Stoke-on-Trent City Council and Newcastle-under-Lyme Borough Council

Joint Local Plan Issues Consultation

Economy Technical Paper

Contents

1.0 What we are required to do:

National Planning Policy

1.1 The National Planning Policy Framework (NPPF) identifies that the economic role of the planning system is to contribute towards a strong, responsive economy, ensuring that sufficient land is available to support economic growth and innovation, and to identify and coordinate the requirements of development, including the provision of supporting infrastructure.

1.2 The NPPF emphasises the Government's commitment to securing sustainable economic growth and it places significant weight on achieving this within the planning system. The planning system is therefore required to operate in a way that encourages and does not impede economic growth. Businesses are not to be over-burdened by combined planning policy requirements and barriers to investment (such as a poor environment or lack of infrastructure) are to be recognised and addressed.

1.3 The Joint Local Plan will need to;

- set out a clear, positive and proactive economic vision and strategy for the area;
- set criteria or identify strategic sites to match this strategy and to meet anticipated needs over the plan period;
- support existing business sectors in the plan area;
- plan for new or emerging sectors that are likely to locate in the area;
- plan positively to locate, promote and expand clusters (groupings) and networks of knowledge, creative or high technology industries;
- identify areas for regeneration, infrastructure provision and environmental enhancement;
- facilitate flexible working practices (such as home working).

1.4 The long term protection of existing allocated sites is also to be avoided where there is no reasonable prospect of the site being developed for that particular use.

1.5 This is supported by Planning Practice Guidance (PPG) which sets out how the needs for economic development and the potential land supply available to meet these needs should be identified and assessed.

1.6 To meet the requirements of national planning policy, Newcastle-Under-Lyme Borough Council and Stoke-on-Trent City Councils jointly commissioned a new Employment Land Review which is explained in more detail later in this paper.

2.0 Our Approach in the Past:

Local Planning Policy

Newcastle-under-Lyme and Stoke-on-Trent Core Spatial Strategy 2009 to 2026

2.1 The existing adopted Core Spatial Strategy (CSS) (2009) sets a target for an ongoing supply of 83 hectares of immediately available land to meet the needs for economic development over a five year period. This comprises of 28 hectares in Newcastle-under-Lyme and 55 hectares in Stoke-on-Trent. Over the entire plan period from 2006 to 2026 this supply of land would amount to 84 hectares in Newcastle-under-Lyme and 165 hectares in Stoke-on-Trent.

2.2 This Strategy was prepared before the introduction of the NPPF, and the above targets were derived from the Regional Spatial Strategy Phase Two Revision, which has now been revoked. The evidence to inform these targets is therefore now out of date and no longer accurately reflects current needs for economic development. To provide more up to date evidence the councils have prepared a Joint Employment Land Review, which is the starting point for identifying the amount of land likely to be required for economic development over the next plan period.

2.3 The Core Spatial Strategy was written to address the following Strategic Aims related to economic development:

Strategic Aim 5 (SA5) - To foster and diversify the employment base of all parts of the plan area, both urban and rural, including development of new types of work and working lifestyles, and supporting the office development sector, new technologies and business capitalising on the inherent advantages of North Staffordshire

Strategic Aim 6 (SA6) - To encourage the growth of the further and higher education sector and training facilities to meet the needs of indigenous and incoming employers and North Staffordshire residents

Strategic Aim 7 (SA7) - To enhance the City Centre of Stoke-on-Trent's role as sub regional commercial centre; to help Newcastle Town Centre to continue to thrive as a strategic centre, both within a network of accessible and complementary, vital, vibrant and distinctive North Staffordshire town centres

Strategic Aim 8 (SA8) - To increase the attraction of the area as a tourist destination based on its industrial heritage, existing and future magnets of tourism and leisure interest and the high quality environment in the surrounding rural area

Strategic Aim 9 (SA9) - To safeguard valued economic resources including minerals in the City of Stoke-on-Trent

2.4 In order to deliver these aims, the strategy has a number of policies that seeks to direct a broad range of economic uses to different locations across the two local authority areas, including;

- Employment development on sites within or accessible to the North Staffordshire Regeneration Zone.
- The diversification of the economy through focused major employment development, including Chatterley Whitfield Sustainable Enterprise Park and Chatterley Valley as a Regional Investment Site, providing 'a significant volume of high value added employment opportunities'.
- Staffordshire University and University Hospital as the focus for medical, healthcare technologies and creative industries.
- Keele University and Science Park as a focus for knowledge based industries.
- Etruria Valley being a major mixed use area for employment.
- The diversification of traditional rural economies, with a 'positive approach to rural enterprise'.

Newcastle-under-Lyme Local Plan 2011

2.5 There are a number of relevant economic policies from the Newcastle-under-Lyme Local Plan 2011 that were saved from deletion under the provisions of the Planning and Compulsory Purchase Act (2004) and continue to remain in force. Seven of these policies allocate sites for employment development at Chatterley Valley, Lymedale Park, Chesterton (London Road), Knutton (Church Lane), Chemical Lane, Kidsgrove Station Yard and Keele University and Science Park. All of these sites were allocated for a mix of B class uses except for Keele University and Science Park which was allocated for B1 uses, Chatterley Valley which was allocated for B1 and B2 uses, and Kidsgrove Station Yard which was allocated for B1 uses. A further 5 sites had planning approval for employment development at the time that the Local Plan was prepared, so saved policy E9 made provision for the renewal of these planning approvals should they not have been implemented within the approved timeframe. Two other saved policies supported the conversion of rural buildings for small scale employment use and resisted the loss of good quality employment land and buildings to other uses.

Etruria Valley Supplementary Planning Document

2.6 The Etruria Valley Supplementary Planning Document (SPD) was adopted on the 21st March 2013 and helps to provide greater detail in relation to the adopted Newcastle-under-Lyme and Stoke-on-Trent Core Spatial Strategy including Policy ASP2 – Stoke-on-Trent Inner Urban Core Area Spatial Policy. The purpose of the document is to set out a clear planning strategy and agreed development principles for the Etruria Valley site with the aim of shaping and guiding a high quality, sustainable redevelopment of the area to create job opportunities, housing, community facilities and open space.

2.7 Etruria Valley is identified as a strategic priority for the city particularly in terms of employment land provision. The document includes guidance and development principles on land use, the amount of planned development, required access arrangements, ground remodeling, principles for the consideration of urban design and open space, landscaping, biodiversity, flooding, drainage and sustainability.

3.0 Other Matters for us to Consider:

Local and Sub-Regional Plans, Policies and Programmes

Stoke & Staffordshire Local Enterprise Partnership: Strategic Economic Plan

3.1 The Strategic Economic Plan (SEP) sets out the economic vision and priorities for the LEP area for the period 2014-2030. The vision is for **"an economic powerhouse driven by the transformation of Stoke-on-Trent into a truly competitive and inspiring Core City and by accelerated growth in our County Corridors and urban centres"**. The aim is to grow the economy and **generate 50,000 new jobs in the next 10 years**.

3.2 This includes a focus on "**rapid, planned growth of the conurbation centred on the city of Stoke-on-Trent" and strategic centres, including Newcastle-under-Lyme**. It also focuses on maximising opportunities presented by strategic infrastructure investments such as HS2.

3.3 The business growth agenda is based on recognised strengths in advanced manufacturing, including **Energy Generation** (e.g. the sustainable energy programme centred around Stoke-on-Trent), **Auto-Aero** (e.g. supply chain opportunities from global businesses such as JCB and Michelin), **Medical Technologies** (e.g. Keele University and its Science Park), **Agricultural Technology** (e.g. the agri-plan capacity at JCB) and **Applied Materials** (e.g. polymers, ceramics, glasses and composites). This focus on advanced manufacturing is complemented by a longer term interest in strengthening **Tourism** and **Business/Professional Services** (e.g. the new central business district in Stoke-on-Trent).

