

Mansfield District Council

Employment Technical Paper

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Mansfield
District Council

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1) EXECUTIVE SUMMARY

- 1.1 This paper sets out the background to how our preferred option for employment land targets has been established. Technical papers relating to housing need and site selection and retail and leisure floorspace targets are also available to view on the Local Plan evidence base pages on the council's website.
- 1.2 This paper will form a key source of evidence in developing the policies of the Local Plan dealing with the provision and distribution of employment land. Its purpose is to assist plan users to interpret the evidence and understand the scenarios considered in terms of the demand for employment land. It draws upon the most up to date available evidence on the current state of the local economy and economic prospects for the area.
- 1.3 Alongside new housing, making sure that there is sufficient employment land of the right quality and the right locations to meet the needs of businesses and the districts workforce is important in creating a stronger more diverse local economy.
- 1.4 This paper sets out the quantitative and qualitative assessment to inform the employment space (office and industrial uses) requirement, distribution, delivery and risks to delivery for the Mansfield District Local Plan 2011 - 2033.

Quantitative assessment findings

- 1.5 Table 1 below sets out a summary of the B class employment land requirement and supply, showing there is a surplus of office space of 65,986 sq.m. and a shortfall in industrial land supply of 5.78 ha. There are a number of employment sites that have been identified as part of the HELAA assessment that have the ability to meet this shortfall in 5.78 ha of employment space.

Table 1 Summary of employment land requirement and supply

Plan period floor space assessment 2011 - 2033	Office (sq.m.)	Industrial (ha)
Total floor space requirement (D2N2 Policy On) target 2011 - 2033	26,100	42
Total amount of land/ floor space developed between 1/04/2011 & 31/03/2016	4,563	2.32
Residual employment land / floorspace requirement after taking account of completions to March 2016	21,537	39.68
HELAA sites with planning permissions	64,947	19.80
Residual employment land / floorspace requirement after taking account of consents to March 2016	-43,410	19.88
Total HELAA sites without planning permission	22,576	14.10
Residual employment land / floorspace requirement after taking account of HELAA potential supply at April 2017	-65,986	5.78

Plan period floor space assessment 2011 - 2033	Office (sq.m.)	Industrial (ha)
Balance of supply of land / floorspace to be identified to meet plan requirements	-65,986	5.78
*Completions data derived from table 6.1 of the Employment Land Monitoring Report 2016 **There is a difference between the HELAA sites with Planning Permission for industrial land which is identified above the 23.97Ha and the Employment Land Monitoring Report 2016 Table 6.1 which identifies 29.20 Ha. The difference is accounted for by the following sites – Sherwood Oaks (which has not been included in the HELAA as it has not been identified as 'available' currently), Ransom Wood Business Park (planning consent lapsed), and a range of other sites below the HELAA threshold.		

Source: MDC assessment 2017 (based on ELR 2016, HELAA 2017, ELFS 2015)

- 1.6 There is no requirement as to how much the Warsop Parish employment land requirement target should be, however a pragmatic and flexible minimum target of 1 Ha is proposed as part of this Technical Paper. This will contribute towards the residual balance (5.78 ha). This could be identified as part of preparing the forthcoming Warsop Neighbourhood Plan.

Qualitative assessment findings

- 1.7 A considerable amount of the future jobs are expected to be in non - B class uses, particularly in retail, education, and health and social care. The space requirements for education and health 'infrastructure' will be considered mainly through the delivery of the strategic sites and planned housing growth. The retail sector is forecast to decline in terms of job numbers and space requirements and will be considered as part of a separate retail and leisure technical paper.
- 1.8 Often sectoral analysis studies have tended to group the findings for Ashfield and Mansfield in one. Although there are some socio economic similarities between the two local authority areas, there are some important sectoral strength differences, which are influenced by the spatial geography of parts of Ashfield and workforce characteristics of Mansfield. This affects the types of businesses that are attracted to each district. For instance, parts of Ashfield that are closer to the M1 have attracted larger warehouse developments, transport related businesses dependent on this strategic accessibility and proximity to Derby's transport sector concentration, and logistics companies based at Sherwood Business Park, again dependent on the easy access to the motorway. Mansfield is described by property agents as being 'land-locked' in terms of access to either the M1 or A1. As such, the industrial sectors expanding and settling in Mansfield district are 'indigenous' to the area and catering largely to the needs of local markets. They are influenced more by the skills and wage costs of the workforce and attracted by the availability of serviced sites.
- 1.9 There is currently a shortage of small to medium size (5,000 – 50,000 sq.ft.) good quality, modern available, industrial units in sought after locations within the district due to suitable units being taken up as soon as they become available. Industrial space vacancy levels are estimated to be below 3% and there are limited signs of speculative development in the industrial sector starting to take place.

- 1.10 Stakeholders active in the employment property market have identified a shortfall in small to medium sized industrial units, they also identify the need to look to secure delivery of employment land alongside strategic housing delivery, and to safeguard against employment allocations being converted to residential use. They do not consider there is much demand for office premises and provide useful intelligence in understanding the local market. A number of potential risks to delivery identified by stakeholders and measure to manage these are discussed in the conclusions chapter.
- 1.11 Mansfield district is a net exporter of jobs, largely to neighbouring Ashfield, Newark & Sherwood and to Nottingham; there are also strong linkages to Bassetlaw, Bolsover and Amber Valley. Creating more jobs in Mansfield district could help it to be more self-contained, though due to the physical proximity of neighbouring authorities and their employment land allocations, some cross border labour movement is to be expected.
- 1.12 Mansfield district maintains high levels of employment, particularly by supporting a wide range of manufacturing, wholesale businesses and construction which rely on a competitively priced labour supply and low cost employment premises. Up skilling the labour force and enabling local companies to improve the value added and move towards more advanced manufacturing process could help the district to move towards increased GVA and higher workforce wage levels.
- 1.13 The district has an ageing population demographic and the Local Plan will look to measures that help to attract young people to return and stay in the district to support the long – term sustainability of the economy.

What is the purpose of this technical paper

- 1.14 This paper sets out the technical evidence used to inform the quantitative and qualitative assessment to inform the employment space (office and industrial uses) requirement, distribution, delivery and risks to delivery for the Mansfield Local Plan 2013 - 2033.
- 1.15 The paper sets out the national policy context, economic indicators affecting Mansfield district, market intelligence relating to employment land, and identifies some measures to address market failure.
- 1.16 The paper brings together the findings set out in the Nottingham Core HMA and Nottingham Outer HMA Employment Land Forecasting Study 2015¹ (ELFS), the Employment Land Review 2017 (ELR), the Housing and Land Availability Assessment (HELAA) and past Employment Monitoring Reports (EMR).
- 1.17 This paper uses the term employment space. This covers jobs falling within those sectors of the local economy that can be translated into the B classes as defined in the Uses Classes Order as follows:
- a. B1a/b businesses- offices, research and development
 - b. B1c/B2 industrial – light/general industrial
 - c. B8 warehousing, distribution centres

¹ <http://www.mansfield.gov.uk/CHttpHandler.ashx?id=8299&p=0>

- 1.18 In terms of any forecast job growth in non- B uses, this is not specifically addressed in this paper. This is because the space implications of these sectors are planned for using different methodologies. This is dealt with by other forms of technical evidence (see the retail and leisure technical paper).

Why has this technical paper been prepared?

- 1.19 A Local Plan must show how much new employment development is likely to occur and how it will plan for this accordingly. This demonstrates what is and isn't considered acceptable when the council considers planning applications. It also helps to give certainty to landowners, businesses, developers and local communities. This paper explains how we arrived at employment land requirements in the Local Plan.
- 1.20 The overall level of employment provision allows us to look at how many sites may need to be allocated, and where. When allocating sites we can take a view on what may be the most suitable locations for new employment land. This should be based on promoting a sustainable pattern of development across the district.
- 1.21 Working out how much new employment space we need to allocate informs the infrastructure needed to support new development i.e. in terms of new physical infrastructure requirements such as in relation to transport, utilities and other services; and
- 1.22 It's a national planning policy requirement- paragraph 161 of the National Planning Policy Framework (NPPF) that directs us to assess the need for the land and floor space for economic development over the plan period as part of our plan- making.
- 1.23 The NPPF at paragraphs 160 and 161 directs local authorities to have a clear understanding of business needs within the economic markets operating in their area; and to assess the land or floor space needs for economic development.
- 1.24 The recent Green Paper 'Building our Industrial Strategy' January 2017 seeks better alignment of housing, infrastructure and economic plans. Recent government guidance particularly in the approach to assessing housing and employment land supply (HELAA) strongly supports taking an aligned view on housing and employment land and not treating each in isolation.
- 1.25 A local planning authority must understand, prepare and maintain a robust evidence base of both existing employment needs and likely changes in the market.
- 1.26 The council will work with the business community to understand their changing needs and identify and address any barriers to investment, including a lack of housing, infrastructure or viability.

The structure of this technical paper

The rest of this technical paper is structured as follows:

- Chapter 2 sets out the national and local policy context.
- Chapter 3 sets out the local economy and market intelligence relating to the property market.

