4. ECONOMY & EMPLOYMENT

(Policies E1-E2)

Key issue: Are the strategy and policies for the economy and provision of employment land soundly based, effective, deliverable and appropriate for Hyndburn, supported by a robust, credible and up-to-date evidence base, and consistent with national policy?

4.1 Future Employment Provision (Policy E1)

a. Is the strategy for providing employment land soundly based, up-to-date, justified and supported by evidence, including the Employment Land Study and Annual Monitoring Reports; and does it reflect national policy and other economic strategies (eg. Pennine Lancashire Economic Strategy)?

The strategy for providing employment land is part of a wider package of measures which overall seek to “create greater opportunities for all to access improved economic opportunities and to provide support for the local economy and higher wage employment” (4.2 of submitted Core Strategy). It has a fourfold approach of identifying strategic employment sites, providing sufficient employment land, protecting existing employment sites and developing strong and vibrant town centres.

The evidence base shows that Pennine Lancashire including Hyndburn is performing significantly below the rest of the sub region, region and national levels. There is an overdependence on manufacturing, which is in decline and a legacy of older industrial premises. The Pennine Lancashire Integrated Economic Strategy aims to address underperformance and exploit local strengths, especially quality of place by regeneration and restructuring of the local economy. The Core Strategy fully reflects the PLIES in relation to the delivery of the Whitebirk Strategic site and that Pennine Lancashire also needs a full range of quality, sustainable employment sites with good connectivity to meet the needs of both existing businesses and to attract new inward investment, the latter being an area where there is real scope for improving recent performance (CS_Supp2.4).

Evidence from the Employment and Study identified that only 24% of existing employment sites could be classified as “good” and worthy of protection.

Up to date information in relation to the position on the economy is provided at 3.1 of the Economy Topic Paper CS_Supp4.1). None of this information causes any significant change to the overall strategy for the economy.

More recently the draft Pennine Lancashire Spatial Guide (December 2010) (CS_Supp2.2), which builds on the Pennine Multi Area Agreement (MAA), sets out a spatial interpretation of other strategies in Pennine Lancashire and provides a framework for LDFs. It identifies the need to enhance the portfolio of employment sites and identifies sites within Hyndburn. It
refers to bringing forward the regional strategic site at Whitebirk and strategic business sites at Huncoat Power station and junction 7 Clayton le Moors (section 4.7). In addition it also identifies sites at Spinning Jenny (known also as Brookside Business Park) and Prospects Environmental Business Park (section 4.8) as central to supporting local growth objectives. The Core Strategy reflects these priorities (although Junction 7 business park and the Prospects Environmental Business Park are not referred to specifically as they are within the existing urban area).

Prior to this the Huncoat and Whitebirk sites were identified as Prestige sites in a report undertaken by Genecon in 2005 (Towards a Sustainable Employment Land Strategy CS_Supp2.5). They both fulfilled criteria set out in the report to be included as prestige sites. The identification of sites was part of a wider strategy to raise the economic performance of East Lancashire and the gap in supply of suitable sites was a key consideration.

The Annual Monitoring Report (the latest AMR being CS_Supp3.5) records business development completions in terms of the amount of new floorspace development in accordance with the Core Output indicators. It does not monitor the amount of employment land developed in terms of site area. Historically the Council have only monitored the development of allocated employment sites and this information has been used in the production of the ELS. The Core Output Indicators were withdrawn in March 2011 and it will be for the Council to determine what is important to monitor.

b. What is the basis, methodology and justification for the overall level of proposed employment land provision, and is it soundly based and justified with evidence (including the Employment Land Study)?

The evidence for the overall level of proposed employment land provision is set out in the Employment Land Study (2007) (CS_Supp3.10). This provided an assessment of supply and future employment land requirements. The future employment land requirement is evidence based, being based on historic take up of employment land (3.41ha per annum over the period mid 1991 to March 2006).

The ELS set out two possible scenarios on calculating future employment land provision based on labour demand and historic take up. Whilst both have limitations, the labour demand model would result in development requirements which would be below historic levels of development. The Council wished to adopt a positive approach that would provide opportunities for good quality, modern employment opportunities that would contribute to the wider objectives of strengthening the Borough’s economy and the wider Pennine Lancashire economy. Accordingly it adopted an approach to employment land based on historic take up rates. The ELS (para. 6.24) considered that this was a more reliable figure as it is evidence based.

