

Employment Land Review

Dover District Council

April 2009

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1. INTRODUCTION

BACKGROUND

- 1.1 GVA Grimley Ltd were commissioned in November 2008 to undertake an Employment Land Review on behalf of Dover District Council as part of the preparation of their evidence based underpinning the emerging Local Development Framework.
- 1.2 The District Council required a study into employment land (supply and demand) across the District to underpin recommendations within your emerging Core Strategy and future Local Development Framework Development Plan Documents. The study and supporting information complies with the requirements of PPG4/PPS4 and the Employment Land Review Guidance Note (2004).
- 1.3 A significant amount of evidence was already in place at the commencement of the ELR which has been utilised where appropriate. This includes the Business Development Strategy prepared by Broadway Malyan in 2007, the Roger Tym & Partners Economic Review prepared in August 2008, and annual monitoring information relating specifically to commercial land and premises obtained from Kent County Council

STRUCTURE OF REPORT

- 1.4 The remainder of this document is structured as follows:
 - Section 2 sets the commercial property context for the ELR and provides the backdrop for the employment land demand forecast.
 - Section 3 projects employment land demand up to 2026 by the main land uses.
 - Section 4 gives an overview of the current supply of land within the District.
 - Section 5 compares demand and supply over the plan period and identified gaps in supply in qualitative and quantitative terms, and suggests marginal / at risk locations likely over the plan period.

2. COMMERCIAL MARKET CONTEXT

INTRODUCTION

- 2.1 The purpose of this property market assessment is to demonstrate the key characteristics of the commercial property market of Dover district. The approach taken is to examine changes in the total stock of industrial and office floorspace, past take-up rates, availability and rental trends. The section is compiled into two parts focusing separately on the office and industrial markets within Dover.

OFFICE MARKET

COMMENTARY

- 2.2 The office market within Dover is dominated by local indigenous movement and some growth in existing occupiers. Agents consulted suggested very limited demand from occupiers from outside the local economy, including regional occupiers and larger.
- 2.3 Where requirements are identified they are seen to be close to the Port and Dover town centre, with proximity to the A20 / M20 also identified as significant drivers. This emphasises the importance of regeneration aspirations for both the Port and Dover town centre, relating specifically to the provision of office floorspace within both. The agents consulted reported confidence that the Western Docks could be a successful office location, with occupiers likely to be predominantly port related.
- 2.4 Office market demand is evidenced to have been relatively low, and static, for some time within Dover, partly referenced to the economic downturn but also the lack of suitable and modern office premises within the area in general. There are numerous examples of office developments that stand vacant (albeit the majority are not recent developments) e.g. Maybrook House in the centre of Dover, a 4/5 storey 1960s office development.
- 2.5 Agents identified the shortcomings in office supply acting as constraints to occupier activity (albeit there were no requirements identified from blue-chip firms looking to locate in Dover) as including the age of premises (with a dominance of older / above retail stock in general), the size profile (dominated by smaller, sub-465 square metres premises), and the secondary nature of the stock (including in non-prime locations). Rental levels are seen to be a key constraint to development coming forwards in Dover.
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- 2.6 The majority of office occupiers at the current time are felt to be port or transport related activities, and the public sector.

AVAILABLE FLOORSPACE

- 2.7 There was a total of 222,000 square metres of office floorspace within Dover District in 2007, comprising 7% of the total office floorspace supply across Kent, and 1% total supply across the South East.

Table 1 – Total Office Floorspace (2007)

	Total Offices ('000m ²)
England and Wales	201,056
South East	31,364
Kent	3,346
Dover	222

Source: VOA, 2007

- 2.8 The stock of office floorspace within Dover increased by 38% between 1998 and 2007, a growth larger than that recorded across any of the wider comparator areas presented including England and Wales, the South East, and Kent. In Dover this growth equated to 61,000 square metres office floorspace developed. This growth was under 10% of that experienced across the whole of Kent – emphasising that the high growth rate in Dover is linked to the low base (i.e. the low quantum of floorspace in 1998).

Table 2 – Change in Office Floorspace (1998 – 2007)

	Change in Office Floorspace ('000 m ²) 1998 - 2007	Change in Office Floorspace (%) 1998 - 2007
England and Wales	37034	22.6%
South East	4994	18.9%
Kent	638	23.6%
Dover	61	37.9%

Source: VOA, 2007

- 2.9 A total of 11,205 square metres office floorspace was being marketed across Dover as of December 2008, in 34 premises, giving an average vacant floorspace of 330 square metres per unit.
- 2.10 The majority of the vacant marketed floorspace across Dover (in pure business unit terms) is within small units (sized below 185 square metres), with 22 units (65% total number of vacant

units). In floorspace quantum's the largest supply of available floorspace is within units sized between 466 and 1850 square metres, accounting for 39% of total vacant floorspace.

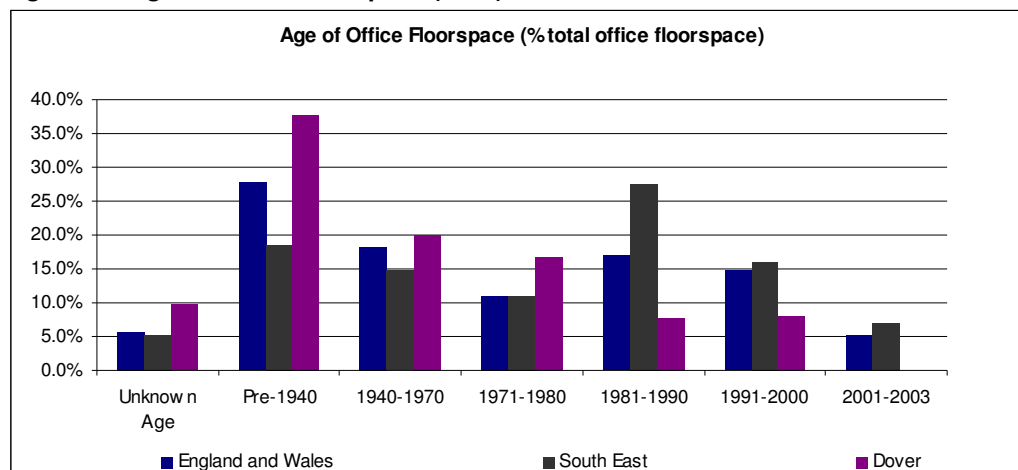
Table 3 – Marketed Office Floorspace, Dover (December 2008)

Size (m ²)	Total Available Floorspace (m ²)	Number of Premises	Average Size of Available Premises (m ²)
>185	1,381	22	63
185-465	1,762	6	294
466-1850	4,346	5	869
1851<	3,716	1	3716
Total	11,205	34	330

Source: EGi, December 2008

- 2.11 The (former) Office of the Deputy Prime Minister (now Department for Communities and Local Government) records the age of commercial floorspace – with the last available benchmark the year 2004. At the local (District) level the data does not accurately reflect development since 2000 (and over-represents floorspace 'of unknown age').
- 2.12 Even given this identified caveat associated with the data the findings for Dover relating to the age of office floorspace are compelling – most specifically the proportion of office provision that is aged from pre-1940 compared to the wider comparators of the South East and England and Wales. A total of 38% of the office floorspace within Dover was developed pre-1940 compared to 18% across the South East and 28% across England and Wales.
- 2.13 Interestingly Dover also demonstrates a larger proportion of total office floorspace dating from between 1940 and 1970, and 1971 and 1980. Post-1980 however the District has lower proportions of office floorspace stock. In market terms premises dated circa pre-1985 are generally perceived to be unattractive to occupiers given their lack of flexibility / modern specification. The office stock profile (age / quality) across Dover is therefore perceived to be a constraint to attracting office occupiers to the local area.

Figure 1 – Age of Office Floorspace (2004)



Source: ODPM, 2004

RENTS

- 2.14 Based on available property market information and discussions with agents, second hand office rents throughout the Dover district are in the region of £45 - £70 per sq m (£4 – £6.50 per sq ft). This varies depending on the size and location of the property. Table 4 details rents which have been achieved throughout the district since 2002.
- 2.15 There is evidenced to have been very limited take-up activity / deals within Dover since 2006, with EGi not recording any office market deals up to December 2008. Indeed between 2002 and 2006 just 6,838 square metres of office floorspace was taken-up as recorded by EGi deals.

Table 4 – Office Market Deals 2002 – 2008

Address	Deal Date	Property Sub Type	Transaction Type	Square Metres	Rent (£) per m ²
White Cliffs Business Park	13/11/2006	(B1b) Bus. Park	Sale	4,047	0
The Roost Ratling Road	24/03/2006	(B1a) Office	Lease	235	68.14
Maison Dieu House Biggin Street	19/05/2004	(B1a) Office	Sale	437	0
5-7 Bench Street Dover	05/02/2003	(B1a) Office	Lease	204	44.03
22-24 Castle Street Dover	27/08/2002	(B1a) Office	Lease	311	45.02
Lorne Court & Bucklands London Rd	16/05/2002	(B1a) Office	Inv. Sale	1,604	46.45

Source: EGi, December 2008

INDUSTRIAL MARKET

COMMENTARY

- 2.16 As with the office market within Dover, industrial market activity within the District is considered to be dominated by indigenous / local businesses. There are very few new developments identified by agents consulted beyond those that have come forwards on White Cliffs Business Park – where key provision has included the development of the Flex Scheme of sub-100 square metre light industrial units with mezzanine floors.
- 2.17 Transactions within the industrial market are felt to be limited – with the general market perception being one of a static nature. Demand that is evidenced is dominated by smaller units, as with office provision sub- 465 square metre units, further indication of the local nature of occupiers taking up space within the area. Larger scale (individual units) demand is identified in certain locations and by certain occupiers including Pfizer.
- 2.18 As with the office market, there is a perception amongst agents that occupier activity within the industrial market is constrained by supply. Interestingly agents recognised a key constraint to delivering industrial developments of any scale as being the lack of transport infrastructure. One agent identified the issues with delivering Phase II of White Cliffs Business Park as a result of lack of infrastructure to support it. This brings into question the delivery of later phases of development in this location – a potentially key constraint to meeting economic aspirations.

AVAILABLE FLOORSPACE

- 2.19 There was a total of 918,000 square metres of industrial floorspace within Dover District in 2007, comprising 12% of the total industrial floorspace supply across Kent, and 2% total supply across the South East. Within Dover industrial floorspace is seen to be made up mainly of factory floorspace – 91% of total industrial floorspace in the District is factory rather than warehouse.

Table 5 – Total Industrial Floorspace (2007)

	Factories ('000 m ²)	Warehouses ('000 m ²)	Total Industrial ('000 m ²)
England and Wales	212657	157612	370269
South East	20664	18878	39542
Kent	4491	3435	7926
Dover	740	178	918

Source: VOA, 2007

- 2.20 The stock of industrial floorspace within Dover increased by 46% between 1998 and 2007, a growth far larger than that recorded across any of the wider comparator areas presented including England and Wales, the South East, and Kent. In Dover this equated to 289,000 square metres industrial floorspace developed; including 300,000 square metres of factories, and the loss of 11,000 square metres warehousing floorspace.
- 2.21 As with the analysis of change in office floorspace over the period 1998 to 2007, it is recognised that the high growth rate in Dover is skewed by the low 'base' position – i.e. the low quantum of industrial floorspace as the base in 1998.

Table 6 – Absolute Change in Industrial Floorspace (1998 – 2007)

	Factories ('000 m ²) 1998 - 2007	Warehouses ('000 m ²) 1998 - 2007	Total Industrial ('000 m ²) 1998 - 2007
England and Wales	-13307	27279	13972
South East	-1065	3077	2012
Kent	-139	215	76
Dover	300	-11	289

Source: VOA, 2007

Table 7 – Percentage Change in Industrial Floorspace (1998 – 2007)

	Factories (% Change)	Warehouses (% Change)	Total Industrial (% Change)
England and Wales	-5.9%	20.9%	3.9%
South East	-4.9%	19.5%	5.4%
Kent	-3.0%	6.7%	1.0%
Dover	68.2%	-5.8%	45.9%

Source: VOA, 2007

- 2.22 A total of 19,465 square metres of industrial floorspace was being marketed across Dover as of December 2008, in 26 premises, with an average vacant floorspace of 749 square metres per unit.

2.23 The split in marketed floorspace across Dover, in terms of number of premises, is relatively balanced between those sized under 185 square metres (11 premises) and those sized between 466 and 1,850 square metres (13 premises). In floorspace quantum's the largest supply of available floorspace is within units sized between 466 and 1,850 square metres and those above 1,851 square metres (albeit the latter is concentrated within one single unit).

