

5th November 2012

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Dear Mr Mellor

Land at Ty Draw Farm, Pyle

I write to inform you of two material changes in circumstance relating to the above site which is proposed under the emerging Local Development Plan (LDP) as a strategic employment site – Policy SP9(4). We draw these to your attention as they are considered important in terms of the LDP Examination and the Alternative Sites submission made to the LDP (reference AS027 Ty Draw Farm, Pyle).

The first material change is that the site is no longer owned by the Regeneration Investment Fund for Wales to which it was transferred from Welsh Government in late 2010. The site was sold as part of the Fund's portfolio of sites in March 2012 to South Wales Land Developments Ltd and is now privately owned.

The above sale to the private sector has brought a new impetus to bringing the site forward for development and this has resulted in the second material change which is that a planning application has been submitted today to Bridgend County Borough Council by South Wales Land Developments Ltd for a mixed use employment and residential proposal.

The application is a hybrid full/outline submission which aims to introduce an element of residential to stimulate a serviced employment development. The application has been developed with one of the leading national housebuilders and reinforces the deliverability of the mixed use Alternative Sites submission made to the LDP.

We attach a copy of the supporting economic case document and its executive summary prepared by Hardisty Jones Associates which we consider an important and up to date document of direct relevance to the LDP examination.

These two material changes add further and significant weight to the Alternative Site mixed use submission for land at Ty Draw Farm, Pyle and we respectfully request that you consider the Hardisty Jones Associates application supporting submission as part of your imminent examination into the soundness of the LDP.

Yours sincerely



Damian Barry BSc (Hons) DipTP MRTPI

Director





HARDISTY JONES ASSOCIATES
Economic Development, Regeneration & Sustainability

The Economic Case for Mixed-Use Development at Ty Draw Farm, Pyle

Final Report – Executive Summary

Prepared on behalf of South Wales Land Developments Ltd

1st November 2012

Executive Summary

This report considers the implications of mixed use development at Ty Draw Farm, Pyle on the economic potential of the local area, Bridgend County Borough and wider sub-region.

Ty Draw Farm is a six hectare site currently in tenanted agricultural use. It is allocated as a 'special' employment site within the Bridgend UDP and is identified as a 'strategic' employment site within the emerging Bridgend LDP. The current proposal for mixed use development comprises 2.2 hectares of serviced employment land and 94 residential dwellings. This would result in the loss of 3.8 hectares of allocated employment land within the Bridgend County Borough.

Ty Draw Farm has been allocated for high quality/technology employment uses within the Council's Development Plan for more than two decades. Throughout this period the site has been owned and marketed by Welsh Government (and previously WDA) yet has not come forward for employment development. In 2000 the whole of the site was subject to an application for residential use. Whilst the UDP Inspector stated that Ty Draw Farm "*is eminently sensible for housing*", the site was allocated for 'special' employment purposes against the Inspector's recommendation.

In 2012 the site was disposed of by the Welsh Government and is now owned by South Wales Land Developments Ltd. The new owner is actively looking to bring forward the site in a commercially viable manner to deliver economic development to the benefit of the western part of the Bridgend County Borough that would otherwise not take place.

National economic development policy is committed to creating the conditions to deliver sustainable economic development and has highlighted the need for the planning system to be more supportive of bringing forward economic development. Following a recent review of national planning policy and practice related to economic development Welsh Government has consulted on a revised Chapter 7 to Planning Policy Wales (2011). This has embraced the direction set out in Economic Renewal: A New Direction (2010). It acknowledges the full breadth of economic land uses, recognises the need to plan for employment land sub-regionally, calls for a positive and constructive approach to applications bringing forward economic development and suggests employment land provision should meet market demand and deliver opportunities for disadvantaged communities. The issues of providing employment land to meet market demand and taking a more strategic, sub-regional approach to planning are particularly relevant given the findings of both the City Regions Task and Finish Group (2012) and research by South East Wales Economic Forum (2011) that there is a substantial over allocation of employment land as a result of a 'local' focus, and a need to concentrate on deliverable sites and their delivery.

There is compelling evidence that in quantitative terms, both the Bridgend UDP and LDP have over allocated employment land. The Bridgend UDP (2005) allocated some 252 hectares of employment land across the County Borough, based on trend rates of take-up over the period 1985-2002 of approximately 11 hectares per annum. Evidence presented within the Bridgend Employment Land Review (2010) indicates that average employment land take-up over the period 2000-2009 was 6.3 hectares per annum, well below the UDP projection. This suggests the pattern of employment land take-up has shifted substantially. Looking more specifically, some 50 hectares of this allocation was

at 'special' employment sites, including Ty Draw Farm. By 2009 less than 10 hectares had been taken up.

Historic take-up has again been adopted as the approach to projecting future requirements for the emerging Bridgend LDP. Given rates of take up over the period 2000-2009, a quantitative need for 88.5 hectares of employment land over the LDP period is identified. This was the highest estimated requirement of all approaches considered by the Council. Detailed research by DTZ in 2010 for Barratt Homes South Wales Ltd suggested the Council's estimate of need was too high, and that a figure of 42 – 56 hectares would be more appropriate. Since the DTZ analysis was undertaken the weak economic environment has continued and is anticipated to remain for longer than was previously thought, suggesting that this estimate may itself be optimistic. In any case, it suggests the figure used as a basis for the LDP is a top site estimate for actual requirements.

In response to identified need, the LDP allocates 164 hectares of employment land, an 85% mark up on the quantitative assessment. This includes 67 hectares at four 'strategic' employment sites, including Ty Draw Farm. Bridgend CBC justifies this quantitative over allocation on the basis that the portfolio of sites provides range and choice, meets its stated regeneration objectives and provides capacity for 'as yet unidentified needs'. In purely quantitative terms the Council accepts there is an over allocation:

"In conclusion, the Council acknowledges that the amount of land allocated for employment purposes in the LDP exceeds the need identified in the Employment Land Review."

(Background Paper 9: Employment Land Supply, 2012, page 9)

On this basis, in purely quantitative terms, the small loss of 3.8 hectares employment land at Ty Draw Farm, equivalent to 2.3% of allocated land) is not assessed to have any negative consequence on the economic potential of the Bridgend County Borough economy, with sufficient allocated supply to meet identified requirements. However, the relevant question becomes one of whether mixed use development at Ty Draw Farm has implications on qualitative grounds, particularly in terms of the provision of 'strategic' employment land and in order to meet regeneration objectives at Pyle and within the western part of the Bridgend County Borough.

The 'special' and 'strategic' employment sites identified within the UDP and LDP respectively are characterised by their ability to deliver high quality employment development in a landscaped setting with very good access to the strategic road network. As such they are deemed to be most suitable for accommodating occupiers within the Welsh Government priority sectors. Given the 'strategic' nature and in most cases, large scale, of these sites, they are identified to meet the needs of both the County Borough and also the wider sub-region. No assessment of market demand for such sites is presented within the LDP or its evidence base.

As noted above, both the City Regions Task and Finish Group and SEWEF have found a substantial sub-regional over supply of employment land. This research supports those findings. Eleven 'strategic' sites comprising in excess of 325 hectares of employment land were identified along the M4 corridor between (and excluding) the cities of Cardiff and Swansea in addition to Ty Draw Farm. Whilst some of these sites had identified constraints, six are either well established or are subject to significant infrastructure provision at the current time.

Within the Bridgend County Borough alone almost 70¹ hectares of 'strategic' land is identified excluding Ty Draw Farm, offering a range of development opportunities. This includes established sites with capacity at Pencoed Technology Park and Bocam Park, provision for large scale investment opportunity at Brocastle Waterton and an extension to the already established and successful Bridgend Science Park at Island Farm. This scale of provision compares to take up of a little over 1 hectare per annum over the period 2002-2009 within Bridgend.

On the basis of the evidence available the loss of 3.8 hectares of strategic employment land at Ty Draw Farm will not limit the economic potential of either the Bridgend or wider sub-regional economy.

The LDP makes specific reference to the role of Ty Draw Farm in creating opportunity to meet the needs of and help to diversify the economy of the western part of the Bridgend County Borough and specifically the disadvantaged community of Marlas. Whilst there are established industrial areas with further expansion space totalling 12 hectares at Village Farm Industrial Estate and Kenfig Industrial Estate, there is no other allocated site with the potential to offer high quality B1 employment opportunities.

In order to meet regeneration objectives, it is necessary to bring forward serviced land that is capable of immediate development in response to occupier interest. Ty Draw Farm has not come forward for development in more than 20 years of public ownership. It is the only strategic site within the LDP that is identified to be unviable for employment development within the Bridgend Employment Land Review (2010). The site has not been prioritised for public funding by SEWEF or Welsh Government and therefore more creative approaches are required to deliver positive economic development.

The mixed use development of Ty Draw Farm will therefore bring an economic benefit to the western part of the Bridgend County Borough that would otherwise not arise. The provision of 2.2 hectares of serviced employment creates the capacity to accommodate 6,000 sq m (64,500 sq ft) of high quality B1 development with the potential to deliver upto 600 jobs. This level of employment is equivalent to 75% of current claimant unemployment and represents a 45% increase on current B1 office/high technology employment in the western Bridgend County Borough.

In summary, the mixed use development of Ty Draw Farm, Pyle will have a positive impact on the economic potential of the western part of the Bridgend County Borough, close to the disadvantaged community of Marlas. It will deliver serviced employment land suitable to accommodate high quality employment opportunities on a site which has lain dormant for more than two decades despite its allocation and public ownership. The evidence demonstrates that the loss of 3.8 hectares of allocated employment land will have no negative impact on the economic potential of the Bridgend County Borough or wider sub-region due to the substantial allocation of strategic employment sites, many of which are established and include both high quality vacant premises and oven-ready development plots.

¹ This is greater than the allocation within the emerging Bridgend LDP due to the inclusion of development land at Bocam Park, Bridgend Science Park and additional development land available at Pencoed Technology Park.



HARDISTY JONES ASSOCIATES
Economic Development, Regeneration & Sustainability

The Economic Case for Mixed-Use Development at Ty Draw Farm, Pyle

Final Report

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1st November 2012

Contents

Executive Summary	i
1 Introduction	1
2 Policy and Strategy Context	3
3 Overarching Assessment of Employment Land Demand & Supply	17
4 Focused Assessment of Employment Land Demand & Supply	20
5 Implications of Proposals at Ty Draw Farm, Pyle	27
Bibliography	31
Appendix 1: Extract from 'Land at Isfryn Industrial Estate, Blackmill: Employment Land & Economic Development'	32
Appendix 2: Review of Employment Land Provision in Adjacent LDPs	38
Appendix 3: Alternative Site Details	42

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Executive Summary

This report considers the implications of mixed use development at Ty Draw Farm, Pyle on the economic potential of the local area, Bridgend County Borough and wider sub-region.

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Ty Draw Farm has been allocated for high quality/technology employment uses within the Council's Development Plan for more than two decades. Throughout this period the site has been owned and marketed by Welsh Government (and previously WDA) yet has not come forward for employment development. In 2000 the whole of the site was subject to an application for residential use. Whilst the UDP Inspector stated that Ty Draw Farm "*is eminently sensible for housing*", the site was allocated for 'special' employment purposes against the Inspector's recommendation.

In 2012 the site was disposed of by the Welsh Government and is now owned by South Wales Land Developments Ltd. The new owner is actively looking to bring forward the site in a commercially viable manner to deliver economic development to the benefit of the western part of the Bridgend County Borough that would otherwise not take place.

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The 'special' and 'strategic' employment sites identified within the UDP and LDP respectively are characterised by their ability to deliver high quality employment development in a landscaped setting with very good access to the strategic road network. As such they are deemed to be most suitable for accommodating occupiers within the Welsh Government priority sectors. Given the 'strategic' nature and in most cases, large scale, of these sites, they are identified to meet the needs of both the County Borough and also the wider sub-region. No assessment of market demand for such sites is presented within the LDP or its evidence base.

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Within the Bridgend County Borough alone almost 70¹ hectares of 'strategic' land is identified excluding Ty Draw Farm, offering a range of development opportunities. This includes established sites with capacity at Pencoed Technology Park and Bocam Park, provision for large scale investment opportunity at Brocastle Waterton and an extension to the already established and successful Bridgend Science Park at Island Farm. This scale of provision compares to take up of a little over 1 hectare per annum over the period 2002-2009 within Bridgend.

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The LDP makes specific reference to the role of Ty Draw Farm in creating opportunity to meet the needs of and help to diversify the economy of the western part of the Bridgend County Borough and specifically the disadvantaged community of Marlas. Whilst there are established industrial areas with further expansion space totalling 12 hectares at Village Farm Industrial Estate and Kenfig Industrial Estate, there is no other allocated site with the potential to offer high quality B1 employment opportunities.

In order to meet regeneration objectives, it is necessary to bring forward serviced land that is capable of immediate development in response to occupier interest. Ty Draw Farm has not come forward for development in more than 20 years of public ownership. It is the only strategic site within the LDP that is identified to be unviable for employment development within the Bridgend Employment Land Review (2010). The site has not been prioritised for public funding by SEWEF or Welsh Government and therefore more creative approaches are required to deliver positive economic development.

The mixed use development of Ty Draw Farm will therefore bring an economic benefit to the western part of the Bridgend County Borough that would otherwise not arise. The provision of 2.2 hectares of serviced employment creates the capacity to accommodate 6,000 sq m (64,500 sq ft) of high quality B1 development with the potential to deliver upto 600 jobs. This level of employment is equivalent to 75% of current claimant unemployment and represents a 45% increase on current B1 office/high technology employment in the western Bridgend County Borough.

In summary, the mixed use development of Ty Draw Farm, Pyle will have a positive impact on the economic potential of the western part of the Bridgend County Borough, close to the disadvantaged community of Marlas. It will deliver serviced employment land suitable to accommodate high quality employment opportunities on a site which has lain dormant for more than two decades despite its allocation and public ownership. The evidence demonstrates that the loss of 3.8 hectares of allocated employment land will have no negative impact on the economic potential of the Bridgend County Borough or wider sub-region due to the substantial allocation of strategic employment sites, many of which are established and include both high quality vacant premises and oven-ready development plots.

