

3.0 Employment

1. The Inspector will be aware that SCC, in conjunction with the Haven Gateway Partnership, provided a commentary on the levels of employment and housing growth proposed for Stowmarket in a statement prepared for the examination of Stowmarket Area Action Plan in September 2011.
2. Though planning policy has evolved since the submission of that statement, the arguments put forward remain valid, principally because the evidence base remains robust. For that reason I append the relevant sections of that statement to this. It is important to reiterate that the key evidence base documents referred to therein have a spatial interest beyond that of Mid Suffolk, and thus the broader sub-regional issues and interactions between the allocation and delivery of sites over a wider area were considered.
3. With respect to the level and distribution of employment land, the previous statement can be summarised as follows;
 - The subregion has underperformed against expectations for job growth
 - There is however significant potential for growth, driven primarily by the ports and logistics and ICT sectors. In particular, there is an opportunity to further localise the economic benefits of the Port of Felixstowe through developing a more port-centric model, involving more local distribution, storage and 'postponed manufacturing'.
 - Such a model requires large sites within a reasonable distance of the port with good access to the trunk road network
 - If such sites are not provided in advance of demand, this could undermine the port's competitiveness, and stymie the development of this important sector, to the detriment of the local economy.
 - Currently there are no large sites available in the short term meeting the requisite criteria
4. The Mill Lane allocation serves a number of purposes; it;
 - Provides a site with the characteristics to support the growth of one of the key economic sectors in the region
 - Provides a site which is development ready, without significant constraints
 - Introduces flexibility in to the development plan, by removing the reliance on a single employment site in Stowmarket
 - Provides the opportunity for sustainable development by rebalancing housing and employment provision in Stowmarket
 - Provides an opportunity to deliver some higher quality office development

5. On 11th June the Ipswich Policy Area Board formally endorsed the allocation of Mill Lane, considering it would be “consistent with the overall economic vision” for the sub-region¹.
6. As Local Highway Authority, we respond specifically on **Q3.7**; it is not possible to anticipate with any accuracy the impact of the provision of the additional employment land on the levels of out commuting. The impact will be determined from the transport assessment and proposed travel plans of the developments. Aspects outside of council control will also influence the impact namely the choice of location of residence, choice of place of work and the type of employment provided by the new developments.
7. However, through providing for a balance of land uses, control of phasing of developments, provision of sustainable links between residential, retail and employment areas and good travel planning, self containment within a settlement can be promoted. Planning policy supports such an approach (NPPF, paragraph 37) as a means of achieving sustainable development (which is the intention of SO3). The AECOM report² highlights the relevance of this to Stowmarket;

Given the current and future planned separation of residential and employment areas, there is a definite, but finite, potential for further internalisation of commuting peak hour trips. Encouraging the development of employment opportunities to the south of Cedars Park would provide opportunities for working nearer home. Other dispositions of employment will need firm workplace travel planning and bus services to influence mode split in the short term. There is also considerable potential for encouraging sustainable travel patterns for off peak local travel (paragraph 5.2.1).

8. The impact of the development envisaged in Stowmarket on traffic levels within the town were considered by the aforementioned AECOM report. It concluded that without mitigation the level of growth would have an adverse impact on the highway network. For this reason the report concludes that a “*holistic approach to sustainable transport over the whole of the journey and over the whole of the urban area*” (p31) is required. The justification being that such a strategy is needed to create ‘headroom’ in the existing network to accommodate future traffic generated by new development.
9. AECOM found that the existing development pattern in Stowmarket is of a scale and layout to favour much higher levels of sustainable travel than are shown at present; therefore with a sustainable transport strategy in place which targets existing and new development we are satisfied,

¹ Ipswich Policy Area Board, Draft Minutes of a meeting held on 11th June 2012.

² Document C3 in SAAP Examination library -

<http://msdc.onesuffolk.net/assets/UploadsMSDC/Economy/Strategic-Planning-Policy/Local-Plan/Local-Plan-Mid-Suffolk/C3AECOMTransportImpactsStowmarketReport051109.pdf>

subject to detailed transport assessment information, that the proposals in the Core Strategy can be realised without unacceptable detriment to the highway network. Mid Suffolk District Council, Suffolk County Council and the Highways Agency co-signed a Statement of Common Ground to this effect in August 2011 which was submitted as part of the Stowmarket Area Action Plan Examination.

