

OVERVIEW AND SCRUTINY COMMISSION

Agenda Item 43

Brighton & Hove City Council

Subject:	Brighton & Hove City Plan: Consultation on Policy Options Papers (Employment Policy)		
Date of Meeting:	OSC 1 November 2011		
Report of:	Strategic Director, Place		
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Ward(s) affected:	All		

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

- 1.1 In July 2011, Council agreed to withdraw the Core Strategy to allow it to be updated and amended. This has been agreed by the Secretary of State and the Core Strategy has been withdrawn. In September 2011, Cabinet agreed a new work programme to prepare the City Plan. Consultation on the draft City Plan (to replace the Core Strategy) will take place early next year (March and April 2012)
- 1.2 As part of preparing the draft City Plan it was considered necessary to undertake a period of consultation on four specific policy areas where important changes are proposed. These policy areas are: Housing targets and the housing delivery strategy, Park and Ride (Transport) policy, employment policy and a new student housing policy. The 13 October Cabinet approved the Policy Options Papers for consultation. The focus of this Overview and Scrutiny Commission is the Employment Policy Options Paper.

2. RECOMMENDATIONS:

- 2.1 That Overview and Scrutiny note the content of the Employment Policy Options Paper.
- 2.2 That Overview and Scrutiny Committee refer any comments that may be agreed on the Employment Options Paper to the Executive to inform the preparation of the draft City Plan.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

- 3.1 In July 2011, Council agreed to withdraw the Core Strategy to allow it to be updated and amended. This has been agreed by the Secretary of State and the Core Strategy has been withdrawn. The need to amend the document arose from soundness issues raised in relation to housing delivery at an Exploratory Meeting with the appointed Planning Inspector in May 2010.
- 3.2 The need to update the document also arises from the number of significant changes that have happened since the document was submitted to the Secretary

of State a year ago. These include proposed changes to national legislation and guidance (Localism Bill and draft National Planning Policy Framework). Reflecting these changes will help to secure an effective, up to date and sound document.

3.3 The need to amend the Core Strategy presents a real opportunity to prepare a City Plan with greater potential (than the previously submitted Core Strategy) to plan for the future of the city. The City Plan will be an important tool for attracting and directing investment in the city. It will provide an imperative for delivering much needed affordable homes and for encouraging the most sustainable forms of development with the highest quality of design.

3.4 The Employment Options Paper is one of four options papers being taken out to consultation between 17 October and 2 December. The aim of the paper is to clarify and strengthen how the City Plan will support sustainable economic growth in the city. This is in response to:

- consultation responses received during the last consultation on the Core Strategy's employment policies (requesting further clarity and raising issues of the deliverability of the Core Strategy's approach to accommodating new office accommodation)
- the current financial difficulties in securing finance for new office developments,
- potential changes proposed in the National Planning Policy Framework; and;
- the need to consider the role some sites can play in delivering additional housing supply.

The options generated to tackle these issues also reflected the opportunity indicated in the draft NPPF that the government would no longer prescribe what a local plan would contain. This suggested that it would be possible to include strategic employment allocations and to identify the hierarchy of industrial sites referred to in the Submitted Core Strategy in the City Plan Part 1 rather than leave employment allocations to part 2 of the Plan. The choice of preferred options was informed by the evidence as summarised below and the findings of the Sustainability Appraisal.

3.5 Evidence suggests that Brighton & Hove's economy may be more resilient than during the previous economic slow down. In a study produced by the HSBC (Future of Business Report 2011) Brighton has been recognised as one of five 'Supercities' that will lead the country's economic recovery. Brighton & Hove is a city of entrepreneurs with many more very small businesses than the national average. A growing population means the city needs to find 6,000 jobs by 2014 if it is to maintain its employment rate of 71% (City Employment & Skills Plan 2011-2014).

3.6 There is also strong evidence to indicate that the council should continue to protect the city's employment sites and premises (City Employment and Skills Plan 2011-14, the Business Retention and Inward Investment Strategy 2009, The Employment Land Study 2006 and revised 2009 and the Creative Industries Workspace Study 2007). Both the protection of employment sites and the development of new high grade employment space are fundamental to the economic wellbeing of the city to allow businesses to prosper and grow.

- 3.7 Maintaining a portfolio of employment sites, for example, provides the opportunity for the targeting and support of growth sectors such as environmental technologies to support a low carbon economy. However, the council is concerned that there has been an erosion of employment sites and premises in recent years due to increasing pressure for non-employment uses, particularly residential uses, on sites and in vacant offices.
- 3.8 The Employment Options Paper also recognises the potential government changes to planning rules that could allow commercial premises to be converted to residential without the need for planning permission (DCLG consultation April 2011) but the preferred approach set out in the Paper reflects the council's response to the DCLG consultation which raised serious concerns on the impact such a change could have on the council's employment land.
- 3.9 Looking at the forecast scenarios for employment growth in the city, there is the need for an additional 20,000 sq m of B1a office floorspace in the city post 2016 (Employment Land Study 2006). The strong environmental constraints that make the city such an attractive place to live mean that most employment land will have to be found by recycling existing employment sites and premises and other redundant sites. The Paper recognises that carefully managed mixed-use development can yield more intensive use of under-utilised employment sites to deliver high quality employment space, job growth and contribute to delivering much needed new homes.
- 3.10 Through the City Plan the council's preferred approach will be still to identify development areas where opportunities for growth, regeneration and/ or inward investment will be directed. The development area policies will specify the amount and type of development that is anticipated to come forward during the plan period (2010-2030) and how the council will support and encourage this development to come forward. The preferred options in the Policy Options paper propose to:
- Specifically identify and safeguard Central Brighton as the city's primary office area to accord with the council's aspirations for central Brighton to be a vibrant employment location and respond to the need to safeguard commercial space in suitable locations to allow the city to grow as an economic base for the wider economic area.
 - Identify and allocate a range of sites to accommodate the forecast need for an additional 20,000 sq m of office floorspace within the New England Quarter and London Road Development Area as a more flexible and viable way of bringing forward new office floorspace.
 - Allocate strategic employment sites and identify their proposed role within the Development Areas to clarify and provide certainty to landowners and developers on the council's preferred approach to securing regeneration, inward investment and high quality modern employment floorspace and, where appropriate, employment-led mixed use development.
 - Identify a hierarchy of industrial estates/ premises by allocating those sites which will continue to be safeguarded for business, manufacturing and warehouse use and where refurbishment and improvement will be encouraged and also allocating those assessed as suitable for employment-led mixed use development where the twin benefits of high quality modern business floorspace and additional housing requirements can be achieved.

