

ROSSENDALE LOCAL PLAN EXAMINATION

EMPLOYMENT UPDATE

May 2021

Introduction

This paper considers the implications of the revised housing requirements and the extended Plan period, as discussed in the accompanying Housing Land Update, May 2021, on the employment land requirement for Rossendale Borough.

Work undertaken by Lichfields on the Council's behalf has identified an employment land requirement for Rossendale, based on the relevant Local Housing Need [LHN] calculation of 185 dwellings per annum [dpa], for the period 2019 to 2036, of 14.3 ha.

The second part of this Update considers the employment land supply, in response to queries raised by the Planning Inspectors.

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PART 1: EMPLOYMENT LAND REQUIREMENT

As explained in more detail in the Housing Land Update (May 2021), the Council has been asked by the Planning Inspectors to consider how it wishes to approach the latest Local Housing Need (LHN) as calculated by the standard method. This is because the figure that was used in the submission version can only be relied on for two years from the date of submission, which was 26 March 2019.

The Inspectors' query is set out below:

“The housing requirement figure in the submitted Plan of 212 dwellings per annum¹ is based on local housing need and the Government's standard methodology. It is now exactly two years ago that the Plan was submitted for examination. The PPG on Housing and Economic Needs Assessment states that 'local housing need calculated using the standard method may be relied upon for a period of 2 years from the time a plan is submitted to the Planning Inspectorate for examination' (paragraph 008).

This is the first time that plans submitted under the revised NPPF will have faced this issue. The Council is requested to provide a revised calculation of LHN for the current year, using the standard methodology in the PPG. The latest housing affordability ratio was published by ONS yesterday. The Council should consider the appropriate period of time to apply the projections.

The Council is also requested to consider what implications this may have on the housing requirement in Policy HS1, other aspects of the submitted Plan and the examination process. We are cognisant of the resourcing issues which the Council has faced relating to Covid-19 and that the examination is at an advanced stage. We will be seeking to deal with the issue in a pragmatic manner, subject to the Council's response.”

As a result of this the Council is now proposing to amend the Housing Requirement in line with the LHN as calculated by the standard method as of March 2021. In addition, the Council is proposing to extend the Plan period to 15 years post-adoption of the Local Plan, in line with paragraph 22 of the National Planning Policy Framework (NPPF). This would mean extending the Plan period from 2019 to 2036.

The revised LHN figure, as calculated by the Government's Standard Method (as of March 2021) is set out below:

Local Plan Period	Annual Housing Requirement (Year 3 to 17)	Calculation of the Overall Housing Requirement	Overall Housing Requirement
2019 – 2036 (17 years)	185 dpa	(208 * 2) + (185 * 15)	3,191

¹ Albeit a revised LHN figure of 208 dpa is identified in the Preliminary List of Main Modifications document EL6.002.

The changes to the housing land requirement and the Plan period will have implications for the employment land requirement. The Council has requested further assistance from Lichfields to assess this. This is set out in full in Appendix 1. The Table below (referenced as 4.1 in Lichfields Report) summarises the various scenarios and the implications for the Employment Land requirement.

Table 4.1 Rosendale Gross Employment Land Comparisons 2019-36

		B1a/b	B1c/B2	B8	TOTAL 2019-36	Previous TOTAL 2019-34	Previous ELR TOTAL 2014-34
1) Experian 2018 Baseline (+1,400 jobs)	2019-2036 (net)	0.49	-4.66	5.59	1.41	-0.28	1.36
	2019-2036 (gross)				16.02	19.92	28.29
	+ Flexibility factor				17.69	21.90	30.27
2) Experian 2016 Baseline (+1,600 jobs)	2019-2036 (net)	0.62	-4.32	5.66	1.96	2.78	1.36
	2019-2036 (gross)				16.57	22.97	28.29
	+ Flexibility factor				18.24	24.96	30.27
3) Regeneration / Policy On (+1,803 jobs)	2019-2036 (net)	0.78	-4.00	5.66	2.44	3.24	2.70
	2019-2036 (gross)				17.05	23.43	29.63
	+ Flexibility factor				18.72	25.42	31.61
4) CS Jobs Target (+2,704 jobs)	2019-2036 (net)	1.14	-3.16	7.66	5.64	5.71	5.79
	2019-2036 (gross)				20.24	25.90	32.71
	+ Flexibility factor				21.91	27.89	34.70
5) Labour Supply 2021 LHN (185 dpa, +428 jobs)	2019-2036 (net)	0.06	-5.54	3.54	-1.94	-	-
	2019-2036 (gross)				12.67	-	-
	+ Flexibility factor				14.34	-	-
6) Labour Supply (208+185 dpa, +471 jobs)	2019-2036 (net)	0.08	-5.50	3.62	-1.79	-	-
	2019-2036 (gross)				12.81	-	-
	+ Flexibility factor				14.48	-	-
7) Past Take Up Rates	2019-2036 (net)	-3.06	2.65		-0.40	-5.29	-7.05
	2019-2036 (gross)				14.20	14.90	19.87
	+ Flexibility factor				15.87	16.89	21.86

Source: Lichfields Analysis

As explained in Lichfields' Report (paragraph 4.3), these amendments reduce the employment land requirement range from 17 to 25 hectares (set out in the previous Update), to between 14 to 19 hectares for the period 2019 to 2036. Although the Plan period has been extended by 2 years, this has been counteracted by the declining levels of employment land take-up and losses to alternative uses since 2016. Lichfields also note, "Manufacturing jobs in the Borough are projected to continue to contract post 2034, hence the extension of time period paradoxically has the effect of reducing the net job growth for most of the projections".

This shows that the labour supply as proposed in the Updated Housing Paper would generate an additional 471 jobs, which would result in a gross requirement of **12.81 ha**, increased to **14.48 ha** when incorporating a flexibility factor.

The Updated Employment Land Supply paper (Part 2 of this document) identifies a supply of 31 ha (gross), made up of new employment allocations, as well as suitable space on existing employment sites, outstanding consents etc., as shown below:

Table 1 showing sources of employment land supply in gross area (ha) during the extended Plan period (2019 -2036)

Sources of employment supply (B1/E(g), B2 and B8)	Gross area (ha)
New employment sites	22.87
Mixed-use sites with employment use	1.94
Spare capacity on existing employment sites	2.57
Completions for employment use in 2019/20	1.07
Outstanding commitments - Sites with planning permissions for employment uses	2.57
TOTAL (ha)	31.02

Source: Part 2 of RBC's Employment Land Update (May 2021)

The Council, therefore, wishes to retain the employment land requirement of 27 ha as expressed in the emerging Local Plan.