Stoke-on-Trent and Staffordshire City Deal

3.4 The Stoke-on-Trent and Staffordshire City Deal is built around a flagship proposal for the UK's first at-scale, low carbon, heat network system. It will take advantage of the area's natural resources, support Stoke-on-Trent and Staffordshire's world famous advanced manufacturing and applied materials (e.g. ceramics) sectors, and the emerging energy and renewables growth sector.

3.5 It is a shared top priority for both councils and the Stoke-on-Trent and Staffordshire Local Enterprise Partnership to create more jobs for local people by encouraging economic growth. This City Deal is based on four connected strands: delivering a new and local approach to energy production; providing local and incoming businesses with support to develop the next generation of products and materials; developing local sites for new businesses or existing businesses to expand into, along with a strengthened local planning and development context; and bringing employers and education together to ensure residents have the skills and training that they and our businesses need to drive the economy forward.

3.6 Over its lifetime, Stoke-on-Trent City Council, Staffordshire County Council, and the Stoke-on-Trent and Staffordshire Local Enterprise Partnership estimate that delivery of the City Deal will deliver:

- The Stoke-on-Trent District Heat Network
- The Keele University Smart Energy Network Demonstrator for the testing and evaluation of new lower carbon energy sources.
- The Innovation for Growth in Stoke-on-Trent and Staffordshire and Stoke-on-Trent and Staffordshire Business Support Programmes, engaging 1,300 businesses, primarily small and medium enterprises, to support the commercialisation of new technologies and expansion of high growth potential firms.
- The prioritisation of six strategic employment sites (108.6 hectares) for accelerated development, to be delivered through the proposed Stoke-on-Trent and Staffordshire Growth Deal, which could create about 21,000 jobs.
- A pilot for the improved alignment of learner demand and employer need through increased local influence over the Skills Funding Agency's Adult Skills Budget; and state-of-the-art engineering equipment and infrastructure as part of an Advanced Manufacturing Training Hub; contributing to 3,900 additional apprenticeships, 1,100 traineeships, and 9,000 people not in employment, education or training receiving employability skills training by March 2024.

Newcastle-under-Lyme Economic Development Strategy 2012-2017

3.7 This strategy sets out how Newcastle-under-Lyme Borough Council will work with the business community and local partners to improve the economic prospects of the area. The strategy has four themes:

- **Business – strengthening the business base**. Built on 'diverse specialisation' with an increase in knowledge intensive employment (e.g.

higher and further education) and high quality jobs in retail, leisure, tourism and distribution. This objective also supports the development of the professional and business services and logistics sectors.

- **Place and Infrastructure – physical transformation**. This includes a drawing up a Masterplan for Newcastle Town Centre, bringing forward proposals for retail and business accommodation in Newcastle Town Centre, promoting the further development of Keele Science and Business Park and bringing forward new sites for employment through site allocations.

- **People – transforming ambition**. This theme focuses on raising skills, getting the right skills mix to increase productivity, stimulating demand for higher skills and creating opportunities for people to acquire 'future-proofed' skills. It also seeks to raise people's aspirations and reduce worklessness.

- **Image and Marketing – transforming perceptions**. This seeks to improve the quality of life for current and future residents, develop the 'experience economy' and invest in the cultural and retail experience of Newcastle Town Centre.

Stoke-on-Trent Economic Development Strategy

3.8 The council are looking to develop a new economic strategy to encompass the new policy aspirations of the new council administration. The strategy is due to be completed early 2016 and will set out the over-arching Economic Development Strategy for the City.

Enterprise Zone for Stoke-on-Trent and Staffordshire

3.9 In November 2015 the Ceramics Valley was confirmed as one of 26 new and extended Enterprise Zones in the Governments Spending Review.

3.10 The Stoke-on-Trent **Ceramic Valley** will create the UK's only ceramitech enterprise zone (EZ). Technical ceramics is a sector with an estimated global value of €21 billion[1], which is expected to increase by a massive 66% by 2020. Due to the city's research expertise, skills, supply chains and connectivity, Stoke-on-Trent is the natural hub for this industry, and the rapid growth of a Ceramic Valley would enable the UK to compete with the growing technical ceramics sectors in the US, Germany and Italy. The proposal therefore looks to accelerate the diversification of the area's key industry from pottery to technical ceramics.

[1] Cerame-Unie, the European Ceramic Industry Association

3.11 The bid focused on unlocking seven key sites along the strategic A500 Corridor to accelerate investment in a range of employment sectors, including:

- Developing a “Ceramics Valley”, capitalising on the city’s unique selling point as the World Capital of Ceramics, home of the UK ceramics industry, and accelerating the diversification into technical ceramics;
- Taking advantage of our unique strategic location at the heart of an engineering and automotive triangle between car assembly plants in the West Midlands, Merseyside and Derby - creating a compelling supply chain offer;
- Building on the momentum created through the city’s unique energy offer, and Government investment and private sector interest in the proposed district heat network.

3.12 The delivery of the Enterprise zone is underpinned by a strong business offer including a prime location due to the A500 corridor and UK transport infrastructure network linking junctions 15 and 16 of the M6. There will be investments in infrastructure to ensure that sites are “shovel ready” for developers and building on existing sectors strengths, including a clustering approach, ranging from supply chains through to shared training and development facilities, and a one-stop shop for business support, through the Staffordshire Growth Hub.

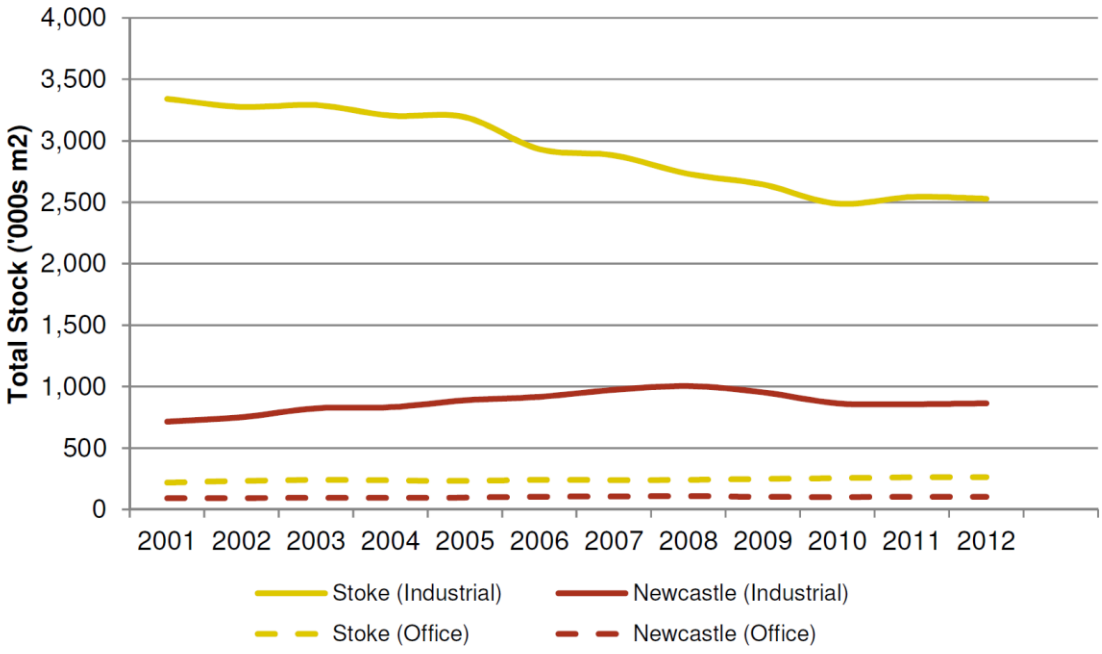
3.13 Targeted sites in the EZ will also benefit from additional incentives to secure occupiers:

- **A simplified planning system** This will allow targeted developments to happen and changes to take place without the need for planning permission;
- **Business Rate Relief** Rate relief will be given up to £55,000 per annum for a 5-year period for businesses entering the EZ;
- **Enhanced Capital Allowances (ECAs)** Companies investing in plant and machinery can qualify for ECAs. These allow businesses to write down the costs of certain assets against their taxable income. At present ECAs give a 100% first year allowance on qualifying assets until March 2020.

