South Downs National Park Employment Land Review 2015

Final Report

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Prepared by

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Quality Standards Control

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This document must only be treated as a draft unless it is has been signed by the Originators and approved by a Business or Associate Director.

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Limitations

This document has been prepared for the stated objective and should not be used for any other purpose without the prior written authority of GL Hearn; we accept no responsibility or liability for the consequences of this document being used for a purpose other than for which it was commissioned.

EXECUTIVE SUMMARY

i. The Employment Land Review (ELR) aims to inform the development of planning policies for employment sites across the National Park within the forthcoming South Downs Local Plan. It considers commercial property market dynamics, future need for B-class employment land and floorspace, existing employment sites in the National Park and potential future employment land allocations.

ii. Through analysis of commuting data we have identified six Functional Economic Market Areas (FEMA) which operate across the South Downs National Park (SDNP). These area:

- Brighton FEMA;
- Chichester and Bognor FEMA;
- Northern West Sussex FEMA;
- Eastbourne FEMA;
- Central Hampshire FEMA; and
- Worthing FEMA.

iii. The National Park boundary does not reflect any administrative or standard boundary as the designation is landscape based. It was therefore necessary to developed a Wider South Downs Area (WSDA) which was based on standard geographies. However this area extended beyond the National Park boundary and should be treated with great caution. There is also some limited Census data produced which reflects the National Park area.

Demographic and Employment Baseline

iv. The 2011 Census, gives the population of the National Park as 112,343 around 60% were of working age. A level lower than the wider region or country. The population of Wider South Downs Area was just under 372,000 people – a significantly higher level, illustrating the population close to (but not within) the National Park's boundaries.

v. The population of the National Park is characterised as being slightly older as well as having fewer qualifications. Despite this there is relatively low unemployment and the occupation level of the population is relatively high in comparison to the wider region.

vi. According to BRES there are 117,550 jobs within the Wider South Downs Area in 2013. Analysis of the Business Base within the WSDA shows a concentration of jobs in the following sectors:

- Agriculture;
- Forestry;
- Recreation;
- Tourism; and

- Construction.

vii. In addition the South Downs National Park Authority identified three key sectors within the National Park Partnership Management Plan which we were to review and comment on specifically. These sectors were not necessarily located on B-class employment floorspace. The key sectors were:

- Tourism;
- Food and Drink Production; and
- Wood Related Activities.

Commercial Property Market

viii. There was a clear decline in the number of office deals done in the National Park during the recession years. However this picked up slightly in 2012 while the vacant stock enabled the market to respond to increased demand. In 2013 there has been a slight decline in the number of deals. Conversely for industrial stock there was a small decline in the number of transactions in 2009 but the number of transactions grew in 2010 and 2011 peaking in 2013.

ix. The transactional data and stakeholder consultation points to limited availability good quality office units. The industrial stock is generally restricted to older second hand units, with very little in the way of new build units. There is also seemingly a lack of small office space and shared meeting space.

x. The stakeholders noted that there was a lack of affordable small move on space for home based businesses and the lack of premises in the major settlements surrounding the National Park was resulting in pent-up demand inside the National Park. There was also a demand for warehousing premises with access to the Strategic Road Network.

xi. The stakeholder consultation also highlighted:

- Concerns about congestion along the M27, A272 and to a lesser extent the A3 and a desire for accessible transport solutions to be in place before further development starts.
- The local demographic was seen as too old and too affluent to take up lower paid work. This was in part as a result of the cost of local housing was forcing younger people out of the area
- Limited and broadband and mobile connectivity restricting small business growth and also people working from home

Demand For Employment Land

xii. We have undertaken a series of calculations looking at the demand for employment land in the National Park and the WSDA for the 2013 - 2033 period. These took into account employment forecasts, the local economic profile, commercial floorspace delivery trends, qualitative need and more localised evidence of demand.

xiii. Our conclusions identify the need **for between need for 8 and 12 Hectares of employment land in the National Park**. The demand for Employment Land is likely to be centred around the largest settlements in the National Park including Petersfield, Lewes and Midhurst.

xiv. We would expect much of the demand for B8 floorspace to be met through the reuse of redundant B2 premises and land. Furthermore the B8 demand we have identified is expected to relate to small scale distribution activities, linked to sectors such as local manufacturing, agriculture and forestry. It should not be considered that this B8 demand implies demand for larger warehousing units.

Supply of Employment Land

xv. We have also reviewed the supply of employment land within the National Park and identified the following Core Supply:

- Commitments: sites with extant planning permission for employment development to meet general business needs – 3.8 Ha
- Allocations: Sites allocated (or proposed) within Neighbourhood Plans some of which have planning permission – 4.6 Ha

xvi. Combined this identifies a future supply of 8.4 Hectares of employment land within the National Park.

xvii. Further to the supply GL Hearn also identified four principal existing employment sites across the National Park which should be protected for B-class employment use. These are as follows:

- Site E10 - Bedford Road Industrial Estate, Petersfield;
- Site C15 - Holmbush Industrial Estate, Midhurst;
- Site L1 - North Street/Phoenix Quarter, Lewes (post – redevelopment); and
- Site L2 - Brooks Road, Lewes.

xviii. We have identified a potential supply of employment land within the 8-12 hectares need identified. there is also scope for delivery from mixed use redevelopment of existing redundant employment sites. **Furthermore the delivery of any additional sites for employment or other uses will only be allowed in line with the purposes and duties of the National Park**. i.e. the SDNP authority will only allocate or permit for a level of development which supports conserves and enhances the natural beauty, wildlife and cultural heritage of the National Park.

1 INTRODUCTION

1.1 GL Hearn was commissioned by the South Downs National Park Authority (SDNPA) in July 2014 to prepare an Employment Land Review.

1.2 The dual purposes of the National Park are to conserve and enhance the natural beauty, wildlife and cultural heritage of the National park area and promote opportunities for the understanding and enjoyment of the special qualities of the National Park by the public. National Parks also have a duty to seek to foster the economic and social wellbeing of local communities within the National Park. The purposes of the National Park Authority are defined in statute in the 1995 Environment Act.

1.3 The Employment Land Review (ELR) aims to inform the development of planning policies for employment sites across the National Park within the forthcoming South Downs Local Plan. It considers commercial property market dynamics, future need for employment land and floorspace, existing employment sites in the National Park and potential future employment land allocations.

1.4 The National Park Authority's brief outlined that the key purposes of the Study were to:

- Provide evidence on the basis of which clear strategic goals for the local economy can be set;
- Review existing employment sites and the take-up of different types of floorspace within the National Park;
- Provide up-to-date evidence on the need for employment land and/or commercial floorspace, and on the suitability of existing sites to meet those needs;
- Assess the prospects of existing employment allocations being used for employment purposes in the future;
- Provide evidence on whether the area needs more small units and premises for business start-ups; and
- Assess the strengths and opportunities for growth of a number of key sectors namely food and drink manufacturing, wood related products and tourism.

1.5 The Employment Land Review is informed by Planning Practice Guidance issued by Government on both *Housing and Economic Development Needs Assessments* and *Housing and Economic Land Availability Assessments*. It seeks to address the requirements of these.

1.6 This report sets out the policy context within which employment land and premises operate in the National Park. It provides a review of the national and local policies relevant to the development and safeguarding of employment land within the National Park. A review of the economic and labour market dynamics is then undertaken which considers economic dynamics within the National Park. Information has been drawn from published reports, National Park Authority data, industry databases, stakeholder engagement and GL Hearn research.

1.7 An assessment of employment land supply is set out within the report. This assesses the quality of existing employment sites in Park, as well any vacant land with development potential on these sites. We draw the report together by considering the supply-demand balance for employment provision in quantitative and qualitative terms; and then set out overall conclusions regarding employment land need and to provide guidance on the strategy for meeting this.

1.8 The focus of the study is employment within B-class uses and *sui-generis* uses which typically take place on employment land. This is as defined by the Town and Country Planning Act (Use Classes) Order of 1987[1]. We have also reviewed a number of other sectors and their prospects which do not necessarily occur on b-class employment space.

NOTE

The National Park boundary does not reflect any administrative or standard boundary as the designation is landscape based. Therefore many of the datasets we would normally use do not provide data specifically for the National Park area or any constituent parts (i.e. wards or output areas) which can accurately be aggregated to reflect it.

We have therefore developed a set of Middle Super Output Areas (MSOA) which reflects a best fit to the National Park. However this by its nature extends beyond the National Park boundary and any data relating to it would not directly correspond with the National Park. Indeed it captures many significant villages and suburbs which are outside the National Park - please see Figure 1, on Page 15 for further detail. It should therefore be treated with great caution.

In addition some data has been aggregated to Functional Economic Areas which extend well beyond the National Park boundary. The nature of these areas is provided in more detail in Section 2.

Finally there is also limited data, which is taken from the census, which accurately reflects the National Park itself. Where possible we have used this data as a first choice.

We refer to these areas respectively as:

- Wider South Downs Area (WSDA);
- Functional Economic Market Area (FEMA); and
- The South Downs National Park (SDNP)

1.9 A number of methods have been applied and a variety of paid for and freely available sources have been used to gather information. This has included a desktop assessment of available statistics from the Office for National Statistics (ONS) and Valuation Office Agency (VOA) and targeted key stakeholder engagement.

[1] http://www.legislation.gov.uk/uksi/1987/764/schedule/made

National Planning Policies

1.10 The National Park Authority (NPA) is the planning authority within the National Park. The National Park Authority has statutory purposes to conserve and enhance the natural beauty, wildlife and cultural heritage of the area; and promote opportunities for the understanding and enjoyment of the special qualities of the National Park by the public. In carrying out these duties, the National Park Authority also has a duty to foster the economic and social well-being of local communities within the National Park.

1.11 In addition, Section 62 of the Environment Act 1995 requires all relevant authorities, including statutory undertakers and other public bodies, to have regard to these Purposes. Where there is an irreconcilable conflict between the statutory purposes, the Sandford Principle is statutorily required to be applied and the first Purpose of the National Park will be given priority.

1.12 The Sandford Principle relates to a statement first made by Lord Sandford in his committees report on possible changes to the management and legislation governing National Parks and now in the Environment Act 1995 which states that: 'if it appears that there is a conflict between those two Purposes, any relevant Authority shall attach greater weight to the first [Purpose]'.

1.13 Paragraph 115 in the NPPF reaffirms this, setting out that "Great weight should be given to conserving landscape and scenic beauty in National Parks, the Broads and Areas of Outstanding Natural Beauty, which have the highest status of protection in relation to landscape and scenic beauty. The conservation of wildlife and cultural heritage are important considerations in all these areas, and should be given great weight in National Parks and the Broads."

1.14 Paragraph 116 in the NPPF states that planning permission should be refused for major developments in National Park except in exceptional circumstances and where it can be demonstrated they are in the public interest. Consideration of such applications should include an assessment of:

- the need for the development, including in terms of any national considerations, and the impact of permitting it, or refusing it, upon the local economy;
- the cost of, and scope for, developing elsewhere outside the designated area, or meeting the need for it in some other way; and
- any detrimental effect on the environment, the landscape and recreational opportunities, and the extent to which that could be moderated.

1.15 The statutory purposes of National Park mean that the presumption for sustainable development in regard to meeting objectively assessed development needs, as set out in Paragraph 14 in the NPPF, does not apply in the same way as in other areas. The footnote to paragraph 14 names national parks as a policy area where development should be restricted.

1.16 This said, the National Parks Vision and Circular (2010) outlines that National Park Authorities should encourage new development to broaden the economic base and foster more diverse and higher value local employment purposes where this does not conflict with the statutory purposes.

1.17 The National Planning Policy Framework (NPPF) was published in March 2012 with the aim of making planning more streamlined and accessible.

1.18 The purpose of the NPPF and the wider planning system is to contribute towards sustainable development. The policies in the NPPF set out the government's view on what sustainable development means in practice. There are three core dimensions to achieve this:

- **an economic role** – contributing to building a strong, responsive and competitive economy, by ensuring that sufficient land of the right type is available in the right places and at the right time to support growth and innovation; and by identifying and coordinating development requirements, including the provision of infrastructure;
- **a social role** – supporting strong, vibrant and healthy communities, by providing the supply of housing required to meet the needs of present and future generations; and by creating a high quality built environment, with accessible local services that reflect the community's needs and support its health, social and cultural well-being; and
- **an environmental role** – contributing to protecting and enhancing our natural, built and historic environment; and, as part of this, helping to improve biodiversity, use natural resources prudently, minimise waste and pollution, and mitigate and adapt to climate change including moving to a low carbon economy.

1.19 The NPPF requires local authorities to set a clear economic vision and strategy based on an understanding of the existing business needs, likely changes in the market and any barriers to investment. This understanding should be achieved through working with the local business community, local authorities across the National Park area and the Local Enterprise Partnerships (LEPs).

1.20 Paragraphs 18 to 22 to the NPPF set out the Government is committed to ensuring that the planning system does everything it can to support sustainable economic growth, and that significant weight should be placed on the need to support economic growth through the planning system. It sets out a requirement for local planning authorities to plan proactively to meet the development needs of businesses and support an economy fit for the 21st Century. In drawing up local plans, it requires local authorities to:

- Set out a clear economic vision and strategy;
- Set criteria or identify strategic sites for local and inward investment;
- Support existing business sectors and where possible identify and plan for new or emerging sectors likely to locate in the area. Policies should be flexible enough to accommodate needs not anticipated in the Plan;
- Plan positively for the location, promotion and expansion of clusters or networks of knowledge driven, creative or high technology industries;

- Identify priority areas for economic regeneration, infrastructure provision and environmental enhancement; and
- Facilitate flexible working practices.

1.21 Paragraph 22 in the NPPF states that planning policies should avoid the long term protection of sites allocated for employment use where there is no reasonable prospect of a site being used for that purpose. Where there is no reasonable prospect of a site being used for the allocated employment use, applications for alternative uses of land or buildings should be treated on their merits having regard to market signals and the relative need for different land uses to support sustainable local communities.

1.22 Paragraph 160 and 161 set out that local planning authorities should have a clear understanding of business needs within the economic markets operating in and across their area. To do this they should work with Local Enterprise Partnerships (LEPs), the business community, county and neighbouring authorities to understand business needs, likely changes in the market and barriers to investment. They should use their evidence base to assess the land and floorspace for economic development, including the quantitative and qualitative needs for all foreseeable types of economic activity and the existing and future supply of land.

Planning Practice Guidance

1.23 The National Planning Practice Guidance (NPPG) was published by Government in March 2014. This includes guidance on *Housing and Economic Development Needs Assessments*.

1.24 This Guidance sets out that an assessment should be undertaken to identify the future quantity of land and floorspace required for economic development uses, including both the quantitative and qualitative needs for new development; to provide a breakdown of this in terms of quality and location; and to provide an indication of gaps in the current land supply.

1.25 The assessment of need is intended to be realistic, taking account of the particular nature of that area and exploring future scenarios only where these could realistically be expected to occur. The assessment is expected to consider dynamics across the Functional Economic Market Area (FEMA).

1.26 In understanding the current market in relation to economic and main town centre uses, the Guidance outlines that plan makers should liaise closely with the business community to understand their current and potential future requirements and should take account of:

- The recent pattern of employment land supply and loss to other uses (based on planning applications);
- Market intelligence, including from local data and discussions with developers and property agents, recent surveys of business needs or engagement with business and economic forums;

- Market signals, such as levels and changes in rental values, and differentials between land values in different uses;
- The existing stock of employment land, data on take-up of sites, and public information on employment land and premises required and any evidence of over-supply and/or evidence of market failure;
- Information held by other public sector bodies and utilities in relation to infrastructure constraints; and
- The locational and premises requirements of particular types of business.

1.27 The Guidance states that employment land should be analysed through a simple typology of employment land by market segment and by sub-areas, where there are distinct property market areas within authorities. When examining the recent take-up of employment land, consideration should be made to projections (based on past trends) and forecasts (based on future scenarios) and identify occurrences where sites have been developed for specialist economic uses. Analysing supply and demand will allow Councils to identify whether there is a mismatch between quantitative and qualitative supply of and demand for employment sites.

1.28 The Guidance sets out that an assessment of future needs should be based on current and robust data. Emerging sectors that are well suited to the area being covered by the analysis should be encouraged where possible. Key evidence to consider includes:

- sectorial and employment forecasts and projections (labour demand);
- demographically derived assessments of future employment needs (labour supply techniques);
- analyses based on the past take-up of employment land and property and/or future property market requirements;
- consultation with relevant organisations, studies of business trends, and monitoring of business, economic and employment statistics.

1.29 Evidence of need and supply then need to be brought together. The Guidance outlines that the available stock of land should be compared with the particular requirements of the area so that 'gaps' in local employment land provision can be identified. The increasing diversity of employment generating uses requires different policy responses and an appropriate variety of employment sites.

1.30 National policy recognises that functional economies transcend local authority administrative boundaries. Responsibilities for coordinating economic development activities now rest with the newly-established Local Enterprise Partnerships.

Report Structure

1.31 In summary, the remainder of the report is structured as follows:

- Section 2: the Geography of the South Downs National Park
- Section 3: Economic Baseline
- Section 4: Key Sectors
- Section 5: Commercial Property Market Assessment

- Section 6: Supply of Sites
- Section 7: Forecasting of Future Demand and
- Section 8: Conclusions.

2 THE GEOGRAPHY OF THE NATIONAL PARK

2.0 The South Downs National Park was established in 2010, with the new National Park Authority coming into operation in April 2011. It is the newest of England's National Parks, stretching for 100miles from Winchester in the West to Eastbourne in the East. It is designated because of the quality of its landscape and natural environment.

Defining a National Park Geography for Analytical Purposes

2.1 For the purposes of assessing the National Park's economy, the geography of the area is somewhat problematic. This was highlighted by the Office for National Statistics (ONS) in March 2014 when they stated that their "OA best-fit approach tends to produce poor estimates for National Parks due to their unique geography and sparse populations".[2]

2.2 This becomes even more problematic with data sources which are only available at a Middle-level Super Output Area (MSOA) level. In such circumstances it is difficult to undertake meaningful analysis without over-estimating figures. This should be borne in mid in reading the analysis in this report.

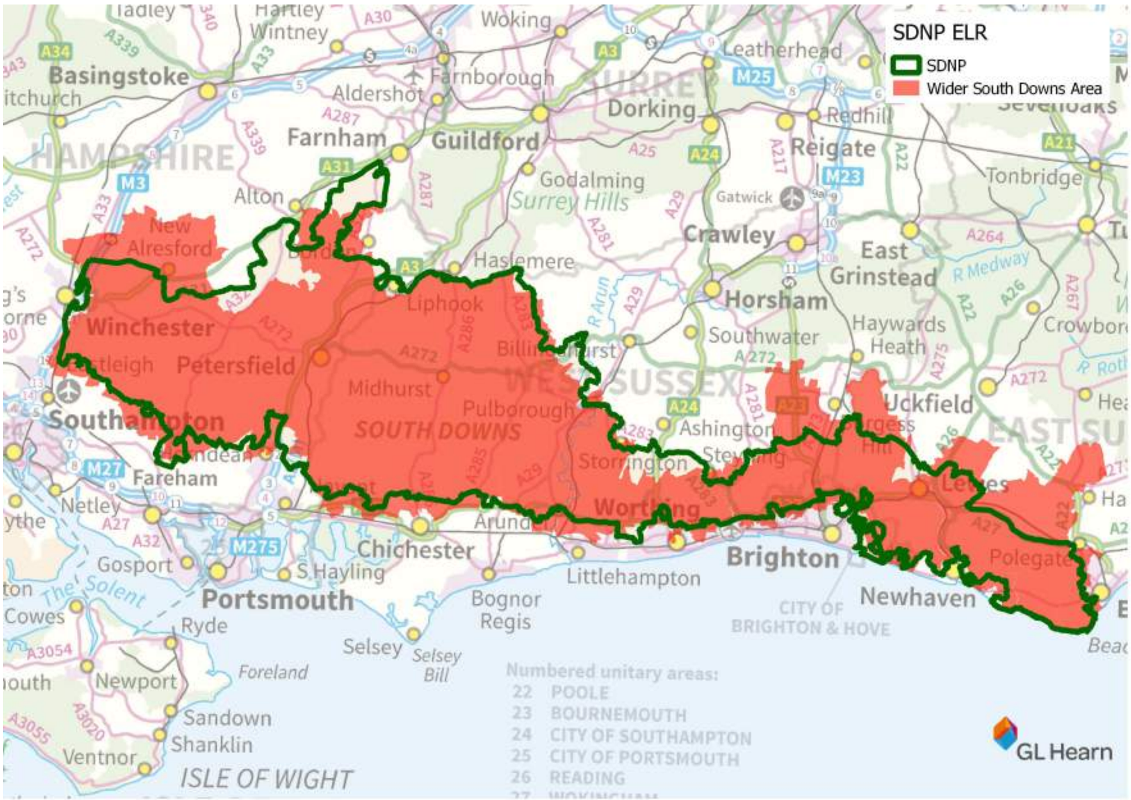
2.3 We have established a "best fit" of MSOAs to the National Park boundary for analytical purposes. A map of these MSOA can be found in Figure 1 along with a list of the MSOAs which comprise it in Appendix B. This is also referred to as the Wider South Downs Area (WSDA). This area includes locations outside of the National Park. Although we have provided indicative need for the Wider South Downs Area, policy and the calculation of need for the area outside of the National Park, remain the prerogative of the relevant local authorities.

2.4 Any analysis provided using this geographic level must therefore come with some caveats about the accuracy of the data. As Figure 1 shows, this geography extends beyond the National Park's boundaries as well as not including some other parts within the National Park. Providing data for the WSDA is a practical solution to data collection, but will inevitably result in an overestimation of figures dealt with in this report.

2.5 The WSDA is comprised of those MSOAs in which at least 85% of the land mass is located within the National Park. While this approach has its limitations, by taking a cut off at such a high level there is a far closer alignment between the known population in the National Park and that for the Wider South Downs Area. Alternative methodologies such as aggregating those MSOAs which had a majority of their land mass (50%) or any of their land mass was within the SDNP boundary were considered. However these approaches resulted in an further deviation from the known population for the National Park. For consistency this definition of the WSDA is also used in the SHMA.

[2] ONS, Statistical bulletin: Annual Mid-year Population Estimates for National Parks, Mid-2002 to Mid-2012

Figure 1: Wider South Downs Area and SDNP



Source: GL Hearn using ONS data

2.6 It should also be noted that there are still some inconsistencies between the best fit area and the National Park boundary. The boundary of the National Park has been drawn quite closely to a number of relatively large settlements that fall just outside the National Park but fall within the best fit area, most notably:

- Bishops Waltham, Winchester
- New Alresford, Winchester;
- Horndean, East Hampshire;
- Bordon, East Hampshire;
- Arundel, Arun;
- Significant parts of Worthing;
- Sompting, Adur;
- Significant parts of Shoreham and Southwick, Adur;
- Falmer and Coldean, Brighton and Hove;
- Significant parts of Seaford, Lewes
- Hassocks and Hurstpierpoint, Mid Sussex
- Steyning, Horsham;
- Ashington, Horsham;
- Storrington, Horsham; and
- Pulborough, Horsham.

2.7 This will influence statistical analysis. However it should be recognised that these places may provide employment opportunities for residents living in the National Park and are thus relevant in considering economic conditions.

2.8 There are a number of key differences between the South Downs National Park and this Wider South Downs area. The South Downs National Park is generally more affluent as shown by higher percentage of professional employees and higher level of qualifications as well as higher house prices. Generally the population is also slightly older and with a resultant lower percentage of economic activity.

2.9 Some key statistics data has been produced by ONS for the area directly related to the National Parks. Where possible this information is contained within the report.

2.10 Furthermore at over 1,650 sq km the South Downs National Park and analysis at this scale will tend to lose much of the variance across the area. We have therefore sought to identify the functional economic market areas (FEMA) which operate across the National Park in order to provide some sub-area analysis where possible.

Functional Economic Market Areas which cut-across the National Park

2.11 The Planning Practice Guidance outlines that analysis of employment development needs should take account of Functional Economic Market Areas, setting out that:

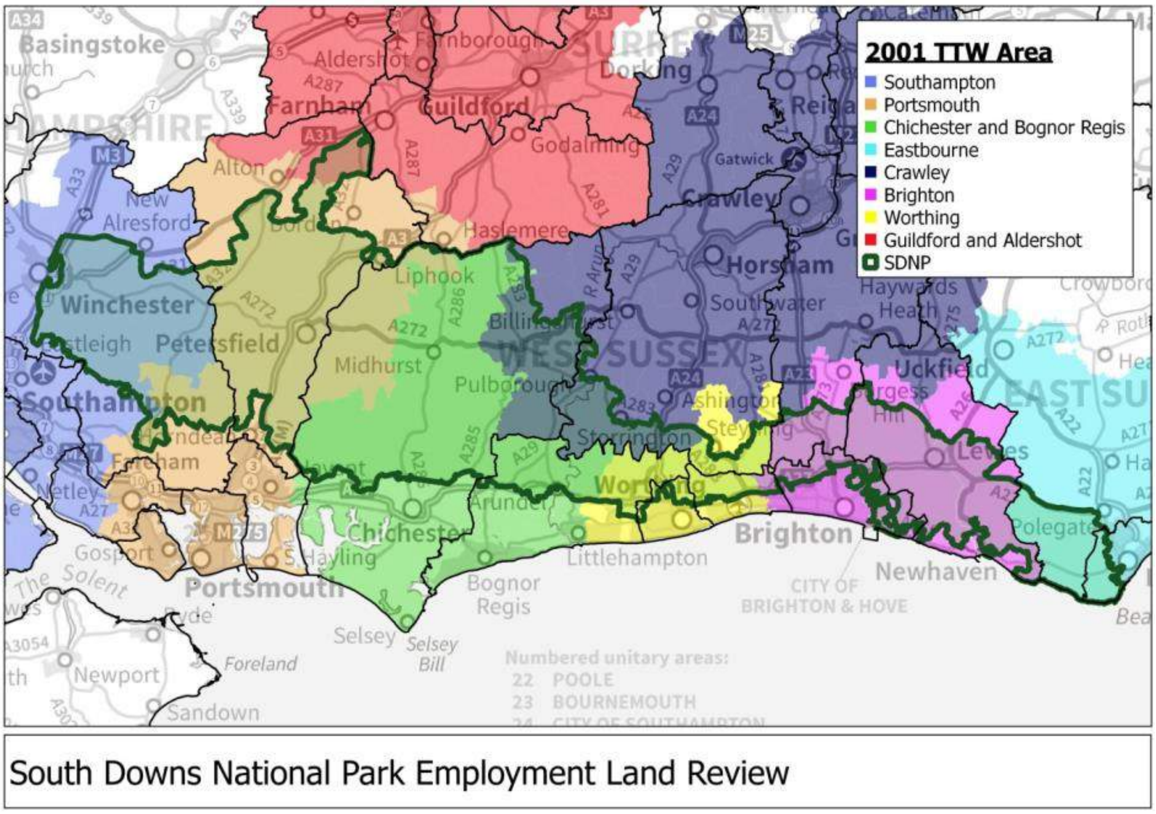
> *"the geography of commercial property markets should be thought of in terms of the requirements of the market in terms of the location of premises, and the spatial factors used in analysing demand and supply – often referred to as the functional economic market area"* [ID 2a-013-20140306]

2.12 As a starting point for these FEMAs we have reviewed the ONS and Newcastle University's 2007 work establishing the Travel to Work areas (TTWAs). The Travel to Work areas reflected the areas where the bulk of the resident population also work within the same area, based on analysis of 2001 Census data.

2.13 The criteria for defining the TTWAs was that generally at least 75% of an area's resident workforce work in the area and at least 75% of the people who work in the area also live in the area. The area must also have a working population of at least 3,500. However where the working population was in excess of 25,000, self-containment rates as low as 66.7% are accepted.

2.14 This resulted in 243 TTWAs being defined in 2007, of which eight intersected with the South Downs National Park. How these areas correspond with the National Park is outlined in the map below.

Figure 2: Map of 2001 Travel to Work Areas



Source: ONS, 2007

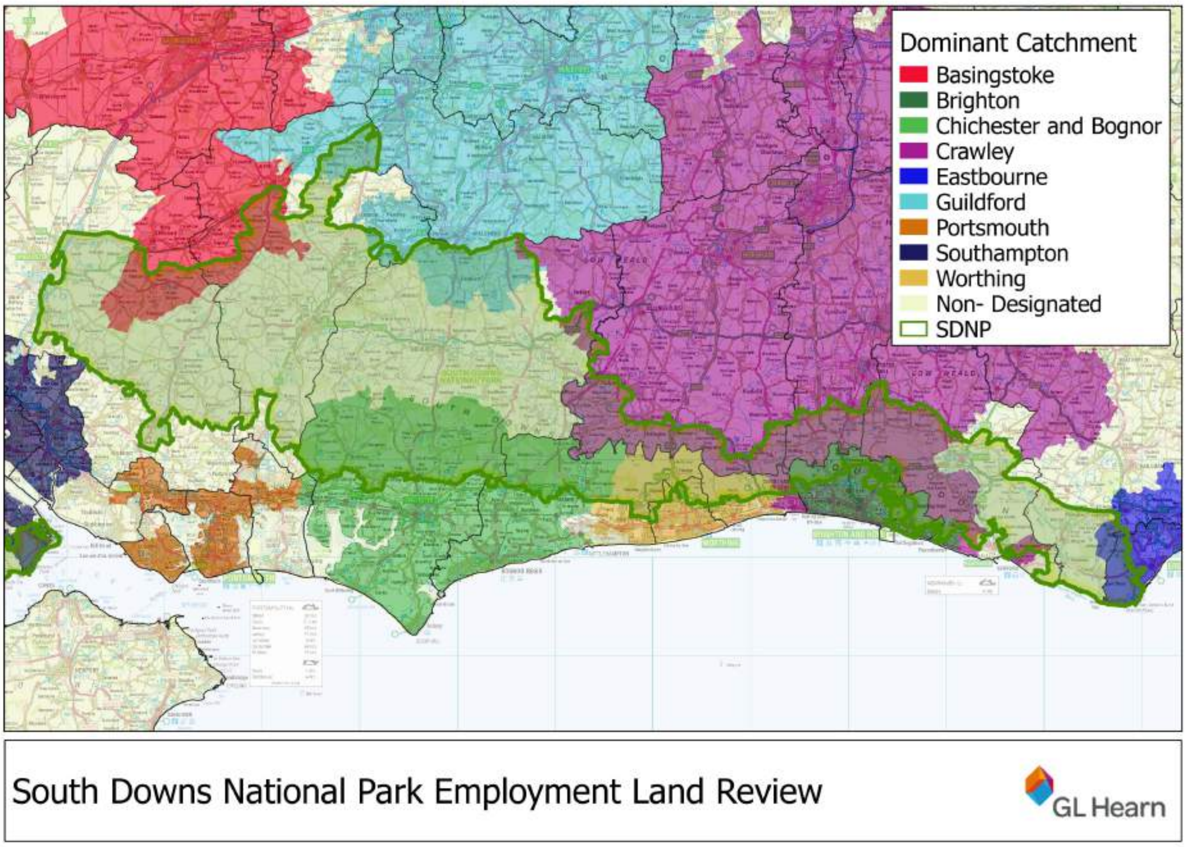
2.15 However, these areas are reliant on using 2001 Census information on home and work addresses, and are based on Lower Level Super Output Areas in England and Wales. Taking these TTW areas and their core settlements as a starting point we have sought to update the TTW areas using the recently released 2011 Census data. We have also reviewed Basingstoke which is a little outside of the National Park. For each settlement we have defined the following catchments:

- Primary Catchment – Which reflects the Middle-Level Super Output Areas (MSOAs) with the highest contribution of employees comprising 75% of the workforce for the employment centre;
- Secondary Catchment – Which reflects the MSOAs with the highest contribution of employees comprising 75%-90% of the workforce for the employment centre;
- Full Catchment – Which reflects the MSOAs which contribute any employees to the target employment centre

2.16 These catchments demonstrate the areas of influence of each of the economic centres in terms of the area from which employees are drawn. The 75% containment rate we have used for our primary catchment broadly aligns with that used by ONS to define TTWAs using the 2001 Census data. Due to data availability, these are also drawn using MSOA rather than LSOA as used by ONS. Maps of these catchments can be found in the appendix.

2.17 We have combined the primary catchment for these areas to provide Figure 3. This illustrates the proportional importance each MSOA has to the economic function of the employment centre. It does not however show the major destination of employment from each MSOA.

Figure 3:Primary Catchment Combined (2011)



Source: ONS Census 2011

2.18 Some issues with the use of this data are highlighted in the area around Brighton. Because of the high number of jobs and the high levels of self-containment, much of the suburban areas of the City are proportionally less important to the City in terms of providing a labour force. As a result these areas are placed under Crawley and Gatwick's dominant catchment. In contrast, Crawley and Gatwick have a high number of jobs but fewer residents in relative terms. They therefore require a much larger catchment and smaller flows from a larger number of MSOAs would comprise their primary catchment areas.

2.19 In addition there are large areas of the National Park which are not designated to any of the major employment centres. This is as a result of the commuters from these areas travelling in multiple directions and their number not having a significant impact on the employment catchment of any single one of the economic centres considered.

2.20 A more practical solution it to understand the *main destination of employment* for each MSOA. The map below illustrates which employment centre receives the highest number of commuters from any given MSOA in the South Downs National Park and the surrounding areas. We have restricted the flows to just those over 50 to filter out more tenuous links.

2.21 This analysis shows a more consistent picture across the National Park area. It also aligns more closely with the 2001 Travel To Work Areas as defined by ONS. Only the areas of the National Park around Bordon and Alton are not defined as part of any of these catchments. This is because they do not have any significant flows to any of the major employment centres.

Figure 4: Main Destination of Employment (2011)

Source: GL Hearn based on ONS 2011 Census data

2.22 While recognising that more localised links exist, these areas are not particularly practical for plan-making purposes, not least as key economic and labour market data is not published below local authority level between censuses. We have therefore aggregated the areas up to functional economic market areas using a best fit of local authority (see map overleaf).

2.23 The western part of the National Park falls within Winchester and East Hampshire local authorities. Through other long-standing work these 'Central Hampshire' local authorities have been split between the southern parts which relate more towards Portsmouth and Southampton (the PUSH Area) and the northern parts which fall outside of the PUSH area.

2.24 While these areas have some links with either or both of Basingstoke and Guildford (in Surrey) they are not part of the core functional economic area of either, nor does any part of the National Park falls within the Partnership for Urban South Hampshire (PUSH) area. Although this is in part linked to Landscape.

2.25 We recognise there is an economic inter-relationship between South Hampshire and parts of the National Park, particularly in commuting terms to and from Portsmouth and Southampton and those parts of the National Park along the A3 and M3.

2.26 This is in effect this part of the National Park is an area of overlap where there are economic relationships with both Basingstoke and Guildford to the north and Southampton and Portsmouth to the south, along the A3 and M3 Corridors.

2.27 We have therefore identified those areas of the National Park in Winchester and East Hampshire as a Central Hampshire FEMA, reflecting these relationships both to larger employment centres to the north and south as well as the existing definitions of the PUSH area in these local authorities.

Figure 5:Functional Economic Market Areas

Source: GL Hearn based on ONS data, 2011

2.28 Further to this there are also identifiable links with East Hampshire and Hart, and Chichester and Waverley Districts. This is particularly linked to travel along the A31/A3 and A286/A283 respectively. However, Waverley's relates more strongly towards and forms part of a Guildford-focused FEMA and HMA. Similarly Hart is more closely related Rushmoor and Surrey Heath local authorities.

2.29 The FEMAs which include parts of the National Park comprise:

- Brighton
- Chichester and Bognor
- Northern West Sussex
- Eastbourne
- Central Hampshire; and
- Worthing.

2.30 A workshop involving key economic stakeholders, including local authority economic development officers and the LEPs was held on 29th September 2014 to test the emerging findings regarding FEMAs, and this report's conclusions reflect stakeholder feedback.

3 EMPLOYMENT BASELINE

3.0 This section of the report moves on to consider economic and labour market dynamics across the National Park.

Labour Market Characteristics

Age Structure

3.1 The 2011 Census, gives the population of the National Park as 112,343, living in 47,232 households. Using the MSOA "best fit" definition, the population of Wider South Downs Area (WSDA) is just under 372,000 people – a significantly higher level, illustrating the population close to (but not within) the National Park's boundaries. This equates to only around 30% of the population of the Wider South Downs Area residing within the National Park.

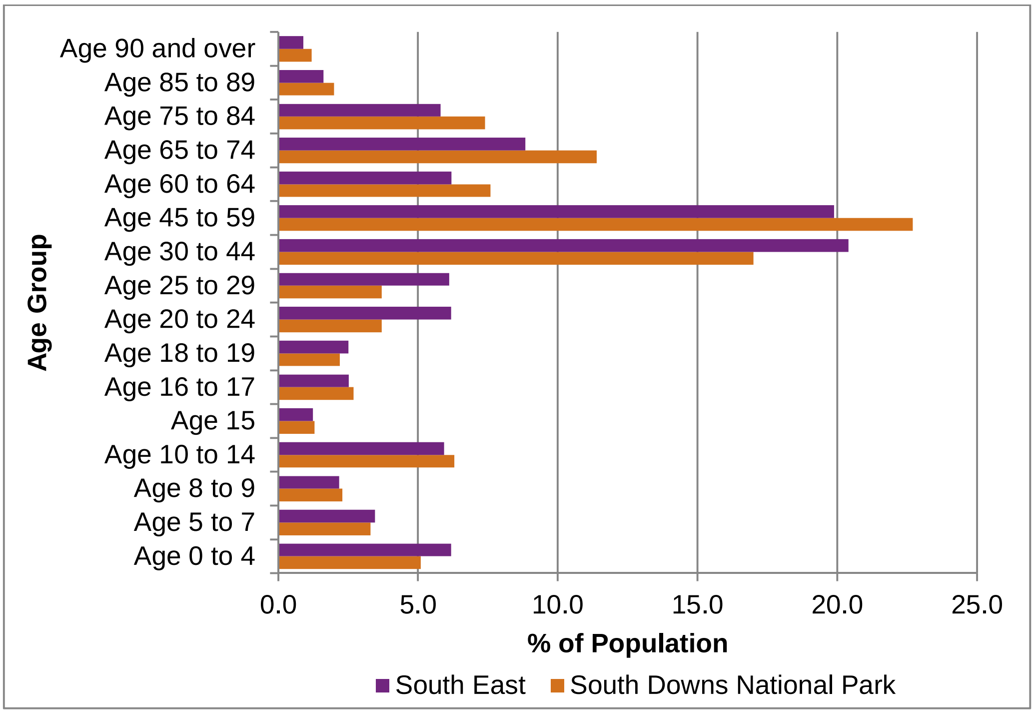
3.2 The Census data calculated that 59.6% of the National Park population is of working age (16-65). This is lower than the South East (63.8%), and England and Wales (64.7%).

3.3 As illustrated by Figure 6, the National Park has a much lower percentage of 18-44 year olds residents compared to the South East. This is particularly stark in the 30-44 age group, which comprises just 17% of the National Park's population. By comparison, the South East figure is 20.5% and the figure for England and Wales is 20.4%.

3.4 In contrast the population profile shows a high percentage of those aged over 45 and older have children aged 8-17. This would indicate high numbers of older persons; and families with teenage children. This is likely to be directly linked to the high cost of living in the National Park precluding younger professionals (and their families) and other younger/ first time buyers from locating there.

3.5 The proportion of residents of retirement age is around 22% in the National Park, compared to 18% in the South East, and 16% in England and Wales.

Figure 6: Population by age groups in the SDNP and the South East, 2011

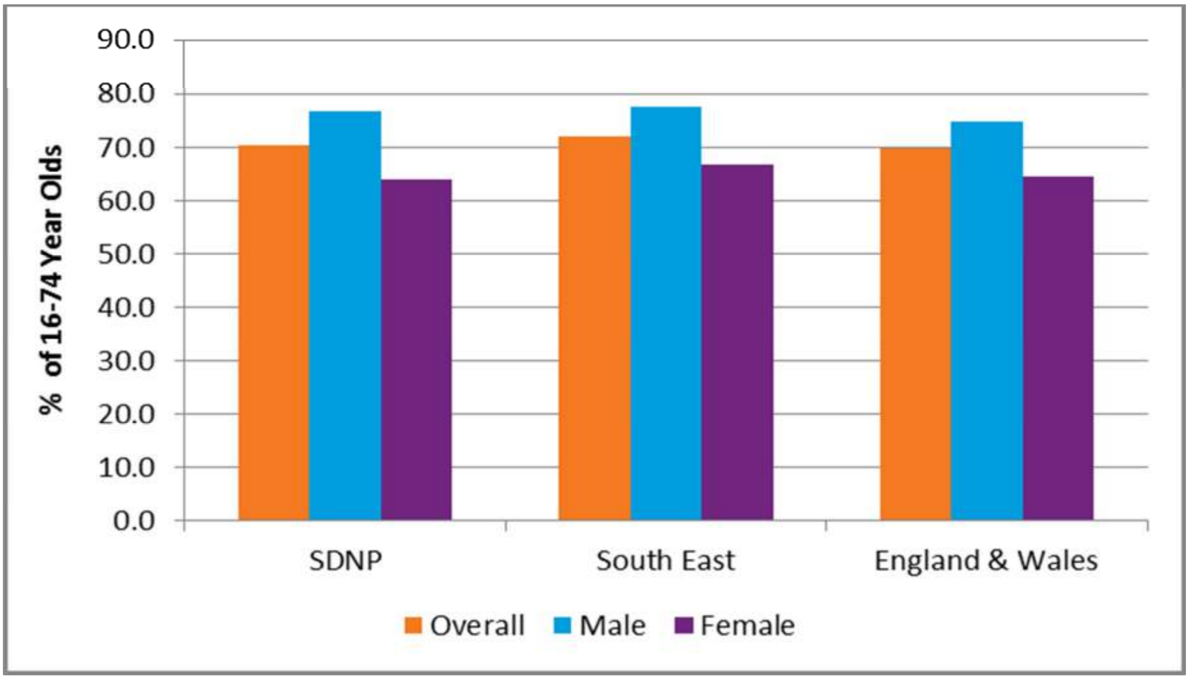


Source: Census (2011)

Economic Activity

3.6 Economic activity rates described the proportion of people aged 16-74 who are in employment or seeking work. Economic activity rates in the South Downs National Park (70.3%) are slightly lower to those across the South East (72.1%) but above those for England (69.7%). Economic activity in the National Park is characterised by a relatively higher percentage of economically active males (76.8%) – a phenomenon seen regionally and nationally, while female economic activity in the National Park is 64%.

