Local Development Framework

City of Bradford Metropolitan District Council


Core Strategy: Issues and Options

Topic Paper 4: Economy and Jobs





February 2007

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one landscape many views

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ব্রাডফোর্ড ডিস্ট্রিক্ট (Bradford District) এর লোক্যাল ডেভেলাপমেন্ট ফ্রেইমওয়ার্ক (Local Development Framework – স্থানীয় উন্নয়ন কাঠামো) এর অনেকগুলো কাগজপত্র বা দলিলপত্রের একটি হলো এই তথ্যপত্রটি। এই তথ্যপত্রের বিষয়বস্তু কমিউনিটির লোকদের কোনো ভাষায় বুঝতে চাইলে অথবা লিখিত অনুবাদ চাইলে নতুবা তা ব্রেইলে (অন্ধলিপিতে), মোটা হরফে কিংবা ক্যাসেটে রেকর্ড করে চাইলে, অনুগ্রহ করে লোক্যাল ডেভেলাপমেন্ট ফ্রেইমওয়ার্ক গ্রুপ (Local Development Framework Group)-কে (01274) 434050, (01274) 434544 বা (01274) 434606 নাম্বারে ফোন করুন।

यह दस्तावेज़ उन बहुत से दस्तावेज़ों में से एक है जिनसे मिलकर ब्रैडफोर्ड डिस्ट्रिक्ट का लोकल डिवेलप्मेंट फ्रेमवर्क बनता है। यदि आप इस दस्तावेज़ की जानकारी का हिन्दी अनुवाद या इसे ब्रेल, बड़े अक्षरों या टेप पर प्राप्त करना चाहते हैं , तो कृपया लोकल डिवेलप्मेंट फ्रेमवर्क ग्रुप से (01274) 434050, (01274) 434544 या (01274) 434606 पर सम्पर्क करें।

ਇਹ ਦਸਤਾਵੇਜ਼ ਅਜਿਹੇ ਬਹੁਤ ਸਾਰੇ ਦਸਤਾਵੇਜ਼ਾਂ ਵਿਚੋਂ ਇਕ ਹੈ ਜਿਨ੍ਹਾਂ ਨਾਲ ਬਰੈਡਫੋਰਡ ਡਿਸਟ੍ਰਿਕਟ ਦਾ ਲੋਕਲ ਡਿਵੈਲਪਮੈਂਟ ਫ਼ਰੇਮਵਰਕ ਬਣਦਾ ਹੈ। ਜੇਕਰ ਤੁਸੀਂ ਇਸ ਦਸਤਾਵੇਜ਼ ਵਿਚ ਦਿੱਤੀ ਗਈ ਜਾਣਕਾਰੀ ਦਾ ਪੰਜਾਬੀ ਅਨੁਵਾਦ ਜਾਂ ਇਸਨੂੰ ਬ੍ਰੇਲ, ਵੱਡੇ ਅੱਖਰਾਂ ਜਾਂ ਟੇਪ 'ਤੇ ਪ੍ਰਾਪਤ ਕਰਨਾ ਚਾਹੁੰਦੇ ਹੋ ਤਾਂ, ਕ੍ਰਿਪਾ ਕਰਕੇ ਲੋਕਲ ਡਿਵੈਲਪਮੈਂਟ ਫ਼ਰੇਮਵਰਕ ਗਰੁੱਪ ਨਾਲ (01274) 434050, (01274) 434544 ਜਾਂ (01274) 434606 'ਤੇ ਸੰਪਰਕ ਕਰੋ।

یہ دستاویز بریڈفورڈ ڈسٹرکٹ کے مقامی ترقیاتی لائحہ عمل سے متعلقہ دستاویزات میں سے ایک ہے۔ اگر آپ کو اِس دستاویز کا زبانی یا تحریری ترجمہ کسی بھی کمیونٹی زبان میں درکار ہو یا آپ اِسے بریل، لارج پرنٹ یا ٹیپ میں چاہتے ہیں تو براہ مہربانی لوکل ڈیویلپمنٹ فریم ورک گروپ سے ٹیلی فون نمبر: 01274 434544, 01274 434050 یا 01274 434606 پر رابطہ کریں۔

