

**NORTH WEST LEICESTERSHIRE LOCAL PLAN EXAMINATION
POSITION STATEMENT OF NORTH WEST LEICESTERSHIRE DISTRICT
COUNCIL**

MATTER 6 – EMPLOYMENT



Matter 6A – Is the future employment development requirement of the Plan, stated in Policy S1, derived from robust evidence of need , pending the conclusions yet to be published of the HEDNA and subject to Policy S1 for early review of the Plan if found necessary?

1. The employment development requirements set out in Policy S1 are based on the Leicester and Leicestershire Housing Market Area (HMA) Employment Land Study (EC/04). This was commissioned by the then Housing, Planning and Infrastructure Group, supporting the Leicester and Leicestershire Enterprise Partnership, in May 2012 as an update to an earlier study undertaken in 2008. The purpose of the study was to provide an up to date evidence base to inform emerging Local Plans across the HMA.
2. The updated study was undertaken by Lambert Smith Hampton, Public and Corporate Economic Consultants [PACEC] and Warwick Business Management Ltd and is often referred to as the PACEC Study.
3. The PACEC study represents the only up-to-date employment land study which covers the whole of the HMA. The study has been agreed by the Leicester and Leicestershire Housing Planning Infrastructure Group as appropriate evidence for plan making. It was used to inform the Charnwood Local Plan. The Inspector did not raise any concerns regarding its robustness (EX/12) in recommending the plan for adoption (subject to modifications).
4. A Housing and Economic Development Needs Assessment (HEDNA) is in the process of being prepared but is not yet completed. The need for the HEDNA has largely come about because of the publication of more recent population and household forecasts than that used to inform the Strategic Housing Market Assessment (SHMA) and also seeks to combine the assessment of housing and employment land needs to reflect in the Planning Practice Guidance.
5. Whilst the Leicester and Leicestershire Enterprise Partnerships (LLEP) Strategic Economic Plan (Ec/03) also covers the HMA it is not considered to provide a suitable evidence base. This is because it only covers the period 2014 to 2020 and its purpose was to provide a basis for bidding for funding from central government rather than to inform policy making. As a result the figures regarding matters such as job creation are highly aspirational and not backed up by robust evidence. The LLEP is committed to preparing a new Strategic Economic Plan on the back of the results from the HEDNA when available.
6. Whilst the preparation of the PACEC study pre-dates the Planning Practice Guidance, it provides an appropriate evidence base for the employment land requirement in the absence of any other robust evidence at the HMA level. The approach taken followed the guidance available at that point in time (The ODPM Employment Land Reviews Guidance Note (2004)) and included the use of employment forecasts by the different employment use classes (B1, B2 and B8) and use of appropriate conversion factors to convert jobs to both floorspace and land requirements. The study also built in allowances for the need to renew ageing and obsolete stock and for pipeline to ensure continuity of provision beyond the study period.

7. The detailed analysis for North West Leicestershire is set out in section 4.9 of the PACEC report and the results are summarised Table 1 and Table 2 of Background Paper (BP/06).
8. An issue which the PACEC study did not (and could not) address relates to the potential impact upon employment land requirements resulting from the loss of employment land to other uses. The Planning Practice Guidance notes (paragraph 030) that "*Plan makers should also consider: the recent pattern of employment land supply and loss to other uses ..*". There is no guidance provided as to how or over what period such an assessment should be undertaken. The approach taken by the Council is set out in paragraphs 3.12 to 3.21 of Background Paper 6. The council is of the view that based on the assessment undertaken that an allowance of 45 hectares should be made. Whilst such an allowance is largely to deal with the loss to other uses (principally based on experience to housing), it can also provide flexibility in the event of commitments not coming forward.
9. In summary, the PACEC study (coupled with the additional work undertaken by the Council in respect of issues relating to losses) provides an appropriate basis for employment land requirements. In accordance with policy S1 the Council is committed to undertaking an early review of the Local Plan if the outcome from the HEDNA (together with any other evidence) suggests that there is a need to make additional provision for employment (not just housing).

