



EXECUTIVE SUMMARY

1. This report sets out the findings of the Peak Sub-Region Employment Land Review undertaken by Nathaniel Lichfield and Partners (NLP). The Peak Sub-Region comprises the Local Authorities of Derbyshire Dales and High Peak, as well as the Peak District National Park. The study was commissioned by a steering group comprising the above authorities and Derbyshire County Council.
2. The main aims of the study were to:
 - a) consider the future employment land and premises requirements of the Peak Sub-Region to 2026;
 - b) review the study area's current supply of employment land in both quantitative and qualitative terms;
 - c) identify which employment sites should be retained and which can potentially be de-allocated, or allocated for alternative uses to provide a balanced portfolio of land to 2026;
 - d) identify the scale, location and type of sites that are needed to meet the future requirements of the Sub-Region.
3. The results of the study will inform future economic and planning policy and in particular provide recommendations on the Peak Sub-Region's supply of employment land to inform Local Development Frameworks.
4. The report has been undertaken in accordance with Government Guidance on Employment Land Reviews. It reflects consultation with various organisations including economic development agencies, business groups, and commercial property agents, as well as a survey of businesses in the area.

Policy Context

5. No quantitative assessment of the need for employment land is included within the draft RSS for the East Midlands, or the RSS Proposed Changes. It is recommended that Local Authorities, EMDA and the Sub-Regional strategic partnerships work together in housing market areas to undertake and update employment land reviews to inform the allocation of a range of sustainable sites. These allocations should support rural diversification and encourage the development of specific sectors with local economic significance.
6. The region's principal economic aim is to increase levels of economic growth and the importance of a balanced employment land portfolio in facilitating growth is acknowledged.
7. The Peak Sub-Region has a relatively small local economy influenced by the larger urban areas of Sheffield, Greater Manchester and Nottingham nearby. It has performed moderately in recent years, with low employment growth in High Peak while jobs in Derbyshire Dales grew in line with the regional average. Levels of knowledge-based firms are below average while levels of new business formation are quite low. Within the National Park area, the largest employment sectors in employment terms are tourism, manufacturing, quarrying and agriculture.
8. Manufacturing has historically dominated the area's employment profile and although job numbers have declined in recent years, it is still a significant employer. However, the tourism sector is strong and the proportion of employment in financial and business services and public administration and other services has increased in recent years.
9. At the same time, levels of unemployment are particularly low, and there is a high level of self-employment and economic activity. The resident population is also highly skilled and this

represents a significant opportunity for the area to support future economic growth. The local labour market is tight, although a large proportion of residents commute out to employment opportunities in the neighbouring cities. Whilst the population of High Peak and Derbyshire Dales is forecast to grow over the period to 2026, the working age population of all three authorities is projected to decline and this could exacerbate existing recruitment problems. The impact of this could be ameliorated if the out-commuting of residents could be reduced. To achieve this, it will be important to provide suitable employment premises that can attract and retain businesses offering employment opportunities that match the skills profile of the Sub-Region's resident population.

Current Stock of Employment Space

10. The current stock of employment floorspace in Derbyshire Dales is relatively small in comparison with nearby districts. The stock is dominated by manufacturing and warehousing premises and the small proportion of commercial office provision is typically in small, older units. Matlock and Ashbourne are the largest centres with respect to employment premises. Take-up of employment land has historically been very low.
11. The stock of employment space in High Peak is larger, but its characteristics are not dissimilar. Factory and warehousing premises dominate provision and most of the stock comprises older units. Warehousing provision has grown recently, offsetting large declines in factory floorspace. Provision is focused primarily upon Glossop and Buxton.
12. Within the National Park, Bakewell serves the largest concentration of employment space, supplemented by a smaller stock of mainly office and workshop space in Hathersage, as well as provision in smaller settlements such as Castleton and Tideswell.

