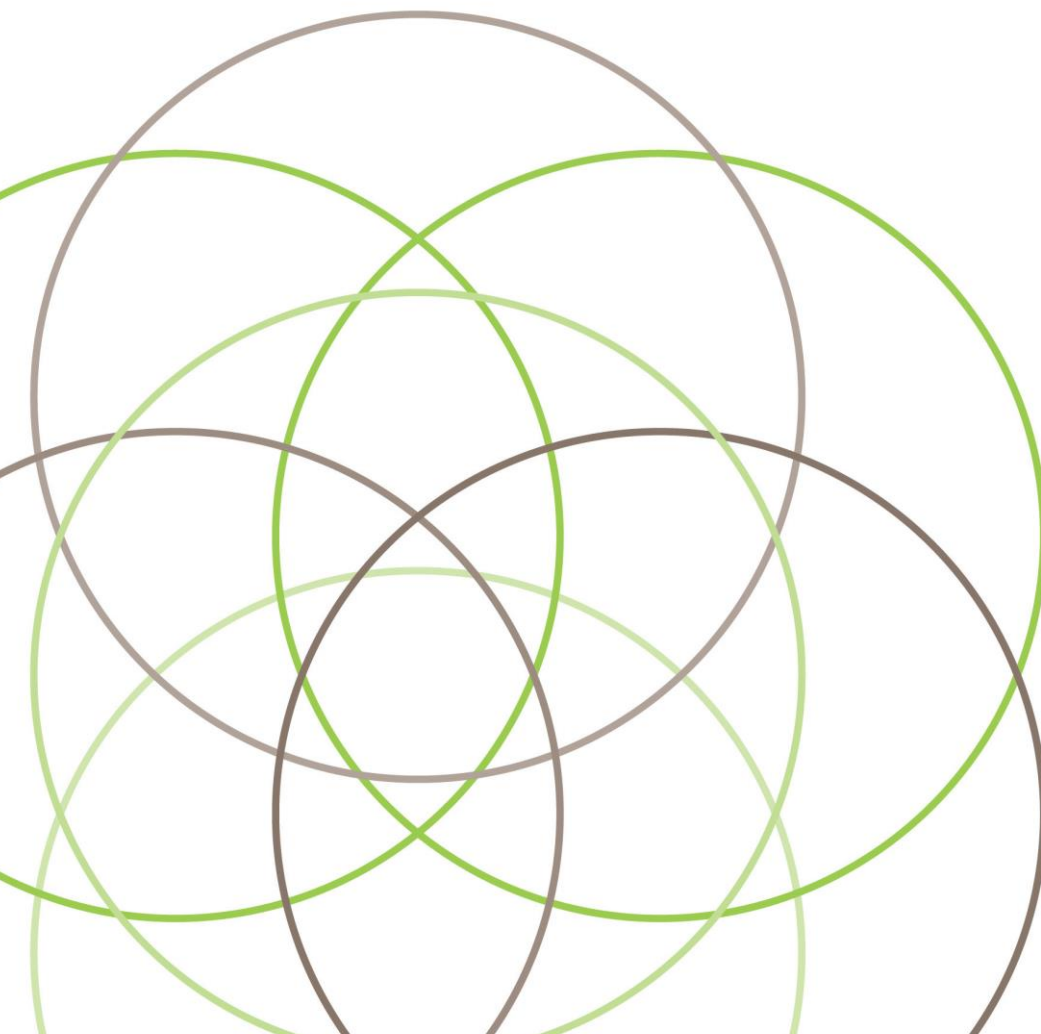

Employment Land Review,
Tendring

Tendring
District Council



Tendring District Council

May 2016



Quality Assurance

Date

05 July 2016

Version

V56

Filename and path

S:_Client Projects\1506 Tendring Employment Land Study_Tendring District Council\Report\160408 Tendring Employment Land Review_v52.docx

Authorised by

Limitation

This report has been prepared on behalf of and for the exclusive use of Aspinall Verdi Limited's Client and it is subject to and issued in connection with the provisions of the agreement between Aspinall Verdi Limited and its Client. Aspinall Verdi Limited accepts no liability or responsibility whatsoever for or in respect of any use of or reliance upon this report by any third party.

Contents

Executive Summary

Report

1	Introduction	1
	Report Structure	1
2	Planning Policy Framework	2
	National Planning Policy Framework (NPPF)	2
	Planning Policy Guidance	3
	Tendring District Local Plan 2007	3
	Tendring Spatial Strategy (2010)	6
	Local Plan: Proposed Submission Draft 2012	6
	Employment Land Review (2013)	9
	Tendring: Vision and Spatial Strategy	10
	Issues and Options Consultation – Sept. 2015	11
	Other Background Information	12
	Housing & Jobs Numbers Update	13
	Summary	13
3	Property Market Assessment	16
	Information Limitations	16
	Wider Market Area	17
	Tendring Market Assessment	19
	Tendring: Industrial and Warehouse	19
	Occupier Requirements in Tendring	28
	Tendring: Offices	29
	Tendring: Managed Workspace	34
	Colchester Market Assessment	36
	Colchester: Industrial and Warehousing	36
	Colchester: Offices	40
	Colchester: Managed Workspace	44
	Babergh Market Assessment	45
	Babergh: Industrial & Warehousing	45
	Babergh: Offices	46
4	Property Market Summary	47
	Improving Performance & Delivery	51
5	Review of Existing Sites	54
	Sites Evaluation Scoring	54
	Existing Employment Sites Review	54
	Existing Sites – Evaluation	61
	Rural Sites Evaluation	69
	Existing Sites – Summary	70
6	Review of Key Sites	71
	Horsley Cross / Tendring Europark	72
	Harwich Valley (Pond Hall Farm)	77
	Weeley	82
	Stanton Europark and Gateway Retail Park	91
	Mercedes Site, Harwich	95

West Tendring	98
Frating	101
Hartley Gardens Suburb / Clacton Gateway	105
Key Sites Evaluation	108
Key Sites – Summary	111
7 Conclusions & Recommendations	112
Planning Policy Framework	112
Industrial & Warehousing Market Overview	113
Office Market Overview	114
Existing Sites	115
Rural Sites	116
Key Sites	116
Recommendations	118
Improving Performance & Delivery	119
Review of Planning Policies	120

Appendices

Appendix 1 – List of Consultees

Executive Summary

- ES 1 Tendring District Council has appointed AspinallVerdi – Property Regeneration Consultants to undertake a market assessment and employment land review to inform the Council’s understanding of prevailing market conditions for ‘B’ class (employment use) development.
- ES 2 The study explores the supply and demand of employment space across the District and the performance of existing allocations.

Planning Policy Framework

- ES 3 There is a clear aim to promote Tendring as a vibrant place to live, work and visit, and to promote the area to support sustainable economic growth. Key opportunity sectors in the District include Offshore Wind and Care & Assisted Living. Other sectors, including agri-tech, composites, engineering, manufacturing, hospitality, and retail all have the potential to contribute to growth in jobs across the District.
- ES 4 The 2013 Employment Land Review estimated a total requirement of 7.1 Ha additional employment land over the plan period up to 2032 on top of 30.75 Ha identified. This would allow for a further 1,800 ‘B’ class jobs to be created. The study concluded that employment sites located along the Colchester fringe are the most popular.
- ES 5 A significant amount of new residential accommodation is being planned and whilst this is being spread across the larger settlements, it is clear that the existing towns of Clacton and Harwich will grow significantly together with a major new settlement on the Tendring – Colchester border (garden village proposal). The growth and location of the new resident population has a relationship with the provision of employment land across the District.
- ES 6 The Council has started preparing a new Local Plan covering the period up to 2032. The Economic Development Strategy (2013) suggested it could be possible to create between 3,000 and 5,000 new jobs in Tendring over the next 15-20 years.
- ES 7 The Local Plan Committee on 21 January 2016 agreed to make provision for an Objectively Assessed Need (OAN) for housing at 550 dwellings per annum (dpa) and options up to 600 dpa in case the OAN is subject to an upward lift from new or revised data. This translates to a housing requirement of 10,450 at 550 dpa and 11,440 at 600 dpa over the period 1 April 2013 – 31 March 2032.

- ES 8 As required by Planning Practice Guidance, the shortfall of supply in the years 2013/14 and 2014/15 forms part of this requirement, but the completions are netted off the requirement. This gives a total requirement of 9,974 at 550 dpa and 10,924 at 600 dpa over the 17 year plan period. The same forecast suggests an additional 2,000 "B" class jobs should be planned for within the plan period.

Property Market Assessment

- ES 9 The Tendring District 'B' class employment use property market has been analysed in terms of the demand (take-up) and supply (availability) of accommodation. The analysis is separated into the industrial and warehousing and office markets.
- ES 10 Existing, rural and proposed sites have been evaluated against specific criteria in order to assess their performance and suitability for meeting the needs of occupiers and users.

Industrial and Warehouse Market Overview

- ES 11 The industrial market in Tendring is primarily focused around existing urban settlements, and Clacton in particular, which is the largest and tends to have the most supply/availability of floorspace. Demand in the East of the District is primarily generated by local requirements/needs. The current supply of floorspace within these urban settlements is unlikely to meet the needs of footloose inward investment enquiries due to the competition from neighbouring areas, which benefit from better communication linkages (A12/Western A120) and proximity to larger settlements and markets including Colchester.
- ES 12 Take-up (demand) for industrial and warehouse accommodation has averaged 42,248 sqft (3,925 sqm) per annum between 2009 and 2015. The majority of transactions taking place in the sub 10,000 sqft (929 sqm) category.
- ES 13 Availability across Tendring at existing sites is limited, our research indicates availability of 102,254 sqft (9,499 sqm) of built accommodation in 24 units. The greatest supply (15 units) is in Clacton and then limited generally to 1 or 2 units in remaining locations.
- ES 14 Colchester tends to dominate the industrial and warehouse market in the North East of Essex, and is experiencing good levels of take-up; however, the supply of accommodation is limited. There is the potential for Tendring to capitalise on the higher levels of demand and predicted growth, by bringing forward sites that can provide new floorspace to the West of the District.

- ES 15 The Local Plan should seek to protect and secure new development within the key settlements of Clacton, Harwich, and Dovercourt. Equally existing supply in smaller settlements such as Brightlingsea, Walton-on-the-Naze and Kirby Cross, Great Bentley, Manningtree, Lawford and Mistley and others are providing an important function in terms of meeting local business needs and providing employment. The land and buildings in these smaller settlements provide cost effective opportunities for local businesses and should be retained.
- ES 16 The Local Plan also needs to bring forward more employment land, which can provide proximity to the A12/Western A120 and Colchester. The scale of the market in Colchester is greater and a proportion of such demand could be satisfied in the West of Tendring.

Office Market Overview

- ES 17 Outside of the main urban centres supply in the smaller rural locations has proven popular and in these locations development activity has taken place, with good quality space focused towards smaller businesses coming forward.
- ES 18 The managed workspace centres are proving to be popular but these have limited availability. The quality of the business centres in Harwich and Clacton are poor relative to the competition.
- ES 19 Take-up (demand) for offices over the past 6 years (2009 – 2015) has totalled 66,650 sqft (6,192 sqm). Supply totalled 13,345 sqft (1,240 sqm) in 8 units.
- ES 20 As with the B2 and B8 uses, Colchester dominates the North East of Essex. Within Tendring, Clacton is the key location with the greatest number of office transactions recorded. Within the main centres of Clacton and Harwich supply is limited and the quality of floorspace is generally poor. There has also been some loss of space to residential conversion in recent years.
- ES 21 In order to improve performance in this sector Tendring District Council can consider the following actions including policies within the Local Plan. Consideration can be given to the following:
- Clacton and Harwich – in these larger urban settlements, provision of quality managed workspace together with business support could help to encourage new business start-ups and provide the opportunity for existing businesses to access better standards of accommodation.

- Rural Business Centres – the District has a number of good quality centres which are popular with SMEs and therefore the Local Plan should seek to protect, promote, and provide quality space in an attractive environment. Research has shown that business owners often seek space close to where they live and often they reside in smaller rural settlements.
- As with industrial/warehousing accommodation a more strategic opportunity exists to capture demand from the successful Colchester marketplace. Well located sites which can provide good communications and a quality environment are needed which can provide an attractive option for larger occupiers and established businesses. Locations close to the A12 will be attractive and therefore the western part of the District is an important location. Proximity to the University of Essex Colchester Campus and the Knowledge Gateway is an important consideration.

Improving Performance and Delivery

ES 22 Supply is limited for both industrial/warehouse and office accommodation and this needs to be addressed. In addition to the specific interventions related to the office sector mentioned above, the following actions will contribute to delivery of employment use land and buildings:

- Management of non-traditional employment uses at existing employment location;
- Use of Local Development Orders (LDOs to enable rejuvenation of existing locations);
- Securing new serviced employment sites and land for plot sales;
- Securing Growth funding for unlocking sites and providing infrastructure;
- Considering direct delivery of workspace in key locations;
- Undertaking joint ventures with landowners.

ES 23 Viability will be a factor in some locations particularly for sites with specific infrastructure requirements and therefore a pro-active range of interventions is needed across the District to improve performance.

Existing Sites

ES 24 Allocated employment use sites across Tendring have been reviewed and evaluated against the following criteria:

- Strategic communications;
- Local communications;
- Proximity to labour and local services;
- Compatibility of adjoining uses;
- Development constraints;
- Attractiveness to occupiers.

ES 25 The evaluation of the allocated sites has revealed that the strongest sites in the Clacton area are:

- Gorse Lane Industrial Estate;
- Oakwood and Crusader Business Parks.

ES 26 The evaluation scored the above sites equally and they are well occupied sites with limited availability. The remaining sites comprise smaller established employment sites that have similar scores and equally enjoy high levels of occupancy.

ES 27 In Harwich the strongest site is Europa Way, with the SATO and Durite sites having low scores primarily due to their locational attributes. Available supply of accommodation is very limited in Harwich with only the buildings at Europa Way available. The port related Mercedes site is available for open storage type uses, however the site suffers from constraints that affect its development potential.

ES 28 In the smaller urban settlements the evaluation indicates that the highest scoring employment sites are:

- Lawford Dale Industrial Estate, Manningtree; and
- Kirby Cross Trading Estate.

ES 29 Supply in Manningtree is limited to only 3 units and is therefore constrained.

- ES 30 The sites in smaller urban settlements are generally well used and are providing local business and employment opportunities whilst not having strong locational attributes. They enjoy good levels of occupancy and limited availability. These sites should be protected as far as possible, although we note that some of the sites are in locations where re-use may be difficult due to nearby residential uses and accessibility issues.
- ES 31 The evaluation of the rural sites indicates the popularity of business space, which provides relatively small flexible units of accommodation in attractive rural locations. All of the four sites reviewed have scored highly, with Lanswoodpark and Martell's Pit in particular scoring highly due to their location close to key centres and arterial routes. Availability is limited in these developments and therefore an opportunity exists to allocate further land at Lanswoodpark (approx. 4.24 Ha), which is being promoted.

Key Sites

- ES 32 We have undertaken a review of nine key employment sites that the Council are currently considering as part of the Local Plan review process. We have considered a number of factors ranging from communications, proximity to labour, and barriers to development, in order to determine whether the sites are suitable for 'B' class employment uses. We have also taken into consideration the local property market dynamics to determine which sites will appeal to occupiers based on the evidence presented.
- ES 33 The earlier Regeneris Consulting Employment Land Review identified 30.75 Ha of available land supply and recommended a further 7.1 Ha be identified. Many of the sites identified are no longer available and currently it would appear that approximately 25.22 Ha of the identified supply remains available. This creates a combined shortfall in the order of 12.6 Ha. Additional land needs to be allocated now to provide a total provision in the order of 38 Ha.
- ES 34 The outcome of the evaluation suggest that sites to the West of Tendring (Garden Village) score well given their communications linkages and the proximity to a large urban settlement (Colchester). Highly accessible sites at West Tendring need to be identified, which would come to the market in the medium to long term. These will enable Tendring District to bring forward attractive employment use development opportunities which can capture both demand from Colchester and indigenous demand. Sites close to the University could provide a competitive advantage.
- ES 35 Weeley also scores well given that it forms part of a relatively large settlement with good communication linkages and the presence of uses such as the hotel and a service area. The advantages of this location together with other considerations (delivery and timing) need to be explored in greater detail to ensure that land comes forward as early as possible.

- ES 36 To the East, Harwich Valley (Pond Hall Farm) is a greenfield site and benefits from good communication linkages, however it does require significant investment in infrastructure. Potentially this could be provided from the higher value uses proposed at the site (residential/retail). This site is likely to come forward in the medium to longer term.
- ES 37 The Oakwood Extension site in Clacton presents an opportunity to extend the already functioning and popular Gorse Lane Industrial Estate. The Hartley Gardens site also scores well given its location directly off the A133 and the ability to provide further employment land to the edge of Clacton. This latter opportunity could combine well with the Brook Retail Park and provide an alternative to Gorse Lane. An employment use allocation in this area needs to be explored in greater detail.
- ES 38 In terms of site allocations, we recommend that the Council continues to promote and assist the delivery of the following sites within the East of the District. Specifically for Clacton:
- Oakwood Extension;
 - Hartley Gardens.
- ES 39 In addition the 'Dalau' site North of Centenary Way and West of Thorpe Road (approx. 2.43Ha) could be considered for allocation. This site lacks constraints and could be brought forward relatively quickly to add to the amount of available land around Gorse Lane.
- ES 40 Harwich Valley, Stanton Europark and the Mercedes Site all have development constraints that need to be overcome. The Harwich Valley site may be unlocked through subsidy from the other high value uses at the site (e.g. residential and retail). At Stanton Europark the neighbouring retail development may lead to similar retail proposals coming forward which could offer the opportunity for enabling retail development to bring the employment land forward.
- ES 41 The proposal at Frating has been evaluated, and it is considered that due to its location and separation from the residential development by the A133, that this land should be reconsidered as part of a future Local Plan.
- ES 42 The Horsley Cross / Tendring Europark northern site has been evaluated and a recommendation made not to allocate this site. The southern site benefits from planning permission but the lack of progress indicates the weakness of the site in location and market terms. If development does not take place at the southern site, then consideration should be given to not extending the planning permission at the appropriate time.

ES 43 The sites within or at the edge of existing urban centres are key to ensure that the needs of the local market/businesses continue to be met within the East of the District. Sites within Harwich (Stanton Europark and Mercedes Site) will also be important in respect of the potential future growth of the Harwich International Port and therefore should be retained over the short to medium term; however, if this demand does not materialise then alternative uses (including employment as a significant part of the mix) may need to be considered.

Conclusions & Recommendations

ES 44 In summary the allocations which need to be made to provide an effective supply of employment land are listed below. They have been grouped together in terms of their likely timescale to come to the market. The size of the employment land area is stated where known;

- Short term
 - Oakwood Extension (the 'Dalau' site should also be considered – 2.43 Ha)
 - Hartley Gardens/Clacton Gateway
 - Mercedes (2.77 Ha)
 - Stanton Europark (3.3Ha)
 - Landswoodpark (4.34 Ha)
- Medium Term
 - Harwich Valley (Pond Hall Farm) (6.3 Ha)
 - Weeley
- Longer Term
 - West Tendring

ES 45 The identifiable land area totals 19.14 Ha and therefore a further 19 Ha of employment land needs to be allocated across the remaining sites to bring the total to 38 Ha.

ES 46 The Frating site should be reconsidered for allocation in a future Local Plan. The northern site at Horsley Cross is not proposed for allocation. The southern site provides short-term supply and future performance will further test this location. Should development not take place at the southern site, then consideration should be given to not extend the permission.

ES 47 Performance at the Stanton Europark and Harwich Valley sites needs to be monitored as it may be found that these sites do not come to the market as the development constraints are yet to be addressed. Therefore it is appropriate to consider an additional amount of employment land being allocated at West Tendring and Weeley and to ensure that the opportunity exists to replace such losses.

