3

SOUTHAMPTON

CITY VISION

Local Plan

ECONOMY

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4. ECONOMY

4.1 Southampton's economy was valued at £7.2 billion in 2020, with around 8,785 businesses located in the city and 108,000 jobs[1]. The sectors employing the most people include health, education, retail and business administration with transportation and storage experiencing the largest growth 1998- 2019. The city contains a major deep seaport with the largest cruise passenger operation in the UK. The majority of business floorspace is industrial, followed by retail then offices.

4.2 Policy ST1 identifies the scale of non-residential development that needs to be built in the city. This chapter provides guidance for the different commercial uses and seeks to share the benefits of economic growth across the city. It includes the following policies:

- EC1 Office development
- EC2 Industrial Sites
- EC3 Marine Sites
- EC4 The Port
- EC5 Social Value and Economic Inclusion
- EC6 Meanwhile uses

OFFICE DEVELOPMENT

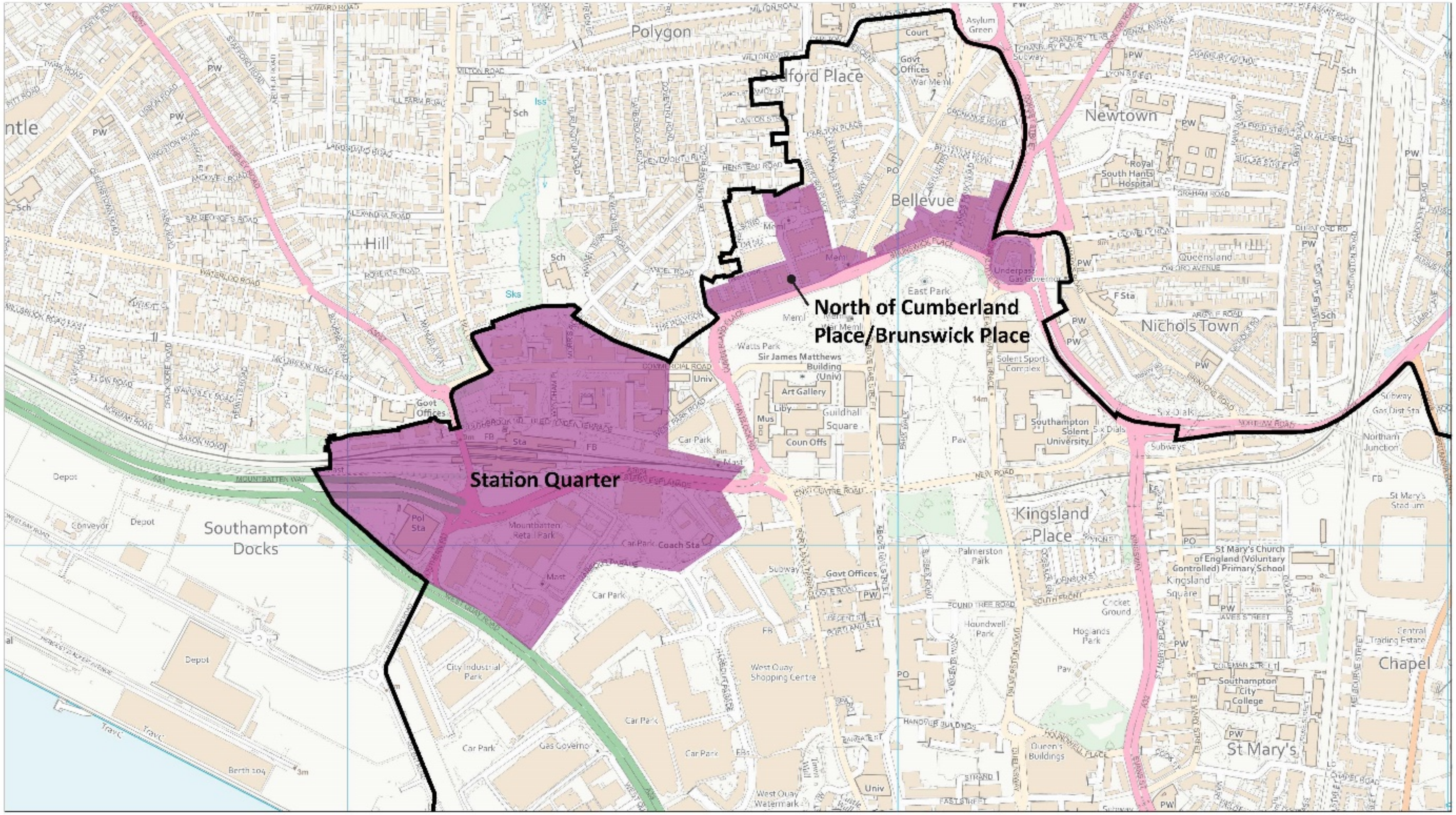
4.3 The PfSH Statement of Common Ground (2021), informed by the PfSH Economic, Employment and Commercial Needs Study (2021), sets out a need for major new office development. The study takes account of factors such as increased home working, but also the need for further development to support economic growth. It is important to focus major office growth in the city centre to create a dynamic business hub, encourage commuting by public transport, walking and cycling, and support a vibrant centre. The PfSH Statement of Common Ground sets an aspirational target to deliver a net gain of 61,000m^2 of office development in Southampton.

