

<b>Issue 20b</b>	<b>Employment Land Strategy</b>	
<b>Development plan reference:</b>	4.3.1 - 4.3.4 - Spatial Strategy, page 62 5.1.6 - 5.1.8 – Perth Area Employment Land Spatial Strategy, page 68-69 6.1.4 - 6.1.8 – Highland Perthshire Area Employment Land Spatial Strategy, page 151 7.1.3 – 7.1.7 – Kinross-shire Area Employment Land Strategy, page 197	<b>Reporter:</b> Hugh M Begg
<b>Body or person(s) submitting a representation raising the issue (including reference number):</b>		
The Morris Leslie Group Ltd (00385) Dorothy Guthrie (00763) Fossoway & District Community Council (00830) Pitlochry & Moulin Community Council (00838) Councillor Michael Barnacle (02633) A Ritchie & Son/M & S M Bullough (08651) Errol Park Estate (09060) Ken Russell (09193) TACTRAN (09203) Ken Miles (10236)		
<b>Provision of the development plan to which the issue relates:</b>	Spatial Strategy relating to employment land provision	
<b>Planning authority’s summary of the representation(s):</b>		
<p><u>Spatial Strategy</u></p> <p>Errol Park Estate (09060/1/001): Objects to the new economic development sites proposed in the Plan. Whilst some new economic development sites could form extensions to existing sites, new employment allocations need to be provided in a variety of locations to provide choice and encourage inward investment. There are not enough marketable sites and locations allocated throughout Perth and Kinross for business in the LDP as required by SPP paragraph 46 (S4_Doc_300). The only choice is the suburbs of Perth.</p> <p>The Morris Leslie Group Ltd (00385/1/001): Employment land requirement is said to be significantly over-subscribed in paragraph 5.1.8 but examination of the Perth &amp; Kinross Employment Land Audit 2010 (Core_Doc_145) shows only 8.25ha of a total 337ha is unconstrained. Much of the identified land is to only come forward in later years of the Plan period which is not ideal if there is to be economic recovery. Alternative sites should be explored.</p> <p>Ken Russell (09193/2/001): The availability of ‘mixed use’ land is supported but there are not enough mixed use sites in the LDP, especially in Crieff. All employment sites should be designated as mixed use to allow flexibility of development so recreation and other facilities can have their place.</p>		

TACTRAN (09203/14/001): Broadly supports spatial strategy, especially the emphasis on sustainability in promoting new employment allocations well linked to residential areas, and allocation of mixed use sites reducing the need to travel.

#### Perth Area

A Ritchie & Son & M & S M Bullough (08651/6/001): Table at paragraph 5.1.7 is untitled and unclear what it is showing and how it relates to the table on page 62. Regarding the table on page 62, it is unclear where the 70 hectares requirement in Perth has come from as it is not specified in TAYplan (Core\_Doc\_099).

Paragraph 5.1.7 is unclear. If the 5 year land supply for Perth area is 70 hectares does this mean a supply of 140 hectares for the 10 year Plan period, or is the 5 year supply actually 35 hectares? Areas identified in table on page 68 total 190 hectares which suggests a 13 year supply and brings into question the levels of additional employment land being required through the LDP Strategic Development Areas. The Perth and Kinross Employment Land Audit 2010 (Core\_Doc\_145) identifies a surplus in the Perth Core and a deficit in Perth City so brings into question the merit of significant additional employment land allocations in the short term.

Dorothy Guthrie (00763/1/003): Perth is becoming a commuter town for Edinburgh and Glasgow because of the lack of employment in the Perth area. Employment development should happen before any housing development.

#### Highland Area

Pitlochry & Moulin Community Council (00838/1/004): Lack of further allocation of land for employment. Employment land in less sensitive situations needs to be identified and allocated (reference to allocation of employment land in Pitlochry), considered to be a key deficiency in the Plan.

#### Kinross Area

Councillor Michael Barnacle (02633/1/030): Table at paragraph 7.1.6 shows 32 hectares of employment land yet Plan suggests that only 20 hectares is actually required. Considers there is an over provision.

Ken Miles (10236/1/016): The justification for employment land provision is unconvincing.

Fossoway & District Community Council (00830/1/001): General support for the employment strategy in Kinross-shire.

### **Modifications sought by those submitting representations:**

#### Spatial Strategy

Errol Park Estate (09060/1/001): New employment allocations need to be provided in a variety of locations. There should be more choice of suitable marketable sites and locations throughout Perth and Kinross for business allocated in Development Plans.

