Employment-led delivery at Weston-super-Mare

Supplementary Planning Document

Draft for consultation
August 2014
How to respond to this consultation

Please respond by: midnight Monday 29 September 2014

The preferred response route would be through the council’s online system at:

www.n-somerset.gov.uk/employmentledspd

Alternatively you can email your responses to:

planning.policy@n-somerset.gov.uk.

Responses by letter should be sent to:

Development and Environment
North Somerset Council
Planning Policy and Research (Post Point 15)
Town Hall
Weston-super-Mare BS23 1UJ
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List of abbreviations

EA Enterprise Area
GVA Gross Value Added
HCA Homes and Communities Agency
NPPF National Planning Policy Framework
RIBA Royal Institute of British Architects
SPD Supplementary Planning Document
1 Introduction

Background

1.1 The Core Strategy has an overarching objective of balancing jobs and homes across the entire district. Outside of Weston-super-Mare this is to be achieved by directing jobs and homes through the plan making process to specific areas to help achieve a greater balance between these uses. At Weston-super-Mare there is a specific policy mechanism to regulate the release of residential development alongside employment through the employment-led strategy which is the focus of this document.

1.2 Over time the imbalance between a range of locally available employment and housing has led to significant car-based out-commuting causing local congestion, a weak local economy and a lack of employment opportunities for residents. This has impacts on economic productivity and the overall functioning and sustainability of Weston-super-Mare. There has long been a recognition and acceptance of the need for such a strategy to address these issues to improve the economic performance of the town and support more sustainable growth. The employment-led strategy forms a part of a comprehensive approach to encourage business growth and investment in order to improve the economic profile of the town and the availability of a range of local work opportunities.

1.3. Policy CS20: supporting a Successful Economy of the adopted North Somerset Core Strategy provides the strategic policy context to the employment-led strategy and sets out the broad principles of the policy. The policy is seeking to improve the balance between jobs and homes in Weston-super-Mare, through controlling the release of housing to ensure the imbalance is not exacerbated. As a result, the level of self-containment has the potential to be improved, increasing the proportion of people who live and work in the town and in so doing reduce levels of unsustainable out-commuting. This is a long-term strategy that will be monitored over time.

1.4. Policy CS20 does not address the detailed aspects of implementing the strategy, and so further more detailed policies will emerge through the Sites and Policies Plan.
Purpose of the SPD

1.5 The Employment-led Delivery at Weston-super-Mare Supplementary Planning Document (SPD) will assist by providing further guidance on the implementation of these policies. It will assist applicants and officers assessing employment-led planning applications. The SPD seeks to support the effective delivery of the strategy helping to focus economic growth at priority locations including Junction 21 Enterprise Area and indicates flexibility in the strategy to ensure the delivery of housing is balanced with the objectives of the employment-led strategy.

1.6. The NPPF defines SPDs as:

“Documents which add further detail to the policies in the Local Plan. They can be used to provide further guidance for development on specific sites, or on particular issues, such as design. Supplementary planning documents are capable of being a material consideration in planning decisions but are not part of the development plan.”

What is covered by the Employment-led Strategy?

1.7. The employment-led strategy applies to Weston-super-Mare as a whole and a distinction is made between the Weston Villages\(^1\) and the wider town. The Junction 21 Enterprise Area which encompasses the Weston Villages is also covered by the employment-led strategy and includes further land focussed around a number of key business sites. Within these areas, residential development is required to be brought forward in tandem with employment development covering a wide range of potential employment uses.

1.8. The summary table (Figure 2) sets out the areas where the policy will apply, development thresholds and preferred delivery mechanisms. The detailed application of the strategy differs depending on the scale of the residential proposal and delivery mechanisms include on-site delivery of employment, off-site delivery focussed at other priority locations and/or financial contributions in lieu of on-site or off-site provision.

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\(^1\) The Weston Villages is the proposed development at Weston-super-Mare planned to include a range of new homes, employment, and community facilities. For further information see the Weston Villages SPD (2012).
2 Policy context

Core Strategy: CS20

2.1 Policy CS20: Supporting a Successful Economy of the adopted North Somerset Core Strategy provides the strategic policy context to the employment-led strategy and sets out the broad principles of the policy. The following extract provides the main policy requirements:

“Throughout Weston-super-Mare proposals should provide for 1.5 jobs per home over the plan period both at Weston Villages and elsewhere on sites of 10 or more dwellings. The type of employment should be acceptable in planning terms and not detrimental to the overall employment strategy in the town.

Outside of the Weston Villages and allocated sites, if on-site provision is not suitable, financial contributions will be sought towards economic development through the use of planning obligations. These contributions will be agreed through Section 106 and the Community Infrastructure Levy and will be focussed on local initiatives and to support the delivery of employment elsewhere in the town.”

Draft Sites and Policies Plan: WSM 19 and 20

2.2 The draft Sites and Policies Plan (February 2013) includes two detailed policies providing further detail as to how the policy will apply at Weston Villages, WSM19, and the remaining urban area WSM20.

