

# 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 H2 Teesside Order

Document Reference: Applicant's Response to South Tees Group's Response to Secretary of State's Consultation Letter 1 and Consultation Letter 3

Planning Act 2008



**Applicant: H2 Teesside Ltd**

Date: 8 August 2025

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## APPENDICES

### APPENDIX 1: NATURAL ENGLAND OBJECTION LETTER

## **1.0 APPLICANT'S RESPONSE TO SOUTH TEES GROUP'S RESPONSE TO SECRETARY OF STATE CONSULTATION LETTERS 1 & 2**

1.1.1 On 1 August 2025, the Applicant responded to the Secretary of State's Consultation Letter 2 (Questions 3, 4 and 6) and Consultation Letter 3. That response noted that the Applicant became aware at 16.30 on 1 August 2025 that Redcar and Cleveland Borough Council had granted Reserved Matters Approval ('RMA') to the South Tees Group ('STG') for a datacentre development at The Foundry site to which the Applicant would respond separately. This document comprises the Applicant's comments on the STG's response to the Secretary of State's Consultation Letter 1 and Consultation Letter 3, including the implications of the RMA.

### **1.2 Engagement – Land Negotiations**

1.2.1 Before considering the interaction between the RMA Application and the Proposed Development, the Applicant wishes to record that it strongly refutes any suggestion that it has not sought to engage with STG, both in terms of seeking to complete land negotiations, but also in respect of its concerns regarding co-existence of the Proposed Development and STG's own development proposals.

1.2.2 In respect of land negotiations, as set out in the Applicant's Examination submissions (see e.g. REP4-014 Appendix 1 and REP8-020), the agreed approach between the parties was to seek to reach commercial agreement on Phase 1 Option first, to enable similar approaches on the key commercial position to be taken to Phase 2.

1.2.3 Given the complexities of the negotiations to date, this staged approach was felt appropriate to maximise the prospects of reaching a negotiated agreement for the acquisition of the necessary land and is entirely consistent with the Guidance related to procedures for the compulsory acquisition of land.

1.2.4 The last engagement on the Option Agreement was a response from the Applicant on 17th April 2025 dealing with all open points of negotiations. STG has made no attempt to respond to the Applicant regarding these issues and has made no requests for further information from the Applicant since then. It is therefore clear that despite the Applicant's best efforts to negotiate a voluntary agreement, certainty of delivery of the Proposed Development can only be provided by the grant of powers of compulsory acquisition.

### **1.3 Engagement – Co-Existence**

1.3.1 Both before and during Examination, the Applicant has also sought to engage with STG to seek to reach a position that enabled both the Proposed Development and STG's development aspirations to be realised.

1.3.2 The Proposed Development has been located on land which benefits from Outline Planning Permission ('the Outline Planning Permission'), however the decision to select this site was taken following an invitation by STG to locate the Proposed Development in that location. Indeed, STG have publicly stated a desire for the Teesworks site to be a home for green technologies.

- 1.3.3 The Applicant's attempts to facilitate co-existence between the Proposed Development and STG's development aspirations have included the changes made to the Order limits during Examination, which followed extensive commercial discussions between the parties. Since the end of Examination, the Applicant has also:
- offered to join any meetings between STG and the Health and Safety Executive ('HSE') to work together to explore opportunities for H2T and the data centre to co-exist. Despite this offer, STG has not invited H2T to any such meetings;
  - offered to collaborate with the proposed data centre operator (including sharing available information about the Proposed Development) to explore co-existence opportunities. STG has chosen to ignore this offer and has not arranged any such meetings to facilitate this; and
  - had a meeting with STG in June 2025 to discuss opportunities for other co-existence opportunities for STG's development aspirations.
- 1.3.4 However, as at the end of Examination, a key matter that has been an obstacle in negotiations relates to the health and safety position between the Proposed Development and STG's development proposals.
- 1.3.5 In respect of this, the position remains as reported by the Applicant at the end of Examination – as is common with the vast majority of DCO projects, with consent still awaited, the Applicant has not yet commenced the process of detailed design which would enable the production of consultation zones by the HSE. Nor was the detail of design sufficiently advanced to enable the Applicant to make any commitments (particularly in the context of a constrained site following the Second Change Application) that could reassure STG that inner consultation zones could avoid their development land. However, as noted above, the Applicant has attempted to collaborate with all relevant parties, to seek to enable progress to be made in facilitating co-existence so far as possible. The Applicant's attempts at constructive collaboration have not been reciprocated by STG.
- 1.3.6 Effective engagement on co-existence must be a two-way process. To date (and as ultimately evidenced by the submission of the details of the RMA Application), STG's position has been that there is only one form of development it considers to be acceptable and that H2T must make way to enable that specific form to be accommodated, rather than considering how any aspect of the data centre development could be adjusted to work with the existence of an adjacent Hydrogen Production Facility.
- 1.3.7 As noted in the Applicant's Examination submissions, the imposition of inner consultation zones on land does not preclude all forms of development. In particular, B8 uses such as data centre developments can be acceptable if there are fewer than 100 workers per building and less than 3 occupied storeys within the inner consultation zone. In light of this, the Applicant sees no reason why all parties (including the HSE) could not have found a mutually acceptable solution that would allow both developments to come forward.
- 1.3.8 Further, even if STG's AI Growth Zone submission is successful, STG has made it clear that the application for the AI Growth Zone was made for 'Teesworks'. Teesworks is

