

9 Building a strong, competitive economy

STRATEGIC POLICIES

E1: Economic Strategy

Policy Context

9.1 Section 1 of the *NPPF* sets out the Government's policies in relation to planning for a strong and competitive economy. Paragraph 20 is clear that local planning authorities have a key role to play in planning proactively to meet the development needs of business and support an economy fit for the 21st Century.

9.2 Paragraph 21 of the *NPPF* sets out the specific requirements for local planning authorities in terms of planning for economic growth. It expects that policies address potential barriers to investment and do not over-burden businesses through excess requirements. Local Plans should set out a clear economic vision and strategy for their area, which supports existing and emerging business sectors, identifies priorities for regeneration, infrastructure provision and environmental enhancement, and promotes the development of clusters and the knowledge economy.

Evidence Base

9.3 Evidence in relation to the economy, employment and economic growth in Castle Point is set out in the *Employment and Retail Needs Assessment*. This report identifies the key strength and the key weaknesses in the economy within Castle Point.

9.4 The key strengths were identified as being: low unemployment; reasonable transport links to London; low cost base (premise and wages); resilient manufacturing base less affected by global pressures; above average business formation rates and high levels of self-employment indicating entrepreneurial activity; and potential spin-offs from London Gateway and Southend Airport.

9.5 The key weaknesses were identified as being: lack of modern employment premises; below average skills and workplace wages; high reliance on public sector and retail jobs; low representation in growth and knowledge based sectors; no strong sectors with growth potential businesses; cutbacks in public sector employment; limited attraction to inward investment; and competition from larger centres nearby.

9.6 The consequence of these weaknesses is a low level of business output. As a key measure of productivity gross value added (GVA) per head in Castle Point is low, with the area ranking in the bottom 40% of districts nationally. GVA per head in Castle Point is £12,453.07, compared with £15,266.36 in Essex and £19,061.71 nationally. Due to low local wages, many of Castle Point's residents commute out of the borough for work. 19% commute to London, whilst 12.7% and 14.7% commute to the local centres of Basildon and Southend respectively.

9.7 Modelling was undertaken to determine the future demand for employment. This modelling considered past development trends, economic growth scenarios and labour market based scenarios. Experian and the East of England Forecasting Model indicate the potential for 3,120 and 2,100 additional jobs in Castle Point respectively. This growth would require between 4,060m² and 10,112m² depending on the nature of the future jobs provision. Flexibility around the use of employment provision is likely to be necessary to accommodate uncertainties around the ongoing success of manufacturing in the area. Demand is variable between the models in respect of warehousing (B8) requirements. Due to the peripheral location of Castle Point in respect of distribution networks, it is not likely that the demand for B8 will be significant.

9.8 Despite the potential for growth, there is a risk that a reducing local labour supply will restrict the demand for jobs and potentially act as a constraint on the growth of businesses in Castle Point. This is recognised in the assessment and recommendations are made in order to overcome this issue. These recommendations include: the provision of new employment locations to the north of the borough, close to the strategic road network (around 4ha); promoting greater growth of indigenous businesses; generating growth in office and knowledge based activities; and providing start-up accommodation for new businesses. The *Strategic Housing Market Assessment* indicates that whilst local labour supply is expected to decrease, there is expected to be growth in the working aged population across South Essex ensuring sufficient labour supply to support the 35,000 jobs projected for the wider area by the East of England Forecasting Model and Experian. Creating an attractive business environment will encourage those living in neighbouring boroughs to work in Castle Point.

9.9 In order to encourage businesses to locate in Castle Point, and for people to want to work in Castle Point, there is a need to improve the quality of many of the employment areas in Castle Point and provide more flexibility in the supply of employment premises in order to attract investment and encourage indigenous companies to stay in the borough as they grow. There is also a need to address issues in the skills level of the labour market by linking local training provision to the needs of local businesses. Finally, Castle Point has an under-developed office market and is unlikely to feature as a destination for non-indigenous businesses. There is a need to develop this market overtime to provide the necessary range of accommodation to support a diverse local economy.

9.10 The Regeneration Partnership has already started to put the mechanisms in place to address some of these issues. Around the environmental quality of the estates, new gateways and signage has been delivered at Charfleets Industrial Estate and Manor Trading Estate. However, there remains an issue with the quality of the private realm in these areas. With regard to training meanwhile, two new secondary schools and a Skills Campus to deliver further education courses have been delivered on Canvey Island. The Thames Gateway South Essex Economic Growth Strategy sets out a series of measures related to education and skills provision that will ensure that there is greater alignment between the needs of local businesses and the training on offer. In particular, there will be new investment in training for advanced engineering, logistics and digital media within the sub-region with specialist advanced engineering opportunities at SEEVIC college in Thundersley.

