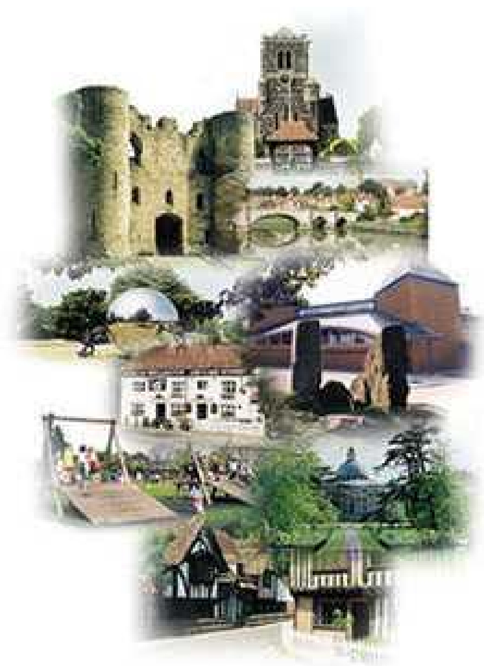
Tonbridge & Malling Borough

Employment Land Review

July 2005



Final Report

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Tonbridge & Malling Borough

Employment Land Review

1. Study Context

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 This section provides the context for the study in terms of:

- Aims and Objectives;
- The Brief;
- Context; and
- Outputs.

Aims and Objectives

1.3 The aims and objectives of this study, as defined by the Council, can be summarised as to:

- Ensure that the study is prepared in accordance with latest government guidance;
- 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;
- Provide robust information on the current and future employment land needs of the Borough, both quantitatively and qualitatively; and
- Provide advice on mechanisms for the future monitoring of employment land supply in the Borough.

The Brief

1.4 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.

1.5 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.

1.6 In line with national planning policy guidance and good practice, requirements for the following types of employment uses / sectors have been considered as part of the review:

- Offices, both in town centres and elsewhere, including those for public administration;
- Light and general industry;
- Wholesale and freight distribution; and
- High technology premises, including research, business and science parks.

1.7 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

1.8 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.

1.9 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.

1.10 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.

1.11 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.

1.12 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:

- Tonbridge, on the eastern and southern fringes of the town centre;
- The Medway Gap Area, notably the major industrial estates of Quarry Wood, Aylesford Forstal and New Hythe; and
- Kings Hill, West Malling, which is identified as a business park of sub-regional significance.

1.13 In addition, there are notable employment areas within other settlements in the Borough, including Borough Green, East Peckham and Snodland.

1.14 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

1.15 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.

1.16 Future employment land requirements are broadly identified through the scale, provision, type and distribution needed up to 2016.

1.17 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:

- A review of the Borough's employment site portfolio;
- A picture of future requirements; and
- 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:

- Quantitative assessment of floor space (existing and proposed); and
- 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:

- Market attractiveness;
- sustainable development; and
- 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:

- *Labour Market Review* – Provides an understanding of the structure and composition of the local labour market to inform forecasts;
- *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;

- *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;
- *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
- *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.
- *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:

- Employment forecasting results, which uses appropriate densities to convert jobs into floor space and floor space into land; and
- 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. Policy Context

3.1 This section provides an overview of planning, economic and other policy and strategy documents of relevance to this employment land review. Consideration is given to a range of strategies at the national, regional/sub-regional, County and Borough-wide levels to provide a comprehensive picture of the policy content influencing the study.

National Level

PPG3: Housing (2000)

3.2 The guidance identifies that some authorities have employment land allocations which are unlikely to be taken up within the lifetime of the development plan. The guidance states (paragraph 42) that such land is *"a wasted resource, especially where such sites include previously developed land. Local planning authorities should therefore review all their non-housing allocations when reviewing their development plan and consider whether some of this land might be better used for housing or mixed use development".*

3.3 Certain update amendments to PPG3 were adopted in January 2005.

3.4 Of particular relevance to Employment Land Studies is the insertion of paragraph 42(a) which supplements advice in paragraph 42 concerning the development of residential schemes on land allocated for employment uses. More particularly, paragraph 42(a) requires that local planning authorities give favourable consideration to housing or mixed use proposals on land allocated for industrial or commercial development in saved development plans unless:

- Proposals fail to reflect other policies in PPG3 including relating to the suitability of sites for residential development;
- Development would lead to an overprovision of housing; or
- It can be demonstrated through an up to date review of employment land that there is a realistic prospect for the site being taken up for its stated use in the plan period or that housing would undermine strategies for economic development and regeneration.

PPG4: Industrial, Commercial Development and Small Firms (DoE, 1992)

3.5 Paragraph 3 of this guidance states that development plans must work towards giving industrial and commercial developers and local communities greater certainty about the types of development which will/will not be permitted in specific locations. Furthermore, paragraph 6 goes on to outline that *"policies should provide for choice, flexibility and competition. In allocating land for industry and commerce, planning authorities should be realistic in their assessment of the needs of business. They should aim to ensure that there is sufficient land available which is readily capable of development and well served by infrastructure. They should aim to ensure that there is sufficient land available to meet differing needs. A choice of suitable sites will facilitate competition between developers; this will benefit end-users and stimulate economic activity".*

3.6 Paragraph 9 states that "*Industry and commerce have always sought locational advantage in response to various external factors. These include: the demands of customers; access to raw materials and suppliers;*

links with other businesses; the workforce catchment area; the various transport considerations. Business often gives high priority to good access to roads, and sometimes rail, airports and ports".

3.7 With regards to the siting of employment uses, the guidance suggests (paragraph 12) that some types of modern distribution facilities which have a low density of employment, but are served by a large number of lorries, are best located away from urban areas where there is good access to the strategic road network. Furthermore, paragraph 15 recognises that it may no longer be appropriate to separate industry and commerce from the residential communities for whom they are a source of employment.

ODPM Planning Research Document: PPS4 – Planning for Economic Development (May 2004)

3.8 As part of the Government paper *'Sustainable Communities – Delivering through Planning'* a timetable for the review of existing Planning Policy Guidance was outlined. It highlighted that PPG4 was a priority for review. This report provides evidence which will form the base for a new planning policy statement and good practice guide for economic development. The primary aim of the study was to assess current practice in order to understand and approve planning for economic development.

3.9 Paragraph 3.5.1 of the report outlines that the study has found that clusters and sectors receive limited attention at the local level. It states that *"development plans tend to be a mechanism to facilitate general economic development rather than to promote specific sectors/clusters"*. Furthermore, paragraph 3.5.2 goes on to state that there is concern that many development plans do not include policies which are specifically aimed at small firms.

3.10 With regard to supply and demand studies which are used by local authorities to inform the plan-making process, the study found that in some authorities, the employment land allocations are simply rolled-forward – often without consideration of the reasons why sites have not been developed or advanced. In particular, the study found that in many cases demand assessments are missing and authorities tend to rely on structure plan targets.

3.11 The study suggests that when reviewing employment allocations, the two most important factors which must be considered are sustainability and market realism. It states that *"it is important to ensure that the best employment sites are retained and those sites which are no longer regarded as realistic or sustainable are released for other uses such as housing"*.

3.12 The report advises (paragraph 5.2) that local authorities must give greater consideration to the suitability and quality of sites, considering issues such as access and ownership, when allocating employment land for development.

PPS6: Planning for Town Centres (2005)

3.13 Paragraph 1.8 identifies the range of town centre uses to which PPS6 applies. This includes offices, both commercial and those of public bodies.

3.14 Paragraph 2.39 provides guidance on planning for offices in town centres. It identifies that:

- an assessment of the need for new office floor space over the development plan document period should be carried out as part of the plan preparation and review process;
- Local need assessments will need to be informed by regional assessments and will form part of the evidence base for development plan documents; and
- The physical capacity of centres to accommodate new office development and the town centre's role in the hierarchy is also relevant to the planning for new office development.

PPS7: Sustainable Development in Rural Areas (2004)

3.15 Paragraph 2 states that local authorities should be aware of the circumstances, needs and priorities of the rural communities and businesses in their area in order that they can ensure that the policies contained within the local plan are relevant and effective.

3.16 With regards to the siting of development, paragraph 5 outlines that local planning authorities should *"1) Identify suitable sites for future economic development, particularly in rural areas where there is need for employment creation and economic regeneration. 2) set out in local development documents their criteria for permitting economic development in different locations, including future expansion of business premises to facilitate healthy and diverse economic activity in rural areas".*

PPG13: Transport (2001)

3.17 The key objective, set out in paragraph 4 of this guidance is to promote accessibility to jobs, shopping, leisure facilities, and services by public transport, walking and cycling. Local authorities are advised to consider this when preparing local development plans and assessing planning applications.

3.18 Paragraph 21 outlines that local authorities should review their development plan allocations and should allocate or re-allocate sites which are (or will be) highly accessible by public transport, for travel intensive uses (including offices). Conversely, less travel intensive uses should be located where public transport is less effective.

3.19 Paragraph 32 states that "local authorities should adopt a positive, plan-led approach to identifying preferred areas and sites for B1 uses which are (or will be) as far as possible highly accessible by public transport, walking, and cycling".

3.20 Paragraph 30 states that development involving large amounts of employment should be located in city, town and district centres and near to major public transport interchanges.

3.21 Paragraph 44 concerns development within rural areas and states that "*In determining the appropriate strategy for employment in rural areas, it is important to consider the scale, impact and likely catchment of developments. Local authorities will need to weigh up policy concerns but in general terms, the larger the number of staff employed on site the greater the need to ensure that development is accessible by public transport, walking and cycling. Depending on the nature of use, this may mean locating larger employment uses in or next to a designated local service centre. Employment uses which are regional or sub-regional in scale should be located where they accord with regional planning guidance and where they offer a realistic choice of access by a range of transport modes*".

Regional/Sub-Regional Level

Regional Planning Guidance for the South East, RPG 9 (March 2001)

3.22 This regional guidance covers the period to 2016. It was adopted in 2001 and provides a spatial framework for the preparation of strategies and programmes within the south east region.

3.23 Paragraph 3.5 outlines the main principles that should govern the continuing development of the Region. These principles include: -

- *"Urban areas should become the main focus for development through making them more attractive, accessible and better able to attract investment;*
- *Greenfield development (namely, on previously un-developed land) should normally take place only after other alternatives have been considered, and should have regard to the full social, environmental and transport costs of location*;
- *Access to jobs, services, leisure and cultural facilities should be less dependent on longer distance movement and there should be increased ability to meet normal travel needs through safe walking, cycling and public transport with reduced reliance on the car."*

3.24 Economy in use of land is promoted in the Plan. Paragraph 3.9 considers that better use needs to be made of land in the South East, including previously developed land, through the design of more varied forms of development, integrating different uses and including open space in urban areas.

3.25 Policy Q1 states that: -

> *"Urban areas should be the prime focus for new development and for redevelopment."*

3.26 Policy Q5 goes on to consider the vitality and viability of town and local centres. It outlines that larger town centres should be the focus for major retail, leisure and office developments. The policy states that: -

> *"b) The preferred locations for all major developments should be town centres or sites near to major public transport interchanges, although town centres should generally be preferred. All office developments should be well served or capable of being well served by public transport."*

3.27 Development in the Countryside is addressed in Policy Q7. It states that: -

> *"A multi-purpose countryside should be secured and where necessary investment and renewal in rural areas should be encouraged. The quality and character of the rural environment should be maintained and enhanced, while securing necessary change to meet the economic and social needs of local people and visitors. Special consideration should be given to the economic and social needs of the Rural Priority Areas."*

3.28 Sustaining rural communities is dealt with as part of the Plan. It outlines that one aim is to provide equitable, locally based services and that efforts should be made to ensure that employment, services and facilities are sited in accessible rural areas.

3.29 The role of the Regional Economy is considered in Chapter 7 of the RPG. Paragraph 7.3 states that one of the key economic strategies for the south east will be to promote high value added growth centred on the knowledge-based industries and which will maximise the ability to re-use previously developed land.

3.30 Policy RE1 concerns the regional economy. It states that: -

> *"The regional economy should be supported and further developed to ensure that it contributes fully to national growth and follows the principles of sustainable development."*

3.31 The period over which economic development should be implemented is addressed in Policy RE3. It states that: -

> *"A long-term holistic approach should be taken to economic development activities.*
>
> *Development plans should:*
>
> - *Take full account of local economic development strategies, which will need to reflect local capacity in terms of labour, land availability and transport infrastructure, build upon local strengths, including skills, local research strengths, and strong business cluster, and should reflect changing work and living patterns; and*
> - *Include policies to help sustain economic activity and encourage enterprise in rural areas."*

3.32 The need to make the best use of land resources is considered in paragraph 7.4 of the guidance. This outlines that it is often the case that sites are abandoned and left derelict within one part of the region, whilst in another attractive landscapes are under pressure for development. The Plan therefore emphasises the importance of enabling flexibility in the range of premises available, whilst at the same time ensuring that better use is made of previously developed land.

3.33 Policy RE5 considers the re-use of existing employment sites. It states that:-

> *"Better use should be made of existing employment land resources. Sites for industry and commerce should be developed particularly in urban areas and in places which are accessible by environmentally-friendly modes of transport. Precedence should be given to the re-use of developed land over the release of new land and wherever possible the intensification of use on existing sites should be encouraged.*
>
> *Development plans should:-*
>
> - *Allocate employment land within an overall strategy for urban renaissance and rural development, providing a range premises and sites to meet the varied needs of business;*
> - *Include policies and proposals which result from a review of existing and potential sites considering various factors including:*
>   - *Current use and scope for intensification;*

- *Scope for optimising the use of previously developed land;*
- *Scope for mixing employment uses with other land uses such as housing and education;*
- *Availability of land within built up urban areas suitable for development and redevelopment;*
- *Potential for increasing access by sustainable transport nodes;*
- *Marketability; and*
- *The resources required to bring sites forward for development."*

3.34 The importance of high value-added activities is considered in policy RE9. This states that: -

> *"High value-added activities should be actively encouraged, including the grouped location of such activities in business clusters where this is economically beneficial and environmentally acceptable."*

3.35 The need for the economy of the region to remain as broad as possible is outlined in paragraph 7.9. This paragraph identifies that: -

> *"It is important to encourage all aspects of the economy and ensure that the economy remains broadly based. Sustainable local economies are ones with strong local supply chains which support emerging and established companies. A balanced economy requires a range of types of employment space in terms of size, location and cost. Some of this space will need to accommodate uses which may be labour intensive but low value in terms of wealth generation."*

3.36 Paragraph 7.10 goes on to discuss requirements of various sectors of the economy: -

> *"In addition to the growth sectors of the economy, it is also important to retain sectors such as manufacturing and warehousing, which are not expected to provide additional employment on a large scale in the future. New sources of demand for industrial land, especially in urban areas, may arise from the development of new products such as those derived from recycled materials or appliances which enable more efficient use of water and energy. Throughout the region a substantial proportion of future employment growth in the south east is expected to take place through growth in the number of small and medium enterprises."*

3.37 In support of the above, policy RE10 states that: -

> *"Economic diversity should be encouraged, facilitating small and medium enterprises, and supporting the growth of a variety of economic sectors including manufacturing."*

3.38 Policy H5 of the guidance deals with housing provision on previously developed land. Of particular importance to this study is the note which states that: -

> *"Local authorities in preparing development plans should: -*

- *Identify vacant, poorly used and underused land which is suitable for development, as well as that which could benefit from policies to encourage change of use (for example better use of land currently used for surface parking, allocated for employment or formerly used for defence purposes)."*

3.39 The Regional Transport Strategy is also contained within the guidance (chapter 9). Policy T1 outlines that policies should be developed which minimise the distance people need to travel. It notes in particular that development which generates a large number of passenger movements (including places of employment) should be located close to sites which have, or indeed have the potential to provide, access on foot, by cycle or public transport.

The (Draft) South East Plan (January 2005)

3.40 Once adopted, this Plan will replace RPG9 and provide the spatial framework that forms the context within which Local Development Documents need to be prepared, as well as other regional and sub-regional strategies and programmes which have an impact on land use activities within the Region. It has been prepared by the regional assembly in light of the recent changes to the planning system and, once complete, will replace the Regional Planning Guidance for the South East.

3.41 Whilst the plan makes no specific reference to the Tonbridge and Malling Borough, it provides a regional context for the issues which must be considered when examining employment land supply.

3.42 Paragraph 6.3.6 considers the impacts of population projections on the region, and in particular the labour force. It states that: -

> *"there will be a significantly smaller proportion of the population of the region aged 25-44 in 2007 than in 2002, but greater proportions in the 45-60 and over-75 age groups. This has implications for household formation and therefore the overall need for housing. It will also impact on the size of the labour force and service provision. It also calls into question assumptions about retirement ages in the longer term."*

3.43 Economic and employment forecasts are detailed in paragraph 6.4.2. This paragraph states that: -

> *"Employment is defined as the total number of jobs including both full and part-time employees and the self-employed and is disaggregated into 30 industrial categories. Total employment in the South East is forecast to rise by between 734,000 and 805,000 during the Plan period related to the long-term and short-term migration demographic projections, an increase of 18-20%. The economically active population already living in the region is projected to increase by less, between 487,000 (long-term projection) and 562,000 (short-term projection) over the same period, which could lead to a labour shortage, encouraging further in-commuting and in-migration to the South East. This gap will be influenced by numerous factors affecting labour supply and demand".*

3.44 Paragraph 6.4.8 concerns industrial restructuring. It outlines that the South East is expected to experience a decline in manufacturing but a growth in business services, leisure activities, retail, restaurants and hotels.

3.45 Paragraph 6.4.10 addresses directly the need to provide further employment land within the region. It states that: -

> *"It can be concluded from the analysis of economic forecasts that, at a regional level, an overall increase in employment sites (assuming current employment densities) would be required to meet demand and that there will be an increase in demand for office and retail space and less demand for industrial land."*

3.46 At the sector level, the plan considers that there are a number of 'emerging' sectors which will be of increasing importance to the South East economy. These include the knowledge-based economy, the environmental economy and home based businesses.

3.47 Policy CC7 concerns the need for an urban focus for development within the region. It states that: -

> *"The prime focus for development in the South East should be urban areas, in order to foster accessibility to employment, housing and services and where it will make effective use of limited land resources.*
>
> *Local planning authorities should formulate policies to:*
>
> - *Concentrate development within the region's urban areas;*
> - *Seek to achieve at least 60% of all new development in the South East on previously developed land and through conversions of existing buildings;*
> - *Ensure that developments in and around urban areas, including urban infill/intensification and new urban extensions are well designed and consistent with the principles of urban renaissance and sustainable development;*
> - *Use urban potential studies to identify the scope for redevelopment and intensification of urban areas, maximising opportunities for intensification around transport hubs and interchanges, as defined in the Regional Transport Strategy".*

3.48 Paragraph 1.17 of the guidance sets out the strategy for the manufacturing and service sector industries within the Region. It states that: -

> *"Manufacturing and service industries (especially the knowledge-based sector) are making a significant contribution to the local, regional and national economy, with a significant number based from home. Attention should therefore be given to developing and sustaining a vibrant and diverse range of economic activities that help meet local employment and service needs whilst contributing to the social and environmental fabric of both urban and rural areas."*

3.49 Policy RE1 addresses Sustainable Economic Development. It outlines the role which local authorities have in allocating employment land, stating that:

> *"Local Development Documents will allocate employment land to provide a range of sites and premises to meet the needs of new business start-ups, growing businesses and inward investors based on the following criteria: -*

i) Locations that minimise commuting and where the maximum use of public transport can be made;

ii) Locations which intensify the use of existing sites;

iii) Prioritisation of previously developed land;

iv) Focus on urban areas;

v) Promotion of mixed use development;

vi) Locations which promote more sustainable communities;

vii) Locations which promote a closer relationship between jobs and existing and proposed labour supply;

viii) Locations which minimise loss or damage to environmental capital.

Local Development Documents should be supportive of the agricultural, horticultural and forestry industries, and rural economic diversification and non-land based business proposals in towns and villages or on farm sites where applications show positive benefits, based on clearly defined criteria and evidence-based assessments."

3.50 Paragraph 1.32 addresses the future requirements which the knowledge economy and the dual labour market will have. It states that: -

> *"Forecasts and analysis show that there will be an increasing demand for more low skilled jobs in the service sector in all sub-regions of the South East due to rising disposable incomes and the ageing workforce. This is over and above the already high-level skilled jobs. Even productivity-led growth is likely to result in this. This will require not only skills, but additional employment land for business services, retail, restaurants, hotels and leisure activities which partners need to plan for."*

3.51 The supply of employment land for the region is considered in paragraphs 1.35 to 1.38 of the Plan. These outline the importance of enabling flexibility in the range of premises available while at the same time ensuring that better use is made of existing land.

3.52 Paragraph 1.36 is particularly relevant. It states that: -

> *"It is anticipated that productivity gains may result in a need for less space for employment land. One factor in achieving this is flexible working practices. Research indicates that the impact of changing working practices on employment density is limited, except for some office-based employment activities with increasing ICT use".*

3.53 The guidance encourages local authorities to examine the needs of their local economy for land and building, and to make appropriate provision in order for the requirements to be met. However, the importance of not allocating a surplus amount of land is also stressed within the guidance.

3.54 Policy RE4: Supply of Employment Land is of particular relevance to this study. It states that: -

> *"Sufficient employment land should be made available in all areas to promote continued sustainable growth and diversity of the regional economy whilst promoting an urban renaissance and protecting the environment. A range of sites and premises should*

be provided to meet the needs of businesses and the local workforce now and in the future. More efficient use should be made of existing sites and premises which are not fully used because they are unsuited to modern business needs.

Development plans should resist the loss of existing suitably located industrial and commercial sites to other uses where it is justified by local economic and employment evidence in areas where there is a need to protect the existing stock of premises and reduce the extent of new land allocations.

In addition SEEDA, local economic partnerships and other key representatives of business interests should liase with local planning authorities to ensure provision will meet the varied property requirements of businesses for a range of suitable, available sites and premises (including starter units) in accessible locations.

An indication of the amounts of employment land which should be provided for some sub-regions and/or sectors will be added following further work and analysis of consultation responses on this draft plan".

3.55 The Plan sets out a number of policies which will apply to specific sub-regions within the South East. In terms of policies the Plan does not provide any specific guidance for the Tonbridge and Malling authority area, with the Borough not falling within any of the sub-regions identified.

Regional Economic Strategy for South East England (2002 – 2012)

3.56 This document sets out the framework for development within the Region over the 10 year period between 2002 and 2012. In terms of employment within the Tonbridge and Malling area it does not make any reference to specific employment strategies which will apply.

3.57 The plan identifies the need for 'Smart Growth' in the Region, in order to achieve excellence and high performance. One of the themes which this strategy is translated into is the need to maintain high and stable levels of economic growth and employment, with a strong and diverse economy.

3.58 In terms of economic performance, the Strategy outlines that GDP growth in Kent, East and West Sussex lags significantly behind the regional average.

3.59 The guidance identifies five objectives which constitute the core of the Strategy. These are: -

"1. Successful people;

2. Vibrant communities;

3. Effective Infrastructure;

4. Sustainable use of natural resources;

5. Competitive businesses."

3.60 The Strategy identifies a number of characteristics of the region. It notes in particular that the South East continues to be rich in both commercial and Government-funded research and development and also in manufacturing, where it is expected that by 2010 manufacturing employment in the South East will match that of the West Midlands and be higher than any other UK region.

3.61 In order to facilitate an acceleration of business start-ups within the Region and improve the survival rate of young companies, one of the key actions is to: -

> *"Ensure the supply of suitable flexible and affordable workspace."*

3.62 Furthermore, in order to ensure that businesses are able to grow and be innovative, a key action identified within the strategy is to:

> *"Encourage best practice in regulation, particularly in land use planning."*

Regional/Sub-Regional Level – Policy Overview

3.63 At the regional and sub-regional level, there is no (locally) specific guidance for Tonbridge and Malling Borough. This being said, there are a number of regional policy and economic themes to be considered as part of this study, notably:

(i) The need to focus development in urban areas, close to public transport and on previously developed land;

(ii) An overall need for additional employment land, with an increase in demand for office and retail but less demand from industrial sectors. Despite lower industrial demand, it is predicted that manufacturing employment in the South East will match that of the West Midlands by 2010;

(iii) The need to make more efficient use of land and premises which does not meet modern business needs;

(iv) 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;

(v) Emerging sectors will grow in importance, including the knowledge-based economy, environmental economy and home-based working; and

(vi) Loss of employment land to other uses should be resisted where justified by local evidence.

Kent-Wide Level

Kent Structure Plan, 1996 – 2011 (Adopted 1996)

3.64 This Plan sets out the adopted strategy for development at the County Level and attempts to ensure that the management of land and resources is in line with both national and regional policy requirements.

3.65 Paragraph 3.17 of the Plan states that: -

> *"The particular focus of attention for employment-creating activity and associated infrastructure should, within the context of regional guidance, be at East Kent to mitigate the immediate and persistent economic problems there; and at North Kent in Thames Gateway to capitalise on development opportunities and enhance the environment and transport infrastructure, including public transport, of the area."*

Furthermore, it goes on to state that: -

> *"Over much of the county there is a healthy supply of land already identified for new economic development, both through planning permissions and in adopted or emerging local plans. This is sufficient in most cases to meet the quantities and criteria set out in Policy ED1 and should ensure that, in most cases, further fresh land release, beyond that already identified, will be unnecessary during the Plan period. Instead, the focus of attention will be upon securing the development and occupation of the sites currently available."*

3.66 In addition to the above, Policy S3 states that: -

> *"It is strategic policy to stimulate economic activity and employment in Kent by the growth of existing industry and commerce and the attraction of new firms, capitalising on the County's particular relationship with mainland Europe. Provision for such development will be made in a manner which respects the environment and Green Belt constraints. Special attention will be afforded to East and North Kent."*

3.67 Paragraph 3.103 considers the sub-region of Maidstone/ Malling. It states that: -

> *"Maintaining the relatively buoyant economy of the Maidstone/ Malling sub-region is of major importance to the prosperity of Kent. A key strategic issue for the sub-region is the balance between employment requirements and labour supply. The current levels of commitment for new economic development require larger quantities of labour than would be generated by the demographic trend. Moreover, significant numbers of additional in-commuters cannot be anticipated from West Kent which itself has a very tight labour market. There will, however, be scope for attracting commuters from the Medway Towns and Swale and for 'clawing back' current out-commuters in the light of enhanced local opportunities for 'quality' employment."*

3.68 In addition to the above, paragraph 3.104 states that: -

> *"The strategic policy approach recognises a tightening labour market and seeks to preclude further commitments for any major sites for new economic development, and to phase current commitments, wherever possible and appropriate, throughout the plan period."*

3.69 It is clear from the Plan that there is a tight restraint within these areas on the release of any further land for economic development beyond those identified for the period to 2011. This is not to say, however, that the strategy does not provide strong support for the maintenance of a strong and growing economy within this sub-region. The Plan notes in particular that King's Hill will have an important role to play in delivering this objective.

3.70 Policy MK1 identifies the approach which will be taken in the Maidstone/ Malling sub-region. It states that:

> *"In the Maidstone/ Malling sub-region it is strategic policy, in the interests of the Kent economy, to realise the economic strength of the area by the development of sites already identified for quality business, industrial and office uses, but in the light of the current scale of land for employment generating uses, further fresh land releases for economic development will, in order to avoid undue*

> *pressure for new housing land in the longer term, not normally be permitted."*

3.71 In addition to this, policy MK2 states that: -

> *"Kings Hill (the former West Malling Airfield) is intended for the phased development of a substantial campus-style business park of high environmental quality. Housing and education uses are also proposed."*

3.72 The area of Tonbridge is considered to fall in the sub-region of West Kent. Again, the plan proposes that no additional land is released for employment within the appropriate plan periods. Policy WK1 states that:-

> *"At the urban areas of Sevenoaks, Tonbridge, and Swanley, the scale of new housing and economic development should be compatible with their built environment, character, highway network, and location within the Metropolitan Green Belt and their relatively small size."*

3.73 With regards to economic development and agriculture within the County, the Plan identifies that increasing employment and job security is essential to ensuring that prosperity within the region continues to grow.

3.74 In terms of the allocation of employment land, the Plan states that: -

> *"The Structure Plan must ensure that sufficient land is provided to meet a number of needs and opportunities. Firstly there must be ample scope to accommodate the employment aspirations of all who seek to work, including those who at present care for dependants, have left work to raise a family, retire before the statutory age or wish to work after it. Secondly, the supply of land must not be an impediment to the continuing restructuring and expansion of the national and local economies particularly where this brings long term employment benefits. Finally, there must be a choice of development opportunities in those areas where this can be achieved without environmental harm."*

3.75 With regards to the Kent workforce, paragraph 7.8 outlines that the workforce resident in Kent will have been likely to increase significantly in the period to 2001, but then stabilise beyond this. However, in West Kent it is unlikely that the workforce will increase over any period.

3.76 Paragraph 7.13 reiterates the thrust of guidance within paragraph 3.17 of the Plan, stating that: -

> *"Existing land provision within the County is substantial………. The emphasis should therefore be on implementing the existing commitments at locations for economic development recognised in this plan."*

3.77 The state of the property market in Kent is discussed within the Plan. It outlines that many of the major commercial sites outside of the County's town centres have continued to be dominated by a range of manufacturing, distribution and other services associated with industry. It goes on to note that the locational advantages which Kent enjoys should also be considered as a major opportunity for economic growth.

3.78 In terms of the transport connections, and in particular the Channel Tunnel Rail links, which the County enjoys, paragraph 7.18 of the guidance identifies a number of key conclusions which have been implemented in the Plan. These include: -

"Provision of major opportunities for development to take advantage of the SEM and Channel Tunnel at strategic points throughout Kent should be made. These locations include Ashford, Maidstone/ Malling, and Thames Gateway (particularly Dartford and Sittingbourne/Sheppey)."

3.79 Paragraph 7.19 concerns the employment projections which have been used to inform the plan. One of the conclusions produced states that: -

"Throughout the projection period there is an employment surplus in West Kent where Green Belt policies limit housing development and growth of the workforce. Constraint upon land allocation for further commercial development is therefore also appropriate in this area."

3.80 The types of development to be accommodated in the County are addressed in paragraph 7.23. This outlines that the aim of the Plan is to encourage varied land provision to enable a full range of economic activity to operate within the County, and to direct the larger or more specialised provisions to the most appropriate locations.

3.81 Policy ED1 concerns the provision of employment land within the County. It states that: -

"(a) Provision of floor space for financial and professional services and business (A1/B2) and industrial and warehousing (B2 and B8) uses will be made in accordance with the following guidelines (all values in sq m gross floor space, and rounded to the nearest 5000sq m):

Tonbridge and Malling (1991-2011) – A2/B1 – 475,000

B2/B8 – 110,000

(b) In making provision for economic development consistent with the guidelines in ED1(a) above, the local planning authorities will apply the following:

(i) In the Districts of Maidstone, Tonbridge and Malling, Sevenoaks and Tunbridge Wells the provision of floor space should remain within the guidelines. Proposals to achieve the guidelines will not be made or permitted if likely to lead to release of land from the Green Belt.

(viii) In each District Council area the precise mix of development to be provided (between A2/ B1 and B2/B8) will be a matter for the local planning authorities to determine in the light of the specific local circumstances existing in each area.

3.82 Paragraph 7.29 addresses employment land provision in the Maidstone/Malling sub-area. It states that: -

"A continuing structural shift in employment towards B1 and away from B2/B8 is implied. This is in accord with the strategic role of the Maidstone/Malling area within the Kent economy. Overall the employment gains arising from the land supply in the sub region are capable of being absorbed by the local labour market in view of its scale and projected growth and the scope for adjustment in

journey to work movements including a reduction in long distance movements. The majority of the land supply, including the principal strategic opportunity at Kings Hill is within the Medway Gap area, where there have been sustained losses in manufacturing employment."

3.83 Additional, detailed guidance for the Tonbridge and Malling area is found within paragraphs 7.31 and 7.32. Paragraph 7.31 states that: -

> *"Malling – the guidelines for Malling comprise land currently identified for economic development, including a provision of 260,000sq m of B1 development at Kings Hill. No further fresh land releases are considered necessary during the period to 2011. If the implementation of B1 development at Kings Hill to the full scale indicated does not materialise then there is no requirement to substitute provision elsewhere within the District or the wider Maidstone/ Malling sub region."*

Similarly, paragraph 7.32 states that: -

> *"Tonbridge – suitable opportunities exist, or are likely to arise, within the town of Tonbridge for the provision of modest amounts of new B1 floor space, but further B2/B8 provision is severely limited by Green Belt constraints. Market demand has resulted in the substitution of office and light industrial uses for B2/B8 development. Given the circumstances of the labour market and the difficulty of achieving net gains in this form of development without breaching Green Belt constraints, a consolidated guideline relating to A2/B1 uses is provided. Any proposals for B2/B8 will need to be evaluated in the light of the overall supply of land within the ED1 Use Classes and the extent of net losses of B2/B8 land supply experienced within the plan period. The quantities proposed for the town are on the basis that no Green Belt land shall be released to achieve the guidelines."*

3.84 Throughout the guidance there is strong support for small firms. Policy ED4 states that: -

> *"Sites and buildings to meet the specific needs of small firms in Kent will be provided particularly through: -*
>
> *a) the use of parts of larger industrial estates;*
>
> *b) new development schemes on small infill sites within urban areas and, in accordance with Policy RS4, at appropriate rural settlements;*
>
> *c) the conversion of suitable buildings in urban areas and, in accordance with Policy RS5, at rural locations."*

3.85 In terms of new transport facilities for the Borough, Policy T2 states that the following schemes within the Tonbridge and Malling Borough will be completed in the period post-1998: -

> *"A228 West Malling By-pass dualling"* [construction commenced Spring 2005]

The following schemes have also been identified as 'Identification Pool' schemes – i.e. a pool of schemes from which further projects will be drawn to replace those which have been completed. These schemes include: -

"A26 Tonbridge Eastern Relief Road [retained in the Local Transport Plan but unlikely to be constructed before 2006]

West Malling Bypass to A26 Improvement" [related to A228 improvements]

3.86 The relationship between employment and housing within the Tonbridge and Malling Borough is also addressed in the Plan. Indeed, the housing targets for each of the areas have been calculated taking into account the scale of economic development committed locally. Again, the severity of land supply constraints within the area are also noted.

