

# Huntingdonshire Local Plan to 2036 Examination

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**Hearing Statement Matter 5:**

**Building a strong, competitive economy**

**Huntingdonshire District Council**

**June 2018**



## Issue

Whether the Local Plan has been positively prepared and whether it is justified, effective and consistent with national policy in relation to the approach towards building a strong, competitive economy.

### 1. Employment land requirements and provision

**Question 1: What is the overall need for employment land that has been identified? What is the evidence for this? What is the situation regarding existing commitments and the residual need for additional land allocations? What is the past trend in take up rates for employment land?**

- 1.1. The overall strategy for development and broad distribution for growth was derived from the Huntingdonshire Employment Land Study (2014) (ECON/01). The study identifies an overall gross employment land requirement of up to 42-46 hectares (ECON/01, Section 8). Five options to determine employment growth were modelled (ECON/01, Appendix 5):
  - **Model 1** - Historic land take up: Growth based on past trends;
  - **Model 2** - Policy 'off' Employment Based Forecast: Based on the East of England forecasting model (EEFM) employment projections and excluding Alconbury Enterprise Zone (AEZ);
  - **Model 3** - Policy 'on' Alconbury Enterprise Zone: Based on EEFM employment projections, high job displacement, weak target sector employment and includes AEZ;
  - **Model 4** - Policy 'On' – Alconbury Enterprise Zone: Based on EEFM employment projections, low job displacement, strong target sector employment and includes AEZ;
  - **Model 5** - Policy 'On' – Alconbury Enterprise Zone: Based on EEFM employment projections, zero job displacement, full target sector employment and includes AEZ.
- 1.2. Model 4 was considered the most appropriate as it incorporates Alconbury Enterprise Zone and the catalytic effects that this could produce across the district. It predicts that Alconbury EZ is delivered but as a result demand drops by up to 7.8ha across the rest of the district due to the displacement of some employment from elsewhere within the District. This corresponds with the fact that Huntingdonshire District Council has agreed a Memorandum of Understanding with the providers of the Enterprise Zone which seeks to limit the extent to which Alconbury may displace existing economic activity within Huntingdonshire (ECON/01, Appendix 5, para 1.38).
- 1.3. The model also assesses reasonable job displacement and target sector employment. However, the decline in industries identified in Model 4 was considered highly unlikely especially when assessed against past trends since 2005. Therefore the past trend of employment land loss was instead applied to the model to provide a more accurate

reflection of employment land growth in Huntingdonshire (ECON/01, paras 8.12-8.16), as it takes into account past periods of economic growth and recession. The final figure identifies up to 42-46ha of employment land in addition to the delivery of 8,000 jobs at AEZ.

- 1.4. By taking into account these further assumptions the model is accounting for up to date evidence and market signals (NPPF para 158) through past employment loss and the potential effects of employment demand elsewhere in the District as a result of AEZ.
- 1.5. Section 6 of the Study (ECON/01, paras 6.10-6.12) identified a total supply of 54.55 ha (employment commitments), plus up to 926sqm of employment floorspace (Airfield Industrial Estate, Little Staughton) (ECON/01, para 6.11). Of this, 29.4ha (plus up to 926sqm) is land within Established Employment Areas (ECON/01, para 7.17). Up to 290,000sqm of employment floorspace was also identified at Alconbury EZ (SEL 1.1 in the Local Plan).
- 1.6. Employment land take-up was analysed through the Employment Land Study (ECON/01, Appendix 5, paras 1.7-1.12). Annual average take-up of B uses was recorded as 5.9ha using a period of 1999 to 2012. This figure was used in each of the models to create a five year buffer (ECON/01, Appendix 5, para 19.2 and Table 21). Section 6 of the study expands on this.

