

# Proposed Submission South Somerset Local Plan - 2006 -2028

## Employment Topic Paper - Derivation of job projections and employment land requirements



January 2013

## 1.0 EXECUTIVE SUMMARY

### Job Projections - Scale of Growth

#### Core Strategy Issues and Options (March 2008)

- 1.1 The Council published the Core Strategy Issues and Options document in March 2008 (*PSSSLP Submitted Document 2*). The document considered whether the Local Plan should be planning for between 7,800 - 10,700 jobs in the District based on the draft Regional Spatial Strategy (RSS) housing figures, or an alternative option. 68% of respondents agreed with following the draft RSS approach.

#### Draft Core Strategy Including Preferred Options (October 2010)

- 1.2 The Draft Core Strategy (including Preferred Options) was published in October 2010 (*PSSSLP Submitted Document 1*). Policy SS5: Delivering New Employment Land made no reference to jobs growth, rather concentrating on the delivery of employment land through the Core Strategy. The employment land requirements reflected the requirements set out in Stage 3 of the South Somerset Employment Land Review.
- 1.3 Respondents to the plan requested that it be revised to include jobs targets by settlement to assist in the delivery of a range of jobs rather than solely 'land hungry' activities which do not generate many jobs.

#### Proposed Submission South Somerset Local Plan (June 2012)

- 1.4 The Proposed Submission South Somerset Local Plan was published in June 2012 (*PSSSLP Submitted Document 3*). Policy SS5: was amended in light of representations to include in addition to the employment land requirements, an overall projection of the scale of jobs growth anticipated over the plan period and minimum job targets per settlement, and an overall minimum floorspace requirement. The changes allowed employment to take the lead, and reflected better the emphasis on an economic-led development strategy.
- 1.5 Baker Associates were commissioned by the Council to identify growth scenarios for the emerging Local Plan (then Core Strategy) and identify the right level of economic growth and associated housing for the District over the plan period. The report 'Housing Requirement for South Somerset and Yeovil' (known as *the Baker Report*) was published in January 2011 (*PSSSLP Submitted Document 30*).
- 1.6 The Baker Report integrated three different approaches to derive a range of housing figures, namely a demographic projection (numerical consequences of birth and death rate trends, net migration levels and trends in household formation), a purpose based approach (looking at housing requirements in relation to economic potential, access to housing and maintenance of communities), and delivery based approach (environmental capacity, market deliverability and potential to bring empty homes back into use).
- 1.7 To establish the economic potential of the District, Baker Associates constructed two economic scenarios based on reasonable assumptions about the prospects for employment (in job terms) in each sector in South Somerset in the future, using analysis of recent trends and a series of consultations with some of the District's main employers.

- 1.8 Scenario 1 assumes a positive private sector led growth and rebalancing towards manufacturing and Scenario 2 assumes faltering recovery and more severe cuts in public sector employment. Scenario 1 concludes that the District has the potential to deliver 11,200 new jobs to 2026, and Scenario 2, 7,200 new jobs to 2026.
- 1.9 The Baker Report was revised by the District Council to reflect the revised plan period to 2028 and take into account new evidence emerging from NOMIS on jobs growth (see detail in report), as a result Policy SS3: Delivering New Employment Land states that the Local Plan will assist the delivery of 9,200 jobs District-wide to 2028, 162 hectares gross employment land/600,850 sq. metres net of floorspace.

### **District Council's Proposed Amendments to the Proposed Submission South Somerset Local Plan (January 2013)**

- 1.10 The District Council's Proposed Amendments to the Proposed Submission South Somerset Local Plan (PSSSLP) (January 2013) makes changes to emerging Policy SS3: Delivering New Employment Land and its associated supporting text in the PSSSLP 2006-2028.
- 1.11 The main change to emerging Policy SS3 is that it now states that the Local Plan will seek to deliver 11,250 jobs as a minimum and 159.35 hectares of employment land/ approximately 293,000 sq. meters of floorspace (net) between 2006-2028, as opposed to 9,200 jobs and 162 hectares land/600,850 sq. metres floorspace.
- 1.12 There are 4 main reasons for these changes:
1. **Business Register Employment data (BRES)** - the baseline which was used to calculate the District's economic potential (and therefore jobs growth) for the PSSSLP (updated from the Baker Report) was further updated in light of new data which emerged from BRES (28<sup>th</sup> September 2012). Whilst the update for 2010 illustrated that there were recorded job losses, there was a significant bounce back of 3,600 jobs (2,000 more self-employed and 1,600 more employees) between 2010 and 2011, hence the higher growth projection (and therefore jobs growth potential) identified in the Council's suggested amendments.
  2. **Self - employed data** - the Baker Report made an assumption that the number of self-employed persons would be the same proportion in 2026 (and therefore 2028) as in 2010 - 11.4%. Analysis of recorded numbers of self-employed from the Annual Population Survey (2005-2011) illustrates that this figure fluctuates widely over time, and on average is around 15.21% rather than the 11.4% used in the Baker Report. An adjustment has been made in the calculated projections to take into account this higher figure.
  3. **Double Jobbing** - The Baker Report made no allowance for "double jobbers" (people with more than one job) in their projections. A 5% discount has been applied to the overall employment growth figures for 2006 - 2028 to ensure that the council is not seeking to provide 2 houses for workers who have more than one job. Evidence from the Annual Population Survey and national figures suggest 5% is a reasonable 'discount'.
  4. **Mid-point scenario for growth** - in economic terms, the scale of growth in the PSSSLP was based upon the most favourable economic scenario arising from the Baker Report. Following representations received and evidence of a longer

recession, it is considered that a third scenario, between the positive private sector led growth and the faltering recovery, the mid-point scenario, be used to identify the scale of growth over the plan period, this has been taken forward in the District Council's Proposed Amendments to the PSSSLP.

- 1.13 This paper illustrates that the change from the PSSSLP (9,200 jobs) to the District Council's Proposed Amendments to the PSSSLP (11,250 jobs) is a minor change. The long-term projections contained within the Local Plan evidence base illustrate that consistently the District's potential to deliver more than 9,200 jobs 2006-2028 (between 11,200 and 13,500 jobs) has been identified.
- 1.14 The updating of the employment projections to take into account new employment data (BRES) firstly for 2010 and then for 2011, have demonstrated the volatility of short-term employment trends and the benefits of looking at longer term trends for strategic planning purposes, as was done in the Baker Report.
- 1.15 The fluctuating data demonstrates that taking the long-term picture for strategic planning purposes is a more robust approach and enables the Local Plan to deliver the economic aspirations of the authority which have remained a constant through the life of the emerging Local Plan.
- 1.16 Additionally, the minor change is demonstrated by the resultant associated housing growth ranges which results in a figure of 15,950 dwellings, a figure already consulted upon in the PSSSLP.

<b>ASSUMPTIONS</b> - for clarity, the assumptions which have been used to calculate the jobs and employment land growth are identified below:	
49% of jobs to Yeovil, 51% Rest of the District	Reflecting past economic growth 2003-2010 (NOMIS)
Rest of the District broken down in the following way: <ul style="list-style-type: none"> <li>• 31.5% to Market Towns</li> <li>• 9% to Rural Centres</li> <li>• 10.5% to Rural Settlements</li> </ul>	Reflecting past economic growth 2003-2010 (NOMIS) and an adjustment to redistribute the jobs from Rural Settlements to Market Towns.
Market Towns distributed in the following way: <ul style="list-style-type: none"> <li>• Chard - 9%</li> <li>• Crewkerne - 4.5%</li> <li>• Ilminster - 3.1%</li> <li>• Wincanton - 4.7%</li> <li>• Somerton - 2.1%</li> <li>• Castle Cary - 1.8%</li> <li>• Langport - 1.9%</li> </ul>	Reflecting past economic growth 2003-2010 (NOMIS), plus extra 70.7 jobs each to reflect jobs 'redistributed' from Rural Settlements to Market Towns.  Assumption is that for every 3 jobs in a Market Town, there would be 1 in a Rural Settlement, based on overall housing growth.
15.21% self employed	Reflecting past economic growth 2005-2011 (Annual Population Survey).
5% double jobbing allowance	Reflecting past economic growth 2005-2011 (Annual Population Survey).
Mid-point scenario for growth	Recognition of the length of the recession in relation to the plan period 2006-2028.

