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# Ashfield District Local Plan Examination

# Matters, Issues and Questions identified by the Inspectors

# Matter 4:

**Economy, retail, and town centres**

**December 2024**

**Ashfield District Council’s response to Inspectors’ Document INS03**

This document is Ashfield District Council’s response to the Matter, Issues and Questions (MIQs) identified for examination by Inspectors Mr. Philip Mileham and Mr Graham Wyatt, of the Planning Inspectorate, as published on the 30th September 2024. This is one of twelve separate papers produced to address the specific matters and issues identified on the front page.

Each response paper includes a number of references to specific evidence which has been relied upon in answering the MIQs. These reference numbers (shown as **[XXXX]**) relate directly to the Examination Library website, where all evidence is published: <https://www.ashfield.gov.uk/local-plan-examination/examination-library/>

The Inspectors’ questions are shown below in ***bold italics***.

The Council’s responses are shown in normal typeface below the Inspector’s questions.

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| --- |
| Proposed Modifications arising from the Inspectors’ MIQs are set out in grey tint boxes. |

## Issue: Whether the Local Plan has been positively prepared and whether it is justified, effective and consistent with national policy in relation to the economy, retail, and town centres.

### Relevant policies:

### S11 - Vibrant Town Centres

### SH1 -

### SH2

### SH3

### EM1

### EM2

### EM3

### EM4

### EM5

### Economy

***4.1 How has the amount of employment land identified in the plan been calculated and is it justified?***

Council’s response

4.1.1 Strategic Policy S8: Delivering Economic Opportunities identifies an employment land requirement of 81 ha between 2023 and 2040. This figure is underpinned by evidence contained within documents SEV.27, SEV.28 and BP.03.

4.1.2 In 2021 Lichfields produced an Employment Land Needs Study [ELNS, ref: SEV.28] covering the Nottingham Core HMA and Nottingham Outer HMA, which assessed the future economic development needs of eight authorities (including Ashfield District Council [ADC]) up to 2038. The purpose of SEV.28 was to provide the Commissioning authorities with an understanding of the current and potential future requirements for employment land and how this aligned with the current stock of employment land across both the Functional Economic Market Area [FEMA] and also at constituent authority level.

4.1.3 SEV.28 was prepared in the context of requirements set out in the revised National Planning Policy Framework [NPPF] published in February 2019 and the relevant Planning Practice Guidance [PPG] with regards to planning for economic development needs, as summarised in paragraphs 1.13-1.20 of SEV.28.

4.1.4 There are a variety of factors and drivers to consider when objectively assessing the business context and needs for a local economy. The study used a combination of quantitative and qualitative analysis to examine these issues in the context of the Nottingham Core and Outer HMAs and synthesised this analysis to draw overall conclusions and policy implications for long-term planning across the sub-region.

4.1.5 This was informed by a review of market trends and secondary data, as well as consultations with a number of stakeholders such as commercial agents and developers active in the area. An online Business Survey was also undertaken in November 2020-January 2021 to help gain an understanding of the current and future employment space needs of local companies (Sections 5.0 and 6.0 of SEV.28).

4.1.6 SEV.28 analysed future employment land requirements for the 20-year period 2018-2038. A number of different growth scenarios were considered to test the likely need for employment land generated over the plan period in line with the PPG. These scenarios considered the need for office and industrial (i.e. manufacturing and warehousing) floorspace, with the final requirements specified in floorspace (sqm) for office (incorporating R&D), and land (in hectares) for E-Class light industrial, B2 and B8 uses to align with the local authorities’ employment land policies in their respective adopted / emerging Local Plans.

4.1.7 The following scenarios were modelled:

* Baseline employment forecasts (**labour demand**), using Experian’s Local Market Quarterly Forecasts for September 2020 (and also a pre-Covid March 2020 projection);
* Trending-forward **past jobs growth** experienced over the long term (1997-2018);
* **Regeneration-led** econometric model, which factored in the priority sectors targeted in the D2N2’s *Spark in the UK’s Growth Engine Strategic Economic Plan - 2019-2030*. This referred to 11 priority sectors important to the D2N2 economy which require different interventions in order to effectively contribute to productivity growth.
* Estimated growth in the **local labour supply** and the jobs and employment space that this could be expected to support. This was based upon the Government’s Standard Methodology [SM] for calculating housing need; and,
* Consideration of **past trends in completions of employment space** based on Council monitoring data and how these trends might change in the future.

4.1.8 All these approaches reflect different factors and SEV.28 noted that careful consideration needed to be given as to how appropriate each was to circumstances in each of the eight districts. The report recommended that a range of qualitative factors should also be taken into account by the councils, that would typically consider the quality and demand for existing premises, the spatial distribution of supply and demand for premises, and insights from commercial property agents and local businesses.

4.1.9 Lichfields modelled a pre-Covid 19 set of Experian forecasts from March 2020 and the (then) most recent release, from September 2020. The Experian September 2020 projections suggested that Ashfield District’s economy would grow by 5,500 workforce jobs over the 20 years to 2038, somewhat lower than the +7,300 net job growth projected under the pre-Covid forecast. In translating these jobs into employment floorspace requirements, robust assumptions were made concerning which of the individual industrial sectors were likely to be predominantly located in office, industrial or warehousing space (i.e. manufacturing in B2 industrial units), with a further allowance for jobs in other non-employment sectors that typically utilise industrial or office space, such as some construction uses, vehicle repair, courier services, road transport and cargo handling and some public administration activities.

4.1.10 *Methodology*

Lichfields translated the resulting figures into employment floorspace projections applying standard employment densities (based upon the 2015 HCA[[1]](#footnote-1) Guidance on employment densities which remains the current version as of December 2024).

4.1.11 An adjustment was also made to reflect the fact that a proportion of employment floorspace will always be vacant. A range of sources[[2]](#footnote-2) suggested that a return towards the lower end of an 8-10% ‘normal’ vacancy rate typically used for ELRs represented a robust uplift going forward. As per the previous 2015 ELNS (ref: SEV.30), where a reduction in jobs was forecast (e.g. in manufacturing), the associated negative floorspace was halved in line with common methodological practice amongst ELRs undertaken elsewhere across the country. This reflects the fact that job losses at a particular company do not automatically translate into a comparable loss of floorspace (for example, due to increased automation or other efficiencies).

4.1.12 The above adjustments generated a net floorspace requirement figure for the two Experian forecasts. Other labour demand scenarios were then modelled, which included a sensitivity test projecting forward past trends in jobs growth over the longer term (1997-2018), alongside a regeneration scenario which was based upon a review of the D2N2’s previous Strategic Economic Plan [SEP]. This scenario accelerated key Experian sectors which matched with the SEP’s 3 core sectors and 8 Opportunity Sectors. The adjustments to the Experian forecasts resulted in an overall increase of 58,608 jobs to 2038 (9,008 higher than the baseline) for the 5 Core HMA districts, and an increase of 20,581 jobs (5,581 higher than the September 2020 baseline) for the three Outer HMA districts (of which 7,473 related to Ashfield).

4.1.13 In accordance with the PPG requirements[[3]](#footnote-3), SEV.28 also modelled demographically-derived assessments of current and future local labour supply (including the 481 dpa SM target for Ashfield); and past take-up of employment land and property (averaging 1,212 sqm per annum of office floorspace and 3.49 ha of industrial / distribution land per annum, net in Ashfield District). These quantitative assessments were supported by a qualitative analysis of the commercial property market.

4.1.14 The next step involved translating the net floorspace into land requirements for industrial and distribution uses by applying appropriate plot ratio assumptions. As with SEV.30, and in common with the general approach in ELRs/ELNAs prepared nationally, it was assumed that a gross area of 1 ha was required to develop 4,000 sqm of industrial or warehousing / distribution space (equal to a plot ratio of 40%).

4.1.15 To estimate the overall requirement of employment space that should be planned for allocating sites and to allow for some flexibility of provision, it is normal practice for ELRs to add an allowance as a safety margin for factors such as delays in some sites coming forward for development. In this instance, a 2-year margin based on two years of average gross take-up was considered to be an appropriate level relative to the estimated scale of the original requirement. For Ashfield District, this resulted in an additional 2,424 sqm of office floorspace and 6.99 ha of industrial/warehousing land being added onto the net requirement, for all of the scenarios.

4.1.16 Factoring in a safety/flexibility factor should help alleviate any future land shortages if future demand is greater than forecast. Such flexibility is sensible given the uncertainties in the forecasting process and the scope for delays in developing employment space. This approach represents common practice and has been accepted in ELRs at Examination previously with examples including Warrington, St Helens, Calderdale, Doncaster and Stockton-on-Tees, with safety/flexibility margins ranging from two to five years.

4.1.17 Finally, to convert the net requirement for employment space into a gross requirement (the amount of employment space or land to be allocated), an allowance was made for some replacement of losses of existing employment space that may be developed for other, non- B-Class, uses in future.

4.1.18 This was intended to provide some protection against the erosion of employment space over the plan period and provide added flexibility as required by the NPPF[[4]](#footnote-4). Again, this is a widely accepted approach in planning for future employment land needs.

4.1.19 SEV.28 noted that determining an appropriate scale of re-provision was a judgement for the councils to make to align with their particular economic growth and strategic policy considerations. SEV.28 recommended that in ADC’s case, it may be appropriate for the past trend losses of 8,934 sqm per annum to be projected forward over the plan period. This would equate to around 27 ha between 2018 and 2038. This is above the 23 ha that the Council’s Strategic Housing and Economic Land Availability Assessment [SHELAA] had already identified as being suitable for release.

4.1.20 *Results of the Modelling and Conclusions*

In summary, SEV.28 reported that Ashfield District’s net employment land needs ranged from 23,898 sqm of office floorspace and 46.71 ha of industrial / warehousing land under the 2014-based SNPP labour supply scenario, up to 37,224 sqm of office and 118.9 ha of industrial land based on the Past Take Up scenario.

