

NORTH WEST LEICESTERSHIRE DRAFT LOCAL PLAN

BACKGROUND PAPER 6

Policy Ec1 - Employment provision: permissions

Policy Ec2 – Employment allocations: new allocations

Policy Ec3: Existing employment areas

1 INTRODUCTION

- 1.1 This is one of a number of background papers which have been published to support the draft Local Plan. The purpose of these papers is to provide more information in support of some of the policies than can be included in the draft Local Plan document itself if it is to remain of a manageable size.
- 1.2 This paper provides more information in respect of Policy Ec1 (Employment provision: permissions), Policy Hc2 (Employment allocations: new allocations) and Policy Ec3 (Existing employment areas).
- 1.3 In considering employment land needs we mean those uses falling within Use Classes B1, B2 and B8 of the Use Classes Order 2015. For the avoidance of doubt these are:

Class B1 –

(a) Offices

(b) research and development

(c) any industrial process which can be carried out in a residential area without causing detriment to amenity

Class B2 – General industry

Class B8 – Storage or Distribution

2 THE POLICIES

- 2.1 Policy Ec1 identifies those sites which as at 1 April 2015 had the benefit of planning permission for some form of employment use and states that *“In the event that planning permission lapses on these sites it will be renewed subject to the policies of this Local Plan and any other material considerations including any evidence in respect of deliverability of any particular site.”*
- 2.2 Policy Ec2 proposes the allocation of land at Money Hill Ashby de la Zouch for employment purposes.
- 2.3 Policy Ec3 identifies the proposed approach in respect of existing employment areas.

3 EMPLOYMENT PROVISION

- 3.1 The overall employment requirement was established as part a study undertaken by the Public and Corporate Economic Consultants (PACEC) on behalf of the then Leicester Shire Economic Partnership. This work was then updated in 2013 on behalf of the LLEP and covered the period 2010 to 2031.

- 3.2 The 2013 PACEC report forecast¹ the number of workplace jobs and the number of jobs in the B Use Class up to 2031. The latter are those uses which fall within the B Use Class of the Use Classes Order 2015 and are generally referred to as employment uses. These are summarised below.

Table 1 – summary of jobs forecast in PACEC study 2013

| Workplace jobs | | | B Use Class | | |
|----------------|--------------|--------------------|---------------|--------------|--------------------|
| Annual change | Total change | Total jobs by 2031 | Annual change | Total change | Total jobs by 2031 |
| 381 | 9,400 | 65,600 | 267 | 5,600 | 34,500 |

- 3.3 The PACEC study took the projected growth in jobs in the B Class and converted this in to land requirements for employment purposes. In order to arrive at the future requirements the study applied assumptions to the above figures in respect of the floorspace per job for the different Use Classes and the density of development. The result of this was as set out in table 2 below.

Table 2– summary of land requirements PACEC study 2013

| Use Class | Amount |
|--------------------|--|
| B1 | 31,900 sq metres |
| B2 | 35.50 hectares |
| B8 | 51.89 hectares |
| Total | 87.4 hectares plus 11,300 sq metres B1 |
| Annual requirement | 4.2 hectares plus 538 sq metres B1 |

- 3.4 The PACEC study identified the B1 uses in square metres. In order to try and understand how this would translate into land requirements we have turned this in hectares by applying a plot ratio for office uses of 4,000sq metres per hectare as used in an Employment Land Study (2012) by Peter Brett Associates. This converts the office requirement to 7.98 Hectares and gives an overall total requirement of 95.4Hectares (i.e. 96 hectares).

¹ Table 4.83 of PACEC report

Progress against requirements

- 3.5 In considering progress to date there are a couple of components to consider; namely starts and commitments.
- 3.6 Unlike with housing where we record under construction and completion we record when an employment development is started. Table 3 below summarises the annual starts since 2011, the start date for the Local Plan, up to 2014.

Table 3 – annual starts 2011-14

| Year | Annual Employment land starts | Cumulative Employment land starts |
|--------------------------|--------------------------------------|--|
| 2011/12 | 0.16 | 0.16 |
| 2012/13 | 1.32 | 1.48 |
| 2013/14 | 0.00 | 1.48 |
| Total 2011-2014 | 1.48 | |
| Average 2011-2014 | 0.49 | |

- 3.7 The amount of starts during the period 2011-14 is very low compared with historical rates. Between 1991 and 2011 the annual start rate was 12.9 hectares. This partly reflects the recent economic downturn from 2008. However, it also reflects the fact that during the 1990's a key priority was to provide a significant amount of new employment land to secure new jobs to help offset the rundown of the local mining industry. This was reflected in the adopted North West Leicestershire Local Plan (adopted August 2002), informed by the 1994 Structure Plan, which required that 345 hectares of employment land provision be made between 1991 and 2006. By contrast, as outlined above, the forecast future employment requirements up to 2031 are significantly less at 96 hectares.
- 3.8 In terms of commitments these are summarised in table 4 below.

