



South Downs National Park Authority – Local Plan Review

Employment Land Review Provisional Findings November 2024

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1.0 Introduction

- 1.1 The existing South Downs Local Plan was adopted in 2019. In respect of employment evidence this Plan was based on the South Downs National Park Employment Land Review 2015 produced by GL Hearn Ltd. This was updated by the South Downs National Park Authority (SDNPA) in 2017 with further supply information. This fed into policies SD35 Employment Land and some site allocations which included employment land. Some Neighbourhood Development Plans have also included employment land within their site allocations.
- 1.2 The South Downs Local Plan is now being reviewed and will cover the period 2024-2042. The economic needs of the National Park up to 2040 are set out in the Housing and Economic Needs Assessment (HEDNA) September 2023.
- 1.3 The HEDNA key findings on the economy are:
 - Across the National Park there was around 51,000 jobs in 2022 the largest numbers of which were in Wholesale and Retail, Education, Hospitality, Healthcare and Public admin and Defence sectors.
 - The office market appears over supplied with negative net absorption and increasing vacancy rates. Conversely, there is an undersupply of industrial floorspace particularly workshop space (Use Class E(g)(iii)).
 - The labour demand forecasts have been derived by applying sector based employment forecasts from Oxford Economics to a baseline position established by ONS.
 - By 2040, the number of jobs in the National Park is forecast to increase by between around 3,000 and 4,800 jobs.
 - Modelling suggests there will be a need for an additional **53,000 sqm** of industrial space and **20,600 sqm** of office space. This translates to an employment land requirement of 13.2 Hectares and 5.9 Hectares respectively.
 - Market commentary and the low vacancy rate suggest a need for smaller industrial units (E(g)(iii)) while the labour demand forecasts show a need for distribution space (B8).
- 1.4 This Employment Land Review report provides the supply side evidence to show how these needs could be addressed.

2.0 Supply Assessment

Existing Employment Sites

- 2.1 This section of the report provides an update on the quantity and quality of the supply of existing employment sites in the South Downs National Park. A review of existing employment sites comprised the following:
- Site visit and assessment of all the principal employment sites in the Strategic Policy SD35 Employment Land of the South Downs Local Plan.
 - All the other employment sites in the five main settlements: Petersfield, Liss, Midhurst, Petworth and Lewes.
 - A sample of sites with completed floorspace in the period 2016/17 to 2022/23 (since the 2017 ELR Update) in other areas of the National Park. These sites have multiple occupiers and floorspace over at least 1,000sqm.
- All the existing sites that had a site visit are listed in Appendix 1 of this report.
- 2.2 Site assessments were carried out and a similar proforma to the 2015 ELR and 2017 ELR Update was used to cover the following in making the assessment:
- The nature and intensity of use of the employment site
 - Presence of key sector businesses, as defined by the adopted South Downs Local Plan
 - Nature of any bad neighbour or adjacency issues
 - Traffic issues and access including Heavy Goods Vehicles
 - The age and quality of existing buildings
 - Parking provision available to employees and users of the site
 - Vacancy rates
- 2.3 The proforma allows the assessor to comment on these or other issues as well as drawing a conclusion about the suitability of the site for employment and a recommendation as to the future use.
- 2.4 The assessment was based on the observations at the time of the site visit on the criteria covered on the form. Detailed investigation of land ownership or leasing agreements or the viability of the site was outside the scope of the assessment.

Potential Employment Sites

2.5 The tables below list potential employment sites that have been considered as part of this ELR. Site visits and/or desktop surveys have been carried out where appropriate. These comprise:

- Sites allocated in the adopted South Downs Local Plan but with no planning permission;
- Sites allocated in made Neighbourhood Development Plans but with no planning permission;
- Extant but unimplemented planning permissions; and
- New potential sites submitted to the Land Availability Assessment.