## **Question 2: What are the inter-relationships with other authorities in terms of employment land provision and how have these been taken into account?**

- 1.7. Supply in adjoining areas was taken into account in section 6 of the Study (ECON/01, page 86ff). The adjoining boroughs/districts/cities assessed were: Bedford, Central Bedfordshire, East Cambridgeshire, East Northamptonshire, Fenland, Peterborough and South Cambridgeshire. The assessment identified employment areas in proximity to settlements in Huntingdonshire and identified industry growth sectors. Commuting patterns to these surrounding districts were also taken into account (ECON/01 para 3.42ff). The report concludes that net out-commuting highlights that additional housing without additional jobs and employment land could lead to unsustainable development and greater out-commuting.
- 1.8. SEL 1.1 Former Alconbury Airfield and Grange Farm was selected as an Enterprise Zone for the Greater Cambridge Greater Peterborough Enterprise Partnership (GCGP) area<sup>1</sup> addressing the needs of not only Huntingdonshire, but the wider area. The enterprise campus will provide flexible buildings for research, development, and office use. A Skills centre<sup>2</sup> will be opening shortly to support the manufacturing and engineering and technology sector in the wider area.

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<sup>1</sup> <http://www.gcgp.co.uk/our-area/alconbury/>

<sup>2</sup> <http://www.imet.co.uk/>

**Question 3: What provision does the Local Plan make for additional employment land through allocations? Is this an appropriate and justified amount? How has the Alconbury Enterprise Zone been taken into account in overall employment land provision?**

- 1.9. Allocations in the Local Plan that specifically mention employment provision amount to approximately 41.7ha not including Alconbury Airfield. This covers the majority of the employment land requirement.
- HU 4 West of Railway, Brampton Road Huntingdon: up to 2ha B1a/B1b
  - HU 15 Park View Garage, Brampton: 0.4ha B1c
  - HU 16 Tyrells Marina, Godmanchester: 0.3ha including B1a
  - HU 19 Bearscroft Farm, Godmanchester: 4.4ha of all B uses except B8
  - SEL 2 St Neots East 22ha of B uses
  - SI 3 Giffords Farm, St Ives: 5.6ha B uses except B1a and B8
  - RA 8 Former RAF Upwood and Upwood Hill House, Ramsey: 2ha B1
  - FS 1 Former Dairy Crest Factory, Fenstanton: 0.5ha B1
  - KB 3 South of Bicton Industrial Estate, Kimbolton: 1.3ha B1c
  - YX 2 Yax Pak, Yaxley: 3.2ha B1
- 1.10. This approach allows for choice and diversity in the employment market by creating a sustainable pattern of employment development based around key services and population.
- 1.11. Further additional provision is catered for in policy LP 20, which allows new business development in Established Employment Areas (EEA), areas immediately adjoining EEAs and the reuse or replacement of existing buildings to cater for specific market needs and circumstances. Farm diversification and expansion of industrial or rural business are also supported if certain criteria are met. This allows for smaller settlements to respond to market conditions, provides flexibility within the policy and an even distribution of new employment uses based on local need. This contributes towards additional diversity and flexibility in the market and is an appropriate strategy for the smaller settlements (ECON/01, para 10.2).
- 1.12. Although some floorspace at Alconbury Enterprise Zone will meet the requirements of the Huntingdonshire District area, AEZ is allocated to meet the needs of the Greater Cambridge Greater Peterborough Enterprise Partnership (GCGP) area.

## 2. Established Employment Areas

### Question 4: What is the basis for the list of Established Employment Areas? Is this justified?

- 2.1. The basis for the list of Established Employment Areas (EEA) is the 36 EEAs previously identified in the Huntingdonshire Development Management DPD (2010). These EEAs have been reviewed through the Huntingdonshire Employment Land Study (2014) (ECON/01, Section 7). The list of EEAs has been compiled based on proportionate evidence. Individual site recommendations and justification can be found in Appendix 3 of the Huntingdonshire Employment Land Study (2014) and are based on site visits, local intelligence and the views of those involved in the local property market. Information contained in the draft Employment Land Availability Assessment (2011) and Environmental Capacity Study (2012 and 2013) was also used to inform the appraisals.
- 2.2. The basis for the list of EEAs is considered to be justified as it supports existing business sectors taking into account whether they are expanding or contracting as set out in the NPPF at paragraph 21, bullet 3. This is evidenced by the release of land within some existing EEAs due to a change in market circumstances to include more retail development in the area (St Peter's Industrial Area, Stukeley Meadows Industrial Estate and Alpha Drive Business Park) (ECON/01, paras 7.7-7.13); recognition of residential development (Needingworth Industrial Estate) and a high vacancy rate and reluctance of the developer to pursue future phases of development (Parsons Green Business Park) (ECON/01, paras 7.14-7.16). The removal of land from these sites is considered the most appropriate strategy as it avoids the long-term protection of part of the site, which has no reasonable prospect of being used for that purpose in accordance with NPPF paragraph 22.
- 2.3. The EEA list looked at three potential scenarios: retain, do not retain; retain with boundary review. No EEAs were considered appropriate for entire release, as no sites had a severe lack of developer interest, high vacancy and serious adverse environmental impacts from their operation, therefore partial site removable was considered a more reasonable alternative.
- 2.4. To allow for future expansion, additional supply has been identified within a variety of EEAs (29.4 ha plus 926 sqm at The Airfield Industrial Estate, Little Staughton) to allow for additional development and rapid responses to changes in economic circumstances (Paragraph 22 of the NPPF) this takes advantage of vacant and underused land within the EEAs as shown in ECON/01 paras 7.17ff.

