



**SOUTH HOLLAND LOCAL PLAN  
TOPIC PAPER  
  
ECONOMY**

## TOPIC PAPER - ECONOMY

### 1 INTRODUCTION

1.1 This topic paper is one of three produced to assist the Local Plan Inquiry. The overall strategic context for the Re-deposit Local Plan (RLP) is set out in the Core Strategy topic paper, a separate paper addresses housing. The purpose of the topic papers is to explain the background to, and therefore justify, the policies in these key areas contained in the RLP in order to assist the Inspector and others in the consideration of objections to these policies.

1.2 The issues dealt with in this topic paper are:

- the context of the District's economy;
- employment land supply;
- quality and range of employment land;
- diversifying the economy of the District, including the rural economy; and
- meeting retail needs.

### 2 THE STRATEGIC FRAMEWORK

2.1 The strategic policy framework for the economy policies in the RLP is contained in national and regional guidance and the Structure Plan.

2.2 **Planning Policy Guidance Note (PPG) 4: Industrial, Commercial Development and Small Firms (CD/GO/06).**

2.2.1 PPG4 sets out advice to local planning authorities in developing their policies in relation to industrial and commercial development and small firms. This advice relates to:

- the locational factors;

- the re-use of urban land; and
- directing development to appropriate locations.

### 2.3 **Planning Policy Statement (PPS) 6: Planning for Town Centres (CD/GO/07).**

2.3.1 PPS6 sets out advice to local planning authorities in developing their policies in relation to town centres. This advice relates to:

- promoting vital and viable town centres;
- providing a supply of land to provide for retail growth; and
- the need to remain realistic and flexible when considering site selection.

### 2.4 **Planning Policy Statement (PPS) 7: Sustainable Development in Rural Areas (CD/GO/08).**

2.4.1 PPS7 sets out advice to local planning authorities in developing their policies in relation to sustainable development in rural areas. This advice relates to:

- economic development in rural areas;
- agriculture and farm diversification; and
- tourism and leisure.

### 2.5 **Regional Spatial Strategy for the East Midlands (RSS8) (CD/EM/02)**

2.5.1 Policy 22 of RSS8 sets out the regional priorities for employment land. These priorities focus on having the right quantity and quality of employment land to meet current and likely requirements. This can be done by the allocation and de-allocation of employment land, and the bringing forward of good quality sites to meet the needs of potential investors. The approach the RLP has taken to employment allocations, and the pre-inquiry changes that have been proposed, are consistent with this approach.

2.5.2 Policy 24 of RSS8 sets out the regional priorities for rural diversification. It promotes the continued diversification of the rural economy where consistent with a sustainable pattern of development.

2.5.3 Policy 23 of RSS8 sets out the regional priorities for town centres and retail development. It promotes the vitality and viability of existing town centres, including market towns, and where a town centre is under performing taking action to promote investment.

## 2.6 **Lincolnshire Structure Plan (SP)**

2.6.1 The draft Lincolnshire Structure Plan (1998) (CD/LC/04) and the policies proposed for adoption (2000) (CD/LC/05) set out the County Council's position relating to the allocation of employment land. Policy 19 of the 1998 draft SP proposed for adoption stated that provision for new employment sites should be on a scale related to the role, function and character of each defined centre. The policy also states how much land should be allocated depending on where towns are within the hierarchy. Despite having gone through the process of an examination in public (EiP) this plan was never formally adopted. The County Council has begun preparation of a new SP (CD/LC/06) and the EiP was held during the summer of 2005. Adoption is anticipated in early 2006. The policy position of the County Council in relation to employment land changed significantly in light of the RSS8 EiP, which was held in winter 2003. In line with RSS8, the SP encourages the allocation and de-allocation of employment land to support the role and function of settlements. The RLP and proposed Pre-Inquiry Changes are consistent with this approach.

2.6.2 Policy E3 of the SP deals with Town Centres, Retail and Leisure. This states that new developments should be located in existing town centres; new development also should not prejudice the vitality and viability of any of the town centres in the hierarchy as set out in Table 6.2 of the SP. The policies relating to shopping and town centres within the RLP are consistent with this approach.