3.87 The needs of rural areas in terms of their employment requirements is addressed in policy RS4. This states that: -

> *"Small-scale business development will normally be permitted in and adjoining the built-up area of villages and small rural towns where it is appropriate to the scale of the settlement and without undue detriment to the amenity and character of the settlement or its setting. Other business development will normally be permitted in and adjoining villages and small rural towns, either where justified by the employment needs of the particular locality, or where it essentially demands a rural settlement location. All business development permissible within the terms of this policy will be subject to Policy RS1 and to the restriction of subsequent inappropriate expansion contrary to Policy RS1."*

Kent and Medway Structure Plan: Deposit Plan (September 2003)

3.88 The purpose of this document is to roll forward and update the policies within the adopted Kent Structure Plan. This Plan is being progressed despite the introduction of the Planning and Compulsory Purchase Act in 2004, as it had reached deposit stage prior to the introduction of the Act and can therefore be 'saved' for three years after adoption.

3.89 Once this document has been adopted, it will replace the 1996 Kent Structure Plan until at least 2007. This being said, it is our understanding that the revised Kent and Medway Structure Plan will be superseded by the Regional Spatial Strategy for the South East (the South East Plan) once this is finalised.

3.90 Paragraph 3.40 considers the sub-area of West Kent which is made up of Tonbridge and Malling, Sevenoaks, and Tonbridge Wells. It identifies that these are the most prosperous areas of Kent.

3.91 Out-commuting is identified as a problem within the sub-area although it is also noted that employment growth over the past decade has been relatively strong despite the lack of major new sites for business development (the only exception being the Kings Hill site).

3.92 In terms of the relationship between housing and employment, paragraph 3.41 states that:

> *"Constraints on greenfield development coupled with strong housing markets and land values have resulted in substantial reinvestment in the fabric of the principal urban areas to meet housing demands. In some instances this has meant the loss of existing employment land. Key workers have faced difficulties in entering the housing market because of the high costs involved. In many instances the pattern of housing and job markets does not follow local administrative boundaries. Some rural communities are*

remote and lack services or facilities and excessive levels of commuting can be detrimental to community life. The legacy of the cement industry and redundant institutional land available in the eastern part of the area provide significant opportunities for regeneration and recycling of previously used land."

3.93 Furthermore, paragraph 3.42 states that: -

"Strategic policy for West Kent seeks to optimise economic performance in a sustainable manner without any strategic release of Green Belt land. This will rely strongly on making the best use of land for housing in the principal towns and rural service centres, while protecting existing employment land, particularly where it is in central, accessible locations within those settlements."

3.94 Policy WK1 states that: -

"In the West Kent Districts of Sevenoaks, Tunbridge Wells and Tonbridge and Malling:

(a) there will be no release of land from the Metropolitan Green Belt to meet strategic requirements and no major release of additional greenfield land beyond land committed at 2001 for residential or business development;

(b) in seeking to make the best use of land within the principal urban areas for housing the local planning authorities should make provision to safeguard existing and/or new employment land for more intensive (office) employment uses at locations in, or close to, the town centres of the principal urban areas."

3.95 At the Borough wide level, the guidance states, Policy WK3 that: -

"Within Tonbridge & Malling Borough, housing and employment growth will be concentrated at the following strategic development locations:

- Kings Hill for continued development of a new mixed-use urban community involving phased development of a campus style business park, major residential development and associated social and community facilities. A revised mix of land use to reduce B1 employment provision and increase the housing element will be pursued;

- Holborough Quarry, to the north of Snodland and west of the A228, principally for housing and associated social and community facilities;

- Leybourne Grange, to the south of the M20 and west of the A228, for housing development and associated social and community facilities;

- Peters Pit, on the East Bank of the Medway, principally for housing and associated social and community facilities and subject to the provision of transport infrastructure including a new crossing of the Medway."

3.96 The Plan also notes that Kings Hill and HRI East Malling are innovation hubs where links between research and business development will be encouraged. HRI East Malling has a specific role for the land based industries.

Kent and Medway Structure Plan, Working Paper 2: Economy, Workforce and Employment Land (July 2004)

3.97 This Working Paper provides the data and background information which has been provided to support chapter 6 of the Deposit Kent and Medway Structure Plan. The original working paper was produced in September 2003 and updated in July 2004.

3.98 The paper notes, paragraph 26, that there is a marked variation in the growth rate of local authority areas in the period 1995-2002. In respect of Tonbridge and Malling it states that: -

> *"Tonbridge and Malling is attributed growth of 24.5%, despite a loss of 600 jobs in the traditional manufacturing sectors of paper and related products. The gains in Tonbridge and Malling included over 3,400 jobs in business services and 1,400 in retailing, which can be attributed in part to the development of the Kings Hill Business Park and residential community."*

3.99 Paragraph 32 of the report identifies that Tonbridge and Malling is one of seven authority areas within Kent which have an employment structure that is significantly favourable to growth given the national trends for each sector. In addition to this, the Borough is one of only four within Kent which has a high proportion of employment within the knowledge sectors.

3.100 Paragraph 95 considers the 5 areas within the Kent and Medway area where major allocations of land for new business use have been made – this includes in Tonbridge and Malling where it is noted that the land allocations have been made in the east of the Borough.

3.101 The future requirements for employment land in Kent as a whole is considered in paragraph 175, which states that: -

> *"It is clear that the scale of employment that can be accommodated on the major employment sites in Kent is greatly in excess of the forecast workforce, even if a conservative view is taken of the underlying trend in employment and the impact of major new sites is substantially discounted."*

Kent Economic Report 2004

3.102 This document has been prepared by Kent County Council and brings together a range of economic, social and environmental information to provide a snapshot of the Kent economy. It compares the progress of Kent with other areas both nationally and locally.

3.103 One of the key findings identified in report is that the Kent Economy has improved. Employment has grown at a faster rate than the south east and national benchmarks, and investment in the Channel Tunnel Rail Link and Kent International Airport has added a further dimension to the overall economy.

3.104 Areas of the County were assessed against a number of criteria. West Kent (in which Tonbridge & Malling falls) was found to perform very well on economy and society, but less well on environmental aspects. This is supported by additional research which found that West Kent remains the strongest performing, and fastest growing, sub-area of Kent.

3.105 In terms of skills and qualifications index, Tonbridge and Malling falls below the national average. This suggests that the workforce in Kent is less qualified than other areas of both Kent and Great Britain as a whole.

However, research has shown that the area does have a buoyant local economy in terms of job opportunities and the employment rate within the area is excellent.

West Kent Area Investment Framework

3.106 The AIF has been prepared jointly by the three West Kent authorities of Sevenoaks District, Tunbridge Wells Borough and Tonbridge and Malling Borough. The AIF was endorsed by the West Kent Economic Steering Group on 31st January 2003.

3.107 AIF's are usually principally for a Priority Area for Economic Regeneration (PAER). Although West Kent is not recognised by SEEDA as a PAER and there is no requirement to produce an AIF, the broad methodology and model of an AIF has been adopted to tackle local economic issues in West Kent.

3.108 The Framework sets out actions under five strategic objectives:

- Skills/learning
- Business development
- Tourism
- Infrastructure
- Regeneration

3.109 The report outlines that West Kent performs well on most economic indicators when benchmarked against Kent as a whole but continues to lag behind the south East on key indicators such as economic growth, employment growth and wage levels.

3.110 Housing and leakage of skills are identified as key issues an addition to the structure of the labour market which is considered to be very tight. With a relatively ageing potential workforce, it may prove difficult to sustain current levels of economic activity over the next ten years.

3.111 In terms of business competitiveness Kent trails the South East in the move towards the knowledge driven economy. Whilst employment in high value added information economy sectors is concentrated in West Kent and the Channel Corridor, the West Kent economy remains comparatively small in terms of overall economic scale and is growing less rapidly than the regional economy as a whole.

3.112 The framework identifies 4 priority actions for business competitiveness, which are:

- Development of a clearly defined business support strategy as a framework for action to stimulate entrepreneurship, start-up activity and growth of established businesses, including adding value to lifestyle business
- Assess the scope for further development of the Enterprise Hub at the HRI, East Malling as a focus for technology-based business start-ups
- Greater emphasis on entrepreneurship activities in schools to begin the process of identifying 'tomorrow's entrepreneurs' at an early stage
- Improving dialogue with local business to establish potential aftercare support requirements

3.113 The section on Land, Property and Development identifies that the issues for West Kent are particularly different from those in other parts of Kent. Much of the area, including the principal urban areas of Tunbridge Wells, Tonbridge, Sevenoaks and Swanley is subject to long standing restraint on development and settlement expansion as a result of Green Belt policy and other restrictive designations.

3.114 These restraints coupled with a strong housing market have produced significant reinvestment within the fabric of the principal towns for housing, in some instances involving the loss of employment land. As there is a lack of of major new sites for business development (Kings Hill being the exception) opportunities need to be pursued to redevelop and improve within existing employment areas through better and more efficient use of brownfield land.

3.115 The priorities for land, property and development include:

- A possible capacity study to identify existing sites that could be developed further and new small sites that could be brought forward for development, possibly as incubator space for SME's and to support the West Kent inward investment 'offer'
- Develop opportunities for the three West Kent authorities to work together at a practical level, for example, a collaborative approach to preparation of Local Development Frameworks and improving the dialogue between planners and businesses

Locate in Kent: 2004/5 Facts and Figures

3.116 Locate in Kent is Kent and Medway's inward investment agency. The service is able to provide a free, comprehensive and confidential relocation service to help businesses benefit from the area's locational advantages.

3.117 The report outlines that 47 new companies have relocated to Kent and Medway during 2004/5 (taking up 304,856sq ft of commercial space), with an additional 1,297 jobs created across the area.

3.118 It is also noted that of the jobs created in the 2004/5 period, over a third of these were in knowledge based industries. Furthermore, it goes on to outline that increasing the share of jobs in these industries is an objective for the future growth of Kent's economy.

3.119 In addition to the above, the report notes that investment by overseas owned companies in the period 2004/5 has been significant, particularly in terms of job creation. Manufacturing, assembly, distribution were also significant within the County in terms of jobs created.

Kent Property Market 2004: The Annual Guide to Investment and Development in Kent

3.120 This annual review has been produced jointly by Kent County Council, Cluttons, Locate in Kent, and in association with the Royal Institution of Chartered Surveyors. It provides a review of how the property market in Kent has performed during 2004.

3.121 In terms of the Kent economy, the report notes that West Kent continues to be the most affluent and economically stable sub-region in Kent and Medway, with particular strengths in business and financial services activities. However, in the County as a whole changes have reflected many of the developments in other parts of the UK, with a move towards a more mature knowledge-based economy, in value-added service-based and high technology activities in particular.

3.122 The sectors of the Kent economy which are highlighted for growth include high-tech engineering, life sciences, logistics, marine technologies, tourism, research and development, ICT, creative industries, financial and business services and the emerging green technologies. Furthermore, the growth areas identified within Kent will provide opportunities for the construction industry in the medium to long term.

3.123 Support is given to small businesses within Kent which the report describes as *"the backbone of Kent's economy"*. Notably, the survival rate of businesses is above the national average.

3.124 With regards to the property market within the County, the report identifies that within the industrial sector, output growth in the manufacturing industry has led to an increase in demand for larger units. Indeed, it is outlined that a number of developers have announced speculative developments, with land sales for the provision of larger sheds continuing.

3.125 For those seeking freehold premises, the report notes that demand from owner-occupiers is predominantly for space of under 465sq m (5,000sq ft). However, it is noted that the county's main business parks have seen limited activity this year in terms of investment.

3.126 In terms of business park performance, a number of key business parks are reviewed in the report. Of particular interest to this study is the information concerning the Kings Hill development. It is noted that this scheme is 95% let with only 806sq m remaining. Development of the scheme is reported to be continuing after developers received planning permission for a 5.050sq m two storey office building with works due to commence in 2005.

3.127 With regards to future business park provision, the report promotes the need for a continued supply of business space needs to be provided to allow for continued growth.

3.128 The report identifies that the Industrial sector of the economy continues to perform the best within the County. Demand is reportedly split into two: firstly for smaller units under 557sq m, and secondly for units over 2,322sq m, with developers and occupiers purportedly active in both.

3.129 In terms of inward investment, the report outlines that at the end of June 2004, both office and industrial requirements had declined in all areas apart from West Kent, where there was found to be not only more demand but the average size of demand has increased. Indeed, West Kent has reportedly taken over Thames Gateway as the most attractive area for office projects.

3.130 In terms of requirements, Locate in Kent have found that office properties under 464sq m continue to be the most sought after in size throughout the area. The range of office requirements is between 19sq m and 23,234sq m.

3.131 In terms of demand within Kent and Medway by sector, Locate in Kent has found that demand for office property is dominated by companies in the financial and business service sectors. Retail and wholesale, manufacturing, and construction and property, dominate industrial demand.

Kent-Wide Level – Policy Overview

3.132 Structure Plan policy will be superseded by the Regional Spatial Strategy for the South East (the South East Plan) once this is finalised. This being said, the adopted and emerging Structure Plan are still currently of relevance and the following key themes can be identified:

(i) 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;

(ii) There has been a structural shift in employment in Kent towards B1 and away from B2/B8. Between 1995 – 2002, Tonbridge and Malling Borough saw employment growth of 24.5%, with a decline in traditional manufacturing sectors of paper and related products but significant growth in business services (and retailing);

(iii) Strategy for West Kent is to optimise economic performance in a sustainable manner without strategic release of Green Belt land. Focus is thus on the implementation of already identified employment sites for quality business, industry and office uses;

(iv) Kings Hill is identified as the main strategic location for employment growth in Tonbridge and Malling Borough, identified as a campus style business park of high environmental quality; and

(v) 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.

3.133 The main findings of the various Kent-wide economic reports reviewed, including those prepared by Kent County Council and Locate in Kent, are considered in the market demand chapter of this report.

Local Level

3.134 The Tonbridge and Malling Borough Local Plan was adopted in December 1998 and covers the period to 2011.

3.135 The local plan is to be replaced by a forthcoming Local Development Framework, the results of the Employment Land Study will inform the Council's Local Development Framework, particularly with regard to identifying policies, and proposals for existing and new employment allocations.

3.136 The Council has commenced work on the Tonbridge and Malling Borough LDF which will set out policies and allocations for the period to 2016. A draft Local Development Scheme was submitted to Regional Government on 17 December 2004 and has been approved.

3.137 A draft Statement of Community Involvement was submitted to Regional Government on 31 December 2004. The Council has received comments and is taking the Statement to Council in July for adoption. Work on a Preferred Options Report will commence in Autumn 2005.

Tonbridge & Malling Local Plan (Adopted December 1998)

This Plan was prepared to roll planning policy in the Borough forward to 2011.

3.138 Paragraph 2.2.1 identifies that a key function of the local plan is to identify land for housing and employment purposes for the period 2001-2011 (at the time of writing the Plan sufficient land had been allocated for the period to 2011).

3.139 The major development site of King's Hill is considered in the Plan. As the largest single development proposed in the Borough, the fluid nature of the proposals for the site are acknowledged (i.e. the amount of employment land to be developed versus the number of houses). Of particular interest is the fact that any employment uses which are developed on the site must be low density, have high quality character, and generate acceptable levels of traffic. Avoiding visual intrusion on the landscape is viewed as imperative (as outlined in policy P2/3).

3.140 Policy P5/ 9 identifies sites where additional employment uses would be acceptable. The policy states that: -

> *"Within the employment areas, as listed below and defined on the Proposals map, employment development is considered appropriate in principle subject to there being no unacceptable impact on residential amenity by virtue of noise, dust, smell, vibration or other emissions, or by visual intrusion, or the nature and scale of traffic generation. Proposals for other than General industrial uses (B2), business use (B1), or distribution use (B8) will not be permitted except where they would have no serious implications for the quantitative or qualitative supply of land for employment purposes: -*
>
> *(i) Holbourough, Snodland*
>
> *(ii) Land east of the bypass, Snodland;*
>
> *(iii) Ham Hill Sandpits, Snodland;*
>
> *(iv) New Hythe Area, Larkfield;*
>
> *(v) Millhall, Aylesford;*
>
> *(vi) Forstal Road, Aylesford (subject to flooding measures);*
>
> *(vii) The Island site, Aylesford;*
>
> *(viii) Preston Hall Farm, Hall Road, Aylesford;*
>
> *(ix) Quarry Road/Ditton Court Quarry, Aylesford;*
>
> *(x) Barming Depot, Aylesford;*
>
> *(xi) 20/20 Estate, Aylesford;*
>
> *(xii) Branbridges, East Peckham;*
>
> *(xiii) North of Station Approach, Borough Green;*
>
> *(xiv) North of Fairfield Road, Borough Green;*
>
> *(xv) Bourne Enterprise Centre, Borough Green;*
>
> *(xvi) Tonbridge Industrial Estate;*
>
> *(xvii) Land West of Woodgate Way, Tonbridge;*
>
> *(xviii) Laker Road, Bridgewood.*

3.141 In addition to this, policy P5/10 state that existing firms in urban areas will be allowed to grow, provided that the resulting impact is minimal.

3.142 The role of small firms in the economy is considered in the Plan, and policy support is given to their continued development. It is proposed that these firms will be accommodated within larger industrial and business sites.

3.143 Policy P5/15 identifies those sites where employment needs can be accommodated, but where only a business use would be appropriate. These sites are: -

- Land adjoining Snodland station;
- Cobdown, Ditton;
- Land to the north of Woodgate Way, Tonbridge;
- Land to the east of Branbridges Road, East Peckham;
- Land south of Vale Road, Tonbridge;
- Land to the north of the River Medway, Tonbridge;
- Land to the north of Priory Road, Tonbridge;
- Laboritories, Kiln Barn Road, Ditton.

3.144 In addition to the above, a number of sites have been identified as suitable for conversion to business use under policy P5/16. These are: -

- Quarry Hill, Tonbridge;
- Priory Road, Tonbridge;
- Lyons Crescent/ East Street, Tonbridge;
- Barden Road, Tonbridge;
- Leybourne Grange, Leybourne;
- Bradbourne House, East Malling.

3.145 Policy P5/17 concerns the development of employment uses outside of existing employment areas. This policy states that: -

> *"Within the urban areas, proposals for new employment development (within use classes B1, B2 & B8) on sites not identified as suitable for employment use will only be permitted subject to there being no significant adverse impact on residential amenity or highway safety and the achievement of one of the following: -*
>
> - *The beneficial use of a building or buildings which it is desirable to retain in the interests of conservation;*
> - *The provision of units of accommodation for small firms;*
> - *An acceptable redevelopment which results in significant improvements to the local environment."*

3.146 Success of these policies in terms of employment land provision will be judged on the amount and range of land brought forward for employment uses in relation to the structure plan guidelines.

3.147 Appendix B of the Local Plan provides schedules which show the employment land supply in the Borough on a site by site basis (as at 1997).

Tonbridge & Malling Borough Local Plan Review: Issues Report (September 2003)

3.148 This document outlines the Council's approach to the production of a Local Development Framework (LDF) for the Borough, and sets out the key issues which must be covered within this.

3.149 In terms of employment land, the report identifies that provision in the Borough is close to the guidelines set out in the Structure Plan. However, it does note that careful monitoring is required as the rate at which sites come forward for redevelopment is not in the Council's control.

3.150 With regards to the role which the LDF will play in the allocation of employment land, the report outlines the importance of allocating land close to centres of population and to good road access. Furthermore, the LDF will need to review the option of de-allocating employment land and using it for other developments (e.g. housing). At the opposite end of the scale, it may also be important to consider use of tighter policies to ensure that well-located employment sites remain in employment uses.

3.151 Specific reference is made in the report to the Kings Hill development. Paragraph 10.2 states that: -

> *"Kings Hill – the local plan currently allocates this site for a mixed-use development comprising 260,000sq m of business use and approximately 2,100 houses with ancillary facilities. The developers, Rouse Kent limited, submitted a planning application subsequently approved by the Secretary of State which revises the mix of uses at Kings Hill by capping the amount of business floor space at 186,000sq m and increasing the housing element to about 2,700 houses with a view to creating a more balanced community and making the best use of this brownfield site in line with government policy. This change is in line with the structure plan review. The planning application also provides for a high proportion of affordable housing. The LDF will need to assess the wider implications of the Secretary of State's decision for the borough as a whole and to take on board Rouse's proposals for recreation use at Heath Farm."*

3.152 In terms of housing provision, the report notes that some of the sites identified as suitable for housing in the Urban Capacity Study are currently employment sites. In assessing which use will eventually come forward on these sites the determining factors are identified as being location, access and the amount of employment land in the locality.

3.153 Additionally, paragraph 11.3 states that: -

> *"The adopted Local Plan identifies sites for so-called 'bad neighbour' industrial uses and for open storage. The future approach to the use of these sites in the LDF will need to be re-examined in light of what has happened to them since the Local Plan was adopted. This is particularly relevant to the Peters Work site."*

Responses to Issues Report Consultation, Member-level Draft (November 2004)

3.154 A number of issues are raised in these consultation responses which must be considered as part of the Study being undertaken here. These include:

- Need to protect employment land from housing developments;
- Importance of providing smaller workshop style units; and
- Need to protect the countryside from future employment uses.

Draft Tonbridge & Malling Borough Council Housing Strategy 2005 – 2008

3.155 This Strategy addresses the provision of housing within the Borough, and identifies how housing problems will be addressed in the future. Although it does not specifically refer to employment land, it is important that it is considered as part of this study.

3.156 The report identifies 5 key housing priorities which must be addressed to ensure everybody has access to a good, affordable home.

3.157 Paragraph 4.3 of the study identifies that whilst unemployment in the Borough remains low, affordability of housing is a key issue to be considered.

'Serving You Better' an Action Plan for Tonbridge & Malling, Community Strategy 2003-2006

3.158 This document provides a strategy within which providers of public services to local people can work.

3.159 In terms of a strong economy, the Strategy acknowledges that the Borough has a healthy economy. Most of the concerns raised, however, centred on rural provision of local shops and services.

3.160 The strategy also notes that there is a scarcity of manpower and skills for certain occupations and that local firms find it difficult to recruit, and out-commuting remains at a high level.

3.161 Again, this report makes the link between the high house prices in the area and the lack of affordable housing available. Furthermore, the report notes that there is an uneven spread of economic opportunity across the Borough.

4. Employment Land and Premises – Quantitative Assessment of Supply

Approach

4.1 Our assessment of existing employment land supply has focussed mainly on the following:

- **Employment allocations** – Sites allocated for B1, B2 and B8 uses in the Adopted Tonbridge and Malling Local Plan (and also existing employment sites allocated for other forms of development in the Plan); and
- **Employment commitments** - Sites under construction or with extant planning permission for B1, B2 or B8 use and existing employment uses with extant permission for other forms of development.

4.2 In addition, the following sources of existing supply have also been assessed, which together with allocations and commitments, provides a picture of the total stock of existing and potential employment floor space in the borough.

- **Valuation Office Agency Records** – Total number and floor space of existing business occupiers by sector and electoral ward; and
- **Vacant Premises** – Premises included on the Council's vacant property register and other available premises identified through discussions with local agents.

4.3 We have utilised the Employment Land Survey ("ELS") 2003-2004 (as amended) undertaken in partnership with Kent County Council and the Borough Council as a starting point for quantifying existing employment allocations and commitments. This survey information provides an annual monitor of employment development and land supply, quantifying site areas and the (potential) floor space capacity for different employment use classes.

4.4 It is recognised that ELS information is not absolute, particularly where little site-specific information is available. For example, an employment allocation identified for B1, B2 and B8 uses may come forward for just one of these uses. Similarly, development may come forward at a higher or lower density than assumed as part of this review. Nevertheless, the approach to the assessment does provide a good guide to likely available floor space capacity for different employment uses/sectors to be derived from existing local plan employment allocations and commitments.

4.5 ELS information has been interrogated and expanded upon to provide a more detailed picture of land and potential floor space. In particular, this has included the division of:

- Employment survey results into sub-areas within the borough to provide a more detailed geographical distribution of supply; and
- Floor space totals recorded for B1 use into B1 office and B1 industry / manufacturing.

4.6 ELS results identifying vacant land within employment allocations have also been critically examined to:

- Separate out 'owner specific' sites from those which are available for development on the open market. In accordance with good practice, allocations which are only available for a specific occupier are excluded from available employment land totals until sites gain planning permission.

- Ensure that sites and associated capacities reflect the situation on the ground as at the time of our assessment. We have examined and where necessary revised ELS information to address minor anomalies such as land area inaccuracies through applying the following plot ratios of gross floorspace to site area as defined at Appendix D of the Employment Land Reviews Good Practice Note of December 2004:
  - General Office (0.40)
  - Industrial (0.35 to 0.45)
  - Warehouse (0.40 to 0.60)
- To seek to take account of significant changes such as major completions / recent applications and significant permissions which have lapsed in the intervening period since the date of the ELS. These and other changes should be picked up in the full update of the ELS.

4.7 In our analysis of ELS information, we have divided the borough into five main sub-areas, as defined in the table 4.1:

Table 4.1 Sub-Areas and Associated Wards

Sub Area	Associated Electoral Wards
Medway Gap (Urban)	Snodland West, Snodland East, Larkfield North, Larkfield South, Ditton, Aylesford, East Malling, West Malling and Leybourne
Medway Gap Area (Rural / Other)	Wrotham, Downs, Burnham Eccles Wouldham, Blue Bell Hill and Walderslade
Kings Hill	Kings Hill
Tonbridge (Urban)	Cage Green, Trench, Higham, Medway, Castle, Judd, Vauxhall
Malling Area (Rural)	Ightham, Borough Green and Long Mill, Wateringbury, Hadlow Mereworth and West Peckham, Hildenborough, East Peckham and Golden Green

4.8 ELS information does not separate the various sub-classes associated with the B1 use class. It is important to understand this breakdown however in order to ensure the most robust approach to the assessment. Sub-dividing B1 uses enables a more direct comparison with information on existing stock and premises extracted from the administrative databases used by the Valuation Office Agency ("VOA") and is also consistent with forecasting and market classifications used elsewhere in this report.

4.9 B1 floor space figures have been sub-divided using the following approach:

- For individual commitments in excess of 1,000 sqm of B1 floor space, planning files provided by the Borough Council have been interrogated to obtain details recorded on planning application forms and drawings etc.
- For individual commitments less than 1,000 sqm, we have applied a 50/50 split between B1 office and B1 manufacturing as a proxy guide. It should be noted that as a proportion of total supply, the majority of committed B1 floor space is derived from larger schemes (i.e. in excess of 1,000 sqm) and therefore for the purposes of this assessment, the proxy guide will not substantially affect results.
- For allocations and those commitments in excess of 1,000 sqm of B1 floor space where no B1 split is specifically defined, an apportionment between B1 sub-classes has been applied based on a number of approaches including local planning policy information, discussions with the local planning authority, details from local agents and our qualitative assessment of sites.

4.10 A copy of 2003 / 2004 employment land survey results for Tonbridge and Malling Borough is included at **Appendix 1.** Tables summarising our assessment of gross and net employment land supply are reproduced at **Appendix 2.**

4.11 Table 4.2 below illustrates the planning use classes attributed to the Valuation Office Classifications. The assignment of use classes as shown in the table is considered to be reasonably accurate by the ODPM and VOA.

Table 4.2 Valuation Office Classes v Planning Use Classes.

Valuation Office Classification	Planning Use Class
Office	A2 and B1(a)
Manufacturing	B1(b), B1(c) and B2
Wholesale Distribution	B8

Local Plan Employment Allocations

4.12 Table 4.3 below provides a quantitative assessment by sub-area of the size and an estimate of the potential floor space capacity of employment allocations as identified in Table 1 of the Council's 2003/2004 employment land survey (i.e. vacant land without planning permission allocated in the adopted Local Plan for new employment development). Details on proposed losses are identified separately in Table 4.3h below.

Table 4.3 Local Plan Allocations (Gross) – 2003/2004 ELS Data

Site LP Policy Ref (Borough Sub Area in Brackets)	Total Site Area (hectares)	Available Area (hectares)	Floor space Capacity Estimate (square metres)			
			B1	B2	B8	B1-B8
5/13b (MGU)	5	5	0	8000	9000	17000
5/13c (MGU)	2.75	0	0	5100	400	5500
5/15a (MGU)	0.28	0.28	1000	0	0	1000
5/9di (MGU)	6.44	6.44	7648	6833	7381	21862
5/9dii (MGU)	1.18	1.18	1423	1270	1373	4066
5/9diii (MGU)	1.76	1.76	2099	1875	2025	5999
5/9c (MGU)	11.6	2.35	5600	1200	700	7500
5/9j (MGU)	4	1.06	3000	600	600	4200
Medway Gap Total	33.01	18.07	20770	24878	21479	67127
2/2a	262	26.83	167000	0	0	167000
Kings Hill Total	262	26.83	167000	0	0	167000
5/15c	1.71	1.71	6100			6100
5/15e	1.92	1.92	6800			6800
5/15g	1.12	1.12	4000			4000
5/9p	59	2.23	5000	1000	1000	7000
Tonbridge Total	63.75	6.98	21900	1000	1000	23900
5/15d	1.28	1.28	4100			4100
6/17a	8	1.55			7500	7500
6/17b	1	0.37		1300		1300
Malling Rural Total	10.28	3.2	4100	1300	7500	12900
Overall Total	369.04	55.08	213770	27178	29979	270927

4.13 Further to our approach to interrogating ELS data, Tables 4.3a to 4.3e provide our assessment of the size and potential floorspace capacity vacant land without planning permission within the Borough's sub-areas. Notes following each of the tables explain the main differences to ELS information.

Table 4.3a Medway Gap (Urban)

Site (Local Plan policy reference in brackets)	Total Site Area (hectares)	Area of Vacant Land without PP (hectares)	Floor space Capacity Estimate (square metres)
Larkfield Sports Ground [P5/9 (dii)]	3.28	3.28	2230 (B1 office) 2230 (B1 ind.) 4067 (B2) 4592 (B8)
Former Allotments, Larkfield [P5/9(diii)] –	1.76	1.76	1050 (B1 office) 1049 (B1 ind.) 1875 (B2) 2025 (B8)
Land Adjoining Snodland Station [P5/15(a)]	0.28	0.28	500 (B1 office) 500 (B1 ind.)
Sub Total	-	5.32	3780 (B1 office) 3779 (B1 ind.) 5942 (B2) 6617 (B8)

Note –P5/9(c), P5/13(b) and P5/13(c) deleted due to current use. 5/9(di) and 5/9(j) identifed separately in owner specific sites table.

Table 4.3b Medway Gap (Rural / Other)

Site (Local Plan policy reference in brackets)	Total Site Area (hectares)	Area of Vacant Land without PP (hectares)	Floor space Capacity Estimate (square metres)
No sites identified	0.00	0.00	0

Table 4.3c Kings Hill

Site (Local Plan policy reference in brackets)	Total Site Area (hectares)	Area of Vacant Land without PP (hectares)	Floor space Capacity Estimate (square metres)
Kings Hill Policy Area [P2/2(a)]	262.00	26.83	90956 (B1 Office)
Sub Total		26.83	90956 (B1 Office) 0 (B1 Ind) 0 (B2) 0 (B8)

Note – Floorspace capacity reduced to reflect recent revised floorspace cap of 186,000 sqm (less existing floorspace of 65,000 sqm and other floorspace of 30,044 sqm identified in ELS commitments tables)

Table 4.3d Tonbridge (Urban)

Site (Local Plan policy reference in brackets)	Total Site Area (hectares)	Area of Vacant Land without PP (hectares)	Floor space Capacity Estimate (square metres)
Tonbridge Industrial Estate ([P5/9(p)]	59.00	3.03	8000 (B1 ind.) 2405 (B2) 1760 (B8)
Land north of Woodgate Way	9.15	1.71	610 (B1 office)

Site (Local Plan policy reference in brackets)	Total Site Area (hectares)	Area of Vacant Land without PP (hectares)	Floor space Capacity Estimate (square metres)
[P5/15(c)]			1830 (B1 ind.) 1830 (B2.) 1830 (B8.)
Sub Total		4.74	610 (B1 office) 9830 (B1 ind.) 4235 (B2) 3590 (B8)

Note – Available land area at Tonbridge Industrial Estate re-measured and revised to be slightly higher than identified in employment land monitor information.

Table 4.3e Malling Area (Rural)

Site (Local Plan policy reference in brackets)	Total Site Area (hectares)	Area of Vacant Land without PP (hectares)	Floor space Capacity Estimate (square metres)
Land east of Branbridges Road, East Peckham [P5/15(d)]	1.28	0.6	2100 (B1 ind.)
Platt Industrial Estate, Borough Green [P6/17(a)]	8.00	1.55	7500 (B8)
Sub Total		2.15	0 (B1 office) 2100 (B1 ind.) 0 (B2) 7500 (B8)

Note – Long Pond Works Green [6/17(b)]deleted as although identified in employment land monitor information as available, is currently used for storage of vehicles and machinery.

Table 4.3f Employment Allocations –Overview of 4.3a-e

Sub Area	No. of Allocs.	Vacant Area without PP (ha)	B1 Office	B1 Ind.	B2	B8
Medway Gap (Urban)	3	5.52	3780	3779	5942	6617
Medway Gap Area (Rural / Other)	0	0	0	0	0	0
Kings Hill	1	26.83	90956	0	0	0
Tonbridge (Urban)	2	4.74	610	9830	4235	3590
Malling Area (Rural)	2	2.15	0	2100	0	7500
Total	8	39.04	95346	15709	10177	17707

4.14 As noted previously, owner specific sites are separated from those available on the open market. Owner specific sites are listed in Table 4.3g below, equating to approximately 6 hectares of land, all located in the Medway gap (Urban) area.

Table 4.3g Owner Specific Sites

Site (Local Plan policy reference in brackets)	Total Site Area (hectares)	Area of Vacant Land without PP (hectares)	Floor space Capacity Estimate (square metres)
Barming Depot ([P5/9(j)]	4.00	1.06	500 (B1 office) 2500 (B1 ind.) 600 (B2) 600 (B8)

Site (Local Plan policy reference in brackets)	Total Site Area (hectares)	Area of Vacant Land without PP (hectares)	Floor space Capacity Estimate (square metres)
Mill Hall Centre [P5/9 (di)]	4.57	4.57	615 (B1 office) 2610 (B1 ind.) 2610 (B2) 2610 (B8)
Sub Total	-	5.63	1115 (B1 office) 5110 (B1 ind.) 3210 (B2) 3210 (B8)

Note – Land West of Ham Hill Sand Pits deleted as although identified in employment land monitor information as available, is currently used in connection with aggregate operations. Also, available site area and thus floor space capacity for P5/9 (dii) increased (area appears incorrectly shown in ELS).

4.15 ELS information also identifies a number of proposed losses in relation to employment allocations. These losses reflect proposals in the adopted local plan for the redevelopment of certain employment sites for alternative uses. The majority of the proposed losses relate to the redevelopment of B2 (and to a lesser extent B8) uses across the borough as shown in Table 4.3h below.