Policy E 1

Economic Strategy

1. In order to support the wider economy in Thames Gateway South Essex, during the period 2014 to 2031, the economy of Castle Point will be enhanced to deliver:
 - a. At least 2,100 additional jobs;
 - b. Improved local wages, in line with wages elsewhere in south Essex; and
 - c. Increased levels of productivity in Castle Point, by increasing GVA to the Essex average.
2. This will be achieved by:
 - a. Working with partners to deliver improvements to the quality of public areas within employment areas in Castle Point, including the quality of open spaces, landscaping, roads, drains and communication infrastructure;
 - b. Encouraging the improvement and redevelopment of private land within existing employment areas in order to enable business growth and improve the attractiveness of these areas;
 - c. Maintaining a flexible employment land supply which has the potential to deliver at least 10,000m² of additional employment floorspace for B1a, B1c and B2 uses;
 - d. Seeking the provision of suitable, flexible floorspace that can be used by office or knowledge based businesses;
 - e. Seeking the provision of small business units and specific start-up facilities to support indigenous business growth; and
 - f. Establishing and maintaining relationships between local businesses and local training and education providers to improve local skills levels.

SITE ALLOCATIONS

Policy Context

9.11 Bullet point 2 of paragraph 21 of the *NPPF* requires local planning authorities to set criteria, or identify strategic sites for local and inward investment to match the strategy and to meet anticipated needs over the plan period. Additionally, bullet point 5 expects local planning authorities to identify priority areas for economic regeneration, infrastructure provision and environmental enhancement.

E2: Existing Employment Estates

Evidence Base

9.12 The *Employment and Retail Needs Assessment* indicates that the three existing employment estates in Castle Point are well occupied with very low levels of vacancy. They are all assessed as being good or average quality employment sites within the borough.

Policy E 2

Existing Employment Estates

1. The existing employment estates, listed below, will be retained for B1a, B1c, B2 and B8 employment purposes:
 - a. Charfleets Industrial Estate, Canvey Island
 - b. Manor Trading Estate, Thundersley
 - c. Stadium Way Estate, Rayleigh
2. The extent of these allocations are shown on the Proposals Map.

E3: Extension to Manor Trading Estate

Evidence Base

9.13 The *Employment and Retail Needs Assessment* identified a need for additional employment land to be made available in the northern part of the borough.

9.14 Land to the east of Manor Trading Estate has been promoted to the Council for employment purposes, and appears to be deliverable. It is expected that access to the site will be achieved through the existing estate, or through the redevelopment of some land within the existing estate.

9.15 The land was designated as Green Belt in the *1998 Adopted Local Plan*. The *Green Belt Review Paper* indicated that this site could be removed from the Green Belt without undermining the purpose of the Green Belt in this location.

9.16 The site was identified as a Local Wildlife Site in the *Local Wildlife Site Review 2012*. The loss of biodiversity from a *Local Wildlife Site* must be compensated for as the *NPPF* expects a net gain in biodiversity.

9.17 Land in this area falls within a Critical Drainage Area for a Potential Surface Water Flooding Hot Spot, as identified in the *South Essex Surface Water Management Plan 2012*. Ongoing surface water flooding issues are known on Manor Trading Estate and adjacent residential areas of Manor Road, The Sorrels and Shrewsbury Drive. Numerous cases of internal property flooding have been recorded by the Lead Local Flood Authority, including

during summer of 2012. It is therefore necessary that any development within this area includes appropriate drainage arrangements that do not increase the risk and ideally reduce the risk of flooding to other properties in the area, consistent with paragraph 100 of the NPPF.

Policy E 3

Extension to Manor Trading Estate

The 4ha site identified on the Proposals Map as an extension to the east of Manor Trading Estate will be made available for development for B1b, B1c and B2 employment purposes where it can be demonstrated that:

- a. Access suitable for commercial vehicles has been secured for the site;
- b. Sufficient and suitable compensatory provision has been made for the loss of wildlife in order to result in a net gain in biodiversity;
- c. Appropriate drainage infrastructure improvements can be delivered on the Trading Estate that result in a reduction in surface water flooding risk to properties within the vicinity of the site; and
- d. The proposal meets all other requirements of this plan.

E4: Extension to Charfleets Industrial Estate

Evidence Base

9.18 This site was allocated for employment purposes in the *1998 Adopted Local Plan*. However, the extension to Roscommon Way, which provides access for the site has only recently been completed. Due to the new access provision, this site is now reasonably available for employment development, and is considered to be deliverable.

9.19 Whilst the site was identified for employment purposes in the *1998 Adopted Local Plan*, a Local Wildlife Site designation affects the site. The loss of biodiversity from a Local Wildlife Site must be compensated for as the *NPPF* expects a net gain in biodiversity.

