

EMPLOYMENT LAND AND PREMISES STUDY
REPORT OF DEPUTY CHIEF EXECUTIVE (COMMUNITY
DIRECTION)



Hinckley & Bosworth
Borough Council

A Borough to be proud of

WARDS AFFECTED: ALL WARDS

1. **PURPOSE OF REPORT**

- 1.1 To seek approval of the Hinckley and Bosworth Employment Land and Premises Review 2013 which will be used as evidence to inform the Site Allocations and Development Management Policies DPD.
- 1.2 Due to the size of the Study copies are available from the author of this report upon request.

2. **RECOMMENDATION**

- 2.1 That Executive approves the study to be used as part of the evidence base for the Local Plan (2006 – 2026).

3. **BACKGROUND TO THE REPORT**

- 3.1 The Review assessed the supply, need and demand for employment land and premises (use class B) in Hinckley and Bosworth. It will provide robust evidence to underpin and inform its Local Plan for the period to 2026. The report comprehensively reviews and updates the existing Employment Land and Premises Study which dates from May 2010. There are six main elements to this study:
- A review of the scale and distribution of employment land and premises in Hinckley and Bosworth;
 - A consideration of the economic impact of key policy decisions including the award of Enterprise Zone status to MIRA Technology Park and the requirement for office premises outlined in the Hinckley and Bosworth Core Strategy (2009);
 - A review of economic growth forecasts for Hinckley and Bosworth, over the period to 2026;
 - An assessment of the Borough's economy that informs the amount, location and type of employment land and premises required to facilitate its growth and address any structural weaknesses (including identified declines in the agricultural economy);
 - Projection of employment land and premises requirements, by scale, sector and nature, to 2026.

4. **METHODOLOGY**

- 4.1 A number of research methods were used – site visits, interviews with property market stakeholders and a survey of 300 businesses (of which 100 responded). This was combined with extensive consultation with public sector agencies involved in the Borough (and in neighbouring local authority areas). Desktop analysis of existing strategies, reports and documents was also used to inform the overall findings. The 24 Parish and Town Councils of Hinckley and Bosworth were contacted by post and email.

5. **FINDINGS**

5.1 The key findings of the Review were that:

- Hinckley and Bosworth is a relatively affluent, reasonably skilled area. It does however lose some of its higher skilled workers to neighbouring areas. Hinckley and Bosworth has a primarily local property market in both the industrial and office sectors. The industrial market is far larger than the office sector. Any inward investment tends to come from the logistics sector and there is evidence of reasonable demand for the next phase of Logix Park (Hinckley Commercial Park).
- There is a shortage of employment land across Leicestershire and any viable development sites are generally being held by developers in anticipation of an improving market.
- Industrial need is for modern moderate/good quality units of up to 1,000 sqm. The current absence of such provision is seeing businesses looking to relocate outside the Borough, particularly to neighbouring areas in the West Midlands. There is a surplus of older industrial factory and mill space in the urban area.
- The office market generally meets the needs of local service sector businesses and provides ancillary space for existing industrial firms. Most provision is in the form of small business centres, most of which are performing well at present. Demand is for 0-100 sqm leasehold suites.
- There is a headline total of 98.56 ha of employment land made up of 11 sites. However most is not readily available for development (although the 24 ha at Nailstone Colliery may be available within three years). It is also unbalanced – 93 percent of the supply is represented by four sites in Sketchley Meadows, Caterpillar, Nailstone Colliery and MIRA.
- 15.79 ha in the headline supply is at risk of not actually coming forward, because of continuing protection for long term possible development by the landowner/leaseholder interests of Caterpillar/Neovia. 34.03 ha at the MIRA Enterprise Zone is also included but, in practice, this land will only be available to companies undertaking research and development activities associated with transport technology industry sectors.
- The worst case scenario is that there is only 48.74 ha (nine sites) of employment land available; however a more realistic assessment is that there is 82.77 ha comprising of ten sites.
- There is a further 11.4 ha of employment land in the pipeline contained within the Earl Shilton and Barwell SUEs, which is likely to come on stream from this year onwards. This would add to the realistic land supply of 82.77 ha, taking it up to 94.17 ha.

6. RECOMMENDATIONS OF THE REVIEW

6.1 The report concludes by making a number of key recommendations. These are:

- The Borough has a land supply surplus of 26.36 ha when measured against long term land take-up. There is therefore there is no need for the Council to identify further land allocations in the emerging Sites Allocations and Development Management Policies DPD.
- Existing employment sites be categorised into either A, B or C sites. Categories are defined as being:

Category	Policy recommendation
A	Key / flagship employment areas
B	Fit for purpose employment areas
C	Lower quality employment areas – part or whole redevelopment may be appropriate if proposed

A list of the category recommendations for the Borough's existing employment sites (arranged by settlement) is included at Appendix 1.

