

1 Introduction

- 1.1 This background paper supports the `Economy` policies in the Island Planning Strategy (IPS). It sets out the specific policy context provided by the National Planning Policy Framework, 2023 (NPPF) and provides a brief summary of the draft plan policies. An outline is included of the key points made in the Island Planning Strategy (IPS) Regulation 18 consultation.

National Planning Policy framework

- 1.2 The National Planning Policy Framework, July 2023 has a key objective to
- ... help build a strong, responsive and competitive economy, by ensuring that sufficient land of the right types is available in the right places and at the right time to support growth, innovation and improved productivity; and by identifying and co-ordinating the provision of infrastructure` (paragraph 8).*
- 1.3 This objective is supported by paragraphs 85 and 86 which sets out that planning policies should set out a clear economic vision, set criteria or identify strategic sites and meeting economic needs and potential barriers to investment, create conditions for investment, expansion and adaptation and be flexible to address unidentified needs. Recognition should be given to different locational requirements of different sectors (paragraph 87). Paragraphs 88 and 89 set out policy guidance to support a prosperous rural economy
- 1.4 Recognition is given to the role that town centres play at the heart of local communities. Paragraphs 90 and 91 provide guidance for ensuring the vitality of town centres and providing for town centre uses. Paragraphs 92-94 set out guidelines for considering edge and out of centre proposals, dealing with small scale rural development and criteria for assessing proposals over locally set floorspace thresholds. Any development failing the sequential test or having an adverse impact on existing proposals or vitality and viability of a town centre should be refused (paragraph 95).
- 1.5 Planning Practice Guidance sets out detailed guidance for the economy in:
- Housing and Economic Land Availability Assessment*
Housing and Economic Needs Assessment
Town Centres and Retail

Island Planning Strategy policies

- 2.10 The overall vision for the Island Planning Strategy seeks to ensure that the Isle of Wight is an inspiring place in which to grow up, work, live and visit. The economy policies in Section 8 of the Plan support this vision and are consistent with national planning guidance and supporting Planning Practice Guidance. Additional evidence work has been undertaken and is contained in the Employment Land Study 2022.
- 2.11 A brief overview of each of the `Economy` policies is set out below.

E1 Supporting and Growing our Economy - This policy sets out a framework to encourage sustainable economic growth and investment in the local economy. Six employment land allocations are identified together with four areas of further intensification and/or expansion to attract new business and investment to support job creation. The emerging role of the Solent Freeport recognised in the supporting text but is uncertain as the proposals are at a early stage.

E2 Sustainable Economic Development – The principles supporting sustainable economic development are set out including encouraging the re-use of previously developed land or buildings for a range of employment types and sizes. Losses of employment land above 0.1 ha are resisted except in limited circumstances.

E3 Upskilling the Island – The policy supports skills development and employment which builds upon existing employment sectors. Larger construction projects are expected to develop an Employment and Skills Plan which will be secured by condition to help achieve this.

E4 Supporting the Rural Economy – The policy encourages small scale employment uses focussed mainly on the re-use of existing buildings, farm diversification, and rural tourism and leisure activities where there are sustainable transport opportunities.

E5 Maintaining Employment Sites with Water Access on the River Medina – The loss of employment sites beyond the tidal cut off point is resisted to maintain the provision of employment sites with water access. To the south of the cut off line, proposals compatible with the Solent Waterfront Strategy are supported in principle.

E6 Future Proofing Digital Infrastructure – The policy seeks to ensure that new development has the best possible digital infrastructure in place to support future growth and investment.

E7 Supporting and Improving our Town Centres – The policy sets out development principles to encourage the vitality and viability of the town centres through supporting a range of commercial uses and controlling new retail development outside the identified Primary Shopping Areas. Local floorspace thresholds are set out in the policy where retail impact assessments are required. Regeneration proposals to improve pedestrian flows and the public realm are supported as are improvements to the evening offer in centres across the island, providing that issues of safety, disturbance and antisocial behaviour are considered.

E8 Supporting High Quality Tourism – Criteria are set out for proposals for high quality tourism and to protect against the loss of tourist accommodation in the core areas.

