



**Rochford District
Council**

COMMITTEE TITLE: PLANNING POLICY COMMITTEE

DATE: 16 JANUARY 2024

REPORT TITLE:	Employment Land Study 2024
REPORT OF:	Director of Place

REPORT SUMMARY

The Employment Land Study (ELS) provides a definitive position statement on employment land supply within the District to meet future needs, using both quantitative and qualitative analysis. It reviews each of the District's existing employment sites in turn, considering their attributes, capacity and constraints to determine how they might contribute to supporting a vibrant and thriving local economy through the timeline of the new Local Plan.

The ELS also considers evidence from the recent 2023 Economic Development Needs Assessment (EDNA) to determine whether there is merit in designating new employment allocations from identified undeveloped sites with potential to support employment activity, along with previously-developed sites which support employment uses.

RECOMMENDATIONS

R1. That the Planning Policy Committee notes the report as part of the evidence base for the emerging Local Plan

SUPPORTING INFORMATION

1.0 BACKGROUND INFORMATION

Context

1.1 National planning policy requires local plans to be informed and justified by technical evidence.

- 1.2 Furthermore, national planning policy requires Local Plans to provide an overall strategy for the pattern, scale and design quality of places, and make sufficient provision for (inter alia): housing (including affordable housing), employment, retail, leisure and other commercial development.
- 1.3 This report concerns an updated Employment Land Study (ELS) that the Strategic Planning Team has prepared to support the development of the emerging Local Plan. Along with the recently-completed (2023) Economic Development Needs Assessment (EDNA) Update and forthcoming Commercial Property Market Review (CPMR), it forms part of a comprehensive evidence base to inform the Council's emerging policies relating to employment land – both managing, protecting and enhancing existing sites, and considering the need for allocating any additional sites within the Plan.
- 1.4 This report provides new and up-to-date evidence, and replaces its previous iteration – the 2014 Employment Land Review.
- 1.5 The ELS has been prepared to align with national planning practice guidance on undertaking assessments for the demand for/supply of employment land, along with further guidance on assessing economic development need. It is important to ensure the Local Plan focuses on providing the right conditions to enable both existing and new businesses in Rochford District to invest, grow and thrive in premises which are fit for purpose.
- 1.6 As with the 2023 EDNA Update, the report distinct types of employment floorspace as set out in the Use Classes Order and summarised below:
 - Class B2 General Industrial: typically comprising factory and manufacturing space.
 - Class B8 Storage and Distribution: warehouses, wholesale and distribution.
 - Class E(g)(i) Offices
 - Class E(g)(ii) Research and Development
 - Class E(g)(iii) Light Industrial: typically 'clean' manufacturing and processing that could take place within or close to residential areas
- 1.7 The scope of the ELS covers the following stages:
 1. Undertake site visits to established and prospective employment sites to assess key site conditions relating to:
 - i. Strategic access
 - ii. Local access
 - iii. Site quality, amenities and environment
 - iv. Market attractiveness
 - v. Developmental and environmental constraints

Subsequently, to assign a series of ‘traffic light’ categorisations and scores for each site to assess their overall quality; to summarise strengths/weaknesses for each site; and subsequently form recommendations on future action for the sites from a series of categories.

2. Supplementing the outputs and recommendations from 2023 Rochford Economic Development Needs Assessment (EDNAs), and other evidence base, with site/desk-based analysis to:
 - i. Review the stock of existing operational employment land, identifying any opportunities for redevelopment, intensification or redesignation of land to help meet the District’s economic needs, as identified in the 2022 EDNA. Also to identify any instances where a site is not fulfilling its role as an employment site and may warrant alternative designations.
 - ii. As part of this, to review newly-allocated employment sites in the existing (2011) Core Strategy and (2014) Allocations Plan, using desk analysis and site visits, to determine whether employment activity has commenced, increased or reduced on these sites, and to recommend whether the allocations remain effective.
 - iii. To review former employment sites which were allocated for alternative uses under this plan. Through desk analysis and site visits, to determine whether employment activity has remained on these sites, and whether the allocations remain effective.
 - iv. To assess the potential and suitability of any prospective employment land allocations (e.g., land identified through the Call for Sites process) to help address any identified employment need arising from the 2022 EDNA.
 - v. To assess significant informal/unallocated sites with notable employment activities (including previously-developed land within the Green Belt), determine their role in providing employment space, and whether their role warrants formal safeguarding in future plan-making.
3. Considering the above, along with evidence from the EDNA, to make recommendations for the Economy & Employment policies in the new Local Plan. Areas considered include:
 - i. Broad acceptable use class policies for existing and new employment sites. This will consider in particular recent changes in Permitted Development rights which make it easier to change between uses within Class E (e.g., from office to retail), and how policies could introduce restrictions to protect employment land.
 - ii. Whether any existing/new sites should be allocated/deallocated for employment use.

- iii. Whether any undesignated sites in the District which are currently in use for employment warrant further consideration for allocation.