The Morris Leslie Group Ltd (00385/1/001): Alternative employment land sites which are deliverable in the short term should be explored. Suggested sites include Errol Airfield, Valleyfield near Errol and north east of the Inchmichael interchange on the A90.

Ken Russell (09193/2/001): All employment sites should be designated as mixed use.

Perth Area

A Ritchie & Son/M & S M Bullough (08651/6/001): Provide a title for the table on p68 and clarify what it shows. Provide clarification whether the 5 year employment land supply is 70ha or 35ha. Provide clarification of further employment land allocations in the Perth Core Area when there is a 'significant surplus' already identified.

Dorothy Guthrie (00763/1/003): More employment opportunities in Perth should be looked at before any development (assumed housing development) takes place.

Highland Area

Pitlochry & Moulin Community Council (00838/1/004): Allocation of further employment land should be in less sensitive locations in Pitlochry than the site adjacent to the Festival Theatre and the A9. No suggested sites were submitted.

Kinross Area

Councillor Michael Barnacle (02633/1/030): Reduce employment land provision at paragraph 7.1.6 from 32.3 hectares to 20 hectares.

Ken Miles (10236/1/016): Assumed respondent wishes a stronger justification in relation to the employment land requirements included within the Plan.

**Summary of responses (including reasons) by planning authority:**

The following responses are supported by the Council's Delivering Infrastructure Background Paper (S4\_Doc\_440) which outlines the key infrastructure requirements and proposed timescales to deliver the strategic development areas.

Spatial Strategy

Errol Park Estate (09060/1/001): SPP paragraph 45 (S4\_Doc\_084) advocates that economic development should be promoted in sustainable locations, particularly in terms of accessibility and promote greater integration of employment and housing development.

Based on SPP (Core\_Doc\_048), TAYplan Policy 1 Location Priorities (S4\_Doc\_067) sets out the spatial strategy for the area and adopts a hierarchical and sequential approach in terms of the supply of economic development land. The Perth Core Area is a Tier 1 area because it has the greatest potential and best infrastructure to accommodate the majority of the economic development and housing land required over the Plan period. The Perth Core Area is projected to experience the most growth in the area and therefore contains the highest number of allocated mixed use sites and employment sites. It is considered that the employment land supply figures at paragraph 4.3.4 provide the required amount of employment land to ensure a 5 year land supply of effective sites. The employment land figures are based on a hierarchical approach. Perth being the largest settlement and best infrastructure has the highest number of employment sites while the Highland area with its smaller settlements and large rural areas has the lowest number of employment sites. This approach is considered appropriate and is in line with TAYplan Policy 1.

While Policy ED1 (Employment Land and Mixed Use Sites) promotes economic development of the allocated sites, not all allocated sites will come forward for development during the plan period. Policy ED3 (Rural Business and diversification) promotes rural business development in suitable locations and provides enough flexibility to potentially support economic development on non allocated employment sites.

No modification is proposed to the Plan.

The Morris Leslie Group Ltd (00385/1/001): SPP paragraph 46 (S4\_Doc\_300) requires planning authorities to ensure there is a range and choice of marketable sites and locations for businesses allocated in Development Plans. Marketable land is required to be serviced or serviceable within 5 years, be accessible by walking, cycling and public transport, and have a secure planning status.

The allocated employment land contained within the LDP will ensure there will be a 5 year supply of effective and marketable sites. The Perth and Kinross Draft Action Programme (Core\_Doc\_172) indicates that most sites should commence development by 2015. Should there be any issues with the supply, SPP allows for the sites to be regularly reviewed and new sites can be brought forward if existing allocations do not meet current and anticipated market expectations. The Action Programme is to be reviews and updated at least every 2 years and it also highlights the requirements to ensure the sites are effective and developable.

With reference to the sites mentioned within the representation, all are situated within the Carse of Gowrie. Significant development in this area will not accord with TAYplan Policy 1 Location Priorities (S4\_Doc\_067) which promotes most development should take place within the Perth Core Area. This area was assessed as part of the TAYplan MIR process. Both the TAYplan Environmental Report Table 6.3 and 7.2 (S4\_Doc\_436) and (S4\_Doc\_437) and the Background Technical Note Chapter 8 for the TAYplan MIR (S4\_Doc\_438) concluded that the Carse of Gowrie had too many environmental (especially flooding) and infrastructure issues to allow support for any significant development. Sites in the Carse of Gowrie have been dealt with in more detail within Issue 26b (Perth Area (outwith Core) East Settlements and Landward Sites.

No modification is proposed to the Plan.