Geographical area where the policy applies

2.3 Figure 1 outlines the area where the employment-led strategy applies; the Qualifying Area. Within that overall area, the application of the strategy is tailored to the following two areas:

- **J21 Enterprise Area including the Weston Villages** – this area encompasses the entire Weston Villages area and also a number of key proposed business sites.

- **Remainder of Weston-super-Mare** – this area covers the rest of the settlement of Weston-super-Mare and beyond including land bounded by the River Yeo to the north, the M5 to the east and the River Axe to the south.
Figure 1: qualifying area
3 Summary of requirements by area

3.1 Figure 2 sets out the overarching requirements, including the preferred methods of delivery. Delivery options are listed in sequential order of preference, and this table should form the starting point in understanding how the employment-led strategy relates to a development proposal. Applicants will be required to demonstrate to the satisfaction of North Somerset Council that preferred delivery options cannot be reasonably achieved prior to exploring other options. Any proposal to deviate from these should be justified in line with the guidance in this SPD.

3.2 The council will weigh the merits of each form of delivery for each site on a case-by-case basis and will consider flexibility if there is a material case for doing so, particularly in relation to switching between on-site and off-site provision. In general, less flexibility will be applied to allowing options for financial contributions on sites where this is the least preferred delivery option. On sites of more than 250 dwellings financial contributions in lieu of on-site or off-site provision will only be permitted in exceptional circumstances.

<table>
<thead>
<tr>
<th>Scale of proposal</th>
<th>Location</th>
<th>Employment-led requirement?</th>
<th>Preferred delivery (in order of preference)</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-9 dwellings</td>
<td>Junction 21 Enterprise Area (including Weston Villages)</td>
<td>Yes</td>
<td>Financial contributions through CIL once introduced.</td>
</tr>
<tr>
<td></td>
<td>Remainder of Weston-super-Mare</td>
<td>No</td>
<td>n/a</td>
</tr>
</tbody>
</table>
| 10-49 dwellings   | Junction 21 Enterprise Area (including Weston Villages) | Yes | 1. On-site provision.  
|                   | | | 2. Off-site elsewhere within J21 EA.  
|                   | | | 3. Off-site within remainder of Weston.  
|                   | | | 4. Financial contribution (S106).  
|                   | Remainder of Weston-super-Mare | Yes | 1. Financial contribution (S106).  
|                   | | | 2. Off-site provision within J21 EA.  
|                   | | | 3. On-site provision or off-site provision within remainder of Weston.  |

Figure 2: summary of requirements
All proposals for more than 250 dwellings in Weston-super-Mare will be expected to be accompanied by a Programme to Support Employment in conjunction with the development (see paragraph 5.13 for further details).

<table>
<thead>
<tr>
<th>Scale of proposal</th>
<th>Location</th>
<th>Employment-led requirement?</th>
<th>Preferred delivery (in order of preference)</th>
</tr>
</thead>
</table>
| 50-249 dwellings  | Junction 21 Enterprise Area (including Weston Villages) | Yes | 1. On-site provision.  
2. Off-site elsewhere within J21 EA.  
3. Off-site within remainder of Weston.  
4. Financial contribution (S106). |
|                   | Remainder of Weston-super-Mare | Yes | 1. On-site provision.  
2. Off-site elsewhere within J21 EA.  
3. Off-site within remainder of Weston.  
4. Financial contribution (S106). |
| 250+ dwellings    | Junction 21 Enterprise Area (including Weston Villages) | Yes | 1. On-site provision.  
2. Off-site elsewhere within J21 EA.  
3. Off-site within remainder of Weston.  
4. Financial contribution (in exceptional circumstances only) (S106). |
|                   | Remainder of Weston-super-Mare | Yes | 1. On-site provision.  
2. Off-site elsewhere within J21 EA.  
3. Off-site within remainder of Weston.  
4. Financial contribution (in exceptional circumstances only) (S106). |
4 Delivery

Preferred delivery mechanisms

4.1 The following mechanisms are required by the strategy, with on-site provision being the preferred method.

1. On-site delivery when suitable to do so: the site size and location are the overriding factors that influence whether on-site delivery can be achieved. It is generally the most effective approach as delivery is carried out by the developer within the same site and as part of the same development.

4.2 Where it is agreed that on-site is not suitable (see paragraph 4.4), the following methods will be required:

2. Off-site delivery: this mechanism is triggered if on-site is unsuitable and seeks to focus provision at priority locations, for example, Junction 21 EA.

3. Financial contributions: these are required in lieu of on-site or off-site provision and in some cases (set out in Figure 2) are the default mechanism of delivery (see paragraphs 4.13 to 4.14 for further details on contributions and specific options as part of this consultation). On sites of more than 250 dwellings financial contributions in lieu of on-site or off-site provision will only be permitted in exceptional circumstances.

On-site provision

What does on-site mean?