Summary of findings

Employment sites survey findings

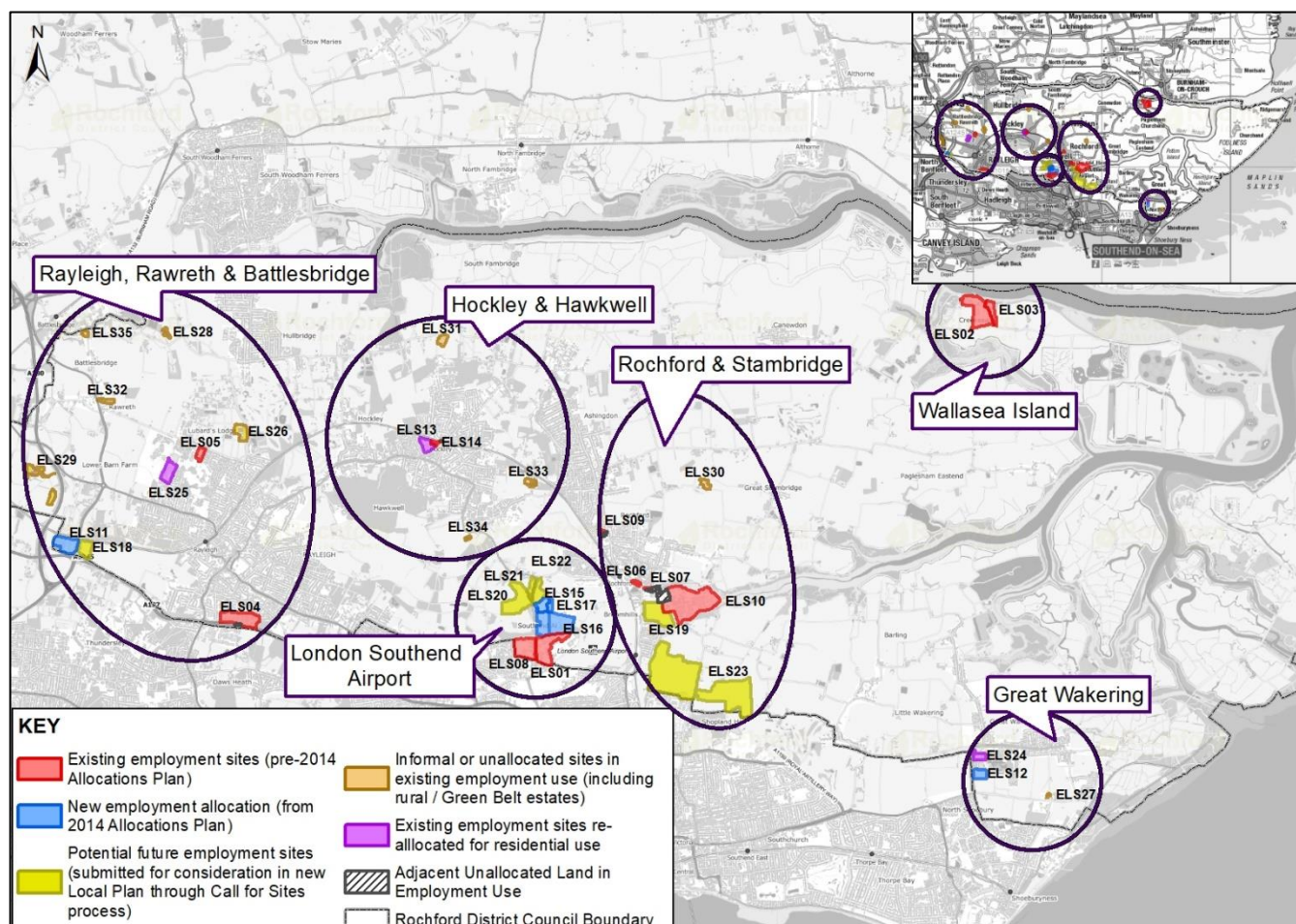
1.8 The ELS surveyed 35 individual sites across the District – both allocated and unallocated. These are set out below, in Table 1, whilst their distribution across the District (grouped into clusters) is mapped in Figure 1:

Table 1: Sites surveyed within the ELS

Site category	Site name	Site area (Ha)
1 - Existing employment sites (pre-2014 Allocations Plan)	Aviation Way Industrial Estate, Aviation Way, Southend	18.39 (14.74 in Rochford, 3.65 in Southend)
	Baltic Wharf, Creeksea Ferry Road, Wallasea Island	16.17
	Essex Marina, Creeksea Ferry Road, Wallasea Island	4.05
	Brook Road Industrial Estate, Brook Road, Rayleigh	13.2 (allocated) + 0.32 (unallocated, adjoining)
	Imperial Park Industrial Estate,	2.37
	Locks Hill, Rochford	0.76
	Riverside Industrial Estate, South Street, Rochford	0.34 (allocated) + 1.18 (unallocated)
	Rochford Business Park, Cherry Orchard Way, Southend	11.67
	Swaines Industrial Estate, Ashingdon Road, Rochford	0.46 (allocated) + 0.41 (unallocated)
	Purdeys Industrial Estate, Sutton Road, Rochford	37.51 (allocated) + 3.52 (unallocated)
2 - New employment allocation (from 2014 Allocations Plan)	Foundry Business Park, Station Approach, Hockley	0.67
	Arterial Park (formerly Michelins Farm), Chelmsford Road, Rayleigh	8.81
	New Employment Land, Star Lane, Great Wakering	3.20
	JAAP Site 1 (Former Cherry Orchard Brickworks), Cherry Orchard Lane, Rochford	6.2

Site category	Site name	Site area (Ha)
	JAAP Sites 2 & 3 (Airport Business Park)	20.98
	JAAP Site 1 (Additional Expansion Land)	1.74
3 - Potential future employment sites (submitted for consideration in new Local Plan through Call for Sites process)	Fairlawns Farm, Arterial Road, Rayleigh	5.33
	Three Ashes, Sutton Road, Rochford	11.68
	Land west of Cherry Orchard Way and South of Cherry Orchard Lane, Hawkwell	15.85
	Land west of Cherry Orchard Way and east of Cherry Orchard Lane, Hawkwell	2.79
	Land East of Cherry Orchard Way, Rochford	5.63
	Land East and West of Sutton Road, Rochford	92.41
4 - Informal or unallocated sites in existing employment use (including rural / Green Belt estates)	Lubards Farm, Hullbridge Road, Rayleigh	5.03
	Crouchman's Yard/Court, Poynters Lane, Great Wakering	0.28
	The Mousery, Beeches Road, Battlesbridge	1.09
	Dollyman's Farm, Doublegate Lane, Wickford	6.52
	Little Stambridge Hall Farm, Little Stambridge Hall Road, Rochford	1.97
	New Hockley Hall Farm, Lower Road, Hockley	2.36
	Clovelly Works, Chelmsford Road, Rawreth	1.67
	Magees Nurseries, Windsor Gardens, Hawkwell	1.89
	Former Chicken Sheds, Gusted Hall Lane, Hawkwell	0.50
	Battlesbridge Harbour, Hawk Hill, Battlesbridge	0.93
5 - Existing employment site re-allocated for residential use	Eldon Way Industrial Estate, Eldon Way, Hockley	3.84
	Star Lane Industrial Estate, Great Wakering	2.57
	Rawreth Industrial Estate, Rawreth Lane, Rayleigh	6.2

Figure 1: Map showing distribution of ELS employment land clusters in Rochford District