¹ This is greater than the allocation within the emerging Bridgend LDP due to the inclusion of development land at Bocam Park, Bridgend Science Park and additional development land available at Pencoed Technology Park.

1 Introduction

HJA has been instructed by South Wales Land Developments Ltd (hereafter SWLD) to consider the implications of developing an allocated employment site for mixed use development at Ty Draw Farm, Pyle upon the local, Bridgend and wider sub-regional economies. The report has been prepared to support a planning application for the mixed use development of the site comprising employment and residential uses.

Ty Draw Farm, Pyle is a 6 hectare site located immediately north of junction 37 of the M4. The A229 bounds the site to the east and School Terrace to the north and west. The site lies adjacent to an existing residential area at the west of the site. The site comprises agricultural land which is allocated for employment development within the Council's Development Plan.

Since 1978, the site was owned by the Welsh Government (and former Welsh Development Agency). It has been identified and allocated for high quality/technology employment uses within the Council's Development Plan for more than two decades² yet has not come forward for development, despite attempts to market the site. In 2000 the site was subject to an application for residential use of the whole site comprising 150 dwellings. This application ran concurrent to the Bridgend Unitary Development Plan (UDP) preparation process. Whilst the UDP Inspector stated that "*it is eminently sensible for housing*", the site was allocated within the Bridgend UDP for 'special' employment purposes, against the recommendation of the Inspector. The concurrent planning application was subsequently refused at Appeal in 2005 on the basis of the recently adopted UDP and the employment protection policy, together with the substantial supply of housing land (9.4 years) which was prevalent at the time of the Appeal. Since adoption of the UDP in May 2005 the site has remained on the market with no confirmed interest. The site is currently included within the submission draft Bridgend Local Development Plan (LDP) as a 'strategic' employment site, although representations have been made seeking the mixed use allocated of the site.

In 2012 the site was purchased by SWLD, as part of a portfolio of sites disposed of by the Welsh Government via the Regeneration Investment Fund for Wales. The purpose of this sale was to generate a cash fund available for loan based investments to support regeneration in Wales.

SWLD is actively seeking to bring forward the site for development on a commercially viable basis. This report accompanies an application for mixed use development including some 2.2 hectares of serviced employment land (with the capacity to deliver approximately 6,000 sq m of employment floorspace), and 94 dwellings. This mix of uses is required to bring forward, on a commercial basis, a site that was identified as being unviable without public funding³ within the 2010 Bridgend Employment Land Review (1 p. Appendix 1).

² The site was identified for high technology industry within the 1989 Mid Glamorgan Structure Plan. Earlier designations of the site remain uncertain.

³ Other value generating uses can also resolve issues of unviability. The NPT Deposit Plan Proposals Report (para 7.3.4) also acknowledges that there is a viability gap as the cost of speculative development is greater than current rental levels support.

The remainder of this report sets out:

- A review of relevant policy, strategy and research documents at the Wales, sub-regional and local level;
- A review of the quantitative demand and supply of employment land in Bridgend;
- A more focused review of strategic employment sites in the Bridgend area and sites with the potential to meet the needs of the western part of the Bridgend County Borough; and
- Conclusions setting out the implications for the Pyle, Bridgend and sub-regional economies based on the preceding evidence.

2 Policy and Strategy Context

This chapter sets out a review of policy, strategy and research documents relevant to the consideration of employment land and economic development at Ty Draw Farm.

2.1 National and Sub-Regional Policy, Strategy and Research

2.1.1 Economic Renewal: A New Direction (2010)

Following a fundamental review of economic development activities across Welsh Government and extensive consultation with business leaders and other stakeholders; Economic Renewal: a new direction (commonly known as ERP) brings a fresh approach to both policy making and delivery, seeking to ensure that the future activities of Welsh Government, and its partners, are focused on delivering economic renewal across Wales.

A central theme of ERP is how Welsh Government can help to shape the conditions in which a dynamic economy functions. The second of five priorities identified is 'Making Wales a more attractive place to do business', this includes a focus on 'planning and economic renewal' which states that:

"To remain competitive Welsh businesses must be able to invest in new development in an efficient and timely way. National and local government and public sector agencies have a key role to play by providing the best possible framework for pursuing sustainable development. The planning system must balance economic, social and environmental objectives and, in doing so, promote sustainable development." (2 p. 16)

In short, there is a desire to see land use planning made simpler, more transparent, less restrictive and more business friendly to ensure it is supportive of bringing forward economic development and does not create a brake on sustainable growth or the achievement of regeneration objectives.

2.1.2 Programme for Government (2011)

The Programme for Government established the Welsh Government's commitment to 'delivery' and confirmed the intentions set out in ERP to *"improve the planning system to ensure it supports sustainable development"* (2 p. 8). Unsurprisingly, given the global economic backdrop to the current Assembly term, delivering jobs and supporting sustainable economic growth are identified as overriding priorities.

In the context of proposals at Ty Draw Farm this supports the need for a positive approach to an application which will deliver a sustainable economic opportunity that would otherwise not come forward.

2.1.3 Planning for Sustainable Economic Renewal (2011)

Planning for Sustainable Economic Renewal was commissioned in response to the commitment within ERP to evaluate how the Welsh Planning System serves national economic development objectives and to scope any revisions to policy and guidance.

In terms of policy, the research found the existing Chapter 7 of Planning Policy Wales (PPW) ‘Supporting the Economy’, does not effectively consider the relationship of planning and the commercial market and neither does it provide a clear definition of the Welsh Government’s economic objectives. Furthermore, the emphasis is on the potential adverse impacts of economic development, rather than promoting a positive assessment of economic benefits.

Recommendations were made for policy to take a wider view of economic development and that:

“National planning policy should set out economic objectives for the planning system, based on the principles that planning should seek not to constrain the nation’s economic growth; it should aim to create good environments for business and meet the market demand for land....” (3 p. iii)

The research also suggests a strategic layer of planning be created, above the level of individual authorities, to allow more effective steering of development and investment to the most efficient and sustainable locations.

In terms of Local Development Plans a number of recommendations are proposed for inclusion within future policy including:

- *“Provide targets on land provision for the B-class uses, showing net change in land/floorspace for offices and industry/warehousing separately; and*
- *Subject to other priorities and considerations, provide the right amount of land and the right qualitative mix of sites to meet the market demand for economic land uses.” (3 p. vi)*

In respect of Development Management it is stated that:

“In determining applications for economic land uses, authorities should take account of the likely economic benefits of the development. In assessing these benefits, key factors include:

- *The numbers of jobs expected to be accommodated on the site;*
- *Whether, should the development not go ahead, it is likely that these jobs would not exist in Wales at all;*
- *Whether, and how far, the development will help redress economic disadvantage or support regeneration priorities, for example by enhancing employment opportunities for deprived communities or upgrading the environment in run down areas;*
- *Any contribution to the development of priority sectors and clusters as identified in economic strategies, including green industries;*
- *Any contribution to wider spatial strategies, for example for the growth or regeneration of certain areas.” (3 p. vi)*

Whilst not a formal policy document, this research report continues to give weight to the direction of travel within Welsh Government towards a far more proactive and positive approach to proposals that deliver sustainable economic opportunity, through both the plan preparation process and when considering applications. There is also a clear steer towards more consistent preparation and use of employment land reviews to ensure provision of land for economic uses is appropriate.

2.1.4 Planning Policy Wales

Planning Policy Wales (PPW) sets out the Welsh Government's main planning policy objectives and principles. The guidance must be taken into account by local planning authorities in preparing their development plans. **Chapter 7 – Supporting the Economy**, is of particular relevance.

The Welsh Government's objectives for economic development are set out as to:

- *“Enhance the economic success of both urban areas and the countryside, helping businesses to maximise their competitiveness;*
- *Support initiative and avoid placing unnecessary burdens on enterprise;*
- *Respect and encourage diversity in the local economy, for example in rural areas encouraging farm diversification and in urban areas promoting mixed use development;*
- *Promote the exploitation of new technologies which can provide new opportunities; and*
- *Ensure that development for enterprise and employment uses is in line with sustainability principles and respects the environment in its location, scale and design, especially so as to address climate change.”* (4 p. 100)

Accordingly, it states that local planning authorities should ensure that:

- *“Sufficient land suitable for development for enterprise and employment uses and well served by infrastructure is designated for employment so as to meet both identified and as yet unidentified needs; and that*
- *New development for enterprise and employment uses is located and implemented in accordance with sustainability principles.”* (4 p. 101)

It also states that:

“Land use planning policies for economic development will be neither effective nor sustainable unless they are realistic about resource availability....” (4 p. 101)

And that:

“Some local planning authorities have allocations of land for employment and other uses which cannot realistically be taken up in the quantities envisaged over the lifetime of the development plan. Local planning authorities should therefore review all their non-housing allocations when preparing or reviewing their development plans and consider whether some of this land might be better used for housing or mixed use developments....” (4 p. 101)

In respect of this research, it is relevant to consider how best to enhance the economic success and diversity of the local economy and whether the level and nature of employment land provision is appropriate and deliverable. It is also relevant to consider any review of the appropriateness of Ty Draw Farm for housing or missed use development undertaken, given the level of historic activity at the site.

In response to the commitments within the ERP and Programme for Government, Welsh Government launched its consultation on a **Revised Chapter 7 for PPW – Supporting the Economy**, in November 2011. This responds to the research findings of *Planning for Sustainable Economic*

Renewal. This includes a broadening of the understanding of what constitutes economic development:

“For planning purposes the Welsh Government defines economic development as development of land and buildings for activities that generate wealth, jobs and incomes. Economic land uses include the traditional employment land uses, as well as retail, leisure and public services.” (5 p. 1)

It also recognises that functional economies do not necessarily map to existing administrative boundaries, and it calls for a strengthening of the requirement for planning authorities to work together:

“Effective planning for the economy requires planning authorities to work strategically and cooperatively steering development and investment to the most efficient and most sustainable locations, regardless of which local authority area they are in. In addition, travel-to-work patterns do not necessarily respect local authority boundaries and it is essential that planning authorities identify and make adequate provision for their role in the regional sub-regional economies of Wales.” (5 p. 1)

“Development plans should reflect work with neighbouring authorities and other relevant stakeholders to plan strategically for employment land provision.” (5 p. 4)

It is therefore appropriate for this research to consider the wider sub-regional context.

In response to the findings of Planning for Sustainable Economic Renewal, the revised chapter includes some changes in respect of the provision of land for economic development uses:

“Development plans should.....seek to provide the right amount of land and qualitative mix of sites to meet the market demand for economic development uses” (5 p. 4)

“Development plans should.....in safeguarding existing sites and providing new sites, prioritise sites that deliver appropriate job and training opportunities to disadvantaged communities” (5 p. 4)

In particular this emphasises the need to provide land to meet market demand and deliver opportunity to disadvantaged communities.

In keeping with both the emphasis of ERP and the Programme for Government, the need to ensure the economic development potential of proposed schemes are fully considered and weighed in the decision making process:

“Planning authorities should adopt a positive and constructive approach to applications for economic development. In determining applications for economic land uses, authorities should take account of the likely economic benefits of the development based on robust evidence. In assessing these benefits, key factors include:

- *The numbers and types of jobs expected to be created or retained on the site;*
- *Whether, and how far, the development will help redress economic disadvantage or support regeneration priorities, for example by enhancing employment opportunities or upgrading the environment;*

- *A consideration of the contribution to wider spatial strategies, for example for the growth or regeneration of certain areas.” (5 p. 5)*

“When considering planning applications which have economic development potential, planning authorities should seek the views of all relevant local authority departments, and particularly from Economic Development Officers as this can assist in the identification of economic benefits.” (5 p. 5)

As noted previously, the quantum and mix of employment land provision is a relevant consideration, particularly in terms of whether it is able to deliver opportunities for disadvantaged communities.

2.1.5 City Regions Task and Finish Group (2012)

The City Regions Task and Finish Group was established in Autumn 2011 to consider the evidence for city regions as economic drivers and the potential application of this approach to Wales. The final report of the group was published in 2012. The report recommends:

- Adoption of city regions in both south east Wales (Cardiff) and south west Wales (Swansea Bay) to boost prosperity and economic growth.
- Improvements to the planning system including establishing a city region strategic planning tier.
- City regions agree a small number of regionally significant projects to which EU funds can be applied, moving away from small often competing projects.

In respect of employment land the report states that:

“The self-contained nature of LDPs gives no incentive to regional thinking: each local authority, for example, continues to allocate large tracts of employment land (i.e. for industrial development) because they hope that large industry will be attracted, when a regional approach to priorities might indicate that it would be preferable for one or two authorities to continue to do this while others focused their land allocation on a different basis. The establishment of Enterprise Zones could be a useful tool in this regard.” (6 p. 46)

This reiterates the need for this analysis to look sub-regionally at the provision of employment land and alludes to the fact that the current system of LDPs leads to over allocation of employment land.

2.1.6 SEWEF Employment Land Assessment Report (2011)

The South East Wales Economic Forum (SEWEF) provides an assessment of employment land supply and demand across the south east Wales sub-region. The most recent report was published in August 2011. This work is led by the Business Land and Premises sub-group of SEWEF which aims to *“consider the adequacy of supply of land and premises to meet anticipated future job requirements in south east Wales” (7).*

At March 2011, the study found some 1,122 hectares of employment land available across south east Wales. As a result of the economic and commercial climate it found evidence of weak take-up (13.8 hectares) in the 2010-11 period, with approximately three quarters of all take-up for uses outside the B Use Classes⁴. This take up was slightly higher than 2009-10 of 9.1 hectares. This compares with adopted development plan take-up expectations of 98 hectares per annum for the

⁴ Largely due to new BBC studios developed at Roath Basin, Cardiff.

sub-region. This in-part reflects high levels of anticipated take-up in UDPs which are being adjusted as LDPs are adopted. Evidence presented suggests take-up (including losses to other uses) of B Use Class land over the period 2000-11 are approximately 32 hectares per annum⁵, across the entire sub-region. Compared to current identified supply this equates to some 35 years supply. The report states that:

“It (actual take up) still compares poorly with the planned annual take-up identified in the LAs adopted development plans of some 98.0 hectares but this should improve as more LAs adopt their LDPs. Although, the supply of land available will still significantly exceed demand even allowing for an increase in take-up as economic conditions improve.” (8 p. 28)

For Bridgend, the report indicates take-up/losses of 20.2 hectares over the 11 year period, equating to 1.8 hectares per annum. The report identifies 161.1 hectares of available employment land in the county borough.