## **Employment Land Provision**

- 1.17 As stated in paragraph 1.11, the District Council's Proposed Amendments to the PSSSLP reduce the District's employment land provision by approximately 3 hectares and halves the amount of floorspace required over the plan period.
- 1.18 This topic paper explains that the reduction in the employment land requirement is minor as the methodology used to establish need has remained consistent throughout the plan process and the need is mostly qualitative or linked to strategic sites carried forward from the adopted Local Plan.
- 1.19 The floorspace has reduced because it now reflects the need in relation to jobs growth as opposed to employment land growth, this is because jobs are the defining factor.

## **2.0 INTRODUCTION**

- 2.1 This Topic Paper sets out the methodology and statistical background analysis to explain how the District Council has developed emerging Local Plan Policy SS3: Delivering New Employment Land. The Topic Paper highlights the key evidence and processes which underpin the development of the Policy in greater detail than is appropriate in the Local Plan itself.
- 2.2 The paper is divided into two sections, the first explaining the evolution of the overall scale of growth in job terms for the District, and the second explaining how employment land figures have been generated.

### **Background**

#### **Core Strategy Issues and Options (March 2008)**

- 2.3 The Council published the Core Strategy Issues and Options document in March 2008 (*PSSSLP Submitted Document 2*). The document considered whether the Local Plan should be planning for between 7,800 - 10,700 jobs in the District based on the draft Regional Spatial Strategy (RSS) housing figures, or an alternative option. 68% of respondents agreed with following the draft RSS approach.

#### **Draft Core Strategy Including Preferred Options (October 2010)**

- 2.4 The Draft Core Strategy (including Preferred Options) was published in October 2010 (*PSSSLP Submitted Document 1*). Policy SS5: Delivering New Employment Land made no reference to jobs growth, rather concentrating on the delivery of employment land through the Core Strategy. The employment land requirements reflected the requirements set out in Stage 3 of the South Somerset Employment Land Review which was based on the scale of growth identified in the report "Implications of ONS Household Projections for Somerset" (*PSSSLP Submitted Document 39*).
- 2.5 Respondents to the plan requested that it be revised to include jobs targets by settlement to assist in the delivery of a range of jobs rather than solely 'land hungry' activities which do not generate many jobs.

#### **Proposed Submission South Somerset Local Plan (June 2012)**

- 2.6 The Proposed Submission South Somerset Local Plan was published in June 2012 (*PSSSLP Submitted Document 3*). Policy SS5: was amended in light of representations to include in addition to the employment land requirements, an overall projection of the scale of jobs growth anticipated over the plan period and minimum job targets per settlement, and an overall minimum floorspace requirement. The changes allowed employment to take the lead, and reflected better the emphasis on an economic-led development strategy.
- 2.7 Baker Associates were commissioned by the Council to identify growth scenarios for the emerging Local Plan (then Core Strategy) and identify the right level of economic growth and associated housing for the District over the plan period. The report 'Housing Requirement for South Somerset and Yeovil' (known as *the Baker Report*) was published in January 2011 (*PSSSLP Submitted Document 30*).

- 2.8 The Baker Report integrated three different approaches to derive a range of housing figures, namely a demographic projection (numerical consequences of birth and death rate trends, net migration levels and trends in household formation), a purpose based approach (looking at housing requirements in relation to economic potential, access to housing and maintenance of communities), and delivery based approach (environmental capacity, market deliverability and potential to bring empty homes back into use).
- 2.9 To establish the economic potential of the District, Baker Associates constructed two economic scenarios based on reasonable assumptions about the prospects for employment (in job terms) in each sector in South Somerset in the future, using analysis of recent trends and a series of consultations with some of the District's main employers.
- 2.10 Scenario 1 assumes a positive private sector led growth and rebalancing towards manufacturing and Scenario 2 assumes faltering recovery and more severe cuts in public sector employment. Scenario 1 concludes that the District has the potential to deliver 11,200 new jobs to 2026, and Scenario 2, 7,200 new jobs to 2026.
- 2.11 The Baker Report was revised by the District Council to reflect the revised plan period to 2028 and take into account new evidence emerging from NOMIS on jobs growth (see detail in report), as a result Policy SS3: Delivering New Employment Land states that the Local Plan will assist the delivery of 9,200 jobs District-wide to 2028, 162 hectares gross employment land/600,850 sq. metres net of floorspace.

### **District Council's Proposed Amendments to the Proposed Submission South Somerset Local Plan (January 2013)**

- 2.12 The District Council's Proposed Amendments to the Proposed Submission South Somerset Local Plan (PSSSLP) (January 2013) makes changes to emerging Policy SS3: Delivering New Employment Land and its associated supporting text in the PSSSLP 2006-2028.
- 2.13 The main change to emerging Policy SS3 is that it now states that the Local Plan will seek to deliver 11,250 jobs as a minimum and 159.35 hectares of employment land/ approximately 293,000 sq. meters of floorspace (net) between 2006-2028, as opposed to 9,200 jobs and 162 hectares land/600,850 sq. metres floorspace.

### **Evidence used to inform the Policies**

- 2.14 The following studies were used to inform the PSSSLP and emerging Policy SS3:
- Implications of ONS Household Projections for Somerset (January 2007) (*PSSSLP Submitted Document 39*)
  - South Somerset Workspace Demand Study (*PSSSLP Submitted Document 48*)
  - South Somerset Employment Land Review (*PSSSLP Submitted Document 50a-i*)
  - South Somerset Settlement Role and Function Study (*PSSSLP Submitted Document 34*)
  - Housing Requirement for South Somerset and Yeovil (January 2011) (*PSSSLP Submitted Document 30*)

### 3.0 PART ONE - JOBS GROWTH OVER THE PLAN PERIOD

- 3.1 Policy SS3 of the Proposed Submission South Somerset Local Plan 2006-2028 seeks to assist the overall delivery of 9,200 jobs in the District, over the plan period (2006-2028). The jobs are broken down to illustrate the minimum to be encouraged in the main settlements as follows:

<b>Proposed Submission Local Plan Policy SS3: Delivering New Employment Land (June 2012)</b>	
	<u>Total jobs to be encouraged 2006-2028 ('B' use jobs)</u>
<b>Strategic Town</b>	
Yeovil	2,943 (1,942)
Yeovil Sustainable Urban Extension	1,565 (1,033)
<b>Primary Market Town</b>	
Chard	886 (585)
Crewkerne	472 (312)
Ilminster	343 (226)
Wincanton	490 (323)
<b>Local Market Town</b>	
Somerton	251 (166)
Ansford/Castle Cary	223 (147)
Langport/Huish Episcopi	233 (154)
<b>Rural Centres</b>	
Bruton	
Ilchester	
Martock/Bower Hinton	
Milborne Port	
South Petherton	
Stoke sub Hamdon	
<b>Rural Settlements</b>	828 (546)
<b>TOTAL</b>	<b>9,200 jobs (6,072)</b>