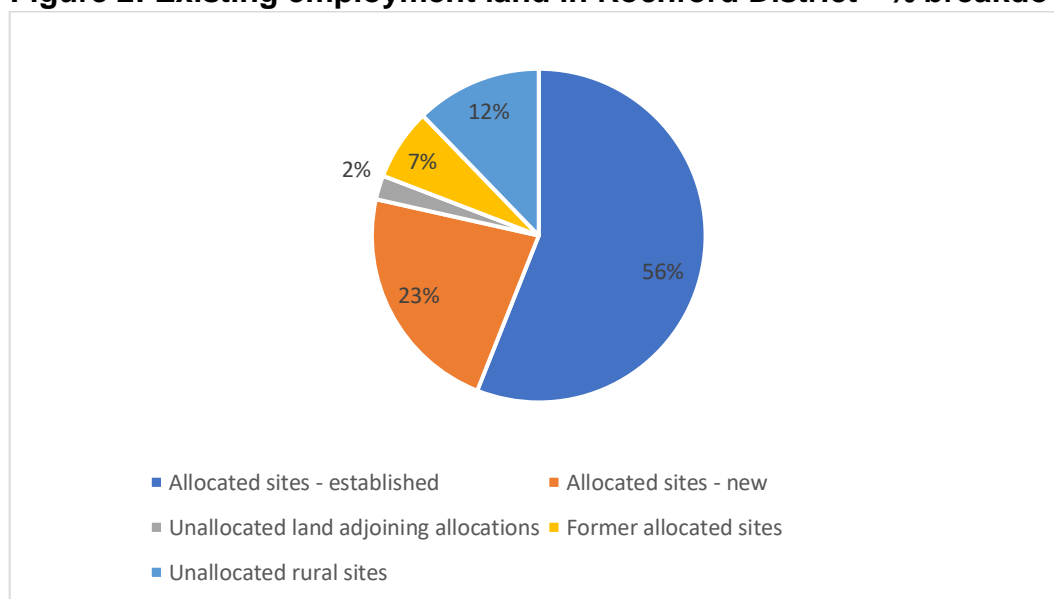
Site typology breakdown

- 1.9 35 individual sites were surveyed, with eleven (31%) of these comprising existing allocated employment sites; five (14%) being new employment sites allocated through the present Core Strategy; three (9%) consisting of former employment allocations which were re-allocated for residential use through the Core Strategy; ten (29%) being unallocated sites employment use in rural/Green Belt areas; and a further six (17%) being prospective future employment sites (currently Green Belt land promoted via the Call for Sites process in the new Local Plan).
- 1.10 Sites surveyed amounted to a total of 315.49 ha of land in employment use, or being promoted for employment use, in Rochford District¹. Of this, 183.16 ha was either in employment use (whether formally allocated or not), or allocated to be developed for employment (excluding undeveloped prospective sites).

¹ Site area is based upon GIS shapefiles (where available, in the case of allocated/promoted sites) and measurements of satellite imagery taken from Google Maps in the case of unallocated sites. Consequently, figures may differ slightly from earlier studies and other measurements of employment land.

1.11 Of the 183.16 ha of current employment land identified, 142.96 ha currently has a formal allocation (comprising 101.93 ha of existing allocated land and 40.93 ha of new allocated land), whilst 39.12 ha does not. The latter category comprises unallocated rural sites (22.24 ha); unallocated land in employment use adjoining formal allocations (4.25 ha; effectively assumed to be part of those formal sites); and former employment allocations which have been allocated for residential but are still in employment use (12.63 ha). Figure 2 shows the breakdown of these types of employment land by percentage.

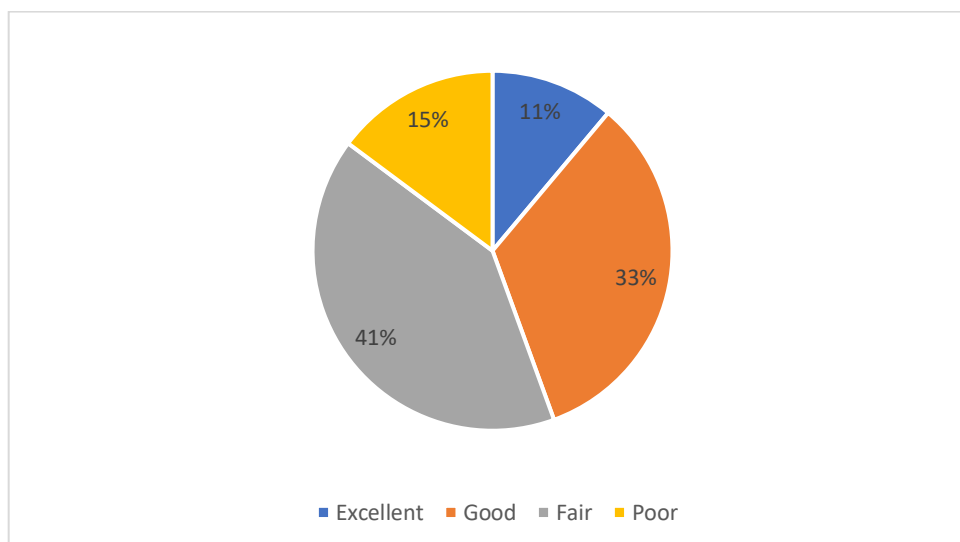
Figure 2: Existing employment land in Rochford District - % breakdown



Site quality

1.12 Of the 27 sites currently in employment allocation or use (discounting two allocated sites which are yet to receive any development), three were scored 'Excellent'; nine 'Good'; 11 'Fair'; and four 'Poor'. Figure 3, below, shows the breakdown of these site quality scores by percentage. A minority of sites (44%) were of 'Excellent' or 'Good' quality, whereas 56% scored 'Fair' or 'Poor', indicating a substantial number of poor-quality sites which may impact on the District's potential, inhibiting the productivity or growth potential of existing businesses whilst discouraging new inward investment.

Figure 3: Site quality scores in Rochford District - % breakdown



- 1.13 Of currently allocated sites (comprising both existing allocations and new allocations from the Core Strategy), four (21%) were rated 'Excellent'; five (36%) were 'Good'; four (29%) were 'Fair'; with one (7%) being 'Poor'. In terms of unallocated developed sites (i.e., those in employment use in Green Belt/rural sites and those sites whose former employment allocation was removed in the last Core Strategy), none scored 'Excellent'; four (31%) were 'Good'; six (46%) 'Fair' and three (23%) 'Poor'. This indicates that, in general terms, sites with allocations tended to be more likely to be Excellent or Good (50%) than unallocated sites (31%), with the latter grouping having a much higher rate of 'Poor'-quality sites.

