Hertsmere, St. Albans and Welwyn Hatfield Councils

CENTRAL HERTFORDSHIRE EMPLOYMENT LAND REVIEW

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Interim Report – Executive Summary
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Introduction

1 This study was commissioned in November 2005 by the three local authorities in Central Hertfordshire, comprising Hertsmere Borough Council, St. Albans City & District Council and Welwyn Hatfield Council, to inform the employment land policies in their forthcoming Local Development Frameworks (LDFs). It will also inform two Development Briefs – Broadwater Road West and central Welwyn Garden City - and decisions on individual planning applications. The study's key tasks, as set out in the brief, are to take stock of the existing employment land situation, consider future requirements to 2021 both in terms of quantity and quality, and identify additional sites should they be needed.

2 The Panel appointed by the Secretary of State to conduct the Examination in Public into the draft East of England Plan (RSS) submitted its report in June 2006, while this study was in its final stages. The Secretary of State, having considered the report and responses to consultations, is expected to publish Proposed Changes in winter 2006 and the finalised East of England Plan in spring 2007.

3 The Panel report recommends changes in housing and employment targets for the region. If these changes are taken forward into the final Plan, the forecasts of land demand provided in this Interim report will need to be amended, because they are based on the employment figures shown in the draft RSS. However, we cannot amend the figures yet, because the Panel's employment figures do not provide sufficient detail. Once the Secretary of State decides on the Panel's proposed employment figures in her Proposed Modifications, we expect that the regional planning and economic development agencies will provide detailed economic forecasts to match them. We will then be able to finalise the demand-supply analysis and produce the final version of this Interim report.

Policy Context

4 The draft RSS sets a target of 64,700 jobs to be provided in Hertfordshire between 2001 and 2021. The Panel report suggests an increase to 77,000 but cautions against using this figure as a target, stating that its main use should be as a reference point for monitoring actual changes in employment.

5 The draft RSS states that local development documents should allocate employment land to provide a range of sites and premises to meet quantitative and qualitative need, and that sites should be in sustainable locations. It states that Councils should aim to support small and medium sized enterprises and clusters.

6 The draft RSS does not include Central Herts in the region's growth areas, as Central Herts is in the London Arc. The draft RSS's policy for this area aims to increase sustainability, reduce pressure on greenfield land and provide affordable housing.

7 However, the Panel report recommends that Welwyn Garden City and Hatfield be promoted in the regional hierarchy, becoming key centres for development and change in the London Arc. Hemel Hempstead - whose growth may spill over into St Albans – is designated as a key centre in both the draft RSS and the Panel report.

8 The Hertfordshire Structure Plan promotes the knowledge economy; this has been County policy since the mid 1990s. It allocates key employment sites, of which three are fully or partly in Central Herts. Two - Centennial Park in Elstree and British Aerospace (now the Hatfield Business Park) in Hatfield - are partly built out and development on the remaining one, Spencer's Park (North East Hemel Hempstead) will be dependent on the outcome of the Inquiry into the Buncefield fire.

9 Hertsmere and Welwyn Hatfield Local Plans were adopted in 2003 and 2005 respectively, and both state that there is no need for more employment land. The Hertsmere plan allocates only one site, Centennial Park, much of which is now built out. The Welwyn Hatfield plan does not make any further allocations.

10 The St. Albans District Local Plan Review is older; it was adopted in 1994. The District Plan Second Review Consultation Document (2003) - not published due to the Government's proposed changes to the planning system - allocated four new sites in the city centre and recognised that there may be a need to allocate more land in future.

11 All the local plans designate employment areas and resist the loss of employment uses in these areas. 'Employment uses' are defined as industrial, office and warehousing developments. In Hertsmere the definition includes uses such as leisure, tourism, health and recreational developments, and in St. Albans the definition includes similar employment uses such as builders' yards and motor trade uses.

12 The plans also have different approaches to bad neighbour uses and on small units. In addition, the Hertsmere plan restricts the amount of office development that can be built in designated Employment Areas.

The Economy

13 The three Central Herts Districts differ in their strengths and specialisations. St. Albans is especially rich in Financial and Business Services, Hertsmere in high-tech services including Information and Communication Technology, and Welwyn Hatfield in manufacturing, including high-tech manufacturing, and distribution. St Albans, and to a lesser extent Hertsmere, have concentrations of small businesses and high levels of entrepreneurship.