4.3 On-site provision means provision within the ‘red line’ of the planning application. In most cases this will mean providing employment within the same plot(s) of land. The only exception to this will be the Weston Villages where on-site will generally mean within the same overall development, subject to agreement with other landowners. Therefore Winterstoke (the proposed development at the former airfield) will be considered one large site and likewise Parklands will be considered one site when requiring on-site provision. In addition master planning at the Weston Villages is well advanced with employment provision comprehensively planned into the development. The on-site link for this purpose will therefore be to these identified employment sites or any other within the development subject to planning consent.

How is site suitability assessed for on-site provision?

4.4 When designing a development and responding to the employment-led policy, the applicant’s planning and design team should consider whether on-site provision is appropriate taking into consideration the Site Suitability Criteria set out in Figure 3. In relation to the employment-led strategy, on sites where on-site...
provision is listed as the first preferred delivery option, the assumption will be that on-site provision is possible unless demonstrated otherwise by the applicant.

4.5 In assessing an applicant’s case that a site is unsuitable for on-site provision (and conversely assessing the appropriateness of any proposed on-site provision), the council will consider the Site Suitability Criteria set out in Figure 3 alongside any justification provided by the applicant. If a site is deemed to meet the Site Suitability Criteria, then it will be expected that on-site provision should be made, unless there are other exceptional circumstances of material weight that are accepted by the council.

4.6 Applicants are recommended to engage with the council at an early stage in relation to delivery options, particularly if an applicant considers on-site provision is likely to be unsuitable for their development. Details of the council’s planning pre-application process can be found on the North Somerset Council website.

### Site suitability criteria

<p>| | |</p>
<table>
<thead>
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<tbody>
<tr>
<td><strong>(a)</strong></td>
<td>There would be no unacceptable impact on the surrounding area, particularly in relation to the living conditions of neighbours and in relation to any impacts on the highway network. Unacceptable impacts could be linked to the type of land use, for example, general industrial (B2). However, such impacts could be mitigated through the use of planning conditions.</td>
</tr>
<tr>
<td><strong>(b)</strong></td>
<td>The delivery of the proposed employment would not conflict with the strategic approach to the distribution of employment development, for example, focus on Junction 21.</td>
</tr>
<tr>
<td><strong>(c)</strong></td>
<td>Where no end use occupier is in place for all or part of the site, it is likely that the site could be successfully marketed and would be attractive to commercial developers.</td>
</tr>
<tr>
<td><strong>(d)</strong></td>
<td>The delivery of employment on the site would not conflict with national policy, for example, through the delivery of town centre uses in non town centre locations.</td>
</tr>
<tr>
<td><strong>(e)</strong></td>
<td>At least one, ‘economic development’ use in line with the guidance in paragraph 4.16 would be suitable on the site. This is a general planning criterion and relates to the acceptability of employment on the site from a land use perspective.</td>
</tr>
<tr>
<td><strong>(f)</strong></td>
<td>The size and context of the site is sufficient to accommodate an employment use (as well as the proposed dwellings where on-site provision is being made) and lead to an effective and well planned development proposal which complies with other policy requirements and is acceptable in other material respects.</td>
</tr>
</tbody>
</table>

*Figure 3: Site Suitability Criteria*

4.7 The criteria will also be used in relation to off-site provision.
Off-site provision

Does the employment component have to be delivered on-site?

4.8 In principle it is acceptable to provide the employment component on an alternative site (off-site) to the residential component (particularly on sites of less than 50 dwellings) provided the applicant has control over the off-site land or has an arrangement with the landowner of the off-site land. The onus will be upon the developer to find and acquire (or enter into an arrangement with the owner) a suitable off-site location, and secure the necessary consents if required. Figure 2 sets out where this will be acceptable. In most cases it will be preferable to focus growth in those locations where employment is being encouraged e.g. Junction 21 Enterprise Area, so where a residential site is being brought forward in the remainder of Weston-super-Mare and off-site provision is acceptable, the first priority should be to locate the employment element within the J21 Enterprise Area as defined in Figure 1. A S106 Agreement should be drawn up linking the relevant land areas and the requirements therein, and all landowners should be party to the Agreement.

4.9 The following conditions will also apply:

- The alternative site should fall within the qualifying area shown in Figure 1.
- The alternative site should conform to the Site Suitability Criteria outlined in Figure 3 in order to demonstrate that the site is appropriate to accommodate an economic use.
- Off-site provision will generally not be permissible in relation to residential development at the Weston Villages.
- Any necessary consents have been or will be obtained.

What are developers required to provide in relation to off-site provision?

4.10 In order to accept off-site provision, developers must provide North Somerset Council with evidence that:

- The off-site location is justified in line with the Site Suitability Criteria in Figure 3.
- The alternative site is in their ownership or that they have a formally binding agreement with the off-site landowner that the land and associated jobs may be attributed to the nominated residential site.
- The jobs have not already been credited to another landowner/developer or are not expected to be credited to any other landowner/developer.
- Jobs can be delivered on the site and that appropriate steps are or will be in place to secure those jobs in line with agreed phasing, for example the securing of planning consent, site preparation and infrastructure provision.
4.11 The acceptability or otherwise of the alternative site for employment purposes will be considered at the planning application stage at which other material issues will be addressed.