- There are 27 Category A classified sites. Within these, non - B Class employment uses should only be allowed if an applicant can demonstrate exceptional circumstances and that the proposals will not have a significant adverse impact on surrounding local uses.
- A use which may have trade links with employment uses may be permitted on the Borough's 34 Category B Employment Areas. The Review identifies the marketing standards that developers must follow in these circumstances.
- For Hinckley and Bosworth's 46 Category C Employment Areas, a more flexible approach could be taken to facilitate a broad range of economic development.
- Existing employment developments outside Employment Areas make a contribution to local employment activity and jobs. Any consideration of future non-employment use, in such locations, should be addressed in the same way as non 'key employment' sites and Category B/C employment areas.
- The Council should work with neighbouring authorities on issues in which interests will overlap, notably the growth of the MIRA Technology Park Enterprise Zone and the development of the A5 Corridor.
- Review and monitor the employment land and premises position and undertake the study again in about three years, as 2026 is a long time in the future and much will happen before then.
- The review made a range of recommendations relating to the key rural service centres of the Borough. It is stated in the report that rather than being specific recommendations for future allocations, these are suggestions that the Borough Council may wish to consider to help encourage diversification of the rural economy and sustainable economic growth in these settlements. The recommendations are:

Rural Service Centre	Comment
Market Bosworth	Consider 0.5-1 ha extension to Station Road Industrial Estate Encourage small workshops scheme (7-10 x 100-200 sqm) Consider environmental improvement of Station Road Industrial Estate
Desford	Consider environmental improvement of Peckleton Lane Business Park
Groby	No action required
Ratby	No action required
Markfield	Consider 0.2-0.5 ha extension to Markfield Industrial Estate Encourage small workshops (5 x 100-200 sqm) Consider environmental improvement of Markfield Industrial

Rural Service Centre	Comment
	Estate
Bagworth	Encourage delivery of new start-up accommodation which forms part of planning permission for former Dunlop Complex
Thornton	Consider environmental improvement of Merrylees Industrial Estate
Barlestone	Consider small workshops scheme (5 x 100-200 sqm)
Newbold Verdon	Consider small workshops scheme (5 x 100-200 sqm)
Stoke Golding	Consider 0.2-0.5 ha extension to Willow Park Industrial Estate Encourage small workshops scheme (5 x 100-200 sqm)

7. DEVELOPMENT MANAGEMENT POLICIES

7.1 As well as being used for the identification of the Borough's employment sites for the Site Allocations, this document will also provide evidence for the formulation of Development Management Policies to sit alongside the Allocations which will form the basis of decision making on future planning applications.

7.2 Policies relating to development affecting existing employment sites and the provision of new employment development will be included within the Site Allocations and Development Management Policies document and will be considered through the committee process in due time. For information, the drafts of these policies are included at Appendix 2.

8. FINANCIAL IMPLICATIONS [KB/DMe]

8.1 Following the introduction of Business Rates Retention from 1st April 2013, future growth in employment land and growth will have an impact on the level of Business Rates collected and therefore retained by the Council and also the Leicestershire Pool. The results of this study will be used within the production of forecasts for this purpose. Any Business Rates collected as a result of the MIRA Enterprise Zone, will not be subject to Business Rates Pooling and will be subject to an agreement with the LLEP. Monitoring of growth in this area is therefore important for planning purposes.

8.2 The cost of the review is funded from the LDF reserve and the balance on the LDF reserve as at 31st March 2013 is £479,631.

9. LEGAL IMPLICATIONS [AB]

9.1 None raised directly by this report

10. CORPORATE PLAN IMPLICATIONS

10.1 The report relates to the following Corporate Aim:

- Thriving economy

11. CONSULTATION

11.1 BE Group undertook a consultation of 300 local businesses (of which 100 responded) to inform the findings of the study.

12. RISK IMPLICATIONS

- 12.1 It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.
- 12.2 It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.
- 12.3 The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
Failure to publish the study would result in a lack of evidence for decision making on planning applications and the employment policies in the upcoming Site Allocations and Development Management Policies DPD.	Publication of the study	Andy Killip

13. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

- 13.1 This document forms part of the evidence base for the Site Allocations and Development Management Policies section of the Local Plan (2006-26) which addresses the needs of both urban and rural areas equally and offers options in accordance with the spatial strategy of the Core Strategy.

14. CORPORATE IMPLICATIONS

- 14.1 By submitting this report, the report author has taken the following into account:
- Community Safety implications: None arising directly from this report.
 - Environmental implications: None arising directly from this report.
 - ICT implications: None arising directly from this report.
 - Asset Management implications: None arising directly from this report.
 - Human Resources implications: None arising directly from this report.
 - Planning Implications: Contained within the report.
 - Voluntary Sector: None arising directly from this report.

Background papers: Employment Land and Premises Review 2013

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