- Chapter 4 sets out the evidence base to inform the employment space requirements.
- Chapter 5 summarises the employment supply assessment.
- Chapter 6 brings the requirement and supply findings together to inform the residual balance.
- Chapter 7 sets out the conclusions and recommendations.

2) POLICY CONTEXT

The National Planning Policy Framework

- 2.1 The Government published the National Planning Policy Framework (NPPF) in March 2012. In addition, the Government supplemented this with online Planning Practice Guidance (PPG) in 2014. Below is a summary how the NPPF and the PPG influences planning for employment development.
- 2.2 The NPPF² sets out the Government's economic, environmental and social planning policies for England. The NPPF states that the purpose of the planning system is to contribute to the achievement of sustainable development, which should be seen as a 'golden thread' running through both plan making and decision taking.
- 2.3 There are three dimensions to sustainable development: economic, social and environmental. The economic role that the planning system must perform involves contributing to building a strong, responsive and competitive economy, by ensuring that sufficient land of the right type is available in the right places and at the right time to support growth and innovation; and by identifying and co-ordinating development requirements, including the provision of infrastructure.³
- 2.4 The NPPF states that 'significant weight' should be placed on the need to support economic growth through the planning system.⁴ To help achieve economic growth, Local Plans should:⁵
- set out a clear economic vision and strategy for their area which positively and proactively encourages sustainable economic growth;
 - set criteria, or identify strategic sites, for local and inward investment to match the strategy and to meet anticipated needs over the plan period;
 - support existing business sectors, taking account of whether they are expanding or contracting and, where possible, identify and plan for new or emerging sectors likely to locate in their area. Policies should be flexible enough to accommodate needs not anticipated in the plan and to allow a rapid response to changes in economic circumstances;
 - plan positively for the location, promotion and expansion of clusters or networks of knowledge driven, creative or high technology industries;
 - identify priority areas for economic regeneration, infrastructure provision and environmental enhancement; and
 - facilitate flexible working practices such as the integration of residential and commercial uses within the same unit.
- 2.5 The NPPF⁶ also highlights that allocated employment sites for which there is no reasonable prospect of development should not be protected in the long term.

² NPPF, para.14

³ NPPF, para.7

⁴ NPPF, para.19

⁵ NPPF, para.21

⁶ NPPF, para.22

Proposals for alternative uses on such sites should be treated on their merits having regard to market signals and the relative need for different land uses to support sustainable local communities.

- 2.6 Planning policies to support economic growth in rural areas in order to create jobs and prosperity are required.
- 2.7 LPAs are required to ensure that the Local Plan is based on adequate, up-to date and relevant evidence about the economic, social and environmental characteristics and prospects of the area. LPAs should ensure that their assessment of strategies for housing, employment and other uses are integrated, and that they take full account of relevant market and economic signals.
- 2.8 The NPPF⁷ advises that LPAs should have a clear understanding of business needs within the economic markets operating in and across their area.
- 2.9 To achieve this, they should:
- work together with county and neighbouring authorities and with Local Enterprise Partnerships [LEPs] to prepare and maintain a robust evidence base to understand both existing business needs and likely changes in the market; and
 - work closely with the business community to understand their changing needs and identify and address barriers to investment, including a lack of housing, infrastructure or viability.
- 2.10 The NPPF⁸ states that LPAs should use this evidence base to assess:
- the needs for land or floorspace for economic development, including both the quantitative and qualitative needs for all foreseeable types of economic activity over the plan period;
 - the existing and future supply of land available for economic development and its sufficiency and suitability to meet the identified needs. Reviews of land available for economic development should be undertaken at the same time as, or combined with, Strategic Housing Land Availability Assessments and should include a reappraisal of the suitability of previously allocated land; and
 - deprived locations may benefit from planned remedial action.
- 2.11 Public bodies have a duty to cooperate on planning issues that cross administrative boundaries.⁹) The NPPF requires local authorities to demonstrate evidence of having effectively cooperated to plan for issues with cross-boundary impacts when their local plans are submitted for examination.¹⁰ It sets out where co-operation might be appropriate and what form it might assume. It concludes “cooperation should be a continuous process of engagement from initial thinking through to implementation”.

⁷ NPPF, para.160

⁸ NPPF, para.160

⁹ NPPF, para.178

¹⁰ NPPF, para.181

The National Planning Practice Guidance

2.12 An online National Planning Practice Guidance (Practice Guidance) provides a methodology for assessing economic development needs. It states¹¹ that plan makers should liaise closely with the business community to understand their current and potential future requirements.

2.13 Plan makers should consider:

- The recent pattern of employment land supply and loss to other uses;
- market intelligence (from local data and discussions with developers and property agents, recent surveys of business needs or engagement with business and economic forums); market signals such as levels and changes in rental values, and differentials between land values in different uses;
- public information on employment land and premises required;
- information held by other public sector bodies and utilities in relation to infrastructure constraints;
- The existing stock of employment land. This will indicate the demand for and supply of employment land and determine the likely business needs and future market requirements (though it is important to recognise that existing stock may not reflect the future needs of business);
- The locational and premises requirements of particular types of business; and identification of oversupply and evidence of market failure.

2.14 When examining the recent completions of employment land, the Practice Guidance¹² advises that it is important to consider projections (based on past trends) and forecasts (based on future scenarios) and identify occurrences where sites have been developed for specialist economic uses.

2.15 In terms of forecasting future trends the Practice Guidance¹³ advises that:

- plan makers should consider forecasts of quantitative and qualitative need (i.e. the number of units and amount of floorspace for other uses needed) but also its particular characteristics (e.g. footprint of economic uses and proximity to infrastructure);
- local authorities should develop an idea of future needs based on a range of data which is current and robust;
- emerging sectors that are well suited to the area being covered by the analysis should be encouraged where possible; and
- the available stock of land should be compared with the particular requirements of the area so that 'gaps' in local employment land provision can be identified.

¹¹ PPG, 2a-030-20140306

¹² PPG, 2a-031-20140306

¹³ PPG, 2a-032-20140306

- The Practice Guidance¹⁴ advises that plan makers should consider:
- sectoral and employment forecasts and projections (labour demand); demographically derived assessments of future employment needs (labour supply techniques);
- analysis based on past completions of employment land and property and/or future property market requirements;
- consultation with relevant organisations, studies of business trends, and monitoring of business, economic and employment statistics.

2.16 In identifying the type of employment land needed the Practice Guidance¹⁵ advises that:

- the need for rural employment should not be overlooked; underlying population projections can be purely demographic or tied to future housing stock which needs to be assessed separately; and
- plan makers should be careful to consider that national economic trends may not automatically translate to particular areas with a distinct employment base.
- In order to derive employment land requirements, the Practice Guidance states that when translating employment and output forecasts into land requirements there are four key relationships which need to be quantified:
- Standard Industrial Classification sectors to use classes;
- Standard Industrial Classification sectors to type of property;
- Employment to floorspace (employment density); and
- Floor space to site area (plot ratio based on industry proxies).

Local policy context

2.17 The D2N2 Local Enterprise Partnership (The LEP) has produced a series of strategies and reports including:

- Strategy for Growth 2013- 2023;
- Implementation Plan;
- The state of the D2N2 Economy (various years);

2.18 The key policy context is provided by the Strategy for Growth 2013 – 2023 produced by the LEP with the target to increase the potential growth in the number of private sector employee jobs from 30,000 (if current trends were to continue) to 55,000 in the ten year period to 2023.

¹⁴ PPG, 2a-032-20140306

¹⁵ PPG, 2a-033-20140306

2.19 The D2N2 State of the Economy report published in 2013 was used to shape the long term Strategy for Growth 2013- 2033 report. The report identified the implications of the Growth Plan to close the gap with the UK average and achieve its vision, the D2N2 economy would need to deliver a step change in employment which is achievable through:

- Growing and deepening its private sector employment base, particularly in the service sectors such as the visitor economy making use of the area's natural assets, in knowledge intensive industrial and in areas where D2N2 has niche specialisms;
- Maximising the areas untapped potential, particularly in terms of capturing employment growth from strategic sectors and the low carbon economy;
- Building on supply chain opportunities linked to major employers and the potential Research and Development Projects, spin out enterprises and collaboration in sectors such as transport equipment and medical/ bioscience;
- Slowing the decline in the areas manufacturing base by supporting high growth sub sectors, companies involved in advanced manufacturing and continuing to grow the areas export intensive industries;
- Making the best use of the labour force; including increasing the number of higher skilled residents, addressing recent increases in unemployment particularly amongst those aged 18-24 and developing and deepening a culture of innovation across the area;
- Retaining more graduates in the D2N2 area along with their skills and enthusiasm, and build on existing research strengths, particularly relationships with the local business base;
- Increasing the number of new businesses and improving the survival rate of smaller businesses to help closing the area's business density gap;
- Maximising the contribution made by D2N2's smaller market towns, villages and rural areas and the opportunities available to their residents. This may be achieved by assisting enterprise development, competitiveness and community cohesion through developing rural micro-businesses; creating sustainable employment in land based industries through diversification; developing market towns as vibrant places for people to live, work and visit and enhancing the digital infrastructure .
- The report acknowledges that it is unlikely that the public sector will provide the employment growth required to help to reduce unemployment, and D2N2 needs to stabilise manufacturing jobs over the next ten years.