It is the Council's view that there is a **pent-up demand for employment floorspace** in Rossendale, as a result of the lack of developable unconstrained sites. The proposed employment allocations are intended to rectify this.

The Council's Economic Development Unit records in-depth enquiries about the size of unit requested by businesses over the last 24 months. Table 2 below shows that the peak size is a medium size unit 5-7.5k sq.ft and 6 large enquires over 50,000 sq.ft.

Table 2: Business Enquiries by Size

Unit Size (sq ft)	Unit Size (ha)	No. of detailed enquiries ²
1,000- 5,000 sq ft	0.01 – 0.05	3
5,001-7,500 sq ft	0.05 – 0.07	5
7,501-10,000 sq ft	0.07 – 0.09	1
10,001- 15,000 sq ft	0.09 – 0.14	2
15,001 – 20,000 sq ft	0.14 – 0.19	2
20,001 – 50,000 sq ft	0.19 – 0.46	2
50,000 +	>0.46 ha	6

Source: Rossendale Borough Council Economic Development Unit

² Please note that the majority of enquiries are conducted online on the Invest in Rossendale website and are not directly logged in the database

The proposed allocations in the west of the Borough make up the **Rossendale Valley Growth Corridor**, a key strategic infrastructure programme to improve road and rail accessibility and open up employment sites. It takes advantage of Rossendale's enviable position in the sub region, with its proximity to Manchester along the A56/M66 corridor. The Rossendale Valley Growth Corridor is embedded in the Council's Corporate Plan, the 2018 Economic Development Strategy for Rossendale and the associated 2021 Business Recovery Plan, developed as a response to the pandemic. The Corridor supports the Council's 2020 Climate Change Strategy with a focus on investment by green technology businesses. This initiative is a crucial part of the levelling up agenda and supports the ambitions of the Pennine Lancashire Growth and Prosperity Plan 2016-2032, the delivery of the Lancashire Industrial Strategy, Greater Lancashire Plan and the Lancashire Strategic Development and Infrastructure Plan.

Also, and as expressed previously, the Council is allocating these employment allocations **to offer choice to businesses and ensure flexibility in the supply**. Particularly given the considerable degree of economic uncertainty at present, there is a need to be as flexible as possible with the forward supply of employment land in order to be responsive to change as the country 'bounces back' from the unprecedented economic downturn.

The Pandemic has **accelerated fundamental shifts in demand for warehousing (B8)** space due to the unprecedented growth nationally in e-commerce and logistics. This was largely unforeseeable and so unlikely to have been fully factored in the Experian modelling or past take-up rates, which pre-date Covid-19. These land uses can also be of very low density and as such require a disproportionate amount of land for a given number of jobs.

Further uncertainty surrounds the **Government's proposed changes to PD rights**, which may mean that the amount of former B1a/b/c floorspace lost to alternative uses escalates in the future. The impact of this measure is very difficult (if not impossible) to quantify at present, but could justify a higher level of loss replacement is necessary than has been experienced in recent years, and hence supports an argument that a higher employment land requirement is still necessary.

PART 2: EMPLOYMENT LAND SUPPLY

The Planning Inspectors have requested the following information concerning the employment land supply:

“Following the production of document EL8.005.2 (Action 5.2), it would be appreciated if the Council could confirm the total supply figure of employment land over the Plan period. This should be based on gross hectares rather than net. This will allow comparison with the identified employment land requirement in the Plan of 27 ha gross. The issue of gross hectares v net was discussed at the hearing session, and it was confirmed that the OAN range in the ELR is based on gross hectare figures, as evidenced in para 9.45 in the ELR and the application of plot ratios. At the hearing it was confirmed that the reference to ‘net’ in Table 9.13 is the expression used by Lichfields to convey that the figures in this table do not include an adjustment for loss or a safety margin.

I have attempted to add the figures in document 5.2, and have obtained a total of about 33 ha. The total gross area for employment allocations (22.87ha), outstanding commitments (3.95ha) and completions 19/20 (0.506ha) are clear. However, I am unsure whether the spare capacity figure on existing employment sites (total of 4.84 ha) is gross or net. Further, for mixed use sites the total of 1.73ha appears to be based on the net developable area rather than gross, and I am also unclear what assumptions have been used for the split between B uses and other types of uses. On this latter point my hearing notes indicate that employment uses are not anticipated on M1 or M3.

On a related point, the Council is also requested to confirm the gross hectares of completions each year between March 2014 and March 2019. Table 1 in Appendix 1 in the Council’s Matter 5 Hearing Statement only provides the floorspace figures. “

The response from Rossendale BC is as follows:

1 Introduction

1.1 This note seeks to provide further information on the employment land supply especially regarding the spare capacity on existing employment sites and the gross area available for employment uses on mixed-use allocation sites. Also, since the publication of Action 5.2 (document EL8.005.2) the Council have noted there were applications missing within the planning completions for the year 2019/2020 and one outstanding commitment had expired as of 31st March 2020. Therefore, an update is provided in this note. Based on the above, the total supply figure for employment land is re-calculated based on gross site areas. Also, as requested, past completions that took place between 2014 and 2019 are also provided based on gross areas. Information regarding employment losses is also provided for the period 2014 to 2019.

2 Spare capacity on existing employment sites

2.1 The Employment Land Review (ELR) (2017) assessed the employment portfolio within Appendix 5. The assessment provides for each site a gross site area which is the area contained within the red line and measured in GIS. A net developable area has then been estimated taking into account constraints. For some sites an approximate rule of thumb of 80% was used to calculate the net developable area. However, this figure does not account for a detailed deliverability analysis or ownership constraints and is only an approximation. So the spare capacity on the existing employment sites shown in the ELR is a 'net' area.

2.2 In order to compare these figures with the other sources of the employment supply expressed in 'gross' area, it is proposed to transform these net areas into gross areas by adding 20%. However, it is to be noted that since the publication of the ELR, new planning permissions have been granted and built out on some of the existing sites with spare capacity. Therefore, an adjustment will also be made to reduce the spare capacity based on these planning approvals.

2.3 The Local Plan Submission version identified eight existing employment sites with 5.46 ha of 'net' available capacity.

