

Erewash Core Strategy Review Examination Response to Matters, Issues & Questions (MIQs)

Main Matter 8: Employment and Town, Local and Village Centres

Issue:

Whether the Core Strategy Review has been positively prepared and whether it is justified, effective and consistent with national policy in relation to the approach to economic growth and town, local and village centres.

Questions:

Employment Land Requirement

1. What is the employment land figure?

The Council's employment land figure which it considers to represent its assessed need to be delivered over the course of the CSR's plan period is the 40ha figure presented at Strategic Policy 2 - Employment.

2. Is the methodology used in the Employment Land Needs Study robust? Why?

Yes, the Council is of the view that the methodology used by the Employment Land Needs Study (ELNS) (EBE1) to arrive at a realistic employment land figure is robust.

The ELNS was authored by Lichfields who are recognised leaders in producing employment land needs work for local planning authorities. Lichfield's expertise in economic forecasting and how this translates into planning for employment space is long-standing and widely respected throughout the planning sector. The ELNS, as demonstrated at 1.13 onwards in EBE1, sets out the methodology followed by Lichfields and utilised throughout the study's production, setting out clearly how the approach undertaken conforms to the requirements of the National Planning Policy Framework (NPPF) and Planning Practice Guidance (PPG). To this end, the Council are satisfied that the methodology underpinning the study is robust and reflects all expectations set out by national guidance.

The ELNS's methodology has also been applied consistently across the entirety of the Nottingham Core and Outer Housing Market Areas (HMA), the study area, to ensure a joined-up approach to forecasting future need for employment land across the two Functional Economic Market Areas (FEMA) identified as operating inside the study area. In total, the methodology tested six different economic scenarios to provide the eight participating councils with a range of data and commentary. This was subsequently used to inform choices made over formulating an appropriate and defensible employment land figure that authorities could use to plan for future needs in their Local Plans. The methodology allowed for the rigorous testing of the five

scenarios (a notional sixth scenario exists, although it merely contains Experian baseline data used by the five scenarios), utilising Lichfield's extensive econometric knowledge, whilst combining this with source data provided by each Authority around local conditions concerning the supply, take-up and losses of employment land.

The five scenarios tested by the ELNS were:

1. **Labour Demand**, using Experian's Local Market Quarterly Forecasts for September 2020;
2. Trending forward **past jobs growth** experienced in the districts over the long term from 1997-2018;
3. **Regeneration-led** econometric model, which factors in the priority sectors targeted in the D2N2's "Spark the UK's Growth Engine Strategic Economic Plan 2019-2030";
4. Estimated growth in the **Local labour supply** and the jobs and employment space that this could be expected to support; and
5. Consideration of **past trends in completions of employment space** based on monitoring data collected by the Councils, and how these trends might change in the future.

With specific focus on the Nottingham Core HMA (and its corresponding FEMA), the consensus amongst the five councils was to follow the Regeneration-led econometric model as the most appropriate to then go on and establish employment land needs from. This demonstrates the councils recognition of the local economic partnership's (LEP) detailed work in understanding efforts around the necessary interventions in particular sectors of the local economy to address productivity gaps and maximise growth opportunities.

This scenario has therefore been directly attributable in establishing the Council's employment needs as set out by **Strategic Policy 2 – Employment**. More detailed information around each of the scenarios identified by the study can be found in the ELNS from 8.15 onwards, whilst the manner in which it helped to generate a land-based needs figure is explained further in response to Question 3. Following on from its brief description provided above, the decision to follow the Regeneration-led scenario was guided by the following principles:

- Core HMA councils are active partners of the D2N2 Local Economic Partnership (LEP);
- The Regeneration-led scenario derived by the ELNS builds in assumptions that take account of the policy interventions identified by D2N2 and its partners;
- Compared to the labour supply scenario, the Regeneration-led scenario assesses the actual demand for employment or jobs and can directly translate into likely employment floorspace demand, as opposed to focusing solely on supply;
- The Regeneration-led scenario is more forward looking than the other scenarios and not solely based on past trends; and
- The Regeneration-led scenario takes into account policy interventions which would assist in addressing the economic impact of Covid-19.

Taken together, the above factors proved influential in the Core HMA councils decision to select the Regeneration-led approach as a means of setting employment land requirements. Further information setting out why this approach was chosen can be found in the Employment Background Paper (EBP) prepared by the Greater Nottingham Strategic Plan councils to support plan-making in relation to that particular Local Plan review. Whilst Erewash was not part of this document's production, much of the context and commentary contained within the EBP (except elements which discuss the actual land requirements) is directly applicable to Erewash as it explains how the councils approached setting specific employment needs figures for their own areas based on the content of the ELNS.