Table 8 – Marketed Industrial Floorspace, Dover (December 2008)

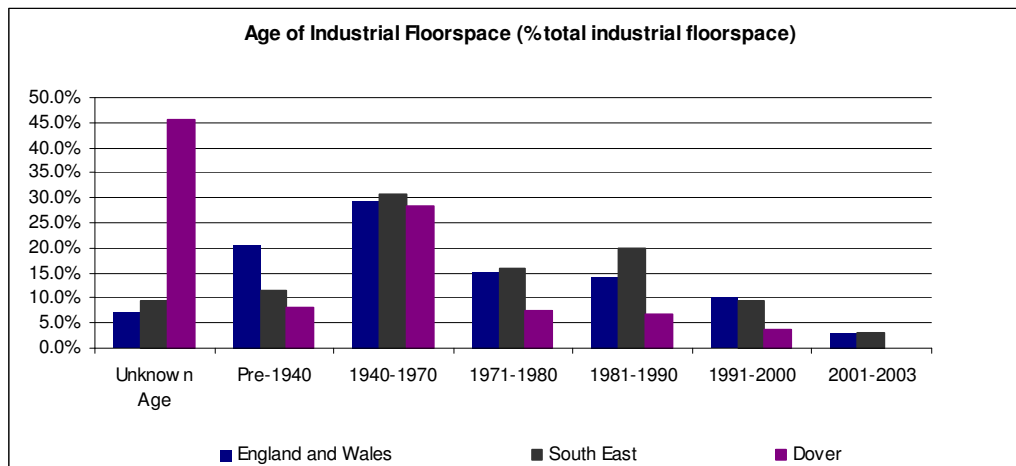
Size (m ²)	Total Available Floorspace (m ²)	Number of Premises	Average Size of Available Premises (m ²)
>185	1190	11	108
185-465	258	1	258
466-1850	9704	13	746
1851 <	8313	1	8313
Total	19465	26	749

Source: EGi, December 2008

2.24 The (former) Office of the Deputy Prime Minister (now Department for Communities and Local Government) records the age of commercial floorspace – with the last available benchmark the year 2004. At the local (District) level the data does not accurately reflect development since 2000 (and over-represents floorspace of 'unknown age'). This is particularly pertinent for Dover, where a total of 46% of total industrial floorspace is of an unknown age.

2.25 Indeed, in this context, for every age band identified Dover has a lower proportion industrial floorspace than the wider comparators. This is most prominent in floorspace aged from between 1981 and 1990.

Figure 2 – Age of Industrial Floorspace (2004)



Source: ODPM, 2004

RENTS

- 2.26 Based on available property market information and discussions with agents, second hand office rents for industrial premises throughout the Dover district are in the region of £40 - £100 per square metre (£3.50 - £10 per square foot). This varies depending on the size and location of the property. Table 9 details rents which have been achieved throughout the district since 2002.
- 2.27 There is evidenced to have been limited take-up activity / deals within Dover since 2006, with EGi not recording any industrial market deals up to December 2008. Indeed, between 2002 and 2006 just 4,967 square metres of industrial floorspace was taken-up as recorded by EGi deals.

Table 9 – Industrial Market Deals 2002 – 2008

Address	Deal Date	Property Sub Type	Transaction Type	Square Metres	Rent (£) per m ²
Millyard Way Eythorne	03/02/2006	(B8) Warehouse & Distribution	Sale	750	0
Ramsgate Road Sandwich	31/01/2006	(B8) Warehouse & Distribution	Lease	519	95.8
Poulton Close	15/01/2006	(B1/B2/B8) General Industrial	Lease	108	55.44
Unit 1/2 White Cliffs Business Park	15/07/2005	(B1c) Light Industrial / Business Units	Lease	916	54.59
Cooting Road Aylesham	13/10/2004	(B2) Industrial Park	Sale	1,512	0
Holmstone Road Dover	31/08/2004	(B8) Warehouse & Distribution	Sale	2	0
Holmstone Road Dover	15/10/2003	(B1/B2/B8) General Industrial	Lease	1,088	39.51
Cannon Street Deal	30/01/1998	(B1/B2/B8) General Industrial	Lease	72	96.98

Source: EGi, December 2008

SUMMARY

- 2.28 Dover is characterised by relatively weak office industrial markets – with transactional activity in both constrained significantly by both the quality of existing stock, being predominantly dated and secondary in nature, and the lack of new developments coming to the market.

- 2.29 Where developments have come forwards – with White Cliffs Business Park being perhaps the most prevalent example – the market has responded relatively well with good take-up reported in both office and industrial stock. This remains a key business location within the District, and importantly has development capacity remaining.
- 2.30 Beyond White Cliffs Business Park, the Port area, and Dover town centre, there are very few coherent business locations identified through agent consultations as being 'key', including within both the industrial and office markets. There are however significant quantum of both office and industrial stock across the District, including vacant floorspace.
- 2.31 In both markets Dover has seen a growth in floorspace above the wider comparator areas, suggesting that the slowdown in development activity is more recent, and that development activity has been more focused on individual premises / infill rather than development of significant / coherent Business Parks by-and-large across the District.

3. EMPLOYMENT FLOORSPACE DEMAND PROJECTIONS

- 3.1 In order to ensure a *sufficient* and *appropriate* supply of employment land over the plan period it is necessary to develop an understanding of the scale and nature of demand for employment land. This section details the methodology and calculations which have been undertaken specifically relating to Dover.
- 3.2 Two 'scenarios' of economic growth (and therefore employment demand) have been considered.
- 3.3 Firstly we have considered a 'baseline' growth scenario which uses Cambridge Econometrics employment forecasts for the District to 2026 to generate employment growth and land demand. We have also considered the impact of the Growth Point aspirations on this baseline demand for employment land.
- 3.4 In previous analysis undertaken by Broadway Malyan and Roger Tym & Partners consideration was given to the housing impact of delivering economic growth across Dover over the plan period. This analysis concluded that in order to deliver economic aspirations it is required that between 10,000 and 14,000 homes are delivered.
- 3.5 In response to this previous analysis two additional growth scenarios have been considered – relating specifically to the employment land 'tipping points' for housing development.
- 3.6 The second scenario tests the employment land relationship with the delivery of 14,000 new homes over the plan period to 2026; the third assumes that a lower housing delivery of 10,000 homes to 2026.
- 3.7 All three scenarios are considered in turn in the remainder of this section. The scale and nature of demand is compared to employment land supply within Section 5 of this report, underpinning emerging headline and site specific recommendations.

BASELINE SCENARIO

METHODOLOGY

3.8 To establish the 'baseline' future gross employment floorspace requirements in Dover to 2026 a two step approach has been applied based on:

- 1) Allowance for Economic Growth
- 2) Allowance for Windfall and Churn

3.9 Both of these steps are described in more detail below.

ALLOWANCE FOR ECONOMIC GROWTH

3.10 Econometric projections¹ for the District are presented and analysed within the *Dover District Economic Review* (Roger Tym & Partners (RTP), August 2008). For consistency within analysis the same forecasts have been utilised within this ELR.

3.11 The baseline LEFM projections are based on historical growth in Dover relative to the region or UK (depending on which area it has the strongest relationship with) on an industry-by-industry (sector-by-sector) basis. For example, if an industry in Dover outperformed that within the region or the UK in the past it is assumed that it will do so in the future. The projections for Dover used within the RTP study are consistent with those for the South East and the UK published by CE in July 2007.

3.12 The projections as utilised by RTP within their study are broken down to 9-sectors (Agriculture etc, Mining & Quarrying, Manufacturing, Electricity, Gas & Water, Construction, Distribution, Hotels & Catering, Transport & Communications, Financial & Business Services, and Government & Other Services).

3.13 Employment in the 9 sectors is converted into employment in four floorspace use types as follows:

- **Office (B1a/b):** pure office space, not including office space in shopping areas such as banks, estate agents and betting shops (A2 office space) and premises for research and development of products or processes;

¹ Cambridge Econometrics (CE) projections were commissioned as part of the study based on CE's Local Economy Forecasting Model (LEFM). The projections represent the results of model-based analysis, but have not been refined in the light of qualitative information, legislative changes or 'soft' information.

- **Other Business Space (B1c, B2):** including premises for light industry and general industry;
- **Warehousing (B8):** premises used for storage or distribution centres; and
- **Non-B-Use-Class:** any other premises in which employment might occur such as shops, health and medical centres, schools, hotels, restaurants and leisure facilities, etc.

3.14 For the conversion of the 9 sectors into the four floorspace use types a matrix has been used which is based on the ODPM Employment Land Review Guidance with some refinements based on 4-digit-SIC analysis of current employment in the District. The conversion matrix assigns a proportion of the employees in each of the 9 economic sectors from the employment forecast to one or more of the four floorspace use types. The land use type assumptions are illustrated on Table 10 below. For example, it is assumed that 91% of employment within the Agriculture etc sector is accommodated on Non-B Use Class land / within Non-B Use Class premises.

Table 10 – GVA Grimley Ltd Floorspace Use Type Assumption Matrix

	Non B	B1	B2	B8	Total
Agriculture etc	91%	9%	0%	0%	100%
Mining & Quarrying	100%	0%	0%	0%	100%
Manufacturing	13%	1%	86%	0%	100%
Electricity, Gas and Water	100%	0%	0%	0%	100%
Construction	39%	0%	61%	0%	100%
Distribution, Hotels & Catering	93%	0%	0%	7%	100%
Transport & Communications	73%	10%	0%	17%	100%
Financial & Business Services	0%	95%	5%	0%	100%
Government & Other Services	60%	40%	0%	0%	100%

3.15 As a next step the employment in the three B-Use-Class floorspace types is converted into floorspace using the following employment densities which are in line with the ODPM Employment Land Review Guidance:

- Office 18 sq m per employee
- Other business space 32 sq m per employee
- Warehousing 55 sq m per employee²

² Warehousing employment densities typically range between 50 sq m for general warehousing and 80 sq m for large scale and high bay warehouses. As large parts of the sub-region are not suitable / attractive for large scale warehousing we have used an employment density only slightly higher than for general warehousing.

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- 3.16 The floorspace is then translated into land demand using plot ratios³. An average plot ratio of 0.35 has been applied across all types of floorspace based on the ODPM Employment Land Review Guidance note and guidance from Kent County Council.

ALLOWANCE FOR WINDFALL AND CHURN

- 3.17 The allowance for **windfall losses** takes into account that a proportion of designated employment land will not be entirely used by traditional B-Use-Class employment.
- 3.18 Land uses such as recycling, waste management, combined heat and power plants and bus depots can, under certain circumstances and where appropriate, be allocated on employment land.
- 3.19 A significant part of the projected employment growth arises from sectors which have traditionally not been located on employment land such as healthcare, education, hotels and leisure. Recent planning experience has shown that under specific circumstances and where appropriate such uses might be allocated on employment land. However this has to be monitored carefully to ensure there is enough available land for B-Use-Class employment on employment land.
- 3.20 Under specific circumstances and where appropriate employment land might also be used for other uses to enable employment development to come forward.
- 3.21 The allowance for windfall losses also takes into account the need for a flexible supply of employment land. Allowance has to be made for a range of different needs by the economy which might change over the next 20 years.
- 3.22 As well as making an allowance for unexpected losses of employment land (windfall), we also make allowance for the fact that locational and premises needs of businesses change over time. This often requires businesses to move. In other cases an existing business might cease its operations and a new business take over a site for redevelopment. For this to happen smoothly there is a need for certain level of available vacant land. This type of demand has been called 'churn' demand or 'frictional vacancy'.
- 3.23 It typically takes two years to achieve a planning consent, site preparation and construction after a site has changed hands. For these reasons we take the annual net take-up of employment floorspace and multiply it by two to estimate the churn demand – making

³ The plot ratio gives the ratio between floorspace and site size. A plot ratio of 0.35 means that there are 3,500 square metres of floorspace on a 1 hectare site.

allowance for this two year period. This is, in effect, an allowance for the necessary frictional vacancy to allow the market and relocation chains to operate.

- 3.24 Analysis of both windfall demand and churn has utilised the District's Annual Monitoring Reports, and Kent County Council commercial land monitoring information (Commercial Information Audit, 2007-08).

CALCULATIONS

ALLOWANCE FOR ECONOMIC GROWTH

- 3.25 The change in employment projected across Dover between 2006 and 2026 are detailed on Table 11 below. Analysis below a 9 sector breakdown is not possible due to the availability of data.

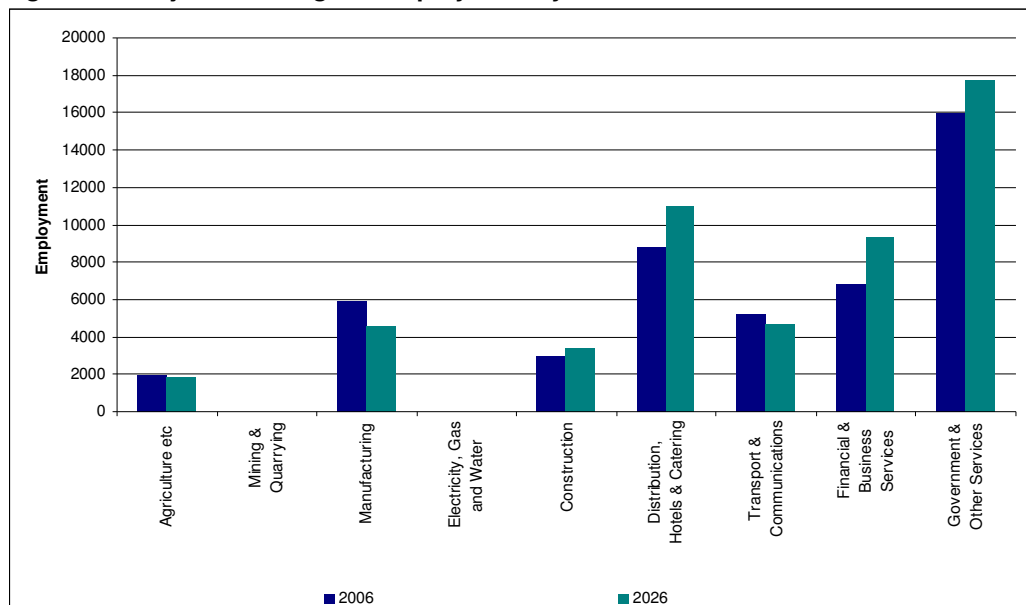
Table 11 – Dover Employment Projections to 2006 – 2026

	2006	2026	Change 2006 - 2026
Agriculture etc	1980	1870	-110
Mining & Quarrying	0	0	0
Manufacturing	5890	4630	-1260
Electricity, Gas and Water	0	0	0
Construction	2950	3450	500
Distribution, Hotels & Catering	8820	10940	2120
Transport & Communications	5240	4640	-600
Financial & Business Services	6820	9360	2540
Government & Other Services	15990	17760	1770
Total	47690	52650	4960

Source: Cambridge Econometrics, 2008

- 3.26 As stated within the RTP study, if employment within the District continues to grow as it has in the past it can be assumed that there will be an additional 5,000 jobs in Dover District by 2026, primarily driven by growth within the services sectors which combined represent 10% growth from 2006 to 2026.

