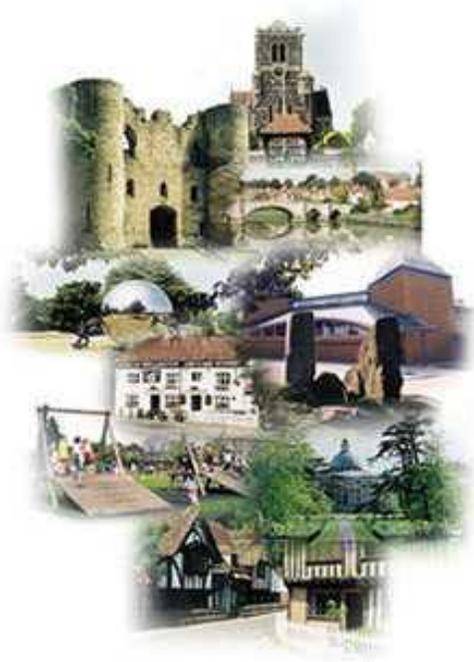


Tonbridge & Malling Borough

Employment Land Review - Executive Summary

July 2005



Final Report - Executive Summary

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Tonbridge & Malling Borough

Employment Land Review - Executive Summary

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1. Study Context

Aims and Objectives

- 1.1 Drivers Jonas was commissioned by Tonbridge and Malling Borough Council in February 2005 to prepare an employment land review in accordance with good practice guidance and relevant planning policy.
- 1.2 The aims and objectives of this study, as defined by the Council, can be summarised as to:
 - n Ensure that the study is prepared in accordance with latest government guidance;
 - n Provide a qualitative and quantitative assessment of the existing employment portfolio of employment sites in the Borough, and whether or not these sites should be protected and / or augmented;
 - n Provide robust information on the current and future employment land needs of the Borough, both quantitatively and qualitatively; and
 - n Provide advice on mechanisms for the future monitoring of employment land supply in the Borough.
- 1.3 This employment land review has been commissioned to examine the economic and development needs of the Borough in terms of future employment land provision. The key outcome of the study is to establish clear objectives and a recommended strategy for the provision of employment land up to 2016.
- 1.4 The forthcoming Local Development Framework (LDF) extends to 2021, however due to the length of time this represents and the potential for changes in the economy on a micro and macro scale the employment land review will be subject to annual monitoring and full review post 2016.
- 1.5 This study will contribute towards the Borough Council's emerging Local Development Framework. More particularly this review will provide an evidence base upon which the Council's 'Core Strategy' and 'Employment Land' DPD can be formulated, notably with regard to employment allocations and employment policies.

Context

- 1.6 National planning policy guidance, notably paragraph 42(a) which was adopted as an amendment to PPG3 in January 2005, emphasises the importance of undertaking employment land reviews. More particularly, this revision to PPG3 notes that local planning authorities should consider favourably the development of allocated employment sites for residential or mixed uses unless certain circumstances apply. Such circumstances include that an up-to-date review of employment land (carried out in accordance with ODPM good practice guidance) identifies that there is a realistic prospect of the allocation being taken up for its stated use during the plan period.
- 1.7 The Council's existing Urban Capacity Study has identified a number of existing older employment sites within the built up areas as potentially suitable for redevelopment to housing. The Borough is also under pressure to release other allocated employment sites to other uses, such as housing, retail and car sales.
- 1.8 At present, the Borough is generally meeting employment floor space guidelines set out in the adopted and emerging Structure Plan. The

emerging Kent and Medway Structure Plan will be superseded by the Regional Spatial Strategy for the South East (the South East Plan). It is understood however that the South East Plan will unlikely provide district-level employment floor space guidelines.

- 1.9 The study brief identified the need to have regard to the key findings of the “Supply and Demand for Business Premises in West Kent Feasibility Study” commissioned by the West Kent Strategic Partnership. Subsequent to our commencement of this employment land review, it was identified that the WKSP’s study was no longer being progressed.
- 1.10 The study focuses on the Borough of Tonbridge and Malling. The Borough is located in West Kent, set between the authority areas of Maidstone, Sevenoaks, Tunbridge Wells, Gravesham and Medway. The main employment areas in the Borough are located in:
- n Tonbridge, on the eastern and southern fringes of the town centre;
 - n The Medway Gap Area, notably the major industrial estates of Quarry Wood, Aylesford Forstal and New Hythe; and
 - n Kings Hill, West Malling, which is identified as a business park of sub-regional significance.
- 1.11 In addition, there are notable employment areas within other settlements in the Borough, including Borough Green, East Peckham and Snodland.
- 1.12 The Borough is dissected by the M20 motorway, which runs between the M25 motorway in the west to Folkestone (and the Channel Tunnel Terminal at Cheriton) in the East. A large proportion of the Borough is rural in nature, with approximately 70% being identified as Green Belt.

Outputs

- 1.13 The study sets out recommendations to inform the Council’s Local Development Framework. The recommendations concentrate on the measures and proposals required to ensure that an appropriate and balanced employment land portfolio is available to meet the future employment needs of the Borough.
- 1.14 Future employment land requirements are broadly identified through the scale, provision, type and distribution needed up to 2016.
- 1.15 In addition the study makes recommendations to help guide the monitoring of existing allocated sites and employment policies.

2. Outline of Approach and Methodology

2.1 This Employment Land Review has been undertaken in line with Government good practice guidance published by the ODPM December 2004. The main stages of the study provide:

- n A review of the Borough's employment site portfolio;
- n A picture of future requirements; and
- n Recommendations to ensure an appropriate portfolio of sites.

2.2 Further details on approach and methodology are set out in relevant sections of this report.

Stage 1 – Preliminary Review of the Borough's Employment Site Portfolio

2.3 The first stage comprises the following two key elements:

- n Quantitative assessment of floor space (existing and proposed); and
- n Qualitative assessment of the main employment areas and sites.