- 3.2 The District Council's Proposed Amendments to PSSSLP seek to replace Policy SS3 and paragraphs 4.52 to 4.68 with new text which takes into account revised jobs data published by NOMIS in September 2012 and the change in assumption from positive private sector led growth to a mid-point between the two Baker Associates scenarios for growth. A number of amendments as a result of evidence base work and new and emerging data in relation to economic and jobs growth in the District have also led to small changes which are explained in detail in this report.
- 3.3 The amended Policy SS3 will assist the overall delivery of 11,250 jobs in the District, over the plan period. The jobs are broken down to illustrate the minimum to be encouraged in the main settlements as follows (see overleaf):

**District Council's Suggested Amendments to Proposed Submission  
Local Plan Policy SS3 (January 2013)**

	<u>Total jobs to be encouraged 2006-2028 ('B' use jobs)</u>
<b>Strategic Town</b>	
Yeovil	3,948 (2,408)
Yeovil Sustainable Urban Extension	1,565 (965)
<b>Primary Market Town</b>	
Chard	1,083 (661)
Crewkerne	577 (352)
Ilminster	419 (256)
Wincanton	599 (366)
<b>Local Market Town</b>	
Somerton	307 (187)
Ansford/Castle Cary	273 (167)
Langport/Huish Episcopi	284 (174)
<b>Rural Centres</b>	
Bruton	1,013 (618)
Ilchester	
Martock/Bower Hinton	
Milborne Port	
South Petherton	
Stoke sub Hamdon	
<b>Rural Settlements</b>	
	1,181 (720)
<b>TOTAL</b>	<b>11,250 jobs (6,864)</b>

**Evolution of Policy SS3 (scale of jobs growth)**

- 3.4 There is a well-documented evidence base which supports the District Council's Proposed Amendments to the PSSSLP. The prime evidence base document used to inform emerging Policy SS3 is the Baker Report because it establishes the District's long-term economic growth projections and subsequent housing need over the plan period. The Baker Report has been updated by the District Council to take into account a revised plan period and new and emerging data as it has been released.
- 3.5 This section summarises the relevant evidence base and the updating undertaken by the Council to illustrate and support the Council's position on submission. All the detailed reports are contained within the evidence base.

**Evidence Base Report - Implications of ONS Household Projections for Somerset (January 2007) (PSSSLP Submitted Document 39)**

- 3.6 The draft Regional Spatial Strategy (draft RSS) requires provision to be made for 10,700 jobs and at least 19,700 new homes in the South Somerset Housing Market Area by 2026.

- 3.7 The District Council objected to the draft RSS housing figures on the basis that they were overly ambitious and unrealistic. “Implications of ONS Household Projections for Somerset” (January 2007) (*PSSSLP Submitted Document 39*) was undertaken to support the District Council’s position going into the draft RSS Examination in Public (EiP).
- 3.8 The report concludes that over the period 2006 - 2026, 13,500 additional jobs will be generated across the Yeovil Travel to Work Area (TTWA), and that the District as a whole has the potential to accommodate 16,600 additional dwellings to support those jobs, over the same time frame, rather than the draft RSS figures.

**13,500 jobs District wide 2006-2026**  
(District Council’s position at the draft RSS EiP - January 2007)

**Draft Core Strategy (incorporating Preferred Options) (October 2010)**

- 3.9 The Draft Core Strategy (including Preferred Options) was published in October 2010 (*PSSSLP Submitted Document 1*). Policy SS5: Delivering New Employment Land (*now Policy SS3 in the PSSSLP*) made no reference to specific jobs growth figures, rather concentrating on the delivery of employment land through the Core Strategy. The employment land requirements reflected the requirements set out in Stage 3 of the South Somerset Employment Land Review which was based on the scale of growth identified in the report “Implications of ONS Household Projections for Somerset” (*PSSSLP Submitted document 39*).
- 3.10 The Draft Core Strategy did not contain jobs targets because at that stage there was a concentration on the need to deliver a range and choice of employment sites with the assumption that the jobs would be delivered by association to the land.
- 3.11 Recognition of the need to include jobs targets came when responding to consultation responses. Including both job and employment land requirements for settlements assists in ensuring that a better balance between jobs and housing can be achieved as negotiation can occur at Development Management stage to assist in the delivery of a range of jobs rather than solely ‘land hungry’ activities which do not generate many jobs. The jobs targets better reflect the primacy of the employment-led approach to plan making (this is explained later).

**Evidence Base Report - Housing Requirement for South Somerset and Yeovil (the Baker Report) (January 2011) (PSSSLP Submitted Document 30)**

- 3.12 Following the announcement of the abolition of the regional tier of planning and therefore the anticipated revocation of the draft RSS for the South West, the District Council commissioned Baker Associates to identify growth scenarios for the emerging Local Plan (then Core Strategy) and identify the right level of economic growth and associated housing for the District over the plan period. This was in the context of local authorities needing to justify their housing supply policies at Examination.
- 3.13 In the absence of any defined national guidance as to the methodology for identifying housing growth, Baker Associates integrated three different approaches to derive a range of housing figures, namely a demographic projection (numerical consequences of birth and death rate trends, net migration levels and trends in household formation), a purpose based approach (looking at housing requirements in relation to

economic potential, access to housing and maintenance of communities), and delivery based approach (environmental capacity, market deliverability and potential to bring empty homes back into use).

- 3.14 To establish the economic potential of the District, Baker Associates construct two economic scenarios based on reasonable assumptions about the prospects for employment (in job terms) in each sector in South Somerset in the future.
- 3.15 The assumptions for the future trends in each sector to 2026 are:
- Manufacturing - with Government seeking to halt a decline in manufacturing, and the likely focus being on high technology sectors, green technologies and advanced engineering - South Somerset economy is well placed to take advantage.
  - Construction growth will be linked to housing investment, a focus of the Government.
  - Distribution - tourism is an important sector in South Somerset and distribution is linked to tourism, so there is an assumption that employment in these sectors will continue.
  - Business Services - assume these will continue to grow, but not at the same rate as the past.
  - Public Administration - job losses likely, no growth.
  - Education & Health Sectors - difficult, but slow growth in health with potential cuts in education.
  - Other Services - difficult to estimate as it includes completely new activities, but given South Somerset's economic background and strengths, potential in this area for growth is significant.
- 3.16 Baker Associates also conducted interviews with South Somerset's major employers, and drawing on those consultations, coupled with an analysis of recent trends and prospects for growth, using the above assumptions, detailed sectoral changes are made for each scenario.
- 3.17 These detailed sectoral changes are used to project the number of total employed in 2026, to compare against the recorded number of total employed in 2006 (the start of the Plan period) to give the overall growth in jobs over the plan period. To ensure that the effects of the recession which occurred in 2009 are 'flattened out' and that the assumptions going forward do not begin from a false start, the report estimates jobs figures for 2010-2011. An assumption is also made that the number of self employed in 2026 will be the same proportion as in 2010, namely 11.4% of employees in employment.
- 3.18 Scenario 1 is the more positive scenario, it assumes private sector led recovery with employment growth in construction, hospitality, telecommunications and business services. Some growth would be experienced in manufacturing and the health sector. Job losses would be experienced in the public sector, and there would be no growth in the education sector.
- 3.19 Scenario 2 is a more austere picture. Private sector growth is still the focus of growth, but that growth is slower. The same growth that occurs in Scenario 1 is experienced in Scenario 2 and it occurs in the same sectors, but at a slower rate. More severe public sector job losses are experienced as are losses in the education sector.

- 3.20 The report, which flattens out the effects of the recession, concludes that under Scenario 1 the District's businesses have the potential to deliver 11,200 new jobs to 2026, and in Scenario 2, 7,200 new jobs to 2026.