Figure 3 – Projected Change in Employment by Sector 2006 – 2026



Source: Cambridge Econometrics, 2008

- 3.27 Specifically, employment is projected to grow by 2,100 in Distribution, Hotels & Catering; 2,500 in Financial & Business Services; and 1,800 in public sector services. Conversely decline in employment is anticipated within Agriculture (-6%), Manufacturing (-21%), and Transport & Communications (-11%) over the period.
- 3.28 The RTP study considers a further ‘project-on’ employment projection, which adds the employment generating implications of a number of planning, regeneration and economic initiatives in the pipeline. These include: New Western Docks Ferry Terminal; Dover Town Investment Zone; Buckland Mill; White Cliffs Business Park; Mid Town Development; Dover Priory Station; Public Realm Framework; Dover Sea Sports Centre; and Connaught Barracks. Within this ‘project-on’ employment projection RTP assumed an additional 1,570 jobs would be created across the District to that generated within the baseline projections.
- 3.29 This analysis does not factor this ‘project-on’ employment projection into the baseline scenario. The identified projects are all part of the regeneration strategy for Dover District (including a variance in requirement / demand for either 10,000 or 14,000 homes) which are considered as additions to forecast growth in later analysis of *Planning for the Growth Agenda*.
- 3.30 In effect the ‘baseline scenario’ should represent the minimum requirement for the District over the plan period. As a result the baseline scenario analysis assumes that the planned

initiatives, if they come forwards, will be additional employment to that accounted for within this analysis.

- 3.31 Converting the employment changes in each economic sector into land use types is the first step for the employment land demand forecast. This calculation utilises the land use assumption matrix illustrated within Table 10.

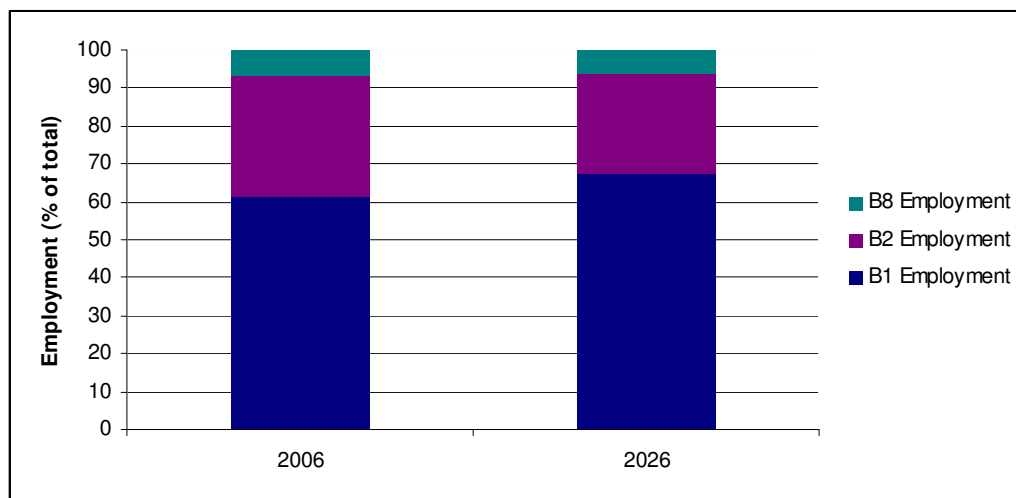
Table 12 – Projected Change in Employment by Sector and Land Use Type (2006 – 2026)

	B1 Employment	B2 Employment	B8 Employment	Total B-Class Employment	Non B Employment	Total Employment
Agriculture etc	-9	0	0	-9	-101	-110
Mining & Quarrying	0	0	0	0	0	0
Manufacturing	-16	-1086	0	-1103	-158	-1260
Electricity, Gas and Water	0	0	0	0	0	0
Construction	0	305	0	305	195	500
Distribution, Hotels & Catering	6	0	143	149	1971	2120
Transport & Communications	-59	0	-103	-162	-438	-600
Financial & Business Services	2412	128	0	2540	0	2540
Government & Other Services	714	0	0	714	1056	1770
Total	3047	-653	40	2434	2526	4960

Source: GVA Grimley Ltd / Cambridge Econometrics, 2008

- 3.32 Table 12 illustrates how significant the growth in Non-B employment will be within Dover to 2026. More detailed consideration of this growth is considered later on within the 'Planning for Non-B Employment Growth' sub-section of this section. For the remainder of this analysis of the baseline scenario specific attention is paid to the projected growth in B-Class employment – assumed to 2,434 as referenced in Table 12.
- 3.33 Figure 4 illustrates the balance between B-Class employment by type (B1, B2 or B8) as a proportion of total employment in both 2006 and 2026. The variance in B8 employment over the period is seen to be minimal, representing just a 1% reduction. More significant however is the shift between B1 and B2 employment. Between 2006 and 2026 there is projected to be a 6% fall in B2 employment, to be accommodated by increases in B1 employment (as a proportion of total). There are clear implications of this shift that directly relate to the nature of employment land allocated across the District at the current time.

Figure 4 – Relative Balance of B-Class Employment by Type 2006 – 2026 as Proportion of Total B-Class Employment



Source: GVA Grimley Ltd / Cambridge Econometrics, 2008

3.34 As a next step the projected changes in employment within the B-Use Class land types (B1, B2, B8) have been translated into land demand. These calculations have utilised standard employment densities and Kent County Council standard plot ratios (as referenced previously). This is illustrated on Table 13 below.

Table 13 – Employment Land Demand from Projected Baseline Change in Employment 2006 to 2026

	2006	2026	Change 2006 - 2026
B1	70.5	86.2	15.7
B2	66.0	60.1	-6.0
B8	17.0	17.5	0.5
Total	153.6	163.7	10.2

Source: GVA Grimley Ltd / Cambridge Econometrics, 2008

3.35 There is a demand for 10.2 hectares employment land resulting from projected baseline changes to employment between 2006 and 2026 across Dover. The land requirement during the period is driven by requirements within the B1 Use-Class land type. Conversely demand for B8 land is evidenced to be just 0.5 hectares over the period, with a reduction in B2 land of 6 hectares.

ALLOWANCE FOR WINDFALL AND CHURN

- 3.36 As discussed previously (Paragraph 3.15 onwards) the allowance **for windfall losses** has been estimated using historic data on losses of employment land to Non-B employment uses. Table 14 shows the losses of employment land to other uses within Dover District over the last four years.

Table 14 – Historic Losses of Employment Land

	Land Type	Hectares Lost
2003/4	B1	0.2
	B2	0.2
	B8	0.6
	Total	1
2004/5	B1	0.67
	B2	0.88
	B8	0.23
	Total	1.78
2005/6	B1	0.22
	B2	0.08
	B8	0.02
	Total	0.32
2006/7	B1	1.2
	B2	0.4
	B8	1.1
	Total	2.7

Source: Dover District Council Annual Monitoring Reports 2003/4, 2004/5, 2005/6, 2006/7

- 3.37 The losses of employment land across the District to non-employment uses have been relatively consistent over the period 2003 to 2007, although losses during 2006/7 are seen to be the highest of the period by just under 1 hectare. A total of 5.8 hectares of employment land was lost over the period, equating to an annual average of 1.45 hectares. Multiplying this land lost by 20 years (taking account of the period 2006 to 2026) results in an additional windfall requirement of 29 hectares employment land.
- 3.38 For the commercial property market to operate ‘smoothly’ a degree of vacant / available land is required. This effectively allows choice for new businesses and growth potential for existing businesses. The demand for vacant land has been called churn, or frictional vacancy. To estimate this level of demand associated with churn we have referred back to historic take-up of employment land within the District, derived from net completions (square metres) recorded by the Council.

Table 15 – Historic Employment Land Take-Up Rates

Year		Net Completions (Sq m)	Plot Ratio	Assumed Land Take
1998-99	A2/B1	9,135	0.35	2.61
	B2	475	0.35	0.14
	B8	5,260	0.35	1.50
1999-00	A2/B1	10,278	0.35	2.94
	B2	853	0.35	0.24
	B8	14,866	0.35	4.25
2000-01	A2/B1	35,791	0.35	10.23
	B2	64,175	0.35	18.34
	B8	4,123	0.35	1.18
2001-02	A2/B1	2,769	0.35	0.79
	B2	-1,393	0.35	-0.40
	B8	12,373	0.35	3.54
2002-03	A2/B1	2,147	0.35	0.61
	B2	101	0.35	0.03
	B8	1,312	0.35	0.37
2003-04	A2/B1	3,894	0.35	1.11
	B2	2,006	0.35	0.57
	B8	2,051	0.35	0.59
2004-05	A2/B1	45,832	0.35	13.09
	B2	-4,240	0.35	-1.21
	B8	4,361	0.35	1.25
2005-06	A2/B1	323	0.35	0.09
	B2	238	0.35	0.07
	B8	2,863	0.35	0.82
2006-07	A2/B1	-6,774	0.35	-1.94
	B2	1,800	0.35	0.51
	B8	-9,090	0.35	-2.60
2007-08	A2/B1	4,877	0.35	1.39
	B2	7,355	0.35	2.10
	B8	1,229	0.35	0.35
Total	A2/B1	108,272		30.93
	B2	71,370		20.39
	B8	39,348		11.24
Annual Average	A2/B1	10827.2		3.09
	B2	7137		2.04
	B8	3934.8		1.12
	All Employment Uses	21899		6.26

Source: Kent County Council, CIA, 2007-2008

- 3.39 The annual average take-up of employment land across Dover District has been 6.26 hectares, clearly driven by higher take-up recorded in 2000 – 2001 and 2004 - 2005, as illustrated on Table 15. Assuming, as described previously in the methodology, that it takes on average 2 years from the moment a site is vacated until it is demolished, rebuilt and ready for re-occupation, the annual average take-up of employment land has been multiplied by two to give a windfall allowance of 12.52 hectares over the period.

BASELINE LAND IMPLICATIONS INCLUDING WINDFALL AND CHURN

- 3.40 There is a requirement for 10.2 hectares of employment land to accommodate projected baseline employment growth across Dover to 2026 (including the loss of 6 hectares B2 land, growth requirements from B1 and B8 demands equate to 16.2 hectares). Demand for B8 land accounts for just 3% of this projected B1 and B8 requirement, with demand for B1 land capturing the remaining 97% of demand.
- 3.41 For the purposes of forward planning it is important to consider the likely dynamics of windfall and churn over the period 2006 to 2026. As a result of the assumptions associated with the baseline land requirement, being heavily skewed towards B1 employment land requirements, it is assumed a similar picture for windfall and churn. As a result a split has been applied to both figures in line with the forecast split in land requirement (B1: B8; 97%: 3%). This is illustrated in Table 16 below.

Table 16 – Windfall and Churn Allowance by Type

	Hectares (Ha)	97% (B1) (Ha)	3% (B8) (Ha)
Windfall Losses	29	28.1	0.9
Churn	12.52	12.1	0.4
Total Allowance	41.52	40.2	1.3

Source: GVA Grimley, 2008

- 3.42 Combined with the original baseline land requirements this generates land requirements to 2026 as illustrated on Table 17. To accommodate the baseline growth scenario (including allowance for windfall and churn) there is an identified need to have provision for 56 hectares of B1 employment land and 1.8 hectares of B8 employment land to 2026. Given the forecast reduction in demand for B2 land of 6 hectares it is assumed that some of this demand will be accommodated within B2 employment land as existing.

Table 17 – Total Baseline Land Demand

		Hectares (Ha)
B1	Allowance for Economic Growth	15.7
	Allowance for Windfall / Churn	40.2
	Total	55.9
B8	Allowance for Economic Growth	0.5
	Allowance for Windfall / Churn	1.3
	Total	1.8
Total	Allowance for Economic Growth	16.1
	Allowance for Windfall / Churn	41.52
	Total	57.6

Source: GVA Grimley, 2008

PLANNING FOR THE GROWTH AGENDA

- 3.43 Additional scenario analysis has been undertaken to consider the level of employment growth generated under a 'project-on' scenario (ref: Para. 3.29). As a result of including implications of regeneration project aspirations these scenarios (two additional have been considered) include the sector growth and land implications of the additional 1,500 identified by Roger Tym & Partners in their analysis.
- 3.44 Two additional scenarios have been undertaken, effectively comprising sensitivity testing, combining the population and labour supply implications of achieving either 10,000 or 14,000 homes over the period to 2026, in order to understand the employment land requirements under each scenario.
- 3.45 The range of employment land requirements is then considered against supply of employment land. The demand analysis is, by necessity, population driven but acts as a cross check on the employment driven analysis.
- 3.46 As has previously been stated, in previous analysis undertaken by Broadway Malyan and Roger Tym & Partners consideration was given to the housing impact of delivering economic growth across Dover over the plan period. This analysis concluded that in order to deliver economic aspirations it is required that between 10,000 and 14,000 homes are delivered.
- 3.47 In response to this previous analysis two additional growth scenarios have been considered – relating specifically to the employment land 'tipping points' for housing development.

- 3.48 Scenarios Two and Three as detailed in the remainder of this sub-section consider the employment land implications of providing employment development to accommodate the development of between 10,000 and 14,000 homes in Dover to 2026.

