

<b>Title of Report: Economic Development – Options for LDP Preferred Options Paper (POP)</b>	<b>Officer Presenting: Senior Planning Officer</b>
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## **1 Purpose of Report/Recommendations**

- 1.1 The purpose of this Paper is to present a summary of the salient issues, discussed at the LDP Workshop that dealt with this LDP Topics. The Paper also seeks agreement from Members as to how best to progress these Topics towards the Preferred Options Paper (POP) stage of the LDP in early 2017.

## **2 Background**

- 2.1 As previously explained, the various technical aspects of Planning which comprise the LDP are each being considered systematically, each marked by the series of councillor Workshops and meetings of this Planning Committee. In accordance with the Workplan, this Committee meeting is a further stage in that Plan-making process. The meeting summarises the Discussion Paper from the earlier Workshop, combines feedback from the wider body of Councillors and points towards the identification of Options. The Committee is asked to make preliminary decisions on the proposed Options, regarding these aspects, that the LDP is considering, as we proceed towards further evidence gathering, consultee and stakeholder input and then further Committee meetings (plus full Council approval) to finally decide on the LDP Preferred Options, to be published during 2017.

## **3 Key Issues**

- 3.1 The Workshop enabled Member feedback based on the Discussion Paper attached at Appendix 2 (with some updated statistics, etc.). The Discussion Paper provided a review of the relevant legislation / policy and how economic development should be considered in the LDP; a summary of employment and economic development in the District; plus a consideration of how these can affect our LDP designations, zonings, proposals and policies.
- 3.2 Members were informed that the employment sector patterns (2001 – 2014) of this District generally reflects the NI trend of a fall in both the Primary and Secondary employment sectors, coupled with a significant increase in the tertiary sector. The significant global decline in manufacturing has had major repercussions for the traditional textile industrial base across the District. Current major industrial and manufacturing employers include DuPont / Invista, Seagate, Perfecseal, LacPatrick, McColgan Quality Foods, Boran-Mopack and O’Neills Sports Wear.

- 3.3 An expanding tertiary sector reflects Derry's importance as a major administrative and service centre and provider of educational and health services. Similarly whilst Strabane has also seen an expanding tertiary sector, the proportion remains less than that of Derry reflecting a lesser provision of jobs in terms of central government departments, health care and education. It is important to recognise that the role of manufacturing is changing with, amongst others, the importance of innovation and design, the development of products with niche markets, the importance of knowledge-based products and processes and increased output with less employment.
- 3.4 DETI forecasts that the following key sectors / markets have the potential for future NI growth: bio-technology products including pharmaceuticals, environmentally sustainable products including recycling activities and health-related products. Future key growth sectors, as identified in the Derry and Strabane Draft Integrated Economic Development Strategy, are: Advanced Manufacturing / Engineering; Digital / Creative Industries; Life and Health Sciences; Tourism and Culture. The same Strategy also identifies the Agri-Food, Business; Financial, Renewables, Retail and Social Enterprise sectors as supporting the District's economic development with the potential to enable incremental growth.
- 3.5 In terms of preparing the Local Development Plan, the key instruments will be a) the land allocations / zonings – existing and proposed, and b) the policies. Accordingly, the Paper begins to consider how much economic development land we will actually provide to meet the District's needs up to 2030 and then how that land should be strategically allocated across the main settlements.
- 3.6 There was consensus at the Workshop that although the current available economic zonings are well in excess of our needs over the LDP period to 2030, it was questionable whether these zonings were in the most sustainable / appropriate locations when potential employee areas and public transport were factored in. However it was recognised that it was beyond the remit of the LDP to physically deliver improved public transport across the District. At the moment, Members' views were that it would probably be prudent for the LDP to retain most of these existing zones if possible, especially if they have good links to the existing transport network. These zonings will need to be reviewed, also taking account of the views of statutory consultees, stakeholders and the Sustainability Appraisal. Any new sites might focus on an additional mix of sites of varying sizes in sustainable locations and also taking into account future A2 / A5 / A6 road upgrades.
- 3.7 The Paper also highlights the issue of defining and controlling the range of acceptable uses on the existing and proposed economic development areas, so as to restrict the leisure, retail services, retailing uses, etc. in what are essentially meant to be primarily 'employment creation' areas. Members need to consider the significant implications for the amount, affordability and availability of the economic development land, as well as for the viability and vitality of the city town centres (as covered in another discussion paper).

- 3.8 It was also considered appropriate for the LDP to carefully examine any future need for existing / additional industrial zonings to be located adjacent to settlements already close to 'heavy' industries. This was raised particularly in relation to the Culmore / Strathfoyle & Maydown areas. Similarly, our internationally and European protected environmental sites were identified as important and worthy of protection in relation to any future economic zoning considerations.
- 3.9 Members expressed views that a number of potential options for future LDP policy could be considered. The LDP could identify economic development areas including opportunities for regeneration and mixed-use developments which are adjacent / accessible to the identified deprived / disadvantaged areas within our District. This would have the benefit of identifying suitable sites in areas where there is acknowledged disadvantage, particularly high unemployment, in order to stimulate enterprise. These should be well located and easily accessible. Accompanying policies could similarly enable vacant or redundant buildings in appropriate locations which are accessible to where people live in these wards and which would be suitable for conversion to small business start-up workshops / skills training workshops, in order to help stimulate local enterprise.
- 3.10 Potentially the greatest opportunity for economic growth across our District is in relation to service provision. Those services, including financial and professional services and many leisure activities for which people need to travel are best located in our city and town centres, because these are the most accessible locations for everyone. Therefore our LDP would support the city and town centre first approach to policy which directs such activities to these sustainable locations within our city and towns.
- 3.11 Members were also firmly of the opinion that the future LDP policy needed to be flexible to allow an improved rural economy to develop. The ability to diversify to enable tourism-related enterprises, business start-ups or to expand an existing rural based industry were considered paramount to driving the vitality and viability of our District's extensive countryside. It was agreed that specific focus be given to this when the LDP reviews the rural policy content in relation to PPS4 and PPS21.
- 3.12 Members may wish to see the POP cover more specific economic options and seek public and stakeholder / consultee feedback on these. In this regard, the LDP would promote a policy that zones land for economic development in order to safeguard a long term land supply for new industry and mixed business uses and protect existing industry land. It would also protect existing industrial uses from non-conforming uses or redevelopment proposals that could threaten the viability of an industrial use or its future operations. It could also consider a flexible approach in settlements by considering proposals on their merits and in relation to impact and compatibility with the surroundings and facilitating small rural enterprises outside a village or smaller settlement, where there is no land to accommodate them.

#### **4 Financial, Equality, Legal, HR, Improvement and Other Implications**

4.1 There are no financial, equality, legal, HR, Improvement or other implications arising from this report.

## **5 Recommendations**

5.1 Members are requested to consider the possible scenarios which have been outlined in this Paper and agree for Planning officials to proceed to develop options in line with this Paper and in consultation with key consultees and stakeholders.

## **Background Papers**

**Appendix 1 – 'Economic Development and the LDP', Presented Workshop 5 - 26<sup>th</sup> September 2016 (as updated) .**