Policy EC1 (S) - Office Development

1. **The aim is to deliver major office growth. The indicative target is to deliver a net gain in office development of: 61,000m^2 – 78,000m^2 of offices [see key option 1] (2019 – 2040).**
2. **The preferred location for large office development (greater than 1,500m^2 gross) is Southampton city centre.**
3. **A new high quality business district will be created at the Central Station hub in the Mayflower Quarter. [In this area [[50% or a significant proportion]] of the development will be for office use, unless there is a clear justification for a lower level of offices] [see key option 2].**
4. **New office development will also be supported (but not required) on other appropriate city centre sites, and outside the city centre but within 500 metres of the Central railway station.**

[1] Source Southampton data observatory

5. **The preferred locations for medium scale office development (750 – 1,500m^2 gross) are the city, town and district centres.**
6. **Medium or large-scale office development proposed in other locations will only be supported where there are no appropriate sites in the city, town and district centres.**
7. **The existing business district north of Cumberland Place / Brunswick Place will be retained. In this area a net loss of office floorspace will not be supported unless there are clear economic benefits.**



Offices

Scale: NTS | Date: Sept 2022

SOUTHAMPTON CITY COUNCIL

Map 2 Office locations

Overall Approach

4.4 The PfSH assessment of employment needs forecasts that there will be employment growth in office sectors over the plan period, and that as existing office space is already being used more efficiently, this employment growth will lead to a need for more office development. Nevertheless, at the present time new office development is not being developed speculatively, the long-term effects of Covid-19 on working practices are not clearly established, and further loss of older space is still anticipated. Therefore, the PfSH assessment recognises that the net office targets are aspirational.

4.5 It is important to take a pro-active approach to realise these aspirations and to attract major office development into the city centre. This needs to be based on a comprehensive strategy to:

- Create a new business district in the Central Station hub at the Mayflower Quarter, and seek to retain and enhance the existing business district north of Cumberland / Brunswick Place, both with a commercial 'critical mass';
- Promote excellent public transport, walking and cycling links, with a balanced approach to the car and parking in accordance with policies TR1 and DE11, to minimise congestion and ensure commercial needs are met;
- Create a high quality 'place' where people want to work, with enhanced public realm linking the Central Station hub business district with retail / leisure facilities, the waterfront and parks;
- Promote skills, links to the Universities, market the city, and offer support to investors; and
- Apply the 'cities first' sequential approach to offices across South Hampshire, restricting out of centre office development.

4.6 A key part of this strategy is to create an office business district in the Central Station hub. This will capitalise on the excellent public transport accessibility of this location, which will assist in attracting office investment and supporting travel by sustainable modes of transport.

4.7 The policy options and the potential sites for office development, set out in Table 3, reflect this approach:

- Mayflower Quarter, Central Station hub: an office business district is created, with a significant proportion of floorspace in office use, set at 50% (subject to an option to require this – policy option 2).
- Mayflower Quarter, other sites: a lower proportion of floorspace is in office use, ranging from 0% to 29% (with no policy to require this). The scale of offices needed in these locations to meet the overall target depends on the scale of offices lost elsewhere in the city.

- City centre, other sites (and sites outside the city centre but close to the Central Station): major office development will be supported if sites come forward.

4.8 These figures are informed by, but are lower than, those in the draft Mayflower Quarter Masterplan, which exceed even the aspirational office targets.

4.9 The overall approach enables the office targets to be met, with a focus on the Central Station hub, whilst ensuring the flexibility to respond to changing circumstances and to promote a mix of uses.

4.10 The targets are based on achieving a net gain in office space. Therefore, it is also important to manage the loss of office space. The main existing office business district in the city centre is located along Cumberland Place and Brunswick Place (including Grosvenor Square). The loss of offices will not be supported in this location, unless a redevelopment to a mix of uses delivers an upgrade in and retains a high proportion of the office space. Elsewhere in the city, a loss of offices to other uses will be supported to maintain appropriate flexibility.

Table 3: Office Target and Sites (2019 – 2040)

	Office Floorspace (m^2)	% Floorspace[2]	(% Floorspace in Masterplan)
Office Target – Net Gain	61,000 - 78,000		
Office Supply – Gains			
Mayflower Quarter: Central Station Hub			
-Toys R Us site	10,040		
-Mountbatten retail park	31,600	50%	(74%)
-North of station	36,400	50%	(65%)
-West and north of Police HQ	45,900	50%	(56%)
Sub-total	123,940		
Mayflower Quarter: Other sites			
-Leisure World (planning permission)	9,800		
-South of West Quay Road	24,460 - 64,150	11% - 29%	(29%)
-Elsewhere	0 - 17,500	0 % - 9%	(9%)
Sub-total	34,260 – 91,450		
City centre: Other sites			
-East Park Terrace / University	10,000	N/A	

[2] Total floorspace as defined by Mayflower Quarter Masterplan, office floorspace informed by and reduced from Masterplan figure.

Total – Predicted Gains	168,200 – 225,390		
Office Supply – Capacity for Losses	107,200 – 147,390		
Net Office Supply	61,000 – 78,000		
Balance above or below target	0		

Key Policy Options

Key Option 1 – the office target

Option 1a – 61,000m^2 – this is the aspirational need identified by the PfSH Statement of Common Ground and Economic, Employment and Commercial Needs Study (2021).