Table 1: Extract from the Local Plan Submission Version (March 2019)

Employment Allocation Ref.	Site name	Gross Area (ha)	Estimated Net Developable Area (ha)	Use Class	Policy
EE2	Henrietta Street	9.90	0.58	B1, B2, B8	EMP2
EE12	Large site at Hud Hey	7.74	1.70	B1, B2, B8	EMP2
EE13	Land off Manchester Road (Solomons)	1.50	1.36	B1, B2, B8	EMP2
EE19	Solomon's Site	3.14	0.80	B1, B2, B8	EMP2
EE23	Rosendale Motor Sales, Bury Road	0.29	0.06	B1, B2, B8	EMP2
EE24	New Hall Hey	3.66	0.5	B1, B2, B8	EMP2
EE43	Warth Mill	7.08	0.18	B1, B2, B8	EMP2
EE47	Station Road	0.70	0.28	B1, B2, B8	EMP2

2.4 This information has been updated in the Council's response to Matter 5 (document [EL3.005](#)) and then in Action 5.2 (document [EL8.005.2](#)).

Table 2: Extract from Action 5.2

Employment Allocation Ref. / Planning Application Ref.	Site name	Use Class	Gross Area (ha)	Estimated Net Developable Area (ha)	Current status	Planning Ref. No.	Additional Floorspace Granted PP (sq. m.)
Spare capacity within Existing Employment Sites							
EE2	Henrietta Street	E(g), B2, B8	9.9	0.56	Existing Employment with PP for B1c	2014/0553 2018/0204	192
EE12	Large Site at Hud Hey	E(g), B2, B8	7.74	1.7	Existing Employment		
EE13	Land off Manchester Road (Solomons)	E(g), B2, B8	1.5	1.36	Existing Employment		
EE19	Solomon's Site	E(g), B2, B8	3.14	0.8	Existing Employment		
EE23	Rosendale Motor Sales, Bury Road	E(g), B2, B8	0.29	0.06	Existing Employment		
EE24	New Hall Hey	E(g), B2, B8	3.66	0.1	Existing Employment with PP 3 No. industrial buildings (1 no. B2 Use Class, and 2 no. B2 / B8 Use Class)	2018/0437	3896
EE43	Warth Mill	E(g), B2, B8	7.08	0.08	Existing Employment with PP and UC for B1a, B2, B8	2016/0173 2015/0279 2017/0142	1016
EE47	Station Road	E(g), B2, B8	0.7	0.28	Existing Employment		
Sub-total			34.01	4.84			

2.5 The original net developable areas calculated for these sites in the ELR (2017) are shown in Table 3. An additional column has been added to transform this net developable area into gross developable area. It is to be noted that the site boundaries in the ELR can be different from the allocation sites, which explains differences in terms of gross areas in the ELR and the Local Plan.

Table 3: ELR (2017) original figures and new column added by RBC to transform the net developable area estimated for the remaining capacity into gross area

Employment Allocation Ref.	Employment Land review Ref.	Site name	Site Gross Area (ha)	Estimated Net Developable Area (ha)	Calculation	Estimated Gross Developable Area (ha)
EE2	EMP61	Henrietta Street	11.86	0.58	$0.58 + (0.2 * 0.58)$	0.70
EE12	EMP09	Large site at Hud Hey	8.38	1.70	$1.70 + (0.2 * 1.70)$	2.04
EE13	EMP19	Land off Manchester Road (Solomons)	1.51	1.36	$1.36 + (0.2 * 1.36)$	1.63 to be reduced to 1.51 (gross area of the site)
EE19	EMP14	Solomon's Site	4.13	0.83	$0.83 + (0.2 * 0.83)$	1.00
EE23	EMP05	Rosendale Motor Sales, Bury Road	0.29	0.06	$0.06 + (0.2 * 0.06)$	0.07
EE24	EMP08	New Hall Hey	8.10	4.37	$4.37 + (0.2 * 4.37)$	5.24
EE43	EMP51	Warth Mill	7.38	0.18	$0.18 + (0.2 * 0.18)$	0.22
EE47	EMP64	Station Road	0.70	0.28	$0.28 + (0.2 * 0.28)$	0.34

2.6 Before considering the gross area available for development as part of the employment supply, it is important to note the following updates and information.

2.7 A recent application has been submitted at EE2 – Henrietta Street in Bacup for the erection of a large retail unit on the area available for development. This application (reference 2020/0363) has been discussed at the development control committee in February 2021 during which it was resolved to grant planning permission subject to the signing of a Section 106 and other conditions. It is therefore considered appropriate to remove any spare capacity for this site.

2.8 The site EE13 – Land off Manchester Road (Solomons) is currently in use for the storage of vehicles (Use class B8). Therefore, it is considered that there is no spare capacity on this site.

2.9 Regarding the site EE19 – Solomon's site, a developable area of 0.83 ha in the north western corner of the site was identified in the ELR. However, this area forms part of the housing site allocation H74 – Grane Village, Helmshore, and therefore should not be considered as part of the employment land supply.

2.10 The site EE24 – New Hall Hey has been the subject of various applications since the ELR (2017) was published, including a recent application for employment use (reference 2018/0437). The net developable area has been considerably reduced, leaving a small available area of 0.1 ha. However, due to the requirement for an access road to link the mini round-about to the proposed new employment allocation NE4 – Extension of New Hall Hey, Rawtenstall, it is now proposed to retain that area open for a future road. Therefore, this site is considered to have no longer any spare capacity for employment growth.

2.11 Based on the above, the gross area available on the spare capacity of the existing employment sites is estimated at 2.57 ha (gross). Table 4 shows the contribution of these existing employment sites to the supply, expressed in gross area.

Table 4: Update to the supply in gross area from the spare capacity on existing employment sites (April 2021)

Employment Allocation Ref. / Planning Application Ref.	Site name	Use Class	Gross Area Available for Employment Growth (ha)	Current status	Planning Ref. No.	Additional Floorspace Granted PP (sq. m.)
Spare capacity within Existing Employment Sites						
EE2	Henrietta Street	E(g), B2, B8	0	Existing Employment with PP for B1c and agreement to grant PP for a food store on the remaining area available	2014/0553 2018/0204 2020/0363	192 (and 1,856 retail space)
EE12	Large Site at Hud Hey	E(g), B2, B8	2.04	Existing Employment		
EE13	Land off Manchester Road (Solomons)	E(g), B2, B8	0	Existing Employment		
EE19	Solomon's Site	E(g), B2, B8	0	Existing Employment		
EE23	Rosendale Motor Sales, Bury Road	E(g), B2, B8	0.07	Existing Employment		
EE24	New Hall Hey	E(g), B2, B8	0	Existing Employment with PP 3 No. industrial buildings (1 no. B2 Use Class, and 2 no. B2 / B8 Use Class)	2018/0437	3896
EE43	Warth Mill	E(g), B2, B8	0.12	Existing Employment with PP and UC for B1a, B2, B8	2016/0173 2015/0279 2017/0142	1016
EE47	Station Road	E(g), B2, B8	0.34	Existing Employment		
Sub-total			2.57			

3 Mixed use sites

3.1 This section provides further information on the employment land supply expected to be delivered on mixed-use sites during the extended Plan period (2019 - 2036).

