

CHESTERFIELD BOROUGH LOCAL DEVELOPMENT
FRAMEWORK

EMPLOYMENT LAND TOPIC PAPER



SEPTEMBER 2011

CHESTERFIELD BOROUGH COUNCIL

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EMPLOYMENT LAND TOPIC PAPER SEPTEMBER 2011

EXECUTIVE SUMMARY

- ES1. The first Core Strategy for Chesterfield will be a spatial strategy for the whole borough up until 2031 covering future requirements for all kinds of development except for minerals and waste. As well as things like housing and retail the Core Strategy needs to include provision for the strategic employment requirements of the borough up to 2031. The spatial strategy for employment which is selected must tie in with national guidance in PPS4 and with the objectives which the council has established for the Core Strategy.
- ES2. Around half of the 48,000 or so jobs in the borough are currently to be found outside the B1, B2 and B8 use-classes, in occupations such as health, education, public administration, shops, leisure and other parts of the service sector. National policy and the objectives of the Core Strategy already indicate that, as far as possible, such jobs should be concentrated in town district and local centres and should be helped to thrive there. Such locations are generally accessible centres for sustainable modes of transport.
- ES3. **This topic paper is about the future spatial strategy for the other half of all the jobs in the borough, which are in the ‘business’, ‘general industry’ and ‘storage and distribution’ use-classes B1, B2 and B8.** There are several sources of evidence to help establish what might be needed up to 2031 and if it can be provided from the existing supply. They are:
- Annual Industrial Land Availability Survey.
 - East Midlands Northern Sub-Region Employment Land Review (2008)
 - Economic Development Strategy for Bolsover, Chesterfield and North East Derbyshire 2009-2014
 - Discussion Paper; Chesterfield’s Future Employment Land Requirements (2010), see Appendix 4.
- ES4. The Annual Industrial Land Availability Survey has recorded varying levels of B1, B2 and B8 development over the past 19 years, with a total of 71.46 hectares developed over the whole period. This gives an annual average of 3.76 hectares.
- ES5. The Northern Sub-Region Employment Land Review looked at several aspects of B1, B2 and B8 development. With regard to supply of land, it analysed 44 existing employment sites and 21 committed employment sites identified from the 2006 Replacement Chesterfield Borough Local Plan, together with 4 other potential employment sites.

These sites were all tested in terms of market viability, sustainability and policy. The study made recommendations about the future contribution that each site could make to the borough's spatial strategy for employment.

- ES6. The study also looked at the demand for land for B1, B2 and B8 development and future needs. It examined trends locally and nationally and drew on the projections and policies incorporated in the Regional Spatial Strategy with its emphasis on housing growth in urban centres, together with a reduction in out-commuting by 2026. The study recommended that provision within the **higher part of the 29.1 to 44.4 hectare range (net)** should be made for industrial development.
- ES7. The council's Economic Development Strategy gives an account of all aspects of the local economy and is chiefly relevant for its comments about the kind of industrial accommodation required, including the need for a shift into innovative and higher value added activities. The vision statement for the Sheffield City Region envisages "a local economy less dependent on the public sector, providing conditions for businesses to grow, and becoming the prime national centre for advanced manufacturing and low-carbon industries."
- ES8. The Discussion Paper at Appendix 4, Chesterfield's Future Employment Land Requirements, takes a theoretical approach to calculating the future employment land requirements of Chesterfield Borough in 2031, based on the 2008 population projections. It makes a series of assumptions about variables such as economic activity rates, the future make-up of the local economy and the land requirements of each category of industry. Assuming that current industrial jobs will continue or be replaced on their existing sites, the paper concludes that jobs for the new, higher population will require 79 hectares of extra B1, B2 and B8 development for the period 2011 to 2031. This estimate includes a generous 20% margin to allow for a degree of choice in the market.
- ES9. Allocation of specific sites is a job for the future Sites and Boundaries DPD rather than the Core Strategy, which is concerned with spatial strategy. To make sure that there is enough supply to choose from, however, an assessment has been carried out of potential sites within the borough judged to be available, suitable and achievable for B-uses development. The survey shows that these sites will provide a large enough reservoir of land. The reservoir should be sufficient to meet either the level of need identified in the Northern Sub-Region Employment Land Review or that required to meet the employment needs of extra population up to 2031, without the need to draw on land which is not previously allocated for B1, B2 and B8 development or available for redevelopment in established locations.
- ES10. Regarding distribution of industrial uses in the borough, **the majority of future office growth (Use class B1a) should be focussed in and**

around the town and district centres. Manufacturing (B2) uses should generally be kept in existing industrial areas an appropriate distance away from dwellings. Some smaller-scale warehouse and storage capacity (use class B8) is needed throughout the borough, but large-scale storage and distribution uses rely on good access to the strategic highway network and where possible to railheads. They should therefore be located towards the east of the borough, close to the motorway.

ES11. Four possibilities are examined as alternative spatial strategies for industrial development:

- Status Quo (Employment Strategy as now)
- Sustainable Employment Growth
- Reduction in Job Numbers
- Rely on Jobs Provided Outside the Borough

The topic paper comes to the conclusion that only the second alternative represents a reasonable option for inclusion in the Core Strategy and none of the other three alternatives warrants more consideration.

ES12. The full version of this paper is available at the following location:
www.chesterfield.gov.uk/evidencebase

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CHESTERFIELD BOROUGH CORE STRATEGY

Employment Land Topic Paper

1.0 Introduction

- 1.1 As part of the Local Development Framework Chesterfield Borough Council is required to formulate a Core Strategy, a spatial strategy for the whole borough up until 2031. It will cover future requirements for employment, housing and retail, together with further designations and infrastructure.
- 1.2 This topic paper sets out considerations being taken into account by the council in choosing its approach to employment land in the Core Strategy. It discusses the amount and type of employment land needed in Chesterfield borough up to 2031, the current availability of industrial sites and their spatial distribution. It also proposes a spatial strategy to cover the distribution and broad locations of employment land up until 2031.
- 1.3 The paper is arranged as follows:

| | |
|------------|--|
| | Executive Summary |
| 1.0 | Introduction |
| 2.0 | Evidence Base |
| 3.0 | Choosing an Approach |
| 4.0 | A Spatial Strategy for Employment |
| 5.0 | Response to Consultation |
| Appendix 1 | Potential Employment Sites |
| Appendix 2 | Existing and Committed Employment Sites |
| Appendix 3 | Preliminary Draft Core Strategy Key Diagram |
| Appendix 4 | Discussion Paper; Chesterfield's Future Employment Land Requirements |

2.0 Evidence Base

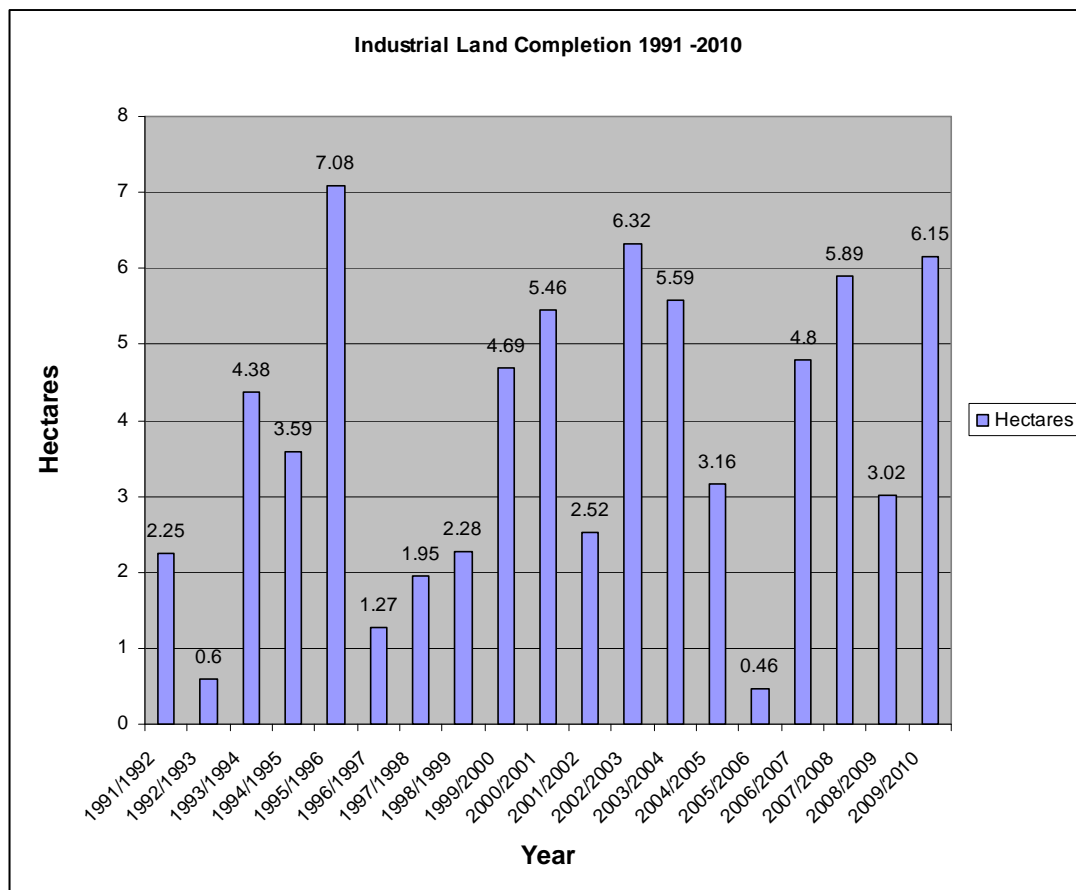
2.1 This section describes the main evidence used in composing the topic paper, as follows:

- Annual Industrial Land Availability Survey
- Northern Sub-Region Employment Land Review (2008)
- Economic Development Strategy for Bolsover, Chesterfield and North East Derbyshire 2009-2014
- Sheffield City Region vision statement and Spatial Portrait
- Calculation of Future Employment Land Requirements
- Comparison with Historic Take-up Rate
- PPS4 Planning for Sustainable Economic Growth

Annual Industrial Land Availability Survey

2.2 Every year Chesterfield Borough Council updates its information about land which is allocated for, or has permission for, new industrial development, up to the end of March that year. It revisits records of earlier permissions and adds on permissions granted since the beginning of April the previous year, together with information about land lost to other uses or for which planning permission has expired. Field survey is undertaken to note development progress on each site and the findings are reported to councillors and placed on the council website.

