

South Worcestershire Development Plan
Economic Prosperity Background Paper
May 24th 2012

CONTENTS

1. Introduction (what is the purpose of this document and which policies does it support?)
2. A Vision for Economic Prosperity in South Worcestershire
3. A Strategy for Economic Prosperity in South Worcestershire
4. The South Worcestershire Economic Context (summary only)
5. Scenarios for the Economic Future of South Worcestershire.
6. Future Economic Prospects (Summary Only)
7. Sustainability Appraisal
8. How will the South Worcestershire Development Plan achieve the Economic Vision and Strategy for South Worcestershire – preferred options policy
9. Background policy context (National, County and District)
10. How has Consultation Informed the Policy?
11. Changes from PO to submission draft versions

APPENDICES

Appendix 1 The South Worcestershire Economic Context

Appendix 2 – Future Growth Prospects

Appendix 3 An Analysis of Allocated Sites

Policy Development

Appendix SWDP22

Appendix SWDP27

Appendix SWDP28

Appendix SWDP29

Appendix Compatibility Table NPPF and evidence base

Appendix Preferred Options Consultation Schedule of Issues and Recommended Responses

1. Introduction.

This Background Paper is intended to explain the approach taken by the South Worcestershire Development Plan to promoting economic prosperity within the Draft Submission Plan (October 2012). The paper draws on information and data from published sources including evidence reports commissioned to inform the South Worcestershire Development Plan. The paper also sets out how responses to consultation have influenced the final content of the South Worcestershire Development Plan policies.

This Paper includes:

- The background to the South Worcestershire economy
- Some key facts about the South Worcestershire economy
- The policy context
- The evidence base for the economic prosperity policies
- How the economic prosperity policies will help to deliver the vision and objectives of the South Worcestershire Development Plan
- The key issues raised from consultations and the planning policy response

The South Worcestershire Development Plan policies to which this paper refers are:

- SWDP2 Employment and Retail Allocations only
- SWDP22 Rural Employment
- SWDP27 Providing the Right land and Buildings for Jobs
- SWDP28 Creating and Sustaining Vibrant Centres
- SWDP29 Protection and Promotion of Shopping Choice

References to traditional employment uses in this paper refer to B1, B2 and B8 use classes of the Town and Country Planning (Use Classes Order 1987) as amended.

References to employment generating uses in this paper refer to all use classes other than the C3 use class.

The South Worcestershire Development Plan has evolved over a period of six years. Both the planning and economic context which applies has changed substantially since the beginning of the process of plan preparation in 2006.

2. A Vision for Economic Prosperity in South Worcestershire.

The economic vision for South Worcestershire is an excellent place to do business, with a sustainable low carbon economy which has diversified so that the overall prosperity of the area can withstand

any down-turns in individual sectors. The South Worcester economy is one that is growing in output (increased GROSS VALUE ADDED) and becoming more productive (GROSS VALUE ADDED per head); there is sustained jobs growth, inward and indigenous investment; and infrastructure improvements particularly improving access for business are being delivered. Growth has been enhanced by the retention of younger residents, particularly University of Worcester graduates and youngsters who would previously had difficulty in finding job opportunities. There are more high value jobs in the area, leading to reduced out commuting. Cultural and environmental assets have been enhanced increasing the attractiveness of the area to visitors, residents and businesses.

3. A Strategy for Economic Prosperity in South Worcestershire.

The economic strategy for South Worcestershire is:

1. To create the conditions for sustained economic and jobs growth:
2. To ensure South Worcestershire is open for business and able to match the requirements of potential inward investors.
3. To ensure a flexible approach is maintained to all opportunities that deliver economic benefits.

With a target returning to the GROSS VALUE ADDED levels that existed before the downturn in 2008.

This will be achieved through:

- Reduced reliance on the public sector and increased output and employment in the private sector, and particularly higher value and skilled occupations
- Growing and adding value to existing South Worcestershire businesses including agricultural and horticultural businesses.
- Securing and growing the high technology sectors which already have a presence in South Worcestershire.
- Providing the right land and premises in the right location and at the right time to help businesses start grow and flourish.
- An established and sustained low carbon economy.
- Providing and maintaining an adequate supply of new homes that support economic growth.
- Maintaining a competitive level of infrastructure throughout South Worcestershire - particularly excellent access including electronic access.
- Sustained and regenerated South Worcestershire's city and town centres as priority areas for regeneration.

- Supporting flourishing rural economies, with strong land based sectors and diversification into higher added value activity, enhanced by greater broadband connectivity.
- Retaining retail spending in South Worcestershire and increasing leisure and tourism related spending/income.
- Ensuring local residents are able to take up the increased job opportunities in higher skilled and higher value occupations.

4. The South Worcestershire Economic Context.

The SWOT below summarises the current position of the South Worcestershire economy and future opportunities and threats.

Strengths	Weaknesses
<ul style="list-style-type: none"> • Qualifications and skills of resident population. • Incomes of resident population. • Desirable place to live and do business. • Functional travel to work area. • QinetiQ and local supply chain. • High Tech/value manufacturing. • University of Worcester and education offer available across South Worcestershire. • Relative high rate of business start ups. • Diverse rural economies. 	<ul style="list-style-type: none"> • Salary levels below the regional and national averages. • Dependency on low value added manufacturing. • In ability to attract inward investors. • A weak office market particularly in the South Worcestershire City and Town centres. • Competition from larger urban areas, (particularly Birmingham and Gloucester/Cheltenham). • Inadequate transport infrastructure, both perceived and actual. • Mis-match of low skilled residents to high skilled employment opportunities.
Opportunities	Threats
<ul style="list-style-type: none"> • High Technology Corridor. • Inward investment, (now there is local control over the marketing of Worcestershire). • Growth in higher skill/value occupations. • Private Sector led Local Enterprise Partnership • Tourism and leisure growth 	<ul style="list-style-type: none"> • Weak or negative jobs growth between 2006 and 2031 without intervention • A mis-match of resident's skills with available and forecast job opportunities • The rapidly aging profile of the resident population. • Housing cost pressures and under supply.

<ul style="list-style-type: none"> • Adding value to agricultural products. • Retain increased levels of retail spending. 	<ul style="list-style-type: none"> • Macro economic changes. • Failure to attract investment, both private and public sector. • Retail centres lose trade to larger urban areas. • The lack of capital investment, both private and public in South Worcestershire. • Inadequate transport infrastructure.
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The detailed evidence that informs this SWOT can be found at Appendix 1.

5. Scenarios for the Economic Future of South Worcestershire.

a. Preferred Scenario – medium economic growth.

This is the scenario which the South Worcestershire Development Plan aspires to. In this scenario South Worcestershire salaries have over taken the regional average and are closer to the national average outside of London. There are more highly paid professional job opportunities within South Worcestershire with a reduced level of out commuting. Jobs growth has exceeded forecasts and housing costs have declined as a percentage of income. There has been sustained investment, indigenous and inward, private and public, in jobs, skills and infrastructure. Traditional rural activities and communities have grown and diversified. South Worcestershire town centres have increased their retail offer and more retail expenditure is retained within South Worcestershire there is an improved cultural offer with many additional events and tourists attracted to the area throughout the year.

b. Rejected scenario – Dormitory with slow economic growth

This scenario reflects the ageing demographic of the area in which South Worcestershire has failed to provide enough new homes and young people and families have been priced out of the local housing markets. The inadequate labour supply caused by the housing shortage means that businesses relocate out of the area and there is little investment in infrastructure or jobs – existing businesses do not grow and inward investors do not see South Worcester as the right place to locate. The rapidly ageing

local population is increased by the in migration of newly retired couples from the South East and Birmingham. The demography of the area makes South Worcestershire less attractive to visitors; city and town centres are declining and retail spending shifts to neighbouring centres..

c. Rejected scenario - No Growth

While this scenario is attractive to some it is a scenario of decay and decline. It is one in which there has been no investment in the communities of South Worcestershire, young people want to, and do, leave the area in increasing numbers, and those that remain are at greater risk of being out of work. South Worcestershire city and town centres go into steep decline and residents have to travel out of the area for an increasing number of services and larger purchases. In the long-term, house prices go into steep and sustained decline as the population of the area rapidly declines as a result of excess deaths over births. The horticultural industry in the Vale of Evesham has declined as a result of labour and skill shortages and agriculture is increasing based on contracting and cash crops with profits taken by multi-national speculators with the consequent loss of local spending.

6. Future Economic Prospects

To understand the opportunity to achieve the prosperous South Worcestershire scenario, we have looked at a number of different jobs forecasts. These were undertaken at different times in the economic cycle, and cover different time periods, but the various projections suggest that without positive public policy to encourage economic prosperity there will be negative or sluggish jobs growth up to 2020, but with the Strategic Housing Market Assessment showing a considerable upturn post 2020 for the rest of the plan period.

Therefore, to provide the flexibility to accommodate all conceivable levels of economic performance up to 2030, it is necessary to allocate land on the basis of the most optimistic assumptions. Using the lower projections up to 2020 would mean either worklessness greatly increasing and/ or population moving or commuting out of South Worcestershire.

The longer-term view from the Strategic Housing Market Assessment, alongside the assumption that the job balance ratio (GVA Grimley Employment Land Review) for South Worcestershire resident population can be maintained, has therefore been used to calculate 25,000 additional jobs are needed by 2030 compared with

the 127,000 jobs currently (2011) located within South Worcestershire .

Details of these analyses can be found at Appendix Two.

7. Sustainability Appraisal

Achieving sustainable development is the overarching aim of Spatial Planning, and integral to the National Planning Policy Framework. To ensure that planning policy promotes sustainable development it is a requirement that all Development Plan Documents are supported by a Sustainability Appraisal. Sustainability Appraisal is an iterative process which informs the development of policy. The following is a brief summary of the Sustainability Appraisal findings at each stage in the evolution of the South Worcestershire Development Plan.

South Worcestershire Joint Core Strategy Issues and Options Sustainability Appraisal October 2007.

- a. No option for the location of new employment sites was considered to promote sustainability objectives without mitigation. Employment led development close to the existing main urban areas and new housing areas was however the mostly likely to achieve a sustainable outcome with mitigation, i.e. with the implementation of infrastructure improvements.
- b. As broad a range of measures that help diversify the South Worcestershire economy as possible was favoured.
- c. The achievement of sustainability goals favours the protection of existing employment land from change to alternative land uses.
- d. The most sustainable options for strengthening the rural economy were encouraging the development of small business premises and live work units, farm diversification and the expansion of existing rural businesses.
- e. The Sustainability Appraisal considered that directing major retail development to Worcester or Worcester and the main towns was the least sustainable option, however a combination of all the options was considered to provide long term gains for economic and community Sustainability Appraisal objectives.

South Worcestershire Joint Core Strategy Preferred Options Sustainability Appraisal August 2008.

The Sustainability Appraisal of policy CS17 Employment Protection and Generation concluded that the policy progressed the Sustainability Appraisal objectives for the economy, employment and the community effectively.

Policy CS18 Shopping and Leisure supported the Sustainability Appraisal goals for a vibrant regional centre surrounded by local settlements capable of providing the range of goods and services to meet local needs. The implementation of sustainable transport options was considered key to ensuring new retail development does not contribute to a growth in emissions and reduced air quality.

South Worcestershire Development Plan Preferred Options Sustainability Appraisal September 2011.

The Sustainability Appraisal found no negative impacts of the three economic prosperity policies. Locating employment development adjacent to existing and new population centres will bring indirect benefits for overarching sustainable transport aims.

8. How will the South Worcestershire Development Plan achieve the Economic Vision and Strategy for South Worcestershire?

The South Worcestershire Development Plan will ensure South Worcestershire is **an excellent place to do business** by ensuring; the South Worcestershire working age population can afford local homes, there is a wide choice of employment premises and land for existing and new businesses to rent and buy, traditional rural activities can adapt and diversify to maintain a strong competitive position and that South Worcestershire's town and city centres are increasing their range and quality of services. (South Worcestershire Development Plan policies 2, 22, 27, 28 and 31 in particular support this part of the economic vision).

In seeking to promote sustainable development the South Worcestershire Development Plan will help South Worcestershire move to **a low carbon economy**. Policies for the location of development, design, infrastructure, travel, and energy efficiency will in particular help to reduce the amount of carbon being released as a result of the activities of South Worcestershire residents and businesses. (South Worcestershire Development Plan policies 3, 4, 26, and 46 in particular support this part of the economic vision).

The economy of South Worcestershire will be **rebalanced** by safeguarding some land for particular types of business, e.g. research and technology at QinetiQ and vulnerable sectors that need inexpensive second hand commercial property and by enabling further and higher education providers to expand. Providing the right homes and infrastructure e.g. Worcestershire Parkway will also help retain university graduates in the area and attract professional services to South Worcestershire. By providing a wide choice of locations for new commercial premises South Worcestershire is more likely to secure inward investment from employers not already present in the area. (South Worcestershire Development Plan policies 2, and 6 to 19 in particular support this part of the economic vision).

The South Worcestershire Development Plan will help to **increase wealth (gross value added)** by providing the right land and buildings for jobs, all forecasts suggest there will be growth in higher paid service jobs, and by securing investment in town and city centres which will provide service sector job opportunities for those currently excluded from work. (South Worcestershire Development Plan policies 2, 22, 27, and 28 in particular support this part of the economic vision as do aspects of the site allocation policies 6 to 19).

Jobs growth in South Worcestershire will be facilitated by providing the right, land and commercial premises, in the right place and at the right time, including urban extension employment allocations adjacent to Worcester as part of sustainable growth. Expanding and regenerating South Worcestershire town centres, as well as maintaining easy access, is also important to sustainable jobs growth, with increased private sector investment, targeted on key opportunity areas within centres. (South Worcestershire Development Plan policies 2, 4, 22, and 27 in particular support this part of the economic vision).

Investment in South Worcestershire's businesses and communities will be secured by, providing adequate homes and commercial premises, and enabling existing enterprises including those in the more rural parts of South Worcestershire to grow. Public sector investment together with appropriate developer contributions will be targeted at infrastructure projects likely to increase the attractiveness of South Worcestershire to inward investors. (South Worcestershire Development Plan policies 2, 4, 22, 27, and 50 in particular support this part of the economic vision).

Younger residents will be attracted to and retained in South Worcestershire by enhanced educational facilities, vibrant and diverse town centres, new and improved leisure facilities and the high quality natural environment and the outdoor and sporting opportunities this provides. (South Worcestershire Development Plan policies 28, 44 and 45 in particular support this part of the economic vision).

More high value jobs will be provided and retained in South Worcestershire by protecting some land for particular uses, e.g. expansion of the Technology Park concept and spin off businesses from QinetiQ, by providing the right infrastructure, e.g. broadband, regenerating Worcester City Centre, Malvern, Evesham and Droitwich Town Centres and by attracting more professional service employers to the area. (Aspects of South Worcestershire Development Plan policies 16 to 19 in particular support this part of the economic vision).