- M1 – Waterside Mill, Bacup: 39 dwellings are expected to be delivered on the upper floors and retail (Use class A1/E(a)), offices, research and development activities, light industrial use (use class B1/E(g)) or general industrial use (use class B2) are considered appropriate for the ground floors. The mill has been vacant for a number of years, indeed a planning application received in 2005 (reference 2005/0573) was granted for the change of use of the 1st floor of the disused mill to a children’s play facility. So the re-development of the long term vacant building could lead up to 0.09 ha (gross) of new employment land on the ground floor.
- M2 – Spinning Point, Rawtenstall: Phase 1 has been delivered and is reported in the completions for 2019/20. No further development for employment purposes is expected on the site within the Plan period.
- M3 – Isle of Man Mill, Water: part of the site was last used for employment. The mill, adjoining warehouse and storage yard are currently being advertised to let for industrial use. A garage is also adjoining the mill building to the south. It is conceded that the buildings cannot count as part of the future supply as they were in employment use until recently and no change of use has been granted approval since.
- M4 – Futures Park, Bacup: Plot 5 has been completed for general industrial use (B2) in July 2020 (1.35 ha gross area), so will count as a completion for the year 2020/21. Plot 1 has been approved for a children’s nursery (use class D1/E(f)) with a gross area of approximately 0.29 ha. Plot 3 is expected to provide a cycle and visitor hub (use class E or F.2) while Plot 4 is being marketed for industrial (use class B2) or leisure (use class E or F.2) development. Therefore, only Plot 4 and 5 can be counted in the supply of employment land with a gross area of about 1.85 ha.
- M5 – Park Mill, Helmshore: the site allocation as submitted includes existing businesses, residential properties and an electricity sub-station. Vacant space appears to be available within the upper floors of Park Mill, however the landowners have not confirmed the availability of the building for employment use such as offices, research and development activities or light industrial (use class E(g)). Therefore, it is proposed to remove this allocation from the Plan.

3.2 In summary, the contribution of the mixed-use sites to the employment land supply (E(g), B2 and B8 use) is estimated at 1.94 ha (in gross area). Table 5 below summarises the contribution of each site.

Table 5: Contribution of the mixed-use sites to the employment land supply

Employment Allocation Ref. / Planning Application Ref	Site name	Use Class	Gross Area (ha)	Estimated Net Developable Area (ha)	Current status	Planning Ref. No.	Additional Floorspace Granted PP (sq. m.)
Mixed-Use Sites							
M1	Waterside Mill, Bacup	E(a), E(g), B2, C3	0.09	0.09	Mixed Use - vacant building		
M2	Spinning Point, Rawtenstall	E, Sui Generis	0	0	Mixed Use - new development	2016/0608 (Phase 1) completed in 2019/20 and 2017/0617 (Phase 2) not going forward	154 counted in completions for 2019/20
M3	Isle of Man Mill, Water	E(g), B2, B8, C3	0	0	Mixed Use - existing employment		
M4	Futures Park, Bacup	E, B2, B8, C1, F.2	1.85	1.13	Mixed Use Allocation with existing employment and permission for B2	2019/0102	5295 to be counted as completed in 2020/21
M5	Park Mill, Helmshore	E	0	0	Mixed Use - existing development		
Sub-total			1.94	1.22			

3.3 The Proposed Allocation at New Hall Hey (NE4)

This site has been considered in [Action EL8.015](#), covering the Inspectors' Further Actions listed under references 15.1, 15.2. and 15.6 to 15.10 – *New Employment Sites*. The Council is seeking to reduce the developable area further in order to provide a high quality landscaped area, with public access, to act as an attractive approach to Rossendale from the A56 spur – the New Hall Hey Gateway. The current developable area is 3.43 ha, comprising three parcels, separated by landscaped buffers. This will reduce the developable area to 3 ha or thereabouts. An updated diagram to supersede that shown in Map 9 – Site constraints at NE4 – Extension of New Hall Hey, Rawtenstall (on page 36 of [Action EL8.015](#)) will be provided.

4 Outstanding commitments

4.1 One application expired on 31st March 2020 (reference 2017/0052) and has been removed from the employment land supply. Also, since Plot no. 5 at Futures Park (which has planning permission for B2 use) is already accounted for in the supply in the mixed-use site allocation section it has not been accounted for in this section. As a result, the remaining outstanding commitments for employment uses listed in Table 6 amounts to 2.57 ha (gross area).

Table 6: Outstanding commitments for employment uses (as of 31st March 2020)

Employment Allocation Ref. / Planning Application Ref.	Site name	Use Class	Gross Area (ha)	Estimated Net Developable Area (ha)	Current status	Planning Ref. No.	Additional Floorspace Granted PP (sq. m.)
Outstanding commitments (as of 31st March 2020)							
2018/0352	Reelvision Print Ltd Commerce Street Haslingden Rossendale Lancashire BB4 5JT	B1, B2, B8	0.06	0.06	PP - located within EE14	2018/0352	Extension to existing B8 unit = 409sqm New units fall in any B use = 188sqm
2018/0543	Warton Metals Grove Mill Commerce Street Haslingden Rossendale Lancashire BB4 5JT	B1, B2, B8	0.02	0.02	PP - located within EE14	2018/0543	218
2017/0539	Unit 2, New Line Industrial Estate, The Sidings, Bacup	B2	0.06	0.02	PP - located within EE3	2017/0539	225
2018/0204	Units 2 and 3 Plantation Mill Market Street Bacup Lancashire	B1(c)	0.13	0.02	PP - located within EE2	2018/0204	192
2018/0437	Land Off New Hall Hey New Hall Hey Road Rawtenstall Rossendale Lancashire	B2, B2/B8	1.35	0.4	UC - located within EE24	2018/0437	3896
2019/0102	Plot 5, Futures Park, Bacup	B2	0 as already included in M4	0 as already included in M4	UC - located within M4	2019/0102	5295
2019/0266	Former Bus Depot Knowsley Park Way Haslingden Rossendale Lancashire BB4 4RS	B2	0.87	0.87	PP - EE18	2019/0266	10238
2019/0561	216 Newchurch Road Stacksteads Bacup Lancashire OL13 0TS	B1	0.02	0.02	PP - EE34	2019/0561	181.4
2019/0565	Unit 2 New Line Industrial Estate The Sidings Bacup Lancashire OL13 9RW	B1	0.06	0.03	PP - EE34	2019/0565	280
Sub-total			2.57	1.44			

5 Planning completions

5.1 Seven sites with planning permission for employment uses which were completed during the year 2019/20 have been missed in the table provided in the Action 5.2 note (document [EL8.005.2](#)). These sites highlighted in red in Table 7 have been added to the list of completions. The approximate area of employment land gained from these completions amount to 1 ha (in gross area) in 2019/20.

