

TOPIC PAPER 6: Employment

The way that the whole town develops in the future will be affected by planning decisions. Crawley Borough Council has started work on a new local plan that will help to guide development in Crawley over 15 years from 2014-2029.

This consultation period forms part of the early engagement, and further consultation stages are planned before the document is adopted in 2014. Comments received to earlier consultation periods, including to the Topic Papers in 2009, the Town Centre North Supplementary Planning Document and the Manor Royal Masterplan, will continue to be taken into consideration, alongside the technical evidence base, when formulating the Local Plan Preferred Strategy. The Preferred Strategy will be made available for a further period of consultation later in 2012.

This is your opportunity to shape the way the town develops and the council would appreciate and value any comments you have on this Topic Paper or any of the others that form part of this consultation.

Consultation Questions:

Moving on from the previous Issues and Options Consultation undertaken in 2009, the Council would be interested in hear you response to the questions set out below. However, please comment on any issues you feel we have missed or which are particularly important to you.

- E1. What role does the quantity, type and quality of housing provision in Crawley have on the availability of an appropriate local workforce to support the economy?
- E2. If the level of economic growth will be unlikely to keep pace with population growth, should the level of future housing development be limited in Crawley, as a way of managing potential unemployment or the need for significant out commuting?
- E3. What are the advantages and disadvantages of Crawley as a business location, especially business start ups? Is Crawley's current planning policy approach a limiting factor on growth and inward investment, or does our policy approach support the growth of the economy? Or, are there any physical barriers to relocating to, or starting a business in Crawley such as a lack of certain floorspace, or infrastructure problems?
- E4. It has been identified that a potential opportunity for a strategic campus style business park might existing in Crawley, or somewhere nearby, and that this form of floorspace would be an opportunity to further develop high quality employment opportunities. What are the implications on Crawley and Manor Royal in particular of supporting this approach, and how would we make a strategic development compatible with our existing economy?
- E5. Should a different approach to the expansion of Gatwick, possibly with two runways be supported to ensure long-term economic growth for the Borough and the sub-region? Should restrictions on surplus buildings within the airport boundary be relaxed permanently to encourage diversification?

Summary of Current Context:

This paper supports the Council's January 2012 Local Plan Consultation. It identifies the adopted policy framework guiding development, the challenges to be addressed through the Local Plan review, the headline findings of the latest Employment Land Review, our intended approach to Local Plan policy development and the key evidence base documents informing our work.

This consultation period is the first of the Review and further consultation stages are planned before the document is adopted in early 2014. This is your opportunity to shape the way the town develops over the next 20 years and the Council would appreciate and value any comments you have on this Topic Paper or any others that form part of this consultation.

The adopted Crawley Economic Plan (2011-2016) provides a series of short, high level statements that articulate the over arching guiding principles of how the Council operates in pursuit of its economic plan. The Council aims to:

- Build on the core strengths of Crawley's economy including existing business and sector strengths, commercial centres and Gatwick Airport;
- Support new development and investment (commercial and residential) that contributes to the advancement of our local economy provided it does not represent an *unacceptable* threat to the quality of life of our residents, environment or existing employment areas;
- Work to promote the attractiveness and appeal of the town and its employment areas;
- Manage our commercial assets in a way that is consistent with commercial market forces and apply our powers in a way that encourages good business practice and not interfere with business development except where wider economic, social or environmental considerations warrant it;
- Support the efforts of businesses to trade in an environmentally-friendly way and encourage the development of socially and environmentally responsible businesses;
- Promote the development of local networks and the use of local suppliers;
- Work to create opportunities for local people to make choices about what *they* consider to be in their best interest balancing the immediate needs of our diverse community and businesses while enabling the town to adapt to accommodate an increasingly more skilful and knowledge-driven economy;
- Engage positively and regularly with the business community and economic partnerships to develop supportive policy and resolve problems where we can, including those related to labour, housing supply and transport.

Linking into these objectives, the Borough Council Core Strategy (November 2007) articulates a spatial vision and development strategy for Crawley up to 2016. The strategy seeks to reinforce Crawley as the economic driver of the Gatwick Diamond economic sub region through the delivery of approximately 280,000m² of additional employment floorspace, protecting the loss of employment land to alternative uses, diversifying the economic footprint of the Borough away from the aviation sectors, and supporting the intensive redevelopment of outdated employment stock. Development of smart growth and a knowledge economy underpinned this strategy, and it was recognised that the Borough's residents would require enhanced educational facilities to access the best employment opportunities. These objectives

translate in to a policy framework that retains a strict blanket floorspace retention policy unless strict criteria are met, and a focus on encouraging developers to maximise the quality of their developments, both visually and in terms of the type of floorspace built with a preference for grade A office and knowledge related floorspace.

Key Issues:

The Borough Council is now looking to update and replace the Core Strategy with a Local Plan for the period 2014-2029. Obviously the current economic climate creates challenges for the Local Plan as it tries to meaningfully reinvigorate the original objectives against a back drop of economic uncertainty that has created additional challenges. A number of evidence base documents exist (listed under Evidence Base Documents) which have informed our view of the local economy, as have past consultation events undertaken as part of earlier Core Strategy review work and the specific work undertaken as part of the Manor Royal Masterplan. Combining local knowledge with an understanding of the difficulties created by weak economic growth and a changing policy framework, leads us to conclude that the main challenges to be addressed are:

- A shifting planning policy hierarchy resulting from the imminent abolition of the adopted South East Plan and National Planning Policy Guidance / Statements, and replacement with the National Planning Policy Framework (NPPF). Notably the potential for certain use classes of employment land to move freely to residential uses, which is contrary to Crawley's existing policy approach;
- A need to establish Crawley's economic footprint in terms of the knowledge economy and smart growth, and the wider sub-region's objective for high value added activity. Particularly identifying the economic sectors we aspire to be exceptional in, the level of intervention required to develop these sectors and how Crawley's economy relates to the wider sub-region;
- The creation of a fluid business environment that is conducive to business development and which shifts the emphasis from direct competition for jobs and business to one of local business incubation, greater representation of the knowledge economy, innovation, leakage prevention and cooperation with our neighbours on issues such as a strategic campus style employment location and Crawley's role in the sub-region.
- The creation of a clear locational approach to dealing with the functionality of the broader economy that creates a pressure for out-of-town centre warehouse retail opportunities in our main employment areas, the relaxation of occupier restrictions for business floorspace within the Airport Boundary, and a demand for Storage and Warehousing floorspace;
- The need to reconsider the economic merits of supporting Gatwick Airport as a two runway operation; and,
- Development of a systemic approach to growing the local economy from within, addressing equity issues in terms of local income and access to the best job opportunities, and the building of local capacity of skills and local resources.

Options:

To inform the Local Plan, Crawley Borough Council, Horsham District Council and Mid-Sussex District Council commissioned a two-part Employment Land Review to develop an understanding of the potential growth scenarios for all three authorities in combination and individually. Whilst not the only piece of evidence informing the development of the Local Plan, the Employment Land Review forms the principle evidence base document. The key findings of this study were:

- Crawley's economy is characterised by a high proportion of jobs in the air transport sector and activities related to transport, as well as retail, hotel and restaurant sectors. That is not to say that Crawley is overly reliant on Gatwick for employment, as the Borough has developed a role as a sub-regional centre for consultancy and legal activities as well as a specialism in the manufacture of communications and precision and optical equipment. Yet despite the breath in job opportunities which results in a large net in-commute in the South East, average salaries for Crawley residents fall below those paid by Crawley based businesses, suggesting a local skills deficiency;
- Crawley has a considerable extant supply of permissions (239,000m²) that does not necessarily satisfy current market demand for opportunities to develop B8: Storage and Distributing uses. The recent trend has been a demand for out of town centre retail warehousing and B8: Storage and Distribution development opportunities;
- Crawley needs to shift the economic footprint 'up the value-added chain' to drive productivity, investment, innovation and enhancement of skills in the labour pool which means a greater emphasis on innovation and educational opportunities;
- Growth predictions suggest a potential demand for between 7,000 and 70,000m² of additional floorspace for the period to 2026 and qualitative improvements as well to support the aspirations for higher quality. However, the growth rate assumptions and period of consideration now need reviewing to take account of recent sluggish economic growth and the longer plan period the Local Plan will cover. Potential growth sectors include aviation, sustainable construction, low carbon goods and services, scientific research and development, pharmaceuticals, insurance and pension funding and high tech manufacturing (including electrical / optical and medical / precision engineering); and,
- Provision of a strategic campus style employment development is not needed to support growth in the existing local economy, but would be an opportunity to add complementary development and diversity to the wider sub-regional economy.

Indication of Potential Direction:

At the time of writing, the current economic climate remains fluid and uncertain with potential structural and growth implications for the Borough and the wider sub-regional economy. In the lead up to the next version of the Local Plan, work will focus on encapsulating these complexities into our evidence base to ensure our policy approach remains relevant and flexible enough to avoid hindering growth opportunities.

Evidence Base:

- BDP (2008) Crawley Manor Royal: Final Report
- CBC (2011) Manor Royal Business District: Business: Business Analysis and Engagement
- CBC (2011) Crawley's Economic Plan (2011 – 2016): In Support of Prosperity
- CBC (2011) Crawley's Economic Plan (2011 – 2016): Measuring Prosperity
- Department for Communities and Local Government (2009) Planning Policy Statement 4: Planning for Sustainable Economic Growth
- Department for Communities and Local Government (2011) Draft National Planning Policy Framework
- Gatwick Diamond Initiative (2008) Gatwick Diamond Futures Plan Report
- GL Hearn (2009) Northern West Sussex Economic Appraisal: Part 1 Employment Land Review (Final Report)
- GL Hearn (2009) Northern West Sussex Economic Appraisal – Part 1 Scenario Paper (Final Report)
- GL Hearn (2010) Northern West Sussex Economic Appraisal: Part 2 Employment Land Review (Final Report)
- GVA Grimley (2010) Manor Royal Supplementary Planning Document
- GVA Grimley (2010) Manor Royal Masterplan
- Nathaniel Lichfield and Partners (2011) Crawley Borough Council Locally Generated Housing Needs Assessment
- Prowse and Co. (2011) Gatwick Diamond Initiative: Business Barometer Survey Findings

Gatwick Green Specific Evidence

- Deloitte (February 2009) Gatwick Green: An Economic Study
- GHK (April 2011) Gatwick Green: Transformation and Rebalancing the Local Economy
- GHK (March 2009) Gatwick Green: Vision and Potential Occupiers Profile for Gatwick Green Consortium
- Savills, Wilky, Prudential & The Crown Estate (2006) Gatwick Green Land Use Proposals
- Savills, Wilky, Prudential & The Crown Estate (March 2009) Gatwick Green Development Concept
- Savills, Wilky, Prudential & The Crown Estate (June 2009) Gatwick Green Evidence Base
- Savills and GHK (June 2010) Gatwick Green – Delivering smart growth and additionality
- Vail Williams (March 2009) Report on the commercial B1 property market in Crawley and the wider Gatwick Diamond region in connection with the Gatwick Green development proposals