4.0 Past Trends:

4.1 Business Floorspace Statistics produced by the Valuation Office Agency identify that industrial (B2 and B8) floorspace has declined by 25% in Stoke-on-Trent between 2000 and 2012, whilst it has increased by 22% over the same period in Newcastle-under-Lyme. In contrast, office floorspace has increased by 27% in Stoke-on-Trent and 18% in Newcastle-under-Lyme over the same period[2]. This is illustrated in the chart below.

Figure 1 - VOA Business Floorspace Statistics (2012)/ NLP analysis



4.2 A significant amount of office development has taken place in locations outside the city and town centres in the past 25 years – for example in Festival Park, Lymedale Business Park, Keele Science Park, Campbell Road and Trentham Lakes. This may reflect that older town centre office premises may not be meeting the needs of modern businesses.

Completions Data

4.3 The bar charts below show the total (gross) land area developed for employment uses in Newcastle-under-Lyme and Stoke-on-Trent over the Core Spatial Strategy plan period so far. Newcastle-under-Lyme had two buoyant years between 2007 and 2009 but appears to have been more clearly affected by the economic downturn than in Stoke-on-Trent, where completions dropped away in 2012/13 but have been recovering progressively in subsequent years.

[2] Business Floorspace Statistics (VOA, 2012)

Figure 2 - Newcastle-under-Lyme Gross Employment Land Completions 2006/07 – 2014/15

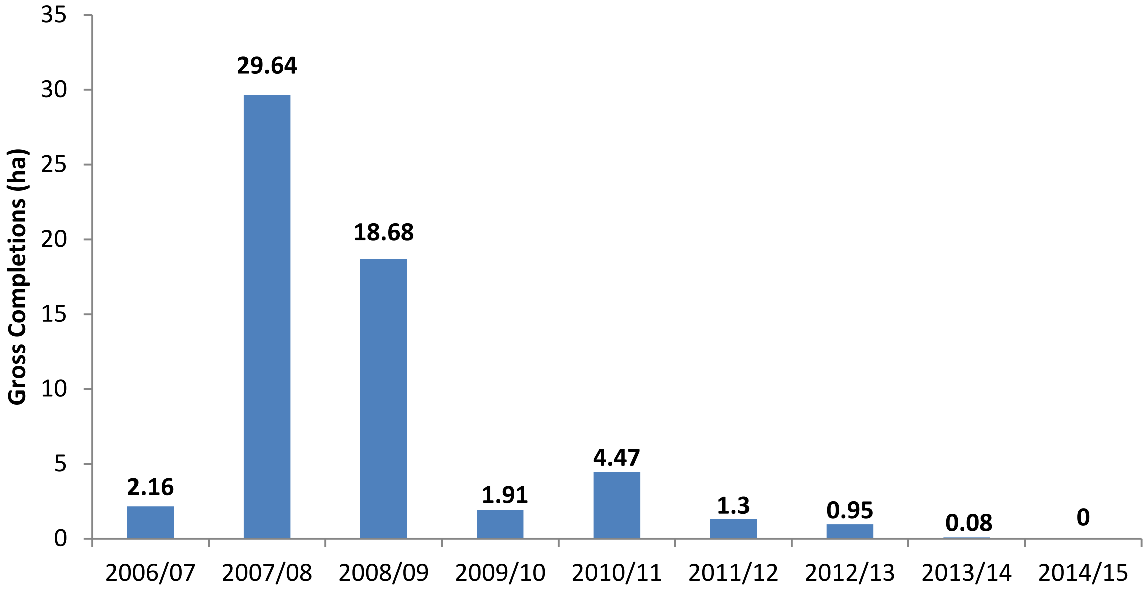
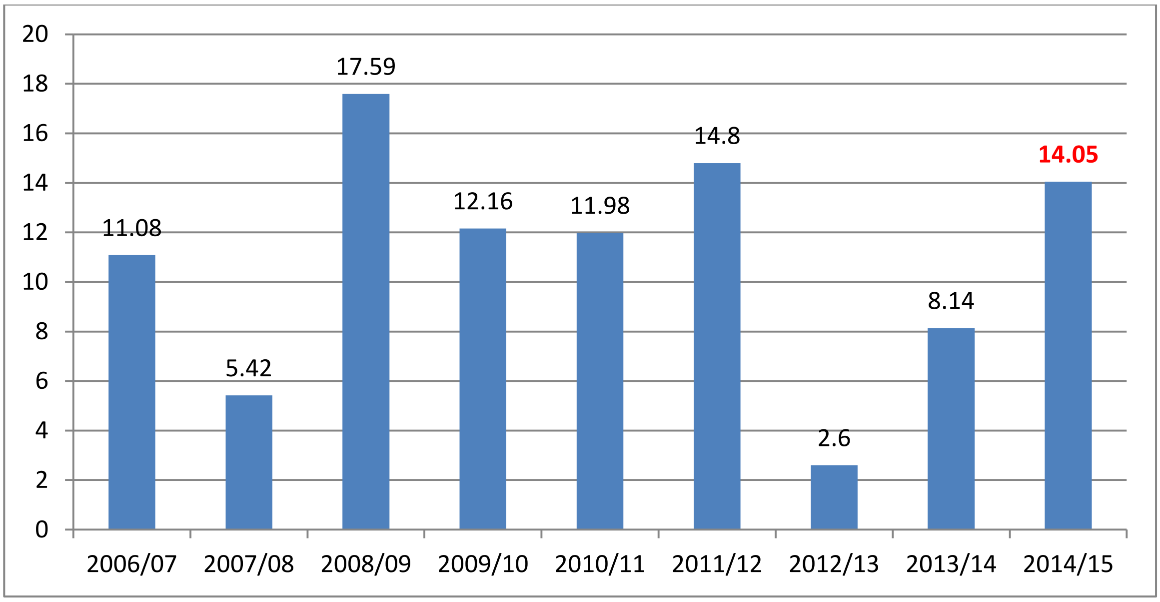


Figure 3 - Stoke-on-Trent Gross Employment Land Completions 2006/07 – 2014/15



4.4 The table below brings these figures together to show the total and average levels of the take up of employment land in both areas.

Table 1 – Employment take up rates for Stoke-on Trent and Newcastle-under-Lyme

Year	**Hectares of Employment Land Completed (Gross)**		
	Stoke-on-Trent City Council	**Newcastle-under-Lyme Borough Council**	**Total**
2014-15	14.05	0	14.05
2013-14	8.14	0.08	8.22
2012-13	2.6	0.95	3.55
2011-12	14.8	1.3	16.1
2010-11	11.98	4.47	16.45
2009-10	12.16	1.91	14.07
2008-09	17.59	18.68	36.27
2007-08	5.42	29.64	35.06
2006-07	11.08	2.16	13.24
Total:	**97.82**	**59.19**	**157.01**
Average Per Year:	**10.87**	**6.58**	**17.45**
Average over 5 years:	**54.35**	**32.9**	**87.25**

The average levels of employment land take up over a five year period show close alignment with the rolling five year requirement set within the Core Spatial Strategy.

Losses of Employment Land

4.5 As well as employment land developed, it is also important to consider the loss of employment land to other uses. This can include employment land and buildings that are developed for housing, retail, leisure and other uses. The charts below illustrate the losses that have occurred in both areas between 2004 and 2014.