METHODOLOGY

- 3.49 There are a series of steps involved in understanding the employment and land implications of the provision of between 10,000 and 14,000 additional homes in Dover to 2026. These are summarised in the following text, forming the methodology of the calculations undertaken within Scenario Two and Scenario Three.

STEP 1: ESTABLISHING POPULATION SEEKING EMPLOYMENT

- 3.50 Kent County Council have a series of population projections which take into account the delivery 10,000 and 14,000 homes respectively to 2026. These population projections suggest a growth in population of between 6,700 people (delivery of 10,000 homes) and 15,600 people (delivery of 14,000 homes) to 2026 respectively. In the calculations detailed below the two forecast population growths have been split into two scenarios: Delivery of 14,000 homes (as the overall aspiration) is considered within Scenario 2; and Delivery of 10,000 homes (as the 'fallback' / threshold position) is considered within Scenario 3.

Table 18 – Dover Population Forecasts (Delivery of 10,000 homes; Delivery of 14,000 homes)

						Change 2006-2026	
	2006	2011	2016	2021	2026	No.	%
Delivery of 10,000 Homes	106,000	106,800	108,200	110,200	112,700	6,700	6.3
Delivery of 14,000 Homes	106,000	106,800	108,500	113,300	121,600	15,600	14.7

Source: Kent County Council, 2006

- 3.51 The population forecasts further indicate levels of working age population. Under the 10,000 homes scenario the working age population is forecast to reduce by 1,700, and under the 14,000 homes scenario there is a forecast growth in working age population of 4,300 to 2026.
- 3.52 In order to calculate the proportion of this additional seeking employment economic activity rates are applied. Two rates are considered to allow a range of population seeking employment based on the 2006 economic activity rate of 76% (as identified by Broadway Malyan) and the Regional Economic Strategy target economic activity rate of 82%.

STEP 2: SECTORAL PROFILE OF POPULATION SEEKING EMPLOYMENT

- 3.53 Once the total quantum of additional population seeking employment has been identified data on the existing employment profile within Dover is used to estimate the sectoral split of employment required to meet the total quantum seeking employment. The existing sectoral split of employment within Dover is illustrated within Table 19.

Table 19 – Existing Proportion of Employment by Sector (2006)

Sector	Proportion of Total Employment
% all in employment who work in - agriculture and fishing	4.1%
% all in employment who work in - energy and water	0.0%
% all in employment who work in - manufacturing	7.8%
% all in employment who work in - construction	7.2%
% all in employment who work in - distribution, hotels and restaurants	19.2%
% all in employment who work in - transport and communications	16.8%
% all in employment who work in - banking, finance and insurance	10.8%
% all in employment who work in - public admin., education and health	27.3%
% all in employment who work in - other services	6.8%

Source: Annual Business Inquiry (Workplace, employees), 2006

STEP 3: B-CLASS EMPLOYMENT IMPLICATIONS OF ADDITIONAL GROWTH ASPIRATION

- 3.54 As with the baseline scenario analysis once required employment by sector has been established the GVA Grimley Ltd Floorspace Use Type Assumption Matrix (Table 10) to calculate employment by type (Non-B, B1, B2, and B8). At this stage Non-B employment is netted off from the analysis (see 'Assessment of Non-B Employment Uses).

STEP 4: COMBINATION OF ADDITIONAL GROWTH IN EMPLOYMENT WITH BASELINE

- 3.55 At Step 4 the employment implications of the additional homes scenario is combined with the baseline employment growth projection to form a composite increase in employment, effectively a 'Growth-on' scenario.

STEP 5: LAND IMPLICATIONS OF GROWTH AGENDA SCENARIO (S)

- 3.56 As with the baseline scenario analysis a series of assumptions are applied to the findings of both Step 3 and 4 to allow analysis of land implications (total and by B-Use Class) of the scenario. This includes application of standard employment densities, and Kent County

Council standard plot ratios for Dover, as previously identified. Both windfall and churn are also factored in, as in the previous scenario analysis.

CALCULATIONS

SCENARIO TWO: DELIVERY OF 14,000 ADDITIONAL HOMES

- 3.57 Kent County Council population projections suggest that the delivery of 14,000 additional homes within Dover will result in a total population growth of 15,600 people to 2026. On the basis of current population breakdown within Dover this equates to a growth in working age population of 4,300 to 2026.
- 3.58 Applying an assumed economic activity rate to this population growth gives the total number of people whom will be seeking employment to 2026 assuming the delivery of 14,000 additional homes. As described in the methodology two economic activity rates are applied to give a range of jobs required over the period. Under Scenario Two between 3,268 and 3,526 additional⁴ jobs are required across Dover.

Table 20 – Calculation of Population Seeking Employment (Scenario Two)

Forecast Growth in Population to 2026	15,600
Forecast Growth in Working Age Population to 2026	4,300
2006 Baseline Economic Activity Rate	76%
Resulting Population Seeking Employment ('Low Range')	3,368
RES Target Economic Activity Rate	82%
Resulting Population Seeking Employment ('High Range')	3,526

Source: GVA Grimley Ltd / Kent County Council, 2006

- 3.59 Applying the current sector breakdown to this total jobs required allows further analysis of the type of employment (by sector) likely to be required over the period to 2026. The findings of this calculation are presented within Table 21 and Table 23 – illustrating the low range and high range respectively.

⁴ NB: Additional to those jobs identified in Scenario One.

Table 21 – Low Range Total Employment by Sector (Scenario Two)

	Total Employees
Agriculture etc	134
Mining & Quarrying	0
Manufacturing	255
Electricity, Gas and Water	235
Construction	627
Distribution, Hotels & Catering	549
Transport & Communications	353
Financial & Business Services	892
Government & Other Services	222
Total	3,268

Source: GVA Grimley Ltd / Annual Business Inquiry, 2008

- 3.60 The low range implications of this headline job requirement by B-Use Class are illustrated on Table 22 below. Of the B-Use Class jobs required 57% are identified to be B1 – driven by growth within the Financial & Business Services sector. A total of 37% of B-Use Class employment growth is within B2 employment including Manufacturing, Construction, and Transport & Communication activity. The remaining 6% of B-Use Class employment requirement is for B8 jobs, driven solely by Distribution and related activities.

Table 22 – Low Range Employment by B-Use Class (Scenario Two)

	Total Employees	B1 Employment	B2 Employment	B8 Employment	Total B-Class Employees
Agriculture etc	134	11	0	0	11
Mining & Quarrying	0	0	0	0	0
Manufacturing	255	3	220	0	223
Electricity, Gas and Water	235	0	0	0	0
Construction	627	0	383	0	383
Distribution, Hotels & Catering	549	2	0	37	38
Transport & Communications	353	35	0	60	95
Financial & Business Services	892	847	45	0	892
Government & Other Services	222	90	0	0	90
Total	3,268	988	647	97	1,733

Source: GVA Grimley Ltd, 2008

- 3.61 Table 23 illustrates the high-range job requirements by sector of Scenario Two. This is further broken down within Table 24 which illustrates the implications of forecast employment requirements to 2026 by B-Use Class.

Table 23 – High Range Total Employment by Sector (Scenario Two)

	Total Employees
Agriculture etc	145
Mining & Quarrying	0
Manufacturing	275
Electricity, Gas and Water	254
Construction	677
Distribution, Hotels & Catering	592
Transport & Communications	381
Financial & Business Services	963
Government & Other Services	240
Total	3,526

Source: GVA Grimley Ltd / Annual Business Inquiry, 2008

- 3.62 As with the low range employment implications of Scenario Two presented in Paragraph 3.53 the split between B1: B2: B8 employment is 57%: 37%: 6% within the high range. More interestingly the analysis suggests the need to deliver between 988 and 1,066 additional B1 jobs, 647 and 699 additional B2 jobs, and 97 and 105 additional B8 jobs to 2026 alongside the 14,000 new homes.

Table 24 – High Range Employment by B-Use Class (Scenario Two)

	Total Employees	B1 Employment	B2 Employment	B8 Employment	Total B-Class Employees
Agriculture etc	145	12	0	0	12
Mining & Quarrying	0	0	0	0	0
Manufacturing	275	4	237	0	241
Electricity, Gas and Water	254	0	0	0	0
Construction	677	0	413	0	413
Distribution, Hotels & Catering	592	2	0	40	42
Transport & Communications	381	38	0	65	103
Financial & Business Services	963	914	49	0	963
Government & Other Services	240	97	0	0	97
Total	3,526	1,066	699	105	1,869

Source: GVA Grimley Ltd, 2008

- 3.63 The low and high range employment implications of Scenario Two have been combined with the Baseline Scenario employment growth projections as a composite employment requirement by type for Dover to 2026, as illustrated on Table 25.

Table 25 – Composite Employment Implications (Scenario Two)

	B1 Employment	B2 Employment	B8 Employment
Baseline Scenario	3,047	-653	40
Scenario Two Low Range	988	647	97
Scenario Two High Range	1,066	699	105
Scenario Two Composite Low Range	4,035	-6	137
Scenario Two Composite High Range	4,113	45	145

Source: GVA Grimley Ltd, 2008

- 3.64 Under Scenario Two there is a total requirement for between 4,035 and 4,113 B1 jobs, -6 and 45 B2 jobs, and 137 and 145 B8 jobs. Applying standard employment densities and plot ratios to these figures gives an associated land requirement.

Table 26 – Land Implications (Scenario Two)

	Baseline Growth		Additional Growth Requirement		Change 2006 - 2026	
	Lower Range	Upper Range	Lower Range	Upper Range	Lower Range	Upper Range
B1	15.7	15.7	5.1	5.5	20.8	21.2
B2	-6.0	-6.0	5.9	6.4	-0.1	0.4
B8	0.5	0.5	1.1	1.2	1.6	1.7
Total	10.2	10.2	12.1	13.1	22.3	23.2

Source: GVA Grimley Ltd, 2008

- 3.65 As with the Baseline Scenario there is a need to factor in windfall and churn allowance to the land requirement. The Scenario Two projected split between B1: B2: B8 land requirements is approximately 73%: 8%: 18%. These proportions have been applied to total windfall and churn allowance as calculated in the Baseline Scenario, as illustrated in Table 27.

Table 27 – Windfall and Churn Allowance (Scenario Two)

	Hectares (Ha)	73% (B1) (Ha)	8% (B2) (Ha)	18% (B8) (Ha)
Windfall Losses	29	21.2	2.32	5.22
Churn	12.52	9.14	1	2.3
Total Allowance	41.52	30.3	3.32	7.52

Source: GVA Grimley Ltd / Dover District Council 2008

- 3.66 Combined with the original Scenario Two land requirements this generates land requirements to 2026 as illustrated on Table 17. To accommodate the Scenario Two growth (including allowance for windfall and churn) there is an identified need to have provision for at least 63 hectares of employment land including at least 51 hectares B1, 3 hectares B2, and 9 hectares B8 land.

Table 28 – Total Baseline Land Demand (Scenario Two)

	Change 2006 - 2026		Windfall and Churn Allowance		Total 2006 - 2026	
	Lower Range	Upper Range	Lower Range	Upper Range	Lower Range	Upper Range
B1	20.8	21.2	30.3	30.3	51.1	51.5
B2	-0.1	0.4	3.32	3.32	3.22	3.72
B8	1.6	1.7	7.52	7.52	9.12	9.22
Total	22.3	23.2	41.52	41.52	63.82	64.72

Source: GVA Grimley, 2008

SCENARIO THREE: DELIVERY OF 10,000 ADDITIONAL HOMES

- 3.67 Kent County Council population projections suggest that the delivery of 10,000 additional homes within Dover will result in a total population growth of 6,700 people to 2026. On the basis of current population breakdown within Dover this equates to a drop in working age population of 1,700 to 2026.
- 3.68 Applying an assumed economic activity rate to this population growth gives the drop in number of people whom will be seeking employment to 2026 assuming the delivery of 10,000 additional homes. As described in the methodology two economic activity rates are applied to give a range of job reduction required over the period. Under Scenario Three there is an identified drop in job requirement of between 1,292 and 1,394 jobs to 2026.

Table 29 – Calculation of Population Seeking Employment (Scenario Three)

Forecast Growth in Population to 2026	6,700
Forecast Growth in Working Age Population to 2026	-1,700
2006 Baseline Economic Activity Rate	76%
Resulting Population Seeking Employment ('Low Range')	-1,292
RES Target Economic Activity Rate	82%
Resulting Population Seeking Employment ('High Range')	-1,394

Source: GVA Grimley Ltd / Kent County Council, 2006

- 3.69 Applying the current sector breakdown to this total jobs required allows further analysis of the type of employment (by sector) likely to be required over the period to 2026. The findings of this calculation are presented within Table 30 and Table 32 – illustrating the low range and high range respectively.

Table 30 – Low Range Total Employment by Sector (Scenario Three)

	Total Employees
Agriculture etc	-53
Mining & Quarrying	0
Manufacturing	-101
Electricity, Gas and Water	-93
Construction	-248
Distribution, Hotels & Catering	-217
Transport & Communications	-140
Financial & Business Services	-353
Government & Other Services	-88
Total	-1,292

Source: GVA Grimley Ltd / Annual Business Inquiry, 2008

- 3.70 The low range implications of this headline job requirement by B-Use Class are illustrated on Table 31 below. Of the B-Use Class jobs required 57% are identified to be B1 – driven by growth within the Financial & Business Services sector. A total of 37% of B-Use Class employment growth is within B2 employment including Manufacturing, Construction, and Transport & Communication activity. The remaining 6% of B-Use Class employment requirement is for B8 jobs, driven solely by Distribution and related activities.

