

# EMPLOYMENT LAND - UPDATE

## HEADLINES: 2020-2021

### Introduction:

For monitoring purposes, employment land has traditionally been defined as land within Use Classes B1 (a, b, c) business and light industry, B2 general industry and B8 storage and distribution at the time of monitoring. It does not include employment creating development associated with other uses such as retailing, leisure or *sui generis* uses, although these uses make an increasingly important contribution to the level of employment in the city.

Two types of employment development are monitored, 'additional' and 'redevelopment'. Additional includes employment development on sites that are not already in employment use and are a net addition to the employment land supply. Redevelopment is development on land that is already in employment use, therefore there is generally no net addition in terms of land supply, although redevelopment can have a net impact on the amount of floorspace provided.

In general, the progress of planning applications is monitored, as opposed to the development of individual units. This means that sites can remain as being classed as 'under construction' until all units are completed. It can also mean that the total land / floorspace delivered over a period of years is recorded as entering the supply in a single monitoring year. This can distort completion rates when assessed over a short time period but evens out over longer timescales.

The Council only monitors applications that provide in excess of 250sqm (net) of floorspace due to the resource implications of monitoring more minor proposals.

Accurate monitoring of employment land is becoming increasingly difficult for many reasons including changes to permitted development regulations (which allow for the conversion of office space to residential use with no requirement to provide information relating to the amount of floorspace being lost through conversion) and demolition of industrial buildings (in general) not requiring planning permission, making it difficult to monitor losses / net changes in employment floorspace.

Amendments to the Use Class Order in 2020 introduced a new class 'E' covering a range of commercial uses such as shops (A1), financial and professional services (A2), food and drink (A3), offices (B1a), research and development (B1b) light industry (B1c), non-residential institutions (D1) and indoor sport and leisure (D2). The amalgamation of these uses into a single use class has created a degree of flexibility in terms of what changes can occur without triggering the need to submit a planning application. This increase in flexibility has further undermined the Council's ability to accurately monitor uses previously falling within the B1 use class and has subsequently affected the comparability of data from 2020 onwards.

For these reasons, employment land monitoring information can only provide a broad indication of economic activity levels and should be considered alongside other economic indicators and more qualitative factors.



## How Much Land Has Been Developed?

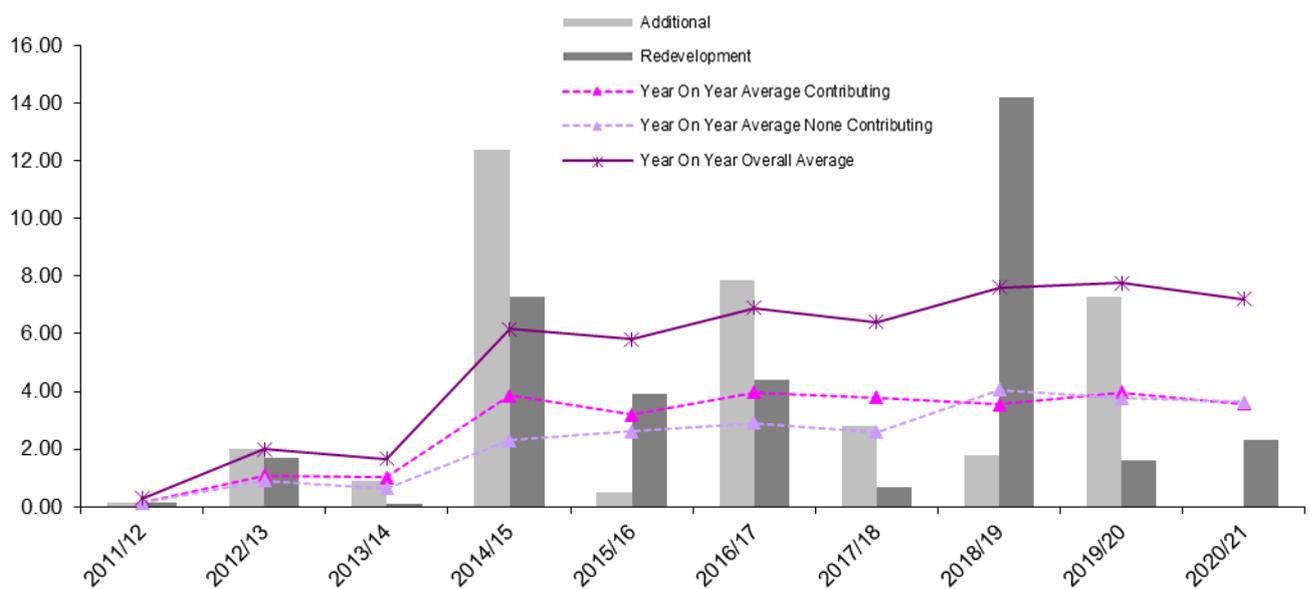
No additional land (meeting the monitoring thresholds) was recorded as having been completed during the monitoring period. This is likely to be because of the global pandemic and associated lockdowns during the 2020/21 monitoring period, which led to a slow-down in the construction sector. The absence of completions in this period has reduced the rolling average for completed additional land in the Plan period from around 4ha closer to 3.5ha.

Around 2.3 ha of redevelopment land was completed during the monitoring period, providing upwards of 8,500sqm of floorspace. The most notable completion was the new Test Bed facility within the Rolls-Royce Aerospace Campus on Wilmore Road. The new £90m facility covers an area of around 2.1ha and provides circa 7,500sqm of floorspace.