**Retrospective off-site provision**

4.12 Linking residential development to an evidenced oversupply\(^2\) of employment elsewhere within the Qualifying Area may be permissible provided there is an agreement in place to verify the arrangement. This is in principle akin to off-site provision but differs as the employment is already in place. In such circumstances the oversupply can only be claimed within three years of the completion (for example, RIBA Stage L - Post Practical Completion) of the scheme that generated the jobs and the S106 Agreement related to a residential development claiming the jobs should be signed within that period. If agreed by the council the developer will have discharged their obligation to the policy and the residential will be consented without need for further provision for the items in Figure 2, provided sufficient employment is provided. Any requirement for supplemental provision will be sought as per the guidance in this SPD.

**Seeking financial contributions from proposals**

4.13 With reference to the site suitability criteria (Figure 3), if it is agreed that it is not appropriate to deliver a qualifying employment use either on the site or through off-site provision (and the applicant would need to demonstrate that all reasonable use opportunities for both options have been explored), then a financial contribution will be sought. The scale of contribution will be linked to the impact of delivering a residential only scheme and be sought in line with the relevant legislation.

4.14 Contributions will be proportionate to the scale of employment provision that would otherwise have been provided on or off-site. Whilst there is no fully accurate way of equating an amount this way, the fundamental principle will be to collect contributions to facilitate employment growth broadly corresponding with the scale of employment required by the residential proposal. This consultation puts forward two ways of achieving this:

1. Quantify the number of jobs that should have been provided. Informed by the steps outlined in paragraph 5.3, estimate the cost of delivering these jobs through a standard employment development (an average amount per square meter build cost will be assumed) taking an average of costs required to deliver a B1 development. This will form the contribution.

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\(^2\) In this sense an ‘oversupply’ refers to a scenario whereby more jobs have been provided on another site than were required to balance the associated residential numbers. Oversupply should be evidenced through the provision of job delivery information compared to targets set out within the related S106 Agreement for an employment-led scheme.
2. Collect a contribution based on an agreed programme of projects and expenditure including specific projects and interventions. The contribution will be based on a standard figure applied on a per dwelling basis that will contribute to the delivery of the programme and/or specific identified projects to deliver employment growth. This could include contributions to fund infrastructure to unlock employment sites within the qualifying area.

**Number of jobs to be provided**

4.15 Policy CS20 requires 1.5 jobs per dwelling to be provided from all qualifying residential proposals. In exceptional circumstances and depending on the merits of the proposal, an incremental ratio may be applied meaning that in the early phases of a development a lower jobs to homes ratio may be permissible with the balance being met during later stages. This is likely to only be achievable on larger residential (250+) schemes that will feature distinct phases of development.

**What types of employment will be considered acceptable?**

4.16 All forms of employment generating land use falling within the NPPF definition of Economic Development (with the exception of employment from construction) can potentially be counted towards the release of housing within the employment-led strategy. Core Strategy policies prioritise B class employment because of the importance of these sectors, these uses tend to be relatively high density, and are generally easier to monitor. The emphasis on B class employment will be taken into account in considering planning applications and in the actions of North Somerset and its partners to help deliver employment. However, the priority given to B class uses should not be interpreted as a barrier to alternative classes of employment development coming forward, where these are sustainable in other regards.

**Maximising beneficial growth and improving the range of high quality jobs**

4.17 Of importance, however, is attracting the right types of employment; employment that maximises Gross Value Added (GVA), meets the requirements and aspirations of local workers and enhances the economic profile of the town. The provision of jobs in businesses that build on existing strong sectors will be particularly encouraged and where such end-use occupiers are in place added incentives may be considered, for example, supportive phasing, reduced ratio requirements (due to the synergistic/multiplier effect and enhanced GVA these jobs would bring). Whilst all businesses and sectors are supported within the employment-led strategy, knowledge-intensive, high-tech businesses, for example, advanced manufacturing, professional services, creative and digital sectors are particularly encouraged. These and other employment uses that reflect the Council’s Enterprise Area aspirations are encouraged including business activity within the food technology sector.
4.18 Employment uses should not be selected solely based on the need to deliver a minimum jobs requirement (nor to maximise job yield from a site) but rather the appropriateness of the use for the site. Therefore, whilst the creation of jobs is a key objective, this does not override the need to ensure these are delivered in the right locations in order to contribute to sustainable development. The exclusion of specific sectors / businesses because they do not deliver sufficient job quantities is not acceptable. Equally applications claiming to deliver unrealistic levels of employment as a means of maximising residential development may be rejected following assessment.

