



regeneris

ECONOMICS • RESEARCH • ANALYSIS

Proposed Development at
Barnfield Road and
Sunnyhills Road, Cornhill,
Leek: Socio-Economic
Assessment

A Report by Regeneris
Consulting

Barnfield Hughes Limited

**Proposed Development at
Barnfield Road and
Sunnyhills Road, Cornhill,
Leek: Socio-Economic
Assessment**

September 2014

Regeneris Consulting Ltd

www.regeneris.co.uk

The Proposed Scheme

- 1.1 Barnfield Hughes Limited are seeking outline planning permission for a mixed-use redevelopment of a 10.6 hectare (26.2 acres) site at Barnfield Road and Sunnyhills Road, Cornhill, Leek.
- 1.2 The Applicant's mixed use development proposals are housing led, but contain the following elements:
- Demolition of any remaining on site structures as necessary.
 - Residential development (use class C3) of up to 175 dwellings, associated open space, play areas and pedestrian/cycle links. This component of the proposed development scheme will deliver a mix of good quality family orientated dwellings, with the majority being 3 or 4 bedroom properties.
 - Employment uses comprising light industrial (B1c) and general industrial (B2) units (approximately 1,195 sqm).
 - Tourism and leisure uses including a marina/basin and railway station hub comprising railway museum building (use class D2); public house/ family restaurant (use class A3/A4), tourist/local needs retail (use class A1) approximately 394 sqm and associated car parking and servicing arrangements.
- 1.3 This short note has been prepared by Regeneris Consulting to summarise the socio-economic benefits of the scheme. The analysis assumes that the residents of the new development represent a net additional increase in the population of Staffordshire Moorlands.

Local Policy Context

- 1.4 Several local policy documents stress the importance of new housing developments.
- 1.5 These include the Staffordshire Moorlands District Council Local Investment Plan 2011-2015:
- One of the key issues outlined in this document are the 'real challenges we face in creating the homes and places in which local people want to live' (p4)
 - This problem is linked into affordability for many in the area, as 'local people on low wages face real difficulties in buying market homes'. An increase in the housing stock would help alleviate these pressures and offer local house buyers greater choice.
- 1.6 The 2011 Staffordshire Moorlands Core Strategy Development Plan further explores these:
- Again one of the key challenges outlined on p31 is 'improving the housing market', more specifically the document argues there is an 'identified under supply of mid-sized units such as semi-detached and terraced dwellings. The proposed housing mix would help to directly address this concern.
 - The Core Development Strategy looks at the area of Leek specifically, identifying it as a location suitable for 'major redevelopment and Brownfield opportunities'.

● **Proposed Development at Barnfield Road and Sunnyhills Road, Cornhill, Leek: Socio-Economic Assessment** ●

- Leek, amongst other town centres in the area, is also earmarked to ‘accommodate the bulk of District’s housing and employment development needs’.

- 1.7 The local policy context shows that the provision of new good quality, family-orientated housing therefore has a key role to play in the economic future of Staffordshire Moorlands, as it brings with it increased local expenditure and supports economic objectives by bolstering the local labour market.

Impacts of Development

Construction Employment Impacts

- 1.8 The construction of employment floorspace and leisure uses on site, as well as wider site abnormalities, are estimated to cost approximately £6.3m. Based on the average turnover for a full-time equivalent (FTE) construction job for commercial activities and infrastructure, and based on these elements being constructed within a one year timeframe, this component of the proposed scheme could support **90 full time equivalent construction jobs**.
- 1.9 The residential element of the proposed development is estimated to cost in the region of £12 million to build, inclusive of fees and contingencies. Based on the average turnover for a full-time equivalent (FTE) construction job the proposed development would support in the region of 250 person years of construction employment. Assuming a 5 year build period for the housing this equates to **50 full time equivalent construction jobs** per annum. These construction jobs would be a mixture of on-site roles and off-site supply chain employment.
- 1.10 On average, over the last year (August 2013-July 2014), around **60 individuals** claiming Job Seekers Allowance were registered as seeking employment in the construction and development trades. This amounts to 8% of the total population seeking Job Seekers Allowance across the district. The proposed construction activity surrounding the development therefore has the potential to respond to labour market availability during the construction phase and help to alleviate local unemployment.

