposals**

2.1 The application is for the development of an underground gas storage facility to store 900 million m$^3$ of natural gas (to give a working capacity of up approximately 600 million m$^3$ ) in 19 caverns with an operational design life of over 40 years. The development would extend over an area of 506 hectares. The application is accompanied by an Environmental Statement (ES).

2.2 In preparing the scheme Halite has had regard to the Secretary of State’s decision to dismiss the appeal by Canatxx Gas Storage Limited (CGS) for non determination in 2007 (application 02/03/1415) and the refusal of CGS’s most recent planning application by the County Council in January 2010 (application 02/09/0159).

2.3 The primary issues addressed in the Environmental Statement are:
• Geology
• Landscape and Visual Impact
• Safety and security
• Perceived fear
• Sustainability of the use of salt
• Ecology
• Highway and public rights of way
• Noise
• Water quality/sea defences/flood risk
• Tourism and economic development
• Marine archaeology and cultural heritage
• Civil and military aviation and defence
• Air quality
• Land use
• Waste management
• Need

2.4 The proposed above ground development would extend over an area of 506ha on land either side of the Wyre Estuary and include:

• Security and Support Facility – located within existing buildings at Higher Lickow Farm.

• Booster Pump Station – to be located next to Hackensall Sewage Treatment Works.
• Wellhead Compounds – located on the east side of the Wyre Estuary

• Gas Compressor Compound – located on the main Preesall site to the east of the Wyre Estuary

• Seawater Pump Station – located on the west bank of the Wyre Estuary.

2.5 Three pipelines are required as part of the project:

• Brine Discharge Pipeline – a pipeline under the River Wyre to the Booster Pump Station. The brine discharge is then conveyed through a pipeline across the Fleetwood peninsula and over the sea wall to a point approximately 2.3 kilometres offshore where it would be discharged to the Irish Sea.

• Electricity Pipeline – underground electricity cables from the United Utilities switchgear in the Stanah Switchyard to the proposed Gas Compressor Compound.

• Interconnecting underground gas pipeline to the national gas transmission system at Nateby with an associated pumping station.

2.6 Improvements to the road infrastructure in the area would be required. A new road is proposed from the A588 to Back Lane. Access to the site would be taken from Back Lane linking the access road to the main buildings and wellheads via a series of tracks.

2.7 The main buildings and pipelines would be constructed over a three-year period with the cavern creation process taking up to eight years to complete.

2.8 Halite has set out the proposals in the following documents. The documents are extensive and contain a considerable amount of detail much of which is very technical:

• Project overview – overview of the project and consultation process
• Preliminary Environmental Information – preliminary assessment of environmental effects of the Project; also provides details of alternative Project designs, layout and pipeline routes that have been considered.

• Preliminary Quantitative Risk Assessment – Examines risks posed by the Project.

• Planning and Indicative Drawings – Indicative drawings in respect of the proposed Project.

• Summary Geology Report – Geological stability of area proposed for underground salt caverns for gas storage.

• Golder Report – Summarises findings of salt permeability tests.

• Drilling Report – Review and analysis of proposed drilling programme and techniques required to create caverns.

• Pipeline Subsidence Report – Analysis of pipeline route stability.

• NTS Pipeline Report – Analysis of the proposed route for the pipeline from Preesall to Nateby and alternative route that have been considered.

• Preliminary Planning and Sustainability Statement – Overview of relevant planning policies and summary of how the project has responded to reasons for refusal of previous planning application made by Canatxx Gas Storage Limited.

• Preliminary Design and Access Statement – Overview of design principles for above ground structures forming part of the Project.

• Statement of Community Consultation – Sets out the community consultation programme, what we will consult on, who we will consult with, the proposed method of consultation.
2.9 Decommissioning – the lifetime of the facility is not clear although the application indicates the proposed operations would be phased over 40 years. However, at that time the caverns would be emptied of gas, filled with brine and the boreholes plugged with cement. The wellheads would be cut off 2m below the surface and the land restored. Ongoing monitoring of the caverns would be carried out throughout the operational life of the site and for a further as yet unspecified period. Retention of the cavern washing infrastructure would be investigated in view of its potential to be of assistance in enhancing flood protection of the area. Any retention would require planning permission and would be considered on its merits at the time of any application.

2.10 The applicant has reviewed the need for gas storage facilities since the previous application was considered and concludes there is greater need than previous and that the need is supported by current Government policy and the National Policy Statement. The applicant maintains that the Preesall proposal would make a significant contribution (an additional 3 days’ supply) to gas storage and supplies in the UK close to market need and be able to rapidly respond to fluctuations in market demand due to the design of the facility.

2.11 The applicant maintains the salt deposits at Preesall have been proven for gas storage and that safety issues would be addressed as part of the COMAH process regulated by the Health and Safety Executive. The proposed caverns would be located away from existing workings and in conjunction with engineering design and monitoring systems would ensure any gas leakage could be contained and mitigated.

2.12 Whilst the applicant accepts the disposal of saturated brine to sea is an unsustainable use of minerals, it is maintained that there is no alternative beneficial use for the salt. Proportionally the quantity of salt lost would be minimal and the applicant maintains that its loss would be outweighed by the benefits of contributing to the national need for gas storage.

2.13 The applicant strongly believes that the proposal has significant locational advantages due to its proximity to the existing NTS infrastructure; it would replace the depleting Morecambe Bay Gas Field; it would add significant
capacity to the western leg of the NTS; the salt is suitable; there is a local water source for solution mining; it would have a reliable electrical connection at Stanah; it would have high injection and withdrawal rates; it would have a fast reaction time; it would be reliable; it could be constructed at low cost and has flexibility.

3. **Description of the Application Site and Surroundings**

3.1 The development would extend over an area of 506 hectares, the main part of which covers an extensive irregularly shaped area comprising the River Wyre/estuary, open agricultural land with associated hedged field boundaries and salt marsh to the east of the Wyre Estuary. To the north is Hackensall Sewage Works, Cote Walls Farm and Knott End golf course, beyond which is the settlement of Knott End; to the north east is Presell; to the east Stalmine; and to the south Staynall with Hambleton beyond. There are a number of scattered farmsteads in the area, which are typical to the rural area comprising old houses and a mixture of traditional and modern agricultural buildings and hard standings. There are two recreational static caravan parks at The Heads adjacent to the estuary, one of which is within the control of the applicant. The other is in private ownership. The area is accessed by a number of single width roads, agricultural access tracks and a number of public footpaths including the Wyre Way, which runs up the eastern side of the Wyre Estuary on the flood embankment. The land is generally flat but undulating in parts. There is evidence of former salt workings in the form of brine abstraction well heads throughout the site and extensive evidence of former abstraction activity to the east and north east in the form of water filled depressions some of which are significant, extensive, deep and security fenced. These are a result of either catastrophic cavern collapse or areas associated with a former ‘dry’ mine to the east of Cote Walls Farm the surface development of which has since been removed and the former workings are now flooded. Land to the east of the estuary is designated as Countryside Area and part of the site falls within an area designated as Defined Open Coastline in the Wyre Local Plan.
3.2 The area of Arm Hill and all the salt marshes (under which some of the caverns are proposed to be constructed along with the under Wyre interconnecting pipe and electricity lines) fall within Morecambe Bay Special Protection Area (SPA) designated due to its importance in supporting bird populations of European importance. This area also falls within the Wyre Estuary Site of Special Scientific Interest (SSSI) and a Ramsar site.

3.3 To the west is the Wyre Estuary and associated salt marshes (under which caverns are proposed to be constructed along with the under Wyre interconnecting pipe and electricity lines) beyond which lies the Fleetwood peninsula. The eastern side of the peninsula is fronted from north to south by Fleetwood Docks, the former Fleetwood power station site which has been reclaimed for ecological and recreational purposes, Jameson Road landfill/raise site and land associated with the former ICI works. The salt marshes to the west of the estuary fall within the Morecambe Bay SPA, SSSI and Ramsar site.

3.4 A corridor of some 20m beneath the estuary would be required to accommodate the communications, seawater and brine discharge pipeline. The pipelines would be directionally drilled under the estuary emerging at Fleetwood Dock. The discharge pipeline corridor would then continue and run a course parallel to the rear of the Jameson Road waste water treatment works and a holiday caravan park, along Jameson Road over the disused railway before crossing the A 585(T) and running through the grounds south of the Nautical College of Fleetwood. It would then run to the rear of residential properties on South Strand and then parallel to West Way past Rossall Hospital to the coast. The discharge pipeline would then cross the sea wall before extending some 3km into the Irish Sea (previously 2km). The corridor crosses an area of mixed uses including areas of vacant and open land and playing fields some of which is designated Green Belt and is in close proximity to a number of Biological Heritage Sites, one of which is crossed at Rossall.

3.5 A smaller corridor is proposed similarly beneath the estuary to accommodate an electricity supply between a substation at Hillhouse and the proposed
electrical sub-station near Burrows Farm. The supply would then run underground through agricultural fields to supply the above ground infrastructure.

3.6 The application site to the east of the Wyre Estuary lies in the open countryside and the locations where surface development is proposed would not comprise previously developed land in policy terms.

4. Planning History

4.1 There is an extensive history of brine working in the area to the east of the estuary and more recently associated with the former ICI works at Hillhouse to the west of the estuary. All these operations have now ceased although the legacy of the operations on the eastern side of the estuary in the form of well heads and extensive ground subsidence associated with former underground caverns is very apparent. One of the underground caverns located on the corner of Burrows Lane and Back Lane contains mercury waste (BW107). The well head and immediate surface area is security fenced.

4.2 In 1998 an application was made to the Department of Trade and Industry for the construction of a gas pipeline from Burrow’s Farm to St Michaels-on-Wyre in connection with a proposed gas fired power station at Fleetwood. However, no consent was issued and the application has now lapsed.

4.3 In 2003 a planning application was submitted to Lancashire County Council for an underground gas storage facility (ref 02/03/1455). An appeal against non-determination was lodged in October 2004. Lancashire County Council resolved to object to the proposal on eleven grounds mainly relating to the lack of information on geological and ecological issues, unacceptable impacts of traffic, visual grounds and perceived fear in December 2004. The appeal was subsequently withdrawn and substituted by an appeal against non determination in connection with planning application 02/05/1415 referred to below.
4.4 In August 2004 an application for Hazardous Substance Consent was submitted to Lancashire County Council for the storage of 2 million tonnes of natural gas (Ref HSC/04/01). The application was refused in December 2004 and against which an appeal was lodged.

4.5 In November 2004 a planning application was submitted to Lancashire County Council for an underground gas storage facility (ref 02/04/1415). The application contained additional information relating to the geology of the site and sought to address the concerns relating to the previous application. The information was considered insufficient and the application was not determined. An appeal against non-determination was lodged in June 2005. Lancashire County Council resolved to object to the proposal in July 2005 on eleven grounds mainly relating to the lack of information on geological and ecological issues, unacceptable impacts of traffic, visual grounds and perceived fear.