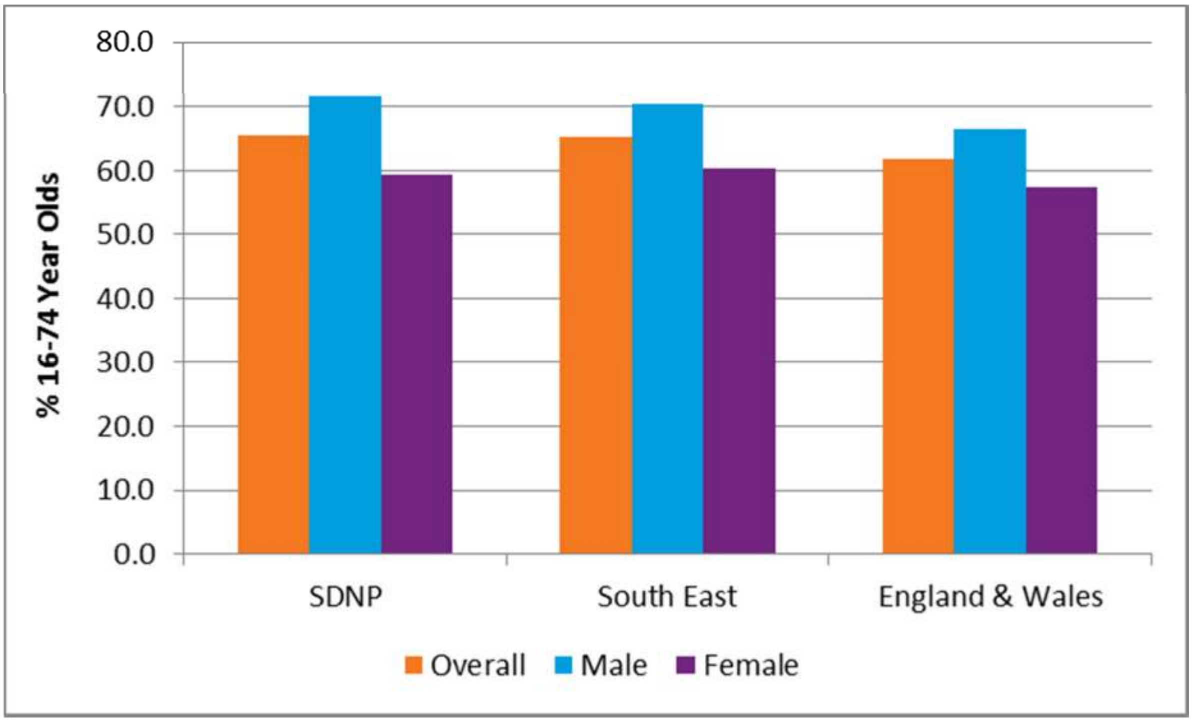
Figure 7: Economic Activity Rates for SDNP and Comparators (2011)



Source: Census (2011)

3.7 The employment rate describes the proportion of people aged 16-74 in employment. The Employment Rate in the National Park (65.4%) is in line with the South East (65.3%) and higher than England and Wales (61.9%). Again this is driven by very high levels of male employment (71.7%), which is again slightly higher than the South East figure (70.3%). Female employment (59.4%) is slightly below the regional rate (70.0%).

Figure 8: Employment Rates SDNP and Comparators (2011)

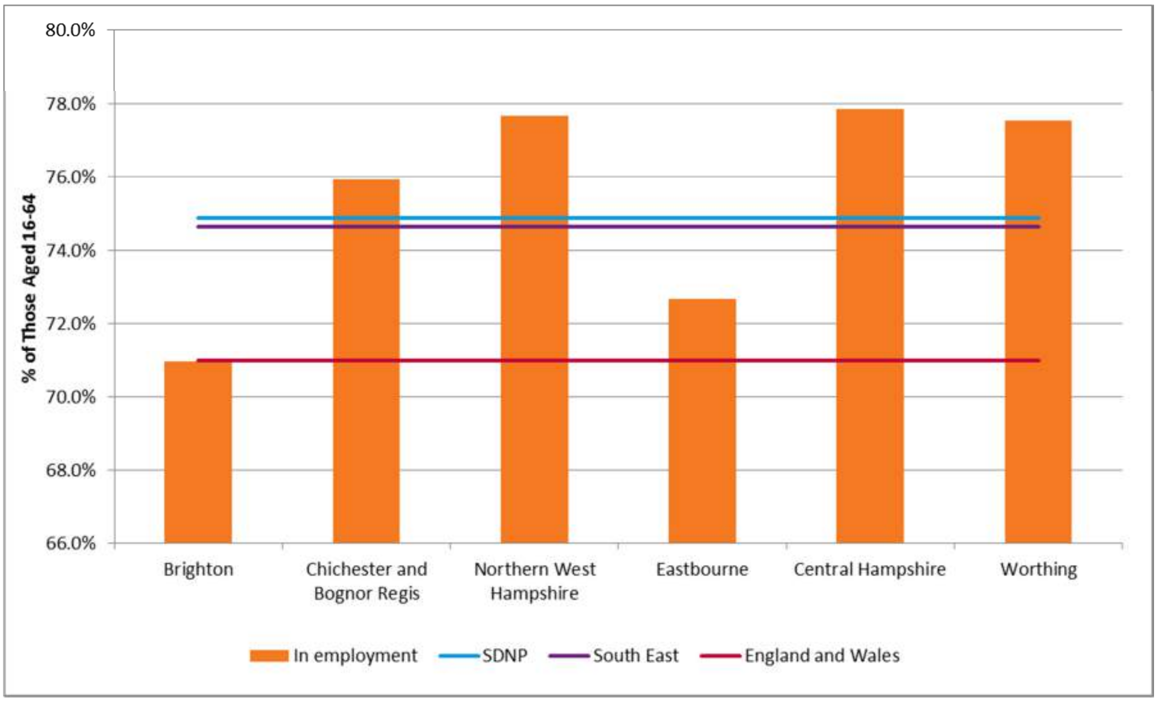


Source: Census (2011)

3.8 There is some variance in employment rates between the FEMAs, with employment rates above the South East rate in the Chichester and Bognor Regis, Northern West Sussex, Central Hampshire and Worthing FEMAs. Employment rates are lower in Brighton and Eastbourne FEMAs with employment in Brighton slightly below the England and Wales rate. This analysis reflect the working age population rather than the 16-74 year olds previously used; and also the wider MSOA defined area.

3.9 The low employment rate in Brighton is perhaps explained by the presence of two university campuses close to the National Park borders. Such areas generally have lower employment rates reflecting the student population. More widely, the Universities themselves and their connected suppliers are actually drivers of economic growth.

Figure 9: Employment Rates by FEMA (2011)



Source: Census (2011)

3.10 There is a high percentage of self-employment throughout the Wider South Downs area, with levels in all of the FEMAs being above national and regional averages. There are a notably higher proportion of 16 to 64 year olds working in part time positions than in the comparator areas. The highest levels of self-employment are in the Chichester and Bognor Regis FEMA.

Table 1: Type of Employment by FEMA, % of 16-64 Year Olds (2011)

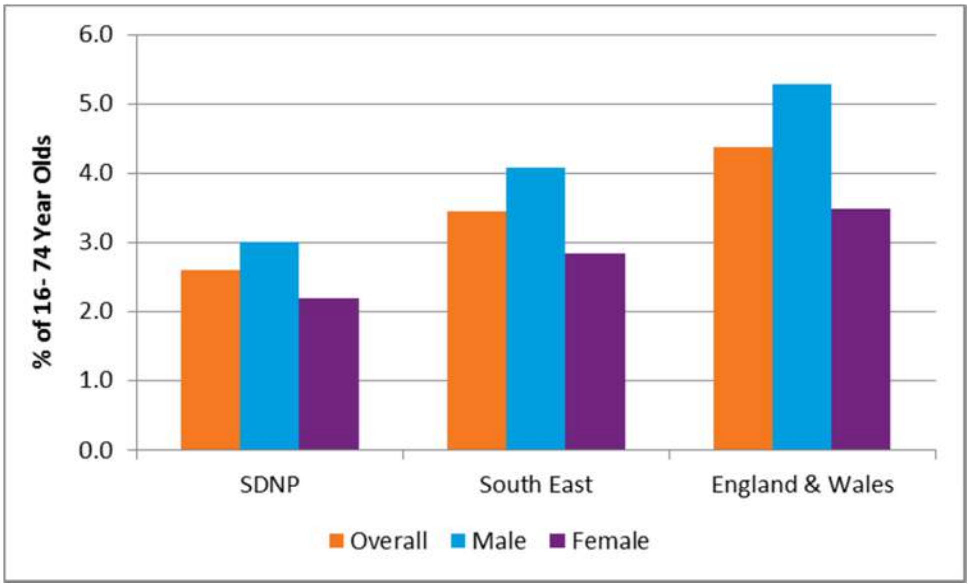
FEMA	Employees	Self Employed	Full-Time	Part-Time
Brighton	79.5%	20.5%	66.2%	33.8%
Chichester & Bognor Regis	75.0%	25.0%	69.3%	30.7%
Northern West Sussex	78.0%	22.0%	69.0%	31.0%
Eastbourne	78.2%	21.8%	66.9%	33.1%
Central Hampshire	80.4%	19.6%	70.6%	29.4%
Worthing	82.9%	17.1%	68.7%	31.3%
South East	84.8%	14.6%	73.6%	26.1%
England	85.6%	13.7%	74.0%	25.5%

Source: Census (2011)

Unemployment

3.11 At 2.6% of 16- 74 year olds, unemployment in the National Park is much lower of than the rest of the South East (3.4%) and England and Wales (4.4%). Unemployment is slightly higher in males (3.0%) than females (2.2%), a pattern which is repeated across the comparator areas.

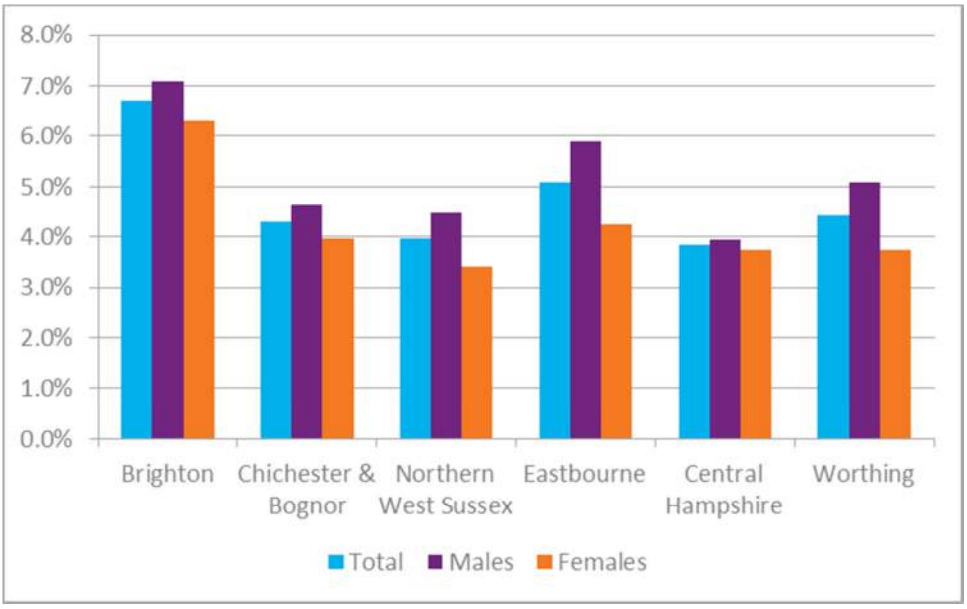
Figure 10: Unemployment Rate (% of 16-64 Year Olds) for SDNP and Comparators (2011)



Source: Census (2011)

3.12 Figure 11 shows that across the Wider South Downs Area FEMAs, the highest unemployment rates are seen within the Brighton FEMA which is likely due to the presence of full-time students looking for work, which is included in the data. However, students are not all necessarily economically inactive.

Figure 11: Unemployment Rate (% of 16-64 Year Olds) by FEMA (2011)



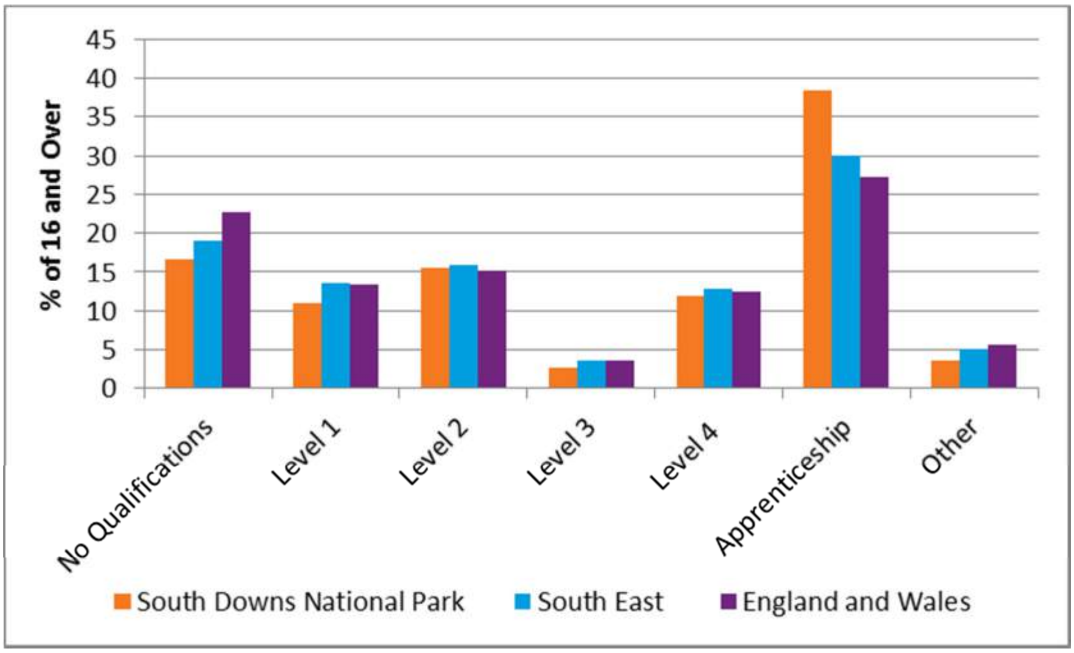
Source: Census (2011)

Skills and Qualifications

3.13 The South Downs National Park has a lower proportion (11.8%) of residents over 16s educated to at least NVQ Level 4 than is seen in the South East (12.8%) or across England and Wales (12.3%) as a whole. Level 4 is the equivalent to obtaining a diploma, Foundation degree, nursing or teaching qualification. This is likely to reflect low skills base within the existing population.

3.14 However, there is a smaller proportion of over 16s in the National Park with no qualifications (16.7%), than regional (19.1%) or national levels (22.7%). An above average proportion of Park residents have apprenticeships. This may reflect traditional industries and the reliance on construction, manufacturing and selected service sectors which traditionally offer apprenticeships.

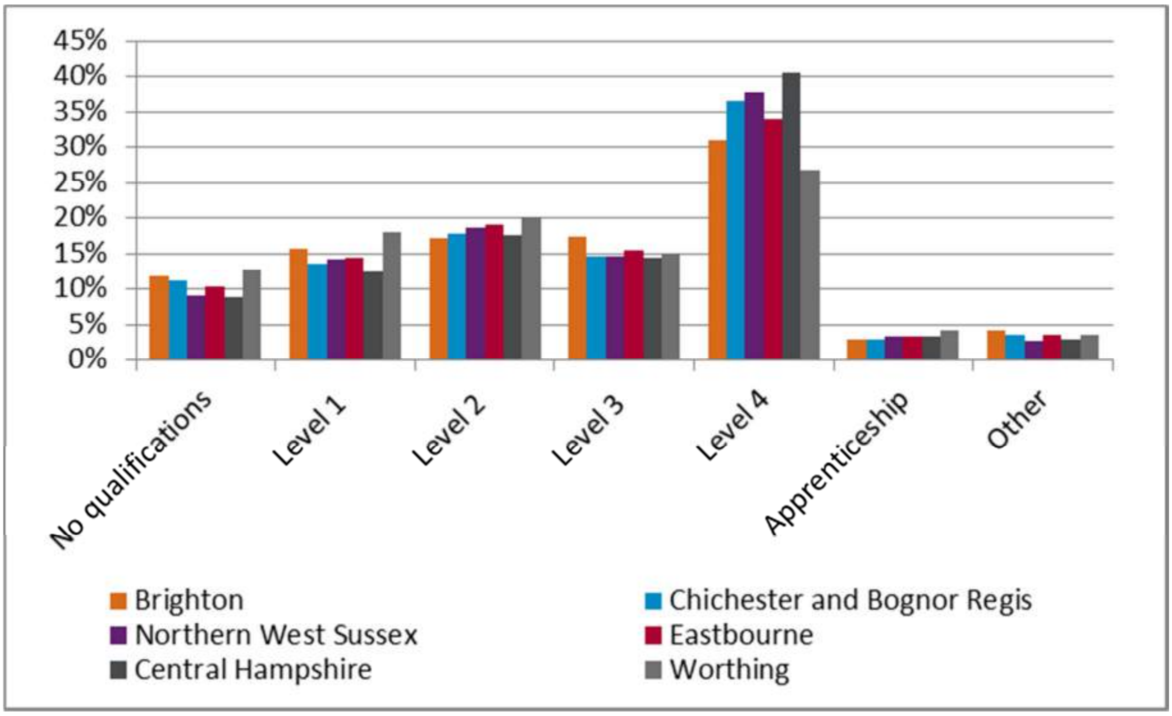
Figure 12: Qualification Level of Residents, % of 16-64 Year Olds, SDNP and Comparators (2011)



Source: Census (2011)

3.15 Across the Wider South Downs FEMAs we can see that Worthing has the highest proportion of the population with no qualifications and the lowest proportion of the population with level 4 qualifications or above. The opposite is true of Central Hampshire which has the lowest unqualified population and largest percentage of level 4 or higher qualifications.

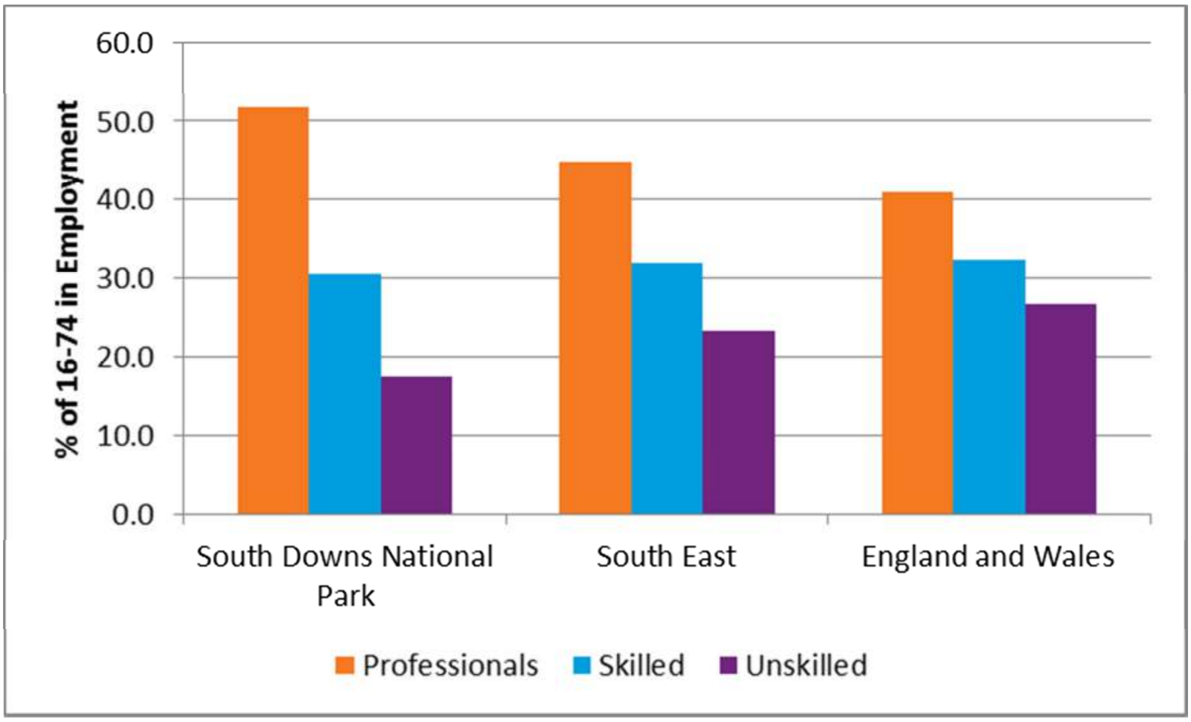
Figure 13: Qualification Level of Residents, % of 16-64 Year Olds by FEMA (2011)



Source: Census (2011)

3.16 Despite having a slightly lower percentage of the population qualified to degree level, the National Park has a higher percentage of residents employed in Professional occupations (51.9%). This includes managers and directors, professional occupations and associate professional and technical occupations sub-categories. This is higher than the equivalent figures for the South East (44.8%), and England and Wales (40.9%).

Figure 14: Occupation Levels for SDNP and Comparators (2011)



Source: Census (2011)

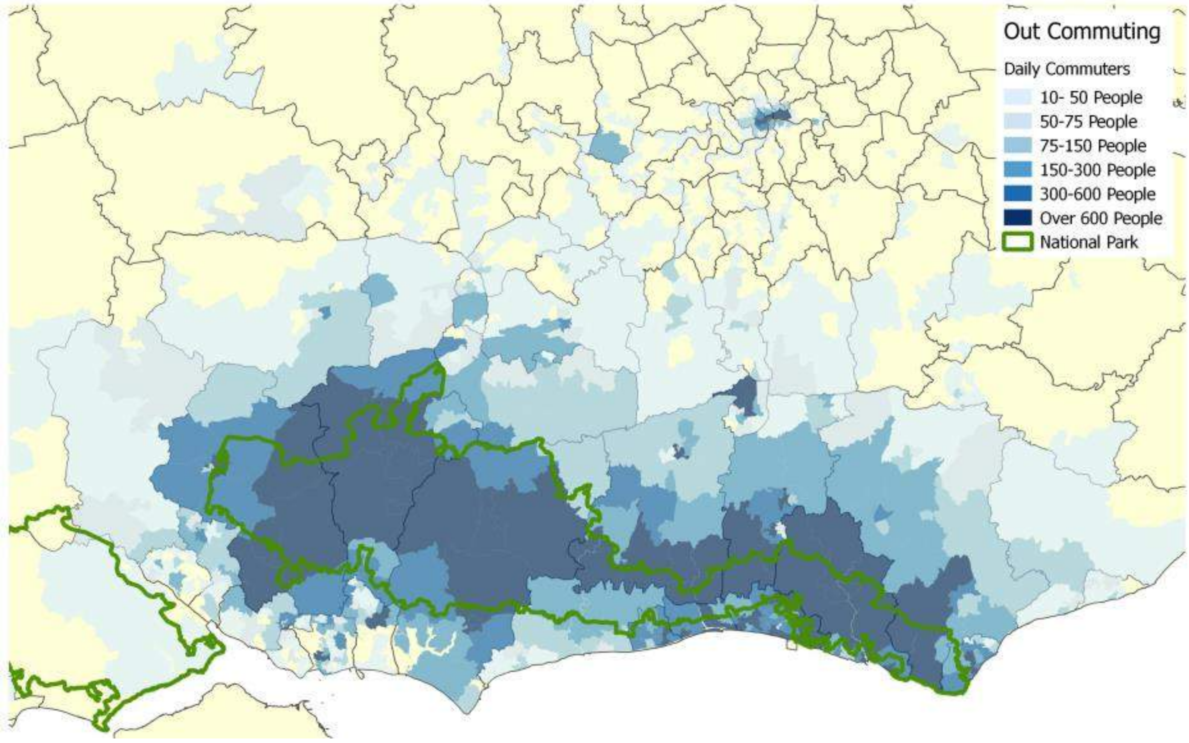
3.17 Conversely the percentage of workers in unskilled occupations including: sales and customer service occupations, process, plant and machine operatives and elementary occupations, is much lower in the National Park (17.5%), than elsewhere.

Commuting Patterns

3.18 Figure 15 shows the destination of daily commuting from residents of the National Park. Its shows that the most popular locations for residents to work within are in or close to the National Park. However only around 5% of working residents within the WSDA who commute have a place of work which is within this area. There is thus significant commuting to areas outside of the National Park for work.

3.19 The main commuting destinations outside of the National Park include Central London, Gatwick Airport, Brighton City and Chichester Town. When the MSOAs are aggregated to their local authorities the most popular locations are those in and around the National Park. Most notable is Brighton and Hove where around 23% of the Wider South Downs Area's working residents are employed.

Figure 15: Out Commuting Flows from Wider South Downs area



Source: GLH and ONS, 2011

3.20 Other notable locations of employment for the Wider South Downs residents include Worthing, Eastbourne and Winchester, all of which employ more than 5% of all residents. Table 2 below outlines the main destination of Wider South Downs residents.

Table 2: Main Employment Locations of Wider South Downs Area Residents (2011)

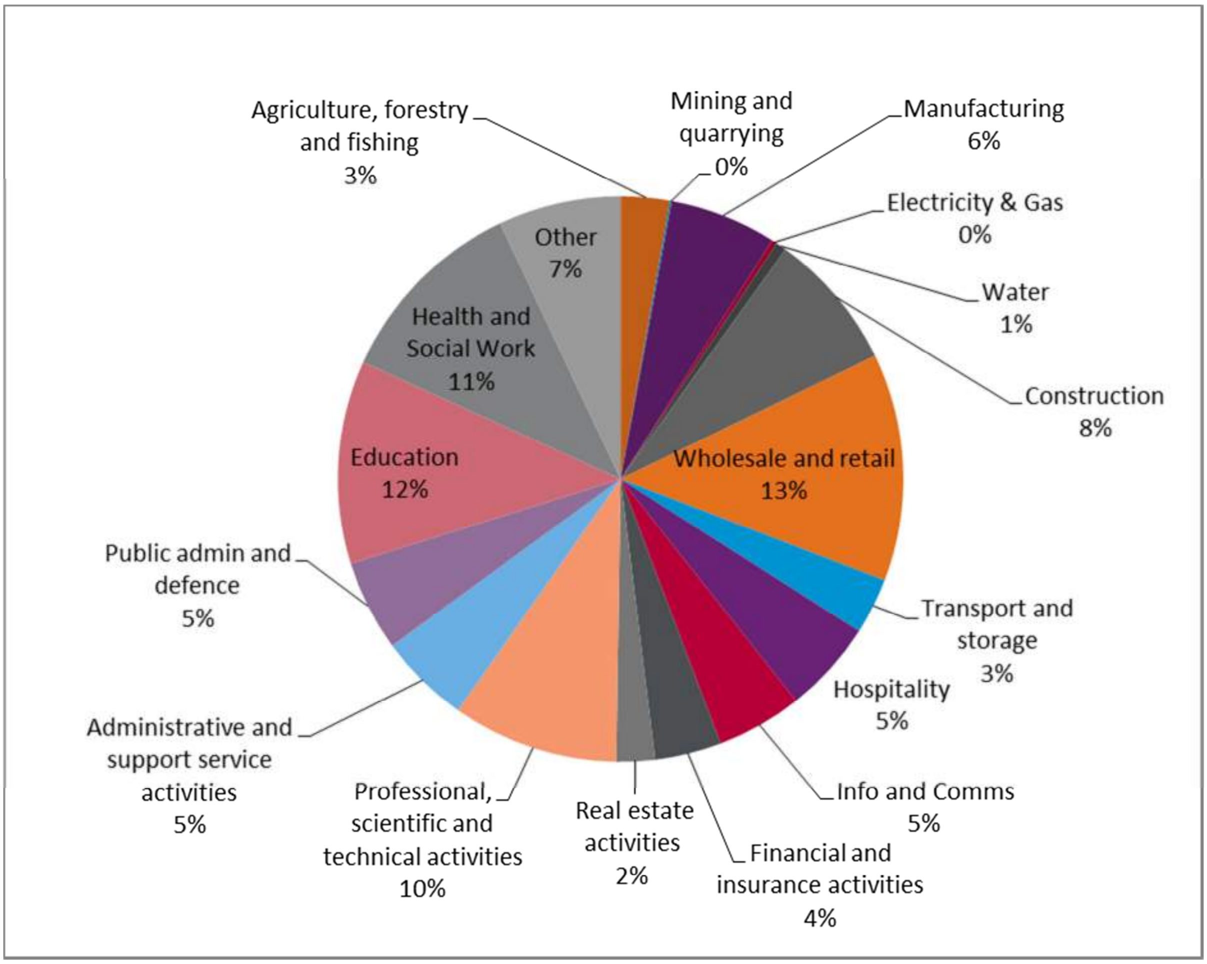
Workplace	Commuters	%
Brighton and Hove	22,724	23%
Worthing	5,840	6%
Eastbourne	5,626	6%
Winchester	4,502	5%
Lewes	4,309	4%
Mid Sussex	4,278	4%
Adur	3,779	4%
Chichester	3,758	4%
Horsham	3,408	3%
Wealden	3,214	3%
Crawley	3,032	3%
Portsmouth	2,943	3%
East Hampshire	2,723	3%

Source: GLH and ONS, 2011

Residents Employment By Sector

3.21 The Census data allows us to analyse residents' employment by sector. There are approximately 53,700 people in employment that live within the National Park. The largest percentage work in the Wholesale and Retail sectors (13%), Education (12%), Health and Social Work (11%). These are the largest employment sectors in many areas.

Figure 16: Residents Employment By Sector for SDNP Residents (2011)



Source: Census, 2011

3.22 There are significantly higher proportion of employment in the National Park, in comparison to both the South East and England and Wales, in the Agriculture, Fishing and Forestry, Real Estate Activities, Professional, Scientific and Technical Activities, and "Other" Sectors.

Employment

3.23 According to the Business Register and Employment Survey (BRES) data there were approximately 120,000 jobs located in the Wider South Downs Area in 2013. These figures exclude farming and agriculture, data for which is only available at a regional and country level.

3.24 Approximately 39% of all employment (on a workplace basis) in the Wider South Downs Area is in part time roles according to BRES. This is above the wider South East and England figures (31%-32%). Approximately 5.2% of all employment in the WSDA is of people classified as employed-owners (i.e. people who run their own business). This is slightly higher than the wider South East and England figures (both 3.9%). The figures for the FEMAs below include just those MSOAs within the Wider Park area.

Table 3: Structure of Employment (WSDA), 2012

FEMA	Employees	Full-time employees	Part-time employees	Employed Owners
Brighton	95.2%	56.4%	38.8%	4.8%
Chichester and Bognor Regis	93.5%	57.7%	35.8%	6.5%
Northern West Sussex	92.6%	58.6%	34.0%	7.4%
Eastbourne	95.1%	57.5%	37.5%	4.9%
Central Hampshire	95.2%	52.8%	42.3%	4.8%
Worthing	96.4%	58.6%	37.7%	3.6%
Wider South Downs Area	94.8%	56.0%	38.8%	5.2%

Source: Business Register and Employment Survey 2013

Employment Growth

3.25 The number of jobs in the Wider South Downs area has increased by just over 4,000 since 2009. This equates to a growth of 3.5%. This is well above the national (0.5%) and regional levels of growth (0.8%) over this period. However, this is in part due to a large increase in jobs in Falmer and Coldean (Brighton FEMA), likely relating to the University of Sussex and University of Brighton Campuses – both of which are outside of the National Park boundary.

3.26 Over this period there was considerable net jobs growth in Petersfield (Central Hampshire FEMA) and considerable net losses in Lewes (Brighton FEMA). The data does not support a longer time-series analysis. The figures for the FEMAs include just those MSOAs within the Wider Park area.

Table 4: Job Growth by FEMA, 2009 – 2012

FEMA	2009	2010	2011	2012
Brighton	36,320	36,354	34,599	36,874
Chichester and Bognor Regis	15,016	16,614	15,804	15,069
Northern West Sussex	10,984	11,449	11,438	11,603
Eastbourne	7,093	7,208	7,579	7,158
Central Hampshire	34,195	37,743	37,296	36,466
Worthing	12,988	12,832	13,667	13,466
Wider South Downs Area	116,596	122,200	120,383	120,636

Source: Business Register and Employment Survey 2013

Business Base

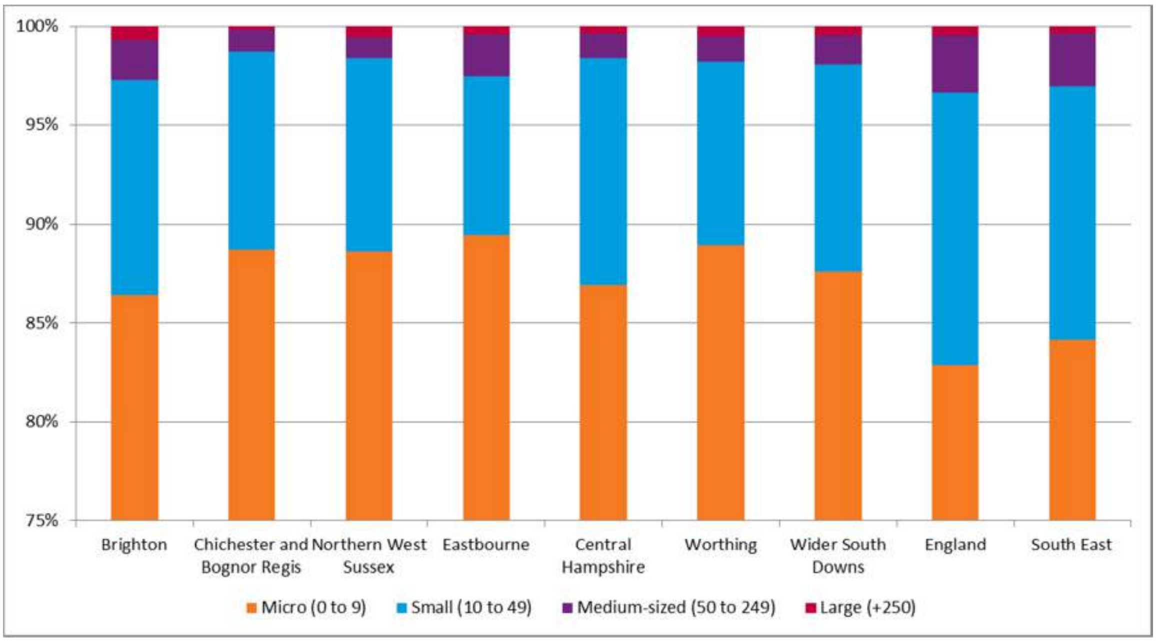
3.27 There are approximately 15,700 businesses (or enterprises) operating in the Wider South Downs area within 17,300 local units. Enterprises are classified as overall businesses, made up of all the individual sites or workplaces. A local unit is an individual site (for example a factory or shop) associated with an enterprise. It can also be referred to as workplace. This information is taken from the UK business count data produced by ONS and as such the sector definitions differ from those used by Experian as considered later.

3.28 The business base across the Wider South Downs Area is focused on micro and small sized enterprises, with 88% of units housing micro businesses (0 – 9 employees) and 98% home to enterprises with less than 50 employees. The figures for the FEMAs include just those MSOAs within the Wider Park area.

3.29 According to the UK Business Counts data there are 85 premises (or local units) which employ 250 staff or more. The area has a greater proportion of premises hosting micro and small businesses than is seen regionally or nationally. This indicates a strong, entrepreneurial employment base, albeit reliant on smaller, arguably more vulnerable companies and start-ups.

3.30 Across the National Park, the larger urban areas of Brighton and Central Hampshire have the highest percentage or medium-sized businesses than the other FEMA's. The Northern West Sussex and Brighton FEMAs have the largest percentage of premises employing over 250 people.

Figure 17: Local Units by Employees by FEMA, 2013



Source: UK Business Counts 2013

3.31 The vast majority (91%) of the enterprises based in the Wider South Downs Area are micro businesses that employ less than 10 people. This is slightly higher than the South East (83%) and England (84%). By contrast there is a low percentage (7.8%) of Small to Medium Enterprises (10-250 employees) based in the National Park.

Table 5: Enterprises by Size and by FEMA, 2013

FEMA	Micro (0 to 9)	Small (10 to 49)	Medium (50 to 249)	Large (250+)
Brighton	91.3%	7.5%	0.3%	0.9%
Chichester and Bognor Regis	91.1%	7.5%	0.4%	1.0%
Northern West Sussex	91.4%	7.8%	0.6%	0.3%
Eastbourne	92.6%	6.5%	0.9%	0.0%
Central Hampshire	90.3%	8.4%	0.5%	0.8%
Worthing	93.5%	5.1%	0.0%	1.4%
Wider South Downs	91.3%	7.4%	0.4%	0.8%
South East	82.9%	13.8%	2.9%	0.4%
England	84.2%	12.8%	2.7%	0.4%

Source: UK Business Counts, Nomis 2013. Numbers may not add to 100% due to rounding

3.32 Less than 1% of the enterprises in the Wider South Downs employ more than 250 people.

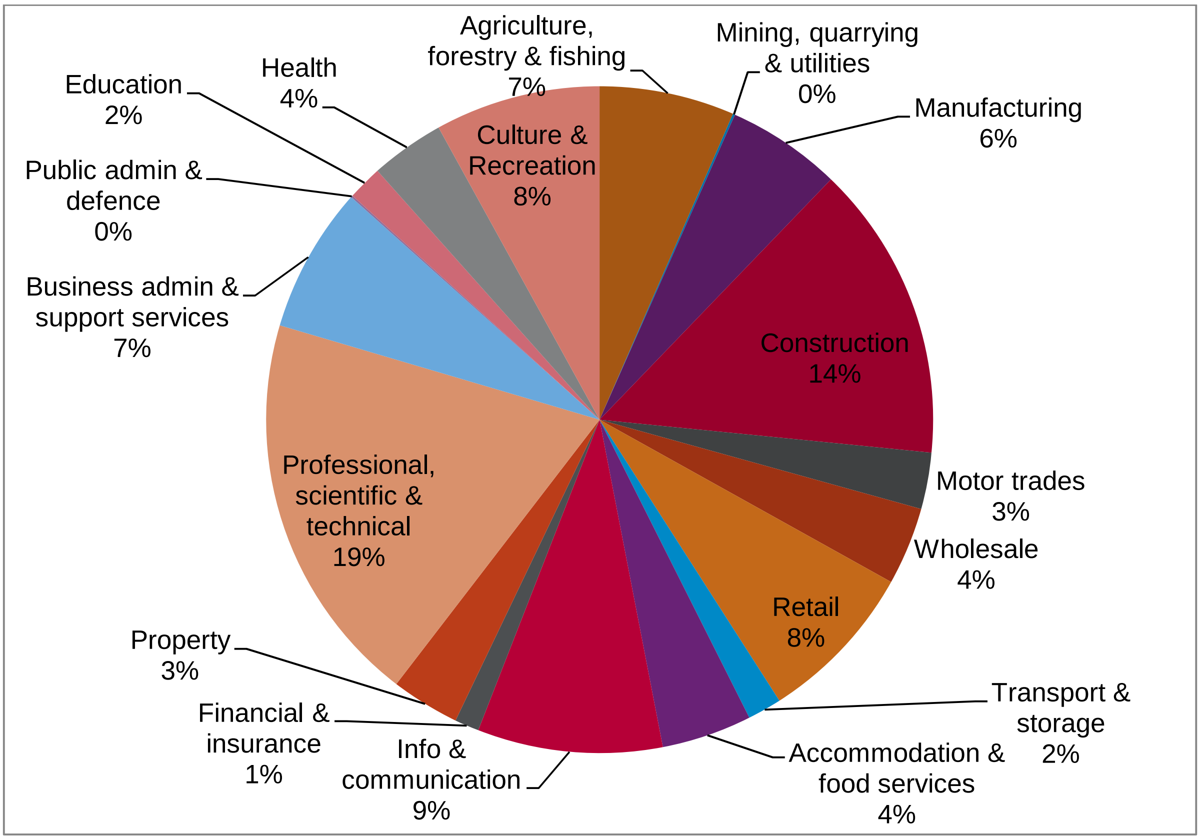
Sector Analysis

Structure of Businesses by Sector

3.33 The Business Register and Employment Survey has been used to assess the structure of businesses within the Wider South Downs Area. The largest number of businesses in the Wider South Downs Area are in Professional, Scientific and Technical sector with 19% of enterprises. This is focussed on the activities of head offices; management consultancy activities; architectural and engineering activities; technical testing and analysis; and other professional, scientific and technical activities.

3.34 Other major sector includes Construction (14%); Information and communication services (9%); Retail (8%); Arts, entertainment, and recreation (8%); and Agriculture, forestry and fishing (7%), of which the majority of enterprises are within crop and animal production, hunting and related service activities.

Figure 18: Enterprises by Broad Sector, WSDA (2012)



Source: Business Register and Employment Survey 2013

3.35 There are distinct variances between the FEMA areas within the Wider South Downs Area. For example, the Professional Scientific and Technical sector is larger at 21% in the Central Hampshire FEMA and falls to just 17% in Eastbourne FEMA. Conversely Eastbourne has a much higher Construction sector (19%), whereas the Northern West Sussex area this accounts for just 11%. Further information on each of the FEMA are shown in Appendix C. The figures for the FEMAs include just those MSOAs within the Wider Park area.

Structure of Businesses by Sector

3.36 How the enterprises in the Wider South Downs area are comprised has also been analysed against the wider comparator areas using a location quotient. This illustrates the comparative strength of each sector against the wider South East and England. The analysis is illustrated in Figure 19.

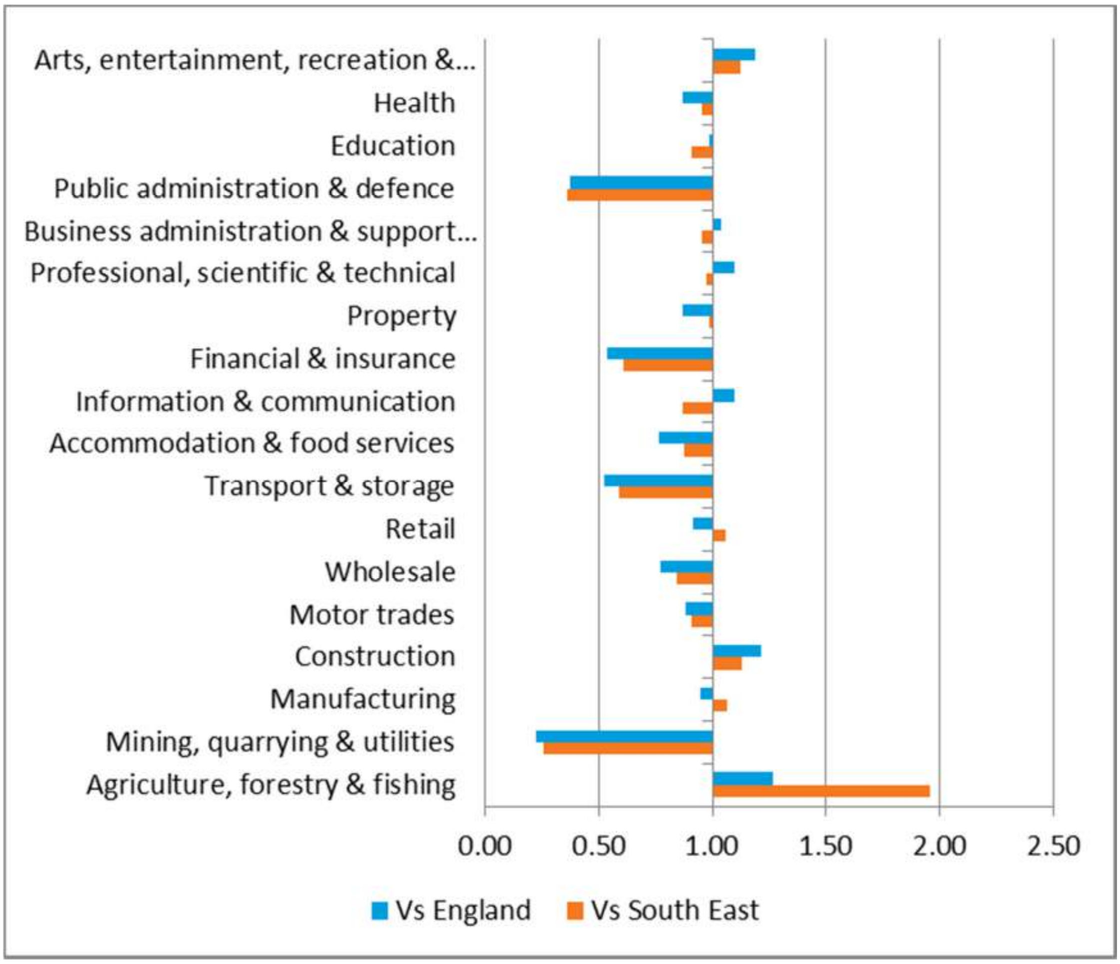
3.37 The analysis indicates a very distinct breakdown of businesses in the Wider South Downs area compared to elsewhere with all major sectors having a very strong or very weak showing in comparison to the wider areas.

