

North Northamptonshire Local Development Framework



Core Spatial Strategy

Public Examination

Background Paper 4 Employment

August 2007

Section 1: Introduction

- 1.1 This background paper has been produced by the North Northamptonshire Joint Planning Unit (JPU) to assist in the public examination of the Core Spatial Strategy (CSS). It is one of 4 background papers focusing on those elements of the submitted CSS that have resulted in significant objections and/or where further explanation or information may be helpful in demonstrating the soundness of the plan.
- 1.2 Background papers have been prepared relating to:
 1. The spatial strategy
 2. Transport and infrastructure
 3. Housing
 4. Employment
- 1.3 These papers are intended to assist the Inspector in preparing for the Hearing Sessions; provide the JPU's broad response to objections relating to the soundness of the CSS; and help participants to focus their further submissions and, where possible, agree common ground with the JPU. For matters not addressed in the background papers, the JPU intends to rely largely on the evidence submitted within the CSS and referred to in the Soundness Self Assessment (Ref 414). Where appropriate, further amplification of the JPU's position will be provided in written statements on the Matters and Issues for examination to be identified by the Inspector and in response to statements submitted by objectors.
- 1.4 This background paper concerns "Employment" and covers the following parts of the CSS:
 - Delivering Economic Prosperity- Section 3F
 - Delivering Economic Prosperity- Policy 9
 - Distribution of Jobs- Policy 12
- 1.5 The purpose of each of the background papers is to demonstrate that, notwithstanding objections raised, the approaches taken in the CSS are sound in relation to the tests of soundness set out in paragraph 4.24 of PPS12 (Ref 111) and summarised in Appendix 1 of the CSS. The JPU's soundness self-assessment (Ref 414) demonstrates how the CSS has met these tests.
- 1.6 This background paper does not expand on all the tests of soundness, instead focusing on issues where objectors have sought to argue that the CSS is unsound. In doing so this paper amplifies, for each of the matters at paragraph 1.4 above;

1. **Derivation and Evidence** – the evidence on which the CSS approach is based; its evolution through the various stages of the process; and the Sustainability Appraisal that accompanied and informed this process;
2. **Response to Representations** – brief responses to the key objections to the submitted CSS;

It then goes on to set out:

3. **Conclusions** summarising how, notwithstanding the objections raised, the CSS and the process followed in its preparation are demonstrably sound in relation to the treatment of employment issues.

Section 2: Derivation and Evidence

National and Regional policy context

- 2.1 PPS1 (Delivering Sustainable Development- 2005) (Ref 104) para. 23 expresses the Government's commitment to promoting a strong, stable and productive economy that aims to bring jobs and prosperity for all. One of the tasks identified for local planning authorities (para.23 (iii)) is to "ensure that suitable locations are available for industrial, commercial, retail, public sector (eg. health and education) tourism and leisure developments so that the economy can prosper".
- 2.2 PPS 3 (Housing- 2006) (Ref 105) makes two mentions of the transfer of employment land to housing. It outlines that options for accommodating new housing growth may include, for example, re-use of vacant and derelict sites or industrial and commercial sites for providing housing as part of mixed-use town centre development. The PPS also sets out that in developing their previously developed land strategies, Local Planning Authorities should consider a range of incentives or interventions that could help to ensure that previously developed land is developed in line with the trajectory/ies including considering whether sites that are currently allocated for industrial or commercial use could be more appropriately re-allocated for housing.
- 2.3 In relation to the Southern Sub-area (in which North Northamptonshire is located) the Draft East Midlands Regional Plan (Ref 202) outlines that in the areas identified for growth, particularly Northampton, Corby, Kettering and Wellingborough, there is a need to ensure that there are adequate employment sites to match the needs arising from increased levels of

population. In addition, the opportunity should be taken to reshape and change perceptions of the Northamptonshire employment sites and premises offer, to promote innovation and growth. The Local Delivery Vehicles will play a crucial role in this.

2.4 Policy 20 of the Draft Regional Plan outlines that Local Authorities, East Midlands Development Agency (*emda*) and Sub-Regional Strategic Partnerships should work together in Housing Market Area groupings to undertake and keep up to date Employment Land Reviews in order to:

- ensure there is an adequate supply of good quality land for office and industrial uses available for development (B1, B2 and B8) in sustainable locations allocated in Local Development Frameworks;
- bring forward good quality allocated employment sites to meet the specific requirements of potential investors; and
- review current employment land allocations to ensure that they are relevant to current and likely future requirements and that surplus employment land is considered for beneficial alternative use;

However, it does not identify a need to allocate new strategic employment sites.