E9 Short Term Let Holiday Accommodation – This policy seeks to control properties being used as short term holiday lets by defining a `material change`. Applications within the core tourist accommodation areas will be supported.

E10 The Bay Area Place Plan and Sandown Bay Tourism Opportunity Area – Supports the principle of development that aligns with the Bay Area Place Plan. Proposals to support the tourism offer in `Sandown Bay` are supported. Any major proposals must take account of flooding issues. The use of Local Development Orders will be considered.

E11 Ryde Tourism Opportunity Zones – In Ryde, different opportunity zones are identified and development within each of these is supported where consistent with the activities outlined, together with relevant design guidance.

E12 Solent Freeport – Supports development that seeks to benefit from and/or play a role in facilitating investment and innovation linked to the Solent Freeport including the intensification and/or expansion of existing employment uses.

2.12 Six employment land allocations are included in the plan to support job creation and ensure provision of sufficient sites and premises to meet identified local business needs.

- **EA1 Employment Allocation: Land to the east of Pan Lane** - A brownfield site of approximately 3 hectares to deliver a mixed use scheme of Class E and B2 uses.
- **EA2 Employment Allocation: Land at Nicholson Road, Ryde** – A greenfield site of approximately 14.6 hectares to accommodate a mix of Class E, B2, B8 uses and supporting community uses such as a health centre or creches whilst protecting existing properties and the local environment.
- **EA3 Employment Allocation: Land at Somerton Farm, Cowes** – A greenfield site of 1.9 hectares for Class E, B2 and B8 uses. This is a joint allocation with HA022, and employment may be spread across the site as a buffer to other existing uses to provide the best residential environment possible.
- **EA4 Employment Allocation: Kingston, East Cowes** - A site with planning permission for class E, B2 and B8 uses extending to 6.2 hectares. The site has potential for large buildings, subject to consideration of flood risk and nearby residential development.
- **EA5 Employment Allocation: Lowtherville, Ventnor** – A small brownfield site of approximately 0.7 hectares, allocated for Class E, B2, B8 and other job generating uses. There are existing employment buildings on the site and any redevelopment needs to consider the potential for contaminated land and any impacts on existing residential use.

- **EA6 Employment Allocation: Sandown Airport, Sandown** – A greenfield/brownfield site of 2.99 hectares suitable for Class E offices and B2 use. Development should not compromise the future use and potential expansion of the airport.

2.13 Four employment areas have been identified as having some potential to intensify and/or expand the existing employment uses and improve the range of commercial uses. The four areas identified in Policy E1 are:

Cowes Industrial Estate, Three Gates Road
College Close Industrial Estate, Sandown
Afton Road Freshwater
Golden Hill industrial estate

Key Issues Arising from the Plan consultation

2.14 The key employment issues arising from the consultation on the Regulation 18 version of the Island Planning Strategy are briefly summarised below, together with a description of changes made in the Regulation 19 version of the IPS.

- Add a reference on the need to undertake site specific flood risk assessment avoiding flood risk areas and providing flood plain compensation, the potential for downstream betterment and maintaining a river buffer zone to preserve the integrity of the riverbanks – A criteria has been added to **Policy EA1**. A reference has been added to **Policy E11** and its supporting text on taking account of current and future sea and fluvial flood risk and seeking to reduce them.
- Amend the employment allocation site boundary for EA3 to provide flexibility on the location of employment uses to allow a more optimal location of the residential development adjoining the site – **Policy EA3** has been amended to allow consideration to be given to the location of the employment allocation as part of the joint allocation with HA022.
- The policy should allow more flexibility for commercial uses within town and local centres but also address concerns on public safety issues, disturbance and antisocial behaviour from evening activities – A reference has been added to **Policy E7** on flexibility for commercial uses. The policy on the evening economy has been deleted and merged with **Policy E7**. A reference is added on considering impacts on safety, disturbance and antisocial behaviour.
- The Plan should accept some areas are no longer viable for tourist accommodation – **Policy E8** (as renumbered) and supporting text has been amended to reflect that the loss of tourist accommodation in Core Tourist Accommodation Areas will be resisted unless robust evidence is provided that the site is no longer viable.
- Strong objections were made across the Plan to short term letting of residential properties for holiday accommodation – A new policy has been added to the Plan to control the change of use from residential properties to short term holiday lets except in Core Tourist Accommodation Areas where it is supported or in Neighbourhood Plans.