<p><b>Scenario 1 (positive, private sector led growth) = 11,200 jobs District wide 2006-2026</b> <b>Scenario 2 (faltering growth) = 7,200 jobs District wide 2006-2026</b> (January 2011)</p>
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### **Project Management Board Workshop 1 (26 May 2011)**

- 3.21 The Local Plan Project Management Board (PMB) accepted the findings of the Baker Report and endorsed the more positive growth scenario (Scenario 1) and a figure of 11,200 jobs to 2026 and 16,000 dwellings to accommodate that growth (PMB Paper "**Housing Requirement for South Somerset and Yeovil**" *PSSSLP Submitted Document 115*)
- 3.22 To ensure a 15-year time horizon, the requirements identified in the report 'Housing Requirement for South Somerset and Yeovil' were extended by Baker Associates by an additional 2-years to 2028. Resulting in Scenario 1, generating 12,500 jobs to 2028 and Scenario 2, 8,060 jobs to 2028 (PMB Paper "**Extension of Population, Household and Employment Projections (2026-2028)**" *PSSSLP Submitted Document 115*). PMB went on to endorse the further figure of 12,500 jobs to 2028 and 17,200 dwellings to accommodate jobs growth.

<p><b>Scenario 1 (positive, private sector led growth) = 12,500 jobs District wide 2006-2028</b> (May 2011)</p>
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### **Project Management Board Workshop 2 (7 June 2011)**

- 3.23 The PMB Paper "**Revising Policy SS5: Delivering New Employment Land, Catering for non-B Uses and the Distribution of Homes/Jobs**" (*PSSSLP Submitted Document 115*) outlines the methodology for establishing jobs figures for each settlement and employment land requirements (in hectares). The methodology for identifying jobs growth by settlement is explained in the PMB Paper, but is summarised here.
- 3.24 The Baker Report, updated to 2028 identifies a net gain of 12,500 jobs District-wide under Scenario 1. The Baker Report also identifies that 50% of the net gain in jobs will be generated by businesses in Yeovil (based on past performance and the Council's economic aspirations for Yeovil) - Yeovil therefore has the potential to deliver approximately 6,250 jobs.
- 3.25 The Baker report gives no guidance as to the distribution of jobs outside Yeovil, other than by cross referring to the South Somerset Settlement Role and Function Study (April 2009) (SR&F study) (*PSSSLP Submitted Document 34*), that identifies settlements with a clear role and function.
- 3.26 Table 3.1: Level of Existing Employment (ABI Nomis 2006) in SR&F study analyses the 2006 Annual Business Inquiry (ABI) total jobs data to establish the percentage distribution of jobs across the District. In the absence of any other reasonable evidence, the ABI distribution cited in the SR&F study was used as a starting point to project the proportion of jobs outside Yeovil, giving an indication of the net growth in jobs by settlement over the plan period. Therefore:
- 8.5% of jobs would be in Chard (8.5% of 12,500 = 1,062)

- 3.9% of jobs would be in Crewkerne (3.9% of 12,500 = 487)
- 3% of jobs would be in Ilminster (3% of 12,500 = 375)
- 4.6% of jobs would be in Wincanton (4.6% of 12,500 = 575)
- 2% of jobs would be in Somerton (2% of 12,500 = 250)
- 1.9% of jobs would be in Langport/Huish (1.9% of 12,500 = 237)
- 1.7% of jobs would be in Ansford/Castle (1.7% of 12,500 = 212)
- 8.7% of jobs would be in Rural Centres (8.7% of 12,500 = 1,087)
- 18.3% of jobs would be in Rural Settlements (18.3% of 12,500 = 2,287)

- 3.27 Following this calculation, it was evident that in the past, jobs growth in Rural Settlements had been greater than was envisaged likely in the future, and therefore a degree of adjustment was required to 'shift' jobs from the Rural Settlements to Market Towns. There are two assumptions relating to this approach, firstly emerging PSSSLP Policy SS2 (Development in Rural Settlements) is not supportive of such high levels of job growth in Rural Settlements because it restricts growth unless it is demonstrably sustainable. Therefore such high levels of job growth in Rural Settlements would be contrary to the policy approach. Secondly, the availability of deliverable employment land and market conditions in the Market Towns means their potential to grow businesses and generate jobs over the plan period is greater than in the past. Strategic Employment Allocations have been carried forward, and Market Towns such as Chard are the focus of regeneration strategies, further supporting this assumption.
- 3.28 The following redistribution exercise was therefore undertaken to 'shift' the 'surplus' jobs identified for the Rural Settlements in the projection to 2028, from those Rural Settlements to the higher order Market Towns. The growth for Yeovil (50% - 6,250 jobs) and the Rural Centres (8.7% - 1087 jobs) was not adjusted because evidence from Nomis supports these figures. 5,163 jobs or 41.3% (the remainder of the District's projected jobs growth) were therefore distributed amongst the Market Towns and Rural Settlements.
- 3.29 One of the Local Plan's Strategic Objectives is to support inclusive, sustainable communities, providing employment, homes and services in close proximity - balancing the level of jobs and homes. In light of the need to adjust the jobs growth, the balance between jobs and housing in each settlement category was studied. This revealed not only a mismatch between housing and jobs, but also that the housing growth identified in emerging Policy SS4: Delivering New Housing Growth (now Policy SS5 in the PSSSLP) was roughly providing 3 houses in the Market Town category for every 1 house in the Rural Settlements, a 3:1 ratio.
- 3.30 Given that jobs and housing are inextricably linked, the ratio of housing growth in Market Towns and Rural Settlements was therefore used as a basis for adjusting the jobs projection for those settlements. The ratio of 3:1 which was calculated from the housing growth in Policy SS4, was applied to jobs - the assumption therefore being that for every 3 jobs in a Market Town, there would be 1 in a Rural Settlement.
- 3.31 5,163 jobs (12,500 minus Yeovil (6250) and the Rural Centres (1087)) were divided, 75% to Market Towns and 25% to Rural Settlements, resulting in a projection of 1,290 jobs to the Rural Settlements to 2028.
- 3.32 To further calculate the final projection of each Market Town, the difference between the jobs distribution using the Nomis percentages in the Market Towns (paragraph 3.26 above) was totalled, and the additional allowance coming from the Rural Settlement figure was divided equally amongst the 7 settlements and added to their

Nomis calculated growth figure. For example Chard = 1,062 (from Nomis) + (difference between the two Market Town figures, divided by seven settlements  $675/7=96.4$ ) =1158.4, rounded to 1,160.

3.33 On the basis of the above, the following jobs figures by settlement were endorsed by PMB (numbers in brackets are B use jobs):

• Yeovil	6,250 (4,130)
• Chard	1,160 (770)
• Crewkerne	580 (380)
• Ilminster	470 (310)
• Wincanton	670 (440)
• Somerton	350 (230)
• Ansford/Castle Cary	310 (210)
• Langport/Huish Episcopi	330 (220)
• Rural Centres	1,100 (730)
• Rural Settlements	1,290 (850)
<b>TOTAL</b>	<b>12,510 (8,270)</b>

3.34 To summarise, projecting forward with any degree of certainty is problematic given the scale and nature of jobs involved, but the approach to ‘move jobs’ and identify more jobs in the Market Towns than Rural Settlements to 2028 than have been delivered in the past, reflects the Local Plan’s approach to concentrating growth in higher order settlements. The figures are also provided as a guide for planning decisions to seek to ensure that levels of self-containment are raised and that there is a balance between job growth and housing development.