Figure 4 - Newcastle-under-Lyme Losses of Employment Land 2004/05 – 2014/15

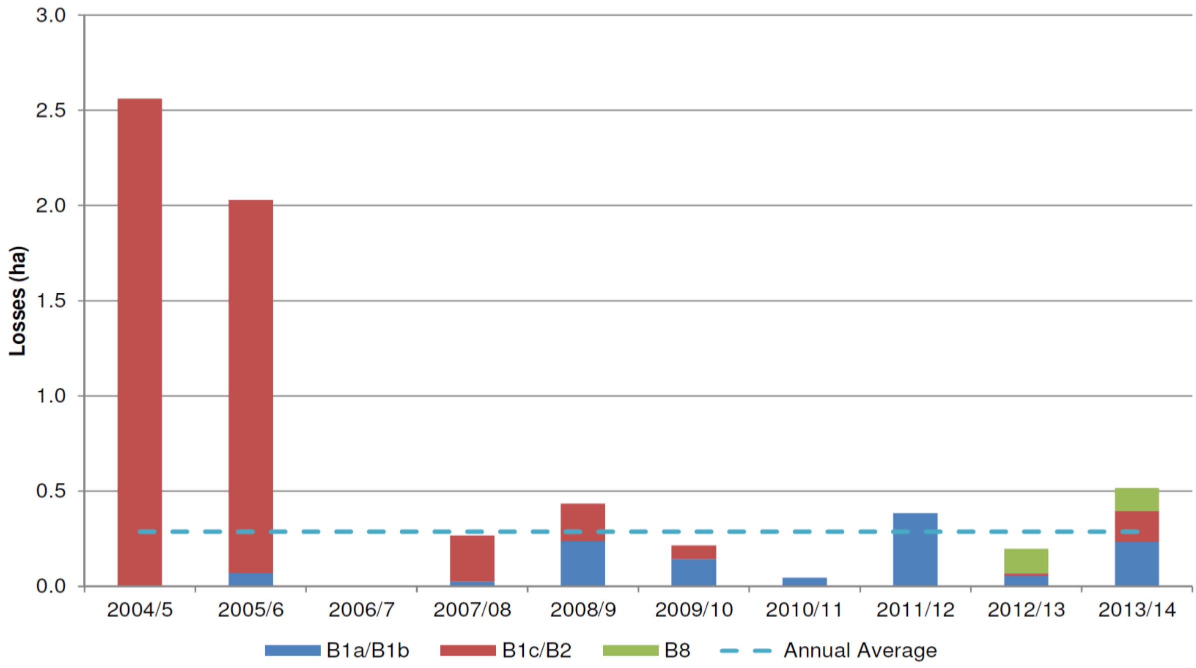
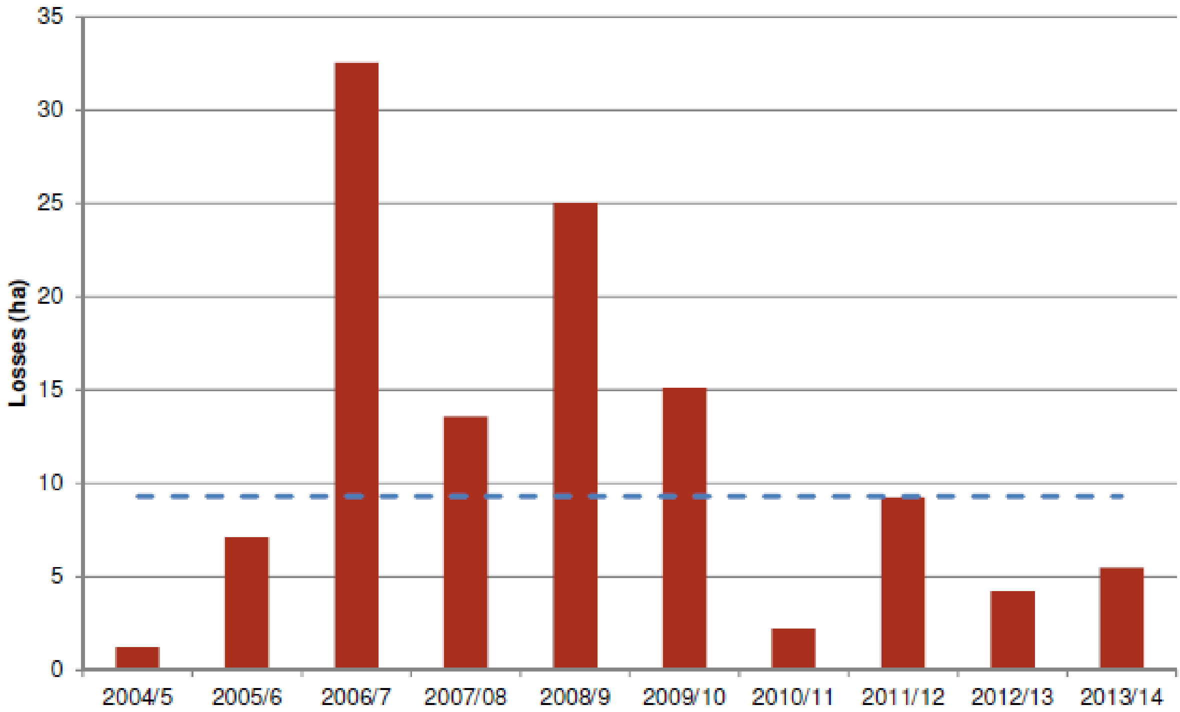


Figure 5 - Stoke-on-Trent Losses of Employment Land 2004/05 – 2013/14



4.6 Stoke-on-Trent in particular saw high levels of employment land lost to other uses averaging 9.3 hectares per year. This is particularly evident between 2006 and 2010, however this pattern has declined in recent years and evidence from the Employment Land Review suggests that the level of losses reflects the restructuring in the local economy as less space may be needed in some sectors. It is envisaged that the level of losses seen in recent years will not be of the same scale in the future. Losses in Newcastle-under-Lyme were at a high level in 2004 to 2006 – in the context of typical development trends in the borough. Since then the levels of losses have reduced. The average rate of losses of employment land to other uses over the whole period is 0.67 hectares each year. The difference in the scale of losses between the two authorities may be a reflection of existing patterns of development, with Stoke-on-Trent having contained the greatest amount of former industrial land and with most of the losses in Newcastle-under-Lyme resulting from the change of use of existing buildings.

5.0 What we are doing now:

Evidence Base

Joint Employment Land Review 2015

5.1 The two councils commissioned a new Employment Land Review (ELR) in early 2015 to review and update the previous study undertaken in 2011.