14 These features suggest that, in terms of productivity and competitiveness – the potential to create wealth - the three Districts' economies, and specifically their B-space economies, perform well – better than the national benchmark and the Eastern region, and at or above the higher South East benchmark.

15 For Hertsmere and St Albans, industrial profiles also suggest high growth potential, because the white-collar sectors in which these two Districts specialise have been drivers of employment growth in the past and are forecast to be so in the future. In Welwyn Hatfield, the high share of manufacturing is a downward pull on employment growth prospects, but distribution is a possible growth sector should the Borough wish to welcome it.

16 Actual employment growth in Central Herts, however, in recent years has been slow or non-existent, especially in St Albans and Hertsmere. This is likely to reflect supply-side factors, including the stagnant size of the workforce. Nor is this lack of growth necessarily a bad thing. If the labour market remains in balance as both the workforce and the number of jobs increase slowly or not at

all, then stable or even falling employment is compatible with a high-value, competitive economy delivering wealth and job opportunities.

17 By regional and national standards, the residents of Central Herts on average are well-skilled, well-paid, and have very good access to jobs, in effect enjoying full employment. Yet again, the Central Herts Districts in these respects outperform the national and Eastern region benchmarks, and are closer to the South East region. St Albans does especially well in terms of skills and earnings, exceeding all benchmarks. Despite relatively small pockets of deprivation in Welwyn Hatfield, the area has a low incidence of socio-economic disadvantage.

18 As regards travel to work, the three Districts are very different.

19 St Albans has both low self-containment and a negative commuting balance. Many of its residents out-commute to work outside the District, mainly to London. Furthermore, the offsetting flow of in-commuters is considerably smaller. Hence, in net terms St Albans is dependent on other places for its residents' jobs and incomes – and in particular for the better jobs and higher incomes, since people who work in the area earn much less on average than people who live there, but work elsewhere.

20 The Council may or may not consider these travel-to-work patterns to be a problem, depending partly on their vision about the character of the District, and especially the City.

21 In the other Central Herts Districts, travel-to-work issues are more straightforward. Hertsmere, like St Albans, has relatively low self-containment, but a neutral commuting balance. Many of its residents commute out to work – but unlike St Albans this outflow is offset by an almost equal inflow of people who live elsewhere but work in Hertsmere. Hertsmere operates as part of the London economy, to which it is geographically close.

22 Finally Welwyn Hatfield has high self-containment, a positive commuting balance, and no obvious grounds for concern with regard to the local labour market balance. However, in considering where to provide, and more important where to safeguard, employment space, the Council may wish to encourage job opportunities close to its deprived areas.

The Property Market

23 St. Albans is one of the main office markets in Hertfordshire, with Hertsmere (Borehamwood) and Welwyn Hatfield generally lagging behind in terms of occupier activity and developer interest.

24 The type of occupier associated with each District has varied. St Albans has generally attracted financial and business service industries, Hertsmere high technology industries and Welwyn Hatfield pharmaceuticals. Small to medium sized companies are dominant.

25 The office market in Central Herts is currently oversupplied with a 16.1% vacancy rate. Hertsmere accounts for the larger proportion of the office vacancy, but a significant proportion of the space available in Hertsmere is in one development - Imperial Place. There is little or no space available in the larger size categories. The situation is unlikely to change in the short term, since without any firm evidence of market activity increasing in Central Herts new speculative development is likely to remain restricted.

26 The area has certain key advantages as an office location and future demand will perhaps depend on whether or not the area plays to its strength in attracting new occupiers. Attracting larger, footloose companies will require providing the right product which can satisfy that demand. A key policy question for the Central Herts districts is whether that is a desirable scenario and if so what provisions should be made in the Districts' employment land allocations to cater for such demand.

27 The industrial market in Central Herts is considerably larger than the office market. Distribution is the main driver, accounting for 64% of total industrial stock. In Central Herts, Hatfield Business Park is the main distribution/warehousing location.

28 New development industrial activity and development opportunities have been relatively limited in the past 2-3 years. Demand for industrial space is currently steady, but distribution demand is expected to grow in the medium term - both for large and small units. From a policy perspective, provisions for future employment land will have to take account of the extent to which the Central Herts districts would like to attract the larger strategic distribution requirements.

Rural Case Study

29 There is demand for employment premises in rural locations. Small, inexpensive rented premises in such locations provide suitable accommodation for local entrepreneurs. Larger freehold premises tend to attract investors from further afield, who are looking for premises in a rural setting to fit their image.