2.20 A key aim of the plan is not just to grow the economy, but to re-balance it. It sets out that between the period 1998- 2008, just over 30,000 jobs were created in the area. The Plan aims to ensure that approximately 93% of employment growth results in a

thriving private sector business base. The following targets are set out in the plan to assist in achieving this aim:

- The provision of a range of business support services, available to all businesses, that respond to businesses needs and encourage business growth;
- Providing access to the finance that businesses need to grow;
- A programme of innovation investment that supports companies to develop new products and processes and gives them the skills to invest in innovation;
- Ensuring the workforce and young people have the skills businesses need to grow and prosper in the 21st century economy;
- Creating the sites and premises that will allow indigenous businesses to grow as well as attracting inward investors from across the world ;
- Ensuring transport and broadband infrastructure to enable growth rather than constraining it ; and
- Ensuring the appropriate mix of housing for economic growth.

A Plan for Growth

- 2.21 2.26 The Ashfield and Mansfield 'A Plan for Growth'(2016) (PfG) reflects Ashfield and Mansfield District Councils agreeing to work together on developing a closer approach to economic regeneration across the sub-region. This collaborative approach was encapsulated in the desire to have a single policy document, which provides the strategic direction for raising prosperity by tackling structural economic problems which have limited growth for both Mansfield and Ashfield. The PfG is consistent with the wider D2N2 Growth Strategy although not all of the key growth sectors articulated within the D2N2 plan are relevant within the Ashfield and Mansfield area.
- 2.22 The PfG identifies the following key growth sectors based on previous Experian research – business services, health services, wholesale, manufacturing and transport and logistics.
- 2.23 These are seen as local strengths, which will make a significant contribution towards realising the wider LEP Growth Strategy. The PfG states 'that although not considered to be significant growth sectors for the future, these sectors will continue to play a significant role in the local economy, including retail and construction'.
- 2.24 The strategy sets out a number of detailed objectives and priority actions under the following themes:
- Theme 1: Developing the workforce to support business growth
 - Theme 2: Encouraging enterprise and business growth
 - Theme 3: Improving infrastructure and stimulating investment
- 2.25 Under Theme 3 the joint strategy sets out the following objectives, including the following which are relevant to the Local Plan:

- Present the area as an excellent place to do business and promote its full benefits, including quality of life, to potential investors
- Work with partners to increase the provision and take-up of high quality/superfast broadband for local businesses
- To develop and sustain the vitality of the area's towns
- To ensure an adequate supply of land and premises for business needs

3) THE ECONOMY AND PROPERTY MARKET

Introduction

- 3.1 The NPPF states that LPAs should have a clear understanding of business needs within the economic markets operating in and across their area.
- 3.2 This section provides an economic and property market analysis based on a review of the wealth of data that has been prepared as evidence to support the Local Plan. It draws together key findings that will then help to shape the employment policy and employment land allocations.
- 3.3 Understanding the employment space requirements (as set out in the previous chapter), provides a starting point for the Local Plan allocations. However an analysis is required of the economic geography of the area, the sectoral strengths, and the labour and property markets operating in the district, in order to ensure that new employment space is channelled in the right locations and quantum to support the Local Plan vision and objectives.
- 3.4 This analysis draws on data contained in the following documents:
- Ashfield and Mansfield – A Plan for Growth 2016 (PfG)
 - Employment Land Review 2017 (ELR)
 - Employment Land Monitoring data on employment space 2016 (ELMD)
 - Interviews with commercial agents to inform the HELAA 2016 (HELAA)
 - Employment Land Forecasting Study 2015 (ELFS)
 - Economic Sectoral Analysis by Experian for Ashfield and Mansfield 2009 (ESA)
 - Mansfield and Ashfield Districts Joint Property Strategy by Innes England 2009 (JPS)
- 3.5 For brevity, the data included in these documents is not repeated in this Technical Paper but is cross-referenced as a footnote.

Demographics

- 3.6 The demographic analysis of the district points to an ageing profile and lower birth rates. In addition, the health of some residents is poor. This may have implications on the labour supply. For the economy to be sustained in the longer term both the demographic gap, ability to embrace technology and health of the resident workforce will need to be addressed.
- 3.7 Planning policy measures such as promoting affordable housing, easy access to places of work, and creating attractive and well-connected linkages between residential and employment areas with quality green infrastructure will contribute to addressing this demographic gap and health of the resident workforce.

Job balance and travel to work

- 3.8 Census 2011 data and information included in the ELFS¹⁶ shows that some 52% of the Mansfield district resident work force also works in the district. Overall, there are some 7,000 more working residents in the district than there are jobs¹⁷. The district is a net exporter of workforce i.e. some 7,000 people from the district commute out to work than come into the district. The greatest numbers travel to Ashfield, Newark & Sherwood, Nottingham City and Bolsover. There are also strong linkage with the districts of Bassetlaw and Amber Valley. Thus creating additional jobs within the district could help to contribute towards creating greater job balance. Similarly, given the close proximity, physical infrastructure connectivity and strong labour market flows between Mansfield district and neighbouring local authorities, it is likely that some leakage to neighbouring authorities will continue. Examining the commuting flows can help to define the functional economic market area of a particular local economy. These commuting flows can be assessed using the latest travel to work patterns from the 2011 Census.
- 3.9 The ELFS examined Functional Economic Market Areas (FEMA). It concluded that the Mansfield district forms part of the Outer Nottinghamshire HMA. A commonly accepted approach to defining a Travel to Work Area (TTWA) is where at least 75% of an areas resident workforce is also employed in the area, and all of those working in the area at least 75% also live there.
- 3.10 The analysis indicates that none of the districts in Nottinghamshire could be said to be a TTWA in themselves; however including the three districts of Newark and Sherwood, Ashfield and Mansfield would suggest that around 68% of local employed residents also work in the area, whilst for the alternative test (based on the number of employed residents as a percentage of all jobs in the area) the rate is higher, at 74%. The latter figure is only slightly below the indicative 75% threshold, suggesting it forms part of the TTWA.

Labour supply, skills and wages

- 3.11 Over 77% of the district's workforce is in employment. However, the workforce is generally considered to be low skilled (in terms of qualifications not necessarily skills), and employed predominantly in employment sectors that afford lower wages. This is demonstrated by the low workplace wages in the district of £395 per week (gross) compared to regional levels of £479 per week gross or national of £529 per week gross¹⁸.
- 3.12 The sub regional strategy seeks to develop higher value jobs in the region. It states that lower skill levels are a potential barrier to attracting investment, and as such, improving both academic and workplace skills has been made a priority by the D2N2 LEP.
- 3.13 The unemployment rate in the district reduced from a high of 11 % to 5.2%. This reduction narrowed the gap between the regional average of 4.3 % and the Great Britain average of 4.8%. The employment rate has now risen sharply to 74.2%, and now sits with the regional average of 74.7% and the Great Britain average of 74%.

¹⁶ See Figure 2.17 of the Employment Land Forecasting Study 2015 on page 29.

¹⁷ Census 2011 shows 41,143 working residents in the District and 33,889 jobs, leaving a shortfall of 7,254 jobs.

¹⁸ See Appendix A table A1 for an extract of the economic indicator from the Ashfield and Mansfield - A Plan for Growth 2016 summary table of economic indicators including wages and skills indicators.

Employment sector strengths

3.14 Table A2 in Appendix A includes an extract of the job growth forecasts up to the period 2033 for Mansfield district from Experian's December 2014 quarterly release used to inform the ELFS 2015¹⁹. We have extracted the data included in Appendix A to assess those sectors that are forecast to contribute some of the highest levels of workforce jobs (these are not necessarily highest value generating jobs) in the district. The findings are set out in table 3.1 below.

Table 3.1 Sectors forecast to provide some of the highest levels of workforce jobs

Experian sector	2011	2033	Difference 2033 - 2011	% difference
Construction of Buildings	1659	2829	1170	71
Specialised Construction Activities	3039	4612	1573	52
Wholesale	2279	2890	611	27
Retail	5982	5029	-953	-16
Land Transport, Storage & Post	1162	641	-521	-45
Accommodation & Food Services	2254	2960	706	31
Recreation	1236	1243	7	1
Professional Services	1592	2514	922	58
Administrative & Supportive Services	3484	2622	-862	-25
Other Private Services	1293	1185	-108	-8
Public Administration & Defence Education	3011	2610	-401	-13
Education	4282	5721	1439	34
Health	2392	3036	644	27
Residential Care & Social Work	3192	3629	437	14

Source: Experian / MDC analysis (Based on table included on page 188 of ELFS)

3.15 The sectors that are forecast to contribute the highest number of jobs by 2033 are as follows:

- The construction of buildings and specialised construction combined is forecast to considerably expand and to employ 7,441 people.
- Education is forecast to expand and employ 5,721 people.
- Retail is forecast to decline, but will still employ over 5,000 people.
- Residential care and social work is forecast to expand and employ 3,629 people.
- Health is forecast to expand and employ 3,036 people.
- Other notable sectors set to expand include wholesale, accommodation and professional services.