Operational Employment Impacts

- 1.11 Once operational, the proposed employment floorspace would directly support **55 FTE jobs**. Over half (55%) of the employment impacts are associated with the light industrial/industrial floorspace (30 FTE jobs), while the pub (15 FTE jobs) and the museum and shop (10 FTE jobs) make up the remaining 25 FTE jobs. Further direct employment opportunities may arise as part of the management of the proposed marina/basin. However, given the proposals for the marina/basin are at an early stage, these employment effects have not been quantified.

Table 1-1: Operational Employment (FTE Jobs)		
Uses	Floorspace (Sqm)	Potential Employment Impacts (FTE Jobs)
B1c/B2 Uses	1,195 (8 units)	30
Pub	340	15
Museum and convenience retail for railway	394	10
Total	1,929	55
Note: Employment estimates informed by HCA’s Employment Densities Guide (2010)		
Source: Regeneris Consulting		

Household Occupancy & Labour Market Benefits

- 1.12 The proposed development would generate a population of around **450 residents**. The scheme will have a number of impacts on the labour market of both Leek and the wider Staffordshire Moorlands area. It will bring new working age residents to the area in higher skilled and higher level occupations, as well as key workers. In both respects, the scheme would be expected to contribute to meeting the needs of local employers.
- 1.13 Of the 450 residents of the proposed development, it is estimated that up to **340 will be of working age**, with around 260 of these residents in employment. Based on locations with a similar dwelling profile to that proposed here, it is estimated that of the residents in employment **around 100 residents** would be employed in higher managerial and professional positions. These will be important labour market benefits for the district and for its business base.

Household Expenditure Benefits

- 1.14 This new resident population would have the potential to generate a combined total annual household expenditure of £1.3 million in the Staffordshire Moorlands district. It is estimated that around £1.1 million of this will be spent locally in the town of Leek. This level of expenditure in the district would therefore support around **12 FTE jobs**, with most of these jobs likely to be supported within Leek.
- 1.15 The residents of the proposed development will help to contribute towards sustaining viable town centres and neighbourhoods in Leek and across the district, supporting retail and other local and community services.

Fiscal Benefits

- 1.16 The Government has introduced a new mechanism to incentivise local authorities to increase their local housing supply. Councils will receive a New Homes Bonus payment based on the annual net increase in the number of dwellings on which council tax is paid from year to year. The payment they receive will be based on the national average rate for a Band D dwelling and will include a bonus for affordable homes.
- 1.17 Based on a total of 175 new dwellings, Staffordshire Moorlands local authority will receive, in total, around **£1.22m** in New Homes Bonus payments over the six years following completion of the development. This is funding paid directly to the Council for supporting new housing developments, which could be spent on local investment priorities.

Summary of Impacts

- 1.18 In summary, the proposed development would lead to the following socio-economic benefits:
- The construction of employment floorspace and leisure uses on site could support 90 FTE jobs over 1 year.
 - The construction of new dwellings could support around 50 FTE jobs per annum, based on an assumed five year build period. These jobs would be a mix of both on-site and off-site roles in the supply chain.

● **Proposed Development at Barnfield Road and Sunnyhills Road, Cornhill, Leek: Socio-Economic Assessment** ●

- Once occupied, the proposed employment floorspace would directly support 55 FTE jobs.
- The proposed development would generate a population of around 450 residents, with around 340 residents of working age.
- The new resident population would have the potential to generate a combined total annual household expenditure of £1.3 million in the district, with around £1.1m spent in Leek. This expenditure would support around 12 FTE jobs, with most of these jobs likely to be supported in Leek.
- Staffordshire Moorlands District Council will receive, in total, around £1.22m in New Homes Bonus payments over the six years following completion of the development.
- Improved visitor/leisure amenities through the development of the marina/basin and the railway facilities.



Regeneris Consulting Ltd

Manchester Office
4th Floor Faulkner House
Faulkner Street, Manchester M1 4DY
Tel: 0161 234 9910
Email: manchester@regeneris.co.uk

London Office
70 Cowcross Street
London, EC1M 6EJ
Tel: 0207 608 7200
Email: london@regeneris.co.uk

www.regeneris.co.uk