4.1.21 The report concluded that for Ashfield District there was an imbalance in the (2018) supply of employment land, at 75 ha, when set against the past take up scenario (119 ha gross):

“*This take up figure is likely to have been inflated by some very large B8 distribution sites coming forward most notably the Amazon Distribution depot at Summit Park for c. 19 ha in 2019/20. The econometric / labour supply modelling, which does not factor in the needs of large scale B8, suggests that a lower level of need equal to between 47- 58 ha could be required for light/general industrial and B8 distribution. If the Outer HMA authorities are to grasp the opportunity offered by B8 strategic distribution, Ashfield has a number of sites in close proximity to M1 junctions which could be considered ideal to accommodate this key growth sector.*

*4.1.22 As discussed above, Lichfields modelled a sensitivity test for Ashfield District, given that the Council provided data on take-up and losses stretching back to 2000/01. If data over the medium term is used instead, this would point to a lower level of need, between 3,385 sqm and 23,389 sqm for office floorspace, and between 35.03 ha-92.25 ha. This appears to be a closer fit to the current supply (70 ha), although there would still be a shortfall at the upper end of the range. The extent to which the Council may wish to take this range into consideration as part of their Local Plan policy for employment land would be for them to justify*.” [SEV.28, pages 223-224]

4.1.23 *Updating the analysis in the Background Paper 3 – Economy and Employment Land*

The modelling work in SEV.28 was partially updated by the report’s authors in October 2023 (in BP.03) to reflect new data relating to past take up and losses, as well as a shortened time period of 2023-2040 (rather than 2018-2038) to align with the emerging Local Plan. The analysis also took into account a request by ADC to modify the time period of the past take up scenario, which was shorted to align with the time period used for the other seven Nottinghamshire districts (2011/12-2022/23). ADC also requested that a lower level of loss replacement (50% rather than 100%) be applied to reflect the reality that a substantial element of past losses related to regenerated coal mine sites and traditional textile factory sites which are no longer available.

4.1.22 Table 1.1 below summarises the implications of these changes for each scenario. Unsurprisingly, the consequences of reducing the loss replacement allowance (from 42.03 ha to 11.26 ha for industrial land, and from 10,560 sqm of office to just 737 sqm) and narrowing the Plan period from 20 years to 17 years (with a later base date that excludes much of the growth between 2018-2023) were much lower employment land requirements across all of the scenarios.

Table 1.1 Gross Floorspace / Land Requirements for Ashfield District (including flexibility factor and losses) for 2018 to 2038

|  |  |  |  |
| --- | --- | --- | --- |
| **Scenario** | **Stage** | **2021 ELNS (2018-2038)** | **2023 Update (2023-2040)** |
| **Office (sqm)** | **Total Industrial (ha)** | **Office (sqm)** | **Total Industrial (ha)** | **ALL EMPLOYMENT LAND** |
| **1) Experian September 2020 Baseline** | Net | 10,914 | -2.31 | 6,626 | -0.76 | 0.90 |
| Flexibility | 2,424 | 6.99 | 73 | 7.30 | 7.32 |
| Loss | 10,560 | 42.03 | 737 | 11.26 | 11.44 |
| Gross | **23,898** | **46.71** | **7,436** | **17.80** | **19.65** |
| **2) Experian March 2020** **Baseline** | Net | 10,741 | 7.06 | 4,185 | -4.52 | -3.48 |
| Flexibility | 2,424 | 6.99 | 73 | 7.30 | 7.32 |
| Loss | 10,560 | 42.03 | 737 | 11.26 | 11.44 |
| Gross | **23,725** | **56.08** | **4,995**  | **14.04** | **15.28** |
| **3) Regeneration Scenario** | Net | 20,972 | 5.00 | 15,778 | 5.35 | 9.30 |
| Flexibility | 2,424 | 6.99 | 73 | 7.30 | 7.32 |
| Loss | 10,560 | 42.03 | 737 | 11.26 | 11.44 |
| Gross | **33,956** | **54.01** | **16,588** | **23.91** | **28.06** |
| **4) 2014-based SNPP** | Net | 13,781 | 4.54 | 4,267 | -6.39 | -5.32 |
| Flexibility | 2,424 | 6.99 | 73 | 7.30 | 7.32 |
| Loss | 10,560 | 42.03 | 737 | 11.26 | 11.44 |
| Gross | **26,765** | **53.56** | **5,077** | **12.17** | **13.44** |
| **5) Current SM (481 dpa / 446 dpa)** | Net | 15,456 | 8.55 | 5,558 | -3.31 | -1.92 |
| Flexibility | 2,424 | 6.99 | 73 | 7.30 | 7.32 |
| Loss | 10,560 | 42.03 | 737 | 11.26 | 11.44 |
| Gross | **28,440** | **57.56** | **6,368** | **15.25** | **16.84** |
| **6) Past Take Up Rates** | Net | 24,240 | 69.88 | 623 | 62.06 | 62.22 |
| Flexibility | 2,424 | 6.99 | 73 | 7.30 | 7.32 |
| Loss | 10,560 | 42.03 | 737 | 11.26 | 11.44 |
| Gross | **37,224** | **118.90** | **1,433** | **80.62** | **80.98** |

Source: BP.03, Table 37

4.1.23 On this basis, the updated local need for employment land requirements based on the labour demand and labour supply scenarios range from 13.44 ha to 28.06 ha (converting office floorspace to land by applying a plot ratio of 40%). The past take up rate scenario identified a higher figure of 81 ha which would suggest that this is at least partly influenced by the ‘bigger than local’ regional demand for logistics. In these circumstances, it was considered that the Council needed to go beyond the labour demand and labour supply figures.

4.1.24 The 81 ha past take up figure has been taken forward by the Council in its emerging Local Plan. This represents the upper end of the modelling range in BP.03.

4.1.25 It reflects the Council’s desire to set out a clear economic vision and strategy which positively and proactively encourages sustainable economic growth as required by the NPPF (2023). The incorporation of a margin for choice and loss replacement also provides the flexibility required to accommodate needs not anticipated in the plan [NPPF paragraph 86d].

4.1.26 A number of large distribution sites have come forward for development in recent years, totalling around two thirds of the total employment land that came forward over that time. At a basic level therefore, it might be expected that applying this ratio to the 81 ha target would suggest that around 27.5 ha of land would meet ‘indigenous’ needs arising from within Ashfield, and at least 53.5 ha of land would be required to contribute towards wider strategic needs. The 27.5 ha local needs figure is closely aligned with the Regeneration Scenario’s total figure of 28.1 ha.

4.1.27 The 27.5 ha local needs take up figure is above the 16.84 ha that would be required based on the current SM2 figure of 446 dpa. This scenario represents the employment land needs of the local labour supply. However, the Council considers that planning for a higher employment land figure will help ensure a choice of employment land supply by size, type, location and quality of sites and premises for businesses, and maximising future job opportunities for the local workforce (including those who may currently commute elsewhere).

*4.1.28 Nottinghamshire core and outer HMA logistics study 2022 (Logistics Study)*

The Logistics Study was commissioned by the constituent authorities of the HMA area being Broxtowe, Rushcliffe, Nottingham City, Gedling, Erewash, (Core) plus Newark & Sherwood, Ashfield and Mansfield (Outer) HMA. The purpose being, inter alia, to “*Forecast future need, demand and growth in the strategic distribution/ logistics sector in the Study Area to 2040*”.

4.1.29 Strategic logistics occupiers are defined as those requiring sites of 9,000 sqm+ (approximately 100,000 sqft). These occupiers, providing distribution services for businesses and consumers, typically have larger than local authority areas of search, spanning HMAs/FEMAs or property market areas. Whist critical components of the economy, their requirements can be underestimated or simply not identified in local economic needs assessments as they are not readily captured in local labour demand, supply or take up data. The cross authority HMA-wide nature of the Logistics Study is necessary to capture the sub regional nature of occupier requirements.

4.1.30 A starting point for the Study is that demand is high for logistics space and has been undersupplied in the study area overall in the past, largely due to Green Belt policies along the M1. This is evident by high take up and low vacancy rates. Delivery rates are low compared to surrounding HMA/FEMAs (such as Leicestershire).

4.1.31 The Study identifies the future need for logistics space using several methodologies (each including a margin), being:

Labour demand projections: not considered suitable for this strategic study given the difference between outcomes and market signals – also given the weakening relationship between jobs and floorspace not least due to replacement space requirements.

* Past completions trend: considered to be excessively influenced by historic supply-side constraints
* Net absorption (floorspace take up) trends: also considered excessively constrained by past trends as represented by persistent low availability levels, despite some attempts to input compensation adjustments on low availability.
* Traffic growth model (future freight forecast translated to floorspace need) plus replacement demand (replacement of older floorspace): the upper end of this model is recommended, because it reflects the need to replace much of the aged strategic stock in the study area. Requirement is 1.3m sqm.
* Market signals model using localised M1 J24-28 take up as well as considering an enhanced take up in the study area compared to wider geographies (North Nottinghamshire / Leicestershire). Requirement at 1.5 m – 1.8m sqm

4.1.32 The Study recommends a need ranging from 1.3m sqm (traffic growth / replacement demand upper end) up to 1.5m sqm (market signals lower end). In particular, these models help to overcome some of the historic undersupply constraints. Of these, the 1.5m sqm figure was recommended given the strength of market indicators.

4.1.33 *Logistics Study implications for Ashfield District*

Taking into account committed supply at 2022 in the Logistics Study, the residual need was estimated at 335 ha; taking into account draft allocations (including in Ashfield District) alongside submitted applications, the residual unmet need fell to 172 ha. The Study also notes that some of the need may be met through the redevelopment of existing logistics or other large manufacturing sites, further reducing the requirement by between 10% and 20%.

4.1.33 The 2023 *Strategic Distribution and Logistics Sites Background Paper* prepared by the Greater Nottingham Planning Partnership[[5]](#footnote-5) seeks to update the demand and supply assumptions in the Logistics Study. It states that the residual need for strategic logistics is now **163 ha** after taking into account ‘known commitments’, and that this **falls to between** **131 and 147 ha with the 10-20% recycling of existing sites**.

4.1.34 The ‘known commitments’ include Ashfield’s Junction 27 M1 North East 18.4 ha and Junction 27 South East 22.5 ha draft allocations. These are therefore assumed to be contributing in full to the strategic need (rather than meeting any local need). The shortfall on HMA-wide logistics need exists after including these sites. In addition to the draft allocations in Ashfield, a number of other permissions and allocations in Ashfield have been considered to contribute to strategic need amounting to c20 ha. This includes Castlewood Business Park, West of Fullwood and Harrier Park (see Appendix 1, Table A of the 2023 *Strategic Distribution and Logistics Sites Background Paper*).