2.5 In addition, Local Authorities should:

- ensure that any additional strategic distribution centres over 25,000 square meters maximise potential for rail freight and generate at least 10% of their energy requirements from on-site renewable sources; and
- monitor gains and losses in the overall supply of good quality office and industrial and assess the floorspace capacity of allocated sites.

2.6 The Milton Keynes and South Midlands Sub-Regional Strategy (Ref 203) sets out that Housing growth will be monitored against progress in moving towards achieving the following overall net levels of employment growth by the same date. For North Northamptonshire the Strategy sets out 43,800 jobs to 2021. The employment figures are reference values to be used only for monitoring and reviewing the Sub-Regional Strategy as a whole, not as targets specifically related to individual areas or phases of housing development. The monitoring figures are not intended to be a constraint to economic development and will be subject to review.

Local Evidence

- 2.7 The basic aims and aspirations contained within the CSS regarding future economic development have been derived from relevant community strategies, economic development strategies (including the Regional Economic Strategy (RES) (Ref 207) and Sub-Regional Economic Strategy (SRES) (Ref 210), higher tier planning strategies and guidance and the Milton Keynes South Midlands Sub Regional Strategy (MKSM SRS) (Ref 203) and subsequent studies.
- 2.8 At a more detailed level (CSS Policies 9 and 12 and their accompanying tables), the approach has been informed by the findings of the studies listed below and tested and shaped through consultation on Issues and Options and Preferred Options. More detailed technical information on these studies and how they have been taken forward in the CSS is contained in the technical note '*Employment Matters in the North Northamptonshire CSS- technical note*' (Ref 603) prepared by the JPU in March 2007 and published on its website.
1. The original Milton Keynes South Midlands Study (Ref 211)- A study investigating the potential of the Milton Keynes South Midlands to accommodate sustainable growth and setting out growth scenarios. The findings of the study fed into the Northamptonshire Commercial and Employment Land Assessment (CoPELA) 2003 (Ref 718) in terms of job numbers that should be targeted in order to create sustainable communities.
 2. Northamptonshire Commercial Property and Employment Land Assessment (CoPELA) 2003 (Ref 718)-A study commissioned by Northamptonshire County Council (NCC) to assess supply of commercial land and property against likely future demand.
 3. The North Northamptonshire Employment Land Futures Study (NNELF) (Ref 708)-A study commissioned by the JPU to advise on the future demand and need for employment land and its geographical distribution across the sub-region to 2021.
 4. CoPELA 2006 (Ref 709)-A study commissioned by Invest Northamptonshire and Northamptonshire County Council as an update to the 2003 study. Its purpose is to assess the planned and emerging supply of land in the County against future market demand and policy requirements).
 5. East Midlands Strategic Distribution Study (Ref 208)-A study commissioned by emda to examine the future land needs of the strategic distribution sector in the East Midlands.
 6. East Midlands Land Provision Study 2006 (ELPS) (Ref 209)-A study commissioned by the East Midlands Regional Assembly to feed into the review of RSS8 to forecast future requirements for employment

land to 2021 and 2026 by Housing Market Areas (HMAs); to compare this with current planned supply of employment land; to propose indicative employment land requirements by HMA and local authority area to inform the Regional Plan and Local Development Frameworks (LDFs).

7. Technology Realm for Northamptonshire (2006) (Ref 710)- A study commissioned by Northamptonshire Enterprise Limited (NEL) and partners undertaken by DTZ to assess how the County can use a Technology Realm- the provision of innovative property solutions and business innovation services to achieve a step change in jobs growth in the county.
 8. Monitoring of changes in jobs over time
- 2.9 The job targets in CoPELA 2003 (Ref 718) aimed for economic diversification and quantities of land that would enable a high degree of self-containment for the county in the face of the large population growth.
- 2.10 The reference value (43,800 jobs) in the MKSM SRS (Ref 203) differs slightly from CoPELA even though it states clearly that its figures were based on the MKSM Study's preferred option, which was the basis for CoPELA. The reference value may be derived from the balance between dwelling and job growth at a county level as set out in Table 6.2 of the Milton Keynes South Midlands Study (Ref 211). The slightly higher figure in CoPELA 2003 of (47,400 jobs) is not far removed from the MKSM SRS and forms the basis of the approach to employment within the CSS (and other subsequent studies and strategies).
- 2.11 The figure of 47,400 jobs formed the basis of the approach to employment within the CSS, with the district breakdown based on the recommendations of the NNELF study (Ref 708). The Preferred Options document (Ref 405) also translated the projected job numbers into land requirements. However, this approach was discontinued to allow a degree of flexibility within the Districts when translating job numbers into land area (for example using higher plot densities for office developments as available sites allow) and in response to comments made in representations to the Preferred Options.
- 2.12 The NNELF study (Ref 708) concluded that to meet its targets, North Northamptonshire needs to attract large numbers of new jobs, considerably above its natural or trend-based growth. The study indicated North Northamptonshire should aim for the greatest achievable growth in the higher-value economic sectors, but should resist growth of other activities, including distribution, only where it would hit capacity constraints, compete directly with higher-value economic activities for specific sites, or produce adverse impacts, for example in terms of

transport. It is evident from this, that the study concludes a need to both build on existing strengths and diversify the economy into higher-value sectors.

