

EAST NORTHAMPTONSHIRE LOCAL PLAN PART 2 EXAMINATION STATEMENT ON BEHALF OF IM PROPERTIES PLC

MATTER 8 – EMPLOYMENT

Preamble

- 1. This Hearing Statement is made on behalf of our Client, IM Properties Plc ('IM Properties'), in advance of making verbal representations to the East Northamptonshire Local Plan Part 2 ('the Plan') Examination in Public.
- 2. IM Properties is promoting land to the east of Thrapston on the A605 close to Junction 13 of the A14. The site comprises two parcels of land, with the main parcel of land being sited to the east of the A605 and north of Halden's Parkway employment area and comprises 46.16 hectares (114.07 acres) of land, which IM Properties is seeking to bring forward for employment development, principally Class B8 storage and distribution uses, but also other use classes relevant to employment uses, such as B2, E(c) and E(g).
- 3. The other smaller parcel of land is located to the west of the A605 and comprises 2.41 hectares of land (5.96 acres). It is envisaged this land parcel will be delivered as flexible business space for smaller occupiers.
- 4. IM Properties is promoting land at Thrapston in partnership with DSV the global transport and logistics company which is currently based out of two buildings in Thrapston and wants to create a new flagship UK facility which can accommodate the growth of the business from approximately 200 to 600 employees.
- 5. IM Properties is keen to engage in the Local Plan examination process and assist in preparing a sound plan which is positively prepared, justified, effective and consistent.
- 6. Nevertheless, it is our case that the Plan does not make sufficient allocations for larger employment development, in that it takes forward the jobs target for the District¹ as set by the Joint Core Strategy (February 2016) ('the JCS') and relies on existing major committed sites within the District to meet this need. As demonstrated by our evidence, demand for industrial floorspace, in particular logistics, is outstripping supply and there is, therefore, a need to plan for greater growth now.
- 7. In light of the above, we consider the Draft Local Plan is unsound as it is:
 - Not positively prepared, as it is not based on up-to-date evidence.

-

¹ The employment evidence base which underpins the JCS jobs growth targets ranges from 2013-2015 and is therefore dated.



- Not justified, as it does not consider the reasonable alternative of planning for greater employment growth and is not an appropriate strategy based on the evidence.
- Not consistent with national policy, as it does not reflect the NPPF's approach to building a strong, competitive economy.
- 8. To make the Draft Plan sound we consider it should plan for greater employment growth where market demand is strongest such as along the A14 corridor. We consider Land East of Thrapston, adjacent to an existing and established employment area, would assist in meeting the significant demand for strategic employment development.

Questions

- Q1. Does the Plan make sufficient provision to meet the job creation target set out in the JCS of 7,200 net job growth (in all sectors) within the Plan period (2011 2031)? Where is the evidence to support this?
- 9. We have significant concerns that the focus on a jobs target fails to have any regard to market demand, in the context of a target passed down from a Joint Core Strategy adopted in 2016, based on evidence that predates the Local Plan Part 2 adoption date by a number of years².
- 10. In light of which, it is essential that attaining or surpassing the jobs targets should not be used as a barrier to sustainable economic growth, following a period of substantial change and the emergence of a new economic landscape that was not foreseen by the Joint Core Strategy. Indeed, Paragraph 82 d) requires planning policies to 'be flexible enough to accommodate needs not anticipated in the plan, allow for new and flexible working practices (such as live-work accommodation), and to enable a rapid response to changes in economic circumstances.'
- 11. Such circumstances include the UK leaving the European Union, as well as the social and economic consequences of the Coronavirus pandemic and broader sustained economic trends. These events have led to a surge in demand for logistics floorspace, bringing into sharp focus the need to allocate sites on strategic routes, the A14 being *the* key east west strategic route, connecting to Britain's largest container port at Felixstowe.
- 12. Evidence of market demand is a key component in the needs assessment and are effectively ignored by the job growth target approach. Paragraph 26 of the Economic

² The Employment Background Paper to the JCS is dated January 2015, with other employment related evidence base documents dating back to as early as 2013.



