

Eden District Employment Land
Allocations Document
Baseline Report

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1 Introduction

- 1.1 Eden District Council issued a brief in December 2012 inviting consultants to submit proposals to carry out planning policy and economic work for the Council on the allocation of employment sites, including accompanying environmental reports. The purpose of the work is to form and inform the employment policies and proposals to be put forward in the draft Local plan for Eden District. A copy of the Council's brief is reproduced at **Appendix 1**.
- 1.2 The Council appointed Deloitte LLP ("Deloitte") and AMEC Environment and Infrastructure UK Ltd ("Amec") in February 2013 to carry out the work described in the Brief.
- 1.3 Drivers Jonas, which is now part of Deloitte, prepared in December 2009 the Eden District Employment Land Study. This formed part of the evidence base to the Council's Core Strategy which was formally adopted on 31st March 2010. Entec UK Ltd, which is now AMEC, prepared the Sustainability Appraisal of the Eden District Council Preferred Options Report in August 2006.
- 1.4 In line with the Council's Brief, the main purpose of this Baseline Report is to set out an agreed and robust methodology for the work, particularly in relation to the assessment of different potential employment sites and options and the selection the preferred location(s) for future employment growth. More particularly, this Baseline Report covers the following specific items listed in the Brief:
 - The methodology for carrying out the options appraisal;
 - The methodology for carrying out the sustainability appraisal and Habitats Regulations Assessment work;
 - A description of types of infrastructure to be appraised, and a template to be used for the assessment; and
 - A list of key stakeholders and a methodology for examining the viability and marketability of sites.
- 1.5 In addition to the above, the Baseline Report also provides details on:
 - The range of background information and data to be reviewed to inform the work;
 - The current position in relation to employment land supply, which is detailed separately in Section 4 of this Report;
 - The outcomes of a stakeholder workshop which was held on Friday 15th March 2013; and
 - Governance arrangements between the consultants and the officers leading the work on behalf of the Council.
- 1.6 An indicative project timetable is also included at **Appendix 2**. This sets out the timing of the main tasks and the target dates for the completion of main work outputs such as

reports.

- 1.7 Our approach to the Baseline Report is to seek to clearly explain the approach to the various key stages of the work and the associated main tasks to be completed. The main purpose of this Report is therefore to set out the detailed methods / approaches to be used in carrying out the work as per the Council's brief.

2 Approach to Main Tasks

Project Inception

- 2.1 A Project Inception meeting was held between the consultants and Council officers on Thursday 7th February 2013. The primary objectives of the meeting were to:
- Discuss the overall approach to and purpose of the work;
 - Identify information and data to be sourced through the Council (and that to be provided via the consultants) to assist in the completion of the study;
 - Identify the main lines of communication and key project milestones such as suggested dates for the production of main documents and assessments;
 - Approaches and timing to the 'call for sites' exercise; and
 - Discuss the general range of stakeholders to be involved in the study, also including potential invitees to the stakeholder workshop.
- 2.2 Included at **Appendix 3** is a list of the main stakeholders which will be sought to be involved in the project. **Appendix 4** sets out the range of background reports and data which will likely be used in the completion of the work. It should be noted that the precise extent of background information used and the stakeholders consulted may vary during the course of the project and as a result, may differ from that set out at Appendix 3 and 4.

Approach to Site Options Identification and 'Commercial' Assessment

Identifying Potential Site Options

- 2.3 The employment site options to be appraised will be identified from a range of sources. These will mainly include:
- A review of existing employment allocations;
 - Other sites within / around Penrith considered previously through the Penrith Masterplan; and
 - Sites identified through a 'Call for Sites' exercise being coordinated by the Council to inform the Employment Land Allocations Document.
- 2.4 The Council is currently consulting on its Preferred Sites and Policies document which details the Council's suggested sites where homes could be built in the district over the next 12 years. It also includes a number of policies which will be used to determine planning applications for housing development. As part of this consultation, members of the public are invited to submit additional employment sites.
- 2.5 Further information in respect of the 'Call for Employment Sites' exercise, including the site proforma provided for completion, is included at **Appendix 5** of this Report.

