Rother District Council

Rother District Local Plan 2020 - 2040

Economy Background Paper

Draft (Regulation 18) Version - April 2024

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Contents

1 Introduction

Structure of the Background Paper

1.1 This background paper looks at economic policies and covers a wide range of economic issues. It is divided into three parts.

1.2 The first part of the Paper covers economic policy as a broad topic and includes:

- A summary of relevant legislation relating to planning issues;
- Identification of the overarching national planning policies relating to economic development;
- An overview of the relevant strategic and corporate policy framework;
- Key facts and figures for Rother and the details of relevant SA/SEA scoping report indicators; and
- Results of early consultation and engagement.

1.3 The second part of the Paper covers each issue in relation to the economic development in turn, first detailing the relevant national and local planning policies specific to the topic, then considering evidence studies and concludes with identifying the resulting policy areas and policy options. The economic topics considered are:

- Economic Development Need;
  - Employment Development Need
  - Retail & Leisure Need
- Town Centre Vitality;
  - Town Centre Hierarchy and Designated Areas
  - Retail & Leisure Impact Assessments
- The Visitor Economy and Sustainable Tourism
  - Tourism Activities, Facilities and Accommodation
  - Holiday Sites
- Local Skills Shortages and the Low Wage Economy;
  - Local Employment & Skills Plans
- The Rural Economy;

- Agriculture & Forestry and Agricultural Diversification
- Equestrian Development

1.4 The third part of the Paper considers the Plan's visions and objectives, undertakes a sustainability appraisal, identifies preferred options and undertakes a test of soundness.

2 Legislation

2.1 Since the adoption of the Core Strategy and the Development and Site Allocations (DaSA) Local Plan, significant changes to the Town & Country Planning (Use Classes) Order have come into effect, as of Amendment Regulations September 2021. The major part of these changes is the creation of the new Use Class 'E' for 'commercial, business and service', which incorporates the following previous use classes.

- A1 - Shops
- A2 – Financial and professional services
- A3 – Restaurants and cafes
- B1a – Offices (excluding for uses within use class A2)
- B1b - For research and development of products or processes
- B1c – Industrial processes which can be carried out in any residential area without detriment to the amenity of that area
- Some D1 - Clinics, health centres, creches, day nurseries, day centres
- Some D2 - Gymnasiums, indoor sports or recreations not involving motorised vehicles or firearms

2.2 The incorporation of these previous uses under the new Use Class E, greatly increases the number and range of existing uses which can be interchanged without being considered as 'development', including a number of uses that are not considered to by traditional uses such as day nurseries or gymnasiums. From the viewpoint of planning policy, the range of uses within Use Class E exceed the uses within what the NPPF defines as 'main town centre uses'. In effect, these changes limit the capacity of planning policy to control development within defined centres, both between what the NPPF defines as 'town centre uses', and between town centre uses and non-town centre uses.

2.3 However, these changes have the goal of improving the vitality and viability of town centres in respect of ongoing and future structural changes within the economy, such as changes to shopping and leisure patterns, by enabling them to more easily adapt to changing demands without necessarily having to gain planning permission to do so.

2.4 Meanwhile, the creation of the new 'F.1 – Learning and non-residential institutions' and the new 'F.2 – Local community ' use classes provides a degree of protection for their associated uses, which were formally categorised within the broader use classes of 'D1 – Non-residential institutions' and 'D2 – Assembly and leisure' respectively. In addition, drinking establishments (formerly A4), hot food takeaways (formerly A5), and cinemas, bingo halls/casinos, and dance halls (formerly D2) are all now categorised as 'Sui generis' use classes; which again brings their development further within the control of the local planning authority.

2.5 As with the Use Class Order, the General Permitted Development Order (GPDO), and specifically Schedule 2, part 3 of the GPDO which sets out permitted changes in use, impacts on the level of control that an LPA can have in determining the specific use of land in meeting objectively assessed needs for employment and commercial development.

2.6 The Planning Practice Guidance (PPG) has listed a number of key permitted development rights that impact on economic and town centre uses (Paragraph: 007 Reference ID: 2b-007-20190722):

2.7 Some permitted development rights allow the change of use without any application process. This includes the following:

- from shops to financial and professional services uses, such as a bank;
- from financial and professional services, a betting shop or pay day loan shop to a shop;
- from a betting shop or pay day loan shop to financial and professional services,
- from a restaurant or café, or a hot food takeaway to a shop or financial or professional services;
- from a hot food takeaway to a restaurant or café;
- from a shop, financial and professional services, betting shop or pay day loan shop with two flats above.

2.8 Some permitted development rights allow the change of use without any application process. This includes the following:

- from shops and financial and professional services, a betting shop or pay day loan shop to a restaurant or café;

- from shops and financial and professional services, a betting shop or pay day loan shop to an assembly and leisure use;
- from shops, financial and professional services, a betting shop, pay day loan shop, launderette, and hot food takeaway premises to office use;
- from shops, financial and professional services, a betting shop, pay day loan shop, launderette, and hot food takeaway premises to residential use;
- from amusement arcades / centres or casinos to residential use;
- from offices to residential use.

2.9 Most notably, subject to prior approval, permitted development Class MA allows for development consisting of a change of use of a building and any land within its curtilage from a use falling within Class E (commercial, business and service) of Schedule 2 to the Use Classes Order to a use falling within Class C3 (dwellinghouses) of Schedule 1 to that Order. Significantly for Rother, these forms of development are not permitted in an Area of Outstanding Natural Beauty (AONB), a SSSI, or where land forms part of a listed building or land within its curtilage.

2.10 Furthermore Article 4 Directions can be used to restrict permitted development in certain areas such as Conservation Areas and Primary Shopping Areas.

Spatial Planning

2.11 Since the abolition of Structure Plans and later, Regional Spatial Strategies in 2010, there has been no regional planning policy for housing in England, meaning that it is for Local and Neighbourhood Planning Authorities to implement the requirements of the Framework and PPG.

2.12 There is a form of regional economic strategy, provided through the South East Local Enterprise Partnership (SELEP) which is a body designated by the Government, established for the purpose of creating or improving the conditions for economic growth in the South East area. SELEP comprises the largest LEP area in England outside London in terms of population and economic output, and covers an area encompassing the local authority areas of East Sussex, Essex, Kent, Medway, Southend and Thurrock.

2.13 SELEP's structure is headed by its Strategic Board which is business led, provides clear strategic leadership and sets the shared SELEP priorities. SELEP also operates a federated model of local LEP Boards by geographical area, which allows for decision-making and project prioritisation at a local level. Local businesses and business membership organisations such as the Chambers of Commerce, the Institute of Directors and the Federation of Small Businesses are represented at this level.

2.14 SELEP's Economic Recovery and Renewal Strategy (March 2021) sets out how it will work with partners to support a path to recovery and renewal in the short to medium term. It outlines the opportunities and needs of the SELEP area and the actions to be taken to drive the South East into new economic growth as the country recovers from the COVID-19 pandemic and establishes new ways of working internationally following the EU Transition. It sets out 4 Strategic Priorities, underpinned by 7 key objectives, and 4 guiding principles: (1) Delivering clean growth through boosting local carbon industries while cutting carbon emissions to move to net-zero; (2) Closing the digital divide to build a smart connected South-East; (3) Developing skills to retain and build a labour market needed in a post-pandemic and post-EU economy; and (4) Addressing inequalities to build a fairer and more inclusive economy.

National Policy and Guidance

2.15 National Planning Policy Framework (NPPF), which was most recently updated in December 2023, commits the UK planning system to the achievement of sustainable development. Paragraph 8 of the NPPF identifies sustainable development as having three overarching objectives; these being economic, social and environmental objectives; which are to be perused in ways that are mutually supportive.

2.16 The particular policies within the NPPF that are relevant to the Key Issues that will form the basis of the Local Plan's Economy chapter form part of the Discussion in the Key Issues section later on in this document. The below briefly summarises the most relevant areas of the NPPF for this chapter.

2.17 In order that a Plan be considered 'sound' during Examination, Paragraph 35 of the NPPF includes that plans should provide a strategy to meet the area's objectively assessed needs. In relation to economic issues, Paragraph 20 states that Plans must set out an overall strategy that relates to the provision of employment, retail, leisure and other commercial development.

2.18 Paragraph 22 sets out that strategic policies to meet these objectively assessed needs should look ahead to at least a 15 to the 30 year period from adoption. This requirement most clearly applies to planning for needs relating to the employment uses, namely offices uses, light industrial and industrial, and storage and warehousing. However, in the case of retail and leisure development needs, the Planning Practice Guidance states that assessments of a shorter time frame may be necessary due to the uncertainty in forecasting long-term retail trends and consumer behaviour[1].

2.19 The role of the planning system in assisting the building of a strong and competitive economy and the need for planning policies to "help create the conditions in which businesses can invest, expand and adapt." is set out within section 6 of the NPPF.

2.20 These requirements are detailed in paragraph 86 which sets out that planning policies should:

a) set out a clear economic vision and strategy which positively and proactively encourages sustainable economic growth, having regard to Local Industrial Strategies and other local policies for economic development and regeneration;
b) set criteria, or identify strategic sites, for local and inward investment to match the strategy and to meet anticipated needs over the plan period;
c) seek to address potential barriers to investment, such as inadequate infrastructure, services or housing, or a poor environment; and
d) be flexible enough to accommodate needs not anticipated in the plan, allow for new and flexible working practices (such as live-work accommodation), and to enable a rapid response to changes in economic circumstances.

2.21 Section 6 of the NPPF places a particular emphasis on the role of the planning system in supporting a prosperous rural economy. This is especially relevant for

[1] Paragraph: 004 Reference ID: 2b-004-20190722

Rother as 37.3% of its population reside in the District's rural areas[2], while a further 11% live in the small historic market towns of Battle and Rye. To this end, paragraph 88 sets out that planning policies should enable:

a) *the sustainable growth and expansion of all types of business in rural areas, both through conversion of existing buildings and well-designed, beautiful new buildings;*
b) *the development and diversification of agricultural and other land-based rural businesses;*
c) *sustainable rural tourism and leisure developments which respect the character of the countryside; and*
d) *the retention and development of accessible local services and community facilities, such as local shops, meeting places, sports venues, open space, cultural buildings, public houses and places of worship.*

2.22 Furthermore, paragraph 89 requires that planning policies should "recognise that sites to meet local business and community needs in rural areas may have to be found adjacent to or beyond existing settlements", which are isolated and not easily accessible by public transport or cycling/walking. It is important to ensure that economic development in these circumstances is development is "sensitive to its surroundings, does not have an unacceptable impact on local roads and exploits any opportunities to make a location more sustainable" including taking opportunities to improve accessibility by sustainable transport. The use of previously developed land is also encouraged. Again, this is particularly relevant for Rother, as 82.5% of the District is within the High Weald Area of Outstanding Natural Beauty, in which larger settlements typically limited, and instead features a more isolated settlement pattern of hamlets situated around crossroads and dispersed historic farmsteads.

2.23 The role of the planning system in supporting town centres (including district and local centres) and their position at the heart of local communities is the theme of Section 7 of the NPPF. In particular, this section emphasises the role of the planning system in helping to facilitate the vitality and viability of town centres by taking a positive approach to their growth, management and adaptation. Paragraph 90 sets out that planning policies should,

a) *define a network and hierarchy of town centres and promote their long-term vitality and viability – by allowing them to grow and diversify in a way that can respond to*

[2] 'Rural Areas' as defined in the Core Strategy

rapid changes in the retail and leisure industries, allows a suitable mix of uses (including housing) and reflects their distinctive characters;

b) *define the extent of town centres and primary shopping areas, and make clear the range of uses permitted in such locations, as part of a positive strategy for the future of each centre;*

c) *retain and enhance existing markets and, where appropriate, re-introduce or create new ones;*

d) *allocate a range of suitable sites in town centres to meet the scale and type of development likely to be needed, looking at least ten years ahead. Meeting anticipated needs for retail, leisure, office and other main town centre uses over this period should not be compromised by limited site availability, so town centre boundaries should be kept under review where necessary;*

e) *where suitable and viable town centre sites are not available for main town centre uses, allocate appropriate edge of centre sites that are well connected to the town centre. If sufficient edge of centre sites cannot be identified, policies should explain how identified needs can be met in other accessible locations that are well connected to the town centre; and*

f) *recognise that residential development often plays an important role in ensuring the vitality of centres and encourage residential development on appropriate sites.*

2.24 The Planning Practice Guidance (PPG) notes that a wide range of complementary uses can, if suitably located, help to support the vitality of town centres, including residential, employment, office, commercial, leisure/entertainment, healthcare and educational development. The same is true of temporary activities such as 'pop ups', which will often benefit from permitted development rights (Paragraph: 001 Reference ID: 2b-001-20190722). In establishing the vision for the future of each town centre, strategies should include the most appropriate mix of uses to enhance overall vitality and viability (Paragraph: 004 Reference ID: 2b-004-20190722).

2.25 In the case of planning applications, the Paragraphs 91 - 95 set out that Local planning authorities should apply a sequential test to planning applications for main town centre uses which are neither in an existing centre nor in accordance with an up-to-date plan. Where suitable town centre sites are not available, then edge of centre locations should be sought before out of centre sites are considered. Moreover, preference should be given to accessible sites which are well connected to the town centre when considering edge of centre and out of centre proposals. In order that all opportunities to utilise town centre or edge of centre sites are fully explored, Local Planning Authorities should demonstrate flexibility on issues such as format and scale. At the same time, the Planning Practice Guidance notes that as part of the application of the sequential test it should be observed that certain main town centre uses have particular market and locational requirements which mean that they may only be accommodated in specific locations.

2.26 Proposals for small scale rural offices or other small-scale rural development are excluded from the application of the sequential test for town centre uses.

2.27 The case of applications for retail and leisure developments that are outside of town centres, the NPPF states that in the assessment of such applications local planning authorities should require an impact assessment if the development is over a proportionate, locally set floorspace threshold. If there is no locally set threshold, the default threshold is 2,500m2 of gross floorspace. The requirements of an impact assessment are set out in Paragraph 94.

2.28 Brownfield Land Registers contain details of previously-developed land that is suitable for housing development, which may help in identifying land in and around town centres that could be used for homes.

Regional Policy

<u>SELEP's Economic Recovery and Renewal Strategy</u>

2.29 Since the abolition of Structure Plans and later, Regional Spatial Strategies in 2010, there has been no regional planning policy for housing in England, meaning that it is for Local and Neighbourhood Planning Authorities to implement the requirements of the Framework and PPG.

2.30 There is a form of regional economic strategy, provided through the South East Local Enterprise Partnership (SELEP) which is a body designated by the Government, established for the purpose of creating or improving the conditions for economic growth in the South East area. SELEP comprises the largest LEP area in England outside London in terms of population and economic output, and covers an area encompassing the local authority areas of East Sussex, Essex, Kent, Medway, Southend and Thurrock.

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2.32 SELEP's Economic Recovery and Renewal Strategy (March 2021) sets out how it will work with partners to support a path to recovery and renewal in the short to medium term. It outlines the opportunities and needs of the SELEP area and the actions to be taken to drive the South East into new economic growth as the country recovers from the COVID-19 pandemic and establishes new ways of working internationally following the EU Transition. It sets out 4 Strategic Priorities, underpinned by 7 key objectives, and 4 guiding principles: (1) Delivering clean growth through boosting local carbon industries while cutting carbon emissions to move to net-zero; (2) Closing the digital divide to build a smart connected South-East; (3) Developing skills to retain and build a labour market needed in a post-pandemic and post-EU economy; and (4) Addressing inequalities to build a fairer and more inclusive economy.

The High Weald Area of Outstanding Natural Beauty (AONB) Management Plan 2019-2024

2.33 While the High Weald AONB Management Plan (hereafter 'Management Plan') does not form part of the statutory Development Plan, national planning policy affords a significant level of protection for National Landscapes (Defined by the NPPF as AONBs). Paragraph 176 of the NPPF states that great weight should be given to conserving and enhancing landscape and scenic beauty in Areas of Outstanding Natural Beauty which have the highest status of protection in relation to these issues. Where 82.5% of Rother District is within the High Weald AONB, the Management Plan, which identifies the components of natural beauty within the

AONB and sets out planning objectives in relation to the conservation of these components, is therefore a material planning consideration.

2.34 The AONB is characterised by dispersed historic settlements of farmsteads and hamlets, and late Medieval villages founded on trade and non-agricultural rural industries, and is described by the Management Plan as being one of the best surviving Medieval landscapes in Northern Europe. 'There are a total of 17 market towns and villages within the High Weald, including Burwash, Robertsbridge, Salehurst, Wadhurst, Cranbrook and Frant in the 13th century, and for Ticehurst, Lamberhurst, Heathfield, Rotherfield and Hawkurst in the early 14th century. Beyond these larger market villages and towns, forms of economic development would have consisted in farmsteads or hamlets occurring around the junction of routeways or small commons (which became greens or forstals), or as clusters of cottages serving a particular industry – land-based industries, such as iron works and pasturing of pigs, hop production, etc. Many of these industries that shaped the High Weald may not exist today.

2.35 However, the Management Plan notes that while the High Weald AONB is an increasingly broad economic base, it retains a significant land-based sector, and accompanying community life, in economic activities such as mixed farming (particularly family farms and smallholdings), woodland management and rural crafts. The Management Plan also identifies how a strong rural community life is supported by networks of accessible local services and amenities, found in small towns and villages. A number of figures illustrate this rural economy: "forestry and fishing account for 13% of businesses (employing 8% of the workforce) compared with 3% in the South East (employing 1% of the workforce)" while "38% of employment is in micro businesses compared with 17% in the South East".

2.36 Notwithstanding these economic activities, these traditional industries are being impacted by the declining affordability of housing in rural areas for land-based workers, as well as the fragmentation of farmsteads with the conversion of agricultural buildings to residential use resulting in a loss of the agricultural/economic functional relationship with land. Closures and cuts to rural facilities, including bus services, Post Offices, village shops and banks, is also a significant issue for the viability of rural communities.

2.37 Following these concerns, the Management Plan sets out a number of Objectives. The below objectives are considered to be those relevant to the brief. brief:

Objective S1: To reconnect settlements, residents and their supporting economic activity with the surrounding countryside.
Proposed Actions: "Preferentially select goods and services which support AONB landscape conservation in procurement decisions e.g. locally produced food, fuel, fencing, timber for construction" and to "Provide guidance on affordable housing provision and homes for rural workers"

Objective LBE1: To improve returns from, and thereby increase entry and retention in, farming, forestry, horticulture and other land management activities that conserve and enhance natural beauty.
Proposed Actions: "Engage positively with mechanisms, such as community land trusts, capable of delivering truly affordable housing and housing tailored to the specific needs of land-based workers"; "seek to retain capacity for land management within farmsteads"; and "resist removal of agricultural occupancy conditions"

Objective LBE2: "To improve amenities, infrastructure (including the provision of appropriate affordable housing), and skills development for rural communities and related sectors that contribute positively to conserving and enhancing natural beauty."
Proposed Actions: "Seek an in-depth understanding of and creative solutions to rural housing needs"; "seek to support homeworking and co-working particularly related to land-based industries"; "support improved digital connectivity across rural areas"; "embed the needs of rural workers within delivery of affordable housing provision"; "work together to plan for appropriate scale and type of development to ensure continuing vitality of local communities and viability of community services"; and "seek to retain and support rural services and amenities including bus services, village shops and post offices"

2.38 Taking these objectives and proposed actions, the Management Plan sets out the following policy options that should be incorporated into Development Plan policy where appropriate:

- Policy that conditions the use of local materials in the construction of new buildings.
- Enhancement of existing affordable housing and rural exception site policy, including policy that facilitates the promotion of community land trusts.
- Support home-work units.
- Support increased broadband rollout.
- To promote the range of facilities and services in rural areas, while supporting the continuation of existing businesses. This may require policies that resist the new Use Class E, as well as certain permitted development rights where possible.

South East Inshore Marine Plan 2018

2.39 The South Marine Plan applies national policies for planning within the inshore and offshore waters between Folkestone in Kent and the river Dart in Devon. Through its strategic approach, it looks to ensure the optimisation of the marine area's natural capital, while realising greater protection of vulnerable habitats and species, and natural defences against climate change and flooding, as well as improving the well-being of coastal communities and supporting a stronger marine economy.

2.40 The Marine Plan is produced by the Marine Management Organisation (MMO), who are a statutory consultation body for local plans. They are also a relevant duty to cooperate partner, and it is incumbent on the Local Planning Authority to ensure that its local plan accords with the policies of the marine plan.

County Policy

East Sussex County Council has produced a Local Transport Plan (LTP3)

2.41 East Sussex County Council has produced a Local Transport Plan (LTP3), which sets out how the County Council plans to improve transport and maintain the roads between 2011 and 2026. LTP3 includes plans for regeneration and development in priority areas such as Bexhill and Hastings, and also plans for transport in Battle, Rye and rural Rother. Its aim is to develop an effective, well managed transport infrastructure with improved travel choices, contributing to achieving the following high-level objectives: improving economic competitiveness and growth; improving safety, health and security; tackling climate change; improving accessibility and enhancing social inclusion; and improving quality of life.

East Sussex Wase and Minerals Plan (2013)

2.42 The East Sussex Waste and Minerals Plan (2013) sets out the strategic policy decisions for waste and minerals in the Plan Area. This Plan forms part of the 'Development Plan' covering East Sussex, part of the South Downs and Brighton & Hove. The East Sussex, South Downs and Brighton & Hove Waste and Minerals Sites Plan was adopted 2017. It highlights industrial sites in which waste related development will be supported highlighting the Queensway industrial areas and including:

- SP-S/A Burgess Road, Hastings is an allocated industrial site within High Weald AONB and which may need to be developed in conjunction with land in adjoining Rother District (p76). However, a planning application for industrial units (B1/B2/B8) has been granted for the combined Burgess Road Site and is currently a commitment for development on this site (planning conditions for this development are currently being discharged).
- SP-S/B Ivyhouse Lane Extension, Hastings is a greenfield site within High Weald AONB, allocated in both Hastings and Rother Local Plans for industrial development, but is identified for industrial type development subject to resolution of access and landscape matters (p79).
- Land north of Sidley, Rother is an area allocated for business development by Rother District Council dependent upon completion of BHLR and construction of Bexhill Gateway link (p82). However Rother District expressed concern about this site as it was an allocated strategic high quality business area. Outline permission has now been approved at Bexhill Enterprise Park North for up to 33,500sq.m of business floorspace on all of this site allocation.

