

Thanet District Council Matter Statement

**Matter 10 – Economic Development (Policies SP02-SP04
and E01-E03)**



Issue 1 – Economic Growth – Policy SP02

Q1. Is the target of 5,000 additional jobs justified? How has it been calculated, and how much of this will be achieved from development proposals in the Plan?

This was calculated by Experian in the Economic and Employment Assessment from 2012. This report looked at what sectors of the economy were likely to grow over the plan period using BRES information. The report put forward three growth scenarios:

- Risk based - 1,200 jobs
- Baseline - 3,100 jobs
- Policy On - 5,100 jobs

These different scenarios were assessed through the SA and were subject to consultation. The Council selected a level between baseline and policy on along with an element of growth expected from the airport site (assumed 240). More information on the methodology for calculation can be found in the Economic development in Thanet (Employment Land Update and Economic Needs Assessment) July 2018 (EDIT) (CD2.2), the Economic and Employment Assessment 2012 (CD2.6) and in the Employment Topic Paper 2013 (CD2.7).

Comparing this alongside Labour supply methods (two different methods suggested 5,800 (KCC) and 4,800 (GL Hearn)) led to the conclusion that the amount of jobs planned for was about right.

The Experian report tells us there has been growth in low carbon goods and services, renewable energy, advanced manufacturing and service businesses. These sectors are likely to deliver job growth over the plan period and sufficient employment land is allocated to accommodate this.

However only 30% of predicted future job growth is expected to be located in the B sectors traditionally found on business parks and therefore an element of flexibility is needed on our employment land. This is reflected in the Plan.

Tourism is expected to grow over the plan period and is facilitated by the policies in Chapter 9 Tourism.

Evidence suggests home working is particularly high in Thanet and therefore Policy E02 seeks to encourage this.

The Job growth strategy section of the plan starting on page 17 explains which sectors of the economy are likely to grow and how the plan is responding to this. The Plan was written and allocations made to ensure that there was adequate land and flexibility to achieve the 5,000 jobs.

Q2. How does this compare to past performance?

The BRES figure for total employees in 2011 was 39,700 and in 2017 This had increased to 42,000 meaning that 2,700 of the 5000 jobs have already been delivered.

The Council only has BRES information which dates back to 2009. It showed total employees for Thanet was 39,300. However, according to the "In Employment" figures produced by ONS, in December 2004 the figure was 56,000 falling to 49,000 in December 2011 rising again to 61,800 in September 2018 (the latest figure). These figures should be treated with caution as they include

individuals on government supported training and employment programmes, and those doing unpaid family work.

Q3. How does the number of additional jobs planned for correlate to the housing requirement under Policy SP11? Are the strategies for housing and economic development aligned?

According to the Update Assessment of Objectively Assessed Housing Need 2017:

[The new OAN of 17,140 dwellings] would support workforce growth of between 6,050 (based on employment rates remaining static) to 9,700 (with increasing numbers of older persons in the workforce based on later retirement) over the plan period. Economic forecasting is an inexact science, but forecasts show growth of between 1,200 – 5,100 additional jobs. Taking account of commuting dynamics and the potential for some people to hold down more than one job, this would require an increase in the resident workforce of up to 5,600 over the plan period.

There is, therefore, headroom in both the housing land supply and the employment land supply to accommodate the higher jobs figure and, therefore, the housing land and economic development strategies are aligned.

Q4. The Economic Development in Thanet (Employment Land Update and Economic Needs Assessment) states that the past take-up of employment land averages 10,446 square metres per annum. How is this translated into a forecast for future employment land?

The average employment land take up over a 10 year period between 2006 (year of adoption of the current Thanet Local Plan) and 2016 (year of calculation) was 10,446sqm. This yearly average was then multiplied by the number of remaining years in the plan period (15 years) giving floorspace requirements to the end of the plan period based on past take up rates of 156,990sqm or 15.7ha. See Table on page 32 of the EDIT (CD2.2) for a break down of the use classes.

Q5. Is the use of past take-up rates robust, considering that it covers a post recession period up to 2016?

It is acknowledged that the past take up calculation covers a period of national recession; however, looking at past take up rates is only one of the methods of forecasting future employment land requirements. The EDIT report also looked at labour demand and labour supply to assess need for employment land. Labour demand came out with a figure of between 3ha and 15ha (closer to 15 based on the preferred option selected), the labour demand technique came up with a range approximately between 12ha and 15ha and the past take up methodology came up with a figure of 15.7ha of employment land. The three techniques were then compared to establish the most appropriate floorspace figure by cross checking and therefore validating the figure. It was considered that the figure of 15ha was the employment land figure to plan for.

