

Central Lincolnshire Employment Policies S28-S34 Evidence Report March 2022

Formerly Policies S27-S33



Central Lincolnshire
LOCAL PLAN

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1. Introduction

- 1.1. Central Lincolnshire Local Plan was originally adopted in April 2017. The Central Lincolnshire Local Plan is made up of three districts: City of Lincoln, North Kesteven and West Lindsey. The Local Plan review commenced in 2018.
- 1.2. This Evidence Report, which is one of a collection, provides background information and justification for the revisions to the Employment Policies. The Employment Policies will be used in determining planning applications for employment development proposals in Central Lincolnshire across the plan period.
- 1.3. The Central Lincolnshire Authorities have also identified in their Corporate Plans the desire to increase employment opportunities through economic growth. This will be delivered primarily through the Local Plan.
- 1.4. This report provides background evidence which underpins the employment elements of the Local Plan and explains the methodology used in deciding what approach is right for Central Lincolnshire and why allocated employment sites are proposed to stay the same. It summarises elements from other key pieces of the evidence base and provides necessary context to justify the proposed approach.

2. Policy Context

National Policy and Guidance

- 2.1. The National Planning Policy Framework (NPPF) was revised in July 2021 and sets out the framework for planning in England. It includes clear instructions for the production of Local Plans and sets out the Government's requirements for how employment policy should be shaped. Section 6 within the 2021 NPPF is entitled: *Building a strong, competitive economy*. This section is set out in full below (paragraph nos. as in the NPPF).

Paragraph 81:

“Planning policies and decisions should help create the conditions in which businesses can invest, expand and adapt. Significant weight should be placed on the need to support economic growth and productivity, taking into account both local business needs and wider opportunities for development. The approach taken should allow each area to build on its strengths, counter any weaknesses and address the challenges of the future. This is particularly important where Britain can be a global leader in driving innovation⁴², and in areas with high levels of productivity, which should be able to capitalise on their performance and potential.”

Paragraph 82:

“Planning policies should:

- a) set out a clear economic vision and strategy which positively and proactively encourages sustainable economic growth, having regard to Local Industrial Strategies and other local policies for economic development and regeneration;*
- b) set criteria, or identify strategic sites, for local and inward investment to match the strategy and to meet anticipated needs over the plan period;*
- c) seek to address potential barriers to investment, such as inadequate infrastructure, services or housing, or a poor environment; and*

d) 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.”

Paragraph 83

“Planning policies and decisions should recognise and address the specific locational requirements of different sectors. This includes making provision for clusters or networks of knowledge and data-driven, creative or high technology industries; and for storage and distribution operations at a variety of scales and in suitably accessible locations.”

- 2.2. Given much of Central Lincolnshire’s rural nature paragraph 84 also provides expectations for plan-making to support a prosperous rural economy. It states:

“Planning policies and decisions should enable:

- a) the sustainable growth and expansion of all types of business in rural areas, both through conversion of existing buildings and well-designed new buildings;*
- b) the development and diversification of agricultural and other land-based rural businesses;*
- c) sustainable rural tourism and leisure developments which respect the character of the countryside; and*
- d) the retention and development of accessible local services and community facilities, such as local shops, meeting places, sports venues, open space, cultural buildings, public houses and places of worship.”*

- 2.3. Paragraph 20 states that *“Strategic policies should set out an overall strategy for the pattern, scale and quality of development, and make sufficient provision for...employment”*.

- 2.4. Planning Practice Guidance (PPG). The NPPG was introduced in 2014 and it sets out live guidance on how to implement the policies of the NPPF.

- 2.5. The PPG includes a section titled Economic Need which sets out some expectations for how Local Plans should address employment, including:

“How can authorities determine the type of employment land that is needed? Strategic policy-making authorities will need to prepare a robust evidence base to understand existing business needs, which will need to be kept under review to reflect local circumstances and market conditions. National economic trends may not automatically translate to particular areas with a distinct employment base. Where appropriate, local planning authorities can use their Authority Monitoring Report and the plan review process to ensure that their evidence base remains up to date.

Functional economic market areas can overlap several administrative areas so strategic policy-making authorities may have to carry out assessments of need on a cross-boundary basis with neighbouring authorities within their functional economic market area. Local Enterprise Partnerships (and county councils) can play a key role in this process.”¹

“How can market signals be used to forecast future need?”

¹ PPG Paragraph: 025 Reference ID: 2a-025-20190220

Strategic policy making authorities will need to develop an idea of future needs based on a range of data which is current and robust, such as:

- sectoral and employment forecasts and projections which take account of likely changes in skills needed (labour demand)*
- demographically derived assessments of current and future local labour supply (labour supply techniques)*
- analysis based on the past take-up of employment land and property and/or future property market requirements*
- consultation with relevant organisations, studies of business trends, an understanding of innovative and changing business models, particularly those which make use of online platforms to respond to consumer demand and monitoring of business, economic and employment statistics.*

Authorities will need to take account of longer term economic cycles in assessing this data, and consider and plan for the implications of alternative economic scenarios.”²

Local Policy

- 2.6. Current Local Plan policy for employment is set out within LP5 Delivering Jobs and Prosperity. The policy takes a hierarchy approach focusing employment to allocated sites near urban areas. The policy then identifies other areas that are not allocated using a criteria-based approach.