Quantitative Assessment

2.4 The property profile in terms of quantum and broad distribution across the Borough has been assessed through a quantitative analysis of existing employment floor space by B1, B2 and B8 use class and also by broad sectors.

2.5 Annual employment land monitor data supplied by the Council has been interrogated to derive information on vacant employment allocations, planning permissions granted and take-up over time (including sites leaving employment uses). A review of vacant premises and Valuation Office Agency rating data has also be undertaken to provide a picture of the total stock of employment floor space in the borough.

Qualitative Assessment

2.6 In accordance with good practice a detailed qualitative assessment of the main employment areas (as defined by the Council) has been undertaken based on a number of detailed appraisal criteria. The criteria consider the following three main factors:

- n Market attractiveness;
- n sustainable development; and
- n strategic planning.

2.7 Through this assessment, main employment areas are scored (in respect of each main factor) and categorised according to role in the Borough's employment hierarchy.

Stage 2 – Creating a Picture of Future Requirements

2.8 In order to create a picture of future requirements, the following research has been undertaken:

- n *Labour Market Review* – Provides an understanding of the structure and composition of the local labour market to inform forecasts;
- n *Labour Market Forecasts* – Projects forward the structure of the local labour market to 2016 in order to show how the labour market is expected to change over forthcoming years;

- n *Employment Land and Premises Projections* – Standard and locally derived square metre per employee information is used to translate premises requirements into an overall employment land requirement;
- n *Employer Survey* – A bespoke survey of a sample of approximately 206 existing employers within the Borough to provide a picture of key (local) issues and likely short and longer term indigenous requirements; and
- n *Review of Market Trends and Demand* – An overview of market trends by location, sector and scale to assist in the forecasting and to provide an indication of the scale and nature of demand.
- n *Impact and Implications of External Forces* - On a macro scale we have reviewed national, regional and strategic planning and economic strategies to identify requirements for and potential impacts on the supply / demand of employment within the Borough.

2.9 Based on the above research we provide an analysis of future need based on:

- n Employment forecasting results, which uses appropriate densities to convert jobs into floor space and floor space into land; and
- n Market trends analysis which uses property market evidence including past take up rates / trends / identified requirements and, judgements about current and likely future demand.

Stage 3 – Identifying a Portfolio of Sites

2.10 Through the combination of results obtained through stages 1 and 2 of the study [i.e. the assessment of future need / demand in the context of existing (and potential future) supply], we set out various recommendations with a view to ensuring that an appropriate, balanced, realistic and sustainable portfolio of employment land is provided to meet the Borough's future employment requirements.

3. Summary of Main Conclusions

Labour Market Forecasts

- 3.1 The population of the Borough will continue to rise reaching between 114,650 and 119,900 by 2016. The population of normal working age is expected to reach between 68,240 and 69,780 by 2016.
- 3.2 The Borough workforce is expected to be between 58,600 and 59,400 in 2016. This is an increase of between 4.8% and 6.6% over the respective current workforce estimates.
- 3.3 A high proportion of the Borough's workforce, (c50%), works outside of the Borough. At the same time, a high proportion (c48%), of Borough jobs are taken by people living outside of the Borough. The expectation is that net in-commuting will increase.
- 3.4 Tonbridge & Malling Borough's economy is relatively manufacturing dependent when compared with the economies of the South East region and the UK. Within manufacturing, there is a concentration in paper, printing and publishing activities, which account for nearly 50% of the Borough's manufacturing employment.
- 3.5 Manufacturing employment is expected to decline within the Borough, both in absolute and in relative terms, through to 2016. Even so, manufacturing is expected to account for 13.7% of Tonbridge & Malling Borough employment in 2016, as against a current 15.9%. Equally, paper, printing and publishing is expected to become marginally more important as a source of manufacturing employment, accounting for 50.1% of manufacturing jobs in 2016, compared with a current 47.7%.
- 3.6 Employment within Tonbridge & Malling Borough in warehousing, distribution and transportation is expected to grow by 5.9% between now and 2016. More modest growth of 2.9% is expected within the construction sector.
- 3.7 The major source of employment growth in the Borough will be within office based activities, where 18.2% growth is expected between now and 2016.
- 3.8 Employment densities within manufacturing in Tonbridge & Malling Borough are significantly lower than the ODPM guide. Employment densities in warehousing and distribution and in offices are, however, higher. These figures confirm the importance of using local information when estimating employment land requirements.
- 3.9 Site densities within Tonbridge & Malling Borough are close to the ODPM standard for manufacturing, so long as quarrying activities linked to manufacturing are excluded.
- 3.10 Site densities for warehousing and distribution activities are marginally higher in Tonbridge & Malling Borough than the level suggested by ODPM guidelines.
- 3.11 Site densities for office based activities in Tonbridge & Malling Borough are significantly lower than ODPM guidelines, reflecting the absence of high-rise office blocks and the predominance of business parks in the Borough.

Land Area Forecast Requirements

- 3.12 Overall the predicted land area requirement to meet the labour market forecast is similar at 2004 and 2016, although the mix of employment uses will change, as shown on the following table.

Land Area Requirements to 2016

	2004	2016
	Land (ha)	Land (ha)
Industrial	145.4	134.0
Warehouse & Distribution	74.1	83.4
Construction	63.8	65.6
Office	<u>28.3</u>	<u>33.1</u>
Total	<u>311.6</u>	<u>311.1</u>

- 3.13 The quantities identified are merely sufficient to accommodate existing and forecast activities. They do not include any allowance for the existence of vacant premises. They also do not represent the need for sites over and above the forecast requirement which will be necessary for flexibility within the market. As such, they are the absolute minima needed to accommodate existing and future activity.
- 3.14 On this basis, it is important that future provision exceeds totals in the above tables to robustly meet labour market forecasts in addition to any identified demand considerations.