30 Local employment in rural locations allows local residents to work locally, although inevitably any job in any location will draw some employees from a wide and diverse area.

31 There seems to be a strong case for protecting clusters of employment premises in and adjoining villages from conversion to residential uses unless there are overriding environmental benefits from doing so - in which case redevelopment for mixed commercial/residential use should be the first preference.

32 In addition new policies could include some flexibility to permit the modest expansion of existing premises. We suggest that criteria against which proposals will be judged could include an assessment of local employment benefits.

The Quantity of Employment Land

33 In forecasting the demand for employment land to 2021, our starting point is Policy E2 of the draft East of England Plan, which sets employment growth targets of 421,000 for the region and 64,700 for Hertfordshire. We provide a preferred scenario of future employment by District and economic sector that is as consistent as possible with Policy E2. We then translate the forecast jobs into employment space requirements, using standard employment densities and adding a frictional margin to provide for the time that sites spend in the planning and development pipeline and to make room for churn – the replacement of old buildings with new.

34 If the Secretary of State accepts the Panel's revisions to the draft RSS, which propose different employment figures, our demand forecasts will need to be reconsidered.

35 In our preferred scenario, over the period 2001-21, Central Herts' total employment grows by some 26,400, or 14%[1]. Most of this growth is in the non-B class sectors such as retail and education. Industrial employment falls by circa 6,000 jobs (27%), warehousing employment grows by 900 jobs (5%) and office employment grows by as many as11,500 jobs (27%).The net outcome of these contrasting trends is a net increase of 6,500 in B-space jobs. Translated into demand for business space, the forecast is for no significant net change in the floorspace stock. Within this almost unchanged total, the use of space shifts from industry/warehousing to offices, and this allows employment to grow, because offices use much less floorspace per head than industry and warehousing.

36 The table below compares the forecast market requirement for employment land to 2021 with the land supply currently identified by each District.

37 In this table:

- Supply is the land identified by the planning system for change in employment uses. The main element of supply is sites with planning permissions or allocations for employment use[2].
- Requirement is the land required by the market for change in employment use, according to our forecasts[3].
- Over or under-supply is the difference between supply and requirement. A positive number denotes oversupply and a negative number denotes undersupply.

38 For both demand and supply, our yardstick is floorspace capacity – the square metres of floorspace that sites can accommodate. Figures relate to net change – the difference between employment space gained, for example in new development, and employment space lost, for example where industrial sites are redeveloped for housing.

Market Balance, Central Hertfordshire, 2001-21, Preferred Scenario

Net floorspace change sq m	Central Herts		Hertsmere		St Albans		Welwyn Hatfield	
	Offices	Ind/ Whsg	Offices	Ind/ Whsg	Offices	Ind/ Whsg	Offices	Ind/ Whsg
Supply	314,985	88,736	80,080	-12,786	46,647	-11,002	188,258	112,524
Requirement	301,544	-84,281	101,418	-25,438	85,755	-25,298	114,371	-33,545
Over (Under) Supply	**13,441**	**173,017**	**-21,338**	**12,652**	**-39,108**	**14,296**	**73,887**	**146,069**

Source: RTP

39 Taken at face value, and considering each District in isolation, our calculations suggest that in St Albans and Hertsmere:

[1] In this paragraph, and later in similar discussions, we have rounded the numbers for greater simplicity.
[2] Supply also includes adjustments for vacant space and development since 2001.
[3] The main element of the requirement is future demand (net land take-up). The figure also includes an adjustment, or margin, to allow for development in the pipeline.

- If we assume that plot ratios (square metres of floorspace per hectare of land) stay constant, then existing and committed employment sites provide just enough capacity to meet market requirements until 2019 and 2016 respectively, provided that there are no future net losses over and above current (2005) planning commitments. If market demand is to be met over the planning period to 2021, any industrial/warehousing sites lost should be redeveloped or replaced by land accommodating the same amount of office space.
- This would mean that, if the requirement is to be met, there can be no net reduction in employment space. Any land lost to housing, such as redundant industrial sites, will have to be redeveloped or replaced to provide an equal amount of employment floorspace. The only way that the Councils can release employment land to other uses will be intensification (increasing plot ratios) or through the designation of additional sites elsewhere.