² PPG Paragraph: 027 Reference ID: 2a-027-20190220

3. Central Lincolnshire Context

Greater Lincolnshire Local Enterprise Partnership

3.1. The three Central Lincolnshire Local Authorities are within the Greater Lincolnshire Local Enterprise Partnership (GLLEP). It has managed to secure financial support from Government as part of the Growth Deal as well as to assist with setting up a number of Enterprise Zones. The GLLEP has identified a number of key growth sectors within the local economy which can help grow the economy and create employment opportunities. These include the following six sectors:

- Manufacturing
- Agri-food
- Visitor Economy
- Low Carbon
- Health & Care
- Ports & Logistics

3.2. The GLLEP's Strategic Economic Plan (SEP) was first written in 2014. It has a number of projects underway with many completed. In spring 2016, the SEP was updated to reflect the ongoing projects to continue growth and attract new investment. The SEP set out the following ambitious targets for the entire GLLEP area to achieve the following by 2030:

- Create 13,000 new jobs
- Support 22,000 businesses
- Increase the value of the Greater Lincolnshire Economy by £3.2m
- Deliver up to 100,000 new homes

3.3. At a national level, in November 2017, the Government set out a long-term plan to boost the productivity and earning power of people throughout the UK. This plan set out five "foundations of productivity" as the key building blocks to a transformed economy:

- **Ideas**- the world's most innovative economy
- **People**- good jobs and greater earning power for all
- **Infrastructure**- a major upgrade to the UK's Infrastructure
- **Business Environment**- the best place to start and grow a business
- **Places**-prosperous communities across the UK

3.4. Following on from these building blocks 'four grand challenges' were identified as opportunities to put the UK at the forefront of the industries in the future:

- AL & Data Economy
- Ageing society
- Clean Growth
- Future Mobility

3.5. In April 2017, the GLLEP responded to the government's long-term plan and is now actively working to produce a Local Industrial Strategy which will seek to address the challenges locally, for Greater Lincolnshire. In November 2019, the GLLEP published a draft Local Industrial Strategy (LIS) Evidence Base report. This document is structured into 'five foundations of productivity' which include ideas, people, infrastructure, business

environment and place. These are closely aligned to the National Industrial Strategy themes as set out in 3.6.

- 3.6. Some of the main headlines include sectors that have grown in Gross Value Added (GVA) including primary industries (agriculture, mining, utilities, water and waste management), Admin and Support Activities, Professional, scientific and technical activities. There has been a decline in manufacturing over time. Finance and insurance and Information and Communication sectors have both lagged behind with only modest growth. (Source: Local Industrial Evidence Base 2019, p.22).
- 3.7. Within the Local Industrial Strategy Evidence Base report, page 54 outlines potential Brexit exposure to the workforce and the potential impact on each sector with the exception of offshore wind power as 'high'.
- 3.8. In February 2021, the LIS was updated to reflect the ongoing COVID-19 situation intertwined with renewed national government emphasis on the latest government publication, Build Back Better, HM Treasury (2021). Within these three core pillars for growth are noted as: infrastructure, skills and innovation. The updated version reflects some of the key ideas of the HM Treasury update to ensure Central Lincolnshire continues to seek the ambition of creating 3.7billion growth in GVA by 2030.
- 3.9. The core themes identified by the GLLEP for Greater Lincolnshire are summarise in the Figure 1 below:

Figure 1: Greater Lincolnshire LEP main priorities for growth sectors, page 5 GLLEP, LIS updated February 2021, pg 5.



- 3.10. The GLLEP have also produced a document in March 2021, "Protecting Progressing and Prospering: Greater Lincolnshire's Economic Plan for Growth". The document sets out a journey of 3 key stages emerging from the impacts of COVID-19 pandemic. Protecting, sets out short term recovery plan and national recovery programs. Progressing, sets out

the ambition to keep the delivery of programs that are underway such as Town Fund Investments. The final stage of the journey is prospering which seeks to transform ways of working and growing Greater Lincolnshire economy further still for example, a centre for Food Logistics.

- 3.11. The Central Lincolnshire authorities have a role to play in the delivery of these targets listed in Figure 1 and the overall recovery program, Protecting Progressing and Prospering. Therefore, these key strategies and strategic plans for Greater Lincolnshire have been reflected in the approach to employment policy for the Local Plan. The Central Lincolnshire Local Plan directly relates to the delivery of many of these aspirations through ensuring sufficient employment land for growth of both existing and new businesses.

Central Lincolnshire Economic Needs Assessment (ENA)

- 3.12. The Central Lincolnshire Authorities commissioned Turley to provide an updated Economic Needs Assessment (ENA) update as part of the review process. The review by Turley was completed in March 2020. The purpose of the update was to re-assess Central Lincolnshire's future need and demand for jobs, employment land and premises to ensure future land allocations respond to local needs and maximise opportunities for sustainable economic growth.
- 3.13. The work of this study was done in two phases, the first focused on analysing a range of standard economic datasets and forecasts to assess Central Lincolnshire's current economic performance since 2015 and future growth prospects. The second phase of work used the outputs of the first phase to devise and test a number of employment growth scenarios from two of the three leading providers, Experian and Oxford Economics. This enables evidenced conclusions to be reached on the level of employment growth that Central Lincolnshire is expected to experience over the Plan period from 2018 – 2040. It is worth noting, the report findings from Turley were completed in March 2020. Although, some references have been made to Brexit and the Coronavirus Pandemic the full effects were largely unknown at the time this evidence was produced and there continues to be uncertainty about the full impacts today.
- 3.14. Turley reviewed the evidence which had been produced for the current 2017 Local Plan to see how job growth prediction aligned with what actually happened. A few of the key findings are summarised below:
- 1,850 jobs per annum which exceeded earlier estimates.
 - Strong growth in business administration, accommodation and food services.
 - Manufacturing also increased which was predicted to decline.
 - Retail/wholesale there was a decline in jobs rather than predicted growth.

Data based on actual employment data 2012-2018: (Turley 2020, pg i)

- 3.15. It also updated forecasts on future employment growth concluding that:

“Experian is the more optimistic of the two forecasts, envisaging the creation of circa 714 jobs per year compared to around 420 jobs per annum under the Oxford Economics forecast which notably assumes that growth will markedly slow beyond the coming decade. Experian has generally made more positive assumptions on the growth of individual sectors, with some exceptions, albeit there are also instances where the forecasting houses are in broad agreement”. (Turley 2020, pg ii)

3.16. It goes onto identify the implications for future employment needs, the ENA 2020 recommends a blend of this data sets alongside what employment growth that has occurred so far to date. (ENA Turley, 2020 p.80). The recommendation is that circa 992 jobs will be created annually throughout Central Lincolnshire over the new plan period 2018-2040. The breakdown of change for each district is shown in table 1.

Table 1: Jobs growth projection in Central Lincolnshire during plan period from page 59 Turley (March 2020).