**12,510 jobs District wide 2006-2028**  
**Distribution of jobs: 50% Yeovil, 50% Rest of District**  
 (June 2011)

### **Project Management Board Workshop 3 (14 June 2011)**

3.35 The ‘**Yeovil Growth and Urban Extension**’ report (*PSSSLP Submitted Document 115*), identifies that the employment land provision in the Yeovil Sustainable Urban Extension (SUE) is based on Eco Town principles. Therefore sufficient land is included to provide one job for each potentially economically active person. This equates to roughly 1 job per household. This approach was endorsed by PMB.

### **Project Management Board Workshop 9 (23 November 2011)**

3.36 The PMB Paper ‘**Review of Housing Growth Projections for South Somerset and consideration of Implications for Housing Requirement and Supply to 2028**’ (*PSSSLP Submitted Document 116*) explains how in response to concerns from a Councillor that the most recent data had not been used to calculate economic projections, the scale of economic/jobs growth over the plan period was amended. This effectively removed the ‘flattening out’ of the effects of the recession undertaken in the Baker Report.

3.37 Business Register Employment Survey (BRES) data for South Somerset for 2010 highlights that the estimates for jobs growth made in the Baker Report were more optimistic than what actually occurred between 2009 and 2010. The estimated figure for employees in employment at 2010 was 76,000 jobs in total (68,200 employees plus 7,800 self-employed), anticipating growth of 1,000 jobs since 2006 (75,000 in

2006). In reality, the recorded figure from BRES was 72,900 jobs in total (64,100 employees, plus 7,800 self-employed and 1,000 agricultural employees – the agricultural employees are not included in BRES and therefore have to be added – see paper for full explanation). This is actually 2,100 jobs less than the number of jobs at the start of the plan period in 2006.

- 3.38 It was decided that whilst the long-term job projections outlined in the Baker Report post 2010, should remain unchanged (as the survey work and engagement with businesses which informed these projections took place in the latter part of 2010 after a period of job retrenchment), it was necessary to amend the data for 2010, to reflect a lower baseline.
- 3.39 In light of the changes, PMB endorsed a jobs growth figure of 9,400 new jobs over the plan period (10,200 jobs growth 2010 - 2026 as predicted by the Baker Report with an additional 2 years job allowance to take the figure to 11,500 by 2028 minus 2,100 which equal the job losses to 2010 = 9,400). Please Note - there is an error in this calculation, which has been rectified in the District Executive report - the self-employed figure was cited as 7,800 in BRES 2010 data, but it was 7,600.

**Scenario 1 (positive, private sector led growth) = 9,400 jobs District wide 2006-2028**  
(November 2011)

- 3.40 An oral update on Nomis trends was also given at this PMB which basically explained that a review of the distribution of jobs by settlement between 2003-2010, revealed that the average percentages were virtually the same as the 2006 ABI figures (the basedate used in the SR&F study). No change was made to the policy in terms of the distribution of jobs amongst settlements.

### **Project Management Board Workshop 13 (16 March 2012)**

- 3.41 The 'Review of Potential Scenarios for the Yeovil Sustainable Urban Extension' report (*PSSSLP Submitted Document 117*) reconsidered the scale of growth at the Yeovil SUE in light of Member comments made at Area Committee, and recommended a change to the distribution of the scale of growth between Yeovil and the Rest of the District.
- 3.42 The review of Nomis trends (**PMB Workshop 9, 23<sup>rd</sup> November 2011** *PSSSLP Submitted Document 116*) demonstrated that the average distribution of jobs in Yeovil compared to the Rest of the District was in fact 49% - 51%, with an average of 49% of jobs being generated in Yeovil (2003-2010) rather than the 50% quoted in the Baker report. Therefore, for accuracy, it was recommended that a figure of 49% be carried forward. This recommendation was endorsed.

**Distribution of jobs: 49% Yeovil, 51% Rest of District**  
(March 2012)

### **District Executive, 26<sup>th</sup> March 2012**

- 3.43 Endorsed PMB workshop approach.

### **Full Council, 23<sup>rd</sup> April 2012**

- 3.44 Endorsed 9,200 net gain in jobs 2006-2028, with the jobs being distributed as in the Proposed Submission Local Plan, June 2012:

- Recommendation - 9,200 jobs
- Distribution of growth -
  - Yeovil (49%) reflecting the average distribution of jobs 2003-2010, and an aspiration to continue this level of economic activity.
  - Market Towns (overall 31.5%), individual settlement figures based on average distribution of jobs 2003-2010, plus an additional 70.71 jobs to illustrate the anticipated focus of growth from Rural Settlements to higher Primary and Local Market Towns as employment allocations are delivered (see Appendix 1).
  - Rural Centres (overall 9%) a reflection of 2006 Nomis data and desire to maintain economic growth.
  - Rural Settlements (10.5%) lower than past average (15.7% 2003-2010) in recognition of that fact that some economic activity is desired through Policy SS2 to support rural communities, but that the scale of that activity should be commensurate with the size of settlement and should not detract from key employment allocations in higher order settlements.

**Scenario 1 (positive, private sector led growth) = 9,200 jobs District wide 2006-2028**

**Distribution of jobs: 49% Yeovil, 51% Rest of District**  
(April 2012)

### **Proposed Submission South Somerset Local Plan (June 2012)**

3.45 The PSSSLP Plan was consulted upon between 28 June and 10 August 2012. A number of objections were registered to the economic potential of the District and the resultant employment land and housing growth, and consequently account was taken of new and emerging information.

### **Evidence Base Update: BRES Release 28 September 2012**

3.46 Nomis released employment data for 2011 and revised data for 2010 on 28<sup>th</sup> September 2012. The data illustrates a significant bounce back of 3,600 additional jobs (2,000 more self-employed and 1,600 more employees) between 2010 and 2011, from the net loss identified between 2009 and 2010.

3.47 This demonstrates the fluctuating nature of jobs data and the need to take a longer term view when projecting growth over a longer time frame for strategic planning purposes.

### **Project Management Board Workshop 19 (26 October 2012)**

3.48 The employment projections were updated again to take into account the BRES release in September 2012. In addition to the revised 2011 base, a representation made to the PSSSLP highlighted that the self - employed figure cited in the Baker report was an underestimation. The Baker report made an assumption that the number of self-employed persons would be the same proportion in 2026 (and therefore 2028) as in 2010 - 11.4%. Analysis of recorded numbers of self-employed from the Annual Population Survey (2005-2011) illustrates that this figure fluctuates widely over time, and on average is around 15.21% rather than the 11.4% used in

the Baker Report. An adjustment was made in the calculated projections to take into account this higher figure.

- 3.49 The Baker Report also made no allowance for “double jobbers” (people with more than one job) in their projections. A 5% discount was therefore applied to the overall employment growth figures for 2006 - 2028 to ensure that the council is not seeking to provide 2 houses for workers who have more than one job. Evidence from the Annual Population Survey and national figures suggest 5% is a reasonable ‘discount’ (see Appendix 1).
- 3.50 These minor changes which were recommended to Project Management Board are detailed in the **Housing Provision Review paper** (see *PSSSLP Submitted Document 117* for details). The report explains that once the changes have been taken into account, the more optimistic economic scenario (positive, private sector led growth) projects that 13,500 jobs will be created in the District by 2028, whereas the slower, faltering scenario projects 9,500 jobs to 2028.
- 3.51 Whilst the PSSSLP was based upon the most favourable economic scenario arising from the Baker Report, the review advocates an alternative option - an additional economic provision figure which is the mid-point between the positive, private sector led scenario and the slower, faltering scenario. This figure (11,500 jobs) was endorsed by PMB as it addresses the ongoing nature of the recession, whilst recognising the strong economic potential of the District.