The South Worcestershire Development Plan attaches great importance to protecting and **enhancing cultural and environmental assets**. Policies for green space, tourist facilities, historic environment and growing town centres will help ensure South Worcestershire makes the most of the already strong cultural and environmental offer. (South Worcestershire Development Plan policies 3, 26, 28, 36 and 43 in particular support this part of the economic vision).

9. Background Policy Context (What must the policy take into account?)

National Planning Policy Framework, March 2012

In drawing up Local Plans, local planning authorities should:

- Set out a clear economic vision and strategy for their area.
- Set criteria, or identify strategic sites, for local and inward investment to match the strategy and meet anticipated needs over the plan period.
- Support existing business sectors Policies should be flexible enough to accommodate needs not anticipated in the plan (para 21).
- Planning policies should avoid the long term protection of sites allocated for employment use (para 22).

Town Centres para 23

- Pursue policies to support their viability and vitality.
- Define a network and hierarchy of centres.

- Define the extent of town centres, define primary and secondary frontages and make clear which uses will be permitted in such locations.
- Allocate a range of suitable sites to meet the scale and type of town centre uses anticipated in full, if necessary by expanding town centres.
- Allocate appropriate edge of centre sites for main town centre uses.
- Set policies for the consideration of proposals for main town centre uses which cannot be accommodated in or adjacent to town centres.
- Set out policies to encourage residential development on appropriate town centre sites.

Supporting The Rural Economy

- Support the sustainable growth and expansion of all types of businesses in rural areas.
- Promote the diversification of agricultural businesses.
- Support sustainable rural tourism developments that respect the character of the countryside.
- Promote the retention and development of local services.

Para 160. Local planning authorities should have a clear understanding of business needs within their area.

Para 161. Local planning authorities should assess the needs for land or Floorspace for economic development, including both the quantitative and qualitative needs for all foreseeable types of economic activity over the plan period, including for retail and leisure development.

Worcestershire Economic Strategy

The vision of the county economic strategy is ***'In ten years time, technology-led growth will have contributed to the sustainable development of Worcestershire and strengthened its role as an economic driver for the region – acting as a catalyst for all sectors of the economy and areas of the County to benefit and providing well paid and highly skilled jobs and high quality of life for residents'***

The preparation of the economic strategy has been influenced by the previous Regional Economic Strategy and it will be delivered via a rolling three years Economic Delivery Plan.

The key economic development priority is the Worcester Strategic Growth Point (Impact Investment Location).

The vision will be delivered by four objectives: Business, Place, People and Powerful Voice. The Place objective has the clearest links with the South Worcestershire Development Plan.

District Economic Strategies

The draft **Worcester Economic Prosperity Strategy** has a vision that "By 2030 Worcester City will be recognised as the economic powerhouse in the County rich with employment opportunities and an improved infrastructure connecting it to the South Worcestershire economy and boosting the Worcestershire economy. Worcester will be a larger, more prosperous and enterprising city with a skilled and job ready workforce of all ages readily available. It will boast a vibrant day-time and evening economy with a diverse offering of retail, culture, hotel, leisure and living opportunities for residents, businesses, workers, visitors and tourists alike" Its key themes are : Business, Innovation and Productivity, Skills, Enterprise and a Vibrant City Centre.

Wychavon District Council has set out its purpose : "To be a progressive council delivering great value services and helping to create a strong economy, environment and community."

Under strong economy, its priorities are to:

- Attract more businesses and jobs into Wychavon and retain existing ones;
- improve skill levels; and
- enable more housing that meets local needs.

Malvern Hills – "Be Inspired" the economic strategy for Malvern Hills – 2006-2011 had a vision that *"By 2011 the District will be acknowledged by all as a place where knowledge based, high technology manufacturing, tourism and creative businesses are prosperous and innovative, the workforce are skilled, flexible and ambitious and the District Centres are vibrant, sustainable and diverse"*

Worcestershire Local Enterprise Partnership

Awaiting Local Enterprise Partnership Strategy, expected publication June 2012.

Sustainable Community Strategy

Worcestershire's Sustainable Community Strategy for 2011 to 2021 sets three priorities for the county. This is a combined strategy bringing together the Community Strategy of the County Council with the strategies of the six District Councils.

The three county priorities are:

- A Skilled and Prosperous Economy
- An Environment that is Cherished and Resilient
- Improving Health and Wellbeing

District Council priorities that have particular relevance to economic prosperity include:

- To have the right infrastructure in place to support a successful and growing economy.
- Developing skills and lifelong learning.
- To ensure residents have the right skills for existing growing and new businesses.
- To reduce the number of young people not in employment or education.
- To support business growth and attract new businesses.
- To maintain a vibrant retail offer

The South Worcestershire Development Plan has a significant role in the achievement of these objectives. A key challenge is to ensure enough land is made available to support growing and new businesses without risking the environmental quality which is the unique selling feature to attract business here.

SWDP Evidence Base Reports

Planning policy must be based on sound evidence. The evidence base for South Worcestershire Development Plan policies 22, 27, 28 and 29 includes the following consultant's reports which were specifically commissioned to inform the South Worcestershire Development Plan.

GVA Grimley Employment Land Review 2008

Para 5.20 'It is important for South Worcestershire to safeguard manufacturing land and premises to meet the needs of existing key manufacturing business in the area'.

Assumption of existing supply para 5.43 is 127ha. Malvern Hills 18.8ha, Worcester 51.2ha and Wychavon 57ha.

Projected demand para 8.1. Total demand 2001 to 2026 = 159.22 ha or 6.37ha per year Residual demand (i.e. demand after completions) 2001 to 2026 = 105.3ha plus 4 years from 2026 to 2030 (4 x 6.37ha) = 130.78ha (This is the lowest level of provision for B use class provision in any of the evidence

Para 8.3 demand with flexibility = 142.15ha plus 4 additional years = 170.58ha.

Roger Tym Employment Land Review 2011

Started from the Regional Spatial Strategy Panel Report requirement of **244ha from 2006 to 2026** (para 6.3)

Para 6.7 'We would suggest the authorities guard against any shortfall by both protecting the existing committed supply of readily available sites and by encouraging the early provision of the employment land elements of the urban extensions.'

Para 6.9 'there is a risk that if the larger urban extension sites are not made available until late in the plan period then there may be a shortfall of employment land in the middle of the plan period.'

Retail Study

The DPDS Retail Study Update December 2010 concluded that only Worcester (9,837m² comparison goods) and Malvern (3,639m² comparison goods) would have any significant need for additional retail floor space before 2026. This is based on existing centres maintaining their current market shares and 'Experian' retail expenditure forecasts in August 2010.

The South Worcestershire Development Plan has proposed site allocations in Worcester City Centre which could accommodate substantially in excess of the floor space requirement suggested by the retail study. The South Worcestershire Development Plan needs to make clear that these allocations are made on the basis of, landowner ambitions, these locations being highly sustainable locations for retail development, and to provide flexibility to accommodate unforeseen opportunities, as suggested by national planning policy framework.

Hotel Study

The Humberts Leisure Hotel Study August 2009 concluded that up to 400 additional budget/branded hotel rooms are required across

South Worcestershire by 2026. Worcester could support at least one boutique hotel in addition to this and there may be opportunities for destination hotels based on historic spas or other unique selling features.

10. How has Consultation Informed the policy?

The Views of Key Stakeholders

The response to the South Worcestershire Development Plan Preferred Options from the Worcestershire Local Enterprise Partnership included the following:

- Welcome the South Worcestershire approach to plan making and the implied strategic approach that development at Worcester supports the economies of all three South Worcestershire districts.
- Welcome the focus on economic prosperity and infrastructure.
- Supports the settlement and development hierarchy. Each of the main towns needs to develop their specific economic strengths and provide local job opportunities,
- Rural regeneration needs; better broad band, a cohesive policy on transportation and support for rural services and housing.
- SWDP27 needs to be sufficiently flexible to accommodate employment opportunities not identified in the plan and prevent the loss of employment land to housing. 'The evidence from local businesses is that there has not been sufficient employment land in the past, which has stifled inward investment and inflated land prices.' The Local Enterprise Partnership 'suggests that there may be a requirement for further land to be brought forward, given there are often other reasons (not necessarily planning related) why land cannot be made available to the market.
- Supports proposals to support a Worcester City Centre office market, sites for this exist beyond the historic core.
- More high quality hotel provision is needed.
- The plan should promote the role of the University of Worcester and the College of Technology and maximise the economic and social benefits of these institutions.
- The plan should acknowledge the significance of the Police Headquarters whilst taking account of its Green Belt location.

- Land at Throckmorton could play an important employment role in the period to 2030.

Responses from Business Consultation Events.

- There are significant problems for SMEs in the B8 and B2 use classes finding suitably sized premises in South Worcestershire. If you want medium sized businesses to consider relocating into South Worcestershire you need to provide more ready to move into premises.
- Shrub Hill needs to be the focus for regeneration in your plans.
- The Council's seem to be putting too much emphasis on B1 offices, this will lead to an over dependence on some sectors.
- Most demand for new offices is the result of churn, Worcester cannot compete with Birmingham for office users.
- Worcester is seen as a lifestyle location.
- Worcester is not attractive to major warehouse operators they want direct access to the M6/M1.

Businesses were looking for new premises because:

- Current premises were too small and there was no room to expand.
- Information technology infrastructure was inadequate, broad band or mobile phone signal.
- Current premises lack adequate parking (most popular reason)
- Current premises are run down or industrial estate is run down.
- Access is a problem; narrow roads, congestion, need to be in the City Centre.
- Do not own current premises and cannot buy the freehold.

11. Implementation and Phasing

The economic prosperity strategy for South Worcestershire will be supported by a more detailed implementation plan.

The South Worcestershire Councils will work together with developers, the Local Enterprise Partnership, the community, Further Education and Higher Education providers, infrastructure and utility providers to ensure that the Development Plan delivers an economically prosperous area in the period up to 2030.

The current approach is one of boosting market confidence by providing greater certainty on where growth can take place, the infrastructure required for growth and bringing forward strategic infrastructure projects such as junction improvements at Whittington Roundabout.

The employment land allocations in the Development Plan are based on a positive improvement taking place in the economy over the long-term.

SWD50 provides more detail on the implementation, monitoring and phasing of growth in the South Worcestershire area.

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APPENDIX ONE

The South Worcestershire Economic Context

Geographical Location

South Worcestershire is the most southerly part of the West Midlands region; it comprises the mostly rural districts of Malvern Hills and Wychavon with the City of Worcester. The quality of the South Worcestershire natural and built heritage is a unique characteristic of the area and helps to attract and retain business investment. South Worcestershire has good access to the rest of England and Wales with three junctions on the M5 within the area and the M42 and M50 immediately adjacent. Birmingham International Airport is approximately forty minutes drive time away and there are direct rail services to London, Birmingham and Hereford. There are no direct rail services to South Wales and the South West however.

Wealth Creation

There is a significant gap between the economic performance of the West Midlands and many other parts of the UK.

If the West Midlands achieved the UK average levels of Gross Value Added the region would be £10 billion a year better off

While Gross Value Added in Worcestershire per employee is 3% above the regional average the Gross Value Added per resident at £15,192 is still below the regional average of £15,841 (2006 figures).

Structural causes of this output gap can be addressed by promoting diversification within the economy and encouraging new business formation in higher value sectors. Resolving low productivity levels requires more, enterprise, innovation, competition, investment and skills training.

The overall performance of South Worcestershire was relatively strong before the recession (2008):

- Worcester has performed especially strongly (creating approaching 7,000 jobs between 2000 and 2008) especially in knowledge intensive and private sectors.
- Wychavon and Malvern have performed well and are robustly structured.

Source: Advantage West Midlands 2009

The area has not received a reasonable share of inward investment that has come to the West Midlands Region over the last decade:

2001/2 – 2011/12	New Projects	New Jobs	Safeguarded Jobs
South Worcestershire	28	349	1,830
West Midlands Region	923	36,096	79,333

Source: Marketing Birmingham, West Midlands Regional Observatory

Enterprise Activity

Business start-ups in 2008 per 1,000 adults, Malvern Hills 61, Worcester 45.8, Wychavon 56. The West Midlands and England averages were 47.6 and 57.2 respectively.

Business survival rates five years after start-up, Malvern Hills 48.8%, Worcester 47.6%, Wychavon 51.2%. The West Midlands and England averages were 47.5% and 46.4% respectively.

Source:

Economic Activity

There were 127,000 employee jobs in South Worcestershire in 2008. 50,000 in Worcester and Wychavon and 27,000 in Malvern Hills. Around 40% of jobs are based in B use class land and premises. Wychavon has proportionally fewer office jobs and more industrial/warehouse jobs.

Office of National Statistics Employment Rate April 2009 to March 2010

Malvern	Worcester	Wychavon	West Midlands	England
80%	77.4%	78.2%	68.5%	70.5%

Employment growth between 1998 and 2008 has been faster in Malvern Hills and Worcester (1.5%) than the national or regional average, (1% and 0.4%) Wychavon (0.5%) has grown more slowly.

The area represents a functional travel to work area with the majority (XX%) of South Worcestershire residents finding employment within South Worcestershire:

Travel to work, (2001 census data). The number of residents living and working in the three South Worcestershire districts are;

Malvern Hills 58%, Worcester 68% and Wychavon 57%. The largest commuter flows in Worcestershire are; 5,682 from Malvern Hills to Worcester, 5,419 from Wychavon to Worcester and 3,858 from Worcester to Wychavon. Worcester and Wychavon have net inflows of commuters, 5,635 and 1,001 respectively while Malvern has a net out flow of 3,097 commuters.

There is however significant level of out commuting to Birmingham, The Black Country and elsewhere for higher paid employment opportunities.

Economic Structure

Economic growth in South Worcestershire has been historically driven by locally based businesses. There is cluster of defence related high technology businesses at Malvern. Food production and distribution is an important element of the Wychavon economy with high growth prospects¹ and Worcester retains a significant level of manufacturing, including Worcester Bosch, Yamazaki Mazak UK Ltd (machine tools) and Joy Mining.

(1. getting to the Heart of Horticulture: opportunities and challenges for the horticulture and potato sectors in the West Midlands.)

20% of the workforce are employed in vulnerable sectors. In certain areas, particularly low value added manufacturing.

The lack of a single dominant employment sector and the significant proportion of people working in the public sector, (26%) provided a degree of resilience to previous external economic shocks. The current public sector spending cuts and the Governments commitment to reduce public sector borrowing however mean that the size of the public sector workforce in South Worcestershire is now a threat to future economic growth.

Eighty Worcestershire businesses (excluding national chains) employ just under half the private sector workforce.

Population and labour force

Age profile, 2009 mid-year population estimates. (Percentages).