Matter 6b – Does Policy Ec1 make appropriate provision regarding uncompleted employment sites with planning permission and is their assumed contribution to employment land supply supported by robust evidence?

10. Policy Ec1 of the Local Plan identifies employment sites with planning permission, where development had not commenced at October 2015. The table below identifies the status of each of the sites in Local Plan Policy Ec1 at October 2016.

	Site	Site Area (Hectares)	Use Class	Status of site at October 2016
Ec1a	Former Lounge Disposal Point, Ashby de la Zouch	25.5	B8	Site not started, the preferred route of HS2 runs along the western extent of the site.
Ec1b	Rear of Charnwood Arms, Bardon	1.2	B1	Not started
Ec1c	Off Beveridge Lane/South Lane, Bardon	3.9	B1,2,8	Site is complete
Ec1d	Off Beveridge Lane, Ellistown	25.0	B2,8	Site is complete
Ec1e	Land at Sawley Crossroads, Sawley	24.88	B1,8	Off-site highways works are underway

11. The table identifies that 28.9Ha of employment land development has been completed since October 2015. In addition the off-site highway works at Sawley Crossroads are underway which suggests that development should commence on-site in the not too distant future.
12. In regards to the site at the former Lounge Disposal Point (Ec1a) the council has received confirmation that the site promoters are keen to explore alternative development on the balance of the site, although it is unlikely to involve the connection to the rail line as previously proposed. The site promoters are actively trying to engage with HS2 to find solutions to the severed access to the site off Loughborough Road. The extent of the balance is not clear at this time but any loss will be offset by the fact that the proposed allocation at Money Hill is 10 Ha more than the residual requirement anyway.
13. In respect of the site to the rear of the Charnwood Arms, the site has planning permission for office development. It is understood that the agent is in the process of preparing to submit a revised application to widen the scope of uses that will be allowed on the site. Given its location adjoining major existing employment uses this suggest that it will be developed out during the plan period.
14. Having regard to the above it is considered that the sites identified in Policy Ec1 will deliver the appropriate provision across the plan period.

Matter 6C – Is the employment allocation by policy Ec2 at Money Hill deliverable and sufficient to ensure that the requirement is met within the plan period?

15. The Council has agreed a Memorandum of Understanding (MOU) with the site promoters, the Money Hill Consortium (MHC) which has been submitted to the examination. The MOU sets out that the land is under the control of the MHC and demonstrates that there is a market for new employment uses in this locality. Furthermore, MHC is engaged in discussion with potential future occupiers.
16. It is considered that the employment allocation at Money Hill is clearly deliverable and so will contribute towards the employment land provision during the plan period in its entirety..
17. The proposed allocation is about 16 hectares. This is more than the identified shortfall (6 hectares) and so provides a degree of flexibility in the event that other sites do not come to fruition or the extent of future losses is greater than that allowed for.

Matter 6d – Can the environmental effects of the employment site, including any potential for mineral sterilisation, at Money Hill, allocated by Policy Ec2, be acceptably mitigated when compared with reasonable alternatives?

18. The approach taken in considering how to address the identified shortfall in employment land provision (6 Ha) shortfall is set out in Chapter 4 of Background Paper 6 (BP/06) and involved the assessment of a number of

sites using the Sustainability Appraisal framework. (ELAA) undertaken in 2013/14.