3. Is the allocation of at least 40 hectares of employment land in Strategic Policy 2 justified compared with the assessed need set out in the Employment Land Needs Study?

Yes, the scale of employment land in made provision for in Strategic Policy 2 is justified compared with the assessed need set out in the Employment Land Needs Study.

As referred to in response to Question 2, the at least 40 hectare requirement derives from the ELNS's Regeneration-led scenario. This scenario is shaped around addressing issues relating to increasing productivity in the local economy, responding to sectoral analysis, whilst also maximising the potential of the eleven Core (x3) and Opportunity (x8) Sectors identified by D2N2 (the Local Economic Partnership). All Nottingham Core HMA councils were in consensus that this represented the most appropriate scenario to plan from in order to understand what scale of employment land was required by each local planning authority.

The Stanton North employment allocation, at 80 hectares in size but with scope for the provision of 55 hectares of developable employment land, exceeds the assessed need for Erewash that is made by Strategic Policy 2.1.

Whilst this scale of land is in excess of the evidenced need, Stanton North is a significant, open area of land located north of Lows Lane and now under separate single ownership from the remainder of the Stanton site (see Strategic Policy 1.2). As such, it is necessary for strategic planning policy to address Stanton North as a single planning entity, with it unrealistic to artificially constrain the site's redevelopment to bring forward only a smaller portion of land which better accords with the requirement for 40 hectares.

4. Is the Plan making any contribution to strategic need? Is this justified?

The Plan contributes to strategic need through the allocation of Stanton North for a range of employment land uses. At 80 hectares in size, the allocation is the largest within the CSR, representing a scale of land considered as strategic insofar as opportunities for economic growth are concerned. Of the 80 hectares, around 55 hectares of this are intended to become employment land – with the remainder of the allocation required for landscaping, green space and transport infrastructure increasing the commercial desirability of the development in terms of environmental quality.

The planned amount of new employment space offers a modest overprovision of land in excess of the 40 hectares of need described in response to earlier questions. As such, the overprovision of land, necessitated by a need to positively address the comprehensive regeneration of a large, open site in single ownership, allows the Council to provide for a generous scale of B8/distribution facilities – capitalising on the site's direct connectivity to the national rail network limiting freight movements on the local road network.

As described in response to Q2, the Council has worked with other Nottingham Core HMA councils in taking forwards the recommendations made by the ELNS in respect of the collective assessed need across the corresponding FEMA which mirrors the extent of the HMA. Despite the close coordination throughout the study, the conclusions ultimately formed by the respective partner councils did not require the Council entering into any formal arrangements involving the importing or exporting of employment land need. No request, either formally or informally, has been received by the Council to assist others in meeting assessed employment land needs. As such, the CSR provides employment land solely to meet the needs of Erewash and no other planning authority.

Employment Site Allocation

5. How were different sites considered for allocation for employment purposes? What site selection process did the Council undertake when deciding what land to allocate?

Two potential sites were considered by the Council for employment allocation during the review of the Core Strategy. The first was Stanton North, approximately two-thirds of the wider estate formerly occupied by Stanton Ironworks, whilst the second was a greenfield site promoted for employment use south-west of M1 J25 in Green Belt land in-between Risley and Breaston.

In explaining the Council's approach to the selection of its allocation, it is necessary to provide information on the history of what is now the Stanton North site.

The site, part of a much wider zone incorporating now largely redundant industrial use, has been a longstanding regeneration focus for the Council. Since the 1990s, several attempts at masterplanning the overall area for varying land uses have occurred. The Stanton Ironworks site had been a long-term employment allocation for several iterations of the Erewash Local Plan. In the early-2000s, and in response to the site's increasingly vacant and derelict condition, the Council recognised the need for comprehensive regeneration and masterplanning, leading to the production in the late-2000s of the Stanton Regeneration Area Action Plan (AAP). Despite the AAP being withdrawn prior to its adoption, the planning intervention demonstrated the Council's commitment to the site's re-use for a range of development needs.

In 2014, the adopted Erewash Core Strategy (ACS) included a strategic site allocation policy incorporating the whole of the Stanton site. This policy was subsequently the subject of a Supplementary Planning Document (SPD) providing a further steer on how the site should be redeveloped in light of well-known

environmental constraints. Since this point, the site's owners Saint Gobain PLC have embarked upon land disposal seeing the site effectively divided in half forming separate planning units on each side of Lows Lane and has been the catalyst for the current Stanton North and Stanton South arrangement in the CSR.