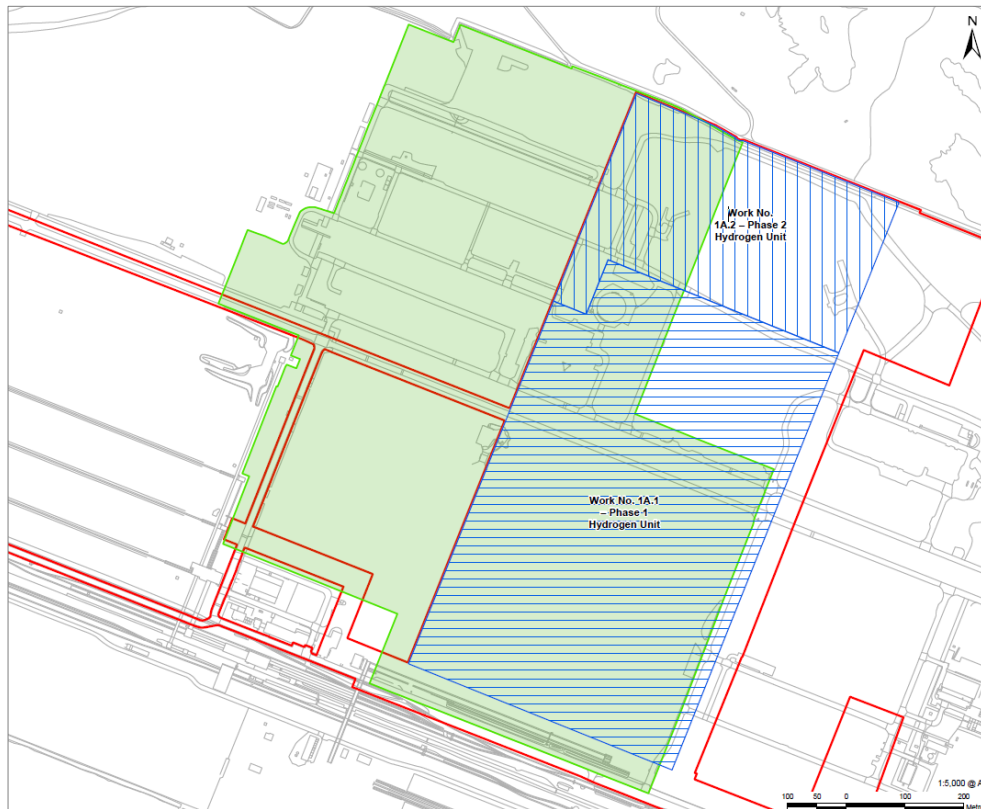
a large site (with some 2,000 acres of developable land), of which the land required for the Hydrogen Production Facility (that STG had previously advanced for green technologies) forms only one small part. As such, there is no reason why STG's ambitions for Teesworks cannot be developed on other land in and around the Hydrogen Production Facility and it is not clear why STG have focussed on land in close proximity to, and latterly on the same land as, the Proposed Development. In its application for the RMA STG chose not to engage in any way with the implications for the Proposed Development, as reflected in the complete absence of any explanation of why this particular form of development was proposed on this particular site, notwithstanding the incompatibility of its chosen scheme with the implementation of the Proposed Development.

- 1.3.9 Crucially, STG has always publicly stated that it wishes for the Teesworks site to be a home for green technologies, including hydrogen. There is no reason why that aspiration cannot work hand in hand with STG's other aspirations for Teesworks to be an AI Growth Zone (noting that the latter is not a green technology), if sensible and reasonable discussions are held about co-existence, particularly given the size of the overall 'Teesworks' estate.
- 1.3.10 Importantly, those discussions can still be had if the Proposed Development is granted consent with the necessary powers of compulsory acquisition to enable its implementation. Notwithstanding STG's unexplained decision to seek RMA for a physically incompatible scheme, other reserved matters applications (or if necessary other outline or full applications) could be submitted to reflect an agreed co-existence position, enabling green technologies **and** AI growth to come forward.
- 1.3.11 In short, the Applicant remains ready and willing to work with STG to enable the Proposed Development and suitable data centre development to be brought forward within the Teesworks estate. Granting consent for the Proposed Development such that the proposed data centre development is not able to be built in the precise form and location envisaged in the RMA, would not preclude that outcome.

## **1.4 Competing Proposals – Decision to be Made**

- 1.4.1 The grant of consent for the RMA Application by Redcar and Cleveland Borough Council ('RCBC') partially crystallises the risk to which STG has referred throughout the Examination, namely that the Proposed Development would prevent the delivery of its own development ambitions. However, granting the DCO for the Proposed Development would only prevent implementation of the data centre in the precise location and form envisaged in the RMA. That is because STG has decided (for reasons it has not explained) to seek RMA for the data centre on land proposed to accommodate Phases 1 and 2 of the Proposed Development, as shown on Figure 1, below. It would not prevent data centre development on the Teesworks site more generally, just this particular scheme. Moreover, as explained further below there is substantial doubt as to whether the data centre scheme would be delivered in any event, whatever decision is made in respect of the Proposed Development.

**Figure 1: Overlay drawing showing RMA Application (outlined/shaded green), H2T boundary (red line) with H2T Phase 1 (horizontal blue hatching) & H2T Phase 2 (vertical blue hatching).**



- 1.4.2 Through the RMA Application, STG has set out a specific proposal which would (if otherwise implementable) be stymied by the Proposed Development. As noted above, however, STG has not sought to suggest, let alone demonstrate with evidence, that other data centre development proposals could not be brought forward in conjunction with the Hydrogen Production Facility that it had previously supported being placed on the Foundry site.
- 1.4.3 As is apparent from Figure 1, STG's specific proposed data centre development is physically incompatible with the Proposed Development. As such, the two developments are properly to be regarded as alternatives. The Secretary of State's decision will, therefore, need to weigh the comparative benefits of this specific data centre development and a hydrogen production facility that would, if authorised as proposed, prevent the delivery of the data centre in the configuration authorised by the RMA.
- 1.4.4 It is important to note that in granting RMA, RCBC expressly did not undertake this exercise, despite the Applicant making submissions to RCBC on the RMA application to the effect that the Proposed Development should be considered a material planning consideration in its decision on the RMA Application. Instead, RCBC determined that the comparative benefits of the two developments was a matter for the Secretary of State to determine in reaching a decision on the DCO application.