**Scenario 1 (positive, private sector led growth = 13,500 jobs District wide 2006-2028**

**Preferred Scenario, endorsed by PMB = 11,500 jobs District wide 2006-2028**  
(October 2012)

### **PMB Workshop 20 (16<sup>th</sup> November 2012)**

- 3.52 Following on from PMB Workshop 19, an error was noted in the calculations and ‘**Addendum to Workshop 19 Paper on Housing Provision Review**’ clarified that the higher economic projection was for 13,400 jobs to be generated to 2028 and the lower economic projection was for 9,100 jobs, resulting in a mid-point of 11,250 jobs (see *PSSSLP Submitted Document 117* for details).

**Scenario 1 (positive, private sector led growth) = 13,400 jobs District wide 2006-2028**

**Preferred Scenario, endorsed by PMB 11,250 jobs District wide 2006-2028**  
(November 2012)

### **District Council’s Proposed Amendments to Proposed Submission Local Plan Policy SS3 (January 2013)**

- 3.53 The figure of 11,250 jobs is suggested as the District Council’s Proposed Amendment to PSSSLP Policy SS3 (January 2013). As evidenced in this topic paper, the long-term projections contained within the Local Plan evidence base illustrate that consistently the District has the potential to deliver more than 9,200 jobs 2006-2028 (between 11,200 and 13,500 jobs) and therefore this figure is too low and the resultant employment land and housing provision will not support the true potential of South Somerset over the plan period to 2028.

3.54 The updating of the employment projections to take into account new employment data (BRES) firstly for 2010 and then for 2011, demonstrates the volatility of short-term employment trends and the benefits of looking at longer term trends for strategic planning purposes, as was done in the Baker Report. Taking the long-term picture for strategic planning purposes is a more robust approach and enables the Local Plan to deliver the economic aspirations of the authority which have remained a constant through the life of the emerging Local Plan. The longer-term approach supports the District Council's Proposed Amendment figure of 11,250 jobs. Additionally, the minor change is demonstrated by the resultant associated housing growth ranges which results in a figure of 15,950 dwellings, a figure already consulted upon in the Proposed Submission Local Plan.

## 4.0 PART TWO - PROVISION OF EMPLOYMENT LAND OVER THE PLAN PERIOD

### Core Strategy Issues and Options (March 2008)

- 4.1 The Council published the Core Strategy Issues and Options document in March 2008 (*PSSSLP Submitted Document 2*). The document considered whether the Local Plan should be planning for between 7,800 - 10,700 jobs in the District based on the draft Regional Spatial Strategy (RSS) housing figures, or an alternative option. With regard to employment land, the Issues and Options document made a clear link between the Core Strategy and the emerging Employment Land Review (ELR) and requested views on how the Council should be providing the land required, as identified in the ELR.

### Draft Core Strategy Including Preferred Options (October 2010)

- 4.2 The Draft Core Strategy (including Preferred Options) was published in October 2010 (*PSSSLP Submitted Document 1*). Policy SS5: Delivering New Employment Land concentrated on the delivery of the employment land which had been identified in Stage 3 of the South Somerset Employment Land Review (*PSSSLP Submitted Document 50 a-i*).

### Proposed Submission South Somerset Local Plan (June 2012)

- 4.3 Policy SS3 of the PSSSLP seeks to assist the overall delivery of 161.85 hectares of employment land in the District, over the plan period (2006-2028), of which 42.5 hectares are additional employment land provision required over and above commitments. The amount of land is illustrated by settlement:

<b>Proposed Submission South Somerset Local Plan Policy SS3: Delivering New Employment Land (June 2012)</b>			
Settlement	Total Employment Land Provision	Existing Employment Land Commitments	Additional Employment Land Provision (total less commitments)
Yeovil Town*	44.84	39.84	5.0
Yeovil SUE	7.0	0.0	7.0***
Chard*	17.14	17.14	0.0***
Crewkerne*	10.10	10.10	0.0
Ilminster*	23.05	23.05	0.0
Wincanton	8.61	3.61	5.0
Somerton	4.91	1.91	3.0
Ansford/Castle Cary	13.19	10.19	3.0
Langport/Huish Episcopi	3.44	0.44	3.0
Bruton	2.56	0.56	2.0
Ilchester	2.02	0.02	2.0
Martock/Bower Hinton	4.79	2.79	2.0
Milborne Port	2.04	0.04	2.0
South Petherton	3.80	1.80**	2.0
Stoke sub Hamdon	2.0	0.0	2.0
Rural Settlements	12.36	7.86	4.5
<b>TOTAL</b>	<b>161.85</b>	<b>119.35</b>	<b>42.5</b>

\*include strategic employment sites carried forward, \*\*relates to Lopen Head Nursery, \*\*\*will deliver land beyond the plan period.

- 4.4 The District Council's Proposed Amendments to PSSSLP seek to replace Policy SS3 and paragraphs 4.52 to 4.68 with new text which take into account revised jobs data and hence revised employment land requirements.
- 4.5 The proposed amended Policy SS3 will assist the overall delivery of 159.35 hectares of employment land in the District, over the plan period (2006-2028), of which 40 hectares is additional employment land provision required over and above commitments. The amount of land is illustrated by settlement:

<b>District Council's Proposed Amendments to PSSSLP Policy SS3 (January 2013)</b>			
Settlement	Total Employment Land Provision	Existing Employment Land Commitments	Additional Employment Land Provision (total less commitments)
Yeovil Town*	44.84	39.84	5.0
Yeovil SUE	5.0	0.0	5.0***
Chard*	17.14	17.14	0.0***
Crewkerne*	10.10	10.10	0.0
Ilminster*	23.05	23.05	0.0
Wincanton	8.61	3.61	5.0
Somerton	4.91	1.91	3.0
Ansford/Castle Cary	13.19	10.19	3.0
Langport/Huish Episcopi	3.44	0.44	3.0
Bruton	2.56	0.56	2.0
Ilchester	2.02	0.02	2.0
Martock/Bower Hinton	4.79	2.79	2.0
Milborne Port	2.04	0.04	2.0
South Petherton	3.80	1.80**	2.0
Stoke sub Hamdon	2.0	0.0	2.0
Rural Settlements	11.86	7.86	4.0
<b>TOTAL</b>	<b>159.35</b>	<b>119.35</b>	<b>40.0</b>

\*include strategic employment sites carried forward, \*\*relates to Lopen Head Nursery, \*\*\*will deliver land beyond the plan period.

## Explanation of Employment Land Requirements

### South Somerset Employment Land Review (ELR) (PSSSLP Submitted Document 50a-i)

- 4.6 The ELR was published in three stages, Stage 1 & 2 in August 2009, and Stage 3 in October 2010. Stage 1 identified a gross supply of approximately 116 hectares of employment land as of 1<sup>st</sup> April 2010. Stage 2 concluded that there was a need for 104 hectares of employment land to 2026 (the end of the plan period at that time), and Stage 3 concluded that 107.43 hectares of employment land should be distributed across the District in the following way:
- Yeovil - 51ha
  - Chard - 13ha

- Ilminster - 19.4ha
- Wincanton - 1.5ha
- Somerton - 1.0ha
- Langport/Huish Episcopi - 1.5ha
- Castle Cary/Ansford - 3.0ha
- Ilchester - 1.0ha
- South Petherton - 1.0ha \* already provided at Lopen Head Nurseries
- Martock - 1.0ha
- Bruton - 1.0ha
- Milborne Port - 2.0ha
- Stoke Sub Hamdon - 0.5ha

- 4.7 Using the then Office of the Deputy Prime Minister (ODPM) Employment Land Review Guidance Note (2004), the following evidence was used to produce a range of figures for employment land need for the District to 2026:
1. Draft RSS employment land figures,
  2. Translating Cambridge Econometrics employment projections for South Somerset (2006-2026) into employment land need using Standard Industrial Classification and English Partnerships Density Ratios (2001),
  3. Projecting past trends identified from the District Council's employment land monitoring data; and
  4. Analysing need identified by the District Council's workspace demand study (SSDC Business Perspectives on Property Workspace Survey and Review, March 2008) (*PSSSLP Submitted Document 48*).
- 4.8 The methodology used to identify the employment land need by settlement was based on a quantitative calculation linked to future housing growth, coupled with qualitative factors such as geography, availability and nature of existing employment land and local knowledge (views of Town and Parish Councils).
- 4.9 The employment land requirements in the Local Plan differ from those in the ELR as the emerging evidence and housing growth has superseded the ELR.