Policy and Strategies

- 3.15 A review of planning and economic strategies, particularly at the regional and sub-regional / County level reveals the following main issues of relevance to Tonbridge and Malling Borough:
- n The need to focus development in urban areas, close to public transport and on previously developed land, promoting the more efficient use of land and premises which do not meet modern business needs;
 - n An overall need for additional employment land across the Region, with an increase in demand for office and retail but less demand from industrial sectors. Tonbridge and Malling Borough has seen a similar structural shift with employment growth of 24.5% between 1995 – 2002, with a decline in traditional manufacturing sectors of paper and related products but significant growth in business services and retailing;
 - n The need to continue to promote / provide for all sectors and all scales of employment development, including start-ups (particularly through flexible and affordable space), growing businesses and inward investors;
 - n Emerging sectors will grow in importance, including the knowledge-based economy, environmental economy and home-based working; and
 - n Loss of employment land to other uses should be resisted where justified by local evidence. The focus in Kent should be on the implementation of already identified employment sites for quality business, industry and office uses avoiding the strategic release of Green Belt land.
 - n West Kent has the strongest performing and fastest growing economy in the County and maintaining the buoyant economy of the Maidstone / Malling area is identified as being of major importance to the prosperity of Kent;

- n Kings Hill is identified as the main strategic location for employment growth in Tonbridge and Malling Borough, promoted as a campus style business park of high environmental quality; and
- n Within the Tonbridge urban area, the provision of modest new B1 floor space is envisaged with further B2/B8 development severely limited by Green Belt constraints.

Overview of Market Demand

Medway Gap Urban

- 3.16 The employment property market in the Medway Gap Urban area is made up of three distinct locations: Snodland, Larkfield (New Hythe), and Aylesford. In those three locations, commercial property is reasonably well defined by being clustered on a number of large industrial estates, creating identifiable micro-markets.
- 3.17 The locations are characterised by a high proportion of industrial manufacturing and storage and distribution space with comparatively little office space.
- 3.18 Properties in employment use occupy relatively large tracts of land in concentrated areas with a real mix of premises within those areas. Large single occupiers are cheek by jowl with a multitude of small occupiers, with the larger occupiers tending to have older premises with poorer specification than many of the smaller properties, a number of which are reasonably modern. Larger occupiers are more difficult to relocate and accommodate on new sites, with use stretching back over a number of years their sites have grown organically within existing locations. However 'spare' land is easier to redevelop into smaller new units for multi-let accommodation.
- 3.19 Size of property in the Medway Gap Urban area therefore ranges from very small to very large, accommodating a whole range of demands, but they include a number of very significant property occupations by single occupiers: Tesco and Safeway distribution centres and Aylesford Paper Mills are good examples.
- 3.20 With regard to offices, these are much smaller generally and tend to provide local businesses with average quality space; very little is provided in the way of high quality or corporate space and there is no real focus on a particular location. Premises include conversions and managed space rather than high specification modern units.
- 3.21 Identified market demand for and take up of office space is limited, being roughly in equilibrium. Based on past completions, there is demand for warehousing and manufacturing. If past completion trends continue, this could give rise to issues of longer-term land availability for these sectors particularly if available land is lost to other uses.

Kings Hill

- 3.22 The commercial property market for employment uses in Kings Hill consists almost exclusively of offices as this is the predominant office park location in the Borough having been master-planned and purpose-built as such. There is an element of mixed use provided by retail and leisure provision, but the remainder of the area is taken up and reserved for residential property; none of these use types are the subject of this report.

- 3.23 Kings Hill is a very different market to elsewhere in the Borough with the average size, quality and accessibility being far superior than that of other locations. It has previously been successful in attracting major occupiers although there are also some existing smaller occupiers in larger subdivided buildings, flex-buildings and converted units at Churchill Square, offering opportunities for start-ups.
- 3.24 More recently, demand in the office sector has been lower in general, and Kings Hill has experienced a dip in activity in line with other locations and vacancy levels are set to rise in the near future. Demand in Kent is limited in the larger occupier sector in comparison to certain other locations in the Region.

Tonbridge (Urban)

- 3.25 The market for employment uses in the Tonbridge Urban area is a mix of premises in close proximity centred on the Tonbridge Industrial Estate on the eastern edge of the town centre and on land off Woodgate Way just south of the railway line. Most office provision is outside these two areas situated in central Tonbridge on the High Street and surrounding streets. Office provision tends to be in small buildings with no real focus for location.
- 3.26 The Tonbridge Industrial Estate takes up a considerable area and is rather densely developed with a diverse mix including some small offices, industrial/manufacturing space ranging across all sizes, storage and distribution, some car showroom use, a waste water treatment plant, and a small amount of residential which has infiltrated the western extreme of the Estate fronting the River Medway.
- 3.27 There is little room for expansion with in-fill estates of small units having been developed in areas between the larger properties. However there is an available undeveloped area of land on the north-eastern edge and a cleared tract of land in the south of the Estate. There is also a car park at the western fringe that is used by shoppers visiting the town centre.
- 3.28 The land off Woodgate Way is situated behind modern car showroom premises accessed directly from the island spur road. This site is underdeveloped with old buildings sited in the centre and has considerable capacity for additional space.
- 3.29 Overall the accommodation in Tonbridge is reasonable with a number of small 'mini-estates' within the whole site of good condition and with a busy atmosphere. Parking on most of these is at a premium. There were few small properties available to let.
- 3.30 Outside of Tonbridge Industrial Estate and land off Woodgate Way, there are few other identifiable employment estates. The existing industrial estate off Drayton Road provides a good example of such an area however. This is a locally important and well used employment site whose offer would be difficult to replicate elsewhere in the town.
- 3.31 Demand for offices is reasonably steady but generally from smaller and local firms and is reflected in a low year on year take up.
- 3.32 With regard to manufacturing, enquiries of local agents suggest good demand, largely for units less than 10,000 sq ft.
- 3.33 As with the industrial market, demand for warehousing emanates from mainly local occupiers with smaller space requirements and a low level of tenant turnover.