- 1.4.5 The Officer's report informing the delegated decision to grant RMA said on this issue that:

*"The Local Authority recognise as set out in the objection letter from H2T the national importance of the neighbouring development, hence its consideration through the DCO process where the benefits of the development will be weighed appropriately by the examining authority"*

*"As detailed above the current application is for matters pursuant to an existing and extant outline planning permission which has established the principle of development at the site. The Council acknowledge that the H2T decision is anticipated by 28th August 2025. The Planning Inspectorate and subsequently the Secretary of State have been made aware through representations on the H2T project of the proposed data centre development and therefore the interaction between the two projects. The Local Authority are aware that H2T are seeking compulsory purchase powers through the DCO, that should they be granted would be mechanism for the delivery of the H2T development."*

- 1.4.6 RCBC has clearly, therefore, left it to the Secretary of State to assess the relative merits of the two incompatible proposed developments and determine how that should affect development control decision-making. As such, the fact that RCBC have granted RMA, should, in itself, carry limited weight as the decision failed to grapple with the comparative benefits of the two alternative developments for the Foundry site. RCBC's decision conveys no explicit or implicit judgment as to their comparative benefits.

- 1.4.7 Given the nature of the competing proposals, and the implications of granting the DCO as sought, the Secretary of State will need to make a decision in the national interest between two competing proposals.

- 1.4.8 In making a decision, the Secretary of State will need to weigh up the benefits and disbenefits of the Proposed Development which, if allowed, would prevent the specific form of development envisaged in the RMA from being built-out. In doing so, he will also need to consider:

- the disbenefits of the loss of the specific RMA proposals in the context that other data centre proposals could still be brought forward in the wider Teesworks estate, as discussed above; and
- the likelihood of the consented RMA proposals actually being able to be built out (and thus the weight to be given to any theoretical 'loss' of the ability for that proposal to be brought forward).

- 1.4.9 The rest of this document considers the comparative benefits of the two developments and the impediments to the delivery of the RMA development, regardless of the Proposed Development.

## 1.5 Comparison of Benefits

- 1.5.1 The Need Statement [APP-033] sets out the benefits that would be delivered by the Proposed Development, but in summary they include:



- the production of 10% of the Government's hydrogen production target of 10 gigawatts by 2030;
- forming a key part of the Government's re-emphasised commitment in its June 2025 Update to Market to the roll out of low carbon hydrogen infrastructure in the UK. That Update recognises that low carbon hydrogen has a 'fundamental' role in two of the Government's core Missions and in helping the UK become a Clean Energy Superpower. It also highlights the Government's on-going negotiations with two CCUS enabled hydrogen projects, one of which is the Proposed Development;
- being a material emitter to the Northern Endurance Partnership storage and export pipeline system which forms a key part of the Government's overall CCS strategy;
- forming a key part of the overall East Coast Cluster, protecting thousands of jobs by enabling existing industrial emitters to convert to hydrogen supply;
- as set out in ES Chapter 19: Climate (APP-072), the Proposed Development could save up to 39.9 MtCO<sub>2</sub>e, 60 MtCO<sub>2</sub>e or 81 MtCO<sub>2</sub>e over its lifetime if the hydrogen produced displaces natural gas, diesel (vehicle usage scenario) or industrial coal (steel plant scenario) respectively. Taking the projections from the Carbon Budget Delivery Plan, these savings would make up 8% of the projected savings hoped to be achieved from the Government's initiatives in the power sector (such as supporting blue hydrogen projects);
- a peak construction workforce of 1,300 jobs, helping skill up green technology workers in a cluster area which will see the development of an array of developments which will require the skills developed under the project; and
- more generally supporting socio-economic improvements in the Tees Valley through a focus on contributions to the delivery of education and skills aligned with regional plans.

1.5.2 By comparison, the potential benefits that may be 'lost' as a result of the Proposed Development preventing delivery of the RMA development are as follows:

- the potential delivery of a specific data centre proposal, which infrastructure which Government considers to be 'critical national infrastructure'. However, whilst the Government's position is noted on data centres generally, the Applicant refers to the points on 'practical operation' below – this is a data centre that is not in an Availability Zone, has no identified customer, and there is no certainty that Teesworks will become an AI Growth Zone or any indication of what the economic benefits of this proposal being part of that Growth Zone could actually deliver; and
- the economic benefit of 700 jobs.

1.5.3 It is important to recognise, however, that granting consent for the Proposed Development will not prevent the delivery of a data centre on other parts of the Teesworks estate. It will simply mean that the specific data centre, in the precise location and form envisaged in the RMA, will not be capable of delivery.

- 1.5.4 Crucially, the RMA proposals do not deliver on one of the Government's core missions of meeting the challenge of Net Zero and indeed, given the emissions associated with the usage of data centres (and any back up generators) the proposals are likely to have a net-negative effect in meeting that challenge. Any decision not to authorise the Proposed Development because of its potential impact on the delivery of this specific data centre proposal would therefore represent a retrograde step in the realisation of the Government's net zero ambitions.
- 1.5.5 In the Applicant's view, there are clear benefits to the Proposed Development which will deliver a quantifiable impact and contribution to the delivery of regional and national objectives and ultimately the global challenge of climate change. It grapples with the complexities of hard to decarbonise sectors that cannot be met through the electrification agenda.
- 1.5.6 Without the Proposed Development, a core plank of the Government's strategy for the East Coast Cluster to contribute to the achievement of the Government's climate goals by 2030 would fall away, and would require a re-set in the Government's programme aspirations that could have wide knock-on effects (including how it deals with other parts of the East Coast Cluster).
- 1.5.7 The benefits of the Proposed Development clearly and significantly outweigh the limited benefits that would be lost by the specific RMA proposals not being able to be brought forward (assuming they are otherwise implementable).

## **1.6 Impediments to Delivery**

- 1.6.1 As noted above, whilst RCBC has granted RMA, there remain a number of substantial planning and non-planning impediments that will need to be resolved before any development could be brought forward pursuant to that approval.
- 1.6.2 These impediments cast considerable doubt on the proposition that STG's proposals will be able to be brought forward either at all, or in any short order. These impediments are:

### Practical Operation

- 1.6.3 The RMA Application provides no information on how the data centre would fit within the wider data centre market, no justification or analysis as to why a data centre should be in this location, nor any evidence to suggest that Teesside is part of an 'Availability Zone' ('AZ') (i.e. groups of data centres within a region, whereby AZs have independent power/cooling/network infrastructure, in the event that if one zone experiences an outage, then services are supported by other remaining AZs), such that it would be attractive to potential customers of the data centre. As data centre customers rely on 24/7 supply, the lack of this information raises doubts whether there are back-up systems in place, and whether it is feasible or practical to provide these in this location.
- 1.6.4 Whilst the Applicant notes STG's submission of 30 June refers to its AI Growth Zone submission to Government, as yet no decision has been made on Growth Zones by the Government and, crucially, AI Growth Zones are not the same as AZs – they are proposed by the Government as areas where 'streamlined planning processes' and

opportunities to boost private capital can be considered, but with no detail yet available as to what those streamlined planning processes involve.