## **3 EVOLUTION OF LOCAL PLAN'S ECONOMY POLICIES AND SUMMARY OF REPRESENTATIONS**

3.1 This section considers the employment provision and the Adopted Local Plan (ALP) and subsequent changes in the RLP. It shows that there were no

substantial changes to the plan's employment provisions between the ALP and RLP. It also provides a summary of the common or strategic themes arising from the representations received.

### **3.2 Adopted Local Plan 1998 (ALP) (CD/SH/02)**

3.2.1 The general locational strategy of the ALP was to guide most new employment development to the towns. Employment allocations were made at Crowland, Long Sutton/Little Sutton, Spalding – Land off Warentree Lane, and Clay Lake, and Sutton Bridge – Wingland Airfield and the Port.

3.2.2 The policy position in the ALP with regard to retail was to ensure that new development would be compatible in scale and character and with the existing shopping centre. There was also a focus on development not harming the town centre environment or accessibility to the main shopping area.

### **3.3 First Deposit Draft Local Plan 2001 (FDD) (CD/SH/04)**

3.3.1 There were no significant changes in the direction of the policy in the FDD, however, there were some changes to the allocations. Land was identified at Donington and Holbeach, and the site at Crowland was de-allocated in favour of a site adjacent to the A1073. The increase in the number of sites to provide for all the towns, and Donington, was consistent with the approach in the 1998 SP and its policies proposed for adoption.

3.3.2 The shopping and town centres policies in the FDD were informed by the Review of Retail Policy 2001 (CD/SH/08). While the policies are not significantly different in their direction, they are different in their wording and arrangement, and deal with a wider range of issues, including Garden Centres, and a number of mixed used allocations that may provide for retail uses.

### **3.4 Re-Deposit Local Plan 2005 (RLP) (CD/SH/09)**

3.4.1 While again there have been no significant changes to the policy position in relation to employment allocations, a significant review process has been undertaken consistent with both RSS8 and the SP. In the light of the review, the allocation at Wingland has been significantly reduced, and will remain under

review, and the site at Crowland has again been changed. The site adjacent to the A1073 has been de-allocated in response to a number of representations received and the proposals to re-route the road. The site at Peterborough Road has been re-allocated, but will remain under review, as for Wingland.

3.4.2 In addition to the reduction in size of the Wingland site, and the keeping it under review along with Crowland, the review process, and representations made to us have identified a need for high quality business parks. The Pre-Inquiry Changes (CD/SH/21) reflect this, and are consistent with the approaches of RSS8 and the SP.

3.4.3 There have been no significant changes to the policy position, with a majority of the policies carried forward unchanged into the RLP; however, there have been a number of new policies included within the section, including hot food takeaways and town centre evening economy.

### 3.5 **Summary of objections concerning the District's economy**

3.5.1 There were a number of objections received in respect of the employment section of the plan's economy chapter. These included:

- appropriate employment allocations are not followed by similar housing allocations;
- appropriateness of the employment allocations;
- the suitability of policies to allow rural employment development and diversification.

3.5.2 There were no major objections made to the shopping and town centres section of the plan's economy chapter, however, this paper does provide an update on sites that could provide retail growth, a key part of the District's economy.

## **4 THE CONTEXT OF THE DISTRICT'S ECONOMY**

- 4.1 South Holland is a rural district whose economy is dependent on agriculture, food production and associated industries. In addition, tourism is also an important element of the economy, as is retail, particularly in Spalding.
- 4.2 Agriculture and the food production industry are, as would be expected, closely linked. The District has a high number of food production and packaging factories providing a significant level of employment. A number of these enterprises are located on allocated employment sites, or on the edges of the towns, however, a number are scattered across the District where they have grown around a farm into a significant employer and producer.
- 4.3 DEFRA has identified South Holland as being a 'lagging' rural district, along with the other Lincolnshire Districts of East and West Lindsey. Lincolnshire Enterprise has started to address this by acknowledging the fact that Lincolnshire is unusually dependent on agriculture in terms of its economy. Lincolnshire Enterprise and Lincolnshire Development combined with the assistance of consultants have studied the reasons why these areas are lagging, and have developed a strategy to address the issues, titled, "The Hidden Crisis: A Rural Strategy for Lincolnshire" (CD/OP/01). In section 4 the report sets out The Rural Strategy, including its vision and objectives.
- 4.4 Within South Holland tourism is a sector of increasing significance and this is identified within the Pre-Inquiry Changes. Tourism in South Holland is promoted by Fens Tourism, which is part funded by Lincolnshire County Council. Its remit is to promote The Fens as a visitor destination. There are a number of developments that have, and will contribute to the growth of tourism in the district. The re-development of Springfields and the rejuvenation of the gardens have provided a significant visitor attraction on the edge of Spalding which has proved to be a successful venture. Springfields is also the start and end point for the annual tulip parade, which in itself attracts up to 200,000 visitors. Long term, the Fens Waterways Link (FWL) is a project to connect the cathedral cities of Lincoln, Peterborough and Ely by inland waterways. The Boston section of the project has planning permission but it is envisaged that the Spalding section of the project, while fully supported by the District Council, will not be progressed in