Review of Planning Policy

- ES 48 Policies from the adopted Local Plan and the Draft Local Plan have been reviewed and they remain appropriate. However, it is our recommendation that the Council considers strengthening these so that the potential of allocated sites is maximised as far as possible. Policies, which effectively control the levels of non-traditional, or Sui-generis uses being accommodated need to be put into place. This will help to retain accommodation for traditional employment use occupiers.
- ES 49 The use of Local Development Orders could contribute towards the sustainability and renewal of the larger existing industrial estates. The use of LDOs enable adaptations and or extensions to take place quickly to existing buildings. This is attractive to occupiers as they are working to short timeframes perhaps due to a particular order or opportunity. When buildings become vacant they can be remodelled to reflect market requirements.
- ES 50 In terms of allocations which incorporate employment use development with other higher value uses (e.g. housing and or retail), effective policies are needed which will ensure that the higher value development funds the servicing and delivery of employment use land.
- ES 51 With existing employment sites, policies to protect sites need to be made more robust such that the requirements for those seeking change of use are clearly set out.

1 Introduction

- 1.1 Tendring District Council has appointed AspinallVerdi – Property Regeneration Consultants to undertake a market assessment and employment land review to inform the Council’s understanding of prevailing market conditions, set against the demand for the availability of suitable commercial and industrial sites throughout the District.
- 1.2 The study explores the supply (availability) and demand (take up) of employment space across the District and the performance of existing allocations. Subsequent to the completion of this Employment Land Review Update, the Council may consider additional employment use allocations to enhance future performance of the District.
- 1.3 The first part of this report primarily reviews the policy context and local employment use property market; whilst the second part provides a review of existing allocated employment (‘B’ class) sites, as well as potential new sites. This review provides an overview of sites in each settlement to assess factors of quality, availability, deliverability, and market demand.

Report Structure

- 1.4 This report is structured under the following sections:
- Section 2 – Planning Policy Framework
 - Section 3 – Property Market Assessment
 - Section 4 – Property Market Summary
 - Section 5 – Review of Existing Sites
 - Section 6 – Review of Key Sites
 - Section 7 – Conclusions & Recommendations

2 Planning Policy Framework

- 2.1 We provide a summary of the national and local planning policies relevant to employment sites and commercial development in Tendring District. We also provide an overview of the development planned in the District and associated infrastructure requirements.
- 2.2 The Local Plan has been under preparation for a period of time and we set out below a number of the key stages in this process. The position with respect to housing and employment forecasts has been the subject of review and update and this is set out.

National Planning Policy Framework (NPPF)

- 2.3 The National Planning Policy Framework (March 2012) sets out a presumption in favour of sustainable development and private sector led growth is encouraged. Within the context of this study the following points are notable:
- Land allocations should be regularly reviewed and development plans should identify a broad range of sites for economic development and avoid carrying forward existing allocations without evidence of need and a reasonable prospect of their take-up in the plan period;
 - Development plans should provide a portfolio of land that supports existing and emerging business sectors. Flexibility in employment policy-making is encouraged to accommodate changing circumstances, relevant economic and market signals, to ensure integration with the assessed need for housing; and
 - Critically, the NPPF highlights that allocated employment sites for which there is no reasonable prospect of development should not be protected in the long term. Proposals for alternative uses on such sites should be assessed on their merits having regard to market signals and the relative need for different land uses to support sustainable local communities.
- 2.4 The NPPF also encourages economic growth through local plans having:
- A clear economic vision and strategy. Local plans can set out criteria or identify strategic sites for local and inward investment;
 - Policies to support existing business sectors, taking into account whether they are growing or contracting and to plan for new or emerging sectors which are likely to come forward in the area;

- Identified priority areas for economic regeneration, infrastructure provision and environmental enhancement; and
- Policies to facilitate flexible working practices.

Planning Policy Guidance

2.5 Planning Policy Guidance sets out guidance for implementing planning policies. In relation to employment land reviews, the following points are worthy to note:

- Plan makers should set out clear conclusions and any assumptions made in reaching these conclusions on the levels of quantitative and qualitative predicted need. Need should not require assessment more frequently than every five years and monitoring arrangements should be put in place in relation to relevant local indicators.
- An assessment of land availability should identify a future supply of land that is suitable, available and achievable for housing and economic development. This ensures that the sites or broad locations identified are the most suitable and deliverable for a particular use.

Tendring District Local Plan 2007

2.6 The Adopted Local Plan was informed by the Essex and Southend on Sea Replacement Structure Plan (2001). This plan set out a target for 1,792 new dwellings, between 2007-2011, with a focus of development around the Clacton and Harwich urban areas. It is worth noting that there was an emphasis on brownfield development in the plan.

2.7 Strategic employment sites were located close to the port of Harwich and along the A120 corridor, the intent was to maximise the opportunities that this infrastructure generates. The plan allocated approximately 59 hectares of employment use development land (B1, B2, and B8 use classes). This total includes a strategic site at Harwich Valley (also referred to as Pond Hall Farm) which comprises a total of 27 hectares. The Bathside Bay proposal was also mentioned, which was described as a 122 hectare container port.

2.8 We set out the relevant policies from the local plan below:

- QL1 Spatial Strategy: ***‘Most new development will be concentrated at the larger urban areas of Clacton and Harwich, where accessibility to employment, shops and other facilities and services is maximised and where there is a choice of means of transport’.***

- QL4 Supply of Land for Employment Development: ***‘To enable economic growth to occur, an adequate supply of land for employment generating uses falling within Use Classes B1, B2, and B8 will be maintained. Approximately 59 hectares of development land is identified for employment purposes’.***
- QL5 Economic Development and Strategic Development Sites – allocates Bathside Bay and Land to the East of Pond Hall Farm (also referred to as Harwich Valley) as strategic employment sites, as discussed in paragraph 2.7 above.
- QL6 Urban Regeneration Areas: The following areas were identified to be the focus of investment in social, economic, and transportation infrastructure, and initiatives to improve vitality, environmental quality, social inclusion, economic prospects, education, health, community safety, and accessibility: Clacton Seafront, Clacton Town Centre, West Clacton and Jaywick; Dovercourt Town Centre and adjoining areas; Harwich; Walton Seafront and Town Centre; Brightlingsea Waterfront; and Mistley Waterfront and Village.
- QL7 Rural Regeneration: ***‘Regeneration in rural areas will be encouraged by permitting appropriate rural diversification schemes and by permitting development that provides new employment opportunities...’***
- ER1 Employment Sites: allocates a total of 31.55 Ha for development spread across 25 sites ranging from 0.2 Ha to 7.6 Ha, with the majority in the Harwich and Clacton areas.
- ER2 Principal Business and Industrial Areas: ***‘Proposals for employment development will be directed towards the principal business and industrial areas and allocated sites set out in Policies QL5 (b) and ER1. Within these areas, Class B1 (a) uses will not be permitted.’***
- ER3 Protection of Employment Land: Ensures that land allocated for employment is retained for that use and change of use is only permitted due to exceptional viability issues. If this is permitted, then an alternative site or financial contribution should be provided.
- ER7 Industrial and Warehouse Proposals: sets out the criteria which proposals for new employment development should meet in terms of scale, design, access and services.

- ER10 Small Scale Employment Sites in Villages: ***‘Small scale employment development including small enterprise centres will be permitted in villages provided they can meet the criteria set out in Policy ER7.’***

Tendring Spatial Strategy (2010)

- 2.9 The spatial strategy in 2010 set targets of around 6,300 dwellings and 7,000 new jobs between 1st April 2011 and 31st March 2031¹.
- 2.10 The key diagram distributes this growth as follows:
- Clacton – 4,100 homes and 3,500 jobs;
 - Harwich – 900 homes and 900 jobs (with the potential for 2,900 jobs if the proposals at Bathside Bay are fully realised);
 - Frinton & Walton – 800 homes and 600 jobs;
 - Manningtree and Lawford – 150 homes and 150 jobs;
 - Brightlingsea – 150 homes and 150 jobs;
 - Rural Heartland – Homes and Jobs related to local needs and sympathetic to local character (estimated 200 homes and an equivalent number of jobs).
- 2.11 A project-based approach to delivering this growth was adopted, through 36 proposed projects.

Local Plan: Proposed Submission Draft 2012

- 2.12 At the time the Draft Local Plan (2012) set out a target for about 4,000 new homes between 2011 and 2021 (Policy PEO1: Housing Supply) by planning for an increase of 6% across all of the District's defined settlements, as identified in Policies SD2, SD3 and SD4. It was identified that there was a lack of brownfield land and a demand for more spacious properties with larger gardens. Therefore, to accommodate the District's housing requirements, it was necessary for the Council to promote the expansion of towns and villages onto greenfield land and to apply Garden City principles.
- 2.13 The Draft Local Plan proposed the creation of approximately 4,000 new full-time jobs to meet the need generated through residential growth. Of which, 1,700 new jobs will be created in the Clacton urban area. It was also identified that demand for 'B-class' uses was likely to be in Harwich and Dovercourt and along the A120, due to opportunities generated by the port, in particular the proposed Bathside Bay development. To retain and secure job opportunities across a wide range of sectors, employment sites have been safeguarded and allocated, particularly in the Great Clacton and North sub-area.

¹ Technical Paper 7 – Spatial Strategy, Tendring District Council 2010

- 2.14 The Council aim to maintain a flexible supply of suitable employment land to attract inward investment, provide expansion or relocation space for existing businesses and to safeguard local employment. Policy PRO14: Employment Sites, and the accompanying Policies Map identifies employment sites to be safeguarded and promoted for B1, B2 and B8 use (see section below).
- 2.15 We have identified the key planning policies in the Draft Local Plan 2012 for Tendring which are relevant to this study. We discuss the policies below.

Policy PRO14: Employment Sites

- 2.16 Employment sites, as identified on the Policies Map and Policies Map Insets, will be safeguarded and promoted for B1 (b & c), B2, and B8 uses in order to maintain a flexible supply of suitable employment land to attract inward investment in the industrial, storage and distribution sectors, provide appropriate locations for existing businesses to expand or relocate and safeguard local employment.
- 2.17 The change of use or redevelopment of land or buildings on these employment sites for purposes other than class B1 (b & c), B2 or B8 uses (or their existing employment use) will not be permitted unless it can be demonstrated that the proposal would either create new permanent employment opportunities or support existing ones and would not conflict with any other policies contained in the Local Plan.
- 2.18 For sites or premises in B1 (b & c), B2 or B8 use (or last used for those purposes), but not specifically identified as an employment site in the Local Plan, the redevelopment or change of use to residential will only be permitted if the applicant can demonstrate, with evidence, that the site or premises are no longer economically viable; that they are inherently unsuitable for any form of alternative permanent employment use that might be permitted in accordance with the policies in the Local Plan; or that the employment activity will be relocated to one of the District's identified employment sites so it can expand.

Policy PRO15: The Rural Economy

- 2.19 To support growth in the rural economy, the Council will grant planning permission for the conversion or re-use of rural buildings in the countryside to employment, leisure or tourism use (Policy COU3). Such development can be in the countryside outside of defined Settlement Development Boundaries, subject to detailed consideration against other policy requirements in the Local Plan.

- 2.20 We note there are a number of rural centres in the District, which include Elmstead Market, Alresford, Little Clacton, Great Bentley, St Osyth/Point Clear, Weeley/Weeley Heath, and Thorpe-le-Soken.

Further Policies Relating to Employment Use

- 2.21 Policies PRO 14 and 15 above are key policies, however there are further policies which are relevant to employment use provision. We tabulate these below:

Policy	Description
Policy PRO6: Retail, Leisure and Office Development	Sets out the circumstances in which proposals for retail, leisure or office development (including conversions and changes of use) may be permitted outside of the defined centres in exceptional circumstances.
Policy PRO11: Harwich International Port	Safeguards land at Harwich International Port for port use and supports proposals for upgrading of facilities necessary for the continued successful operation of the port.
Policy PRO12: Freight Transport and the Movement of Goods	Sets out the locational priorities for new freight, distribution and logistics facilities likely to generate significant goods movements. The main priority being to direct development to allocated/safeguarded employment sites.
Policy PRO13: The Renewable Energy Industry	Shows the Council's support for proposals which bring about growth in the renewable energy industry including; facilities at Harwich International Port and others in the District; education and training facilities; and industrial premises.
Policy COS15: Development East of Thorpe Road, Clacton	Sets out the requirements for development on the allocated site to the East of Thorpe Road, including residential and employment-related development and community facilities including public space in terms of access and minimising visual impact.
Policy HAD4: Development East of Pond Hall Farm, Harwich	Sets out the requirements for development on the allocated site to the East of Pond Hall Farm, in particular, that a minimum of 5 Ha of land will be restricted to employment-related development in Classes B1, B2, B8 or port-related uses.
Policy FWK8: Station Yard and Avon Works, Walton	Requires that the mixed-use development must provide at least 2,000 sqm of commercial floor space, alongside residential dwellings.
Policy MLM2: EDME Maltings Site, Mistley	This site is safeguarded for employment use in accordance with policy PRO14 and this policy sets out the requirements for development.
Policy MLM3: Mistley Port and Mistley Marine	Requires that any development in this area has no material adverse impact on the adjacent wildlife sites, the character of the Suffolk Coast and Heaths AONB.
Policy MLM4: Development East of Cox's Hill, Lawford	The site is allocated for mixed use residential development, business uses, public open space and community facilities. <i>'Existing buildings at Dale Hall shall be converted or re-used for the provision of sympathetically designed B1(a) office units with access via Cox's Hill'</i>

Policy MLM6: Development at Horsley Cross	This site is allocated for employment use in Class B2 and B8 only. No more than 25% of the total commercial floorspace on either two of the sites shall be used for B8 (storage and distribution) use.
Policy COU3: Conversion or Re-Use of Rural Buildings in the Countryside	Proposals for the re-use, conversion and alteration or extension of a rural building in the countryside will be considered favourably for employment (Classes B1 and, where appropriate, B2 general industrial, and limited small-scale or ancillary storage).
Policy COU7: Farm Diversification	Sets out the requirements to be met for farm diversification schemes including the retention of existing, provision of additional or creation of alternative employment.
Table 1.1 – Policies relating to Employment Use	

Employment Land Review (2013)

- 2.22 The Employment Land Review undertaken by consultants Regeneris in 2013 provided an up to date and robust assessment of the quantity and quality of employment land in the District and considered the extent to which this land could meet the District's projected employment land requirements over the Local Plan period.
- 2.23 In 2013 the housing growth assumptions in the Employment Land Review follow a trajectory based upon the Draft Local Plan target of 5,625 housing units (375 per annum) for 2014-2029 and a higher growth trajectory based upon the level of housing demand set out in the Tendring SHMA (2013). This suggests a target of about 10,300 housing units from 2014 to 2029 (687 per annum). This equates to the delivery of between 5,625 and 10,300 new dwellings.
- 2.24 The study estimated an overall requirement for 7.1 Ha of additional employment land in the District (for a high growth scenario), to meet the anticipated demand from new business and for industrial premises over a 15 year period, which will be generated as a result of the expected residential growth across the District. It was envisaged that this would help to deliver circa 1,800 jobs, if accompanied by the higher levels of housing development.
- 2.25 The study also included a critical appraisal of the District's existing employment sites (including those already in operation and those allocated for future development) and provided recommendations as to which sites should be safeguarded for employment use, and those which could be released for alternative use.
- 2.26 The study states that industrial and warehousing activities are considered to be a stronger driver for the District than offices, and that Clacton is the focus for the District's industrial market. Much of the commercial accommodation in Tendring is second-hand stock, with the bulk of the office space being second-hand particularly office accommodation. Transactions for office accommodation are usually from existing indigenous, small companies looking for

alternative premises. Demand for office space is typically for small units of up to 1,500 sqft (139.4 sqm).

- 2.27 The study concluded that the main focus for inward investment in major business and industrial activities is likely to be around Harwich, the Colchester fringe and Clacton, with employment sites elsewhere in the District more likely to accommodate companies focused on serving the demand for goods and services generated by the local population. Key growth sectors identified in the Regeneris Study; include Offshore Wind and Care & Assisted Living.

Tendring: Vision and Spatial Strategy

- 2.28 The vision and spatial strategy for Tendring, at this time indicated that 12,120 new homes and 5,000 new jobs are required in Tendring between 2014 and 2031. The recommended vision for Tendring in 2031 is for the District to be a “vibrant, healthy and **attractive place to live, work and visit**” with a “**thriving, resilient and prosperous economy which promotes sustainable economic growth**, making sustainable use of its natural and historic assets, maritime connections and popularity as a visitor destination”.
- 2.29 The recommended spatial strategy for growth proposes that Clacton, Harwich, the Colchester Fringe and Weeley will be the locations for the largest developments between now and 2031. The Council has tested numerous options for accommodating the housing and employment growth including:
- Option 1: An option that distributes development fairly and proportionately between the District’s towns and villages along the lines of the ‘pro-rata’ or ‘percentage-based’ approach included in the 2012 Draft local Plan. This option would involve an 18% increase in housing for all towns and villages. Officers concluded that this would compromise the soundness of the Local Plan as it is neither deliverable or sustainable.
 - Option 2: An option that concentrates as much development as possible in and around the strategic urban settlement of Clacton (circa. 4,000 new homes). Officers have concluded that a strategy that seeks to deliver much more than 4,000 homes in and around Clacton is unlikely to be deliverable. Therefore, the preferred strategy must also seek to accommodate development in other parts of the District.
 - Option 3: An option that concentrates as much development as possible in and around the strategic urban settlement of Harwich and Dovercourt (circa 1,000 new homes). Officers have concluded that a strategy that seeks to deliver much

more than 1,000 homes in and around Harwich is unlikely to be deliverable without expanding the town further westwards along the A120. Therefore the preferred strategy must also seek to accommodate development in other parts of the District.

- Option 4: An option that concentrates as much development as possible around the Colchester Fringe. Officers have concluded that there could be significant potential to work with Colchester Borough Council, however, it cannot be the sole focus of growth in the Local Plan. Therefore the preferred strategy must also seek to accommodate development in other parts of the District; and
- Option 5: An option that delivers as much development as possible through the creation of one or more new settlements or through major expansion at the strategic rural settlement of Weeley (circa 1,000 homes). Officers recommend that Weeley offers the best location for a major village expansion to deliver around 1,000 homes.

2.30 A 'hybrid' solution was recommended, to deliver as much growth as possible around Clacton, Harwich and the Colchester Fringe, then a 'garden suburb' at Weeley².

Issues and Options Consultation – Sept. 2015

2.31 To take the Local Plan forward this consultation sought comments on the potential future development options across Tendring. This took place during from 1st September to 13th October 2015. The consultation involved consideration of both housing and employment and how this can be accommodated in the future. The Economic Development Strategy is quoted as projecting a need for between 3,000 and 5,000 jobs over the next 15-20 years.

2.32 The consultation document also sets out Options for Growth (Issue 6). The consultation sets out the findings of the Strategic Housing Land Availability Assessment (2013) which identified that the 10,000 homes needed could be delivered as follows:

- 2,400 homes built on sites that have planning permission of which 500 are in Clacton, 500 in Harwich, 200 in Frinton & Walton and 500 divided between Manningtree, Brightlingsea and the edge of Colchester, plus 700 around rural villages;
- 1,500 homes to be built on brownfield sites in urban areas which includes windfall sites;
- 3,100 homes built on the edge of Clacton and Harwich;

² Vision and Spatial Strategy for the New Local Plan, Local Plan Committee 15 July 2014

- 900 additional homes built in greenfield sites around Tendring's smaller towns;
- 300 additional units around the larger villages;
- A new settlement on the Colchester/Tendring border planned jointly by the two Councils. This would be split 50/50 between the authorities.

2.33 A further 800 units remain to be allocated and four options have been consulted upon;

- Option 1 – Hartley Garden Suburb;
- Option 2 – Weeley Garden Village;
- Option 3 – Tendring Central Garden Village;
- Option 4 – High Urban Densities.

2.34 This consultation also included a call for sites for both housing, employment, and other uses.

Other Background Information

2.35 Through the process of updating the Local Plan, a range of issues have arisen which could directly influence the approach to provision of employment land. We set these issues out below.

