

**Blaby District Council  
Local Plan (Delivery DPD)  
Employment Topic Paper**

**March 2018**



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## **Employment Topic Paper**

### **Introduction**

- 1.1 This Topic Paper seeks to set out how Blaby District Council (BDC) has developed policies for its emerging Local Plan Delivery Development Plan Document (Delivery DPD). Its purpose is to assist the Inspector and other interested parties in the examination process.
- 1.2 The Topic Paper highlights the key evidence and process which underpin the plan's policies and proposals in greater detail than is appropriate in the Delivery DPD itself.
- 1.3 This Topic Paper is principally concerned with how the District Council determined the residual employment land requirements to meet the provisions of policies CS1 and CS6 of the adopted Core Strategy. It considers how BDC arrived at its choice of preferred 'Employment Site Allocation' (Policy SA3) and associated policy requirements. The topic paper also sets out how other employment policies relating to 'Key Employment sites and other existing employment sites' and 'Employment development on unallocated sites' have been evidenced.
- 1.4 A further topic paper has been developed that considers the issue of housing. In addition, a 'Duty to Cooperate' statement has been prepared to that demonstrate how the Council has worked with its partners in relation to addressing key strategic issues.

### **Background**

- 1.5 The emerging Delivery DPD seeks to identify and meet the residual requirements for development (including employment) to meet the overall requirements set out in the Council's adopted Local Plan Core Strategy 2013. It also includes a series of Development Management policies that will replace the saved policies from the Council's adopted 1999 Local Plan. Once adopted, the Delivery DPD will be 'part 2' of the plan.

### **Employment Land Requirements**

- 1.6 The overall requirement for employment land is set out in the adopted Core Strategy. The Delivery DPD does not revisit the overall quantity of employment land needed, it seeks to meet the outstanding requirement. Notwithstanding this, the plan is mindful of recent evidence on the amount of employment land required contained in the Leicester and Leicestershire Housing and Economic Development Needs Assessment (HEDNA) (2017). This is addressed later in this topic paper.
- 1.7 The Council has produced a 'Site Assessments for Employment Land' paper (Part 1) and an 'Assessment of Reasonable Alternatives for Employment Land (part 2)<sup>1</sup>, which, amongst other things, sets out in detail how the residual

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<sup>1</sup> <http://www.blaby.gov.uk/EasySiteWeb/GatewayLink.aspx?allid=14349>

employment land requirements up to 2029 were calculated<sup>2</sup>. The part 1 paper sought to set out how the amount of employment land required was calculated, the available supply and assessed all identified employment site options. The part 2 paper looked at reasonable employment site options in more detail and updated the 'Employment Land Supply Position and Requirements'.

1.8 In summary, Core Strategy Policy CS1 'Strategy for Locating New Development' indicated that a minimum of 68 hectares of additional employment land will be provided in the District up to 2029, of which, at least 57 hectares will be provided within and adjoining the Principal Urban Area of Leicester.

1.9 The Council has monitored the delivery and loss of employment land on an ongoing basis. This monitoring indicates that:

- At April 2017, 59.5 hectares had gained planning permission for employment land (B class uses);
- 7.89 hectares of employment land had been lost as a result of former allocations not coming forward or amendments to site capacity; and
- 14.04 hectares has been lost (or is planned to be lost) to redevelopment for non B class employment uses.

1.10 Table 1 below summarises the employment land supply position as at 1st April 2017. In summary, the net requirements are for an additional 30.43 hectares of employment land.

Hectares	Requirement	Completed or with Permission	Losses	Residual requirement and losses
Core Strategy Requirement	68.00	59.5	0	8.5
Sites in the supply position at April 2011	23.64	15.75	7.89	7.89
Losses of existing employment land and premises since 2011			14.04	14.04
Total				30.43

Table 1 – Land Supply Changes since Core Strategy Adopted (as at April 2017)

1.11 Draft policy SA3 seeks to deliver some 33 hectares (gross) of employment land. The net developable area (excluding strategic landscaping and land excluded for heritage purposes) is likely to be some 30 hectares.

<sup>2</sup> See Appendix 1 of Assessment of reasonable alternatives for employment land (part 2).

1.12 The overall residual requirement for employment land is exceeded as a result of:

- the proposed employment allocation on Land west of St Johns, Enderby;
- net completions and commitments between 2011/12 and 2016/17; and
- planning permission being granted during the 2017/18 monitoring year for some 2.75 hectares of employment land at Highfields Farm Stoney Stanton (LPA ref: 16/1654/OUT).