the immediate future. Once completed it is predicted that the link will attract 200,000 day visitors per year to the area, and an income through boating holidays of over £3million per year.

- 4.5 Retailing is also important to the economy of the District, with Spalding and Holbeach having been designated in the RLP as retail town centres. These town centres are further supported by Long Sutton as a retail district centre, and Crowland, Sutton Bridge and Donington as retail local centres. Following the opening of the Springfields Retail Outlet Centre retailing has increased in its importance within the economy. This development has also had a positive impact on tourism following the rejuvenation of the gardens which was undertaken as a part of the overall development.

## **5 EMPLOYMENT LAND SUPPLY**

### **5.1 Update on sites allocated for employment development**

- 5.1.1 The sites allocated for employment are all within either the Main Town, or the Area Centres. The sites with such allocations are as follows:

#### **5.2 Spalding – land off Wardentree Lane and Spalding Road (Pinchbeck) and off West Marsh Road.**

- 5.2.1 This is the largest of the employment allocations at 105.8ha. A total of 34.09ha has already been developed and a further 33.6ha have planning permission. This site has been allocated for employment uses, and gradually expanded, since the mid-1980s.

#### **5.3 Sutton Bridge – Wingland**

- 5.3.1 An allocation on this site for employment uses was included in the ALP, and dates from the mid-1980s. This allocation was approximately doubled in the FDD. Since this increase in size, with the exception of the development of the power station, there has been very little in the way of interest in the site until very recently when discussions have been held between the Council and interested parties. The allocation in the RLP has been carried forward from the FDD,

however, a proposed Pre-Inquiry Change is to significantly reduce the allocation, which will be kept under review in response to the level of interest that has been received.

#### 5.4 **Long Sutton/Little Sutton**

5.4.1 This allocation was included in the ALP, and has been increased in size in the RLP. The site is between the A17 and Bridge Road. In the ALP the allocation covers the part of the site closest to Bridge Road but in order to improve its commercial attractiveness, the allocation has been extended south to adjoin the A17.

#### 5.5 **Holbeach**

5.5.1 The allocation of this site was a new allocation in the FDD, and has been carried across as a part of a larger strategic allocation for Holbeach alongside residential, community infrastructure and open space. The employment allocation extends to some 10.1ha. There have been no developments on the site, reflecting the fact that the allocation is relatively new.

#### 5.6 **Crowland**

5.6.1 This allocation was included within the ALP as an employment allocation, but was then removed in favour of a site adjacent to the A1073 in the FDD, and reinstated in the RLP as an employment allocation. There has been a small amount of development on the site, but in recent years there has been little in the way of interest, hence the change in the FDD. Currently there is outline permission on the site for 5.24ha which was granted on appeal in 2002, however, this allocation is being kept under review in response to the low level of interest that has been expressed.

#### 5.7 **Donington**

5.7.1 This allocation of this site was a new allocation in the FDD, extending some 10.6ha. To date there has been little interest in this site, but this could be related to the fact that the allocation is relatively new in comparison to other allocations..

#### 5.8 **Port Sutton Bridge**

5.8.1 This allocation provides for the expansion of port-related activity such as warehousing and storage. The site extends to some 12.7 ha, and currently 6.9ha has permission, although no development has yet taken place.

## 5.9 **Other Sites**

5.9.1 In addition to the allocated employment sites, there are a number of other sites within the District that provide a significant amount of employment land. These sites include QV Foods at Holbeach Hurn, and the Geest's site at Holbeach St Marks. Both of these businesses have grown from farm enterprises into significant employers without re-locating to more sustainable locations.