Infrastructure

2.36 Increasing development on sites along the A120 between Harwich and Braintree means that this key arterial route through Essex is coming under increasing pressure. Planned improvements to the West of Tendring District, will help to increase capacity and accommodate the additional growth, which is being proposed and brought forward. The planned improvements to the A120 are on the section between Braintree and Colchester.

2.37 The A133 which connects Clacton to the A120 is a single carriageway up to the Frating roundabout. Therefore in the summer months, when additional 'seaside' visitors come to the area, the road can become very congested. Such congestion affects residential and business traffic and can be seen as a constraint to investment as it impacts on reliability and journey times. The junction of the A120 and A133 currently does not permit vehicles heading west to then turn towards Harwich. Prospective sites off the A133 therefore have a disadvantage when compared to these which are off the A120, west of this interchange.

2.38 Peak time train services from Liverpool Street Station in London to Harwich can take approximately 1 hour and 37 minutes (without changes). During off-peak times, trains are at every hour and require a change at Manningtree. The railway line which operates between

Clacton and Colchester is relatively slow, with journey times between 35 and 48 minutes. There is one direct train to London Liverpool Street from Clacton every hour, with a journey time of 1 hour 26 minutes. Local stations are of poor quality with dilapidated buildings, and most are unmanned. This may impact upon the attractiveness of living and/or working in particular areas of the District.

- 2.39 We understand that there is a need to improve the broadband infrastructure across the rural areas of the District. The District has been a key partner in the Superfast Broadband roll out, which is being run by Essex County Council and part funded by the Government and BT, in order to influence the investment in new upgraded infrastructure in both the urban and rural areas across Tendring. It is planned that by the end of the next phase of the rollout, superfast fibre broadband connectivity should be available to 93% of all properties in the District. The quality of broadband connectivity is becoming increasingly significant to businesses and clearly locations which can offer the optimum connectivity will benefit, whilst areas with poor provision will suffer.

Housing & Jobs Numbers Update

- 2.40 In late 2015 Tendring District Council retained the services of leading demographer John Hollis to review updated information from Experian in respect of economic and population forecasts. Based on this information the Council's Local Plan Committee has approved a target of between 9,900 and 10,900 homes to be delivered over the next 17 years. This equates to 580 to 640 homes per year over the 17 year period.
- 2.41 The economic forecasting work has identified the potential for an additional 2,050 jobs that will need to be accommodated in 'B' class development over this period.

Summary

- 2.42 There is a clear aim to promote Tendring as a vibrant place to live, work and visit, and to promote the area to support sustainable economic growth. Key opportunity sectors in the District include Offshore Wind and Care & Assisted Living. Other sectors including agri-tech, composites, engineering, manufacturing, hospitality, and retail all have potential to contribute to growth in jobs across the District. With a few exceptions, such as offshore wind, these sectors could be located across the District.
- 2.43 The Employment Land Review 2013 estimated a total requirement of 7.1 Ha additional employment land over the plan period up to 2032³. This would allow for a further 1,800 jobs to

³ It should be noted that in the plan period in the Employment Land Review 2013 was to 2029.

be created in the 'B' class sector. The study concluded that employment sites located along the Colchester Fringe are most popular.

- 2.44 Work in late 2015 and early 2016 using the latest Experian data has reviewed and updated the housing and employment figures. Tendring Council's Local Plan Committee has approved a target of between 9,900 – 10,900 new homes to be delivered over the plan period. Over the same period the forecast suggests an additional 2,000 jobs in B class sectors and 8,200 across all sectors.
- 2.45 It is important to take note that Colchester is a 'competitor location' and neighbouring authority's aims over the plan period need to be taken into consideration; in brief, 14,200 jobs and 19,000 new homes. The Colchester Employment Land Study (2007) predicts 30 Ha of additional employment land is required in the Borough to support projected growth. Key sites are highlighted around the University, which borders Tendring District.
- 2.46 Future residential development in Tendring can be seen as an enabler of economic growth, especially if such development helps to unlock and support delivery of new, well located employment opportunities. The largest developments proposed are the West of Tendring (Garden Village), urban extensions to Clacton and Weeley, and the Frating proposal. Local Plans (for both local authorities) are being revised to cater for the high levels of housing and employment that is expected across the area. There is a need therefore, to consider 'place-shaping'⁴ across Tendring and Colchester such that future residential and employment development is planned effectively. This will ensure delivery and the creation of sustainable locations.

⁴ " 'Place-shaping' is now widely understood to describe the ways in which local players collectively use their influence, powers, creativity and abilities to create attractive, prosperous and safe communities, places where people want to live. Work and do business." Future Communities – www.futurecommunities.net

3 Property Market Assessment

- 3.1 We have undertaken a market assessment which looks at the supply and demand features of commercial property across Tendring. We have also undertaken an assessment of competitor locations in order to understand where Tendring sits in the wider market and where demand is coming from.
- 3.2 Although Tendring has reasonable provision of road and rail connections, it occupies a somewhat peripheral location being as it is a coastal peninsula, with an extensive coastline. Clacton and Harwich (including Dovercourt) are the key urban settlements. Clacton and Lawford/Manningtree currently provide the greatest amount of employment use accommodation. Harwich International Port is an important asset for the District and the Bathside Bay proposals have the potential to be an important economic driver.
- 3.3 The chapter below begins with setting out limitations relating to the property market data that is available and provides commentary on the market areas studied. Next, there is an examination of the demand and supply for industrial/warehouse and office accommodation across Tendring District and an examination of the provision of managed workspace in Tendring. This is followed by an identical analysis of the Colchester market and a brief review of market activity in Babergh (a South Suffolk District to the North West of Tendring).

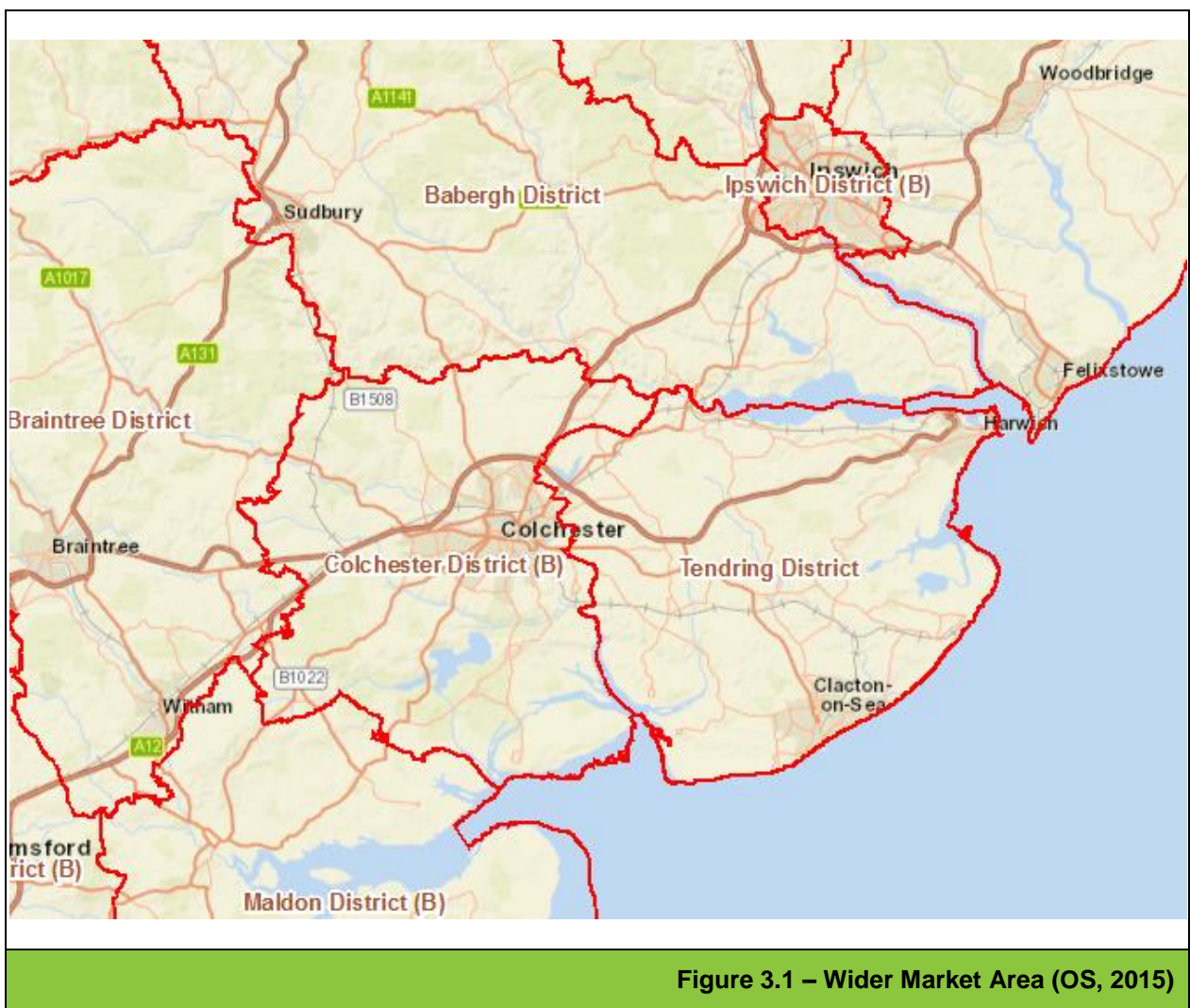
Information Limitations

- 3.4 This study relies on databases and publicly available information that record property transactions. We have used Estates Gazette Interactive (EGi) a leading commercial property database which is one of the main providers of market transactions. Property agents provide their transaction information to the database providers. As EGi is linked with the market leading Estates Gazette weekly publication, property agents seek to raise their profile through the reporting of transactions to indicate their presence in a market area.
- 3.5 Given the scale of the market in Tendring and that many properties serve parochial markets where landlords may negotiate directly with occupiers, there is likely to be some under-reporting of transactions taking place. Landlords have less of an incentive to publicise their transactions and some transactions may occur with the retention of an agent.
- 3.6 To address this issue consultations have taken place with local property agents and property owners where possible, in an effort to understand the levels of activity and aspects of how the commercial property market is functioning. This information is presented later in this report.

- 3.7 The information provided within these databases is generally recorded as 'Offices' and 'Industrial and Warehousing', therefore it is not possible to split transactional activity between use classes (e.g. B1 into B1a, B1b and B1c). Similarly, it is not possible to split transactional information between industrial and warehousing transactions.

Wider Market Area

- 3.8 The significance of Colchester in terms of the 'market area' relevant to Tendring has been mentioned above. There is a wider market area, which includes the neighbouring local authority areas of Babergh, Ipswich, Chelmsford, and Braintree in addition to Colchester. The map below presents the wider area to Tendring District.
- 3.9 The mainline rail and road routes from Greater London are important due to London being an important market for businesses in the area. In particular, the A12 and A120 trunk roads form a key east-west route through Essex.



- 3.10 In addition to reviewing the employment use (offices and industrial/warehousing) property market across Tendring we have also reviewed the employment use market in Colchester as it shares an extensive boundary with Tendring District. Babergh has also been considered, as part of this study although the District has smaller settlements and as it will be seen a smaller employment use property market. We have not reviewed Braintree or Chelmsford, to the West of Colchester, as these have different locational characteristics including better access to London.
- 3.11 Colchester is a key sub-regional centre within the Essex and East of England economy and performs a role as an employment, leisure, and retail hub to neighbouring areas, including Tendring. Despite the recession, Colchester has performed relatively strongly in recent years and has seen robust performance in its local economy and business base. Aspirations for economic growth are outlined through local policy, including:
- Colchester Core Strategy aims to create 14,200 jobs and at least 19,000 new homes over the period 2008-2021.
 - The Colchester Employment Land Needs Assessment (2015) found that there have been reasonably strong levels of employment growth over the last 23 years with declining industrial employment being offset by growth in office jobs. Colchester appears to have sufficient employment floorspace in quantitative terms to meet future needs up to 2032 under all scenarios of future growth. However, this positive balance is highly dependent upon three Strategic Employment Zones coming forward for development over the plan period. The pattern of demand and availability of employment land to meet future needs varies significantly across the Borough's sub areas and key settlements, with Colchester town and the Northern Gateway Growth Area attracting the greatest levels of occupier demand but also accommodating a significant amount of available employment land. The Strategic Employment Zones at Stanway and the Knowledge Gateway (University of Essex) are characterised by a more limited level of demand, which in both quantitative and qualitative terms, would appear insufficient to necessitate retaining the full quantum of employment land identified as available⁵.
- 3.12 Colchester claims to be one of the fastest growing settlements in England⁶ and this growth underpins the proposals mentioned above. Business occupiers will be attracted by the scale of the settlement (labour pool), communication linkages and availability of land and buildings in

⁵ Colchester Employment Land Needs Assessment, Nathaniel Lichfield and Partners 2015

⁶ Based on ONS figures of population growth.

the Borough and therefore examination of the property market in Colchester is relevant to this study.

- 3.13 Babergh shares a boundary with Tendring, and whilst being further away from Greater London and lacking larger settlements, the former Wardle Storey site at Brantham is worth noting. It has been designated an Economic Regeneration Area. This major employment site is allocated for regeneration, with the retention and enhancement of employment as well as 320 residential dwellings with ancillary community facilities. A hybrid planning application was lodged in February 2015 (ref. B/15/00263) proposing 320 dwellings, 54,123 sqm of B1, B2 and B8 uses, plus 1,440 sqm of A1, A3, A4 and A5 uses and other ancillary uses. The site is relatively close to the significant employment areas within Tendring at Manningtree and Lawford and will therefore compete for occupational demand.

Tendring Market Assessment

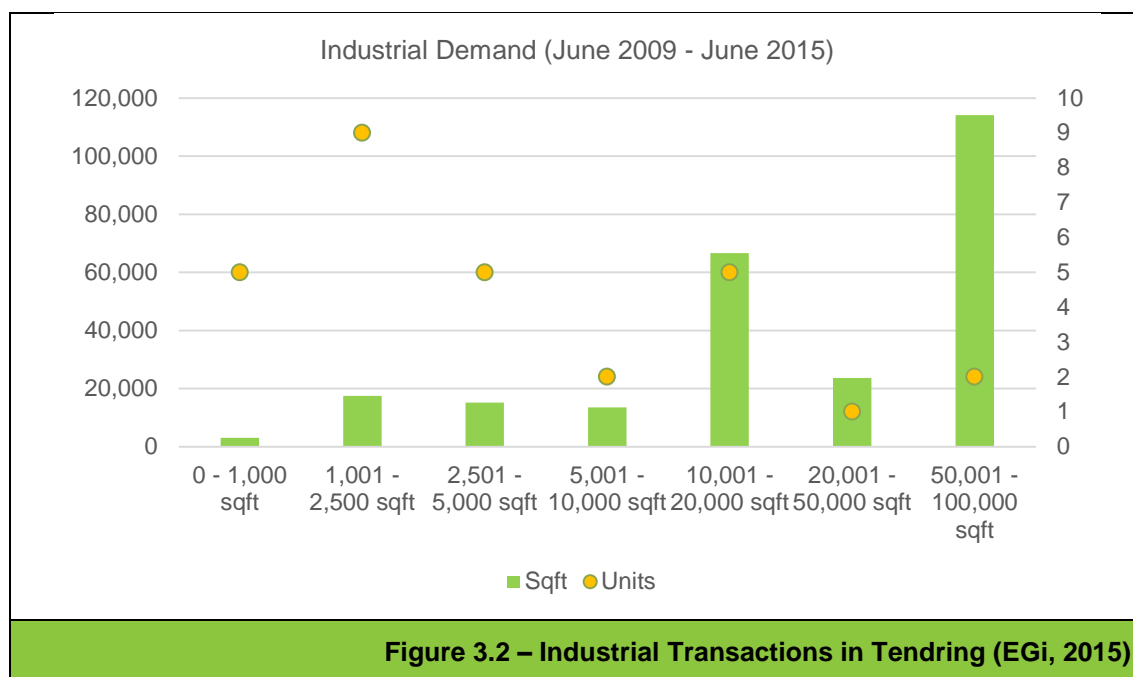
- 3.14 The assessment below begins with an examination of the industrial/warehouse sector. This is followed by an examination of the office sector. A specific section relating to managed workspace provision is also provided.

Tendring: Industrial and Warehouse

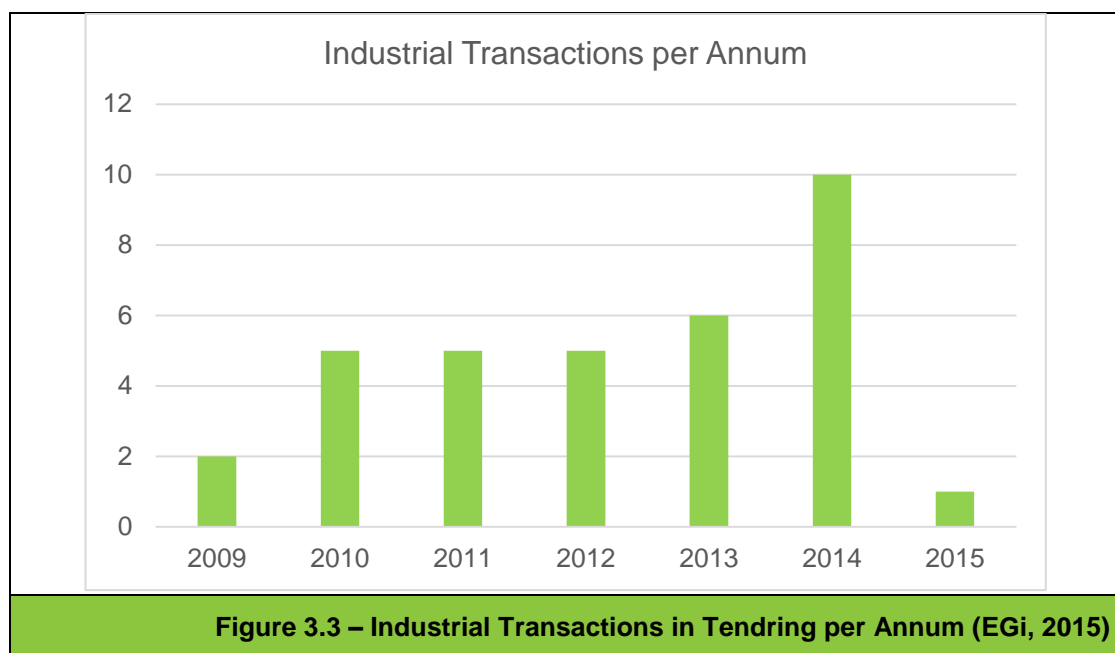
- 3.15 Presented below is the review of the industrial and warehouse markets in Tendring.

Demand (Take – Up)

- 3.16 Demand for industrial premises over the period June 2009 to June 2015 has been analysed. Over this period there were a total of 34 transactions recorded for industrial and warehouse premises, though 4 of these transactions were auction transactions and therefore limited information is provided on EGi. A total of 253,489 sqft (23,550 sqm) was transacted across 29 industrial and warehouse units, as shown in the graph below.



- 3.17 During the reviewed period smaller industrial workshops sized between 1,001 and 2,500 sqft (93 – 232 sqm) were in highest demand with a total of 9 transactions. There were 5 transactions for industrial premises between 10,001 and 20,000 sqft (929 – 1,858 sqm), and 5 transactions for units sized between 2,501 and 5,000 sqft (232 – 465 sqm) and also below 1,000 sqft (93 sqm). On the whole, this demonstrates that smaller industrial units are in the highest demand in the District with 21 transactions taking place in the sub 10,000 sqft (929 sqm) category. In Tendring, there were only 2 transactions for larger warehouses over 50,001 sqft (4,645 sqm), whereas, over the same period there were 8 transactions for warehouses over 50,001 sqft (4,645 sqm), in Colchester.
- 3.18 Figure 3.3 below presents the trend of transactions for industrial premises in Tendring between 2009 and 2015. Transactions for premises increased as Tendring emerged from the economic downturn and up to 2014. Only one transaction has been recorded for 2015 (up to June 2015) and therefore this is not representative of the entire year; we would anticipate that this figure will grow towards the end of the year. It should be noted that we have only reviewed transactions that took place between June 2009 and June 2015.