2.43 Safeguarded Waste Sites (highlighted in Appendix B) include the following sites:

- Rother: Brett Concrete Works (Unit 1), Brett Drive, Bexhill; Church Fields, Rye Harbour Road, Rye; Hole Farm, Westfield; Mountfield HWRC; and Pebsham HWRC & WTS
- Hastings: Whitworth Road, Hastings Woodland House' and Ponswood Ind. Estate, Hastings

2.44 The plan also identifies the following 'Mineral Safeguarding Areas' in Rother:

- Gypsum: Brightling Mine/Robertsbridge Works, Mountfield;
- Sand and Gravel: Scotney Court Farm, Jury's Gap Road, Camber, near Lydd Scotney Court Extension and Wall Farm
- Clay: Ashdown Brickworks, Bexhill, Hastings Brickworks, Guestling, Aldershaw Farm, near Hastings

2.45 Safeguarded facilities for concrete batching include: Hanson Concrete, Sedlescombe Road North, in Hastings and Brett Concrete Works, Brett Drive, Rother.

2.46 Safeguarded Wharves include: Port of Rye safeguarded wharves and Robertsbridge, British Gypsum railhead safeguarding area.

2.47 The East Sussex Waste and Minerals Plan (2013) is currently being reviewed in partnership with Kent County Council and the South Downs National Park authority.

2.48 The Kent Minerals and Waste Local Plan 2013-2020 borders Rother district. Both Councils have examined the plan and presently there are no proposed impacts or issues, but Rother District will continue to engage with Kent County Council regarding such matters moving forward, primarily in relation to the implementation of its SARMS mitigation for the Dungeness complex of Natura 2000 site.

Adopted Local Policy

Core Strategy

2.49 The Core Strategy (Adopted 2014) sets the overall vision, objectives and spatial strategy for the Development Plan for Rother District up to 2028.

2.50 The Core Strategy identifies 10 strategic development issues for the District. Of these 10, the following are directly concerned with issues of employment and commercial development:

- Securing economic improvement

- Delivering affordable housing to meet all needs (a high house price / earnings affordability ratio is a directly related to low earnings within the locality)
- Better access to jobs and services

2.51 The Core Strategy sets a vision for economic improvement which prioritises greater economic and social well-being to facilitated by better access to jobs and services for both urban and rural areas. Economic improvement is also identified as significant for the regeneration of the coastal towns of Bexhill and Rye. It was considered that joint working with neighbouring Hastings to be essential for the delivery of economic goals.

2.52 Given the rural and coastal location of much of the District, improved connectivity including transport and telecommunication networks is a significant factor in this vision. As it is, the District's poor connectivity and infrastructure is a factor of local geography.

Fostering economic activity and growth

2.53 As a consequence of being formed of coastal communities and isolated rural areas, Rother and the local economic market which includes Hastings, has significant levels of economic deprivation. The Core Strategy looks to foster economic activity and growth through:

- Investment in education, training and development, especially in areas of lower attainment levels and skill levels; as well as the promotion of vocational training and skills.
- Collaborative working between education, training, business and inward investment agencies.
- Prioritisation of transport infrastructure investment.
- Facilitating investment in high quality ICT connections.

Employment floorspace

2.54 The Core Strategy set the following approximate development targets for gross additional employment floorspace as part of its overall spatial strategy for the plan period 2011 - 2028:

Figure 1: Development targets for gross additional employment floorspace

Bexhill	At least 60,000 sqm*
Hastings Fringes	At least 3,000 sqm
Battle	At least 10,000 sqm
Rye	At least 10,000 - 20,000 sqm
Villages	At least 10,000 sqm
Total	**At least 93,000 – 103,000 sqm**

*a significant proportion of this increase in floorspace was subject to the delivery of the Bexhill Hastings Link Road.

Town Centres

2.55 The Core Strategy looks to maintain the retail function of town centres. It also prioritises retail development in town centres over other locations where possible.

2.56 Indeed, each of the town centres are identified as having potential for further retail capacity. A proportion of the above employment development targets are identified for Town Centre / edge of centre development, including: 1,650sqm convenience floorspace within or adjacent to Rye Town Centre, 1,000 sqm additional retail floorspace within or adjacent to Battle Town Centre, and 2,000sqm convenience goods and 4,000sqm comparison goods floorspace in edge of Town Centre retail expansion in Bexhill.

Support for identified key sectors, including tourism

2.57 Regard is given to key sectors, notably "enviro-industries", engineering, financial and business services and other growth and knowledge-based businesses, and those that are directly related to sensitive land management. The Core Strategy considers these sectors to be vital to the local economy and/or to have the potential to contribute significantly to future economic growth.

2.58 Tourism is identified as representing a significant contribution to Rother's economy. The Core Strategy aims to support proposals relating to tourism activities and facilities, including the increased supply and retention of tourism accommodation; the support of coast-based activities; and, the promotion of local produce from land-based industries.

Development and Site Allocations (DaSA) Local Plan

2.59 The Development and Site Allocations ("DaSA") Local Plan is effectively "part two" of the Council's Local Plan. It has been prepared to be in general conformity with the Core Strategy and fits within the same plan period up to 2028. Where the Core Strategy sets out the overall vision and strategy for the District, including development targets, the DaSA Local Plan provides spatial expression for this strategy through site allocation policies. Relevant DaSA policies include the following:

Policy BEX1: Land at Levetts Wood and Oaktree Farm, Sidley, Bexhill – allocation of 33,500sqm of business floorspace (formerly Class B1)
Policy BEX14: Land south-east of Beeching Road, Bexhill - allocation of 2,000sqm of convenience floorspace, and if practicable the inclusion for the provision of office units
Policy HAS3: Land north of A265, Ivyhouse Lane, Hastings – allocation of 1,800sqm of business floorspace
Policy RHA2: Harbour Road Employment Area – This policy defines an industrial area suitable for further business development (for former Use Classes B1, B2 and B8)
Policy MAR1: Land at Felon's Field, Marley Lane – allocation of 3,000sqm of business floorspace

2.60 In addition, two policies define areas within Bexhill Town Centre, in order to protect against the loss of town centre uses while also giving priority to retail and associated services, these being:

- Policy BEX12: Bexhill Town Centre
- Policy BEX13: Bexhill Town Centre Primary Shopping Area

2.61 Also relevant is Policy DEC3, which seeks to secure the effective use of existing employment sites by prioritising their existing use, permitting their intensification, conversion or redevelopment of existing sites. Finally, if unviable, continued use may be facilitated by complimentary enabling development. The approach to demonstrating if there is a reasonable prospect of continued employment use is set out in DaSA Policy DCO1.

Neighbourhood Plans

2.62 There are also a number of Neighbourhood Plans in place throughout the District. Neighbourhood Plans form part of the Development Plan and sit alongside the DaSA in general conformity with the Core Strategy. While they contain a number of economic planning policies, these policies are non-strategic.

3 Strategic/Corporate Policy Framework

Corporate Plan

3.1 The new Rother Corporate Plan (2020-2027) was adopted by Full Council on 5 July 2021. The Corporate Plan provides the strategic direction for the Council and shapes the work programmes and service plans of officers throughout this time period. It sets out 10 priority objectives. Those of particular relevance to employment and economic development include:

- To rectify the financial deficit and bring the Council to a secure financial footing by the end of 2025/26.
- To build a fairer society by promoting acceptance and equality in the District, developing an Anti-Poverty Strategy to improve existing support services and identifying new ways of working in collaboration with the voluntary sector to reduce poverty and hardship within the District.
- To lift the average indexed wage in the Rother District from the bottom of the national league table by the end of 2023. Two actions identified in respect of this aim are:
  - The completion of Council-Led Commercial Developments increasing employment levels in the District.
  - The development of new space to encourage growth of the creative sector in the District.

Strategy Documents

East Sussex Economy Recovery Plan: East Sussex Reset[3]

3.2 East Sussex County Council commissioned consultants to produce an East Sussex Recovery Plan on behalf of Team East Sussex (TES), the local federated board for the South East Local Enterprise Partnership (SELEP). The county-wide plan, titled; East Sussex Economy Recovery Plan12, was published in September 2020. The Economy Recovery Plan focuses on businesses, skills and employment in a post

[3] East Sussex Economy Recovery Plan: East Sussex Reset | East Sussex County Council

COVID-19 landscape. The plan also supports other activities being progressed at a local level, including climate change and health and wellbeing initiatives. The Economic Recovery Plan identifies six missions to support the East Sussex economy and livelihoods:

- Mission 1: Thinking local, acting local
- Mission 2: Building skills, creating jobs
- Mission 3: Fast-forwarding business
- Mission 4: Better places, fuller lives
- Mission 5: Cleaner energy, greener transport
- Mission 6: The future is digital

3.3 A new East Sussex Economic Growth Strategy is due to be published in 2024.

Rother District Economic Recovery Action Plan[4]

3.4 Rother District Council has been consulted throughout this process and the TES plan has guided the development of Rother's own Economic Recovery Action Plan (ERAP). To ensure consistency, the ERAP reflects the headline ambitions set out in the county plan, but with local targets and actions related to local needs and priorities. It sets out six broad ambitions, namely thinking local, acting local; building skills, creating jobs; fast-forwarding business; better places, fuller lives; cleaner energy, greener transport; and the future is digital.

Climate Strategy 2030

3.5 The Council's Climate Strategy builds on the previous Environment Strategy which was produced in 2020 after the Council declared a climate emergency. The Climate Strategy sets out how the Council will use its powers and influence to make the district climate-resilient, and reduce emissions to net zero, by 2030. It sets out five objectives which cover:

- Buildings and Energy Efficiency
- Transport

[4] cb201102 - 10 - Appendix 1.pdf (moderngov.co.uk)

- Resource Consumption and Waste
- Biodiversity and Land Use
- Energy Generation

3.6 Each of these objectives contains output mechanisms with which the objectives can be achieved. Many of these can be achieved through the planning system, such as supporting sustainable forms of transport which can be a positive for health and wellbeing.

Climate Action Plan 2023–26[5]

3.7 Our Climate Action Plan 2023-26 has been produced to direct delivery of the Climate Strategy. It is a live document and subject to change. Action planning for 2027-2030 will be presented in due course taking into consideration progress on the present Climate Action Plan 2023-26 and changes in technology.

The Rother Environment Strategy 2020-2030 (Superseded by the Climate Strategy: 2030)

3.8 Rother District Council has declared a Climate Emergency with the ambitious target of being carbon, and other noxious gas, neutral by 2030. The Rother Environment Strategy 2020-2030 was adopted in 2020. It identified a number of Strategy Priorities to contribute to meeting the Carbon Neutral target. In respect of Rother's economy, its objectives included:

- Becoming a smart digital district. Among other measures, this includes improving digital connectivity, including the rollout of 5G to support changing working patterns that enable environmental improvements.
- Green economy. In a green economy, growth in employment and income are driven by public and private investment into such economic activities, infrastructure and assets that allow reduced carbon emissions and pollution, enhanced energy and resource efficiency, and prevention of the loss of biodiversity and ecosystem services.

[5] Climate Action Plan 2023 – 26 – Rother District Council

4 Facts and Figures

Key Facts for Rother

Geographical / environmental

4.1 Rother District covers some 200 square miles, and has approximately 18 miles of coastline. Much of the land area within the district is highly constrained in respect of new development. Some 82.5% of the District is located in the High Weald Area of Outstanding Natural Beauty (AONB), while a further 7% of the district not in the AONB is either nationally or internationally designated for its nature conservation value. Furthermore, the low-lying and coastal nature of the district makes it particularly vulnerable to flooding.

Population and household change

4.2 Rother's population is growing and ageing. Between 2008 and 2022, Rother's overall population increased by 4.48%. However, the number of residents in Rother aged 65 and over increased by over 22.9% in the same time period, while the number of Rother's 30-44 year old residents decreased by 9.4%. Trend-based population projections (2020-2040) find that the overall population will continue to increase, with the increase in residents aged over 75 particularly significant, but also that numbers in the younger age groups will decrease.

Transport

Roads

4.3 Strategic accessibility within the district is relatively poor, particularly in terms of journey times to London and access to regional centres such as Gatwick, Ashford and Brighton. The main strategic road network that serves the district consists of the A27/A259 corridor along the south coast and the A21 linking Hastings and the eastern part of Rother district to the M25, London and beyond. The lack of efficient strategic road infrastructure has impacted on the economic competitiveness of

Rother and Hastings and has brought about relatively low levels of inward investment compared to the rest of the South East.

4.4 The recent construction of the Bexhill to Hastings Link Road (completed 2015), now called Combe Valley Way (A2690), which provides an alternative route between the two towns and has helped to reduce congestion on the A259 and benefitted the economy by improving access to homes, jobs and essential services as well as releasing land for significant employment and housing development in the area. The scheme was funded by the Department for Transport and East Sussex County Council.

4.5 A further major scheme: the North Bexhill Access Road (completed March 2019), which provides a link between Combe Valley Way and the A269 and opens up additional land for development.

4.6 An upgrade to the A21 that created a dual carriageway between Tonbridge and Pembury, to the north of the district, was completed in 2017.

4.7 With the majority of District being very rural, there are a large number of isolated settlements that are connected by narrow and winding country lanes. This means that access to employment centres is problematic for large sections of the District, which is compounded by limited bus services, especially in the rural areas. Bus services are however more frequent in Bexhill and between Bexhill and Hastings.

Rail

4.8 Rail connectivity consists of two lines, with connections to London being strategically the most significant in the district. The main economic and population hubs along the East Sussex coastal strip, including Bexhill, are linked by the East Coastway route which also connects to the regionally important centres of Gatwick and Brighton and onto Ashford with its high-speed rail link into London and onto mainland Europe. This line also connects to London Victoria via Eastbourne, however this forms a journey time of over two hours. The second line runs north from Hastings, and connects a number of rural villages within Rother to Tunbridge Wells and onto various London termini, taking just over one hour and 40 minutes, although journey times do vary.

4.9 The rail network and standard of train services in the county are severely restricted by shortcomings in the infrastructure; for example, sections of single track, inadequate signalling, and routes which cannot accommodate electric trains. Services are also limited by capacity restraints on the approaches to the London termini.

4.10 Rother District Council, together with Hastings Borough Council and East Sussex County Council, has consistently sought electrification and further dualling of the East Coastway track beyond Hastings to Ashford, as well as service improvements. This could include an extension of the High Speed (HS1) rail service into Bexhill via Hastings and Rye in order to form a quicker service to London, however this remains aspirational as there are currently no plans in place for this to go ahead.

Household change

4.11 Trend-based calculations predict that the number of households in Rother is set to increase by 20.2% between 2020 and 2040. The average size of household, which is already low compared to the national average, is expected to reduce by 7%.
Source: East Sussex in Figures

Employment

Total Gross Value Added (GVA), 2011-2021

4.12 The size of Rother's economy according to Total Gross Value Added (GVA) which has been adjusted for inflation, 2011-2021. GVA is a measure of the increase in the value of the economy due to the production of goods and services. This data shows that Rother's GVA, as an indicator for economic growth, increased by 43.5% between 2011 and 2021, which compares closely to the regional South East increase in GVA of 36.7% for the same time period.

Figure 2: Total Gross Value Added (GVA) (£million), 2011-2021

Year	2011	2013	2015	2017	2019	2021
Rother	1,015	1,064	1,227	1,251	1,320	1,457
South East	220,565	236,382	256,231	271,527	296,182	301,524

Source: East Sussex in Figures

Business enterprises in Rother by size of business, 2011-2023

4.13 The data presents an overall increase in the number of micro and small businesses, however their number appears to have peaked in 2017 from which numbers have slightly decreased. The number of large and medium sized businesses does not show any particular trend, and does not explain the 32.2% increase in GVA as identified in Figure 3. The number of large businesses has not changed.

Figure 3: Business enterprises in Rother by size of business, 2011-2023

Business size (no of employees)	2011	2013	2015	2017	2019	2021	2023
Micro (0 to 9)	3,315	3,350	3,715	3,790	3,785	3,725	3,735
Small (10 to 49)	235	270	310	330	325	305	325
Medium-sized (50 to 249)	45	50	50	50	55	50	50
Large (250+)	10	10	10	10	10	10	10

Source: East Sussex in Figures

Business survival rates in Rother, 2011-2021

4.14 The below data indicates a clear reduction in business survival rates between 2011 and 2021. It is difficult to discern an overall trend, and does not explain the increase in GVA shown in Figure 4.

Figure 4: Business survival rates, 2011-2021

Business start year	2011	2013	2015	2017	2019	2021
1 year	95.8	96.9	91.7	95.9	95.9	96.3
2 years	79.2	78.1	76.2	79.7	80.8	-
3 years	65.3	63.5	63.1	66.2	63	-
4 years	54.2	54.2	53.6	59.5	-	-
5 years	47.2	43.8	45.2	54.1	-	-

Source: East Sussex in Figures

Income, employment and education, skills & training deprivation, 2015-2019

4.15 The below table (Figure 5) shows Rother's national rank amongst 317 Local Authorities within the UK for the indicators of Income, employment and education/skills/training. A rank of "1" is equal to the most deprived of the 317. The data is obtained from the two most recent recordings of the Indices of Deprivation (2015 & 2019). The data generally shows Rother to be above the national average for deprivation in these indices. Change since 2015 is mixed, with positions for income and employment deteriorating slightly, while education, skills & training shows improvement.

Figure 5: Income, employment and education, skills & training deprivation, 2015-2019

Year	2015	2019	Change
Income	144	134	-10
Employment	114	105	-9
Education, skills and training	128	151	23

Source: East Sussex in Figures

Average (median) earnings – workplace and residence based, 2022

4.16 Workplace-based earnings are based on where the employee works, whereas residence-based earnings are based on where the employee lives. Both sets of data show Rother to have substantially lower wages than regional averages, although average residents-based earnings in Rother are higher than its average workplace-based earnings. It is notable that average wages earned in East Sussex are lower than regional or national averages, while Rother has the lowest average wages in the County. The overall data indicates that there is a deficit of higher paid jobs in Rother, while the relatively higher residence-based earnings suggest that out-commuting to higher paid jobs is an important component of average household income.

Figure 6: Average (median) earnings – workplace-based, 2022

Geography	Mean Weekly Earnings (£)
England	537
South East	550
East Sussex	463
Rother	453

Source: East Sussex in Figures

Figure 7: Average (median) earnings – residence-based, 2022

Geography	Mean Weekly Earnings (£)
England	537
South East	569
East Sussex	500
Rother	516

Source: East Sussex in Figures

Population that is economically active, 2017/18 - 2022/23

4.17 The population that are economically active includes all people aged 16-64 who are either in work and those who are unemployed but are seeking work. According to the figures, Rother has seen an overall increase in both the number and the proportion of the population that is economically active since 2017/18. Rother's number and proportion of economically active residents looks to have peaked in 2020/21, whereby it overtook the wider South-East region in terms of the proportion who are economically active. However, both the number and proportion saw a reduction the following year, with the proportion matching regional levels. The timing of this recent drop somewhat coincides with the COVID pandemic.

Figure 8: Population that is economically active –proportion, 2015/16 - 2020/21

Year	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Rother	75.8	75.4	81.8	84.6	80.8	80.0
South East	81.2	81.1	82.3	81.1	81.0	80.7

Source: NOMIS

Employment by industry in Rother District, 2021

4.18 The below dataset shows the breakdown of employment by industry in Rother District as of 2021. This breakdown is given in the number of persons employed in each industry, and that number as a percentage of the total. The largest single sources of employment are health and social work, and repair of motor vehicles and motorcycles, which together represents over 14.5% of all employment, with accommodation and catering being the third highest which represents the significance of tourism within the local economy.

Figure 9: Total Gross Value Added (GVA), 2021

Industry	Number	Percentage
Agriculture, fishing, mining and utilities	1500	4.8
Manufacturing	1250	4
Construction	2250	7.3
Wholesale and retail trade; repair of motor vehicles and motorcycles	4500	14.5
Transportation and storage	800	2.6
Accommodation and food service activities	4000	12.9

Information and communication	450	1.5
Financial and insurance activities	2500	8.1
Real estate activities	700	2.3
Professional, scientific and technical activities	1750	5.6
Administrative and support service activities	1750	5.6
Public administration and defence, compulsory social security	500	1.6
Education	2500	8.1
Human health and social work activities	4500	14.5
Arts, entertainment and recreation	600	1.9
Other service activities	1500	4.8
Total	31,000	100

Source: East Sussex in Figures

Qualifications as a percentage of working age population, 2020

4.19 This dataset shows the percentage of the working age population of England, the south-east region, Hastings and Rother, in 2020. Both Hastings and Rother exhibit noticeably higher rates of no qualifications compared to the regional and national figures. This comparison is reversed for the proportion of the working age population that are qualified to at least a level 3 or 4. Rother shows a significantly smaller proportion with NVQ3 only, while having a high rate of trade apprenticeships compared to the other geographical units. 2020 is shown as it is the latest year with District level data for trade apprenticeships.