Need Planning Practice Guidance ('PPG') provides to following advice about the evidence that strategic policy making authorities should assess:

- Evidence of market demand (including the locational and premises requirements of particular types of business) – sourced from local data and market intelligence, such as recent surveys of business needs, discussions with developers and property agents and engagement with business and economic forums;
- wider market signals relating to economic growth, diversification and innovation; and ... [PPG ID2a_026, fourth and fifth bullet]
- 13. Planning Practice Guidance that addresses how authorities can assess the need to allocate space for logistics was published in 2019 (PPG ID2a_031). This places significant weight on market signals as a key determinant of demand and a key consideration for strategic policy-making authorities in the process of allocating land for logistics.
- 14. We note the synergy between PPG ID2a_031 and Policy 24-Logisitcs of the Joint Core Strategy, which is supportive of large-scale strategic distribution proposals, but argue that in light of the evolved economic market and economic context and the latest Planning Practice Guidance, the Council needs to be more proactive in its approach and allocate sites for logistics, not least because:

The logistics industry plays a critical role in enabling an efficient, sustainable and effective supply of goods for consumers and businesses, as well as contributing to local employment opportunities, and has distinct locational requirements that need to be considered in formulating planning policies (separately from those relating to general industrial land). [PPG ID2a 031, first paragraph]

- 15. Notwithstanding, we treat the method used to calculate the number of jobs delivered thus far, and the projections made to 2031 as set out in Background Paper 5 ('BP5') with extreme caution. They appear to be unreliable and overstated in the context of the Oxford Economics Local Economic Forecasting, which shows that 3,340 jobs have been added to the East Northamptonshire economy over the period 2011 to 2020, compared to the expectation in BP5 that over 6,100 jobs will be added by 2021.
- 16. Further we contend that the Council's BP5 job growth projections cannot be relied upon, because it is unrealistic to assume that they will be unaffected by ongoing economic restructuring that gives rise to growth in some employment sectors, partially offset by decline in others. Moreover, without a sufficient supply of sites within East Northamptonshire that meet the requirements of modern logistics occupiers, jobs could be lost, as existing occupiers move out to satisfy their requirements elsewhere.



- 17. This lack of 'positive planning' leads to uncertainty for both existing communities and prospective occupiers as to where the employment need will ultimately be met. Indeed, the Matter 1 Statement prepared by Barton Willmore on behalf of IM Properties details how a more proactive approach to employment growth was taken in South Northamptonshire, where the Local Plan Part 2 sought to allocated a further 86.5ha of land beyond that allocated through the West Northamptonshire Core Strategy. The justification for this approach set out within that Local Plan includes being flexible enough to accommodate needs not anticipated in the Plan, whilst nevertheless ensuring that this flexible growth took place in a controlled manner in the most sustainable locations within the District. This approach was endorsed by the examining Inspector.
- 18. For the reasons stated above, we conclude that the East Northamptonshire Local Plan Part 2 does not make sufficient provision to meet the job creation target set out in the JCS.

Policy EN18 Commercial space to support economic growth

- Q5. Is the approach to new commercial employment space in Policy EN18 justified, effective and consistent with national policy and the JCS? How will proposals be 'supported' in practice? It is clear what is expected of a decision maker or a developer?
- 19. The general intention of supporting business growth within Policy EN18 is supported by IM Properties. However, it is submitted that this support should not be restricted to small and micro businesses.
- 20. Policy EN18 should be amended to broaden its support for commercial development of all sizes, subject to meeting other policies within the Plan (such as EN1 which defines the Spatial Strategy).
- 21. In its current form, the Policy does not allow for flexible growth of a larger scale, in response to changing needs and market demands, such as those referred to above.