Section 4 of the Employment Land topic paper (CS_Supp4.1) provides background information to the employment land position.
The RSS provides an employment land provision figure for Lancashire but this is not apportioned to districts. Further work was envisaged at a Lancashire level to disaggregate the figure but given the proposed abolition of the RSS, this is now unlikely. No representations have been received which raise objection to the employment land provision in the Core Strategy.

c. **What is the existing and proposed employment land provision, and how will the proposed provision be delivered within the plan period?**

Policy E1 identifies a requirement for approximately 58 hectares of employment land. In response to the Inspector’s further question 2 (Post_1.2) the Council confirm that the period for which the provision is made is 2011-2026.

The existing employment land provision is as follows:

**Updated Employment land position**

Section 6.2 of the ELS (CS_Supp3.10) identifies 88.15ha of available employment. The ELS further explained that sites U, W and part of V should be excluded leaving an outstanding supply of 36.15 ha land. Appendix 1 of the Employment Land Topic paper provides an update to reflect the position at 31 March 2011. It shows that sites E, L and parts of M and N have been developed. The table below shows these three positions by individual sites for comparison purposes.

<table>
<thead>
<tr>
<th>site</th>
<th>Name</th>
<th>Land Available (ha)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>ELS (March 2006)</td>
</tr>
<tr>
<td>E</td>
<td>Huncoat Industrial Estate</td>
<td>1.8</td>
</tr>
<tr>
<td>K</td>
<td>Whinney Hill Road, Clayton le Moors</td>
<td>2.7</td>
</tr>
<tr>
<td>L</td>
<td>Altham Industrial Estate</td>
<td>0.65</td>
</tr>
<tr>
<td>M</td>
<td>Moorfield Industrial Estate Altham</td>
<td>17.6</td>
</tr>
<tr>
<td>N</td>
<td>Heys Lane, Great Harwood</td>
<td>4.4</td>
</tr>
<tr>
<td>T</td>
<td>Whitebirk 5, Rishton</td>
<td>1.0</td>
</tr>
<tr>
<td>U</td>
<td>Whitebirk/M65 Rishton</td>
<td>35.0</td>
</tr>
<tr>
<td>V</td>
<td>Huncoat Power Station</td>
<td>22.0</td>
</tr>
<tr>
<td>W</td>
<td>Nuttall Avenue</td>
<td>3.0</td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL</strong></td>
<td><strong>88.15</strong></td>
</tr>
</tbody>
</table>

The figure of 8.0ha for site V in the second and third columns reflects the position that 14.0ha of the site was granted planning permission for a Waste Technology Park. That permission expired at the end of July 2011. However the County Council has included provision for a large scale built waste management facility at Huncoat/Whinney Hill in the submitted Site Allocations and Development Management policies DPD forming part of the
Minerals and Waste DF. This would require an equivalent area of 11 hectares. Given that no land is available within the area shown at Whinney Hill (plan BWF8 of part 2 of the submitted document), the assumption is the Huncoat site is more likely to be developed. This would leave a remainder of 11 ha for general employment land development. This increases the overall provision on allocated sites to 33.57 ha.

In addition whilst the 35 ha site U is a strategic regional employment site, as set out at 4.19 and 4.20 of the Employment land Topic paper 25% of the site or 8.75 ha could contribute to Hyndburn’s local needs. The Core Strategy is also proposing two additional allocations in respect of employment land at Altham Business Park and in relation to the Huncoat Strategic employment site. Thus the supply position as per the submitted Core Strategy would be:

<table>
<thead>
<tr>
<th>Source</th>
<th>site area (ha)</th>
</tr>
</thead>
<tbody>
<tr>
<td>existing allocations</td>
<td>30.57</td>
</tr>
<tr>
<td>update re site V</td>
<td>3.00</td>
</tr>
<tr>
<td>proportion of site U</td>
<td>8.75</td>
</tr>
<tr>
<td>Altham Business park extension (policy RA3)</td>
<td>5.27</td>
</tr>
<tr>
<td>additional land at Huncoat (policy A8)</td>
<td>5.24</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>52.83</strong></td>
</tr>
</tbody>
</table>

This position updates the information in the Employment Land Topic Paper.