¹⁹ Extract from page 188 of the ELFS 2015.

- 3.16 A wide range of industrial sectors not included in table 4.1 (shown in Appendix A table A2) also contribute to the employment opportunities in the district, such as metal and non-metallic products, computer and electronic products, other manufacturing, finance, textile and clothing, printing and recorded media etc.
- 3.17 The key messages from the sectoral analysis and drawing on other assessments is as follows:
- A considerable number of the forecast jobs in the district are in non - B class uses, particularly in retail, education, health and social care. Much of the space requirements for these sectors will not be affected by employment space for office and industrial uses (though it cannot be entirely ruled out, as there is a substantial amount of existing health sector office space provided at Ransom Wood Business Park). The space requirements for education and health type uses will generally be classed as 'infrastructure' and the land supply to meet future requirements will be considered through the delivery of the planned housing growth. The retail sector is forecast to decline in terms of job numbers and future space requirements will be considered as part of a separate retail and leisure technical paper.
 - Often sectoral analysis studies have tended to group the findings for Ashfield and Mansfield in one however there are some important sectoral strength differences, which are influenced by the spatial geography of parts of Ashfield and workforce characteristics of Mansfield. This affects the type and size of businesses that are attracted to each district. For instance, parts of Ashfield that are closer to the M1 have attracted larger warehouse and transport related businesses dependent on this strategic accessibility and proximity to Derby's transport (trains, planes and cars) sectoral concentration, and logistics companies based at Sherwood Business Park dependent on the easy access to the motorway. Mansfield is described by property agents as being 'land-locked' in terms of access to either the M1 or A1. As such, the industrial sectors expanding and settling in Mansfield district are 'indigenous' to the area and catering largely to the needs of local markets, and influenced more by the skills and competitive price wage costs of the workforce and attracted historically by the availability of attractive serviced sites and other financial incentives.
- 3.18 Experian undertook a sectoral analysis study for Mansfield and Ashfield Districts in 2009. Although somewhat dated, this study did provide a sub sector breakdown of the types of business included in each of the forecast (2006 – 2026) as follows:
- Construction – general construction of buildings, installation, plumbing, painting and decorating etc.
 - Health – social work activities without accommodation, hospital activities, medical practice activities, other human health activities.
 - Transport – transport via railways, passenger land transport, and freight transport by road, storage and warehousing, activities of travel agencies.
 - Wholesale – sale of motor vehicles, wood, construction materials, other household goods, other industry machinery, sale of motor vehicle accessories, wholesale of alcoholic/ other beverages.

- Transport equipment – manufacture of parts for motor vehicles, aircraft and spacecraft, motor vehicle bodies, motor vehicles.
- Business services – labour recruitment etc.

3.19 The above sub sector breakdown informs the type of business grouping under some of the high employment sectors represented in the district. This helps to inform the business space requirements and implications for planning. Based on anecdotal information gathered from sites visits and photographic records contained in the ELR, it is clear to see that there are a number business clusters around the construction sector.

Current industrial stock and vacancy rates in the district

- 3.20 Mansfield district is predominately represented by small businesses with just over 95% employing less than 50 workers. Medium sized businesses, which employ between 50 and 250 workers account for less than 5% of the district's business base. Large businesses with a workforce of over 250 workers account for less than 1%. Indeed the property market assessments undertaken by Innes England in 2009 showed that the bulk of property stock in the district was in the less than 5000 sq.ft. floor space reflecting the predominance of the smaller businesses in the district.
- 3.21 Table 3.2 overleaf is an extract from the recent Employment Land Review 2017 (ELR). This shows the main employment areas in the district and their overall gross floor space in hectares. There is a small cluster of businesses in Market Warsop across two sites totalling less than 1 Ha. Most of the employment areas in Mansfield are located within close proximity of the arterial connections onto the A6191 and the A617.
- 3.22 The ELR provides a qualitative assessment of the various employment areas and a photographic record to illustrate the mix of quality and size of space available at the different sites. The main established employment areas were developed on former mining sites in the late 1980s and early 1990s with regeneration interventions by Mansfield District Council to provide initial infrastructure and incentives to help establish new employment areas and create jobs for the resident workforce. These areas are Crown Farm Industrial Estate towards the east of the district, Oakham Business Park towards the south west of the district and Millennium Business Park further west beside the A6191. All three developments contribute a significant proportion of the total employment floorspace, are high quality, modern, attractive units, in landscaped settings. There are two high quality office parks at Ransom Wood and Brunts Business Centre, though office uses are also integrated into some of the employment parks.
- 3.23 The Mansfield and Ashfield Regeneration Route (MARR) has been credited with encouraging enterprise in its immediate vicinity through increasing accessibility within both district's between the M1 and A1.

Potential employment land availability assessed as part of the HELAA

- 3.24 Table 3.2 shows there is a total of just over 238 Ha of employment floorspace in the district. This includes just less than 21 Ha of employment space that is currently

identified as not developed. Thus the total developed employment space is estimated at 217 Ha based on the finding of the ELR 2017²⁰.

- 3.25 The individual sites making up the undeveloped 21 Ha were assessed as part of the Housing and Employment Land Availability Assessment (HELAA) 2017 – see chapter 6 for assessment findings.

Table 3.2 Main employment (industrial and office) areas and developed and undeveloped floorspace in Mansfield district

Ref	Industrial site location in Mansfield District	Total employment space Ha	Balance after undeveloped space Ha
MELR 1	Old Mill Lane Industrial Estate, Old Mill Lane, Mansfield Woodhouse	19.23	18.32
MELR 2	Sherwood Oaks Business Park, Southwell Road West, Mansfield	10.02	6.33
MELR 3	Millenium Business Park, Chesterfield Road North, Mansfield	20.16	18.17
MELR 4	Oakham Business Park, Hamilton Way, Mansfield	25.69	25.23
MELR 5	Oak Tree Business Park, Oak Tree Lane, Mansfield	10.05	10.05
MELR 6	Botany Commercial Park, Botany Avenue, Mansfield	2.69	2.69
MELR 7	Broadway Industrial Estate, The Broadway, Mansfield	4.46	4.46
MELR 8	Brunts Business Centre, Brunts Way, Mansfield	1.14	1.14
MELR 9	Commercial Gate, Mansfield	3.23	2.72
MELR 10	Crown Farm Industrial Estate, Crown Farm Way, Mansfield	56.15	52.71
MELR 11	Mansfield Woodhouse Gateway, Off Grove Way, Mansfield Woodhouse	6.7	6.7
MELR 12	Ransom Wood Business Park, Southwell Road West, Mansfield	7.23	5.84
MELR 13	Bellamy Road Industrial Estate, Bellamy Road, Mansfield	19.54	17.07
MELR 14	Intake Business Centre, Kirkland Avenue, Mansfield	2.44	2.44
MELR 15	Hermitage Lane Industrial Estate, Hermitage Lane, Mansfield	11.04	10.55
MELR 16	Maunside, Hermitage Lane, Mansfield	9.84	9.84
MELR 17	Warsop Enterprise Centre, Burns Lane, Market Warsop	0.21	0.21
MELR 18	The Hub, Sherwood Street, Market Warsop	0.1	0.1
MELR 19	Ransom Wood Business Park, Southwell Road West, Mansfield	3.74	2.02
MELR 20	Ratcher Hill	7.03	4.31
MELR 21	Bleak Hills	6.08	6.08
MELR 22	Quarry Lane, Mansfield	4.62	4.62
MELR 23	Victoria Street	4.52	3.5
MELR 24	Pelham Street	1.96	1.96
MELR 25	Redcliffe Road	0.23	0.23
	Total gross industrial floorspace	238.1	217.29
	Undeveloped floorspace (238 ha - 217ha)		20.81

Source MDC 2017 (based on findings of the ELR 2017)

Vacancy rates

- 3.26 Based on a review of commercial property being actively marketed as at January 2015, the ELFS estimated vacancy rates for industrial floorspace at 3% and office floorspace at 9.1%. Typical normal market vacancy levels range between 8 – 10%. Several agents have stated that good quality, modern, available, small to medium sized (5,000-50,000 sq.ft.) units in sought after locations get snapped up very quickly. A large majority of the units on the established employment sites are full and rent out very quickly.

²⁰ See tables 4.1 and 5.1 of the Employment Land Review (2017), and figure 4.1 for a location plan of the employment areas.