Option 1b – 78,000m^2 – this higher aspirational target reflects a 'cities first' approach. The PfSH needs study for offices was based on a labour demand approach, which resulted in Eastleigh having a higher need identified than Southampton. This option seeks a 'cities first' policy steer by setting a slightly higher aspirational target for Southampton. This may be considered a realistic uplift to support city centre growth. The policy contains sufficient flexibility to ensure sites are not needlessly safeguarded for office use.

Option 1c – should a target lower than 61,000m^2 be considered? This could reflect ongoing changes in the office market following the Covid-19 pandemic. However, it would not align with the PfSH Statement of Common Ground, the aspirations for growth as forecast over the medium and longer term, or the 'cities first' approach. If the higher targets in options 1a or 1b were selected, the policy contains sufficient flexibility to ensure sites are not needlessly safeguarded for office use. The sites identified in Table 3 can accommodate either of these targets.

Key Option 2 – The level of requirement for office development on individual sites

The strategy is to create a critical mass of office development at the Central Station hub.

Option 2a – support office development at the Central Station hub without requiring office development – this creates the maximum flexibility to support overall development but risks not delivering office development if the commercial market prioritises other uses;

Option 2b – require that "50%" or "a significant proportion" of development at the Central Station hub is for office use – this may ensure that office development is delivered on this key site but risks an inflexible approach to supporting overall development if office development is not viable. However, this approach could include flexibility on a case-by-case basis, as set out in the "Further Considerations" section below.

Further Considerations

4.11 If option 2b were pursued, it would be important to support reasonable flexibility to promote successful regeneration, particularly if in the future office growth takes a different profile to that predicted. Therefore, at the Central Station hub, a lower level of offices than indicated by option 2b may be supported and will need to be justified. The greater the reduction in floor space the more compelling the justification will need to be. The following factors will be taken into account:

- If an 'open book' commercial assessment indicates that the development is unlikely to be viable within the next 5 years with the level of offices envisaged in option 2b, taking into account the cost of the infrastructure to deliver the wider scheme concept; and

- If the scheme will deliver substantial wider benefits to the Plan's objectives if the office element is reduced.

4.12 Medium and large-scale office development will be directed towards centres. However, where office development on an out of centre site forms part of one company's wider operation on the same site, the need for co-location will be considered.

4.13 Small scale office development of 750m^2 (gross) or less will be supported across the city, to facilitate small businesses.

Evidence

4.14 Existing evidence: PfSH Economic, Employment and Commercial Needs Study (2021)

INDUSTRIAL SITES

4.15 The PfSH Statement of Common Ground and the LEP's Solent Economic Plan promote economic growth across South Hampshire, focussed on the cities first. Therefore, it is important to safeguard industrial / warehouse sites, and support additional industrial / warehouse growth / investment on these sites. This will support the city's role as an economic hub, a wide range of economic sectors (including those which have links to the Port and Universities), jobs for the city's large population (including those in priority areas) and help deliver the need for a net gain in major new industrial / warehouse development across South Hampshire.

<u>Policy EC2 (S) - Industrial Sites</u>

To support the city's economy and businesses, and the delivery of new employment floorspace, the following sites[3] are safeguarded:

1. **For light industrial, general industrial, storage and distribution uses (E(g)(ii)/E(g)iii/B2/B8):**

   See options below

2. **For light industrial uses (E(g)(ii), E(g)(iii)):**

   See options below

[3] As shown on the policies map

Employment uses similar in nature to an industrial use (sui generis uses) will be supported on safeguarded industrial sites provided they are not harmful to existing industrial or warehousing users or nearby residential areas.

Overall Approach

4.16 Over the past 20 years the city has experienced some losses of older employment sites as economic needs change. However, the city has a wide range of established industrial sites which continue to meet the needs of businesses and have scope to continue to be upgraded to provide modern business accommodation. In recent years two strategically important sites have been developed for modern industrial / distribution use: the Mountpark (former Ford) and Test Lane South sites.

4.17 It is important to retain a wide range of employment, including industrial employment, within the city. This helps to support overall economic growth and provides a range and choice of local jobs for the city's residents, to minimise travel and to ensure all communities benefit from growth. In addition, the Freeport proposals identified in policy EC4 will deliver economic growth.

Key Policy Options

Key Option 1 – How many and which employment sites should we continue to safeguard, and which, if any, should we release for other uses?

The existing Local Plan[4] safeguards a range of sites for industrial use. These are either safeguarded for light and general industry / storage and distribution, or just for light industry, depending on the location of the site.

In-order to establish options for which sites, if any, could be released, the draft employment land background paper categorises each site:

- Priority industrial sites: These sites have good road access into / out of the city for goods vehicles along A or B roads without traversing quiet residential streets, and are commercially viable sites.

- Industrial sites with regeneration potential: These are sites which may be viable for industrial use but if redeveloped from industrial to residential (or mixed) use would generate the most regeneration benefits. An overall view is formed taking account of whether the site is in the city centre, the Itchen Riverside Quarter, on the waterfront, and other site specific circumstances.