4.1.35 In Ashfield, data indicates that strategic sites make up part of the past delivery trends and, of the 81 ha of Local Plan supply, this is made up of approximately 27.5 ha for local needs and 53.5 ha for strategic B2/B8. It is reasonable to consider that this past delivery pattern would continue over the remainder of the Plan period and that in fact, demand for logistics is likely to continue to exceed supply. Ashfield could therefore seek to make a greater contribution to strategic needs given that there remains an ongoing undersupply for strategic sites across the HMA as a whole based on the latest data.

4.1.36 Most recently, the Greater Nottingham Strategic Plan evidence base includes the *Employment Background Paper* (September 2024)[[6]](#footnote-6). This **continues to find a shortfall of 78 ha - 94 ha** even after including the Ashfield Junction 27 M1 North East and South East allocations. This again reinforces the importance of Ashfield District’s role in meeting a substantial share of the sub regional need. The Employment Background Paper (September 2024) also noted that “*further sites may come forward in adjoining authorities including, for example, land adjoining East Midlands Airport”;* however, this sits outside of the FEMA and without declaring an unmet need there is no expectation that adjoining FEMAs will contribute towards meeting the Nottinghamshire Core/Outer HMAs’ requirements.

***4.2 Are the employment site allocations detailed at Policy EM2 deliverable?***

Council’s response

4.2.1 Yes, the proposed employment site allocations are deliverable, as defined in the NPPF in relation to housing sites. Further detail on individual proposed allocations is provided in the evidence base. There are 11 proposed allocations in Policy EM2. Six of these are assessed in the Employment Land Needs Study (SEV.28). The other five were not reviewed in the Employment Land Needs Study (SEV.28) however those sites were assessed in the SHELAA (SEV.20).

***4.3 Is the evidence base in the Employment Land Forecasting Study (SEV.30) and the Employment Needs Study (SEV.28) sufficiently up to date? Are the forecasts still robust?***

Council’s response

4.3.1 Yes.The Employment Land Forecasting Study [ELFS, ref: SEV.30] was prepared by Lichfields in August 2015 and provided evidence on economic prospects and employment land forecasts for the Nottingham Core HMA and the Nottingham Outer HMA. The study formed part of the evidence base for the emerging development plan documents of the eight commissioning authorities, helping to identify future employment land needs and guiding economic development over the period 2011 to 2033. Job forecasts from Experian’s December 2014 quarterly release were employed.

4.3.2 SEV.30 was updated and effectively superseded by SEV.28, which worked to a new plan period of 2018-2038 and used new forecasting data and completions/losses information.

4.3.3 SEV.28 used a range of scenarios to forecast employment land needs, including Experian’s March 2020 and September 2020 econometric job forecasts for the study area. Experian’s UK Regional Planning Service [RPS] forecasting data modelling is widely used by local authorities and planning consultancies nationwide when modelling employment land needs. Whilst there will be inevitably be fluctuations in the forecasts over time, Experian’s model has been developed and refined over many years to reflect new developments, improvements in data availability and enhancements to the model’s operation and functionality.

4.3.4 Data inputs into the RPS are taken from official sources, primarily the Office for National Statistics [ONS], utilising data sources such as the UK National Accounts, BRES and ABI. The model is an econometric model, meaning it is estimated based on historical data and the relationships between variables. It uses an input-output methodology to understand the relationships between different components of the economy and therefore the inter-relatedness of elements of the economy.

4.3.5 The local authority model is run separately for the local authorities in each region and takes the regional forecast as given. Accordingly, local forecasts are constrained to the regional forecasts of the parent region. Experian’s local model is based on the resolution of demand and supply for labour and it takes into account commuting between local areas within a region and across the regional boundary.

4.3.6 A key element of the model involves estimating the demand for labour. The model assumes that demand for jobs at the local level is fastest in those industries which are performing best at the regional level. Total demand for jobs at the local level also depends on its industrial structure. Those local areas which have a more than proportionate share of the best performing industries will perform best overall.

4.3.7 SEV.28 was produced during the Covid pandemic (Winter 2020/Spring 2021), when there was very considerable economic uncertainty. Experian’s Data Guide for September 2020 (Appendix 8 to SEV.28) states the following:

*“Lockdown measures have been easing in recent months. Since August 1st many leisure settings have reopened. Social distancing has been eased, and where it is not possible to maintain two metres, one metre plus is to be kept instead. However, new restrictions introduced could see suppression measures intensify. Whilst considerably looser than the measures introduced in March, it is yet unclear how much this will drag on growth. UK output could rebound more durably if measures follow a risk -mitigation strategy surrounding Covid-19, and more quickly than in our base case if consumer confidence responds positively, facilitating a greater than projected rise in household spending.”* [page 14]*.*

#### 4.3.8 March 2020 and September 2020 RPS data

As set out in SEV.28 (paragraph 8.11), the study used the most recent macro-economic forecasts for the study area released by Experian at the end of September 2020. The forecasts assumed that the recovery would follow a delayed-V shape, with a substantial drop in output in Q2 2020 as economic activity was highly restricted due to lockdown measures.

4.3.9 As a sensitivity, a further scenario was run that mirrored the approach taken for the baseline scenario using the later forecasts, but instead of using Experian’s September 2020 model run, it used the equivalent from 6 months earlier. This was pre-Pandemic and factored in a more optimistic economic outlook, not just over the short term to 2024, but over the whole of the Plan period to 2038.

4.3.10 A comparison between the two sets of data is presented in Table 1.2. It is apparent that for every district, the March 2020 Experian econometric projections forecast a much higher level of growth, equal to 9,100 additional jobs across the Core HMA and 4,100 jobs across the Outer HMA (including +1,800 additional jobs for Ashfield).

Table 1.2 Workforce Jobs Growth for the Nottingham Core/Outer HMAs and comparator areas

|  |  |  |
| --- | --- | --- |
|  | **Experian September 2020 Projections 2018-2038** | **Experian March 2020 Projections 2018-2038** |
| Net Jobs Growth | CAGR | Net Jobs Growth | CAGR |
| **Nottingham Core HMA TOTAL** | **49,600** | **0.596%** | **58,700** | **0.698%** |
| Ashfield District | 5,500 | 0.447% | 7,300 | 0.585% |
| Mansfield District | 3,400 | 0.377% | 4,500 | 0.492% |
| Newark & Sherwood District | 6,100 | 0.516% | 7,300 | 0.612% |
| **Nottingham Outer HMA TOTAL** | **15,000** | **0.452%** | **19,100** | **0.569%** |
| *East Midlands* | *242,620* | *0.490%* | *297,410* | *0.595%* |
| *UK* | *4,022,070* | *0.544%* | *4,161,530* | *0.562%* |

Source: Experian UK Macro Economic Forecasts September 2020 / March 2020

4.3.11 When translated by Lichfields into employment land requirements (making adjustments for vacant units, losses and margin of choice), the Experian September 2020 Baseline generated a requirement for 23,898 sqm of office floorspace and 46.71 ha (gross) of industrial land. In contrast, the March 2020 Experian Baseline generated a requirement for 23,725 sqm of office floorspace and 56.08 ha (gross) of industrial land – hence a reduction in the need for office space, but an increase of around 10 ha of industrial / warehousing land.

4.3.12 As set out above, BP.03 revisited some of the assumptions underpinning the modelling in SEV.28, using more up to date information on past take up and losses. Although a new timeframe was modelled (2023-2040) new job forecasts were not modelled.

#### 4.3.13 Implications of the latest September 2024 Experian RPS data

Over three years have now passed since the SEV.28 report was produced and there have been significant macro-economic changes since the September 2020 projections were issued by Experian. Experian’s RPS data is generally re-issued quarterly, with the most up to date forecasts comprising the September 2024 update. This release has taken into account a range of risks including uncertainty over energy prices; escalation of the conflict in the Middle East; uncertainty over the war in Ukraine, weakness in the Chinese economy and a new government in the UK.

4.3.14 The latest forecasts for Ashfield District point to higher levels of future growth compared to the position considered in September 2020. As can be seen in Figure 1.1, the new September 2024 projections show that Experian revised their job figures for 2019 and 2020 to indicate that the peak in growth was delayed by three years, whilst the fall was not as precipitous as their September 2020 forecast had expected might be the case due to the pandemic.

4.3.15 Furthermore, between 2018 and 2023 Ashfield District’s economy grew by 6,300 jobs, significantly higher than the +3,700 forecast by the March 2020 iteration. Whilst the new projections factor in the cost-of-living crisis, energy crisis, war in Ukraine and the Middle East – resulting in a modest dip between 2023 and 2024 – overall this is not sufficient to dampen growth in the longer term which is now forecast to total **+4,400 between 2023 and 2040**, compared to +4,700 based on the September 2020 projection and +3,700 in the pre-Covid March 2020 model:

Figure 1.1 Comparison of Experian Job Forecasts for Ashfield District 2023-40



Source: Experian March 2020 / September 2020 / June 2024 / Lichfields analysis

4.3.16 The sectors likely to experience growth have also changed to some degree. As can be seen from Table 1.4, the net increase in office jobs is much reduced (albeit from a low base), whilst the net decrease in B2 industrial jobs is less pronounced than in the earlier forecasts. The growth in both light industrial, B8 warehousing and Non B Class jobs is similar to the two earlier projections.

4.3.17 Overall, whilst there is still forecast to be a loss of B Class jobs overall (of -1,010 over the Plan period 2023-2040), this is less pronounced than the level envisaged in the September 2020 projection and notably the March 2020 iteration.

Table 1.3 Forecast workforce jobs change in Ashfield District 2023-2040 – Experian

|  |  |  |  |
| --- | --- | --- | --- |
| **Use Class** | **March 2020** | **September 2020** | **September 2024** |
| Office\* | 310 | 491 | 90 |
| Light Industrial\*\* | 154 | 144 | 215 |
| B2 General Industrial\*\*\* | -2,415 | -2,218 | -1,696 |
| B8 Warehousing\*\*\*\* | 212 | 367 | 382 |
| Non B Class Jobs | 5,439 | 5,916 | 5,410 |
| **Total Office/Industrial/Distribution** | **-1,739** | **-1,216** | **-1,010** |
| **Jobs in All Sectors** | **3,700** | **4,700** | **4,400** |

Source: Experian March 2020 / September 2020 / Experian September 2024 / Lichfields Analysis.