Figure 10: Total Gross Value Added (GVA), 2020

Geography	No qualifications	Qualified to at least level 3	Qualified to at least level 4	Trade Apprenticeships	NVQ3 only
England	6.2	61.3	42.8	2.7	17.2
South East	4.9	63.5	44.9	2.4	17.4
Hastings	11.2	48.2	29.1	2.8	17.7
Rother	9.3	46.3	34.8	5.7	8.6

Source: East Sussex in Figures

Rother Tourism business turnover in (£000), 2017 - 2020

Figure 11: Rother Tourism business turnover in (£000), 2017 - 2020

Year	2016	2017	2018	2019	2020
Total business turnover	345,242	329,178	341,369	354,695	122,705

Source: Rother Tourism Stats

4.20 It is difficult to identify a definite trend between 2016 and 2020 for total business turnover, for while 2019 saw an increase from the figure in 2016, the figures for both 2017 and 2018 are both lower than 2016. The figure for 2020 is not especially useful for the purposes of an overall trend, as its significant drop from previous years can be attributed to the unique situation of the COVID-19 pandemic. Excepting 2020, 2019 represents a slight increase in total business turnover from tourism of 2.7%.

Rother Tourism visitor numbers, 2017 - 2020

Figure 12: Rother Tourism visitor numbers, 2017 - 2020

Year	2016	2017	2018	2019	2020
Visitor numbers	6,406,316	6,285,000	6,366,700	6,237,000	4,636,000

Source: Rother Tourism Stats

4.21 As with turnover from tourism, it is difficult to identify a trend for the total number of visitors to Rother between 2016 and 2020, especially with 2020's outlier figure due to the COVID-19 pandemic. If we again exclude the 2020 figure, 2019 saw a 2.6% reduction in visitor numbers from 2016, although this does not correlate with the 2.7% increase in total turnover observed for the same period as in Figure 11.

Claimant counts (combining JSA and UC), April 2021 – April 2023

4.22 This dataset shows the number of claimants of Jobseeker's Allowance and those claimants of Universal Credit who are in the 'searching for work'. It is used as an indicator for unemployment levels. The significant decrease in this rate since 2021 is explained by the COVID-19 pandemic. It is interesting that in spite of the district's lower average earnings, the below figures would indicate that Rother has lower levels of unemployment (according to this indicator) than county and national levels.

Figure 13: Claimant counts, 2021-2023

Year	2021	2022	2023
England	6.3	3.9	3.8
South East	5.1	3	2.9
East Sussex	6.3	3.9	3.6
Rother	5.8	3.6	3.4

Source: ESiF

Current position - employment floorspace: delivery and supply – 2022/23 Position Statement

4.23 As noted in Section 1 above, the Core Strategy set a target for the delivery of 100,000 sqm of additional employment floorspace between 2011 and 2028, equivalent to 5,882 sqm per annum.

4.24 According to the Local Plan Monitoring report in 2021 December, against the target to deliver 100,000 sqm of employment floorspace by 2028, Rother has only achieved a total net floorspace increase of 29,455 sqm; leaving an outstanding requirement of 70,545 sqm. Indeed, Bexhill has seen a net loss of 75 sqm since 2011, due to the potential increased profitability of alternative uses, facilitated in particular by Permitted Development rights enabling the conversion of employment land into residential without the need for planning permission.

4.25 However, gross employment floorspace completions for Rother since 2011 have been somewhat more positive, showing a total of 58,693 sqm completed to date, which equates to an average some 4,891 sqm per year and not far off the annualised average level of 5,882 sqm required in the Core Strategy.

4.26 Despite the relatively slow growth in employment floorspace to date, the outlook is expected to improve in the coming years as several of the larger employment sites have commenced construction. The amount of net additional employment floorspace currently under construction equates to some 35,269 sqm. In addition, there is 28,529 sqm of net employment floorspace on sites with planning permission.

4.27 The outline permissions (RR/2013/2166/P & RR/2014/2733/P) at Bexhill Enterprise Park have now expired and those parts without Reserved Matters approval, equating to some 14,932 sqm, are still expected to come forward as they remain in Sea Change Sussex's ownership.

4.28 When taking commitments into account, including the sites identified at Bexhill Enterprise Park, it can be seen therefore that, overall, the district is on track to meet the development target of at least 100,000 sqm additional employment floorspace, as set out in the Core Strategy. The 2022/23 Employment Land Supply Position Statement states that 125,443 sqm of employment space is either completed, under construction, or committed.

Town centre uses[6] floorspace

4.29 There has been a net overall loss of floorspace for town centre uses of 670 sqm since 2011. This includes an increase of 1,438 sqm of floorspace in 2022/23, however this increase is not representative as it relates to a single development within the countryside. The most significant losses since 2011 have otherwise occurred in the years following the introduction of permitted development rights which allow the change of use of offices to residential without planning permission.

Affordability ratio – residence-based (Source: ESiF)

4.30 The affordability ratio in Rother has steadily deteriorated from 9.33 in 2011 to a high of 11.6 in 2021, before falling back slightly to 10.4 in 2022. This upward trend is problematic as it demonstrates that house price growth is continually outstripping wage growth, ultimately making housing more unaffordable for those who live and work within the district and potentially pricing out future buyers. This includes lower-quartile affordability ratios, which saw a high of 11.13 in 2021 before falling slightly to 10.7 in 2022. This is demonstrated by the fact that lower quartile wage growth rose by 33.5% between 2011 and 2022, while lower quartile house prices in the district increased by 62.3% over the same period.

SA/SEA Scoping Report Indicators

4.31 There are a wide range of indicators listed under 10 topic areas in the Sustainability Appraisal (SA). Those of relevance to the development Strategy include:

- Business count and enterprises by size of business. While the long term shows an increase, between 2022 and 2023 the number of micro businesses declined by 70, although the number of small business increased by 5. The number of

[6] This follows the definition in the Council's Annual Monitoring Report, which monitors changes in Use
Classes A1, A2, B1a and D2, although they have since been subsumed into Use Class E.

medium and large businesses stayed the same. The number of employees across businesses of all sizes however decreased from 4,185 to 4,115 in 2023.

- Business survival rates – the latest data is from 2021. Since 2020, business survival rates have improved by roughly 1%.
- Rother tourism business turnover and visitor numbers – The most recent data is from 2020 (£122,705 million) which both showed a significant reduction from the longer-term peak in 2019 (£354,695 million), however the 2020 figure is an outlier figure due to the policy of lockdown that was in place nationally at the time.
- The unemployment rate between 2021/22 and 2022/23 stayed the same at 3.6%. The claimant count deceased from 3.6 to 3.4, showing an improving trend.
- Poverty Rates – general trends for the percentage of children living in poverty and the percentage of households in fuel poverty are deteriorating. A comparison between 2015 and 2019 of the nationally recorded Indices of Deprivation for Rother shows an overall deterioration, including a negative change for income and employment deprivation. Education, skills and training deprivation indicate improvement however.

Indices of Deprivation by Indicator (2015-2019)

4.32 Rother's average rank (out of 317), with a rank of "1" is equal to the most deprived, are shown in Figure 14 for the relevant domains that make up the Index of Multiple Deprivation.

Figure 14: Domains within the Index of Multiple Deprivation

Year	2015	2019	Change	Trend
Overall Average Rank	148	135	-13	↓
Income	144	134	-10	↓
Employment	114	105	-9	↓
Education, skills and training	128	151	23	↑

Source: ESiF

5 Consultation and Engagement

Early Engagement Responses

5.1 As part of a program of Early Engagement on the direction of the Local Plan Update, the Council consulted its members, parish/town councils and other targeted organisations between August and October 2020.

5.2 Respondents were asked for their thoughts on what the District should look like by 2039. In relation to the District's economy, responses were received on the following topics:

- Increased prosperity
- High tech economy
- Sustainable employment, including homeworking
- Increased tourism, whilst reducing tourism dependency
- Diversification of rural economy
- Internal economy and reduced need to commute

5.3 Respondents were asked what should have been achieved by 2039, and in relation to the district economy, responded as follows:

- Support for small and medium-sized enterprises
- Support for home working, including the development of live/work spaces.
- Development of green economy
- Diversity of produce in rural economy
- Improved use of farmland
- Reduction in need to out-commute
- Economic growth and diversification
- Full & high-quality employment

5.4 Further comments on economic issues included:

- Improved economic activity
- Diversified economy
- High tech industry, improved digital infrastructure
- Policy to enable TCs to adapt to modern retail and working patterns

- Marketing Rother in light of increased domestic tourism (a shift arising from COVID-19)

5.5 Respondents were then asked a number of specific questions regarding the Local Plan's approach to employment. These questions have been set out below, with summaries of the responses:

Should growth be focused around existing employment areas and settlements with a range of services?

5.6 49% of respondents supported the motion, citing that this would ensure that employment growth is sustainable, while potentially protecting some rural areas of the AONB. 24% disagreed, conversely comment that the AONB could be harmed by the growth of lager towns and villages, with some concern that such a focus would risk neglecting smaller settlements. 27% were undecided, and made a range of comments, including whether the motion is too prescriptive in respect of how the economy will evolve over time.

Should employment growth be linked to the future distribution of housing?

5.7 An 80% majority of respondents agreed with the motion, with the remaining 20% neither agreeing or disagreeing. The most prominent argument in favour was the promotion of working locally whilst reducing the need to commute. Other comments included the need to have a flexible approach due to the rapidly changing nature of the economy, and that businesses will therefore make their own decisions about location.

Should there be provision in rural settlements to support the rural economy?

5.8 81% of respondents agreed within the question, while the remainder being undecided. Respondents pointed to the significance of the rural way of life in Rother and the need to support it to remain viable, while also linking the AONB's survival to its ability to generate wealth. Other considerations included the need for employment provision and economic in rural areas to be more than traditional farming, including the investigation of opportunities in the green energy sector.

Should the existing town centres be a focus for growth?

5.9 67% of respondents agreed with the question with 9% disagreeing. Focusing growth in town centres was identified as a way to create sustainable communities, with existing access to a range of facilities and services (which would be further increased), and an opportunity to move away from dependence on the car. To this end, it was suggested that pedestrian and cycle access with town centres should be improved. Consideration was given to mixed use including residential, leisure and shared office space.

Should a complementary approach be achieved with Neighbouring Planning authorities to meet overall need in the wider market?

5.10 61% agreed, with 8% in disagreement. Cooperation and wider planning was emphasised for infrastructure development, as well as safeguarding the AONB where it occurs on a regional scale. Working with Hastings was identified as essential.

5.11 Opposing the question, it was noted that Rother is not in a position to be able to provide support to neighbouring authorities, while it was also thought that Rother being predominantly rural is likely to have different needs from more distinctly urban areas like Hastings and Eastbourne.

What consideration should the Council have to development of live/work units (homes with workspaces included)?

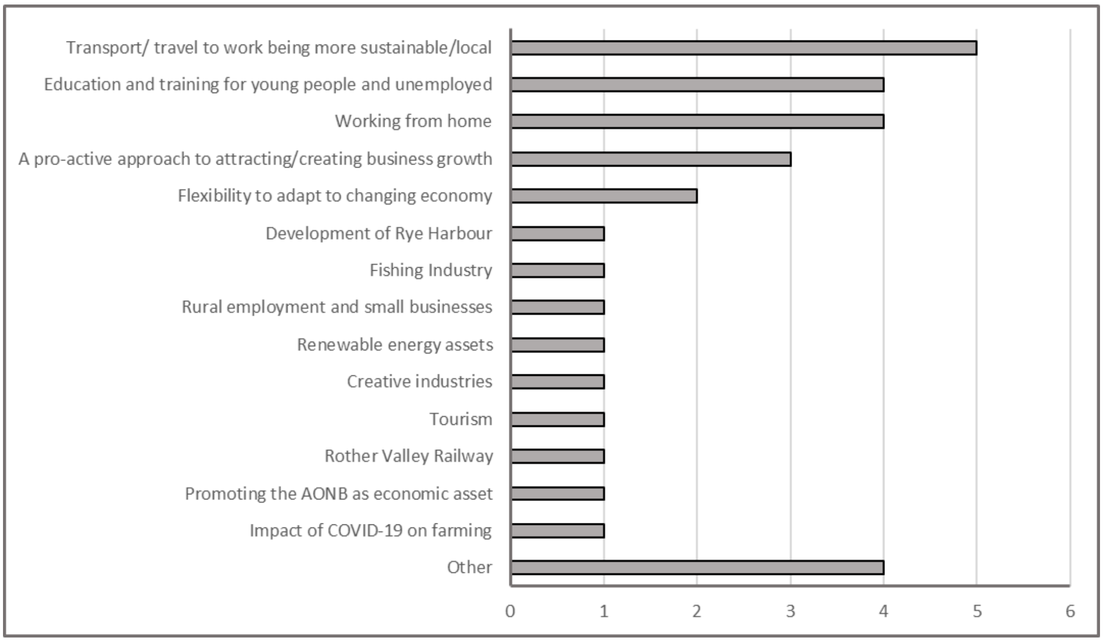
5.12 24 of 37 comments stated that they were in favour of the Council giving consideration to live/work units. This does not mean that the remainder were not in support, but only those who have ostensibly said so have been counted. Reasons in support included the existing movement towards home working promoted both by technology and COVID-19, as well as concerns for reducing the need to travel and the relevance home working has for isolated rural areas. It was noted that consideration of live/work units would need to include improved broadband provision.

5.13 Again, concerns focused on the Council's capacity to identify the actual need for live/work units, and that such a provision ought to emerge organically without strategic planning.

Do you have any other comments on employment growth?

5.14 The following graph (Figure 15) provides a summary of other considerations that were suggested in response to this.

Figure 15: Other considerations raised in the early engagement



Working Groups

5.15 Generally speaking, earlier stages of the Local Plan process includes meetings and focus groups as a means of bringing different perspectives together to discuss a particular theme. Meetings may be appropriate to discuss issues of a technical nature, such as with specific statutory bodies, Duty to Cooperate Partners, and service providers, or with key stakeholder groups, including Parish Councils and District Councillors.

Duty to Cooperate

5.16 The Council co-operates with other local planning authorities (LPAs), statutory consultees and other bodies on planning issues that cross administrative boundaries, particularly in relation to strategic matters. Its adjoining LPAs within East Sussex are Hastings Borough and Wealden District, and within Kent: Tunbridge Wells Borough, Ashford Borough and Folkestone and Hythe District.

5.17 The Council is committed to its duties in relation to the Duty to Co-operate, and in summer 2020 prepared a Duty to Co-operate Action Plan which outlines how and at what stage it intends to engage and consult with organisations on the development of the Local Plan. The Council has continued with its duties and is starting to implement Memorandums of Understanding and Statements of Common Ground with its partners to formalise strategic planning issues, agreements and working practices to support the preparation of the Local Plan.

5.18 Work with the neighbouring borough of Hastings is particularly important, having regard to the close linkages between the areas including in terms of housing and employment markets. Rother District Council and Hastings Borough Council have worked together in commissioning a joint Housing and Economic Development Need Assessment (HEDNA) study. In addition, both Councils jointly prepared a Sustainability Appraisal/Strategic Environmental Assessment Scoping Report which underwent consultation in the summer 2020. This has resulted in a joint approach to the SA Framework that will be used to assess the development of planning policies in respective Local Plans. As Hastings Borough Council are more advanced in the preparation of the Local Plan, the Councils will move forward with separate final Sustainability Appraisal Reports. The Councils continue to work closely together to discuss synergies in our Local Plans and share findings of our evidence base.

6 Economic Development Need

National Policy and Guidance

6.1 Paragraph 35 of the NPPF sets out the criteria by which a plan is considered 'sound' as a result of examination. In particular, paragraph 35a) requires that plans are 'positively prepared' in which plans provide a strategy to meet the area's objectively assessed needs.

6.2 To this end, Paragraph 20a) states that plans should set out an overall strategy that relates to the provision of employment, retail, leisure and other commercial development. These requirements of national policy are relevant in the context of the creation of the new Use Class E, which significantly increases the range of existing uses that can be swapped without being considered development as a result of a material change of use. While the range of uses included within Use Class E may imply a reduction in the role of planning to control economic land uses, national planning policy still requires Local Planning Authorities to identify and plan for specific needs relating to employment, retail, leisure and other commercial development. In order to comply with national policy, plans may need to establish a strategy that allocates for specific uses, or a range of specific uses, as opposed to planning for Use Class E as such.

6.3 Article 4 Directions provide some scope to restrict losses of specific uses, including to residential, by removing PD rights. However, NPPF Paragraph 53 establishes that the use of Article 4s should be limited, and in the case of town centre losses to residential, it is stated that their use would be very unlikely to extend to a whole town centre. A more appropriate example is given where an Article 4 would be used to avoid wholly unacceptable adverse impacts (this could include the loss of the essential core of a primary shopping area which would seriously undermine its vitality and viability.

6.4 In planning for the specific needs of employment, retail, leisure and other commercial development, Paragraph 22 of the NPPF states that strategic policies should look ahead over a minimum 15 to at least 30 year period from adoption, in order to respond to long-term requirements and opportunities, such as those arising from major improvements in infrastructure. At the same time, the Planning Practice Guidance notes that in the case of developing a strategy for retail and leisure uses with town centres, given the uncertainty in forecasting long-term retail trends and consumer behaviour, this assessment may need to focus on a limited period (such as the next five years) but will also need to take the lifetime of the plan into account and be regularly reviewed (Paragraph: 004 Reference ID: 2b-004-20190722).

Adopted Local Plan Policy

Policy Area: Employment Development Need

6.5 Core Strategy Policy OSS1 sets out the target to plan for at least 93,000 sqm up to 2028 of additional employment and commercial floorspace, to meet a range of commercial needs that correspond with office, industrial and distribution/storage development uses. This target is expressed as a minima – not to set a cap on economic growth.

6.6 This floorspace requirement is broken down for the respective areas within the District, and is set out in policies BX3, HF1, RY1 & BA1. These area based floorspace requirements are set out as follows:

Area	Employment requirement to 2028
Bexhill	At least 60,000 sqm
Hastings Fringes	At least 3,000 sqm
Battle	At least 10,000 sqm
Rye	At least 10,000 – 20,000 sqm
Villages	At least 10,000 sqm
Whole District	At least 93,000 – 103,000 sqm

6.7 Towards these targets, the DaSA allocates the following sites for employment floorspace:

Area	Policy	Requirement
Bexhill	BEX1: Land at Levetts Wood and Oaktree Farm	33,500sqm business floorspace (predominantly light manufacturing and offices)
Hastings Fringes	HAS3: Land north of A265, Ivyhouse Lane	1,800sqm of business floorspace

Battle	MAR1: Land at Felon's Field	3,000sqm of business floorspace (industrial/storage)

6.8 In addition, the following employment sites are allocated through Neighbourhood Plans:

Rural Areas:

- Sedlescombe Neighbourhood Plan Policy 5: Land at Sedlescombe Sawmills: 255sqm
- Salehurst & Robertsbridge Neighbourhood Plan Policy HO2: Mill site: at least 1,200sqm

6.9 In addition to allocations, the Local Plan sets policies that allow for suitable employment schemes to come forward as windfall development and policy that protects existing employment sites and premises.

6.10 Policies EC1, EC2 and EC4 of the Core Strategy set the overall ambition of the local plan to support employment site development, including in rural and residential locations where possible, however, while setting the vision, they do not offer any particular steer on how new development coming forward should be determined.

6.11 Policy DEC3 of the DaSA, which replaces Policy EC3 of the Core Strategy, forms a more determinative policy. In recognising that the majority of employment within the district will involve existing employment sites, it seeks to protect against the loss of these sites, while allowing in principle for their intensification, development and expansion subject to other policy considerations. The policy is set out as follows:

6.12 Effective use of existing employment sites will be secured by:

(i) land and premises currently (or last) in employment, including tourism use, being retained in such use unless it is demonstrated that there is no reasonable prospect of its continued use for employment purposes or it would cause serious harm to local amenities;

(ii) permitting intensification, conversion, redevelopment and/or extension of existing sites and premises where they accord with other policies of the Plan;

(iii) facilitating access/environmental improvements, where appropriate; and

(iv) where continued employment use of a site/premises is demonstrated not to be viable, permitting complementary enabling development as part of an overall scheme to make most effective use of the property for employment purposes; and if a mixed use scheme is not viable, prioritising alternative community uses, affordable housing (where affordable housing would be sought in line with Policy DHG1) and then market housing, subject to local needs.

6.13 Working in conjunction with DEC3, DaSA Policy DCO1 sets the criteria by which it may be determined that there is no reasonable prospect of a sites continued use in that current use. These criteria are as follows:

(i) evidence of a comprehensive and sustained marketing campaign, which clearly indicates a lack of demand for the existing use (or as an alternative commercial or community facility, where appropriate), based on marketing, normally at least 18 months, that offers the land or unit/s for sale, or rental, at a realistic valuation of the site/premises for that use; and

(ii) evidence that clearly demonstrates that the unit is not or is not capable of being financially viable, including alternative commercial or community facilities, where appropriate.

<u>Policy Area: Retail and Leisure Need</u>

6.14 Based on evidence at the time of its development, the Core Strategy sets out the following retail need figures for the respective town centres:

Bexhill Town Centre: Policy BX2

- An additional 2,000sqm convenience goods floorspace
- An additional 4,000sqm comparison goods floorspace

Battle Town Centre: Policy BA1

- An additional 1,000sqm convenience goods floorspace (either within or adjacent to the town centre)

Rye Town Centre: Policy RY1

- An additional 1,650sqm convenience goods floorspace (either within or adjacent to the town centre)

6.15 The DaSA specifically allocates a large council owned site, located south-east of Beeching Road (edge of centre), for the development of 2,000sqm convenience floorspace (effectively a supermarket along the scale of an outlet of Lidl or Aldi).

6.16 Beyond the District's town centres, Core Strategy policies CO1 and RA1 express policy support for local shops, including in villages and where they serve communities.

Evidence

Policy Area: Employment Development Need

6.17 The Council, together with Hastings Borough Council, has jointly commissioned the Housing and Economic Development Needs Assessment (HEDNA) as the Local Plan's primary evidence base underpinning its economic strategy. The joint commission recognises that Rother's economy and employment needs form part of a larger 'Functional Economic Market Area' (FEMA), which includes Hastings. While there are of course commuting links between Hastings, Rother and other neighbouring authorities, namely Eastbourne, Wealden and Tunbridge Wells, the commuting links within and between Hastings and Rother are significantly stronger; and equate to an overall self-containment rate of 79%.

