

Joint Local Plan Review for West Dorset, Weymouth and Portland

PROTECTION OF EMPLOYMENT SITES BACKGROUND PAPER
ISSUES AND OPTIONS CONSULTATION VERSION

FEBRUARY 2017

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1. Introduction

PURPOSE OF BACKGROUND PAPER

- 1.1 This document is one of a number of background papers produced to support the West Dorset, Weymouth & Portland Local Plan Review.

LOCAL PLAN AND THE REVIEW

- 1.2 In October 2015, West Dorset District Council and Weymouth & Portland Borough Council adopted their Joint Local Plan¹. The Local Plan sets out a long term planning strategy for the area and includes detailed policies and site proposals for housing, employment, leisure and infrastructure. The adopted Local Plan is the main basis for making decisions on planning applications.
- 1.3 In his report on the examination of the Joint Local Plan², the Inspector indicated that he considered it to be *"imperative that an early review is undertaken"*. The objective of the review is to identify additional housing land capable of meeting housing need to 2036, identify a long-term strategy for development in the Dorchester area by 2021; and reappraise housing provision in Sherborne.
- 1.4 If a review is absent, or the Local Plan becomes silent or out of date because of a lack of progress, the presumption in favour of sustainable development applies and the councils would have less control in determining where development goes. Failure to undertake a review or even start it promptly would be likely to increase the risk of developers submitting planning applications at an early stage.
- 1.5 Existing employment sites and premises provide valuable opportunities for jobs close to where people live, and benefit the local economy. However there is increasing pressure for change of use from employment to non-employment generating uses. The loss of employment uses can negatively impact on the local economy.
- 1.6 This background paper provides a general overview of the issues relevant to the protection of employment sites and considers the Councils approach in light of Government Policy. It is a working document which will be updated as evidence is acquired and the consultation process proceeds.

¹ West Dorset, Weymouth & Portland Local Plan, Adopted October 2015
<https://www.dorsetforyou.gov.uk/jointlocalplan/west/weymouth>

² West Dorset, Weymouth & Portland Local Plan Inspectors Report,
<https://www.dorsetforyou.gov.uk/article/421782/West-Dorset-Weymouth--Portland-Adopted-Local-Plan-Inspectors-Report>

2. National Policy and Guidance

NATIONAL PLANNING POLICY FRAMEWORK (NPPF)

- 2.1 The Government places strong emphasis on economic prosperity and local plan led growth. However, there is also strong competition for development land, particularly from housing which also benefits from support through government policy.
- 2.2 The NPPF sets out its strategy for building a strong and competitive economy in paragraphs 18-22. Paragraph 19 states that *“The government is committed to ensuring that the planning system does everything it can to support sustainable economic growth... Therefore significant weight should be placed on the need to support economic growth through the planning system.”*
- 2.3 However, paragraph 22 requires planning policies to *“avoid the long term protection of sites allocated for employment use where there is no reasonable prospect of a site being used for that purpose. Land allocations should be regularly reviewed. Where there is no reasonable prospect of a site being used for the allocated employment use, applications for alternative uses of land or buildings should be treated on their merits having regard to market signals and the relative need for different land uses to support sustainable local communities.”*
- 2.4 Paragraph 51 advises Local Planning Authorities *“should normally approve planning applications for change to residential use and any associated development from commercial buildings (currently in the B use classes) where there is an identified need for additional housing in that area, provided that there are not strong economic reasons why such development would be inappropriate.”*

PLANNING PRACTICE GUIDANCE (PPG)

- 2.5 Paragraph: 3-042-20140306 of the national Planning Practice Guidance (PPG) states that *“although there is no formal requirement for an annual update of employment (including retail, office, manufacturing) site allocations, they should be regularly reviewed.”*