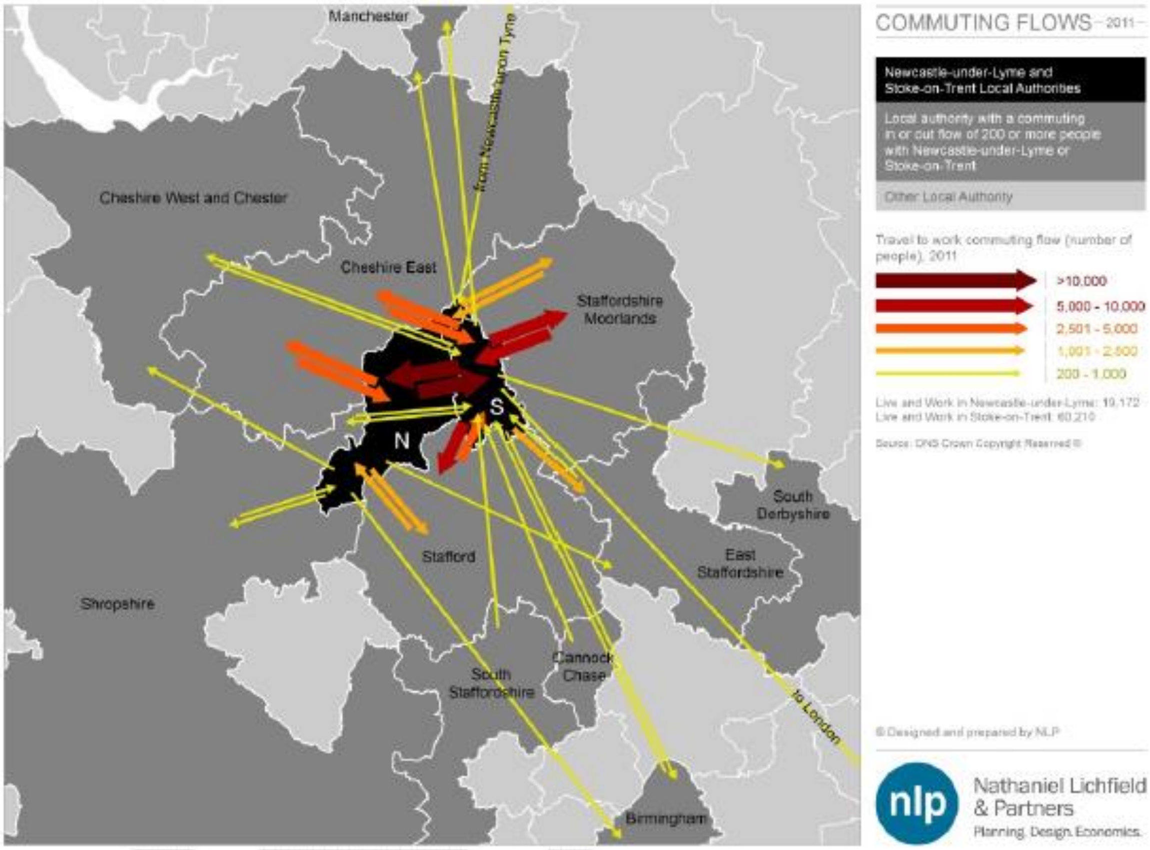
5.2 The ELR involves 3 key stages

- Taking stock of the existing situation – Establish the economic context of Stoke-on-Trent and Newcastle under Lyme and how it has changed since the last ELR
- Identifying a portfolio of sites – Undertake a thorough review of current employment space provision in both authorities.
- Assessing future requirements – Provide each authority with an understanding of the current and potential requirement for employment land for the plan period.

Functional Economic Market Area

5.3 The data analysed as part of the study identifies that individually neither Stoke-on-Trent or Newcastle-under-Lyme represent a ‘Functional Economic Market Area’ (FEMA) however when the commuting statistics of both authorities are considered together they do form a self-contained FEMA (79% of residents also work in the area). This is illustrated by the map of commuting flows below. As this shows, the majority of commuting takes place within the two authority areas, however there are also clear relationships with the adjoining areas of Staffordshire Moorlands, Stafford Borough and Cheshire East.

Figure 6 – Newcastle-under-Lyme and Stoke-on-Trent Commuting Flows



(The original image can be viewed in the Joint Employment Land Review)

5.4 The study identifies a significant gap between the wages of those who live in the area and those who work in the area. This is particularly true in Stoke-on-Trent where resident wages are significantly below those of the workforce, indicating that perhaps many of the people who work in the area live elsewhere. In Newcastle-under-Lyme the reverse is true, with resident wages being significantly higher than workforce wages, indicating that people who live in the area work elsewhere[3].

Economic Context

Employment

5.5 The study draws together the economic conditions and tends across the area and sets out how the economy in the area has changed from the historic growth in Newcastle-under-Lyme's centred around the coal mining and heavy manufacturing industries and Stoke-on-Trent's rapid growth in the ceramics industry. Whilst both of these industries have declined and restructured as a result of changes in the economy, manufacturing is identified as still being a significant employer, providing over 54,000 jobs in the wider area.

[3] Annual Survey of Hours and Earning (ONS 2014), analysed and presented in the Employment Land Review

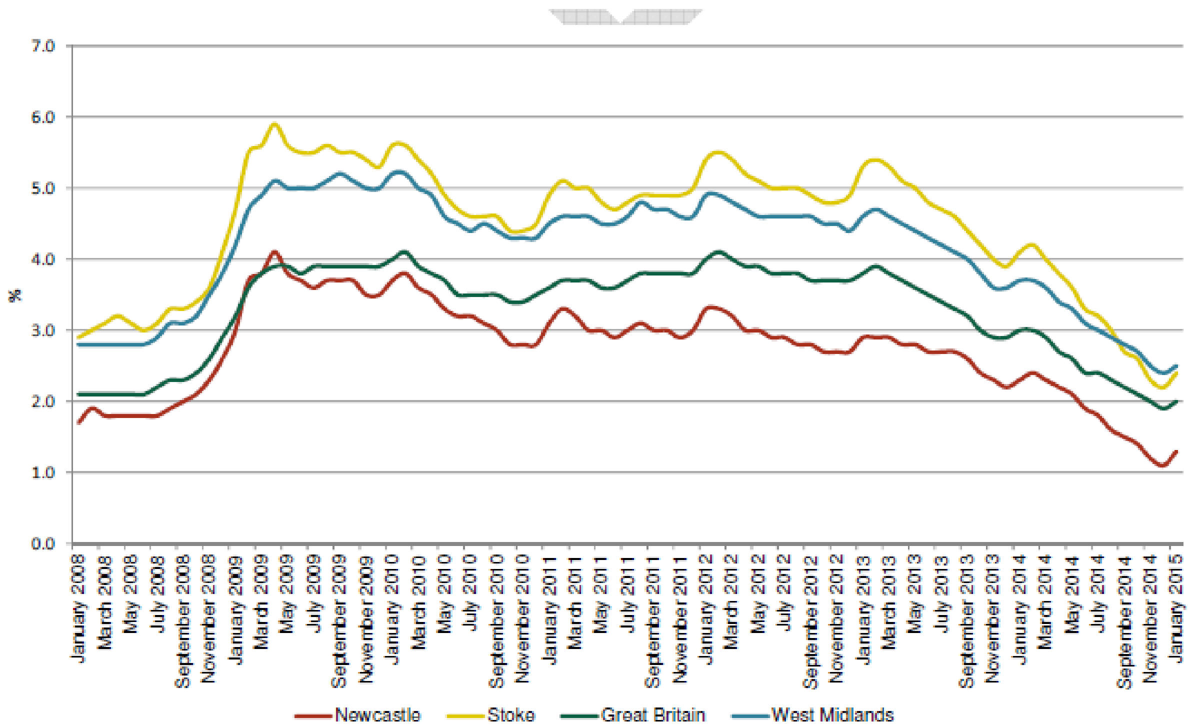
5.6 Whilst the manufacturing base has declined over several decades this coincided with a boom in retail expansion and subsequent retail warehouse space requirements in close proximity to markets they were serving. The area has therefore been well suited to providing these spaces due to the close proximity of the strategic transport corridors. Wholesale and Retail therefore continue to represent a strong sector in the area.

5.7 Stoke-on-Trent has a higher level of people employed in public services and the areas continued reliance may make it vulnerable to the Governments continued austerity measures. Other sectors that perform well include accommodation, food services and recreation. This sector also includes tourism, which the LEP has identified as a key sector along with business/ professional services and the five advances manufacturing sectors they are targeting for growth.

Unemployment

5.8 Evidence shows that unemployment has been progressively declining in both local authority areas since a peak in early 2009 during the economic downturn. This decline in unemployment accelerated from the start of 2013 and was most pronounced in Stoke-on-Trent, resulting in a lower unemployment rate than the West Midlands, but still higher than the UK rate. In Newcastle-under-Lyme the unemployment rate has been consistently lower than the national and regional rates but has followed the same pattern of increases and decreases.