Area	Total change 2018-40	Proportionate change (%) 2018-40	Average change per annum	Average annual growth rate (%)
Lincoln	10,082	17.7%	485	0.7%
North Kesteven	7,938	19.0%	361	0.8%
West Lindsey	3,799	13.5%	173	0.6%
Central Lincolnshire	21,818	17.2%	992	0.7%

3.17. Generally, employment growth for 2018-2040 is predicted to grow during the plan period at a steady rate. Table 2 shows the two economic predictions.

Table 2: Employment growth forecast for Central Lincolnshire from page 38 Turley (March, 2020)

Employment growth forecast for Central Lincolnshire by authorities by Experian and Oxford Economics (2018-40)						
Area	Oxford Economics			Experian		
	Forecast job growth	% growth	Average annual growth (%)	Forecast job growth	% growth	Average annual growth (%)
Lincoln	4,863	8.0%	0.4%	7,600	12.7%	0.5%
North Kesteven	3,638	7.3%	0.3%	5,600	11.2%	0.5%
West Lindsey	737	2.4%	0.1%	2,500	9.0%	0.4%
Central Lincolnshire	9,239	6.5%	0.3%	15,700	11.4%	0.5%

3.18. Section 7 of the ENA explains the implications for employment land and sets out the methodology used for calculating the floor space that will be required for the plan period. However, it is worth noting that since the ENA was written there has been National amendments to the Town and Country Planning (Use Classes) (Amendment) (England) Regulation 2020 which has made significant alterations regarding B1. The new use class order has now updated this traditional B1 to a new class, Class E which also encompasses other refreshed use classes (A1, A2, A3, parts of D1 and D2).

3.19. The information in table 3 outlines the amount of floorspace that would be required based on the predictions of growth. The table summarises this by use class and then an overall amount of space that is required during the plan period.

Table 3: Implied need for additional land in B use classes (2018-40) from pg68 Turley (March, 2020)

Implied need for additional land in B use classes (2018-2040)				
	Addition jobs	Additional FTE jobs	Additional floorspace GEA	Additional Land
Office (B1a/b)	9,798	7,340	97,491 sqm	6.5ha
Industrial	79	78	3,483 sqm	0.9ha

B1c/ B2				
Warehouse (B8)	259	232	17,061sqm	4.3ha
Total B uses	11,683	7,650	118,035 sqm	11.6ha

3.20. The recommendations set out in the ENA are illustrative based on the economic modelling that has been carried out. The report also highlights the economic volatility of the current time including the public health crisis and the potential impacts of Brexit. Policy development must take a holistic view and wider local economic trends.

4. Representation on the Local Plan

4.1. The Issues and Options Consultation (2019) included the following proposal in relation to how the employment policy might be changed

PROPOSAL 15 – Revisions to the Employment Policy

Sites allocated for employment development in Strategic Employment Sites and within the Sustainable Urban Extensions are proposed to remain allocated in the new Local Plan unless evidence suggests they are no longer suitable or deliverable.

Designated Established Employment Areas are proposed to be carried forward into the new Local Plan unless evidence suggests that this designation is no longer suitable. It is proposed that some additional flexibility be applied to the designated Established Employment Areas to allow for other uses where this would not undermine the role and function of the Established Employment Area.

A clearer definition for what is considered to be a Local Employment Site is proposed to be provided. It is proposed that they:

- have more than one business operating with an established lawful use;
- are within or adjacent to a settlement named in the settlement hierarchy; and
- exclude buildings or land that are currently or were most recently in agricultural use.

It is proposed that greater clarity is provided for what development is or is not acceptable in employment sites in the open countryside.

4.2. This proposal was followed up with four questions.

15a – Retaining Employment Site Allocations and Designations Do you agree that the existing employment allocations (Strategic Employment Sites, land for employment within the Sustainable Urban Extensions, and Established Employment Sites) should be brought forward into the new Local Plan unless evidence suggests that they are no longer suitable or deliverable? If not, please provide details.

4.3. There were 94 responses to this question and these responses are summarised as follows:

- 86 supported the proposal to retain the employment allocations from the 2017 plan;
- Given delay of delivery of SUEs, remove this employment land from calculation of immediately available employment land;
- Local employment site has been given permission for housing, or has been built on;

- Employment sites should benefit all communities, not just Lincoln;
- Gainsborough SUEs are being assessed on whole site basis (by Anglian Water), removal of employment allocations could change the requirements of any upgrades;
- Employment sites need to be suitable for new businesses related to the 'green' economy;
- Need to consider/ review allocations and employment patterns in light of climate change and imminent inundation;
- Should be greater flexibility to re-allocate land, e.g. employment land for housing;
- There should be a greater number of rural employment allocations; • Employment sites should be located close to where people live;
- Strategic sites should be retained;
- Work should be done with site promoters to establish their vision for the sites;
- Support for existing allocations being carried forward (Gainsborough, Witham St Hughes, North Hykeham);
- Additional sites should also be considered, in particular to support sustainable growth in Gainsborough;
- Site Assessment should take account of a number of identified research documents in relation to serviced sites, future proofing utilities, energy strategies and skills, data and vision which looks at travel to Further Education;
- Witham St Hughes strategic allocation should be allowed the same flexibility in relation to alternative commercial uses such as appropriate retail, leisure and D class uses, as has been the case on some established employment areas;
- Small exception site should be allowed near to dwellings;
- Employment allocations should not be reallocated for housing; • Definition of employment sites could be improved;
- No account is taken of the traffic problems that the policy generates;
- Opportunities should be explored which seek a more ambitious economic development strategy, in particular along the A46 Lincoln/Newark corridor;
- Sites that have failed to deliver over the long term should be deallocated, and review of all undeveloped allocated sites undertaken, and deallocated sites replaced by alternative allocation.
- A number of site specific suggestions made, linked to Call for Sites
- Plan needs to remain flexible enough to allow for suitable, unallocated sites that may come forward; 91% Q15a 9% Yes No68
- Economic Needs Assessment will need to be updated;
- Little attention given to the needs of food and farming, as both are significant employers but often located away from employment sites, a flexible approach to development outside existing identified employment sites;
- Employment policy for rural areas needs to be fundamentally reviewed.

