Shropshire Council

Employment Topic Paper

27 August 2021

Contents

Tables

1. Strategic Economic Objectives

1.1. The Submission Local Plan presents a positive spatial strategy to deliver sustainable economic growth. This will deliver a broader range of economic development opportunities than the SAMDev Plan (2015), satisfy local business needs and attract inward investment into the County.

1.2. The spatial strategy will deliver these economic benefits by creating the conditions for business investment, promoting strategic and local development opportunities, increasing the scale, accessibility and quality of employment and improving Shropshire's productivity overall and per head.

1.3. This spatial strategy is formulated to achieve the objectives of national planning policy1 to:

- set out a clear economic vision and strategy to encourage sustainable economic growth;
- identify new strategic sites for local and inward investment in locations which provide good prospects for success and match our strategy to our anticipated needs;
- address potential barriers to investment and provide opportunities to satisfy unmet needs;
- ensure the strategy can respond in a sustainable manner to additional needs not already anticipated, new working practices and rapid or unexpected changes in our economic circumstances;
- support sustainable economic growth in rural areas by helping to create a prosperous and diverse rural economy;
- develop and diversify the agricultural and land-based sectors, support sustainable rural tourism and leisure and meet the social and service needs of rural communities.

1.4. The Submission Local Plan captures the broad aims of this spatial strategy in Policies SP1 – The Shropshire Test; SP2 - Strategic Approach; SP3 – Climate Change; SP4 – Sustainable Development; SP6 – Health and Wellbeing; SP8 - Managing Development in Community Hubs and SP9 – Community Clusters; SP10 - Managing Development in the Countryside; SP11 - Green Belt and Safeguarded Land; SP12 - Shropshire Economic Growth Strategy; SP13 - Delivering Sustainable Economic Growth and SP14 - Strategic Corridors.

1.5. These policies enable the Council and its partners to:

- ensure sufficient land is available, in the right locations, to achieve these growth aspirations and to deliver around 300 hectares of employment land; (Policy SP1, SP2, SP4, SP12, SP13)
- positively support enterprise, develop and diversify the local economy, target growing and under-represented sectors and to use our high-quality assets and special environment; (Policy SP2, SP3, SP6, SP12, SP13)
- deliver sustainable economic growth and investment in our principal settlements, strategic corridors, new strategic settlements and sites and in appropriate rural locations; (Policy SP1, SP2, SP3, SP4, SP8, SP9, SP10, SP11, SP12, SP13, SP14)
- protect the strategic supply of employment land and our established employment areas for the development of a broader range of employment generating uses; (Policy SP2, SP12, SP13, SP14)
- work towards a 'step change' in our economic capacity and productivity by delivering significant infrastructure investment and development particularly within our 'strategic corridors' served by the principal rail network and our strategic and principal road networks; (Policy SP1, SP3, SP4, SP6, SP12, SP13, SP14)

[1] National Planning Policy Framework [July 2021]: Chapter 6. Building a Strong, Competitive Economy paragraphs 81 – 85 at: https://www.gov.uk/government/publications/national-planning-policy-framework--2

- support sustainable employment uses including agriculture and land-based activities, tourism, leisure, business and community developments in the countryside where these maintain or enhance countryside vitality and character and the openness of the Green Belt; (Policy SP2, SP8, SP9, SP10, SP11)
- promote the re-use of previously developed sites especially in the Green Belt including defence uses, small-scale employment or economic enterprises which do not have a greater impact on the openness of the Green Belt than the existing development. (Policy SP11)

1.6. This spatial strategy responds positively to the challenges of delivering sustainable development:

- by securing the transition to a zero carbon economy in Shropshire by minimising carbon emissions as an essential component of all development and facilitating the use of renewable and low carbon energy and decentralised energy sources as a key component of production in business and prioritising electronic communications over the need to travel; (Policies SP3, SP13, DP11, DP26, DP27, DP28)
- by protecting our Green Belt, Area of Outstanding Natural Beauty and our diverse and often unique landscapes and biodiversity from any adverse effects of major development. Requiring appropriate justification for major development and suitable mitigation of any effects; (Policies SP11, DP24, DP17, DP13 and DP12)
- by delivering local employment and improving qualifications and skills as the most important drivers for supporting the social cohesion of communities and the health, well-being and social inclusion of all our residents across Shropshire. (Policy SP6)

1.7. This spatial strategy seeks to implement the Shropshire Economic Growth Strategy (SEGS)[2] and to build on the 'Invest in Shropshire' programme. This economic strategy and programme seeks to promote Shropshire's growth sectors and opportunity sites, provide funding advice and procurement, deliver investment projects, provide sound business support services and engage the Council in an open dialogue with partners, stakeholders and the commercial markets to identify challenges and provide solutions to deliver on the County's economic growth potential.

1.8. The purpose of the 'Invest in Shropshire' programme and the conversations between the Council, its partners and stakeholders is to:

- express the collective desire to shape new opportunities, build effective collaborative working and to recognise and understand our collective economic achievements; and to
- promote Shropshire to local and inward investors through positive strategies and collaborative working that identify the investment offer in the County and the capacity and capability of the local economy, supported by evidence of effective delivery from our achievements; and to
- build Shropshire's reputation as a sound investment location based on sustained achievement, showing the Council, it's partners and its stakeholders are 'good to do business with'; and to
- showcase the County as an attractive place to live, work and play.

[2] Shropshire Economic Growth Strategy (2017). Shropshire evidence document EV044 available at:

2. Achieving Shropshire's Economic Potential

2.1 The Submission Local Plan defines an economic spatial strategy to deliver the SEGS vision for Shropshire. This aims to be the best place to do business and invest, further supported by objectives explored in Chapter 3, to enable residents to live and to work in the County.

2.2 The SEGS harnesses the sources of Shropshire's economic potential, seeks to increase our productivity and utilise our opportunities and assets including skills and expertise, by focusing on:

- strategic locations and economic relationships – the significant role and location of Shropshire within the Marches Local Enterprise Partnership and the Midlands Engine and collaborative cross border relationships with Mid Wales. This also recognises the proximity and strategic transport connections to the Northern Powerhouse as a further significant economic opportunity;
- major employment sites and growth corridors – making available a range of suitable employment sites to drive growth and increase economic productivity particularly along strategic corridors at settlements and strategic sites on principal transport routes through the County;
- growing or under-represented sectors – supporting key businesses and clusters particularly in:
    - Construction;
    - Food and Drink Production;
    - Agri Tech Processes;
    - Advanced Manufacturing and Engineering Production;
    - Environmental Sciences and Technologies;
    - Creative and Digital Enterprises;
    - Business, Professional and Financial Services;
    - Health and Social Care Sectors;
- existing businesses to support their growth and success – assisting Small to Medium Enterprises (SME) as our core business base to help them overcome barriers to their successful growth, particularly through The Marches Growth Hub and our business support services to help deliver the revised UK industrial Strategy – 'Build Back Better'3;
- infrastructure investment needs to support growth and increase the connectivity of the County – focusing investment into transport infrastructure, digital connectivity, utilities capacity and local infrastructure to support communities and to build opportunities for individuals in need;
- housing market opportunities to deliver a better and more attractive housing mix with a broader range of affordable housing choices – delivering the right type, size and quality of housing in the right locations offering an affordable supply that satisfies a broad range of demands to ensure Shropshire is an attractive place for business owners and working age employees to settle;
- skills needs and residents' work aspirations - supporting all segments of the working age population and those who wish to work beyond their retirement age to maximise their economic output, ensuring the skills that companies need are available and that people of all ages and abilities may access the training and tools to gain employment and remain in the local employment market;
- Shropshire's 'offer' to investors - attracting local and inward investment from SME and larger companies to build and diversity the business base in the County.

2.3 Shropshire is part of The Marches Local Enterprise Partnership (LEP) with its neighbouring Unitary Authority partners at Herefordshire and Telford & Wrekin. The Marches LEP extends from the English Border with Wales to the border with Staffordshire, close to the Black Country. As part of the LEP partnership, Shropshire Council intends to integrate the County economic spatial strategy with the Marches Strategic Economic Plan (SEP) and Local Industrial Strategy (MLIS).

[3] Build Back Better – our plan for growth (2021). Shropshire evidence document EV015 available at:

2.4 The Marches SEP[4] sets out the vision and key objectives for the LEP partners comprising Shropshire, Herefordshire and Telford & Wrekin over the period to 2038. The SEP will drive forward these three local economies to deliver a £9bn increase in their combined economic output, increase their total population by over 111,000 persons providing 54,400 new homes, 5,200 new businesses and 58,000 new jobs. As the largest local authority in the LEP partnership, Shropshire should help to drive this growth, particularly building on the role and function of Shrewsbury as one of three strategic centres within the LEP area, along with Hereford to the south and Telford to the east of Shropshire.

2.5 The Marches Local Industrial Strategy (MLIS)[5] recognises the three major urban centres of Shrewsbury, Hereford and Telford, and with the market towns and rural areas, will create a diverse and dynamic sub-regional economy, well connected to UK markets and supply chains.

2.6 To deliver on this potential, the MLIS recognises that the Marches must address 5 foundation initiatives to improve productivity. These foundations are based on (1) Place – to build on the diverse spatial opportunities for business investment across the sub-regional area of the LEP, (2) Ideas – to develop the research and innovation to deliver business growth, (3) People – to create opportunities to deliver the qualifications and skills needed by communities and businesses to increase levels of economic activity and employment, (4) Infrastructure – to deliver and use infrastructure investment to strengthen the excellent economic relationships with The Marches, West Midlands, North West, Wales and the South West and (5) Business Environment – to build the reputation of the sub-regional area as a great place to invest and do business.

2.7 Shropshire Council supports the implementation of the MLIS and is working with its LEP Partners to deliver a new Marches Growth Deal. The Marches LEP will use this Government support to further unleash the economic potential of our businesses and communities particularly by:

- ensuring the future competitiveness of a cluster of high-technology, energy efficient manufacturing and engineering companies with a core role in the Midlands automotive, aerospace and defence sectors;
- securing the future food supply chain and achieving modern and environmentally sustainable production, packaging and distribution systems through Agri-tech innovation supported by Harper Adams University In Shropshire, as a global centre of precision farming and through the operation of global brand, food production including ABP Food Group and Müller in Shropshire;
- developing world-renowned excellence in cyber security and resilience to strengthen our expertise in defending against cyber threats in order to improve the resilience of businesses.

2.8 This will also contribute to the United Kingdom Industrial Strategy – Build Back Better and its objectives to create a competitive national economy that will operate successfully in international markets. This will further focus our economic growth strategies including the MLIS into 3 simple foundation initiatives around shaping the UK national economy to (1) infrastructure investment to stimulate our short-term economic activity and to drive longer-term productivity improvements; (2) attracting and retaining the brightest and best people in our workforce and delivering high-quality skills and training to further support productivity growth and (3) bring forward creative ideas and technologies with support and incentives for their development including access to finance to support innovation and changes in the regulatory system to facilitate delivery. This will have a particular focus on promoting the growth of small and medium-sized enterprises (SMEs) to help

[4] The Marches LEP Strategic Economic Plan (2019). Shropshire evidence document EV109 available at:
[5] The Marches Local Industrial Strategy (2020). Shropshire evidence document EV066 available at:

the UK become the world's most innovative economy which is significant for Shropshire with its characteristic SME business base.

2.9 These activities and their co-ordination across the UK, assisted by the Local Enterprise Partnerships, are critical to the future performance of our national and local economies. Now the United Kingdom has left the European Union to become an independent, international trading nation, our future economic prosperity will be determined by our efforts to maintain and improve levels of investment, growth, employment and productivity particularly in Shropshire.

- Shropshire Council seeks to address these challenges in the Submission Local Plan by maintaining and improving its economic performance in the period to 2038. In the early years of the Plan period since 2016, the County has successfully shaped its response to the challenges of the UK departure from the European Union through the Shropshire Economic Growth Strategy in 2017. This is reflected in the out-turn of development to 2020 in the Authority Monitoring Report (AMR)6 showing an increase in employment development in the County;
- The County seeks to build on this success through the Submission Local Plan economic spatial strategy. The initial period of implementing this strategy after the adoption of the Local Plan, may be affected by an anticipated, short term, downturn in our economic performance due to the COVID-19 pandemic. The Economic Development Needs Assessment predicts, this may result in lower levels of economic growth and a downturn in employment in Shropshire;
- This reflects the assessments in the economic forecasting by the Office for Budget Responsibility (OBR). The degree of risk from this downturn is assessed in the OBR half yearly revisions to its forecasting, determined against the efforts and outputs of the UK local economies including The Marches LEP and Shropshire. The OBR do not regard the assessments in their economic forecasting as key determinants of our future performance. OBR forecasting recognise the impacts from the simple relationship between our collective economic outputs and our future prosperity. In particular, the impacts from the number of people in work, the rate at which they work and the value of the goods and services they produce. Our economic futures will be determined by our performance, not by our prudence;
- Shropshire Council considers these economic plans at the national, sub-regional and local levels to be the best response to the challenges of recovering from the recent significant economic changes from Brexit and the Covid-19 pandemic. The Council considers that little is to be gained by deviating from these strategies and simply awaiting the outcome of our changing economic relationships with European and International markets or observing the national response to the Covid-19 pandemic. If our future prospects are to be better than the OBR forecasts, our local strategies need to be positive and set objectives to improve the investment into and the performance and productivity of, our local economy.

2.10 The Submission Local Plan defines a positive and proactive strategy to deliver sustainable economic growth in a manner consistent with national planning policy. The Council intends to implement this proactive strategy as the primary corporate approach to making a success of Brexit and recovering from the Covid-19 pandemic. The local objectives are to improve our economic performance to ensure that the whole of Shropshire and particularly its County Town will fulfil their economic potential, meet the needs of our communities and our residents for employment and to ensure they will live healthy and fulfilling lives in Shropshire.

[6] Authority Monitoring Report to 31st March 2020 (2021). Shropshire evidence document EV012 available at:

3. Building the Spatial Strategy

Introduction

3.1 The Shropshire Economic Growth Strategy (SEGS) presents a pathway for Shropshire to deliver qualitative improvements to the local economy. The Submission Local Plan follows this pathway by defining the spatial strategy and determining the scale of growth to achieve the outcomes identified in the SEGS.

3.2 The SEGS initially addresses the period from 2017 to 2021 identifying specific economic milestones (SEGS, page 6) to be achieved in this period. The performance of the economy to 2020 is considered against the key milestones in Chapter 4 of this Topic Paper, drawing on updated monitoring data in the Authority Monitoring Report (AMR) to 31st March 2020.

3.3 The SEGS pathway towards qualitative improvements to the local economy is captured in the objective to deliver a ‘step change’ in the performance and productivity of the Shropshire economy. This ‘step change’ can be summarised through the following key aims that capture the broader objectives in paragraph 2.1 above. These key objectives seek to improve the:

- demand into Shropshire by promoting the County as a good investment location and to provide services to businesses to build their confidence and skills to make successful investments;
- inward investment potential by increasing the number and choice of strategic development opportunities and their distribution around the County;
- workforce within Shropshire through education and training opportunities that build the skills needed by businesses or encourage entrepreneurship within the County;
- sustainability and accessibility of the employment offer by focusing a significant proportion of future development into the strategic corridors and principal settlements in the County;
- quality, range and choice of floorspace by increasing the supply and distribution of modern business and commercial premises in Shropshire.

3.4 These aims are supplemented by further strategies and objectives that build towards a ‘step change’ in the performance and outcomes of Shropshire’s economic activities including the:

- need to develop the locational opportunity of Shropshire’s position on the western edge of the West Midlands conurbation linked to but extending beyond, the role and function of Bridgnorth as the second largest market town. The east of Shropshire offers considerable potential to attract investment into Shropshire and trade with the larger urban markets in the conurbations of the region as identified in the SAMDev Plan Examination Report, paragraphs 189 - 1907 stating:
    - “*Bridgnorth is the second largest of 5 market towns in Shropshire and is located on the western edge of the West Midlands conurbation. It therefore offers considerable potential to attract investment into Shropshire and to trade with these larger urban markets. To accommodate the long-term future of the town it is necessary to open new areas of land for development. The provision of good quality employment land will provide a long-term benefit by improving the range and choice of investment options in this location*”;
- need to actively engage in the regional partnership being created by the West Midlands Combined Authority and to play an active role in the delivery of the regional strategy set out in the Midlands Engine Strategy8;
- need to understand the importance of delivering local employment opportunities and developing skills as the single most important driver for improving the social cohesion, health and well-

[7] Report on the Examination of the SAMDev Plan (2015). Shropshire evidence document EV010.01 available at:
[8] Midlands Engine Strategy (2017). Shropshire evidence document EV074 available at:

being and social inclusion of individuals in our communities across Shropshire as set out in the Shropshire Health and Well-Being Strategy 2021 – 2025[9];

- need to understand and address the challenges facing many people in Shropshire from our low wage economy; higher rates of self and part-time employment (compared to UK trends) and the disparity of gross household incomes. It is considered these can be addressed through opportunities created by education, skills and lifelong learning to help overcome health and economic inequalities in our workforce;
- need to employ the benefits of creating a 'step change' in Shropshire's economy to address deepening levels of deprivation across Shropshire, including the impacts of food insecurity.

3.5 The SEGS pathway towards qualitative improvements in the Shropshire economy is addressed through a number of Council strategies and programmes. The Shropshire Economic Growth Service in partnership with The Marches Growth Hub, partners, stakeholders and the business and commercial markets in Shropshire seek to influence the scale and value of investment into the County. The Development Plan seeks to influence the scale, rate and spatial distribution of development. The Shropshire Health and Social Care Services seek to influence those barriers that affect engagement in the local economy and the level of economic activity in the County.

3.6 The effect of combining these influences on the local economy, across the significant administrative area of Shropshire, has a positive effect on the scale, pattern and rate of economic growth in Shropshire. Consequently, the local economy does not lend itself readily to quantifiable assessments of its potential future performance and productivity and the necessary inputs (e.g. land and labour) to deliver growth. The effect is that Shropshire's future economic performance proves difficult to accurately predict using algorithmic, economic forecasting models.

3.7 This effect has been experienced in preparing the Submission Local Plan and in the findings of the Economic Development Needs Assessment[10]. The forecasting assessments of the County's baseline growth, the 'policy on' growth scenarios and anticipated growth based on past take-up present significant variations in the future performance of the local economy.

3.8 A key factor affecting these forecasting assessments from economic models is that, past take-up rates in the County are driven by the Council's strategies, policies, land allocations, development projects and business support services. The past take-up rates then significantly exceed the forecasts for Shropshire from the economic models. This effect is experienced, even though past take up rates were adversely influenced by particular characteristics of Shropshire that affect the performance of the economy across this large and sparsely populated rural County.

3.9 The key message from preparing the Submission Local Plan, is that where the adverse influences from these characteristics can be managed effectively then it may be possible to overcome the 'economic challenges' of operating the local economy across this large, rural and sparsely populated County. Where this is achieved then, firstly, past take up rates in Shropshire may be further improved as indicated in the monitoring data in the AMR (2020), and secondly, the future performance of the County may then significantly out-perform the predictions from national economic forecasting models used in the preparation of Local Plans.

[9] Shropshire Health and Wellbeing Strategy (Draft) 2021 – 2025 (2021). Shropshire evidence document EV059 available at:
[10] Shropshire Economic Development Needs Assessment (2021). Shropshire evidence document EV043 available at:

3.10 This finding seeks to address the recommendation in the SAMDev Plan Examination Report, paragraph 23 requiring the Submission Local Plan to objectively assess the future employment land requirements for the County which has resulted in the unclear findings in the EDNA Report.

The Economic Challenge

3.11 The primary barrier to achieving a 'step change' in Shropshire's economic performance is the sheer scale of Shropshire as the fourth largest Local Authority in England. This scale lies in the fact that Shropshire covers 1,234 square miles of the English landscape along the border with Wales. This contrasts with Herefordshire comprising 842 square miles (equal to 68%) and Telford & Wrekin that comprises 112 square miles (equal to 9%). The population of Shropshire largely focuses into 18 principal towns linked by the highway network and partially connected by the rail network. The County is however, significantly affected by both the topography of the County and the sparsity of the rural population living in nearly 500 village communities.

3.12 The County of Shropshire is put into context when the scale of the administrative land area is compared to other Local Authority areas in England:

- the population of Shropshire at 320,300[11] persons is similar to the population of the City of Nottingham at 325,210 persons in 2018;
- the population of Shropshire extends across a large land area that comprises:
    - a part of the West Midlands Green Belt in the east of the County covering 94 square miles. The land area of the Green Belt is comparable (at 91%) to the area of the City of Birmingham covering 103 square miles and (at 84%) to the adjacent district of Telford & Wrekin covering 112 square miles;
    - the Shropshire Hills Area of Outstanding Natural Beauty in the south of the County covering 312 square miles. The land area of the AONB is comparable (at 99%) to the District of Scarborough on the North Yorkshire coast which covers 315 square miles;
    - the whole County area at 1,234 square miles, when compared with the National Parks of England, is 178% larger than Exmoor (at 693 square miles), 129% larger than Dartmoor (at 956 square miles) and 118% larger than Northumberland (at 1,049 square miles);
    - the land area of Shropshire makes the County the fourth largest Local Authority in England. Shropshire is exceeded only by three other Local Authorities comprising Northumberland County (at 1,936 square miles), Cornwall (at 1,369 square miles) and Wiltshire County (at 1,257 square miles).

3.13 The challenges of creating a 'step change' in Shropshire's economic performance are significant and the spatial strategy that seeks to achieve this outcome requires the support of the partners, stakeholders and communities of Shropshire. This reflects the large area over which these challenges have to be addressed and the range of different and size of character areas within the County over which the changes in our economic performance have to be achieved including the 18 Principal Settlements, the many villages designated as Community Hubs and Clusters, the countryside locations and the areas of special designation within the Green Belt, AONB and currently the River Clun catchment with the risk posed to its Special Area for Conservation (SAC).