6.18 The HEDNA's analysis includes assessment of the key issues inherent within the District and the identified FEMA. Although it sits within the prosperous south east region, the geography of the area presents a number of challenges that significantly impact on its economy in contrast with the wider region. The majority of the area is within the countryside, while the countryside contains some 40% of Rother District's population. At the same time, the two major towns, Hastings and Bexhill, are both coastal communities which represent an economic typology that has long suffered economic challenges. Indeed, both towns have received funding as part of the Government's recent Levelling Up agenda.

6.19 The national macroeconomic picture has also been factored into the HEDNA's analysis, and national forecasting models have been used to estimate future employment numbers in the district. In addition, the HEDNA specifically assesses the permanent recent shift towards hybrid working, as well as the long-term impacts of Brexit. It should be noted however, that while the recent trend towards hybrid working has been factored into the HEDNA's employment floorspace projections, evidence does not indicate that there is a specific demand for live-work units within the District. Working from home trends may result in an increased desire for dedicated homeworking space within residential units, which it is envisaged will be picked up through market demand for housing.

6.20 The HEDNA's forecasting models also include longer term factors that will have a significant impact on Rother's economy. The urgent need to decarbonise the economy, which is itself reflected in the Council's commitment to be carbon neutral by 2030, will mean that certain economic sectors will emerge as significant to Rother's economy and will need to be prioritised through Local Plan policy. Ongoing technological advances, most notably including the recent application of Artificial Intelligence, have the potential to be highly innovative but also challenging economically. Ultimately, the long-term forecasts for the local economy in light of these broader economic impacts are uncertain. A transitory economic climate will be a hallmark of the plan period up to 2040, and the Local Plan will need to reflect this.

6.21 In summary, the HEDNA projects an increase of some 3,800 jobs across all sectors, between now and 2040. A higher level of jobs growth is projected in accommodation and food services, and financial/professional services. Higher levels of employment growth are also projected in construction industries. It should be noted that the required 74,189sqm of additional employment floorspace does not include all sectors that comprise the projected 3,800 additional jobs. For instance, visitor accommodation and food services are more likely to relate to tourism and town centre development, and are the subject of other policies in this chapter. Other significant areas that make up the projected 3,800 additional jobs, include the education, healthcare and social services sectors, which for planning purposes do not comprise 'employment uses', and are dealt with in other chapters of the plan.

6.22 Following these growth projections, the HEDNA forecasts that the district will need an additional 74,189sqm of employment space.

6.23 The employment need figure of 74,189sqm applies to the district as a whole, and consequently the HEDNA does not identify a separate figure for the rural areas. While the delivery of floorspace in rural areas over the past decade indicates that they will have a continued role in meeting overall future needs, including providing some flexibility to meet changing market demand particularly in the small-scale office market, there is no clear evidence that a specific employment floorspace requirement needs to be identified. In spite of a relatively high increase of floorspace in rural areas during this time, the continuation of these trends, without a substantial delivery of the existing pipeline in urban areas, would meet only a very small proportion of the overall need figure. Moreover, patterns of demand and supply should be considered primarily as part of the FEMA total. Instead of establishing a need figure for the rural areas, the approach of the Local Plan is to support diversification and allow rural businesses to respond to external factors, including changing markets and climate change.

6.24 At the time of writing, the need figures identified through the HEDNA compare to an existing pipeline of employment floorspace throughout the district, that consist of existing Local Plan allocations, sites with planning permission, as well as sites with expired permission that have been identified as developable in principle. The employment need figures and the current supply of employment floorspace are set out in the below table:

Figure 16: Demand vs supply balance, employment floorspace (sqm)

Employment Typology	Current Supply	Requirement	Balance
Office	47,970	22,776	25,194
Light Industrial & Industrial	47,970	18,991	28,979
Storage & Distribution	10,660	32,422	-21,762
Total	106,600	74,189	32,411

6.25 With the exception of storage and distribution, Rother's current pipeline of employment floorspace exceeds its future requirement figure. Consequently, the delivery of existing allocations and other commitments remains a priority. The deficit in the balance of storage and distribution floorspace is a concern, though it is considered that the surplus of commitments of industrial floorspace provides a justification for a flexible approach for taking forward existing site allocations.

6.26 At the same time, the delivery of existing commitments is by no means certain, and therefore the surplus identified above is not considered to constitute an oversupply of floorspace. The HEDNA identifies that continued public sector interventions will be required to ensure that existing allocations are delivered, including those in Bexhill which form a large proportion of the committed supply pipeline. Moreover, the HEDNA emphasises the uncertainty in forecasting future need, given the macroeconomic and technological factors identified above. This requires an economic strategy that is flexible enough to respond to a changing economic climate.

Policy Area: Retail and Leisure Need

Retail Need

6.27 In line with the requirement of NPPF paragraph 20a) to plan for commercial need, including retail and leisure development, the Rother Retail and Town Centre Uses Study sets District's retail and leisure development need across the plan period. However, the Study recommends that Local Plan policy should place a greater emphasis on retail and leisure forecasts over the next 10 years. This recommendation reflects the Government's Planning Practice Guidance, which states that long-term retail trends and consumer behaviour are inherently difficult to forecast, and therefore recommends that while the whole lifetime of Local Plans needs to be taken into account, assessment of need and planning for this need may require a focus on a more limited period of time and be regularly reviewed. As a minimum, the NPPF requires the Local Plan to identify need and make sufficient provision for retail and town centre uses at least ten years ahead.

6.28 Given current trends, the Town Centre and Retail Study identifies a capacity for 597sqm of convenience floorspace within the whole District for the plan period up to 2039. However, the 2032 figure of 418sqm is a more important figure for the Council to plan for bearing in mind the inherent unreliability of longer-term retail forecasts. At the same time, and given the local nature of retail needs, District-wide figures are less significant than more local figures as there is no location for a single allocation that would cover the needs for the whole District.

6.29 Overall forecasts for new convenience retail floorspace are set out in the below table:

Figure 17: Forecast Capacity in Rother for New Convenience Retail Floorspace (sqm)

Retail Location	2027	2032	2037	2039
Bexhill Town Centre	56	101	135	141
Rye Town Centre	66	113	144	151
Battle Town Centre	69	132	193	212
Little Common District Centre	5	8	11	11
Sidley District Centre	30	53	67	69
Villages and Local Shops	4	6	7	6
Edge and Out of Centre	3	5	6	7
Total Rother District	233	418	563	597

6.30 At the same time the Study identifies that there is strong interest from the discount food store market, with interest being shown in each of the Town Centres, which is consistent with the intentions of Aldi and Lidl to have representation in most towns across the UK. That said, given the limited size of retail units within the Town Centres, it is considered that demand would be confined to edge of centre locations, for which impacts on nearby centre's would need to be assessed.

6.31 In terms of comparison goods retail, which relates to retail trade for goods that are usually more expensive than comparison goods, while being bought more infrequently, the Town Centre and Retail Study forecasts either nil or negative capacity.

6.32 Aside from its quantitative assessment of future retail need, the Study did however identify a number of national retailers that have registered interest in the District's town centres. This interest we registered in the 12 months prior to November 2022. The retailers and town centres are shown in the table below:

Figure 18: National retailers who have registered interest in Rother district

Bexhill	Rye	Battle
Lidl Hobbycraft (out of centre) Matalan	Lidl Travelodge Premier Inn	Lidl Aldi

The Range (out of centre) Home Bargains (out of centre)		

Leisure Need

6.33 Leisure forms a diverse range of use categories, and forecasting for new leisure uses is more problematic than for retailing, being highly complex and dynamic. Consequently, no overall floorspace need is identified as it has been for convenience and comparison retail. That said, the Study identifies a number of sectors forming leisure uses that are identified as having potential for growth within the District.

6.34 In terms of comparison goods retail, which relates to retail trade for goods that are usually more expensive than comparison goods, while being bought more infrequently, the Town Centre and Retail Study forecasts either nil or negative capacity.

6.35 Market analysis in the Study identifies a demand for an improved active leisure and fitness provision within the District. This includes demand for facilities in different areas within the district, while there is potential for a new leisure centre that offers affordable access to both wet and dry-based facilities under one roof. It is noted that this could be supported by investment from the public sector, and is one specific area where Local Plan policy could have a facilitating role.

6.36 The below table sets out published leisure requirements from leisure operators for each of the District's town centres in the 12 months to November 2022.

Figure 19: Published leisure requirements from operators

Bexhill	Rye	Battle
Pizza Hut (takeaway) Taco Bell Travelodge	Travelodge Premier Inn	Boom Battle Bar

Policy Area: Employment Development Need

6.37 The Local Plan will need to establish as a target the overall requirement of 74,189 sqm of employment floorspace up to 2040, including the breakdown of these uses into office floorspace; light industrial and industrial floorspace; and, storage an distribution floorspace, as set out in Figure XXX above.

6.38 Policy will need to meet this this target, both through direct intervention in the form of flexible site allocations, as well as a policy approach that supports sustainable economic development that comes through the market. The possibility of site allocations will require further work to establish whether existing unpermissioned site allocations will need to be re-allocated, as well as through the identification of possible new sites through the currently ongoing Housing and Economic Land Availability Assessment (HELAA). Local Plan policies must also reflect the substantially different geographies within the District; economic issues and challenges in rural areas are often different from those in urban areas, necessitating a unique set of policy criteria relating to rural development.

Policy Option 1: Setting development targets for employment development

Option	**Comments and recommendation**
1a. Establish employment development need figures 2020-2040 as identified through the HEDNA for the whole district, as part of policy in the Development Strategy • Office: 22,776 sqm • Light Industrial & Industrial: 18,991 sqm • Storage & Distribution: 32,422 sqm • Total: 74,189 sqm	Setting out an employment need figure for the whole district would not set a limit on the amount of employment development for the different areas in the district, therefore providing flexibility where market demands are higher than anticipated in each area. Given the complexity of projecting needs, and the interconnected nature of the different areas within the FEMA, a flexible approach is preferred. Recommended.
1b. Set out targets as above, but the target figure broken down for each sub-area.	As above. There is no evidence within the HEDNA for setting separate targets for sub-areas. This may unnecessarily constrain the development potential each sub-area. Not recommended.
1c. Do not set a target for employment development.	The NPPF requires strategic planning policies to plan positively to meet the District's objectively assessed needs for employment development. Not setting the targets objectively identified in the HEDNA would be to fail this requirement of national policy. Not recommended.

Policy option 2: Meeting employment need development targets through allocations

Option	Comments and recommendation
2a. Allocate towards the 74,189 sqm, including existing allocations. Set specific uses for allocations.	It will be necessary for the HELAA to be at a later stage of development before site options can be considered.
2b. Allocate towards the 74,189 sqm, including existing allocations. Set flexible allocations where possible, where a range of employment options may be permitted, with possible mixed use, including residential where there is potential.	It will be necessary for the HELAA to be at a later stage of development before site options can be considered. This will include analysis of current site commitments to determine if there is scope to amend current allocations where possible. While not yet determined at this stage, this option is preferred as there is an identified surplus of office and industrial/light industrial uses, and a deficit of storage and distribution. In addition, it would provide flexibility in light of the potential for economic uncertainty in the current climate. Recommended subject to further research.

Policy option 3: Meeting employment need through supportive policy

Option	Comments and recommendation
3a. Carry forward existing policy approach established in the Core Strategy, which supports new employment but is restrictive due to sensitivity concerns in rural areas, or where outside of Development Boundaries. The policy would incorporate the following: **Policy Wording:** Proposals for new commercial employment development, will be considered in accordance with the following criteria and subject to other Local Plan policies: (i) Be of a scale and nature appropriate to the locality, and not have adverse impacts on any neighbouring residential amenity; and (ii) Ensure that traffic generation can be satisfactorily accommodated by the existing or planned local road network, ensuring access arrangements are acceptable to the scale and type of development. Developments that would	This policy, in combination with the provisions of Policy DEC3, would enable suitable development to come forward, while safeguarding amenity as well as areas outside of Development Boundaries as required. Recommended.

potentially generate a significant amount of movement must be suitably located and submit sufficient information to assess its likely transport impacts as well as how these impacts would be effectively mitigated and considered in a Transport Assessment. <u>Employment Development Outside Development Boundaries</u> Suitable employment opportunities in the countryside will be supported, including through the sensitive, normally small-scale growth of existing business sites and premises, and by the conversion, for employment use, of farm buildings in accordance with Policy XXX. This policy combines with the principle of the intensification, conversion, redevelopment and/or extension of existing sites and premises, as well as access and environmental improvements as currently established through DaSA Policy DEC3.	
3b. Have no specific policy, but rely on the Development Boundaries as set out in the Development Strategy, as well as the in principle support established through DaSA Policy DEC3 as it is taken forward into the new Plan.	Without a specific policy, it would not be clear that some forms of economic development are supported outside of Development Boundaries; and nor would it be certain that the forms of economic development permitted outside of Development Boundaries would be restricted in the nature – that is, normally limited to the principle of intensification, conversion, redevelopment and/or extension of existing sites and premises. It is considered that the above policy option achieves both clarity for prospective new development, as well as helping to safeguard the rural character of areas outside of Development Boundaries by establishing that forms of economic development are to be limited in scale. Not recommended.

Policy option 4: Protecting existing sites and premises of economic value

Option	Comments and recommendation
4a. Take forward DaSA Policy DEC3 to protect existing employment use development except where it can be demonstrated that there is no reasonable prospect of its continued use for employment purposes. The above approach is to be supplemented through the taking forward of DaSA Policy DCO1 in respect to criteria demonstrating that there is no reasonable prospect of continued use, with respect to the following criteria: Proposals that involve the loss or diminution of sites of community or economic value, including those last in such use, must demonstrate that there is no reasonable prospect of a continued use, backed by: (i) evidence of a comprehensive and sustained marketing campaign, which clearly indicates a lack of demand for the existing use (or as an alternative economic use where the existing use is economic, or alternative community use in the case of an existing community facility), based on marketing, normally at least 18 months, that offers the land or unit/s for sale, or rental, at a realistic valuation of the site/premises for that use; and (ii) an independent viability assessment that clearly demonstrates that the unit is not or is not capable of being financially viable, including alternative economic or community facilities, where appropriate. Proposals should not result in the loss of facilities or features which may undermine the viability of its use, including, but not limited to, car parks, gardens and function rooms.	It is necessary to protect existing employment uses from commercial pressures for higher value uses, notably housing. The current policy works well and is often cited in the determination of planning applications. Recommended.
4b. As above but with a reduced marketing period (less than 18 months) for demonstrating that	The current policy is frequently applied in the determination of planning applications, and it is considered therefore that there is no reason to water down the tests for demonstrating that there is no reasonable prospect of its continued

there is no reasonable prospect of its continued use.	use. To do so would weaken the policy's capacity to protect existing employment sites and premises. Not recommended.

Policy Area: Retail and Leisure Development Need

6.39 The level of capacity identified for the three centres of Bexhill, Rye and Battle, could only support a small new convenience store in each, and would not particularly add to improving convenience offer in the town centres. Therefore, there is no need to identify additional future growth in any of the centres. It is considered that this limited need of 418sqm can be accommodated within the existing premises within these centres, including currently vacant premises.

6.40 However, while forecasts indicate that there is no substantive additional capacity for additional convenience floorspace, market interest suggests that Local Plan policies should not prevent opportunities to support an improvement in food store offer in the District. This suggests that while policies will not need to set further floorspace requirements, the existing allocation at Beeching Road should be taken forward, albeit with a greater emphasis on mixed use development. In addition, interest would indicate that there is a requirement for a policy that is supportive of new retail and leisure developments, that may include edge of centre locations. Given the onus of flexibility due to the introduction of Use Class E, it is considered that policy support would be extended to 'main town centre uses' in general, which would substantially include retail and leisure uses. Without any identified need, supportive policies for retail and leisure uses will form part of the Plan's policy for town centre designation.

6.41 With regards to Use Class E, it is possible that new development could have a planning condition applied at the point of consent, which would restrict development to a specific use, ie, retail, although it is unlikely that this would be considered justified in the context of allowing town centres to adapt, and may be too limiting. This may be more appropriate for out of town centre economic development, where the development is a strategic site that is specifically identified to meet employment need.

Policy Option 5: Retail and Leisure Development Need

Option	Comments and recommendation
5a. While there is no option to identify targets for retail and leisure uses, a broadly supportive approach will be taken for such uses. Policy to support for new retail and leisure development in principle in relation to town centre and primary shopping area designations. Apply the following wording to the policy in relation to town centre and district centre designations: *"In these areas, new main town centre uses will be granted planning permission, subject to compatibility with other Local Plan policies."* Apply the following wording to the policy in relation to primary shopping area designations: *"Planning permission will be granted for the introduction of new shops and the expansion or refurbishment of existing premises, subject to compatibility with other Plan policies."*	No retail and leisure need floorspace figures have been identified that can be translated into Plan target figures. However, that demand is difficult to forecast in these sectors, combined with identified interest from certain retailers and leisure providers, would suggest a need for a policy approach that is nonetheless broadly supportive of new development for town centre uses in relation to town centre and primary shopping area designations. Recommended.
5b. As an alternative to the above policy option, to have no additional wording as part of town centre and primary shopping area policy, i.e., to merely state that new town centre uses should be located within town centres/ district centres/ primary shopping areas.	For the reasons given above, the lack of this wording may impact on the capacity and flexibility of town centre policy to enable retail and leisure development coming forward where market requirements are outside of forecasted requirements. Not recommended.

7 Town Centre Vitality

National Policy and Guidance

7.1 Section 7 of the NPPF recognises the need to ensure the vitality of town centres and the roles that town centres have at the heart of local communities. The Planning Practice Guidance[7] states that town centres comprise "a range of locations where main town centre uses are concentrated, including city and town centres, district and local centres (and so includes places that are often referred to as high streets)".

7.2 To this end, Paragraph 90a) states that Plans should define a network and hierarchy of town centres, in order that these locations are prioritised for town centre uses. Paragraph 90b) states that planning policies should also define the extent of town centres.

7.3 National policy's emphasis on the vitality of town centres recognises the challenges to the traditional functions of town centres presented by the now established trend away from physical shopping in favour of online shopping.

7.4 National policy identifies that the vitality of town centres and their position at the heart of communities will mean that they are allowed to diversify away from its traditional focus on retail. This would include a range of activities and uses. This broader range of activities are established under the NPPF's definition of Main Town Centre Uses, which are set out as follows:

Retail development (including warehouse clubs and factory outlet centres); leisure, entertainment and more intensive sport and recreation uses (including cinemas, restaurants, drive-through restaurants, bars and pubs, nightclubs, casinos, health and fitness centres, indoor bowling centres and bingo halls); offices; and arts, culture and tourism development (including theatres, museums, galleries and concert halls, hotels and conference facilities).

[7] 001 Reference ID: 2b-001-20190722

7.5 Alongside Main Town Centre Uses, NPPF paragraph 90f) also highlights the role that residential development has in ensuring the vitality of town centres, and states that Local Plans should encourage residential development on appropriate sites. The PPG considers that Residential development in particular can play an important role in ensuring the vitality of town centres, and it would provide communities easier access to a range of services.

7.6 The ability for town centres to adapt to new demands is also reflected in The Town and Country Planning (Use Classes) Order 1987 as subject to the Town and Country Planning (Use Classes) (Amendment) (England) Regulations 2020. As set out in Part 1 of this Background Paper, these changes effectively enable the interchangeability of a range of 'main town centre uses' without it being considered development, while the introduction of Permitted Development Class MA allows these same town centre uses, incorporated under Use Class E, to change to residential use without the need for planning permission. Significantly for Rother, rights under Permitted Development Class MA do not apply within Areas of Outstanding Natural Beauty, and also do not apply to Listed Buildings.

7.7 At the same time, National Policy continues to protect the retail and leisure function of town centres, and to which effect Paragraphs 91 to 95 establish the principle of a sequential test for applications for town centre uses, favouring first town centre locations, followed by edge of centre locations, before out of centre locations can be considered, in order that the vitality and function of town centres are retained.

7.8 NPPF paragraph 94 supports the setting of a locally set floorspace threshold for applications retail and leisure development outside of town centres. It states that if no local threshold is set, then 2,500sqm is the default threshold. Assessments for retail and leisure impacts should include:

a) the impact of the proposal on existing, committed and planned public and private investment in a centre or centres in the catchment area of the proposal; and
b) the impact of the proposal on town centre vitality and viability, including local consumer choice and trade in the town centre and the wider retail catchment (as applicable to the scale and nature of the scheme).

7.9 Additionally in support of protecting retail and leisure use within own centres, NPPF paragraph 90b) states that planning policies should also determine the extent of primary shopping areas, which are defined as a designated area where retail uses are concentrated, while policies should make clear the range of uses permitted in both town centre and primary shopping areas.

7.10 As set out in Paragraph 53 of the NPPF, Article 4 Directions can where appropriate, be used to remove Permitted Development rights in respect of more vulnerable sections of a primary shopping area in order to control loss to residential uses. However, it is also stated that such uses of Article 4 Directions should apply to the smallest geographical area possible, while being based on robust evidence.

7.11 The definition of centre, edge of centre and out of centre in respect of main town centre uses are set out in the Annex 2 Glossary of the NPPF as the following:

Use	Centre	Edge of Centre	Out of Centre
Retail	Within a PSA	Within 300m of PSA	Outside of 300m of PSA
Other Main TC Uses	Within a TC	Within 300m of TC	Outside of 300m of TC
Offices	Within a TC	Outside of a town centre and within 500m of a public transport interchange.	Outside of a town centre and outside of 500m of a public transport interchange.

