

DERRY CITY AND STRABANE DISTRICT COUNCIL LOCAL DEVELOPMENT PLAN (LDP) 2032



PPS 4 POLICY REVIEW Planning and Economic Development

This Document is one in a series, which builds up to form the 'evidence base' that informs the preparation of the Local Development Plan (LDP).

The afore-mentioned evidence base will be continually updated, to additionally include the latest information, input from public engagement, statutory consultees, stakeholder groups, Sustainability Appraisal and from other Departments within the Council, including Community Planning.

The Evidence Base is published as a 'supporting document' in accordance with Article 10(a) and 15(a) of the Planning (LDP) Regulations (NI) 2015



Purpose: To consider existing planning policies relating to Economic Development and to consider alternative policies which will inform the forthcoming Preferred Options Paper (POP) as part of the preparation of the Local Development Plan (LDP).

Content: The paper will provide information on:

- (i) The Context of Economic Development in Derry City and Strabane District and existing plan policies;**
- (ii) Derry City and Strabane District Council (DCSDC) objectives for Economic Development and the linkages between DCSDC objectives for future growth and Sustainability Appraisal, Regional Planning Policy and Strategic Planning Policy objectives;**
- (iii) Consider existing policies and consider preferred/alternative policy options for economic development within the Local Development Plan (LDP).**

Recommendation: The findings shall be used to inform the Preferred Options Paper (POP) and strategic policies in the Local Development Plan (LDP).

1.0 Introduction

1.1 The purpose of this paper is to consider current planning policies associated with economic development and to determine whether or not they are compatible with the Council's objectives regarding the promotion of economic development and whether they need to be amended to take account of local circumstances through the new Local Development Plan (LDP).

1.2 This paper provides an assessment of how existing economic development planning policies take account of the Regional Development Strategy (RDS), Strategic Planning Policy Statement (SPPS), Sustainability Appraisal themes and DCSDC economic objectives through the proposed LDP objectives.

1.3 Legislative Context

1.3.1 Article 5 of the Planning Act (Northern Ireland) 2011 states that the creation of planning policy as part of the Plan Strategy must be done with the objective of furthering sustainable development and in doing so, must take account of policies and guidance issued by OFMDFM, DOE and DRD, such as the Regional Development Strategy (RDS) 2035 and Strategic Planning Policy Statement (SPPS).

1.3.2 Section 25 of the Northern Ireland (Miscellaneous Provisions) Act 2006 requires all NI Departments and District Councils in exercising their functions, to act in a way they consider to be best calculated to contribute to the achievement of sustainable development.

2.0 Planning Policy Statement (PPS) Review Parameters

(a) Derry City and Strabane District Council

2.1 Position Paper 1 (*Population and Growth Strategy*, 20th June 2016) outlined a number of broad objectives as part of the formulation of economic development policies/proposals for the council area:

- Facilitating job creation at all skill levels
- Promoting opportunity and range of jobs
- Entrepreneurship / innovation / start-ups
- Rural – self-employment & homeworking
- Key cross border location / A5 economic corridor
- NW region co-operation
- Tourism
- Infrastructure - Hospital / Magee / Airport / Roads / Railway

(b) Regional Development Strategy (RDS) 2035

2.2 The RDS sets out the spatial strategy of the Executive, presenting Regional Guidance (RG) under 3 sustainable development themes – economy, society and environment, and has eight overarching aims. The following aims are particularly relevant to the Economy:

- Support strong, sustainable growth for the benefit of all parts of Northern Ireland
- Strengthen Belfast as the regional economic driver and Derry as the principal city of the North West
- Support our towns, villages and rural communities to maximise their potential
- Improve connectivity to enhance the movement of people, goods, energy and information between places

2.3 Chapter 3 of the RDS gives Strategic Guidance relating to long term policy direction and sets out both Regional Guidance (RG) and Spatial Framework Guidance (SFG). A number of these RGs are relevant to the Economy within the Derry / Strabane District, including RG1 which relates to the adequate supply of land to ensure that Northern Ireland can accommodate growth in jobs and businesses, and specifies that economic development opportunities across the Region should be focused on the BMUA, Derry and Hubs as the main centres for employment and services.

2.4 The Regional Guidance, through RG1 seeks to ensure that there is an adequate supply of land to facilitate sustainable economic growth. This land should be accessible and located to make the best use of available services, for example water and sewerage infrastructure, whilst avoiding, where possible, areas at risk of flooding from rivers, the sea or surface water run-off.