- Small industrial sites in residential areas: These are generally small sites surrounded by residential areas and accessed along quiet residential streets and/or are generally assessed

[4] Saved Local Plan (2015) and City Centre Action Plan (2015)

to have the lowest viability for on-going industrial use. If these sites were redeveloped for residential use, they could generate an amenity benefit for the local neighbourhood.

It should also be recognised that the City Centre Action Plan has already reallocated some current industrial areas to enable future redevelopment, and that outside of the city centre some industrial sites safeguarded in the Local Plan (2006) have already been redeveloped for other uses (so are not listed in Table 4 below).

Given the importance of retaining a wide range of industrial sites in the city, all priority industrial sites should continue to be safeguarded. Furthermore, whilst a range of industrial sites could arguably have some form of regeneration potential, in defining the options below, the Council has sought to identify only those industrial sites which offer the most regeneration potential. A number of sites are identified as options for possible release in-order to promote discussion. However, it is unlikely the Council will decide to release all of the sites listed below as this would result in a significant and unacceptable cumulative loss of industrial land and jobs.

The options are:

Option 1a – continue to safeguard all the currently designated industrial sites. This would protect the most industrial areas / existing jobs within the city. However, it may mean that opportunities to deliver regeneration or amenity benefits are lost.

Option 1b - release some or all of the industrial sites with regeneration potential. These could be redeveloped to form high quality higher density residential and mixed-use development in the central and waterfront areas of the city, including the city centre and Itchen Riverside Quarter. This would help to maximise new development and deliver more homes, bringing wider benefits in terms of economic investment, regenerating key areas, and locating development relatively close to jobs, services and public transport. However, it would also mean the loss of industrial areas and jobs.

Option 1c – release some or all of the smaller industrial sites in residential areas. These could be redeveloped for residential uses. This could enhance the amenity of the surrounding residential areas and deliver more homes. However, it would mean the loss of some smaller industrial areas which may currently offer cheaper business accommodation, and jobs.

Option 1d – release some or all of the industrial sites with regeneration potential and the smaller industrial sites in residential areas. This would do most to realise the benefits outlined in options 1b and 1c. However, it would mean the loss of the most industrial areas and jobs.

The Council will make decisions on which sites to safeguard both on a site by site basis, and by considering the potential cumulative loss of industrial sites across the city. This might result in safeguarding a mixture of sites from these options. It is unlikely that every site indicated under an option for possible redevelopment will be released, as this would generate a significant and unacceptable cumulative loss of industrial sites across the city. The Council's initial assessment of the currently designated industrial sites is set out below.

Do you have any comments on the general approach set out in options 1a – 1d above or the initial categorisation of sites set out below?

Table 4 below lists the sites which could continue to be safeguarded for industrial use or be released for redevelopment to other uses under these different options. These sites are also illustrated in the Policies Map booklet.

Table 4: Industrial Site Safeguarding Options

Policy Map Site Ref	Site Name
Light industrial, general industrial, storage and distribution sites	
Priority industrial sites – to be safeguarded under all options	
RED005	Test Lane South
RED004	Test Lane North
MIL006 / RED007	Millbrook Trading Estate / Phillips Business Park
MIL004	Auckland Road / Tebourba Way*
MIL007	British American Tobacco
SHI004	231 – 271 Winchester Road*
SWA003/004/005	Mountpark (formerly Ford, Orion industrial centre and land to the north)
SWA002	Airways Distribution Centre
POR003	Belgrave Industrial Estate
BEV015	Empress Road Industrial Estate
BEV019	Northam Industrial Estate
BEV018	Millbank Industrial Area
BAR036	City Commerce Centre
BPA007	Centurion Industrial Park
PEA006/007	Hazel Road / Spitfire Quay
WOO002	Centenary Quay (marine)
SH001	Ashley Crescent
	*These sites meet the criteria for a priority site but are currently occupied by retail rather than industrial uses. Should these sites be categorised differently?
Industrial sites with regeneration potential – some or all could be released from safeguarding under options 1b or 1d.	
BEV011	Drivers Wharf
BAR029	Central Trading Estate
BEV016	Mount Pleasant Industrial Estate (also included in category 1c)
BEV014	Gasholder site, Britannia Road
Smaller industrial sites in residential areas – some or all could be released from safeguarding under options 1c or 1d	
MIL001	Oakley Road / Tebourba Way
BEV016	Mount Pleasant Industrial Estate (also included in category 1b)
Light industrial sites	
Priority industrial sites – safeguarded under all options	

MIL008/009	The Solent Business Centre / TAVR site
BEV014	West of Empress Road
MIL005	Trinity Industrial Estate
PEA008	Marine Technology Centre
BEV014	Sites adjacent to Empress Road Industrial Estate
BPA008	South of Quayside Road / Kemps Quay
BAR037	Paget Road / Albert Road North
RED006	Redbridge Causeway / Gover Road
Industrial sites with regeneration potential – some or all could be released from safeguarding under options 1b or 1d.	
FRE004	Mountbatten Industrial Estate
BAR030	Floating Bridge Road / Crosshouse Road
Smaller industrial sites in residential areas – some or all could be released from safeguarding under options 1c or 1d	
FRE005	Pitt Road / Liners Industrial Estate
FRE003	Park Road / 53 – 75 Millbrook Road East
BAS001	Northbrook Industrial Estate
BEV013	Radcliffe Court
BEV017	183 – 215 Radcliffe Road
BPA002	North of Quayside Road

Further Considerations

4.18 It is important that industrial sites are safeguarded for those uses that need to be located within industrial areas, and which do not conflict with other policy objectives. It is appropriate for a sui generis employment use similar in nature to an industrial activity to be located on an industrial site. This includes car sales and repairs, builder's trade merchants, warehouse clubs or cash and carry operations that specifically serve industrial and business users.