Table 4.3h Employment Allocations – Proposed Losses

Sub Area	No. of PP's	B1 Office	B1 Ind.	B2	B8	Total
Medway Gap (Urban)	3	-850 (-0.21)	-850 (-0.21)	-7600 (-2.75)	-6500 (-3.62)	-15800 (-6.78)
Medway Gap Area (Rural / Other)	1	0 (0)	0 (0)	-8000 (-5.17)	-800 (-0.52)	-8800 (-5.69)
Kings Hill	0	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
Tonbridge (Urban)	5	-650 (-0.18)	-650 (-0.18)	-2000 (-0.65)	0 (0)	-3300 (-1.01)
Malling Area (Rural)	4	-50 (-0.16)	-50 (-0.16)	-7200 (-1.91)	-1200 (-0.35)	-7500 (-2.58)
Total	14	-1550 (-0.55)	-1550 (-0.55)	-24800 (-10.48)	-8500 (-4.49)	-35400 (-16.06)

Employment Commitments

4.16 Commitments comprise of:

- Sites with planning permission for employment use where development has not started;
- Employment developments under construction at the time of the survey;
- Employment developments which are complete but vacant (no such developments were identified in the ELS); and
- Sites pending a loss i.e. existing employment sites with planning permission for alternative forms of development.

4.17 Tables 4.4a to 4.4c below provide a quantitative assessment by sub-area of the (potential) floor space capacity identified in employment commitments included in the 2003/2004 ELS. Associated land areas in hectares are also identified for completeness

4.4a Extant Planning Permissions Not Started (2004)

Sub Area	No. of PP's	B1 Office	B1 Ind.	B2	B8	Total
Medway Gap (Urban)	19	3678 m^2 (3.17 ha)	3678 m^2 (3.19 ha)	14214 m^2 (11.33 ha)	7129 m^2 (2.94ha)	28699 m^2 (20.63 ha)
Medway Gap Area (Rural / Other)	8	420 m^2 (0.12 ha)	421 m^2 (0.13 ha)	375 m^2 (0.18 ha)	3981 m^2 (4.02 ha)	5197 m^2 (4.45 ha)
Kings Hill	3	27444 m^2 (11.53 ha)	0 (0)	0 (0)	0 (0)	27444 m^2 (11.53 ha)
Tonbridge (Urban)	3	399 m^2 (0.12 ha)	398 m^2 (0.11 ha)	1966 m^2 (0.43 ha)	1054 m^2 (0.18 ha)	3817 m^2 (0.84 ha)
Malling Area Rural	10	609 m^2 (0.49 ha)	1796 m^2 (0.52 ha)	1555 m^2 (1.87 ha)	1184 m^2 (1.78 ha)	5144 m^2 (4.66 ha)
Total	43	32550 m^2 (15.43 ha)	6293 m^2 (3.95 ha)	18110 m^2 (13.81 ha)	13348 m^2 (8.92 ha)	70301 m^2 (42.11 ha)

Note- the following permissions identified in ELS returns are excluded from Table 4.4a:
TM032899 (Black Horse Site) – development now under construction / complete(also see table 4.4b and vacant premises information.
TM991124 (Priory Works) –planning permission expired without development (also see Table 4.4c)

4.4b Development Under Construction (2004)

Sub Area	No. of PP's	B1 Office	B1 Ind.	B2	B8	Total
Medway Gap (Urban)	4	1293 m^2 (0.35 ha)	6004 m^2 (2.05 ha)	22364 m^2 (8.1 ha)	5911 (1.83)	35572 m^2 (12.33 ha)
Medway Gap Area (Rural / Other)	0	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
Kings Hill	1	2600 m^2 (2.05 ha)	0 (0)	0 (0)	0 (0)	2600 m^2 (2.05 ha)
Tonbridge (Urban)	2	420 m^2 (0.01 ha)	420 m^2 (0.01 ha)	0 (0)	1752 m^2 (0)	2592 m^2 (0.02 ha)
Tonbridge Area (Rural / Other)	2	347 m^2 (0.2 ha)	348 m^2 (0.2 ha)	0 (0)	0 (0)	695 m^2 (0.4 ha)
Total	9	4660 m^2 (2.61 ha)	6772 m^2 (2.26 ha)	22364 m^2 (8.1 ha)	7663 m^2 (1.83)	41459 m^2 (14.8ha)

Note- the following permission is included in Table 4.4b:
TM032899 (Black Horse Site) – reflects planning permission floorspace less Magnitude development which is now complete (also see table 4.4a).

4.4c Sites Pending a Loss (2004)

Sub Area	No. of PP's	B1 Office	B1 Ind.	B2	B8	Total
Medway Gap (Urban)	11	-722 m^2 (-0.14 ha)	-2982 m^2 (-0.43 ha)	-5957 m^2 (-8.32 ha)	-1632 m^2 (-0.19 ha)	-11292 m^2 (-9.08 ha)
Medway Gap Area (Rural / Other)	3	-375 m^2 (-0.01 ha)	-375 m^2 (-0.01 ha)	-1297 m^2 (-0.6 ha)	0 (0)	-2047 m^2 (-0.62 ha)
Kings Hill	0	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
Tonbridge (Urban)	7	-343 m^2	-342 m^2	--110 m^2	-2599 m^2	-3394 m^2

		(-0.06 ha)	(-0.07 ha)	(-0.02 ha)	(-0.74 ha)	(-0.89 ha)
Malling Area Rural	5	-630 m^2 (-0.43 ha)	-630 m^2 (-0.43 ha)	-200 m^2 (-0.15 ha)	-543 m^2 (-1.53 ha)	-2003 m^2 (-2.54 ha)
Total	25	-2120 m^2 (-0.64 ha)	-4329 m^2 (-0.94 ha)	-7564 m^2 (-9.09ha)	-4774 m^2 (-2.46 ha)	-18787 m^2 (-13.13 ha)

Note- the following permission is excluded from Table 4.4c:

TM991124 (Priory Works) –planning permission expired without development (also see Table 4.4a)

4.18 Taking gross employment allocations and commitments together, Table 4.5 provides a breakdown of available land area and potential future floor space across the defined sub areas within the Borough. 4.5a assess potential gross provision by employment use class, table 4.5b by employment sector (i.e. separating B1 uses between that permitted / suitable for offices and light industrial and amalgamating light industrial and B2 uses to define a single figure for manufacturing).

Table 4.5 Breakdown of Potential Future Employment Land Supply by Sub-Area – Allocations and Commitments (Gross)

4.5a Breakdown by Planning Use Class

Sub Area		B1 Business	B2 General Ind.	B8 Warehousing	Total
Medway Gap (Urban)	(Potential) Floor space	22212 m^2	425207 m^2	19657 m^2	84389 m^2
	Site Area	10.72 ha	21.11 ha	6.45 ha	38.28 ha
Medway Gap Area (Rural / Other)	(Potential) Floor space	841 m^2	375 m^2	3981 m^2	5197 m^2
	Site Area	0.25 ha	0.18 ha	4.02 ha	4.45 ha
Kings Hill	(Potential) Floor space	121000 m^2	0 m^2	0 m^2	121000 m^2
	Site Area	40.41 ha	0 ha	0 ha	40.41 ha
Tonbridge (Urban)	(Potential) Floor space	12077 m^2	6201 m^2	6396 m^2	24674 m^2
	Site Area	2.74 ha	1.56 ha	1.3 ha	5.6 ha
Malling Area Rural	(Potential) Floor space	5200 m^2	1555 m^2	8684 m^2	15439 m^2
	Site Area	2.01 ha	1.87 ha	3.33 ha	7.21ha
Total Gross Supply	(Potential) Floor space	161330 m^2	50561 m^2	38718 m^2	250699 m^2
	Site Area	56.13 ha	24.72 ha	15.1ha	95.95 ha

4.5b Breakdown by VOA Classification

Sub Area		Office	Manufacturing	Wholesale Distribution	Total
Medway Gap (Urban)	(Potential) Floor space	8715 m^2	55981 m^2	19657 m^2	84389 m^2
	Site Area	4.5 ha	27.33 ha	6.45 ha	38.28 ha
Medway Gap Area (Rural / Other)	(Potential) Floor space	420 m^2	796 m^2	3981 m^2	5197 m^2
	Site Area	0.12 ha	0.31 ha	4.02 ha	4.45 ha
Kings Hill	(Potential) Floor space	121000 m^2	0 m^2	0 m^2	121000 m^2
	Site Area	40.41 ha	0 ha	0 ha	40.41 ha
Tonbridge (Urban)	(Potential) Floor space	1429 m^2	16849 m^2	6396 m^2	24674 m^2
	Site Area	0.31 ha	3.99 ha	1.3 ha	5.6 ha
Malling Area Rural	(Potential) Floor space	956 m^2	5799 m^2	8684 m^2	15439 m^2
	Site Area	0.69 ha	3.19 ha	3.33 ha	7.21 ha
Total Gross	(Potential) Floor space	132556 m^2	79425 m^2	38718 m^2	250699 m^2

Sub Area		Office	Manufacturing	Wholesale Distribution	Total
Supply	Site Area	46.03 ha	34.82 ha	15.1 ha	95.95 ha

Commentary – Allocations and Commitments

Borough-wide

Gross Land Supply

4.19 Vacant local plan employment allocations without planning permission and commitments (extant planning permissions and those under construction at the time of the ELS) provide a gross total land supply of approximately 96 hectares across the Borough, divided as follows:

	Office	Manufacturing	Wholesale Distribution
Total Area (ha)	46 ha	35 ha	15 ha
Percentage of Supply	48%	36%	16%

4.20 A substantial amount of the Borough's land supply is identified for office purposes, the majority of which is made up of the vacant employment allocation / commitment at Kings Hill. Conversely, there is relatively little vacant uncommitted land allocated for manufacturing and warehousing (with approximately 11 hectares in total across the Borough). Supply for these sectors is mainly made up of extant planning permissions not yet implemented.

4.21 If development under construction totals are excluded, gross available land supply decreases by approximately 15 hectares to around 81 hectares as shown in the table below. Around 70% of development under construction identified was in the manufacturing sector.

	Office	Manufacturing	Wholesale Distribution
Area (ha)	43 ha	25 ha	13 ha
Percentage of Supply	53%	31%	16%

4.22 Owner specific allocations account for around 6 hectares. These are not included in the gross supply figures however as these are not available on the open market. In accordance with good practice, owner specific sites only contribute towards supply once they obtain planning permission.

Net Land Supply

4.23 When considering net supply (i.e. including development under construction and, proposed and pending losses – Tables 4.3h and 4.4c), total predicted land supply across the Borough decreases to around 70 hectares, divided between sectors as follows:

	Office	Manufacturing	Wholesale Distribution
Area (ha)	45	14	8
Percentage of Supply	67%	21%	12%

4.24 Predicted losses are most significant in the manufacturing and warehousing sectors. There is comparatively little difference between net and gross office land supply.

Medway Gap (Urban)

4.25 The Medway Gap Urban area offers comparatively little open market vacant employment land without planning permission. The majority of potential future (open market) supply is made up of committed sites, notably those with extant planning permission but not yet implemented. Indeed, the Medway Gap (Urban) area contains well over half of the Borough's committed manufacturing and warehouse floor space.

4.26 Approximately 6 hectares of potential supply does exist through owner specific sites, with all of the sites identified in Table 4.3g 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).

Kings Hill

4.27 In excess of 90% of the Borough's potential new office supply is located at King's Hill, with over 40 hectares of available land, equating to a potential for around 121,000 sqm of new office floor space. There was little office development under construction at Kings Hill at the time of the survey although we are aware that development of 5,050 sqm of new speculative office floor space has started, to be ready for May 2006.

Tonbridge (Urban)

4.28 Unlike the Medway Gap (Urban) area, employment land supply in Tonbridge is largely made up of vacant land without planning permission, particularly for manufacturing use and to a lesser extent, warehousing.

4.29 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.

Other Locations

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

Existing Stock

Valuation Office Agency Records

4.31 The most reliable figures for existing floor space provision at ward level (including amalgamated figures for occupied and vacant space) are provided by the Valuation Office Agency ("VOA"). This information assists in forming locally derived floor space ratios for the forecast model to give a more accurate picture of local accommodation sizes. The results also help to create an overview of the scale and location of existing employment accommodation for market trends analysis.

4.32 VOA data is recorded annually. It identifies the total number and floor space of hereditaments by sector, notably office, manufacturing and wholesale distribution. Data is also divided by electoral ward which enables analysis by sub-areas within the Borough.

4.33 Hereditaments are defined as 'a piece of real, inheritable or taxable property on which rates may be charged and which is defined in law'. In the majority of cases, a hereditament corresponds to an extent of contiguous or adjacent space appropriate for a single business occupier. Most hereditaments relate to groups of buildings, single buildings or premises within buildings. large office or mixed-use commercial or industrial buildings will, if shared between several tenants or owners, consist of several hereditaments. These hereditaments may occupy some floors, part of a floor or space in, adjacent to, or associated with the building. For example a flower stall or newspaper kiosk in an office building can constitute a separate hereditament. Conversely a single large hereditament may comprise many distinct buildings, for example a large factory on a single site.

4.34 Thus, while the VOA data reflects precisely the number of hereditaments at a certain time, this number may not be the same as the number of buildings or institutions that might be arrived at by another observer collecting information on the same building stock but for a different purpose. By and large the difference will be small, but for certain types of premise it can be more considerable. For example the VOA data has 826 university hereditaments which is much larger than the number of universities in England and Wales. This is because many have separately located buildings, which form separate assessments for rating because they are not considered essentially functionally, connected under rating law.

4.35 2003 floor space figures have been used in this assessment as a base position for floor space provision at the sub-area level. However these figures are necessarily suppressed for wards with very small numbers of hereditaments due to VOA disclosure rules.

4.36 Table 4.6 shows the approximate breakdown of VOA employment floor space figures by sector and at sub-area level for 2003.

Table 4.6 Breakdown of VOA Data by Sector and Sub-Area

Sub Area		Sector			Total
		Office	Manu.	W & D	
Medway Urban	Total Floor space (m^2)	43000	378000	328000	749000
	Total No. of Hereditaments	202	117	171	490
Medway Rural	Total Floor space (m^2)	4000	16000	42000	62000
	Total No. of Hereditaments	27	74	51	152
Kings Hill	Total Floor space (m^2)	64000	0	0	64000
	Total No. of Hereditaments	86	1	1	88
Tonbridge Urban	Total Floor space (m^2)	49000	81000	94000	224000
	Total No. of Hereditaments	229	125	127	481
Malling Rural	Total Floor space (m^2)	23000	64000	35000	122000
	Total No. of Hereditaments	101	118	99	318
Total	Total Floor space (m^2)	183000	539000	499000	1221000
	Total No. of Hereditaments	645	435	449	1529

Vacant Premises

4.37 VOA figures do not distinguish between vacant and occupied space, providing an amalgamated figure for existing stock.

4.38 Set out in tables 4.7a and 4.7b is an overview of vacant employment floor space as the time of the study. This overview has been compiled based on details in the Council's vacant property register amended / updated in the light of discussions with local agents. More detailed schedules on vacant premises schedules are set out at **Appendix 3**.

Table 4.7a Vacant Office Premises (2005)

Year	Size Bands in m² (numbers vacant properties shown in brackets)							Total
	0 - 100	101 - 200	201 - 500	501 - 1000	1001 - 2000	2001 – 5000	5001+	
Medway Gap (Urban)	161 (3)	167 (1)	0 (0)	520 (1)	0 (0)	0 (0)	0 (0)	848 (5)
Medway Gap (Rural)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
Kings Hill	209 (5)	920 (8)	482 (1)	2131 (3)	0 (0)	8239 (2)	5110 (1)	17091 (20)
T'bridge (Urban)	698 (12)	363 (3)	272 (1)	557 (1)	2125 (2)	0 (0)	0 (0)	4015 (19)
Malling Rural	134 (2)	147 (1)	603 (2)	0 (0)	0 (0)	0 (0)	0 (0)	884 (5)
Total	1202 (22)	1597 (13)	1356 (4)	3208 (5)	2125 (2)	8239 (2)	5110 (1)	22838 (49)

Table 4.7b Vacant Manufacturing Premises (2005)

Year	Size Bands in m² (numbers vacant properties shown in brackets)							Total
	0 - 100	101 - 200	201 - 500	501 - 1000	1001 - 2000	2001 – 5000	5001+	
Medway Gap (Urban)	280 (3)	617 (4)	1257 (4)	4341 (6)	1151 (1)	8781 (3)	5099 (1)	21526 (22)
Medway Gap (Rural)	84 (1)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	84 (1)
Kings Hill	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
T'bridge (Urban)	173 (2)	0 (0)	1076 (3)	1256 (2)	3864 (2)	0 (0)	9495 (1)	15864 (10)
Malling Rural	0 (0)	360 (2)	0 (0)	875 (1)	0 (0)	0 (0)	0 (0)	1235 (3)
Total	537 (6)	977 (6)	2353 (7)	6472 (9)	5015 (3)	8781 (3)	14594 (2)	38709 (36)

Table 4.7c *Vacant Warehousing & Distribution Premises (2005)*

Year	Size Bands in m² (numbers vacant properties shown in brackets)							Total
	0 - 100	101 - 200	201 - 500	501 - 1000	1001 - 2000	2001 – 5000	5001+	
Medway Gap (Urban)	0 (0)	0 (0)	316 (1)	1824 (2)	3738 (3)	7866 (3)	36725 (3)	50469 (12)
Medway Gap (Rural)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
Kings Hill	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
T'bridge (Urban)	0 (0)	0 (0)	525 (2)	2189 (3)	1394 (1)	0 (0)	0 (0)	4108 (6)
Malling Rural	42 (1)	0 (0)	0 (0)	1395 (2)	1727 (1)	0 (0)	0 (0)	3163 (4)
Total	42 (1)	0 (0)	841 (3)	5408 (7)	6858 (5)	7866 (3)	36725 (3)	57740 (22)

Commentary – Existing Stock

Borough Wide

4.39 VOA figures identify a total of approximately 1,221,000 sqm of existing floor space in the Borough, consisting of 1,529 hereditaments.

4.40 There is a total of 87,474 sqm of vacant floors space across the study area, equating to just under 10% of total existing stock.

4.41 In terms of hereditaments and vacant properties, these are fairly evenly split between sectors when considering the Borough as a whole. As a proportion of sectoral supply, manufacturing vacancies are lowest at around 7%. Office and warehousing vacancy levels are both approximately 12% at present.

Medway Gap (Urban)

4.42 70% of existing manufacturing and over 65% of all warehousing floor space within the Borough is located in the Medway Gap (Urban) area, reflecting the scale and nature of established industrial areas within this area. Office provision is very small by comparison, representing only 6% of floor space in the Medway Gap (Urban) area and less than ¼ of existing office space in the Borough.

4.43 The average size of hereditaments in the warehousing and in particular, manufacturing sectors is very large. This is as a result of a number of single occupiers occupying substantial amounts of space, good examples of which are those businesses connected with the paper industry. The significance of these very large occupiers tends to skew the average hereditament size for manufacturing and warehousing across the Borough as a whole.

4.44 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.

4.45 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 1000 sqm.

Kings Hill

4.46 Over 1/3 of the Borough's existing office floor space is located at Kings Hill. No vacant or occupied floor space is recorded for manufacturing or warehousing, reflecting the role of Kings Hill as a high quality campus-style business park.

4.47 Office hereditament size at Kings Hill is much larger than for any other sub-area within the Borough. This again is a reflection of the nature of development and hence, scale of office occupiers, at Kings Hill.

4.48 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 2000 sqm.

Tonbridge (Urban)

4.49 As with the Medway Gap Urban area, Tonbridge's existing floor space is biased towards the manufacturing and warehousing sectors with hereditament sizes also being larger than for offices. The difference is much less marked however than in the Medway Gap Urban area.

4.50 Tonbridge provides a little under 20% of the Borough's total floor space with the majority of supply, particularly manufacturing and warehousing, included within the industrial estates on the periphery of the town.

4.51 Vacant premises supply in Tonbridge is focussed towards manufacturing, concentrated mainly in small to medium size premises.

Other Locations

4.52 The Medway and Malling Rural areas contribute approximately 15% of total existing floor space. Hereditament sizes are generally smaller than in the urban areas or at Kings Hill although there are a number of larger warehousing occupiers in the Medway Gap rural / other area.

4.53 There is a very limited supply of vacant employment premises in the Medway Gap Rural area, with only one unit of 84 sqm identified as being vacant and available at the time of the survey.

4.54 The Malling rural area has a limited range of premises across all sectors, focussed towards the lower end of the size spectrum.

Overview of Existing and Future Provision

4.55 The following table draws together information on employment allocations and commitments, VOA data and vacant property records to provide an overall picture of current and proposed employment floor space within the Borough. Figures included for vacant allocations and commitments are net figures i.e. inclusive of proposed / pending losses of existing employment uses to other types of development.

Table 4.8 Existing and Proposed Employment Floor Space by Sector

Supply Component	Office	Manufacturing	Wholesale Distribution	Total
Existing Floor space (excl. vacant premises)	160162 m^2	500291 m^2	441260 m^2	1101713 m^2
Vacant Premises	22838	38709	57740	119287
Vacant Local Plan Allocations (Net)	93796	-464	9207	102539
Commitments (Net)	35140	41646	16415	93201
Total	311936	580182	524622	1416740

5. Existing Employment Land & Premises – Qualitative Assessment of Supply

Approach

5.1 In addition to a quantitative assessment of supply, it is important to undertake a qualitative review of sites, particularly in relation to employment allocations.

5.2 The purpose of undertaking such an assessment is to rigorously and systematically appraise all local plan employment land allocations and commitments, and also established employment areas in terms of market attractiveness and sustainability/strategic planning considerations.

5.3 Due to the largely developed nature of employment land within Tonbridge and Malling the employment areas are all shown as allocations irrespective of whether they contain commitments or not. The study therefore does not seek to review commitments in isolation from the wider employment areas in which they are located but are specifically referenced within the assessment pro-formas.

5.4 Regard has been had to good practice in setting appraisal criteria. The main criteria used to assess sites are listed below. A comprehensive list of criteria, including associated detailed indicators, is reproduced at **Appendix 4**.

Table 5.1 Qualitative Assessment Appraisal Criteria

Factor	Appraisal Criteria
Commercial (Market Attractiveness)	Quality of existing portfolio and internal environment Quality of the wider environment Strategic access Market conditions / perception of demand Ownership Physical site development constraints (undeveloped sites only)
Environmental Sustainability	Prudent use of natural resources Effective protection and enhancement of the environment
Strategic Planning	Social progress and regeneration Economic development

5.5 Results have been derived from:

- Site visits (undertaken during April 2005);
- review of reports and other available information sources; and
- discussion with local commercial agents and other consultees.

5.6 Detailed qualitative assessment results are recorded for each site on the pro-formas and are included in a separate technical appendices document at **Appendix 5**.

5.7 The qualitative assessment can enable the following main outputs:

Assessment of 'Fitness for Purpose'

5.8 As a starting point, it is possible to undertake a preliminary examination of the 'fitness for purpose' of existing employment allocations. Allocated sites which perform very poorly against commercial market considerations will unlikely contribute effectively to the existing stock of employment land without positive actions being taken.

5.9 To reveal whether sites would have been allocated today, in addition to commercial considerations, sites should be assessed against current thinking on sustainability and other strategic planning considerations.

5.10 PPG3 and more recent amendments include guidance that local planning authorities should review all non-housing allocations when reviewing their development plans and whether some of this land might be better used for housing or mixed-use development subject to meeting explicit criteria.

Site 'Scoring' and 'Ranking'

5.11 The completion of a rigorous and systematic qualitative appraisal allows allocations, commitments and established employment areas to be scored against relevant criteria.

5.12 We have provided three rating scores for each of the site's assessed, one for commercial attractiveness (market), one for Environmental sustainability and one for strategic planning considerations. The rating score system applied is outlined in the table below:

Table 5.2 Qualitative Assessment – Rating Score System

Description	Rating Score
Very Poor	1
Poor	2
Moderate	3
Good	4
Very Good	5

5.13 Sites are scored against each of the appraisal criteria included in Table 5.1 above. Separate totals identified for commercial, environmental sustainability and strategic planning/economic considerations are recorded on the qualitative appraisal pro-formas. The totals are derived for each of the three ratings by providing an average for the individual scores for each criterion.

5.14 In accordance with good practice, the scoring system used is relatively simplistic in approach. For example, it does not seek to weight scores in deriving an average. It is therefore important to read scores in conjunction with associated qualitative assessment commentary which summarises key negative and positive factors identified. The full Assessment schedules are included at **Appendix 5.**

5.15 A single amalgamated score for each site is not recorded as it is important to separate out market and sustainability/strategic planning factors. For example, although an unconstrained greenfield site may be commercially attractive to potential occupiers, it may not score highly when assessed against sustainable development considerations.

5.16 This qualitative exercise also enables sites to be categorised in terms of their importance and role within the Borough and wider area. A list categorising the role of the sites is included at the end of the qualitative assessment section.

5.17 Analysis of the employment land market, supply, demand and likely future development has revealed that, for operational purposes, the employment land market can be broadly sub-divided into the following categories:

a) ‘Strategic/Regional Employment Sites’ (SRE) – Very large sites identified to accommodate major new investment for clients with an international choice of locations.

b) ‘Best Urban’ (BU) – Good quality sites within a town boundary (UAC) suitable for local or incoming clients with an international/national/regional choice of locations. This includes those sites which do not fall within the SRE category.

c) ‘Good Urban’ (GU) – Good quality sites suitable for locally-based clients.

d) ‘Other Urban 1’ (OU1) – Moderate quality sites which perform an important function for local clients and provide a long-term opportunity.

e) ‘Other Urban 2’ (OU2) – Poor quality sites with potential for release subject to monitoring.

f) ‘Other Local’ (OL) – Other land of poor quality likely to be of interest to local clients. Provides potential for development to alternative forms of development.

5.18 The categories provide an overview of the land portfolio available in Tonbridge and Malling Borough to allow assessment against future land requirements derived from the forecast model.

5.19 The SRE land category reflects the Kings Hill strategic allocation while the remaining categories are based on interpretation of the broad land types available within the Borough.

5.20 Recommendations relating to the Borough’s existing employment portfolio are set out at Chapter 10.

Land Category Assessment Overview

5.21 Table 5.3 summarises the results of the qualitative assessments in terms of the land categories an employment area is considered to fall within.

5.22 Employment land category figures are shown for each sub-area and as the percentage of land reviewed that this represents.

5.23 For example, of the total employment land reviewed, 227.92 hectares is considered to fall within the ‘Best Urban’ category 74.4% of which is located within the Medway Gap (urban) sub-area. This represents 36.2% of the total land reviewed.

Table 5.3 Qualitative Assessment Summary

	Total Emp Land Assessed Area ha (%)	SRE	BU	GU	OU1	OU2	OL
Medway Gap (Urban)	281.39 (60.8%)	0 (0%) (0%)	167.28 (59.5%) (73.4)	69.14 (24.6%) (77.5%)	9.2 (3.2%) (100%)	10.9 (3.9%) (49.8%)	24.87 (8.8%) (45.8%)
Medway Gap Area (Rural/Other)	0 (0%)	0 (0%) (0%)	0 (0%) (0%)	0 (0%) (0%)	0 (0%) (0%)	0 (0%) (0%)	0 (0%) (0%)
Kings Hill	Circa 60 (13%)	60 (100%) (100%)	0 (0%) (0%)	0 (0%) (0%)	0 (0%) (0%)	0 (0%) (0%)	0 (0%) (0%)
Tonbridge (Urban)	72.05 (15.6%)	0 (0%) (0%)	59 (81.9%) (25.9%)	9.1 (12.6%) (10.2%)	0 (0%) (0%)	2 (2.8%) (9.1%)	1.95 (2.7%) (3.6%)
Malling Area (Rural)	49.07 (10.6%)	0 (0%) (0%)	1.64 (3.3%) (0.7%)	10.95 (22.4%) (12.3%)	0 (0%) (0%)	9 (18.3%) (41.1%)	27.48 (56%) (50.6%)
Borough Total of land by rank	462.51 (100%)	60 (12.9%)	227.92 (49.3%)	89.19 (19.3%)	9.2 (2%)	21.9 (4.7%)	54.3 (11.8%)

Note: Area in Ha

Land classification as a % of land reviewed per sub-area

% of total land within classification

5.24 Analysis of table 5.3 indicates that the majority of the Borough's employment land can be categorised as Best Urban employment land. The remaining employment land is in the main split between Good Urban, and Other Local.

5.25 Tonbridge Urban and Medway Gap Urban are best provided for in terms of Best Urban Land with 99.3% of the Borough's overall provision within this category.

Local Plan Employment Allocations

Qualitative Assessment Summaries

P5/9(r) – Laker Road, Walderslade, Map 56.

5.26 The site is located in an edge of urban location adjacent to Rochester Airport. Good bus links provide public transport however site inspection revealed that most employees likely commute by car due to the high level of parking spilling over on to Laker Road.

5.27 All but one unit were occupied as of May 2005 indicating strong demand for the Estate. Units are of a good quality providing a mix and range of sizes which is a key strategic requirement of the Development Plan for Tonbridge and Malling Borough. Screening minimises visual impact on adjacent rural areas.

5.28 Potential also exists to extend the estate onto the vacant land within Tonbridge & Malling's urban area confines subject to the development of Rochester Airport.

5.29 Access is very good to the M2.

5.30 At present there is no further development potential at this site.

5.31 Overall this is a 'Good Urban' employment site which performs an important function for locally based occupiers.

P5/9(g), P5/13(c), P5/14(e), P5/14(f) – Island Site, Aylesford, Maps 45, 12 and 16.

5.32 This is a difficult site to develop in isolation of the wider Bushey Wood Area of Opportunity. Taken as existing the site performs poorly under all three appraisal criteria, however these could improve subject to the site being brought in as part of a comprehensive development scheme for Bushey Wood.

5.33 In terms of commercial attractiveness the site is remote from local employment areas, constrained by poor access and restrictions to HGV movements through Aylesford.

5.34 The majority of the site excluding P5/13(c) is previously developed, however land surrounding the site has been allocated as Strategic Gap and to the north as a Site of Nature Conservation Importance. Flooding is also an issue which must be considered as the site is subject to flooding by virtue of the River Medway.

5.35 The Island site is not suitable for redevelopment to new employment uses in isolation of the Bushey Wood Area of Opportunity. Temporary open storage (which has extant planning permission) is the only use that would not compromise the future potential of the site to link with Bushey Wood and thus be planned comprehensively.

5.36 It is unlikely that the Bushey Wood Area of Opportunity will come forward in the short-medium term and should therefore be considered as a longer term opportunity.

5.37 Overall under the classification system this site is considered to be an 'Other Local' site (OL). However this is likely to improve in the longer term subject to Bushey Wood proposals.

P5/9(f) – Forstal Road, Aylesford, Map 44

5.38 Half of the employment area falls within Maidstone therefore the qualitative assessment considers land within Tonbridge & Malling only.

5.39 The Forstal Road employment area provides a range of industrial warehousing units, from small start-up accommodation to large high bay warehousing occupied by Safeway Distribution. The majority of the accommodation is of a good quality. The recently completed 2M Park offers further diversity in unit size and is proving popular with occupiers who require small, flexible start-up units of a good quality. A second similar phase is planned.

5.40 The estate is popular, providing accommodation which is sought after by the local market.

5.41 No vacant land is available for further development. The only way new development could come forward is through redevelopment of units as they come to the end of their economic life, however only one small area at present is likely to provide this opportunity.

5.42 The area is suitable for all B class development as currently exists on the sites. Further B2 uses would need to be assessed against their potential negative impacts on adjacent employment uses if permission is sought.

5.43 Parking will continue to be an issue unless comprehensive redevelopment is brought about or adequately planned for as sites are brought forward for renewal.

5.44 Under the classification system this site is considered to be a 'Good Urban' site (GU).

P5/9(i) – Quarry Wood / Ditton Court Quarry, Aylesford, Map 47

5.45 The site is suitable for B1c and B8 uses and depending on location within the Quarry Wood portion of the site controlled B2 uses. The site is effectively split in to two distinct areas, Quarry Wood and Priory Park.

5.46 The site enjoys good access to the strategic highway, however local issues of congestion and restrictions on HGV movements to the Priory Park element of the allocation reduce the overall score of the commercial attractiveness indicators.

5.47 Quarry Wood contains a mix of new warehousing, storage distribution, car sales and older degraded warehousing/office units to the south-east. The older degraded area has come under pressure for redevelopment to bulky-goods retail. The majority of the degraded buildings have reached the end of their economic life and are no longer generally attractive to the market being in a poor state of repair and configuration. This area could be redeveloped for employment uses and in turn improve layout, parking and landscaping to provide a higher quality aspect to the Quarry Wood portion of the employment area.

5.48 However redevelopment to intensive traffic generating uses beyond the existing development (if fully occupied) would require an additional access to the site to relieve pressure at the roundabout and the Mills Road and A20 junction. Therefore office uses would likely require provision of an addition access whereas manufacturing or storage and distribution uses would not due to the lower level of associated employees.

5.49 The cost of developing a new access is unlikely to be met through redevelopment to office uses due to the cost of site clearance, remediation etc. in addition there is not a strong office market in this location.

5.50 Priory Park is a high quality modern development providing accommodation for manufacturing, storage/distribution uses and a small element of offices. Two development plots remain for design and build offering potential for units covering a range of sizes. Complicated conditions on HGV movements may deter some potential occupiers. A recent Section 73 application has been submitted to secure some flexibility to these conditions which may improve attractiveness to occupiers.

5.51 The Council may need to consider a programme of land assembly to bring forward the redevelopment of the degraded areas of Quarry Wood to catalyse market interest in redevelopment for new employment uses. Without assistance it is unlikely that the site would be redeveloped by the private sector due to cost.

5.52 Overall under the classification system this site is considered to be a 'Best Urban' site (BU).

P5/9(j) – Barming Depot, Aylesford, Map 48

5.53 The site comprises 2.94 hectares of developed land with no capacity for infilling or redevelopment, the remaining vacant land to the east extends to approximately 1.06 hectares and is only accessible through the developed site.

5.54 Realistically the vacant land is only likely to come forward for development in connection with the established uses (owner specific and should not therefore be counted against future employment land supply targets until developed. This is reflected in the low market attractiveness score given therefore the Council should consider talking directly to the owner to establish their future requirements. This will help establish the need to allocate the vacant portion of the site.