Q15b – Increasing Flexibility on Established Employment Areas Do you agree that greater flexibility for other uses should be provided for Established Employment Areas where this would not undermine their role and function? If not, please explain why

4.4. There were 91 responses to this question and these responses are summarised as follows:

- 87 supported the proposal to provide greater flexibility for other uses in Established Employment Areas where this would not undermine their role and function;

- The previous policy was too ridged with regards to the type of employment that could take place on designated employment land, greater flexibility should be provided, and is supported;
- General expressions of support for greater flexibility;
- Without employment opportunities, there is no point building more houses;
- Employment sites need to be suitable for new businesses related to the 'green' economy;
- All areas of employment should also have public transport routes and cycle routes as a key factor;
- Given the severity of the climate emergency, maximum flexibility must be allowed in all areas of planning;
- Not without large scale local consultation;
- The availability of good broadband services would help village/countryside employment most;
- Support for flexibility to reallocate land, e.g employment to 'domestic'
- Within a limited framework (not residential);
- The adopted Local Plan allows for flexibility by allowing A2 uses in some locations, and other, non B class uses, providing they are ancillary.
- Depending on the types of 'other' uses considered, the demonstration of suitability may need to include a sequential test and impacts on other nearby centres, for example if retail is proposed, considered;
- As long as it does not simply open the floodgates for other uses; 96% Q15b 4% Yes No69
- Support for flexibility, especially where it will help ensure greater consistency with the Lincolnshire Minerals and Waste Plan;
- Flexibility should include residential development;
- Employment is an essential requirement for the occupants of new houses, therefore as many employment opportunities as possible are required;
- Some concerns raised, where potential height and bulk of buildings may be different to anticipated as a result of flexibility (Historic England);
- Convert redundant industrial buildings and farm buildings of character into alternate uses, e.g offices, flats, shops....
- Site specific comments provided.

Q15c – Definition for Local Employment Sites Do you agree that the new Local Plan should include greater definition of what is a Local Employment Site under the employment policy and do you agree with the proposed definition? If not, please provide details.

4.5. There were 85 responses to this question and these responses are summarised as follows:

- 78 supported the proposal to provide greater definition of what a Local Employment Site is and the proposed definition;
- Definition should not apply to named settlements only. It should also include single building sites to protect rural employment sites;
- The definition is not clear;
- Public transport, cycling and walking provision must be included;
- Support expressed for the proposed definition;
- All employment sites should be considered;
- Sites recently used for agriculture should not be excluded, as diversification of rural economy should be supported, however, a cap to prevent development of a scale that competes with employment areas could be introduced;

- There should be a clearer demarcation between pure agriculture and industrial/commercial to prevent drift into the countryside;
Concern that definition would exclude a number of larger sites considered to be Local

15d – Detail for Employment Sites in the Countryside

Do you agree that the new Local Plan should include definition of what development is or is not acceptable on employment sites in the open countryside? If not, please explain why.

4.6. There were 91 responses to this question and these responses are summarised as follows:

- 88 supported the proposal to provide a definition of what development is or is not acceptable on employment sites in the countryside;
- Consideration should be given to permitting rural or workspace office schemes of small scale (<1 acre) in rural areas where strong environmental credentials demonstrated;
- Should be clear understanding of what is acceptable, or not for employment sites in the countryside, but agricultural sites should not be removed from employment site definition;
- We must seek to protect the character of some parts of our beautiful county;
- Support for clear definition;
- Every proposal should be taken on merit and judged by the local community through the neighbourhood plan process or equivalent;
- All areas should be considered;
- Principle of definition supported, but it should not be too restrictive, there should be a clear demarcation between pure agriculture and industrial/commercial to prevent drift into the countryside, development should be proportionate to location;
- Consideration should be given to whether mixed uses will make a site viable;
- Caution expressed against a restrictive policy defining what is not acceptable on employment sites in the open countryside, particularly if this restricts waste management facilities. • Already covered in Neighbourhood Plans;
- Greater clarity for sites in the countryside may be beneficial to heritage assets;
- Certain uses can have a detrimental impact upon the area in which they are located, consideration needs to be taken in locating developments.
- Greater consideration of food and farming sector needs to be given to ensure necessary development and support.

5. Regulation 18 Consultation

5.1 A Consultation Draft of the Local Plan was published for consultation between 30 June and 24 August 2021. During this eight-week consultation comments were received on the plan, the policies within the plan, and supporting information and evidence.

Policy 28: Spatial Strategy for Employment

5.2 There were a number of comments broadly supporting and objecting to the proposed policy. Below shows a summary of the key issues raised:

- Concerns that sites no longer considered deliverable should be replaced with alternative sites.
- Concerns have been raised that there are not enough large sites for warehousing B8/logistics allocated. Additional information provided by Savills, (2nd August 2021) suggests that global events support the view that supply chains will shift from operating 'just in time' to a 'just in case' model. Suggesting that demand for larger warehousing sites may increase.
- Objections raised due to alternative sites not been considered.
- Objections at lack of development on existing allocations.
- Comments have asked for further clarity to the assessment relating to HELAA 2021 for the existing allocations.
- Suggestions of alternative sites for allocation (see Key Issues document for further details).
- Aspirations for major infrastructure projects should be noted in the plan to help retain graduates.
- Further clarification on the policy map linking it to the new proposed policies.

5.3 There have been a number of comments raising alternative strategic sites by or on behalf of landowners. Central Lincolnshire Local Plan 2017 already adopted more employment land than is required under the Economic Needs Assessment. It was therefore considered not necessary to call for new sites under this local plan review. It is considered that there is already adequate choice in the market at existing sites and additional sites being allocated could destabilise the market and delivery on existing allocations.

5.4 Some comments raised objections that there is lack of development on existing allocations suggesting other sites should be considered instead. This is similar to the comment seeking clarity on the HELAA 2021 on the progress of existing allocations. Another comment raised concern of the shortage of supply of large warehousing space/logistics due to the growing trend of online and large warehousing is in demand. In response to these comments, it is considered appropriate not allocate further sites. In January 2022 there was 97.7 hectares of land that was undeveloped on Strategic Employment Sites (SES). Many of these sites showing positive signs that these will be delivered. An update on these sites are shown within the policy of SES with many at a masterplan stage, outline consents with some with reserved matters. The ENA (2020) suggested 11.6Ha is required. The current allocations more than adequately provide this and offers sufficient flexibility too.