3.38 This shows that the Wider South Downs area has a much higher percentage of jobs in agriculture, forestry, and fishing when compared to other areas, as well as, although to a much lesser extent, a relatively high percentage of jobs in the arts, entertainment and recreation, and construction sectors than seen elsewhere. This points to a concentration of jobs in:

- Agriculture;
- Forestry;
- Recreation;
- Tourism; and
- Construction.

3.39 The weaker sectors in terms of enterprise numbers include public administration and defence, finance and insurance, transport and storage, and mining, quarrying and utilities.

Figure 19: Location Quotient of Major Sectors in the WSDA against Wider Comparators, 2013



Source: UK Business Counts, Nomis 2013

4 KEY SECTORS

4.0 The South Downs National Park Authority have asked GL Hearn to review a number of key sectors within the National Park. These are particularly those sectors which are identified within the National Park Partnership Management Plan. This section looks at those sectors in more detail. The key sectors are defined based on the following BRES sectors:

- Wood Related Activities – As defined by the Forestry and Logging and Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials sectors;
- Tourism – As defined by Accommodation, Food and beverage service activities, Creative, arts and entertainment activities, Libraries, archives, museums and other cultural activities, Sports activities and amusement and recreation activities sectors; And
- Food and Beverage Manufacturing – As defined by Manufacturing of food products and Manufacture of beverages sectors including vineyards.

4.1 In total these sectors employ just fewer than 17,000 are employed in these industries within the Wider South Downs area. The vast majority of these jobs (92%) are within the tourism sectors. Indeed Tourism related activities account for around 13% of all employment in the Wider South Downs area.

4.2 Total employment in wood-related activities and food and drink manufacturing is more modest, although both the forestry industry and agriculture (which is a key supplier to the food and beverage manufacturing industry) have a significant impact on land use within the National Park and indeed the Wider South Downs.

Table 6: Employment in Key Sectors in WSDA (2012)

	Wood Related	Tourism	Food and Drink
	%	%	%
Brighton	0.2%	13.5%	0.5%
Chichester and Bognor Regis	0.7%	19.4%	0.7%
Northern West Sussex	0.8%	13.2%	1.8%
Eastbourne	0.1%	15.3%	0.1%
Central Hampshire	0.4%	9.9%	1.1%
Worthing	0.2%	6.9%	0.4%
Wider South Downs	0.4%	12.9%	0.8%
South East	0.2%	9.0%	0.6%
England and Wales	0.3%	8.9%	1.3%

Source: BRES, 2014

4.3 Since 2009, employment within these three sector groupings has grown by around 1,800 employees. The majority of the growth can be attributed to the Tourism industry, which grew by around 1,500 jobs. In percentage terms food and drink manufacturing grew by around 42% (from around 700 to nearer 1000 employees). This is relatively significant in proportional terms, but represents growth of under 300 jobs. In the same period however wood-related employment was broadly static, with a fall of 3%.

4.4 In the case of Wood Related Activities and Tourism the Wider South Downs Area (WSDA) has a higher percentage of employment in these sectors than in the South East and England and Wales. For Food and Beverage manufacturing, the Wider South Downs Area exceeds the South East but is behind the England and Wales levels.

4.5 The Wood Related Activities are located primarily in western parts of the Wider South Downs area. Although in percentage terms the Northern West Sussex area has a larger proportional share of jobs in these sectors.

4.6 With just under 5,000 employees, the largest number of Tourism jobs are located in the Brighton related parts of the Wider South Downs Area. Almost 20% of all jobs are tourism related in the Chichester and Bognor Regis related parts of the Wider South Downs area.

4.7 The Central Hampshire area is the focus of employment in the Food and Drink related activities in the Wider South Downs Area. As a percentage, the Northern West Sussex related parts of the WSDA have the largest proportion of jobs in that sector.

4.8 These three sectors represent potential sectoral growth opportunities where there is a good fit with the National Park purposes. The analysis suggests that:

- In regards to total employment, we would expect the strongest growth opportunities to be in tourism-related activities. Promotion of the National Park, potential for growth in visitor numbers and increases in spend and overnight stays all provide the potential to support employment growth in this sector. Wider drivers will be growth in disposable income, related to wider economic trends;
- The evidence does point to potential for growth in food and drink manufacturing and wood related activities. Development of local supply chains provide potential to support these sectors, particularly in respect of small business growth in these areas; although there is clearly a wider market for products across the greater South East. The number of additional jobs created in these sectors, in net terms, are however likely to be more modest.

4.9 We have also undertaken some qualitative analysis with stakeholders and business operators in the key sectors. Stakeholders were asked to identify locational strengths of the National Park as well as barriers to investment.

Tourism

4.10 Consultees saw National Park status as providing a significant opportunity to raise awareness and encourage day visitors to the area. However it is overnight visitors, and their increased expenditure, that is the key to significant growth. There was a belief that there should be a tourism strategy for the National Park to help promote the area better.

4.11 The national trend is an increase in the numbers of UK residents taking domestic holidays. Additionally, an increase in shorter holidays (2-3 nights) means people are less likely to travel as far. This means there is a growing supply of potential visitors.

4.12 However there seems to be a general lack of awareness of both the National Park and the attractions within it. There are a few smallish visitor attractions but none have a major draw outside the local area. Possible exceptions are those attractions within Arundel, Lewes, Jane Austen’s House Museum and the Watercress Line. The Authority should prioritises the promotion of the National park as a tourist destination in a way which is consistent with the national park purposes.

4.13 The lack of public transport is also prohibitive both in terms of getting people to the National Park but more so moving people around it. This leads to people driving to the area which may not align with the SDNPA sustainability objectives. There is also very little in the way of cycle hire provision but stakeholders suggested that there perhaps is not quite enough demand (possibly) to justify it for the time being.

4.14 Stakeholders also pointed to a potential opportunity to grow outdoor activities companies/ centres which in some cases could require large areas of land. There is also potential for residential school trips. These require provision of suitable accommodation and the reuse of redundant army barracks was suggested by one stakeholder.

Food and Drink Production

4.15 There were limited willing consultees engaged directly to the production of food and drink. However the stakeholder consultation did highlight positive aspects of the area and a booming sector. This is linked to growth in a desire for local and organic products.

4.16 The location of the National Park between the London and the major settlements along the South Coast provide a good source of sales / a market for goods, with these market being accessible by the A3 and the M23/A23. The Hindhead tunnel improvements have particularly increased the market area of suppliers at the Western end of the National Park.

4.17 Further improvements could be made by having more craft and trade shows in in the National Park itself rather than exporting the products. This would help both food and drink sales but also tourism.

4.18 A couple of consultees highlighted a deficiency of affordable accommodation that is fit for purpose for this sector. While there is no shortage of skills there is a desire to encourage more local employment through more localised centres of employment.

4.19 There was also a belief that farm diversification is not encouraged enough. Some consultants believed there is a huge potential for increased diversification which would improve the output and the employment opportunities, although some were wary that the Permitted Development Rights may reduce the opportunities for this to occur.

4.20 We have also spoken to a number of Vineyards and Wineries in the National Park. These expressed some optimism for the future of the industry. There were particularly keen to see increased awareness of the local products and that the National Park could help their profile. This could be through tourism and or promoting the area as a gastronomic location.

Wood Related

4.21 The forestry industry is seen to be in a strong position as there is a large amount of latent stock with potential 20-30 year supply. There are a number of strands to the wood related industries all of which are linked to forestry. While forests cover a large percentage of the National Park area not a huge proportion is actively managed. Although this might change as through various initiatives.

4.22 The first of and most significant of these strands is Wood Fuel. While stakeholders reported buoyant market growth in the South East has not been as marked as elsewhere in the country. The South Downs National Park includes the West Dean Estate which has been heating the college and village for 30 years using wood fuel. Following this example Highfield School recently replaced their oil boilers with a wood fired heating system fuelled by their own supply of wood.

4.23 All of the major institutions and large properties have the potential to covert to wood fuel. It would be a particularly good time to do so given recent fuel price increases (a cubic metre of Beech has the energy value of 280 litres of energy oil and large estates need only 4 or 5 hundred cubic metres of wood per annum to function). Wood fuel comes in two main forms, fire wood (logs) for domestic use and lower quality logs and branch wood for larger estates and district heating system.

4.24 The demand for wood fuels could increase further if the authority follows others in introducing the Merton Rule. This rule ensures that 10% of energy supply in new build or refurbishments are from renewable sources.

4.25 However, a number of suppliers have noted that there is a skill shortage of installers of wood fired boilers. If there could be funding to train specialists in this area then it may help further develop the industry.

4.26 The second source of demand is for timber products in the construction industry. There is a vernacular tradition within the area of timber being used for structural framing and cladding. The Forestry Commission are looking to produce a series of designs based on a timber frames which accord local character. These cost effective production techniques could also help build cheaper and more sustainable locally sourced buildings.

4.27 The third source of demand is for woodcraft products. While there is a demand for these products, employment is limited and they are not volume user of timber. Diversification of the planted stock would help support a wider variety of local products. At the moment some suppliers have to import certain types of timber. The use of locally sourced timber is not always viable if there are cheaper supplies from abroad (e.g. Hazel from Eastern Europe).As with food and drink, production woodcraft companies could see further improvements by having more craft and trade shows in in the National Park itself rather than exporting the products.

4.28 There are also wider opportunities for job growth related to forestry by linking it to provide infrastructure for other uses. There could also be new visitor centres and recreational uses which would help both promote tourism and forestry jobs. These would benefit from a growing demand for cycling in forests (through trails) and other outdoor activities. Although such uses should be created in a responsible manner.

4.29 There are also possible opportunities for forestry to help alleviate water quality and flooding issues. This has been highlighted to the West of the National Park and relates primarily to South Hampshire.

4.30 The consultees agreed that there should be no net loss of woodlands within the National Park and that better management should be encouraged for biodiversity and sustainability. However several consultees also noted that one of the biggest challenges is the number of tree diseases and the need for protection against these.

4.31 Further information on the growth potential of these sectors can be found in section 7.

5 COMMERCIAL PROPERTY MARKET ASSESSMENT

5.0 This section moves on to consider commercial property market dynamics, addressing the office and industrial sectors. We start out by reviewing economic dynamics at a national level.

National Economic Conditions

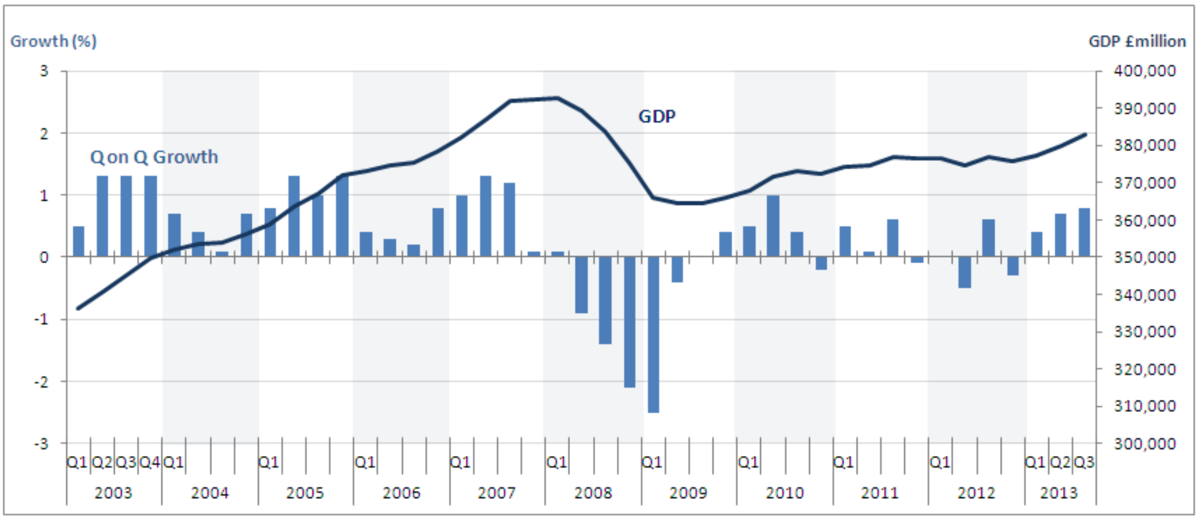
5.1 The Office for Budget Responsibility (OBR) published its latest Economic and Fiscal Outlook in March 2014. GDP growth was revised upwards to 1.8% for 2013, having been previously forecast at 0.6% and expected growth in 2014 was increased to 2.7%. Consumer spending has been biggest driver of recent growth; with business investment recovering. Housing market activity has picked up sharply, but export performance remains disappointing. However the outlook for productivity growth, which underpins income growth and the sustainability of the economic recovery, remains uncertain.

5.2 The Office of National Statistics reported in January that the Consumer Price Index (CPI) fell to 1.9% in January having been 2% in December 2013 – this is the first time in more than four years that the rate of inflation has fallen below the Bank of England's target rate of 2%. The Retail Price Index (RPI) increased slightly from 2.7% in December 2013 to 2.8% in January. The slowing rate of inflation is seen as a positive; for the past few years rising energy and food prices have resulted in a high level of inflation which coupled with stagnant wage growth has squeezed the levels of disposable income but it is now expected that wage growth in the latter part of 2014 will exceed inflation.

5.3 The Bank of England base rate continues to remain at its historic low of 0.5%. Forward guidance provided by the Governor of the Bank of England in August 2013 stated that a rise in the base rate would not be considered until the rate of unemployment fell below 7%. It was expected that this level would not be reached until 2016 but unemployment levels are presently a fraction above this level. The Governor has recently announced that it would be too early to increase the base rate even if the official level of unemployment fell below 7%, expressing concerns that the official unemployment level is different to reality as the level has dropped due to more people have entered into part-time rather than full-time employment.

5.4 Growth in house prices has been supported by an improvement in the availability and a reduction in the cost of credit, partly as a result of the Government's 'Funding for Lending' and 'Help to Buy' schemes. Consumer confidence has increased significantly in recent months with signs that the UK economy is gathering momentum following consecutive quarters of GDP growth (Q1 2013: 0.3%, Q2 2013: 0.7%, Q3 2013: 0.8%, Q4 2013: 0.7%). The services sector, which represents three quarters of economic output, grew by 0.7% and is now operating at 0.4% above its pre-crisis peak in Q1 2008. In volume terms Q3 GDP was estimated to be just 2.5% below the peak experienced in Q1 2008, having largely recovered the 7.2% fall from peak to trough experienced in 2009.

Figure 20: UK GDP Growth (2003 – 2013)



Source: ONS

Office Market Review

5.5 In this section of the report, we provide a review of the office market. In respect of the local market characteristics, our analysis focuses on the following;

- The key locations;
- Market conditions;
- Take-up; and
- Rental values.

5.6 At a national level, the office market performed strongly in 2013 with take-up 33% up on the previous year. The first half of 2014 has seen more modest take-up, despite improving wider economic confidence according to Lambert Smith Hampton. As a result availability levels have however continued to fall, and are now below the 10 year average reflecting limited new development since the 2009. There is a notable lack of Grade A space available in some markets outside London. This is now starting to feed through into positive rental growth in some areas.

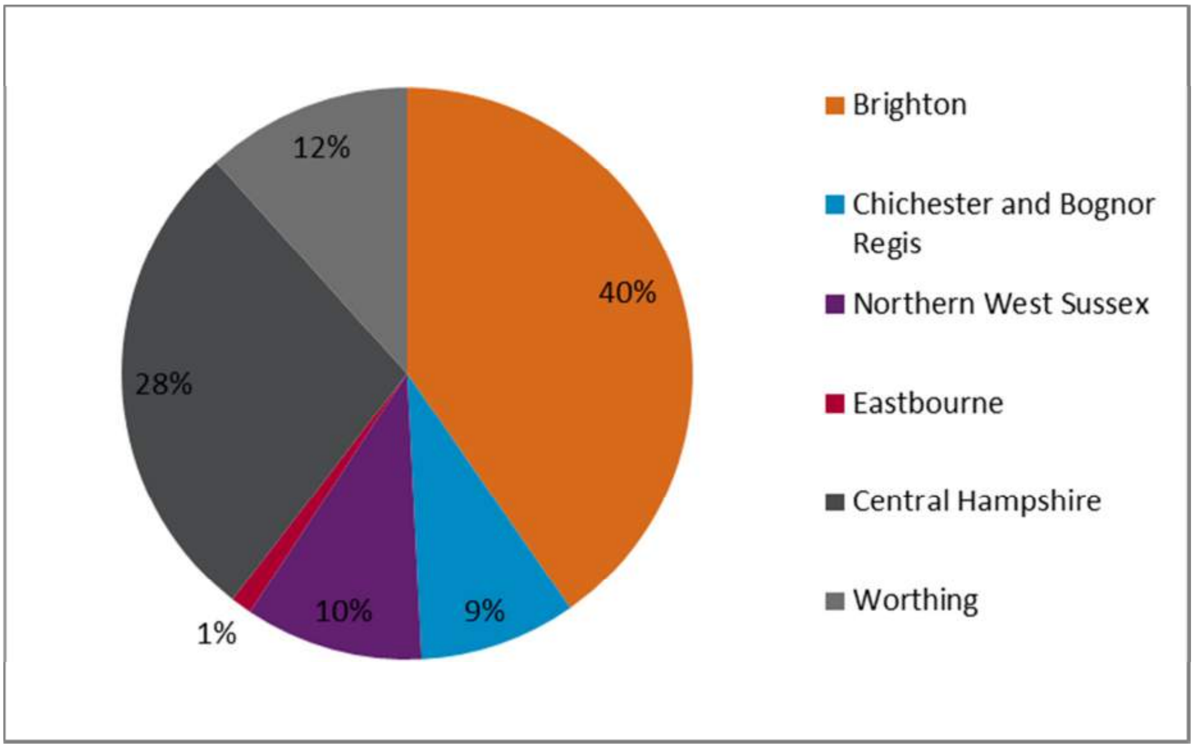
5.7 Because of the cyclical nature of the economy the office market is still in a recovery phase and continues to have relatively high level of vacancy. However, as the market continues to recover the level of vacancy is likely to reduce.

5.8 Total office stock in the Wider South Downs Area (WDSA) is 248,000 sq m according to Valuation Office Agency (VOA) data, although it should be noted that the most recent published data dates from 2008. It is also noted that this figure is for the Wider South Downs Area and will include floorspace outside of the National Park boundary. Due to the limitations of the data mentioned previously, there is no accurate total office stock figure solely for the National Park area.

5.9 Across the different FEMAs within the within the Wider South Downs, Brighton FEMA has the greatest amount of office floorspace with 100,000 sq m, mainly centred around Lewes. The focus of office floorspace in the Central Hampshire FEMA, which has 69,000 sq m, is located in Petersfield and the area around Winchester.

5.10 Within the Wider South Downs Area there are modest amounts of office floorspace in the Worthing FEMA (29,000 sq m), Northern West Sussex FEMA (25,000 sq m), and Chichester and Bognor Regis FEMA (22,000 sq m). There is only 3,000 sq m in the Eastbourne FEMA.

Figure 21: Office Floorspace by FEMA

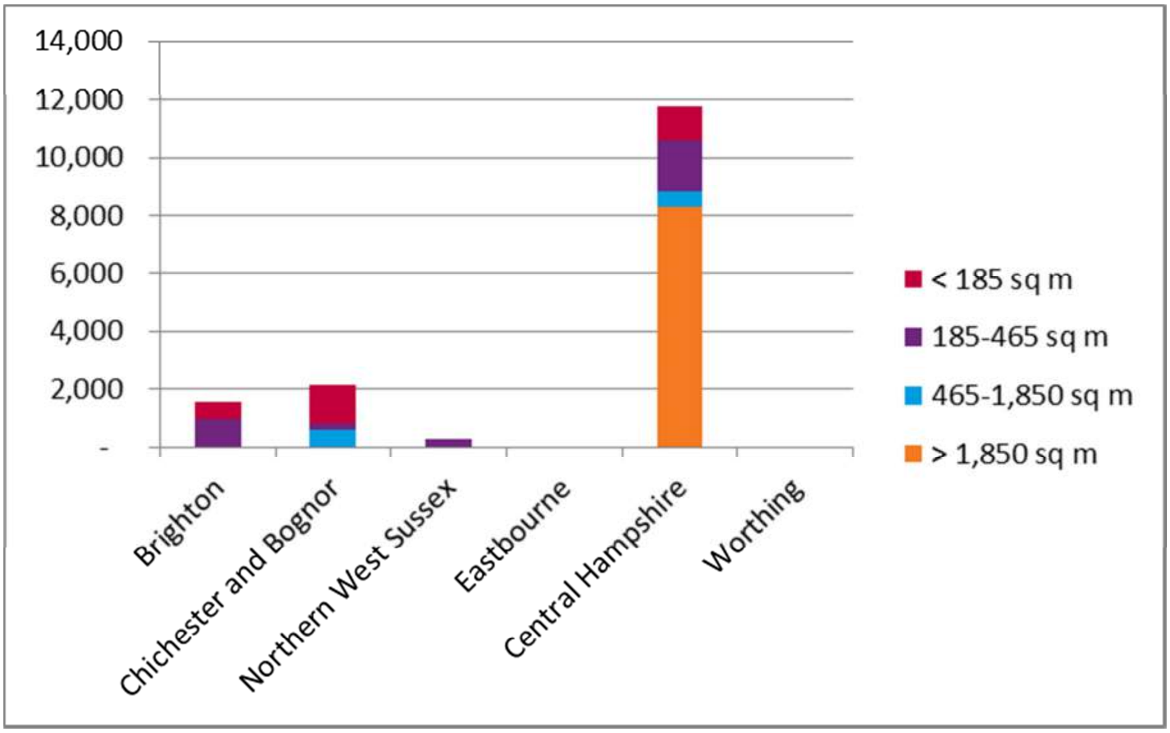


Source: Valuation Office Agency (2008)/ GLH

Availability

5.11 Figure 23 and 24 illustrate the availability of office floorspace across the South Downs National Park and sub-divided into the FEMAs and the quality of the available floorspace. The figures show a snapshot of vacant floorspace advertised as available at the time of the report preparation in October 2014. The information has been derived from the Estates Gazette Interactive (EGi) property database, which compiles information from property and lettings agencies. Because the vacancy details are only provided on a voluntary basis, it can only be seen as an indicative rather than a definitive source for this information. The vacancy data includes a postcode - we are therefore able to assess vacant employment floorspace within the South Downs National Park.

Figure 22: Total Office Availability in SDNP (sq m)



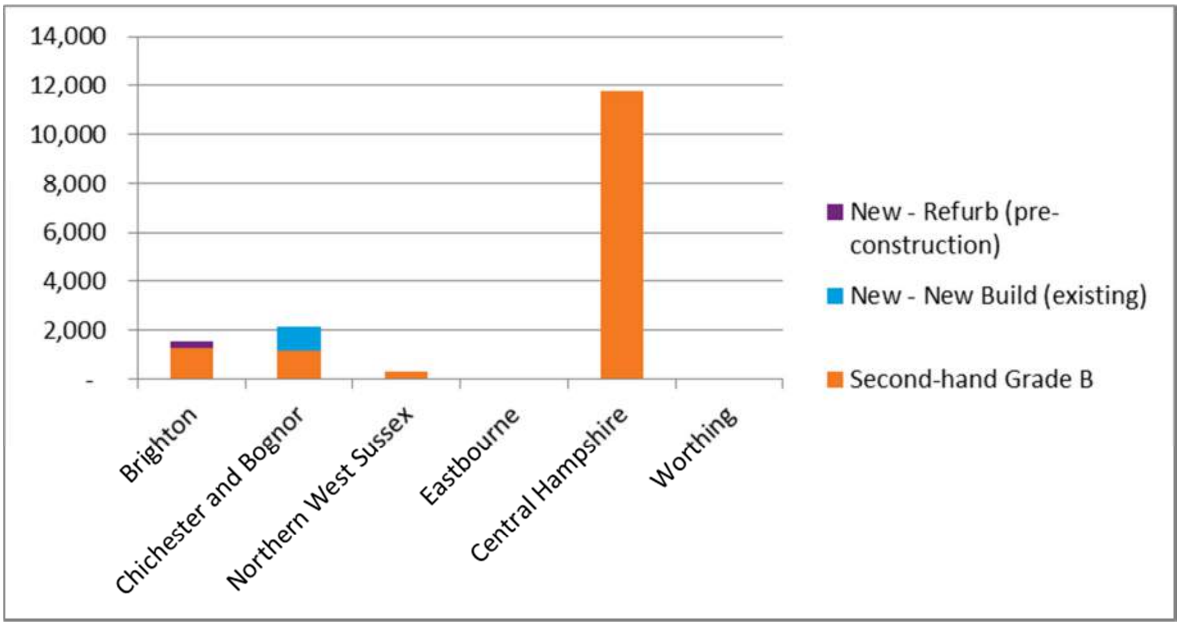
Source: EGI/GL Hearn

5.12 Total availability of office floorspace within the National Park is 15,750 sq m (as of October 2014). This is equivalent to 6.4% of the total office stock of the Wider South Downs Area (248,000 sq m). The total floorspace within the National Park will be slightly smaller than this figure and therefore we would expect the percentage vacancy rate of the National Park will be higher than this figure.

5.13 In a healthy property market, it is considered normal for there to be a level of vacancies as businesses move, buildings are developed or refurbished and lettings take place. The optimal level of vacancies is generally accepted to be 5-10%. The level of current availability across the National

Park is focused strongly in Central Hampshire. In other areas, availability is low and points to a tight market.

Figure 23: Quality of Available Office Space in SDNP (sq m)



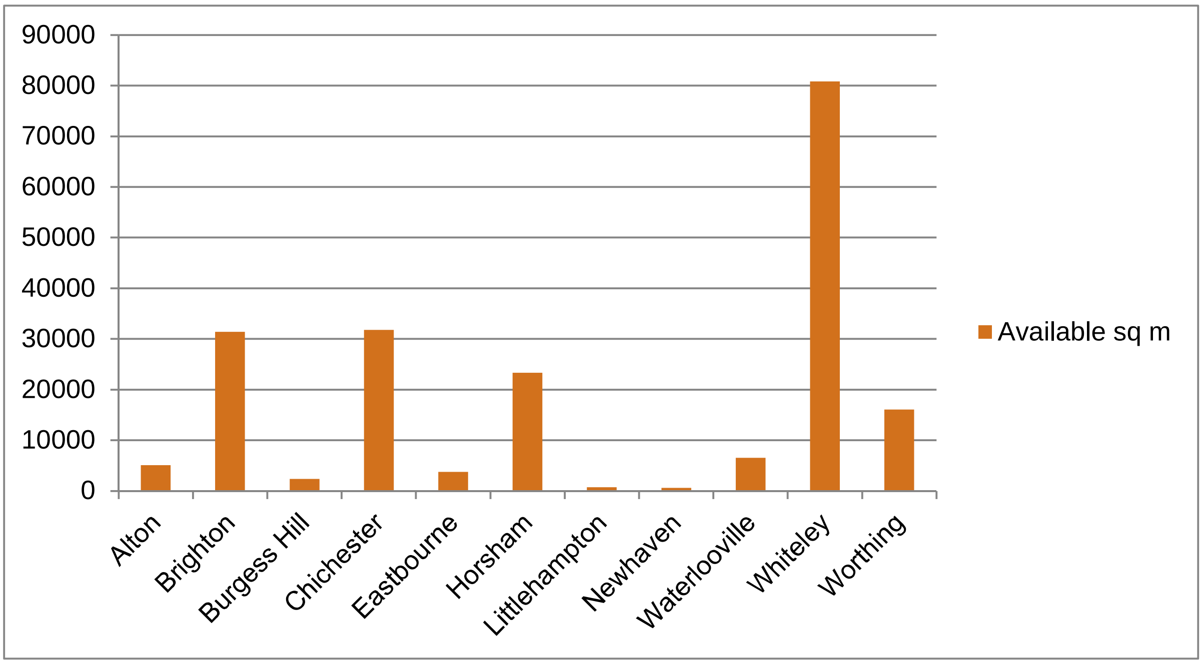
Source: EGI/GL Hearn

5.14 The greatest level of availability is in Central Hampshire. This is due a large extent to the Chilcomb Park office building in Winchester District which represents 8,268 sq m of the 11,762 sq m available. This site is assessed later in this report. Without this figure, available space in Central Hampshire would be 3,494 sq m. Other than Chilcomb Park there is no single available office space above 1,000 sq m. Available office space is focused on smaller units, in common with the demand profile.

5.15 The graphs demonstrate the strong focus of available space towards the Hampshire area which contributes just less than 12,000 sq m – equivalent to 75% of total available office space in the National Park. The other markets collectively contribute just less than 4,000 sq m. Even excluding the Chilcomb Park site, Hampshire contributes 47% of available office space in the National Park. Availability of office floorspace in other FEMAs is low.

5.16 Chichester and Bognor, Central Hampshire, and Brighton FEMAs all have a range of available smaller units. There are currently 23 available in Chichester and Bognor, 12 of which are at the Chilgrove Business Centre and 5 are located in Midhurst. There are 19 smaller units available in the Hampshire area with 12 of these located in Petersfield and 6 around Winchester. There are 9 available units in Brighton, all of which are within Lewes. There is one available unit in Northern West Sussex at Redhouse Farm in Hassocks. There are none currently available in Eastbourne.

Figure 24: Office Availability in Comparable Areas (sq m)



Source: EGI/GL Hearn

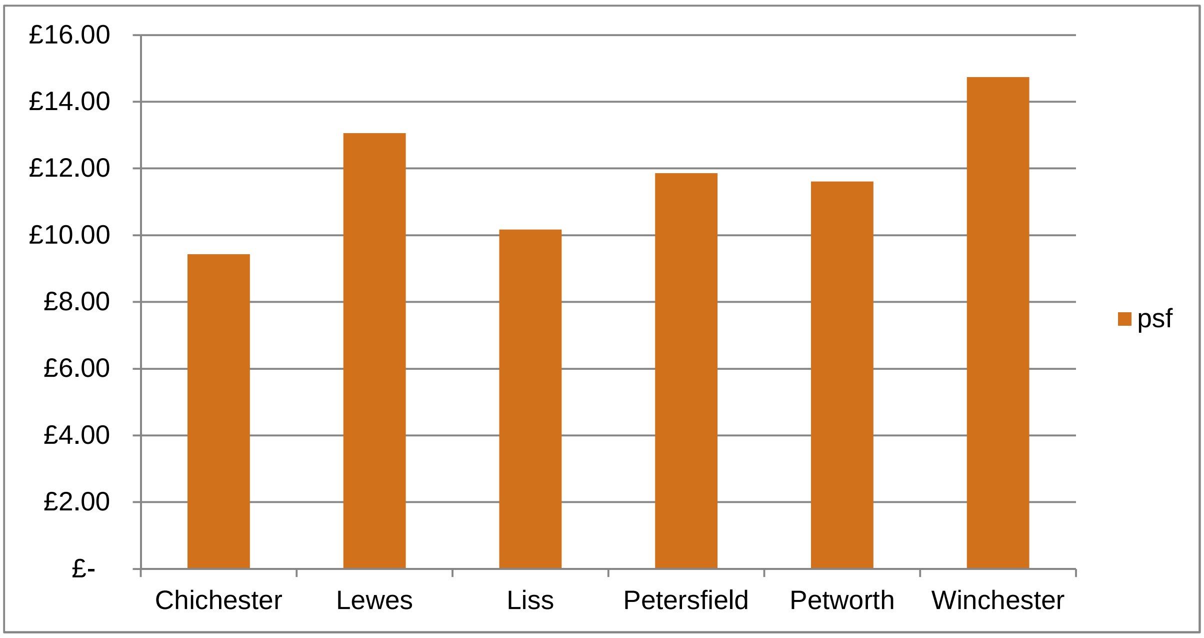
5.17 Figure 24 shows office availability in other centres close to the National Park boundary which have been identified as key employment areas during stakeholder workshops. This shows a large amount of available office space in Whiteley – over 80,000 sq m. The vast majority of this is located on Parkway at the Solent Business Park. 58% of this is new-build accommodation and includes units ranging from 50 sq m to 25,000 sq m. Other than Whiteley, the main locations for available office space are the larger urban settlements of Brighton, Chichester, Horsham, and Worthing.

Rental Values

5.18 Rental values for office accommodation in the National Park generally tend to be around £9.50 to £14.80 per square foot (psf), depending on the age, quality and size of premises; with an average rental price across the National Park of £12.30 psf. Figure 26 shows the average rental values for office space in the main centres in and around South Downs National Park.

5.19 Generally we would expect rental values of £18 psf or above to be necessary to support speculative new-build development of office space. This does not mean that new development will not take place, but is more likely to require freehold occupancy or those seeking leasehold space to pay a premium rent.

Figure 25: Average Office Rental Levels by Major Settlements in and around the National Park



Source: GL Hearn

5.20 Figure 25 compares the average rental values for offices in different areas within the National Park based on the main settlements in and around the National Park. Figures include sites that fall outside of the settlement boundaries but within the postcode area for each settlement. In the case of Chichester and Winchester, the settlements themselves fall outside of the National Park but the figures include sites within the Chichester and Winchester postcodes within the National Park.

5.21 Rental values in Winchester and surrounding settlements tend to be the highest in the National Park at around £14 to £15.60 psf. This includes units in Twyford, within the National Park, and at Wessex Business Park which is just outside the National Park boundary.

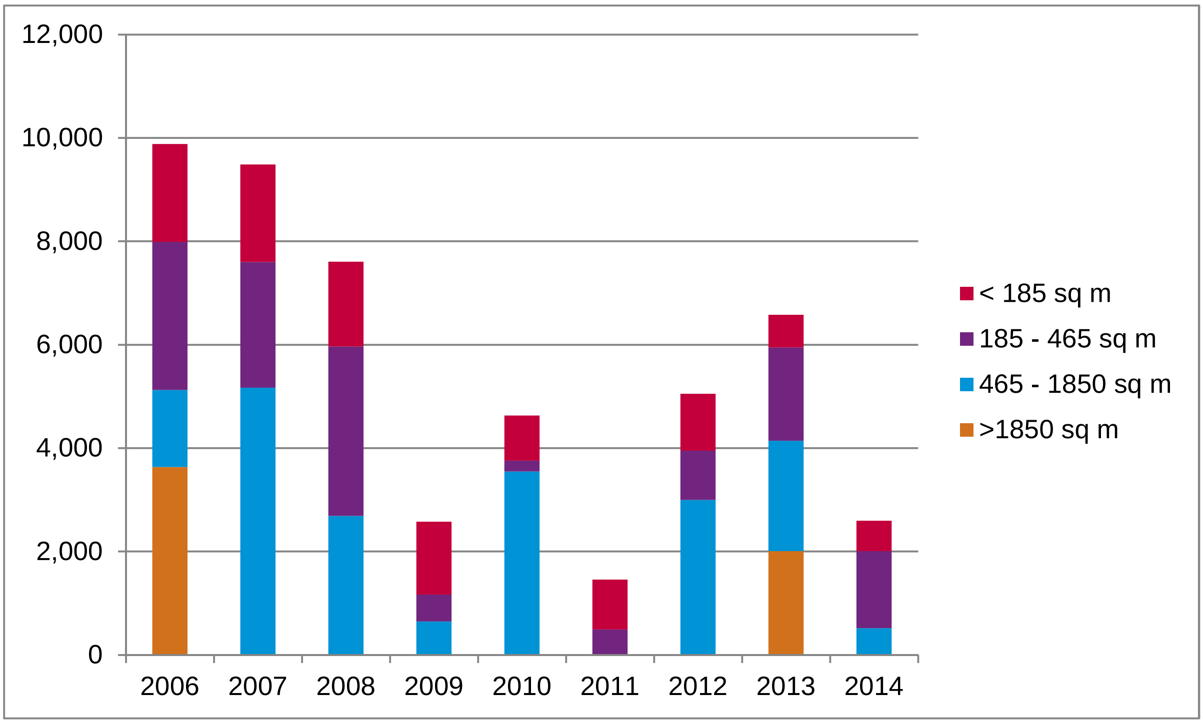
5.22 There is a far greater range in rental values in Lewes with values tending to range from £9.60 up to £15.90 psf.

5.23 Rental values in Petersfield tend to range from £10 to £14. The majority of the deals in Petersfield have been at the Bedford Road Industrial Estate and Office Park. Prices at Bedford Road are representative of the general Petersfield values.

Office Take-Up

5.24 Office take-up peaked in 2006 at just below 10,000 sq m. The impact of the recession is clear as take-up levels dipped significantly during the 2009-2011 years (as we have seen in many areas), although there has been improvement in more recent years. Take-up levels at the end of 2013 remain at 67% of the levels of the pre-recession years. Take-up is however heavily dictated by supply and these trends react to the development market and the quality of vacant space available, but are a good indicator of market demand.

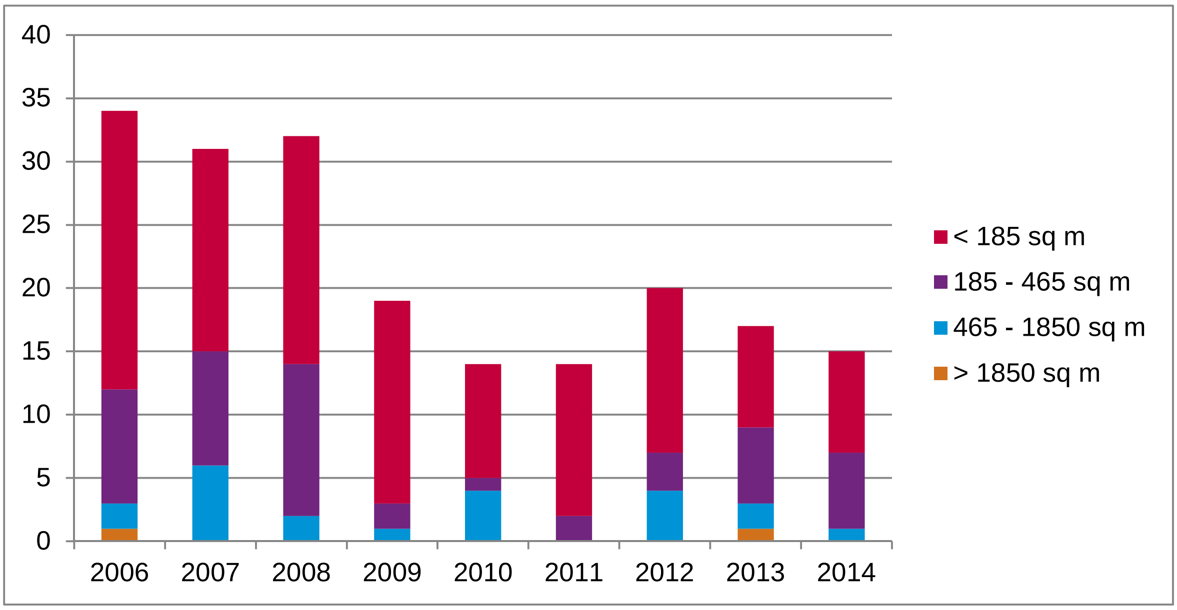
Figure 26: Office Take-Up in SDNP (2006 – 2014)



Source: EGI

5.25 The settlements which have seen the highest proportion of deals over this time are Lewes which has seen a total office take-up of 19,000 sq m, and Petersfield which has seen a total office take-up of 18,000 sq m. By comparison, the rest of the National Park has seen a combined total office take-up of 12,700 sq m over this period. We would expect the strongest demand for office space to arise in Lewes and Petersfield.

Figure 27: Number of Office Transactions in SDNP (2006 – 2014)



Source: EGI and Focus

5.26 The number of office deals in the National Park also demonstrates a similar pattern to that of the take-up. There was a clear decline in the number of deals done during the recession years. However this picked up slightly in 2012 while the vacant stock enabled the market to respond to increased demand. In 2013 there has been a slight decline in the number of deals, although this has been mainly relating to smaller units of less than 185 sq m. In 2013 there was 50% of the number of deals undertaken in the pre-recession peak. As the economy recovers, we would expect take-up to increase.

Office/Residential Conversion

5.27 The changes to Permitted Development Rights introduced by the Government in 2013, allowing the change of use from B1 offices to C3 residential, have led to a significant number of conversion applications. The most recent CLG figures show that there have been 1,068 notifications submitted to Councils across England to change offices to residential in the second quarter of 2014. Activity has been particularly focussed on London and the South East.

5.28 South Downs National Park has received 4 such notifications (2 during the period mentioned above, and 2 subsequently). One of the notifications (ref. no. SDNP/14/01014/DCOUPN) relates to the Former Syngenta Site in Fernhurst and proposes the change of use of B1(a) office floorspace to form 213 residential units. The decision, issued April 2014, confirmed that further prior approval is not required and the change of use can be implemented up to 30 May 2016.

5.29 Another application (SDNP/14/02162/DCOUPN) relates to the change of use of B1(a) offices to form 13 residential units at Hatton House and The Gables in Midhurst. The decision, issued June 2014, confirmed that further prior approval is not required and the change of use can be implemented up to 30th May 2016. The other two notification applications were for the change of use to create single dwellings, one in Ditchling and one in Fulking.

5.30 There are exceptions to the permitted development right changes from office to residential in place for key settlements in East Hampshire. This includes Petersfield and Liss within the South Downs National Park.

5.31 The Permitted Development Rights are currently time-limited to 2016. Unless this is extended, we would expect that Prior Approval notifications will tail off over the next year. However is should be expected that some employment floorspace will be lost through this route in the short-term.

Implications

5.32 This office market review indicates that improving economic conditions nationally have led to improved business confidence and increasing demand for office space. South Downs National Park has been similarly affected by the macro-economic climate and the market has begun to show signs of recovery in recent years. However the level of take-up remains well below the pre-recession levels.

5.33 Within the National Park the main office centres are at Lewes, Petersfield and the outskirts Winchester. Vacancy rates vary across the National Park with relatively healthy availability rates in Hampshire FEMA, but with much lower availability in other areas. The vast majority of the available space coming forward is second hand grade B stock, with very limited new build office space coming forward within the National Park.

5.34 There is by comparison a large quantum of available office space in towns outside but near to the boundary of the National Park and which fall within the FEMAs covering the National Park. There is considerable available office space at the Solent Business Park in Whiteley as well as relatively high volumes available in Brighton, Chichester, and Horsham centres.

5.35 The introduction of the new permitted development rights for the change of use from office to residential uses could potentially impact further on the office stock in the National Park with the former Syngenta site subject to a prior notification application and able to undergo conversion to residential. Although much of this site is currently vacant, this would represent the loss of a historically key employment site in the National Park. There are exemptions to permitted development covering some settlements in East Hampshire.