It is the purpose of the Core Strategy to ensure that sufficient land is available to meet the future employment needs of Hyndburn and contribute to the wider economies of Pennine Lancashire and Lancashire. It is also important that the needs of different sectors are met. This means that it is not simply a case of meeting quantitative need. The Core Strategy seeks to identify a range of sites in different locations across Hyndburn. The M65 corridor is considered to be the most attractive location for companies that require a ready access to the strategic road network for their customers or employees and the potential benefits of this are recognised through the identification of sites at Whitebirk and Huncoat. A variety of other sites, have also been identified in Accrington, Rishton and Great Harwood and these will continue to meet the needs of other (often smaller) companies that operate more locally or whose customer base is adequately served from these locations.

d. Does the policy and accompanying text give sufficient guidance about the amount, location, timing and provision of additional employment land to guide subsequent DPDs and enable the potential impact of development to be properly assessed?

Policy E2 sets out clearly the amount of employment land that will be developed and a suggested further proposed change makes it clear that this relates to the Core Strategy period 2011-2016. Unlike the housing provision figure, the employment provision is not apportioned to the different spatial areas of the Borough. Instead the location of new development will be in accordance with the Balanced Development Strategy which provides overall principles for the location of new development in the plan period. Policy E2 also makes it clear that with the exception of land at Huncoat and land south of Altham Business
park, sites will be identified within the existing urban area on either previously developed land or on Greenfield land. It is considered that these guidelines provide clear and adequate parameters for the decisions on the location. The identification of individual sites to meet the overall requirement will be a matter for the Site Allocations DPD. Nonetheless, the majority of the requirement is likely to be made up of sites which have previously been identified (allocated sites from the Hyndburn local Plan) and/or sites which are explicitly referred to in policies of the submitted Core Strategy (e.g. Whitebirk Strategic Regional Employment site policy KW1, Huncoat Strategic Employment site policy A8, and the proposed extension to Altham Business Park policy RA3). The Core Strategy does not set out a phasing mechanism in relation to employment land (as discussed at 3.1d), but Chapter 6 sets out a timeframe for when the strategic sites are likely to come forward.

e. What are the implications of the recent government statement\(^1\) on “Planning for Growth” for the Core Strategy, and how will it help to implement this policy?

The Council consider that the Core Strategy supports sustainable development. A main emphasis in the overall strategy and wider supporting strategies which provide the context, is delivering growth in the Borough’s economy. The overall objectives and policies of the Core Strategy seek to foster economic growth within the overall context of sustainable development. The impacts of the recession and the state of the Borough’s economy are taken into account in the Core Strategy which provides a framework for sustainable economic recovery. This is consistent with the Minister’s statement.

The Core Strategy takes account of the need to maintain a flexible and responsive supply of land for key sectors, including housing as required in paragraph 52 of PPS3. It has also assessed the need for employment land as required by EC1.3b of PPS4. In terms of housing land the Council can demonstrate an adequate potential supply of land through the SHLAA and although it recognises that levels of completion may be below the annual requirements in the short term, nonetheless it wishes to make provision to allow for the prospect of recovery and the need to achieve a more balanced housing market. In terms of employment land, the actual provision figure is based on historic take up rates and is considerably higher than a forecast based on labour demand. This too allows for flexibility, growth and a step change in the current economic position in line with the Minister’s statement and ambitions of the local authority and its sub regional partners.

The statement requires that local authorities consider the range of likely economic, environmental and social benefits of proposals; including long term or indirect benefits such as increased consumer choice, more viable communities and more robust local economies (which may, where relevant, include matters such as job creation and business productivity). These are the sort of matters which would be considered when detailed proposals are put forward and which might help in determining whether the scheme would contribute to sustainable economic development, which in itself is an overarching principle of PPS4.

The Council recognises that local economies are subject to change and needs a positive approach to development where new economic data suggest that prior assessments of needs are no longer up-to-date.