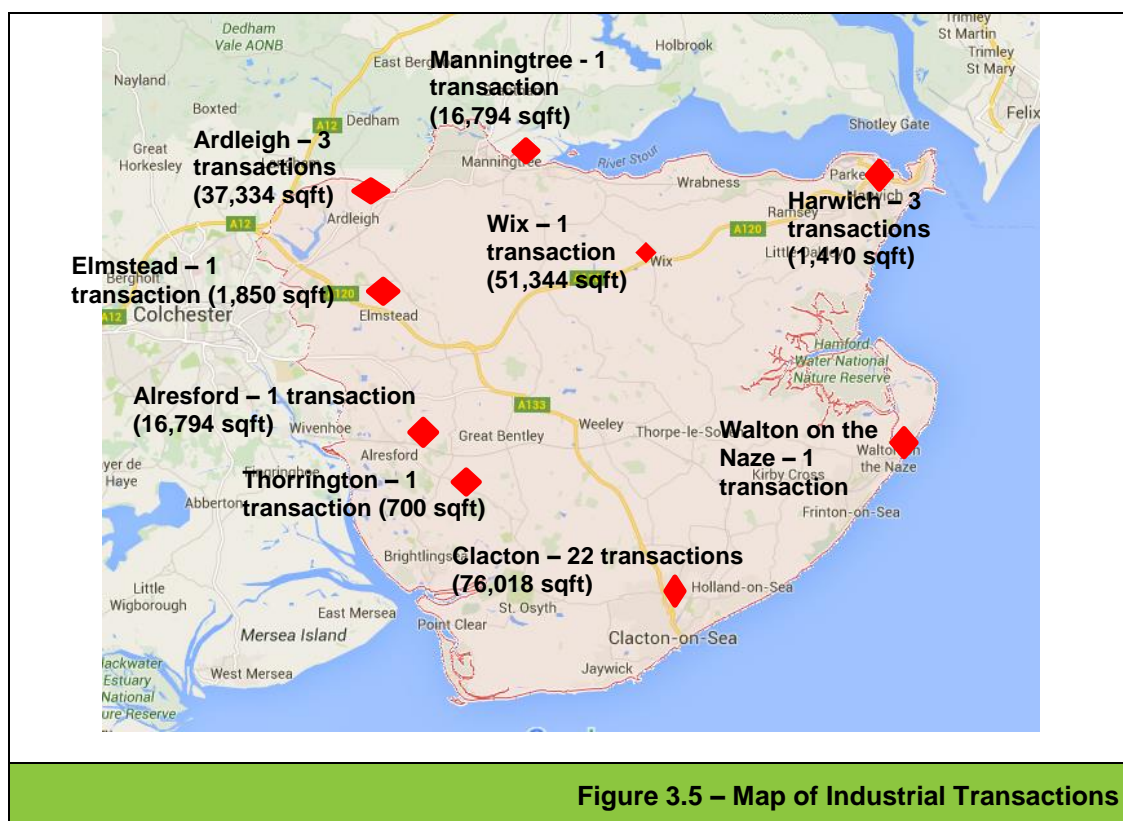
- 3.19 Table 3.4 below presents the locations of the units which were transacted between July 2009 and 2015 (34 units including 4 without gross internal area measurements). Over half of the transactions were in Clacton (22 units, 65%), 16 of which were at Gorse Lane Industrial Estate. We note that some employment units at Gorse Lane have more recently been occupied by non-traditional employment uses including trade counter, hair salons and gyms. Three of the transactions completed were in Harwich (9%) and three in Ardleigh (9%). Together with Clacton, these were the most popular locations for industrial and warehouse premises.

Settlement	Location	No. Transactions	Sq ft
Clacton (East of District)	The Pace Centre	3	1,479
	Gorse Lane Industrial Estate	16	67,111 (size not available for one trans.)
	Mason Road	1	1,600
	Oxford Road	1	62,725
	Marlowe Road, Tudor Parade, Jaywick	1	-
Thorrington (West of District)	Woodlands Business Park	1	700
Walton on the Naze (East of District)	Station Road	1	-
Harwich (East of District)	Garland Road	1	1,410
	Main Road	1	541,235 ⁷
	Ashley Road	1	-
Elmstead Market (West of District)	Park Farm	1	1,850
Ardleigh (West of District)	Vale View	1	3,445
	Martells Barns	1	10,300
	Newbridge Farm, Fox Street	1	23,589
Lawford (West of District)	Causeway End Estate	1	11,142
Wix (West of District)		1	51,344
Alresford (West of District)	Alresford Business Centre		16,794
Table 3.4 – Locations of Industrial Transactions (EGi, 2015)			

3.20 The East of Tendring District, and particularly Clacton and to a lesser extent Lawford/Manningtree, and Harwich, is evidently the most active part of the District. This reflects the larger urban settlement, supply of accommodation, and population in the Coastal settlements. We acknowledge that this only reflects published transactions so there could be under-reporting and greater activity across the District.

⁷ Note that we understand this transaction relates to the acquisition of a site which is likely to be used for residential development and hence has been excluded from the graph above.

- 3.21 The plan below (Figure 3.5) shows the locations of industrial transactions. It can be seen that the take-up is distributed across the District. Clacton is clearly the largest market with the greatest activity; however, it is also interesting to note the activity which has taken place in northern and western locations including Manningtree and Ardleigh.



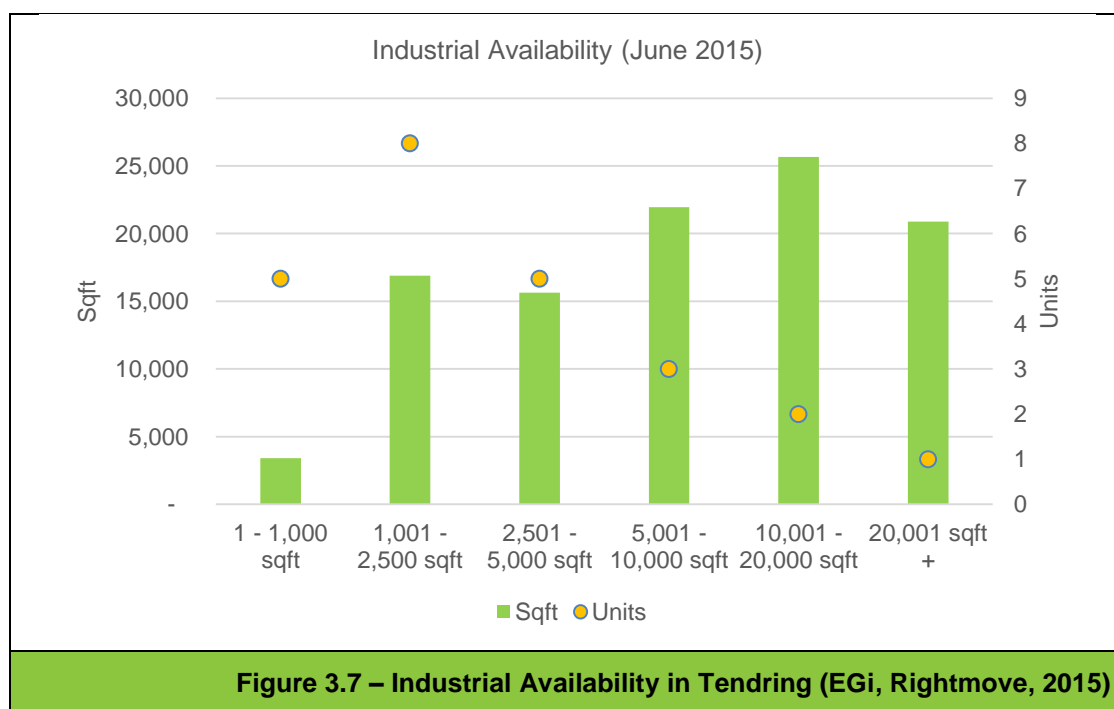
- 3.22 Table 3.6 below presents the rents paid by industrial occupiers over the reviewed period. The average and median rents were very similar. The highest rent paid was for a small industrial unit sized 825 sqft (76.6 sqm) in the modern Brunel Business Centre on the Gorse Lane Industrial Estate, whilst the lowest rent paid was for a light industrial/business unit at Alresford Business Centre, Colchester Main Road, Alresford sized approximately 16,794 sqft (1,560 sqm). The higher rent would be expected for smaller units and especially those beneath 1,076 sqft (100 sqm). We note the average rent for industrial units in Colchester is £4.80 psf and the median is £5.10 psf, which are not dissimilar to the values in Tendring.

Average	£4.90
Median	£4.70
Maximum	£8.90
Minimum	£1.10

Table 3.6 – Industrial Rents £'s psf Paid by Occupiers (EGi, 2009 to 2015 in Tendring)

Supply

3.23 We have also reviewed the current availability of industrial premises in Tendring (June 2015). A search of published requirements reveals availability of 24 units, which provides a total floorspace of 102,253 sqft (9,499.61 sqm) across the District. At Figure 3.7 below we present the breakdown by size of this availability.



3.24 Smaller industrial premises below 5,000 sqft (464.5 sqm) are in the greatest supply; with 8 units available between 1,001 (92.9 sqm) and 2,500 sqft (232.3 sqm), 5 between 2,501 (232.3 sqm) and 5,000 sqft (464.5 sqm) and 5 units below 1,000 sqft (92.9 sqm). This reflects the position with respect to activity in the market with the greater number of transactions at the smaller end of the range. The largest warehouse unit available in the District is sized approximately 20,800 sqft (1,933 sqm) and is located at Stephenson Road, Clacton.

- 3.25 The table below (Table 3.8) provides the locations of these available units. Clacton has the greatest supply of units (15 units, 63%). All available units were located on the Gorse Lane Industrial Estate. Of those units, 7 are on Fowler Road (part of the Oakwood extension) which are all new build, whilst the remainder of the units in the District are second-hand Grade B.
- 3.26 It should be noted that during the preparation of this report, the owners of Europa Way, Harwich have placed approximately 60,000 sqft (5,574.2 sqm) of industrial/warehouse accommodation on the market. Details for approximately 12,750 sqft (1,184.4 sqm) in two buildings, plus yard space have been seen by us, however this unit has not been included in the graph above (Figure 3.7) or the Table below (Table 3.8).

Settlement	Location	No. Available
Manningtree	South Strand	1
	Jubilee End	2
Clacton	Gorse Lane Industrial Estate	15
Brightlingsea	Morses Lane	1
Ardleigh	The Maltings	1
Thorrington	Clacton Road	3
Harwich	Europa Way	1
Table 3.8 – Available Industrial Premises Locations (EGi, Rightmove, Fenn Wright 2015)		

Summary – Industrial and Warehousing

- 3.27 It can be seen from the information analysed that the scale of the industrial/warehouse marketplace is relatively small. The total amount of recorded take-up was 253,489 sqft (23,549 sqm) and this equates to approximately 42,248 sqft (3,925 sqm) per annum. The greatest number of transactions fall within the sub 10,000 sqft (929 sqm) category, which suggests that occupiers are SME businesses and that local needs drive demand. It is interesting to note that there were only 4 published transactions for accommodation over 20,000 sqft (1,858 sqm) over the analysis period of six years, possibly indicating limited demand from larger users of space. The supply of available accommodation may be a factor in transactional activity. Occupiers with short timescales, which is typical for smaller companies, will look for space that they can move into relatively quickly.

- 3.28 Current supply totals 102,253 sqft (9,499 sqm) which is not significant given the levels of take-up which have been experienced. The supply (availability) reflects the demand with a greater proportion of smaller units being available. Supply in the 5,000 sqft to 20,000 sqft bracket is limited with only 5 units identified. Supply above 20,000 sqft is even further limited with a single unit available. Should take up continue with current trends then these units could be taken up and a shortage will result in the availability of units.
- 3.29 As mentioned earlier in this chapter there will be a number of transactions, which have not been recorded, but equally there may be some supply which has not been reflected in our research.

Market Consultation

- 3.30 To supplement our market analysis, we, and the Local Authority have consulted with local commercial property agents, property owners and managers. Telephone surveys have been undertaken with the agents using a series of questions, which were designed to explore how the property market functions in the District. Agents consulted include Fenn Wright, Whybrow, Nicolas Percival, John V Story, and Newman Commercial.
- 3.31 At Appendix 1 we set out a list of the consultees with whom we have spoken during this commission, however it should be noted that we have been unable to directly engage with a number of local property owners, landlords and agents⁸.
- 3.32 Whilst the discussions did vary between the respondents we consider that the following are material findings:
- Clacton is the key location for the industrial market – with Gorse Lane being particularly important. Agents did go on to stress that Clacton seldom attracts interest from outside the District generally due to its coastal location (i.e. having limited hinterland) and the fact that journey times are extended with the extra mileage involved. This was described as ‘dead time’ or ‘dead miles’;
 - Demand generally comes from local businesses serving the local catchment. This has implications for the development market as often occupiers are start-up businesses and/or have poor covenant strength (i.e. track record or financial strength). Many agents said that low rents are an attraction especially for start-up businesses;
 - Demand for industrial units is generally up to 3,500 sqft (325 sqm). There are a small number of transactions over this size but they have been exceptional;

⁸ AspinallVerdi also prepared an online survey to obtain feedback, however the response rate was very limited and therefore it has not been possible to identify meaningful findings from that survey.

- Rents for industrial units in the District range between £3.00 to £7.00 psf – aspects such as size, location, and quality are key determinants;
- It was noted the combination of land and construction costs plus relatively weak demand mean that bringing forward new accommodation (development) is challenging. It was said that developers are beginning to consider further development in Clacton, however overcoming viability is a key issue; and
- In terms of attracting more business activity and industrial/warehousing occupiers there was a strong view expressed that viability is a key issue, which needs to be addressed. It was felt that if land values could be lower or indeed sites provided on a ground lease basis then development may be possible.
- Beyond Tendring it was noted that the industrial markets in Colchester and Ipswich has enjoyed good demand and due to limited new development supply is reducing. One agent used the example at Hadleigh Road in Ipswich, where developers have provided approximately 40,000 sqft (3,716 sqm) of design and build development indicating an appetite from developers for sites in good locations. Agents also mentioned that there may be demand from these neighbouring markets for occupiers who may be attracted by the potential of having an owned rather than leased unit and sites in appropriate locations in Tendring could offer that opportunity.
- Specific comments from key property owners North East Essex Builders and DJ Snell are reported below.
- Consultation with North East Essex Builders (NEEB) is summarised below:
 - They are operating at extremely high occupancy levels in Lawford and Brightlingsea;
 - Have built speculative offices in Old Ipswich Road (within Colchester Council's area) but it took 3 years to get through planning so this has deterred them from other developments;
 - They commented that the planning system is too complicated with uncertain outcomes and very expensive and thus have little confidence in the system. ;
 - Empty rates were mentioned as hindering speculative development – this was specifically mentioned as the reason for not developing their additional land in Brightlingsea. [It should be noted that the Government has introduced mitigation for developers of new build accommodation which extends to 18 months];
 - They have been experiencing good levels of demand from existing businesses who are looking to grow and companies moving into the area, but not enough land available to meet their needs;
 - They have faced challenges in securing sites due to landowner expectations of value and that their offers have reflected costs of decontamination and site preparation.

- DJ Snell Builders comments were as follows:
 - Currently has 45 units in Gorse Lane/Oakwood/Crusader business parks and they are mostly full – the few that are empty are the subject of a lot of enquiries and will be let very soon;
 - They believe that there is not enough land or existing buildings to meet existing demand;
 - If land were available, they would build more units;
 - Commented that the focus for any new units should be the A120/A133 corridor into Clacton;
 - The developer mentioned the Empty Business Rates system as it only allows 3 months before full rates are payable, and this is hindering speculative development. [see the earlier comment that the Government has a Business Rates Relief scheme in place which provides 18 months relief – up to State Aid limits].
 - The issue of landowner aspirations was raised again and in particular the aspect that landowners are looking for higher residential values. They have tried to acquire land in Clacton.

Occupier Requirements in Tendring

3.33 Tendring Council have information on active occupier requirements in the District. These can be summarised as follows:

- 5,000 sqft (464.5 sqm) office, workshop and yard for engineering company;
- 10,000 sqft (929 sqm) manufacturing facility;
- 1.2 Ha (3 acres) with office, workshop and open storage for caravan storage and maintenance company;
- 20,000 sqft (1,858 sqm) and outside yard for composite manufacturer;
- 20,000 sqft (1,858 sqm) workshop for boat builder;
- 1,250 sqft (116 sqm) building and 7500sqft (696.7 sqm) yard for boat builder;
- 10,000 sqft (929 sqm) building for retail warehouse;
- 5,000 sqft (464.5 sqm) for food manufacturer.

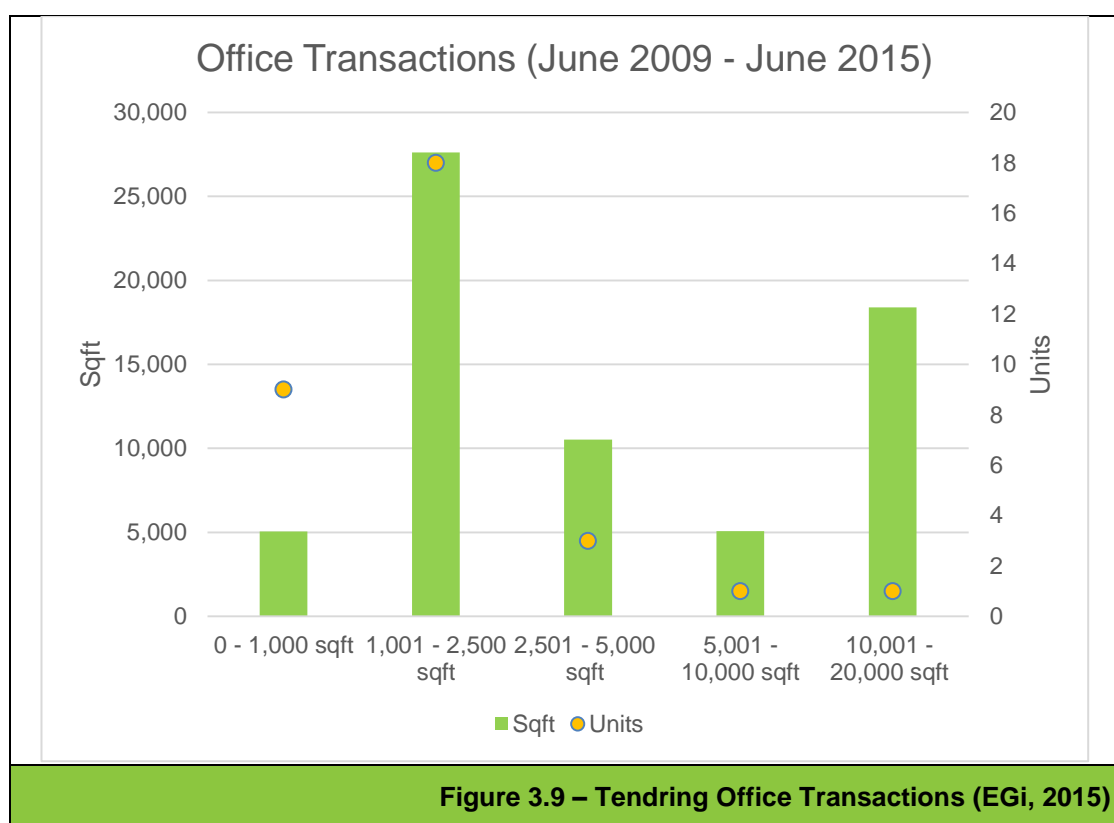
3.34 The requirements above will differ in terms of their locational requirements and indeed the specification of accommodation needed. Nevertheless, it indicates active demand in the District for employment use accommodation.

