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South Downs National Park Authority

South Downs National Park Employment Land Review

Final Report | May 2012

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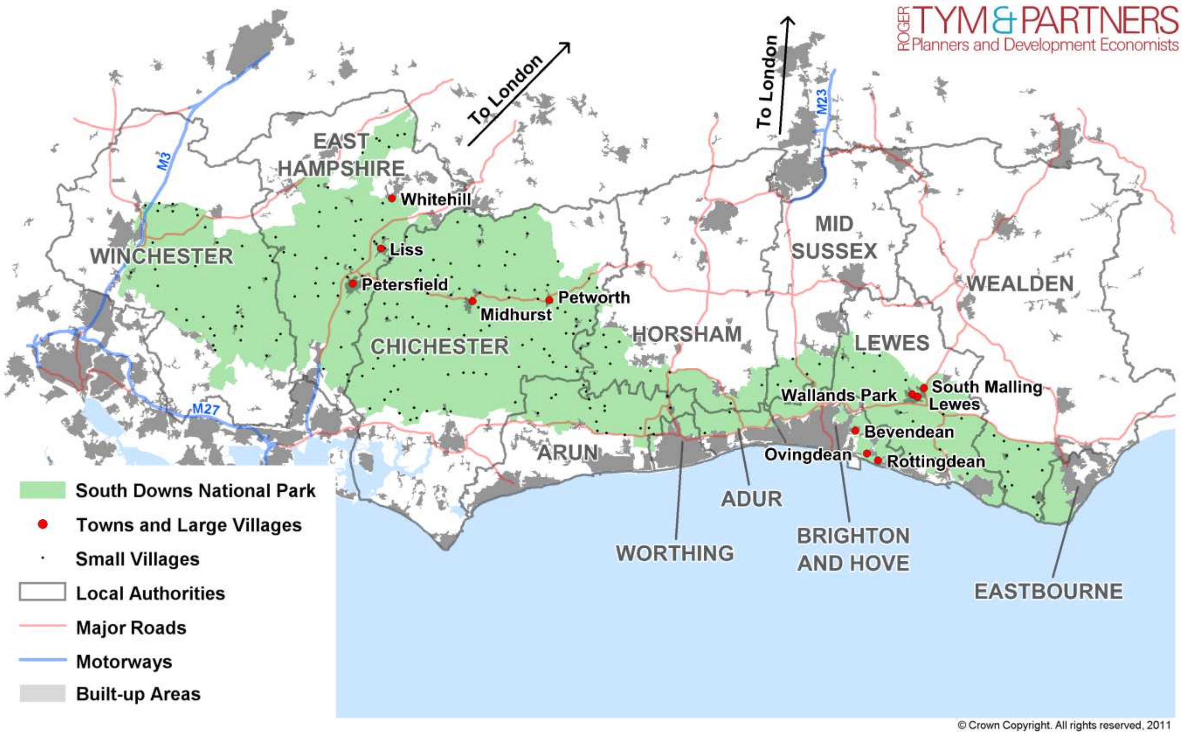
CONTENTS

APPENDIX

1 INTRODUCTION

1.1 The South Downs National Park is a unique area covering 1,600 sq km spread across twelve local authorities[1] in the South East. Whilst designated for its amenity value the area is also one of activity and incorporates a population of around 110,000.

Figure 1.1South Downs National Park



1.2 The South Downs National Park Authority (SDNPA) needs to undertake an Employment Land Review (ELR) to form part of its planning evidence base. The ELR is an essential part of the planning process, contributing to the evidence base for the Core Strategy, Local Development Framework, and Site Specific Development Plan Documents (DPDs). It therefore needs to build an up to date picture of the employment land needs and provision for the South Downs National Park (SDNP), by area and sector, in order to support policy recommendations on the allocation, protection or release of employment sites. It must be rooted in a detailed understanding of the local economy within the National Park boundary including its spatial and sectoral structure.

1.3 At least as important as determining need within its own boundaries is to understand the spatial linkages between the SDNP and its surrounding areas. There is a need to understand both how these linkages work at present and how they should work in the future.

1.4 An employment land study for a National Park will have different drivers and objectives from a standard local authority ELR. Our experience of undertaking regional level employment

[1] In addition there are three strategic county authorities which cover this area.

land studies in areas containing National Parks is that the key to success is through the co-operation of the Local Planning Authorities that cover the National Park area. The appropriate employment allocation to the National Park is then a policy decision with a broader sub-regional total. The statutory duty to co-operate should help reinforce this position.

1.5 Ultimately the ELR must ensure that the planning and policy system enhances rather than hinders economic competitiveness and growth prospects.

Report Structure

1.6 Chapter 2 of this report sets out an overview of the policy context for the South Downs National Park.

1.7 Chapter 3 presents an economic profile of the South Downs looking at the profile of activity within the National Park and how this compares with the broader area made up of its constituent districts.

1.8 Chapter 4 then sets out a profile of the South Downs Property Market. This reviews both general property market issues for the area and also covers an assessment of existing property sites within the Authority boundaries.

1.9 Chapter 5 provides an overview of the current Employment Land Reviews for the 12 authorities. This concludes with the implications for the South Downs National Park authority area.

1.10 Finally Chapter 6 concludes by summarising the findings and presenting our overall conclusions and recommendations.

2 STRATEGY & POLICY CONTEXT

Introduction

2.1 This Chapter reviews the planning and economic development policies and strategies in national Planning Policy and at the local level to provide the context for employment land planning.

2.2 It is being written at a time of significant change in the national planning context with the new National Planning Policy Framework (NPPF) firmly setting out the economic growth agenda of the Government and including provisions that could have a significant impact on planning for economic growth and employment land provision. The Localism Act (enacted November 2011) makes significant changes to the development plan system including introduction of Local Plans (instead of Local Development Frameworks), Neighbourhood Development Plans and Neighbourhood Development Orders. These are also given discussion in the NPPF which we reference below.

National Policy

Former National Policies (now superseded by the NPPF)

2.3 Until recently planning was guided by a series of national Planning Policy Statements. These have now been replaced by the National Planning Policy statement which we discuss below. However many plans and policies currently adopted (or emerging) predate this and have been written with the former policy in mind. So it remains worth briefly considering what these policies said.

2.4 Planning Policy Statements (PPS) explained statutory provisions and provided guidance to local authorities on planning policy and the operation of the planning system. Local authorities had to take account of PPSs when preparing development plans.

2.5 The principles of planning for sustainable development were set out in the Government's Sustainable Development Strategy and PPS1 'Delivering Sustainable Development''[2]. In relation to economic development, it stated that planning authorities should look to provide sustainable locations for industrial and commercial development so that the economy can prosper. They should provide for improving productivity, choice and competition and recognise that all local economies are subject to change (paragraph 23).

2.6 Planning Policy Statement 4 (PPS4)[3], published in December 2009, set out the Government's objectives for planning to help achieve sustainable economic growth. It included 19 policies, with nine relating to evidence, plan making and monitoring and ten relating to development management. Those particularly relevant to this employment land study were:

[2] http://www.communities.gov.uk/publications/planningandbuilding/planningpolicystatement1

[3] http://www.communities.gov.uk/planningandbuilding/planningsystem/planningpolicy/planningpolicystatements/pps4/

- Policy EC2 'Planning for Sustainable Economic Growth' which provides an overall context and states that local planning authorities should ensure that their development plan:
  - Sets out a clear economic vision and strategy for their area, which positively and proactively encourages sustainable economic growth
  - Supports existing business sectors
  - Identifies and plans for new or emerging sectors likely to locate in their area; and includes flexibility
  - Positively plans for the location, promotion and expansion of clusters or networks of knowledge driven or high technology industries
  - Seeks to make the most efficient and effective use of land, and reflects the different location requirements of businesses
  - At the regional level, disaggregates minimum job targets to local authority level
  - At the local level, where necessary to safeguard land from other uses, identifying a range of sites, including for mixed use, and to review existing site allocations
  - Facilitates new working practices such as live/work.
- Policy EC6 'Planning for Economic Development in Rural Areas' specific to the more rural context of the National Park and which stated that local planning authorities should (amongst other things):
  - Strictly control economic development in open countryside away from existing settlements, or outside areas allocated for development
  - Identify local service centres (which might be a country town, a single large village or a group of villages) and locate most new development in or on the edge of existing settlements where employment, housing and other facilities can be provided close together
  - Support the conversion and re-use of appropriately located and suitably constructed existing building for economic development (further elaborated on in Policy EC12)
  - Set out the criteria to be applied to planning applications for farm diversification, and support diversification for business purposes that are consistent in their scale and environmental impact with their rural location.

National Planning Policy Framework

2.7 In March 2011, the Government released its Plan for Growth[1] setting out its strategy to set the UK on the path to recovery and ultimately to sustainable, long-term economic growth. In this document, it states its intention to overhaul the national policy framework in order to embody the pro-growth principles of the Government and to simplify the planning system.

2.8 The NPPF was published in March 2012 and reiterates that planning must place 'significant weight' on supporting economic growth through the planning system, with a presumption in

[1] HM Treasury and BIS, The Plan for Growth, March 2011

favour of 'sustainable development'. In the rural context it seeks 'thriving, inclusive and locally distinctive' rural economies. In planning for economic development it sets out that planning policy should address potential barriers to investment (such as lack of infrastructure which can be significant issues for rural areas) whilst also being flexible enough to accommodate changes in economic circumstances e.g. new/emerging business sectors. These are quite challenging requirements in the rural context.

2.9 Additionally the NPPF sets out that planning policy should avoid the long term protection of employment sites and buildings and consideration of applications for alternative uses should have regard to market signals and the relative need for other uses. However the document did not go as far as some expected, in April 2011 the Government had consulted on a proposed revision to the Use Class Order which would have allowed a move between commercial and residential uses without the need for planning permission. This could have had a major effect on the National Park given profile of small businesses which may have lost their space to residential. But the NPPF rejected such a blanket reform and as previously any proposals to lose space must be evidenced.

2.10 The 'duty to co-operate' will be of critical importance to successful delivery of the South Downs NP ELR where evidence needs to be in place to demonstrate that local authorities have worked collaboratively with each other (and in consultation with Local Enterprise Partnerships), on strategic planning priorities to deliver sustainable economic growth. In relation to assessing business needs, the NPPF states that local authorities should:

- Work together with county, neighbouring authorities and with local enterprise partnerships to prepare and maintain a robust evidence base to understand both existing business needs and likely changes in the market
- Work closely with the business community to understand their changing needs and address barriers to investment, including a lack of housing, infrastructure or viability.

2.11 Other relevant policy changes in the NPPF include:

- Neighborhood plans and development orders (following through from the Localism Act) which give local communities the power to develop plans at the local level and could be both an opportunity and a challenge in a National Park context, to work with their ability to deliver economic outcomes.
- A duty to set local housing targets. This has a major implication for the National Park economy given the ageing population and falling household sizes.

National Park Status and Planning Policy

2.12 The South Downs NPA assumed its responsibilities for planning on 1st April 2011 and is therefore in the very early stages of planning policy development for the South Downs NP, with this ELR being a part of the evidence base on which to take forward planning policy development. As such there is no specific South Downs NPA planning policy context at present. The SDNPA's Local Development Scheme sets out that (as at September 2011) the development planning context consisted of:

- The South East Plan (although the Localism Act now revokes Regional Spatial Strategies)

- Adopted Core Strategies of constituent local authorities
- Saved local plan policies of those constituent local authorities not yet having adopted Core Strategies
- Relevant mineral and waste Core Strategies/Local Plans (not considered in this ELR context)

2.13 The LDS also made the point that the SDNPA intends to work with those local authorities with significant parts of their districts within the National Park area, on joint Core Strategy development.

2.14 What is also critical, as the Local Development Scheme states, is the need to set all policy work within the overall role of the NPA which is meeting the dual aims of a National Park as defined in the 1995 Environment Act:

- Conservation and enhancement of the natural beauty, wildlife and cultural heritage of the National Park
- Promotion of opportunities for understanding and enjoying the Park's special qualities, by the public

together with a wider duty to seek to foster economic and social wellbeing of local communities in the National Park

2.15 In order to provide an appropriate planning policy context for this ELR we have therefore:

- Reviewed the employment planning policies of other National Park Authorities as set out in Core Strategies, to develop a perspective on the approach to employment policy elsewhere
- Reviewed the existing development plan context as indicated in the SDNP LDS, through review of employment planning policies with specific regard to those that have relevance to the National Park area

2.16 The South East Plan guidance for ELRs suggested a 5 year employment land supply as good practice – but not as a requirement. However it is not clear that this should necessarily apply to the SDNPA in its own right if this is being provided at the local authority level.

Employment Planning Policy of National Park Authorities

2.17 Most National Park Authorities have an adopted Core Strategy. Only Exmoor and the Yorkshire Dales National Park Authorities are still in the process of Core Strategy preparation.

Approaches to Employment Planning Policy

2.18 Core Strategies take an approach to employment planning policy that seeks to both strengthen traditional businesses (as agriculture, forestry and tourism are often the predominant business sectors) and also diversify the economy. In terms of approaches:

- All Core Strategies support opportunities for farm diversification on the premise that diversification will maintain the core agricultural business, its contribution to landscape and other core qualities of a national park

- One Core Strategies (Lake District) identifies aspirations to diversify into higher growth, higher value business sectors
- Home based employment is seen as a development opportunity in several Core Strategies (e.g. New Forest and Dartmoor)
- Core strategies identify opportunities for building on existing strengths for example in tourism. The Broads Authority particularly notes its strengths in boat building and hire which it intends to regenerate, as well as an opportunity to build on nature conservation and specialist craft skills, both important to the character of the Broads area
- The North York Moors Core Strategy makes an explicit statement of support for developing education and training opportunities alongside employment development as part of its approach

2.19 The New Forest Core Strategy is the only one that identifies its economy as diverse and highly integrated with its surrounding area, as well as experiencing pressures from the housing and employment growth around its periphery that bring both opportunities and challenges.

2.20 Core Strategies emphasise the importance of economic development that fits with the special qualities of National Parks. As the Peak District Core Strategy expresses it, the challenge is how to diversify and shape the economy in ways which fit with the landscape and benefit its traditional and new custodians.

Allocating Land for Employment Uses

2.21 Core Strategies, with one exception, do not allocate any specific sites or set targets for amounts of employment land to be achieved over the Plan period. They take an approach of support for small scale employment land and premises development in designated rural service centres/service villages (identified as part of settlement hierarchies). Outside designated rural service centres/villages, policies are generally supportive of small scale employment development based around existing businesses/local needs/home based working

2.22 The one exception is the Lake District Core Strategy which has an annualised employment land target of 0.62 hectares (and a commitment to maintaining a five year employment land supply) to be met on existing/new small scale employment sites in or well related to rural service centres.

