



Edenfield Community Neighbourhood Forum Rossendale Local Plan Examination

30th August 2019

Matter 5 – Employment need & supply

***Issue** - Does the Plan set out a positively prepared strategy for the delivery of employment development and jobs, which is justified, effective and consistent with national policy?*

[Policies EMP1 – EMP5]

Questions

Employment provision

a) Is the identified Functional Economic Market Area of Rossendale justified?

Response:

Rossendale BC (RBC) should provide the justification for the area identified, as the Edenfield Community Neighbourhood Forum (ECNF) cannot find in the examination documents a description of how it has been defined. ECNF is therefore not in a position to answer this question.

b) Is the identified objectively assessed need (OAN) of 22-32 hectares of employment land over the period 2014 to 2034, as set out in the Employment Land Review, soundly based? In particular:

- i. Is the allowance for employment land/premises which may be lost to non-employment use (some 26 hectares) justified and supported by the evidence? To what degree could the allowance be affected by an upturn in the local economy?

Response:

In reply to the first question, no. ECNF questions very many of the Council's assumptions used in calculating employment land need for the Plan period. One of these assumptions relates to land 'lost to non-employment use'. ECNF has concerns regarding the total figure



of some 14.808ha used for land losses over the ten-year period from 2005/ 06 to 2015/ 16, having reviewed Lichfields' 2017 [Employment Land Review \(ELR\): Final Report](#) (Table 5.2) and Rossendale Borough Council's (RBC's) Annual/ Authority Monitoring Reports (AMRs) from 2010/11 to 2017/18. Gains should be counted against these losses during the same time periods, yet they do not appear to have been taken into account. By ECNF's calculations on available information, a loss of just over 7.5ha should be reduced by over 1.4ha in gain, making a net loss of just over 6ha. The ELR Final Report (paras. 9.67 and 8) uses a 'replacement factor' for the twenty-year period of 1.35ha per year, making a total of 27ha to make up for employment land losses. ECNF suggests however that if the average ten-year annual land loss allowance figure of 0.617ha is used instead for the Local Plan period of 2019-2034, then the total land loss allowance required would be 9.25ha, and not 27ha.

ECNF is also aware that employment land that is redeveloped for retailing is included within the Council's employment land loss figures (ECNF cite the example of Morrisons in Bacup and developments at New Hall Hey). There is scope for discussion as to whether such changes in land use should be considered as land lost from employment. The Borough's large stores and retail parks reflect national trends in retailing and employment, creating new and replacement employment which should not be undervalued - in policy terms at least.

ECNF's alternative views at the very least highlight how small adjustments to assumptions can lead to very different figures; they demonstrate how difficult and inappropriate it is for the Council to rely on the quantitative assessments that have used in formulating the Plan's policies EMP 3, 4 and 5.

In reply to the second question posed, ECNF would in principle welcome '*an upturn in the local economy*'. But in any event, the ELR already notes (para. 3.5) how employment forecasts expect an increase of 1600 jobs to 2034 therefore this growth should have influenced the Review's conclusions and recommendations. Forecast growth however has to be counter-balanced with the fact that slower economic growth has taken place in the Borough in the last 30 years, compared to the rest of the region and to the country as a whole (para. 3.2 of the ELR). As the Review states:

"Clearly, there are limitations to predicting future growth based upon past performance, particularly given the uncertainty generated by current economic conditions."



Overall, ECNF's view is that it is not unrealistic for the Plan to be based on the Review's analysis of the local economy and the realistic prospect that this "suggests a continuation of recent trends" (para. 7.14) i.e. policies should not be based on any assumption of a local upturn.

- ii. Is it reasonable to apply a flexibility buffer (1.99 ha), in the context that an uplift above OAN is also applied in the Plan (see below)?

Response:

ECNF agrees with the principle of adding an allowance of a two-year 'safety margin' to the overall estimate of the requirement for employment space (Table 9.15 of the ELR). However, ECNF would question the 1.99ha added in that Table. If ECNF's updated figure for completions were to be used instead (0.39ha per annum), the total safety margin figure would be 0.78ha for two years.

- iii. Are the employment density and plot coverage assumptions used to translate the jobs estimates into land requirements justified and robustly based?