4.6 In April 2005 an application for Hazardous Substance Consent was submitted to Lancashire County Council for the storage of 2 million tonnes of natural gas (Ref HSC/05/01). This was subsequently amended to 1.2 million tonnes. The application was considered in tandem with the above planning application (ref 02/04/1415). In view of the lack of information relating to geology the application was not determined. An appeal against non-determination was lodged by the applicant.

4.7 Following a public inquiry the Secretary of State dismissed the appeals against the non-determination of the planning application and application for Hazardous Substance Consent in October 2007. The main issues considered by the Secretary of State were the following:

- Need, alternatives and principle of development

- Geology, storage technology, mining industry

- Risk (gas migration/explosion), risk assessment, fear as a material consideration
• Sustainability of the working/disposal of mineral salt
• Impact on internationally, nationally, and locally designated sites and protected species
• Landscape and visual amenity
• Impact on the Wyre Estuary/Wyre Way and other footpaths
• Highway safety and highway impact on amenity
• Noise impact on areas east and west of the Wyre Estuary
• Economic/tourism impact
• Human rights

4.8 In December 2009, a planning application was submitted to Lancashire County Council for the construction of underground caverns by solution mining for the storage of gas and for the construction of associated above ground infrastructure (ref 2/09/0159). The application was refused in January 2010 on the basis it contained insufficient information to properly assess the geology of the area and its relationship to former workings; would introduce unacceptable industrial development into a rural area; would represent an unacceptable risk of gas migration and would result in fear and distress.

4.9 In December 2009 an application for Hazardous Substance Consent was submitted to Lancashire County Council for the storage of 1.2 million tonnes of natural gas (Ref HSC/09/01). The application was considered in tandem with planning application ref 02/09/0159. The application was refused in January 2010 on the basis that it contained insufficient information to properly assess the geology of the area and its relationship to former workings; would represent an unacceptable risk of gas migration, and would result in fear and distress and be contrary to the SEVESO 11 Directive in that it would not maintain appropriate distances between the storage areas and the Wyre Way which would have to be closed.
4.10 A planning application for the retention of two mineral exploration pads, associated capped well structures and access tracks, on land adjacent to the Wyre Way at Hay Nook and Bank End, Preesall was refused in January 2010 (ref 2/09/0549).

5. Relevant Planning Policies including policies of the Development Plan

5.1 The development plan for the area comprises the following:

- North West Regional Spatial Strategy - The Regional Spatial Strategy: The Localism Act 2011 provides that the Secretary of State may revoke the whole or any part of the Regional Spatial Strategy by order. At the time of writing, no such order has been made and therefore the policies of the RSS are still a material consideration although little weight should be attached to them.
- Lancashire Minerals and Waste Local Plan (LMWLP)
- Lancashire Minerals and Waste Core Strategy (LMWCS)
- Wyre Borough Local Plan (WBLP) (saved policies)
- Wyre Borough Fleetwood – Thornton Area Action Plan

5.2 The relevant regional and local policies are set out in a SOCG titled Development Planning Policy. It should be noted there are no policies in the North West Regional Spatial Strategy, the draft North West Plan Partial Review, LMWLP and the LMWLPCS that address the use or creation of caverns in salt by solution mining for gas storage. The policies referred to are considered to be the relevant policies for the proposal and that the SOCG can be agreed. However, since the SOCG was prepared the National Planning Policy Framework (NPPF) has been published.

National Planning Policy Framework

5.3 The National Planning Policy Framework (NPPF) was published on 27 March 2012 and sets out the Government's policies for England. It replaces much of the previous national planning guidance contained in PPG's, PPS's, MPG's.
and MPS's although the supporting appendices have been retained. It sets out the Government’s planning policies for England and how these are expected to be applied. It sets out the Government's requirements for the planning system and a framework for the preparation of local and neighbourhood plans. Planning law requires that applications for planning permission must be determined in accordance with the development plan unless material considerations indicate otherwise. The NPPF must be taken into account and is a material consideration in planning decisions. Planning Policies and decisions must reflect and where appropriate promote relevant EU obligations and statutory requirements. The Framework sets out the meaning of sustainable development for the purposes of the planning system. It sets out three dimensions to sustainable development: economic, social and environmental. At the heart of the NPPF is a presumption in favour of sustainable development and for decision taking means approving development proposals that accord with the development plan. Where the development plan is absent, silent or relevant policies are out of date planning permission should be granted unless theree any adverse impacts which would significantly and demonstrably outweigh the benefits when assessed against the policies in the Framework as a whole or when specific policies of the Framework indicate development should be restricted.

5.4 The NPPF refers to the statutory status of the development plan and provides that proposed development which accords with an up to date Local Plan should be approved unless material considerations indicate otherwise. At the heart of the NPPF is a presumption in favour of sustainable development. At the decision making stage, the NPPF states that the presumption in favour of sustainable development means that development proposals according with the development plan should be approved without delay.

5.5 Paragraph 17 of the NPPF sets out a list of core planning principles that should underpin decision making including driving and supporting economic development to deliver infrastructure, the need to achieve high quality design, protecting the Green Belts and countryside, supporting change to a low carbon economy, taking account of flood risk, contributing to the conservation
and enhancement of the natural environment and heritage assets and managing patterns of growth to make fullest use of public transport, walking and cycling.

5.6 The NPPF is supported by Technical Guidance relating to flood risk and minerals policy.

National Policy Statements

5.7 The Planning Act 2008 made provision for the administration of development consent for nationally significant infrastructure to be administered by a new independent body – the Infrastructure Planning Commission (IPC). There will be 12 National Policy Statements central to the new regime covering infrastructure for energy, transport, waste, water and waste water.

5.8 The Overarching National Policy Statement for Energy (EN-1) sets out the Government's energy policy, explains the need for new energy infrastructure and instructs the IPC on how to assess the impacts of energy infrastructure development in general. It sets out the urgency for new energy infrastructure and provides that the IPC should not need to consider whether there is a national need for new energy infrastructure each time it considers an individual application, but should balance the need for and other benefits of energy infrastructure against the adverse impacts of energy infrastructure. The benefits include the need for energy infrastructure, job creation and any long-term or wider benefits. The adverse impacts include environmental, social and economic as well as impacts identified in the application or otherwise. The IPC should take account of any longer term adverse impacts and any cumulative adverse impacts. If the IPC is satisfied that the adverse impacts outweigh the benefits of the proposed development taking into account measures to avoid, reduce or compensate for those adverse impacts, consent should be refused.

5.9 The National Policy Statement for Gas Supply Infrastructure and Gas and Oil Pipelines (EN-4) must be read in conjunction with EN-1. The efficient import, storage and transmission of natural gas and oil products is crucial to meeting energy needs during the transmission to a low carbon
economy and requires new infrastructure. With regard to underground gas storage, applicants must undertake detailed geological modelling to assess the suitability of the geology for underground gas storage, demonstrate the suitability of the geology for underground gas storage, undertake assessments of the impacts of a proposal in terms of noise, water quality and resources, the disposal of brine and provide any necessary mitigation measures.

5.10 In addition, the following documents and publications are considered relevant to this proposal.

5.11 **European Policy**

- Energy for a Changing World – An Energy Policy for Europe sets out the need for Europe to deliver sustainable, secure and competitive energy. The thrust is on sustainability and the need to reduce carbon emissions but forecasts imports of gas will continue to increase and the need for the security of gas supply. It recognises the risk of supply failure is growing and that additional storage facilities would help the security of supply.

- EU Habitats Directive

- EU Directive – Control of Major Accidental Hazards Involving Dangerous Substances

5.12 **Relevant Publications:**

- Department for Business Enterprise and Regulatory Reform - Gas Storage in your area – Your questions answered

- British Geological Survey – Underground Gas Storage

6. **Consideration of Specific Impacts**

6.1 The proposal has a long and protracted planning history. The most recent planning application was refused for four reasons. In preparing the application for development order consent the applicant has had regard to the findings of the Secretary of State as part of the former appeal, Lancashire County Council’s reasons for refusing the last planning application and the National Planning Policy Statements.

6.2 In preparing the LIR reference has been made to Statements of Common Ground. The statements address a number of issues on where there is agreement between the applicant, the County Council, and in some cases Wyre Borough Council. The statements on matters that were not in dispute or which did not comprise a reason for refusal in connection with the last planning application as follows:

- Planning History
- Planning Policy
- Sustainable Use of Salt Land Use
- Tourism and economic development
- Civil and military aviation and defence

6.3 The following are areas which have been contentious previously or areas on some of which the Examining Authority has invited more detailed comment:

- Ecology
- Archaeology
- Landscape
- Traffic and Highways
• Geology
• Above Ground Risk/Safety
• Hazardous Substance Consent

6.4 The Examining Authority has specifically invited comment on Traffic and Highways, Geology, and Hazardous Substance Consent.

6.5 Other matters to be addressed below include:

• Noise/vibration
• Air Quality
• The Water Environment
• Socio-economic impact

7. Ecology

7.1 The application site falls within and in close proximity to a number of statutory and non-statutory designated sites of nature conservation importance. Morecambe Bay and the Wyre Estuary are designated a Ramsar site, a Special Protection Area (SPA) and a Site of Special Scientific Interest (SSSI) in view of their international importance for mudflat and salt marsh habitats, and the fauna and birds they support. Morecambe Bay is also designated a Special Area for Conservation (SAC). There are a number of Biological Heritage Sites (BHS’s) designated on the Fleetwood peninsula for their vegetation, bird, invertebrate and mammal interest on the west side of the estuary. International and national protected species are recorded in close proximity to the BHSs.

7.2 The development impacts on three areas, the Wyre Estuary and Preesall area, the zone of the proposed discharge pipeline across the Fleetwood peninsula and the marine environment in view of the outfall.

7.3 The Environmental Statement (ES) and SEI refer to a number of desk and field surveys carried out throughout these areas in consultation with a number of specified ecological bodies/groups. It accepts there would be limited
disturbance primarily through the development phase of the project. It also concludes that the protected areas are also at risk from the drilling operations and potential pollution associated with such, although mitigation measures would seek to minimise that risk. It accepts those fields on the landward side of the estuary, which support wintering wildfowl and provides a breeding habitat would be adversely affected and proposes a landscape strategy to minimise the impacts and maximise the opportunities for protecting and creating habitats.

7.4 With regard to the Fleetwood peninsula, no statutory conservation sites would be affected but the proposed revised alignment of the pipeline would affect the Fleetwood Marsh Industrial Lands BHS with the loss of flora significant to Lancashire. It would also cross the Fleetwood Promenade BHS. The assessment recognises that during the construction of the pipeline there would be significant disturbance and temporary loss of habitat but maintains this is in the short term and maintains these impacts could be mitigated by reinstatement.