Consultation (Issues and Options, Preferred Options)

Consultation on Issues and Options

- 2.13 Consultation on employment/economic issues began at Issues and Options stage in June 2005 (Ref 404) where 2 draft objectives on employment and the economy were included. The Issues and Options Paper highlighted that sustainable communities need economic growth to ensure they are active and thriving and new and better jobs must be created in step with new housing to give people the choice to live and work locally. The Issues and Options paper also set out that planning for employment related development will have to balance the needs of the environment with the commercial needs of business and the long-term needs of the economy.
- 2.14 The Issues and Options Paper set out 3 spatial options for planning for future jobs which included diversifying jobs into higher value added activities, such as offices and research and development; build on the areas existing strengths which may well mean accepting more warehousing and transportation developments; plan to do both of the above by developing complementary roles for individual towns and the rural areas as part of an overall bigger picture.
- 2.15 The issues and options consultation also incorporated a specific consultation workshop to discuss economic/employment issues. Feedback from this workshop (which is contained in the 'Statement of Consultation' Ref 413 p.9) included a consensus to spread office development out across the area (not concentrate development on only one site); to diversify the economy (but not discourage further investment in Strategic Distribution) and to enhance skills.
- 2.16 The majority of responses (which are summarised in 'Options for North Northamptonshire Summary of Consultation Response'- Ref 411) stated the importance of diversifying North Northamptonshire's economy to provide higher value/higher technology activities. This will require enhancing the skills base, as well as having a range of higher education establishments and ensuring that there are sufficient high quality sites to support this. The location of Northamptonshire on the Oxford/Cambridge Arc was considered to provide opportunities to develop high tech industries and research and development opportunities that could reduce the need for out commuting and raise the image and skills of the area.

Equally, there are a number of sites already in the pipeline for strategic distribution uses, and it is not therefore viable to expect a reduction in this type of development. Overall, most people felt that option C (build on existing strengths and diversify) was the best approach.

Preferred Options

- 2.17 The Preferred Options stage (Preferred Options for the North Northamptonshire Core Spatial Strategy' – Ref 405) set out one Objective in relation to employment and the economy outlining the need to build a more dynamic, self reliant and wealth creating North Northamptonshire economy which is not overly dependent on in or out commuting to make it reach its potential through providing the workplaces, jobs and skills to bring this about.
- 2.18 The Preferred Option was informed by the NNELF Study (Ref 708), referred to above. This study set out several scenarios in order to assess the impacts of jobs growth on different policies and situations. The scenarios ranged from one of market led growth to policy led growth in which jobs growth is distributed on the basis of where it is most needed to address current deprivation and/or cater for future population growth.
- 2.19 The NNELF study concluded that the policy-led scenario is ambitious and that it may not be possible by 2021 to attract demand on the scale indicated, particularly in Corby and especially in higher-value office based activities. However, in view of the regeneration needs of Corby and the preference for diversification of the economy of North Northamptonshire as whole, option C from Issues and Option stage was taken forward as the preferred approach at Preferred Options stage, the option most consistent with the Regional Plan and likely to deliver its job requirements. The Preferred Options stated that if Corby's diversification occurs more slowly than expected, it will be necessary to allocate additional land at Kettering and Wellingborough to ensure that service sector jobs are not lost from North Northamptonshire. Potential sites should be identified by the districts to facilitate rapid allocation if this is needed.
- 2.20 The Preferred Options paper set out projected job growth and the net employment land requirement under the preferred option, along with the current supply and indicative requirement for land for the period to 2021. The preferred strategy also set out that in terms of identifying sites in the more detailed plans prepared by the districts, it will be important not to generate an oversupply of land. The approach set out in the Preferred Options was for the detailed plans prepared by the districts to identify enough land to meet a ten year supply based on the policy-led scenario, with monitoring mechanisms to allow for constant review of the situation. It

outlined that if there is a fast level of development demand, then reviews of those detailed plans could be undertaken to pinpoint further land as required (which should have already been identified in the employment land reviews for the districts).

