

- 14. In relation to employment land, the Council is requested to confirm:**
- a) The Plan period for employment provision (2019-2034 or 2014-2034?)**
  - b) The employment land requirement and estimated employment land supply relating to this period (broken down by source of requirement/supply)**
  - c) Whether the requirement and supply figures are gross hectares, or net; and**
  - d) The type/mix of different B use classes (B1, B2, B8) that the Plan seeks to provide.**

**Response:**

**14 (a) The Plan period for employment provision (2019-2034 or 2014-2034?)**

14.1 The Local Plan period runs from 2019 to 2034. The Employment Land Review (ELR), which was undertaken by Lichfield's) assesses the employment land requirement for the 20-year period from 2014 to 2034.

**14(b) The employment land requirement and estimated employment land supply relating to this period (broken down by source of requirement/supply)**

**EMPLOYMENT LAND REQUIREMENT**

14.2 The land requirement set out in the Employment Land Report identified a number of scenarios in order to calculate the Objectively Assessed Need (OAN) for employment within Rossendale, to inform the Borough's future employment land needs for office and industrial (comprising manufacturing and warehousing). In line with the Housing and Economic Development Needs Assessment of the National Planning Practice Guidance (the PPG) Lichfields considered three quantitative forecasting techniques based on:

- Baseline employment forecasts (labour demand), using Experian's Local Market Quarterly Forecasts for September 2016;
- Estimated growth in the local labour supply – and the jobs and employment space that this could be expected to support – having regard to analysis presented as part of the Borough's Strategic Housing Market Assessment [SHMA] of 2017; and
- Consideration of past take-up of employment space based upon monitoring data provided by RBC and how these might change in future.

14.3 The table below (Table 9.16 on page 78 of the ELR) shows the requirement based on each of the eight scenarios that had been considered.

**Figure 1: Rossendale Gross Employment Land Comparisons 2014-34**

		B1a/b	B1c/B2	B8	TOTAL
1) Experian Baseline	2014-2034 (net)	0.28	-3.47	4.55	1.36
	2014-2034 (gross)				28.29
	+ Flexibility factor				30.27
2) Regeneration / Policy On	2014-2034 (net)	0.85	-2.70	4.55	2.70
	2014-2034 (gross)				29.63
	+ Flexibility factor				31.61
3) CS Jobs Target	2014-2034 (net)	0.89	-2.03	6.94	5.79
	2014-2034 (gross)				32.71
	+ Flexibility factor				34.70
4) Labour Supply (183 dpa)	2014-2034 (net)	-0.14	-4.84	2.39	-2.59
	2014-2034 (gross)				24.33
	+ Flexibility factor				26.32
5) Labour Supply (202 dpa)	2014-2034 (net)	-0.14	-4.84	2.39	-2.59
	2014-2034 (gross)				24.33
	+ Flexibility factor				26.32
6) Labour Supply (220 dpa)	2014-2034 (net)	-0.08	-4.55	2.87	-1.76
	2014-2034 (gross)				25.17
	+ Flexibility factor				27.15
7) CS 247 dpa Target	2014-2034 (net)	-0.29	-3.50	0.29	1.41
	2014-2034 (gross)				28.33
	+ Flexibility factor				30.32
8) Past Take Up Rates	2014-2034 (net)	-3.56	-3.49		-7.05
	2014-2034 (gross)				19.87
	+ Flexibility factor				21.86

14.4 The table shows that the OAN ranges from 21.86 ha (based on past take up rates) to just over 30 ha (based on the labour demand / regeneration scenarios).

14.5 The scenario chosen by Rossendale Borough Council to identify how much employment land should be provided is based on a labour supply figure of 220 dwellings per annum (scenario 6, highlighted above). This closely aligns with the housing requirement of 212 dwellings per annum, as set out in Policy HS1 of the emerging Local Plan for Rossendale.

14.6 As the table illustrates above Rossendale's **net** figure (2014-2034) is actually a shortfall of -1.76ha, indicating that overall a loss of employment land is expected to take place. In converting this net figure to gross floorspace requirements Lichfields took the net requirement, added a margin of choice (the flexibility factor shown in Figure 1 above) and also added an allowance for

losses. This is illustrated in the diagram below (taken from Lichfield's Report, Figure 9.4, p77).

**Figure 2: Staged Approach to Employment Land Requirements**



14.7 The future requirements for B-class employment space in Lichfield's Report has identified a need for between 22 ha and 32 ha of employment space up to 2034. This includes a modest safety margin largely to allow for delays in sites coming forward for development, and reflects a wide variation in the level of growth that could be supported by Rossendale's economy over the plan period.

## EMPLOYMENT REQUIREMENT SPLIT BY B USE CLASS

14.7 The ELR recommends (in para 9.97):

### Policy Advice for Rossendale

*This report does not seek to make a planning or policy judgement; this is a matter for RBC when taking account of the information before them. The report therefore represents a first stage for further consideration of all relevant factors through the Local Plan process.*

*On this basis, the recommended employment land requirement range for RBC is as follows:*

**22 ha – 32 ha 2014 to 2034.**

*Of this range, it is suggested that around 40% should be identified for B1c/B2 manufacturing land; 40% for B8 warehousing, and the remaining 20% for new office space.*

14.8 As Lichfields note, in terms of the overall requirement it is expected that:

- about 40% for B1c/B2 manufacturing land
- about 40% for B8 warehousing
- about 20% for new office space.