	Malvern	Worcester	Wychavon	West Midlands	England
0 to 15 years	17.6	18.7	17.8	19.4	18.7
Working	55.2	63.5	58	60.6	61.9

Age					
Retired	27.2	17.8	24.3	20	19.3

Key age groups, 2008 mid-year population estimates.
(Percentages).

	Malvern	Worcester	Wychavon	West Midlands	England
18 to 24 years	5.9	9.8	6.4	9.6	9.5
65 Plus	23.1	15	20.4	16.9	16.3
85 Plus	3.5	2.1	2.7	2.2	2.2

The population of the three South Worcestershire districts grew between 1991 and 2009, Malvern 7.1%, Worcester 13.7% and Wychavon 14.5%. The increase in the West Midlands population was 3.9%. Malvern has experienced a relatively large natural change in population with deaths exceeding births by almost 300 per year. This loss of population is compensated for by a relatively high rate of net internal migration of over 400 per year in to Malvern Hills District.

Income levels

Average earnings in Worcester and Wychavon (£390 per week) are below the regional and national average (£439 and £483 per week). Average earnings in Malvern Hills (£421 per week) are higher but still below the regional and national averages.

2010 Household Income. (CACI Ltd, 2010 Paycheck).

Malvern	Worcester	Wychavon	West Midlands	England
£29,735	£28,554	£31,164	£26,601	£28,909

2009 Office of National Statistics Average Earnings.

	Malvern	Worcester	Wychavon	West Midlands	England
Residents	£29,522	£23,819	£25,342	£23,948	£26,138
Employees	£26,305	£23,214	£22,636	£23,961	

Economic Exclusion

There are significant levels of worklessness and unemployment levels are currently higher than for many years.

A major challenge is the loss of skilled young people from the county.

In March 2012 the unemployment rate in Worcestershire was 4.1% compared to 6.9% in the West Midlands and 5.8% in England and Wales.

The highest unemployment rate was in Worcester 5.1% and the lowest in Malvern Hills 3%.

Male unemployment was 5% and female 2.9%.

In March 2012 the number of job vacancies was 3,802 this was 14% lower than in February 2012.

Retail

The DPDS Retail Study Update December 2010 concluded that only Worcester (9,837m² comparison goods) and Malvern (3,639m² comparison goods) would have any significant need for additional retail floor space before 2026. This is based on existing centres maintaining their current market shares and 'Experian' retail expenditure forecasts in August 2010.

Hotels

The Humberts Leisure Hotel Study August 2009 concluded that up to 400 additional budget/branded hotel rooms are required across South Worcestershire by 2026. Worcester could support at least one boutique hotel in addition to this and there may be opportunities for destination hotels based on historic spas or other unique selling features.

Rural Economy

There is a predominance of micro and smaller businesses (less than 50 employees) in rural parts. There is a higher incidence of self employment demonstrating the high level of entrepreneurship found in rural areas. Large employers (over 250 employees) are proportionately more important in rural areas. They provide a greater proportion of the employment in a location with few local alternative employment options than would be the case in an urban context.

Higher employment levels are found in our rural areas than urban. However, due to sparsity factors job density - number of jobs available per head of population - is weaker. The rural economy is based on low wage activity.

Land managers as viable businesses contribute to maintaining the landscape. They have volatile incomes due to output prices begin beyond their control. South Worcestershire farms have lower farm business productivity and low levels of farm diversification compared to English averages.

APPENDIX TWO Future Growth Prospects

Economic projections need to be seen alongside population and household projections, both to judge labour supply and the relationship between housing and the economy.

2010 Office of National Statistics, projected population change 2010 to 2030.

	Malvern	Worcester	Wychavon	West Midlands	England
Change	6,000	11,000	13,000	825,000	
Percentage	8	11.7	11	15	

These projections are based on past trends and therefore will be affected by changes to international migration and macro economic factors.

2008 Department of Communities and Local Government household growth projections 2006 to 2026.

	Malvern	Worcester	Wychavon	West Midlands	England
Change	6,000	5,000	8,000	163,000	4,672,000
Percentage	19.3	12.5	16.3	15.5	21.9

Job forecasts

A number of different sources of projections have been looked at in relation to South Worcester. These were undertaken at different times in the economic cycle, and only one has covered the whole plan period to 2031.

1. GVA Grimley Employment Land Review

This was produced in 2007 and therefore before the banking crisis and subsequent recession impacted on future economic growth forecasts. The projection was based on a key assumption that the existing job balance (numbers of jobs per head of population) would be maintained then approximately 25,000 more jobs would need to be accommodated by 2026.

2.. Cambridge Econometrics

Employment projections by Cambridge Econometrics show that even in Worcester, which has been the key driver of employment growth in the County, overall employment levels remain broadly static comparing 2006 with 2020.

Given a growth in labour supply (Worcester) this actually results in a deteriorating job density (number of jobs per 100 working age residents).

3. West Midlands Regional Observatory Labour Market Profiles
November 2010

a. MALVERN

The Malvern Hills economy will contract slightly between 2006 and 2020, there will be 1,800 fewer jobs in Malvern Hills in 2020 than 2006.

Malvern Hills is projected to need 5,000 additional jobs by 2020 to employ all those that want work. A fall from 6,000 in 2006.

The occupational structure of the labour market will change there will be 6,000 higher skilled residents than higher skilled jobs in 2020, (3,000 in 2006).

Personal services occupations will gain the most jobs between 2006 and 2020, plus 600 jobs.

Skilled trade occupations will lose the most jobs between 2006 and 2020, minus 1,300 jobs.

Working age people will account for a smaller proportion of the population in 2020 (51%) than in 2006 (56%).

The employment rate is projected to fall from 87% in 2006 to 85% in 2020.

b. WORCESTER

Worcester's economy will remain fairly stable between 2006 and 2020, losing just 400 jobs over this period.

Worcester is projected to need 8,000 additional jobs by 2020 to employ all those that want work. An increase from 6,000 in 2006.

The occupational structure of the labour market will change with lower skilled occupations contracting whilst higher skilled occupations will grow from 43% in 2006 to 47% in 2020.

Personal services occupations will gain the most jobs between 2006 and 2020, plus 1,800 jobs.

Skilled trade occupations will lose the most jobs between 2006 and 2020, minus 2,300 jobs. (Process plant and machine operators minus 1,500 jobs and elementary occupations minus 800 jobs).

Working age people will account for a smaller proportion of the population in 2020 (61%) than in 2006 (64%).

The employment rate is projected to fall from 81% in 2006 to 74% in 2020.

c. WYCHAVON

Wychavon's economy will contract between 2006 and 2020, losing 2,500 jobs over this period.

Wychavon is projected to need 7,100 additional jobs by 2020 to employ all those that want work. A fall from 8,400 in 2006. The occupational structure of the labour market will change with lower skilled occupations contracting whilst higher skilled occupations will grow from 38% in 2006 to 42% in 2020. Personal services occupations will gain the most jobs between 2006 and 2020, plus 1,300 jobs. Skilled trade occupations will lose the most jobs between 2006 and 2020, minus 2,500 jobs. Working age people will account for a smaller proportion of the population in 2020 (54%) than in 2006 (59%). The employment rate is projected to fall from 88% in 2006 to 86% in 2020.

4. Worcestershire Housing Market Assessment

The Worcestershire Strategic Housing Market Assessment (Feb 2012) contains jobs growth forecasts until 2031. These present a more mixed picture for the South Worcestershire authorities with Wychavon still showing a significant negative (-3.8%) position on the 2006 employment levels, Malvern recovering (+0.3%) and only Worcester experiencing strong growth (+6%).

A growth forecast

The various projections suggest that without positive public policy to encourage economic prosperity there will be negative or sluggish jobs growth up to 2020, but with the Housing Market Area Assessment showing a considerable upturn post 2020 for the rest of the plan period.

These projections do have assumptions about population and household growth that are wholly trend based, and are not always consistent with the population projections set out above.

They also indicate that skilled trades, some of which are currently located on employment land, will be replaced by personal service jobs. These new jobs will need different types of workspaces or no specific workspace at all.

While there is a high degree of uncertainty about the likely economic performance of the United Kingdom in the foreseeable future the South Worcestershire Development Plan must ensure there is no planning barrier to economic growth.

Therefore, to provide the flexibility to accommodate all conceivable levels of economic performance up to 2030, it is necessary to

allocate land on the basis of the most optimistic assumptions. Using the more negative projections up to 2020 would mean either worklessness greatly increased and/ or population moved out of South Worcestershire.

The longer-term view from the Strategic Housing Market Assessment, alongside the assumption that the job balance ratio (GVA Grimley Employment Land Review) for South Worcestershire resident population can be maintained, has therefore been used to calculate future needs – of 25,000 additional jobs by 2030

To estimate how much land might be needed to accommodate future employment needs involves a number of assumptions. These assumptions include:

- What types of jobs will need new buildings and land?
- How many new jobs will be accommodated in new development?
- What plot ratios will be achieved in new development?
- What will be the job densities in new employment work spaces?

It is generally accepted that less than 40% of jobs are located on industrial estates, office parks, or other land specifically allocated or protected for employment use. Some estimates put this figure as low as 30%. These figures conceal a very wide range however. While very few public service jobs will be located on industrial estates the vast majority of warehouse jobs will be. Office accommodation achieves the highest jobs densities but the majority of new office space should be directed to town centre locations which are generally not specifically allocated for employment.

Worcester according to GVA Grimley's Employment Land Review uniquely has a growing manufacturing sector, Malvern has a high technology cluster and within Wychavon there is demand for pack houses and other forms of warehousing to support the horticultural sector. It has therefore been assumed that development on allocated sites will be split 40% each for factories and warehouse and 20% offices.

Many jobs accommodated on new employment sites will be existing local jobs relocating from existing premises. An independent evaluation of Advantage West Midlands' Land and Property activity by SWQ suggested a net from gross figure of 0.52, i.e. only 52% of jobs were new jobs.

The plot ratio (floor area compared to site area) varies widely between developments. City centre sites may achieve plot ratios over 1 but some green field developments achieve plot ratios of less

than 0.4. The South Worcestershire Development Plan site allocations for employment are predominately green field sites and a cautious approach has been taken to assumed plot ratios.

The Homes and Communities Agency Employment Densities Guide second edition 2010 uses the following floor space density assumptions for the three main categories of employment floor space.

Office excluding data centres	10 sq m per employee
Industrial and light industrial	41.5 sq m per employee
Warehouse	75 sq m per employee

Bringing all this together suggests the following:

Assuming:

Public/planning policy is successful in returning economic prosperity levels to those that existed before 2008 there will be 25,000 more jobs in South Worcestershire by 2030.

That 40% of new jobs are accommodated on allocated employment sites = 10,000 jobs. The other 15,000 jobs will not require land specifically allocated for employment, i.e. retail and personal service jobs.

That only 52% of jobs accommodated in new development are new jobs = 19,230 jobs, i.e. 9,230 jobs accommodated on land allocated for new employment will be existing jobs relocating from other premises in South Worcestershire.

On the basis of the assumed development of 40% B2 and B8 and 20% B1 then 19,230 jobs using the homes and communities agency employment densities would require the following floor space.

B1 3,846 jobs at 10 sq m per employee =	38,460 sq m
B2 7,692 jobs at 41.5 sq m per employee =	319,218 sq m
B8 7,692 at 75 sq m per employee =	576,900 sq m
	Total 934,578 sq m

That plot ratios average 0.4 then 934,578 sq m or 93.46ha of floor space requires 149.5 hectares of land.

The South Worcestershire Development Plan is a prosperity led plan and the securing of 25,000 new jobs in South Worcestershire by 2030 is an ambitious target. To ensure every inward investor can be offered the right land at the right time will require the allocation of substantially more land for employment generating purposes than the minimum amount that could accommodate this number of jobs

APPENDIX THREE
An Analysis of Allocated Sites
(Site Allocations for Employment Generating Uses)

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APPENDIX SWDP22 (SWLP23)

CONTENTS

1. SWDP22 Preferred Options Policy Wording
2. Influences on the Policy
 - a. National Planning Policy Framework
 - b. Evidence Reports
 - c. Previous Consultations
 - i. SWJCS Issues and Options
 - ii. SWJCS Preferred Options
 - iii. South Worcestershire Site Allocations and Policies
 - d. SWDP Consultation Responses
 - e. Sustainability Appraisal
3. SWLP23 Submission Draft Policy Wording
4. Commentary on the Policy
5. How will the Policy Help Deliver the Development Strategy

DRAFT

SWDP 22 Rural Employment

Protection of Existing Employment Sites

To help promote rural regeneration across South Worcestershire, existing employment sites within the rural area will be safeguarded for employment generating uses during the plan period. Any proposals for a change of use to residential would need to demonstrate that the site has been actively marketed for employment purposes (for a period of 2 years) and that it is no longer viable as an employment site.

Promoting Employment Opportunities

Small scale proposals for employment purposes within or adjacent to Category 1, 2 and 3 settlements will generally be permitted, provided that they maintain the integrity of the associated settlement and accord with the following criteria:

- The proposed development is of a scale and form in keeping with the size and character of the settlement and its setting;
- The scale of development can be clearly related to the employment needs of the local economy and workforce;
- Proposals will not generate trips by Heavy Goods Vehicles using unsuitable rural roads; and
- Proposals that are located adjacent to the settlement's boundary should be closely related to the settlement; demonstrate that there are no other suitable sites available within the boundary and make use of previously developed land and buildings wherever possible.

Farm Diversification

Proposals to diversify farm businesses will be permitted in accordance with the following criteria:

- The proposed new use does not detract from or prejudice the existing agricultural operation or its future operation;
- The scale of activities associated with the proposed development is appropriate to the rural character of the area;
- Wherever possible existing buildings are used to reduce the need for new built development; and
- Open storage of goods, containers and equipment is kept to a minimum and is appropriately located to reduce impact on landscape character.

Re-use of Rural Buildings

Priority will be given to the re-use and conversion of rural buildings for employment, tourism or recreational purposes whenever appropriate. This should be undertaken in accordance with the following criteria:

- The scale and type(s) of use proposed is suitable for the building and its location;
- The building is of a permanent and substantial construction and capable of accommodating the proposed use without excessive rebuilding, extension or alteration;
- The form, bulk and general design of the building is in keeping with its surroundings;
- The proposals do not harm the character, appearance and landscape quality of the area or the setting of the building; and

- The scale and type of development does not generate traffic levels unacceptable to the location. Where the proposal is for a tourism or recreational purpose, the site should be reasonably accessible by a choice of transport modes.

Live/Work Units

The provision of rural based workspace and live/work units will be permitted providing the proposals are small scale and that they are appropriate to the character of the area. In all cases the preference will be for conversion of existing buildings. However, proposals for new development should be located in accordance with the settlement hierarchy as set out in SWDP 1 and should have reasonable access to services and facilities.