5.5 Aspirations for large scale infrastructure are considered within S45 Infrastructure and Transport and S46 Safeguarded Land for Future Key infrastructure. Clarification on the mapping of employment sites will be addressed to ensure sites are clearly labelled on the interactive map for. An update on the position of all allocated sites was completed in January 2022 prior to the Regulation 19 consultation.

Policy 29: Strategic Employment Sites (SES)

5.6 There were a number of comments broadly supporting and objecting to the proposed policy. Below shows a summary of the key issues raised:

- One observation was there are no SESs that are closer to Market Rasen or Caistor than Hemswell Cliff within West Lindsey.

- Objection raised restricting the Class E functions on these sites. It should be left to be fluid in line with General permitted Development rights of Class E.
- Hemswell Cliff Business Park Extension, status update: Both Local Development Order and masterplan in place. The site is featured in Hemswell Cliff Neighbourhood Plan which is at draft regulation 14 consultation stage.
- General remarks made about the Strategic Road Network (SRN) and the proposed allocations would have cumulative impacts on the highway network.
- Objection raised that there are not enough large scale warehousing sites. Additional information provided by Savills, (2nd August 2021) suggests that global events support the view that supply chains will shift from operating 'just in time' to a 'just in case' model; suggesting that demand for larger warehousing sites may increase both locally and nationally.
- Objections have been raised suggesting other SES allocations should be included including suggestions of specific sites.
- Flood risk assessments have been noted by drainage boards for the following allocated sites: E2, E13, E23, E9, E14 and E17.

5.7 Under this Local Plan review, there are sufficient sites already allocated within the current plan. All the sites are located within key conurbations in line with the settlement hierarchy. The one exception to this is the Hemswell Cliff site (E6) which is a Food Enterprise Site of a specialist nature relating to agri-food. No further allocations are being sought as the current allocations are still in the process of delivering and they provide adequate sites to meet need and to provide choice in the market at the locations where employment is being encouraged in the strategy.

5.8 The Use Class Order amendments that were introduced in September 2020 reclassified Class B2 within an overall use Class E. The current LP5 Employment policy of the Central Lincolnshire Local Plan protects employment sites for prominent uses of B1/B2 and B8. Whilst National policy reflects a fluid approach for Class E (Commercial Business, Service uses) to change use across these different types of businesses it is considered more appropriate within high street locations. This policy has been written in order to protect these sites for use classes which possess similar industrial nature which adds to the strategic nature of these sites; hence the wording includes Class E subcategory (g). The former A1 (shops) are not considered appropriate nor should be encouraged within industrial sites.

5.9 Comments raised concerns that there would be cumulative impacts on the Strategic Road Network. The sites allocated within this local plan review are no different to the 2017 adopted Central Lincolnshire Local Plan. This therefore has already been considered and tested in the Lincolnshire Transport Model. Site specific transport assessments may also be required to investigate specific impacts and identify any mitigation needed.

5.10 Objections raised there are not enough large-scale warehousing on the market and further allocations should be made. This evidence submitted as part of this is based on sequential test search approach using commercial properties that are for sale/ to rent. There are still large amounts of developable land within SESs. If the market demands are needed it is likely the market will deliver the additional warehousing demand without needing to allocate further land in potentially in unsustainable locations. The allocations, as set out, are already found sound as sustainable locations to meet the future employment needs of Central Lincolnshire. Furthermore, through Duty to Cooperate discussions it is clear that a strategic distribution centre is in the process of being identified just outside of Central Lincolnshire at Apleyhead at the junction of the A1 and

the A57 in Bassetlaw District. See the Statement of Common Ground and Duty to Cooperate Statement for further details.

5.11 Based on the issues raised, there is considered to be no need to amend this policy.

Policy 30: Employment Allocations on SUEs

5.12 There were a number of comments broadly supporting and objecting to the proposed policy. Below shows a summary of the key issues raised:

- Significant cumulative impacts expected as a result of the proposed site allocations that may severely affect highway operation on the Strategic Road Network (SRN).
- Wording suggestion has been suggested that employment on these sites should be expressed as a 'minimum'. As the size prescribed in the wording doesn't offer enough scope.

5.13 The strategic Road Network comments have been addressed in the review of Policy S28. S29 notes 'approx. employment provision (ha)'. The term 'approx.' provides sufficient flexibility for officers and developers when developing master plans and design codes for these sites. Amending the wording to 'minimum' could impact on housing supply in addition to not allowing enough degree of flexibility. The ENA assessment (March 2020) identifies the economic land required for the plan period and there is sufficient land allocated to meet the needs by significant proportion so using the wording minimum is not necessarily justified in this context. Based on the issues raised, there is considered to be no need to amend this policy.

Policy 31: Important Established Employment Areas (IEEA)

5.14 There were a number of comments broadly supporting and objecting to the proposed policy. Below shows a summary of the key issues raised:

- Objection on the basis that the restriction of uses is unreasonable and would not meet the presumption of sustainable development as set out in the NPPF.
- Suggestion that The Great Northern Terrace, (identified as E9) and Waterside South, (Identified as E14) are allocated as 'regeneration and opportunity areas' under policy NS71.
- Further IEEA site allocation suggestions have been made including:
- A parcel of land is put forward to extend the existing E18 site to the south (Currently, brownfield land which includes a surface water lagoon, associated landfill infrastructure).
- Incorporating Leafbridge within E18 (LN6 Industrial Area) so all 22 acres are included rather than just eastern 3 acres. (Or marking it on the policy map as a 'further strategically significant opportunity site')
- Flood risk areas identified at sites E2, E13, E23, E9, E14, and E17

5.15 The restriction of use classes on these sites seeks to protect groups of similar businesses within one area. Under the current local plan policy these are uses within class B1, B2 and B8. Whilst national policy has changed in September 2020, bringing changes to the Use Class Order and General Permitted Development Order to allow flexible uses within the new Use Class E (Commercial, Business and Services uses) this is considered more

appropriate for town centre uses. In these important established employment areas it is considered appropriate to protect these to ensure any future proposals are being assessed through planning process to ensure compatibility with neighbouring uses. A retail offer within an industrial estate is not considered to be satisfactory where potential parking provision and access could have significant issues. Furthermore, not having uses restricted could impede the local high street offer further still.