This reflects the methodology suggested in the national Planning Policy Guidance.

Q6. The Economic Development in Thanet (Employment Land Update and Economic Needs Assessment) concludes that based on past trends and labour supply calculations, the land supply to be planned for should be 15 hectares. In contrast, Policy SP02 plans for 53.5 hectares of employment land. What is the justification for this difference?

It is acknowledged that the amount of land represents an oversupply of employment land, the justification for which is outlined in the EDIT report on page 53.

Q7. What are the implications of this? If taken up, will there be enough housing to support the development of allocated sites? Will there be an appropriate balance between workers and homes?

Thanet's employment oversupply largely comes from Manston Business Park which has approximately 40ha of land remaining undeveloped. The eastern part of the site isn't currently serviced with utilities and this needs to be overcome to unlock development. Given the constraints the site is expected to be delivered over a number of years spanning beyond the plan period and therefore it is considered the number of homes will be sufficient. We don't expect the oversupply to be fully built out within the plan period.

In addition and as outlined in the answer to Question 3 of this matter there is headroom in the housing land supply to accommodate a higher jobs figure.

Q8. What provision does the Plan make to support creative industries across Thanet? Is the Plan consistent with paragraph 21 of the Framework in this regard which seeks to plan positively for the location, promotion and expansion of clusters or networks of knowledge driven, creative or high technology industries?

The plan references the Economic Growth Strategy (November 2016) which identifies a number of transformational initiatives to focus on in order to deliver employment growth. 'Cultivating the creative industries across Thanet' is one of these initiatives listed in the Job Growth Strategy section of the Local Plan on page 19. Creative industries can be accommodated in Thanet's town centres including in within Margate Old Town, which is a primary location for creative industries, Margate Seafront and Harbour Arm, Ramsgate Waterfront and Royal Harbour and Broadstairs Promenade and Beach Front as well as the opportunity areas. Cultural and creative industries can also be accommodated on our flexible employment sites and high technology industries can be accommodated on all of Thanet's employment sites. It is considered that this is consistent with paragraph 21 of the NPPF.

Issue 2 – Land Allocated for Economic Development – SP03

Q1. How were the four allocated sites identified? What factors were considered in deciding whether to allocate sites under Policy SP03?

The sustainability appraisal tested a number of options for the allocating employment land. The options of selecting sites from our current supply, providing a buffer, allowing flexibility and applying policy protection scored best.

Following on from this, the existing allocated sites were rescored for their suitability, availability and achievability along a similar line to that in the Employment Land Survey 2010 and further to this their compatibility with the allocation strategy was considered and a recommendation given as to whether this should form part of the supply. This is documented within the EDIT report (CD2.2)

Q2. Were any other locations considered as suitable alternatives?

The sustainability appraisal tested a number of spatial options for delivering the employment land requirement. These were use of existing supply of allocated sites, a variety of sites across the

District, a single site/cluster and allowing for other uses on our employment sites. It concluded that selecting sites from the current allocated supply and allowing other uses on employment sites was the most sustainable option.

Given Thanet's employment land oversupply paragraph 22 of the NPPF the onus was on deallocating unsuitable sites and reallocating, where appropriate, for housing.

The Employment Land Review 2010 recommended a number of new sites for allocation but these were not taken forward for allocation given the conclusions of the sustainability appraisal and the National Planning Policy Framework.

Q3. How much land is available at each of the four allocated sites, and are they developable within the plan period?

The table below is adapted from the one supplied in response to the Initial questions and shows remaining land available at each site less extant permissions. This provides some insight into deliverability of sites.

Site	Total Site Area (ha)	Remaining Employment Allocation (ha)	Amount of land covered by extant planning consents at January 2019	Available land less extant consents
Manston Business Park	75.2	42.53	13,393sqm 1.34ha	41.19
Eurokent	38.6	5.45	5.45ha	0
Thanet Reach	9.74	3.7	0	3.7
Hedgend	2.46	1.61	0	1.61
TOTAL	126	53.29	6.79ha	46.5ha

It is considered that all but Manston Business Park (MBP) are developable within the plan period. Manston Business Park due to its size and infrastructure issues is likely to be developed beyond the horizon of this Local Plan. That said it is notable that a further 5,468sqm on MBP is the subject of current planning applications.