All proposals for employment related development within the rural areas will need to demonstrate that they have taken full account of the relevant criteria as set out in Policy SWDP3.

2. Influences on the Policy

a. National Planning Policy Framework

The National Planning Policy Framework at paragraph 28 states that planning policies should support economic growth in rural areas in order to create jobs and prosperity by taking a positive approach to sustainable new development and local plans should:

- Support the sustainable growth and expansion of all types of business and enterprise in rural areas, both through conversion of existing buildings and well designed new buildings.
- Promote the development and diversification of agricultural and other land-based rural businesses.
- Support sustainable rural tourism and leisure developments that benefit businesses in rural areas.

b. Evidence Reports

The GVA Grimley Employment Land Review (February 2008) concluded that 'smaller live/work, micro units and incubator units should be provided in rural areas to help support indigenous growth in the region. The high quality of life will continue to attract professionals to South Worcestershire, some of whom will require live/work opportunities.

The Roger Tym & Partners Employment Land Review (March 2011) found that:

- 'The rural market is small and takeup driven by almost bespoke individual property requirements.'
- 'provision of new rural space of the type our consultations tell us is in demand is challenging.'

- The Councils need to 'encourage provision as part of larger rural development schemes.' 'It is realistic to ask developers to consider providing space for light employment uses as part of their scheme; even if this means that the total amount of land developed is slightly larger'.
- 'As part of a permissive development management approach small scale employment uses should be encouraged as a priority when considering a change of use. This should already be the case for former agricultural buildings but may also be appropriate when considering other former uses.
- Planners should ensure rural employment related development is commercially viable before promoting or approving particular developments.
- The plan should make favourable policy provision to allow the expansion of existing rural businesses even if such expansion breaches settlement boundaries.
- 'the greatest risk to the rural economy is not necessarily the supply of employment sites' but the 'changing demographics and declining average household' size.

c. Previous Consultations

i. SWJCS Issues & Options November 2007

Responses to this consultation strongly supported all the suggested options for strengthening the rural economy with the largest number of responses disagreeing with the option for more flexible policies in the Rural Regeneration Zone (16.3%). Significant responses included:

- Development in rural areas should enhance the character of the countryside.
- Planning policy should support the extension of broadband services to the rural areas.
- Planning policy should support farmers core businesses.

ii. SWJCS Preferred Options September/October 2008

iii South Worcestershire Site Allocations and Policies Plan Evidence Gathering September 2009 – May 2010

This consultation asked how should planning policy protect and promote rural employment sites? Responses to this issue were diverse with no obvious consensus about an appropriate policy response. While some responses consider the provision of rural based employment opportunities was very important to reduce commuting, provide local opportunities for young people

and to support the traditional rural economy others considered there was no need for additional commercial floor space in rural areas as there was already plenty of vacant premises and it was unlikely that new jobs would be taken by local people. Some responses suggested too many commercial premises/sites were being converted to residential while some responses suggested a flexible policy approach was required to allow more existing employment sites to be redeveloped for housing.

d. South Worcestershire Development Plan Preferred Options Consultation Responses

e. Sustainability Appraisal

The Sustainability Appraisal of the South Worcestershire Joint Core Strategy Issues and Options considered that; encouraging the development of small business premises and live/work units, supporting farm diversification proposals and supporting the small scale/appropriate expansion of rural businesses would be the most sustainable options to strengthen the rural economy. These options would have a positive benefit for Sustainability Appraisal objectives relating to community, economy, employment and health. The option of encouraging people to work from home could contribute to achieving sustainable development but depending on a range of factors and large scale home working can have negative impacts on social and economic objectives. The options to promote new tourism and leisure developments and to encourage the development of environmental technologies, e.g. forestry for the production of wood chips for energy have uncertain consequences for the achievement of sustainable development objectives, e.g. some tourism attractions may harm rural environments and communities.

The Sustainability Appraisal of the South Worcestershire Joint Core Strategy Preferred Options concluded that proposed policy CS17 'Employment Protection and Generation' which include a section about new employment generating development in rural areas would: progress Sustainability Appraisal objectives for the economy, employment and the community and have a neutral impact on other Sustainability Appraisal objectives providing development was in accordance with the Joint Core Strategy policies that apply sustainable development principals.

The Sustainability Appraisal of the South Worcestershire Development Plan concluded that policy SWDP22 Rural Employment would be likely to have positive cumulative effects in the longer term for employment and economy objectives, through the policy's support for the diversification of rural economy and the development of tourism and other enterprises. The Sustainability

Appraisal considered that: support for economic growth in rural areas is a key element of ensuring positive progress overall for the community objectives; the policy may have indirect positive effects for health objectives by ensuring there is local access to employment opportunities.

3. SWLP23 Submission Draft Policy Wording

SWLP23 Rural Employment

1. Protection of Existing Employment Sites

To help promote rural regeneration across South Worcestershire, existing employment sites in B1, B2 and B8 uses, and tourism and recreation related uses within the rural area will be safeguarded for employment generating uses during the plan period. Any proposals for a change of use to residential will need to demonstrate that the site has been actively marketed for employment, tourism or recreation uses (for a period of 2 years) and that it is no longer viable as an employment site.

2. Expansion of Existing Employment Sites

- a) The expansion of existing rural employment sites will be supported where issues of traffic generation, landscape character and design can be satisfied in relation to other policies in the plan, in particular SWDP 3,, and it has been demonstrated that intensification of the existing site is not viable or practical.

3. Promoting New Employment Opportunities

Small scale proposals for new employment purposes within or adjacent to Category 1, 2 and 3 settlements will generally be permitted, provided that they maintain the integrity of the associated settlement and accord with the following criteria:

- a) The proposed development is of a scale and form in keeping with the size and character of the settlement and its setting;
- b) The scale of development can be clearly related to the employment needs of the local economy and workforce;
- c) Proposals should be closely related to the settlement; demonstrate that there are no other suitable sites available within the boundary and make use of previously developed land and buildings wherever possible.

4. Farm Diversification

Proposals to diversify farm businesses for employment, tourism and recreation uses will be permitted providing:

- a) The proposed new use does not detract from or prejudice the existing agricultural operation or its future operation;
- b) The scale of activities associated with the proposed development is appropriate to the rural character of the area;
- c) Wherever possible existing buildings are used to reduce the need for new built development; and
- d) Open storage of goods, containers and equipment is kept to a minimum and is appropriately located to reduce impact on landscape character.
- e) Residential uses will not be considered unless a full marketing exercise has shown that employment, tourism and recreation uses are unviable.

5. Re-use of Rural Buildings

Priority will be given to the re-use and conversion of rural buildings for employment, tourism or recreation purposes whenever appropriate. This should be undertaken in accordance with the following criteria:

- a) The scale and type(s) of use proposed is suitable for the building and its location;
- b) The building is of a permanent and substantial construction and capable of accommodating the proposed use without excessive rebuilding, extension or alteration;
- c) The form, bulk and general design of the building is in keeping with its surroundings;
- d) The proposals can satisfy traffic generation, landscape and design issues as outlined in other policies in the plan.

6. Live/Work Units

The provision of rural based workspace and live/work units will be permitted providing the proposals are small scale and that they are appropriate to the character of the area. In all cases the preference will be for conversion of existing buildings. New build development should be located in accordance with the settlement hierarchy as set out in SWDP 1 and should have reasonable access to services and facilities.

The definition of "Live /Work units is contained in the glossary

All proposals for employment related development within the rural areas will need to demonstrate that they have taken full account of the relevant criteria as set out in Policy SWDP3.

Details of what would be expected of a marketing exercise, to satisfy criteria 1, and 4e) is contained in Appendix xx.

4. Commentary

The first section of this policy protects employment premises capable of continued commercial use from conversion to higher value residential uses. The second section establishes sustainable development criteria against which proposals for new commercial premises in rural locations can be objectively assessed.

The third section promotes sustainable farm diversification projects in accordance with paragraph 28 of the National Planning Policy Framework. The fourth section promotes the reuse of existing rural buildings with an emphasis on uses that will help support rural economic prosperity.

The fifth section promotes live work premises in accordance with paragraph 21 of the National Planning Policy Framework.

The final paragraph provides a link between this policy and sustainable development criteria provided in policy SWDP3.

5. How will this policy help to achieve the development strategy?

Policy SWDP22 supports the delivery of the following elements of the development strategy:

- Ensuring there is a balanced portfolio of employment sites and job creating opportunities by retaining existing commercial premises and encouraging the re-use of redundant or under used rural buildings.
- Focusing development at settlements where maximum use can be made of existing infrastructure by ensuring development is focused on category 1, 2 and 3 villages.
- Development will always be commensurate with and appropriate to the host settlement by establishing sustainable development criteria against which development proposals can be assessed.
- The open countryside will be protected by ensuring development is meeting local needs and making the best use of existing buildings.

APPENDIX SWDP27 (SWLP29)

CONTENTS

6. SWDP27 Preferred Options Policy Wording
7. Influences on the Policy
 - a. National Planning Policy Framework
 - b. Evidence Reports
 - c. Previous Consultations
 - i. SWJCS Issues and Options
 - ii. SWJCS Preferred Options
 - iii. South Worcestershire Site Allocations and Policies
 - d. SWDP Consultation Responses
 - e. Sustainability Appraisal
8. SWLP29 Submission Draft Policy Wording
9. Commentary on the Policy
10. How will the Policy Help Deliver the Development Strategy

DRAFT

SWDP27 Providing the Right Land and Buildings for Jobs

Full account shall be taken of the economic implications of a planning proposal, including the wider implications to the regional and local economy, alongside social and environmental aspects in so far as they are material considerations in the determination of the planning application to which they relate.

Where the economic implications of a proposal are significant, substantial weight shall be afforded to them in the determination of that planning application.

The majority of new employment provision (land and commercial premises) will be allocated within or adjacent to the main urban areas, including the proposed urban extensions, in order to provide opportunities to reduce commuting distances and to ensure work places are accessible by a range of travel modes. Land will be allocated for employment generating uses, principally for Class B Uses. However, proposals which clearly demonstrate the potential for job creation and investment will be welcomed. Such uses should not undermine or constrain the main purpose of the employment allocation. Proposals for retail and leisure uses on allocated employment sites will be resisted, principally in order to safeguard the viability and vitality of the town centres, unless they are directly related in scale and use to the primary employment focus of the site.

Worcester Technology Park (Phase II, as shown on the Proposals Map) will maximise the potential job generation provided by Phase 1 (potentially to be occupied by Worcester Bosch). Phase II will be limited to Use Classes B1 and B2 only.

To support the aims of the Worcestershire A38 High Technology Corridor land at Malvern Hills Science Park and QinetiQ (as shown on the Proposals Map) will only be released for new B1(b) use class floor space. This is to ensure the provision of additional incubator and research facilities within acceptably close proximity to the established research and development facilities already concentrated at Malvern and maintain capacity within South Worcestershire for future research based employment.

Major office developments will be directed to Worcester City Centre in the first instance, and then locations within the town centres of Malvern, Evesham and Droitwich Spa subject to the requirement of Policy SWDP 1 that development should be appropriate to the needs of the specific settlement.

Sites to deliver economic prosperity and meet the anticipated new employment land requirements, B1, B2 and B8 uses, are identified in Policies SWDP 6-20 inclusive. Phasing of these sites is included in SWDP 50 Implementation, Phasing and Monitoring Plan.

In addition to the sites allocated specifically for new employment uses the provision of employment land and existing buildings to support job creation in

other parts of South Worcestershire and especially in the most rural parts of the area will be supported providing:

The development supports an existing business or new enterprise of a scale appropriate to the setting and host community; and

The development will not undermine the Sustainable Development Principles set out in Policy SWDP3.

Existing businesses including those in vulnerable sectors will be supported by only considering alternative uses for existing employment land and buildings when all of the following criteria can be met:

1. The continued use of the buildings, or their redevelopment for an employment use, is not viable (in physical, operational and commercial terms) and this is supported by robust evidence. As a minimum this evidence would include:

- Details of the realistic and appropriate marketing of the premises, leasehold and freehold for at least two years;
- A financial appraisal that demonstrates that redevelopment for any employment use is unviable and will remain unviable for at least five years;
- The premises have been identified by an up to date Employment Land Review as unsuitable for continued employment use;

2. The proposed alternative use would deliver a clear community benefit;

3. The proposed use would be compatible with adjacent land uses and not prejudice the amenity, viability or future development of other businesses.

2. Influences on the Policy

a. National Planning Policy Framework

In drawing up Local Plans, local planning authorities should:

- Set out a clear economic vision and strategy for their area.
- Set criteria, or identify strategic sites, for local and inward investment to match the strategy and meet anticipated needs over the plan period.
- Support existing business sectors Policies should be flexible enough to accommodate needs not anticipated in the plan (para 21).
- Planning policies should avoid the long term protection of sites allocated for employment use (para 22).

b. Evidence Reports

The GVA Employment Land Review (February 2008) found that:

- Para 5.20 'It is important for South Worcestershire to safeguard manufacturing land and premises to meet the needs of existing key manufacturing business in the area'.
- Assumption of existing supply para 5.43 is 127ha. Malvern Hills 18.8ha, Worcester 51.2ha and Wychavon 57ha.
- Projected demand para 8.1. Total demand 2001 to 2026 = 159.22 ha or 6.37ha per year Residual demand (i.e. demand after completions) 2001

to 2026 = 105.3ha plus 4 years from 2026 to 2030 (4 x 6.37ha) = 130.78ha (This is the lowest level of provision for B use class provision in any of the evidence

- Para 8.3 demand with flexibility = 142.15ha plus 4 additional years = 170.58ha.

The Roger Tym Employment Land Review (March 2011)

Started from the Regional Spatial Strategy Panel Report requirement for **244ha** of additional employment land from **2006 to 2026** (para 6.3)

Para 6.7 'We would suggest the authorities guard against any shortfall by both protecting the existing committed supply of readily available sites and by encouraging the early provision of the employment land elements of the urban extensions.'

Para 6.9 'there is a risk that if the larger urban extension sites are not made available until late in the plan period then there may be a shortfall of employment land in the middle of the plan period.'

c. Previous Consultations

i. SWJCS Issues & Options November 2007

Local resident's responses to the Joint Core Strategy Issues and Options report favoured:

- Working with important employers to ensure they remain in South Worcestershire.
- Providing support for start up and small businesses.
- Protecting existing employment sites by requiring full justification of their un-viability for future employment use before agreeing to alternative uses.

The West Midlands Regional Assembly considered the provision of employment land should take account of Regional Spatial Strategy policies PA6 and PA6A. They also consider that any policy that seeks to protect all existing employment uses from redevelopment for alternative uses would be contrary to regional planning policy PA6B.

Advantage West Midlands requested that consideration be given to the allocation of a Regional Investment Site to meet future employment needs and consider that the lack of office space in Worcester is adversely affecting growth.