Property market findings

3.27 The key points made by property agents operating in the Mansfield district and the surrounding area are as follows:

- Access onto the A1 (via A617 – A614) is approximately thirty minutes' drive away or twenty minutes to the M1. This is generally considered as being 'landlocked', as there are other sites outside the district, (particularly in Ashfield and Newark) which offer closer proximity to these strategic transport routes.
- Recognise that due to locational variations and distances between the M1/ A1 and Nottingham, the employment land requirement for Mansfield district supports a largely indigenous market and some demand from the Ashfield / North Nottinghamshire employer market. Large warehouse type developments are more likely to be attracted to parts of Ashfield, as it is closer to the motorway.
- Ideal industrial site locations are in the south and southwestern part of Mansfield to capture the North Nottinghamshire market, along the MARR to take advantage of the strategic road network capacity created by the MARR. Generally sites throughout the green fringe areas of Mansfield would be attractive for employment development to provide a choice of locations. However, town centre locations are not attractive due to traffic congestion.
- Mansfield employment market would support business units of less than 10,000 sq.ft. (950 sq.m.), for B1 and B8 uses rather than the bigger warehouse sheds of greater than 10,000 sq.ft. Good quality industrial space in Mansfield district rents out very quickly, due to lack of supply of ready units. The market is generally looking for smaller sized sites.
- Most landowners do not build employment sites until they secure a design and build letting. Speculative demand is held back by low rents, which are lower than build costs generally.
- There are limited signs of speculative development in the industrial sector starting again in the district. For instance, Strawsons have developed speculative starter units on the Old Mill Lane Industrial Estate in Mansfield Woodhouse, situated just off Leeming Lane South. The scheme was completed in summer 2016 and 75% let within a year. Tenants include local businesses e.g. brewery, car trade, security firms, mainly B1 / B8 (some may be B2).
- General assumption of 40% gross to net floor space is valid for industrial use.
- Mansfield district does not currently have a large market for white-collar jobs, as labour force is hard to attract to the area. There is very weak demand for the office sector as the labour pool is in Nottingham, linked to the two universities. Most office demand goes to Nottingham or Sherwood Park Business Park in Ashfield.
- The only market for office development is from very established firms in Mansfield, or from service providers such as the health, police and training companies as seen at Ransom Wood.
- Commercial agents have repeatedly stated that there is very limited demand for office space across the Outer Nottinghamshire HMA. The majority of office space

demand appears to arise from local firms catering for an indigenous market. Agents stated that micro businesses are increasingly working from home, though there is demand for flexible managed workspaces, which cater for small businesses.

4) EMPLOYMENT LAND REQUIREMENTS

Introduction

- 4.1 The future 'B' class employment land requirements of the Local Plan are based on the findings of the Joint Nottingham Core HMA and Nottingham Outer HMA Employment Land Forecasting Study (ELFS) 2015. The study sets out the final requirements in floorspace (sq.m.) for B1a/b office use and land (hectares) for B1c/B2/B8 uses. The ELFS assessed three scenarios of future employment space requirements based upon predictions of 'labour demand' and 'labour supply' to inform the Mansfield Local Plan employment space targets and a further sensitivity assessment based on past delivery. The scenarios are as follows:
- a. Scenario 1 Labour demand: Job growth (Experian baseline) - projections of job demand by economic sector using Experian's econometric forecasts;
 - b. Scenario 2 Labour demand: Job growth (D2N2 Local Enterprise Partnership policy on) - an alternative job-based estimate taking account of the additional jobs predicted to arise from the priorities of the D2N2 Local Economic Partnership in its Strategic Economic Plan (SEP);
 - c. Scenario 3 Labour supply: District housing requirements - growth of workplace population and a prediction of how many jobs would be needed to support this population in work in the future.
 - d. Sensitivity analysis: Past rates of employment space delivery.
- 4.2 The ELFS explains the methodology used in translating Experian's econometric job projections, and the jobs estimate derived from the forecast of labour supply, into an employment floorspace/land requirement. The approach used to arrive at the employment land forecasts in the ELFS in relation to the job demand scenarios is summarised in Appendix B table B1.

Scenario 1 labour demand: Experian baseline job growth

- 4.3 This scenario uses projections of job growth in 38 economic sectors derived from the latest available econometric forecasts prepared by Experian²¹. This job growth projection reflects how the district has performed relative to the East Midlands region's growth in the past. They also reflect the current post-recession economic climate, and the uncertainty surrounding future macro-economic prospects generally.
- 4.4 The Experian baseline provides a starting position of job demand based to a degree on past trends and the current representation across the standard industrial classifications relative to the national and regional averages.
- 4.5 Under this scenario jobs in the district are predicted to increase by +4,816 (11%) from 43,547 jobs in 2011 to 48,363 in 2033. Just over one third of these total jobs are expected to be B class jobs, of which strongest growth is forecast in manufacturing (B1c/B2) followed to a lesser degree by office (B1a/b) based activities. Very minimal job growth is expected in distribution (B8).

²¹ See ELFS Appendix 9, page 188 for copy of the Experian Workforce jobs 2011- 2033 – Mansfield District

Scenario 2 labour demand: D2N2 LEP policy-on job growth

- 4.6 This scenario is an alternative job-based estimate of future economic needs. It makes assumptions about the number of net additional jobs to the Experian baseline projections that are likely to arise from the specific projects identified in the D2N2 LEP Strategic Economic Plan.
- 4.7 The LEP scenario gives us a picture of the demand for employment space building upon the Experian baseline. It provides a prediction of job demand that aligns with the aspirations for growth in the D2N2 Local Economic Partnership Strategic Economic Plan. It therefore provides a forecast of what the level of demand for jobs and in turn employment space may be needed to realise the growth in the priority sectors and development of the specific projects identified by the LEP. In this regard, it should be seen as a minimum level of job demand that if we fail to plan for may stifle economic growth and be at odds with the aspirations in the LEP.
- 4.8 Under this scenario in addition to the jobs increase expected under the Experian baseline a further + 466 jobs are projected during the plan period. Of these jobs, +311 are expected to be in sectors, which may occupy B space, split roughly equally between manufacturing, and office based activities. It is not anticipated that there will be any further job growth in distribution activities under this scenario.

Scenario 3 labour supply: district housing requirements

- 4.9 This scenario employs a contrasting supply-led approach. It makes assumptions about the likely changes in the demographic profile of the district in particular the employed population over the plan period. It aligns with the same demographic profile that underpins the objectively assessed housing need for the district identified in the Nottingham Outer Strategic Housing Market Assessment²². It then forecasts how many new jobs would be needed in the district to support these people in work assuming current commuting rates continue.
- 4.10 The labour supply scenario provides a contrasting approach that estimates the growth of the local labour supply based on the objectively assessed housing need in the Strategic Housing Market Assessment prepared by GL Hearn in 2015. It considers how many jobs and in turn how much employment space would be needed to broadly match the forecast growth of the district's employed population taking account of economic activity rates and future pension age changes, and assuming the pattern of commuting continues.
- 4.11 Under this scenario, jobs in the district are predicted to increase by + 5,929 over the period 2011 - 2033. In terms of split of jobs, the scenario uses the same proportionate breakdown of B class jobs as in the Experian baseline.²³

Sensitivity test: past rates of delivery

- 4.12 The sensitivity test uses past rates of delivery of employment space trends to inform future needs. However, it should be recognised that past trends may not fully reflect the future challenges and uncertainties and longer term workplace trends that could reduce the demand for employment space. In addition, the data on completions and losses of employment space must be treated with some caution and for this reason

²² See Table 5.15 of the ELFS on page 101.

²³ See Appendix 6, page 175 of the ELFS

ELFS recommends that the resultant figures be used as a sensitivity test, rather than as a standalone scenario in its own right.

- 4.13 The Experian baseline results in the lowest employment space requirements. The requirements from the LEP policy on scenario sit above the baseline and very closely compares with the resultant requirements stemming from the labour supply scenario.

Employment space requirement target

- 4.14 The findings for Mansfield district employment space requirements assessment undertaken for the three scenarios and the sensitivity testing are summarised in table 4.1 below.

Table 4.1 Mansfield district employment land and floorspace requirements 2011 - 2033

MANSFIELD DISTRICT		Net floorspace (sq.m.)	Gross land area (Ha)	
		B1a/b	B1c/B2	B8
1) Experian Baseline	2011-2033 (net)	9,911	17.45	3.19
	2011-2033 (gross)	19,320	35.53	
	+ Flexibility factor	23,963	39.74	
2) Policy On	2011-2033 (net)	12,068	19.25	3.22
	2011-2033 (gross)	21,477	37.36	
	+ Flexibility factor	26,120	41.57	
3) Labour Supply	2011-2033 (net)	11,392	19.52	4.11
	2011-2033 (gross)	20,801	38.51	
	+ Flexibility factor	25,444	42.73	
Past Completions	2011-2033 (net)	41,661	31.45	
	2011-2033 (gross)	51,070	46.34	
	+ Flexibility factor	55,713	50.55	

Source: NLP analysis (extracted from page 118 of the ELFS 2015)

- 4.15 The minimum target to be adopted by Mansfield district is the Scenario 2 labour demand: D2N2 LEP policy-on job growth requirement resulting in 42 ha of industrial space (B1c/B2 and B8 use classes), and 26,100 sq.m. of office space (B1a/b). Note this requirement includes the following buffers.
- 4.16 An allowance to replace loss of employment space, based on past rates of losses. It is not necessary to replace all land likely to be lost as some losses undoubtedly arise from the restructuring of the local economy but new floorspace will be required for declining sectors. In Mansfield district the replacement factor has been adjusted to take account of previous losses and is around 0.68Ha of industrial land and 428 sqm of office space per annum this equates to 8560sqm of office floorspace and 13.6 Ha of industrial land for the plan period.