2.3 The data collected annually and the series of previous reports all form part of the evidence base for the Local Development Framework. They indicate widely varying levels of completions on industrial sites over the 19 years since 1991, with the highest at 7.08 hectares and the lowest at 0.46, the total being 71.46 over the whole period. This gives an annual average of 3.76 hectares.



Northern Sub-Region Employment Land Review (2008)

- 2.4 The 2008 Northern Sub-Region Employment Land Review was an analysis of supply and demand for business, industrial and storage and distribution land. It included projections, based on econometric modelling, which explored the range of employment outcomes that might have arisen from the former Regional Plan. Baseline figures and information date from 2007/2008.
- 2.5 The employment land review was undertaken at sub-regional level, covering districts in the Northern Sub-Area of the East Midlands, namely the authorities of Chesterfield, North East Derbyshire, Bolsover, Mansfield, Bassetlaw, Ashfield (part) and Newark and Sherwood. The respective counties of Derbyshire and Nottinghamshire were also contributing participants, as was the Alliance SSP.
- 2.6 Prepared as part of the evidence base for the former East Midlands Plan, the study is also part of the evidence base for the Local Development Framework of each district. It had four main stages:
1. The identification of employment land needs for the whole Sub-Region
 2. Assessment of the regional employment land work and its suitability for the Northern Sub-region

3. The identification of broad locations and specific sites for employment development to meet these strategic needs; and
 4. The production of reports on district-level employment land requirements and supply for six local planning authorities, contributing to the Local Development Framework evidence base for each and helping determine the amount of employment land required for each district.
- 2.7 Past employment take-up rates in Chesterfield Borough are the lowest in the Sub-Region, and the Borough's growth trajectory is minimal (based on Experian's employment growth projections). However, demand for smaller business premises remains high, particularly from new starts and indigenous business expansions. Chesterfield is also the largest established office location in the Northern Sub-Region, and has accommodated considerable B1-type growth in recent years with few significant office closures to counterbalance this growth. Given the sustained nature of the growth, it is reasonable to conclude that office-based employment in Chesterfield will continue to grow in the foreseeable future at a level above the base Experian projections. This is given further credence by a number of office-based schemes either currently in development or proposed for the future in the A61 Corridor, Markham Vale and Staveley Works.
- 2.8 In stage 1 of the study (as listed above), Employment Land Demand was assessed, using six different projections based on a range of factors. These factors ranged from historic trends of industrial land take-up to a policy-based scenario to reduce out-commuting. The picture of demand which emerged was portrayed as a range of projections for net land areas required.
- 2.9 In stage 3 (as listed above), the study analysed 44 existing employment sites and 21 committed employment sites identified from the 2006 Replacement Chesterfield Borough Local Plan, together with 4 other sites not currently in active employment use. These sites were all tested in terms of market viability, sustainability and policy. The study made recommendations about the future contribution that each site could make to the borough's spatial strategy for employment.
- 2.10 In conclusion the study recommended that provision for new B1, B2 and B8 development within the **higher part of the 29.1 to 44.4 hectare range (net)**, in addition to existing development and the extra development already allocated, should be included in Chesterfield's emerging LDF. This recommendation is a net additional figure, however, which takes no account of the need to replace any employment that might be lost during the period up to 2026. The study also expresses the view that the historically low levels of completions on industrial land in the borough are likely to become significantly higher in the near future, due to the availability of good quality, serviced sites, good levels of new business formation and continuing demand.

B2 uses are likely to continue declining, whilst B1 and B8 uses are considered likely to grow

- 2.11 The study gave the view that the sites it had looked at could provide for the scope of projected demand in the short term, but that in the medium to long term further sites would be required to make up for relocations and changeover of historic industrial areas to other uses.

Economic Development Strategy for Bolsover, Chesterfield and North East Derbyshire 2009-2014

- 2.12 This joint economic development strategy published in 2009 contains the most up to date analysis of the local economy, agreed between the three authorities which share in it. The vision for the three authorities is: 'A successful local economy, supporting the development of sustainable communities'.

- 2.13 The vision will be achieved through the delivery of a range of programmes and initiatives which are grouped under three thematic headings:

1. Successful Businesses: increasing the level of new starts, securing a shift into innovative and higher value added activities across the existing business base, and attracting new investment to the area.
2. Successful Places: supporting the sustainable growth of both urban and rural areas, strengthening the visitor economy, and addressing capacity constraints in the provision of infrastructure to support business growth.
2. Successful People: developing the skills of the current and future workforce to meet the demands of an increasingly knowledge based economy, and tackling economic exclusion to bring more people back into employment.

- 2.14 The Economic Development Strategy gives an account of all aspects of the local economy and is chiefly relevant for its comments about the kind of industrial accommodation required, including the need for a shift into innovative and higher value added activities.

Sheffield City Region Vision Statement and Spatial Portrait

- 2.15 Chesterfield Borough Council is an active partner in the newly-formed Sheffield City Region Local Enterprise Partnership (LEP). The LEP will carry forward aspects of the sub-regional planning work previously being co-ordinated through joint working arrangements in the Sheffield City Region.

- 2.16 The Sheffield City Region has defined a clear vision for the area and prepared a Spatial Portrait, both of which were supporting documentation in the successful bid to the government to have a LEP formed. The vision statement describes the ambition to confirm Sheffield City Region as a place:
- ‘Offering people a great place in which to live, work, invest and visit. Aspiring to make a greater contribution to the U.K. economy by having a local economy less dependent on the public sector, providing conditions for businesses to grow, and becoming the prime national centre for advanced manufacturing and low-carbon industries. To make SCR such a place, we need to keep people and goods moving effectively’.

Calculation of Future Employment Land Requirements

- 2.15 A separate paper published as Appendix 4 to this document uses a theoretical approach to calculating the future employment land requirements of Chesterfield Borough. It forecasts total employment land requirements based on the projected population of the borough in 2031, making a series of assumptions about variables such as economic activity rates and the future make-up of the local economy. Changes in any of these assumptions will impact on the forecast employment land requirement.
- 2.16 Future employment land requirements will also be linked to the climate of national and local policy towards various kinds of employment. For that reason the paper assumes that future policies will be directed towards:
- Maintaining and reinforcing Chesterfield's role as a sub-regional employment centre.
 - Tackling worklessness.
 - Supporting the effective functioning of the local business base.
 - Promoting the growth of new business sectors.
 - Supporting the manufacturing base.
 - Responding to future population growth.
 - Supporting more sustainable patterns of development.
- 2.17 Like the 2008 Employment Land Review, the paper starts by saying that in order to meet future employment /business requirements, Chesterfield needs to be able to offer an appropriate range of employment sites, in terms of quantity, size and location. Recognising that attracting and retaining business investment is a competitive process, the paper takes the view that quality of site provision is also a key consideration. The selected portfolio of employment sites will need to be attractive to the market and to have a realistic prospect of implementation within the plan period up to 2031.

- 2.18 The paper differentiates between B1 office, B2 industrial and B8 logistics employment land and cites a need for diversity of choice within these categories. It also declares the need to ensure that the best employment sites are safeguarded for employment use and not lost to alternative uses such as housing. This is not to preclude the development of mixed uses on former industrial sites so long as appropriate provision has been made to meet employment land requirements.
- 2.19 In forecasts arising from the 2008 population estimates, the Office for National Statistics (ONS) calculates the population of Chesterfield borough in 2011 as 101,700. Its 2031 projection puts the borough's population at 111,200, amounting to a growth in population of 9,500 or 9%. This population increase, together with other trends, points to a need for an additional 6,400 jobs in the Borough by 2031 (See paper at Appendix 4 for calculations). Applying an average floorspace area per job, according to the kind of industry, and adding a 20% margin to give an element of choice for businesses through each of the use classes, the overall land requirement for additional employment development between 2011 and 2031 is approximately **79 ha**. To match forecast trends for the three main industrial use classes, the distribution should be:
- B1 = 10.3 ha
 - B2 = 32.6 ha
 - B8 = 36 ha

Comparison with Historic Take-up Rate

- 2.20 As noted at paragraph 2.3 above, the annual Industrial Land Availability Survey shows an annual average of 3.76 hectares of industrial land taken up, over nearly two decades 1991 to 2010.
- 2.21 The Northern Sub-Region Employment Land Study summarises Chesterfield's historic employment land take-up rate in the nine years from 1996/7 to 2004/5 as 3.4 ha per annum. Applying this to the period 2011-2031 and adding an extra 20% allowance for a degree of choice, would equate to employment land provision for the coming 20 years of 81.6 ha, just 2.6 ha more than the forecast requirement using the other approach summarised in paragraphs 2.15 to 2.19 above. Due to the limited availability of large scale employment sites in the borough in the recent past, the annual take-up rate has historically been one of the lowest in the Northern Sub-Region, where average rates have ranged from 3.4 to over 11 ha per annum. Given the presence of Markham Vale, however, which is a regionally significant employment site already serviced and with plots ready for development, it would be reasonable to anticipate that in the near future the take-up of employment land in Chesterfield could increase above the historic trend rate. This possibility is accommodated within the extra 20% allowance referred to above.