40 In Welwyn Hatfield, however, the market position is different. Still taking our results at face value, the Borough has considerable excess capacity for both office and industrial/warehousing space.

41 However, as discussed earlier, it would be misleading to consider each area in isolation, because in reality demand is footloose across local authority boundaries; many firms are not tied to one particular District. If all demand was footloose across the three Districts, the excess office demand from St Albans and Hertsmere could be accommodated in Welwyn Hatfield, and there would be considerable scope for releasing industrial land in all three areas, even without intensification.

42 In practice, there should indeed be considerable potential to steer some demand across Districts towards Welwyn Hatfield, especially from St Albans. But our research suggests that there are higher-value office-based activities are uniquely attracted to St Albans, and if they cannot go there will probably locate outside Hertfordshire rather than go to Welwyn Hatfield, perhaps depriving the County of highly worthwhile employment opportunities. It seems likely also that some occupiers that cannot locate in Hertsmere due to lack of land would choose North London or Watford rather than Welwyn Hatfield.

43 Because of these interdependencies across administrative boundaries, Districts need to work together in sub-regional groups to plan how the demand for employment space should be allocated between them, taking account of land supply, infrastructure provision and policy objectives. But first higher tiers of government need to set the strategic parameters, providing a decision on the Panel's recommendations and a set of sub-regional or local forecasts that properly reflect the spatial priorities of the RSS in its final version.

The Quality of Employment Land

44 Welwyn Hatfield has far fewer employment sites than the other two Districts, but they comprise the largest land area. The sites are concentrated in planned employment areas. Hertsmere's sites cover the smallest land area, and are concentrated in the urban centres with some sites in rural areas. St. Albans has the most sites, scattered across the District.

45 In all three Districts, most of the current employment sites (both designated and non-designated) are of good or average quality. If the Councils want to meet demand, then the good sites should be protected. Of course, we can only

advise from the point of view of the need for employment land – if the need for other uses, such as housing, is greater, then the Councils will have to balance these priorities. For the average sites, planning policy and decisions should depend on overall market balance.

46 Welwyn Hatfield has the best development sites – all but one of the sites in the development pipeline (over 15 hectares excluding the area likely to be developed for the new hospital) are assessed as good or average. In Hertsmere, approximately half (by site area) of the development pipeline is poor quality. St. Albans has only three development sites, two of which are constrained because they were affected by the Buncefield fire and in any case might be required to meet the needs of Hemel Hempstead, and the third of which is only a small B1 site and may be developed for housing.

47 If new sites are required in Hertsmere and Welwyn Hatfield, we suggest extensions to existing employment areas. If new sites are required in St Albans, we again suggest extensions to existing employment areas - such as Alban Park/Acrewood Way to the east or the North Orbital Trading Estate to the south east. These would involve extensions into the Green Belt. In addition, employment land could be provided as part of the proposed Hemel Hempstead extension, to the west.

Conclusions

Economic Objectives

48 The Councils might consider explicit objectives to support and enhance local economic strengths, which include:

- For St Albans, high-value-added financial and business services and a dynamic micro-business economy;
- For Hertsmere, high-tech service sectors including computing and communications as well as the specialist film/TV cluster;
- For Welwyn Hatfield, high-tech manufacturing and the handful of large employers that play an especially important role in the local economy;

49 With regard to the balance of the labour market, the issues are more complex. Depending on policy priorities, St Albans in particular might consider a policy objective that out-commuting, either net or gross, should not increase; this would have implications for the employment targets and land supply decisions. All three Districts, but especially St Albans and Hertsmere, might consider, as a criterion in the safeguarding of employment sites, the objective of protecting lower-value activities and the corresponding lower-skill employment opportunities, which in many cases are most at risk from competing land uses. and which do not all receive protection at present.

50 These objectives may be set out in the LDF as general criteria which the Council would have regard to in deciding on the future of existing employment sites and the allocation of new sites. These criteria would weigh in the balance against other planning considerations.

Broad Policy Stance

51 The first key decision that the Councils need to take is how much employment land (floorspace capacity) they should plan for in their LDFs. This will depend

crucially on the strategic guidance provided in the final version of the RSS, as discussed.

52 Based on the current draft RSS, and assuming that they wish to meet market requirements in full, the Councils would set a target for the period 2001-21 to provide a total net gain of 302,000 sq m of offices and a net loss of 84,000 sq m of industrial/warehousing space. Demand is footloose to some extent across local authority boundaries, and the Districts should work together to agree a distribution of employment land provision between them.