- 2.5 The quality and viability of sites zoned for economic development uses in Area Plans should be assessed against an Employment Land Evaluation Framework which will enable planning authorities to identify robust and defensible portfolios of both strategic and locally important employment sites in their development plans. This means protecting zoned land in development plans and, in order to capitalise on the development opportunity provided by a concentration of people, goods, available infrastructure and business, promoting economic development opportunities in the Hubs (SFG11). It also recognises the importance of sustaining rural communities by facilitating rural industries, business and enterprises in appropriate locations. This means not only businesses connected to farming, forestry and fishing but other industries such as tourism and renewable energy which can provide further jobs and opportunities in rural areas as long as they are integrated appropriately within a settlement or rural landscape.
- 2.6 The RDS also emphasizes the importance of telecommunication infrastructure to growing our economy in RG3 and recognises that the telecommunications network within Northern Ireland is world class but is it vital that we keep up-to-date with the latest technology. The RDS defines the North West as being the Council Districts of Derry and Strabane, extending into Donegal. It identifies Derry as the Principal City within the North West and Strabane as a Main Hub. The specific section within the RDS relating to the North West has a number of Spatial Framework Guidance relating to the economic development of the region.
- 2.7 **Planning Policy Statement 21 (PPS 21)** Sustainable Development in the Countryside sets out planning policies for development in the countryside including farm diversification and other economic activity in accordance with PPS 4.

(c) Sustainability Appraisal (SA)

- 2.8 There is a statutory requirement on DCSDC in the preparation of its LDP to promote sustainable development by ensuring it is subject to a Sustainability Appraisal which includes a Strategic Environmental Assessment (SEA). An SA/SEA is an appraisal of the economic, environmental and social effects of a plan from the outset of the preparation process allows decisions to be made that accord with sustainable development. Key objectives of the SA that current planning policy should take account can be broken into following three areas:-

2.8.1 Economic Growth

1. Encourage new business start-ups and opportunities for local people
2. Improve business development and enhance productivity
3. Improve the resilience of business and the local economy
4. Promote growth in key sectors
5. Promote growth in key clusters
6. Enhance the image of the area as a business destination

2.8.2 Another key objective of the SA is to promote **employment** for everyone in the District so current and future policies need to;

1. Reduce short and long-term unemployment
2. Provide job opportunities for those in need
3. Help improve wages

2.8.3 In the promotion of **investment**, the SA states that future planning policies must also encourage;

1. Indigenous business
2. Inward investment
3. Make land and property available for business development

2.8.4 A further objective of the SA is to increase efficiency of movement and accordingly, future planning policy should;

1. Reduce commuting
2. Increase the accessibility of work to public transport and walking & cycle routes
3. Improve access between key employment areas and key transport interchanges
4. Encourage rail and water-based freight movement

(d) Strategic Planning Policy Statement (SPPS) (September 2015)

2.9 Under the provisions of the SPPS, during the preparation of LDP an ample supply of suitable land available to meet economic development needs within the plan area should be provided. The LDP should offer a range and choice of sites in terms of size and location to promote flexibility and provide for the varying needs of different types of economic activity. Account should also be taken of factors such as accessibility by all members of the community, connectivity with the transportation system (*particularly public transport*), the availability of adequate infrastructure, the specialised needs of specific economic activities, potential environmental impacts and compatibility with nearby uses including the operational requirements of existing or approved economic development.

2.10 The SPPS also recognises the need to support and sustain vibrant rural communities consistent with the RDS and to strike a balance between facilitating new development and protecting the environment from inappropriate development. The policy approach is cluster, consolidate, and group new development with existing established buildings and the reuse of previously used land and buildings. Local policies and proposals may be brought forward in the LDP which address development such as farm diversification, agriculture and forestry development, tourism / holiday accommodation and re-use / conversion of existing buildings.

(e) Existing Area Plans

- 2.11 **Derry Area Plan (DAP) 2011:** An objective of the plan promotes the sustainable development of the Derry City Council area by making provision for economic development while protecting its natural assets and man-made heritage for the enjoyment of future generations. Accordingly, existing industrial land was identified and new sites zoned in Derry city and nearby settlements.
- 2.12 **Strabane Area Plan (SAP) 2001:** Contains the policies and proposals relating to industry within the former Strabane District, including the allocation of sufficient land to meet the needs for industry within Strabane and the local towns and to encourage a high standard of environmental quality within industrial areas.