Carrying Out the Site Options ‘Commercial’ Assessment

- 2.6 In order to seek to ensure a consistent, objective and robust approach to the assessment of employment site options, this will be completed through applying a suite of appraisal criteria, together with associated commentary to support and explain the ‘scores’ awarded. A copy of the appraisal criteria to be applied is included at **Appendix 6**. The criteria have been devised having regard to:
 - The various environmental, social / economic and market-based criteria listed in the Council’s brief;
 - The criteria used in the 2009 Eden District Employment Land Study to assess employment sites;
 - The criteria to be used for the Sustainability Appraisal of alternative employment site options and preferred option(s); and
 - Current national planning policy guidance, notably that set out within the National Planning Policy Framework which requires that sites are viable and capable of delivery

- 2.7 It should be noted that this commercial assessment exercise is separate to the Sustainability Appraisal which is also to be carried out. An important focus of the commercial assessment is to appraise potential site options from a likely market attractiveness perspective, also having regard to factors which could impact on site deliverability. As part of the overall approach to assessing deliverability, it is proposed to carry out two sample detailed site appraisals to support key assumptions on the potential deliverability / ‘viability’ of the site options assessed.

- 2.8 These appraisals will be based on the market intelligence gathered as part of our research and stakeholder workshop. The appraisals will determine the likely capital values of suitable employment use for the site, and where the issue of viability is concerned we can suggest ways in making the site more viable, i.e. including a residential element/funding sources etc.

Approach to Stakeholder Consultation

- 2.9 Consultation with relevant stakeholders will be an important part of the work and will help to ensure a robust approach to the assessment of potential site options and the selection of a preferred option(s). The main approaches that will be used for consulting and engaging with stakeholders, together with the envisaged outputs, are summarised in Table 2.1. A full list of main stakeholders which will be sought to be involved in the project is included at **Appendix 3**.

Table 2.1: Overview of Proposed Approaches to Stakeholder Consultation

Stakeholder	Main Output
Meeting with Council Officers	Local understanding of main site specific issues, supply of data and other baseline information
Stakeholder Workshop	Obtain ‘market intelligence’ and views on site-specific and wider commercial and market issues applying to Eden District and different areas within it
Discussions with agents, developers, landowners and other business stakeholders	

Stakeholder	Main Output
Discussions and meetings with 'Statutory' Stakeholders	Provide data / inputs to assist in the assessment of site options, Sustainability Appraisal and any Habitats Regulations Assessment

2.10 The stakeholder workshop took place on Friday 15th March 2013. A note of the workshop, also including a list of attendees, is reproduced at **Appendix 7**.

Approach to Sustainability Appraisal and Habitats Regulations Assessment

2.11 A separate baseline report has been prepared by AMEC which is reproduced in full at **Appendix 8**. This sets out information on existing baseline conditions and provides details on the approach to carrying out the Sustainability Assessment and the Habitats Regulations Assessment work. The report also includes details of the objectives and criteria to be applied as part of the Sustainability Appraisal.

Main Work Outputs

2.12 The following table provides a short summary of the different reports and assessments which will be prepared as part of the work. The main output is to prepare an Employment Land Allocations document which is to be used as a basis for consultation. The document, which will set out proposed draft employment proposals and policies, also needs to be supported by an appropriate Sustainability Appraisal document and any Habitats Regulations Assessment.

Table 2.2: Summary of Reports and Assessments

Stage	Description
Options Appraisal	<ul style="list-style-type: none"> • Employment options report identifying potential employment site options, the results of the employment site options assessment and recommended preferred site option(s) • Sustainability Appraisal of site options
Final Documents	<ul style="list-style-type: none"> • Preparation of the final draft Employment Land Allocations consultation document • Preparation of an initial Sustainability Appraisal document to support the consultation document • Preparation of required Habitat Regulations Scoping / Assessment

3 Reporting and Governance

Reporting Arrangements

- 3.1 The meetings to be carried out between the consultant and the Council will comprise of:
- An inception meeting (undertaken on Thursday 7th February);
 - Meeting to discuss the findings of the Baseline Report (programmed for Tuesday 26th March);
 - Meeting to discuss the Options Report and associated assessments and appraisals (Monday 22 April); and
 - Meeting to discuss the final draft Employment Land Allocations consultation document and associated SA and HRA documents (Provisionally programmed for 7 May).

Project Team Roles and Responsibilities

- 3.2 The following organogram provides an outline of the main roles and responsibilities of the core consultant team undertaking the work. A project team directory, setting out the contact details of the core consultant team and also those of Council's Project Team for the work, is included at **Appendix 9**.



4 The Current Employment Land Supply Position

Eden District Core Strategy Employment Land Requirements

- 4.1 Policy CS13 of the Council's adopted Core Strategy is concerned with the issue of employment land provision. This Policy states that:

In order to meet the employment land needs of the District up to 2025, the Council, its partners and service providers will ensure that provision will be made for **50 hectares** of land for employment development (B1, B2 and B8 uses) in line with the locational policy set out in CS2.