3.14 The Marches SEP presents a clear perspective on these challenges through a number of comparators between the three partners Local Authorities of The Marches LEP. The scale of Shropshire's administrative area (both in square miles and hectares) is compared with the other two LEP partner authorities in Table 1. This reveals a simple ranking, with Shropshire as the largest authority at 1,234 square miles covering 56% of The Marches LEP area (2,188 square

[11] Office for National Statistics: 2018 Mid-Year population Estimate

miles). In contrast, Telford and Wrekin (112 square miles) comprises only 5% of The Marches LEP area. In addition, Telford and Wrekin is only 9% of the adjoining land area of Shropshire.

Table 1: Comparative Land Area - The Marches LEP Local Authorities

Local Authority Area	Total Land Area						
	(sq. miles)	% of Shropshire	% of LEP	(sq. km)	% of Shropshire	% of LEP	RANKINGS
Shropshire	1,234	100	56	3,196	100	56	1
Herefordshire	842	68	38	2,181	68	38	2
Telford & Wrekin	112	9	5	290	9	5	3
LEP Area	2,188		100	5,667		100	

3.15 The size of Shropshire's total population and the working age population are compared with the two LEP partner authorities in Table 2. This reveals a simple ranking, with Shropshire as the largest authority again (with 46% of both the total population and working age population) and with the other two partner authorities maintaining their rankings for their share of the total population of the LEP. In contrast, the smaller but more centrally located, urban authority of Telford and Wrekin has a slightly larger proportion of the working age population (at 27%) comparable in size to the proportion in rural Herefordshire. This larger proportion of working age people in Telford and Wrekin reflects the situation of the district closer to the national motorway network and to the West Midlands conurbation.

Table 2: Comparative Total and Working Age Populations - The Marches LEP Local Authorities

Local Authority Area	Mid-Year Estimate 2019							
	Total Population	% of Shropshire	% of LEP	RANKINGS	Working Age Population (16 – 65)	% of Shropshire	% of LEP	RANKINGS
Shropshire	323,136	100	46	1	194,649	100	46	1
Herefordshire	192,801	60	28	2	115,510	59	27	2
Telford & Wrekin	179,854	56	26	3	113,645	58	27	2
LEP Area	695,791		100		423,804		100	

3.16 The value of Shropshire's total GVA output is compared with the two LEP partner authorities in Table 3. This reveals that the size of Shropshire ensures the total output of the County exceeds the two smaller partner authorities. However, the capacity of Telford and Wrekin to attract a younger population and deliver a slightly larger proportion of the LEP workforce displaces the natural rankings of the other two LEP partners based on their comparative sizes. Telford and Wrekin deliver a GVA total output greater than the larger, rural County of Herefordshire and displaces the natural ranking of the larger authority.

3.17 The GVA total output of Telford and Wrekin at 33% of the LEP GVA total output exceeds the proportional contribution Telford & Wrekin's working age population makes to the LEP (at 27%). In comparison with both Shropshire and Herefordshire, this outperforms the two, larger rural Counties. Shropshire contributes 46% of the LEP's working age population and Herefordshire contributes 27% but they each make lower proportionate contributions to GVA total output in Shropshire at 41% and in Herefordshire at 26%. The mismatch between the proportions of the working age population and the contribution to GVA total output is greater in Shropshire (stepping down from 46% to 41%) than Herefordshire (stepping down from 27% to 26%).

Table 3: Comparative Total GVA (£m) - The Marches LEP Local Authorities

Local Authority Area	Total GVA (£m)			
	Total GVA (£m)	% of Shropshire	% of LEP	RANKINGS
Shropshire	6,192	100	41	1
Herefordshire	3,931	63	26	3
Telford & Wrekin	4,890	79	33	2
LEP Area	15,013		100	

3.18 The value of Shropshire's GVA per Head output is compared with the two LEP partner authorities in Table 4. This reveals that Shropshire has some productivity constraints on its working age population that places the GVA per Head output (at £19,162 equal to 86%) well below the Marches LEP average at £22,247 and lower than the below average GVA per Head output in Herefordshire (at £20,389 equal to 92%).

3.19 This effect displaces the natural rankings of the three partner authorities based on the comparative sizes. In particular, Telford and Wrekin with its smaller, urban administrative area, more central location in the West Midlands region and its larger, proportional working age population is able to deliver a higher GVA per Head output. This significant gearing in their output enables Telford & Wrekin to exceed the LEP average GVA per Head output reaching £27,189 equal to 122%. This places Telford & Wrekin as the primary authority in the productivity of their workforce and their proportionate contribution to the economic outputs of the LEP.

Table 4: Comparative GVA per Head (£) - The Marches LEP Local Authorities

Local Authority Area	GVA per Head (£)			
	GVA per Head (£)	% of Shropshire	% of LEP	RANKINGS
Shropshire	19,162	100	86	3
Herefordshire	20,389	106	92	2
Telford & Wrekin	27,189	142	122	1
LEP Area	22,247			

3.20 These important considerations in relation to the performance of the County and its role within the strategy of the SEP for the Marches LEP, help to define the 'economic challenge' for Shropshire. This 'economic challenge' has informed the SEGS and helped to shape the economic spatial strategy for Shropshire in the Submission Local Plan.

Building the Economic Spatial Strategy

3.21 The Submission Local Plan has shaped the economic spatial strategy for the County. This has recognised the physical size of the County, the scale of growth necessary to address the economic challenge, the level and rate of economic development achieved between 2016 to 2038 and the spatial strategy required to equitably distribute that growth across the County.

Issues and Options

3.22 The preparation of the Submission Local Plan commenced with the publication of the Issues and Options consultation document in 2017[12]. This initial stage of preparing the Local Plan set out three options for the scale of the economic strategy. These options were as follows:

- **Economic Option 1: Significant Growth** – to continue the current strategy in the adopted Local Plan maintaining the current level of aspiration, rolling forward the existing employment land requirement, providing a comparable level of employment land to the current Local Plan and delivering a similar level of new jobs;
- **Economic Option 2: High Growth** - to establish a revised strategy to deliver a higher level of aspiration supported by an appropriate employment land requirement but providing a greater supply of employment land and delivering a higher level of new jobs;
- **Economic Option 3: Productivity Growth** - to establish a new strategy that captures the potential for new investment in Shropshire, to influence the structure of the local economy, improve the productivity of its sectors and the range, type and quality of new employment. This would create a higher aspiration, providing more 'higher value' jobs whilst setting a lower employment land requirement with potentially, a lower overall provision of new jobs.

3.23 The responses to the Issues and Options Consultation provided the following advice to the Council in relation to these three options:

- Shropshire was advised to capitalise on new growth opportunities by:
  - promoting the County at national and regional levels to capture greater levels of investment, support key growth sectors and deliver a 'high growth' strategy;
  - deliver balanced, mixed use development in key growth locations that managed travel patterns to promote sustainable travel behaviour and deliver sustainable economic growth;
- it was suggested, a 'high growth' strategy should include the following key elements:
  - an urban focus to locate opportunities where investment is most likely to be delivered;
  - a good range and choice of suitably located and deliverable employment land and premises with attractive and accessible strategic investment sites;
  - high quality education and training opportunities including further education (FE), higher education (HE) and vocational training;
  - good quality housing to meet the full range of housing needs supported by modern retail and leisure services;
  - improvements to the highway and public transport networks including the A49 to the north and south of Shrewsbury, dualling the A5 to Oswestry and A458 link to Chester and delivery of the Shrewsbury North West Relief Road to complete the circular by-pass of the town.

3.24 The balance of consultation responses received to the Issues and Options Consultation was considered to support Economic Option 2 to deliver a 'High Growth' Strategy for Shropshire.

Productivity Growth

3.25 The option for Productivity Growth in the Issues and Options consultation appeared to offer many benefits sought in the drive to deliver qualitative improvements in the local economy. The Issues and Options consultation set out these perceived benefits as follows:

[12] Issues and Options Consultation (2017). Shropshire evidence document EV003 available at:

- to tap the potential of emerging, new investment opportunities to change the employment offer in Shropshire towards 'higher value' employment and to further increase the economically active population in the County;
- to establish a new and potentially lower 20-year employment land requirement reflecting an aspiration for economic growth that focused the range and choice of investment opportunities into locations where higher quality demands might best be captured;
- to promote significant changes in the traditional growth sectors in the County, the size and structure of the working age population and the education and skills of those seeking employment in the County;
- to set an ambitious approach to economic growth, using the principal towns where investment demand is most likely to be expressed, capturing, to the fullest degree, the potential for change in national and regional economic circumstances.

3.26 The Productivity Growth Forecast[13] was prepared using the Oxford Economics Model and the outputs of this forecast were made available on the Council's evidence webpage. The purpose of this forecast was to identify the anticipated outputs from the potential economic changes in Shropshire. The forecast sought to inform a new growth scenario to improve the performance of the Shropshire economy. This sought to attain the levels of growth achieved in key UK growth sectors and then, to track the average growth rate of the UK economy. The Productivity Growth Forecast predicted employment growth in Shropshire of 14,900 new FTE jobs to 2036.

3.27 The outputs of the Productivity Growth Forecast were tested by this authority, to determine whether the Shropshire economy could replicate the growth anticipated in the key UK growth sectors. The assessment of the Productivity Growth Forecast considered the broad standard industrial classifications in the forecast and sought to identify the types of industries and use classes that might delivered in Shropshire.

3.28 This local assessment predicted growth equal to 13,475 new FTE jobs from development in the Use Classes considered in Table 5. This local assessment was unable to identify the qualitative improvements in employment development indicated by the Oxford Economics forecast and the scale of employment development was also less favourable than the historical rates of delivery in the County from the monitoring of development, as show in Table 5.

Table 5: Comparison of Historical Development by Use Class & Productivity Growth Forecast

Class B uses	Completions 2006 - 2020	Use Classes % Contribution	Productivity Growth Forecast	Use Classes % Contribution
	hectares	%	hectares	%
Class B1a	28.4	19.5	25.7	22.4
Class B1b	1.2	0.8		
Class B1c	24.4	16.8	7.4	6.4
Class B2	45.4	31.2		
Class B8	39.9	27.4	81.7	71.2
Sui Generis / Other Uses	6.2	4.3		
TOTALS	**146**	**100**	**115**	**100**

[13] Oxford Economics. Productivity Growth Forecast (2016). Shropshire evidence document EV090 available at:

3.29 This local assessment identified the amount of employment land required to deliver the scale of development anticipated in the forecast. This identified a need for a total of just 115 hectares of land to service the development strategy for the Productivity Growth Forecast.

3.30 Translating this assessment into the subsequent Preferred Scale and Distribution of Development (PSDD) consultation resulted in an error of judgement with the 115 hectares being inflated. This error assumed the total requirement to be only the floorspace required (presumed to be 40%) to deliver the anticipated development and so, the 115 hectares was increased in error, by a factor of 0.4. In the PSDD, the employment land requirement for the Productivity Growth Forecast was wrongly assumed to be 288 hectares, when in reality, a total of only 115 hectares of land was indicated. This is shown in Table 6 with the correct interpretation of this land requirement.

3.31 It should be noted that the forecasts undertaken by Oxford Economics to assess the baseline growth and Productivity Growth scenario were for the initial Plan period from 2016 to 2038 and these are likely to be higher if repeated. Further, the forecasts by Oxford Economics have been superseded by an Experian baseline forecast in the Economic Development Needs Assessment[14] (EDNA) undertaken by Lichfields for the Council. The Experian forecasts are for the extended Plan period 2016 to 2038 and these forecasts are much higher than the Oxford Economics forecasts.

Preferred Scale and Distribution of Development (PSDD)

3.32 The preparation of the Submission Local Plan continued with the publication of the PSDD[15] consultation document, also in 2017.

3.33 The support for the Economic Option 2 in the Issues and Options consultation, to deliver a 'High Growth' Strategy for Shropshire, was expressed in the PSDD through the preferred option for Balanced Growth. The scale of development in this Preferred Option is set out in Table 6 along with the alternative growth scenarios also identified in the PSDD.

Table 6: Preferred Growth Option and Alternative Growth Scenarios 2017

Preferred Option & Other Growth Scenarios	Need		Requirement Options
	Floorspace (hectares)	Land (hectares)	(hectares)
BALANCED GROWTH	121		304
Core Strategy (2011)	116		290
~~Productivity Growth~~	~~115~~		~~288~~
FOAHN Standard Methodology		268	
FOAHN Local Methodology		266	
Historical take-Up		222	267
Productivity Growth *		115	115
Baseline Growth *		55	55

*Oxford Economics Forecasts

14 Shropshire Economic Development Needs Assessment (2021). Shropshire evidence document EV043 available at:

15 Preferred Scale and Distribution of Development Consultation (2017). Shropshire evidence document EV004 available at:

3.34 The Balanced Growth option identified the requirement for 304 hectares, now contained in the Submission Local Plan as a requirement for around 300 hectares of employment land with a proposed rounding of the annual development rate increasing the requirement up to 308ha.

3.35 The Balanced Growth option was presented in the PSDD as follows:

- ‘Balanced growth' seeks to positively influence our economic performance in Shropshire. This aims to deliver a sufficient scale of employment land to provide enough jobs to achieve a sustainable balance with the preferred housing requirement in this consultation document;
- ‘Balanced growth' seeks to achieve a significant ‘step change’ in the economic structure and performance of the Shropshire economy to support the SEGS. This will be delivered through the range, choice and location of new employment land provided in the revised Local Plan;
- the scale of employment land to achieve ‘balanced growth’ is comparable to that presented within the ‘high growth’ option (Option 2) of the Issues and Strategic Options consultation. The objective of achieving a ‘step change’ in the economic structure and performance of the local economy does, however, combine elements of the ‘productivity growth’ option (Option 3). Furthermore, the drive for ‘balanced growth’ recognises the need for a ‘lead-in’ period to bring about the desired changes from the position in the Significant Growth option (Option 1);
- The Preferred Employment Land Requirement to achieve ‘balanced’ growth will pursue the aspirations in the Shropshire Economic Growth Strategy and in doing so, responds to views expressed about the Issues and Strategic Options consultation;
- The delivery of this ‘step change’ will particularly affect the emerging policies and new allocations in the Local Plan that seek to influence the pattern of development in the County.

3.36 The approach to Balanced Growth has been developed through the preparation of the Submission Local Plan and will provide the following benefits:

- The economic strategy in the Submission Local Plan seeks to balance new economic development and employment generation with the delivery of new housing, focused in the strategic and principal urban centres of Shrewsbury, the Market Towns and Key Centres of the County. This balance between the two principal aims of the Plan seeks to ensure the key economic objectives of the strategic approach in Policy SP2 are met: providing for the delivery of a growing and diverse labour force; and in turn, supporting the delivery of an improving rate of economic growth and an increase in the productivity of the local economy;
- This balancing approach in the spatial strategy to deliver new economic development and higher employment generation principally directs new employment sites into Shrewsbury and those principal centres in the east of the County. This will improve Shropshire’s economic potential particularly within significant commuting locations that have higher concentrations of resident labour and higher levels of skills and academic attainment. This will provide an increased urban focus in the economic spatial strategy to capture the greater opportunity in urban markets and to achieve a more efficient level of development on employment land. This should deliver higher proportions of developed floorspace and employment from the land developed in the County;
- This urban focused strategy will locate a greater proportion of the new employment development into urban centres located along the strategic corridors through the County. This should improve the accessibility and sustainability of Shropshire’s key employment locations in the period to 2038. This should help to retain more of the County’s resident labour force and in turn, improve the productivity of the Shropshire economy;
- The increased concentration of new economic development and employment generation in the centre and east of the County will help to improve the profile and investment offer of Shropshire beyond the County boundary. This will be supported through a broader range and choice of housing and economic development opportunities that are also accessible to other key

economic and employment markets. This will include locations in the sub-regional area, in need of additional support to meet their own economic needs and demands, which will further help to improve the economic growth potential of the County.

Preferred Sites and Strategic Sites

3.37 The preparation of the Submission Local Plan continued with the publication of the Preferred Sites[16] consultation document in 2018 and continued with the Strategic Sites[17] consultation in 2019. These preferred options presented the distribution of the proposed employment land requirement, of around 300 hectares, across the 18 Place Plan areas of Shropshire. The Preferred Sites consultation introduced 9 new employment allocations including two strategic mixed-use settlements totalling 134 ha, in the locations identified in Table 7.

Table 7: Strategic Settlements and Employment Allocations in the Submission Local Plan

Location	Settlement	Site	Designation	Employment Land hectares
East	Bridgnorth	Tasley Garden Village	Employment Allocation	16
		North of Stanmore Industrial Estate	Employment Allocation	7
		Adjoining Hickman Road,	Employment Allocation	4.5
	Shifnal	East of Shifnal Industrial Estate	Employment Allocation	39
	Ironbridge	Former Power Station	Strategic Settlement	6
Centre	Shrewsbury	Preston Island	Employment Allocation	45
		Land between Mytton Oak Road and Hanwood Road	Mixed Use Urban Extension	5
South	Ludlow	South of The Sheet on A49	Employment Allocation	5
North-East	Tern Hill	Clive Barracks	Strategic Settlement	6
			TOTAL	**134**

Preferred Policies of the Submission Local Plan

3.38 The preparation of the Submission Local Plan continued with the publication of the Shropshire Local Plan 2016 – 2038 Regulation 18 Pre-Submission Draft[18]. The Draft Local Plan period was extended by a further two years from 2036 to 2038 but the employment land requirement remained unchanged at around 300 hectares. This requirement is set out in the following Strategic Policies with the following explanations:

- SP2: Strategic Approach - the Economic Growth Strategy for Shropshire (2017-2021) sets out Shropshire Council's commitment and ambition to grow the local economy of the County. To achieve the aspirations in the Economic Growth Strategy for Shropshire, it is important to encourage appropriately located and high-quality new employment development which contributes to making Shropshire more productive, prosperous and sustainable.
  - The employment requirement for Shropshire of around 300ha of employment land seeks to provide a sufficient scale of employment land to deliver enough jobs to achieve a sustainable balance with the housing requirement. This employment land requirement equates to around 14ha of employment land per annum;

[16] Preferred Sites Consultation (2018). Shropshire evidence document EV005 available at:
[17] Strategic Sites Consultation (2018). Shropshire evidence document EV006 available at:
[18] Regulation 18 Pre-Submission Draft (2020). Shropshire evidence document EV007 available at:

- The effective and on-going joint working between strategic policy-making authorities is an important part of plan-making, delivered through the Duty to Cooperate. With this in mind, and further to discussions with the Black County Authorities as part of their ongoing plan making process, Shropshire's employment requirement of around 300ha of employment land incorporates up to 30ha of employment land to support the employment needs of the emerging Black Country Plan. This reflects the fact that employment delivery opportunities are constrained in the Black Country. This approach is a positive response to the need for cross boundary cooperation and responds to the functional relationship between the two areas of Shropshire and the western areas of the central conurbation. This cross-boundary employment land need of 30ha will be accommodated through the distribution of growth outlined in this policy and delivered through policies S1-S20 of this Local Plan;
- A sufficient supply of employment land, focused within the urban areas, has been provided to enable choice and competition within the market and to recognise the diverse needs of different employers, particularly within the Strategic and Principal Centres of Shropshire. The urban areas will also perform their economic roles in support of the employment needs of settlements and communities in the rural areas of the County.

- SP13: Delivering Sustainable Economic Growth and Enterprise - it is proposed to plan for 300 hectares of land to be developed for Class B office, research and development, workshop, general industry, storage and distribution development for the period 2016 to 2038. The delivery of this development will satisfy the strategic approach set out in Policy SP2 in relation to the settlement hierarchy and the proposed distribution of development within the County. This policy also identifies those land uses regarded as 'employment generating uses' reflecting changes to the Use Classes Order 1987. It is recognised that Shropshire has a diverse economic structure with an historic focus on 'service industries' but that the economic spatial strategy seeks to diversify the range of employment uses to include more office, industrial and warehousing uses. There is a need for flexibility in the delivery of employment sites to allow for further employment generating uses to come forward including recycling and environmental industries.

4. Shropshire's Economic Performance

Introduction

4.1 The Issues and Options consultation also considered the option of rolling forward the existing employment land requirement of 290ha. This would maintain the current level of aspiration and provide a comparable level of employment land to the adopted Local Plan from 2006 to 2026.

4.2 This option was considered in determining the PSDD consultation in relation to the Core Strategy[19] Policies CS1 to deliver 290ha and CS14 (with SAMDev Plan[20] Policy MD4) to manage this supply of employment land over the 20-year from 2006 to 2026.

4.3 This option drew on the evidence in the Shropshire Employment Land Review[21] which identified the following elements of the 290ha adopted employment land requirement:

- the annual average gross employment land take-up of 12.45ha/year for the period from 1989 to 2006 (17 years), means the County would need a minimum of 249ha of land to sustain the historical rate of development (paragraph 2.26); in effect:
- the Core Strategy validated the West Midlands Regional Spatial Strategy (RSS) target of 288ha for Shropshire through the independent Core Strategy Examination (2010) at the rounded target of 290 ha (paragraph 2.26); this also reflected
- the amendment to the calculation of the total indicative long-term employment land requirements in the West Midlands at the RSS Examination in Public. This adjusted the Shropshire employment land requirement upwards from 216ha to 288ha (with a 5-year reservoir of land at 72ha). This requirement was endorsed and rounded to 290ha in the Core Strategy (paragraph 2.26). This better represented the aspirations for economic growth in Shropshire and provided greater flexibility in the operation of the Core Strategy and SAMDev Plan.

Projecting the adopted Development Plan Requirement

4.4 The Core Strategy and SAMDev Plan, and the evidence which informed their adoption, considered a range of options previously assessed at both the strategic and local tiers of plan making in the West Midlands region.

4.5 The regional tier considered the strategic evidence for the scale of economic growth in Shropshire and firstly, recommended a requirement of 216ha to be developed at a rate of 10.8 ha/year. This was subsequently overturned by the Secretary of State on further evidence brought forward at his request by the West Midlands Assembly.

4.6 Local evidence subsequently prepared for Shropshire Council (BE Group, 2011) also revealed the 216ha requirement to be too low. Past take up rates in Shropshire identified a requirement for at least 249ha, to be developed at 12.45 ha/year from 2006 to 2026.