19. It should be noted not all of the sites assessed in the SA Report (LP/05) were identified as part of the 2013/14 ELAA as suggested in BP/06¹. Six of the sites E21 to E26 in Table 10.1 of the SA Report) were put forward as part of the 2015/16 update.
20. All of the new sites put forward are in (or around) the Coalville Urban Area and two (E21 and E22) are existing employment sites. As such, therefore, it would not be appropriate to regard these as new land, although it is accepted that in terms of the SA Framework they score the best.
21. In terms of the proposed site at Money Hill (Policy Ec2) the SA Framework (Table 10.1 with detailed assessments in Appendix C of the SA Report) identified 6 red factors. A review of this information has revealed conflicts with the assessment undertaken in respect of the proposed housing allocation (H3a) at Money Hill. The SA consultants have confirmed that²:
 - Fluvial flood risk should be green, not red;
 - Impact upon biodiversity should be amber, not red;
 - Heritage impacts should be amber, not red
22. An addendum to the SA Report is being produced to take account of these corrections.
23. As a result of these corrections there are now three red factors scored against the Money Hill site. Each of these is considered below using the headings from the SA Framework.

Proximity to bio and geo diversity

24. This issue largely relates to the River Mease Special Area of Conservation. Policy En2 of the Local Plan is relevant to all proposals in the river Mease catchment. In addition, part (g) of policy Ec2 makes it clear that development which does not accord with the provisions of En2 will not be permitted. The

¹ Of the sites in the 2013/14 ELAA:

- four sites had planning permission for employment use (of which three (Ec1c, Ec1d and Ec1e) are identified as commitments, the fourth was too small for inclusion under Ec1;
- one site (the East Midlands Gateway) was the subject of a separate application under the nationally significant infrastructure projects system.
- two sites did not generate a response from site promoters as part of the 2015/16 update and so it was assumed that they no longer wished to pursue employment uses on the sites in question.

² It should be noted that for the assessment of the proposed housing allocation at Money Hill the following corrections are required:

- Agricultural Land Classification should be red not amber;
- Proximity to bio and geo diversity should be red not green

Habitats Regulations Assessment (LP/11) concluded that the Local Plan as a whole “will have no significant effects ... upon any European sites”. As such, therefore, any impact arising from the proposed employment development can be adequately mitigated. The principal alternative site in Ashby de la Zouch (E5) is similarly scored red.

Previously developed land

25. The Money Hill site is Greenfield a fact which is common to all but four of the alternatives considered (including E5) and cannot be mitigated. However, of the four sites that are not Greenfield, two (E21 and E22) are not, as noted above, new employment land, whilst one (E18) is an allocation in the existing adopted Local Plan. Development has not been forthcoming to date and so its deliverability is, at best, questionable. The remaining site (E23) is significantly smaller and so would not meet the identified needs³.

Agricultural Land Classification

26. Of those sites that score red the Money Hill site has the lowest proportion (49.56%) of the site area which is best and most versatile land. Furthermore, it is grade 3 whereas E5 and E20 include grade 2 land as well. Of those sites which are scored green E21 and E22 are existing employment land, whilst E18 as already noted is questionable in terms of deliverability. Sites E11 and E16 are coterminous to each other and score poorly in relation the settlement hierarchy which, together with the negative environmental consequences (e.g. more car journeys), are not reflected in the assessment in the SA Report.
27. Of those where an amber score is recorded against Money Hill:

Amenity

28. The site proforma at Appendix c of the SA Report acknowledges that the scale of the Money Hill development is such that it should be capable of mitigating any impacts on amenity.

Proximity to public transport

29. Policy H3a includes a requirement that public transport provision be enhanced to serve the adjoining proposed housing development. Such provision would potentially serve the employment allocations as well. A change to policy Ec2 to mirror the requirement of H3a may be considered appropriate.

Impacts upon biodiversity upon the site

30. Ec2 (a) requires that the impact upon the wider landscape and biodiversity be addressed.

³ It has recently been confirmed that the landowner is now seeking residential use on this site.

Heritage Impacts

31. A proposed minor change has been put forward in response to concerns expressed by Historic England (M14) which will ensure that any impact upon heritage assets are minimised.