- 5.16 It is acknowledged that existing uses are in many instances afforded these permitted development rights. However, it is still considered that protecting these uses to Class E subcategory (g) still brings a degree of flexible uses for property owners.
- 5.17 One comment raised comments suggesting that the whole of the Leafbridge should be included the LN6 allocation. Planning permission was granted in 2017, with an outline permission granting consent. There is an extant permission 17/0351/OUT. Another comment by FCC Environment suggested 3 parcels of brownfield land located to the south of E18 (LN6 Industrial Area) that should be included within the allocation.
- 5.18 The ENA demonstrates there is enough employment land allocated allowing a significant degree of choice. Allocating further sites could compromise the delivery and create uncertainty for allocated sites. Therefore, for consistency none of these sites have been considered for allocation on the basis that the current allocations provide sufficient supply.

Policy 32: Local Employment Areas (LEA)

- 5.19 There were a number of comments broadly supporting and objecting to the proposed policy. Below shows a summary of the key issues raised:
- Some comments raised supporting the view of protecting LEA sites through restrictive uses.
 - Objection LEA sites should be specified within Tiers 1-6 of the settlement hierarchy for example Fen Road Ruskington.
 - Alternative sites have been proposed including:
 - NK/BRAN/004, Kirk's Yard, Branston proposed for mixed employment uses.
 - Additional land at Fen Road Ruskington (2.5 acres) positioned either side of the estate service road.
 - Three sites have been put forward by Avara Foods for either housing or employment/ mixed use at the following sites; Beck Farm, North Kesley Road- 5.2 Ha; Highfield Farm, North Kelsey Road -22.1Ha; Far Farm, Caistor Road/North Kelsey Road -9.6Ha. (All sites in the countryside)
 - Clarification is requested on designation of the Maltings site (Gainsborough) as this is not listed on the policies map
- 5.20 Local Employment Areas have not been identified instead a definition has been included. Within Central Lincolnshire there could be a number of sites that meet these criteria. It is considered proportionate and more appropriate to include a definition rather than allocating them. This way, development management colleagues can assess sites on a case-by-case basis applying the criteria set out at the start of Policy 31. Therefore, negates the need to consider alternative sites proposed.

5.21 The Malthouse at Gainsborough measures below the 0.5ha threshold set out in the policy. Therefore, the site will fall under the requirements of Policy 32 (Non-designated Employment Proposal within Identified Settlement).

5.22 No changes proposed to the policy wording.

Policy 33: Non-designated Employment Proposals within Identified Settlements.

5.23 There were a number of comments broadly supporting and objecting to the proposed policy. Below shows a summary of the key issues raised:

- Concerns are raised that part 1 of the policy expects a lot to be achieved whereas part 2 does not restrict the loss of an LEA site. Rebalance of wording is considered necessary.
- Suggestion to include live/work type employment opportunities position within this policy especially due to the rise of working from home.
- Objections raised concerns over Part 1 been too restrictive. Does not promote sustainable development outcomes set out in the NPPF. It should allow flexibility due to the type of business based on locational demands.
- Objections have been raised over alternative sites.
- Other sites have been suggested for employment uses:
- Besthorpe Road, North Scarle, LN6 9EZ, suggested in 2019, proposed uses employment.

5.24 The site suggestion at Besthorpe Road, North Scarle does not require allocating. The site will need to conform to the provisions one of the employment Policies S28-S34.

5.25 Based on the consultation responses, part 1 has been revised. It is considered appropriate where there is an established employment use within an identified settlement, which does not fit elsewhere within the employment hierarchy, it should be able to expand where the site has sufficient space for growth without too many restrictions. Therefore, additional wording has been added to letter a) within Part 1 allowing the expansion of existing employment uses. The proposed wording has a caveat included to stop those businesses that have been granted permission in a residential setting from expanding within the curtilage of a dwellinghouse. Scenarios where this caveat is aimed at is where applicants have converted a garage or erected an outbuilding for the purposes of a home-based business that go beyond been ancillary. The expansion of such businesses in a residential setting would not be supported by the policy and as such proposal would need to consider more appropriate sites within allocated or LEA sites.

5.26 Another comment raised that the policy needs to set a clear policy direction for businesses that work from home. Under General Permitted Development Order (2015, as amended) there is a significant amount afforded to homeowners for what can be achieved as an “ancillary function” to the dwelling. The Land Use Class Order sets out key overarching uses in which land can be used. This has seen a significant overhaul that came into effect on the 1st September 2020. There is a large body of case law examples where employment uses within residential setting have been tried and tested. The conclusion, not one size fits all. So it would be hard to prescribe set parameters as it will be evitable not all scenarios would be catered for.

5.27 Proposals within residential areas will need to meet the requirements set out in part 1 of the policy. By using the requirements set out within the policy, this should safeguard residential areas from inappropriate uses operating within a residential context.

Policy 34: Non-designated Employment Proposal in the Countryside.

5.28 There were a number of comments broadly supporting and objecting to the proposed policy. Below shows a summary of the key issues raised:

- The policy is unclear regarding derelict buildings as implies new builds are acceptable (set out under letter g).
- Policy suggestion to include a robust business plan and a policy position on live/work type of employment uses that are acceptable.
- Objection as the policy is too restrictive and not flexible enough based on location specific requirements of business needs as set out in paragraph 83 of the NPPF.
- Objections based on employment land allocations.
- Proposed employment land allocations for outside settlements:
- Land on Thorpe Grange Bungalow, & land adjoining Grange Farm, Lincoln Enterprise Park, Newark Road, Aubourn.
- Besthorpe Road, North Scarle LN6 9EZ
- Three sites have been put forward by Avara Foods for either housing or employment/ mixed use at the following sites; Beck Farm, North Kesley Road- 5.2 Ha; Highfield Farm, North Kelsey Road -22.1Ha; Far Farm, Caistor Road/North Kelsey Road -9.6Ha. (All sites in the countryside).

5.29 This policy does not seek to allocate employment-based land in the countryside. The policy provides a criteria-based requirements for when development is considered acceptable. Therefore, none of the sites put forward in the consultation require modification to the policy.