4.7 The strategic assessment at the regional tier had already reached a similar conclusion, adjusting the land requirement upwards to 288ha, to be developed at 14.4 ha/year. This allowed for past take in the County and providing further headroom for scale and productivity improvements in the

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[19] Shropshire Core Strategy (2011) at: https://www.shropshire.gov.uk/planning-policy/local-planning/core-strategy-2006-2026/.
[20] Shropshire Site Allocations and Management of Development (SAMDev) Plan (2015) at: https://www.shropshire.gov.uk/planning-policy/local-planning/samdev-plan-2006-2026/.
[21] Shropshire Employment Land Review (2011) SAMDev Evidence Document: EV7-Employment-Land-Review.pdf at: https://www.shropshire.gov.uk/planning-policy/local-planning/samdev-plan-2006-2026/samdev-examination/evidence-base/.

performance of the local economy. This position was also confirmed at the local tier in a rounded requirement for 290ha, at a rate of 14.5 ha/year for the 20-years from 2006 to 2026.

4.8 The Submission Local Plan is distinct from the adopted Development Plan through the extended plan period to 22 years. This ensures that the Submission Local Plan when adopted, will provide a period in excess of 15 years to the end of the plan period in 2038.

4.9 If the employment land requirement of 290ha in the Development Plan is adjusted to the longer time period in the Submission Local Plan, the employment land requirement and the scenarios considered in preparing the Submission Local Plan, would adjust upwards as shown in Table 8.

Table 8: Projected Development Plan Employment Land Requirements 2016 - 2038

Development Plan	Description	2006 - 2026	2016 - 2038	2006 - 2038
		Employment Requirement / Guideline Figure		Annual Requirements
		hectares		hectares/year
Core Strategy	**adopted requirement**	**290**	**319**	**14.5**
	past take-up requirement	249	274	12.5
Regional Strategy	**adopted requirement**	**288**	**317**	**14.4**
	recommended requirement	216	238	10.8

4.10 The Submission Local Plan, Policy SP2: Strategic Approach, proposes an employment land requirement rounded down to 300ha and an annual requirement to deliver 14 ha/year. In effect, projecting the requirement for 290ha over 22-years would leave the annual requirement unchanged at 14.5ha/year and would place a higher requirement of 319ha on the County.

4.11 The lower requirement of 300ha over 22-years indicates an annual delivery rate of just 13.6 ha/year. The Submission Local Plan does not recommend further reducing the annual delivery rate to 13.6 ha/year since the employment land requirement is effectively reduced from 319ha to 300ha. This reflects the accepted position that any employment land requirement provides a minimum guideline which may reasonably be exceeded over the Plan period.

4.12 The delivery rate is therefore proposed to be rounded to 14 ha/year, having already been reduced from 14.5ha/year from the adopted Development Plan illustrated in Table 8. It is not considered appropriate to reduce both the annual delivery rate to 13.6ha/year (from14.5ha/year) and reduce the employment land requirement to 300ha given the indicative land requirement of 319ha from extending the Local Plan period over 22-years.

4.13 To reduce both the requirement and the annual delivery rate would undermine the intention to deliver an economic spatial strategy that will achieve the vision, aims and objectives of the SEGS. The Submission Local Plan employment land requirement of 300ha is therefore proposed to have a delivery rate of 14 ha/year. This will capture the corollary effects of rounding both the total and the annual requirements as shown in Table 9. This corollary effect will itself serve to drive the performance of the economy by acting as a moderate ‘stretch’ target on the delivery of employment development in the County to 2038.

Table 9: Submission Local Plan - Corollary Effects of Rounded Employment Land Requirement

Development Plan	Requirements	Lower Range	Higher Range
		hectares	
Submission Local Plan	**Policy SP2**	**300**	14.0
	Corollary Effect	13.6	**308**

4.14 Comparing the Submission Local Plan total and annual employment requirements in Table 9 with the projected employment land requirements from the Development Plan in Table 8 places the proposed requirements into context:

4.15 The Submission Local Plan will actually reduce the aggregated total and annual requirements from the levels advocated in both the adopted Development Plan and the now withdrawn RSS for the West Midlands.

- The regional strategy required 288ha at 14.4 ha/year from 2006 to 2026 which rolled forward over the 22-year period from 2016 to 2038 would require 316ha at the same annual rate. This is 8ha – 16ha greater than the levels from 300ha to 308ha proposed in the Submission Local Plan in Table 9:
  - the rolled forward requirement also has an annual delivery rate that is 0.4 – 0.8ha/year greater than indicated by the Submission Local Plan;
- The Development Plan required 290 ha at 14.5 ha/year which rolled forward over 22-year period from 2016 to 2038 would require 319ha at the same annual rate. This is 11ha – 19ha greater than the levels from 300ha to 308ha proposed the Submission Local Plan in Table 9:
  - the rolled forward requirement also has an annual delivery rate that is 0.5 – 0.9ha/year greater than indicated by the Submission Local Plan.

4.16 The Submission Local Plan therefore presents a considered and balanced approach to the planning of employment development in Shropshire. A further key factor in this perspective is the decision by the Secretary of State, when determining the economic spatial strategy in the RSS, to increase the planned levels of employment development across the Region and particularly in Shropshire. The recommendations of the Public Examination Panel and the subsequent decision of the Secretary of State indicate that a cautious approach in planning the future economic growth of Shropshire could place unreasonable and unjustifiable constraints on the economic growth potential of the County.

Historical Monitoring of Employment Development in Shropshire 1989 - 2006

4.17 The indications for the employment land requirement from: the evidence of past take up; and the subsequent employment land requirement in the adopted Development Plan; are significant. The evidence of past take from 1989 to 2006 informed the employment land requirement of 290ha at 14.5 ha/year in the Development Plan. This employment land requirement assumed a minimum delivery of 249ha from the historical rate of 12.5ha/year from 1989 to 2006.

4.18 The AMR (2020) which monitors the adopted Development Plan covers the period from 2006 to 31st March 2020. This includes the first 4 years of the Submission Local Plan from 2016 to 2020. This historical delivery rate at 12.5 ha/year is still significant in the contemporary AMR.

4.19 The average development rate in Shropshire from 2016 to 2020 has been increasing and has now regained the historical rate of 12.5 ha/year in the AMR on pages 45-50. This has only previously been achieved through the period from 1989 to 2006. The AMR identifies that:

- Shropshire delivered 146ha (50%) of the 290ha requirement between 2006 and 2020. *Table 21* of the AMR shows that during the fourteen-year period to date, one third (34%) of the completed development was delivered in the 4 years (28%) from 2016 to 2020. In effect, from the Brexit decision in 2016, the average rate of development in Shropshire accelerated by +30% from 9.6ha/year (96ha from 2006 to 2016) up to 12.5ha/year (50ha from 2017 to 2020); [**on page 45**]
- Employment development in Shropshire since the last monitoring report in 2017 continues to fluctuate with occasional lower levels of delivery reflecting conditions in the regional or national economy. This was true in 2018-19 (at 6.8ha) but overall, there was a significant increase in the rate of development between 2017 and 2020. The levels of development in 2017-18 (15.2ha) and particularly in 2019-20 (17.4ha) are significantly higher than the historical rate (also matched in the year 2016-17 at 10.5ha) and represent a return to rates previously experienced in 2006, at the start of the current Local Plan period. This is encouraging given the anticipated effects of Brexit and the emergence of the coronavirus Covid-19 and occurred in the period following the publication of the Shropshire Economic Growth Strategy (2017) and the restructure of the County Economic Growth Service; [**on page 49**]
- These currently higher annual rates exceed the required rate (of 14.5ha) in Policy CS14: Managed Release of Employment Land. They set a higher short-term annual rate between 2017 and 2020 of 12.5ha/year. This is higher than the longer-term trend of 10.4ha/year from 2006 to 2020 and the trend prior to the Brexit decision of 9.6ha/year from 2006 to 2016; [**on page 50**]

4.20 These past rates of take up at 12.5 ha/year were previously used to inform the adopted Development Plan for the 20-year plan period from 2006 to 2026. If this rate of take up is compared to the Submission Local Plan for 2016 to 2038, they closely equate to the minimum annual delivery rate of 13.6 ha/year in Table 9. This would indicate that:

- the increased rates of development at 12.5ha/year extended over the 22-year period for the Submission Local Plan indicates a minimum employment land requirement for at least 274ha;
- an employment land requirement of 300ha would be positioned only slightly above the recent higher rates of development from 2016 to 2020, if those rates are maintained beyond 2020;
- this suggests the Submission Local Plan employment requirement of 300ha may only be a nominal increase on the rates of employment development that may be delivered from 2020;
- the adopted Development Plan for 2006 to 2026, took the evidence of past take up at 12.5ha/year to project a rate of delivery at 14.5ha/year which was significant in that:
    - Past take up indicated a minimum level of development at 249ha whilst the Development Plan provided an additional 41ha in the 290ha employment land requirement;
- where the Submission Local Plan employment land requirement is considered against the regained historical rate of 12.5 ha/year on contemporary evidence in the AMR:
    - this indicates a minimum level of anticipated development at 274 ha
    - the Submission Local Plan would deliver a more cautious additional provision of 26ha in the employment land requirement for 300 ha
    - increasing to 34ha for upper range of the requirement at 308 ha as shown in Table 9.
- A nominal increase in the employment land requirement upwards from 274 ha to 300 – 308 ha will permit further qualitative improvements in the local economy, support the growth needed in the SEGS and provide flexibility for the Local Plan strategy to respond to wider economic changes and changes in market demands for employment land in Shropshire.

Contemporary Monitoring of Employment Development in Shropshire 2006 – 2020

Overview

4.21 The contemporary monitoring of development in Shropshire in the AMR, Section C - A Prosperous Economy (pages 43 to 66) identifies the strategic land supply position for the adopted Development Plan 2006 to 2026 to 31st March 2020. This land supply position is set out in Table 20: Strategic Employment Land Supply in Shropshire 2006-2026, and is summarised in Table 10. This shows that the County has a good supply of employment land to achieve the current employment requirement of 290ha, albeit part of that supply comprises 146ha (36%) of completed development.

Table 10: SAMDev Plan - Strategic Land Supply Position (31st March 2020)

Employment Land Requirement and Strategic Land Supply	Land hectares
EMPLOYMENT LAND REQUIREMENT 2006 - 2026	290
Completions 2006 - 2020	146
Planning Permissions on committed sites	81
Planning Permissions for existing premises	21
SAMDev Employment Allocations	128
Windfall Allowances	30
TOTAL EMPLOYMENT LAND SUPPLY at 31 March 2020	406

4.22 This contemporary monitoring position is also presented in Table 11 for the Submission Local Plan 2016 to 2020. This shows the degree to which the current land supply including the adopted employment allocations would contribute towards the employment land requirement for 300ha. The strategic land supply already comprises 280ha but still requires a further provision of employment allocations to exceed the requirement for 300ha of development.

Table 11: Submission Local Plan - Strategic Land Supply Position (31st March 2020)

Employment Land Requirement and Strategic Land Supply	Land hectares
EMPLOYMENT LAND REQUIREMENT 2016 - 2038	300
Completions 2006 - 2020	50
Planning Permissions on committed sites	81
Planning Permissions for existing premises	21
SAMDev Employment Allocations	128
TOTAL EMPLOYMENT LAND SUPPLY at 31 March 2020	280

4.23 The further provision of employment land to the supply should be sufficient to provide a range and choice of sites to ensure the economic spatial strategy for the Submission Local Plan is sufficiently flexible to support the strategy for economic growth in Shropshire. This additional provision of employment land, for 134ha of new sites, is presented in Table 7 above.

4.24 This employment land supply includes a stock of planning permissions for 102 ha (with 81ha on new sites and 21ha in existing premises) which comprises 36% of the employment land supply of 280ha, in Table 11. The supply of land with planning permissions includes only a few employment allocations with planning consent and so, is almost entirely comprised of windfall sites at the outset of the Submission Local Plan. Consequently, the strategic land supply for the period 2016 to 2038 does not include a specific allowance for windfall employment development unlike the adopted Development Plan.

4.25 The stock of planning permissions will be subject to losses through the time lapsing of consents with relatively short timespans. This will permit a 'churn' of windfall permissions as new development receives permission, sufficient to facilitate the approval of new employment development in smaller Key Centres, Community Hubs and Clusters and to ensure Shropshire will deliver or exceed the employment land requirement of 300 ha. This will bring forward additional sites to achieve the 300ha land requirement and will permit the Local Plan to focus on new allocations that shape the economic spatial strategy and deliver higher levels of urban employment development, on identified sites in attractive, accessible and sustainable locations.

4.26 In the event that the 'churn' of windfall permissions results in a scale of development exceeding the employment land requirement (at 300ha) this would simply reflect the fact that, any employment requirement is a guideline figure and not the maximum level of permitted development in the County.

4.27 This approach to the delivery of windfall development is set against the broader objective of seeking an improvement in the plot ratios, so that the drive to increase delivery in the County might also result in a decrease in the amount of land being used as the local economy becomes more efficient in the use of land.

4.28 This objective is not set into policy since the provision of a standard plot ratio will be difficult to achieve across all types of sites and in all development locations. This fact would lead to the most likely outcome, that a range of plot ratios are introduced to match different locations, which is the situation that already exists in the County. The Council wishes to indicate, through the economic growth and development management services, the commercial and environmental opportunities open to the market from increasing the amount of floorspace within a development in order to reduce the amount of land required to deliver these economic benefits.

4.29 The Council wishes to begin working with the development industry towards this objective, starting by developing our collective understanding of how to achieve this outcome and to test suitable design solutions for Shropshire. This is considered to be better than introducing a restrictive requirement that is likely to adversely affect the important outcomes of driving forward investment and delivering much needed economic growth and employment.

Distribution of Development

4.30 The distribution of the strategic land supply is identified in the AMR and reproduced in Table 12. This shows completed development from 2006 to 2020, current planning permissions at 31st March 2020 and employment allocations in the Development Plan, distributed around the County.

Table 12: Employment Completions and Supply by Spatial Zone (31st March 2020)

Spatial Zones	Policy CS1 Distribution		Completions		Commitments		Allocations		Windfalls		TOTAL SUPPLY		
	Average ha	%	ha	%	ha	%	ha	%	ha	%	ha	%	Diff ha
North-West	60	21%	18	12%	10	10%	48	38%	9	29%	85	21%	25
North-East	55	19%	47	32%	38	37%	38	30%	6	19%	129	32%	74
Central	100	34%	42	29%	39	38%	9	7%	6	19%	96	24%	-4
South	40	14%	22	15%	8	8%	21	16%	6	19%	57	14%	17
East	35	12%	17	12%	7	7%	12	9%	4	13%	40	10%	5
TOTALS	290		146		102		128		31		407		117

4.31 The AMR provides the following information about the distribution of development in the period to 31st March 2020 which shows that:

- the commitments for 102ha include planning permissions for 21ha (see Table 10) on existing employment areas, 81ha (see Table 10) on new employment sites and 128ha on remaining employment allocations. This is sufficient to deliver the remaining 144ha of the 290ha requirement (minus completions of 146 ha) to satisfy Policies CS1: Strategic Approach and CS14: Managed Release of Employment Land. In effect, the remaining 144ha may be delivered from the extant planning permissions (102ha) with a minimum of 42ha from the remaining allocations of 128 ha;
- all the spatial zones except the centre (i.e. Shrewsbury) have sufficient employment land to satisfy the Policy CS1 distribution. This distribution does favour the north-west and north-east of the County but the supply to the south and east does highlight the capacity of these Place Plan areas to perform a greater role in the economic growth of Shropshire.
  - In response, the Regulation 19 Submission Local Plan will address distribution shortfalls in the centre, east and south, to support the further planned growth of the local economy;
- the central and northern areas of Shropshire are key drivers for employment development and economic growth providing 308ha (76%) of the Strategic Employment Land Supply. The south of the County has a lower supply of employment land at 97ha (24%) but still provides a relatively strong rate of employment development particularly from completions amounting to 39ha (27%) of the total completions from 2006 to 2020;
- the significance of the central and northern areas of Shropshire is also reflected in the portfolio of employment land and premises with a healthy supply of 87ha of committed sites (85%) and 95ha of allocated employment sites (74%).
- The scale and distribution of these development opportunities in the centre and north of the County supports the role and function of Shrewsbury (with 52ha) and the Market Towns of Oswestry (with 56ha), Market Drayton (with 36ha) and Whitchurch (with 31ha). The Key Centres of Ellesmere (with 11ha) and Wem (with 13ha) with their surrounding rural settlements and employment sites also have capacity to meet some of their needs for employment and services;
- in the south, the Place Plan areas around the principal settlements of Craven Arms (with 16ha), Ludlow (with 9ha), and Bishops Castle (with 5ha) are principally driving employment development however; there are reasonable prospects for employment growth in Church Stretton (with 3ha) and Cleobury Mortimer (with 2ha), meeting some of their needs and those of surrounding communities. It is expected, the Market Town of Ludlow will be strongly supported by Craven Arms, where the role of this Key Centre will enhance the delivery of employment and services;
- in the east, Bridgnorth (with 14ha) is the principal focus for employment development especially with the current under performance of the significant Key Centre of Shifnal (with 3ha). Bridgnorth and Shifnal may both perform stronger roles in the delivery of future employment development and jobs, arising in part from the level of housing development in these

settlements and the proximity of the West Midlands conurbation, with its recognised shortfall in the availability of employment development opportunities.

4.32 The requirement for further provision of employment land (paras 4.23 & 4.25) over the 280ha in Table 11, recognises these shortfalls in the distribution of employment land in Shropshire:

- with further land allocations in the Submission Local Plan in paragraph 3.28 and Table 7;
- the focus of these allocations on the centre, south and east of the County to improve the employment land offer in Shrewsbury, Ludlow, Bridgnorth, Shifnal and Ironbridge and Market Drayton with:
  - provision in Ironbridge and Market Drayton including employment land within the Ironbridge Strategic Settlement in the east of the County; and
  - a proposed further provision at Clive Barracks Tern Hill in the north-east on the release of the site by the MoD with this site also having accessibility into the east of the County along the A41 Strategic Corridor.

Types of Development

4.33 The types of employment development being delivered in Shropshire are shown in the AMR (*Tables 22* (from 2006 – 2020) *and 23* (for 2019 – 2020) by Location and Land Use. The AMR reaches the following conclusions from this data:

- principal types of employment development are Class B land uses comprising general industry (Class B2) with storage and distribution (Class B8) and also the former Class B1 uses comprising Class B1a offices (now Class E(g)(i)), Class B1b research and development (now Class E(g)(ii)), Class B1c light industry (now Class E(g)(iii)). All these uses, combined, provided over 139ha (96%) of the 146ha of employment development completed between 2006 and 2020;
  - The remaining 6ha (4%) comprised other compatible uses for employment floorspace or complementary uses within larger employment areas as shown in *Table 22*;
- *Table 22* shows between 2006 and 2020, employment development favoured Class B2 General Industry (with 45ha) and Class B Storage and Distribution uses (with 40ha). The combined delivery of these two uses equalled 85ha (58%) of the total completions of 146ha to 2020. This is still a proportionate decrease on the 2017 position where Class B8 development (with 36ha) and Class B2 (with 33ha) provided 69ha (63%) of total completions (108ha) in Shropshire;
- the proportion of Class B2 and Class B8 development is reducing over time (from 68% in 2013, to 63% in 2017 to 58% in 2020) due in part to increasing levels of development of Class B1 uses despite this type of employment development being more limited earlier in the plan period;
  - this has delivered 28ha of Class B1a office uses (now E(g)(i)) largely focused into Shrewsbury and the Market Towns; and
  - Class B1c light industrial uses (now E(g)(iii)) at 24ha; and
  - the emergence of Class B1b research and development uses (now E(g)(ii)) at 1.2ha.

4.34 The AMR also looks at the spatial distribution of these types of uses and concludes that:

- the spatial distribution of these uses reflects factors identified earlier in this section of the AMR. The strength of delivery of Class B2 and Class B8 uses favours the strategic and principal centres, with demand driven by the role and function of the towns, the presence of key employers and clusters and the presence of established employment areas offering attractive business locations with good accessibility and services;
- the emergence of office uses focuses on the strategic and principal centres particularly in the north and centre of the County. This highlights Shrewsbury and the Market Towns of Oswestry,

Whitchurch, Bridgnorth, Ludlow and the Key Centres of Wem and Shifnal especially with the establishment of Severn Trent Water in Shifnal.

4.35 These patterns of development are presented in further detail in Table 13 to consider the changes in the delivery of these employment uses through the SAMDev Plan up to the start of the Submission Local Plan at 2016. Table 13 identifies the proportions of these land uses in the total completions from 2006 to 2016.