- 1.6.5 Data centres are typically 'power hungry' developments; and therefore have significant energy demands. However, no information is provided in the RMA Application on power supply, including the required power capacity/loads, and whether there is sufficient private power supply (given the wider regeneration that is happening or is planned to happen on the Teesworks estate) to support a large-scale data centre. The Applicant notes that STG's submission of 30 June 2025 suggests that it is uniquely placed to provide sufficient power, but no evidence has been provided in either the Examination or RMA process (or directly to the Secretary of State to inform his decision-making) to demonstrate this is actually the case.
- 1.6.6 There is also no information on water supply for cooling, and whether this can or has been secured from the relevant utility provider, which is critical to the safe operation of the data centre.

#### Environmental Acceptability

- 1.6.7 In making its decision on the RMA Application, RCBC has determined that crucial environmental information that has not been provided with the RMA Application will be able to be remedied by the provision of such information at a later stage through the discharge of conditions of the Outline Planning Permission and the RMA approval.
- 1.6.8 Aside from potentially giving rise to an issue as to the lawfulness of granting RMA without undertaking a Habitats Regulation Assessment ('HRA') and on the basis of insufficient information to inform an Environmental Impact Assessment ('EIA'), the consequence of this approach is that is still not known if the RMA proposals are, or can be made, acceptable in environmental terms.
- 1.6.9 In particular:
- no assessment has yet been provided of the impacts to ecological receptors and no HRA of the data centre proposal. In the context of the HRA associated with the Outline Planning Permission being extremely high-level, less than twelve pages, and not considering the specific form of development now envisaged by STG, this is significant. In its comments on the RMA Application, Natural England expressed the view that insufficient information had been provided to exclude the risk of significant adverse risks on the Teesmouth and Cleveland Coast SPA, Ramsar Site and SSSI. Its view was that the following further information was required: a HRA; an Air Quality Impact Assessment; a Noise Impact Assessment; Lighting Plan and Consideration of Light Pollution Impacts; Surface Water Drainage and Consideration of Water Quality Impacts; and a Construction Environmental Information. Without that information, which has not been provided by STG, Natural England objected to the development proposed in the RMA Application (see **Appendix 1**). Given the ecological context of the site (i.e. the nearby presence of the Teesmouth and Cleveland Coast SPA, Ramsar and SSSI), the absence of information on ecological mitigation proposals (notwithstanding that these were due to be put forward on a site wide basis in an Environmental and Biodiversity Strategy as a condition of the Outline

permission by March 2023 which still has not been done) and the absence of any consideration of in-combination impacts, there is clearly no certainty at this stage that a conclusion of no adverse effects to integrity arising from the RMA Application proposals, both alone and in-combination with other plans or projects, will be able to be concluded;

- no assessment has been provided in respect of air quality and noise impacts to human and ecological receptors, either during construction stage (which was a critical issue in the Examination of the Proposed Development), and from operational backup generators; and
- given the substantial water supply requirements of a data centre, and the sensitivity of the nearby water environment, no assessment of what the RMA Application proposals might mean in terms of impacts to water quality and water related impacts to ecological receptors has been provided, which is relevant to nutrient neutrality, HRA and WFD assessments. Again, there is no certainty that a conclusion of no deterioration to the status of WFD waterbodies will be able to be reached - this simply has not been tested for the RMA Application proposals.

- 1.6.10 It is also noted that the provision of the information to address the matters identified above is likely to take a considerable amount of time. In particular, given the age of the Outline Planning Permission ES (December 2020), the surveys to inform the ecological assessments are now significantly out of date. It is possible that some reliance may be sought to be placed on H2T's own surveys reported in the H2T ES, but that would not be sufficient to inform any later decisions by RCBC in respect of the RMA proposals. Given the amount of information that H2T was required to provide to Natural England in respect of bird count data and construction methodologies, the sensitivity of the Teesworks site, and the seasonal restrictions on bird surveys, it will inevitably take a lengthy amount of time for the information to be put together that would be sufficient to provide adequate information to satisfy Natural England and enable the LPA to be able to carry out its statutory duties. In particular, RCBC cannot discharge the pre-commencement conditions on the Outline Planning Permission so as to enable the implementation of the RMA without complying with its statutory duties under the Habitats and EIA Regulations. These duties have not been complied with to date.
- 1.6.11 In conclusion therefore, there is substantial doubt that the RMA proposals are fully consentable or deliverable, regardless of the potential existence of the Proposed Development. As such, only limited weight should be given to the potential for the Proposed Development to prevent the ability of the data centre to come forward.
- 1.6.12 By contrast, and in rebuttal to STG's submissions that there is no certainty as to the delivery of the Proposed Development, the Applicant can confirm that it remains fully committed to the delivery of H2Teesside, as evidenced in REP9-001 and REP9-025.
- 1.6.13 Nothing has changed from the position expressed in those submissions, despite speculative and non-evidenced news reports to the contrary (including in respect of the closure of Sabic's 'cracker').

1.6.14 Furthermore, through the Examination process, the Applicant has demonstrated the environmental acceptability of the Proposed Development (with HRA and WFD matters already tested through that process and Natural England content with the Applicant's proposals) with appropriate controls in place.

1.6.15 As such, if granted consent, the Applicant would be in a position to deliver the benefits associated with the Proposed Development, and this should be weighed positively in the balance against the uncertainties of the RMA proposals, as set out above.