2.23 One key point to note is that nearly all Core Strategies include a policy presumption against loss of employment land and buildings to other uses, in order to protect existing employment sites and premises (and in the particular case of the New Forest wishing to resist loss to higher value uses such as housing).

Employment Planning Policy of SDNP Constituent Local Planning Authorities

2.24 This section reviews the developing Core Strategy context for the SDNP where at present:

- 2 LPAs are in development stages of their Core Strategy and are dealing specifically with the non SDNP areas (Adur and Chichester)

- 2 LPAs have developed joint Core Strategies with the SDNPA (East Hampshire and Lewes) with a third (Mid Sussex) also working with the SDNPA
- Policies relevant to the SDNPA are also included in other Core Strategies
- Only 2 LPAs have adopted Core Strategies (Horsham and Worthing) and therefore saved Local Plan policies remain relevant. However the discussion here focuses on Core Strategy development as the future direction of travel

Approaches to Employment Planning Policy within the SDNP

2.25 Where Core Strategies give specific consideration to the SDNP area, there is an emphasis on employment development being targeted to meet local needs (e.g. East Hampshire and Winchester). More generally some rural economic development policies also make this connection (e.g. Mid Sussex). All three Core Strategies mentioned identify commuting as a key economic issue and a focus on providing for local needs is part of a strategy to reduce the need to travel as well as managing the scale of development in a rural setting.

2.26 There is discussion of the need to balance sustainable economic growth with maintaining environmental quality, important in the National Park context (e.g. Horsham, Winchester). East Hampshire's Joint Core Strategy (pre submission consultation issued February 2012) takes this further with a specific policy approach to support businesses that in turn support the dual roles of the National Park (for example businesses that contribute to conservation and enhancement of its natural beauty, promote opportunities for enjoying its special qualities).

2.27 At the general level of rural economic development, there is a positive approach in Core Strategies to supporting small scale development of existing employment sites, home working, and farm diversification, an approach as applicable in the SDNP area as outside it.

2.28 Tourism is identified as having potential for development and two Core Strategies (Eastbourne and Lewes) specifically identify the sustainable tourism role of the SDNP and its importance as a visitor and recreation asset.

2.29 Interestingly there is little discussion of new directions for employment development in rural areas in terms of business sectors. East Hampshire identifies green technologies as an area for rural enterprise development, Winchester mentions creative and knowledge based industries, 'green collar' and the low carbon economy (across the district, not specifically rural).

Allocating Land for Employment Uses

2.30 Two Core Strategies make specific employment land allocations within the SDNP area. One of these is East Hampshire, where up to 2 hectares of land is allocated for employment development (including managed workspace) at Petersfield. The actual location of the allocation is to be determined through a Petersfield Neighbourhood Plan. The other is Lewes District, where an allocation of 1 to 1.5 hectares of industrial land is made for the town of Lewes itself (suggested at Ringmer), to enable it to achieve some economic growth. Additionally the Shoreham Cement Works (Horsham Core Strategy) is identified as a site for redevelopment to mixed business and leisure uses.

2.31 Beyond this, policies take a general approach as described above. It is also worth noting that several Core Strategies also include a presumption against loss of employment land to other uses (e.g. in East Hampshire and Horsham Core Strategies).

Local Enterprise Partnerships

Coast to Capital LEP

2.32 The Coast to Capital LEP covers a significant proportion of the SDNP area. The LEP was unsuccessful with a recent bid (January 2012) to the Defra Rural Growth Networks pilot proposal. The proposal was focused on bringing next generation broadband to the West Sussex area (covering the SDNP together with Sussex Downs and Low Weald) to support development in the home based business sector, the food sector, small scale niche manufacturing and environmental technologies.

Enterprise M3

2.33 Enterprise M3, which covers the East Hampshire and Winchester areas, has established a rural economy and broadband rural delivery group with a remit that includes:

- To support and encourage growth of all types of businesses in rural areas
- To particularly encourage the retention and development of a thriving agricultural and horticultural sector and promote the local food economy (for food security and environmental management of the countryside reasons)
- To identify key issues affecting rural businesses and especially opportunities and barriers to growth
- To make recommendations to the LEP Board on policies and actions required to grow the rural economy and address barriers identified

Conclusions and Implications for the ELR

2.34 The planning policy context nationally is evolving. One aspect of the NPPF which could be an issue in the NP situation in particular is that of its approach of not encouraging long term protection of employment sites and building. Both National Park and constituent LPA employment policies are strong on resisting change of use of employment land and premises to other uses – and especially in National Parks where identifying appropriate employment land and premises taking into account all other considerations can be very difficult

2.35 National Park Core Strategies are looking to build on their economic strengths, which may be traditional rural businesses as well as diversification. However there seems to be little real push to diversify into new business sectors, which might be as compatible with maintaining high quality landscapes as the more traditional approach. Is there scope in the ELR to think more innovatively about future business sectors for the SDNP? In this context would the NPPF change to loosen the association of office space with town centres carry an opportunity for rural employment?

2.36 The close association of living and working locally – clearly important as part of the thrust to reduce the need to travel to work – which has to be right in the light of targets for cutting carbon emissions and hitting climate change commitments; and where home based working could have an important role to play. But again the potential for targeting this as much towards new business sectors as the more traditional economic sectors

3 SOCIO-ECONOMIC PROFILE

Introduction

3.1 In this chapter we present a profile of the economy of the South Downs to understand its performance and trends. Not all data sources fit with the boundaries of the National Park and therefore we use some approximations and proxy values. We present the data at two levels:

- South Downs National Park LSOA – this is the best fit of Lower Level Super Output Areas to the National Park. This is likely to overstate employment physically located within the SDNP
- South Downs Districts (SD Districts) – this covers the twelve constituent authorities which contain part of the national park. In the report this is abbreviated as SD Districts

3.2 We also present comparative data for the South East and Great Britain as a means of benchmarking performance.

3.3 We first set out the structure and trends of the workplace economy of the South Downs National Park and then present the profile of the resident workforce.

Employment Profile

Employment Structure

3.4 The table below shows those sectors at the detailed activity level that employ more than 1,000 workers in the South Downs LSOAs. These are predominantly local services activities supporting the local population with education and catering activities predominating.

3.5 The one sector with a wider than local market is Higher Education. But even here cost pressures are leading towards an increased tendency to more local markets.

Table 3.1 Largest Employment Sectors in SDNP

Sector	Employment
Primary education	4,326
First-degree level higher education	3,803
Public houses and bars	2,901
Retail sale in non-specialised stores with food, beverages or tobacco predominating	2,317
General secondary education	1,787
Event catering activities	1,692
General public administration activities	1,567
Public order and safety activities	1,147
Licensed restaurants	1,093
Technical and vocational secondary education	1,079
Other human health activities	1,077

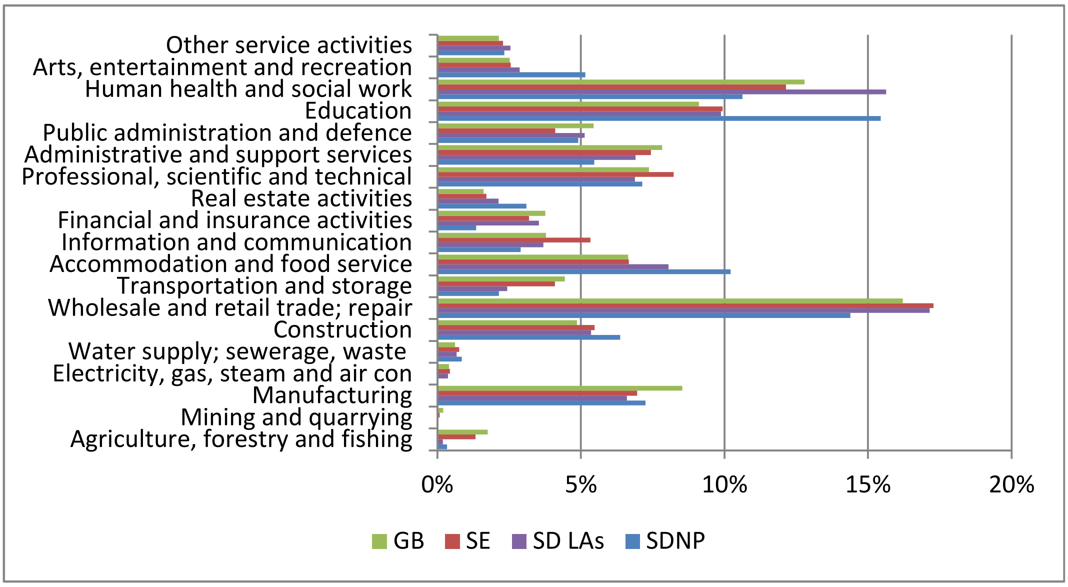
Source: BRES

3.6 In 2010 there were 80,400 jobs in the SDNP and 642,000 in the wider SD Districts. The SDNP thus accounts for 12.5% of employment in the SD districts. This is quite a significant share of employment though as stated above is likely to over-estimate employment physically located in the Park boundaries.

3.7 Figure 3.1 below shows the employment structure for the SDNP compared to wider benchmarks. The very broad structural pattern of employment for the SDNP is not that dissimilar to wider benchmark areas but certain activities have much higher representation. ‘Education’, ’arts, entertainment and recreation’ and accommodation and food services are comparatively over-represented. Between them these sectors account for just over 30% of all employment in SDNP compared to 18% nationally and 21% in the SD Districts of which they are part.

3.8 There are two other large sectors that between them account for 25% of employment in SDNP. These are ‘wholesale, retail and repair’ and ‘human health and social work’. But these sectors are under-represented compared to the national average where they account for 29% of employment.

Figure 3.1 Employment Structure



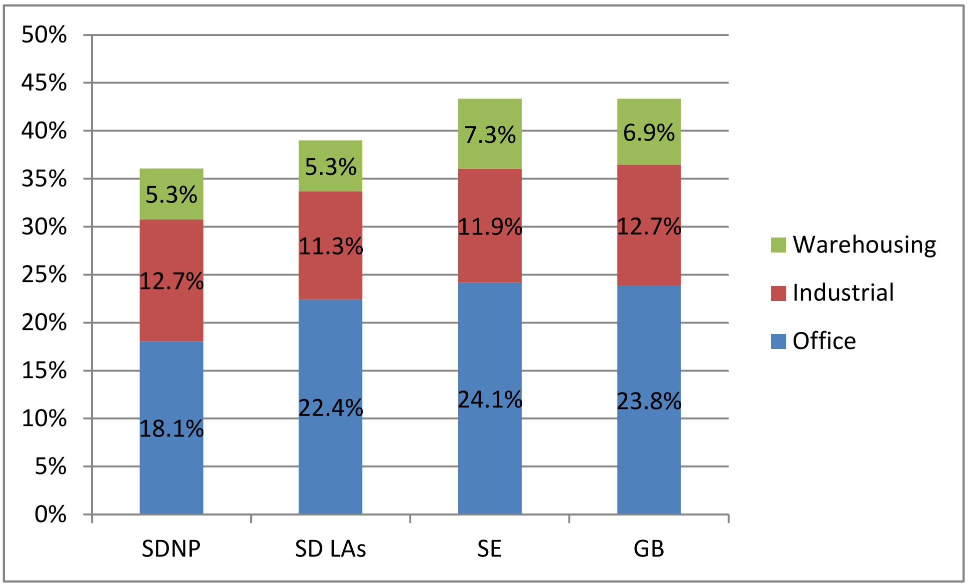
Source: BRES

3.9 As might have been anticipated from the earlier profile a lower proportion of jobs in the SDNP are in sectors which would normally occupy B-class employment space[4]. For the SDNP 36% of jobs are in B-Class sectors compared to 39% for the SD Districts and 43% for both the South East and national economies.

3.10 As can be seen from the figure below the difference is primarily due to the lower proportion of activity in office sectors. The share of employment in warehousing sectors is also lower than the national and regional average as would be expected as it is not a good location to service wider markets. But the proportion of employment in industrial sectors is at the national average and above that for the region.

[4] A definition of B-Class Employment sectors is set out in the Appendix

Figure 3.2 Percentage of Employment in B-class Employment Sectors



Source: BRES data and RTP Definitions

Tourism

3.11 The National Park is a national resource and there should be potential to extract economic benefit from it. Tourism activity cuts across a number of different sectors and in order to gauge the extent of it within the SDNP we have used the ONS definition of Tourism[5]. This shows tourism accounting for 15% of all employment compared to just under 10% nationally.

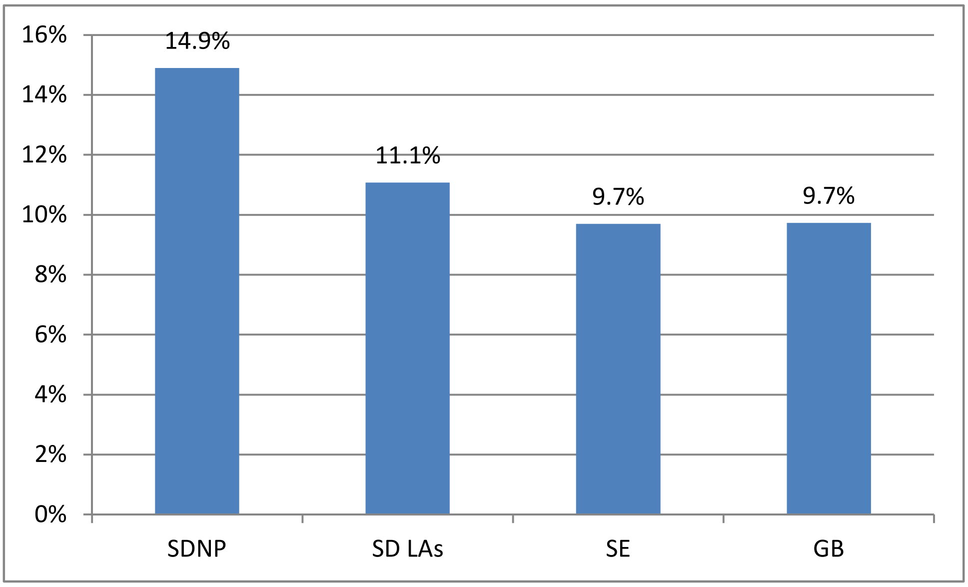
3.12 There is a belief from the local authorities, however, that the National Park 'brand' has not yet been fully exploited and there is potential to grow the tourism economy further. At present it consists mainly of day visits and more value can be captured if these can be turned into longer stays. But even the market for day visits is under-exploited given the size of the catchment area for the South Downs National Park.