The Highways Agency wished to protect the function of the strategic highway network from any possible adverse effects that may result from the location of new employment provision.

Worcestershire County Council favoured an approach that required developers to prove that existing employment sites were no longer viable.

ii. SWJCS Preferred Options September/October 2008

Responses to the Preferred Options included the following:

- The West Midlands Regional Assembly considered there was no justification for a Regional Investment Site in South Worcestershire.
- The Highways Agency wishes to protect the function of the strategic highway network from any possible adverse effects that may result from the location of new employment provision.
- Natural England suggested that the policy should require commercial developments to provide green infrastructure designed to meet the priorities of the Worcestershire Biodiversity Action Plan.
- Some of the main urban areas, such as Worcester, provide a broad range of local employment opportunities to residents. There are high commuting levels in other areas. It is therefore important that the location of additional employment land encourages short distance commuting, particularly on foot and by bike.
- The term 'strategically important employment site' should be better defined and Hartlebury Trading Estate should be recognised as falling within this definition.
- Good access is an important consideration for investors in commercial property.
- Development should be encouraged and permitted in the rural parts of South Worcestershire. Others responded that allowing commercial development in rural locations will cause traffic and other problems.
- The elements of the policy intended to protect existing employment sites from redevelopment for alternative land uses are too prescriptive (strong). The requirement for sites to be identified in an up to date Employment Land Review as unsuitable for continued employment use was particularly thought un-necessary.

iii South Worcestershire Site Allocations and Policies Plan Evidence Gathering September 2009 – May 2010

The policy content of SWDP27 was a core/strategic policy issue in the South Worcestershire Joint Core Strategy and therefore did not form part of the proposed South Worcestershire Site Allocations and Policies Development Plan Document.

d. South Worcestershire Development Plan Preferred Options Consultation Responses

The response to the South Worcestershire Development Plan Preferred Options from the Worcestershire Local Enterprise Partnership included the following:

- Welcome the South Worcestershire approach to plan making and the implied strategic approach that development at Worcester supports the economies of all three South Worcestershire districts.
- Welcome the focus on economic prosperity and infrastructure.

- Supports the settlement and development hierarchy. Each of the main towns needs to develop their specific economic strengths and provide local job opportunities,
- Rural regeneration needs; better broad band, a cohesive policy on transportation and support for rural services and housing.
- SWDP27 needs to be sufficiently flexible to accommodate employment opportunities not identified in the plan and prevent the loss of employment land to housing. 'The evidence from local businesses is that there has not been sufficient employment land in the past, which has stifled inward investment and inflated land prices.' The Local Enterprise Partnership 'suggests that there may be a requirement for further land to be brought forward, given there are often other reasons (not necessarily planning related) why land cannot be made available to the market.
- Supports proposals to support a Worcester City Centre office market, sites for this exist beyond the historic core.
- More high quality hotel provision is needed.
- The plan should promote the role of the University of Worcester and the College of Technology and maximise the economic and social benefits of these institutions.
- The plan should acknowledge the significance of the Police Headquarters whilst taking account of its Green Belt location.
- Land at Throckmorton could play an important employment role in the period to 2030.

Responses from Business Consultation Events.

- There are significant problems for SMEs in the B8 and B2 use classes finding suitably sized premises in South Worcestershire. If you want medium sized businesses to consider relocating into South Worcestershire you need to provide more ready to move into premises.
- Shrub Hill needs to be the focus for regeneration in your plans.
- The Council's seem to be putting too much emphasis on B1 offices, this will lead to an over dependence on some sectors.
- Most demand for new offices is the result of churn, Worcester cannot compete with Birmingham for office users.
- Worcester is seen as a lifestyle location.
- Worcester is not attractive to major warehouse operators they want direct access to the M6/M1.

Businesses where looking for new premises because:

- Current premises were too small and there was no room to expand.
- Information technology infrastructure was inadequate, broad band or mobile phone signal.
- Current premises lack adequate parking (most popular reason)
- Current premises are run down or industrial estate is run down.

- Access is a problem; narrow roads, congestion, need to be in the City Centre.
- Do not own current premises and cannot buy the freehold.

e. Sustainability Appraisal

The Sustainability Appraisal of the South Worcestershire Joint Core Strategy Issues and Options considered that:

- No option for the location of new employment sites was considered to promote sustainability objectives without mitigation. Employment led development close to the existing main urban areas and new housing areas was however the mostly likely to achieve a sustainable outcome with mitigation, i.e. with the implementation of infrastructure improvements.
- As broad a range of measures that help diversify the South Worcestershire economy as possible was favoured.
- The achievement of sustainability goals favours the protection of existing employment land from change to alternative land uses.

The Sustainability Appraisal of the South Worcestershire Joint Core Strategy Preferred Options concluded that policy CS17 'Employment Protection and Generation' concluded that the policy progressed the Sustainability Appraisal objectives for the economy, employment and the community effectively.

The Sustainability Appraisal of the South Worcestershire Development Plan concluded that policy SWDP27 'Providing the Right Land and Buildings for Jobs' would:

- Deliver direct positive effects for the economy and employment Sustainability Appraisal objectives.
- Have no negative effects on the achievement of Sustainability Appraisal objectives.
- Be likely to achieve positive effects for community, health and infrastructure Sustainability Appraisal objectives.

3. SWDP27 Submission Draft Policy Wording

SWDP 27 Providing the Right Land and Buildings for Jobs

The majority of new employment provision (land and commercial premises) will be allocated within or adjacent to the main urban areas, including the proposed urban extensions, in order to provide opportunities to reduce commuting distances and to ensure work places are accessible by a range of travel modes. Land will be allocated for employment generating uses, principally for Class B Uses. However, proposals which clearly demonstrate the potential for job creation and investment will be welcomed. Such uses should

not undermine or constrain the main purpose of the employment allocation. Proposals for retail and leisure uses on allocated employment sites will be supported providing they are related in scale and use to the primary employment focus of the site.

Worcester Technology Park (Phase II, as shown on the Proposals Map) will maximise the potential job generation provided by Phase 1 (potentially to be occupied by Worcester Bosch). Phase II will be limited to Use Classes B1 and B2 only.

To support the aims of the Worcestershire Economic Strategy land at Malvern Hills Science Park and QinetiQ (as shown on the Proposals Map) will only be released for new B1(b) use class floor space. This is to ensure the provision of additional incubator and research facilities within acceptably close proximity to the established research and development facilities already concentrated at Malvern and maintain capacity within South Worcestershire for future research based employment.

Major office developments will be directed to Worcester City Centre in the first instance, and then locations within the town centres of Malvern, Evesham and Droitwich Spa subject to the requirement of Policy SWDP 1 that development should be appropriate to the needs of the specific settlement.

Sites to deliver economic prosperity and meet the anticipated new employment land requirements for, B1, B2 and B8 uses, are identified in Policies SWDP 6-20 inclusive. Phasing of these sites is included in SWDP 50 Implementation, Phasing and Monitoring Plan.

In addition to the sites allocated specifically for new employment uses the provision of employment land and conversion of existing buildings to support job creation in other parts of South Worcestershire and especially in the most rural parts of the area will be supported providing:

The development supports an existing business or new enterprise of a scale appropriate to the setting and host community; and

The development will not undermine the Sustainable Development Principles set out in Policy SWDP3. Policy SWDP22 provides additional guidance for employment uses in rural areas.

Existing businesses including those in vulnerable sectors will be supported by only considering alternative uses for existing employment land and buildings when:

1. The continued use of the buildings, or their redevelopment for an employment use, is not viable (in physical, operational or commercial terms) and this is supported by robust evidence. As a minimum this evidence would include:

- a. Details of the realistic and appropriate marketing of the premises, leasehold and freehold for at least two years⁽¹⁾;

- b. A financial appraisal that demonstrates that redevelopment for any employment use is unviable and will remain unviable for at least five years;
2. The proposed alternative use would deliver a clear community benefit;
3. The proposed use would be compatible with adjacent land uses and not prejudice the amenity, viability or future development of other businesses.

Some Sui Generis uses such as builder's merchants, car show rooms and waste or recycling facilities will be considered on their merits and will generally be supported on existing employment sites or on allocated employment sites not identified for a particular use or class of uses.

The South Worcestershire Council's consider that the provision of work live units can help support small and start up businesses as well as provide sustainability benefits particularly in the more rural parts of South Worcestershire. Work live units may be a suitable use for redundant rural buildings and afford opportunities for farm diversification subject to compliance with other South Worcestershire Development Plan policies particularly SWDPXX.

Proposals for work live accommodation will therefore be supported providing:

1. The residential use is clearly ancillary with floor space split at least 60% employment and no more than 40% residential.
2. The residential accommodation is one or two bedroomed.
3. The residential and work spaces are entirely separate with separate entrances and toilet facilities.
4. Affordable housing in accordance with SWDP?? is included within the development.
5. All units have access to super fast broadband or equivalent infrastructure.
6. Proposals for 10 or more work live units should include provision for shared business services, i.e. meeting rooms and basic office services.
7. Direct access can be provided from the development onto the primary road network (A or B classified road).
8. No in curtilage parking is provided with all parking provided on a shared basis and in accordance with an agreed scheme supported by the Highway Authority.
9. The proposed use does not involve the sale of goods to visiting members of the public or fall within the A3, A4, A5, B2, C1, or C2 use classes. The approved use will be controlled by planning condition and owners will be required to enter into a legal obligation (section 106 agreement) controlling the use of the premises and other relevant matters such as the number of non resident employees who can work at the premises.
10. The completed development will not benefit from any permitted development rights for change of use of all or part of the premises or for residential extensions.

1. Further details of what will be expected during the marketing period are set out at Appendix XX.

4. Commentary

The first two paragraphs of the preferred options policy restate national planning policy and guidance and are not strictly necessary in a Development Plan Document. These paragraphs have therefore been deleted from the proposed submission draft policy.

The first paragraph establishes where the majority of commercial development will be encouraged and the primary uses that will be sought on allocated sites while also retaining some flexibility as required by national planning policy. This part of the policy is supported by the Sustainability Appraisal, two employment land reviews, the Community Strategy and the Economic Strategy.

The second, third and fourth paragraphs establish a limited number of site specific restrictions on the type of development that will be permitted. This is to ensure that the maximum economic growth potential of two significant South Worcestershire employers is not limited by other development and that B1 office development is located in the most accessible locations and supports a range of town centre services.

The fifth paragraph ensures appropriate commercial premises in rural locations will be supported and that these are not limited to specific site allocations.

The Sixth paragraph seeks to ensure marginal businesses have access to wide range of premises at rents which they can afford as well as helping to retain a mix of uses that offer local employment opportunities and therefore avoiding the need to travel/commute for work.

A new seventh paragraph has been added to the policy to provide some certainty that sui generis uses that can be best accommodated on industrial estates will be supported.

A new final section has been added to the policy to encourage the provision of work live units as required by paragraph 21 of the National Planning Policy Framework.

5. How will this policy help to achieve the development strategy?

Policy SWDP27 supports the delivery of the following elements of the development strategy:

- Ensuring there is a balanced portfolio of employment sites etc. By providing protection for employment land and premises capable of

continued use the policy will help to ensure a balanced portfolio of commercial premises is available to support job creation and retention in South Worcestershire.

- The re-use of existing premises also helps to ensure development occurs in locations that are accessible by public transport and other sustainable modes.
- This policy supports windfall development in rural locations that is appropriate to the scale of the host community. This is a reinforcement of the development strategy requirement that a developments scale respects the characteristics of the host settlement and that development is limited to that necessary to meet local needs.

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APPENDIX SWDP28 (SWLP30)

CONTENTS

11. SWDP28 Preferred Options Policy Wording
12. Influences on the Policy
 - a. National Planning Policy Framework
 - b. Evidence Reports
 - c. Previous Consultations
 - i. SWJCS Issues and Options
 - ii. SWJCS Preferred Options
 - iii. South Worcestershire Site Allocations and Policies
 - d. SWDP Consultation Responses
 - e. Sustainability Appraisal
13. SWLP30 Submission Draft Policy Wording
14. Commentary on the Policy
15. How will the Policy Help Deliver the Development Strategy

SWDP28 Creating and Sustaining Vibrant Centres

New retail, leisure and tourism development that contributes to the vision for South Worcestershire as a high quality sustainable network of urban and rural settlements will be promoted and supported. Retail and other town centre development will be of a scale appropriate to the location and not compromise the Retail Hierarchy (set out in SWDP1). Proposals should respect the character and environment of the centre, including any special architectural or historic interest.

Measures to secure the vitality and viability of existing town centres as defined on the Proposals Map. The Centres are Worcester, Droitwich Spa, Evesham, Malvern, Pershore, Tenbury and Upton upon Severn and will be set out in Supplementary Planning Documents. These measures will include environmental enhancements and activities that seek to improve the visitor experience.

Hotel developments that enhance the visitor experience and demonstrate that they will support an increase in average visitor length of stay and / or average visitor spend will be supported.

Proposals for retail or leisure facilities will need to demonstrate that they are:

- Meeting an identified need, including the needs of disadvantaged rural and urban communities and of the growing population of South Worcestershire;
- Not detrimental to the settlement/retail hierarchy as set out in Policy SWDP1;
- Increasing the quality and range of shopping available in the centres, as well as contributing to a comfortable, safe, attractive and accessible environment;

Making full use of the premises avoiding vacant floors over shops and providing a separate entrance for office or residential use of upper floors.

2. Influences on the Policy

a. National Planning Policy Framework

Paragraph 23 of the National Planning Policy Framework states that planning policies should promote competitive town centre environments and local plans should:

- Pursue policies to support their viability and vitality.
- Define a network and hierarchy of centres.
- Define the extent of town centres, define primary and secondary frontages and make clear which uses will be permitted in such locations.
- Allocate a range of suitable sites to meet the scale and type of town centre uses anticipated in full, if necessary by expanding town centres.
- Allocate appropriate edge of centre sites for main town centre uses.

- Set policies for the consideration of proposals for main town centre uses which cannot be accommodated in or adjacent to town centres.
- Set out policies to encourage residential development on appropriate town centre sites.

b. Evidence Reports

The DPDS Retail Study Update December 2010 concluded that only Worcester (9,837m² comparison goods) and Malvern (3,639m² comparison goods) would have any significant need for additional retail floor space before 2026. This is based on existing centres maintaining their current market shares and 'Experian' retail expenditure forecasts in August 2010.

The Humberts Leisure Hotel Study August 2009 concluded that up to 400 additional budget/branded hotel rooms are required across South Worcestershire by 2026. Worcester could support at least one boutique hotel in addition to this and there may be opportunities for destination hotels based on historic spas or other unique selling features.

c. Previous Consultations

i. SWJCS Issues & Options November 2007

Consultation responses favoured; safeguarding rural shops, controlling proposals for out of town retail centres and promoting local shops on large residential and employment developments as the best ways to develop retail provision in South Worcestershire. Directing major retail development to Worcester City Centre was the least favoured option to develop retail provision in South Worcestershire.