4.19 The policy may have the unintended consequence of reducing the opportunities for low density employment businesses, for example, industrial uses, because developers will be seeking to maximise the number of jobs achieved per hectare and may hold out for higher density uses. In such cases a reduced jobs/home ratio may be agreed to support these uses.

Supporting smaller businesses through the employment-led strategy

4.20 For end use occupiers that deliver less than 141 jobs per hectare, the number of jobs credited to each occupied employment premises will be counted at a rate of 141 jobs per hectare. This applies to jobs counted upon occupation and when consents are already in place, and not assumed from planned employment land at the planning application stage. For the latter standard employment densities should be applied in line with para. 5.5. This procedure will be subject to the following caveats:

- The number of jobs counted will be limited to a maximum of an additional 50% of either the jobs that would be counted for the development if assessed according to the Homes and Communities Agency’s Employment Densities Guide, or the known jobs provision whichever is higher.
- When applying this procedure a maximum of 141 jobs can be counted. In many cases this procedure will not be required because job delivery will exceed the threshold and that higher jobs yield will be counted.
- The number of developments this will be applied to will not exceed 25% of the total identified employment land within Weston-super-Mare (as provided for in the Development Plan, any Supplementary Planning Document or consented land).

4.21 The figure of 141 jobs per hectare has been calculated based on the minimum number of jobs required to be delivered on the available employment land known at the time of writing in order to balance against expected housing numbers.

4.22 The figure of 141 jobs will be kept under review and may be adjusted in future if required. The approach may be varied on a site-by-site basis if exceptional circumstances are agreed.
4.23 The number of jobs to be delivered will be fixed through the planning application process, usually through Full or Reserved Matters applications. The delivery of jobs will then be credited to the developer upon occupation of the premises and this will be monitored over the build-out of the development. The number of jobs is based on the amount of floor space delivered using standard employment densities, not on the end occupiers, as it is acknowledged that the end use occupiers of a building may change over time. It is not therefore practical to keep adjusting the figures.

4.24 The procedure outlined in these paragraphs will be in force for three years from the date of adoption.

**What counts as provision of employment development where on-site or off-site provision is pursued (‘qualifying provision’)?**

4.25 Consents for residential development where on-site and/or off-site employment provision is to be delivered, will include planning conditions or S106 Agreements to require the phased delivery of the items in Figure 4, in addition to any other relevant measures.

<table>
<thead>
<tr>
<th>Type of provision</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Serviced land</td>
<td>Land is prepared and ready for development and all services connected to the site including super fast broadband.</td>
</tr>
<tr>
<td>Floorspace (built) including speculative</td>
<td>Buildings are built to ‘shell and core’ stage or built to end users specification.</td>
</tr>
<tr>
<td>Employment (jobs)</td>
<td>A functioning building(s) and/or development providing employment.</td>
</tr>
</tbody>
</table>

*Figure 4: Types of physical employment provision*

**Speculative provision**

4.26 The provision of speculative building is welcomed and can be beneficial in successfully attracting market interest. In many cases the prospect of an undeveloped site carries too many risks for potential investors and businesses looking to relocate. Permitted development rights for future changes of use of such buildings to residential may be removed by Article 4 Direction or conditions attached to a planning consent.
4.27 The provision of serviced employment land and/or speculative employment buildings alone will not be sufficient to meet employment-led requirements, as these do not necessarily lead to job delivery. However, in recognition of the investment needed by developers to bring sites to market and subject to the details of the agreed phasing plan for the individual site, early release of residential linked to the provision of serviced land may be permitted but note that this simply loads the jobs provision requirement to the later stages of the development. In a similar way the council may accept a reduced ratio of jobs per homes in the early stages of a development provided that additional jobs are created later to make good any deficit.

4.28 Where a phased approach to the delivery of the employment component is present (see below for further details on phasing), by the completion of the overall development, developers must provide and secure the occupation of sufficient employment premises to meet the agreed job targets.

**Phasing of residential and employment provision**

4.29 Small sites with short build-out periods will be more limited in terms of the phasing of employment-led requirements and will be more restricted in terms of flexibility in the phased delivery of the items in Figure 4. The employment component will be required over a relatively short timescale, however greater flexibility can be considered on larger proposals of distinct phases.

4.30 It is recognised that the specific requirements relating to the delivery of the employment component may be critical to the delivery of the overall proposal and can impact on the level of risk and cost associated with a project so a case by case, flexible approach is considered appropriate with specific requirements tailored to the proposal. This will take into consideration wider planning merits of the proposal e.g. the provision of affordable housing or redevelopment of a rundown site. However, regardless of the actual delivery of these requirements, the overriding requirement is to deliver 1.5 jobs per dwelling unit on all employment-led schemes.