Site survey findings and recommendations

- 1.14 The following sections present brief summaries of findings/recommendations by employment site typology. For full details, please refer to Section 5 in the full ELS report, which also includes summaries of each geographic employment 'cluster' of sites in the District. Each site was assigned one of five recommendation categories: for future site action:
1. **Protect & maintain:** sites which are suitable in their current form and are located in an appropriate location context where there is not likely to be significant long term change that affects their employment role or function. These sites should be protected.
 2. **Protect & enhance:** sites which are largely suitable in their current form, but may require some support over time to reinforce their employment strength, or may be located in areas which are not entirely supportive or appropriate, or where there may be significant change in the medium to long term as a result of regeneration and redevelopment activity.
 3. **Significant intervention required:** sites which are of poor quality and in need of comprehensive change, or to sites which do not accommodate employment activity which is appropriate for their characteristics and location context.

4. Monitor and manage: sites which are of poor quality and/or not functioning adequately as employment sites, based a range of factors. This categorisation is intended to identify sites which may face challenges in retaining/attracting occupiers. They should be kept under review.
5. Recategorisation: Site is no longer capable of functioning as an employment site and should be considered for a different allocation.

Findings/recommendations by site typology

Existing employment sites

- 1.15 Existing allocated employment sites comprise those allocated in the existing Core Strategy and Allocations Plan, including in Area Action Plans. 11 sites were surveyed, totalling 101.93 ha, along with a further 4.25 ha of land which is not formally allocated, but adjoins three of the sites (Riverside Industrial Estate, Swaines Industrial Estate and Purdeys Industrial Estate), and which effectively forms a continuation of the activities taking place on the allocated site.
- 1.16 The average vacancy across these sites was just under 4%, with the highest being Foundry Business Park, at c.30%. The average proportion of the sites which had been developed in the past five years was c.3.5% (the highest being Aviation Way at 15%), reflecting the generally older status of much of the stock.
- 1.17 In terms of site quality, only one site (Rochford Business Park) was rated 'excellent', whilst a further four were rated 'good', meaning 45% of sites were excellent/good and the majority were 'fair' or 'poor', with the older nature of many of the sites meaning stock, site environments and amenities were often of a low quality. Efforts to address these measures and improve the overall quality of sites is imperative if they are to remain attractive to the needs of new and existing occupiers.
- 1.18 Across the sites, an average of 34.5% of premises were in 'good' condition; 35.5% were 'fair'; and 30% 'poor'. The average score across sites for site quality, amenities and management was 2.7 out of 5.
- 1.19 In terms of further development potential, the approximate amount of vacant, derelict or underutilised land across these sites was between 12.24-12.99 ha, with the majority of the land on two sites; Rochford Business Park (c.5.86 ha), where around half the land is undeveloped; and Purdey's Industrial Estate (c.4.2 ha), where around 10% of the site comprises temporary open storage yards. There is considerable potential for redevelopment, intensification or refurbishment across existing sites, many of which comprise significant quantities of older stock in poor condition. Overall, almost 31% of stock was assessed to be in a 'poor' condition. Whilst this could lead to potential for redevelopment for modern stock which is better-suited for modern occupier needs, it does also raise the risk of redevelopment for alternative uses,

particularly residential in areas of higher land values, and where sites adjoin existing residential areas or are in well-connected locations.

- 1.20 One site (Essex Marina) was recommended ‘protect and maintain’, being considered to perform well for its primary function. Seven sites (Aviation Way; Brook Road; Locks Hill; Riverside; Rochford Business Park; and Purdey’s) were rated ‘protect and enhance’, reflecting that they generally performed well as employment sites, but that there were some notable ways in which their functionality and attractiveness could be improved to maximise their employment potential. Three sites (Swaines Industrial Estate; Foundry Business Park; and Baltic Wharf) were assessed to have a ‘monitor and manage’ category, with issues such as poor-quality stock and potential development pressure potentially affecting their future ability to function as viable employment sites unless remedial action is taken.
- 1.21 As it stands, all sites remain in employment use. However, some were deemed potentially at risk of loss to future redevelopment for residential or other uses – particularly those with a ‘monitor and manage’ recommendation. Considering the evidence in the site visit proformas, along with recent planning history, the following sites have some chance of losing employment space or this not being developed for employment use. Land at risk of loss could total **8.12 ha**, comprising the following sites:

Riverside Industrial Estate	Although the site has an employment allocation, the adjacent waste and coach depots, along with former pumping station, do not. Part of this unallocated land is also being promoted for allocation in the new Local Plan. The unallocated parts of the site do not fall within the Green Belt, raising the potential for development for other uses. Up to 1.18 ha could be at risk of loss.
Rochford Business Park	Given past patterns of development on the site (largely for automotive retail and food & drink), there is a risk that the remainder of the vacant land on the site (up to 5.86 ha) is not development for employment use.
Swaines Industrial Estate	Although the site has an employment allocation, parts of the site do not (i.e. industrial buildings to the south of Leecon Way). Given the age and condition of this stock, they could come under pressure for redevelopment, which would result in a loss of 0.41 ha of employment land.
Foundry Business Park	The site is allocated for employment use within the Hockley Area Action Plan, but much of it is old and in poor condition and has been the subject of redevelopment

	interest. As a result, it is possible the site could be wholly or partly lost to residential use, which would amount to up to 0.67 ha.
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New employment allocations

- 1.22 Comprising those sites newly-allocated in the existing Core Strategy, including sites which fall within the boundaries of the London Southend Airport Joint Area Action Plan (JAAP), these sites are a mixture of partially-developed and undeveloped plots at differing stages of development in terms of their planning status, servicing, infrastructure, stock and occupancy.
- 1.23 Five sites were surveyed, totalling 40.93 ha. Given the early stage of development of most of the sites, along with considerable ongoing construction activity) vacancy rates were not recorded as they were considered to be inaccurate and likely to become quickly obsolete.
- 1.24 In terms of site quality, the three sites where development has already taken place were assessed, with two rated as ‘excellent’ and one scoring ‘good’. The ‘excellent’ ratings (Airport Business Park and Arterial Park) reflect the high-quality accommodation, site infrastructure and business environment as far as it has been developed.
- 1.25 C.81% of the sites remained undeveloped, indicating their full potential is yet to be achieved. The sites under development (Airport Business Park and Arterial Park) appear to have achieved good occupancy on initial phases of development, with further phases underway.
- 1.26 Airport Business Park site was assigned a ‘protect and maintain’ status, reflecting that its development and occupancy appear to be progressing well, with a series of planning applications and construction projects in the pipeline. Alongside this, the site’s infrastructure (e.g., utilities, access road, pedestrian/cycle links and landscaping) have been developed. In addition, Arterial Park was assigned the same status, reflecting that the first phase has been constructed and the majority of units are occupied, with works underway on a further phase.
- 1.27 JAAP Site 1 (Additional Expansion Land) was rated ‘protect and enhance’, which reflects the ambiguous nature of the site, which is in the same ownership as the adjoining Airport Business Park (ABP). The new employment land at Star Lane was also given this status, reflecting a need to bring it forward for development.
- 1.28 A category of ‘monitor and manage’ was given to JAAP Site 1 (Former Cherry Orchard Brickworks), due to the appeal decision in favour of a residential-led mixed-use retirement village. Whilst the site has a small element of employment space, and proposals plan for some additional offices, the site is

deemed to no longer make any strategic contribution to meeting the District's employment space needs.