\(^1\) Ministerial statement by Greg Clark, Minister of State for Decentralisation [23 March 2011]
The aim of the Core Strategy is to create greater opportunities for all to access improved economic opportunities and to provide support for the local economy and higher wage employment. The Employment Land Topic paper recognises that since the text for the CS was written the position on the economy has changed with the impacts of the recession being felt across Pennine Lancashire. Nonetheless, the aim of the Core Strategy remains relevant and its policies to deliver strategic employment sites; provide sufficient employment land; protection of existing sites and development of strong town centres to remain or even become more important in responding to change. The Core Strategy is not considered unduly prescriptive in its assessment of needs and development would have to be assessed on the basis of the most up to date information available at the time applications are made. Monitoring of the plans performance is also a key tool in considering the need for flexibility. The Council recognizes the need to give weight to the need to support economic recovery, that applications that secure sustainable growth are treated favorably. This is consistent with policy EC10.1 of PPS4. It is also mindful of the presumption in favour of sustainable development as set out in the draft NPPF which has been issued for consultation.

The Core Strategy provides a consistent framework to deliver the objectives of the Minister’s speech.

4.2 Protection, Modernisation and Development of Employment Sites (Policy E2)

a. What is the basis and criteria for considering alternative uses of existing employment sites, and is it supported by evidence and consistent with national policy, particularly in terms of the requirement for marketing?

One of the core objectives of the Employment Land Study (CS_Supp3.10) was to assess existing employment sites and buildings to identify those key premises to be retained for employment uses and therefore by default, those sites that had no economic future and would be better in an alternative, beneficial use. A key issue, identified at the early Issues & Options stage was for older factory sites to be reused for other uses.

The overall approach to employment land has been informed by the Employment Land Study and this includes the criteria for the release of employment sites.

Of the 74 sites assessed (comprising of 131 hectares), just over 45% were classed as ‘adequate’ sites and around 30% of the sites were seen as ‘poor’; the remaining being good sites. Poor sites were those that were no longer suited to modern day employment use whereas adequate sites were currently in employment use but where the building may have been dated or the site having poor access arrangements. These latter sites were considered to have potential for other uses beyond the short term.

It is clear from this assessment that a number of sites are still viable for employment purposes. It also recognises that some sites may be appropriately re-used for another use. Even in these cases, the Council recognises a need for a more in depth site by site study to
investigate more detailed site viability and other matters. Furthermore a number of sites may not have been covered in the ELS and there is a need to assess their ongoing viability.

Policy E2 therefore incorporates criteria relating to the release of employment sites; satisfying any one of the three criteria would allow the release of the site (fully or partially dependent on the sites categorisation) for another use. One of the criteria looks to assess whether the site would have any unacceptable environmental impacts and is evidenced on the need to maintain a satisfactory level of amenity.

A second criterion relates to current and future demand for an employment site. The supporting text (at para 4.12) states that a site will need to marketed for a period of at least 18 months, with at least one commercial agent and on certain terms.

A period of 18 months is considered to be a reasonable period of time to assess a site’s marketability and there is flexibility to reduce this should individual circumstances indicate this to be appropriate. In addition the marketing terms will ensure that the site has been given full and proper exposure to the market and every employment opportunity has been explored. As a result of comments received at the Publication stage, additional flexibility was incorporated into the supporting text of the policy in that this criteria does not apply to sites that have been identified ‘poor’ in the ELS.

The last criteria relates to permitting an alternative use if it is the only viable means of retaining a building or premises which has particular architectural or historical relevance significance. The Council recognises that in certain circumstances the need to retain a building or premises may outweigh its continuing use for employment purposes. This is evidenced and supported by the Sustainability Appraisal (CS_Sub1.5, table 7.4) which looked to secure opportunities for the reuse of heritage assets.

Policy E2 also includes an overall requirement that redevelopment of an employment site for alternative uses should not prejudice the operating conditions of other remaining employment uses. This requirement is based on the need to ensure that other viable employment sites nearby are not lost as a result of allowing an alternative use on a nearby site.

Consistency with National Policy

Policy E2 and the sections relating to the consideration of alternative uses of existing employment sites are entirely consistent with national policy. PPS1 at paragraph 27 clearly states that planning should seek to bring vacant and underused previously developed land and buildings back into use. PPG4 (which was in force during earlier preparatory stages of the Core Strategy) stated that getting under-used or vacant land back into beneficial use can assist regeneration and places a requirement on LPA’s to identify such areas and sites and assess their appropriateness for alternative uses. This PPG been replaced with PPS4 (Planning for Sustainable Economic Growth) which still requires LPA’s to make effective use of land including the prioritising of Previously Developed Land that is suitable for re-use but also to assess existing allocations for their continued allocation (Policy EC2.1 part h).
National policy provides a firm basis for considering alternative uses of existing employment sites.