Table 13: Employment Completions by Land Use 2006 - 2016

SAMDev Plan Completions / Year of Completion	B1a	B1b	B1c	B2	B8	Sui Generis / Other	ALL USES
	hectares						
2007	2.90		1.91	6.65	4.15		**15.6**
2008	2.63	0.003	0.51	3.15	4.66		**10.9**
2009	4.23	0.06	0.50	2.64	5.45		**12.9**
2010	1.45	0.01	0.80	2.09	3.51		**7.8**
2011	0.79		0.60	1.88	1.71		**5.0**
2012	3.95		0.71	3.27	2.98		**10.9**
2013	0.06		0.50	0.77	1.86		**3.2**
2014	2.13		1.06	1.73	0.72	0.45	**6.1**
2015	0.68		6.56	0.83	2.83	0.91	**11.8**
2016	0.61	0.91	0.63	4.87	3.35	0.61	**11.0**
Totals	**19**	**1.0**	**14**	**28**	**31**	**2.0**	**95**
%	**20**	**1.0**	**14**	**29**	**33**	**2.1**	**100**

4.36 Table 13 suggests the following trends in the delivery of the different Class B uses.

- the single most dominant use in the County on the land area developed, are Class B8 uses reflecting in part, the large floorspace in buildings provided for these uses. The pattern of development shows stronger growth in the first four years to 2010. This is followed by a downturn over the first half of the decade to 2015 reflecting the effects of the preceding recession followed by a partial recovery, prior to the UK decision to leave the European Union;
- the pattern of development for Class B2 uses reflects a more volatile market with very early high growth followed by a fluctuating pattern of development that appears to respond positively to the discussions about the UK's role in Europe:
  - this pattern of development shows sensitivity in the sector to the broader economic circumstances that affect investment in the County.
  - this sector includes a number of larger, branded branch plant operations in Shropshire that operate in regional and national markets;
- the development of Class B1c uses (now Class E(g)(iii)) provide more stable although lower levels of delivery, subject to periodic peaks in investment. This development whilst providing modest delivery appears as a more reliable and localised source of investment in the County;
- the development of Class B1a (now Class E(g)(iii)) showed early high growth affected by the recession with a slower recovery in the years to 2010. The sector later adopted a cyclical pattern of steady, lower growth with periodic peaks in investment possibly reflecting periodic adjustments in the quality and supply of premises in the sector:
  - whilst the delivery of office premises is not considered a strong element of the Shropshire market, delivery to 2016 suggests it may be an increasingly important component of employment development in the County;

- the County has to respond to other demands for employment land including infrequent investment in Class B1b research and development and other employment generating uses that require industrial or commercial trading locations. It is considered that:
    - the employment land supply in Shropshire also functions a repository of affordable land for development for many uses including the service and community needs of neighbourhoods and communities and these additional pressures on supply are expected to increase with the recent changes in the Use Classes Order extending the range of employment generating uses that will be acceptable in policy.
    - the additional pressures of these demands on the supply, particularly through the extension of employment generating uses in the Use Classes Order amendments, have also been taken into account in setting the employment land requirement in the Submission Local Plan.

4.37 The patterns of development in Table 14 show the changes in delivery of these employment uses during the four years at the start of the Submission Local Plan from 2016 to 2020. Table 14 identifies the proportions of these land uses in the total completions from 2016 to 2020. This also reflects the changes occurring in this significant period following the UK decision to leave the European Union and as the UK entered the Covid-19 pandemic.

Table 14: Employment Completions by Land Use 2016 - 2020

Submission Local Plan Completions / Year of Completion	B1a	B1b	B1c	B2	B8	Sui Generis / Other	ALL USES
	hectares						
2017	1.56		3.65	4.32	0.73		**10.4**
2018	3.14		1.54	8.36	0.79	1.38	**15.2**
2019	0.69	0.26	1.79	1.64	2.15	0.20	**6.7**
2020	3.57		3.85	2.59	4.74	2.58	**17.3**
Totals	**9**	**0.3**	**11**	**17**	**8.4**	**4.2**	**50**
%	**18**	**0.5**	**22**	**34**	**17**	**8.4**	**100**

4.38 Table 14 identifies the proportions of these land uses in the total completions over that 4-year period. The data suggests the following trends in the delivery of these different Class B uses:

- Class B8 development in the period from 2016 at the start of the Submission Plan period is not the same dominant use of the preceding 10 years. There is a similar pattern of delivery from 2016 to that seen between 2013 to 2016, suggesting some cyclical pattern to demand for these uses, possibly as the market responds to a more reliable pattern of demands and makes consequent adjustments to sustain supply capacity to meet the demand:
    - there still appears to be nothing significant in this evidence or in the pattern of development from 2006 to 2016 to suggest Shropshire will experience a significant growth in demand for logistics development in future. If the circumstances in Shropshire change as a consequence of increasing demand in the national market, it is considered the effect could be accommodated within the flexibility provided by the employment land requirement and through the further provision of employment in the Submission Local Plan especially in locations with good accessibility to the strategic road network;
- Class B2 represents a stronger delivery of development in the County building on the pervious evidence of a positive response by the sector to the Brexit decision and the opportunities in more open international markets. Whilst the level of employment may not be expected to

increase significantly, the need for the sector to modernise and adjust to technological changes is driving the need for development land;

- the reliable nature of Class B1c uses as a driver for the economy of the County is reflected in a strong response from the sector to the Brexit decision. The previous steady but lower levels of development appear to have adjusted over the period to much higher and healthier levels of investment with a significant increase the volume of development;
- the growing significance of Class B1a uses in the County is reflected in the pattern of development from 2016 to 2020. The apparent cyclical nature of growth appears to have responded strongly to the Brexit decision with significant growth in 2018 and in 2020 despite the effects of progressing into the Covid-19 pandemic as the virus spread from its source in China;
- Class B1b and other employment generating uses continue to place similar demands on land and premises for employment development in the County.

4.39 The spatial patterns in the distribution of completed development from 2016 to 2020 are presented in further detail in Table 15. This considers the changes in the delivery of these employment uses during the four years at the start of the Submission Local Plan period. The spatial patterns of development reflect the response of the Shropshire economy to the changes that occurred during this significant time in the UK economy following the decision to leave the European Union to the time when the UK entered the first lockdown in the Covid-19 pandemic.

4.40 Table 15 suggests the following trends in the delivery of the different Class B uses:

- the spatial pattern of development over the past 4 years suggests that, with the exception of the very specific nature of Class B1b and other employment generating uses, the principal employment uses of B1a, B1c, B2 and B8 are being delivered across the County subject to the presence of sufficient market demand and the availability of suitable land for development in the different environmental character areas across Shropshire;
- the north-west has a strong, but variable pattern of development reflecting the strength provided by the large number and distribution of rural employment sites around Oswestry and the need for a larger, more readily available supply of land within the market town to withstand competition from outside the County particularly at Wrexham and Chester. This is being addressed through the current investment to access and service the proposed Oswestry Innovation Park on the A5 by-pass at the principal, south-eastern access into the town;
- there are locations that drive much higher levels of development the North-East with a strong representation in industries that deliver significant levels of Class B2 and Class B8 development particularly during 2018 (Class B2) and 2020 (Class B8). The North-East provides very strong levels of growth relative to other locations and currently out-performs the centre of the County dominated by Shrewsbury as the County town and principal growth point;
- there are lower levels of development in the South of the County but again, this appears to be a function of the more limited development opportunities in the sensitive and constrained natural environments particularly the AONB in the south rather than the inherent lack of demand to drive investment or to deliver development to meet that demand as indicated in the results for Class B2 development in 2017;
- the east of the County reflects the situation also observed in the south. The east has responded more positively to these opportunities and has sustained a pattern of development that more closely matches the more dynamic zones of the north-west and centre of the County;
- the centre of the County with the Growth Point and County Town of Shrewsbury has underperformed in relative terms to the other zones which are driven by the smaller market towns. This reflects the current lower level of opportunity in Shrewsbury despite the numerical supply of land for development due to the slow release of allocated land to the market as serviced land or readily available plots. The Submission Local Plan addresses this in relation to both the quantum of land being made available, which is proposed to be increased and by

encouraging the promoters of existing and proposed development land to bring their sites to the market.

Table 15: Spatial Distribution of Annual Employment Completions by Land Use 2016 - 2020

Submission Local Plan Completions	B1a	B1b	B1c	B2	B8	Sui Generis / Other	ALL USES TOTALS
Location	hectares						
2017	**1.6**		**3.5**	**4.4**	**0.7**	**0.2**	**10.4**
North West	0.23			0.30		0.14	0.7
North East	0.04		2.00				2.0
Central	0.62		0.60	0.80		0.01	2.0
South	0.61		0.02	3.00	0.73		4.4
East	0.10		0.86	0.30			1.3
2018	**3.2**		**1.5**	**8.3**	**0.8**	**1.3**	**15.1**
North West	0.04		1.11	0.44	0.44		2.0
North East			0.05	7.90	0.17		8.1
Central	1.22				0.17	1.30	2.7
South	0.05						0.1
East	1.84		0.38				2.2
2019	**0.7**	**0.3**	**1.8**	**1.6**	**2.1**	**0.2**	**6.7**
North West			0.60	0.25			0.9
North East	0.49		0.56	0.78	1.67		3.5
Central	0.05	0.26	0.55	0.05	0.05	0.05	1.0
South			0.08	0.45	0.15	0.14	0.8
East	0.15			0.11	0.28		0.5
2020	**3.6**		**3.9**	**2.7**	**4.7**	**2.6**	**17.4**
North West	1.78		1.01	0.18	0.48		3.5
North East	1.11		1.50	0.40	3.20	2.16	8.4
Central	0.06		0.54	1.66	0.06	0.42	2.7
South			0.24	0.03	0.07		0.3
East	0.62		0.60	0.40	0.93		2.6
Totals	**9**	**0**	**11**	**17**	**8**	**4**	**50**

4.41 The overall spatial patterns in the distribution of this development for this 4-year period are briefly summarised in 16. This identifies that 50ha have been developed to 2020 providing 16% of the required supply. This is being driven by 22ha (at 44%) of development in the North-East with the other the other four zones have similar levels of development from 5.6ha (at 11%) to 8.5ha (at 17%) with the expectation for significant increases in out-turn through the proposed new allocations particularly in the centre and east of the County.

Table 16: Spatial Distribution of Total Employment Completions by Land Use 2016 - 2020

Submission Local Plan Completions / Location	B1a	B1b	B1c	B2	B8	Sui Generis / Other	ALL USES TOTALS
	hectares						
North West	2.1	0.0	2.7	1.2	0.9	0.1	7.0
North East	1.6	0.0	4.1	9.1	5.0	2.2	22.0
Central	2.0	0.3	1.7	2.5	0.3	1.8	8.5
South	0.7	0.0	0.3	3.5	1.0	0.1	5.6
East	2.7	0.0	1.8	0.8	1.2	0.0	6.6
Totals	9	0	11	17	8	4	50

Efficiency in the Use of Land (Plot Ratios)

4.42 The AMR records the amount of built floorspace completed each year by type of Class B land use. This enables a comparison between the completed floorspace, and the amount of land developed to achieve this out-turn over the monitoring period. This calculation derives the 'plot ratio' which indicates the efficiency of land development in Shropshire by showing the area of built floorspace as a percentage of the area of land being developed. The standard efficiency in out-turning built floorspace is assumed to be at a plot ratio of 40% of the land developed. This standard plot ratio for measuring efficiency has underscored the assessment of Shropshire's economic development needs from 2016 to 2038 in the EDNA.

4.43 The actual levels of efficiency year on year over the SAMDev Plan period 2006 to 2020 are shown in Table 17. This shows that Shropshire has only matched this standard plot ratio in two of the 14 years of the SAMDev Plan period. These two years were 2011 when the efficiency level achieved 38% of the developed land being converted into built floorspace which approximates the standard. In 2013, the plot ratio reached a significant 48% of the developed land being converted into built floorspace, exceeding the standard plot ratio by nearly 10%.

4.44 The level of efficiency of the Shropshire economy fluctuated below the standard plot ratio in the period from 2006 to 2012 leading to the anomalous peak of 48% in 2013 linked to the lower overall level of development in that year. If this peak is disregarded the plot ratios to 2012 would be just under 33% and if the 2013 peak is included this would increase to just under 34%.

Table 17: Year on Year Plot Ratios for Class B Development in Shropshire 2006 - 2020

Class B Development	2007	2008	2009	2010	2011	2012	2013	2014 - 2016*	2017	2018	2019	2020	Total
Developed Land (ha)	15.6	11.0	13.0	7.9	5.1	11.1	3.2	27.0	10.3	13.8	6.5	14.8	139.2
Built Floorspace (sq.m)	53,654	32,467	41,500	27,495	19,300	35,163	15,404	57,608	16,610	22,329	15,057	27,852	364,439
Plot Ratios (%)	34	30	32	35	38	32	48	21	16	16	23	19	26

* **Monitoring of employment completions at March 2016 captured development between 2014 - 2016**

4.45 Table 17 shows that since the 2013 anomalous peak, the efficiency of the out turn of floorspace in Shropshire economy has significantly reduced. This affects the longer-term plot ratio for the adopted Development Plan in the period from 2006 to 2016 which falls to an average of 30% before the start of the Submission Local Plan period. In the 4-years since 2016 to the latest monitoring period at 31st March 2020, the plot ratio significantly reduced to just 18%. This reflects a year on year ratio that is below 20% but peaking at 23% in 2019.

4.46 The long-term ratio for the whole period of monitoring from 2006 to the latest position in 2020 would moderate the variations in the plot ratio to an average 26%. This average plot ratio would have a significant effect on the capacity of the local economy to capture the available investment demand from the employment land supply in the County. This would also significantly reduce the capacity to convert the available land supply into new employment to meet the needs of the residents and communities in the County.

4.47 The effect of the difference between the actual plot ratio (at 26%) in Shropshire and the standard plot ratio (at 40%) assumed in the EDNA would underestimate the volume of employment land required to meet the employment needs of the growing population in Shropshire. This is likely to drive the already significant levels of out-commuting from the County by residents seeking to access employment in the sub-regional areas around Shropshire. This fact must also be considered against the assumption that the need for Shropshire to accept unmet employment needs from the Black Country points to a reduction in the employment opportunities in the West Midlands conurbation.

4.48 The AMR has considered these factors in monitoring the performance of the SAMDev Plan and has identified the following implications from the reducing levels of efficiency in Shropshire from the changing plot ratios in Table 17:

- The floorspace out turn from development completed under adopted Local Plan policy indicates the scale and type of development delivered in the County. A number of important indicators about the local economy may be drawn from this information:
    - The primary demands in the County are for Class B2 general industrial floorspace and Class B8 storage and distribution but these uses are now balanced by the combined delivery of the former Class B1 uses (now Class E(g));
    - Comparing the areas of land being developed and the floorspace out-turn, suggests that Shropshire falls below the national average out-turn of 40% net floorspace from the gross area of land developed. Overall, the out turn of 364,439 square metres(sq.m) of floorspace from the 146ha of developed land would achieve a net out turn of 25% from 2006 to 2020;
    - Comparing the completed land areas in *Table 22* for Class B uses only with the floorspace delivered in *Table 24*, these more specific out turns indicate: Class B1a achieves 21%; Class B1b achieves 9%; Class B1c achieves 22%; Class B2 achieves 27% and Class B8 achieves 32%. This more accurate assessment compares the floorspace with the 139ha of Class B development, giving a total out turn for the County of 26%.
- All these out-turns fall significantly below the national average of 40% for the conversion of land into productive floorspace. Comparing the floorspace out turns with the average workspace areas identified in the Shropshire Economic Development Needs Assessment for the draft Shropshire Local Plan indicates the following employment (jobs) out-turn by Use Class:
    - Class B1a floorspace of 60,485sq.m (at 12.5sq.m/job) would equate to 4,838 jobs;
    - Class B1b floorspace of 1,131sq.m (at 50sq.m/job) would equate to 22 jobs;
    - Class B1c floorspace of 53,933sq.m (at 53.5q.m/job would equate to 1,008 jobs;
    - Class B2 floorspace of 123,129sq.m (at 36sq.m/job) would equate to 3,420 jobs; and
    - Class B8 floorspace of 125,760sq.m (at 65sq.m/job) would equate to 1,934 jobs.
- This equates to a total employment provision of 11,222 jobs. If Shropshire had out-turned net floorspace at 40% of the gross area of land developed, this would have delivered higher levels of employment (jobs) totalling 18,507 jobs as follows:

- Class B1a floorspace of 113,600sq.m (at 12.5sq.m/job) would equate to 9,088 jobs;
- Class B1b floorspace of 4,800sq.m (at 50sq.m/job) would equate to 96 jobs;
- Class B1c floorspace of 97,600sq.m (at 53.5q.m/job would equate to 1,824 jobs;
- Class B2 floorspace of 181,600sq.m (at 36sq.m/job) would equate to 5,044 jobs; and
- Class B8 floorspace of 159,600sq.m (at 65sq.m/job) would equate to 2,455 jobs.

4.49 These are matters affecting the performance of the Shropshire economy that need to be addressed as the County seeks to improve its economic growth and performance. These matters are identified in the vision, objectives, and actions of the Shropshire Economic Growth Strategy 2017 – 2021 and are proposed to be addressed in the draft Shropshire Local Plan (2020) but have implications for the evidence drawn from the EDNA.

5. Implications for the Employment Land Requirement and Distribution

Background

5.1 Shropshire Council undertook an Economic Development Needs Assessment to determine the economic needs of the County to inform the emerging Local Plan.

5.2 This seeks to address the recommendation in the SAMDev Plan Examination Report, paragraph 23 requiring the Submission Local Plan to objectively assess the future employment land requirements for the County which has resulted in the findings in the EDNA Report.

5.3 The EDNA report presented the potential employment land requirements in Table 18:

Table 18: EDNA Gross Employment Land Requirements

Scenario	Employment Land Requirement
	hectares
Experian Baseline Forecast (June 2020)	191.91
Regeneration Scenario	196.88
Standard Methodology - Housing / Labour Supply	170.86
Housing Requirement - Housing / Labour Supply	181.39
Past Take Up Scenario	263.82

5.4 The variation in these potential employment land requirements reflects the variety of options identified in the local assessment of the possible employment land requirements in the PSDD consultation in 2017, presented in Table 6 above.

5.5 Consequently, it is considered that the Shropshire local economy does not lend itself readily to quantifiable assessments of its potential future performance and productivity and the necessary inputs (e.g. land and labour) to deliver growth. The effect is that Shropshire's future economic performance proves difficult to accurately predict using algorithmic, economic forecasting models.

5.6 The EDNA finds that the Council's own evidence from monitoring past take up and delivery of developed land and floorspace provide an equally strong method for assessing the further employment land needs of the Council, which is used to inform this Paper. The EDNA recognises (*at paragraphs 8.69 and 9.8*) that the Shropshire monitoring systems are comprehensive, and it has been found that there is a:

- "***very substantial amount of employment land that is already in the development pipeline***." [para 8.69] and also
- "***The data provided by Council Officers relating to past take up since 2006/07 is particularly detailed, and hence it is considered that in this instance further weight can be attached to the past take up scenario than might ordinarily be the case***." [para 9.8]

5.7 This Paper seeks to bring together the key messages from the Council's monitoring data to 31st March 2020 and the EDNA findings to fully inform the preferred employment land requirement.

Introduction

5.8 A key focus in the EDNA is the requirement to ensure there is sufficient, suitable employment sites in the Local Plan to achieve the Council's strategy for long-term economic growth. The EDNA considered a range of scenarios, briefly outlined in Table 18 for how changes to the Shropshire's economy over the Plan period from 2016 to 2038 may translate into the requirement for employment development land over this period.

5.9 To derive employment land requirements, Planning Practice Guidance states that translating employment (jobs) and floorspace output forecasts into land requirements must consider some key relationships: the Standard Industrial Classification sectors must be translated into use classes; the employment must be related to the use classes floorspace (employment density); and the use classes floorspace must be related to the site area (plot ratio using industry proxies).

5.10 The EDNA (*in paragraphs 5.24 and 8.58*) recognised that the Council measured the employment land take up in relation to (former) B-Class uses and at 31st March 2019, there had been 126ha of employment land developed in Shropshire. It was considered that applying a standard plot ratio of 40% would deliver over half a million square metres (sq.m) of commercial/industrial floorspace over the past 13 years, at an average of 38,970 sqm annually.

5.11 The evidence derived from the AMR monitor data for employment development through to 31st March 2020 indicates that the plot ratio in Shropshire is more accurately assessed at 26%. The AMR data also indicates that just over one third of a million sq.m of commercial / industrial floorspace (364,439 sq.m) has been delivered over the past 14 years (assessed on data one year later than the data available for the EDNA), at an average of just over 26,000 sq.m annually.

5.12 The efficiency of the out turn of built floorspace from the actual plot ratio for Shropshire requires a re-assessment of the recommended employment land requirements from the growth scenarios assessed in the EDNA and presented in Table 18.

EDNA Growth Scenarios

5.13 The EDNA considered 5 forecast, employment land scenarios for the Shropshire local economy covering the 22-year period from 2016 to 2038 comprising:

- Baseline employment forecast (labour demand), using Experian's Local Market Quarterly Forecasts for June 2020 (comparing this with the pre-Covid March 2020 model run) delivering 16,700 jobs. As a sensitivity test to this, Lichfields trended-forward past jobs growth experienced in Shropshire over the long term (at 25,200) from 1997-2016 and related this back to the Experian projection (at 35,637 jobs);
- Regeneration-led econometric model, which factors in the economic aspirations set out in the Marches LEP's SEP (2019); and key infrastructure projects delivering 19,677 jobs;
- Estimated growth in the local labour supply and the jobs and employment space that this could be expected to support under the 2014-Sub-National Household Projections calculated to 1,979 jobs. This is considered under the Government's standard methodology for calculating housing need which increases the jobs projection to 7,538 jobs;
- Emerging Local Plan requirement of 1,400dwellings/annum (dpa), or 30,800 dwellings over 22 years as set out in emerging Policy SP2 of Shropshire Council's Submission Local Plan projecting jobs growth of 12,145 jobs;

- Consideration of past trends in completions of employment space based on monitoring data collected by the Council, and how these trends might change in the future growth scenarios for the Shropshire local economy. There is no jobs projection for this scenario but the sensitivity test for the Baseline employment forecast would, if projected over 22 years, suggest a jobs projection between 29,178 and 35,637 jobs. This assumes 25,200 delivered at a standard rate (1,326 jobs) over 19 years converted in a simple projection over 22 years.

5.14 These growth scenarios take into account the following considerations in determining the potential employment land requirements to deliver the objectives of each scenario:

- the projected change in the levels of employment in the target use classes in each scenario. These are drawn from the Standard Industrial Classification sectors in the Experian forecast using the employment densities set out in paragraph 8.22 of the EDNA;
- the need for a flexibility factor, as a contingency adjustment, providing a modest additional land buffer so that supply is not too tightly matched to estimated demand, and so that mid-term shortages of land do not arise if future demand turns out to be greater than the forecast anticipated;
- the need to plan for additional floorspace to be provided over and above the net requirements, to permit the replacement of ongoing losses of employment floorspace and for the continuing improvement of the stock of commercial and industrial floorspace over the Local Plan period and as part of a longer-term programme for the complete replacement of the County's stock.

