



Economy and Employment Land

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Background

- 4.1** The aim of contributing to a prosperous economy and securing sufficient employment opportunities in sustainable locations is central to the Plan's objectives for achieving sustainable development. The local economy is affected by a range of international, national and regional influences which have different impacts across the various Sub-Areas of the Plan Area. Local interventions through policy can assist in achieving a more prosperous economy and also help encourage social inclusion so that all residents can share in this prosperity.

Key Economic Trends:

- gross domestic product (GDP) per head of population is below the average for the United Kingdom and the East Midlands Region;
- within the Plan Area there is a considerable variation with Nottingham City having considerably higher levels of GDP per head emphasising its importance as a wealth creator;
- the unemployment rate stood at 2.7% in April 2003 which is higher than the East Midlands and equal to the UK average;
- economic activity rates are lower than the UK average and the East Midlands Region;
- severe unemployment problems persist in parts of Nottingham where unemployment rates are as high as 15%. Unemployment rates are also high in parts of the former coalfield with rates higher than 5% in parts of Mansfield, Ashfield and Bassetlaw;
- most job growth has taken place in services whilst manufacturing has declined. The job growth has not been even across the Plan Area with most growth being concentrated in Nottingham City;
- parts of the Plan Area such as West and North West Nottinghamshire are still heavily reliant on manufacturing jobs and factory closures have hit these areas hard;
- forecasts indicate that the service sector growth will continue whilst manufacturing is forecast to continue to decline.

- 4.2** The strategic objective of the economy policies is to assist in strengthening and diversifying the local economy. The local economy is now more diverse than in the past due to a large increase in service sector employment. Nottingham has been particularly successful in attracting service based employment and has transformed its economy from one heavily reliant on traditional industries to a more diverse economy. Other parts of the Plan Area remain heavily reliant on manufacturing which is forecast to continue to decline in terms of employment. Manufacturing will remain an important sector though in terms of both output and employment and the Plan Area has a number of concentrations of important industries including for example food processing and textiles and there is scope to attract and grow further high value added manufacturing enterprises.
- 4.3** There is potential for further growth in the service sector with Nottingham City being well placed to develop its regionally important role. It will be important to encourage service based employment to locate in other urban centres such as Mansfield which has an important sub-regional role. This Plan is one of a number of strategies that have an important bearing in achieving sustainable economic development. The Regional Spatial Strategy (RSS8) prepared by the Regional Planning Body sets the overall context for preparing this Plan. RSS8 was prepared in tandem with the Regional Economic Strategy (RES) prepared by the Regional Development Agency (emda) to ensure that they are consistent with each other. The RES sets out key economic objectives and also coordinates the actions of a plethora of national, regional and local agencies concerned with economic development, training and education.
- 4.4** The emda has also recognised a number of strategic sub-regional partnerships including the Greater Nottingham Partnership and the North Nottinghamshire and North Derbyshire Alliance. These sub-regional Partnerships are charged with setting out priorities for the economic development of their areas. This Plan has taken into account the various strategies prepared by all of these other agencies and will seek to ensure the land use strategy complements the various economic development, regeneration, education and training initiatives prepared by these bodies.
- 4.5** The Plan has a fundamentally important role in providing new land for employment uses falling within use classes B1, B2 and B8 of the Use Classes Order. Policies are included that will provide guidance for locating office and mixed use development in sustainable locations including on previously developed land (PDL). Other policies in the Plan will provide guidance for other job generating development (not falling within use classes B1, B2 and B8) including retail, leisure and community services. Improving accessibility to employment including by the development of the NET will greatly boost the local economy and to help tackle social exclusion.

Regional Spatial Strategy (RSS8)

- 4.6** The Regional Quality of Employment Land Study (QUELS) provides advice about the quantity and quality of employment land that should be provided within the various sub-areas that make up the East Midlands Region. The Plan Area makes up part of 3 regional Sub-Areas - the Northern Coalfields, the 3 Cities Sub-Area and the eastern Sub-Area.