## 6 **QUALITY AND RANGE OF EMPLOYMENT LAND**

6.1 The sites that are allocated in the RLP provide for a range of industry, warehousing and business uses, including those related to the food industry. These allocations generally provide for general industrial development, rather than office and business park accommodation.

6.2 The representations made to the RLP included two objectors who raised the issue of high quality business parks, and the fact that there was no provision made within the RLP for such development. This was also identified in the Regional Employment Land Priorities Study (RELPS) which is summarised in the Annual Monitoring Report Background Paper (CD/SH/17).

6.3 Two sites were put forward in objections to the RLP as sites for high quality business parks. The first was at Barrier Bank in Spalding, the other being adjacent to the existing employment allocation at Wardentree Lane between existing residential and employment land.

6.4 The Council acknowledge that the allocation of a site for high quality business use is needed on a number of grounds, including the fact that there is no such site in the District, and to help in the provision of expanding and diversifying the economy of the District.

6.5 Having looked at each objection and site on its merits, it was determined to propose a Pre-Inquiry Change to allocate the Barrier Bank site. This site was chosen as it is the last of the gateway sites around Spalding has limited strategic landscape value, and could significantly improve the first impression visitors travelling from Peterborough have of the town. This site is better related to the strategic road network than is the Wardentree Lane site, and is relatively easily accessible by public transport, being on the route of the main Peterborough bus service. The development of this site is also less likely to create conflict with adjacent uses. The site itself has frontage development onto Barrier Bank allowing for ease of access. Part of the site currently has planning permission for a truck stop facility.

## **7 DIVERSIFYING THE ECONOMY OF THE DISTRICT INCLUDING THE RURAL ECONOMY**

7.1 As has been discussed in section 4, the economy of South Holland is heavily dependent on agriculture and associated industries. It is a Council aim for the economy of the District to move more towards high knowledge and office based industries. RLP policies EC1-EC4 allow the District Council to consider employment generating proposals, whether or not they are on land allocated for employment. The Pre-Inquiry Change to allocate land at Barrier Bank, Spalding for high quality business park type employment will further support the Council's aim to diversify the economy by providing suitable office accommodation for high knowledge industries. The South Holland Community Plan also encourages diversification through new business start-ups, and the bringing of innovative businesses into the District.

7.2 This approach is supported by the Lincolnshire Economic Strategy (CD/OP/03). Paragraph 4.4 of the strategy states that a "diversified industrial structure" is one of the changes that it is seeking to achieve. Six drivers from the fourteen included in the Regional Economic Strategy have been prioritised; these include economic wellbeing, enterprise and opportunity, and diversity.

7.3 Policies 6 and 24 of RSS8 encourage development opportunities related to the rural economy, and the close working of local authorities and their Sub-regional Strategic Partnership to promote the continued diversification and development of the rural economy. Policy E7 of the Draft Lincolnshire Structure Plan (2004) also promotes the diversification of the rural economy. However, it is felt that this policy does not go far enough in suggesting how the balance between supporting the rural economy and sustainability is to be struck.

## **8 MEETING RETAIL NEEDS**

8.1 Shopping and town centres are important elements of the economy in South Holland, as has been discussed in Section 4. It is therefore important that sites are provided to provide for retail growth, in particular in the retail town centres of Spalding and Holbeach.

### **8.2 Update on Retail Sites Identified in the Retail Capacity Study 2001.**

8.2.1 The following sites were identified in the Retail Capacity Study 2001 as having potential to meet retail need. However, since the study in 2001 there have been a number of developments in Spalding town centre. Changes that impact upon the suitability of the sites identified are detailed below.

#### **8.3 Morrisons, Winfrey Avenue, Spalding**

8.3.1 Focus and Allied Carpets now occupy the existing building. The petrol station has been replaced with 2 new units; currently one is occupied by M&S Simply Food, and the other by Car Phone Warehouse. There is no further capacity on this site.

#### **8.4 The White Hart, Spalding**

8.4.1 There is 0.1ha of this site remaining. A residential development has taken place on the Broad Street frontage, the White Hart itself has been re-let, and some retail development has taken place behind the White Hart. There is still some

scope for this site to accommodate retail growth, however, the size of the site, and its proximity to listed buildings do act as constraints.