3. Evidence and research

PRESSURES ON EMPLOYMENT LAND

- 3.1 West Dorset, Weymouth and Portland are areas of exceptional natural environment which is reflected in a high proportion of the area being subject to numerous designations. Cumulatively, the effect of these designations, as well as other natural features, is to limit the options for new development. A balance has to be found in meeting demand for industrial and commercial development with maintaining and improving environmental quality, demand for other land uses and other plan policies.
- 3.2 The combination of high quality built and natural environments means that the Local Plan area is a favourite tourist destination and a popular place to live. The success of the area in this respect has caused competition for land between residential uses and other uses such as employment.
- 3.3 High residential land values coupled with low prices and rents for employment units resulting in additional pressures on employment land. Employment land developers are very often priced out of the market in preference to higher value uses. Even where this is not the case, the high demand for residential land can inflate landowner's price expectation such that it is prohibitive to employment uses even on land which is unlikely to be deemed suitable for residential development.
- 3.4 It also indirectly impacts employment land as other economic uses not traditionally thought of as employment are increasingly seeking plots and premises on employment sites as they are unable to compete with the residential land values. Historically, the area has experienced losses of employment land to residential use as premises or sites are no longer fit for purpose or alternatively as a result of the pressures on employment land.
- 3.5 The loss of employment land could generate a demand for replacement land and space in addition to the demand created through growth. The problem of adequately providing for employment need whilst also addressing the issue of demand for housing is a major issue for the Local Plan. Given the various constraints and factors which limit the options for new employment development, existing employment sites could have an important role to play in supporting local economic growth.

EXISTING SUPPLY

- 3.6 Economic activity is supported by a range of existing industrial and business sites. There is a concentration of the larger (0.25ha+) employment sites in the major settlements. A number of existing industrial estates are close to town centres and residential areas, offering reasonably convenient employment opportunities and access to public transport. Some fulfil a wider strategic role such as sites related to marine industries on Portland. Many of the existing employment estates are at or near capacity. Low vacancy rates would seem to suggest a constrained supply of employment land and a limited capacity within existing employment sites to accommodate additional employment uses.

- 3.7 A supply of suitable and available premises is necessary to attract inward investment, meet current demand and allow existing businesses to expand. Local agents questioned about employment supply and demand as part of the production of the Workspace Strategy (2016) considered that generally employment land and premises availability in Western Dorset is satisfactory to meet the needs of business.
- 3.8 In order to ensure a continued supply of employment space it may be necessary to protect existing employment uses from changing to non-employment uses. However, not all sites in current employment use are suitable to meet the future needs of employers. There will be some premises that do not meet business requirements in terms of quantity, quality, location and size.

4. Previous approach

POLICY ET₁ WEST DORSET DISTRICT COUNCIL LOCAL PLAN (2006)

- 4.1 Policy ET₁ of the Local Plan related to the retention of industrial and commercial sites. It stated that:
- "Proposals which would lead to the loss of employment land and/or premises will not be permitted except where:*
- (i) the current use is causing, or if vacant or derelict the previous lawful use would cause, significant highway, environmental or amenity problems and it has been demonstrated that no appropriate viable alternative employment uses could be attracted to that site; or (ii) the mixed-use redevelopment of the site would offer important community benefits and opportunities for regeneration and it can be demonstrated that the development will not result in a significant loss of jobs in the area."*
- 4.2 The aim of this policy was to reduce the loss of land currently in employment use the result of which can increase commuting and unemployment. Policy ET₁ was implemented to retain a range of employment sites. The definition of employment used by the policy generally did not take into account job generating non B class uses.

POLICY E₂ WEYMOUTH AND PORTLAND LOCAL PLAN (2005)

- 4.3 Policy E₂ of the Local Plan sought to retain existing employment sites and premises. It stated that:
- "Proposals that would lead to the loss of existing employment land or premises will be considered against the following criteria:*
- (i) whether the site is required in order to maintain an adequate supply of serviced sites / available premises and a range and choice of such sites / premises that satisfy modern business requirements;*
 - (ii) the availability of evidence to demonstrate that meaningful efforts have been made to secure alternative employment uses or the redevelopment of the site for employment purposes;*
 - (iii) the site's suitability for continued employment use in terms of its location relative to the main highway network, its accessibility by transport other than the private car, and its location in relation to residential areas;*
 - (iv) whether the proposal would lead to the reuse of a building of historic interest;*
 - (v) the impact of the existing employment use upon the living conditions of neighbouring residents".*

DEVELOPMENT OF POLICY ECON₂ AND ECON₃ WEST DORSET, WEYMOUTH AND PORTLAND LOCAL PLAN 2015

- 4.4 As set out above, both the previous local plans contained policies to protect their existing employment land. In spite of these quite restrictive policies both areas experienced

relatively high losses of employment land. Over the period 2004/05-2009/10 in West Dorset, 9.3ha of employment land was lost. During the same period 5.5ha of employment land were lost in Weymouth and Portland.