(d) Community Plan & Other Considerations

- 2.13 The new duty of Community Planning introduced in April 2015 requires the Council to lead the process of creating a long term vision for the social, environmental and economic well-being of the area and its citizens. The Local Government Bill introduces a statutory link between the resultant Community Plan and the Council's Local Development Plan (LDP), in that the LDP must take account of the Community Plan in its preparation. Therefore it provides the key context at the local Council level for the preparation of the LDP.
- 2.14 The Economic strand of the Draft **Community Plan** identifies the need for 'investor readiness' and driving forward investment. Some of the key actions in the delivery plan include the establishment of Development Zones in Derry and Strabane, creation of Grade A office accommodation, incubation spaces in areas of disadvantage and decentralization of public sector jobs to Derry. To achieve these aims planning needs to be '*business-friendly*' through its processes, designations and zonings.
- 2.15 **Draft Integrated Economic Development Strategy (IEDS)** - Council is currently leading development of an Integrated Economic Development Strategy in conjunction with Invest NI. The IEDS sets out the priority growth sectors for the DCSDC area, key enablers to realise this growth and the strategic priorities for the entire Council area. This strategy will be finalised in conjunction with the strategic Community Planning process and will form the Economic Pillar of the strategic Community Plan and the LDP will be act as a spatial reflection of this.
- 2.16 Assumptions in regard to economic performance across the District can be made when assessing the uptake of zoned land across the district. For example, in Derry City, it has been particularly slow with approximately 153 hectares (73%) remaining undeveloped. In Strabane Town, 3.9 hectares (25%) of land remains undeveloped while across Castlederg, Newtownstuart and Sion Mills 5.0 hectares (63%) remains undeveloped, leaving a surplus of 161.4 hectares across

the district. Within the context of villages, lands are not usually zoned for Industrial/economic use as it is considered that this inhibits flexibility of development e.g. for housing.

- 2.17 In research carried out by Oxford Economics, it states that Derry City performs well below its potential when compared to other UK urban areas across a wide range of economic metrics. However, it considered the strong cultural and heritage assets as being a basis to build a stronger tourism sector.

Similarly, research published in 2011 by Oxford Economics estimated that the former Strabane District needed 800 jobs to match the NI Average employment rate and 1,900 jobs to match the UK average.

- 2.18 Paper 1, Economic Development considered the future land needs up to 2030 predicated on three methodologies. Model 1 (*based on the amount of land developed to date*) estimates that **2.22** hectares is required, Model 2 (*growth and unemployment*) **61 hectares** of economic land would be required and under Model 3 (*based on applying the average number of jobs created between 2001 and 2013*) **67.14 hectares**.

3.0 Assessment and Consideration of Planning Policy Statement 4 (PPS 4) - *Planning and Economic Development (November 2010)*

3.1 PPS 4 was adopted in November 2010 and supplementary guidance relating to policy PED 8 was issued in October 2012. This policy document sets out the regional planning policies for economic development uses and indicates how growth associated with such uses can be accommodated and promoted in development plans. Economic development uses comprise industrial, business and storage and distribution uses, as currently defined in Part B 'Industrial and Business Uses' of the Planning (Use Classes) Order (Northern Ireland) 2015.

3.2 The purpose of this section is to assess the effectiveness of PPS 4 and consider the following:-

1. Do the policies of PPS4 align with the objectives of the SPPS and LDP Growth Strategy (Paper 1) in relation to economic development and employment?
2. Whether or not the policies need to be tailored to meet local circumstances and how can planning facilitate economic development within the confines of the SPPS and LDP Growth Strategy?