Q4. Paragraph 6.8 of the Economic Development in Thanet (Employment Land Update and Economic Needs Assessment) concludes that Thanet Reach South should no longer be allocated for employment purposes. How does this differ from Thanet Reach North?

Thanet Reach North is already partially developed with some business units and the Christ Church University campus. There was also a previous application from East Kent College for a further education college campus on the site although this has expired. The southern section of the Thanet Reach site (south of Millennium Way) is undeveloped and was considered that this could contribute to the Housing Land Supply. It was considered that the northern part of the site given its existing character has the potential for small business units and is in a sustainable edge of town centre location. The Council is currently exploring the business potential of the site by requesting marketing information from the owners of the site as part of pre application advice.

Q5. What is the justification for restricting development to Use Classes B1, B2 and B8 at Manston Business Park and Hedgend Industrial Estate, but having a more flexible approach elsewhere?

Introducing flexible uses to employment sites can bring about conflict particularly if the use generates regular car visits. It is important that traditional employment uses are not compromised by incompatible flexible uses that could lead to statutory noise and nuisance complaints or highway safety issues.

It was considered that the sites closer to town centres and centres of population such as Thanet Reach and Eurokent were more suitable for flexible uses. The more remote sites such as Manston Business Park and Hedgend containing traditional employment uses are less compatible with flexible uses.

Q6. Is it clear to decision-makers, developers and local communities what uses will be permitted at Eurokent and the Thanet Reach Business Park? Is the policy effective in this regard?

The Policy states what uses will be allowed on each site.

It may be helpful to include the wording of paragraph 7.3 (supporting text from Policy E01) under Policy SP03 to explain flexible uses.

Flexible uses include leisure, tourism and other town centre uses which, due to scale and format cannot be accommodated within town centres. They also include uses known as sui generis which do not fall into a category in the Use Classes Order. These include uses such as car showrooms and crèches.

Issue 3 – Retention of Existing Employment Sites – Policy E01

Q1. Is Policy E01 consistent with paragraph 22 of the Framework which states that planning policies should avoid the long term protection of sites allocated for employment use where there is no reasonable prospect of a site being used for that purpose?

Yes, in accordance with the NPPF the Council undertook a thorough review of all allocated employment sites. As part of this process employment land amounting to 31.59ha was deallcated and many of the sites were reallocated as housing sites. This is documented in the EDIT (CD2.2)

The Council will continue to review this regularly.

Q2. Is it clear to decision-makers, developers and local communities how proposals for alternative uses of land and buildings on the sites listed under Policy E01 will be considered?

The policy is intended to retain the sites listed for employment uses and where specified flexible employment generating uses. Flexible uses are limited to specific sites which due to their character are more suited to accommodating flexible uses. However, the policy seeks to ensure that development is compatible with neighbouring uses. For example a leisure use that attracts a large

volume of traffic would not be compatible adjacent to a warehouse/distribution use with regular HGV movements.

Q3. What is the list of sites under Policy E01(2) based on?

These were all sites from the current employment land supply. An assessment of employment sectors and growth potential was carried out by Experian and based on this sites were reassessed as to whether they contributed to the allocation strategy. As part of this process approximately 30 hectares of employment land has been deallocated with much of this reallocated for housing land.

Q4. How will decision-makers, developers and local communities consider development proposals which involve existing employment land and buildings not listed under Policy E01(2)?

Proposals which involve employment land or buildings not listed will be judged upon their merits and policies within the plan. In accordance with paragraph 22 of the NPPF there will be no in principle objection to a change of use away from employment.

Exceptional employment generating development not located on allocated sites will be supported by Policy SP02 which supports employment generating development.

Q5. What policies support proposals for economic development on non allocated, windfall sites? Does the Plan include specific criteria for decision makers, developers and local communities to follow?

Paragraphs 1.22 to 1.25 outlines the Plan's employment aspirations and expresses a commitment to supporting employment generating development.

Policy SP02 is supportive of new employment generating development in the town centres, new tourism development in general, and new economic development in the rural area. Strategic Priority 1 of the Plan is to create additional employment and training opportunities, to strengthen and diversify the local economy and improve local earning power and employability.

Policy E02 supports home working. Policies E04 and E05 guides development in and on the edge of town centres. Chapters 9 and 10 cover new economic development relating to tourism and in the rural area. New economic development not related to any of the areas will be dealt with on their merits using the policies in the plan such as in the design chapter.

