

H2Teesside Project

Planning Inspectorate Reference: EN070009

Land within the boroughs of Redcar and Cleveland and Stockton-on-Tees, Teesside and within the borough of Hartlepool, County Durham

The H2Teesside Order

Document Reference: 9.8: Statement of Common Ground between H2 Teesside Limited and Redcar and Cleveland Borough Council

The Planning Act 2008



Applicant: H2 Teesside Ltd

Date: October 2024



The Planning Act 2008

**The Infrastructure Planning
(Applications: Prescribed Forms and
Procedure) Regulations 2009**

The H2Teesside Order 202[]

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and Cleveland Borough Council**

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STATEMENT OF COMMON GROUND

**This Statement of Common Ground has been prepared and agreed by (1) H2 Teesside Ltd.
and (2) Redcar and Cleveland Borough Council**

Signed.....

[Name]

[Position]

on behalf of H2 Teesside Ltd

Date:

Signed.....

Adrian Miller

Head of Planning and Development

on behalf of Redcar and Cleveland Borough Council

Date:

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1.0 INTRODUCTION AND PURPOSE

1.1 Introduction

1.1.1 This Statement of Common Ground ('SoCG') relates to an application (the 'Application') made by H2 Teesside Limited (the 'Applicant'), to the Secretary of State for Energy Security and Net Zero for a Development Consent Order ('DCO') under Section 37 of the Planning Act 2008 (the 'PA 2008') for the H2Teesside Project.

1.1.2 The Application has been accepted for examination. The Examination commenced on 29 August 2024.

1.1.3 The Examining Authority's ('ExA') Rule 8 letter (Annex B) dated 30 August 2024 confirms that the Applicant should prepare a SoCG with Redcar and Cleveland Borough Council ('RCBC') in respect of the Proposed Development.

1.2 Parties to the SoCG

The Applicant

1.2.1 The Applicant is a private limited company aiming to develop and operate the H2Teesside Project, which is an approximately 1.2-Gigawatt Thermal ('GWth') Carbon Capture and Storage ('CCS') enabled Hydrogen Production Facility and associated connections (together the 'Proposed Development') on land in Redcar and Cleveland, Stockton-on-Tees, and Hartlepool (hereafter referred to as the 'Proposed Development Site'). The Proposed Development will support the decarbonisation of UK-produced natural gas in Teesside for use in industrial applications, thus helping to achieve national targets in relation to net zero. It will also be a key contributor to restoring manufacturing jobs in the Tees Valley.

1.2.2 The Proposed Development Site covers an area of approximately 508 hectares (ha) and is located primarily within the administrative boundaries of RCBC and Stockton-on-Tees Borough Council ('STBC'). The Hydrogen Pipeline Corridor (refer to Figure 4-4 in ES Volume II) [APP-087] extends further north-west to also include land within the administrative boundary of Hartlepool Borough Council ('HBC').

1.2.3 The Hydrogen Production Facility will be located at the Main Site within the Teesworks development site, as shown in Figure 4-1: Proposed Development Site Boundary (including location of the Main Site) (ES Volume II) [APP-084].

The Role of RCBC

1.2.4 RCBC is a relevant local authority for the purposes of Section 42(1)(b) of the PA 2008. Much of the Proposed Development Site, including the Main Site and Hydrogen Production Facility, lies within RCBC's administrative boundary on the southern side of the River Tees. RCBC is also the statutory planning authority for this area.

1.2.5 In addition to being a relevant local authority for the purposes of Section 42(1)(b) of the PA 2008, RCBC is a Category 1 person under Section 44 of the PA 2008 as result of having a freehold interest in land that lies within the Proposed Development Site.

1.2.6 The Applicant and RCBC are collectively referred to in this SoCG as ‘the parties’. The parties have been, and continue to be, in direct communication in respect of the Proposed Development.

1.3 The Purpose and Structure of this SoCG

1.3.1 The purpose and possible content of SoCGs is set out in paragraphs 58 to 65 of the Ministry of Housing, Communities and Local Government guidance entitled ‘Planning Act 2008: examination of applications for development consent’ (April 2024). Paragraph 58 of that guidance explains the basic function of SoCGs as follows:

“A statement of common ground is a written statement prepared jointly by the applicant and another party or parties, setting out any matters on which they agree. As well as identifying matters which are not in real dispute, it is also useful if a statement identifies those areas where agreement has not been reached. The statement should include references to show where those matters are dealt with in the written representations or other documentary evidence.”