Sites allocated in the adopted South Downs Local Plan or made Neighbourhood Development Plans but with no planning permission

Table 1: Allocated Sites With No Planning Permission

Allocation	Site	Floorspace	Notes
South Downs LP SD66	Cowdray Works Yard, Easebourne	940sqm (mixed office & industrial)	Planning permission now granted but after March 2023 so not counted in Table 2
South Downs LP SD88	Stedham Sawmill	1,500sqm (mixed office & industrial)	Allocation not included in Regulation 18 consultation, will update ELR following confirmation from landowner on site availability.
Petersfield NDP B2	The Domes, Petersfield	6,280sqm (mixed office & industrial)	Former chicken farm. There have been no proposals yet to redevelop this site for employment.
Petersfield NDP B6	Frenchman's Road, Petersfield	245sqm (office)	No proposals yet received to redevelop this site.
Petersfield NDP MU3	Site west and south of Festival Hall, Petersfield	315sqm (office)	Planning application in progress, for part of the allocation, that includes two commercial/retail units in class E on the footprint of a former factory building with E(g)(iii) light industrial use.

Allocation	Site	Floorspace	Notes
Petworth NDP WS4	East of Hampers Common Industrial Estate	4,800sqm (mixed office & industrial)	Approximately 1.2 hectares in area allocated as an extension to adjacent industrial estate. A planning application for employment is yet to be received for this site.
Clapham NDP	WSCC Highways Depot	6,840sqm (mixed office & industrial)	Delivery uncertain, will update ELR following confirmation from landowner on site availability
Total office		560sqm	
Total mixed office & industrial		20,360sqm	
Total overall floorspace		20,920sqm	

Extant Planning Permissions Not Yet Implemented

2.6 There are a number of potential employment sites with planning permission with are listed in Appendix 2 (latest available figures, at 31 March 2023). This permissions result in a net gain of 51,714sqm employment floorspace, broken down as follows:

Table 2: Extant planning permissions at 31st March 2023

Use	Gain	Loss	Net
1) Mixed Office, Research & Development, Light Industrial [Class E(g)]	8,857sqm	0sqm	8,857sqm
2) Office [Class E(g)(i)]	9,289sqm	20,718sqm	-11,429sqm
3) Research & Development [Class E(g)(ii)]	0sqm	0sqm	0sqm
4) Light Industrial [Class E(g)(iii)]	10,730sqm	3,086sqm	7,644sqm

Use	Gain	Loss	Net
5) General Industrial [Class B2]	426sqm	4,480sqm	-4,054sqm
6) Storage & Distribution [Class B8]	40,402sqm	4,957sqm	35,445sqm
7) Mixed Office, Research & Development, Light Industrial and Storage & Distribution [Class E(g)/B8]	14,739sqm	4,513sqm	10,226sqm
8) Mixed Office, Research & Development, Light Industrial and General Industrial and Storage & Distribution [Class E(g)/B2/B8]	4,340sqm	0sqm	4,340sqm
9) Commercial, Business and Service [Class E]	685sqm	0sqm	685sqm
Total office (row 2)			-11,429sqm
Total industrial (row 3 + 4+ 5 + 6)			39,035sqm
Total mixed office & industrial (row 1 + 7 + 8 +9)			24,108sqm
Total overall floorspace	89,468sqm	37,754sqm	51,714sqm

- 2.7 The extant permissions include the proposed development for B8 storage and distribution use at the former Apple Pie depot at Longmoor in East Hampshire (approved in 2022/23) and the significant loss of office floor space through the redevelopment of the former Syngenta site near Fernhurst.
- 2.8 Combining table 1 and 2 figures above. The total future supply from adopted site allocations and extant planning permissions (net figures) is therefore **72,634sqm**, comprising:
Office space is a **net loss of 10,869 sqm**
Industrial space is a **net gain of 39,035 sqm**
Office/Industrial is a **net gain of 44,468 sqm**

New Potential Sites

2.9 As part of the evidence base for the Local Plan Review a 'call for sites' was carried out in 2022 including for employment uses. These were considered through the Land Availability Assessment and the following sites assessed as 'has potential'.