7.5 The ES and SEI acknowledge the construction of the brine outfall and its operation would cause short-term disturbance to intertidal and subtidal habitats during construction. More significantly they conclude that the discharge of brine would cause localised mortality of static species during the operational phase of the brine discharge pipeline although recovery is likely once discharge ceases. The assessment has undertaken a plume modelling exercise that concludes brine discharge would not impact on the Morecambe Bay area. Liverpool Bay is proposed as a Special Area for Conservation.

7.6 An assessment of the impacts of the proposal on the ecology of the area has been undertaken by the applicant. The assessment concludes that the proposal would not have an unacceptable impact on the ecology of the area or on the adjoining designated protection areas. What impacts there are could be mitigated for as part of the overall development proposals and delivered as part of the proposed requirements for the development consent order. This is a similar view to that taken on the previous application and which was for a larger area. The reasons for refusal did not include a reason relating to
ecological matters. The assessment of the impacts on ecology is considered acceptable by the County Ecologist as are the proposed mitigation measures and which would be delivered as part of the development consent order requirements. A SOCG on ecology has been prepared and is considered to be acceptable by the County Council’s ecologist. A Landscape and Ecological Management Strategy Plan (LEMSP) has also been prepared and is considered acceptable in respect of ecological issues. It is considered that the Ramsar Site, SPA, SAC, SSSI and statutorily protected species would not be adversely affected and mitigation measures could be provided to ensure their protection through the construction and operational phases of the development. Providing a detailed management strategy to protect farmland within the control of the applicant for the duration of the development to provide for birds associated with the Morecambe Bay SPA/Ramsar site, namely Pink Footed Geese, it is considered that the proposed habitat mitigation and management measures would satisfy the Conservation (Natural Habitats and Conservation) Regulations 1994 and the Habitat Directive.

7.7 It is therefore concluded that there would be no unacceptable impacts on the ecology of the area subject to the mitigation measures proposed as part of the requirements to the Draft Development Consent Order.

8. **Archaeology / Cultural Heritage**

8.1 An assessment of the impacts of the proposal on the archaeology and above ground heritage assets of the area has been undertaken by the applicant. The assessment concludes that the proposal would not have an unacceptable impact on the archaeology or heritage assets of the area. What impacts there are can be mitigated for as part of the overall development proposals and delivered as part of the proposed requirements for the development consent order. This is a similar view to that taken on the previous application and which was for a larger area. The reasons for refusal did not include a reason relating to archaeological or heritage matters. The assessment of the impacts
on archaeology is considered acceptable by the County Archaeologist and by Wyre Borough Council’s Conservation Officer as are the proposed mitigation measures which are proposed as a requirement in the development consent order. A SOCG on archaeology has been prepared and is considered to be acceptable by the County Archaeologist and can be agreed. Likewise, a SOCG has been prepared in regard to above ground heritage assets and is considered acceptable to the Council’s Conservation Officer and has been agreed. It is therefore concluded that there would be no unacceptable impacts on the archaeology and cultural heritage of the area subject to the mitigation measures proposed as part of the Draft Development Consent Order.

9 Landscape

9.1 Throughout the previous proposals for underground gas storage in the Preesall area this Council, together with Lancashire County Council has consistently expressed concern to the impact of such on the landscape. The impact on landscape was a major issue at the public inquiry and a reason for the refusal of planning application 2/09/0159. Whilst the current proposal is smaller than previous applications in terms of the quantities of gas to be stored, covers a smaller area and has been designed in a way to minimise its impact on the landscape, there continue to be above ground developments as part of the proposal which are considered to have an impact on the landscape, most particularly associated with the proposed gas compressor station and well head compounds. The development to the west of the Wyre Estuary remains very similar to that previously proposed and with which no issues were raised. This continues to be the case subject to detailed design of the proposed water pumping station and sea wall crossing and which could be required as part of the requirements.

9.2 A visual appraisal of the development has been undertaken by the applicant as part of the EIA, which concludes that most of the impacts would be
temporary and those impacts that would be permanent would be mitigated by landscaping in time.

9.3 The appraisal recognises that there would be some disturbance as part of the pipeline construction across the Fleetwood peninsula but that this would be for a short term temporary period and impacts would be mitigated by a sensitive programme of works, reinstatement of disturbed land and mitigation of impacts throughout the construction period.

9.4 To the east of the Wyre Estuary, the proposal falls within a rural area predominately used for agricultural purposes. There is evidence of former salt workings in the form of water bodies associated with the subsidence of a former dry salt mine and which are now used for recreational purposes; catastrophic failures associated with the collapse of former caverns which did not retain a salt roof and some of which now form water bodies and which are all security fenced; and evidence of more recent salt extraction in the form of well heads associated with caverns which were developed by retaining a salt roof. One brine well holds waste mercuric sulphide; this wellhead is similarly security fenced but falls outside the control of the applicant.

9.5 The main visual impact associated with the development would be during the construction phase and from the above ground plant, access tracks, wellheads and secure compounds, buildings and associated features such as storage compounds, parking areas etc for the operational life of the site to be located on the eastern side of the estuary and which would introduce significant changes to the landscape which would be of a permanent nature over the operational life of the site and possibly beyond if certain elements of the infrastructure are retained beyond the decommissioning stage.

9.6 As part of the assessment of the most recent planning application (Ref 2/09/0159) the County Council appointed consultants to undertake an assessment of the landscape and visual impacts of the proposal on the landscape. The consultants have been retained and have undertaken an assessment of the landscape impacts of the current proposal.
9.7 With regard to the assessment and that undertaken to assess the previous application it is considered that the landscape to the east of the estuary is of high quality and is characterised by two distinct landscape character tracts; the low lying mud flats and salt marshes associated with the estuary and an established agricultural landscape of the coastal plain comprising medium sized fields enclosed by hedges and scattered farmsteads. The area lies within the Coasts and Estuaries and Amounderness landscape tracts defined in the Landscape and Heritage SPG to the former Lancashire Structure Plan and which has been retained for development control purposes. This gives priority to the conservation of sand dunes, salt marshes, coastal cliffs and grasslands, beaches and other intertidal habitats. The site also lies within the Open Coastal Marsh, Coastal Plain and Suburban Landscape Character Types.

9.8 With regard to the impacts of the proposal on the coastal environment to the west of the Wyre Estuary the impacts are considered to be temporary and reversible and would be implemented during the earliest stages of construction. Permanent impacts are limited and would not have a permanent detrimental effect on the open character of the coast. The viewing platform at the sea wall has potential to enhance the coastal environment. In terms of impacts on the urban environment, the scheme would not result in long term, permanent or irreversible adverse impacts and certain aspects have the scope to make a positive contribution to the urban environment. During operation and after implementation of mitigation measures there would not be a permanent loss of land that otherwise contributes to open space and recreational needs. Mitigation proposals largely relate to reinstatement of land and features disturbed during construction, the long term maintenance of which provide opportunities to increase the amenity value of the area and positively contribute to the setting and context of other areas of urban regeneration.

9.9 With regard to the impacts on the rural environment to the east of the Wyre Estuary, the scheme would have generally adverse impacts on the areas of open countryside and this would conflict with the aims of the policies for the
rural area, which specifically aim at protecting or enhancing the rural environment and the enjoyment of those using the footpath and bridle path network within it.

9.10 The proposals for mitigation and enhancements would go some way to improving the visual appearance of the scheme in the rural environment and reducing the overall adverse impact of the development. The Hyder LVIA has considered these elements and concludes that in this area, and in spite of high quality design and mitigation, there would still be residual impacts on the landscape. Notwithstanding the design and mitigation measures proposed, it is still considered that the cumulative effects of the scheme would have significant adverse impacts on the character and quality of the rural environment as part the construction and establishment phases to year 18 and also on the visual receptors although it is acknowledged that such effects beyond that period may become neutral with only character areas LCA4B and 4c, the Wyre Way and footpaths in the vicinity or cross the site being subjected to a slight adverse impact.

9.11 The development would introduce built elements into the area to fundamentally alter the character of the area from that which is currently rural (with the potential to enjoy undisturbed recreational activities that have only distant views of urban features on the west of the estuary) and fundamentally altering the character of the area to a more urban character, particularly with the presence of the gas compressor station, associated stacks, well head compounds and access tracks.

9.12 The introduction of industrial built features, tracks and roads as well as the temporary and permanent disturbance to the existing landscape components would increase disturbance to the area and impact adversely upon its recreational use.

9.13 Whilst proximity to the proposed underground gas storage facility and the interconnecting pipeline to the national transmission line may deliver operational convenience, it would be preferable for the industrial buildings, plant and equipment elements of the development that are not essential for
the solution mining of the salt, such as the compressor complex, to be sited remotely on the western side of the estuary as part of the existing industrial development thereby reducing the visual impact of it in the rural environment on the east side of the estuary. However, it is now acknowledged that there is no land to the west of the Wyre Estuary that would meet the requirements of the Health and Safety Executive to facilitate the relocation of the major most intrusive element in the form of the gas compressor station.

**Impacts on amenity**

9.14 The proposal is likely to have direct and indirect impacts on trees located in each of the study areas and this would be in conflict with the broad principles of policy relating to protection of trees. However, it is considered that given strict control the impacts could be mitigated and/or offset.

9.15 In overall terms the focus of the most significant landscape and visual impacts are in the Wyre and Preesall study area. Whilst it is acknowledged that the applicant has sought to design the proposal in a way that would minimise the impacts, it is considered that such mitigation would only reduce the impact after a significant period (the applicant maintains that the mitigating effect of the landscaping would reduce the visual impact to an acceptable level after year 19) and that such impact up to this time would be unacceptable. Further, there is no certainty that the landscaping would be successful to achieve the desired level of visual mitigation.

9.16 Impacts on the coastal and urban environments have been assessed with reference to the Irish Sea study area and the Fylde Peninsula study area. There would be limited impacts on the coastal environment in relation to the Wyre Estuary and Preesall study area. Although the impacts on these areas would be largely adverse in nature, they would also be temporary and reversible. The nature of these impacts would not be strictly in accordance with planning policy. However, the temporary and reversible nature of the different components mean that the proposal would not fundamentally conflict with the overall long term aims of the policies.
There are also components of the proposal located in the Irish Sea study area and the Fylde Peninsula study area that would be permanent. These include the viewing platform and the Seawater Pump Station. Due to the nature and proposed design of these components in the context of their proposed setting and immediate environment, the proposal concludes that these components would result in beneficial impacts. This conclusion is considered reasonable and both of the components, albeit by different functions, would have a positive contribution to the seascape or townscape in the locality. In the relevant policy context these components of the proposal would comply with planning policy in general subject to detailed design and which could be addressed by the proposed requirements to the Draft Development Consent Order.