### Question 5: Is the approach set out in Policy LP19 effective, particularly in terms of flexibility and is it justified and consistent with national policy?

- 2.5. Policy LP19 allows for flexibility in terms of responding to rapid changes in the economy in accordance with NPPF paragraph 21, bullet 3 by allowing for the expansion on land

immediately adjoining and capable of being integrated with an EEA in times of positive growth. In times of economic slow-down provision is made for the diversification of EEAs to allow development of compatible uses on site, whilst allowing the continued viability of the EEA. This approach allows for the policy to function effectively over the plan period.

- 2.6. The Huntingdonshire Employment Land Study (2014) (ECON/01) assessed not only the socio-economic context of Huntingdonshire, but also the property market, the views of local businesses and organisations and the current supply of employment land. The conclusions from these assessments formed the basis for LP19. This approach provides proportionate evidence to inform the Policy as it mirrors Planning Practice Guidance<sup>3</sup> which requires that plan makers liaise with the business community to understand potential future requirements and understand the recent pattern of employment land supply and loss and current and future market intelligence. It also meets NPPF paragraph 21, bullet 3 as it supports existing business sectors.
- 2.7. Policy LP19 is consistent with national policy and the principles of sustainable development. Section 3 (Socio-economic Context) of the Huntingdonshire Employment Land Study (2014) (ECON/01, Section 3) considered the size of the economy, where businesses are and their type in order to facilitate economic development by retaining land and premises in the correct locations and of the right type for each areas employment profile and skill set (ECON/01, paras 3.14-3.17 and 3.42ff) providing a social and economic role. As mentioned above, land was released from some EEAs that were market circumstances had changed. The retention of EEA was considered an economic priority in order to retain industrial floorspace in areas where there is a significant undersupply of premises (ECON/01, para 7.5).

### 3. Rural economy and homes for rural workers

**Question 6: Is the approach set out in Policy LP20 effective, justified and consistent with national policy? What is the basis for the specific limit on office floorspace and is this justified?**

- 3.1. Policy LP20 is considered to be justified, effective and consistent with national policy. It looks to support opportunities for sustainable development related to maintaining a healthy rural economy and facilitates new business development and the expansion of existing ones along with farm diversification proposals. The policy is closely aligned with the specific policy strands set out in NPPF para 28 whilst taking appropriate account of the NPPF's Core Planning Principles and is therefore entirely consistent with national policy.
- 3.2. The individual themes within the policy are informed by assessment of the local property market (ECON/01, Section4) and represent the most appropriate response to the issues raised. The policy offers clear guidance about developments in the countryside and

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<sup>3</sup> Paragraph: 030 Reference ID: 2a-030-20140306: Methodology: assessing economic development and main town centre uses.

proposals that will be supported in the rural areas in order to support the rural economy. Further guidance on the nature and character of development considered acceptable in the wider landscape and countryside is set out within Policy LP11. Further guidance on the nature and character of development considered acceptable within Established Employment Areas is set out within Policy LP19. Policy LP20 is therefore considered to be justified, effective and consistent with national policy.