In response, the report suggests that:

“The emphasis of LDPs should be to concentrate on the allocation of good quality and deliverable land that is attractive to the market. As a result, LAs should concentrate on allocating those sites that are realistically capable of being developed within the LDP period.” (8 p. 28)

This sub-regional research identifies a potential over supply of employment land and the need to focus on deliverable sites.

2.2 Local Policy, Strategy and Research

2.2.1 Bridgend Unitary Development Plan (UDP)

The Bridgend UDP covers the period 1996-2016 and was adopted in May 2005. Until adoption of the LDP this remains the extant development plan for Bridgend.

In terms of employment strategy the UDP states that *“the Plan seeks to enhance employment opportunities through the successful implementation of appropriate land use proposals and other policies aimed at promoting employment growth.”* (9 p. 41)

The UDP identifies historic take-up between 1985 and 2002 of approximately 11 hectares per annum. On this basis a 20 year requirement would be in the order of 220 hectares. In response 252 hectares of employment land is allocated in Policy E1 and is stated to be *“more than adequate to cater for the expected future industrial and commercial requirements of the County Borough”* (9 p. 41) and more than capable of meeting the needs of the projected change in population.

Employment land provision is sub-divided by site typology using a number of separate policies. Of particular relevance to this study are Policy E2 – Key Employment Allocations and Policy E6 – Protection of Special Employment Allocations.

⁵ Average annual take up over the period 2000-05 (46.8 ha per annum) was substantially higher than later years (circa 16 ha per annum).

Policy E2 states that “Land is safeguarded primarily for large scale investment at the following ‘key’ employment sites:-

- *Brackla Industrial Estate (23.1 hectares remaining)*
- *Bridgend Industrial Estate (11.03 hectares remaining)*
- *Brocastle (52.23 hectares remaining)*
- *Waterton Industrial Estate (22.18 hectares remaining) (9 p. 42)*

Policy E6 states that “Land is allocated and safeguarded for the establishment of high quality ‘special employment sites’. Such sites must be developed to the highest design and environmental standards and are reserved specifically for high technology business and manufacturing, research and development and related office development, and for no other purpose, in this respect the following sites are allocated at:

- *Bridgend Science Park/Island Farm; (11.84 hectares safeguarded, 25.95 hectares at Island Farm)*
- *Land South West of Sony, Pencoed; (2.12 hectares safeguarded, 1.48 hectares remaining)*
- *The Triangle Site, Pencoed; (entire 6.48 hectares remaining)*
- *Pencoed Technology Park; and (7.23 hectares remaining – further land within RCT)*
- *Ty Draw Farm, Pyle (entire 6.05 hectares remaining) (9 p. 44)*

Whilst the UDP remains the extant development plan for Bridgend, employment land provision was calculated based on information from a very different economic era. The UDP includes almost 50 hectares of ‘special’ employment sites including Ty Draw Farm, of which less than 10 hectares has been taken up based on information set out in Appendix 3 to the LDP.

2.2.2 Bridgend Local Development Plan (LDP)

The 2006-21 – Deposit LDP was published in June 2011 and submitted for Examination in July 2012. The LDP sets out a regeneration led strategy. Relevant to this research:

- Objective 1a “*seeks to promote Bridgend as the key principal settlement of the County Borough where employment, commercial and residential development is focused*” (10 p. 6);
- Objective 3b “*seeks to provide a realistic level and variety of employment land to facilitate the delivery of high quality workspaces and job opportunities*”; (10 p. 7) and
- Objective 4a “*seeks to provide a land use framework that recognises the needs of deprived areas within the County Borough, which affords those communities the opportunities to tackle the sources of their deprivation*” (10 p. 7).

Reference is made to the Wales Spatial Plan which identifies Porthcawl and Pyle/North Cornelly area as a linked key settlement. This area is one of four Strategic Regeneration Growth Areas in the LDP, along with Bridgend/Pencoed, Maesteg and the Llynfi Valley and The Valleys Gateway. Whilst Porthcawl is to continue its focus on leisure and tourism, Pyle/North Cornelly is the focus of more traditional employment at Village Farm and South Cornelly, serving the western part of the county borough. The strategy is to maintain and enhance this with scope for further employment provision:

“The strategy further develops this ‘employment’ role by defining Ty Draw Farm at Pyle, an accessible greenfield site close to Junction 37 of the M4, as a Strategic Employment Site.” (10 p. 11)

“The strategic employment site at Ty Draw Farm, North Cornelly and Village Farm Industrial Estate, Pyle will provide B1, B2 and B8 opportunities to serve Porthcawl as a ‘linked settlement’, recognised in the Wales Spatial Plan” (10 p. 20)

More generally, Policy SP9 – Employment and the Economy states that some 164 hectares of vacant employment land is to be allocated (this is then reduced to 152 hectares as a result of take up over the period 2006-09) *“offering a range of sites and premises for the whole spectrum of B class uses, sui generis uses, and other uses (such as waste facilities) that require an industrial location.”* It is also stated that it is *“imperative that the area is able to offer a broad portfolio of sites”* (10 p. 46)

In reference to the Employment Land Review which was undertaken to inform preparation of the LDP there is an acknowledgement of the need, in some cases, to *“allow other uses, including residential, as enabling development on previously unviable employment sites to bring forward employment opportunities across the County Borough”* (10 p. 46)

Four ‘strategic’ employment sites are identified within the LDP. It states that:

“Land is allocated and safeguarded for the establishment of high quality ‘strategic employment sites’. Such sites must be developed, in accordance with a development brief/masterplan, to the highest design and environmental standards. Preferred uses on the site are ICT, Energy and Environment, Advanced Materials and Manufacturing, Creative Industries, Life Sciences and B1 Financial and Professional Services.

The following strategic sites are allocated for employment purposes:

- *Brocastle, Waterton, Bridgend (46 hectares)*
- *Island Farm, Bridgend (11 hectares)*
- *Pencoed Technology Park (5 hectares)*
- *Ty Draw Farm, North Cornelly (6 hectares)”* (10 p. 45)

In the supporting text it is stated that:

“The strategic employment sites are identified because of their importance in contributing to the wider economic prosperity of the whole of the County Borough and the wider sub-region as recognised in the County Borough’s Regeneration Strategy: Fit For The Future. They represent the greatest assets to the area in generating high levels of jobs. Their flexibility as predominantly greenfield sites will also be attractive to high quality businesses both in terms of inward investment and accommodating indigenous growth” (10 p. 15)

Whilst the locations and potential nature of development at the strategic sites is suggested to be appropriate to the Welsh Government priority sectors, and clearly the 68 hectares identified have substantial capacity to accommodate jobs, there is no evidence presented to demonstrate the scale of requirements from these sectors over the life of the plan.

Noted within the LDP is the ownership status⁶ of all four strategic sites which is deemed to be a factor in their delivery.

“The Strategic Employment Sites are all being progressed individually by the Council and the Welsh Government and several are included in funding bids for the EU Convergence Programme. By being in public ownership there is greater control as to when and how the sites are brought forward.” (10 p. 15)

It is therefore a material change that Ty Draw Farm is now in private sector ownership following disposal by Welsh Government.

With respect to Ty Draw Farm, the LDP sets out further details related to its allocation and anticipated role:

“Ty Draw Farm, North Cornelly (SP9(4))

This 6 hectare site is strategically located to the east of North Cornelly in the northwest quadrant of Junction 37 of the M4 with good proximity to public transport facilities, particularly at Pyle railway station. It offers an opportunity to provide much needed high quality employment opportunities within a landscaped environment, close to the deprived community of Marlas, which is a designated Communities First area. It also provides a strategic employment opportunity to serve the local economy in the western part of the County Borough, especially for Porthcawl where employment opportunities are primarily linked to the leisure and tourism industry.” (10 p. 16)

This identifies not only its strategic role in terms of the County Borough and sub-region, but also its local role in terms of the western area and the nearby deprived community of Marlas.

2.2.3 Bridgend LDP Background Paper 9: Employment Land Supply (May 2012)

This paper is part of the supporting evidence to the LDP.

Explicit reference to Chapter 7 of PPW (as currently stands) is made, in particular the reference to provide *“sufficient land suitable for development for enterprise and employment uses and well served by infrastructure is designated for employment so as to meet both identified and as yet unidentified needs”* and that *“the development plan should identify a range and choice of sites to meet different economic and employment needs, having regard to where the private sector want to invest, and which meet, or have the potential to meet, the Assembly Government’s objectives for transport and other relevant policy fields”*. (11 p. 5)

Reference is also made of the 2010 Employment Land Review undertaken by the Council which was undertaken *“in order to arrive at an employment land bank which was realistic, deliverable, capable of meeting identified (and unidentified) need...”* (11 p. 6)

It is noted that through the LDP process the employment land bank reduced from 210 hectares to 164 hectares. Notwithstanding, it is acknowledged that in purely quantitative terms there is more than sufficient employment land allocated:

⁶ This is no longer true with Ty Draw Farm no longer in public ownership following its disposal by Welsh Government to South Wales Land Developments Ltd.

“It is clear that the land in categories 1 and 2 (employment sites excluding strategic sites) would be sufficient to cover the identified ‘trend based’ need for employment identified in the Employment Land Review” (11 p. 8)

However:

“..the development of the Council’s Strategic Employment Sites are instrumental to the delivery of the LDP Strategy and represent the single largest development plots for employment land in the County Borough. These parcels of land have the potential to make the greatest contribution to employment provision in the area when developed and are potentially the most attractive to the market to encourage potential inward investment” (11 p. 8)

“Notwithstanding this, there is also a certain level of risk to the delivery of these sites, which has been made all the more so by the recent economic climate. However, the Council wishes to retain these sites for future, strategic provision and will endeavour to continue to work to bring these sites forward through the planning system in partnership with the Council’s Economic Development Unit and the landowners of the sites (especially the Welsh Government who own 3 of the 4 sites) as much as possible during the plan period.” (11 p. 8)

“Should the delivery of these sites be unachievable in that time, the Council is confident that it has allocated sufficient land across the County Borough to meet the employment needs over the plan period” (11 p. 8)

This quantitative over-allocation is a result of a desire to plan positively for economic regeneration:

“In conclusion, the Council acknowledges that the amount of land allocated for employment purposes in the LDP exceeds the need identified in the Employment Land Review.

“However, it also recognises that Planning Policy Wales advocates a positive, flexible approach to employment land provision....giving a range and choice of sites.”

“The Council considers that, in the context of a regeneration led strategy, employment land provision should not be tied to, and limited by, population growth, but should reflect the economic regeneration objectives of the plan; helping to assist the Council and its partners in tackling some of the existing economic deprivation which currently exists in the County Borough in a positive, flexible manner” (11 pp. 9-10)

There appears to be some contradiction in terms of a desire to include a land bank that is realistic and deliverable whilst at the same time accepting that there are delivery risks with a number of allocated sites, and that should these sites not be delivered it does not impact upon achievement of the LDP’s objectives.

2.2.4 Bridgend Employment Land Review (June 2010)

The Bridgend Employment Land Review (ELR) was undertaken in-house and reported in June 2010. This provides a further layer of evidence beneath the Background Paper considered above.

The ELR process seeks to identify a portfolio of employment sites to meet identified and unidentified need and provide flexibility and choice. The thrust of national policy to *“need realism in allocating*

sites and consideration should be given to alternative uses for sites which have remained allocated, but undeveloped, for a long period of time” (12 p. 4) is acknowledged. The report then goes on to note that “some of these sites (i.e. employment sites in Bridgend County Borough) have remained vacant for significant periods of time with little or no interest for their development for employment purposes” (12 p. 5).

The document sets out a potential range of requirements of between -0.21 hectares to 88.5 hectares of development on vacant land over the plan period. Given the uncertainties in the economic climate the trend-based approach that generated this higher figure was used.

“development of vacant, allocated employment land has always occurred at a long-term average rate of 6.33 hectares per annum” (12 p. 5).

It was set out that this may be a measure of total development and it would be necessary to provide flexibility and choice within any portfolio. The ELR therefore proposes 153 hectares of sites to be allocated, with some 57 hectares on two large sites (Brocastle and Island Farm).

Whilst it is, by definition, impossible to quantify ‘unidentified need’ there is no clear evidence presented relating to how this is provided for, other than via an allocation of sites substantially greater than the assessment of ‘identified need’ which itself is acknowledged to have uncertainties. The trend based need assessment is also stated to capture *“those years where large-scale developments take place (for example at strategic sites) and those when activity is quieter” (12 p. 76).* It is also of note that no allowance is made for windfall additions to supply throughout the life of the plan.

Further qualitative assessment of the demand for employment sites and premises identified that:

- *“expensive prestigious schemes would be hard to attract to the area” (12 p. 6 and 63); and*
- *“the Bridgend sub-area will be the most popular location for business to locate to or grow within” (12 p. 6 and 68)*

This suggests attracting prestige occupiers to Pyle could be challenging.