### **Evolution of Policy SS3 (employment land requirements)**

- 4.10 At Project Management Board Workshop 2 on the 7 June 2011, "**Revising Policy SS5: Delivering New Employment Land, Catering for non-B Uses and the Distribution of Homes/Jobs**" was presented which explains in detail the methodology for establishing employment land requirements (in hectares) for each settlement and employment land requirements (in hectares) (*PSSSLP Submitted Document 115*). The methodology for translating jobs into floorspace and then land requirements used in the ELR was used.
- 4.11 The assumptions used were:
- 12,510 new jobs 2006-2028
  - 50% to Yeovil, 50% Rest of District
  - 66% of new jobs in B Use Class activities (78% B1, 11% B2 and 11% B8)
  - English Partnerships Density Ratios (2001)
- 4.12 Appendix 7 of the report revises the ELR figures and explains why. Please note: the housing figures used in this appendix have been revised, but the basic approach is the same, and therefore this is summarised below:
- Yeovil Town - the ELR identified sufficient employment land to cater for the jobs growth in Yeovil over the Plan period. A qualitative need for 5 hectares of land is

however identified based on the previous Local Plan Inspector's report, in which he recommended at least an additional 10 hectares of general employment land be provided in Yeovil. These 10 hectares were never allocated, and therefore to reflect the strategic significance of Yeovil and the need to provide a choice and range of sites, whilst recognising the current economic climate, it is considered that an additional 5 hectares of employment land should be provided.

- Yeovil SUE - following Eco Town principles, the aim is to provide approximately one job per household (based on evidence that 50% of the population are economically active and 2.1 persons per dwelling) so that people have the opportunity to live and work in close proximity. The need for this land is location specific, as it needs to be delivered as part of the SUE and is therefore required in addition to existing employment land supply in Yeovil. The land is based on a quantitative need - translating jobs to land.
  - Chard, Crewkerne and Ilminster - all have sites carried forward from the South Somerset Local Plan with sufficient capacity, and therefore there is no need for additional employment land.
  - Wincanton - the ELR identified sufficient land, but local concern over a lack of a balance between jobs and homes has led to the identification of an additional 5 hectares of employment land.
  - Somerton, Ansford & Castle Cary and Langport & Huish Episcopi – the ELR identified no quantitative need for employment land, but local concern over need for employment land has resulted in 3 hectares being identified for each settlement. This is based on a minimum site size considered viable to promote the development of an employment area(s) in a settlement of this size.
  - Rural Centres - the ELR identified no quantitative need for employment land, but local concern over need for employment land has resulted in 2 hectares being identified for each settlement. This is based on a minimum site size considered viable to promote the development of an employment area(s) in a settlement of this size.
  - Rural Settlements - the land is based on a quantitative need - translating jobs to land.
- 4.13 This approach is consistent through the evolution of Policy SS3 and into the PSSSLP, although obviously the figures will have changed for the settlements where there is a direct link between jobs and land, namely the Yeovil SUE and the Rural Settlements.
- 4.14 The paper also explains how the District Council's ELR only identifies the need for traditional employment land (catering for activities which fall into the 'B use' category of the General Permitted Development Order) and therefore excluding demand for uses such as retailing, hotels & catering, education, health and so on. It also explains that there are difficulties and likely inaccuracies in calculating the amount of land required for non-B uses and therefore no land is formally identified for this sector of the economy, instead, a need for such land is recognised and its location will be guided firstly to town centre locations by the Development Management process, using national and local planning policies.

## Proposed Submission Local Plan (June 2012)

- 4.15 The PSSSLP was consulted upon between 28 June and 10 August 2012. A number of objections were registered to the economic potential of the District and the resultant employment land and housing growth.

## Project Management Board Workshop 21 (26 November 2012) (PSSSLP Submitted Document 117)

- 4.16 The schedule of representations presented to PMB contains representations which raise concerns in relation to the employment land requirements identified in Policy SS3. To summarise there is concern that the relationship between the employment land requirements in the ELR and the emerging Local Plan were not clear, concern over the explanation of qualitative need for land in settlements, and the use of the English Partnerships Density Ratios (2001) was queried as new guidance has been published. PMB endorsed a Topic Paper to be produced for submission providing a narrative for final Policy SS3 and clarifying these matters.
- 4.17 The explanation of the relationship between the ELR and Local Plan has already been addressed.
- 4.18 The new guidance referred to in the representations, the Employment Densities Guide (2010) was published on the 6<sup>th</sup> December 2010, and therefore was not considered in any stage of the ELR. The PSSSLP Policy SS3 was based on the methodology in the ELR and therefore the revised density ratios were not considered. The District Council's Proposed Amendments to Proposed Submission Local Plan Policy SS3 (January 2013) incorporates these density ratios - see Appendix 1 for calculations.

	Floorspace per worker English Partnerships Density Ratios (2001)	Floorspace per worker Employment Densities Guide (2010)
B1	19sq m/worker	12sq m/worker
B1 (c) light industry/business park	47 sq m/worker	47 sq m/worker (states IT/data centre)
B2	34 sq m/worker	36 sq m/worker
B8	50 sq m/worker	70 sq m/worker

- 4.19 Please note, when considering the Local Plan representations and revising the employment land calculations, it was noted that there was an error in the calculations relating to the percentage of persons in B use jobs. This was amended and the District Council's Proposed Amendments to PSSSLP Policy SS3 (January 2013) incorporates the revised percentage which is 61% rather than 66% - see Appendix 1 calculations.
- 4.20 The PSSSLP identifies a requirement for 3 hectares of employment land need in Local Market Towns and 2 hectares in Rural Centres on the basis that these are the minimum site sizes considered viable to promote the development of an employment area(s) in settlements of their size. Clarification of this qualitative need for was sought through the Local Plan consultation process. The reasons are:
- The District Council's Economic Development Service receives requests for employment land from businesses either seeking to start up or expand their

businesses within the lower order settlements such as Rural Centres. The lack of land for development frequently means that local businesses have to explore opportunities in neighbouring towns or further afield. This is well documented to the East of the District where scarcity of employment land within the settlements has led to applications for employment land in unsustainable or less sustainable locations outside the permitted development areas. This in turn results in greater burden being placed on the travel plans of those businesses.

- There is an economy of scale in the allocation of modest areas of land for employment purposes in the rural communities. Smaller allocations do not offer economies of scale to prospective developers, with sites that are perhaps only suitable for single small businesses having to absorb considerable capital development costs. The recommended allocations would lend themselves to more viable financial cases for development in the Rural Centres and Local Market Towns.
- Supporting evidence for specific settlements can be provided at the Inspectors request if required, but due to market sensitivity has not been reproduced here.