- 2.21 A number of detailed comments were received on employment issues at the Preferred Options stage (which are summarised in the North Northamptonshire Core Spatial Strategy Schedule of Representations to the Preferred Options – Ref 412). There was general support for the preferred options set out, with broad support expressed for the Preferred Option to build on current strengths, whilst diversifying the economy. A number of respondents stressed a clear preference for enhancing the knowledge-based economy in North Northamptonshire. These detailed comments were taken into account in developing the submission CSS (Ref 406).

Evolution from Preferred Options to Submission

- 2.22 The Joint Planning Committee stated a preference to move away from the requirement for a 10 year supply of employment land, to allow greater flexibility and market choice to allow sites to come forward in appropriate locations.
- 2.23 The Plan has taken forward the Preferred Option to build on current strengths and diversify the economy into higher value activities and this is outlined in paras 3.73, 3.74 and Policy 9 based on strong support through consultation, and a robust evidence base.
- 2.24 Furthermore, the Plan also supports the development of the Technology Realm and Policy 12 outlines that sites will be identified at the growth towns to meet the aims of the Technology Realm initiative that are capable of providing the quality of environment and property product necessary to attract and develop more knowledge intensive economic activity.
- 2.25 The indicative amount of employment land required in each district generated a significant level of response to the Preferred Options. A number of developers stated that the indicative land requirements will not meet market demand for distribution facilities within the North Northants area. Respondents including Catalyst Corby (now part of NNDC) and Northamptonshire County Council stressed that the Core Strategy should go no further than identifying the overall level of employment growth in each Borough/District.
- 2.26 The Plan has moved away from the specific allocation of land recognising that the districts are best placed to assess quantitative and qualitative

requirements on the basis of their employment land reviews. The Submission Plan sets out Job Growth by districts, specifically broken down into B Use Classes.

Sustainability Appraisal

- 2.27 The Sustainability Appraisal (SA) (Ref 409 & 410) undertaken throughout preparation of the CSS outlines that it is essential to the full functioning of the employment proposals and the overall strategy to ensure that housing and employment is delivered in tandem, with neither one outpacing the other in terms of growth.
- 2.28 The SA of the Submission CSS (Ref 410) stated that although the need to monitor the number of new jobs being created is a feature of Policy 9, it will be important that this is carried out on a town by town basis to ensure self-containment of each town is being achieved and not just of NN.
- 2.29 The SA raises concerns that the lack of detail on land needs makes it difficult to appreciate what the implications are, particularly given the very different land requirements of these different sectors. For example to provide the same number of jobs land requirements would be much higher for strategic distribution compared to office developments. This means assessing the sustainability implications is not entirely possible, beyond the impacts of employment distribution around the area.
- 2.30 The SA also indicated that policy 12 should promote more town centre related economic development; this is not backed up by policy wording. Town centres are most likely to be the most accessible locations, particularly if Corby's new railway station is built, and therefore this approach would support more sustainable travel. In response to this, the JPU proposed an amendment to the JPC on 1st February 2007, (which was endorsed) that reference to town centre related development is made in Policy 12.
- 2.31 The SA states that the CSS has an important role to play in setting out clearly enough the approach to be taken to identifying and allocating employment land. This includes the constraints that need to be put on this type of development, such as access by public transport, and the need for high quality design. The purpose of which is to enable an equitable approach to employment land provision, and working with business and/or developers, to limit unfair competition between the four local authority areas. The SA states that the CSS is quite successful in this through the approach set out in Policy 9 and 12, as well the policies relating to creating sustainable communities.

Section 3: Response to Representations

Job Growth Levels (Policy 9, Policy 12):

- 3.1 The main challenges to the employment strategy are from Bee Bee Developments and Prologis who challenge the overall approach of the CSS, and the evidence base and assumptions that have informed it.
- 3.2 To support their argument the objectors present an alternative economic forecast to that used to inform the CSS. This has been prepared by Volterra Consulting on behalf of Bee Bee Developments. Justified by their alternative economic forecast the objectors propose additional land allocations for strategic distribution warehousing and offices; including the major office proposal at Pulse Park near Wellingborough.
- 3.3 Both respondents have suggested that the statements in paras 3.71 and 3.72 of the CSS are misleading. Paragraph 3.72 suggests that if the economy was to grow as it has in the past, around 27,800 new jobs could be created, leaving an additional 19,600 jobs to be provided. This is considered to be misleading as the trend based (TEMPRO) figure set out in the updated CoPELA Report (2006) (Ref 709) identifies that a continuation of past trends would only generate 15,400 jobs in North Northants. The challenge is therefore all the more considerable if North Northants is to not only achieve the market-led scenario (which could produce the 27,800 jobs) but move beyond this to the 47,400 jobs identified under the Policy led scenario and set out in the CSS.