It is considered that the limited adverse impacts of the proposal on seascape and urban environments and the potential for positive contributions to these areas would not be outweighed by the adverse effects of the proposal on the rural environment and the harm to the amenity of the areas to the east of the Wyre Estuary.

It is considered that notwithstanding their amended design, the proposed booster pump station, the proposed compressor station, associated stacks, yards, wellheads and access roads are significantly larger developments than any that are currently present in the area. They would be substantial in scale and would remain visually incongruous in the area and uncharacteristic in design. It is considered that they would have some adverse visual impact in the otherwise predominately rural landscape characterised by low hills, hedgerows and woodland and designated as a Countryside Area in the Wyre Borough Local Plan. They would be visually prominent in the area until such time as landscaping could reduce that impact, and given the location of the site and the prevailing winds, the landscaping could take longer to become established to a degree that it would seriously contribute to mitigating the visual impacts of the buildings. It is considered that any change in design would not reduce the overall impact of the proposed compressor station, associated stacks, yards wellheads and access roads in the rural environment.
and they would remain of significant incongruous scale throughout the long term operational life of the site. It is also considered that the proposed ground re-contouring and associated landscaping would alter the nature of the rural open environment and would not be in-keeping with the existing field patterns and network of trees, woodland and hedgerows although it is accepted that the mound profiles including the slackening of slopes to create a more undulating profile would help integration and which the Examining Authority should be invited to consider.

9.20 The wellhead compounds would introduce a significant large scale industrial element to an area which, whilst having some industrial past, is predominantly devoid of such infrastructure and is an open rural agricultural landscape. Even following construction of the caverns when the well head compounds may be reduced in scale, they would still be significant in scale, particularly in relation to the rural nature of the area and when viewed from the Wyre Way. It is considered they would remain dominant, particularly throughout the development period when they would require large supporting secure compounds and would throughout that period and on subsequent completion, be surrounded by security fencing. This type of development would adversely affect the visual amenities of the area particularly throughout the development period but more significantly during the operational life of the site for a substantial period of time.

9.21 The development as a whole would bring a permanent and significant change to an area that is locally protected for its landscape value in conjunction with the adjoining areas of protected ecological interest. Whilst the buildings could be redesigned to be more in keeping with a rural environment, their scale and purpose and external associated infrastructure would still far exceed that which could normally be associated with agricultural practices. It is considered that any changes that could be made to the proposal to reduce this level of impact would not address the fundamental concern regarding visual impact. The relocation of elements of the development that are not essential to the extraction of salt by solution mining and a significant reduction in the scale of above ground infrastructure associated with the extraction of salt may assist in
reducing the visual impact but for which alternatives have not been considered. Consequently these elements are seen to be contrary to policy in that they are not essential to the extraction of salt and for which no special circumstances have been demonstrated. The applicant is of the view that the level of above ground infrastructure with its associated landscape mitigation would minimise its visual impact to an acceptable degree and that the visual impact associated with such would in any event be outweighed by the national need. The applicant is also of the view that this level of development and associated infrastructure is needed irrespective of the number of caverns that would be created. Given the reliance on the HSE and the COMAH process to determine the capability of the salt to accommodate the development and in view of the uncertainty of such and the level of contribution this development could make to national need, the level of infrastructure proposed may prove excessive and the balance of acceptability or otherwise of the landscape and visual impact of the development against national need becomes more difficult to measure.

9.22 Nevertheless, the development within the area to the east of the estuary of the scale and design proposed is considered unacceptable and contrary to Policies EM1, DP7 and RDF3 and RT9 of the Regional Spatial Strategy, Policies 2 and 7 of the LMWLP, Policies SP14, ENV2, and TREC12 of the saved policies of the Wyre Borough Local Plan. However, this impact must be considered against the capability of the site being developed and the contribution it would make to national need.

9.23 In general, it is acknowledged that the proposal includes mitigation proposals but irrespective of such it is considered there would remain a long term, years 9 to 18, an adverse residual impact on the landscape and visual amenity of the area and which is recognised by the applicant. Whilst landscape mitigation planting will reduce any residual effects this would not be for a considerable period of time and is entirely dependent on the success of such.

9.24 Where development proposals are in accordance with policy at any level the critical factor is adhering to aims that target the highest possible standards of design in order to generate the largest benefits from proposed mitigation and
enhancements. In overall terms it is considered that these do not offset the level of adverse impact on landscape character, landscape features and on visual receptors.

9.25 On balance it is considered that effects of the proposal on the open countryside and rural environment would outweigh the positive influences on the coastal and urban environments. Mitigation measures would not be sufficient to reduce the overall harm of the urban features in the rural environment and there would be a fundamental change to landscape character from the introduction of urban features (as seen to the west of the estuary) further to the east.

9.26 A SOCG has been prepared in respect of landscape along with a Landscape and Ecological Management Strategy Plan (LEMSP). The SOCG only sets out the methodologies that have been employed in preparing the EA and application. The methods used to assess the impact of the proposal are acceptable and therefore the SOCG can be agreed. The LEMSP currently focuses on biodiversity/ecology and although it does include information relating to landscape mitigation it lacks detail and further information is required to demonstrate how the proposed planting and seeding would be undertaken, managed and maintained in order to achieve the critical longer term objectives of visual screening and landscape integration. However, the LEMSP is a strategic plan and the details are proposed to be submitted under the provisions of the requirements. It is therefore considered that the LEMSP can be agreed in respect of landscape matters.

10. **Highway Safety Considerations**

10.1 The proposed development involves works on both sides of the estuary. A Traffic Assessment has been carried out by the applicant. The applicant has set out an overall phasing plan for the works and prepared an estimate of traffic volumes.
10.2 All the works to the west of the estuary involving the construction of the sea water pump station, the brine discharge pipeline and the out fall would be constructed in the first year of the project. Access would be primarily taken from the A588 and the A585(T) to the respective elements of the development. The assessment concludes that in the context of the overall urban complex of the Fleetwood peninsula, the volume of generated traffic would be part of the normal economic activity and would not be significant.

10.3 The works on the east side of the estuary involving the construction of the booster station, compressor station, access roads, service tracks, drilling pads and underground pipelines are proposed to be undertaken over a period of three years. All HGV traffic would access the site from the south. An access road to by-pass the difficult junction of the A588 with Cemetery Lane is proposed along which all vehicular access to the site is proposed to be taken. It is proposed to retain the road throughout the operational life of the suite for service and emergency vehicle access.

10.4 The majority of HGV movements would be associated with the delivery of granular material for tracked surfaces, building sub bases and some of the drilling pads. The main routes to the site would be via the A588 through Hambleton from the south.

10.5 The assessment concludes that the volumes of traffic would not be significant in terms of the A588. The applicant further concludes that there are very special circumstances associated with the development which would outweigh the impacts on the highway.

10.6 An assessment of the impacts of the proposal on the highways of the area has been undertaken by Lancashire County Council (Highways). The assessment concludes that the proposal would not have an unacceptable impact on the local highway network in the area. What impacts there would be could be mitigated for as part of the overall development proposals and be delivered as part of the proposed requirements for the development consent order, most particularly in the form of vehicle routing into the site. This is a similar view to that taken on the previous application and which was for a
larger area. The reasons for refusal did not include a reason relating to highway matters. The assessment of the impacts on the local highway network is considered acceptable as are the proposed mitigation measures and which are proposed as part of the draft development consent order requirements. Should the proposal be supported, it is considered that the proposed access to the site could be found acceptable subject to landscaping. Retaining the access throughout the operational life of the site would ensure vehicles associated with the operations are removed from Cemetery Lane. It would also provide a direct access to the site for emergency vehicles without other parts of the local highway network, which is of a lower standard, having to be used.

10.7 With regard to public rights of way, the development on the western side of the Wyre Estuary would affect the public footpath No 13 along the western bank of the River Wyre at the point of the proposed directional drilling for the electricity connection at a point close to a public car park, picnic spot and recreational area. Similarly there would be some disruption at the point the discharge pipeline would cross the sea wall at the point a new viewing platform is proposed as part of the development. Construction development at these points would be temporary and completed within the first year of development. Whilst such disruption may be inconvenient, it is considered that it could be satisfactorily addressed by requirement and would not constitute a sustainable reason for objecting to the proposal. It is accepted that the introduction of a viewing platform on the sea wall would introduce a feature which would enhance the amenity of the public access.

10.8 The discharge pipeline would also pass under the alignment of the railway track and for which there is a policy in the Fleetwood - Thornton Area Action Plan to bring the track back into operational use but any impact on the track would only be temporary.

10.9 With regard to the eastern side of the estuary, the proposal would affect a number of public rights of way between Knot End and The Heads (particularly the Wyre Way (No. 42) which runs north/south parallel to the salt marsh on the elevated sea defence, and a bridleway (No. 2a). It would be necessary to
divert or stop up some of these footpaths on a temporary or permanent basis during the construction phase and subsequent operational phase. This would inevitably result in limited access throughout the duration of the construction phase of the development and on completion of the development works it would introduce an industrial element in the form of large buildings, compounds, plant, equipment, lighting, fencing, access tracks and drilling platforms and associated vehicle movements over an extensive area in a rural environment to the detriment of the amenities of the footpath and bridleway network.

10.10 The development, both during the construction phase and throughout its operational life, irrespective of the proposed mitigating measures to attenuate visual impact, would be visually very prominent when viewed from the Wyre Way and the local highway network and which is addressed as part of the appraisal on landscape and visual impact.

10.11 It is considered that the overall impacts upon the amenities of the highway network (vehicular and foot) would be adverse and during the construction phase would be significant but do not of themselves constitute a sustainable reason for objecting to the proposal.

10.12 A SOCG on Transport and Access has been prepared and is considered to be acceptable by Lancashire County Council and has been agreed. It is therefore concluded that there would be no unacceptable impacts on the local highway network subject to the mitigation measures proposed as part of the Draft Development Consent Order and which include vehicle routing.

11 Geology/Risk

11.1 The presence and capability of the salt to safely accommodate the proposed creation of underground caverns by solution mining to store natural gas has always been a fundamental concern of both the County Council and Wyre Borough Council. Lancashire County Council has, in relation to previous applications, successfully maintained that there was insufficient information
submitted in support of previous applications to demonstrate the capability of the salt to accommodate the development. As part of the assessment of previous proposals specialist consultants were appointed by the County Council and have been retained to assess the current proposal. A full review of the geological deposit and its capability to accommodate proposed caverns has been undertaken by the applicant resulting in the identification of smaller specific geological areas capable of safely accommodating the proposed caverns and which form the subject of the current proposal. Notwithstanding the applicants assessment relies on existing geological information and no further geological investigations have been carried out (contrary to the recommendations made by the assessors supporting the planning inspector in a previous appeal and subsequently supported by the Secretary of State), it concludes that there are areas of geology that could safely accommodate the proposed caverns and remove the risk of migrating gas.