5.30 Objections raised that the policy is too restrictive and not in aligned to Para. 83 of the NPPF (2021). This policy sets out a clear criteria-based policy for development within the countryside for employment uses. The policy is carefully worded to ensure the agricultural land is retained for food production whilst allowing some development especially for specific sectors that are location specific which is aligned with Para. 83 of the NPPF.

5.31 Revisions to letter (f) are considered appropriate. The removal of new builds set out in letter (f) has been removed from the policy following discussions with development management colleagues. The reutilising old building is important and should be the first approach adopted in terms of been the most sustainable form of development. Any business proposals requiring new builds in the countryside would need to be compliant with Policy 5 (Development within the Countryside). The two policies were not in harmony as countryside should be protected. However, there is sufficient provision to permit development in appropriate circumstances, which link with the wider strategic objectives of the GLLEP's growth areas, such as agric-food businesses. These provisions are set out in part E, F and G of policy 5.

5.32 The inclusion of live/work business plan is not required as proposals involving this type of development would be required to conform to the provision of policy 5 (Development in the Countryside) thus creating a duplication. On this basis, there is considered no need to change the current wording of the policy.

6. Proposed Approach in the Draft Local Plan

- 6.1. The proposed approach to the Employment Policies have broadly followed the same structure as in the 2017 adopted Local Plan, albeit separating Policy LP5 into separate elements. The main differences proposed in the employment policies include clearer definitions for each tier of the employment hierarchy, employment in defined settlements and countryside is now split and finally each section of the policies S29-S32 is consistently broken down into two parts. Part one, sets out what proposals for employment generating uses will be supported. Part two sets out the policy positions for where uses falling outside B2, B8 and Class E (g) will be permitted OR where proposals would result in a loss of employment uses depending on the sites position within the employment hierarchy.
- 6.2. The **Spatial Strategy for Employment** [Policy S28] sets out the strategic needs and overall approach for development involving employment-based proposals clarifying where this suite of policies sits within the wider Greater Lincolnshire Industrial Strategy and the Midlands Engine for growth.
- 6.3. The 2017 Local Plan allocated more land than was needed to meet the needs identified in the 2015 ENA. The 2015 ENA stated that 23HA was needed for employment land within the plan period and the 2017 Local Plan included 111.1HA of employment land plus 42ha on Sustainable Urban Extensions (SUEs) this together totals 153.1HA (pg21-22 of the Central Lincolnshire Local Plan, 2017). Most of these sites had permission or were key to delivering cohesive communities on the SUEs.
- 6.4. The revised ENA, March 2020, suggested that 11.6ha of employment land would be required during the updated plan period. As with the 2017 Local Plan, the new Local Plan focuses on meeting these needs on sites with permission and on the SUEs, delivering in excess of the expected need. This will remain the status quo and will ensure there is flexibility and choice. These are also aligned to the overall strategy for growth in Policies S1 and S2.
- 6.5. **Strategic Employment Sites (SES)** [Policy S29] – these sites remain largely the same as allocated within the 2017 Local Plan. There is one omission of a site which is the Lincolnshire Showground (2.4Ha). No progress has been made with delivering this site through a Local Development Order and it appears as though the situation has moved on from that in the 2017 Local Plan with the proposals not currently expected to be available and therefore deliverable in the plan period. There still remains 97.27 HA of undeveloped land within SES (January 2022) which offers flexibility and choice.
- 6.6. Throughout the development of these policies, updates have been made to reflect the change in the Use Class Order from B1 to the new class E (g). Many of these sites have already established uses and permitted development rights may well alter the nature of the old B1 use class. This policy seeks to ensure any new developments on these sites are protected for these employment uses and if there are traditional town centre uses proposed (A1, A2, A3, D2) these remain in retail areas.
- 6.7. Employment allocations on **Sustainable Urban Extensions (SUEs)** [Policy S30] remains largely unaltered from the 2017 Local Plan. The only update made is relating to the site references and is reflected in the Regulation 19 version of the plan. The sites and approximate provision in hectares are exactly the same as in 2017.
- 6.8. **Important Established Employment Areas (IEEA)** [Policy S31] are identified within the current Local Plan. The proposed policy defines them in further detail than the current

plan which will help to demarcate a clear difference between the tiers in the employment hierarchy. The policy is set out in two parts. Part one notes what will be acceptable on an IEEA site in principle noting Class E (g), B2 and B8 uses will be protected and supported. Part two is set out in the form of an exception test whereby a criteria is set for what applicants would be required to adhere to if proposing a different use than the ones specifically referenced in part one. Non-employment generating uses are not supported under this policy.

- 6.9. **Local Employment Areas (LEA)** [Policy S32] – similar to the IEEA sites these are defined at the start of the policy. These are smaller employment sites which have more of a locally important role, and these feature within many of the smaller settlements in Central Lincolnshire. Part one, sets out criteria of what the proposal must do in order to be supported with a key aim of ensuring proposals are proportionate to the scale of the site and not detract from sites higher up within the hierarchy. Part two outlines an exception test for proposal that do not result in B2, B8 or E (g) uses as to what will be supported.
- 6.10. **Non-designated employment proposals within identified settlements** [Policy S33] – this policy is for employment generating schemes that fall outside of defined sites such as SES, SUE, IEEA and LEA. Part one sets out the requirements of what will be supported ensuring sequentially preferable sites are used first before considering the proposal. Then the requirements set out the considerations that must be satisfied in order to be acceptable. Part two is aimed out development that will see the loss of employment uses.
- 6.11. **Non-designated employment proposals in the Countryside** [Policy S34] – in recognition of the large rural parts of Central Lincolnshire, this policy provides a framework for considering employment proposals within the countryside. It allows rural businesses, which by their very nature need to be located within the countryside, that seek to expand sustainably or diversify agricultural or other land businesses to do so with criteria setting out what will be acceptable. This policy also links to Development in the Countryside S5.
- 6.12. In identifying which employment areas would be located in which tier of the hierarchy, analysis was undertaken of the existing allocated sites to provide clear definitions of what sites should be in which tier. The criteria for defining these sites is shown in table 4 below.