1.3.2 SoCGs are therefore a useful and established means of ensuring that the evidence at the DCO examination phase focuses on the material differences between the main parties, and so aim to help facilitate a more efficient examination process.

1.3.3 The purpose of this SoCG is therefore to summarise the agreements reached between the parties on matters relevant to the Examination of the Application and to assist the ExA. It also explains the matters which remain unresolved at the time of writing, but which both parties are working positively toward resolving. As such, it is expected that further iterations of the SoCG will be submitted to the ExA throughout the Examination and prior to the making of any DCO for the Proposed Development.

1.3.4 The SoCG has been prepared with regard to the above guidance and is structured as follows:

- Section 2 – sets out the engagement and related discussions held between the parties.
- Section 3 – sets out the matters discussed and agreed to date.
- Section 4 – sets out the matters that are under discussion and to be agreed and the proposed way forward, where relevant.

2.0 ENGAGEMENT WITH RCBC

2.1 Summary of Engagement

2.1.1 A summary of the key engagement that has taken place between the Applicant and RCBC is detailed in **Table 2.1** below.

Table 2.1: Engagement between the Applicant and RCBC

DATE	FORM OF ENGAGEMENT	DOCUMENT REF. (IF ANY)	DETAILS
21 April 2023	Briefing meeting	n/a	The Applicant met with RCBC to provide an overview of the Proposed Development and the proposals for consultation.
24 April to 5 May 2023	Non-statutory consultation on the Statement of Community Consultation ('SoCC')	Consultation Report [APP-030]	The Applicant undertook non-statutory consultation with the relevant local authorities on a draft SoCC. This included RCBC.
17 May to 15 June 2023	Statutory consultation on the SoCC	Consultation Report [APP-030]	The Applicant undertook statutory consultation with RCBC on a draft of the SoCC.
14 September to 26 October 2023	First Consultation (statutory consultation) in accordance with Section 42 of the PA 2008.	Consultation Report [APP-030]	<p>The Applicant issued a Section 42 letter to RCBC on 14 September 2023 consulting the Council on the Proposed Development.</p> <p>RCBC provided a response on 5 December 2023 confirming that the Council had monitored the consultation and reviewed relevant information and had no specific comments to make. The response went onto state that the Council is supportive of the Proposed Development as a matter of principle and will respond once the</p>

DATE	FORM OF ENGAGEMENT	DOCUMENT REF. (IF ANY)	DETAILS
			examination of the DCO application commences.
13 December 2023 to 23 January 2024	Second Consultation (statutory and non-statutory) in accordance with Section 42 of the PA 2008.	Consultation Report [APP-030]	The Applicant issued a Section 42 letter to RCBC on 13 December 2023 consulting the Council on a number of changes to the Proposed Development as a result of further design development and technical work undertaken and also responses received to the First Consultation.
4 September to 7 October 2024	Consultation on proposed changes to the DCO Application.	n/a	A letter was issued to RCBC on 4 September 2024 consulting the Council on a number of proposed changes to the DCO Application.

3.0 MATTERS AGREED

3.1 Overview

3.1.1 This section sets out the matters agreed between the parties.

Table 3.1: Matters Agreed between the Applicant and RCBC

NO.	MATTER AGREED	DOCUMENT REF (IF RELEVANT)	COMMENTARY
1.	Adequacy of consultation		<p>It is agreed that the Applicant undertook an appropriate level of consultation on the Proposed Development in advance of the DCO Application being submitted. In its adequacy of consultation response dated 10 April 2024, RCBC stated:</p> <p><i>“Redcar and Cleveland Council can confirm it has been engaged by the applicant as part of the pre-application consultation process since early 2023, the submitted Consultation Report accurately reflects this process and the consultations carried out on behalf of the applicant and this Council is satisfied that the approach to consultation has been comprehensive and meets the regulatory requirements of the Act.”</i></p>
2.	The need for and principle of the development at this location.	Need Statement [APP-033] Planning Statement [APP-031]	<p>It is agreed that there is an urgent need for the Proposed Development – as set out in the Need Statement [APP-033] and the Planning Statement [APP-031] – in order to provide low carbon hydrogen and a means to decarbonise existing and proposed industrial emitters on Teesside and that this is consistent with the Government’s legally binding commitment to achieve net zero in terms of greenhouse gas emissions by 2050.</p> <p>It is also agreed that the principle of the Proposed Development at this location is acceptable. The Proposed Development involves significant areas of previously developed</p>

