

Homework item #8 Note on approach to employment land (gross/net issue)

1. LPS Policy PG 1 'Overall development strategy' states that provision will be made for a minimum of 380ha of land for business, general industrial and storage and distribution uses over the period 2010-2030, to support growth of the local economy.
2. LPS ¶¶8.4-8.6 explains the sources of evidence used to determine this figure. These are primarily the Employment Land Review 2012 ("ELR") and the Alignment of Economic, Employment and Housing Strategy Report 2015 ("AEEHSR").
3. The AEEHSR uses economic projections to forecast the growth/decline in jobs over the plan period by sector. To translate this into land requirements, it looks at standard floorspace densities based on the amount of office, industrial and warehouse floorspace required per worker. It also factors in vacancy rates and a development ratio (i.e., the proportion of the land area that will be occupied by workers). A development ratio of 35% is applied to industrial and warehouse spaces and 42% to office space. This reflects that fact that sites will not be fully built out for employment floorspace but will also include other features such as servicing space, parking, landscaping and any other mitigation measures needed for each development.
4. This additional amount of land required to accommodate the forecast increase in jobs is calculated to be 195ha over the plan period. Because this is the amount of additional employment land required, it is necessary to make a further allowance to replace employment land lost to other uses during the plan period. The ELR analysed historic rates of losses of existing and allocated employment sites and found that they averaged 6ha per year. Therefore, over the 20-year plan period, an additional 120ha would be required to replace this land lost to other uses. The 195ha additional requirement for employment land plus 120ha to replace losses gives a total employment land requirement of 315ha.
5. A further 20% flexibility factor is then added, which, as set out in the AEEHSR is primarily used to ensure flexibility to provide a range and choice of land to meet demand, it is also there to act as a buffer to issues such as sites no longer being delivered, land losses and the need to reallocate employment uses. This 20% flexibility on top of the 315ha total requirement is 63ha, giving a total gross employment land requirement of 378ha. This figure was then rounded to give the "minimum of 380ha" figure in LPS Policy PG 1.
6. LPS Policy PG 7 sets indicative levels of development by settlement. ¶8.73 is clear that these figures are intended as a guide and are neither a ceiling nor a target. The figures are expressed as "in the order of" and for employment land, the indicative figures for each settlement (in the top two tier of the settlement hierarchy) and each tier of the settlement hierarchy (for the bottom two tiers) total 380ha as required by Policy PG 1.

7. The figures in Policy PG 7 are a guide and there is no requirement for any individual settlement or tier of the hierarchy to meet or exceed their 'in the order of' figure, provided the minimum 380ha specified in PG 1 is provided.
8. As the figures in PG 7 are the disaggregated figures to indicate the spatial distribution of the overall PG 1 requirement, they are also expressed as gross figures. They represent the amount of land needed to accommodate the net employment growth, plus the amount of land needed to replace land lost from existing or allocated employment sites, plus a further 20% flexibility factor.
9. In applying the plot ratios, the figures include an allowance for landscaping and mitigation measures, so further land does not need to be provided where specific sites include landscaping buffers or ecological mitigation measures (for example) as part of the development.
10. The figures also include a substantial allowance for losses of existing and allocated sites. So, in any instance where a small part of a larger employment allocation cannot come forwards for development as part of the wider site, there is no need to make further allocations for the equivalent amount of land, because an allowance for losses of allocated employment land is already made in the calculation. In addition, the flexibility factor also allows for issues such as sites no longer being delivered, land losses and the need to reallocate employment uses.