## Past Completions:

Year	Additional Land Completed	Redevelopment Land Completed
2011/12	0.15	0.15
2012/13	2.03	1.69
2013/14	0.90	0.10
2014/15	12.39	7.28
2015/16	0.50	3.90
2016/17	7.87	4.39
2017/18	2.80	0.70
2018/19	1.80	14.20
2019/20	7.30	1.60
2021/21	0.00	2.30
<b>Totals:</b>	<b>35.74</b>	<b>36.31</b>

### Completed Employment Land Development (HA) 2011-2021



## How Much Land Has Been Lost From the Supply?

The most notable losses from the additional supply included a further 8ha lost from the gross allocated area at Derby Commercial Park, as work on the final plot commenced and the extent of landscaping and infrastructure has become clear. In addition, the long extant, historic permission at Riverlights has been removed from the supply as it highly unlikely to ever been implemented, having remained in the supply for many years. The site area of the development site at Dunstall Park Close (under construction) has also been marginally reduced to account for the development of a new police station.

The most significant losses from the existing land supply have included the change of use of units at Sawley Park (Nottingham Road) for leisure uses, the redevelopment of the gasometers site on Pride Park (circa 0.7ha) for a PFS and builders Yard and the change of use of St James House on Mansfield Road to education – the latter of which included a loss of over 2,000sqm of office floorspace.

The trend of losing office accommodation in the city centre to residential use, fuelled by changes to permitted development rights, has slowed in comparison to previous years, as the supply of sites that are readily available for conversion has started to be exhausted.

## How Much Land is Under Construction?

This monitoring period has seen an increase in the amount of ‘additional’ employment land and floorspace under construction, compared to the previous monitoring year. The majority of this is associated with the final phase of Derby Commercial Park (Plot ‘L’ - Raynesway) and development at Dunstall Park Close (former Rolls-Royce car parks) being brought forward by Ivygrove Developments and providing in the region 9,500sqm of new floorspace.

	Additional Land (ha)	Redevelopment Land (ha)
2017/18	1.60	12.80
2018/19	9.20	3.10
2019/20	2.40	4.41
2020/21	11.00	2.24

The amount of ‘redevelopment’ land recorded as under construction has decreased from last year due to the completion of the new Test Bed facility at Rolls-Royce’s Aerospace Campus. The only redevelopment land recorded as under construction at the point of survey was the final phase of development at Trafalgar Park (Victory Road) and two new office buildings on City Road which are technically under construction as the flood wall elements of the application (associated with OCOR) have been implemented, although no work on the office buildings has commenced.



## Overall Supply Calculation:

The DCLP1 identifies a gross allocated additional land supply of in the region of 199ha. This amount of land is identified to meet a 'need' generated by the planned housing growth in the Derby Urban Area (DUA) of around 150ha between 2011 and 2028. This figure is derived from the 'labour supply policy-on' methodology, with the HMA 'need' figure distributed in line with the housing strategy which focuses growth on the DUA.

The table below provides an indication of the overall additional land supply, which includes allocations and permissions. The additional land supply continues to decrease as sites are built and land is lost to other uses and infrastructure requirements.

Overall Gross Additional (ha)				
Component	2018	2019	2020	2021
Land Under Construction:	1.6	9.2	2.4	11.0
Land with Planning Permission but Not Started:	90.4	83.4	83.1	100.6
Land Allocated but no Permission:	60.01	59.30	59.30	29.65
<b>TOTAL:</b>	<b>152.01</b>	<b>151.9</b>	<b>144.8</b>	<b>141.25</b>

A significant proportion of the land with planning permission but not yet started comprises land on strategic employment sites such as allocations AC15 (Infinity Park Derby) and AC11 (Derby Triangle), the latter of which had outline permission for employment uses granted during the monitoring period. Two further significant permissions have entered the supply during the monitoring year, both of which have helped to offset the loss of land already reported. These include outline permission at Becketwell and permission for B8 uses at Megaloughton Lane.

The outline permission at Becketwell allows for office development across the whole site and therefore the full site area is counted in the supply. However, this will be reduced as and when alternative uses are commenced such as the phase 1 residential (commenced outside of monitoring year) and the phase 2 performance venue. The city centre allowance in the supply calculation has been adjusted to reflect this significant permission.

Land allocated but with no permission largely comprises land also identified by AC15 (to the south of Sinfin Moor Lane, not part of IPD).

South Derbyshire District Council (SDDC) has identified 30ha of additional employment land, as an extension to the AC15 allocation within the City. This land contributes to the overall DUA land supply.

The land supply calculation assessed against the DUA requirement (150ha) continues to show that the remaining supply is broadly similar to the assessed level of need at the beginning of the Plan period. There is therefore more than sufficient land to meet residual needs within the remaining Plan period. This degree of oversupply provides useful flexibility whilst the extent of the oversupply is anticipated to reduce throughout the Plan period as elements of some allocated sites are lost from the gross developable area to accommodate further infrastructure, including major roads and flood alleviation measures.



Redevelopment (ha)				
Component	2018	2019	2020	2021
Land Under Construction:	12.80	3.1	4.41	2.24
Land with Planning Permission but Not Started:	60.43	59.27	56.81	56.71
Land Allocated but no Permission:	5.60	5.60	5.60	5.60
<b>TOTAL:</b>	<b>78.83</b>	<b>67.97</b>	<b>66.82</b>	<b>64.55</b>

Importantly, the figures for redevelopment sites are 'gross' and do not take account of annual cumulative losses from the existing supply.

The majority of the redevelopment land supply with permission but not yet started is associated with the Rolls-Royce Aerospace Campus proposals. Some land within the area covered by the outline planning permission has been completed, such as the new Test Bed facility. However, the campus proposals will result in a net decrease in employment floorspace overall.

The only redevelopment site which continues to be allocated but with no permission is the redevelopment element of saved CDLPR allocation EP4 (West Raynesway). This site has been brought back into beneficial use (without the need for planning permission as utilising existing buildings) and therefore is likely to be de-allocated through a future review of the Local Plan.