4.0 Review of Planning Policy Statement 4 (PPS 4) and Potential Alternatives

PPS 4 - PED 1 - ECONOMIC DEVELOPMENT IN SETTLEMENTS

- 4.1 The main thrust of PED 1 of PPS4 is to direct the bulk of economic development within settlements limits. The policy aim of keeping B1 uses within town centre areas is something which is also reflected in the SPPS (para 6.85). In encouraging this approach, PPS4 seeks to direct high levels of employment and services associated with this use into the main hubs and town centres which is in conformity with the SPPS economic objective to grow the main hubs as centres for shops, services and office uses as these are the most sustainable locations.
- 4.2 Similarly, the SPPS (para 6.86) also recognises the need to balance the growth of the hubs while stimulating and promoting smaller settlements which is instrumental to rural life. When compared to the more flexible SPPS, policy PED 1 is considered to be somewhat proscriptive in that it places a cap on B1 floor-space with a maximum of 200 square metres.
- 4.3 Although this policy generally encourages that business uses are located within town centres, a greater degree of flexibility would allow for local economic circumstances to be taken into account. For example, many of the traditional industries which helped to sustain urban areas such as Derry and Strabane are now obsolete and the surplus of land within and outside of these industrial zoned areas should be considered for alternative uses such as B1. However, any such proposal would need to be subject to sequential testing ('town centre first approach') and other planning/environmental considerations.
- 4.4 Additionally, *Workshop Paper 1 - Economic Development* noted that while the majority of development on zoned industrial land was used for light and general industrial uses, storage and distribution, there were signs of 'non-conforming' uses appearing in industrial areas such as at Buncrana Road and Newbuildings.
- 4.5 It is also noteworthy that purpose-built office and business accommodation at Skeoge could be perceived as being a symptomatic response to the changing economic base within the district and which would broadly align with PPS4, which promotes zonings for "economic development" needs rather than the previous "industrial zonings".
- 4.6 In terms of PED 1, the policy directs B2, B3 and B4 uses to lands specifically allocated for that purpose in the plan. This is at odds with the strategic objective (6.93) of the SPPS which considers the re-use of brownfield sites (previously used for economic development) as being a viable alternative. Any new policy coming forward should clearly reflect this component of the SPPS as a sustainable means of meeting the shortage of industrial/economic lands in some settlements, providing other planning/environmental criteria are satisfied.

4.7 **ALTERNATIVE 1** – It is considered that Policy PED 1 takes account of the RDS and SPPS and provides a reasonable degree of flexibility particularly in relating to B1 Business Uses. For example, where large scale offices (call centres or R&D) are proposed which cannot be accommodated on suitably sized sites within the *'heritage constrained'* city centre or central area, these will be considered on zoned industrial land. That said, future policy needs to place a greater emphasis on the *'town centre first'* approach with sequential testing a pre-requisite (city centre/central area/edge of town). A more clear policy direction would also enable greater accountability and enforcement.

In terms of B2, B3 and B4 uses, the policy stipulation is quite proscriptive in that these should be located in areas specifically allocated for such purposes with not enough recognition to the availability and suitability of brownfield sites within settlements.

4.8 **ALTERNATIVE 2** – An alternative policy approach would be based on retaining elements of PED 1 whilst at the same time creating bespoke economic development zonings and policies within Derry and Strabane. Any proposals outside of these designations need to be assessed on their own merits. Proposals in smaller settlements would involve the removal of floor-space capping to allow greater flexibility with a greater emphasis on redundant/vacant sites smaller settlements such is the case with Plumbridge which was historically associated with textile manufacturing. That said, it is important that any proposals in smaller rural settlements are of an appropriate scale, nature and design, respecting both the character and amenity of the surrounding area.

4.9 **POTENTIAL ALTERNATIVE 2** is considered the most appropriate option which would align with the SPPS and LDP objectives in that it encourages economic activity into the Derry and Strabane main hubs and to a lesser extent, smaller settlements including Castlederg, Claudy, Eglinton, Newtownstart and Sion Mills. The simplified wording of this policy is all encompassing and would also include all types of small settlement.

'Within the Principal City and towns, development proposals on zoned land will conform with the Plan. Within the smaller settlements, proposals which are of an appropriate scale, nature and design and subject to meeting with general planning principles such compatibility of neighbouring landuses and amenity will be given favorable consideration.'

5.0 PPS 4 - PED 2, 3, 4, 5 & 6 ECONOMIC DEVELOPMENT IN THE COUNTRYSIDE

- 5.1 While PPS 4 operates a presumption against new economic development in the countryside. Policy allows for expansion of existing enterprises, small rural projects closely linked to a settlement limit and also for major economic development which will have regional economic benefits and which can't be located in a settlement limit for site specific reasons.
- 5.2 This approach accords with the growth Strategy outlined in Paper 1 which called for growth to be focused in the hubs. It also acknowledges the importance of self-employment and homeworking in rural locations. Although the policy recognises the need to support existing rural businesses, it discourages any new enterprises which would have an adverse impact on the countryside/rural character. This also aligns with the SPPS objective to promote sustainable economic development in environmentally sensitive manner and the rural economic objectives of the SPPS which state that the re-use of existing buildings along with redevelopment and expansion proposals, will provide the best options for rural development (para 6.87 and 6.88).
- 5.3 PPS 4 contains a number of policies relating to development in the countryside whereas the SPPS deals with this matter in a much more concise manner, while still retaining the necessary ability to control such development. PPS 4 contains five separate policies regarding the countryside dealing with new development, expansion, redevelopment, major development and small rural projects. The SPPS strategic policy states that the guiding principle for policies and proposals involving economic development in the countryside is *to facilitate proposals likely to benefit the rural economy and support rural communities, while protecting or enhancing rural character and the environment*, consistent with strategic policy elsewhere in the SPPS. It specifically states that farm diversification, the re-use of rural buildings and appropriate redevelopment and expansion proposals for industrial and businesses purposes will normally offer the greatest scope for sustainable development and it recognises that such proposals may occasionally involve the construction of new buildings where they can be integrated in a satisfactory manner. Similar to the current approach of PED 2 of PPS 4, the SPPS states that in the interests of rural amenity and wider sustainability objectives, the level of new building for economic development purposes outside settlements must be restricted and it goes on to set out the exceptions to this:-
- A small-scale new build economic development project outside a village or small settlement where there is no suitable site within the settlement. An edge of settlement location will be favoured over a location over a location elsewhere in the rural area subject to normal planning considerations;