4.19 The commercial, business and service use class (E) also includes non-industrial uses which national policy defines as main town centre uses, and/or which serve local communities. These uses should accord with policy IN3 and have safe pedestrian / cycle access. Therefore, class E planning permissions for new buildings on industrial sites will be restricted where appropriate to research and development E(g)(ii) and industrial E(g)(iii) uses.

Evidence

Existing Evidence:

4.20 The Council has undertaken a commercial appraisal of its existing industrial areas (the Employment Land Study, 2017 and Addendum 2018 - Lambert Smith Hampton) and a draft Employment Land Background Paper to inform the emerging SLAA.

New Evidence:

4.21 The Council will update the commercial appraisal of its existing industrial areas, complete the employment land background paper and SLAA.

MARINE SITES

4.22 The city has a long history associated with the marine industry which includes the internationally significant Port and port related activities, the Marine and Maritime Institute and Oceanography Centre, and a wide range of other marine industries including boat building and repair and yacht marinas. The sector's importance to the economy of the city and wider sub region is recognised by the Solent LEP study[5]. The sector depends on the limited number of sites which have access to the waterfront. It is important that these sites are safeguarded for marine uses to support the success and growth of the marine sector, including hi-tech and skilled marine activities

Policy EC3 (S) - Marine Sites

In order to support marine employment, the following sites as defined on the Policies Map will be safeguarded for marine businesses which require access to the water:

New Site

1. **Centenary Quay Marine Employment Quarter**

Existing Sites

2. **Saxon, Millbank, and Dibles Wharves and Shamrock Quay**
3. **Hazel Road South Wharves**

In order to support the Itchen Riverside Quarter regeneration objectives and marine employment:

4. **The following minerals and waste wharves are safeguarded, until any such time as they are no longer needed, are relocated, or the merits of the development clearly outweigh the need for safeguarding, in accordance with the Hampshire Minerals and Waste Plan:**
    a. **Leamouth and Burnley Wharves – safeguarded as mineral wharves.**
    b. **Princes Wharf – safeguarded as a waste recycling wharf.**
5. **Drivers Wharf – a mixed use residential and employment site, safeguarded in part for employment or marine employment uses in accordance with the options set out in policy SI10.**

[5] Solent LEP Maritime Futures: Solent Waterfront Sites Final Report (September 2015)

Overall Approach

4.23 Safeguarded marine sites generally have deep water access and include quaysides, wharves and associated areas of hardstanding behind, slipways, jetties and pontoons. Marine businesses which require access to the water are those which rely on these facilities.

4.24 The Centenary Quay Marine Employment Quarter will provide significant opportunities for new marine business growth. The existing sites are important for sustaining a wide range of marine businesses. Shamrock Quay is a yacht marina and marine shops / restaurants / bars of a scale to serve the marina will be supported. Burnley and Leamouth wharves are active mineral wharves which supply a significant proportion of the aggregate needs for the city and wider sub-region and are safeguarded by the Hampshire Minerals and Waste Plan unless they can be relocated.

THE PORT

4.25 The Port of Southampton is of major economic importance at an international, national, sub-regional and local level as a key deep sea, rail and road transport hub. It is one of the U.K.'s largest freight ports, its premier cruise port, and provides local ferry services. The Port anticipates major growth over the plan period, as set out in its consultation master plan to 2035[6]. In the short term this growth can occur within the existing Port, longer term expansion depends on whether permission is granted to develop Dibden Bay outside the city.

4.26 The Port of Southampton is part of the Solent Freeport proposals which are at an advanced stage with formal approval anticipated imminently. The proposal will add significantly to the growth of the Port and wider economy, and together with local Universities, promote marine innovation and green growth.

4.27 The relationship between the Port and development in the city needs to be carefully managed to ensure the objectives for both are met. It is important that the existing Port is safeguarded for port related uses and Freeport proposals, and that its operations, land and marine access are not constrained without good reason.

Policy EC4 (S) - The Port

The growth and overall competitiveness of the Port of Southampton, including as a Freeport is supported.

To support the growth of the Port:

1. Within the Port:

  a. Port related development (including both operational port activities and development directly associated to the Port's Freeport status) will be supported;

[6] Port of Southampton Port Masterplan 2016 – 2035 Consultation Draft

b. Non port related development will not be supported; and

2. Ship, rail and appropriate road access improvements to the Port will be supported.

The national significance of the Port, and the regional and local significance of the city and city centre will be recognised when considering:

3. Any remodelling of the strategic and secondary road access to the Port;

4. Development access arrangements directly affecting the strategic and secondary road access to the Port;

5. The layout and design of residential development in the Mayflower Quarter (south of the existing West Quay Road and adjacent to Mayflower Park), Ocean Village, and the design of residential development on other nearby sites as relevant, on operations within the Port boundary; and

6. The design of development immediately adjacent to the Port boundary on the safety and security of the Port.

When considering these points, development will be supported if:

7. There are unlikely to be negative impacts on the current or future Port, including the Freeport, or its strategic / secondary access; or

8. The development has reduced as far as possible the negative impacts on the Port and its access, and the beneficial effects to the city centre or wider city which outweigh the negative impact on the Port and its access] (see key policy option 1).

