Cotswold District Local Plan 2011-2031

Local Plan Examination

2017

Topic Paper 6:

Employment

COTSWOLD
DISTRICT COUNCIL

Introduction

1. This topic paper explains the background to and summarises the main evidence supporting the proposed employment and economic development policies in the Cotswold District Local Plan 2011-2031 Submission Draft (as amended by Focussed Changes and Minor Modifications), which is hereafter referred to as 'the draft Local Plan'. It sets out the economic context, key findings of the economic evidence and forecasts undertaken. The topic paper demonstrates that the Local Plan:
   - provides an appropriate strategy for the delivery of employment and economic development in the District
   - includes the allocation of a robust supply of employment land to meet potential demand
   - delivers the optimum solution to ensure that sites are viable and deliverable
   - provides positive support for non B Class economic development and employment including retail and tourism
   - meets the needs of rural areas for economic diversification

2. The council considers that its economic development strategy, approach to providing new employment land and floorspace, safeguarding existing employment sites and supporting key local businesses meets the soundness tests set out in National Planning Policy Framework for local plan preparation.

3. This Topic Paper is a position statement at February 2017 and will be updated in summer 2017 following the completion of the Employment Land Assessments and Annual Monitoring Reports 2017.

Cotswold Economic Overview

4. The Business and Industrial Trends Report [1] provides a profile of the district's economy and performance compared to county and national averages at November 2015.

5. This analysis shows that the district is economically healthy, with generally affluent communities, low unemployment rates and high activity rates. There has been strong job growth, particularly since 2010, with notable job growth in part time and self-employment. Cotswold reports strong total jobs growth in Food and Accommodation and Professional, Scientific & Technical Activities sectors. However, there are distinct and more recent job losses reported in Wholesale and Retail together with losses in Education, Public Administration and Defence.

6. At 2015, ONS workforce jobs data shows there were 51,000 total workforce jobs[2] in Cotswold – equivalent to 15 per cent of all jobs in Gloucestershire. Cotswold has reported

[1] Industrial and Business Trends, Nupremis Cambridge Limited November 2015

strengths in Finance and Business Services, ICT including science and technology, Retail and Accommodation and Food Services. Notable employers include St James's Place, Mitsubishi, The Colt Car Company, Campden BRI, Royal Agricultural University and Fire Services College. The district has a higher representation of smaller enterprises in the district: 89 per cent are micro businesses (1-10 employees) and only 10 enterprises are over 250 employees.

7. Each of the larger Cotswold towns has a strong and distinctive role. However, Cirencester is by far the most dominant economic centre with approximately one quarter of the District's population (nearly 20,000) and over 30 per cent of jobs (around 13,500 jobs) based in the town. Cirencester is the district's key location for business services, finance, retail and public services.

8. The 2011 Census shows that the District is relatively self-contained although it is a net importer of labour of under 2,000 people from predominantly adjoining districts including Swindon, Wychavon and Stroud.

9. The district has the highest rates of employed residents in senior professional and technical roles in the County, has the 7th highest level of home working in England and 19 per cent of the resident employed population are self-employed. However, there are pockets of deprivation and median wages for people working in the district are below the national average. The cost of living in the area is high and the affordability of housing is a key issue for the District, as a result businesses face skill and labour shortages.

10. It is estimated that the Cotswold economy generated between £1.69 billion and £1.86 billion in economic output in 2011. Forecasters predict this could grow to between £2.96 billion and £3.28 billion by 2031. The annual rate of increase in Gross Value Added (GVA) is 2.3 per cent and 2.4 per cent, marginally above the UK average forecast growth of 2.2 and 2.3 per cent reported at November 2015.

11. The Strategic Economic Plan (SEP)[3] includes wide ranging ambitions and includes commitments to deliver a GVA average annual increase of 4.8 per cent. Its sets an aspiration to create 33,900 jobs across Gloucestershire and protect a further 2,125 jobs between 2012 and 2025. This is equivalent to a job growth rate of 0.8 per cent/annum across the county. This rate of growth is consistent with the local plan jobs growth assumptions.

12. The SEP ambitions for GVA improvement will require a significant uplift in economic performance and interventions which deliver transformational change. Both the Local Plan and Strategic Economic Plan seek to improve productivity through developing key

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[2] Total workforce jobs is a workplace-based measure of jobs and comprises: employees (from the Business Register and Employment Survey), self-employment jobs (from the Annual Population Survey), government-supported trainees (from DfES and DWP) and HM Forces (from MoD).