Tendring: Offices

3.36 This section reviews the supply and demand of office accommodation across Tendring District.

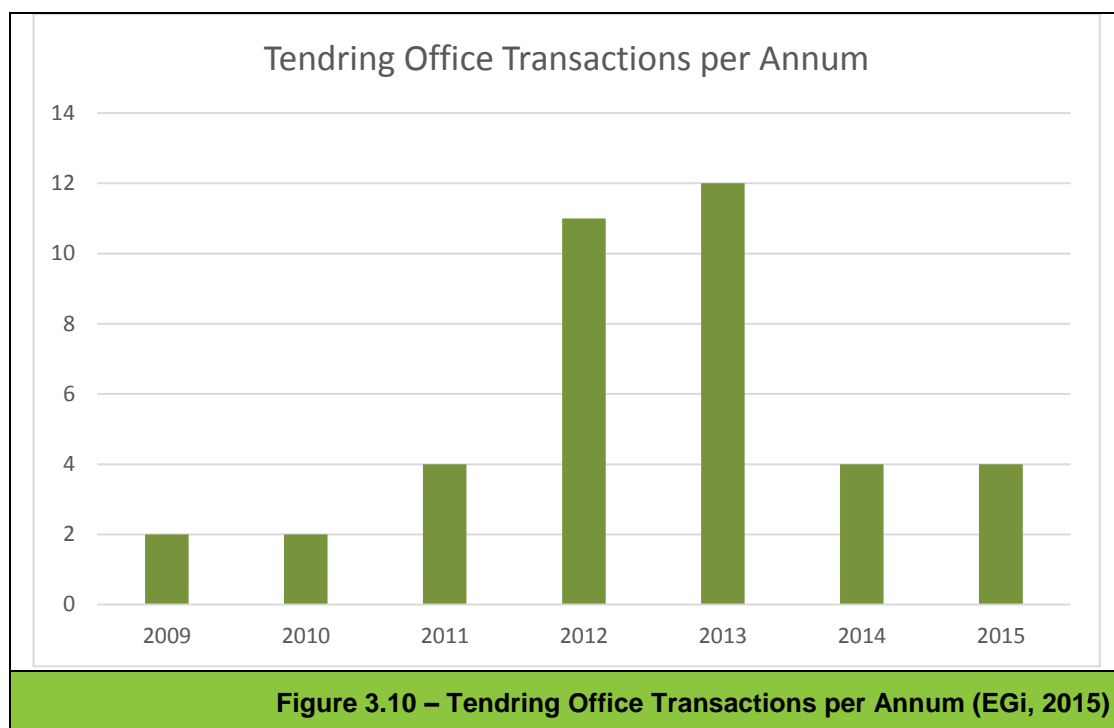
Demand

3.37 Demand for offices in Tendring over the 6 year period between June 2009 and June 2015 has been assessed by examining reported transactions. Over this period 40 transactions for offices were recorded on Estates Gazette Interactive (EGi) in Tendring District. However, we note 7 of these were auctions and therefore limited data (in terms of rents and size) were recorded for these properties. Of the recorded office transactions, a total of 66,650 sqft (6,192 sqm) was transacted across 32 units. We present this data at Figure 3.9 below.



3.38 Offices in the 1,001 to 2,500 sqft category size were in highest demand with a total of 18 transactions. Small offices sized below 1,000 sqft also experienced relatively good demand, with transactions for 9 units. We note that many of the smaller units were in business centres including Crown Business Centre, Haven House, and Mauds Court; which are discussed in greater detail below.

- 3.39 The largest office transaction recorded by EGi was Harlech House in Clacton, which was, sized 18,395 sqft (1,709 sqm) on a freehold basis, however it was purchased for conversion to residential use. This was the only recorded transaction of office space of 10,001-20,000 sqft between June 2009 and June 2015. As the site was sold for residential development rather than employment, it can be excluded from the analysis. There were only two offices transacted over 5,000 sqft (464.5 sqm).
- 3.40 Office transactions have also been considered in terms of when they occurred. From 2010 to 2013 the number of transactions per year increased steadily as the economy emerged from the recession, and then reduced again in 2014. The decrease in transactions in 2014 may be a consequence of a limited number of offices being available to occupiers. Also note, transactions from 2009 have only been recorded from June of that year, therefore this may not be representative of the entire year; which is the same case for 2015.



- 3.41 Table 3.11 below presents the locations of the 39 transactions that took place for offices over the reviewed period. Almost half of the transactions took place in Clacton (17 units, 44%), and most of these were at Crusader Business Park. Lanswoodpark, Elmstead Market saw 4 transactions for offices (10%), and Mauds Court in Tendring had 3 office transactions (8%).

Settlement	Location	No. Transactions	Sqft
Thorpe-le-Soken	High Street	1	-
Clacton	Crusader Business Park	12	20,291
	Wellesley Road	1	3,488
	<i>Harlech House⁹</i>	1	18,395
	Station Road	1	-
	Faraday Close	1	-
Harwich	Haven House	2	979
	Main Road	2	1,076
	High Street	1	1,900
	Miranda Building	1	5,075
Elmstead Market	Lanswoodpark	4	6,294
Ardleigh	Blue Barns Business Park	1	1,764
	Crown Business Centre	3	2,322
Frinton-on-Sea	Connaught Avenue	2	1,157
	Greenway	1	2,400
	Pole Barn Lane	1	-
Manningtree	South Street	1	580
Tendring	Mauds Court	3	929
Total		39	66,650
Table 3.11 – Locations of Office Transactions (EGi, 2015)			

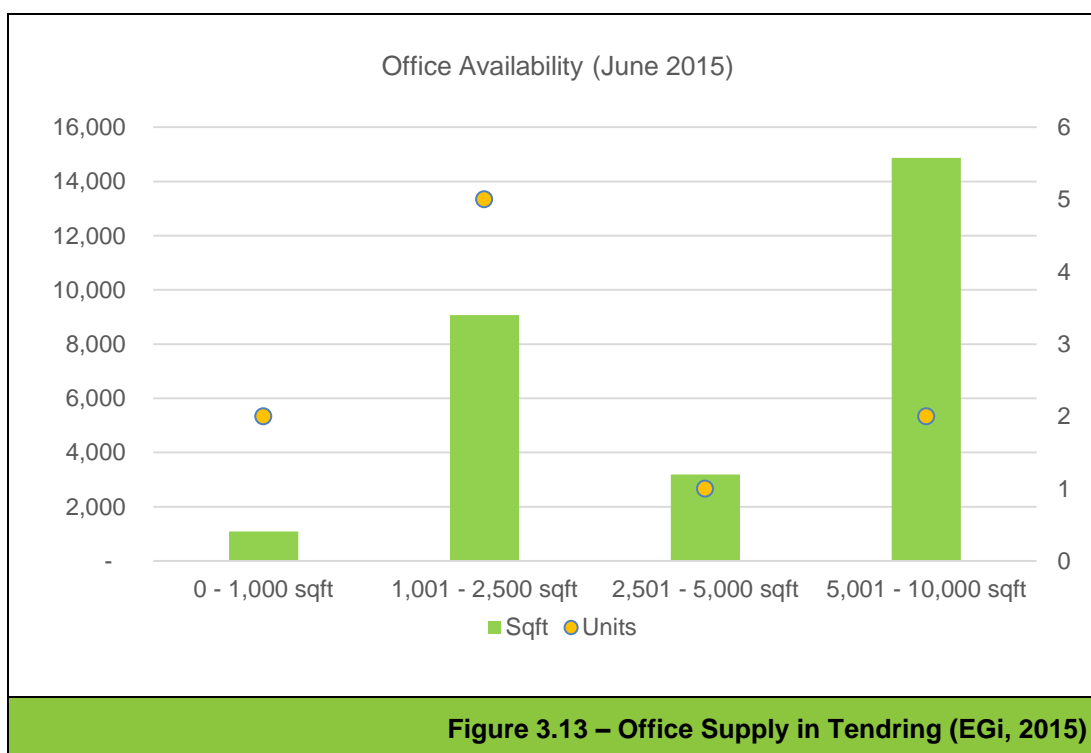
- 3.42 Whilst Clacton experienced the most transactions, it is interesting to note the level of activity in smaller settlements of the District. Schemes at Elmstead Market, Ardleigh, and Tendring village total 11 transactions.
- 3.43 Table 3.12 identifies the average, median, maximum, and minimum rents paid by occupiers during this period. The highest rents paid were for offices sized approximately 200 sqft (18.58 sqm) at Mauds Court. Smaller offices often command higher rents, particularly in business centres. It should be noted that the maximum rental mentioned below reflects serviced accommodation where the 'rental' includes additional items such as service charge and business rates.

⁹ N.B. this property has been converted to residential accommodation and thus presents a loss of office accommodation in Tendring

Average	£9.50
Median	£7.90
Maximum	£25.80
Minimum	£4.50
Table 3.12 – Office Rents Paid £'s psf by Occupiers (EGi, 2009 to 2015 in Tendring)	

Supply

3.44 We have also reviewed the current supply (availability) of offices in Tendring at June 2015. There is a limited supply of only 28,210 sqft (2,620 sqm) across 10 units. We present this data at Figure 3.13. We note that the available units are second-hand Grade B, apart from Lanswoodpark which was newly built in 2012.



3.45 Albeit a limited number, the offices in greatest supply are those between 1,001 and 2,500 sqft (93 – 232 sqm) with 5 available. There was also one unit available between 2,501 – 5,000 sqft (232 – 465 sqm). There were 2 units below 1,000 sqft (93 sqm) and two units above 5,001 sqft (232 sqm) available during the period studied, according to EGi. As suspected by looking at demand over recent years for offices, there is a limited supply available to prospective occupiers looking for space in the District.

3.46 Table 3.14 below provides the locations of the available space in the District.

Settlement	Location	No. Available
Thorpe-le-Soken	High Street	2
Clacton	Stephenson Road West	2
	Carnavon Road	1
Colchester Fringe	Old Ipswich Road	1
Elmstead Market	Lanswoodpark	4
Table 3.14 – Office Availability Locations (EGi, 2015)		

3.47 The owners of Lanswoodpark have made a proposal for allocation for a further 4.24 Ha of land to extend the development.

Summary – Offices

3.48 Published office take-up has totalled approximately 66,650 sqft (6,192 sqm) over the past 6 years, which equates to 11,108 sqft (1,031.9 sqm) per annum. The relatively small scale of demand is also reflected in supply with availability totalling 13,345 sqft (1,240 sqm).

3.49 The greatest number of transactions involves offices of less than 2,500 sqft (232.3 sqm).

3.50 It is worth noting that the new build scheme at Lanswoodpark has proved successful and is capturing demand, together with other supply which has been provided in the rural locations across Tendring District. The owners at Lanswoodpark are proposing that further employment land be allocated to extend the development.

3.51 As noted in the Industrial and Warehousing section, in order to supplement our market analysis, we, and the Local Authority have consulted with local commercial property agents, property owners and managers. Telephone surveys have been undertaken with the agents using a series of questions, which were designed to explore how the property market functions in the District. Agents consulted include Fenn Wright, Whybrow, Nicolas Percival, John V Story, and Newman Commercial.

3.52 At Appendix 1 we set out a list of the consultees with whom we have spoken during this commission, however it should be noted that we have been unable to directly engage with a number of local property owners, landlords and agents¹⁰.

¹⁰ AspinallVerdi also prepared an online survey to obtain feedback, however the response rate was very limited and therefore it has not been possible to identify meaningful findings from that survey.

3.53 The key comments relating to the office market are:

- The low number of transactions suggest that there is limited occupational demand;
- Supply is limited, with some accommodation being lost to conversions to residential use. Where supply exists it is of poor quality;
- There is a lot of commercial market activity in Colchester. Locations within Tendring, but in close proximity to Colchester are often considered “to be in Colchester” and offer better accessibility, so are favoured by occupiers. It was explained that these locations are often more accessible and do not suffer from traffic congestion and thus are more popular;
- New speculative office development was considered to be non-viable in general, although there are examples of recent speculative development which has been viable such as the new office accommodation at Lanswoodpark; and
- In terms of future employment sites, it was considered that sites which are within Tendring but in very close proximity to Colchester will stand the best chance of success. These sites can compete for demand from Colchester and the A12 corridor for footloose occupiers.

Tendring: Managed Workspace

3.54 We have reviewed the provision of managed workspace in the District in order to understand the type of space available to SMEs. Managed workspace has become an increasingly important aspect in the development of a business base as it offers either smaller discreet units or co-working space. Occupiers in managed workspaces generally have flexible terms, which can be on an inclusive basis meaning rent, business rates, and utilities are included. Some centres have provision of support services including reception, business advice, copying/printing and broadband/telephony. Many centres also provide virtual office facilities which enable businesses to use the address and telephone answering services without being in formal occupation.

3.55 The attraction of these centres can be the social and networking opportunities that result from having a cluster of small businesses, which can provide informal mutual support. Equally the availability of quality workspace, which is relatively close to home can be a critical factor as many of these businesses are owner managed.

3.56 Whilst only Clacton Enterprise Centre and Harwich Connexions are classed as Enterprise Centres, there are a large number of 'business centres' in the District, of which a significant proportion provide between 5 and 10 units. We tabulate information on some of the centres below (Table 3.15), note information is not available for all of the centres and therefore we have chosen a select few for which we have been able to obtain data.

Centre	Unit Sizes	Rents / Term	Facilities
Clacton Enterprise Centre, Davy Road, Gorse Lane Industrial Estate, Clacton	22 units 150 to 303 sqft (3 available)	Affordable Easy in, easy out terms	24 hour access, start-up centre, inclusive rents, kitchen, reception, parking, service charge, meeting room, wifi. (n.b. occupational charge excludes rates) www.essexenterprisecentres.co.uk
Enterprise Centre, (Harwich Connexions) Tyler Street, Parkeston Harwich	11 units Various sizes, circa 350 sqft (2 available)	£14.00 psf Inclusive rent	Inclusive rent. (n.b. occupational charge excludes rates) N.B. the units are used as workshops not offices. www.harwichconnexions.co.uk
Lanswoodpark Elmstead Market	Serviced and unserviced offices: 215 – 807 sqft	Affordable with flexible terms	Semi-rural business park, high quality, further 60,000 sqft of mixed office / commercial uses to be developed, parking, café, broadband, breakout space, meeting rooms, showers, reception, wifi, eco-friendly www.lanswoodpark.co.uk
Haven House, Albermarle Street, Harwich	11 suites Circa 400 sqft (2 available)	Inclusive rent	Parking, near railway station, reception area
Mauds Court, Long Lane, Tendring	150 – 400 sqft (1 available)	£29.00 psf Inclusive rent	Rural setting, kitchen facilities, high spec, flexible modern accommodation, parking, EPC rating B
Table 3.15 – Managed Workspace Centres			

3.57 We have undertaken discussions with the Centre Managers for these facilities and they have explained that occupancy levels have been very high. The Harwich Connexions centre has been at capacity until earlier this year. The Clacton Enterprise Centre runs at an occupancy level of in excess of 80%.

- 3.58 With respect to grow on space, the lack of availability of smaller light industrial units in Harwich was regarded as an issue. With respect to offices in Clacton, it was considered that mixed commercial or light industrial and office accommodation was available; however the quality of such accommodation is considered poor.
- 3.59 Business support especially in terms of encouraging new start-ups was mentioned as an issue by centre managers. Pro-active business support would help to drive demand and business activity.

Colchester Market Assessment

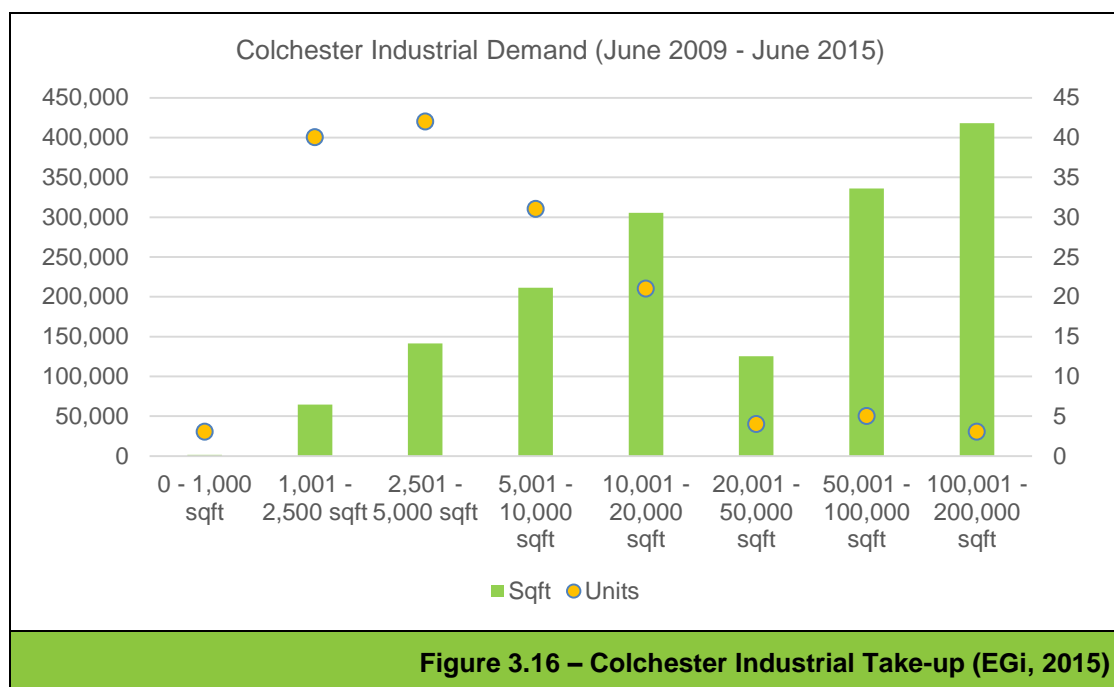
- 3.60 Set out below is an assessment of the adjacent market area of Colchester which shares an extensive boundary with Tendring District.

Colchester: Industrial and Warehousing

- 3.61 We look at the supply and demand factors of commercial premises, commencing with a review of industrial and warehouse units.

Demand

- 3.62 Demand (take-up) of industrial and warehousing units in Colchester between June 2009 and June 2015 has been analysed. During this period 164 units were transacted, however 15 of these units were sold at auction and so no details of these premises are available. The graph at Figure 3.16 shows the pattern of take-up. There was 1,603,065 sqft (148,926 sqm) of industrial/warehouse floorspace transacted during this period.



- 3.63 The graph above indicates that units sized between 2,501 and 5,000 sqft (232 – 465 sqm) experienced high demand during the reviewed period, with 42 transactions in total. This category was closely followed by units sized between 1,000 and 2,500 sqft (93 – 232 sqm) where there were 40 transactions. Units between 5,001 and 10,000 sqft (232 – 929 sqm) experienced 31 transactions, and there were 21 transactions for those sized between 10,001 and 20,000 sqft (929 – 1,858 sqm).
- 3.64 The graph above indicates that take-up is concentrated in units less than 20,000 sqft (1,858 sqm), with the majority of transactions beneath 10,000 sqft (929 sqm). There are larger transactions of over 50,000 sqft (4,645 sqm) and this includes 3 over 100,001 sqft (9,290 sqm).
- 3.65 Table 3.17 below shows the number of industrial and warehouse transactions by location in Colchester during this period. Locations have only been included if more than 5 transactions occurred between 2009 and 2015. Hythe Industrial Estate had the highest number of transactions during this period with 33 transactions in total. Cowdray Park also experienced high take-up. Severalls Industrial Park is another active and popular estate. Figure 3.18 presents the approximate locations of these transactions; note most are located centrally in Colchester or to the East adjacent to the Tendring/Colchester boundary.