આ દસ્તાવેજ ઘણાંમાં નો એક છે કે જે બ્રેડફર્ડ ડિસ્ટ્રકટ નાં સ્થાનિક વિકાસ ની રૂપરેખા બનાવે છે. જો તમને આ દસ્તાવેજનાં લખાણનું પ્રાદેશિક ભાષઓમાં ભાષંતર કરાવવાની અથવા તેનો અર્થ સમજવાની જરૂર જણાય, અથવા તમને તેની જરૂર બ્રેઈલ, લાર્જ પ્રિન્ટ કે પછી ટેપ ઉપર હોય, તો મહેરબાની કરી લોકલ ડિવેલપમેન્ટ ફ્રેમવર્ક ગ્રુપનો (01274) 434050, (01274) 434544 અથવા (01274) 434606 પર સંપર્ક કરો.

1.0 INTRODUCTION

1.1 A prosperous local economy is important to the economic and social wellbeing of the District. Topic Paper 4 looks at some of the main issues that the forthcoming Local Development Framework must consider in relation to the local economy . The paper seeks to generate discussion about the provision and protection of land and buildings for employment use as well as the extent and location of this provision. The paper is divided into the following sections:

- Influences
- Key Issues and Options
- Evidence
- Key Questions

1.2 The planning system must ensure that it provides enough land in the right locations for the continued growth of the local economy, so that the aspirations of local businesses are not hindered by a lack of suitable land and premises. The Council's policies controlling the supply and location of employment land and buildings are presently contained in the Replacement Unitary Development Plan (RUDP).

1.3 Since the formulation of the UDP changes in the national planning agenda, council policy, and the dynamics of the local economy mean that policies now need to be reviewed and replaced in the new Local Development Framework (LDF). This Issues and Options paper is one of a number of documents forming the Core Strategy and has been prepared to seek your views on the key issues the Local Development Framework must address.

1.4 The consultation on the Issues and Options papers is the essential first stage in developing the Core Strategy. The Issues and Options papers have been informed by national policy, the Regional Spatial Strategy, the Community Strategy, 2020 Vision, as well as a number of other relevant strategies outlined in this and other option papers.

2.0 INFLUENCES

National Policy

2.1 The main government planning guidance on providing for employment is contained in **Planning Policy Guidance Note 4 Industrial and Commercial Development and Small Firms** (PPG4) and was issued in 1992. It is now out of date and needs to be reviewed to take into account the needs of the modern economy. There are however a number of points the guidance makes which are still of relevance, most notably.

- The need to take into account the locational needs of industry
- Ensuring there is sufficient land capable of development and offering a wide choice and variety of sites.

2.2 *The* **Sustainable Communities Plan** launched by the government in February 2003 sets out a long term programme of action to deliver sustainable communities in both urban and rural areas. The Government's aim is to create thriving, vibrant and stable communities which will improve the quality of life for all residents. This aim is linked to the government's central economic objective to achieve high and stable levels of economic growth.

2.3 **Making It Happen: The Northern Way** launched in September 2004 outlines proposals to bridge the productivity gap between the North and the rest of the UK. It recognises the role of cities in the successful growth of the regions and this is further outlined in the document : **Meeting the Regional Economic Challenge: The Importance of Cities to Regional Growth** (ODPM 2006). This report is built upon a number of previous publications such as the State of the English Cities Report which all examined the state and function of the cities in the wider economy.

Regional Guidance

2.4 The Draft **Regional Spatial Strategy** (RSS) was issued for public consultation in January 2006. Together with the Local Development Framework it forms the Statutory Development Plan for the district. The main messages contained in from the RSS with regard to the economy are:

- The need to reverse the long-term trend of population and investment dispersal away from the regions cities and major towns.
- Diversify the economic activities of the urban and rural economies.