Table 31 – Low Range Employment by B-Use Class (Scenario Three)

	Total Employees	B1 Employment	B2 Employment	B8 Employment	Total B-Class Employees
Agriculture etc	-53	-5	0	0	-5
Mining & Quarrying	0	0	0	0	0
Manufacturing	-101	-1	-87	0	-88
Electricity, Gas and Water	-93	0	0	0	0
Construction	-248	0	-151	0	-151
Distribution, Hotels & Catering	-217	-1	0	-15	-15 ⁵
Transport & Communications	-140	-14	0	-24	-38
Financial & Business Services	-353	-335	-18	0	-353
Government & Other Services	-88	-35	0	0	-35
Total	-1,292	-391	-256	-38	-685

Source: GVA Grimley Ltd, 2008

- 3.71 Table 32 illustrates the high-range job requirements by sector of Scenario Three. This is further broken down within Table 24 which illustrates the implications of forecast employment requirements to 2026 by B-Use Class.

Table 32 – High Range Total Employment by Sector (Scenario Three)

	Total Employees
Agriculture etc	-57
Mining & Quarrying	0
Manufacturing	-109
Electricity, Gas and Water	-100
Construction	-268
Distribution, Hotels & Catering	-234
Transport & Communications	-151
Financial & Business Services	-381
Government & Other Services	-95
Total	-1,394

Source: GVA Grimley Ltd / Annual Business Inquiry, 2008

- 3.72 As with the low range employment implications of Scenario Three presented in Paragraph 3.62 the split between B1: B2: B8 employment is 65%: 21%: 13% within the high range. More

⁵ NB: Figure is 15 due to rounding up of previous columns.

interestingly the analysis suggests the fall in demand of between 391 and 421 B1 jobs, 256 and 276 B2 jobs, and 38 and 41 B8 jobs to 2026 alongside the 10,000 new homes.

Table 33 – High Range Employment by B-Use Class (Scenario Three)

	Total Employees	B1 Employment	B2 Employment	B8 Employment	Total B-Class Employees
Agriculture etc	-57	-5	0	0	-5
Mining & Quarrying	0	0	0	0	0
Manufacturing	-109	-1	-94	0	-95
Electricity, Gas and Water	-100	0	0	0	0
Construction	-268	0	-163	0	-163
Distribution, Hotels & Catering	-234	-1	0	-16	-16 ⁶
Transport & Communications	-151	-15	0	-26	-41
Financial & Business Services	-381	-361	-19	0	-381
Government & Other Services	-95	-38	0	0	-38
Total	-1,394	-421	-276	-41	-739

Source: GVA Grimley Ltd, 2008

- 3.73 The low and high range employment implications of Scenario Three have been combined with the Baseline Scenario employment growth projections as a composite employment requirement by type for Dover to 2026, as illustrated on Table 25.

Table 34 – Composite Employment Implications (Scenario Three)

	B1 Employment	B2 Employment	B8 Employment
Baseline Scenario	3,047	-653	40
Scenario Three Low Range	-391	-256	-38
Scenario Three High Range	-421	-276	-41
Scenario Three Composite Low Range	2,656	-909	2
Scenario Three Composite High Range	2,626	-929	-1

Source: GVA Grimley Ltd, 2008

- 3.74 Under Scenario Three there is a total requirement for between 2,656 and 2,626 B1 jobs, a loss of between 909 and 929 B8 jobs, and between -1 and 2 B8 jobs. Applying standard employment densities and plot ratios to these figures gives an associated land requirement.

⁶ NB: Figure is 16 due to rounding up of previous columns.

Table 35 - Land Implications (Scenario Three)

	Baseline Growth		Additional Growth Requirement		Change 2006 - 2026	
	Lower Range	Upper Range	Lower Range	Upper Range	Lower Range	Upper Range
B1	15.7	15.7	-2.0	-2.2	13.7	13.5
B2	-6.0	-6.0	-2.3	-2.5	-8.3	-8.5
B8	0.5	0.5	-0.4	-0.5	0.0	0.0
Total	10.2	10.2	-4.8	-5.2	5.4	5.0

Source: GVA Grimley Ltd, 2008

- 3.75 As with the Baseline Scenario there is a need to factor in windfall and churn allowance to the land requirement. The Scenario Three projected split between B1: B2: B8 land requirements is approximately 93%: 0%: 7%. These proportions have been applied to total windfall and churn allowance as calculated in the Baseline Scenario, as illustrated in Table 36.

Table 36 – Windfall and Churn Allowance (Scenario Three)

	Hectares (Ha)	93% (B1) (Ha)	0% (B2) (Ha)	7% (B8) (Ha)
Windfall Losses	29	27.0	0.0	2.0
Churn	12.52	11.6	0.0	1.1
Total Allowance	41.52	38.6	0.0	3.1

Source: GVA Grimley Ltd / Dover District Council 2008

- 3.76 Combined with the original Scenario Three land requirements this generates land requirements to 2026 as illustrated on Table 37. To accommodate the Scenario Three growth (including allowance for windfall and churn) there is an identified need to have provision for at least 46 hectares of employment land including 52 hectares B1, and 3 hectares B8 land, with a drop in requirement of 8 hectares B2 land.

Table 37 – Total Baseline Land Demand (Scenario Three)

	Change 2006 - 2026		Windfall and Churn Allowance		Change 2006 - 2026	
	Lower Range	Upper Range	Lower Range	Upper Range	Lower Range	Upper Range
B1	13.7	13.5	38.6	38.6	52.3	52.1
B2	-8.3	-8.5	0	0	-8.3	-8.5
B8	0.0	0.0	3.1	3.1	3.1	3.1
Total	5.4	5.0	41.52	41.52	46.92	46.52

Source: GVA Grimley, 2008

ASSESSMENT OF CHANGING WORKING PRACTICES

- 3.77 The issue of changing work practices and their effect on the space needed per employee in the future is a much debated topic. The theory is that the increase in home working, hot-desking and cost pressures on employers to use space more cost effectively results in higher employee densities.
- 3.78 A recent Roger Tym Study (across the South East) asserted that there was some evidence to support changing practices, with big employers such as BP and IBM requesting lower employment densities for their offices. However, a quantitative DTZ Pineda Study concluded that employment densities were not changing overall in the South East Region.
- 3.79 While there is no quantifiable evidence to suggest that employment densities are changing, the view that they will alter in the future is supported by a recent report by the Chartered Management Institute. They predict that the workplace will undergo significant change by 2026. They cite pressures to reduce carbon footprint and an ageing population which will require more time looking after elderly relatives as key reasons for this change. This will result in more work from home and possibly an alteration in the number of days that an individual works per week.
- 3.80 Decentralised working is clearly however already an important aspect of the economy. This is especially the case within rural areas. Working in remote offices, from a room within your house, or in a live-work unit is expected to become more common in the future. This provides an important source and mode of economic activity within rural areas.
- 3.81 While there is a strong consensus that working practices will change, there is a lack of detailed quantitative studies to give an idea of what it will mean for employment density requirements in the future. We therefore maintain current standard employment densities and use these for this study.

ASSESSMENT OF NON-B EMPLOYMENT USES

- 3.82 The demand analysis undertaken as part of this study suggests the importance of 'Non-B Use Class' employment to 2026 within Dover. This includes employment within Retail, Hotels and Catering, and within the public sector. Significant employment growth is forecast under each scenario considered for these types of activity.
- 3.83 There is currently very little guidance to project land demand from employment projections within these sectors, especially with regards to employment densities and plot ratios.

Furthermore many of these uses are not located on specifically designated land but are often part of town centre developments or mixed use developments, adding a further tier of complexity to understanding their dynamics (in land and property terms).

- 3.84 Current Government Guidance on undertaking employment land reviews (Employment Land Review Guidance Note 2004) does not make allowance for 'Non-B Use Class' employment growth. However, Draft Planning Policy Statement 4 requires a more flexible 'whole economy' approach to forward planning, recognising that employment in 'Non-B Use Class' sectors will be significant in the future and must be accommodated for accordingly within the forward planning system.
- 3.85 There are clear disparities within the Non-B-Use-Class sectors (including primary retail, hotels / catering / leisure, and education and health) in terms of the activities that go on within each. As a result it is difficult to directly state the nature of specific functions within each, and therefore the locational requirements of the sectors.
- 3.86 For example, whilst both the education and health sectors have a significant private sector component they are still inherently underpinned by Government funding. Thus, for example, whilst there has been significant growth in private health treatment this is actually a by-product of the National Health's inability to cope with volumes; without the National Health the fundamental underpinnings of the private health sector would be quite small and confined to high net worth clients. Investment in premises remains driven by spending cycles – and is linked to the decline of existing stock (so more often than not can be seen to be cyclical).
- 3.87 Equally whilst there is a significant private sector training market the major contributor to education is the public sector through its network of primary, secondary and tertiary education system. Again whilst there is a strong push within the public sector education system to mimic the private sector it is evident that the structure, framework and resources are Government sponsored and driven (in timing if not location).
- 3.88 This contrasts with the three other sectors in question – these are definably private sector oriented with very limited interference by Government apart from those regulatory. Although there is a significant public sector presence in the Recreational, Cultural and Sporting Activities through the inclusion of the BBC and its financial support through license payers or libraries, museums etc.; however, it does overall perhaps reflect a more atomistic market than could ever be described for education.

It is clearly difficult on this basis to make generic assumptions across the sectors classified as being Non-B-Use-Class employment generators.

- 3.89 Existing guidance on employment densities for retail and leisure uses reflects the diversity of activity within the sectors, and highlights the difficulty in forward planning for such uses in the same way as for 'traditional' employment uses – i.e. in applying standardised employment densities.

Table 38 – Retail, Leisure and Visitor Attraction Employment Densities

Employment Type	Square Metres	Square Feet
Retail		
Town / City Centre (net internal figures)	20	215
Food Superstores (net internal figures)	19	205
Other Superstores / retail warehousing (incl. wholesale but not storage) (gross internal figures)	90	970
Leisure and Visitor Attractions		
General Hotels (3 star)	1 employee per 2 bedrooms	
Budget Hotels	1 employee per 3 bedrooms	
4/5 Star Hotels	0.8 employees per bedroom	
Restaurants	13	140
Cultural Attractions	36	390
Cinemas (including multiplex)	90	970
Amusements and Entertainment Centres	40	430
Sports Centre	90	970
Private Sports Clubs	55	600

Source: English Partnerships, 2002

- 3.90 Within the LDF Core Strategy the nature of growth, and therefore floorspace requirements for retail activities is considered in more detail, including a focus on urban centre development within the Deal / Sandwich area. On this basis, assuming that the majority of retail provision will be relatively high density it is possible to undertake a headline consideration of floorspace requirements associated with projected employment growth.
- 3.91 These floorspace requirements are not generated into land demand as there are no agreed plot ratios for undertaking this type of calculation, and it is assumed that take-up is significantly different than for office or industrial development (including for example different car parking and landscaping requirements).
- 3.92 The employment requirements to be used to generate floorspace demand are illustrated within Table 39, taken from the previous scenario analysis.

Table 39 – Headline Retail Floorspace Requirements (Combined Scenario Analysis)

Distribution, Hotels & Catering	Baseline Scenario	Baseline Plus Scenario 2 – Low Range	Baseline Plus Scenario 2 – High Range	Baseline Plus Scenario 3 – Low Range	Baseline Plus Scenario 3 – High Range
Total Employment	2120	3375	3475	2660	2701
B Class Employment	149	237	244	187	190
Non-B Class Employment	1971	3138	3230	2473	2511

Source: GVA Grimley, 2008

3.93 Further analysis of ABI data (dating from 2007) suggest that retail (excluding wholesale retail) accounts for 40% of employment within the Distribution, Hotels & Catering. Applying this assumption to the information presented in Table 39 there is a need to deliver the following headline retail jobs under each scenario:

- Baseline Scenario: 788 jobs;
- Combined Scenario Two: between 1,255 and 1,292 jobs; and
- Combined Scenario Three: between 989 and 1,004 jobs.

Table 40 – Headline Retail Floorspace Requirement to 2026

	Retail Job Requirement	Standard Employment Density (Town and City Centre Retail)	Total Square Metre Requirement
Baseline Scenario	788	20	15,760
Combined Scenario Two Low Range	1,255	20	25,100
Combined Scenario Two High Range	1,292	20	25,840
Combined Scenario Three Low Range	989	20	19,780
Combined Scenario Three High Range	1,004	20	20,080

Source: GVA Grimley / Cambridge Econometrics, 2008

- 3.94 It should be noted that the identified retail floorspace is a significant over-estimation of what is likely to be the 'true' requirement. Specifically this relates to the assumption made in the above analysis regarding the most appropriate employment density to use. It is very unlikely that all retail development to 2026 will be developed at a density of 20 square metres per employee (for example this is a large take than restaurants, hotels, and other visitor / cultural / leisure attractions).
- 3.95 The floorspace requirement presented in the above analysis is therefore concluded to be higher than what will realistically be required 'on the ground'.

SUMMARY

- 3.96 Three scenarios of employment growth have been considered within this section, simulating different levels of economic change to 2026 within Dover. This has included the consideration of the potential employment implications of stated aspirations for housing growth of at least 10,000 and preferably 14,000 homes to 2026 within the District.
- 3.97 The land implications of the respective scenarios considered include:
- To accommodate the baseline growth scenario (including allowance for windfall and churn) there is an identified need to have provision for 56 hectares of B1 employment land and 1.8 hectares of B8 employment land to 2026. Given the forecast reduction in demand for B2 land of 6 hectares it is assumed that some of this demand will be accommodated within B2 employment land as existing.
 - To accommodate the Scenario Two growth (including allowance for windfall and churn) there is an identified need to have provision for at least 84 hectares of employment land including at least 62 hectares B1, 6.6 hectares B2, and 15 hectares B8 land.