53 The Councils may not wish to meet demand for employment land in full within the sub-region, depending on the balance of priorities between employment, housing and environmental considerations and the Councils' views about out-commuting. If the Councils do not wish to meet all market requirements within the boundaries of Central Herts, they should work with other planning authorities to agree a redistribution of employment land requirements across the County or region.

Hertsmere

54 In Hertsmere, if demand for offices is to be met all good and average quality sites suitable for offices, both existing and allocated, should be safeguarded for employment. In particular, Centennial Park should be retained for employment despite pressures to the contrary. Admittedly, the Borough's large reserve of vacant offices will meet demand for a few years to come. But on our calculations this reserve will run out well before the end of the planning period, and the remaining land at Centennial Park is the only significant site that Hertsmere can offer for office development.

55 As an alternative stance, Hertsmere could accept that it will not meet the expected office demand in full, and surplus demand in the later years of the Plan period could migrate to neighbouring areas, including Hatfield Business Park and perhaps North London. The implications of this approach for labour market balance, and hence commuting flows should be carefully assessed. It should also be agreed with Welwyn Hatfield, who would adjust their land requirements accordingly.

56 As regards industry and warehousing, our analysis suggests that Hertsmere's supply is extremely tight. If the forecast demand is to be met within the Borough, there is no room for any net land releases over and above existing commitments, except insofar as they can be offset by intensification at the remaining sites.

57 One way to implement this would be a highly restrictive policy stance, safeguarding all existing employment areas for continued employment use. But this may be difficult to implement in practice, because Hertsmere's existing employment areas include some 30 hectares which in our view are of poor quality. A more realistic policy position could involve:

- A comparatively restrictive stance on the release of existing industrial sites, using criteria-based policies whereby sites can only be released if the applicant demonstrates that there is no realistic prospect of the site being re-used for employment;
- Intervention to improve poor quality sites where possible, making them more attractive and more viable for employment uses; and

- Allocation of some new sites to replace poor-quality sites lost, upgrading the Borough's employment stock, and/or
- Acceptance that Hertsmere will 'export' some industrial/warehousing demand within Central Hertfordshire to Welwyn Hatfield.

St Albans

58 In the office sector, St Albans has a minimal supply of land to meet the forecast growth in demand. Simple quantitative analysis shows that the District has a modest supply of development land, which we estimated would last until 2009. But nearly all of it, especially in the good-quality category, comprises sites at the St. Albans/Dacorum boundary, which are affected by the Buncefield fire, and in any case may be required to meet the needs of Hemel Hempstead, whether for employment or housing.

59 Given the above, if St Albans is to cater to the forecast demand within its boundaries it will have to plan for new office sites. Such sites will likely have to be in out-of-town business parks, impacting on the Green Belt and environmental objectives.

60 An alternative policy stance is that, due to environmental and conservation constraints, St Albans cannot be expected to meet demand for office growth within its boundaries. In our view, there is limited potential for exporting this surplus demand to Welwyn Hatfield; much of the demand for space in St Albans is tied to the City's special appeal, and if it cannot be accommodated in St Albans it will locate outside Central Herts.

61 In the industrial/warehousing market, St Albans, like Hertsmere, if it is to meet demand, will need a highly restrictive policy stance on safeguarding existing sites. This will require site-specific and criteria-based policies to prevent the release of employment sites to other uses unless either the applicant shows that the site is unlikely to be taken up, being unattractive or unviable for employment uses, or that the loss can be compensated for by intensification at remaining sites.

62 From an employment land point of view, this restrictive policy may be easier to implement in St. Albans than in Hertsmere, because virtually none of the existing employment areas are of poor quality. But the competing need for housing may be a compelling reason to release sites nevertheless. In this case, St Albans, like Hertsmere, has the alternative option of accepting that some of its demand will be met outside its boundaries, in Welwyn Hatfield or beyond. Yet again, this will have implications for travel to work.

Welwyn Hatfield

63 Welwyn Hatfield considered in isolation has a surplus of employment land against its forecast requirements, even once we have factored in the possible re-allocation of part of Hatfield Business Park to provide a hospital. But, depending on policy decisions relating to Hertsmere and St Albans, much of this excess land may be required to meet demand exported from these areas.