- Improve the accessibility to jobs and services, and increase the use of public transport.
- Strengthen the role of existing town and city centres by making them the main focus for office, retail, health, education, leisure, cultural and business services.
- Review the supply of land for business so that we provide and safeguard sufficient land to meet the needs of a modern economy in areas where there is a demand for sites.
- The pattern and scale of provision of allocated employment land should be determined by local employment land reviews and take account of local land forecasts.
- The promotion and development of tourism in the region and support the diversification and strengthening of the rural economy.

<u>Sub Regional</u>

2.5 The City Regions are thought to be central to accelerate economic growth in the North, as is outlined in the document Meeting the Regional Economic Challenge. The district of Bradford is part of the **Leeds City Region,** which also includes Barnsley, Calderdale, Craven, Harrogate, Kirklees, Leeds, North Yorkshire, Selby, Wakefield and York. The vision for the Leeds City Region is expressed in the document as to

"*Working together differently to develop an internationally recognised city region, to raise our economic performance to spread prosperity across the whole of the city region, and to promote a better quality of life for all those who live and work here"*

This is to be achieved by identifying the main interventions which will have the most impact on economic growth, how these can then be implemented and the funding that will be required to do so.

2.6 Another key sub regional document is **The West Yorkshire Investment Plan: Strategic Economic Assessment 2005** which has been produced to support the Investment Planning process in the West Yorkshire Sub Region by providing analysis to inform the process of project prioritisation and commissioning. It provides a contextual analysis of the sub-region and details of how West Yorkshire, and the localities within it are performing in respect to the six key objectives of the Regional Spatial Strategy.

<u>Local Policy and related strategies</u>

2.7 The Bradford District **2020 Vision** provides a framework to promote and improve the social, economic and environmental well being of the district with a focus on creating a vibrant local economy through the promotion and development of modern business sectors. Delivery of the 2020 Vision is driven by the 3 year **Community Strategy** which is updated annually. The Community Strategy targets, goals and objectives will be delivered by the council and its partners through Bradford Vision - the Local Strategic Partnership. The vision for the District is:

- A vibrant economy, fully integrated into the wider economy of the North of England and beyond, which will provide appropriate jobs for everyone and create a wealthier population with greater spending power. A place where people will be well educated and skilled, bringing an enterprising approach to all they do, and with the talent required to ensure a high profile district that competes well in global markets.

- The District will have a diversified high wage, high skill, knowledge-based economy with particular strengths in cutting edge hi-tech manufacturing and communications, financial and business services, cultural and creative industries, and environmental industries. It will be a connected District, using e-commerce and digital technology to improve people's lives and create new business opportunities.

2.8 Delivery of the 2020 Vision is driven by the 3 year Community Strategy which is updated annually. The Community Strategy targets, goals and objectives will be delivered by the Council and its partners, through Bradford Vision, the Local Strategic Partnership.

2.9 There are several major regeneration initiatives underway in the District with associated masterplans all of which will have economic implications for the district. These are:

- Bradford City Centre
- Airedale
- Manningham
- Canal Road Corridor

2.10 Of these, **The Airedale Corridors- a masterplan and strategy for Airedale,** identifies the key interventions that will take forward the regeneration of Airedale in a sustainable and integrated way. The masterplan is focused on the economy and delivering the benefits to local people in Bradford and the region, and provides a vision of Airedale as a creative, connected lifestyle corridor set in a rural backdrop.

2.11 The **Canal Road** Corridor aims at maximising the potential of the reinstated canal to regenerate the whole Canal Road corridor from Shipley to Bradford. It proposes a partial re-alignment of Canal Road to help fulfil these regeneration aims. It is anticipated that both these masterplans will have a large impact on the district's economy.

3.0 KEY ISSUES

Economic Trends

3.1 Bradford has experienced economic growth in recent years but is underperforming generally when compared to the national picture and to other districts in the region. Large falls in traditional manufacturing employment have negated the impact of respectable service sector growth. Despite these falls in manufacturing employment, Bradford has still a larger proportion of people employed in these sectors (18.3%) than the Region (15.8%) and the UK as a whole (12.6%).

3.2 The rate of unemployment in Bradford in March 2006 (Claiment Count) was 3.5% compared 3.0% in West Yorkshire and 2.7 % in the UK. However despite the development of new industries and an unemployment rate that is at its lowest level for two decades, Bradford district still remains a low wage, low skill economy with higher than average levels of unemployment. Average earnings and employment rates are significantly lower than national averages.