- A proposal for major or regionally significant economic development where a countryside location is necessary because of size or site specific requirements. Such proposals should be able to demonstrate a significant contribution to the regional economy and be otherwise acceptable, particularly in terms of their environmental and transport impacts. The SPPS also states that an edge of town location should normally be favoured over a location elsewhere in the rural area.
- 5.4 The policy approach taken in the SPPS is different to PPS 4 in that it is much more simplified. Policy PED 3 and PED 4 are condensed into one paragraph with two bullet points. The SPPS appears to adopt a '*softer*' approach in its wording regarding expansion whereas PED 3 and PED 4 are much more proscriptive whereby 'redevelopment' and 'expansion' are dealt with under separate policies. PED 4 is particularly restrictive in the approach taken to redevelopment of established industrial/business sites for proposals (involving storage and distribution) stating that this would only be permitted in exceptional circumstances. PED 4 also stipulates that where redevelopment would involve an alternative use, this may be acceptable providing it is not retail. The policy approach of PED 5 is dealt with in the SPPS in relation to major industrial development in the countryside within the context of major or regionally significant proposals.
- 5.5 Both policy provisions for PPS 4 and the SPPS do not normally allow for completely new economic development to take place in the countryside and is also restrictive in terms of the extension/expansion of existing businesses. Although this aligns with protecting the character of the countryside, it does not take into account local circumstances where there are some rural businesses operating across the council area. The policy also fails to adequately recognise home grown enterprises, home working as being important aspects of employment generation in the countryside.
- 5.6 There needs to be an acknowledgement that in some areas where there are established businesses, the intrinsic rural character has already been altered and to restrict further business start-ups would be counter-productive. In light of this, there may be circumstances whereby some small-scale new-build workshop type development may be acceptable providing it is in keeping with the character of the area and accommodated within existing buildings or ancillary to the dwelling. Any proposal would also need to meet with neighbouring amenity and infrastructural tests.
- 5.7 Although Policy PED 3 allows scope for expansion, the approach adopted in the SPPS is more flexible. The findings of the Development Management (DM) engagement session on the 2nd March 2017 (Appendix 2) concluded that this policy is rarely exercised as there are very seldom major type proposals coming forward in the countryside. Bearing this in mind, it be contended that this policy

does not need to be altered. An alternative view could be that this policy is considered to be so prohibitive that it acts as a disincentive to developers for large scale, regionally significant developments outside of defined settlements, in which case there may be a need to relax. Similarly, Policy PED 6 is also seldom applied and it is possible that this may be in part to the rigorous criteria and if there was a more permissive policy then this may it might provide more impetus for fledgling businesses in the countryside. PED could be made more flexible by dropping the policy tests particularly for uses which will not have any environmental such as noise, emissions, smell etc.

- 5.8 **ALTERNATIVE 1** - Adopt the existing policies as per PED 2-6 of PPS 4 which are considered to be overly proscriptive when compared to the SPPS. It is felt that this approach would be inflexible and inhibit economic development in the countryside and conflict with the economic objectives of the LDP.
- 5.9 **ALTERNATIVE 2** – A policy which combines elements of PED 2-6 which is tailored and simplified and takes account of the SPPS is the other option. The current suite of policies could be condensed and amalgamated into one countryside policy. This approach would help to meet the local needs of an area allowing for appropriately scaled enterprises such as workshop type ancillary to a dwelling house which are commonplace in the countryside.
- 5.10 **POTENTIAL ALTERNATIVE 2** is the preferred option whereby a simplified policy approach is taken which is more responsive to rural needs and individual circumstances. A suggested wording is as follows:-
- Any proposal for economic development in the countryside will conform with the Plan where they represent firm and not speculative proposals and do not harm the established character of the rural area and where they comprise:-
 - small workshop accommodation for self-employment ancillary to the main dwelling;
 - expansion within the curtilage of an established economic development use which is of an appropriate scale and nature;
 - off-site expansion of an established economic development use, including existing premises beyond the curtilage, where it is demonstrated that relocation of the enterprise is not possible for operational or employment reasons and the proposal makes a significant contribution to the local economy and will not undermine rural character;
 - re-development of an established economic development use or re-use of an existing redundant non-residential rural building;