The need to consider residential amenity is supported by PPS1 at para 18 which states that the quality of life is directly affected by the condition of the surroundings. In this respect, criteria 1 allows the reuse of an employment site where is detrimental to amenity of surrounding uses.

PPS4 is clear in stating that LPA’s are required to encourage new uses for vacant or derelict buildings, including historic building. PPS5 also seeks a positive strategy from LDF’s for the conservation of the historic environment including the re-use of existing fabric. The last criteria looks to do this by permitting alternative (and possibly higher value) uses if it can be demonstrated that it is the only way to retain a building of particular architectural or historical significance.

b. Should the employment policies be widened to encompass other sources of employment, such as in the retail and service sectors?

No, the Council would not wish to see the employment policies widened to encompass other sources of employment. The policies have been developed on the basis of evidence relating to the use and development of employment land within Hyndburn and there would therefore be no justification or sound evidence base for extending the scope of the employment policies to other uses.

c. Should Junction 7 Business Park be identified as a major industrial estate, and is the strategy for this site consistent with the Pennine Lancashire MAA/Spatial Strategy?

Yes, under the terms of Policy E2 Junction 7 Business Park should be identified as a major industrial estate (it is included in the footnote reference in the Core Strategy). The extent of the allocation in subsequent Site Allocations DPD would be guided by Policy E2 having regard to any other considerations that are material to its allocation. An outline planning application has been submitted to the Council for the development of part of Junction 7 Business Park for employment, residential and other types of development. If planning permission is granted for this development, the existence of this permission would be material and would therefore influence the extent of the allocation.

The Council believe that the identification of Junction 7 Business Park as a major industrial estate is entirely consistent with the Pennine Lancashire MAA / Spatial Strategy.

4.3 Retail and town centre development

a. Does the Core Strategy include sufficient strategic guidance and spatial direction for new retail and town centre development, having regard to the national guidance in PPS4?
The Council considers that the Core Strategy does provide sufficient strategic guidance and spatial direction for new town centre and retail development.

A key element of the economic strategy is to create thriving town centres in accordance with the Sustainable Community Strategy (fig.9 of submitted CS). This is consistent with the objectives of PPS4 which seeks to promote the vitality and viability of town centres. Policies A2, A3, GH2 and R2 set out the strategy for retail and town centre development in the Borough. In the case of Accrington a key finding of the Retail Study was the need to strengthen Accrington Town Centre. Policies which seek to do this at a detailed level, including the identification of potential development sites, are developed in the Accrington Action Area Plan. There are no policies which make explicit provision for out of centre retail development.

The main town centre uses to which PPS4 relate are: retail, leisure, entertainment, "more intensive sport and recreation uses", offices, arts and culture.

In spatial terms, policy A2 makes it clear that Accrington will consolidate and develop as the principal centre and historic market town providing for the Borough's key services and retail (comparison and convenience) needs. It will also be the focus for new office development. This is the centre where there is most scope for town centre development opportunities (as identified in the Accrington AAP). This is consistent with the Balanced Development Strategy as set out at draft policy BD1 (submitted by the Council post submission) which states at part a) that, “The existing settlement pattern and hierarchy of centres will be maintained and supported by concentrating development within their urban areas and in centres of a scale and type appropriate to their role.” It further states at part b) that “Accrington will be the principal centre and will provide for the Borough’s key services, retail and town centre needs.” Policy GH2 permits retail and office development of an appropriate scale in Great Harwood. Policies A3 and R2 provide for the strengthening and development of facilities to support the local centres of Clayton le Moors, Oswaldtwistle and Rishton.

The Council is aware of the implications of the draft NPPF which would result in the removal of the requirement for office development to be the subject of a sequential approach to site selection. This would effectively give greater flexibility in identifying sites for office development in the site allocations DPD process. None the less the Council remains satisfied that Accrington town centre, as the principal town in the Borough remains a suitable sustainable location for the development of offices as the key service centre. Smaller scale office development would also be considered at the Church and Oswaldtwistle gateway, at former employment sites which are being redeveloped for mixed uses (e.g. sites which are considered “adequate” in the Employment Land Study) under policy A2; and of an appropriate scale at Great Harwood (policy GH2). Should the NPPF be adopted in its current form, there would be no need for significant change to policies A2 and GH2.