NO.	MATTER AGREED	DOCUMENT REF (IF RELEVANT)	COMMENTARY
			land and sits within a location that is identified in the local development plan for industrial development, including development related to energy and carbon capture and storage.
3.	National Policy Statements for Energy		<p>It is agreed that the policy framework for examining and determining applications for development consent is provided by the National Policy Statements ('NPSs') for energy and that the following NPSs are of particular relevance to the Proposed Development:</p> <ul style="list-style-type: none"> • the Overarching NPS for Energy (EN-1); • the NPS for Natural Gas Supply Infrastructure and Gas and Oil Pipelines (EN-4); and • the NPS for Electricity Networks Infrastructure (EN-5). <p>It is agreed that the above NPSs provide the primary basis for decision-making by the Secretary of State in respect of the DCO Application.</p> <p>It is agreed that the DCO Application should be determined in accordance with Section 104 of the PA 2008.</p>
4.	Energy and climate change policy		<p>It is agreed that Section 104 of the PA 2008 states that in determining applications for development consent, the Secretary of State must have regard to any other matters that are "important and relevant" to the decision.</p> <p>It is agreed that the following statements of Government energy and climate change policy, in particular, are important and relevant:</p> <ul style="list-style-type: none"> • The Ten Point Plan for a Green Industrial Revolution (November 2020).

NO.	MATTER AGREED	DOCUMENT REF (IF RELEVANT)	COMMENTARY
			<ul style="list-style-type: none"> • The Energy White Paper – Powering our Net Zero Future (December 2020). • Industrial Decarbonisation Strategy (March 2021). • North Sea Transition Deal (March 2021). • UK Hydrogen Strategy (August 2021 and updates). • Net Zero Strategy: Build Back Greener (October 2021). • British Energy Security Strategy (April 2022). • Powering Up Britain (March 2023). • Carbon Capture, Usage and Storage: a vision to establish a competitive market (December 2023).
4.	National planning policy		<p>It is agreed that the following national planning policy documents may be important and relevant to the determination of the Application:</p> <ul style="list-style-type: none"> • National Planning Policy Framework (December 2023). • Planning Practice Guidance.
5.	Local development plan documents		<p>It is agreed that within the context of Section 104 of the PA 2008 local development plan documents may also be important and relevant. It is agreed that the following local development plan documents that apply to Redcar and Cleveland are of most relevance to the Proposed Development:</p> <ul style="list-style-type: none"> • The Redcar & Cleveland Local Plan and Policies Map (adopted May 2018). • The Tees Valley Joint Minerals and Waste DPDs (adopted September 2011).

NO.	MATTER AGREED	DOCUMENT REF (IF RELEVANT)	COMMENTARY
			It is also agreed that the South Tees Supplementary Planning Document ('SPD') (May 2018) may be relevant to the Proposed Development.
6.	Local planning designations	Planning Statement [APP-033]	<p>It is agreed that Section 3.3 of the Planning Statement [APP-033] provides an accurate description of the local planning designations that apply to the Proposed Development Site within the administrative boundary of Redcar and Cleveland. The key planning allocations/designations and related policies that apply to the Site are:</p> <ul style="list-style-type: none"> • Development Limits – Policy SD3. • 30km wind farm safeguarding area for Durham Tees Valley Airport – Policy SD6. • Protected Employment Area – Policy ED6. • South Tees Development Corporation Area – Policy LS4. • Sensitive Landscape Areas – Policy N1. • Restoration Landscape Areas – Policy N1. • Green Wedges – Policy N2. • Strategic Landscape Areas – Policy N2. • Primary Open Areas – Policy N3. • Teesmouth and Cleveland Coast Special Protection Area ('SPA') and Teesmouth and Cleveland Coast Site of Special Scientific Interest ('SSSI') and 6 km SPA Buffer Zone – Policy N4. • Local Wildlife Sites – Policy N4. • Marine Dredged Sand and Gravel – Policies MWC4. • General Location for Large Waste Management Facilities – Policy MWC8.