Other Locations

- 3.34 Employment opportunities are few and far between in the Borough's Rural area. The area is better characterised by agricultural land and open countryside rather than built-up development and as such it is not appropriate to consider there to be a true commercial property market in this area.
- 3.35 Generally, the property that is available is on a small-scale and is rather sporadic. Revealed market demand is also limited and evidence of transactions is minimal despite research dating back some years. This area is not suggested as a focus for future employment activity.

Business Survey

- 3.36 Findings from the survey of businesses operating in Tonbridge & Malling Borough indicate a general satisfaction with the Borough as a place in which to do business. In aggregate, the major concerns are the affordability of housing, the availability of new sites and the level of business rates.
- 3.37 Major identified advantages of Tonbridge & Malling Borough relate to the size range and quality of premises within it and the ease of access to the motorway network.
- 3.38 Manufacturing businesses within the Borough are largely long-standing. Relocations into the area are mainly from adjacent Boroughs or from London, with cost advantages being a primary driver for relocation.
- 3.39 Access to key skilled staff was of particular importance to the electrical and electronic engineering industry and to the paper, printing and publishing industry.
- 3.40 83% of manufacturing businesses consider their current premises to be suited to their needs. Where needs were not being met, this was mainly because premises were too small.
- 3.41 Manufacturers were mainly expecting to see their businesses remain static in both employment and turnover terms. In most cases, where a growth in turnover was forecast, this was not expected to lead to increased floorspace requirements.
- 3.42 Where an increase in floorspace was anticipated and this could not be accommodated on the existing site, there were concerns that there was a lack of alternative sites in the Borough.
- 3.43 Warehousing and distribution in the Borough varies considerably, embracing small scale operations as well as some very large scale high-bay distribution operations. Much of the large scale operation occupies mid-range premises. Cost of premises is also of importance.
- 3.44 As with manufacturing, operations had typically always been in the Borough or had moved into the Borough from elsewhere in Kent or from London.
- 3.45 Companies are generally happy with their premises but those seeking to expand are generally seeking to find alternative premises in the Borough, almost exclusively in the Medway Gap area.
- 3.46 Office relocations into the Borough are mainly from elsewhere in Kent. There is also a relatively high incidence of start-ups and intra-Borough relocations. As such, there needs to be an adequate supply of office premises to meet the needs of these different groups.

- 3.47 Factors of importance to the office based activities are size of premises, proximity to key staff, access to the motorway and the cost of premises. As such, expanding businesses typically want to remain in the Borough.
- 3.48 A 13% increase in latent floorspace demand is forecast by respondents, mainly in the Kings Hill, Medway Gap and Rural Malling areas.
- 3.49 Overall, the survey confirms increased latent demand for premises, with growing firms typically wanting to remain in the Borough, subject to their being able to identify suitable premises.

Overview of Supply

Medway Gap (Urban)

- 3.50 Given the focus of the Medway Gap Urban area for manufacturing and warehousing / distribution uses, this part of the Borough offers approximately 5 hectares of vacant land without planning permission. The majority of supply is made up of existing sites with planning permission. Indeed, the Medway Gap (Urban) area contains well over half of the Borough's committed manufacturing and warehouse floor space. In terms of vacant allocated or committed employment land opportunities, only 8.51 hectares of such land is immediately available with a further 7.72 ha likely to be taken up after 5 years.
- 3.51 In addition to vacant land and committed sites, we have also identified redevelopment opportunities at Frantschach, New Hythe and Quarry Wood, Aylesford. Redevelopment of these sites would add 10 hectares (gross) to the employment opportunities portfolio in this part of the Borough.
- 3.52 Available land is most suitable and likely to come forward for manufacturing and warehouse distribution uses. The immediately available sites offer potential for a range of small-medium unit sizes which are sought after by the local market in this area, however land capable and indeed suitable for large scale premises is not adequately catered for unless through comprehensive redevelopment of outdated and degraded premises – notably Frantschach and land to the rear of Quarry Wood.
- 3.53 Approximately 6 hectares of potential supply exists through owner specific sites, with all such sites being located in the Medway Gap (Urban) area. These owner specific allocations offer most potential for industrial and warehousing development but as the sites are owner specific, they are excluded from potential supply (until sites obtain planning permission).
- 3.54 Vacant premises total 848 sqm for offices, 21,256 sqm for manufacturing and warehousing 50,469 sqm. A number of the vacant premises in manufacturing and warehousing use have not been included in the overall supply figure due to their degraded state, for example Frantschach and vacant poor quality premises to the rear of Quarry Wood. These types of premises would only effectively contribute to future supply through their redevelopment.
- 3.55 There is a substantial amount of vacant warehouse space when compared to the Borough as a whole, representing almost 90% of all vacant warehouse premises floorspace. Around 45% of vacant warehouse floorspace in the Medway Gap Urban area is derived from a single unit – Magnitude which on its own totals 22,617 sqm.
- 3.56 In excess of ½ of the Borough's vacant manufacturing space is located in the Medway Gap Urban area. Total vacant office space and average size

of vacant office premises is small, with no available premises over 1,000 sqm.

- 3.57 In qualitative terms the majority of the available vacant warehousing premises are more suited to local storage and distribution needs where modern high-bay style premises are not necessarily required.
- 3.58 Due to the large size of a number of these units and the low eaves heights it is unlikely that occupiers will be found quickly. However agents have stated that these units could easily be broken down and reconfigured to provide for local market demand.