- 4.7** The QUELS study forecasts that the overall stock of employment land in the East Midlands Region will increase only slightly over the period to 2021 (+2.8 ha per annum) but this masks considerable gross changes to the overall stock of employment land. The QUELS findings show that in recent years, a considerable amount of new employment land has been developed whilst over the same period a considerable amount of employment land has ceased to be in employment use. The implications of this are that employment land is being vacated as firms close or move on. In the latter case this means that older more obsolete employment sites are being replaced with more modern employment floorspace. This reflects both the general change to a more service based economy and also the need for good quality well located manufacturing and distribution sites.
- 4.8** QUELS estimates take up in the 3 cities Nottingham area has averaged about 14 hectares per annum with losses averaging about 13 hectares per annum. Whilst some former employment land may lie vacant there is evidence that a considerable amount has changed to other uses particularly housing. It is expected that former employment land will continue to significantly contribute to the PDL targets for housing in this Plan.
- 4.9** In order to ensure an adequate supply of employment land QUELS advises that generally speaking employment land lost should be replaced. This does not though justify protecting all employment land, as a simple blanket protection policy for all employment land is unworkable, given the lack of market demand for certain sites and premises. Such an approach would mean that employment land with limited or no market appeal is likely to remain vacant or underused thereby frustrating both economic objectives and the objective of meeting PDL targets for housing. It will though be vital to protect important employment sites (see Policy 4/4).
- 4.10** In quantitative terms the QUELS findings indicate that future employment land requirements for the region will be slightly higher than historic levels of take up would suggest.
- 4.11** QUELS also examined the supply of employment land in more qualitative terms and a number of findings are relevant to this Plan:
- the availability of good quality industrial land is constrained particularly within the City boundaries. Although potential supply may satisfy need, much of this supply is located in areas which currently have relatively poor access. In particular potential sites to the east of Nottingham have lesser market appeal due to their relatively poor accessibility. Other policies in the Plan will seek to enhance the accessibility of these sites;
 - whilst sites for office based employment around Greater Nottingham appear to be sufficient in the short/medium term to 2011 there is a concern that in the longer term urban based sites may be in short supply unless there is strong public intervention to bring forward suitable sites. There is also pressure from other uses such as housing;
 - there is a case for bringing forward new supply for office based employment in the Northern Coalfield which will most likely require public intervention;

- further research is merited to identify appropriate sites for office based employment that could include brownfield sites for example close to Mansfield Town Centre and some out of town supply for instance along the Mansfield Ashfield Regeneration Route (MARR);
- provision should be made for an additional science and technology park in Greater Nottingham.

POLICY 4/1 PROVISION OF EMPLOYMENT LAND

Provision will be made for about 1,170 hectares of land to be provided by 2021. The distribution of employment land within the County is as follows:

South Nottinghamshire Sub-Area	Guideline Provision Hectares	Commitments**	Allocation/ De-allocation
Ashfield (part)	55	43	12
Broxtowe	75	51	24
Gedling	65	53	12
Newark and Sherwood (part)	2	1	1
Nottingham	108	97	11
Rushcliffe	120	74	46
Sub-Area Total	425	319	106
Sub-Area Provision			106***
West and North-West Nottinghamshire Sub-Area			
Ashfield (part)	160	133	27*
Mansfield	240	140	100*
Newark and Sherwood (part)	50	85	-35
West Bassetlaw	180	121	59
Sub-Area Total	630	479	151
Sub-Area Provision			186***
East Nottinghamshire Sub-Area			
East Bassetlaw	40	81	- 41
Newark	80	112	- 32
Sub-Area Total	115	194	- 79
Sub-Area Provision			0***
County Total	1,170	992	178
County Provision			292***

Employment land includes all land within B1, B2 and B8 of the Use Classes Order. Figures may not sum due to rounding.

* includes a specific allowance for Strategic High Quality Employment Sites.

** Commitments includes employment land with planning permission and take up (2001 - 2002) or outstanding employment land allocations identified in 2nd deposit draft local plans.

*** Provision required for new employment land allocations. Columns 3 and 4 are for information and explanation only.

4.12 The take up of employment land across the Plan Area has averaged about 43 hectares per annum over the period 1991 to 2002. This is approximately half that which was assumed to be required on an annual basis in the 1996 adopted Nottinghamshire Structure Plan although this included a substantial mark up. The take-up of employment land has varied across the Plan Area with take-up in the West and North West Nottinghamshire Sub-Area averaging about 21 ha per annum compared with about 15 ha in South Nottinghamshire reflecting their different economic structures. As stated above, the QUELS findings indicate that future take up is likely to be similar to the historic trend reflecting in particular the need to replace obsolescent floorspace. Therefore past rates of take up are considered to be a reasonable basis for predicting future demand. The gains and losses of employment land will be monitored from the base date of this Plan in accordance with RSS8.

