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**STATEMENT IN  
RESPONSE TO  
INSPECTORS' MATTERS,  
ISSUES AND QUESTION  
TO THE EXAMINATION OF  
THE YORK LOCAL PLAN**

Matter 3 – Economic Development

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MARCH 2022

LANGWITH DEVELOPMENT PARTNERSHIP LTD

PARTICIPANT REF 378

Q70385

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# 1 Introduction

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- 1.1 Langwith Development Partnership (LDP<sup>1</sup>) is the principal landholder of the land proposed to be allocated under Policy ST15, which is a strategic allocation (Policy SS13), in the draft City of York Local Plan (“Local Plan”).
- 1.2 Delivering a new sustainable garden village proposed in the south east of the City is a key component of the Local Plan’s spatial strategy for housing delivery. The allocation of a new garden village in this part of the City is based on sound and sustainable planning principles. A new settlement is necessary, sustainable and appropriate in this part of York if the City of York Council (CYC) are to meet their housing needs sustainably. Planning for the delivery of a new settlement in south east York is supported by Homes England<sup>2</sup>.
- 1.3 LDP have made representations to each of the relevant stages of the Local Plan’s preparation (Regulation 18, Regulation 19 and the more recent Modifications to the Regulation 19 Plan)<sup>3</sup> and appeared at the Stage 1 Hearing Sessions in December 2019.
- 1.4 LDP have demonstrated throughout the Local Plan process that the Local Plan’s spatial strategy, which is in part based on delivering a new garden village in the south east of the City, is sound in principle.
- 1.5 Whilst this Hearing Statement (and others submitted to this stage of Hearings) is not specifically concerned with the details of the allocation, Matter 3 of the Stage 2 Hearings is of relevance to the strategic allocation of a new garden village in this part of the City.
- 1.6 This Statement deals with the various questions raised under Matter 3 including those under the following sections:
  - 1.6.1 The Plan requirement for economic development.
  - 1.6.2 The supply of land for economic development.

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<sup>1</sup> Langwith Development Partnership Ltd (LDP) is a joint venture formed by Sandby and the Oakgate/Caddick Group who control all the land required to deliver the new garden village known as Langwith. LDP have joint land holding interests in the south east part of the City, to the north of Elvington (south of the A64). Both parties, have jointly, and individually, been participants in the preparation of the City of York Local Plan (the Local Plan) for over six years.

<sup>2</sup> Homes England have awarded CYC funding under their Garden Communities Capacity Fund to assist in the formulation of their evidence base to support the delivery of a new garden village in south east York.

<sup>3</sup> Representations were submitted by LDP (or companies that constitute LDP), including those (i) in September 2016 to the City of York Local Plan – Preferred Sites Consultation (June 2016), (ii) the later submission of a Site Promotion Document (Quod) in October 2017, followed by (iii) representations (in March 2018) to the City of York Local Plan - Publication Draft (February 2018 ([CD014g](#))), (iv) representations to the York Local Plan Proposed Modifications (June 2019) and associated Background Documents, in July 2019 ([EX/CYC/21b – PMSID378](#)) and (v) the Proposed Modifications and Evidence Base consultation in May 2021 ([EX/CYC/66e – PMSID378i – SID378xvii](#)).

- 1.7 It is LDP's view that given the evidence base of the Local Plan and, notably, the misgivings with that evidence and the foundations of the policy approach to the Plan, that significant modifications to the Plan are necessary. This is explained in LDP's Hearing Statement regarding Matter 1 (see Section 1 of that Statement) where it is respectfully suggested that the Inspectors consider the following modifications:
- 1.7.1 A "broad location for growth" policy for the proposed Garden Village allocation on Land West of Elvington Lane (which would be brought forward under a separate DPD); and
  - 1.7.2 For the Local Plan to expressly recognise, and commit to, an immediate and prompt review and update which will be necessary if the Local Plan is adopted under the transitional arrangements. It is explained in LDP's Statement 2 that in such a case, , a Local Plan based on the 2012 NPPF approach of OAN would be significantly below the outcomes arising from applying the SM of NPPF 2021 and correspondingly insufficient provision for employment land. This is because the evidence base at the Local Plan does not reflect the approach now required under latest Government Policy (in NPPF 2021, and its associated NPPG), which is a material consideration in all current development management decisions.
  - 1.7.3 In the alternative to the approach suggested in 1.8.2 above, the economic evidence should be updated (see LDP's comments in Statements 2 and 3) as part of this Local Plan examination, to better reflect economic circumstances prevailing (and projected) in York with consequent (upward) changes to the housing need target, which are likely to be similar to SM.