Table 7: Sites completed between 2019-20

Employment Allocation Ref. / Planning Application Ref.	Site name	Use Class	Gross Area (ha)	Estimated Net Developable Area (ha)	Current status	Planning Ref. No.	Additional Floorspace Granted PP (sq. m.)
Sites completed between 2019-20							
2014/0284	Unit 8, New Line Industrial Estate, The Sidings, Bacup	B2	0.01	0.01	COMP	2014/0284	101
2014/0553	Trubend, Rockcliffe Road, Bacup	Sub-division of existing B1 unit into 4 units of B1 / or B8 use	0.00	0.00	COMP - located within EE2	2014/0553	0
2015/0217	Viking Trailers Ltd, Taylor Holme Industrial Estate, Atherton Way	B1(c)	0.03	0.03	COMP	2015/0217	333
2015/0286	Hare And Hounds, 391 Newchurch Road, Stacksteads	B1	0.01	0.01	COMP	2015/0286	140
2015/0491	Viking Trailers Ltd, Taylor Holme Industrial Estate, Atherton Way	B1(c)	0.02	0.02	COMP	2015/0491	226
2016/0453	Land off Taylor Holme Industrial Estate, Atherton Way, Stacksteads	B8	0.03	0.03	COMP	2016/0453	286
2016/0221	Land off New Hall Hey, New Hall Hey Road, Rawtenstall	B2, B8	0.48	0.48	COMP (only Unit A and B)	2016/0221	1253
2016/0608	Rawtenstall Town Square, Bank Street, Rawtenstall	A1, A2, A3, A4, A5 or B1	0.01	0.01	COMP - located in M2	2016/0608	154
2017/0634	Grove Mill And Albion Mill, Todmorden Road, Bacup	B2	0.01	0.01	COMP - located within EE1	2018/0634	52
2016/0173	Guideline Engineering Co, Stansfield Road, Waterfoot	B2	0.01	0.01	COMP - located within EE43	2016/0173	91
2017/0142	Gemini Dispersions Ltd, Holt Mill, Holt Mill Road, Waterfoot	B2	0.01	0.01	COMP - located within EE43	2017/0142	30

Employment Allocation Ref. / Planning Application Ref.	Site name	Use Class	Gross Area (ha)	Estimated Net Developable Area (ha)	Current status	Planning Ref. No.	Additional Floorspace Granted PP (sq. m.)
2017/0229	Unit 4B, New Line Industrial Estate, The Sidings, Bacup	B1(c)	0.07	0.07	COMP – located within EE3	2017/0229	725
2018/0555	Peel Street Garage, Peel Street, Cloughfold	B1(c)	0.01	0.01	COMP	2018/0555	45
2018/0346	Rear Of 301 - 307a Market Street, Whitworth	B2	0.26	0.01	COMP	2018/0346	74
2019/0064	Land Off Brandwood Road Stacksteads Bacup Lancashire OL13 0NU	B8	0.1	0.04	COMP	2019/0064	380
2019/0347	Unit 5 Park Road, Industrial Estate, Bacup, Lancashire, OL13 0BW	Loss of B2, gain of B8	0	0	COMP	2019/0347	0
2020/0003	15 Deardengate Haslingden Rossendale Lancashire BB4 5QN	B1	0.01	0.01	COMP	2020/0003	76.74
Sub-total			1.07	0.76			3966

6 Total supply figure of employment land during the extended Plan period (2019 -2036)

6.1 Considering the supply on new employment and mixed-use site allocations in the Plan, the spare capacity available on existing employment sites, the sites with planning permissions for employment use and the completions that have taken place during the first year of the Plan (2019/20), the estimated gross area amounts to approximately 31 ha. Table 8 below provides further information on each element of the supply.

Table 8: Sources of employment land supply in gross area (ha) during the extended Plan period (2019 -2036)

Sources of employment supply (B1/E(g), B2 and B8)	Gross area (ha)
New employment sites	22.87
Mixed-use sites with employment use	1.94
Spare capacity on existing employment sites	2.57
Completions for employment use in 2019/20	1.07
Outstanding commitments - Sites with planning permissions for employment uses	2.57
TOTAL (ha)	31.02

7 Completions between March 2014 and March 2019

5.1 The Council's hearing statement to Matter 5 (document [EL3.005](#)) provided Table 9 below, regarding the completions of B1/E(g), B2 and B8 uses between 01/04/2014 and 31/03/2019. Overall the completions during that period amount to approximately 3320 sq.m. of employment floorspace.

Table 9: Completions of B1, B2 and B8 uses between 01/04/2014 and 31/03/2019 (sq. m)

Gain of employment (sq. m)	Planning Use Class						TOTAL
	B1a	B1b	B1c	B1 (Unspecified)	B2	B8	
Year of Completion							
2014/2015	0	0	0	0	64.35	0	64.35
2015/2016	0	0	0	0	0	0	0
2016/2017	0	0	187	0	77	242	506
2017/2018	0	0	0	0	664	0	664
2018/2019	0	0	137	496	451	1004	2088
TOTAL (sq.m.)	0	0	324	496	1256.35	1246	3322.35

5.2 The same information is provided below in Table 10 but in gross area (ha) rather than in floorspace (sq.m.).

Table 10: Completions of B1, B2 and B8 uses between 01/04/2014 and 31/03/2019 in gross area (ha)

Gain of employment (ha)	Planning Use Class						TOTAL
	B1a	B1b	B1c	B1 (Unspecified)	B2	B8	
Year of Completion							
2014/2015	0	0	0	0	0.01	0	0.01
2015/2016	0	0	0	0	0	0	0
2016/2017	0	0	0.02	0	0.01	0.02	0.05
2017/2018	0	0	0	0	0.07	0	0.07
2018/2019	0	0	0.01	0.1	0.04	0.11	0.26
TOTAL (ha)	0	0	0.03	0.1	0.13	0.13	0.39

5.3 In terms of site gross area (ha), the completions between 2014 and 2019 amount to 0.39 ha.

5.4 For information, the losses of employment within the same period are reported in Tables 11 and 12. The losses amount to approximately 10,000 sq.m or 1ha.