NO.	MATTER AGREED	DOCUMENT REF (IF RELEVANT)	COMMENTARY
			<ul style="list-style-type: none"> • Safeguarded Wharves – Policy MWC11.
7.	Local development plan policies		<p>It is agreed that the following local development plan policies are of relevance to the Proposed Development within the boundary of Redcar and Cleveland:</p> <ul style="list-style-type: none"> • SD1 – Sustainable Development. • SD2 – Locational Policy. • SD3 – Development Limits. • SD4 – General Development Principles. • SD6 – Renewable and Low Carbon Energy. • SD7 – Flood and Water Management. • ED6 – Promoting Economic Growth. • LS4 – South Tees Spatial Strategy. • N1 – Landscape. • N2 – Green Infrastructure. • N3 – Open Space and Recreation. • N4 – Biodiversity and Geological Conservation. • HE2 – Heritage Assets. • TA1 – Transport and New Development. <p>It is agreed that the following policies of the South Tees SPD may be of relevance:</p> <ul style="list-style-type: none"> • STDC1 – Regeneration Priorities.

NO.	MATTER AGREED	DOCUMENT REF (IF RELEVANT)	COMMENTARY
			<ul style="list-style-type: none"> • STDC4 – Economic Development Strategy. • STDC6 – Energy Innovation. • STDC7 – Natural Environmental Protection and Enhancement. • STDC8 – Preserving Heritage Assets. • STDC10 – Utilities. • STDC11 – North Industrial Zone. • STDC12 – North East Industrial Zone. • STDC15 – Coastal Community Zone. <p>It is also agreed that the following policies of the Tees Valley Joint Minerals and Waste DPDs may be of relevance:</p> <ul style="list-style-type: none"> • MWC4 – Safeguarding of Mineral Resources from Sterilisation. • MWC8 – General Locations for Waste Management Sites. • MWC11 – Safeguarding of Port and Rail Facilities.
8.	Planning history and current proposals	Planning Statement [APP-033]	It is agreed that Section 3.2 of the Planning Statement [APP-033] provides an accurate description of the planning history and current proposals of most relevance to the Proposed Development.
9.	Location and extent of the Hydrogen Production Facility/Main Site		It is agreed that the location and extent of the Hydrogen Production Facility/Main Site is appropriate to the Northern Industrial Zone ('NIZ') identified in the South Tees SPD. Development Principle STDC11 states that the NIZ is an appropriate location for energy innovation amongst other uses.

NO.	MATTER AGREED	DOCUMENT REF (IF RELEVANT)	COMMENTARY
10.	EIA assessment methodology	ES Chapter 2 [APP-054]	It is agreed that the assessment methodology set out at Chapter 2 ‘Assessment Methodology’ of the ES [APP-054] is appropriate and proportionate.
11.	Alternatives	ES Chapter 6 [APP-058]	It is agreed that the approach taken to the examination of alternatives as set out in Chapter 6 ‘Alternatives and Design Evolution’ [APP-058] is appropriate and proportionate.
12.	Design parameters	Table 4-1 of ES Chapter 4 [APP-056]	It is agreed that the adoption of the ‘Rochdale Envelope’ approach and the use of the design parameters set out at Table 4-1 of Chapter 4 ‘Proposed Development’ of the ES [APP-056] for the assessments of the likely significant environmental effects of the Proposed Development is appropriate and proportionate.
13.	Cumulative and combined effects	ES Chapter 23 [APP-076]	It is agreed that the approach taken to identifying developments for the assessment of cumulative and combined effects in ES Chapter 23 ‘Cumulative and Combined Effects’ of the ES [APP-076] is appropriate.
14.	DCO requirements	Schedule 2 of the draft DCO [APP-027]	It is agreed that drafting of the DCO requirements as set out at Schedule 2 of the draft DCO [APP-027] is appropriate, subject to the outcomes of the Examination.
15.	Procedure for the discharge of the DCO requirements	Schedule 13 of the draft DCO – The procedure [APP-027]	It is agreed the procedure for the discharge of the DCO requirements as set out at Schedule 13 of the draft DCO [APP-027] is appropriate.
16.	Approach to design of the Proposed Development	Design and Access Statement [APP-034]	It is agreed that the approach taken to the design of the Proposed Development is appropriate and represents ‘Good Design’ given its function, location and surrounding context.