Reference	Site	Floorspace
EA177	Land at Quin Hay Farm, Froxfield	5,000sqm
EA199	Lords Farm, Waterworks Road, Sheet	1,100sqm
HO51	Land north of North Farm, London Road, Washington	2,000sqm
HO52	Land at Whites Hill Farm, Owslebury (part of mixed-use development proposed for allocation in Regulation 18 consultation)	1,500sqm
	Total potential additional supply	9,600sqm

3.0 Conclusions and Recommendations

Conclusions

- 3.1 The HEDNA identifies a need for an additional 53,000 sqm of industrial space and 20,600 sqm of office space, totalling 73,600 sqm overall. Future supply already secured through existing allocations and extant permissions demonstrates an overall supply of 72,634 sqm – amounting to only a marginal deficit of 966 sqm. However, this supply mostly comprises industrial and mixed office and industrial with a net loss of 10,869 sqm solely office space. This is largely due to the significant loss of office space at the former Syngenta site near Fernhurst and significant gain in warehousing space at the former Apple Pie depot at Longmoor.
- 3.2 The proposed additional allocation of 1,500 sqm at Whites Hill Farm, Owslebury would result in an overall supply of **74,134 sqm**, and would therefore exceed the overall requirement in the HEDNA. However, even if the additional site was entirely offices, there would remain a shortfall in office space of about **29,969 sqm**.

Recommendations

- 3.3 The following recommendations are made for the Local Plan Review:
1. SD35 should continue to safeguard all existing and allocated employment uses where they are fit for purpose.
 2. SD35 should be amended to facilitate the change of use from industrial to office use to address the imbalance identified in this Employment Land Review.
 3. The Land Availability Assessment should continue to find sites unsuitable for non-employment uses if they are in current active employment use.
 4. The robustness of the future potential supply should continue to be monitored and updated as new information becomes available, and any deficits addressed by considering additional allocations at Regulation 19 stage, particularly for office use.

Appendix 1 - Existing sites – assessment and site visit

Site Reference	Local Authority	Site Name/Address	Nearest Settlement	Recommendation	Comments
C2	Chichester	Hampers Common Industrial Estate, Petworth, GU28 9NR	Petworth	Continue to support safeguarding in policy	Small business units, established active site.
C5	Chichester	The Wharf, Midhurst, GU29 9PX	Midhurst	Protection under general safeguarding policy	Established site, includes starter units.
C7	Chichester	Midhurst Business Centre, Station Road, Midhurst, GU29 9RE	Midhurst	Continue to support safeguarding in policy	Established active site.
C11	Chichester	Hurstfold Industrial Estate, Surney Hatch Lane, Fernhurst, Haslemere, GU27 3JG	Fernhurst	Continue to support safeguarding in policy	Good condition with investment in new units, predominantly related to motor trade.
C14	Chichester	Chilgrove Business Centre, Chilgrove Park Road, Chilgrove, Chichester, PO18 9HU	Chilgrove	Protection under general safeguarding policy	Very good quality provision with parking.
C15	Chichester	Holmbush Industrial Estate, Midhurst, GU29 9HX	Midhurst	Continue to safeguard in policy as principal employment site	Good occupancy, active site. Principal site under policy SD35 Employment Land.
C17	Chichester	Kingley Centre, Downs Road, West Stoke, Chichester, PO18 9HJ	West Stoke	Protection under general safeguarding policy	Mix of use types, adequate parking.
C22	Chichester	Fernhurst Business Park, Henley Common, Fernhurst, Haslemere, GU27 3HB	Fernhurst	Continue to support safeguarding in policy	Good condition, high occupancy, active site.

Site Reference	Local Authority	Site Name/Address	Nearest Settlement	Recommendation	Comments
C25	Chichester	New Barn Farm, Common Road, Funtington, Chichester, PO18 9DA	Funtington	Protection under general safeguarding policy	High quality units, ample parking.
C26	Chichester	Iron Hill Farm, Hollycombe Lane, Linchmere, Liphook, GU30 7LP	Linchmere	Protection under general safeguarding policy	
E1	East Hampshire	Farringdon Business Park, Alton, Hampshire, GU34 3DZ	Lower Farringdon	Continue to support safeguarding in policy	Good condition, mix of unit sizes.
E2	East Hampshire	Farringdon Industrial Estate, Old Station Yard, Lower Farringdon, Alton, Hampshire, GU34 3DP	Lower Farringdon	Continue to support safeguarding in policy	Good condition and occupancy.
E5	East Hampshire	Heath Farm, Heath Road East, Petersfield, GU31 4HT	Petersfield	Continue to support safeguarding in policy	Good condition, adequate parking, office space.
E8	East Hampshire	Amey Industrial Estate, Frenchmans Road, Petersfield	Petersfield	Continue to support safeguarding in policy	All units occupied. Provision of smaller units.
E9	East Hampshire	Frenchmans Road, Petersfield	Petersfield	Continue to support safeguarding in policy	Two large businesses with established use at this location.
E10	East Hampshire	Bedford Road, Petersfield	Petersfield	Continue to safeguard in policy as principal employment site	Very significant employment site within the National Park. Principal site under SD35 Employment Land.
E11	East Hampshire	Brows Farm, Farnham Road, Liss	Liss	Continue to support safeguarding in policy	Very good condition, high occupancy.
E12	East Hampshire	Ham Barn Farm, Ham Barn Business Park, Farnham Road, Liss, GU33 6LB	Liss	Continue to support safeguarding in policy	Very good condition, good parking provision.