- To accommodate the Scenario Three growth (including allowance for windfall and churn) there is an identified need to have provision for at least 64 hectares of employment land including at least 59 hectares B1, and 4.7 hectares B8 land.

4. EMPLOYMENT LAND SUPPLY

INTRODUCTION

- 4.1 After having established the future employment land demand (including that generated from a number of scenarios) in the previous section, this section looks at the current supply of employment land.
- 4.2 This analysis relies on monitoring data collated by Kent County Council⁷. The County Council undertake housing and commercial land monitoring to meet statutory, policy and research requirements. It relies on two key sources of data: site surveys undertaken annually by each Kent local authority district; and statistical information gathered from other reliable sources to supplement the annual site surveys. The monitoring data is utilised to record past trends and to plan for future requirements across the County.
- 4.3 The current stock of employment land across the District considered within this analysis is identified by Kent County Council to include allocated sites which have development potential (i.e. vacant land) remaining, and sites with extant employment planning permissions (Full, Outline, and 'Other') that have not yet been implemented. Supply is considered in two ways, namely the quantum of supply by type (allowing conclusions to be drawn regarding the sufficiency of employment land supply to meet future requirements), and the quality of supply (allowing conclusions to be drawn regarding the appropriateness of land supply to meet future requirements).
- 4.4 The quantum and quality of employment land supply across Dover are considered in turn in the remainder of this section.

QUANTUM OF SUPPLY

- 4.5 A total of 167.89 hectares of employment land supply is identified across Dover within the 2007/8 Kent County Council Commercial Information Audit (CIA). This is broken down within Table 41.

⁷ Analysis relies on data contained within Kent County Council Commercial Information Audit (CIA) 2007/8

Table 41 – Employment Land Availability

	Developable Area (Ha)
Net Allocated Land	55.44
Net Completed (01 – 08)	19.71
Net Committed	77.92
Existing sites, vacant without planning permission	14.82
Total Land Supply	167.89

Source: Kent County Council, 2008

- 4.6 The KCC CIA further breaks this supply down into the potential floorspace capacity on allocated sites, from completed developments, and committed (extant) planning permissions.

Table 42 – Total Potential Supply of Employment Floorspace

	B1 m ²	B2 m ²	B8 m ²	Total m ²
Net Allocated	131,950	55,900	28,050	215,900
Net Completed (01 – 08)	53,068	5,867	15,099	74,034
Net Committed	96,056	8,904	73,237	178,197
Existing sites, vacant without planning permission	17,290	17,290	17,290	51,870
Total	298,364	87,961	133,676	520,001

Source: Kent County Council, 2008

- 4.7 KCC identify a potential supply of 520,001 square metres of employment floorspace from its current allocated land supply, completed development, net committed sites, and existing sites that are vacant without planning permissions. A total of 57% of this floorspace potential is for B1 development, with 26% identified as being B8 potential, and 17% B8 floorspace.

ALLOCATED LAND SUPPLY

- 4.8 The CIA breaks down the remaining developable area included for each allocated employment site. This is illustrated in Table 43.

Table 43 – Allocated Employment Land Supply⁸

Site Name	AMR Reference	Total Area (Ha)	Developable Area (Ha)
Eastry Hospital	DO.AS11	4.0	1.6
Ramsgate Road	DO.AS14	1.3	1.3
Sandwich Industrial Estate	DO.AS15	10.0	0.0
R.M. School of Music North Brks	DO.AS3	2.6	0.0
Western Docks	DO.AS7	5.4	5.1
Old Park Barracks	DO.AS8	78.0	0.0
St James' Area	DO.AS9	5.6	0.3
Aylesham Development Area	DO.AY4	4.3	2.1
Tilmanstone Spoil Tip (North)	DO.LE10	7.6	6.1
Tilmanstone Spoil Tip (South)	DO.LE11	9.2	0.0
Pike Road	DO.LE2	0.7	1.0
White Cliffs Business Park Phase I	DO.LE3 01	6.4	0.0
White Cliffs Business Park Phase II	DO.LE3 02	28.1	0.0
White Cliffs Business Park Phase III	DO.LE3 03	21.0	15.9
Minsters Yard, Southwall Road	DO.LE4	2.1	2.1
Albert Road	DO.LE5	2.0	1.5
Marlborough Road	DO.LE6	0.2	0.2
Land at Pfizer	DO.LE9	26.2	18.3
Total		214.6	55.4

Source: Kent County Council, 2008

- 4.9 Of the 12 employment allocations with land remaining within the Dover Local Plan there is an identified developable area of 55.4 hectares. A total of 33% of this total land supply is within the allocated site at Pfizer; 29% of this total supply from allocated sites is concentrated within Phase III of White Cliffs Business Park. Taking these large individual sites out of consideration, the remaining 10 allocated sites with land remaining have an average size of just 2.1 hectares (total land supply of 21.2 hectares concentrated in 10 sites).

⁸ NB: Whilst this table suggests '0' hectares developable area on certain allocated sites this is a skewing of data as a result of monitoring of planning permissions. Where sites have extant planning permissions they are reflected as having '0' hectares developable area, with the floorspace factored into supply on the basis of the planning permission. These sites are included in the tables within Appendix 1.

Table 44 – Allocated Land Supply by Type

Site Name	AMR Reference	Total Area (Ha)	Developable Area (Ha)	Land Type (B-Use-Class)
Eastry Hospital	DO.AS11	4.00	1.6	B1
Ramsgate Road	DO.AS14	1.30	1.3	B2
Sandwich Industrial Estate	DO.AS15	10.00	0.0	-
R.M. School of Music North Brks	DO.AS3	2.62	0.0	-
Western Docks	DO.AS7	5.36	5.1	B1, B2, B8
Old Park Barracks	DO.AS8	78.00	0.0	-
St James' Area	DO.AS9	5.56	0.3	-
Aylesham Development Area	DO.AY4	4.30	2.1	B1, B2
Tilmanstone Spoil Tip (North)	DO.LE10	7.60	6.1	B2
Tilmanstone Spoil Tip (South)	DO.LE11	9.20	0.0	-
Pike Road	DO.LE2	0.72	1.0	B1, B2, B8
White Cliffs Business Park Phase I	DO.LE3 01	6.41	0.0	-
White Cliffs Business Park Phase II	DO.LE3 02	28.07	0.0	-
White Cliffs Business Park Phase III	DO.LE3 03	21.04	15.9	B1, B2, B8
Minsters Yard, Southwall Road	DO.LE4	2.10	2.1	B1, B2
Albert Road	DO.LE5	2.00	1.5	B1, B2
Marlborough Road	DO.LE6	0.16	0.2	B1
Land at Pfizer	DO.LE9	26.20	18.3	B1
Total		214.64	55.44	

Source: Kent County Council, 2008

- 4.10 Of the allocated sites with land remaining there is a combination of those that have been identified by KCC as having a 'general employment' potential and those that are specifically identified for B1 (assumed office) or B8 (wholesale warehouse, distribution centres, repositories) uses. Indeed none of the sites are identified as being suited specifically to B8 uses alone.
- 4.11 The sites at Eastry Hospital, Marlborough Road, and Pfizer are identified as being appropriate for B1 development, totalling 20.1 hectares (over 90% concentrated in Pfizer site).
- 4.12 The two sites at Ramsgate Road and Tilmstone Spoil Tip (North) respectively are identified as being appropriate for B2 (general industrial) development totalling 7.4 hectares.
- 4.13 A total of 22 hectares of developable allocated employment land is identified as being suitable for a combination of B1, B2, B8 development, concentrated in three sites including 15.9 hectares at White Cliffs Business Park Phase III. Three sites are identified as being suitable for a combination of B1, B2 uses totalling 5.7 hectares.

- 4.14 Within their CIA KCC calculate the employment floorspace potential of each allocated site depending on the assumed development type (B1, B2, B8), using standard plot ratios.

Table 45 – Assumed Floorspace Potential of Allocated Employment Sites

Site Name	AMR Reference	Developable Area (Ha)	Floorspace Estimates (m2)			
			B1	B2	B8	Total
Eastry Hospital	DO.AS11	1.6	2000	0	0	2000
Ramsgate Road	DO.AS14	1.3	0	3700	0	3700
Sandwich Industrial Estate	DO.AS15	0.0	0	0	0	0
R.M. School of Music North Brks	DO.AS3	0.0	0	0	0	0
Western Docks	DO.AS7	5.1	8000	8000	5600	21600
Old Park Barracks	DO.AS8	0.0	0	0	0	0
St James' Area	DO.AS9	0.3	0	0	0	0
Aylesham Development Area	DO.AY4	2.1	5000	3000	0	8000
Tilmanstone Spoil Tip (North)	DO.LE10	6.1	0	17400	0	17400
Tilmanstone Spoil Tip (South)	DO.LE11	0.0	0	0	0	0
Pike Road	DO.LE2	1.0	450	450	450	1350
White Cliffs Business Park Phase I	DO.LE3 01	0.0	0	0	0	0
White Cliffs Business Park Phase II	DO.LE3 02	0.0	0	0	0	0
White Cliffs Business Park Phase III	DO.LE3 03	15.9	10200	18200	22000	50400
Minsters Yard, Southwall Road	DO.LE4	2.1	3400	3000	0	6400
Albert Road	DO.LE5	1.5	2400	2150	0	4550
Marlborough Road	DO.LE6	0.2	500	0	0	500
Land at Pfizer	DO.LE9	18.3	100000	0	0	100000
Total		55.44	131950	55900	28050	215900

Source: Kent County Council, 2008

- 4.15 On this basis there is assumed to be the development potential for 131,950 square metres B1 floorspace, 55,900 square metres B2 floorspace, and 28,050 square metres B8 floorspace, on allocated employment sites with land remaining.
- 4.16 As within the previous analysis the supply potential of the availability at both Pfizer and White Cliffs Phase III are seen to be very significant contributors to the overall supply of employment floorspace – particularly B1. These two sites combined include the potential for 84% of the total B1 capacity across all allocated sites in the District. White Cliffs Phase III also has the potential to deliver 78% of the B8 floorspace capacity on allocated sites.

SITES WITH PLANNING PERMISSION⁹

- 4.17 There are a total of 34 planning permissions for employment development recorded within the CIA as being extant within Dover. This includes a total of 81.86 hectares land, with the potential to deliver a total of 180,946 square metres employment floorspace. Of this total floorspace potential 55% (98,569 square metres) is identified as B1, 5% (8,904 square metres) B2, and 41% (73,473 square metres) B8.
- 4.18 As with the analysis of land availability there are a number of extant planning permissions that are recognised to be very significant in the context of this total permitted volume of floorspace. Specifically this relates to White Cliffs Phase II which has permission for 38,061 square metres B1 floorspace and 25,931 square metres B8 floorspace, the ex-Channel Tunnel workers camp at Farthingloe Farm which has permission for 15,067 square metres B1 floorspace, and the Old Park Barracks which has permission for 27,178 square metres B1 floorspace and 44,342 square metres B8 floorspace.
- 4.19 In addition to those sites identified as having extant planning permission for employment use in Appendix 1 (monitored annually by Kent County Council) there is an extant outline permission for 23,000 square metres B1, B2, B8 floorspace at Betteshanger Colliery and Tip Site (off the A258 in Northbourne). A balance between B1, B2 and B8 use is assumed on this site in the remainder of the analysis (7,666 B1 use, 7,666 B2 use, 7,667 B8 use).

COMPLETED EMPLOYMENT DEVELOPMENT¹⁰

- 4.20 During the 2007/2008 monitoring year a total of 14 employment developments were completed within Dover including the delivery of 6,702 square metres B1 floorspace, 7,874 square metres B2 floorspace, and 6,078 square metres B8 floorspace.
- 4.21 The most significant single development coming forward over the period (in terms of total quantum floorspace developed) was at Seaford Industrial Unit, Cooting Road, which included the delivery of 2,787 square metres B1, 2,787 square metres B2 and 2,787 square metres B8 floorspace.
- 4.22 A total of 2,293 square metres B1 floorspace was brought forward at the junction of Kedlestone Road and Honeywood Parkway (White Cliffs). Significant B2 development took place at the land north of Stevens & Carlotti, Ramsgate Road, including 2,080 square metres

⁹ Sites with extant planning permissions detailed in Appendix 1.

¹⁰ Completed employment floorspace detailed in Appendix 1.

floorspace, and P&O European Ferries (Dover) Ltd, Channel View Road, including 2,327 square metres floorspace.

QUALITY OF SUPPLY

MARKET PERCEPTIONS OF SUPPLY

- 4.23 Commercial market consultations have been undertaken as part of this study, and empirical commercial evidence applied to the local circumstances, in order to understand the key challenges to bringing forward employment land / development over the plan period. In effect this tests the extent to which the identified supply of land is likely to be developed for employment purposes, and therefore meet the requirements of the previously identified demand for employment floorspace.
- 4.24 A number of commercial market conclusions – specifically the identified market perceptions of supply – are summarised in the following bullet points.
- The identified land and premises supply at both White Cliffs Business Park (all three phases) and Pfizer are significant pockets of quality employment land, it is recognised that the former is potentially constrained in the long term given issues with utilities supply to the site. Both are recognised by the market as being key areas of supply moving forwards. Potential decline of operations at Pfizer does suggest potential issues with bringing forward all of the development area for employment purposes.
 - A number of the allocated sites are constrained by their proximity to non-compatible uses (including importantly residential uses, with a number of sites having shared access / directly adjacent boundaries). This makes their development more sensitive, although this is not considered insurmountable in market terms.
 - A number of the existing employment areas across the District have become increasingly 'tired', and therefore less attractive to occupiers, due to lack of maintenance (boundary treatments, road quality, on-street parking provision etc). This acts as a detractor for potential occupiers, but low rents are seen to be of benefit to indigenous / local firms looking to grow / relocate.
 - In general terms, access to the strategic road network was not identified to be a key constraint to either existing employment sites or bringing developments forward, albeit this is caveated with the recognition that a number of the sites within Dover are relatively peripheral and therefore less attractive to the market. A number of the sites, including

White Cliffs and the land at Pfizer benefit from having extremely good proximity to the strategic road network.