Overall Approach

4.28 The existing Port is comprised of the Eastern and Western Docks. Port related development includes operational port development (which generally benefits from permitted development rights), development directly related to the Port's Freeport status (for example employment uses benefitting from simplified customs procedures or tax benefits), other development which is primarily dependent on access by ship, or which create a visitor destination at the city centre cruise line terminals.

4.29 In terms of access between the Port and the U.K., priority will be given to rail and sea transportation where practical. Significant improvements to rail and sea access have been completed and there is the potential for further improvements which the Council will support. This reduces traffic congestion and its environmental impact. However, the growing Port will also still rely on major movements by road. The strategic road access to the Port is via the M271 and A35 (Millbrook Road), and significant improvements to this route have been completed or are planned. The secondary road access is via the A33 (the

Avenue). These road routes to the Eastern and part of the Western Docks pass through the city centre. The strategic road access along West Quay Road passes through the Mayflower Quarter allocated for major development.

4.30 The growth of the Port and the city need to be managed. It is important to manage transport routes into the city for all users, including the creation of pedestrian / cycle friendly city streets to link public transport hubs, destinations and communities. It is also important to deliver major city centre development, including at the Mayflower Quarter and Ocean Village sites close to the Port. These pedestrian / cycle links and development sites will bring substantial benefits to the city and wider region.

4.31 The option to relocate West Quay Road (see policy SI1 key policy option 1) would be designed to facilitate the growth of both the Port and the Mayflower Quarter. However, some other changes to the strategic or secondary road access to the Port, or new residential development close to the Port, might adversely affect its operations. It is important to carefully balance the growth of the Port and the city.

Key Policy Options

Key Option 1 – the balance between the Port and the city

Where a balance needs to be struck between the needs of the Port, the city centre and wider city, there are two options:

Option 1a – Prioritise the needs of the Port over the city – this recognises the national importance of the Port but risks undermining the needs of the city, its residents and other businesses;

Option 1b – Enable the strength of positive benefit to the locally / regionally important city to outweigh the strength of negative effect to the nationally important Port – this reflects existing policy and enables a balanced approach to be taken where for example there are major benefits to the city and minor disbenefits to the Port.

Careful assessment of the likely effects on the Port and city centre, and potential solutions, will be important to ensure neither are unnecessarily restricted.

Further Considerations

4.32 Development on sites close to the Port will be planned so that an appropriate level of amenity is created for residential occupiers (within the context of the city centre which will naturally experience higher levels of background disturbance). This will ensure the Port’s overall competitiveness is not inappropriately constrained (e.g. due to pollution legislation). This is in accordance with the ‘agent of change’ principle (i.e. existing businesses should not have unreasonable restrictions placed on them as a result of development permitted after they were established). This will take account of the Port’s permitted development rights, current and realistic possible future port activities, and the 24-hour nature of the Port. The benefits of promoting residential development in the city centre, of city centre living, and of securing viable developments on important sites will also be taken into account.

4.33 For sites adjacent to the Port, the overall layout of development will be considered, including the positioning of residential development and the potential to screen it from the Port by other development. For sites adjacent or otherwise nearby to the Port, more detailed design solutions will also be incorporated where appropriate (e.g. secondary glazing, to address light spill, etc).

4.34 The potential to view cruise liners, other ships and port infrastructure adds significantly to the distinctiveness and identity of the city. Development will be designed to create views of the port and ships.

4.35 The Port's permitted development rights do not apply where development requires an environmental impact assessment or habitat regulations assessment. In these cases, all the Plan's policies apply as relevant. The city experiences poor air quality, in part due to emissions from ships and vehicular traffic associated with the Port. The Port is adjacent to an air quality management area. The Council and ABP are working to address these issues. Where planning permission is required because development requires an EIA for transport or air quality reasons, the Council will apply all relevant policies, including policies EC4, EN11 and TR1 (port, air quality and transport).

SOCIAL VALUE AND ECONOMIC INCLUSION

4.36 It is important that the benefits of economic growth are shared across the city and support social and environmental objectives. Major developers should commit at an early stage to considering how they can support the inclusion of local communities and residents in the economic benefits generated by their development, and how they can support wider social, health and wellbeing and environmental objectives.

Policy EC5 – Social Value and Economic Inclusion

1. **Large development will be designed, constructed and operated so as to increase its social value and contribute to making Southampton a more socially and economically inclusive city. In-order to achieve this, all applications for large developments must include a Social Value Statement and a more detailed Employment and Skills Plans.**

2. **The Social Value Statement will address 4 themes: jobs, growth, social, and environmental.**

3. **The more detailed Employment and Skills Plans will draw on the themes in the Social Value Statement to demonstrate how the development will promote access to jobs for residents of the city who can have difficulty entering or returning to the labour market. They will consider the construction of the development (including the procurement of construction services); and the end use operation / occupation of the development. Financial contributions will be sought to support the preparation and implementation of Employment and Skills Plans. The construction and end use of the development must comply with the Employment and Skills Plan.**

4. **For this policy, large development consists of the construction of residential development of 25 dwellings or more; and the construction and end use of all retail, leisure and office development greater than 1,000 square metres, industrial development greater than 1,700 square metres, warehouse development greater than 4,000 square metres (all figures gross),**

and any other development likely to generate 50 full time equivalent jobs or more once occupied.