- 4.17 This 'policy on' scenario requirement is close to the Experian and Labour Supply scenario requirements, but less than the sensitive testing of past completions. There was a note of caution in adopting the past completions rate included in the ELFS 2015. However, acknowledging the difference between past completions and the policy on scenario, the requirement rate is set as a minimum 'target' and does not preclude suitable sites from coming forward.

5) EMPLOYMENT LAND SUPPLY

Introduction

- 5.1 This chapter sets out the main sources of 'B' class employment land supply to inform the Local Plan. This includes the main sources of employment land supply based on past completions and extant planning consents and sites identified as part of the Housing and Employment Land Assessment (HELAA) 2017.

Past completions

- 5.2 The past completions, since 2011 to 2016 information is based on data derived from table 6.1 of the Employment Land Monitoring Report 2016. This shows that 2.32 Ha of industrial land and 4,563 sq.m. of office space has already been provided in the district since 2011.

HELAA employment land supply findings

- 5.3 Table 5.1 overleaf is a summary table extracted from the HELAA Findings Report 2017 relating to employment land supply. The details of the assessment method and findings is summarised in the separate reports and for brevity the assessment is not repeated here.

Table 5.1 shows:

- HELAA sites with planning permission consist of 19.8 Ha of industrial land and 64,947 sq.m. of office space. The main components of the consented sites relate to the strategic sites at Lindhurst and Penniment Farm.
- HELAA sites without planning permission consist of 14 Ha of employment land and approximately 22,600 Sq.m. of office space. The main components of these sites without planning permission, which have been assessed as part of the HELAA reasonable alternative supply is based on a range of strategic sites, where the employment land can be provided either as part of a mixed use delivery or as a standalone supply (in case the mixed use sites do not progress), and a range of smaller sites distributed throughout Mansfield.
- The total HELAA supply (consented and unconsented) supply consists of 33.90 Ha of employment land and 87,253 sq.m. of office space.
- The HELAA has not identified any employment land supply in Warsop Parish.

Potential sites that might form part of the supply

- 5.4 As identified in chapter 3 earlier and table 3.2, an estimated 21 ha of undeveloped employment space has been identified in the ELR 2017²⁴. The individual sites making up the undeveloped 21 ha were assessed as part of the Housing and Employment Land Availability Assessment (HELAA) 2017.
- 5.5 Some of these sites were excluded from the HELAA as they were either below threshold or owners have informed us that the remaining land was not currently available for development. A number of remaining sites from this undeveloped 21

²⁴ See tables 4.1 and 5.1 of the Employment Land Review (2017).

ha were considered as 'suitable and achievable' as part of the HELAA assessment, but were excluded from the HELAA as their 'availability' was currently unknown. Once Land Registry data on land ownership has been interrogated, the owners will be contacted to consider if the land is available for development and it is likely that some of the identified 21 ha will come forward as HELAA 'available' supply for possible future development.

- 5.6 To avoid confusion in future assessments and possible double counting, only HELAA sites identified as forming part of the HELAA reasonable alternative supply pool included in table 5.1 below have been included as part of the supply considerations for the Employment Technical Paper.

Table 5.1 HELAA employment land summary findings

Period			Total			
Type of Development			Convenience Retail (sqm)	Comparison Retail (sqm)	Leisure (sqm)	Offices (sqm)
						Industrial (Ha)
Warsop Parish HELAA supply						
HELAA Sites with Planning Permission			0	0	0	0.00
	None		0	0	0	0.00
HELAA Sites without Planning Permission			800	0	0	0.00
132	Former Strand cinema		800	0	0	0.00
Total Supply			800	0	0	0.00
Mansfield HELAA supply						
HELAA Sites with Planning Permission*			3260	740	0	64947
	120	Land at Old Peggs	1360	340	0	0.00
	123	Land Off Kestral Road	0	0	0	0.15
	135	190 Ladybrook Lane	400	0	0	0.00
	140	Hermitage Lane Industrial Estate (Site A)	0	0	0	0.40
	169	Land Adjacent Unit 3, Sherwood Oaks Close	0	0	0	627
Strategic Site	82	Penniment Farm (employment)	84	0	0	3300
Strategic Site	90	Lindhurst	600	400	0	60000
	137	Plot 17	0	0	0	0.25
	134	Land at Belvedere Street	816	0	0	1020
HELAA Sites without Planning Permission			18450	7500	30435	22576
	144	Land off Sherwood Street	0	0	0	0.23
	40	Land at Ratcher Hill Quarry (south west)	0	0	0	0.75
	71a	Site A, Long Stoop Way	0	0	0	4560
	71c	Site C, Long Stoop Way	0	0	0	1200
	127	Former bus station site	7500	7500	775	0.00
	139	Frontage to Ransom Wood Business Park	750	0	1000	0.00
	150	Ratcher Hill Quarry	0	0	18460	1.79
	151	Carpark opposite Birch House	0	0	0	880
Strategic Site	52	Pleasley Hill Farm	10200	0	10200	10200
Strategic Site	74b	Water Lane	0	0	0	3400
Strategic Site	74c	Water Lane	0	0	0	2336
Strategic Site	76	Jubilee Way North	0	0	0	6.76
Total Supply			21710	8240	30435	87523
District totals HELAA supply						
HELAA Sites with Planning Permission**			3260	740	0	64947
HELAA Sites without Planning Permission			19250	7500	30435	22576
Total Supply			22510	8240	30435	87523
*There is a difference between the HELAA sites with planning permission for industrial land which is identified above as 23.97Ha and the Employment Land Monitoring Report 2016 Table 6.1 which identifies 29.20Ha. This difference is accounted for by the following sites - Sherwood Oaks (which has not been included in the HELAA as it has not been identified as 'available' currently), Ransom Wood Business Park (planning consent lapsed), and a range of other sites below the HELAA threshold.						
Industrial includes use classes B1c/B2/B8 i.e. industrial and warehousing						
Industrial land based on gross developable area in hectares (this will then be converted to a net floor area (sqm) by applying a gross net ratio)						
Retail floorspace is based on the net sqm figure as opposed to the gross developable area (where specific floorspace figures have not been provided our approach is based on the gross developable area and applying a gross to net ratio).						
Leisure uses incorporate a mix of uses, including hotels, restaurants, café's and other leisure related activities. This has been based on a measure of net sqm, however we caution that this will vary considerably with each use e.g. hotels is more realistically measured in bed spaces.						

Source MDC assessment 2017 (extract from HELAA Findings Report 2017)

6) EMPLOYMENT LAND REQUIREMENT AND SUPPLY CONSIDERATIONS

Introduction

- 6.1 This chapter considers the balance between the supply and requirement. It considers the main sources of employment land supply based on past completions, extant planning consents and sites identified as part of the Housing and Employment Land Assessment (HELAA) and assesses this against the requirement target assessed in the previous chapter.
- 6.2 It also considers the spatial distribution and cross boundary implications of employment space.

Employment space requirement and supply summary findings

- 6.3 Table 6.1 below summarises the main identified sources of employment land supply from chapter 5 and compares this with the assessed total floorspace requirement from chapter 4.
- 6.4 The Local Plan identifies a minimum, floor space target for 42 ha of industrial land (gross), and 26,100 sq.m. of office floorspace (net). Table 6.1 shows the balance of land and floorspace requirement after taking account of total developed land / floorspace, HELAA consented sites, HELAA unconsented sites. Based on the requirement target and identified supply, there is currently an oversupply of office space, and a need to identify a further 5.78 ha of industrial land.

Table 6.1 Summary of employment land requirement and supply

Plan period floor space assessment 2011- 2033	Office (sq.m.)	Industrial (ha)
Total floor space requirement (D2N2 Policy On) target 2011-2033	26,100	42
Total amount of land/ floor space developed between 1/04/2011& 31/03/2016	4,563	2.32
Residual employment land /floorspace requirement after taking account of completions to March 2016	21,537	39.68
HELAA sites with planning permissions	64,947	19.80
Residual employment land /floorspace requirement after taking account of consents to March 2016	-43,410	19.88
Total HELAA sites without planning permission	22,576	14.10
Residual employment land/ floorspace requirement after taking account of HELAA potential supply at April 2017	-65,986	5.78
Balance of supply of land / floorspace to be identified to meet plan requirements	-65,986	5.78

Plan period floor space assessment 2011- 2033	Office (sq.m.)	Industrial (ha)
*Completions data derived from table 6.1 of the Employment Land Monitoring Report 2016 **There is a difference between the HELAA sites with Planning Permission for industrial land which is identified above the 23.97Ha and the Employment Land Monitoring Report 2016 Table 6.1 which identifies 29.20 Ha. The difference is accounted for by the following sites – Sherwood Oaks (which has not been included in the HELAA as it has not been identified as 'available' currently), Ransom Wood Business Park (planning consent lapsed), and a range of other sites below the HELAA threshold.		