11.2 An assessment of the proposal has been undertaken by the specialist consultants on behalf of the County Council. The assessment concludes that the revised assessment by the applicant is sufficient to demonstrate that there are salt deposits that could safely accommodate the creation of underground gas storage caverns. A SOCG on geology has been prepared and is considered to be acceptable and can be agreed. It is therefore concluded that the applicant has demonstrated that there is a geological occurrence that could safely accommodate the proposed underground caverns. The safe storage of gas would then be a matter COMAH regulated by the Health and Safety Executive. It is therefore concluded that the geology of the site in the area of the proposed caverns is capable of safely accommodating the proposed development.

11.3 Monitoring of the existing brine wells has been a constant concern of the County Council in connection with the previous applications and continues to be so. Most particularly the County Council has expressed concern to the stability of existing caverns, the proximity to proposed caverns and the alignment of above ground infrastructure and roadways including the alignment of the proposed interconnecting pipeline to the National
Transmission System through the site and the alignment of the proposed electricity supply line adjacent to an unstable cavern at Height o' th' Hill. This concern has been highlighted by a recent incident involving the failure of BW45 resulting in a significant spillage of brine and consequent contamination of land. Further monitoring has identified a number of brine wells that are similarly under pressure and require remedial action. A proposed means of addressing such by the operator is currently being considered by the Environment Agency. This would involve the de-brining of the wells to a level that would allow pressurised air to be released in a controlled way. The incident involving BW45 and proposed means of dealing with caverns is not addressed as part of the application. However, further information on this matter has been requested by the Examining Panel. Wyre Borough Council maintains its concern regarding the stability of previous caverns and welcomes the question asked by the Examining Panel. It is therefore recommended that the Examining Panel should be satisfied that the former caverns are stable and do not pose any risk to the above and below ground infrastructure proposed as part of the application for the Development Order Consent before any consent is issued.

11.4 With regard to risk, the applicant maintains the safe storage of gas in salt is proven and that this is supported by the Health and Safety Executive ('An Assessment of Underground Gas Storage Technologies and Incidents for the Development of Risk Assessment Methodology' 2008; 'Failure Rates for Underground Gas Storage' 2008). The report concludes that storage of gas in salt caverns has extremely low incident rates and casualty numbers and that geological failure of a storage cavity in salt is extremely low to the extent that it can be considered negligible. If the applicant's conclusion on the capability and integrity of the salt to safely accommodate gas storage is accepted, Wyre Borough Council would defer to the regulatory regime of the Health and Safety Executive and not maintain an objection on perceived fear but with the acknowledgement that such fear may remain irrespective of the proposed safety measures to be employed. In this respect the SOCG relating to above ground safety can be agreed.
11.5 The issue of geology has always been a major concern to Wyre Borough Council. Notwithstanding the further assessment of geological information by the applicant and the acceptability of such by the County Council’s specialist advisors, Wyre Borough Council requests that the Examining Authority is satisfied that the applicant has demonstrated that the geology is present in a form that is capable of safely accommodating the proposed caverns and that the proposed standoffs between the caverns and the existing caverns as part of previous solution mining operations are sufficient to ensure the integrity of the proposed caverns in a way that would be safe and not give rise to the migration of gas through the geology of the area or be at risk from seismic movement.

12. Hazardous Substance Consent

12.1 The HSC application boundary reflects the boundary of the planning application. The proposal is for the underground storage of 600,000 tonnes of natural gas making it an upper tier establishment. The quantities exceed the specified thresholds for natural gas and therefore HSC is required. The SEVESO II Directive on the control of major-accident hazards requires local authorities to have regard to the objectives of the Directive, which are:

- To prevent major accidents and limit the consequences of such accidents for man and the environment;
- In the long term, to maintain appropriate distances between establishments and residential areas, areas of public use and areas of particular natural sensitivity or interest; and
- In relation to existing establishments, for technical measures so as not to increase

12.2 Relevant Guidance/documentation
• SEVESO II Directive

• The Planning (Hazardous Substances) Act 1990

• The Planning (Hazardous Substances) Regulations 1992

• The Planning (Control of Major-Accident Hazards) Regulations 1999

• Circular 04/200 - Planning Control for Hazardous Substances

12.3 The EEC Directive 96/82/EC requires Member States to introduce controls to prevent major accidents, which involve dangerous substances, and to limit their consequences for man and the environment. It requires the identification of lower and upper tier establishments where dangerous substances are present. Top tier establishments where the quantity of dangerous substances exceeds the specified quantity are required to prepare a safety report, provide public access to the report, prepare testing of on-site and off-site emergency plans and inform members of the public likely to be affected by a major accident. The Health and Safety Executive control these requirements.

12.4 Article 12 of the Directive requires land use planning controls to apply to both upper and lower tier establishments to ensure that the objectives of preventing major accidents and limiting the consequences of such accidents are taken into account in land use planning policies. These objectives are to be pursued through the siting of new establishments.

12.5 In the UK there is a system of control through the HSC process under the provisions of the Planning (Hazardous Substances) Act 1990. The provisions to this legislation give hazardous substance authorities the opportunity to consider whether the proposed storage or use of the proposed quantity of the hazardous substance is appropriate in a particular location, having regard to the risks arising to persons in the surrounding area and the environment. In this instance however the application for Hazardous Substance Consent is a matter for the Examining Authority and the
Secretary of State. The Examining Authority must have regard to any material considerations and in particular, but without prejudice to the generality of the foregoing:

a) To any current or contemplated use of the land to which the application relates;

b) To the way in which land in the vicinity is being used or is likely to be used;

c) To any planning permission that has been granted for development of land in the vicinity;

d) To the provisions of the development plan;

e) To any advice which the Health and Safety Executive have given following consultations in pursuance with Regulations under Section 7(2) (Section 9 of the Hazardous Substances Act 1990).

12.6 The HSC controls do not duplicate the requirements of the Health and Safety Act. Rather, the controls acknowledge that even after all reasonably practicable measures have been taken to ensure compliance with Health and Safety legislation there will remain the residual risk of an accident that cannot entirely be eliminated. The HSC controls seek to ensure that this residual risk, to people in the vicinity or to the environment, is taken into account before a hazardous substance is allowed to be present in a controlled quantity. The extent of the risk in any particular case will depend upon where and how a hazardous substance is to be present; and the nature of existing and prospective uses of the application site and its surroundings. The Health and Safety Executive are required to provide advice on the nature and severity of the residual risk to persons in the vicinity arising from the presence of the hazardous substance and the Environment Agency are required to advise on the risk to the environment.

12.7 Guidance for the consideration of applications for HSC is set out in Circular 04/2000. The issues for consideration are the nature and severity of the
residual risk arising from the presence of the natural gas to:

- Persons in the vicinity; and
- The environment.

**Risk to Persons**

12.8 The development involves the underground storage of 600,000 tonnes of natural gas in underground caverns along with associated surface development over an area of 505.6 hectares (excluding the discharge pipeline). There would be seven wellhead compounds to facilitate a total of 19 caverns. The wellhead compounds once complete, would operate on an un-manned basis and be surrounded by security fencing.

12.9 The Inspector to the previous public inquiry and the Secretary of State concluded that the proposed development was unacceptable and would not accord with the SEVESO II Directive in that the proposal neither limited the consequences of accidents for the public, who are encouraged to use the area for recreation, nor maintained appropriate distances between establishments and areas of public use. The Secretary of State accepted the conclusions of the Inspector that the proposal would not accord with the objectives of the SEVESO II Directive and that any measures to maintain appropriate distances could only be achieved by the closure of a length of the Wyre Way and that amounted to sufficient reason to refuse the previous application. The Secretary of State also concluded that the accuracy and adequacy of the current level of geological knowledge of the site was insufficient to allow the granting of a meaningful HSC and that amounted to a further reason for justifying a refusal.

12.10 The most recent application submitted to the County Council for Hazardous Substance Consent was refused as it was considered that insufficient geological information had been submitted, that the applicant had failed to demonstrate that gas would not be at risk of migrating, the risk of migration would generate fear and the proposal would not maintain appropriate distances between establishments and areas of public use contrary to the
provisions of the SEVESO II Directive and that any measures to maintain appropriate distances could only be achieved by the closure of a section of the Wyre Way within the application boundary.

12.11 The nearest inhabited dwellings are Sportsmans Caravan Park and Riverside Cottage located close to the south west boundary of the proposed development. A caravan park between the two properties is owned by the applicant as is Cote Walls Farm which is located within the site.

12.12 The major hazard events involving loss of gas from a wellhead include the following:

- Vehicle damage.
- Damage by a deliberate act.
- Aircraft strike.
- Catastrophic failure of a wellhead resulting in an unconfirmed loss of gas followed by ignition.

12.13 It is accepted some of these risks could be minimised by, for example, the employment of appropriate security measures. However, in a worst case scenario of catastrophic failure of a wellhead leading to an unconfirmed loss of gas followed by ignition, there would be danger to humans within a given radius and the risk of spontaneous ignition of wood and similar combustible materials in close proximity. The applicant advises that the opportunity of this happening would be reduced by the design of the caverns and risers, the employment of emergency shutdown valves and best practice.

12.14 The applicant acknowledges the need to ensure the health and safety of the local community, workers at the site and any other people. Along with HSC the project would also be covered by the Control of Major Accident Hazards Regulations 1999 (COMAH) under the control of the Health and Safety Executive. This legislation seeks to ensure all workers, members of the public and others are not put into danger. The applicant commits to ensuring that all aspects of the design, construction and operation of the facility meet or
exceed the standards imposed by law and accepts responsibility for the health and safety of its employees, contractors, customers and members of the public. It would also ensure all environmental standards are met or would be exceeded and undertake operations in a way to cause least disturbance.

12.15 There have been a number of incidents involving the escape and migration of gas from underground storage caverns most particularly in America where gas ignited causing extensive damage and risk to property and inhabitants. These incidents were referred to as part of the previous application. There were a number of causes for these incidents, which primarily related to the mis-management of the operation and non-compliance with accepted practices and regulations. Nevertheless, following one incident, changes to State law were introduced requiring stand-offs for facilities of this nature from residential properties/areas. Whilst there are no current requirements or guidance for stand-offs in English law it is accepted that the legislation within which an operation of this nature would operate would be more stringent to minimise the risk of something comparable occurring. Nevertheless, even when operating within a strong legislative regime, incidents for unseen reasons can occur and these can be of a significant scale.

12.16 However, irrespective of what safety systems are employed, they are inevitably reliant on man-made plant, equipment and the maintenance and employment of technological safety measures, which have an inherent risk. It is accepted that there are many industrial processes, plant or equipment that are relied upon in this way, but perhaps not of a scale as the current proposal and involving such quantities of a hazardous substance.

