

Subject: Rossendale Employment Land Study

Status: For Publication

Report to: Cabinet

Date: 14th November 2007

Report of: Executive Director of Regulatory Services

Portfolio

Holder: Portfolio Holder for Regeneration

Key Decision: Yes

Forward Plan

General Exception

Special Urgency

1. PURPOSE OF REPORT

- 1.1 The Employment Land Study forms part of the evidence base for the Rossendale Local Development Framework (LDF). It will be a key component in demonstrating the soundness of the emerging Core Strategy and other development plan documents being prepared by the Borough council.

2. CORPORATE PRIORITIES

- 2.1 The matters discussed in this report impact directly on the following corporate priorities and associated corporate objective.
- Delivering Quality Services to Customers (Customers, Improvement)
 - Delivering Regeneration across the Borough (Economy, Housing)
 - Promoting Rossendale as a cracking place to live and visit (Economy)
 - Well Managed Council (Improvement, Community Network)
 - *A place where job prospects and wages are high and the cost of living is low (Economy)*

3. RISK ASSESSMENT IMPLICATIONS

- 3.1 All the issues raised and the recommendation(s) in this report involve risk considerations as set out below:
- To not formally accept the findings of the report would result in the loss of employment land on a piece-meal basis;
 - Nor would there be evidence in place to support the preparation of future Local Development Framework documents.
 - To not address the issues raised by the study through the preparation of appropriate policies in the emerging Core Strategy and allocations DPD would risk these documents not being found sound against the tests of soundness at examination by the Planning Inspectorate (PINS)

4. BACKGROUND AND OPTIONS

- 4.1 King Sturge LLP were commissioned to undertake an Employment Land Study for Rossendale, to provide an up to date assessment of the quantity and quality of existing employment areas and allocations within the Borough of Rossendale and the extent to which this land can meet the Council's aspirations and the projected future demand for the period to 2016.
- 4.2 The Study, which culminates in an Employment Opportunity Strategy and Action Plan for Rossendale, will be an important element of the Local Development Framework evidence base.
- 4.3 The study identifies that when assessed against a number of economic indicators, such as levels of employment and wage rates, the economy of the borough appears to be performing well. However, further evidence illustrates that there is a relatively low skilled, low qualification and low wage economy of people working within the borough and secondly there is a well qualified, higher skilled and better paid economy of those who work outside of the Borough but live in Rossendale. (Almost 50% of the Borough's workforce work outside of the Borough, mainly in Greater Manchester).

The study also finds that manufacturing industries, despite their rapid decline, still represents 30% of the Borough's workforce compared to a national average of 13%. As well as the Borough still having high concentrations in employment sectors that are forecast to continue to decline, it is also poorly represented in those sectors that are forecast to grow. Trend forecasts would suggest that unless action is taken to speed up the restructuring of the local economy, employment will continue to decline in the Borough, leading to a growth in out-commuting¹.

In the more immediate period the study states that enquiries for and take up of employment premises seems to suggest a healthy demand. This is borne out by developers and agents who perceive a lack of supply of suitable land and premises. As a consequence, it is crucial that an increasing supply of employment land is delivered through the planning system.

- 4.4 The report considers the quality, quantity, location and availability of existing Local Plan employment areas (policy J3) and Local Plan employment allocations (policy J1). It also considers whether sites identified through the Urban Potential Study could make a contribution towards strategic employment land requirements.

Of the 34.22 hectares of land allocated in the Local Plan (under policy J1), 10.85 hectares have been developed for employment purposes. 18.34 hectares remains undeveloped. 5.03 hectares have been developed or are committed to developments for other uses. The fact that over 50% of these sites have remained undeveloped since 1995 seriously questions the suitability of these sites for employment use. This will need to be addresses through the LDF, to ensure that new allocations are appropriate and deliverable. Furthermore, policies should support mixed use regeneration proposals, which provide for employment uses as a central component of schemes.

- 4.5 Accordingly the Council will need to comprehensively plan, monitor and manage the release of employment land both up to the 25 hectares of the Structure Plan and thereafter the LDF requirements.

¹ The continued provision of housing in the Borough (over and above the requirements in the Structure Plan Policy 12) alongside an absence of further employment opportunities is further perpetuating the notion that Rossendale is becoming a commuter Borough.

- 4.6 A key finding in the study is to ensure that the lack of available employment land does not impede the local economy. Consequently it suggests that 2 hectares per year of genuinely available and suitable employment land be made available in Rossendale. It is evident from the study that lack of suitable supply is a constraint to employment, and this needs to be addresses through the LDF.
- 4.7 The study also highlights that the loss of employment sites is a critical concern for the Borough and needs to be carefully guarded against. The study suggests that it is important that that Council maximise the use of S106 agreements in circumstances where employment land is lost. To mitigate the loss of employment land, planning permission should be subject to providing adequate “compensation” -enabling the Council to seek employment benefits to meet the needs of the local community. The study states that commuted sums should be collected in an Economic Regeneration Development Fund to assist in the purchase and assembly of employment land, assist redevelopment of certain employment areas and so on. To this effect, the net benefits should be equivalent to the loss of the employment land – or planning applications should be refused.
- 4.8 The study concludes by identifying three principle strands of emphasis for emerging policy.
- The promotion of the development of existing allocated sites, where appropriate and deliverable;
 - The provision of protection to all other existing employment land subject to the suitability of sites for the alternative use proposed, based on the following considerations:
 - i) Sustainability issues if promoted for housing,
 - ii) The need for the alternative use,
 - iii) How this would meet strategic requirements
 - iv) The benefits of retaining the site for employment uses and its marketability, both in terms of its existing state and for development.
 - Financial assistance to unlock currently constrained sites – financed largely by commuted sums through s106 legal agreements to compensate for the loss of any employment land.