4.13 QUELS notes that if the market is to work efficiently the supply should exceed the expected demand (take up) and allow for a margin for choice, variety and uncertainty. The QUELS study states that this is traditionally (though crudely) set at 50%. A mark up of around 50% has therefore been applied to the estimates of employment land calculated on the basis of the past rates of take up of employment land.

4.14 Overall across the Plan Area about 1170 hectares of employment land will be required by 2021. The distribution to Districts reflects the following:

- the location of existing planning consents and commitments;
- the potential for economic development and economic diversification;
- the need to regenerate areas experiencing disadvantage;
- the need for employment of the existing and likely future population;
- past economic performance;
- the need to protect the environment;
- the need to avoid harm to the Nottingham Derby Green Belt.

4.15 At the Sub-Area level there is a need for about 106 hectares of new employment land in South Nottinghamshire. The distribution of this provision between Districts in South Nottinghamshire reflects the limited capacity of Nottingham City to find new employment land within its boundaries. Accordingly some of this need will have to be accommodated within the surrounding Districts in accordance with the sequential approach to locating development set out in the strategy of this Plan.

4.16 In West and North West Nottinghamshire around 186 hectares of new employment land should be identified. This employment land should be allocated according to the sequential approach set out in the strategy of this Plan. This will require some additional Greenfield sites adjoining the urban areas. The location of such sites should reflect the QUELS findings concerning the need to give priority to supporting the manufacturing and service sectors.

4.17 In East Nottinghamshire supply exceeds the predicted requirement. The existing supply should therefore be reviewed against the quantitative requirement set out in Policy 4/1 and the more qualitative criteria set out in Policy 4/2. The recently opened commercial airport at Finningley (called Robin Hood Airport Doncaster Sheffield) will give rise to airport related development needs in the north of Nottinghamshire and provide much needed job opportunities. The employment land provisions for West

Bassetlaw in Policy 4/1 include an allowance of 25 hectares for airport related development to be allocated close to Robin Hood Airport Doncaster Sheffield and to the A1 corridor.

- 4.18** The employment land provision set out in employment Policy 4/1 represents a guideline. There may be a case for de-allocating employment sites in unsustainable locations or those that have only a limited market appeal and hence financial viability. In these circumstances new employment land will need to be allocated through the local plan process in order to ensure that the broad structure plan guidelines set out in employment Policy 4/1 are met.

POLICY 4/2 CRITERIA FOR NEW ALLOCATIONS AND FOR REVIEWING EXISTING ALLOCATIONS AND COMMITMENTS

In meeting the broad employment land guideline provision set out in Policy 4/1 of this Plan, local planning authorities (LPAs) will review existing employment land allocations and commitments and judge new allocations against the following principal criteria:

- a) the sequential approach to site selection;
- b) the need for a range of marketable sites in terms of quality, size and location including Strategic High Quality Employment Sites;
- c) the need to ensure that an adequate supply of readily developable employment land will be made available throughout the Plan period;
- d) the need for employment land to be in locations accessible by a choice of means of transport, with the availability of public transport relating well to the intensity of development;
- e) the requirement for new employment land to be sustainable in all other respects, and both to respect and enhance the environment.

In addition LPAs will also take into account the following criteria where appropriate:

- i) the need to regenerate certain disadvantaged communities through specific allocations;
- ii) the likelihood that the site can be developed taking into account the availability of resources both public and private;
- iii) the suitability of the site for other uses including mixed uses;
- iv) the need to ensure a supply of strategic employment sites throughout the Plan period at locations with good accessibility to existing and proposed transport schemes, for example the MARR;
- v) the need to provide for specific sites for airport related development arising from Nottingham East Midlands Airport and the new Robin Hood Airport Doncaster Sheffield.

In combination with other agencies LPAs should seek to take appropriate measures to ensure allocated sites are made available to meet employment needs over the Plan period. The loss of employment land to other uses should be monitored.