- 4.2 The locational policy provided by Policy CS2 of the Core Strategy seeks to focus strategic employment land to Penrith as the District's Key Service Centre. The Policy also directs moderate employment growth to the District's three key market towns of Alston, Appleby and Kirkby Stephen and small scale growth elsewhere in the District, including within local service centres.
- 4.3 Whilst an overall 50 hectare employment land allocation target is identified for the district as a whole, the Core Strategy does not say exactly how much of this land should be located within the different areas across the District. Supporting text to Policy CS2 (paragraph 4.13) does however propose such a split for housing across the District, and if applying a similar approach for employment, the split would be as shown in Table 4.1.

Table 4.1: Potential Spatial Split of Future Employment Land Supply Requirements

Settlement	Proportion	Amount
Penrith	60%	30 ha
Alston	4%	2 ha
Appleby	9%	4.5 ha
Kirkby Stephen	7%	3.5 ha
Local Service Centres	20%	10 ha
Total	100%	50 ha

- 4.4 The 50 hectare target began in 2006. As such, it is necessary to look at how much and where employment development has taken place since 2006. This development then needs to be taken off the 50 hectare target to calculate the amount of employment land that needs to be provided from now until 2025 which is the end of the Core Strategy

period. Our analysis of this has been based on annual monitoring data collected by Cumbria County Council.

- 4.5 Over the 6 year period from April 2006 to 31st March 2012, just over 8 hectares of employment land has been developed across the district. If simply discounting this from the Core Strategy target, this would mean a residual target for the remaining Core Strategy period to 2025 of about 42 hectares. Most of this development has been recorded in the monitoring data as being in a 'mixed use' category with the remainder being mainly for Class B8 (warehouse and distribution) use. The broad distribution of this development is shown in Table 4.2.

Table 4.2: Change in Employment Land Supply (2006 – 2012)

Settlement	Amount of Land Developed since 2006
Penrith	3.8 ha
Alston	0 ha
Appleby	0 ha
Kirkby Stephen	0.3 ha
Local Service Centres	1.4 ha
Elsewhere (outside settlements)	2.9 ha
Total	8.3 ha

- 4.6 Table 4.2 identifies that 2.9 hectares of employment development has taken place outside of the district's settlements. The Core Strategy employment target is however intended to apply to the district's settlements. Thus, taking development outside of settlements into account (by revising the amount of future employment development likely to take place in the district's different settlements) and then looking at where the other employment development has taken place, Table 4.3 shows the level of future employment to be provided. This is based on the settlement hierarchy included in Core Strategy Policy CS2 and assuming a similar proportional split to that shown in Table 4.1 and as used for future housing development.

Table 4.3: Future Employment Requirements

Settlement	Proportion	Amount	Completions	Requirement
Penrith	60%	30 ha	3.8 ha	26.2 ha
Alston	4%	2 ha	0 ha	2.0 ha
Appleby	9%	4.5 ha	0 ha	4.5 ha
Kirkby Stephen	7%	3.5 ha	0.3 ha	3.2 ha
Local Service Centres/Elsewhere	20%	10 ha	4.2 ha	5.8 ha
Total	100%	50 ha	8.3 ha	41.7ha

Current Employment Land Supply

- 4.7 In terms of employment land supply, the Eden District Employment Land Study identified a total land supply figure for the District of around 42 hectares. Almost 28 hectares of this total was located within the Penrith area.
- 4.8 The most up to date figure on employment land supply is provided by the monitoring information produced by the County Council. As at the end of March 2012, this monitoring information showed that there is slightly over 38 hectares of employment land supply within the District, made up as follows:
- 2.20 hectares of land under construction;
 - 8.36 hectares of land with planning permission for employment but where development is yet to start; and
 - 27.56 hectares of land allocated for employment but without planning permission
- 4.9 This monitoring information also breaks down the District's employment land supply by broad market sector and also by planning use class as shown below:

Breakdown of Current Employment Land Supply by Market Sector

- Business Parks: 3.26 hectares;
- Local Employment: 18.93 hectares;
- Own Use: 3.18 hectares; and
- Strategic Employment Sites (i.e. the Gilwilly Industrial Estate extension): 12.74 hectares.

