

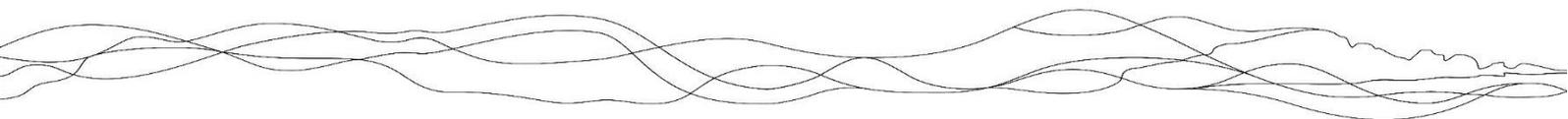


# **Employment Background Paper**

## **South Downs Local Plan**

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**October 2017**



# I. INTRODUCTION

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## Policies covered:

- Policy SD34: Sustaining the Local Economy
- Policy SD35: Employment Land

**1.1** This paper outlines the basis upon which the two strategic policies SD34 and SD35 in the sub-section 'Employment' of the Pre-Submission South Downs Local Plan have been formulated. It explains the context behind why these policies are necessary to ensure that the purposes and duty of the National Park are met, briefly summarises national policy, and outlines the key evidence base studies which have fed into the policy.

## 2. NATIONAL PARK PURPOSES & DUTY AND SPECIAL QUALITIES

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**2.1** The employment policies are both very much linked to the duty of the National Park Authority, which is to seek to foster the economic and social well-being of the local communities with the National Park. The challenge for these policies is to meet the duty without compromising the first and second purposes of the National Park. It is important to note that the duty is pursuant to the purposes.

**2.2** The Vision for the National Park set out in the Partnership Management Plan<sup>1</sup> and the Local Plan says that 'its special qualities will underpin the economic and social wellbeing of the communities.' There are two special qualities relating to employment. Firstly, 'an environment shaped by centuries of farming and embracing new enterprise' recognises the importance of agriculture in shaping the South Downs landscape. Farming was recognised as one of the three key sectors of the economy in both the State of the Park Report<sup>2</sup> and the emerging Local Plan. Secondly, 'distinctive towns and villages, and communities with real pride in their areas' need to have healthy local economies in order to thrive.

**2.3** There are three Local Plan objectives relevant to employment. In summary these are to conserve and enhance the settlements of the National Park as thriving centres, to protect and provide for the social and economic wellbeing of local communities and to protect and provide for local businesses.

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<sup>1</sup> Partnership Management Plan (SDNPA 2014)

<sup>2</sup> State of the South Downs National Park Report (SDNPA, 2012)

## 3. NATIONAL POLICY AND GUIDANCE

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- 3.1** The Vision and Circular on English National Parks and the Broads<sup>3</sup> states that national park authorities should maximise the socioeconomic benefits of delivering national park purposes (paragraph 66). It also says that authorities should foster appropriate planning regimes that encourages new development to broaden the economic base of the national parks (paragraph 72) and foster a positive environment sustaining and developing businesses (paragraph 74).
- 3.2** The Government published an 8-Point Plan for England's National Parks in 2016. This states that 'National Parks are at the heart of the rural economy in their regions.'
- 3.3** The National Planning Policy Framework<sup>4</sup> (NPPF) identifies the economy as one of the three dimensions to sustainable development (paragraph 7) and states that local plans should meet objectively assessed need (OAN) subject to two main caveats (paragraph 14, and in particular footnote 9 which indicates that development in national parks should be restricted). Paragraphs 18 to 22 explains how planning can help to build a strong and competitive economy, and paragraphs 160 to 161 sets out the need for a proportionate evidence base. Paragraph 156 requires local plans to have strategic policies on jobs, homes and other matters.
- 3.4** Government guidance on housing and economic development needs assessments (HEDNA) and housing and economic land availability assessment (HELAA) is set out in detail in the National Planning Practice Guidance.