\* includes a proportion of public sector employment and administration & support services

\*\* includes some manufacturing, vehicle repair and some construction activities

\*\*\* includes manufacturing and some construction/utilities

\*\*\*\* includes elements of transport & communications sectors

4.3.18 Applying the same assumptions re: losses, margin etc, then the overall industrial land requirement is around 3.65 ha higher than the September 2020 scenario, and 7.41 ha higher than the March 2020 Experian scenario (see Table 1.4). The office floorspace requirement is, however, much lower, between -2,971 sqm and -5,412 sqm below the earlier Experian scenarios.

Table 1.4 Ashfield District Gross Employment Land Comparisons 2023-2040

| Scenario |  | **Offices / R&D (sqm)** | **Total Industrial (ha)** | **ALL (ha)** |
| --- | --- | --- | --- | --- |
| **1) Experian September 2020 Baseline** | Net | 6,626 | -0.76 | 0.90 |
| + Flexibility Factor | 73 | 7.30 | 7.32 |
| + Loss Replacement | 737 | 11.26 | 11.44 |
| **GROSS** | **7,436** | **17.80** | **19.65** |
| **2) Experian March 2020 Baseline** | Net | 4,185 | -4.52 | -3.48 |
| + Flexibility Factor | 73 | 7.30 | 7.32 |
| + Loss Replacement | 737 | 11.26 | 11.44 |
| **GROSS** | **4,995** | **14.04** | **15.28** |
| **3) Regeneration Scenario** | Net | 15,778 | 5.35 | 9.30 |
| + Flexibility Factor | 73 | 7.30 | 7.32 |
| + Loss Replacement | 737 | 11.26 | 11.44 |
| **GROSS** | **16,588** | **23.91** | **28.06** |
| **Experian September 2024 Baseline** | Net | 1,214 | 2.90 | 3.20 |
| + Flexibility Factor | 73 | 7.30 | 7.32 |
| + Loss Replacement | 737 | 11.26 | 11.44 |
| **GROSS** | **2,024** | **21.45** | **21.96** |
| **Regeneration Scenario using Experian September 2024 baseline** | Net | 12,045 | 13.94 | 16.95 |
| + Flexibility Factor | 73 | 7.30 | 7.32 |
| + Loss Replacement | 737 | 11.26 | 11.44 |
| **GROSS** | **12,855** | **32.49** | **35.71** |

Source: EMP2 Table 8.39 / Experian September 2024 / Lichfields Analysis

4.3.19 The overall requirement under this updated scenario would therefore be for 2,024 sqm of office floorspace and 21.45 ha of industrial land (21.96 ha in total if the office floorspace is translated into land using a 40% plot ratio).

4.3.20 As noted in the response to Q4.1, the Regeneration Scenario was founded on the September 2020 Experian forecast, with SEP core and opportunity industrial sectors uplifted. Applying the same assumptions to the new Experian projections would result in a modest increase on the new baseline, up to 12,855 sqm for office and 32.49 ha for industrial (35.71 ha in total).

#### 4.3.21 Ongoing Soundness of the Approach

In terms of what this means for the soundness of the projections used in SEV.28, clearly these were point-in-time forecasts produced by Experian, one of the UK’s leading independent forecasters. The subsequent macro-economic shocks may have suppressed certain sectors going forward, but in general the September 2020 projections under-estimated the extent of growth between 2020 and 2023 (due to the uncertainties associated with the pandemic), even if the trajectory between 2023 and 2040 is of a broadly similar magnitude to the latest forecasts from Experian.

4.3.22 This does not mean that the findings of SEV.28 or BP.03 are necessarily out of date. The two reports ran a series of scenarios for Ashfield including labour supply forecasts and past completions that resulted in a wide range of growth needs being identified in the conclusions of the report. BP.03’s range was between 1,433 sqm and 16,588 sqm of office floorspace between 2023 and 2040, and between 12.2 ha and 80.6 ha of industrial land (with the upper end of the range comprising the past take up rates scenario).

4.3.23 Even with the new forecasts, although the office floorspace requirements have declined considerably, the industrial land requirement has increased (predominantly due to a lower fall in manufacturing jobs), whilst the resultant industrial land requirement ranges from 21.5 ha to 81 ha if the latest Experian forecasts are used (comprising the lower end of the range). In any case, the 81 ha informing the Local Plan target was based on the past take up scenario, which remains unchanged.

***4.4 The projections in the Employment Needs Study (SEV.28) are between 2018-2038. How does this correlate with the plan period?***

Council’s response

4.4.1 SEV.28, produced in May 2021, identified six scenarios for the period 2018 to 2038 to indicate the broad scale and type of employment growth arising from different approaches to modelling. This was consistent across all eight of the commissioning authorities. Subsequently, ADC decided to pursue a Plan with a time period of 2023-2040.

4.4.2 To ensure that its evidence base aligned with the Council’s Local Plan time horizon, Lichfields was asked by the Council to revisit its earlier modelling in SEV.28 and extend the employment land requirements for an additional two-year period to 2040 (and a revised base date of 2023).

4.4.3 This reduced the overall timeframe from 20 years to 17. As can be seen from Figure 6 of BP.03, this had a significant increase in the net job growth for both the Experian March 2020 and September 2020 econometric scenarios. This is because the previous base date of 2018 occurred at a trough in the job market when the number of people working in Ashfield District had dipped, ahead of stronger growth in the years that followed (notwithstanding the economic shock of the Covid-19 pandemic). By 2023, the job market had largely recovered under both scenarios.

4.4.4 As a result, the net job growth between 2018 and 2038 totalled +7,300 for the (pre-Covid) March 2020 projections, and +5,500 for the September 2020 projections. By shifting the period to 2023-2040, this reduces the net job growth to +3,700 for the March 2020 projection and +4,700 for the September 2020 projection. This has a corresponding knock-on effect on B-Class job growth, with the March 2020 Experian forecast projecting a loss of -1,739 B-Use Class jobs to 2040 (compared to -714 2018-38) and the September 2020 Experian forecast projecting a loss of -1,547 B-Use class jobs (compared to -1,216 2018-38).

4.4.5 The consequence of narrowing the Plan period from 20 years to 17 years (with a later base date that excludes much of the growth between 2018-2023), aligned with other changes to the methodology detailed above, is much lower employment land requirements across all the scenarios. The Council’s preferred scenario, Past Take up, identified a requirement of 81 ha in total over this shortened time period 2023-2040. This is the figure that has been incorporated into the emerging Local Plan.

***4.5 Is there clear evidence that past take-up rates of employment land with particular regard to logistics, will continue over the plan period?***

Council’s response

4.5.1 Yes. Both SEV.28 and BP.03 analysed past take up rates for both local and strategic employment land over the long and medium terms for Ashfield District. As can be seen in Figure 1.2 below, take up has grown substantially since 2017/18, partly due to the delivery of strategic logistics sites such as Summit Park (Amazon) which delivered 19.3 ha in a single year (2019/20). Overall, over the past 12 years, gross take up has averaged around 5 ha per annum (3.66 ha net once losses have been deducted).

4.5.2 The past take up scenario in SEV.28, which was updated with an extra three years’ worth of completions data in BP.03 (and an average taken over the medium rather than the longer term), was modelled on the basis that this trend would continue at a similar rate over the remainder of the plan period.

Figure 1.2 Gross Past Take Up Rates for Employment land in Ashfield District 2011/12-2022/23



Source: ADC Officers / BP.03 / Lichfields analysis

4.5.3 ADC’s view is that the evidence suggests that the annual net completion figure of 3.66 ha (with an adjustment of loss replacement and a margin of flexibility) remains an achievable benchmark going forward. According to ADC’s latest Employment Land Monitoring Report (April 2023) there were two sites with significantly sized employment units on allocated sites that had extant planning permission and/or were under construction at the time of the base date for the modelling (2023):

Castlewood Grange Business Park, Plot 10 consent granted for E (g) (iii), B2 and B8 comprising 7,124 sqm on a plot of **2.375 ha**. (V/2021/0621). The unit was under construction.

West of Fulwood has permission on Plot 4, Export Drive, Huthwaite has planning consent for the construction of a warehouse including ancillary offices, totalling 17,706.5 sqm (approximately **4.45 ha** available).

The West of Fulwood site would comprise strategic B8 logistics given the size of the unit. These two developments would see a total of 6.825 ha come forward.

4.5.4 It is clear that there remains a healthy pipeline of sites and demand remains strong for industrial and warehousing units in particular. The Council has allocated a wide range of employment sites across all size categories, for office, industrial and warehousing in areas attractive to the market to ensure this continues, and to support the wider growth and regeneration of the District.

4.5.5 The Council remains confident that the scale of need defined by the past take up scenario (81 ha) over 17 years to 2040 represents an appropriate requirement and that this is supported by market intelligence and recent applications/completions.

4.5.6 The Nottinghamshire Core and Outer HMA Logistics Study 2022 also provides market analysis and outlook for the logistics sector looking forward. This includes a property market review (Chapter 3) which identifies low vacancy rates and high levels of take up and rental growth across the HMA and beyond. The study recommends an increase in provision of large scale logistics space compared to the past, when the market has been continually undersupplied. Taking into account the current supply of space (at 2023 as set out in the *Strategic Distribution and Logistics Sites Background Paper* prepared by the Greater Nottingham Planning Partnership and 2024 in the *Greater Nottingham Strategic Plan Publication Draft: Employment Background Paper* September 2024 [[7]](#footnote-7)) there will be on ongoing shortfall of space across the HMA for the Plan period and therefore any committed supply is expected to see strong demand from occupiers.

***4.6 What are the implications if the scale of employment land identified in the plan is taken up? Will there be sufficient labour to fill the local jobs anticipated, or will it result in additional in-commuting from outside the District?***

Council’s response

4.6.1 The Local Plan target of 81 ha over the plan period 2023-2040 is derived from the past take up scenario set out in BP.03. As set out in that document (see pages 98-99), based on the characteristics of completions in recent years in Ashfield District, much of this demand has been for ‘big box’ strategic logistics, which tends to draw its occupiers from a relatively wide area that could extend out towards the rest of the Outer HMA defined as the districts of Ashfield, Mansfield and Newark upon Sherwood.

4.6.2 BP.03 suggested that of the 81 ha requirement, at a basic quantitative level, around 27.5 ha of land would be required for ‘indigenous’ needs arising from within Ashfield, and at least 53.5 ha of land would be required to meet wider strategic needs. However, whilst the 53.5 ha may be addressing a commercial need for ‘bigger than local strategic logistics or industrial uses, drawing occupiers from a wide catchment, this does not necessarily mean that employees will also come from that same wider market area.