Table 4 – Employment commitments

| Site | Area (Hectares) | Use Class |
|--|-----------------|------------|
| Battleflat (Interlink)Bardon | 10.71 | B1,2,8 |
| Lounge Disposal Point Ashby* | 25.5 | B8 |
| West of Smisby Road (Ivanhoe Business Park) Ashby | 7.43 | B1,2,8 |
| Ashby Business Park | 6.57 | B1,2 |
| East Midlands Distribution Centre Castle Donington | 20.39 | B8 |
| Pegasus Business Park East Midlands Airport | 10.00 | B1 |
| Swainspark Albert Village | 5 | B1,2 |
| Rear of Charnwood Arms Bardon* | 1.14 | B1 offices |
| Beveridge Lane Ellistown* | 36 | B2, 8 |
| Off Beveridge Lane/South Lane Bardon* | 3.88 | B1,2,8 |
| Total | 126.62 | |

- 3.9 Development has yet to commence on those sites marked with an * and are the subject of policy Ec1 ((Employment provision: permissions). The remaining sites, together with other existing sites, are the subject of Policy Ec3 (Existing employment areas). The exception to this is the site at Swainspark which the 2010 Employment Land Study judged was not likely to be attractive for employment use. Since that time some development has taken place. More information about these sites is set out further on in this paper.
- 3.10 The level of starts since 2011(1.48ha) and the amount of commitments (126.62ha) results in a higher provision (128.1ha) than the requirement. However, there are other factors which we need to consider.
- 3.11 The Planning Practice Guidance (Housing and Economic Development Needs Assessment) advises that in considering future economic needs consideration should be given to “*The recent pattern of employment land supply and loss to other uses*”.
- 3.12 In considering the amount of future employment land needed it is , therefore, appropriate to have regard to the likelihood that over the plan period some land

currently used for employment uses will be lost to other uses, particularly housing. The effect of this would be to reduce the number of jobs available in the district and so we need to ensure that the amount of new provision is sufficient to compensate for such losses.

- 3.13 There can be no certainty regarding how much existing employment land might be lost in the future. A site in use today may in another 10 years be no longer attractive to the employment market but would be attractive to another form of development. It is not possible to identify which sites or how many this might apply to, although it is reasonable to assume that it is more likely to be older stock.
- 3.14 We have analysed, from a statistical point of view, the amount of employment land lost to other uses going back to 1991 and more recently.
- 3.15 The table below identifies that between 1991 and 2011 some 23.57ha of employment land was lost to other uses, principally housing at an annual average of 1.18 hectares. Taking this average and projecting forward for the twenty years of the plan period (2011-2031) would equate to about 24ha of existing employment land being lost to other uses (i.e. 1.18 X 20).

Table 5 – summary of employment land lost 1991-2011

| Period | Hectares Lost | | |
|-----------------------|-----------------|------------------|-----------------------------|
| | B1, B2, B8 Land | Cumulative total | Annual Average (Cumulative) |
| 1991 / 92 – 2006 / 07 | 18.91 | 18.91 | 1.18 |
| 2007 / 08 | 4.21 | 23.12 | 1.36 |
| 2008 / 09 | 0.45 | 23.57 | 1.31 |
| 2009 / 10 | 0.00 | 23.57 | 1.24 |
| 2010 / 11 | 0.00 | 23.57 | 1.18 |
| TOTAL | 23.57 | 23.57 | 1.18 |

- 3.16 Looking at what has happened between 2011 and 2014 the following sites have been lost to housing:
- Standard Soap, Derby Road Ashby - 1.7ha in 2013/14 and
 - former works at Lount - 2ha in 2012/13
- 3.17 Therefore, for 2011-14 a total of 3.7ha has been lost equating to 1.23Ha per annum. If this figure was to be repeated for the remainder of the plan period (2014-2031) it would result in the loss of 20.9ha in total (i.e. 1.23 x 17 = 20.9).

- 3.18 These figures suggest that a loss in the region of 20-25 hectares can be justified based on past loss rates.
- 3.19 However, in addition to those existing employment sites referred to above, a 4.83ha site near Woodville (but located in North West Leicestershire) which had planning permission for employment uses is being redeveloped for housing. Added to the two sites above (3.7 + 4.83 = 8.53ha) would give an average of 2.84ha per annum for the period 2011-14. If this occurred for remainder of plan period (2014-31) there would be total loss of about 48ha (2.84 X 17 = 48.28ha).
- 3.20 On the basis of the above analysis the potential amount of employment land which might be lost could range between about 20 hectares (1.18 x17) and up to 48 hectares (2.84 X 17). We have concluded that it would be prudent to assume towards the higher end and so a figure of 45 hectares is assumed.
- 3.21 When this potential loss is built in to the calculation as set out below we see that there is now a shortfall of about 13 hectares against the identified need of 96 hectares.