[3] Strategic Economic Plan for Gloucestershire, March 2014, GFirst

sectors, improving skills, unlocking infrastructure and transport constraints and providing business support.

13. Cotswold District Council recognises that the district complements the growth aspirations for the County but it is not key geographic focus for economic growth in Gloucestershire, the functional economic area identified by the local enterprise partnership, GFirst. However, with a highly skilled population and key business assets, Cotswold offers a unique business location with a high quality of life within an internationally recognised outstanding natural environment and built heritage assets.

Business and Stakeholder Consultations

14. During the draft Local Plan preparation, the district council has engaged widely with the business community to provide intelligence and insight to ensure that it has the benefit of a fuller picture of its economic strengths, challenges and opportunities. Alongside the statutory Local Plan consultations, the district has held a series of seminars, meetings with key businesses, business organisations and their representatives, commercial land agents and developers. This has included a series of briefings and meetings with GFirst and representative members of its Construction and Infrastructure Group which has resulted in a positive understanding between Cotswold District Council and GFirst[4].

15. The evidence and analysis compiled since 2012 presents a consistent view on the existing portfolio of sites and premises within Cotswold District re-iterating market strengths but also key issues that need to be addressed. The most recent business and property market consultation was conducted in September and October 2016. Stakeholders confirm the 'Cotswold Brand' is a strong asset which still attracts entrepreneurs and businesses to the area. Office and warehousing enquiries focus upon Cirencester, whilst industrial and manufacturing sites are more scattered across the district.

16. Businesses and agents confirm low vacancy rates in existing commercial premises and a severe shortage of employment land and premises for business to grow and expand. Evidence prepared in 2014[5] reports that based upon the 2008 CLG estimates of total office, light industry and warehousing floor space within the district the total vacant space at 2014 amounts to approximately 5.5 percent of total office floor space and 10 percent of industrial.

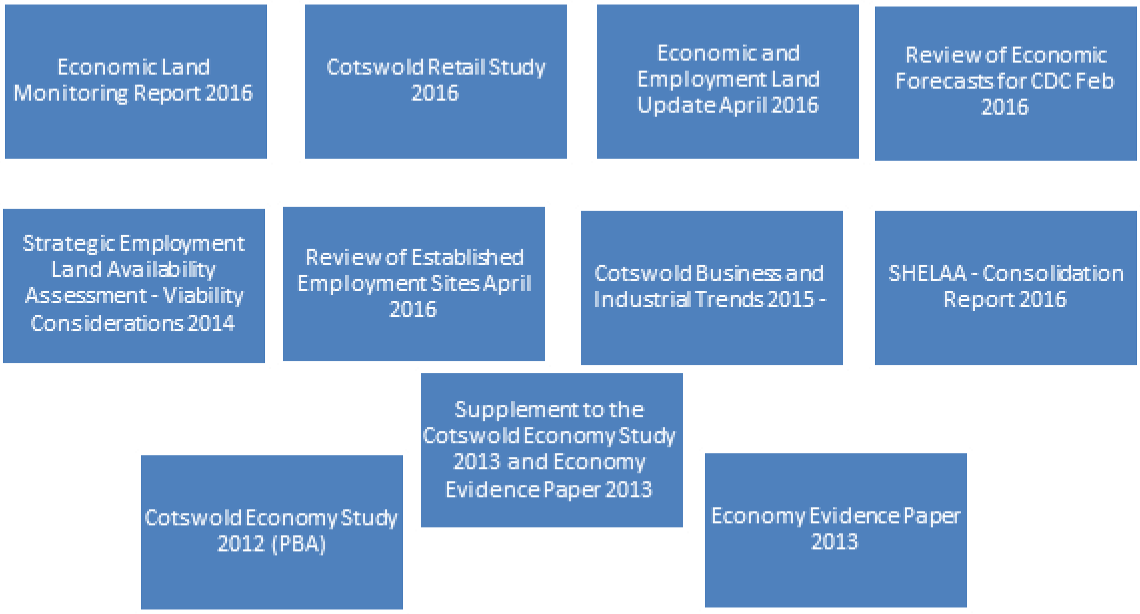
17. In addition, current rental values, although increasing over the last two years, remain below the levels required by institutional investors, and development is more likely to come forward to meet individual business need as bespoke design and build projects. This is confirmed by a report by Hewdon Consulting for the district in 2014[6]. Importantly, land agents highlight the loss of employment space to residential use and particularly that town