5.15 These growth scenarios also need to take into account the decision by Shropshire Council to:

- make an additional allowance of up to 30ha of employment land in the emerging Shropshire Local Plan specifically to support the employment needs of the emerging Black Country Plan which indicates that employment delivery opportunities are constrained across the 4 constituent Local Authority areas of the Association of Black Country Authorities.

5.16 These growth scenarios and the adjustment factors were used to identify a range of employment land requirements for Shropshire.

Employment Land Requirements

5.17 The 5 growth scenarios identified in the EDNA were considered to have the following employment land requirements in Table 18. Based on the three considerations in paragraph 5.8 for the delivery of employment land in Shropshire and using *Table 8.17* of the EDNA report, the implications of the EDNA findings are shown in Table 19 below.

5.18 This identifies the following employment land requirements for the 5 growth scenarios. These use the anticipated Job densities to determine the floorspace for each Class B use and the amount of land required for this development using the standard plot ratio of 40%:

- Baseline employment forecasts (labour demand) would require 161.9 ha;
- Regeneration-led econometric model would require 166.9 ha;
- Estimated growth in the local labour supply would require 140.9 ha;
- Emerging Local Plan requirement of 1,400dpa, or 30,800 dwellings would require 151.4 ha;
- Consideration of past trends in completions of employment space would require 233.8 ha.

5.19 The employment land requirements for the 5 growth scenarios are also adjusted upwards to take into account the allowance of 30ha of employment land in the Submission Local Plan to support the employment needs of the 4 Local Authorities in the Black Country as follows:

- Baseline employment forecasts (labour demand) would require 191.9 ha;
- Regeneration-led econometric model would require 196.9 ha;
- Estimated growth in the local labour supply would require 170.9 ha;
- Emerging Local Plan requirement of 1,400dpa, or 30,800 dwellings would require 181.4 ha;
- Consideration of past trends in completions of employment space would require 263.8 ha.

Table 19: Indicative Gross Employment Land Requirements for Shropshire 2016 - 2020

Scenario		Office / R&D		Light Industrial	General Industrial	Warehousing/ Logistics	Total Industrial	All Employment Land
		sq.m	hectares	hectares				
Experian Baseline Forecast (June 2020)	Net	89,970	22.49	40.09	-12.75	0.19	27.53	50.02
	+Flexibility Factor	106,067	26.52				42.99	69.51
	+Loss Replacement	**182,403**	**45.60**				**116.31**	**161.91**
Regeneration Scenario	Net	89,970	22.49	40.66	-8.34	0.19	32.51	55.00
	+Flexibility Factor	106,067	26.52				47.96	74.48
	+Loss Replacement	**182,403**	**45.60**				**121.28**	**166.88**
Standard Methodology - Housing / Labour Supply	Net	69,968	17.49	32.88	-15.62	-5.53	11.73	29.22
	+Flexibility Factor	85,065	21.27				27.19	48.46
	+Loss Replacement	**161,400**	**40.35**				**100.51**	**140.86**
Housing Requirement - Housing / Labour Supply	Net	79,528	19.88	36.51	-14.18	-2.71	19.62	39.50
	+Flexibility Factor	95,626	23.91				35.09	59.00
	+Loss Replacement	**171,961**	**42.99**				**108.40**	**151.39**
Past Take Up Scenario	Gross with Flexibility Factor	**193,166**	**48.29**				**185.53**	**233.82**

5.20 These employment requirements are determined using the standard 40% plot ratio to identify the land area that would need to be developed. This indicates that each scenario assumes a net employment land requirement to support the amount of floorspace expected to be built which is shown in Table 20.

Table 20: Indicative Net Employment Land Requirement for Shropshire 2016 - 2020

Scenario	Employment Land Requirement	Black Country Allowance	Gross Requirement	STANDARD Plot Ratio	Anticipated Net Out Turn
	hectares			%	hectares
Experian Baseline Forecast (June 2020)	161.91	30.00	191.91	40	**76.76**
Regeneration Scenario	166.88		196.88		**78.75**
Standard Methodology - Housing / Labour Supply	140.86		170.86		**68.34**
Housing Requirement - Housing / Labour Supply	151.39		181.39		**72.56**
Past Take Up Scenario	233.82		263.82		**105.53**

5.21 These net employment land requirements are the levels of built development needed to deliver the objectives of the growth scenarios. The evidence of the actual plot ratios being developed in Shropshire from 2006 to 2020 at only 26% indicates, the assumed net employment land requirements in Table 20 would actually require much larger amounts of land to deliver the anticipated levels of built development. For example, if it is assumed that 100ha of land will deliver 40ha of floorspace at a 40% plot ratio, then at a lower plot ratio of 26%, the 40ha of floorspace would require 153ha of land.

5.22 The re-assessed employment land requirements, that take account of the actual 26% plot ratio in Shropshire, are shown in Table 21.

Table 21: Actual Gross Employment Land Requirements for Shropshire 2016 - 2038

Scenario	Anticipated Net Out Turn	ACTUAL Plot Ratio	Gross Employment Land Requirement
	hectares	%	
Experian Baseline Forecast (June 2020)	76.76	26	**295.25**
Regeneration Scenario	**78.75**		**302.89**
Standard Methodology - Housing / Labour Supply	68.34		**262.86**
Housing Requirement - Housing / Labour Supply	72.56		**279.06**
Past Take Up Scenario	105.53		**405.88**

5.23 The re-assessed employment land requirements indicate the preferred requirement of 300ha in the Submission Local Plan would implement the Regeneration Scenario (at 302 ha) for Shropshire identified in the EDNA. This Regeneration Scenario is effectively The Marches SEP strategy further refined by the key objectives of the Shropshire Economic Growth Strategy which directs the work of the Economic Growth Service, its partners, stakeholders and investors, developers and businesses active in the commercial markets in Shropshire. The EDNA recognises this at *paragraphs 8.36 and 8.37* which state that:

"***The Marches Strategic Economic Plan [SEP] (2019) sets out the vision and key objectives for the LEP over the period to 2038. The Strategic Economic Plan [SEP] seeks to drive forward the three local economies within the area to deliver 5,200 new businesses and over 58,000 new jobs. Following discussion with Shropshire Council Officers, we have refined the SEP's analysis down to four sectors with the future growth potential to drive forward Shropshire's economic profile***. [*para 8.36*]

As the largest local authority partner in the LEP, Shropshire will help to drive forward this growth within the LEP partnership. Lichfields has assessed the detailed classifications used in the Experian workforce projections to test whether there are any concrete policy justifications for modifying any of the categories in the light of these growth sector targets. The Shropshire Council's Economic Development Officer's knowledge of current opportunities/threats in the County over the coming years were also factored into the analysis". [*para 8.37*]

Implications of Plot Ratios

5.24 This Regeneration Strategy has within its objectives, the need to improve the plot ratios for development in Shropshire, to deliver a more effective use of land; improving the efficiency of development in the delivery of built floorspace and the out-turn of employment in the County.

5.25 The capacity of the economic spatial strategy in the Submission Local Plan to achieve this objective is indicated through the planning permissions recorded in Shropshire in the latest AMR to 2020. Table 22 shows that, taken together the extant planning permissions in the County will reflect and slightly improve the historical trend of lower plot ratios by out-turning built floorspace on 30% of the land being developed. The delivery of development on new sites provides a better out turn at 34% whilst the redevelopment of premises provides a very much lower out-turn at 14% reflecting a pattern of development that appears to decrease the existing premises footprint.

Table 22: Plot Ratios - All Permissions in Shropshire (31st March 2020)

Type of Site	Permissions March 2020		
	Land	Floorspace	Out Turn
	ha	sq.m	(%)
MD4 - New Sites	80.0	272,629	34%
MD9 - Existing Employment Areas	20.7	28,371	14%
SHROPSHIRE	101	301,000	30%

5.26 The assessment in Table 22 could also be broadened to include the actual plot ratios in all completed development from 2006 to 2020. This broader assessment would reduce the overall plot ratio for the County to 28% (from 30%) with development on new sites across the County achieving a lower plot ratio of 32% but with no change at 14% for existing employment areas. This indicates that actual out turns in the market may be lower than those indicated from the proposed developments currently committed with planning permission.

5.27 The intention of the Submission Local Plan is to seek a high growth strategy with an urban focus to encourage investors into the market, on the basis of the range and choice of sites that are available in attractive and sustainable locations in the County. This strategy seeks to initiate an improvement in the efficiency of development within the urban markets of the County, in locations with proven records for commercial development and the provision of employment.

5.28 It is worth noting in Table 23 below that the level of permitted development of 83ha (at 81%) in all settlements in the County compares favourably to the overall level of development in all permissions across the County (at 102ha). This indicates an existing, significant urban focus to the development market however rural development is still strong at nearly 20% of the overall committed development with permissions on both new sites and for premises in Shropshire.

5.29 The proposed delivery of development from permissions within all the settlements in the settlement hierarchy shown in Table 23 (following the removal of permitted development in the countryside), increases the projected County plot ratio from 30% to 33%. A location in a settlement appears to push plot ratios for new sites to 37% but again the redevelopment of premises at a lower 13%, adversely affects the overall plot ratios in settlements.

Table 23: Plot Ratios - Permissions in All Settlements (31st March 2020)

Type of Site	Permissions March 2020		
	Land	Floorspace	Out Turn
	ha	sq.m	(%)
MD4 - New Sites	68.4	251,523	37%
MD9 - Existing Employment Areas	14.8	19,442	13%
SHROPSHIRE	83	270,965	33%

5.30 The assessment in Table 23 could also be broadened to include the actual plot ratios in all the completed development in settlements from 2006 to 2020. This broader assessment would reduce the overall plot ratio from 33% down to 30% in all settlements with development on new sites in settlements achieving a lower plot ratio of 35% but with no change at 13% for existing employment areas. Again, this indicates that actual out turns in the market may be lower than those indicated from the proposed developments currently committed with planning permission.

5.31 The proposed delivery of development in Table 24 from permissions within the 18 Principal Settlements comprising Shrewsbury, the 5 Market towns and 12 Key Centres further increases the plot ratio to 37% overall with a slight improvement on new site plot ratios up to 38%.

Table 24: Plot Ratios - Permissions in Principal Settlements (31st March 2020)

Type of Site	Permissions March 2020		
	Land	Floorspace	Out Turn
	ha	sq.m	(%)
MD4 - New Sites	65.5	248,532	38%
MD9 - Existing Employment Areas	6.7	17,794	26%
SHROPSHIRE	72	266,326	37%

5.32 A key improvement in focusing development into the Principal Settlements is that pressure on urban employment land drives the market to improve on the use of existing employment premises and their plots. Table 24 shows an increase in the plot ratio for premises compared to all permissions in the County (14%) or permissions within all settlements (13%) and is comparable to the historical County average plot ratio at 26%.

5.33 The inclusion in the assessment in Table 24 of the plot ratios for both extant permissions and completed development reduces the overall plot ratio to 35% for the Principal Settlements and 36% on new sites but no change at 26% for existing employment areas.

5.34 The projected delivery of development from permissions within the Principal Settlements that area located on the Strategic Corridors through the County is shown in Table 25. This strategic objective shows the highest increase in the overall plot ratio, up to 40% and with a further slight improvement on new sites again at 40% and a further slight improvement on existing employment areas at 28%. This indicates that even the out turns on existing employment areas in the more centrally located and accessible urban centres in the County should deliver a more efficient use of land and out-turn higher levels of floorspace and employment.

Table 25: Plot Ratios: Permissions in Principal Settlements on Strategic Corridors (31st March 2020)

Type of Site	Permissions March 2020		
	Land	Floorspace	Out Turn
	ha	sq.m	(%)
MD4 - New Sites	59.7	241,712	40%
MD9 - Existing Employment Areas	4.0	10,944	28%
SHROPSHIRE	64	252,656	40%

5.35 The inclusion in the assessment in Table 25 of the plot ratios for both extant permissions and completed development reduces the overall plot ratio to 37% for the Principal Settlements on Strategic Corridors and to 38% on new sites and 27% on existing employment areas.

5.36 The implications of plot ratios in Shropshire provide evidence for the economic spatial strategy in the Submission Local Plan to deliver urban focused, high growth. This shows how the spatial strategy itself forms part of the drive towards greater efficiency and productivity in the local economy. This seeks to achieve the objectives in the SEGS for a higher rate of economic growth and to enable the Shropshire economy to drive the growth aspirations in the Marches SEP.

6. Delivering the Spatial Strategy – Creating Opportunity

Introduction

6.1 The Submission Local Plan sets out the strategy for improving the investment offer in Shropshire, delivering growth in local employment opportunities and improving the performance and productivity of the local economy. This strategy rests on the planning policies that will re-shape the development output from both the existing land supply in the adopted Development Plan Local Plan and the additional land identified in the Submission Local Plan to improve the quality and distribution of the available land in the County.

Employment Land Supply

6.2 This Paper sets out the evolution of the employment land supply for the period 2016 to 2038. This includes the land supply in the adopted Development Plan 2006 to 2026 in Table 10. This shows the current employment requirement of 290ha set against the generous supply of land for development of just over 400ha providing a surplus of 116ha. This supply is capable of providing a range and choice of sites to meet demand, will permit the loss of land to other uses, provide the flexibility to respond to changing circumstances in the County and support the relatively lower out-turn of floorspace due to the lower plot ratios delivered in Shropshire.

6.3 The transfer of the employment land supply into the Submission Local Plan is set out in Table 11 at the monitoring base date of 31st March 2020 in relation to the proposed employment land requirement. This identifies a residual land supply of 280ha which removes the previous surplus of 116ha in the Development Plan. The discussion in this Paper relating to Table 11 makes the following points:

- the strategic land supply at 31st March 2020 comprises 280ha but requires further provision of employment allocations to exceed the requirement of 300ha;
- this further provision should be sufficient to provide a range and choice of sites and ensure the strategy is sufficiently flexible to support the proposed economic growth in Shropshire;
- the strategic supply does not include an allowance for windfall employment development because permissions at 102 ha (or 36% of the residual supply) includes only a small number of allocated sites (at 29ha) and so, largely comprises windfall permissions (at 73ha);
- this will ensure the delivery of additional sites to achieve the 300ha requirement will focus on new allocations that satisfy the economic spatial strategy to achieve higher levels of urban employment development, on identified sites in attractive, accessible and sustainable locations;
- the scale of windfall permissions and the anticipated lapsing of these short-term consents is considered sufficient to deliver a ‘churn’ of permissions to facilitate new windfall development in smaller Key Centres, Community Hubs and Clusters through the Local Plan period;
- where windfall development results in a scale of development exceeding the employment land requirement (at 300ha) this would simply reflect the fact that, any employment requirement is a guideline figure and not the maximum level of permitted development in the County.

6.4 The complete translation of the employment land supply into the Submission Local Plan is shown in Table 26. This includes the addition of new employment allocations in Table 7 amounting to a further 134ha of land. This increases the strategic land supply to 414ha to meet the objectives in para 6.3 above and to support the delivery of the economic spatial strategy and the achievement of both the SEGS and the sub-regional aspirations in the Marches SEP.

Table 26: Submission Local Plan – Proposed Strategic Land Supply

Employment Land Requirement and Strategic Land Supply	Land hectares
EMPLOYMENT LAND REQUIREMENT 2016 - 2038	300
Completions 2006 - 2020	50
Planning Permissions on committed sites	81
Planning Permissions for existing premises	21
Saved Employment Allocations	128
Proposed Employment Allocations	134
PROPOSED STRATEGIC EMPLOYMENT LAND SUPPLY	414

6.5 The additional 134ha introduces 9 new employment allocations located in the centre (50ha), south (5ha), east (72.5ha) and north-east (6ha) of the County. This includes two strategic mixed-use settlements on the former Ironbridge Power Station (6ha) being considered for full planning consent. This also includes the Clive Barracks, Tern Hill (6ha), expected to become available for development during the Plan period to 2038. This new supply is considered to address the market demand for the recycling of existing brownfield sites in the County consistent with national policy. This will also help to meet the identified shortfalls in the distribution of development opportunity across the County particularly within or accessible to the east of the County.

6.6 The Submission Local Plan period commenced in 2016 and up to 31st March 2020, the County has delivered 50ha of this anticipated development. This is equal to 17% of the overall requirement of 300ha within 4 years of the start of the Plan period which in turn is equal to 18% of the Local Plan period. This indicates an early rate approximately on target with the Local Plan.

6.7 It is recognised that, with average of 12.5ha/year, this rate of development from 2016 to 2020 is below the rate required in the Submission Local Plan at 14ha. Nevertheless, the recent high levels of annual delivery to year ending 2018 (15.2ha) and year ending 2020 (17.3ha) indicate that Shropshire has the potential to deliver the 300ha requirement and is progressing at a good rate towards this objective during the early years of the new Plan period.

6.8 The Submission Local Plan proposes to round the employment land requirement at 300ha and to maintain a rounded annual delivery rate at 14ha/year. This will drive the delivery of the economic spatial strategy at a slightly faster rate than required by the overall employment land requirement. This measure will further help to improve the performance of the local economy and the delivery of the economic spatial strategy. The effect is that, where the local economy is performing well, as over the 4-year period from 2016 to 2020, the higher delivery rate will reduce the employment land requirement at an accelerated rate, this in turn effectively lowers the delivery over the remaining years of the Plan period.

6.9 At 31st March 2020, Shropshire had delivered 50ha of development. This effectively reduced the 300ha employment requirement to a residual 250ha and further reduced the residual delivery rate to 13.8ha/year. This delivery also reduced the employment land supply to a residual 364ha (capable of providing for 20.2ha/year) to service the requirement over the remaining Plan period (18 years) to 2038. In addition, there is the potential for windfall development in smaller settlements and in rural locations to supplement the supply of employment land.

6.10 This scale and the indicative timeframe for development is set against the broader objective of seeking an improvement in the plot ratios, so that the drive to increase delivery in the County might also result in a decrease in the amount of land being used as the local economy becomes more efficient in the use of land.

Quantum and Type of Uses

6.11 A key objective of providing a refreshed employment land supply in the Submission Local Plan is to ensure the residual land supply (of 364ha) will help to diversify the structure of the Shropshire economy through three distinct processes to:

- diversify the structure of the local economy away from the core function of providing services to the extensive rural County, where communities are reliant on these services due to the journey distances to other service centres outside the County boundary;
- broaden the investment offer in the County to support other businesses and enterprises like Class B8 uses that support our service sectors and also higher value, production processes in the Class B2 use and the new Class E(g) office and light industry uses (the former Class B1 uses) and Class E(c) finance, professional and commercial/business services (former Class A2 uses that favour business office floorspace in Shropshire) and to improve the quality and remuneration of employment and the performance and productivity of the local economy;
- strengthen the job offer to retain more of the resident population in our workforce offering a choice of different, interesting and rewarding opportunities including higher quality, better paid jobs to attract our capable, skilled and qualified labour to live and work in Shropshire.

6.12 The structure of the different elements of the residual, strategic employment land supply in the Submission Local Plan are set out in Table 27. This identifies the composition of the residual land (at 364ha) across the different sources of supply. This indicate the approximate stage of delivery of the land with market ready sites with permission (at 28%), saved allocations comprising sites in the immediate development pipeline (at 35%) and new allocations (at 37%) which will refresh the supply but with the exception of the current application for the Ironbridge Strategic Settlement (6ha or 1.6%). It is recognised that this application has been refused by the Council on the basis of the lower affordable housing provision on the site and so, the delivery of this site may be delayed beyond initial expectations. Nevertheless, this strategic site has reached a critical point in its delivery pipeline and at a very early stage in the Plan period and the prospects for the site are positive.

Table 27: Residual Strategic Land Supply 2020 - Composition

Residual Strategic Employment Land Supply 2020	Use Classes						TOTALS
	B1a	B1b	B1c	B2	B8	Sui Generis & Other uses	
Strategic Employment Land Supply (hectares)	50	0.8	94	114	77	28	364
Planning Permissions - Sites (hectares)	15.5	0.4	14.8	19.5	20.8	10.1	81
Planning Permissions - Premises (hectares)	4.9	0.4	2.4	11.0	0.7	1.6	21
Saved Allocations (hectares)	9.0		41.0	43.0	25.0	9.0	127
Proposed Allocations (hectares)	19		35	39	30	11	134
Planning Permissions - Sites (%)	4.3	0.1	4.1	5.4	5.7	2.8	22
Planning Permissions - Premises (%)	1.3	0.1	0.7	3.0	0.2	0.4	6
Saved Allocations (%)	2.5	0.0	11.3	11.8	6.9	2.5	35
Proposed Allocations (%)	5.2	0.0	9.6	10.7	8.2	3.0	37
TOTAL (%)	14	0.2	26	31	21	8	100

6.13 Table 27 sets out the distribution of the residual land supply across the proposed Use Classes. The Submission Local Plan has little influence over the supply under planning permissions and the saved allocations as these are existing commitments. However, as noted above, the supply with planning permission is a transient supply which will change over time and so, the proposed policies of the new Plan may affect the future supply of sites with permissions as these are refreshed through the Development Management process.

6.14 However, it is worth noting that the monitoring data to 31st March 2020 shows that the supply of land with planning permissions is progressing towards delivery with a significant 25ha or 24.5% already under construction as shown in Table 28. Further, the status of these permissions shows there are also 37% of permissions with technical commencements indicated that overall, 61.7% of these permissions have entered the development pipeline.

Table 28: Delivery Status for Planning Permission (31st March 2020)

Permissions Status	Land Area	Proportional Supply
	ha	%
Not started	**39**	**38**
Technical commencements	**38**	**37**
Under construction	**25**	**25**
TOTALS	**102**	**100**

6.15 Returning to Table 27, the Submission Local Plan has the greatest effect through the Proposed Allocations which seek to build on the key themes emerging from the monitoring of employment development through the EDNA and the AMR. The supply of new sites seeks to:

- continue building opportunity within the Class B2 sectors to facilitate the restructuring of manufacturing towards higher quality production to improve the employment offer albeit the sector may not be increasing employment in absolute terms.
- build capacity into the Class B8 sectors despite local monitoring evidence suggesting that the logistics sector may not be core growth sector for Shropshire. Nevertheless, the service core of the local economy is likely to rely on support for this sector. The approach of the economic spatial strategy to locate more development opportunity within accessible and sustainable locations is also likely to generate opportunity that may be attractive to logistics operators.
- make relatively modest additions to development opportunities in the new Class E(g) uses classes (former Class B1) that are also attractive to new Class E(c) uses (former Class A2). This comprises the addition of 5ha to the provision for former Class B1a uses;
- drive additional capacity into the former Class B1c sectors to facilitate growth in a key part of the SME local economy.