JPU Response:

- 3.4 *By following the above processes of rigorous consultation and community engagement and developing a strong evidence base to the support the CSS, all relevant options have been tested and the JPU considers that the CSS provides a sound strategy for employment growth.*
- 3.5 *Considering the objectors comments regarding paragraph 3.71 and 3.72 it should be noted that the figure of 47,400 jobs is not target per se but an aspiration to which policy should address itself (CoPELA 2003 refers). Indeed the Regional Planning Body (EMRA) have stated that overall providing it can be evidenced, the CSS figure of 47,400 net growth in jobs is welcomed as it exceeds the reference value of 43,800 jobs set out in MKSM Policy 4 of RSS8.*
- 3.6 *The 15,400 jobs change referred to within CoPELA 2006 (TEMPRO trend projection) and commented upon by the objectors is based upon trend*

growth in population rather than the additional growth in population arising from MKSM. The 27,800 jobs essentially referred to as extrapolated trends is the growth in jobs given the additional MKSM population growth (and some enhanced growth in certain sectors in some locations)- this is the market based scenario A in CoPELAs 2003 and 2006 and the NNELF study and the CSS takes forward the policy-led scenario B, to meet the need to diversify the economy to support the growth agenda for North Northamptonshire.

- 3.7 The Bee Bee commissioned extrapolation presents a differing sectoral mix of growth to that assumed in the CSS. Part of the reason why they reach a different conclusion is because they use straight forward sector extrapolations of past trends (linear projections) rather than econometric model-based forecasts taking account of other intervening factors such as the effect of any planning or economic development policies, step changes in population, changing age structures, and changing activity rates.*
- 3.8 The CSS is informed by econometric model-based forecasts in which past change is only one input amongst others.*
- 3.9 The Regional Assembly and Regional Development Agency have used econometric model-based forecasts which are similar in approach to that underlying the CSS in directing regional level policies. The JPU believes that the use of an alternative linear extrapolation in North Northamptonshire would be incompatible with the regional policy framework and MKSM because the levels of housing growth will spur economic activity.*
- 3.10 The most obvious area of disagreement concerns the future of the manufacturing sector. The objectors forecast a period of unabated rapid (linear) decline in the sector throughout the plan period, which taken to its logical conclusion would imply the eventual disappearance of manufacturing from the North Northamptonshire economy. They predict that the total number of jobs in the manufacturing sector will halve over the plan period despite the increase in investment, population and workers which will result in the implementation of the CSS.*
- 3.11 The forecasts used to inform the CSS and the Regional Plan (Ref 202) instead indicate a more optimistic long term future for the sector. These forecasts show a much slower rate of manufacturing decline than predicted by objectors.*
- 3.12 Although more optimistic the CSS still recognises that manufacturing will in the future represent a much smaller proportion of total jobs than today.*

Relative to the total number of jobs in North Northamptonshire, the sector will still experience a substantial decline over the plan period.

- 3.13 *The JPU also disagrees with the objectors that strategic warehousing growth will continue unabated for the next 20 years. The Strategic Distribution Study recently produced for emda (Ref 208) forecasts that the growth of warehousing will flatten out as import growth and the decline of domestic manufacturing slow down.*
- 3.14 *The conclusions of the objector's alternative method of estimating future provision conflict with the spatial strategy of the CSS which seeks a balanced network of centres with a strong town centre focus, a shift towards a higher value economy. The development of strategic distribution on the scale proposed by the objector's conflicts with the strong environmental focus in the CSS.*
- 3.15 *Many of the objections relate to the technical differences in forecasting methods. To assist the examination, the JPU will seek where possible to agree common ground with objectors. We will seek advice from the original authors of the MKSM job forecasts and will clarify why the economic forecasts used in North Northamptonshire and elsewhere (including the emda model used at the regional level) give different results from those presented by the objectors and why the original forecasters do not adopt the linear trend projection method used by the objectors.*

B8/Strategic Distribution (Policy 9, Policy 12 Table 4 & Table 6)

- 3.16 The issue of B8/Strategic Distribution generated a number of responses. A number of respondents, particularly residents, stated a preference for less B8 development in North Northamptonshire, citing environmental impacts and a desire to up-skill the North Northamptonshire economy. East Northamptonshire Council consider that the figures in Table 6 do not sufficiently restrict B8 development across North Northamptonshire as they still provide for considerable growth in this sector. Whilst it is accepted that some growth in this sector is inevitable, a large land take for this form of development may seriously undermine the other aspirations of the Core Strategy with regard to quality of life and the provision of higher quality employment choices.
- 3.17 In contrast, some development interests have challenged the assumptions and evidence base that have underpinned the CSS for the net job growth by specific B Use Class that are set out in Table 4 and Table 6 specifically by district. They have argued that the CSS unnecessarily constrains the development of the Strategic Distribution sector. The proposed job growth targets must be revisited to reduce the dependency on uncertain sectors

and the strategic distribution sector should be allowed to continue to flourish and underpin the CSS's medium to longer term objective of enhancing the area's skills base and providing a more dynamic and flexible labour market. Additional growth must consequently be attributed to the strategic distribution sector.