Adopted Local Plan Policy

Town Centre Hierarchy and Designated Areas

7.12 The current Development Plan identifies five town centres across Rother:

Town Centre Area	Designation
Bexhill	Town Centre
Battle	Town Centre
Rye	Town Centre
Sidley	District Centre
Little Common	District Centre
Bexhill Town Centre Primary Shopping Area	Primary Shopping Area

7.13 The extent and role of these centres are defined through the following Local Plan policies:

- Bexhill Town Centre: DaSA Policy BEX12. It is designated to be the focus for retail and other town centre uses, while also setting out the loss of significant town centre uses will be resisted.
- Battle Town Centre: Battle Neighbourhood Plan Policy HD8. Battle Town Centre is designated to retain and enhance existing town centre uses, while it is identified as the focus for retail and related commercial development. It is also stated that where planning permission is required for new housing developments will not be supported.
- Rye Town Centre: Rye Neighbourhood Plan Figure 17, and Policy B2. The policy includes support for development related to "art, culture, festival and entertainment".
- Little Common and Sidley District Centres: DaSA Policy BEX17. The two District Centres are designated as the focus for retail and other town centre uses, while planning permission for new shops and the expansion of existing prises will be granted. The policy also resists the loss of significant ground floor retail floorspace, as well as any further concentration of takeaway uses.
- Bexhill Town Centre Primary Shopping Area: DaSA Policy BEX13. As a smaller area, defined with Bexhill Town Centre, gives priority retail and associated services, while resisting the loss of such units. Planning permission for new shops and the expansion of existing prises will be granted.

7.14 As outlined previously, it is here noted that the Core Strategy also sets targets for convenience and comparison retail floorspace for Bexhill Town Centre and 'edge of centre' sites, as well as targets for convenience retail floorspace for Battle and Rye Town Centres and edge of centre locations.

<u>Retail Impact Assessments</u>

7.15 Core Strategy Policy EC7(iv) defines this threshold as 500sqm, above which proposals outside of centres are required to undertake a retail impact assessment.

Evidence

Town Centre Hierarchy and Designated Areas

7.16 In its consideration of the existing Town and District Centre Designations, the Rother Retail and Town Centre Uses Study proposes no changes to the existing hierarchy, with the retention of Bexhill, Rye and Battle Town Centres, as well as Sidley and Little Common District Centres.

7.17 The Study did however, favour a contraction of the Bexhill Primary Shopping Area to exclude St Leonards Road, Sea Road, and the southern end of Sackville Road, due to a fragmentation of retail uses, with other uses being significant. Moreover, it is recommended that sections of Rye and Battle town centres are designated as Primary Shopping Areas.

7.18 The Study's proposed Town Centre, Primary Shopping Area and District Centre designations are shown below.

Figure 20: Proposed Bexhill Town Centre and Primary Shopping Area

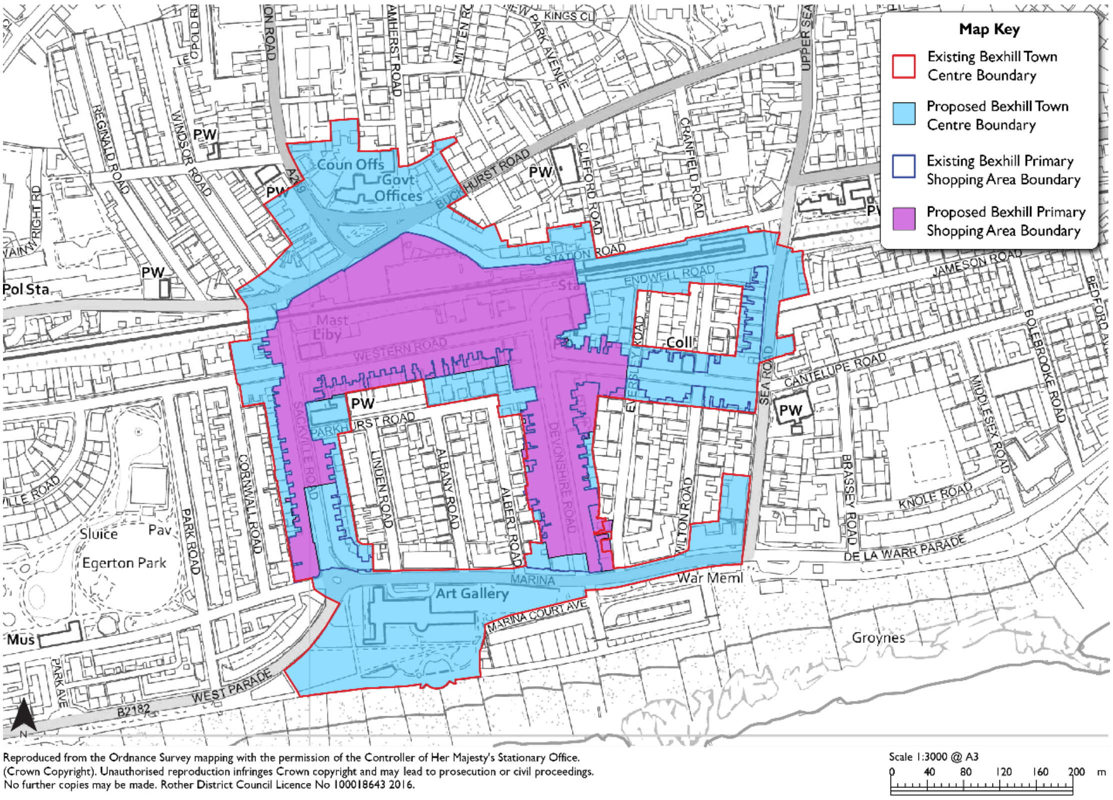


Figure 21: Proposed Rye Town Centre and Primary Shopping Area

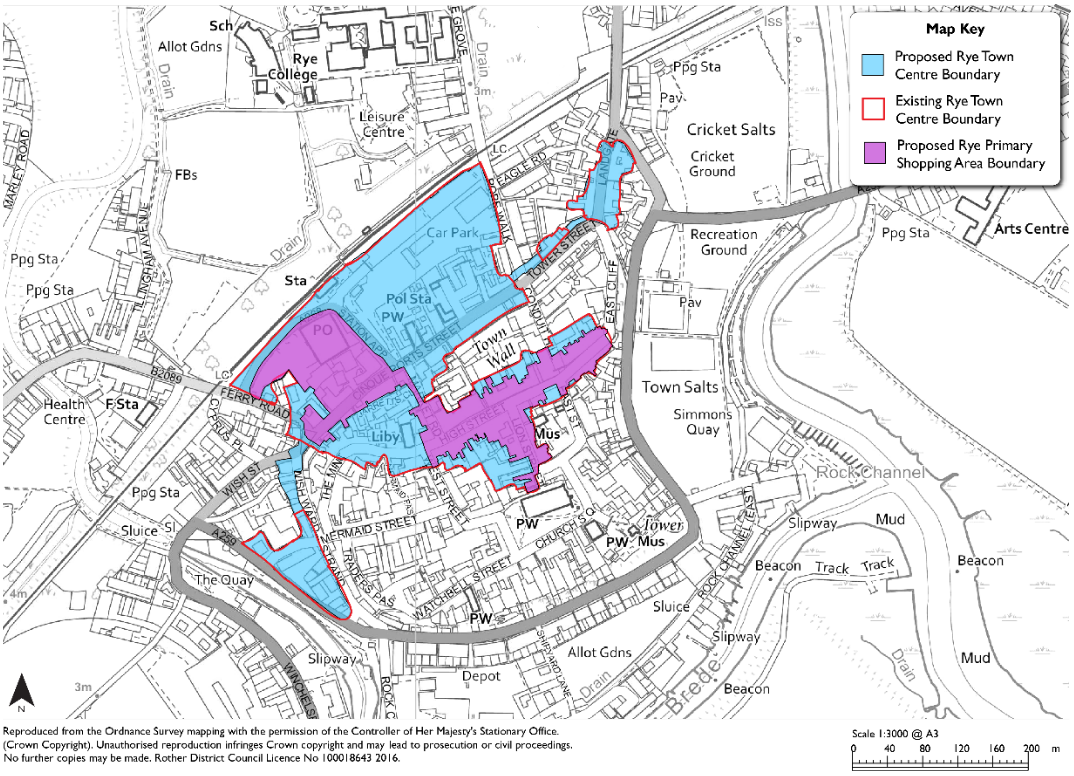


Figure 22: Proposed Battle Town Centre and Primary Shopping Area

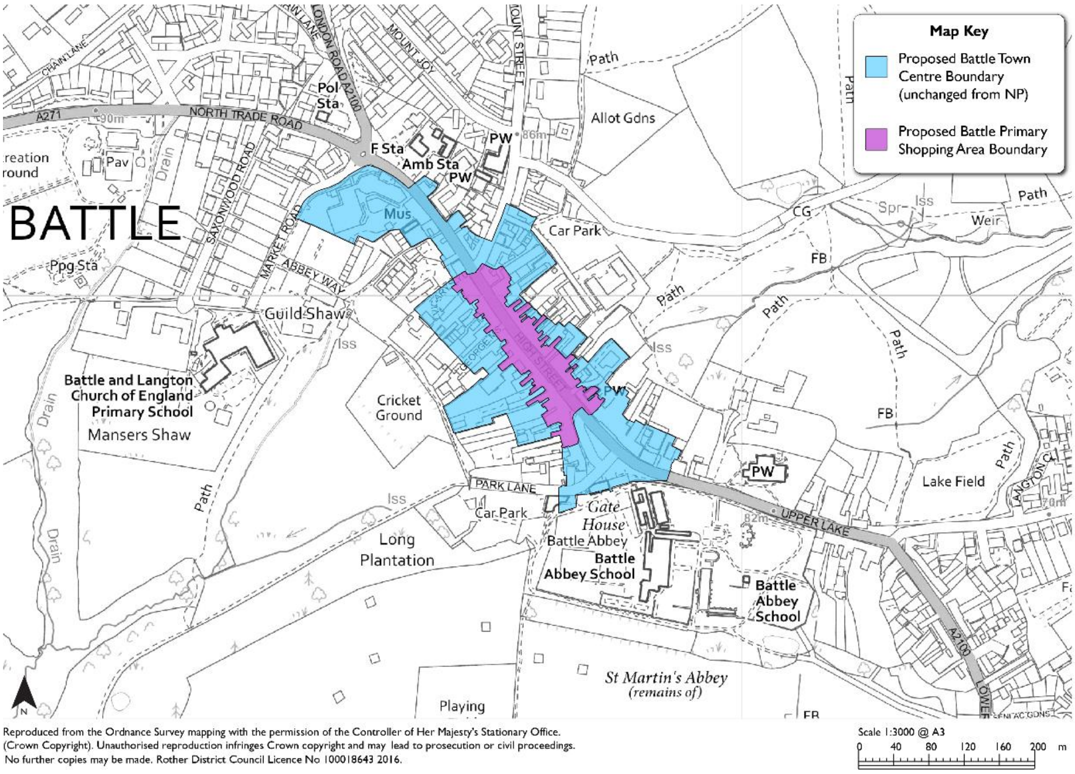
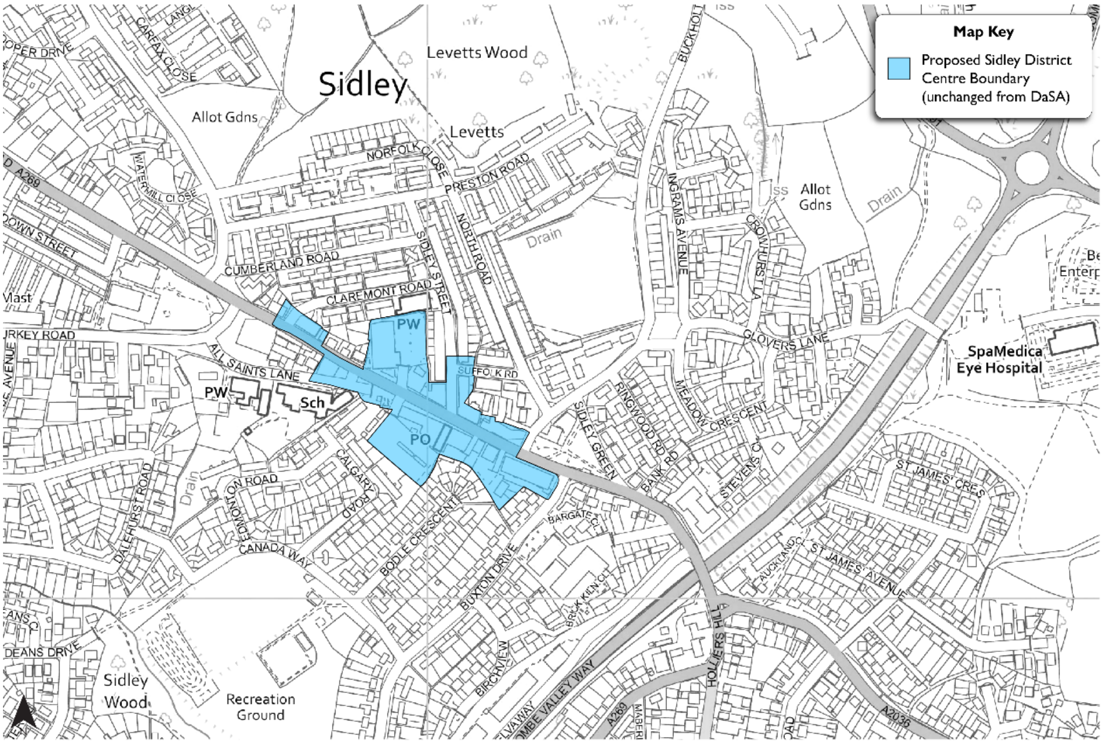
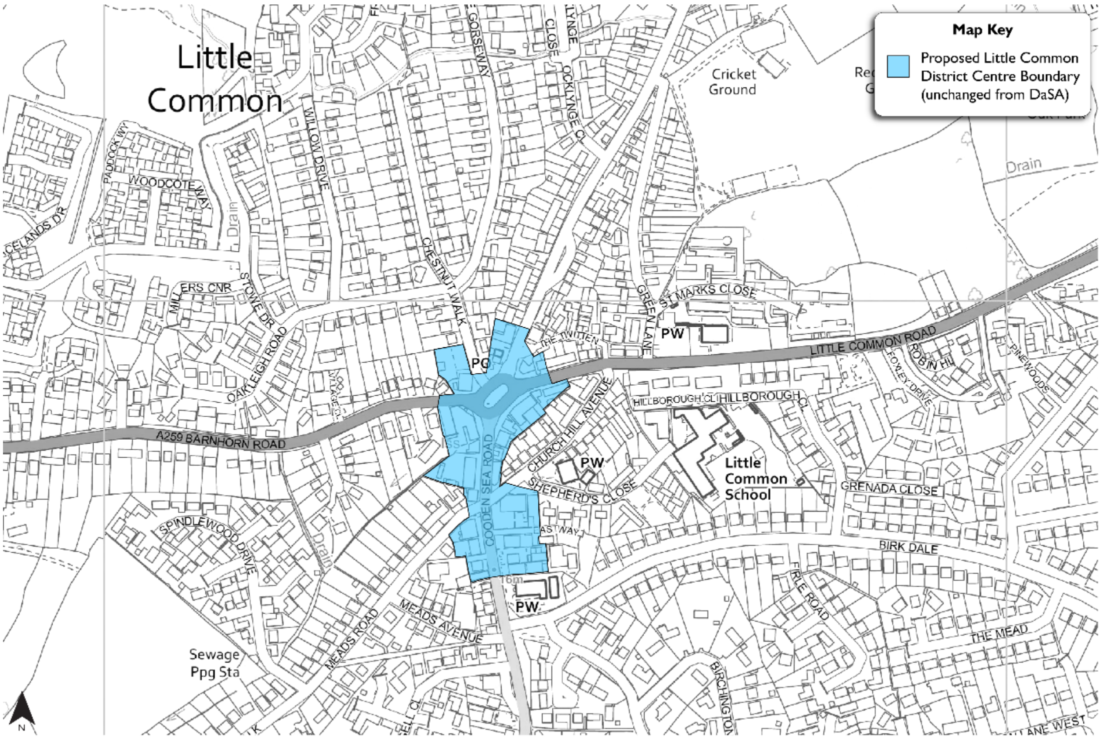


Figure 23: Proposed Sidley District Centre



Scale 1:3000 @ A3
0 40 80 120 160 200 m

Figure 24: Proposed Little Common District Centre



Scale 1: 3000 @ A3
0 40 80 120 160 200 m

7.19 In addition to town and district centres, including more specifically designated primary shopping areas, the NPPF also defines local centres as a designated area for the focus of town centre uses. In Rother, local centres would form a third level in the hierarchy behind town and then district centres. To this end, the Study also looked at Rother's rural villages to consider the potential for local centres, however it found village High Streets had only a limited market share served if anything by only small convenience stores, and consequently did not identify the potential for any new local centres within the District.

Retail and Leisure Impact Assessments

7.20 Since the adoption of the current Local Plan, which under policy EC7 sets the threshold of 500sqm for retail impact assessments, the NPPF has been updated to impacts assessments for new retail and leisure development. The Rother Retail and Town Centre Uses Study has therefore assessed the potential impacts of retail and leisure development on the viability of existing uses within the respective town centre areas.

7.21 The Study recommends that the floorspace threshold should be reduced to 280sqm. This is based on current market trends that see the main grocery operators focusing on smaller convenience stores (i.e. Sainsbury's Local, Tesco Express, etc), which tend to have a minimum gross floorspace of between 280 sqm and 372 sqm. Stores below 280sqm are exempt from Sunday trading restrictions, while those above 280sqm are defined as 'large shops' according to the Sunday Trading Act. The Act intends to protect smaller stores from competition from the larger supermarket operators. It is therefore considered that stores of over 280sqm are unlikely to be a purely local facility, and may draw trade from outside their immediate area and potentially impact on existing stores and centres. Interestingly 2020 changes to the Use Class system define a shop under 280sqm that sells mostly "essential goods" and where there is "no such facility within 1,000 metre radius of the shop's location" as Class F2 (community uses) while shops are other shops are included within Use Class E.

Use of Article 4 Directions

7.22 The study also considers the possible use of Article 4 Directions to restrict Permitted Development rights in respect of conversions to residential within primary shopping areas.

7.23 Firstly, it is worth saying that health checks performed as part of the Study found that vacancy rates within each of the proposed primary shopping areas in Bexhill, Battle and Rye, are relatively low. Rother's town centres are noted to contain a high proportion of independent retailers, in smaller premises, and consequently they have seen a level of resilience than national retail trends. Consequently, it is considered that pressures for changes of use to residential do not so readily apply to Rother's town centres.

7.24 In Bexhill, Permitted Development rights are less likely to come forward for key shopping streets such as Devonshire Road and Western Road where demand for shop units will be greatest from the commercial sector. We are aware that a number of ground floor commercial units on the junction of Sackville Road and the Marina (B2182) are currently being converted to residential. This is an usual location to support residential use given the units front onto a busy roundabout, are located within what was an uninterrupted row terrace of 82 commercial ground floor units. It raises the question on their suitability from a residential amenity point of view. PDR conversions to residential could come forward in other similar locations. However, given the Government is limiting the scope of coverage for Article 4 Directions it is difficult to pinpoint specific buildings within the town centre that could come forward for residential use under PDR. Otherwise, recommendations could be made to apply Article 4 Directions to entire street frontages. However, unless the Council is aware of a specific building or buildings in the town centre that could come forward for PDR then at this time we do not recommend any applications for Article 4 Directions in Bexhill.

7.25 For Rye, the need for an Article 4 Direction may be more relevant due to a number of commercial units on popular commercial streets that have recently been converted to residential use. We are also aware from anecdotal evidence that there is strong demand for short term holiday lettings in Rye Town Centre, which may encourage PDR residential conversions. We are not aware of PDR conversions taking place on High Street and other key shopping streets, which are expected to maintain strong demand for space from retailers and other commercial operators. However, there may be a case to prevent PDR in some of the town's secondary streets, which support off pitch and affordable commercial space. Lion Street is potentially susceptible to PDR conversions and Article 4 Directions on existing commercial properties that are not Listed Buildings could prevent the further loss of commercial uses in this secondary shopping street. The Council may wish to explore whether there are non-Listed Buildings in such locations that may justify the application of Article 4 Directions.

7.26 It is not considered necessary to apply Article 4 Directions in Battle Town Centre given that the entirety of the town centre is located in an Area of Outstanding Natural Beauty (AONB) and as a result PDRs are automatically removed.

7.27 Overall, it is too soon since the introduction of Use Class E and Permitted Development Class MA to know whether or not they are resulting in losses to Use Class E business accommodation to the extent that they are having a adverse impact on the viability of town centres. This is a situation that will need to be monitored and may need to be reviewed in time.

Policy Area: Town Centre Hierarchy and Designated Areas

7.28 Changes to the Use Class system and their corresponding changes to Permitted Development Rights mean that policy in respect of town centres will have a different emphasis from that of the Core Strategy and the DaSA. Ultimately, Local Planning Authorities now have less control over uses within town centres, and some of the more prescriptive policy requirements in existing policy can no longer be enacted. It is noted of course that PD Class MA does not apply to Listed Buildings and areas within National Landscapes, however it would still apply to the majority of floorspace within Bexhill Town Centre, and Sidley and Little Common District Centres. Town centre policy will promote the development of new town centre uses in designated areas, and will, as far as they can, restrict the loss of these uses.

7.29 Without the ability to control uses to the same degree as before, a critical function of town centre, and primary shopping area designation, is to ensure through the use of Retail and Leisure Impact Assessments, that proposals for Town Centre uses outside of Rother's designated centres do not adversely impact in the viability of existing retail and leisure facilities within these centres. This has the effect of ensuring that the concentration of town centre uses remain within town centres.

7.30 Moreover, in order to promote the vitality and viability of town centres due to the changing nature of high streets, it is ultimately necessary to allow the town centres to adapt to new social and economic realities, for which Use Class E and PD Class MA were introduced. As a supporting use, it is considered that residential will come forward on its own in view of these legislative changes.

7.31 The use of Article 4 Directions to control losses to residential is not considered justified at this time. The impact of the above recent legislative changes remains relatively unknown at this stage, be their impacts positive or negative. This is a situation that the Council will need to monitor and review. If it became evident that certain commercial pressures are leading to an over-concentration of particular uses, which would impact on the character and diversity of town centres, then in such a case, the use of Article 4 directions would enable the council will where possible resist the over-concentration uses.

