Oldham Interim Planning Paper

Supporting Oldham's Economy



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1 Purpose of Report

- 1.1 Oldham's local planning policies⁽¹⁾ set out a positive and flexible framework for future investment, development and regeneration. They will help to meet the borough's economic, social and environmental needs, and are in line with local and national objectives.
- 1.2 This Interim Planning Paper (referred to here after as `the Paper`) sets out further information and guidance about how the council will support Oldham's economy when an existing employment site is proposed to be developed for an alternative use. The Paper provides certainty and confidence for developers and investors and will be used as a material consideration when determining relevant planning applications.

2 Executive Summary

- 2.1 Our employment sites⁽²⁾ help achieve the borough's aspirations and plans for economic growth and prosperity. They provide opportunities for new start-ups, business expansion and investment, and jobs.
- 2.2 In updating our local planning policies, we reviewed our established employment areas and made the decision to `keep the best and recycle the rest`. Whilst we want to keep our employment sites for businesses and jobs, we are mindful however in the current climate that circumstances can change. Therefore, the local policies provide the flexibility to permit the loss of employment sites to other uses in certain circumstances. Where the council is minded to approve the loss of an employment site we want to work with the developer to secure measures, where appropriate, to help mitigate the loss of a site and support Oldham's economy. The measures set out in the Paper are not exhaustive or prescriptive, they provide positive examples of where developers, the council and partners can work together in agreement to help support Oldham's economy.
- 2.3 There may be instances, however, where it is not appropriate to seek measures from the developer to support the transition from an employment site. For example, where it is agreed by the council that it is not financially viable for the developer to make a contribution (of whatever nature), or where the alternative use creates new jobs (having regard to the number and type of jobs proposed).
- 2.4 Each application will be determined on its merits. Any contributions will be agreed with the developer and the council. Any contributions, including financial contributions, will be in agreement with the developer and the council, and will meet the legal tests.

3 Background

3.1 Oldham has ambitious and realistic plans for future development, regeneration and investment in the borough. The council is working with public and private sector partners on taking forward major economic, education, housing, health, environmental

Joint Core Strategy and Development Management Policies Development Plan Document, Oldham Council, Adopted 9 November 2011 (the Joint DPD)

For the purposes of this paper the term employment site relates to sites currently or last used for employment purposes and sites allocated or designated for employment purposes. This applies to sites within the Business and Employment Areas and Saddleworth Employment Areas and sites elsewhere unless allocated for a non employment use.

- plans. Together these will transform Oldham for the better; improving the quality of life for local people and our communities by making Oldham a borough with quality housing for all, alongside a high-quality jobs offer.
- 3.2 Our local planning policies promote economic diversification, growth and prosperity by addressing the worklessness agenda, tackling deprivation and creating skilled jobs that are accessible for local residents.
- 3.3 We have identified an `Arc of Opportunity` of key development areas for business and employment. The area stretches from Oldham Town Centre through to the Technology Centre, Foxdenton and Broadway / Greengate in Chadderton and on to Hollinwood Business District. These locations have good accessibility to the motorways and major roads and to the public transport networks. They underpin our plans for economic prosperity and those of Greater Manchester.
- **3.4** Our local planning framework also:
 - a. identifies broad locations for commercial uses, called `Business and Employment Area` (BEA) or `Saddleworth Employment Area` (SEA).
 - b. indicates that we need to allocate 82 hectares of land for business and industry over future years.
 - c. shows how we will work with partners and developers to improve the public transport accessibility for the borough's residents so that they have the opportunity to access new jobs both here and at other key strategic employment locations across Greater Manchester.
 - d. indicates we will make use of developer contributions and local employment initiatives to secure new training and job opportunities that are accessible to local residents.
 - e. promotes rural prosperity and supports diversification of the rural economy, particularly where it enhances agriculture, sports, recreation, tourism or education uses.
- 3.5 Our local policies permit a wide range of commercial uses within the BEA's and SEA's. They also set the circumstances that can be used to permit alternative uses to those listed. Essentially, alternative uses will be permitted where the developer, in agreement with the council, demonstrates that it is no longer appropriate for a site to continue in an employment use. This can be demonstrated through a marketing exercise, a viability assessment or by demonstrating that the redevelopment proposal would have wider regeneration or community benefits (to be agreed with the council). Further details are provided in the local planning policies. Regeneration and community schemes and benefits could include, among others, new housing or education proposals or other schemes worked up through local masterplans and in consultation with local communities or developers. Any evidence used to justify the loss of a site to a non-employment use must be credible and robust and has to be agreed with the council.
- 3.6 Our local policies outline that development proposals resulting in the loss of an employment site to other uses should include measures to outweigh the loss of the site and support Oldham's economy. A range of measures are suggested, although this is not an exhaustive or prescriptive list.