PPS4 Planning for Sustainable Economic Growth

- 2.22 PPS4, the latest government guidance about planning for economic growth, was published at the end of 2009. The government's overarching objective is sustainable economic growth.
- 2.23 To help achieve sustainable growth, the government's objectives for planning are to:
- Build prosperous communities by improving the economic performance of cities, towns, regions, sub-regions and local areas, both urban and rural
 - Reduce the gap in economic growth rates between regions, promoting regeneration and tackling deprivation
 - Deliver more sustainable patterns of development, reduce the need to travel, especially by car and respond to climate change
 - Promote the vitality and viability of town and other centres as important places for communities
 - Raise the quality of life and the environment in rural areas by promoting thriving, inclusive and locally distinctive rural communities whilst continuing to protect the open countryside for the benefit of all

3.0 Choosing an Approach

- 3.1 Paragraph 4.38 of PPS12 describes the local planning authority's obligation to “...seek out and evaluate *reasonable* alternatives which they consider the LPA should evaluate as part of the plan-making process. **There is no point in inventing alternatives if they are not realistic.**” With this advice in mind, this section discusses alternatives before going on to describe the borough council's preferred spatial strategy for employment

Objectives of Core Strategy directly relating to Employment

- 3.2 During the Issues and Options consultation for the Core Strategy in July 2009, people were invited to comment on eleven draft strategic objectives, several of which were related to employment. This paper is meant to test and inform the draft objective which is directly about employment, as follows:

- Deliver 30-45 hectares of land for new employment development by 2026.

Other relevant draft strategic objectives put forward for consultation were:

- Minimise CO₂ emissions, increase the use of renewable energies and help the borough adapt to the effects of climate change.
- Support the growth and viability of Chesterfield and Staveley town centres and the borough's district and local centres.
- Adopt the approach to flood risk set out by the Government in allocating land for development, so that no new properties will be at risk of flooding.
- Ensure that new development is designed to a high standard, promotes architectural quality and reflects local distinctiveness.
- Tackle traffic congestion and secure strategic improvements to the transport system in the borough.
- Contribute to meeting the aims of the Chesterfield and North East Derbyshire Sustainable Community Strategy, and the Derbyshire Sustainable Community Strategy.

How Much Land is Required?

Employment in Sectors Other than Business, General Industry and Storage and Distribution

- 3.3 In terms of sheer numbers of jobs, other forms of employment are at least as important as the business and industrial sector. Many of these are concentrated in the town, district and local centres of the borough, but schools and health are notable exceptions located outside of existing centres. Construction of the 'Peak Resort' project (previously known as the Ecodome) at Birchall will bring a further significant

employment outside the B use-classes. The main thing to be said about these kinds of jobs, is that they do not need to take up sites that are better suited for B1, B2 or B8 use. Although they can be found in diverse locations, where such jobs are sited in town, district or local centres, they give the highest accessibility by sustainable transport not only for workers but also, where appropriate, for their customers.

Contrasting Approaches

- 3.4 The Sub-Regional Employment Land Review 2008 and the separate piece of research on Chesterfield's Future Employment Land Requirement (Appendix 4), each takes a different approach to the requirements for employment land. The Sub-Regional Employment Land Review **based its analysis on past performance and demographics allied to the emerging regional policy at that point.** It asked if the established and allocated sites the council has identified will provide the right kind and quantity of land for B1, B2 and B8 development. It suggests that land for up to 45 ha of additional development will be required up to 2026. It says: *'Given the likely future requirement for employment land, the size, type and location of the remaining portfolio would appear suitable for future needs.'* (page 9). Five sites have particular constraints that would need to be overcome before any employment development could commence.
- 3.5 The 'Chesterfield's Future Employment Land Requirement' paper, by contrast, addresses the subject by **looking at the projected growth in the borough's population and trends of change amongst business sectors, then calculating how many extra jobs in total the borough will need up to 2031, and in what categories.** It gives a figure of 79 ha of future new development land that would be required to satisfy **all additional** B1, B2 and B8 demand up until 2031 (which includes a 20% margin to allow some degree of choice within the market offer). Specific targets are set out for the three use classes and some more detailed comments are made about the provision. It should be noted that the 79 ha figure just arises from projected population growth in the borough. The calculation assumes that the jobs already existing in the borough will continue to be there. It does not take account of: 1) any future losses from the supply of land and premises, 2) planning permissions that have yet to be developed (such as areas of Markham Vale that have not been developed up to 2008) 3) allocations already in place but not yet developed,. These can all count towards, (or, in the case of 1, detract from) the notional 79 ha required.
- 3.6 As mentioned in paragraph 2.4, the 2008 Northern Sub-Region Employment Land Review included econometric modelling, which explored the range of employment outcomes that might have arisen from the former Regional Plan. The upper part of the range recommended for Chesterfield borough reflected the national population projections then current and the preferred RSS strategy of regeneration and urban growth. The policies of the East Midlands Regional Plan are expected to be supplanted in April 2012, when the

relevant provisions of the Localism Act take effect, but the version of the Chesterfield Core Strategy to be published in February 2012 will still need to conform generally with the Regional Plan.

- 3.7 After that point it will be for local planning authorities to examine the available evidence and make their own decisions about the strategic housing requirements appropriate for their own areas, adjusting their projected employment needs accordingly. For now, the starting point for this topic paper is taken as the highest part of the level recommended for the former RSS.
- 3.8 It should be noted that the 2008 Sub-Regional Employment Land Review reports on land supply as of March 2006. In the four years since then 19.86 hectares of land has been developed for B1, B2 and B8 uses in the borough (see table following paragraph 2.3 above). This 20 hectares of provision needs to be taken in to account therefore, when considering the overall requirements outlined in the Sub-Regional Employment Land Review and the land available to meet the needs forecast in the discussion paper in Appendix 4.

Identifying the Land Required

- 3.9 It will be for the Sites and Boundaries Development Plan Document to allocate the sites for new industrial development that are required up to 2026 according to the Sub-Regional Employment Land Review and beyond that to 2031. For purposes of the Core Strategy, however, it is best practice to *make sure in advance that enough potential sites exist to meet whatever spatial strategy for employment is selected*. Appendix 2 contains the list of potential sites believed to be available to meet the industrial land requirement.
- 3.10 In broad terms the list in Appendix 2 shows that enough potential sites are available to meet the 45 hectare B1, B2, B8 land requirement 2006 to 2026 recommended in the Sub-Regional Employment Land Review. The same group of potential sites is also enough to meet the differently calculated 79 hectares 2011 to 2031 recommended in 'Chesterfield's Future Employment Land Requirements (2010)' in Appendix 4. Taken alongside the potential new B1a provision in Chesterfield Town Centre and the potential new B1a, b and c provision in mixed-use sites, the supply ought to be enough to allow for choice in the Sites and Boundaries Development Plan Document and to replace some losses if those are incurred.

Spatial Distribution of Sites

- 3.11 The distribution of different employment uses around the borough is important, as specific uses are suited to specific locations. At the same time, homes and jobs need to well-related in order to cut down travelling.

- 3.12 In terms of B1a (Office) uses PPS 4: Planning for Sustainable Growth prioritises this use to town and district centres. Accordingly the borough council should focus the majority of future office growth in and around the town and district centres.
- 3.13 Considerations of living environment, including residential amenity, argue that B2 uses should generally be kept in existing industrial areas an appropriate distance away from dwellings.
- 3.14 B8 uses, specifically storage and distribution, rely on good access to the strategic highway network and where possible to railheads. This characteristic weighs in favour of B8 uses being located towards the east of the borough, close to the motorway access points of J29a at Markham Vale and J30 at Barlborough. There would also be some opportunity for B8 uses at the Staveley Works site, in order to take advantage of the Staveley Loop Road and its links to the M1. The proposed railhead at Markham Vale also has potential to enhance the sustainability of B8 activity in the east part of the borough.

Alternative Approaches

- 3.15 During community involvement and evidence-gathering for the Core Strategy, apart from PPS4 the main formative influences have been the Sub-Regional Employment Land Review and the Bolsover, Chesterfield and North East Derbyshire Economic Development Strategy 2009 outlined in section 3 above. No representations have been received from stakeholders or other parties which directly promoted particular spatial strategies for employment or distribution. Some comments and representations about linked matters have hinted at alternatives, however, or raised questions about the viability of existing or committed sites. It is therefore appropriate to consider whether any of these lead in the direction of reasonable alternatives and need to be evaluated.
- 3.16 Four broad possibilities can be identified from these comments and representations, which might be typified under the following headings:
- Status Quo (Employment Strategy as now)
 - Sustainable Employment Growth
 - Reduction in Job Numbers
 - Rely on Jobs Provided Outside the Borough
- Their relevance as alternative strategies for consideration is discussed below.

Status Quo (Employment Strategy as now)

- 3.17 The spatial strategy for employment promoted in the saved Replacement Chesterfield Borough Local Plan 2006 (RCBLP) is, amongst other things, a reflection of:
- 1) the historic distribution of manufacturing industries in the river valleys of the borough;

- 2) the redevelopment of significant parts of them for modern manufacturing during the 40 years 1960 to 1999, and
- 3) the very large planning permission for industrial development at Markham Vale granted in 2003.

During the preparation of the local plan, the way that past employment uses and their attendant homes have grown up around the borough, was considered to make the existing the distribution and range of available employment sites a relatively good option in terms of deliverability, appropriate economic development and sustainability. That spatial strategy for employment was also a good fit with the provisions of the then Regional Spatial Strategy.

- 3.18 Whilst the broad picture remains similar and the RCBLP remains relevant, fresh evidence and national guidance is now available (see below) which qualifies the picture as it appeared five or so years ago. To be sound, therefore, the Core Strategy could only continue with the current RCBLP spatial strategy for employment if that was 'modified' to take account of the new factors.