- 4.5 The review of the policy approach and available evidence highlighted the need to ensure sufficient land of the right type was available in the right places, including the protection of existing employment sites where appropriate. However, with the publication of the NPPF national policy was clear that the long term protection of sites for employment where there was no reasonable prospect of them coming forward for the uses would be unacceptable. Similarly, consultation comments identified the need for policies to be responsive to the market.
- 4.6 Through the production of the West Dorset, Weymouth and Portland joint local plan (2015) three options were assessed:
- Option A: A restrictive approach to retention of employment sites - only employment uses permitted.
 - Option B: A permissive approach to retention of employment sites - the redevelopment of employment sites for alternative uses permitted.
 - Option C : A Mixed approach - Key employment sites identified and retained solely for employment uses but a permissive approach, with fewer restrictions, on other employment sites.
- 4.7 A restrictive approach to the retention of employment sites would ensure a future land supply for B class employment, which can include some potentially unneighbourly uses. However, it would not reflect the important contribution that other uses make to employment and the economy, and may potentially result in a detrimental impact to the viability and vitality of sites as it would not allow for a mix of uses. It could also result in the retention of premises which are no longer fit for purpose and may be more appropriate for alternative uses. This approach therefore does not represent the most effective use of land, and may result in land or buildings being left vacant.
- 4.8 A permissive approach would provide a great deal of flexibility for the reuse of employment sites but could result in an insufficient future supply of land for employment uses as they would have to compete with higher value uses such as housing for land and premises. This in turn would have a detrimental impact on the economy, but could improve access to housing, services and facilities. Even if the reuse of employment sites were limited to other economic uses, it may result in a shortage of land for the more traditional employment uses, for which it is hard to identify appropriate sites.
- 4.9 A mixed approach, identifying and protecting those sites which are considered the most important primarily for traditional employment uses, ensuring a continuing supply of suitable employment land and premises, was the approach taken forward in the plan. By allowing the consideration of other appropriate non B class uses on these key sites it is flexible enough not to stifle future growth, and can allow sites to adapt to meet changing needs. However national policy requires the assessment of employment-generating sites to consider whether they may be better used for alternative uses. Therefore, this approach allows the consideration of a wider range of alternative uses on sites considered less

important for employment. A first preference for other economic uses above residential uses will help ensure that where possible and appropriate, employment sites continue to generate jobs and make a positive contribution to the economy

- 4.10 It was felt the selected “mixed” approach would ensure a variety of locations are available for a mix of employment uses in the future while allowing for the efficient use of development land by permitting the change of use of those employment sites considered to make a less important contribution to the future employment land supply. This approach would facilitate a broad range of economic development, which is vital for the future sustainability and development of the local economy and ensure that those sites and premises which are no longer fit for purpose can be considered for appropriate alternative uses.
- 4.11 The review of the available policy and evidence also supported the provision of land to meet a range of employment needs, including those in emerging and high value sectors. It highlighted the important contribution that non B class job generating uses make to the economy. The consultation comments reinforced the need for mixed employment sites to meet a variety of requirements.
- 4.12 In recognition that jobs can be created by a number of different uses in a variety of sectors the definition of employment was broadened from the previous restrictive approach which only permitted B class uses to include other uses that provided direct, ongoing local employment.

5. Current Approach

- 5.1 The protection of existing employment sites is dealt with by policies ECON2 and ECON3 in the current local plan.

PROTECTION OF KEY EMPLOYMENT SITES: POLICY ECON2

- 5.2 Policy ECON2 seeks to identify and safeguard “key employment sites”. These sites are the larger employment sites that make a significant contribution to the employment land supply. The policy:
- Protects key sites for B class uses (light industrial, general industrial, storage and distribution)
 - Permits other employment uses which would enhance the local economy for example through higher wage rate, skill levels, job numbers or contribute to the achievement of aims and objectives identified by the Local Economic Partnership
 - Permits other employment uses that provide on-site support to other businesses though it generally does not permit retail development
- 5.3 While the policy does not allow uses that do not provide direct, on-going local employment opportunities (like residential development) the supporting text highlights that where there are recognised viability issues preventing the delivery of sites the councils will work with developers to understand and seek to address potential barriers.

PROTECTION OF OTHER EMPLOYMENT SITES: POLICY ECON3

- 5.4 Policy ECON3 seeks to safeguard other (non-key) employment sites but takes a more flexible approach to help facilitate a broader range of development. In addition to allowing economic uses the policy permits non-employment uses (including residential development) where:
- employment uses are resulting in harm to the character or amenity of the area
 - there is an over-supply of suitable alternative employment sites
 - redevelopment would not result in a significant loss of jobs
 - redevelopment offers important community benefits
- 5.5 The redevelopment for non-employment uses is only permitted where it would not prejudice the effective and efficient use of the remainder of the employment area for employment uses.