6.16 This increases the provision for the former Class B1a and B1c uses to levels where in combination (at 145ha) they exceed the separate provision for each of the other main uses in Class B2 (at 114ha) and Class B8 (at 77ha). The focus on increasing opportunity in the former Class B1a office sector also seeks to drive investment growth into higher quality, skilled and professional enterprises to offer opportunities to retain skilled and better qualified resident labour.

6.17 This reflects the monitoring evidence in the AMR that, in Shropshire, the more traditional sectors of general industry and logistics are reaching more stable levels of delivery whilst the light industrial and office sectors are attracting higher levels of investment demand. The provision of

41ha of new land for the former Class B1c light industry (now Class E(g)(iii)) also seeks to support the focus in the Shropshire economy on SME enterprises with lighter production processes which serve the supply chains for larger local, sub-regional and national enterprises.

6.18 The structuring of the scale and type of development opportunity in the sources of supply in Table 27 indicates that existing permissions on new sites provides a balance of opportunities across the principal land use classes. This includes a significant scale of opportunity for Sui Generis and other uses (at 10ha) reflecting the 'service' industry core of the local economy and also, the significant draw that demand from these other sectors places on the employment land supply.

Spatial Orientation of Uses through the Supply

6.19 The supply of opportunity in Table 29, from existing permissions on new sites (as opposed to existing premises) indicates a significant spatial orientation in the supply towards the centre (at 37ha) and north-east (at 26ha) of the County equal to 77% of the supply. This reflects the fact that together, these two areas contain 3 of the 6 Principal Settlements of Shropshire comprising Shrewsbury, Whitchurch and Market Drayton connected by two of the principal strategic corridors through the County along the A49 north and the A53. This supply is principally focused into former Class B1a uses in Shrewsbury but with a good distribution across the other employment uses. In the north-east, the supply is principally focused into Class B2 uses with a cascading supply across the other uses favouring light production and distribution uses.

Table 29: Permissions for New Sites - Quantum and Type of Uses (31st March 2020)

Location	Use Classes						TOTALS
	B1a	B1b	B1c	B2	B8	Sui Generis & Other uses	
	hectares						
North-West	0.9		1.4	1.8	1.0	3.0	8.1
North-East	1.2		5.3	9.4	7.4	2.4	25.7
Central	12.6	0.2	5.0	7.4	7.4	4.4	37.0
South	0.4	0.2	1.3	0.9	3.7	0.3	6.8
East	0.4		1.8		1.3	0.01	3.5
TOTAL	15.5	0.4	14.8	19.5	20.8	10.1	81

6.20 The supply of opportunity in Table 30 from existing permissions on premises indicates the traditional strength of Shropshire in the manufacturing sectors using the abundant supply of established employment areas across the County. This again indicates the strength of opportunity in the north of the County but also the capability of other areas especially in east Shropshire, to drive economic opportunity through investment in the Principal Settlements, notably Bridgnorth, as the second largest market town, close to the West Midlands conurbation.

Table 30: Permissions for Premises - Quantum and Type of Uses (31st March 2020)

Location	Use Classes						TOTALS
	B1a	B1b	B1c	B2	B8	Sui Generis & Other uses	
	hectares						
North-West	0.3		1.2	0.5		0.1	2.1
North-East	3.3			7.9		0.5	11.7
Central	0.0		0.5	0.5	0.5	1.0	2.5
South	0.5	0.4	0.4				1.3
East	0.8		0.3	2.1	0.2		3.4
TOTAL	4.9	0.4	2.4	11.0	0.7	1.6	21

6.21 The supply of opportunity in Table 31 from the saved allocations again indicates the traditional strengths of Shropshire in both the light industry (at 42ha) and general industry (at 44ha) sectors of the economy. The adopted Development Plan has sought to build that opportunity in both these use class sectors to drive the recovery in Shropshire from the last significant economic downturn in 2007 through to 2014 as the SAMDev Plan came to adoption. These opportunities are balanced by the provision of opportunities to sustain investment into the logistics sectors supporting the service industry in Shropshire and by the provision of opportunities to support the office-based sectors.

6.22 The spatial distribution of these opportunities indicates a need to support the Principal Settlements in the north-west largely by helping to bring forward pipeline sites in Oswestry as the largest of the 5 Market Towns. The adopted Development Plan allocated a supply of sites to sustain investment opportunity in Oswestry because the principal investment location at Maes-y-Clawdd was nearing completion on its progressive extensions over the past decades.

6.23 A similar pattern of provision has also occurred in the south of the County. Here, existing opportunities on established sites around Ludlow were nearing completion and the adopted Development Plan sought to sustain the investment offer on locations to the east of the town.

6.24 The Development Plan also opened a new chapter on the pattern of opportunity in the east of Shropshire, seeking to elevate the investment offer in Bridgnorth to reflect the role and function of the town as the second largest Market Town in the County after Oswestry. This reflects the beginning of a longer-term strategy to strengthen and sustain the principal settlement hierarchy in the County as the primary structure for promoting and building investment and as the most accessible locations for delivering new employment.

Table 31: Saved Allocations: Quantum and Type of Uses (31st March 2020)

Location	Use Classes						TOTALS
	B1a	B1b	B1c	B2	B8	Sui Generis & Other uses	
	hectares						
North-West	3.5		12	14.7	11.9	1.4	44
North-East	5.5		12	10	6	2	36
Central	1.2		3.2	2	2	2	10
South	0.9		8.8	12.9	3.5		26
East			5.9	4.7	1.5		12
TOTAL	11		42	44	25	5	128

6.25 The supply of opportunity in Table 32 from the proposed allocations seeks to further strengthen the principal settlement hierarchy in the Market Towns and Key Centres of the centre (Shrewsbury), south (Ludlow) and east (Bridgnorth and Shifnal) of the County with particular emphasis (at 73ha) on locations in the east of the County close to the strategic corridors of the M54, A41, A458 and A454 and with proximity to the regional conurbation.

Table 32: Proposed Allocations - Quantum and Type of Uses

Location	Use Classes (hectares)						TOTALS
	B1a	B1b	B1c	B2	B8	Sui Generis & Other uses	
North-West							
North-East	3		3				6
Central	7.5		12.5	10	15	5	50
South			2.5	2.5			5
East	8		17	26.5	15	6	73
TOTAL	19		35	39	30	11	134

6.26 The provision of new sites to build the investment potential in the centre, south and east also seeks to sustain the growth of the general manufacturing and logistics sectors and to build opportunity into the office and light manufacturing sectors to rebalance the economy in accordance with the patterns of delivery in the County in the period to year ending 2020.

Distribution of the Supply and Timeframe of Delivery

6.27 The extant planning permissions for new sites at 31st March 2020 comprising 81ha of land is presented in further in Table 33. This provides the short-term supply of new land in the employment land portfolio for the period to 2025. This 81ha represents around 22% of the residual land supply of 364ha which at the residual development rate of 13.8ha/year would represent a supply equal to over 5.8 years.

Table 33: Permissions for New Sites - Distribution of Supply (31st March 2020)

Place Plan Rural Areas	plus Settlements	Use Classes (hectares)						TOTALS	
		B1a	B1b	B1c	B2	B8	Sui Generis & Other uses	Rural Areas	Towns
Oswestry Rural		0.1		0.1	1.7	0.1		2.0	
	Oswestry Town	0.8		1.0	0.1	0.9	3.0		5.8
	Ellesmere Town			0.3					0.3
Market Drayton Rural		0.2		2.3	1.3	1.2	0.2	5.2	
	Market Drayton Town			0.8	4.8	4.3	1.8		11.7
Whitchurch Rural		0.1			0.4	0.9		1.4	
	Whitchurch Town	0.1		2.0	1.0	0.1			3.2
Wem Rural		0.6				1.0		1.6	
	Wem Town	0.1		0.2	2.0		0.4		2.7
Shrewsbury Rural		0.3		0.1	0.2	0.2		0.8	
	Shrewsbury Town	11.9	0.2	4.9	7.2	7.2	4.4		35.8
	Minsterley Town	0.5							0.5
Ludlow Rural				0.6				0.6	
	Ludlow Town	0.1		0.03		2.4	0.03		2.6
Bishops Castle Rural				0.1		0.1		0.2	
	Bishops Castle Town	0.3	0.2	0.5	0.6	0.2			1.8
Craven Arms Rural		0.03				0.8		0.8	
	Craven Arms Town			0.1	0.3	0.1			0.5
Church Stretton Rural						0.2	0.2	0.4	
Cleobury Mortimer Rural							0.1	0.1	
Bridgnorth Rural		0.3			0.01	1.3		1.6	
	Bridgnorth Town			0.3					0.3
Shifnal Rural				0.2				0.2	
	Shifnal Town			0.3					0.3
	Highley Town	0.1		0.9					1.0
	Albrighton Town	0.01							0.01
TOTAL		15.5	0.4	14.7	19.6	21.0	10.1	15	66

6.28 Naturally this supply will be supplemented by the delivery of sites from other sources in the employment land portfolio. Nevertheless, the supply of extant permissions for new sites offers a sufficient timeframe to meet the needs of the County over the first 5 years of the Plan period.

This will service commercial land markets in the period leading to the adoption of the Local Plan irrespective of delivery issues affecting other sources of supply in the portfolio. This is also expected to be supplemented by the delivery of the Ironbridge Strategic Settlement.

6.29 This short-term supply provides a healthy source of urban employment land totalling 66ha (81%) overall, located in 14 of the 18 principal towns helping to drive the urban focus of the economic spatial strategy in the Submission Local Plan from the outset. There are permissions for a further 15ha (19%) located in the rural parts of 12 of the 18 Place Plan areas. In total, this short-term supply provides for 16 of the 18 Place Plan areas with the spatial distribution only being limited in the east of Shropshire, excluding Broseley and Much Wenlock. Nevertheless, this short-term supply provides an exceedingly good spatial coverage across the Place Plans including most of the Market Towns and Key Centres that drive these areas.

6.30 The focus of this short-term supply in terms of the scale of land (at 60ha or 74% of the total supply) are the towns in the centre and north of the County. This is because the centre-north of Shropshire accommodates 4 of the 6 markets towns supplemented by two of the Key Centres (Ellesmere 0.3ha and Wem 2.7ha) and a larger Community Hub (Minsterley 0.5ha). This leaves a limited supply in the south and east of the County where in the latter area, two of the Key Centres (Church Stretton and Cleobury Mortimer) have no immediate short-term supply.

6.31 This short-term supply provides key indicators for market demand since the permissions reflect the demands expressed by developers and businesses in the market from 2016 to 2020.

- the principal towns accommodating the majority of this short-term supply, all present a broad range of demands across the 5 monitored use classes. Nevertheless, many of these settlements have a key focus for the markets in each location. The office market is very strongly focused into the County Town of Shrewsbury with its dual focus into both the town centre and into the peripheral employment areas especially the Shrewsbury Business Park to the south-east, close to the A5 by-pass. This market is broadly distributed across the rest of the County but with only low levels of demand expressed through scale of permitted development;
- the research and development market is related to the needs of particular businesses and whilst being represented in the centre and south of the County this has only a limited spatial significance. The light industrial market is focused towards the towns of Shrewsbury, Whitchurch and Market Drayton with their healthy provision of employment sites. In this sector, the supply of light industrial permissions in the Market Drayton area highlights the importance of the supply of rural employment sites in driving the delivery of development opportunities in the Shropshire;
- the short supply of big box developments in the general industry and logistics sectors further highlights the significance of the towns of Shrewsbury and Market Drayton with the presence of key manufacturing and distribution companies and the importance of the significant network of routes on the strategic road network in the centre-north of the County. The significance of the strategic road network and the ease of access for businesses in these sectors is highlighted by the short-term supply of permissions in this sector in Ludlow. Located on the A49 Trunk Road close to the Shropshire border, Ludlow has good road routes into Herefordshire (A49) and across into Worcestershire (A456) but needs a refresh in the supply of employment land because saved allocations were slow to come to the market as existing employment areas neared completion;
- the significance of Sui Generis and other employment generating uses is evidence in Oswestry. This reflects the limited supply of available land as the principal employment area at Maes-y-Clawdd neared completion. Oswestry has received a refresh of the employment land supply with current investment into the infrastructure to bring this land to the market. This will better promote the town as a good location for a broader range of employment development to change

the dominance of Wrexham and Chester, in this area, close to the markets of the North-West region.

6.32 The short-term supply of extant permissions for premises in Table 34 relates to the distribution of established employment areas across the County. Most of Shropshire's 18 market towns and key centres have established employment sites which continue to re-cycle their premises. The urban supply is matched and, in some areas, surpassed by the supply of rural employment sites from the long military and industrial history of the County. As the military sites were surrendered to other uses, they became a principal focus for development to support the County's industrial markets offering affordable land where noisy and intrusive processes could safely be undertaken.

6.33 This short-term supply of extant permissions for premises supports the supply from new sites to meet the immediate needs of the markets in Shropshire. These permissions provide up to 21ha (equal to 6% of the residual land supply) and are capable of delivering a further 1.5 years of supply to increase the overall short-term supply of land from permissions to 7.3 years. This would extend the timeframe for the short-term supply to 2027 (assuming some refreshing of the supply from new windfall development) permitting further time for saved and proposed new employment allocations to be delivered to the market.

Table 34: Permissions for Premises - Distribution of Supply (31st March 2020)

Place Plan Rural Areas	plus Settlements	Use Classes						TOTALS	
		B1a	B1b	B1c	B2	B8	Sui Generis & Other uses	Rural Areas	Towns
		hectares							
Oswestry Rural		0.3		0.8	0.5			1.5	
	Oswestry Town			0.4			0.1		0.5
Market Drayton Rural		3.0						3.0	
Whitchurch Rural					4.0			4.0	
	Whitchurch Town						0.4		0.4
Wem Rural					3.0		0.1	3.1	
	Wem Town	0.3			0.9				0.9
Shrewsbury Rural						0.4		0.4	
	Shrewsbury Town	0.02		0.5	0.5	0.1	1.0		2.1
Ludlow Rural		0.4	0.4					0.8	
	Ludlow Town			0.4					0.4
Church Stretton Rural		0.1						0.1	
Bridgnorth Rural		0.2			1.0			1.2	
	Bridgnorth Town	0.4		0.3					0.3
	Broseley Town	0.3			1.1	0.2			1.3
TOTAL		5.0	0.4	2.3	10.9	0.7	1.6	14	6

6.34 This short-term supply of premises reflects the abundance of rural employment sites with 14ha (66%) of the supply located in the rural parts of the 9 Place Plan areas in the supply. This contrasts with the urban supply of just 6ha (34%) albeit distributed across 7 of the 9 Place Plans and strongly featuring Broseley town which does not have a sort term supply of new sites.

- this short-term supply is again focused into the centre-north of the County with 16ha (80%) of the supply whilst the south and east (at 4ha equal to 20%) has a limited supply largely focused into Bridgnorth rural area and Broseley town. The supply principally focuses existing office floorspace into the rural area around Market Drayton but with a low level of supply across 7 of the other 9 Place Plans areas. This also indicates that in Shrewsbury, where businesses have secured office floorspace they tend to retain it, and it is unlikely to be recycling for other businesses in that market;
- the significance of the light industry sectors in Shropshire is reflected in the overall scale of provision (although lower than office and general industry uses) and in the consistent spatial distribution across the 4 Place Plans areas represented in this sector. The general industry

sectors indicate the significance of the urban centres of the north and east of the County that accommodate many of the key manufacturing employers in Shropshire;

- the rural provision in Bridgnorth reflects the historical location of the key employment area at Stanmore Industrial Estate. This is a former RAF camp in the Green Belt offering ready access to the town. The logistics sector indicates the level of retention of floorspace in this big box sector where supply tends to be more limited and the recycling of floorspace is more often focused in the more generous supply in Shrewsbury.

6.35 The second principal source of supply comprises the saved employment allocations from the adopted Development Plan shown in Table 35. This comprises 128ha (or 35%) of the residual land supply of 364ha in the employment land portfolio at 31st March 2020. At the residual development rate of 13.8ha/year this represents a supply of over 9 years which will sustain the County beyond the short-term supply of permissions.

Table 35: Saved Allocations - Distribution of Supply (31st March 2020)

Place Plan	Site Location	Use Classes (hectares)						TOTALS
		B1a	B1b	B1c	B2	B8	Sui Generis & Other uses	
Oswestry	Land at Mile End East *	1.5		2.0	6.5	6.9	5.4	38
	Land south of Whittington Road			2.0				
	Land north of Whittington Road	1.0		3.0	5.0	5.0		
Ellesmere	Ellesmere Business Park Phase 2			3.0	3.2			9
	Land off Grange Road	1.0		2.0				
Market Drayton	Sych Farm Phase 2			2.0	4.0	4.0	2.0	12
Whitchurch	Land at Heath Road	2.0		5.0	2.0	2.0		20
	Land at the Oaklands Farm	2.5		3.0	3.0			
Wem	Land adjacent to Shawbury Road	1.0		2.0	1.0			4
Shrewsbury	West SUE			2.0	2.0			9
	Land west of Battlefield Road					2.0	1.0	
	Land east of Battlefield Road			1.0			1.0	
Minsterley	Hall Farm			0.14				0.14
Ludlow	Land east of Eco-Park				1.0	1.5		6
	Land south of Sheet Road			1.5	2.0			
Bishops Castle	Station Yard, Bucknell				1.4			1.4
Craven Arms	Land at Newington Farm				6.0	2.0		14
	Land west of A49			2.5				
	Land north of Long Lane (Craven Arms Business Prk Phase 2)			2.0	1.5			
Church Stretton	Springbank Farm	0.3		1.0				1.3
Cleobury Mortimer	Adjacent to Cleobury Mortimer Industrial Estate			0.5				0.8
	Old Station Business Park, Neen Savage			0.3				
Bridgnorth	Land at Tasley south of A458			3.0	3.70			8
	Land at Old Worcester Road					1.5		
Shifnal	Land at J N Bentley Ltd off Lamledge Lane			1.0	1.0			2
Broseley	Land south of Avenue Road			1.3				1.3
Much Wenlock	Land off Stretton Road			0.6				0.6
TOTAL		9	0	41	43	25	9	128

*** Land at Mile End East for other uses includes just under 5ha for highway infrastructure construction to access the site**

6.36 These saved allocations could supply the County from 2027 through to 2036, almost to the end of the Plan at 2038, should all of these sites be developed.

- this medium to long term supply brings forward largely greenfield land but all the sites are intended to refresh the supply of employment land in the Market Towns and Key Centres of the County. This supply provides for the delivery of new employment sites in 15 of the 18 principal settlements and excludes only the towns of Albrighton, Bishops Castle and Highley. The town of Albrighton is an inset settlement in the Green Belt and prior to 2015 the Council had not undertaken a Green Belt Review and so, the supply here could not be refreshed. This supply does, however, address the absence of new sites in Broseley and Much Wenlock (in the short-term supply from permissions) to address one of the immediate spatial issues with the employment land portfolio in the County;

- the focus of the medium to long term supply in terms of the quantum of land is largely (at 92ha or 72% of the total supply of new sites) into the centre and north of the County again reflecting both the spatial distribution of the principal settlements and the need to focus a significant scale of new land into the Market Towns to refresh their individual portfolios of employment land;
- this provides a lower level of supply into the south and east of the County (at 35ha or 28% of the total supply of new sites) but does not under-estimate the significance of the settlements in the south and east of the County:
    - the SAMDev Plan sought to refresh the individual land portfolios of Bridgnorth, Broseley, Church Stretton, Craven Arms, Ludlow, Much Wenlock and Shifnal. This particularly sought to increase the historical provision within Bridgnorth and Ludlow to bring these market towns to a position where each could better perform their role as a Principal Settlement;
    - the supply in the other towns were refreshed to the degree permitted by local opportunities to deliver employment land and by constraints placed on these towns including Shifnal's location inset into the Green Belt and Church Stretton located within (washed over by) the AONB.

6.37 The third principal source of supply comprises the proposed employment allocations in the Submission Local Plan shown in Table 36. This comprises 134ha (or 37%) of the residual land supply of 364ha in the employment land portfolio at 31st March 2020. At the residual development rate of 13.8ha/year this represents a supply of over 9 years to sustain the range and choice of employment development opportunities in the County in the remaining Plan period to 2038. This will also extend the timeframe to 2036 provided by the saved allocations in the adopted Development Plan.

6.38 The attributes of this supply are discussed throughout this Paper in relation to the spatial distribution of the sites into the centre-south and east, the focus on the Principal Settlements to raise their economic potential and capacity to meet the needs of their communities, the delivery of investment potential into the key sectors of the local economy to support the office and light industrial sectors and to create additional opportunity into the logistics sector.

Table 36: Proposed Allocations - Distribution of Supply

Place Plan	Site Location	Use Classes						TOTALS
		B1a	B1b	B1c	B2	B8	Sui Generis & Other uses	
		hectares						
Market Drayton Rural	Clive Barracks, Tern Hill	3		3				6
Shrewsbury	Adjacent to A49	5		10	10	15	5	50
	Mytton Oak Road	2.5		2.5				
Ludlow Rural	South of The Sheet			2.5	2.5			5
Bridgnorth	Tasley Garden Village			4	5	5	2	27.5
	Stanmore Industrial Estate - North				7			
	Stanmore Industrial Estate - East				4.5			
Shifnal	East of Shifnal Industrial Estate	5		10	10	10	4	39
Ironbridge	Former Power Station	3		3				6
TOTAL		19		35	39	30	11	134

Economic Growth Programmes

6.39 The Council has an established and recently re-structured Economic Growth Service whose programmes of work drive forward the implementation of the SEGS.