- 3.3. Proposals involving offices, defined in the NPPF as a main town centre use, are subject to a maximum floorspace; reflecting the sequential preference for them not to be in countryside locations and their employment density and hence likely traffic generation. Analysis of net completions of B1a floorspace from 2001-17 indicates that 85% of net gains involve developments of less than 600 sq m. The specific limit of 600 sq m is applied to new main town centre uses, as defined within the NPPF, throughout the Local Plan; for consistency and ease of interpretation. The specific limit placed on proposals for office floorspace is therefore justified.

#### **Question 7: Is the approach set out in Policy LP21 effective, justified and consistent with national policy?**

- 3.4. Policy LP21 aims to support the rural economy by supporting homes specifically for rural workers. The policy is closely aligned with paragraph 55 of the NPPF, whilst taking appropriate account of NPPF para 28 and the NPPF's Core Planning Principles; it is therefore entirely consistent with national policy. Local justification regarding the rural economy is provided in the Huntingdonshire Employment Land Study (ECON/01, paras 3.32-3.33)
- 3.5. Policy LP 21 and its reasoned justification provide an appropriate, effective and clear approach to the provision of homes for rural workers. It will be effective throughout the plan period as it provides clear criteria setting out the circumstances in which development will be acceptable and allows flexibility to respond to changes in provision subject to appropriate evidence.

## **4. Town centre vitality and viability**

#### **Question 8: What are the needs in terms of additional floorspace for retail and other main town centre uses? What is the evidence for this?**

- 4.1. Retail capacity analysis undertaken by the Retail and Commercial Leisure Needs Assessment (2017) (ECON/03, Section 7) identifies a total District wide capacity for between 2,000 sq m and 2,500 sq m of new convenience goods net retail floorspace in Huntingdonshire, and between 18,200 sq m and 28,500 sq m of new comparison goods net retail floorspace at 2036. The evidence is compiled using a retail capacity model which incorporates localised retail expenditure, turnover of retailers, population growth and assessment of the needs of the Council's strategic expansion locations. The detailed methodology is presented in ECON/03, page 112.

- 4.2. The methodology calculated the overall requirements for floorspace and then took account of likely provision from commitments in place at the time. The volatility of demand for retail floorspace is reflected in a number of changes since then. Policy LP22, in conjunction with LP7, is intended to provide flexibility whilst supporting retail and other main town centres uses within the existing town centres.
- 4.3. Of this the total requirement identified for convenience goods floorspace the greatest level was in St Ives. A new Morrisons opened in March 2018 comprising 2,494 sq m net floorspace on the eastern outskirts of the town. At the time the study (ECON/03) was prepared there was a 2013 consent for a slightly smaller store but its delivery was considered unlikely. The next highest level was demonstrated in by Huntingdon Town Centre and Alconbury Weald. In September 2017 an M&S Simply food opened in Huntingdon town centre but Waitrose closed down and remains vacant. The study identified a surplus of convenience goods retailers across St Neots Town Centre meaning further capacity over the Plan period is not required, although the Co-op foodstore (1,152 sq m) in the town centre has since closed.
- 4.4. Huntingdon is shown to have capacity for between 10,600 sq m and 16,700 sq m comparison floorspace by 2036, part of this has been provided at chequers Court within the town centre in place of the 1,037 sq m foodstore which had consent when the study was completed. St Neots has an estimated capacity for between 5,000 sq m and 7,900 sq m by 2036, while St Ives has capacity for between 3,500 sq m and 5,500 sq m over the same period.
- 4.5. Ramsey, as the town centre with the smallest market share, had an estimated comparison goods floorspace capacity of between 600 sq m and 900 sq m and did not show any capacity for additional convenience retail floorspace over the study period. The Rainbow Co-op, an edge of town foodstore in Ramsey of 1,579 sq m net) has closed down since the study was undertaken following the introduction of competition from a Tesco superstore which opened in 2010.

### **Question 9: How will the Local Plan ensure that these needs are met? How much will be accommodated as part of site allocations?**

- 4.6. Policy LP22 supports the development of shopping and leisure facilities in the Town Centres of Huntingdon, St Neots, St Ives and Ramsey in sustainable locations and outside primary shopping frontages where the scale and type reflects the centre's size, role and character. This allows for the incorporation of the recommendations from the needs assessment in line with current market needs (see above).
- 4.7. The Needs Assessment (ECON/03) proposed convenience retail provision at the strategic expansion site of Wyton on the Hill, St Neots East and Alconbury Weald. Wyton on the Hill site was not carried forward as an allocation, however the Local Plan takes this advice on board by incorporating retail provision at the following strategic allocations.