6. Reason for change

- 6.1 National policy states that "*planning policies should avoid the long term protection of sites allocated for employment use where there is no reasonable prospect of a site being used for that purpose*". It also requires that "*land allocations should be regularly reviewed*".
- 6.2 Applications for alternative uses for land or buildings should be treated on their merits having regard to market signals and the relative need for different land uses to support sustainable local communities.
- 6.3 The approach to the protection of employment sites as set out in Policies ECON₂ and ECON₃ above was largely unchallenged through the examination process. In his report on the 2016 Adopted Local Plan, the Inspector recognised that there was "*little opposition to the Councils' employment strategy*" (para 207).
- 6.4 The local plan's general approach to the protection of employment sites will ensure a variety of locations continue to be available for a mix of employment uses in the future. The approach will also allow for the efficient use of land by permitting appropriate alternative uses on those sites considered to make a less important contribution to the employment land supply or which are no longer fit for purpose.
- 6.5 However, some of the sites identified as 'key' are under pressure for development for uses that would not be supported by the policy. The review of the local plan provides an opportunity to examine our approach and evaluate the selection of "key employment sites" to refine the list whilst ensuring it remains appropriate and consistent with national policy.

7. Issues & Options Consultation

- 7.1 Sites identified as “key employment sites” will continue to be protected for B class uses and other employment uses that enhance the local economy (as set out in policy ECON2).

Figure 7.1: Key Employment Sites (see chapter 20 from the Issues and Options consultation document 2017)

TOWN	SITE
Weymouth	Littlemoor urban extension
	Mount Pleasant
Portland	Portland Port
	Southwell Business Park
	Inmosthay Industrial Estate
	Tradecroft Industrial Estate
Chickerell	Granby Industrial Estate
	Lynch Lane Industrial Estate
	Link Park
Dorchester	Poundbury Parkway Farm Business Park
	Marabout & The Grove Industrial Estate
	Poundbury West Industrial Estate
	Loudsmill
	Great Western Industrial Estate
	Railway Triangle
	Casterbridge
Crossways	Land at Crossways
	Hybris Business Park
Bridport	Vearse Farm
	North Mills Trading Estate
	Amsafe
	Dreadnought Trading Estate
	St Andrews Trading Estate
	Crepe Farm
	Gore Cross
	Pymore Mills
Beaminster	Broadwindsor Road

TOWN	SITE
	Horn Park Quarry
	Danisco Site
	Lane End Farm
Lyme Regis	Lyme Regis Industrial Estate / Uplyme Business Park
Sherborne	Barton Farm
	Hunts Depot
	Coldharbour Business Park
	South Western Business Park
Broadmayne	Roman Hill Business Park
Charminster	Charminster Farm
Piddlehinton	Enterprise Park

- 7.2 The sites in Figure 7.1 have been selected as “key” on the basis of the contribution (existing or potential) that they make to the employment land supply in the plan area. They are strictly protected to help ensure their ongoing contribution to the local economy.
- 7.3 However, the selection of a site as “key” and the controls that that designation places on the types of uses considered appropriate in those locations could, in some limited circumstances, constrain the ability to respond to local economic needs and impact on their future viability. This could particularly be a concern for sites occupied by only one firm. It is important that only those sites performing a very important role in the local economy are identified as “key” thereby justifying this extra level of protection.
- 7.4 A reduction in the number of sites identified as “key” could improve the focus and application of the policy. Sites deselected from the “key employment sites” designation would no longer be protected by Policy ECON₂. Instead, development on these sites would be considered against the criteria in Policy ECON₃.
- 7.5 As outlined, Policy ECON₃ on employment sites not identified as “key” there will continue to be a more flexible approach, where in certain circumstances non-employment uses including residential development would be considered.
- 7.6 Although not identified as “key”, other employment sites provide valuable job opportunities and contribute to the overall mix of employment land available. The loss of these sites to non-employment uses could negatively impact on the local economy, resulting in a shortfall of available sites and limiting local access to employment.
- 7.7 The approach to development on other (non-key) sites will need to continue to strike a balance between ensuring that viable employment sites contributing to the local economy are protected, whilst being flexible enough to enable sites with no reasonable prospect of employment development being developed or alternative uses.

20-i. Are there “key employment sites” listed in figure 20.1 that should no longer be given the higher level of protection afforded to “key employment sites”? Please tell us which ones and why.

20-ii. Are there any additional sites which should be added to the list of “key employment sites” listed in figure 20.1 and given a higher level of protection? Please tell us which ones and why.