## 2 The Plan Requirement for Economic Development

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*Question 3.1: Policy SS1, as currently worded in the Plan, says that sufficient land will be provided to accommodate around 650 new jobs per year.*

*a) In effect, is 650 new jobs per year the Plan's requirement or target for economic growth?*

2.1 It is explained in LDP's supporting Representations<sup>4</sup> and in Hearing Statement 2 that the 650 new jobs per year is out of date, and not aligned with the aspirations and potential of York's economy. Furthermore, it does not reflect the Government's Levelling Up Agenda and imposes, therefore, a constraint to boosting housing supply which is necessary to improve the serious issues of unaffordability within York.

*b) How has the 650 figure been arrived at and is the evidence underpinning it both robust and consistent with national policy and guidance?*

2.2 LDP's understanding of the derivation of 650 jobs per year is set out in more detail in supporting documentation submitted in response to the 1<sup>st</sup> Stage Hearings (2019) and the 2021 consultations<sup>5</sup>.

2.3 The source of the 650 jobs as being Scenario 2 are contained within:

- SD064 - City of York Employment Land Review (July 2016) The Reprofiled Sector Growth Scenario 2 (650 jobs per year 2014-31) at pages 22-23.
- SD063 - City of York Employment Land Review Update (Sept 2017) The OE Scenario 2 forecast (650 jobs per year 2014-31) at page 5.

2.4 The purpose of both these studies was to assess future employment land requirements.

2.5 The 2015 Oxford Economic<sup>6</sup> reprofiled scenario (the source of the 650 jobs) does not in any way reflect the significant change in economic trends and some severe economic shocks that have occurred since 2015. For example, it does not capture the Government's Levelling up Agenda, the current funding arrangements (Levelling Up Fund, town centre support, Shared Prosperity) or the aspirations of the York and North Yorkshire LEP, CYC itself or partners such as the HE and FE sectors in York.

2.6 The 650 jobs figure comes from work published to assess employment land requirements and was published in 2016 and 2017 (based on Oxford Economics 2015 outputs) and was subsequently linked to the OAN work in [EX/CYC/9](#) which states at paragraph 3.3-3.4:

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<sup>4</sup> [EX/CYC/66a](#).

<sup>5</sup> EX/HS/M2/OAHN/23 and [EX/CYC/66e](#).

<sup>6</sup> SC064.

*“The ELR Update concluded that Scenario 2 was the most appropriate to take forward within the draft Local Plan. Before this occurred, the scenarios had to be moved onto a 2014 baseline as shown in Table 2 of the ELR update taking account of BRES change in the period 2012 to 2014.*

*This shows that the total forecast jobs growth for Scenario 2 it is +11,050 jobs over the remaining 17 years of the plan period (2014-31) reducing the economic growth potential in the City of York to 650 jobs per annum.”*