9.20 This site is on Canvey Island and is therefore located within flood risk zone 3. Additionally, due to its low lying nature, land on Canvey is subject to surface water flooding with the entire Island identified as a Critical Drainage Area in the *South Essex Surface Water Management Plan 2012*. Development proposals at this site need to be designed to achieve resilience and resistance to flood risk. They also need to be designed to manage surface water drainage issues on site and prevent an increased risk of flooding by surface water to other land and properties nearby. Surface water arising from development should be managed sustainably, and should not require connection to the piped drainage network. The piped drainage network should be upgraded as appropriate to accommodate additional foul water flows.

Policy E 4

Extension to Charfleets Industrial Estate

The 7ha site identified on the Proposal Map as an extension to the south of Charfleets Industrial Estate will be made available for B Class uses, where it can be demonstrated that:

- a. Access suitable for commercial vehicles has been secured for the site;
- b. Sufficient and suitable compensatory provision has been made for the loss of wildlife in order to result in a net gain in biodiversity;
- c. Development proposals are resilient and resistant to flooding from tidal and surface water sources, and provide safe, on-site refuge facilities in the event that a flood does occur;
- d. Surface water is fully managed on-site, and on adjacent land within the same ownership, with no increase in the risk of surface water flooding to other land and property nearby;
- e. Drainage capacity will be improved as necessary to accommodate additional foul water flows; and
- f. The proposal meets all other requirements of this plan.

E5: Land for Employment South of Northwick Road

Evidence Base

9.21 This site was allocated in the *1998 Adopted Local Plan*. However, it has not been developed to date. Work for the site, carried out by the HCA and the Castle Point Regeneration Partnership, supports employment provision on this site, including the provision of an enterprise centre to support indigenous business growth.

9.22 The allocation in the *1998 Adopted Local Plan* covered 18ha of land. However, the designation of the Canvey Wick SSSI in 2005 covered approximately half the site and 8ha are now available for development purposes. Development proposals must not have an adverse impact on the SSSI and must provide mitigation and compensation for any biodiversity impacts on site. Due to the proximity of this site to a SSSI, potential applicants should seek a screening opinion from the Council with regard to the need for an Environmental Impact Assessment, and where requested produce such an assessment to accompany any planning application they submit.

9.23 The site is at a prominent location at the junction of Roscommon Way with Northwick Road. It is therefore important that the design of this development reflects this location, and that any buildings located to the north-east of the site are of sufficient high quality to act as a landmark for Canvey.

9.24 As this site is on Canvey Island, it is located within flood risk zone 3. Additionally, due to its low lying nature, land on Canvey is subject to surface water flooding with the entire Island identified as a Critical Drainage Area in the *South Essex Surface Water Management Plan*. Development proposals at this site need to be designed to achieve resilience and resistance to flood risk. They also need to be designed to manage surface water drainage issues on or adjacent to the site and prevent an increased risk of flooding by surface water to other properties nearby. Ideally, surface water will be managed sustainably and will not require connection to the piped drainage network. The piped drainage network should be upgraded as appropriate to accommodate additional foul water flows.

Policy E 5

Land for Employment South of Northwick Road

The 8ha site identified on the Proposals Map as land for employment South of Northwick Road will be made available for development for B1b, B1c and B2 employment purposes where it can be demonstrated that:

- a. An enterprise centre will be delivered on the site, providing accommodation for start-up businesses;
- b. Development proposals will ensure that there is no adverse harm to the Canvey Wick SSSI, and that any biodiversity loss on site is fully mitigated or compensated for, with the result of a net gain in biodiversity;
- c. Development proposals are resilient and resistant to flooding from tidal and surface water sources, and provide safe, on-site refuge facilities in the event that a flood does occur;
- d. Surface water is fully managed on or adjacent to the site, with no increase in the risk of surface water flooding to nearby properties;
- e. Drainage capacity will be improved as necessary to accommodate additional foul water flows;
- f. Development proposals are designed to reflect the prominent location of the site as the gateway to West Canvey; and
- g. The proposal meets all other requirements of this plan.

DEVELOPMENT MANAGEMENT POLICIES

E6: Locations for Economic Development

Policy Context

9.25 The *NPPF* requires local planning authorities to set criteria, or identify strategic sites for the location of employment development.

Evidence Base

9.26 The *Employment and Retail Needs Assessment* indicates that the locations allocated for employment development (B Class Uses) in policy E2-E5 provide sufficient space to accommodate the predicted economic growth needs of the borough, as well as needs arising from any loss of smaller employment sites within residential areas for residential purposes. There is therefore no known requirement for permitting economic development outside allocated employment locations identified. However, consistent with the requirements of the *NPPF*, criteria identifying where such development may be deemed suitable have been developed in the event such applications are made.