- a new building as part of a farm diversification scheme where a redundant farm building is not available or there is no suitable building available on the farm;
- major industrial proposals where it is demonstrated that the proposal will make a significant contribution to the regional economy and where it is demonstrated that due to its size or site specific requirements it needs countryside location. Where there are no site specific reasons an edge of town location will be favoured. Where there are no site specific reasons then an edge of town location will be favoured;
- development of a small rural community enterprise/centre, outside of a village or small settlement where the use will be associated with the settlement and where practicable an edge of town location will be favoured.

5.11 It is considered that the simplification of the preferred policy option will enable sound and sustainable economic decisions to be taken across the district.

6.0 PPS 4, PED 7 – RETENTION OF ZONED LAND AND ECONOMIC DEVELOPMENT USES

- 6.1 The key aim of this policy is protect land which has been zoned for economic development from alternative land uses. This is an all-encompassing policy which includes zoned, and established (unzoned) industrial areas. By protecting these lands which largely fall within the main hubs is also to protect future potential of these settlements to grow.

While these are not policies which DM apply on a regular basis, it is considered that in light of the changing economic base within some industrial areas, the existing policy could be potentially inflexible to change. Given that Council is committed to having a planning system which is simplified in terms of policies, zonings and designations and ‘investor ready’, a more relaxed policy which still retains some of the existing themes may be more appropriate.

- 6.2 **ALTERNATIVE 1** – Retain the existing policy which aligns with the strategic position of the SPPS.
- 6.3 **ALTERNATIVE 2** – The modification and simplification of PED 7 which adopts an approach which is not averse to alternative proposals providing that they offer community and environmental benefits. The following could be the basis for the policy wording:-

‘Proposals which will result in the loss of land zoned for industry/economic development (existing or proposed) will be contrary with the Plan unless it is demonstrated that there are important community benefits. Where a change of use of existing economic development land or land last used for that purpose is proposed then it will be acceptable where there is no need to protect it for employment purposes and redevelopment of the land would result in community and environmental benefits.’

7.0 PPS 4, PED 8 – DEVELOPMENT INCOMPATIBLE WITH ECONOMIC DEVELOPMENT USES

- 7.1 PED 8 has been designed to protect existing or approved economic development uses from incompatible development which would compromise future operations. This is particularly important for safeguarding certain enterprises which require a contaminant free environment such as pharmaceuticals and food processing plants. From the review with Development Management (DM), it was considered that this policy is working effectively so no revisions are necessary.
- 7.2 **ALTERNATIVE 1** - Retain policy in current form which will continue to provide adequate protection where there are potential incompatibility issues.

8.0 PPS 4, PED 9 – GENERAL CRITERIA FOR ECONOMIC DEVELOPMENT

- 8.1 PED 9 is considered an important component of PPS 4 and according to DM provides an additional *'checklist'* to the individual policies ensuring that they meet a number of other critical tests associated with things such as neighbouring amenity, flood risk, compatibility, layout, design, traffic movements integration etc. This broadly aligns with General Principles and would also accord with Para. 6.91 of the SPPS which states that *'all planning applications must be assessed in accordance with normal planning criteria relating to such considerations such as access arrangements.....'* Given that these will be contained within the General Principles section of the LDP, it is felt that a separate policy is not necessary.

9.0 CONCLUSIONS & RECOMMENDATIONS

From the review, it is evident that some elements of operational policy PPS 4 need to be tailored in order to meet local circumstances within the urban and rural contexts of the District. It is recommended that the Policy approach will be guided/influenced by the Sustainability Appraisal (SA) which incorporates the Strategic Environmental Assessment (SEA) which will ultimately inform the policy direction taken at Plan Strategy stage.