Sustainable Employment Growth

- 3.19 The evidence base for the Regional Spatial Strategy identified Chesterfield as a sub-regional centre for employment. Chesterfield's role as a centre for employment within the Sheffield City Region is also clearly recognised, together with its strong industrial heritage as a centre for manufacturing and engineering and its modern aspirations to provide technology jobs. ONS population projections based on 2008 forecasts indicate that the population of the borough is likely to grow by 9,500 during the period 2011 to 2031. New employment development will be needed to provide jobs for the additional working population.
- 3.20 As well as these pointers towards a need for change and growth in employment, several sources -particularly the Sub-Regional Employment Land Review 2008, and PPS4 2009- support the 'change and growth' agenda. Both of these emphasise the need to provide a better selection of sites that are attractive to developers and right for the range of jobs required. PPS4 also requires spatial plans to give due emphasis to the land requirements of all employment generating uses, (not just to the industrial 'B' use-classes, which now provide fewer than half the jobs for most communities). Added to that, government guidance and best practice also places a greater emphasis on sustainability and on the advantages of reduced commuting journeys to places of work.
- 3.21 Taken together, these factors support a strategy for sustainable employment growth in the borough, with emphasis on selection of sites which are best-suited for the future rather than just 'left over from the past'.

Reduction in Job Numbers

- 3.22 Chesterfield provides many jobs for in-commuters who live outside the borough (6,000 more jobs than economically active residents, in a 2001 estimate). Neighbouring councils (particularly Bolsover) are also interested in providing more jobs locally and trying to reduce out-commuting. In this situation, a strategy reducing the proportion of jobs provided in Chesterfield for in-commuters during the plan period ought to be among the options for consideration.
- 3.23 Work on the former Regional Spatial Strategy and the Sub-Regional Employment Land Review included scenarios intended to reduce out-commuting. Figures from the 2001 Census (10% sample) indicated that of the 48,700 or so people then working within the borough, only about 29,000 were residents, while about 19,700 were in-commuters. At the same time about 13,700 residents were travelling to work at places outside the borough. Similar figures are quoted in the Sub-Regional Employment Land Review (2008) at paragraph 7.2.4 The provisional objectives for the Chesterfield Core Strategy listed at paragraph 3.2 above indicate that achieving a better balance between homes and workplaces could still be a valid aspiration.
- 3.24 Whilst the logic behind this aspiration is clear, it does not appear practical to devise a strategy for this purpose. Analysis of the 2001 census data suggests that numbers of the commuters are using public transport to commute to town centre jobs in Chesterfield. Anecdotal evidence suggests that others are using private vehicles to reach employment sites in many parts of the borough, not least the hospital at Calow. The parking places for these commuter journeys already exist. Planning permission for privately-owned parking cannot be retrospectively conditioned by the council (although, as the opportunity arises, Transport Plans are slowly being introduced which may to a small extent reduce commuting by car).

Rely on Jobs Provided Outside the Borough

- 3.25 Another approach could be to build on the potential large-scale provision of jobs just across the boundaries of the borough, at the sites formerly occupied by Coalite, west of Bolsover, and at the former Avenue Works east of Wingerworth, where several thousand jobs might be accommodated eventually, if developers' aspirations (and potential Core Strategy policies for the relevant districts), are fulfilled.
- 3.26 To some degree this approach runs counter to the idea of achieving a better balance between homes and workplaces, but the two locations are well placed in respect of about half the homes in the borough. It is also the case that, should commuting patterns alter in future to embrace the concept of shorter journeys and less travel overall, this could result in Bolsover and North East Derbyshire residents swapping their places of work to these sites, so freeing-up jobs in the borough for borough residents. Such an outcome is purely speculative, however, and entirely outside the control of the borough council as a local

planning authority. It does not appear to be reasonable to back a strategy devised on this basis.

- 3.27 More importantly, an approach of relying on provision of jobs outside the borough would contradict both the recognised role of Chesterfield as a sub-regional centre and the principles established already for other parts of the Core Strategy, such as that of supporting the growth, vitality and viability of the borough's town, district and local centres.

Conclusion

- 3.28 The discussion in this section has referred to four possible approaches to the spatial strategy for employment to be included in the borough's Core Strategy. It has concluded that all except one are deficient, to the extent that there is only one reasonable alternative: the approach discussed in paragraphs 3.19 to 3.21. The next section therefore describes in more detail what this approach would entail.

4.0 A Spatial Strategy for Employment

- 4.1 The approach discussed in paragraphs 3.19 to 3.21 and headed ‘Sustainable Employment Growth’, which appears to be the best option, is provisionally expected to have the following characteristics:
- Continuation of the borough’s role as a sub-regional centre for employment .
 - Town, district and local centres continuing to make provision for a wide range of non-industrial jobs and many more B1a office jobs (particularly in Chesterfield town centre).
 - The Royal Hospital at Calow and the Peak Resort at Sheepbridge providing many other non-industrial jobs.
 - Major mixed-use redevelopments at Chesterfield Waterside/A61 Corridor, land south of Chatsworth Road and Staveley Works all incorporating both non-industrial jobs and B1 jobs.
 - New B2 uses concentrated in existing industrial areas and the areas already allocated in the RCBLP (including Markham Vale), with some additional B2 at Staveley Works.
 - Large-scale B8 uses at Markham Vale and later at the east side of the Staveley Works regeneration. Smaller-scale B8 uses distributed at other industrial sites around the borough.
 - Provision of a range of sites suitable for a wide variety of business, industrial and distribution and storage activities, including high tech and green enterprises.

Chesterfield Town Centre and Staveley Town Centre

- 4.2 The Chesterfield Town Centre Masterplan (October 2009) and to a lesser extent the Staveley Town Centre Masterplan (August 2009) have drawn attention to the importance of the town centres as places of work. In the case of Chesterfield particularly, it is estimated that 84,000m² of B1a office space can come out of the combined development proposals of the Town Centre Masterplan, all very well placed to take advantage of bus and train services already at hand. Other jobs will be forthcoming in the retail, food and drink and leisure sectors.

Mixed-Uses and Alternative Uses on Old Employment Sites

- 4.3 If the spatial strategy for employment described above gets incorporated in the Core Strategy, the Sites and Boundaries DPD which follows it is likely to reallocate certain sites currently deemed to be employment land. At paragraph 6.64 and Table 31 the Sub-Regional Employment Land Review recommends the development for a mixture of uses of 5 sites shown in the RCBLP as in existing employment use. These are:

- CH22 Land between Sheffield Road and the railway

- CH24 South of Chatsworth Road and west of Walton Road
- CH25 Land east of Sheffield Road and north of Lockoford Lane
- CH37 Stand park Industrial Estate, Sheffield Road
- CH44 Staveley Chemicals, Hall Lane

4.4 The Sub-Regional Employment Land Review also recommends, at paragraphs 6.6.4 and Table 30, that 10 sites shown in the RCBLP as in existing employment use should be considered for various other uses. These are:

- CH4 West of Works Road (Staveley Works)
- CH30 Between Station Road, Hollingwood and the canal
- CH63 'North Brimington' (West end of Staveley Works)
- CH65 Former Railway, east of Whittington Way, Brimington Road North
- CH66 Land east and west of Private Drive, Hollingwood
- CH6 Works Road, (Staveley Works)
- CH8 Ringwood Centre, Station Road/Victoria Street
- CH17 Alma Leisure park, Derby Road
- CH23 Brampton Manor, Old Road
- CH27 Barrow Hill Engine Shed, Campbell Drive

4.5 At Table 32 the Employment Land Review lists 5 other industrial sites as having particular constraints which makes their redevelopment for industry questionable. These are:

- CH49 Hartington Tip, Staveley
- CH9 Station Lane Industrial Estate,
- CH16 Former William Cook Foundry, Clayton Street
- CH28 North east of Whittington Way, Station Road
- CH47 Baden Powell Road

The potential reuse of these less-favoured sites for other purposes is not judged to be a significant loss for B1, B2 or B8 purposes.

Staveley and Rother Valley Corridor

4.6 The Staveley Works Area Action Plan Feasibility Study 2009 has given a fuller picture of what redevelopment of the Staveley Works sites for a mixture of uses will need to comprise. The employment element of the mix is recommended to contain about 20 hectares of B1c, B2 and B8 Use-class development, estimated to amount to 80,000 m² gross floorspace. Broad proposals of this nature received favourable comment at the issues and options stage of the Core Strategy and the parallel consultation about options for the Staveley Works redevelopment.

Chesterfield Waterside

4.7 Outline planning permission was approved in principle in March 2010 for the Chesterfield Waterside Development, pending completion of a legal agreement. It was originally a proposal of the RCBLP and under the outline application is now to provide only 36,000 m² gross floorspace for use-class B1a, rather than the 60,000 m² envisaged in

the RCBLP. Other jobs are expected to arise from the hotel, health, food and drink and leisure uses, however.

Markham Vale

- 4.8 Outline planning permission was granted for the Markham Vale industrial development in 2003 and the major infrastructure for the development is in place. That permission and subsequent RCBLP policies incorporate provisions intended to reduce the transport impacts of the development, including legal agreements relating to bus services and retention of options for a railhead.
- 4.9 Future jobs at Markham Vale will be sited within walking and cycling distance of several communities which experience relatively high levels of deprivation and worklessness (Duckmanton, Poolsbrook, and Mastin Moor within the borough and others outside it). The Markham Vale proposals should improve prospects for economically active residents in those communities, but siting more new housing within or beside these communities, also within walking and cycling distance of Markham Vale, would also be a way of improving the potential sustainability of the already-committed employment site. A spatial strategy for housing of this nature was consulted on at the options stage of the Core Strategy in July 2009.
- 4.10 In respect of the distribution industry (Use Class B8), the outline planning permission for Markham Vale site now makes provision for up to 240,000m² of B8 development (variation of condition 21 under CHE/09/00778/REM1 refers). The 54,000 m² 'Green Giant' B8 development already has planning permission as part of the Markham Vale provision, although it has yet to be constructed. In addition, the Staveley Works Area Action Plan Feasibility Study 2009 indicates the potential for further B8 development at the eastern end of that site, as part of the Staveley Works redevelopment (see 4.4 above). Both these sites are well related to the national highway network (principally the M1) so are well placed to provide the required levels of B8 development indicated in evidence gathered for the RSS and the Chesterfield LDF.
- 4.11 Comparison of Appendix 1 with the provisional key diagram in Appendix 3 reveals how the broad employment strategy described above fits with other aspects of the provisional spatial strategy. Sustainability will be a key issue when integrating employment uses with other uses throughout the borough.