Breakdown of Current Employment Land Supply by Planning Use Class

- Class B1a (Offices): 0.05 hectares
 - Class B1c (Light Industrial): 0.88 hectares
 - Class B8 (Warehousing and Distribution): 3.13 hectares
 - Mixed Use (Class B1/B2/B8): 34.05 hectares
- 4.10 Further analysis of the County Council's monitoring information shows that current employment land supply is divided across the district as illustrated in Table 4.4:

Table 4.4: Distribution of Current Employment Land Supply

Settlement	Current Land Supply
Penrith	21.7 ha
Alston	1.2 ha
Appleby	1.9 ha
Kirkby Stephen	1.2 ha
Local Service Centres & elsewhere (1)	12.1 ha
Total	38.1 ha

(1) This supply figure does not disaggregate between that within local service centres and land outside of these within the rural area

Assessment of Current Supply against Employment Land Requirements

- 4.11 In terms of the overall position, monitoring information suggests that supply and requirements from now until the end of the Core Strategy period are broadly in balance. However, it is also important to understand the location of the sites which make up the District's employment land supply to assess whether this is appropriate when considered against the locational policy set out in Core Strategy Policy CS2. Table 4.5 compares the broad distribution of current employment land supply across the District to the potentially appropriate distributions further to Policy CS2 as set out in Tables 4.1 and 4.2.

Table 4.5: Current Employment Land Supply Distribution Compared against Core Strategy Policy

Settlement	Current Land Supply	Requirement (Table 4.3)	Difference
Penrith	21.7 ha	26.2	+4.5 ha
Alston	1.2 ha	2.0	+0.8 ha
Appleby	1.9 ha	4.5	+2.6 ha
Kirkby Stephen	1.2 ha	3.2	+2 ha
Local Service Centres & elsewhere (2)	12.1 ha	5.8	+6.3 ha
Total	38.1 ha	41.7 ha	+16.2 ha

(2) This supply figure does not disaggregate between that within local service centres and land outside of these within the rural area

- 4.12 Table 4.5 suggests that there is a need for additional employment land within Penrith and also in each of the three key market towns of Alston, Appleby and Kirkby Stephen. This overall supply position generally reflects the conclusions reached in the 2009 Employment Land Study for the District which identified the need for additional employment opportunities for Penrith and also for the three market towns in order to promote a vibrant economy as a whole. The Employment Land Study also highlighted that the majority of future of new and major employment growth should be directed towards Penrith.
- 4.13 Finally, it should be noted that the monitoring information upon which this numerical assessment of supply is based takes no account of qualitative factors which could reduce or prevent the contribution of sites which current count towards supply to meeting future employment requirements. Much of the District's existing land supply is made up of sites carried forward from the previous 1996 Eden District Local Plan. These sites have remained undeveloped and in many instances also without planning permission for many years. As noted in the main document text, national planning policy requires that sites should not be protected for employment use where there is no reasonable prospect of it being used for that purpose and that land allocations should be regularly reviewed. A key part of preferred employment sites and policies document is to assess whether existing employment allocations are still appropriate or whether they should be replaced by new better sites.

Appendix 1: The Council's Brief

Appendix 2: Indicative Project Timetable

Appendix 3: List of Main Stakeholders

Eden District Council (Planning and Economic Development)

Cumbria County Council (Highways and Transport, and Economic Development)

The Highways Agency

The Environment Agency

United Utilities

National Grid

English Heritage

Natural England

The Cumbria Local Enterprise Partnership

Penrith Chamber of Trade and Commerce

Cumbria Rural Enterprise Agency

Cumbria NHS Trust

University of Cumbria

Penrith Farmers and Kidd's PLC

Various commercial agents and developers (e.g. Piell & Co, Cumbrian Properties Ltd, Carigiet Cowen Chartered Surveyors, Taylor & Hardy, St & Co)

Appendix 4: List of Background Information Reviewed

Eden District Employment Land Study (Drivers Jonas, 2009)

Relevant other Local Plan / Core Strategy evidence base documents including the Strategic Flood Risk Assessment (October 2007) and Landscape Assessments for different parts of the District

The Eden Core Strategy (31st March 2010) and associated Sustainability Appraisal(s)

The Penrith Masterplan (AECOM, 2011)

Eden District Local Plan Proposed Housing (Preferred Sites and Policies) document (EDC, February 2013), also including associated site assessments, Sustainability Appraisal and Habitats Assessment work

Data and information supplied by Cumbria County Council, including in respect of employment land supply and traffic modelling

Environmental Scoping Report for the Eden Business Park Extension (Halcrow, 2011)

Informal draft Planning Brief for land up to Junction 40 of the M6 (September 2011)

Appendix 5: Details of ‘Call for Employment Sites’ Exercise

Appendix 6: Employment Site Options - Commercial Appraisal Criteria

Appendix 7: Note of Stakeholder Workshop

Appendix 8: Project Team Directory

Eden District Council

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Appendix 9: Employment Land Supply Information

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