4 Supporting Oldham's Economy

- Policy 14⁽³⁾ within the Joint DPD includes measures that could be used to support Oldham's economy. These will either be agreed as a Section 106 obligation or as a unilateral undertaking. Contributions towards supporting Oldham's economy should be in line with national regulations. The tests for planning obligations are that they must be: necessary to make the proposed development acceptable in planning terms; directly related to the development; and fairly and reasonably related in scale and kind to the development.
- 4.2 The measures for supporting Oldham's economy in Policy 14 include:

Providing managed workspace and rental agreements

- Managed workspaces are an effective way to help new business start-ups become 4.3 established and grow. Oldham has a range of managed workspaces across the borough, including those operated by the council.
- Developers should work with the council to ensure that opportunities for managed workspace are fully considered. This could be through making best use of existing managed workspaces, such as those operated by the council, or by constructing new workspaces where there are none in the locality.
- Where a redevelopment proposal involves an element of commercial uses, a developer may consider the use of discounted rental agreements for any new units for existing businesses and / or new firms to address the requirements of local planning policy.
- Where it is not practicable or desirable for the developer to provide on-site managed workspaces or discounted rental agreements, the developer may agree a financial contribution towards the operation of managed workspaces or discounted rental agreements off-site with the council.
- 4.7 The council's Strategic Projects and Asset Management team can provide further details about the availability, operation and construction of managed workspaces across the borough and discounted rental agreements.

Employment initiatives, training, skills enhancement and apprenticeships

- 4.8 Jobs will be created in the construction phase of development proposals. They may also be created once a new development is up and running. Developers should work with the council to ensure that Oldham residents have the opportunity to access any training, skills enhancement, job or apprenticeship opportunities.
- The council has well-established procedures in place and a good record of working with developers, for example through the 'Oldham Construction Sector Group' and 'Get Oldham Working'.
- 4.10 Oldham has seen high levels of investment over recent years from programmes such as Building Schools for the Future, the Academies Programme, (former) Housing Market Renewal and PFI 2 and 4. The council aims to ensure as much of this money

Supporting Oldham's Economy, page 92, Joint Core Strategy and Development Management Policies Development Plan Document, Adopted 9 November 2011

- as possible is recycled locally to the benefit of local businesses and residents. Working with the contractors, through the Oldham Construction Sector Group, the council develops voluntary and contractual local economic benefit clauses to ensure that the supply chain, job and training opportunities are realised locally. The council aims to ensure that at least 40% of the project costs are spent in Oldham and at least 80% in Greater Manchester.
- 4.11 Under the `Get Oldham Working` brand, Oldham's Employability Team works with major contractors and investors to ensure that local residents benefit from job and training opportunities. No matter how big or small the opportunities, the team will work with contractors, investors and partners across Greater Manchester to tap into the local talent pool. Recently, the team has been working with contractors such as Willmott Dixon, Balfour Beatty and Wates to secure opportunities for local residents. Past successes have also included the creation of bespoke schemes, secured through Section 106 obligations, such as the `Passport to Employment` scheme for the new Tesco store at Hill Stores Centre on Huddersfield Road that created 123 new jobs for local people.

Infrastructure

- 4.12 The council will work with developers and partners to ensure that local residents are able to access employment opportunities. The developer, working together in agreement with the council and public transport providers, may make contributions towards new or improved existing public transport services / routes to allow residents to access jobs when an existing employment site is redeveloped for an alternative use.
- 4.13 Examples of an agreed contribution could be to improve access to an existing area of employment where it is currently poor, or where the redevelopment of an employment site leaves a community without access to local jobs and the developer makes a contribution to improve access to jobs located elsewhere.
- **4.14** The council has public transport accessibility profiles that can be used to assist the developer in identifying opportunities for new or improved public transport arrangements.
- 4.15 The council will work with partners and developers to help deliver ultrafast next generation broadband, creating the setting for new development and investment opportunities.

Mixed use developments

4.16 The council may consider proposals for mixed use development on an employment site that helps retain a degree of economic activity and safeguards / creates jobs, rather than wholly non-employment generating alternative use. This may provide a more sustainable option for a site's future development.

Relocation

4.17 If there are operational businesses on site, developers could assist those businesses to relocate elsewhere in the borough. This may be through various methods including working with local agents and / or the council to find alternative suitable premises or compensation / a financial contribution. For example, should the existing premises have fixed machinery which is unable to be moved.

4.18 Where a business operates from two or more sites and one of the sites is being re-developed for a non employment use, the developers could assist the business to consolidate on the one site. Similarly if a business is being displaced due to the redevelopment of an employment site, developers could help to relocate that business to sites where businesses in their supply chain are located. This may help improve business efficiencies and productivity.

Grants

- **4.19** Providing grants to assist businesses to improve their sites / premises. Where there is no alternative to the relocation of existing businesses, the developer could work with the existing businesses to help find suitable alternative locations to operate from.
- **4.20** The developer could work with the council to agree a range of measures, including financial contributions, to mitigate any impacts of redevelopment on nearby existing businesses to encourage their continued operation.

Financial contribution

- 4.21 There may be instances where due to the loss of an employment site, the council agrees to a financial contribution from the developer / applicant to support Oldham's economy. The council has experience in managing financial contributions where there has been the loss of an employment site.
- 4.22 In one instance, where a site was lost to residential development, a financial contribution was agreed as part of Section 106 negotiations to be spent on 'Improving employment opportunities in the borough'. In this instance the money was used to fund a programme to support young people who are in care or who have been in care, get into work. The project was developed due to a high percentage of Looked After Children having poor numeracy, literacy and employability skills, which make it extremely difficult for them to enter the labour market and access apprenticeship opportunities.