3.3 Probably a more comprehensive measure of economic well being in the District is The Index of Multiple Deprivation 2004, which takes a measure of deprivation based on multiple indicators. Overall Bradford is the 5th most deprived local authority on income deprivation and the 6th most deprived on employment deprivation. Over 190000 people, 42% of the District's population live in wards that fall within 10% most deprived wards in the country.

3.4 It is not just the inner city areas which suffer from deprivation, the rural economies within the Leeds City Region, including Bradford, face particular challenges, predominately as a result of poor physical connectivity. Agriculture and farming have declined in recent years, there been pockets of severe deprivation and social exclusion with problems of housing affordability and poor access to services, and some places displaying significant disparities in wealth together with low business survival rates.

3.5 Most of these general trends are not unique to Bradford and are characteristic of many northern cities, but the data does suggests many of these problems are more prevalent in Bradford. However the key points emerging from the analysis is that

- Bradford has a larger than average proportion of workers employed in the declining traditional manufacturing sectors.
- It has relatively high levels of unemployment.
- Nationally in terms of key indicators it is one of the most deprived areas in the country with particularly high spatial concentrations of deprivation

3.6 Tourism is an often overlooked contributer to the economy and the *Good Practice Guide for Tourism* (May 2006) stresses the vital importance of tourism both to national and local economies. For example tourism nationally contributes 74 billion to GDP therefore accounting for 6.4% of the UK's total GDP. At the local level the guide says that Tourism can be the focus of regeneration of urban and rural areas and provide a catalyst for growth. It can also provide opportunities for re-training the resident workforce and diversify economies that are over reliant on a fairly narrow base of industries.

Key Question
4.1 How can the LDF contribute to providing greater prosperity to the District?

Options
- By providing more land for employment use.
- By providing less land but in the right locations.
- By providing better quality sites.

Employment Land Supply and Forecasts

3.7 There is a general perception that there is an over supply of land for employment in the region. To try to put this perception of over supply onto a firmer statistical footing and relate it more accurately to the future demand for employment land, the Yorkshire and Humber Assembly appointed Arups to produce a series of forecasts for the demand for employment land in the region, and to break this demand down to district and sectoral level. Each forecast is based on a different economic growth scenario.

3.8 Sectoral employment trends formed the basis for the first of these forecasts. The second forecast puts more weight on recent economic performance in past trend data whilst the final forecast builds into the trend data an additional variable to reflect the impact of major economic programmes in each of the districts. The result of the three sets of forecasts for the Bradford district is shown in the table below. The sectoral forecasts are aggregated up to the three Business and Industry Use Class Order Classifications.

Demand for Employment Land (Hectares) up to 2016

Scenario	***B1***	***B2***	***B3***	***Total***
1. Trend	+ 9.6	-15.5	-9.8	**-15.7**
2. Recent Performance	+17.1	-2.8	-0.8	**+13.5**
3. Economic Programmes	+24.1	+12.0	+8.3	**+44.4**

B1 – Offices, Research and Development, Light Industry.
B2- General Industry.
B8 - Warehousing.

3.9 Based on the trend forecast (**1**) there is an overall negative requirement for employment land in the district up to 2016, but a positive demand for B1 office development. The most optimistic growth scenario (**3**), taking into account economic programmes, projects a demand for an additional 44 hectares of land in the district with the office sector (B1) comprising 24 hectares of this.

3.10 It is important to note that these figures do not take into account the allocations in the plan, but are based on the existing supply of land and buildings for B1, B2, and B8 uses. If we include the RUDP allocations, even on the most optimistic growth scenario, Bradford has an over allocation of about 130 hectares of employment land. It is also important to note that the forecasts are based on the narrow definition of employment uses (B1, B2, B8) which relates to the Business and Industrial sectors and omit other employment generating sectors, a point which is discussed in the following section.