Kings Hill

- 3.59 In excess of 90% of the Borough's potential new office land supply is located at King's Hill, with potential to accommodate a further 121,000 Sqm of new office floor space. There was comparatively little office development under construction at Kings Hill at the time of the survey although 5,050 sqm of new speculative office floor space is now being built, to be ready by May 2006.
- 3.60 Approximately 75% of the Borough's vacant office space is at Kings Hill. Kings Hill is also the only sub area to offer available individual office premises in excess of 2,000 sqm. Vacancy levels were running at around 11% at the time of survey but this is set to increase substantially following the relocation of Aventis and completion of 42 Kings Hill Avenue.

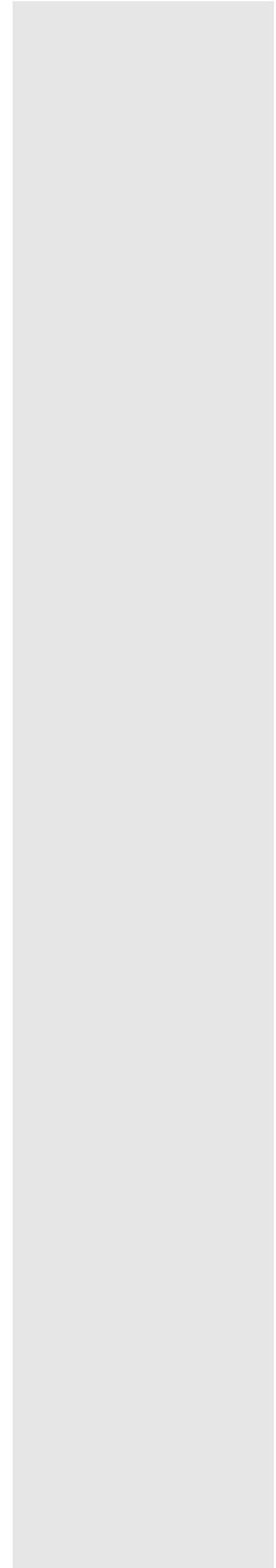
Tonbridge (Urban)

- 3.61 Vacant open market employment land without planning permission totals 4.74 hectares (gross), although only 1.32 hectares is available in the short term (1-3 years) and 1.71 in the medium term (3-5 years) and 1.71 beyond 5 years, located north of Woodgate Way.
- 3.62 In addition to vacant land and committed sites, we have also identified a redevelopment opportunity at land off Woodgate Way. This includes vacant premises and vacant land to the north. The potential contribution to supply is reflected in Table 10.4c. Redevelopment of this opportunity for employment use would add a further 3.85 hectares (gross) to overall supply.
- 3.63 Employment allocations in Tonbridge mainly provide floor space capacity for manufacturing. Supply of land for new offices is limited. The adopted Local Plan allocates two existing commuter car parks located opposite Tonbridge railway station for B1 business use but these sites have been excluded from this employment land review, to be considered as part of a separate Town Centre Masterplan study.
- 3.64 Vacant premises account for a large proportion of overall supply in Tonbridge although 72% of this space is provided within one unit, 2-8 Morley Road. Thus, discounting vacant premises from the consideration of supply substantially decreases supply across all sectors.

Rural Locations

- 3.65 Allocations and commitments within other parts of the Borough, notably the Medway Gap (rural / other) make only a small contribution towards current employment land supply across all sectors when considering the Borough as a whole. The Malling Rural area plays a slightly greater role but in a Borough-wide context, its total quantitative contribution is still small. Worthy of note however is that both the Medway Gap Rural and Malling

Rural areas show a proposed decline in supply for manufacturing uses, even when considering vacant premises.



4. Study Recommendations

4.1 The following table describes net employment supply for the Borough as a whole compared against the forecast requirements to 2016:

Total Supply versus Forecast Requirement to 2016 [m² (Ha)]

	Office	Manufacturing	Warehousing
<i>i. Vacant Allocations without pp</i>	95346 (27.99)	25886 (6.7)	17707 (4.35)
<i>ii. Employment Allocations Proposed Losses</i>	-1550 (-0.55)	-26350 (-11.03)	-8500 (-4.49)
Employment Allocations (Net) (i - ii)	93796 (27.44)	-464 (-4.33)	9207 (-0.14)
<i>iii. Commitments Gains</i>	37210 (18.04)	53539 (28.14)	21011 (10.75)
<i>iv. Sites Pending a Loss</i>	-2070 (-0.64)	-11893 (-10.03)	-4774 (-2.46)
Commitments (Net) (iii - iv)	35140 (17.41)	41646 (18.11)	16415 (8.29)
A. Net Land Supply [(i-ii) + (iii - iv)]	128936 (44.85)	41182 (13.77)	25622 (8.15)
B. Vacant Premises	22838	38709	51562
C. Loss of Other Local sites	0	-2875 (-0.29)	-8745 (-0.87)
<i>v. Redev't Opps (Gross)</i>	1560 (0.39)	37840 (7.86)	24140 (5.93)
<i>vi. Redev't Opps (Losses)</i>	-4140 (-1.2)	-19950 (-4.31)	-29640 (-6.9)
D. Redev't Opps (Net) (v - vi)	-2580 (-0.81)	17890 (3.55)	-5500 (-0.97)
E. Forecast Requirement 2004 - 2016	43150 (6.33)	-43500 (-11.4)	27650 (9.57)
Total Difference [(A:D)-E]	106044	138406	35289
Difference (excl .vacant premises and redev opps)	85786 (38.52)	81807 (24.88)	-10773 (-2.29)

4.2 The following very broad headline quantitative conclusions for the Borough can be identified when considering employment forecasts against existing supply:

- n Forecast office requirements are anticipated to increase. Existing land supply in the Borough already substantially exceeds this requirement however, although this is concentrated at Kings Hill which performs a regional role.
- n Forecast Industrial requirements are set to decline over the period to 2016. Allied to the quantum of existing employment land supply, in basic quantitative terms there will be a surplus of land for this sector across the Borough.
- n Forecast warehousing requirements are predicted to grow with net employment land supply (exclusive of vacancies and redevelopment opportunities) likely to be slightly below the minimum forecast requirements when considering the Borough as a whole. In policy terms, there will likely be scope to increase supply through redistributing space identified for manufacturing to warehousing. This could also include use of vacant manufacturing premises for occupation or redevelopment to warehousing.