3.13 There are however some concerns of potential conflicts between tourism and other sectors, such as horticulture, which may need to be managed going forward.

3.14 Thus tourism is a very important activity for the National Park, but the comparison with the B-class employment sectors set out above demonstrates that there is a functioning economy within the National Park which goes well beyond servicing the visitor economy.

[5] ONS Definition of Tourism using SIC2007

Figure 3.3 Employment in Tourism Sectors 2010



Source: BRES

Size of Business

3.15 As with all places the majority of business units are very small, but the profile is even more skewed towards smaller units in the SDNP where 78.4% of businesses employ fewer than five workers.

Table 3.2 Proportion of Business Units by Size Band

No. Employees	SDNP	SD Districts	SE	GB
1-4	78.4%	74.8%	73.6%	71.1%
5-10	11.0%	12.7%	13.0%	13.9%
11-24	6.1%	6.9%	7.1%	7.8%
25-49	2.7%	3.2%	3.3%	3.7%
50-199	1.5%	2.0%	2.5%	2.8%
200 +	0.3%	0.4%	0.5%	0.7%

Source: BRES

3.16 In terms of total employment 20% of jobs in the SDNP are in firms of fewer than five employees with a further 12% employed in firm with between 5-10 employees. 32% of employment in firms of ten or fewer employees compares with 21% of employment in firms of this size nationally.

3.17 Large organisations still account for nearly 20% of employment, though this is well below the national average of over 30%. The structure of employment by firm size for the SDNP is similar to that for its constituent districts, though with a larger proportion of employment in very small firms and a higher proportion in large firms.

Table 3.3 Proportion of Employment by Size Band

No. Employees	SDNP	SD Districts	SE	GB
1-4	19.6%	16.0%	13.4%	11.6%
5-10	11.9%	11.7%	10.1%	9.4%
11-24	14.7%	14.1%	12.2%	11.7%
25-49	13.9%	14.0%	12.4%	12.1%
50-199	20.8%	21.5%	23.9%	23.6%
200 +	19.0%	22.6%	28.1%	31.6%

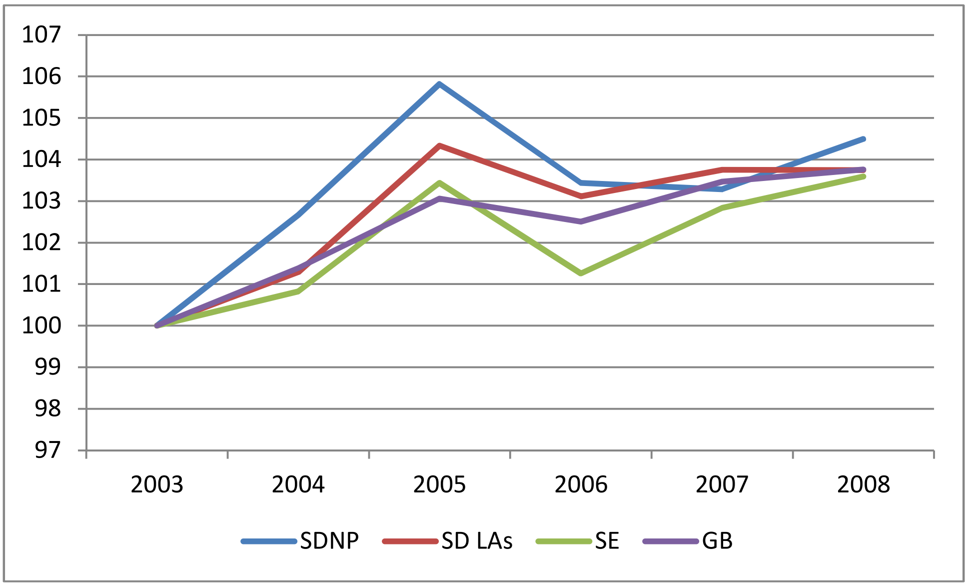
Source: BRES

Employment Trends

3.18 We have divided our analysis of employment trend into two periods, up to 2008 and post 2008. This is for two reasons. Firstly the period up to 2008 represents a growth period pre-recession. Secondly there was a change in the data to a new survey, so that data pre and post 2008 is not consistent.

3.19 Over the period 2003-08, which was a period of growth nationally, the SDNP followed a similar trend to the benchmark areas. As would be expected from a smaller area change was more volatile, but over the period as a whole SDNP grew slightly above the national average at a rate of 0.9% p.a. compared to 0.7% p.a. nationally which also the rate of growth for the SD Districts and the South East.

Figure 3.4 Employment Change 2003-08 (Index 2003=100)



Source: Annual Business Inquiry

3.20 The table below shows change over the most recent period post recession 2008-10. Over this period the number of employees nationally fell by over 900,000 a fall of -3.4%. The South East has been less hard hit by recession than nationally with the number of employees falling at only half the rate. But measured by employment the South Downs seems relatively unaffected by recession. For the SDNP the number of employees actually rose by 1% over the period 2008-10, although a cautionary note is that the employment statistics are less reliable at this level. Even for the broader South Downs Districts employment only fell by -0.8%, half of the South East rate.

3.21 Further light is shed on employment change over the recession if we examine the wider measure of employment. This also includes working proprietors, who are defined as sole traders, sole proprietors, partners and directors. With the inclusion of this category employment does not fall as sharply. This can be explained by two factors. Firstly working proprietors are the least likely to be made redundant (rather they would experience a fall in income). Secondly as the number of working proprietors has increased nationally this suggest that people being laid off are setting up their own businesses possibly working out-sourced to their previous employer. Thus growth in employment can't be interpreted as an unambiguous indicator of success.

3.22 This is particularly relevant when considering the statistics for SDNP where employment rose by 2.2% over the period 2009-10. This may be a reflection of lack of job opportunities, but at least it demonstrates the ability of local resident to adapt to changed economic circumstances.

Table 3.4 Employment Change 2008-10

Employees	2008	2009	2010	2008-10	%
SDNP	73,235	70,986	73,967	732	1.0%
SDNP Districts	602,510	584,692	597,506	-5,004	-0.8%
South East	3,766,734	3,648,456	3,701,883	-64,851	-1.7%
Great Britain	26,989,595	26,212,601	26,082,126	-907,469	-3.4%
Employment	**2008**	**2009**	**2010**	**2008-10**	%
SDNP	78,700	77,321	80,430	1,730	2.2%
SDNP Districts	640,636	629,010	641,690	1,054	0.2%
South East	3,998,211	3,909,294	3,959,807	-38,404	-1.0%
Great Britain	28,624,087	27,977,399	27,814,927	-809,160	-2.8%

Source: BRES

Homeworking

3.23 Another form of activity on the rise is home working. Since 1991 home working has become increasingly important in England[6]. A major driver behind the growth in homeworking in the national economy has been technology improvements and drive towards cost reductions, e.g. desk sharing. The extent of homeworking will in part be determined by the structure of the local economy. There appear to be two factors involved here:

- Size of businesses - Evidence[7] suggests that rates of adoption are higher amongst larger organisations where economies of scale are achievable so that new practices can be 'trialled' in a cost effective manner. However, there is almost no data on how small and medium-sized firms (SMEs) are using space and their working practices

[6] We define homeworking as any work carried out by the self-employed and employees working from or at home, on a full or part time basis.

[7] Labour Market Trends, December 2003, p.597

today, and there is a view that smaller organisations have traditionally used their space and facilities more flexibly than larger ones. In addition, the self-employed are also likely to be based from their home.

- Business sectors - Labour Market Trends finds that people in management and professional occupations and those who are working in Banking, finance and insurance are more likely to be homeworkers.[8] Furthermore, homeworking is more likely an option for those working in offices.

3.24 A rationale for promoting homeworking would be the expectation that it reduces the demand for travel.[9] Yet the effect of homeworking on transport demand may be more complex. For example, a pro-homeworking policy may attract more population dispersal from urban centres. If this group then commutes into London a few days each week, then the benefits of homeworking might be substantially reduced by infrequent but longer-distance commuting patterns. In such cases, GVA income may be nominally generated outside of the South Downs but a large proportion of the spending capacity will be retained in the area[10].

3.25 With the growth of super-fast broadband, home working will become even more attractive. Not only it may provide an impetus for ICT sector growth, but it will also enable a much more comfortable use of internet telephony and video conferencing, thus contributing to a reduction in travel and commuting.

3.26 Data on for the SDNP area on homeworking is not available. At the district level the pattern of homeworking is mixed. It is, for example, high in Wealden and Lewes, but in Adur it is below the South East average. Of the four authorities with the largest SDNP territory Lewes has well above the South East average percentage of or workers who are homeworking, whilst for Chichester, East Hampshire and Winchester, the figure is slightly above the average.

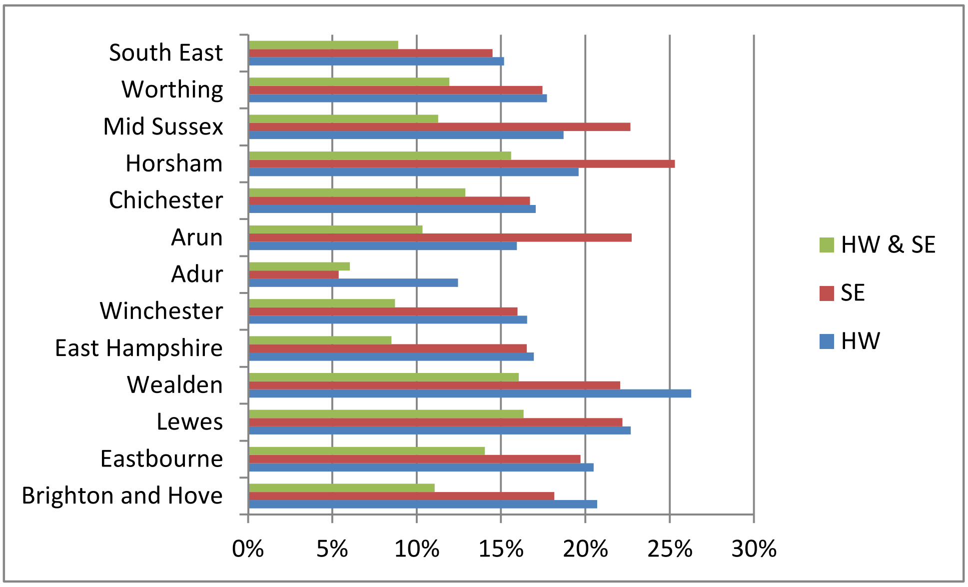
3.27 The graph below shows the proportions of resident workers who are homeworkers, self-employed, or both homeworkers and self-employed, in each of the twelve districts.

[8] Quoted ibid

[9] http://www.flexibility.co.uk/issues/transport/travsubsummary.htm

[10] A self-employed freelance working 3 days a week in London would add to Wiltshire GVA whilst an employee who worked in London 3 days and 2 at home would add to London GVA.

Figure 3.5 Homeworking and Self Employment in South Downs Districts



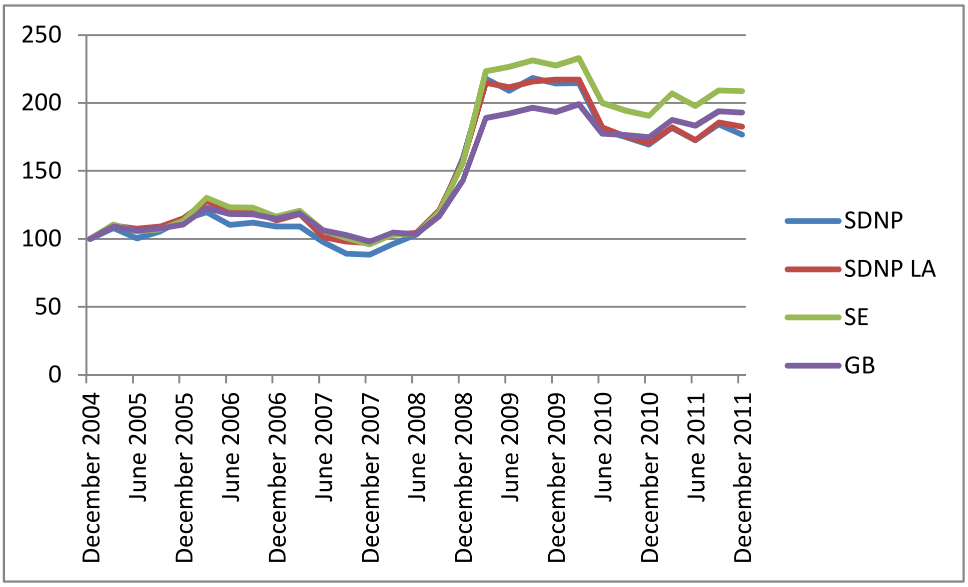
Source: ONS (2009) Labour Force Survey 2001-2009

Resident Workforce

Unemployment

3.28 Unemployment rates for the SDNP area are not available but we can track the relative change in claimant count unemployed against the wider benchmark areas. This shows SDNP following a similar pattern to the national and regional picture. For SDNP unemployment started to rise at the beginning of 2008 and peaked in 3rd qtr 2010 since when it have declined though at December 2011 unemployment is still twice the level it was four year previously.

Figure 3.6 Claimant Count Unemployment Levels – Index Dec 2004=100



Source: ONS/Nomis

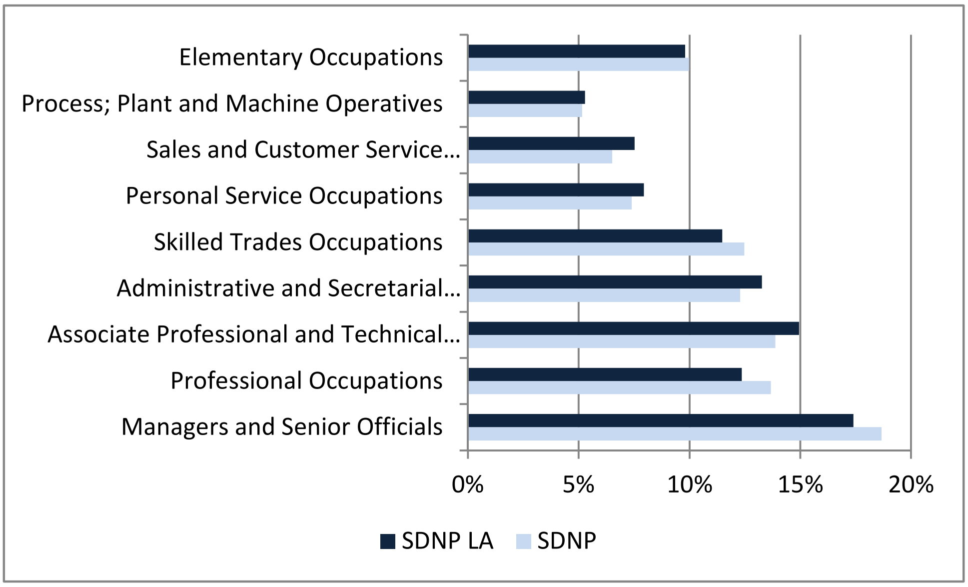
Occupational Profile

3.29 For some of the more detailed small area data we are still reliant on 2001 census data. Whilst dated this provides some insight into the industrial and occupational structure of residents and the findings can be reality-checked against local intelligence.

