



# **Medway Core Strategy Plan Public Examination 2012**

## **Matter 4: Employment and Retail Development**

**Hearing Session: 13<sup>th</sup> June 2012 (PM)**

**STATEMENT BY  
MEDWAY COUNCIL**





**Matter 4: Employment and Retail Development**

**Matter 4a: Is the overall job requirement figure realistic and achievable?  
Is it founded on a robust and credible evidence base?**

**Matter 4a(i) Is the overall job requirement figure realistic and achievable?**

1. Both the job requirement figure and the basis for it are explained in the Core Strategy at paragraphs 3.16-3.20. In turn this refers to the Medway Employment Land Review Consolidation Study 2010 (EB24), which built on a large amount of available evidence, including the Medway Economic Development Strategy (EB52)
2. The basis for it is also discussed in the background paper LD04 and its deliverability in background paper LD03.
3. Paragraph 3.20 of the Core Strategy openly accepts that the jobs target of 21,500 is “ *ambitious*” but it also explains that it is considered necessary to “ *ensure that economic activity is not artificially restricted*” and that “ *sufficient capacity is available to match housing growth.*”
4. It would be all too easy to take a less ambitious approach, bearing in mind the current economic climate. But to do so would ignore or downplay a number of local imperatives as explained in the above documents and in the evidence base:
  - The need to improve relative economic performance, not just for its own sake but to reduce deprivation and improve social opportunity and mobility
  - The need to ensure that jobs growth goes hand in hand with housing growth so that the ratio of local jobs to resident workforce does not worsen from an already bad position
  - A need to ensure that regeneration is sustainable and effective. Mono cultural developments will not create balanced communities or afford opportunities to the existing population
  - A very healthy overall land supply position that includes large sites that are not suitable for non employment land uses and which can accommodate the target
  - The opportunity to capitalise on the growth in Further Education/Higher Education provision in Medway.
5. On this basis the requirement is considered to be ambitious but also realistic.
6. Its achievability or deliverability is considered in background paper LD03.
7. Medway Council believes it is not a sensible approach to project medium to long-term requirements on the basis of market conditions at the bottom of an economic cycle. The Core Strategy will cover a

remaining 16 year period, which will include at least one and possibly two economic cycles. Local evidence suggests a reasonable level of market confidence including:

- The owners of the very large allocations at Kingsnorth and Grain have had the confidence to obtain planning permission and put in advance infrastructure during the downturn
  - A whole range of market opportunities have been identified for the new settlement at Lodge Hill (see separate statement for Matter 5)
  - BAE Systems are strongly supporting current masterplanning work for Rochester Airfield due to the potential the company sees in that location
  - The Council opened the Medway Innovation Centre at the bottom of the downturn but it is now fully occupied and a waiting list for certain sizes of unit has had to be created.
8. In addition the Core Strategy is intended to run to 2028. Many economic commentators are currently suggesting a return to significant growth nationally during 2014.

**Matter 4a(ii): Is it founded on a robust and credible evidence base?**

9. A critical element of the tender brief for the Employment Land Consolidation Study (EB24) was that it needed to fully reflect the guidance for such work set out by the ODPM in 2004. An examination of the resulting study shows that it takes full account of all 14 suggested stages and that the report is structured accordingly.
10. It also took account of earlier detailed surveys of all existing employment areas and other work, which was completed to the most exacting standards.
11. Accordingly it is difficult to see how the evidence base can be anything other than robust and credible.