## **1.7 Compelling Case**

1.7.1 Finally, it is noted that STG suggests that the Applicant has not made a compelling case for the compulsory acquisition of its land. The Applicant strongly refutes that suggestion. The compelling case for compulsory acquisition is reflected in the benefits of the Proposed Development set out above, and this has been extensively set out in its Examination submissions (e.g. in the Statement of Reasons (APP-024), REP4-015 and REP8-020).

1.7.2 STG has itself publicly supported the delivery of net zero development within the Teesworks estate and has negotiated for an extensive period with the Applicant on the basis that the Hydrogen Production Facility will be located on the Foundry site.

1.7.3 The Second Change Request to reduce the Order Limits for the Main Site has limited the flexibility for the location of the Phase 2 development to one specific location. The Applicant initiated this change to enable Teesworks to market a 'clean' development site to the west of the Proposed Development (if it was willing to work in a collaborative and co-existent manner with H2T).

1.7.4 In respect of Red Main and the retained pipeline corridor in the land adjacent to the Main Site Order limits, the Applicant relies on its Examination submissions (see, for example, REP9-024).

1.7.5 It is clear that the Applicant has complied with the CA Guidance on meaningful negotiations and that there is a compelling case in the public interest justifying the use of compulsory acquisition powers.

## **1.8 Conclusion**

1.8.1 The Applicant has sought to engage with STG both during and since the end of Examination to address its concerns in respect of bringing forward development proposals at Teesworks alongside the Proposed Development.

1.8.2 Rather than engaging positively with the Applicant, STG has instead chosen to submit a RMA Application with much missing information, in direct competition with the Proposed Development. STG has moved to a position of outright objection to a nationally significant infrastructure development that would enable the Government to meet up to 10% of its hydrogen targets.

1.8.3 The RMA is, in principle, capable of being considered a material consideration in determining the DCO application but even if the data centre scheme was complete and implementable, the benefits of the Proposed Development clearly outweigh any disbenefits associated with preventing the delivery of the RMA proposals.

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- 1.8.4 Furthermore, for the reasons set out above the RMA Application is substantially incomplete (and speculative given the lack of information on practical operation), such that very limited weight, if any, should be applied to the potential loss of the ability to develop the proposed data centre when striking the planning balance.
- 1.8.5 It is important to recognise that STG's aspirations for the Teesworks site to be an AI Growth Zone are not precluded if the Proposed Development is granted consent. Instead, the grant of the DCO as sought will provide STG with the clarity that the Order limits are to be used for the Proposed Development and that the AI Growth Zone will need to (and can be, if designed appropriately) co-exist around it. H2Teesside Limited remains willing to work with STG to reach a solution that allows the Proposed Development and STG's development ambitions to co-exist.
- 1.8.6 In any event, it is clear that STG's development is not one that currently benefits from any specific support from Government, it does not help to deliver the decarbonisation agenda for Teesside (and the climate and economic benefits arising from delivery of that agenda) and ultimately does not contribute to the net zero agenda. Thus any theoretical loss of the potential to develop such a scheme on the site of the Proposed Development is significantly outweighed by the deliverable benefits that would be brought forward by the Proposed Development. Those potential benefits align with the Government's policy agenda (the importance of which is emphasised by the Government's 23 July Hydrogen Update to Market), the development of the East Coast Cluster and the delivery of net zero.
- 1.8.7 The comparative benefits of the two schemes will be a matter for the Secretary of State to determine in the national interest. The public interest weighs decisively in favour of granting consent for the Proposed Development, for the reasons summarised above. The Applicant invites the Secretary of State to determine the application in accordance with current timescales, by 28 August 2025, to enable certainty for all parties about the future of the Foundry site.



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## APPENDIX 1: NATURAL ENGLAND OBJECTION LETTER

Date: 04 July 2025  
Our ref: 515025  
Your ref: R/2025/0382/ESM



Redcar & Cleveland Borough Council

**BY EMAIL ONLY**

Customer Services  
Hornbeam House  
Crewe Business Park  
Electra Way  
Crewe  
Cheshire  
CW1 6GJ

T 0300 060 3900

Dear [REDACTED],

**Planning consultation:** Application for the approval of reserved matters (appearance, landscaping, layout, access and scale) following Outline Planning Permission R/2020/0821/ESM in respect of a data centre campus comprising data halls (Use Class B8), office accommodation, substation; battery stores and new access arrangements.

**Location:** LAND BOUNDED BY EDGE OF NWL BRAN SANDS TREATMENT PLANT AND FORMER ICI LANDFILL TO SOUTH WEST; REDCAR BULK TERMINAL TO NORTH WEST LINE OF VEGETATION TOD POINT ROAD TO NORTH EAST AND EXISTING INTERNAL ROADS TO SOUTH EAST

Thank you for your consultation on the above dated 05 June 2025 which was received by Natural England on the same date.

**The advice provided in this letter supersedes Natural England's advice provided in the response email dated 10<sup>th</sup> of June 2025.**

Natural England is a non-departmental public body. Our statutory purpose is to ensure that the natural environment is conserved, enhanced, and managed for the benefit of present and future generations, thereby contributing to sustainable development.

## **SUMMARY OF NATURAL ENGLAND'S ADVICE**

### **FURTHER INFORMATION REQUIRED TO DETERMINE IMPACTS ON DESIGNATED SITES**

As submitted, the application could have potential significant effects on the Teesmouth and Cleveland Coast Special Protection Area, Ramsar site and Site of Special Scientific Interest. Natural England requires further information in order to determine the significance of these impacts and the scope for mitigation.

#### **The following information is required:**

- Habitats Regulations Assessment
- Air Quality Impact Assessment
- Noise Impact Assessment
- Lighting Plan and Consideration of Light Pollution Impacts
- Surface Water Drainage Plan and Consideration of Water Quality Impacts
- Construction Environmental Management Plan

Without this information, Natural England may need to object to the proposal.

**Additional Advice:**

- Improve the green infrastructure provision
- Optimise the use of large roof areas

Please re-consult Natural England once this information has been obtained.

Natural England's further advice on designated sites and advice on other issues is set out below.