5.55 Under the classification system this site is considered to be a 'Good Urban' site (GU).

P5/9(h) – Preston Hall Farm, Aylesford, Map 46

5.56 Preston Hall Farm can be split into two distinct parts; The Royal British Legion and the Industrial Estate fronting the M20.

5.57 The Royal British Legion consists of a 2 storey brick built office with large modern warehousing units to rear. The properties are of good quality and located within landscaped grounds. Parking and servicing is quite tight but appears sufficient to serve the buildings. No land is available for expansion.

5.58 The Industrial Estate is of a reasonable quality, containing small-medium sized manufacturing and storage premises. The smaller units are terraced and sit adjacent to an open area of land which provides external storage space. Residential properties are located along the access road. Through the study it was identified that one of the larger secure warehousing units was vacant but had only been so for a short time.

5.59 There is no vacant land available for development and it is unlikely that either employment areas will come under pressure in the short-medium term for redevelopment as all units are of modern construction. The Industrial Estate would benefit from improved parking layout and better management to improve appearance, however there are no views into the site and as such visual impacts on the wider area are minimal.

5.60 Under the classification system the site is considered to be 'Other Urban 2' (OU2).

P5/9(k) – 20/20 Industrial Estate, Aylesford, Map 49

5.61 The allocation occupies a small part of the wider 20/20 Industrial Estate. The Borough boundary dissects a large warehousing unit occupied by Tibbett and Britten Group, placing half within T&M and half within the neighbouring authority. The unit is a modern profiled steel shed with high eaves and office space extended to the front. The wider estate is of a similar quality and offers smaller units ranging between circa 5,000 Sq.Ft - 30,000 Sq.Ft.

5.62 There is no vacant developable land within the T&M portion of the site and is unlikely to come under pressure for redevelopment to alternative uses.

5.63 Under the classification system this site is considered to be a 'Good Urban' site (GU).

P5/9(e) – Millhall, Aylesford, Map 43

5.64 Millhall has already been eroded to the east by residential development which is likely to increase pressure for redevelopment to more compatible uses on the remainder of the Estate. The remaining employment uses comprise bad neighbour B2 uses including a scrap yard and bus depot, starter industrial warehousing units occupy the rest. It is our understanding that the bad neighbour uses are in the process of relocating from the site.

5.65 Internal configuration is poor with intensively developed land area giving rise to informal parking further compromising traffic movements. The overall appearance is poor with minimal landscaping; discounting the starter units closest to New Hythe which are of a reasonable quality. Access to and from the site is restricted by a railway crossing which can cause queuing on Station Road.

5.66 The B2 uses have a negative impact on land to the north including the Grade 1 listed Friars.

5.67 In respect of the small manufacturing/warehousing units there is limited provision of such accommodation with relatively cheaper rents, serving the lower-end of the market within the Medway Gap (urban) area. Accordingly the site does perform an important market function by providing space for businesses at an affordable and flexible rental level, however the site is of a very poor quality performing badly under access and environmental impact indicators.

5.68 Release of the land for alternative uses could be considered. Recent activity at New Hythe has show smaller units are now comingh to the market and therefore these new premises could provide alternative accommodation for existing occupiers. However the comparable rents and the ability of the lower-end of the market needs to be taken into consideration as they are unlikely to be able to afford a step-change in rental levels.

5.69 Should the site be lost then provision needs to be in place to accommodate the dispersed businesses otherwise there is a risk that they will close altogether or seek to relocate outside of the Borough.

5.70 Under the classification system this site is considered to be an 'Other Local' site (OL).

P5/9(q), P5/15(c) – Land West and North of Woodgate Way, Tonbridge, Map 55

5.71 The site is not being used efficiently as a large portion has been vacant for a long time and buildings have fallen into disrepair.

5.72 Strategically the site is well located adjacent to the A26 and bus links to the town centre. However access may be constrained through ownership of the bridge on Five Oak Green Road which requires upgrading before redevelopment or intensification of uses can be undertaken.

5.73 Subject to a process of land assembly which could help resolve access issues the site could be comprehensively redeveloped to provide a high quality B1c, B2 led development scheme to provide a range of flexible units. This would help meet local market demand within Tonbridge which at present cannot be met on Tonbridge Industrial Estate due to its intensively developed nature.

5.74 Without the inclusion of the adjacent allocation P5/15(c) it is unlikely that the bridge constraints will be removed as the owners of this allocation also own the bridge and there is unlikely to be sufficient incentive for this them to upgrade the bridge if their land is not included for development.

5.75 If the whole site was cleared then a phased scheme could be brought forward under a joint venture or development agreement starting with land to the east of the previously developed site and then through to the greenfield site as a future expansion phase.

5.76 Without demolition/redevelopment on a comprehensive basis there is limited potential to intensify employment development due to market perception and also the need to upgrade the bridge.

5.77 Under the classification system this site is considered to be a 'Good Urban' site (GU).

P5/12(j) – Land East of Drayton Road, Tonbridge.

5.78 The site scores well under all three indicators. In terms of market attractiveness the employment area is fully occupied and provides accommodation for a range of small to medium businesses. Although the internal layout and road condition is not of a good quality the buildings and general upkeep of the estate is good.

5.79 The main negative issues are proximity to residential uses and the impact this causes through traffic movements, noise and to an extent visual amenity. In addition access is of a poor standard and is in conflict with the residential street of Lavender Hill which is characterised by intensive on street parking to both sides making navigation difficult for larger vehicles.

5.80 In favour of the site is its close proximity to a range of public transport options and also to Tonbridge town centre. It also provides a buffer to the adjacent railway and is likely to provide a degree of noise attenuation for the residential properties to the west. The site is also well screened from the road by virtue of the residential properties running adjacent to the north, south and west boundaries.

5.81 The site is well used and its loss would have a direct impact on a variety of local business which would need to be relocated, most likely within Tonbridge, if this is not possible then there is a risk that these businesses would be forced out of the Borough or close altogether.

5.82 Under the classification system this site is considered to be 'Other Urban 2' (OU2) due to its attractiveness to local occupiers only and identified local access constraints.

P5/12(n), P5/12(f) – Land off Priory and Strawberry Vale Road, Tonbridge.

5.83 Both sites are constrained by poor local access along narrow residential roads and through height restrictions on both railway bridges. The surrounding area is predominantly residential and separated from the main Tonbridge Industrial Estate by the railway line.

5.84 In environmental sustainability terms the sites are located within a sustainable urban location but are of a poor quality and impact negatively on the adjacent residential uses. They do not contribution towards an attractive urban environment and do not provide a buffer to the railway line. Should the sites become available for redevelopment then there is unlikely to be strong demand for redevelopment to employment uses.

5.85 The loss of these sites to residential uses would have a minimal impact on employment land provision within Tonbridge and would also allow for improvement of the local environment.

5.86 Under the classification system this site is considered to be 'Other Local' (OL)

P5/9(p) – Tonbridge Industrial Estate, Tonbridge, Map 54

5.87 Tonbridge Industrial Estate is characterised by light industrial and storage distribution units from small start-up premises for micro businesses through to warehousing with large ancillary office areas. The general quality of the estate is good but informal parking which affects circulation is evident throughout.

5.88 There is a limited number of vacant properties but the level appears low for an employment area of this size. The vacant units are generally of a reasonable quality with 5 of the 7 available industrial units below 1,000 Sqm and all 7 available storage and distribution premises below 2,000 Sqm.

5.89 The estate is fully developed except for two vacant areas which total 3.01 hectares. The first vacant plot is an area of grass scrubland to the rear of Postern Industrial Estate which is likely to be constrained due to access arrangements which will need to be taken through Postern Industrial Estate**,** however the Council are aware of recent interest in the site for development of small industrial warehousing units but an application has not yet been received. The second plot is the Old Colas site which has been partially remediated but is not currently being marketed.

5.90 Overall the estate is in a good location adjacent to the town centre and provides a mix of accommodation. The Strategic Planning score has been marked down slightly due to the predominate uses being manufacturing and storage/distribution when strategic objectives seek to diversify the economic base toward employment in services. There is however recent evidence of small redevelopment of older premises to more flexible office and manufacturing workspace.

5.91 Due to the generally good quality of buildings, tightly developed fabric of all estates within the wider Tonbridge Industrial Estate and the clearly defined employment area it would be prudent to safeguard the area to ensure continued recycling/redevelopment of sites to employment uses (see chapter 11 for forecast results and related commentary). There is very limited scope for infilling and through qualitative assessment only the two identified vacant sites offer any real development potential in the short to medium term.

5.92 Alternative uses should be resisted to avoid the erosion of the estate, in particular the two vacant land areas represent the only vacant land within the estate and more importantly only one other site exists in the local area (Woodgate Way).

5.93 Under the classification system this employment area is considered to be 'Best Urban' (BU).

Isles Quarry, Borough Green

5.94 Quarrying ceased at Isles Quarry a long time ago and two B2 operations have since continued at the site. These are both bad neighbour uses and as such are reasonably well placed in this location in terms of minimising negative impacts on sensitive land uses i.e. residential.

5.95 It is understood that the existing occupiers enjoy use of the private road to the A25, additional employment uses could also access the strategic highway via this road.

5.96 If the existing private road is brought up to adoptable standards this would improve the situation considerably by providing direct access to the proposed by-pass at the roundabout with the A25. The landowner will only consider upgrading of the private road subject to higher value uses being brought forward in this location, primarily residential and as such employment uses are unlikely to be developed.

5.97 The location is unsuitable for office premises being out of centre and removed from the urban area confines of Borough Green. Manufacturing and Storage and distribution uses may locate here but as revealed through the market assessment Borough Green is in equilibrium with little demand for further employment uses and therefore development may be slow to come forward if at all.

5.98 Development for employment uses would also give rise to further impacts on the rural environment and strategic landscape designations which wash over the site. In addition it is unlikely that B1c, B2 and B8 uses would provide sufficient returns to improve the area as required under the adopted local plan.

5.99 Overall the site is not attractive to the market and significant impacts on the local environment would arise if developed further. The site has therefore been classed as 'Other Local' (OL).

P6/17(a) – Platt Industrial Estate, Platt, Borough Green, Map 57

5.100 Historic employment site washed over by Green Belt designation which performs poorly under all three qualitative assessment criteria. Generally older warehousing units of a large scale and in a degraded state, some newer (1970's/80's) terrace units. A number of vacancies, some of which have been on the market for 16 months.

5.101 The site suffers from poor access and internal layout which is congested and subject to informal parking.

5.102 There is one remaining plot of developable land which has fallen into a poor state being subject to dumping of rubbish, some which looked on inspection to have potential for contamination.

5.103 It is unlikely that developers would seek to promote further employment uses at this site due to restrictive Green Belt designation, poor image and poor access/internal layout. Although the site is a major developed site within the Green Belt it has not been identified as such through the adopted local plan, as such the provisions of PPG2 Annex c do not apply at present. If the site was identified under the emerging LDF as a major developed site within the Greenbelt development potential would be less constrained.

5.104 A number of units have been vacant for a long time and are at the end of their economic life. Comprehensive redevelopment of the site could remove a lot of the negative issues including impact on landscape and parking problems, however access constraints would remain.

5.105 Demand is limited due to distance from Borough Green centre which again reduces attractiveness.

5.106 Under the classification system this site is considered to be 'Other Urban 2' (OU2).

P6/17(b) – Long Pond Works, Borough Green, Map 58

5.107 Long Pond Works is reasonably well located in terms of access to the strategic highway and sustainable travel options.

5.108 The location has significant negative impacts on the surrounding landscape as the buildings are of a very poor quality and are obtrusive in what is otherwise a rural setting. In addition the land is not within Borough Green urban area confines.

5.109 No development potential remains, the vacant land identified in the Employment Land Monitor is in use for storage of plant and machinery. From inspection the buildings looked to be nearing the end of their useful life.

5.110 Due to the prominence of the site within the local landscape and the poor results through the qualitative assessments, should the works become vacant the Council should consider the redevelopment of the site for less intrusive uses (potentially small scale residential).

5.111 Under the classification system this site is considered to be 'Other Urban 2' (OU2).

P5/9(n) – North of Fairfield, Borough Green, Map 52

5.112 Single office block which scores well under all qualitative assessment criteria.

5.113 The property is well located in terms of access to the town centre and sustainable travel choices and provides employment within the service sector which is a strategic objective.

5.114 There is no further development potential on the site. New building which is fully occupied.

5.115 Should the premises be vacated there is likely to be pressure to redevelop for residential uses due to the town centre location and surrounding residential uses. It may also be difficult to find a single occupier for an office of this size within Borough Green.

5.116 This is a good employment site that provides diversity to the range of employment available within Borough Green and should therefore be protected.

5.117 Under the classification system this site is considered to be 'Best Urban' (BU).

P5/9(o) – Bourne Enterprise Centre, Borough Green, Map 53

5.118 Enterprise Centre which scores well under all qualitative assessment criteria.

5.119 The site is well located in terms of access to the town centre and sustainable travel choices and provides local employment opportunities within a rural location. The units are of a good quality and provide flexible space for a range of B1c and B8 uses.

5.120 There is no further development potential on the site. With the exception of one unit which is being actively marketed the centre is fully occupied. There is unlikely to be pressure to redevelop for alternative uses.

5.121 Under the classification system this site is considered to be 'Good Urban' (GU).

P5/9(m) – North of Station Approach, Borough Green, Map 51

5.122 Fully developed site with no vacant land remaining for further development. Excellent town centre location adjacent to railway station provides good quality, modern small-scale office accommodation with sufficient secure parking. Attractive to local occupiers and to a degree national occupiers looking for small units which are not necessarily in areas which command a premium.

5.123 No impacts on environmental resources and provides a diversity of employment opportunities within a rural location. Type of employment provided, jobs within service sector, are a key target of development plan objectives.

5.124 Under the classification system this site is considered to be 'Best Urban' (BU).

P2/2(a) – Kings Hill Policy Area, West Malling, Map 5

5.125 Strategic employment site of significance to employment provision beyond Tonbridge & Malling Borough, providing high quality head office accommodation and an element of space for business enterprise.

5.126 Attractive environment primarily of interest to major national and international occupiers, limited appeal to local occupiers who are better served in main urban areas of Tonbridge and to a limited degree Aylesford. The market for this type and size of property (design & build) is limited. A review of recent completions and transactions including vacant property indicates a cooling of demand for such large scale office units. However demand still exists but at a lesser level than previously and speculative development is now being brought to the market to attract new occupiers

5.127 There is sufficient allocated land to provide development over the Employment Land Study period to 2016 and beyond when taking into account forecast requirements and the review of market demand.

5.128 The site scores less well on environmental indicators due to lack of sustainable transport options beyond local bus services. However further residential development is planned including a higher level of affordable units which could provide additional work force for a range of jobs on-site. However evidence does suggest that most people travel to Kings Hill by car and this gives rise to significant congestion issues at peak travel times. New village centre to development helps improve offer of site and thus improves the environmental score.

5.129 As a strategic allocation Kings Hill is providing major office development to further diversify the local economy and secure future employment provision in the Borough should manufacturing experience on-going decline (this is only limited under the forecast model). Sustainability indicators will also improve as the whole site develops further in addition to the development of the proposed park and ride facility at West Malling Rail Station.

5.130 As part of the next phase of employment development the Council could consider encouraging diversity in the range of premises available to allow those local businesses within T&M which are expanding to take 'more affordable' property at Kings Hill thus fostering local economic growth and contributing to a balanced employment land portfolio.

5.131 Under the classification system this site is considered to be a 'Strategic/Regional Employment Site' (SRE).

P5/9(l) – Branbridges, East Peckham Map 50

5.132 Established employment area comprising a good range of unit sizes predominantly in manufacturing and storage/distribution uses. Generally units are of modern construction.

5.133 Serves a local market only but is well-used and in the main properly managed.

5.134 One small vacant parcel of land exists for development adjacent to the recently completed service station (P5/15(d) (discussed under following qualitative assessment). This would be attractive to occupiers particularly storage and distribution operators and would not give rise to significant impacts on surrounding landscape if design issues are controlled appropriately.

5.135 Only one area is in a degraded state and is now used for car sales and open storage, it is likely that this area will come under increasing pressure for development to alternative uses. Redevelopment would allow poor access and parking arrangements to be addressed.

5.136 Overall the site is a good employment area, being well located in respect of the strategic highway network, resident labour force and sustainable travel options.

5.137 Branbridges is considered to be a 'Good Urban' employment area (GU).

P5/15(d) – Land East of Branbridges Road, East Peckham, Map 42

5.138 Well located employment allocation which benefits from the majority of the positive points raised in assessment of the wider Branbridges employment area. However potential complicated access through site P7/10, potential impacts on views from the north and major constraints associated with developing in a flood plain reduce the scores under all three indicators.

5.139 Branbridges is not attractive to the office market due to existing development being dominated by industrial and storage/distribution uses. It is therefore unlikely that employment uses could be brought forward which provide sufficient value to offset costs of flooding mitigation measures required to bring the site forward for development.

5.140 The site is considered to be 'Other Local' (OL).

P5/14(b) – River Meander Paper Stacks, Snodland, Map 13

5.141 The site extends to approximately 4.8 hectares and is in ongoing use for the storage of paper in connection with the adjacent Smurfit Townsend Hook operation.

5.142 Realistically the land is only likely to come forward for development in connection with Townsend (owner specific) and should therefore not be counted against future employment land supply targets until developed, therefore the site has been given a low Commercial Attractiveness and Strategic Planning Score.

5.143 In terms of environmental impacts the site is well placed in relation to sustainable travel options and Snodland Town Centre. Impacts on the wider environmental quality of the area should the site be developed could be significant given its prominent location. In addition the meander is subject to tidal flooding.

5.144 Under the classification system this site is considered to be 'Other Urban 2' (OU2).

P5/9(b) – Land East of the By-Pass, Snodland, Map 40

5.145 Land East of the Bypass can be split into two distinct areas, the Townsend site to the east of the railway and the newer employment area to the west.

5.146 It is best to consider both areas separately. The Townsend site is in single occupation with a range of buildings purpose built for the existing occupier. The majority of the buildings are in a degraded state, however newer warehousing has been constructed to the south-east rear.

5.147 There is no further development potential except for owner specific requirements which may include the redevelopment of degraded premises as and when the need arises. Should Townsend vacate the site it is unlikely that a new occupier could be found. Pressure for redevelopment to alternative higher value uses, primarily residential, would be high as employment uses would unlikely be economically viable when remediation costs have been taken in to account.

5.148 Land to the west of the railway has recently undergone a process of reclamation and development which also included the redevelopment of degraded properties. The area consists of good quality storage and distribution facilities, manufacturing and a small office element occupied by the Royal Mail. Landscaping is minimal but of a good quality and well maintained, in addition parking is not a problem as all sites are secure with associated parking areas and yards contained. The only degraded building remaining is the former Royal Mail sorting office which consists of buildings and open storage which have come to the end of their economic life. Redevelopment would be required to improve the appearance and layout of this part of the estate.

5.149 Overall land to the west of the railway is of a good quality and attractive to the market, particularly manufacturing and storage/distribution uses.

5.150 Under the classification system this site is considered to be 'Good Urban' (GU).

P5/9(a) – Holborough, Snodland, Map 39

5.151 This is an important site as it provides a gateway to Snodland. The recently developed Christian Salvesen and Bobby's Foods premises are modern and well built but poor in aesthetic value with no landscaping to soften appearance, other than secure fencing. The remaining vacant land could provide potential for key gateway buildings, ideally quality office premises, however it is unlikely that the market would bring forward office development as this is not historically an office location, B8 uses in this location enjoy strongest demand.

5.152 The site has good strategic links and is reasonably well placed in relation to local facilities and sustainable travel choices.

5.153 Negative visual impacts on the adjacent rural landscape must be given due consideration for any form of development brought forward.

5.154 At present the proposals for the Lafarge Cement Works and predominantly the associated rail link may reduce interest in the site in the short-medium term until constructed. The shape of the plot is also irregular, being long and narrow which is unlikely to be attractive to occupiers seeking to develop modern spec high-bay warehousing.

5.155 In the short-medium term it is unlikely that the site will be attractive to the market due to the safeguarded land for the railway link. Once this has been developed there will be a better idea of how the land can be developed and thus the qualitative score will increase. Therefore in the short-medium term the site has been scored as below but should be retained as a long-term employment site.

5.156 At present under the classification system the site is considered to be ‘Other Urban 1’ (OU1).

P5/13(b), P5/9(c) –Land West of Ham Hill and Ham Hill Sandpits, Sand Pit, Snodland, Maps 11 and 41

5.157 The Tesco distribution unit is of good quality modern construction located on a secure site with surrounding landscaping. Parking is a major issue with informal parking along the only access road which conflicts with HGV movements to and from the Tarmac site. There is no room for Tesco to expand to remedy parking issue.

5.158 The Tarmac site is of a poor quality consisting of temporary portacabins which are in a degraded state, a small area with terraced storage units, an aggregate processing facility to the west of Tesco and the remainder in use for open storage of aggregate and plant/machinery. There is evidence of contamination throughout.

5.159 The employment land monitor identified land to the rear of the Tarmac site as having potential for development, however Tarmac are now using this area for storage of aggregate and control access through a HGV damping machine to contain dust.

5.160 There is no further potential for development unless Tarmac cease to occupy the rear of Sandpits. Should this happen demand B8 uses is strongest in this location, but B1c and B2 uses would also be appropriate due to depth of quarry which restricts visual impacts on wider environment. B2 uses should be subject to conditions restricting noise and emissions so as to control potential negative impacts on adjacent residential uses.

5.161 Under the classification system the site is considered to be ‘good urban’ (GU).

P5/9(d) – New Hythe Area, Larkfield, Map 42

5.162 New Hythe is an important employment area for Tonbridge & Malling Borough. It provides a mix of medium - large scale warehousing and manufacturing premises with excellent access to the strategic highway. SCA and Aylesford Newsprint occupy the majority of land to the east for B2 industrial uses. Moving towards the residential areas to the west, land is predominantly in B1c and B8 use, the former Frantschach site (B2 use) immediately adjacent to residential dwellings has been vacant for a number of years.

5.163 The estate is disparate in character with distinct areas secured by occupiers through fencing and gated accesses. General appearance is reasonable with some areas of good quality premises throughout. Overall the employment area would benefit from comprehensive management to improve upkeep, landscaping and quality of access routes. Open storage would also benefit from better screening, including soft landscaping to improve character.

5.164 Recent evidence of market activity including the new Magnitude high bay warehousing to rear north-east and application for 17 No. industrial warehousing units on vacant land at P5/9(diii). No office market activity on site as most office functions are ancillary to manufacturing and warehousing.

5.165 Several vacancies throughout including a number of large warehousing premises, however the largest, Frantschach, is very degraded and as such an occupier is unlikely to be secured. Frantschach is also currently subject of an appeal for redevelopment to residential use.

5.166 The three vacant plots and vacant Frantschach site offer the only real developable land and land ripe for redevelopment in the Medway Gap (urban) area. The vacant plots are of a size and shape that allow good flexibility, and potentially could allow for replacement of premises at Millhall subject to cost of land and ability of Millhall occupiers to afford new premises.

5.167 Frantschach site could be redeveloped for a range of B class uses (manufacturing and storage distribution most in demand). However a suitable buffer to the adjacent residential development in the form would decrease the potential for conflict and also improve the entrance to the employment area. Office uses would provide the most acceptable form of development to provide a buffer, these could be in the form of ancillary office space to a larger redevelopment for manufacturing and/or storage and distribution. Should office uses of the scale required to form an appropriate buffer not come forward, the Council could seek to implement conditions on uses or as part of a Masterplan to provide suitable restrictions to land immediately adjacent the residential uses, thus mitigating any potential negative externalities i.e. noise, hours of operation, odour.

5.168 The existing boundaries to the estate are important and should be retained to avoid encroachment by alternative uses which would erode the ability of the site to house a good range of uses, specifically B2.

5.169 Under the classification system the site is considered to be 'Best Urban' (BU).

5.170 Table 5.4 provides a summary of the sites, including scoring, classification and total site area assessed in hectares.

Table 5.4 Qualitative Assessment Scores and Ranking

Allocation	Commercial	Sustainable	Strategic	Rank	Site area (ha)
P5/9(r)	4	3	3	Good Urban	4.67
P5/9 (g), P5/13(c), P5/14(e), P5/14(f)	1	1/2	1	Other Local	17.27
P5/9(f)	3/4	3	3/4	Good Urban	19.96
P5/9(i)	3/4	4/5	4	Best Urban	36.8
P5/9(j)	2	2/3	1/2	Good Urban	4.00
P5/9(k)	3/4	3	3	Good Urban	5.28
P5/9(q), P5/15(c)	1/2	3	3/4	Good Urban	9.1
P5/9(e)	1/2	2/3	2	Other Local	7.6
P3/10(b)Isles Quarry	2	3	2	Other Local	26.2
P6/17(a)	1	1/2	1/2	Other Urban 2	8
P6/17(b)	1	2	1	Other Urban 2	1
P5/9(n)	4	5	4	Best Urban	1.04
P5/9(o)	4/5	4/5	4	Good Urban	1.40
P5/9(m)	4/5	5	4/5	Best Urban	0.6
P2/2(a)	4/5	3/4	5	Strategic Regional Employment	60

P5/9(l)	4	4	3	Good Urban	9.55
P5/15(d)	2/3	2	2/3	Other Local	1.28
P5/9(p)	4	4/5	3/4	Best Urban	59
P5/9(d) + (di-iii)	3	3/4	3	Best Urban	130.48
P5/14(b)	1	3/4	1	Other Urban 2	4.8
P5/9(b)	3/4	4	3	Good Urban	18.63
P5/9(a)	3	2/3	1/2	Other Urban 1	9.2
P5/13(b), P5/9(c)	2	2/3	2	Good Urban	16.6
P5/9(h)	2	3	1/2	Other Urban 2	6.1
P5/12(n), P5/12(f))	3	2	2	Other Local	1.95
P5/12(j)	3/4	4	4/5	Other Urban 2	2

5.171 Table 5.5 below provides a complete overview of the qualitative review. Information is provided on the types of uses appropriate for development at each site assessed, likely timescales for vacant land to be brought forward and also the amount of years supply this is likely to represent in the light of past completion rates for identified employment uses by sub-area.

5.172 Table 10.3 sets out the same information but with those sites discounted which do not offer any vacant developable land or sites which perform very poorly under the qualitative assessment and are recommended for release to alternative uses.

Sub Area	Allocation	Total Area Assessed	Rank	Dev. Timeframe (years)	Area Available for Dev.	Office B1a/b	Manufacturing B1c/B2	Warehousing Distribution B8	Appropriate Alternative Uses	Years Supply (1-3, 3-5, 5+)	Comments
Medway Gap (Urban)	P5/9(r)	4.67	GU	No DP	0	b	b	b	N/A	0	All land developed/in use no potential for expansion.
Medway Gap (Urban)	P5/9(f)	19.96	GU	No DP	0	b	b	b	N/A	0	Al land developed. Very limited potential for expansion or for redevelopment (small area of older degraded units offer only potential for redevelopment)
Medway Gap (Urban)	P5/9(i)	36.8	BU	Priory Park 1-3	3.47	1,985	6,240	7,800	N/A	1-3	Excludes potential redevelopment area which is currently subject of pressure for alternative uses. Includes 0.8 ha with pp for approximately 3,084 Manufacturing
Medway Gap (Urban)	P5/9(j)	4.00	GU	OS	1.06	b	3,100	600	N/A	1-3	Owner Specific land. Should only be counted against future supply if developed
Medway Gap (Urban)	P5/9(k)	5.28	GU	No DP	0	b	b	b	N/A	0	All land developed. No potential for expansion
Medway Gap (Urban)	P5/9(e)	7.6	OL	No DP	0	r	b	b	Residential	0	Poor quality employment area, Proposal for redevelopment of 7.6ha to alternative uses
Medway Gap (Urban)	P5/9(d) + (di-diii)	130.48	BU	Vacant Land (dii + diii) 1-3 OS (di)	5.04 4.57	3,280 1,648	9,221 6,833	6,617 7,381	N/A	5+	Smaller units likely to come forward on these two vacant area within the New Hythe allocation. Owner Specific land. Should only be counted against future supply if developed Degraded Frantschach site could provide opportunity for redevelopment (5.6 ha) not included in this table
Medway Gap (Urban)	P5/14(b)	4.80	OU2	OS	0	r	r	b	N/A	0	Owner Specific land. Should only be counted against future

											supply if developed
Medway Gap (Urban)	P5/9(b)	18.63	GU	No DP	0	b	b	b	N/A	0	Degraded Royal Mail Depot could be redeveloped subject to letting – excluded from figures
Medway Gap (Urban)	P5/9(a)	9.20	OU1	5+	7.72	b	6,450	1,174	N/A	1-3	PP on remaining 7.72ha. Offices unlikely to come forward in this location.
Medway Gap (Urban)	P5/13(b), P5/9(c)	16.6	GU	No DP	0	r	b	b	N/A	0	All land in use, only potential if land vacated by Tarmac
Medway Gap (Urban)	P5/9(h)	6.10	OU2	No DP	0	b	b	b	Residential	0	All developed and in use. No potential for extension.
Medway Gap (Urban)	P5/15(e)	0.28	-	-	0.28	500	500	-		-	Not included as part of study
Medway Gap (Urban)	P5/9 (g), P5/13(c), P5/14(e), P5/14(f)	17.27	OL	Post Plan Period	2.75	r	5,100	400	Uses subject to BW proposals	N/A	Post Plan period and subject to Bushey Wood Proposals (potential floorspace figures not to be included in final availability total). 2.75 developable has extant temporary planning permission for open storage
Kings Hill	P2/2(a)	262.00	SRE	1-3, 3-5, 5+	40.41	121,000	r	r	N/A	5+	
Tonbridge (Urban)	P5/9(q), P5/15(c)	9.1	GU	5+ -	1.71 (N WW) 1.76 (W WW)	610 875	3,660 3,100	1,830 3,900	N/A	5 + -	Larger supply if area is comprehensively redeveloped Access constraints. Requires comprehensive redevelopment to be available
Tonbridge (Urban)	P5/9(p)	59.00	BU	Postern Way 1-3 Old Colas 3-5	1.32 1.71	b b	4,558 5,847	768 993	N/A	5 years	Two sites, Old Colas site likely to take longer to come forward than land to rear of Postern Industrial Estate
Tonbridge (Urban)	P5/12(n), P5/12(f)	1.95	OL	No DP	0	r	r	r	Residential	0	Consider removal under qualitative assessments as performs poorly under environmental, access and

											market criteria.
Tonbridge (Urban)	P5/12(j)	2	OU2	No DP	0	r	b	b	Residential	0	Fully developed with no potential for expansion. B1c uses only, B2 would likely give rise to unacceptable conflicts with residential areas unless appropriately conditioned
Tonbridge (Urban)	P5/15(e + g)	3.04	-	-	3.04	-	-	-		-	Current car park use – Not assessed as part of study as part of town centre Masterplan study
Malling (Rural)	Isles Quarry	26.2	OL	Post Plan Period	0	r	r	r	Residential	0	Limited potential for employment uses at present
Malling (Rural)	P6/17(a)	8.00	OU2	1-3 Limited Demand	1.55	r	b	7,500		5+	Limited demand due to poor quality estate
Malling (Rural)	P6/17(b)	1.00	OU2	No DP	0.37	r	r	r	Small-scale residential	0	Vacant area in use for storage of plant and machinery
Malling (Rural)	P5/9(n)	1.04	BU	No DP	0	b	r	r	N/A	0	Potentially at risk from alternative uses (Resi). B1c/B2 & B8 inappropriate due to access constraints
Malling (Rural)	P5/9(o)	1.40	GU	No DP	0	b	b	b	N/A	0	All land developed/in use no potential for expansion
Malling (Rural)	P5/9(m)	0.60	BU	No DP	0	b	r	r	N/A	0	All land developed/in use no potential for expansion
Malling (Rural)	P5/9(l)	9.55	GU	1-3	0.6	b	2,100	b	N/A	1-3	Small plot remaining after construction of services
Malling (Rural)	P5/15(d)	1.28	OL	No DP	1.28	b	4,100	b	N/A	0	Recommending removal due to flood constraints and difficult access

6. Overview of Market Trends and Demand

6.1 Previous chapters deal with the quantitative and qualitative supply of employment land and premises. This section provides an overview of market trends and likely future demand by location, sector and scale. Taken together with the forecasts and business survey in the following sections, this will provide an indication of the scale and nature of demand for employment land.

6.2 The overview of market trends included in this section is based on the following:

- Discussions with local commercial agents including enquiries and general view of market;
- Review of existing reports and strategies to provide a picture of local and more general external factors which will impact upon the existing and future market;
- Interrogation of databases EGi, FOCUS etc;
- Discussions with other consultees (e.g. RPB) and views of local businesses; and
- Review of trends over time i.e. completion rates, net employment gains and losses to/from residential and other uses, schemes in the pipeline, and rental levels. Details of gross completion rates in Tonbridge and Malling Borough between 2000 and 2004 are included at **Appendix 6**.

6.3 Normal reporting convention when discussing property is to provide all figures as metric with imperial figures following in brackets. In the other sections of this report we have adopted the metric system only.

6.4 Market practice is however to operate the imperial system, with agents and surveyors quoting, letting and selling space on a price per sq ft basis. The only property sector that operates using metric measurements is Rating, driven by the Valuation Office Agency use of sq m. To conform with the rest of this report, we will put metric figures first, with equivalent imperial figures in brackets thereafter.

MEDWAY GAP URBAN - General Market Overview

6.5 The employment property market in the Medway Gap Urban region 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 and is generally separated from residential property in the region, creating identifiable micro-markets.

6.6 The locations are characterised by a high proportion of industrial manufacturing and storage and distribution space with comparatively little office space.

6.7 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.

6.8 Size of property in the Medway Gap Urban region 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: the Tesco and Safeway distribution centres and Aylesford Paper Mills are good examples.

6.9 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.

Offices

Supply

6.10 There is very little vacant existing office space in the Medway Gap Urban area, and what is available is to let on a flexible lease pattern with licences being common and easy-in-easy-out accommodation at all-in rentals. There are no freehold premises available.

6.11 Generally vacant accommodation is in small lot sizes; the largest available space is Shannon House on Coldharbour Lane in Aylesford at 521 sq m (5,600 sq ft), but even this is available on sub-leases so the accommodation is likely to be split into smaller suites. In total, we found only 848 sq m (9,132 sq ft) of vacant space in five existing premises.

6.12 Between 2000 and 2004, around 3,492 sq m (37,500 sq ft) of office space was completed, with an annual average of 873 sq m (9,400 sq ft). The current vacant existing space then is roughly equivalent to one years supply on recent build trends.