- The majority of the land supply across the District is felt to be appropriate for 'general industrial or business' development. There is a recognised distinction between those areas more suited to office and those to industrial / warehousing uses. The importance of delivering the town centre and harbour related aspirations are key to delivering critical mass and quality office stock within Dover with limited potential for significant quality development recognised by the market out of this area (with the noted exception of Pfizer and White Cliffs, the potential for out-of-centre office development at Farthingloe Farm is also recognised, albeit the phasing of any development here will be critical to town centre aspirations).

SITE SUMMARIES

- 4.25 As part of the undertaking of the ELR on behalf of the District Council, GVA Grimley Ltd have undertaken visits to all of the employment sites that are currently allocated within the Local Plan. Whilst the study brief did not require a full audit of employment land supply to be undertaken within the study (given existing evidence that is in place through various other studies), it was pertinent to visit the sites in light of the commercial market and econometric analysis undertaken within the ELR.
- 4.26 This brief note summarises the qualitative assessment of each site visited, including where possible perceived constraints to development, timescales for delivery (immediate / short term, medium term, long term), and potential use if developed (given current patterns of development and understand general location requirements).
- 4.27 In addition to the allocated sites Dover District Council requested that we visit the following sites giving consideration to their potential employment use in the future:
- Coombe Valley Road;
 - Former Betteshanger Colliery
 - Farthingloe Farm (Former Channel Tunnel Workers Site); and
 - Lydden Circuit.
- 4.28 Summaries for these sites are included following the allocated sites summaries.

MARLBOROUGH ROAD, DEAL (DO.LE6)

4.29 This is a small employment site located to the south-west of Deal. It is currently used for grazing and is situated at the end of a cul-de-sac in a primarily residential area although it is adjacent to some other light industrial units with trade counter uses evidenced. The site itself does have small scale development potential, albeit uses could be constrained as a result of adjacent land uses. The site may require enhanced access arrangements for future development to take place. No other real constraints to development were noted.

- Timescale for Delivery: Medium term
- Potential Development Use: B1 (a,c)

MINTERS YARD EXTENTION, DEAL (DO.LE4)

4.30 This sites lies to the rear of a small builder's yard, next to the Minters Yard Industrial Estate. It presents a good opportunity to expand the existing employment area, although there is noted lack of public support for this expansion of the employment function. The site itself is a cleared site, seemingly development ready, although there is evidence of dumping on the site and a poor access road. It does however have proximity to an existing residential area, which is clearly affected by HGV traffic flows to / from both the Minters Yard ad Southwall Road Industrial Estates. Southwall Road is noted in later site analysis to be a very poor industrial location.

- Timescale for Delivery: Immediate / Short term
- Potential Development Use: B1 (c), B8

TILMANSTONE SPOIL TIP (SOUTH), EYETHORNE (DO.LE10)

4.31 This small area of vacant land is currently used as a car park or storage area for neighbouring uses. It is evidenced to be in a relatively poor condition, with signs of lack of maintenance, and deterioration within the adjacent business stock. The site could provide additional employment potential through the intensification / extension to the adjacent employment zone. The site has excellent access to the strategic road network, but has poor proximity to amenity provision.

- Timescale for Delivery: Immediate / Short term
- Potential Development Use: B2

TILMANSTONE SPOIL TIP (NORTH), EYETHORNE (DO.LE11)

4.32 This is a large site of vacant land to the rear of the Pike Road Industrial Area. The site offers natural extension potential to the existing industrial area. It is evidenced to currently suffer from dumping, although it is unlikely that this will have resulted in any level of contamination that might constrain development. The site is observed to have limited access to amenities, and is not constrained by adjacent uses.

- Timescale for Delivery: Immediate / Short term
- Potential Development Use: B2

WHITE CLIFFS BUSINESS PARK PHASE 1 (DO.LE3.01)

4.33 This site includes a modern office / light industrial development within the White Cliffs Business Park, adjacent to the Tesco supermarket. The site includes a sizeable area of vacant land which presents a good infill development potential between two areas of developed employment land. The general upkeep of this vacant, relative to the quality / age of the adjacent developments is poor. The site has good access, and good proximity to amenity provision. It is within a strategically important employment area.

- Timescale for Delivery: Immediate / Short term
- Potential Development Use: Limited development potential remaining B1, B2

WHITE CLIFFS BUSINESS PARK PHASE 2 (DO.LE3.02)

4.34 This site is felt to represent the first natural large scale extension to the Whitecliffs Business park, and as such represents a very important part of the land supply over the plan period. The site is primarily vacant land, although the new build B&Q store opened on 3rd April 2009. The site in a wider sense is development ready with access to infrastructure in place which links the site directly onto the A2. The only real constraint to development on the site relates to the phasing of the wider development. There are potential utilities constraints on the site (relating specifically to electricity and water capacity) but it is understood that for development within Phase 2 this can be mitigated, whilst Phase 3 might take capacity over the 'tipping point' of needing larger scale intervention / investment.

- Timescale for Delivery: Immediate
- Potential Development Use: B1, B2

WHITE CLIFFS BUSINESS PARK PHASE 3 (DO.LE3.03)

4.35 This site is currently vacant (in development terms) used as agricultural land. It provides further opportunity to extend the White Cliffs Business Park in the future, once phasing allows for it to come forwards and assuming access etc can be delivered. Whilst no direct access is currently in place the site has proximity to the A2, and adjacent to existing sites. It is assumed that development would be required to fund access and infrastructure requirements.

4.36 The eventual expansion to this site may be constrained relating specifically to infrastructure capacity (particularly Electricity and Water). It is thought a new sub-station may be required as enhanced water supply, both these may be constructed to coincide with the wider development of the area including the planned residential growth to the north.

- *Timescale for Delivery: Medium term*
- *Potential Development Use: B1, B2, B8*

PIKE ROAD (DO.LE2)

4.37 This site was one of the poorer sites within the Pike Road / Barvill Road Industrial Area. The site has redevelopment potential but most likely not within the short term given on-site constraints including a significant structure, potential contamination, poor quality adjacent uses (including a degree of air contamination / odours noted), and evidence of dumping / general poor upkeep of the site. The site does however have good access to the strategic road network, and is situated within an existing industrial area.

- *Timescale for Delivery: Medium term / Long term*
- *Potential Development Use: B1, B2, B8*

ALBERT ROAD, DEAL (DO.LE5)

4.38 This site is the eastern-most of the three allocated employment sites to the North West of Deal. It lies adjacent to the railway line and a Jewson retail outlet. The site itself was formerly a garage with a large area of open land to the rear. There are a number of vacant structures on-site, a number of which are observed to be in a poor state of repair with limited evidence of maintenance, although the vacant land which is overgrown has some (albeit limited) potential for infill development given its situation between two existing and functioning employment areas. The site has proximity to amenity provision. The site suffers from poor access with current access adjacent to a level crossing.

4.39 There is an extant planning permission incorporating a new access road to the site which will alleviate this problem for the adjacent retail outlet and subsequently ease access to the allocated site. This permission has not yet been implemented.

- Timescale for Delivery: Medium term
- Potential Development Use: B1, B2

OLD PARK BARRACKS (DO.AS8)

4.40 Part of this site is observed to be being developed out for housing. There remains on site some vacant employment buildings, and parcels of vacant land. The site is dominated by large warehousing buildings, with significant areas of underutilised land adjacent. These areas currently lie vacant or are used for parking or general storage. The site makes up part of the White Cliffs Business Area, being a strategic and prominent employment location. Given this prominence it provides opportunity for development in the future. It has good strategic access and proximity to amenities.

- Timescale for Delivery: Short tem / Medium term
- Potential Development Use: Extant planning permission for 27,178 square metres B1 and 44,342 square metres B8 employment development on the site.

R.M. SCHOOL OF MUSIC NORTH BRKS (DO.AS3)

4.41 This site lies within a mixed use development area, in an already predominantly residential area. To date development in proximity to the site has seen limited employment floorspace created, in addition to community facilities (a health centre). There are observed marketing boards for office development (6,745 square feet) on the site although none are on site at the current time. It is assumed that the remaining land at the site will be developed for this use.

- Timescale for Delivery: Short term
- Potential Development Use: No development potential remaining

PFIZER EXPANSION LAND WEST (DO.LE9)

4.42 There are two vacant plots within Great Stonar. This site has been earmarked for any potential expansion of the Pfizer works. It currently acts as a car park and open space between the site works and the main dual carriageway around the site. The site is observed to have limited open market potential (beyond expansion of adjacent activities) due to the hazardous uses (although it is understood that this is due to close) nearby and the privacy required by Pfizer. Any development of the site would require close co-operation with the sites

current owners. Site access is not a constraint, with the site also benefiting from good strategic access. Pfizer are also studying the feasibility of retracting from the North end of the complex which may release further employment land.

4.43 The smaller of the two sites owned by Pfizer, adjacent to their existing operations, is currently used both as a coach park for the wider employment function, and to serve the modern high quality office block adjacent. The coach park and some of the adjacent landscaped area remains vacant and does offer some development potential, although as with the other Pfizer site this is subject to constraints associated with the adjacent activity and their investment programme.

- Timescale for Delivery: Short term
- Potential Development Use: B1 (a, b, c)

WESTERN DOCKS (DO.AS7)

4.44 This is a large site on the Dover coast which initially included the part of the industrial dock area although has been reduced to solely include the marina docks, a large car park, and the De Bradelei Wharf shopping units. To the rear of the site is A20, which is very heavily congested with car and HGV traffic which cause both noise and air pollution reducing the attractiveness of the site although the general quality of the site is observed to good. The site has the capacity accommodating house B1a office use which is also reflected in planning aspirations for the site.

4.45 Other uses surrounding the site include an office use in a high quality Victorian building. The nearby docks are being retained in dock use but are likely to undergo extensive renovation as well as potentially re-housing the marina currently in the western dock site thus releasing the additional land required for the office development and retail expansion. The dock itself currently has a very industrial feel and is seen to be relatively constrained in this regard (and relating to onsite structures), but remains a potentially significant area of change.

- Timescale for Delivery: Short - Medium term
- Potential Development Use: B1 (a) (aspiration is for retail-led mixed use)

SANDWICH INDUSTRIAL ESTATE (DO.AS15)

4.46 The industrial area to the North of the river in Sandwich is well occupied although there are a number of units in need of repair. There are vacant areas in the estate which are used for storage particularly for scrap cars and parts which could be better uses and do not lend well to

the environment of the area. There are a number of opportunities for the industrial estate to expand although repositioning of the units and intensification may well be more likely given that to the south of the site there is a high quality housing estate taking shape (may well expand) and to the East and the North there is a lake and the river which may well prohibit large scale development.

- [Timescale for Delivery: Medium term](#)
- [Potential Development Use: No development potential remaining](#)

AYLESHAM DEVELOPMENT AREA (DO.AY4)

4.47 This site to the south of the town is one of the sites options identified to provide employment growth for eventual residential expansion. The Miners Way Business Park is currently is use to a number of smaller businesses including a bakery and training company. There is opportunity to expand to the south in a staged business park is good as is access to the town centre and train station. Unfortunately Aylesham does not have the best access to the strategic road network, however with the likely proposed uses being office and very light industry this is unlikely to hamper the sites prospects.

- [Timescale for Delivery: Medium term](#)
- [Potential Development Use: B1 \(a, c\), B2](#)

RAMSGATE ROAD, RICHBOROUGH (DO.AS14)

4.48 Situated to the North of the Pfizer site this strip of industrial areas runs up to the border with Thanet. The largest use in this area is the disused power station, although there are substantial land use take up from car parts auctioneers and parking for cars prior to overseas shipment. The site has good access to the A256 and there and there has been a number of recent developments such as waste materials reclamation site which indicate that this is a viable employment site.

- [Timescale for Delivery: Medium term](#)
- [Potential Development Use: B2](#)

EASTRY HOSPITAL (DO.AS11)

4.49 Located at the South of Eastry, the former hospital site (currently vacant) could provide valuable employment land for smaller, particularly office based industry if it is not developed for housing. The surrounding area is very attractive although access to the strategic road network is a little far off.

- Timescale for Delivery: Short-medium term
- Potential Development Use: B1 (a, b, c)

ST JAMES' AREA (DO.AS9)

4.50 This Town centre site represents one of the districts flagship redevelopment. Planning permission has been granted for this areas development subject to section 106 agreement. The site is located to the east of the town centre and is bounded by the A20 to the south and as such suffers from high level of HGV traffic nearby. The site is primarily a large car park although there are some employment opportunities through retail, office and hotel use in the area most of which is poor quality stock. The site would most likely improve the offer of the town centre through retail led mixed use development. There is a planning permission to this effect which has been granted subject to agreement over Section 106 contributions on the site.

- Timescale for Delivery: Short-Medium term
- Potential Development Use: Some B1 potential as part of wider mix of uses, although recognised will be retail / leisure led mixed-use.