4.31 To ensure that requirements can be properly monitored and enforced, minimum obligations in terms of phasing will normally include a review process on completion of around 30% of dwellings and the expected full delivery of employment-led obligations prior to occupation of 75% of dwellings. Alternatives may be considered where there are sound reasons for doing so. If distinct phases are proposed a review provision should be allowed following each phase in order for credits to be counted (see paragraphs 5.14 to 5.15 for further details).
4.32 Where a large application is made up of several phases of delivery (for example an Outline application with several Reserved Matters phases), each phase may in itself be subject to review and delivery milestones. This approach will be expected on sites of more than 250 dwellings.

4.33 Review mechanisms will be incorporated into S106 Agreements and will include safeguards and penalties to ensure that employment requirements are met. These may include restricting further development of housing if developers have failed to comply with the employment-led strategy, and the agreed requirements related to each proposal.
5 Other supporting guidance

Delivering effective solutions through collaboration

5.1 Many sites within the employment-led Qualifying Area are owned by developers looking to promote development. Collaboration between landowners is strongly encouraged to bring forward high quality, effective and deliverable development proposals including an efficient and sustainable distribution of employment development.

Calculating the amount of employment buildings and land required

Quantifying the amount of development required

5.2 Calculating the number of jobs required is the starting point. This then needs to be translated into an amount of employment floorspace and land when on-site or off-site provision is required. The calculation can be done the other way to estimate the number of jobs from a given proposed employment development, for example, through the testing of a concept plan for a development proposal. The amount of floor space required will depend on the type of employment being proposed. The Homes and Communities Agency’s Employment Densities Guide (2010) or other appropriate guidance agreed with North Somerset Council should be consulted which gives further details on this topic.

Step-by-step process to calculating floor space and land required

5.3 The following steps outline the process to derive the amount of floor space and land required to be provided:

• The number of jobs required are calculated by multiplying the number of proposed dwellings (minus any affordable units) by 1.5.

• The amount of floor space required to support these jobs is then calculated by multiplying the number of jobs by an average employment density relevant to the type of employment being proposed (for example, office may be 12 square metres per full time equivalent).

• If appropriate, the total floor space is then divided by an average number of floors, for example, 2.5 for office to identify the building footprint required.

• If identifying the requirement for serviced land or to understand how much land would be required to accommodate the identified floor space requirement, a plot coverage needs to be identified, for example, the building footprint might account for 30% of the overall plot with the 70% allowing for parking, servicing and landscaping. This will provide an overall site area required to accommodate the employment component of the development. Figure 5 provides an illustration of this process identifying the main stages.
5.4 The stages above are described at a conceptual level and only serve to quantify the amount of land required. In practice the provision of employment on a given site may have to contend with a number of additional complexities and each site will be different. For example, a brownfield site on a tightly defined plot in an existing urban area would require a specific design solution to incorporate an employment component whereas a greenfield site which offers more of a ‘blank canvas’ offers many more opportunities. This should be considered at the scheme design stage when responding to the employment-led policy and will be taken into consideration by council officers when determining whether on-site is appropriate or not (note section f of the Site Suitability Criteria – Figure 3).

How will jobs be counted?

5.5 All employment provision counting towards a residential component will be measured in Full Time Equivalent units. When considering a planning application standard employment densities will be used based on Homes and Communities Agency Employment Densities (2010) to determine potential jobs capacity and these will inform the requirements built into any S106 Agreement. When reviewing delivery against these requirements actual job provision will be counted in order to determine any oversupply or credits.
5.6 When it is proposed to accommodate a specific end use occupier either as part of an already consented employment-led scheme or an application for one, and job figures are known, if higher than standard employment densities, these may be assumed for the purposes of determining employment provision and delivery against the requirements set out in any S106 Agreement. Note in this regard paragraphs 4.20 to 4.24.

What happens if the proposal is not viable either because of the employment-led requirement or more generally?

5.7 In instances where scheme viability is in question, a wider assessment of the overall balance of viability is required in addition to the wider merits of the proposal. A full financial appraisal in the form of a residual valuation appraisal should be submitted on an ‘open book’ basis. In the event that a lack of viability is accepted, developers will be required to carry out at their own cost reasonable scenario testing to assess whether changes to the scheme may improve viability. In relation to the employment-led strategy these could include:

- Alternative phasing of employment provision.
- Off-site provision (paragraphs 4.8 to 4.11).
- Retrospective off-site provision (paragraph 4.12).

5.8 Developers will be required to implement any reasonable and practical adjustments demonstrated through this process to render their scheme viable.

5.9 In the event that the scheme remains unviable, NSC will consider the relative costs and benefits of the employment-led strategy requirements alongside other policy requirements and planning obligations. This may lead to a prioritisation of requirements with adjustments either to the employment-led strategy or to other obligations. The applicant will be required to make any reasonable adjustments to any element of their application or S106 Agreement as a result of this process, including supporting efforts by NSC to find alternative funding for schemes and planning obligations (for example affordable housing grant).

5.10 It should be borne in mind, however, that the inability to deliver the required employment (whether physical provision or a financial contribution) is fundamentally in conflict with the policy approach to new residential development at Weston-super-Mare and significant weight should be attached to that.