- Continue to safeguard secondary employment sites to ensure a good supply of appropriate employment land to serve the city's economy.

4. COMMUNITY ENGAGEMENT AND CONSULTATION

- 4.1 Consultation on the Policy Option Papers started 17 October 2011 and runs until the 2 December 2011. The Policy Options Papers are available to download or view on the council's online consultation portal (website) as well as the city's deposit points. The Policy Options papers are being discussed with the relevant city partnerships that sit below the local strategic partnership and at a specific workshop event on 9 November to which representatives of the business sector have been invited and a specific event is being organised by the Brighton and Hove Economic Partnership to discuss the Policy Options Papers on 16 November. Similar events with the BHEP took place during the various stages of consultation on the Core Strategy.
- 4.3 The Cross-Party Working Group on the City Plan was advised of the two stage approach to consultation and the need for option papers for policy areas requiring significant change.
- 4.4 Consultation on the Policy Option Papers accords with the approach and standards set out in the council's adopted Statement of Community Involvement (the city council's policy for involving people, communities and stakeholders in preparing plans).

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 5.1 There are no Capital Expenditure implications. The costs of preparation and consultation for the Policy Option Papers are being met from within the existing Planning Strategy and Projects revenue budget.

Finance Officer Consulted: Karen Brookshaw Date: 13/10/11

Legal Implications:

- 5.2 The draft City Plan will update and amend the withdrawn Core Strategy which is one of a series planning documents introduced under the Planning and Compulsory Purchase Act 2004. Once adopted the City Plan will be the development plan for the city against which planning applications will be assessed. Procedural requirements for drafting and adopting such documents are contained in the Town and Country Planning (Local Development) (England) Regulations 2004 (as amended). The consultation on the Policy Options Papers will be carried out in accordance with the aforesaid Regulations.
- 5.3 No human rights implications arise from the Report.

Lawyer Consulted: Hilary Woodward Date: 17/10/11

Equalities Implications:

- 5.4 Equalities issues have been and will continue to be relevant to a number of issues within the development plan document, particularly in relation to reducing inequalities, providing community facilities and providing housing for all, including gypsies and travellers. Previous community involvement specifically attempted to reach the various communities of interest and a previous version of the Core Strategy was subject to an Equality and Health Impact Assessment.

Sustainability Implications:

- 5.5 The planning system has a clear purpose to contribute towards the achievement of sustainable development. All planning documents will be appraised for their economic, social and environmental impacts. The Policy Options Papers have been subject to a Sustainability Appraisal.

Crime & Disorder Implications:

- 5.6 The City Plan will address crime and disorder through development areas, special area policies and a number of citywide policies.

Risk and Opportunity Management Implications:

- 5.7 The risks within this project are regularly reviewed through quarterly highlight reports. Consulting on the council's preferred approach to policies requiring significant change will help ensure a sound development plan document can be justified and should ensure that there are fewer objections to the plan, or issues arising at a late stage. A Cross Party Working Group has been established to enable these policy options to be discussed at an early stage therefore reducing uncertainty when key decisions are made.

Public Health Implications:

- 5.8 The City Plan will address the healthy planning agenda through a city wide healthy city policy and the various policies redressing inequality. A previous version of the Core Strategy was subject to an Equality and Health Impact Assessment.

Corporate / Citywide Implications:

- 5.9 The City Plan will be a significant factor in steering development in the city for the next 20 years. It will contribute to delivering plans and strategies across the city council directorates, along with the Sustainable Community Strategy. It will also help to deliver city-wide strategies of public and voluntary sector partners.

6. EVALUATION OF ANY ALTERNATIVE OPTION(S):

- 6.1 The process of preparing a development plan document is to test alternative policy options. This testing includes consultation, a robust evidence base and a Sustainability Appraisal. Given the significance of change proposed to four policy areas it was considered necessary for these to be fully tested through an additional 'issues and options' stage.

7. REASONS FOR REPORT RECOMMENDATIONS

- 7.1 To enable the Overview and Scrutiny Commission to consider and comment on the detailed proposals in the Employment Policy Options Paper.

SUPPORTING DOCUMENTATION

Appendices:

1. Employment Policy Options Paper

Documents in Members' Rooms

1. Sustainability Appraisal of Policy Options Papers

Background Documents

1. 7 July Planning, Employment, Economy & Regeneration Cabinet Member Meeting Government Consultation Relaxing Planning Rules For Change Of Use From Commercial To Residential
2. 14 July Council Withdrawal of Core Strategy
3. 22 September Cabinet Revised Local Development Scheme 2011-2014
4. 13 October Cabinet Consultation on Policy Option Papers for the new City Plan
5. Submitted Brighton & Hove Core Strategy