Policy Option 6: Town Centre Hierarchy and Designated Areas

Option	**Comments and recommendation**
6a. As recommended by the Retail and Town Centre Uses Study: Town Centres are designated according to the areas set out in Figure 20 - Figure 22 • Bexhill Town Centre • Rye Town Centre • Battle Town Centre District Centres are designated according to the areas set out in Figure 23 - Figure 24 • Sidley District Centre • Litle Common District Centre	These proposed designations, both in terms of hierarchy and extent of area, are the recommendations of the Retail and Town Centre Uses Study, and consequently there are no additional policy options. The designation functions alongside the sequential approach set out in the NPPF, to be applied in respect to town centre uses. Main town centre uses, excluding retail, should be located in town centres, then in edge of centre locations; and only if suitable sites are not available (or expected to become available within a reasonable period) should out of centre sites be considered. This same sequential approach is to be applied to retail in respect of Primary Shopping Areas.

	Local Centres within the villages were not recommended by the Study. Recommended.
6b. As recommended by the Retail and Town Centre Uses Study: Primary Shopping Areas are designated according to the areas set out in Figure 20 - Figure 22: • Bexhill Town Centre Primary Shopping Area • Rye Town Centre Primary Shopping Area • Battle Town Centre Primary Shopping Area	These proposed designations, both in terms of areas chosen and their extent, are the recommendations of the Retail and Town Centre Uses Study, and consequently there are no additional policy options. The designation functions alongside the sequential approach set out in the NPPF, to be applied in respect to town centre uses. Main town centre uses, excluding retail, should be located in town centres, then in edge of centre locations; and only if suitable sites are not available (or expected to become available within a reasonable period) should out of centre sites be considered. This same sequential approach is to be applied to retail in respect of Primary Shopping Areas. Recommended.
6c. Use of Article 4 Directions to restrict Permitted Development Right Class MA in Primary Shopping Areas.	The NPPF requires the use of Article 4 Directions to be applied to the smallest area possible, including individual buildings; while its use should be restricted to situations where there is evidence of the loss of the essential core of a Primary Shopping Area. According to the Retail and Town Centre Uses Study, there is no evidence to suggest that this is the situation in Rother's PSAs, while no specific sites can be identified. Not recommended.

Policy Area: Retail & Leisure Impact Assessments

7.32 As previously considered, since the adoption of current Local Plan policy, Impact Assessments now have an increased significance in respect of ensuring the viability of town centres, given the reduced ability for Local Planning Authorities to restrict changes of use within designated centres. A further change is the extension of Impact Assessments to leisure as well as retail uses, which while reinforcing the increased role of Impact Assessments as a tool to protect town centres, also reflects national policy's emphasis on the diversification of town centres away from a retail first role.

7.33 In terms of new Local Plan policy, a new lower threshold of 280sqm for both retail and leisure development has been proposed. While this reflects the smaller than average size of unit within Rother's town centres, it also means that the Local Plan will need to be flexible to allow for larger retail and leisure facilities to come forward in suitable 'edge of centre' locations where possible and necessary. This may also take the form of Local Plan site allocations at a later stage.

Policy Option 7: Retail & Leisure Impact Assessments

Option	**Comments and recommendation**
7a. As recommended by the Retail and Town Centre Uses Study in accordance with the NPPF: The threshold for the implementation of retail and leisure Impact Assessments is to be reduced from the current 500 sqm to 280 sqm.	The proposed is the recommendation of the Retail and Town Centre Uses Study, while the application of Retail or Leisure Impact Assessments in respect of Town Centres and Primary Shopping Areas are required by the NPPF. The smaller threshold of 280sqm reflects the smaller average size of units within Rother's designated Town Centre and Primary Shopping Areas, and it is therefore necessary to assess new retail and leisure development for its impact on the viability and vitality town centres and primary shopping areas. Recommended.
7b. Rely on the default threshold of 2,500sqm, as set out in the NPPF.	As above, a threshold of 2,500sqm would not screen new retail and leisure development that could otherwise impact on the viability and vitality of town centres and primary shopping areas. Not recommended.

8 Key Issue – The Visitor Economy and Sustainable Tourism

National Policy and Guidance

8.1 The NPPF does not comment particularly comment on the needs of tourism, other than it consideration of economic need in general. Paragraph 20 discusses the need to make sufficient provision for retail, leisure and commercial development, and ultimately, the needs of the visitor economy will form part of these assessments. It is noted that tourism development is included within the NPPF definition of 'main town centre uses'.

8.2 Otherwise, the only specific reference in the NPPF to tourism development is Paragraph 88c), which states that policies should enable sustainable rural tourism that respects the character of the countryside. This is important for Rother, which has a visitor economy that is substantially connected to the quality and extent of its rural areas. The promotion of sustainable tourism is a priority for Rother's economic vision.

Adopted Local Plan Policy

8.3 The Core Strategy recognises the importance of tourism to Rother's economy, and its relationship to the district's natural, historic and cultural assets. In doing so it considers the potential for the development of Rother's tourism industry alongside the development of markets for local produce, and the enhancement of Rother's cultural offer. It also recognises the growing demand for 'staycation' holidays within the UK, due to increasingly squeezed household finances, as well as climate orientated environmental concerns. In acknowledging these trends, the Core Strategy, while noting that the majority of visits are traditional seaside day trips, observes the potential for a higher quality tourism market, with improved quality of tourist accommodation in particular.

8.4 The Core Strategy's overall direction is established in Policy EC6: Tourism Activities and Facilities, which sets out the following:

Proposals relating to tourism activities and facilities will be encouraged where they accord with the following considerations, as appropriate:

(i) It provides for the enhancement of existing attractions or accommodation to meet customer expectations;

(ii) It supports active use along the coast, consistent with environmental and amenity factors;

(iii) It develops markets for local produce, particularly that which supports land-based industries and cultural assets;

(iv) It does not involve the loss of tourism accommodation, unless there is no prospect of its continued use;

(v) It increases the supply of quality serviced and self-catering accommodation;

(vi) Appropriate controls are in place that restrict occupancy to that for holiday purposes, whilst not unduly restricting operators from extending their season (subject to visual impact and flood risk considerations, where applicable); and

(vii) Compatibility with other Core Strategy policies.

8.5 Through Policy DEC2: the DaSA sets out a detailed set of criteria that applies to applications for holiday accommodation provided by chalets or lodges, caravan and campsites, which form a significant part of Rother's tourism sector. The aim of the policy is to ensure that proposals for such forms of accommodation do not adversely impact on the district's distinctive landscape character, biodiversity, and neighbouring amenities, effectively establishing development management criteria by which such proposals are determined.

Evidence

8.6 A report by Tourism South East Research Unit, titled The Economic Impact of Tourism on Rother District, estimated that in 2019[8], 6.3 million tourist trips to Rother were undertaken, with £287.3 million spent in the local area as a result of tourism (taking account of multiplier effects). The study estimated that 7,234 jobs were directly supported by tourism, while also supporting 1,219 non-tourism related jobs. Overall, 30.1% of Rother's population employed as a result of tourism

[8] A later report for 2020 was also produced, however, the 2019 report is chosen here are representing the latest available data as 2020 data covers a time period with unprecedented enforced public 'lockdowns' and the data is not therefore representative.

within the district. According to the Sussex Visitor Economy Baseline Report (July 2021) records Rother with the second highest number of tourist day visits amongst authorities in the County (after Brighton) and the highest proportion of tourism visits per resident (65).

8.7 The most recent documents to look at Rother's needs for tourism accommodation were the 2013 Rother Hotel & Visitor Accommodation Futures Study and the 1066 Visitor Accommodation Audit Report of 2019.

<u>Rother Hotel & Visitor Accommodation Futures Study 2013</u>

8.8 1066 Country incorporates the whole of Rother and Hastings, as well as a portion of Wealden. This visitor accommodation report was jointly commissioned by Rother, Hastings and Wealden District Councils in 2019 to undertake a comprehensive audit of visitor accommodation across these areas.

8.9 A limitation of the study is that most micro-businesses, including many bed and breakfast suppliers and individual self-catering units may not have been picked up by the study given its scope – although these have been estimated to constitute 50 or so establishments.

8.10 The area comprises some 858 accommodation establishments (not including the aforementioned 50), of which 63% comprise one or more self-catering units (such as cottages, lodges and apartments, etc). This also does not include the over 1,000 Airbnb (or equivalent websites) accommodation establishments, although there is around a 25% overlap with property owners using Airbnb as well as standard self-catering agencies. The total number of bed spaces is estimated to be over 50,000 bed spaces across the are at peak staying times.

8.11 By far the largest proportion of bed spaces at 82% are situated within camping and caravan sites, while self-catering establishments make up the next largest but much smaller 7% of bed spaces, in spite of representing 63% of the total number of establishments. Hotels and motels form a relatively small proportion of bed spaces and total establishments at 6% for each.

Rother Hotel & Visitor Accommodation Futures Study 2013

8.12 The 2013 study identifies that since 2009, Rother had seen a gradual increase in the supply of all forms of visitor accommodation, as well as a gradual improvement in quality – while noting an emerging momentum for 'staycations'. Rother's hotel supply had steadily increased, including improvements in quality. At the same time, other than the holiday park sector, Rother's supply is generally small in scale and operated by independents. The market demand was identified as being weekend focused and seasonal, with London, the South East and near European overseas visitor markets remain key sources of demand. It identified that these existing trends would likely continue to dominate demand – including space capacity during the week and winter months - the study identified potential for the development of a wide range of different types of visitor accommodation across Rother.

8.13 Overall, the study identified a requirement for growth in the District's accommodation supply and a focus on high quality provision in order not to dilute the out of season midweek market. To this end it recommended a positive planning policy framework to enable this to take place, as well a future inward investment strategy and action for the sector; and support for the sector in terms of destination development and marketing and business support.

8.14 While the 2013 study produced a count of visitor accommodation type, the categories and units identified do not correspond with those from the above 2019 audit, and therefore no comparison can be made. It is not therefore possible to identify trends between the two evidence documents.

Potential updated assessment of visitor accommodation need

8.15 The Council may require updated evidence regarding visitor accommodation need to address the new plan period up to 2039, in order to address a number of key issues which have developed since previous evidence was produced. While the 2013 study identifies the growth in the 'staycation' market due to the 2008 recession, the COVID pandemic has furthered the rise of the staycation market, while this trend is also likely to increase as a result of its associated economic fallout and the spiralling need to cut long-distance related emissions. On this matter, it is possible that the period up to 2040 will witness a modal shift away from holidays abroad, although such long-term changes are impossible to predict. In addition, the 2013 study did not mention the role that Airbnb accommodation plays within the district, and nor was it adequately considered in the 2019 audit.

Policy Area: Tourism Activities, Facilities and Accommodation

8.16 Given its broad access to the coast, its beautiful and often remote landscapes, its unrivalled historic assets and settlements, and its relative proximity to London, it is no surprise that the visitor economy is a fundamental component of the district's economy.

8.17 Tourism also forms an important component of rural economies. In addition to the district's three main town of Bexhill, Battle and Rye, Rother's villages are popular tourist destinations due to the presence of cultural activities and attractions such as Bodiam Castle, Batemans at Burwash, Great Dixter, the Kent and East Sussex Railway and the medieval town of Winchelsea. Tourism is an influential factor in the diversification of the rural economy, including the growing market for local produce and viticulture.

8.18 Of particular significance is the coastal resort of Camber. With its golden sands, it has long been a popular tourist destination for people from across the wider region and its summer population swells considerably. The eastern end has become increasingly popular for extreme sports, particularly kite surfing. Camber has the potential to enhance its tourism offer and expand its role as a modern all year-round leisure and tourist destination.

8.19 Most visits to the district are day trips (with 5.8 million being recorded in 2019), although there is a considerable level of staying trips as well, with demand for both serviced and self-catered accommodation. It is envisaged that climate change related issues, including the growing unsustainability of overseas transit, will equate to a steady trend towards domestic 'staycation' holidaying. This represents a growing opportunity for Rother to diversify its tourism offer, extending beyond traditional day trips towards an increasing emphasis on multi-day visits. It is therefore essential for its tourism sector that Local Plan policy promotes a broad range of visitor accommodation, including higher-quality, sustainable accommodation, both in urban and rural areas.

8.20 The development of new online platforms, most notably Airbnb, has led to a rise in the number of short-term holidays lets in some areas of the country, particularly coastal towns. This is conspicuously the case in certain areas of Rother including Rye and Camber. There is a growing awareness that higher concentrations of short-term lets can adversely impact on the availability and affordability of homes for local people, as well as the overall sustainability of communities.

8.21 The Government has recently consulted on proposals that would create a new use class for short-term holiday lets. It is proposed that a change of use from residential to a short-term holiday let would be Permitted Development, however, the use of Article 4 Directions would allow Local Authorities to remove this right of Permitted Development in areas where short-term holiday lets are concentrated and having an adverse impact on the availability of housing. Until such time as these changes are in place, Local Planning Authorities are generally unable to intervene.

8.22 The evidence we have indicates that the general approach of Core Strategy Policy EC6 should be taken forward at this stage. It is general enough not to be unnecessarily restrictive, while encouraging schemes that would support active use along the coast, that develop markets for local produce, and that are supportive of land-based industries and cultural assets. More specific policy relating to tourism development may emerge at a later stage of the Local Plan, subject to more prescriptive evidence. At the same, time, proposed policies within other sections of the new Plan are likely to modify how tourism policy will be determined, in particular the additional emphasis on sustainability delivered through the requirements of the policies in the Live Well Locally and Green to the Core chapters.

8.23 Another component of the existing policy, is that it protects against the loss of tourism accommodation. This protection was further strengthened through DaSA Policy DEC3, which included tourism uses, along with employment uses, in its presumption against the loss of such uses, subject to the tests of a ‘reasonable prospect of continued uses’ set out in DaSA Policy DCO1. Where this inclusion of tourism uses as part of DEC3 feels at present like an add on, the taking forward of EC6 will instead properly incorporate the protections afforded through policy DEC3, will an additional reference to the replacement for DCO1.

Policy Option 8: Tourism Activities, Facilities and Accommodation

Option	Comments and recommendation
8a Bring forward Core Strategy Policy EC6, in offering general support for proposals relating to tourism facilities, subject to the following criteria: (i) It provides for the enhancement of existing attractions or accommodation to meet customer expectations; (ii) It supports active use along the coast, consistent with environmental and amenity factors; (iii) It develops markets for local produce, particularly that which supports land-based industries and cultural assets; and, (iv) It increases the supply of quality services and self-catering accommodation.	There are no identified changes in circumstances that would necessitate a change in policy approach. A different policy approach would need to be underpinned by a newer evidence base. It is also considered that other proposed policies in the plan, specifically the Live Well Locally and the Green to the Core Chapters, will introduce additional sustainability requirements for new development. Recommended.
8b Combining Criterion (iv) of Core Strategy Policy EC6 and Criterion (i) of DaSA Policy DEC3, to resist the loss of land and premises currently or last in tourism use, subject to demonstrating that there is no reasonable prospect of its continued use (tests to be set out in updated version of Policy DCO1). For clarity, this policy requirement will be removed from what is currently DEC3 (which will be left for employment use only) and added to a general policy on tourism development as per the above policy option.	It is necessary to protect against the loss of tourism uses, particularly the loss of visitor accommodation to residential. The current policy provision has been used effectively to protect such losses as part of the determination of planning proposals. The proposed delivery of this provision will also simplify things from their current format, which is spread across two policies. The proposed option would provide an equivalent to the current DEC3 but for tourism uses. No alternative policy approach is considered. Recommended.
8c Do not provide policy protection against the loss of tourism uses as above.	Tourism facilities, particularly visitor accommodation, are frequently at risk from conversion to alternative uses, notably residential. A failure to safeguard such facilities would impact on Rother's tourism offer, its visitor economy and overall economic wellbeing. Not recommended.
8d Bringing forward provision of Core Strategy Policy EC6 criterion (vi) to require	This policy provision is necessary, and there are no reasonable alternatives to consider. Recommended.

"appropriate controls are in place that restrict occupancy to that for holiday purposes, whilst not unduly restricting operators from extending their season (subject to visual impact and flood risk considerations, where applicable)".	

Policy Area: Holiday Sites

8.24 In Rother, holiday accommodation provided by chalets or lodges, caravan and campsites, makes up a significant and dynamic part of the tourism sector, being historically concentrated on static caravan sites situated near the coast but now taking more varied forms and being more dispersed. The following text is taken from the DaSA and is considered to set out the relevant issues in respect of holiday sites development.

8.25 Care must be taken in the siting, scale and form of holiday sites, as they can impact adversely on the special character of the countryside, particularly on an otherwise undeveloped coastline, much of which is designated as being of ecological importance, or in the High Weald National Landscape, which are the very assets that makes the district attractive to visitors. In addition, coastal areas are also most often vulnerable to flood risk.

8.26 Given these environmental constraints, the provision of new holiday centres or large static caravan/chalet sites would be most unlikely to be satisfactorily accommodated locally.

8.27 The upgrading of existing holiday sites, for example replacing static caravans with chalet or lodge-style units, can be positive in terms of better meeting customer needs so long as the impact on the wider landscape is unaffected. This may, exceptionally, involve a sensitive, limited expansion.

8.28 Changing leisure patterns bring other demands, including for short stay breaks in low key, high quality, self-catering accommodation. Such accommodation may take the form of small lodges or more unusual structures such as shepherd huts or tree houses. Where a scheme involves limited ancillary facilities and generates minimal traffic, as well as not detracting from its setting, these may also be accommodated.

8.29 In addition, visitor accommodation serving other countryside uses, for example existing fishing lakes or equestrian facilities, may also be considered where any new buildings can be assimilated into the landscape and the accommodation is wholly ancillary to and an integral part of the principal leisure use.

8.30 Relative to static holiday accommodation, there is more scope for further seasonal touring caravan and camping pitches for holiday use on temporary small-scale sites in the summer months, including new forms of camping, as seen in the rise of 'glamping' and the use of yurts for example.

8.31 The siting of such developments should be visually contained within the rural landscape, not adversely impact on the particular characteristics of the High Weald NL or sensitive ecological areas and have no unacceptable impacts in terms of traffic, access and other environmental impacts.

8.32 There is a need to give careful consideration to tourism accommodation proposals, including ones to upgrade or extend existing permanent and seasonal sites, as well as new sites, where this is likely to generate increased recreational pressure on the Dungeness Complex of 'Natura 2000' sites. This will be most relevant to proposals in the Camber, Rye Harbour and Winchelsea Beach areas, where otherwise suitable proposals must also maintain the integrity of the ecological interest of the Complex; this may involve restricting the scale, length of season, the provision/retention of recreational space and provision of guidance about the sensitivity of sites.

8.33 Some significant areas of the district are at risk from coastal and/or fluvial flooding. For both permanent and seasonal accommodation, the provision/extension of sites, or extension of occupancy periods, is will not be agreed in undefended areas of high flood risk unless a Flood Risk Assessment has satisfactorily demonstrated that the appropriate standard of flood defence will be provided and the development would not impede flood flows or otherwise prejudice floodplain storage.

8.34 Fluvial flooding from rivers can occur at any time of the year and therefore highly vulnerable uses such as touring and static caravans and tents should normally be located outside the floodplain or be adequately defended, with any residual flood risk mitigated for on the site. Flood Risk Assessments will also be required for applications in flood risk areas, included those with flood defences, to assess any residual flood risk to the site. These should have regard to the impact of hard-standings and other impermeable surface treatments. To safeguard people, restrictions on occupation will be imposed where there is a high risk of flooding.

8.35 While there has been a trend to move away from seasonal controls on permanent sites to allow all-year-round use, it is essential that holiday sites remain available as tourist accommodation and do not develop, or become seen, as low cost homes to be purchased or occupied by persons without a permanent residence elsewhere. As well as the loss to the tourism economy, permanent residential occupation has infrastructure impacts, notably on highways and local services, including schools.

8.36 On sites with static units established practice is to impose conditions on any new permissions to the effect that any unit is only occupied for holiday purposes and not as any person's sole or main place of residence; also, that the owners/operators of the site should maintain an up-to-date register of the names and main home addresses of all occupiers of the units and make this available to the Council.

8.37 Seasonal sites should be limited to holiday use and the occupation period need to be restricted to prevent use all year round (normally to between April and October).

<u>Policy Option 9: Holiday Sites</u>

Option	**Comments and recommendation**
9a. Bring forward DaSA Policy EC2 Holiday Sites, subject the following amendments (*italics*): All proposals for camping, caravan and purpose-built holiday accommodation must accord with all other appropriate policies in this Plan and: (i) Safeguard intrinsic and distinctive landscape character and amenities, paying particular regard to the conservation of the High Weald *National Landscape* and undeveloped coastline, and be supported by	There are no identified changes in circumstances that would necessitate a change in policy approach. A different policy approach would need to be underpinned by a newer evidence base. It is also considered that other proposed policies in the plan, specifically the Live Well Locally and the Green to the Core Chapters, will introduce additional sustainability requirements for new development. Recommended.

landscaping proposals appropriate to the local landscape character; (ii) Not significantly detract from the needs of agriculture; (iii) Not unreasonably harm amenities of residents in nearby dwellings; and (iv) Not be in an area at risk of flooding, unless a site specific flood risk assessment has demonstrated that the development will be safe and will not increase flood risk elsewhere. Proposals for static caravan, chalet or lodge accommodation must also: (v) be of a modest scale for low key, high quality accommodation that requires only limited ancillary facilities; or (vi) comprise a limited amount of accommodation to enhance an existing countryside recreational use and be wholly ancillary to that use; or (vii) where within an existing site, either: a) result in a significant improvement to the appearance and quality of accommodation of that site, or b) be a limited extension of that site to a natural boundary, and make a significant improvement to the appearance and quality of accommodation. Touring caravan or tented camping proposals should be of a small scale appropriate to the area. Where the temporary use of land is permitted, any ancillary facilities necessary to serve the site will only be permitted on a similar temporary basis or, if of a permanent nature, where they are compatible with the local character of the area. For all proposals, in order to prevent the residential use of holiday accommodation, their use will be restricted to holiday/leisure purposes only *and will be subject to occupancy conditions relevant to the site, in accordance with Policy XXX.*	
9b. Have no specific policy on holiday sites, and instead rely on the taking forward of Core Strategy Policy EC6 into the new Local Plan.	Holiday sites represent the majority of Rother's visitor accommodation offer, and therefore it is important that new holiday sites development is sufficiently dealt with through Local Plan policy. The criteria contained in the above policy

	option consider specific issues relating to holiday sites development. that safeguard the environment, including landscape impact, while also considering flood risk. Without this policy provision, these considerations would not receive the policy protection that they require. Additionally, by dealing with specific forms of visitor accommodation, the policy provides greater policy requirement clarity for such proposals coming forward. Not recommended.