## **5.0 CONCLUSIONS**

- 5.1 This paper illustrates that the changes suggested from the Proposed Submission South Somerset Local Plan to the District Council's Proposed Amendments to the Proposed Submission South Somerset Local Plan are minor and should be taken forward.
- 5.2 The change to the scale of jobs growth from 9,200 jobs to 11,250 jobs is supported by the long-term projections contained within the Local Plan evidence base which illustrates that consistently the District's potential to deliver more than 9,200 jobs 2006-2028 (between 11,200 and 13,500 jobs) has been identified. The jobs figure contained in Policy SS3 of the PSSSLP is based on a set of data that projects forward the trends from a low, and potentially false base, which is demonstrated by differences between the data recorded for 2009- 2011.
- 5.3 The fluctuating data demonstrates that taking the long-term picture for strategic planning purposes is a more robust approach and enables the Local Plan to deliver the economic aspirations of the authority which have remained a constant through the life of the emerging Local Plan. Additionally, the minor change is demonstrated by the resultant associated housing growth ranges which results in a figure of 15,950 dwellings, a figure already consulted upon in the PSSSLP.
- 5.4 The change to the employment land requirements results in a reduction of 3 hectares of land and half the amount of floorspace required over the plan period. The floorspace has reduced because it now reflects the need in relation to jobs growth as opposed to employment land growth, this is because jobs are the defining factor, and the change in the employment land requirement is minor as the methodology used to establish need has remained consistent throughout the plan process and the need is mostly qualitative or linked to strategic sites carried forward from the adopted Local Plan.

## Appendix 1

### 1. Calculation for Redistributing Jobs from Rural Settlements to Market Towns

Settlement	% of 11,250 Jobs	Number of Jobs	Adjustments	Calculated Number of Jobs to 2028	61% in B Uses
Yeovil	49	5,513	The residual from the market towns (495) was divided evenly between the 7 settlements and added onto their % i.e. 70.7 extra each.	5,513	3,363
Chard	9	1,013		1,083	661
Crewkerne	4.5	506		577	352
Ilminster	3.1	349		419	256
Wincanton	4.7	529		599	366
Somerton	2.1	236		307	187
Castle Cary/Ansford	1.8	203		273	167
Langport/Huish	1.9	214		284	174
Rural Centres	9	1,013		1,013	618
Rural Settlements	10.5	1,181		70.71	1,181
Total	95.6	10,755	495	11,251	6,863
			11,250		

Yeovil SUE (1 job per household) - total of 2500 dwellings of which 1565 are in the plan period

### 2. Double Jobbers (Source: Annual Population Survey)

Date	Total Employees	Total People with a Second Job		% of Double Jobbers	
		number	conf		
Apr 2004-Mar 2005	74,500	1,700	1,100	2.28	
Apr 2005-Mar 2006	75,000	1,600	*	2.13	
Apr 2006-Mar 2007	79,900	1,700	*	2.13	
Apr 2007-Mar 2008	81,900	5,700	2,600	6.96	
Apr 2008-Mar 2009	75,300	3,100	1,800	4.12	
Apr 2009-Mar 2010	76,200	2,800	*	3.67	
Apr 2010-Mar 2011	76,200	6,400	2,900	8.40	
Apr 2011-Mar 2012		4,900	2,500	4.24	<b>Average</b>

### 3. Methodology for identifying B use Jobs

- The Baker Report identifies in table 4.4 and 4.5, the sectors where a net growth in jobs is likely, and projects the amount of growth per sector.
- Appendix 2 of PMB Paper "Revising Policy SS5: Delivering New Employment Land, Catering for non-B Uses and the Distribution of Homes/Jobs" illustrates that 66% of jobs in 2028 will be in B Use sectors. Therefore 66% of jobs were calculated to be in B uses.

- The calculation in Appendix 2 is incorrect, the calculation is based on the composition of the entire economy (B uses & non B-uses) based on Scenario 1 and the total number of employees in 2026. The calculation should have been based on the change in jobs (i.e. the net growth) and the percentage worked out on that basis, see table below:

Sector	2006	2026	Change	B Use Class	% of jobs in B Use Class
Agriculture, Forestry & Fishing	1,500	1,400	-100	No	7,700 new jobs in B Use related sectors. Equates to 61% of jobs in B uses, not 66% as previously stated.
Mining, Manufacturing, Utilities	14,200	14,700	500	Yes	
Construction	3,200	3,500	300	No	
Distribution	13,600	13,900	300 (-100 for retail) So 200	Yes	
Hotels & Restaurants	3,400	3,700	300	No	
Transport & Communications	1,800	2,300	500	Yes (call centres, IT)	
Financial Services	700	600	-100	Yes	
Business Services	8,100	12,900	4,800	Yes	
Public Administration	2,600	2,600	0	Yes	
Education	5,800	5,900	100	No	
Health & Social Services	7,200	11,400	4,200	No	
Other Services	2,700	4,500	1,800	Yes (creative industries)	
<b>Total Employees</b>	<b>64,800</b>	<b>77,400</b>	<b>12,600</b>	<b>7,700 B Use Jobs</b>	

#### 4. Calculating Employment Land Requirements Using 2010 Employment Density Ratios

Settlement	Total Jobs	B Use Jobs	78% B1 jobs	11% B2 jobs	11% B8 jobs	Total	(a) Calculating overall net land requirement			(b) Incorporating mid-point ratios to establish gross requirement			(c) Establishing Gross Land Requirement	Existing Employment Land Commitments	Local Plan Additional Requirement (hectares)	Reasoning
							B1 (12 sq m)	B2 (36 sq m)	B8 (70 sq m)	B1 (0.325)	B2 (0.4)	B8 (0.50)	Totals			
Yeovil (Total)	5513	3363	2,623	370	370		3.15	1.33	2.59	9.69	3.33	5.18	18.19			
Yeovil Town	3948	2,408	1,878	265	265		2.25	0.95	1.85	6.94	2.38	3.71	13.03	39.84	5	Qualitative need for a range and choice of sites.
Yeovil SUE (1 job per household)	1565	955	745	105	105		0.89	0.38	0.74	2.75	0.95	1.47	5.16	0.00	5	Requirement calculated.
Chard	1083	661	515	73	73		0.62	0.26	0.51	1.90	0.65	1.02	3.57	17.14	0	
Crewkerne	577	352	275	39	39		0.33	0.14	0.27	1.01	0.35	0.54	1.90	10.10	0	
Ilminster	419	256	199	28	28		0.24	0.10	0.20	0.74	0.25	0.39	1.38	23.05	0	
Wincanton	599	365	285	40	40		0.34	0.14	0.28	1.05	0.36	0.56	1.98	3.61	5	Local desire.
Somerton	307	187	146	21	21		0.18	0.07	0.14	0.54	0.19	0.29	1.01	1.91	3	ED opinion.
Castle Cary/Ansford	273	167	130	18	18		0.16	0.07	0.13	0.48	0.16	0.26	0.90	10.19	3	ED opinion & local desire.
Langport/Huish	284	173	135	19	19		0.16	0.07	0.13	0.50	0.17	0.27	0.94	0.44	3	ED opinion.
Rural Centres	1013	618	482	68	68		0.58	0.24	0.48	1.78	0.61	0.95	3.34	5.21	12	ED opinion.
Rural Settlements	1181	720	562	79	79		0.67	0.29	0.55	2.07	0.71	1.11	3.90	7.86	4	Requirement calculated.
<b>Total</b>	<b>11249</b>	<b>6,862</b>	<b>5,352</b>	<b>755</b>	<b>755</b>	<b>6862</b>	<b>6.42</b>	<b>2.72</b>	<b>5.28</b>	<b>19.76</b>	<b>6.79</b>	<b>10.57</b>	<b>37.12</b>	<b>119.35</b>	<b>40</b>	