4.6.3 The 27.5 ha local needs figure is closely aligned with the Regeneration Scenario’s total figure of 28.06 ha, but is above the 16.84 ha that would be required based on the current SM2 figure of 446 dpa.

4.6.4 This represents the employment land needs of the local labour supply excluding strategic logistics needs, which extend across the much wider FEMA. However, as set out in BP.03, ADC considered that planning for this higher figure will help to ensure a choice of employment land supply by size, type, location and quality of sites and premises for businesses, and maximising future job opportunities for the local workforce (including those who may currently commute elsewhere).

4.6.5 In terms of whether there will be sufficient labour in Ashfield District to take up these new job opportunities, or whether it would result in an influx of in-commuting from elsewhere, this is difficult to quantify but the Council’s approach is intended to address some underlying weaknesses in Ashfield’s economy.

4.6.6 There may be some increase in net in-commuting to take up some of the new employment opportunities (particularly to some of the highly accessible sites in close proximity to the strategic road network), but generally ADC’s strategy is to make better use of the existing under-used capacity of its resident labourforce.

4.6.7 As set out in the emerging Local Plan:

“*From Ashfield’s perspective, place making is regarded as having a key role within the plan and it is important to improve productivity, to upskill local people and our connectivity*” [paragraph 1.56].

4.6.7 This aspiration of upskilling local residents, boosting productivity and by extension, reducing worklessness, is supported by the latest data from the ONS Annual Population Survey[[8]](#footnote-8). This indicates that:

* Ashfield has higher levels of unemployment (3,100 residents, at 4.9%) than both the regional (4.1%) and national (3.7%) rates;
* Ashfield has lower numbers of economically active residents than comparable areas, with just 77.8% of residents aged between 16-64 being economically active compared to 79.1% across the East Midlands and 78.4% nationwide. In total, there are 17,600 residents living in Ashfield who are currently economically inactive.

4.6.8 There is therefore a substantial local labour-force that could take up these new job opportunities, before there would need to be an increase in net in-commuting.

4.6.9 It is also relevant to note that Ashfield District already has relatively high levels of net out-commuting, with the 2011 Census (the latest accurate data available in view of the limitations of the 2021 Census data) suggesting that 28,006 Ashfield residents commuted out of the District for work on a daily basis with 25,785 commuting in the opposite direction – a net out commute of -2,221[[9]](#footnote-9). Furthermore, the district has a Jobs Density figure of just 0.79 compared to 0.81 in the East Midlands and 0.87 in Great Britain. As the jobs density represents the ratio of total jobs to population aged 16-64, this means that for every 79 jobs based in the District, there are 100 residents of working age. To have a low density figure suggest either that the local labourforce is either commuting out to nearby authorities such as Nottingham City, or that it simply has high levels of economic inactivity and unemployment. The provision of more good quality job opportunities would therefore go some way towards resolving this unsatisfactory situation.

4.6.10 It is the intention of ADC to target new and emerging employment sectors that can offer higher wages and require higher skills to ensure a greater resilience in the local economy. ADC wants to reduce its over-reliance on the traditional manufacturing sector that has contracted substantially, but which still provides employment for 16.1% of the current resident workforce (more than double the nationwide figure of 7.5%[[10]](#footnote-10)). This is reflected in its low wage economy – Ashfield District residents earn £651.9 a week, relatively lower than £684.1 for East Midlands residents and £729.8 across England[[11]](#footnote-11).

4.6.11 Therefore, whilst in all likelihood there will be an increased element of in-commuting, this will not be the only source of new employees for future occupiers of new employment premises and it is ADC’s intention to provide opportunities for the unemployed and otherwise economically inactive to take up a greater proportion of these jobs as well as encouraging current out-commuters to take up employment opportunities closer to home.

4.6.12 The provision of more employment land and, by extension job opportunities in growth sectors such as logistics and advanced manufacturing, could reduce net out commuting, increase wages and skills and provide considerable benefits to Ashfield’s local communities.

***4.7 What implications has the Coronavirus pandemic (‘COVID-19’) had on the assumptions in the Employment Needs Study (SEV.28)?***

Council’s response

4.7.1 The impacts of the Covid-19 pandemic on the assumptions of SEV.28 were discussed in detail in ADC’s previous *Background Paper Number 3 Economy and Employment Land*, 2021 (BP.03).

4.7.2 Clearly Covid-19 had (and continues to have) far reaching impacts on the economy and business across the country, with lockdown measures leading to unprecedented shutdowns with implications on the macro-economic forecasting set out in SEV.28. Coupled with the considerable economic uncertainty over Brexit at the time of preparation, SEV.28 identified that future growth projections could be subject to significant change.

4.7.3 SEV.28 modelled a range of scenarios including a baseline Experian projection from September 2020 (during the peak of the pandemic) and contrasted this with a pre-pandemic scenario dating from March 2020. The analysis in SEV.28 identified that between 1997 and 2018, the Nottingham Outer HMA’s economy grew by 1.236% annually (applying the Compound Annual Growth Rate, or CAGR).

4.7.4 However, the Experian forecasts for September 2020 for the Plan period 2018 to 2038 anticipated a significant drop within the Outer HMA, to 0.452%. Ashfield District’s rate of growth was forecast to fall from 0.585% annually (or +7,300 net jobs) between 2018-38 under the March 2020 Experian forecast, to just 0.447% annually (+5,500 jobs) using the Covid-19 projections in September of that year.

4.7.5 As set out above in our response to Question 4.3, SEV.28 assessed the impact of Covid-19 by referencing the most recent macro-economic forecasts released by Experian at the end of September 2020. These September 2020 forecasts implied a significant impact on almost all sectors of the economy and all parts of the region. The use of these projections in SEV.28 resulted in a gross need for 23,898 sqm of office floorspace and 46.71 ha of industrial land using the September 2020 Experian baseline, and an increase to 23,725 sqm of office space / 56.08 ha of industrial land if the pre-Covid projections were used from March 2020. The regeneration scenario was lower (33,856 sqm office / 54.01 ha industrial) as it was based on the September 2020 projection. Therefore Covid-19 suppressed the employment land requirement in the econometric modelling.

4.7.6 This is less relevant for the purposes of Ashfield’s emerging Local Plan, given that ADC has decided to pursue a higher employment land target based on past take up rates. Nevertheless, as set out in our response to Question 4.3, the latest post-Covid-19 Experian projections indicate that job growth is forecast to be stronger, and in sectors more associated with land-hungry uses (notably logistics), than before.

4.7.7 Even so, the resultant land requirements using the September 2024 projections indicate a need for 2,024 sqm office floorspace/21.96 ha of industrial land, rising to 12,855 sqm office / 35.71 ha of industrial land for the uplifted Regeneration scenario between 2023 and 2040. Whilst these figures are above the equivalent forecasts using the earlier Experian scenarios, they remain well below the 81 ha of employment land that the Council has chosen to take forward, past on past completions data.

4.7.8 In terms of other relevant assumptions in SEV.28 that have been affected by Covid-19, a clear issue relates to the shift towards **increased levels of home-working** and the knock-on effects in terms of demand for office floorspace in particular.

4.7.9 As discussed in SEV.28, the consultants accepted that the current Covid-19 pandemic has dramatically altered working patterns, with the number of people working from home rising exponentially since the lockdown began in March 2020. It reported that many commentators suggested that there will be a permanent shift towards home working and the greater flexibility this affords people, with the need for office space in particular falling significantly. However:

“*Whilst in our view it is quite likely that there will be some long-term shift in working patterns as a result of the pandemic, at the time of writing (February 2021) it is still far too soon to say what the scale of that change on home working is likely to be. Until robust data is available later this year, we therefore propose to retain the aforementioned job densities, particularly as the HCA work already factors in an element of home working / hot desking into the calculations*.” [SEV.28, paragraph 8.31]

4.7.10 The modelling in SEV.28 / BP.03 assumed that one general office workforce job requires 12.5 sqm of employment floorspace [GEA]. This is based on the application of standard employment densities[[12]](#footnote-12). The existing guidance already makes some adjustment for changing working practices and states that it already “*make allowances for increased efficiencies as best it can*”. The data source is, however, getting increasingly dated and the document itself states that “*further research is required on a case-by-case basis, particularly where co-working spaces are proposed*”.

4.7.11 As such, a sensitivity test has been modelled that amends the HCA employment density for office floorspace. This assumes that employment densities were to increase by 25%, from 1 workforce job per 12.5 sqm, to 1 workforce job per 10 sqm for homeworking.

|  |
| --- |
| Table 7.35 Ashfield District Homeworking Sensitivity Test Gross Floorspace Requirement (sqm)  |
| Scenario | Offices 2018-2038 | Offices 2023-2040 |
| Base (12.5 sqm) | 10 sqm | Difference | Base (12.5 sqm) | 10 sqm | Difference |
| 1) Experian September 2020 Baseline | 23,898 | 21,715 | -2,183 | 7,436 | 6,110 | -1,326 |
| 2) Experian March 2020 Baseline | 23,725 | 21,577 | -2,148 | 4,995 | 4,158 | -837 |
| 3) Regeneration Scenario | 33,956 | 29,762 | -4,194 | 16,588 | 13,433 | -3,155 |
| 4) 2014-based SNPP | 26,765 | 24,009 | -2,756 | 5,077 | 4,223 | -854 |
| 5) Current SM (481 dpa) | 28,440 | 25,349 | -3,091 | 6,368 | 5,256 | -1,112 |
| Source: Lichfields Analysis. |

4.7.12 Table 7.35 shows that whilst the amount of office land required declines for all econometric / labour supply scenarios once a lower office floorspace density is applied, it is limited reflecting the modest scale of the office market in Ashfield District. The difference averages -2,874 sqm 2018-2038, falling to -1,457 sqm between 2023 and 2040 across all of the econometric and labour supply scenarios.

4.8.13 In conclusion, ADC’s view remains that it is likely that there will be some long-term shift in working patterns as a result of the pandemic, but it is still too soon to say what the scale of that change on homeworking is likely to be. Indeed, many of the indicators appear to be moving the other way, with a drive to encourage more people to return to a 4 or 5-day working week in the office. The sensitivity test demonstrates that there would have to be a significant shift in office employment densities to have a material impact on the level of employment land needed overall across Ashfield District.

