Economy: comments on Joint Local Plan Issues consultation

Economy and workforce

- Ageing population, NuL, particularly in the Rural South.
  - Note that this sector of the population will not provide workforce growth in Newcastle. Technical paper for NuL states: "the identification of need range [for employment land] has been informed by an analysis of the projected demands generated from a *growing population*" [italics added]. The discussion is contradictory; an ageing population will not generate the level of growth stated.
- Skills levels.
  - The challenge for the long term is to increase the educational levels of SoT residents so as to provide them with opportunities to remain in SoT and enter higher-skilled jobs and earn higher wages in SoT; and also be able to seek jobs in the NuL area, rather than migrating out at the current high rate. For the shorter term, the challenge for NuL will be to encourage commuting into the borough either by SoT residents (those with the required levels of skill, that is) or from outside the NuL borough area; in this scenario the infrastructure will need to have the capacity to support commuting (e.g. using the key routes A34, A50 and A500).
  - "Storage and distribution are the economic uses that are likely to require the most amount of land for development in the future" (Issues consultation document, p. 36). This suggests that SoT and NuL plan to maintain their current low-skilled workforce.

Growing the economy figures

- To grow the economy and to generate 50,000 new jobs (Stoke on Trent and Staffordshire LEP Strategy) in the next 10 years appears to be unsustainable without inward migration. The local workforce figures in the technical paper seem questionable.
  - Economic growth requiring 50,000 new jobs in 10 years.
  - Current total residents:
    SoT 249,000
    NuL 124,000.
  - 2011 census shows population growth over previous 10 years to be:
    Stoke 3.5% (regional average 7.9%)
    Newcastle 1.5% (regional average 7.9%)
    On past trend the calculations for jobs growth are unrealistic:

- Populations in 10 years' time can be forecast as:

  Stoke 249,000 + 8,715

  Newcastle 124,000 + 1,860

  I.e. total population growth = 10,575, leaving a shortfall of 39,425 to make up the increased population of 50,000 needed to fill the forecast new jobs.
- This has implications for the numbers proposed in the consultation documents, including consideration whether extra land is required, and acknowledgement that the workforce will need to commute/migrate in order to sustain economic growth on such a level. This in turn has implications for infrastructure beyond SoT and NuL, including transport.

Future land need

- The Employment Land Review (ELR) does not demonstrate a case for future employment land need.
  - Newer ways of working that are identified will require *less* floor space to accommodate jobs, not more. This will affect the amount of land required for new employment development. In addition, losses of industrial land and buildings not expected to be as large scale as in the past, plus "data since 2010 shows an overall increase in industrial land" (Issues consultation document, p. 36)
  - The amount of office floor space in both SoT and NuL is increasing. This is evidence that office floor space is not a growing problem and should be taken out of the equation for employment space (ELR para. 4.50).
  - Also noted in the ELR, overall stock of both industrial and office space across the two authorities is increasing and vacancies are higher than ideal "'liquid' market levels, suggesting an oversupply relative to demand" (ELR para. 4.50).
  - There is a suggestion that employment land in one authority could potentially meet the needs of the other: SoT has an under-supply of land, whereas the forecasting scenario indicates that NuL has an over-supply of land.
- ELR para. 5.21 states that at 220ha there appears to sufficient supply of employment land to meet the lower end need. Even using median figures (e.g. 262ha as the median), it could be said that there is sufficient land for future need; but the *development* of this land is the challenge, as opposed to looking for more land for employment purposes.
  - It would be over-ambitious to work to top-end figures, given the economic uncertainty both in SoT/NuL and in the UK overall; also taking account of recent past trends in SoT/NuL).

- Furthermore, considering that the ELR does not consider future provision of office space to be a problem, this can be taken out of the equation.
- Full economic growth: Again this is ambitious, looking at uncertainty in the UK economy and past trends.
- Green Belt (Issues consultation para. 3.23, p. 33): Development of employment land in the Green Belt would only need to be looked at if there were a substantial economic boom; again, in view of current/future uncertainty and past trends, this would be another over-ambitious option, notwithstanding the fact that once Green Belt is developed, it cannot be replaced/recovered for the enjoyment of future generations.
- Both SoT and NuL continue to have a supply of vacant employment land available for development, which again indicates a surplus to the requirements of the continuing economic trend.
  - Vacancy rates are as follows:
    Office space: SoT 30%; NuL 25%
    Industrial premises: SoT 14%; NuL 15% (ELR para. 4.10)
  - "A typical 'liquid' market usually displays vacancy rates of around 8-10%, so the vacancy rates displayed in both areas suggests there is a large oversupply of both offices and industrial premises relative to demand, although the oversupply is most severe for office stock") (ELR para. 4.11).
- NuL: "Like in Stoke-on-Trent, local property agents consider that despite improved market conditions, speculative industrial development was very unlikely to occur in the area for the foreseeable future. This is partly due to a number of new schemes standing empty for several years prior to occupation in the previous economic/development cycle" (ELR para. 6.66). "For the longer term, there was a general view that one or more significant employment sites would be required with good access to the strategic road network, in particular the M6" (ELR para. 6.67). These are further justifications to remain within the bounds of reason when assessing land supply.

Rural need

- Sustainability in the Rural South of the area could be met by encouraging small business, the self-employed and the work-from-home economy. This is very relevant but is not fully addressed in either the Issues consultation or the ELR, which appears to concentrate heavily on the industrial SoT area.