Site Reference	Local Authority	Site Name/Address	Nearest Settlement	Recommendation	Comments
E13	East Hampshire	Blacknest Business Park, Blacknest Road, Blacknest, Alton, Hampshire, GU34 4PX	Blacknest	Protection under general safeguarding policy	Large number of units, active site.
E14	East Hampshire	Upper Adhurst Industrial Park, London Road, Petersfield, GU31 5AE	Petersfield	Protection under general safeguarding policy	Good condition, adequate parking, good occupancy.
E18	East Hampshire	Liss Business Centre, Station Road, Liss	Liss	Protection under general safeguarding policy	Small office suites.
E19	East Hampshire	Ashburton Business Park, Shelleys Lane East Worldham GU34 3AQ	East Worldham	Protection under general safeguarding policy	
E20	East Hampshire	Former Brockbridge Dairy, Bradshott Lane, Blackmoor, Liss, GU33 6DD	Blackmoor	Protection under general safeguarding policy	Larger units, suitable for bulk uses.
E21	East Hampshire	Former Apple Farm, Church Lane, Blackmoor, Liss, GU33 6BP	Blackmoor	Protection under general safeguarding policy	
E22	East Hampshire	Binswood View Business Centre, Hartley Lane, Oakhanger, Bordon, GU35 9JW	Oakhanger	Protection under general safeguarding policy	Established site, good occupancy.
H4	Horsham	North Farm, London Road, Washington, Pulborough, RH20 4BB.	Washington	Protection under general safeguarding policy	Site redevelopment ongoing, some new units complete and occupied, others to be built. Winery, restaurant and shop all complete and in use.

Site Reference	Local Authority	Site Name/Address	Nearest Settlement	Recommendation	Comments
L2	Lewes	Brooks Road/Daveys Lane/South Downs Road, Lewes.	Lewes	Continue to safeguard in policy as principal employment site	Busy commercial area close to Lewes town centre. Principal site under policy SD35 Employment Land.
L11	Lewes	Cliffe Industrial Estate, Lewes, East Sussex, BN8 6JL	Lewes	Continue to safeguard in policy as principal employment site	Good occupancy. Principal site under policy SD35 Employment Land.
WE1	Wealden	Berwick Court Farm, Alfriston Road, Berwick, Polegate, BN26 5QS.	Berwick	Protection under general safeguarding policy	Established active site, small/medium units.
W1	Winchester	Hazeley Enterprise Park, Hazeley Road, Twyford, Winchester, SO21 1QA.	Twyford	Protection under general safeguarding policy	Large site, undergoing refurbishment, good occupancy.
W2	Winchester	Chilcomb Park, Chilcomb Lane, Chilcomb, Winchester, SO21 1GJ	Chilcomb	Protection under general safeguarding policy	South building constructed and occupied. North building extant and no start.
W3	Winchester	Itchen Abbas Business Centre, Main Road, Itchen Abbas, Winchester, SO21 1BQ	Itchen Abbas	Protection under general safeguarding policy	Good occupancy, local business centre.
W4	Winchester	St Clair's Farm, Wickham Road, Droxford, Southampton, SO32 3PW	Droxford	Protection under general safeguarding policy	Good condition and high occupancy.
W5	Winchester	Limmers Storage, Stakes Lane, Upham, SO32 1TJ	Upham	Protection under general safeguarding policy	Recently completed large units, space for parking, HGVs.
W6	Winchester	Lycroft Farm Business Park, Park Lane, Swanmore, Southampton, SO32 2QQ	Droxford	Protection under general safeguarding policy	Good condition, active site.

Appendix 2 - Extant planning permissions at 31st March 2023

See separate spreadsheet.