- 2.7 A jobs figure to inform employment land need is not the same as an employment led demographic scenario to assess whether the working age population of an area will be enough to match whole market employment creation. It does not consistently address, for example, the commuting implications of the jobs and resident workforce relationship for neighbouring authorities or York’s housing needs.
- 2.8 Scenario 2 in SD063 and SD064 was not recommended for the purposes of establishing the housing OAN but to form the basis, with testing against trends in the past take up of employment land, of calculations for the supply of future employment land. The focus of employment projections to inform housing OAN calculations is to set out the working age population and the likely impacts of changing commuting and economic activity rates.
- 2.9 EC/CYC/9 does not test or challenge this figure (650) against employment trends which were available at that time or seek to distinguish whether the already dated work (by 2019) was suitable to use to assess housing need, especially given worsening affordability issues.
- 2.10 LDP have set out in EX/HS/M2/OAHN/23 that employment trends for 2011-17 for York averaged (using three available measures) 794 jobs per year.
- 2.11 EX/HS/M2/OAHN/23 provided an update from available updated employment data. This showed a range of 1,200 average jobs per year for 2014-19 and 1,100 jobs per year for 2009-19.
- 2.12 Employment data in York for 2020<sup>7</sup> shows no change from 2019 figure. However, 11 of 15 Local Authority areas across Yorkshire and Humber lost employment from 2019-20, so in this context no change is a reflection of the relative robustness of the York economy. In the period after the Oxford Economics forecast in 2015 was used in SD064 (ie, during 2015-20), the average employment growth in York was 1,400 jobs per year, more than twice the 650 jobs projection that currently underpins the Local Plan.
- 2.13 CYC has published further housing and economic reports, including the following:
  - [EX/CYC/29](#) (although this is not an employment land update) and [EX/CYC/43a](#) GL Hearn Housing Needs Update September 2020.

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<sup>7</sup> Total Jobs measure from the Jobs Density dataset published on Nomisweb.

- [EX/CYC/29](#) seeks to update some of the contextual work from SD064 and SD063. The equivalent to Scenario 2 (the basis for the 650 jobs per year) is set out as the reprofiled scenario and is based on Oxford Economics November 2019 long term forecasts for York.
- [EX/CYC/29](#) acknowledges that recent job growth was higher in York (page 19) but does not reconcile this with the lower rates of employment that Scenario 2 sets out.
- [EX/CYC/29](#) sets out that the expected employment projection for York under Scenario 2 for (2019-31) is 610, however it is clear that for 2017-39 the projected job figure is 510. The main factor that reduces these outputs are driven by national assumptions. [EX/CYC/20](#) on page 10 expects an increase in net commuting to York – more people living outside York travelling to work within the City of York area. This is not explored further in any detail and nor is it consistent with the analysis within [EX/CYC/43a](#). Page 13 of [EX/CYC/29](#) sets out the very different base Oxford Economics use (2016 SNPP) and different national migration assumptions.

2.14 [EX/CYC/43a](#) state at paragraph 3.2:

*“The scale of economic growth of 650 jobs was in the submitted local plan and was further corroborated by the economic forecasting by Oxford Economics published in December 2019 [EX CYC 29].”*

2.15 It may be that [EX/CYC/43a](#) is comparing the 610 figure in [EX/CYC/29](#) which is set out as being for the 2019-31 and that t figure that “corroborates” 650 jobs per year. There is no discussion in [EX/CYC/43a](#) around the differences in the [EX/CYC/29](#) assumptions that leads to a fall off in employment for the whole period as a result of extending the forecast period by 7 years.

2.16 The table below compares [EX/CYC/29](#) and [EX/CYC/43a](#) in terms of projected jobs growth per annum.

	<a href="#">EX/CYC/29</a>		<a href="#">EX/CYC/43a</a>
2017-31	610	2019-33	650
2017-38	510	2019-37	650

2.17 It is a further layer of confusion as to why the [EX/CYC/29](#) sees a difference in employment prospects for 2031-38, but GL Hearn think there is no change based on the earlier 2015 work from SD063 or SD064.

2.18 Paragraph 3.5 of [EX/CYC/43a](#) seems to misunderstand the role of employment trends in demographic projection work.