- 3.18 The projected job growth in General Industrial (B2) is challenged by a number of developers, notably Bee Bee Developments who have argued that this is misleading and has consequently restricted B8 growth. They state that these do not match the assumptions set out in CoPELA. Work undertaken by Volterra Consulting (for Bee Bee Developments) showed significant job loss in manufacturing in North Northants and yet the CSS forecasts growth in the general industrial sector. They state that the need to fully exploit the strategic distribution sector becomes an even greater imperative if the jobs are to be put in place to match population growth.

JPU Response:

- 3.19 *The job creation targets in the CSS reflect the preferred strategy of seeking to diversify the economy across North Northamptonshire into higher value activities whilst building on its existing strengths and this is reflected in the job levels set out in Policies 9 and 12. This approach, based on a robust evidence base as referred to earlier in this paper, was tested through Issues and Options and Preferred Options consultation and is considered to be a viable and deliverable economic strategy. It is considered that the policy framework of the CSS facilitates enhanced training opportunities and skills (Policy 9) and the Technology Realm initiative is promoted within Policy 12.*
- 3.20 *A number of key agencies have supported the employment strategy of the CSS. North Northants Development Company (NNDC) welcomes the priority given to employment and economic prosperity within the CSS and the sound framework for further detailed land review and allocation to support delivery.*
- 3.21 *The figures produced in the CSS do not match the figures in CoPELA 2006 because of the growth in employment in East Northamptonshire over the early years of the development period (2001-2005 as the data will allow). This is stated within the CSS in paragraph 3.91. Over this period, growth in East Northamptonshire has outstripped the growth originally projected in CoPELA 2003 (which the NNELF and CoPELA 2006 projections are based on). Due to the relatively high level of growth, there was clearly a need to accommodate more jobs than the original envisaged levels. This has led to a consequent change in job growth numbers elsewhere (this is referred to in the Technical Note on Employment Issues*

- prepared by the JPU, March 2007) but there is no change in overall jobs numbers.*
- 3.22 *Some objectors query the translation of jobs into business space used in the CSS (which is based on CoPELA 2006). In particular, they question why these latest figures show fewer warehouse jobs than in earlier work (CoPELA 2003).*
- 3.23 *Between the earlier work and the current version, methods have improved, by using a finer-grained mapping of economic activities into types of land use. CoPELA 2003 assumed that all jobs classified in Government statistics to 'transport and communications' occupied warehousing space. This classification therefore included activities such as travel agents, taxis and telecommunications, which do not occupy warehouses. The latest method, used for the CSS, uses a narrower, more accurate definition of activities based in warehousing.*
- 3.24 *A full list of the economic activities within the differing planning sectors can be found in Appendix 1 of CoPELA 2006 (Ref 709). This categorisation does not affect total jobs growth in the sub region, only its distribution between sectors and land uses.*
- 3.25 *The JPU believes that it is more robust to adopt the most accurate and up to date method as possible when translating activities to business space. We also note that the new method used in the CSS is compatible with work undertaken at the regional level to inform the Draft Regional Plan.*
- 3.26 *Therefore, it is considered that the strength of the distribution sector within North Northamptonshire is recognised and reflected within the CSS (as are its potential downsides) as is the potential to engender greater rail related distribution traffic which is set out in the criteria to Policy 12 (particularly following the general findings of the emda Strategic Distribution Study Ref 208) which has assessed the need for rail linked sites.*
- 3.27 *The loss of manufacturing jobs is noted, however, the projections being used show a slowing of the decline in manufacturing jobs, based on the strong historical performance of the Northamptonshire Manufacturing sector relative to national decline and stated local policy to support and grow high performance engineering sectors. Predominantly, however, these figures (through the translation from the SIC codes to B use classes) have been produced in order form the basis for determining space requirements and for that reason include some non-manufacturing jobs (motor vehicle activities and some construction are incorporated). Scenario 2 is based on a wider definition of the activities that occupy*

industrial space, which includes part of the construction industry, whereas Scenario 1 assumes that only manufacturing occupies industrial space. The employment forecasts show large growth in construction jobs, presumably reflecting the large-scale housebuilding in the designated growth areas. Construction and motor vehicle activities are sectors that have experienced growth over recent years and are likely to continue that growth. For this reason, the job growth numbers increase.