Industrial Market Review

5.36 In this section of the report, we provide a review of the national and regional industrial (B2 and B8) market context before focusing on the local market characteristics within South Downs National Park. In respect of the local market characteristics we will be focusing on the following:

- The key locations;
- Market conditions;
- Take-up; and
- Rental values.

5.37 Whilst UK manufacturing finally returned to growth in the second half of 2013, it has continued to lag behind the rest of the economic recovery with growth of 2.5% in 2013, compared with 2.8% for the wider UK economy. The distribution and retail sector, conversely, has been one of the key drivers of the recovery with growth of 4.7% in 2013.

5.38 According to Knight Frank, there is a shortage of supply of warehouse and distribution floorspace across all size categories, leaving occupiers with a lack of choice and good quality space. New supply of units above 100,000 sq ft now stands at 5.2 million sq ft nationally which is 82% down on the peak levels experienced in Q1 2008, when availability stood at c 28 million sq ft. There is currently only around one year's supply of stock available. Rental growth returned to the industrial sector in 2013 after five years of decline. The strength of the market has led to a return to speculative development in some areas, including the Midlands.

5.39 The national industrial market has generally followed the progression of the economy over the last year. The distribution sector has benefitted from the steady growth of e-commerce with internet sales increasing. In November 2013 internet sales were at their highest levels of 11.9% of total sales, this figure is estimated to rise to 20% by 2020.

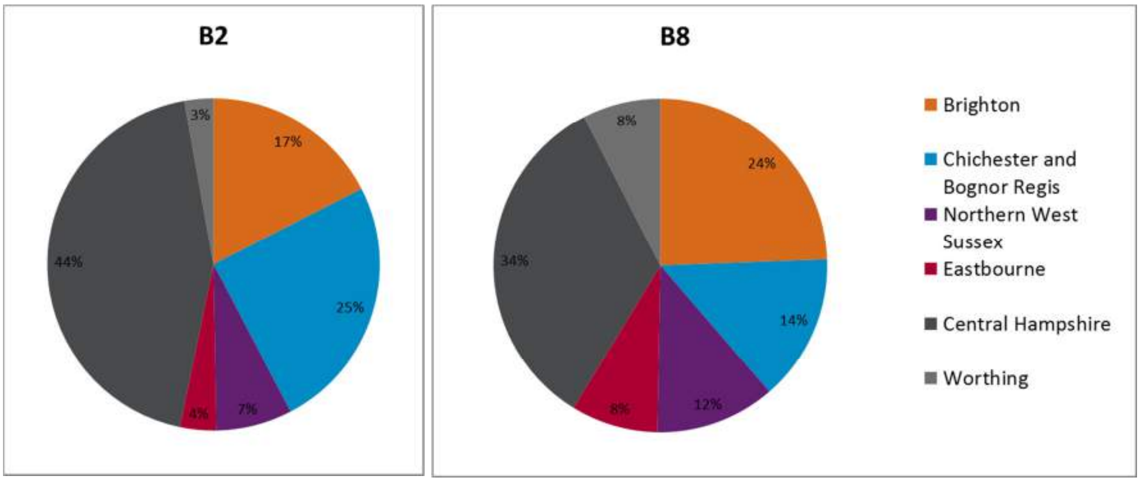
5.40 The market within the South Downs National Park is localised and focused towards smaller property sizes, with most transactions focused on units of under 465 sq.m.

Stock

5.41 Total industrial stock in the Wider South Downs Area is 911,000 sq m (B2 - 567,000 sq m, B8 - 344,000 sq m) according to Valuation Office Agency (VOA) data, although it should be noted that the most recent published data dates from 2008. The total quantum of industrial floorspace in the Wider South Downs Area significantly exceeds the total quantum of office floorspace (248,000 sq m).

5.42 The industrial market supply in the Wider South Downs Area is largely provided within the Central Hampshire FEMA which provides 249,000 sq m of B2 and 116,000 sq m of B8 uses. This is particularly focussed in and around the settlements of Bordon and Petersfield. There is also considerable B2 floorspace in the Chichester and Bognor FEMAs which includes the Rolls Royce and Goodwood Racecourse sites. There is also notable B2 and B8 floorspace in Lewes (Brighton FEMA) at the Brooks Road and North Street Industrial Areas and the Cliffe Industrial Estate.

Figure 28: Industrial Floorspace by FEMA

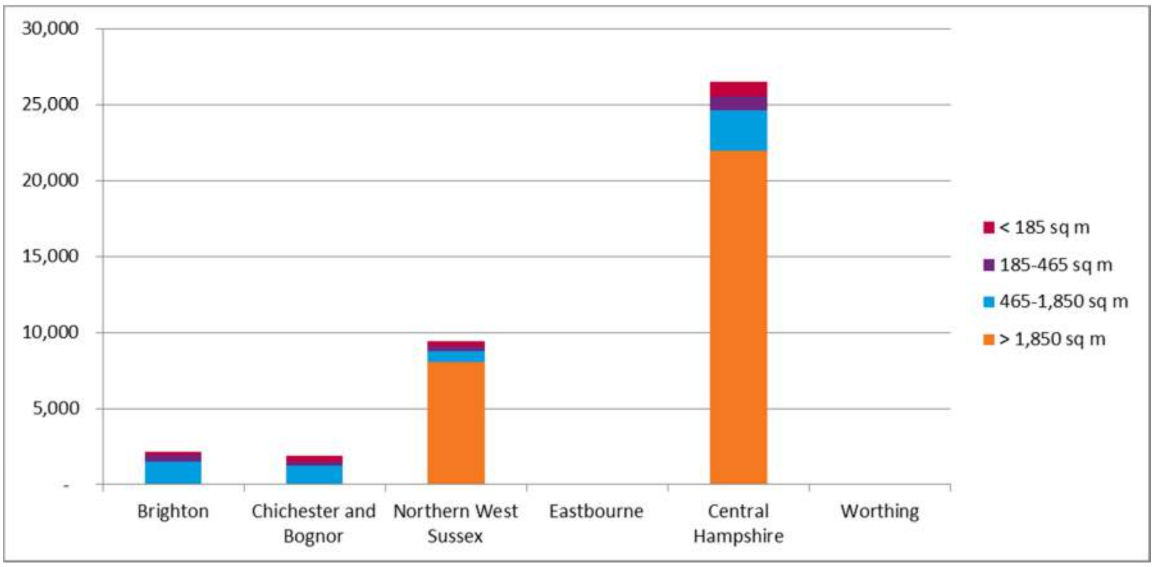


Source: Valuation Office Agency (2008)

Availability

5.43 The majority of the available space which is being marketed at the time of the assessment (October 2014) within the National Park is second hand; with a lack of grade A space or refurbished space available. There has been a lack of speculative development in recent times, in common with many other areas.

Figure 29: Industrial Availability in SDNP (2014)



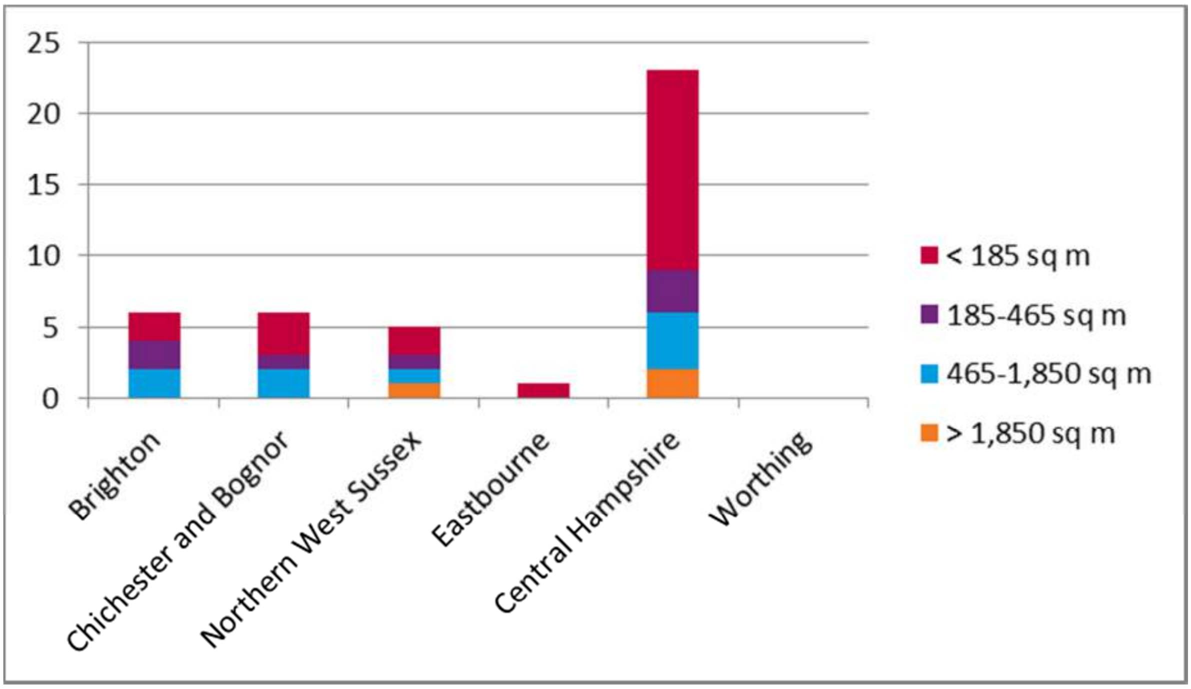
Source: EGI/ GL Hearn –2014

5.44 Figure 29 shows the availability of industrial floorspace across the National Park FEMAs. The information has been derived from the Estates Gazette Interactive (EGi) property database, which compiles information property agent letting information.

5.45 Total availability of industrial floorspace within the National Park is 40,124 sq m (as of October 2014). This is equivalent to 4.4% of the total office stock of the Wider South Downs Area (911,000 sq m). The total floorspace within the National Park will be slightly smaller than this figure and therefore we would expect the vacancy rate of the National Park will be slightly higher than this figure. In a healthy property market, it is considered normal for there to a level of vacancies as businesses move, buildings are developed or refurbished and lettings take place. The optimal level of vacancies is generally accepted to be 5-10%.

5.46 However, 19,000 sq m of the available supply is made up of a single site at Chilcomb Lane in Winchester which is used for open storage. If this site is excluded from the available supply then the availability reduces to 21,104 sq m which is well below what would normally be considered healthy market levels.

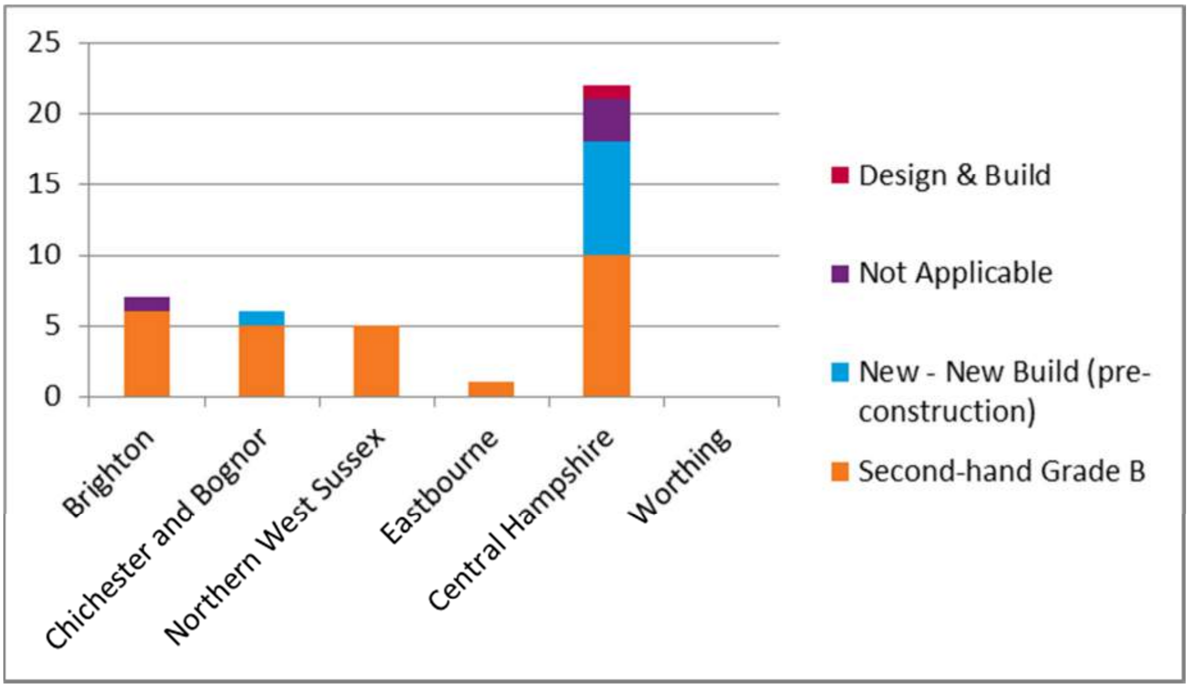
Figure 30: Number of Available Industrial Units by FEMA (2014)



Source: EGI/GL Hearn –2014

5.47 There are notably more available employment units in Central Hampshire FEMA than elsewhere in the National Park with 56% of the current available stock. This includes 8 available units at the Land Adjacent to the Bentley Industrial Centre near Blacknest, which generally comprise small (67 – 290 sq m) new build units. There are also 4 units at Bedford Road in Petersfield including a 3,000 sq m vacant site being marketed as a Design and Build Opportunity. The other settlement with a high proportion of available units is Lewes (Brighton FEMA) which has a variety of second hand units ranging in size from 30 – 1,000 sq m.

Figure 31: Quality of Available Industrial Sites by FEMA (2014)



Source: EGI/GL Hearn (October 2014)

5.48 The majority of new build units are at the Land Adjacent to Bentley Industrial Estate near Blacknest. There is only one other available new build unit in the National Park which is a 465 sq m unit at Hampers Common Industrial Estate in Petworth. Overall, availability of Grade A industrial floorspace is low.

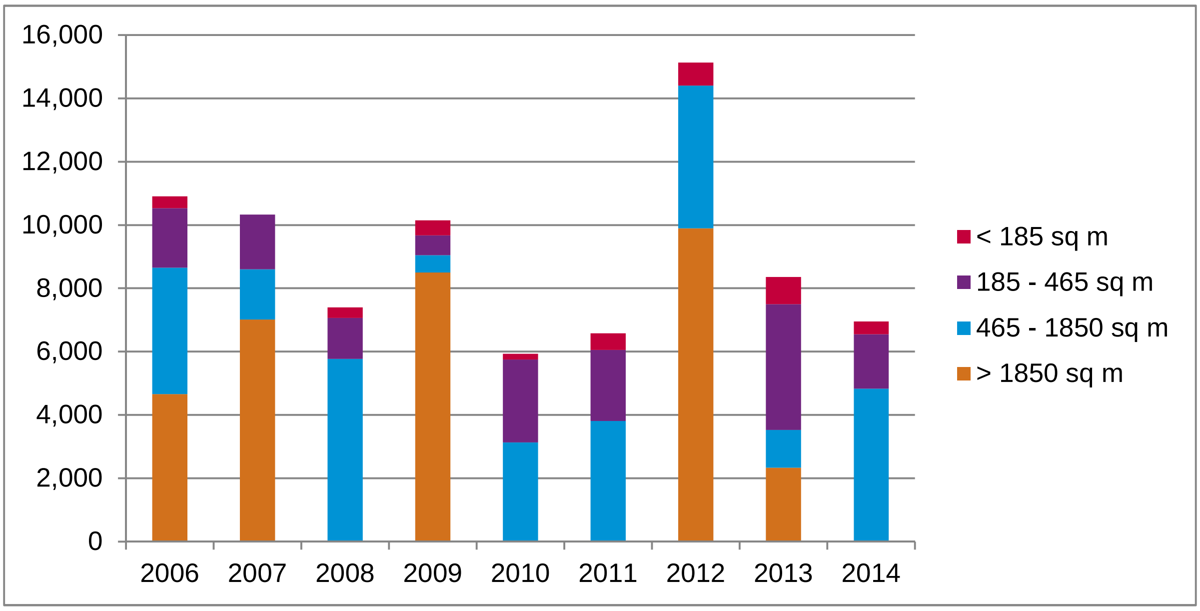
Rental Values

5.49 In 2013 and 2014 the average rental value achieved from transactions analysed was £5.49 psf with an interquartile range from £3.84 to £7.00. Over this period letting activity mainly took place in Lewes (32% of all lets) and Petersfield (26% of lets). In Lewes, the majority of units were larger units at the Cliffe Industrial Estate which went for between £6.50 and £7.00 psf. In Petersfield the majority of units were at Bedford Road which went for an average of £7.65.

Take-Up

5.50 Figure 32 shows the take-up in industrial units (both new-build and second hand stock) in the National Park. The chart does not display the same post-recession decline as experienced by the office market (consistent with wider market trends). The total industrial take-up in the National Park may have experienced a small overall decline following the pre-recession peak in 2007 in general terms but this is offset somewhat by individual deals for large units in 2009 and 2012. In 2013 and 2014 there has been no significant increase with take-up rates remaining below 2006 and 2007 levels.

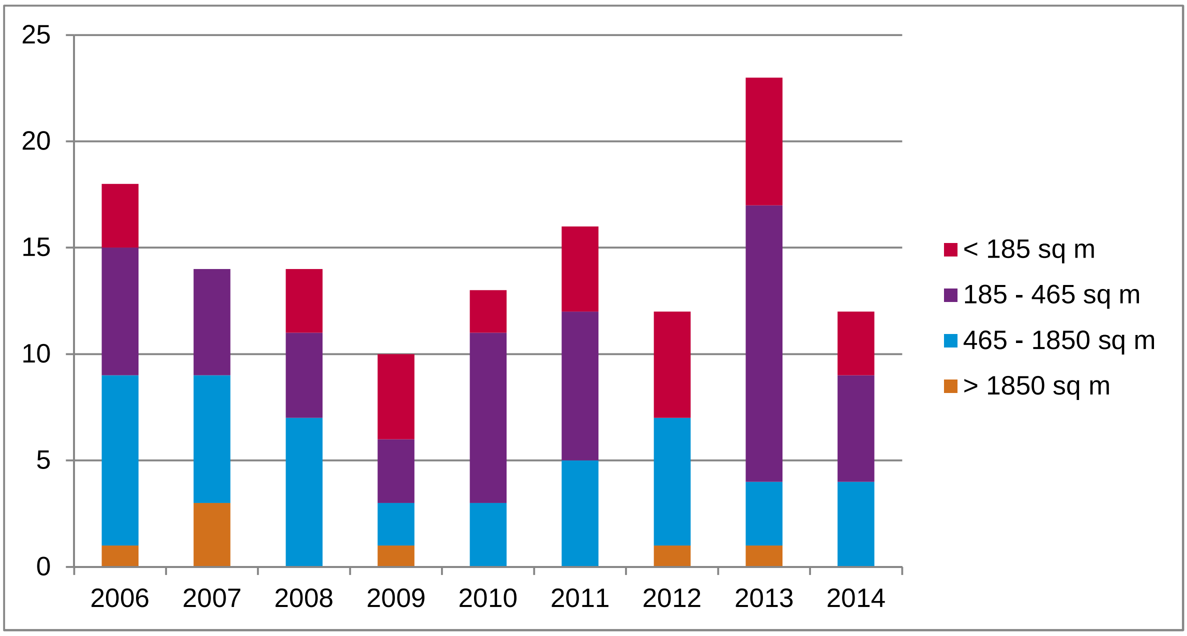
Figure 32: Industrial Take-Up in SDNP (2006 - 2014)



Source: EGI

5.51 Figure 33 overleaf, showing the number of transactions of industrial units, shows that there may have been a small decline in the number of transactions in 2009 but shows the number of transactions growing in 2010 and 2011. The number of transactions reached a peak in 2013. The 2013 high includes a range of deals across the National Park area and is not influenced by one single industrial estate or new build coming online. Therefore it is difficult to conclude, based on available data, that the industrial market in the National Park has been significantly affected by the recent recession.

Figure 33: Number of Transactions in SDNP (2006 – 2014)



Source: EGI

Implications

5.52 Within the South Downs National Park industrial uses are heavily based in the Hampshire FEMA with particular concentrations at Bordon and Petersfield. Additionally there are larger industrial sites at Lewes and to the north of Chichester. As with the office market there is a very little in the way of industrial uses in the Eastbourne FEMA and none whatsoever in Worthing FEMA.

5.53 The supply-demand balance in the industrial market in the National Park is relatively tight at the time of this report (2014), with an availability rate below the recommended level of 5-10% to allow sufficient choice of units to support a healthy level of growth and churn.

5.54 The evidence points to limited availability of units of a good quality and size. The industrial stock is generally restricted to older second hand units, with very little in the way of new build units. Only the development at the Land Adjacent to Bentley Industrial Estate near Blacknest has delivered more than one new unit in recent years, and these were limited to a small size.

Stakeholder Consultation

5.55 As well as the above assessment of the commercial property market, we have also undertaken a qualitative assessment through a targeted stakeholder consultation as well as a Stakeholder workshop held on the 29th of September in Midhurst. All consultees were asked to comment on the strengths of the National Park as well as their comments on what could be improved.

Transport

5.56 While many consultees cited the good transport links these tended to be those closest to the A3 and M23. For others, one of the most common improvements requested was to the transport network. There are particular concerns about congestion along the A272 and to a lesser extent the A3 and that these pinch points should be priorities before adding any additional capacity.

5.57 The provision of long term sustainable transport network was also a priority. Many had experienced cutbacks to bus routes and no suitable investment in rail infrastructure. Due to the lack of public transport in certain areas some businesses cited that they have to provide transport for their workforce. Indeed it was quite common for employers to employ people from Portsmouth, Chichester, Bognor and Brighton.

5.58 Others cited issues with the availability of parking within the National Park. We also noted that at some employment sites there was overspill parking effecting neighbouring roads.

5.59 There was also a desire to ensure that where new housing and industrial developments are considered or created then accessible transport solutions should be in place before development starts. For example that the M27 is already overloaded (although we note that funding for improvement have been announced by Government in December 2014).

5.60 Transport issues were also a topic for the operation of business with some commenting on a need for improved rail capacity and increased freight infrastructure. Possibly this should be on the Winchester line as there is not much additional freight demand on the Alton and Petersfield lines.

Amenities

5.61 A number of employers stated that one of the key considerations for locating their business was the proximity of amenities and public transport for their workforce.

5.62 One major drawback particularly the central part of the National Park was the distance to international carrier hubs. The area was seen as being a little too far from Heathrow, Southampton and Gatwick.

5.63 For smaller business, it was important that Post Offices are retained for their own distribution. There was also a concern that the cost of retail properties were increasing and that they would soon be priced out of the market, particularly in the larger towns.

Staffing

5.64 One major employer was concerned that the changing demographic of the area was making it difficult to recruit staff particularly for the lower skilled jobs. They local demographic was seen as too old and too affluent to take up this work. This was in part as a result of the cost of local housing was forcing younger people of the area or precluding them from entering it in the first place. In general it was easier to recruit management as the higher wage roles justified travelling further distances.

5.65 One way this could be addressed would be to provide more amenities and lower cost housing which would help retain staff. Improvements to public transport would also help attract lower paid staff to work in the National Park. Further provision of training facilities within the National Park would also mean that the existing workforce would be better skilled

Infrastructure

5.66 Many of the consultees, particularly at the stakeholder event noted a particular problem with broadband and mobile connectivity. This was restricting small business growth and also people working from home. It was believed that wide spread improvements were required not just for commercial premises but also for residential.

5.67 In spite of the issues regarding broadband provision, the area was seeing an increase in homeworking through both home based workers and home based businesses. It was noted that majority of homeworkers are sole practitioner operations. Working from home tends to be as a result of personal lifestyle choice rather than through lack of supply of small office space.

5.68 A number of individuals also commented that they had frequent problems with electricity power cuts and that the draining infrastructure was bad.

Premises

5.69 In contrast to previous comments, some consultees did highlight a lack of small office space on easy / short term rents, which has created a scarcity of flexible 'easy in / easy out' space. This was particularly the case in the key centres of Midhurst, Petworth, and Lewes which require 'gateway' facilities.

5.70 Homeworking has also resulted in an increasing demand for meeting space and conference spaces (i.e. shared/Regus-style space), however there is a distinct lack of such facilities in the National Park and would only really work in the key centres. Conference space would also help improve business tourism with companies hosting seminars or training days in a better environment.

5.71 In general business premises also seemed to be a concern. Some consultees noted that there was a lack of affordable small move on space for home based businesses. One suggestion was to encourage the conversion of some farm buildings within the National Park into employment space.

Farmers could make their land more viable and also provide cheap accommodation for starter business.

5.72 A lack of premises in the major settlements surrounding the National Park was resulting in pent-up demand inside the National Park. As a result demand exceeds supply for all types of employment space so buildings not getting refurbished/ upgraded.

5.73 Existing established businesses also require higher quality premises, but there is a lack of high quality premises available and many have experienced difficulties in expanding existing sites / facilities due to National Park restrictions.

5.74 There was also a demand for warehousing premises with access to roads suitable for logistics and freight forwarding opportunities, although most business were mindful that this should be done without spoiling the characteristics of the National Park. In such circumstances, there should be a priority to reuse of brownfield sites.

Other Growth Opportunities

5.75 In terms of the growth opportunities a number of the consultants indicated other sectors which are likely to experience future growth and that would be suitable for the National Park area and provide higher paid employment. These included:

- Research into green produce and agriculture;
- Advanced manufacturing particularly in relation to healthcare, advanced engineering and electronics;
- Biomedical/bioengineering and R&D;
- Marine Technology;
- Environmental/low carbon industries;
- Automotive industries linked to Tesla and Rolls Royce;
- Pharmaceuticals;
- Agricultural Control Systems.

5.76 Some of these industries require specific skills and premises. It was noted that there were plans for a science and Technology Park at Burgess Park (outside the National Park) linked to local universities.

5.77 Proposals for a second runway at Gatwick (being explored by the Davis Commission) were also seen to have a big impact on the National Park, regardless of whether or not the second runway goes ahead. If it is approved there will be a displacement of existing businesses at the airport, some of which might seek to relocate to the National Park. If the additional runway is ruled out, then airport will likely become leisure focussed, leading to a loss of businesses that rely on the airport for businesses links.

6 SUPPLY OF SITES

6.0 This section of the report provides a review of the supply of employment land within SDNP. It does not represent an assessment of all employment land within the National Park, but focuses on the larger employment sites or those of strategic significance. The sites identified are either of a significant scale, have been subject to a material change since the last ELR, are subject to a planning application or are being proposed for designation for either employment or another use.

Site Assessment Methodology

6.1 Site surveys were undertaken by GL Hearn in October 2014 using a site assessment proforma which draws on best practice guidance[3] and the PPG. The site assessments addressed:

- The nature and intensity of use of the employment site;
- Road access, including access by HGVs and servicing of existing businesses;
- Access to local services/ amenities for employees;
- Physical constraints to the development and use of this site;
- Nature of any bad neighbour or adjacency issues;
- The age and quality of existing buildings;
- Public transport accessibility and adequacy of parking provision.

6.2 A general description of each employment site was prepared. The site survey included specific consideration of the quality of sites and floorspace and their future suitability to meet market demand.

6.3 We have reviewed the development potential of sites, the potential for intensification of use and potential for extension of existing sites. Vacant land and floorspace on existing sites has been recorded. Where development opportunities were identified, information was collected regarding the potential availability of land for development, market attractiveness of the site, and any known constraints (including infrastructure) which might impact upon the deliverability of development. The sites were not assessed for landscape impact.

6.4 The assessments come with the caveat that neither a detailed investigation of landownership and lease structures nor detailed development appraisals to assess viability at a site-specific level (in the absence of a development scheme) have been undertaken to inform conclusions on developability. GL Hearn advises that the National Park Authority liaise with landowners and developers to consider these issues in detail to inform any site allocations in the forthcoming local plan.

[3] South East of England Partnership Board (2010) Economic and Employment Land Assessments Guidance

Sites Considered

6.5 The list below outlines the sites which have been assessed through this Employment Land Review. These sites were visited late autumn 2014. The site area represents the size of existing and potential sites we have assessed.

Table 7: List of Employment and Potential Employment Sites Reviewed

Ref	Site	Nearest Settlement	Type	Site Area (ha)
Site in Arun				
A1	Gosling Croft Business Centre, Clapham	Clapham	Existing	0.29
A2	Sawmill, Arundel Park	Arundel	Existing	0.86
Sites in Chichester				
C1	The Workshop, Thicket Lane	Eartham	Existing	0.47
C2	Hampers Common Industrial Estate	Petworth	Existing	0.5
C3	Land East of Hampers Common Industrial Estate	Petworth	Potential	1.4
C4	Selham Sawmill	Selham	Existing	4.26
C5	The Wharf	Midhurst	Existing	0.41
C6	The Cowdray Estate Works Yard	Easebourne	Existing	1.06
C7	Midhurst Business Centre	Midhurst	Existing	2.49
C8	Stedham Sawmill	Stedham	Existing	1.07
C9	Former Syngenta Site	Fernhurst	Existing/Vacant	7.77
C10	Former ICI Plant Protection	Fernhurst	Existing/Vacant	4.53
C11	Hurstfold Farm	Fernhurst	Existing	6.34
C12	Land Adj to Hurstfold Farm	Fernhurst	Potential	6.34
C13	The Old Piggery, Church Farm	South Harting	Existing	0.57
C14	Chilgrove Farm	Chilgrove	Existing	0.80
C15	Holmbush Industrial Estate	Midhurst	Existing	2.63
C16	Eastmead Industrial Estate	Lavant	Existing	1.65
Sites in East Hampshire				
E1	Farringdon Business Park	Farringdon	Existing	3.60
E2	Farringdon Industrial Estate	Farringdon	Existing	0.86
E3	Lodge Farm Barns	East Tisted	Existing	0.38
E4	Buckmore Farm	Petersfield	Potential	3.66
E5	Heath Road	Petersfield	Existing	2.02
E6	Land at Weston Lane, Petersfield	Weston	Potential	2.44
E7	Land adj to Fernsden Lodge, Kingsfernsden Lane	Petersfield	Potential	3.73
E8	Amey Industrial Estate	Petersfield	Existing	0.56
E9	Frenchmans Road	Petersfield	Existing	2.13
E10	Bedford Road	Petersfield	Existing	20.18
E11	Brows Farm Business Park	Liss	Existing	0.56
E12	Ham Barn Farm	Liss	Existing	3.18
E13	Blacknest Industrial Estate	Blacknest	Existing	5.2
E14	Upper Adhurst Industrial Estate	Petersfield	Existing	2.3
E15	Land at the Domes	Petersfield	Potential	
Sites in Horsham				
H1	Shoreham Cement Works	Upper Beeding	Existing/Vacant	8.47
H2	Gerston Business Park	Storrington	Existing	0.67
Sites in Lewes				
L1	North Street/Phoenix Quarter	Lewes	Existing	6.65
L2	Brooks Road / Daveys Lane Depot	Lewes	Existing	11.66
L3	Land at South Downs Road, Lewes	Lewes	Potential	1.27
L4	Land East Of Malling Industrial Estate	Lewes	Potential	1.72
L5	Former Southern Water Works, Ham Lane, Lewes	Lewes	Potential	1.61
L6	Ditchling Nurseries, Beacon Road, Ditchling	Ditchling	Potential	1.19

L7	Allington Farm, Allington Lane	East Chillington	Existing	0.11
L8	Hanover House, Davey's Lane	Lewes	Existing	0.35
L9	Cobbe Place Farm	Beddingham	Existing	0.16
L10	County Hall	Lewes	Existing	1.70
Sites in Winchester				
W1	Northfields Farm	Twyford	Existing	7.10
W2	Chilcomb Park, Chilcomb	Chilcomb	Existing/Vacant	1.19

Review of Existing Main Employment Sites in SDNP

6.6 We set out below the findings below from the site assessments. This follows the structure by local authority set out in Table 7 above.

Sites in Arun

A1 - Gosling Croft Business Centre, Clapham

Site Area (ha)	Vacant Area (ha)
0.29	None

6.7 This is a small scale business park comprising a mixture of small single storey units and storage containers. It caters for small scale local businesses and start-ups. The buildings are estimated to date from the mid-1990s and are generally not of high quality. The site appears to be well maintained.

6.8 The buildings are arranged around an open area which is currently used for unallocated parking and open storage (storage containers). This appeared adequate for current parking needs and was not full at the time of assessment. Moderate intensification of use could be achieved through further development in this area before on-site manoeuvring becomes an issue.

6.9 The site is bounded to the east by woodland and on the other sides by residential properties. The wider local area comprises open agricultural land.

6.10 Strategic road access to the site is good with the site located on the A280 which joins the A27 approximately 500m to the south of the site. Vehicular access into the site is via a narrow access road which may be unsuitable for heavy use by large vehicles.

6.11 **Recommendation**: **Support continued employment use, reflecting the strong strategic road access and low vacancy within this site.**

A2 - Sawmill, Arundel Park, Arundel

Site Area (ha)	Vacant Area (ha)
0.86	None

6.12 The site is located on the northern edge of Arundel, on the edge of Arundel Park which is the historic grounds of Arundel Castle. The site is surrounded by woodland. While there is no evidence of historic architecture or features on the site itself, the area surrounding the site comprises several historic buildings and features set in the historic landscape.

6.13 The site is outside but adjacent to the Conservation Area, Scheduled Ancient Monument, and Site of National Importance for Nature Conservation which surround the castle and cricket ground (Arun District Local Plan, 2003).

6.14 The site comprises a sawmill unit and a granite works buildings. The buildings are in good condition. A large proportion of the site is in use for open storage of materials. At the time of assessment the site was fully occupied. The uses on the site relate to the management of Arundel Park.

6.15 There is open storage of wood and granite on the site, and use of the site could be intensified should this be necessary to support business operations.

6.16 There is no dedicated car parking provision on the site, but some informal parking takes place at the front of the site near the access road. Vehicular access to the site is via a narrow and fairly steep lane, creating some difficulties in access for larger vehicles/ HGVs. Strategic access is via the nearby A284 and A27.

6.17 **Recommendation**: **This is a functioning employment site which is currently actively used. We recommend that policy supports the continued use of this site for employment purposes. The site supports one of the key economic sectors identified in the Partnership Management Plan.**

Sites in Chichester

C1 - The Workshop, Thicket Lane, Eartham

Site Area (ha)	Vacant Area (ha)
0.47	None

6.18 This is a small scale industrial site comprising 3 units in a rural location. All the units are in a reasonable state of repair. At the date of assessment one of the units was vacant and being marketed. There is no area for potential expansion at the site.

6.19 The site is bounded to the east by woodland and the west by open agricultural land. The nearest settlement is Eartham approximately 1.5 miles by road to the east, although amenities in the village are limited.

6.20 Access to the site is via Thicket Lane which is a narrow country road. This joins the A285 500m away, but the junction of the two roads would be difficult for large vehicles or high volumes of traffic. There is no public transport serving the site.

6.21 **Recommendation: The site is functioning reasonably and is occupied, but this is not a particularly sustainable or commercially attractive location for employment uses. It is not considered that a specific policy response is necessary.**

C2 – Hampers Common Industrial Estate, Petworth

Site Area (ha)	Vacant Area (ha)
0.5	None

6.22 The site is comprised of an active industrial estate located approximately half a mile north of Petworth Centre where the nearest amenities are located. The site is included within the settlement boundary of Petworth and was allocated for employment use under Chichester District Local Plan Policy B1 (Chichester District Local Plan First Review, 1999).

6.23 The industrial estate comprises two terraces small to medium single storey units occupied by mixed general industrial uses. The quality of the existing units is considered to be reasonable and the occupancy rate is good. The existing industrial estate is actively used, but suffers from internal circulation issues. The existing parking provision at the site is inadequate and there was considerable roadside parking and loading taking place on the date of assessment. This makes manoeuvring of larger vehicles at the site potentially difficult.

6.24 Access into the potential expansion land to the east would be through the existing industrial estate. Parking provision would need to be addressed through any expansion of the site.

6.25 The site is situated just off the A283 providing good access to the strategic road network. The site is served by a local bus service and is within walking distance of a bus stop.

6.26 **Recommendation**: **Support continued employment use, reflecting the low vacancy within this site and importance to the employment land supply in Petworth.**

C3 – Land East of Hampers Common Industrial Estate, Petworth

Site Area (ha)	Vacant Area (ha)	Nature of Vacant Land
1.4	1.4	Greenfield site

6.27 The greenfield site to the east of Hampers Common Industrial Estate (see C2) is bounded to the west by the existing industrial estate and on the other three sides is open agricultural land. The adjacent industrial estate comprises two terraces small to medium single storey units occupied by mixed general industrial uses.

6.28 The site which is adjacent has a high occupancy rating and the Petworth has a distinct lack of employment floorspaces. This site presents the most reasonable opportunity for the town to increase employment land provision and choice.

6.29 The site is situated just off the A283 providing good access to the strategic road network. The site is served by a local bus service and is within walking distance of a bus stop. The site is a cleared greenfield site and is an obvious expansion opportunity. The suitability of the site for B8 use is influenced by access to it, which is difficult for HGVs.

6.30 There is no real supply of employment land or premises in Petworth which can accommodate business growth. The market evidence points towards a need for additional provision, including to support small business growth.

6.31 **Recommendation: SDNPA should consider the allocation of 1.1 hectares of land for B1 and B2 use at this location to provide an enhanced resource of employment land serving Petworth. We would recommend that the SDNPA engaged with the landowner to consider the appropriate policy response which could include allocation for future employment use.**

C4 - Selham Sawmill, Selham

Site Area (ha)	Vacant Area (ha)	Nature of Vacant Land
4.26	2.29	Cleared storage yard

6.32 An industrial site located in a rural location approximately 3 miles west of Petworth and 3 miles east of Easebourne. The site is surrounded by undeveloped land and agricultural uses. It is bounded on two sides by the River Rother.

6.33 The site is occupied by a single occupier and comprises a number of buildings used as a sawmill including trade counter uses. The buildings are in good condition.

6.34 Roughly half of the site, to the west of the site, is undeveloped and is currently used for open storage. There is potential for intensification of uses on this part of the site subject to business/ landowner requirements. A planning application (ref. no. SDNP/14/02898/FUL) for the erection of a new 224 sq m storage unit between the units on the eastern part of the site is currently pending consideration with SDNPA.

6.35 There are no local amenities close to the site. The nearest amenities are in Petworth and Easebourne, 3 miles away.

6.36 The site has good vehicular access and vehicle movement and circulation within the site is good. There is a dedicated car park area on site. The site is located down a country road approximately 500m from the A272. The site is served by a local bus service and there is a bus stop within walking distance.

6.37 **Recommendation: This is a single use site occupied by West Sawmills. We recommend that policy supports the continued use of this site for employment purposes subject to market demand. The site supports one of the key economic sectors identified in the Partnership Management Plan.**

C5 - The Wharf, Midhurst

Site Area (ha)	Vacant Area (ha)
0.41	None

6.38 The Wharf is a road on the eastern fringe of Midhurst containing a mix of industrial and residential uses. The industrial units run along one side of the road and around a forecourt at the eastern end of the road. The surrounding area is residential in character. The site is within walking distance of Midhurst Town Centre, which is the nearest location of local amenities and bus services.

6.39 The industrial units are generally small and are occupied by a mix of industrial uses. The units appear to be the result of *ad hoc* development. Most units were occupied at the date of assessment. Approximately half of the units are in reasonable condition and half were in a poor condition.

6.40 There is limited parking provision at the site. It wasn't clear whether the parking was for users of the industrial units or local residents. There was some car parking within the forecourt, however this area is small and manoeuvring could be difficult. There is limited scope for larger vehicle access due to the narrowness of the street and residents' on street parking.

6.41 The strategic road network (A272 and A286) is accessed through Midhurst Town Centre. The site is in Flood Zone 3.

6.42 **Recommendation: This is a functioning employment site within one of the** National **Park's major settlements. It is developed out but of generally poorer quality. There are some potential conflict issues associated with commercial traffic and the proximity of the site to residential use. However it is currently actively used. It is not considered that a specific policy response is necessary.**

C6 - The Cowdray Estate Works Yard, Easebourne

Site Area (ha)	Vacant Area (ha)	Nature of Vacant Land
1.06	0.4	Intensification of open storage

6.43 The site forms part of the Cowdray Estate grounds in Easebourne and is currently used for the undertaking of estate works as well as for storage of materials and machinery relating to maintenance of the estate. It is occupied by a single user. The site comprises a number of smaller buildings, estimated to date from pre-1940s and generally of a poor quality; as well as areas being used for open storage. The northern part of the site remains undeveloped.

6.44 The site is within the village of Easebourne and lies outside but adjacent to the Historic Parks and Gardens designation of Cowdray Estate; and to Easebourne Conservation Area (Chichester District Local Plan First Review, 1999). There is limited access to local amenities. Access to the site is directly from the A272. The site is served by a bus service and there are bus stops within walking distance of the site.

6.45 **Recommendation: The site functions adequately for the needs of the existing business. Use of the site could be intensified subject to the needs of the Estate. It is not considered that a specific policy response is necessary.**

C7 - Midhurst Business Centre, Midhurst

Site Area (ha)	Vacant Area (ha)	Nature of Vacant Land
2.49	1.49	Intensification of storage uses

6.46 This site comprises general industrial uses located on the western fringe of Midhurst. The site contains a mix of small and medium industrial units and accommodates a mix of industrial and vehicle repair uses. Towards the rear of the site is a large area currently used for grit storage. The site is bounded to the south by a recycling centre and on the other three sides by woodland.

6.47 The site is accessed via Station Road which joins the A286 approximately 150m away. There is a bus service on the A286 with the nearest bus stop 250m from the site. The nearest amenities are in Midhurst Town Centre approximately 750m away. Access to services is reasonable.

6.48 There is vehicle parking along one side of Station Road with the units opposite. At the date of assessment there was also considerable parking of cars and loading/unloading in front of each individual unit which made circulation within the site difficult.

6.49 The grit storage site at the rear of the area is currently underused and there is potential for intensification of this area subject to commercial considerations of the landowner. There are some poorly maintained buildings at this part of the site which would require demolition.

6.50 **Recommendation: This is a key employment site within Midhurst, which is relatively accessible and performs well. Policy should seek to support continued employment use of this site.**

C8 - Stedham Sawmill, Stedham

Site Area (ha)	Vacant Area (ha)	Nature of Vacant Land
1.07	0.58	Intensification of vacant / storage land

6.51 This is a single occupier industrial site located to the south of the village of Stedham. The site comprises a sawmill building with approximately half of the site is occupied by storage containers.

6.52 The western half of the site is currently open undeveloped land and provides potential to intensify use at the site. This land was allocated for employment use in the Chichester District Local Plan First Review (1999) but remains as yet undeveloped.

6.53 Planning permission (ref. no. SJ/07/01011/OUT, extended by SJ/10/01431/EXT and SDNP/13/02491/TIME) for the erection of 2,746 sq m of B1c ‘light industrial’ employment uses on the undeveloped western half of the site has been approved, with the latest extension approved September 2013.

6.54 To the rear of the site are residential properties, to the east is agricultural land, and to the west is woodland. There are limited amenities within Stedham - the closest amenities to the site are in Midhurst, approximately 2 miles away. There is a local bus service with stops within walking distance of the site.

6.55 Vehicle access into the site is off a service road running alongside the A272. Access into the site is via poorly paved lane, unsuitable for HGVs. There is dedicated staff and visitor parking on-site.