The most popular options for developing South Worcestershire's city and town centres were; promoting these locations as tourism and leisure destinations, protecting and enhancing leisure, office, education and retail uses and by promoting residential uses e.g. accommodation above shops and offices. Promoting new office developments was the least popular option for development of South Worcestershire city and town centres.

Consultation responses favoured; encouraging more independent stores and outlets; improving access by public transport, improving public spaces, e.g. more vehicle free areas and retail led regeneration and enhancement schemes as ways of improving the quality of South Worcestershire's town centres. Encouraging more national High Street retailers by providing larger shop units was the a very unpopular option for improving the quality of town centres.

ii. SWJCS Preferred Options September/October 2008

Typical Responses to the South Worcestershire Joint Core Strategy Preferred Options consultation from South Worcestershire residents included:

- There should be stronger support for non-chain retailers;
- Shopping needs should be satisfied close to residents homes and workplaces;
- To compete centres need to extend opening hours into the evening;
- Edge of town shopping should be discouraged;
- Too many superstores there should be greater shopping choice;
- Protect local shopping centres;
- Better access and parking is important;
- Need to boost the retail offer for visitors and tourists;
- Should be open to alternative uses for retail premises in unviable locations; and,
- Village shops are a vital part of communities and they should be protected while allowing them to diversify and grow organically

iii South Worcestershire Site Allocations and Policies Plan Evidence Gathering September 2009 – May 2010

Responses to this consultation included shopping and other town centre facilities could be protected and promoted by:

- Limiting opportunities for more out of town supermarkets.
- Locating new shops close to homes.
- Providing more and cheaper parking.
- Filling void units, improving street cleaning, careful regulation of change of use, control of adverts and alterations to shop fronts.

d. South Worcestershire Development Plan Preferred Options Consultation Responses

Significant responses to the South Worcestershire Development Plan Preferred Options consultation included:

- Out of town retail parks should be recognised in the retail hierarchy and as retail centres.
- The boundary of the Worcester central shopping area should be extended to the east of the city centre to include recent and proposed developments.
- All references to demonstrating the need for new retail floor space should be removed from the policy.
- Requirements that retail development should enhance access, improve the public realm etc should be removed from the policy.
- The policy show favour small and locally owned businesses.
- The policy should include policy for the control of development associated with the evening/night time economy.

e. Sustainability Appraisal

The Sustainability Appraisal of the South Worcestershire Joint Core Strategy Issues and Options considered that: The Sustainability Appraisal considered that directing major retail development to Worcester or Worcester and the main towns was the least sustainable option, however a combination of all the options was considered to provide long term gains for economic and community Sustainability Appraisal objectives.

The Sustainability Appraisal of the South Worcestershire Joint Core Strategy Preferred Options concluded that policy CS18 'Shopping and Leisure' supported the Sustainability Appraisal goals for a vibrant regional centre surrounded by local settlements capable of providing the range of goods and services to meet local needs. The implementation of sustainable transport options was considered key to ensuring new retail development does not contribute to a growth in emissions and reduced air quality.

The Sustainability Appraisal of the South Worcestershire Development Plan Preferred Options concluded that policy SWDP28 'Creating and Sustaining Vibrant Centres' would: Have positive effects for the economy, employment, communities and infrastructure Sustainability Appraisal objectives and would have no negative sustainability effects.

3. SWLP30 Submission Draft Policy Wording

New retail, leisure and tourism development that contributes to the vision for South Worcestershire as a high quality sustainable network of urban and rural settlements will be promoted and supported. Retail and other town centre development will be of a scale appropriate to the location and not compromise the Retail and settlement Hierarchy (set out in SWDP1). Proposals should respect the character and environment of the centre, including any special historic, architectural or archaeological interest.

Measures to secure the vitality and viability of existing town centres as defined on the Proposals Map (the Centres are Worcester, Droitwich Spa, Evesham, Malvern, Pershore, Tenbury Wells and Upton upon Severn) will be set out in Supplementary Planning Documents, Neighbourhood Plans (Town Plans) and Local Development Orders. These measures will include environmental enhancements and activities that seek to improve the visitor experience.

Hotel developments that enhance the visitor experience and demonstrate that they will support an increase in average visitor length of stay and / or average visitor spend will be supported.

Proposals for retail or leisure facilities will need to demonstrate that they are:

- Meeting an identified need, including the needs of disadvantaged rural and urban communities and of the growing population of South Worcestershire;
- Not detrimental to the settlement/retail hierarchy as set out in Policy SWDP1;
- Increasing the quality and range of shopping available in the centres, as well as contributing to a comfortable, safe, attractive and accessible environment;
- Making full use of the premises avoiding vacant floors over shops and providing a separate entrance for office or residential use of upper floors.

Proposals that work to promote a stronger evening and night-time economy that is safe, balanced and socially responsible will be supported. Development that will either individually or cumulatively create an unacceptable impact on neighbouring uses or is likely to increase evening or night time disturbance will not be permitted.

4. Commentary

This policy seeks to ensure the existing city and town centres within South Worcestershire maintain their variety and vitality until 2030 and beyond. Further planning guidance will be provided in town centre Supplementary Planning Documents and Development Briefs. The policy establishes criteria against which to assess development proposals these compliment the national policy requirement for an impact assessment and reflect the local circumstances in South Worcestershire including the evidence from the South Worcestershire Retail Study. The low levels of growth predicted in the Retail Study together with the uncertain economic future and predictions about the future of retailing mean that is prudent to require a needs assessment so that the impact of development on existing centres is fully examined. An additional paragraph has been added to the end of the policy to ensure developments that enhance the evening economy do not generate anti social behaviour or public disorder.

5. How will this policy help to achieve the development strategy?

By ensuring that there is an unmet need that development will address and by focusing development on existing centres this policy will support the existing settlement hierarchy. The requirement to ensure development does not undermine existing centres will help to ensure developments are of an appropriate scale for the proposed location. By focusing development on existing centres the policy supports public transport services and ensures development can be assessed by a range of transport modes. Encouraging development in existing centres where infrastructure networks are already well developed means infrastructure requirements are more likely to be affordable within overall development costs.

APPENDIX SWDP29 (SWLP31)

CONTENTS

16. SWDP29 Preferred Options Policy Wording
17. Influences on the Policy
 - a. National Planning Policy Framework
 - b. Evidence Reports
 - c. Previous Consultations
 - i. SWJCS Issues and Options
 - ii. SWJCS Preferred Options
 - iii. South Worcestershire Site Allocations and Policies
 - d. SWDP Consultation Responses
 - e. Sustainability Appraisal
18. SWLP31 Submission Draft Policy Wording
19. Commentary on the Policy
20. How will the Policy Help Deliver the Development Strategy

SWDP29 Protection and Promotion of Shopping Choice

Retail development that is appropriate in scale, helps to retain an existing centre's market share and enhances the shopping experience will be supported. Retail development that undermines the vitality/viability of a centre or compromises the retail hierarchy will not be supported. Any retail development proposal over 1,000 square metres located outside the defined town centres must be accompanied by an Impact Assessment.

Planning permission for retail development outside of the centres as shown on the Proposals Map will not be granted unless the applicant has demonstrated that:

- the scale of development is appropriate to the location and host community;
- the development would not adversely affect the vitality and viability of a centre;
- access by all travel modes and particularly bus, cycle and walking is convenient/safe and will be improved;
- the development provides other benefits that include regeneration, employment and social inclusion; and
- the development enhances the cultural heritage of the proposed location.

Within the Primary Shopping Frontages, as shown on the Proposals Map change of use from retail (use class A1) or the extension of existing non A1 uses into adjoining premises at ground floor level will not be permitted.

Within the Secondary Shopping Frontages as shown on the Proposals Map change of use from retail (use class A1) to non-retail uses in classes A2, A3, A4, A5, D1, D2 will normally be permitted provided:

- the proposed use will not result in a continuous frontage of two or more non A1 retail units. (Units are defined as a shop front width of about 6 metres; larger units will be assessed in terms of unit length);
- a minimum of 50% of units in each defined Secondary Shopping Frontage are retained in A1 retail use⁽¹⁾;
- the proposed use will not result in the proportion of units, in the street or part of the street defined as a secondary shopping frontage, in A3, A4 and A5 use to exceed 30%
- a shop window will be retained at all times;
- the proposal would not preclude the full use of the premises avoiding vacant floors over ground floor uses and providing a separate entrance for office, leisure or residential use of upper floors;
- ground floor residential uses do not form part of the proposal.

The following District, Local & Neighbourhood Shopping Centres are shown on the Proposals Map:

District Centres:

Barnards Green, Malvern	St John's District Centre, Worcester
Malvern Link, Malvern	Tenbury Wells
Broadway	Upton-Upon-Severn

Local Centres:

Davies Road	Barbourne
Fairfield	Bath Road
Westlands	Northwick

Witton	Cranham Drive
Fulbert Road	St Peters
Ankerage Green	

Neighbourhood Centres:

Hampton	Kilbury Drive
Cheltenham Road	London Road
Shrubbery Road	Monarch Drive
Ambleside Drive	Northwick
Bath Road	Rainbow Hill
Brickfields	Rose Avenue
Brindley Road	Ronkswood
Canada Way	Link Top
Derwent Close	Pickersleigh Road, Malvern
Dines Green	

The conversion of retail floor space within these centres to alternative uses not providing a retail or commercial service will not normally be supported unless the equivalent replacement floorspace is provided as part of the development proposal.

Proposals for new local retailing or other public facilities and services will be expected to consider suitable sites in existing District & Local Centres before promoting development in more isolated locations.

In order to preserve the variety and vitality of local shopping opportunities planning permission for the change of use from A1 retailing to A2, A3, A5, D1 or D2 uses will not be permitted within district and local shopping centres:

- Where it would result in two or more non A1 retail units in a row; or
- Where it would result in less than 50% of all units within the centre being in A1 use.

The loss of village, neighbourhood and corner shops to non-retailing uses will only be considered if there is an alternative equivalent facility within safe walking distance⁽²⁾ and evidence is presented that the premises are no longer viable⁽³⁾ for any retail or community use.

Planning permission for new village and neighbourhood shops will be granted provided they are of an appropriate scale and it can be demonstrated that they will not undermine the vitality, viability or variety of existing village facilities or local centres, and that there are no adverse impacts on residential amenity and road safety.

New or expanded farm shops, garden centres or petrol filling stations will be permitted provided:

- They would not undermine the viability or vitality of nearby town or district
- shopping centres or other local shopping facilities;
- they would serve a demonstrable local need;
- the proposal would make use of redundant or under used buildings;
- the site is accessible by walking, cycling and public transport;
- in the case of farm shops, the range of goods to be sold is restricted to foodstuffs, plants and rural craft products, produced locally.

The creation of new or extensions to existing garden centres or farm shops in the open countryside and unrelated to a settlement will only be acceptable if it

is clearly ancillary to and on the site of an existing horticultural business or existing farming operation.

To control the over concentration and proliferation of food and drink outlets within particular locations a Supplementary Planning Document will be prepared setting out appropriate criteria to control the potential adverse impacts of these retail uses.

Footnotes:

- 1 The intention is to retain at least 50% of each street frontage in A1 use, i.e. where both sides of the same street are designated as Secondary Shopping Frontages each side would be considered separately.
- 2 Walking distance is generally considered to be 800m or less.
- 3 Where premises have been offered for lease and freehold sale, at realistic rents or prices as freehold, with a local property agent for more than two years without securing a new tenant it will be accepted that it has been demonstrated that there is no alternative viable retailing use.

2. Influences on the Policy

a. National Planning Policy Framework

The National Planning Policy Framework states that:

Local planning authorities should define the extent of town centres and primary shopping areas, based on a clear definition of primary and secondary frontages in designated centres and set policies that make clear which uses will be permitted in such locations. Paragraph 23

Planning policies should promote the retention and development of local services and community facilities in villages, such as shops. Paragraph 28

Planning policies should aim to achieve places that promote opportunities for meeting between members of the community who might not otherwise come into contact with each other, including through mixed use developments, strong neighbourhood centres and active street frontages which bring together those who work, live and play in the vicinity. Paragraph 69

b. Evidence Reports

This is a development management policy and no specific evidence reports have been commissioned to support it. See comments under this section for SWDP28.

c. Previous Consultations

i. SWJCS Issues & Options November 2007

See comments under this section for SWDP28.

ii. SWJCS Preferred Options September/October 2008

This is a development management policy originally intended for inclusion in the South Worcestershire Site Allocations and Policies Development Plan Document and therefore was not included in this document.

iii South Worcestershire Site Allocations and Policies Plan Evidence Gathering September 2009 – May 2010

Responses to this consultation included shopping and other town centre facilities could be protected and promoted by:

- Limiting opportunities for more out of town supermarkets.
- Locating new shops close to homes.
- Providing more and cheaper parking.
- Filling void units, improving street cleaning, careful regulation of change of use, control of adverts and alterations to shop fronts.

d. South Worcestershire Development Plan Preferred Options Consultation Responses

Significant responses to the South Worcestershire Development Plan Preferred Options consultation included:

- The 1,000 square meter threshold for retail impact tests is not supported by national policy. *Response national policy encourages planning authorities to set impact test thresholds according to local circumstances. If 2,500 square meters is set at the national level it can be assumed that this scale of development has potential to adversely affect the largest retail centres in the conurbations. Worcester is a small city and the other centres in South Worcestershire are market towns. Therefore a local threshold that reflects the size of the centres within South Worcestershire is justified. The current and likely economic outlook also suggests a cautious approach to impact tests is appropriate to avoid damage to the established retail hierarchy.*
- The policy fails to recognise the importance of out of centre retail parks and does not recognise these locations as shopping centres.
- Extend continuous retail frontages to include St Martins Quarter and Shrub Hill Retail Park.
- The policy seeking to ensure the continuous shopping frontage is not broken by more than two non retail units is overly prescriptive.

e. Sustainability Appraisal

The Sustainability Appraisal of the South Worcestershire Joint Core Strategy Issues and Options considered that: promoting local shops on large scale residential and employment developments and directing growth to the main and other towns where the most sustainable options. The first of these promoting local shops supports policy that seeks to protect existing neighbourhood shopping opportunities where these already exist.

The Sustainability Appraisal of the South Worcestershire Development Plan Preferred Options concluded that policy SWDP29 'Protection and Promotion of Shopping Choice' would: have positive long term benefits for the Sustainability Appraisal economy and employment objectives and indirect benefits for the transport objective. The policy would have no negative effects on sustainability objectives.

3. SWLP31 Submission Draft Policy Wording

Retail development that is appropriate in scale, helps to retain an existing centre's market share and enhances the shopping experience will be supported. Retail development that undermines the vitality/viability of a centre or compromises the retail or settlement hierarchy will not be supported. Any retail development proposal over 1,000 square metres located outside the defined town centres of Worcester, Malvern, Droitwich, Evesham, Pershore, Upton-Upon-Severn and Tenbury Wells must be accompanied by a Retail Impact Assessment.

