

Ipswich Borough Council Local Plan Review 2018 – 2036

Response to Matter 4 – Employment and Business Growth

Issue: Has the ILPR been positively prepared and is it justified, effective and consistent with national policy in relation to its provision for employment and business needs for the period 2018-2036?

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64. Is the proposed minimum quantum of provision of 23.2 ha of employment land for B1-B8 uses, in Policies ISPA1 and CS13 of the CSP, justified in the light of the reduction in the forecast of additional jobs from 15,577 to 9,318 over the Plan period 2018-36?

Yes. The 23.2ha was derived from the Ipswich Economic Area (IEA) Sector Needs Assessment (ESNA) (CDL D2¹) (2017). This identified (table 3.9) that as a direction of travel Ipswich was the only area within the IEA that had an increasing employment land requirement. This evidence was prepared as a joint study that looked at the broader IEA, taking into account the spatial distribution of different employment sectors in this area.

It is important to emphasise at this point that the EEFM jobs forecast informed but did not dictate the methodology used to generate the employment land requirement in the ESNA. This is made clear in paragraph 3.5 of the ESNA:

“The EEFM forecasts are used as the starting point for the assessment; other qualitative indicators are considered as part of this study, particularly in instances where the baseline EEFM forecasts imply a low or negative rate of employment growth in the future.” (paragraph 3.5, page 29)

In addition, paragraph 3.22 of the ESNA explains that:

“Where a reduction in jobs is forecast (e.g. industry/ manufacturing), the associated negative floorspace has been halved. This reflects the fact while there may be manufacturing job losses (e.g. as firms use more efficient production approaches), it does not automatically follow that the space required to accommodate this activity also reduces at the same scale.” (paragraph 3.22, page 30)

Paragraph 3.30 of the ESNA makes clear that the employment land requirements reflect the minimum quantum that should be planned for and each local authority will need to give further consideration to the planning requirement for employment land over and above this minimum position based on a more detailed analysis of past trends and local supply side factors. An explanation of past trends and local supply side factors is provided in the succeeding paragraphs of this response. Consequently, the reduction in minimum jobs in Policy CS13 to reflect the EEFM 2017 does not necessitate a reduction in the minimum employment land requirement.

¹ <https://www.eastsuffolk.gov.uk/assets/Planning/Suffolk-Coastal-Local-Plan/Local-Plan-Review/Evidence-base/Employment-Land-Needs-Assessment-2017.pdf>

Table 1 – EEFM comparisons 2016 vs 2017

Authority	2016 EEFM Total Jobs 2018 - 2036	2017 EEFM Total Jobs 2018 - 2036	Difference	% Difference
Babergh	2,978.182	2,742.545	-235.636	-8%
Ipswich	15,577.364	9,318.273	-6,259.091	-40%
Mid Suffolk	5,274.818	5,029.364	-245.455	-5%
Suffolk Coastal (now part of East Suffolk)	6,501.273	6,087.273	-414.000	-6%
Total	30,331.636	23,177.455	-7,154.182	-24%

Paragraph 80 of the NPPF states that planning policies should place significant weight on the need to support economic growth and productivity, taking into account both local business needs and wider opportunities for development. Paragraph 81 states that planning policies should set out a clear economic strategy which positively and proactively encourages sustainable economic growth, having regard to Local Industrial Strategies and other local policies for economic development. Furthermore, policies should be flexible enough to accommodate needs not anticipated in the plan.

Ipswich is a ‘travel to work’ area and a key employment centre for the wider area. The Norfolk and Suffolk Economic Strategy (D4²) (2017) prepared by the New Anglia Local Enterprise Partnership identifies Ipswich as a ‘priority place’ for growth and “one of the fastest growing urban areas in the UK” (p26). In addition, the Suffolk Growth Framework (D0³) (2019) prepared by the Suffolk Growth Programme Board highlights ‘Ipswich and the surrounding area’ as one of the priority areas for Suffolk. These two economic strategies also recognise the diverse nature of the current and future makeup of the Ipswich’s economy as for example it is recognised as having a cluster of highly skilled finance, insurance and legal services, as well as having the UK’s largest grain export port and strong relationship with the Port of Felixstowe, the UK’s largest container port.

The Ipswich Economic Area Employment Supply Assessment (ELSA) (CDL D1⁴) (2018) concluded that in terms of the quantum of employment land sought that there is a potential surplus supply of available land in terms of meeting the baseline forecast needs for Ipswich Borough over the plan period (paragraph 4.46). However, importantly, it qualifies this by stating that:

“However, it is considered that, given positive growth outlooks identified for the energy, agriculture and transport and logistics sectors in the IEA, and the focus on

² https://www.ipswich.gov.uk/sites/www.ipswich.gov.uk/files/d4_norfolk_and_suffolk_economic_strategy_-_a_strategy_for_growth_and_opportunity.pdf

³ https://www.ipswich.gov.uk/sites/www.ipswich.gov.uk/files/d0_-_suffolks_growth_framework.pdf

⁴

https://www.ipswich.gov.uk/sites/www.ipswich.gov.uk/files/14400.02_final_ipswich_elsa_report_12.04.18.pdf

these sectors provided by the New Anglia LEP, a higher level of employment growth could be achieved than indicated by the EEFM forecasts. Should developments in these sectors drive a higher rate of employment growth than indicated in the baseline forecast, the scale of surplus may be less whilst qualitative needs arising from growth sectors (in terms of type, scale and location of sites) will also need to be considered in terms of planning for a range and choice of sites.” (Paragraph 4.46, Page 28)