Figure 7 Claimant unemployment rates January 2008 to January 2015 - Source: ONS (2015)/NLP analysis

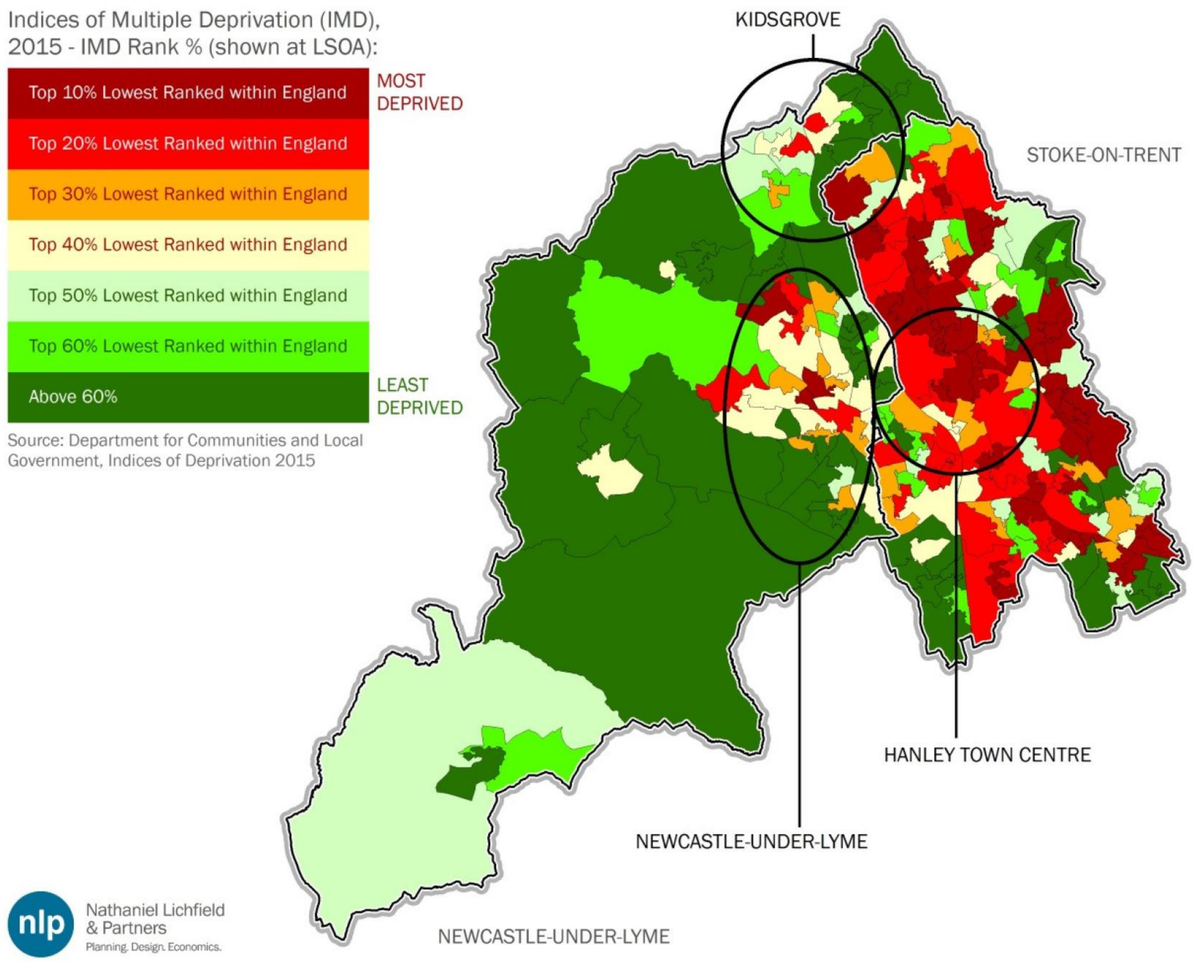


5.9 The study identifies that the role of education and skills is vital component for preparing the workforce for employment and ensuring that people have the right skills and qualifications to access high quality jobs. Newcastle-under-Lyme's workforce has been identified as having a higher than average level of skills when compares to the wider West Midlands region. Stoke-on-Trent however is identified as having a skills gap and has nearly twice the number of those without any formal qualifications compared to the national average.

Deprivation

5.10 The map below shows the pattern of deprivation across the two local authority areas, taken from the Indices of Multiple Deprivation 2015. This shows that generally the most deprived areas are concentrated in the urban areas and the least deprived areas are on the fringes of the urban areas and in the rural area. It is important to know where deprivation exists so that areas for targeted regeneration can be identified.

Figure 8 – Deprivation across Stoke-on Trent and Newcastle-under-Lyme

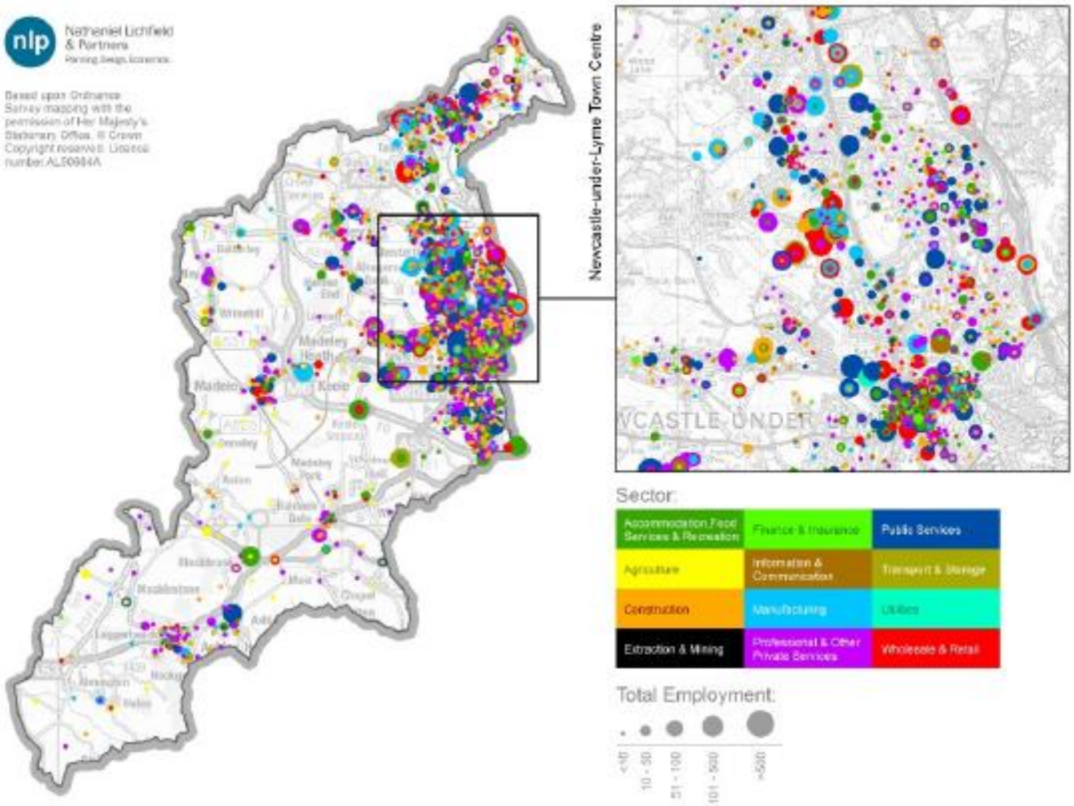


(Please Note: The original image can be viewed in the Joint Employment Land Review)

Economic Sectors and Clusters

5.11 The distribution of existing industries that have a presence in Newcastle-under-Lyme and Stoke-on-Trent are identified in the ELR and this is illustrated in the maps below. This provides an indication of what the economic strengths of the plan area are and where they exist, as well as the scale and range of employment that these industries provide to the local population.

