



Charnwood Local Plan 2011 to 2028

Core Strategy

Adopted 9th November 2015



Chapter 6: Economy and Regeneration

Employment and Economic Development

- 6.1 Charnwood is the largest district by population in Leicestershire and one of the largest in the country. Excellent road and rail networks to Leicester, Nottingham and Derby are of great benefit to our local economy, as is the proximity of the M1 motorway and East Midlands Airport. Our community and businesses enjoy excellent national and international trade links.
- 6.2 We have a strong relationship with Leicester and our economic fortunes are linked. Many people who live in Charnwood have jobs in the City and the south of Charnwood, in particular, is home to many businesses that wish to be close to the City.
- 6.3 Loughborough and Shepshed are the main social and economic focus for the northern part of Charnwood. Once known for textiles and engineering, Loughborough has become a centre for education with a growing reputation in the knowledge-based sector through the development of the Loughborough University with its related Science and Enterprise Park.
- 6.4 Our villages in the Soar and Wreake valleys were once associated with clothing and engineering. With the decline of those industries we have seen the redevelopment of factories for housing and the villages have mainly become dormitory communities. Nevertheless, we have had some success with new jobs being created in Service Centres.

Business and Jobs

- 6.5 In 2008 there were about 61,200 jobs in Charnwood. Around 10,000 of these were in education and around 9,200 were in manufacturing. Both of these figures are proportionally higher than would be expected compared to the national average and reflects our economic strengths. Almost 5,000 were in professional, scientific and technical services sectors. This is also higher than the national average.
- 6.6 Whilst manufacturing makes a significant contribution to our economy it is in decline nationally. Our evidence suggests that around a quarter of our industrial and warehousing jobs could disappear by 2031.
- 6.7 Around 1,200 jobs have recently been lost with the closure of the Astra Zeneca pharmaceutical research and development facility in Loughborough. This had an impact on the number of jobs available in high tech manufacturing and scientific services and the purpose built research and development facility is now available for new businesses.
- 6.8 Loughborough Science and Enterprise Park is one of the largest in the country, providing a focus for our knowledge based and high tech businesses. Our Science and Enterprise

Park is intrinsically linked to the University, providing for the transfer of technology from academic research to business.

- 6.9 New business start ups and business survival rates are indicators for the strength of entrepreneurial activity. Whilst around 8 out of 10 businesses employ fewer than 10 people, our new business registrations are the lowest in Leicestershire.
- 6.10 Three year survival rates are comparable with other Leicestershire districts and enquiries for offices and workspace are second only to Leicester. Our evidence suggests that demand is for innovation and incubation space, particularly in Loughborough. We have not been able to meet this demand which is not good for our economy or community and may be a reason why our business registrations are low.
- 6.11 Whilst we are fortunate not to have many derelict industrial sites, our stock of employment buildings is ageing. A number of these are reaching the end of their design lives. Some will usefully become low cost business accommodation. Others will no longer be able to meet the needs of businesses operating within a competitive global market place.

Wages

- 6.12 The average wage in Charnwood is about the same as that for the East Midlands but is lower than it is nationally. Unemployment levels are generally lower than have been seen elsewhere during the economic downturn. We are mindful, however, that there are a number of Priority Neighbourhoods at East Loughborough, West Loughborough, Mountsorrel and South Charnwood (Thurmaston and Syston) that have lower levels of educational attainment, low incomes and high levels of unemployment.

Travelling for Work

- 6.13 Whilst our businesses provide 61,200 jobs our evidence shows that many people living in our community travel out of Charnwood for work, particularly to Leicester. In fact, 11,500 more people travel out for work than into Charnwood for a job.
- 6.14 With a number of large communities in the south of Charnwood that are close to the City boundary some of those journeys may not be particularly lengthy. However, the scale of commuting contributes to congestion on the main roads into the City.

Priorities for Business

- 6.15 We want to contribute to the East Midlands economy and maximise the economic potential of Charnwood to the benefit of our community.
- 6.16 Successful businesses increasingly rely on skills, knowledge and innovation. Having jobs in knowledge based and high tech industries is a key measure of economic competitiveness which can influence current and future prosperity. Our Vision sees

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the creation of high technology manufacturing and knowledge based industry as important, a priority we share with the Leicester and Leicestershire Enterprise Partnership.