10. SCC has now adopted the Local Transport Plan (LTP) 3 (2011-2031) which reaffirms our priorities of; reducing the demand for car travel, using the network more efficiently and improving infrastructure, especially for sustainable modes.
11. The LTP includes a strategy for Stowmarket (p24-25) and indicates that we expect to invest £450,000 in Stowmarket in the period 2011-2015 to implement the strategy (p41). This funding will be directed towards those schemes which are deemed to be priorities in the first years of the plan. Developer contributions will be required to supplement LTP funding to ensure that concerted and comprehensive early action to implement improvements to the bus, pedestrian, and cycle facilities is achieved. Contributions would be sought from all developers to ensure that all the development sites, including those for employment, are effectively connected to the sustainable transport network, thus contributing to the achievement of Strategic Objective S03.

4.0 Housing

1. As outlined under 3.0 (and the Appendix), SCC is satisfied that the level of housing provided for in the Core Strategy is appropriate having regard in particular to the East of England Plan and supporting evidence.
2. SCC believes that the Stowmarket Area Action Plan is the more appropriate document to consider specific issues around phasing, density and housing mix, once more detailed assessments have been undertaken. Such factors will also have implications for viability, hence this should also be considered in detail at that level.

Appendix

Extract from SCC/Haven Gateway Partnership statement submitted to the Stowmarket Area Action Plan EIP.

2. Housing

2.1. With specific regard to housing, paragraph 5.3 of the RSS notes that achieving the targets within Policy H1 would not meet the level of need forecast by the National Housing and Planning Advisory Unit to avoid further deterioration in affordability – hence it is made very clear that these targets should be seen as minima.

2.2. The Mid Suffolk Core Strategy sets out how the level of housing *required* by the RSS will be delivered (the RSS is ultimately supportive of higher levels of growth, subject to this being sustainable). The Core Strategy (paragraph 3.38 and Policy CS8) is unequivocal that the housing targets are minima and the Inspector of the Core Strategy agreed that CS1 and CS8 should be treated as a “*starting point*” (paragraph 4.29), and that the Core Strategy was sufficiently clear that the housing figures stated were going to be treated as such (paragraph 5.14).

2.3. It is also worth noting that, collectively, the experience of the authorities in the Haven Gateway³ is that market take-up rates across the subregion over the period 2001-2008 exceeded RSS targets. Cumulative growth at the annual average RSS target rate would have amounted to 22,785 completions by 2008. Actual delivery amounted to 25,199 – some 2,414 ahead of trajectory by that point in time⁴.

2.4. This is in contrast to other major ‘engines of growth’ across the East of England. Taking the slightly larger area of the Greater Haven Gateway Housing Partnership⁵ as it was then, it was the only such area to exceed its RSS cumulative target by 2007/08 and indeed saw more completions in absolute terms during that period than Greater Cambridge and more than in Greater Norwich and Greater Peterborough combined⁶.

2.5. The Core Strategy sets out the overarching spatial strategy for the district, and indicates in broad terms where the greenfield housing allocations would be. Clearly no capacity assessments had been undertaken at that time, therefore there was a degree of uncertainty as to the most appropriate level of development in each location. The flexibility in the Core Strategy was intended to allow for sites to be developed in a way that made the most efficient and effective use of land, as directed by PPS 3.

³ See Appendix

⁴ As compiled by the Haven Gateway Partnership from data published in local authority AMRs

⁵ Which also includes Braintree and Maldon (and have since joined as full members of the Haven Gateway Partnership)

⁶ East of England Plan, Annual Monitoring Report 2007/08 – Local authority dwelling trajectories (March 2009) <http://www.eera.gov.uk/publications-and-resources/annual-monitoring-reports/annual-monitoring-report-2007-08/>

2.6. The Stowmarket AAP, until the enactment of the Localism Bill, must remain in general conformity with the RSS. It must also be in conformity with the Core Strategy. Our view is that the Area Action Plan is, like the RSS, a plan for sustainable growth, and it also seeks to deliver the spatial strategy as broadly outlined in the Core Strategy. Furthermore, the ability of the Stowmarket AAP to respond flexibly to market demand is sensible in this context, for while demand may currently be depressed, it is clear that the underlying locational and other advantages which led to such high levels of comparative growth previously remain, and will continue to influence growth once the economy recovers.