*“We have not examined the economic need associated with historic employment growth as the accommodation has already been provided to support that growth. We have therefore focussed on the economic-led need required to support 650 jobs per annum for the period 2019-33 and 2019-37 with the interim period to 2019 taken from published in MYE.”*

2.19 This approach ignores those in current affordable and general housing need and does not address any changes in commuting from the undersupply of dwellings.

- 2.20 Although CYC have published updated Economic Prospects in December 2019 ([EX/CYC/29](#)) this is not used in the latest housing need assessment [EX/CYC/43a](#). The sector mix outputs in [EX/CYC/29](#) are therefore not relevant to the Plan.
- 2.21 The Plan is choosing to under estimate the employment potential of York. Clearly a more realistic employment approach would, under the GL Hearn methodology lead to a higher housing OAN figure.
- 2.22 While it is not the role of these Representations to set out either an economic strategy for York (which is still awaited) or to provide an employment led demographic scenario, it is clear that a number of current planned investments are not factored in to the out of date 650 jobs figure.
- 2.23 For example, the York Central development, which is a key employment generating prospect for York, which is covered in detail in the Understanding Data Report at [EX/CYC/66e](#) (pages 26-28).
- 2.24 LDP set out modelled figures that illustrated CYC's own claims that York Central would provide a 20% uplift to the York Economy, and that York Central employment does not appear to have been modelled directly in SD063, SD064 or [EX/CYC/29](#).
- 2.25 To illustrate a further example, we further note that York and North Yorkshire LEP identify significant additional employment generating projects that are being considered for funding and are supported for York, under the umbrella of BioYorkshire<sup>8</sup> proposals.
- 2.26 The Phase 1 details are to deliver six, integrated projects:
- £90m for the upfront construction and equipment costs for a new industry facing interdisciplinary Global Bioeconomy Institute at the University of York as well as a phased contribution to staff costs associated with delivery of the Institute's strategic aims in collaborative R&D, as well as education and training;
  - £15m to increase the capacity and capabilities of the Biorenewables Development Centre (BDC) in York through new equipment and additional skilled scientific officers and business development staff across a broader range of biorefinery technologies;
  - £35m for the upfront construction, equipment costs and operating costs for a new Research Cube (£30m) and Packaging Hub (£5m) in York, which are research testing facilities that will house strategic R&D at the National Agri-Food Innovation Campus and Sand Hutton, in partnership with Fera Science and Ocado;
  - £15m for the construction and operation of a new Sustainability Learning Centre at Askham Bryan Agricultural College with learning space and specialised STEM facilities;
  - £10m for the construction and operation of a new Bio-Yorkshire Agriculture Incubator Hub at Askham Bryan College offering 20 start-up spaces for applied practical and agri-tech business; and

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<sup>8</sup> <https://democracy.york.gov.uk/documents/s141125/Annex%20%20-%20Set%20of%20proposals%20to%20Government%20for%20a%20Devolution%20Deal.pdf%20Annex%202> (Pages 79-80).

- £10m to invest in the equipment for a Circular Economy Data Hub distributed across and building on existing knowledge and hardware at Fera Science and the University of York campus as well as initial operating costs (for staff, dataset procurement and management and marketing).

2.27 It is estimated that innovation and skills developed through BioYorkshire will add around £4bn in GVA to the UK economy by 2030, attracting over £1bn of inward investment, creating 4,000 jobs across Yorkshire and the UK, whilst mitigating some two million tons CO2 annually. There is likely to be a concentration of jobs in and around York, with potential for an expanding bioscience cluster and spin off benefits with supply chain links.

2.28 While there is no current breakdown of individual projects and their economic benefits, the two main partners in this ambitious agenda are University of York and Askham Bryan College (both based in York) and Fera Science (situated adjacent to the City of York boundary).

