

Greater Norwich Development Partnership

Topic Paper: Employment and Town Centre Uses

Joint Core Strategy for Broadland, Norwich and South Norfolk
November 2009

Jobs, homes, prosperity for local people



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Appendices

1. List of evidence studies

1. Summary

This topic paper is part of a series that explains how key aspects of the Joint Core Strategy (JCS) for Broadland, Norwich and South Norfolk have been developed. It explains the considerations that underlie the policies for employment and town centre uses.

2. Purpose of this Topic Paper

This topic paper is part of a series that explain how key aspects of the Joint Core Strategy (JCS) for Broadland, Norwich and South Norfolk have been developed. It concentrates on the considerations that underlie three key elements of the strategy not covered in other evidence: jobs targets, employment allocations and retail growth.

Economic development is fundamental to the aims of the Greater Norwich Development Partnership (GNDP). The Director of Shaping Norfolk's Future (the County Strategic Economic Partnership) is part of the GNDP structure, and the East of England Development Agency support the Partnership.

In addition to the JCS the GNDP have worked jointly to produce an Economic Strategy, supported by an Economic Assessment of Greater Norwich, and delivered through an Action Plan. These documents support and will help implement the Joint Core Strategy, and should be read alongside this topic paper.

The county-wide context is provided by Shaping Norfolk's Future Strategy and its annual business plan.

The principal evidence is contained in the Greater Norwich Employment Growth and Sites & Premises Study (Ove Arup 2008) and the Norwich Sub Region Retail and Town Centres Study (GVA Grimley 2007).

The evidence base is comprehensive and detailed. This topic paper concentrates on areas of interpretation of the evidence requiring further explanation.

3. National and Regional policy context

Government guidance and policies is contained in PPG4, PPS6 and PPS7. These documents are due to be updated and replaced by a new PPS4.

Policy E1 of the East of England Plan (EEP) sets an indicative target for monitoring purposes for an increase of 35,000 jobs in the three districts between 2001 and 2021.

Policy E2 provides for the allocation of employment land generally.

Policy E3 requires readily serviceable strategic employment sites including in Norwich “to support regeneration and its role in bio-technology”.

Policy E4 requires the support of sectors and clusters including:

- ‘the life science regional super-cluster with concentrations in Norwich’
- ‘the motor sports cluster with a focal point at Hethel’
- ‘the multimedia cluster ... in Norfolk’

Policy E5 recognises Norwich as a regional centre for retail and town centre uses.

Policy E6 on tourism particularly recognises the potential of the historic city of Norwich

Policy NR1 of the EEP provides more detailed guidance for the Norwich Policy Area including:

Norwich should be a regional focus for housing, employment, retail, leisure, cultural and educational development. Particular aims, reflecting its identification as a new growth point, should be to:

- achieve a major shift in emphasis across the Norwich Policy Area towards travel by public transport, cycling and walking
- support and enhance the retail, leisure and cultural role of Norwich through development which complements the outstanding historic heritage of the city centre
- promote the city as a destination for tourists and visitors and a gateway to the wider rural and coastal areas of the county and the Broads
- address the deprivation concentrated in parts of the urban area

Planning for employment growth should focus on:

- the city centre, particularly media and creative industries, finance and insurance, and information communication technologies
- Thorpe St Andrew and Longwater, Costessey (business park uses)
- Colney/Cringleford (expansion of the research park reserved for research and development, higher education, and hospital/health related uses)
- Norwich Airport (uses benefiting from an airport-related location)
- Wymondham/A11 corridor (high-tech development and rail-related uses)

The Regional Economic Strategy emphasises the position of the eastern region as part of the Greater South-East focussed on London. It identifies greater Norwich as one of 7 “Engines of Growth” in the region where the bulk

of new job growth will be accommodated. Within each of these it proposes: “A bold and visionary strategy for the economic development of the area led by local authorities, identifying and supporting a limited number of sectors and clusters of international and national significance, alongside outlining improvements in the general environment for businesses that serve local and regional markets”.