6.40 The Economic Growth Service is involved in two principal areas of work firstly, promoting the County and supporting local businesses to attract and deliver investment and secondly supporting and delivering programmes of development of employment land and premises through the Development Plan or additional proposals by the Council, developers or individual businesses.

6.41 The two principal areas of work for the Economic Growth Service, promoting the County and delivering the economic development programme includes the following work streams:

- the Council is actively engaged in the processes of improving the partnership and effective working with its partners, stakeholders and businesses in the County and in the region:
    - the Council is an active participant in the work of the business community in Shropshire as a member of the Shropshire Business Board and through the service provided to our key businesses to support the operation, growth investment and expansion of their enterprises. The objectives for this engagement are to understand the needs of both the business community and individual businesses to offer timely advice, intervention or wider improvement programmes to remove barriers to growth and investment in the County;
    - as a key member of the LEP, as the largest of the three local economies, the Council wishes to engage in the planning and delivery of the SEP and the many programmes that lead from the SEP to the achievement of the strategy objectives. A key element of this engagement is to seek to address and overcome the key economic challenge identified in this Topic Paper.
    - Shropshire is seeking to improve its economic performance and productivity and to increase its available labour force to fully discharge its role as the largest, highest performing and most productive local economy within the LEP;
    - the Economic Growth Service will actively engage in the delivery of the development and economic outputs to satisfy the unmet needs of the Black Country Authorities in locating 30ha of their employment land requirement within Shropshire. The employment needs and the delivery of the employment land to mee that need will rest with Shropshire Council. The nature of the business needs to be addressed and the requirement to employ Black Country residents in Shropshire are matters to be evidenced by the Black Country Authorities and Shropshire Council will seek to satisfy those objectives;
    - as an associated authority to the West Midlands Combined Authority, within which the ABCA strategy is nested, the Council will seek to understand the regional economic growth objectives being brought forward by WMCA, Shropshire's role within those objectives and how the County can deliver on those objectives and support this regional strategy;
- the Council provides a principal platform for the delivery of business support services through The Marches Growth Hub providing a single point for advice, support, investment capital from sources of financial grants and loans, development land and premises opportunities and engagement with other agencies and businesses. The service engages with the full range of business operators from desk top enterprises to key local employers and is increasingly in demand having recently experienced a growth in enquiries of around 400%. The service is directly resourced within the Economic Growth Service drawing on the full range of economic growth services and programmes to deliver this business support;
- the Economic Growth Service is engaged in the direct provision, letting and management of business floorspace in a number of locations around the County and has recently brought forward a suite of new commercial and light industrial premises in Market Drayton on the Tern Valley Business Park where there is still significant demand for the delivery of additional units on the remaining land;
- the Economic Growth Service has led on the Council's £12m infrastructure investment to deliver the highway access and utility services to bring the Council owned Oswestry Innovation Park

employment allocation to the market. This will strengthen the role of Oswestry as the second largest market town in the County. The delivery of this employment allocation is critical to the future supply of employment land in Oswestry now the existing principal employment area of Maes- y-Clawdd is nearing completion. This project will maintain the competitiveness of Oswestry as an economic investment location close to the principal settlements of Wrexham and Chester, north along the A458 to the M56 around south Manchester, linking to Liverpool, within the North West region;

- the Economic Growth Service are also active in the preparatory work to obtain grant funding and support the proposed private sector investment into three employment allocations and two housing allocations in the principal growth settlement of Craven Arms located on the A49 Trunk Road through south Shropshire. The development strategy in this important Key Centre will further support the adjacent Market Town of Ludlow and assist the need for employment within the adjacent AONB. The investment potential in the AONB is limited to a degree by the protection afforded to the adjacent Key Centre of Church Stretton located within (and washed over by) the AONB designation.
    - the local effects of the development strategy in Craven Arms will bring forward the Newington Food Park centred on the expansion of a local abattoir producing quality lamb and meat products for the UK, European and International food markets, this will reduce traffic pressures on the A49 Trunk Road, facilitating the closure of the level crossing over the Shrewsbury to Cardiff rail line within the town principally through the provision of an unrestricted road link from the A49 to serve the north and west suburbs of Craven Arms;
- the Economic Growth Service also intend to implement a £50m approved programme which will continue the infrastructure delivery programme stared on the Oswestry Innovation Park into a broader programme of investment in key Council owned Business Parks around the County. The purpose of this Business Park Programme is to build opportunity into key locations in Shropshire by bringing forward market ready, serviced plots and rentable floorspace to increase the currently limited speculative investment in floorspace and to increase the supply of readily available modern floorspace to support the needs of expanding local businesses and inward investment prospects.

6.42 Shropshire Council through its Economic Growth Service and economic development programmes a key partner in the development and delivery of the economic strategy and employment land programme for Shropshire in both the SEGS and the Submission Local Plan.

7. Delivering the Spatial Strategy – Improving Sustainability

Sustainability

7.1 The Submission Local Plan sets out the strategy for improving the investment offer in the Shropshire economy and stimulating growth through the refreshed employment development opportunities to improve the performance and productivity of the local economy. This strategy recognises the need to balance growth against the broader objectives to meet the needs of Shropshire for employment opportunities to balance growth in the population of the County, build a sustainable pattern of development, support sustainable communities and respect the important landscapes, protected environments, historic assets and unique biodiversity of the County.

Delivery of Employment

Overview

7.2 The Submission Local Plan seeks to implement the SEGS through a spatial strategy to improve the performance and productivity of the Shropshire economy. The employment land requirement identified for this spatial strategy amounts to the delivery of 300ha of employment land from which the lower than average floorspace out turn in Shropshire (at 26% compared to the national average of 40%) is expected to be 78ha as shown in Table 21.

7.3 This employment land requirement relates to the Regeneration Scenario in the EDNA. This seeks to promote Shropshire's economic growth whilst maintaining its relative position between the regional and national average growth rates.

7.4 The EDNA predicts that the Regeneration Scenario will deliver around 19,677 jobs of which 7,609 jobs (equal to 39%) are expected to be within the office, industrial and warehousing sectors. The changes to the Use Classes Order will also broaden the range of employment generating uses likely to be accommodated on employment sites. This will require the Submission Local Plan to provide more land for a greater proportion of the overall increase in employment in Shropshire. The overall increase in employment will also require sufficient labour to be available to support this scale of jobs growth.

7.5 The suggested composition of the jobs growth with the level of employment within the office, industrial and warehousing sectors being a smaller proportion of the overall employment growth reflects the structure of the Shropshire economy with its core functions being in the 'service' industries. The promotion of the office, industrial and warehousing sectors is part of the economic spatial strategy. This seeks to diversify the local economy and bring forward jobs requiring higher skills, better quality work experiences and higher wage rates to redress the traditional lower wage and mainly 'service' economy in the County. The Submission Local Plan seeks to achieve this re-adjustment in the new jobs composition by implementing the SEGS to deliver important qualitative changes to the local employment offer.

7.6 The scale of new employment generation predicted in the Regeneration Scenario does not bear comparison with the level of employment generation in the office, industrial and warehousing sectors in the AMR. A predicted scale of 19,677 jobs overall with 7,609 jobs (equal to 39%) within the office, industrial and warehousing sectors appears to be an underestimate against the longer-term overall employment generation from 1997 to 2016, the medium-term Class B employment generation from 2006 to 2020 and the short-term Class B employment generation from 2016 to 2020.

7.7 It is important to ensure that the level of employment growth being planned for is realistic since an underestimate would be likely to result in:

- a limited land supply constraining the current operation of the local economy and limiting the commercial markets below the level of investment currently experienced. This is likely to result in a loss of investment from the County into adjoining Local Authority areas, limiting the capacity of Shropshire to meet its own needs and to support unmet need in the Black Country;
- the limited land supply and the downturn in investment into the County, constraining the capacity to deliver qualitative economic improvements through the economic spatial strategy particularly to diversify the structure of the local economy, to improve the quality of employment offered in the County and an improvement in the efficiency of the use of land;
- where the anticipated overall level of employment is under-estimated, then Shropshire would also experience a shortfall in the labour supply against a higher actual out-turn of employment.

Shropshire Context

Longer-Term Overall Trend

7.8 The employment out-turn from the Regeneration Strategy in the EDNA comprises 19,677 jobs with 7,609 jobs expected in the office, industrial and warehousing/logistics sectors. This needs to be considered against the Sensitivity Testing of the longer-term performance of the Shropshire economy for the Experian baseline economic forecast in the EDNA. As noted in paragraph 5.12 above, the longer-term delivery of employment in Shropshire from 1997 – 2016 was 25,200 jobs and this was delivered at an average annual rate of 1,326jobs/year.

7.9 The EDNA trended this data forwarded and related it to the Experian baseline forecast. This suggested a total delivery of up to 35,637 jobs. A simple projection of the annual delivery rate of 1,326jobs/year over the 22-year Plan period to 2038 also suggests a possible lower total delivery of 29,178 jobs. This suggests that total employment generation in Shropshire from 2016 to 2038 might be between 29,178 jobs and 35,637 jobs.

Medium-Term Class B Trend

7.10 The AMR monitoring data to 31st March 2020 presents in paragraph 4.48 above, the actual employment generation for Class B development over the period from 2006 to 2020 at 11,222 jobs at an average rate of 802jobs/year. A simple projection from the AMR data at the lower average rate (compared to the Sensitivity Testing at 1,326jobs/year in the EDNA) of 802jobs/year would be 17,644 jobs over the 22-year period from 2016 to 2038. This indicates that the estimate in the Regeneration Strategy for 7,609 jobs in the office, industrial and warehousing sectors would under-estimate the actual employment out-turn in Shropshire to 2038.

7.11 Numerically, this estimate for 17,644 jobs lies inside the range for Class B employment generation in the AMR. The AMR recorded 11,222 jobs being delivered at a 26% plot ratio possibly increasing to 18,507 jobs at the higher national average, plot ratio of 40%. The AMR records of employment generation also cover a 14-year period only and so, they indicate that the estimate of 17,644 jobs being created between 2016 and 2038 lies within the capacity of the Shropshire local economy. This also suggests that the estimate of 17,644 jobs being created between 2016 and 2038 is a conservative estimate of the capacity of the Shropshire local economy to generate employment in the (current and former uses) Class B uses and an increase in the plot ratio in Shropshire could also result in higher levels of employment being generated.

7.12 Compared to the Sensitivity Testing in the EDNA, that indicates a potential for a total of 35,637 jobs to 29,178 jobs, the office, industrial and warehousing/logistics employment of 17,644 jobs is equal to 49.5% to 60.5% of the possible, overall employment generation.

Short-Term Class B Trend

7.13 This can be tested against the delivery of Class B employment in the first 4-years of the Submission Local Plan, again using the completions data from the AMR. This is shown in Table 37 which identifies the delivery of 2,572 jobs between 2016 and 2020 using the employment densities identified in the EDNA (*para 8.22*). This level of employment generation is equal to 15% of the projected jobs growth of 17,644 jobs.

Table 37: Employment Generation from Completed Floorspace 2016 - 2020

USE TYPE	Total Floorspace	Employment Density	Employment Growth	
			Jobs	Rate
	sq.m	jobs/sq.m	number	jobs/year
SHROPSHIRE	**81,848**		**2,572**	**643**
B1a	13,446	12.5	1,076	269
B1b	874	50	17	4
B1c	20,244	54	375	94
B2	30,199	36	839	210
B8	17,084	64.5	265	66

7.14 The delivery of 2,572 jobs over the 4-years from 2016 to 2020 represents an annual rate of delivery of 643jobs/ year which is lower than the total predicted employment generation of 1,326jobs/year and the longer-term average rate for Class B employment at 802jobs/year. However, the rate at which land has been developed in Shropshire has increased over the period from 2016 to 2020 and where this is combined with an increase in the plot ratio of this development, it is possible that higher levels of employment may be delivered.

7.15 At the rate of Class B employment generation of 643jobs/year over the first 4-years of the Submission Local Plan, the County would deliver is 14, 146 jobs in the office, industrial and warehousing sectors by the end of the Plan period at 2038. At this lower level of delivery, the provision of office, industrial and warehousing/logistics in the County would still be twice (equal to 186%) the level at 7,609 jobs predicted in the Regeneration Scenario, in the EDNA.

7.16 Compared to the Sensitivity Testing in the EDNA, that indicates a potential for a total of 35,637 jobs to 29,178 jobs, the office, industrial and warehousing/logistics employment of 14,146 jobs is equal to 39.7% to 48.5% of the possible, overall employment generation.

Employment Land Requirement – Employment Generation

Long-Term Projection

7.17 The employment land requirement in the economic spatial strategy anticipates the delivery of 300ha of employment land. The lower than average floorspace out turn in Shropshire (at 26% compared to the national average of 40%) is expected to be 78ha as indicated in Table 21.

7.18 The expected distribution of this competed floorspace through the office, industrial and warehousing/logistics is shown in Table 14 for the period from 2016 to 2020. This reflects the evidence in the AMR showing a proportional increase in the level of office, research and development and light industrial uses in recent years and a relative reduction in the level of general industrial and warehousing logistics development in Shropshire.

7.19 It is also important to note that, the EDNA outlines the likely proportional changes in employment in these sectors and suggests that employment is expected to decline in Class B2 general industrial uses. It is expected there will be an overall decline in employment in the general industrial sectors, but businesses will still require a supply of development land for the expansion and growth of existing companies and for new businesses entering the Shropshire economy because:

- this will facilitate the development of new general industrial floorspace to replace and modernise the floorspace and building fabric available to general industrial businesses in Shropshire which is key function of the employment land requirement identified in the EDNA;
- the provision of suitable employment land and the delivery of modern general industrial floorspace will support the Shropshire growth sectors of advanced manufacturing particularly in the automotive and aviation sectors and in the delivery of Agri-tech machinery and processing to modernise food production and processing in the agricultural and food sectors;
- existing businesses will wish to introduce new technology into their production processes to capture new contracts and this will require additional floorspace through expansion or a relocation to higher quality, modern floorspace to support their new production systems without necessarily increasing (and possible decreasing) their staffing levels;
- inward investment into Shropshire from new businesses in the general industry sectors will create new employment but this may be negated by other losses in employment in the sectors.

7.20 It is expected the development of 300ha of land providing for 78ha of employment land proportionately across the Class B uses indicated from development between 2016 to 2020 in Table 14, would result in the generation of 23,910 jobs in the Shropshire economy by 2038 as shown in Table 38. Where this is constrained by the suggested contraction of the general industry sector through the exclusion of new employment in this sector predicted to be 7,367 jobs, the likely employment generation would fall to 16,543 jobs.

Table 38: Predicted Employment Generation from Employment Land Requirement 2016 - 2038

Class B uses	Proportion of Completions 2016 - 2020 *	Proportion of Projected Floorspace 2016 - 2038		Employment Density	Employment Growth 2016 - 2038	
	%	ha	sq.m	jobs/sq.m	number	jobs/year
Class B1a	18	14	140,400	12.5	11,232	511
Class B1b	0.5	0.4	3,900	50.0	78	4
Class B1c	22	17	171,600	54.0	3,178	144
Class B2	34	27	265,200	36.0	7,367	335
Class B8	17	13	132,600	64.5	2,056	93
SHROPSHIRE	**92**	**71**	**713,700**		**23,910**	**1,087**

*** Excludes Sui Generis / Other Uses recorded in AMR 2020**

7.21 The exclusion of Sui Generis and Other Uses captured by the AMR means that this assessment of employment generation is a conservative estimate as it does not calculate 6.6ha of the projected floorspace to be delivered from the employment land requirement. Where the adjusted employment generation figure of 16,543 jobs is further adjusted (by 8.5% equal to 6.6ha as a proportion of 78ha) taking into account Sui Generis and Other Uses, the employment generation figure would increase to 17,949 jobs.

7.22 Compared to the Sensitivity Testing in the EDNA, that indicates a potential for a total of 35,637 jobs to 29,178 jobs, the office, industrial and warehousing/logistics employment of 17,949 jobs is equal to 50.4% to 61.5% of the possible, overall employment generation.

Long-Term Projection with Completions Trend

7.23 The employment generation from the employment land requirement (330ha) and expected floorspace out-turn (78ha) can be further constrained to the level of employment development completed in the first 4-years of the Plan period from 2016 to 2020. The assessment in Table 38 may be repeated, taking into account the development completed from 2016 to 2038 and the employment generated through this period.

7.24 Shropshire has already delivered 50ha of employment development to 2020 as shown in Tables 11 and 14. The level of Class B floorspace delivered comprised 81,848sq.m which amounted to 8.1ha of floorspace. This is distributed across the current and former Class B uses (not including Sui Generis and Other Uses) using Table 24 of the AMR 2020 and is calculated to deliver 2,572 jobs as shown in detail in Table 39.

Table 39: Employment Generation in first years of Submission Local Plan 2016 - 2038

Class B uses	Completions 2016 - 2020 *		Employment Density	Employment Growth 2016 - 2020	
	hectares	sq.m	jobs/sq.m	number	jobs/year
Class B1a	9.0	13,446	12.5	1,076	269
Class B1b	0.3	874	50.0	17	4
Class B1c	11.0	20,244	54.0	375	94
Class B2	17.0	30,200	36.0	839	210
Class B8	8.4	17,084	64.5	265	66
SHROPSHIRE	**46**	**81,848**		**2,572**	**643**

* Completed floorspace totals taken from Shropshire AMR 2020 (Table 24)

7.25 Development in the period from 2016 to 2020, reduced the employment land requirement to 250ha. It is expected that the residual requirement of 250ha will deliver floorspace at an overall plot ratio of 26% resulting in the delivery of a further 65ha of floorspace from 2020 to 2038.

7.26 Combining the completed development from 2016 to 2020 with the long-term trend from 2020 to 2038 results in the generation of 19,925 jobs in the Shropshire economy by 2038, as shown in Table 40. Where this is constrained by the suggested contraction of the general industrial sectors through the exclusion of new employment estimated to be 7,512 jobs (839 jobs from 2016 to 2038 and 6,139 jobs to 2038), the likely employment generation falls to 12,947 jobs.

Table 40: Employment Generation from Completed Development 2016 - 2020 and Employment Land Requirement 2020 - 2038

Class B uses	Employment Generation 2016 - 2020	Proportion of Completions 2016 - 2020 *	Proportion of Projected Floorspace 2020 - 2038		Employment Density	Employment Growth 2020 - 2038		TOTAL EMPLOYMENT GENERATION 2016 - 2038
	number	%	ha	sq.m	jobs/sq.m	number	jobs/year	number
Class B1a	1,076	18	11.7	117,000	12.5	9,360	425	10,436
Class B1b	17	0.5	0.33	3,250	50.0	65	3	82
Class B1c	375	22	14.3	143,000	54.0	2,648	120	3,023
Class B2	839	34	22	221,000	36.0	6,139	279	6,978
Class B8	265	17	11	110,500	64.5	1,713	78	1,978
SHROPSHIRE	**2,572**	**92**	**59**	**594,750**		**19,925**	**906**	**22,497**

*** Excludes Sui Generis / Other Uses recorded in AMR 2020**

7.27 The exclusion of Sui Generis and Other Uses captured by the AMR means that this assessment of employment generation is a conservative estimate as it does not calculate 5.5ha of the projected floorspace to be delivered from the employment land requirement. Where the adjusted employment generation figure of 12,947 jobs is further adjusted (by 8.5% equal to 5.5ha as a proportion of 65ha) take into account Sui Generis and Other Uses, the employment generation figure may increase to 14,047 jobs.

7.28 Compared to the Sensitivity Testing in the EDNA, that indicates a potential for a total of 35,637 jobs to 29,178 jobs, the office, industrial and warehousing/logistics employment of 14,047 jobs is equal to 39.4% to 48.1% of the possible, overall employment generation.

Overview on Employment Generation

7.29 This would provide evidence for the revision of the employment projection in the Regeneration Scenario for an overall increase in employment from 19,677 jobs of which 7,609 jobs would be in the office, industrial and warehousing/logistics sectors. The estimates of Shropshire's capacity to deliver employment suggest that the projection for the Regeneration Scenario does not properly predict the likely employment growth in the County.

7.30 Employment generation assessed from both the short-term and medium-term development of employment land indicates likely employment generation of between 14,146 jobs (short trend) and 17,644 jobs (medium trend). The projection of employment generation from the anticipated floorspace out-turn from the employment land requirement indicates likely employment generation of between 14,047 jobs where this is combined with employment from completed development in the period 2016 to 2020 up to 17,949 jobs on a straight 22-year projection.

7.31 This would suggest that overall, the level of employment likely to be generated in Shropshire will be between 29, 178 jobs to 35,637 jobs. The office, industrial and warehousing/logistics sectors are likely to comprise between 48.1% to 61.5% of the lower range totals and between 39.4% to 50.4% of the upper range total suggesting the following levels of employment generation. The implications of these ranges for overall employment generation and for office, industrial and warehousing/logistics sectors is presented in Table 41.

7.32 The most likely level of office, industrial and warehousing/logistics employment is expected to be 14,047 jobs relating current employment out-turn to 2020 with projected out turn to 2038. There is considerable scope to further improve the efficiency of employment land use in Shropshire to increase the overall out-turn of office, industrial and warehousing/logistics employment in the County to 2038. There is the further possibility that growth in the general industrial sectors in

Shropshire might surmount the contraction of these sectors and the losses of employment seen in the national economy, to deliver net employment growth. This is particularly true in the upper ranges for employment generation should a buoyant market drive investment into the County.

Table 41: Shropshire Employment Generation Ranges 2016 - 2038

Employment Generation	Lower range		Upper Range	
	48.1%	61.5%	39.4%	50.4%
	Number	Number	Number	Number
Overall Employment Genertaion (Sensitivity Testing)	29,178		35,637	
Office, Industrial, Warehouisng/ Logistics Employment	14,035	17,944	14,041	17,961

Delivery of Labour

7.33 A key step to sustaining the growth of the local economy and achieving the potential levels of employment growth will be the provision of sufficient labour to absorb the new employment, assuming the County also sustains the required level of investment and development.