6.56 **Recommendation: This is a single user site which supports one of the key sectors identified in the Partnership Management Plan. The land allocated in the Chichester District Local Plan now benefits from planning permission and can therefore be regarded as a commitment. Continued employment use should be supported.**

C9 - Former Syngenta Site, Fernhurst

Site Area (ha)	Vacant Area (ha)	Nature of Vacant Land
7.77	5.13	Vacant office building (reuse) and vacant grounds

6.57 This is a large office site located in a rural setting approximately 1 mile south of Fernhurst. The site comprises two large office buildings (purpose-built in the 1990s) in the centre of the site with a large car park to the front. The north and east (rear) parts of the site house a number of smaller buildings and large areas of unused land, parts of which are overgrown.

6.58 The majority of the site is currently vacant. The front office building has been re-occupied (by Aspinall of London) and is in good condition. The larger office building to the rear is vacant and is in a much poorer state of repair. It currently has Prior Approval for (ref. no. SDNP/14/01014/DCOUPN) for the change of use of B1(a) office floorspace to form 213 residential units. This can be implemented up to 30 May 2016.

6.59 If residential conversion of the larger office block is not brought forward, the building could potentially be brought back into use as office space subject to market demand. However the building has been vacant for 12 years, and the likelihood of securing a further tenant requiring this volume of floorspace would appear limited.

6.60 The office buildings are set within landscaped grounds although these have only been maintained at the front of the site with the landscaping more overgrown elsewhere.

6.61 The north-west corner of the site is occupied by a grounds maintenance company who occupy a number of smaller buildings. The remainder of the site grounds are not in use, have not been maintained, and are in a poor state of repair. Multiple areas within the grounds appear to have been used for fly-tipping.

6.62 There is a large car park at the site split into three areas. Only one of these areas is currently in use as car parking. The other car parking areas have not been maintained and are in a poor condition containing piles of refuse and debris. The car parking area currently in use is in a good condition and appeared adequate for current needs.

6.63 Access to the site is good and the access road into the site is well maintained. Within the site, there is a looping road around the office buildings allowing good circulation and service access to the whole site. Some of these internal roads are currently in a poor state of repair.

6.64 Vehicle access into the site is directly from the A286 where there is a bus service and bus stops within walking distance. There are no amenities nearby, with the closest amenities being in Fernhurst.

6.65 The site has been vacant and marketed for some time with development. Much of the site is now derelict. The demand evidence does not point towards significant evident demand for larger floorplate office units within the National Park, such as those available here. We consider that a flexible policy is considered necessary to bring support occupation/ redevelopment.

6.66 **Recommendation: We consider that it is not reasonable for this site to be protected solely for employment use. A more flexible policy approach which supports mixed-use development is recommended, with new development options expected to include some employment-generating uses.**

C9 - Former ICI Plant, near Fernhurst

Site Area (ha)	Vacant Area (ha)	Nature of Vacant Land
4.53	0.38	Derelict brownfield site

6.67 This is a derelict former industrial site in a rural location. Part of the site is a previously developed industrial site set within overgrown grounds. The site is in a very poor state of repair, the buildings are in a poor condition. There are small areas of hardstanding in very poor condition. The site is overgrown. Part of the site is thick woodland.

6.68 The surrounding area is rural in character and the site is surrounded on three sides by open or agricultural land. To the west of the site are the grounds of a residential property. The nearest amenities are in Fernhurst, approximately 1.5 miles to the north-west. There is no local public transport provision.

6.69 The site is accessed from a very narrow country lane. The surrounding road network is not suitable for large vehicles or high volume of traffic. There is currently no vehicular access into or within the site.

6.70 **Recommendation: The poor quality of this site, its access and location mean that we do not consider it appropriate to seek to retain employment use. We consider prospects of employment development to be limited.**

C10 - Hurstfold Farm, Fernhurst

Site Area (ha)	Vacant Area (ha)
1.88	0

6.71 This converted farm site is now used as for mixed employment uses and is located in a mostly agricultural area approximately 1.5 miles south-east of Fernhurst. Because the site is surrounded by open agricultural land, development may visually impact on the surrounding landscape.

6.72 The site comprises a number of small scale industrial units under a variety of general industrial and vehicle repair uses. The units are housed within 5 buildings which forms the central core of the site. These buildings are generally in a reasonable state of repair and all were occupied at the date of assessment.

6.73 There is unallocated car parking around the buildings at the centre of the site which appears to be on an ad-hoc basis. Similarly, the loading / unloading arrangements appeared to be on an ad-hoc basis. Circulation within the site is adequate but made difficult in places due to the parking and loading arrangements. Access to the site is via a country road. Access to the strategic road network is poor with the A286 the nearest A road accessible via a network of country roads.

6.74 **Recommendation: This is a functioning employment site in active use. In general the site is comprised of poor quality stock and is in a remote location. It is not considered that a specific policy response is necessary.**

C11 - Land Adjacent to Hurstfold Farm, Fernhurst

Site Area (ha)	Vacant Area (ha)	Nature of Vacant Land
4.46	4.46	Vacant Brownfield

6.75 The site comprises a large area of vacant previously developed land including large areas of hardstanding in various states of disrepair. The site in general is not well maintained. The vacant land makes up approximately two thirds of the total site area and has the potential for redevelopment. Parts of this are currently used as open storage and there is evidence of fly-tipping.

6.76 There are ample areas of hardstanding on the site which are also used as car parking for the adjacent industrial uses. Access to the site is via a country road. Access to the strategic road network is poor with the A286 the nearest A road accessible via a network of country roads.

6.77 **Recommendation: In general the site is of poor quality in a remote location. Despite having large areas of previously developed land, its location and quality mean that we would expect commercial interest in the site to be limited. It is not considered that a specific policy response is necessary.**

C12 - The Old Piggery, Church Farm, South Harting

Site Area (ha)	Vacant Area (ha)	Nature of Vacant Land
0.57	0.18	Conversion of vacant agricultural buildings

6.78 Located on the western fringe of South Harting, the site lies outside of the settlement boundary but within the South Harting Conservation Area (Chichester District Local Plan First Review, 1999). The site is comprised of converted farm buildings now used as small scale industrial units. Only two of the farm buildings have been converted and there are a number of units which apparently remain in agricultural use. The nearby farmhouse remains in residential use.

6.79 The site is surrounded by open agricultural land. There are limited local amenities and a bus service located in South Harting centre which is approximately 500m from the site.

6.80 The industrial units are generally in a good condition and at the date of assessment were fully occupied. There are a number of other buildings still in agricultural use which together with the converted units surround the old farmyard. These farm buildings are in considerably poorer condition than the converted units, however there is potential for further conversion of the buildings to create a more cohesive business park.

6.81 There is a dedicated area of unallocated parking at the site which at the time of assessment appeared sufficient for current uses. Vehicular access is via a narrow road which would not be suitable for HGVs or a large volume of traffic. This access road feeds onto the B2146.

6.82 **Recommendation: This is a functioning employment site in active use. The site is of reasonable quality but is in an isolated location. It is not considered that a specific policy response is necessary.**

C13 - Chilgrove Farm, Chilgrove

Site Area (ha)	Vacant Area (ha)	Nature of Vacant Land
0.80	0.25	Unused brownfield land

6.83 This is an new build office building located 5 miles south-east of South Harting. The area surrounding the site is agricultural in character. There are three other former farm buildings close to the north-east of the site. Two are currently in residential use and one is under light industrial use, although planning permission for a change of use to residential was approved in August 2014. There are no local amenities nearby.

6.84 The site comprises a two storey office building, which is in good condition, and a car park to the rear. The building comprises 18 small offices. At the date of assessment four of these units were vacant and being advertised.

6.85 Although there is 0.25 Ha of unused land to the front of the site that has the potential to accommodate further development, this is currently part of the landscaping of the site. And any development would likely be of detriment to the surrounding rural character of the area.

6.86 The car park appeared to be adequate for current requirements. Vehicular access into the site is narrow and not suitable for HGVs. Access is via a country road which joins the B2141 approximately 500m away. There is no public transport service to the site.

6.87 **Recommendation: This is a multi-user site which supports employment in one of the more rural locations in the National Park. The site is a good quality office park. Continued employment use should be supported.**

C14 - Holmbush Industrial Estate, Midhurst

Site Area (ha)	Vacant Area (ha)
2.63	None

6.88 This is a local industrial estate in the southern fringe of Midhurst. The estate comprises many large warehouse units with loading bays and off road loading areas. At the date of assessment the majority of the units were occupied. The majority of the units are considered to be of good or reasonable quality and are well maintained.

6.89 The area is bounded by woodland strips and the surrounding area is predominantly residential in character. The nearest local amenities are in Midhurst town centre, approximately one mile away.

6.90 Most units have small areas of off road parking. There is also a small overspill car park for the site which at the time of assessment was well used. There is a large amount of existing HGV traffic accessing the site. Access is via Holmbush Way which joins the A286 approximately 750m away. Access to the A272 is via central Midhurst.

6.91 There is the potential for minor intensification of the site, but this would mostly be limited to building on areas currently used for car parking.

6.92 **Recommendation: This is one of the major employment sites in Midhurst and should be protected for B-class employment. The site functions well and benefits from good access to the Strategic Road Network and low vacancy rates. The Council should seek to protect this site in employment use.**

C15 - Eastmead Industrial Estate, Lavant

Site Area (ha)	Vacant Area (ha)	Nature of Vacant Land
1.65	0.1	Vacant intensification opportunity

6.93 This is a relatively large industrial estate, particularly given the size of the settlement it resides in. The site is comprised of 29 units housing a variety of industrial and warehouse uses. The majority of the units are of reasonably large size and estimated to date from the 1960s/70s. The units are organised in two blocks with vehicular access around the edge of the site and dividing the units. The site is closely bounded on all sides by residential properties.

6.94 Generally the site is in reasonable condition. Occupancy is good with only one vacant unit being advertised at the date of assessment. There is a small piece of previously developed land at the rear of the site which is currently vacant and has the potential for development.

6.95 Site access and circulation is good and suitable for HGV access. Access into the site is directly off the A286 although this could be improved through junction control. There is allocated car parking around parts of the site boundary and there was a substantial amount of parking and loading at the front of each of the units. The site is served by a bus service with bus stops at the site entrance.

6.96 **Recommendation: This is a multi-user site which supports employment to the North of Chichester. The site is a reasonable quality industrial estate. Continued employment use should be supported.**

Sites in East Hampshire

E1 - Farringdon Business Park, Farringdon

Site Area (ha)	Vacant Area (ha)
3.60	None

6.97 This is an established industrial estate within the village of Lower Farringdon. The site comprises small single storey units to the front (south) of the site with large industrial warehouse units to the rear (north) of the site. Occupancy rates are good, only three units appeared to be vacant at the date of assessment. The units are generally in a good condition. Considerable areas of the site are currently used for open storage of building materials and scaffolding. These storage areas are well used and well maintained and would not seem to represent an opportunity for redevelopment / intensification.

6.98 The site is located close to the amenities within Lower Farringdon centre, although these are limited. There are residential properties bounding the southern and parts of the eastern edge of the site.

6.99 There is on site car parking provision which at the date of assessment appeared to be adequate for existing users. The larger units at the site have dedicated loading bays. Access and circulation within the site for larger units is adequate. Access is directly from the A32. There is no public transport serving the site.

6.100 **Recommendation: This is a multi-user site which supports employment in the North West of the National Park. The site is a reasonable quality industrial estate. Continued employment use should be supported.**

E2 - Farringdon Industrial Estate, The Old Station Yard, Farringdon

Site Area (ha)	Vacant Area (ha)
0.86	None

6.101 This is a small industrial estate on the edge of Lower Farringdon village. The site comprises a linear development of high sided units under general industrial uses. The units are good quality and generally well maintained. Occupancy rates are good but there were a small number of vacant units at the date of assessment.

6.102 The site is on the edge of the village with residential properties to the north and east and agricultural uses on the other sides. The site is within walking distance of the village centre, although amenities there are limited.

6.103 Access to the site is directly from the A32. Access is adequate although quite steep. Circulation within the site is acceptable. There is car parking provision in front of the units and there is a small overflow car park. The units have dedicated loading bays.

6.104 **Recommendation: This is a small business park which supports employment in the North West of the National Park. The site is a reasonable quality industrial estate. Continued employment use should be supported.**

E3 - Lodge Farm Barns, East Tisted

Site Area (ha)	Vacant Area (ha)
0.38	None

6.105 This is a small single user site in rural location on the A32 approximately 1 mile south of Farringdon. The site comprises one large new industrial unit and a smaller office building, both built recently and both in good condition. The site is in use for an outdoor furniture manufacture which produce some wood related products. There is also an older building on site in a state of considerable dilapidation.

6.106 The site is located on the edge of the grounds of Rotherfield Park and falls within the Historic Parks and Gardens designation (East Hampshire Local Plan, 2006). The site is surrounded on three sides by open landscaped grounds. To the front of the site is an historic gatehouse building. Further development at the site could impact on the historic landscape.

6.107 Access into the site is directly from the A32. There is dedicated on-site parking which, at the time of assessment, was adequate for the site's needs. Circulation within the site is adequate. There are no amenities in the vicinity of the site and there is no public transport provision.

6.108 **Recommendation: This is a single user site occupied by Gaze Burvill. We recommend that policy supports the continued use of this site for employment purposes, particularly as the site supports one of the key economic sectors identified in the Partnership Management Plan.**

E4 - Buckmore Farm, Petersfield

Site Area (ha)	Vacant Area (ha)	Nature of Vacant Land
3.66	3.66	Greenfield site

6.109 This is an undeveloped Greenfield site on the western fringe of Petersfield close to the junction of the A3 and the A272, comprising two portions lying north and south of the old farmstead of Buckmore Farm (which contains a listed building). The southern part of the site, covering 1.6Ha was allocated for employment use in the East Hampshire Local Plan (2006).

6.110 The northern part is proposed for allocation (2.0Ha) in the submission draft Petersfield Neighbourhood Plan. There is a neighbouring residential development currently under construction to the west of the site. The allocated (southern) part of the site is currently vacant and is being advertised for development. The northern part is in use as agricultural fields.

6.111 Outline planning permission (ref. SDNP/13/00695/OUT) for development of the southern part of the site for employment uses was granted in November 2013 The proposed development includes the creation of a business park comprising the erection of buildings with a maximum floorspace of 5,500 sq m for office, research and development, light industrial, or storage and distribution uses (including trade counter). Engineering operations to alter site levels, including formation of new access to Winchester Road were also approved as part of the scheme.

6.112 The site is bounded to the East by residential properties and public open space, to the south by Winchester Road (A272), to the south-west by a A3 services which include a petrol filling station, McDonalds, Premier Inn and public house, to the west by the A3 and to the north is further open agricultural land (allocated for green space and housing in the draft Petersfield Neighbourhood Plan).

6.113 Access to the site is currently via Beckham Lane which is a narrow unpaved road unsuitable for large vehicles or a high volume of traffic. Development of the site would require the creation of a more suitable access either from Winchester Road or via the service station access road. There is bus provision along Winchester road with bus stops close to the site. The site is within 600m of Petersfield railway station.

6.114 This site provides an opportunity to bring forward good quality employment provision at an accessible location in Petersfield, close and accessible from the A3. The site is suitable for accommodate B1, B2 and B8 uses.

6.115 **Recommendation: The southern part of the site has been given planning permission for a new business park and can therefore be regarded as a commitment. The northern part is proposed for allocation in the submission draft Petersfield Neighbourhood Plan. It is in a**

good location close to the A3. Should the planning permission lapse, we would still consider that employment use of this site should be supported.

E5 - Heath Road, Petersfield

Site Area (ha)	Vacant Area (ha)	Nature of Vacant Land
2.02	0.43	Intensification opportunity

6.116 This site is located just outside the settlement boundary of Petersfield and comprises a number of farm buildings, two of which have been converted into office use and a number of others remain in agricultural use. The office buildings offer a number of small scale office units and appeared to be fully occupied. The buildings themselves are of high quality.

6.117 One of the buildings has only been partially converted, planning permission (ref. SDNP/14/01918/FUL) for the conversion of the remaining part of the building, comprising 162 sq m, to B1 office space was granted in October 2014.

6.118 There is a large adequate car park to the rear of the site and behind this is an area of previously developed land which now lies vacant offering scope for potential further development. The surrounding area is in open agricultural use and development could have landscape impacts. There are no amenities or bus service in the vicinity of the site.

6.119 Access to the site is via a country road joining the B2146 200m to the west. Access to the wider A-road network is through Petersfield.

6.120 **Recommendation: The site functions adequately for the needs of the existing businesses. Use of the site could be intensified subject to demand and landscape impact. It is not considered that a specific policy response is necessary.**

E6 - Land at Weston Lane, Petersfield

Site Area (ha)	Vacant Area (ha)	Nature of Vacant Land
2.44	2.44	Greenfield Site

6.121 This is a greenfield site located next to the junction of the A3 and the B2070, approximately 1.5 miles south of Petersfield. The site is currently not in use and comprises overgrown scrubland bounded by hedgerows.

6.122 The character of the surrounding area is predominantly rural although there is a row of houses and open storage site opposite the site. The site is bounded on 3 sides by major roads and to the east by the railway and B2070. Development at the site is therefore considered unlikely to impact on the wider landscape.

6.123 Access to the strategic road network is very good. However, there is currently no vehicular access into the site. Given its proximity to the A3 junction any future uses would be subject to a rigorous transport impact assessment. The site is served by a local bus service and there are bus stops close to the site. There are no amenities in the immediate vicinity of the site, the nearest being in Petersfield.

6.124 **Recommendations: The site is not currently in employment use although it is located in close proximity to the A3 and other employment uses. It is not located within an existing settlement although it is close to the edge of Petersfield. Any application on the site should be treated on its merits and should be supported by a full impact assessment. No specific policy response is necessary.**

E7 - Land adjacent to Fernsden Lodge, Kingsfernsden Lane, Petersfield

Site Area (ha)	Vacant Area (ha)	Nature of Vacant Land
3.73	3.73	Greenfield site

6.125 This potential employment allocation on the northern fringe of Petersfield. The site is located on the edge of a residential area to the south and open agricultural land to the north. The site is undeveloped grassland surrounded by hedgerows. There are a small number of residential properties immediately adjacent to the site. Though the site is on the edge of the built up area there are no amenities within the area immediately surrounding the site.

6.126 There is currently no vehicular access into the site. Access into site would be via Kingsfernsden Lane which is a narrow lane unsuitable for HGVs or high volumes of traffic. This joins the B2070 nearby and is approximately 250m from the junction of the A272 and the A3 spur. There is a bus service on the B2070 with bus stops within walking distance of the site.

6.127 **Recommendations: The site is not currently in employment use and is located in a largely residential area. Local road access to the site is poor. It is unlikely that this site would be suitable for employment uses.**

E8 - Amey Industrial Estate, Petersfield

Site Area (ha)	Vacant Area (ha)
0.56	None

6.128 This is a small local industrial estate close to Petersfield Town Centre. It is comprised of largely smaller units under various industrial uses with some functioning as trade counters. The site is located on the eastern edge of the Bedford Road industrial area, although it is separated from the rest of the area by the railway. There is access to the larger industrial area via Frenchmans Road which cross the railway line.

6.129 The units are arranged around Swan Street which is a small cul-de-sac. The units are generally of older stock, estimated to date from the 1970s/80s, and are of reasonably good quality. Occupancy levels are good. The site is fully used and there is no potential space for further development at the site.

6.130 There is car parking in front of each of the units with a small area of overspill parking. At the time of assessment car parking provision appeared to be adequate to meet the needs of existing users. Being located close to the centre of Petersfield the site has good access to local amenities and is well served by public transport with bus stops and Petersfield train station within walking distance.

6.131 **Recommendation: This is a small multi-user site which functions well. The site is a reasonable quality industrial estate. Continued employment use should be supported.**

E9 - Frenchmans Road. Petersfield

Site Area (ha)	Vacant Area (ha)	Nature of Vacant Land
2.13	0.1	Unused car park – intensification opportunity

6.132 The site comprises two large industrial units located either side of Frenchmans Road in Petersfield. The site is located to the north-west of the Bedford Road industrial area and is surrounded on three sides by residential properties. Being located close to the centre of Petersfield the site has good access to local amenities and is well served by public transport with bus stops and Petersfield train station within walking distance. There is a watercourse running along the road side of the western site and the western site falls within Flood Zone 2. The eastern site in in Flood Zone 1.

6.132 Each of the units are fully occupied by single users. Both buildings are in good condition. Both have considerable on site car parking and loading bay facilities although access into the eastern site is via a steep ramp. The southern part of the western site currently comprises a car park which appeared to be unused is allocated for Employment Use in the Petersfield Neighbourhood Plan.

6.132 A planning application (ref. SDNP/14/04736/FUL) for the redevelopment of the western site for residential use was submitted to SDNPA in September 2014 and is currently pending consideration.

6.132 An EIA Screening Opinion Request (ref. SDNP/12/01465/SCREEN) for the redevelopment of the eastern site for the creation of a foodstore was submitted in July 2012. A planning application for these works has not been submitted.

6.132 **Recommendations: The site is comprised of two single occupier sites located on either side of the road. Both sites area well used and function adequately for the needs of the existing business. Use of the western site could be intensified subject to the needs of the Estate. As**

two of the larger sites in Petersfield, continued use for employment should be supported and the development of the Car Park site should be encouraged for employment use.

E10 - Bedford Road Industrial Area, Petersfield

Site Area (ha)	Vacant Area (ha)		Nature of Vacant Land
20.18	0.43		
	Vacant Site	0.3	Vacant brownfield
	Car Park	0.13	Intensification opportunity

6.133 Large, high quality existing industrial estate in western Petersfield comprising a wide variety of employment uses. The area was a historic employment allocation in the East Hampshire Local Plan (2006). The area stretches from close to the centre of Petersfield out to the settlement boundary along the A3. Roughly triangular in shape the area is tightly bounded by the A3 to the west and the railway to the east and by residential to the north.

6.134 The nature of the building stock and employment uses vary throughout the area. The west of the area is dominated by larger units such as the Whitman Laboratories and DBC sites which are set within tree lined sites with large on-site car parks and loading areas. The quality of buildings and sites in this part of the Bedford Road area is good and sites appear to be well maintained.

6.135 The southern part of the Bedford Road area comprises generally smaller units which are a mix of office and general industrial uses. The quality of these buildings is generally good and the plots are well maintained. This area is known as Petersfield Business Park although there is no defined boundary between the Business Park and the rest of the employment area. At the date of assessment there were a relatively small number of vacant units with vacancies spread among unit sizes and B classes.

6.136 The majority of premises have on-site car parking provision, the intensity of use of which varies. There are several shared or overspill car parks. At the time of assessment some of the car parks were underused. Most of the sites have loading bays or dedicated on-site loading areas.

6.137 There are two gap sites in this part of the industrial area which are currently undeveloped – one of which was being used as an overspill car park and one of which was unused brownfield site which is seemingly a second phase of an existing development but is currently being used for limited storage. While both these sites provide some potential opportunity for redevelopment although neither was being advertised for redevelopment. The vacant brownfield site should be considered as part of the future supply given that it is a cleared site in one of the primary/key employment location in the National Park.

6.138 The north-eastern part of the Bedford Road Industrial Area, running adjacent to the railway, comprises older industrial units in a variety of industrial, storage, and vehicle repair uses. The buildings are mostly of older stock and although smaller than those elsewhere in Bedford Road they are large by National Park standards. The units are generally of reasonably good quality but are situated in much closer proximity to each other with areas of car parking or open storage surrounding. This part of the industrial area is very tightly packed and there are no gap sites or opportunities for intensification. There was considerable roadside parking and loading and unloading in this area. This constrained vehicle movement within this part of the industrial area.

6.139 The site relates well to Petersfield with the north-eastern part of the site within walking distance of the centre and the railway station. The other end of Bedford Road joins the roundabout junction between the A3 and the A272 providing good links to the strategic transport network. There is a watercourse running through the southern part of the area and various parts of the area fall within Flood Zones 2 and 3.

6.140 Generally this area represents a good quality mixed employment area. The area is tightly bounded and so opportunities for further development is limited to redevelopment of gap sites and underused car park sites.

6.141 **Recommendation: The site is the largest employment location within the National Park and should be protected for employment use. There are opportunities for intensification and some change of use (but retaining b-class employment use).**

E11 - Brows Farm Business Park, Liss

Site Area (ha)	Vacant Area (ha)
0.56	None

6.142 Converted farm buildings at former farm just outside the settlement boundary of Liss. The buildings have been converted to provide a mixed employment site including two blocks of small scale office use, and four larger units in general industrial use. The site is one of the main industrial locations serving the town of Liss and the north of the National Park.

6.143 To the rear of the site is a large vacant agricultural building. A planning application (ref. SDNP/14/05448/FUL) to use this building for light industrial and storage uses was submitted in October 2014 and is currently pending consideration. The proposals would create an additional 810 sq m of employment floorspace. The quality of the buildings is good and the site is generally well maintained.

6.144 The site is located approximately 200m outside of the built up area of Liss and is surrounded on all sides by open land. There is a golf driving range to the rear of the site. There are no amenities within walking distance of the site, the closest being located in Liss centre where there is also a train station. There is no bus provision serving the site.

6.145 There is an allocated car park which, at the time of assessment, appeared to be adequate for current needs. Access into the site was from Farnham Road and is adequate for existing requirements. Access to the wider strategic road network is good with Farnham Road joining the A3 approximately 1 mile to the south of the site.

6.146 **Recommendation: The site functions adequately for the needs of the existing businesses. The site provides employment to the town of Liss and has an outstanding planning application for further employment uses. Continued employment general use should be supported.**

E12 - Ham Barn Farm, Liss

Site Area (ha)	Vacant Area (ha)		Nature of Vacant Land
3.18	1.57		
	Lawned area	1.42	Greenfield expansion area
	Unused site	0.15	Vacant brownfield site

6.147 Converted farm buildings at former farm at the junction of the B3006 and A3 approximately 1 mile north of Liss. The site comprises four units under mixed industrial and office uses. The site is bounded to the west by the River Rother and the western half of the site in in Flood Zone 3. The rest of the site is in Flood Zone 1. There are residential properties to the south. The surrounding area is predominantly in agricultural use.

6.148 The buildings at the site are single storey and of reasonable quality. The site is generally well maintained. Occupancy is good. At the date of assessment there was one vacant plot being advertised to let. More than half of the site is vacant and is currently covered by a large expanse of lawn, representing an opportunity for further employment development.

6.149 Vehicular access into the site is good and feeds directly onto the B3006 at the roundabout junction with the A3.

6.150 **Recommendation: The developed part of this existing employment site could be extended (should this be necessary) subject to market demand and landscape impact to provide an enhanced resource of employment land. The site is well located next to the A3. We would recommend that the SDNPA engaged with the landowner to consider the appropriate policy response for the potential expansion area and protect the existing employment uses.**

E13 – Blacknest Industrial Estate, Blacknest

Site Area (ha)	Vacant Area (ha)
5.2	None

6.151 This traditional industrial estate is located in a remote location in the very northern reaches of the National Park. The site has good access to the Strategic Road Network with the A325 and A31 in relatively close proximity. The site is also close to the Bentley Train Station which is on the Alton Branch line although there is no public transport to link the site to the train station or anywhere else. There are no local services to serve the sites workforce.

6.152 The buildings on the site are of mixed quality large purpose built buildings from the late 70s early 80s. The major employer on the site is a logistics company. The site is also home to a number of construction and motor industry businesses including trade, and manufacturing uses. The site is also home to a micro-brewery which will be part of the key food and drink manufacturing services. Up to 25% of the site is vacant although generally the site is busy.

6.153 The site is overlooked by a nearby hill and can therefore be considered as being within a sensitive landscape area. There are no vacant land or premises which could intensify the uses on the site.

6.154 **Recommendation: The site functions adequately for the needs of the existing businesses including one of the key sectors identified in the Partnership Management Plan. Continued general employment use should be supported.**

E14 – Upper Adhurst Industrial Estate, Petersfield

Site Area (ha)	Vacant Area (ha)
2.3	None

6.155 This site is located approximately 3 miles north of Petersfield town centre on the B2070 which connects directly to the A272 and has excellent links to the A3. Although for vehicles exiting the site require to turn left initially and travel northwards in order to turn. The site is in an isolated location and has no access to services and public transport access is poor.

6.156 The site itself is a 1990s converted farmyard which has good quality stock and is generally well maintained. However some of the uses on site, including waste processing and motor vehicle repair do damage the attractiveness of the site for ‘cleaner’ uses.

6.157 The site is almost fully occupied with only one unit on site currently vacant and being marketed. Some parts of the site are storage which could be intensified for other uses, however this would not be compatible unless the current uses moved elsewhere.

6.158 **Recommendation: The site functions adequately for the needs of the existing businesses. The site is a not a major employment location nor is it home to one of the key sectors. It is not considered that a specific policy response is necessary.**

E15 – Land at the Domes, Petersfield

Site Area (ha)	Vacant Area (ha)
1.1	1.1

6.159 This site is located approximately 2.5 miles east of Petersfield Town Centre at the edge of the town in a predominantly residential location although access to the site if via a service road for the nearby waterworks.

6.160 The site itself is comprised of two largely redundant agricultural buildings (domed chick sheds) and ancillary storage space around these buildings. The site is being used for some B8 uses and has permission for a change of use for the existing agricultural buildings to detached office/facilities building with associated parking (SDNP/25725/021).

6.161 **Recommendation - The site is allocated in the Petersfield Neighbourhood Plan and now benefits from planning permission and can therefore be regarded as a commitment.**

H1 - Shoreham Cement Works, Upper Beeding

Site Area (ha)	Vacant Area (ha)	Nature of Vacant Land
8.47	5.17	Derelict Industrial Land

6.162 The large former cement works site is located on the A283 approximately 1.5 miles north of Shoreham and 1.5 miles south of Upper Beeding. The site is an historic, primarily employment and leisure/ tourism, allocation in the Horsham District Local Development Framework (2007).

6.163 The site is divided by the A283. The eastern part of the site contains the former cement works buildings, the largest of which stands at 7-8 storeys, and a number of small prefabricated buildings serving as a site office. To the rear of the buildings is a large quarry area on two distinct levels. The plot to the west of the A283 contains two smaller former cement works buildings but the majority of the site is used for vehicle storage and other industrial and storage uses.

6.164 Much of the eastern site is currently occupied by Dudman for construction waste recycling but the higher quarry part of the eastern site is mostly unused. The former cement works buildings are no longer in use and are in a state of considerable dilapidation. Reuse of the site would likely require demolition of the existing buildings. Redevelopment of the site must be restoration led and remediation of ground contamination could potentially be required.

6.165 The site is surrounded by open agricultural land and protected chalk grassland. There are no local amenities in the vicinity of the site, the nearest being in Shoreham and Upper Beeding centres.

6.166 Access to the site is directly from the A283 which joins the A27 a mile to the south. Access for HGV and service vehicles is good. There is limited car parking available at the site with a small informal area at the front of the site used for parking. There is no scope for roadside parking. There is a bus stop close to the site.

6.167 Because the site is in such disrepair, has an open quarry face and large buildings with significant adverse impacts on the landscape of the National Park, and is likely to have some pollutants/contaminants, redevelopment will be a testing in terms of viability, particularly for lower value land uses.

6.168 **Recommendation: We consider that it is not reasonable for this site to be protected solely for employment use. A more flexible policy approach which supports reclamation of the site or alternative development is recommended, with any new development options expected to include some employment-generating uses.**

H2 - Gerston Business Park, Storrington

Site Area (ha)	Vacant Area (ha)	Nature of Vacant Land
0.7	0.1	Vacant Brownfield

6.169 The site is a converted farm site to the south of Storrington. The site contains a variety of converted farm buildings in general industrial uses. The quality of the buildings is mixed and the built environment of the site is reasonable. The site is located in a rural setting with open agricultural land surrounding. There are no amenities nearby. The site is accessed via a narrow country lane which joins the strategic road network (A283) in Storrington. There is a small vacant area to the North West of the Site which is currently used for storage.

6.170 **Recommendation: The site functions adequately for the needs of the existing businesses. Use of the site could be intensified slightly subject to demand. It is not considered that a specific policy response is necessary.**

Sites in Lewes

L1 - North Street/Phoenix Quarter, Lewes

Site Area (ha)	Vacant Area (ha)		Nature of Vacant Land
6.65	0.33		
	Vacant site	0.17	Vacant Brownfield
	Storage units	0.16	Cleared site for intensification

6.171 A large employment area to the north of Lewes Town Centre comprising a variety of employment uses, mainly industrial in nature but including some office development towards the northern edge of the area. Some of the units are under none-employment uses including a gym, a skatepark, and residential uses. There is a wide variety of unit age and conditions with some in reasonable condition but some of the units are very poorly maintained. The overall quality of the built environment is poor

6.172 Occupancy rates are reasonably good, albeit some of the units being in non-employment uses. A number of these uses have been granted consent due to a lack of take up in the units being utilised for employment uses. Consent has therefore been granted for these uses, generally on a temporary basis.

6.173 At the date of assessment there were quite a few units currently being advertised. There is one 0.17ha vacant brownfield site and one site currently housing a number of storage containers. These sites provide an opportunity for redevelopment.

6.174 Most of the units have car parking to the front. However there was a lot of on street parking and several plots under use as car parking which were very well used as the time of assessment. There are several sites which are currently being used for overspill car parking. The quarter is located close to the start of the A27 although access into the quarter is via North Street which is quite narrow and may prove troublesome for high volumes of HGV traffic.

6.175 The quarter relates well to Lewes Town Centre and is within walking distance of the train station. The quarter is bounded to the north-west by the River Ouse and the majority of the area falls within Flood Zone 3 with a small proportion within Flood Zone 2. The area has flooded on a number of occasions in the past (the last significant event was Oct 2000), but we understand the Environment Agency currently has no plans to fund defences. As a result, Lewes Council advises that flood defences will need to be delivered via a redevelopment scheme.

6.176 The North Street Quarter along with the adjacent Eastgate area together comprise a 9ha allocation for mixed-use development in the submission version of the emerging Lewes Core Strategy (2014). The allocation identifies the area for development of between 4,000 and 5,000 sq m of B1a office floorspace along with 390 residential units, retail, hotel, and leisure uses. Development is earmarked for delivery between 2015 and 2018. A request for scoping opinion (ref. SDNP/13/05188/SCOPE) for Environmental Statement to accompany outline planning application for redevelopment of the North Street Quarter was submitted in October 2013, suggesting the submission of a planning application for may be imminent.

6.177 In its existing state the North Street Quarter provides limited benefit to meeting Lewes's and the National Park's future employment requirements. This site assessment provides no evidence to suggest the retention of the existing uses at North Street would be preferable to mixed-use redevelopment outlined in the Core Strategy.

6.178 **Recommendation: The site is one of the major employment locations in the National Park although it does have a large percentage of vacant and poor quality stock. The comprehensive development proposals are likely to improve the location for employment uses and the authority should ensure that there is a balance between loss of employment floorspace and improvements to the offer. Any resultant employment floorspace should be protected for continued B-class use.**

L2 - Brooks Road / Daveys Lane Depot, Lewes

Site Area (ha)	Vacant Area (ha)		Nature of Vacant Land
11.66	0.75		
	West plot	0.33	Vacant Brownfield
	South-east area	0.42	Currently Being Redeveloped

6.179 Large mixed employment area on the north-east side of Lewes. The area comprises a number of large B8 units and smaller general industrial units. To the west of the area there are a number of retail warehouses and trade counter uses. There are also a number of office blocks towards the north of the area. To the west of the industrial area are Aldi and Tesco Supermarkets and petrol filling station.

6.180 The area relates well to Lewes and is within walking distance of the town centre and there is a good local bus service. The area falls partially within Flood Zone 2 and partially within Flood Zone 3 although the area does benefit from flood defences. There is good strategic transport access to the site via Malling Street and the A26. A number of the larger units, including the Daveys Lane Depot, have dedicated HGV loading bays.

6.181 Generally, the units are good quality. Most include on-site parking space and the office buildings are set behind soft landscaping. Occupancy rates in the area are good with three units being advertises as vacant at the date of assessment. The exception to this is the south-east quarter of the industrial area which comprises piecemeal development in a poor state of repair.

6.182 At the date of assessment this part of the industrial area was undergoing construction works. Various sites within this part of the area have been subject to planning permission. Planning permission (ref. no. SDNP/14/02122/FUL) and listed building consent was granted in July 2014 for the demolition, dismantling and site clearance of buildings abutting a listed building to enable the future use of the cleared site. Planning permission (ref. no. SDNP/13/04847/FUL) was granted in

May 2014 for the Conversion of offices to form two self-contained commercial units and nine residential apartments and erection of three residential apartments. These planning permissions appear to be being implemented.

6.183 There are two sites on the edge of the industrial area which are currently undeveloped brownfield sites. These sites have been assessed separately as Land at South Downs Road and Land East of Malling Industrial Estate. In addition there is a vacant 0.33ha plot to the west of the Brooks Road area.

6.184 **Recommendations: The site is the second largest employment site within the National Park. It has seen a large retail creep and will continue to come under pressure from such uses. The site however should be protected for employment use with preference given to B-class uses subject to market demand.**

L3 - Land at South Downs Road, Lewes

Site Area (ha)	Vacant Area (ha)	Nature of Vacant Land
1.27	1.27	Vacant brownfield

6.185 Undeveloped brownfield site towards the north-western edge of the Brooks Road employment area. The brownfield site is currently vacant and a large area of scrub covers the site. The site is allocated for employment use in the submission version of the emerging Lewes Core Strategy (2014) and is being promoted by a local agent for 'business uses'.

6.186 The site is bounded by the Brooks Road employment area to the south and east, playing fields to the west, and residential properties to the north. The site is located at the office-focussed end of the employment area and the neighbouring employment uses are office based. The site is in Flood Zone 2.

6.187 There is currently no vehicular access into the site and there is no parking for the site but there is on street parking nearby. The site is within walking distance of Lewes Town Centre and there is a bus stop next to the site. Strategic access to the site is good being in close proximity to the A26.

6.188 The site has been vacant and marketed for some time without sign of development, therefore the demand for the site may be limited.

6.189 A planning application (ref. SDNP/12/01557/FUL) for a mixed use development comprising 53 residential dwellings and 2,653 sq m of B1 floorspace was refused in April 2013 and appeal dismissed in March 2014. Although the scheme was refused, the loss of an employment allocation was not one of the reasons cited for refusal.

6.190 **Recommendations: The site is a potential expansion opportunity for one of the National Park's major employment location subject to market demand. The site has been actively marketed for employment use for some time. It may necessary to employ a more flexible approach with consideration for office-led mixed use development.**

L4 - Land East of Malling Industrial Estate, Lewes

Site Area (ha)	Vacant Area (ha)	Nature of Vacant Land
1.72	1.72	Vacant brownfield

6.191 Brownfield site located to the north and east of the Brooks Road Industrial Area. The site is currently vacant. The site is bounded to the north and east by residential properties. There is currently an access road into the site which leads into the Brooks Road industrial area. Access to the wider strategic road network is good with access onto the A26 nearby. The site is located close to the amenities of Lewes town centre. The site is in Flood Zone 3 but benefits from flood defences to the wider area.

6.192 Planning permission (ref. no. LW/12/0342/NP) for the erection of seven units including B1, B2, and B8 uses together with long stay car park (70 spaces) and associated landscaping was approved in June 2012.

6.193 The Core Strategy states that the majority landowner for the North Street Quarter has acquired the Malling Brooks East employment allocation. This allocation is expected to be implemented imminently with an extant planning permission being in place to enable this. It is the aspiration of the landowner to relocate a number of the current businesses in the North Street area to this site in order to off-set the loss of the industrial units at North Street. Although it is accepted that this cannot be guaranteed (existing businesses may wish to relocate to an alternative site), it does demonstrate that a reasonable supply of modern industrial premises will shortly become available in Lewes town.

6.194 **Recommendations: The site is a potential expansion location for one of the National Parks major employment location. The site has permission for 1.72 Ha of employment land which should be considered part of the committed supply.**

L5 - Former Southern Water Works, Ham Lane, Lewes

Site Area (ha)	Vacant Area (ha)	Nature of Vacant Land
1.61	1.61	Vacant site – not cleared

6.195 The site of the former water works is located just to the south of Lewes. The site is currently not in use and comprises the former water works buildings and a potential covered reservoir. The site lies just beyond the built up area of Lewes and is immediately surrounded by thick overgrowth. To the north of the site is school playing fields and a small area comprising small scale industrial units. To the south of the site is the A27 although there is no direct vehicular access to the site. The whole of the site is in Flood Zone 2.

6.196 Access to the site via Ham Lane which is a narrow road with a 'country lane' feel, leading from the urban fringe. The site is approximately 1km from Lewes train station.

6.197 There is potential to redevelop the site to low density employment use, however it is considered unlikely that this would attract much commercial interest.

6.198 **Recommendation: The site is no longer functioning as an employment location and is not a particularly commercially attractive location for employment uses nor is their suitable access. It is not considered that a specific policy response is necessary.**

L6 - Ditchling Nurseries, Beacon Road, Ditchling

Site Area (ha)	Vacant Area (ha)	Nature of Vacant Land
1.19	1.19	Derelict site – not cleared

6.199 The greenfield site is a former nursery site which is now overgrown and appears to be unused. There are no substantial existing buildings on site suitable for conversion.

6.200 The site is located just to the south of the village of Ditchling, approximately half a mile from closest amenities at Ditchling centre. The site is flat and is bounded by woodland to the north, open agricultural land to the east and west, and to the south is a small area of disaggregated residential development.

6.201 Access into the site is via a narrow lane just of Beacon Road. Existing vehicular access would not be suitable for large vehicles. There is no car parking provision currently at the site and no provision for roadside parking. There is no public transport provision serving the site.

6.202 **Recommendation: The poor quality of this site, its access and location mean that we do not consider it appropriate to seek to retain employment use. We consider prospects of employment development to be limited. It is not considered that a specific policy response is necessary.**

L7 - Allington Farm, Allington Lane, East Chiltington, East Sussex

Site Area (ha)	Vacant Area (ha)
0.11	None

6.203 This small scale office site is located in the open countryside approximately 2.5 miles north of Lewes. The site comprises two single storey office buildings located within converted farm buildings. Adjacent to the site are existing farm buildings, which appear to still be in agricultural use, and the farmhouse which is still in residential use. Beyond these buildings is open land in agricultural use. There could be potential for growth of office space via conversion of some of the remaining farm buildings.

6.204 The office buildings appear to date from pre-1940 although the conversion to office space appears to be fairly recent. The quality of the office buildings is good and the offices appeared to be fully occupied at the date of assessment.

6.205 Vehicular access to the site is via a narrow country lane which would be unsuitable for large vehicles or a high volume of traffic. At the site there is a small area for unallocated car parking which was not busy at the time of assessment. Manoeuvring could be a problem if use of this area was intensified.

6.206 **Recommendation: The site functions adequately for the needs of the existing businesses. It is not considered that a specific policy response is necessary.**

L8 - Hanover House, Davey's Lane, Lewes

Site Area (ha)	Vacant Area (ha)
0.35	None

6.207 This is a single unit site within the wider Brooks Road industrial area. The site relates well to Lewes and is within walking distance of the town centre and there is a good local bus service. There is good strategic transport access to the site via Malling Street and the A26. The site has good provision for loading/unloading of large freight vehicles, and has on site customer and staff car parking.

6.208 The building is in a very good state of repair and is fully occupied. It is currently occupied by a building suppliers under B8 use and includes ancillary trade counter and office uses. Planning permission (ref. no. SDNP/13/03707/FUL) was granted in September 2013 for the change of use of part of depot from B8 to B2 vehicle repair unit.