1.13 In summary, the proposed allocation, when taken with completions and commitments is able to meet the residual requirements for employment land up to 2029.

### **Site selection process**

1.14 A wide range of site options were considered in the 'Site Assessments for Employment Land (part 1)' before identifying the preferred site option. The Council's 'Assessments of Reasonable Alternatives for Employment Land (part 2)'<sup>3</sup> considers the reasonable alternative options in more detail. The following sites were considered as potential allocations:

- Land west of St Johns, Enderby
- Land at Regent Street Industrial Estate, Narborough
- Land at Strawberry Cottage, Hinckley Road, Sapcote
- Land at Hinckley Road, Sapcote
- Land at London Leys Farm, Sapcote
- Land at London Leys Farm, south of Leicester Road, Sapcote
- Land north of Highfields Farm, Stoney Stanton
- Land north of Hinckley Road, Stoney Stanton
- Land south of Hinckley Road, Stoney Stanton

1.15 Land west of St Johns, Enderby was the preferred site and is considered in more detail in section 5 below. None of the other sites were considered suitable allocations. There were multiple reasons for not allocating these including:

- The sites gaining planning permission in advance of the publication of the plan (Land north of Highfields Farm, Stoney Stanton);
- Sites having access, landscape, heritage or ecology constraints which made them unsuitable; and
- The residual requirements being met by other sites.

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<sup>3</sup> <http://www.blaby.gov.uk/EasySiteWeb/GatewayLink.aspx?allid=14349>

## **Proposed Employment site (Land West of St Johns, Enderby)**

1.16 Following the comprehensive assessment and sustainability appraisal of site options, the proposed allocation at Land West of St Johns, Enderby was selected. The selection process concluded that<sup>4</sup>:

*“the site was capable of providing a significant proportion of the residual employment land requirement during the remainder of the Plan period”*

and that

*“The site is located in good proximity to the Principal Urban Area of Leicester and has excellent transport links to the M1 and M69”.*

1.17 The Sustainability Appraisal (SA) concluded:

*“Allocation of this site for employment development will, if developed, provide long term employment and therefore is likely to have a major beneficial effect upon economic growth and access to employment.”*

The SA also concluded that development of the site had the potential to result in some adverse impacts on landscape, ecology and heritage assets and that some mitigation would be required. The site is allocated and policy SA3 provides the supporting policy.

### **Mix of uses and transport issues**

1.18 Draft policy SA3 supports the development of the site for Storage and Distribution (B8) development. The policy states that other uses will be permitted subject to demonstrating that they do not have any adverse impacts on transport networks.

1.19 The main justification for seeking B8 development on the site relates primarily to transport and market considerations.

1.20 The Council commissioned a phase 1 transport assessment in order to understand the vehicle movement implications of employment development at the preferred Enderby site on the local and wider road network. The assessment considered two development scenarios for the site:

- i) Exclusively Storage and Distribution (B8) development, and;
- ii) A mix of uses including Office (B1(a)), General Industry (B2) and Storage & Distribution (B8) uses.

1.21 The vehicle movements generated by a B8 development were some 195 passenger car units (PCUs) at morning peak hour compared to some 720 per hour for the mixed use scheme. This significant difference has the potential to put additional strain on nearby stressed junctions at peak hours. The transport evidence therefore justifies the B8 restriction.

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<sup>4</sup> Site Selection Paper Part 2 - Assessments of Reasonable Alternatives for Employment Land (pp7)

- 1.22 The phase 1 transport report indicated that increased vehicle flows would occur through Enderby and in the vicinity of the junction 21 of the M1, placing additional pressure on stressed junctions<sup>5</sup>.
- 1.23 A more detailed transport assessment (TA) using the Leicester & Leicestershire Integrated Transport Model (LLITM) has been carried out by the potential developers in advance of submission of a planning application. The TA will be independently assessed by the Local Highway Authority.
- 1.24 The detailed transport evidence indicates that the proposed development will result in additional vehicle movements on key links and junctions. This has informed the policy requirements for provision of off-site mitigation measures. Improvements include a new Enderby Relief Road and junction / link improvements around junction 21 of the M1 and on the B4114 / B582. The policy has been supported through Duty to Cooperate discussions with the Local Highway Authority and Highways England.