3.30 The data suggests that the occupational profile of residents of the SDNP is broadly similar to that of the wider district area. There are higher percentages of Managers and Senior Officials, Professional Occupations and Skilled Trades. Given the nature of the employment structure in the area this probably indicates out-commuting from higher skilled higher paid workers.

3.31 At the level of the lowest skilled occupations the employment profile of Park residents is similar to that of the wider Districts.

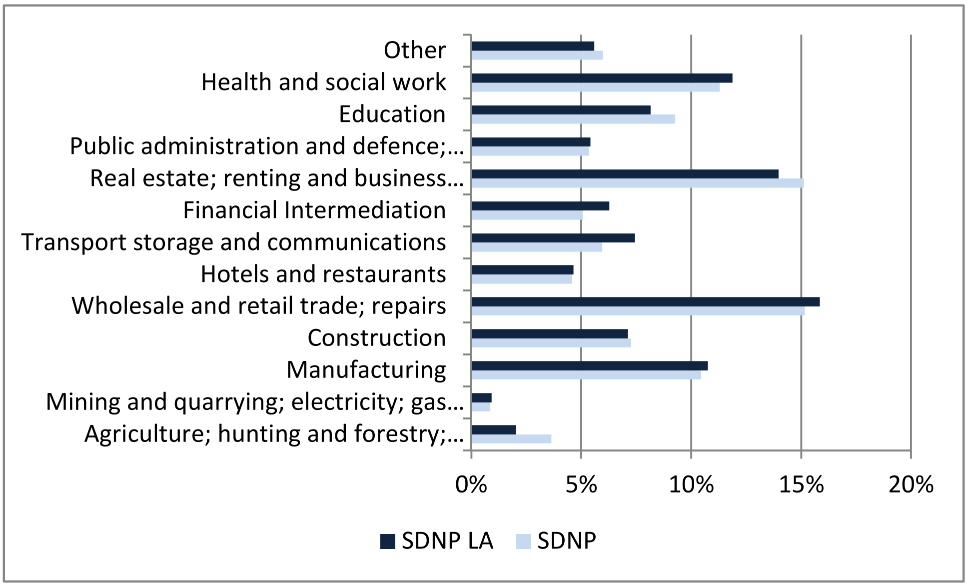
Figure 3.7 Occupational Profile of Residents



Source: Census of Population

3.32 As with the occupational profile the industrial sectors that residents work in is similar to those of residents in the wider area. There is a higher proportion employed in agriculture forestry and fishing reflecting the nature of activity in the Park and also a slightly higher percentage employed in Business Services which may reflect local service activity or more likely it is picking up the higher value commuters.

Figure 3.8 Industrial Structure of Residents



Source: Census of Population

Conclusions

3.33 Precise statistics on economic activity within the South Downs National Park are hard to obtain yet a clear enough picture emerges that we can be confident about the overall economic profile of the Park.

3.34 It is an economy which is predominantly based on small firms and one which provides services to support its local population. This seems to be an appropriate economic role to play and there is no particular reason why the Park should be encouraging large scale activity which is serving national or international workers.

3.35 The one exception to this is the tourism sector where the SDNP is an important national resource and one for which the economic potential should be exploited albeit in a sensitive and sustainable manner.

3.36 Due to the nature of its economic base the SDNP has been fairly resilient during the recession with employment holding up better. This is particularly the case where we consider working proprietors as well as employees.

3.37 Information on the resident workforce within the National Park is now a little dated but suggests it is well qualified with many workers commuting out to relatively well paid jobs. Some of these commuting pressures may be relieved through growth in homeworking.

3.38 Whilst the economy across the SDNP exhibits some common characteristics we do not think there is evidence of a South Downs National Park economy as a functional economic entity. There is little economic relationship between, say, firms in Petersfield and those in Lewes. The National Park runs East-West whereas the Strategic routes run North-South and this has a greater influence on economic linkages. When considering economic policies for the National Park the area needs to be assessed in terms of a series of local economies that operate across National Park boundaries

4 PROPERTY MARKET

Introduction

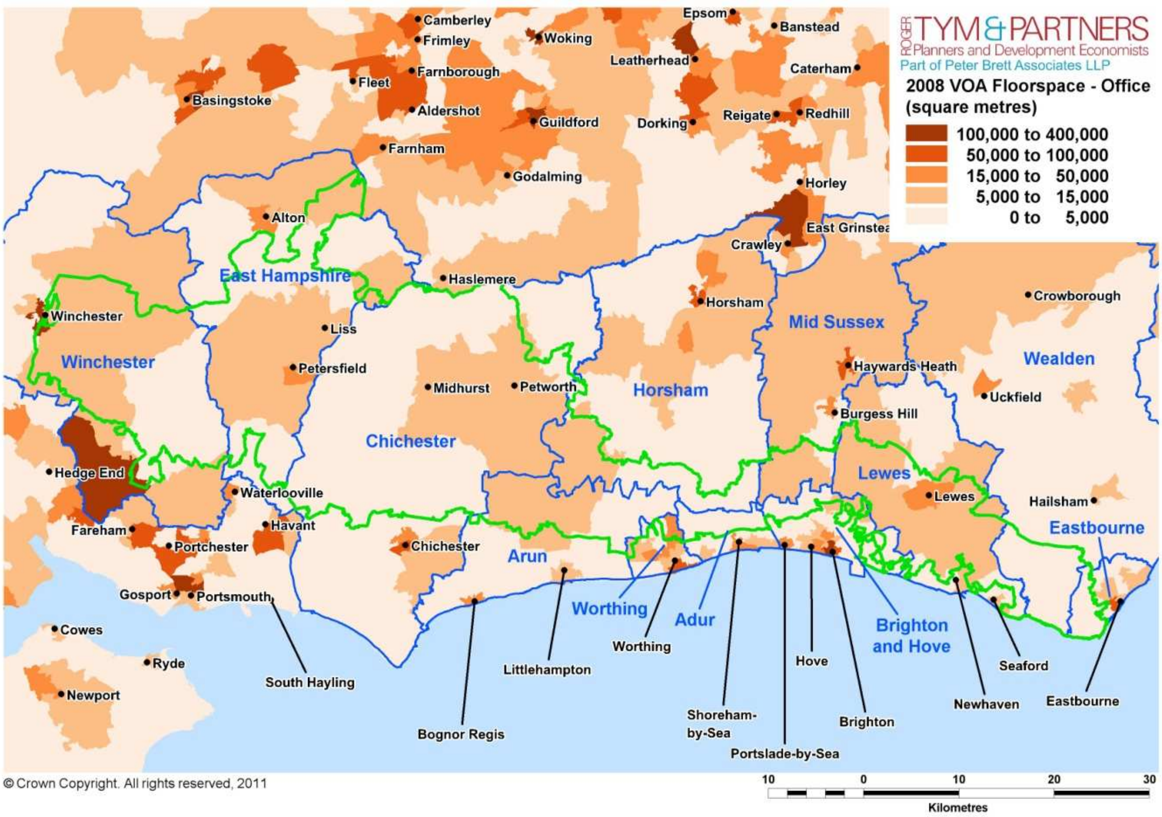
4.1 This chapter sets out a review of the South Downs property market. It looks at both the broader property market area covered by the twelve local authorities and also specific local property market conditions within the National Park. It then presents a more detailed review of existing and allocated employment sites within the National Park.

The South Downs Property Market

4.2 The figure below shows the distribution of office space in the South Downs. The geographical units are super-output areas and hence these may be large in areas of low population density. This should be taken into consideration when interpreting this map. Within the SDNP there are two locations with a significant quantum of office floorspace: at Petersfield to the western end of the National Park and Lewes towards the east. In both these towns public sector employment accounts for quite a large proportion of this office floorspace.

4.3 Larger office centres are to be found within easy commuting reach of the National Park at centres such as Brighton, Crawley, Hedge End, Winchester and Guildford.

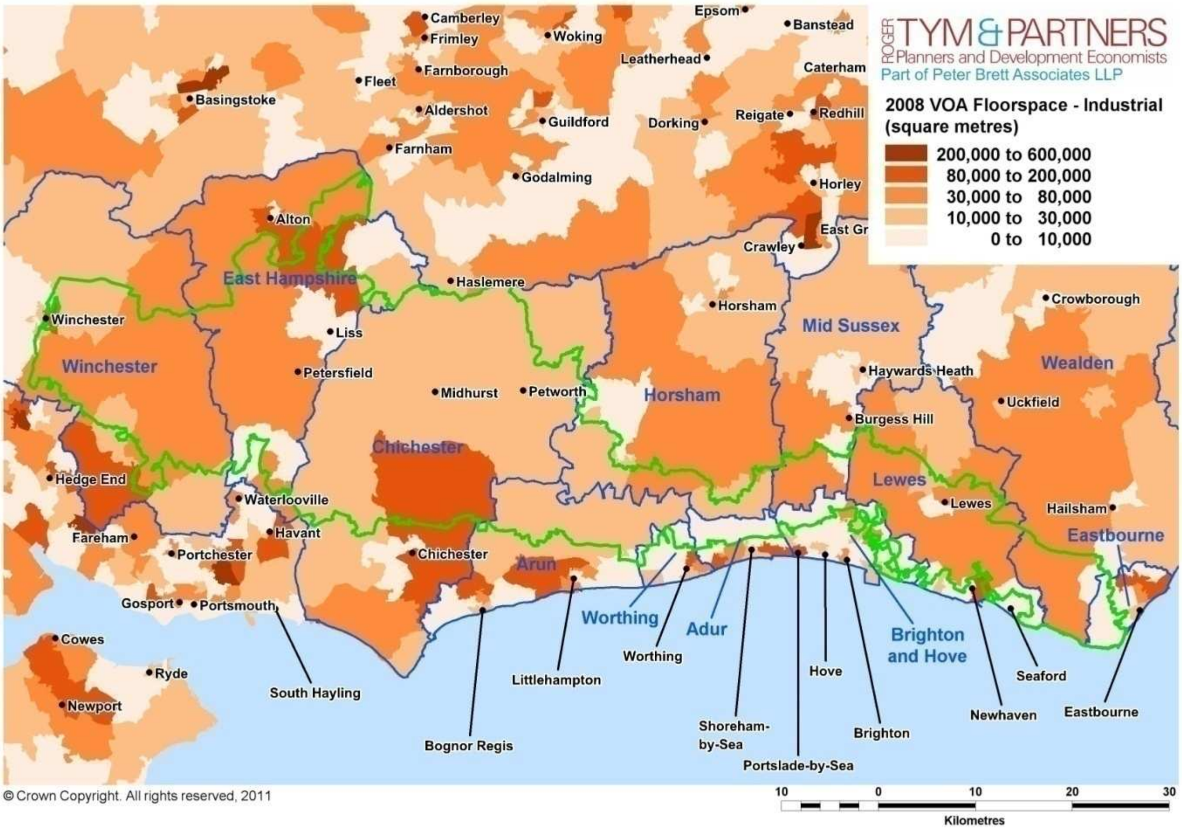
Figure 4.1 Office Floorspace in the South Downs



Source: VOA

4.4 Industrial Floorspace is more prevalent throughout the South Downs, though large scale units are rare. The largest densities of industrial floorspace are to be found in Chichester and East Hampshire.

Figure 4.2 Industrial Floorspace in the South Downs



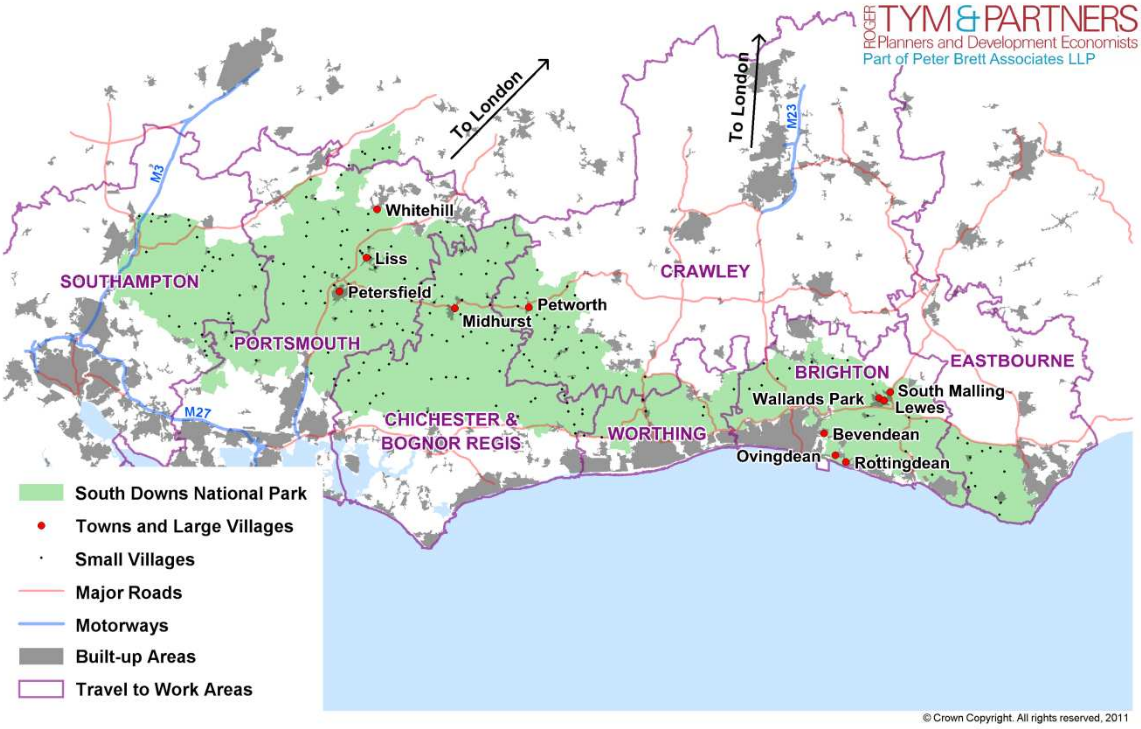
Source: VOA

4.5 There is no National Park property market in its own right. The National Park is a landscape and environmental designation rather than a functional economic market in property or labour market terms.