<b>Allocation Reference</b>	<b>Allocation Name</b>	<b>Retail Offer</b>
SEL 1.1	Former Alconbury Airfield	• 7,000m <sup>2</sup> A class retail including 4,500m <sup>2</sup>

Allocation Reference	Allocation Name	Retail Offer
	and Grange Farm (Alconbury Weald)	A1 uses
HU 1	Ermine St, Huntingdon	<ul style="list-style-type: none"> <li>• Approximately 1,000m<sup>2</sup> A1.</li> <li>• Food and drink retail A1-A3 uses, currently undefined to allow flexibility in terms of market need.</li> </ul>
HU 19	Bearcroft Farm, Godmanchester	<ul style="list-style-type: none"> <li>• Neighbourhood Centre 950m<sup>2</sup>: no more than 700m<sup>2</sup> A1 (opened February 2018)</li> <li>• A2, A3, A5 uses, currently undefined to allow flexibility in terms of market need.</li> </ul>
SEL 2	St Neots East	<ul style="list-style-type: none"> <li>• 4,000m<sup>2</sup> A1</li> <li>• Other A1-A5 uses, currently undefined to allow flexibility in terms of market need.</li> </ul>

- 4.8. The Council believes that this approach will allow for adequate retail provision within the District in line with recommendations from the Retail and Commercial Leisure Needs Assessment (2017) (ECON/03), whilst allowing for flexibility in economic conditions throughout the Plan period.

**Question 10: What is the basis for the boundaries of Town Centres, Primary Shopping Areas and Primary Shopping Frontages? Are these justified?**

- 4.9. The Council's Local Plan 1995 identified Town Centre boundaries and frontages to be protected for retail use. This was used as a starting point to inform the definition of Town Centre boundaries and Shopping Areas and Frontages. This was then supplemented by more recent BID town centre surveys for Huntingdon, Ramsey, St Ives and St Neots, which highlight the uses classes within the town centre and proposed revised town centre boundaries. These revised boundaries, frontages and shopping areas were based on more accurate building/road alignment and the location of retail units. The final revised town centre boundaries were then created using this information and adjusted where necessary based on perceived footfall derived from local retail surveys and local knowledge.

**Question 11: Is the approach set out in Policy LP22 effective, justified and consistent with national policy? What is the basis for the threshold of 600m<sup>2</sup> for an impact assessment and is this justified?**

- 4.10. The approach set out in Policy LP22 is considered justified, evidence is based on the Retail and Commercial Leisure Needs Assessment (2017) (ECON/03) and the needs of new residents within the strategic expansion sites in the District. Current and emerging retail trends are taken into account (ECON/03, Section 2) including specific research focussing on trends within Market Towns such as Huntingdon, St Neots, St Ives and Ramsey and original

market research was undertaken in the form of household surveys (ECON/03, Section 6 and Appendix C). In conjunction with a retail capacity model which incorporates localised retail expenditure, turnover of retailers and the impact of population growth the evidence base is considered proportionate.