Overall Approach

4.37 Social Value is a concept increasingly being used by businesses in-order to consider how their activities contribute to wider economic, social and environmental objectives. This supports the sustainable development objectives of the NPPF and this Plan. Developers will submit an overall Social Value Statement (SVS) with their planning application, and then developers and end users will submit and implement more detailed Employment and Skills Plans (ESP). The SVS and ESPs will be agreed with the Council. The Council will work positively with developers and end users to prepare and agree the SVS and subsequent ESPs, which will be tailor made to the type of development and the opportunities it presents. This approach will ensure that opportunities start to be identified at an early stage, through a collaborative approach which is more likely to be of mutual benefit to developers, businesses and residents.

4.38 The Social Value Statement will set out how the development will contribute to the 4 themes identified in the Council's Social Value Portal document's example policy, proportionate to the scale of the development and opportunities it presents:

- Jobs: providing accessible jobs for the residents of Southampton;
- Growth: supporting economic growth that contributes to Southampton becoming a green and environmentally sustainable city;
- Social: promoting the health and wellbeing of all Southampton's residents and communities;
- Environment: decarbonising and improve the environment in Southampton.

4.39 The preparation of the SVS will enable developers to consider at an early stage, working in partnership with the Council, other agencies, and local communities, how their development will add value to the city. The information set out in the SVS, particularly on jobs and growth, will also form the basis for preparing the more detailed ESPs.

4.40 The Plan includes a wide range of policies to address aspects of the 4 themes, including a wide range of environmental issues (e.g. relating to energy, sustainable transport, green infrastructure, biodiversity and design). Developments will need to comply with these policies. The SVS provides an opportunity for developers to consider whether they can commit to exceeding or expanding on these requirements. This is a positive exercise to identify opportunities at an early stage, in a way which makes it easier for them to be incorporated. The SVS will also identify the subsequent ESPs to be prepared, and briefly set out the overall approaches these ESPs will take to improve the ability of local residents to access the jobs created by the development. The subsequent ESPs will then identify the specific measures which will deliver the approaches set out in the Social Value Statement. The ESP will focus on ensuring that local residents will benefit from the economic growth generated by new development within the city. This will promote better economic performance, social inclusion, improved health outcomes, and reduce longer distance commuting trips.

4.41 ESPs will cover a range of measures, for example: training, apprenticeships, work placements, work experience, work readiness, help in applying for jobs, guaranteed interviews, working with local education providers to support their careers advice and guidance to students. These should support the aims of the partnership agreement between the Department for Work and Pensions and the Council. A wider consideration of 'access to jobs' could also include transport arrangements and childcare provision. Financial contributions through planning obligations will be sought to support the preparation, implementation and monitoring of ESPs by the Council.

4.42 Residents who can have difficulty entering or returning to the labour market can include for example people living in deprived neighbourhoods, with a disability, a physical or mental health condition, English as a second language, low qualifications, lone parents, the young and elderly, and ex-offenders. Developers should also consider how they can utilise local supply chains, to maximise the benefits to local businesses and hence the wider local economy of their development.

4.43 The SVS and ESP will include consideration of the jobs generated in the construction and the occupation of the development by the developer and end user. This will include consideration of the jobs generated by contractors in the construction phase, to be considered through the procurement process. This could follow, for example, some of the economic and social aims set out in Southampton City Council's procurement strategy. The construction phase includes new builds and conversions.

4.44 Planning conditions and/or obligations will secure the implementation of the SVS, including the subsequent preparation and implementation of ESPs.

4.45 Subject to the provisions of the SVS, the developer will submit an ESP to the Council prior to the construction phase of development. Where a contractor is required to submit an ESP to the developer through their procurement process, this will be incorporated into the developer's ESP. End users will submit an ESP to the Council prior to first occupation of the development.

Key Policy Options

The policy to seek Employment and Skills Plans is long established and should continue.

Key Option 1 – Social Value Statements

The key options are whether and how to introduce the concept of Social Value Statements.

Option 1a – not to require Social Value Statements – this could mean that opportunities are missed for developments to add economic and social value.

Option 1b – to require Social Value Statements as set out in the policy – the requirement is to prepare the Statement. The policy provides the flexibility to enable developers, the Council, communities and partners to work together to identify enhanced economic and social benefits which are of mutual benefit.

Option 1c – to require specific outcomes from a Social Value Statement – this may strengthen the policy but arguably goes against the underlying aim, which is for developers, the Council, communities and other partners to work together to identify measures of mutual benefit at an early stage, which are tailor made and relevant to the specific development.

Evidence

Existing Evidence:

4.46 The Council's Section 106 Employment and Skills Plan Contributions note; Embedding Social Value into Southampton's Planning Policies; Southampton City Council Local Needs Analysis and Social Value Scoping Study.