The site assessment of Ty Draw Farm, Pyle noted the fact that the site is unviable⁷ for employment uses without public funds (and one could reasonably include ‘or other value generating uses’). However, the site is retained within the employment land supply on the basis of its *“strategic nature and location” (1 p. Appendix 1).* There is no evidence suggesting a detailed assessment of the site was undertaken based on its long-standing allocation for employment purposes without being brought forward for development (other than an application for residential use of the whole site which was rejected on 2005 despite supportive comments from the UDP inspector). Rather the ELR indicates that after an initial assessment *“those strategic sites identified in the LDP Preferred Strategy will be carried forward into the final portfolio” (12 p. 5).* This is surprising given the acknowledged viability challenges within the document and evidence that for other sites with known development interest for mixed uses there was a reassessment.

⁷ This is the only ‘strategic’ employment site noted as unviable within the Bridgend ELR (2010)

2.2.5 Fit for the Future: Bridgend County Borough Regeneration Strategy 2008-21

Fit for the Future was developed in 2007-2008 prior to the credit crunch and ensuing global economic downturn. As a result both the economic and public funding environments were very different to today.

The vision as set out in Fit for the Future is that:

“By 2021, Bridgend County Borough will be recognised as a self-contained, productive sub-regional economy, with a skilled and utilised workforce, in a place where people and businesses want to be” (13 p. i and 31)

Four strategic aims are identified:

1. Enabling wealth and increasing enterprise
2. Building up skill levels and entrepreneurial attitudes in an active labour force
3. Making a great place to live, work, visit and play; and
4. Strengthening and renewing infrastructure.

Within Strategic Aim 4: Strengthening and Renewing Infrastructure is an action to *“Develop a comprehensive 21st Century Sites programme to draw together existing and incoming employment sites, linking supply and demand to service opportunities”* (13 p. iii).

“The rationale for developing a portfolio of employment sites is to enable private sector developers the local economy and to enable employers to diversify and grow their businesses [sic]. This will create a mix of employment opportunities for the local labour force in a high quality environment.” (13 pp. A-17)

It is noted that this portfolio of sites is intended to support the transition of the economy from manufacturing to service sectors.

“The strategic objectives for the preparation of a portfolio of employment site development projects are to:

- *Bring forward a mix of employment sites for specific employment uses*
- *Create a variety of sustainable employment opportunities for Bridgend*
- *Secure high quality design and environmental excellence*
- *Improve the general image and environment of the area”*

The strategy states that *“ensuring land availability to attract and develop 21st Century businesses is a high priority for Bridgend CB”* (13 p. 28). As will be shown in this report, there is substantial availability across the County Borough, and the challenge in the current environment is to bring sites forward. It is also of note that the identified monitoring indicator is of floorspace delivered, reflecting the importance of bringing sites forward, rather than purely allocating them.

Ty Draw Farm is noted as one of the ‘major’ employment sites within the 21st Century Sites programme, with Welsh Government noted as the lead delivery partner referencing the ownership of the site at the time, which is no longer relevant. Specifically the strategy states:

“Ty Draw Industrial Estate project: Proposed general employment activities and Primary Care Medical Centre. This 15 acre site at Pyle is located near M4 J37 to the north of Porthcawl and provides an opportunity to diversify the local economy to the west of Bridgend.” (13 pp. A-17)

There is no detailed discussion of the demand for Ty Draw Farm and it is acknowledged that the range of strategic employment opportunities in the surrounding sub-region are a potential threat. It is of note that a potential mixed use development is noted, along with the opportunity to diversify the offer of the local area.

The ward of Marlas 2 is noted as deprived and in receipt of Communities First funding. In response the strategy sets out to *“bring people into the process of wealth creation, improving their and their communities’ prospects. Tackling worklessness through creating pathways to, and opportunities for, work will be the most sustainable intervention.”* (13 p. 23) and in response to the need to tackle inequalities it states that *“the Strategy strives to improve economic equity through providing better links between economic opportunity and social need”* (13 p. 39).

2.3 Implications

The recent developments in national policy and strategy have increased the emphasis on the delivery of sustainable economic development, through both the development plan and development management processes. In response there are a number of reforms in-train, through revision to PPW and a move towards a Welsh Planning Act.

There is increasing recognition of the mismatch between functional economies and established administrative boundaries. Most recently, the City Regions Task and Finish Group has highlighted the implications of this upon the allocation of employment land reflecting the view in PPW that *“Some local planning authorities have allocations of land for employment and other uses which cannot realistically be taken up in the quantities envisaged over the lifetime of the development plan.”* (4 p. 101)

This is reflected in recent research by SEWEF that found a substantial over-supply of employment sites and a need to focus on the most deliverable sites which are *“realistically capable of being developed within the LDP period.”* (8 p. 28)

In response, the proposed chapter 7 of PPW includes an emphasis on providing employment land to meet ‘market demand’ and provide opportunities for disadvantaged communities in particular.

When looking at local policy and supporting evidence, it is clear that the Bridgend ELR considered previous potential over-supply of employment sites and has reduced the size of the portfolio. However, there is still an acknowledged quantitative over-supply particularly within the emerging LDP. Whilst the UDP incorporated a 15% mark-up on anticipated requirements (based on past take-up) which itself proved to be a substantial over-provision, the LDP incorporates an 85% mark-up compared to future requirements based on historic take-up. This suggests that in relative terms, the level of quantitative over-supply in the LDP is greater than the UDP despite efforts to refine the portfolio as sought by the representations to seek the mixed use allocation of Ty Draw Farm. It is therefore questionable whether the allocation of sites is set at a realistic level.

In terms of deliverability, it is clear that some sites have been assessed in detail, however, it is not clear whether this has been applied to all sites and specifically to Ty Draw Farm. As a site with a long-standing employment allocation and no suggestion that it would come forward for employment uses within the LDP period to 2021, despite public ownership and coupled with a previous application for residential uses, it would appear to be a site that should be considered for mixed or alternative uses in some detail. Particularly given the national policy requirement that all non-housing allocations should be reviewed and the finding of the ELR that Ty Draw Farm is the only strategic site not viable for employment uses.

Within the LDP, Ty Draw Farm is allocated as a 'strategic employment site'. The LDP notes Ty Draw Farm's setting and connectivity but also the opportunity it affords given its location close to Marlas and within the western part of the Bridgend County Borough. In comparison to the other three strategic sites the LDP says relatively little. However, its role relative to an area of deprivation is unique, its size, at just 6 hectares is substantially smaller than the other three sites, and there is no mention of its prestige within the text, a feature of all other strategic sites identified in the LDP. For example:

- Brocastle – *“one of the most important and prestigious greenfield inward investment sites within South Wales M4 corridor”, “it is considered to be the County Borough’s greatest asset in terms of attracting large scale employment investment to the area”* (10 p. 16).
- Island Farm – *“a prestigious greenfield site ... adjacent to the Bridgend Science Park”, “subsequent phase and logical extension to the existing highly successful and prestigious Bridgend Science Park”* (10 p. 16).
- Pencoed Technology Park – *“infrastructure is now in place, and it offers a number of ‘occupier-ready’ development opportunities, including three plateaux for medical and technology uses within RCT. In addition there are also substantial redevelopment opportunities in private ownership within the former Sony land holding, most notably the large car park, which represents a site of 4.5 hectares”, “The masterplan for the under utilised and ‘brownfield’ opportunity related to the former Sony factory will ensure development here complements the existing prestigious pharmaceutical/bio tech park”* (10 p. 16).

Interestingly, whilst the LDP indicates that the strategic sites are 'instrumental' to the achievement of LDP objectives the documentation also acknowledges substantial delivery risks and that the LDP would not fall if they are not delivered. Given the spatial regeneration role identified for Ty Draw Farm, in both the LDP and Fit for the Future, some element of delivery may be considered critical to achieving the LDP objectives whilst allocations should be 'realistic and appropriate' in order to meet the LDP 'tests of soundness'.

3 Overarching Assessment of Employment Land Demand & Supply

3.1 Quantitative Requirements for Employment Land in Bridgend

The Bridgend ELR sets out analysis of future requirements of employment land in Bridgend over the course of the LDP period, based on a range of approaches and evidence sources. Based on rates of past take-up (coupled with observed take-up for early years within the LDP period), a potential requirement of 88.5 hectares is set out. Other approaches considered within the ELR generate lower estimated requirements including a negative requirement of 0.21 hectares. In order to ensure that the growth of the Bridgend economy was supported, the higher figure based on past take-up rates was taken forward within the analysis although this figure is considerably less than the total quantum of employment land identified within the emerging LDP which totals 164 hectares.

The ELR states that:

“The trend-based projection⁸, taking into account development over a 10 year period and carrying this forward gives a good indication of how employment land can be developed in periods of economic prosperity and down-turn. It also accommodates those years where large-scale developments take place (for example at strategic sites) and those when activity is quieter. It is, however, a very crude way of assessing future need. Notwithstanding this, perhaps this wider, broader way of predicting future need is a more appropriate way of accommodating future development in a period of economic uncertainty.” (12 p. 76)

The report goes on to state that:

“It is important to stress that this figure is an illustration of need for vacant employment land. The supply portfolio of vacant land, as confirmed in the LDP, will need to ensure that it offers a range and choice of sites which are flexible enough to meet the development need ...” (12 p. 76)

Whilst HJA acknowledges that the other approaches set out within the ELR provide an incomplete assessment of potential requirements, it would question whether historic take up requirements alone are a robust indicator of future trends, not least given the extended period of weak economic performance which the UK economy is currently facing relative to the majority of the period for which historic take up data is available when the UK economy was growing. In addition, the ELR itself acknowledges that the shift away from B2 manufacturing towards B1 financial and business service operations could impact on the future scale and mix of development required. Further to this, the assertion that all development requires vacant land, or at least vacant at the time of plan development is an area for consideration.

Previous research undertaken by DTZ, on behalf of Barratt Homes South Wales Ltd⁹, was submitted to the Planning Inspectorate in 2010 (extract attached as Appendix 1 to this report). This included an assessment of future employment land requirements, suggesting a more realistic requirement for the Bridgend County Borough of between 42 and 56 hectares over the LDP period to 2021. This

⁸ Based on data for the period 2000-2009.

⁹ Land at Isfryn Industrial Estate, Blackmill: Employment Land and Economic Development, DTZ on behalf of Barratt South Wales Ltd, September 2010.

approach included consideration of projected changes in the economy, the need to ensure replacement of ageing stocks and an allowance for flexibility and choice.

The DTZ report includes the following summary:

“DTZ’s in-house methodology taking account of employment projections, suggests a requirement for 42-56 hectares of employment land over the period 2006-21. This estimate also excludes the role that could be played by any substantial releases of land from industrial use as a result of projected decline in the manufacturing sector. Data presented in the Bridgend County Borough Employment Land Review indicates that on the basis of past take up future requirements across the County Borough are 88.5 hectares. This makes no allowance for the substantially weaker economic outlook for the majority of this period, than the period on which projections are based. All market indicators suggest far more sluggish development activity due to weaker occupier demand, limited development finance, weak values and returns to developers and disincentives to speculative development such as recent changes to empty rates relief and reduced public sector grant funding and pump priming. 88.5 hectares is therefore viewed as a top side estimate that would allow for substantial uplift to performance above the more realistic DTZ estimate of 42-56 hectares.” (13 p. 16)

Subsequent economic performance of the UK economy, and recent economic projections suggest the levels of growth anticipated in 2010 are unlikely to be achieved. The Office of Budget Responsibility, International Monetary Fund and many commentators have issued numerous downward revisions to anticipated levels of economic growth over the short-medium term. The quantitative assessment as set out within the DTZ report is itself, therefore, now optimistic. At the time, wider commercial market factors were also noted as potentially hampering development activity for the foreseeable future. The ongoing weak economic circumstances suggest this will continue.

As a result, whilst the Bridgend ELR indicates that a portfolio of vacant sites must not only provide for a potential need of 88.5 hectares figure as well as suitable provision for flexibility and choice, the wider research would suggest that in quantitative terms the 88.5 hectares will already include a substantial buffer in terms of flexibility and choice.

3.2 Quantitative Supply of Sites in Bridgend

In response to the identified need, the LDP proposes an employment land portfolio of 164 hectares. This includes 68 hectares on strategic employment sites of which 46 hectares is at Brocastle Waterton.

The supply of available land is supplemented by vacant floorspace. According to the Bridgend Employment Land Review (2010), there is 163,765 sq m (1,762,751 sq ft) of vacant floorspace in Bridgend. This equates to 13.9% of total stock. This vacant floorspace will be spread across office and industrial uses but, as an illustration, assuming that 4,000 sq m of industrial floorspace is provided for every 1 hectare of land (i.e. 40% site coverage), the vacant space is equal to 41 hectares

of land. Whilst it is expected that a level of vacancy will always exist for frictional reasons¹⁰, a figure well in excess of 10% is notable. Assuming a vacancy level of 10% was retained, an equivalent of 11 hectares of future need could reasonably be presumed to be met from vacant stocks.

3.3 Comparing Demand and Supply

Whilst the LDP process has reduced the total quantum of allocated sites (164 hectares from a potential supply of 209 hectares identified within the ELR), it is still substantially greater in quantitative terms than the identified upper level of need of 88.5 hectares. There is also a substantial quantum of vacant stock that has the potential to meet some future need and no consideration of the role windfall sites can play.

Whilst the LDP and its supporting information notes the requirement of national planning policy to provide sufficient land to meet both identified and ‘as yet unidentified need’, in calculating assessed need it was explicitly noted that the period used to calculate a trend-based requirement included “those years where large-scale developments take place (for example at strategic sites)” (12 p. 76). In effect, the assessment of need already captures years of ‘peak’ demand. The question becomes one of how much land should be provided for as yet unidentified needs (which by definition are unknown) over and above peaks which occurred in a 10 year period, much of which was characterised by strong economic performance in the UK and a more favourable public sector funding environment than the one anticipated for the foreseeable future.

It should also be noted that research by DTZ in 2010 thoroughly investigated future employment land requirements across the Bridgend County Borough. This research suggested the level of need to be less than the ELR in quantitative terms. Since publication of this report the period of weak economic performance has continued and is forecast to continue longer than was assumed at the time, suggesting the resultant estimate of future requirements within the DTZ work is now optimistic.