Planning permission for retail development outside of the centres as shown on the Proposals Map will not be granted unless the applicant has demonstrated where appropriate that:

- the scale of development is appropriate to the location and host community;
- the development would not adversely affect the vitality and viability of a centre;
- access by all travel modes and particularly bus, cycle and walking is convenient/safe and will be improved;
- the development provides other benefits that include regeneration, employment and social inclusion; and
- the development conserves and enhances the heritage interest of the proposed location.

Within the Primary Shopping Frontages, as shown on the Proposals Map change of use from retail (use class A1) or the extension of existing non A1 uses into adjoining premises at ground floor level will not be permitted.

Within the Secondary Shopping Frontages as shown on the Proposals Map change of use from retail (use class A1) to non-retail uses in classes A2, A3, A4, A5, D1, D2 will normally be permitted provided:

- the proposed use will not result in a continuous frontage of two or more non A1 retail units. (Units are defined as a shop front width of about 6 metres; larger units will be assessed in terms of unit length);

- a minimum of 50% of units in each defined Secondary Shopping Frontage are retained in A1 retail use⁽¹⁾;
- the proposed use will not result in the proportion of units, in the street or part of the street defined as a secondary shopping frontage, in A3, A4 and A5 use to exceed 30%
- a shop window will be retained at all times;
- the proposal would not preclude the full use of the premises avoiding vacant floors over ground floor uses and providing a separate entrance for office, leisure or residential use of upper floors;
- ground floor residential uses do not form part of the proposal.

The following District, Local & Neighbourhood Shopping Centres are shown on the Proposals Map:

District Centres:

Barnards Green, Malvern	St John's District Centre, Worcester
Malvern Link, Malvern	Broadway

Local Centres:

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Fairfield	Barbourne
Westlands	Cranham Drive
Witton	St Peters
Fulbert Road	

Neighbourhood Centres:

Hampton	Kilbury Drive
Cheltenham Road	London Road
Shrubbery Road	Monarch Drive
Ambleside Drive	Northwick
Bath Road	Rainbow Hill
Brickfields	Rose Avenue
Brindley Road	Ronkswood
Canada Way	Link Top
Derwent Close	Pickersleigh Road, Malvern
Dines Green	

The conversion of retail floor space within these centres to alternative uses not providing a retail or commercial service will not normally be supported unless the equivalent replacement floorspace is provided as part of the development proposal.

Proposals for new local retailing or other public facilities and services will be expected to consider suitable sites in existing District & Local Centres before promoting development in more isolated locations.

In order to preserve the variety and vitality of local shopping opportunities planning permission for the change of use from A1 retailing to A2, A3, A5, D1 or D2 uses will not be permitted within district and local shopping centres:

- Where it would result in two or more non A1 retail units in a row; or
- Where it would result in less than 50% of all units within the centre being in A1 use.

The loss of village, neighbourhood and corner shops to non-retailing uses will only be considered if there is an alternative equivalent facility within safe

walking distance⁽²⁾ and evidence is presented that the premises are no longer viable⁽³⁾ for any retail or community use.

Planning permission for new village and neighbourhood shops will be granted provided they are of an appropriate scale and it can be demonstrated that they will not undermine the vitality, viability or variety of existing village facilities or local centres, and that there are no adverse impacts on residential amenity and road safety.

New or expanded farm shops, garden centres or petrol filling stations will be permitted provided:

- They would not undermine the viability or vitality of nearby town or district shopping centres or other local shopping facilities;
- The proposal would make use of redundant or under used buildings;
- The site is accessible by walking, cycling and public transport;
- In the case of farm shops, the range of goods to be sold is restricted to foodstuffs, plants and rural craft products, produced locally.

The creation of new or extensions to existing garden centres or farm shops in the open countryside and unrelated to a settlement will only be acceptable if it is clearly ancillary to and on the site of an existing horticultural business or existing farming operation.

Footnotes:

- 1 The intention is to retain at least 50% of each street frontage in A1 use, i.e. where both sides of the same street are designated as Secondary Shopping Frontages each side would be considered separately.
- 2 Walking distance is generally considered to be 800m or less.
- 3 Where premises have been offered for lease and freehold sale, at realistic rents or prices as freehold, with a local property agent for more than two years without securing a new tenant it will be accepted that it has been demonstrated that there is no alternative viable retailing use.

4. Commentary on the Policy

The policy deals with retail requirements outside of the city and town centres. The first paragraph states the principal aim of the policy which is to retain existing retail facilities that are easily accessible to local residents. This paragraph also sets an appropriate local threshold for retail impact assessments.

The second paragraph seeks to ensure any development outside of the main centres provides at least equivalent benefits to an in centre development. In particular any development should:

- Be at a scale that respects the local context.
- Avoid the loss of trade from existing centres.
- Be as accessible as possible.
- Provide multiple benefits particular for disadvantaged South Worcestershire residents.
- Enhance the quality of the South Worcestershire natural and built heritage which is the areas unique and local distinctive feature.

The rest of the policy seeks to establish a policy framework for the consideration of changes of use from A1 retail use to other uses that can support centres.

Special consideration is given to isolated retailing functions such as petrol filling stations, farm shops and garden centres. The policy seeks to encourage the development of these facilities while minimising opportunities for the proliferation of such uses when they are not meeting a local need.

5. How will this policy help to achieve the development strategy?

This policy seeks to retain existing neighbourhood retail and other services when ever possible this helps to ensure:

- There is a balanced portfolio of job creating opportunities.
- Local services are retained reducing the need to travel.
- Existing infrastructure is supported and new infrastructure requirements are minimised.

This policy ensures new retail outlets in the open countryside are related to local enterprises to ensure the countryside is protected form sporadic and inappropriate development.

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APPENDIX Compatibility Table National Planning Policy Framework and Evidence Base

SWDP Policy Wording	Evidence	NPPF
SWDP22 Rural Employment		
<p>Protection of Existing Employment Sites To help promote rural regeneration across South Worcestershire, existing employment sites in B1, B2 and B8 uses, and tourism and recreation related uses within the rural area will be safeguarded for employment generating uses during the plan period. Any proposals for a change of use to residential will need to demonstrate that the site has been actively marketed for employment, tourism or recreation uses (for a period of 2 years) and that it is no longer viable as an employment site.</p>	<p>It can be very difficult to replace commercial property in rural areas lost to residential use due to the finite nature of property for all uses and the need to protect the open countryside from un-necessary development. It is therefore appropriate that options for re-use of commercial premises in rural locations is thoroughly tested before agreeing a change of use to residential.</p>	<p>Para 28 'support the sustainable growth and expansion of all types of business and enterprise in rural areas'. Para 21 'support existing business sectors, taking account of whether they are expanding or contracting'.</p>
<p>Expansion of Existing Employment Sites The expansion of existing rural employment sites will be supported where issues of traffic generation, landscape character and design can be satisfied in relation to other policies in the plan, in particular SWDP 3, and it has been demonstrated that intensification of the existing site is</p>	<p>The potential of the rural economy to contribute to the overall prosperity of South Worcestershire should not be unduly restricted. Sustainable development will not be achieved if the rural economy is not sustained and rural areas become little more than dormitories for the main towns of</p>	<p>Para 19 'significant weight should be placed on the need to support economic growth through the planning system'. Para 28 'support the sustainable growth and expansion of all types of business and enterprise in rural areas, both through conversion of existing buildings and well designed new buildings'.</p>

not viable or practical.	South Worcestershire.	
<p>Farm Diversification Proposals to diversify farm businesses for employment, tourism and recreation uses will be permitted providing:</p> <ul style="list-style-type: none"> f) The proposed new use does not detract from or prejudice the existing agricultural operation or its future operation; g) The scale of activities associated with the proposed development is appropriate to the rural character of the area; h) Wherever possible existing buildings are used to reduce the need for new built development; and i) Open storage of goods, containers and equipment is kept to a minimum and is appropriately located to reduce impact on landscape character. <p>Residential uses will not be considered unless a full marketing exercise has shown that employment, tourism and recreation uses are unviable.</p>	<p>This section provides clarity about how national planning policy will be applied to the South Worcestershire context.</p>	<p>Para 28 'promote the development and diversification of agricultural and other land based businesses'.</p>
<p>Re-use of Rural Buildings Priority will be given to the re-use and</p>	<p>The Taylor Review found that: 'Market towns and their network</p>	<p>Para 28 'support the sustainable growth and expansion of all types of business</p>

<p>conversion of rural buildings for employment, tourism or recreation purposes whenever appropriate. This should be undertaken in accordance with the following criteria:</p> <ul style="list-style-type: none"> e) The scale and type(s) of use proposed is suitable for the building and its location; f) The building is of a permanent and substantial construction and capable of accommodating the proposed use without excessive rebuilding, extension or alteration; g) The form, bulk and general design of the building is in keeping with its surroundings; <p>The proposals can satisfy traffic generation, landscape and design issues as outlined in other policies in the plan</p>	<p>of surrounding villages are often more successful socially, environmentally and economically than urban ones.’</p> <p>‘Rural communities are on many measures economically strong and prosperous.’</p> <p>If these findings are to remain the case in the rural parts of South Worcestershire it is important that every opportunity is taken to make the best economic use of scarce resources including, and possibly especially, the limited supply of buildings.</p>	<p>and enterprise in rural areas, both through conversion of existing buildings and well designed new buildings’.</p>
<p>Live/Work Units</p> <p>The provision of rural based workspace and live/work units will be permitted providing the proposals are small scale and that they are appropriate to the character of the area. In all cases the preference will be for conversion of existing buildings. New build development should be</p>	<p>Genuine live/work arrangements have sustainability benefits and can offer diverse opportunities for rural communities. Live/Work units increase the range of options for start up business as well as providing increased financial security for new entrepreneurs.</p>	<p>Para 21 ‘facilitate flexible working practices such as the integration of residential and commercial uses within the same unit.’</p>

located in accordance with the settlement hierarchy as set out in SWDP 1 and should have reasonable access to services and facilities.		
SWDP27 Providing the Right Land and Buildings for Jobs		
The majority of new employment provision (land and commercial premises) will be allocated within or adjacent to the main urban areas, including the proposed urban extensions, in order to provide opportunities to reduce commuting distances and to ensure work places are accessible by a range of travel modes.	Mixed uses reduce the need to travel. Reducing travel demand for every day activities is a significant element of sustainable development.	Para 8 'The planning system should play an active role in guiding development to sustainable solutions.'
Land will be allocated for employment generating uses, principally for Class B Uses. However, proposals which clearly demonstrate the potential for job creation and investment will be welcomed. Such uses should not undermine or constrain the main purpose of the employment allocation.	The South Worcestershire Employment Land Reviews have considered the need for new B use class floor space up to 2026. Additional land is allocated for non B use class employment opportunities.	Para 20 'local planning authorities should plan proactively to meet the development needs of business'.
Proposals for retail and leisure uses on allocated employment sites will be supported providing they are related in scale and use to the primary employment focus of the site.	Appropriate facilities such as small convenience shops and child care facilities can support the principal role of industrial estates and reduce the need to travel.	Para 70 'ensure an integrated approach to considering the location of housing, economic uses and community facilities and services.'
Worcester Technology Park (Phase II,	Worcester Bosch have	Para 21 'plan positively for the location,

<p>as shown on the Proposals Map) will maximise the potential job generation provided by Phase 1 (potentially to be occupied by Worcester Bosch). Phase II will be limited to Use Classes B1 and B2 only.</p>	<p>successfully secured planning permission and Regional Growth Funding for phase one. To ensure this location can meet the needs of Worcester Bosch it is necessary to provide opportunities for supply chain and other supporting businesses.</p>	<p>promotion and expansion of clusters or networks of knowledge driven, creative or high technology industries’.</p>
<p>To support the aims of the Worcestershire Economic Strategy land at Malvern Hills Science Park and QinetiQ (as shown on the Proposals Map) will only be released for new B1(b) use class floor space. This is to ensure the provision of additional incubator and research facilities within acceptably close proximity to the established research and development facilities already concentrated at Malvern and maintain capacity within South Worcestershire for future research based employment.</p>	<p>QinetiQ is at the centre of a cluster of high technology businesses. Retaining and growing this cluster is important to growth in higher value job opportunities for South Worcestershire residents.</p>	<p>Para 21 ‘plan positively for the location, promotion and expansion of clusters or networks of knowledge driven, creative or high technology industries’.</p>
<p>Major office developments will be directed to Worcester City Centre in the first instance, and then locations within the town centres of Malvern, Evesham and Droitwich Spa subject to the requirement of Policy SWDP 1 that development should be appropriate to the needs of the specific settlement.</p>	<p>Offices are a town centre use and proposals for offices elsewhere should demonstrate that there is no sequentially preferable site. Town centres are the most accessible locations in South Worcestershire and office based employment helps to support the vitality of town centres.</p>	<p>Para 23 ‘allocate a range of suitable sites to meet the scale and type of... office... development needed in town centres.’ Para 24 ‘Local planning authorities should apply a sequential test to planning applications for main town centre uses’.</p>
<p>Sites to deliver economic prosperity</p>	<p>South Worcestershire</p>	<p>Para 19 ‘significant weight should be</p>

<p>and meet the anticipated new employment land requirements for, B1, B2 and B8 uses, are identified in Policies SWDP 6-20 inclusive. Phasing of these sites is included in SWDP 50 Implementation, Phasing and Monitoring Plan.</p>	<p>Employment Land Reviews. Economic Strategies. Local Enterprise Partnership views and responses to consultation.</p>	<p>placed on the need to support economic growth through the planning system.’ Para 21 ‘identify strategic sites, for local and inward investment to match the strategy and to meet anticipated needs over the plan period’.</p>
<p>In addition to the sites allocated specifically for new employment uses the provision of employment land and conversion of existing buildings to support job creation in other parts of South Worcestershire and especially in the most rural parts of the area will be supported providing: The development supports an existing business or new enterprise of a scale appropriate to the setting and host community; and The development will not undermine the Sustainable Development Principles set out in Policy SWDP3. Policy SWDP22 provides additional guidance for employment uses in rural areas.</p>	<p>Employment activities in the rural parts of South Worcestershire are too diverse to plan for by the allocation of a limited number of new employment sites. The South Worcestershire Development Plan puts no limit on the amount of growth in rural locations and establishes a key sustainability test, of scale of development compared to the location.</p>	<p>Para 25 ‘This sequential approach should not be applied to applications for small scale rural offices or other small scale rural development. Para 28 ‘Planning policies should support economic growth in rural areas.....by taking a positive approach to sustainable new development.</p>
<p>Existing businesses including those in <u>vulnerable sectors</u> will be supported by only considering alternative uses for existing employment land and buildings when: 1. The continued use of the buildings, or their redevelopment for an employment use, is not viable (in</p>	<p>The GVA Employment Land Review and County Economic Assessment highlight that 20% of the South Worcestershire workforce is employed in vulnerable sectors, e.g. low value added manufacturing. Businesses in vulnerable sectors need</p>	<p>Para 21 ‘Support existing business sectors.....and to allow a rapid response to changes in economic circumstances’. Para 22 ‘Planning policies should avoid the long term protection of sites allocated for employment use where there is no reasonable prospect of a site being used</p>