A corporate commitment to redevelop Stanton Regeneration Site has been in place since the early 1990s. The Council has devoted significant time, effort and resources into bringing back into use a strategically sized redundant area of brownfield land to the wider benefit of the Borough. The site's partition has been a significant catalyst to regenerating the land north of Lows Lane.

As such, and reflecting a long history of attempts to regenerate the Stanton site, the preference afforded to the positive redevelopment of Stanton North in the early stages of the CSR's review was in full conformity with the requirement to seek the re-use of brownfield land explicit at Para 119 of the NPPF. This calls on strategic policies to set out a clear strategy for accommodating objectively assessed needs, in a way that makes as much use as possible of previously developed land. Such encouragement continues at Para 120c where the NPPF requires planning policies to give substantial weight to the value of using suitable brownfield land within settlements for homes and other identified needs (in this case, employment needs). The formal partitioning of the Stanton Regeneration Site as identified within the ACS occurred shortly after the Council had published its Regulation 18.1 version of the CSR. The availability of a newly-formed area of strategically-sized land at Stanton North allowed the Council to, in the subsequent Regulation 18.2 version of the CSR, formally identify this as a draft employment allocation. At this time, the Council's employment land needs evidence was being developed by Lichfields, with this being finalised shortly after consultation on the Regulation 18.2 CSR had concluded.

Ahead of the production of the CSR Publication (Regulation 19) version early in 2022, the Council were able to consider the findings of a completed ELNS insofar as recommendations to planning for assessed needs. This helped develop an approach in SP2 and SP2.1 which demonstrated that the scale of land being remediated and prepared at Stanton North was indeed sufficient to meet the Borough's long-term needs.

The Council received an outline planning application for a 60 hectare employment development at Stanton North in December 2021, prior to the Publication version of the CSR being released in March 2022. This heavily demonstrates the intentions of the new landowners to bring the site back into active employment use and establish an area of employment strategic in scale. At this stage of the CSR, Stanton North represented the Council's sole known potential strategic employment site. No further representations promoting sites of a strategic scale for employment had yet been submitted.

During consultation on the Publication version of the CSR in May 2022, a representation promoting a sizeable area of land immediately south-west of the M1 and A52 Junction 25 interchange for warehousing and distribution uses was received by the Council. By this point, the Council had been able to demonstrate in the Publication CSR that the Stanton North allocation, was sufficient to provide for the Borough's assessed employment land needs. In addition to the Plan promoting a

strategic-scale employment site size, the site represented a sustainable approach to development owing to its brownfield, underutilised status. The newly-identified land being promoted for development for B8 uses was greenfield in status, also falling in its entirety within the Green Belt.

The promoted site adjacent to M1 Junction 25 was therefore discounted from consideration due to its inferior suitability, being located within the Green Belt, whilst the Council were able to demonstrate its land needs were met through the identification of a brownfield site which had been the subject of considerable effort to achieve its comprehensive redevelopment.

6. Was the site selection process robust? Was an appropriate selection of potential sites assessed and were appropriate criteria taken into account?

Yes, the process was robust and realistic based on the presence of a strategically sized area of under-utilised and largely derelict industrial land at Stanton North.

As considered at length in response to Q5, two strategically-sized sites were considered by the CSR, Stanton North and the greenfield site within the Green Belt submitted at the Regulation 19 stage. The Council received no further submissions for possible employment land allocations over the course of the three rounds of consultation undertaken.

As explained by the response to Q5, the selection process was heavily influenced by the existence and availability of Stanton North. An opportunity to allocate a large scale, brownfield site which had been a key priority of the Council over two decades took precedence from the beginning of the Core Strategy Review process and was further strengthened through the receipt of a planning application for the site, when it became clear that the Council's employment need would be exceeded through the development of this site exclusively.

Once the second site had been submitted, the Council had already identified sufficient employment land through the allocation of Stanton North to exceed its evidenced employment land requirement; and enough certainty that development would go ahead with an approved outline planning application, without having to consider the allocation of a site situated entirely within the Borough's Green Belt.