2.29 York remains a strong location for employment growth; CYC's Economy and Strategic Planning Policy and Scrutiny Committee stated in July 2021:

*“There continues to be strong demand for industrial space outside of the city centre, with widespread interest for commercial units ranging from 1,500 sq. ft. to 30,000 sq. ft. A number of speculative industrial units have been built in recent years, with those coming onto the market in the last quarter fully leased.*

*Interest in York as a business location remains high with the Make it York team fielding a number of enquiries from prospective investors. The team is also supporting a number of indigenous businesses across the city to expand and providing soft landing support to those who have recently taken up premises.”*

2.30 There remains a significant imbalance between what the Local Plan does and how it plans for York's economic and employment future and how other departments at CYC, as well as the LEP and partners across both academic and business communities are actively planning for a more aspirational future based on York's many strengths.

2.31 LDP consider that the available headline trend data, the known and expected employment generating pipeline of projects, and the overall robustness and strength of the York economy, means that any jobs target, as a minimum, should be testing at least 1,000 jobs per year for the reasons outlined above (and in Hearing Statement 2).

*c) What proportion of the 650 new jobs per year target should be identified for each employment sector? Has this been assessed? If not, should such an assessment have been undertaken to assist in identifying an appropriate supply for the identified amount?*

2.32 LDP reserve the right to comment further on this matter at the forthcoming Hearing Sessions on Matter 8.

*Question 3.2: Table 4.1 of the submitted Plan (page 77), sets out employment land and floorspace requirements by use class for the Plan period (2017-2033) and also in the post Plan period 2033-2038. Is this assessment still the most up-to-date? If not, what is the most up-to-date position and how should this be rectified in the Plan?*

- 2.33 LDP reserve the right to comment further on this matter at the forthcoming Hearing Sessions on Matter 8.

*Question 3.3: Unless we have missed something, the Plan does not say how much land or floorspace is needed each year to accommodate the 650 new jobs per annum that are planned for. Why not?*

- 2.34 LDP reserve the right to comment further on this matter at the forthcoming Hearing Sessions on Matter 8.

*Question 3.4: If Table 4.1 in the submitted Plan is not up-to-date, how much land or floorspace is needed for each of the employment sectors expected to deliver jobs growth?*

- 2.35 LDP reserve the right to comment further on this matter at the forthcoming Hearing Sessions on Matter 8.

*Question 3.5: Should the answer to the preceding question be set out in the Plan as an explicit target?*

- 2.36 LDP reserve the right to comment further on this matter at the forthcoming Hearing Sessions on Matter 8.

*Question 3.6: Has any updated assessment of the employment requirement for land and jobs taken into account the 2020 changes to the Use Classes Order, particularly for employment uses (e.g. Use Classes B1 a), b) and c) to Class E? If not, what effect would these changes have on employment requirements? How have these Use Class changes impacted on the overall employment requirement?*

- 2.37 LDP reserve the right to comment further on this matter at the forthcoming Hearing Sessions on Matter 8.

*Question 3.7: Is it likely that the departure of the UK from the EU and/or the Covid-19 pandemic could have an impact on jobs growth during the Plan period? If so, is it possible for the Plan to properly gauge those impacts with any degree of certainty? How should the Plan respond to these issues, if at all?*

- 2.38 LDP reserve the right to comment further on this matter at the forthcoming Hearing Sessions on Matter 8.

## 3 The Supply of Land for Economic Development

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*Question 3.8: Policy EC1 of the submitted Plan sets out the amount of employment floorspace that is to be provided on each identified site allocation during the Plan period. These are set out within the policy both on strategic and non-strategic sites. Are the floorspace figures in Policy EC1 for these sites still correct and justified?*

- 3.1 LDP reserve the right to comment further on this matter at the forthcoming Hearing Sessions on Matter 8.

*Question 3.9: Is the amount of employment floorspace provision and its proposed distribution consistent with the evidence base?*

- 3.2 LDP reserve the right to comment further on this matter at the forthcoming Hearing Sessions on Matter 8.

*Question 3.10: In line with Policy SS1, has sufficient land been identified to meet employment needs of the City of York over the Plan period?*

- 3.3 LDP reserve the right to comment further on this matter at the forthcoming Hearing Sessions on Matter 8.



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