Conclusion

- 4.12 A spatial strategy for employment based on the sites itemised in Appendix 2 and mapped in Appendix 1 appears to be deliverable, developable and sustainable. Drawing on the marketability information contained in the Sub-Regional Employment Land Review, a strategy based around these sites also appears likely to have the range, quality

and attractiveness to the market sought in the council's Joint Economic Development Strategy and in PPS4, policy EC2.1(h).

5.0 Consultations About this Paper

- 5.1 This topic paper began life as a discussion document and peoples' views about it were invited during April and early May 2011. Interested parties were invited to address a series of key questions by writing or e-mailing or filling in an on-line form. Wider-ranging comments were also invited.
- 5.2 A press release was issued and 71 different people or organisations on the council's mailing list for LDF matters likely to be particularly interested in land for employment development were notified that the consultation was taking place. The discussion paper itself and a summary of it were both made available on line or sent by post on request. Relevant members of the Derbyshire and Nottinghamshire Chamber of Trade were also consulted by e-mail.
- 5.3 The comments and requests for changes made by a total of six respondents were reported to councillors at a meeting on 23rd September 2011 and amendments were approved, which have been incorporated in this topic paper. Appendix 4, Chesterfield's Future Employment Land Requirements, has also been amended following receipt of population projections based on 2008, rather than 2006 forecasts, and in line with the need to give the Core Strategy a 2031 horizon.

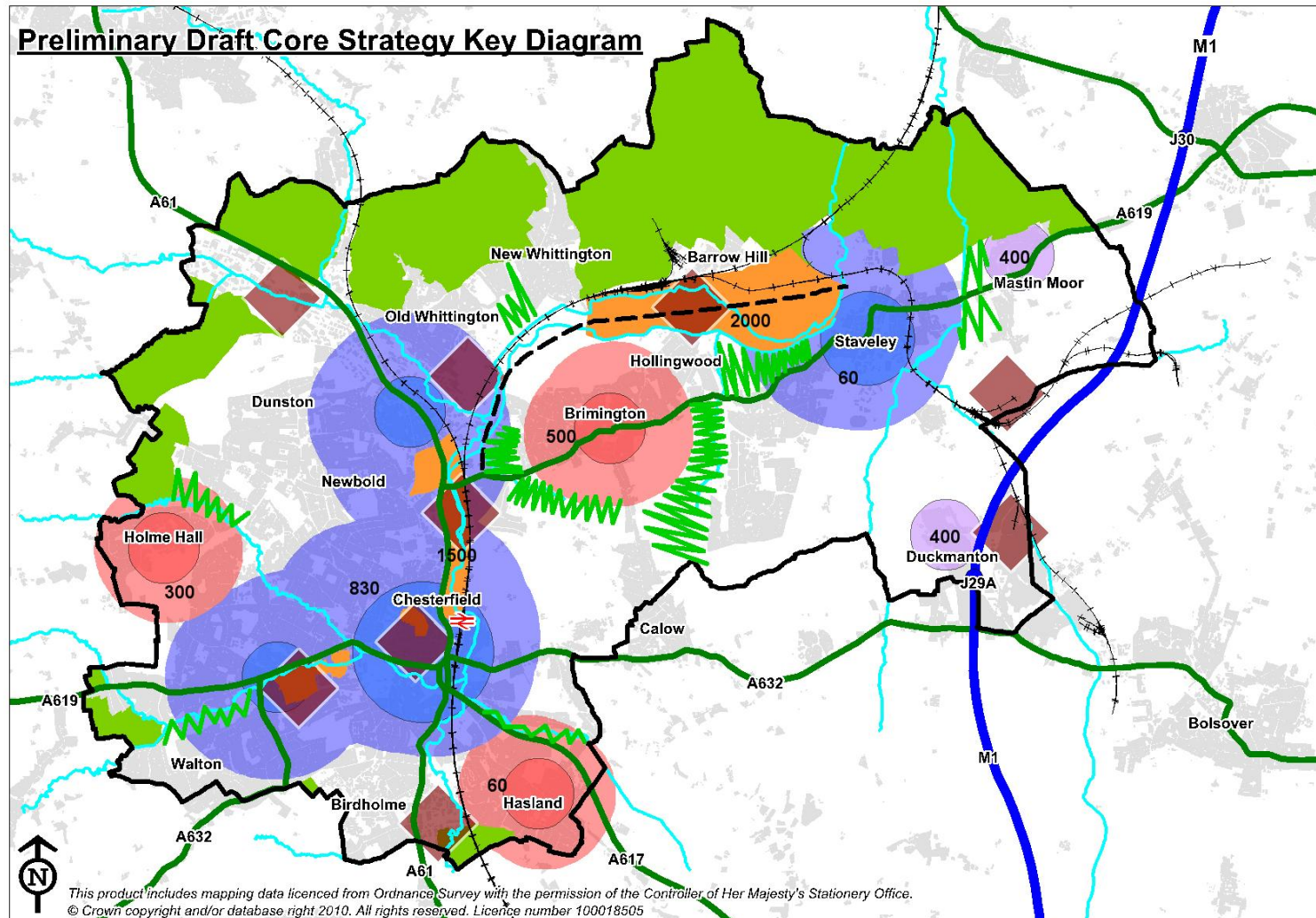
Potential Employment Sites for B use-classes at 1st April 2006

- To fit with the housing and other proposals of the emerging spatial strategy, as a first step the search for potential sites has been focussed on the sites that were analysed by ARUP as part of the employment land review. 44 were existing employment sites areas identified by the 2006 RCBLP as Existing Business and Industrial Areas. Within the 'existing' sites, certain areas or premises are known to have been vacant or undeveloped in March 2006, (the baseline for the Sub-Regional Employment Land Review). If they are still available, these vacant sites and premises have been included in the list of potential sites.
- The majority of these existing employment sites are brownfield, closely linked to road infrastructure and sustainable modes of transport, so that in broad terms they meet the objectives already set for the Core Strategy (see paragraph 3.2 above). Parts of the sites which are significantly constrained because of factors such as high risk of flooding, difficult access, biodiversity value or sensitive uses adjoining, have been omitted or a smaller net area has been recorded in the table below. Some were recommended by the study to be considered for release for other uses (Table 30). These have been omitted from the group of potential sites examined. Others recommended for mixed-use redevelopment (Table 31) have been included, but the site details in the table below emphasise the area likely to be devoted to B-use employment, as opposed to the gross site area.
- The 21 RCBLP employment or mixed-use site allocations assessed by the Sub-Regional Employment Land Review have been included as 'potential' except for those already developed at 2006 and one or two others entirely omitted for reasons of constraints or their poor showing in the Sub-Regional Employment Land Review. None of the 4 fresh sites appraised in the study has been included, since none performed well enough.
- Following from the recommendations of the Sub-Regional Employment Land Review, site details in the table below also include judgements about the broad categories of B-use development likely to be forthcoming. Based on those assumptions, further estimates are made of the net areas likely to be developed, leading to a gross floorspace area in m².