Table 4: Proposed criteria for existing employment allocations

Proposed criteria for employment allocations			
Strategic Sites			
Strategic Employment Sites (SES)		Employment provision within Sustainable Urban Extensions (ESUEs)	
Either: <ul style="list-style-type: none"> • Employment provision within a Sustainable Urban Extension Or: <ul style="list-style-type: none"> • Total gross site area over 10ha (SES) • Within top two tiers of the settlement hierarchy • Connectivity to main roads. 			
Non-strategic sites			
About the sites/areas	Important Established Employment Area (EEA)	Local Employment Areas (LEA)	Other established employment use
Settlement hierarchy	Located in the Lincoln Urban Area, Main Towns, Market Towns or Large Villages in the settlement hierarchy. TIER 4 or higher – are there any sites in Medium or Small Villages that would be suitable?	Located anywhere in the settlement hierarchy down to Medium or Small Villages. TIER 6 or higher (excludes anything in hamlets and countryside)	Sites in employment use which have permission for such use and do not meet the criteria for higher order sites employment sites. Applications at these sites will then be considered against a criteria-based policy much like in Policy LP5 now.
Units and occupancy	Has 5 or more separate units occupied by separate businesses	Has 3 or more units occupied by separate businesses	
Site size	Land area 2ha or more	Land area greater than 0.5ha	
Floor Space	At least 8,000sqm of employment floor space	At least 2,500sqm of employment space	
Permission and use	Is currently primarily in a commercial B use class, excluding agricultural use and has planning permission for the current use/s.		
Other Details	There are approximately 25 sites promoted in the HELAA that might fit these criteria	Our options are to designate these or just identify the criteria and for DM officers to have a working list of these available to assist decision making.	

6.13. The proposed criteria were then applied to the existing allocations from the 2017 Local Plan.

6.14. LEA's have not been specifically allocated, as was the case in the 2017 Local Plan, but in order to provide clarity over what can be considered a LEA, a specific definition has now been provided.

6.15. For non-designated, but existing, employment sites, the plan proposes separate policies for those within settlements and those in the open countryside. This is because the impacts of employment development in each of these areas will be distinct. Thus, requiring a different policy framework to allow for impacts to be managed and only development that is appropriate for its locations and setting is allowed, giving clarity to applicants and decision makers.

7. Reasonable Alternative Options

7.1. The following section provides the reasonable alternative options considered through the Sustainability Appraisal process for each of the employment policies covered by this evidence report. For each option, option 1 is the proposed approach taken in the draft plan.

Reasonable Alternative Options for Policy S28

7.2. The following alternative options have been considered for this policy:

Option 1: A spatial strategy for employment aligned to the overall spatial strategy and distribution of growth for Central Lincolnshire.

Option 2: A spatial strategy that is different to the overall spatial strategy and distribution of growth more evenly across smaller settlements

Option 3: No local based strategic policy and rely on national policy

Reasonable Alternative Options for Policy S29

7.3. The following alternative options have been considered for this policy:

Option 1: Retain the allocated strategic employment sites in the adopted Central Lincolnshire Local Plan 2017. This is the preferred policy approach which has been proposed to be taken forward.

Option 2: Allocate further strategic employment sites above those already allocated.

Option 3: No local policy allocating Strategic Employment Sites - rely on a criteria-based windfall employment policy, national policy and other Local Plan policies. This option was rejected because there needs to be clarity and certainty where job growth should take place and build on the current local plan provision.

Reasonable Alternative Options for Policy S30

7.4. The following alternative options have been considered for this policy:

Option 1: Retain the allocated employment site allocations on the SUEs from the adopted Central Lincolnshire Local Plan 2017.

Option 2: No allocated employment provision on the SUEs – let the market deliver and rely on national policy.

Reasonable Alternative Options for Policy S31

7.5. The following alternative options have been considered for this policy:

Option 1: Retain the Important Established Employment Areas allocated in the adopted Central Lincolnshire Local Plan 2017 and set out criteria for development proposals.

Option 2: Do not designate IEEAs. Rely on national policy to ensure employment is directed to the most sustainable and appropriate locations.

Reasonable Alternative Options for Policy S32

7.6. The following alternative options have been considered for this policy:

Option 1: A defined policy defining what a Local Employment Area (LEA) is and setting out criteria for proposals within or adjacent to a LEA.

Option 2: No definition of what a LEA is and retain the existing policy wording from policy LP5 within the adopted Central Lincolnshire Local Plan (April 2017).

Option 3: No local based approach to smaller employment sites set out in the Local Plan and rely on national policy and other Local Plan policies.

Reasonable Alternative Options for Policy S33

7.7. The following alternative options have been considered for this policy:

Option 1: A policy for non-designated sites for employment proposals within defined settlements applying a sequential test.

Option 2: No local based policy approach to non-designated employment sites within identified settlements. Rely on national policy and other Local Plan policies to ensure employment is directed to the most sustainable and appropriate locations.

Reasonable Alternative Options for Policy S34

7.8. The following alternative options have been considered for this policy:

Option 1: A specific policy for non-designated sites employment proposals in the countryside.

Option 2: No local based policy for employment proposals in the countryside. Rely on national policy and other Local Plan policies

8. Conclusions

8.1 This Evidence Report demonstrates the rationale for the proposed policy as contained in the Proposed Submission Draft Central Lincolnshire Local Plan. This helps bring together relevant evidence that has informed this policy and how we have responded to comments received during the plan making process, as well as how the latest evidence and national guidance has been taken into account.

9. References

- Greater Lincolnshire Local Employment Partnership (GLLEP) Local Industrial Strategy. Available online at: <https://www.greaterlincolnshirelep.co.uk/priorities-and-plans/strategies-and-plans/> [Accessed March 2021]
- Greater Lincolnshire Local Employment Partnership (GLLEP) COVID revival plan. Available online at: <https://www.greaterlincolnshirelep.co.uk/priorities-and-plans/strategies-and-plans/covid-revival-plans/> [Accessed October 2021]
- HM Treasury. Build Back Better. Available online at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/968403/PfG_Final_Web_Accessible_Version.pdf [Accessed April 2021]
- National Planning Policy Guidance (NPPG) available online at: <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments#economic-need> [Accessed March 2021]
- National Planning Policy Framework available online at: <https://www.gov.uk/guidance/national-planning-policy-framework> [Accessed March 2021]