Supporting Jobs

Background

The planning system has a key role to play in supporting a prosperous local economy. Policies should support proposals that create job opportunities, retain a skilled labour force and reduce out commuting from the county. From a planning policy perspective, this presents a great challenge, as the make up of local economies, working practices and guidance evolve ever faster.

Supporting growth is of particular importance to economic recovery from the impacts of the Covid-19 pandemic nationally. During 2020, the economy contracted by 9.9%. It also remains to be seen what lasting impacts the resulting changes to working practices during the pandemic will have, but it is predicted that some sectors of industry will shift to working, learning, and engaging in commerce remotely.

Herefordshire is a predominantly rural county, with agriculture, food and drink production, and tourism all forming important components of the local economy. These will be dealt with in separate topic areas, under Tourism and the Rural Economy. This area will deal with policies concerned with the provision of employment land, the safeguarding of the county's best employment land, and the facilitation of home based working.

The following sets out how housing supporting jobs is addressed through the County Plan and the Local Plan's draft vision and objectives.

Herefordshire County Plan

Supporting a thriving economy for Herefordshire has been set out in Herefordshire Council's County Plan (2020-2024)

'*We want to emphasise the critical role the market towns and villages play in Herefordshire's economy and we will ensure high quality employment land, business space and business support is made available throughout the county.*'

'*Building on existing local strengths and seizing global opportunities we will support growth in new technology-enabled and digital business sectors, such as cyber security. We will also encourage the use of green technologies to support the growth of a clean, low-carbon economy whilst maximising the new economic opportunities this will bring to forward thinking companies and communities throughout the county*.'

The importance of digital connectivity in facilitating economic prosperity and attracting forward-thinking, creative industries is also recognised.

Among the success measures set out are increasing average wage earnings, growing jobs and keeping low unemployment rates, increasing local wealth creation and to extend the superfast broadband network across the county

Local Plan Draft Vision

The Local Plan 2021-2041 has an economic themed countywide vision, which states:

'*The county will be economically prosperous, with its farming heritage and sustainable tourism continuing to play an important role. It will be well known as the place where innovative, green and creative businesses can thrive. Good quality housing and inclusive infrastructure will be provided to ensure that people are able to live active and healthy lives.*'

Ensuring that there is a sufficient and appropriate supply of employment land made available will be key in facilitating an environment where new innovative, green and creative industries can thrive.

Local Plan Draft Objectives

The need to support the growth of Herefordshire's economy, create jobs and help businesses to thrive is supported in the economic objectives of the Local Plan. In particular, objectives 1-4 will be addressed directly by these policies.

- To ensure that new development is accompanied by fast and reliable digital connectivity.
- To grow a thriving, diverse local economy and for Herefordshire to be recognised as a good place for a broad range of businesses to invest and prosper, particularly the green technology and creative sectors.
- To help generate more and higher skilled jobs that are well paid, close the pay gap and retain and attract working age people to live in the county.
- To recognise the importance of the small business sector, help independent businesses to thrive, boost job opportunities and encourage the creation of hyper-local business identities.

Economic Vision

An Economic Vision for the county was published in 2018. This is, however, now considered out of date and afforded little weight by the current council administration. It has been proposed following a review that a new county-wide Economic Vision is produced. Updated planning policies concerning the economy will need to ensure that they align with the aspirations and objectives of this document.

National Guidance

An important shift in national planning policy that will affect the approach of the new Local Plan in this area is the changes to the Use Class Order in September 2020. Uses formerly classed as B1 (offices, research and development industry, light industry) now fall under 'Class E' for the purposes of permitted development in change of use planning applications. This effectively now means that buildings under former B1 employment uses may now change to other uses without planning permission that fall under the broad Class E.

Currently, little guidance exists to plan makers to determine how policies to safeguard employment land can be adapted to these changes, or if these are still recommended in practice. Other Local Planning Authorities have however explored some potential options for this, through updated evidence base studies. In practical terms, it is likely that a greater deal of flexibility will have to be afforded in the updated approach going forward.

Transition to a 'Net Zero' Economy

The Local Government Association has published guidance with estimated projections on how many green and renewable energy sector jobs will likely be required in English Local Authority areas, in order to achieve the nationwide drive to a net zero economy by 2050. Herefordshire sits in one of the higher quartiles for this, with an estimated 2500 to be employed in these sectors by the middle of the Century.

Updated employment policies will need to take account of this and proactively enable and create the conditions to attract these industries to the area.

Investment Plans

Following the receipt of grants from the Government's Stronger Towns Fund, some investment plans have been published in February 2022 for the county's market towns. These all outline notable projects that aim to deliver new employment land.