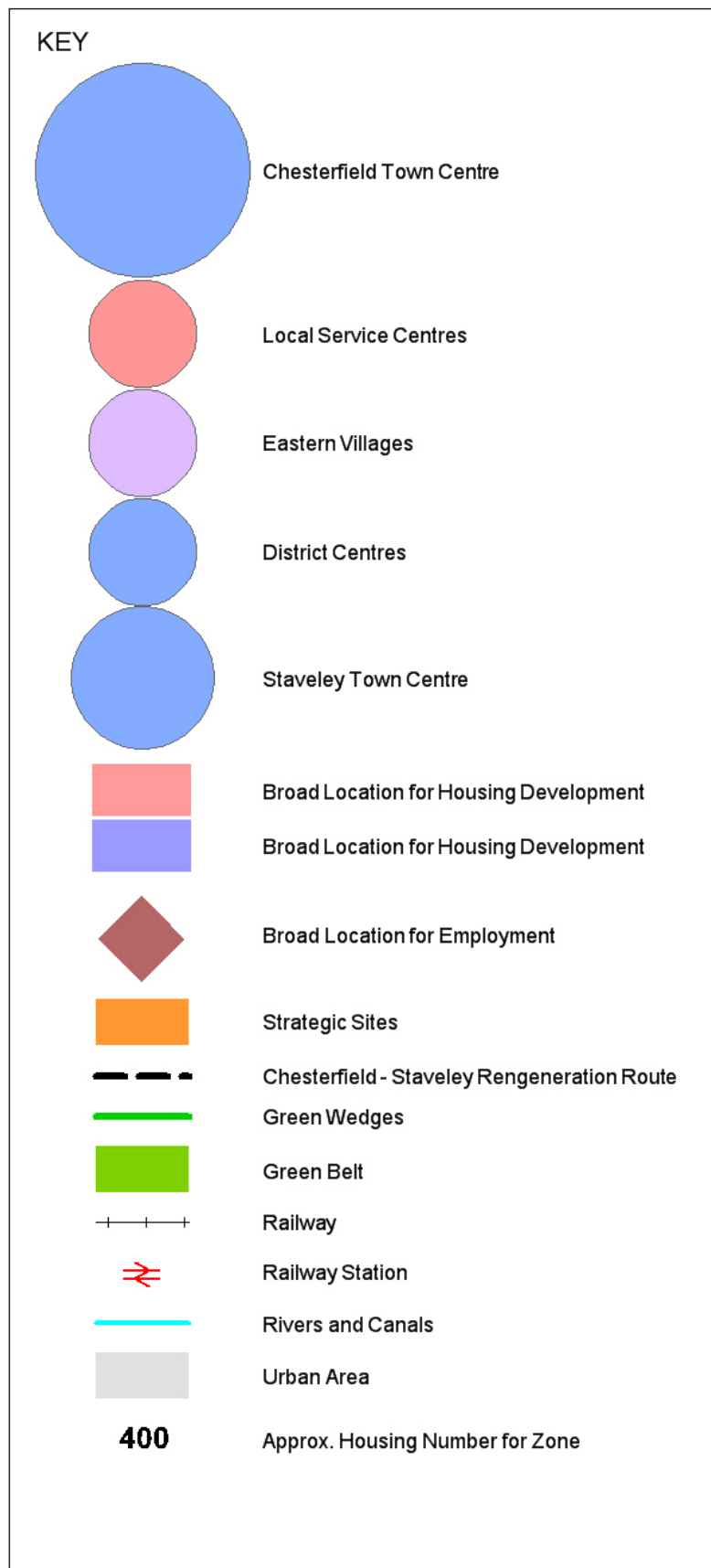
| CBC Reference | ARUP REF | Location | Area ha | Adjusted Plotted Area ha | ARUP Market Scores | ARUP Sustainability Scores | Potential Use Class | Replacement Local Plan Site Status | m2 | Build to site area | Gross Floorspace Area m2 |
|----------------------|------------------------------------|--|----------------|---------------------------------|---------------------------|-----------------------------------|----------------------------|---|-----------|---------------------------|---------------------------------|
| CEMP1 | CH43 | Sheepbridge & Dunston Trading Estate | 6.87 | 0.00 | 19 | 35 | B2 B8 | EXISTING | 68721.9 | 0.4 | 27489 |
| CEMP2 | CH43 | GKN (Sheepbridge & Dunston Trading Estate) | 8.66 | 0.00 | 19 | 35 | B2 B8 | EXISTING | 86634.6 | 0.4 | 34654 |
| CEMP4 | CH61 | Land at Dunston Road | 3.76 | 0.00 | 26 | 43 | B1 B2 B8 | COMMITTED | 37632.7 | 0.4 | 15053 |
| CEMP5 | CH52 | Land at Whitting Valley Road | 10.12 | 0.00 | 33 | 47 | B1 B2 B8 | COMMITTED | 101176 | 0.4 | 40470 |
| CEMP6 | CH45 | Armytage Industrial Estate, Station Road | 0.43 | 0.00 | 32 | 47 | B2 | EXISTING | 4255.74 | 0.4 | 1702 |
| CEMP7 | CH45 | Armytage Industrial Estate, Station Road | 0.60 | 0.00 | 32 | 47 | B2 | EXISTING | 6011.03 | 0.4 | 2404 |
| CEMP8 | CH45 | Armytage Industrial Estate, Station Road | 3.98 | 0.00 | 32 | 47 | B2 | EXISTING | 39779.5 | 0.4 | 15912 |
| CEMP9 | CH9 | Station Lane Industrial Estate, South Street North, New Whittington* | 2.99* | 2.44 | 41 | 61 | B2 B8 | EXISTING | 24355.3 | 0.4 | 9742 |
| CEMP10 | | Former Pearson Pottery* | 3.84* | 2.08 | 0 | 0 | B2 B8 | OTHER | 20800 | 0.4 | 8320 |
| CEMP11 | | Lockoford Lane* | 1.87* | 0.85 | 0 | 0 | B1c b2 | OTHER | 8500 | 0.4 | 3400 |
| CEMP12 | | Former Tesco Superstore, Meltham Lane | 3.21 | 0.00 | 0 | 0 | B1 B2 B8 | OTHER | 32075.5 | 0.4 | 12830 |
| CEMP13 | | Fire Station, Sheffield Road | 0.54 | 0.00 | 0 | 0 | B1 B2 | EXISTING | 5383.14 | 0.4 | 2153 |
| CEMP14 | | Within Chesterfield Waterside area* | N/A* | 3.00 | 0 | 0 | B1a | OTHER | 30000 | 1.2 | 36000 |
| CEMP15 | CH33 | Stonegravels Bus Depot frontage | 0.99 | 0.00 | 39 | 44 | B1 | EXISTING | 9878.54 | 0.4 | 3951 |
| CEMP17 | | Within Land South of Chatsworth Road Masterplan* | N/A* | 5.76 | 0 | 0 | B1c B2 | OTHER | 57639.7 | 0.4 | 23056 |
| CEMP18 | | Ambulance Station, Ashgate Road | 0.26 | 0.00 | 0 | 0 | B1c | OTHER | 2639.32 | 0.4 | 1056 |
| CEMP19 | CH36 | Vanguard Trading Estate | 0.80 | 0.00 | 24 | 47 | B2 B8 | EXISTING | 7950.57 | 0.4 | 3180 |
| CEMP20 | CH36 | Vanguard Trading Estate | 0.88 | 0.00 | 24 | 47 | B2 B8 | EXISTING | 8834.37 | 0.4 | 3534 |
| CEMP21 | CH36 | Vanguard Trading Estate | 0.35 | 0.00 | 24 | 47 | B2 B8 | EXISTING | 3496.96 | 0.4 | 1399 |
| CEMP23 | CH49 | Hartington Tip | 2.53 | 0.00 | 43 | 55 | B2 B8 | COMMITTED | 25270.2 | 0.4 | 10108 |
| CEMP25 | CH35 | Ireland Industrial Estate, Meadows Drive | 2.11 | 0.00 | 19 | 42 | B2 B8 | EXISTING | 21106.9 | 0.4 | 8443 |
| CEMP27 | CH62 | Land at Donkins | 2.16 | 0.00 | 27 | 53 | B1a | COMMITTED | 21626.7 | 1.2 | 25952 |
| CEMP28 | CH4, CH6, CH7, CH44, CH63 and CH64 | Within Staveley Works Area Action Plan Area * | N/A* | 20.00 | 0 | 0 | B2 B1c B8 | EXIST/COMM | 200000 | 0.4 | 80000 |
| CEMP29 | CH50 | Land at Station Road | 2.85 | 0.00 | 0 | 0 | B2 B8 | COMMITTED | 28512.4 | 0.4 | 11405 |
| CEMP30 | CH58 | Markham Vale | 6.00 | 0.00 | 0 | 0 | B1a | COMMITTED | 25000 | | 25000 |
| CEMP31 | CH58 | Markham Vale | 28.00 | 0.00 | 0 | 0 | B2 | COMMITTED | 60000 | | 60000 |
| CEMP32 | CH58 | Markham Vale | 46.00 | 0.00 | 0 | 0 | B8 | COMMITTED | 180000 | | 180000 |
| CEMP33 | | Within Chesterfield Town Centre Masterplan area* | N/A* | 8.40 | 0 | 0 | B1a | OTHER | 84000 | 1 | 84000 |

| | | |
|-------|---------|--------|
| TOTAL | 173.63* | 349000 |
|-------|---------|--------|

* Substituting adjusted site areas where relevant, to account for site constraints and mixed-use sites



Preliminary Draft Core Strategy Key Diagram Key



Chesterfield's Future Employment Land Requirements (2011-2031)

Introduction

The provision of a high quality sites and premises infrastructure plays a vital role in supporting the rebuilding and diversification of the economic base following the decline of traditional industries over the last 20 years.

Future employment land requirements will be linked to a range of factors including:

- Maintaining and reinforcing Chesterfield's role as a sub-regional employment centre. More than 48,000 people are employed in the Borough and there is a net-inflow of 6,000 commuters who travel to work in Chesterfield on a daily basis (mainly from North East Derbyshire, Bolsover, Sheffield and Derbyshire Dales). Whilst Chesterfield has seen some employment growth in recent years, this has lagged behind the growth seen at the regional and national levels. If employment had increased in line with the national average, there would now be an additional 5,900 jobs located in the Borough.
- Tackling worklessness. The decline of the traditional industrial base has resulted in concentrated disadvantage in particular communities (for example on the fringes of Chesterfield town centre and in the east of the Borough) alongside a relatively high level of worklessness across the district as a whole. The unemployment rate in Chesterfield is consistently above the national and regional averages, and the number of people claiming key out of work benefits is amongst the highest in the East Midlands (Chesterfield 15.4%, East Midlands 11.5% - Feb 2011). There is a need to ensure the provision of a sufficient range of employment opportunities to meet the needs of the local population.
- Supporting the effective functioning of the local business base. At the end of 2009 there were 3,360 businesses operating in Chesterfield. Year on year there has been a decline in the local business base as a result of business births (325) being outweighed by business deaths (385) – a situation reflected nationally as a result of the economic recession. Over the five year period (2004 to 2009) there was a 7.9% increase in the number of businesses in Chesterfield, broadly in line with the national increase of 8.3%. In order to sustain the local employment base, it is vital that new starts, business expansions and inward investors can continue to be accommodated within the Borough.
- Promoting the growth of new business sectors. Chesterfield is the largest established office location in the Northern Sub-Region and has seen considerable growth in office based employment in recent years (employment in Financial and Business Services has increased by 60%

between 1995 and 2008). New office developments have taken place within the town centre (Royal Court), on the edge of the town centre (Spire Walk), and in out of centre locations (The Bridge on Dunston Road). The development of two innovation centres by the Council has helped to act as a seed-bed to the growth of new knowledge based activities, with a number of companies expanding out of the centres and taking premises elsewhere in the Borough.