EN20 Relocation and/or expansion of existing businesses

- Q14. Is the approach to the relocation or expansion of existing businesses in Policy E20 justified, effective and consistent with national policy and the JCS?
- 22. IM Properties supports Policy EN20 and considers that it is justified, effective and consistent with national policy and the JCS.



- 23. The Policy provides the flexibility required to respond to changing economic circumstances and, as such, is consistent with the National Planning Policy Framework's (NPPF) approach to building a strong, competitive economy. In particular, Paragraph 82 (d) requires planning policies to 'be flexible enough to accommodate needs not anticipated in the plan ... and to enable a rapid response to changes in economic circumstances'.
- 24. Regarding the JCS, the development of land adjacent to the existing urban area is consistent with the approach towards Growth Towns and Market Towns set out within Table 1³, which confirms that development requirements at these locations will be met 'related to existing commitments' via 'smaller greenfield developments identified in Part 2 Local Plans'. It is therefore evident that the JCS does not prohibit greenfield development at Growth Towns and Market Towns, such as Thrapston.
- 25. Supporting existing businesses and seeking to retain them within the District is also consistent with the approach of JCS Policy 22 (Delivering Economic Prosperity).
- 26. It should also be noted that the job creation targets expressed within Policy 23 are not maximum targets. The creation of further new jobs via the expansion of existing businesses accordingly does not conflict with this Policy.
- 27. An example of the need to support the expansion of existing businesses is evident through the land promoted by IM Properties, which represents a joint venture with DSV which is currently based out of two buildings in Halden's Parkway, Thrapston. However, DSV wants to create a new flagship UK facility within Thrapston which can accommodate the growth of the business from approximately 200 to 600 employees.

Q15. In practical terms how will proposals be 'supported'? Does the policy duplicate general development management requirements that are already contained in the JCS or elsewhere in the Plan? Is there repetition between criteria a and b?

- 28. IM Properties interprets the 'support' afforded to proposals by Policy EN20 as equivalent to such proposals being acceptable in principle, subject to complying with Policy criteria a-e and other relevant policies across the Development Plan as a whole. However, it is agreed that clarification on this issue would be beneficial.
- 29. Regarding whether or not the Policy duplicates general development management requirements contained elsewhere within the Development Plan, it is considered that there is a degree of overlap in respect of criteria b-e. However, criterion a is significant in that

³ Table 1, in turn, supports Policy 11 (The Network of Urban and Rural Areas).



it permits development adjacent to an existing built-up area; something which is not permitted elsewhere within the Plan, such as by Policy EN2. It is therefore important that, should the Inspector feel the need to modify the Policy, criterion a should not be diluted.

Q16. Does MM17 address the points raised by Natural England and is it justified and necessary in terms of soundness?

- 30. IM Properties does not support MM17, as it is not only unnecessary, but it is also not consistent with the provisions of the JCS.
- 31. As the Modification recognises, the Upper Nene Valley Gravel Pits SPA is already accounted for in the Development Plan through Policy 4 of the JCS, as well as through other material considerations such as the Special Protection Area supplementary planning document. Given that the Development Plan must be read as a whole, development proposals are already obliged to consider their impact upon the Upper Nene Valley Gravel Pits SPA by virtue of Policy 4. The inclusion of further policies or clauses in respect of the SPA are unnecessary.
- 32. Furthermore, Policy 4 of the JCS confirms that developments that are likely to have an adverse impact, either alone or in-combination, on the Upper Nene Valley Gravel Pits Special Protection Area must satisfy the requirements of the Habitats Regulations, determining site specific impacts and avoiding or mitigating against impacts where identified.
- 33. MM17 does not align with this framework, instead stating that development which would have an adverse effect on the Upper Nene Valley SPA will not be supported '...unless it can be demonstrated there are imperative reasons of overriding public interest and no alternatives, and necessary compensatory provision is provided'.
- 34. The additional requirement to demonstrate that there are '*imperative reasons of overriding public interest and no alternatives*' is a higher test than that contained within Policy 4 of the JCS and is therefore not justified.