

Economic Development - Response to Planning

Application	HPK/2022/0443
Proposal	Proposed warehouse extension for B2/B8 mixed use development of 540 sq. metres at Bridgeholme Industrial Estate, Chinley SK23 6DX. CJK Packaging Ltd has proposed an extension of their existing warehouse building, located at Bridgeholme Industrial Estate, Chinley. The expansion is in order to accommodate the company's anticipated growth and the planned diversification of their product range. The building proposed for expansion is formed of 3 distinct bays, and the scheme seeks to extend this with an additional bay of roughly the same scale. The proposed development will enable CJK Packaging to diversify its product range and move into plastic container manufacturing. This will bring with it significant economic benefits, including the creation of new jobs on site. While appreciating the planning balance that must be taken into consideration, from an economic perspective, taking into consideration the business and job growth opportunities delivered by this proposal, the increase in business rates and multiplier benefits to the local area and the fact that this is an existing established industrial site, High Peak regeneration team are fully supportive of this application and would recommend approval.
Policy Fit	The High Peak Local plan In the Parish of Chapel-en-le-Frith, a Neighbourhood Plan has been made. The Chapel-en-le-Frith Neighbourhood Development Plan identifies sites for development and addresses other issues including countryside, infrastructure and transport. No employment land allocations are made by the High Peak Local Plan in the Central Area. A minimum of 7.7ha of employment land should be allocated by the Neighbourhood Plan for Chapel-en-le-Frith Parish to support the Borough wide identified need for employment land. The Neighbourhood Plan <i>"recognises that the provision of local employment opportunities is crucial to support a thriving community and to minimise the number of people who have to undertake long journeys to work. The Neighbourhood Plan encourages business and employment opportunities by providing adequate land for current and future employment needs. The need for local jobs was a key concern identified at public meetings. 90% of respondents to Chapel Vision's survey supported giving help to existing employers and over 90% of respondents indicated that they want to see new employers attracted to Chapel-en-le-Frith. Growing employment from new and existing industrial sites is a key factor in the prosperity of a community. For this reason new employment land should be made available for continual growth and existing employment land should, wherever possible, be preserved for the continuing prosperity of the community, particularly where it will not interfere with residential amenity ample, well-paid jobs for local people.</i> Employment Policy EP2: Existing Employment Sites

	<i>Proposals which lead to the improvement, modernisation or upgrading of current employment sites will be welcomed and supported, subject to there being no adverse impacts on the amenity of neighbours.</i> Employment Policy EP6: Bridgeholme Industrial Estate <i>This site comprises a developed site within the Green Belt. Proposals which lead to the improvement, modernisation or upgrading of the buildings on the site will be welcomed and supported, subject to their meeting Green Belt policy requirements."</i> High Peak Corporate Plan The proposal supports:- Aim 3 of the High Peak Corporate Plan to protect and create jobs by supporting economic growth, development and regeneration. Aim 4 to protect and improve the environment including responding to the climate emergency by reducing travel to work distances.
Economic Appraisal	The application states that there are 20 full time employees on site and the proposed extension will create 17 additional jobs. 18 of the 20 employees (full-time and part-time) live within High Peak District (90% of direct employment supported). The economic assessment states there will be 12 new full time jobs and 8 indirect jobs created. The economic assessment submitted with the application provides evidence to inform the Very Special Circumstances case for the proposed development, required due to the site being located in the green belt. Regeneration would support the assumptions made within the economic assessment including: <i>"The relative scarcity in local jobs means High Peak residents are forced to travel further distances for work. Data from the 2011 census indicates that on average High Peak residents travel 15.7km to work, greater than the East Midlands average (15.4km) and England as a whole (14.9km). Moreover, analysis of residents' place of work illustrates that in 2011, 42% of High Peak workers commuted outside of the East Midlands region for work. As well as the loss of local economic benefits this results in (for example worker expenditure across the work week), the need for residents to travel long distances – primarily by car – also results in an adverse environmental impact."</i> We would agree that <i>"the manufacturing sector is particularly important for the local economy with 16.7% of workers employed in this sector."</i> The economic impact assessment submitted uses multipliers to assess employment impact based on the most recent HM Treasury Green Book7. We see no reason to doubt this assessment of job multipliers. Our own

	assessment concludes that 540 sq. m of B2/B8 space could on average support 12 additional jobs. The proposed extension of 540 sq. metres would increase the business rate contribution by approximately £22,378 based on the current assessment of £41.44 £ per m2. Under the 50% Business Rates Retention system the Authority retains 40% of Business Rates less a tariff that is payable in to a pool of Derbyshire Authorities. Additional spend in the area, national research on re-spend of employees has identified that between 4.5 per cent and 9 per cent of an employee's overall weekly household spend is spent close to their place of employment. In High Peak this would equate to £1,394 per annum. Assuming 12 additional jobs are created this would total £16,728 and £27,880 from the 20 safeguarded jobs. People who live and work locally, spend approximately 40% of their disposable income in the local area compared to average households (33.33%). In High Peak, this would equate to £11,045 per new employee per annum or £135,540 and safeguard £198,810 spend were the business to re-locate out of the area.
Response by:	Lisa Hoyland for High Peak regeneration team. Approved by Nick Lamb. 22/12/22