### **Air quality**

- 1.25 An assessment of the implications of development on air quality<sup>6</sup> was undertaken based on the forecast additional vehicle movements. The main air quality implications were at the junction of Leicester Lane with the B582 at Enderby. Council monitoring has identified exceedances of safe EU limits for Nitrous Oxides at this junction and an Air Quality Management Area (AQMA) has been designated as a result. The policy seeks delivery of an Enderby relief road which will divert traffic away from the proposed AQMA and 'stressed' junction. Discussions with the site promoters have indicated that it would be their intention to deliver this as part of the submitted proposal and that all necessary land is within their control. This will have benefits for both transport and air quality.

### **Deliverability and viability**

- 1.26 The Council has commissioned a 'Market Capacity Study (2017)' and 'Local Plan Viability Study (2017)' for the proposed allocations. In the context of market testing of the proposed employment allocation, the Market Capacity Study report indicated (para 7.4, pp61):

*"The Leicester market is very strong, outperforming other sub regions"*

And that:

*"...on a "macro" demand basis, there is an apparent capacity in the market to deliver both EMP1 [Enderby allocation] and the New Lubbethorpe Strategic Employment site] SES."*

In the context of viability, the report concluded (paragraph 9.5, pp53) that there would be:-

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<sup>5</sup>Site Selection Paper Part 2 - Assessments of Reasonable Alternatives for Employment Land (pp25 - 28)

<sup>6</sup>Air Quality Assessment <http://www.blaby.gov.uk/EasySiteWeb/GatewayLink.aspx?allId=14321>

*“....a sufficient return for a willing land owner to bring land forward for development, and thus the scheme can be considered deliverable for the purposes of this Local Plan Viability Study.”*

### **Environmental considerations**

- 1.27 The proposal site has some environmental constraints that require mitigation. These include: heritage assets; bio-diversity; landscape, and; surface water flooding issues.

### **Heritage**

- 1.28 The Heritage Assets Survey 2017 confirms that the Fosse Way, which crosses the site, is an important non-designated heritage asset. The report indicates, in the recommendation on page 25, that:

*“.....the allocation of [the] site would be consistent with the objectives of the statutory, national and local planning policy framework in respect of development affecting the setting of designated heritage assets.”*

The study concludes (pp25) that:

*“.....any future development should have regard to the below-ground archaeology...”*

- 1.29 As a result, the proposed policy seeks to protect the route of the Fosse Way and requires a masterplan to demonstrate how this will be achieved.

### **Landscape**

- 1.30 The Site Specific Landscape Assessment Report (2017) indicates that the landscape character is “pleasant” with “some key characteristics present”. However, the majority of the site was considered to have “Moderate to low” visual prominence with “No important views”. Although some potential adverse impacts could arise, including views from public footpaths, the report concluded that there was “moderate to high” potential for overall mitigation potential. The southern part of the site was considered more sensitive and this is excluded from the proposed allocation.

- 1.31 In order to protect important features and secure a sensitive development, the policy contains criteria that seek to identify and retain important landscape features and requires a masterplan.

### **Biodiversity**

- 1.32 The ‘Local Plan Preferred Site Options: Biodiversity Study (2017)’ was commissioned and concluded that the southern part of the site option contained a ‘Potential Local Wildlife Site’. This area has been excluded from the allocation. The site also has one important hedgerow. The policy seeks to retain important hedgerow features.



## **HEDNA 2017**

1.33 The Delivery DPD is primarily seeking to meet the outstanding development needs identified in the adopted Core Strategy including employment. However, the Council is also mindful of the Leicester & Leicestershire Housing and Economic Development Needs Assessment (HEDNA), which was prepared following the adoption of the Core Strategy in 2013. The HEDNA contains a detailed breakdown of the type of employment needed up to 2031. It indicates that the quantity of employment land required in Blaby between 2011 and 2031 is some 62 to 70 hectares. This is consistent with the 68 hectares identified in the Local Plan Core Strategy.

## **Implications for Neighbouring Authorities**

1.34 The HEDNA indicates that Blaby District has a particularly strong demand (37 to 45 hectares) for office B1(a) growth between 2011 and 2031 with lower requirements for B8 storage and distribution development (10 hectares). Conversely, Leicester City Council has a small requirement for office development (2 to 6 hectares) and more substantial requirements for B8 uses (15 hectares). The lack of 'town centre' opportunities for B1(a) offices<sup>7</sup> and availability of strategically well-located sites for B8 use suggests that Blaby District is better suited to delivering storage and distribution development. Extensive opportunities for office development in Leicester City Centre suggest this would be a preferential location for B1(a) development.