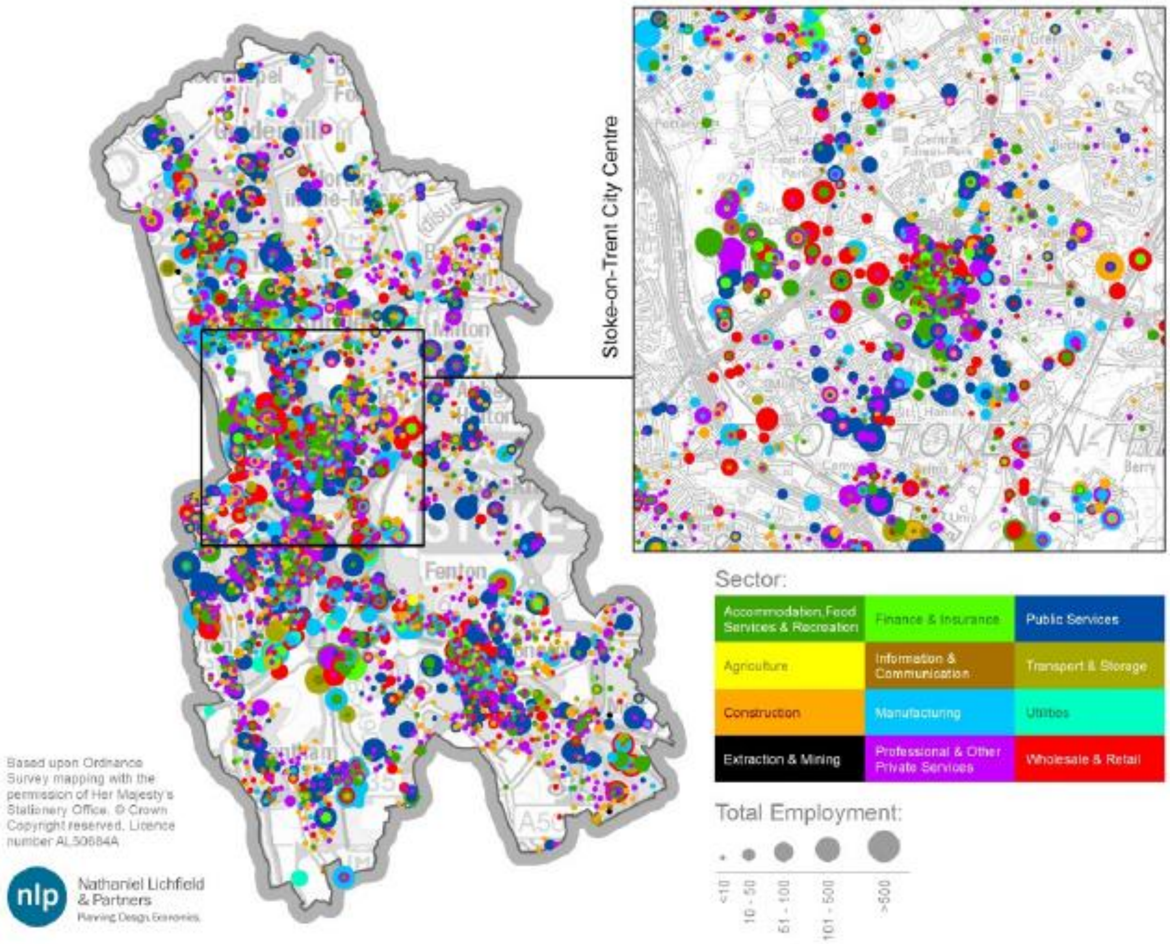
Figure 9 - Distribution of existing industries in Newcastle-under-Lyme and Stoke-on-Trent



(Please Note: The original image can be viewed in the Joint Employment Land Review)

5.12 Most businesses within Newcastle-under-Lyme are concentrated within Newcastle urban area, but there are also notable concentrations in and around Kidsgrove, Audley, Madeley and Loggerheads/Ashley. Public services, professional and other private services, construction and wholesale & retail all appear to have a significant presence in the borough.

Figure 10 – Concentration of businesses spread across Stoke-on-Trent



(Please Note: The original image can be viewed in the Joint Employment Land Review)

5.13 Stoke-on-Trent has a greater concentration of businesses spread across most of the city, with concentrations in and around the six towns and along the transport corridors between them. As with Newcastle-under-Lyme, there is a strong presence of public services, professional and other private services and wholesale and retail. A greater presence of accommodation, food services and recreation businesses is also apparent which appears to show that these are part of the economic strengths of the city.

Working Practices

5.14 The ELR considers the changing requirements for employment space and considers key drivers that are likely to influence the type, scale and locational requirements for employment space in both authorities.

- **Space-less growth** – Long term trends nationally identify that the growth in the number of office workers outpaces office floorspace. The density ratio of space per employee has declined, particularly due to technology, it is possible to made work stations more compact. Consultation with stakeholders has also identified that there is an increasing likelihood of hot desking and employees working from home.

- **Homeworking** – Improvements in technology (broadband) has led to an increase in home working. In 2014 it was estimated that 13.9% of the total workforce were homeworkers.
- **Urban Tendency –** Office locations and preferences are changing. There is a growing demand for more central locations that have good access to public transport links and access to a range of amenities. The study draws on the fact that both NUL and SOT want to grow employment within knowledge based, service sector industries such as financial and business services. Purpose built innovation centres have been very successful as they benefit from an agglomeration of economics and shared inputs such as labour and knowledge. Stakeholders highlighted that these areas have been very successful, however these parks tend to be only accessible by car and are therefore are no longer seen to be the preferred option for many businesses. The report therefore concludes that this may be an issue for SOT and NUL as business parks such as Chatterley Valley and Festival Park was one area that has seen a strong growth in the recent past.

Anticipated Economic Needs

5.15 A range of growth forecasts have been identified within the study, including:

- Projections of business growth which will require support from an increased local workforce **(labour demand).** These are derived from the latest economic forecasting models prepared by **Experian, Cambridge Econometrics and Oxford Economics.**
- Estimating future growth of the local workforce, based on housing and population growth identified within the SHMA **(demographic-led)**
- Consideration of past trends.

5.16 The forecasting completed concluded a need for employment land in the range of 44-133 hectares within Newcastle-under-Lyme and 146-201 hectares in Stoke-on-Trent over the period 2013-2039, totalling 190-334 hectares across both local authority areas (37-64 hectares on a rolling five year period). This is illustrated in the table below.

Table 2 – Economic growth scenarios 2013-39 identified within the Employment Land Review (2015)

		Employment Land Required 2013-2039 (hectares)			Employment Generated 2013-2039 (jobs):		
Growth Scenario:		**Stoke-on-Trent:**	**Newcastle-under-Lyme:**	**Total:**	**Stoke-on-Trent:**	**Newcastle-under-Lyme:**	**Total:**
tion/ Workforce led scenar	**Sub-National Population Projections 2012**	146	44	**190**	+3,828	-567	**+3,261**

		Employment Land Required 2013-2039 (hectares)			Employment Generated 2013-2039 (jobs):		
	Past Population Growth Trend 1[4]	161	56	**217**	+9,019	+2,081	**+11,100**
	Past Population Growth Trend 2[5]	172	52	**224**	+12,667	+1,235	**+13,902**
Economic led scenarios	**Oxford**	128	45	**173**	+3,456	+6,329	**+9,785**
	Cambridge	170	88	**258**	+12,686	+9,898	**+22,584**
	Experian	245	142	**387**	+30,605	+9,181	**+39,786**
Other Scenarios	**Cambridge 'Policy-on'**	201	133	**334**	+20,947	+15,330	**+36,277**
	Past Trends	150	201	**351**	Not applicable (past trends only measure hectares completed)		

Employment Land Supply

5.17 In terms of the supply of employment land for development, the study identifies 134.81 hectares of land within Stoke-on-Trent and 85.17 hectares of land within Newcastle-under-Lyme which are recommended to be suitable for employment development. Taken together, this totals just under 220 hectares of available employment land across both authorities (the Functional Economic Market Area).