For the greater Norwich area the Regional Economic Strategy sets out the following ambitions:

- strengthen Norwich as a leading medium-sized Science City in the UK
- further transition to a knowledge-based economy through major improvements to the skills and employment base
- improve the position of the University of East Anglia in global university rankings and significantly increase spin-out technology transfer and R&D collaboration, with close ties to the local economy
- enable the development of clusters at Norwich Research Park and Hethel around globally renowned anchor companies and research institutes in areas of automotive engineering, environment and life sciences
- develop Norwich as a nationally important centre in financial and business services and creative industries, and maintain Norwich as a top ten retail centre with matching city centre office accommodation
- develop Norwich as an international exemplar of a low-carbon city, with the promotion of renewable energy, combined heat and power, wind, solar and biomass
- improve the connectivity of Norwich to key national, regional and local markets through infrastructure improvements to key roads and enhanced rail services to London and other regional cities
- greater coordination and intervention to bring forward large brownfield sites for redevelopment
- increase linkages between Norwich International Airport, Amsterdam Schiphol as a European hub and other key international markets
- diversify and strengthen the economy of market towns within the sub-region
- a nationally recognised heritage and arts offer and regionally important retail and leisure functions as part of a stronger inward investment strategy that demonstrates the distinctiveness of the sub-region

The Greater Norwich Economic Strategy includes 4 objectives and supporting priorities:

Objective 1: Enterprise - To strengthen the area’s economy, maximise diverse employment opportunities and ensure that businesses can flourish

- Priority 1: Create more sustainable jobs by increasing the number of new business start ups and supporting the growth of small and medium sized enterprises.

- Priority 2: Support the growth of the knowledge economy by encouraging key sectors and facilitating the attraction and development of businesses which can exploit the commercial potential of the research expertise in the UEA and Norwich Research Park.

Objective 2: People and Skills - To improve the skills of the labour force to ensure that it matches the needs of existing and potential employers and local people benefit from job growth

- Priority 1: Raise the aspirations of local people, particularly young people, and provide appropriate learning opportunities.
- Priority 2: Address mismatches between skills availability and skills requirements
- Priority 3: Ensure there is a strong economic component to regeneration and neighbourhood renewal strategies

Objective 3: Infrastructure for Business - Ensure that the area has the necessary infrastructure and quality of environment to attract and retain investment and support business growth

- Priority 1: Contribute to the development of an improved and sustainable transport and communications infrastructure to support planned growth and development
- Priority 2: Maintain an appropriate supply of suitably located employment land and premises
- Priority 3: Ensure that the investment required in public utilities infrastructure and other essential infrastructure takes place so that the development of key sites is not constrained.

Objective 4: Profile and Investment - To raise the profile of Greater Norwich as a high quality place to live work and visit

- Priority 1: Promote a strong and coherent image of Greater Norwich capitalising on its particular strengths as a business location.
- Priority 2: Attract and retain private and public investment to drive growth and regeneration
- Priority 3: Support the continued development of a vibrant City Centre that is unique in its retail, cultural and heritage offers
- Priority 4: Revitalise market towns and rural economies and encourage the development of distinctive retail, cultural and heritage offers

4. Other factors shaping the spatial strategy

In meeting the challenges of providing for the scale of development needed, while meeting the aspirations set out above, the GNDDP has had regard to a number of sources:

- A comprehensive evidence base of studies undertaken (listed in Appendix 1)

- Sustainability appraisal (including strategic environmental assessment) and Appropriate Assessment in respect of internationally designated habitats
- Previous consultation by Broadland and South Norfolk Councils on early stages of individual core strategies
- Consultation on issues and options undertaken in November 2007 under previous regulations
- A technical consultation under Regulation 25 (August 2008)
- A “critical friend” review from the Planning Inspectorate (February 2009)
- Public consultation under Regulation 25 (March 2009)
- Dialogue with service providers
- Other strategies of the partner authorities (Norwich Area Transportation Strategy, Norfolk Local Transport Plan, Sustainable Community Strategies, Economic Development Strategies, culture and leisure strategies)

The responses to consultations on the JCS, the sustainability appraisal and Appropriate Assessment and the evidence base are available on www.gndp.org.uk.