NO.	MATTER AGREED	DOCUMENT REF (IF RELEVANT)	COMMENTARY
17.	Construction effects	Framework CEMP [APP-043]	It is agreed that construction effects have been adequately assessed in the ES, where necessary, shall be dealt with through a Construction Environment Management Plan ('CEMP') and other specified mitigation measures which are to be secured through the DCO requirements.
18.	Air quality	ES Chapter 8 [APP-060]	RCBC considers that the assessment of the air quality effects of the Proposed Development set out in Chapter 8 'Air Quality' of the ES [APP-060] is a comprehensive and robust analysis and any outstanding matters will be covered in the Examination process.
19.	Noise and vibration	ES Chapter 11 [APP-063]	RCBC considers that the assessment of noise and vibration effects of the Proposed Development set out in Chapter 11 'Noise and Vibration' of the ES [APP-063] is a comprehensive and robust analysis and any outstanding matters will be covered in the Examination process.
20.	Terrestrial ecology and nature conservation, including ornithology	-	The Applicant notes that RCBC do not employ an ecologist and that the Council therefore relies upon national and local nature conservation consultees with regard to biodiversity and ecological matters.
21.	Marine ecology	-	The Applicant notes that RCBC do not employ an ecologist and that the Council therefore relies upon national and local nature conservation consultees with regard to impacts on marine ecology.
22.	Climate change	-	RCBC has no comments to raise with regard to the assessment of effects on climate change.
23.	Landscape and visual	ES Chapter 16 [APP-069]	RCBC considers that the landscape and visual impact assessment submitted as part of the ES (Chapter 16 'Landscape and Visual Amenity' [APP-069]) is a robust and comprehensive assessment of the landscape impacts of the Proposed Development and any outstanding matters will be covered in the Examination process.

NO.	MATTER AGREED	DOCUMENT REF (IF RELEVANT)	COMMENTARY
24.	Geology, hydrogeology and contaminated land	-	RCBC has no comments to raise with regard to the assessment of effects on geology, hydrogeology and contaminated land and any outstanding matters will be covered in the Examination process.
25.	Historic environment	-	RCBC has no comments to raise with regard to the assessment of the impact of the Proposed Development on the historic environment.
26.	Major accidents and hazards	-	RCBC has no comments to raise with regard to the assessment of effects in respect of major accidents and hazards.
27.	Socio-economics and land use	Schedule 2 of the Draft DCO [APP-027]	<p>RCBC has no comments to raise with regard to the assessment of effects in terms of socio-economic and land use.</p> <p>It is agreed that Requirement 26 ‘Employment, skills and training plan’ of the draft DCO [APP-027] will provide an appropriate mechanism by which to employment, skills and training opportunities for local residents.</p>
28.	Traffic and transport	ES Chapter 15 [APP-068]	RCBC considers that the assessment of transport and traffic effects of the Proposed Development set out in ES Chapter 15 ‘Traffic and Transport’ [APP-068] is a comprehensive and robust analysis and any outstanding matters will be covered in the Examination process.
29.	Public Rights of Way (‘PRoW’)	Schedule 2 of the Draft DCO [APP-027]	<p>RCBC has no comments to raise with regard to the assessment of effects on PRoW.</p> <p>It is agreed that Requirement 5 ‘Public rights of way’ of the draft DCO [APP-027] will provide an appropriate mechanism for the management of PRoW during the construction of the Proposed Development.</p>

NO.	MATTER AGREED	DOCUMENT REF (IF RELEVANT)	COMMENTARY
30.	Surface water, flood risk and water resources	ES Chapter 9 [APP-061]	It is agreed that the Proposed Development is acceptable in terms of flood risk and that appropriate mitigation measures are included to mitigate any flood risk, as set out in ES Chapter 9 'Surface Water, Flood Risk and Water Resources [APP-061].
31.	Materials and waste management	-	RCBC has no comments to raise with regard to the assessment of the effects on waste.
32.	Local Development Plan Policies	Planning Statement [APP-031] Planning Statement – Policy Assessment Tables [APPP-032]	It is agreed that the Proposed Development is compliant with relevant development plan policy as set out in the Redcar and Cleveland Local Plan (adopted 2018) and the Tees Valley Joint Minerals and Waste Development Plan Documents (adopted 2018).
33.	Land agreements	-	RCBC is the owner of some land within the Order Limits. This is highway land associated with the A1085. The parties do not need to enter into any agreements in respect of this land.

4.0 MATTERS TO BE AGREED

4.1 Overview

4.1.1 No matters that require further discussion and agreement between the parties have been identified at this stage of the Examination.

Table 4.1: Matters to be Agreed between the Applicant and RCBC

NO.	MATTER TO BE AGREED	DOCUMENT REF (IF RELEVANT)	COMMENTARY	
			RCBC POSITION	APPLICANT POSITION