Landscape impact

32. Ec2 (a) requires that the impact upon the wider landscape and biodiversity be addressed.
33. Having regard to the above it is considered that the potential environmental impacts from the development of Ec2 can be satisfactorily mitigated such that the site would not perform worse than they alternatives considered.
34. A further issue of relevance to the proposed employment allocation at Money Hill is that of the potential sterilisation of mineral reserves.
35. Comments on this issue were received from the Coal Authority on this matter at publication stage. The Council has sought clarification from the Coal Authority. An e-mail from the Planning Liaison Manager (which has now been submitted to the Examination as xxx) concludes that "*In the case of the Money Hill site prior extraction of coal resource has previously been considered and the Coal Authority were satisfied with the conclusions reached, that the prior extraction of coal is not viable on this site.*"
36. As is made clear in the e-mail, this conclusion is based on the Coal Authority's consideration of a report prepared on behalf of the promoters of the Money Hill development which considered the evidence for the existence of coal and also the viability of extracting the coal prior to development
37. On the basis of the above, therefore, it can be reasonably concluded that the development of employment land at Money Hill will not result in the sterilisation of viable mineral reserves.

Matter 6e - Should wider leisure, health and other uses be included in the allocation of the land by Policy Ec2 at Money Hill.

38. The Council plans to invest in the existing leisure centre in Ashby de la Zouch, and as such it is not considered necessary for new built leisure facilities to be included within the Money Hill development. Similarly, a new health centre has been built, to meet the needs of the town, and if necessary this health centre could expand in the future. It is not necessary to include other uses within the site allocation, given also that there will be scope to include modest ancillary uses such as a cafe to serve the occupiers of the new employment development in a planning application.

Matter 6f – Does policy Ec3, with minor changes M14-15, make appropriate provision for existing employment uses.

39. The approach taken in policy Ec3 recognises that not all employment sites are the same and so require different approaches. It establishes a hierarchical approach to employment sites whereby it recognises the important role played

by what are referred to as Primary Employment Areas and seeks in part 1 to retain them for employment uses. These sites are largely relatively modern (built in the last 30 years) and the retention of these sites was supported by a study undertaken in 2010 which looked at a number of factors and assessed whether the sites continued to meet market requirements (EC/05). This study is considered to be still relevant as market requirements will not have changed that much in the intervening period.

40. Notwithstanding the desire to see these areas retained for employment use, part 2 of the policy recognises that there may also be non-employment but job generating uses which are suitable uses on these sites. This provides a degree of flexibility which is also reflected in part 3 of the policy which applies to other employment areas and establishes the criteria to be used in considering proposals for non-employment uses.
41. This approach is considered to be consistent with paragraph 22 of the NPPF as it does not apply a blanket protection and only seeks to retain those sites which are of most importance to the local economy of the district.

Matter 6g – Do policies Ec4-6, with minor changes M17-22, include appropriate provisions for East Midlands Airport?

42. Local Plan Policy Ec4 (and supporting policies Ec5 and Ec6) is broadly supportive of the East Midlands Airport Sustainable Development Plan 2015. Although it does not have a statutory basis, the primary objective of the Sustainable Development Plan is to provide a clear statement of intent on the part of an airport operator to enable future development of the airport to be given due consideration in local planning processes. The Council does have concerns about noise impact, but these are somewhat mitigated as a result of the implementation (in February 2016) of a planning permission for an extension of the Airport's runway.
43. The commencement of the runway extension legally established a night noise envelope, the Airport's Sound Insulation Grant Scheme and a limit on the area of the Airport's night noise contour as required by the Council as part of the permission for the runway extension.

Matter 6h – Does policy Ec7, with minor changes M23-24, include appropriate provisions for Donington Park?

44. This matter is largely dealt with by Background Paper 8. The Council wants to support Donington Park Race Circuit, but needs to balance the economic benefits it brings against its local impacts, particularly with regard to noise and transport. Policy Ec7 allows for a wide range of motorsport and automotive development within the boundaries of the Donington Park Racetrack, as defined on the Policies Map. However, the Council does recognise that a small amendment to the boundary needs to be made to reflect the area which has planning permission for change of use to form construction plant training facilities (12/00433/FUL).