5.18 This supply is largely made up of 57 existing sites that are allocated or have planning permission for employment development or were already part of the employment land portfolio identified in the previous Employment Land Review from 2011. These existing sites amount to 182.02 across both areas (76.97 hectares in Newcastle-under-Lyme and 105.05 hectares in Stoke-on-Trent).

5.19 13 new sites totalling 50.38 hectares are recommended to be added to the portfolio. These comprise of 11.15 hectares on 1 site in Newcastle-under-Lyme and 39.23 hectares on 12 sites in Stoke-on-Trent.

[4] 'Past Population Growth Trend 1' equates to past population trends between 2003-13, projected forwards over the period 2013-39

[5] 'Past Population Growth Trend 2' projects forward past population growth trends from 2003-13 to cover the period 2013-39, however it also factors in an allowance for unexpected changes to the population identified in the 2011 Census.

5.20 9 sites totalling 17.83 hectares from the 2011 Employment Land Review were recommended to be removed from the portfolio due to the assessment of their quality not identifying them as being the type of land that is suitable for employment development.

5.21 Bringing together the resulting 220 hectares of recommended employment land supply with the 190-313 hectare range of needs for employment land across both areas shows that there is sufficient land supply to meet the lower end of the range, but insufficient land supply to meet the mid to upper end of the range.

Sectoral Growth

5.22 The three economic models that the Employment Land Review draws its projections from (Experian, Oxford Economics and Cambridge Econometrics) all identify that the economic sectors with the greatest potential to deliver economic growth across both local authority areas are accommodation, food services and recreation and transport and storage. The three models also all project significant potential growth in construction, information and communication within Stoke-on-Trent.

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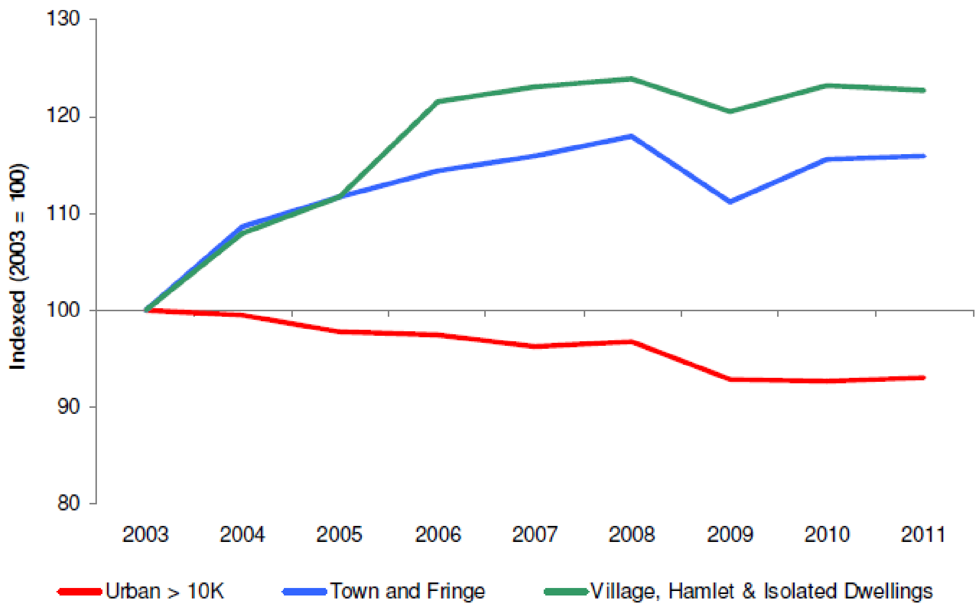
5.23 This is a joint evidence document prepared by Stoke-on-Trent City Council and Staffordshire County Council. As such, there is limited specific information for Newcastle-under-Lyme but some of the evidence provided in this document is of relevance.

5.24 The key economic themes for Staffordshire and Stoke-on-Trent that are identified within this report are **changing economic structure**, **challenges of the recession**, **education and skills** and **welfare reform**.

5.25 The **changing economic structure** theme reflects the sectoral changes that have taken place in the city and county. Manufacturing has seen big declines in recent years but still provides over 54,000 jobs, whilst health has seen the biggest increase and now provides the largest number of jobs in the area, at over 60,000. A pattern of increasing jobs in rural areas based around tourism and leisure, ICT and food and drink contrasts against job losses in manufacturing in urban areas. This contrasting picture is illustrated in the chart below.

Figure 11– Economic Structure



Source: Annual Business Inquiry & Business Register and Employment Survey, ONS

5.26 The **challenges of the recession** theme is focused on levels of employment and economic growth. Unemployment had been decreasing in the area but was still at higher levels than before the recession and youth unemployment at higher levels than comparable rates within the working age population. In Stoke-on-Trent youth unemployment is higher than the national average.

5.27 The **education and skills** theme centres on matching the skills of the workforce with the needs of businesses. It identifies that overall attainment at Key Stage 4 is improving in both areas but is below the national average in Stoke-on-Trent. Higher level skills (NVQ Level 4 or above) are below the national average in both areas.

5.28 The **Welfare Reform** theme recognises the challenges posed by changes to the welfare system on ensuring that there are opportunities in both areas to get people back in to employment.

6.0 Economic Development Strengths and Weaknesses

Strengths	Weaknesses
• Strategic location at the heart of the UK, excellent access to strategic road (M6, A50, A500) and rail (WCML) links. • The two local authority areas are functioning as one economic market area. • Successful industries (such as logistics) created in the wake of a declining manufacturing base. • Public services, professional and other private services, construction and wholesale and retail sectors all have a significant presence in both areas. • Office floorspace has increased, especially in business parks such as Etruria Valley. • Accommodation, food services and recreation, transport and storage are the sectors with potential to grow in both areas in the future. • Take up of employment land has been broadly in line with the targets set by the Core Spatial Strategy. • There appears to be sufficient employment land supply to meet economic needs when both areas are taken as a whole. • Universities (Keele & Staffordshire) provide research and innovation to firms within the study area. • Surrounding rural areas provide a particularly attractive living and working environment. • Unemployment levels have been progressively improving since their peak in 2009. • Businesses and workers feel strong sense of loyalty to the area. • District Heat Network to support and secure energy for business.	• Declines in traditional industry, especially manufacturing, have been experienced in recent years. • Most office floorspace growth has been delivered in out of centre locations, contrary to national planning policy, but reflecting inadequacy of existing city and town premises. • Stoke-on-Trent has experienced significant losses of employment land and premises to other land uses over the past decade. • Poor educational attainment & low skill levels. • Pockets of severe deprivation. • Low levels of entrepreneurial activity. • Gap between resident and workplace wages - disconnect between the quality of jobs taken up by commuters and the wages of local residents. • Congestion within built-up areas • Land amount of constrained land in the medium to long term. • High reliance on public sector. • Poor quality of the urban environment. • Median workplace wages in NUL are lower than the national and regional averages. • Significant gap between the wages of those who live in the area and those who work in the area. This indicates that residents in Newcastle-under-Lyme commute out to work, whilst some of the workforce in Stoke-on-Trent may be travelling in from homes in other areas. • Weak market when compared to neighbouring labour markets. • Acute shortage of industrial units in all range of sizes.