6.209 **Recommendation: The site functions adequately for the needs of the existing businesses. It is part of the wider Brooks Road Industrial Estate. We do not think that it requires a separate policy response from Brooks Road and therefore should be protected for B-class employment use alongside the wider area.**

L10 - Buildings at Cobbe Place Farm, Beddingham

Site Area (ha)	Vacant Area (ha)
0.16	None

6.210 The site comprises small scale office in converted farm buildings just off the A27 at Beddingham. The site has good strategic road access via the A27 and the A26 leading to the ferry port at Newhaven. Access into site is via a service road running alongside the A27. The site is surrounded by agricultural land and there are a number of buildings adjacent to the site apparently still in farm use, which could offer potential for further conversion or expansion of the site.

6.211 The single storey office building is a converted farm building estimated to date from the 1990s and is in reasonable condition. There are no vacant units. There is limited space for vehicle manoeuvring within the site and limited on site car parking resulting in considerable roadside parking along the service road. Servicing and loading/unloading of HGVs could be difficult. There are no amenities within the immediate surrounding area with the nearest amenities in Lewes. Public transport access is poor although there is a local bus service along the A27 with a bus stop within walking distance of the site.

6.212 **Recommendation: The site functions adequately for the needs of the existing businesses. Use of the site could be intensified slightly subject to market demand. It is not considered that a specific policy response is necessary.**

L11 - County Hall, Lewes

Site Area (ha)	Vacant Area (ha)
1.70	None

6.213 The site comprises a large office building and two well used, large car parks set within landscaped grounds. The site is dominated by the large office building which is reaches 6 storeys in height. The office building is a 1960s concrete design and is not considered to be aesthetically attractive. The building is flanked on two sides by large car parks. The whole of the site slopes steeply to the south.

6.214 The site is located within the settlement boundary of Lewes and the area surrounding the site is residential in character and residential properties bound the north and east boundaries of the site. The site is within the Lewes Conservation Area and adjacent to the Green Core designation (Lewes Local Plan (2003) saved in the Submission Core Strategy (2014)).

6.215 The offices appeared to be fully occupied at the date of assessment. The main occupier is East Sussex County Council. The buildings are in reasonable condition and the grounds appear to be well maintained.

6.216 The site is located just off Western Road (the A277) with vehicular access into the site is via the side street St Anne's Crescent. Strategic road access to the site is via the A277 which feeds onto the A27 roughly 1 mile to the west. The car parks are pay and display and were full at the time of assessment. There is a reasonable bus service along Western Road with bus stops close to the site.

6.217 **Recommendation: The site functions adequately for the needs of the Council and is unlikely to become available unless the Council vacate it. In the site were to be vacated, it could be considered suitable for a mix of uses including employment although this should be developed under the principles of the conservation area. Until such a time, the site should be protected for employment use.**

Sites in Winchester

W1 - Northfields Farm, Twyford

Site Area (ha)	Vacant Area (ha)	Nature of Vacant Land
5.16	0.34	Planning Permission for intensification

6.218 Former farm site on the north-eastern edge of Twyford (south of the Winchester) which has developed into an industrial estate comprised three adjoining sections. The sections include a mix of converted and new build units under a variety of office, light industrial, and storage uses. The majority of the units are modern of good or reasonable quality. The bigger units have loading bays. Vehicle access and circulation within the site is reasonable.

6.219 Uses on the site include a feed mill, some converted former chicken sheds in industrial use, some newer larger industrial units as well as some modern office space. This site is located at a prominent site at the top of a hill. The Feed Mill has been the source of complaints about smells and causes concerns about visual impact and local traffic and noise pollution. The site is also home to a number of the key industries including wood related (furniture manufacturing) and Food and Drink Manufacturing (feed mill and ice cream maker).

6.220 The site is located on the edge of the village of Twyford which has limited local amenities. It is surrounded on three sides by open agricultural land. Access to the wider strategic road network is reasonable with the M3 1.5 miles north of the site although this via residential areas and reasonable country roads. There is parking on site for the uses in place, which is required as public transport links are poor.

6.221 The site is fully occupied although there is outline planning permission (ref. 08/02924/OUT) for the demolition of existing feed mill and associated buildings, redevelopment for a mix of C2, D1, B1a, and B8 uses was approved in 2010. Upon implementation, this will create an additional 2,222 sq m of B1 floorspace, and 1,140 sq m of B8 floorspace. A reserved matters application for these works (ref. SDNP/14/05196/REM) was submitted in October 2014 and is currently under consideration.

6.222 **Recommendation: The site functions adequately for the needs of the existing businesses. The site has planning permission to be intensified and can therefore be regarded as a**

commitment. The site supports one of the key sectors identified in the Partnership Management Plan. Continued employment use should be supported and the vacant area of the site should be seen as a commitment.

W2 - Chilcomb Park, Chilcomb

Site Area (ha)	Vacant Area (ha)	Nature of Vacant Land
1.19	1.19	Redevelopment

6.223 This single user site situated to the south eastern edge of Winchester close to the village of Chilcomb. The site is an abandoned former warehouse and three storey office building. The site is currently being used for some informal car parking.

6.224 The site benefits from good access to the M3. Although it is close to the edge of the city it does not have direct access to amenities. The site is unlikely to come back into employment use in its current form and would require redevelopment.

6.225 The site has an outline consent (ref. 11/01559/SOUT) and Reserved Matters approval (ref. SDNP/14/02882/REM) was granted for the redevelopment of this site for erection of business, enterprise and innovation park comprising Class B1 (b) research and development units and Class B1 (a) office units. Consent for reserved matters was granted on 3rd September 2014 which has a 2 year implementation time frame.

6.226 **Recommendation: The site benefits from good access to the M3. Although it is close to the edge of the Winchester it does not have direct access to amenities. The site is unlikely to come back into employment use in its current form and would require redevelopment. The site has planning permission to be developed and can therefore be regarded as a commitment.**

Further Sites Considered

6.227 We have also undertaken a desktop review of a number of additional sites. Further information on these sites can be found in the relevant document, we have not provided recommendations for these sites.

6.228 These site were not visit as they were either too small to justify being strategic sites or had not materially changed since they were last reviewed.

Sites in Chichester, identified in the Chichester Employment Land Review (RTP, June 2009)

Pitsham Lane, Midhurst (1.0ha)

6.229 Former bus depot site on the south-western edge of Midhurst, allocated in the Chichester District Local Plan (1999). The majority of the site now comprises residential with a small area still in use as a bus depot. Potential repurposing of the bus depot however it is considered unlikely that this would attract much commercial interest. The depot site is on the edge of a residential area with poor access to local amenities.

Charlton Saw Mill, Charlton (0.6ha)

6.230 Undeveloped site in the village of Charlton, allocated in the Chichester District Local Plan (1999). The site borders residential uses to the north and there is some small scale existing B uses to the east of the site. The site has a characteristic 'village green' appearance. Charlton is a small village with limited amenities. There is poor access to the strategic road network with access to the site via a country lane and to the village itself via narrow country road. The site does function as one of the key sectors.

Colhook Industrial Park, Petworth (0.5ha)

6.231 Existing employment site just off the A283 approximately 3 miles north of Petworth. The site comprises 17 small industrial units arranged around a forecourt. Each unit has loading facilities and vehicle parking to the front of the unit. There is good vehicle access and circulation within the site. The site is in a rural area and is surrounded on all sides by woodland. There are no amenities within close proximity to the site.

Kingley Centre, West Stoke (1.9ha)

6.232 The site comprises a number of converted farm buildings providing 9 units for a variety of office or general industrial uses. The converted farm buildings offering a variety of unit sizes and building quality. The site is located within the disaggregated village of West Stoke with residential properties bounding the site to the south and open agricultural land on the other three sides. Access to the site is via narrow country road which joins the wider strategic road network at the A286 at East Lavant. There are no local amenities in the vicinity of the site.

Old Station Yard, Elsted Marsh (0.5ha)

6.233 Existing employment site comprising a single block of industrial units suitable for general industrial or storage uses. The site is within a small settlement but the character of the area is agricultural in nature. There are amenities in the vicinity of the site although the site is served by local bus service with bus stops within walking distance of the site. Vehicular access into the site is good and there is adequate on site car parking provision. Access is directly off Elsted Road which is a wide country road connecting to the A272 approximately 1.5 miles north.

Old Sawmill, Nyewood (1.7ha)

6.234 Established employment site within the small village of Nyewood. The site comprises a number of large industrial units and smaller workshop and office units. Vehicular access into the site is good and there appears to be adequate car parking provision. The site is surrounded by a wooded area with the site access road from the heart of the village. The wider surrounding area is of rural character. The site relates well to the village of Nyewood but there are limited local amenities within the village. There are bus stops within walking distance of the site. The site is located approximately 1.5 miles from the A272.

Sites in Lewes, identified in the Lewes Employment Land Review (NLP, Sep 2010)

Land South of Pinwell Road, Lewes (0.2ha)

6.235 Small site close to Lewes train station, currently in use as part of the station car park. The site is accessed via Pinwell Road either via a steep narrow access from the difficult junction with Station Road or via a residential area. There are residential properties to the north of the site and the railway to the south. The site is within walking distance of Lewes Town Centre. Current car park use of the site notwithstanding, the site would be suitable for B1 uses.

Cliffe Industrial Estate, Lewes (4.5ha)

6.236 Large industrial estate located just outside Lewes. The site comprises 28 units in B2 and B8 uses. The units are large, modern and of generally good quality. The units have dedicated off street loading facilities and off street car parking. The site is generally well maintained. Strategic transport links are good with the site located just off the A26 close to the junction with the A27. There are no amenities in the immediate vicinity of the site with the nearest being in Lewes town centre approximately 1 mile away. Nonetheless the site represents a good quality industrial estate.

Lewes Bus Station (0.2ha)

6.237 Small site in Lewes town centre, currently in use as a bus station. Development of the site is subject to relocation of existing bus centre use. The site is located close to the amenities of Lewes town centre. There is currently excellent bus provision at the site, however this is obviously subject to change should the bus station relocate. It's within walking distance of Lewes train station and there are good links to the strategic transport network via the nearby A26. Given the site's town centre location it would be suitable for an office development. The site is part of the North Street and Eastgate strategic allocation in the Joint Core Strategy (SP3).

Astley House, Lewes (0.3ha)

6.238 Site in western Lewes, currently used as a vehicle depot for Sussex Police. The site is located close to the junction of Western Road (A277) and Nevill Road (A275) approximately half a mile outside of Lewes town centre. There are good links to the strategic transport network and there is a good bus service serving the site. The surrounding uses are predominantly residential making the site suitable for B1 uses. The exiting building takes up most of the site area and the site is bounded by roads on three sides limiting expansion opportunities. As a result, parking provision at the site is limited. Redevelopment of the site would need to address this issue.

Police Station, Mount Place, Lewes (0.1ha)

6.239 Located just outside Lewes town centre in a predominantly residential area the site comprises the old police station building which is set to be vacated when the police move premises. Part of the building appears to have been converted to residential use with a retrospective planning application for this change of use currently pending consideration. The site is within walking distance of Lewes town centre and has good access to public bus services. The surrounding road network is part of the historic town and so comprises narrow streets. Given the nature of the surrounding area the building would be suitable to be repurposed for office accommodation. The site falls within the Conservation Area and this would need to be considered in any conversion.

Upper Stoneham Farm, Lewes (1.2ha)

6.240 Former farm site comprising converted farm buildings currently in mixed employment uses. The predominant use at the site is as a vehicle storage site. There are three large converted barn buildings at the site but the majority of the site is open land for the storage of vehicles. There is a potential intensification opportunity to redevelop this part of the site. The quality of the buildings and the built environment of the site is poor. The site is in a rural location approximately 1 mile north of Lewes and there are some residential properties surrounding the site. Vehicular access into the site is directly from the A26, and is considered adequate for existing needs. There are bus stops on the A26 serving the site.

Sites in Winchester, identified in the Winchester District Economic and Employment Land Study (SQW, June 2007)

Freeman's Yard, Cheriton (1.1ha)

6.241 Site formerly allocated for mixed use, there is currently an extant planning permission for residential redevelopment of the site (ref. 09/02590/FUL and various NMA and MMA permissions). The development of the site is now nearing completion.

Itchen Abbas Business Centre, Itchen Abbas (0.3ha)

6.242 Existing employment site in the settlement of Itchen Abbas comprising a number of small units under various industrial uses. The quality of the units is good. Each unit has off road loading and parking space to the front. There is no room for future expansion of the site.

Sites in East Hampshire, identified in the EHDC Employment Land Review (EHDC, Sep 2012).

Land South of Paddock Way, Petersfield

6.243 Undeveloped Greenfield site on the southern fringe of Petersfield. The site is bounded to the north by residential properties, to the west by the railway and to the east and south by open agricultural land. There are limited amenities nearby. Access to the site is via Paddock Way which is a minor residential road, this feeds onto Borough Road which is similarly small and residential in nature. Given the location of the sites it is considered inappropriate for industrial uses and that it is unlikely they would be attractive for office development. The site would appear more suitable for residential development.

Land South / West / East of the Causeway, Petersfield

6.244 Several undeveloped Greenfield sites on the southern fringe of Petersfield which, to a greater or lesser degree, each provide natural extensions to the settlement boundary. The sites about the settlement boundary of Petersfield in an area which is predominantly residential in character. There are limited amenities nearby. The sites are located either side of the Causeway (B2070) which links Petersfield and the A3 approximately 1 mile to the south. Given the location of the sites it is considered inappropriate for industrial uses and that it is unlikely they would be attractive for office development. The sites would appear more suitable for residential development.

Land South of School Lane, Sheet (4.1 ha)

6.245 Undeveloped Greenfield site in Sheet on the northern fringe of Petersfield. The site therefore constitutes a gap site and is bounded by residential properties to the north and east, the A3 spur road to the south, and the railway to the west. The surrounding area is predominantly residential in character and there are limited amenities or transport provision within close proximity to the site. Access to the strategic road network is good being close to the A3 and the A272. However, there is currently no vehicular access into the site although this would need to be created from School Lane or Town Lane which are both narrow local roads unable to support increase in traffic, rendering the site unsuitable for employment development at present time.

Liss Business Centre, Liss (0.3 Ha)

6.246 The site is located within Liss which is about a mile from the nearest A3 junction. Local road access is adequate although off small, residential roads public transport and access to amenities is poor. Adjoining uses are open land and dwellings but with adequate separation from the premises. The site is comprised of an older building converted into small units for start-ups although occupation appears relatively low.

Site Recommendations

6.247 Within this section we have made a recommendation against each of the sites we have visited. Our recommendations can be grouped into the following four categories:

- Principal/ Key Employment Sites - These are the key current, good quality employment sites within the National Park. Policy should support the continued use of these sites for B-class employment and resit development proposals for alternative uses;
- Other/ General Employment Sites - These sites would also be identified in the local plan, but the policy approach might be more flexible – such as allowing employment generating uses such as sui generis, trade counter, car showrooms etc;
- Allocations of Land with Development Potential - These are sites which should be considered for specific allocations in the local plan, as sites with future development potential; and
- Sites with Potential for Redevelopment for Other/ Mixed Uses - Where there is not potential for employment-led development, and but where a policy response is considered appropriate to support development of the site – such as for other uses/ mixed uses.

6.248 The site assessments above identified provision for up to 40 ha of land across 28 different sites which could be brought forward for development. However, not all of these sites are available or suitable for development and not all are recommended for continued employment use. Those sites which we have recommend for additional employment use are outlined in section 8.

6.249 Some of the land identified comprises plots in existing employment sites which could be intensified or are vacant or underused. These sites should be protected under local plan policy and a presumption given in favour of granting permission for the intensification of uses on the wider site subject to design, access, landscape impact etc.

Principal/Key Employment Site

6.250 We have identified four principal existing employment sites across the National Park. These are as follows:

- Site E10 - Bedford Road Industrial Estate, Petersfield
- Site C15 - Holmbush Industrial Estate, Midhurst
- Site L1 - North Street/Phoenix Quarter, Lewes
- Site L2 - Brooks Road, Lewes

6.251 Not only do these provide local employment, in some cases they are also key to the functioning of the sub-regional economy. It is therefore recommended that these sites are protected in the local plan for continued B-class uses.

6.252 We are mindful that some of these sites have over the years have seen an element of *sui generis*, trade counters and other non-b class employment generating uses locating on them. Further proliferation of such uses should not be viewed favourably.

6.253 The North Street/Phoenix Quarter site in Lewes has been identified for mixed-use redevelopment. The proposals are of a significant scale and retain a large percentage of the existing employment floorspace which should be protected.

6.254 Within the recommendation for Brooks Road in Lewes, there are a number of sub-sites which have been assessed separately but should also be protected for continued or future B-class employment uses alongside the wider area, these are:

- Land East of Malling Industrial Estate; and
- Hanover House.

Other/General Employment Sites

6.255 We have identified 15 other/general existing employment sites across the National Park, which are as follows:

- Site A1 - Gosling Croft Business Centre, Clapham
- Site A2 - Sawmill, Arundel Park, Arundel
- Site C2 – Hampers Common Industrial Estate, Petworth
- Site C4 - Selham Sawmill, Selham
- Site C7 - Midhurst Business Centre, Midhurst
- Site C8 - Stedham Sawmill, Stedham
- Site C13 - Chilgrove Farm, Chilgrove
- Site C16 - Eastmead Industrial Estate, Lavant
- Site E1 - Farringdon Business Park, Farringdon
- Site E2 - Farringdon Industrial Estate, The Old Station Yard, Farringdon
- Site E3 - Lodge Farm Barns, East Tisted
- Site E8 - Amey Industrial Estate, Petersfield
- Site E9 - Frenchmans Road. Petersfield
- Site E11 – Brows Farm Business Park, Liss
- Site E12 - Ham Barn Farm, Liss
- Site E13 – Blacknest Industrial Estate, Blacknest
- Site W1 - Northfields Farm, Twyford

6.256 Broadly these sites are important local industrial estates which supply local employment as well as servicing the wider economy. We recommend that these sites should also be protected in the local plan, but that the policy approach might be more flexible.

6.257 Unlike the principal/key employment sites, this might allow alternative employment generating uses such as sui generis, trade counter, car showrooms etc. to be located on the site (subject to wider relevant planning considerations including landscape and visual impact, access, and design). By allowing such uses, policy can support wider employment within the National Park without having to lose the most important B-class accommodation.

6.258 However, in these locations B-class uses should be given preference and alternative uses should be fully justified including a requirement to assess the wider impact of the proposed use on the functioning of the existing b-class uses.

6.259 A number of these sites have been identified for protection through policy, on the basis of accommodating one of the key economic sectors in the National Park. These sites may require specific policy to retain these uses on site or to promote the site for a specific industry.

Allocations of Land with Development Potential

6.260 The focus of our assessments was on existing employment sites. However we also assessed a number of vacant and greenfield sites with development potential. Only four of these sites are considered to required a specific policy response. A further vacant sites, L3 – Land at South Downs Road, Lewes, is considered in the following section.

6.261 The remaining sites are as follows:

- Site E4 - Buckmore Farm, Petersfield (3.7 ha) - This site has unimplemented planning permission for a new business park. Once implement the scale of this site would merit continued support for employment use. This site can be viewed as a commitment.
- Site C3 – Land East of Hampers Common Industrial Estate, Petworth (1.4 ha) – This is an obvious expansion opportunity for an existing employment site which is functioning well in a town with very little employment land.
- Site L4 – Land East of Malling Road, Lewes (1.2 ha) - Is already discussed above as part of the wider primary/key employment sites at Brooks Road Lewes, however this is the obvious greenfield expansion area for the Brooks Road, Lewes Area.
- Site W2 - Chilcomb Park Site, (1.2 ha) – This site is a vacant and derelict former warehouse and office sites. It has very good strategic access and is currently being marketed for and has outline permission for employment use. This site can be viewed as a commitment.

Sites with Potential for Redevelopment for Other/ Mixed Uses

6.262 We also assessed a number of vacant/derelict former employment sites within the National Park. Three of these sites are still suitable for employment land and if an opportunity arises, these are:

- Site C9 - Former Syngenta Site, Fernhurst
- Site H1 - Shoreham Cement Works, Upper Beeding

6.263 These sites could potentially contribute to future supply of land/ premises for employment although this would not necessarily be in their previous form or scale. We have made more specific recommendations for each of these sites within the above section although broadly alternative uses should be considered, although a mix of uses including b-class should be encouraged.

6.264 In addition to the former sites, site L3 - land at South Downs Road, Lewes is also considered suitable for alternative or a mix of uses. The site is adjacent to the primary/key employment sites at Brooks Road and has been actively marketed for some time. Despite this the site has not been development for employment land. In such circumstance we have recommended a more flexible approach, although B-class uses should still be encouraged as part of a mix of uses.

6.265 A further site (site C9 - Former ICI Plant Protection) is no longer considered suitable for employment uses.

6.266 The remaining existing employment sites were not identified as requiring a specific policy response as they were too small to merit a separate appraisal in the ELR. However the South Downs National Park Authority should seek to maintain employment on these and other employment sites not assessed reflecting the importance of smaller enterprises on the National Park's economy.

7 FORECASTING FUTURE DEMAND

7.0 This section considers and quantifies the future demand for employment land/floorspace in the Wider South Downs Area. A further figure that only applies to the SDNP has been extrapolated from this to reflect potential demand for the National Park area specifically. We consider labour demand/ economic forecasts of future growth in employment taking account of past growth in employment by sector and expected future performance of different sectors of the economy.

7.1 There are inherent limitations to any one forecasting approach. Firstly the economic forecasts assume that the different sectors in the Wider South Down Area's (WSDA) economy will perform as well as they have in the past in comparison to the region/ UK. There a range of factors which may mean that these trends do not hold true including the impact of individual business investment/ disinvestment decisions. Secondly by basing the employment starting point on a the Wider South Downs Area rather than the National Park then the forecasts are likely to be much higher than what could be expected within the National Park boundary itself.

7.2 Unfortunately it is not possible to produce accurate employment forecasts for the National Park area as there are no projections or baseline data which reflect that area. We have therefore applied a best fit based on the most accurate data available i.e. Mid Super Output Areas.

Labour-Demand Forecasts

7.3 In order to calculate the employment forecasts we have applied the regional annual growth rates from projections prepared by Cambridge Econometrics for the South East economy (dated Summer 2014) to the baseline employment structure from the 2013 BRES figures for Wider South Downs Area. This provides a baseline 'projection' of economic performance for the Wider South Down's economy based on:

- Expectations of future performance of economic sectors at a national and regional level, taking account of macro-economic factors; and
- The structure of the Wider South Down's economy.

7.4 The BRES baselines are based on two-digit SIC codes whereas the CE forecasts are based on their own broader sectors which are an aggregation of the two-digit SIC sectors. Therefore in order to apply the growth forecasts to the BRES data we are required to aggregate into the CE sectors.

7.5 The forecasts suggest potential total net growth of 13,600 jobs in Wider South Downs Area are between 2013 and 2033. This equates to 11.6% growth at an annual rate of 680 jobs. Due to the nature of our forecasts, they reflect the level of growth predicted across the South East.

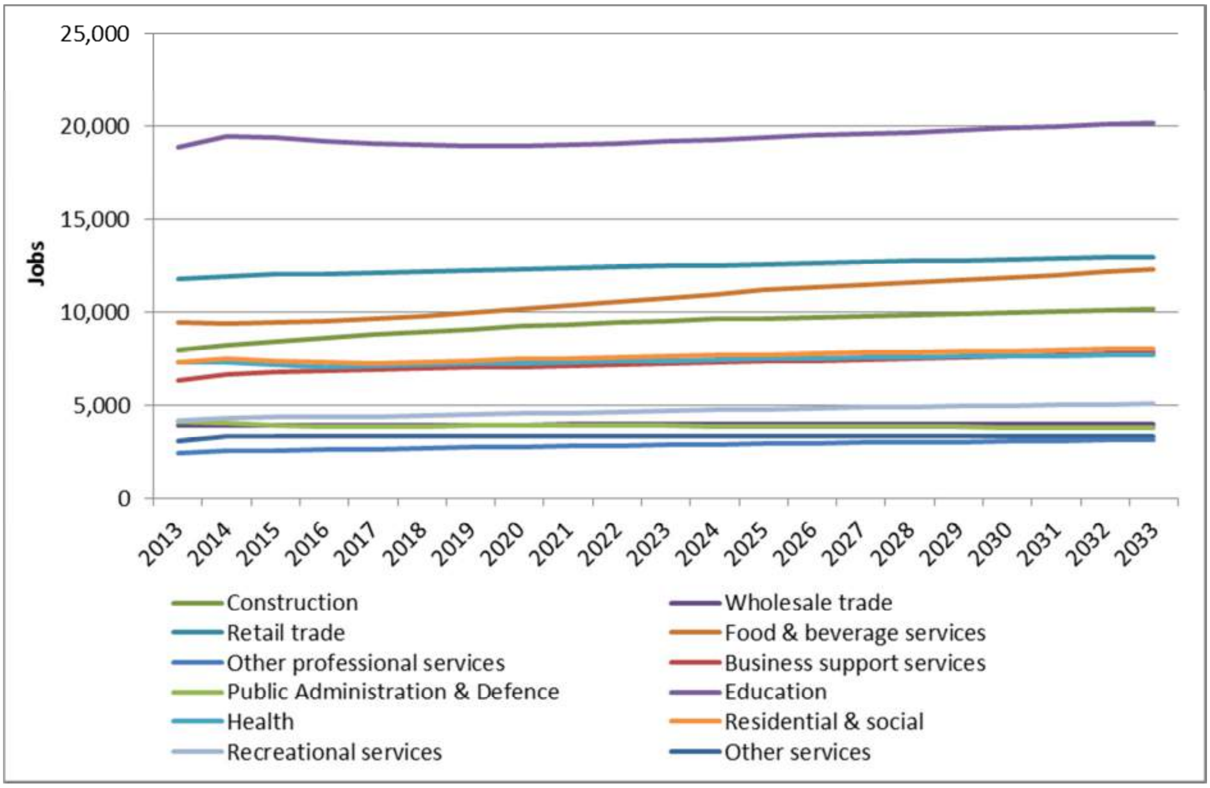
7.6 The period beings at 2013 to reflect the latest available employment data from BRES. The period lasts for 20 years for ease of monitoring.

7.7 These forecasts take a policy off position and do not reflect any planned growth or interventions in the Wider South Downs Area, for example the planned development at Whitehill Bordon. Any such planned growth would need to be considered over and above the baseline position set out. Furthermore, we have also taken a proportional split of this wider area which would in effect reflect the difference between the WSDA and the National Park itself.

7.8 In terms of total job growth the most successful sectors between 2013-2033 are expected to be:

- Food and Beverage Services – 2,837 jobs;
- Construction – 2,213 jobs;
- Business Support Services – 1,466 jobs;
- Education – 1,318 jobs; and
- Retail Trade – 1,202 jobs.

Figure 34: Job Growth in Major Employment Sectors in Wider South Downs (2013-2033)



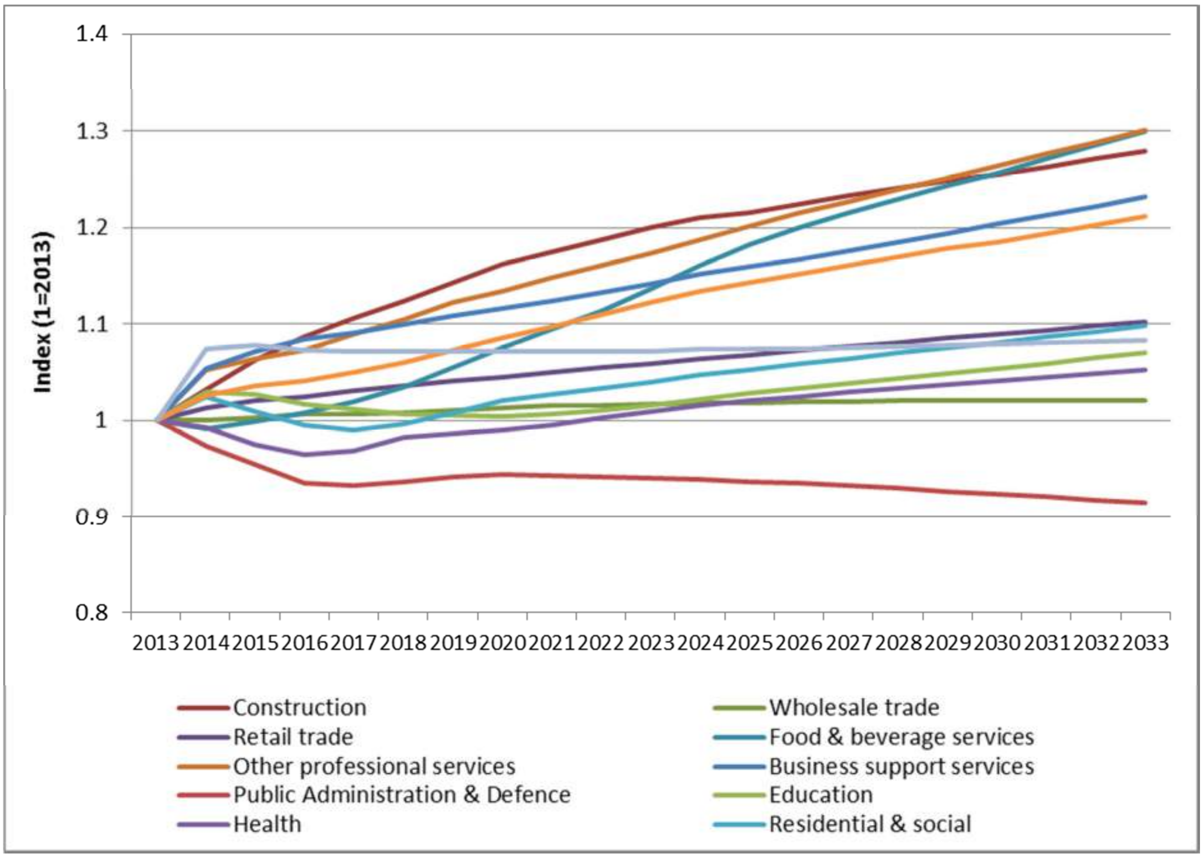
Source: BRES and CE 2014

7.9 In percentage terms, the largest growth (although some are from a relatively small base) is expected between 2013 and 2033 are expected to be:

- Chemicals - 41.2%;
- Head Office and Management Consultancies 33.3%;
- Other Professional Services 30.1%;
- Food and Beverage Services – 30%;
- Real Estate – 29.2%; and
- Construction –27.9%.

7.10 There is expected to be continued and significant decline in employment the manufacturing sector, albeit that manufacturing may contribute to growth in economic output (linked to productivity improvements within the sector).

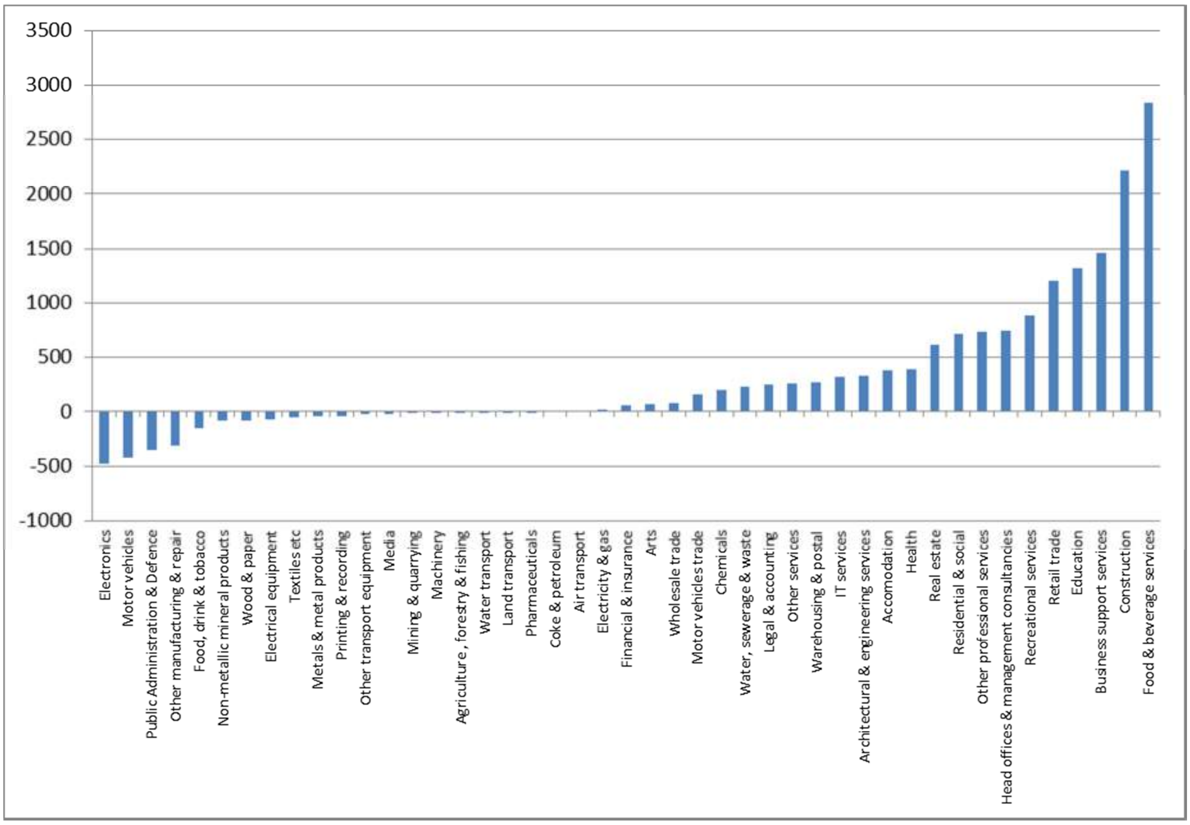
Figure 35: Indexed Growth in Major Employment Sectors (2013 – 2033)



Source: BRES and CE 2014

7.11 Of the sectors in decline, seven of the top ten are manufacturing sectors. This suggests declining demand for B2 space, although some manufacturing businesses may see a decline in jobs which does not translate directly through to floorspace. Some manufacturing businesses may however grow such as the manufacturing of Chemicals. In terms of absolute job losses the major sectors of decline include electronics, motor vehicles, public admin and defence, 'other' manufacturing and repair and food, drink and tobacco.

Figure 36: Net Job Change in Sub Sectors in Wider South Downs Area (2013 – 2033)



Source: BRES and CE 2014

7.12 Looking at the key sectors in particular, albeit using a different definition from the BRES data, there is likely to be significant growth in the Tourism Industry between 2013 and 2033. The three sectors (accommodation, recreation and food and beverage service) which comprise our definition of the tourism industry are expected to grow by around 4,000 jobs over the plan period (26.2%).

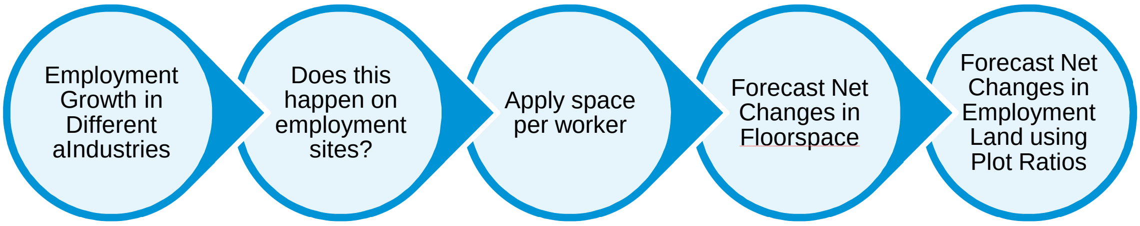
7.13 In contrast the wood related industries (Agriculture, Forestry and Fishing and Wood and Paper Products) are expected to have a modest decline (up to 100 jobs, -12%). Similarly the manufacturing of Food, drink and Tobacco is expected to decline by 20% with a loss of around 150 jobs.

7.14 However, the growth projections reflect the wider South East and do not take into consideration the function of the Wider South Downs area nor the identification and role of these sectors within the Partnership Management Plan.

Forecasting Need for Employment Land

7.15 The main stages of our calculation of the future need for employment floorspace in the Wider South Downs are outlined in Figure 38.

Figure 37: Converting Employment to Floorspace Forecasts



7.16 A key issue is how use classes will be related to floorspace demand. We have produced standard forecasts of B-Class employment floorspace (segmented by use B1, B2, B8 use-class) based upon our standard model which relates sectors to use classes.

Converting Employment Forecasts into FTE Employment

7.17 The employment forecasts indicate a total number of jobs for each sector. However this does not differentiate between full and part time employment. The first stage of the modelling therefore takes the forecasts for total jobs and converts the growth to a Full Time Equivalent (FTE) figure.

7.18 This is required to firstly review the employment projections for each sector on a like for like basis. It is also required in order to apply employment densities consistent with the Homes and Communities Agency guidance (Employment Densities Guide, 2nd Edition, 2010).

7.19 The use of FTE employment allows us to equate employment in different sectors where employment patterns may differ (for example retail and hospitality employ more people overall but much of this will be part time). The HCA guidance on employment densities[4] also requires us to use FTE employment.

7.20 Our conversion takes into account the ratio of full to part time employment in each of the sectors using locally derived evidence taken from the Business Register and Employment Survey. Full time Equivalent Employment levels for each sector are calculated by assuming the following:

- Two part time jobs are the equivalent of one full-time job;
- A self Employed Job is the equivalent of a single full-time job.

7.21 For example, there may be 150 employed in a given sector, 75 are of are full time employees and 50 are part time. We have assumed that the remaining 25 people are self-employed. By adding half

[4] Employment Densities Guide, 2010, DJD for HCA

of the part-time roles and including all the full time and self-employed roles the full time equivalent is calculated as 125.

7.22 According to BRES there are 117,550 jobs within the Wider South Downs Area in 2013, approximately 58% are full-time employees, 37% part time and 5% are self-employed. This translates to a FTE equivalent of approximately 96,000 jobs or 82% of the total. Although we have calculated and applied FTE on a sector by sector basis.

Relating Jobs by Sector to B-Class Uses

7.23 This study is interested in forecasting demand for B-class employment uses. This is in line with the NPPF which describes economic development as B-use classes as well as community and main town centre uses the need for which will be assessed elsewhere. The next stage is therefore to take the figures for forecast growth in FTE employment and to calculate the expected growth in employment by B-class use.

7.24 For some sectors 100% of employment is assumed to be in B-use class premises. For others, only a small proportion may be in B-use class properties. We have estimated for each of the 45 sectors the proportion of FTE employment which is expected to occur in premises in the B1a/b, B1c/B2 or B8 use classes. We have used this combination of use classes as they represent the best fit of the broader property types i.e. offices, factories and warehouses. The use of each of these premises is largely interchangeable between the use classes we have grouped i.e a B1c light industry unit could easily be converted to a B2 general industrial use and vice versa.

7.25 A working example in Wider South Downs Area is for Media where we have assumed 35% would be in offices and 25% in factories (or B2 space). The remaining 40% would be located in non-B class accommodation. Any growth in this sector is therefore apportioned to these uses classes. The resultant estimates of job growth by sector over the period to 2033 are shown below.

Table 8: Job Growth in WSDA by Use Class (2013-2033)

	2013-18	2018-23	2023-28	2028-33	**2013-33 Total**
B1a/b	1,214	880	689	698	3,481
B1c/B2	132	-114	- 262	-278	-522
B8	123	111	41	8	284
Total FTE B Class	1,470	876	468	428	3,243
Total FTE Job Growth	3,263	2,940	2,377	2,086	10,666
S% B Class	45%	30%	20%	21%	

Source: GL Hearn, 2014

Relating Jobs and Floorspace

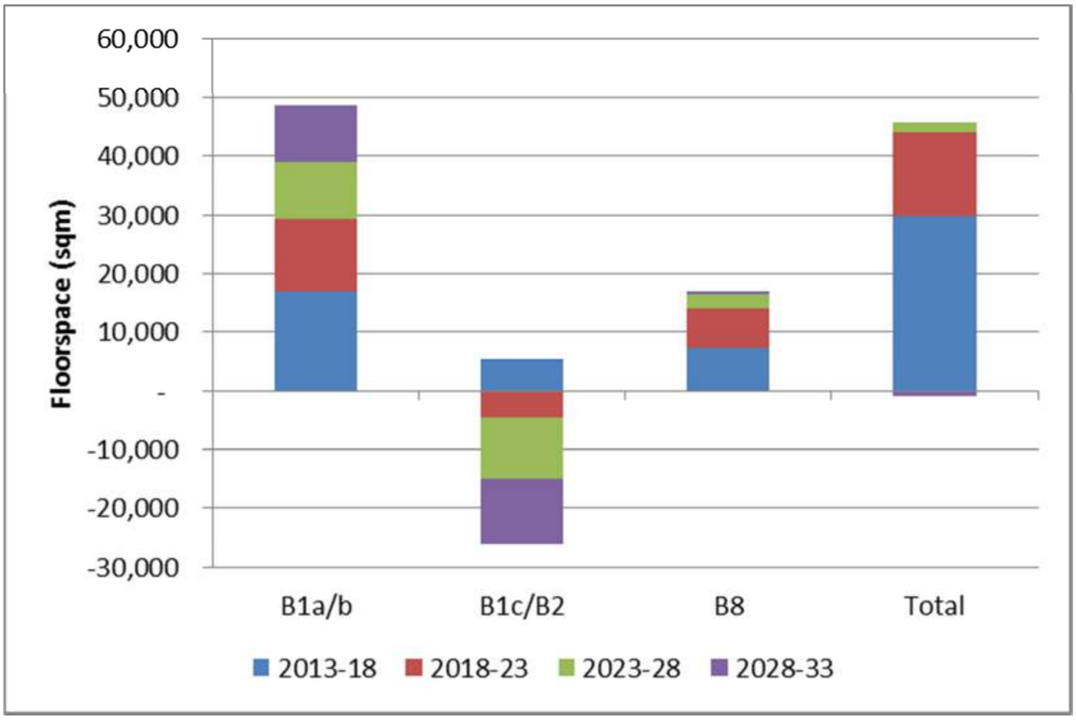
7.26 The final step converts the employment growth projections for B-class employment into a need for employment floorspace. This step uses the guidance on employment densities produced by the Homes and Communities Agency (Employment Densities Guide, 2nd Edition, 2010) to model a need for employment floorspace for the different types of B-class employment spaces.

7.27 The Employment Densities Guide provide an single figure as well as a range of densities for each uses classes. The range used is determined on the type of stock in each use category. For example office employment densities range from 8 sq m per employee in Call Centres to 47 sq m per employee in IT/Data Centres. We have used the following average densities:

- B1a/b – 14 sq m per employee;
- B1c/B2 - 40 sq m per employee; and
- B8 - 60 sq m per employee;

7.28 These figures have then been used to forecast need for employment floorspace by multiplying the FTE employment forecasts in each of the B-class space typologies by the relevant employment density. This resulted in a growth forecast in floorspace for each of the B-class typologies. The result of this calculation is outlined in Figure 39.

Figure 38: Projected Floorspace Requirement for WSDA (2013-2033)



Source:GL Hearn, 2014

7.29 There is expected to be a decline in demand for B1c and B2 industrial units. However, this is more than offset by growth in demand for B1a/B1b and B8 use classes. Overall the additional net employment floorspace need for the Wider South Downs Area between 2013 and 2033 is 44,886 square metres.