**Matter 4b: Are the proposed locations for employment development the most sustainable?**

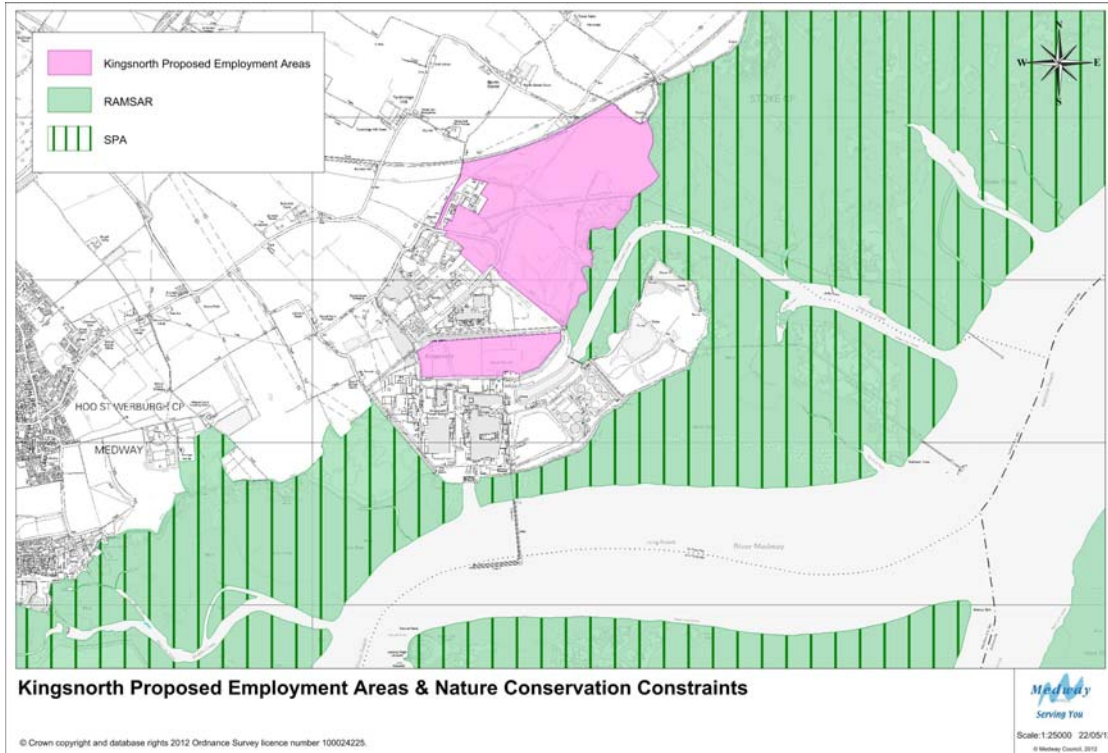
12. An analysis of the SLAA (EB82) shows that employment areas and allocations generally fall into the following categories:
- Town centre locations – generally accepted as the most sustainable type of location normally available
  - Urban waterfront locations – all of these are well related to the town centres (Strood, Rochester, Chatham and Gillingham) and close to extensive residential neighbourhoods
  - Other urban locations – generally applies to established employment areas, distributed across the main urban area that are also close to extensive residential neighbourhoods. These include Rochester Airfield which is already a significant employment area and which also enjoys a location on a major public transport route and ready access to the motorway network

- Rural or other locations – In some cases these include location specific facilities such as wharves or minerals facilities. However three sites stand out and require further explanation. These are Lodge Hill, Kingsnorth and Grain.
13. **Lodge Hill:** The background to this proposal is set out in the Lodge Hill specific evidence base and the Lodge Hill State of Medway report (EB106 and EB107). It is also the subject of a separate appearance statement under Matter 5. However it is appropriate to make the point here that this freestanding new settlement will not be sustainable unless it is truly mixed use in character and includes appropriate employment opportunities.
  14. Furthermore, the approach proposed at Lodge Hill, which seeks to balance new homes with employment opportunities, is entirely in line with paragraphs 37 and 38 of the National Planning Policy Framework (Section 4, Promoting Sustainable Transport), which promotes a balance of land uses across an area, and the need to offer opportunities to work in locations with large scale residential development.
  15. The proposed employment target is one job per household (5,000 in total by the end of the 15-20 year development period). This reflects both a careful assessment of the realistic opportunities and a conscious effort to make the settlement as sustainable as possible.
  16. Given these factors it follows that Lodge Hill is a sustainable location for economic development.
  17. **Kingsnorth:** Some background to this extensive site is set out in the background paper that describes the spatial strategy (LD07). In normal circumstances it would not be regarded as a natural location for employment generating development but:
    - It adjoins two major power stations, one of which has produced pulverised fuel ash over its operating life. This has been deposited on surrounding land making it effectively sterile
    - There is an existing industrial estate, the origin of which can be traced back to a time when Kingsnorth was the location of a major airship station and factory
    - It is not in a location that would lend itself to residential development
    - It adjoins a major estuary and is readily capable of being served by a railhead off the Grain freight line.
  18. This makes it one of very few locations throughout the greater southeast capable of accommodating land hungry employment uses.
  19. As such it does not conform to the normal rules but, due to its particular characteristics, it can be regarded as regionally significant.