**Additional Information required – Habitats Regulations Assessment**

Despite the proximity of the application to European Sites, the consultation documents provided do not include information to demonstrate that the requirements of regulation 63 of the Conservation of Habitats and Species Regulations 2017 (as amended) have been considered by your authority, i.e. the consultation does not include a Habitats Regulations Assessment.

It is Natural England's advice that the proposal is not directly connected with or necessary for the management of the European site. Your authority should therefore determine whether the proposal is likely to have a significant effect on any European site, proceeding to the Appropriate Assessment stage where significant effects cannot be ruled out. Natural England must be consulted on any appropriate assessment your authority may decide to make.

Natural England advises that there is currently not enough information provided in the application to determine whether the likelihood of significant effects can be ruled out.

We recommend you obtain the following information to help you undertake a Habitats Regulations Assessment:

- **Air Quality Impact Assessment**

Consideration should be given to the potential air quality (AQ) impacts from this development both during the construction phase and the operational phase. Natural England advises a SCAIL assessment should be carried out, and if required to have a more detailed AQ impact assessment undertaken.

No information has been submitted to support an AQ impact Assessment, therefore the applicant should provide information on the construction process, as well as any other potential sources of aerial emissions during the operational phase e.g. back-up generators.

- **Noise Impact Assessment**

No information has been provided on potential noise impacts from this development. Therefore, we advise your local authority to request further evidence of the potential noise impacts from the applicant. Consideration should be given to construction noise, particularly irregular noise and peak level data should be provided, as well as sound output levels during the operational phase from for example the cooling systems and back-up generators.

- **Lighting Plan and Consideration of Light Pollution Impacts**

Due to the proximity to the designated site, we advise your local authority to obtain a lighting plan for the site. This should inform the HRA to assess if there will be any impacts on the designated site from light pollution.

Natural England advises the lighting plan to be designed to prevent light spill to the surrounding designated sites.

- **Surface Water Drainage Plan and Consideration of Water Quality Impacts**

Natural England notes that there is no surface water drainage or treatment plans have been provided. The proposal includes large area of sealed, impermeable surfaces, such as roofs, parking and storage area. This will result in a large volume of water that will run off. Potential impacts on Water Quality from this surface water runoff should be considered as part of the HRA. To assess the impacts from the surface water runoff, the applicant should provide your local authority with a surface water drainage plan that includes Sustainable Drainage Systems designs which meet CIRIA C753 guidance<sup>1</sup> standards.

- **Construction Environmental Management Plan (CEMP)**

Natural England advises a Construction Environmental Management Plan (CEMP) should be submitted by the applicant, and approved by your local authority, that identifies the steps and procedures that will be implemented to avoid or mitigate constructional impacts on species and habitats. The CEMP should address, but not be limited to, the following impacts:

- Storage of construction materials/chemicals and equipment;
- Dust suppression
- Chemical and/or fuel run-off
- Waste disposal
- Noise/visual/vibrational impacts
- Visual screening (for SPA birds)
- Measures to ensure no materials, machinery, vehicles or works will encroach on the designated site
- Timings of works to avoid nesting/breeding seasons.
- Mammal ramps for open excavations
- Lighting measures to ensure boundary habitats are not luminated.

### **Teesmouth and Cleveland Coast Site of Special Scientific Interest (SSSI)**

The SSSI is subject to similar pressures and threats as the Teesmouth and Cleveland Coast Special Protection Area and Ramsar site. Therefore, the results of the Habitats Regulation Assessment and the proposed mitigation measures should similarly apply to and sufficiently protect the SSSI.

Please note that if your authority is minded to grant planning permission contrary to the advice in this letter, you are required under Section 281 (6) of the Wildlife and Countryside Act 1981 (as amended) to notify Natural England of the permission, the terms on which it is proposed to grant it and how, if at all, your authority has taken account of Natural England's advice. You must also allow a further period of 21 days before the operation can commence.

### **Other advice**

In addition, Natural England would advise on the following issues.

- **Improve the green and blue infrastructure provision**

We note that the site layout contains large areas of greenspace that are labelled as "grass". However, the design of the green and blue infrastructure (GBI) provision does not make the most of the opportunity presented by this area. There is an opportunity for the applicant to make positive changes to the plan's GBI design, such that it will reduce climate impacts, support sustainable water management and increase biodiversity.

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<sup>1</sup> The SuDS manual (C753) – December 2015 - [Item Detail](#)

Natural England therefore advises the applicant to improve the GBI design with the help of the Green Infrastructure Framework<sup>2</sup>. For example, species rich meadows, combined with a variety of native trees and scrub could replace the large areas of grass. Additionally, not just the horizontal surfaces should be considered, but also the large vertical surface areas (walls and roofs) provide opportunities to be integrated as part of the GBI design.

- **Optimise the use of large roof areas**

The data centres have large roof areas, which are not utilized for other purpose than cooling and ventilation in the current proposal. Natural England advises the applicant to make sustainable use of these large areas through the consideration of, for example, solar panels and/or green roofs.

Further general advice on the protected species and other natural environment issues is provided at Annex A.

If you have any queries relating to the advice in this letter please contact me on [REDACTED].

Should the applicant wish to discuss the further information required and scope for mitigation with Natural England, we would be happy to provide advice through our [Discretionary Advice Service](#).

Please consult us again once the information requested above, has been provided.

Yours sincerely,

[REDACTED]  
Northumbria Area Team

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<sup>2</sup> [Green Infrastructure Home](#)

## Annex A – Natural England general advice

### Protected Landscapes

Paragraph 189 of the [National Planning Policy Framework - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/policies/national-planning-policy-framework) (NPPF) requires great weight to be given to conserving and enhancing landscape and scenic beauty within Areas of Outstanding Natural Beauty (known as National Landscapes), National Parks, and the Broads and states that the scale and extent of development within all these areas should be limited. Paragraph 190 requires exceptional circumstances to be demonstrated to justify major development within a designated landscape and sets out criteria which should be applied in considering relevant development proposals. Section 245 of the [Levelling-up and Regeneration Act 2023 \(legislation.gov.uk\)](https://www.legislation.gov.uk/ukpga/2023/1/section/245) places a duty on relevant authorities (including local planning authorities) to seek to further the statutory purposes of a National Park, the Broads or an Area of Outstanding Natural Beauty in England in exercising their functions. This duty also applies to proposals outside the designated area but impacting on its natural beauty.