9 Key Issue – Local Skills Shortages and the Low Wage Economy

National Policy and Guidance

9.1 Paragraph 85 of the NPPF requires that planning policies should help create the conditions in which businesses can invest, expand and adapt, and that significant weight should be placed on the need to support economic growth and productivity, taking into account both local business needs and wider opportunities for development. According to the PPG, this can be via a planning agreement entered into under section 106 of the Town and Country Planning Act 1990 by a person with an interest in the land and the local planning authority; or via a unilateral undertaking entered into by a person with an interest in the land without the local planning authority[9].

9.2 Section 4 of the NPPF sets out national policy in respect of the use of planning obligations in decisions relating to permitting new development. In particular, Paragraph 57 sets out the following conditions, all of which must be met, in which planning obligations may be sought:

a) necessary to make the development acceptable in planning terms;
b) directly related to the development; and
c) fairly and reasonably related in scale and kind to the development.

9.3 The PPG states that planning policies for planning obligations should be set out in plans and examined in public. Policy requirements should be clear so that they can be accurately accounted for in the price paid for land. Additionally, such policies should be informed by evidence of infrastructure and affordable housing need, and a proportionate assessment of viability[10].

[9] Paragraph: 001 Reference ID: 23b-001-20190315
[10] Paragraph: 004 Reference ID: 23b-004-20190901

Adopted Local Plan Policy

9.4 The development of vocational skill levels and training is identified in the Core Strategy as vital to economic growth and the district's future prosperity. Core Strategy EC1: Fostering Economic Activity and Growth includes the following policy criteria:

i) Investment in education, training and development, especially in areas of lower attainment levels and skill levels;

ii) An extension of vocational training and sector skills programmes;

iii) Continued collaborative working between education, training, business and inward investment agencies, notably through the Local Enterprise Partnership, Rother Local Strategic Partnership, and with partners in Hastings.

Evidence

<u>HEDNA</u>

9.5 Unemployment within a geographic area is a key indicator of deprivation, while qualification levels significant factor in the development of a high skill economy. It is a long-standing statistic that, low employment and qualification levels compared to regional and national averages, are a continued detriment to local living standards and Rother's overall level of economic development.

9.6 When considering economic growth in terms of sector and employment growth, it is important to note that the HEDNA considers Rother District as forming a Functional Economic Market Area along with Hastings Borough. Hastings is located centrally with respect to Rother's overall geography, being closer to much of the District than Bexhill, while also forming, together with Bexhill, the District's main urban area. Consequently, sectorial jobs growth within Hastings is directly relevant to the residents of Rother, and vice versa for Hastings' residents.

9.7 Of the HEDNA's projected 3,800 additional jobs (full time equivalent) that will be created in Rother between 2020 and 2040, 1,000 of these are estimated to be in the construction sector, including the construction required to meet the District's evidenced development needs. An additional 500 construction jobs are expected to be created in Hastings over this same period. The HEDNA further states that the lack of local skills, particularly in the construction sector, has a role in restricting the development of much needed housing in the district, as well as the delivery of planned for employment floorspace. It consequently recommends that the upskilling of local residents should be an objective of the Local Plan.

Policy Area: Local Employment & Skills Plans

9.8 The above indicators in respect of low employment, training and skills are critical for both the economic wellbeing of Rother's residents and for the District as a whole. As such, the improvement of skills and the quality of employment ought to be the priority of any economic strategy for the District. In particular, the above projections for growth in the local construction sector point to significant employment opportunities for residents.

9.9 However, it is often the practice of construction companies, including national housebuilders, to outsource recruitment so that much of the employment that is created from construction goes to workers outside of the local area. This is partly the result of construction companies being unable to find the required skills in the local labour force. Not only does this have an adverse impact on local employment figures, but it also means that construction employees are commuting from outside the District, creating potentially unnecessary travel and emissions.

9.10 It is therefore important, as far as possible, that the large number of jobs forecast in construction go to local residents, while a significant part of this is that residents are provided with opportunity to develop the required skills and training that would enable them to take up construction roles locally.

9.11 The Council has an established practice of using legal agreements to secure Local Employment and Skills Plans (LESP) from larger developments. LESPs will set out opportunities for, and enable access to, employment and the upskilling of local people through the construction phase, and where possible the operational phase, of the development.

9.12 It is the intention that opportunities are to be made available to qualifying residents from the local area. LESPs may require than a certain proportion of the workforce is recruited from the local area through a local labour agreement. Indeed, LESPs can identify specific geographical zones to be targeted.

9.13 Training opportunities would be proportional to the scale of the development scheme, which may include the option to create apprenticeship positions, but similarly LESPs can include financial components that go towards off-site training and education programmes. Securing and LESPs would may help to release the necessary funding and coordination for this training to take place - for example, training somebody to obtain a CSCS card costs around £500. Opportunities may be construction based, but may also relate to the ongoing use of the completed development, so that for example where it is a housing development, the LESP may require the sales team must to some degree be recruited from the local work force.

9.14 Rother has no existing policy in place requiring employment and skills plans, although such policies are now becoming widespread throughout other councils' Local Plans. The creation of a LESP policy would have the aim of guaranteeing that all applications for development are considered for their potential in contributing towards local skills and employment, while adding an additional level of justification to the negotiation process with the developer. By providing a policy threshold of development, or a set of criteria to which LESPs are to be applied, established process would become formalised for new development in the District, and applicants for planning permission would know at the outset what they are required to provide. If such interventions were widely implemented, the hope would be that such considerations to procure locally would become part of the recruitment and training process.

Policy considerations

9.15 As it is the intention of the policy to formalise and further establish the use of LESPs as part of the process for new development, the policy requirements will be taken from its existing practice and experience.

9.16 The responsibility for drawing up the LESP is the responsibility of the developer. In doing so, the developer will be expected to liaise with the Council's Regeneration Team in combination with local employment and skills agencies, from which opportunities for upskilling and employment will be identified. The target outcomes of the LESP will be commensurate with, and assessed against, construction industry standard benchmarks of the employment / skills outcomes expected from the particular size and type of construction proposed.

9.17 Requirements are likely to be aligned with the approach set by the National Skills Academy, which has developed National Skills Academy for Construction Client Based Approach to provide a framework for producing and implementing an Employment and Skills Strategy for construction projects. This framework formulates benchmarks to provide target outputs for a range of employment and skills areas such as apprenticeships and entry into employment. These benchmarks have been formulated for a range of construction types and bands. Requirements are ultimately based on the overall value of a given development.

9.18 Based on the Council's experience, it is considered that the threshold for LESPs will apply to all developments over the thresholds of 10+ dwellings and 1,000+sqm of floorspace. It is accepted that there may be situations where requiring a LESP is not appropriate, such as where it would lead to significant viability pressures, or where the developer already has an appropriate employment and training scheme in place.

9.19 In addition to the LESP itself, qualifying developments are required to make a financial contribution to the Council for its role in liaising with the developer in drawing up the LESP, as well as for its role in monitoring the delivery of the LESP. Financial contribution requirements are set out in the policy, and they are to be index linked for inflation based on the adoption date of the Local Plan. The Council's experience of using LESPs indicates that the financial contribution requirements of £200 per dwelling, or £1 per sqm of non-residential floorspace, are minimal in respect to the overall value of a development. It is therefore not expected that these requirements would have any significant adverse impact on the viability of a development.

Policy Option 10: Local Employment & Skills Plans

Option	**Comments and recommendation**
10a. Policy to require LESPs via 106s from suitable developments.	A policy would maximise the LPA's capacity to secure LESPs from suitable developments, which are an important means by which the Plan can help to improve training and skills

	levels, as well as securing employment for local residents. A policy would also make the process more automatic, and therefore less dependent on the proactiveness of Council staff in Regeneration, which is a measure of individual employees rather than a Council wide system of notification. Recommended.
10b. Do not have a policy, and instead reply on the fact that Rother has been able to effectively secure LESPs via S106 from suitable developments.	Concern that the lack of policy would reduce the LPA's capacity to secure LESPs from suitable development. For example, and despite the Council's efforts, a LESP was not secured as part of the recent granting of permission (via appeal), with the cited reason that there is no policy requirement at present. Not recommended.
10c. Setting the threshold for requiring LESPs as: 10 or more dwellings for residential development 1,000sqm or more for commercial floorspace	Current practices of securing LESPs across a range of development sizes show that requiring LESPs from developments of 10+ dwellings / 1,000sqm+ floorspace is achievable, while this lower threshold is justified on the basis that developments within the rural areas of the district tend to be smaller. Recommended
10d. Setting the threshold for requiring LESPs as smaller than: 10 or more dwellings for residential development 1,000sqm or more for commercial floorspace	The LESP requirement be financially and organisationally burdensome on developments under this size, while the scale of development would not provide adequate opportunities for employment or training. Not recommended.
10e. Setting the threshold for requiring LESPs as: 20 or more dwellings for residential development 2,000sqm or more for commercial floorspace	The LPA's experience in securing LESPs from development shows that a lower threshold of 10 dwellings and 1,000sqm is achievable. This higher threshold would unnecessarily reduce the number of LESPs that can be secured. Not recommended.
10f. Requiring contributions of: £200 per dwelling £1 for every sqm of commercial floorspace	The function of contributions is to cover the Council's costs in the implementation of each LESP. It has been shown to be a minimal cost as part of overall development costs, while successfully able to cover the Council's role. No other options are therefore proposed. Recommended.

10 Key Issue – The Rural Economy

National Policy and Guidance

10.1 In Section 6 of the NPPF places a particular emphasis on the role of the planning system in supporting a prosperous rural economy. This is especially relevant for Rother as 37.3% of its population reside in the District's rural areas, while a further 11% live in the small historic market towns of Battle and Rye. To this end, paragraph 88 sets out that planning policies should enable:

a) the sustainable growth and expansion of all types of business in rural areas, both through conversion of existing buildings and well-designed, beautiful new buildings;
b) the development and diversification of agricultural and other land-based rural businesses;
c) sustainable rural tourism and leisure developments which respect the character of the countryside; and
d) the retention and development of accessible local services and community facilities, such as local shops, meeting places, sports venues, open space, cultural buildings, public houses and places of worship.

10.2 Furthermore, paragraph 89 requires that planning policies should "recognise that sites to meet local business and community needs in rural areas may have to be found adjacent to or beyond existing settlements", which are isolated and not easily accessible by public transport or cycling/walking. It is important to ensure that economic development in these circumstances is development is "sensitive to its surroundings, does not have an unacceptable impact on local roads and exploits any opportunities to make a location more sustainable" including taking opportunities to improve accessibility by sustainable transport. The use of previously developed land is also encouraged.

10.3 The need to support the rural economy is to be balanced alongside national policy's commitment in NPPF Paragraph 180a) to protecting and enhancing valued landscapes and biodiversity and in 180b) to recognising the intrinsic character and beauty of the countryside, as well as the best and most versatile agricultural land.

Notably in respect of the High Weald National Landscape, the conservation and enhancement of their landscape and scenic beauty are given the highest protection through Paragraph 182.

Adopted Local Policy

10.4 Of the target set in Core Strategy Policy OSS1 of 'at least' 100,000 sqm of employment floorspace over the plan period, 10,000sqm (at least) is apportioned to the rural areas. Notably this does not include Battle or Rye, which are apportioned 10,000sqm and 10,000-20,000sqm respectively.

10.5 The second significant strand of strategic policy is delivered through the of Development Boundaries as established in Core Strategy Policy OSS2 which sets out the principle that Development Boundaries differentiate between areas where most forms of new development would be acceptable and where they would not. Areas with Development Boundaries are identified in DaSA Policy DIM2.

10.6 The Core Strategy's Rural Areas policies include consideration of the types of economic development that is suitable for the often small historic villages, and sensitive landscape of the rural areas. In terms of the countryside, Policy RA3 is supportive of suitable employment and tourism opportunities, while emphasising that this will generally consist of small scale growth of existing business sites and premises, while RA1 which considers development in the villages, notably the larger villages, also suggests that new sites for development may be suitable, particularly for small workshops and office units, or potentially as part of new housing or mixed-use developments.

10.7 Core Strategy Policy RA2 states that it is a strategic intention to maintain the farming capacity of the district, and support the agricultural industry, including diversification within farming. Agricultural practices, land-based economic activities and woodland management, and related agri-environmental schemes, that reinforce local distinctiveness, landscape character and ecology are emphasised and encouraged. To this end, the conversion, for employment use, of farm buildings generally in keeping with the rural character is supported.

10.8 Where tourism forms a significant aspect of the rural economy, Policy EC6 is supportive of high quality tourism development where it supports active use along the coast, consistent with environmental and amenity factors; and where it develops markets for local produce, particularly that which supports land-based industries and cultural assets. DaSA Policy DEN2 sets out a whole set of detailed criteria through which to determine the holiday sites type visitor accommodation that forms so much of the existing and future tourism market in the District.

10.9 Shops and services outside of designated town centres, that serve local communities, are supported under Core Strategy Policy CO1.

10.10 DaSA Policies DEC3 and ECO1 together protect employment and tourism uses, and local shops and facilities, across the district; requiring there to be no reasonable prospect of continued use to obtain before they can be changed to other uses. DEC3, in line with the RA policies in the Core Strategy, allows for the intensification and expansion of existing business and premises where suitable.

10.11 Regarding equestrian development in the countryside, DaSA Policy DCO2 sets out detail criteria, particularly in respect of conserving the High Weald National Landscape, including siting, scale, design, location, the use of lighting. The policy also considers the safety and comfort of horses, including whether there is sufficient land for grazing as well as consideration of stabling proposals.

Evidence

10.12 Rother is a predominantly rural district, and the primary economic function of the countryside is agriculture and the production of food; with some 70% of the area of Rother district being classed as farmed land by DEFRA. Rother's agricultural land is of mixed quality; mostly grade 3, but with significant areas of higher quality grade 2 towards the east of the district along the Brede Valley and East Guldeford Level.

10.13 The 'Evidence' section under 'Employment Need Development' briefly sets out the position of the HENDA in terms of economic growth and development in the rural area. To recap, the 74,189sqm of identified need for employment floorspace across the plan period is not broken down for specific areas within the district, which differs from the current Local Plan for which the Rural Areas, as well as Rye and Battle, are allotted individual delivery targets.

10.14 Perhaps surprisingly, the majority of employment land supply delivery since the start of the Plan Period of the Core Strategy has been in the rural areas and Rye Harbour. Again however, it is important to locate these take up trends within the context of the FEMA as a whole. The overwhelming majority of the District and the FEMA's existing floorspace is located as part of the Bexhill-Hastings urban area. Indeed, the majority of the District's supply pipeline for Rother is focused on Bexhill. It is commented that If take-up trends were continued up until 2040, the FEMA would only see an 8% increase in office floorspace and a 5% increase in industrial floorspace. Moreover, a significant proportion of take-up is located in urban fringe areas, and can therefore be linked to the function of the economy of the urban areas.

10.15 To some extent, the geographic extent of the rural areas of Rother is significant for certain economic activities, indicating that some types of employment and patterns of land use might be highly dispersed (for example agriculture, hospitality and tourism). However, in spite of the relatively significant increase in employment floorspace in the rural areas, its Gross Value Added (GVA)[11] as a proportion of the FEMA has remained consistent over this period (at 20%), while employment levels have similarly remained a constant (12%). There is no evidence that the rural areas contain any specific characteristics that will make them a significant to the delivery of the FEMA's employment floorspace It is suggested that the increase in floorspace is more likely to be a function of diversification within the rural economy, rather than an indicator of economic growth, and a demand for smaller incubation-type space, including permissions in rural areas have been to subdivide existing space, and there is some consideration that the increase in rural delivery is partly due to the non-delivery of larger urban employment sites.

Policy Area: Agriculture & Forestry and Agricultural Diversification

10.16 Where the increases in floorspace in the rural areas does not equate to increases GVA or employment, but instead indicates diversification within the economy, the

[11] GVA as a measure of productivity is used to identify economic growth.

HELAA concludes that such increases in floorspace may be significant for the maintenance of rural employment levels. This is reflective of the need for the rural areas to adapt to changing markets, which is agued will be further impacted by climate change.

10.17 Rather than a separate employment land need figure, the HENDA recommends that the rural economy would be better represented and served through flexible and supportive policies that enable its economy to continue diversification and growth as a continuation of recent trends.

10.18 To the extent that the rural areas are included in the overall district need figure of 74,189sqm of floorspace, the strategy will be supportive of increases in floorspace. In addition, policies considered under the Policy Area regarding Employment Development Need, which in terms of policy will function alongside the Development Boundaries to be established in the Development Strategy. These policies will continue the approach taken by the Core Strategy's RA policies, while the protection of existing employment sites will be the function of the taking forward of DaSA policies DEC3 and DCO1.

Agriculture & Forestry

10.19 It is important to recognise that with 83% of the district being within the High Weald NL that the form of agriculture within the district is generally less intensive in nature compared to other rural areas. This is reflected in the High Weald's medieval field pattern consisting of small, irregularly shaped fields bounded by hedgerows and woodlands. According to the High Weald AONB Management Plan, there is no Grade 1 agricultural land within the High Weald, with only 2.5% being of Grade 2, while the average farm size in the High Weald is less than half the national average.

10.20 The Management Plan emphasises that certain forms of agriculture are nonetheless an integral part of the maintenance of the High Weald's medieval landscape, especially where the production of food is intended for local markets. Changes in agricultural practices during the 20th century saw a decline in traditional land and woodland management, with a consequent decline in skills in environmentally sensitive land management. Maintaining and developing such skills, and practices, offers opportunities for local employment and has a vital part to play in maintaining the district's distinct landscape character, especially in the High Weald. Key threats to the High Weald's fieldscape identified by the Management Plan include the fragmentation of farm holdings due to an increase in non-farming land ownership, the loss of agricultural skills and knowledge, and a reduction in livestock grazing and the associated loss of farm infrastructure and the degradation of pasture and soils.

10.21 New agricultural buildings are often permitted development and do not require planning permission, subject to requirements that the farm holding is over a certain size, with limitations for building size also relevant. In Rother, where farm sizes are smaller than national averages, new agricultural buildings may therefore be more likely to require planning permission.

10.22 In addition, modern farming practices often require new agricultural buildings to meet specific needs. It is also recognised that new forms of agriculture, including viticulture and beer production, are becoming increasingly important within the rural economy, with local beer production in particular being marketed in local urban areas.

10.23 It is therefore considered that a separate policy is required for new buildings for agriculture and forestry, in order to establish flexibility to account for the specific requirements of agriculture within Rother that does constitute Permitted Development. To ensure viable farming industries, these will be supported in principle, though whilst the size and mass of such buildings is inevitably dictated by their function, care is still needed in their siting, design and materials, to minimise the visual impact on the landscape character of the countryside.

<u>Agricultural Diversification</u>

10.24 As the HEDNA shows, the maintenance of the rural economy requires that it is able to diversify. The diversification of traditional rural businesses has by now become an established means of supporting the agricultural activities that are integral to the vitality of rural areas. At the same time, adding new farming activities to changing farming needs and development economics have meant that many former farm buildings, historic and modern, have become available for conversion and re-use.

10.25 What is essential to diversification schemes, in contrast with other businesses in the rural areas, is that they add value to the established agricultural business while remaining ancillary in function. By supporting the vitality of agriculture it is considered that a policy for diversification schemes may permit increased flexibility for new economic development over proposals for new development in the countryside that are not connected to agriculture.

10.26 Such a policy would offer in principle support for schemes to diversify agricultural businesses, both through the reuse of existing redundant buildings and in some circumstances through new buildings. Such diversification schemes can include workshops, farm shops or tourist facilities, and other employment uses such as offices. To be considered a diversification scheme, development would not be required to have a direct connection to the established farm, however there is often high interdependency and mutual benefit between developing markets for local food production and other business activities.

Policy Option 11: Agriculture & Forestry

Option	Comments and recommendation
11a. New policy, to enable the development of suitable agricultural buildings and tracks that are reasonably necessary to support agriculture and forestry. Policy wording as follows: For new buildings New agricultural buildings and other non-domestic buildings (also including the conversion, replacement and extension of existing sites and premises, reasonably necessary to support agriculture and forestry, that are not permitted development) will be supported, provided that: (i) New development serves a need that is directly related to the enterprise, and is of the minimum scale required to meet that need; (ii) Wherever possible, development should re-use or be on the footprint of an existing agricultural building, otherwise it should be related physically and functionally to existing	The smaller than average size of agricultural landholdings within Rother means that there is a risk of new, suitable agricultural buildings necessary to support agriculture being outside the criteria of permitted development rights. At the same time, it is considered that it is essential to support the viability of farming and land-based industries given its role in preservation of Rother's landscapes. Recommended.

buildings associated with the enterprise, unless it can be demonstrated that there are exceptional circumstances relating to the needs of agriculture or forestry that require a more isolated location; (iii) When development is, exceptionally, acceptable in flood risk areas, consideration is paid to the layout and form of development to mitigate flood risk; (iv) The design and materials of the development respond to its function and the local landscape character; (v) Existing redundant buildings within the application site which have a negative impact on landscape character are removed where appropriate. New Agricultural Tracks Development proposals for new or improved access tracks for agriculture or forestry will be permitted where: (vi) The proposal is essential for the sustainable management of the land; (vii) It has been demonstrated that it is not feasible to accommodate the proposed traffic using existing accesses; (viii) Must be the minimum possible scale necessary for its proposed use; (ix) The layout and design conserves and where possible enhances local landscape character, which includes being in accordance with local geology and fitting within the pattern of existing contours and vegetation; (x) New tracks should protect and enhance existing drainage patterns; (xi) Where practicable, the track is opened as a path for permissive public usage or as Public Right of Way, and should be accessible from the existing Public Rights of Way network.	
11b. Have no policy and depend on permitted development rights.	For the reasons cited above, this may reduce the ability of agricultural activities to remain viable, given that many farms in the area may

	be smaller than is required by the criteria of permitted development. Not recommended.