5. Jobs targets

Predicting the performance of the economy and the consequent number of jobs over a long period is far from an exact science with outcomes dependent on a range of assumptions and shifting factors. This can only provide a broad indication of likely events and, consequently, jobs targets should only be considered as broadly indicative for monitoring purposes.

5.1 The RSS Jobs target

The RSS target is 35,000 jobs in the period 2001-2021. Job growth has been strong in the period 2001-2008 and the Greater Norwich Employment Growth and Sites & Premises Study, conducted by Arup, suggested the RSS target would be exceeded under both Baseline and Dwellings Constrained Scenarios (Arup p132).

The East of England Development Agency (EEDA) has commissioned Oxford Economics to develop an East of England Forecasting Model (EEFM) to inform the review of the RES and EEP. Oxford Economics had previously worked with Arup on the Greater Norwich Study. Consequently the EEFM uses broadly the same methodology and is consistent with the Arup study. The most recent run of the model (Spring 2009) incorporates much more pessimistic forecasts because of the recession. Nevertheless, it suggests GNDP jobs growth 2001-21 of 33,200. This confirms that, in broad terms, the RSS target will be reached.

6.1 Arup forecasts and recommendations

Arup (2008 – pp274-279) recommend that their Baseline forecast is used for determining the scale of employment land requirements. Using the Baseline economic forecast, Arup conclude that around 250ha of employment land will be required in the period 2007-2026 for B1, B2 and B8 uses. Existing allocations should be the primary focus for growth. The office element translates to about 300,000m² with about 250,000m² recommended for the City Centre, Norwich Research Park (NRP) and Broadland Business Park (BBP).

6.2 Employment land in the Joint Core Strategy

The JCS requires new employment allocations totalling up to 130 hectares, of which about 120 hectares will be in the NPA. In 2008 undeveloped commitments totalled 195 hectares in the GNDP area of which about 155 hectares were in the NPA (Norfolk County Council Employment Land Monitor May 2009). Consequently, the total new commitment will be about 325 hectares of which 275 hectares will be in the NPA. The total allocation is higher than proposed in the Arup study to take account of the significance of the NPA, constrained land, take-up by non-B class uses and timescales. These are explained below.

Arup consider, not surprisingly, that most economic growth opportunities will arise within the Norwich urban area with its strong base and agglomeration economies (para 5.1). This is also reflected in their advice on sites which concentrates on the NPA.

Around 40 hectares of current commitment and 10 hectares of new allocation are distributed over a number of small sites across the area outside the NPA. While of crucial importance to rural prosperity and sustainability, these sites tend to play a less strategic role. The Employment Land Monitor identifies take up in the NPA averages around 10 hectares a year. Consequently we could expect 180 hectares of allocated employment land to be taken up in the NPA in the JCS period 2008-2026. Comparison of the District wide and NPA totals in the Monitor suggests that take up outside the NPA in the period 2001-2008 was negligible. This indicates that the majority of the 250ha requirement will be in the NPA.

A significant amount of the existing and proposed commitment in the NPA is constrained or targeted to specific uses:

- Just over 11 hectares at Bayer Crop Science has health and safety restrictions and is only available for expansion of the existing factory
- 18 hectares at the Deal Ground and Utilities (Cremorne Lane) sites has significant physical constraints. Emerging evidence and proposals suggests that redevelopment may include a large proportion of sui generis, residential or other non-B class uses.

5.2 Derivation of a GNDP JCS Jobs Target

The JCS period is 2008-2026 therefore a different jobs target is required to that in the RSS.

Arup (2008) forecast unconstrained jobs growth of 30,000 in the period 2006-2026 or 1500 p.a. (section 6.3.3). Applying this rate of growth to the 18 years 2008-2026 would result in growth of 27,000 new jobs. Such an approach does not take account of any decline in employment after 2006 due to the recession, but Arup note jobs growth of 3,000 p.a. in the previous 10 years so 1,500 p.a. would seem relatively cautious.