MEANWHILE USES

4.47 The Government has sought to reinvigorate High Streets and Town Centres, following the publication of the Portas Review in 2011. However, there has continued to be a growing trend of purchasing shopping online which has led to declines in footfall. Consequently, various policy relaxations and modifications to restrictions have been enacted by the Government to try and stimulate the vitality, viability and economic prosperity of High Streets and Town Centres. The Covid-19 pandemic has compounded the need and justification for this having exacerbated footfall decline.

4.48 Meanwhile uses can make an important contribution to ensuring this economic prosperity of centres and this is recognised by the Council. Consequently, the Council will take a positive approach to meanwhile uses that is flexible in order to respond to local conditions and to allow the stimulation of economic activity and growth in appropriate locations, such as the High Street, whilst safeguarding existing amenities.

Policy EC6 - Meanwhile Uses

1. **Proposals for the temporary use of vacant buildings or land awaiting redevelopment will be supported to deliver positive benefits for an area and sustainable ways of reusing land [Key Option 1].**

2. **Proposals for meanwhile uses will be supported that:**

   a. **bring vitality and vibrancy to an area;**

   b. **provide affordable commercial accommodation for occupants;**

   c. **enhance the sustainability of an area;**

   d. **do not prejudice future development or land use of the site; and**

   e. **do not negatively harm the character and amenity of an area. [Key Option 2]**

Overall Approach

4.49 Buildings and sites can remain vacant for a period of time while awaiting development. To address this the Council will support 'meanwhile uses' in Southampton. These are temporary uses of vacant buildings and land for a socially beneficial purpose until they can be brought back into commercial use. In addition to retail, food and drink, and office uses, potential uses range from pop up art spaces to community greenspaces and sites for local food production. This can bring activity and footfall back to an area and provide affordable accommodation for start-ups, small businesses and 'not for profit' organisations without needing a long-term commitment. Appropriate uses will be assessed taking into account the other policies in this plan.

4.50 The Council will use conditions to grant planning permission for a specified temporary period for proposals meeting the criteria in Policy EC6. Proposals for the use of vacant land for temporary car parking will generally not be permitted unless the applicant can demonstrate that this use is not prejudicial to the Council's transport policies or the vibrancy and design quality of the area.

Key Policy Options

Key Option 1 – Policy requirement

Option 1a – omit Policy EC6 from the Local Plan as the introduction of further legislation allows greater flexibility within and between Use Classes and this approach is no longer necessary. This would avoid prescribing an approach for meanwhile uses that is already addressed through legislation but would limit the Council's ability to guide and control the use of meanwhile uses, in particular those that may not be covered by legislation.

Option 1b – retain Policy EC6 to guide meanwhile uses for completeness and clarity. This would give the Council a greater ability to guide the development of meanwhile uses so they reflect local circumstances but could reduce the level of flexibility that Government changes sought to achieve.

Key Option 2 – Sequential Test

Option 2a – introduce a sequential test criterion to ensure temporary uses occur in suitable locations. This would help ensure that temporary uses would be supporting the vibrancy of designated centres in the first instance but could prevent such uses benefitting temporarily vacant sites or units in other locations.

Option 2b – do not introduce a sequential test criterion in the recognition of the temporary nature of meanwhile uses. This would ensure flexibility to allow any appropriate sites or units in the city to still be productive where they are temporarily vacant however this could undermine the vibrancy of designated centres whilst the temporary use is in operation.

Evidence

Existing Evidence:

4.51 Prior to the 2015 legislation (Town and Country Planning (General Permitted Development) (England) Order 2015, Schedule 2, Part 4, class B) - temporary uses could only take place for up to 28 days in a year without specific planning permission being sought, which was restrictive upon business viability.

4.52 The Town and Country Planning (GPD) (England) Order 2015 Schedule 2 Part 4 gives permitted development rights for temporary uses for up to 3 years (not including residential). This has enabled activities, such as pop-up shops and cafes, to emerge that make use of vacant and under-utilised premises on a temporary basis. The advantage has been that areas can be ‘brought back to life’ where businesses have folded or empty shops have remained vacant.

New Evidence:

4.53 To support new ventures and pop-ups, and avoid buildings being left empty, the Government in July 2019, introduced a separate right to allow a range of uses (such as offices, shops, restaurants, cafes, assembly and leisure uses) to convert temporarily to another use (such as office, shop, financial and professional service, restaurant) for a single continuous period of up to three years. This allowed start-ups to test a new business model, and then to seek planning permission for the permanent change of use on that or another site.

4.54 Changes to the Use Classes Order came into effect on 1 September 2020. Use classes A1, A2, A3 and B1 were abolished and grouped together into a new class E.

4.55 The NPPF 2021 identifies the importance of growth, management and adaption of town centres, and the need for sequential testing to secure the most appropriate locations.

4.56 The Southampton City Strategy 2015-25 identifies ‘vibrant District Centres’ as one of the desired outcomes for its economic growth, which adds weight to the importance of accepting diversification and temporary uses. The Corporate Plan 2020-25 aims for a greener, fairer and healthier Southampton, and the greater flexibility that this policy introduces enables a potentially fairer balance of uses as a level of bureaucracy is temporarily removed.