3. Employment

Jobs targets

3.1. The RSS set an overall housing provision for Suffolk of 61,700 for the period 2001-2021 and an indicative jobs target of 53,000 for the same period. The draft Revision of the RSS slightly increased housing provision to 64,300 for the period 2011-2031, but substantially increased the indicative jobs target to 71,700⁷. For the Haven Gateway sub-region, the original indicative figure was 50,000 new jobs between 2001 and 2021, with the target figure for 2011-2031 being increased to 71,500.

3.2. This enhanced level of provision was intended to support the realisation of the economic potential of a number of areas, in particular the Haven Gateway subregion, where ICT (Ipswich) and port related growth (Felixstowe) was expected to contribute to the uplift in job creation (draft RSS paragraph 5.7).

3.3. There is concern across the Haven Gateway area that actual job growth has not kept pace with the previous indicative jobs target, let alone demonstrated an ability to meet the increased aspirations for the period 2011-2031 mentioned above. Data from the East of England Forecasting model in Spring 2009 (and used for the Suffolk Haven Gateway Employment Land Review (SHGELR) 2009) suggested that for the Suffolk portion of the Haven Gateway there could be a shortfall of over 7,000 jobs from the 30,000 anticipated in the original RSS (2001-2021) for this area, i.e. nearly a quarter of the total.

3.4. Of course, by their very nature, forecasts reflect assumptions and expectations at a point in time. For this reason, a variety of scenarios have been presented by forecasts at stages through the course of the current recession. However, it is fair to say that while the scale of the shortfall in jobs has varied, the fact is that there remains some level of gap in even the most optimistic of the available forecasts. More importantly, as the debate which accompanied the Examination in Public of the Ipswich Core Strategy highlighted, securing the development of the major employment sites circling

⁷ Draft RSS Review to 2031

<http://www.eera.gov.uk/GetAsset.aspx?id=fAAzADgAMAA4AHwAfABUAHIAdQBIAHwAfAAwAHwA0>

Ipswich and extending along the A14 will have a critical bearing on the ability of the area as a whole to deliver the jobs it needs.

3.5. Policy HG2 of the RSS identifies the Haven Gateway sub-region (within which Stowmarket is located) as a major growth point. As such the town has an implicit role in facilitating the delivery of 50,000 jobs within the Haven Gateway, including through support of port related growth in particular. Policy HG2 in the draft Revision (p132) continued to reaffirm the importance of capitalising on port related growth, and as mentioned, increased job expectations.

Port related employment

3.6. One of the key reasons for the creation of the Haven Gateway Partnership over ten years ago, was the desire of the local authorities concerned, to work across boundaries to support the ports complex associated with the Harwich Haven – Harwich, Felixstowe, Ipswich, Mistley and Brightlingsea.

3.7. The true scale of importance of the ports and logistics sector to the Haven Gateway was brought into sharp focus by a report commissioned by the Partnership in 2010 which sought to assess its economic impact on the subregion. This revealed that:

- It employs over 32,000 people
- Has a turnover of around £3 billion per annum
- Buys £100 million of local services
- Creates a further 1,000 jobs in local services
- Has an average wage rate 20% above the Haven Gateway average, based on 2009 figures

3.8. Other reports have been commissioned over the years, all aimed at trying to ensure the needs of the sector were identified and used to influence future planning policy. In terms of future land needs, the most important of these was the Felixstowe Port Logistics Study.

The Felixstowe Port Logistics Study⁸

3.9. The Felixstowe Port Logistics Study (FPLS) (2008) considered the potential offsite land requirements arising from development and expansion at the Port of Felixstowe. Using Government and industry forecasts, it predicted a significant level of future growth in business through the Port and put forward a number of potential scenarios as to the level of this growth and its implications.

⁸ <http://msdcrw.onesuffolk.co.uk/NR/rdonlyres/4195223E-4809-4CF3-BC67-E6C3C9CD0066/0/FPLSDraftFinalReportFINAL1809081.pdf>

3.10. The report also made reference to the fact that existing port owners and operators are increasingly supportive of a more port-centric model, which, through more local distribution and storage of imports, would create additional employment growth in the subregion (p14).