<p>physical, operational or commercial terms) and this is supported by robust evidence. As a minimum this evidence would include:</p> <ul style="list-style-type: none"> c. Details of the realistic and appropriate marketing of the premises, leasehold and freehold for at least two years⁽¹⁾; d. A financial appraisal that demonstrates that redevelopment for any employment use is unviable and will remain unviable for at least five years; <p>2. The proposed alternative use would deliver a clear community benefit;</p> <p>3. The proposed use would be compatible with adjacent land uses and not prejudice the amenity, viability or future development of other businesses.</p>	<p>inexpensive floor space. Protecting second hand commercial premises for continued commercial use is one way the South Worcestershire Development Plan can support existing South Worcestershire businesses.</p>	<p>for that purpose.'</p>
<p>Some Sui Generis uses such as builder's merchants, car show rooms and waste or recycling facilities will be considered on their merits and will generally be supported on existing employment sites or on allocated employment sites not identified for a particular use or class of uses.</p>	<p>Consultation response from the County Council. Some but not all sui generis uses provide employment and are compatibly with the usual activities found on industrial estates.</p>	<p>Para 21 'Policies should be flexible enough to accommodate needs not anticipated in the plan'.</p>
<p>The South Worcestershire Council's consider that the provision of work</p>	<p>Genuine work/live arrangements have sustainability benefits and</p>	<p>Para 21 'facilitate flexible working practices such as the integration of</p>

<p>live units can help support small and start up businesses as well as provide sustainability benefits particularly in the more rural parts of South Worcestershire. Work live units may be a suitable use for redundant rural buildings and afford opportunities for farm diversification subject to compliance with other South Worcestershire Development Plan policies particularly SWDPXX. Proposals for work live accommodation will therefore be supported providing:</p> <ol style="list-style-type: none"> 10. The residential use is clearly ancillary with floor space split at least 60% employment and no more than 40% residential. 11. The residential accommodation is one or two bedroomed. 12. The residential and work spaces are entirely separate with separate entrances and toilet facilities. 13. Affordable housing in accordance with SWDP?? is included within the development. 14. All units have access to super fast broadband or 	<p>can offer diverse opportunities for both rural and urban communities. Work/live units increase the range of options for start up business as well as providing increased financial security for new entrepreneurs.</p>	<p>residential and commercial uses within the same unit.</p>
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equivalent infrastructure.

- 15. Proposals for 10 or more work live units should include provision for shared business services, i.e. meeting rooms and basic office services.
- 16. Direct access can be provided from the development onto the primary road network (A or B classified road).
- 17. No in curtilage parking is provided with all parking provided on a shared basis and in accordance with an agreed scheme supported by the Highway Authority.
- 18. The proposed use does not involve the sale of goods to visiting members of the public or fall within the A3, A4, A5, B2, C1, or C2 use classes. The approved use will be controlled by planning condition and owners will be required to enter into a legal obligation (section 106 agreement) controlling the use of the premises and other relevant matters such as the number of non resident employees who can work at the premises.

10. The completed development will

<p>not benefit from any permitted development rights for change of use of all or part of the premises or for residential extensions.</p>		
<p>SWDP28 Creating and Sustaining Vibrant Centres</p>		
<p>New retail, leisure and tourism development that contributes to the vision for South Worcestershire as a high quality sustainable network of urban and rural settlements will be promoted and supported. Retail and other town centre development will be of a scale appropriate to the location and not compromise the Retail and settlement Hierarchy (set out in SWDP1). Proposals should respect the character and environment of the centre, including any special historic, architectural or archaeological interest.</p>	<p>The South Worcestershire local planning authorities wish to support any proposals that will strengthen existing centres. The DPDS Retail Study indicated that with the exception of Malvern and Worcester there was no obvious need for new retail floor space. The historic character of South Worcestershire's town centres is a unique local characteristic which planning policy needs to safeguard and enhance.</p>	<p>Para 23 'Planning policies should be positive, promote competitive town centre environments and set out policies for the management and growth of centres'. 'define a network and hierarchy of centres'.</p>
<p>Measures to secure the vitality and viability of existing town centres as defined on the Proposals Map (the Centres are Worcester, Droitwich Spa, Evesham, Malvern, Pershore, Tenbury Wells and Upton upon Severn) will be set out in Supplementary Planning Documents, Neighbourhood Plans (Town Plans) and Local Development Orders. These measures will include environmental enhancements and</p>	<p>Strategic planning policy can not provide detailed management plans for town centres. Planning policies contribution to effect town centre management will be set out in the range of plans below the level of Development Plan Document.</p>	<p>Para 23 'recognise town centres as the heart of their communities and pursue policies to support their viability and vitality.</p>

<p>activities that seek to improve the visitor experience.</p>		
<p>Hotel developments that enhance the visitor experience and demonstrate that they will support an increase in average visitor length of stay and / or average visitor spend will be supported.</p>	<p>The South Worcestershire Hotel Study found (p22) that a substantial proportion of visitors only come for the day. (p35) The standard of hotels is generally of a low quality. (p50) All of the key destinations within South Worcestershire have relatively low concentrations of hotel accommodation compared to similar destinations across the UK.</p>	<p>Para 9 'improving the conditions in which people.....take leisure'. Para 23 'allocate a range of suitable sites to meet the scale and type of....tourism....development needed in town centres.'</p>
<p>Proposals for retail or leisure facilities will need to demonstrate that they are:</p> <ul style="list-style-type: none"> • Meeting an identified need, including the needs of disadvantaged rural and urban communities and of the growing population of South Worcestershire; • Not detrimental to the settlement/retail hierarchy as set out in Policy SWDP1; • Increasing the quality and range of shopping available in the centres, as well as contributing to a comfortable, safe, attractive and accessible environment; • Making full use of the premises 	<p>The retail study evidence suggests only modest growth in retail floor space is required. To ensure that proposals afford the best opportunities for strengthening the existing South Worcestershire centres and deliver multiple sustainable development benefits it is necessary to thoroughly test all proposals. While the need for new retail floor space is not a national planning test it is included in most retail impact assessments and in the likely future circumstances for retail and town centres it is helpful if the need that proposals will fulfill</p>	<p>Para 23 'recognise town centres as the heart of there communities and pursue policies to support their viability and vitality'. 'set policies for the consideration of proposals for main town centre uses which cannot be accommodated in or adjacent to town centres'.</p>

<p>avoiding vacant floors over shops and providing a separate entrance for office or residential use of upper floors.</p>	<p>is properly understood.</p>	
<p>Proposals that work to promote a stronger evening and night-time economy that is safe, balanced and socially responsible will be supported. Development that will either individually or cumulatively create an unacceptable impact on neighbouring uses or is likely to increase evening or night time disturbance will not be permitted.</p>	<p>Consultation response from the West Mercia Constabulary.</p>	<p>Para 69 'Planning policies.....should aim to achieve places which promote:</p> <ul style="list-style-type: none"> • Safe and accessible environments where crime and disorder, and the fear of crime, do not undermine quality of life or community cohesion'.
<p>SWDP29 Protection and Promotion of Shopping Choice</p>		
<p>Retail development that is appropriate in scale, helps to retain an existing centre's market share and enhances the shopping experience will be supported. Retail development that undermines the vitality/viability of a centre or compromises the retail or settlement hierarchy will not be supported.</p>	<p>The South Worcestershire Development Plan establishes a retail hierarchy it is important that development proposals support this hierarchy.</p>	<p>Para 23 'recognise town centres as the heart of there communities and pursue policies to support their viability and vitality; define a network and hierarchy of centres that is resilient to anticipated future economic changes'.</p>
<p>Any retail development proposal over 1,000 square metres located outside the defined town centres of Worcester, Malvern, Droitwich, Evesham, Pershore, Upton-Upon-Severn and Tenbury Wells must be accompanied by a Retail Impact</p>	<p>Nationally 2,500 square metres is considered an appropriate level to require a retail impact assessment. Considering the position of the retail centres in South Worcestershire in the national retail ranking it is</p>	<p>Para 23 ' set policies for the consideration of proposals for main town centre use which cannot be accommodated in or adjacent to town centres'.</p>

Assessment.	appropriate to set a much lower threshold to ensure no adverse impact is caused by out of centre retail development.	
<p>Planning permission for retail development outside of the centres as shown on the Proposals Map will not be granted unless the applicant has demonstrated where appropriate that:</p> <ul style="list-style-type: none"> • the scale of development is appropriate to the location and host community; • the development would not adversely affect the vitality and viability of a centre; • access by all travel modes and particularly bus, cycle and walking is convenient/safe and will be improved; • the development provides other benefits that include regeneration, employment and social inclusion; and • the development conserves and enhances the heritage interest of the proposed location. 	<p>This part of the policy establishes some locally specific impact tests that complement National Planning Policy Framework tests. These tests support the development strategy and the characteristics of South Worcestershire, e.g. historic town centres and significant transport infrastructure constraints.</p>	<p>Para 23 ' set policies for the consideration of proposals for main town centre use which cannot be accommodated in or adjacent to town centres'.</p>
<p>Within the Primary Shopping Frontages, as shown on the Proposals Map change of use from retail (use class A1) or the extension of existing non A1 uses into adjoining premises at ground floor level will not be</p>	<p>This is in response to National Planning Policy Framework requirements.</p>	<p>Para 23 'define the extent of town centres and primary shopping areas, based on a clear definition of primary and secondary frontages in designated centres, and set policies that make clear which uses will be permitted in such locations'.</p>

permitted.

Within the Secondary Shopping Frontages as shown on the Proposals Map change of use from retail (use class A1) to non-retail uses in classes A2, A3, A4, A5, D1, D2 will normally be permitted provided:

- the proposed use will not result in a continuous frontage of two or more non A1 retail units. (Units are defined as a shop front width of about 6 metres; larger units will be assessed in terms of unit length);
- a minimum of 50% of units in each defined Secondary Shopping Frontage are retained in A1 retail use⁽¹⁾;
- the proposed use will not result in the proportion of units, in the street or part of the street defined as a secondary shopping frontage, in A3, A4 and A5 use to exceed 30%
- a shop window will be retained at all times;
- the proposal would not preclude the full use of the premises avoiding vacant floors over ground floor uses and providing a separate entrance for office, leisure or residential use of

<ul style="list-style-type: none"> upper floors; ground floor residential uses do not form part of the proposal. 		
<p>The conversion of retail floor space within these centres to alternative uses not providing a retail or commercial service will not normally be supported unless the equivalent replacement floorspace is provided as part of the development proposal.</p>	<p>This is necessary to ensure the retail hierarchy is not undermined by a series of minor changes of use.</p>	<p>Para 23 'recognise town centres as the heart of there communities and pursue policies to support their viability and vita</p>
<p>Proposals for new local retailing or other public facilities and services will be expected to consider suitable sites in existing District & Local Centres before promoting development in more isolated locations.</p>	<p>This extends the sequential approach for the consideration of development proposals to local retail centres. This is considered important to ensure the most sustainable outcome is achieved from all development proposals.</p>	<p>Para 70 'ensure that established shops, facilities and services are able to develop and modernise in a way that is sustainable, and retained for the benefit of the community; and ensure an integrated approach to considering the location of housing economic uses and community facilities and services.'</p>
<p>In order to preserve the variety and vitality of local shopping opportunities planning permission for the change of use from A1 retailing to A2, A3, A5, D1 or D2 uses will not be permitted within district and local shopping centres:</p> <ul style="list-style-type: none"> Where it would result in two or more non A1 retail units in a row; or Where it would result in less than 50% of all units within the centre being in A1 use. 	<p>South Worcestershire is a predominately rural area and it is important that the daily needs of residents can be satisfied as close to their homes as possible. In the South Worcestershire context it is appropriate that the promotion of retail choice, variety and vitality is extend to local and neighbourhood shops.</p>	<p>Para 70 'ensure that established shops, facilities and services are able to develop and modernise in a way that is sustainable, and retained for the benefit of the community'. Para 28 'promote the retention and development of local services...in villages such as local shops'.</p>

<p>The loss of village, neighbourhood and corner shops to non-retailing uses will only be considered if there is an alternative equivalent facility within safe walking distance⁽²⁾ and evidence is presented that the premises are no longer viable⁽³⁾ for any retail or community use.</p>	<p>This is an appropriate policy response to the rural nature of most of South Worcestershire and provides guidance on how applications for change of use will be assessed.</p>	<p>Para 28 'promote the retention and development of local services and community facilities in villages such as local shops'.</p>
<p>Planning permission for new village and neighbourhood shops will be granted provided they are of an appropriate scale and it can be demonstrated that they will not undermine the vitality, viability or variety of existing village facilities or local centres, and that there are no adverse impacts on residential amenity and road safety.</p>	<p>The South Worcestershire Development Plan supports sustainable development which supports the rural communities of South Worcestershire but also needs to ensure new facilities do not undermine residents quality of life.</p>	<p>Para 28 'support the sustainable growth and expansion of all types of business and enterprise in rural areas'.</p>
<p>New or expanded farm shops, garden centres or petrol filling stations will be permitted provided:</p> <ul style="list-style-type: none"> • They would not undermine the viability or vitality of nearby town or district shopping centres or other local shopping facilities; • The proposal would make use of redundant or under used buildings; • The site is accessible by walking, cycling and public transport; • In the case of farm shops, the 	<p>While the South Worcestershire Development Plan contains policies that seek to develop and diversify the rural economy planning policy also needs to safeguard the natural environment and avoid unnecessary development that could cumulatively undermine the special qualities of rural areas.</p>	<p>Para 17 'plan making..... should.....take account of the different roles and character of different areas....recognising the intrinsic character and beauty of the countryside'.</p>

<p>range of goods to be sold is restricted to foodstuffs, plants and rural craft products, produced locally.</p>		
<p>The creation of new or extensions to existing garden centres or farm shops in the open countryside and unrelated to a settlement will only be acceptable if it is clearly ancillary to and on the site of an existing horticultural business or existing farming operation.</p>	<p>South Worcestershire has a large and growing horticulture industry which the plan seeks to support. Planning policy however needs to ensure that appropriate rural enterprises do not diversify to such an extent that the rural nature of parts of South Worcestershire is lost.</p>	<p>Para 17 'plan making..... should.....take account of the different roles and character of different areas....recognising the intrinsic character and beauty of the countryside'.</p>

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