7. Are provisions in Strategic Policy 2.1 to link the site to the national rail network effective?

Yes. The Stanton North site benefits from direct rail access to the main Erewash Valley line which forms part of the wider national rail network. All rail-related infrastructure (track, points, signals etc.) remain functional and have been tested in line with industry standards, with rolling stock having accessed the site as part of understanding the condition of infrastructure. Further information in respect of this is contained within the now-approved outline planning application (ERE/1221/0002), with the applicant able to demonstrate, with no concern raised by Network Rail, that the provisions made by Strategic Policy 2.1 are effective.

8. Is the site allocation supported by an effective assessment of the highway implications?

Yes. A transport assessment (TA) assessing the highways impact of the Stanton North employment development has been undertaken in support of the major outline application (ERE/1221/0002) which has now been granted planning consent by the Council. The TA submitted by the applicant led to no fundamental concerns being raised, with relevant highway authorities not objecting to the proposed development on highway grounds. The TA therefore demonstrates that an effective assessment of highway implications has been undertaken, supporting the employment proposals at the allocation.

9. Overall, does the Plan allocate a sufficient amount, mix and choice of employment sites to meet future needs and has the Plan's economic strategy been positively prepared? Are the Plan's economic and housing strategies aligned?

Yes. Whilst the Borough's evidenced need is limited to a single site allocation within the Plan, the strategic scale of the Stanton North site will allow it to cater for a diverse mix of varying employment types and facilities across the period in which the site, which now benefits from outline planning consent, is built out. Evidence of this comes in the form of an application (ERE/0923/0002) received by the Council for a major new warehousing facility offering further evidence of the commercial desirability of the allocation.

The Plan's economic strategy has been positively prepared. This is reaffirmed by the Stanton North allocation making provision for space in excess of the evidenced need for employment land in Erewash. The re-use of a long-term derelict and chronically underutilised brownfield site also represents a positive approach which makes efficient use of land and as such, is fully consistent with NPPF objectives.

Attention should also be drawn to the manner in which the Plan aims to manage the protection of important employment land, another significant part of the Council's economic strategy. Strategic Policy 2 identifies four strategic employment areas around the Borough which are considered vital to the continued functioning of the local economy. The identification of these areas demonstrate that in addition to promoting a new strategic employment location at Stanton North, the Council also recognise that the protection of existing industrial zones is a significant step in ensuring the continued availability of employment premises in strategic clusters around the Borough.

In considering the alignment of the Plan's economic and housing strategies, the approach taken to the latter, an issue discussed in more detail at Matter 3, should be given careful consideration. All forms of growth across the Borough are tightly constrained by restrictive Green Belt which limits development outside towns and villages. The Council has, due to the assessed shortage of deliverable land, pursued the identification of several Green Belt locations where new strategic housing site allocations are promoted. However, with the Plan making provision for a scale of employment land in excess of the evidenced need, there is no justification for

additional employment land, particularly of a strategic scale, to be identified outside of the Borough's settlement boundaries within the Green Belt.

10. Does the Plan set out a positively prepared, justified and effective strategy for the economy and for the vitality and viability of town, local and village centres?

Yes. The Plan, as described above, sets out a positively prepared, justified and effective strategy to facilitate continuous economic growth in the Borough as a consequence of its approach taken to identifying new, and managing existing, strategic areas of employment. **Strategic Policy 3 – Town, Local and Village Centres**, compliments this by establishing a realistic hierarchy of retail centres across Erewash which reflect the communities such centres serve. The hierarchy ensures that centres are afforded an appropriate level of protection, but with the removal of primary shopping areas from the Borough's two town centres, allows far greater flexibility to occur, enabling Ilkeston and Long Eaton town centres to respond faster and more positively to ever-changing retail trends and trading conditions. In keeping with NPPF paragraph 86, Strategic Policy 3 also amends the town centre boundaries from the ACS in order to best promote their long-term vitality and viability.

The CSR also proposes a broadening the existing centre hierarchy presented by the Erewash Core Strategy to include Village Centres as an additional tier. This recognises the role such centres play in serving the day-to-day needs of a network of more rural communities across the Borough. Identifying these centres formally through planning policies will help to safeguard important smaller-scale facilities, contributing to their continued availability and limiting the need for unsustainable motorised trips by residents to larger order centres in order to access everyday goods.

In addition to the addition of Village Centres, the CSR proposes the creation of new centres, a Local Centre at Kirk Hallam as part of development proposals set out by SP1.5 and a Village Centre at South Stanton as part of development proposals set out by SP1.2. Both are in response to planned strategic housing growth, which, to establish sustainable travel patterns and provide residents with access to appropriate levels of retail facilities, are considered important in the creation of sustainable new communities.