APPENDICES

Appendix 1 - PPS4 Planning and Economic Development

Strategic Overview

The Regional Development Strategy 2035 (RDS) provides a framework for strong sustainable economic growth across the region and recognises that a growing regional economy needs a co-ordinated approach to the provision of services, jobs and infrastructure. It seeks to promote a balanced spread of opportunities across Northern Ireland through a Spatial Framework that enables strategic choices to be made in relation to development and infrastructural investment. RG1 aims to ensure an adequate supply of land to facilitate sustainable economic growth. The RDS also sets out an Employment Land Evaluation Framework to help enable a council to identify robust and defensible portfolio of both strategic and local employment sites in the PS or LPP.

The Strategic Planning Policy Statement (SPPS) aims to facilitate the economic development needs of Northern Ireland in ways consistent with the protection of the environment and the principles of sustainable development. It sets out regional strategic objectives and policies in relation to economic development, industry and commerce which must be taken into account in the preparation of a development plan document such as the Plan Strategy.

Policy Objectives

The objectives are:

- to promote sustainable economic development in an environmentally sensitive manner;
- to tackle disadvantage and facilitate job creation by ensuring the provision of a generous supply of land suitable for economic development and a choice and range in terms of quality, size and location;
- to sustain a vibrant rural community by supporting rural economic development of an appropriate nature and scale;
- to support the re-use of previously developed economic development sites and buildings where they meet the needs of particular economic sectors;
- to promote mixed-use development and improve integration between transport, economic development and other land uses, including housing; and to ensure a high standard of quality and design for new economic development.

Policy

- PED 1 – Economic Development in Settlements
- PED 2 – Economic Development in the Countryside
- PED 3 - Expansion of Economic Development Use in the Countryside
- PED 4 - Redevelopment of an Established Economic Development Use in the Countryside

- PED 5 - Major Industrial Development in the Countryside
- PED 6 - Small Rural Projects
- PED 7 - Retention of Zoned Land and Economic Development Uses
- PED 8 - Development Incompatible with Economic Development Uses
- PED 9 - General Criteria for Economic Development

Review

This PPS was published in November 2010 and it is considered that there is potential scope for an update of the policies. The Local Development Plan (LDP) will consider issues for e.g. technology advances, uptake of different uses in industrial estates, incubator units, homeworking and economic viability.

APPENDIX 2 - ECONOMIC DEVELOPMENT - MEMBERS WORKSHOP (26th September 2015)

- To help inform the policy approach which will be taken across the District in regard to economic development, a workshop comprising members and council officers was held to examine the current provisions of PPS4 and to explore/identify where the perceived shortcomings and strengths were with a view to tailoring/revising/introducing policies to meet a variety of circumstances across the District.
- Within the urban context and existing zonings, it was felt that there was sufficient land supply within settlements and existing employment lands such as those at Campsey and Maydown should not be *'pared back'*. Lands at Skeoge and Buncrana Road were seen as having future potential.
- The limitations of bringing employment lands closer to the town centre were recognised particularly regarding the incompatibility of heavy plant and machinery movements within built-up areas. That said, it was felt that there was scope for small-scale industrial estates in the town.
- Infrastructural deficits such as the A5 and lack of a train stop at the City of Derry Airport were seen as being obstacles for growth.
- It was felt that the zonings within Castlederg and Newtownstewart have performed well.
- It was considered that the uptake of lands in Sion Mills has been hampered by the recent and nearby Business Park in Strabane and the value of retaining this land questioned. However, it was acknowledged that the Mill may present future opportunities.
- The recurring theme from a rural perspective was that planning policy PED 2 was too restrictive and more businesses should be allowed to locate in the countryside. In addition, it was felt that PED 3 in regard to expansion of existing businesses has been very prohibitive in places such as Plumbridge and Donemana. It was felt that there is a case for larger scale manufacturing in smaller settlements particularly in light of the textile factory which formerly operated in Plumbridge.

**APPENDIX 3 - PPS 4 POLICY REVIEW WITH DEVELOPMENT MANAGEMENT (DM)
- 2nd MARCH 2017**

- Development Management (DM) are responsible for the interpretation and application of the policy provisions of PPS 4 and their input is integral to determining what aspects of this policy needs to be re-examined. The following views will help to inform the various options in the following sections:-