The latest run of the EEFM (spring 2009 GNDP Baseline forecasts <http://www.insighteast.org.uk/>) provides a more recent forecast, taking account of the recession. The “Baseline” forecast suggests that net jobs growth from 2008 to 2026 will be only around 16,000 (under 900p.a.). This net growth is strongly influenced by the predicted fall in jobs in the period until 2010. After this, in the period 2010-2026 growth is predicted to average 1,775 jobs p.a. or over 28,000 in the 16 year period. The 2008-26 forecasts may be considered unduly pessimistic for a planning target given:

- the strong bounce-back predicted
- the EEFM applies national trends to local sectors. For example the local strength in the “financial intermediation” sector is in insurance, a sub-sector that has suffered much less in the recession than banking
- the undesirably high unemployment rates included in the forecast for the latter end of period at 3.5% in the years 2019 to 2026 compared to 1.7%-2.0% in the years 2001 to 2008.
- the very low levels of net in-commuting of around 2,900 in 2026 compared to an average of around 11,900 prior to 2008. This is a residual product of the model rather than a specific forecast. With this level of net-commuting, Greater Norwich would no longer be the “engine of the local economy” for the surrounding hinterland. This is both unlikely and contrary to economic aims.
- The forecasts take no account of policy interventions and the GNDP is committed to positive efforts and investment to grow the economy.

5.3 Conclusion

The JCS target of 27,000 jobs in the period 2008-26 is challenging but appropriate.

6. The distribution and scale of employment land allocations

Strategic employment locations are identified in the East of England Plan. The JCS confirms these locations with the addition of Rackheath, reflecting the major mixed use growth in this part of the area.

- The 55 hectares of land at Norwich Research Park is limited to science park activities and hospital expansion.
- The new allocation of 30 hectares at the airport is focussed on uses benefiting from and airport location
- The 20 hectares at Hethel is required to be managed to focus on advanced engineering

The Arup study uses a methodology that is derived from SIC codes that generally equate to B class uses. It does not capture some uses typically found on employment areas such as car sales and ancillary retailing, catering, and hotels.

The 250 hectares of land identified in the Arup study is required to accommodate employment growth during the period to 2026. Consequently, if total land allocation was limited to 250 hectares there would be none left by 2026. While the JCS will be reviewed on a regular basis prior to 2026, experience suggests that new sites can take several years to come to market and a further significant period to be developed. The JCS allocation will ensure that sufficient land is available throughout the plan period. Based on the Monitoring report and the Arup study take up in the NPA could be between 180 and 250 hectares in the period to 2026. Therefore, by 2026 somewhere between 25 and 95 hectares of the 275 hectare commitment in the NPA would remain.

Table 1: New Allocations in the Joint Core Strategy.

Location	JCS Policy	New land area	Comment
Norwich Policy Area			
City Centre	9 11	10 ha	Policy expresses the target as a minimum of at least 100,000m ² . This is equivalent to 10 ha in the Arup calculation. The actual land take will depend on the density of development. Supports regional cluster.
NRP	9	0	Existing 55 ha allocation to provide around 100,000m ² B1(b). Further phases promoted subject to area being developed in accordance with a science park vision. Supports regional cluster.
BBP	9	25	To include approximately 50,000m ² B1
Airport	9	30	Reduced from Arup assumption of 50 ha to take account of additional growth at Rackheath

Rackheath	9	25	Reflects ecotown proposal and need to provide significant opportunities within the “growth triangle”.
Longwater	9	0	About 9.75 ha remains of the existing allocation.
Wymondham	9	15	Total 20ha includes current commitment
Hethel	9	14	Total 20 includes current commitment. Supports regional cluster.
Long Stratton		0	No new allocation specified, current commitment is about 5.5ha
Outside NPA			
Diss	13	7	Total 15 ha with current commitment
Harleston	13	1	Total 5 ha with current commitment
Aylsham	13	2	Total 5 ha with current commitment
Elsewhere	14 to 17		Smaller developments in villages/mixed use areas
Total		129ha	NPA = 119, Outside NPA = 10

6.3 Conclusion

The distribution of proposed new allocations largely reflects the options suggested by Arup.