6.13 The average size of the completions over that period was only 318 sq m (3,400 sq ft), relatively small in office terms and only suitable for firms (or regional offices) with up to around 30 employees.

6.14 By contrast the figure under construction in 2004 was 1,293 sq m (13,900 sq ft), an increase of almost 50% over the previous four years annual supply, but still a comparatively low figure in overall terms.

6.15 With regard to potential space, there were extant planning permissions in this area in 2004 for 3,678 sq m (almost 40,000 sq ft) of B1 office space that was not started: almost three times the construction rate of 2004.

Demand

6.16 There are few identifiable key office locations in Medway Gap Urban area. Industrial occupiers tend to have office content within their operational space so they generate little demand for additional office premises.

6.17 Within the Borough any enquiries for modern larger higher specification premises are directed towards the Kings Hill area, the prominent business park location in the Borough, and not towards the Medway Gap Urban area which is seen as much more industrial and not a suitable quality environment for large office premises. Demand for office premises in the Medway Gap Urban area, and therefore take-up, is limited to much smaller premises.

6.18 Agents report demand for small units is steady at a low 'tickover' level. Enquiries range across a wide spectrum of occupiers so there are no particular identifiable sectors from which demand emanates most.

6.19 It is mostly small local businesses that occupy premises in the Medway Gap Urban area. Quality of building does impact upon letting times, as is found in more general office markets, with poor quality premises suffering against better quality, although price sensitivity also comes into the equation. From our inspections in the area a general observation is that occupied stock comprises high proportions of converted space and accommodation over shops.

6.20 Demand and supply are roughly in equilibrium at present, with sufficient vacant space to offer flexibility. Shannon House is being offered on sub-leases on flexible terms because the agents consider it unlikely a single occupier will be found.

6.21

Manufacturing and Industrial

Supply

6.22 In terms of existing built property, there is a huge amount of space in the Medway Gap Urban Area, comprising the Aylesford, New Hythe and Snodland areas which are heavily skewed towards employment uses and particularly B2 and B8 uses.

6.23 With regard to vacant manufacturing and industrial property, we calculate a total 21,525 sq m (231,700 sq ft) currently vacant, split between the four main areas as follows:

Table 6.1 Vacant Manufacturing/Industrial Premises by Main Employment Area – Medway Gap (Urban)

Area	Vacant Sq m	Vacant Sq ft	% of vacant property
Aylesford	4,383	47,181	20.4%
Ditton	8,658	93,195	40.2%
Snodland	3,386	36,445	15.7%
Larkfield North	5,098	54,880	23.7%
Total	21,526	231,701	100.0%

6.24 The breakdown shows a good proportion of availability in Ditton on the New Hythe Estate.

6.25 The aggregate is provided in unit sizes ranging from around 993 sq m to 5,110 sq m (1,000-55,000 sq ft) enabling a whole variety of occupiers to be accommodated.

6.26 Quality varies but on the whole is reasonable. The lowest eaves height is 18' (units on the Quarry Wood estate).

6.27 Two of the properties are available freehold.

6.28 Completions in 2000-2004 totalled 36,686 sq m (395,000 sq ft), by far and away the highest figure in the five sub-areas of this survey and accounting for almost 78% of construction activity in the Borough over that period. The year on year average was 9,172 sq m (98,800 sq ft) during that period, comprising 23 properties in total.

6.29 A further 28,368 (305,240 sq ft) was under construction during 2004, almost exclusively comprising B2 space. This was an 80% increase on the previous four years and is the only one of the five markets where B2 was under construction last year. 95.6% of all construction activity in 2004 in the industrial sector was in the Medway Gap Urban area.

6.30 Extant planning permissions in the area would add a further 17,892 sq m (192,518 sq ft) to supply.

6.31 Using manufacturing as the classification, the breakdown of potential employment (gross) land supply in the Medway Gap Urban area totals some 55,981 sq m (602,356 sq ft). This is around twice the construction of 2004.

Demand

6.32 This emanates from a number of sectors: occupiers on the various Estates include Safeway, Tesco, SCA, Aylesford Newsprint, Christian Salvesen, Tarmac, Townshend, Comet Home Delivery, Kent Frozen Foods, the British Legion, and Booker.

6.33 There are a number of old manufacturing properties that will have very limited demand in their current form, being of poor quality buildings and in tortuous configurations, that would need redevelopment before serious demand could be attracted.

6.34 Smaller premises have been refurbished over time and a number of the estates appear in generally good quality, thereby attracting tenants who do not want to carry out estate maintenance.

6.35 There is potential for some demand for units up to 1,000 sqm (10,000 sq ft) to be met from the break-up of large older units if single occupiers cannot be found. This would allow vacant land to be developed by inward investors or indigenous companies looking to develop modern manufacturing premises.

Storage and Distribution

Supply

6.36 The market for B8 space is equally active and sizeable in this Urban Area.

6.37 We calculate a total of 50,469 sq m (543,240 sq ft) broken down as follows:

Table 6.2 Vacant Storage & Distribution Premises by Main Employment Area – Medway Gap (Urban)

Area	Vacant Sq m	Vacant Sq ft	% of vacant property
Aylesford	11,957	127,206	23.6%
Ditton	37,657	405,339	74.4%
Snodland	994	10,695	2.0%
Total	50,469	543,240	100.0%

6.38 As with the industrial property, the table shows a high proportion of availability at the New Hythe Estate at Ditton.

6.39 The vacant space is comprised in 13 premises across the Area.

6.40 Three properties are available freehold.

6.41 Completions in 2000-2004 totalled 21,544 sq m (232,000 sq ft). As with manufacturing and industrial property, this was the greatest proportion of all completions in the Borough, providing almost 74% of construction activity.

This equates to an annual average of 5,386 sq m (58,000 sq ft) during that period.

6.42 Surprisingly, no construction activity took place in the B8 category in 2004 in the Medway Gap Urban area.

6.43 Excluding Magnitude, extant planning permissions would provide an additional 7,129 sq m (76,700 sq ft), around 50% of all permitted storage and distribution space in the Borough. Compared with the manufacturing and industrial figures, this is a much lower proportion.

6.44 The breakdown of future potential (gross) employment land supply in the Medway Gap Urban area totals around 19,657 sq m (211,509 sq ft) of space. Based on completions in 2000-2004, and the lack of further construction in 2004, this would represent around four years supply.

Demand

6.45 Food distribution and warehouse operators are prevalent, however there seems to be two tier demand- the two supermarket operators have large properties providing major distribution space, smaller companies serve the local area only. The motorway network in this area does not suit the requirements of most large distributors, who prefer more centrally located operations.

6.46 The only true new high-bay warehousing in the area is in the New Hythe Estate soaking up demand from tenants for this type of property. These are rather more specialist than traditional warehouses and demand is more focussed.

6.47 Magnitude is a single property offering approximately 22,617 sq m (243,359 sq ft), around 45% of all vacant warehouse space in the Medway gap Urban area.

MEDWAY GAP RURAL - General Market Overview

6.48 Employment opportunities are few and far between in this more rural area, comprising the Wards on the northern tips of the Borough immediately east and west of the Aylesford/Snodland/Malling area. The Wards are typified more by agricultural land and attractive open countryside rather than built-up development and, as with the Malling Area Rural area, it is not really appropriate to consider there to be a true commercial property market in this area.

6.49 Property that is available tends to be on a small-scale and sporadic, with lower quality premises on offer. Demand is 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 and our comments in this section will be relatively brief.

Offices

6.50 We were unable to find details of any available vacant office supply of existing premises in the Wards in this area.

6.51 Between 2000 and 2004, approximately 1,701 sq m (18,300 sq ft) of office space was completed, with an annual average of 425 sq m (4,600 sq ft). With 11 completions in that period, the average size of unit was only 155 sq m (1,670 sq ft). This is a very low number.

6.52 With regard to potential space, there were extant planning permissions in this area in 2004 for just 420 sq m (4,519 sq ft) of B1 office space that was not started, with nothing in this category under construction. This potential space is a years supply given recent rates of construction. We suggest that the permitted property/ies will only be constructed if an occupier can be found.

6.53 The breakdown of potential future (gross) employment land capacity in this category totals only 420 sq m (4,519 sq ft) a further one years supply based on pats completion rates. By that time it would be reasonable to assume that some of the built and occupied space might be empty, thereby creating available property for new occupiers by local churn. We do not see the Rural area as an area suitable to sustain a much larger office market.

6.54 Demand in this area is very limited and the dearth of evidence and property available does not permit real trends or conclusions to be drawn other than the market is very local, with limited demand from indigenous businesses only.

6.55 New and future office premises are better suited to development in more built-up areas.

Manufacturing and Industrial

6.56 The only available built property is a small (84 sq m/900 sq ft) industrial property on the Rochester Airport Industrial Estate at Walderslade. It is of reasonable quality in an established location.

6.57 Completions in 2000-2004 total 4,287 sq m (46,000 sq ft) for 15 properties, so having an average size of around 286 sq m (3,000 sq ft). The fact that hardly any of this space is vacant demonstrates demand and supply are in balance for this size of unit, but only at construction rates of around 1,072 sq m (11,500 sq ft) each year which is relatively low.

6.58 In 2004 planning permission had been granted for a further 796 sq m (8,565 sq ft) although construction had not started, and there were no units under construction that year.

6.59 The breakdown of future potential employment floorspace includes only the space already permitted with no further allocations. As space within the completed properties is likely to experience tenant churn, at current occupancy rates this appears sensible. Very little extraneous demand is in evidence.

Storage and Distribution

6.60 There are no vacant built B8 premises in the Medway Gap Rural area.

6.61 There was 4,911 sq m (52,860 sq ft) of floorspace in the completions figures during 2000-2004 all of which must currently be occupied.

6.62 Permission was in place for a further 3,981 sq m (42,850 sq ft) of B8 space but no units were under construction. This represents a further four-five year supply at recent rates. As with the other two property use classes, this amount is the sum total of all potential future employment supply both allocated and committed.

6.63 Whilst demand has been able to fill the space brought forward in recent years, as with the industrial and manufacturing space there would start to be an element of tenant turnover in the next five years, so if all the B8 permitted space were constructed, this could potentially remain vacant.

6.64 The average size of premises constructed was only 982 sq m (10,500 sq ft) being rather small for B8, indicating local distribution firms only.

KINGS HILL - General Market Overview

6.65 The commercial property market for employment uses in Kings Hill comprises almost exclusively offices as this is the predominant office park location in the Borough having been master-planned and purpose-built as a B1 location. 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; Excluding B1, none of the additional use types are the subject of this report. There is no industrial or storage and distribution property in this area so our comments in this section are directed solely towards the office sector.

Offices

Supply

6.66 Kings Hill is the predominant business park in the Borough and therefore offers a significant amount of supply, both existing, permitted but not built, and potential future supply.

6.67 There are no freehold premises available for occupation. The park has mostly been constructed on a pre-let or speculative basis by the developer Rouse and Kent County Council since 1995. The freehold of part of the whole park however has recently been made available for sale on a joint venture basis, a matter outside the remit of this report.

6.68 Kings Hill is a very different market from the other four areas in the Borough. The average size, quality and accessibility of premises are far superior than any other location in the Borough, reflecting the park's status and masterplanning exercise.

6.69 It comprises a number of HQ buildings; occupiers such as Kimberly Clark, Tonbridge & Malling Borough Council, Locate in Kent, the Charities Aid Foundation, the Man Group, Barclays (previously the Woolwich), and more recently Jupiter Unit Trust Managers, are present.

6.70 Part of the park is known as Churchill Square, comprising refurbished former airfield buildings, which is offered on flexible lease terms. Occupiers of this space are more local.

6.71 The University of Greenwich is also present on the park.

6.72 With regard to availability of premises, there are various types of built accommodation on offer, ranging from managed units of less than 140 sq m (1,500 sq ft) to medium offices of 465-930 sq m (5,000-10,000 sq ft) already constructed, to large (>4,645 sq m/50,000 sq ft) units.

6.73 We calculate a total of almost 12,260 sq m (132,000 sq ft) is currently available, in 19 separate unit/lots, to also include a single building of 5,050 sq m (54,500 sq ft) currently speculatively under construction for the first time in just over two years.

6.74 We understand that Aventis are shortly to be vacating their premises, which will become available from late summer 2005. This will add a further 4,831 sq m (52,000 sq ft) to the vacancy figures, totalling around 17,094 sq m (184,000 sq ft).

6.75 Between 2000 and 2002, around 17,351 sq m (187,000 sq ft) of office space was completed in five buildings. This was in addition to over 55,740 sq m (500,000 sq ft) already completed, totalling around 65,032 sq m (700,000 sq ft) to date.

6.76 This rate of completions represents around 67% of total completions for the Tonbridge & Malling Borough over that time period, demonstrating the skew of the market toward Kings Hill and its attraction as a premier location for B1 office employment land/supply.

6.77 It is worth noting that these five completions were also the only ones in the Borough over 2,001 sq m (or 20,000 sq ft); in fact there were only two other completions in that timeframe over 930 sq m (10,000 sq ft) (one of 1,316 sq m/14,200 sq ft and one of 1,500 sq m/16,000 sq ft); all others were less than 500 sq m (5,380 sq ft).

6.78 These figures demonstrate the parks dominance of the office sector within the Borough.

6.79 Under construction in 2004 was an additional 2,600 sq m (28,000 sq ft). A further 27,444 sq m (295,400 sq ft) at Kings Hill has planning permission but is not started.

6.80 The breakdown of potential future employment space in this category totals 121,000 sq m (1,301,960 sq ft).

Demand

6.81 Kings Hill has in the past been successful at attracting major occupiers from pharmaceutical groups such as Aventis and Kimberly Clark, and from financial services such as Barclays (formerly the Woolwich), the Man Group, and Jupiter Unit Trust Managers. Tonbridge and Malling Borough Council are also present showing demand from the public sector in addition to the private sector.

6.82 Demand more recently has been much lower in the offices sector in general, and Kings Hill has experienced a dip in activity in line with other similar locations. Furthermore some of the existing tenants have contracted or moved out, BT and Aventis (soon to vacate) being notable examples; this adds to available space and reflects tighter conditions in the occupier market.

6.83 The marketing agents report that demand is generally quieter at present although are hopeful that construction of a new HQ-style building, the first for some time, will create demand by offering competition to other M25 locations.

6.84 Demand is limited in the larger occupier sector – Kent does not have the airport and rail infrastructure of other locations around the M25, and it is likely that the buildings will ultimately become multi-let.

6.85 Tenants seeking quality space are attracted to Kings Hill because of its environment as well as the actual accommodation on offer. The central services and availability of housing for employees are critical to those working in the park.

6.86 Vacancy rates have increased from its peak performance of around 4% to around 11% currently, but will rise to around 26% following relocation of Aventis and completion of 42 Kings Hill Avenue. Whilst prime rental levels have risen over the ten years since the parks inception, the top asking rental of c£21.50 per sq ft may now be under-cut by second-hand space re-entering the market and attracting tenants.

6.87 A variety of tenants will be needed to improve occupancy on the park; to demonstrate we include the following table breaking down the available space (including the Aventis and speculative unit) into three size brackets and showing the proportion of space within each.

Table 6.3 Vacant Office Space by Size Band – Kings Hill

Size bracket	No of units	Sq m vacant	Sq ft vacant	% of whole park	% of vacant space
0-2,500	13	1,129	12,154	1.7%	7%
5,000-10,000	4	2,613	28,125	4.0%	15%
>20,000	3	13,289	143,040	20.4%	78%
Total	20	17,091	183,319	26.1%	100%

6.88 Over three-quarters of the vacant space could be filled in three transactions but the pace of activity has been much reduced. If the services sector contracts further, three such deals could take some considerable time to secure. It is more likely that smaller occupiers will be found with a slower take-up rate than has been previously enjoyed.

TONBRIDGE URBAN - General Market Overview

6.89 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. Provision tends to be in small buildings with no real focus for location.

6.90 The Tonbridge Estate takes up a considerable area and is rather densely developed with a whole mix of some small offices, industrial/manufacturing space ranging across all sizes, storage and distribution, some car showroom use, the waste water treatment plant, and a small amount of residential which has infiltrated the western extreme of the Estate fronting the River.

6.91 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.

6.92 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 capacity for additional space.

6.93 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 around the Estate. Parking on most of these seemed at a premium. There were few small properties available to let.

Offices

Supply

6.94 As large offices are attracted towards Kings Hill, as would be expected there are no offices above 1,858 sq m (20,000 sq ft) in Tonbridge.

6.95 With regard to built property in the Urban area, there are 19 A2/B1a office premises available; only four of these are above 232 sq m (2,500 sq ft) but they total almost three-quarters of the total vacant space between them.

Table 6.4 Vacant Office Space by Size Band – Tonbridge

Size bracket	No of units	Sq m available	Sq ft available	% of vacant space
0-1,000	10	503	5,409	13%
1,001-2,000	5	558	6,009	14%
2,001-5,000	1	272	2,926	7%
5,001-10,000	1	557	6,000	14%
10,001-20,000	2	2,125	22,869	53%
Total	19	4,015	43,213	23%

6.96 In 2000-2004 there were completions of almost 1,899 sq m (20,500 sq ft) of B1 offices in only four buildings. The annual average and building average were therefore the same at 475 sq m (5,100 sq ft).

6.97 The quantity of vacant space is therefore double what was developed over that period, indicating a slow take-up of new office premises and a decanting from existing premises into new property rather than inward attraction of new occupiers.

6.98 No B1 office properties are offered on a freehold basis.

6.99 Tonbridge has no real focus for new office development so will not compete against the stronger location of Kings Hill for large tenants or occupiers. Very little will be speculatively built and there is no market for HQ premises in the town.

6.100 In 2004 there was 399 sq m (4,293 sq ft) of B1 offices with permission but not commenced; and only 420 sq m (4,500 sq ft) was under construction.

6.101 The breakdown of potential future gross employment land supply indicates a total of 1,429 sq m (15,376 sq ft) of space' representing around 3.5 years of supply based on past completion rates.

Demand

6.102 Demand for offices in the Tonbridge urban area is reasonably steady with no discernible upwards or downwards trend at its low level, although take-up is generally from local firms and only demonstrates a low year on year figure.

6.103 There are few enquiries for buildings upwards of 930 sq m (10,000 sq ft) so the two larger vacant properties could be on the market for some time. Recent transactions on lettings have been of first floor offices above shops not purpose-built premises. Office rents are lower than at Kings Hill.

Manufacturing and Industrial

Supply

6.104 Currently vacant in Tonbridge Urban is around 15,864 sq m (170,759 sq ft) in units ranging from 86-11,148 sq m (928-120,000 sq ft).

6.105 A vast chunk of this availability is provided by the premises at 2-8 Morley Road, comprising 11,427 sq m (123,000 sq ft) on a secure site. The agents have recommended to their client that the property should be made available for splitting into smaller units, which can be done given that there are several detached buildings on site and a total of 225 car spaces. Some of this could be made available for storage and distribution use, but we have counted this property as a single property in this category to reflect the majority use across the property.

6.106 Stripping out the Morley Road site, availability falls to 4,390 sq m (47,250 sq ft); approximately 27% of the overall total. Morley Road comprises around 73% of the vacant stock, and if let would make a significant difference to the figures. All but one of the remaining eight premises are less than 930 sq m (10,000 sq ft) in size.

6.107 There are no industrial properties available freehold.

6.108 The site off Woodgate Way is currently used by a single occupier. It comprises older buildings in a poor configuration with a disused brick buildings close to the sites central access road that ideally should be demolished and redeveloped. This would enable better use of the site and more modern premises with better methods of construction. The site is relatively level and with access directly on the Woodgate Way provides good accessibility. We understand there may be an issue with the access road.

6.109 Completions during 2000-2004 totalled 3,036 sq m (32,680 sq ft) for industrial space in nine premises. This equates to an annual average of around 759 sq m (8,170 sq ft). It only represents around 6% of total industrial completions in the Borough over that period; the two Rural areas in this study both experienced slightly more than this.

6.110 During 2004 only 420 sq m (4,500 sq ft) was also under construction. This is at a level of around half from previous years.

6.111 Looking at extant planning permissions, only 398 sq m (4,283 sq ft) exists for industrial use.

6.112 In respect of future potential employment land supply, this is substantially higher at 16,849 sq m (181,295 sq ft).

Demand

6.113 Of all the units on the Tonbridge Estate (excluding the Morley Road site), to have only eight available shows a good degree of occupancy amongst smaller units, borne out by a dearth of units to let noted during our inspections. A rough quick count of units on the Estate shows there to be in the region of 150 (not all in separate occupation) excluding the waste water treatment plant.

6.114 Enquiries of local agents concur that there is good demand for units less than 930 sq m (10,000 sq ft) in Tonbridge.

6.115 Occupiers are a mix of trade premises (tyres and auto-related services, plumbing and building supplies, garden furniture, and the like) together with small manufacturers, and a B&Q depot.

6.116 Demand has been good but unfulfilled for small industrial units on a freehold basis as occupiers have wanted to take advantage of low borrowing rates and put property in a pension fund.

6.117 Reported transactions of industrial property have been very few in recent years.

Storage and Distribution

Supply

6.118 Built property vacant and available amounts to 4,100 sq m (44,200 sq ft) of space (excluding the Morley Road property). This is split into six units all 1,394 sq m (15,000 sq ft) and below, still relatively small for this category of use class.

6.119 This vacancy rate is despite the fact that a total of four properties completed in 2000-2004 added only 1,005 sq m (10,800 sq ft) of warehouse space into the market.

6.120 As with the general industrial units the recent completions are comparatively small for the use class and can serve only local businesses and users. Split across the four years, this means only 251 sq m (2,700 sq ft) was provided on a year-on-year basis.

6.121 A severe boost to supply was a further 1,752 sq m (18,850 sq ft) under construction in 2004 alone, a massive jump from the previous four years completion rate. In addition to Magnitude this was the only other of the five market Areas in this study to experience construction of B8 space in 2004.

6.122 Extant planning permissions exist for a further 1,054 sq m (11,341 sq ft) of B8 storage and distribution space.

6.123 The breakdown of future potential (gross) employment supply shows the higher figure of 6,396 sq m (68,821 sq ft) of B8 space planned in the Tonbridge Urban area. This is over 3.5 times what was under construction in 2004, which in itself was almost seven times the completion rate of the previous four years. Such a pipeline represents significant growth for the Tonbridge Urban area.

Demand

6.124 Reported transactions show more freehold sales than letting transactions, however this has generally been investment properties rather than owner-occupiers purchasing freeholds. This reflects increases in the investment market in recent years UK-wide.

6.125 As with the industrial market, demand emanates from local occupiers on most of the Tonbridge Estate. Lots of businesses have been in occupation for some years and there is a low level of local tenant turnover.

6.126 There are a couple of large warehouse premises available and planning permissions for almost 9,300 sq m (100,000 sq ft) of additional space. It is difficult to understand where demand may come from for this amount given that access into most of the units on the Estate is via local roads with much local business traffic throughout the day, unless the units can be sub-divided to suit the smaller requirements.

6.127 A single occupier is unlikely to be found for the large Morley Road site and this is potentially available to split to make it more suitable to tenant demand.

MALLING AREA RURAL - General Market Overview

6.128 Employment opportunities are few and far between in the Malling Area Rural area, comprising as it does the Wards between the Aylesford and Tonbridge conurbations. 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.

6.129 Generally, the property that is available is on a small-scale and is rather sporadic. 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 and our comments in this section will be relatively brief.

Offices

Supply

6.130 There are six properties currently existing that offer available vacant office space in this area. Only two are purpose-built premises although not recent, and the others comprise conversions of small warehouses or redundant rural property such as oast houses and barns. The six properties total almost 930 sq m (10,000 sq ft) so having an average size of around 150 sq m (1,650 sq ft).

6.131 The major office occupier in this area is probably the A-Z Mapping Company situated in Borough Green. This is likely to be an owner-occupied property and is a good size for this area; we could certainly see residential pressure on this site given its location close to the town's facilities and rail station.

6.132 The other main centre is the small estate off Station Approach offering good quality small suites for local businesses. This appeared to be in full occupation during our inspection with pressure on parking spaces despite being so close to the rail station, suggesting local employees and businesses.

6.133 Between 2000 and 2004, approximately 1,279 sq m (13,800 sq ft) of office space was completed, with an annual average of 320 sq m (3,450 sq ft). With seven completions in that period, the average size of unit was only 183 sq m (2,000 sq ft). This is very small.

6.134 There were extant planning permissions in this area in 2004 for around 609 sq m (6,500 sq ft) of B1 space that was not started, with 347 sq m (3,700 sq ft) under construction. Given that 930 sq m (10,000 sq ft) is already vacant it would suggest that there is a high turnover of tenants and occupiers in this area. The part completed and potential space is three years supply given recent rates of construction, but could increase vacant space by around 50%. Leases of such premises tend to be much shorter than for larger more modern property.

6.135 The breakdown of potential future (gross) employment space for B1 office use totals 956 sq m (10,290 sq ft), around three years supply at recent completion rates.

Demand

6.136 Demand for B1 offices in this area is limited, generally arising from local occupiers, start-up businesses and those looking for a quality of life workplace rather than availability of local services. This location is only really suitable for small firms given the lack of public transport and road connections throughout these areas.

6.137 Transactional evidence is limited and with such a low number, statistics can be misleading. Rental levels are higher than might be expected, tending to reflect the individual character of the properties rather than locational factor.

6.138 We do not believe there is sufficient evidence of demand to support the quantity of new premises in the potential future employment space survey in this area. New and future office premises would be better suited to development in more built-up areas.

Manufacturing and Industrial

Supply

6.139 Industrial premises in the Malling Area Rural area are concentrated mainly in Borough Green and at East Peckham, both small places, and are therefore on a relatively small scale. In Borough Green, there are two main enclaves of employment uses close to the town centre and the Platt Industrial Estate slightly further east, at East Peckham it is the Branbridges Estate that offers the main opportunity for employment use.

6.140 The Bourne Enterprise Centre in Borough Green is a small modern development of almost lock-up style premises all set around a central parking area. These offer small businesses good quality property although parking seemed to be an issue during our inspections. There was one vacancy at the date of our inspection and no room for expansion.

6.141 The Long Pond Works are unusual premises being on the edge of a former tip and on the crest of a hill outside the main town boundary. Access is very poor, being along what appears to be in essence a farm track access, and the quality of buildings on site is also very poor. We suggest there are few occupiers to whom these premises would be acceptable other than for cheap space.

6.142 The Platt Estate is out of the main town area and rather tortuous to access, crossing a bridge over the railway that at present limits accessibility. There is room for expansion in land terms but the access road would need to be improved for this to take place on a large scale. It is also washed over by green belt designation. Occupiers are generally small scale.

6.143 In East Peckham, the Branbridges Estate offers a choice of small modern units within an employment community, accessed directly off Boyle Way and therefore easy to find. The Estate appears in the main well kept and there is room for expansion at the rear suitable for more units of the same type. The northern end of the estate appears to be disused in part and with a cleared area towards the rear would be suitable for a larger property; however accessibility in to this land is hampered by the turning in so close to the River bridge and by the existing units near to the road frontage. The recent completion of the small supermarket/forecourt shop has improved facilities for those working in this area.

6.144 The three vacant premises that we were able to find were either on the Branbridges or Platt Estates. Two on the Branbridges Estate were around 186 sq m (2,000 sq ft) each and on the Platt Estate much larger at almost 930 sq m (10,000 sq ft). The agents for Branbridges were confident that they would let without too much difficulty as demand is relatively steady in this location. For the Platt Estate, this is more user specific given its slightly more remote location and poor access across the railway. This property has been on the market for some time but would suit an occupier looking for cheap but not necessarily good quality space.

6.145 Vacant built property extended to 1,234 sq m (13,287 sq ft). If the unit on the Platt Estate were to be occupied, this would take out most of the available property, leaving less than 375 sq m (4,000 sq ft) on the market, a minimal vacancy rate.

6.146 Completions over the period 2000-2004 were just under 3,247 sq m (35,000 sq ft), averaging 812 sq m (8,750 sq ft) per annum and 325 sq m (3,500 sq ft) per unit. A further 348 sq m (3,750 sq ft) was under construction in 2004.

6.147 Properties with extant planning permission but not started comprised a further 3,351 sq m (36,000 sq ft). The breakdown of future employment land supply includes 5,799 sq m (62,397 sq ft) of potential space, exceeding that supplied in 2000-2004. Part of this is on the expansion land adjacent to the by-pass behind existing units.

Demand

6.148 The Malling Area Rural area has very local micro-markets; within those demand is reasonably steady. Branbdridges offers good quality small units within an easy to access location; Bourne Enterprise Centre offers central lock-up units of good quality but little room for expansion, the Platt Estate offers cheaper space of a larger size. Demand comes from a variety of occupiers but generally from small manufacturing and engineering firms at Branbridges and the Long Pond Works occupiers.

6.149 Take-up of the smaller better quality premises is reasonable with few vacancies on the established Estates, but little activity is experienced for larger properties – the more rural location does not suit larger vehicles accessing sites. The Platt Estate is a good example of a larger unit being available but in the wrong location to attract demand.

Storage and Distribution

Supply

6.150 The only available properties for this category in Malling Area Rural area were all on the Platt Industrial Estate, reflecting its main road location out of the town centre and its physical capacity to offer larger units.

6.151 However the units available are only of moderate quality with lower eaves height than is currently demanded for storage and distribution and with the access as already mentioned being sub-standard for large vehicles. There has been an element of tipping on site, either from occupiers of the units or from unauthorised visitors, and this creates a rather ‘scruffy’ character to the estate, a deterrent to occupiers seeking better quality premises.

6.152 The premises available comprise two built units offering 1,395 sq m (15,000 sq ft) between them and three plots of open storage land totalling 1,720 sq m (18,500 sq ft). This represents a vacancy rate of 8.9% based on hereditament floorspace identified by the VOA, but all on the same site. The lack of activity on site adds to the Estates air of neglect.

6.153 Completions during 2000-2004 in the Malling Rural area numbered only two, totalling 1,673 sq m (18,000 sq ft). On an average basis this does not represent even supply as only two years will show completions and the others will show no supply.

6.154 No B8 premises were under construction in 2004 but there are a permitted 1,184 sq m (12,750 sq ft) of space not started, all at East Peckham. This is only likely to be constructed if an occupier can be found.

6.155 The breakdown of potential future (gross) employment land shows 8,684 sq m (93,500 sq ft) of B8 space in the Malling Rural Area, an amount which would seem out of proportion in comparison to current availability and take-up in this area over recent years. Unless infrastructure were significantly improved, or that space is solely in one location (by the by-pass) then it is difficult to imagine all this space being brought forward.

Demand

6.156 As stated above, transactional evidence is limited in all use classes in both Rural areas in the study, and there is little to prove tenant or occupier demand is prevalent in this sector too.

6.157 There have been only two reported deals of letting storage and distribution premises in the last five years, both in the last year, of property around 232 sq m (2,500 sq ft), a limited size for B8 use.

6.158 The open storage land at the Platt Estate was previously under offer as at August 2004 but this transaction has failed to complete and the property is being re-marketed. The agents consider that demand is good for this type of property but concedes it might be a little too large for this location. No split into smaller areas is possible.

6.159 Larger space has to be cheap to attract demand over and above the more dominant areas of the Medway Gap and Tonbridge Urban areas, where road connections are superior.

7. Forecasting Employment Land Requirements - Methodology

Introduction

7.1 The following details the methodology employed in forecasting Tonbridge & Malling Borough's employment land requirements through to 2016.

7.2 The methodology is based around forecasting all aspects of the local labour market, within the context of anticipated international, national and regional economic developments, and then translating the resultant local labour demand into floorspace and land requirements.

7.3 At the centre of the forecasts is a small area forecasting model specified by reference to local population, employment and other available data. This model is, in turn, driven by the labour market and output forecasts for the UK and for the South East region produced by the Cambridge Econometrics national and regional forecasting models.

7.4 All forecasting models are extremely data hungry. Unfortunately, much of the data that would ideally be needed in order to specify a full economic model of Tonbridge & Malling Borough is not available. As such, there is inevitably a degree of estimation involved in producing forecasts of the Borough's floorspace and land requirements. Despite this, the forecasts presented in this report are considered to be robust and to represent the best available assessment of future employment floorspace and land requirements.

7.5 The following details the way in which the model operates and explains how the various inputs into it have been devised. In this way, it provides detail of how the forecasts have been generated.

The Model

Population

7.6 The starting point for the model is the demographic structure of the current and future population of Tonbridge & Malling Borough.

7.7 Rather than generate its own forecasts, the model normally makes use of forecasts generated either by the local authority itself or by third parties such as the County Council of which the District is a constituent part, or by the Office for National Statistics.

7.8 In this particular case, three different sets of population forecasts were used. These were:

- population projections sourced from Kent County Council
- population projections sourced from the Office for National Statistics
- population projections generated by the model itself.

7.9 All of the projections show the population of Tonbridge and Malling growing over the forecast period to 2016. The rates of growth are, however, different, such that three different 2016 population estimates result. The lowest of these estimates is the 114,900 produced by Kent County Council, while the highest is the 119,900 produced by the Office for National Statistics. The model's own projections, at 117,700, lie roughly mid-way between the other two estimates.

7.10 The Kent County Council forecasts are the most sophisticated in that they take account, explicitly, of birth rates, death rates and migration. In contrast, the Office for National Statistics forecasts and the forecasts produced by the model itself are trend based.

7.11 All three sets of projections have a common, 2001 starting point, estimating the Tonbridge and Malling Borough population at around 107,600.

7.12 In all cases, the projections were made by age and by gender. This is important, as the population figures are used, by the model, to generate numbers of economically active persons within the population and hence the resident labour-force.

Economic Activity Rates

7.13 Translating the resident population figures into workforce estimates requires assumptions to be made about current and future economic activity rates.

7.14 The economic activity rates used in the model are specified by reference to age and gender, such that changes in the demographic structure of the area generate changes in the number economically active.

7.15 The model assumes that no individual aged under 16 is economically active. It also assumes that economic activity can and does continue after normal retirement age, but with the proportion of those economically active declining with age.

7.16 The actual economic activity rates used were provided by Kent County Council. These show a general decline over time in male economic activity rates and a general increase over time in female economic activity rates. The one exception to these trends is the male activity rate for the 16-24 age group, where the falling rate 1991 to 2001 is reversed in 2002 and thereafter shows very modest growth.

7.17 Outside of the general economic trends, activity rates are assumed to increase in response to a tightening labour market. As such, the model assumes that as the economy grows and demand for labour increases, so the proportion of the population that is economically active rises.