[4] Letter confirming support can be found in the Duty to Co-operate Statement
[5] EVIDENCE PAPER: Supplement to Cotswold Economy Study 2012 and Economy Evidence Paper 2013 NOVEMBER 2014, Cotswold District, Council
[6] Strategic Employment Land Availability Assessment Viability Considerations, Hewdon Consulting, May 2014

centre, historic buildings do not generally meet modern business requirements and consequently rental levels are less than half business park rentals (£6 to £7 sq ft).

Evidence Base

18. National Planning Policy Framework requires the Local Plan to be based upon up to date evidence and intelligence. The key evidence documents are detailed in the table below.



19. This Topic Paper highlights three reports:

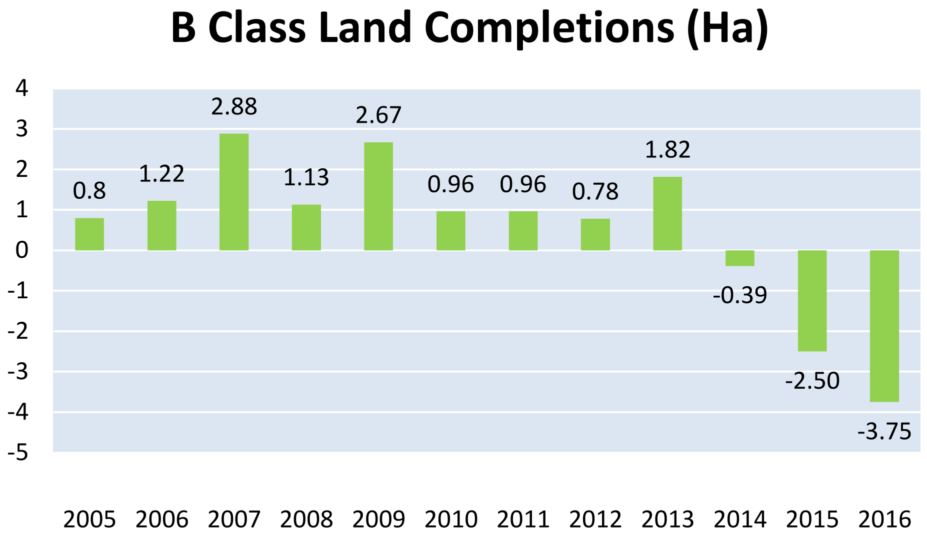
- Economic Land Monitoring Report 2016
- Review of Economic Forecasts for Cotswold District (February 2016)
- Economy and Employment Land Update (April 2016)

Economic and Employment Land Monitoring Report

20. The Council's Monitoring Report[7] is used to identify completions since April 2011 to March 2016. The outputs of the monitoring reports between 2011 and 2016 have been reviewed and updated to reflect updated information and to ensure a consistent approach across each monitoring report. The monitoring reports detail a net supply completion loss of 4.05 hectares of B Class employment land between April 2011 and March 2016.

[7] Economic Land Monitoring Report 2016, Cotswold District Council

Table 1: B Class Employment Land Completions 2005 to 2016



Source: Cotswold District Council – Economic and Employment Land Annual Monitoring reports

21. Analysis in the Economy and Employment Land Update April 2016[8] reports that the loss of B Class land has been driven by loss of employment land to residential use and to retail uses across the District. Analysis also suggests this trend has undoubtedly increased due the impact of the change to permitted development rights. The loss of employment land to residential is likely to have a significant impact upon business land supply and consequent impact upon the economic health and economic opportunity within the district.

22. Economic and Employment Land monitoring also reports distinct recycling of B Class land. Between 2011 and 2016, 48 per cent of land where a loss of B1, B2 or B8 Use Class land was recorded, an alternative B1, B2 or B8 Use Class was implemented on the same site. The analysis demonstrates that there is significant churn within B Class developments. Existing sites and premises may not meet the current business needs or standards of a particular business and are therefore vacated. However, these sites may still be suitable for alternative B Class development.