The local planning authority should carefully consider any impacts on the statutory purposes of protected landscapes and their settings in line with the NPPF, relevant development plan policies and the Section 245 duty. The relevant National Landscape Partnership or Conservation Board may be able to offer advice on the impacts of the proposal on the natural beauty of the area and the aims and objectives of the statutory management plan, as well as environmental enhancement opportunities. Where available, a local Landscape Character Assessment can also be a helpful guide to the landscape's sensitivity to development and its capacity to accommodate proposed development.

### Wider landscapes

Paragraph 187 of the NPPF highlights the need to protect and enhance valued landscapes through the planning system. This application may present opportunities to protect and enhance locally valued landscapes, including any local landscape designations. You may want to consider whether any local landscape features or characteristics (such as ponds, woodland, or dry-stone walls) could be incorporated into the development to respond to and enhance local landscape character and distinctiveness, in line with any local landscape character assessments. Where the impacts of development are likely to be significant, a Landscape and Visual Impact Assessment should be provided with the proposal to inform decision making. We refer you to the [Guidelines for Landscape and Visual Impact Assessment \(GLVIA3\) - Landscape Institute](#) for further guidance.

### Biodiversity duty

Section 40 of the [Natural Environment and Rural Communities Act 2006 \(legislation.gov.uk\)](https://www.legislation.gov.uk/ukpga/2006/41/section/40) places a duty on the local planning authority to conserve and enhance biodiversity as part of its decision making. We refer you to the [Complying with the biodiversity duty - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/complying-with-the-biodiversity-duty) for further information.

### Designated nature conservation sites

Paragraphs 193-195 of the NPPF set out the principles for determining applications impacting on Sites of Special Scientific Interest (SSSI) and habitats sites (Special Areas of Conservation (SACs) and Special Protection Areas (SPAs)). Both the direct and indirect impacts of the development should be considered.

A Habitats Regulations Assessment is needed where a proposal might affect a habitat site (see [Habitats regulations assessments: protecting a European site - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/habitats-regulations-assessments-protecting-a-european-site) and Natural England must be consulted on 'appropriate assessments' (see [Appropriate assessment - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/appropriate-assessment) for more information for planning authorities).

Natural England must also be consulted where development is in or likely to affect a SSSI and provides advice on potential impacts on SSSIs either via the [SSSI Impact Risk Zones \(England\) \(arcgis.com\)](https://arcgis.com) or as standard or bespoke consultation responses. Section 28G of the Wildlife and Countryside Act 1981 places a duty on all public bodies to take reasonable steps, consistent with the proper exercise of their functions, to further the conservation and enhancement of the features for which an SSSI has been notified ([Sites of special scientific interest: public body responsibilities - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/sites-of-special-scientific-interest-public-body-responsibilities)).

### Protected Species

Natural England has produced [Protected species and development: advice for local planning authorities](#)



- [GOV.UK](https://www.gov.uk) (standing advice) to help planning authorities understand the impact of particular developments on protected species.

Natural England will only provide bespoke advice on protected species where they form part of a Site of Special Scientific Interest or in exceptional circumstances. A protected species licence may be required in certain cases. We refer you to [Wildlife licences: when you need to apply](https://www.gov.uk/guidance/wildlife-licences-when-you-need-to-apply) (www.gov.uk) for more information.

### **Local sites and priority habitats and species**

The local planning authority should consider the impacts of the proposed development on any local wildlife or geodiversity site, in line with paragraphs 187, 188 and 192 of the NPPF and any relevant development plan policy. There may also be opportunities to enhance local sites and improve their connectivity to help nature's recovery. Natural England does not hold locally specific information on local sites and recommends further information is obtained from appropriate bodies such as the local environmental records centre, wildlife trust, geoconservation groups or recording societies. Emerging [Local nature recovery strategies - GOV.UK](https://www.gov.uk/guidance/local-nature-recovery-strategies) (www.gov.uk) may also provide further useful information.

Those habitats and species which are of particular importance for nature conservation are included as 'priority habitats and species' in the England Biodiversity List published under section 41 of the Natural Environment and Rural Communities Act 2006. Most priority habitats will be mapped either as Sites of Special Scientific Interest on the Magic website or as Local Wildlife Sites. We refer you to [Habitats and species of principal importance in England](https://www.gov.uk/guidance/habitats-and-species-of-principal-importance-in-england) (gov.uk) for a list of priority habitats and species in England. You should consider priority habitats and species when applying your 'biodiversity duty' to your policy or decision making

Natural England does not routinely hold priority species data. Such data should be collected when impacts on priority habitats or species are considered likely.

Consideration should also be given to the potential environmental value of brownfield sites, often found in urban areas and former industrial land. We refer you to the [Brownfield Hub - Buglife](https://www.brownfieldhub.org.uk/) for more information and Natural England's [Open Mosaic Habitat \(Draft\) - data.gov.uk](https://data.gov.uk/dataset/open-mosaic-habitat-inventory) (Open Mosaic Habitat inventory), which can be used as the starting point for detailed brownfield land assessments.

### **Biodiversity and wider environmental gains**

Development should provide net gains for biodiversity in line with the NPPF paragraphs 187(d), 192 and 193. Major development (defined in the [National Planning Policy Framework \(publishing.service.gov.uk\)](https://www.publishing.service.gov.uk/glossary) glossary) is required by law to deliver a biodiversity gain of at least 10% from 12 February 2024 and this requirement is also applies extended to small scale development from April 2024. For nationally significant infrastructure projects (NSIPs), it is anticipated that the requirement for biodiversity net gain will be implemented from 2025.

[Biodiversity Net Gain](https://www.gov.uk/guidance/biodiversity-net-gain) guidance (gov.uk) provides more information on biodiversity net gain and includes a link to the [Biodiversity Net Gain Planning Practice Guidance](https://www.gov.uk/guidance/biodiversity-net-gain-planning-practice-guidance) (gov.uk).