- 6.17** Our excellent communications and the presence of Loughborough University, mean we are well placed to attract high technology manufacturing and knowledge based businesses, particularly to Loughborough. We want Loughborough University to maximise its potential as a centre for learning, innovation, and creativity. We want to attract research and development businesses to an expanded Science and Enterprise Park. This can help us realise our ambitions for high technology manufacturing and knowledge based industries.
- 6.18** We will support the growth of the University by providing for the expansion of the university campus and established Science and Enterprise Park on land to the west of the existing site. The landscape in this area can provide a high quality setting for iconic development.
- 6.19** Our strategy for the expansion of the Loughborough Science and Enterprise Park is set out in Chapter 10.
- 6.20** We want to make sure that our businesses have the opportunity to maximise their competitive advantage and secure the future of local jobs. To do this they may need to move into new premises. We will help small and medium sized businesses and entrepreneurs, by delivering managed workspace and small scale business units.
- 6.21** We want to help our community to re-skill for jobs in the growing office and high tech manufacturing sectors. However, we also want to provide a balanced economy. Despite national trends, we will retain and improve opportunities within the manufacturing sector for those businesses that wish to make things and to provide jobs for those people who are not able to retrain. In doing so, we have an opportunity to tackle pockets of unemployment and respond to the decline in traditional manufacturing.
- 6.22** We will work with our partners, including the Leicester and Leicestershire Enterprise Partnership, to improve skills through training, apprenticeships and development programmes. Our strategy will be guided by our continuing engagement with the local business community who are part of our local strategic partnership.
- 6.23** Overall, we want to make sure that “Charnwood is open for business.” We want to secure sustainable economic growth and our strategy has been prepared to act as a catalyst for economic recovery and to be capable of responding rapidly to the market.
- 6.24** The SHMA 2014 suggests that approximately 12,000 new jobs will be needed between 2011 and 2031, due in part to our growing population but also because of change in the economy.
- 6.25** We want to make it easier for people to travel between their home and work.

- 6.26** We have considered whether our existing opportunities and commitments are able to deliver our strategy for economic growth. Some of our existing employment sites are not located in the right place to reduce the impact of commuting. Some of our ageing premises will also need to be redeveloped either for employment or other uses. We want to integrate our employment opportunities with the delivery of new homes.
- 6.27** The economic relationship between South Charnwood and Leicester City has also been considered. We want to encourage new manufacturing and small warehousing jobs within Charnwood to take advantage of business investment and expansion that cannot take place in Leicester City. Our evidence suggests that jobs requiring around 32 hectares of land will not be able to find space in Leicester.
- 6.28** Our strategy is for a flexible land supply capable of responding to a changing market, encouraging competition and maximising economic growth, both during and beyond the plan period. We will make sufficient land available in sustainable locations to provide a balanced supply, meet our needs and the unmet general employment needs for the edge of Leicester.
- 6.29** Our strategy focuses most new employment in the main centres of population; in Loughborough and Shepshed and on the edge of Leicester. We will deliver low carbon employment sites as an integral part of our sustainable urban extensions. We will also make sure new jobs are provided close to our major housing developments to provide and encourage opportunities for people to walk, cycle and use public transport, rather than use their cars. Some employment developments such as retail, offices, entertainment and leisure are best suited to town centre locations. We will support proposals for town centre uses where they are in accordance with Policy CS9.
- 6.30** Our strategy also makes a strong contribution to the Watermead Regeneration Corridor, one of our Regeneration Strategy priorities. The Watermead Regeneration Corridor supports the regeneration of Thurmaston village centre and provides a highly accessible site for inward investment. It will create jobs close to a Priority Neighbourhood and will connect the community with the adjacent Country Park and heritage canal frontage.
- 6.31** We have considered the evidence and the need for employment land. Between 2011 and 2014 around 1.5 hectares have been completed. A further 25.5 hectares has planning permission and is expected to be delivered over the plan period. In making provision for up to 75 hectares of employment land through strategic growth sites the strategy will provide choice and flexibility in the employment land supply and allow for the very long time horizons sought by the commercial development and investment markets. We expect around 48 of the 75 hectares of strategic land to be delivered by 2028.

Policy CS 6

Employment and Economic Development

By 2028 we will meet the economic needs of our community and support the economy of Leicester.

We will do this by:

- delivering up to 75 hectares of land between 2011 and 2028 for strategic employment purposes in accordance with Policy CS1;
- supporting the expansion of the Science and Enterprise Park on up to 77 hectares of land in accordance with Policy CS23;
- encouraging a greater proportion of high technology and knowledge based businesses;
- providing opportunities for manufacturing businesses to develop, re-locate and expand;
- providing opportunities for small-scale, high quality business units and offices;
- promoting business and employment regeneration opportunities that are accessible to the Priority Neighbourhoods; and
- supporting major employment opportunities in locations where they reduce journeys to work by car.