4.3 Our conclusions are also considered in the context of the distribution, availability / likely release and quality of land supply, as well as market and latent demand. These factors are considered in our further consideration of issues and recommendations below.

4.4 Specific recommendations are made in relation to sites where changes are being proposed or where there is or will likely be pressure from alternative non-employment uses.

Offices

4.5 The total future land requirements to 2016 for offices could be accommodated comfortably at Kings Hill. This currently serves a very different market to elsewhere in the Borough however, geared more towards larger prestigious occupiers. Kings Hill performs a primarily regional role and there will still be a requirement to also cater for local needs.

4.6 Outside of Kings Hill, the most important office market in the Borough is Tonbridge. Market demand in Tonbridge tends to be concentrated towards smaller units and local occupiers as identified in our review of market trends. There is a relatively large level of office supply available through vacant premises. Available vacant premises provide a good range of small – medium accommodation and are likely to be sufficient to meet future latent and expressed demand.

4.7 There is an element of latent office demand across the Borough, with a relatively high incidence of start-ups and intra-Borough relocations. There is however limited supply or demand for offices in the Medway Gap Urban area. In general terms, when considering demand and supply, the identification of additional specific provision for offices above that currently available in the Borough is unlikely required to 2016.

Recommendations – Office

Kings Hill (P2/2a)

- n The main occupiers at Kings Hill will continue to be larger prestige offices. Whilst there is limited need for such a scale of allocation in simple local employment terms, the opportunity will likely continue to meet a wider role, albeit that office demand has generally decreased over recent years.
- n To diversify the offer and spread of opportunities for smaller occupiers at Kings Hill, consideration should be given to promote a greater variety of unit sizes, which could build upon the existing resource / business centre and other existing opportunities for start-ups and smaller businesses.

Manufacturing

4.8 Despite the forecast identifying a decline in manufacturing, the scale of decline is relatively modest in comparison to many other parts of the UK and manufacturing is predicted to remain an important element of the Borough's economy. The Medway Gap, and to a lesser extent Tonbridge, will continue to be the main focus for manufacturing uses. These areas also perform best under qualitative assessment.

4.9 Thus, notwithstanding the forecast decline, it will remain important to ensure that existing opportunities are retained in these areas to provide for a varied and robust portfolio of land to meet identified demand for future manufacturing and forecast requirements for storage and distribution.

- 4.10 Also, it is likely that many of the existing larger businesses will need to reconfigure premises to adapt to the needs of modern manufacturing processes which will generate space requirements. It is apparent from the business needs survey that where manufacturing industries are likely to expand (or downsize) they will do so within their existing premises.
- 4.11 In addition the forecast reduction in manufacturing requirements is derived on a floorspace per employee basis. This forecast assumes a constant floorspace per employee ratio over the study period but due to the nature of modern automated manufacturing moving towards being less employee intensive, this ratio could change in the future. As such there needs to be flexibility in the amount of land available. Forecast decline in terms of space may therefore be larger than actual real reductions in needs as in some cases space requirements could remain the same but employee requirements decline.
- 4.12 Thus, it will be important to plan positively for future manufacturing. Also, there is comparatively little available undeveloped land for manufacturing use and that which is available is of variable quality and some is constrained and therefore not immediately available.
- 4.13 In general terms there is a need to protect existing important manufacturing employment land from erosion to other uses, notably residential, so as to provide choice and enable existing firms to reconfigure their existing space.

Warehousing

- 4.14 Forecasts show an increase in warehousing requirements up to 2016. As with manufacturing, there is generally good market demand for warehousing across the Borough. Allied to the current limited level of (net) land supply for warehousing in comparison to forecast demand, as with manufacturing space there is a need to protect existing warehousing employment land from the erosion to other non-employment uses.
- 4.15 The majority of warehousing supply is split between the Medway Gap Area and to a lesser extent Tonbridge. This is similar to the locational focus for manufacturing. Similarly, demand for warehousing reflects this locational split, albeit that Tonbridge is more attractive to smaller / local occupier needs.

Manufacturing and Warehousing – Recommendations

Medway Gap (Urban)

- n **New Hythe Area, Larkfield (P5/9d)** – Other than the development of vacant plots fronting the M20, the main potential for employment land recycling arises from the Frantschach site. This is a large complex of poor quality vacant buildings. As existing buildings, they would be unlikely to attract serious market demand. Given the substantial size of the potential opportunity (approximately 5.6 hectares) and location / relationship to the New Hythe employment area, this site represents an important opportunity to provide new employment development, potentially capable of accommodating a range of size requirements (including for large-scale occupiers) thereby enhancing the portfolio of opportunities within the Medway Gap Urban area for warehousing and manufacturing uses. It is considered that proximity to residential uses is unlikely to present a significant constraint to development in market terms.
- n **Millhall, Aylesford (P5/9e)** – Part of this site has previously been redeveloped for housing. The remaining employment estate performs poorly in qualitative terms. Given its prominent riverside location opposite a Grade I Listed Building and predominantly residential context, consideration should be

given to redevelopment of the remaining land in employment use, (apart from the modern light industrial units at the western end of the estate), to residential use. The modern industrial units are capable of being clearly delineated from any residential redevelopment and as such should be retained due to their quality and popularity. Redevelopment of the remaining land to residential uses would also provide an opportunity to improve access to the western employment area.