7.18 The model does not assume, however, that labour supply and labour demand equate to each other. Rather, it forecasts labour supply and labour demand independently and only increases the supply of labour, through the above mentioned increase in activity rates, should the labour market start to overheat.

7.19 Even so, the increase in activity rates is not set so as to restore balance to the labour market. Rather, the rate of increase is determined independently, as an exogenous variable, and only allows for a relatively modest increase in activity rates, year on year.

7.20 In this way and as with the real economy, imbalances in the labour market lead to unemployment or to an increase in in-commuting or to an increase in the proportion of the economically active population that have more than one job.

7.21 In practice, the model shows the economic activity rate, (total number economically active expressed as a percentage of the proportion of working age), as generally following an upward trend over the forecast period. This is, in part, due to a rising level of economic activity amongst females and, in part, due to an increase in the number of people electing to work beyond normal retirement age.

Employees in Employment

7.22 The base data used in forecasting the number of employees in employment in Tonbridge & Malling Borough is sourced from the Annual Business Inquiry. This employer sourced information provides an estimate of the number of employees in employment whose jobs are based within Tonbridge & Malling Borough.

7.23 The information from the Annual Business Inquiry, (ABI), is accessed as a number of data series together running from 1991 through to 2003. The data is drawn down from NOMIS at a four digit minimum list heading level. The fact that the data comes in three different series reflects definitional changes that have taken place over the period, in turn reflecting changes in the industrial structure of the UK economy.

7.24 The first stage in the forecasting process is to examine the data in order to identify and, where necessary, correct any miscoding or other obvious data errors. This exercise also facilitates a degree of familiarisation with the structure of the local economy.

7.25 Information on the agricultural sector is frequently lacking for some years. Where necessary, trend analysis is used to fill in the gaps.

7.26 For forecasting purposes, the employment data is aggregated into 28 different industrial sectors. These are the industrial sectors used by Cambridge Econometrics in reporting their regional and associated national forecasts. The aggregation process automatically removes some of the data series inconsistencies. Estimation and allocation techniques are used to remove the remainder.

7.27 Aggregation also has the benefit that it hides many of the sensitive data entries contained within the raw data and thereby facilitates publication.

Self Employment

7.28 Although information on self-employment is available from the Labour Force Survey, (LFS), it is notoriously unreliable at a small area level. This is due to the relatively small numbers that are sampled by the LFS.

7.29 In order to overcome this problem, information from the 1991 and 2001 Population Censuses is used to estimate the proportion of the Tonbridge & Malling Borough resident population that is self-employed.

7.30 Specifically, the Population Census information is used to determine the ratio of self-employment to employees in employment by gender and by industrial division.

7.31 The assumption is then made that each ratio will remain constant over the forecast period. The consequence of this is that as employment in a particular sector rises or falls, so self-employment in that sector will also proportionately rise or fall.

Employment Projections

7.32 The employment projections for Tonbridge & Malling Borough are substantially driven by the forecasts for the South East region, produced by Cambridge Econometrics.

7.33 This does not mean that the Tonbridge & Malling Borough economy is assumed to be a microcosm of the South East regional economy. Rather, the model assumes that the overall performance of the Tonbridge & Malling Borough economy is determined by a combination of:

- local factors within each industrial sector
- the overall industrial structure
- regional, national and international factors.

7.34 Of these, local factors are determined by reference to the historic performance of the local sector, relative to the regional sector, and by reference to time trends. As such, the model allows a local sector to behave differently from the same sector, both regionally and nationally.

7.35 As the model forecasts at an industry level, it explicitly recognises that the economy of Tonbridge & Malling Borough has a different structure from that of the South East region and that this will, irrespective of other factors, produce different growth rates for the Borough economy from those of the South East region and the UK.

7.36 Regional, national and international factors are taken on board through using the Cambridge Econometrics model to drive the local forecasting model. Effectively, the local model allocates employment within the South East region between Tonbridge & Malling Borough and the rest of the South East.

7.37 This allocation is performed at a 28 industry level and, as indicated above, takes account of factors local to Tonbridge & Malling in the allocation.

7.38 As the model produces forecasts for employees in employment, so and as described above, it produces forecasts for self-employment.

7.39 All of the forecasts are reviewed in order to determine that they look reasonable and are consistent with known events such as major factory closure, expansion or inward investment events. In practice, little manual adjustment is ever warranted.

Commuting

7.40 In producing a comprehensive picture of the Tonbridge & Malling Borough labour market, the model needs to take account of the extent to which jobs within the Tonbridge & Malling Borough area are taken by people who are resident outside of the Borough in places such as Maidstone and Tunbridge Wells. Equally, it needs to take account of the extent to which Tonbridge & Malling Borough residents hold down jobs outside of the Borough, for example, in Maidstone or further afield in Greater London.

7.41 This requirement arises because the population and labour force forecasts are residence based and the employment forecasts are place of employment based.

7.42 Normally, up to date information on in- and out-commuting is very difficult to obtain, such that net commuting has to be estimated, through the model, for a given year when all other elements of the labour market are known. Specifically, the level of net in- or out-commuting is derived as the balancing factor such that:

Resident labour force less:	Resident unemployed Self-employment Jobs based in the Borough Residents on schemes etc	= net commuting

7.43 If the net commuting figure is a positive, it means that there is a net outflow of residents into employment outside the Borough. If the net commuting figure is negative, the Borough is a net importer of labour.

7.44 In the case of Tonbridge & Malling Borough, Kent County Council has undertaken a considerable amount of analysis work on the 2001 Population Census results in order to gain a full understanding of commuter flows, both within Kent and between Kent and other parts of the UK and elsewhere.

7.45 This analysis shows that, in 2001, Tonbridge & Malling Borough had a resident working population of 53,100 of whom 25,500 (48.1%) worked in the Borough, a further 14,600 (31.5%) worked elsewhere in Kent and 8,500 (16.0%) in Greater London. The balancing 2,300 (4.4%) worked elsewhere but predominately in Medway and elsewhere in the South East region.

7.46 The Kent County Council analysis shows that a large number of the jobs within Tonbridge & Malling Borough were taken, in 2001, by in-commuters. Specifically, over 52% of the available jobs were taken by in-commuters, with the main origins of those commuters being Maidstone (24.7% of in-commuters), Tunbridge Wells (15.2%), elsewhere in Kent (21.6%), Medway (20.2%) and Greater London (6.6%).

7.47 As such, Tonbridge & Malling Borough is characterised by high levels of both in- and out-commuting, giving a relatively small net in-commuting figure of 370. Ironically, many of the in-commuters come from areas where Tonbridge & Malling Borough out-commuters go to work.

7.48 The model does not assume that net commuting remains unchanged over time. Rather, the model looks at the relative performances of the Tonbridge & Malling Borough labour market and the labour market in the rest of the South East and assumes that net in-commuting reduces if demand for labour in the rest of the South East grows at a faster rate than the demand for labour in Tonbridge & Malling, and vice versa.

Double Jobs

7.49 One feature of the labour market over recent years has been a growth in the number of people that have more than one job. Typically, people with more than one job have one full-time job and one part-time job, rather than a portfolio of part-time jobs.[1]

7.50 The model works on the assumption that the incidence of individuals with more than one job will continue to grow over time, but with males more likely to have two jobs than females.

7.51 Balancing the Tonbridge & Malling Borough labour market for 2001 requires there to be 4,500 people with more than one job, assuming that no

[1] M Simic and S Sethi, People with Second Jobs, Labour Market Trends, May 2003.

individual has more than two jobs. This amounts to 1 in every 12.2 of the Borough's resident working population having more than one job.

7.52 The proportion of people with more than one job appears high, relative to a national figure of 1 in every 35. It may be that the cost of living in Tonbridge & Malling Borough is such that a high proportion of households need the income from double jobs in order to maintain an acceptable life style.

Unemployment / On Schemes

7.53 The model mirrors the labour market in that it treats unemployment as a residual.

7.54 In this context, unemployment is the difference between the resident labour force in Tonbridge & Malling Borough and those who are either employed or self-employed, irrespective of whether the employment or self-employment is based in Tonbridge & Malling Borough.

Value Added

7.55 In the absence of information on value added specific to Tonbridge & Malling Borough, the model assumes that value added per employed person in Tonbridge & Malling Borough is the same, in each sector, as is value added per employed person in that sector in the South East region.

7.56 Equally, the model assumes that labour productivity gains within each sector in the South East will be mirrored in Tonbridge & Malling Borough. As such, any overall differential performance between Tonbridge & Malling Borough and the South East region is solely the result of differences in the two areas' industrial structures.

Employment Land Requirement

7.57 The model amalgamates the employment and self-employment projections into broad headings of: manufacturing, construction, retail in-town, retail out of town, hotels and catering, transport and communications, finance and business services, public administration and defence, education and health, and other services.

7.58 Standard square metres per employed person figures are then applied for each of the broad headings in order to produce the floorspace required to accommodate the stated number of people.

7.59 Finally, employment density estimates are applied to the floorspace requirements in order to arrive at estimates of the employment land requirement for each of the broad headings.

7.60 Appropriate amalgamations of headings are then used in order to arrive at the employment land requirements for each category.

7.61 In practice, the floorspace and land requirements for retailing, for hotels and catering and for education and health were not calculated for Tonbridge & Malling, as these are outside the scope of this particular employment land study.

7.62 In addition, more than one set of floorspace and employment land requirement figures were calculated. Specifically, one set was produced using the standard floorspace and density levels specified in the ODPM guidance[2], one set was produced using Tonbridge & Malling specific Valuation Office derived figures and one set was produced based on the findings from a survey of over 200 local employers.

7.63 Whilst these different sets of floorspace and land requirements were generated, the figures presented in the following section of this report are primarily based on local findings rather than on the ODPM standards.

7.64 This approach has been adopted because it better reflects the current employment and site densities in the Borough, which are, themselves, better indicators of future densities than are any other measure, including national standards.

7.65 The main reasons for this are twofold. Firstly, those manufacturing activities already operating in the Borough are likely to constitute the occupiers of most of the manufacturing floorspace in the future. Many will continue to occupy the same buildings on the same sites. As such, current manufacturing floorspace and site densities will dominate future manufacturing and floorspace site densities and thereby determine the quintessence of manufacturing in the area.

7.66 Secondly, new office developments are being focused on the Borough's business parks and not on town centre tower blocks, of which there are none in the Borough. This means that floorspace and site densities within new developments will replicate those within existing developments rather than deviate from them.

7.67 The use of local figures is a recommendation within the ODPM guidelines.

[2] Employment Land Reviews Guidance Notes, ODPM, 2005

8. Findings of the Forecasting Model

Introduction

8.1 The following details the principal outputs derived from the small area forecasting model specified for Tonbridge & Malling Borough.

Population

8.2 At the time of the 1991 Population Census, the total population of Tonbridge & Malling Borough was 101,800. By 2001, this number had grown to around 107,600.

8.3 Based on forecasts produced by Kent County Council, it is estimated that Tonbridge & Malling Borough has a current, (2005), population of 109,900.

8.4 Kent County Council's forecasts suggest that the population of Tonbridge & Malling Borough will continue to rise in the foreseeable future, reaching 114,700 by 2016 and 116,800 by 2021.

8.5 2003 based forecasts produced by the Office for National Statistics, (ONS), anticipate the population of Tonbridge & Malling Borough rising from an estimated 2003 total of 111,400 to reach 119,900 by 2016 and 123,800 by 2021. As such, the ONS is forecasting a significantly higher population for Tonbridge & Malling Borough than is Kent County Council.

8.6 The small area forecasting model itself indicates that the population of Tonbridge & Malling Borough will reach 117,900 by 2016. As such, it is forecasting a population roughly midway between those of Kent County Council and the ONS. The small area forecasting model's population projections are trend based as are those produced by the ONS.

Demographic Structure

8.7 Whilst the overall size of the population has implications both for the level of demand for housing land and for the level of demand for local services, it is the structure of the population that is of more concern in terms of the demand for employment land.

8.8 This is because the age structure and gender of the population largely determines the size and structure of the resident labour force.

8.9 The following figure, (Table 8.1), compares the structure of the Tonbridge & Malling Borough population at 2016 under the three different forecasts.

Table 8.1: Comparison of Population Projections for Tonbridge & Malling Borough by Age and Gender, 2016

Age	Kent County Council			ONS			Model		
	Male ('000)	Female ('000)	Total ('000)	Male ('000)	Female ('000)	Total ('000)	Male ('000)	Female ('000)	Total ('000)
0-15	12.57	11.98	24.55	11.88	11.62	23.42	13.33	12.78	26.11
16 to normal retirement age	36.04	33.74	69.78	35.50	34.16	69.65	34.34	33.90	68.24
Over normal retirement age	7.49	12.82	20.32	10.66	16.03	26.69	9.19	14.35	23.54
Total population	56.10	58.55	114.65	58.00	61.90	119.90	56.86	61.03	117.89

Sources: Kent County Council (derived); ONS, WM Enterprise Consultants

8.10 The main differences between the three forecasts, other than the obvious one of overall population size, are that the ONS forecasts predict a lower percentage of the population aged under 16 and a higher percentage above normal retirement age than do the other forecasts. Equally, the County Council predicts a higher proportion of the population to be of working age, at the expense of the proportion of the population above normal retirement age.

8.11 Further detail is contained in the following figure, (Table 8.2).

Table 8.2: Comparison of Forecasts 2016 Population, by Age

	Kent County Council	ONS	Model
Age			
0-15	21.4%	19.6%	22.1%
16 to normal retirement age	60.9%	58.1%	57.9%
Over normal retirement age	17.7%	22.3%	20.0%
Total	100.0%	100.0%	100.0%

8.12 The differences shown in the above numbers have implications for the overall size of the labour force.

Activity Rates

8.13 The activity rates used in the model were provided by Kent County Council and were provided by age group and by gender. These were specific to the Tonbridge & Malling Borough and were for each of the forecast years, and beyond. Historic figures were also supplied.

8.14 The activity rates were applied to each of the three sets of population forecasts in order to arrive at three sets of Tonbridge & Malling Borough labour force projections

Table 8.3: Tonbridge & Malling Borough Activity Rate Assumptions – 2005, 2010, 2016

Gender / Age	2005 %	2010 %	2016 %
Male			
0-15	0.0	0.0	0.0
16-24	74.1	75.0	75.2
25-34	94.8	93.7	93.4
35-44	94.2	92.7	92.4
45-59	88.0	87.6	87.4
60-64	61.4	58.2	57.5
65+	9.6	9.0	9.0
Total*	88.3	87.7	87.6
Female			
0-15	0.0	0.0	0.0
16-24	70.7	71.1	71.4
25-34	76.0	77.8	79.1
35-44	76.7	78.2	79.3
45-59	74.4	77.4	78.9
60-64	30.6	32.4	33.8
65=	4.6	4.6	4.8
Total*	78.9	81.0	82.4

Source: Derived from Kent County Council Figures

* Total economically active (including pensioners) expressed as a percentage of the population of normal working age.

8.15 Overall, the figures indicate a marginal reduction in male participation rates in the labour market and an increasing level of participation on the part of females. These are trends that are evident nationally.

Size of the Workforce

8.16 Applying the activity rates to the population projections provides forecasts for the expected size and composition of the Tonbridge & Malling Borough resident workforce.

8.17 Whilst the model produces estimates of the composition of the workforce by age and gender, this level of detail is not directly relevant to this particular piece of work as the labour demand forecasts treat labour as a homogeneous commodity. Accordingly, the composition of the workforce is not presented in the figures below.

Table 8.4: Tonbridge & Malling Borough Workforce – Selected Years – Under Different Forecasts

Forecast	2004	2005	2006	2007	2008	2009	2010	2016
Kent County Council	55.7	56.0	56.4	56.7	57.0	57.3	57.6	59.4
ONS	56.2	56.3	56.8	57.2	57.3	57.6	57.9	59.6
Model	55.9	55.6	55.8	56.1	56.6	56.8	57.1	58.6
Mean	55.9	56.0	56.3	56.6	57.0	57.2	57.5	59.2

Sources: Kent County Council (derived), WM Enterprise Consultants

8.18 Overall, all three of the projections see the resident workforce of Tonbridge & Malling Borough growing over the forecast period. The Kent County Council forecasts show the highest rate of growth, (6.6% 2004 to 2016), with the Model the lowest, (4.8%). The mean of the three projections is for a 5.9% increase in the workforce.

Labour Demand

8.19 The Tonbridge & Malling Borough economy is relatively manufacturing dependent, when compared with the rest of the South East and the rest of the UK. Nevertheless, it is service activities that dominate all three economies. This is shown in the following figure.

Table 8.5: Comparative Employment Structures, 2003

	Tonbridge & Malling Borough	South East	UK
Primary	2.6%	1.7%	1.6%
Manufacturing	16.2%	9.8%	12.4%
Construction	5.0%	6.6%	6.6%
Utilities	0.3%	0.4%	0.5%
Services	75.9%	81.5%	79.0%
Total	100.0%	100.0%	100.0%

Sources: Cambridge Econometrics, NOMIS

8.20 Within manufacturing, employment in Tonbridge & Malling Borough is concentrated in the paper, printing and publishing sector, which accounts for nearly 50% of all manufacturing employment. Other sectors accounting for over 5% of manufacturing employment include: basic metals and metal products, (11%); rubber and plastic products, (9%); mechanical engineering, (7%); and electronic, electrical and instrument engineering, (6%).

8.21 Despite the level of concentration within it, the Tonbridge & Malling Borough manufacturing sector is not overly dependent upon a single large employer. Many of its manufacturers occupy niche markets. This is true even of those in the paper, printing and publishing sector, where individual companies tend to occupy distinct market segments.

8.22 Within the service industries, Tonbridge & Malling Borough is relatively over-represented in transport and communication and in distribution but is under-represented in the financial services sector and is under-represented in public administration, because it does not contain the county town.

The following figure, (Table 8.6), provides more detail.

Table 8.6: Comparative Services Sector Employment

	Tonbridge & Malling Borough	South East	UK
Retailing	13.8%	12.5%	13.0%
Distribution	11.2%	9.2%	8.2%
Hotels & Catering	7.6%	7.8%	8.1%
Transport & Communications	11.3%	7.6%	7.7%
Financial Services	2.3%	4.3%	4.9%
Other Business Services	23.3%	23.8%	19.7%
Public Administration, Education & Health	24.6%	27.3%	30.6%
Other Services	5.9%	7.5%	7.9%
Total	100.0%	100.0%	100.0%

Sources: Cambridge Econometrics; Nomis

8.23 The forecasts through to 2016 indicate that manufacturing employment within Tonbridge & Malling Borough will continue the decline seen over recent years such that, by 2016, manufacturing will account for only 13.7% of total employment. This is shown in the following figure, (Table 8.7).

Table 8.7: Forecast Relative Shares of Employment in 2016

	Tonbridge & Malling Borough	South East	UK
Primary	2.2%	1.5%	1.3%
Manufacturing	13.7%	8.1%	10.0%
Construction	5.1%	6.7%	6.2%
Utilities	0.3%	0.3%	0.3%
Services	78.7%	83.4%	82.3%
Total	100.0%	100.0%	100.0%

Sources: WM Enterprise Consultants; Cambridge Econometrics

8.24 The decline in manufacturing employment does not mean, however, that the overall significance of manufacturing, as a generator of value added in the Tonbridge & Malling Borough economy, will similarly decline.

8.25 Rather, the success of manufacturing in Tonbridge & Malling Borough, as in the rest of the South East and the UK, will be dependent upon increased labour productivity and upon increased concentration on the production of higher value added, non-commodity products.

8.26 Taking this into account, it is expected that the proportion of value added generated from manufacturing activities in Tonbridge & Malling Borough will only fall from a current 29.3% to 27.9% by 2016.

8.27 Over the same period, the service sector's share of gross value added in Tonbridge & Malling Borough is expected to rise from a current 56.8% to reach 60.5% by 2016. This modest rise is despite the service sector's share of total employment rising from 75.9% to 78.7%, over the same period.

8.28 Within the Tonbridge & Malling Borough service sector, it is the other business services sector that is expected to be the major source of new job opportunities, followed by education and health, with the latter's growth driven by the needs of an ageing population. Between them, the other business services sector and education and health are expected to account for 63% of service sector employment growth. Other sources of employment growth include retailing, distribution and hotels and catering, which, together, account for a further 33% of the anticipated service sector employment growth.

Commuting

8.29 Tonbridge & Malling Borough is a significant exporter of labour to other parts of Kent, the South East region and elsewhere. Equally, it is a major importer of labour from the same areas.

8.30 Analysis of the 2001 Population Census results undertaken by Kent County Council showed that, in 2001, around 50% of the Tonbridge & Malling Borough workforce worked outside of the Borough. Equally, around 48% of Borough jobs were taken by people living outside of the Borough. In aggregate, net in-commuting was, however, only a tiny 370 people.

8.31 Expectations are that commuting will continue to be a feature of the Tonbridge & Malling Borough economy.

8.32 The extent to which net in-commuting is likely to change is dependent upon the rate of growth in the population of Tonbridge & Malling Borough, relative to the rate of growth in local employment opportunities and the rate of growth in employment opportunities within commuting distance of Tonbridge & Malling Borough.

8.33 Under all three scenarios, the expectation is that net in-commuting will need to rise from its 2001 Population Census number, if the Tonbridge & Malling Borough economy is not to overheat. This does not mean, however, that unemployment will not rise.

Double Job Adjustment

8.34 The forecasts assume that, by 2016, the number of jobs within Tonbridge & Malling Borough that are taken by individuals who have another job will be around 5,000. This amounts to just under 8% of all jobs in the Borough and means that between 8.4% and 8.5% of the economically active population will have more than one job. At present, around 4% of the UK workforce has more than one job.

Labour Market Summary

8.35 The following provides summaries of the Tonbridge & Malling Borough labour market based on the Kent County Council population projections, on the ONS population projections and on the Model's population projections.

Table 8.8: Tonbridge & Malling Borough Labour Market Projections Based on Kent County Council Population Projections

	2001	2004	2005	2006	2007	2008	2009	2010	2016
	('000)	('000)	('000)	('000)	('000)	('000)	('000)	('000)	('000)
Total population	107.6	109.2	109.9	110.5	110.8	111.2	111.6	112.0	114.7
of which: of normal working age	65.5	66.5	66.9	67.3	67.5	67.7	67.9	68.2	69.9
over normal retirement age	19.1	20.1	20.4	20.7	20.6	20.4	20.2	20.1	20.3
Labour force (all ages)	54.9	55.7	56.0	56.4	56.7	57.0	57.3	57.6	59.4
Plus net in commuting	0.4	2.0	2.1	2.2	2.4	2.5	2.6	2.6	2.1
	55.3	57.7	58.1	58.6	59.0	59.5	59.9	60.2	61.5
Local employment	58.3	60.7	60.9	61.1	61.5	61.8	62.1	62.4	64.9
Less double job adjustment	4.5	4.7	4.7	4.7	4.7	4.8	4.8	4.8	5.0
Net local jobs	53.8	56.0	56.2	56.4	56.7	57.0	57.3	57.6	59.9
Unemployment	1.5	1.7	1.9	2.1	2.3	2.5	2.6	2.7	1.6

Sources: Kent County Council, WM Enterprise Consultants

Table 8.9: Tonbridge & Malling Borough Labour Market Projections Based on ONS Population Projections

	2001	2004	2005	2006	2007	2008	2009	2010	2016
	('000)	('000)	('000)	('000)	('000)	('000)	('000)	('000)	('000)
Total population	107.6	110.5	111.4	112.3	113.1	113.9	114.6	115.4	119.9
of which: of normal working age	65.5	67.0	67.1	67.6	67.9	68.0	68.2	68.5	69.7
over normal retirement age	19.1	20.2	20.9	21.3	21.7	22.5	23.0	23.5	26.7
Labour force (all ages)	54.9	56.2	56.3	56.8	57.2	57.3	57.6	57.9	59.6
Plus net in commuting	0.4	0.7	0.7	0.8	0.8	0.9	0.9	1.0	1.7
	55.3	56.9	57.1	57.6	58.0	58.2	58.6	58.9	61.3
Local employment	58.3	60.7	60.9	61.1	61.5	61.8	62.1	62.4	64.9
Less double job adjustment	4.5	4.7	4.7	4.7	4.7	4.8	4.8	4.8	5.0
Net local jobs	53.8	56.0	56.2	56.4	56.7	57.0	57.3	57.6	59.9
Unemployment	1.5	0.9	0.9	1.2	1.3	1.2	1.2	1.4	1.3

Sources: ONS; WM Enterprise Consultants

Table 8.10: Tonbridge & Malling Borough Labour Market Projections Based on Small Area Forecasting Model's Population Projections

	2001	2004	2005	2006	2007	2008	2009	2010	2016
	('000)	('000)	('000)	('000)	('000)	('000)	('000)	('000)	('000)
Total population	107.7	109.8	110.4	111.1	111.8	112.5	113.2	113.8	117.9
of which: of normal working age	65.5	66.1	66.3	66.5	66.7	66.8	67.0	67.2	68.2
over normal retirement age	19.1	19.9	20.3	20.6	20.9	21.2	21.5	21.8	23.5
Labour force (all ages)	54.9	55.9	55.6	55.8	56.1	56.6	56.8	57.1	58.6
Plus net in commuting	0.4	0.7	1.0	1.1	1.2	1.4	1.5	1.7	3.8
	55.3	56.9	56.7	57.0	57.3	58.0	58.3	58.7	62.3
Local employment	58.3	60.7	60.9	61.1	61.5	61.8	62.1	62.4	64.9
Less double job adjustment	4.5	4.7	4.7	4.7	4.7	4.7	4.8	4.8	5.0
Net local jobs	53.8	56.0	56.2	56.4	56.7	57.0	57.3	57.6	59.9
Unemployment	1.5	0.9	0.5	0.5	0.5	0.9	1.0	1.2	2.4

Source: WM Enterprise Consultants

8.36 The principal differences between these three labour market scenarios can be summarised as follows:

- Whilst all of the projections see the total population of Tonbridge & Malling Borough increasing over the forecast period, there are differences in the magnitude of the increase. The smallest increase is shown by the Kent County Council projections, with the largest increase shown by the ONS trend based projections. The small area forecasting model predicts an increase roughly in the middle of the other two. Overall, the 2016 population projection totals lie within $\pm$ 2.4% of their combined mean.
- Allied to the different population projections is a difference in the projected labour force of 1,000 by 2016. It is the small area forecasting model that generates the lowest labour force projection, and the ONS forecast that produces the highest labour force projection. This result is despite all three forecasts using the same activity rate assumptions and arises because of the different age and gender structures contained within the three different sets of population projections.
- In order to prevent the labour market from seriously overheating, there is an expectation that net in-commuting will increase. In the case of the Kent County Council population projection based scenario, the level of net in-commuting is expected to peak at 2,600 before falling back to 2,100. The other two population based scenarios see net in-commuting continuing to rise over the forecast period, with the ONS population projection based model expecting this to hit 1,700 by 2006 and the small area forecasting model expecting it to hit 3,800 by 2016.
- Whilst it is impossible to draw firm conclusions about gross commuting levels, the expectation is that these will grow rather than decline.

- The number of Tonbridge & Malling Borough residents with more than one job is also expected to increase, in response to a growth in the number of available jobs and a desire to maintain living standards.
- Despite the increase in the number of people with more than one job and the increase in the level of net in-commuting, unemployment is not expected to decline dramatically. This is, in part, because of structural factors which mean that unemployment can never fall below a certain, if not well defined, level and in part because of the anticipated increase in in-commuting.

8.37 Ultimately, the expectation under all three scenarios is that Tonbridge & Malling Borough will remain a relatively attractive place to live and work with attendant low levels of unemployment.

Employment Land Requirement

8.38 The mechanism used to translate employment into an employment land requirement is firstly to multiply the number of employed persons, (employees in employment plus self-employed), by an assumed number of square metres per employee. The resultant number is then divided by an assumed plot development ratio in order to arrive at a total site requirement.

8.39 Whist the ODPM's Employment Land Reviews Guidance Note provides national standards for use in this type of work, there is also recognition in the Guidance Note of the need to use local figures, where these are available. The salient figures from the Guidance Note are set out in the table below.

Table 8:11: Standard Square Metres Per Employee and Site Density by Activity

	Square Metres Per Employed Person		Site Density
Activity	Gross Internal Area	Gross External Area	Site Density
Industry			
General	34.0	35.0}	0.35 to 0.45
Small Business	32.0	33.0}	
High tech / R & D	29.0	30.0}	0.25 to 0.40
Science Park	32.0	33.0}	
Warehousing & Distribution			
General Warehousing	50.0	50.0}	0.40 to 0.60
Large Scale & High Bay	80.0	80.0}	
Office			
General	19.0	20.5	0.41 to 2.00
Headquarters	22.0	23.0	
Serviced Business Centre	20.0	21.0	
City of London	20.0	21.0	
Business Park	16.0	17.0	
Call Centre	12.8	13.0	
Retail			
Town / City Centre	20.0	24.0	
Restaurants	13.0	13.0	
Food Superstores	19.0	23.0	
Other Superstores / Retail Warehousing	90.0	93.0	

Source: Planning: Employment Land Reviews - Guidance Note, ODPM, December 2004

8.40 As mentioned above, the ODPM guidance recognises that the standards will not apply in all areas and therefore recommends that local information be used, where possible.

8.41 Accordingly, three different sources of employment density information were considered. The first was from the national guidelines, as issued by the ODPM, (i.e. the numbers cited in the above figure). The second was from local information derived from Valuation Office floorspace statistics for Tonbridge & Malling Borough for 2004 and the sectoral employment estimates for the Borough. The third source was the findings from a telephone survey of over 200 businesses operating from premises in Tonbridge & Malling Borough. This survey was conducted in April and May 2005 and, *inter alia,* sought information on numbers employed, floorspace occupied and the total site area.

8.42 The densities derived from Valuation Office floorspace statistics were calculated by taking the Valuation Office gross internal floorspace by use category, deducting the vacant floorspace and then dividing the result by the number of persons employed in Tonbridge & Malling Borough in industries using premises within the relevant use category.

8.43 For example, the manufacturing floorspace per person was derived from the VO figure of 615,000 square metres of industrial floorspace less the 62,564 square metres of vacant industrial floorspace, giving total industrial floorspace in use of 552,436 square metres. Dividing this by the estimated 9,171 employees and self-employed engaged in manufacturing in Tonbridge & Malling Borough in 2004, gave a square metres per person figure of 60.2.

8.44 The survey-derived figures were generated by asking each respondent business for details of both the number of employees that were based at its premises and also the square metres of floorspace occupied. The resultant numbers were then weighted and aggregated by major activity, (e.g. manufacturing, distribution), before dividing the resultant floorspace by the number of persons employed to arrive at a square metres per person figure.

8.45 The survey covered only those industries and sectors relevant to the study.

8.46 Given the nature of economic activity in Tonbridge & Malling Borough and given the aims of this study, not all of the ODPM employment category density rates are directly relevant. For example, Tonbridge & Malling Borough does not have any call centres. Equally, for example, retailing is outside the scope of this study.

8.47 As such, the following table, (Table 8.12), which contains the employment density figures considered when calculating the building space required to accommodate Tonbridge & Malling's employment, only covers those activities relevant to Tonbridge & Malling Borough and to this study.

Table 8.12: Comparison of Employment Density Figures (Square Metres Per Person)

Activity			Tonbridge & Malling Borough	
		ODPM (Gross Internal) Sq m	Derived Sq m	Survey (1) Sq m
Industry	- General	34.0}	60.2	60.4
	- Small business	32.0}		
Warehouse	- General	50.0}	43.8	43.0
	- Large scale & high bay	80.0}		
Construction		-	19.6	13.6
Offices	- General	19.0	14.6	16.1

(1) Based on findings from a telephone survey of 206 Tonbridge & Malling Borough Businesses.

8.48 The survey figures in the above table show the average manufacturing floorspace per employee as nearly twice as high as the ODPM standard, but virtually identical to the derived figure. If, however, an anomalous manufacturer occupying a large floorspace is excluded, the survey floorspace per person falls to 52.4 square metres. This is lower than the derived floorspace area per person but still significantly higher than the ODPM standard.

8.49 The detailed figures from the survey show significant differences in the floorspace per employee in different manufacturing industries. Textiles, clothing and leather is the industry with the lowest amount of floorspace per employee, with the chemicals industry the highest. These findings are not surprising, given the labour intensive nature of the former activity and the high level of automation associated with the latter.

8.50 A number of the Tonbridge & Malling Borough firms in the paper, printing and publishing sector are engaged in the manufacture of paper using recycled materials. This involves the storage of large quantities of materials awaiting recycling. As such, some firms in the sector have significantly higher floorspace requirements than do others, in particular those engaged in publishing.

8.51 The average manufacturing floorspace per person was obtained by weighting the floorspace per employee figures from the survey across seven broad manufacturing industry groups. Using total employment in each industry in Tonbridge & Malling Borough, gives a weighted floorspace per person figure of 60.4 square metres. The calculation is shown in the following figure.

8.52 Based on the survey findings, the floorspace requirement to accommodate the total Tonbridge & Malling manufacturing activity is 553,900 square metres. This figure is marginally higher than the 552,400 square metres shown as being occupied by the Valuation Office figures.

Table 8.13: Manufacturing Employment Density

Manufacturing Industry	Square Metres per Employee from Survey	Total Employment (1) ('000)	Total Floorspace ('000 sq m)
Textiles, Clothing & Leather	11.9	0.1	1.3
Paper, Printing & Publishing	61.7	4.0	224.9
Chemicals & Man-made Fibres	124.9	0.3	36.1
Metal Fabrication	67.1	1.0	65.6
Machinery & Equipment	44.1	0.6	25.2
Electrical, Electronic & Instrument Engineering	91.1	0.5	43.3
Other Manufacturing	46.4	2.0	92.7
Total		8.4	489.1
Weighted Average Floorspace	60.4	9.2(2)	617.6

Source: WM Enterprise Consultants

(1) Weighting using employees in employment

(2) Employees in employment plus self-employment

8.53 Figures for square metres per person in warehouses in the survey are significantly lower than the ODPM average figures, but are close to the Valuation Office derived figures. The difference may be due to a higher proportion of the space in Tonbridge & Malling being open storage or parking space than is generally found.

8.54 However if the figures are calculated based on the maximum people on site at any one time the figures are closer to $81m^2$ per person, indicating a high level of shift work and a significant number of drivers. Ultimately, the figures confirm the need to use Tonbridge & Malling Borough specific employment density figures for warehousing and distribution rather than rely on the ODPM standard.