The statutory biodiversity metric should be used to calculate biodiversity losses and gains for terrestrial and intertidal habitats and can be used to inform any development project. We refer you to [Calculate biodiversity value with the statutory biodiversity metric](https://www.gov.uk/guidance/calculate-biodiversity-value-with-the-statutory-biodiversity-metric) for more information. For small development sites, [The Small Sites Metric](https://www.gov.uk/guidance/the-small-sites-metric) may be used. This is a simplified version of the statutory biodiversity metric and is designed for use where certain criteria are met.

The mitigation hierarchy as set out in paragraph 193 of the NPPF should be followed to firstly consider what existing habitats within the site can be retained or enhanced. Where on-site measures are not possible, provision off-site will need to be considered.

Where off-site delivery of biodiversity gain is proposed on a special site designated for nature (e.g. a SSSI or habitats site) prior consent or assent may be required from Natural England. More information is available on [Sites of Special Scientific Interest: managing your land](https://www.gov.uk/guidance/sites-of-special-scientific-interest-managing-your-land)

Development also provides opportunities to secure wider biodiversity enhancements and environmental gains, as outlined in the NPPF (paragraphs 8, 77, 109, 125, 187, 188, 192 and 193). Opportunities for enhancement might include incorporating features to support specific species within the design of new buildings such as swift or bat boxes or designing lighting to encourage wildlife.

[The Environmental Benefits from Nature Tool - Beta Test Version - JP038 \(naturalengland.org.uk\)](#) may be used to identify opportunities to enhance wider benefits from nature and to avoid and minimise any negative impacts. It is designed to work alongside the statutory biodiversity metric.

[Natural environment - GOV.UK \(www.gov.uk\)](#) provides further information on biodiversity net gain, the mitigation hierarchy and wider environmental net gain.

### **Ancient woodland, ancient and veteran trees**

The local planning authority should consider any impacts on ancient woodland and ancient and veteran trees in line with paragraph 193 of the NPPF. The [Natural England Access to Evidence - Ancient woodlands Map](#) can help to identify ancient woodland. Natural England and the Forestry Commission have produced [Ancient woodland, ancient trees and veteran trees: advice for making planning decisions - GOV.UK \(www.gov.uk\)](#) (standing advice) for planning authorities. It should be considered when determining relevant planning applications. Natural England will only provide bespoke advice on ancient woodland, ancient and veteran trees where they form part of a Site of Special Scientific Interest or in exceptional circumstances.

### **Best and most versatile agricultural land and soils**

Local planning authorities are responsible for ensuring that they have sufficient detailed agricultural land classification (ALC) information to apply NPPF policies (Paragraphs 187, 188). This is the case regardless of whether the proposed development is sufficiently large to consult Natural England. Further information is contained in the [Guide to assessing development proposals on agricultural land - GOV.UK \(www.gov.uk\)](#). [Find open data - data.gov.uk](#) on Agricultural Land Classification or use the information available on [MAGIC \(defra.gov.uk\)](#).

The Defra [Construction Code of Practice for the Sustainable Use of Soils on Construction Sites \(publishing.service.gov.uk\)](#) provides guidance on soil protection, and we recommend its use in the design and construction of development, including any planning conditions. For mineral working and landfilling, we refer you to [Reclaim minerals extraction and landfill sites to agriculture - GOV.UK \(www.gov.uk\)](#), which provides guidance on soil protection for site restoration and aftercare. The [Soils Guidance \(quarrying.org\)](#) provides detailed guidance on soil handling for mineral sites.

Should the development proceed, we advise that the developer uses an appropriately experienced soil specialist to advise on, and supervise soil handling, including identifying when soils are dry enough to be handled and how to make the best use of soils on site.

### **Green Infrastructure**

For evidence-based advice and tools on how to design, deliver and manage green and blue infrastructure (GI) we refer you to [Green Infrastructure Home \(naturalengland.org.uk\)](#) (the Green Infrastructure Framework). GI should create and maintain green liveable places that enable people to experience and connect with nature, and that offer everyone, wherever they live, access to good quality parks, greenspaces, recreational, walking and cycling routes that are inclusive, safe, welcoming, well-managed and accessible for all. GI provision should enhance ecological networks, support ecosystems services and connect as a living network at local, regional and national scales.

Development should be designed to meet the 15 [GI How Principles \(naturalengland.org.uk\)](#). The GI Standards can be used to inform the quality, quantity and type of GI to be provided. Major development should have a GI plan including a long-term delivery and management plan. Relevant aspects of local authority GI strategies should be delivered where appropriate.

The [Green Infrastructure Map \(naturalengland.org.uk\)](#) and [GI Mapping Analysis \(naturalengland.org.uk\)](#) are GI mapping resources that can be used to help assess deficiencies in greenspace provision and identify priority locations for new GI provision.

**Access and Recreation:**

Natural England encourages any proposal to incorporate measures to help improve people's access to the natural environment. Measures such as reinstating existing footpaths, together with the creation of new footpaths and bridleways should be considered. Links to urban fringe areas should also be explored to strengthen access networks, reduce fragmentation, and promote wider green infrastructure.

**Rights of Way, Access land, Coastal access and National Trails:**

Paragraphs 105, 185, 187 and 193 of the NPPF highlight the importance of public rights of way and access. Development should consider potential impacts on access land, common land, rights of way and coastal access routes in the vicinity of the development.

Consideration should also be given to the potential impacts on any nearby National Trails. We refer you to [Find your perfect trail, and discover the land of myths and legend - National Trails](#) for information including contact details for the National Trail Officer.

The King Charles III England Coast Path (KCIIIECP) is a National Trail around the whole of the English Coast. It has an associated coastal margin subject to public access rights. Parts of the KCIIIECP are not on Public Rights of Way but are subject to public access rights. Consideration should be given to the impact of any development on the KCIIIECP and the benefits of maintaining a continuous coastal route.

Appropriate mitigation measures should be incorporated for any adverse impacts on Rights of Way, Access land, Coastal access, and National Trails.

Further information is set out in the Planning Practice Guidance on the [Natural environment - GOV.UK \(www.gov.uk\)](#).