23. The Employment Land Monitoring Report at 31st March 2016 reports that the district has B Class employment land planning commitments of 2.92 hectares and 12,855 sq m B Class employment space. The net commitment for each B Class land commitment is detailed below:

[8] Economy and Employment Land Update April 2016

Table 2: B Class Employment Land Planning Commitments at 31st March 2016 - Hectares

Use Class	Gain	Loss	Net Change
B1 General	5.21	1.58	3.63
B1 Office	1.49	1.96	-0.46
B1 Research and Development	0.02	0	0.02
B1 Business General	1.78	2.34	-0.56
B2 Class	2.39	0.93	1.46
B8 Class	2.80	3.97	-1.17

Source: Cotswold District Council – Cotswold Economic Land Annual Monitoring Report 2015 to 2016

Review of Economic Forecasts to 2031 (February 2016)

24. The Review of Economic Forecasts[9] provides an analysis of four economic forecasts commissioned by Cotswold District Council to inform the development of the Cotswold Local Plan and analysis by NMSS to identify the District's Objectively Assessed Housing Need (OAN). The forecasts are reported in Table 3. The forecasts were prepared by Cambridge Econometrics (CE) and Oxford Economics (OE) in August 2014 and November 2015.

Table 3: Forecast Job Growth, Oxford Economics and Cambridge Econometrics 2014 and 2015

	Net Jobs Growth			Average Annual Jobs Growth		
	2011-14	**2011-31**	**2014-31**	**2011-14**	**2011-31**	**2014-31**
CE 2014	3,700	8,700	5,000	1,200	400	300
CE 2015	7,200	11,900	4,700	2,400	600	300
OE 2014	3,000	7,800	4,800	1,000	400	300
OE 2015	4,500	10,500	6,000	1,500	500	350

Source: Cambridge Econometrics August 2014 and November 2015. Oxford Economics August 2014 and November 2015

25. The 2015 forecasts report that between 2011 and 2031 the net increase in forecast jobs is between 10,500 and 11,900 jobs. Using a methodology which is consistent with both the Stroud Local Plan and the Joint Core Strategy for Cheltenham, Gloucester and Tewkesbury, the increase in jobs requiring B Class land amounts to 4,500 to 5,900 jobs for the period 2011 to 2031. Between 2014 and 2031 the total number of new jobs reported ranges from 4,700 to 6,000, of those, new B Class jobs range between 1,500 and 3,700 jobs.

26. Economists and economic forecasters view of the UK's economic future has changed and is changing since the EU referendum and of course that is not available in the forecasts prepared in 2015. Oxford Economics' UK Regional Economic Briefing Autumn 2016 states that growth prospects have been downgraded and long term forecasts for local authorities have been lowered in the light of the BREXIT vote. It is likely that these 2015 forecasts now represent the very highest levels of forecast economic growth given the levels of

[9] Review of Economic Forecasts for Cotswold District Council February 2016

economic uncertainty; however, the scale of impact is far from clear over the period to 2031.

27. OE forecasts that the value of the Cotswold economy will increase from £1.69 billion in 2011 to £2.97 billion in 2031. CE forecasts higher values increasing from £1.86 billion in 2011 to £3.28 billion in 2031. CE projects that GVA in Cotswold will grow at an average annual rate of 2.3 per cent per year – below its historic, pre-recession trend of 3.8 per cent per year (1991-2008) but similar to UK average forecast growth of 2.2 per cent per year. Likewise, OE projects that GVA in Cotswold will grow at an average annual rate of 2.4 per cent per year – below its historic, pre-recession trend of 3.2 per cent per year (1991-2008) but similar to UK average forecast growth of 2.3 per cent per year.

Economy and Employment Land Update (April 2016)

28. This report provides an update to the evidence paper: 'Supplement to Cotswold Economy Study 2012 and Economy Evidence Paper 2013' dated November 2014. Building upon earlier evidence, this report provides new information, data and utilises the more recent economic 2015 forecasts and scenarios to ensure that the calculations for employment land and floorspace is appropriately updated to inform Employment Land Allocations and Policies in the draft Local Plan.

29. This Employment Land Update considers the employment land implications of a series of tests based on recent baseline economic forecasts detailed above, alternative scenarios, completion trends and consideration of demographically derived labour impacts. These tests and assessments align with National Planning Practice Guidance. In each case a 5 year land supply buffer is added to ensure consistency with the approach in the Stroud and JCS methodological approach. A summary of the results, including the 5 year buffer, is detailed below in Table 4.