Location	No. Transactions
Axial Way, Mile End	6
Moorside	6
Cowdray Avenue, Cowdray Trade Park	25
London Road	8
Mason Road, Cowdray Trade Park	9
Peartree Road	12
Grange Way, Hythe Industrial Estate	6
Commerce Way, Hythe Industrial Estate	12
Davey Close, Hythe Industrial Estate	15
Wyncolls Road, Severalls Industrial Park	6

Table 3.17 – Colchester Industrial Transactions Locations (EGi)

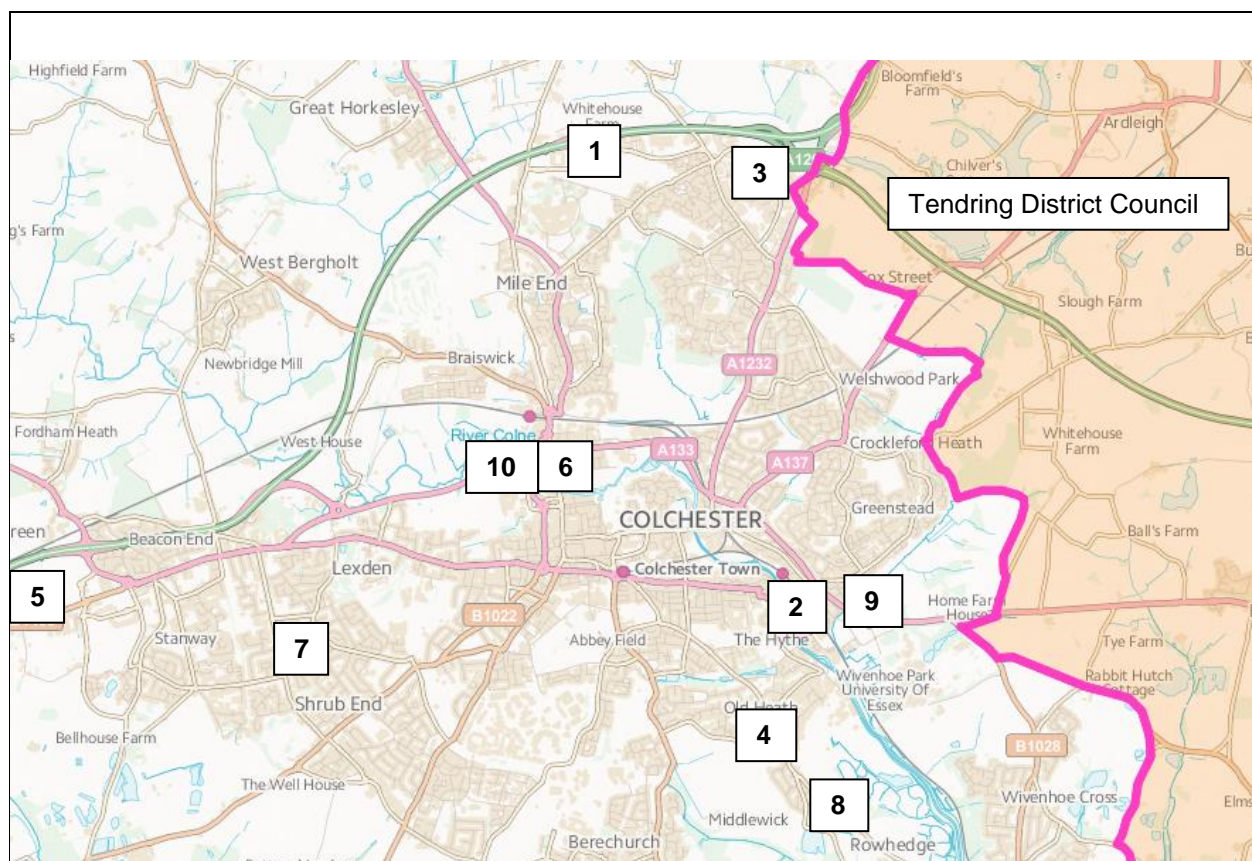


Figure 3.18 – Approximate Locations of Active Industrial Sites in Colchester (AVL)

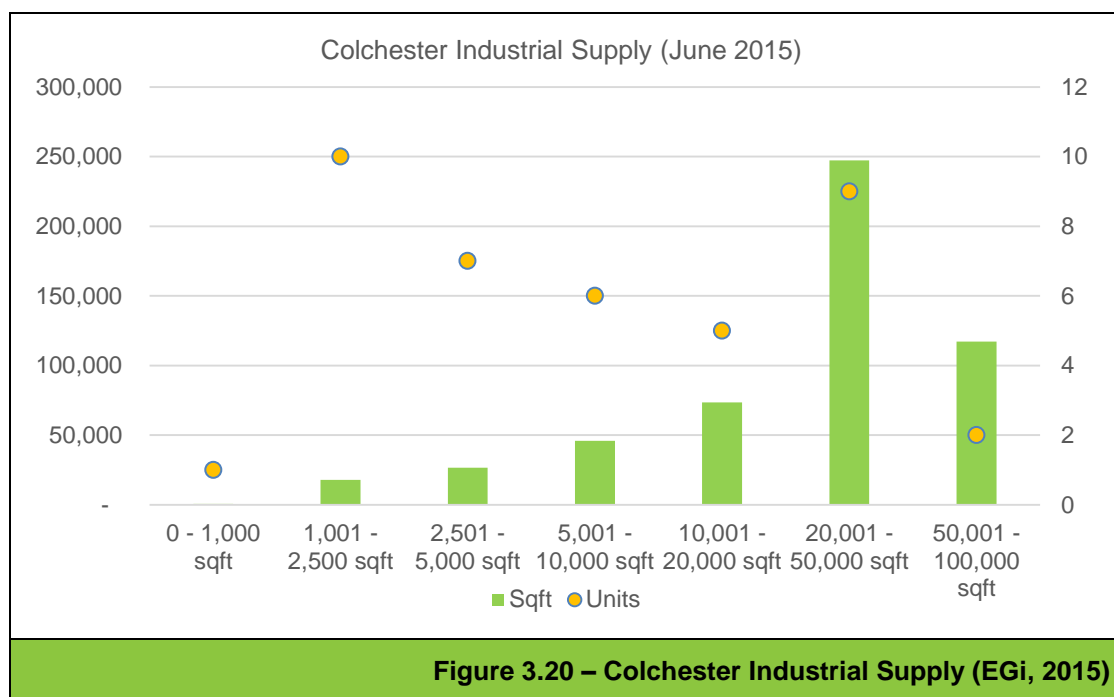
- 3.66 We have also looked at the average, median, minimum, and maximum rents occupiers in Colchester paid between 2009 and 2015. This data is presented at Table 3.19. The highest rent paid was for an industrial unit on Severalls Industrial Park.

Average	£4.80
Median	£5.10
Maximum	£8.60
Minimum	£0.90

Table 3.19 – Industrial Rents Paid £'s psf by Occupiers in Colchester (EGi, 2009 to 2015)

Supply

- 3.67 We have also looked at the current supply of industrial and warehousing premises in Colchester. There was an availability of 529,090 sqft (49,153 sqm) across 40 units. This data is presented at Figure 3.20 below.



- 3.68 The units in greatest supply are those between 1,001 and 2,500 sqft (93 - 232 sqm) - 10 units, and there is also high availability of larger units between 20,001 and 50,000 sqft (1,858 - 4,645 sqm) with 9 units. There are only 2 larger warehouses above 50,000 sqft (4,645 sqm) currently available, one of which is located at Newcomen Way and another at Severalls Industrial Park.

- 3.69 All of the units are second-hand Grade B; with the exception of 2 units which have been refurbished.

Summary – Industrial and Warehousing

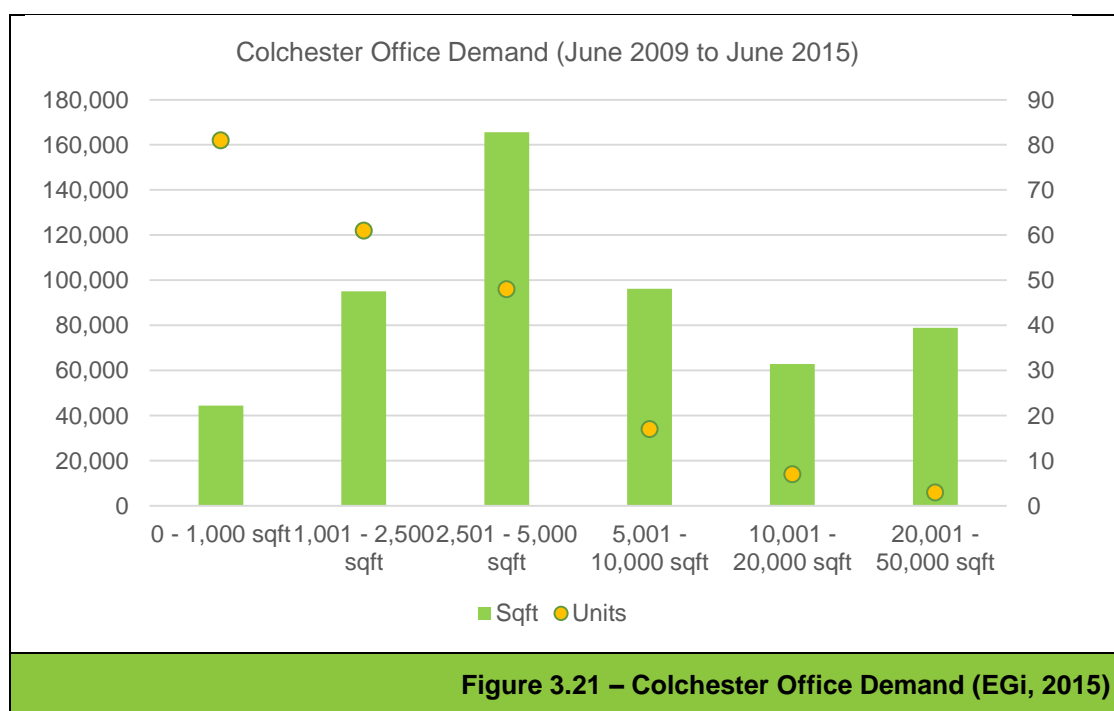
- 3.70 Take-up of offices across Colchester totalled over 1.6m sqft (148,926 sqm) which equates to 267,178 sqft (24,820 sqm) per annum. Activity is focused on units below 20,000 sqft (1,858 sqm). The greatest levels of transactions are however concentrated within the sub 5,000 sqft (464.5 sqm) category.
- 3.71 Supply stands at 529,090 sqft (49,153 sqm) and is generally matched in size terms to the nature of demand. Therefore there are a greater number of smaller units available.

Colchester: Offices

- 3.72 We have also reviewed the supply and demand of office accommodation in Colchester; which is likely to be a more established office location due to proximity and good access to transport links and the draw of the town centre amenities.

Demand

- 3.73 Demand (take-up) of offices has been analysed in Colchester during the 6 year period between June 2009 and June 2015. During this time a total of 543,261 sqft (50,471 sqm) was transacted across 217 different office units (see Figure 3.21 below).



- 3.74 The graph indicates that there is good demand for smaller offices with 81 transactions of offices sized below 1,000 sqft (93 sqm). Demand clearly decreases as office size increases. There were 3 transactions for larger accommodation between 20,001 and 50,000 sqft (1,858 – 4,645 sqm) over the period.
- 3.75 We have looked at the average, median, maximum, and minimum rents paid by office occupiers during this period. The average and median rents are shown at Table 3.22 below and are considerably different. We note the highest rent was paid for an office of circa 1,050 sqft (98 sqm) at Beacon End Courtyard, London Road; whilst the lowest rent paid was for a unit of 2,565 sqft (238 sqm) at St Botolph's Street.

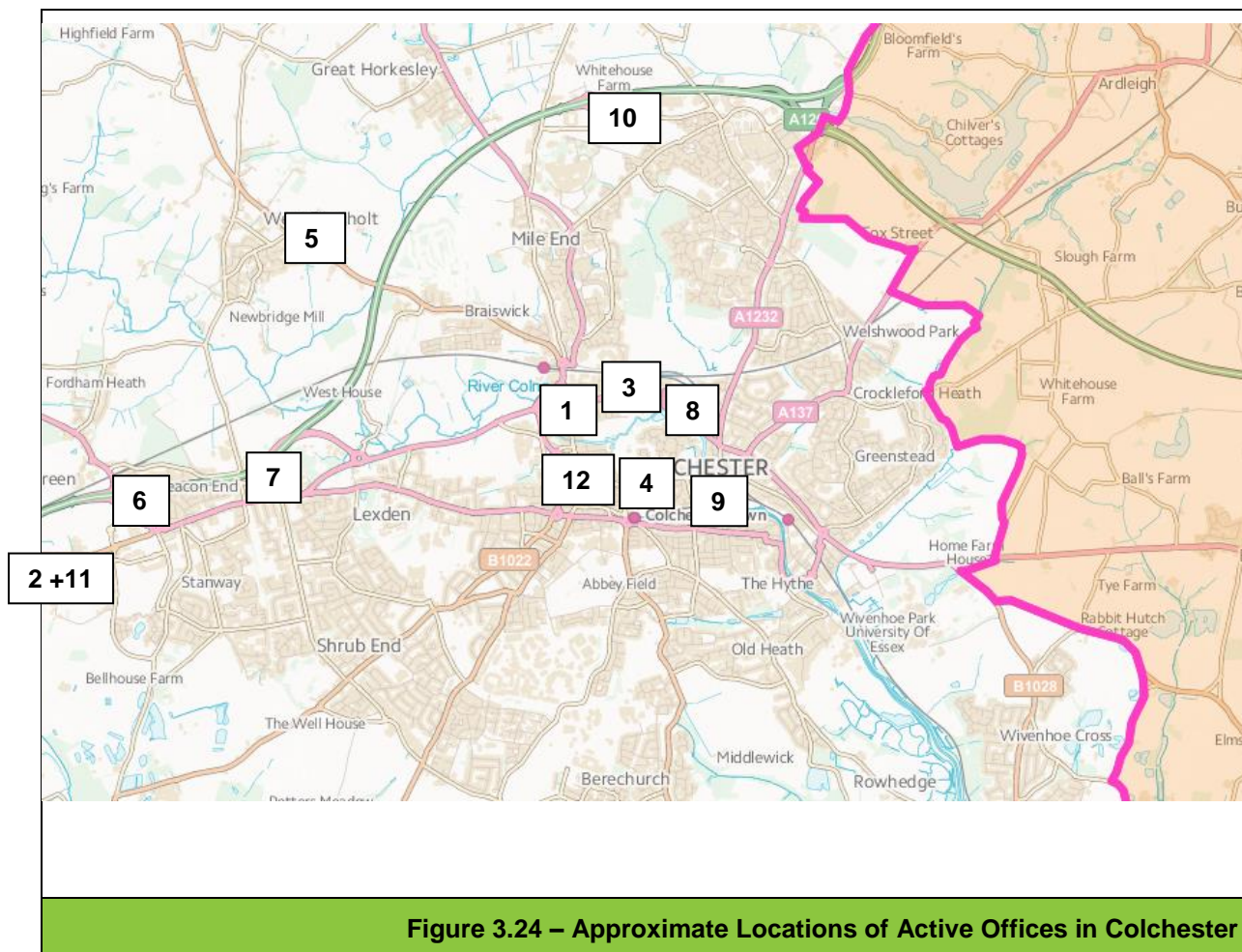
Average	£5.40
Median	£9.90
Maximum	£31.90
Minimum	£2.53
Table 3.22 –Office Rents Paid £'s psf by Occupiers in Colchester (EGi, 2009 to 2015)	

- 3.76 Table 3.23 presents the locations, which saw the highest level of office transactions in Colchester. We have only included locations that experienced 5 or more transactions, and many of these are business centres / managed workspace units. The most popular location for offices during this time was North Hill (located just off the High Street). Figure 3.24 indicates the approximate locations of these transactions. It is worth noting that the transactions are generally in the urban area of Colchester or out of town locations along the A12 corridor.

Location	No. Transactions
1. Wellington House, Butt Road	5
2. Intel House, Inworth Road	5
3. St Botolph's Street	6
4. Ross House, Station Road	6
5. Hop House, Colchester Road	7
6. Westside Centre, London Road	7
7. Cooks Ship Yard, St Johns Road	8
8. Graphic Graphic House, Magdalen Street	9
9. High Street	10
10. De Grey Square, De Gray Road	11

Location	No. Transactions
11.Colchester Business Yard, The Crescent	12
12.North Hill	15

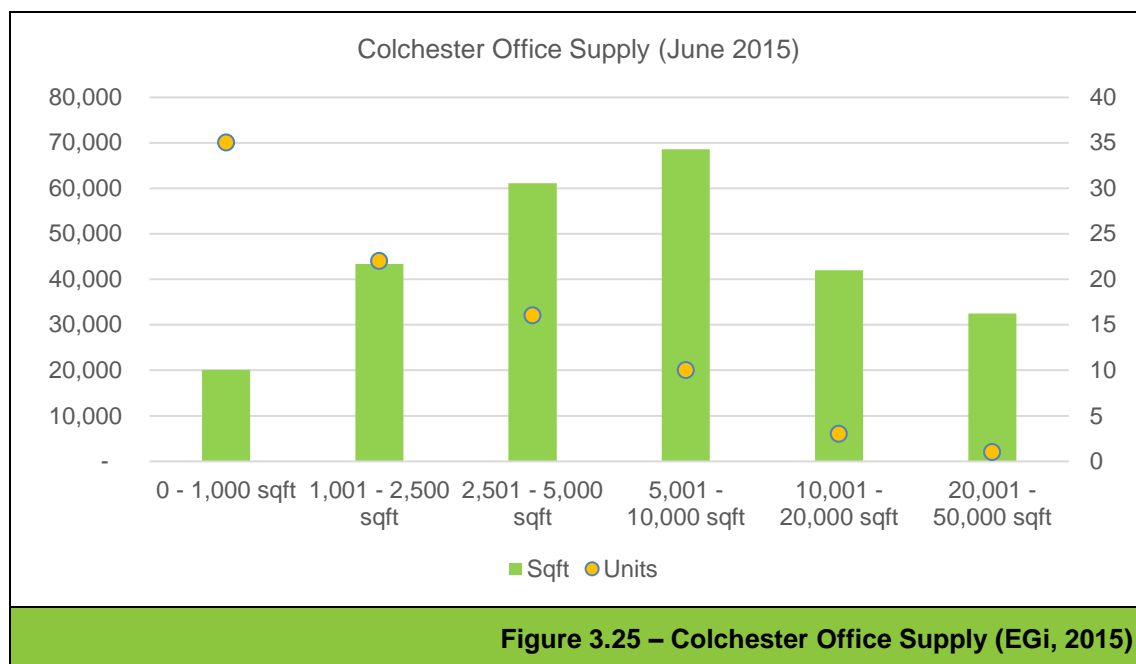
Table 3.23 – Colchester Office Transaction Locations (EGi, 2015)



3.77 Figure 3.24 indicates the approximate locations for office accommodation in Colchester. Access to the A12 is an attraction as it provides good access to Greater London and Essex and beyond to Suffolk. Many businesses require this type of accessibility as they can service a large population catchment including Tendring and areas in Suffolk.

Supply

3.78 The supply of offices available to occupiers seeking space in Colchester is presented at Figure 3.25 below. At the time of the research, there was a total of 267,613 sqft (24,861 sqm) across 87 units.



3.79 As with demand for offices in Colchester, there was a correlation between size and availability of offices. There was a good supply of offices in Colchester below 1,000 sqft (93 sqm) - 35 units and between 1,001 and 2,500 sqft (93 – 232 sqm) - 22 units. 13 of these units were located at Wellington House, Butt Road, and 8 were at The Gatehouse, Lodge Lane. With the exception of 4 units which are refurbished, all are second-hand Grade B.

Summary – Offices

3.80 Take-up (demand) for offices totalled 543,261 sqft (50,471 sqm) and was concentrated on units of less than 5,000 sqft (464.5 sqm). The supply totalled 267,613 sqft (24,861 sqm) which is a significant amount of accommodation available. The size of units available tends to reflect the activity with the majority of units available below the 5,000 sqft (464.5 sqm) size category.

Colchester: Managed Workspace

3.81 We have also undertaken a high-level review of the managed workspace that is currently available within the Colchester area. Tabulated below (Table 3.26) are the results.