3.11 More recent forecasts for the district by Experian suggest a higher level of growth than previously suggested if the regeneration of the city centre takes place as planned. Similarly the Experian model bases its forecasts on three economic growth scenarios but does not translate these forecasts into the demand for land. The first set of forecasts assume that long term structural growth trends and the relative performance of the region and its sub areas by sector will continue. The other set of forecasts put greater weight on recent economic performance and the impact of major programmed strategic developments.

3.12 Both sets of forecasts anticipate the creation of over 100,000 jobs in the Leeds City Region by 2016. In absolute terms the bulk of employment, 78000 (74%) is expected to be created in the major employment sites of Bradford, Kirklees, Leeds and Wakefield although Kirklees will experience a relative decline.

3.13 One of the main growth sectors in the city region has been the financial and business services sector (FBS) and is considered to have potential for further significant growth. Whilst it is expected that Leeds will continue to provide the core of this growth, the development of other centres will nevertheless be supported.

3.14 The overall pattern of employment growth in the city region according to the Experian forecasts will consist of rapid growth in certain service sectors offset by a decline in the manufacturing sector. There will be a corresponding variation in the geography of employment creation with a overall decline in the deprived areas of the region. The most rapid growth is predicted to come from the health sector, which will grow to almost a third (45500). Manufacturing and utilities will almost halve (-46%) / (-22000).

3.15 The Regional Econometric Model (Experian) has produced a series of forecasts based on (1) Trend (2) Unconstrained Growth (3) Constrained Growth. The forecasts for the increase in the workforce for Bradford district for each of these growth scenarios are shown in the table below.

Scenarios	Leeds City Region	Bradford
1. Trend	+ 5.20%	+ 9.22%
2. Unconstrained Growth	+16.13%	+21.67%
3. Constrained Growth	+12.53%	+18.08%

From the above table it can be seen that Bradford in all the forecast scenarios has a higher growth in employment than the Leeds City Region as a whole.

3.16 Analysis was also undertaken to identify clusters and sectors which provide the greatest opportunities for employment and output growth by industrial sector (assuming current levels of economic growth and investment) Trend scenario. These show that four employment sectors appear to offer the greatest opportunity for growth in jobs between 2006 and 2016, which in terms of percentage growth are; Electrical and Optical equipment (6.46%), Communications (34.48%), Financial and Business Services (7.52%), and the Service sector - particularly education and health (13.80%).

3.17 Using the Constrained Growth scenario the four identified sectors show the following growth: Electrical and Optical equipment (41.70%), Communications (43.6%) Financial and Business Services (14.20%) and the Service Sector (16.59%), which suggests the major programmed schemes are also supporting the trend growth sectors.

Key Question

4.2 How does the LDF ensure there is the right amount of land allocated for employment use?

Options

- By basing land allocations on statistical employment forecasts.
- If so, which of the alternative forecast scenarios is most appropriate.
- By a more pragmatic development led approach.
- Past take up rates of employment land.
- A combination of the above.

The Location of Employment Activities

3.18 The growth sectors of the economy are changing and these new growth sectors have different locational requirements to the older manufacturing sectors. Bradford has a larger proportion of workers employed in the sectors that are expected to decline in the next 10 to 15 years particularly in the traditional manufacturing sectors.

3.19 If the prosperity of the Region is to be increased there is a need to provide land that is locationally attractive for the new growth sectors so to try and increase the proportion of the district's workers employed in these growth sectors. Forecasts by Arups and Experian show that the main growth areas in terms of employment are in the financial and business services, public admin, health and education, sectors that are mainly office based.

3.20 Draft RSS states (Policy E3) that significant land should be provided in sustainable locations to meet the needs of the modern economy and they should be in locations well served by public transport links. However many sites that have been identified in the Replacement UDP have not been taken up for development and are not in locations suitable for the growing business sectors. Furthermore (Policy E2) that states that existing City and Town Centres should be the main location for office uses.

Key Question
4.3 Where should the LDF allocate land for employment uses.

Options

- Focus the majority in the city and town centres.
- Focus development in growth areas such as Airedale.
- Reinforce existing areas of employment use with new allocations (see question 4.4 below).
- Allocating land in deprived areas to support regeneration although it may not necessarily be locationally attractive for business use.