3.11. Indeed other European ports have a strong track record in ‘postponed manufacturing’⁹ adding significant value to their distribution process. Such a model requires ‘good size land areas’ available ‘near to’ the port (p13). Good size is defined as at least 10 hectares (p47) and the port centric zone is that area within 30 miles of the port (p19).

3.12. The FPLS emphasises that Felixstowe is facing increasing competition, particularly from North West European ports (p6) – it states;

... the focus is on ensuring that sufficient land is made available to enable the port to grow business and this means ensuring the land/site supply pipeline is in place in advance of demand [original emphasis]...If land supply is deficient then port competitiveness is likely to be impaired, potentially damaging value-added and employment benefits to the region as they relate to the port sector... On balance, it is likely that under-providing for port and logistics related land uses will be more problematic than over-provision (p29).

3.13. More recently, it has become apparent that plans for the development of a major new port complex on the Thames in London, known as London Gateway or DP World¹⁰, are advancing apace and represent a major competitive threat to Felixstowe. Most significantly, the new port is being marketed as “*the UK’s newest deep-sea container port combined with Europe’s largest logistics park, 25 miles east of central London*”. Both the Port of Felixstowe and the Haven Gateway Board have recognised the need to ensure that both existing local employment in the ports and logistics sector and prospects for future employment growth are not compromised by the lack of suitable and available employment land.

3.14. The FPLS in identifying a need for between 44 and 116 hectares of additional land by 2023, cautions against a “*piecemeal approach to off-port development that has too often led to the spread of port related uses on scattered small sites with inadequate site preparation and buffering from other uses*” (p47). It therefore examined a number of potential strategic allocations including land off Mill Lane, Stowmarket, which it identified as a medium to long term prospect (p51).

3.15. Although acknowledging that sites beyond the 30 mile port centric zone “*are unlikely to be used for port centric uses*” it shortlisted some because they had been put forward for such use (p54). Table 6.5 (p56) indicates that indeed it is only the Suffolk Business Park Extension at Bury St Edmunds

⁹ For example consumer goods being packed/repacked, labelled, and prepared for shop sale or machinery being assembled, and then packaged for distribution to other manufacturing companies and businesses.

¹⁰ <http://www.londongateway.com/>

which is available in the short term. The findings of the FPLS therefore suggest there are no strategic sites available for port related uses in the short term.

The West Suffolk Employment Land Review¹¹

3.16. The West Suffolk Employment Land Review (WSELR) was commissioned to identify how the jobs target in the current RSS could be delivered. As such the base case relates to the 18,000 jobs previously envisaged for the 'Rest of Suffolk' (which included Stowmarket) (Policy E1), rather than the higher, though not specified, total in the more recent draft RSS.

3.17. Nevertheless the WSELR reports that Mid Suffolk has a demonstrated economic strength in catering for port related industries and is well placed, due to its strategic location alongside the A14, to benefit from this sector's growth and thus become a key logistics and distribution centre (p6, 26). It therefore identifies port related growth as the predominant driver for growth in Mid Suffolk (p39, 74). It also reaffirms the contention of the FPLS that the influence of the Port of Felixstowe does not currently extend to Bury St Edmunds (p131), which is more affected by development in the Cambridge subregion (p134).

3.18. In addition to the 18,000 jobs base case (which is derived from past trends and estimates of future housing and population growth), the WSELR tested an 'allowance for future aspirations'. This testing drew on the scenarios in the FPLS and calculated the implications of such growth in terms of potential land requirements in Mid Suffolk.

3.19. The WSELR states that Mid Suffolk currently accounts for 9% of the office-related employment in the local authorities affected by the Port of Felixstowe, and 55% of the warehousing-related employment (p132). It then uses this apportionment as a basis for the distribution of future growth from the Port of Felixstowe (p132). This of course takes no account of the ability of the other District Councils to accommodate their continued growth level, either at all, or, importantly, the timescale over which they may be able to do. Indeed the SHGELR notes that there are issues over the deliverability of strategic employment sites within Ipswich, Babergh and Suffolk Coastal (p.v).