***4.8 Is the plan sufficiently clear on the split of floorspace proposed for office floor space and industrial floor space?***

Council’s response

4.8.1 Yes. Policy S8 of the emerging Local Plan requires 81 ha of employment land to be provided from 2023-2040. This is based upon evidence contained within SEV.28, which identified a need for 80.62 ha of industrial / warehousing land, plus 1,433 sqm of office floorspace over that period.

4.8.2 Whilst Policy S8 does not break down the 81 ha further, this is intentional as ADC wishes to maximise flexibility across all of its sites in line with the NPPF [86d] to ensure that allocated sites remain deliverable even under the current challenging economic circumstances.

4.8.3 This flexibility is enshrined in Policy EM1 which states that:

“*The Council will sustain and enhance Ashfield’s employment capacity by supporting the following uses on allocated employment allocations sites and Key Employment Area as identified on the Policies Map:*

1. *Office, light industrial and research and development, general industrial and storage and distribution”.*

4.8.4 The Employment Land Allocations identified in Policy EM2 and the Strategic Employment Allocations in Policy S6, provide a wide range of sites and locations. Some suit logistics or manufacturing; others are likely to come forward for office uses, particularly those in and around Ashfield’s town centres and in the vicinity of the stations of the Maid Marian Line and the Robin Hood Line, having regard to the Ashfield Stations Masterplan.

4.8.5 As summarised in paragraph 7.1 of the Local Plan:

*“In ensuring business and economic development across the District successfully contributes to delivering sustainable growth and productivity, the Council will seek to direct development to the most sustainable and appropriate location for the given Key Employment Areas and other existing employment sites and buildings. The Policy also recognises the benefits of home working, placing an emphasis on the ability to work or start new business from home”.*

4.8.6 The Council is therefore confident that given the relatively low level of office floorspace need identified in its evidence base (which is to be expected given the District’s role in the wider sub-regional commercial market hierarchy), it has provided an appropriate degree of flexibility to ensure sites can come forward as planned over the lifetime of the Local Plan. The wide range of site sizes and locations will ensure that occupiers seeking office accommodation will be able to meet their needs in Ashfield without looking elsewhere.

Detailed policies for Economy

***4.9 Are the requirements building a strong economy which provides opportunities for local people policies justified by appropriate available evidence, having regard to national guidance, and local context.***

Council’s response

4.9.1 Chapter 7 of the Pre-Submission Draft Local Plan is titled ‘Building a strong economy which provides opportunities for local people’ and sets out requirements relating to employment development in Policies EM1 – EM5. Policies EM2 and EM5 are largely promotional policies which set out the types of development which the Council will support.

4.9.2 Within Policy EM1: Business and Economic Development, paragraph 2 c) sets out requirements relating to education or training uses on employment allocations and on sites within the identified Key Employment Areas, paragraph 2 d) sets out requirements relating to the development of ancillary uses. Paragraphs 3 a) - 3 d) set out requirements relating to small scale business use within a dwelling or within the curtilage of a dwelling.

4.9.3 Proposals for education or training uses on employment allocations would be required by EM1 to demonstrate that no suitable town centre sites are available, that a range of transport options are available and that the development would not conflict with the wider employment function. Policy EM1 seeks to provide some flexibility in accommodating education or training uses whilst also reflecting the wider protection of employment sites. This reflects NPPF paragraph 95 which recognises that in addition to the provision of school places, local authorities should take a proactive, positive and collaborative approach to ‘development that will widen choice in education’. Paragraph 2.14 of Background Paper 1: Spatial Strategy and Site Selection (BP.01) highlights the lower than average education attainment levels within Ashfield and the high percentage of residents working in unskilled occupations in comparison to other areas. The Council is committed to supporting opportunities which assist with the long-term re-skilling of the Ashfield workforce which is necessary to ensure the presence of a highly skilled labour pool to take advantage of new jobs across the District. The Council recently adopted an Education and Skills Improvement Plan (2022 to 2031) which is delivered by Ashfield’s Education and Skills Partnerships.

4.9.4 Proposals for ancillary uses would be required to robustly evidence that they serve the needs of the main employment use on the site and will not cause unacceptable impacts on the operations of other uses near the site. Working from home as part of small scale enterprises would be required to be incidental to the main use of the site and to not cause unacceptable impacts on the amenity of the surrounding area. Both of these forms of employment provision help to provide growth, diversity and stability within the economic sector.

4.9.5 Paragraph 8.31 of the Employment Land Needs Study, May 2021 (SEV.28) recognises that the 2015 HCA Employment Density Guidance Note factors in an element of home working / hot desking to its calculations. Table 2 of Background Paper 3 (BP.03) highlights the high percentage of business units within Ashfield District which are small scale, with the majority of businesses and business sites employing 0-9 people. Paragraph 82 d) of the NPPF states that planning policies should ‘allow for new and flexible working practices’.

4.9.6 It is therefore considered that the requirements set out in Policy EM1 2 c) and 2 d) are justified in providing flexibility with regard to these forms of development whilst also seeking to minimise adverse impacts.

4.9.7 Paragraphs 3 a – 3 d) of Policy EM1 address proposals for small scale business use within a dwelling or within the curtilage of a dwelling. As referenced above, Table 2 of Background Paper 3 (BP.03) highlights the high percentage of business units within Ashfield District which are small scale. It is therefore considered that the requirements set out in Policy EM1 3 a) – 3 d) are justified in providing flexibility with regard to these forms of development whilst also seeking to minimise adverse impacts.

4.9.8 Policy EM3: Retention of Employment Sites and Allocations sets out specific requirements which must be met by applicants in relation to proposals which would result in the loss of an employment site.

4.9.9 Paragraph 7.4 of the Submission Local Plan recognises that:

‘Specific industrial parks/estates, identified as Key Employment Areas, are considered as having a key role in providing for opportunities for jobs and new investment’

and that these areas:

‘will continue to play a crucial role in the economy of the area. These sites can also help to support less-skilled jobs for less-skilled workers in and near deprived areas. The Policy does allow for flexibility in relation to a number of uses.’

4.9.10 Para 10.47 of the Employment Land Needs Study, May 2021 (SEV.28), recognises the importance of employment land protection and states:

‘In general, there would appear to be a reasonable basis for maintaining an employment land protection policy for key sites in the 8 district’s emerging local plans in line with the allocations already set out in planning policy. This would ensure that Greater Nottingham can retain its business base and sector strengths, particularly in view of the overall constraints to bringing forward additional employment land due to the tightly defined Green Belt boundaries surrounding Broxtowe, Erewash, Gedling and, to a lesser extent, Rushcliffe and Ashfield.’

4.9.11 Para 10.49 states:

‘To protect key employment sites from undesirable redevelopment or from inappropriate conversion for non-employment purposes, the councils may wish to consider adopting a local plan ‘exceptions’ policy which sets out criteria against which such proposals can be evaluated.’ These criteria might include the following and would relate to land currently in use, or was last used, for employment purposes and not allocated in the local plan wholly for non-employment uses.’

4.9.12 Para 10.49 continues to set out a range of criteria which might be considered. These criteria are reflected in the requirements set out in Policy EM3.

4.9.13 The approach set out in Policy EM3 is consistent with the evidence in the Employment Land Needs Study, May 2021 (SEV.28). It is also consistent with national planning policy. The NPPF states that:

4.9.14 The approach taken should allow each area to build on its strengths, counter any weaknesses and address the challenges of the future.’ (para 81)

4.9.15 It is therefore considered that the requirements set out in Policy EM3 are justified in providing flexibility with regard to these forms of development whilst also seeking to minimise adverse impacts.

4.9.16 Policy EM4: Rural Development sets out requirements which must be met to minimise the impacts of rural development for employment or recreational uses and to protect where appropriate dwellings with restrictive occupancy conditions.

4.9.17 The rural nature of large parts of the district is reflected in the Local Plan Vision and Objectives. Background Paper 1 (BP.01) also highlights that supporting the district’s more rural communities is part of the wider vision and is reflected in the Strategic Objectives. Strategic Policy S1: Spatial Strategy to Deliver the Vision recognises:

‘Limited infill development may be appropriate in small villages/hamlets, provided there is no adverse effect on the scale and character of the area. In all other areas, development will only be considered appropriate where sites are specifically allocated in the Development Plan, or where development is appropriate to the Green Belt or Countryside as set out in Policies EV1 and EV2. In this respect development will be restricted to that which requires a countryside location, meets a local need, or supports rural diversification in accordance with policies in this Local Plan.’

4.9.18 Policy EM4 provides more detail in providing flexibility to support appropriate development within rural areas to ensure that they remain viable and sustainable. It is therefore considered that the requirements set out in Policy EM4 are justified in supporting diversification in rural areas whilst also seeking to minimise adverse impacts.

***4.10 Does Policy EM4 enable the sustainable growth and expansion of businesses in rural areas in accordance with Section 6 of the National Planning Policy Framework?***

Council’s response

4.10.1 Yes, the policy enables the sustainable growth and expansion of businesses in rural areas, as set out in NPPF para 84 which states that:

‘Planning policies and decisions should enable:

1. the sustainable growth and expansion of all types of business in rural areas, both through conversion of existing buildings and well-designed new buildings;
2. the development and diversification of agricultural and other land-based rural businesses’.

4.10.1 The supporting text to Policy EM4 provides further policy detail. Paragraph 7.15 of the supporting text recognises the importance of ‘the need to promote appropriate development within rural areas to ensure that they remain viable and sustainable, meeting the needs of their resident population. The Policy is intended to provide flexibility in providing premises whilst protecting the Green Belt and countryside.’

***4.11 Do Policies EM1 – EM5 provide clear direction as to how a decision maker should react to a development proposal?***

Council’s response

4.11.1 Yes, the policies provide clear direction as set out in NPPF para 16 d) which states that plans should ‘contain policies that are clearly written and unambiguous, so it is evident how a decision maker should react to development proposals’.

4.11.2 The supporting text to these policies provides further detail and refers to the evidence base.

***4.12 Do the policies serve a clear purpose, avoiding unnecessary duplication of national policy? Is the wording consistent with national policy?***

Council’s response

4.12.1 Yes, the policies serve a clear purpose and avoid unnecessary repetition of national policy, as set out in NPPF para 16 f) which states that plans should ‘serve a clear purpose, avoiding unnecessary duplication of policies that apply to a particular area (including policies in this Framework, where relevant)’.