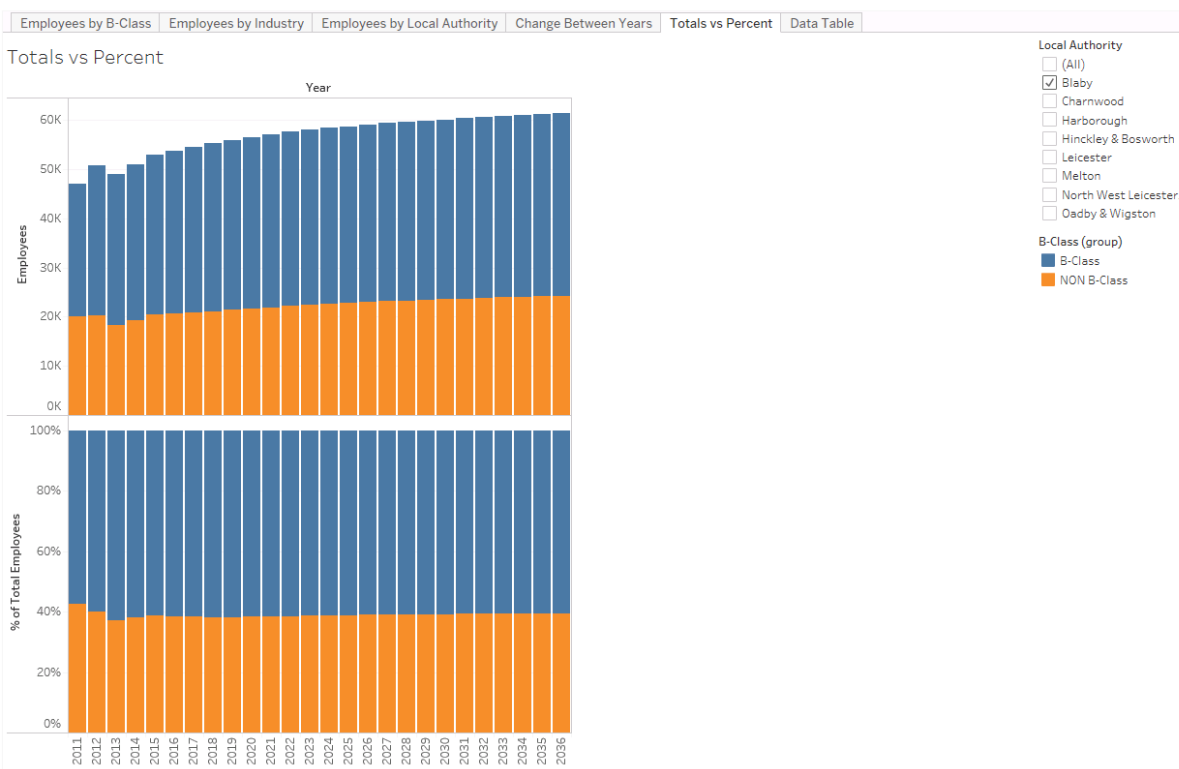
1.35 The Council has carried out Duty to Cooperate discussions with Leicester City Council (its principal neighbouring authority) in order to agree a logical approach to employment delivery. The letter attached as Appendix A demonstrates the Council's approach to joint working that supports a sensible distribution of B8 uses to Blaby District and B1(a) uses to Leicester, an approach that will be consolidated when the Local Plan is reviewed.

## **Meeting the requirements for jobs**

1.36 A Business Intelligence Service Profile of Blaby District indicates potential employment growth in Blaby District would be some 12,860 jobs between the period 2011 to 2029. Of these, some 9,487 are anticipated to be 'B-class' jobs. The remaining jobs being in sectors such as education, health care, retailing and construction that do not require the provision of employment sites. Graph 1 below shows projected B class and non-B class jobs in Blaby District up to and beyond 2029.

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<sup>7</sup> The NPPF indicates that offices are a town centre use.