4.6 Demand for property is an extension of the wider sub regional markets and is very complicated because strong North South strategic access - E.g. M3, A3, A31, A24, A23. This provides more functionally coherent links to Southampton, Portsmouth, Farnham, Sussex Coast etc and to Winchester in the west.

4.7 This is best illustrated by the Travel to Work Areas, which act as the best proxy for defining functional economic areas. As is shown these are a series of north-south slices through the National Park.

Figure 4.3 The National Park and Travel to Work Areas



Occupiers

4.8 Most ELRs start by looking at occupiers. They ask why they are where they are and what property they need and order to formulate policies on how plans can help support them. But here the Park is new. It is the planning objectives that have changed. Most businesses were already in the area well before the Park was established and many were outside of any landscape designation as the National Park is much larger than the former AONB.

4.9 There are a range of factors that are likely to be driving location decisions. Petersfield and Lewes have their own markets as large towns. They provide large sites and act as service and employment areas.

4.10 Elsewhere there is limited evidence of demand and most ELRs pay little attention to the rural areas as there is very little formal transaction data. It is not necessarily that nothing happens but rather in rural areas actual property market statistics tend to under-report an additional or “hidden” supply, particularly within the rural areas. There are premises that are marketed through word of mouth or other channels.

4.11 Outside the main towns we think there are four main drivers of occupier demand:

- To serve local need
- Lifestyle choice
- Land economy related
- Property availability

Local Need

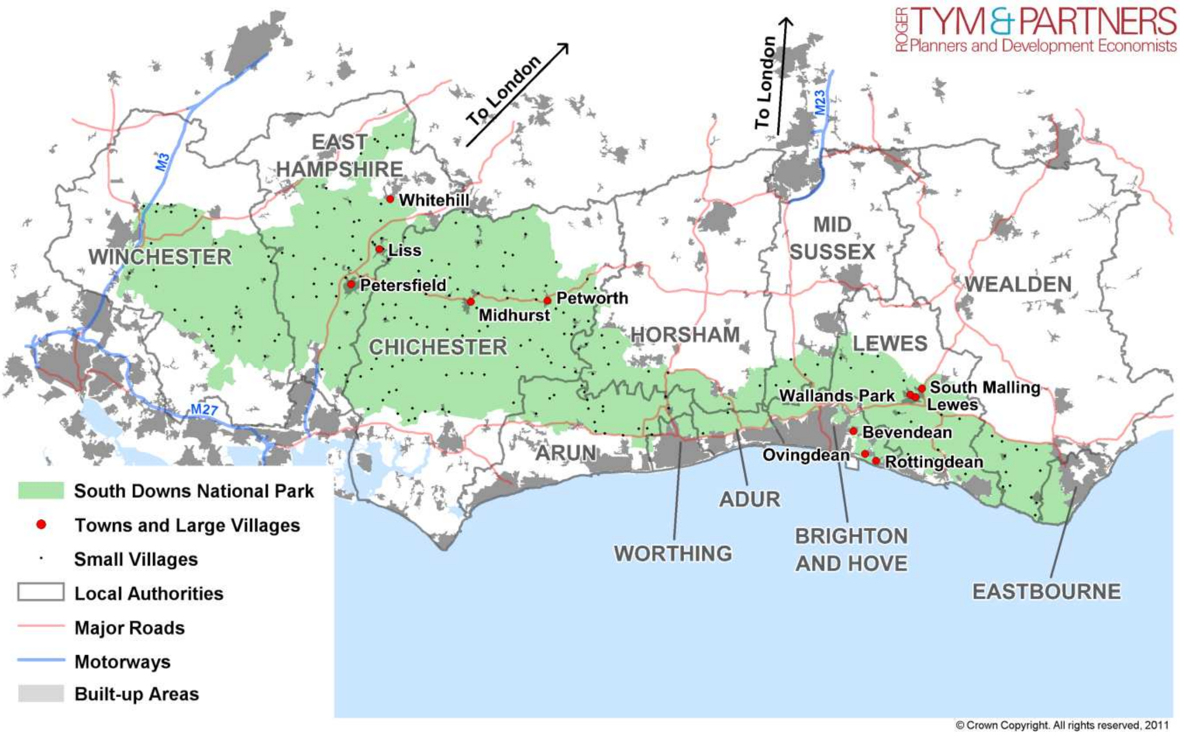
4.12 There will be some businesses that are serving local needs. They might provide local services from, for example, small garages or workshops. This market is generally served from either former barns or the small estates in the market towns or villages

4.13 There is some tourist trade demand which is provided in quasi retail outlets. But this is only in tourist ‘hot spots’

4.14 In general the local need source of demand is a very small market with proportionately less demand for ‘local need’ sites than other National Parks. Most National Parks are very rural with long travel times to main towns and cities and few strategic roads. But most South Downs settlements are on or near the edge of the Park and close to a major town or City which serve as the major employment and service centres.

4.15 The principal population areas are set out in the map below. It is the identified towns and large villages on the map that might be expected to have sufficient critical mass to support a stock of employment floorspace. Even here we would expect these towns to have difficulty renewing older stock.

Figure 4.4 Population Areas



Lifestyle Choice

4.16 The National Park is an attractive residential location and there will be some local people who will choose to work close to home rather than travel long distances. Such businesses will typically be looking for small SME space occupying light industrial or office premises. A lot of this is re-use of former agricultural space.

4.17 In this regard the National Park is similar to other rural areas and similar to the rural parts of the South Downs Districts that are outside the National Park boundary. There is no real

National Park advantage for such firms, just convenience to where they live. This echoes other findings. In a recent study for Cornwall Council a survey of property agents reported that, *"Commercial property agents indicate that the Cornwall AONB is not really a relevant consideration; cost, availability of premises and access are important."*[11]

Land Economy

4.18 There are a number of occupiers that are in activities that are directly part of the broader land economy sector. This includes activities such as:

- Feed stores / Mills etc
- Metal fabrication for agriculture
- Factory farming units

4.19 These units may not necessarily all be B class, but they are predominantly industrial in character. They are needed to serve the rural economy, but again do not necessarily need to be located in a National Park.

Property Availability

4.20 We think the majority of businesses have no attachment to the National Park. They are simply within the boundary and are located where they are because there is a supply of property; it is slightly cheaper than main market areas; and has reasonable access. Indeed strategic access can often be good (for example the M3 or Major A roads), though local access is frequently poor. But occupiers will compromise on these factors.

4.21 Very little of this space is planned, it merely a result of 'legacy sites'. It is not where new sites would be permitted today. An example of such an estate is the Blacknest Industrial Estate in East Hampshire, which is a 3.2 ha mixed employment site which has some office content but is mostly medium warehouse / industrial units.

4.22 There are also a number of other, what are effectively, industrial estates as a result of farm diversifications. There are a number of examples of a 'Farm Business Centre' that has been allowed because of re-use of agricultural buildings or redevelopment of sites. These provide cheap industrial / warehouse space with small office content on some estates. There has been a recent surge in large space from former poultry units. As of January 2012 legislation was introduced requiring that all poultry be free range. Hence there are now a large number of former poultry sheds that have become available for conversion.

4.23 With the decline in income from agriculture, there is an economic imperative for farmers to convert and let their buildings. While it is possible to earn additional income from holiday lets, the alternative of letting space for offices and workshops require less investment, involve less day to day management and are more secure in generating a regular income.

4.24 One of the main advantages for occupiers is low comparative rents. Farmers are often not letting premises to maximise their income but simply to provide enough to allow them to

[11] Valuing Green Infrastructure in Cornwall (Cornwall Area of Outstanding Natural Beauty Supplementary Report) – Roger Tym & Partners, December 2011

stay on the farm. This is in contrast to a developer who seeks market rental in order to make a profit on his investment. Other potential advantages for occupiers include plentiful parking space and reverse commuting to work resulting in easier and less stressful journeys.

4.25 But despite the possibility of some additional space, we would expect that the cost of adapting farm buildings is likely to prevent delivery of supply in excess of market requirements. In addition, farm diversification schemes are dispersed and often in isolated location on farms, which limits their suitability for employment land supply.

4.26 Certainly their employment potential will be low and they are less likely to appeal to businesses requiring access to many workers. Also they are likely to offer less in the way of site infrastructure, including access to shops. From a planning perspective, farm conversions may also detract from focus on key employment estates.

Economic Activity

4.27 At the time of the Chichester Employment Land Review, for example, most demand for farm conversions was reported as being for small office units, which represented a shift from previous demand for larger units for storage or workshop use. These premises mostly attract people who wish to move out from working at home.

4.28 The report noted that in those situations where farmers live close to converted employment uses, they are more likely to favour quieter and cleaner activities such as offices. If farms are located nearer to main roads, then warehouse and distribution uses may be more acceptable.

4.29 But anti-social uses such as car repairs, spray booths or retail which generates significant visits, are generally considered to be less acceptable by farm owners.

4.30 The types of activity that might be encouraged can be seen to be reflected in the East Hants and South Downs National Park policy on rural enterprise which lists the types of activities that might be permitted to support farm diversification as:

- local food processing;
- countryside pursuits;
- farm shops selling local produce;
- tourism facilities;
- equine enterprises and
- green technologies.

4.31 This is set out in Policy CP4 of the East Hants and South Downs National Park Joint Core Strategy which includes the statement that, *"Within the South Downs National Park, for businesses that contribute to conserving and enhancing its natural beauty, promote opportunities for the understanding and the enjoyment of its qualities, improving the viability of traditional rural businesses, and/or providing local services for local people."*

Site Assessments

4.32 The National Park is already covered by a multitude of different employment land studies and each one has already assessed the ongoing viability and need for the sites within their area.

4.33 Here we bring together this analysis to present a picture of the National Park stock. This cannot be an exhaustive assessment of all the sites in the park area. This is because many local employment land studies did not assess or identify the sites within the park area because they were considered small and below thresholds used in individual studies.

4.34 For example the Winchester Employment Land review assessed only a sample of sites within their district and very few were within Park. That study and others used a site threshold (normally 0.5ha) to assess sites and while this picked up most of the sites in their district it omitted many of the small sites within their rural areas and so within the National Park.

4.35 Given the fact that almost all the Parks employment land supply (outside the main towns) is from very small sites there is potential merit in a separate full audit of small sites throughout the park; including an audit of occupiers.

4.36 However as part of this study we asked the districts to inform us of any new sites proposed within the park boundary as well as any sites proposed to be lost.

New Sites

4.37 There are no significant new development proposals within the park boundary with the exception of new sites at both Petersfield and Lewes. Both of these proposals are detailed in their respective employment land studies (East Hampshire and Lewes).

4.38 In both these cases small new allocations are justified to meet identified local needs relating to the respective towns; these proposals are well advanced and evidenced. So we do not question these allocations or their rational part of this study. As reflected in our wider conclusions these two towns need their employment portfolio managing independently of their National Park status; trying to impose the National Park principles on the existing urban estates and modest new land allocations could undermine the vitality and viability of the towns.

4.39 Outside of the two main towns the main source of new sites is the reuse of former agricultural buildings, especially former poultry units but also other agricultural sheds. Of the 122 sites we inspected the largest new sites were such sites.

4.40 The largest site we visited was the Wallops Wood Farm Poultry House in Winchester District (Droxford). This is a 5ha site but in practice only 1ha of the land is developed. The owners successfully sought planning permission in 2010 to reuse the units (with some redevelopment) for general industrial and warehousing use. At the time of our visit parts of the site were being used although the majority of the buildings still appeared unused.

Figure 4.5 Wallops Wood Farm

4.41 Elsewhere there is a general supply of new sites coming forward as agriculture releases sites. Most noticeable are former poultry sheds. At the end of 2011 government legislation banned the use of battery farming for egg production. As part of this change a number of egg producers closed their sites and are now seeking redevelopment. As explained elsewhere planning policy favours the reuse of these sites for new employment uses because their rural and isolated nature makes them unsuitable for new homes.

4.42 Given the lack of new development land within the National Park sites such as these will continue to be the main source of new employment land for the foreseeable future.

4.43 However they represent a challenge for the National Park. While national planning policy still supports the reuse of former agricultural buildings; including some redevelopment most of the sites are not well connected and many could be considered unsuited to the park. They were originally permitted many years before the park or were built as agricultural buildings and so subject to lax planning control. Many of the structures we assessed are not sympathetic to the Park and ideally the sites would be cleared and returned to nature.

4.44 But it is likely that owners will still promote these sites for reuse given the limited alternative use for them. It is not in owners' interest to remove the structures and return the site to more natural state. The key challenge will be to improve the physical structures and so try to mitigate some of the more harmful landscape impacts.

4.45 For most employment uses this will be difficult. Sites such as these tend to offer value space, making use of existing buildings with only limited investment. So are offered cheaply. As we note elsewhere the employment sites within the National Park compete as part as a wider sub regional market and for most occupiers they will be unwilling to pay a premium for a higher standard of space within the national park when there is a supply of cheaper space outside the administrative area. The only exception maybe in the core of the park where there may be very local demand for space which cannot be met outside of park. But this is likely to be a small market.

4.46 There is no ideal solution to the reuse of this type of property. For future planning the key determining feature will be the landscape impact of the site as is and potentially redeveloped. Where the site has no landscape impact there is no rational to change the current policy stance established in the existing plans; that is to encourage the reuse of the sites for employment use because this is seen to have the least impact in isolated rural areas.

4.47 Where there is a landscape impact the authority needs to weigh up the alternative uses and redevelopment options remembering that there is no pressing need for additional employment space in the park. A more sympathetic redevelopment for a higher value use, which may clear large parts of the site and improve the general condition and impact of site the maybe more benefit to the Parks objectives.

Major existing developed sites in the National Park

4.48 Most of the sites we looked at within the Park were small isolated units or small schemes within the villages (again excepting the main towns). However there are a number of very noticeable exceptions where large and substantial sites have been developed over time. Again these predate the National Park.

4.49 These sites share characteristics with most other large rural sites found throughout the South East. Most have not been purposely developed in their locations but instead predate planning control or have been developed incidentally as a way to reuse existing sites which have fallen out of use.

4.50 Hazeley Enterprise Park (Winchester District) is one major example which has over time developed into a sizable estate which has recently expanded. The estate has recently added 17 new office and light industrial units from 106 – 420m2 and they appear to be well occupied. The site owners report strong demand.

Figure 4.6 Hazeley Enterprise Park

4.51 A second major site is the Blacknest Industrial Park (East Hampshire). This is a rural exception site and heavily constrained by local planning policy. Recognising the isolated nature of the site policy restricts development and redevelopment to within the site boundary. This is a poorer quality site than Hazeley but also well occupied.