4.12.2 The supporting text to these policies provides further detail and refers to the evidence base.

### *Retail and Town Centres*

***4.13 Is there a need for any additional retail floorspace over the plan period? If so, what quantity is required and where?***

Council’s response

4.13.1 Due to the economic conditions in 2023 (and having had an advisory meeting with an Inspector in 2023 where the matter was discussed and recorded in meeting notes) the Council concluded at that time that an updated quantitative assessment was not necessary. A qualitative approach reflected the Inspector’s comments and was considered to be the most appropriate way forward and this led to the preparation of town masterplans, including identification of key development opportunity sites. The Town Masterplans are considered in more detail in Inspectors’ Question 4.15.

***4.14 How will circumstances under which ‘where appropriate’ in Policy S11 be defined and operated? Is this consistent with the Council’s evidence base in the Town Centre Study?***

Council’s response

4.14.1 The Inspector refers to criterion 5 of Policy S11 which sets out that:

*“The Council will require a sequential test and, where appropriate, an impact assessment for proposed development for main town centre uses which are outside the town centres”.*

4.14.2 We agree that this wording, in isolation, is ambiguous. The matter is properly dealt with at Policy SH 1, criterion 4b. Here, Policy SH 1 sets out the context for ‘where appropriate’ in Policy S11 (i.e. where a retail or leisure proposal exceeds 300 square metres gross floorspace).

4.14.3 We suggest that the wording of the relevant part of Policy S11 be minorly amended as set out below.

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| **Proposed Modification** *“The Council will require a sequential test and where appropriate, as defined by Policy SH 1, an impact assessment for proposed development for main town centre uses which are outside the town centres”.*   |

***4.15 What is the status of the Town Centre Masterplans? What elements are included on the Policies Map?*** ***Is there accompanying policy in the plan which supports the inclusion of these particular elements?***

Councils’ response

**Status of the Town Centre Masterplans:**

4.15.1 The Sutton Town Centre Spatial Masterplan was adopted by the Council at Cabinet on the 11th of March 2019 (Cabinet minute CA.80).

4.15.2 The Kirkby Town Centre Spatial Masterplan – Officer Decision Reference (ODR) FP/02/2021 dated 13.04.2021 Approval granted to adopt the revised Kirkby Town Centre Spatial Masterplan as per the delegated authority granted by Cabinet decision (dated 24/02/2020, item 8) to the Director of Place and Communities in consultation with the Portfolio Holder for Place, Planning and Regeneration.

4.15.3 The Hucknall Town Centre Masterplan was adopted by the Council at Cabinet on the 19th of July 2022 (Cabinet minute CA.19).

***Town Centre Masterplan elements included on the Policies Map:***

4.15.4 The requirement of the NPPF (para. 86) is that planning policies should define the extent of town centres and primary shopping areas and make clear the range of uses permitted in such locations, as part of a positive strategy for the future of each centre.

4.15.5 Strategic Policy S11: Vibrant Town Centres, sets out at criteria 4 - ‘The extent of the Town Centres and Primary Shopping Areas are identified on the Policies Map.’

4.15.6 The specific elements of the Town Centre Masterplans shown on the Polices Map include the Town Centre boundaries and the key development opportunity sites.

4.15.7 The Council considers that this approach is appropriate given that the Policies Map is fixed for the period of the Plan, whereas the Town Centre Masterplans are documents are over a 10-year period, which will be reviewed after 5 years:

* Sutton Town Centre Masterplan will be reviewed in 2025.
* Kirkby Town Centre Masterplan will be reviewed in 2026.
* Hucknall Town Centre masterplan will be reviewed in 2027.

***Policy to support these particular elements:***

4.15.7 Both Strategic Policy S11: Vibrant Town Centres, and Policy SH1: Retail, Leisure, Commercial and Town Centre Uses, provides criteria to ensure that development for main town centre uses[[13]](#footnote-13) have regard to the delivery of the vision, objectives and projects set out in Town Centre Masterplans.

***4.16 Are the requirements of the protecting what is special and improving our areas policies justified by appropriate available evidence, having regard to national guidance, and local context?***

Council’s response

4.16.1 We have assumed that the Inspector is referring to Policies SH1 and SH2. These policies seek to support the role of the town and local centres and to maintain their distinctive qualities and their wider role within local communities. The requirements set out in Policies SH1 and SH2 seek to ensure that development within the centres positively contributes towards their regeneration and ongoing vitality. Further detail on the vision, objectives and projects for the town centres is set out in the Town Centre Masterplans.

4.16.2 Chapter 7 of the NPPF provides guidance on protecting the vitality of town centres. Para 86 requires that:

‘Planning policies and decisions should support the role that town centres play at the heart of local communities, by taking a positive approach to their growth, management and adaptation’.

4.16.3 Paragraph 15.8 of the Town Centre – Local Centre Study (SEV.32) concludes, having conducted health checks on the centres as part of this study, that ‘the District’s centres are already experiencing a range of commercial and economic pressures’.

4.16.4 It is considered that the requirements of Policies SH1 and SH2 are justified.

***4.17*** ***Has Policy SH1 been shaped by engagement with all stakeholders, including infrastructure providers and statutory consultees? Is the locally applied threshold of developments exceeding 300 sq. m requiring a sequential test supported by best available evidence?***

Councils response

4.17.1 Yes. Engagement has been undertaken as part of the work undertaken on the preparation for and consultation on the three town centre masterplans, the Council’s work on the Towns Fund projects in Sutton and Kirkby, and the production of the Hucknall Levelling up Fund bid. This engagement work along with the Local Plan Regulation 18 consultation and the production of the Town Centre - Local Centre Study (SEV.32) fed into the shaping of Policy SH1.

4.17.2 In terms of the second question, we have assumed that the Inspector is in fact referring to the locally applied threshold applying to developments exceeding 300 sq m relating to the impact test, rather than the sequential test. These are the words of SH1(4b).

4.17.3 On this matter, in accordance with national planning policy, retail and leisure developments greater than 2,500 sq m proposed in edge-of-centre and out-of-centre locations would ordinarily be subject to the assessment of the impact criteria set out by Paragraph 90 of the NPPF. However, where appropriate, Local Authorities are entitled to identify local thresholds in accordance with the following considerations identified within the NPPG (‘Ensuring the vitality of town centres’):

* Scale of proposals relative to town centres;
* the existing viability and vitality of town centres;
* cumulative effects of recent developments;
* whether local town centres are vulnerable;
* likely effects of development on any town centre strategy; and
* impact on any other planned investment.

4.17.4 Paragraph 15.20 of the 2016 ‘Ashfield District Retail and Leisure Study’, prepared by Nexus on behalf of the Council, concluded that a flat local retail impact threshold of 300 sq. m should be applied to the three primary town centres of Kirkby, Sutton and Hucknall. This matter was evaluated in detail at 9.53 to 9.62 of that Study, adopting the considerations set out in the NPPG.

4.17.5 Notably, the previous Council Retail Study to that (WYG, 2011) had already recommended lower impact thresholds of 500 sq m in Sutton, 300 sq m in Hucknall and Kirkby, and 200 sq m in local shopping centres.

4.17.6 At each date, it is important to re-consider up-to-date evidence in respect of the NPPG criterion. Therefore, these thresholds were re-considered in the Town Centre-Local Centre Study (2023) (SEV.32) and the updated analysis is set out at 15.18 to 15.24 of that Study. In short, the study considered whether there had been any changes to circumstances which would warrant any different impact thresholds being applied at that date. This assessment was underpinned by the detailed ‘health-check’ exercise carried out by Nexus in Sections 5-14 of that report, which enabled a detailed understanding of the composition and general prosperity of each of the District’s centres. The culmination of that exercise was that Nexus were satisfied that the existing thresholds remained appropriate, primarily because there was little difference in unit sizes (one of the NPPG tests) and that there had been some obvious deterioration in the health of the centres (especially vacancy rates), particularly in Sutton and Kirkby.

4.17.7 We are therefore content that the requirement for a locally set impact threshold has been approached in a consistent and evidence-driven manner in both 2016 and 2023.

***4.18 Do Policies SH1 – SH3 provide clear direction as to how a decision maker should react to a development proposal?***

Council’s response

4.18.1We have considered this question under two different scenarios:

1. The route through these policies if the decision-maker received a planning application within an identified centre; and
2. The route through these policies if the decision-maker received a planning application which is outside an identified centre.

4.18.2 Scenario 1 – Proposals Inside Designated Centres

Under the first scenario, the decision-maker would examine in detail the requirements of **Policy SH1** where proposals come forward in the town centre of Sutton, Kirkby and Hucknall. The policies inform them that they should support development for town centre uses (defined at Footnote 1 of SH1), as well as residential, health care and education proposals, where they are located in town centres, in principle.

This is though subject to a range of criterion 1a-j. We have examined those criteria to ensure that they provide ‘clear direction’ as suggested by the Inspector and comment on each as follows:

1. Scale – This is a subjective term when it comes to assessing appropriate development. However, we have sought to qualify this through being in general accord with the Council’s published Town Centre Masterplans. We therefore consider this to be a clear and concise requirement.
2. Impact on Character, Quality, Amenity and Safety – These factors feature in the health-check assessments prepared under our Town Centre-Local Centre Study (2023) (SEV.32) as well as the Town Centre Masterplans. This provides a quantum of measurable baseline material against which the decision-maker can make a judgment on the acceptability of a proposal.
3. Retail Vitality – This term is reflective of the wording of the NPPF (Paragraph 90a). The requirement to demonstrate that there is ‘no adverse effect’ is more ordinarily reflective of the requirements for out-of-centre development under the impact test (NPPF, Paragraph 95). Notwithstanding, it is conceivable that despite a proposal coming forwards in a town centre, and being within acceptable use, that it could still have a significant adverse effect on the vitality of the retailing in that town centre. An example would be where there was partial, or total, loss of a retail frontage to a residential development. We therefore consider this to be justifiable criterion.
4. Range of Uses – This criterion seeks to encourage additional choice and competition in a centre, in keeping with NPPF objectives. It would be important to recognise that by ‘widening’ the range of town centre uses, this does not necessarily mean that it is essential to provide something new, but that ‘more of the same’ would also expand choice and competition. We consider this criterion to be unambiguous.
5. Range of Day/Evening Uses – This is crucial aspect of town centre health. The town centres in Ashfield (especially Kirkby, for example) were shown in our 2023 Study to have very limited offer in the evening economy. Policy support for broadening the appeal to evening users is appropriate in order to increase utilisation and for aspects of safety and general vitality.
6. Street Frontage – This links to criterion c) as described above. The decision-maker should resist proposals which would undermine the breakages in the Primary Shopping Areas which could result in footfall reductions.
7. Residential on Upper Floors – this is encouraged at all tiers of planning policy and is an excellent means of encouraging footfall and associated vitality in town centres. The criterion is suitable clear that this should apply to above ground floor spaces.
8. Signage – Clutter and clarify in wayfinding is an important factor in considering the health of a town centre and the requirements of this criterion are well-founded and clear.
9. Design – Support for good design, which is in keeping with the streetscape, is encouraged at all tiers of plan policy.
10. Servicing – This criterion is also relevant and clear in its purpose. Conflict with pedestrian and/or access by other modes of transport should be avoided in the interest of vitality and viability.