9.27 Policy E6 should be read alongside all other relevant policies within this plan. This includes, but is not limited to, policy E8 regarding higher skilled jobs, policies related to transport within chapter 11, policy DES5 regarding the design of business premises, policies related to climate change in chapter 17, in particular policy CC6 regarding the Surface Water Management, and policies in the chapter 18 regarding the natural environment in particular policies NE8, NE10 and NE11 regarding nature conservation, pollution control, and contaminated land respectively.

Policy E 6

Locations for Economic Development

Applications for employment development (B class uses) will be given favourable consideration in those locations allocated for employment purposes. B1a class uses will also be given favourable consideration above shops within town centres. B class uses will only be permitted elsewhere when the following criteria can be met:

- a. The proposed development is for a building or land already used for employment purposes, or it is proposed that the existing use of the building or land is retained alongside the employment use;
- b. The proposed development will not have an impact on the residential amenity of nearby properties greater than the existing or most recent use of the building or land; and
- c. Other relevant policies within this plan are also complied with.

E7: Protecting Employment Land

Policy Context

9.28 The *NPPF* expects that policies should be flexible enough to accommodate needs not anticipated in the plan and to allow a rapid response to changes in economic circumstances.

9.29 It also states that planning policies should avoid the long-term protection of sites allocated for employment uses where there is no reasonable prospect of a site being used for that purpose.

Evidence Base

9.30 The *Employment and Retail Needs Assessment* indicates that the existing employment estates identified in policy E2 are well occupied with vacancy levels of around 1% only. Therefore, the ongoing protection of these areas for employment purposes is appropriate.

9.31 However, over 90% of the employment floorspace in Castle Point is currently used for industrial purposes. Several of the scenarios considered in the *Employment and Retail Needs Assessment* indicated that there may be a decrease in demand for industrial floorspace as a consequence of a potential decline in manufacturing. New demand may arise from non-traditional employment sectors such as the sports and leisure sector. A flexible approach to the re-use of sites within employment areas is needed in order to support the changing demands of the local economy.

9.32 It should however be recognised that permitting some uses in employment areas, such as shops (especially supermarkets) is likely to detract from the vitality and viability of local shopping parades and town centres and should be avoided by applying the sequential approach set out in the *NPPF*.

9.33 It should also be recognised that some uses may not be compatible with one another. For example, an employment area that comprises many noisy industrial units would not be a suitable location for a children's nursery, despite the jobs a nursery may provide.

Policy E 7

Protecting Employment Land

Applications for uses falling outside class B of the Use Classes Order will be permitted within those employment areas identified in policies E2 to E5 of this plan where they accord with the following criteria:

- a. It can be demonstrated that the alternative use will provide an equivalent number of jobs compared to a B1c or B2 use of the site, meeting the requirements of policy E8 in terms of skills;
- b. It can be demonstrated that the location of the use within an employment area will not undermine the vitality or viability of local town centres or local shopping parades;
- c. The proposed use is compatible with other existing uses within the employment area, having regard to any potential harm to productivity levels, or to the health and well-being of employees or potential users; and
- d. All other relevant policies within this plan are also complied with.

E8: Promoting higher skilled jobs

Policy Context

9.34 The *NPPF* expects local planning authorities to proactively encourage sustainable economic growth and to plan positively for the expansion of the knowledge based economy.

Evidence Base

9.35 The *Employment and Retail Needs Assessment* indicates that the knowledge based economy is significantly under-represented in Castle Point. Castle Point has a low skills base amongst its residents, and those with skills are often attracted to higher paying jobs in London. As a consequence, the pool of labour remaining to employers in Castle Point is typically lower skilled. This limits the economic productivity of the local economy meaning that local wages are low. This is not a sustainable position and leads to out-commuting to other parts of south Essex creating congestion and causing harm to the environment.

9.36 Improvements have been made to the education facilities in Castle Point to promote higher skills levels. Changes need to occur in the local employment market if these skills are to benefit local businesses. The *Employment and Retail Needs Assessment* recommends the delivery of office space and more knowledge-based activities in order to grow the local economy sustainably.

Policy E 8

Promoting Higher Skilled Jobs

Applications for all new or replacement employment developments, or extensions to existing employment developments in excess of 1,000m² will be encouraged to provide higher skilled jobs which require at least NVQ Level 3 qualifications. Favourable consideration will be given where:

- a. A defined end-user/s will create higher skilled jobs, or else commit through a S106 Agreement to providing recognised training to future employees; or
- b. Where there is no defined end-user, units are sufficiently flexible to suit a range of uses, including office or knowledge based activities.