- 1.29 Given the loss of much of one new site (Cherry Orchard Brickworks) for non-employment uses, it is important to ensure the remaining sites come forward to deliver employment uses. Whilst the remaining supply identified in the EDNA is sufficient to cover much of the expected demand over the new Plan period, the loss of any site reduces the safety margin of overprovision, meaning that any delays in other sites coming forward for development, or significant losses of existing space, could lead to a shortage in supply in particular employment use classes.

Existing unallocated and informal sites

- 1.30 These consist of ten unallocated and informal sites, typically in rural/Green Belt locations – mainly in former agricultural buildings – where lawful employment uses are already taking place. They vary considerably in terms of their quality of stock and amenities. Some also continue to support agriculture, whilst others have been repurposed or redeveloped to provide good quality business accommodation. Collectively, they total 21.31 ha.
- 1.31 Given the long-established nature of many of these sites, it may be appropriate to protect and formalise some of them through formal employment allocations or alternative policy provision, subject to Green Belt policies.
- 1.32 In terms of quality, most sites in this category were either 'fair' (5; 50%) or 'poor' (3; 30%), with only two (20%) assessed as being 'good'. Overall, premises were low-quality, reflecting that they tend to be older and not purpose-built, and very few had been built in the past 5 years. Across the sites, an average of 23.5% of premises were in 'good' condition; 50.5% were 'fair'; and 26% 'poor'. The average score across sites for site quality, amenities and management was 2.2 out of 5, reflecting that such sites usually have little in the way of a managed site environment and are often in isolated locations with few amenities. Factors such as strategic/local access and developmental/environmental constraints also tended to give sites low quality scores, reflecting the rural locations of most sites. Consequently, such sites usually attracted an occupier profile oriented towards small/micro businesses seeking smaller, more affordable units.
- 1.33 Many of the sites have undeveloped portions within them, which could conceivably be developed for additional employment use, with site visits and satellite mapping analysis identifying potentially 1.73-2.57 ha of such land. However, the location of all these sites within the Metropolitan Green Belt is likely to considerably restrict the ability of landowners and developers to extend existing levels of built form on the sites. Some sites have seen recent approvals for new/improved stock, namely Little Stambridge Hall Farm and Clovelly Works.

- 1.34 Three sites were assigned a ‘protect and maintain’ status, reflecting their established role in providing employment and commercial uses. Two of these were recommended for possible employment allocation, which would bring with it protection in the new Local Plan. Crouchman’s Court was considered to play an important role in providing high-quality small business units in an attractive, rural setting. Lubards Farm is considered to play an important role in providing employment (along with associated retail/leisure) uses for north-west Rayleigh and Hullbridge, an area with little allocated or unallocated employment space. Although the site is under potential development pressure through its promotion in the ‘Call for Sites’ process and inclusion on the Brownfield Land Register, it could potentially form the basis of a commercial hub, should any surrounding sites be allocated for residential use. Should the site be lost, consideration should be given to re-provisioning alternative space in the local area. The third site, Dollyman’s Farm, benefits from good strategic road access and contains a range of good-quality business accommodation housing a range of local and regional businesses. It is currently a promoted site, and similarly to Lubards could either form a formal employment site at the heart of a surrounding community, or any loss of its space should be considered for reprovision elsewhere.
- 1.35 Clovelly Works was recommended as ‘protect and enhance’ status, given its recent planning approval for additional small business units, focused on the construction industry and related trades. The site benefits from good strategic road access and provides affordable accommodation for small businesses.
- 1.36 The remaining sites were designated ‘monitor and manage’. Many of these sites provide important accommodation for small businesses, whilst some (e.g., Little Stambridge Hall) are improving the quality of their stock to suit identified occupier needs. However, overall, the location of these sites, either on country lanes away from the main road network or in a conservation area, mean they may not be suitable for formal allocation as employment sites. In addition, the poor condition and uncertainty over the future of some sites means they may not be viable to maintain/improve for employment purposes in the long term, and may instead come under pressure for alternative development, particularly for housing.
- 1.37 Policies within the new Local Plan could seek to afford some degree of protection to unallocated employment sites which meet certain criteria. In addition, proposals to upgrade the accommodation, site environment and infrastructure associated with these sites should be supported where it is demonstrable that there will be local economic benefits, particularly in rural areas.

Former employment allocations

- 1.38 This category covers three sites, i.e., sites which are still in use as such, acknowledging that the Core Strategy also released one further redundant site for which there is no prospect of employment use returning (Stambridge Mills).

Together, they total 12.63 ha. Two of these sites were released for housing allocations (Rawreth Industrial Estate and Star Lane Industrial Estate), whilst Eldon Way was released and allocated as part of the 'Eldon Way Opportunity Area' under the Hockley Area Action Plan, with the intention of the site coming forward for mixed use development. All three sites remain fully operational as employment sites.