Table 11: Losses of B1, B2 and B8 uses between 01/04/2014 and 31/03/2019 (sq.m)

Losses of employment (sq.m)	Planning Use Class						TOTAL
	B1a	B1b	B1c	B1 (Unspecified)	B2	B8	
2014/2015	0	0	0	0	0	0	0
2015/2016	0	0	0	0	1021	0	1021
2016/2017	0	0	0	0	0	0	0
2017/2018	0	0	0	3765	544	2638	6947
2018/2019	0	0	0	1257	282	520	2059
TOTAL (ha)	0	0	0	5022	1847	3158	10027

Table 12: Losses of B1, B2 and B8 uses between 01/04/2014 and 31/03/2019 in gross area (ha)

Losses of employment (ha)	Planning Use Class						TOTAL
	B1a	B1b	B1c	B1 (Unspecified)	B2	B8	
2014/2015	0	0	0	0	0	0	0
2015/2016	0	0	0	0	0.1	0	0.1
2016/2017	0	0	0	0	0	0	0
2017/2018	0	0	0	0.37	0.05	0.26	0.68
2018/2019	0	0	0	0.12	0.03	0.12	0.27
TOTAL (ha)	0	0	0	0.49	0.18	0.38	1.05

6 Conclusion

6.1 This note seeks to provide clarification on the employment land supply during the extended Plan period (2019 – 2036), especially regarding the spare capacity on existing employment sites and the contribution from the mixed-use allocation sites. Corrections were also made to the planning completions in 2019/20 and an expired application was removed from the outstanding commitments.

6.2 Following these updates and corrections, the total employment land supply during the extended Plan period (2019 – 2036) is estimated at 31 ha in gross area.

6.3 In addition, the note provides information on the employment gains and losses between 2014 and 2019 in terms of site gross area and building floorspace. The employment gains amount to 0.39 ha in gross area while the losses amount to approximately 1 ha.

Appendix 1: Lichfield's Briefing Note (19.04.2021)

Briefing Note

Our ref 60896/01/SPM/CR
Date 29th April 2021
To Rossendale Borough Council
From Lichfields

Subject **Additional Rossendale ELR / SHMA Analysis for Local Plan EiP Hearing Statements**

1.0 Introduction

1.1 This briefing note summarises Lichfields' response to a further request from the Rossendale Local Plan Inspectors to update some of the data analysis that has informed the 2016 ELR and the 2019 SHMA Update. This specifically responds to the question posed in the Inspectors' email to Rossendale Borough Council [RBC] Officers (dated 12th April 2021) relating to employment needs, as follows:

“Whether the proposed 17 year Plan period 2019-36 would impact on employment OAN figures? The figures in the ELR are based on a period of 20 years (2014-34). Conversely, revised estimates in the Council’s Hearing Statement are based on a 15 year period (2019-34) and refer to updated Experian forecasts and population estimates. What is the Council’s latest position on employment OAN estimates, taking account of the proposed change to the Plan period (17 years) and updated LHN figures as at March 2021?”

1.2 In response to this, and following discussions with RBC Officers, this note presents the results of the following analysis:

- 1 Re-running the PopGroup demographic modelling to understand the likely level of jobs associated with a new 185 dwellings per annum [dpa] Standard Methodology 2 [SM2] Local Housing Need [LHN] figure as of 1st April 2021. The resultant job figure has then been modelled in Lichfields' Workspace ELR model to provide an updated labour supply figure.
- 2 Using the latest data from RBC relating to employment land loss/completions data up to 2019/20, updating the employment land scenarios to take into account an adjusted rate of loss replacement as well as a new past trends scenario.
- 3 Remodelling the 7 scenarios in the 2016 ELR over an extended timeframe of 2019-36.
- 4 Modelling the December 2018 Experian job forecasts in PopGroup to identify the level of housing associated with this level of economic growth.

2.0 The economic implications of the revised SM2 LHN

- 2.1 The housing requirement figure in the submitted Rossendale Plan is 212 dpa³, based on the Government's standard methodology for calculating LHN. As 2 years have passed since the Plan was originally submitted for examination, the Council has been asked to consider what implications the latest affordability ratios, and a 2021-31 time period, may have on the housing and employment land requirements.
- 2.2 Using the Government's standard methodology for calculating LHN, applying the 2014-based SNHP over a 10-year period (2021-2031) plus a median workplace-based affordability ratio of 5.35, the Council's revised LHN is now **185 dpa**.
- 2.3 Lichfields has modelled this LHN in its PopGroup demographic modelling tool by constraining the outputs to 185 dpa over the period 2019-2036. 2019 data has been constrained to the latest Mid-Year Population estimates. At the request of the Council, a second scenario has modelled dwelling uplifts of 208 dpa for the first 2 years of the period and 185 dpa thereafter.
- 2.4 As can be seen from Table 2.1, the delivery of 185 dpa over a slightly longer time period to 2036 could sustain an additional labour supply of 428 jobs, rising to 471 jobs if 208 dpa was delivered in the first 2 years of the plan period.

Table 2.1 Summary of Housing Needs SM 185 dpa 2019-2036

	a) 185 dpa	b) 208 dpa first 2 years, 185 dpa thereafter
Job growth	428	471
Labour Force growth	569	626
Population change	4,296	4,412
Of which natural change	1,936	1,964
Of which net migration	2,361	2,449
Households	3,030	3,075
Dwellings	3,145	3,191
Dwellings per annum	185 dpa	188 dpa