#### **8.5 The Crescent, Spalding**

8.5.1 There have been no changes to this site since the 2001 study.

#### **8.6 Foundry Lane, Spalding**

8.6.1 This site has permission to be redeveloped as HQ for local business; some work has already started on site. It is considered that this site is no longer available.

#### **8.7 Postal Sorting Office, Spalding**

8.7.1 This site has permission for change of use to a bowling alley on the ground floor and D2 use on the first floor, however, there have been no changes on site, therefore it is considered that this site still has potential, and is suitable to accommodate retail.

#### **8.8 Bus Station/Chatterton Tower, Spalding**

8.8.1 There have been no changes to this site since the 2001 study.

#### **8.9 Northern Expansion Area, Spalding**

8.9.1 A number of residential and business permissions have been granted on sections of the northern end of the site. However, there has been no change to the southern end of the site. There have been no changes to the suitability of this site, or its potential to accommodate retail growth.

#### **8.10 Land between St Thomas Road & Victoria Street, Spalding**

8.10.1 There have been no changes to this site since the 2001 study.

#### **8.11 Johnson Hospital, Spalding**

8.11.1 Permission has been granted for a new hospital between Spalding and Pinchbeck, so the Priory Road site will become vacant, however this does not change the site's lack of suitability for retailing.

#### **8.12 Low Road, Spalding**

8.12.1 This site has been redeveloped as a residential estate.

**8.13 Other sites that have had retail development since the 2001 study**

**8.14 Springfields Retail Outlet Centre, Spalding**

8.14.1 The Springfields Retail Outlet Centre was included within the Retail Capacity Study 2001, having been granted permission by the Secretary of State in September 2000. The potential impacts of the development were considered in the report, and included in the figures for Spalding for the purposes of estimating retail capacity for the remainder of the plan period for the FDD.

8.14.2 Although the Retail Outlet Centre is a permitted use, its operation is limited by a number of conditions. Should it be proposed for any further development to take place, the proposals can be considered against the Development Plan as it stands at present, and also PPS6. The District Council could look at whether a specific policy approach is required for the Springfields development; this will be best done as a part of the LDF and in particular the Spalding Action Area Plan.

**8.15 Former Finings Site, Westlode Street, Spalding**

8.15.1 The permission for redevelopment of this site to two non-food retail units was granted after the retail capacity update study had been completed. The impact of this development on the retail capacity of the district therefore has not been included. The re-development of this site has recently commenced.

8.15.2 In addition to these two sites, there has also been a smaller development of two non-food retail units on Swan Street in Spalding on the site of the former National Tyre site. Westgate Department Store in Market Place, Spalding has been extended, and the former Welland Holiday Hire Centre site has been redeveloped to a Wyvale garden centre.

**8.16 Other sites that could be included in the sequential approach to site selection**

8.16.1 Within Spalding there is only limited scope to provide for retail growth within or adjacent to the town centre. The sites that have been identified in the Retail

Capacity Study 2001 form a comprehensive list of the sites that could potentially contribute to providing for retail growth, and any constraints that they may have.

## **8.17 Outside Spalding**

8.17.1 Within Holbeach, the District's other Retail Town Centre, there is also only very limited scope for retail growth. It was agreed between the Council and our consultants that there were no readily identifiable sites that could be considered as having the potential for retail growth. There has been no change in the situation; therefore we have not identified any sites.

8.17.2 In order for planned retail growth to take place, the Council needs to allocate land for such developments. As has been discussed, of the sites that have to date been identified, a number have significant constraints. In order for allocations to be made to provide for 5 years retail growth, a new Retail Capacity Study needs to be undertaken. This will be carried out as a part of the preparation of the LDF.

## **9 CONCLUSION**

9.1 The RLP policies for Economy accord with National, Regional and sub-regional guidance. We have reviewed our employment land allocations and have sought to ensure that we have provided for a range of needs, while ensuring suitability and deliverability during the plan period. While we have not allocated land solely to provide for retail growth, we are committed to carry out a full review of the District's retail Capacity with a view to being able to make allocations, if necessary, in the Local Development Framework. The policies, incorporating the Pre-Inquiry Changes, provide appropriate areas of development in the urban and rural areas and will increase employment opportunities within the District.