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- The Ryde Tourism Opportunity Zones should reflect those in the Ryde Place Plan – **Policy E11**, the supporting text and Policies Map have been amended.
- A new policy E12 has been added to address matters arising from the development of the Solent Freeport.

Conclusions

2.15 Together, the `Economy` policies and employment land allocations seek to achieve the aspirations linked to economic recovery and support sustainable economic growth and job creation on the island.

Frequently Asked Questions – Economy

1. Are the policies consistent with national planning guidance?

National planning policy on the economy is set out in paragraphs 85-89 of the NPPF. A key objective is to *... help build a strong, responsive and competitive economy, by ensuring that sufficient land of the right types is available in the right places and at the right time to support growth, innovation and improved productivity...`.*

Paragraph 86 sets out that planning policies should set a clear economic vision, flexible guidance on strategic sites, meeting economic needs and potential barriers to investment. Paragraphs 88 and 89 set out policy guidance to support a prosperous rural economy. Paragraphs 90 and 91 provide guidance for ensuring the vitality of town centres and providing for commercial uses.

These principles are picked up in policies E1, E2, E4 and E7

The council believes the draft island planning strategy policies on employment are consistent with the national planning guidance.

2. How will the Local Plan help the economy?

The Local Plan plays a key role in helping to grow the island's economy by creating a framework of policies within which planning decisions can be made. The Employment Land Study Update estimates the level of jobs supported by the level of proposed housing provision is between 1,900 and 5,600 jobs. Some of this will be achieved through the identified employment land allocations, others through more intensive use of existing floorspace or self-employment.

3. How have the employment sites been identified and what factors were considered to include them?

Undeveloped employment sites from the Core Strategy, plus additional potential employment sites were reviewed in the Employment Land Update 2015. This was revisited in 2021 when all potential employment land allocations were assessed based on their market attractiveness, development

opportunities, age and quality of the buildings, parking and circulation, accessibility, clustering and issues associated with adjacent uses.

Through the plan process the council considers public responses to the plan, the environmental assessment work, the evolving evidence base, dialogue with stakeholders and officer led workshops before the sites are finalised.

4. How much land is being earmarked for employment?

The Plan identifies approximately 29.2 hectares of land for employment. Four additional sites are identified where intensification of the existing employment use and/or expansion of existing employment uses will be supported.

5. Why do we need so much more land for economic development, and can the employment opportunities and infrastructure support the additional growth planned?

As with housing growth, national planning policy requires economic development to be planned for to support growth, innovation and improved productivity. The Island Planning Strategy does this through land allocations for new businesses on or moving to the island and enabling existing businesses to grow. Taking the employment growth forecasts from the ELS into consideration, which look at the level of jobs that might be supported by different levels of housing delivery (labour supply), an estimate is made of the future level of employment land needed.

The Employment Land Study update has analysed how much land is required to meet the employment land needs on the island based on the level of housing growth proposed in the Island Planning Strategy.

6. The High Street suffers from shops closing and opening as other non-retail uses, why can't the local plan stop this?

Premises in use as a shop (Use Class E) can change use to other uses within the same class e.g., a café, without requiring planning permission. However, work associated with the change may still need consent. The Use Classes order is set by national legislation in the Town and Country Planning (Use Classes) Order 1987 (as amended). The Local Plan (Island Planning Strategy) cannot override national legislation.

7. If a business needs to change from one type to another, but doesn't want to move premises, how can planning help that?

Some changes of use do not need planning permission, though work associated with the use may do so. A business may not necessarily need to move if it wants to change to another use. As each circumstance is different it is best to seek advice on what does and doesn't need planning permission and the consistency of any proposal with Local Plan policies before making any decisions. This is best done through use of a planning consultant or using the council's pre application advice service.