Table 9: Projected Floorspace Requirement for WSDA (2013-33)

Use Class	2013-18	2018-23	2023-28	2028-33	2013-2033
B1a/b: Office & R&D	16,995	12,315	9,642	9,779	48,731
B1c/B2: Industrial	5,298	-4,575	- 10,467	- 11,128	-20,872
B8: Warehouse & Distribution	7,409	6,659	2,478	482	17,028
Total	29,702	14,399	1,653	- 867	44,887

Source: GL Hearn, 2014

7.30 Business Support Services, Head office and Management Consultancy and other Professional Services are the major growth sectors which underlie the forecast demand for B1a/b accommodation. The decline in electronics and motor vehicles underpins the fall in need for B1c/B2 space. Growth in the warehousing and postal sector in particular along with smaller growth in Wholesale Trade underlies the forecast need for B8 space (alongside the lower employment density in this sector).

7.31 The final step is to translate the floorspace need into a net land requirement. This is achieved by applying plot ratios to each of the floorspace types. The ratios we have used reflect local ratios with B1 ratio somewhere between the standard ratio for office development and town centre development and B2 and B8 ratios reflecting mid-point ratios as set out in the ELR guidance[5]. We have assumed the following ratios:

- Office B1a/b: 1:0.5;
- Industrial B2: 1:0.4; and
- Warehouse B8: 1:0.5.

7.32 These result in a total net need of around 7.9 hectares of land for the Wider South Downs area. This results in the following disaggregated need by use class:

- Office B1a/b: 9.7 Ha;
- Industrial B2: 5.2 Ha net loss; and
- Warehouse B8: 3.4 Ha.

7.33 It should be kept in mind that these are net forecasts are for the Wider South Downs area and include some suburban parts of Brighton as well as smaller towns and villages that are just outside

[5] ODPM, Employment Land Reviews Guidance Note, Dec 2004
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/7722/147540.pdf

the National Park. We can therefore assume that some of the additional need can be met in those locations.

7.34 As an approximation only 30% of the population of the Wider South Downs area are known to reside in the National Park. We could therefore assume that only 30% of the demand for additional floorspace should be supplied within the National Park Area. This would result in demand for 2.3 Ha of net additional employment land. This is disaggregated by use class in the Table 10.

Table 10: Projected Employment Land Requirement for SDNP (2013-33)

Use Class	Hectares
Office B1a/b	2.9
Industrial B2	-1.6
Warehouse B8	1.0
Total	**2.3**

Source: GL Hearn, Based on BRES and CE data

7.35 However it should be noted that the population centres do not necessarily reflect the employment locations and taking a direct proportion may not be the most realistic appraisal of employment land demand. The figures should thus be treated with some degree of caution.

Functional Economic Market Area Demand

7.36 We have also considered how demand is driven across the Wider South Downs area by each of the Functional Economic Market Areas. To do this we have applied more localised FTE percentages although the combined result does reflects the Wider South Downs demand. How demand changes across the Wider South Downs area is outlined in the Table 11.

Table 11: Forecast Demand for Wider South Downs By FEMA (2013-2033)

	Worthing	Northern West Sussex	Chichester and Bognor	Brighton	Eastbourne	Central Hants	Total
B1a/b	0.7	1.3	2.0	2.5	0.5	2.9	9.7
B1c/B2	-0.8	0.2	-4.0	0.0	-0.2	-0.5	-5.2
B8	0.1	0.7	1.1	0.6	0.1	0.8	3.4
Total	**0.0**	**2.2**	**-0.9**	**3.0**	**0.4**	**3.2**	**7.9**

Source: GL Hearn, Based on BRES and CE data

7.37 Table 11 shows the highest demand in the Wider South Downs Area attached to Brighton, Central Hants and Northern West Sussex areas. These are all driven by demand for office accommodation. The majority of the industrial stock is to be lost in Chichester and Bognor FEMA, although this is in part offset by the highest demand for B8 uses.

7.38 We consider it likely that there would be some land in B2 use would be redeveloped over the plan period to meet the needs for B8 floorspace. The re-use of these sites would make a significant contribution to reducing the need for additional B8 floorspace in the National Park itself. Indeed it would go some way to negating it. However, The National Park Authority should have due regard to the impact on highways and the need for high quality design in the National Park.

7.39 The B1a/b floorspace requirement is less likely to come from the reuse of industrial floor space, although it is possible that some surplus premises/ industrial sites could be converted or redeveloped to provide office floorspace.

7.40 There are also opportunities through changing work practice such as further increases in home working that the floorspace need is reduced. In addition, there is also vacant or developable supply in the National Park which would reduce the need for additional B1 floorspace in Park.

7.41 On the flip side, the forecasts are based on an econometric model rather than real-world market dynamics, and it could be that there is employment floorspace in a use class is lost in one part of the National Park; whilst in another, business expansion generates a need for additional floorspace/ land. Some flexibility should thus be built into forecasts.

7.42 Overall both sets of data taken alongside the market evidence, suggests only a modest need for new industrial/ distribution floorspace, and a need for some office floorspace particularly in the main employment centres such as Lewes and Petersfield within the National Park.

7.43 We have also estimated the potential need for just the National Park area on the basis of the estimated population in each MSOA in the wider South Downs. The estimation is based on the population in the smaller output areas in and outside of the National Park but all within the Wider South Downs area. This approach is not as accurate as that approach applied for Table 12 as population inside the National Park for each FEMA can only be estimated using a best fit of the smaller Output Areas. It should therefore be seen as indicative only.

Table 12: Projected Floorspace Requirement for SDNP by FEMA (2013-33)

	Worthing	NW Sussex	Chichester and Bognor	Brighton	Eastbourne	Central Hants	Total
% Population in Park	12%	19%	68%	35%	19%	50%	38%
% Population outside Park	88%	81%	32%	65%	81%	50%	62%
B1a/b	0.1	0.2	1.3	0.9	0.1	1.4	4.0
B1c/B2	-0.1	0.0	-2.7	0.0	0.0	-0.2	-3.0
B8	0.0	0.1	0.7	0.2	0.0	0.4	1.5
Total	**0.0**	**0.4**	**-0.6**	**1.1**	**0.1**	**1.6**	**3.0**

Source: GL Hearn, Based on BRES and CE data, numbers may not add due to rounding

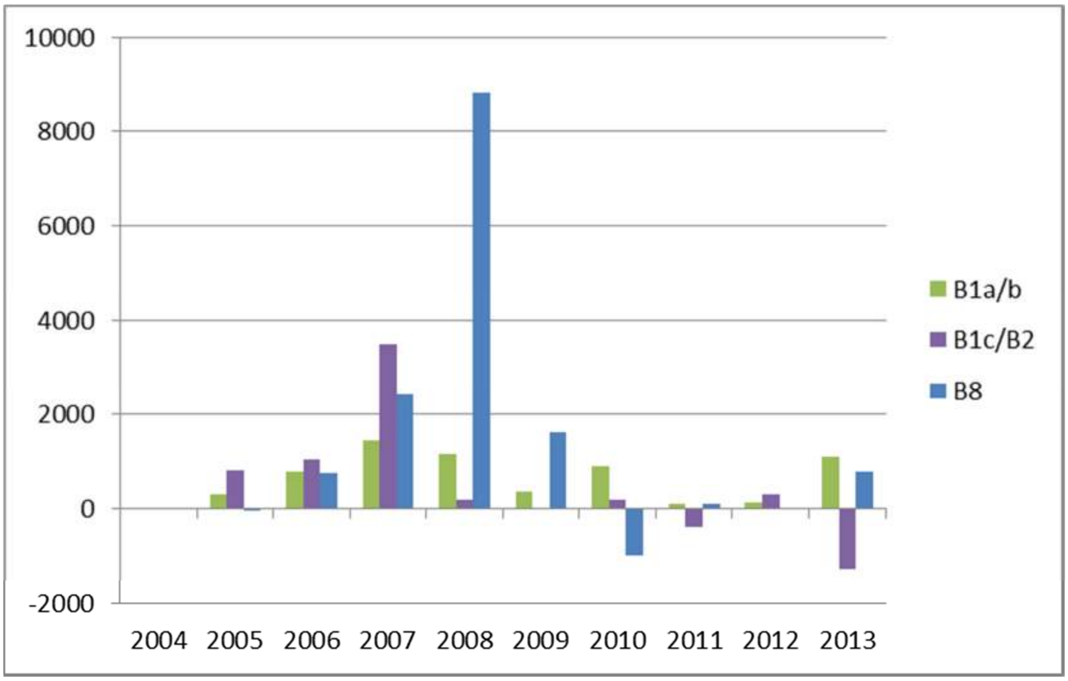
Trend Based Projections

7.44 We have calculated a separate projection for future employment land requirements based on historic trends in employment floorspace delivery. We have considered a 5 year and a 10 year trend. Due to the relative lack of completions in the National Park during these periods, we have not considered trends for each FEMA individually and instead have only considered figures for the National Park as a whole. Unlike the labour demand-based projections (using the Cambridge Econometrics data as a starting point), these reflect the National Park area as a whole.

7.45 The five year trend takes into account completions over the period 2009 to 2013. This period covers a period of economic recovery following the credit crunch in 2007 and hence the completions data from this period reflects the relatively slow growth of a recovering economy. The market evidence suggests that office take-up in particular in this period has been modest.

7.46 To counter this issue we have also considered 10 year trend covering the period 2004 – 2013. This period covers both the pre- and post-recession economic climate with the 2007 crash almost perfectly bisecting the period. We consider that the 10 year trend based projection is more representative of a complete economic cycle and therefore arguably represents a more realistic model of growth going forward.

Figure 39: Net Completions Floorspace (sq m) per Year 2004 – 2013



Source: County Council Data 2013

7.47 As shown in Figure 40, the figures are dominated by a large gain of B8 use in 2008. However this relates to a permission for open storage for logs (at Timber Resources International in Milland) and did not relate to a bricks and mortar buildings. To account for this we have therefore produced two longer term trends. One which includes this development and another that excludes this development.

7.48 There is no completions data available for 2004. We have therefore revised the 10 year trend to an 9 year trend (2005-2013) to account for this.

7.49 Using completions data for the National Park we can calculate the average annual gain and loss of floorspace for each of the three types of employment use – office (B1a/b), industrial (B1c/B2), and storage / distribution (B8) – over the period 2009-2013 inclusive. This is used to calculate the average net annual gain (or loss) of floorspace of each employment type over this period. Assuming growth in the National Park continues at the same rate it has for the past 5 years, we multiply the annual net gain by 20 to calculate the total requirement for the 20 year plan period (2013-2033). The results are shown in Table 13.

Table 13: 5 Year Trend Based Projection For SDNP (sq m)

	Average Annual Gain	Average Annual Loss	Net Annual Gain	Net Requirement 2013-2033
B1a/b	520	0.0	520	10,400
B1c/B2	376	608	- 232	-4,632
B8	771	470	301	6,024
Total	1,667	1,077	590	11,792

7.50 Using the same methodology we have also calculated the 9 year trend based projection (2005-2013). We had hoped to do a 10 year trend but no data existed for 2004, the results are shown in Table 14.

Table 14: 9 Year Trend Based Projection For SDNP (sq m)

	Average Annual Gain	Average Annual Loss	Net Annual Gain	Net Requirement 2013-2033
B1a/b	742	41	701	14,029
B1c/B2	1,242	756	486	9,716
B8	1,950	283	1,667	33,340
Total	3,934	1,080	2,854	57,084

7.51 Once the exceptional development at Milland Lane is excluded the net requirement for B8 and subsequently all employment floorspace is reduced significantly. There arguably presents a more realistic longer term trend for the National Park area. , the results are shown in Table 15.

Table 15: 9 Year Trend Based Projection (excluding Milland Lane) For SDNP (sq m)

	Average Annual Gain	Average Annual Loss	Net Annual Gain	Net Requirement 2013-2033
B1a/b	742	41	701	14,029
B1c/B2	1,242	756	486	9,716
B8	1,028	283	745	14,896
Total	3,012	1,080	1,932	38,640

7.52 Again, the final step is translating the floorspace need into a land requirement. We have used the same plot ratio assumptions as before:

- Office B1a/b: 1:0.5;
- Industrial B2: 1:0.4; and
- Warehouse B8: 1:0.5.

7.53 These result in a total need of 2.1 hectares of employment land for the National Park area based on the 5 year trend, and 8.2 hectares based on the 9 year trend. This results in the following disaggregated need by use class:

Table 16: Employment Land Requirement For SDNP 2013-2033 (Hectares)

	5 Year Trend Based	9 Year Trend Based	9 Year Trend Based (Ex Milland Lane)
B1a/b	2.1	2.8	2.8
B1c/B2	-1.2	2.4	2.4
B8	1.2	6.7	3.0
Total	2.1	11.9	8.2

7.54 Unlike the employment forecast based on jobs growth projections, the completions figures only include sites within the National Park and therefore the figures in Table 15 and 16 are for the National Park area and not the Wider South Downs Area. Furthermore the National Park was established in 2010 and became the local planning authority in 2011, it is therefore problematic to project forward completions on sites that were granted planning permission before this date.

Drawing the Evidence Together

7.55 The figures calculated for the National Park would suggest that additional demand for net additional employment floorspace for the SDNP area is likely to fall into a range of between 2.1 Ha and 11.9Ha. Table 17 outlines how this is distributed between the different B-use classes.

Table 17: Range of Forecasts for Employment Land in SDNP (2013-33)

Use Class	Forecast Base	5 Year Trend Based	9 Year Trend Based	9 Year Trend Based (Ex Milland Lane)
Office B1a/b	2.9	2.1	2.8	2.8
Industrial B2	-1.6	-1.2	2.4	2.4
Warehouse B8	1	1.2	6.7	3.0
Total	2.3	2.1	11.9	8.2

7.56 There is a broad consistency between the forecasts for office floorspace which suggest a need of between 2.1 and 2.9 Ha. While the lower forecasts represents net need it is perhaps wise to provide a range to allow for limited losses or redundancy in the existing stock throughout this period. Rounding the figures we would identify a need for between 2 and 3 Ha of office employment land across the National Park for the 2013-33 period and reflects both the trends and forecasts.

7.57 There is a large disparity between the longer term trend based projections and the employment forecast based projections for both B8 uses (1 Ha and 6.7 Ha). The larger of these numbers is skewed by a single B8 storage area and not traditional B8 accommodation. When this site is removed from the forecasts are more aligned and from between 1 and 3 Ha.

7.58 The range of forecast need for B2 Industrial floorspace is slightly more complex. The job based forecasts and the short term trend floorspace trends indicate a loss of around 1.5Ha. In contrast the longer terms trend is more positive suggesting a need for 2.4 Ha. However the qualitative evidence does point to some growth potential in sectors/ activities which might require industrial land.

7.59 However some (but not all) of the predicted losses in the B2 accommodation could be converted into meeting the need for small scale B8 uses. Both uses broadly require similar premises in terms of location i.e. out of centre with strategic road access. Indeed the jobs based forecasts and the shorter term floorspace forecasts indicate a balance between the two i.e. losses in one are met with comparable growth in the other. It would therefore be prudent to off-set the loss in B2 against the need for B8.

7.60 We consider that some flexibility needs to be included within the employment land provision to reflect losses or redundancy within the existing stock. The added flexibility would also takes into account:

- The sensitivity of the calculations to assumptions / time periods over which assessments are made;
- The need for some margin within the land supply to take account of the size of the National Park, as for instance a business seeking to expand in Lewes may not look to move to Petersfield;

- The need to consider providing a choice of sites to support competition and to guard against potential delays or barriers in bringing forward individual sites/ potential allocations.

7.61 With this in mind the forecasts suggest a net need for up to 8 hectares of employment land. This is likely to meet the more optimistic of the forecasts for each use, and using rounded calculations, while also taking into account some expected loss in industrial floorspace. This ensures that the economic needs of the area are not restricted by supply..

7.62 This study therefore identifies the following forecast driven need for employment land within the South Downs National Park for the period 2013-2033:

- Office B1a/b: 2.0 to 3.0 Ha; and
- Industrial and Warehousing (B1c/B2/B8): Approximately 5.0 ha.

7.63 These conclusions take into account the economic relationship between the South Downs and the wider South East in terms of the estimated growth in each sector. They also take into account some flexibility to reflect some losses or redundancy in the existing stock. They do not take into account wider housing and demographic growth (particularly that outside the SDNP), which may result in a higher need for employment land.

Distribution of Development

7.64 Our analysis and calculation of the above need is for the National Park as whole, however it is important that we provide guidance on how disaggregate this to the different FEMAs. This is informed by the projections for the Wider South Downs Area by FEMA as set out in Table 12.

7.65 As this table shows the majority of change is concentrated on just three FEMAs; Chichester and Bognor, Brighton and Central Hants. This reflects the relative percentage of each area that falls within the National Park.

7.66 The table would suggest that the focus of development should be in Brighton and Central Hants. By focusing development in Central Hants, this would align with the identified need in Petersfield of 3Ha set out in the East Hampshire Joint Core Strategy.

7.67 Development need in the Brighton FEMA is likely to be driven by demand for office accommodation (and a lesser extent industrial) in Lewes as the major settlement in the National Park. This also reflects the Lewes Core Strategy which identified this need for more modern and flexible start-up and move-on facilities in the town (both industrial and office).

7.68 While Chichester and Bognor FEMA has an identified loss in Table 12 this does not take into account the longer term trends which have informed our overall range for the National Park.

Generally the data would support further office development in the FEMA as well as a flexible approach which ensures that there is a further supply of B2/B8 accommodation.

7.69 There is not expected to be much demand/loss in the remaining FEMA, however the National Park authority should consider allowing limited, suitable development to allow for choice and churn in the market and to support the existing local economy.

Local Evidence

7.70 However there are a number of other studies which have produced more detailed indicators of demand for parts of the National Park. These are particularly relevant for the major towns in the National Park, where demand for and turnover of properties tend to be higher and where demand forecasts based on macro-economic maybe less relevant.

7.71 To provide a more localised assessment we have reviewed assessments of demand for the key towns in the National Park, those being; Petersfield (taken from the East Hampshire Joint Core Strategy, 2013 and the Petersfield Draft Neighbourhood Plan 2015) and for Lewes (taken from the Lewes ELR update 2012 and Lewes Joint Core Strategy, May 2014). We have also reviewed the Winchester Local Plan (Adopted 2013) as a larger part of the National Park is located within the Winchester Local Authority area and .

7.72 The East Hampshire Joint Core Strategy (alongside the South Downs National Park Authority) sets out the economic need for the area for the period 2011-2028. The Core Strategy identifies the National Park as a distinct area for the district.

7.73 The Strategy states that development within the South Downs National Park will be restricted to that which meets the National Park purposes and duty and will be focused on local needs. More specifically for Petersfield the plan is to retain its current role as a main centre for facilities and services although this may change to meet the challenges of becoming a sustainable hub at the heart of the National Park. Constraints on its growth include views from and to the surrounding hills and the need for any growth to support National Park purposes and its duty towards the local community (where this does not conflict with its purposes).

7.74 The Joint Core Strategy sets out the policy for new employment land provision and distribution for the District. This includes the provision for about 3 hectares of employment land in Petersfield. The Core Strategy sets out that Petersfield is an important employment location enhanced by its market town status and good transport links. The provision of about 3 hectares of new employment land along with the regeneration of existing employment sites will provide flexibility and choice for business while respecting the town's location within the South Downs National Park and having regard to its statutory purposes. The new employment land allocations were to be made in the emerging Neighbourhood Plan for Petersfield.

7.75 The Petersfield Neighbourhood Plan, produced by the Town Council, sets out a vision for the area that reflects the thoughts and feelings of local people with a real interest in their community. The Plan sets objectives on key themes such as, employment land as well as the allocation of sites to meet the 3 hectare demand set out in the Core Strategy.

7.76 The Neighbourhood plan identifies three new allocations these are:

- Land North of Buckmore Farm – 2.0 Ha;
- Land at the Domes, off Harrier Way – 1.10 Ha; and
- Car Park off Frenchman's Road – 0.1 Ha.

7.77 In addition a further site, Land North of Winchester Road (1.2 Ha) is also identified as being as existing site but not yet developed. These are included in our supply position.

7.78 The work in East Hants is underpinned by their Employment Land Review (NLP, May 2013) which was produced growth forecasts specifically for the Local Authority. This therefore reflected local growth trends rather than the regional trends applied in this SDNP work. Furthermore the level of growth calculated included a much wider area than the WSDA including parts of the district more closely related to areas of known growth such as the PUSH area.

7.79 The Chichester Employment Land review update does not provide a specific need for the town of Midhurst but highlights a need for the north of the district which includes the town. The report considers that it would be appropriate to assume that around 10-15% of future employment land will be provided within the National Park based on the current distribution of jobs and recorded commercial property take up.

7.80 The overall demand was calculated using Labour demand (derived principally from econometric forecasts) and Labour supply forecasts (taking account of planned housing provision and demographics. Taking a 10%-15% distribution of the overall demand would equate to between 3–6 hectares of employment land provision in this area depending on which of the forecasts is taken forward.

7.81 The latest Lewes Employment Land Review update from 2012 outlines a range of wider need for the Lewes District. This shows that demand district wide would be for between 1.6Ha and 22.7Ha. This is based on baseline job growth for the lower number and extrapolating completions in the 2007-2011 period (including a two year supply safety margin) for the higher number. The report did not make a recommendation as to which was the most appropriate response. It did however note that the need to allocate additional employment land, is broadly unchanged from the

2010 ELR. This study implied a need for between 5.3 ha and 13.6 ha of employment land for the whole District.

7.82 At the time this was in part offset by a committed supply from existing employment space and space in the development pipeline which demonstrated a more than an adequate quantitative supply of industrial space to meet future needs to 2026 although this would result in limited choice. For office space there was an identified shortfall of between 15,700 m2 and 18,100 m2.

7.83 This translated in a need for more sites in Lewes Town for 1-1.25 ha office and 1-1.5 ha industrial uses for qualitative reasons. According to the report, based on past demand and current provision, there was no need to identified new allocations elsewhere in the District.

7.84 Subsequently to this the Lewes District Council joint Core Strategy (along with the South Downs National Park Authority) sets out policies to guide new development and change in the district in the period up to 2030. The document sets out an intention to delivery in the region of 74,000 square metres of employment floorspace (B1, B2 and B8) will be provided in the plan area. 60,000 square metres of this floorspace will be as industrial space (B1c, B2 and B8), and 14,000 square metres will be as office space (B1a). for the period to 2031.

7.85 This was in part on the basis of more specific need for the town of Lewes as set out in the update to the Employment and Economic Land Assessment carried out in 2012. That document recommended a modest 1.0 – 1.25 hectares of additional office land provision at Lewes town, primarily for qualitative reasons. As well as a modest provision (1.0 - 1.5 hectares) of additional good quality industrial land, in or around Lewes town to help provide choice and stimulate development.

7.86 The Core Strategy States that as this is primarily a qualitative demand it could be met through the redevelopment of existing employment sites. Although the Employment and Economic Land Assessment identified limited potential for this to happen, it is considered that opportunity does exist in the North Street area of Lewes town for delivering better quality office floorspace.

7.87 The Winchester Local Plan Part 1 – Joint Core Strategy divides the area local authority up into 3 distinct areas. None of these directly reflect the area within the National Park however the Market Towns and Rural areas most closely aligns with the other areas (Winchester Town and the South Hampshire area) completely outside the National Park.

7.88 The Market Towns and Rural are extends beyond the National Park and includes major settlements such as New Alresford, Bishops Waltham and Wickham which lie outside of the National Park. All of the National Park (within Winchester) is located in a further sub section Other Settlements in the Market Towns and Rural Area.

7.89 Overall the Local Plan identifies a need for 20 Hectares or of new employment land will be provided for economic growth and future employment needs. The local plan does not disaggregate the need for each area however it does suggest the It will be necessary for development in the National Park to respect the designation which therefore may limit the scope for development.

7.90 According to the Local Plan in these areas all new development should be appropriate in scale and design and conserve each settlement's identity, countryside setting, key historic characteristics and local features, particularly as identified in Village Design Statements, the District Landscape Assessment or other guidance. Development should protect areas designated for their local, national, or international importance, such as Gaps and the South Downs National Park.

7.91 **Drawing these more detailed and localised analyses together we can see that the main settlements in the National Park could potentially require between 8ha and 12ha of new employment land. This would include:**

- **About 3 Ha in Petersfield**
- **3-6Ha in Midhurst and Petworth (and Chichester part of SDNP); and**
- **2-3Ha in Lewes.**

7.92 However the latter of these is based on somewhat dated estimates of need. It also demonstrates a slight increase in demand than the approach taken at a SDNP level set out in this report.

7.93 **Combining both our own estimates and the local calculation of need we can therefore estimate that the Employment Land Requirement for the National Park taken from our own and others evidence is for between 8Ha and 12Ha of employment space.**

8 SUPPLY AND DEMAND BALANCE

8.0 Section 6 and 7 outline the supply and need for employment land within the South Downs National Park. This section summaries each and brings them together to understand balance between the two.

Need

8.1 Our qualitative conclusions identify the following levels of need for employment floorspace in the National Park over the 2013-33 period:

- Office B1a/b: 2.0 to 3.0 Ha; and
- Industrial and Warehousing (B1c/B2/B8): Approximately 5.0 ha.

8.2 In qualitative terms, the analysis undertaken identifies a relatively tight supply of office floorspace, and suggests that demand for additional office floorspace would be focused more towards Lewes and Petersfield. In addition there is some case for considering provision of flexible, small-scale office suites within these centres, together with Petworth and Midhurst to support SMEs.

8.3 In respect of industrial/warehousing floorspace, the evidence suggests that whilst some land may be released associated with the rationalisation of the manufacturing sector, there may be a need for additional industrial land (B1c, B2 and B8 uses) to support other activities including: food and drink production, wood/timber, construction etc.

8.4 Taking account of the relatively strong occupancy of existing employment sites, we would consider that there is a qualitative case for additional employment land provision in:

- Central Hampshire with access to the A3, particularly Petersfield;
- Lewes, with access to the A27;
- Midhurst and Petworth, to serve the town and central rural parts of the National Park.

Future Development Potential

8.5 We have set out three tranches of potential employment land supply which relate to our recommendations as set out previously in this section. These sources reflect the Core Supply of future employment land, these are:

- Committed Supply – Sites with planning permission or Outline PLanning Permission for Employment Land;
- Recommended Allocation – Vacant Sites which are available, suitable and achievable to deliver additional employment land; and
- Vacant or cleared sites in existing employment locations where there is a realistic chance of delivery.

8.6 **The allocation of sites will be made by the SDNP authority or neighbourhood planning authorities where applicable. These will reflect the most suitable sites for development taking into consideration among other things market demand, landscape impact, sustainability, infrastructure etc. as well as public consultation.**

8.7 **It should be stressed that we have not undertaken any filtering of sites on landscape grounds and that any development on these or any other sites would require some form of impact assessment considering landscape and wider sustainability issues.**

8.8 In addition we have also identified a further potential supply from where we have recommended redevelopment of a site for other uses, but where some employment provision is retained or re-provided subject to market demand and detailed feasibility analysis.

Core Supply

Committed Supply

8.9 The first of these groups comprise around 3.8 Ha of potential additional employment land which is potentially suitable for general employment purposes and can satisfy market demand identified. These sites are located across the Chichester and Bognor FEMA (0.6 Ha), Central Hants FEMA (1.5 Ha) and Brighton (1.7 Ha). All of these sites have planning permission to delivery additional employment land. A summary of these sites are outlined in Table 18.

Table 18: Committed Supply of Additional Employment Use

Ref	Local Authority	Site	Potential Additional Employment Land (Ha)	FEMA	Type of Site
C8	Chichester	Stedham Sawmill	0.6	Chichester and Bognor	Other/General Employment Site
W1	Winchester	Northfields Farm, Twyford	0.3	Central Hants	Other/General Employment Site
W2	Winchester	Chilcomb Park Site, Chilcomb	1.2	Central Hants	Derelict Brownfield
L4	Lewes	Land East Of Malling Industrial Estate, Lewes	1.7	Brighton	Vacant Brownfield

Source: GLH 2014

8.10 The second of these groups comprise around 4.6 Ha of allocations within the Petersfield and Petworth Neighbourhood Plans including Buckmore Farm which has planning permission. These sites are located across the Chichester and Bognor FEMA (3.2 Ha) and Central Hants FEMA (1.4

Ha). The Petworth site is obvious extension sites to existing or proposed (with permission) employment sites which are in locations where there is likely to be demand for additional employment land. A summary of these sites are outlined in Table 19.

Table 19: Supply from Sites Recommended for Allocation

Ref	Local Authority	Site	Potential Additional Employment Land (Ha)	Supply Description	FEMA
C2	Chichester	East of Hampers Common Industrial, Petworth Estate	1.4	Development of Greenfield land	Chichester and Bognor
E14	East Hampshire	The Domes, Petersfield	1.1	Derelict Brownfield	Central Hants
E4	East Hampshire	Buckmore Farm, Petersfield	2.0	Vacant Greenfield	Central Hants
E9	East Hampshire	Frenchman's Road, Petersfield	0.1	Unused Car Park in general employment area	Central Hants

Source: GLH 2014

8.11 Combined these sites have a capacity for a further 8.4 Ha of employment land across both the Chichester and Bognor (2.0 Ha), Brighton FEMA (1.7 Ha) and Central Hants (4.7 Ha) FEMAs. These could be increased further with the inclusion of smaller development parcels within existing employment sites.

Secondary Supply

8.12 In addition there is also some limited potential supply from a number of other sites which we have not recommended specifically for employment development but where employment floorspace could be provided as part of mixed-use development. Through a flexible approach these sites should or could deliver some additional employment floorspace. Generally these sites are vacant and/or previously developed sites.

8.13 These sites include some of the more strategic sites in the National Park. Together they have a combined capacity for 11.6 Ha of employment land, although such a level of delivery is deemed unlikely. These sites are located in four different FEMAs and are set out in Table 21.

Table 20: Potential Additional or Vacant Employment Land and/or Other Uses

Ref	Local Authority	Site	Potential Additional Employment Land (Ha)	Recommendation Summary	FEMA
L3	Lewes	Land at South Downs Road, Lewes	1.3	Flexible approach with consideration for office-led mixed use development.	Brighton
C9	Chichester	Former Syngenta Site	5.1	Flexible policy approach which supports mixed-use development. New development options expected to include some employment-generating uses.	Chichester and Bognor
H1	Horsham	Shoreham Cement Works	5.2	A more flexible policy approach which supports reclamation of the site or alternative development. Any new development expected to include some employment-generating uses.	Northern West Sussex

Source: GLH 2014

Supply Summary

8.14 Drawing these tables together we can see there is a potential core supply of employment sites within the National Park of 8.4 Ha, with secondary supply which could supply some additional employment floorspace.

8.15 As outlined above the Core Supply is located in three of the FEMAs, whereas three others do not have any supply of potential employment land that we have assessed. However, there may be limited supply that comes through windfall or intensification or expansion of existing sites that we have not assessed. Furthermore the areas with no supply also correspond with those areas with minimal need.

8.16 In section 7 outlined an objective assessment of need for employment land within the South Downs National Park of up to 8 hectares for the period 2013-2033. Taking into account qualitative and local issues this increases to up to 12 Ha. This gives a range of employment land need of 8 Ha- 12 Ha

8.17 **It should be noted that the Employment Land Review does not allocate sites. Sites will need to be subject to further assessment (and sustainability appraisal) before they can be allocated. The National Park Authority will only allocate/allow development which will meet the need of the National Park and to an extent in which their wider purposes and duty can be still be met.**

8.18 The National Park may also wish to plan for higher numbers based on more localised data produced by the Local Authorities. Again this would concentrate demand in the main settlements of the National Park. By doing so it would provide further choice in the market but also take into account more local demand factors.

9 CONCLUSIONS

Need for Employment Land Provision

9.0 The Employment Land Review forecasts have identified a need for around 8 hectares of employment land over the 2013-33 period. This comprises:

- Office B1a/b: 2.0 to 3.0 Ha; and
- Industrial and Warehousing (B1c/B2/B8): approximately 5.0 ha.

9.1 In qualitative terms, the analysis undertaken identifies a relatively tight supply of office floorspace, and suggests that demand for additional office floorspace particularly in Lewes and Petersfield could be supported. In addition there is some case for considering provision of flexible, small-scale office suites within these centres, together with Petworth and Midhurst to support SMEs.

9.2 In respect of industrial floorspace, the evidence suggests that whilst some land may be released associated with the rationalisation of the manufacturing sector, there may be a need for additional industrial land (B1c, B2 and B8 uses) to support other activities including: food and drink production, wood/timber, construction etc. Taking account of the relatively strong occupancy of existing employment sites, it concludes that there is a qualitative case for additional employment land provision in:

- Central Hampshire with access to the A3, particularly Petersfield;
- Lewes, with access to the A27;
- Midhurst and Petworth, to serve the town and central rural parts of the National Park.

9.3 Taking into account the qualitative and quantitative issues we calculate an overall need for between 8 and 12 Hectares of employment land in the National Park. The demand for which is centred around largest settlements in the National Park including Petersfield, Lewes and Midhurst.

9.4 The demand for employment floorspace could be met in a number of ways and the National Park Authority should take a flexible approach to delivering this need, although all policies should be made in line with the purposes and duty of the National Parks

9.5 We would expect much of the demand for B8 floorspace to be met through the reuse of redundant B2 premises and land. Furthermore the B8 demand we have identified is expected to relate to small scale distribution activities, linked to sectors such as local manufacturing, agriculture and forestry. It should not be considered that this B8 demand implies demand for larger warehousing units.

Supply Situation

9.6 The evidence suggests that there the identified need for employment land could be met in part by the following:

- Sites with extant planning permission for employment development to meet general business needs – 3.8 Ha
- Allocations: These are allocations within Neighbourhood Plans including sites which have planning permission – 4.6 Ha

9.7 These sources of supply provide 8.4 Ha of land. In considering future further allocations it should be recognised that part of the supply, particularly for office floorspace, could potentially be accommodated through mixed-use development schemes including at Land East of South Downs Road, Lewes.

9.8 Our conclusions reflect a broad overall employment land supply-demand balance, and through the qualitative analysis, the potential need for additional provision in different key settlements within the National Park.

9.9 We have identified a supply of potential additional employment land which falls within the range of identified need, there is still scope for further delivery from mixed use redevelopment of existing employment sites and smaller parcels within existing employment sites. Furthermore the delivery of any additional sites for employment or other uses will only be allowed in line with the purposes and duties of the National Park. i.e. the SDNP authority will only allocate or permit for a level of development which supports conserves and enhances the natural beauty, wildlife and cultural heritage of the National Park.

9.10 It may also be more appropriate that delivery of employment land is targeted at the areas outside of the National Park in some instances. This is particularly the case were only a small percentage of the FEMA is actually located within the National Park, although any allocations outside of the National Park will be the remit of the Local Authorities. This can be agreed through the duty to cooperate.

9.11 Additional office floorspace should be focused towards sustainable locations offering good access by a range of transport means. Office floorspace development should be supported in town centres in the main settlements within the National Park – Petersfield and and Lewes. Small-scale provision for SMEs should also be supported in Midhurst and Petworth, although schemes may require funding provision to support delivery.

9.12 The Authority should particularly encourage and support schemes that will delivery space for micro and small enterprises. This is particularly relevant to office and smaller industrial premises. Of up to 185 sq m. This reflects the focus of take up being from small enterprises as shown in Figure 28.

9.13 Policy should support investment and reuse of existing sites. This report has identified a number of sites across different FEMAs where employment uses could be intensified or where there is opportunity for expansion, subject to market demand.

9.14 Change of use from B2 to B8 is a permitted development for up to 500 sq m. The authority should have a flexible approach to larger conversion ensuring that there is no undue impact on the surrounding areas in relation to traffic, noise, pollution landscape etc.

Development Management Policies

9.15 Policies should support the investment in existing sites, including the redevelopment, refurbishment and upgrading of dated employment floorspace and environmental improvements. We consider that policies should encourage more efficient use of land and premises in line with sustainable development principles, so long as employment uses do not result in additional and unacceptable noise, traffic or pollution impacts or harm to surrounding activities or enjoyment of the countryside.

9.16 We propose a three tier structure to employment policies relating to *existing* employment sites:

Principal/Key Employment Site

9.17 We have identified four principal existing employment sites across the National Park. These are as follows:

- Site E10 - Bedford Road Industrial Estate, Petersfield;
- Site C15 - Holmbush Industrial Estate, Midhurst;
- Site L1 - North Street/Phoenix Quarter, Lewes (post – redevelopment); and
- Site L2 - Brooks Road, Lewes.

9.18 Not only do these provide local employment, in some cases they are also key to the functioning of the sub-regional economy. It is therefore recommended that these sites are strongly protected in the local plan for continued B-class uses.

9.19 We are mindful that some of these sites have over the years have seen an element of *sui generis*, trade counters and other non-b class employment generating uses locating on them. Further proliferation of such uses should not be viewed favourably.

9.20 The North Street/Phoenix Quarter site in Lewes has been identified for mixed-use redevelopment. The proposals are of a significant scale and reprovides a large percentage of the existing employment floorspace which should be protected.

9.21 Within the recommendation for Brooks Road in Lewes, there are a number of sub-sites which have been assessed separately but should also be protected for continued or future B-class employment uses alongside the wider area, these are:

- Land East of Malling Industrial Estate; and
- Hanover House.

Other/General Employment Sites

9.22 We have identified 15 other/general existing employment sites across the National Park, which are as follows:

- Site A1 - Gosling Croft Business Centre, Clapham
- Site A2 - Sawmill, Arundel Park, Arundel
- Site C2 – Hampers Common Industrial Estate, Petworth
- Site C4 - Selham Sawmill, Selham
- Site C7 - Midhurst Business Centre, Midhurst
- Site C8 - Stedham Sawmill, Stedham
- Site C13 - Chilgrove Farm, Chilgrove
- Site C16 - Eastmead Industrial Estate, Lavant
- Site E1 - Farringdon Business Park, Farringdon
- Site E2 - Farringdon Industrial Estate, The Old Station Yard, Farringdon
- Site E3 - Lodge Farm Barns, East Tisted
- Site E8 - Amey Industrial Estate, Petersfield
- Site E9 - Frenchmans Road. Petersfield
- Site E12 - Ham Barn Farm, Liss
- Site E13 – Blacknest Industrial Estate, Blacknest
- Site W1 - Northfields Farm, Twyford

9.23 Broadly these sites are important local industrial estates which supply local employment as well as servicing the wider economy. We recommend that these sites should also be protected in the local plan through a specific policy, but that the policy approach might be more flexible. Some of these employment sites are also locations of key sectors to the National Park economy and should be protected on the basis of that specific use.

9.24 Unlike the principal/key employment sites, this might allow alternative "employment generating" uses such as sui generis, trade counter, car showrooms etc. to be located on the site (subject to wider relevant planning considerations including landscape and visual impact, access, and design).

By allowing such uses, policy can support wider employment within the National Park without having to lose the most important B-class accommodation.

9.25 However, in these locations B-class uses should be given preference and alternative uses should be fully justified including in providing evidence that there is a lack of demand for B-class employment and a requirement to assess the wider impact of the proposed use on the functioning of the existing and future B-class uses.

9.26 A number of these sites have been identified for protection through policy, on the basis of accommodating one of the key economic sectors in the National Park. These sites may require specific policy to retain these uses on site or to promote the site for a specific industry.

Other Employment Sites

9.27 On other employment sites (which we would not expect to be specifically identified on the proposals map) we would recommend that policy seeks to protect the existing employment use unless the site or premises can be demonstrated to be redundant and incapable of meeting the needs of modern employment uses (B1-B8). This might include circumstances where proposals:

- Make more efficient and effective use of the site/premises, delivery new employment floorspace but potential some wider uses as well to 'enable' delivery of employment uses where viability is challenging;
- Deliver significant environmental improvements in terms of the public realm and landscaping of existing employment sites;
- Improve the quality of the employment offer in terms of the type of employment (such as higher value-added activities) and number or density of jobs.

9.28 Where a loss of employment is envisaged the National Park Authority should consider requiring applicants to demonstrate redundancy of existing floorspace and that redevelopment for employment uses is not feasible, with regard to: the location and accessibility of the site; site layout; quality of buildings; and adjacent uses. Applications should demonstrate that the site has been vacant or existing floorspace for some time, and that it has been actively marketed for employment use as a realistic cost, in most circumstances for a minimum of two years.

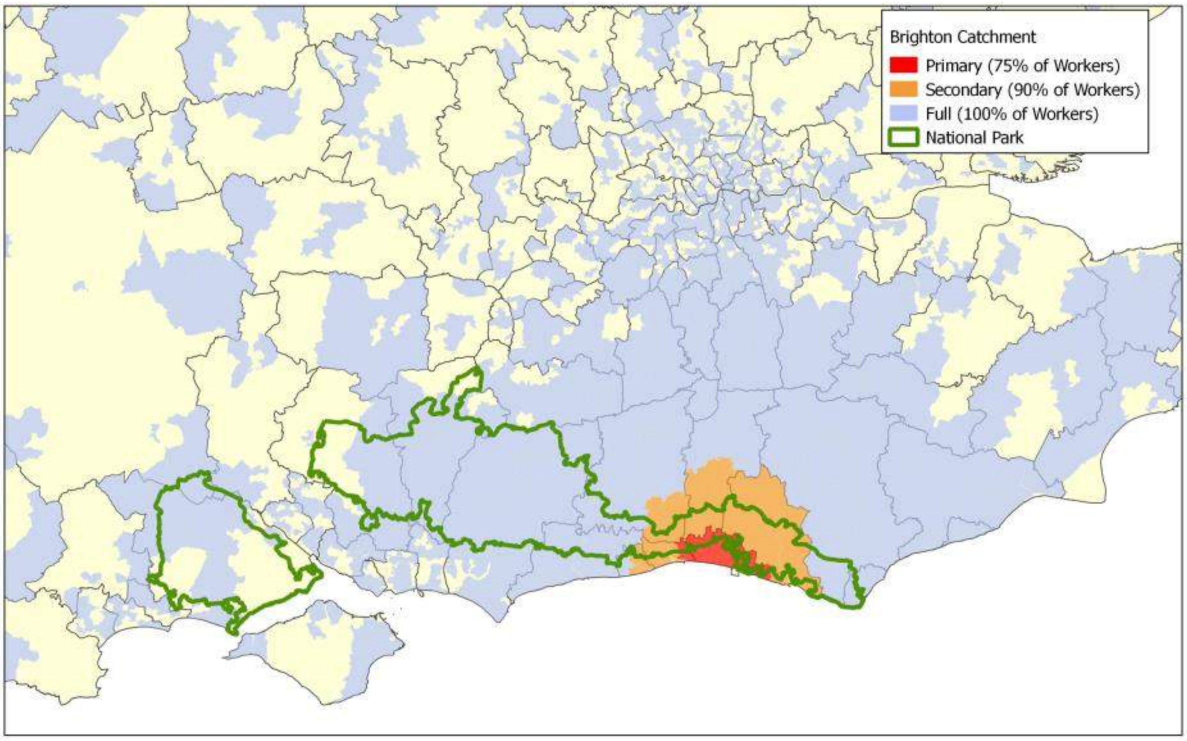
9.29 Where significant loss of employment floorspace (500 sq.m+) is proposed, applications should be accompanied by evidence that the loss of employment floorspace will not result in an undersupply of employment floorspace in the local area.