Centre	Unit Sizes	Rents / Term	Facilities
Weston Business Centre The Colchester Centre, Hawkins Rd, Colchester CO2 8JX	96-1000+ sqft	From £300 per month Fully serviced and inclusive rents Flexible lease terms from 3 months	Purpose-built, modern facility. On-site café, staffed reception, 5 meeting rooms. 24/7 access, optional furniture provided, on-site business centre manager, broadband and phone lines, large boardroom, virtual office option, secretarial services.
Colchester Business Centre, 1 George Williams Way, Colchester CO1 2JS	35 units 197 – 439 sqft	4/5 person office is £9,188 or £8,978 annually or £765.67 pcm or £748.21 pcm Inclusive rates Monthly, 'easy in easy out' terms	Purpose-built centre, parking, broadband, on-site office and business support. 2 available units
North Colchester Business Centre 340 The Crescent, Colchester, Essex, CO4 9AD	27 units	'Easy in easy out' terms	Newly opened in 2011, contemporary offer. Staffed reception, free on-site parking, showers, flexible space.
Park Lane Business Centre Park Lane, Langham, Colchester, CO4 5WR	12 units 250- 1000 sqft		Converted barns arranged around a courtyard. Individual kitchenette and entrance. On-site parking, state of the art IT infrastructure,
Lodge Park Offices	30 + units 109 – 1,737	Flexible terms, minimum lease 6	Converted barns, on-site parking, meeting rooms, showers, cleaning, furniture, secretarial

Centre	Unit Sizes	Rents / Term	Facilities
Lodge Lane, Langham, Colchester, CO4 5NE	sqft	months.	service available, 24/7, virtual office option. 2 available units
Westwood Park London Road Little Horkesley Colchester Essex CO6 4BS	Variety of sizes from 2 – 20 people.	Inclusive rates	Grade II Listed Manor House. Reception, in-house catering, car parking, meeting rooms, virtual offices, gardens, 24/7, secretarial services, IT facilities and furniture. www.westwoodpark.co.uk
Table 3.26 – Colchester Managed Workspace Centres			

- 3.82 Four out of the six managed workspace centres in Colchester are located to the North of Colchester in close proximity to the A12. The centres are either purpose built or converted premises and currently have limited availability. The Weston Business Centre is located the closest to the University.

Babergh Market Assessment

- 3.83 As Babergh shares a boundary with Tendring District and lies close to the significant employment use locations of Lawford and Manningtree we have undertaken a review for the District.
- 3.84 It will be seen that the scale of the market is significantly smaller than that in Tendring or Colchester and therefore this section details key findings.

Babergh: Industrial & Warehousing

Demand

- 3.85 Over the analysis period of June 2009 to June 2015, a total of 36 transactions have been recorded. The 36 transactions total 179,844 sqft (16,708 sqm) of accommodation and the largest transaction involved a unit of 42,754 sqft in September 2014 (Unit 6 Seager Court, Crockatt Road, Hadleigh). The next largest transaction, which involved a unit of 30,562 sqft, took place in 2010 at Unit 2 Lady Lane Industrial Estate, Hadleigh. The remainder of transactions which have taken place are all below 10,000 sqft (929 sqm) and 29 (81%) of the transactions were less than 5,000 sqft (464.5 sqm).

Supply

3.86 In terms of accommodation which is currently available EGi identifies a total of 5 units as follows

- Lady Lane Industrial Estate, Hadleigh – Units 5 (770 sqft); 10 (1,266 sqft) and 12 (4,668 sqft);
- Orchard Court, Crockatt Road, Hadleigh- 3,175 sqft;
- Warehouse/production Building, Factory Lane, Brantham – 17,375 sqft;
- The above totals a supply of 27,254 sqft. Asking rents for these properties ranges from £4.50 to £6.00 psf.

3.87 It is worth noting that at the current time only one unit appears to be available at Brantham, a key development site adjacent to Lawford and Manningtree.

Babergh: Offices

Demand

3.88 Between June 2009 and June 2015 there have been a total of 29 office transactions across Babergh District. The total amount of accommodation transacted totals 54,328 sqft (5,047 sqm). The largest transaction involved a lease at Wherstead Park for a unit of approximately 17,000 sqft at a rental of £11.95 psf (February 2013). This transaction accounts for almost 30% of take-up, and is the new East of England Co-operative headquarters. This scale of transaction is exceptional with the majority of transactions (27 in total 93%) falling below 3,500 sqft (325 sqm). Indeed 17 (59%) of the transactions are below 1,000 sqft (929 sqm).

Supply

3.89 The availability of office accommodation is limited with only 4 units being identified by EGi. The total amount of accommodation available is 2,477sqft (25.7 sqm) and the largest unit comprises 902 sqft (83.7 sqm).

4 Property Market Summary

- 4.1 This section provides a summary of the key conclusions, which are emerging from the commercial market assessment. The following conclusions have been drawn from our market research, comprising analysis of demand (take-up) and supply (availability) presented in this report. This analysis has been supported by discussions with those active in the market place including agents, owners and managers.

Industrial/warehousing

- 4.2 Rates of market activity have improved as the recovery in the national economy has taken hold. The size of the market in Tendring is significantly smaller than that in Colchester when measured by take-up over the period analysed. According to our analysis of EGi data, take-up in Tendring totalled approximately 253,489 sqft (23,550 sqm). This compares to 1.6m sqft (148,930 sqm) in Colchester over the same period.
- 4.3 Over half of the total industrial transactions were in Clacton, with Gorse Lane Industrial Estate experiencing the highest churn. Although there has been some new build floorspace coming forwards in the District (e.g. Oakwood), the majority of accommodation available is second-hand, with availability highest in Clacton. Examination of take-up has indicated activity in the northern and western part of Tendring too, whilst supply in those locations is limited.
- 4.4 Examination of the data and discussions with agents active in the market suggest that, in terms of industrial and warehousing, the market is characterised by:
- Significant take-up in the core urban settlements and Clacton in particular. As supply is mainly located in Clacton the availability is mainly in these locations too;
 - In the east of the District supply is primarily meeting local need. However, the majority of this supply is unlikely to meet the needs of footloose occupiers who may choose to locate in neighbouring areas, which benefit from better communications infrastructure;
 - The Colchester market has seen good levels of take-up which is reducing supply; this may lead to opportunities for gaining demand in Tendring where sites can offer good communication infrastructure; and
 - Viability of new development is an issue, even with sites that have better communications infrastructure. A combination of demand and reduced supply could begin to drive up rents.

- 4.5 The difference in the scale of the markets is quite significant between Tendring and Colchester. Given the locational issues and the fact that the demand for new modern stock in Tendring is likely to be to the western side of the District, the new Local Plan policy needs to focus on two issues:
- The first is to seek to protect existing provision and secure new development within the key settlements of Clacton, Harwich, and Dovercourt. Equally supply in smaller urban settlements such as Brightlingsea, Great Bentley, Kirby Cross, Walton-on-the-Naze Lawford, Manningtree and Elmstead Market are providing an important function in terms of meeting local business needs and growing the employment base. The land and buildings provide cost effective opportunities for local businesses.
 - The second segment is to bring forward more employment land and buildings, which can provide proximity to the A12/A120 and Colchester. The scale of the market in Colchester is greater and a proportion of such demand could be satisfied in West Tendring.

Offices

- 4.6 As with the industrial and warehouse market Colchester has significantly greater activity and supply of office accommodation. According to EGi data, take up over the analysis period in Colchester was approximately 543,261 sqft (50,469 sqm) compared with 67,813 sqft (6,300 sqm) in Tendring. Supply is similarly profiled with supply in Tendring approximately 12,259 sqft (1,139 sqm) and in Colchester 267,613 sqft (24,861 sqm).
- 4.7 Examination of the take-up indicates that Colchester serves a diverse marketplace with good levels of transactions for units of 10,000 sqft (929 sqm) or more. In comparison the activity levels in the 1,001 to 2,500 sqft category are the highest, but perhaps reflect the unit sizes available in the market place.
- 4.8 Whilst Clacton is the key location with the greatest number of transactions, it can be seen that the supply in the smaller rural settlements has proven popular, and in these locations development activity has taken place and the supply of accommodation is of better quality. The small business/managed workspace centres are proving to be popular with limited availability.
- 4.9 In the main centres of Clacton and Harwich supply is limited with some loss of space to residential conversions. The quality of accommodation in these centres is poor outside of the Enterprise Centres. There is very limited office accommodation available in Clacton and

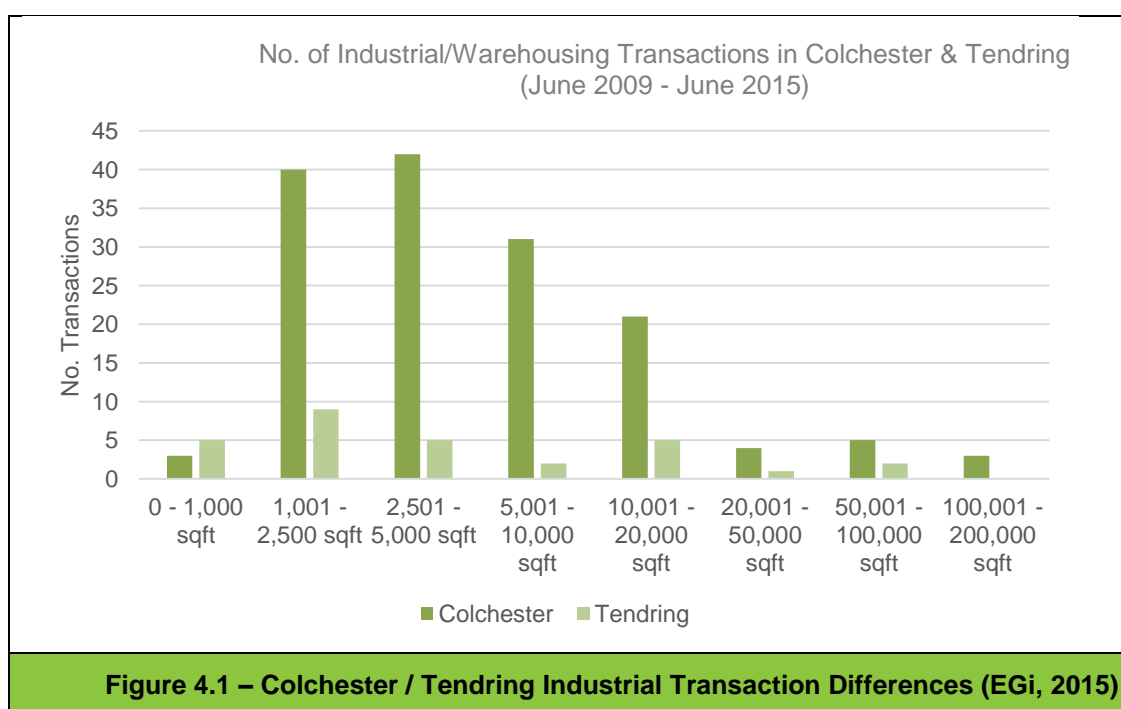
Harwich and this is generally second-hand and not purpose built. Provision of quality managed workspace in Clacton in particular could help to attract more office based activity in the Town.

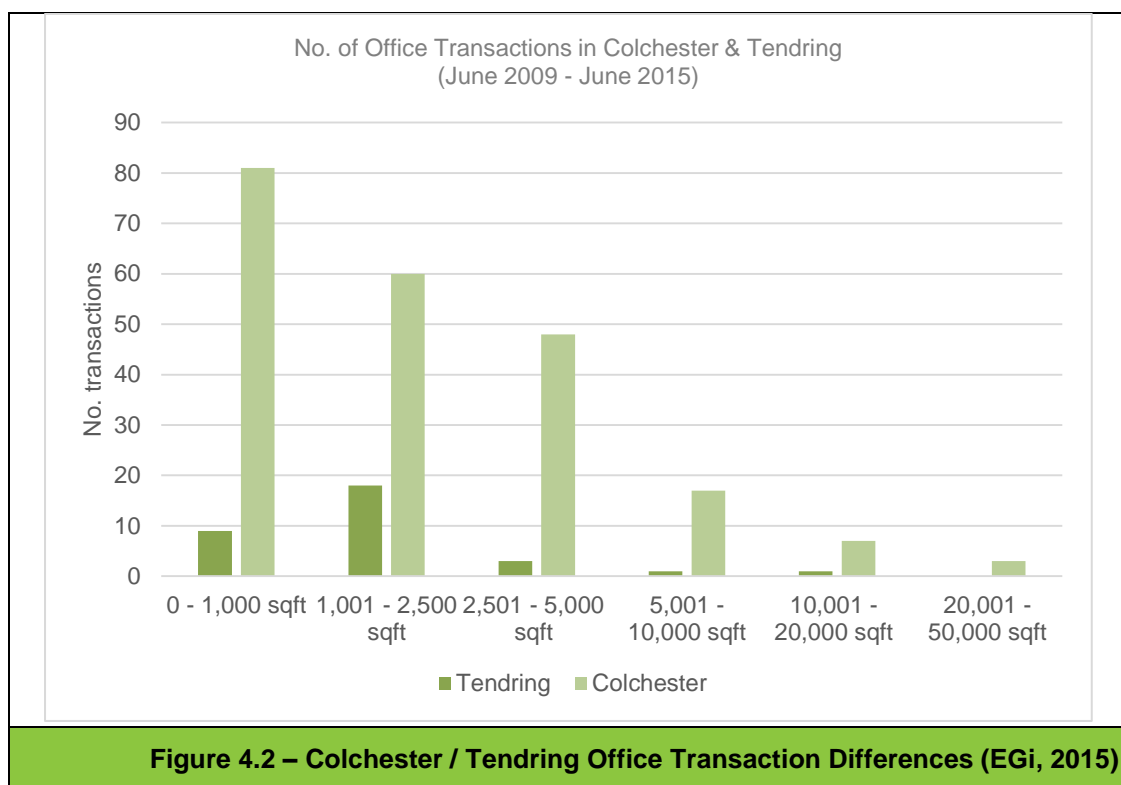
- 4.10 Examination of the EGi data would suggest that market demand primarily comes from SMEs serving the local area. The range of factors which influence locational decisions can often be driven by proximity to home – particularly for micro businesses. Commentary in The Essex Business Survey (2014) highlights that aspects or “attributes” such as safety, car parking, and good broadband are key requirements.
- 4.11 Similar to the comments made above with respect to the industrial/warehouse marketplace, the policy approach to improve performance in this sector needs to have a number of strands, these could include:
- Clacton and Harwich – in these larger urban settlements, the provision of quality managed workspace together with business support could help to encourage new business start-ups and provide the opportunity to existing businesses to access better standards of space.
 - Rural business centres – Blue Barns, Mauds Court and Lanswoodpark are good examples of where quality space has attracted demand. These centres can be popular with SMEs as they can provide quality space in an attractive environment and proximate to where business owners live. Good standards of broadband connectivity are essential and this investment needs to be made to ensure success. Such development should be encouraged as it will increase the stock of accommodation and businesses within Tendring.
 - As with industrial/warehouse accommodation, a more strategic opportunity exists to capture office demand from the successful Colchester marketplace. Tendring needs employment sites which are well located, with a high quality environment and good communications infrastructure, as they provide an attractive option for larger occupiers and established businesses. Proximity to the University of Essex, Colchester Campus is also likely to make sites more attractive to occupiers.
- 4.12 Viability will be a critical issue. This will be particularly true for development taking place in Harwich or Clacton, due to the weaker demand and rents. The level of demand, rental values and investment yields result in low (residual) land values for employment use. Landowners aspirations are hard to meet as they are being influenced by a strong residential property market which has significantly higher land values.

- 4.13 With rural business space this may be less of an issue as the evidence shows that quality developments delivered by the private sector such as Lanswoodpark can command higher rents. Land in rural locations may be greenfield and in agricultural use and as such may be acquired at less cost for development (the uplift from agricultural value to employment use value is at a sufficient incentive for landowners to sell).

Colchester – Tendring Analysis

- 4.14 For illustrative purposes, we provide graphs (Figures 4.1 and 4.2 below), which present the demand for office and industrial/warehouse premises in Colchester and Tendring to highlight the differences by location. In summary, Colchester had 79% more industrial and warehousing transactions than Tendring, and 81% more office transactions. This emphasises the point that Colchester has a more active commercial market and acts as a competitor to Tendring. If new employment sites were to be brought forward in proximity to Colchester, this would improve viability and increase market demand.





- 4.15 As there is clear demand for space in Colchester, Tendring needs to exploit this and bring forward employment sites to the West of the District, which are more accessible and can compete successfully with sites in Colchester.

Improving Performance & Delivery

- 4.16 Based on the examination of property market and the sites assessment presented later in this report, there are a number of issues that can be addressed to improve the availability of employment use sites and premises. The potential interventions are summarised below:

- **Management of non-traditional employment uses** – many industrial estates have occupiers that are non-traditional employment uses. Some of these uses can add useful local facilities which provide services to their neighbours, however many do create negative impacts (e.g. car sales). Policies to evaluate and limit non-traditional uses could be helpful in limiting the amount of such uses.
- **Local Development Orders (LDOs)** – using LDOs on larger older estates can enable occupiers and owners to reconfigure premises quickly. This may encourage re-use of older accommodation particularly through extensions or sub-division. Smaller occupiers often have to respond quickly to changing market circumstances and therefore timeliness can be an important issue.

- **Serviced sites and cross subsidy** – many of the development sites coming forwards across Tendring District incorporate both employment and residential proposals. It is critical that these developments ensure that serviced employment land is provided to the market and that the higher value development helps to fund the necessary site and infrastructure works. Specific marketing requirements for such sites are also needed to ensure that they are appropriately marketed over a sustained period.
- **Encouraging plot sales** – often industrial and warehouse occupiers prefer to acquire freehold land and procure buildings themselves. This may have cost advantages and enable the asset to be held by the business/owners. Landowners/developers are often reluctant to sell development plots as this does not maximise their returns. Subject to funding and approval the public sector could consider acquiring plots which will generate early income for the developer, but also enable plots to be sold to suitable businesses.
- **Growth funds** – using Local Growth funding (or similar public sector sources) to enable the unlocking of employment sites by funding infrastructure could contribute to the delivery of more land and buildings to the market and help to address viability constraints. This funding could be utilised together with the proceeding proposal to acquire development plots for sale as an aspect of the support provided.
- **Direct delivery** – in addition to delivering serviced plots, the public sector could consider delivery of quality managed workspace in select locations that will deliver quality accommodation, which can be targeted on start-up businesses and SMEs. This could particularly help to deliver good quality office accommodation.
- **Rural workspace** – the private sector has delivered successful workspace accommodation across the District in rural locations. Continuing to enable such investment in planning terms will enable relatively small amounts of accommodation to be delivered.

- 4.17 Some of the proposals above need to be developed with the private sector to ensure that the opportunities are maximised. There may be opportunities from this process of engagement to work in joint-venture with land owners and developers seeking to deliver employment use land and buildings.
- 4.18 The actions mentioned above can contribute significantly towards improved performance of the employment use property sector and help to deliver enterprise and employment opportunities across the District.

5 Review of Existing Sites

- 5.1 Allocated employment use sites across Tendring have been reviewed and evaluated. We set out below this review and also present an evaluation of the sites using a scoring system which enables the sites to be compared in terms of their attributes.
- 5.2 Tables 5.1 to 5.4 below are split with the second set referring to the rural employment sites specifically.

Sites Evaluation Scoring

- 5.3 The sites considered in this report have been evaluated against the following criteria:
- Strategic communications;
 - Local communications;
 - Proximity to labour and local services;
 - Compatibility of adjoining uses;
 - Development constraints;
 - Attractiveness to occupiers.
- 5.4 Each of the above has been scored from 1 to 5. The highest score being the most positive. The sites with the highest scores are considered the most suitable and the strongest for employment use.