- Supporting the manufacturing base. Despite a significant decline, Chesterfield retains above average levels of employment in manufacturing sectors. Whilst it is anticipated that the sector will see further job losses in the future, it is not expected that the rate of decline will be as severe as in recent years. In contrast to the decline in employment, the actual number of manufacturing companies based in Chesterfield increased by over 20% between 1995 and 2007 (compared to a decline of 6% nationally). With a more diverse business base, the manufacturing sector should potentially be more resilient in the future. The majority of traditional large scale manufacturers, those most vulnerable to globalisation pressures, have now either closed or had their activities relocated elsewhere, reducing the scope for significant economic shocks in the future. The currently competitive exchange rate should also provide a boost to export orientated companies.
- Responding to future population growth. ONS projections suggest that Chesterfield's population will increase to 111,200 by 2031 (from 101,700 at present), creating an additional demand for employment. The scale of demand will be dependent on the relative size of the working age population, but on current levels of economic activity this would equate to approximately an additional 4,700 jobs.
- Supporting more sustainable patterns of development. Prioritising the re-use of brownfield sites and promoting sites which reduce the need to travel and are accessible by public transport.

In order to meet both current and future employment / business requirements, Chesterfield needs to be able to offer an appropriate range of employment sites, in terms of quantity, size and location. The quality of site provision is key – the aim should be the identification of a portfolio of employment sites that are attractive to the market (recognising that attracting / retaining business investment is a competitive process) and that have a realistic prospect of implementation within the designated plan period. Ideally, the portfolio should differentiate between different employment requirements eg office and industrial/logistics and be able to offer diversity of choice within these categories. There is a need to ensure that the best employment sites are safeguarded for employment use and not lost to other uses such as housing. This is not to preclude the development of mixed uses on former industrial sites so long as appropriate provision has been made to meet employment land requirements.

Calculating Employment Land Requirements

Whilst far from an exact science it is possible to estimate the area's employment land requirements taking account of two key factors: addressing current employment need in the Borough; and meeting future employment requirements based on forecast increases in population.

It should be noted that determining employment need and translating this into an employment land requirement is based on a number of assumptions about variables such as economic activity rates and the future make-up of the local economy. Changes in any of these assumptions will clearly impact on the final employment land figure, and the approach set out below needs to be viewed in that context.

Addressing the Current Employment Deficit

As highlighted above, the decline of the traditional industrial base has resulted in a high level of worklessness in the Borough. Worklessness is not just concerned with the JSA claimant count unemployed, but also the 'hidden' unemployed as a result of people being diverted onto ESA/Incapacity Benefit. This is a particular issue in older industrial areas where research has highlighted a move into economic inactivity as a result of large scale job losses and a lack of alternative employment options. The difference between the number of jobs needed to tackle employment need in the Borough, and the actual jobs either currently available or capable of being accommodated within existing premises infrastructure will be referred to as the 'employment deficit'.

The size of the employment deficit is estimated by adding together the current number of unemployed (2,750 people in Chesterfield in July 2011) with those economically inactive people who might normally be expected to be in work if sufficient jobs were available. In February 2011 (the latest figures available), 9.1% of the working age population were claiming ESA / Incapacity Benefit in Chesterfield compared to 6.6% nationally. Taking the difference between these two figures (equating to 1,600 individuals) as those people who would be in employment (if the jobs were available), this results in a total employment requirement of 4,350 (2750 + 1,600). This could be viewed as a conservative estimate as there will also be other people (not included in the total), currently classified as economically inactive, who would like to work but whose particular circumstances prevent them from doing so ie individuals with caring responsibilities.

Set against this demand for employment is the current supply of jobs in the area. A review of job centre vacancies over the last 12 months shows that on average, 530 jobs were available in Chesterfield at any particular time. As an approximation, advertised vacancies in job centres are generally considered to represent one third of total vacancies available in the area. On that basis it is estimated that there are currently 1,600 jobs available within existing businesses in Chesterfield. In addition, there is an extensive range of vacant industrial, office and retail premises across the Borough which are capable of accommodating employment related uses. Based on properties listed in the Council's Sites and Premises Guide (plus adjustments for excluded premises

(+30%) and hard to let stock / inefficient use of space (-10%)), it is estimated that current vacant floorspace of 46,000 sqm is capable of supporting approximately 1,700 jobs (1,600 + 1,700 = 3,300 jobs in total).

Balancing current demand for employment against potential supply of jobs (4,350 – 3,300) results in an additional requirement for 1,050 jobs in the Borough. Or put another way, in order to help tackle the issue of worklessness (in terms of demand for labour), employment floorspace capable of accommodating an additional 1,050 jobs needs to be provided.

Future Employment Requirement

In 2011, Chesterfield's population was estimated as 101,700. The 2031 projection puts Chesterfield's population at 111,200, therefore growth in population:

$$111,200 - 101,700 = 9,500 \text{ (or 9\%)}$$

Chesterfield's working age population (16-64) currently stands at 63.8% of total population or approximately 65,000. The size of the working age population has remained relatively static over the last 15 years, although the proportion of working age people is predicted to decline in future as a result of an increasingly ageing population. Set against this is the Government's plan to increase the retirement age to 67 by 2036 (or even 2030). Taking a balance of these two factors it is assumed that the working age population will account for 62% of total population in 2031.

$$\text{Increase in the working age population: } 9,500 \times 0.62 = 5,890$$

$$\text{Assuming a future economic activity rate of 80\% (the national rate is currently 78.9\%): } 5,890 \times 0.8 = 4,712$$

In 2031 it is estimated there will be an additional 4,712 economically active Chesterfield residents. Or put another way there will be an additional requirement for 4,712 jobs to meet the employment needs of Chesterfield's residents.

As a sub-regional employment centre, Chesterfield not only provides jobs for local residents but also for residents in surrounding areas (Chesterfield's Travel To Work Area covers a large part of North East Derbyshire and Bolsover, and the Town also attracts commuters from further afield notably Sheffield and Derbyshire Dales). Therefore, any employment land forecast will need to reflect this sub-regional role by taking account of population growth (and employment demand) in surrounding districts. Equally, a number of Chesterfield residents work in locations outside of the Borough and this should also be reflected in any forecast.

At the time of the Census 2001, there were 42,752 Chesterfield residents in employment of which 29,053 worked in Chesterfield and 13,700 worked elsewhere.

29,053 / 42,752 = 0.68 (ie 68% of local employment need is met within the boundaries of the Borough).

Assuming Chesterfield's role as an employment centre and its relationship with surrounding employment centres such as Sheffield remains broadly unchanged to 2031 (ie established commuting patterns remain the same):

$$4,712 \times 0.68 = 3,204$$

an additional 3,204 Chesterfield residents will be working in the Borough in 2031.

At the time of the Census 2001, there were 48,748 jobs in the Borough of which 29,053 (or 60%) were taken by Chesterfield residents.

Again, assuming established employment roles and commuting patterns remain the same and additionally, that population growth in surrounding commuting districts broadly reflects the 9% population growth in Chesterfield:

$$3,204 / 0.6 = 5,340$$

An increase in Chesterfield's population will create an additional requirement for 5,340 jobs in the Borough by 2031. In addition, an existing employment deficit of 1,050 jobs has been identified. Assuming this need is met wholly within the Borough, then there will be a requirement to accommodate an additional **6,400** jobs in Chesterfield by 2031.

Future Employment by Key Business Sector

6,400 jobs represents an increase of 13% on the 2008 employment baseline of 48,300. By way of comparison, employment in the Borough increased by 4% between 1995 and 2008, and by 17% nationally over the same period. The relatively small rise in Chesterfield's overall level of employment between 1995 and 2008 reflects significant job losses in the manufacturing sector. Despite the current uncertainty about the economic outlook, linked in part to significant cuts in public expenditure, an increase in employment of 13% by 2031, whilst ambitious, does not appear unreasonable.

The starting point in translating the employment forecast into an employment land requirement is to make an educated guess about the sectoral composition of the local economy in 2031. The table below sets out employment by key sector (at 2008) relative to the regional and national averages and an employment projection for Chesterfield in 2031. This projection takes account of trends in the national economy (as the national economy is now, Chesterfield is increasingly likely to be in the future) and key local factors such as the development of Markham Vale.

| Employment by Key Business Sector | | | | | | | |
|-----------------------------------|---------------------|-------|----------------------|----------------------|---------------------|-------|-------------------------------|
| | Chesterfield (2008) | | East Midlands (2008) | Great Britain (2008) | Chesterfield (2031) | | Employment Change (2008-2031) |
| Manufacturing | 6,300 | 13.0% | 14.8% | 10.2% | 5,470 | 10% | -830 (-13%) |
| Construction | 1,700 | 3.5% | 5.2% | 4.8% | 2,188 | 4% | 488 (29%) |
| Distribution / Hotels | 11,600 | 24.0% | 23.3% | 23.4% | 13,675 | 25% | 2,075 (18%) |
| Transport and Communications | 2,600 | 5.4% | 5.5% | 5.8% | 3,556 | 6.5% | 956 (37%) |
| Financial and Business Services | 8,000 | 16.6% | 17.9% | 22.0% | 11,761 | 21.5% | 3,761 (47%) |
| Public Admin, Education, Health | 16,200 | 33.6% | 26.7% | 27.0% | 15,316 | 28% | -884 (-5%) |
| Other Services | 1,900 | 4.0% | 4.5% | 5.3% | 2,735 | 5% | 835 (44%) |
| Total | 48,300 | | | | 54,700 | | |
| | | | | | | | |

In summary:

Manufacturing: further decline in the sector anticipated but at a significantly reduced rate compared to historic trend. There will be some new job creation related to new business starts, expansions, relocations, but this is likely to be offset by employment losses elsewhere in the sector. If Markham Vale is particularly successful in attracting footloose manufacturing investment to the area, then the outlook for employment in the sector could be more positive than forecast.

Construction: an increase in the share of employment from 3.6% to 4%, equating to an additional 488 jobs. A number of major regeneration schemes in Chesterfield in the next ten years (alongside a general upturn in the housing market) should support employment in this sector.