Source: MDC assessment 2017 (based on ELR 2016, HELAA 2017, ELFS 2015)

- 6.5 As noted in Chapter 5 (paragraphs 5.41 and 5.42) there are a number of HELAA sites, where 'availability and site ownership' have not yet been determined, it is highly likely that the shortfall of 5.78 ha to meet the minimum industrial land target will be met from this. The target requirement figure is a minimum target, and it is possible that the HELAA could identify additional employment land above the minimum target level. The NPPF requires local planning authorities to identify enough employment land for the first ten years of the plan period; any shortfall in employment land will be dealt with as part of the Local Plan review.

Flexible target of 1 Ha land supply in Warsop Parish

- 6.6 The ELFS (2015) did not assess land requirements / distribution by different parts of the district. However, some additional employment land to support both existing and potential planned increase in residents would help to contribute choice and sustainability in Warsop Parish. There is no hard and fast rule on how much this land requirement would be, however, based on the property market agent consultations, current provision, limited land supply, a flexible target of up to 1 Ha is sought in Warsop Parish for 'B' class industrial use. This could be identified as part of the preparation for the Neighbourhood Plan. The forthcoming Warsop Neighbourhood Plan is supportive of proposals that help to support the creation of a sustainable local economy and small scale employment development.
- 6.7 A call for sites was undertaken in 2016 as part of the Housing and Economic Land Availability Assessment to review the potential supply of employment land. The HELAA identified nine employment sites and two mixed use sites that are currently available, suitable, achievable and developable and it is proposed to allocate these sites to contribute to the districts employment land requirements.

7) CONCLUSIONS AND RECOMMENDATIONS

Introduction

- 7.1 This chapter draws together the main findings for the Employment Technical Paper in terms of the quantum of employment land to be allocated in the Local Plan.
- 7.2 The Green Paper 'Building our Industrial Strategy' January 2017 seeks better alignment of housing, infrastructure and economic plans. The national planning policy guidance on Housing and Employment Land Availability (HELAA) also seeks to promote greater alignment between housing and employment.
- 7.3 This Paper responds to the NPPF Policy requirements to provide a qualitative assessment based on an analysis of the economic indicators and spatial geography of the district to help inform the policies of the Local Plan and ensure the alignment between housing, infrastructure and economic plans.

Quantitative findings of the evidence base

- 7.4 Based on an assessment of B class employment land requirements set out in table 4.1 and supply assessment set out in table 5.1 of the earlier chapters; there is a minimum employment land requirement target for 42 Ha of industrial land (including warehousing space) and 26,100 sq.m. of office space. Table 6.1 in chapter 6 sets out how this supply is expected to be met from sites already developed, consented and future economic land supply sites identified from the HELAA assessment.
- 7.5 There is an identified shortfall of 5.78 ha in industrial land; however, this should be addressed once further work to determine land ownership and 'availability' consideration of a number of identified HELAA sites is completed. There is an identified surplus of office space, and based on feedback from Property Market agents active in the area and the ELFS, there is not much demand for office space.
- 7.6 A flexible target is included to identify up to 1 ha of industrial land in Warsop Parish to contribute to choice and sustainability. There is no assessed requirement as to how much the Warsop Parish land requirement target should be, however a pragmatic and flexible minimum target of 1 Ha is proposed as part of this Technical Paper. This will contribute towards the residual balance (1.6 Ha) this could be identified as part of preparing the Warsop Parish Neighbourhood Plan.

Limitations of economic forecasts and modelling assessments

- 7.7 It is important to recognise that the methods of assessing land requirement will include uncertainties and limitations associated with future economic forecasts and modelling assumptions. Although a number of scenarios have been tested, and past trend analysis included, in practice, the amount of land and floorspace developed will be dependent upon a range of factors, not least the performance of the national and local economy and sub regional interventions. It is noted that economic forecasts are regularly updated and the resulting employment outputs will change over the plan period and so the assessment will be reviewed periodically.

Qualitative findings of the evidence base

- 7.8 Chapter three of this paper articulates those sectors, based on Experian forecasts, expected to generate the greatest amount of employment for the district. The role of regeneration intervention in delivering strategic employment sites (helping to create new employment opportunities for the local workforce following mining decline) is considered and the reasons for the slow delivery of strategic employment sites are better understood. The economic indicator analysis and property market consultations help to shape and refine where future interventions and support might be targeted.
- 7.9 The headline findings stemming from the economic indicator analysis and property market stakeholder feedback is as follows:
- Non-‘B’ class uses including education, retail and health and social care are forecast to provide some of the highest levels of workforce employment in the future.
 - The construction of buildings and specialised construction activities²⁵ sectors combined are forecast to provide the greatest number of overall jobs by sector in the district.
 - A wide range of other manufacturing businesses also play an important role in the district economy, particularly small companies (employing less than 50 people).
 - Often sectoral analysis studies have tended to group the findings for Ashfield and Mansfield in one. Although there are some socioeconomic similarities between the two areas, there are some important sectoral strength differences, which are influenced by the spatial geography of parts of Ashfield and workforce characteristics of Mansfield. This affects the type and size of businesses that are attracted to each district. For instance, parts of Ashfield that are closer to the M1 have attracted larger warehouse and transport related business dependent on this strategic accessibility and proximity to Derby’s transport (trains, planes and cars) sectoral concentration, and logistics companies based at Sherwood Business Park dependent on the easy access to the motorway. Mansfield is described by property agents as being ‘land-locked’ in terms of access to either the M1 or A1. As such, the industrial sectors expanding and settling in Mansfield district are ‘indigenous’ to the area and catering largely to the needs of local markets, and influenced more by the skills and competitive price wage costs of the workforce and attracted historically to the area by the availability of attractive serviced sites and other financial incentives (e.g. Enterprise Zone status).
 - There is currently a shortage of small to medium size (5,000 – 50,000 sq.ft.) good quality, modern available, industrial units in Mansfield district. Industrial space vacancy levels are estimated to be below 3% and there are limited signs of speculative development in the industrial sector starting to take place.

²⁵ Construction – general construction of buildings, installation, plumbing, painting and decorating etc.

- Stakeholders active in the employment property market have identified a shortfall in small to medium sized industrial units. They also identify the need to look to secure delivery of employment delivery alongside strategic housing delivery, and to safeguard against employment allocations being converted to residential use. They do not consider there is much demand for office premises and provide useful intelligence in understanding the local market.
- Mansfield district is a net exporter of jobs, largely to neighbouring Ashfield, Newark and Sherwood and to Nottingham. Creating more jobs in Mansfield district could help it to be more self-contained.
- Mansfield district maintains high levels of employment, particularly by supporting a wide range of manufacturing and wholesale businesses, which rely on a competitively priced labour supply and low cost employment premises. Up skilling the labour force and enabling local companies to improve the value added and move towards more advanced manufacturing process could help the district to move towards increased GVA and higher workforce wage levels.
- The district has an ageing population demographic and the local plan will look to measures that help to attract young people to return and stay in the district to support the long-term sustainability of the economy.

Possible risks to delivery and interventions

- 7.10 The ordinary speculative market for industrial development is generally not viable as build costs are higher than rental returns. Ideally employment development should be delivered alongside the residential development in order to promote sustainable development. As part of the local plan the council is working with the strategic site developers, to encourage the early delivery of employment allocations to be developed in parallel with the residential development.
- 7.11 It is proposed that the local plan will include a policy mechanism to safeguard against the loss of employment land to other uses, as the assessed employment land is required to support a balanced and aligned development plan.
- 7.12 A range of size of sites is to be allocated in the local plan to give choice to the market rather than to rely on one large strategic site to deliver the employment land requirements for the district over the plan period.

Appendix 1 - Economic indicators

A1.1 Table A 1 is a summary of various economic indicators extracted from the Ashfield and Mansfield Joint Economic Plan for Growth 2016

Table A1 Economic indicators for Mansfield, Ashfield, East Midlands and the UK

ITEM ³	ASHFIELD	MANSFIELD	EAST MIDLANDS	ENGLAND /UK
Economic Activity Rate	80%	77.6%	77.5%	77.7%
Unemployment	5.1%	5.7%	5.0%	5.4%
Self-employment	7.3%	-4% ²	8.8%	10.2%
Business Start-ups per 10,000 head of population ³	46.22	56.63	75.42	87.98
Higher Occupations (SOC1-3)	39.0%	24.7%	41.2%	44.3%
Process & Elementary occupations (SOC8-9)	19.8%	35.3%	20.2%	17.2%
NVQ4 Qualification & above	18.0%	30.1%	30.9%	36.0%
NVQ2 Qualification & above	58.4%	73.3%	71.4%	73.3%
No Qualifications	14.8%	8.7%	9.3%	8.8%
Earnings by residence (Gross weekly pay)	£448.90	£435.90	£492.00	£529.60
Earnings by workplace (Gross weekly pay)	£453.30	£394.80	£479.10	£529.00
Employment in Manufacturing	19.8%	11.7%	12.9%	8.5%
Employment in ICT, Financial & Business Services	16.0%	22.1%	22.1%	26.3%
Large Businesses (over 250 employees)	0.7% (20)	0.4%(10)	0.4%(625)	-
UKCI Competitiveness Ranking (2013)	365(379)	364(379)	225(379)	100

Source: Ashfield and Mansfield – A Plan for Growth 2016 (based on ONS data from NOMIS 2014)

A1.2 Table A2 is an extract of the job growth forecasts up to the period 2033 for Mansfield district from Experian's December 2014 quarterly release used to inform the Employment Land Forecasting Study (2015).