4.18.3 We are therefore content that there is both justification for, and clarity in, the provisions of criterion 1a-j of Policy SH1 when they are viewed by the decision-maker.

4.18.4 Part 2 of Policy SH1 considers the issue of conversion of ‘surplus shop units’ to residential use. There is cross-reference to Part 1 of the Policy which makes it clear that this relates to in-centre proposals, but for added clarity, we suggest that specific wording is added to this effect. Our suggestion is that this would be as set out below:

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| **Proposed Modification** *“Subject to the provisions of Policy SH1 – 1, the Council will support the conversion of surplus shop units within town centres to residential use where….”* |

4.18.5 It may also be appropriate to better help define what is meant by ‘surplus shop units’, so that there is no perceived conflict with criterion c or f of Part 1. Part 2a is helpful for the decision-maker as it clarifies that siting and design are relevant factors. Part 2b also assists as it requires that there is a demonstrable lack of demand for the unit. We suggest that some additional wording around a potential period of vacancy and/or lengths of marketing efforts may be appropriate (12 months is a common yardstick).

4.18.6 Part 3 is a now well-established requirement not to seek an agglomeration of ‘unhealthy’ uses in a town centre. The Town Centre-Local Centre Study (2023) (SEV.32) provides a benchmark assessment in this respect where it considered the number and spread of unhealthy units in its Section 5-14 for each centre. The decision-maker would be able to refer to this assessment.

4.18.7 Part 4 of Policy SH1 would not be applicable to proposals in town centres.

4.18.8 The decision-maker would refer to **Policy SH2** where proposals came forward in a Local Shopping Centre, Shopping Parade or Single Shop, as set out within the policy itself. We do not repeat the same analysis as above in respect of each of the criterion listed as this would be repetitive. We therefore isolate our comments in terms of thinking about the role of the decision-maker as follows:

* Part 2 – it would be helpful to insert the word *‘main’* town centre uses for consistency.
* Part 2a and 2b – Again, it would be helpful to insert the word Local *‘Shopping’* Centre for consistency.
* Part 3c – in keeping with our comment on Policy SH1 Part 2, we consider it would be helpful to quantify a time period for evidencing a lack of demand.
* Part 6 – protection of convenience foodstores which provide for the day-to-day needs of the community is a bespoke consideration for Local Shopping Centres. This is squarely in line though with the thinking behind Use Class F.2 of the Use Classes Order (UCO, 2021) which seeks to protect community shops, and therefore assist the decision-maker with consistency of treatment alongside the UCO.
* Part 7 – we would again suggest that it would be useful to quantify a suggested period of vacancy before community use conversions might be considered appropriate.
* Part 10 - we would again suggest that it would be useful to quantify a suggested period of vacancy before alternative uses to retail might be considered appropriate.
* Part 11 – The restriction to 200 sq m is in line with the local impact thresholds. The restriction to the primary sale of convenience goods is also appropriate as the Council would not want to see a proliferation of retail sales outside of day-to-day convenience goods shopping (i.e. comparison goods shopping or service uses) which would more appropriately bolster the vitality and viability of Town Centres or Local Shopping Centres.

4.18.9 **Policy SH3** relates to shopfronts. The criterion within Policy SH3 are readily understandable for the decision-maker and the evidence base quoted provides appropriate baseline material for the decision-maker to make subjective design judgments.

4.18.10 Scenario 2 – Proposals Outside Designated Centres

Under this scenario, the decision-maker would consider Part 4 of **Policy SH1** in detail. The policy explains at the outset that the Council will apply the sequential test and, where appropriate, the impact test to the location of main town centre uses. This is unambiguous.

4.18.11 Turning first to Part 4a, which concerns the sequential test, the wording of this requirement has been carefully constructed by officers to reflect the guidance contained within the NPPF (2023) and relevant case law. We suggest some minor wording changes to provide additional clarify for the decision-maker. This centres around clarification of the three tests which form part of the sequential assessment (suitability, viability and availability), and the removal of any confusing wording around ‘availability’ which is otherwise a test in its own right.

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| **Proposed Modification** *“Sequential Test - The sequential test requires main town centre uses to be located in town centre locations. Only where no suitable, viable, and available sites exist, or expect to become available within a reasonable period, will alternative locations be considered, taking into account proximity and access to Primary Shopping Areas. If there are no suitable, viable or available sites within a town centre location ~~are available~~, development should be located to an edge of centre location, and, if neither town centre locations nor edge of centre locations are found to exist available, to out of centre locations. Flexibility will be required on the format and scale of the development proposed with preference given to accessible sites, which are well connected to the town centre. Where an application fails to satisfy the sequential test, it will be refused.**If after applying the sequential test, out-of-centre sites are necessary, preference will be given to sites that are, or will be, served by a choice of means of transport, which are close to the centre and have a high likelihood of forming links with the town centre”.*  |

4.18.12 Turning next to the impact test at Policy SH1 4b, we would again recommend some minor wording changes to aide clarity and understanding. This specifically links to our previous analysis and also Inspectors Question 4.14. Our recommended minor changes are below:

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| **Proposed Modification** *“Impact Test – Where considered necessary by the Council, an impact test will be required for retail or leisure proposals exceeding 300 square metres gross of floorspace which are outside the town centres. This will include significant extensions to existing facilities for retail or leisure uses falling outside the designated town centres (or local centres). Where the development is likely to have a significant adverse impact on:*1. *existing, committed and planned public and private investment in a centre or centres in the catchment area of the proposal, and/or*
2. *town centre vitality and viability, including local consumer choice and trade in the town centre and the wider retail catchment (as applicable to the scale and nature of the scheme),*

*it will be refused”.* |

4.18.13 If a proposal comes forward for development outside Local Shopping Centre, it would be subject to **Policy SH2**. Part 5 of that policy deals with the sequential test and impact test. In line with local impact thresholds, this would then apply to developments of 200 sq m gross floorspace and above. In keeping with our treatment of Policy SH1, we would also recommend a minor wording change to ensure consistency and clarity of approach, as follows:

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| **Proposed Modification** :*“The Council will apply the sequential test and, where appropriate, the impact test. An impact test will be required for retail or leisure proposals exceeding 200 square metres gross of floorspace in relation to Local Shopping Centres. Where the development proposal fails to satisfy the sequential test (as prescribed at Policy SH1(4a)), or is likely to have a significant adverse impact on the local centre, it will be refused”.* |

4.18.14 Subject to these minor amendments to the wording of Policies SH1 and SH2 (and elsewhere Policy S11 – see our response to Inspector’s Question 4.14), we are satisfied that the decision-maker will have clarity of approach for applications for main town centre use proposals outside designated centres.

***4.19 Do policies SH1 – SH3 serve a clear purpose, avoiding unnecessary duplication of national policy? Is the wording consistent with national policy?***

Council’s response

4.19.1 Throughout our response to Inspector’s Question 4.18 we have sought to ensure that there is consistency both within the Plan itself, and with National Policy in either the NPPF or NPPG. We have recommended a small number of wording changes to ensure this.

4.19.2 In terms of duplication, we are satisfied that Policies SH1 – SH3 avoid unnecessary repetition of national policy. The suite of main town centre use policies presented align with the scope and content of many other suites of policies we have seen presented to Examination in Public since the latest iteration of the NPPF (at the time of writing, 2023).

1. HCA (November 2015): *Employment Densities Guide, 3rd Edition* [↑](#footnote-ref-1)
2. Including the Welsh Government (August 2015): Practice Guidance – Building an Economic Development Evidence Base to Support a Local Development Plan [↑](#footnote-ref-2)
3. 2a-027-20190220. Note: the Planning Practice Guidance [PPG] on housing and economic development needs assessment sets out how future needs for employment land should be calculated. Alongside labour demand, past take up and consultation, this includes *“demographically derived assessments of current and future local labour supply (labour supply techniques)”.* [↑](#footnote-ref-3)
4. NPPF (February 2019): “*Planning policies should (inter alia): be flexible enough to accommodate needs not anticipated in the plan, allow for new and flexible working practices (such as live-work accommodation), and to enable a rapid response to changes in economic circumstances*” [Paragraph 81d]. [↑](#footnote-ref-4)
5. <https://www.gnplan.org.uk/media/rzsd115f/gnsp-strategic-distribution-and-logistics-background-paper-september-2023.pdf> [↑](#footnote-ref-5)
6. <https://www.gnplan.org.uk/media/yt4lms5x/employment-background-paper-publication-draft-september-2024.pdf> [↑](#footnote-ref-6)
7. <https://www.gnplan.org.uk/media/yt4lms5x/employment-background-paper-publication-draft-september-2024.pdf> [↑](#footnote-ref-7)
8. Source: ONS Annual Population Survey, Employment and Unemployment (Jul 2023-Jun 2024) [↑](#footnote-ref-8)
9. Note – the 2021 Census suggests that 22,616 people commuted into Ashfield District for work, with 22,637 Ashfield residents commuting out on a daily basis, a net out commute of just 21; however, these figures are severely distorted by the Covid-19 pandemic, which recorded 20,109 Ashfield residents working from home, many of whom would not be undertaking their usual commute to work in March 2021. [↑](#footnote-ref-9)
10. ONS Business Register and Employment Survey – Employee jobs by industry, 2023 [↑](#footnote-ref-10)
11. ONS annual survey of hours and earnings - resident analysis, 2024 [↑](#footnote-ref-11)
12. Taken from the 2015 HCA Employment Density Guide 3rd Edition [↑](#footnote-ref-12)
13. Main Town Centre uses reflect the definition of main town centre uses set out in the NPPF 2023 or any subsequent replacement. [↑](#footnote-ref-13)