12.17 The applicant has accepted that geological failure constitutes a major risk to the project. There has been extensive working of the salt deposits in close proximity to the proposal resulting in large underground caverns, one of which contains mercury, which in their own right could pose a risk to the proposed operations. The applicants proposed cavern creation techniques (bottom up) are designed to enable minerals other than salt (insolubles such as mudstone inclusions and discrete beds) to fall to the base of the cavern. However the geological occurrence of such minerals creates the potential to allow gas
migration through the surrounding rock strata. Any such migration could present very significant public dangers dependent upon where and in what concentrations the gas emerges or is able to collect. The integrity of local geology is considered to be very important in determining the acceptability of any particular proposal. The applicant has provided geological information as part of the application for a Development Consent Order.

12.18 The applicant is of the view that the geology is capable of supporting the proposed development. It is accepted that best practices may be employed and that the operation of the site would have to comply with COMAH (Control of Major Accident Hazards). The applicant would be responsible for ensuring the development is carried out in accordance with all relevant legislation, including the Health and Safety at Work Act. The Hazardous Substances Act 1990 makes it clear that nothing in any consent granted can require or allow the building or the operation of an establishment which does not comply with the relevant statutory provisions. The HSC has previously concluded that the risks to the surrounding population arising from the proposed operation(s) are small and that there were no significant reasons, on safety grounds, for refusing HSC. The current project is smaller and a SOCG has been agreed with the HSE.

**Risk to the Environment**

12.19 The Wyre Estuary and Morecambe Bay area are subject to a number of national and international designations that reflect their importance for wildlife and nature conservation. The Wyre Estuary is designated as a Site of Special Scientific Interest (SSSI) and falls within the Morecambe Bay Ramsar site, Special Protection Area (SPA) and SAC, in view of their international importance for mudflat and salt marsh habitats, and the fauna and birds they support. There are a number of BHSs designated for their vegetation, bird, invertebrate and mammal interest on the west side of the estuary.

12.20 An assessment of the impacts of the proposal on the environment in terms of the marine and estuarine ecology and water quality has been undertaken as part of the assessment of the Development Consent Order. It is now
considered that the impacts on ecology for Wyre Borough Council's purposes would either be acceptable or could be made acceptable through requirements.

12.21 Whilst any gas leakages/migration and consequent fire/explosions would be likely to have an adverse impact on those interests of acknowledged importance, the risks arising from the proposed operation(s) are small and on this basis there are no significant reasons, on safety grounds, for objecting to the HSC.

12.22 If it is accepted that the salt and geology is capable of safely storing natural gas and that a COMAH assessment would satisfactorily ensure that appropriate distances between establishments and residential areas, areas of public use and areas of natural sensitivity or interest and that the residual risk arising from the presence of natural gas to persons in the vicinity and to the environment, then it must be concluded that the storage of gas for the HSC purposes is acceptable. However, this was not the view of the Secretary of State in determining the previous application.

12.23 Wyre Borough Council remains concerned to the proximity of a facility of this nature to residential properties and recreational users of the area. However, the SOCG with the Health and Safety Executive is acknowledged and therefore Wyre Borough Council would request that the Examining Authority is satisfied that the risk to the nearest residential properties and recreational users of the area is acceptable before issuing a Hazardous Substance Consent for the development.

13. **Noise/Vibration**

13.1 The applicant has addressed the issue of noise and vibration in Chapter 12 of the Environmental Statement (ES) and has considered the issues having regard to the relevant provisions set out in The Overarching National Policy Statement for Energy (EN-1) and the National Policy Statement for Gas Supply Infrastructure and Gas and Oil Pipelines (EN-4). The Environmental
Statement also acknowledges that once operational, any noise and vibration from the Project’s operations will be subject to statutory nuisance laws. Part 3 of the Environmental Protection Act 1990, as amended by the Noise and Statutory Nuisance Act 1993, contains the main legislation on statutory nuisance and enables local authorities and individuals to take action to secure the abatement of a statutory nuisance. In terms of noise, a statutory nuisance is defined as ‘noise emitted from premises so as to be prejudicial to health or a nuisance’. The Control of Pollution Act 1974 covers noise and vibration from construction sites. Statutory guidance on assessing and controlling noise from construction sites can be found in British Standard BS 5228:2009: ‘Noise and vibration control on construction and open sites’. Additionally the Control of Pollution Act 1974 specifically requires that the advice within this Code of Practice, which is approved by the Secretary of State, is considered when dealing with noise and vibration from construction activities.

13.2 Policy 2 of the Lancashire Minerals and Waste Local Plan 2006 seeks to ensure the full consideration of environmental impacts and states that proposals for minerals and wastes developments will only be permitted if it is satisfactorily demonstrated that all material impacts, including noise, that may lead to a loss of or damage to amenity that would adversely affect people, can be eliminated or reduced to acceptable levels. With regard to the Wyre Borough Local Plan, Policy SP14 ‘Standards of Design and Amenity’ is relevant, requiring high standards of design and amenity for all developments.

13.3 Noise from construction works, from construction traffic, and operational noise from plant, and operational traffic noise were all assessed and discussed with the council’s Environmental Protection Team. The ES identifies likely impacts at key receptors, including residential areas, caravan parks, and rural farmsteads. In addition to the impacts on human receptors, the ES addresses, through consultation with Natural England and the Royal Society for the Protection of Birds (RSPB), the potential impact of noise on wildlife, and birds in particular. A statement of Common Ground (SOCG) was prepared and agreed between the applicant’s consultants who prepared the ES and the council. The SOCG refers to agreement in respect of the impacts of the
several construction projects, including the gas connector pipeline and brine discharge pipeline laying, directional drilling works under the river to install the electrical cables, sea water pipeline and brine discharge pipelines, as well as the construction of buildings and plant, the cavern washing operations, the construction of the new road, and landscaping works. The SOCG also refers to the agreement on noise mitigation measures including the approach to be adopted which would consider construction activities individually rather than adopting fixed noise limits. This would allow the specific nature of the activities and the environment of the site to be taken into account. The criteria would be based on BS5228, Code of Practice for Noise and Vibration Control on Construction and Open Sites (2008) and would include the use of section 61 consents (Control of Pollution Act 1974). The construction methods and mitigation measures would take account of particularly sensitive receptors including the new residential development at Harbour Village, Rossall Hospital and caravan parks along the Wyre Estuary.

13.4 The assessment of the construction noise impacts, combined construction and operational noise impacts and operational noise impacts indicates that significant noise impacts will only occur during the construction phase of the development. Those premises/areas particularly affected are Rossall Hospital, Broadwater Caravan Park, Stanah House Caravan Park, the residential development at Fleetwood Harbour Village, Carters Farm, Cote Walls Farm, Corcas Farm, Park Farm/Park Cottage, Elm Farm (Nateby), Little Height o’ th’ Hill, and Ivy Cottages.

13.5 Whilst some impacts can be mitigated by controlling the hours during which construction activity takes place (proposed to be weekdays between 0800hrs and 1800hrs), there would, however, be exceptions to these general hours to facilitate night time working for those operations that are continuous. This includes the drilling of boreholes and the washing of caverns. Nevertheless such works undertaken outside of normal hours are proposed to be subject to appropriate noise limits to be agreed with the councils Environmental Protection officers.

Summary of Noise impacts and proposed mitigation
13.6 The construction of the pipeline between the Irish Sea and Wyre Estuary would involve a combination of open cut excavation and thrust boring. The types of plant used for these operations are noisy, and in some places would be within 20 metres of the nearest residential properties. However, each piece of plant would only be used intermittently depending on the phase of construction, and the potential impact would be minimised through limiting working hours to the daytime only, and ensuring a short time is spent at each location during excavation and construction of the pipeline as it is being laid.

13.7 The directional drilling also has potential to be a noisy operation, and would have to continue through the night close to the new Harbour Village Development at Fleetwood. However, impacts would be minimised by ensuring noise levels meet acceptable noise level standards, particularly at night.

13.8 The construction of the Booster Pump Stations and Gas Compressor Compound would occur in excess of 100 metres from the nearest sensitive receptors. Mitigation measures implemented during the construction phase would ensure that noise effects at the receptors are not significant.

13.9 Combined noise impacts from operation and construction works on the wellheads are not anticipated to result in any significant noise effects at nearby receptors.

13.10 During operation of the Project, the pipelines and air vents are not anticipated to be audible, and the Seawater Pumping Station, Booster Pump Station and Gas Compressor Compound are not anticipated to create a significant noise effect.

13.11 Construction of the Project would result in increases in traffic on the road network. Although it has been calculated that traffic related noise levels would slightly increase along some of the road links, they are not considered to be significant according to relevant guidance. Additional traffic due to people travelling to and from work is considered to be insignificant.
13.12 Construction noise and vibration effects would occur and be managed through the Construction Environmental Management Plan (CEMP) and through other measures to be agreed with the council’s Environmental Protection officers. Measures would be taken through detailed design to limit operational noise from plant including specifying quiet plant, providing appropriate enclosure (e.g. through building design) and screening (e.g. through earth mounding). Wyre Borough Council does not therefore raise objections to the development on grounds of noise/vibration.

14. Air Quality

14.1 The applicant has addressed the issue of noise and vibration in Chapter 6 of the Environmental Statement (ES). The assessment considers the effects of air quality impacts on sensitive receptors. Due to the proximity of statutory designated sites for nature conservation to the Project, these have also been considered as part of the assessment. The operation of the Project would not cause any odorous releases, and therefore, odour emissions have not been considered within the assessment.

14.2 The Government’s Air Quality Strategy (AQS) contains standards, objectives and measures for improving ambient air quality. The most recent AQS, The Air Quality Strategy for England, Scotland, Wales and Northern Ireland (Department for Environment, Food and Rural Affairs, Defra 2007), was published in July 2007. The AQS sets out Air Quality Objectives that are maximum ambient pollutant concentrations that are not to be exceeded either without exception or with a permitted number of exceedences over a specified timescale. The Air Quality Regulations 2010, which came into force on 11 June 2010 sets out Air Quality Limit Values (AQLVs) for seven pollutants, in addition to Target Values for an additional five pollutants.

14.3 Policy 2 of the Lancashire Minerals and Waste Local Plan 2006 seeks to ensure the full consideration of environmental impacts and states that proposals for minerals and wastes developments will only be permitted if it is satisfactorily demonstrated that all material impacts, including dust and
odours, that may lead to a loss of or damage to amenity that would adversely affect people, can be eliminated or reduced to acceptable levels. With regard to the Wyre Borough Local Plan, Policy SP14 ‘Standards of Design and Amenity’ is relevant, requiring high standards of design and amenity for all developments.