8.55 The figure for office space per person, at 16.1 square metres, is lower than the ODPM standard for general offices of 19.0, but is close to the 16.0 square metres per employee specified by the ODPM for business parks. All these figures are higher than the derived 14.6 square metres per person.

8.56 Also included in the survey were a number of construction businesses. These had, on average, 13.6 square metres of floorspace per employee. This relatively low figure reflects that most workers in the construction sector work at other peoples' premises rather than at their own, which are largely used for administration and for storage.

8.57 The derived figure, at 19.6 square metres, is based on a weighted average of office space (60%) and warehousing (40%) but discounted by 40% to allow for those self-employed who work from home and have no formal business premises.

8.58 The sum of the warehouse, distribution and construction derived figures equates to the Valuation Office reported occupied warehouse and distribution floorspace of 479,870 square metres.

8.59 The ODPM does not include construction as a separate employment land use activity. Ignoring it and assuming that it is subsumed within warehousing and distribution, means that the ODPM based warehousing and distribution requirement is, at 493,100 square metres, close to the amount actually available. As soon, however, as an independent figure is included for construction, the ODPM based requirement grows significantly, adding up to a further 82,600 square metres to the requirement.

Current Floorspace Requirement

8.60 Applying the figures for square metres per employee to the 2004 employment estimate produces the following range of estimates for the amount of built space required in Tonbridge & Malling Borough to house its various business activities.

Table 8.14: Built Accommodation Requirement, (Gross Internal Floorspace), Under Different Employment Density Assumptions

Activity	ODPM ('000 sq m)	Survey ('000 sq m)	Derived ('000 sq m)
Industrial	319.5	553.9*	552.4
Warehouse	270.1	224.1	228.0
Distribution	223.0	191.8	195.2
Construction	-	39.2	56.7
General Office	214.3	168.3	167.1

*Weighted by Employment Structure.

8.61 From Table 8.14, it is apparent that there is a consistent pattern of current employment floorspace requirement from the survey and from the derived methodologies. Equally, there is a distinct difference between the floorspace requirements from these two sources and those derived using ODPM guidelines.

8.62 As such, it is apparent that employment densities in Tonbridge & Malling Borough are different from the national averages represented by the ODPM guidelines and that reliance should, therefore, only be placed on the local information.

8.63 One further point in relation to Table 8.14 is that the figures in the table only provide sufficient gross internal floorspace to accommodate the current level of activity. As such, there is no allowance for spare capacity linked to frictional or other elements of the market, including the need to secure a balanced portfolio of land and premises linked to providing adequate choice within the market place. Equally, there is no allowance for walls, plant rooms and outbuildings.

Employment Land Requirement

8.65 Translating floorspace requirements into employment land requirements necessitates the adoption of appropriate factors to translate internal floorspace into gross external floorspace. It also requires the adoption of appropriate site development density assumptions.

8.66 The factors used in translating internal floorspace into gross external floorspace were a 5% increase for manufacturing, 5% for warehousing and 15-20% for offices. These figures are based on industry standards, including as presented in the 2001 Arup Economics Study for English Partnerships.

8.67 Two sets of site development density figures are available. These are the ones provided by ODPM and the ones available from the survey of Tonbridge & Malling businesses. The following table compares the numbers from these two sources.

Table 8.15: Site Density Figures

	ODPM	Survey
Industry	0.4	0.4(1)
Warehousing	0.5	0.6
Transport		0.3
Construction		0.1
Offices	3.6	0.7

a. This figure excludes quarries and quarrying activities linked to manufacturing. Inclusion of such activities reduces the overall site density to 0.3

8.68 From Table 8.15, it is apparent that the site density of industry in Tonbridge & Malling Borough, as revealed by the survey, is in line with the national average. If, however, quarrying activities are included, the local density falls to 0.3. Excluding the largest paper manufacturer (by area occupied) increases the site density for the remaining industrial activities to a relatively high 0.5. This reflects the presence in the Borough of a number of multiple floored production facilities. These include offices of publishers, where some of the highest densities can be found.

8.69 Applying a weighted average to the warehousing and the transport survey site densities, using employment as the weighting, gives an average across the two sectors of 0.47. This is close to the ODPM density figure for warehousing and distribution of 0.5.

8.70 The site density for offices is considerably lower in Tonbridge & Malling Borough than that indicated by the ODPM figure. This is due to a significant proportion of Tonbridge & Malling Borough offices being located on low density businesses parks, with no high density office blocks present in the Borough.

8.71 Applying the various site density ratios to the calculated square metres required to accommodate existing economic activity in Tonbridge & Malling Borough provides an estimate of the total employment land requirement. This is detailed in the following figure.

Table 8.16: Employment Land Requirement (Hectares)

	ODPM		Survey		Derived	
	ODPM	Survey	ODPM	Survey	ODPM	Survey
Industry	83.9	83.9	145.4	145.4	145.1	145.1
Warehousing	108.2(1)	47.7	90.1(1)	39.2	111.4(1)	39.9
Transport	-	39.1	-	33.6	-	34.2
Construction	-	45.6	-	44.1	-	63.8
Offices	7.0	36.1	5.6	28.3	5.4	28.0

(1) These figures include an estimate for construction.

8.72 The above figures indicate that reliance on ODPM standards would seriously underestimate the current actual employment land requirements in Tonbridge & Malling. This is particularly true in relation to industrial activities and office based activities.

8.73 Equally, the inference has to be that local employment land relationships need to be used when producing forecasts of Tonbridge & Malling Borough's future employment land requirements. This is reflected in the next sections.

Employment Floorspace and Land Forecasts

8.74 The following figure, Table 8.17, shows the current, (2004), floorspace occupied in Tonbridge & Malling Borough by different use categories, together with the forecast floorspace requirement for selected years through to 2016. The forecasts are based on local employment densities.

Table 8.17: Employment Floorspace Requirement ('000 square metres)

	2004	2005	2006	2007	2008	2009	2010	2016
	(sqm)	(sqm)	(sqm)	(sqm)	(sqm)	(sqm)	(sqm)	(sqm)
Industrial	554.0	554.8	550.2	546.4	544.8	543.3	539.0	510.5
Warehouse	224.2	222.3	224.3	228.1	229.4	232.2	233.9	244.5
Distribution	195.2	194.1	193.9	194.9	194.3	195.2	196.4	200.0
Construction	56.7	58.1	57.5	57.1	56.8	65.5	56.3	58.4
General Office	168.4	267.5	169.2	170.7	173.0	175.0	176.9	197.1

Source: WM Enterprise Consultants

8.75 The figures in Table 8.17 are in accordance with the normal convention used by property agents and developers in reporting floorspace. As such, they represent gross internal areas for industrial and warehouse premises and the net internal area for offices. This means that the floorspace figures are not directly comparable between different uses and need to be variously adjusted in order to raise them to a common gross external area basis for use in calculating land requirements.

8.76 Also, in using the floorspace figures in Table 8.17, it is important to recognise that these do not include any allowance for vacant premises and do not allow for the provision of a balanced portfolio providing choice. As such, they are the absolute minimum needed merely to accommodate current and forecast activity.

8.77 The following figure, (Table 8.18), sets out the anticipated employment land requirement for Tonbridge & Malling Borough through to 2016 based on current employment densities and land development densities in the Borough. In producing these figures, the manufacturing warehouse and distribution gross internal floorspace shown in Table 8.17 has been increased by 5% and the office floorspace by 17.5% in order to raise them to gross external area, before applying appropriate employment densities.

Table 8.18: Employment Land Requirements (Hectares)

	2004	2005	2006	2007	2008	2009	2010	2016
	(ha)	(ha)	(ha)	(ha)	(ha)	(ha)	(ha)	(ha)
Industrial	145.4	145.6	144.4	143.4	143.0	142.6	141.5	134.0
Warehouse -	39.9	39.6	39.9	40.6	40.8	41.3	41.6	43.5
Distribution	34.2	34.0	33.9	34.1	34.0	34.2	34.4	34.9
Construction	63.8	65.4	64.6	64.2	63.8	63.5	63.3	65.6
General Office	28.3	28.1	28.4	28.7	29.0	29.4	29.7	33.1

Source: WM Enterprise Consultants

8.78 As with the figures in Table 8.17, the figures in Table 8.18 represent the absolute minimum needed to accommodate existing and future activities, with no allowance for vacancies or the need for a balanced land portfolio.

8.79 From the above, there is expected to be an increasing requirement for warehouse and general office space, but a decline in the requirement for industrial land.

8.80 Ultimately, appropriate additions need to be made to the above figures in order to ensure that a balanced portfolio of sites is available to meet the needs of indigenous businesses and of those either planning to start-up in business in the Borough or to re-locate into it.

9. Findings From Employer Survey

Introduction

9.1 The following details the findings from a survey of 206 businesses operating in Tonbridge & Malling Borough. The businesses variously operated in the manufacturing, construction, wholesale and distribution and business and financial services sectors. None of the businesses operated from High Street type retail premises.

9.2 The survey was conducted by telephone, with respondent businesses asked to complete a proforma questionnaire focusing on their current and future employment land requirements within the Borough of Tonbridge & Malling. Other questions sought to gain an insight into the dynamics of the local business sector and an understanding of perceptions of Tonbridge & Malling Borough as a place in which to operate businesses. In addition, the opportunity was used to gain an insight into perceptions of employment land premises availability within the Borough as a whole and within different parts of it. A copy of business survey questionnaire is included at **Appendix 7**.

9.3 The survey took place in April-May 2005, with those selected for interview drawn from a stratified database of eligible businesses. Those selected for interview were chosen so as to give as representative a sample as possible across and within sectors, but with due consideration being given to ensuring coverage of all relevant geographical parts of the Borough.

9.4 WM Enterprise would like to use this opportunity to thank all those business that participated in the survey and thereby enabled data from 206 respondents to be analysed, against a target of 200.

Overview

9.5 Companies who responded to the survey had a total of 8,731 employees or 16.4% of the total Tonbridge & Malling Borough workforce. As indicated above, not all sectors were included in the survey. Taking this into account lifts the percentage coverage of the workforce within eligible sectors to just over 25%.

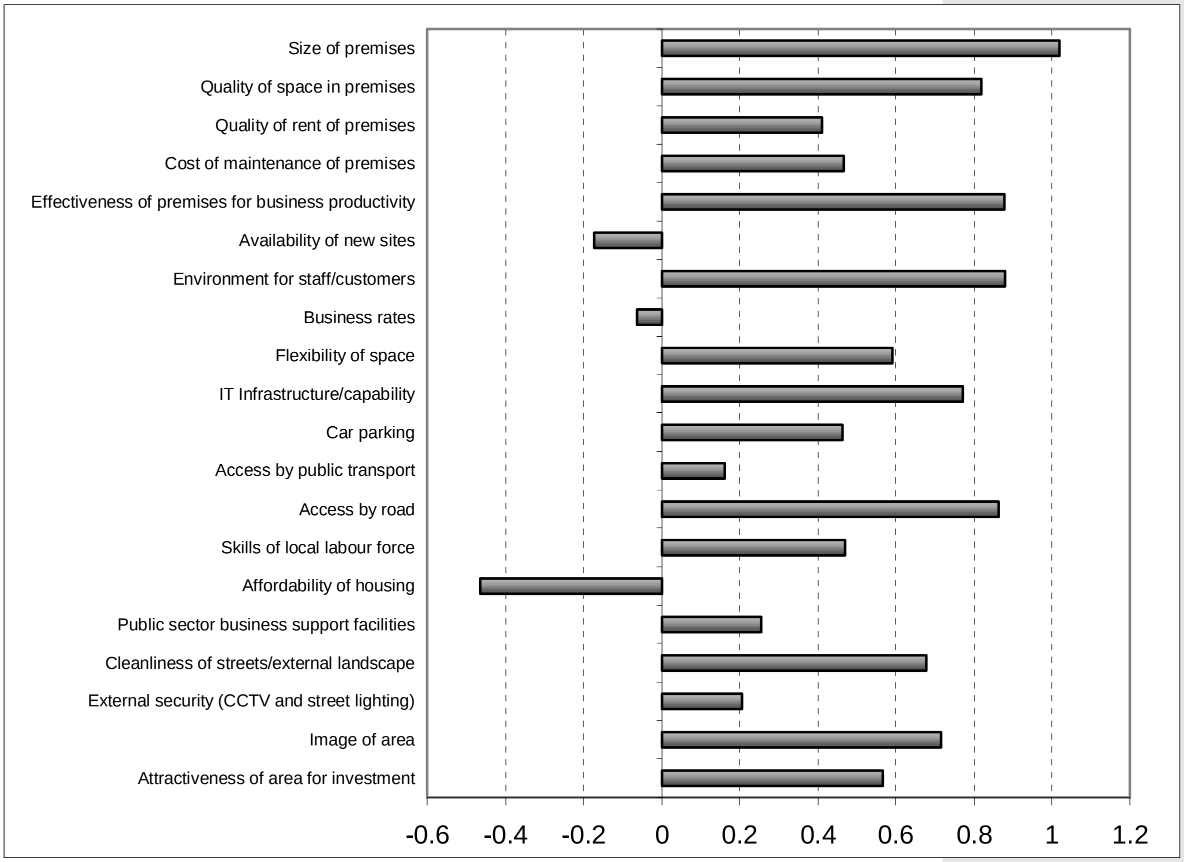
9.6 65% of the employees of the companies surveyed did not, based on the perceptions of their employers, live locally. This was highest amongst businesses in the Kings Hill and the Medway Gap areas and is consistent with the commuting figures, which indicate a high level of commuting into the Borough.

9.7 Using a weighting of +2 for very good, +1 for good, -1 for poor and –2 for very poor, shows how highly businesses rate various aspects of their current premises and locality. As the figures include people who were neutral, anything over +1 shows that a particular aspect is rated highly enough to cut through respondent apathy.

9.8 The main findings are presented in the following figure, with bars to the left of the central axis indicating perceived problem areas and those to the right indicating positive aspects of trading within Tonbridge & Malling Borough.

9.9 The length of each bar indicates the relative strength of opinion.

Figure 9.1: Positive and Negative Aspects of Operating in Tonbridge & Malling Borough



Source: WM Enterprise Consultants

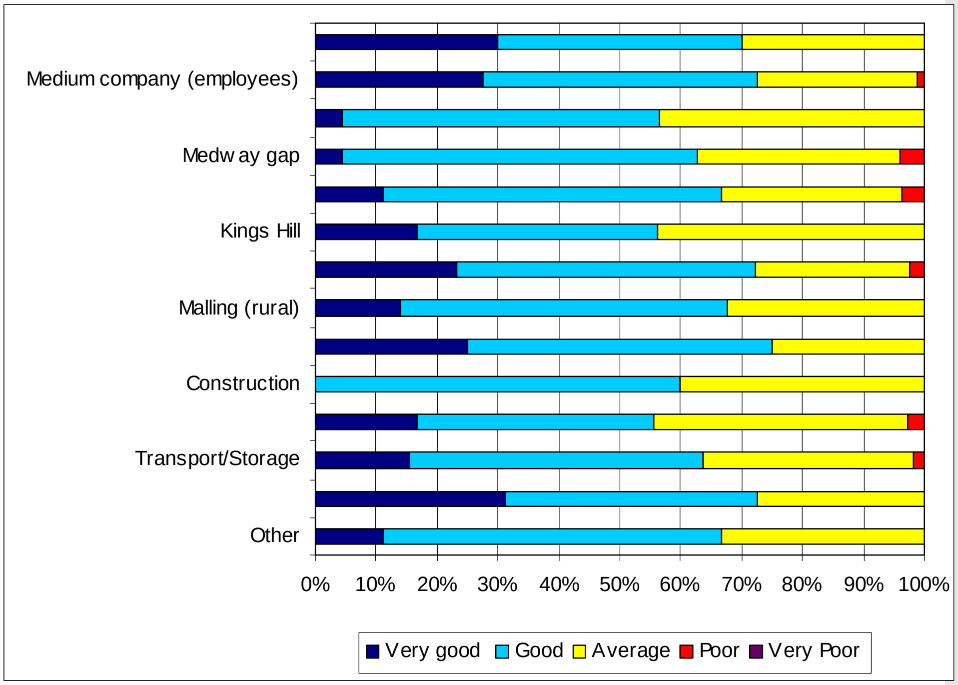
9.10 As can be seen from the figure, the major concerns are the affordability of housing, the availability of new sites and the level of business rates. The first two are seen, by businesses, as beyond the direct control of the Borough Council, which they are, whereas cheaper rates were the most common response when interviewees were asked how the Borough Council could help businesses in the area. Unfortunately, the setting of business rates is also outside of the control of the local authority and indicates that an element of business education is needed in this area.

9.11 64% of respondents rated Tonbridge and Malling Borough as either a good or a very good place in which to do business. One in three felt it was only average but less than 2% thought it was poor.

9.12 These findings place Tonbridge and Malling Borough marginally ahead of other areas where WM Enterprise Consultants has recently undertaken business surveys and where 58% of respondents, on average, rated their respective areas as very good or good places in which to do business and 14% rated them as poor or very poor.

9.13 From the table below, Tonbridge and Malling Borough's strength in office buildings for medium sized companies is evident. In terms of location, Kings Hill, which is predominantly office-based, and rural Malling were viewed as the best locations.

Figure 9.2: Percentage of Surveyed Businesses Rating Tonbridge & Malling Borough as a Very Good or Good Business Location, By Business Attribute



Source: WM Enterprise Consultants

9.14 The following figure shows the geographical and sectoral distribution of surveyed activity within the Borough.

Table 9.1: Distribution of Surveyed Activity Within Tonbridge & Malling Borough

	m² per person	Site Density	Approximate proportions of floorspace				
			Office	Warehousing	R&D	Industrial	Other
Kings Hill	16.8	0.8	100%	0%	0%	0%	0%
Malling Rural	42.9	0.1	16%	14%	0%	70%	0%
Medway Gap (urban)	87.6	0.4	17%	58%	0%	25%	0%
Medway Gap (rural)	14.0	0.4	94%	6%	0%	27%	0%
Tonbridge	23.6	0.8	51%	14%	1%	29%	4%

Source: WM Enterprise Consultants

9.15 Whilst the figures should be treated as indicative rather than statistically robust, they indicate that office based activities are concentrated in Kings Hill and in the rural parts of Medway Gap, with large-scale warehousing and distribution concentrated in Medway Gap (non-rural). Industry predominates in Malling Rural, with Tonbridge having a more balanced, mixed economy. One thing that is clear is that there is relatively little R & D activity taking place in the Borough.

9.16 Analysis of the short-term premises needs of the surveyed business in each area, suggests that increases in office space requirements will occur in Kings Hill (+6%), Medway Gap (+12%) and Malling (+3%). A slight decline in overall floorspace demand is expected in Tonbridge, mainly due to one company looking to reduce its capacity there. Medway Gap shows increased demand for warehousing (+7%) and for industrial space (+5%). Increases in industrial space requirements are also expected in Malling and in Tonbridge, although, as with warehousing in Tonbridge, the increase of over 20% is heavily skewed by one or two planned projects by large companies.

9.17 In terms of problems for businesses, 22% of the large companies surveyed and 10% of the medium sized companies felt constraints associated with their existing sites were a problem. These businesses were all located in the Medway Gap. Parking problems were also an issue in this area.

9.18 The following provides a more detailed analysis of the survey findings by sectoral activity.

Manufacturing

9.19 A total of 48 manufacturing companies, with a total of 2,497 employees, were interviewed as part of the survey. The main industrial sectors covered were paper, printing and publishing, (21% of respondents), fabricated metal manufacturing, (21%), and machinery and equipment manufacturing (13%).

9.20 In total, 93% of the employees of the respondent businesses were employed full-time and 7% were employed part-time. The maximum number of employees on site across all the businesses, at any one time, was 94% of the total number employed. This suggests that there is relatively little large-scale shift work within the Borough's manufacturing sector.

9.21 Around 60% of the manufacturing workforce was draw from the local community and 40% from further afield. This suggests that manufacturing employees are amongst those least likely to commute long distances. Areas where manufacturing employee commuting levels were proportionally highest were Medway Gap, Tonbridge and Rural Malling.

9.22 38% of the surveyed businesses held the freehold of their sites, with a further 52% occupying their sites under a lease. 4% occupied their premises under a licence agreement, with the balance having other arrangements, mainly involving a combination of freeholds and leaseholds.

9.23 31% of the manufacturing businesses described their premises as budget, with a further 60% describing them as mid range. Only 9% considered their premises to be prestigious.

9.24 58% of the businesses had been trading in Tonbridge and Malling Borough for more than 10 years and a further 13% for between 6 and 10 years. Only 10% had been trading in the Borough for less than two years and just under half of these for less than a year.

9.25 Those that had been trading in the Borough for less than one year, had started-up in the Borough and were not relocations. Those that had only been in the Borough for between one and two years were evenly divided between start-up's, relocations from elsewhere in Tonbridge & Malling and relocations from elsewhere in Kent.

9.26 Overall, 58% of the surveyed manufacturers had always been at their present site in Tonbridge & Malling Borough and a further 15% had relocated within the Borough. 27% had relocated into Tonbridge & Malling Borough from elsewhere in Kent, or from elsewhere in England. In practice, the majority of these had come from surrounding Boroughs such as Maidstone and Sevenoaks.

9.27 The majority of those relocating within the Borough had done so at least three years ago, with the majority moving into the Borough having done so no more then 10 years ago. These figures indicate a relatively stable manufacturing sector.

9.28 Those that had relocated to their current address from within the Borough had mainly moved because of a need for larger premises.

9.29 Those who had moved into the area had often done so from a higher cost area and, out of the nine who moved into the area and gave definite answers, the most popular reasons for the relocations were cost (3) and a need to expand (2).

9.30 Where companies had looked at other locations, those locations had always been very close to where they were currently located. For instance, the manufacturers currently located in the north of the Borough tended to have considered Aylesford, Ditton, etc, whilst those in the south tended to have looked mainly in the Tonbridge area.

9.31 44% of companies that had relocated had not considered any other sites. This may be due to the need to preserve their workforce, with an estimated 40% of employees living within 3 miles of the chosen site.

9.32 The main reasons given for companies being located in Tonbridge & Malling Borough are ease of access and the cost and size of premises. 27% of respondents mentioned ease of access to the motorway as being of importance, with 8% also indicating rail and / or airport access. The cost and size of premises were each mentioned by 21% or respondents. A high proportion of medium sized companies mentioned cost.

9.33 The cost of premises were most frequently cited by respondents based in Tonbridge, with others citing this reason based in Aylesford or East Malling. The size of premises was most frequently cited by Aylesford based businesses, followed by those in Tonbridge.

9.34 Ease of access to the motorway network was most frequently cited by manufacturing businesses located in Aylesford, followed by those in Tonbridge and, to a lesser extent, Borough Green.

9.35 Businesses for whom proximity to key staff was of particular importance were mainly located in Tonbridge or Aylesford, although mention was made by firms in Borough Green and Snodland. Sectorally, it was the electrical and electronic engineering firms for whom access to skilled staff was most important, followed by the paper, printing and publishing sector.

9.36 83% of those businesses surveyed considered their current premises to be suited to their needs. There was no significant difference between freehold occupants and those who occupied their premises on a lease. Premises not suited to current needs were split 12% prestigious, 50% mid range and 30% budget.

9.37 Between them, the manufacturers whose premises did not suit them occupied approximately 8% of the total manufacturing floorspace surveyed. Three out of the eight considered their premises to be too small for their needs. Half of these companies were located in Tonbridge and the majority of the others were in the Medway Gap area.

9.38 Market pressure was the main difficulty being experienced by manufacturers (10%) and this was more of a problem for this sector than for the other sectors surveyed, (generally less than 5%). Lack of suitable premises was mentioned by 4% of manufacturers and site constraints by 8% suggesting that there may be a lack of suitable land available. Only one respondent felt planning constraints were an issue and this was as much a general feeling as specific to the Borough.

9.39 Over half of the space within the manufacturing premises was, predictably, given over to manufacturing activities, with the balance largely shared between offices and warehousing. This is shown in the figure below.

Table 9.2: Percentage of Floorspace Within Surveyed Manufacturing Businesses Used For Different Activities

Activity	% of Floor space
Manufacturing	61.0
Office	17.0
Warehousing	21.1
Research & Development	0.9
Retail	0.0
Other/Sublet	0.0

Source: WM Enterprise Consultants

9.40 The absence of space devoted to retailing reflects the nature of manufacturing in Tonbridge & Malling Borough, with few consumer goods being produced.

9.41 Relatively little space was devoted to R & D, with only 4% of the surveyed manufacturing businesses having a specific R & D area. This does not mean, however, that none of the other businesses was undertaking R & D. Rather, to the extent that R & D was being conducted, it was being undertaken in areas not exclusively given over to R & D.

9.42 Despite this, it is probably fair to say that few of the surveyed firms are highly innovative.

9.43 44% of the manufacturing businesses surveyed were expecting to see their businesses grow in the short-term, with only one company expecting to see a decline. The balance, (54%), were expecting their businesses to remain static. In terms of employment, 33% expected to increase staff in the short-term and 6% expected employment numbers to decrease. Not all of the growth was expected to take place in Tonbridge & Malling with some respondents looking to transfer production to lower cost sites and others pursuing growth through acquisition.

9.44 71% of those expecting growth, anticipated an associated increase in employment, with 24% expecting employment levels to stay the same. Only one company expected to see a decline in employment numbers. The majority of companies where turnover was expected to remain the same, also expected employee numbers to remain the same, although one expected an increase and one a decrease in employment numbers. Employment decline was only anticipated where turnover was also expected to decline.

9.45 19% of the surveyed manufacturers expected to expand their premises in the short-term, with the most significant expansions already at the planning stage. However, the majority of those expecting to see turnover growth (57%), did not expect this to lead to an increased premises requirement.

9.46 Between them, the manufacturing firms expecting to have an increased space requirement were expecting to add a net 5% to the total floorspace surveyed. Just under half of this additional floorspace was, however, expected to come from one development. Most of the additional floorspace was to facilitate more efficient production with 75% of the space to be used for manufacturing and 25% for storage.

9.47 The following figure shows the anticipated future use of premises occupied by manufacturing business in Tonbridge & Malling.

Table 9.3: Percentage of Floorspace in Manufacturing Businesses Expected to be Used for Stated Activity

Activity	Future % of Floor Space
Manufacturing	58.0
Office	20.6
Warehousing	20.0
Research & Development	0.8
Retail	0.0
Other/Sublet	0.6

Source: WM Enterprise Consultants

9.48 The geographical areas where growth in manufacturing is most expected to take place are Tonbridge and Rural Malling, with 44% of the 18 and 9 businesses respectively surveyed in each area anticipating growth.

9.49 Around 80% of the surveyed manufacturing businesses with quantified expansion plans were unable to accommodate those plans within their existing buildings. Reasons cited included a lack of room for expansion, leasehold constraints and restrictions on parking. Those able to accommodate their expansion plans typically had low site densities or were planning a wholesale site redevelopment.

9.50 The largest developments are expected to be rebuild or the addition of buildings on a current site, with most manufacturers surveyed, being negative about other possible sites. Borough Green, East Malling and Snodland were believed to be the most suitable areas but, in each case, only one company felt that this was the case and in two of the three cases, were already located in the area. The majority of those who were looking to relocate were negative about site availability or did not know. Cost was the overwhelming driver in terms of precluding an area, although building specifications were also an important consideration.

9.51 75% of companies were looking to remain in the Borough for their current or for all of their activities. One was looking to move out of the country and one did not state its intentions beyond moving outside of the Borough.

9.52 Only one of the surveyed manufacturing companies expected to see its turnover decline over the longer-term, as against 73% that were anticipating turnover growth. The remaining 25% expected turnover to remain unchanged.

9.53 Paper manufacturers were one of the least bullish sectors of the manufacturers, with only 50% of the ten surveyed expecting to see growth, compared to 70% of the ten fabricated metal manufacturers surveyed and 100% of the four rubber and plastics manufacturers surveyed.

9.54 Although 73% of all the manufacturers expected to see turnover growth, only 48% expect to see an associated increase in staff. Labourers/elementary occupations were most likely to be in demand, followed by sales and administration staff.

9.55 Although this can only be a rough indication and a lot can happen over the timescale suggested, the expectation is for a net additional 10% of manufacturing floorspace to be required through to 2016. Much of this is expected to be accommodated on existing sites.

Warehousing

9.56 24 companies engaged in warehouse activities and employing a total of 704 people were interviewed as part of the survey. 58% of these were independent companies with the remainder being branches or subsidiaries. 75% of companies only employed full-time staff, with only a relatively low 38% of the total workforce living local to where they were employed. The maximum number of staff on site at any one time was 71% of the total employed. This implies a relatively high level of shift work as well as an element of delivery work.

9.57 Employment within the wholesale businesses is predominately full-time, with 94% of employment full-time and only 6% part-time.

9.58 The average floorspace per person in this sector was $79m^2$, very close to the $80m^2$ ODPM guide for large scale and high bay warehouses. When the maximum number of people on site was taken into account, the Tonbridge & Malling Borough figure rose to $110m^2$.

9.59 19% of the surveyed wholesale businesses owned the freehold of their premises, with a further 76% occupying their premises under a lease. The remainder occupied their premises under a license. The leasehold premises tended to be the larger premises having, on average, 1,800 square metres of space as against 390 square metres of space for the freehold sites and 100 square metres for premises held under a licence.

9.60 Whilst the majority of the wholesale businesses surveyed had a building footprint that covered the whole of the site, the larger facilities have a significantly lower building to site ratio. These have the effect of reducing the overall development density to 0.4. This is slightly lower than the ODPM's 0.5 guide.

9.61 The number of square metres per employee also varies considerably, ranging from around 4, (where there was a small office and open storage/parking), to significantly over 100. Site density also varied massively from 0.02 to 1.0.

9.62 Typically, 79% of the available floorspace is given over to warehousing, with the 20% used to house office functions. There was also a small amount of retail and workshop space. The overall split is shown in the table below.

Table 9.4: Percentage of Floorspace In Surveyed Warehouse Businesses Used for Stated Activity

Activity	% of Total Floor Space
Manufacturing/Workshop	1.0
Office	19.7
Warehousing	78.5
Research & Development	0.0
Retail	0.8
Other/Sublet	0.0

Source: WM Enterprise Consultants

9.63 67% of the wholesale premises surveyed were defined as mid range, with the remaining 33% defined as budget. The mid range premises tended, however, to be the larger premises such that significantly more than 75% of the surveyed floorspace was classified as mid range.

9.64 46% of those surveyed had occupied their current premises for more than 10 years, with a further 38% occupying their current premises for between 5 and 10 years. 4% had only been established for 1-2 years and 13% had only been in their current premises for less than one year. Of this latter group, one-third were start-ups, one-third re-locations within Tonbridge & Malling Borough and one-third relocations into the Borough from elsewhere in Kent.

9.65 58% of the surveyed wholesale businesses had always been at their current address in the Borough. Of these, 64% had been there for more than 10 years and 29% for between 3 and 10 years. A further 17% of the surveyed wholesalers had relocated from a site elsewhere in the Borough to their present site. Another 17% had moved into the Borough, either from elsewhere in Kent or from London.

9.66 Wholesalers that had relocated had considered a relatively high number of the towns in the area, but with a focus on Tonbridge and Aylesford. Some of those that had relocated from London or from elsewhere in Kent had considered a wide range of locations across the South East. The decisive factors in choosing a location were the size of the premises and the ability to access the trunk road network (38% each). One in four of respondents also cited cost of premises as a main reason. Other significant factors included proximity to key staff and to customers, (21% each), with other factors mentioned by one or two respondents including proximity to the railway, the quality of premises, proximity to suppliers and proximity to the airport.

9.67 59% of wholesale premises were on one floor only. All of the remainder were on two floors, but frequently with office space, rather than storage space, on the upper floor.

9.68 Without exception, respondents considered their current premises to be suited to their current business needs.

9.69 Over half the companies did not consider there to be any major problems facing their business. Those that did have problems tended to be fairly in line with standard business problems, such as red tape and market pressure. Concerns over the road infrastructure and parking were higher than average, particularly in the Aylesford and Borough Green areas.

9.70 Tonbridge & Malling Borough was generally seen as an effective place from which to operate a wholesale business. Aspects of the area that attracted the most favourable comment were the size and quality of premises, the quality of the environment and the associated image of the area, access to IT and road access. Areas where there was greatest concern were the affordability of housing and the level of security. Public transport access was also seen as poor, particularly in Medway. Medway was also seen as a place where there was a shortage of new sites.

9.71 Suggestions for improvement were limited to reducing traffic congestion, taking away yellow lines and making more employment land available in Ditton.

9.72 46% of the surveyed businesses were planning to increase turnover, with 42% of the total expecting an increase in employment numbers. Despite this, only 13% of those expecting to expand believed that their growth would impact on their premises requirements. Overall, the immediate expansion plans of the surveyed businesses would add 8% of floorspace to that currently occupied by the surveyed warehouse businesses. Expansion plans are confined to the Medway Gap area.

9.73 The companies with additional premises requirements did not expect to be able to meet those requirements by adding to their additional premises. As such, they would be seeking alternative premises in the locality.

9.74 79% of companies felt that their current site was suitable for their business needs. Those who were negative about the Borough in terms of its having suitable buildings for their needs mentioned cost, size of premises and quality of environment. Of the three companies that were unconvinced by the Borough as a whole, two were positive about Aylesford, which was considered to be the most likely place to have an adequate supply of buildings to meet their needs.

9.75 88% of wholesalers expected to see an increase in turnover over the longer-tem and none expected a decrease. 71% expected employment to increase over the same period with sales staff, (35% of firms anticipating an increase), elementary occupations (35%) and machine operatives (24%), in this case, drivers, being the key employment categories affected.

9.76 21% of the total and 24% of those expecting to expand envisaged that their growth would lead to them needing additional space. Overall, the expanding businesses were expecting to require around 13,000 square meters of additional space. However, 85% of this is expected to come from one company in the Medway Gap area. In general, the expectation was that expansion would be achieved through relocation to adjacent premises but, in many cases, a head office that was located outside of Tonbridge & Malling Borough would take the decision.

Transport and Storage

9.77 23 transport and storage companies, with a combined employment total of 2,440 people, were covered by the survey. 43% of the companies were independent, 9% the head office location of multi-site operations and the balance either branches or subsidiaries. 89% of the employees were full-time employees and 11% were part-time. At any one time, only 47% of staff were on site. This is not surprising, with many of the employees being lorry drivers. Equally, it is not surprising that only 23% of employees lived locally.

9.78 The average amount of floorspace per person was $35.1m^2$. If those off-site are discounted, the floorspace per person rises to $74.1m^2$.