Rejection of proposed employment on suitability grounds

5.11 There may be instances where an application proposes employment development on-site or off-site but the Council considers that the employment is unacceptable. The Site Suitability Criteria in Figure 3 will inform this assessment. The application would be assessed on its merits and potentially refused on the grounds that the
employment is inappropriate. In these instances the applicant could be encouraged to explore alternative qualifying economic development uses or if no reasonable alternatives are suitable, off-site provision would be encouraged or a financial contribution would be required in lieu of the employment provision. Pre-application discussions are encouraged to bring forward suitable schemes and ensure any issues are addressed early.

Priority sectors/types of provision

Incentivising small businesses

5.12 Applicants proposing large developments are encouraged to support the delivery of small businesses through the provision of a range of premises and land supply opportunities. Generally these types of business lack support because they do not deliver large numbers of jobs initially when compared to other end use occupiers and types of employment. In these circumstances flexible phasing may be agreed if such land supply opportunities are provided as it is recognised that there may be additional risk factors and cost associated with facilitating land deals with these types of business.

Programme to support employment

5.13 All sites of more than 250 dwellings will be expected to agree a Programme to Support Employment in conjunction with their development. A package of measures will be agreed on a case-by-case basis, but will normally include:

- Targets for use of local labour and suppliers.
- Targets for use of local apprentices.
- Connections to local training and employment schemes.

Can ‘credits’ be accrued if an oversupply of jobs has been achieved compared to the number of jobs that were required through policy?

5.14 A credit will be a single full time equivalent job which counts towards the 1.5 jobs per dwelling balance. 1.5 credits would release one dwelling. Credits can only be accrued on large-mixed use schemes related to a development of linked and distinct phases such as the Weston Villages. In this way credits can be deducted from the jobs requirement associated with a subsequent residential phase. Credits will last for the duration of the build-out of the entire development. The number of credits will be based on either the actual number of jobs present and evidenced by the developer or be based on an equivalent figure derived from the HCA Employment Densities Guide (2010) whichever is greater. The S106 Agreement associated with the scheme should provide the ability to review the balance at the end of each phase and claim the credits for each subsequent phase. As part of the review, clear evidence of the number of jobs provided
should be evidenced and verified in order to justify any request for credits from previous phases of development. The council will monitor job creation and conversely if job creation is less than agreed at the time of consent, then this may hinder the ability for the applicant to meet obligations associated with the legal agreement and may lead to a reduction in dwellings delivered, and a tightening of the requirements associated with the scheme.

5.15 This approach means credits will be acceptable at the Weston Villages and can also be applied to already consented applications within the Qualifying Area. Credits will be acceptable only on large sites of not less than 250 dwellings that have distinct delivery phases. Credits are primarily intended to release further phases of residential on the same development, and will sit with the land for the specified period. Credits accrued in the final phase can no longer be used to release residential from the same site and instead become ‘oversupply’ and are available for 3 years from completion of the development as part of any retrospective off-site provision scheme (see paragraph 4.12 above). Note therefore that credits are distinct from ‘oversupply’. An oversupply can be achieved on any employment-led scheme.

**Submitting a planning application and pre-application process**

5.16 The applicant is required to provide an Employment-led Statement (form can be downloaded from the North Somerset Council website) with a planning application which should set out details related to the employment component proposed, the number of jobs, and the proposed phased delivery of these. The Statement should demonstrate how the applicant proposes to conform to the employment-led policy. In line with paragraphs 4.4 to 4.6 above, when submitting an application for a qualifying residential proposal in the remainder of Weston-super-Mare without on-site employment provision, the applicant will be expected to provide a justification for any absence of employment (by way of reference to the Site Suitability Criteria) along with the proposed alternative being either a financial contribution or delivery on an off-site location in line with the summary of requirements box in Figure 2.

**Pre-application**

5.17 Prospective applicants are encouraged to engage in pre-application discussions particularly on larger or complex sites and where off-site provision or its variants are proposed. In relation to the employment-led policy, this will provide an opportunity to explore the policy and opportunities for addressing it satisfactorily. If the applicant is likely to propose a complex arrangement including any of the scenarios highlighted in this SPD, the process should ascertain the acceptability of this in principle. Other matters such as phasing can be explored depending on the detail of the submission. Given that a S106 Agreement is likely to be required applicants are strongly encouraged to enter into a Planning Performance Agreement with the council to ensure that a satisfactory timescale for decision can be agreed by all parties.
Outline applications

5.18 For Outline applications an Outline Employment-led Statement is required as it is generally expected that the proposals are likely to be at an earlier stage and details related to the employment component are unlikely to be firmed up. At this stage, caution is advised in overestimating the provision of jobs by choosing high density employment as a means of demonstrating compliance with the strategy. The obligation to deliver those jobs will be on the applicant so a robust and credible assessment of jobs potential is advised.

Full applications

5.19 For Full or Reserved Matters applications a Detailed Employment-led Statement is required providing a fuller explanation of the proposals and the policy compliance.