This highlights the need to provide sufficient land to accommodate a potentially higher level of employment growth than forecast by the EEFM. It also demonstrates the importance of providing a range and choice of sites, a point which the evidence also makes:

“Site assessments for Ipswich have identified a sufficient number of deliverable and developable sites to meet this element of B class need in quantitative terms. However, the size, location and quality of this available land does not necessarily meet the full range of qualitative requirements. For example, some of the available land suitable for B1 uses comprises relatively small sites in the city centre which may not be able to accommodate larger-scale offices or campus-style provision such as a science/tech park. Similarly, available land suitable for B8 uses is not all of a sufficient scale or in a suitable location for such uses. A number of these sites are below 5ha (the 8.23ha identified at Ransomes is spread across multiple parcels) or are located close to existing residential areas.” (Paragraph 4.39, Page 27)

The feedback obtained from stakeholders through the Employment Land Needs Assessment (ELNA) (CDL D3⁵) (2016), which included a number of key business and sector representatives, identifies insufficient quantity, choice and quality of sites as being an existing issue for the key growth sectors in the Ipswich and Waveney Economic Areas (paragraph 6.64, page 89). The recommendation to address this from the evidence was to improve the supply of B class space across the study area to support future growth within key growth sectors.

Therefore, given the need to plan positively for economic growth and reflect the ambitious Local Industrial Strategies, it is critical that there is sufficient employment land available, including a range of site types and locations, to ensure that the aims of these strategies can be delivered, in accordance with national policy. This approach is also supported by both the ELNA and ELSA which underpin the economic strategy for Local Plans in the Ipswich Economic Area.

65. Is the level of provision consistent with the role of Ipswich in the IEA and the existing supply of employment land commitments in Ipswich? Is it sufficiently ambitious in the light of the LEP Growth Strategy/Plan?

The 28.34ha of employment land allocated through the ILPR is above the 23.2ha minimum requirement identified through Policy CS13 of the CS. This will ensure that the Council has a range of land types (greenfield/ brownfield), sizes (small, medium and large) and locations (business parks, industrial estates, town centre) to serve future economic needs.

⁵ <https://www.eastsuffolk.gov.uk/assets/Planning/Waveney-Local-Plan/Background-Studies/Employment-Land-Needs-Assessment-2016.PDF>

The minimum requirement of employment land identified is considered to be sufficiently ambitious for the reasons provided in response to question 64 of this Statement.

66. What bearing, if any, might changes in the forecasts of economic and employment growth due to the COVID-19 pandemic have on the Plan's overall requirement for business, industrial and warehousing employment uses?

Presently, it is impossible to predict what, or if any, the impacts of the Covid-19 pandemic on forecasts of economic and employment growth might be. Notwithstanding, there have been continued enquiries and developments in warehousing in and around Ipswich, such as the Amazon distribution centre at Eastern Gateway immediately adjacent to the Borough boundary. This reflects the sudden increase in online shopping as a result of Covid-related restrictions.

In addition, with the UK soon to leave the EU, there are likely to be more enquiries for sites capable of accommodating storage and distribution uses. This is particularly apparent given the close proximity to the Port of Felixstowe and the A14 and enquiries are being received in this regard.

Until there is a clearer picture on the likely and actual impact of Covid-19 on economic and employment growth it would not be prudent to adapt the Council's economic strategy without evidence.

The economic strategy, as set out in Policy CS13 of the ILPR, has been formulated on the basis of allocating a range and choice of sites. It is a flexible economic strategy and will enable the ILPR to be able to respond to the effects of the pandemic.

67. What effect will the changes to the Use Classes Order (UCO) which came into effect on 1 September 2020 have on the ability to plan for the required number of jobs in sectors covered by the former B1 Use Class? Does Policy CS13 or its reasoned justification need to be modified to reflect the changes to the UCO?

The Council's response is contained in the response to the Inspectors Initial Questions as set out in the Council's letter (CDL I10) dated 18/09/2020.

In terms of modifications, the Council is open to modifying Policy CS13 and/or its reasoned justification as appropriate to reflect the changes to the UCO should they be required.

68. Is Policy DM33 justified, effective and consistent with national policy in respect of the protection of employment land? Does it provide sufficient flexibility to allow for redevelopment or change of use of business floorspace no longer required for this purpose, particularly to allow for potential changes to the geography of employment following the COVID-19 pandemic? Does the policy or its reasoned justification need to be modified to reflect the changes to the UCO which came into effect on 1 September 2020?

Policy DM33 is considered to be justified and consistent with national policy. The policy provides an effective balance between protecting employment uses and allowing for

sufficient flexibility. The policy achieves this through the inclusion of the 'no reasonable prospect' test whereby if an applicant can demonstrate through marketing that there is no reasonable prospect of the site being re-used for employment purposes then a non-employment use may be acceptable, provided it is compatible with the surrounding uses. Furthermore 'small scale services specifically provided for the benefit of businesses based, or workers employed, within the Employment Area' are also permitted, which shows the genuine flexibility to the potential choice of land uses in the policy.

As set out earlier in this Statement, it is not possible to determine the impacts of the Covid-19 pandemic on the geography of employment. Notwithstanding this, through existing permitted development rights, offices that may no longer be required in the long-term could be converted to residential which would allow for potential changes.

The Council's response to the impact of the UCO is set out in the Council's letter (CDL I10) dated 18/09/2020.

Conclusion

The ILPR has been positively prepared and is justified, effective and is consistent with national policy in relation to its provision for employment and business needs for the period 2018 – 2036.

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