

CITY DEVELOPMENT SCRUTINY BOARD - 6TH APRIL 2010

BRIEFING NOTE ON EMPLOYMENT LAND

The Role of the Unitary Development Plan (UDP)

The UDP has 3 key roles:

- The identification of sufficient land to accommodate new development
- The need to have policies in place to help retain and support existing industries
- The provision and renewal of infrastructure

The UDP, conceived in the mid 1990's and originally adopted in 2001, brought forward **49 sites**, totalling **587**hectares (which included sites only suitable for office development).

Clearly, over time, this portfolio of employment sites has altered as sites have been developed, new sites brought forward and some lost to alternative uses. The supply position is therefore recorded annually as part of the Council's Annual Monitoring Report. This has tracked the loss of employment land to non-employment uses over the past few years. Since 2004, there has been a net loss of employment land of almost 30 ha., mainly for housing. It is important to note that the peak period of losses of employment sites coincided with Government guidance which specifically encouraged the re-use of redundant employment land and premises for housing and that Leeds, along with other major UK cities, experienced an unprecedented period of company closures, rationalisation and relocations over this same period.

The West & NW parts of the City have particularly suffered from this trend. Reasons for this include:

- the bulk of the older industrial property is located in the west of the district
- older industrial property has been most at risk
- the asset value of land in the western parts has been considerably higher for housing when compared to industrial uses, partly due to a lack of demand for employment uses.
- redevelopment of older industrial sites for employment use has frequently been shown to be financially unviable
- housing development has often been the only means by which older industrial sites can be remediated for re-use.

Since 2006/07, the downturn in activity in the housing market has reduced the loss of employment land to this sector. The overall position for 2008/9 shows a net loss of employment sites of just over 5 hectares.

Employment land has provided a significant source of housing in the last 5 years: 6200 units have been started on this land over the period, almost 5000 of which were from 2004 to 2007.

Such 'leakage' of employment land isn't accepted without the Council firmly applying the criteria in UDP **Policy E7** to examine whether the site concerned can be used for alternative employment purposes.

Leeds continues to be under considerable pressure to accommodate housing growth and opportunities to accommodate this growth on brownfield sites needs to be given careful consideration in order to resist industry pressures to release greenfield sites. Under these

circumstances, the opportunities for housing development that emerge on former employment sites cannot be easily dismissed. However, the priority is always to try to retain local employment opportunities first.

The current employment land portfolio shows that the existing supply of employment land in Leeds amounts to around **477** ha. (which excludes sites for offices). Although the proposed Employment Land Review (see below) will update this position and may result in some employment sites falling out of the portfolio, the Leeds district will still have a healthy supply of employment land. The take up for non-office employment use between 2004 and 2009 was 10.4 ha. p.a. Consequently, even if supply was reduced to 350 hectares, this would provide **33 years of supply** at current take up rates.

LDF Core Strategy & Site Allocations Development Plan

There is a formal process to update and take forward the City Council's policy approach to Employment Land through the emerging Local Development Framework. This work is being guided by the Development Plan Panel and may be summarised as follows:

- The **Core Strategy** is currently being prepared and is likely to be adopted in 2011. The purpose of the Core Strategy is to set out an overall direction and spatial approach for a range of uses, including employment sites and premises. It should be emphasised however, that it is not the role of the Core Strategy to allocate individual sites for development. This will be dealt with through the preparation of a Site Allocations document.
- The **Site Allocations Development Plan**, which is likely start early in 2011, will protect existing viable employment sites and allocate new sites to meet demand in the right locations. The geographic distribution of these sites will be a key consideration in bringing forward new proposals.
- In support of the Core Strategy and a future Site Allocations Plan, an **Employment Land Review** is underway and the outcome of this work will be reported to Development Plan Panel in mid 2010. This will be a key part of the evidence base which is required to provide an overall strategy to support the local economy (through the Core Strategy) and help to define a robust portfolio of employment sites (which will be identified in the Site Allocations Plan). The aim will be to have a range of sites which are varied in size, type and location to meet the needs of existing firms in Leeds as well as potential incoming firms. However, this work must also assess whether some existing employment sites and premises are still realistically capable of attracting employment-led investment in view of their location and site characteristics in the context of industry requirements.

As stated above, UDP Policy E7 has guided the assessment of proposals for alternative uses on employment sites. However, it is proposed to replace this in the emerging Core Strategy with new **Policy EC6** (Core Strategy 'Preferred Approach' document). This will enable the Council to resist such alternative uses where it would result in the loss of a viable strategic employment site or where there is a shortage of alternative employment sites in the locality in which the site is located, so as not to prejudice opportunities for local employment.

A final but important concluding point is that planning officers, in conjunction with the Council's Business Support Unit, regularly work with local companies to identify land and premises issues with the aim of fostering business growth, assisting firms to expand, rationalise their operations to become more competitive and, on occasions, helping them to re-locate within the Leeds area. This will continue to be an important role which goes beyond the allocation of land in development plans.

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