Graph 1: B class and non B-class jobs in Blaby (Source: BIS)

- 1.37 In order to discourage unsustainable commuting patterns, the Council is seeking to deliver employment land to meet growth needs.
- 1.38 The Council's employment land monitoring indicates that at 1st April 2017 there were some 14.39ha of B1a/b land, 0.24 ha of B1c/B2 land and 26.54 hectares of small B8 land built or committed since 2011. In addition, some 14.94 hectares of strategic distribution land had been identified. 30ha of net employment land is anticipated at land west of St Johns, Enderby. 15 hectares each are attributed to small and strategic B8.
- 1.39 Based on the development densities<sup>8</sup> used in the HEDNA and the employment ratios used in the Homes and Communities Agency 'Employment Density Guide (2015)' the number of potential jobs can be estimated. Table 2 below shows the potential job numbers in each sector. The totals include completions, commitments and allocations between 2011 and 2029.

<sup>8</sup> B1a/B1b provided at 3,500 sq.m. per ha, B1c/B2 provided at 4,200sq.m. per ha, small B8 provided at 4,000sq.m. per ha

Use class	Site area (ha) by use 2011- 2029	Potential Floorspace (sqm)	Employment density (sqm/job)	Total jobs
B1a / b	14.39	50,365	13 <sup>9</sup>	3,874
B1c / B2	9.48	39,816	41.5 <sup>10</sup>	959
Small B8	41.54 <sup>11</sup>	166,160	70 <sup>12</sup>	2,374
Strategic B8	29.94 <sup>13</sup>	119,760	77 <sup>14</sup>	1,555
<b>Total</b>				<b>8,762</b>

Table 2: Potential employment on B class employment sites 2011-2029

1.40 The table demonstrates that proposed increases in job numbers during the plan period are broadly aligned with the delivery of employment land.

1.41 It is also important to note that other substantial non-B class employment will be delivered during the plan period including a 27,000 square metre extension to the Motorways Retail Area (Fosse Park) and a 1,000 square metre food and drink hub at Enderby Meadows. In addition three new primary schools and a secondary school are proposed during the plan period providing substantial employment opportunities in public service industries.

### **Other employment policies**

1.42 In addition to the main employment allocation, the Delivery DPD contains a policy (SA5) that seeks to protect the existing key employment sites for uses within classes B1, B2 and B8 of the Use Classes Order. Policy CS6 of the adopted Core Strategy states that the Council will:

*“.....Seek to protect key employment sites...from non-employment uses....”*

1.43 In order to identify the ‘key’ employment sites the Council commissioned the ‘Blaby District: Assessment of key employment sites’ report (2016). The ‘Assessment of key employment sites’ study conducted a qualitative assessment of existing and proposed employment sites and developed a definition of ‘key employment site’. The study was prepared in the context of the NPPF (paragraph 22) which indicates that:

*“.....planning policies should avoid the long term protection of sites allocated for employment use where there is no reasonable prospect of a site being used for that purpose....” and that;*

*“....Land allocations should be regularly reviewed.”*

1.44 The study looked at the quality of employment sites in terms of:

<sup>9</sup> HCA Employment Density Guide (2015) - ‘General office corporate’ sector.

<sup>10</sup> HCA Employment Density Guide (2015) Mid point between B1c/B2 densities

<sup>11</sup> Includes 15ha land west of St Johns, Enderby

<sup>12</sup> HCA Employment Density Guide (2015) ‘final mile distribution’

<sup>13</sup> Includes 15ha land west of St Johns, Enderby

<sup>14</sup> HCA Employment Density Guide (2015) ‘Regional Distribution centre’

- i) Physical characteristics – Including their size, design, building quality, road frontage and ability to accommodate parking, servicing and other infrastructure;
- ii) Transport – Including proximity to the strategic road & rail network and site access;
- iii) Environment – Amenity, traffic, noise, disturbance, environmental constraints, access by sustainable transport and access to services; and
- iv) Market – Including occupier demand, investment demand and market signals.

1.45 All identified sites within the District were attributed a score. As a result of the assessment, the highest ranking sites<sup>15</sup> were considered appropriate to be retained for employment purposes. Twenty-one 'Key Employment Sites' were identified and five 'existing employment sites'. The key employment sites are shown on the Policies Map.

1.46 Policy DMP3 'Employment Development on Unallocated Sites' allows for employment uses on unallocated sites where defined criteria are met.

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<sup>15</sup> With a score of 100 or more.