64 Furthermore, some of the surplus would be absorbed if the Council chose to opt for higher growth by welcoming more strategic distribution – a sector where demand is growing fast at the moment, probably far in excess of macroeconomic forecasts, which requires large sites and which is powerfully attracted to the Borough. The merits of this approach would have to be weighed carefully against its potential disadvantages.

65 Welwyn Hatfield could consider release of the few existing sites in its area which we class as poor quality. But it would be imprudent at this stage to release any other sites, whether existing or allocated/permitted for employment, not only because they may be needed to compensate for shortfalls elsewhere in Central Herts, but also because of the Panel recommendations, which designate Welwyn Hatfield as a key centre in which housing and employment growth should be concentrated. If these recommendations are accepted, the Borough's employment land requirements are likely to increase considerably over our present estimates.

Sites

66 In preparing the new LDFs, the Councils should consider safeguarding for employment uses the many good-quality sites in Hertsmere and St Albans which are currently not safeguarded. Whether they do in fact protect these sites, will of course depend on the balance of policy priorities between employment and other uses, which is beyond the scope of this study.

67 For the average sites, planning decisions should depend on the overall balance of forecast demand against planned supply and on the performance of each site against criteria.

68 Some of the sites identified as poor are located in rural areas. Some of them are well occupied at the moment, but may not be reoccupied if they became vacant and better sites were available, due to their remote locations. Other poor sites are in long established urban locations but have unfavourable characteristics which outweigh any local need for the sites. Some of these poor sites should be considered for release if they fall vacant.

69 Where existing urban sites are considered to be average or poor, they might be suitable for mixed use redevelopment / conversion. The Districts should consider identifying such sites and producing Supplementary Planning Documents (SPDs) for them.

70 The Broadwater Road West site is assessed as average and so we agree it is suitable for mixed use, rather than a wholly employment redevelopment, and as there is an over supply of employment sites in the District this should not cause a problem. However, the District should wait until the final RSS jobs figures are confirmed before making a decision on how much to retain for employment use.

71 There is a strong case for retaining rural employment clusters in the interests of providing a range and diversity of premises for businesses which have local or special requirements in terms of location or image. Given the numbers of local residents they employ and the value placed on them by local communities, policies should identify these clusters and allow change of use only where there are overriding environmental, highway or aesthetic reasons for this.

72 Whether the Councils provide new employment sites in the new LDFs, will depend on their broad policy stance and the requirements set out in the final RSS. In addition, existing employment land may be lost to other uses over the planning period, and need to be replaced. We suggest that any new sites be extensions to existing employment areas. The LDF Core Strategies should set out broad areas of search for any new sites that may be needed and say that the need for new sites will be kept under review over the plan period, based on monitoring of the demand-supply balance. The Councils can consult on the broad areas of search as part of issues and options stage.

73 If and when such additional requirements are identified, the Councils will need to produce a Site Allocation Development Plan Document (DPD) or Area Action Plan (AAP) setting out exact sites.

74 The LDFs should also include a policy to allow for positive windfalls, which permits applications for employment use on non allocated sites subject to criteria.

Types of Development

75 Office development should be directed towards urban centres where possible – although there are few good quality available sites in the centres and it is likely that new offices will need to locate in edge of centre employment areas. The Districts could consider having a sequential policy for office development.

76 In Hertsmere, the policy stating that only 50% of any new development can be for office use seems to have worked in the past, because there is a forecast under supply of office space. In our opinion, this is not appropriate as a blanket policy because some sites will be suitable for wholly office use. Where mixed office / industrial development is desirable, we suggest the Districts have site-specific policies or Supplementary Planning Documents.

77 There is strong market demand for distribution and it is up to the Districts whether or not they wish to provide for it. If new sites are required for distribution in the sub-region, Welwyn Hatfield would be the best location because of its good access and good quality development sites (e.g. remaining land at Hatfield Business Park and The Garden Shed, Mundells).

78 The Districts' current policies promoting small business units should be carried forward into the LDFs. Both County and local economic development strategies highlight the need for small units, to provide for local entrepreneurs and attract knowledge based companies. Stakeholders also stated that small business units are required.

79 Employment areas may be suitable locations for non employment uses such as worship, children's play centres and health and fitness, and these uses do provide jobs. However, such non B space jobs do not count against the jobs forecast in this study. So, if the Districts wish to allow such uses in employment areas, this will increase the amount of employment land required. If they do not wish to allow such uses in employment areas then they may need to allocate new sites specifically for these uses.