Sub-Regional Property Market

13. The Sub-Region's property market is strongly influenced by the proximity to major conurbations and the comparatively poor access to the strategic road network. As a consequence the commercial property market is relatively localised.
14. Demand within the Sub-Region is strongest for industrial premises and the supply of new premises is limited, albeit supplemented by a reasonable supply of cheaper, second-hand space. Demand for office space is more limited, as a result of strong competition from larger centres nearby. Demand for office premises is concentrated in the Sub-Region's main settlements to meet the needs of local professional and other service firms.
15. Market views indicated a need to provide more, small, flexible managed workspace to meet the needs of business start-ups and small, expanding companies.
16. Low rents and uncertain levels of demand in the area mean that speculative development activity is limited although there has been some activity on the better sites close to the main settlements. Public funding or enabling development is likely to be required to unlock some of the Sub-Region's existing sites.

Business Consultation

17. The consultation process generated a fairly low response but suggested that many of the local business community are confident of their future growth prospects, with a high proportion expecting their business to grow in the next 10 to 15 years. However, any growth in employment resulting from the growth of the existing business base is anticipated to be small scale.
18. The growth is likely to be driven primarily by improvements in business productivity and over one third of respondents believe this will result in the need for new premises. The majority of

respondents expressed a desire to stay within the area, indicating that businesses have strong ties with the Sub-Region

Future Economic Role

19. The Sub-Regional economy has a number of strengths including a highly skilled resident population and a high quality of life, which can help to attract and retain businesses, and modest potential in a number of growth sectors including food and drink, creative industries and tourism. However, these sectors and the type of businesses that will be developed in them in the Sub-Region appear unlikely to generate large-scale employment growth.
20. Additionally, the Sub-Region benefits from its central location and proximity to the well established markets of the Sheffield and Greater Manchester City Regions, as well as neighbouring conurbations such as Derby and Stoke-on-Trent. As a consequence, the area should look to attract business relocations from these conurbations, although it is again likely that these would be smaller scale.
21. There are also a number of potential threats and weaknesses to be aware of, particularly the continued decline of manufacturing and the shortage of *suitable* employment sites despite an oversupply of employment land within the Sub-Region in quantitative terms. This shortage is most acute with respect to available, serviced sites. The supply of land suitable for modern businesses is restricted by the Sub-Region’s industrial legacy and topography, as well as site constraints such as flooding.
22. Recruitment difficulties are also an issue, resulting from the area’s low levels of unemployment and exacerbated for low-wage positions by poor public transport in the area. Housing affordability is also a significant issue.
23. In addition, the Sub-Region’s proximity to the City Regions of Sheffield and Manchester can make it difficult to attract investment, because of the financial incentives offered by neighbouring urban areas and because the area cannot offer the locational benefits of a major conurbation.
24. It is considered that the future growth strategy of the Peak Sub-Region should be to strike a balance between encouraging more indigenous business growth and increasing the number of relocations that are attracted from elsewhere. This will help to deliver a more sustainable local economy by diversifying the economic base and creating a range of employment opportunities for local residents in different sectors and skill levels.

Future Need for Employment Space

25. A preferred scenario has been identified, which represents the level of economic growth that the Sub-Region should be planning for in employment land terms over the period to 2026. Under this scenario, it is anticipated that the Sub-Region will require in the region of **56 ha** of employment land over the study period. This would be based on a slightly aspirational picture of future growth, supported by recent trends in take-up that is likely to require active intervention in bringing forward sites. This requirement could be distributed between the different parts of the Sub-Region as in Table 1.

Table 1: Current Employment Land & Future Requirements

	Employment Land Requirement to 2026	Stock of Available Land
Derbyshire Dales	16.0 ha	28.9 ha
High Peak	35.0 ha	56.9 ha
National Park	5.0 ha	N/A

- 26. Some 5 ha has been indicated for the National Park area and this need could largely be met on three currently identified sites but with some potentially also on unidentified sites in villages or through rural conversions. Additional office-based developments anticipated for Derbyshire Dales will also serve to meet the National Park’s future requirement. This would not preclude some small scale employment development on non-allocated sites in other parts of the Park but it is considered most provision should be in larger settlements and these are predominantly within the above two districts.
- 27. Table 1 also sets out the current stock of available employment land for each authority in the Sub-Region. This clearly illustrates that there is an oversupply of employment land and that there may be scope to lose approximately 30 ha of the current supply.
- 28. Most of this future land requirement for the Sub-Region would be for industrial uses, but based on aspirations for the area and evidence of office activities being attracted to speculative developments on suitable sites, modest provision for new office development is made as shown in Table 2. This has been allocated to the two main districts based broadly on past take-up patterns.