3.0 Updated Past Take Up / Losses Data

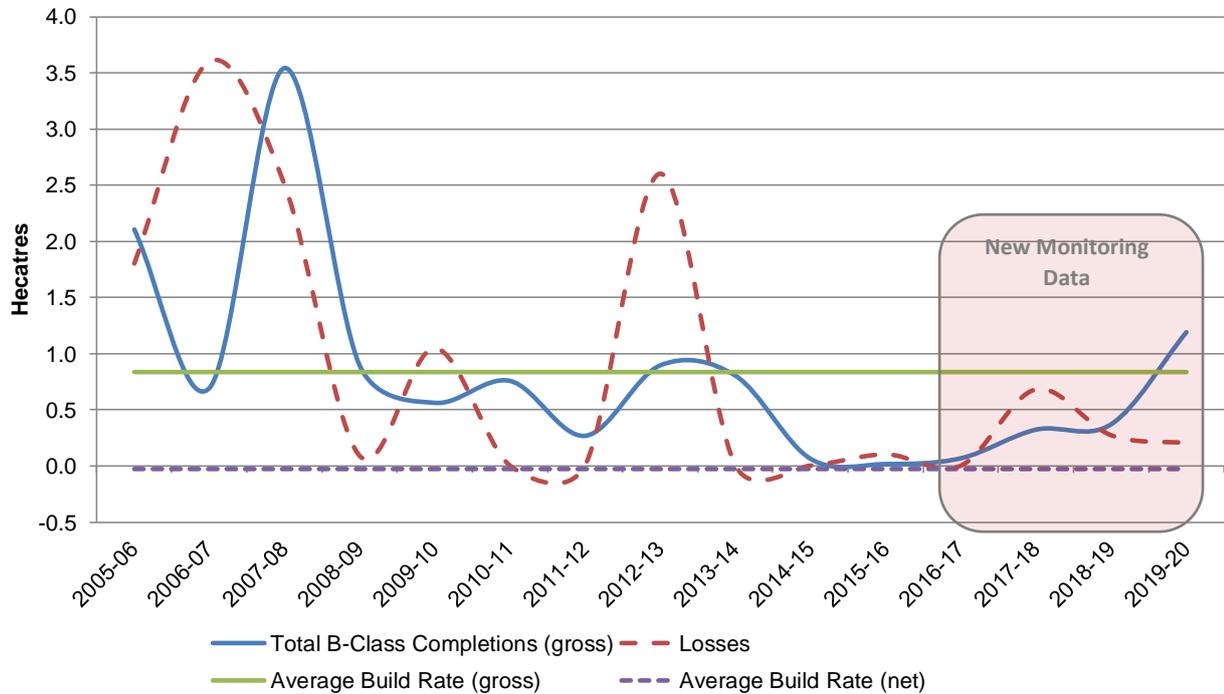
- 3.1 As requested by the Local Plan EiP Inspectors, the Council has provided Lichfields with its latest monitoring data on employment land completions/losses. The original 2016 ELR was reliant on monitoring data over the period 2005/06 to 2015/16, which has since been updated slightly by Officers; however, the most significant change relates to the inclusion of new data for the 4 years 2016/17 to 2019/20. This indicates that there has been a sharp drop off in development in the Borough, both for industrial / commercial completions and also losses to alternative non B-Class uses.
- 3.2 In total, just 1.95 ha was developed for B-Class Uses over that period, at an average of 0.49 ha per annum, compared to 0.96 ha per annum previously. Similarly, just 1.15 hectare of B-Class land was redeveloped for alternative uses in the 4 years to 2019/20, averaging 0.29 ha per annum. This compared to 1.1 ha per annum for the 11 years previously.

³ Albeit a revised LHN figure of 208 dpa is identified in the Preliminary List of Main Modifications document EL6.002.

3.3

As can be seen in Figure 3.1, this tailing off of development over recent years has the effect of reducing the annual average take up rate to **0.835 ha (gross)**. Average annual B-Class losses have reduced to **0.859 ha over 15 years**. The resultant net annual land requirement is **-0.024 ha**.

Figure 3.1 Historic B Class Completions / Losses 2005/06 to 2019/20



Source: Rossendale Borough Council Officers 2021 / RBC Annual Monitoring Reports

4.0 ELR 2019-36 Timeframe

4.1 This section remodels the scenarios that were used in the 2016 ELR and subsequent 2020 Update to inform the assessment of the Borough’s future employment land needs, with the period changed to 2019 to 2036 to reflect the Local Plan period. As opposed to running the Labour supply scenarios in the original ELR (which related to 183 dpa, 202 dpa and 220 dpa), Lichfields has modelled the demographic data referenced above. We have also incorporated 17 years of loss replacement at the lower rate of 0.859 ha per annum (+14.61 ha in total), plus a flexibility factor equal to 2-years of (lower) gross take up (1.671 ha).

4.2 The updated results for Rossendale Borough are set out in Table 4.1, with the previous results in the latter 2 columns for comparative purposes.

Table 4.1 Rossendale Gross Employment Land Comparisons 2019-36

		B1a/b	B1c/B2	B8	TOTAL 2019-36	Previous TOTAL 2019-34	Previous ELR TOTAL 2014-34
1) Experian 2018 Baseline (+1,400 jobs)	2019-2036 (net)	0.49	-4.66	5.59	1.41	-0.28	1.36
	2019-2036 (gross)				16.02	19.92	28.29
	+ Flexibility factor				17.69	21.90	30.27
2) Experian 2016 Baseline (+1,600 jobs)	2019-2036 (net)	0.62	-4.32	5.66	1.96	2.78	1.36
	2019-2036 (gross)				16.57	22.97	28.29
	+ Flexibility factor				18.24	24.96	30.27
3) Regeneration / Policy On (+1,803 jobs)	2019-2036 (net)	0.78	-4.00	5.66	2.44	3.24	2.70
	2019-2036 (gross)				17.05	23.43	29.63
	+ Flexibility factor				18.72	25.42	31.61
4) CS Jobs Target (+2,704 jobs)	2019-2036 (net)	1.14	-3.16	7.66	5.64	5.71	5.79
	2019-2036 (gross)				20.24	25.90	32.71
	+ Flexibility factor				21.91	27.89	34.70
5) Labour Supply 2021 LHN (185 dpa, +428 jobs)	2019-2036 (net)	0.06	-5.54	3.54	-1.94	-	-
	2019-2036 (gross)				12.67	-	-
	+ Flexibility factor				14.34	-	-
6) Labour Supply (208+185 dpa, +471 jobs)	2019-2036 (net)	0.08	-5.50	3.62	-1.79	-	-
	2019-2036 (gross)				12.81	-	-
	+ Flexibility factor				14.48	-	-
7) Past Take Up Rates	2019-2036 (net)	-3.06	2.65		-0.40	-5.29	-7.05
	2019-2036 (gross)				14.20	14.90	19.87
	+ Flexibility factor				15.87	16.89	21.86

Source: Lichfields Analysis

- 4.3 The adjustments reduce the employment land OAN range from 17-25 hectares in the previous Update, to **between 14 ha and 19 hectares 2019-2036** (once again excluding the outdated CS jobs target). This is not unexpected, as although the Plan period has been increased by 2 years, this has been more than counteracted by the reduction in average loss replacement and past take up rates. Manufacturing jobs in the Borough are projected to continue to contract post 2034, hence the extension of time period paradoxically has the effect of reducing the net job growth for most of the projections also.
- 4.4 If the Council were to pursue a labour-supply-led figure of 185 dpa, this might be expected to require an employment land figure of around **14 hectares – a significant reduction from the 27 hectares previously proposed in the emerging Local Plan.**

5.0 Remodelling the SHMA Update (2019) so that it incorporates the Experian 2018 job growth projections

5.1 The Inspectors have requested an examination of the implications of modelling the later Experian 2018 job growth projections in PopGroup to derive a new housing target. This equates to a net job growth of 1,400 over the slightly longer time period of 2019-2036.