Table 4 - Employment Tests and B Class Land Implications 2011 to 2031 (includes 5 year land buffer)

B Class Land Implications 2011 to 2031 ha		
	CE 2015	**OE 2015**
Baseline Forecasts	**24.37**	**31.94**
Baseline Forecasts – sensitivity test 1	**26.11**	**35.78**
Alternative Scenario	**9.50**	**14.10**
Alternative Scenario – sensitivity test 2	**16.70**	**24.72**
B Class Completion Trend	**24.80**	

Source: Cambridge Econometrics November 2015, Oxford Economics November 2015 and Nupremis Cambridge Limited.

30. The outputs of the analysis highlight the different land implications depending upon the type of sector that is anticipated to grow in each of the forecasts. The OE Model suggests a higher level of growth in the private sector and therefore more land is required on

business parks and town centres. Conversely the CE model sees less growth on B class employment land and higher growth in those locations which require a mixed use environment such as Health and Education; Other Services; Recreation and Arts, Food and Accommodation.

31. Using the methodology identified in the Economy and Employment Land Update Report 2016, the calculated B Class requirement for Cotswold District equates to a range between 19 hectares and 25 hectares for the baseline economic forecasts. Whilst the five year land supply buffer is not a requirement set out in NPPF or NPPG, the guidance recommends that the land supply provides choice for the plan period. To ensure consistency with Stroud and JCS Local Plans, the employment land calculations include this 5 year land buffer to provide choice of land over the plan period. The total B Class requirement for the period 2011 to 2031 equates to a higher range of 24.37 hectares to 31.94 hectares.

32. Having regard to the economic forecasts and scenarios, trends in employment land completions, and the need to align with the G First Strategic Economic Plan, the assessment recommends that a sound assumption would be to plan for an overall B class land requirement of in excess of 24 hectares for the period 2011 to 2031. This is a minimum figure and additional policies safeguarding employment sites, promoting development at the three Special Policy Areas and support for rural diversification on non-allocated sites are supported.

Local Plan Policy Approach

Local Plan Employment and Economic Development Strategy

33. National Planning Policy Framework states that to help achieve economic growth, local planning authorities should plan proactively to meet the development needs of business and support an economy fit for the 21st century.

34. The economic performance reported by the data, the economic forecasts and the stakeholder engagement suggests a strong and vibrant economy with Cirencester as the primary business location and retail centre. The consultations have also identified key businesses and institutions which have ambitious plans to remain and grow within the district. The district both attracts workers from outside the district to work and workers commute out. The visitor economy remains robust and baseline forecasts suggests that the net increase in non B – Class sector jobs such as retail, food and accommodation, education, health and other services is reported as a range of 4,600 and 7,300 jobs between 2011 and 2031.

35. The policy and employment land response in the Local Plan seeks to reflect a growing and dynamic economy, recognising the need to support more ‘traditional’ employment land requirements to support a higher value economy together with self- employed workers and those who choose to mainly work from home.

36. In response to these challenges and opportunities, the draft Local Plan sets out an appropriate strategy for the delivery of employment and economic development. The key spatial economic objectives for the district are set out in **Policy EC1**.

37. **Policy EC1** specifically supports the creation of high quality jobs, capitalises on the strength of existing academic, training and research institutions and maintains and enhances the vitality of the rural economy. Importantly the plan encourages the vitality and viability of town and village centres as places for shopping, leisure, cultural and community activities, whilst maintaining Cirencester's key employment and service role. The visitor economy is recognised as a significant contributor to the local economy and the policy supports sustainable tourism with a view to attracting higher numbers of longer – stay visitors.

38. In response to the variance in the type of sector job growth in each of the forecasts, the amount and type of proposed B Class employment allocations in the Local Plan together with strong safeguarding policies and support for rural diversification provide sufficient flexibility to support a range of employment opportunities to meet the potential demand for growth and support the implementation, and align with, GFirst's Strategic Economic Plan.

Employment Land requirement identified and planned for (Policy DS1)

39. NPPF is clear that the planning system should support sustainable economic growth. This section demonstrates that the draft Local Plan provides an adequate supply of employment land which reflects potential demand.