In short, there appears to be a substantial quantitative over-supply of employment land across the Bridgend County Borough, compared to likely needs arising over the LDP period 2006-21. This fact is accepted by Bridgend County Borough Council, as stated in LDP Background Paper 9: Employment Land Supply:

“In conclusion, the Council acknowledges that the amount of land allocated for employment purposes in the LDP exceeds the need identified in the Employment Land Review. (11 p. 9)

A small loss of employment land from the portfolio should not be considered a problem for the County Borough economy on quantitative grounds.

Therefore, the fundamental issue becomes a more qualitative, or focused question of whether the proposed portfolio of sites is appropriate to meet the range of likely requirements in terms of site typology and location. Relevant elements of this debate are considered in the following chapter.

¹⁰ It is acknowledged that Bridgend has typically had a high level of vacancy which has not precluded take up of new sites. However, in order to deliver sustainable development, minimising impact of new development, one should seek to reduce the level of vacant stock where possible.

4 Focused Assessment of Employment Land Demand & Supply

The previous chapter found a substantial over-supply of employment land in quantitative terms. However, within both chapters 2 and 3, it is noted that the portfolio of supply needs to be appropriate to the range of requirements likely to emerge in the market. As such, the Bridgend LDP sets out employment provision spread both geographically across the County Borough, and in terms of the characteristics of the sites.

Ty Draw Farm, Pyle, as a Strategic Employment Site is intended to fulfil a particular role within the portfolio. As set out within the LDP the strategic employment sites are distinguished from other employment sites on the basis of their physical and locational characteristics, including proximity to the strategic road network and greenfield nature, close to areas of countryside. They are allocated to deliver benefits to the whole of the County Borough and wider sub-region, and intended to deliver high quality employment development particularly targeted at the Welsh Government's priority sectors.

Within Policy SP9 (4) three primary reasons for the site's allocation are set out:

- Strategic location – close to M4 corridor and public transport facilities;
- Opportunity to provide high quality employment opportunities close to deprived community of Marlas
- A strategic employment opportunity to serve the local economy in the western part of the County Borough

In terms of considering demand and supply on a more qualitative basis it is necessary to consider the appropriate market segments. Most notably, the demand and supply for sites that fulfil the criteria of 'strategic' employment sites (in terms of location and setting) as well as the more localised issues of creating opportunity for the deprived community of Marlas and more generally the western part of the County Borough (Porthcawl and Pyle/North Cornelly/Kenfig Hill).

4.1 'Strategic' Sites

In considering the 'strategic' nature of the site it is clear that the identified role of these sites goes beyond the County Borough boundary and into the wider sub-region. *"The strategic employment sites are identified because of their importance in contributing to the wider economic prosperity of the whole County Borough and the wider sub region"* (10 p. 15).

As such, strategic sites need to be considered in the context of the wider sub-region. For Bridgend this includes the wider south-east Wales sub region within which it is located, but also as part of the M4 corridor between Cardiff and Swansea recognising its relationships in a westerly direction towards Neath Port Talbot and beyond.

For the purposes of this assessment a strategic site has been defined by HJA in keeping with the thrust of the Bridgend LDP and specifically the role set out for Ty Draw Farm, namely:

- Very good access to the strategic road network
- Predominantly greenfield setting

- Suitable for high quality development in a landscaped environment
- Suitable for Welsh Government priority sectors¹¹

4.1.1 Supply of Strategic Sites

Following a review of the LDPs for Bridgend and its surrounding authority areas (see Appendix 2), supplemented with discussions with commercial agents at Lambert Smith Hampton, the following list of sites that meet the above criteria were identified:

Bridgend

- Pencoed Technology Park (minimum 5 hectares remaining)
- Brocastle Waterton (46 hectares remaining)
- Island Farm (11 hectares remaining¹²)
- Bocam Park (1 hectare remaining)

Neath Port Talbot

- Baglan Bay (20 hectares remain at Baglan Energy Park)
- Port Talbot Docks/Harbourside (12 - 14 hectares remaining)

Rhondda Cynon Taf

- Mwyndy Cross (15 hectares remaining)
- Llanilid (uncertain)

Vale of Glamorgan

- Former Bosch Plant (51 – 58 hectares)
- St Athan (89 hectares remaining)
- Cardiff Airport (77 hectares remaining)

Appendix 3 to this report sets out further details on each site.

Sites within Swansea and Cardiff have not been considered as part of this analysis. However, these cities offer substantial employment opportunities in strategic locations along the M4 and within the city centres/waterfront areas.

Within Bridgend there are four strategic sites identified within the LDP including Ty Draw Farm. In addition, Bocam Park has been included given its role as a high quality office park in very close proximity to the M4 at Junction 35 which is suitable to the Welsh Government key sectors, particularly ICT and financial and professional services. This site is identified for 'special' employment uses within the adopted Bridgend UDP.

Pencoed Technology Park offers an established location for high quality occupiers including office, R&D and light industrial activities close to Junction 35 of the M4. There are two large vacant office

¹¹ Advanced materials and manufacturing, creative industries, energy and environment, financial and professional services, ICT, life sciences and tourism. For the purposes of this work tourism is not considered.

¹² Plus a further 1 hectare remains at the adjacent Bridgend Science Park. There is an outline consent for Island Farm which includes a 14 hectares extension to the Science Park.

premises including approximately 4,645 sq m (50,000 sq ft) within a former Lloyds TSB call centre, more than 10,000 sq m (107,600sq ft) of industrial space within the former Sony building and 3,716 sq m (40,000 sq ft) with a further 3,716 sq m (40,000 sq ft) expansion of the existing amenity block. In addition, there are 5.4 hectares of 'oven-ready' development plots within Bridgend County Borough and further available land within RCT. It is also indicated that a further 4.5 hectares of land currently used as car parking has development potential and this is presently the subject of a planning application for office development. Also at Junction 35 of the M4, Bocam Park offers a different product to the market with an office park for small to medium users. The site is established and well occupied. However, 2,787 sq m (30,000 sq ft) of vacant office space within small to medium units and planning consent for a further 2,787 sq m (30,000 sq ft) which could be developed to meet the needs of a single large occupier or to suit small to medium sized office occupiers as the rest of the park. These two sites are established and have substantial capacity for further occupation.

Brocastle Waterton and Island Farm both have potential constraints and are identified as available within the medium term at Appendix 3 to the Bridgend LDP. Brocastle Waterton is described as *"one of the most important and prestigious greenfield inward investment sites within the south Wales M4 corridor"* within the LDP. The site is within public ownership and Convergence Funding has been utilised to provide infrastructure to the site. 46 hectares remain and this is a substantial and clearly important strategic site for Bridgend and the wider sub-region with the capacity to accommodate a very large user should a requirement emerge. Island Farm provides an extension to the existing Bridgend Science Park (which itself has 1 hectare of development land remaining). Described as *"a prestigious greenfield site"* the LDP identifies 11 hectares of employment land available. An existing consent for the site includes a 14 hectare extension to the Bridgend Science Park, however, it is understood that the permitted scheme in its entirety (including substantial sporting and leisure development) is unlikely to be developed. Whilst some new access arrangements are required which constrain the site's immediate development, the site is an extension to an established and successful high quality office/technology/science park.

In summary, there are four alternative sites to Ty Draw Farm within Bridgend County Borough. Combined they offer close to 70 hectares of high quality employment land with more than 20,900 sq m (225,000 sq ft) of available stock in a variety of sizes and settings. In terms of current state of development, adjacent employment developments and recent site activity, all of these sites can be deemed as higher priority as strategic sites to meet the needs of the County Borough as a whole and the wider sub-region. Ty Draw Farm is also notable in terms of being much smaller in scale and is the only site identified as being unviable for employment uses within the Bridgend ELR.

Within the wider M4 corridor area between Cardiff and Swansea there are a further eight sites identified. To the west of Bridgend, the Neath Port Talbot LDP is still in development and there have been recent refinements to its employment land supply, particularly in terms of strategic sites. However, two¹³ important sites remain for the purposes of this analysis. Baglan Bay is a very large

¹³ In addition, the development of the second campus for Swansea University which falls within the NPT County Borough is labelled as a Science and Innovation campus. Some 18 hectares of employment land was been identified at Fabian Way close to the campus which could accommodate spin-off business occupiers. Whilst it is not designated as a strategic site in the most recent Deposit Plan Proposals Report, Fabian Way is identified as an employment site.

strategic site comprising some 171 hectares. This includes the established Baglan Energy Park. Within the Energy Park a further 20 hectares of development land remains, across multiple plots. The Port Talbot Docks/Harbourside scheme has been given significant priority by Neath Port Talbot County Borough Council. A major new Peripheral Distributor Road is under construction and construction has commenced on a 3,900 sq m (42,000 sq ft) R&D Village, with a number of confirmed occupiers. A further three plots comprising 12 hectares remain for high quality employment development. These sites provide opportunities that reach well beyond the administrative boundaries of Neath Port Talbot.

To the north east of Bridgend lies Rhondda Cynon Taf (RCT). As already noted, part of Pencoed Technology Park lies within the RCT area. There is also an existing outline consent for the southern part of the Llanilid area which includes a reference to 'business parks'. Whilst this has the potential to be a strategic site of some significance, and should be noted, it is discounted as being a meaningful opportunity given known viability issues surrounding the development. The RCT LDP¹⁴ includes a 15 hectare strategic employment allocation at Mwyndy Cross close to Junction 34 of the M4. Whilst this is also understood to face some development constraints it is an existing allocation in the area of search.

To the south east of the Bridgend County Borough lies the Vale of Glamorgan. Three strategic sites have been identified. Of most relevance is the 'former Bosch site' at Miskin which lies immediately south east of Junction 34 of the M4. In total the site comprises some 77 hectares. Part of the site has been recently occupied by Renishaw, a large scale engineering company. The adopted Vale of Glamorgan LDP identifies 51 hectares remaining for development. Recent press coverage indicates that Renishaw is likely to release 58 hectares to the market for development (15). Two further large strategic employment sites fall within the Vale of Glamorgan, including the Aerospace Business Park at St Athan which has Enterprise Zone status and offers a particular opportunity for occupiers in the aerospace sector. Almost 90 hectares of employment development has been allocated at this site within the LDP. A further 77 hectares of employment land has been allocated at a strategic site adjacent to Cardiff International Airport.

In total this assessment has identified in excess of 325 hectares of 'strategic' employment land across the Bridgend County Borough and its near neighbours. Many of these sites are established or have committed investment. Whilst there are a number of constrained sites, six are either established or subject to significant infrastructure provision at the current time.

4.1.2 Demand for Strategic Sites

It is very difficult to forecast demand for strategic sites, particularly in terms of large scale requirements. Discussions with commercial property agents Lambert Smith Hampton indicate that in recent history, enquiries have been infrequent, but require suitable sites when they do arise in order to secure investment. At present, there are no known requirements for large-scale office or industrial occupiers looking at the M4 corridor. Notwithstanding, agents confirmed that occupiers will look at the M4 corridor as the prime location in south Wales, ranging from the Severn Bridge to Swansea in particular. Most recently, locations close to Cardiff have been favoured due to the

¹⁴ 36 hectares is also included at Land South of Hirwaun, however, this has not been considered as it lies outside the M4 corridor.

demographic analysis undertaken, including the critical mass of population within catchment travel times and the required skill profiles. Nevertheless, it is accepted that enquiries will arise and the example of Renishaw is highlighted as a requirement which came about in the midst of the economic downturn.

When considering the historic pattern of take up, of the 155.7 hectares which were indicated as remaining within the Bridgend UDP across the nine strategic¹⁵ sites, 102.9 hectares still remains, according to Appendix 3 of the LDP. The reduction of 52.8 hectares is in part a result of completions (including some vacant stock which is available on the market), through the granting of un-implemented planning consents and through redrawing of site boundaries following infrastructure works or a greater understanding of potential constraints¹⁶. Employment completions are estimated as a maximum of 32 hectares over the seven year period between 2002 and 2009 (approximately 4.6 hectares per annum). Of this, approximately 24 hectares is within the Bridgend, Waterton and Brackla Industrial Estates which are not considered 'strategic' sites within the LDP and do not offer the style of development envisaged at Ty Draw Farm. Therefore, take-up of high quality sites is approximately 8 hectares over a period of seven years, a little over 1 hectare per annum. The predominant contributor to this take-up is Bocam Park with 6 hectares.

Given the relatively infrequent nature of large-scale enquiries, agents suggested that there remains ample supply within the M4 corridor (and the Bridgend County Borough specifically) to accommodate occupiers, particularly with developer-ready sites at numerous locations including Pencoed Technology Park and Bocam Park, as well as opportunities within Cardiff and Swansea. The agents also highlighted the substantial vacancies across the wider area including Sovereign Court, Llantrisant, Swansea Enterprise Park and Waterton Cross as well as at Pencoed Technology Park and Bocam Park which suggest speculative development is highly unlikely in the short-medium term.

4.2 Meeting the needs of Porthcawl and Pyle/North Cornelly/Kenfig Hill

The second element of the policy allocation relates to the role of the site in meeting the needs of the western part of the Bridgend County Borough and creating employment opportunity close to the disadvantaged community of Marlas.

In terms of employment land supply, the Village Farm Industrial Estate is the primary employment location in the area (in terms of the B Use Class). Comprising almost 46 hectares in total, 5 hectares of vacant land remains and is noted as immediately available within the Bridgend Deposit LDP. Village Farm Industrial Estate offers opportunity for traditional industrial occupiers, predominantly within the B2 and B8 Use Class and would not be appropriate/attractive for high quality office/B1 occupiers. However, remaining land provides further opportunity to accommodate industrial occupiers within the local area. This industrial provision is also supplemented with approximately 7 hectares of vacant land at Kenfig Industrial Estate (the total site comprises some 42 hectares). The site lies approximately 2 miles to the west of Pyle, within the Neath Port Talbot County Borough. This traditional industrial area creates opportunity for larger industrial occupiers. Infrastructure works to improve access to the site are presently underway.