5.20 It is proposed that the Statement will form the basis for negotiation of the Section 106 Agreement and matters related to the phasing, quantum and thresholds of employment provision with residential.

The use of Section 106 Agreements

5.21 Section 106 Agreements, often referred to as planning obligations, will be used to set in place the requirements to deliver the employment component alongside the residential. The requirements set out will be formulated on a case by case basis. In particular they will:

- restrict the development of the site in a specified way, setting out the required actions, quantum, thresholds and phasing related to the delivery of jobs and housing
- provide for review stages and mechanisms
- set out requirements for off-site provision.
6 Monitoring and review

6.1 The employment-led strategy as a whole and individual applications will be monitored including monitoring of the triggers set out in Section 106 Agreements. A separate monitoring framework is being prepared and will be published separately.

Compliance with the employment-led strategy

6.2 A S106 obligation to deliver requirements associated with the employment-led strategy including jobs will be binding on the land, and therefore also binding on successive landowners. If the requirements are not secured in line with the S106 Agreement the development may become unlawful with significant implications including inability to commence further residential units. Planning obligations are enforceable by the council and compliance will be monitored and if a breach occurs, the relevant party will be given an opportunity to remedy it, prior to enforcement action being taken.

6.3 Monitoring of the employment-led strategy will feed into any review of the strategy that would be part of a wider development plan policy process.

Next steps

6.4 This draft SPD will be consulted upon from Monday 18 August until Monday 29 September 2014. The council are inviting your comments on it which should be submitted to the council by midnight on Monday 29 September 2014. Full details of the consultation can be found on the Council’s website. All comments received will be considered and the issues raised will be addressed in the final drafting of the SPD.
### Glossary

<table>
<thead>
<tr>
<th><strong>Alternative site</strong></th>
<th>A separate site proposed off-site that will accommodate the employment component.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Claiming phase</strong></td>
<td>The claiming phase refers to a phase of a larger phased development where the applicant is seeking to claim jobs credits following a review of previous phase.</td>
</tr>
<tr>
<td><strong>Credits</strong></td>
<td>Job credits can be accrued on phased developments when an overprovision of jobs have been provided compared to residential following review at the end of each phase. Credits no longer apply upon completion of the overall development although an ‘oversupply’ may be present.</td>
</tr>
<tr>
<td><strong>Economic Development</strong></td>
<td>Development uses as defined in Annex 2 of the NPPF.</td>
</tr>
<tr>
<td><strong>Employment density</strong></td>
<td>A measure of the quantity of jobs in a given employment use. Higher employment densities have a higher job yield per area, for example, office uses compared to uses which have a low density such as warehousing which tend to take a lot of land and relatively fewer jobs.</td>
</tr>
<tr>
<td><strong>Employment-led scheme</strong></td>
<td>An employment-led scheme is one where the policy requirement is triggered and a proposal is brought forward accordingly.</td>
</tr>
<tr>
<td><strong>Financial contributions</strong></td>
<td>Funds collected in line with S106 of the Town and Country Planning Act 1990 (as amended) and the relevant CIL Regulations. In some cases contributions will be the preferred requirements and in others, collected in lieu of on-site or off-site provision.</td>
</tr>
<tr>
<td><strong>Full Time Equivalent</strong></td>
<td>A unit of measure indicating how many employees an organisation has assuming all employees work full time. 1 FTE equals 1 job in the employment-led strategy.</td>
</tr>
<tr>
<td><strong>Gross Value Added</strong></td>
<td>A measure of the value of goods and services to the economy.</td>
</tr>
<tr>
<td><strong>Oversupply</strong></td>
<td>An evidenced overprovision of jobs against the agreed provision measured upon completion of the development.</td>
</tr>
</tbody>
</table>
Glossary cont.

<table>
<thead>
<tr>
<th>Qualifying Area</th>
<th>The area within which the employment-led policies will apply and where the relevant residential development proposals will have to be employment-led. There are two distinct areas within this: 1. J21 Enterprise Area, including Weston Villages. 2. Remainder of Weston-super-Mare.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Qualifying Employment</td>
<td>An employment use that will be acceptable to release residential development.</td>
</tr>
<tr>
<td>Retrospective off-site provision</td>
<td>A residential proposal is linked to an oversupply of employment already provided on an alternative site.</td>
</tr>
<tr>
<td>Site Suitability Criteria</td>
<td>The criteria used to guide applicants and case officers when assessing the suitability of a site for an economic development use.</td>
</tr>
<tr>
<td>Weston Villages</td>
<td>The proposed Weston Villages development at Weston-super-Mare as defined through the Weston Villages SPD.</td>
</tr>
</tbody>
</table>
Council documents can be made available in large print, audio, easy read and other formats. Documents on our website can also be emailed to you as plain text files.

Help is also available for people who require council information in languages other than English.

For more information contact: 01934 426 331 or planning.policy@n-somerset.gov.uk