<u>Protecting Existing Employment Land and Buildings</u>

3.21 The Replacement UDP has sought to protect existing employment buildings and sites from being redeveloped for other uses in order to minimise the allocations of new land in the District. It has also tried to ensure that existing employment land and buildings are reused for employment where they are still fit for purpose.

3.22 Existing brownfield employment sites are coming under increasing pressure to be redeveloped for other uses than employment. Draft RSS considers that opportunities to redevelop older industrial areas for housing should be exploited and addendum to PPG3 published in January 2005 states that additional housing schemes should be supported in industrial areas no longer suitable for continuing employment use. The LDF will therefore need to review both the extent, and where it protects existing industrial areas from being developed for uses other than employment.

3.23 Employment Land Forecasts suggest that less land overall is needed for employment in the District and the land is needed in different locations. We may be therefore protecting land and buildings that are now not either required, or in suitable locations for employment uses.

Key Question
4.4 Where and how much of the stock of existing employment land and buildings should the LDF be protecting?

Options

- Protect sites in certain locationally suitable areas.
- Protecting sites in the existing employment Zones.
- Protecting suitable buildings in the deprived areas to provide local employment even though they may not be in generally locationally attractive areas to attract business use.
- Not protect any existing land and buildings.
- Protect existing land and buildings in the villages.

Definition of Employment Uses

3.24 The Replacement Unitary Development Plan defines Employment uses as falling into two main categories.

- Core Employment uses of B1 (light Industry and certain office uses), B2 (general Industry), B8 (Warehousing) and…

- Other employment activities such as car sales, vehicle repair and maintenance, and tourism related developments such as hotels that do not have specific allocations in the plan or do not fall into any particular Use Class.

3.25 Whilst the current plan has widened the definition of employment uses to include non-business and industry use, it still omits many employment generating sectors. This relatively narrow definition of employment uses has caused some confusion in the past. To add to this confusion RSS in places refers to employment as Business and Industry uses (B1, B2, B8) whilst elsewhere it takes a wider definition. Some of the employment projection work (Arups) restricts the forecasts to the demand for B1, B2, and B8 land. Therefore there is an argument that the plan should give more clarity to how it defines employment use.

Key Question
4.5 How should the LDF define employment uses?

Options
- Should it be restricted to just Business and Industry (B1, B2, B8)
- Should it be widened to include other employment generating activities (if so which uses should be included)
- Should the Employment section in the plan be simply called Business and Industry bearing in mind other employment generating activities are dealt with elsewhere in the plan.

Rural Diversification

3.26 The District being two thirds rural it has a significant rural economy. This has undergone major changes in recent years. Farmers are facing many challenges following BSE, foot & mouth disease and the reform of the European Agricultural Policy. In response many farmers are looking at new ways of generating income by diversifying into alternative enterprises outside of their mainstream agricultural activities. The landscape of the District is important to the quality of place for those living and working in the district therefore any change needs to be managed sensitively.

Key Question
4.6 How can the Core Strategy support the rural economy in particular agricultural diversification?

4.0 EVIDENCE BASE

4.1 The Council has undertaken/commissioned or is in the process of undertaking studies in order to provide a sound evidence base required for the LDF. Of particular relevance to employment and jobs are the following studies:

West Yorkshire Sub Regional Housing Plan

The English Indices of Deprivation (ODPM 2004)

Good Practice Guide on Planning for Tourism (May 2006)

Yorkshire and Humber Regional Assembly: Regional Employment Land Study – Modelling Work (2005)

City of Bradford Metropolitan Council: Employment Land Register 2006 (CBMDC)

Bradford Annual Monitoring Report 2006 (CBMDC)

KEY QUESTIONS

4.1 How can the LDF contribute to providing greater prosperity to the District?

4.2 How does the LDF ensure there is the right amount of land allocated for employment use?

4.3 Where should the LDF allocate land for employment uses?

4.4 Where and how much of the stock of existing employment land and buildings should the LDF be protecting?

4.5 How should the LDF define employment uses?

4.6 How can the LDF support the rural economy in particular agricultural diversification?