Response:

The ELR (paras. 9.17 to 19) states the following with regard to assumptions for translating job forecasts into estimates of employment space – ECNF does not have evidence to counter these assumptions that are based on a national data source:

"To translate the resultant job forecasts into estimates of potential employment space, it is necessary to allocate the level of employment change forecast for office, industrial, and wholesale / distribution uses as follows:

- *The office floorspace requirement is related to job growth / decline in the financial and business service sectors;*
- *The industrial floorspace requirement is related to job growth / decline in the manufacturing sectors; and,*
- *The wholesale / distribution floorspace requirement is related to job growth / decline in the Industrial sectors of wholesale and land transport, storage and postal services.*



In order to translate the resulting figures into employment land projections, employment densities (based upon the latest HCA guidance on employment densities, 201555), adjusted to translate FTEs into workforce jobs, and plot ratios by use class, were then applied to the job change figures.

It was assumed that:

- 1. One B1a/b general office workforce job requires 12.5 sqm of employment floorspace [Gross External Area, or GEA];*
- 2. One B1c light industrial job requires 53.5 sqm of employment floorspace [GEA];*
- 3. One B2 industrial workforce job requires 36 sqm of employment floorspace [GEA];*
- 4. A combined B1c/B2 factor of one job per 45 sqm was obtained by taking an average of the aforementioned B1c/B2 GEA equivalents;*
- 5. One job per 65 sqm for general, smaller scale warehousing (assumed to account for 70% of future space) and 1 job per 80 sqm for large scale, lower density units (assumed to account for 30% of future space) [GEA]."*

ECNF would point out re. 5 above that RBC have in fact used a combined figure of 69.5sqm.

- c) Paragraph 116 in the Plan confirms that the Council has identified an employment land requirement of 27 hectares. Is this figure justified and supported by robust evidence? If the employment requirement is based on labour supply estimates, are there implications arising from the different Plan periods for the housing and employment requirements in the Plan (2019-34 v. 2014-34)?**

Response:

On the basis of the above comments and the potential for other assumptions to be equally, if not more valid than those in the ELR, the figure of 27ha is not justified. Its justification is further weakened by this particular total area simply being chosen as a 'mid-way' figure, between the ELR's identification of a range of employment land needs of between 22 and 35ha.



27ha, according to the Plan, *'aligns with housing need (based on a labour supply of 220 dwellings per annum (dpa) and taking into account an allowance for the replacement of losses (of 26.9ha) and factoring in a flexibility margin of two years take-up of 1.99ha)'*. The alignment is based on the SHMA 2016 labour supply scenario of 220 dpa, which according to the SHMA 2019 Update (para. 4.76) *'sits below the Experian baseline (2016) figure of 30ha'*: the chosen amount of 27ha is also justified by the Council in the Plan because it is *'is not pursuing a higher figure based on "economic uplift" (page 18)*.

Changes in employment growth do not have the potential for creating considerable differences either. According to ECNF, growth of 10% in employment would only result in the need for an extra 0.6ha. An alignment with housing need is also tenuous because that 'need' is of itself not well-supported by robust evidence (as referred to in other ECNF Statements); once again, very small changes to housing need-related assumptions and evidence have the knock-on effect of potentially making very considerable differences to the amount of employment land that might – or might not – be required.

The Inspectors are right to query *'the implications arising from the different Plan periods for the housing and employment requirements in the Plan (2019-34 v. 2014-34)'*. The Plan period is 2019 to 2034; the employment land requirement and housing needs are assessed for the time period from 2014 to 2034. ECNF is of the view that all of the quantitative analysis referred to in the Plan should relate to the plan period of fifteen years (2019-2034), not the twenty years (2014-2034) used by the BC's consultants e.g. in the ELR, the 2016 SHMA and the SHMA 2019 update. ECNF has identified that the difference between a fifteen- or twenty-year plan period would be 3.09ha and this would be further reduced if the full effect of the population predictions in the SHMA Update 2019 were taken into consideration.

d) Are there any implications for employment OAN and employment land requirements arising from the updated employment forecasts in the SHMA 2019? (also see Matter 3cii)

Response:

No. On careful reading of the SHMA Update 2019, ECNF concludes that the updated figures are all only marginally different – a point acknowledged in the document itself,



alongside the fact that the BC is pursuing an approach of meeting needs, rather than an economic growth strategy.