- 1.39 Two of the sites (Eldon Way and Star Lane Industrial Estates) were assessed as 'good' in terms of quality, due to good local access, nearby amenities and market attractiveness (good occupancy), whilst Rawreth Industrial Estate was rated as 'fair'.
- 1.40 These sites had limited further development potential, although Rawreth Industrial Estate has a number of open yards to the south which could be redeveloped for more permanent/intensive employment uses relatively easily. Given the site is presently allocated for housing, it is uncertain whether this land would come forward for new employment development.
- 1.41 Eldon Way Industrial Estate was recommended 'protect and enhance', reflecting the important role it plays in providing space in the Hockley area for a range of local and regional SMEs. Although the site's urban location does present some access and circulation issues, it provides a complementary role to the adjacent town centre, supporting footfall to retail and hospitality businesses there. The site performs well, however it has a high proportion of dated stock in need of either refurbishment or replacement. It could also be improved through enhancing its pedestrian links to Hockley Town Centre and the station, whilst improving the site environment to make it more attractive to occupiers. It is designed as an 'opportunity area' for mixed-use redevelopment within the Hockley Area Action Plan, and it is recommended that any proposals for full or partial redevelopment are accompanied by a masterplan and seek to protect some of the employment accommodation which currently forms the mainstay of the site.
- 1.42 Star Lane Industrial Estate was given a 'protect and maintain' status. Although the site is allocated for housing, there appears to be no immediate move to seek its redevelopment and the site fills a clear role in providing accommodation in use classes E(g), B2 and B8 to local SMEs. Increased growth in Great Wakering over the current plan period means there is a need to retain local employment prospects and therefore there is a case for retaining the site. Whilst the present Core Strategy envisages this for the new allocation to the south, recent activity indicates there is likely to be sufficient demand for two sites, and any the loss of the older estate should be compensated for with new provision. This is particularly important if the new Local Plan allocates additional residential development sites in Great Wakering.
- 1.43 Rawreth Industrial Estate is identified as 'significant intervention required'. It is identified as a significant source of housing within the present Core Strategy,

which has not progressed. It remains well-occupied and home to a range of businesses, however has a poor quality site environment and a significant amount of ageing stock with little evidence of modernisation. It contains a number of uses which could be a ‘bad neighbour’ to the significant amount of housing which has been developed on adjacent sites in recent years. It is recommended that the site undergoes one of two options. Firstly, it could be expedited for full/partial redevelopment for residential uses, which could be focused on the lower-quality yard sites and older stock to the South, retaining aspects of the site more compatible with residential neighbours. Alternatively, the site could be re-allocated for employment use, but with policies seeking to ensure appropriate screening is in place to neighbouring housing, whilst encouraging ‘cleaner’ uses on the site over time.

- 1.44 The present Core Strategy envisaged displaced businesses from Rawreth Lane being accommodated on the new employment land allocation at Michelins Farm (now Arterial Park). However, given Rawreth Industrial Estate remains in place whilst Arterial Park has commenced development, it may be prudent to allocate alternative employment allocations in the new Local Plan, should it be considered likely that Rawreth Industrial Estate is eventually redeveloped.

Prospective future sites (unallocated)

- 1.45 This category covers undeveloped sites within the Green Belt which are being promoted through the ‘Call for Sites’ process for allocation in the Local Plan as employment land. Six sites were assessed, totalling 133.51ha. All sites are currently within the Green Belt.
- 1.46 Any move to allocate land for employment use on these sites would need to be subject to justification through the Local Plan process, demonstrating exceptional circumstances for new allocations in order to meet the District’s employment needs.
- 1.47 The sites are located adjacent or close to existing employment sites (e.g. Purdey’s, Airport Business Park, Temple Farm and Arterial Park), and have the potential to provide expansion land for businesses on these sites seeking larger or better quality premises, as and when these are deemed to be at capacity. Any prospective development to expand such sites would need to take a much longer-term view, expecting such sites to eventually fill to capacity. It is important to note that all six sites are all also being promoted for residential, which may be a preferable end result for a landowner or developer.
- 1.48 When considering whether or where to allocate any new employment land, it is important to consider how the Local Plan’s spatial strategy for meeting the District’s housing and other growth needs might influence the demand for employment space – e.g., a decision for a significant allocation of homes in an area of the District may drive a need for employment space provision as part

of that, in order to encourage a sustainable and balanced community. Promoted sites may have the potential to contribute to addressing these needs.

- 1.49 Accordingly, one option that could be considered is to allocate land for employment purposes within or adjacent to housing growth areas to provide sustainable and well-located employment provision, close to new homes. This could also help provide some of the specific types of space that may be needed in the District (e.g. flexible/co-working space; units for small/start-up businesses; or accommodation in the 'grow-on' size band). This option has not been assessed in detail as part of this process as it is dependent on housing coming forward under new Local plan site allocations on which no definitive decisions have yet been made. Until firm decisions have been made on the Plan's wider strategy for meeting housing needs, it is considered that any indication of sites would be too speculative. It is recommended that the potential for employment land delivery alongside new housing is explored further as the Plan progresses.

Implications on employment space need

Accounting for windfall loss

- 1.50 The report considers the findings of the 2023 EDNA findings for future employment space need in the District over the Plan period. The EDNA considered the demand/supply balance, assessing forecast demand (across different scenarios) against the known supply of employment land in the District. The EDNA forecasts a demand/supply balance surplus of between +860 and +66,000 sq. m, dependent on which of the four scenarios are applied. The EDNA recommends the more ambitious Scenarios 2 (Growth Scenario) or 4 (Labour Supply) are the most closely aligned with historic growth patterns, with Scenario 2 reflecting policies in Rochford and South Essex to attract business growth and new inward investment. Scenario 2's projection of +860 sq. m over the plan period suggests existing supply is sufficient to account for expected growth, with a small surplus remaining. This would suggest existing supply is sufficient to meet forecast needs. However, this is a gross (rather than net) figure, and the EDNA does not consider or seek to quantify the prospect of less predictable long-term losses of employment floorspace that could result from, for example, the re-allocation of unsuitable employment land to other uses, including residential. The ELS, therefore, seeks to calculate an assumption of annual 'windfall' loss (based on past patterns), whilst also identifying which of the employment sites surveyed face a realistic chance of being lost to employment use.
- 1.51 Based upon available data on loss of employment floorspace from 2010/11-2022/23, averaging this per annum produces an average annual loss figure of

2,170.2 sq. m². As there are caveats with using this method to produce a long term forecast for the amount of employment space likely to be lost over the Plan period, the Study suggests following the example used in some other local authorities of forecasting for the first five years of the plan period. This would produce an expected windfall loss figure of 10,850.9 sq. m over five years, to be re-provided in the new Local Plan.

- 1.52 Table 2, below, shows the revised average annual losses and projected losses over 5 years based on this. It also translates these floorspace requirements to land requirements by applying appropriate plot ratio assumptions that reflect those used in the EDNA. These are as follows:
- Offices: it is assumed that 50% of new floorspace would be in lower density, business park developments with a plot ratio of 0.4, with 50% in higher density town centre locations at a plot ratio of 2.0; and
 - Light/general industrial and distribution: a plot ratio of 0.4 is applied.
- 1.53 This shows that, in order to account for windfall loss over the Plan’s initial 5 years, a further 2.28 ha of employment land could be allocated, with this quantum reflecting the different types of employment land and their assumptions for the amount of land required to provide the floorspace in different locations.