40. The District takes a positive approach towards its objectively assessess development needs. The housing and economic assessments and methodologies, together with the resultant policies are aligned and complementary. The objectively assessed housing need and the employment land requirement assessments have been based upon a consistent understanding of underlying housing and economic trends and baseline economic forecasts and alternative economic scenarios.

41. **Policy DS1** identifies 17 principal settlements which are considered to be the most sustainable locations to meet the District's future housing and economic development requirements. The policies and objectives in the Local Plan supports sustainable economic growth by focussing growth on the 17 principal settlements where sufficient available and deliverable employment land has been identified. The Local Plan seeks to make provision for the objectively assessed employment and economic needs of the district by allocating new B Class employment land in these principal settlements.

42. To ensure consistency across the Gloucestershire economic area a methodological approach which reflects other Gloucestershire authorities provides a sound indication that in excess of 24 hectares of B class employment land will be required in Cotswold District over the plan period. Importantly, the amount and type of B Class employment allocations

in the Local Plan should provide sufficient flexibility to support a range of employment opportunities to meet a range of B Class industry sector jobs growth given the difference in assumption in the forecast model outputs.

43. The Local Plan Policy proposes to allocate at least 27 hectares.

Table 5: 2016 Proposed Employment Allocations

Settlement	Employment Allocations (Reg 19)
Cirencester	9.1
Bourton	3.38
Chipping Campden	0.67
Lechlade	1.25
Moreton in Marsh	7.00 2.03
Tetbury	2.08
Willersey	1.97
Total	27.48

Source: Cotswold District Council Local Plan 2011 to 2031 Submission Draft Regulation 19 Consultation: 19 June 2016 and Focussed Changes Addendum to the Local Plan 19 December 2017

Spatial distribution of employment allocations and assessment

44. The Strategic Employment and Economic Land Availability Assessment[10] reports a very limited supply of sites on existing business parks that are available and outside existing planning permissions. The current commitment figure at 31st March 2016 (2.92 hectares) for B Class land represents approximately two years supply of employment land in the district.

45. The Strategic Housing and Economic Land Availability Assessment (SHELAA) – Consolidation Report January 2016 identifies a total potential economic land capacity of 76 hectares plus the potential for an additional 117 hectares at Fire Services College, Moreton in Marsh. This information to be updated with new SHELAA data in Summer 2017.

46. It is essential that the allocated sites are viable and deliverable. Hewdons in May 2014 concluded that new development is more likely to come forward due to the value that specific businesses have for a Cotswold location. However, capitalising and extending existing business park and business locations creates the best potential to support growth. Broadly, the additional investment costs would be minimised as existing infrastructure would be in place on existing sites. Hewdon's confirmed that there is a good prospect of development being achievable on the sites proposed. In addition, there is unlikely to be an alternative allocation strategy that would be more viable.

[10] SHELAA Consolidated Report January 2016

47. Taking forward the economic strategy, the Hewdon's advice on viability, and the findings of a raft of other evidence gathered, a robust site selection process has been followed for identifying employment site allocations.

48. There were 3 phases to the process. Phase 1 essentially involved identifying potential development sites for employment uses through the Strategic Employment Land Availability Assessment (SELAA) process (May 2014). The SELAA output was then used in the second phase of site selection which comprised further evidence gathering, more detailed assessments, and also community engagement and sustainability appraisal. Phase 3 of the site selection process appraised the sites against a set of site selection criteria in light of the evidence that had been gathered. An Officer Panel, which included the Council's economic advisory consultant, carried out the appraisals and produced a series of recommendations on whether a site was considered suitable for allocation or not.

49. The site selection process is explained in detail in the "Evidence Paper to Inform the Non Strategic Housing and Employment Site Allocations" (November 2014). The analysis of the evidence, and assessment of sites against the selection criteria is also presented in the evidence paper and accompanying Appendices. An update to the Evidence Paper was published in April 2016 'Evidence Paper Supplement: to Inform the Non Strategic Housing and Employment Site Allocations April 2016') to incorporate new evidence, and to review the site recommendations. The recommendations set out in the Evidence Papers were carried through into the draft Local Plan.

50. The resulting site allocations are considered to represent the most suitable, viable and appropriately located sites in the District. Together they meet the forecast employment land requirement for B Class land and support and help deliver the economic strategy and overall Development Strategy of the Local Plan.