- Leominster: 10ha extension of the Enterprise Park and growth at the "Incubation Hub"
- Ross: around 15ha of new employment land at Model Farm and mixed use development of 18ha at Tanyard Lane
- Ledbury: 3ha allocation at Viaduct Site
- Bromyard: Up to 8ha "Eco Hub"
- Kington: Small extension to existing Hatton Gardens Industrial Estate, or a new site along the bypass.

Local Considerations

Herefordshire has the lowest economic output of any county in England, 19% below the national average. Though the county benefits from relatively low unemployment levels, it does however have a low wage economy, a deficit of higher level skills, an aging population and a shortage of labour.

There are also notable external factors nationally that continue to create economic uncertainty - such as fallout from the pandemic and Brexit.

In the Core Strategy's plan period so far, there has been an under-delivery of new employment sites, with only one of the strategic employment allocations coming forward.

It has become clearer than ever that improving access to superfast broadband in the county will be central to accommodating a mass permanent shift to remote working across many industry sectors, and to creating an attractive economic environment in which to do business.

Changes to the planning Use Class Order may mean that a change of approach may be required if the Local Plan is to be able to continue to safeguard the county's highest quality employment sites from being lost to other uses.

The creative and green technology sectors have a key role to play in the transition to a low carbon economy. Policies need to proactively support and attract these industries to the county.

Evidence Base

- A key base of evidence that will be informing the Local Plan on requirements for employment land over the next plan period will be the Herefordshire Employment Land Requirements Study (HELRS) 2022. This study is currently underway, and will provide an up to date picture of, Employment land requirements in the county over the next plan period, based on economic forecasting. Employment land availability in the county to deliver on the requirements. And also the factors influencing the under delivery of sites, and recommendations on alternative policy approaches that may remedy this.

Existing Policy

The existing Core Strategy policies which aim to facilitate the provision and safeguarding of employment land are SS5, E1 and E2 respectively.

Policy SS5 sets out the overarching county wide strategy for employment land provision and retention. However, it is clear from the under delivery of the larger sites, that the existing approach of identifying sites to fit market demand has not worked. The HELRS may make fresh recommendations on this strategy. It could also place stronger emphasis on the green industry sectors that the policy wishes to attract the county, based on the latest evidence and ambitions of associated council strategies.

Policy E1 sets out the overarching strategic criteria for the provision of new employment land in the county, directing larger proposals to Hereford and the market towns. The policy approach remains valid and national policy compliant. The HELRS may provide some updated recommendations on where larger proposals should be directed.

Policy E2 sets out in more detail the parameters for the safeguarding of the county's best quality employment land from being lost to other non-employment uses. It is likely, in light of changes to the Use Class Order, that a new approach will need to be found that takes account of the changes to controls available to the council through the planning system that this affords. The existing employment sites that qualify for safeguarding in this way are also based on recommendations from the Employment Land Study of 2012, which can now be considered out of date. The HELRS employment land review of sites in the county will provide a fresh appraisal of which sites may warrant such controls.

Policy E3 seeks to facilitate and enable home based working. Through the plan period so far, it is has been noted that very few applications have been approved or assessed against using this policy. This would lead to questions over whether it is superfluous and should be removed from the Local Plan. It is however acknowledged that, particularly in light of recent shifts in working patterns that this is an important issue, and it should be considered whether the policy could be strengthened, or perhaps 're-homed' in a different topic area, such as the design of new homes.

Neighbourhood Planning

The majority of Neighbourhood Development Plans (NDPs) have successfully produced their own planning policies supporting jobs at a local level. Many of these generally reflect the predominant industry sectors and types that operate in their respective NDP areas, and seek to positively support the continuing growth of.

Supporting Jobs Policy Options

Option SJ1- Employment Land Provision

This would follow a similar approach to the existing policy for employment land provision, but updated to reflect changes in the evidence of need, and to reflect changes in national guidance and economic trends.

- Update the employment land requirement figures, and if necessary the strategy, based on recommendations from the HELRS.

AND/OR

- Strengthen the policy's drive towards the objective of delivering a net zero economy, by placing an emphasis on attracting green and renewable energy industries to the county.

Option SJ2- Protecting Economic Opportunities

- Based on the findings of the HELRS employment land review, adopt a new approach by identifying any core areas of business activity, on good quality employment land, and explore the possibility that such areas could be specially designated for changes of use to be allowed for class E(g), B2 or B8 only.

OR

- Broadly retain the existing policy approach but amend to apply the criteria only to good quality sites identified in the HELRS of B2 and B8 only, leaving the flexibility for former B1 business uses (now in class E) to change use to other non-employment uses.

Option SJ3- Home Based Employment

- Do not include a policy on home working, and rely on other policies within the local plan to provide suitable enablement and controls on home based work proposals.

OR

- Remove the policy from the employment topic area of the Local Plan, and re-house the criteria into the housing design policies section.

AND/OR

- Strengthen the policy by recognising the increasing popularity of remote working, and requiring new homes to consider this in design, subject to justifiable evidence.