- 3.28 *Both the Strategic Distribution study undertaken for emda and the ELPS study indicate that growth in the B8 sector will decline over time. Given that the CSS is also showing increased job growth over CoPELA 2006, it is not considered that the sector is being unduly constrained and that strategic distribution is given an important role in the strategy to build on existing strengths and diversify the economy.*

Locational Guidance

- 3.29 In relation to locational guidance some respondents outlined that the CSS should provide more guidance in relation to how the job growth figures in Table 6 are set out spatially, rather than simply by local authority district. It would be more relevant if they were expressed in terms of their relationship to urban areas so that it is clear that job growth will be focussed on urban areas and sustainable urban extensions, and key locations such as town centres. It was also felt by some respondents that the role of town centres as the predominant locations for office development in a way that builds their role is also underplayed.
- 3.30 Prologis Developments and Hampton Brook also stated that the CSS should have a specific criteria based policy for Strategic Distribution Sites.

JPU Response:

- 3.31 *The CSS (para 3.92) explains that due to the complexity of employment patterns, it is not possible to break district job targets down into targets for individual settlements. This is supported by the Regional ELPS study which highlights the need to consider relevant Housing Market Areas when considering employment land requirements. These cover wider geographic areas and allow for inter district commuting, reflecting market demand and trends. It is considered that the spatial strategy through its roles and relationships, policy framework (Policy 1) and specific economic policies provides clear and robust spatial guidance in relation to employment. The general approach is for employment development to be predominantly focussed at the three growth towns, using existing sites where possible and creating new development in the town centres and on high quality sites, elsewhere, including within the sustainable urban*

extensions. Diversification of the rural economy will be supported, in particular through the conversion of buildings within settlements to economic re-use.

- 3.32 *In relation to the need for a specific criteria base policy for Strategic Distribution, it is considered that Policy 12 provides sufficient guidance, in criteria d, which outlines that Large scale strategic distribution, will be concentrated at the rail-linked Eurohub site at Corby. Sites for smaller scale distribution should be located close to the strategic transport network, with priority given to areas served or potentially served by water, and this is consistent with the Draft East Midlands Regional Plan, and the key criteria set out in the East Midlands Strategic Distribution Study.*

Omission of Employment Land requirements (Policy 12):

- 3.33 Some respondents have objected to the omission of employment land requirements in the CSS and the lack of certainty that the required jobs levels will be delivered in the plan period. The omission of employment land requirements reflects the uncertainty within the Plan on the location and suitability of existing employment land and the scale of new additional employment land requirements. It is also argued that as a consequence the CSS provides too little guidance on how the change in job growth is to be accommodated 'on the ground' throughout North Northamptonshire, particularly when there is a recognised dearth of employment land (in quantity and quality). Similarly, it was argued that since the CSS strategy is one of diversifying the economic base and adding higher quality jobs, it is not clear how the provisions of Table 6 will be demonstrated to achieve this end. The table should clearly set out the land/floor space implications of planning for growth in the various use classes.

JPU Response:

- 3.34 *A number of key respondents to the Preferred Options preferred the use of job numbers as opposed to land allocations and the use of job numbers has been supported by a number of key agencies including EMRA, emda, Northamptonshire County Council and NNDC. There is also a need to retain some flexibility in terms of actual allocations to take account of local (to districts/towns) circumstances and also allow the districts a degree of flexibility when translating job numbers into land area (for example using higher plot densities for office development as available sites allow). It is considered that the use of land allocations in the CSS would prevent that flexibility. The basis for land allocations are contained in the job numbers, the methodology for translating these into land is well recognised and will need to be referenced to local land availability (including quality, losses, applying margins for choice, etc). The employment land reviews carried*

out by the districts and through future CoPELA updates will be best placed to consider the quality of existing supply.

Identification of Strategic Employment Sites (Policy 12):

- 3.35 Linked to the responses set out above, a number of developers/landowners argue that the CSS should identify strategic employment sites to ensure delivery of the required jobs and have promoted a range of sites for inclusion for employment or mixed-use development.
- 3.36 They consider that it is entirely appropriate that the CSS is site specific if it is to provide any measure of certainty as to how the job creation targets of strategic distribution will be met. Other strategic sites which might contribute to this should equally be considered. In relation to the promotion of the Technology Realm in Policy 12, Bee Bee Developments stated that Policy 12 be amended to explicitly identify the need for a strategic premium office park as part of the plan, and recognise that the Technology Realm Initiative can be accommodated as a single site rather than be distributed across the growth towns.
- 3.37 In response to the Submission CSS, a number of developers/landowners promoted specific employment sites, including sites for Strategic Distribution and office development.