- 4.11. The Needs assessment has taken into account the 'draw' of other retail locations in the surrounding area such as Peterborough, Cambridge, Bedford and Milton Keynes (ECON/03, paras 6.51-6.58) and the potential impacts of proposed retail development in neighbouring authorities such as 'Rushden Lakes in East Northamptonshire (ECON/03, paras 4.25-4.64), Riverside North Development in Bedfordshire and the new town retail offer to be built at Northstowe in South Cambridgeshire. This addresses the impacts of cross-boundary strategic priorities and enables the Council to produce the most effective strategy based on this evidence.
- 4.12. The policy complies with paragraph 23 of the NPPF by supporting the vitality and viability of town centres by supporting the development of shopping and leisure facilities in the Town Centres of Huntingdon, St Neots, St Ives and Ramsey in sustainable locations and outside primary shopping frontages where the scale and type reflects the centre's size, role and character.
- 4.13. Large out of town retail can affect the vitality and viability of town centres, for example, the household survey identifies that the Tesco Extra to the north of Huntingdon at Abbots Ripton Road is the second highest performing convenience store in the District and draws as much expenditure as all convenience stores in Huntingdon Town Centre combined (ECON/03, para 9.66). Comparison goods shopping in St Neots town centre only accounts for 33% of total trade demonstrating that town centre vitality and viability is vulnerable to edge-of-centre developments.
- 4.14. Larger footprints through the consolidation of a number of retail units in Huntingdon (Chequers Court) have recently attracted national retailers such as Marks and Spencer and Next, increasing footfall in the area. The average size of units in each of the four centres measure 224 sq m in Huntingdon, 185 sq m in St Neots, 155 sq m in St Ives and 141 sq m in Ramsey (sourced from Experian Goad) (ECON/03, para 9.65). Local survey work indicates that only 12 retail properties in the four town centres exceed 600 sq m and In order to strike a balance between proportionate development and improved town centre vitality and viability (NPPF, paragraph 24) 600 sq m is considered the most appropriate threshold. This approach therefore considers the scale of proposals relative to the town centre, the cumulative effects of recent developments and the vulnerability of the town centres to out-of-town developments in line with NPPG Paragraph: 016 Reference ID: 2b-016-20140306.

**Question 12: Is the approach to main town centre uses in Key Service Centres, Local Service Centres and Small Settlements justified and does it provide sufficient clarity?**

- 4.15. Policy LP22 deals specifically with town centre vitality and viability within the main town centres of Huntingdon, St Ives St Neots and Ramsey. The approach to retail provision in Key

Service, Centres, Local Service Centres and Small Settlements is provided under Policy LP23 Local Services and Community Facilities; Reference is provided in paragraph 6.42 of Policy LP22 to guide applicants towards this policy.

## **5. Local services and community facilities and tourism and recreation**

### **Question 13: Is the approach set out in Policy LP23 effective, justified and consistent with national policy?**

- 5.1. Policy LP23 supports the retention or further provision of local services and community facilities to maintain the sustainability of rural communities. Policy LP 23 primarily addresses built facilities but also includes sports venues, and seeks to protect and promote premises which offer opportunities for social interaction and provision of community services and facilities. The policy is closely aligned with paragraph 70 of the NPPF which outlines that policies should plan positively for the provision and use of shared space, community facilities and other local services, and is therefore entirely consistent with national policy. Policy LP 23 and its reasoned justification provide an appropriate, effective and clear approach to proposals for local services and community facilities, whilst taking appropriate account of the NPPF's Core Principles.
- 5.2. The Sustainability Appraisal of the policy (CORE/07, pages 215, 659 and 835) indicate that it will have long term positive effects for local communities from its implementation.
- 5.3. Policy LP23 supports proposals for Local Services and Community facilities where it is of a scale to serve local needs. The upper threshold for main town centre uses complements that set out in Policy LP22. The approach set out within Policy LP23 is therefore expected to be effective throughout the plan period.

### **Question 14: Is the approach set out in Policy LP24 effective, justified and consistent with national policy?**

- 5.4. Policy LP24 supports new and expanded tourism, sport or leisure uses in the countryside subject to environmental and sustainability issues being addressed. The NPPF confirms the importance of access to high quality open spaces and sets out the requirement to have robust and up-to-date assessments of the needs for open space, sports and recreation facilities and opportunities for new provision (paras 73 and 74). The Huntingdonshire Sports and Leisure Facilities Strategy 2016-21 (INF/08) provides some assessment of needs and priorities for future provision. The Developers Contributions SPD (INF/-6) sets out current standards sought for provision of green space, play facilities, footpaths and community facilities.
- 5.5. The NPPF also notes the importance of promoting a strong rural economy through supporting sustainable rural tourism and leisure developments that benefit businesses in

rural areas, communities and visitors, and which respect the character of the countryside (para 28). The policy is therefore justified and consistent with national policy.

- 5.6. Policy LP24 and its reasoned justification provide an appropriate, effective and clear approach to proposals for tourism and recreation in the countryside, whilst taking appropriate account of the NPPF's Core Principles. Policy LP24 is therefore effective, justified and consistent with national policy.