4.52 Normally employment land reviews would seek to ascertain the market demand for such sites, with a view to either continuing their protection as employment sites or recommending a change of use – normally residential. But in these cases there is little prospect of an alternative use; if there was they would already have been lost from the supply or in the case of the recently extended Hazeley site developed for an alternative use.

4.53 A further complication for the National Park is that these sites meet the wider sub regional need for employment space and have limited or no attachment to the park or its communities. Hazeley Enterprise Park advertises itself as being 3 miles from Winchester and so the M3. It accommodates a number of distribution firms including the Royal Mail (adjacent to the Enterprise Park). The major occupier at Blacknest is warehouse and distribution firm (MMC).

4.54 The largest site within the National Park and the most challenging is the Shoreham Cement works. The existing policy stance can be summarised as seeking to remediate the site with as little new development (or redevelopment) as possible. However balancing this is the sites potential strategic function as a new large employment site servicing Horsham District and its neighbours.

4.55 The Horsham Employment Land Review (joint with Crawley and Mid Sussex, 2005) continues to promote the site as strategic opportunity:

"The disused Shoreham Cement Works is a unique site and is recognised as an important regeneration opportunity for the medium to long term. Despite the clear need for infrastructure investment to support access to the site, it is considered to be appropriate for a significant level of employment provision"

4.56 This is a allocated employment site in the Horsham Core Strategy which states that:

'Provision is made for the development of some 210,000 sqm of employment floorspace within the period 2001-2018. This includes: employment development as part of the restoration of the former Shoreham Cement Works site in a manner compatible with its sensitive location within an AONB and as part of a package potentially including leisure provision which will thereby contribute to the regeneration'

4.57 The site has been seen as sub regionally significant and the South East England Development Agency (SEEDA) identified the redevelopment of the site for employment use as helping the economic regeneration of the Sussex coastal strip.

Figure 4.7 Shoreham Cement Works

4.58 As with almost all the sites in the park the need to promote employment floor space here, or protect existing sites is closely connected with the demand and need for space arising outside of the park boundary. The quantitative and qualitative rational for the Horsham allocation is not to serve the park but balance the need for sub regional space. However we would suggest this is re-examined because most of the evidence suggesting that the site was 'needed' for employment is now old and pre-recession. It was also established at the time when more public finance was available to help promote challenging development sites. A fresh assessment of the sub regional need for space may reach a different answer.

Small developed sites in the National Park.

4.59 The Park accommodates a network of small employment sites in the non major towns, larger villages or isolated sites. Almost all of these are not allocated or explicitly protected in the existing development plans. The loss of these sites is controlled through criteria based policies.

4.60 The isolated sites are almost all farm diversification schemes or reused agricultural buildings. As noted above former planning policies encouraged such proposals as the favoured use for these sites.

4.61 The sites within the villages are similar, again reused former agricultural buildings or small estates which have been developed adjacent to farms.

4.62 The sites all looked well occupied with little visible signs of marketing and vacant space. However it is not normal for this type of space to be aggressively marketed, agents signs and notices are of little impact when the site is remote and has little passing traffic. The poor access to most the sites means that they appeal to a very small local market. It is also the case that assessing whether a building is occupied is very difficult because most units are not intensively used. They may be used for storage or occasional work.

4.63 On our site visits we saw no new high quality space. Almost all the space was general industrial or warehouse space because that is what the existing buildings are best used for. Some are used for retail type activities and sell local products or imported products from the property.

4.64 The better quality space tended to be where older barns had been reused and this had been sympathetically done to match nearby dwellings or other buildings.

Figure 4.8

Figure 4.9 Manor Farm Itchen Stoke

4.65 The criteria based approach to managing these sites was a sensible solution for the former district development plans. But for the National Park a new approach may be needed it if is to secure a supply of property within its own boundary and not rely solely on provision in neighbouring areas.

4.66 All existing plans and our consultations show that a network of local sites, to meet local demand for space is vital. Some have suggested that demand for space will increase over time as technology improves and facilitates more remote working which will either be from home or small local commercial properties.

4.67 However because this local network of space is not formally identified at the moment it is impossible to accurately monitor vacant space and develop a robust picture of market demand for such sites.

4.68 We suggest that the park plan seeks to formally identify the network of local employment sites. Identifying each site in the national park will be impossible given the scale of the park. But a sensible approach maybe to identify sites in the larger villages and small towns without a threshold. These sites are most at risk of pressure for residential redevelopment but are also the most sustainably located for small business units.

4.69 Once identified these can be monitored for take-up and vacant space to inform development management decisions. For example whether additional small office provision is in demand and should be provided either because there is no such provision in the local area or all the space available is fully occupied.

Conclusions

4.70 There is not a National Park property market in a functional geographic sense. The property market is more tied to its sub-regions around the strategic roads.

4.71 Neither is there a National Park property market in the sense of activity that relates to the National Park designation. The property market rather reflects a typical rural property market around which a National Park boundary has been drawn. There is no perceived difference between how the rural economy performs inside or outside of the National Park.

4.72 Rural properties can be attractive as they provide cheap space and occupants often like them because they are away from residential neighbours which makes it easier operationally to carry out a range of activity.

4.73 In general this part of the market performs quite well and there has been a noticeable volume of floorspace coming onto the market through conversions. Whilst many local authorities operate policy to prevent further development of commercial floorspace, this often becomes available through barn conversions where policy is more permissible.

4.74 The principal source of occupier demand is driven by property availability. But there all also segments of the market driven by local need, lifestyle choice, and specifically related to the land economy.

4.75 Most of the larger employment sites in the National Park, outside the main towns, do not serve local needs or meet solely local demand. They are however existing sites within the park and there is no mechanism to remove them. So continuing the existing policy stance of carefully managing them and preventing them growing any further is a sensible approach.

4.76 Shoreham Cement works is the only major new development opportunity in the rural areas. This has been promoted for employment use as part of a wider sub regional strategy. From the National Parks perspective the new employment space is unlikely to be needed or justified. If the former Horsham plan policies are to be carried forward and employment remains a favoured use for the site a fresh, post-recession, assessment of the sub regional case for the development is also justified.

4.77 The isolated rural properties can be attractive as they provide cheap space and occupants often like them because they are away from residential neighbours which makes it easier operationally to carry out a range of activity.

4.78 In general this part of the market performs quite well and there has been a noticeable volume of floorspace coming onto the market through conversions; although the quality of such space can be poor because of the poor quality of the original structures. Whilst many local authorities operate policy to prevent further development of commercial floorspace it often becomes available through barn conversions where policy is more permissible.

5 EMPLOYMENT LAND REVIEWS

Introduction

5.1 In this chapter we present an overview of the current Employment Land Reviews (ELRs) that have been undertaken for each of the constituent authorities. To facilitate comparison these have been summarised in tabular form. Whilst this may simplify some of the conclusions we feel it is more beneficial to present an overview to try and draw out common themes that may inform the policy of the park as a whole.

5.2 Each of the constituent local authorities has undertaken an ELR. In most cases these are relatively recent although some date back to 2006.

ELR Summary

5.3 Chichester, East Hampshire, Lewes and Winchester are the four districts with the largest area of their geographical territory in the National Park. For these the allocations will be necessary to provide employment opportunities to support local communities. Even here there is very little in the way of new allocations specifically identified within the National Park.

5.4 For five of the Districts we could not identify any allocations of employment sites in the National Park. These authorities were: Adur, Brighton & Hove, Eastbourne, Mid Sussex, and Worthing. These sites have no current allocations and are not likely to be bringing forward employment sites in the future. For these districts the National Park does not in general cover settlement areas and where such settlement do exists they are relatively close to urban areas outside of the Park.

5.5 Arun, Horsham and Wealden are looking at potential allocations close to the edge of the National Park to act as provision for employment within the broad area which includes their part of the National Park.

Table 5.1 Employment Site Allocations in the National Park

Authority	Allocation to South Downs National Park area (hectares/jobs)
Adur	Nothing explicitly stated
Arun	None stated. New potential employment sites reviewed included, in the National Park: - Rogers Farm Garden Centre, Findon (1.67ha) - Ferring worth Garden Centre, Ferring (1.5ha, close to National Park)
Brighton and Hove	None specifically stated
Chichester	North of Chichester – one of three sub areas and largely in the South Downs NP. In terms of existing economic activity the report notes there is demand for business space in the north sub-area, as evidenced by the take up of converted farm buildings and the relatively few vacant units on the industrial estates. However, there are also examples of land that has not been developed (e.g. Stedham Sawmill, vacant plots at Bepton Road, Midhurst and at Hampers Common, Petworth). The key issue is one of viability; developers lack confidence in demand compared to construction costs.

	A number of potential employment sites were reviewed in the Northern sub area No specific allocation of employment land/jobs is made for the Northern sub area.
East Hampshire	Sub areas defined. South Downs NP across all sub areas. Alton. Whitehill/Bordon areas seen as likely to be main industrial areas going forward, as a result of release of 200 acres of MOD land and A3 Hindhead tunnel. These are on the edge of the South Downs National Park area in the north east sub area. There are no specific additional industrial or warehousing allocations beyond existing sites and allocations. Because there is an oversupply of B class land overall, the approach is to let existing/allocated sites assessed as poor go for other uses and retain other existing sites/allocations . Those assessed as poor are the more rural sites, in isolated locations. However it recommends identifying sites of up to 2ha in Alton and Petersfield in case they are required.
Eastbourne	None identified
Horsham	A need for additional employment land in the south of the District is identified to support the local economy. However the two towns proposed for a specific allocation (Billingshurst and Ashington) are not in the National Park area.
Lewes	None specifically allocated. In terms of supply, the ELR notes that conversion of redundant farm buildings likely to continue – and agents do not consider SDNP policies will be a barrier to this (even if policies are more stringent in design terms). Two possible sites at Ringmer discussed as potential for allocation to meet future requirements (outside National Park; but edge of?)
Mid Sussex	None specifically made
Wealden	No specific allocations to the area in the National Park. Allocations focus on Polegate as nearest main centre. Relevance of these will depend on whether they have any impact on the National Park area.
Winchester	The Rural Shift scenario would allow a larger number of smaller employment sites to be allocated in market towns (none specified). Suggested as for office, high tech and light industrial use. Stage 3 report does not refer to rural areas other than to comment that the strategic option 'consolidation within existing town boundaries' could create major challenges for rural settlement planning.
Worthing	Not specifically stated.

5.6 In terms of broader employment policy for the National Park there are a number themes that emerge from the ELRs. These include:

- Provision to support local need related to settlements
- Support for homeworking
- Diversification
- Encouragement of land base economy
- Support for sustainable economic development in sectors such as tourism and green industries
- Generally permissible policies towards farm conversions where these support the local economy, but restrictions on the scale of such development

5.7 General employment policies in each district relevant to the National Park are summarised in the Table below.

Table 5.2 Employment Policy Relevant to National Park

Authority	Employment policy suggestions relevant to National Park area
Adur	Identifies employment land demand and supply as very tight – therefore no quantitative case for release of employment land to other uses. However quality of sites substandard so need to identify high quality sites. Specific site allocation recommendations at Lancing, Fishersgate, Shoreham and Shoreham Harbour (all outside the National Park)
Arun	Suggests smaller scale of premises needed in rural areas and lower level of demand means allocation of land for employment is not justified. Suggests rural needs could be met through conversion of redundant rural buildings and smaller scale developments. Policy support could be given to rural building conversions to business uses and smaller scale industrial developments in rural settlements.
Brighton and Hove	
Chichester	The report suggests some small allocation should be identified in one of the larger towns in the Northern sub area (Midhurst or Petworth). It also notes that enterprise centres would also allow or regulate rural enterprise; but that speculative developments might require subsidy. 1999 Local Plan: *Policy B5*: proposals for extensions to existing buildings for business, industry or warehousing in the rural area permitted provided only of modest scale *Policy B6*, redevelopment of existing developed sites in the rural area with established uses or with planning permission will be permitted providing no expansion of the uses in site area and no change of use *Policy B8* safeguards business floorspace and prevents any change of use *Policy RE11A*defines certain areas as 'Areas for Horticultural Development', where "applications for commercial horticulture development will be permitted provided that there will be no adverse impacts upon the surrounding environment
East Hampshire	East Hampshire Local Plan adopted 2006. Relevant policies: - IB1 allocates about 26ha for industrial and business use - IB2 allows expansion/intensification of existing industrial and business uses within settlements - IB3 allows expansion/intensification of existing industrial and business uses within the countryside subject to impact - IB4 seeks to retain existing industrial and business uses - C14 permits conversion of buildings in the countryside to employment uses ELR concludes with some suggestions that the LDF should consider including (relevant to NP): - Whether new office space needed should focus on Whitehall/Boredon or also locate more broadly e.g. to Petersfield (in the National Park) - Whether sites for enterprise centres should be focused in main towns like Petersfield or spread more widely - A strengthening of Policy C14 to ensure rural sites are appropriately located (a survey of rural business sites is suggested, to provide evidence for strengthening the policy
Eastbourne and Wealden	No specific site recommendations for new sites in South Wealden/Eastbourne. Recommendations include: - Creating opportunities for small scale office and industrial developments to meet local needs - New industrial/warehousing on edge of town or rural sites with strategic road

	access - LDF to include criteria to ensure sites can be developed without public intervention (unless specific reasons) - If any of the scenarios develop beyond the base case, further allocations will be needed. Further developments at Polegate are suggested.
Horsham	Recommendations include: - Supporting business start ups and home based businesses through enabling conversion of residential space to commercial use within a dwelling - Give favourable consideration to proposals for conversion of redundant buildings to employment uses in rural Horsham and Mid Sussex - Potential for planning policies to support small flexible B1 class units
Lewes	Release of sites – the ELR notes that some lower quality sites are in rural areas and in use. It indicates a cautious approach should be taken to release of sites not least because of environmental constraints making it difficult to find sites. It suggests maintaining a monitoring role at present rather than de-allocating.
Mid Sussex	See under Horsham
Wealden	
Winchester	2007 report: Discussion of future directions for economic development includes: - Acknowledging the importance of home working (feeding into a sustainable strategy for rural employment) - Support the district's strength in the land based sector -
Worthing	Challenge for the LDF is bringing forward high quality sites. Policy options therefore proposed to help achieve this.

Employment and Economy policy and project approaches in other National Parks in England

5.8 As a point of comparison we have reviewed the employment and economy policy approaches and projects in other National Parks have been reviewed using published information available through websites (information available as evidence base to Core Strategies and other economic documents). Employment Land Reviews were found for three of the National Parks (Lake District, Peak District and Exmoor.