## 4. LOCAL CONTEXT AND EVIDENCE

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- 4.1** The Employment Land Review<sup>5</sup> (ELR) is the main evidence based study supporting the Local Plan policies on employment and was produced on behalf of the Authority by GL Hearn in 2015. It complies with the economic development elements of Government guidance on both HEDNAs and HELAAs. As the National Park boundary is landscape based and does not reflect any administrative or standard boundary it was necessary for GL Hearn to develop a Wider South Downs Area (WSDA), which was based on standard geographies. The employment land needs were extrapolated from this wider area. The ELR also drew on a number of other studies which provided more detailed indicators of demand for parts of the National Park namely East Hampshire, Winchester and Lewes. This was particularly important for the main towns of Lewes and Petersfield where the turnover and demand of properties tends to be higher and where demand forecasts based on macro-economic data may be less relevant.
- 4.2** The ELR analysed the economic geography of the National Park looking at commuting flows in order to inform the analysis of employment development needs. The report identified six Functional Economic Market Areas (FEMA) operating across the National Park namely

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<sup>3</sup> Vision and Circular on English National Parks and the Broads (DEFRA, 2010)

<sup>4</sup> National Planning Policy Framework (2012)

<sup>5</sup> South Downs National Park Employment Land Review 2015 (G.L. Hearne, 2015)

Brighton, Chichester and Bognor, Northern West Sussex, Eastbourne, Central Hampshire and Worthing.

- 4.3** The ELR reviewed the supply of potential employment land in the National Park. It reviewed the development potential of sites, the potential for intensification of use and potential for extension of existing sites. It made policy recommendations on all the potential and existing sites identified in the study. It identified a ‘core supply’ of future employment land made up of ‘committed sites’ with extant planning permission and sites recommended for allocation in the Local Plan and neighbourhood development plans (NDP). The ELR also identified a ‘secondary supply’ of generally vacant/previously developed sites with some limited potential supply for employment development as part of mixed-use development. In summary, the ELR identified a potential core supply of employment sites within the National Park of 8.4 hectares, with a secondary supply which could supply some additional employment floorspace.
- 4.4** The ELR identified the need for between 8 and 12 hectares of employment land in the National Park, which was likely to be centred on the largest settlements in the National Park including Petersfield, Lewes and Midhurst. Finally, the report balanced up supply and demand. The OAN for employment land of 8 to 12 hectares could be met at the lower end of the range with a core supply of 8.4 hectares.
- 4.5** An update of the ELR<sup>6</sup> was prepared in house and published in 2017. The purpose of this study was to provide updated, detailed information on the supply of existing and potential employment sites within the National Park. It updated and expanded the review of sites set out in chapter 6 of the 2015 ELR. This information helped to inform the formulation of allocation and safeguarding policies in the Pre-Submission Local Plan and various NDPs. The ELR update concluded that there was a core supply of 11.76 hectares of employment land, which is made sites with extant planning permission and potential development plan allocations. This was within the range of 8 to 12 hectares for OAN for employment land set out in the 2015 ELR.
- 4.6** An updated calculation of employment land need is set out in the South Downs National Park Housing and Economic Development Needs Assessment<sup>7</sup> (HEDNA) published in 2017. Chapter 10 identifies a need figure of 10.4 hectares of employment land over the period 2014-35, which is in the middle of the range identified in the 2015 ELR.
- 4.7** A number of comments were made on draft Policy SD27: Sustaining the Rural Economy in response to consultation on the Preferred Options version of the Local Plan. Most of these comments were supportive and many stressed the poor level of broadband provision in the National Park. The main change made to the policy was to the title, which now refers to the ‘local’ rather than ‘rural’ economy. This change recognises the confusion as to what the ‘rural economy’ actually means and recognises the importance of the four towns in the National Park. Other changes were the recognition of farming as a key sector and the deletion of the policy criterion on homeworking.