Distribution / Hotels: an expansion of town centre retail linked to the development of the Northern Gateway site, further growth in the town's hotel/restaurant offer (Chesterfield currently under-represented in this sector compared to the national average) and additional employment in wholesale distribution (linked to Markham Vale). On the downside the rise in internet based retail will continue to put pressure on town centre retailers, although it will support demand for distribution related activities.

Transport and Communications: significant increase in employment (956 jobs) on the assumption that Markham Vale will be successfully developed as a regional distribution centre (the site can potentially accommodate up to 265,000 sqm of employment floorspace).

Financial and Business Services: significant increase in employment reflecting recent local trends (employment increased by 60% between 1995 and 2008) and future national growth prospects.

Public Admin/Health/Education: cuts in public expenditure will put pressure on employment in the short to medium term. This will be balanced longer term by continuing growth in health and social care related activities linked to the delivery of services to an ageing population.

Other Services: covers activities such as professional organisations and the cultural industries. Further growth anticipated in this sector.

Assigning Business Sectors to B1, B2, B8 Use Classes

Having identified the level of employment change by key business sector, the sectors were then assigned to the relevant B1, B2 and B8 employment classes. In broad terms B1 is taken as being office based employment, B2 covers manufacturing industries, and B8 covers transport and logistics related activities.

B1 Offices

This includes the following business sectors:

- All of 'Financial and Business Services' (no distinction has been made between the B1 and A2 use classes with regard to employment in this sector).
- All of 'Other Services'.
- A proportion (30%) of Public Admin, Education and Health (to reflect general office requirements outside of core sites such as schools, hospitals etc, for example Building Control on Dunston Technology Park).

There is also a significant Royal Mail (office based) presence in Chesterfield and this is classified within the Transport and Communications sector. There has been some consolidation in post related activities in recent years and it is not anticipated that this sector will generate an additional employment requirement in future.

Level of employment to be accommodated in B1 offices:

Financial and Business Services – 3,761 jobs

Other Services – 835 jobs

Public Administration – 183 jobs lost (610 x 0.3)

Net employment requirement: 4,413 jobs

B2 General Industrial

This includes all of the manufacturing and construction sectors.

It is projected that a further 830 jobs will be lost from the manufacturing sector, balanced against a growth of 488 jobs in construction.

Net employment requirement: - 342 jobs

B8 Distribution

This includes the following:

A proportion (40%) of Distribution/Hotels/Catering to cover employment growth in the wholesale distribution sub-sector (specifically linked to the development of Markham Vale).

All of the Transport and Communications sector (although this sector also covers post and telecommunications, it is anticipated that all employment growth will be in the transport related elements of the sector).

Net employment requirement: $830 (2,075 \times 0.4) + 956 = 1,786$ jobs

Net Employment Change and Change in the Stock of Businesses

Whilst changes in the overall level of employment will be a significant factor in determining future employment land requirements, an approach based only on net employment change wouldn't properly reflect the on-going demand for new employment land. This is particularly the case where net employment change in a sector is negative (ie more jobs being lost than created), with an implication that there may be little or no demand for new employment land.

Taking the manufacturing sector in Chesterfield as an example, whilst the sector has seen a significant decline in employment in recent years (4,500 jobs lost between 1995 and 2008), over a similar period (1991-2006) more than 30ha of industrial land was still brought forward for development, including Council owned sites at Foxwood, Turnoaks and Ireland Industrial Estates. This on-going demand for industrial land, despite the net loss of jobs, is largely explained by considering an alternative measure of sector growth - the change in the stock of businesses. Between 1995 and 2007, the actual number of manufacturing businesses increased by over 20%, from 305 to 370. So whilst large scale manufacturers were closing and shedding significant numbers of jobs, new firms were still being established and new jobs were being created. Unfortunately this new job creation was 'masked' by the major job losses elsewhere in the sector, resulting in a negative net employment figure overall.

As part of the normal functioning of the local business base, there will always be some level of demand for new business floorspace, regardless of whether

new employment is being created. For example, businesses can move premises for a number of reasons - to accommodate a new manufacturing process, the need for more storage space, or displacement by higher value activities such as retail and residential development – without generating additional employment. This point is illustrated by an analysis of property enquiries dealt with by the Economic Development Unit which shows that for every job created as part of a successful property relocation at least three jobs are safeguarded. Put another way, the majority of company moves are linked to safeguarding existing jobs, rather than creating new employment.

Whilst some of these moves can be accommodated within the existing premises infrastructure (as a result of vacancies elsewhere), loss of employment land to other uses, and general redundancy / deterioration in the quality of the building stock over time will continue to generate a requirement for new industrial floorspace.

In order to better reflect the dynamics of the local business property market, it is proposed that any estimate of future demand for employment land takes account of both the change in the level of employment and the change in the number of businesses. This approach will provide a more balanced view of future employment land requirements and help to address the masking effect caused by a reliance on a single net employment figure. Any forecast should also take account of 'local' specific factors that are likely to have an influence of the future demand for land, for example the development of Markham Vale.

(Note – projections based on change in the number of businesses will still need to be expressed in terms of change in employment in order to translate the turnover figure into a future employment land requirement)

Employment Land Projections 2011 to 2031

B1 Offices

Net employment land requirement 4,413 jobs

A standard floorspace ratio of 1 job/19 sqm (70% of total) for general office use and 1 job/13 sqm (30% of total) for higher density uses such as call centres was applied to the above figure to produce a total floorspace requirement.

3,089 x 1 job/19 sqm = 58,691 sqm

1,324 x 1 job/13 sqm = 17,212 sqm

Total = 75,903 sqm

A plot ratio is then applied in order to determine the total site area required. A typical plot ratio is 40%, ie the building footprint occupies 40% of the total site area, with the remainder of the site given over to site access, car parking, turning circle, landscaping etc. For B1 offices a plot ratio of 1.2 (or 120%) has

been applied. This assumes that the typical office development is three storeys in height.

$$75,903 \text{ sqm} / 1.2 = 63,252 \text{ sqm or } 6.3 \text{ ha}$$

In addition, an allowance of 10% of the current B1 employment base (approximately 14,800 jobs) has been made to account for demand generated as a result of normal turnover within the sector.

$$14,800 \times 10\% \times 1 \text{ job}/19 \text{ sqm} / 1.2 \text{ plot ratio} = 2.3 \text{ ha}$$

$$6.3 + 2.3 = 8.6 \text{ ha}$$

It is also important to ensure an additional margin in the supply of employment land so that businesses have a degree of flexibility in their locational choices, increasing the likelihood of a successful local outcome. It is also necessary to allow an additional margin because some of the sites identified may not come forward for development within the plan period (particularly where these have been carried over from previous plan periods). The Northern Land Report applies a 20% margin to allow for flexibility of choice.

$$8.6 \times 1.2 = 10.3 \text{ ha}$$

B2 Industrial

The net employment change for the manufacturing and construction sectors was calculated as -342 jobs. However, as set out above, the net employment figure conceals an element of gross new job creation as a result of new firm formation and new investment into the area. In order to reflect this, and include an allowance for normal sector turnover (eg business expansions), an estimate has been made based on projecting forward the growth in business stock over the period 1995 – 2007. This equates to a 30% increase between 2011 and 2031. An additional 10% has also been added to reflect the potential impact of Markham Vale in attracting new manufacturing investment from outside of Chesterfield's usual catchment area.

$$8,000 \times 0.4 = 3,200 \text{ jobs}$$

A standard manufacturing floorspace ratio of 1 job / 34 sqm was applied to the above figure to produce a total floorspace requirement.

$$3,200 \times 1 \text{ job per } 34 \text{ sqm} = 108,800 \text{ sqm}$$

A standard plot ratio of 0.4 is then applied to give a total site area:

$$108,800 / 0.4 = 272,000 \text{ sqm or } 27.2 \text{ ha}$$

Applying a 20% margin to allow for a degree of choice:

$$27.2 \times 1.2 = 32.6 \text{ ha}$$

B8 Distribution

Net employment land requirement 1,786 jobs

For distribution two different floorspace ratios have been applied to reflect standard distribution uses (30%) and large bay distribution uses (70%) which are likely to be accommodated at Markham Vale.

$$536 \times 1 \text{ job}/50 \text{ sqm} = 26,800 \text{ sqm}$$

$$1,250 \times 1 \text{ job}/80 \text{ sqm} = 100,000 \text{ sqm}$$

$$\text{Total} = 126,800 \text{ sqm}$$

A standard plot ratio of 0.5 is then applied to give a total site area:

$$126,800 / 0.5 = 253,600 \text{ sqm or } 25.4 \text{ ha}$$

In addition, an allowance of 10% of the current B8 employment base (approximately 3,500 jobs) has been made to account for demand generated as a result of normal turnover within the sector.

$$3,500 \times 10\% \times 1 \text{ job} / 65 \text{ sqm} / 0.5 \text{ plot ratio} = 4.6 \text{ ha}$$

$$25.4 + 4.6 = 30 \text{ ha}$$

Applying a 20% margin to allow for a degree of choice:

$$30 \times 1.2 = 36 \text{ ha}$$

The total employment land requirement for the period 2011 to 2031 is therefore estimated as:

B1 – 10.3 ha

B2 – 32.6 ha

B8 – 36 ha

Total – 79 ha

Comparison with Historic Take-up Rate

The Northern Employment Land Study highlights Chesterfield's historic employment land take-up rate as 3.4 ha per annum. Applying this to the period 2011-2031 (and making a 20% allowance for a degree of choice), this would equate to employment land provision of 81.6 ha - 2.6 ha more than the forecast figure.

Given that the annual take-up rate in Chesterfield has historically been one of the lowest in the Northern Sub-Region (rates range from 3.4 to over 11 ha per annum) a future land requirement of 79 ha appears to be a relatively

conservative forecast, particularly given the presence of Markham Vale (a regionally significant employment site). However, this will in part reflect shifts in the sectoral make-up of the economy over time, as future employment growth is increasingly accommodated in higher density office developments.