- n It is understood that a number of the existing 'Bad Neighbour' type uses on site are actively seeking alternative sites. As part of any redevelopment option, consideration should be given to the ability of other displaced occupiers to be relocated in the locality given the limited provision for this type / grade of property in the area at the time of this study. Such provision could most appropriately be located to 'other urban' sites in the Borough or through the sub-division of existing larger vacant premises.
- n **Island Site / Paper Stacks (P5/9g /13c / 14e & 14f)** – At present, these sites perform poorly with regard to qualitative assessment criteria. Given their currently isolated position and poor access, employment development in this location is unlikely to be attractive to the general market and should only be considered for substantive employment development as part of the future proposals for the wider Bushey Wood redevelopment opportunity. Notwithstanding the existing permission and use rights on the site, in market terms we have not considered vacant employment land at this location as contributing to potential employment supply within the Employment Land Study period (to 2016).
- n **Quarry Wood, Aylesford (P5/9i)** – As existing buildings, vacant premises within the south eastern part of the estate are unlikely to be attractive to the market due to their age and condition but this area could provide a redevelopment opportunity capable of enhancing overall quality of provision for all employment uses. Current retail proposals also include other moderate-quality occupied warehousing and manufacturing units which would be lost if redeveloped for retail use at detriment to the quantity and quality of local supply.
- n **Barming Depot (P5/9j)** – Vacant land at Barming depot (1.6 ha) has been assessed as being owner specific and therefore not counting against supply. Allied to its location away from the main urban area and its undeveloped nature, we recommend that the Council consult directly with the owners to understand likely requirements prior to making a decision on whether to carry forward this employment site into the LDF.

Tonbridge (Urban)

- n **Tonbridge Industrial Estate (P5/9p)** – The Old Colas site at the Tonbridge Industrial Estate represents one of the few opportunities for new employment development in Tonbridge. Given the nature of likely demand in the area however, it is unlikely that the Colas site would be redeveloped by a single occupier and the Council may need to work with the owners to assist in bringing the site forward for employment development. This is an important site in the Tonbridge context to be retained for employment use.
- n **Land West of Woodgate Way, Tonbridge (P5/9q & P5/15c)** – P5/15c and part of P5/9q is undeveloped. There is also a large complex of vacant buildings within P5/9q which are in a poor state of repair. The sites represent an opportunity for comprehensive redevelopment to provide for new high quality employment development in Tonbridge, enhancing the relatively limited supply of available land for new development in the local area. These sites could be particularly attractive for manufacturing and warehousing uses, capable of accommodating a range of unit sizes.

- n Given the nature of market demand in Tonbridge and the need to resolve access constraints with this site, it is unlikely that land west and north of Woodgate Way would be redeveloped in its entirety by a single occupier. Thus, we recommend that the Council negotiate further with the owners to assist in bringing the site to the market through removing constraints such as enhancing the bridge access. To this end, it will be important to retain land north of Woodgate Way for appropriate employment development to act as a 'lever' for comprehensive development.
- n **Land East of Priory Road and west of Strawberry Vale, Tonbridge (P5/12n & P5/12f)** – Given the nature and appearance of existing users and restricted road access, these sites score poorly in qualitative terms. The sites are visually prominent and detract from the character of the predominantly residential area. In addition approximately 1/3 of the area is occupied by car sales which do not fall within the scope of this study. Consideration could therefore be given to releasing these sites to alternative uses such as residential with minimal impact on the quantitative supply of employment land. The employment uses lost could relocate to vacant premises within the Tonbridge Industrial Estate due to their small size and nature.
- n **Drayton Road Industrial Estate (P5/12j)** – Despite being located within a residential area, overall this site scores well in qualitative terms. It is well used and provides a particular offer which would likely be difficult to replicate elsewhere in the area. The site is therefore classified under subsequent recommendations as an 'Other Urban (2)' site to be retained unless it can be shown that there is no longer a requirement for it.

Malling Rural

- n **Isles Quarry, Borough Green** – This site performs poorly in qualitative terms given its rural location and associated range of countryside designations covering the site. Although potential exists to provide for B8 uses in particular (subject to ability to upgrade and use the currently un-adopted private road to the site), the site would still unlikely be taken up by the market given the scale and nature of demand in the locality being generally in equilibrium with existing supply. It is not recommended that the site be identified as a new employment site.
- n **Land East of Branbridges Road, East Peckham (P5/15d)** – This site represents one of the few identified opportunities for new employment development in the Malling Rural area. Demand is likely to come from smaller manufacturing and storage / distribution occupiers, similar to the scale of units already provided on the estate.
- n This being said, the site is constrained by flooding from the adjoining River. Access is also problematic, thus restricting site attractiveness and availability. As such, we recommend that consideration be given to de-allocating this site as part of the LDF.
- n To ensure continued provision of employment land however within this part of the Borough, retained land between the existing Branbridges employment area and recently completed services development should be safeguarded for future employment use. In line with existing Policy P7/10 This land is much less constrained than the P/5/15d.

Maintaining a Portfolio of Sites - Recommendations

- 4.16 The sites considered as part of this review have been classified according to their importance and function in the employment land hierarchy. Site classifications and associated recommendations for each type of classification are summarised in the following table:

Site Classification and Recommendations

Classification	Recommendation
Strategic Regional Employment Land (SRE)	Protect for employment use
Best Urban (BU)	Protect for employment use
Good Urban (GU)	Protect for employment use
Other Urban (1) (OU1)	Protect for employment use – longer term potential
Other Urban (2) (OU2)	Potential for release subject to monitoring
Other Local (OL)	Potential for release

- 4.17 It is recommended that the following sites classified as Strategic Regional Employment Land, Best Urban and Good Urban be retained as they are considered valuable employment sites/areas which, subject to recommendations made elsewhere in this report, should be protected against loss and the gradual erosion through the encroachment of alternative uses into well defined and defensible employment areas.