The scale of the JCS allocation recognises:

- the focus of strategic development on the NPA
- physical and policy constraints on key sites
- sui generis and ancillary uses often found on employment areas
- the need to provide for choice, contingency and continuing supply

7. The scale of new retailing in Norwich City Centre and the Market Towns

The Norwich Sub Region Retail and Town Centres Study was completed before the severity of the current recession was understood. Long term prediction of retail need is unreliable at the best of times. The Study looked ahead to 2021 but recommends concentrating on the 10 year period 2006-2016, with an interim forecast for 2011. The Study recommends a cautious approach and emphasises that capacity forecasts are not prescriptive and

should not be considered as a definitive figure or threshold for allocations (para 13.53)

The recent DCLG “Living Draft” Good Practice Guide on Need, Impact and the Sequential Approach recommends a 10 year time horizon for assessment with sufficient allocations for the first five years of the plan (paragraph B.15).

The Study suggests that comparison goods capacity for the City Centre will be 16,000m² in 2011, 40,000m² in 2016 and 68,000m² in 2021. The JCS takes a pragmatic approach, assumes that there will be very little growth in retail capacity in the period 2006-2011 and rolls forward the 2011 growth target of 16,000m². However to take account of the need to continue to strengthen the role of the city centre and the likely need for further growth in the longer term it increases this figure to around 20,000m² with a commitment to regular monitoring and re-assessment.

Convenience goods capacity varies significantly depending on assumptions about likely operators and consequent turnover. Assuming new floorspace is operated by one of the major foodstore retailers, the Study identified capacity for convenience goods in the Norwich urban area equivalent to 3,567m² by 2011 rising to 5,199 by 2016 and 6,981m² in 2021 (Table 12.12). However, the JCS includes no specific allowance for new convenience goods retailing as identified growth in the early part of the period will be taken up by commitments at Anglia Square (planning permission specifies minimum 2,350m² for convenience goods in a foodstore with a gross area of 7,792 m²) and Hall Road (up to 2,787m² net convenience – current application to increase this maximum). These commitments total in excess of 5,000m² and are likely to be the minimum floor area provided in these schemes. Further capacity is likely to be taken up by smaller openings and extensions. Longer term growth will allow for foodstore development in new centres to serve major housing growth locations as promoted in Policy 10.

The JCS emphasises the need to plan positively for all centres including our market towns. While the Study identifies the need for expansion of the retail offer in a number of our smaller centres, the quantitative growth potential in the market towns is relatively limited. Given the level of uncertainty as a result of the recession, the JCS promotes growth but does not include specific floorspace requirements for these smaller centres. Growth needs will be identified through subsequent local development documents or as opportunities arise. Policy 19 commits the authorities to seek to enhance the environment and economy of all centres. Building on current activity, the development of town centre action plans to facilitate ongoing vitality and viability will ensure that the areas’ town centres benefit from, and support, growth and regeneration.

Appendix 1: Evidence Studies

- Employment Growth and Sites and Premises Study (ARUP, 2008)
- Norwich Sub Region: Retail and Town Centres Study (GVA Grimley, 2007)
- Greater Norwich Infrastructure Needs and Funding Study. (AECOM, 2009)
- Feasibility study for a conference centre and concert hall for the Greater Norwich Area (Tourism UK, 2008)
- Ideopolis: Knowledge City Regions: Enabling Norwich in the Knowledge Economy (The Work Foundation, 2006)
- 2007-2008 Employment Land Monitor (Revised) (2009)
- East of England Forecasting Model (Spring 2009 Forecasts)
- Shaping Norfolk's Future Economic Strategy 2006 – 2012

For more information or if you
require this document in another
format or language, please phone:

01603 431133

for Broadland District Council

0344 980 3333

for Norwich City Council

01508 533805

for South Norfolk Council

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