Key Sectors

5.9 NPAs are focusing on their key strengths in terms of supporting business sectors. This might build on specialist business sectors such as the Broads Authority (boating and boat building) but for all NPAs it means developing their sustainable tourism role based on their special environmental characters. ALL NPAs have sustainable tourism as a strong feature of economic activity, with associated projects that seek to both develop the core sustainable tourism product and bring added value to it. Examples include:

- The Environmental Quality Mark Project in the Peak District, rewarding businesses reaching high standards of care for the environment (part of a 'Live and Work' rural business support and advice programme)
- New Forest Marque as a brand for local food products
- Development of a visitor gateway centre on the Broads
- Development of the food and drink sector (seen as having growth potential in the Lake District for example)

- Development of long distance footpaths, to contribute to the tourism economy e.g. the Wherryman's Way in the Broads or the Pennines Bridleway
- Events and festivals such as the Dartmoor and Exmoor Low Carbon festival

5.10 The SDNP is not dissimilar to other National Parks in that tourism, as a non B class employment activity, is also strongly represented in its economic mix (accounting for 15% of employment compared to 10% nationally).

5.11 One specific business sector which is supported by several NPAs is the creative industries sector (for example in the Peak District where a 2008 report[12] suggested the creative industries sector as part of the inward investment offer of the Peak District NP building on the Peak District brand and increased broadband connectivity; or the Lake District where digital and creative industries are identified as potential growth sectors in its ELR).

5.12 Whilst NPAs do put a strong focus on sustainable tourism, capitalising on the National Park natural assets[13], some also look at opportunities for diversifying and developing other business sectors, both as a means of diversifying away from (over) dependence on tourism and in order to capitalise on the skills of its working residents. The three NPA ELRs (Peak District, Exmoor and Lake District) all suggest a focus on developing sectors such as high technology, knowledge based industries (KBIs), environmental technologies and specialist manufacturing. This could have implications for business premises requirements, and two ELRs identify a need for incubator/business park premises to support a move to higher technology and KBIs and growing innovation in business sectors. Requirements could be met through a mix of conversion of redundant buildings to business incubator facilities (for example at Hathersage Hall in the Peak District) or through employment site allocations.

Key Skills

5.13 As noted above, NPA ELRs (notably the Peak District) have linked proposals to diversify into business sectors such as KBIs with an aspiration to make more of the high level of skills of working age residents in their National Park areas by encouraging the potential for higher skilled residents to develop businesses locally rather than out commute, through appropriate workspace. The occupational structure of the SDNPA has a higher proportion of residents in managerial and professional occupations than that of the wider districts in which it is situated (and that out commuting by these residents is likely given the SDNPA employment structure).

Homeworking

5.14 Homeworking is noted by Exmoor NP ELR in particular as important whilst the Lake District ELR also notes a demand for live work units. Homeworking has relevance both in relation to encouraging new business sectors e.g. digital and creative, KBIs and as a route to business development rather than out commuting for existing working residents.

[12] SQW Consulting, 2008. 'Contribution of the Peak District National Park to the East Midlands Economy'.

[13] Agriculture (and forestry) are not specifically discussed here but should also be recognised as important business sectors in the NPs, not least because of their link with maintaining the landscapes.

Policy Approaches

5.15 In terms of approaches to employment land and premises, the experience from other NPAs (where there is information) suggests a question about how to balance between actual employment land/premises allocations and achieving flexibility and responsiveness to meeting emerging needs as they arise (through redundant building conversions for example). This seems driven by several factors:

- That non B class uses are as, if not more, important in National Parks and any strategy has to be able to respond to their needs
- Seeking to diversify the business base towards KBIs and higher technology sectors could carry implications for business premises such as incubation units
- Whether there is potential to reduce out commuting of higher skilled residents in the workforce by encouraging them into business development within a National Park

5.16 Both the Peak District and the Lake District ELRs make employment land allocations. However the Exmoor ELR specifically discusses that non B class uses are much more predominant that B class uses and therefore the LDF policy needs to focus on how it can support the release of appropriate sites and premises for development in response to emerging needs, rather than allocate employment land. The New Forest, whose economy is highlight integrated with its surrounding area and shares the SDNP characteristic of tourism and public administration/education/health as key employment sectors, suggests that employment land allocation could lead to more in-migration, exacerbate housing pressures and make the affordable housing problem worse; and therefore that policy should focus on enabling small scale developments rather than allocating employment land[14].

Conclusions

5.17 Across the South Downs National Park as a whole there is little pressure for new land to be identified for employment use. In general there is a tendency to want to preserve existing employment allocations with one or two cases where a small additional need of 1-2 ha has been identified. Even where this need has been identified site specific allocations have not yet been made.

5.18 The districts broadly divide into three types:

- Those where are large part of their territory is in the National Park. These are Chichester, East Hampshire, Lewes and Winchester. Here the policies are to support sustainable economic development to enable thriving towns that provide good quality employment for the local population.
- Those where there are sites on the edge of the National Park. Here development activity is encouraged which will physically be located outside of the National Park but

[14] New Forest Economy and Employment Topic Paper 2010, drawing on information in the Strategic Housing Market Assessment.

can be expected to have some associated impact within the National Park perhaps through labour force or transport effects.

- Those where only a small part of their districts is in the National Park and it does not include significant settlement areas. Here there is little in the way of employment land impact on the National Park.

5.19 There is no quantitative target set with regard to the amount of employment land or volume of jobs that should be accommodated on B-class employment land within the National Park. Therefore we do not believe it is either necessary or desirable for the SDNPA to be setting such targets itself. But the SDNP does have a role in providing for local employment need and in supporting some sectors, such as tourism, that sustain its function as an area of amenity. Opportunities to encourage appropriate economic development should also be taken on appropriate windfall sites. This is especially where they promote opportunities for diversification and small business units.

5.20 We believe the SDNPA can develop criteria based policies for its Core Strategy that are consistent with the analysis coming out of the District ELRs whilst enabling it to promote sustainable economic development within the National Park.

6 CONCLUSIONS AND POLICY RECOMMENDATIONS

Summary

Policy Context

6.1 The South Downs National Park Authority has to draw up its plans within a national planning context which is still developing. It also faces the particular challenge of having to align its plan with twelve local authorities who are each at different stages of developing their own plans.

6.2 Both National Park and constituent LPA employment policies are strong on resisting change of use of employment land and premises to other uses – and especially in National Parks where identifying appropriate employment land and premises taking into account all other considerations can be very difficult.

6.3 National Park Core Strategies are looking to build on their economic strengths, which may be traditional rural businesses as well as diversification. However there seems to be little real push to diversify into new business sectors, which might be as compatible with maintaining high quality landscapes as the more traditional approach.

6.4 The close association of living and working locally – clearly important as part of the thrust to reduce the need to travel to work – which has to be right in the light of targets for cutting carbon emissions and hitting climate change commitments; and where home based working could have an important role to play. But again the potential for targeting this as much towards new business sectors as the more traditional economic sectors

Economic Profile

6.5 Precise statistics on economic activity within the South Downs National Park are hard to obtain yet a number of themes are clear. The South Downs National Park is not a single economic entity. It functions as a series of economies with common characteristics that are more reflective of rural economies in general rather than a traditional National Park.

6.6 The SDNP is an economy which is predominantly based on small firms and one which provides services to support its local population. This seems to be an appropriate economic role to play and there is no particular reason why the Park should be encouraging large-scale activity which is serving national or international workers.

6.7 Only 36% of employment in SDNP is in sectors that would normally be expected to occupy B-class employment space. This is a share that is likely to decline over time and hence most of the employment growth in SDNP can be expected to come from other, primarily service, sectors.

6.8 Principal among these is the tourism sector where the SDNP is an important national resource and one for which the economic potential should be exploited albeit in a sensitive and sustainable manner.

6.9 Due to the nature of its economic base the SDNP has been fairly resilient during the recession with employment holding up better. This is particularly the case where we consider working proprietors as well as employees.

6.10 Information on the resident workforce within the National Park is now a little dated but suggests it is well qualified with many workers commuting out to relatively well paid jobs. Some of these commuting pressures may be relieved through growth in homeworking.

Site Allocations

6.11 The assessment of the sites has been complicated by the lack of a comprehensive site schedule for the areas which now make up the National Park. The district level ELRs largely left the small rural sites to criteria based polices and did not make specific recommendations about the sites.

6.12 There is no pressing need for new sites in the Park and where opportunities present themselves, most probably through diversification and re-use of agricultural buildings the park needs to critically assess the need for employment on the site and whether alterative land uses can be used to help lessen the landscape impact of the site. However we suggest the Park identifies and protects the sites in the small towns and large villages to ensure a network of local quality and local scale sites is protected and the health of these sites monitored.

6.13 While most the Park sites (outside the main towns) are small there are however some exceptions. There are some large sites in the Park although these are very much legacy sites and not positively planned or promoted in the district plans. We suggest the already established approach of managing but retraining these sites continue in the parks policies.

6.14 The major site in the Park area is the Shoreham Cement works. This is a problematic site for the National Park Authority to manage. It is within the boundary but former policies have promoted the site as a strategic proposal to meet the needs of neighbouring districts. It is for the National Park Authority to decide of it wishes to try and fulfil this need but if it does we suggest the case for employment on the site needs refreshing. The established policy approach is pre-recession and maybe over optimistic in the current climate.

Employment Land Policy

6.15 Across the South Downs National Park as a whole there is little pressure from an employment land policy perspective for new land to be identified for employment use. In general there is a tendency to want to preserve existing employment allocations with one or two cases where a small additional need of 1-2 ha has been identified. Even where this need has been identified site specific allocations have not yet been made.

6.16 The District ELRs have not set a quantitative target with regard to the amount of employment land or number of jobs that should be accommodated on B-class employment land within the National Park. Therefore we do not believe it is either necessary or desirable for the SDNPA to be setting such targets itself. But the SDNP does have a role in providing for local employment need and in supporting some sectors, such as tourism, that sustain its function as an area of amenity. Opportunities to encourage appropriate economic development should also be taken on appropriate windfall sites. This is especially where they promote opportunities for diversification and small business units.

6.17 Employment land policy does need to recognise that the South Downs National Park contains a number of large settlements and in order to sustain economic prosperity and growth there is a need to continuously refresh the commercial stock. Policy should therefore facilitate churn not maintain stock in aspic.

6.18 If the policy is to seek higher retention of higher skilled residents then the implication would be to upgrade the stock to provide the type of premises such people are likely to work from. This may require more active engagement to facilitate small innovation centres or workhubs possibly through a strategy linked to conversion of existing redundant buildings and/or new build.

6.19 We believe the SDNPA can develop criteria based policies for its Core Strategy that are consistent with the analysis coming out of the District ELRs whilst enabling it to promote sustainable economic development within the National Park.

6.20 Although tourism of itself does not carry employment land and premises requirements that might be relevant to an ELR, looking at value added opportunities such as local food and drink products could have premises requirements, whilst there might also be opportunities to look at mixed use visitor centre/small business premises developments.

Policy Recommendations

6.21 There is no need to make any additional allocations for new employment land in the National Park. The existing local authority ELRs make either no allocations or where they do the scale is very modest.

6.22 Also if new housing is constrained there is very unlikely to be a need for new employment space generated through a growth in the workforce. Indeed it is quite likely that as the population ages the National Park resident workforce which actually fall.

6.23 But even without any new land allocations there is still a need for the SDNPA to adopt development management policies for windfalls and to guide new farm diversification

6.24 We suggest a tiered policy approach which is similar to that proposed for housing but simpler. The Housing Evidence Base proposes five settlement tiers from Main Towns (Petersfield & Lewes); through Market Towns (such as Midhurst & Petworth); and three sizes of Village.

- **Large Towns** - The large towns are a special case for which National Park Policy may not fit or be appropriate. So should a more proactive policy be adopted? Encouraging new businesses With or without any connection to the land economy Or the wider national park? Provide new land to meet demand (although maybe no need at the moment)
- **Market Towns** - For the smaller towns and villages Midhurst, Petworth & large villages (TBC) Simply maintain the stock? Use criteria based policies to control the loss Minimum marketing periods? Viability assessments if change of use is requested? Any need to promote new?
- **Rural Sites** - For Rural Sites, including existing isolated estates (And windfalls where residential is not desirable) Allow replacement floor space only Favour smaller units, offices and light industrial More likely to meet local demand As opposed to sub regional Control medium sized warehouses Better placed outside the Park. Consider how best

to redevelop some of the worst sites Inc. some large land economy uses where they conflict with the landscape.

APPENDIX 1

Summary of District ELRs

Table A1 Summary of District ELRs

Authority	Date of ELR	Timescale of ELR	Method for Calculating employment land requirements	Allocation to South Downs National Park area (hectares/jobs)	Allocation to remainder of District (hectares/jobs)	Employment policy suggestions relevant to National Park area
Adur	**Update 2011 (GL Hearn)** **NB:** 2006, ELR (Step Ahead Research ltd). Not reviewed here	**2011 update** – projections for the period 2011 – 2028 (to coincide with Core Strategy)	Cambridge econometrics model for employment forecasts. Comparison with past development trends. Opportunity sectors identified. Relation of the 41 CE employment sectors to which element of B class use. Use of employment densities (HCA) to estimate gross floorspace requirements and then land requirements.	Nothing explicitly stated	Update 2011. Relates to total district Two scenarios - baseline (1800 additional B class jobs); intervention (an additional 1200 B class jobs over the baseline if Shoreham regeneration project goes ahead and value added sectors targeted). Target for B class net land requirements (ha): Office (B1 a,b) • baseline -0.8, • intervention 0.4. Industrial (B1c/B2), • baseline -0.7, • intervention 6.1. Warehouse (B8), • baseline -1.4, • intervention 6.5. (NB all baseline figures are negative).	Identifies employment land demand and supply as very tight – therefore no quantitative case for release of employment land to other uses. However quality of sites substandard so need to identify high quality sites. Specific site allocation recommendations at Lancing, Fishersgate, Shoreham and Shoreham Harbour (all outside the National Park)
Arun	ELR 2010; NLP	2006 - 2026	Follows government and SE regional guidance on preparing ELRs. Focuses on B class but also looks at non B class uses. Included a	None stated. New potential employment sites reviewed included, in the National Park: - Rogers Farm Garden	Identifies demand scenarios (for B classes). Total district figures (demand): 1.Baseline – based on	Suggests smaller scale of premises needed in rural areas and lower level of demand means allocation of land for employment is

Authority	Date of ELR	Timescale of ELR	Method for Calculating employment land requirements	Allocation to South Downs National Park area (hectares/jobs)	Allocation to remainder of District (hectares/jobs)	Employment policy suggestions relevant to National Park area
			business survey and consultations with business organisations. Uses forecasts of employment growth from Experian converted into employment space requirements using jobs/floorspace ratios (stated in text) and average plot ratios (for land requirement). Compares these to past completions and a labour supply led calculation. Existing employment sites – only 10% in the rural areas (outside Bognor, Littlehampton and Ford airport). Review of existing spatial distribution of employment sites states 'The rural part of the district, generally north of the A27, lies within an Area of Outstanding Natural Beauty and is part of the South Downs National Park. This area is characterised by small villages, some of which support some limited employment in converted rural buildings'.	Centre, Findon (1.67ha) - Ferring worth Garden Centre, Ferring (1.5ha, close to National Park)	Experian job growth forecasts; 7.4ha industrial/180 jobs, 0.8 ha office/190 jobs 2. Enhanced job growth – 10% uplift on Experian forecasts; 7.8ha industrial/220 jobs, 0.9ha office/210 jobs, 3. Past completions continue; 22 ha industrial/2390 jobs, 2ha office/560 jobs 4. Reduced trend growth 19.4 ha industrial/2100, 1.8ha office/500 jobs 5. Aspirational growth; 22.8ha industrial/2490 jobs, 2.2 ha office/620 jobs 6. Match labour supply; 12 ha industrial/1250 jobs, 3.2 ha office/900 jobs Demand then set against supply (worst case scenario) and surplus/shortages identified as: 1. Industrial +4.8ha, office 0 2. Industrial +3.8 ha, office -0.1ha 3. Industrial -10.4ha, office -1.2ha	not justified. Suggests rural needs could be met through conversion of redundant rural buildings and smaller scale developments. Policy support could be given to rural building conversions to business uses and smaller scale industrial developments in rural settlements.