Experian Workforce Jobs 2011-2033 – Mansfield District

Experian Sector	2011	2016	2021	2026	2031	2033	Difference 2011-2033
Agriculture, Forestry & Fishing	87	115	157	210	281	300	213
Extraction & Mining	29	29	28	27	25	25	-4
Food, Drink & Tobacco	121	110	113	114	115	114	-7
Textiles & Clothing	165	106	96	84	71	62	-103
Wood & Paper	293	344	331	314	296	296	3
Printing and Recorded Media	623	698	643	579	517	506	-117
Fuel Refining	8	0	0	0	0	-1	-9
Chemicals	93	99	100	97	95	95	2
Pharmaceuticals	0	1	1	1	1	1	1
Non-Metallic Products	779	937	930	892	855	863	84
Metal Products	557	672	659	666	678	690	133
Computer & Electronic Products	439	476	503	530	544	555	116
Machinery & Equipment	205	208	204	193	181	179	-26
Transport Equipment	394	487	474	449	421	424	30
Other Manufacturing	463	506	508	501	494	497	34
Utilities	220	106	54	28	14	-7	-227
Construction of Buildings	1,659	1,764	2,087	2,391	2,723	2,829	1,170
Civil Engineering	378	385	436	488	542	558	180
Specialised Construction Activities	3,039	3,112	3,552	3,986	4,469	4,612	1,573
Wholesale	2,279	2,340	2,524	2,686	2,834	2,890	611
Retail	5,982	5,403	5,293	5,204	5,116	5,029	-953
Land Transport, Storage & Post	1,162	903	807	744	688	641	-521
Air & Water Transport	0	0	0	0	0	0	0
Accommodation & Food Services	2,254	2,254	2,465	2,681	2,896	2,960	706
Recreation	1,236	1,052	1,127	1,190	1,242	1,243	7
Media Activities	281	277	309	341	377	387	106
Telecoms	84	54	53	50	47	43	-41
Computing & Information Services	300	260	262	259	252	247	-53
Finance	759	631	631	614	586	569	-190
Insurance & Pensions	48	51	49	45	41	40	-8
Real Estate	364	369	380	389	397	400	36
Professional Services	1,592	2,246	2,321	2,376	2,430	2,514	922
Administrative & Supportive Services	3,484	3,067	2,989	2,848	2,700	2,622	-862
Other Private Services	1,293	1,489	1,413	1,305	1,195	1,185	-108
Public Administration & Defence	3,011	2,448	2,414	2,533	2,646	2,610	-402
Education	4,282	4,679	4,873	5,222	5,590	5,721	1,439
Health	2,392	2,635	2,693	2,837	2,977	3,036	644
Residential Care & Social Work	3,192	3,421	3,451	3,538	3,589	3,629	437
TOTAL	43,547	43,734	44,930	46,412	47,925	48,363	4,816

Source: Experian / NLP analysis

Note: 2033 represents an NLP extrapolation on a pro-rata basis

Appendix 2 - Method for assessing the floorspace requirements

A2.1 The ELFS explains the methodology used in translating Experian's econometric job projections, and the jobs estimate derived from the forecast of labour supply, into an employment floorspace/land requirement. Table B1 summarises the approach in relation to the job demand scenarios.

Table B1: Methodology for establishing the land / floorspace requirements

Step	Task	How?
1	Identify the total number of workforce employees in the relevant B1a/b office and B1c/B2/B8 industrial sectors for Mansfield in 2011.	The Study uses job growth figures from Experian's December 2014 quarterly release. In summary, the total number of jobs across Experian's 38 economic sectors amounted to 43,547 in 2011. It should be noted that the job growth figures were justified on the basis of Experian's assumptions concerning which industrial sectors are likely to see the most pronounced growth/decline over the plan period. The Experian forecast was based primarily on how each local economy has performed in recent years; how well various sectors are doing and how they might be expected to perform in future relative to national and regional sectoral trends. Using the Experian forecasts the job growth in each of the economic sectors was 'mapped' to the B use classes by NLP.
2	Translate 2011 jobs into floorspace	In order to translate the jobs into employment space the total jobs in the B use classes estimated by Experian/NLP in 2011 was multiplied by a suitable employment density figure. The Study applied the following densities: B1a/b – offices & research and development: 12.5 sq.m. B1c/B2 - light / general industry: 42 sq.m. * B8 - storage and distribution: 69.5 sq.m. ** *-This was a combined figure taking the GEA 47 sq.m. of employment floorspace for each B1c worker & the GEA 36 sq.m. of employment floorspace for each B2 worker as set out in the HCA/Offpat guidance. ** -This figure assumed a 50:50 split using the one job per 65 sq.m. for general, smaller scale warehousing and the one job per 74 sq.m. for large scale, lower density units as set out in the HCA/Offpat guidance. The above figures were based on the HCA and Offpat 2010 Employment Densities Guidance, adjusted to provide Gross External Areas (GEA) (Homes and Communities Agency / Office of Project & Programme Advice & Training Employment Densities Guide 2nd Edition, 2010). The HCA Guidance provided job to floorspace ratios in Net Internal Area. This was translated into GEA by NLP (as GEA provides a better fit for planning purposes) with an uplift of 15% for offices and 5% for industrial and warehouse premises to translate NIA to Gross Internal Area (GIA). GIA was then converted to GEA by adding a further 2.5% to reflect the area of external walls etc. In order to translate this 'occupied' floorspace into 'total' floorspace an allowance for vacancies was made in the Study. In Mansfield's case,

Step	Task	How?
		the vacancy rate used (based on an analysis of commercial agency websites and databases of marketed floorspace) for office floorspace was 9%, and for industrial was 10%.
3	Translate 2033 jobs into floorspace.	The job forecasts as used in Step 1 were taken forward on a pro-rata basis from 2031 to 2033 to align with the end of the local plan period. In summary, the total number of jobs across Experian's 38 economic sectors amounted to 48,363 in 2033, an increase of +4,816. Under the D2N2 policy on scenario, an additional +466 jobs were added to the Experian baseline. Steps 1 and 2 above were then repeated, but using the 2033 Experian sectoral workforce projections for that year, (see table A2) As before, an allowance was subsequently made to translate this 'occupied' floorspace into 'total' floorspace by making allowance for vacancies. On the basis that a figure of 10% better reflects market conditions, the model assumed that where current rates were higher (or lower), the future supply should be adjusted so that the stock is brought back into balance and to achieve a vacancy rate of 10% overall. In areas such as Mansfield with a relatively low vacancy rate for both office and industrial units the model ensured that slightly more land was provided to 'boost' vacancy rates to the required level.
4	Derive the net employment floorspace requirement	In order to derive the net employment space requirement in sq.m. the 2033 figure was simply subtracted from the 2011 figure.
5	Translate floorspace into net land requirements (for industrial and warehousing uses only)	Steps 6 and 7 were not applied to the office floorspace figure as the requirement for B1a/b is better expressed in sq.m. The floorspace figures were then translated into land requirements for industrial and warehousing uses by applying a plot ratio of 40% to the floorspace figures i.e. gross area of 1 ha is required to develop 4,000 sq.m. of industrial or warehousing / distribution space. This plot ratio was taken from the former Office for Deputy Prime Minister Guidance on Employment Land Reviews, which reflects the typical development

Step	Task	How?
		densities for these uses. This margin accounts for the additional space requirements of industrial / warehousing developments, including for car parking, access and curtilage buildings. In order to convert the net requirement for employment space into a gross requirement (the amount of employment space or land to be allocated / planned for) the Study makes allowance for replacement of losses of existing employment space that may be developed for other non B-class uses in the future. Not all losses need necessarily be replaced as some will reflect restructuring in the local economy as less space may be needed in some sectors (particularly traditional manufacturing) in the future. However, even in declining industrial sectors some replacement will inevitably be needed to refresh the quality of the stock and to avoid the employment supply continually declining. This allowance was based upon past rates of losses but adjusted downwards by half taking account the analysis of potential future losses identified in the Strategic Housing Land Availability Study. The future losses replacement allowance used in the Study was as follows: B1a/b office: 428 sq.m. x 22 years = 9,416 sq.m. B1c/B2/B8 industrial: 0.68 ha x 22 years = 14.96 ha
6	Flexibility / contingency buffer included	As a final step, a further allowance is added as a safety margin for factors such as delays in sites coming forward to provide some flexibility in the land provision. This margin is a contingency factor, providing a modest additional land buffer so that supply is not too tightly matched to estimate demand. The buffer used in this study was a figure equivalent to gross average annual completions allowance x2 as follows: B1a/b office: 2,321 sq.m. x2 = 4,643 sq.m. B1c/B2/B8 industrial= 2.106 ha x2 = 4.21 ha.

SOURCE: Nottingham Core HMA and Nottingham Outer HMA - Employment land Forecasting Study 2015, Nathaniel Lichfield & Partners