The fourth paragraph of the policy does not read well. The following modification is proposed for the Inspectors' consideration.

Delete paragraph 4 of Policy SP02 and replace with:

"Thanet's town centres are priority areas for regeneration. Employment generating development, including tourism and cultural diversification, will be encouraged.

Issue 4 – Home Working – Policy E02

Q1. In what instances might a proposal for home working require planning permission? Is it clear to decision-makers, developers and local communities when Policy E02 might apply?

It is acknowledged that persons who work from home may often do so without occasioning a material change of use. The policy aims to be supportive of home working as it has been shown to be important to Thanet's economy and is, therefore, supportive of a change of use if such a

change requires permission. The policy will apply, therefore, when the home working is at a scale that requires planning permission

Q2. Are the criteria sufficiently clear to decision-makers, developers and local communities? Is the policy effective?

The aim of the policy is to support home working proposals whilst ensuring that any potential impact is acceptable. It is considered that it is clear from the criteria what impacts the policy seeks to avoid.

Issue 5 – Digital Infrastructure - Policy E03

Q1. Is it clear to decision-makers, developers and local communities what is required of Policy E03? Is the policy effective?

This primarily refers to broadband connections but can include mobile telecommunications and other network infrastructure.

Policy E03 is designed to be supportive of digital infrastructure proposals subject to their impact on listed buildings and conservation areas. Kent County Council were concerned about conservation areas and listed buildings detracting from the importance of delivering digital infrastructure. In order to recognise this, the Council proposes to add some supporting text to the policy emphasising the importance of striking a balance between the importance of digital infrastructure and the conservation of heritage assets.

The following wording is suggested for the Inspectors' consideration:

The Council strongly supports the installation of digital infrastructure and considers that an appropriate balance needs to be struck when considering impacts on heritage assets, conservation areas and historic landscapes.

Q2. Is Policy E03 consistent with paragraphs 42-46 which seek to support the expansion of electronic communications networks, including telecommunications and high-speed broadband.

Yes the policy seeks to support high quality communications infrastructure. Policy QD07 deals specifically with telecommunications and reflects the NPPF.

Issue 6 - Manston Business Park – Policy SP04

Q1. What is the justification for having a separate policy for Manston Business Park, but not the other employment allocations in the Plan?

Manston Business Park is Thanet's flagship inward investment site and at 75 hectares in its entirety is considerably larger than the other employment allocations. Manston Business Park is in a highly visual location in a rural location in the centre of the District and located on the major road network. It is considered that the green infrastructure and soft landscaping elements of the policy do not apply to the other employment allocations due to their size and locations

Natural England were concerned about the impact on the rural character and asked that the policy reflect its rural location in their representation to the draft Preferred Options Plan in 2015.

Q2. What is the justification for allocating over 40 hectares of land at Manston Business Park? Will there be a demand for the allocated land over the plan period? If so, what evidence supports this?

Manston Business Park is the primary site for inward investment as it is centrally located adjacent to dual carriageway access to the M25, the former airport site and the Port of Ramsgate. The site is owned by East Kent Opportunities which is a joint venture between Kent County Council and Thanet District Council to bring forward economic growth and regeneration demonstrating a commitment to delivery. Manston Business park as a whole is 75.2 ha with approximately 42.53ha remaining undeveloped. Delivery of this large strategic site is considered to be beyond the horizon of the current emerging Local Plan especially as the eastern part of the site isn't currently serviced with utilities. Given the constraints the site is expected to be delivered over a number of years spanning beyond the plan period. The site is currently showing very positive signs of delivery and it is considered it would not constitute positive planning to deallocate the remaining parts of the site.

The economic needs assessment, allocation strategy and justification for the amount of land allocated can be found in the Economic Development in Thanet (Employment Land Update and Economic Needs Assessment) July 2018.

Q3. What is the justification for requiring development proposals at Manston Business Park to be accompanied by a Transport Assessment and Travel Plan? Is this appropriate for all development proposals, regardless of size?

The requirement for a cross reference to TP01 came about as a response to a representation from the then Highways Agency to the draft Preferred Options Plan in 2015. TP01 does apply to all development proposals regardless of their size.

Q4. In deciding to allocate the site for employment uses how have the cumulative effects of additional development on the local and strategic road network been considered?