Ken Russell (09193/2/001): A higher number of mixed use sites have been allocated in the LDP than previous local plans and this is in line with SPP paragraph 45 (S4\_Doc\_084), which promotes the integration of employment generation opportunities with supporting infrastructure and housing development. It is not considered practical to allocate all sites for mixed use because of environmental or infrastructure reasons. A number of the housing and employment land allocations are extensions of existing sites and providing a mix of uses on these could cause issues of incompatibility. No modification is proposed to the Plan.

#### Perth Area

A Ritchie & Son & M & S M Bullough (08651/6/001): The title for the table on page 68 is just above paragraph 5.1.6 and follows the same format as all other sections in the LDP. The total 5 year employment land supply for the Perth area to 2024 is 70 hectares and is considered that this is more than adequate employment land provision. Whilst the table at paragraph 5.1.7 shows a significant oversupply of sites many are longer term development sites (e.g. Oudenarde, Bertha Park, Perth West) and not all developable immediately and will supply employment land beyond the Plan period. Some sites such as the James Hutton Institute at Invergowrie is a specialist employment site.

No modification is proposed to the Plan.

Dorothy Guthrie (00763/1/003): It is not the role of the LDP to provide employment opportunities. Its responsibility is to make sure there is enough employment land to meet any demand.

It is often recognised that one of the factors a potential employer looks for in an area is the housing market to ensure the prospective labour force can be housed. It would be contrary to SPP to look at employment or housing land in isolation because both are reliant on each other and work in tandem with each other. In addition the construction industry accounts for 7-8% of the employment levels within Perth and Kinross.

No modification is proposed to the Plan.

#### Highland Area

Pitlochry & Moulin Community Council (00838/1/004): The employment land allocation in Highland Perthshire is the lowest of all the areas within Perth and Kinross with just 5 hectares required up to 2024. The current effective supply is very low at just 1.27 hectares and is hindering economic development within the area. Therefore some new sites have had to be identified and the majority are in the larger settlements within Highland Perthshire. Any issues involving the proposed employment sites have been identified by SEPA and SNH and dealt with in the Highland Settlement Schedule 4's, Issues 28 and 29.

In terms of Pitlochry itself no new sites have been identified by the Community Council or by Perth & Kinross Council. Pitlochry has physical constraints such as the river, the topography and accessibility. Employment land requires flatter land and better access than housing sites. In addition the existing employment land allocations to the east and south of the town are set to be retained. Much of Highland Perthshire's businesses tend to be rural in nature and often located in rural areas and not on industrial estates. Policy ED3 (Rural Business and Diversification) (S3\_Doc\_395) provides support for such proposals.

No modification is proposed to the Plan.

#### Kinross Area

Councillor Michael Barnacle (02633/1/030): The employment land requirement up to 2024 in Kinross-shire is 20 hectares. Whilst the employment land sites proposed at paragraph 7.1.6 may show 32.3 hectares, it is considered that more detailed analysis of these sites may limit their usable area. Any issues involving the proposed employment and opportunity sites have been identified by SEPA and SNH and dealt with in the Kinross/Milnathort Schedule 4's Number 32 and 34.

No modification is proposed to the Plan.

Ken Miles (10236/1/016): Unlike housing land audits which has guidance from PAN 2/2010, there is no equivalent system or guide for calculating the employment land requirements for an area. Estimating future demand is more complex than housing requirements because they are informed by Housing Needs Demand Assessments (HNDA) and population projections supplied by the National Records of Scotland.

The calculation of the employment land requirement does not follow a prescribed methodology. One common method of estimating employment land requirements is by looking at past demand. This however is heavily influenced by the availability of effective sites and the economic climate at the time. It would therefore not be appropriate to include more detail in relation to the figures in the Plan itself.

In relation to the Kinross and Milnathort area there have until recent years been severe constraints on the availability of effective employment sites due to infrastructure and

flooding issues.

No modification is proposed to the Plan.

### **Reporter's conclusions:**

#### Spatial Strategy

1. Section 3.3 of the Proposed Plan is concerned with Economic Development. Scottish Planning Policy (SPP) at paragraphs 45 to 48 sets out the Government's policy on this subject and TAYplan Policy 1: Location Priorities provides the strategic guidance with which strategies, plans, programmes and development proposals in Perth and Kinross must comply. Within that context, the council has presented its spatial strategy for the provision of employment land at paragraphs 4.3.2 to 4.3.4 of the Proposed Plan. Detail is provided by way of allocations within each of the five Local Development Plan (LDP) Areas which are identified in the Map on page 14 of the Plan.