- 4.19** Policy 4/2 sets out relevant criteria for judging the sustainability and suitability of identified employment land and new employment land allocations. More detailed guidance is given for technology transfer in Policy 4/3. The urban areas particularly the Nottingham urban area are the main engines of economic growth. Employment land should therefore be made available within and adjoining the urban areas in accordance with the sequential approach. The findings of QUELS will be relevant to this exercise.
- 4.20** It is particularly important that employment sites are accessible by a range of means of transport which will mean they are more sustainable but also accessible to those workers with limited or no access to the private car and therefore assist in social inclusion. Specific allocations in order to support the regeneration of particular areas may also be warranted. Policy 4/2 (b) requires a range of marketable employment sites to be identified. This should include some large, flat, well shaped sites with good accessibility to the primary road network.
- 4.21** The locational policies of this Plan place emphasis on developing PDL within urban areas before more peripheral sites. This should also ensure that jobs are provided close to areas of need including for example the inner areas and outer estates of Nottingham. Such an approach is challenging in that PDL sites are often more difficult to develop given the likelihood of more complex ownership constraints or because of possible contamination from previous uses. LPAs will need to be confident that such sites are developable within the Local Plan period and may well seek to work in partnership with other public agencies and the private sector to ensure such employment sites come forward. However, the employment land guidelines set out in Policy 4/1 and the need to provide sites for particular sectors and/or in specific locations is likely to require some selective greenfield sites releases around the urban areas.
- 4.22** In West and North West Nottinghamshire there are opportunities to enhance the supply of sites for office based uses in or near to the town centres which should assist economic diversification. Mansfield's central area, in particular, has potential for more office based floorspace reflecting its status as a major sub-regional centre (see Policy 7/1 in the Central Areas and Shopping chapter). Manufacturing remains a vital economic sector with considerable potential to maintain and attract new employment especially those engaged in high technology.
- 4.23** Policy 22 of RSS8 seeks to ensure that there is an adequate supply of good quality employment land for B1, B2 and B8 employment uses and to meet the specific requirements of potential investors. Policy 4/2 makes provision for strategic high quality employment sites (SHQESs) which are intended to be high quality sites for a range of business uses in use classes B1, B2 and B8. They are generally large (in excess of 5 hectares) although urban based sites are often smaller. There is a strong case for making further good quality employment sites available with access to the new MARR route over the Plan period in addition to existing commitments. These SHQESs should be located in accordance with the sequential approach. Those sites which are located outside the urban areas must be in locations well related to urban areas and be accessible by public transport. Accordingly the employment land provisions set out in Policy 4/1 include a specific allowance for SHQES sites in Ashfield (25 ha) and in

Mansfield (50 ha). It is worth noting that RSS8 advises that selective public investment will be required in this part of the Plan Area to ensure an adequate supply of good quality employment land is delivered.

- 4.24** In South Nottinghamshire the proposal for a new Trent Crossing will play a major role in improving accessibility to employment sites to the east of Nottingham City Centre by improving links to the regional and national road networks. This proposed new transport link will greatly add to the market appeal of existing and potential employment sites within or close to the eastern side of the Nottingham urban area which include a number of brownfield sites close to areas in need of regeneration. This strategy will also complement strategies for developing the City Regeneration Zones by ensuring that accessible sites can be found nearby for relocating businesses.
- 4.25** To the north of the Plan Area the new Robin Hood Airport Doncaster Sheffield close to the Plan Area boundary will provide a badly needed boost to the economic fortunes of this area. Existing employment land allocations and commitments at settlements along the A1/A614 corridor should be reviewed to determine their suitability for meeting the employment demands arising out of the new airport. New employment land allocations will be required in locations close to Robin Hood Airport Doncaster Sheffield and the A1 corridor. This is a general exception to the principle that strategic employment land allocations should be located within and adjoining the urban areas. Employment sites for airport related development should be at, or well related to, suitable settlements close to Robin Hood Airport Doncaster Sheffield and the A1 corridor in order to maximise employment benefits associated with the airport and to support regeneration in North Nottinghamshire.
- 4.26** A key concern is the need to ensure that employment sites are made available at all times throughout the Plan period and throughout the various Sub-Areas and major locations of the Plan Area. The adequacy of supply in the various Sub-Areas and major locations of the Plan Area will be judged in relation to a number of factors including:
- the desirability of providing at least 5 years supply of employment land - this would generally be assessed on the basis of past take up rates;
 - any likely increases in the demand for employment land that may take place in the same 5 year period - this may be above previous levels due to factors such as policies for the regeneration of particular areas, to meet the need of particular sectors or need for inward investment;
 - the range of sites in terms of size, quality and location.

Office Development

- 4.27** Guidance for the location of office development is given in the Central Areas and Shopping chapter. Suitable office development will be encouraged in existing central areas. This approach builds on the general accessibility of existing centres, especially by public transport, and the range of business services and shops usually present. Office development also supports the general aim of maintaining the role of the City and town centres by bringing to them both investment, including the re-use of historic buildings, and workers who use, and therefore support, the centre's shops and other facilities. The Policy will also help to provide a use for upper floors in centres

and to protect the character and amenity of residential areas which otherwise might be affected by office uses.