The Transport Strategy mitigates against the cumulative impacts of additional development on the local and strategic road network. In particular and for Manston Business Park an extension of Columbus Avenue is proposed to link up with the inner circuit to alleviate impacts on the Spitfire junction and Acol village.

Issue 7 – Manston Airport – Policy SP04

Q1. What is the justification for including reference to Manston Airport alongside policies related to the allocation of employment land. Are paragraphs 1.38-1.45 intended to represent supporting text to Policy SP04?

The wording preceding Policy SP04 reflects the strategic location of the site both in relation to the primary road network and also the airport site. Whatever development occurs on the former Manston Airport site it is likely to have an effect on Manston Business Park.

The wording following Policy SP04 entitled “Manston Airport” 1.38 – 1.45 explains the Council’s approach to dealing with any future development on the site and replaces the supporting text to policy SP05 which related to the airport site.

Q2. What is the status regarding the proposed Nationally Significant Infrastructure Project? How does its timescales align with the Local Plan Examination?

The Local Plan Examination and NSIP are two separate processes and do not sit on the same days allowing people to participate in both.

Further NSIP hearings are due to take place on 18th to 22nd March 2019; and 4th to 7th June 2019 with the close of the examination scheduled for 9th July 2019.

The Planning Inspectorate must prepare a report on the application to the relevant Secretary of State, including a recommendation, within three months of the close of the six month Examination stage. The relevant Secretary of State then has a further three months to make the decision on whether to grant or refuse development consent.

Thanet Local Plan's examination hearings are due to run between 2nd-18th April and 21st-31st May 2019.

The Local Plan is sufficiently flexible to respond to the two possible outcomes from the Development Consent Order process with regard to the timescales in terms of policy/allocations.

Q3. What are the implications for the Plan should the Development Consent Order be approved?

If approved the Council will need to carry out an immediate partial review to ensure relevant aviation, environmental and housing land supply policies are adopted.

Due to the Secretary of States intervention measures the Plan is now subject to immediate review.

Q4. What are the implications for the Plan should the Development Consent Order be refused?

Paragraph 1.45 says that the Council will need to consider the best use for the site in the next Local Plan review after a minimum of two years.

Due to the Secretary of States intervention measures the Plan is now subject to immediate review.

Q5. If a Local Plan Review is required, is it clear to decision-makers, developers and local communities when this would happen? Is there a clear mechanism to ensure a timely review of the Plan if required?

If the DCO is made a partial review will be triggered immediately to include relevant aviation, environmental and housing land supply policies in the plan. If the DCO is not granted or does not proceed the plan will need to be reviewed after a minimum of 2 years.

Due to the Secretary of States intervention measures the Plan is now subject to immediate review.

Q6 Is it clear how a decision-maker would react to a proposal for new development at Manston Airport prior to a review of the Plan?

Pending a review of the Plan any application would be decided on its merits and in accordance with the plan as a whole once adopted. This would take into account the requirements of the NPPF 2018.

Q7. What is the justification for paragraph 1.44? If a Development Consent Order for aviation use is granted, what “housing land supply provisions” would need to be reviewed and why?

The Council raised concerns about the potential housing impacts arising from the job figures stated in the application (relevant representation submitted to PINS in October 2018 CD 2.8).

The report submitted by the applicants (RPS “Employment and Housing Land Technical Report” March 2018) indicates that no additional housing is required to support the new workforce up to 2031 (para 5.9).

However, this conclusion appears to be based on the capacity of housing sites submitted as part of the Strategic Housing Land Availability Assessment (SHLAA) process (Table 4.4), rather than sites actually allocated in the draft Local Plan (Table 4.6).

This suggests that additional housing sites would need to be allocated for the period of the draft Local Plan to 2031, and therefore a review of the housing land position would be required if the DCO is granted.

Q8. What are the implications of The Town and Country Planning (Manston Airport) Special Development Order 2019 No. 86 on the soundness of the submitted Local Plan and its strategy for the airport?

Question of whether cumulative effects of this have been considered in combination with our plan. We have not had sight of an HRA.

The Council is of the view that the Special Development Order for the Airport (2019 No. 86) is a temporary measure (ends December 2020) which is only likely to be activated in exceptional circumstances. This being the case, while there may be occasional traffic disruption associated with this activity, it does not prejudice the soundness of the overall Local Plan strategy, or the Council’s position regarding the Airport, as set out in the draft Local Plan.