This was modelled in PopGroup. This level of jobs growth generates a need for **242 dpa**, rising to **268 dpa** with the partial catch up headship rate scenario applied.

Table 5.1 Summary of Housing Needs Scenario Experian 2018 – with and without PCU (2019-36)

	1,400 jobs	1,400 jobs with PCU
Job growth	1,400	
Labour Force growth	1,860	
Population change	6,765	
Of which natural change	2,298	
Of which net migration	4,467	
Households	3,970	4,390
Dwellings	4,120	4,556
Dwellings per annum	242 dpa	268 dpa

Glossary of Terms

B-Class Uses	(Formerly) Business, general industry and storage/distribution uses as defined by Classes B1, B2 & B8 of the Town and Country Planning (Use Classes) (Amendment) (England) Order 2015.
Base Year	Starting year for the assessment (in this case, 2019).
Employment Densities	Employment densities refer to the average floorspace per person in an occupied building and is therefore a measure of how much space each person occupies within the workplace.
Employment Land Losses	In the context of this study, the 'loss' of employment land is where land which has existing employment uses on it is subsequently lost (or redeveloped) for other, non B-Class, uses.
Flexibility Factor	Gross employment land demand figures often incorporate a 'Flexibility factor, or margin of choice, which allows for additional land to provide businesses with a degree of flexibility when choosing where to locate to avoid stagnation in the market. In the present study, this is estimated to equate to two years' worth of past take up.
Gross Employment Land Requirement	The Gross employment land requirement is the amount of land a local planning authority would need to allocate to meet the employment land demand. This acknowledges that some existing employment sites may be lost to other uses and thus an allowance needs to be added to the net demand figure to replace these losses.
Local Housing Need [LHN]	LHN is an unconstrained assessment of the number of homes needed in an area.
Median workplace-based Affordability Ratios	ONS-produced Affordability Ratios are calculated by dividing house prices by gross annual workplace-based earnings. These are based on the median and lower quartiles of both house prices and earnings in England and Wales. They can be used to calculate the scale of uplift to address affordability issues in the Government's standard methodology for calculating housing need.
Mid-Year Population estimates [MYE]	ONS-produced national and subnational mid-year population estimates for the UK and its constituent countries by administrative area, age and sex (including components of population change, median age and population density). The mid-2001 to mid-2019 detailed time-series contains the latest available mid-year population estimates and components of change from mid-2019 back to mid-2001.
National Planning Policy Framework [The Framework]	First Published in March 2012, with the most recent comprehensive iteration dating to February 2019, the National Planning Policy Framework sets out the Government's planning policies for England and how these are expected to be applied.
Net Employment Land Requirement	The additional requirement for employment land in a given area for a given time period to accommodate future employment uses. The figure is in addition to the existing employment sites in an area and assumes there are no losses of existing employment land to other uses during that period.
Partial catch up headship rate	Headship rates (the proportion of people in a given age group who will form a head of household) are taken from the DCLG 2014-based Household Projections for the Borough. These are split by gender and five-year age group and are used to translate population projections into household projections. Because in certain instances household formation rates have been suppressed amongst younger households due to affordability issues, an adjustment is sometimes made to the Baseline headship rates, such that half of the difference between the 2008-based household projections and the 2014-based household projections is 'caught-up' in the 15-34 age groups going forward.
Take Up	The development of a site for employment (B-Class) use.
Planning Practice Guidance [PPG]	On 6 th March 2014 CLG launched the Planning Practice Guidance [PPG] web-based resource. This website brings together many areas of English planning guidance into a new format, linked to the Framework.

Plot Ratios	Plot ratios measure the total area of each floor (gross) of the building(s) (including plant), and relate this to the area of the site, excluding roads, pavements, access roads to backland sites and any land included in the site. For example, a two storey building covering half the site would have a plot ratio of 1:1, as would a 5-storey building covering one fifth of the site. Standard plot ratios of 40% are often applied in ELRs.
PopGroup	PopGroup is a family of software developed to forecast population, households and the labour force. It is widely used in both the public and private sector to understand the demographic implications of a range of future growth scenarios and can incorporate ONS inputs on births, deaths and migration.
Resident Labour Supply	The supply of working age population resident within a particular area.
Resident Workforce Population	All usual residents aged 16 and over in employment
Standard Methodology 2 [SM2]	The National Planning Policy Framework requires strategic policy-making authorities to follow the standard method in this guidance for assessing local housing need. The standard method uses a formula to identify the minimum number of homes expected to be planned for, in a way which addresses projected household growth and historic under-supply. This was updated by the Government in February 2020.
Total Workforce Jobs	Total number of people in employment, regardless of whether it is a full/part time split (versus full time equivalent FTE jobs).
Working Age Population	The population of a particular area aged 15 to 64.
Workplace Population	The population whose usual place of work is in that local authority, including both individuals who live and work in the local authority and individuals who work in the local authority but commute from a home elsewhere within England or Wales.
WorkSpace	WorkSpace is Lichfields' framework for advising on employment space needs. It draws upon Lichfields' expertise in preparing evidence on planning for economic growth.

Appendix 2: Email from RBC's Economic Development Team

Rossendale Council offers a business relocation service to support the regeneration and investment aims of the Council. This is supported by an online property register that shows available commercial property which is updated by estate agents. The majority of enquiries are conducted online on the invest in Rossendale website and are not directly logged. However, some businesses contact Economic Development officers directly at meetings or by phone and these more in depth enquires are logged by the team on the tracker database.

The database shows the size of unit being requested by the business over the last 24 months. It shows that the peak size is a medium size unit 5-7.5k sqft and 6 large enquires over 50,000sqft.

1000- 5000 sq ft =3
5001-7500 sq ft = 5
7501-10,000 sq ft = 1
10,001- 15,000 sq ft = 2
15,001 – 20,000 sq ft = 2
20,001 – 50,000 sq ft = 2
50,000 + = 6

Thanks

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