- e) **The Council is requested to provide information on all potential sources of employment land supply between 2014 and 2034, including completions between 2014 and 2019, outstanding commitments, surplus land within existing employment sites, supply from new employment allocations, and employment supply from mixed use allocations – and to confirm the total estimated supply figure between 2014 and 2034. The figures should be gross in order to allow direct comparison with the gross OAN figure and housing requirement figure.**

[please note, this information should be placed on the Council's website as soon as possible in order to allow representors an opportunity to digest the document and respond to the question below]

- f) **Taking account of the detailed supply information above, how does the employment land requirement compare to the amount of employment land provided for within the Plan? If the estimated supply figure exceeds the employment requirement, is the uplift justified and soundly based? Does it take account of qualitative issues and the aim to reduce out-commuting? Is the supply figure capable of being delivered, or is it intended to allow choice?**

Response:

RBC has published the detailed information requested by the Inspectors, in a [response dated 7 August 2019](#). It includes Tables 1 and 2, with Table 1 being a list of completions of B1, B2 and B8 uses between 1 April 2014 and 31 March 2019. Table 2 lists the sites that are expected to provide B1, B2 and/ or B8 uses from 2019 to 2034; it gives a total net developable area that is more in line with ECNF's quantitative assessment of the Council's total allocation. It is noted that the BC has also now sought to correct errors (e.g. by including a net developable area for Futures Park, Bacup). The updated table indicates that the employment land allocations now exceed the requirement – on the Council's own figures – by a minimum of 2ha. But what the Council's updated Table 2 does not highlight



is the perpetuation of what ECNF perceives as errors and omissions from the Submission Plan's Table 2.

g) How does the level of estimated provision compare to recent rates of employment land take-up in the district?

Response:

Table 1 of RBC's latest information on completions indicates a yearly average of 0.067ha for B1,2 and 8 uses – a similar annual amount to the 0.1ha for the 5 years between 2013/4 to 2017/8. This latest information reaffirms the downward trend referred to above therefore the points already made apply, regarding how alternative judgments and figures can change the assessment of requirements. For employment land requirements, it seems to consistently be the case that just over one third of the current allocation would be appropriate.

h) Is the estimated supply of surplus land on existing employment sites based on a comprehensive assessment of all existing sites?

Response:

ECNF cannot answer this question with any certainty. While it would appear that the Council's consultants assessed individual sites (in their Employment Land Review Final Report 2017, Table 10), there is no information available about whether all of the sites were visited, nor whether the most comprehensive assessment of surplus land was made, or has been made since. In the knowledge, for example, of the correction that has been made with regard to two sites in Bacup in RBC's 7 August 2019 update to Table 2's allocations, there is no certainty that other errors relating to further development on existing sites have not persisted. Unless there is evidence to the contrary, ECNF can therefore only conclude that there may well be additional opportunities for expansion on many existing sites that have not been taken into account.

i) What assumptions have been made about the proportion of employment development that will be delivered on the mixed-use allocations?

Response:

RBC should respond to this question.

Employment policies

j) Is the retention of all existing employment sites and sites last used for employment, as set out in Policy EMP3, justified and deliverable? In particular:

- i. Does the policy apply to new and existing employment sites which are allocated in Policy EMP2?
- ii. Outside these areas, what are the benefits of the policy?
- iii. Is criterion b deliverable where proposed redevelopment schemes involve housing provision only?
- iv. Are criteria c and e adequately defined?
- v. Does the policy give sufficient recognition to biodiversity/ecology issues?
- vi. Why do the demand/viability/structural assessment requirements in criteria j) to l) only apply to proposals for residential re-use?

Response:

RBC should respond to questions i., iii., iv., v. and vi.

Otherwise, ECNF has already noted that the Council's own evidence shows that losses of employment land to other uses have decreased in recent times. RBC should not pursue a negative, protectionist policy but instead should be promoting employment land re-use and regeneration in areas where communities are not able to thrive. Vacant, derelict and underused employment buildings and sites should be proactively considered for alternative uses where there is a lack of demand for their current/ former use. Providing new homes and promoting mixed uses to support existing neighbourhoods, and create new living and working communities, should be the objective. Taking this approach in a revised Local Plan would be sound, particularly in view of the large and unjustified surplus of employment land that is currently being allocated, far in excess of requirements. As such, the policy brings no apparent benefits and should be removed from the Plan.

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k) What is the definition of 'employment generating development', as set out under Policy EMP4? Does it relate to B1, B2, B8 development, or is it wider than this? Is the policy intended to apply in the countryside and Green Belt?

Response:

RBC should respond to this question.

Yours sincerely,

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