20. It is also the case that it has been formally allocated as employment land for some time (Medway Local Plan 2003), has a recent planning approval and essential infrastructure has been provided both on and offsite to create serviced plots that are 'ready to go'.
21. **Grain:** This even larger site shares some of the particular characteristics of Kingsnorth. In terms of location alone it would not normally be considered as an employment location but:
- It is the site of a former very large oil refinery that has left a legacy of contaminated land
  - It adjoins the container port of London Thamesport
  - It is served by an existing railhead (operated by Thamesport) that utilises a dedicated freight line
  - It adjoins 3 major power stations, a nationally significant LNG storage facility and other infrastructure installations.
22. As with Kingsnorth it is not suitable for residential development but in terms of size is far and away the largest site left in the greater southeast for land hungry employment uses. It again has the benefit of a recent planning approval and has featured in local and structure plans over a considerable period. In the last few months a new bridge has been constructed, part funded through a S.106 agreement, over a nearby rail crossing. This is the latest in a package of improvements to the A228 designed to improve access to what would otherwise be regarded as a remote location.
23. It follows that it is essential that the Core Strategy recognises the status of the very particular opportunities that Kingsnorth and Grain present but also ensures that there are a range of other opportunities in more sustainable locations.

**Matter 4c: Will there be an unacceptable impact on sites of nature conservation importance?**

24. It is assumed that this question is primarily concerned with the Kingsnorth and Grain employment areas described under Matter 4b above.
25. Kingsnorth adjoins the Medway Estuary and Marshes Special Protection Area and Ramsar site. This is shown on the plan below and can be seen in more detail on Proposals Map 2 in the Medway Local Plan (EB64).



26. As already indicated this longstanding allocation now has the benefit of a planning permission and, as such, has been the subject of a full Environmental Assessment (and Appropriate Assessment). The consent requires a combination of offsite and onsite mitigation based on a strategy developed when the nearby Damhead Creek power station was consented some years ago. The solution was agreed with Natural England and the offsite mitigation has already been secured (Harty Marshes on the Isle of Sheppey).
27. It follows that the nature conservation impacts have been appropriately managed.
28. Grain adjoins both the Medway Estuary and Marshes SPA and the Thames Marshes SPA and their associated Ramsar sites. This is shown on the plan below and can be seen in more detail on Proposals Map 2 in the Medway Local Plan (EB64).



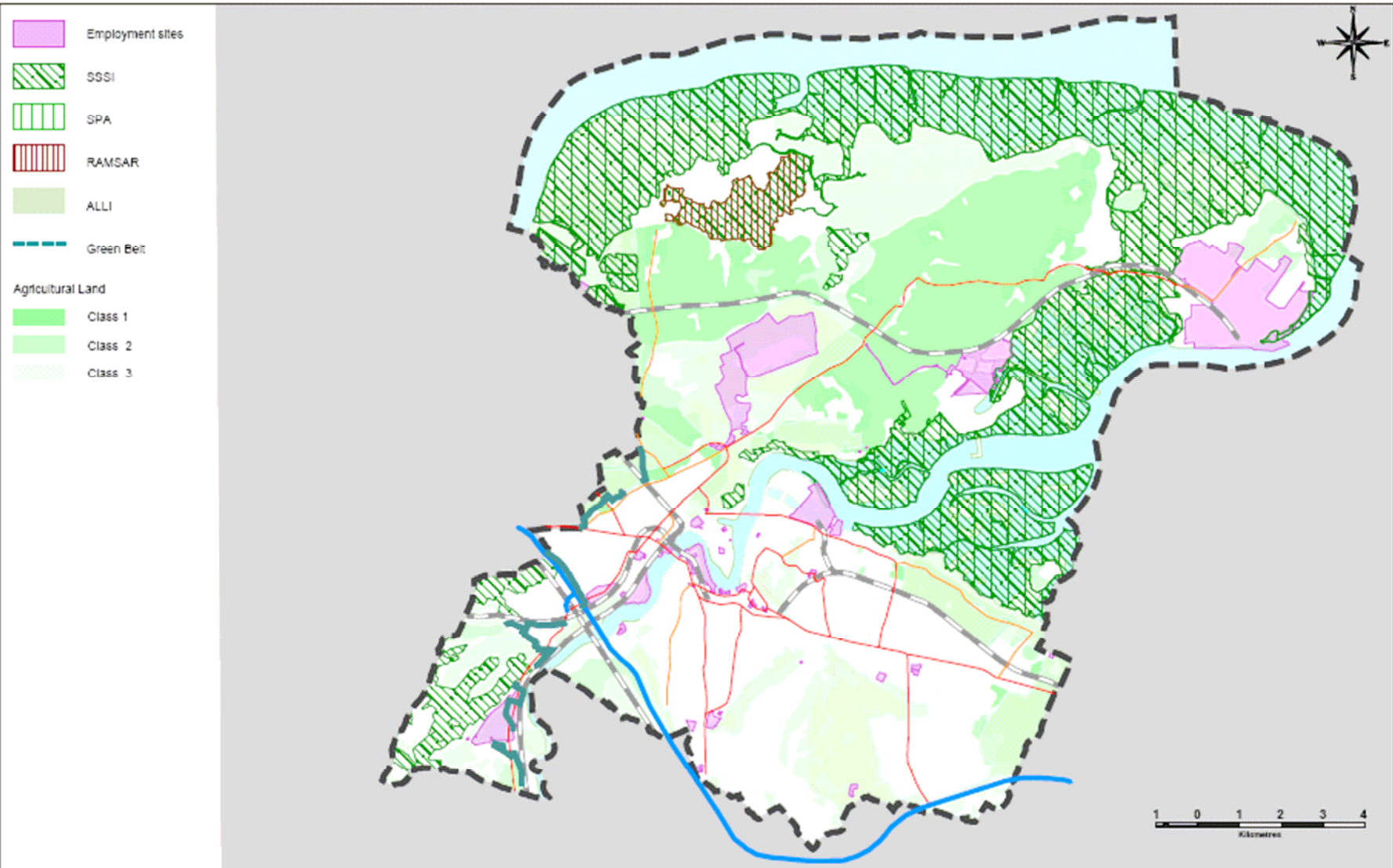
29. The main development area is however largely separated from the SPAs by Grain village and surrounds, the Thamesport container port, the LNG storage facility and the Grain power stations (3).
30. The site also has the benefit of a planning permission dating from 2010 and was subject to environmental and appropriate assessments. The consent is subject to the provision of mitigation areas both on and adjoining the site.
31. As a result the nature conservation impacts are considered to have been appropriately managed.
32. If there are other sites at issue in relation to this matter the Council will be happy to address them during the hearing session.
33. The Medway wide map at the end of this paper identifies all employment sites and major constraints.