¹⁵ Those identified as either 'key' or 'special' employment sites.

¹⁶ In particular the reductions to available land at Brocastle and Island Farm (constituting 21 ha) are not considered to be as a result of employment completions.

Ty Draw Farm, Pyle is identified within the LDP as offering the *“opportunity to provide much needed high quality employment opportunities within a landscaped environment close to the deprived community of Marlas, which is a designated Communities First area. It also provides a strategic employment opportunity to serve the western part of the County Borough, especially for Porthcawl where employment opportunities are primarily linked to the leisure and tourism industry.”* (10 p. 16) In short, an opportunity to provide a different and complementary offer to that which already exists in the area, in order to support the economy within the immediate vicinity of the site. This is also in keeping with the aims of the Bridgend CBC Regeneration Strategy. There is no other allocated site that offers such a complementary offer.

In order to achieve the stated economic development and regeneration objectives within the life of the LDP, the focus becomes one of deliverability and viability. As noted within the June 2010 Bridgend Employment Land Review, the site at Ty Draw Farm is unviable for employment uses without public subsidy. The LDP makes reference to JESSICA (known as the Regeneration Investment Fund for Wales or RIFW) as the route to implementation/funding for the site. However, RIFW is a tool to invest in schemes that otherwise struggle to secure finance, but through a loan based approach, not a grant. As such, it cannot be seen as a tool to resolve a viability gap and in fact, a core eligibility criteria of the fund is that a scheme is viable so that it can repay the investment. There is no evidence to suggest that the site is a priority in terms of other funding streams which could bring forward the entirety of the site for employment development. Indeed, it was not shortlisted by SEWEF as a priority site. Further, the LDP makes significant reference to the fact that the site lies within public ownership. This is no longer true and as such constitutes a material change of circumstances at the site. The disposal of the site also gives some indication of Welsh Government’s assessment of its wider strategic importance.

More creative responses are therefore required to deliver opportunities to the local economy, or the site is likely to remain dormant as it has done for the past two decades. The current proposal for the mixed use development of the site seeks to be more creative, offering a commercially viable and deliverable scheme. The proposed application makes available serviced sites for high quality employment development of 2.2 hectares. Technical work suggests that approximately 6,000 sq m (65,000 sq ft) can be accommodated on the employment element of the masterplan. This has the capacity to accommodate up to 600 employees if developed for predominantly B1 office/R&D uses, in close proximity to the deprived community of Marlas and to meet the needs of western part of the County Borough.

600 jobs equates to 75% of current claimant unemployment¹⁷ in the western area of Bridgend¹⁸ and 7% of the total employment¹⁹. More specifically this would represent a 44% increase in employment within those sectors most closely related to private sector B1 office uses²⁰ within the area and would

¹⁷ September 2012, ONS via NOMIS

¹⁸ Defined as the wards of Cefn Cribwr, Cornelly, Newton, Nottage, Porthcawl East Central, Porthcawl West Central, Pyle and Rest Bay.

¹⁹ Business Register and Employment Survey (BRES) 2011

²⁰ SIC Broad Sectors J:Information and Communication, K:Financial and Insurance Activities, L:Real Estate Activities, M: Professional, Scientific and Technical Activities, and N: Administrative and Support Service Activities

allow for substantial diversification and rebalancing of the existing employment base²¹ which is a stated regeneration objective.

Discussions with commercial agents suggest that a scheme such as Dragon 24²² could be considered to bring forward development. Dragon 24 has typically delivered²³ schemes of approximately 2,500 sq m (26,900 sq ft)²⁴ of modern, high quality B1 light industrial/office development within the Convergence area. Whilst such a scheme could not address viability across the whole site, it could provide a route to delivering development at this location to meet spatial and regeneration objectives. This could complement other high quality B1 development as and when the market requires it.

²¹ 2011 employment data indicates approximately 2,200 in employment within public administration, education and health, 2,600 in tourism, leisure, retail and related sectors and less than 1,400 in employment within private sector office/R&D uses as defined at footnote 18.

²² Innovative funding enables Dragon 24 to undertake projects where the private sector is not currently developing or is unable to deliver the quality and sustainability aspirations of WG and its Local Authority partners. It is understood that the scheme is still open to consider schemes of 900 sq m (10,000 sq ft) to 4,550 sq m (50,000 sq ft). For more information see <http://dragon24.co.uk/>

²³ It should be noted that whilst this has delivered speculative development on 5 sites across south Wales there has been very low take-up to date.

²⁴ Such a scheme would require approximately 0.6 hectares (1.5 acres)

5 Implications of Proposals at Ty Draw Farm, Pyle

This chapter brings together the preceding analysis to consider the implications for the proposed application.

Ty Draw Farm has been allocated for high quality employment purposes for more than two decades without being brought forward for development despite public sector ownership. There has been no confirmed occupier interest for employment development. The whole site was promoted for residential development in 2001, however, residential uses were rejected in favour of retaining an employment allocation at the site despite the UDP Inspector's recommendation that the site was unlikely to be developed for employment purposes and that it should be allocated for residential use.

The site is identified as being unviable without public subsidy (or enabling development) within the Bridgend Employment Land Review. It will not, therefore, make any positive contribution to the economic development or regeneration of Pyle or the surrounding area without some form of enabling support, particularly as the wider economic climate and south Wales commercial property market values remain depressed and are expected to do so for some time.

Within the last year the site has transferred ownership from Welsh Government to South Wales Land Developments Ltd. SWLD is actively seeking to bring the site forward for development. The current proposals incorporate a mixed-use scheme with 94 residential dwellings and employment development on approximately 2.2 hectares. This creates an opportunity to bring forward high quality employment development complementary to the offer in the surrounding area which would otherwise not take place. Permitting such an application would result in the loss of some 3.8 hectares of allocated employment land in the Bridgend County Borough and within the portfolio of 'strategic' employment sites. This equates to 2.3% of total allocated employment land within the LDP and 6.0% of the total provision of strategic sites in the County Borough.

5.1 No negative impact from loss of employment land

This research has shown that in quantitative terms the Bridgend LDP acknowledges the over-allocation of employment sites, with 164 hectares allocated compared with 88.5 hectares of anticipated need. Bridgend CBC seek to justify the over-allocation on the grounds of range and choice, as well as to meet spatial objectives, linked to the Regeneration Strategy, ensuring appropriate provision across the County Borough to meet community needs.

The employment background paper to the LDP states that:

"Should the delivery of these (strategic) sites be unachievable in that time (LDP period), the Council is confident that it has allocated sufficient land across the County Borough to meet the employment needs over the plan period" (11 p. 8)

And

"In conclusion, the Council acknowledges that the amount of land allocated for employment purposes in the LDP exceeds the need identified in the Employment Land Review. (11 p. 9)

This report has found that the quantitative need for employment land in Bridgend is likely to be lower than calculated by Bridgend County Borough Council, and as such there is likely to be even greater flexibility than assumed. On this basis, a loss of 3.5 hectares from the employment portfolio will not have a negative consequence on the economic development of the Bridgend area and will create no compromise in terms of the requirements of Planning Policy Wales to provide sufficient land for both identified and unidentified needs.

5.2 No negative impact from loss of ‘strategic’ employment land

As a ‘strategic’ employment site within the LDP, Ty Draw Farm is identified as having the potential to play a role in meeting the sub-regional requirement for high quality employment sites to facilitate inward investment and the growth of indigenous companies in high technology, research and development and office uses. In both the UDP and LDP policies, the nature of development at ‘special’ and ‘strategic’ employment sites is to be characterised by the high quality environment at the site, with a landscaped setting.

Upon reviewing policy and market evidence, it is clear that there is a vast array of ‘strategic’ employment sites across the M4 corridor to deliver employment in such a setting. For the purposes of this work, the area between Cardiff and Swansea was considered, although it is acknowledged that occupiers may look more widely and there are opportunities at both cities and both further east and west along the M4.

There are some 350 hectares of ‘strategic’ employment land within the M4 corridor across the Neath Port Talbot, Bridgend, RCT and Vale of Glamorgan areas. This excludes existing high quality vacant stock in excess of 9,090 sq m (100,000 sq ft). Whilst this portfolio of sites includes a number which face development constraints, they are all larger than Ty Draw Farm, and include a number that are either established, or are adjacent/extensions to established high quality employment locations within the Bridgend County Borough. It is clear from the language used in both policy documents and in terms of actions on the ground through infrastructure investment and funding priorities²⁵, that many of these sites are higher priorities in policy terms than Ty Draw Farm.

Whilst it is not possible to accurately assess demand for such strategic sites the available supply in excess of 350 hectares compares to total employment land take up (strategic and non strategic) across the entire south east Wales area (10 local authorities) of approximately 32 hectares per annum. Discussions with agents suggest that there are no known requirements for occupiers looking for ‘strategic’ sites in the M4 corridor at the present time, and whilst large scale requirements do arise from time to time there was confidence that the identified supply portfolio on the Cardiff-Swansea M4 corridor was more than adequate to meet requirements without the full allocation at Ty Draw Farm. This finding is also in keeping with other research by SEWEF and the recent report of the City Regions Task and Finish Group of potential over-allocation across the wider south east Wales area. Both documents suggest a shift to greater sub-regional consideration of

²⁵ Work by SEWEF to prioritise key employment sites across the entire south east Wales area identifies 37 sites to be prioritised for Convergence and Competitiveness funding (within the 2007-13 round of EU Structural Funds). Ty Draw Farm is not included within this schedule.

priority sites which is in part reflected by the proposed revision to Chapter 7 of Planning Policy Wales in terms of greater inter-authority cooperation in terms of supporting the economy.

At the Bridgend level, evidence over the period 2002-09 suggests that strategic site take-up is a little over 1 hectare per annum. Whilst there is a rationale for ensuring strategic provision to accommodate large and otherwise strategic occupiers across the sub-region, there is no clear evidence to make provision at four sites within a single County Borough comprising 63 hectares.

On the basis of the evidence, the loss of 3.5 hectares of 'strategic' employment land at Ty Draw Farm, Pyle is not identified to have a negative impact on the ability to meet sub-regional or Bridgend's demand for 'strategic' sites.

5.3 Positive impact from bringing forward high quality employment opportunities in western part of County Borough

The proposed development brings a very positive opportunity to create serviced development plots suitable for high quality employment occupiers in the western area of the Bridgend County Borough, which is otherwise unlikely within the LDP period. Within the LDP employment background paper it is stated that:

"..the development of the Council's Strategic Employment Sites are instrumental to the delivery of the LDP Strategy" (11 p. 8)

Notwithstanding the quantitative evidence, bringing forward opportunities for high quality employment development are critical to achieving the wider objectives of the LDP and regeneration strategy. Within the current policy drafting and supporting text for the site, its role within the western area of the Bridgend County Borough is made plain, with the potential to deliver a new, different and complementary employment offer to other sites in the area.

Whilst the site has been allocated for more than two decades, no activity has taken place at Ty Draw Farm, despite the site being in public ownership for many years, and with the potential opportunity to consider gap funding development via Objective 1 and latterly the Convergence Programme²⁶. In order to deliver the economic development and regeneration objectives for the western part of the County Borough the site needs to come forward. Without a mixed-use scheme there is no evidence of the site coming forward for the foreseeable future or indeed within the LDP period to 2021, with the County Borough and particularly the western area missing out on any potential occupier opportunities.

The current proposals have deliverability at their heart, with a national housebuilder confirmed to deliver the residential element of the scheme. National policy makes plain the need to be realistic about resource availability and to consider means to bring forward employment development to secure economic opportunity. The site is acknowledged within the ELR to be unviable for strategic employment development, the only 'strategic' employment site to be identified as unviable. The site is no longer in public ownership and public resources to gap fund development are very limited and substantially less than for much of the last 10-15 years when the site was not prioritised for

²⁶ As previously noted, Ty Draw Farm was not prioritised for EU Structural Funds by SEWEF.

investment, despite its ownership. Mixed use development is therefore a realistic tool to bring forward 2.2 hectares of serviced employment land capable of accommodating 6,000 sq m of high quality employment space delivering upto 600 jobs²⁷ close to an identified area of disadvantage.

Local agents indicate a scheme of a similar nature to Bocam Park could be explored. This site has proved to be the most successful of the 'special' employment sites within the UDP. This would bring a very different offer to anything currently available in the western area of the Bridgend County Borough, creating the potential to diversify the economy. There is also the potential to investigate the Dragon 24 joint venture as a route to delivering an initial phase of employment development. Such a scheme would provide an offer to the market to meet the needs of the Welsh Government priority sectors as well as creating opportunity within an identified regeneration focus for Bridgend, close to the deprived community of Marlas. This would complement the industrial offering in the sub-area at Village Farm and Kenfig Industrial Estates.

²⁷ Based on typical densities for offices in a business park environment. Employment Densities Guide, 2nd Edition, 2010. Drivers Jonas Deloitte for OffPAT and HCA.

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**Appendix 1: Extract from 'Land at Isfryn Industrial Estate, Blackmill:
Employment Land & Economic Development'**



4. Future Employment Land Requirements

This section of the report assesses the likely employment land requirements for Bridgend County Borough. The overall assessment takes full account of advice from ODPM/DCLG on Employment Land Reviews.

4.1 DTZ Assessment of Future Requirements 2006-21

DTZ's approach to assessing future requirements includes three key phases:

1. Accommodating net employment changes;
2. Replacement demand;
3. Ensuring flexibility and choice.

Full details of the approach adopted and assumptions made are presented in Appendix 2 to this report.