- 4.28** Nottingham City Centre as a regional service centre is likely to remain the principal location for office development in the Plan Area; however, there is a concern that in the longer term, City Centre sites may be in short supply unless there is strong public intervention to bring forward suitable sites.
- 4.29** Office development will also be encouraged in the Major Sub-Regional Centre of Mansfield and the Sub-Regional Centres of Newark, Sutton-in-Ashfield, Worksop and Retford. Office development will also be encouraged in the Major District Centres and District Centres listed in the Central Areas and Shopping chapter of this Plan. Small scale office development may be appropriate in village local centres.
- 4.30** To help ensure proper provision for office development that cannot be satisfactorily accommodated in existing central areas it is important that local plans/local development documents identify suitable locations for such development which are accessible by public transport.
- 4.31** There is a case for bringing forward new supply for office based employment in the Northern Sub-Area. RSS8 notes that selective public investment will be required to ensure an adequate supply of good quality land in this regional Sub-Area. Potential sites along the MARR should be attractive to the market and provide major opportunities for the development of good quality employment sites.

POLICY 4/3 TECHNOLOGY TRANSFER

Provision will be made for a hierarchy of sites for high technology firms and technology transfer:

- a) incubator facilities preferably with good links to research institutions;
- b) managed small units for existing high technology, small to medium sized enterprises;
- c) a Science and Technology Park will be identified within Mansfield or Ashfield Districts with good links to a technology based higher education establishment;
- d) a Science and Technology Park with good university links will be provided to serve the Nottingham area.

Sites will:

- i) be in accordance with the sequential approach and be accessible by a choice of means of transport;
- ii) have the potential to create a high quality of environment and be developed to a high standard and quality of design; and
- iii) generally be restricted to class B1 of the Use Classes Order and be predominantly engaged in high technology.

4.32 RSS8 Policy 22 supports the bringing forward of good quality employment sites to meet the specific requirements of potential investors. Policy 4/3 seeks to provide sites that will help facilitate the growth of technological and knowledge based firms. It is common practice to link such sites to university/higher education establishments to facilitate cooperative research and because universities have potential to spawn new companies often referred to as “spin out”. Policy 4/3 provides for a range of sites to provide grow on space and to attract new high technology companies. This complements the Regional Economic Strategy and encourages the provision of sites to attract high technology and cluster related firms including science and technology parks. The North Derbyshire and North Nottinghamshire Sub-Regional Strategic Partnership has identified the new MARR route through Mansfield/Ashfield as a technology corridor. QUELS makes a strong case for a further science and technology park in Nottingham.

4.33 The local economy is well positioned to support identified clusters both within the Plan Area and the wider region including:

- food processing;
- textiles;
- financial and professional services;
- environmental technology;
- media and the arts;
- automotive and transport;
- power generation;
- bio science and health care.

4.34 These existing clusters of firms together with the presence of the two major Universities and a number of Higher Education (HE) establishments are of critical importance in terms of their potential for growth, both in value added output and employment. They also provide the seed bed for creating and growing new knowledge and high technology based firms. There has already been considerable success in developing science and technology parks in the Plan Area for example the Nottingham Science and Technology Park and the Mansfield Innovation Centre.

4.35 It is important that a hierarchy of sites is made available. This includes provision for small scale and managed units that will assist technology transfer from the Universities/HE establishments and support small and medium sized firms. In time it is anticipated that successful firms will need to expand and grow into larger premises on larger sites. To this end a single large site to support technologically based firms and cluster development in West and North West Nottinghamshire should be provided. This could either be accommodated on a single dedicated site or as part of a larger strategic high quality employment site.

4.36 Consideration will be given to options for providing a further science and technology park either on a single site or on a number of smaller sites to meet needs in South Nottinghamshire as only a limited amount of land remains available at the Nottingham Science and Technology Park. In all cases facilities should have good links to the Universities/HE establishments and relevant research institutions. This means having both good transport links including by public transport and also the potential for ICT broadband links.

- 4.37** Firms on the science and technology parks should be restricted to occupiers falling within B1 of the Use Classes Order and engaged in a high technology sector undertaking the manufacture, operation or maintenance of advanced technological products or providing services that are knowledge intensive. The exact mix of occupiers may also be subject to a planning agreement. It is vital that sites have the potential to provide a high standard of environment and be developed to a high standard of quality of design. Innovative designs may be particularly relevant. Occupiers should be secure in the knowledge that neighbouring uses that would give rise to unacceptable environmental consequences will not be permitted.