**Matter 4d: Is the strategy for meeting retail needs realistic and deliverable, particularly the reliance on development in Chatham town centre?**

34. In retail terms the Medway urban area is polycentric, with 5 traditional town centres in close geographical proximity to one another and a range of retail provision in out of centre locations.
35. However the Sustainable Community Strategy promotes Chatham as the 'city' centre for Medway and it is the naturally dominant centre in terms of type and quantum of retail space, civic uses etc.



36. Medway is amongst the very largest of urban conurbations in the southeast. It is larger than Southampton, Milton Keynes, Derby or Swindon for example. It is comparable in size to Brighton & Hove. However the quantum of retail floorspace (particularly for comparison goods) falls well short of its much smaller local competitors (Maidstone and Canterbury).
37. The South East Plan, at paragraph 4.17, states, *“the development of dynamic and successful town centres is central to the achievement of sustainable development... A strategic network of town centres is identified in Policy TC1... Out of the 22 centres identified as primary regional centres, 12 are expected to evolve significantly in terms of the range of their town centre uses... and have been identified as ‘Centres for Significant Change’.”* Number 4 on the list is Chatham.
38. There is therefore complete harmony between the Medway Community Strategy and the South East Plan in classifying Chatham as a regionally significant centre and a centre where significant change should take place. There can be little doubt that retail development on a significant scale will need to occur if such a radical re-positioning of the centre is to take place. However the Medway Retail Needs Study (EB68) shows that the necessary headroom is available to do this.
39. The study was prepared in 2009 but after the economic downturn had occurred. It was also critically assessed before sign off at a workshop attended by various consultants representing alternative locations, including Hempstead Valley and Lodge Hill. It can therefore be considered robust. Retail forecasts since then have fallen back but not to a degree that would endanger the strategy.
40. The ability to accommodate the required scale of development on the ground has also been demonstrated though detailed masterplanning for the centre as a whole and for individual quarters within it.
41. The Council would freely accept that, despite the local imperatives, promoting large scale town centre retail schemes is challenging in the current economic climate. However the case for Chatham is exceptionally strong and a critical component of the wider change agenda.



Employment Sites and Major Constraints

© Crown copyright and database right 2012 Ordnance Survey Licence number 10004025.

**Medway**  
Serving You  
Scale: 1:85000 230512  
© Medway Council 2012