Table 2: Employment Land Requirements 2008-2026

	Sub-Region (ha)	High Peak outside Nat Park (ha)	Derbyshire Dales outside Nat Park (ha)	National Park area (ha)
Industrial Space*	43	26.0	13.5	3.5
Office/non-industrial space	13	9.0	2.5	1.5
Total B Space	56	35.0	16.0	5.0

Recommendations

- 29. In undertaking this Employment Land Review, NLP have assessed the Sub-Region’s stock of employment land, providing an indication of the quality of sites against a range of criteria that accord with the approach recommended by DCLG. The qualities of each site have been recorded using a ‘traffic light’ system.
- 30. In considering the future role of sites and identifying sites for retention and de-allocation, the Local Authorities should have regard to the outcomes of this process as summarised in the site matrices contained at Appendix 4. However, it will also be important to take into account the following:
 - the role and function of a site in the context of the local economy;
 - local authorities’ aspirations regarding the potential future role of a site;
 - site constraints, deliverability and eligibility for funding;
 - environmental impacts of their operation.
- 31. In addition, it should be acknowledged that there are a number of sites that are currently in a poor condition but have the potential to make an important contribution to the future provision of employment land because of inherent benefits such as their location, subject to redevelopment. Furthermore, some poor quality sites may currently play an important role in the local economy by providing premises for low operating cost industries such as scrap yards, vehicle repair and builders merchants. Again, these factors should be taken into consideration in determining the employment land portfolio to be taken forward through the LDF process for each Local Authority.

32. In order to facilitate the growth of indigenous businesses and the knowledge-based and creative sectors, it will be important to ensure that appropriate sites and premises are available. Given the Sub-Region's industrial heritage, a number of available sites are redundant industrial sites which cannot necessarily accommodate office uses or are in inappropriate locations. The provision of some new employment space through the redevelopment of existing sites, or through the allocation of new sites could help to enhance the general attractiveness of the Sub-Region. It is recommended that the provision of office premises and premises for start-up or creative industries and knowledge-based businesses should be focused around the Sub-Region's key settlements.
33. It may be appropriate to focus on providing a moderate number of good quality sites that can meet the economic objectives outlined in Section 3.0 rather than providing a large range of sites of varying quality which will be difficult to bring forward given the limited amount of funding available and the relatively lower rental values that can be realised.
34. Notwithstanding the issues set out in paragraphs 30-31, local authorities should in general be considering those sites that meet some or all of the criteria set out below in determining which sites should be de-allocated to reduce the current oversupply of employment land:
- poorly accessed;
 - remote location away from the Sub-Region's main settlements;
 - likely conflict with neighbouring land uses;
 - existing buildings that are no longer fit for purpose and cannot feasibly be redeveloped or converted to meet the needs of modern businesses;
 - likely to be unviable for redevelopment.
35. The preferred scenario set out in this report identifies the level of growth that the Sub-Region should be planning for in employment land terms. However, in order to achieve this, it is important that the Sub-Region does the following to help stimulate a step change in the area's economy:
- support the development of the indigenous business base;
 - encourage the growth of the Sub-Region's embryonic growth industries including creative industries, food and drink and tourism;
 - actively pursue relocations of businesses that would benefit from the Sub-Region's locational assets and complement the economic structure of the area;
 - secure public sector funding to improve existing employment areas or unlock sites with potential for the provision of incubation units and premises for knowledge-based industries.
36. It will also be important that the Sub-Region monitors and reviews the area's employment land position. This should include systematically reviewing the availability of employment land and commercial property. The performance and structure of the economy and trends in the take-up of employment land should also be regularly assessed to determine whether the Sub-Region is on course to deliver the levels of growth upon which the preferred scenario is based. It is understood that the Local Authorities' CDPsmart system should provide much of the necessary monitoring information.
37. This monitoring should be used to inform the phasing and delivery timescales for identified key development sites and may require greater priority to be given to funding to unlock them where necessary.