POLICY 4/4 PROTECTION OF EMPLOYMENT SITES AND BUILDINGS

All local planning authorities will review all existing employment allocations as a matter of urgency and thereafter keep that review up to date.

Existing employment sites will be retained in that use if (but only if) they fully comply with the principal criteria set out in Policy 4/2. Such fully compliant sites will be defended from development for non-employment uses.

- 4.38** PPG3 'Housing' advises that all non housing allocations should be reviewed and consideration given as to whether some of this land might be better used for housing or mixed use development. PPG3 goes on to specify that planning permission should be favourably considered for housing proposals on employment land allocations and existing employment sites and buildings unless it has a realistic prospect of being taken up for its stated use or its development for housing would undermine regional and local strategies for economic development and regeneration.
- 4.39** Policy 4/4 seeks to ensure that an adequate supply of employment allocations and existing sites is maintained. In drawing up local plans/local development documents local planning authorities should review existing employment land allocations rather than simply carry them forward into the new plan. The ODPM Guidance Note 'Employment Land Reviews' provides detailed advice on how and when to carry out such a review.
- 4.40** As to the issue of whether existing employment sites should continue in employment use, Policy 4/4 applies the same criteria as for judging the suitability of employment land allocations (as set out in Policy 4/2). For the purposes of drawing up more detailed policy guidance in local plans/local development documents or for strategic development control purposes regard should be had to whether the site meets the principal criteria in Policy 4/2 and also the remaining criteria (i) to (iv) as appropriate. The policy criteria which include a range of planning and market related tests are considered to meet the guidance in PPG3 concerning the likelihood of implementation. In drawing up local plans/local development documents or for the purposes of development control it will also be appropriate take into account any impact the loss of employment land may have on regional and local economic strategies as advised by PPG3.

POLICY 4/5 RURAL EMPLOYMENT

Small-scale business development will be permitted within and adjacent to market towns and larger villages, as defined in local plans/development plan documents, which are accessible by a choice of modes of transport.

Elsewhere such development will be permitted where it is demonstrated that it will:

- a) provide employment or facilities which meet identified local needs; or
- b) help to support existing businesses in the area; or
- c) enable appropriate rural diversification, including for tourism and recreation; or
- d) provide opportunities for home-working, particularly through the use of Information and Communication Technology.

In all cases, development will be subject to the following criteria:

- i) priority will be given to the re-use of existing buildings, vacant, derelict and underused land (see Policy 2/10); and
- ii) be acceptable in terms of impact on the local environment, residential amenity and transport.

4.41 A key element of the JSP is to enable people living in rural areas to take up employment near their homes and reduce unnecessary commuting. Furthermore, rural areas are facing serious economic pressures stemming partly from historic reliance upon the agricultural sector for providing jobs. The Common Agricultural Policy (CAP) reforms, General Agreement on Tariffs and Trade (GATT), and the recent BSE and FMD crises have forced down farm incomes and threatened the viability of many rural businesses. The Countryside Agency's work 'Exploding the Myths' (2003) shows how the countryside's economy in many respects is already very diversified, and that in economic, as opposed to land use terms, agriculture and other primary industries are not as important as they have been historically. In their place is an economy of small businesses across all sectors, including a manufacturing sector which is successful in comparative terms to urban based manufacturing. Moreover home working, businesses run by women and start-ups by incoming populations are helping to enhance rural economic activity. There is therefore a need to support the rural economy by encouraging rural diversification and new small scale manufacturing and technology based industries, whilst at the same time maintaining the special qualities of the environment.

4.42 In order to accord with sustainable development principles, market towns and larger villages will form the focus for providing new jobs and services by accommodating small scale sensitive development. This will not only provide jobs for the local communities but will also play an important role in maintaining and enhancing the vitality and viability of these settlements as service providers, helping to secure the long term future of the rural economy.

- 4.43** It is also recognised that in certain circumstances development can be appropriate outside the defined settlements where it is demonstrated to provide benefits to the rural economy and respect the character of the surrounding landscape (see Environment Policy 2/10). Such development can be key to the diversification of the rural economy through the retention of existing jobs and generation of new jobs to meet identified needs.
- 4.44** In all cases, but particularly those proposals outside the defined settlements, opportunities will be sought wherever possible to re-use existing buildings, vacant, derelict and underused land to meet the need for employment development. This approach applies the sequential approach discussed in the Strategy chapter to the rural areas.