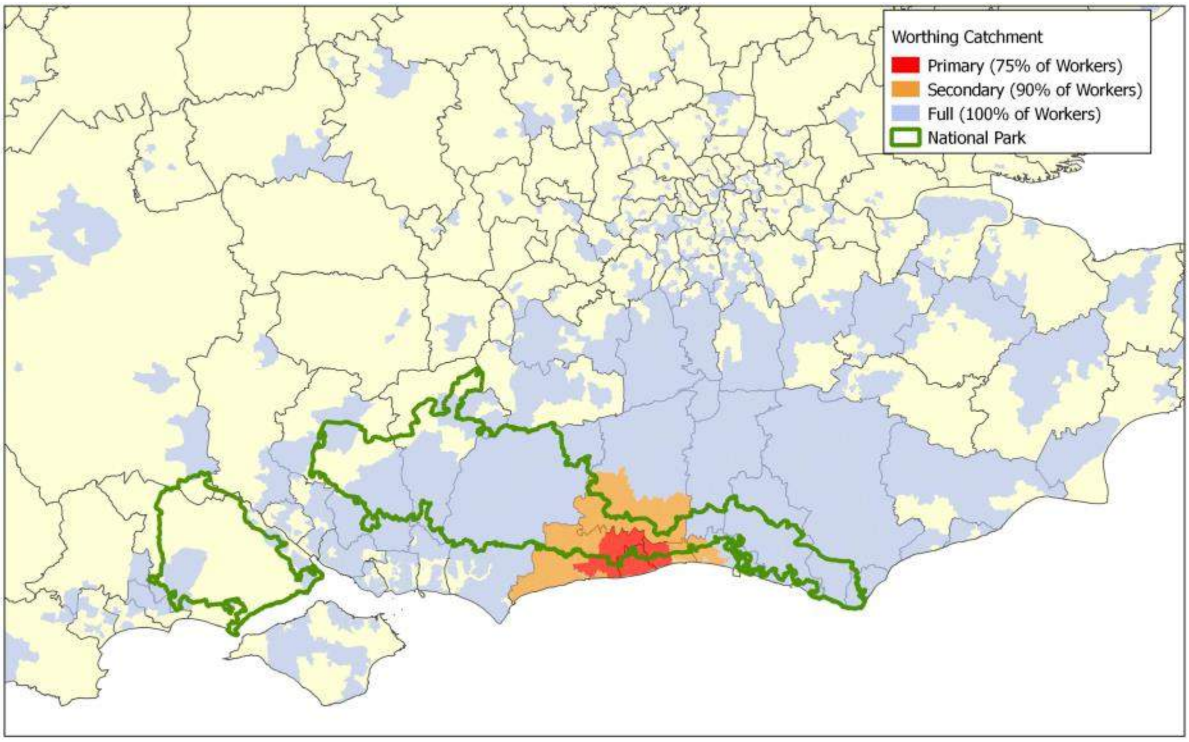
New Site Proposals

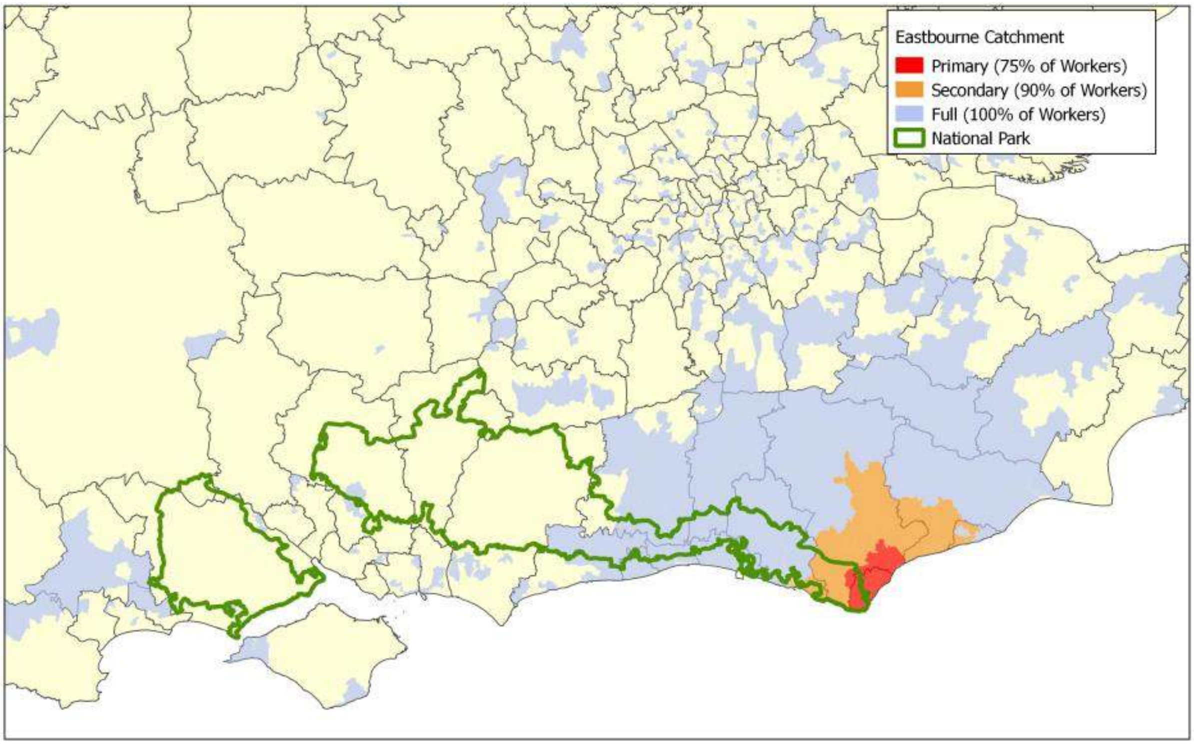
9.30 The Authority might also wish to consider how general policies can be used to assess proposals for new employment development, taking account of need, economic benefits, and impacts in respect of highways, landscape and design.

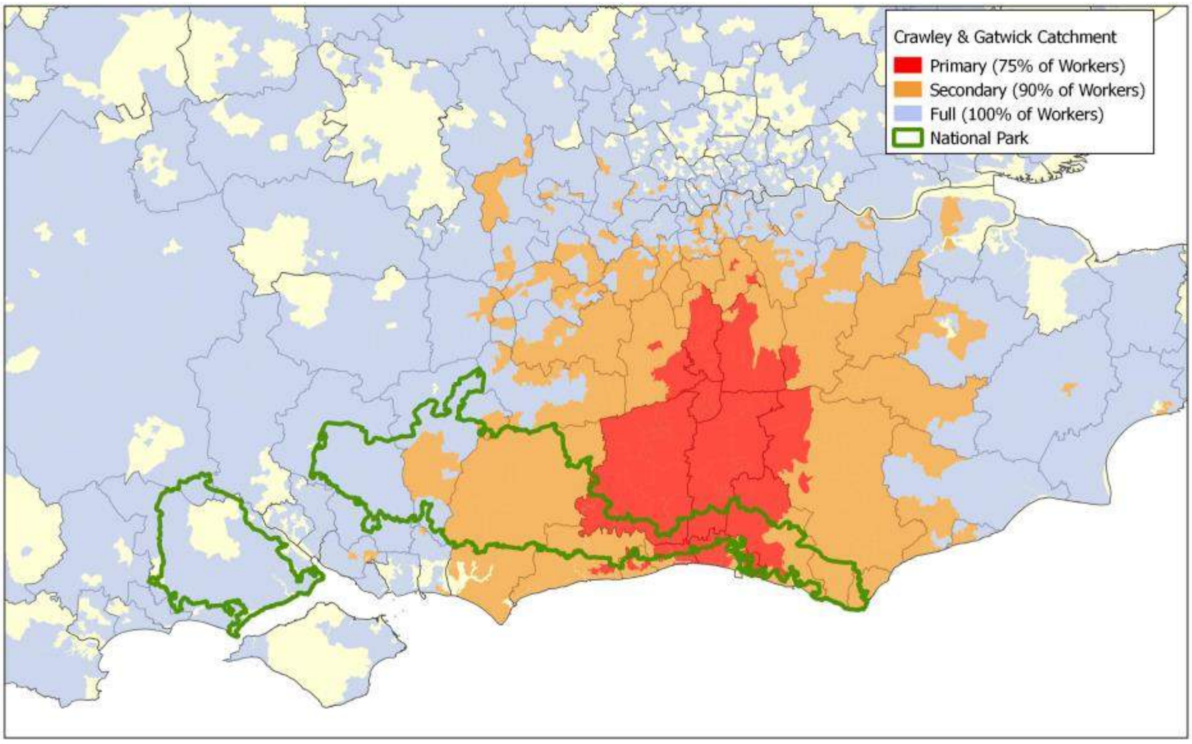
Appendices

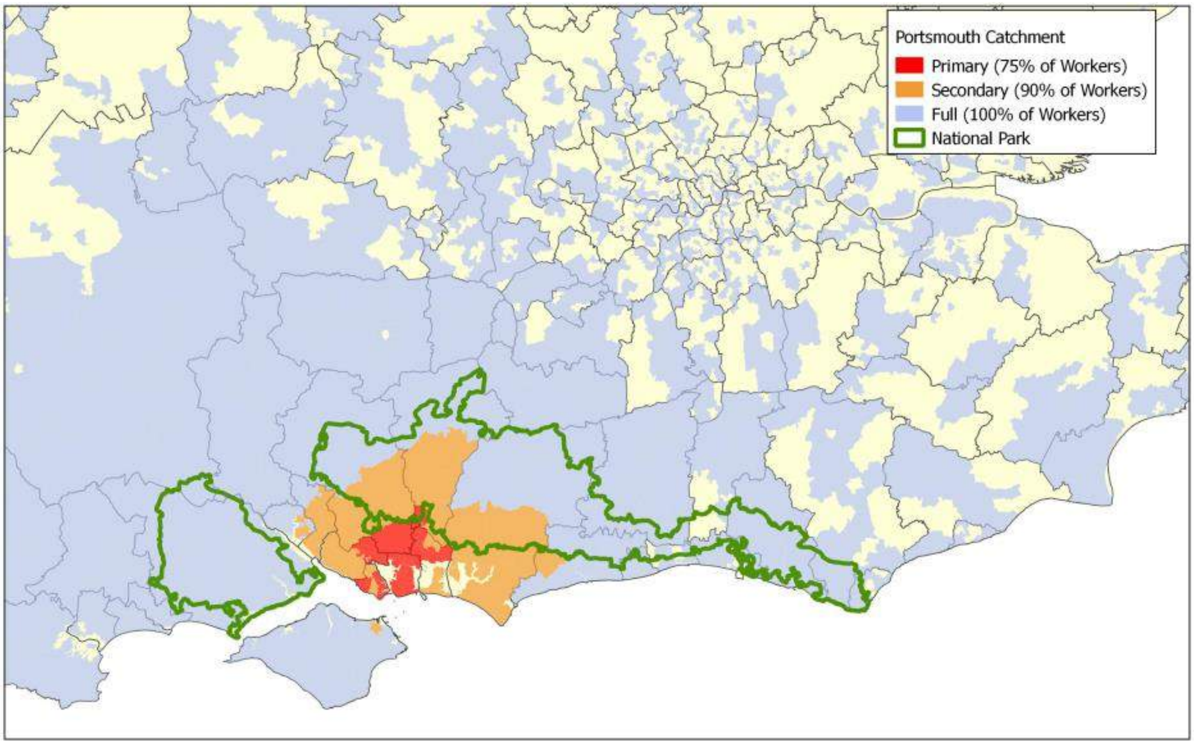
APPENDIX A: Key Employment Centre Catchment Mapping

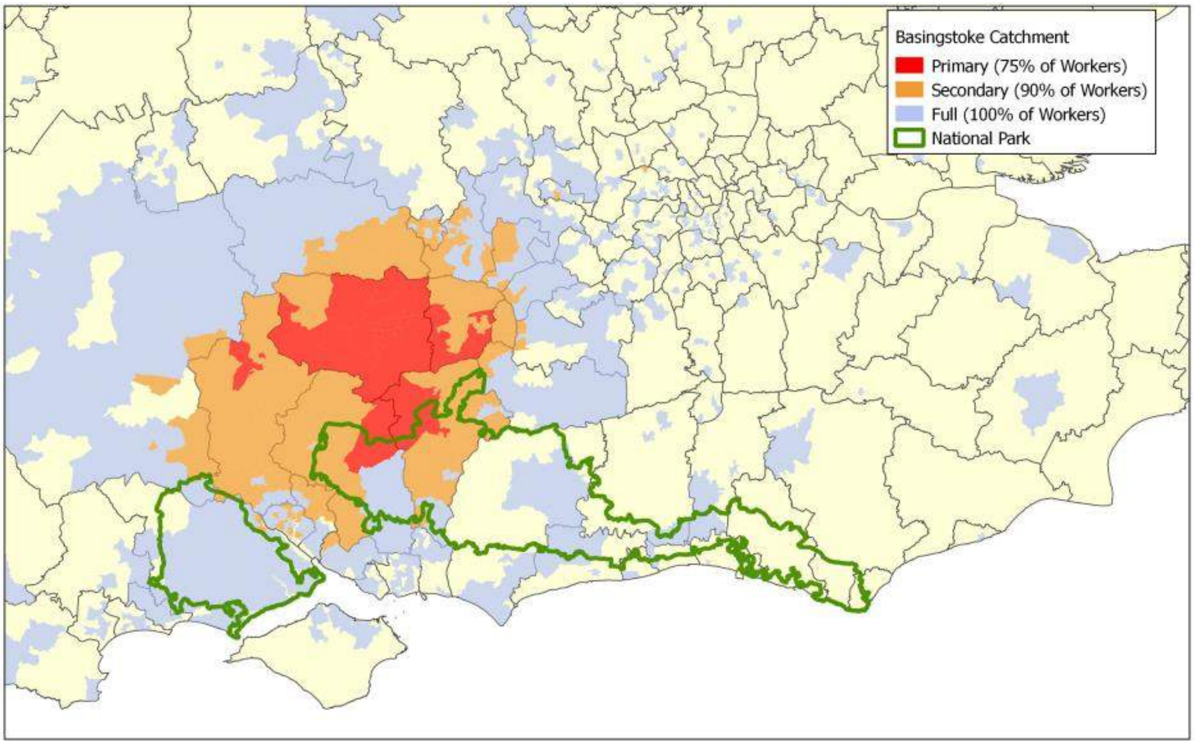


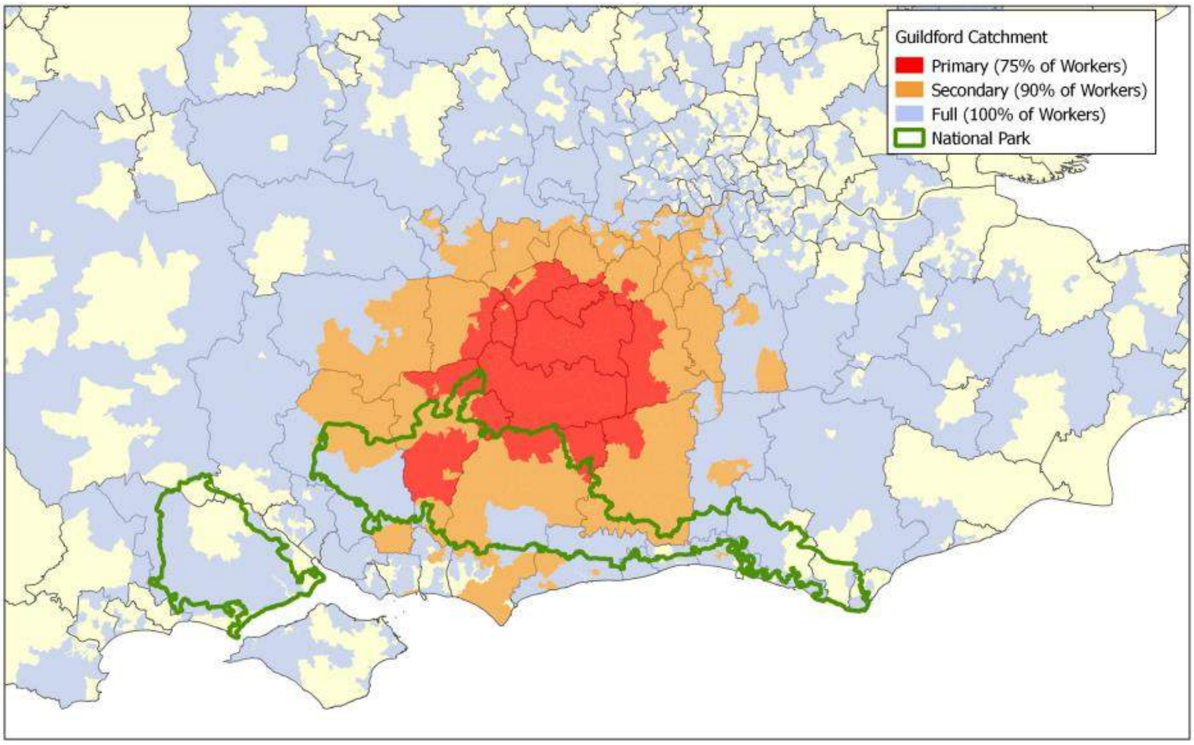


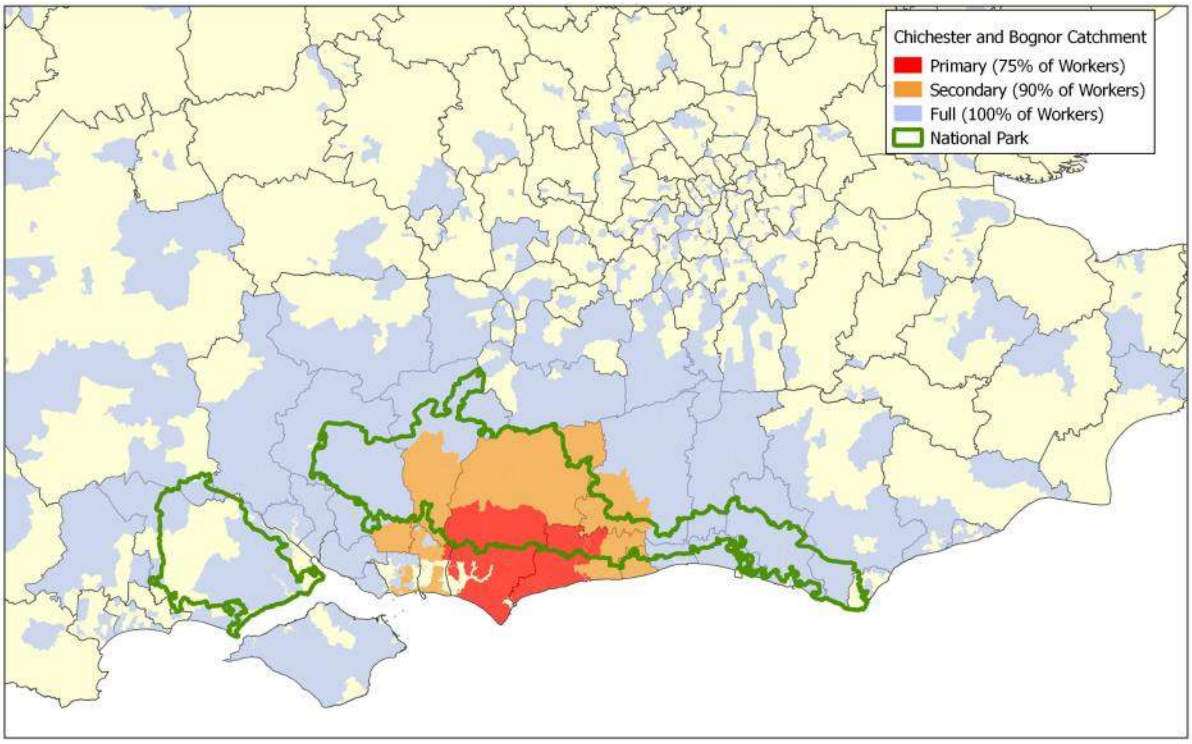

Eastbourne Catchment
Primary (75% of Workers)
Secondary (90% of Workers)
Full (100% of Workers)
National Park

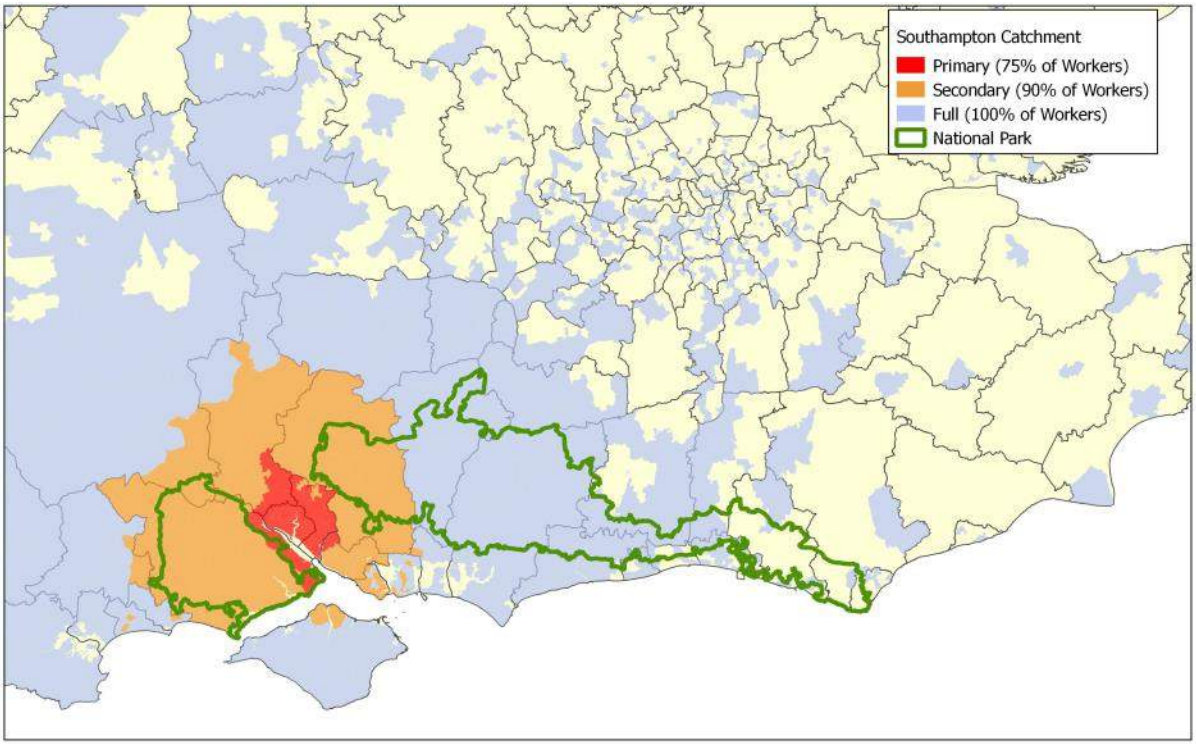

Crawley & Gatwick Catchment
Primary (75% of Workers)
Secondary (90% of Workers)
Full (100% of Workers)
National Park


Portsmouth Catchment
Primary (75% of Workers)
Secondary (90% of Workers)
Full (100% of Workers)
National Park


Basingstoke Catchment
Primary (75% of Workers)
Secondary (90% of Workers)
Full (100% of Workers)
National Park


Guildford Catchment
Primary (75% of Workers)
Secondary (90% of Workers)
Full (100% of Workers)
National Park


Chichester and Bognor Catchment
Primary (75% of Workers)
Secondary (90% of Workers)
Full (100% of Workers)
National Park


Southampton Catchment
Primary (75% of Workers)
Secondary (90% of Workers)
Full (100% of Workers)
National Park

APPENDIX B: List of MSOA in Wider South Downs Area

E02006534 : Adur 001

E02006535 : Adur 002

E02006536 : Adur 003

E02006539 : Adur 006

E02006542 : Arun 001

E02006543 : Arun 002

E02003491 : Brighton and Hove 001

E02003492 : Brighton and Hove 002

E02003493 : Brighton and Hove 003

E02003495 : Brighton and Hove 005

E02003496 : Brighton and Hove 006

E02003507 : Brighton and Hove 017

E02003523 : Brighton and Hove 033

E02006561 : Chichester 001

E02006563 : Chichester 003

E02006564 : Chichester 004

E02006565 : Chichester 005

E02006566 : Chichester 006

E02006567 : Chichester 007

E02004361 : Eastbourne 006

E02004367 : Eastbourne 012

E02006619 : Mid Sussex 016

E02006620 : Mid Sussex 017

E02004420 : Wealden 018

E02004423 : Wealden 021

E02006621 : Worthing 001

E02006624 : Worthing 004

E02004830 : Winchester 002

E02004832 : Winchester 004

E02004838 : Winchester 010

E02004839 : Winchester 011

E02004840 : Winchester 012

E02004704 : East Hampshire 008

E02004706 : East Hampshire 010

E02004707 : East Hampshire 011

E02004708 : East Hampshire 012

E02004709 : East Hampshire 013

E02004710 : East Hampshire 014

E02006600 : Horsham 013

E02006603 : Horsham 016

E02004380 : Lewes 002

E02004381 : Lewes 003

E02004382 : Lewes 004

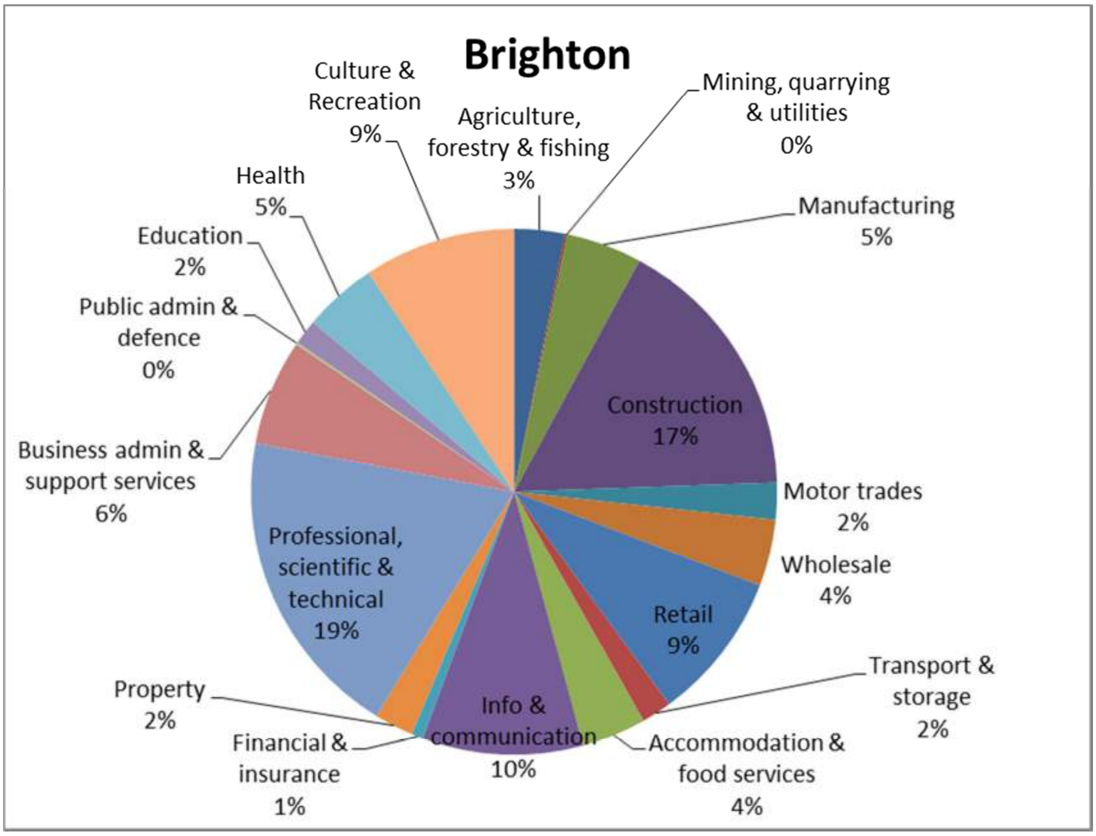
E02004383 : Lewes 005

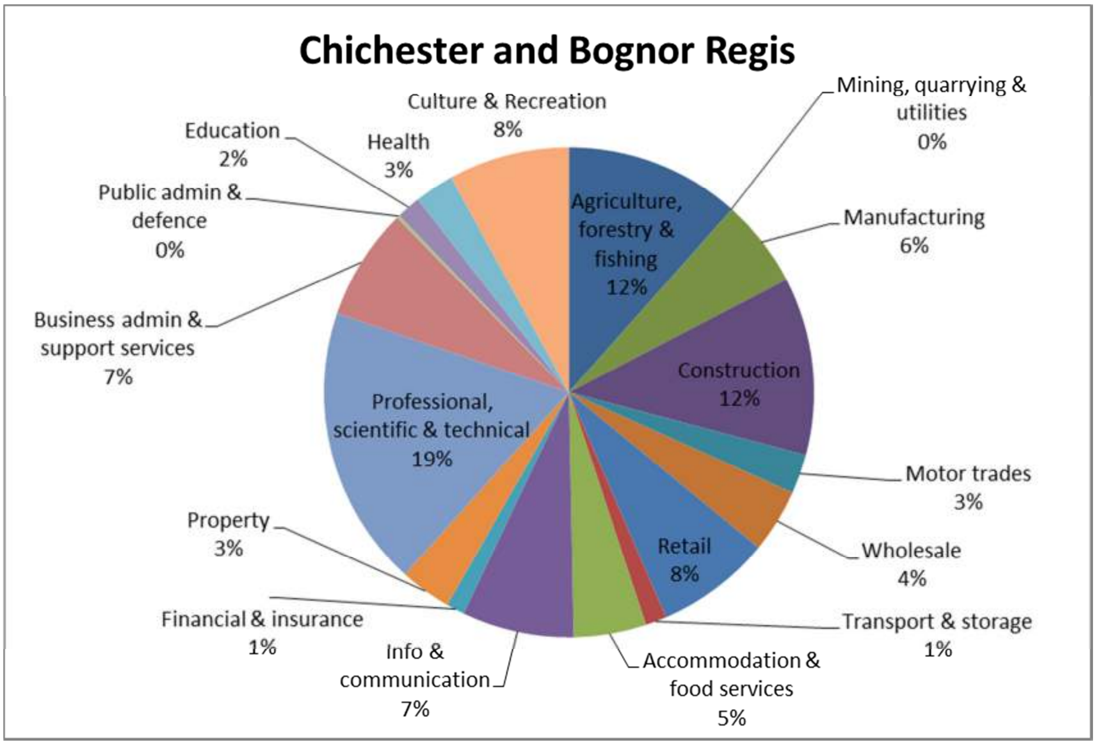
E02004384 : Lewes 006

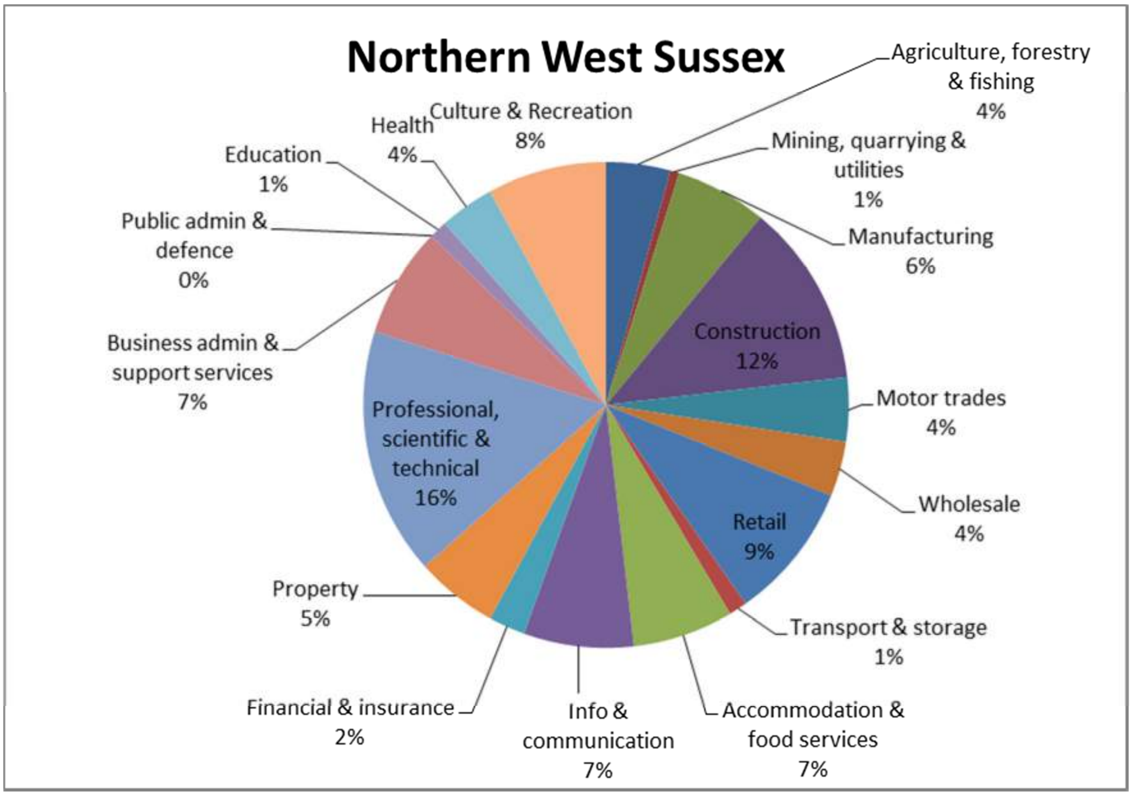
E02004389 : Lewes 011

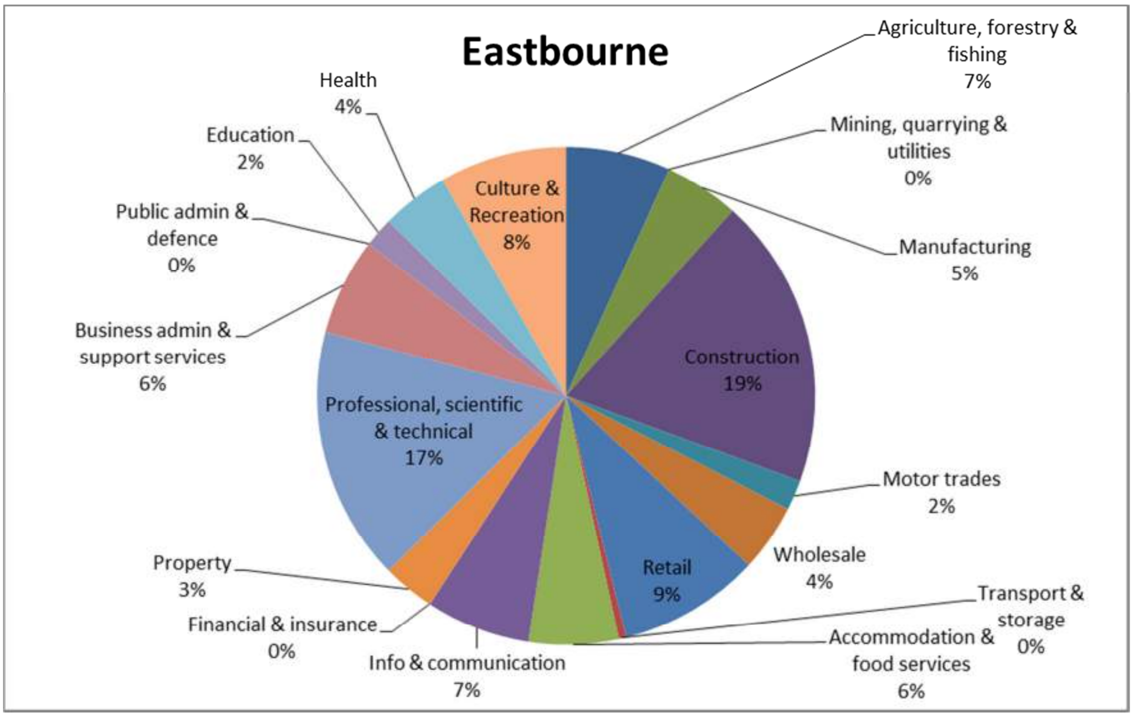
E02004390 : Lewes 012

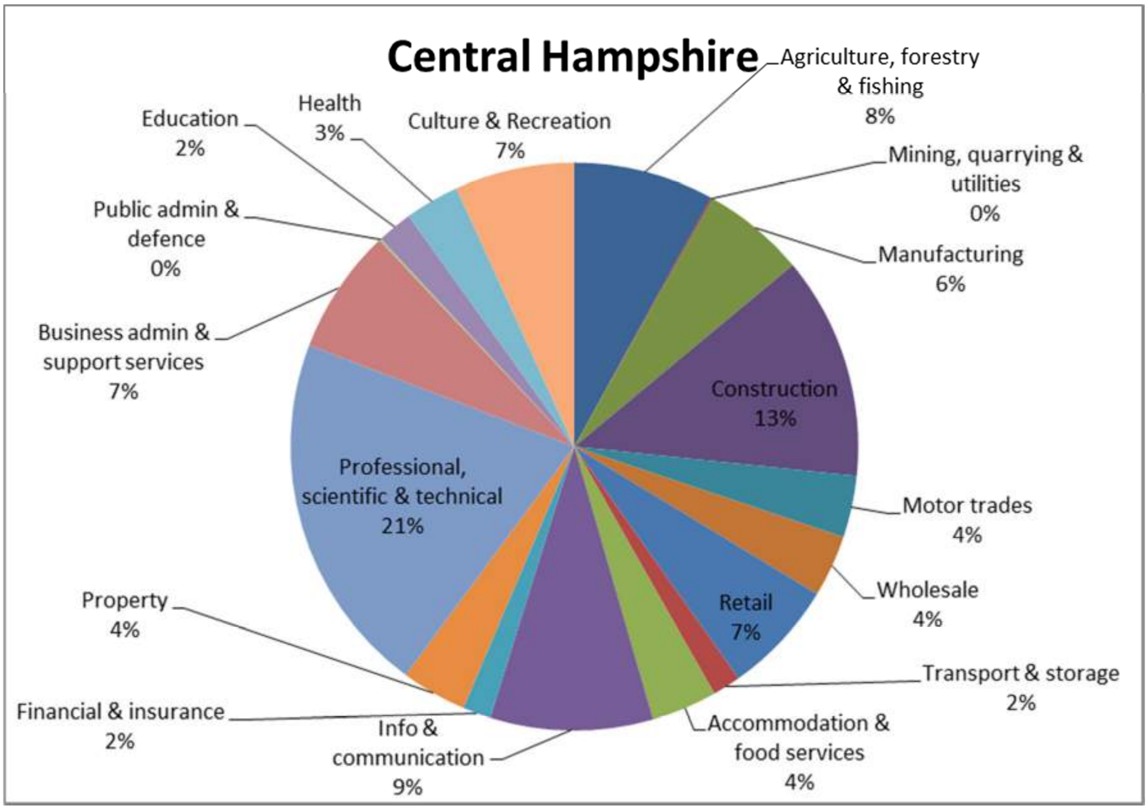
APPENDIX C: Enterprises by Sector for Each FEMA

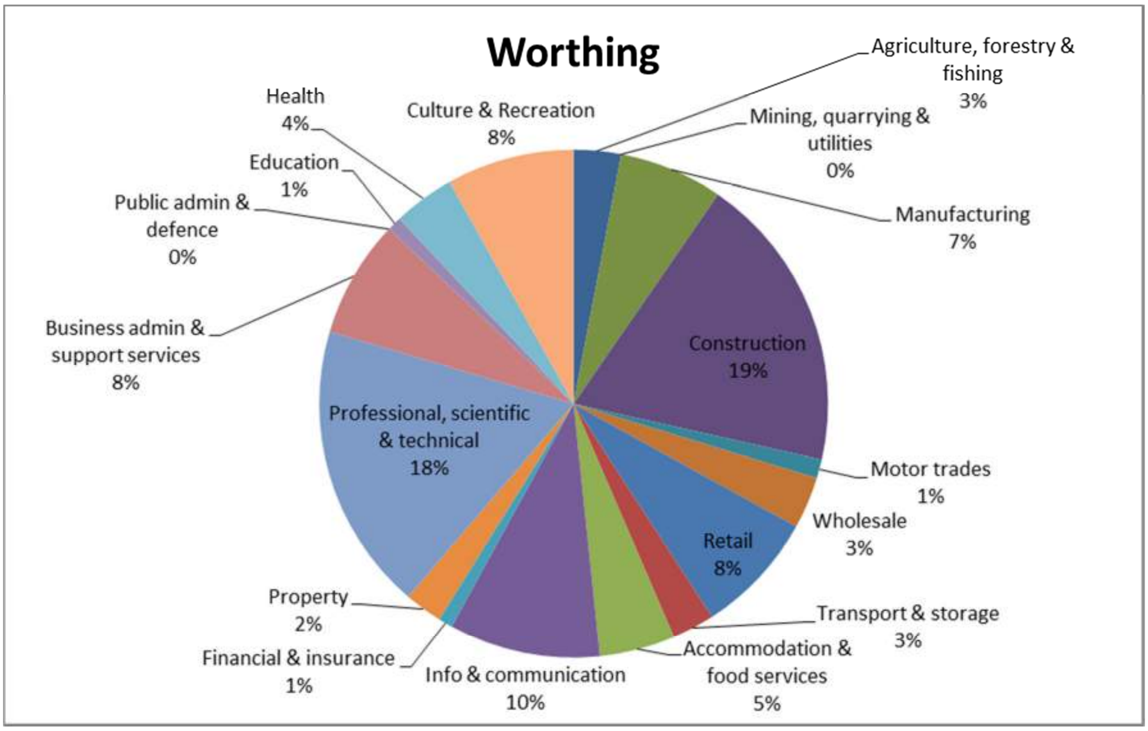





Northern West Sussex
Agriculture, forestry & fishing 4%
Mining, quarrying & utilities 1%
Manufacturing 6%
Construction 12%
Motor trades 4%
Wholesale 4%
Retail 9%
Transport & storage 1%
Accommodation & food services 7%
Info & communication 7%
Financial & insurance 2%
Property 5%
Professional, scientific & technical 16%
Business admin & support services 7%
Public admin & defence 0%
Education 1%
Health 4%
Culture & Recreation 8%


Eastbourne
Agriculture, forestry & fishing 7%
Mining, quarrying & utilities 0%
Manufacturing 5%
Construction 19%
Motor trades 2%
Wholesale 4%
Retail 9%
Transport & storage 0%
Accommodation & food services 6%
Info & communication 7%
Financial & insurance 0%
Property 3%
Professional, scientific & technical 17%
Business admin & support services 6%
Public admin & defence 0%
Education 2%
Health 4%
Culture & Recreation 8%


Central Hampshire
Agriculture, forestry & fishing 8%
Mining, quarrying & utilities 0%
Manufacturing 6%
Construction 13%
Motor trades 4%
Wholesale 4%
Retail 7%
Transport & storage 2%
Accommodation & food services 4%
Info & communication 9%
Financial & insurance 2%
Property 4%
Professional, scientific & technical 21%
Business admin & support services 7%
Public admin & defence 0%
Education 2%
Health 3%
Culture & Recreation 7%


Worthing
Agriculture, forestry & fishing 3%
Mining, quarrying & utilities 0%
Manufacturing 7%
Construction 19%
Motor trades 1%
Wholesale 3%
Retail 8%
Transport & storage 3%
Accommodation & food services 5%
Info & communication 10%
Financial & insurance 1%
Property 2%
Professional, scientific & technical 18%
Business admin & support services 8%
Public admin & defence 0%
Education 1%
Health 4%
Culture & Recreation 8%