Table 2: Average Windfall Loss Projections and Replacement Floorspace Requirements for first 5 years of the new Local Plan

Use class / type of space	Average annual loss 2010/11 – 2022/23 (sq. m)	Projected loss over 5 years (sq. m)	Land required to replace projected losses (ha)
All Class E(g) (formerly B1) Office & Light Industrial	869.0	4345.2	0.54 ha (out of town) + 0.11 ha (urban) = 0.65 ha
E(g)(i) - Office	[258.6]	[1293.2]	-
E(g) (ii) & (iii) – Light Industrial / Research & Development	[579.5]	[2897.7]	-

² This is an adjusted figure which does not consider one outlier – the loss of 5,370 sq. m of space on a single site in 2015/16, which skews the figures considerably, and which would result in a higher projected windfall loss over 5 years of 12,916.5 sq. m.

Class E(g) – unknown split	[30.8]	[154.2]	-
B2 - General Industrial	624.4	3121.9	0.78 ha
B8 - Storage & Distribution	604.8	3023.8	0.76 ha
E(g)/B1/B2/B8 – unknown split	72	360	0.09 ha
Total	2170.2	10,850.9	2.28 ha

Accounting for potential future losses

1.54 To mitigate against larger sites deemed at risk of loss to redevelopment, a qualitative assessment was undertaken which considered all the assessed employment sites, identifying those where there was a likelihood of land being lost/redeveloped to other uses. Whilst this cannot be comprehensive or completely accurate, it gives an indication of which other larger floorspace losses the new Local Plan may wish to account for. The following criteria were applied when considering whether employment sites were at risk of being lost:

- Whether had its employment allocation removed in the current Core Strategy/Allocations Plan.
- Whether the site is presently on the Council's Brownfield Land Register, for consideration for residential development/allocation.
- Where the site sits in the Green Belt and forms part of land promoted for residential allocation in the new Local Plan.
- Whether the site currently has planning permission or an active planning application proposing its redevelopment/change of use (as of September 2023).
- Where employment uses sit adjacent to an allocated employment site, but fall outside its allocation boundaries.
- Where a site was assessed as 'Monitor and Manage' or 'Serious Intervention Required', and the qualitative assessment considered the site to be in poor repair/condition and / or likely to be unviable for employment use in the long term.

1.55 Applying these criteria, 9 sites (see full ELS report, Section 6, Table 29) were identified as potentially being at risk of full or partial loss. Although these assessments identify future sites that may potentially come up for development, based on the condition of stock or planning history, it should be acknowledged that they provide a subjective view at a certain point in time (September 2023), and that there is no guarantee that any of these sites will be lost, either partially or wholly.

1.56 Based on the site areas identified in this list, this could lead to a need to plan for the replacement of as much as 30.46 ha over the plan period, assuming all

the sites are lost to other uses, although the limitations in this broad assumption are acknowledged.

1.57 In reality, there is little to no prospect that such significant losses would occur over the plan period and it is not necessary to plan on this basis. A more proportionate approach to anticipating the extent of losses is to consider those which may occur in the short/short-medium term, which would correspond with the windfall loss assumptions applied earlier in this section for the first five years of the plan period. This would require considering the loss of the following sites, which would collectively amount to **9.54ha**:

- Foundry Business Park (0.67ha)
- Eldon Way Industrial Estate (3.84ha)
- Lubards Farm (5.03ha)

Future provision of employment space

1.58 whilst it is not considered necessary to plan to compensate for the loss of employment space where is little or no contemporary indication of this being likely, it is nevertheless considered prudent to plan for a sensible buffer that at least accounts for the 2.28ha of employment land that has been lost on average to windfall development in the past, plus an additional assumption around the prospect of other sites being lost to other uses. This also meets other needs in providing land which could be used for the District’s economic development objectives, such as supporting a greater range of niche/specialist business accommodation (e.g. for start-up/grow-on stage businesses), and/or to support additional inward investment into the District.

1.59 The amount of space that the Local Plan may need to plan also varies depending on the demand scenario used. Table 3, below, shows how assumptions of loss affect the demand supply balance forecast by the EDNA across its four scenarios.

Table 3: Breakdown of employment space based upon the four scenarios set out in the EDNA

	Employment land (ha)			
	Scenario 1	Scenario 2	Scenario 3	Scenario 4
Baseline EDNA demand 2020-2040 (gross)	9.5	20.3	5.2	16.8

	Employment land (ha)			
	Scenario 1	Scenario 2	Scenario 3	Scenario 4
Demand-supply balance 2022-20403	13.06	2.26	17.36	5.76
Minus 2.28ha windfall loss assumption4	10.78	-0.02	15.08	3.48
Minus 2.50ha windfall loss assumption5	10.56	-0.24	14.86	3.26
Minus more probable losses of employment space6	1.02-1.24	-9.56-9.78	5.32-5.54	-6.06-6.28
Minus 'worst case' losses (i.e., every at risk site)	-17.4-17.62	-28.2-28.5	-13.1-13.23	-24.7-24.92

1.60 The EDNA recommendation is that Scenario 2 (Growth Scenario) is both more reflective of historic trends and aligned with economic growth ambitions, with Scenario 4 being an alternative likely scenario. Scenario 2 suggests an initial demand/supply balance surplus of 2.26 ha which, when combined with the projected 5-year windfall loss of 10,850.9 sq. m, results in a shortfall of -0.02-0.24 ha, depending on whether planned replacement of lost office space is expected to take place in town centres or out-of-town. Considering the employment sites identified as being potential losses in the short-medium

³Calculated by subtracting the baseline EDNA demand for each scenario from a projected supply figure of 22.56 ha, calculated by applying a 0.4 ratio to the emerging supply position 2020-2040 of 92,220 sq m (or 9.022 ha). This was the supply position as of September 2022, plus completions 2020-2022 (excluding 50% of the completions on Airport Business Park during this period, which is split with Southend). Note that these figures differ slightly from the sq. m supply figures in Table 17, as they apply a broad assumption of all supply being of an out-of-town density.

⁴ This windfall loss assumption draws from Table 27 to assume a similar proportion of Class E(g) space lost could be replaced in town centre locations, where a greater density can be applied.

⁵ This windfall loss assumption is based on replacing all the lost space in out-of-town locations, where densities are typically lower.