4.1.1 Accommodating net employment change

DTZ has developed employment forecasts for Bridgend County Borough based on Oxford Economic Forecasting forecasts for the NUTS3 area of Bridgend and Neath Port Talbot (March 2010 edition). These suggest that over the period 2006-21 total employment growth in Bridgend will be 600 jobs (1%). This compares with -2.1% for Wales. This total position is substantially influenced by the recession, with a fall of 2,700 jobs from a peak in 2008 to a trough in 2013 followed by recovery which will include growth of 1,500 jobs from the trough to 2021. Nevertheless, the extent of the recession and the ongoing implications, particularly in terms of severe challenges for public finances, are feeding through to expectations of a very sluggish recovery in the labour market with limited employment growth. In particular, the recession has hastened the decline of the manufacturing sector in employment terms. Below the headline level there are substantial fluctuations in sectoral level employment, including a 3,000 job decline in manufacturing and a 2,200 job increase in business services.

Estimates of labour supply², based on projected changes in working age population suggest that there will be a greater increase in the available labour supply than the projected level of total employment growth. This is a challenge, and is in keeping with forecasts across the wider UK. Low levels of employment demand are projected to lead to weakening employment rates.

Sectoral employment has been converted to Use Class, with the results presented in Table 4.1 below. The forecasts indicate that employment is expected to increase in the office sector (an increase of 2,400 jobs) whilst decline in the industrial and warehousing sectors (-2,700 and -300 jobs respectively). This is a continuation of the process that has been observed in

² Over the period 2006-21 the Bridgend County Borough working age population is projected to grow by around 1,400 workers. Using current employment rates by broad age category (i.e. 16-19, 35-49 etc), the total number of workers 'requiring' jobs (i.e. to maintain existing employment rates) will be around 400 by 2021. However, the female retirement age is due to increase in stages through the next decade. When the increase in female retirement age is taken into consideration the working age increases by 6,000 persons by 2021. Applying the current employment rates, again by broad age category, leads to an estimate of 2,800 additional workers 'requiring' jobs.

recent years across the UK as the employment in the economy restructures towards the service sector away from the industrial sector. Also note that a significant proportion of the employment growth will occur in sectors that do not require B Use Class sites such as retail.

Table 4.1: Employment by Use Class

	2006	2021	Change 2006 – 2021	Percentage Change 2006 - 2021
Offices (B1a)	10,700	13,100	2,400	23%
Industrial (B1b/c, B2)	8,600	5,900	-2,700	-31%
Warehousing (B8)	3,300	3,000	-300	-8%
Non-B Use Classes	30,500	31,600	1,000	3%
Total	54,400	55,000	600	1%

Employment forecasts by Use Class are converted to floorspace and land requirements using employment and development density assumptions. The results are presented in tables 4.2 and 4.3.

There is a net additional floorspace requirement for the office sector of 46,000 sq m over the period 2006 to 2021, equivalent to 12 hectares of land. Requirements for industrial and warehousing as a result of net employment change are negative. Whilst there is likely to be a net decline in total stocks over the period, as a result of replacement demand (assessed in due course) there will continue to be some development activity and a need to provide land. This aligns with observed patterns of industrial development through a historical period with manufacturing employment decline.

For the purposes of this assessment these declines are excluded from further analysis as there is no certainty that sites will come forward for redevelopment within the analysis period (due to development or market constraints). However, where sites are released and are appropriate for re-use there is likely to be a windfall supply in addition to supply figures contained in the next section of this report.

Table 4.2: Floorspace Requirements to Accommodate Forecasted Employment Changes 2006 – 2021 (sq m)

	2006-2011	2011-2016	2016-2021	Total Requirement 2006 - 2021
Office	19,800	13,800	12,400	46,000
Industrial	-36,300	-23,800	-24,900	-84,900
Warehousing	-14,100	-300	-2,800	-17,200

Source: DTZ

Table 4.3: Net Land Requirements (ha)

	2006-2011	2011-2016	2016-2021	Total Requirement 2006 - 2021
Office	5	3	3	12
Industrial	-9	-6	-6	-21
Warehousing	-4	0	-1	-4
Total	-8	-3	-4	-14

Source: DTZ

4.1.2 Replacement Demand

Over the 15 year plan period it is reasonable to expect that there will be some replacement demand within the market. This is required to accommodate the ongoing changes within sectors and to ensure an up to date, modern property stock appropriate for modern occupiers. This is consistent with policy aspiration to continually move the economy up the knowledge and value chain. Ongoing structural change in the economy will need an appropriate supply of sites and premises to facilitate resulting changes in working practices and activities.

The approach adopted to estimate the level of replacement demand is based on the assumption that a proportion of the total existing stock of office, industrial and warehouse floorspace is replaced each year and that a proportion of this requires new sites, due to market and development constraints on some existing sites within the analysis period.

Table 4.4 sets out the level of replacement demand that one might expect to see based upon this analysis, along with the portion of this total which will take place on currently unoccupied sites.

Table 4.4: Replacement Demand in Bridgend County Borough (2006 – 2021, sq m)

Use Class	Total Replacement Demand	Replacement Demand on Currently Unoccupied Sites
B1a	19,500 – 29,300 (4.9 -7.3 ha)	10,000 – 15,000 (2.4 – 3.7 ha)
B2 (inc B1b/c)	141,000 – 211,300 (35.2 – 52.8 ha)	70,000 – 106,000 (17.6 – 26.4 ha)
B8	47,000 – 70,400 (11.7 – 17.6 ha)	23,000 – 35,000 (5.9 – 8.8 ha)
Total B Use	207,300 – 311,000 (51.8 - 77.7 ha)	104,000 – 155,000 (25.9 – 38.9 ha)

Source: DCLG and DTZ

4.1.3 Ensuring flexibility and choice

A 10% uplift to the sub-total (net additional and replacement on unoccupied sites) is applied to allow for occupiers and developers making choices within the marketplace and to allow the market sufficient capacity to move.

4.1.4 Summary of Requirements

The total employment land requirements are summarised in Table 4.5. This shows the total requirements once the net changes relating to employment forecasts, replacement demand and choice are all taken into consideration.

The requirement of additional employment land is thought to be approximately 41.5 - 55.8 (ha). This is made up of 15.3 -16.7 ha of employment land in offices, 19.3 - 29 ha of employment land in the industrial sector and 6.5 – 9.7 ha of employment land in the warehousing sector. There may also be a small amount of Non B use types that will locate of B Use Class sites (e.g. sui generis uses such as motor trades).

The overall requirement of 42 – 56 hectares is lower than the previous DTZ assessment. This is driven by the much weaker economic outlook and the effects of the recession.

Table 4.7: Total Requirements (2006 – 2021, hectares)

	Accommodating Forecast Employment Change	Replacement Demand	Sub Total	Choice	Total Requirement
Offices B1a	11.5	2.4 – 3.7	13.9 -15.2	1.4 -1.5	15.3 – 16.7
Industrial (B2, B1b/c)	*	17.6 – 26.4	17.6 - 26.4	1.7 - 2.6	19.3 – 29
Warehousing (B8)	*	5.9 – 8.8	5.9 – 8.8	0.6 – 0.9	6.5 – 9.7
Non B on B Class Land	0.4	0	0.4	0	0.4
Total	12	25.9 – 38.9	38.3 – 51.3	3.8 – 5.1	41.5 – 55.8

Source: DTZ

4.2 Historic Take Up

A further way of estimating future employment land requirement is to examine the past take up of employment sites. The Bridgend's County Borough Council's Employment Land Review estimated that there had been an average of 6.33 hectares of employment land development per year over the period 2000 - 2009. Projecting this forward suggested a potential employment land requirement over the period 2006 – 2021 of 88.5 hectares (based on take up since 2006 and projected LDP Requirements). This is approximately 6 hectares per year. As a comparison our estimation of employment land requirements would suggest a total requirement of between 2.8 and 3.7 hectares per year.

Although past take up suggests a higher average annual requirement than employment forecasts would suggest the two figures are not necessarily incompatible. The average take up calculations are based on a period (2000 - 2009) which for the most part included a sustained period of economic growth. Economic forecasts suggest that the economic outlook over the next few years may not be so positive with the general consensus suggesting that economic growth rates may be suppressed for a longer period. Therefore, it is likely that overall take up will be below the historic levels that have been observed recently. Furthermore some caution should be applied to using past take up rates as they do not take into account structural changes in the economy, a factor which is better dealt with in the employment forecasts.

Notwithstanding, a provision of 88.5 hectares would provide flexibility for higher levels of employment growth, should the economy perform much more strongly than anticipated allowing a more balanced labour market outcome, given potential rises in labour supply. For the purposes of this analysis we have adopted a future requirement of 88.5 hectares for the County Borough for the period 2006-21, acknowledging that it is a generous upside estimate.

4.3 Ogmore Valley Requirements

Looking more locally, at the Ogmore Valley, establishing a future requirement is less clear cut. At present the Valley accommodate 2% of total County Borough employment and 6% of County Borough population. Whilst one might reasonably expect employment shares to be an



indicator of future activity, particularly given a policy focus to concentrate the majority of development to major centres, for the purposes of this analysis, and to ensure the regeneration focus on the area is considered, we have adopted the higher population based indicator. Applying this (6%) to the upside estimate of future requirements (88.5 ha less 12.5 ha already taken up) leads to a requirement for the Ogmore Valley of 4.6 hectares (using the DTZ assessment of requirements leads to local need of 2.5 – 3.4 hectares). Again, we consider this to be an upside estimate of requirements within the Ogmore Valley given policy, economic and market drivers.

4.4 Summary

This section of the report has considered a range of relevant evidence to assess the future requirement for employment land across the Bridgend County Borough. As a result of the recent recession and expectations of a sluggish labour market recovery, employment forecasts indicate a relatively modest expansion in total employment growth over the LDP period 2006-21. However, total employment changes mask greater sectoral fluctuations, with continued and hastened decline in the manufacturing sector, and growth in business and other services. The impact of the recession on public finances will have a marked impact on employment change in the public sector, which had been a substantial driver of employment growth in the UK in recent years. Whilst increases in state pension age for women are scheduled to take effect over the next decade, the sluggish labour demand position is likely to suppress employment rates.

DTZ's in-house methodology taking account of employment projections, suggests a requirement for 42-56 hectares of employment land over the period 2006-21. This estimate also excludes the role that could be played by any substantial releases of land from industrial use as a result of projected decline in the manufacturing sector. Data presented in the Bridgend County Borough Employment Land Review indicates that on the basis of past take up future requirements across the County Borough are 88.5 hectares. This makes no allowance for the substantially weaker economic outlook for the majority of this period, than the period on which projections are based. All market indicators suggest far more sluggish development activity due to weaker occupier demand, limited development finance, weak values and returns to developers and disincentives to speculative development such as recent changes to empty rates relief and reduced public sector grant funding and pump priming. 88.5 hectares is therefore viewed as a top side estimate that would allow for substantial uplift to performance above the more realistic DTZ estimate of 42-56 hectares.

DTZ has estimated future requirements within the Ogmore Valley of 4.6 hectares. This is based on the share of County Borough population in the Valley. This is much greater than estimates based on employment shares and is again an upside estimate.

Appendix 2: Review of Employment Land Provision in Adjacent LDPs

Neath Port Talbot LDP

Informal consultation on Neath Port Talbot's Deposit LDP Proposals closed in September 2012, with consultation on the Deposit LDP expected in February 2013. The recently published Deposit Proposals incorporate some substantial amendments from the pre Deposit Consultation draft which was published in September 2011. These amendments include changes to the provision of strategic employment sites across the NPT borough. Much of the evidence underpinning these changes is contained within the NPT and Swansea employment land review undertaken by Peter Brett Associates, however, this is not yet publicly available.

The **NPT Economy and Employment Topic Paper (September 2011)** indicated 265.7 hectares of available land across eight sites which, at the time, were proposed to be allocated within the LDP as 'Strategic Employment Sites'. 248.7 hectares of this total was at sites located along the M4²⁸ reflecting a preferred strategy of focussing development along the M4 corridor. The document indicates that *"The strategic employment sites along the M4 will meet the needs of Neath Port Talbot residents as well as a regional²⁹ need within the wider travel to work area"*. The M4 corridor sites listed are as follows (available land in parenthesis):

- Baglan Bay (171 hectares)
- Coed Darcy³⁰ (2 hectares)
- Fabian Way (18 hectares)
- Port Talbot Docklands (23 hectares)
- Kenfig Business Park (7 hectares)
- Junction 38 of the M4 (27 hectares)

The supporting text accompanying the proposed Policy 14 (Strategic Employment Sites) presented within the topic paper noted that:

"The majority of the Strategic Employment sites are allocated along the M4 corridor and will help to meet the regional need for employment and enable the County Borough to continue to fulfil its regional role within the Swansea Bay and travel to work areas.....It is thus anticipated that employment land will meet the needs of adjoining authorities with a particular focus on large employers, heavy industry and manufacturing."

"The allocation of strategic employment sites at Baglan Bay, Coed Darcy and Fabian Way will also create new opportunities for a wide range of larger scale employment including those focused on the knowledge economy".

²⁸ The remainder includes two sites to support growth points at Glynneath and Pontardawe.

²⁹ Elsewhere in the document this area is defined within the statement *"....regional need and travel to work area which extends from Swansea Bay to Cardiff"*.

³⁰ It was also noted that Coed Darcy Urban Village also includes provision of substantial business use (41,200 sq m).

A further 46.9 hectares of 'Other Employment Sites' was identified elsewhere across the borough. In total, some 312.6 hectares of land is identified. No conclusive quantification of demand is provided, however, it is indicated that based on past trends (period 2001-2010) the LDP requirement would be in the order of 93.6 hectares.