Safeguarding existing Employment Locations Policy EC2

51. Due to the District's environmental and heritage constraints, it can be difficult to find suitable sites for new employment land. In addition, the monitoring reports show a distinct loss of B Class floorspace and employment land over the last 3 years of monitoring. Business stakeholders report a distinct shortage of employment land and premises. Therefore, alongside the allocation of new employment sites, and to secure an adequate supply of employment land it is critical that the best use is made of existing employment sites and premises. Existing sites are serviced and that offer immediate opportunities for businesses to expand and for new business to establish.

52. The Employment Study (Vol. 1, 2012) by Peter Brett Associates[11] , the Employment Land Update 2016, the Update to Cotswold Economy Study Part 2, Vol 2 Employment Study (Existing Employment Sites) April 2016[12] and business stakeholder engagement have

[11] Cotswold Economy and Retail Study October 2012
[12] Update to Cotswold Economy Study Part 2, Vol 2 Employment Study (Existing Employment Sites) April 2016

commented upon and reviewed the existing employment supply position and assessed future employment needs. The analysis concludes that it is critical that existing employment sites in good use that support the existing economy should be protected from speculative development applications that could undermine economic activity in the District.

53. In 2012, three sites in the District were recommended for release from employment uses in the Employment Study (Vol.1, 2012). This approach is supported and accords with NPPF (para 22) where planning policies should avoid the long term protection of sites not required for employment purposes.

54. It is clear that a safeguarding policy, including the list of sites identified in the 2012 Economy Study (Peter Brett Associates), as updated by the 2016 study, is critical to protect existing sites and premises to offer space for new and indigenous businesses to grow. The sites listed in Appendix E of the Local Plan are considered valuable employment locations and are recommended for protection. It is considered that there is reasonable prospect of these sites being retained and used for employment purposes in accordance with Para 22 of National Planning Policy Framework.

Special Policy Areas Policy EC4

55. Land allocations and policies must also support the district's key businesses and institutions. During the Local Plan consultations key businesses and institutions have sought a positive policy response to support their own growth objectives. These organisations have significant and substantial sites in the District's more sustainable settlements and support wider supply chains. Three distinct sites have been submitted, through the consultation process, to support their future growth plans and aspirations. These organisations are Campden BRI at Chipping Campden, Royal Agricultural University in Cirencester and the Fire Services College at Moreton-in-Marsh.

56. In response, the Local Plan identifies 3 new Special Policy Areas at Royal University College, Fire Services College and Campden BRI, which provide a bespoke approach to development opportunities at each site whilst considering environmental and social considerations. It has proved to be influential in providing a robust policy framework on which partners can base key business decisions at these locations. In addition, these policies repsond to the approach advocated in NPPF to plan positively for the location, promotion and expansion of clusters or networks of knowledge driven, creative or high technology industries.

Proposals for All Types of Employment-Generating Uses Policy EC3

57. Forecasts suggest that the net increase in non B – Class sector jobs such as retail, food and accommodation, education, health and other services is reported as a range of 4,600 and 7,300 jobs between 2011 and 2031. This represents approximatelly half of the total jobs forecasts in the district.

58. Rural business units represent an important element of the employment portfolio of Cotswold District. The policy encourages the positive development of small rural employment premises in appropriate locations. Sensitive, small-scale employment development helps to sustain the rural economy and create local employment opportunities. Proposals, however, must be in keeping in terms of scale, size and function with the location.

59. The district has the highest rates of employed residents in senior professional and technical roles in the County, has the 7th highest level of home working in England and 19 percent of the resident employed population are self-employed. Stakeholders confirm that growth in these rural locations is driven by lifestyle choices and that home working and self employment reflect location, historic and enviromental characteristic of working in the Cotswold. To support this growth broadband and telecommunications are key infrastrcture assets to facilitate growth of these micro businesses in rural areas.

60. Self-employment and home working in the Cotswolds is significantly higher than the national average. The draft Local Plan is clear that proposals for new residential development outside Development Boundaries will not normally be acceptable. However, where a residential use, which is ancillary to an employment use is acceptable, safeguarding conditions restricting the occupancy of the residential use will be applied to its occupation.