⁶ i.e. the 3 sites listed in paragraph 6.16, totalling 9.54 ha

term of the plan, planning for around **9-10 ha** of employment space to replace expected losses and cater for niche growth requirements would make sense. If following Scenario 4, a figure of up to 6.28ha of replacement employment land should be planned for. The EDNA modelling does not account for growth of certain economic sectors (e.g. construction and health, and it may therefore be prudent to add an additional buffer of space provision on top of this figure.

1.61 In practice, depending on the New Local Plan's strategy and the exact quantum of employment land that needs to be planned for, some degree of the need for additional employment floorspace could be addressed through the following approaches:

- Locating some employment space (particularly offices) in urban locations such as town centres, where greater densities are possible, with higher plot ratios and multiple floors.
- Maximising vacant/underutilised plots on existing employment allocations (as identified in this Study in Section 4, Table 20).
- Allocating, or otherwise regularising, certain established employment sites on previously-developed land in the Green Belt, allowing for further intensification.

1.62 Where these approaches are not sufficient to address this employment land need, the Council may need to consider allocating new land for employment uses, which can be informed by the assessment of a range of sites as part of this Study.

1.63 Reflecting recent trends, it is recommended that the majority of this new space (except where in urban locations) would have a flexible E(g)/B2/B8 permission, allowing sites to respond quickly to market requirements.

Other qualitative considerations

1.64 The EDNA also suggests consideration should be given to other qualitative factors which may influence the types of employment space which are required. As highlighted, planning for some growth of the health, construction and arts & entertainment sectors (which are not reflected in the EDNA demand forecasting) would also be prudent. These are expanded on further in the full report and include:

Types of floorspace

1.65 Evidence from stakeholder engagement, the South Essex Grow-on Space Study 2020 and the 2021 Spatial Options consultation paint a picture of a lack of supply at the smaller size bands for both office and industrial uses and suggesting the market is not delivering such accommodation in sufficient amounts.

Diversity of supply

1.66 Reliance on a small number of sites and developers may result in the types of floorspace coming forward being skewed overwhelmingly towards a particular use (e.g., modern, large floorplate distribution units), whilst the needs of occupiers seeking smaller, more flexible or more affordable space may not be considered. To encourage greater diversity of sources of employment space, alternative sites could be considered for their supply potential in the new Local Plan. This could include:

- allocation of new sites to fulfil specific or specialist employment land needs;
- adopting employment land policies which support or require the provision of such workspace;
- considering whether existing employment sites could benefit from greater intensification or redevelopment to accommodate such uses (which could be supported through masterplans or supplementary planning documents);
- adopting a policy which seeks to regularise the District's existing lawful employment sites in rural/Green Belt locations and supports proportionate improvements to stock, balancing the need for employment space with the importance of protecting openness in the Green Belt.

New site allocations

1.67 A number of options for meeting future housing need could include either concentrated growth across a number of sites, or a single site of sufficient scale, to enable the provision of accompanying employment space. Small-scale flexible workspace provision should be encouraged and provided both in new communities (particularly larger-scale allocations as a condition of their development); as well as being encouraged in existing high streets and town/village centres. This has the potential to improve both environmental and socio-economic outcomes for the District.

1.68 Additional employment space allocations could also address geographic disparities in provision. Many existing areas of the District have little or no formal employment space provision, which increases the reliance of residents on commuting to other parts of the District, or beyond. This is particularly the case in settlements which had significant allocated housing sites in the Core Strategy and Allocations Plan, but no nearby employment sites. The principal example of this is Hullbridge, which has grown significantly over the current and previous plan periods, but which has little employment or commercial space to match this.

1.69 If there is a need to provide employment space to cater for sustainable new residential communities, or to provide employment for currently underserved settlements, then consideration should also be given to an employment allocation on portions of land being promoted for residential purposes.

- 1.70 In addition, whilst the main focus of the ELS is identifying the capacity of existing supply to meet likely demand over the plan period, whilst also considering potential losses, it is important to take account of the potential for attracting new inward investment.

Intensification of existing sites or allocating presently unallocated/rural sites

- 1.71 The ELS recognises the potential of existing vacant, derelict or underutilised plots on existing sites (both allocated and otherwise) in helping meet future needs. It also explores ways of protecting a series of sites from office to residential Permitted Development, as well as whether allocation or other policy recognition of certain unallocated Green Belt sites would enable the protection and enhancement of employment space in the District, particularly for smaller businesses. Section 6 of the full ELS report makes a series of recommendations relating to these measures.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 National policy requires Local Plans to be supported by a robust and proportionate evidence base. This evidence base is intended to inform, rather than bind, the development of appropriate strategies and policies within Local Plans. In this context, whilst the Council was not obliged to prepare an update to its understanding of existing employment land and future need, a decision to not do so would risk relying on out-of-date information which is less likely to satisfy an Inspector that any policies informed by the evidence base are sound.

3.0 RELEVANT RISKS

- 3.1 There are no direct risks arising from noting this report.
- 3.2 As a general principle, by building a comprehensive and robust evidence base, the Council will help to ensure that its New Local Plan provides an appropriate and sound strategy for future planning decisions, which help to avoid risks that may otherwise arise from poor or less-informed decisions.

4.0 ENGAGEMENT/CONSULTATION

- 4.1 There is no engagement or consultation as part of this report. A Commercial Property Market Review which is being prepared as an addendum to the EDNA Update has allowed for engagement with local property market agents. The purpose of this review is to provide a market-led 'sense check' of the EDNA findings, and will sit alongside the ELS in providing a commercial dimension to the Council's employment land evidence base.

5.0 LEGAL/GOVERNANCE IMPLICATIONS

5.1 There are no legal or governance implications arising from this report.

6.0 FINANCIAL IMPLICATIONS

6.1 The EDNA Update was completed in-house, within agreed budgets and resources.

7.0 ECONOMIC IMPLICATIONS

7.1 The report itself is not subject to engagement or consultation but identifies timetables for the undertaking of future consultation. This consultation will be undertaken in accordance with the Council's adopted Statement of Community Involvement 2022.

8.0 EQUALITY & HEALTH IMPLICATIONS

8.1 There are no direct equality and health implications arising from this report.

9.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

9.1 There are no direct environmental or climate implications arising from this report.

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APPENDICES

Appendix A – Employment Land Study 2024

BACKGROUND PAPERS

None

SUBJECT HISTORY (last 3 years)

None