And that any strategy based on its findings focuses on the following key actions:

- To protect and grow the Borough’s indigenous businesses;
 - To foster new firm foundation;
 - To seek to attract inward investment into the Borough; and
 - To seek to tackle the environmental impacts of out-commuting.
- 4.9 An Action Plan has been provided indicating how to these goals could potentially be achieved. Whilst the action plan identifies some important and potentially useful activities it is important to note that some actions may not be either appropriate or possible. Key activities from the action plan will however be taken forwarded and incorporated within the Borough Council’s Economic Strategy which is currently in development.
- 4.10 One of the critical limiting factors that will influence the implementation of actions will be the availability of resources. Rossendale’s access to resources to support such activities has previously been, and continues to be, limited. This is due in part to its relatively better standing in the deprivation indices than other areas. The Borough Council will however continue to work with its partners both within the local area and across the sub-region and region to look at opportunities that exist for bringing external grant resources into the Borough. The Regeneration Service, for example, is currently

working with the North West Development Agency to restructure the existing Brownfield Recycling Programme in such a way that makes it more able to contribute towards the sorts of actions outlined in the Employment Land Study. The Study also raises the potential opportunity of utilising Section 106 commuted sums to compensate for the loss of any employment land and this will be investigated.

- 4.11 The findings of the study which will inform emerging LDF documents including the Core Strategy and the allocations DPD indicate policies will need to be developed which will arrest out-commuting for work and speed up the restructuring of the economy. To not develop LDF policies addressing these issues would result in documents out of conformity with the Sustainable Community Strategy and national guidance and could mean these documents being found unsound at examination by the Planning Inspectorate.

5. COMMENTS OF THE HEAD OF FINANCE

- 5.1 The report highlights the need for resources in order to implement the action plan in full.
- 5.2 Council resources are finite and therefore the report quite rightly emphasizes the need to utilize Section 106 Agreements and partner resources in order to deliver the action plan.

6. COMMENTS OF THE EXECUTIVE DIRECTOR OF REGULATORY SERVICES

- 6.1 Officers will ensure that the studies findings are acted upon. The Employment Land Study is useful in the evidence base for the Local Development Framework process and will inform the Councils Economic Strategy.

7. COMMENTS OF THE HEAD OF PEOPLE AND ORGANISATIONAL DEVELOPMENT

- 7.1 There are no Human Resources issues arising from the report.

8. CONCLUSION

- 8.1 It is considered that the following findings are incorporated into relevant Local Development Framework documents and are considered relevant for development control purposes.
- 8.2 The study suggests three principal strands of emphasis for emerging policy and development plan documents:
- The promotion of the development of the existing allocated sites;
 - The provision of protection to all other existing employment land subject to the suitability of sites for the alternative use proposed, based on the following considerations:
 - i) Sustainability issues if promoted for housing,
 - ii) The need for the alternative use,
 - iii) How this would meet strategic requirements
 - iv) The benefits of retaining the site for employment uses and its marketability, both in terms of its existing state and for development.
 - Financial assistance to unlock currently constrained sites – financed largely by commuted sums through s106 legal agreements to compensate for the loss of any employment land.

- 8.2 The study also indicates that a strategy is required which focuses the following actions to create a successful and sustainable economy
- To protect and grow the Borough's indigenous businesses;
 - To foster new firm foundation;
 - To seek to attract inward investment into the Borough; and
 - To seek to tackle the environmental impacts of out-commuting.

Subject to resources being available, key activities from the action plan part of the study will be taken forward and incorporated within the borough councils Economic Strategy which is currently in development.

9. RECOMMENDATION(S)

- 9.1 That the Employment Land Study will form part of the evidence base and inform the preparation of the Allocations Development Plan Document and aid in the implementation of the plan, monitor and manage approach to the Councils' spatial development.
- 9.2 Cabinet endorses the findings of the report. In particular that the report provides the evidence for the need to mitigate against the loss of employment land, whereby planning permission would be subject to adequate "compensation", enabling the Council to seek employment benefits to meet the needs of the local community, and delegates the drafting of a later interim policy to deal with the issue.
- 9.3 That the document is used as a material consideration for the purposes of Development Control.
- 9.4 That key activities from the action plan part of the study will be taken forward and incorporated within the borough councils Economic Strategy which is currently in development.

10. CONSULTATION CARRIED OUT

- 10.1 None

11. EQUALITY IMPACT ASSESSMENT

Is an Equality Impact Assessment required Yes

Is an Equality Impact Assessment attached Yes

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Background Papers	
Document	Place of Inspection
Employment Land Study	Council website