The need for new retail development was assessed as part of the Retail Study (CS_Supp3.11). It showed that there was capacity for further comparison and convenience retail provision up to 2015. Since the study was undertaken a number of significant proposals for supermarket developments have come forward in Accrington and Great Harwood. These were accompanied by up to date assessments of need (quantitative and
qualitative). To date, two new supermarkets have been completed (TESCO in Accrington and ALDI in Great Harwood). A further TESCO store is being developed in Great Harwood. These developments have accounted for most of the remaining convenience capacity in the Borough and there is now little or no quantitative need.

Although the range of comparison goods has improved, qualitative need remains and there is scope for more comparison goods to be sold. As well as “clawing-back” trade lost to other centres, Great Harwood has sufficient retail provision to meet the need for convenience goods. Recent developments have improved the range of comparison goods; however, it is also considered that some capacity remains in Great Harwood.

Recent assessments have considered retail need up to 2015. It will therefore be necessary as part of the monitoring and review of the Core Strategy to refresh and roll forward the assessments to cover the later years of the plan period. Further detailed policies for Accrington town centre, the principal centre in the Borough, are included in the Accrington Area Action Plan. Detailed policies for other centres will be included in the Site Allocations DPD.

The Council has put forward a further proposed change to explanatory text of policy E1 to explain this position in relation to need for further retail development.

The draft NPPF reinforces the support for the vitality and viability of town centres and the “town centre first” approach. The Core Strategy supports this approach.

b. What is the basis and justification for the hierarchy of centres?

PPS4 requires local planning authorities to define a hierarchy of centres. Types of centres are defined at Annex B of the PPS.

The submitted Core Strategy sets out the hierarchy of shopping centres as follows:

- Main town centre Accrington (policy A2)
- Great Harwood town centre (policy GH2)
- Clayton le Moors, Oswaldtwistle and Rishton Local centres (policies A3 and R2)

Other parades of shops are located throughout the area serving local needs, as detailed at Appendix 2 of the Economy Topic paper although PPS4 does not regard these as centres.

Appendix 2 of the Economy Topic Paper also lists Hyndburn centres in accordance with the PPS4 definitions.

The Hyndburn Local Plan identified shopping centres at Accrington, Great Harwood, Rishton Clayton le Moors and Oswaldtwistle. Accrington was identified as the main shopping centre in the Borough which would be strengthened and enhanced.
The Hyndburn Retail Study (2005) (CS_Supp3.11-3.12) included an assessment of the vitality and viability of Accrington, Great Harwood and Rishton town centres. This provides further evidence for developing the retail hierarchy. It demonstrates clearly that Accrington is the principal town centre in the Borough having the greatest number of retail outlets, amount of floorspace, greatest proportion of comparison floorspace and highest number of multiple retailers of the three centres. It was the only centre for which GOAD data and Zone A rental information was available for the retail study; a further indication of its primacy in the Borough’s retail hierarchy. The study also identified the need to maintain and enhance the role of Accrington including actively seeking to accommodate the identified need for new development. The retail study recommended as a result of its assessment that Accrington be designated as the main town centre.

The study demonstrates that Great Harwood is of second importance. It does not have number, scale and the range of outlets as Accrington. Whilst the study recommended that Great Harwood be classified as a district centre, Great Harwood is considered to be a freestanding market town which serves local needs and the immediate rural hinterland. Therefore it is more akin to a market town as defined within “town centre” of Annex B to PPS4.

The retail study recommended as a result of its assessment that Rishton be designated as a local centre. The hierarchy also includes the local centres of Clayton le Moors and Oswaldtwistle which serve more local needs in with in the main urban area. These were not specifically included in the Retail Study. Based on the range of services available in these three centres they correspond most closely to the definition of district centres in as defined in Annex B of PPS4. They are referred to as local centres in the Core Strategy.

Further town centre retail surveys were undertaken by Hyndburn Council in 2007 and 2010 and these have confirmed the hierarchy.