14.4 The study area was defined for each identified potential air quality impact based on best practice guidance and professional judgement. For ‘Fugitive Dust Emissions’ the study area comprised an area within 1,000 m of the construction activities. For ‘Traffic Exhaust Emissions’ the study area for traffic exhaust emissions comprised an area within 200 m of the affected highway network. For ‘Other Emissions’ the study area for the assessment of atmospheric emissions associated with the Project was an area up to 3 km from the source. The main source of atmospheric emissions is considered to be from the dehydration unit within the Gas Compressor Compound, therefore the study area for atmospheric emissions was an area 3 km surrounding the dehydration unit.

14.5 The issue of Air Quality has also been addressed in a Statement of Common Ground (SOCG) which has been agreed between the applicant’s consultants and the council, and is based on the council’s detailed consideration of the Environmental Statement (ES).

14.6 In terms of fugitive dust emissions, the Environmental Statement (ES) shows that impacts are predicted to range from negligible to moderate adverse in the worst case, during the construction and decommissioning phases. These impacts will require mitigation to ensure that they are reduced to an acceptable level. Such measures would be incorporated into a Construction Environmental Management Plan (CEMP). The council have proposed to the applicant that the CEMP should be agreed in writing prior to the commencement of any works on site, and should include provision for the installation of dust monitoring stations at agreed worst case receptor sites, for the duration of the construction phase. This will allow both the Applicant and the Local Planning Authority to monitor the success of the agreed mitigation
so that the levels of dust emissions do not reach a level such that a statutory nuisance would result. The applicant has agreed to this in the SOCG.

14.7 In conclusion, the development could potentially affect nearby sensitive receptors (both human and ecological). The air quality assessment has therefore considered the significance of potential air quality effects arising from the development at representative sensitive receptors. Worst case scenarios have been assumed. It is acknowledged that the construction and decommissioning phases of the project would generate temporary, local, dust and road vehicle exhaust emissions. The impact of an increase in road traffic is considered to be negligible at all sensitive receptors. The operation phase would generate atmospheric emissions from natural gas combustion and exhaust emissions from road vehicles. The ES does, however, conclude that the impacts would be negligible at all sensitive receptors. For the combined construction and operation phase, the assessment of effects from the separate construction and operation phases have been combined to provide a worst case scenario, although it is considered that these would also be of negligible significance at all receptors. During the construction phase and decommissioning phase, dust emissions would be controlled by the implementation of mitigation measures. In addition, a Construction Environmental Management Plan (CEMP) would be prepared prior to any works commencing on site. The CEMP would include requirements for maintenance and operation of construction plant and detail measures to limit dust on site. Following the implementation of mitigation measures, the impact significance of construction dust emissions is predicted to be, at worst, slight adverse.

15. The Water Environment

15.1 The water environment within the proposed Project site comprises coastal waters, surface watercourses, still waters and groundwater. With regard to coastal waters, the Marine Management Organisation (MMO) and the Environment Agency have been the principal consultees. With regard to
surface watercourses, still waters and groundwater the Environment Agency has been the main consultee and have liaised with the applicant on relevant matters.

15.2 With regard to coastal waters, the applicant has confirmed that the release of highly saline water during the construction phase has the potential to adversely impact upon water quality, which could subsequently impact upon ecology. However, the outfall location has been chosen to maximise potential dispersion while minimising effects on Morecambe Bay and the coastline. Modelling has been undertaken on the extent of the plume created by the discharge and assessments concluded that there would be no significant effects on marine ecology or coastal processes. In this respect, a consent to discharge for the disposal of hypersaline washwater into the Irish Sea has been obtained from the Environment Agency.

15.3 Surface watercourses and groundwater generally have ‘good’ to ‘moderate’ existing quality and the Project has potential to cause pollution of these water features. Measures to avoid their contamination during construction would be incorporated into the construction programme and the Project design, and would be agreed with the Environment Agency prior to construction. The need to prepare and enforce appropriate working practices during construction would be included in the Construction Environmental Management Plan (CEMP). A contingency plan to deal with emergencies, agreed with the Environment Agency, would also be put in place.

15.4 Coastal flooding is the main source of flood risk but the majority of the Project infrastructure located in the high risk flood zone would be able to accommodate floodwater and would also be located behind existing defences. Works to the seawall at Rossall during the construction phase would be designed so that there is no reduction to the existing standard of protection to defended areas of land. For any raised infrastructure located within the high risk flood zone appropriate compensation storage would be provided. With the implementation of a suitable surface water drainage strategy, no increase in third party flood risk is anticipated. It is therefore considered that there are no grounds to raise an objection on flood risk grounds and it should be noted that
flood risk did not form any part of the reasons for refusal on previous schemes.

16. Socio Economic Impact

16.1 Overarching National Planning Policy Statement for Energy (EN-1) ‘Socio-Economics’ states that the Infrastructure Planning Commission (IPC), when making decisions, will consider the potential socio-economic impacts of new energy infrastructure identified by the Applicant and by other sources considered to be relevant and important. This section also states that limited weight will be given to assertions of socio-economic impacts that are not supported by evidence. In addition this section states that the IPC will consider relative relevant positive provisions the applicant has made or is proposing to make to mitigate impacts and any legacy benefits that may arise. Saved Policy EMP12 of the Wyre Borough Local Plan states that proposals which would diversify the rural economy will be approved where the scale and nature of the proposal is not detrimental to the character of the area, any new buildings are necessary and appropriate to the rural area, and the proposed use does not conflict with adjacent land uses, nor adversely affect the economic viability of farming units.

16.2 The ES deals with socio economic issues and a separate Socio Economic Impact report has been submitted by the applicant. The Socio Economic Impact report states that the Total capital expenditure for the Project is estimated at £600 million. The Report equates this with projects of similar scale such as the Trafford Centre, the Glasgow M74 extension and the new build Wembley Stadium. The report confirms that the majority of investment will be in the United Kingdom and Halite Energy Group confirms that it will source a range of construction contracts and employment opportunities in Lancashire and the local area close to the development. It also proposes that proposals will include outreach with local colleges e.g. Blackpool and The Fylde College, and Myerscough College, to ensure they are aware of the
occupational characteristics of the likely labour force and can tailor their provision accordingly.

16.3 The report also states that the average number of UK jobs sustained throughout the eight year construction phase will be 1,200 full-time equivalents per year. The report identifies that at least 17 percent of these jobs will be sourced within Lancashire where there are at present 3,000 unemployed people seeking construction based occupations. This is considered by the report writers to be a conservative estimate - other similar schemes in the UK have achieved a large scale placement of contracts close to their developments.

16.4 The report confirms that Halite is committed to improve on this estimate and will publish a construction charter that sets out its commitment to local sourcing with an ambition to employ as many people as possible from Lancashire. The charter could establish partner arrangements with local job search agencies and set out recruitment and purchasing protocols for the construction contracts. Following construction, the facility is planned to operate for at least 40 years and will create 35 operational roles. These jobs are expected to be sourced from Lancashire and supported by local contracts for maintenance and ongoing work. In this respect, Halite plans to hold a series of information events to raise awareness of the types of contracting opportunities available to local companies.

16.5 A large volume of construction jobs will be supported throughout an eight year period from late 2012 onwards, with activity peaking in 2014 and 2015. The works span a range of conventional construction contracts likely to be sourced very locally, plus specialist equipment and services sourced from further afield in the UK.

**Job Statistics**

16.6 The statistics are presented in 3 area-based ways i.e. Lancashire, the Blackpool, Wyre and Fylde Area and the Local Impact Area i.e. Fleetwood, Cleveleys, Thornton, Poulton and the rural west. Figures are presented showing the higher employment numbers during the peak year of the 8 year
construction period then followed by the average over the 8 years. During the construction and commissioning phase, during the peak year, 510 FTE direct and indirect jobs would be created within Lancashire of which 380 would be in Blackpool, Fylde and Wyre. The average for the whole of the construction period would, however, be 240 and 175 jobs respectively. Although initially impressive these figures include indirect jobs (which are not directly employed by Halite) and this is based on assumptions which cannot be proven. The report also points out that the figures quoted for the induced jobs i.e. those jobs supported by the induced spend during the temporary construction period will also be temporary. Whilst not diminishing the importance of jobs available during construction, the number of jobs remaining once this phase is complete is the real legacy, and this would be 35 direct FTE jobs and 30 indirect/induced FTE jobs for Lancashire with 50% of the direct jobs and about 80% of the indirect/induced jobs expected to come from the Blackpool, Wyre and Fylde area.

16.7 A fundamental flaw with the statistics as they are presented, however, is that there is no rationale given for the apportionment of the Lancashire figures down to the Blackpool, Wyre & Fylde area and the Local Impact Area.

**Business rate Impact**

16.8 A specialist valuation opinion on whether the storage capacity could be liable for business rating purposes would be required. (This would be in addition, if it were liable, to any buildings constructed to manage the operational aspects).

**Local construction charter**

16.9 The report states that this charter may involve ‘local labour recruitment and procurement protocols written into main first tier construction contracts’. This need strengthening and, under the provisions of the Social Value Act 2012, Wyre Borough Council will investigate this more thoroughly to ensure a mutual obligation to recruit locally at all stages. This is a matter also addressed by the proposed Heads of Terms for the S106 obligation (see section 15 below).
16.10 With regard to the impact on agriculture, Grades 1, 2 and Grade 3a land are classed as best and most versatile agricultural land. The Project would require Grade 2 and 3 land for the permanent Project buildings. Land which is not permanently taken would be reinstated e.g. where the pipelines are laid. The permanent loss of agricultural land is not considered to be significant and again, was not a reason used to refuse previous schemes.

16.11 Whilst limited, particularly in relation to the extent to which they relate to the local area, the project could have a positive effect on the local economy during the construction phase, the construction and operation combined phase, and the operation phase, through the creation of direct and indirect employment and increased spending within local retail outlets. In addition, there would be opportunities for improving local workforce skills as a result of training and apprenticeships (especially during construction).

16.12 The ES states that the effects on the tourism economy are likely to be negligible. Two recreational routes (the Wyre Way and Lancashire Coastal Way), 2 footpaths and 1 bridleway are likely to be temporarily affected by the Project during the construction phase, after which, these routes would be reinstated. Clear diversion signs would be provided on all routes potentially affected. The presence of the development in the landscape and its visual impact will, however diminish the enjoyment experienced by users of the footpath network on the east side of the river. At Rossall, however, where the seawall is crossed by the brine discharge pipeline pedestrians and other path users are likely to experience benefits as a result of the proposed viewing platform.