9.79 29% of the transport and storage businesses interviewed operated from freehold premises, as against 67% that operated from leasehold premises and 5% under licence. 46% were pure distribution depots, with the majority of the others being either predominantly offices or a mixture of office and depot facilities.

9.80 13% of the businesses operated from prestigious premises, 39% from mid range premises and 48% from budget premises.

9.81 Nearly three quarters of the surveyed businesses had been trading from their current premises for more than five years as against only 13% that had been trading from their current premises for two years or less. 67% of this latter group were recent start-ups with the remaining third re-locating within the Borough.

9.82 26% of the surveyed businesses had re-located into Tonbridge & Malling Borough. Mostly, these had come from Maidstone, with only one coming from outside of Kent. None of the relocations into the Borough was recent. Reasons for moving into the Borough were varied and included push factors, such as being forced out of a previous site, and pull factors such as a desire to locate closer to the motorway network or a need for cheaper or larger premises.

9.83 75% of those who had moved premises stated that they had not looked at any other sites. One did not know and the other had looked at sites around motorways such as at Thurrock, Dartford and Gravesend.

9.84 Ease of access to the motorway (48%) and size of premises (35%), were unsurprisingly the main reasons why companies stated that they were located in Tonbridge & Malling. Other reasons cited included: proximity to customers (17%), the business environment (17%), the cost of premises (13%) and access to the rail network (13%). Interestingly, proximity to Maidstone as a source of labour was also considered of benefit.

9.85 The average site density of 0.3 was much higher than in a previous survey in the North West, where land was cheaper and the site density was less than 0.1. Low site densities are typical of the sector with open land used to park vehicles and store pallets and materials.

9.86 The available floor space was allocated by the surveyed companies in this sector to the following areas:

Table 9.5: Percentage of Floorspace In Surveyed Transport & Distribution Businesses Used for Stated Activity

Activity	% of Floor Space
Manufacturing/Workshop	0.9
Office	13.0
Warehousing	85.8
Research & Development	0.0
Retail	0.0
Other/Sublet	0.3

Source: WM Enterprise Consultants

9.87 From the above, the largest single use made of the available space was for warehouse activities, which accounted for 86% of the space. A further 13% was used for offices, with the balance used for workshops and storage vaults. 56% of premises were single storey, with the balance having two storeys.

9.88 Companies occupying 15,730m^2 of floorspace considered that their current premises were unsuitable to their needs, (24% of the total). All but one of these were in the Medway Gap area. Limited size or lack of room for expansion were the main reasons why the premises were unsuitable, although one company also mentioned the temporary nature of their tenancy agreement.

9.89 3% of the surveyed businesses stated that they were not experiencing any particular problems. For those with problems, the main problem were existing site constraints. These were mentioned by 22% of respondents. Other issues mentioned included health and safety legislation, fuel price increases, staff recruitment difficulties and increased competition.

9.90 Whilst businesses in the sector generally felt that Tonbridge and Malling was a good location for their business, not least because of the size, quality and flexibility of the available premises, the quality of the environment, the image of the area and the level of public sector support facilities, there were areas of concern. These mainly focussed on the cost of housing in the Borough, the level of security and the availability of car parking. Areas where immediate attention was most required were in improving access to industrial sites and increasing the supply of employment land.

9.91 Only 30% of respondents expected their turnover to increase in the short-term. Roughly the same percentage was expecting employment to increase over the same period, but employment growth was not necessarily linked to output growth. There was also concern in some businesses that head office decisions might impact on the level of activity and employment in Tonbridge & Malling. Despite this, none of the surveyed businesses was expecting to see a short-term drop in either turnover or employment.

9.92 Only 17% of the companies expected an increase in terms of their property requirements. The scale of the anticipated requirements were, however, difficult to gauge, as the largest company surveyed in this sector did not know the size of its likely change. Assuming that its increase is in line with its smaller, growing rivals, the total increase could be as much as 37%. The vast majority of any additional space (95%) is expected to be used for storage.

9.93 For most businesses, the expansion plans could only be achieved through a relocation of the business onto a larger site. Only one company felt that the changes in its premises requirements could not be met in Tonbridge and Malling Borough.

9.94 In the longer-term, 88% of respondents expected their turnover to grow and 48% expected employment requirements to grow, whilst none was expecting a decrease in either area. A shortage of drivers and warehouse workers were the main anticipated employment problems.

9.95 26% of respondents expected that their longer-term premises requirements would be higher than their current usages. Although some respondents were unable to indicate their future premises requirements, the general expectation is that an 18% increase over current floorspace provision will be needed. This equates to an additional 10,500m^2.

9.96 All long-term increases were in the Medway Gap area, specifically around Aylesford and Snodland.

Office Based Activities

9.97 In terms of the number of businesses surveyed, office based activities formed the largest sub-group in the study, with 73 respondents. Of these, 68% were independent businesses, 4% head offices, 26% branches or subsidiaries and 1% other.

9.98 Together, the survey respondents employed a total of 1,366 people, an average of just fewer than 19 per business. 33% of the employees covered by the survey lived locally, with the remainder living over 3 miles away. This finding is not unexpected, with office based workers traditionally the most likely to commute long distances to work.

9.99 85% of staff were full-time employees and 15% were part-time. In most cases up to 84% of the staff could be on the premises at any one time.

9.100 Overall, office space per person was $16.1m^2$. This was slightly higher in the financial intermediation section, ($17.3m^2$), and a little lower amongst other office based services, ($15.7m^2$). All these figures are less than the ODPM guidelines.

9.101 37% of the surveyed offices were freehold, 58% leasehold and 5% occupied under a licence agreement. The practice of occupying premises under a licence was particularly prevalent amongst financial service sector respondents. 55% of buildings were considered by their occupants to be mid range, 21% saw their buildings as prestigious and a similar percentage considered their offices to be budget.

9.102 45% of respondent businesses were on a single floor, 38% on two floors, 10% on three floors and the remaining 7% on four or more floors. This does not necessarily mean, however, that some of the offices were single storey. It merely means that the surveyed activity only took place on one floor and may be one reason why the site density figures for the area, at 0.7, are significantly lower than the ODPM guidelines (3.6). There are, however, few obvious office blocks in the Borough, when it is compared to major urban areas such as London or Manchester.

9.103 Office based businesses were the most likely of all those surveyed to have only been trading for a relatively short period of time in their current location. 22% had been at their current location for less than 2 years as against 27% that had been at their current address for more than 10 years. The remaining 50% had been in their current location for between 3 and 10 years.

9.104 Of the businesses trading at their current address for less than one year, 50% were relocations from within the Borough and 37% new businesses. The remaining 13% was accounted for by a company that had relocated from Tunbridge Wells. Those businesses trading from their current address for between one and two years showed the same pattern, although the relocation was from Surrey. None of the offices were additional sites in the area.

9.105 Overall, 51% of the businesses surveyed had always been at their present address. 27% had relocated within Tonbridge & Malling Borough, and the balancing 22% were relocations into the Borough, predominantly from other areas of Kent.

9.106 Relocations within the Borough were all for reasons of expansion and included a small number of businesses that had started at home and then located into formal business premises. As such, there is a need to ensure that there is an adequate supply of office premises to meet the varying needs of start-ups, growing businesses within the Borough and in-comers.

9.107 Competing sites to the sites selected by respondents tended to be elsewhere in the Borough but around 40% did not look at another location. Reasons for selecting the current location were size of premises, (30%), proximity to where key staff live, (23%), access to the motorway, (20%), and cost of premises, (20%).

9.108 Predictably, the majority of the surveyed space was devoted to office type activities. Specifically, such activities accounted for 87% of the available space, with the remainder being devoted to warehouse and workshop activities. One of the larger companies in the survey occupied a research and development facility but was unable to give floorspace figures. Accordingly, the R&D proportions are under-represented as none of the other businesses surveyed had any space devoted to R&D.

9.109 5% of the respondents considered that their premises were not suited to their current needs. Whilst remoteness and a lack of car parking space were mentioned, the main reason was the lack of space.

9.110 60% of companies stated that there were no major problems affecting their business. For those businesses with problems, a shortage of appropriately skilled staff was the main problem, (mentioned by 8% of respondents), followed by parking problems.

9.111 49% of the surveyed businesses expected to see turnover increase in the short-term. Of these, 83% expected to recruit additional staff, whilst the remainder expected to be able to cope with their existing staff complement.

9.112 Only one of the surveyed businesses expected to see a reduction in turnover and an associated loss of staff, but with no change to the size of the premises requirement.

9.113 37% of the businesses expecting to recruit additional staff, (15% of all businesses), also expected to have an increased floorspace requirement. In the short-term, an additional 3,000m^2 is required. This amounts to around an additional 20% on the current office floorspace covered by the survey. The majority of this extra space is expected to be office space, but with some warehouse and industrial applications.

9.114 57% of those asked, stated that they felt that there were suitable premises in the Borough to meet their business needs. Reasons varied, with the most popular responses being due to the size of the available premises and the favourable local business climate.

9.115 For those that did not think that there were any suitable premises in the Borough, it was a Borough wide phenomenon. Specifically, respondents did not feel that their needs could be met in a different part of the Borough from that in which they were located. Despite this, 80% of respondents would wish to stay in the Borough, if possible, including through the opening of an additional site, with the other 20% looking to relocate to central London.

9.116 66% of the surveyed businesses expected to see their turnover increase in the medium to long term, with only 3% expecting their turnover to decrease. On average, those expecting turnover growth expected a rate of growth of around 12% per annum, although the modal rate was between 5 and 10% per annum.

9.117 53% of respondents expected to increase their staff numbers over the longer term, but at a slower rate than the anticipated rate of growth in turnover. On average, the expectation was that staff numbers would grow by between 5 and 10% over the medium term. All of those expecting a decrease in turnover were also expecting a reduction in staff numbers.

9.118 Those companies able to quantify their requirements were expecting to require an additional 3,000m^2 of floorspace. This equates to a 13% increase on the floorspace currently occupied by all respondents. However, the one company looking to shut down activities in the area currently occupies 1,200m^2.

9.119 Strongest demand for office space in the long-term appears to be in Kings Hill, where nearly 50% of those anticipating increases to their premises are located, followed by the Medway Gap and Rural Malling, although the latter has the one, very large anticipated decrease.

Construction

9.120 28 companies, employing a total of 590 people, were surveyed in this sector. 90% of the companies were independent with the remaining 10% being subsidiaries of larger firms. 86% of the premises were predominantly offices buildings, one was predominantly a workshop and the other was an office and warehouse. The nature of the premises explains the relatively low amount of space per person, which averages out at 13.6 square metres per person.

9.121 The construction industry is different from other sectors as the majority of time is spent on other peoples' properties. For this reason, there is a significant difference between floorspace per person (13.6m^2) and the floorspace for the maximum number of employees on site at any one time (24.8 m^2).

9.122 98% of the employees of the surveyed businesses were full-time, and only 2% part-time. Equally, only 40% lived local to where their employing business was based, although the proximity of their home to the place of execution of their work would, for many, vary on a day-to-day basis.

9.123 36% of construction businesses had always been at their present address in Tonbridge & Malling Borough, with the same percentage relocating to their present address, from within the Borough. 29% had moved into the Borough from other parts of Kent and from other parts of the South East. Tunbridge Wells, Dartford and Swanley were mentioned, as well as locations such as Guildford, Hastings and Wandsworth. 20% of these companies had moved to the area in the last two years and over half of them had moved to the area in the last five years.

9.124 The construction industry shows a similar sort of level of mobility as the services sector, in that around a third of businesses have been in the area for more than 10 years and 20% have moved locations within the last 2 years.

9.125 Of the businesses that had relocated, 56% had not considered any other location, whilst only 13% had considered sites outside of their immediate eventual location.

9.126 The most important factor for construction companies in selecting a site was proximity to where key staff lived, (36%), with size of premises, (25%), and access to the motorway, (21%), the next most important considerations. This suggests that although the majority of work for some firms is in the local area, a proportion of some companies' work is either London based or based around the region or even further afield.

9.127 54% of the properties from which the surveyed construction companies operated were freehold and 36% leasehold. Only 3% were rented under a licence agreement. The proportion of freehold properties is much higher than in the other sectors covered and may be due, in part, to some businesses being based in the owner's residential accommodation.

9.128 Site density was a very low 0.1, reflecting the fact that some respondents had large, outside storage and parking areas.

9.129 14% of the available floor space within premises was used for manufacturing, with a further 42% used as offices. 44% of the floor space was used for storage. None of the floorspace was given over to retailing and none to R&D.

9.130 11% of the surveyed businesses believed that their premises were not suited to their current needs. This was the second highest percentage, after the transport and storage sector. The sole reason given for premises not being suitable was that they were too small.

9.131 Although the construction industry has a skill shortage, this was only a major problem for one of the companies surveyed. The main problem that the sector was facing was the perennial one of cashflow.

9.132 In general, the construction businesses surveyed viewed Tonbridge & Malling Borough as a good place in which to base their businesses, mainly due to the size, quality and flexibility of the available premises, the quality of the environment, the access afforded to the motorway network, the availability of car parking, and the cleanliness and attractiveness of the area. Negatives focused on the availability of new sites, the level of business rates, the affordability of housing, access by public transport and the level of external security.

9.133 39% of the businesses surveyed were anticipating expanding their businesses and 29% expected this to translate into increased employment. Of those who expected an expansion in their businesses, 18% expected an increase in their floorspace requirement. In this sector, a number of those who were planning expansion mentioned that this would be achieved through greater use of subcontractors (who did not need premises), rather than through directly employing new people.

9.134 The short-term additional floorspace requirement was equivalent to 19% of the total floor space surveyed. However, one construction company, who are looking to introduce a production facility onto their site, skews the rate of increase and usage. Without this company, the increase would be around 6-8%, which is similar to the rates forecast in other surveys. This latter percentage is probably the most realistic as the company looking to develop a manufacturing operation is also looking to relocate to a neighbouring Borough.

9.135 Most of the businesses looking to expand were seeking additional office space.

9.136 In the short-term, 78% of businesses felt that their existing buildings were suitable for their current needs. Those, for whom this was not the case, were businesses that needed larger premises to accommodate their expansion plans. Only one company felt that there were not the buildings suitable for its short-term aspirations within the Borough and this was due to a lack of alternative accommodation. Others felt that there were adequate premises, highlighting their cost, size and proximity to customers.

9.137 68% of the surveyed businesses were anticipating longer-term growth as against 7% that were forecasting a decline. Turnover growth was expected to translate into expected increases in employment for 58% of businesses. Anticipated requirements were for engineers (manual and professional), other skilled workers and administration staff.

9.138 In just under half of these companies there was expected to be an increase in the size of premises required (one fifth of the sector total). The expected growth from those companies that gave figures indicated an increase of around $700m^2$ or 11% of the surveyed current floorspace figure.

Other Companies

9.139 A total of 10 other companies were also interviewed, including public administration bodies, health service providers and utilities. Few of these were able to give floorspace facilities and the ones that did would be recognisable to people with knowledge of the area. For this reason, very little can be stated, although the figures from these companies have been included in the data model.

9.140 Premises were typically suited to the needs of the individual organisation. This section had the highest proportion of freehold, over 80%, with 40% considering their premises to be prestigious. The surveyed activities had always been in the area.

9.141 Reasons for respondents being in their current location were varied, although proximity to customers and suppliers were important to 30% of respondents.

9.142 20% of respondents, employing 104 people, were looking to increase their premises size in the short-term. Only one organisation felt that there were no suitable buildings in the Borough but nevertheless had a preference for remaining in the Borough.

Survey Conclusions

9.143 The main conclusions that can be drawn from the findings form the employer survey are:

- Tonbridge & Malling Borough is viewed as good place in which to do business. Driving this view are the size and quality of the available premises, the image of the area, the quality of the environment and the accessibility of the area by road.
- The main disadvantages of the area are the affordability of housing and the availability of sites.
- Manufacturing, warehouse and distribution businesses have historically relocated into the Borough from higher cost areas, predominately elsewhere in the South East. Despite this, some manufacturers are now looking to even lower cost areas to meet their expansion plans, although the vast majority, (75%), are looking to meet their expansion plans from within the Borough.
- The ability to direct expansion at lower cost areas is aided by many companies in manufacturing not ranking access to high quality labour as an important consideration. Those that did were mainly

in the electrical and electronic sector and in paper, printing and publishing. Given that the latter sector accounts for nearly 50% of Borough manufacturing employment, its need for skilled labour is a positive in retaining the sector in the Borough.

- Access to skilled labour is generally more important to the service sector, which is relatively indigenous to the Borough and least likely to be looking outside of the Borough to meet is expansion plans.
- Access to labour from outside the Borough is of particular importance to the transport sector, where Maidstone is an important source of labour. It is, however, the Borough's service sector employees that are most likely to live outside of the Borough.
- Whilst, over three-quarters of all respondents occupy premises suited to their needs, it is the construction sector where this is least likely to be the case.
- Overall, survey respondents wish to continue to operate within Tonbridge & Malling. This will mean a need for expansion sites for some, whilst others will meet their needs within their existing premises, through additional building or placed redevelopment.
- Many of the larger manufacturing and warehouse and distribution businesses are controlled from outside of the Borough. Ultimately, this means that decisions regarding activities and land use in the Borough will continue to be made remote from the Borough.

10. Summary Findings and Recommendations

10.1 This section of the report sets out a summary of our key findings and recommendations.

Labour Market Forecasts

10.2 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.

10.3 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.

10.4 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.

10.5 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.

10.6 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%.

10.7 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.

10.8 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.

10.9 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.

10.10 Site densities within Tonbridge & Malling Borough are close to the ODPM standard for manufacturing, so long as quarrying activities linked to manufacturing are excluded.

10.11 Site densities for warehousing and distribution activities are marginally higher in Tonbridge & Malling Borough than the level suggested by ODPM guidelines.

10.12 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.

10.13 The following table sets out floor space requirements to accommodate the economically active population, current and at 2016. Vacant premises therefore are in addition to the figures shown below which represent the amount of land occupied at the time of the study and forecast as at 2016:

Table 10.1 Floor Space Requirements to 2016

	2004	2016
	Floorspace ('000m²)	Floorspace ('000m²)
Manufacturing	554.0	510.5
Warehouse & Distribution	419.4	444.5
Construction	56.7	58.4
Office	168.4	197.1
Total	1,198.5	1,210.5

10.14 The above indicates an increased net floorspace requirement of 12,000 Sqm, with the requirement embracing a 43,500 Sqm reduction in manufacturing floorspace and increases in floorspace requirements in other activities.

10.15 Translating the floor space requirements into employment land requirements gives the following:

Table 10.2 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	28.3	33.1
Total	311.6	311.1

10.16 Overall the predicted land area requirement to meet the forecast is similar at 2004 and 2016, although the mix of employment uses will change. The quantities in tables 10.1 and 10.2 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. A comparison of how forecast minimum requirements at 2016 relates to current net total supply is included at Table 10.5.

10.17 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

10.18 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:

- 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;

- 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;
- 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;
- Emerging sectors will grow in importance, including the knowledge-based economy, environmental economy and home-based working; and
- 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.
- 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;
- 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
- 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

10.19 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.

10.20 The locations are characterised by a high proportion of industrial manufacturing and storage and distribution space with comparatively little office space.

10.21 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.

10.22 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.

10.23 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.

10.24 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

10.25 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.

10.26 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 sub-divided buildings, flex-buildings and converted units at Churchill Square, offering opportunities for start-ups.

10.27 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)

10.28 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.

10.29 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.

10.30 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.

10.31 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.

10.32 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.

10.33 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.

10.34 Demand for offices is reasonably steady but generally from smaller and local firms and is reflected in a low year on year take up.

10.35 With regard to manufacturing, enquiries of local agents suggest good demand, largely for units less than 10,000 sq ft.

10.36 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

10.37 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.

10.38 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

10.39 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.

10.40 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.

10.41 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.

10.42 Access to key skilled staff was of particular importance to the electrical and electronic engineering industry and to the paper, printing and publishing industry.

10.43 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.

10.44 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.

10.45 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.

10.46 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.

10.47 As with manufacturing, operations had typically always been in the Borough or had moved into the Borough from elsewhere in Kent or from London.

10.48 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.

10.49 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.

10.50 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.

10.51 A 13% increase in latent floorspace demand is forecast by respondents, mainly in the Kings Hill, Medway Gap and Rural Malling areas.

10.52 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

10.53 The following table shows an overview of vacant land available for development up to 2016. The sites are those which have not been discounted under the qualitative assessment process. This includes sites not capable of being brought forward during the study period (defined as ‘Other Urban 1’ sites).

10.54 Tables have also been prepared to provide an overall picture of supply for each of the Borough’s sub-areas comprising of

- Net vacant land including those in Table 10.3 and proposed employment losses identified in the adopted Local Plan;
- Net commitments including extant unimplemented permissions, developments under construction and pending losses to alternative uses;
- Vacant Premises;
- Potential identified employment redevelopment opportunities (to other employment use); and
- Potential loss of existing operational employment sites to other uses

Table 10.3 Overview of Discounted Vacant Land Availability

Sub Area	Allocation	Total Area Assessed	Rank	Dev. Timeframe (years)	Area Available for Dev.	Office B1a/b	Manufacturing B1c/B2	Warehousing Distribution B8	Years Supply (1-3, 3-5, 5+)	Comments
Medway Gap (Urban)	P5/9(i)	36.8	BU	Priory Park 1-3	3.47	1,985	6,240	7,800	1-3	
Medway Gap (Urban)	P5/9(d) + (di-diii)	130.48	BU	Vacant Land (dii + diii) 1-3	5.04	3,280	9,221	6,617	5+	Smaller units likely to come forward on these two vacant areas within the New Hythe allocation. Degraded Frantschach site which could provide a key opportunity for redevelopment (5.6 ha) is not included in this table
Medway Gap (Urban)	P5/9(a)	9.20	OU1	5+	7.72	a	6,450	1,174	1-3	PP on remaining 7.72ha
Kings Hill	P2/2(a)	262.00	SRE	1-2, 3-5, 5+	40.41	121,000	r	r	5+	
Tonbridge (Urban)	P5/9(q), P5/15(c)	9.1	GU	5+	1.71 (N WW)	610	3,660	1,830	5 +	Larger supply if area is comprehensively redeveloped. Suitable for all B uses but limited B1 demand
Tonbridge (Urban)	P5/9(p)	59.00	BU	Postern Way 1-3 Old Colas 3-5	1.32 1.71	b b	4,558 5,847	768 993	5 years	Two sites, Old Colas site likely to take longer to come forward than land to rear of Postern Industrial Estate
Malling (Rural)	P6/17(a)	8.00	OU2	1-3	1.55	r	b	7,500	5+	Limited demand due to poor quality estate
Malling (Rural)	P5/9(l)	9.55	GU	1-3	0.6	b	2,100	b	1-3	Small plot remaining after construction of services

Note: Where b or r has been inserted these uses are or are not appropriate in the location in planning terms. If no floorspace given then market demand is unlikely to bring forward such uses even if site is capable of accommodating them satisfactorily.

Medway Gap (Urban)

10.55 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. As identified in Table 10.3, 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.

10.56 In addition to vacant land and committed sites, we have also identified redevelopment opportunities at Frantschach, New Hythe and Quarry Wood, Aylesford. Their potential contribution to supply is reflected in Table 10.4a. Redevelopment of these sites would add 10 hectares (gross) to the employment opportunities portfolio in this part of the Borough.

10.57 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.

10.58 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).

10.59 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.

10.60 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.

10.61 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.

10.62 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.

10.63 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.

Table 10.4a Medway Gap (Urban) Area – Supply Overview [m^2 (Ha)]

	Office	Manufacturing	Warehousing
Vacant Allocations without pp	*3780 (0.98)*	*9721 (2.66)*	*6617 (1.68)*
Employment Allocations Proposed Losses	*-850 (-0.21)*	*-8450 (-2.96)*	*-6500 (-3.62)*
Employment Allocations (Net) (1)	2930 (0.77)	1271 (-0.3)	117 (-1.94)
Commitments Gains	*4971 (3.52)*	*46260 (24.67)*	*13040 (4.77)*
Sites Pending a Loss	*-722 (-0.14)*	*-8939 (-8.75)*	*-1632 (-0.19)*
Commitments (Net) (2)	4249 (3.38)	37321 (15.92)	11408 (4.58)
Vacant Premises	848	21256	44291
Loss of OL Sites (3)	0	-1570 (0.16)	-7440 (-0.74)
Redev't Opps (Gross) (4)	*0*	*25850 (5.17)*	*20640 (5.16)*
Redev't Opps (Losses) (5)	*-2840 (-0.71)*	*-17950 (-3.51)*	*-27640 (-6.11)*
Redev't Opps (Net) (6)	-2840 (-0.71)	7900 (1.66)	-7020 (-0.95)
Total	5187	66178	41356
Total (excl. vacant premises and redev opps)	7179 (4.15)	37022 (15.46)	4085 (1.9)

(1) Employment Allocations (Net) = [vacant allocated employment land without planning permission – proposed losses (i.e. identified existing employment sites identified for alternative uses in the Local Plan)]

(2) Commitments (Net) = [(extant planning permissions not started + development under construction) – sites pending a loss (i.e. existing employment sites with planning permission for alternative forms of development)]

(3) Relates to Millhall (P5/9e)

(4) Includes redevelopment potential estimate for Frantschach Site (5.6 hectares) and existing poor quality units at Quarry Wood (4.73 hectares)

(5) Includes an estimate of existing floorspace that would be lost as a result of redevelopment opportunities

(6) Redevelopment Opportunities (Net) = [Redev't Opps (Gross) – Redev't Opps (Losses)]

Kings Hill

10.64 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.

10.65 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.

Table 10.4b Kings Hill – Supply Overview [m^2 (Ha)]

	Office	Manufacturing	Warehousing
Vacant Allocations without pp	*90956 (26.83)*	-	-
Employment Allocations Proposed Losses	*0 (0)*	-	-
Employment Allocations (Net) (1)	90956 (26.83)	-	-
Commitments Gains	*30044 (13.58)*	-	-
Sites Pending a Loss	*0 (0)*	-	-
Commitments (Net) (2)	30044 (13.58)	-	-
Vacant Premises	17091	0	0
Total	138091	0	0
Total (excl. vacant premises)	121000 (40.41)	0	0

(1) Employment Allocations (Net) = [vacant allocated employment land without planning permission – proposed losses (i.e. identified existing employment sites identified for alternative uses in the Local Plan)]

(2) Commitments (Net) = [(extant planning permissions not started + development under construction) – sites pending a loss (i.e. existing employment sites with planning permission for alternative forms of development)]

Tonbridge (Urban)

10.66 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.

10.67 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.

10.68 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.

10.69 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.

Table 10.4c Tonbridge Urban – Supply Overview [m^2 (Ha)]

	Office	Manufacturing	Warehousing
Vacant Allocations without pp	*610 (0.18)*	*14065 (3.44)*	*3590 (1.12)*
Employment Allocations Proposed Losses	*-650 (-0.18)*	*-2650 (-0.83)*	*0 (0)*
Employment Allocations (Net) (1)	-40 (0)	11415 (2.61)	3590 (1.12)
Commitments Gains	*819 (0.14)*	*2784 (0.57)*	*2806 (0.18)*
Sites Pending a Loss	*-343 (-0.06)*	*-452 (-0.1)*	*-2599 (-0.74)*
Commitments (Net) (2)	476 (0.08)	2332 (0.47)	207 (-0.56)
Vacant Premises	4015	15864	4108
Loss of OL Sites (3)	0	-1305 (-0.13)	-1305 (-0.13)
Redev't Opps (Gross) (4)	1560 (0.39)	11990 (2.69)	3500 (0.77)
Redev't Opps (Losses) (5)	-1300 (-0.5)	-2000 (-0.8)	-2000 (-0.79)
Redev't Opps (Net) (6)	260 (-0.11)	9990 (1.89)	1500 (-0.02)
Total	4711	38296	8100
Total (excl. vacant premises and redev. Opps)	436 (0.08)	12442 (2.95)	2492(0.43)

(1) Employment Allocations (Net) = [vacant allocated employment land without planning permission – proposed losses (i.e. identified existing employment sites identified for alternative uses in the Local Plan)]
(2) Commitments (Net) = [(extant planning permissions not started + development under construction) – sites pending a loss (i.e. existing employment sites with planning permission for alternative forms of development)]
(3) Relates to Land East of Priory Road and West of Strawberry Vale (P5/12n&f)
(4) Includes redevelopment potential estimate for vacant premises and land off Woodgate Way (2.09 and 1.76 hectares respectively)
(5) Includes an estimate of existing floorspace that would be lost as a result of redevelopment opportunities
(6) Redevelopment Opportunities (Net) = [Redev't Opps (Gross) – Redev't Opps (Losses)]

Rural Locations

10.70 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.

Table 10.4d Medway Gap (Rural) – Supply Overview [m^2 (Ha)]

	Office	Manufacturing	Warehousing
Vacant Allocations without pp	*0 (0)*	*0 (0)*	*0 (0)*
Employment Allocations Proposed Losses	*0 (0)*	*-8000 (-5.17)*	*-800 (-0.52)*
Employment Allocations (Net) (1)	0	-8000 (-5.17)	-800 (-0.52)
Commitments Gains	420 (0.12)	796 (0.31)	3981 (4.02)
Sites Pending a Loss	-375 (-0.01)	-1672 (-0.61)	0 (0)
Commitments (Net) (2)	45 (0.11)	-876 (-0.3)	3981 (4.02)
Vacant Premises	0	84	0
Total	45	-8792	3181
Total (excl. vacant premises)	45 (0.11)	-8876 (-5.47)	3181 (3.5)

(1) Employment Allocations (Net) = [vacant allocated employment land without planning permission – proposed losses (i.e. identified existing employment sites identified for alternative uses in the Local Plan)]

(2) Commitments (Net) = [(extant planning permissions not started + development under construction) – sites pending a loss (i.e. existing employment sites with planning permission for alternative forms of development)]

Table 10.4e Malling Rural – Supply Overview [m^2 (Ha)]

	Office	Manufacturing	Warehousing
Vacant Allocations without pp	*0(0)*	*2100 (0.6)*	*7500 (1.55)*
Employment Allocations Proposed Losses	*-50 (-0.16)*	*-7250 (--2.07)*	*-1200 (-0.35)*
Employment Allocations (Net) (1)	-50 (-0.16)	-5150 (-1.47)	6300 (1.2)
Commitments Gains	956 (0.69)	3699 (2.59)	1184 (1.78)
Sites Pending a Loss	-630 (-0.43)	-830 (-0.58)	-543 (-1.53)
Commitments (Net) (2)	326 (0.26)	2869 (2.01)	819 (0.25)
Vacant Premises	884	1235	3163
Total	1160	-1046	10282
Total (excl. vacant premises)	276 (0.1)	-2281 (0.54)	7119 (1.45)

(1) Employment Allocations (Net) = [vacant allocated employment land without planning permission – proposed losses (i.e. identified existing employment sites identified for alternative uses in the Local Plan)]

(2) Commitments (Net) = [(extant planning permissions not started + development under construction) – sites pending a loss (i.e. existing employment sites with planning permission for alternative forms of development)]

Recommendations

10.71 Drawing together details in tables 10.4a – e enables a total table to be derived which enables net supply for the Borough as a whole to be compared against the forecast requirements i.e.:

Table 10.5 Total Supply versus Forecast Requirement to 2016 [m^2 (Ha)]

	Office	Manufacturing	Warehousing
Vacant Allocations without pp	*95346 (27.99)*	*25886 (6.7)*	*17707 (4.35)*
Employment Allocations Proposed Losses	*-1550 (-0.55)*	*-26350 (-11.03)*	*-8500 (-4.49)*
Employment Allocations (Net) (1)	93796 (27.44)	-464 (-4.33)	9207 (-0.14)
Commitments Gains	37210 (18.04)	53539 (28.14)	21011 (10.75)
Sites Pending a Loss	-2070 (-0.64)	-11893 (-10.03)	-4774 (-2.46)
Commitments (Net) (2)	35140 (17.41)	41646 (18.11)	16415 (8.29)
A. Net Land Supply (3)	128936 (44.85)	41182 (13.77)	25622 (8.15)
B. Vacant Premises	22838	38709	51562
C. Loss of OL sites (4)	0	-2875 (-0.29)	-8745 (-0.87)
Redev't Opps (Gross) (4)	*1560 (0.39)*	*37840 (7.86)*	*24140 (5.93)*
Redev't Opps (Losses) (4)	*-4140 (-1.2)*	*-19950 (-4.31)*	*-29640 (-6.9)*
D. Redev't Opps (Net) (4)	-2580 (-0.81)	17890 (3.55)	-5500 (-0.97)
E. Forecast Requirement 2004 – 2016 (iii)	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)

(1) Employment Allocations (Net) = [vacant allocated employment land without planning permission – proposed losses (i.e. identified existing employment sites identified for alternative uses in the Local Plan)]

(2) Commitments (Net) = [(extant planning permissions not started + development under construction) – sites pending a loss (i.e. existing employment sites with planning permission for alternative forms of development)]

(3) 'Net Land Supply' = Employment Allocations (Net) + Commitments (Net)

(4) Includes details from tables 10.4a and 10.4c

(5) Forecast requirement derived from tables 10.1 and 10.2 and includes figure for construction, merged into offices (85%) and warehousing (15%) requirement. Merge split based on site assessment and business survey review of construction office/warehousing floorspace split.

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

- 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.
- 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.
- 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.

10.73 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.

10.74 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

10.75 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.

10.76 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.

10.77 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)

- 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.
- 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

10.78 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.

10.79 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.

10.80 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.

10.81 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.

10.82 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.

10.83 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

10.84 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.

10.85 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)

- **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.
- **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.

- 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.
- **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).
- **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.
- **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)

- **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.
- **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.

- 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.
- **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.
- **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

- **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.
- **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.
- 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.
- 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

10.86 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:

Table 10.6 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

10.87 It is recommended that those 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.

10.88 Table 10.7 outlines the sites recommended for inclusion within these classifications:

Table 10.7 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

10.89 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. This should be considered against relevant criteria listed at paragraph 10.97.

10.90 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.

10.91 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:

Table 10.8 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

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

Table 10.9 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

10.93 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 (see table 10.5).

10.94 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.

10.95 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

10.96 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:

- 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 liase with the County Council with regard to collecting and recording of this data to ensure a consistent approach to the annual Employment Land Survey.
- 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.
- 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.
- Where possible business relocations and expansions into and out of the Borough (through planning applications).
- 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.

10.97 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:

- **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.
- **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.
- **Viability of Employment Development** – details of redevelopment costs to justify that employment development is not viable.
- **Amenity Considerations** – most relevant for 'non-conforming' uses close to residential areas

10.98 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.