Policy option 12: Agricultural Diversification

Option	Comments and recommendation
12a. Dedicated policy to support agricultural diversification subject to the following criteria: (i) are located within an active farm; (ii) demonstrate how the scheme will support and add value to the farm. Where appropriate, permission for diversification schemes will be subject to a condition tying the enterprise to the farm; (iii) are ancillary and subordinate in scale to the farm or land-based business; (iv) do not cause severance or disruption to the agricultural holding; (v) make use of redundant buildings before proposing new buildings. new buildings should be clustered within existing building groups; (vi) are of an appropriate scale and will not adversely impact on the character of the landscape, as well as local amenity; (vii) are accessible, and traffic generation can be satisfactorily accommodated by the existing or planned local road network, ensuring access arrangements are acceptable to the scale and type of development with no adverse effect on the road network; and, (viii) ensure vehicular access avoids residential streets and country lanes, or mitigates impacts on these. Holiday Lets Proposals for holiday lets will be supported where they are provided only through the conversion of a suitable redundant farm building.	A dedicated policy establish a distinct policy approach from that of policy that is supportive of employment development: Development as part of a diversification scheme would enable more extensive forms of development than would otherwise be accepted outside of Development Boundaries (both in the sense of scale and type of development), on the basis that agricultural diversification schemes would have the primary function of facilitating the continued viability of agricultural activities which are essential to Rother's landscape. Recommended.
12b. Have no policy and generally supportive policy.	Without specific consideration of the reasons for agricultural diversification, and therefore no separate policy approach, diversification schemes would be determined through less flexible policy, which would act

	as a restriction on the diversification within the rural economy that needs to happen. Not recommended.

Policy Area: Equestrian Development

10.27 The Rother area continues to be a popular area for equestrian activities. Its countryside provides an attractive environment for horse riders and there is a good network of bridleways throughout the district. Equestrianism is recognised as a countryside pursuit and has a role in supporting the rural economy.

10.28 While there is a limited number of larger commercial centres in the district, it is small-scale facilities for individual and private pursuit that predominantly come forward as planning applications. Typically, proposals for stables will include a tack room as well as external hard-standing and manure bays, but may also include a sand school, fencing and jumps, as well as new access from the highway.

10.29 A balance needs to be struck between meeting the desires of the equestrian community and at the same time safeguarding the intrinsic value and locally distinctive rural character and landscape features of the countryside. This is especially the case in the High Weald NL, the conservation and enhancement of which is afforded great weight.

10.30 It is considered that DaSA Policy DCO2 can be taken forward into the new Plan, subject to bringing its terminology and references up to date and the other policies in the plan.

Policy option 13: Equestrian Developments

Option	**Comments and recommendation**
13a. Take forward existing DaSA policy DCO2, which sets out a number of detailed criteria regarding equestrian development in Rother. The policy wording is set out below, subject to the addition of Criterion (iii) (*in italics*), which adds the requirement that equestrian developments should have regard to the	There is no evidence to suggest that the overall situation has changed, and therefore no other policy options are proposed. Recommended.

quality of agricultural land and sites designated for their environmental status. Proposals for equestrian developments must, individually and cumulatively, safeguard the intrinsic and locally distinctive character and amenities of the countryside, with particular regard to the conservation of the High Weald National Landscape. In addition, proposals should accord with the following criteria, as applicable: (i) The siting, scale and design, including materials and boundary treatment, of any new buildings or facilities should be appropriate to their rural setting; (ii) Proposals should not be sited in particularly prominent or isolated locations where new development would not be appropriate; (iii) Where proposals are sited on agricultural land, areas of poorer quality land should be preferred to higher quality land. Similarly, the siting of proposals should have regard to the hierarchy of international, national, and locally designated sites, by prioritising sites on land with the least environmental or amenity value. (iv) commercial riding schools, livery stables and related facilities should be satisfactorily integrated with existing buildings; (v) any associated floodlighting, earthworks, new access routes or ancillary structures, including storage facilities, manure bays, hard-standings, fencing and jumps, should not have an adverse impact on the surrounding countryside, biodiversity or local residential amenities, having regard to other relevant policies in the Plan; (vi) adequate provision should be made for the safety and comfort of horses in terms of the land for grazing and exercising, notably in the consideration of stabling proposals. Where possible, commercial riding schools, livery stables and other commercial facilities should have satisfactory access to the public bridleway network without the use of	

unsuitable roads and in all cases not adversely impact on road safety. In some circumstances, conditions (such as the removal of permitted development rights for fencing and external storage) may be applied where it is considered that there is the need to control potential adverse landscape impacts which can arise from the poor management of sites. Permission may also be subject to the removal of excessive or inappropriate fencing which has already taken place.	
13b. Have no specific policy on equestrian developments.	While equestrian developments are typically small scale, and are rural in character, they still have the individual and cumulative potential to erode the particular character of the District's countryside and landscapes. The detailed criteria within the above policy option consider the specific issues related to these potential development risks, as well as consideration of the welfare of horses. Without this policy provision, these considerations would not receive the policy protection that they require. Additionally, by dealing specifically with equestrian development, the policy provides greater policy requirement clarity for such proposals coming forward. Not recommended.

11 Preferred Policy Options

11.1 This section sets out the preferred policy options. It is generally set out in the same topic order as this background paper other than where multiple topic areas are combined within the same option:

Supporting New Employment Development

11.2 This policy relates to Policy Areas: 'Meeting employment need through supportive policy', Policy Options Table 3; and 'Agricultural Diversification', Policy Options Table 12. It has emerged to deliver the considerations of Policy Option 3a, while it is designed to function alongside policy Option 12a where employment development would form part of an agricultural diversification scheme.

Proposals for new employment development, will be considered in accordance with the following criteria and subject to other Local Plan policies:

(i) be of a scale and nature appropriate to the locality, and not have adverse impacts on any neighbouring residential amenity; and

(ii) ensure that traffic generation can be satisfactorily accommodated by the existing or planned local road network, ensuring access arrangements are acceptable to the scale and type of development. Developments that would potentially generate a significant amount of movement must be suitably located and submit sufficient information to assess its likely transport impacts as well as how these impacts would be effectively mitigated and considered in a Transport Assessment.

<u>Employment Development Outside Development Boundaries</u>

Suitable employment opportunities in the countryside will be supported in limited circumstances, including through the sensitive, normally small-scale growth of existing business sites and premises, and by the conversion, for employment use, of farm buildings in accordance with Policy ECO8.

Protecting Existing Employment Sites and Premises

11.3 This policy relates to Policy Areas: 'Meeting employment need through supportive policy', Policy Options Table 3; and 'Protecting existing site and premises of economic value', Policy Options Table 4. In reference to Policy Option 3a the policy forms part of the strategy to maximise employment development; which this policy delivers through the protection of existing employment sites while setting out policy tests, which are taken from Policy Option 4a. This policy functions in combination with the above policy 'Supporting New Employment Development' as an overall policy approach to sustainably maximising employment development.

The effective use of existing employment sites will be secured by:

(A) Land and floorspace currently (or last) in employment use, must be retained in such use unless it is demonstrated that there is no reasonable prospect of its continued use for employment purposes, or it would cause serious harm to local amenities. Where the continued employment use of a site/premises is demonstrated not to be viable, complementary enabling development as part of an overall scheme to make most effective use of the property for employment purposes can be proposed.

The approach to demonstrating if there is a reasonable prospect of continued commercial use is set out in Policy DEV4.

If a mixed use scheme is not viable, alternative uses will be considered in accordance with a sequential approach in the following order:

i) community uses;
ii) 100% affordable housing (in accordance with Policy HOU3); and then
iii) Housing (in accordance with Policies HOU1 and HOU2).

(B) The intensification, conversion, redevelopment and/or extension of existing sites and premises, as well as access and environmental improvements, will be permitted where they accord with Policy ECO1 as well as other policies of the Plan.

Designated Town Centres

11.4 This policy relates to Policy Areas: 'Retail and Leisure Development Need', Policy Options Table 5; and 'Town Centre Hierarchy and Designated Areas', Policy Options Table 6. With respect to Policy Option 5a, while no quantitative retail or leisure development need has been identified, this has to be read alongside the problematic nature of forecasting for such uses. In relation to Policy Option 6a the policy establishes a town centre hierarchy that is based on Town Centre and Primary Shopping Area designations established through the Rother Retail and Town Centre Uses Study.

Town Centres Areas

Proposals The following designated Town and District Centre Areas, as defined on the maps in Appendix 2, will be the focus for main town centre uses*:

- Bexhill Town Centre
- Rye Town Centre
- Battle Town Centre

District Centre Areas

- Sidley District Centre
- Little Common District Centre

In these areas, new main town centre uses will be granted planning permission, subject to compatibility with other Local Plan policies. The loss of such uses will be resisted where such losses are not permitted through the General Permitted Development Order 2015.

Primary Shopping Areas

Primary Shopping Areas, as set out below and on the Policy Maps, will give priority to retail and associated services and seek to protect the predominant shopping role and character of the area by controlling the loss of such units where possible:

- Bexhill Primary Shopping Area
- Rye Primary Shopping Area
- Battle Primary Shopping Area

Planning permission will be granted for the introduction of new shops and the expansion or refurbishment of existing premises, subject to compatibility with other Plan policies.

*Main Town Centre uses are defined in the NPPF as: retail development (including warehouse clubs and factory outlet centres); leisure, entertainment and more intensive sport and recreation uses (including cinemas, restaurants, drive-through restaurants, bars and pubs, nightclubs, casinos, health and fitness centres, indoor bowling centres and bingo halls); offices; and arts, culture and tourism development (including theatres, museums, galleries and concert halls, hotels and conference facilities).

Retail and Leisure Impact Assessments

11.5 This policy relates to Policy Area: 'Tourism Activities, Facilities and Accommodation, Policy Options Table 7. The policy simply sets out the threshold for retail and leisure impact assessments of Policy Option 7a, as recommended by the Rother Retail and Town Centre Uses Study.

Retail & Leisure Impact Assessments are required:

- for new retail development of 280sqm or more, outside of designated Primary Shopping Areas; and,
- for new leisure development of 280sqm or more, outside of designated Town Centres.

Tourism Activities, Facilities and Accommodation

11.6 This policy relates to Policy Area: 'Retail & Leisure Impact Assessments', Policy Options Table 8. The policy incorporates the approaches set out in Policy Options 8a, 8b and 8c, in bringing forward a generally supportive approach to new tourism related development; strengthening the protection for existing tourism development from alternative uses; while requiring occupancy controls for new visitor accommodation.

Proposals relating to tourism activities, facilities and accommodation will be encouraged where they accord with the following considerations, as appropriate:

(i) it provides for the enhancement of existing attractions or accommodation to meet customer expectations;
(ii) it supports active use along the coast, consistent with environmental and amenity factors;
(iii) it develops markets for local produce, particularly that which supports land-based industries and cultural assets; and,
(iv) it increases the supply of quality services and self-catering accommodation.

The loss of tourism activities, attractions, and visitor accommodation, currently (or last) in such use, must, be retained unless it is demonstrated that there is no reasonable prospect of its continued use. The approach to demonstrating if there is no reasonable prospect of its continued use is set out in Policy DEV4

Appropriate controls are in place that restrict occupancy to that for holiday/leisure purposes, whilst not unduly restricting operators from extending their season (subject to visual impact and flood risk considerations, where applicable).

Holiday Sites

11.7 This policy relates to Policy Area: 'Holiday Sites', Policy Options Table 9. The policy brings forward existing Local Plan policy, as set out in Policy Option 9a, given that there are no identified changes of circumstance in respect of the issues around the development of holiday sites, their role with the district's visitor economy, and their frequently associated environmental considerations.

All proposals for camping, caravan and purpose-built holiday accommodation must accord with all other appropriate policies in this Plan and:

(i) safeguard intrinsic and distinctive landscape character and amenities, paying particular regard to the conservation of the High Weald National Landscape and undeveloped coastline, and be supported by landscaping proposals appropriate to the local landscape character;

(ii) not significantly detract from the needs of agriculture;

(iii) not unreasonably harm amenities of residents in nearby dwellings; and

(iv) not be in an area at risk of flooding, unless a site-specific flood risk assessment has demonstrated that the development will be safe and will not increase flood risk elsewhere.

Proposals for static caravan, chalet or lodge accommodation must also:

(v) be of a modest scale for low-key, high-quality accommodation that requires only limited ancillary facilities; or

(vi) comprise a limited amount of accommodation to enhance an existing countryside recreational use and be wholly ancillary to that use; or

(vii) where within an existing site, either:

(a) result in a significant improvement to the appearance and quality of accommodation of that site, or

(b) be a limited extension of that site to a natural boundary and make a significant improvement to the appearance and quality of accommodation.

Touring caravan or tented camping proposals should be of a small scale appropriate to the area. Where the temporary use of land is permitted, any ancillary facilities necessary to serve the site will only be permitted on a similar temporary basis or, if of a permanent nature, where they are compatible with the local character of the area.

For all proposals, in order to prevent the residential use of holiday accommodation, their use will be restricted to holiday/leisure purposes only and will be subject to occupancy conditions relevant to the site, in accordance with Policy ECO5.

Agriculture Development and Forestry

11.8 This policy relates to Policy Area: 'Agriculture & Forestry', Policy Options Table 11. The policy establishes the approach and criteria in Policy Option 11a, which provides support for agricultural development on landholdings that may not be permitted through Permitted Development Rights.

For new buildings

New agricultural buildings and other non-domestic buildings (also including the conversion, replacement and extension of existing sites and premises, reasonably necessary to support agriculture and forestry, that are not permitted development) will be supported, provided that:

(i) new development serves a need that is directly related to the enterprise, and is of the minimum scale required to meet that need;

(ii) wherever possible, development should re-use or be on the footprint of an existing agricultural building, otherwise it should be related physically and functionally to existing buildings associated with the enterprise, unless it can be demonstrated that there are exceptional circumstances relating to the needs of agriculture or forestry that require a more isolated location;

(iii) when development is, exceptionally, acceptable in flood risk areas, consideration is paid to the layout and form of development to mitigate flood risk;

(iv) the design and materials of the development respond to its function and the local landscape character; and

(v) existing redundant buildings within the application site which have a negative impact on landscape character are removed where appropriate.

New Agricultural Tracks

Development proposals for new or improved access tracks for agriculture or forestry will be permitted where:

(vi) the proposal is essential for the sustainable management of the land;

(vii) it has been demonstrated that it is not feasible to accommodate the proposed traffic using existing accesses;

(viii) must be the minimum possible scale necessary for its proposed use;

(ix) the layout and design conserves and where possible enhances local landscape character, which includes being in accordance with local geology and fitting within the pattern of existing contours and vegetation;

(x) new tracks should protect and enhance existing drainage patterns; and

(xi) where practicable, the track is opened as a path for permissive public usage or as Public Right of Way, and should be accessible from the existing Public Rights of Way network.:

Agricultural Diversification

11.9 This policy relates to Policy Area: 'Agricultural Diversification', Policy Options Table 12. The policy establishes the approach and criteria in Policy Option 12a, which provides in principle support for agricultural diversification schemes, subject to necessary criteria. A specific policy was considered necessary given the need to support farming activities within the countryside, while recognising that doing so will require economic diversification.

Schemes for the diversification of farms will be permitted where they:

(i) are located within an active farm;

(ii) demonstrate how the scheme will support and add value to the farm. Where appropriate, permission for diversification schemes will be subject to a condition tying the enterprise to the farm;

(iii) are ancillary and subordinate in scale to the farm or land-based business;

(iv) do not cause severance or disruption to the agricultural holding;

(v) make use of redundant buildings before proposing new buildings. New buildings should be clustered within existing building groups;

(vi) are of an appropriate scale and will not adversely impact on the character of the landscape, as well as local amenity;

(vii) are accessible, and traffic generation can be satisfactorily accommodated by the existing or planned local road network, ensuring access arrangements are acceptable to the scale and type of development with no adverse effect on the road network; and,

(viii) ensure vehicular access avoids residential streets and country lanes or mitigates impacts on these.

For holiday lets and sites

Proposals for holiday lets will be supported where they are provided only through the conversion of a suitable redundant farm building. If the proposal involves the conversion of a traditional historic farm building, it will need to accord with Policy HER2: Reuse of traditional historic farm buildings.

Proposals for holiday sites will need to be assessed separately against Policy ECO6.

Local Employment & Skills

11.10 This policy relates to Policy Area: 'Local Employment & Skills Plans', Policy Options Table 10. The key components of the policy are drawn from Policy Options 10a, 10b, and 10c. These policy options are combined to require Local Employment and Skills Plans from qualifying development, while a development threshold and financial contribution requirement is set.

New developments of 10 or more dwellings and 1,000sqn of more of commercial floorspace, are required to produce and deliver a Local Employment and Skills Plan (LESP):

These developments will be required to make the following financial contribution* to the Council for costs associated with the implementation and monitoring of the LESP, which includes coordinating local employment and skills training:

- £200 per dwelling
- £1 for every sqm of commercial floorspace

**Contributions based on these sums are to be index linked, starting from the date that the Local Plan is adopted.*

Equestrian Developments

11.11 This policy relates to Policy Area: 'Equestrian Developments', Policy Options Table 13. The policy brings forward existing Local Plan policy, as set out in Policy Option 13a, given that there are no identified changes of circumstance in respect of the issues around the equestrian developments and their frequently associated environmental considerations.

Proposals for equestrian developments must, individually and cumulatively, safeguard the intrinsic and locally distinctive character and amenities of the countryside, with particular regard to the conservation of the High Weald National Landscape.

In addition, proposals should accord with the following criteria, as applicable:

(i) the siting, scale and design, including materials and boundary treatment, of any new buildings or facilities should be appropriate to their rural setting;

(ii) proposals should not be sited in particularly prominent or isolated locations where new development would not be appropriate;

(iii) where proposals are sited on agricultural land, areas of poorer quality land should be preferred to higher quality land. Similarly, the siting of proposals should have regard to the hierarchy of international, national, and locally designated sites, by prioritising sites on land with the least environmental or amenity value;

(iv) commercial riding schools, livery stables and related facilities should be satisfactorily integrated with existing buildings;

(v) any associated floodlighting, earthworks, new access routes or ancillary structures, including storage facilities, manure bays, hard-standings, fencing and jumps, should not have an adverse impact on the surrounding countryside, biodiversity or local residential amenities, having regard to other relevant policies in the Plan; and

(vi) adequate provision should be made for the safety and comfort of horses in terms of the land for grazing and exercising, notably in the consideration of stabling proposals. Where possible, commercial riding schools, livery stables and other commercial facilities should have satisfactory access to the public bridleway network without the use of unsuitable roads and in all cases not adversely impact on road safety.

In some circumstances, conditions (such as the removal of permitted development rights for fencing and external storage) may be applied where it is considered that there is the need to control potential adverse landscape impacts which can arise from the poor management of sites. Permission may also be subject to the removal of excessive or inappropriate fencing which has already taken place.

Retention of Sites of Community or Economic Value

11.12 This policy relates to Policy Area: 'Meeting employment need through supportive policy', Policy Options Table 4. Based on the approach set out in Policy Option 4a, the policy brings forward existing Local Plan policy in respect of criteria for the retention of sites of community and economic value. As such, it relates to policies within the Economy chapter and the Health and Wellbeing chapter.

Proposals that involve the loss or diminution of sites of community or economic value*, including those last in such use, must demonstrate that there is no reasonable prospect of a continued use, backed by:

(i) evidence of a comprehensive and sustained marketing campaign, which clearly indicates a lack of demand for the existing use (or as an alternative economic use where the existing use is economic, or alternative community use in the case of an existing community facility), based on marketing, normally at least 18 months, that offers the land or unit/s for sale, or rental, at a realistic valuation of the site/premises for that use; and

(ii) an independent viability assessment that clearly demonstrates that the unit is not or is not capable of being financially viable, including alternative economic or community facilities, where appropriate.

Proposals should not result in the loss of facilities or features which may undermine the viability of its use, including, but not limited to, car parks, gardens and function rooms.

**This includes a community facility, public house, local shops, tourist accommodation or attractions, and an employment use.*

Employment Need Component of Overall Spatial Development Strategy

11.13 The employment component of the proposed Overall Spatial Development Strategy relates to Policy Area: 'Setting development targets for employment development', Policy Options Table 1. The proposed Development Strategy incorporates the employment development need figures as development targets for the plan period, as set out in Policy Option 1a.

11.14 The Strategy Wording includes: "The Council will meet the local need for all forms of housing, jobs, facilities and services by strengthening Rother's pattern of development through a landscape-led spatial development strategy that focuses on the 'Live Well Locally' concept. To achieve this, a minimum of [4,862 to 6,868]* dwellings, at an average rate of [243 to 343]* per year and a minimum of 74,189sqm* additional employment floorspace will be constructed by the end of the Plan period in 2040." The associated Explanatory Text includes the following table:

Employment Typology	Current Supply	Requirement	Balance
Office	47,970	22,776	25,194
Light Industrial & Industrial	47,970	18,991	28,979
Storage & Distribution	10,660	32,422	-21,762
Total	106,600	74,189	32,411

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