JPU Response:

- 3.38 *The Draft East Midlands Regional Plan (Ref 202) and the studies providing the evidence base for the CSS do not identify a need for strategic employment sites. Therefore, it is considered that the districts are the best placed to identify, within the locational guidance provided by the CSS the location of additional employment sites to deliver the job requirements set out in the CSS. If the Inspector took the view that the CSS should identify strategic employment sites, this would need to be done through a future review looking at all potential sites.*
- 3.39 *Existing employment sites and areas provide the main supply of employment land. Policy 12 of the CSS states that existing employment areas and allocated employment sites will be safeguarded for employment use, unless it can be demonstrated that an alternative use would not be detrimental to the overall supply of land within the district. The individual districts will assess these sites through undertaking employment land reviews as part of their Development Plan Documents.*

- 3.40 *The identification of these employment sites is a matter for site specific development plan documents based on detailed local assessments of the quantity and quality of the supply of employment land and the locational strategy of the CSS. The major employment sites proposed by objectors at locations removed from the three growth towns are at odds with the overall locational strategy in the CSS and are not supported by the employment policies of the Regional Plan, and this has been emphasised in a number of responses from key agencies to the alternative strategic sites consultation (which is summarised in Schedule of responses to alternative strategic sites consultation – Ref 416).*
- 3.41 *The Pulse Park Site was consulted upon as part of the alternative strategic site consultation and a number of key agencies and local residents objected to the site, citing both locational and strategic issues. Alongside a number of locational concerns the Borough Council of Wellingborough state that the concept of a single strategic office location for the whole of North Northamptonshire is in conflict with the overall CSS strategy, overwhelmingly supported by local councils & local residents, of reinforcing the network of centres and encouraging greater self sufficiency within the growth towns. Northamptonshire Enterprise Ltd, one of the key economic delivery agencies driving the Technology Realm Initiative raised concerns that such a site would distort the North Northamptonshire market and may impact on both county and regional employment land requirements.*
- 3.42 *In relation to the delivery of the employment strategy, as outlined in their response to the Submission CSS, NNDC is already working to support the CSS policy of focusing on and strengthening the key town centres in North Northants as a means of delivering strong cultural and economic hearts to the areas core towns. As part of its Spatial Investment Strategy, NNDC are preparing with partners an Economic Action Plan which will provide the strategic framework and identified actions to achieve quality employment growth and meet the targets set out in the CSS as well as identifying the required resources and partner roles for successful delivery.*

Section 4: Conclusion

- 4.1 This background paper demonstrates how the CSS is sound in respect of employment. The approaches set out are consistent with national and regional policy and contribute to a clear and locally distinctive spatial strategy for North Northamptonshire. It provides a robust, flexible and deliverable framework for the more detailed work through the districts and implementation by NNDC and other delivery agencies.

- 4.2 The largest criticism made against the CSS is that the economic forecasts underlying the sectoral distribution of jobs in North Northamptonshire are wrong. The objectors propose a radically different distribution based on a different projection method and different assumptions. Technically the method they have presented is not compatible with that used in modelling MKSM nor models used in the East Midlands region. By simply projecting forward past trends their approach does not consider the spatial strategy of the CSS, and the wider policy framework. The alternative presented, does not reflect the growth dynamics that these policies seek to achieve or the intervention and investment that they will bring about.
- 4.3 The JPU believes the CSS provides a viable strategy for creating the required number and mix of jobs to both build on existing strengths and diversify the economy on the basis of a robust and credible evidence base. This approach has been tested through consultation at Issues and Options and Preferred Options stages. The key delivery agencies in North Northamptonshire have supported the employment strategy and are already working on its implementation.
- 4.4 Policy 9 incorporates a requirement to monitor progress in meeting the job targets and any necessary adjustments to the rate of economic or housing development will be made through future reviews of the plan. Furthermore, by not including specific employment land requirements, the CSS provides the districts flexibility to allocate sites on the basis of local studies, issues and circumstances. Therefore, it is considered that the employment strategy in the CSS is sufficiently flexible to allow it to deal with changing circumstances.
- 4.5 The CSS and the background studies that have informed it recognise that its employment strategy and job growth is ambitious. However, it is considered that with the significant population growth and accompanying investment in infrastructure it is achievable. For example, the inclusion of Corby in the new East Midlands rail franchise (with a direct service to London to start in December 2008) will play a fundamental part in changing perceptions of Corby as an office location thereby contributing to reprofiling the North Northamptonshire economy and implementing the CSS.