Strategic Regional, Best Urban and Good Urban Sites

Local Plan Ref	Site	Classification
P2/2(a)	Kings Hill	SRE
P5/9(d)	New Hythe Area, Larkfield	BU
P5/9(i)	Quarry Wood / Ditton Court Quarry	BU
P5/9(m)	North of Station Approach, Borough Green	BU
P5/9(n)	North of Fairfield, Borough Green	BU
P5/9(p)	Tonbridge Industrial Estate	BU
P5/9(b)	Land East of the Bypass, Snodland	GU
P5/9(f)	Forstal Road, Aylesford	GU
P5/9(j)	Barming Depot, Aylesford	GU
P5/9(k)	20/20 Estate, Aylesford	GU
P5/9(l)	Branbridges, East Peckham	GU
P5/9(o)	Bourne Enterprise Centre, Borough Green	GU
P5/9(r)	Laker Road, Walderslade	GU
P5/13(b) / P5/9(c)	(Land West of) Ham Hill Sandpits, Snodland	GU
P5/9(q) / P5/15(c)	Land west and north of Woodgate Way, Tonbridge	GU

- 4.18 Those sites identified as 'Other Urban' are generally of a quality which will be of interest to local occupiers only. Other Urban (2) sites should be retained unless it can be shown that there is no longer a requirement for them.
- 4.19 Some of the Other Urban sites are subject to caveats which state that they will improve in qualitative terms towards the end of the ELS period (2016) or subject to wider development proposals (Bushey Wood) coming forward – Other Urban (1) sites. These sites should therefore be safeguarded as

long term opportunities and reassessed periodically in line with monitoring / plan review. They will also provide further flexibility in the longer term for employment development and thus contribute towards the portfolio of vacant land.

- 4.20 We set out below the other urban sites and indicate those which could be released subject to ongoing monitoring and those which should be safeguarded as longer term opportunities:

Other Urban Sites

Local Plan Ref	Site	Classification
P5/9(a)	Holborough, Snodland	OU1
P5/9(g), P5/13(c), P5/14(e), P5/14(f)	Island Sites, Aylesford	OU1
P5/9(h)	Preston Hall Farm, Aylesford	OU2
P5/12(j)	Drayton Road, Tonbridge	OU2
P5/14(b)	River Meander Paper Stacks, Snodland, Map 13	OU2
P6/17(a)	Platt Industrial Estate, Platt, Borough Green	OU2
P5/17(b)	Long Pond Works, Borough Green	OU2

- 4.21 Sites classed as 'Other Local' perform poorly under qualitative assessment and could be considered for transfer to alternative uses where appropriate.

Other Local Sites

Local Plan Ref	Site	Classification
P5/9(e)	Millhall (part)	OL
P5/12(n) & (f)	Land East of Priory Road and west of Strawberry Vale, Tonbridge	OL
-	Isles Quarry	OL
P5/15(d)	Land East of Branbridges Road, East Peckham	OL

- 4.22 Based on the conclusions of this employment land study, it is not considered that any new sites are required to be identified to meet future employment land requirements to 2016. Vacant premises and identified sites to be retained under qualitative assessment in addition to extant planning permissions and redevelopment opportunities provide sufficient space to accommodate forecast floorspace requirements and also allow for sufficient flexibility in locational choice and development opportunities.

- 4.23 This conclusion takes into account the potential loss of those sites identified under the qualitative assessments as other local and that certain sites will not make an effective contribution to supply until after the study period. Therefore it is shown that sufficient vacant land exists to accommodate forecast land requirements when vacant property and transfer of manufacturing losses to other employment uses are also taken into account.

- 4.24 This being said, it is important that an adequate portfolio of land is maintained capable of meeting a diverse range of requirements for all sectors which is reflected in our conclusions and recommendations.

Monitoring - Recommendations

- 4.25 In order to maintain a robust basis for assessing proposals and keeping employment land policies up to date, it is important that the Council monitor and keep under regular review the following:
- n Where possible B1 classes should be split into offices (B1a), research and development (B1b) and light industrial sites (B1c) to allow for detailed monitoring of land take up and trend analysis. This allows for a more robust approach in terms of the assessment of land supply in terms of planning use class and importantly market sectors. It is recommended that Tonbridge & Malling Borough Council liaise with the County Council with regard to collecting and recording of this data to ensure a consistent approach to the annual Employment Land Survey.
 - n Vacancy rates (both for land and floorspace), transactions and land values in the District compared to competing areas. This is already undertaken to a degree through the property register. It would prove reasonably efficient to take the monitoring of data further to keep this information under review. It will also be important to keep a record of property which moves on and off the market to allow analysis of the length of time different premises are on the market, this will again help with the detail of future analysis.
 - n Enquiries should be recorded on a consistent basis. Employment use should be split by sector and use class where possible. Source of enquiry, location of requirement by sub-area (as a minimum) and general reasons for search should also be recorded where possible to add weight to assumptions drawn from the data.
 - n Where possible business relocations and expansions into and out of the Borough (through planning applications).
 - n To keep up to date of qualitative issues, the Council could consider a periodic workshop or forum / questionnaire for local businesses to help assess key issues facing the Borough.
- 4.26 In order to robustly assess proposals for the development of employment sites to alternative uses, the Council could consider introducing a general policy in the appropriate Local Development Document to detail the criteria to be applied. In broad terms, main criteria could include:
- n **Impact on the quality and quantity of employment land supply** when assessed against forecast requirements and the scale and nature of demand within the area. In assessing quantitative and qualitative issues, regard should be had to available land and premises in the local area and it will therefore be important to monitor take up and losses using this study as a base position.
 - n **Details of Active Marketing** To allow the full consideration of specific demand, details should be sought on marketing including duration, method and price, particularly in relation to premises. As part of this assessment, consideration could be given to the appropriateness for subdivision of premises.
 - n **Viability of Employment Development** – details of redevelopment costs to justify that employment development is not viable.
 - n **Amenity Considerations** – most relevant for ‘non-conforming’ uses close to residential areas
- 4.27 Implementation of monitoring recommendations will be important in order to properly apply criteria. Consideration could also be given to developing a SPD to elaborate on the policy criteria and their implementation.