Policy	Comments on Existing Policy Framework	Retain in current form	Amend/Revise
PED 1 (BI Uses)	<ul style="list-style-type: none"> • Recognition by officers that there is a lack of suitable sites within the town core for B1 Uses coupled with heritage constraints. • PED 1 is generally seen as being robust with refusals normally standing at appeal. • Other issues outside of planning influencing town centre trends e.g. rateable values within Town Centres forcing small businesses to peripheral locations. • 'joined-up' approach required to address loss of businesses from town centres. • Few industrial uses to be found within established industrial areas. • New Plan needs to recognise the changing landscape of industrial areas in terms of the 	No	Yes – While current policy PED 1 is considered to be effective, any new plan policy needs to clearly promote a 'town centre first' B1 (b) and (c)employment opportunities but also needs to employ Sequential Test for any large scale office proposals to at least encourage them to locate as close as possible to town centre

	emergence of new uses through re-designation.		
PED 1 (B2, B3 & B4,	<ul style="list-style-type: none"> Policy is seen as being generally adequate 	No	Yes – Future policy should consider scope to allow B2, B4 and B4 uses outside established industrial areas on brownfield sites within settlements subject to meeting wider planning considerations. These would be identified as Economic Development Zonings.
PED 3	<ul style="list-style-type: none"> It was felt that while the policy allows for expansion, the policy wording is quite ambiguous. For example, what constitutes '<i>major expansion</i>', '<i>exceptional circumstances</i>' and '<i>significant contribution to local economy</i>'. Expansion does not adequately take account of ancillary works such as hardstandings which can have a visual impact. Integration test is required. There are very few applications received which relate to expansion. 	No	Yes – Policy wording needs to be refined to address ambiguity. It also needs to clearly address expansion involving ancillary works such as hardstandings etc.
PED 4, 5 & 6	There are very few applications which require to be assessed against these policies.	Yes	

Appendix 4: Industrial Land Statistics

Table 1 Land Take Up Within Zoned Industrial Sites

Settlement	Location	Area Zoned (approx. ha)	Area Remaining Undeveloped (approx. ha)
*Derry (8 sites)	IND 1 Culmore	44.5	42.1
	IND 2 Skeoge	30.2	15.9
	IND 3 Buncrana Road	14.4	10.2
	IND 4 Springtown	4.2	0
	IND 5 Campsey	21.1	13.4
	IND 6 Maydown	79.3	65.3
	IND 7 Newbuildings	13.5	5.6
	MU 1 Iona Park (mixed use)	1.9	0
Derry total		209.1	152.5 (73%)
**Strabane	SE 29.6.1 Dublin Road	4.9	1.3
	SE 29.6.2 Orchard Road	10.5	2.6
Strabane total		15.4	3.9 (25%)
**Castleberg Newtownstewart Sion Mills	CG 57.2 Castlegore Road	2.8	1.6
	NT 77.2 Baronscourt Road	2.1	0.4
	SS 68.2 South of the Mill complex	3.1	3.0
Strabane Local Towns total		8.0	5.0 (63%)
Derry & Strabane total		232.5	161.4 (69%)

Source:

**DOE Industrial Site Surveys 2011 - Strabane

*DOE Industrial Site Surveys 2013 - Derry

Appendix 5: Estimated Remaining Capacity of Unzoned Industrial Land

Settlement	Location	Approx Site Area (ha)	Remaining Capacity	
			Approx Site Area (ha) Undeveloped	Approx Site Area (ha) Vacant
Derry City – City Side	Bay Road	13.2	1.1	0.1
	Lenamore	0.79	0	0.04
9 Sites				
	Northland Road	2.15	0.5	0.2
	Pennyburn	24.04	1.7	6.1
	Rath Mor	1.99	0	0.4
	Seagate	3.96	0	0
	Springtown	35.04	3	3.4
	Ulster Science & Technology Park	4.52	0	0.6
	Fort George	New site - not surveyed		
Derry City – Waterside	Altnagelvin	6.86	0	0.4
5 Sites	Drumahoe	6.43	6.4	0
	Glendermott Road	2.74	0.7	0
	Glendermott Valley Business Park	0.98	0	0.1
	Trench Road, Altnagelvin	0.68	0	0.4
Village and adjacent to village sites	Ardmore	0.69	0	0
7 Sites	Chambers	2.42	0	0
	Claudy	2.05	0	2
	Eglinton –Rural Benbow	3.78	0.9	0.2
	Eglinton Village	5.11	1.5	0.6
	Newbuildings Business Centre	0.18	0	0.1
	Newbuildings – Woodside Rd	2.92	0	2.9
Countryside Sites	Campsie	89.81	25.2	27.3
3 Sites	Maydown	274.12	139.1	3.6
	Longfield	13.23	0.1	0.5
Derry Total Sites		497.69	180.2	48.9
Strabane	Ballycolman Industrial Est	3.9	0	1.2
	Dublin Rd Industrial Est	6.2	0	1.0
	Strabane Business Park	c.8.9	c.8.9	0
Strabane Total Sites		19.00	8.9	2.20
District Total Sites		516.69	189.1	51.1