COOMBE VALLEY ROAD

4.51 Situated to the east of the town centre the Coombe valley area is one of Dovers longest standing industrial areas. The site is home to a number of office developments which have seen as rise in vacancies of late as the move towards more modern facilities to the north of the town. There are a number of trade counters in the area as well as a strong distribution element. The area suffers from poor HGV access due to the railway bridge and the gas holders make development in its immediate vicinity unlikely. The area will retain its employment element however its future role of employment may be consolidated to the West of the site with housing replacing it.

- Timescale for Delivery: Medium term
- Potential Development Use: B1 (c) ,B2, B8

FORMER BETTESHANGER COLLIERY

4.52 This former Colliery located just North West of Deal and off the A258. Part of the colliery is now a country park with the pithead earmarked for development of employment land. The pit-head site is presently vacant although some infrastructure, including roads, have been put in

place for future development by SEEDA. The estimated floorspace for the site is just over 22,000m² of quality B1 space.

- Timescale for Delivery: Short - Medium term¹¹
- Potential Development Use: B1 (although assumed split between B uses in supply given outline permission extant on the site)

FARTHINGLOE FARM, FORMER CHANNEL TUNNEL WORKERS SITE

4.53 This is an overgrown area of vacant land with natural vegetation and dumping observed on site. The site has most recently been used to house the workforce for the construction of the Channel Tunnel. The site has poor proximity to amenities, is proximate to residential development, and has a slightly sloping topography. The site does however benefit from good access, with the nearest main road being the A20, linking Dover and Capel-le-Ferne. The site could accommodate a significant stand-alone development, and does offer the potential for a primarily office-based business park in an out of town location but phasing of any such development is vital given wider aspirations for office development within other locations across the District.

- Timescale for Delivery: Medium term
- Potential Development Use: B1 (a, b)

LYDDEN CIRCUIT

4.54 Owned by McLaren this small circuit on a very large site is situated just off the A2. The site has implemented planning permission through improved infrastructure however the track itself and facilities have yet to be improved. The track area does have the potential to be a specialist hub for the motor industry however this is dependent on the market and whether the owners would be willing to release part of the site.

- Timescale for Delivery: Medium term
- Potential Development Use: B1 (b, c)

¹¹ At the time of writing it is understood that there are some planning issues that may prevent development of the site in immediate / short term. SEEDA have put road infrastructure, development platforms, and most of the services in to the site. In the medium term it is assumed that the site is development ready.

5. RECOMMENDATIONS

- 5.1 The findings and implications of the ELR for Dover District are summarised in this section, including specific recommendations to be taken forwards within the LDF process. This is based on the analysis of the balance between forecast employment land demand and existing employment land supply.
- 5.2 The baseline employment land demand and supply scenarios are presented in Sections 3 and 4. Two additional economic growth scenarios – driven by strategic growth aspirations for Dover – have been considered within Section 3. Within this section the demand and supply estimates to provide an assessment of future employment land requirements in Dover District over the plan period.
- 5.3 At this stage it is pertinent to combine B2 (General Industrial) and B8 (Warehousing and Distribution) requirements as their locational needs are generally the same, as are the plot ratio basis at which development takes place. Within the analysis we make the assumption that there is a balance between urban centre and out-of-centre office development, to facilitate choice within the market, albeit there is a recognised need to prioritise delivery of aspirations for the town centre and port through higher density office development.

BALANCING SUPPLY & DEMAND

BASELINE SCENARIO

- 5.4 Our baseline analysis shows a requirement for a total of 57.6 hectares employment land in Dover over the period to 2026. This is broken down to include 56 hectares B1 land / space, and 1.8 hectare B8 land / space.

ALTERNATIVE SCENARIOS

- 5.5 Two additional scenarios have been considered within the analysis to include making allowance for between 10,000 and 14,000 additional residential dwellings over the period to 2026, acknowledging the preferred level of growth is 14,000 dwellings.
- 5.6 Within Scenario Two (delivery of 14,000 homes) it is concluded that demand for employment land will be at least 63 hectares to 2026. This includes demand for at least 51 hectares B1 land / space, 3 hectares B2 land / space, and 9 hectares B8 land / space over the period.

- 5.7 Within Scenario Three (delivery of 10,000 homes) it is concluded that demand for employment land will be at least 46 hectares to 2026. This includes demand for at least 52 hectares B1 land / space, and 3 hectares B8 land / space, with a net loss of 8 hectares forecast in B2 land / space over the period.

SUPPLY-DEMAND DYNAMIC

- 5.8 The balance between forecast demand and existing supply of employment land, by type, across Dover is illustrated in Table 46 below. The demand (m²) column assumes standard employment densities as previously outlined. The balance column assumes a standard of plot ratio of 0.35 in line with Kent County Council advice.

Table 46 – Dover District Supply-Demand Dynamic 2006 – 2026

	Demand	Supply	Balance	Balance
Baseline	m ²	m ²	m ²	Ha
B1	54,844	233,244	178,400	51.0
B2	-20,910	72,920	93,830	26.8
B8	1,606	101,568	99,962	28.6
Total	35,540	407,732	372,192	106.4
Scenario Two (Low Range)				
B1	72,626	233,244	159,618	45.6
B2	-192	72,920	73,112	20.9
B8	5,497	101,568	96,071	27.4
Total	77,931	407,732	328,801	93.9
Scenario Two (High Range)				
B1	74,030	233,244	158,214	45.2
B2	1,444	72,920	71,476	20.4
B8	5,804	101,568	95,764	27.4
Total	81,278	407,732	325,454	93.0
Scenario Three (Low Range)				
B1	47,814	233,244	184,430	52.7
B2	-29,102	72,920	102,022	29.1
B8	68	101,568	101,636	29.0
Total	18,780	407,732	388,088	110.9
Scenario Three (High Range)				
B1	105,020	233,244	127,224	36.3
B2	-29,748	72,920	102,668	29.3
B8	-53	101,568	101,621	29.0
Total	75,219	407,732	331,513	94.7

Source: GVA Grimley Ltd / KCC, 2008

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- 5.9 Under all three Scenarios (including, and indeed most evidently within the baseline) there is an identified oversupply of employment land over the period to 2026 across all types. It is important to note however that this does not take into account Non-B Use Class jobs, which are predicted to see growth in Dover over the period to 2026.
- 5.10 Whilst in term of headline quanta there is a suggested significant oversupply of land across the District, the previous section has identified issues within the quality of land availability, and particularly the choice within immediate or short-term available employment land. Whilst this is recognised across all land types it is perhaps most pronounced in land that is identified to be appropriate for B1 (a) development – with only the land at Pfizer, Farthingloe Farm, White Cliffs Business Park Phase 1 and Betteshanger offering real short term development potential for this use.
- 5.11 It is also important to note that of the land identified as being B1 only a small proportion is identified through site visits to be appropriate for B1 (a) development specifically. For example the following caveats are identified for B1 sites as identified:
- Marlborough Road – Not deliverable in the short term, identified for predominantly B1a and B1c development;
 - Minters Yard – Immediate / short term deliverable, but identified to be for B1c development primarily;
 - White Cliffs – Short term available (albeit it is recognised that the full development potential of the site is dependent on provision of utilities), but not protected for B1 development specifically, identified to be appropriate for general B1 / B2 / B8 development;
 - Pike Road – Identified to be a site with significant development constraints including current condition and on-site structures, identified to be appropriate for general B1 / B2 / B8 development;
 - Albert Road – Medium term available, appropriate for general B1b and B2 development, on site structures (existing) are identified to be constraint to development, as is access (albeit there is planning permission in place to mitigate this);
 - Pfizer – Short term available, office market potential given strategic road connectivity, but potential decline of adjacent uses;
 - Western Docks – Long term availability as part of regeneration scheme, important to phase accordingly to other office development to ensure delivery of aspirations;
-

- Aylesham Development Area – Medium term availability, but recognised to be more of a B1c development location; and
- Eastry Hospital – Short term availability, but more likely to come forwards as general B1 development rather than office development.

RECOMMENDATIONS

Table 47 – Key Conclusions and Recommendations Summary Table

In headline terms there is an identified oversupply of 'available' and committed employment land in Dover over the plan period. Analysis of the quality of employment land 'available' however suggests that there is a significant mismatch in the type of land 'available' and that which is demanded.

Key office locations are identified to include White Cliffs Business Park, Betteshanger, and Dover centre and Port areas.

Recommendation 1: Retain all allocated employment land for the plan period to 2026 to ensure there is not a position of general undersupply of all types to meet aspirations.

Recommendation 2: Prioritise investment in employment sites that are identified to hold specific potential for B1 employment development with observed constraints to development including:

- Marlborough Road;
- Minters Yard;
- White Cliffs;
- Pike Road;
- Albert Road;
- Pfizer;
- Western Docks;
- Farthingloe Farm;
- Former Betteshanger Colliery;
- Aylesham Development Area; and
- Eastry Hospital.

Recommendation 3: Focus Non-B employment within key identified locations:

- St James' Area; and
- Western Docks.

Recommendation 4: Protect industrial / general employment land, particularly in the short term, to 'manage' shifts in the local economy particularly focusing on those sites that have strong locations, offer expansion potential for existing firms, or potential for B1 development in the future:

- Minters Yard Extension;
- Tilmanstone Spoil Tip;
- White Cliffs Business Park (Phase III); and
- Pike Road.

-
- 5.12 Dover's economy is projected to grow modestly to 2026, including growth within the Financial & Business Services, Distribution, Hotels & Catering, Public Sector employment, and Construction specifically alongside decline in more 'traditional' Manufacturing and Transport & Communications industries. Demand for property and land over the period is, as a result, driven by requirements for B1 and B8 space.
- 5.13 Whilst headline analysis of quanta of supply relative to demand over the period to 2026 suggest significant oversupply in all land types the on-the-ground reality, relating specifically to the quality of the supply of sites and premises, is less compelling. Indeed, there is identified to be limited land available and attractive to the market in the short term – specifically relating to B1 (office) provision.
- 5.14 We therefore recommend that the Council do not undertake significant de-allocations, but rather adopt strong policies to protect key employment sites – including those appropriate for B1 (office) and B8 development specifically (discussed in more detail in the sub-sections below). This includes the promotion of key regeneration projects which make provision for high quality office development within the urban centre (St James) and port areas.

OFFICE

- 5.15 Dover is not currently recognised to be a relatively strong office market location. Market evidence suggests that the majority of demand at the current time is driven by local occupiers, including relocations and growth of individual companies. This is in part a product of its offer – being traditionally relatively poor quality and dominated by older stock.
- 5.16 Conversations with agents suggest that developers are not willing to bring speculative development forwards within Dover, instead favouring pre-lets, with these less common in this location and in the current market.
- 5.17 However, office stock has increased significantly since 1998 in the District, with forecast growth in sectors that traditionally occupy office premises (Financial & Business Services). This results in the requirement for at least 55,000 square metres (baseline) office floorspace to 2026, increasing to 111,000 square metres under the 14,000 homes scenario.
- 5.18 Whilst headline supply analysis (and consideration of vacant and marketed floorspace) suggests that there is an oversupply of land and premises relative to this demand agent consultations suggest significant issues with the quality (poor), age (old), configuration (significant above retail provision that does not meet modern occupier requirements), and size

(oversupply small premises). Key office locations are identified to include White Cliffs Business Park, Betteshanger, and Dover centre and Port areas.

5.19 None of the scenarios considered suggest the need for additional allocations to accommodate office development, but further analysis does suggest the importance of protecting 'key' B1(a) office sites, the delivery of sites with B1(a) planning permissions, and the regeneration aspirations within Dover centre and the Port. This includes specifically the need to:

- Safeguard current quality office stock – including that within Dover centre and the Port area with future provision in both locations important to delivery of economic aspirations;
- Development of B1a provision at White Cliffs Business Park, Pfizer, and Farthingloe Farm – all three locations are identified as being potentially key out-of-centre office locations, although phasing of these sites relative to urban centre and port aspirations will be critical in delivering strategic aspirations. There is the potential to deliver quality business park type office developments, in good strategic locations, such as the three identified.

INDUSTRIAL

5.20 The industrial market in Dover is, according to agents and analysis of current and future economic prospects dominated by indigenous larger warehouse occupiers and activity. Two of the scenarios considered (baseline and Scenario Three) include the forecast decline of B2 activity over the period to 2026 – an important consideration in forward planning terms given the nature of supply evidenced.

5.21 This emphasises the importance of 'managing' decline within this sector, including the protection of B2 sites that have wider B1 or B8 potential – and particularly protecting B1, B2, B8 land against encroachment of retail warehousing and other Sui Generis uses which may compromise the B1 / B8 potential in market terms.

5.22 There is the potential to relax planning policy at Ramsgate Road to facilitate the delivery of waste management and related facilities in line with existing market trends and evidenced on-site structures / activities including relatively dirty activities at the current time.

5.23 We specifically recommend the protection of the following sites where development land / capacity is remaining for primarily B8, with some B2 potential, use / development over the plan period:

- Minters Yard Extension, Deal – protect for potential extension of existing employment site. Limited B8 potential given poor quality road access / proximity to residential area. Potential for redevelopment of area alongside poorer quality Southwall Road adjacent.
- Tilmanstone Spoil Tip (South and North) – protect for potential expansion of existing Pike Road Industrial Area. Long term redevelopment potential with wider Pike Road. Good strategic road access gives longer term potential for B8 development.
- White Cliffs Business Park (Phase III) – protect for primarily B1 and B8 development. Key development site recognised by market as being one of few opportunities for development in the short term, considered to be market ready and therefore highly attractive to developers.
- Pike Road – Protect on the basis of redevelopment potential for B8 use in the long term, links to Tilmanstone Spoil Tip.