Table 6 – employment land requirements

| | | |
|---|--------|---|
| Requirement 2011-31 | 96 Ha | A |
| Starts 2011-14 | 1.48Ha | B |
| Commitments | 126.26 | C |
| Residual requirement (A-B-C) | +31.74 | D |
| Allowance for potential loss of employment land | 45 | E |
| Residual requirement (D-E) | -13.26 | |

4 PROPOSED EMPLOYMENT ALLOCATIONS

- 4.1 As noted above there is a shortfall in employment provision of just over 13 hectares. Policy Ec2 proposes the allocation of about 16 hectares of land north of Ashby de la Zouch to address this shortfall.
- 4.2 In deciding which site (or sites) should be allocated to address this shortfall we have had regard to a range of sites which have previously been notified to as part of an Employment Land Availability Assessment (ELAA) we undertook in 2013/14. Twenty sites were put forward across the district as having potential for employment.
- 4.3 Having regard to the settlement hierarchy this identifies Coalville Urban Area as the Main Town and so is the first place to be looked at.

- 4.4 Two of the sites in the ELAA (E3 and E4) which are within the Coalville Urban Area now have the benefit of planning permission for employment development (sites Ec1c and Ec1d in the draft Local Plan).
- 4.5 Of the remaining sites in the Coalville Urban Area one (Site E12 in the ELAA - south of Bardon Road) would only just be large enough. In addition, planning permission for residential development has been granted close to the site since the assessment was undertaken which makes employment a less suitable option. The remaining site (adjoining Stephenson College) was not being promoted for employment uses as such and so was not considered any further.
- 4.6 A further consideration is that as a result of the two employment permissions referred to above about 52 hectares of employment land provision has already been made in the Coalville Urban Area.
- 4.7 In accordance with the settlement hierarchy the next places to consider are Ashby de la Zouch and Castle Donington. Whilst the ELAA identifies a number of potential sites in the vicinity of Castle Donington it is considered that in view of the fact that there is already a significant amount of employment in this area, along with the potential Strategic Rail Freight Interchange that additional employment would represent an imbalance with housing provision in the locality.
- 4.8 In terms of Ashby de la Zouch two potential sites are included in the ELAA – south of Ashby (site E5 in the ELAA) and north of Ashby (E17). These are in the same localities as the potential housing allocations. The provision of employment as part of a strategic, mixed use development would represent a sustainable form of development and would also relate well to existing employment areas which are largely concentrated on the eastern side of Ashby de la Zouch. In contrast the site south of Ashby would be an isolated development poorly related to rest of Ashby de la Zouch.
- 4.9 The identification of additional land at Ashby de la Zouch would also help to balance out the loss of employment which has occurred in Ashby in recent years.

5 EXISTING EMPLOYMENT AREAS

- 5.1 Policy Ec3 sets out the Council's proposed approach in respect of existing employment areas.
- 5.2 Part 1 of the policy refers to Primary Employment Areas which are to be retained in employment use. The identification of these Primary Employment Area was based on work undertaken in 2010 by Roger Tym and Partners working with Lambert Smith Hampton.
- 5.3 This looked at sites in terms of a number of factors to assess whether the sites continued to meet market requirements:
- accessibility by road,

- accessibility by public transport,
- external environment and
- internal environment

5.4 The assessment concluded that whilst most sites were still relevant from an employment point of view and should therefore be retained in employment use, there were some sites where this was not the case and so release to another use would be appropriate.

5.5 The following sites were considered suitable for retention and so are identified in this Local Plan as Primary Employment Areas:

- Ashby Business Park, Nottingham Road (south) Ashby de la Zouch*;
- Ivanhoe Business Park, Smisby Road , Ashby de la Zouch*;
- Flagstaff Industrial Estate, Nottingham Road (north), Ashby de la Zouch;
- Smisby Road Industrial Estate, Ashby de la Zouch;
- Nottingham Road Industrial Estate, Ashby de la Zouch;
- Willow Farm, Castle Donington;
- Trent Lane industrial Estate, Castle Donington;
- East Midlands Distribution Centre, Castle Donington*
- Bardon Employment Area*;
- Hermitage Industrial Estate, Whitwick Road, Coalville;
- Whitwick Business Park, Whitwick Road, Coalville;
- Marcroft, Thornborough Road, Coalville;
- Old Station Close, Coalville;
- Owen Street, Coalville;
- Terex Pegson site, Whitwick Road, Coalville;
- Stephenson Industrial Estate, Stephenson Way, Coalville;
- Scotlands Industrial Estate, London Road, Coalville;
- Highfield Street, Coalville;
- Oaks industrial estate, Ravenstone Road, Coalville;
- Pegasus Business Park, East Midlands Airport*;
- Former South Leicester Colliery, Ellistown;
- Computer Centre, Derby Road, Kegworth;
- Cott Beverages, Derby Road, Kegworth;
- Slack and Parr, Long Lane, Kegworth;
- Westminster industrial estate, Measham;
- Marquis Drive, Moira

Those sites marked with an *are also included in the list of commitments set out at Table 4 of this paper.