Within the 'Conclusions and Emerging Strategy' chapter of the report it states that:

"Whilst there would appear to be a substantial over-allocation of employment land within Neath Port Talbot, the following factors justify its retention:

- 1. The Plan's strategy aims to reduce the need to commute to access jobs.*
- 2. Neath Port Talbot plays a very important role within the regional economic and employment base and sites such as Baglan Bay and Coed Darcy are of regional significance.*
- 3. Many of the employment allocations are existing sites that have been prepared for business development. Many also have constraints (including flood risk) that would not make them suitable for reallocation to housing."*

The **NPT Deposit Plan Proposals Report (September 2012)** indicates a shift to a shorter list of sites making a contribution to strategic employment requirements including:

Strategic Regeneration Areas (Mixed Use)

- Coed Darcy Urban Village
- Harbourside/Port Talbot Docks

Strategic Employment Sites

- Baglan Bay

Land at Fabian Way and Kenfig Industrial Estate (previously identified as strategic sites on the M4 corridor) are listed within the schedule of 'safeguarded employment sites'. This list of safeguarded sites also includes Baglan Energy Park. The September 2011 proposed allocation of 27 hectares at Junction 38 of the M4 is no longer included within the proposals. No quantification of employment land availability across the three strategic sites or the safeguarded sites is provided within the documentation. Notwithstanding, cross referencing of the 2011 and 2012 reports suggests³¹ a total of 44.2 hectares of strategic sites has been deleted from proposals, and 15.6 hectares of other employment sites. This suggests available employment land across strategic and safeguarded sites remains in the order of 250 hectares.

The report indicates that the Peter Brett Associates Economic Study found a requirement for employment land across the LDP period (to 2026) is anticipated to be approximately 20 hectares, well below the level of provision as set out above even after removal of a number of sites. It also presented evidence that the highest demand is for smaller units and a need to invest to improve the existing industrial space. The Deposit Plan Proposals report also acknowledges the need for public or third party support to tackle the viability gap given the cost of development being greater than final property values.

³¹ Assumes retained strategic sites are of same scale as listed in September 2011 report.

Rhondda Cynon Taf LDP

The RCT LDP (2006-21) was adopted in March 2011. Policy CS6 deals with employment land requirements. 51 hectares of land is allocated across two strategic sites:

- Land South of Hirwaun (36 hectares); and
- Land at Mwyndy/Talbot Green (15 hectares).

The latter site is located close to the M4 with access via Junction 34 and the A4119. The strategic sites are identified to “*meet regional need*” and it is stated that “*The Strategic Sites at Mwyndy and Hirwaun have the potential to make a significant contribution to the economic development of the wider region and employment allocations on these sites have been identified to support regional economic initiatives*”. Two of the four key sectors identified are: High Tech Manufacturing and Knowledge Based Industries.

A further 47 hectares of employment land is allocated on a range of small to medium sites to meet local need. It is stated that “*these sites will accommodate smaller-scale uses and users that require traditional industrial estate locations*”.

Vale of Glamorgan LDP

The Vale of Glamorgan Deposit LDP (2011-26) was published in January 2011. Policy SP5 sets out the overarching policy for employment land across the borough:

“In order to ensure the continued prosperity of the Vale of Glamorgan and promote growth in the capital region, land is allocated to meet strategic and local employment needs. Land for the provision of 217 hectares of B1, B2 and B8 strategic employment is allocated at the following locations:

1. *Aerospace Business Park, St Athan (88.5 hectares);*
2. *Land to the south of junction 34, M4, Hensol (51.1 hectares); and*
3. *Land adjacent to Cardiff Airport and Port Road, Rhoose (77.4 hectares)*

Land for the provision of 60.5 hectares of B1, B2 and B8 to meet local employment needs is allocated in accordance with policy MG 12”.

Within the supporting text to Policy SP5 the LDP states that:

“To promote economic growth the LDP allocates 217 hectares of land on three strategic employment sites to meet regional need. In allocating these sites the Council recognises the strategic importance of each site both in locational terms and as the catalyst for new employment within the South East Wales region. The development of these sites are [sic] likely to generate an additional 12,000 - 15,000 new jobs within the Economy of South East Wales. The strategic allocations are intended to specifically to meet the need of the needs of the following key economic sectors:

- *Aerospace Industry;*
- *High Tech Manufacturing; and*
- *Logistics and Distribution.”*

In summary, there is a substantial quantity (approx. 278 hectares) of employment land allocated within the LDP, with some 217 hectares across three strategic sites that are identified to play a regional role.

Appendix 3: Alternative Site Details

This appendix sets out further details on the sites identified along the M4 Corridor between Cardiff and Swansea with the potential to deliver development of a similar nature to that envisaged for Ty Draw Farm, Pyle:

- Very good access to the strategic road network
- Predominantly greenfield setting
- Suitable for high quality development in a landscaped environment
- Suitable for Welsh Government priority sectors³²

Bridgend

Pencoed Technology Park

This established site comprises in excess of 30 hectares straddling the Bridgend and RCT boundary close to Junction 35 of the M4. The site is designated as a 'special' employment site within the Bridgend UDP and identified as a 'strategic' employment site within the LDP. There are two development plateaux remaining comprising 5 hectares. In addition, the 6,645 sq m (50,000 sq ft) former Lloyds TSB call-centre is available as well as a further 3,716 sq m (40,000 sq ft) of offices within the 'Amenity Block' which is identified to have potential for 3,716 sq m (40,000 sq ft) expansion. Marketing particulars also indicate vacancy of more than 10,000 sq m (107,600 sq ft) of industrial/storage uses within the former Sony building. In addition, a 4.5 hectare plot which is currently used for car parking is noted to be available for redevelopment and is subject to a recent planning application for office uses. The site is identified to be viable for employment development within the Bridgend ELR (2010).

Island Farm

Allocated as a 'special' employment site in UDP and identified as a 'strategic' employment site in LDP, this 26 hectare site lies immediately west of the well-established and occupied Bridgend Science Park. 11 hectares are identified for employment uses within the LDP. Planning consent exists for a major development of Island Farm, including a range of sports and leisure uses and a 14 hectare extension to the Science Park, however, it is understood this scheme is unlikely to be implemented in its current approved form. The Bridgend ELR (2010) identifies that the site is viable for employment development with any public funding that is currently committed.

Brocastle Waterton

Brocastle Waterton is allocated within the Bridgend UDP as a key site suitable for large scale investment and identified as a 'strategic' employment site within the emerging LDP. The site is *"considered to be the County Borough's greatest asset in terms of attracting large scale employment investment to the area"*. Comprising 52 hectares a total of 46.6 hectares is identified as vacant for development. The site lies south of the existing Waterton Industrial Area with very good road access via the A48. The site is in public ownership and is identified as viable with any public funding already committed within the Bridgend ELR (2010). Public funding (EU) has already been used to

³² Advanced materials and manufacturing, creative industries, energy and environment, financial and professional services, ICT, life sciences and tourism. For the purposes of this work tourism is not considered.

provide road infrastructure to the site, however, further works are required in terms of site levelling prior to occupation.

Bocam Park

Identified as 'The Triangle Site' within the Bridgend UDP, Bocam Park was one of five 'special' employment sites. The site is located close to Junction 35 of the M4. Agents have indicated that the site was developed in the context of a strong owner occupier market and the initial phase sold well. There has also been take-up from a number of quasi government/public service organisations, including relocations from aged stocks in the Bridgend town centre. Whilst much of the site is now developed there remains 2,787 sq m (30,000 sq ft) of vacancy spread in 186 - 278 sq m (2,000 – 3,000 sq ft) units and consent for a further 2,787 sq m (30,000 sq ft) as single large unit or smaller offices which will be developed as occupier interest is confirmed. The site is identified as viable for employment development within the Bridgend ELR (2010).

M4 Corridor

Fabian Way and Swansea University Second Campus

These sites are located within the Neath Port Talbot Borough close to the authority border with Swansea with very good access via junction 42 of the M4.

Permission has been granted for the relocation and expansion of Swansea University's Science and Innovation Campus. *"The application promises to be one of the largest knowledge economy initiatives in Europe, supporting substantial economic renewal in South West Wales"* (NPT Economy & Employment Topic Paper, p52). In total, the new campus is an investment of £400 million in two phases. The first phase of £200 million is soon to commence, with funding via European Investment Bank, Welsh Government and EU Convergence Funding. This will include an innovation hub and manufacturing facility which will be available as a resource to local companies. The investment in the Science and Innovation Campus is seen as a major catalyst for growth in the knowledge economy in the Swansea Bay region and the wider south Wales area. 18 hectares of land remains available, close to the second campus site and is proposed to be retained as a safeguarded³³ employment site within the forthcoming NPT Deposit LDP. Whilst it is no longer expected to be identified as a strategic employment site, it still has the potential to play a role in meeting the needs arising as a result of the Science & Innovation Campus.

Baglan Bay

This site is located within the Neath Port Talbot Borough accessed via junctions 41 and 42 of the M4. The NPT Deposit Plan Proposals Report (September 2012) lists the site as a Strategic Employment Site. The NPT Employment & Economy Topic Paper (September 2011) indicates that the site is a major integrated mixed use regeneration scheme comprising some 171 hectares and that a masterplan for the area is being prepared. The Baglan Bay property brochure³⁴ indicates that *"the vision for the area was the phased development of business and manufacturing opportunities on a*

³³ Within the September 2011 NPT Economy & Employment Topic Paper and NPT Pre Deposit Consultation LDP the site was identified as a strategic employment site identified to meet a regional need, benefitting from spin off developments from the Science and Innovation Campus.

³⁴ Accessed at http://www.npt-business.co.uk/PDF/Baglan_Bay_property_brochure.pdf (22/10/12)

low density, high quality landscaped site, adjacent to the M4". It is noted that the site has the potential to satisfy projected job growth in industrial and warehousing sectors across the NPT LDP period³⁵. Baglan Energy Park is the first stage of the scheme, comprising some 73 hectares. The site is established with existing occupiers. Multiple plots remain available in the market (in excess of 20 hectares in aggregate) as well as speculatively built office and industrial premises available to let.

Port Talbot Docks/Harbourside

This 140 hectare brownfield regeneration site is identified as a mixed use strategic regeneration area within the NPT LDP Deposit Plan Proposals Report which was recently subject to informal consultation. The site will be accessed by a new Peripheral Distributor Road (Harbour Way) via junction 38 of the M4 and is proposed for a mix of uses including 7.5 hectares of business, storage and distribution uses and 7 hectares of office uses. Construction work has commenced on the first phase [3,900 sq m (42,000 sq ft)] of a new R&D village with tenants secured including TATA and TWI. Three further plots are identified within marketing particulars comprising a total of 12 hectares for employment uses. Planning permission has also been granted for a £7m improvement to Port Talbot Parkway rail station.

Former Bosch site

51 hectares of this 70 hectare site at Miskin, south east of junction 34 of the M4 is allocated as a strategic employment site within the adopted Vale of Glamorgan LDP. The site benefits from planning consent on 66 hectares including the former Bosch factory on approximately 12 hectares. The former Bosch plant has been recently occupied by Renishaw which has indicated its intention to release some 58 hectares to the commercial market for sale with a planning application for employment uses due to be submitted in the near future.

St Athan

The St Athan Strategic Opportunity Area of 88 hectares is allocated for B1, B2 and B8 employment development within the adopted Vale of Glamorgan LDP. The site is controlled and promoted by Welsh Government as an Aerospace Business Park, with consent for 117,164 sq m across two land parcels totalling 82 hectares. In respect of this the site has been awarded Enterprise Zone status by Welsh Government.

"The LDP acknowledges the important role St Athan will play in the future prosperity of the Vale of Glamorgan and the wider South East Wales Capital Region. The policy SP 2 seeks to maximise opportunities for new inward investment and growth arising from these designations"

Cardiff Airport

Allocated within the adopted Vale of Glamorgan LDP, more than 77 hectares at Cardiff Airport is identified to accommodate aerospace and high technology manufacturing. Policy MG13 specifies that this land is not for general B2 use, but to be related to R&D or appropriate manufacturing activities. The site is to include provision of new rail infrastructure.

³⁵ NPT Economy & Employment Topic Paper, September 2011.

“Policy SP 5 favours new employment opportunities which capitalise on the Airport’s spin offs and reflects its strategic and regional importance in terms of attracting new inward investment and creating employment opportunities for the Vale of Glamorgan and the wider Capital Region”

Mwyndy Cross

This site is located within Rhondda Cynon Taf. It comprises 15 hectares to deliver a major business park for B1 office development fronting the A4119. The site sits within a wider strategic development area of Mwyndy/Talbot Green to include 500 homes and a new mixed use town centre. Discussions with agents suggest there are constraints related to access provision which limit the potential of this site to come forward in the short term.

“The Strategic Sites at Mwyndy and Hirwaun have the potential to make a significant contribution to the economic development of the wider region and employment allocations on these sites have been identified to support regional economic initiatives”.

Llanilid

The former Open Cast Coal Mining site at Llanilid, Llanharan lies within the Rhondda Cynon Taf area close to Junction 35 of the M4 in close proximity to Pencoed Technology Park. The northern part of the site is identified as a strategic site within the RCT LDP to deliver residential led development. The southern part of the site is not allocated within the LDP due to its extant outline planning consent for mixed use development. Existing permission for the southern part of the site comprises:

- A film studios complex;
- Leisure complex;
- Associated developments comprising hotels and conference centre, offices, business parks, warehousing and light industrial and hospital; and
- A motorway junction and other infrastructure.

Limited details of the potential employment provision within this development are available, however, it has the potential to deliver substantial employment development in a business park environment close to the M4. It is understood that there are multiple constraints to development coming forward in the short-medium term.

Other Sites

The sites listed above are the primary sites with the potential to deliver high quality employment development appropriate to high technology and knowledge occupiers along the M4 corridor between Swansea and Cardiff. In addition one may consider developments such as SA1, Cardiff City Centre and Cardiff Bay as strategic locations in terms of high quality office provision. There are also further office led motorway business parks with vacancy and further capacity including:

- Cardiff Gate Business Park (M4 J30);
- Greenmeadow Springs (M4 J32); and
- Coed Darcy (M4 J43).

Looking outside this area of search there are also further opportunities which occupiers are likely to consider in, and to the west of Swansea, (including Swansea Enterprise Park, Penllergaer, Llanelli

Docks) and around Newport and east towards the Severn Bridge (including Celtic Springs, Imperial Park etc).