2. Difficulties for users of the Proposed Plan have arisen as a consequence of the minimalist style which the council has adopted in the presentation of the tables within this and, indeed, other sections of the plan. In some cases, brevity has been at the expense of clarity. Furthermore, users of the plan are required to read it as a whole if they are to understand "*the framework against which planning applications are assessed*" (paragraph 1.1.2). Accordingly, it would be good practice to provide cross references in this Chapter of the Proposed Plan and elsewhere where these would assist readers to navigate their way through the document. Furthermore, the council appears to consider that the terms "*economic development land*" and "*employment land*" mean one and the same thing (e.g. paragraphs 4.3.2 and 4.3.4). If that is so, then one or other should be used throughout the text of the Proposed Plan in order that users can be in no doubt what the council has in mind. While no recommendations are made on these difficulties, they are matters to which the council may wish to give some attention.

3. SPP at paragraph 45 requires that: "*Authorities should respond to the diverse needs and locational requirements of different sectors and sizes of businesses and take a flexible approach to ensure that changing circumstances can be accommodated and new economic opportunities realised.*" It goes on at paragraph 46 to state that: "*Planning authorities should ensure that here is a range and choice of marketable sites and locations for businesses allocated in development plans.*" The needs of employment generating businesses are various and sometimes specialised. Identification of all employment land for mixed use would run contrary to these requirements and, accordingly, there is no need to make a modification to that effect.

4. Forecasting future demand for employment land is not an exact science; and the council is correct in pointing out that there has been no advice issued by Government for calculating the employment land requirements for an area. However, that does not absolve the council from devising and then applying, using professional judgment, a systematic procedure appropriate to the circumstances of Perth and Kinross which enables a robust forecast of additional land requirements to be made for each of its LDP Areas and, hence, Perth and Kinross as a whole. Despite the request for further information it is not clear that the council has such a procedure in place.

5. In response to a request for further information on that matter, it appears that the council has based its estimates of future demand on the evidence of past trends in the uptake of land. The council states that it has relied upon four documents in reaching its

conclusions. These include the Perth and Kinross Structure Plan (2003) and an Industrial and Business Land and Property Market Appraisal by consultants dated 2008. A topic paper on Sustainable Growth and an Employment Land Audit provides figures only for 2009/10. These documents are of such a vintage and limited content that they must be of limited current value as far as establishing past trends and the present situation are concerned and then looking five years into the future and beyond.

6. Turning to the supply side, in response to the request for further information the council has calculated that *“151 hectares of land are considered to be effective (i.e. deliverable within 2 years) for employment use. The remainder of the allocated sites are all expected to be deliverable within 5 years and there are a number of large strategic sites whose development is expected to continue beyond the life of the Plan”*.

7. Drawing these matters together, the council’s Employment Land Strategy appears to conform with the main thrust of the requirements of SPP and the requirements of TAYplan. However, the concern that the Proposed Plan has not identified sufficient land in appropriate places to ensure the provision of a five year land supply in each of the five LDP Areas can only be dealt with by way of an annual monitoring process using the most up to date information available. That will enable an informed assessment on whether the allocations of employment land in the Perth Area, the Highland Area and Kinross Area are adequate, exceed or fall below what is required. The merits of concerns raised by respondents relating to particular areas and sites, including those in the Carse of Gowrie and Pitlochry, are considered on their merits elsewhere in the report.

#### Perth Area

8. Within the context set by national and strategic policies the council is committed to a policy of promoting sustainable economic growth. In addition to the allocation of sufficient in the way of employment land to facilitate expansion of existing businesses, enable new starts and encourage inward investment, the provision of employment land of the right type in the right place at the right time is one part of the numerous arrangements which are integral to achieving that objective.

9. The council has adopted a uniform approach to the manner in which it has provided headings for its tables. However, it is very unusual for the reader of a plan to have to turn to the previous paragraph of text for confirmation of what is set out in any particular table. Related to that, it is understandable that there has been difficulty in comparing the statement of the five year employment land supply which is provided by LDP Area at paragraph 4.3.4 with the content of paragraph 5.1.7 which deals with the Perth Area in different terms. On the other hand the response by the council to the respondent is admirably clear and the text of the Proposed Plan would benefit from that clarification.

#### **Reporter’s recommendation:**

1. Delete the text of paragraph 5.1.8 and replace with the following:

*“5.1. 8 The total 5 year employment land supply for which sites have been identified in the Perth area to 2024 is 70 hectares and this is considered to be more than adequate. The table at paragraph 5.1.7 identifies sites which will meet that requirement. It also includes land, such as that at Oudenarde, which will contribute towards the effective land supply towards the end of that period and beyond. Some sites, including the James Hutton Institute at Invergowrie, are identified for specialist employment.”*