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<sup>6</sup> South Downs National Park Authority Employment Land Review 2017 Update (South Downs National Park Authority, 2017)

<sup>7</sup> South Downs National Park Housing and Economic Development Needs Assessment (G.L. Hearn, 2017)

- 4.8** A number of comments were also made on Preferred Options draft Policy SD28: Employment Land. A number of bodies questioned the relatively low level of employment land provision. As discussed in this paper, the Local Plan employment figures are based on evidence provided in the ELR and HEDNA. More detail was requested on the marketing requirements for change of use applications; these are now set out in Appendix 3 of the Pre-Submission Local Plan. More information was requested on the safeguarding of specific employment sites. Local and Principal Employment Sites to be safeguarded are named in paragraphs 7.152 and 7.153 and shown on the Policies Map; many others are also protected under NDP policies.

## 5. ROUTE MAP FOR POLICY FORMULATION

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- 5.1** Strategic Policy SD34: Sustaining the Local Economy seeks to promote and protect local businesses without compromising the purposes of the National Park. It sets out seven criteria and requires planning applications for local businesses to comply with at least one. These criteria relate back to outcome 10 of the Partnership Management Plan for a diverse and sustainable economy providing a range of business opportunities many of which are linked to the special qualities of the National Park.
- 5.2** Strategic Policy SD35: Employment Land includes four criteria. The first criterion sets out the employment land provision figures, which meet the OAN for employment land identified in the HEDNA and ELR. Figure 7.7 sets out the three tranches of employment land supply that will meet the need: namely extant permissions, NDP allocations and Local Plan allocations. Further detail is provided on NDP allocations in paragraph 7.144 of the Local Plan.
- 5.3** The second criterion of Policy SD35 provides a flexible and pragmatic approach to change of use applications from B2 manufacturing to B1 offices and B8 warehousing. This approach has been adopted in response to the evidence set out the 2015 ELR, which considered that much of the demand for B8 floorspace could be met through the reuse of redundant B2 premises and land.
- 5.4** The third criterion of Policy SD35 safeguards all business premises that are fit for purpose from development proposals for non-employment uses. This draws strongly on the site focussed ELR Update, and reflects the importance of protecting existing employment sites. It also responds to feedback from communities that such sites are important for providing local jobs and services. The National Park's economic base is focused on small businesses and it is considered necessary to safeguard all business regardless of size. Therefore this policy requirement does not have a site size threshold, and applies to all employment premises within the B use classes.
- 5.5** The fourth criterion of Policy SD35 provides further protection to principal and local employment sites from development proposals for non-employment uses. The principal employment sites were identified in the 2015 ELR as not only providing local employment but also as being key to the functioning of the sub-regional economy. It was therefore recommended that these sites are strongly protected in the Local Plan for continued B-class uses. The principal employment sites are large-scale, good quality employment sites in the main settlements and are named in paragraph 7.152 of the Local Plan. The sites are specifically safeguarded for B class uses and a marketing campaign of at least 18 months is required.

- 5.6** The local employment sites provide jobs and services to the towns and villages in which they are located. All the local employment sites are located in settlements listed in Policy SD25: Development Strategy of the Local Plan. The sites were identified in the 2017 ELR Update and are named in paragraph 7.153 of the Local Plan. A more flexible approach is taken on changes of use on these local employment sites to other non-B use commercial uses, and where a change of use is proposed, a marketing campaign of at least 18 months is required to support change of use applications.
- 5.7** Further details on marketing requirements are set out in appendix 3 of the Local Plan. The length of the marketing periods and other details were formulated based on discussion with development management and economic development colleagues working both at the National Park Authority and our host authorities.
- 5.8** There is one Local Plan allocation for employment land, namely Policy SD80: Malling Brooks, Lewes, which already has planning permission. The redevelopment of North Street Quarter, Lewes which is allocated under Strategic Site Policy SD57 and also has planning permission will result in the loss of low quality and the gain in high quality employment premises.

## 6. CONCLUSIONS

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- 6.1** The policies on employment in the Pre-Submission Local Plan are based on an up-to-date and robust evidence base made up of the ELR and its update and the HEDNA. The two policies were amended in response to comments received on the Preferred Options version of the Local Plan and an appendix on marketing requirements added. It is proposed to meet the objectively assessed need for employment land in the National Park, notwithstanding the inherent uncertainties over calculating this need accurately in a National Park.