7.34 This highlights one of the key challenges for Shropshire in that projected population growth in Shropshire is largely based on attracting in-migrants to the County and the historical experience is that older age groups prefer the County as a suitable location for their retirement lifestyle. Indeed, this very large County, offers many different environmental character areas including Shrewsbury, the Market Towns and villages, the exclusive opportunities created by the Green Belt and the AONB and generally with the flat topography of the Cheshire plain to the north and the upland, post-glacial landscape to the south of the County.

7.35 The EDNA records in relation to the 2014-Sub National Population Projections that an additional 25,695 persons will be living in Shropshire between 2016 and 2038 (+8.2%) with the vast majority of this growth being in the over-65 age groups. This already large age cohort will further increase overall by a very substantial 39,059 persons. This will contrast with a significant decline in residents aged between 16 and 65 which reduces overall by -12,794.

7.36 To further frame the demographic issues in the Shropshire, the new jobs growth between 29,178 jobs to 35,637 jobs (and even with the lower estimate in the EDNA of 19,677 jobs) should theoretically be readily balanced by a labour supply of up to 60,634 persons. This comprises projected population growth of 25,695 persons and a balance of 34,939 residents of working age. However, projected population growth of 25,695 persons is expected to largely be people in the retirement age groups with the balance of 34,939 persons comprising residents who already commute out of the County for work. Therefore, the supply of labour in the County is expected to be limited by the demographics and working patterns of the population.

7.37 A factor not taken into account in the EDNA, is the movement of people from the 4 Local Authorities in the Black Country through the provision of new homes and jobs in Shropshire to contribute to their unmet need. A further factor is the effect this relationship may have on commuting patterns when Shropshire is established in the Black Country as a stronger destination for work.

7.38 The success of the SEGS and the delivery of the economic spatial strategy in the Submission Local Plan will be dependent on the delivery of a suitable labour force to support the anticipated jobs growth. This is expected to be a dynamic situation in which the required labour will be drawn from a number of sources already within the County and from those coming to live in the County. Many of these sources may be quantified to build a picture of the factors that will drive the success of delivering economic growth in the County.

7.39 Other sources may only be engaged when the dynamics of the strategy come into play and as the anticipated development and employment are delivered. Where these additional sources may be engaged, the reliance on the quantified sources of labour may be eased as a result of these other 'influences' on the delivery of labour. This will make the strategy more deliverable and enable the County to deliver further investment as labour 'constraints' are alleviated.

7.40 The EDNA recognises that whilst population growth will largely comprise older age groups within or entering the retirement age cohort, there is still a projected labour force growth of 2,079 persons (*para 8.48*). This was determined by applying adjusted 2018 OBR economic activity rates for Shropshire and factoring in an unemployment rate of 3.38% to the increase in projected labour (*para 8.49*). The EDNA recognises the following factors which are considered below:

- The County is affected by unemployment although at a relatively low rate of 2.9%, nevertheless the EDNA considers that the County has available 4,700 persons capable of entering employment but currently unemployed. Whilst it is expected local economies will have 'frictional' unemployment including people in the process of moving between jobs, some of these people will enter employment as the new jobs are being created or programmes designed to assist the remainder to seek work act in support of the dynamic process of implementing the strategy. These people are considered to be available to take new jobs but that a heavier reliance must be placed on other sources of new labour in preference to the number of unemployed persons in the County;
- The County can measure some success from its current economic strategy through the record of changing migration flows in the EDNA (*Table 4.2*). Shropshire has experienced a net-commuting shift in the relative number of net out-commuters during the previous inter-censual period reducing from -12,225 persons in 2001 to -5,665 persons in 2011. This came about through an increase of 8,488 persons in the number of in-commuters to the County from +20,786 persons in 2001 up to +29,274 persons in 2011;
- Shropshire Council considers that a reliance on further increases of in-commuting leaves the growth strategy open to structural changes in neighbouring Local Authorities wishing to retain their own resident labour. This would affect the capacity of this County to achieve its own growth. Therefore:
    - Shropshire proposes a more sustainable approach which seeks to retain more of its own resident working population to drive its economic growth strategy. The first step towards this objective is to achieve a 'net commuting balance' by reducing out-commuting from the level in the 2011 census making available a further +5,665 persons of working age;
- Shropshire intends the achievement of a 'net commuting balance' to partly deliver the objective to secure the necessary labour supply to deliver the future economic growth of the County. The continuing reduction of out-commuting beyond the 'net balance' offers the highest possible level of increasing labour supply in the County. The delivery of 29,178 jobs up to 35,637 jobs (or the lower EDNA estimate of 19,677 jobs) being serviced by new labour force growth (2,079 persons), reducing unemployment (4,700 persons) and a net-commuting balance (5,665 persons) totalling 12,444 persons would still leave a residual requirement of between 16,734 persons to 23,193 persons (or possibly 7,233 persons to service 19,677 jobs) from the process of reducing out-commuting.

7.41 It is considered that further processes may be brought into play in the implementation of the economic spatial strategy comprising the following factors:

- the success of the economic strategy itself through the delivery of the land and premises for business growth and the increase in jobs growth could be a driver for more balanced in-migration attracting working age people to the improved offer of employment whilst deterring retirement migrants due to the increasing levels of economic activity within the County;
- a key driver for this change is likely to be the cross-boundary relationship established with the Black Country Authorities and by implication with the wider West Midlands Combined Authority. This has the capacity to deliver changes to the commuting patterns through the strategic movements of in-migrants and in-commuters into Shropshire as the economy of the Black Country develops its functional relationships with those partner authorities including Shropshire that are helping to meet the Black Country's unmet need;
- the success of the economic strategy will be supported by an improving housing offer in the County. Shropshire has an ageing demographic and a range of suitable residential accommodation will be provided. Nevertheless, the housing strategy also places a particular emphasis on the type, size and tenure of accommodation to influence the type of in-migrants entering the County and to support the delivery of employment;
- Shropshire Council recognises the changes recorded through the Index of Multiple Deprivation. The ranking of the County moved closer to the worst levels in the UK and a 2nd ward at Ludlow East entered the lowest 10% of wards, supplementing the longstanding Harlescott ward in north Shrewsbury. The Council intends to deliver social and economic responses to address these complex issues and to alleviate the lack of opportunities that lead towards worklessness in order to improve the potential for a much-needed increase in labour in the County.

7.42 In taking assistance from Shropshire to meet their unmet need, the 4 Local Authorities that form the Association of Black Country Authorities have yet to determine how the delivery of development in Shropshire will specifically address the economic needs of their combined population. In this interim period, it is possible to assess how the provision of 1,500 homes in Shropshire might deliver a further increase in the labour supply in the County.

7.43 The 1,500 new homes in Shropshire will serve the needs of the 4 Local Authorities in the Black Country. It may be assumed that, in-migrants from these Local Authorities will each take a share of this housing stock relative to the size of their population. It may also be assumed that migrations flows will be structured relative to the demography of the population in each Local Authority. In this instance, the possible new labour supply entering Shropshire may be determined from the level of in-migrants in the 16-65 age cohort in each Local Authority. It is important to assess this specific migration relative to the economic activity rates for this age cohort to allow for the structure and circumstances of the households likely to enter Shropshire.

7.44 Table 42 shows the estimated labour supply likely to enter Shropshire through additional in-migration flows from the Black Country to take the 1,500 dwellings provided to meet their unmet needs to 2038.

Table 42: Projected Labour Supply from unmet need in-migration from Black Country Authorities

Factors		Local Authority Area				
		Wolverhampton City Council	Dudley Borough Council	Sandwell District Council	Walsall Borough Council	ABCA
Population	number	264,407	322,363	329,042	286,716	1,202,528
Proportion of ABCA Population	%	22	27	27	24	
Number of homes in Shropshire from 1,500	number	330	402	410	358	1,500
Average Household Size	number	2.40	2.39	2.52	2.48	2.45
Population Migration Flow into Shropshire	number	792	961	1,034	887	3,674
Migration flow 16 - 65 age cohort	number	490	580	644	539	2,253
Economic Activity Rates	%	76.4	76.4	75.2	76.8	
Anticipated Labour Supply in Shropshire	number	374	443	484	414	1,715

7.45 The projected sources of labour supply for the anticipated jobs growth is set out in Table 43. This indicates the core factors and the other dynamic influences in the process of implementing the economic spatial strategy in the Submission Local Plan. This seeks to achieve a balance in the supply of labour to support the delivery of employment and the continuing level of investment into the Shropshire local economy. Table 43 shows how the supply of labour would satisfy each of the employment generation figures in Table 41 with the most likely employment out-turn of 14,047 jobs from combining the employment out-turn from completed development to 2020 and the projected employment growth to 2038.

Table 43: Shropshire Labour Supply Balance

Factors	Influences	Employment and Labour Projections						
		EDNA Regeneration Scenario	Lower Range				Upper range	
			Future Projection		Future Projection with Actual Development		Future Projection	
			low	high	low	high	low	high
		numbers						
PROJECTED EMPLOYMENT GROWTH	Overall Employment Generation	19,677	29,178				35,637	
	Office, Industrial, warehousing/logistics	7,609	14,035	17,944	14,047		14,041	17,961
Projected Labour Force Growth	Impacts on working age migrants from:	2,079	2,079		2,079	2,079	2,079	
	- employment growth	-	-		-	-	-	
	- housing mix and tenures	-	-		-	-	-	
	- meeting ABCA unmet need	1,715	1,715		1,715	1,715	1,715	
and Unemployment	Impacts on worklessness from:	4,700	4,700		4,700	4,700	4,700	
	- Health & Well-Being agenda	-	-		-	-	-	
	- Social Inclusion programme	-	-		-	-	-	
and Balancing Net Out-Commuting		5,665	5,665		5,665	5,665	5,665	
and Achieving Net In-Commuting	- reducing out commute	5,518	15,019		15,019	21,478	21,478	
	- in-commuting from meeting ABCA unmet need	-	-		-	-	-	
TOTAL LABOUR SUPPLY		19,677	29,178		29,178	35,637	35,637	

7.46 The EDNA identifies the level of out-commuting in Shropshire to be 34,939 and each of the labour supply scenarios in Table 43 draws on this latent supply to different degrees.

- The Regeneration Strategy would require the lowest level of provision at 5,518 persons which would appear to be readily achievable;
- The lowest projection from the assessment comparing the Sensitivity Testing of longer-term employment delivery with the delivery of office, industrial and warehousing jobs in the AMR would require a much higher but still achievable 15,019 persons;
  - When combined with the 5,665 persons to reach a net commuting balance, this would require 20,684 persons (equal to 59%) of the total out commuting cohort of 34,939 persons which remains achievable;

- The highest projection from the assessment comparing the Sensitivity Testing of longer-term employment delivery with the delivery of office, industrial and warehousing jobs in the AMR would require a much higher 21,478 persons;
    - When combined with the 5,665 persons to reach a net commuting balance would require 27,143 persons (equal to 77%) of the total out commuting cohort of 34,939 persons.

Environmental Protection – an economic asset

7.47 The promotion of employment development in the Submission Local Plan is subject to a framework of environmental policies. This will ensure that all development will respect the environmental assets of Shropshire and contribute to the delivery of a sustainable pattern of development across the County.

7.48 This approach to achieving sustainable development through the framework of environmental policies will have the following effects and impact on the spatial strategy and economic objectives of the Submission Local Plan as follows:

- the Submission Local Plan provides protection for the assets of our natural and built environment as set out in national policy with particular regard to the required level of protection for the landscape, biodiversity and historic assets in Shropshire;
- this protection is an economic asset in that the environmental qualities of Shropshire is part of the appeal to investors and those people who choose to live in the County.
    - the natural and historic environment of Shropshire enriches the quality of life for these people whether independent entrepreneurs, self-employed traders, business owners or employees;
- the economic effect of achieving these benefits is significant. The Submission Local Plan requires very special circumstances for major development in the Green Belt in east Shropshire covering 94 square miles or 8% of the County. Similarly, in the Shropshire Hills Area of Outstanding Natural Beauty (AONB) in south Shropshire, exceptional circumstances for major development are required which restricts the economic capacity of the County over a further 312 square miles or 25% of the County. In combination these affects limit our capacity over 406 square miles or 33% of the total 1,234 square miles of Shropshire to properly protect our environmental assets;
- a level of economic development is directed into these protected areas raising concerns about the impacts of the economic strategy even though this scale of this development is not significant. This release of land is driven by economic needs to build investment opportunity, provide local employment and meet the needs of communities in these localities. This will particularly capture the economic potential of areas within the Green Belt in east Shropshire close to the regional conurbation and the M54 link to the national motorway network. The Submission Local Plan:
    - proposes 65ha of new employment land in the Green Belt comprising allocations for 51ha (Topic Paper: Table 7) and safeguarded land with the potential for employment development of 14ha. This land will be released over the next 40 years and is equal to an average development rate of 1.5ha/year in the Green Belt in the absence of 'saved' employment allocations in the Submission Local Plan;
    - releases no new employment land in the AONB with only 1.3ha of saved employment allocations in the Local Plan. This land release will occur over 20 years equal to a development rate of only 0.07ha/year (700sq.m/year) in the AONB across 25% of the County. This nominal provision is further supported by employment allocations close to the AONB totalling 34ha;
    - proposes only a nominal land release within these environmental designations over the planning timeframe and the resulting employment development will be carefully managed

through planning policy to ensure this does not adversely affect these areas as significant economic assets in the spatial strategy for the County;

- The release of Green Belt land for employment development was determined through a Green Belt Assessment and subsequent Green Belt Review to comply with national planning policy particularly through the exceptional circumstances justification for this development;
    - the preparation of a Green Belt Review and the release of land within the Green Belt also responds to a direction from the Secretary of State in the SAMDev Examination Report;
- The release of AONB land for employment development is limited and does not include any new employment allocations. The strategy for new housing in the AONB also complies with national planning policy through an exceptional circumstances justification for development.

Social Inclusion Agenda – an economic resource

7.49 Shropshire Council recognises the changes being recorded in the County through the Index of Multiple Deprivation, with the ranking of the County moving closer to the worst levels in the UK and a 2nd ward emerging in the lowest 10% at Ludlow East supplementing the longstanding Harlescott ward in north Shrewsbury. An emerging strategy to seek social and economic solutions to these complex issues, to address the lack of opportunity that may lead towards worklessness, offers the potential to further increase the capacity of the County to deliver the much-needed labour supply in the County.

7.50 The Council and its partners and stakeholders are conscious of the need for action on this agenda and the many complex issues it raises in the County. These matters are addressed in the draft Joint Health and Well-being Strategy 2022 – 2027 (JHWBS) and through the services and programmes that focus on addressing many issues that challenge the social and economic well-being of our residents. This is further crystallised through the emergence of programme to address Food Insecurity as part of a range of social and economic responses to the deepening deprivation in Shropshire, with many of these issues being explored across south Shropshire.

7.51 The approach in the Submission Local Plan to the achievement of sustainable development through this framework of social and economic policies will have the following effects and impact on the economic spatial strategy and objectives in the Local Plan as follows:

- the social inclusion agenda in our JHWBS and related programmes seek to shape the social determinants of health including having a job and earning an income, having social contact with others and being able to make and implement positive lifestyle changes in a way that will support and empower our residents and the communities they live in;
- our residents are the most important resource of the County. Implementing the health and well-being agenda and building opportunities for social inclusion must be expressed through many initiatives with one of the strongest being support for residents to enter employment, as our primary economic resource and to empower individuals to improve the quality of their lives;
    - reducing inequalities, improving population health, joint working and working with and building strong and vibrant communities are strategic priorities of the draft JHWBS. All these factors have significant influence on the health and wellbeing outcomes for Shropshire people;
    - workforce is a key priority in the draft JHWBS. During COVID many people have lost their job or had to take lower paid and less stable employment. COVID-19 has had a measured impact on mental health and general wellbeing. Rates of in-work poverty have increased and Shropshire is a low wage economy. This priority aims make Shropshire workplaces fair, happy and healthy places for people to work in and promote wellbeing for all, no matter where they are employed. Other key priorities include healthy weight and physical activity, mental health and children and young people;

- the health and well-being agenda will help support individuals to tackle key personal and health barriers to improving their lives. This is achieved through personal ‘self-help’ planning or ‘social prescribing’ with health care professionals which seeks to empower individuals to take control and shape their own lives and their future, along with specific health programmes addressing key health matters including mental health, cardio-vascular health, musco-skeletal health and cancer recovery and by address important economic barriers through measures like tackling food insecurity, managing rising energy costs and targeting disadvantage that affects children;
- key processes to addressing economic barriers to better engagement will come through support, education, training and skills development. These opportunities provide avenues to gain qualifications, skills, experience, coping strategies and the confidence to seek work and gain better employment. This provides mechanisms to move away from the benefits system, retrain and obtain better employment, improve individual prospects and make significant life changes including securing a decent home particularly through the expanding provision of affordable housing, to live in an area where one feels safe and be part of a vibrant community;
- this agenda seeks to engage all residents of the County and in every community. However, these programmes are most needed in locations where economic capacity and opportunity are limited by the sparsity of the population, with limited accessibility to key settlements and public transport services, where significant protection of environmental assets is necessary or in locations or circumstances where life experiences simply dissuade individuals from seeking opportunities that may be available even within sustainable urban locations;
- this social inclusion agenda is an important means to address issues related to the management of the significant scale of Shropshire, the need to protect key environmental assets, the need to deliver a sufficient and capable labour force, to drive forward delivery of our economic strategy and its many programmes but most importantly to care for our residents as the County’s most important resource.

Qualitative Improvements

7.52 The Submission Local Plan recognises significant changes in the local market triggered by significant sites in the County reaching the end of their lifecycles by focusing on the redevelopment of significant brownfield sites being released in the County. This approach is consistent with the directions given in national planning policy regarding the priority for redeveloping brownfield land to deliver sustainable development. This approach takes three distinct forms through:

- the allocation of significant strategic sites proposed for redevelopment as strategic settlements at the former Ironbridge Power Station and existing Clive Barracks, Tern Hill when the MoD relinquish the site from its use as an operational military base;
- the recognition of a strategic brownfield site within the Green Belt at RAF Cosford that does not make a contribution to the openness and permanence of the Green Belt. The removal of this site from the Green Belt recognises the important uses here that are of national significance and likely to bring investment into the County with an enhanced role and function for the site;
- the provision within policy for windfall development for employment use in SP13 and in SP14 to facilitate the recycling of land to meet the County’s development needs and to avoid the creation of derelict sites that otherwise have a productive use.

7.53 The provision of these significant brownfield redevelopment opportunities strengthens the spatial strategy of the Submission Local Plan by offering a broader range of development opportunities in the range, type and location of available development land. This range of sites broadens the choice of location in our employment areas within the employment land portfolio enabling the market to consider a broader investment and business location portfolio in Shropshire.

7.54 The Submission Local Plan presents a strategy to deliver a higher rate of growth, promoting a greater urban focus to the distribution of development sites, which will improve the accessibility and sustainability of the development opportunities in the County. This urban focus is expected to create a higher demand for development and the premium value of urban land will deliver a more efficient land use with higher plot ratios within the urban markets. It is also expected that there will be a progressive improvement in the standard of urban business floorspace offer a more attractive proposition to the market that will bring higher value employment uses that provide better quality employment to the residents of the County.

7.55 This approach has influenced the choice of new employment allocations in the Submission local Plan. These favour locations close to principal urban centres, building the role and function of these settlements and utilising the existing reputations of successful employment areas as known trading locations in these localities. The choice of new sites has favoured greenfield development opportunities that avoid significant remediation costs associated with brownfield redevelopment that often render employment redevelopment as uneconomic unless the market is particularly buoyant throughout the Plan period.

7.56 This focus on greenfield land will offer attractive investment locations to the market. These sites have sufficient scale to enable initial investment to focus on the delivery of significant infrastructure. This investment will be focused on serving the development site but also has the potential to increase the local capacity of utility service infrastructure.

- The Submission Local Plan has implemented this approach through the spatial focus on the strategic corridors through the County, linking together the principal settlements and serving as important transport corridors for the 18 Place Plan areas of the County. The proposed employment allocations favour the M54 corridor at Shifnal, the largest Key Centre in the County, with two Junctions linking to the motorway network and with links to the M6 and M5 motorways through the central part of the region, linking to the Conurbation and other regions of the UK. Shifnal has little existing employment in the town and limited development opportunities to improve the offer to residents and commuters in the sub-regional area;
- the M54 / A5 corridor accommodates the provision of further employment land in Shrewsbury affected by the impending completion of the existing business parks around the town and delays delivering existing saved allocations. The primary employment land release is located to the south-east of Shrewsbury on 45ha site at Preston Island on the junction of the M54 / A5 and the A49 offering an extensive investment opportunity with a full range of employment generating uses and excellent accessibility to the strategic road network;
    - a further small-scale provision is proposed within the proposed housing allocation to the west of the town between Mytton Oak Road and Hanwood Road to create a small commercial centre to meet local needs for employment;
- the proposed employment allocations favour the A458 corridor at Bridgnorth, the second largest market town in the County, offering routes into the Black Country via the A458 and A454 and the A442 to Worcestershire. The employment allocations will enhance the investment opportunities both west and east of the town placing new employment allocations in the proposed Tasley Garden Village (west) and extending the investment opportunity on the Stanmore Industrial Estate already accommodating key local and strategic employers;
- The proposed employment allocations also favour the southern A49 Trunk Road corridor in the smaller, historic market town of Ludlow. Here a further land release extends the saved employment allocation south of Sheet Road, adjoining the A49;
    - this employment allocation will increase the critical mass of this proposed new employment area facilitating a range of employment generating uses including provision of larger premises to accommodate more significant enterprises where the form of development and the type of uses will respect the historic setting of the town;

- this modest provision in Ludlow will help the town perform its important role as the principal settlement in south Shropshire, helping to better serve the needs of the significant rural population living within the AONB, where the protection of this important environment places restriction on the delivery of significant employment development.

7.57 These significant employment allocations, located on important strategic corridors through the County, also address some limits to the availability of land in the centre, east and south of the County, in the existing employment land portfolio. These proposed allocations and the distribution along the M54, A5, A49 and A458 perform an important function in improving the sustainable pattern of employment development and broadening the employment offer across the County.