Rural Diversification, Retail and Tourism: Policies EC5, EC6, EC7, EC8, EC9, EC10, EC11

61. The draft Local Plan provides adequate support for non B Class employment including retail and tourism. The draft Local Plan policies support diversification policies in sustainable rural locations and policies to support town centre uses, tourism, retail and non B class economic growth. The main focus of the policies is to encourage the vitality and viability of town, key, district and village centres as places for shopping, leisure, cultural and community activities, including maintaining Cirencester's key employment and service role. The policies are informed by the Business and Industrial Trends report (2015) which highlights the diversity of the Cotswold economy including the importance of its rural economy. The most recent Retail Study 2016[13] provides updated analysis of retail demand and supply within the district.

62. Cirencester will continue to be the District's dominant centre for retailing and will be promoted and enhanced to attract increased expenditure from within and outside the District. There are a number of opportunities for mixed use development within the Town Centre at Cirencester identified in policy S1 of the draft Local Plan. The retail hierarchy sets out the focus for the provision of main town centre uses. Town and other centres will be promoted and enhanced and town centres uses that complement and enhance the retailing offer of the centre will be supported.

[13] Cotswold Retail Study Update 2016, GVA, December 2016, GVA

63. Small local shops and services (including public houses, post offices and surgeries) in rural settlements are recognised as important economic assets but also as a focus for wider social and community activities. Proposals which would result in the loss of services and facilities should be avoided where this would damage the viability of a settlement or increase car travel by local residents.

64. The policies in the plan support sustainable tourism in ways that enable the District to act as a tourist destination which attracts higher numbers of longer staying visitors by supporting new and extended tourism development, visitor attractions, cultural and leisure facilities that are appropriate to their location and enhance and protect the existing attractions within the District. The policies also support appropriate regeneration schemes and tourism development proposals that seek to enhance the economic, social and cultural value of the distinctive industrial heritage and crafts associated with the district.

Implementation

65. The viability and deliverability of the draft Local Plan is a key consideration.

66. The Strategic Employment Land Availability Assessment – Viability Considerations Hewdon Consulting May 2014[14] report concludes that there is a good prospect of development being achievable on the sites proposed for allocation taking into account of their special value to particular sellers, developers and buyers. The sites would provide sufficient choice for likely demand and there is unlikely to be an alternative allocations strategy that would be more viable.

67. The policy of allocating sites by extending existing business park and business locations or associated with residential development creates the best potential to support growth and capitalise on existing infrastructure reducing costs of new development.

68. The organisations at the three Special Policy areas are continuing to progress business plans to support the implementation of the sites. This includes a Growth Hub facility at the Royal Agricultural University at Cirencester. The District Council is committed to working with stakeholders at each of the three sites to support the development of masterplans setting out the development strategy.

69. In 2014, the district councils across the Cotswold destination published a Destination Management Plan (DMP) which set out 'The Path to Growth for Tourism across the Cotswolds'. The DMP's vision is 'To ensure that the Cotswolds is a vibrant year round destination where visitors enjoy high quality, authentic experiences and tourism makes an increasing contribution to the economic, social and environmental sustainability of the local economy.' The Implementation of the CMP supported by positive policy approach in the draft Local Plan provides adequate support for the tourism sector.

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[14] Strategic Employment Land Availability Assessment Viability Considerations, Hewdon Consulting, May 2014.

70. The District Council has the benefit of a Business Delivery Plan. This plan demonstrates the sound and confident deliverability of the draft Local Plan economic policies and its complementary relationship with the Gloucestershire Strategic Economic Plan 2014. The report also recommends broader interventions for the District Council to consider in supporting and promoting the Cotswold economy and its businesses. The final report will be available in the Summer 2017.

Conclusions

71. NPPF is clear that the planning system should support sustainable economic growth and Local Planning Authorities should plan positively to meet the business development needs of their areas.

72. The suite of policies in the Local Plan provide choice and flexibility to support delivery of sustainable economic and employment growth in the principal settlements, providing opportunities for expansion of existing major employers and key organisations as well as potential for development in rural areas. It is important to note that the land allocations predominantly address the requirements for B Class employment development. The significant number of non B Class jobs will also provide employment in key sectors including retail, agriculture, public services, arts, leisure, food and accommodation jobs are addressed through supporting policies.

73. Importantly the economic policies in the Local Plan are fully aligned with the housing and broader development strategy, are based upon sound and up to date suite of evidence and intelligence documents, broader stakeholder engagement and duty to co-operate obligations. GFirst has signed a letter supporting Cotswold District Council’s approach. The policies in the plan are aligned with and support the Implementation of the Strategic Economic Plan.