Authority	Date of ELR	Timescale of ELR	Method for Calculating employment land requirements	Allocation to South Downs National Park area (hectares/jobs)	Allocation to remainder of District (hectares/jobs)	Employment policy suggestions relevant to National Park area
					4. Industrial -7.8ha, office -1.0 ha 5. Industrial - 11.2ha, office - 1.4ha 6. Industrial -0.4ha, office -2.4ha	
Brighton and Hove	2006 (RTP)	2006 – 2016; (also looks 2006 – 2026)	Follows ODPM Employment Land Guidance note/own experience; - Audit of existing sites - Assessment of demand and supply - Appraisal of market conditions and quality of sites - Advice on taking forward the findings	None specifically stated	Study concludes sufficient land already allocated to meet higher growth scenario. Potential for some limited addition to allow market choice. Additional office space will be needed to 2026 – but not industrial or warehousing which is sufficient to 2026. Choices for future office space suggested as either City Centre office quarter and/or out of town business park	
Chichester	June 2009 (RTP)	2006 - 2026	Follows Government Guidance Note on ELRs and focuses on B class uses: - Audit of existing sites - Assessment of demand and supply - Appraisal of market conditions and quality of sites - Advice on taking forward the findings	North of Chichester – one of three sub areas and largely in the South Downs NP. In terms of existing economic activity the report notes there is demand for business space in the north sub-area, as evidenced by the take up of converted farm buildings and the relatively few vacant units on the estates. However, there are also examples of	Identified overall net district employment land requirement as 13 ha for office space and 7 ha for industrial/warehousing.	The report suggests some small allocation should be identified in one of the larger towns in the Northern sub area (Midhurst or Petworth). It also notes that enterprise centres would also allow or regulate rural enterprise; but that speculative developments might require subsidy.

Authority	Date of ELR	Timescale of ELR	Method for Calculating employment land requirements	Allocation to South Downs National Park area (hectares/jobs)	Allocation to remainder of District (hectares/jobs)	Employment policy suggestions relevant to National Park area
				land that has not been developed (e.g. Stedham Sawmill, vacant plots at Bepton Road, Midhurst and at Hampers Common, Petworth). The key issue is one of viability; developers lack confidence in demand compared to construction costs.' . A number of potential employment sites were reviewed in the Northern sub area No specific allocation of employment land/jobs is made for the Northern sub area.		1999 Local Plan: *Policy B5*: proposals for extensions to existing buildings for business, industry or warehousing in the rural area permitted provided only of modest scale *Policy B6*, redevelopment of existing developed sites in the rural area with established uses or with planning permission will be permitted providing no expansion of the uses in site area and no change of use *Policy B8* safeguards business floorspace and prevents any change of use *Policy RE11A*defines certain areas as 'Areas for Horticultural Development', where "applications for commercial horticulture development will be permitted provided that there will be no adverse impacts upon the surrounding environment
East Hampshire	May 2008 (RTP)		As above. Included telephone survey of businesses and stakeholder workshop.	Sub areas defined. South Downs NP across all sub areas. Alton. Whitehill/Bordon areas seen as likely to be	Discusses two scenarios for the district – a base case scenario based on Experian employment	East Hampshire Local Plan adopted 2006. Relevant policies: - IB1 allocates about 26ha

Authority	Date of ELR	Timescale of ELR	Method for Calculating employment land requirements	Allocation to South Downs National Park area (hectares/jobs)	Allocation to remainder of District (hectares/jobs)	Employment policy suggestions relevant to National Park area
				main industrial areas going forward, as a result of release of 200 acres of MOD land and A3 Hindhead tunnel. These are on the edge of the South Downs National Park area in the north east sub area. There are no specific additional industrial or warehousing allocations beyond existing sites and allocations. Because there is an oversupply of B class land overall, the approach is to let existing/allocated sites assessed as poor go for other uses and retain other existing sites/allocations . Those assessed as poor are the more rural sites, in isolated locations. However it recommends identifying sites of up to 2ha in Alton and Petersfield in case they are required.	predictions; and a high growth scenario based on 5,500 new dwellings in the Bordon area (NW sub area). The base case concludes there is an oversupply of industrial/warehousing sites (by 55,000 sq.m.) and office space is in balance. The high growth scenario concludes there is still an oversupply of industrial/warehousing but by a lesser amount (only 26,000 sq.m) and an undersupply of office space (by about 9,000 sq.m). A recommendation is made for an additional 10,000 sq.m. of office space.	for industrial and business use - IB2 allows expansion/intensification of existing industrial and business uses within settlements - IB3 allows expansion/intensification of existing industrial and business uses within the countryside subject to impact - IB4 seeks to retain existing industrial and business uses - C14 permits conversion of buildings in the countryside to employment uses ELR concludes with some suggestions that the LDF should consider including (relevant to NP): - Whether new office space needed should focus on Whitehall/Bordon or also locate more broadly e.g. to Petersfield (in the National Park) - Whether sites for enterprise centres should be focused in main towns like Petersfield or spread more widely

Authority	Date of ELR	Timescale of ELR	Method for Calculating employment land requirements	Allocation to South Downs National Park area (hectares/jobs)	Allocation to remainder of District (hectares/jobs)	Employment policy suggestions relevant to National Park area
						- A strengthening of Policy C14 to ensure rural sites are appropriately located (a survey of rural business sites is suggested, to provide evidence for strengthening the policy
Eastbourne	Eastbourne ELR Addendum 2010 (Council)	2006 - 2027	Based on South East Partnership Board guidance 2009. Looks at low and mid growth employment forecasts based on Experian; and high growth forecast. Only the high growth scenario has any shortfall in employment land implications;	None identified	Shortfall of 12,112 sq.m. for high growth scenario – which could be met by densification of existing sites and a new mixed use development in Eastbourne	
Eastbourne and Wealden	April 2008 (RTP)	2006 - 2026	Follows Government Guidance Note on ELRs and focuses on B class uses: - Audit of existing sites - Assessment of demand and supply (using Experian for employment growth forecasts). Three scenarios – base case, reducing the employment rate of growth compared with the South East by half (Scenario A); closing the gap with the South East (Scenario B) - Appraisal of market conditions and quality of sites - Advice on taking forward	No specific allocations to the area in the National Park. Allocations focus on Polegate as nearest main centre. Relevance of these will depend on whether they have any impact on the National Park area.	Only South Wealden and Eastbourne sub area are relevant (area south of A27. Polegate is on the northern edge). In terms of office development there is an oversupply – so recommendation is to release 26ha of planned land for office use (sites considered poor/unviable). No new sites needed to meet base case. Only 1.5ha needed to meet base case industrial/warehousing requirement. If Scenario A adopted –	No specific site recommendations for new sites in South Wealden/Eastbourne. Recommendations include: - Creating opportunities for small scale office and industrial developments to meet local needs - New industrial/warehousing on edge of town or rural sites with strategic road access - LDF to include criteria to ensure sites can be developed without public intervention

Authority	Date of ELR	Timescale of ELR	Method for Calculating employment land requirements	Allocation to South Downs National Park area (hectares/jobs)	Allocation to remainder of District (hectares/jobs)	Employment policy suggestions relevant to National Park area
			the findings		3.5ha of office land and 8ha of industrial/warehousing needed. If Scenario B adopted – 6ha of office land and 13-14 ha of industrial/warehousing needed. Two further scenarios relate to relocating County Hall to Polegate; and further housing growth at Polegate.	(unless specific reasons) - If any of the scenarios develop beyond the base case, further allocations will be needed. Further developments at Polegate are suggested.
Horsham	North Western Sussex ELR 2010 (Final Draft Report GL Hearn). Entries here relate to 2010 ELR. Earlier ELRs in 2005 and updated 2006 (Atkins).. All cover Crawley, Horsham and Mid Sussex	2006 - 2026 (2005 ELR went to 2018)	States it generally follows Government Guidance for ELRs. Uses Experian econometric model for base case scenario. Uses three scenarios – base case; a second focused on the Gatwick Diamond and higher value added sector performance; and the third termed a revised hybrid model taking account of inter relationship between housing and employment	A need for additional employment land in the south of the District is identified to support the local economy. However the two towns proposed for a specific allocation (Billingshurst and Ashington) are not in the National Park area.	Total district: shows oversupply of land based on both a high growth and a low growth scenario (-8.1 and -13.3. ha respectively). However a need to restructure the land supply to better meet business needs is also noted.	Recommendations include: - Supporting business start ups and home based businesses through enabling conversion of residential space to commercial use within a dwelling - Give favourable consideration to proposals for conversion of redundant buildings to employment uses in rural Horsham and Mid Sussex - Potential for planning policies to support small flexible B1 class units

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Lewes	September 2010 (NLP)	2008 - 2026	Follows ODPM 2004 guidance and SEPB 2010 guidance for ELRs. Focuses on B classes but includes consideration of non B class uses. Used information from an East Sussex County Council business survey. Study carried out in parallel with SHLAA. Uses Experian employment forecasts - 574 jobs forecast for B Class uses to 2026 by Experian.	None specifically allocated. In terms of supply, the ELR notes that conversion of redundant farm buildings likely to continue – and agents do not consider SDNP policies will be a barrier to this (even if policies are more stringent in design terms). Two possible sites at Ringmer discussed as potential for allocation to meet future requirements(outside National Park; but edge of?)	Net land needs are given for four scenarios: 1. Base case: Industrial +3.1ha, office +2.2ha (1030 jobs) 2. Enhanced demand for office – industrial +3.1ha, office +2.6ha (1188 jobs) 3. Reduced completions. Industrial +9.1ha, office +1.3ha (1072 jobs) 4. Past completions continue. Industrial +12.1ha, office +1.5ha (1315 jobs)	Release of sites – the ELR notes that some lower quality sites are in rural areas and in use. It indicates a cautious approach should be taken to release of sites not least because of environmental constraints making it difficult to find sites. It suggests maintaining a monitoring role at present rather than de-allocating.
Mid Sussex	See under Horsham	See under Horsham	See under Horsham	None specifically made	An allocation of up to 5ha of further employment land is recommended to meet requirements to 2026 (high growth). Beyond retaining existing allocations in Haywards Heath and Burgess Hill, further allocations are suggested for Burgess Hill and East Grinstead (up to 4 ha and 3 ha respectively).	See under Horsham
Wealden	2010 updated figures for Core Strategy	2006 - 2030	Update of figures in the Wealden and Eastbourne ELR. Uses same method as 2008 ELR and same scenarios. Revised overall		Revised base case shortfall is 13,275 sq.m. Revised Scenario A shortfall is 38,190sq.m.; Revised Scenario B	

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	(Council)		housing allocation for Wealden has prompted the update.		shortfall is 69,201 sq.m.	
Winchester	2007 (SQW) Stages 1 and 2 of a 3 stage study. Jan 2009 (SQW) Stage 3 of the study	2006 - 2026	Stage 1 – desk research Stage 2 – stakeholder workshops and visioning Uses Cambridge econometrics for employment forecasting. Four scenarios are considered: - A: Status quo - B: M27 shift - C: Winchester shift - D: Rural shift Stage 3; further work for the Core Strategy, focusing on Winchester town, potential for reducing in commuting and strategic options for future growth (housing and employment) of Winchester town. Three options for strategic growth for Winchester considered (from Issues and Options Core Strategy): - Growth within currently planned boundaries - Step change beyond planned boundaries - Consolidation within existing town boundaries	The Rural Shift scenario would allow more smaller employment sites to be allocated in market towns (none specified). Suggested as for office, high tech and light industrial use. Stage 3 report does not refer to rural areas other than to comment that the strategic option 'consolidation within existing town boundaries' could create major challenges for rural settlement planning.	Based on the four scenarios, net land allocation requirements are identified as: A: Status Quo. 14.5ha in M27 corridor, 14.9 ha in Winchester; 14.5 ha in the rural areas B. M27 shift; 15.4 ha in M27 corridor, 14.5 ha in Winchester, 14 ha in rural areas C Winchester shift: 13.2ha M27 corridor, 17.6ha Winchester, 13.2 ha rural areas D Rural areas shift: 13.2ha M27 corridor, 13.2 Winchester, 17.6ha rural areas Stage 3 report suggests two possible sites on edge of Winchester for a knowledge based business park; one to north (Barton Farm) and one to south (Bushfield Camp) of the town – both would be part of mixed use urban extensions.	2007 report: Discussion of future directions for economic development includes: - Acknowledging the importance of home working (feeding into a sustainable strategy for rural employment) - Support the district's strength in the land based sector

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Worthing	October 2005 (Step Ahead Ltd)	2005 - 2017	Follows ODPM Guidance Note. Uses Experian employment forecasts.	Not specifically stated.	Proposes an allocation of about 48,000 – 60,000 sq.m. employment space over the LDF time period, of which about 2/3rd needs to come from existing allocated sites or sites to be allocated. Main existing sites seem to be in East Worthing/related to existing business parks.	Challenge for the LDF is bringing forward high quality sites. Policy options therefore proposed to help achieve this.