## **Appendix 1 Letter from Leicester City Council**

Email: [planning@leicester.gov.uk](mailto:planning@leicester.gov.uk)  
Date: 1<sup>st</sup> September 2017



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Dear Ms Hartley

### **OFFICE PROVISION TO 2031; BLABY AND LEICESTER's DISCUSSIONS RE - DUTY TO CO-OPERATE**

Further to the meeting on 1st August 2017 and the subsequent emails between Paul Tebbitt of Blaby District Council and Rachael Mkanza of Leicester City Council, when the level of office provision to 2031 in the two authorities was discussed. It is concluded that further more formal debate on this issue is required.

The Housing and Economic Development Needs Assessment (HEDNA) has recently been produced and establishes a new objective assessment of economic development need for the Leicester and Leicestershire Housing Market Area (HMA) for each local planning authority within the HMA between 2011 and 2031.

#### **Leicester City**

The HEDNA establishes the following economic development need for Leicester City:-

- 115,000 sqm (6ha) required for offices
- 15ha for warehousing/distribution
- 36ha for general employment

#### **For Blaby District:-**

##### **Offices**

The HEDNA indicates a requirement for up to 45 hectares of office space in the District of Blaby between 2011 and 2031. (Full details are shown in the table in **Appendix 1**).

As at 31<sup>st</sup> March 2017 within Blaby District Council, 14.5 ha of office development had been completed or committed leaving a residual of 30.5 hectares. Although this

sounds a substantial area of land, when converted to floorspace is equates to around 106,750sqm.

The floorspace figure is based on density rates of 35% for offices outside the city centre, as defined in para 11.2 of the HEDNA. A floorspace total for office development has also been added into the table in Appendix 1.

However if this amount of floorspace was provided in the city centre instead, where a higher development ratio applies, this would only equate to about 5.34 ha of office space (based on the 200% plot density ratio identified in HEDNA para 11.2).

### **General Industrial Development B2**

In terms of General Industrial B2 uses, the HEDNA indicates that the requirements for Blaby District Council are 15 hectares between 2011- 31, of which currently the Council has a substantial amount (approximately 11ha) completed or committed. There are also potentially some opportunities to provide B2 development at Optimus Point (where the planning permission includes B8 and B2).

### **In Conclusion**

Because Blaby District Council is producing a 'part 2' plan (and not a new Local Plan) it may be that the Inspector will primarily be interested in whether they are able to deliver the residual employment land (i.e. that is allocated in the part 1 adopted plan). This is not as specific as the mix of uses addressed in the HEDNA. However, given that the HEDNA is 'live' evidence, the Inspector may still wish to consider matters relating to 'employment mix', so provision for this, needs to be made in advance.

Under Duty to co-operate provisions, it has therefore been suggested by Blaby District Council, that the City Council considers making additional office provision in the next stages of its New Local Plan, over and above its own office need, in order to provide for around 107,000sqm of un-met office need, which is potentially arising from Blaby District Council. It is anticipated that this would only equate to about 5.34 ha of office space (based on the 200% plot density ratio for the city centre, as identified in HEDNA para 11.2).

In response to this request, the City Council considers that there is adequate potential within the 285ha area that is currently designated as Leicester's "City Centre", to provide for this additional provision at the next stage of the City's Local Plan production. There is therefore potential for agreeing to this request in principle and producing an aligned Topic Paper on this matter between the two authorities.

Please could you formally confirm in writing your agreement on this matter.

Yours sincerely,

Grant Butterworth  
Head of Planning  
Leicester City Council

## **Appendix 2 HEDNA extract, paragraph 11.25**

### **Conclusions on Employment Land Need**

The following summary table draws together the various locally specific need for employment land. In addition to that set out in the table below the local authorities will also have to seek to meet the need from strategic B8 uses.

**Table 83 Employment Land Needs (Ha); The office floorspace figures are taken from Table 78.**

	2011-2031				2011-2036		
	Floorspace offices sqm	B1a/b	B1c/B2	Small B8	B1a/b	B1c/B2	Small B8
Leicester	116,460	2-6	36	15	3-7	45	19
Blaby	125,216	37-45	15	10	47-48	19	12
Charnwood		14-37	21	11	17-40	26	13
Harborough		14-21	22	8	17-24	28	9
H&B		11-32	14	16	13-34	17	20
Melton		10-18	21	14	10-23	26	17
NWL		45-46	3	17	50-56	4	21
O&W		1	0	4	2	0	5
<b>FEMA</b>		<b>142-198</b>	<b>132</b>	<b>93</b>	<b>177-215</b>	<b>165</b>	<b>117</b>

Source: GL Hearn, 2016