3.20. The WSELR concludes that Mid Suffolk must allocate more employment land to realise the higher levels of growth (p151) and recommends this should be within the area extending from Stowmarket eastwards (p158) to take advantage of port related growth. The report specifically encourages the identification of sites suitable for port and logistics in the Ipswich Policy Area (p160), but also in the west of the district (p161). Clearly Stowmarket, which lies between the two areas, must also be considered.

¹¹ <http://msdcrw.onesuffolk.co.uk/NR/rdonlyres/2CB317E4-3434-4594-B717-E1E6402C0E0A/0/E6WestSuffolkELRMay09.pdf>

3.21. While the WSELR does recommend concentrating development on existing allocated employment land in Stowmarket (p161) this fails to take into account the particular circumstances of the Cedars Park site (detailed in MSDC's Employment Topic Paper). In any case, reliance on a single site (half of the available employment land is at Cedars Park (p80)) does not provide sufficient flexibility to the District Council to deliver its economic aspirations.

3.22. The evidence suggests that the subregion cannot point to sufficient employment land availability in the short term that is likely to satisfy the needs of the port logistics sector. The requirements of this sector are predominantly storage (B8), with some ancillary uses such as mechanics (B2). However experience from other European ports suggests that there is also significant scope for expansion in other port/shipping related businesses, professional services in law, finance and ICT, which would necessitate B1 floorspace.

3.23. Although all the employment land trajectories in the WSELR suggest that limited office floorspace is required, as the report notes *"while the quantitative balance of employment land is important, it is also important to have the correct qualitative balance to meet future demand in terms of type, quality, size, price and location of stock"* (p151). The WSELR states that the significant growth in housing and employment stock in Stowmarket over the last 10 years has not been matched by employment development, resulting in poor quality units, which has been compounded by land allocations of an awkward configuration (p40).

4. The Suffolk Haven Gateway Employment Land Review¹²

4.1. The Suffolk Haven Gateway Employment Land Review (SHGELR) was commissioned shortly after the WSELR to address a similar gap in the local evidence base. The contract for the study was awarded to the same consultants, GVA Grimley, who were therefore able to take a broader view of the economic influence of the Port and A14 corridor.

4.2. As stated above, the study highlighted the potential jobs gap and identified the economic potential of the Port as one of the main opportunities to redress the imbalance between employment and housing growth.

4.3. A further feature of the study was that it reviewed the suitability and availability of a number of allocated "Strategic Sites" seen by the local planning authorities involved to be critical in delivering the jobs target. This exercise revealed the following picture:

Site	Site area (HA)	Suitability	Availability	Access to the Trunk Rd network
Adastral Park	0	Offices	Medium/Long	Good
Brantham	22.3	Industrial/mixed use	Long term	Poor
Sproughton	36	Storage/distribution/industrial	Medium/Long	Good

¹² http://www.haven-gateway.org/resources/regeneration_1/employment_land_review

Wherstead	3.3	Offices	Short term	Good
Ransomes Ipswich	5.5	Industrial	Short term	Good
Ransomes Suffolk Coastal	13.5	Warehousing/distribution/ B1	Long term	Good
Cranes	16.74	Industrial	Long term	Adequate
Rendham Road	5	Offices/ warehousing/ distribution	Short term	Good

Table 1: Strategic sites analysis in the SHGELR

4.4. This analysis revealed the limited supply and generally longer term availability of land for port related growth (i.e. above 10 hectares in size and within 30 miles of the Port) and led to a number of key recommendations. These included a recommendation that a subregional view needed to be taken of land supply and allocation (p.vi):

It is evident from our business survey that delivering a choice of sites in the right locations across Suffolk Haven Gateway is more important than rigidly respecting local authority boundaries where these do not align to the functional economic area. In this regard the Ipswich Fringe and the A14 are key strategic locations for future employment land development that benefit Ipswich, Babergh and Suffolk Coastal authorities. Consideration should also be given to Mid Suffolk District's potential to deliver employment sites to fit with the wider need of the Suffolk Haven Gateway in this context. Once again those sites along the A14 corridor are particularly important. This means that the sub-region needs to take a contextual view of available employment supply to ensure that it fits with market expectations and demands.