- Considering the size of the NuL rural area, with an economy based on agriculture, food and drink and other related professional and private services, there is considerable lack of detail for the rural economy.
  - The only acknowledgement of the rural economy is in reference to the policies of SA9 of the Core Spatial Strategy: “diversification of traditional rural economies, with a ‘positive approach to rural enterprise’”. The focus of the Issues consultation is purely on the urban economy.
- The government is looking to further embed Rural Proofing into policy formation and the impact assessment process.
  - Rural Proofing reads as: It is vital that UK wide government policy continues to be, where applicable, of benefit and relevance to rural areas across the whole of the UK, and needs to be rural proofed. This will provide more in depth analytical guidance that gives details of how to quantify the impacts of policy options (in cost / benefit monetary terms) on rural areas and also how to ensure proper comparison between urban and rural geographies.
  - Rural Proofing information should be made available and taken into account in the Issues consultation.
- As detailed in the Issues consultation, NuL’s Economic Development Strategy 2012-2017 identifies high-quality jobs in leisure and tourism as being an economic strength.
  - There is little detail on this issue in the documents, “new” industrialisation being the key narrative, particularly around SoT, with less focus on NuL.
- The Issues consultation states that “there are currently no known sites that are immediately available for employment development in the rural area” (para. 3.28). It is accepted that saved policy E12 supports the conversion of buildings in rural areas for new employment purposes (ELR 2.26) but the focus is concentrated on larger industrial areas.
  - There are sites with unused/derelict buildings in the rural area that could be developed sympathetically to the rural setting, but no evidence is provided on these buildings (e.g. identifying buildings that could be repurposed for such things as agriculture, food and drink, and professional and private services).
  - However, an observer in the area could evidence this merely by taking a look at the Rural South’s dilapidated buildings. It is difficult to see in the consultation documents that any such appraisal has been undertaken or even commissioned on this.

Commuting in the Rural South and expansion of the economy

- Building houses in the Rural South is not going to help fill any workforce gaps in NuL or SoT, in view of commuting issues. This is evidenced by the lack of adequate connective infrastructure between the rural and urban areas (causing reliance on car use).
    - When Rural South residents have no option but to travel by car, they are better off travelling by car into
      Cheshire, e.g. to Crewe for the railway link,
      Shropshire, in view of job prospects and ease of travel, and
      Staffordshire, e.g. to Stafford for the railway link.
    - Further, the main roads, A51 and A53, between the Rural South and NuL edge of town will be spliced up with HS2 construction traffic in the foreseeable future, which will seriously hamper travel from the Rural South into NuL and SoT. There is nothing said about this fact in the Issues consultation, i.e. if houses are to be built in the Rural South, the main commuting pattern will be to places of employment in other local authority areas.
- Evidence in the ELR and SHMA sets out commuting flows, concluding that 79% of employed residents also work in the area and identifying SoT as particularly pertinent in view of high levels of labour containment. The challenge for NuL will be to develop housing closer to the urban area of NuL, taking into account infrastructure and where, along the main routes, it can develop the housing to suit NuL's local employment needs.

Heritage and the economy

- The CSS SA8 aimed to increase the attraction of the area as a tourist destination around its industrial heritage. There is a lack of focus, in the Issues consultation, on NuL's rural heritage and its role in the rural economy.

Technology and the economy

- No information is provided on how NuL is positioned in terms of targets for broadband and internet speed and mobile phone connectivity, nor on any challenges to be addressed.
    - This is a particular issue for rural areas and the rural economy, and therefore needs to be addressed, especially with reference to the particularly in the Rural South, where the home working and SMEs exist and continue to evolve. Looking at Ofcom charts, the evidence points to better coverage outside of buildings in the Rural South area, but

within buildings there are a number of spots with no coverage, which could have an impact on home working and SMEs expansion.

Housing and the economy

- Looking at the linkage between housing and the economy, as detailed in the Issues consultation, there is a workforce preference for more central locations with good access to public transport links; and participants in the stakeholder consultation highlighted that employment sites accessible only by car are no longer a preferred business option.
    - The provision of housing *within* the urban areas should be noted as a priority when assessing future need.
    - It is difficult for a reader of the Issues consultation to comprehend why NuL and SoT would advocate building housing in the countryside when all the evidence points to the need to attract a workforce that is located close to the urban economy.
    - The challenge here is to persuade developers, who have a preference to build unsustainable houses in more affluent areas in order to maximise their own profits, to build housing in locations where it will support and complement the local economy. The Issues consultation does not address how the LPAs will "tempt" developers to develop within town or city boundaries so as to house a future urban-type of workforce to meet economic needs.

Statement of area

- The statement that NuL "adjoins the City of Stoke-on-Trent … but also contains the town of Kidsgrove, the villages of Silverdale and Keele and small rural settlements such as Audley" (ELR para. 3.3) is misleading, as it should show the bigger picture.
    - The whole rural area of NuL, including Whitmore and Baldwins Gate, Maer and Aston, Chorlton, and other strategic points such as Loggerheads, is worthy of identification and deserving of emphasis equal to that given to SoT (the Potteries), so that its distinctive identity can be maintained and it is not either ignored or "swallowed up" by the neighbouring city.
- There is no acknowledgement in the Issues consultation of the Rural South's close neighbours – Staffordshire /Cheshire/Shropshire. Here the salient point is that the Rural South, is adjacent to three neighbouring local authority areas (Staffordshire / Cheshire / Shropshire) and also some distance away from the industrial area of SoT.

- This highlights who the beneficiaries of large-scale rural housing development are likely to be.

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