Using this recommendation the following table indicates the requirement according to type of employment land:

**Figure 3: Employment Land Requirement by Type**

Type of Employment Land	Planning Use Class	Approximate percentage	Total Requirement (ha)
Manufacturing land	B1c/B2	40%	10.8
Warehousing	B8	40%	10.8
Office	B1a	20%	5.4
Total Requirement	B1 B2 B8		27.0

## **EMPLOYMENT LAND SUPPLY**

14.9 As set out in the emerging Local Plan there is a requirement to provide 27 ha of land for additional employment. This supply is made up of:

- new employment allocations
- surplus land within existing employment sites

14.10 As well as looking at the employment land requirement, Lichfield's brief was also to consider the supply of employment land too. They assessed the suitability of the employment land allocated in the 1995 Local Plan that has not been brought forward, as well as land that had been designated as an employment area in the 1995 Local Plan and/or in use for employment currently. They were also asked to identify land that they considered may be suitable for additional new employment in order to meet the overall requirement.

14.11 The emerging Local Plan identifies a number of New Employment allocations as well as some Mixed Use sites that include an element of employment uses (10 in total, bringing forward 31.24 ha of employment land, or 22.51 ha net, taking account of roads, landscaping etc).

14.12 It also seeks to protect a number of existing employment areas (51 areas) as part of the Borough's employment land portfolio. Where there is land available on these existing employment areas that can be brought forward for new employment, or the existing plot can be intensified, this is shown in Table 2 of emerging Policy EMP2. In total the estimated net developable area of these small plots is 5.46ha. Where there is no surplus land available on the protected employment areas the estimated net developable area shows zero.

**14 (c) Whether the requirement and supply figures are gross hectares, or net**

14.13 The figure in relation to the **employment land requirement** is gross, in that an allowance is made for the replacement of losses of existing floorspace. This is explained briefly in answer to question in more detail in the ELR, para 9.61 – 9.74). However, the total requirement is shown as being the total of the estimated net developable areas.

14.14 The figures relating to the **supply of employment land** are net. The ELR has estimated how much of the total area is available for developing employment land and how much will be used for other purposes such as landscaping etc. Typically the net developable area has been estimated to be about 10 to 15% of the total area.

14.15 Hence in respect of the overall land requirement and the land supply identified to meet this, the figures are net.

**14 (d) The type/mix of different B use classes (B1, B2, B8) that the Plan seeks to provide.**

14.16 Allocating additional sites for industrial development would increase the current choice of sites and provide Rossendale with new development opportunities of the size and scale necessary to allow local businesses to expand. Most demand for premises and development in the Borough is driven by local indigenous businesses.

14.17 Improving and diversifying Rossendale's employment land offer will help to reduce the significant levels of out-commuting that exist. Out-commuting into neighbouring authorities for work remains a major issue for Rossendale, with a net loss of around 8,560 employed residents daily (taken from the 2011 Census). There are high levels of net out-commuting to Rochdale, Bury and Burnley.

14.18 Correlating with this out-commuting is the disparity between workplace earnings and resident earnings that exists within Rossendale.

14.19 Lichfield's Study concludes that the focus for Rossendale should be to provide additional industrial and warehousing allocations.

14.20 Although the econometric projections suggest a potential growth in office jobs over the plan period in the Borough, there are concerns regarding the amount of office space that is required. This is because the office market remains relatively weak and further substantial office allocations could serve to weaken the attractiveness of secondary office space exacerbating the high vacancy rates still further. Much of the existing stock appeals to businesses looking for affordable rents but does not meet the expectations of many modern businesses. However the study does suggest that it may be appropriate to consider allocating at least one new office site or to extend an existing better performing site in the Borough in order to provide choice and flexibility for occupiers. It is further considered that this may also help the Borough to attract larger office occupiers that historically the area has been unable to do.

14.21 In particular the study notes that although future economic growth is expected to be increasingly driven by the knowledge economy and service sector, there is nevertheless still a strong need for new industrial premises in Rossendale. This is particularly the case in the west of the Borough where there is good access to the A56 and M66 Corridor. There has been an undersupply of industrial sites in recent years, and commercial agents reported that they have unmet enquiries and this is resulting in upwards pressure on rental levels. The Borough has a particular need for large sites around Rawtenstall and Haslingden with good access to the A56 and M66. This has been raised by commercial agents who have operated in the area for decades, key stakeholders, and by local businesses that have been consulted to understand their needs. Commercial agents also reported that although demand for industrial sites is greatest in Haslingden and Rawtenstall, there are strong levels of demand across the Borough

including for more bespoke, smaller units further east. Vacancies in industrial premises are generally low across the Borough, though vacancies are highest in poorer quality spaces in the east.

14.22 There are high levels of demand for employment space from smaller businesses across the Borough. Ensuring that there is a supply of flexible space suited to the needs of SMEs will be important to help them grow. Most industrial demand is from local SMEs looking for good quality and modern premises across a range of sizes but particularly between 450 to 3,000 sq m. There is an insufficient supply of industrial sites within this size band. However there is also a need for large strategic sites big enough to accommodate key local businesses that are currently spread across multiple sites. One key local employer reported that in the next five years they will have a requirement for one site of 12 ha or two sites upwards of 5 ha, specifically in the west of the Borough with good access to the A56.

14.23 Based on Lichfield's conclusions and recommendations, and the uncertainty associated with delivering employment land it has been considered that the employment allocations should offer flexibility to the market and as such the Local Plan is promoting B1 B2 and B8 land uses on the proposed allocations.