16.13 The Project is unlikely to generate any long-term residual effects on beach and marine activities. However, users of the beach, King George’s Memorial Field and cycle routes, together with recreational anglers using the Irish Sea, would experience temporary disruption during the construction phase. Construction disturbance would be minimised by adherence to the CEMP and best practice methods.
16.14 Water abstraction required in Fleetwood Fish Dock may increase sand accretion within the dock and cause the dock to silt up, during the construction, construction and operation combined phases. This could generate adverse impacts upon the Fleetwood Fish Dock. If water abstraction does generate such silting, the Applicant would bear the cost of additional dredging. Conditions outlined in the Deemed Marine Licence would be complied with.

16.15 During the construction phase there would be a 300 metre safety exclusion zone enforced around the proposed brine discharge pipe (while the pipe is buried), which would overlap with shrimping areas leading to temporary adverse effects. However, during the construction and operation combined, operation and decommissioning phases there would be no effects on shrimp fishing as the proposed brine discharge would be buried. This is a matter which the Marine Management Organisation (MMO) will deal with as a principal consultee.

17. Development Consent Order Obligations

17.1 The applicant is required to prepare a draft Development Consent Order. This would provide for:

- Works Provisions relating to works in the highway, discharge of water, protective work to buildings and authority to survey land

- Acquisition and Possession of Land which provides for powers of acquisition, temporary possession of land and compensation.

- Miscellaneous and General – including application of landlord and tenant law, deemed consent of the Marine and Coastal Access Act 1909, felling or lopping of trees, protective provisions, service of notices etc.
17.2 It includes a series of schedules relating to the development:

- Schedule 1 – Authorised development which sets out in detail the individual elements of the development.
- Schedule 2 – Streets subject to Street Works – which identifies all those highways that would be affected by the development.
- Schedule 3 – Streets subject to alteration or layout.
- Schedule 4 – Streets and Rights of Way to be temporarily stopped up.
- Schedule 5 – Access to Works – identifies all those points of access to the various elements of the development.
- Schedule 6 – Land of which temporary possession may be taken
- Schedule 8 – Protective provisions.
- Schedule 9 – Requirements

17.3 For the County Council’s purposes, as Highway Authority, it is considered there are no issues the County Council would wish to raise with Schedules 1, 2, 3, 4 and 5.

17.4 For the Council’s purposes as land owner, there are no issues with Schedule 6 that could not be resolved with the applicant.

17.5 Schedules 7 and 8 do not affect the interests of the Council.

17.6 With regard to Schedule 9, the requirements are effectively the planning conditions which regulate the development. The requirements have been drafted with regard to the guidance 106 provided by the Planning Inspectorate (formerly the IPC). Generally the requirements appear generally acceptable.
Requirements 8 and 27 refer to works to be carried out in accordance with those details set out in the Environmental Statement. Clarification is sought whether it is acceptable to refer to the Environmental Statement or whether the measures should be specifically referred to in the requirement itself. Minor issues are raised in respect of the following requirements:

- Requirement 9 (b) – refers to the importing of materials. It should be clarified what materials are to be imported, for what purposes and the implications of such identified.

- Requirement 10 – refers to works being carried out to a 'reasonable standard' – the standard should be defined and the term 'reasonable' removed as it is imprecise.

- Requirement 15 (2) - only requires the wheel cleaning facilities to be available for use. The requirement should require the facilities to be used to ensure that no debris from any work site is deposited by vehicle wheels upon the public highway.

- Requirement 18 (1) – it is not clear that the submission of details for temporary fencing includes the submission of permanent fencing as referred to in 18(4).

17.7 Subject to clarification of the above, should the Secretary of State be minded to grant a Development Consent Order, it is considered that the requirements set out in Schedule 9 of the Draft Development Consent Order are acceptable.

18. **Draft Heads of Terms**

18.1 The applicant has proposed heads of terms for a proposed development consent obligation under Section 106 of the Town and County Planning Act 1990 (as amended). The principle parties to the obligation are proposed to be:

- Lancashire County Council
• Wyre Borough Council

• Halite Energy Group Limited

18.2 The draft heads of terms at present provide for the:

• Continued management of the Community Liaison Panel.

• Establishment of a Corporate Social Responsibility Fund.

• Use of local employment and services.

• De-commissioning at the end of the Project.

18.3 The applicant has also made a commitment to including additional terms in respect of the following:

• The delivery of a monitoring programme for existing caverns by:

  o Prior to the commencement of any part of the development, Halite Energy Group or successor in title will submit to the LPA details of the brine well monitoring that has been previously carried out.

  o Following consultation with the Health & Safety Executive, Halite Energy Group or successor in title submit a monitoring programme and Maintenance Action Plan for approval by the LPA; and

  o The monitoring programme and Maintenance Action Plan will be implemented in accordance with the approval unless otherwise agreed with the HSE or the LPA.
• The provision of a bond to ensure that if the project were to commence and for whatever reason fail to be completed or suspended or cease operation and not be recommenced for a specified period, those above and below ground construction works that had been carried out be removed and the land affected be restored in accordance with a restoration scheme to be first submitted to and agreed in writing by the relevant planning authority.

• The provision for adequate funding to allow the council to employ an officer or engage consultants to deal with monitoring and compliance primarily during the construction phase, but also during the operation phase. The 2008 Planning Act and the draft Development Consent Order (DCO), places the duty for approving any schemes submitted under the requirements of the DCO, as well as monitoring compliance with the DCO and possible enforcement, on to the council as the local planning authority. This would impose a considerable and unsustainable burden on the council and in this respect the provision is necessary and is considered to meet the tests in Regulation 122 of the CIL Regulations.

18.4 In respect of the obligation to provide a Corporate Social Responsibility Fund, concern has been raised with the applicant that this will not meet the tests of Regulation 122 of the CIL Regulations in that it is not necessary to make the development acceptable in planning terms. The CSR proposes a contribution, by the applicant, of £50,000 during the first year of construction and an amount not less than this for each year of the construction period with further grant funding to be agreed with the social enterprise directors/trustees for any period thereafter. The CSR was to be incorporated to best meet the needs of its beneficiaries by way of a Community interest Company (CiC) or a charitable trust (as appropriate) and will recruit its directors/trustees accordingly. The applicant has now agreed to remove this from the obligation but will consider a separate agreement in this respect which will not involve Wyre Borough Council as local planning authority.
18.5 The relevant planning authority in the case of the Development Consent Order is Wyre Borough Council. One of the draft heads of terms relates to the monitoring of existing brine wells. Whilst these historically were the subject of planning permissions granted by the County Council, no conditions are attached relating to the monitoring of the caverns. Should the Secretary of State be minded to issue a Development Consent Order, it should be subject to the above heads of agreement being entered into prior to the issue of the order.

19. Examining Authority’s first Written Questions

19.1 Following the preliminary meeting, the Examining Authority issued a number of requests and for further information directed principally to the applicant and the specific named bodies but invites comments from any party. The matters upon which the Examining Authority invited further comment relate to the following:

- Geology
- Assessment of significant effects on Morecambe Bay SPA and Ramsar site, and the impact on the SSSI's.
- Impact of the brine discharge to the Irish Sea and associated works
- Noise impacts
- Landscape impacts
- Brine Well number 43 and disposal of waste arisings
- Access
- The pipeline to Nateby
Hazardous Substance Consent

Compulsory Acquisition

Corporate Structure (of the companies involved in current ownership of the land and the financial strength of such to meet the residual liabilities of the proposed project including decommissioning.

20. Comments on Representations

20.1 The application for Development Order Consent has been subject to a number of representations from local residents and other interested parties. The Planning Inspectorate guidance on producing Local Impact Reports suggests that it may be appropriate for the Local Planning Authority to comment upon such representations in an LIR.

20.2 The main issues raised in representations relate to the specific environmental impacts of the development and have been covered in the appropriate sections of this LIR.

21. Conclusions

21.1 The Planning Act 2008 requires the Secretary of State to have regard to any Local Impact Report that is submitted by a relevant planning authority.

21.2 The need for underground gas storage facilities of this nature is emphasised in the National Policy Statements EN-1 and EN-4, although there is still a need to assess the impacts of a proposal. As with the previous applications at Preesall, it is accepted there is a need for additional gas storage in the UK to maintain a secure supply of energy into the future and to avoid surges in gas prices. It is also accepted that this proposal, if developed to the scale proposed, would make a contribution to meeting the need. However, it is clear from the application that the progressive contribution of this scheme could only be realised over a period of 8 years and would not contribute to meeting
the immediate need for gas storage. It would, by the applicant's estimation, contribute a further three days of supply.

21.3 The level of contribution that this proposal could make to the national storage of gas is acknowledged providing the site could be safely developed and to the scale proposed. The main issues raised by the proposal have been addressed. Some of these are considered acceptable or could be made acceptable, most particularly those elements of the proposal located on the Fleetwood peninsula; impacts on the marine environment, ecology and water resources. Other issues including highway impacts, impacts on footways and bridleways, noise and effects on tourism did not constitute reasons for refusal on the last planning application. The current proposal is smaller and, in respect of these issues, would generate less impact and which could be found acceptable or made acceptable by the requirements. It is now acknowledged that the applicant has demonstrated the capability of the geology to safely accommodate the development to the scale proposed. The landscape and visual impacts of the proposal on the environment are more difficult to assess. All these issues are material to the balance to be drawn between the harm that may be caused by the proposals and the benefits that it would deliver.

21.4 It is acknowledged that the design of the site has changed and perhaps improved on that previous. However, Wyre Borough Council remains concerned that the visual impact of the proposal and most particularly those associated with the gas compressor station, wellheads and associated infrastructure and tracks on the landscape on the eastern side of the Wyre estuary, during the development phase and operational life of the site until such time as (and if) the proposed planting mitigation proposals are successful (19 years). The nature of these elements of the proposal would be significant due to their design, scale and alien nature in a rural environment and adjacent to the SSSI and Ramsar sites. These elements of the proposed development would result in the introduction of an industrial development which by reason of their scale, design and location would be detrimental to the quality of the open character of the countryside, coastal plain, estuary landscape and Wyre Way contrary to the intentions of Policy EM1, DP7 and
RDF3 of the Regional Spatial Strategy, Policies 2, 7, 25 and 31 of the Lancashire Minerals and Waste Local Plan, Policies SP14, ENV2 and TREC12 of the adopted Wyre Borough Local Plan. Wyre Borough Council considers that such impacts contrary to the development plan policies are unacceptable.

21.5 With regard to Hazardous Substance Consent Wyre Borough Council remains concerned to the proximity of a facility of this nature to residential properties and recreational users of the area. However, the SOCG with the Health and Safety Executive is acknowledged and therefore the council would request the Examining Authority satisfies itself that the risk to the nearest residential properties and recreational users of the area is acceptable before issuing a Hazardous Substance Consent for the development.

21.6 This Local Impact Report contains the views of Wyre Borough Council in its role as a relevant planning authority and which the Examining Authority is requested to consider as part of the overall assessment of the proposal.