Existing Employment Sites Review

Site Name / Address	Site Area (Ha)	Site Description / Status	Market Commentary
Clacton			
Ford Road (Newman) Industrial Estate, Clacton	Approx. 2.0 Ha (4.9 Ac)	Located within the urban area of Clacton, the site is close to the Town Centre and surrounded by residential dwellings. The estate provides a mixture of light industrial buildings and open areas. Occupiers at the site include car sales, maintenance and repair, construction companies and some manufacturing (e.g. Dalau).	The estate appears to be well occupied. The occupiers are serving local needs (customers). <i>Recommendation: continue to protect for employment uses.</i>
Oakwood and Crusader Business Park, Clacton	Forms part of Gorse Lane Ind Est – 38.07 Ha (94.1 Ac)	<p>These two industrial estates form part of the larger Gorse Lane Industrial Estate which is located to the north of Clacton and accessed via Centenary Way from the A133.</p> <p>Oakwood Business Park lies to the north of Stephenson Road West and directly to the west of the Clacton Factory Outlet centre. Crusader Business Park is to the south of Stephenson Road West and adjacent to the extensive parking for the factory outlet centre.</p> <p>Both of these estates provide a range of unit sizes and relatively modern accommodation. Both of the estates have a mix of occupiers and there is some evidence of units being used for non-traditional employment uses including gyms, salons and a chemist. Oakwood Business Park has recently been extended and all the new units are now occupied.</p> <p>In the past, owners Dalau proposed the allocation of land to the west of Thorpe Road and to the north of Centenary Way. The land was not allocated but could now form part of an extension to provide additional accessible development land (approximately 2.43 Ha).</p>	<p>The business parks clearly form a key part of an active and well utilised industrial estate. Accommodation is relatively modern. It must be noted that the estate is providing accommodation for non-traditional employment uses and whilst some of these are complementary, not all are and the estate may be functioning as an opportunity for occupiers to find larger accommodation which is cost effective for these uses (i.e. gyms and other leisure uses).</p> <p><i>Recommendation: continue to protect for employment uses. Consideration should be given to allocate the 'Dalau' site to enable new development.</i></p>
Gorse Lane Industrial Estate	Approx. 38.07 Ha (94.1 Ac)	As mentioned above this is Clacton's main employment area. In addition to Oakwood and Crusader Business Parks there is a further significant employment use area to the east of Clacton Factory Outlet Centre.	The estate has been the subject of a number of transactions and is the key location for industrial and warehouse accommodation in the Town.

Site Name / Address	Site Area (Ha)	Site Description / Status	Market Commentary
		<p>Development is located off the principal roads of Stephenson Road, Telford Road and Brunel Road.</p> <p>There is a range of unit sizes and quality of accommodation in this area. Occupiers are varied and include the Essex Enterprise Centre.</p> <p>A number of the units across the estate are in use by non-traditional employment uses and whilst these have provided some amenities which could support the employment uses remaining (e.g. gym and children's play centres) there has been a reduction in floorspace for traditional employment uses.</p> <p>A proposal for an extension to the estate on land to the North of Telford Road was approved in 2012 and was recently purchased by a local business. This site is discussed in more detail later in the report.</p>	<p>The estate has a number of non-traditional employment uses. Uses such as car sales and maintenance have an adverse impact on the estate, for example reducing car parking and increased visitor generation and vehicle movements and thus the negative visual impact.</p> <p>We are aware from speaking with agents and our research that larger units have needed to be sub-divided in order to meet local demand requirements. The quality of units is not always an issue given that the occupiers are seeking cost effective space.</p> <p>As the industrial estate is adjacent to residential areas, safeguarding amenity should be an important consideration in any proposals for future development.</p> <p><i>Recommendation: continue to protect for employment uses.</i></p>
Valleybridge Road Industrial Estate, Clacton	Approx. 44.2 Ha (17.9 Ac)	<p>This smaller industrial estate is located off Valley Road (B1027) to the North East of Clacton Town Centre. Premises closer to Valley Road have been converted to retail warehouse units and trade counter units (e.g. Farm Foods, The Range, Screwfix and Formula One Autocentres).</p> <p>The units to the rear of the estate (to the North) remain in employment use with a very large unit to the North of Valleybridge Road.</p>	<p>Should the large unit become vacant this is unlikely to re-let as a whole and would require significant re-modelling to create smaller units, however yard space and car parking requirements may mean that selective demolition is needed to create additional external areas.</p> <p><i>Recommendation: to continue to protect the employment use area.</i></p>
Oxford Road Industrial Estate, Clacton	Approx. 9.61 Ha (23.7 Ac)	<p>This site is located close to the Valleybridge Road estate – to the west and is accessed from Oxford Road via Valley Road. The site is well occupied mainly by trade counter, builders merchants and car maintenance businesses as well as some manufacturing companies. A new ASDA store is being built on the junction with Valley Road and this is expected to drive more traffic onto this road..</p>	<p>The estate is well occupied and is clearly providing accommodation for businesses which are serving local needs.</p> <p><i>Recommendation: continue to protect for employment uses.</i></p>

Site Name / Address	Site Area (Ha)	Site Description / Status	Market Commentary
Harwich			
SATO Site, Valley Road, Harwich	Appx. 2.2 Ha (5.4 Ac)	<p>This site is occupied by SATO a labelling company. The site is self-contained and is generally bounded by residential use, including along the access on Valley Road. The site incorporates a significant single story industrial building plus a separate office building and significant greenspace.</p> <p>The site has very little prominence and is hidden away due to residential development and the topography of the area.</p>	<p>A hybrid planning application has been made (15/01549/OUT) for a replacement factory on the northern part of the site and 38 residential units on the southern part.</p> <p>If SATO were to vacate this site, in market terms it is unlikely that it would be attractive for new employment use due to proximity of residential uses, poor prominence and access issues.</p> <p><i>Recommendation: to support the current planning application to bring forward the new industrial development and enabling residential development.</i></p>
Durite Works, Valley Road, Harwich	Approx. 1 Ha (2.5 Ac)	<p>The existing business is still in operation. As with the SATO site this site lies at the end of Valley Road and therefore shares the same issues of lack of prominence and an access of a residential street.</p> <p>It should be noted that recent residential development has taken place at the site to the west (Stour Close).</p>	<p>As with the site above the attractiveness for this site given its access, location and lack of prominence mean that it could be unattractive and non-viable (given demolition and development costs) for employment use, should Durite ever vacate the site. The site is proximate to the Harwich Valley (Pond Hall Farm) proposal, linking the two sites may be possible subject to ownership and viability considerations.</p> <p><i>Recommendation: retain the employment use allocation with the recognition that should the site become vacant that a case might need to be made for a change of use.</i></p>
Europa Way, Harwich	Approx. 4.38 Ha (10.8 Ac)	<p>This site comprises five separate industrial/warehousing buildings with a relatively small interconnecting yard space. The site is accessed directly off the roundabout on the A120 and thus enjoys prominence and good accessibility. Whilst the site is not adjacent to the port – it is within a short distance.</p> <p>We understand that the property is in the ownership of the owners of Surya Rice Ltd which operates from the site. A discussion with the property owners revealed that they consider that new development is non-viable due to flood risk issues.</p>	<p>The site is in the ownership of an owner-occupier which indicates a long-term commitment to the area. Whilst some buildings are new build, the majority are dated and the site may lack yard space which many distribution occupiers require, however remodelling could be undertaken as the site is extensive. The owners have commented that flood risk issues would make re-development problematic, due to additional costs.</p> <p><i>Recommendation: continue to protect for employment uses.</i></p>

Site Name / Address	Site Area (Ha)	Site Description / Status	Market Commentary
		The site owners have in November 2015 placed some of the units on the market – approx. 60,000 sqft.	
Frinton, Walton and Kirby Cross			
Kirby Cross Trading Estate, Clare Road	Approx. 1 Ha (2.5 Ac)	<p>This small industrial estate is located to the east of Frinton on Sea off the main B1033 Thorpe Road. It comprises 7 buildings some of which are sub-divided. Access is via Clare Road. The estate is well occupied with a range of tenants which include vehicle maintenance, showrooms and builders merchants.</p> <p>A proportion of the allocation remains undeveloped to the east of the site and adjacent to Holland Road, and should be brought forward to extend the site in the future. However, this is subject of a planning appeal for a small supermarket.</p>	<p>This is a small industrial estate which enjoys a relatively good location – off the East-West B1033 and close to the North-South B1032. The site is occupied by businesses which are serving mainly the local catchment. The undeveloped land provides an opportunity for end user led employment use development in the future should the appeal be unsuccessful.</p> <p><i>Recommendation: continue to protect for employment uses.</i></p>
Harmer's Foundry, Walton on Naze	Approx. 2.3 Ha (5.7 Ac)	The industrial estate is to the north of Walton on Naze and is accessed off Hall Lane. The site incorporates a wide range of buildings some of which are in poor condition, but still utilised and open land used for storage. There is some scrap storage and dealing at the site. The site has clearly evolved over time and the access road into the site is narrow.	<p>The site is serving a local function of providing space for local businesses which are very different. The site would benefit from some rationalisation and improvement although this may be difficult to achieve due to the current configuration and the possibility of mixed ownerships.</p> <p><i>Recommendation: continue to protect for employment uses.</i></p>
Manningtree, Lawford and Mistley			
Lawford Dale Industrial Estate, Manningtree	Approx. 18.77 Ha (46.4 Ac)	<p>This relatively large industrial estate is accessed from Station Road (B1352), although the estate comprises a number of parcels separated by rail lines. The site and buildings are in multiple ownerships.</p> <p>There are a wide range of business occupiers including trade counter, manufacturing, engineering, warehousing, car maintenance and some limited open storage.</p>	<p>This is an established and well occupied industrial area which provides a significant amount of accommodation.</p> <p>The purchase of the Tesco site and it's conversion back to industrial use will enable much needed business growth in this area as the rest of the estate is very constrained and offers little opportunity for expansion.</p> <p><i>Recommendation: continue to protect for employment uses. An LDO which underpins the employment uses at the area – through permitting adaptations, extensions could help to</i></p>

Site Name / Address	Site Area (Ha)	Site Description / Status	Market Commentary
		<p>We understand that the estate is 93% occupied and thus successful in attracting demand.</p> <p>The Tesco site close to the town centre has recently been bought by a local developer and is being actively marketed for business use.</p>	<i>keep the site attractive as changes could be brought about quickly by owners/occupiers.</i>
Edme Maltings, Mistley	Approx. 1.5 Ha (3.7 Ac)	Occupied by a successful business (Anglian Maltings) the complex of existing buildings has been the subject of work by consultants to examine the re-use of larger multi-storey maltings buildings which have heritage value.	<p>Whilst occupied by employment use, older buildings which have heritage value may not find suitable re-use for employment purposes, primarily for viability reasons.</p> <p><i>Recommendation: to retain the employment use designation, however to work with the owners to secure the future re-use of the heritage buildings as part of the wider development brief. A specific Development Brief, which sets out the potential for the estate has been developed and will be helpful moving forwards.</i></p>
Crisp Maltings, Mistley	Approx. 1.5 Ha (3.7 Ac)	This maltings complex is accessed of School Lane and lies adjacent to attractive residential development. The access road and adjacent railway mean that the site lacks prominence and has an awkward access arrangement.	<p>There is an operational business at this site. Should the premises become vacant it is unlikely that new employment uses would come forwards at this site in this location.</p> <p><i>Recommendation: continue to protect for employment uses.</i></p>
Mistley Marine, Mistley	Approx. 0.9 Ha (2.2 Ac)	This site is riverside and is occupied by Mistley Marine & Leisure Limited that provide marine related engineering services.	<p>There is an operational business at this site. Should the premises become vacant other occupiers in the marine industry may come forwards.</p> <p><i>Recommendation: continue to protect for employment uses.</i></p>
Mistley Port, Mistley	Approx. 3.1 Ha (7.7 Ac)	As with Mistley Marine above this site is riverside and is occupied by a range of businesses which are marine/port related. Trent Wharfage Ltd are present at the port and provide logistics services of bulk materials.	<p>There is an operational business at this site. Should the premises become vacant other occupiers in the marine industry may come forwards.</p> <p><i>Recommendation: continue to protect for employment uses.</i></p>

Site Name / Address	Site Area (Ha)	Site Description / Status	Market Commentary
Brightlingsea			
Morses Lane Industrial Estate, Brightlingsea	Approx. 8.5 Ac (3.42 Ha)	<p>Accessed of Samson's Lane and to the north side of Brightlingsea, this industrial estate that provides a mix of smaller and some larger industrial units. We understand that it is well let and relatively popular.</p> <p>The adjacent site has been built out for retail and a petrol filling station. Part of the allocation remains undeveloped.</p>	<p>A well let industrial estate with a good mix of unit sizes. Whilst demand would be difficult to predict in this location, retaining employment land which can meet future requirements particularly when they are end user led is beneficial.</p> <p><i>Recommendation: continue to protect for employment uses.</i></p>
Shipyard Estate	Approx. 4.3 Ac (1.74 Ha)	<p>This site fronts onto the Brightlingsea Creek and is used by marine and port related users. We understand that a number of large units have recently become vacant.</p>	<p>The site provides both buildings and sites which are suited to the marine and port related uses taking place.</p> <p><i>Recommendation: continue to protect for employment uses.</i></p>
Ardleigh			
Old Ipswich Road, Ardleigh	N/A	<p>Old Ipswich Road includes a number of un-connected employment sites which are in separate ownership. The sites are very proximate to Colchester and to the north of the A120 and east of the A12.</p> <p>Whilst there is no further land allocated for employment use the existing employment uses are protected through planning policy.</p>	<p>This is a well-used location and development proposals have recently come forward for a hotel development and small business units indicating confidence in the location.</p> <p><i>Additional land should be identified to meet business demand for locations to the West of the District.</i></p> <p><i>Recommendation: continue to protect for employment uses.</i></p>
Table 5. 1 – Existing Sites			

Existing Sites – Evaluation

	Site Name	Site Area (Hectares)	Strategic Communications	Local Communications	Proximity to Labour & Services	Compatibility of Adjoining Uses	Development Constraints	Occupier Attractiveness	Total Rating	Barriers to Delivery	Timescale to Delivery	Potential Uses	General Comments
Clacton-on- Sea													
1	Ford Road (Newman) Industrial Estate, Clacton	2.00	2	4	4	3	3	3	19	None	Available	B2/B8	Located within the urban area of Clacton the site is close to the Town Centre and surrounded by residential dwellings. The estate provides a mixture of light industrial buildings and open areas. Occupiers at the site include car sales, maintenance and repair, construction companies and some manufacturing (e.g. Dalau). The estate appears to be well occupied. The occupiers are serving local needs (customers).
2	Oakwood and Crusader Business Park, Clacton	38.07	3	4	4	4	5	4	24	None	Available	B1/B2/B8	These two industrial estates form part of the Gorse Lane Industrial Estate which is located to the north of Clacton and accessed via Centenary Way from the A133. Both of these sites provide a range of unit sizes and relatively modern accommodation. Both of the estates have a mix of occupiers and there is some evidence of units being used for non-traditional employment uses including gyms, salons and climbing walls. Oakwood Business Park could be extended by virtue of extension proposals. The business parks clearly form a key part of a active and well utilised industrial estate. Consideration can be given to the 'Dalau' site for allocation of additional land.
3	Gorse Lane Industrial Estate	38.07	3	4	4	4	5	4	24	None	Available	B1/B2/B8	Clacton's main employment area. In addition to Oakwood and Crusader Business Parks there is a further significant employment use area to the east of Clacton Factory Outlet Centre. There is a range of unit sizes and quality of accommodation in this area. Occupiers are very varied and include the Essex Enterprise Centre. The estate has been the subject of a number of transactions and is the key location for B2/B8 accommodation in the Town. We are aware from speaking with agents and our research that larger units are needing to be sub-divided in order to meet local demand requirements.

	Site Name	Site Area (Hectares)	Strategic Communications	Local Communications	Proximity to Labour & Services	Compatibility of Adjoining Uses	Development Constraints	Occupier Attractiveness	Total Rating	Barriers to Delivery	Timescale to Delivery	Potential Uses	General Comments
													Land to the North of Telford Road has been acquired by a local business and has permission for further employment use development.
4	Valleybridge Road Industrial Estate, Clacton		2	4	4	3	3	3	19	None	Available	B1/B2/B8	This smaller industrial estate is located off Valley Road (B1027) to the north east of Clacton Town Centre. Premises closer to Valley Road have been converted to retail warehouse units and trade counter units (e.g. Farm Foods, The Range, Screwfix and Formula One Autocentres). The units to the rear of the estate (to the north) remain in employment use with a very large unit to the north of Valleybridge Road. Should the large unit become vacant this is unlikely to re-let as a whole and would require significant re-modelling to create smaller units, however yard space and car parking will need to be improved and thus some demolition may be needed.
5	Oxford Road Industrial Estate, Clacton	9.61	2	4	4	3	3	3	19	None	Available	B1/B2/B8	This site is located close to the Valleybridge Road estate – to the west and is accessed from Oxford Road via Valley Road. The site is well occupied mainly by trade counter, builders merchants and car maintenance businesses. The estate is well occupied and is clearly providing accommodation for businesses which are serving local needs. A new ASDA store is being constructed at the junction with Valley Road and this will generate further traffic onto the road.

	Site Name	Site Area (Hectares)	Strategic Communications	Local Communications	Proximity to Labour & Services	Compatibility of Adjoining Uses	Development Constraints	Occupier Attractiveness	Total Rating	Barriers to Delivery	Timescale to Delivery	Potential Uses	General Comments
Harwich													
6	SATO Site, Valley Road, Harwich	2.20	3	3	3	2	3	1	15	Viability	Short term	B1/B2/B8	This site is occupied by Sato, a labelling company. The site is self-contained and is generally bounded by residential use, including along Valley Road the access road. The site incorporates a significant single story industrial building plus a separate office building and significant greenspace. The site has very little prominence and is hidden away due to residential development and the topography of the area. A planning application has been made for a small residential scheme which will help to fund the relocation of SATO into new purpose built accommodation. If SATO were to ever vacate the site the site is unlikely to be attractive to other employment use occupiers.
7	Durite Works, Valley Road, Harwich	1.00	3	3	3	2	2	1	14	Viability	Short term	B1/B2/B8	We understand that the buildings at this site have been fire damaged, however existing businesses are still in operation. As with the SATO above, this site lies at the end of Valley Road and therefore shares the same issues of lack of prominence and an access of a residential street. It should be noted that recent residential development has taken place at the site to the west (Stour Close). As with the site above the attractiveness for this site given its access, location and lack of prominence mean that it is unattractive and non-viable (given demolition and development costs) for employment use.
8	Europa Way, Harwich	4.38	4	3	3	4	2	3	19	Flood risk and viability for new accom	Available	B2/B8	This site comprises five separate industrial/warehousing buildings with a relatively small interconnecting yard space. The site is accessed directly off the roundabout on the A120 and thus enjoys prominence and good accessibility. Whilst the site is not adjacent to the port – it is within a short distance. We understand that the property is in the ownership of the owners of the Surya Rice Ltd business which operates from the site. The owners have recently placed surplus accommodation on the market.

	Site Name	Site Area (Hectares)	Strategic Communications	Local Communications	Proximity to Labour & Services	Compatibility of Adjoining Uses	Development Constraints	Occupier Attractiveness	Total Rating	Barriers to Delivery	Timescale to Delivery	Potential Uses	General Comments
Frinton, Walton and Kirby Cross													
9	Kirby Cross Trading Estate, Clare Road	1.00	2	3	3	4	4	2	18	None	Available	B2/B8	The estate is well occupied with a range of tenants which include vehicle maintenance, showrooms and builders merchants. This is a small industrial estate which enjoys a relatively good location – off the east-west B1033 and close to the north-south B1032. The site has a small area of expansion land which could enable prominent development to take place (subject to highways approval) as and when end user led demand arises. It should be noted that this land is the subject of a planning appeal for small supermarket development.
10	Harmer's Foundry, Walton on Naze	2.30	1	3	2	3	3	3	15	None	Available	B2/B8	The industrial estate is to the north of Walton on Naze and is accessed off Hall Lane. The site incorporates a wide range of buildings some of which are in poor condition, but still utilised and open land used for storage. There is some scrap storage and dealing at the site. The site has clearly evolved over time and the access road into the site is narrow. The site is serving a local function of providing space for local businesses which are very different. The site would benefit from some rationalisation and improvement although this may be difficult to achieve due to the current configuration and the possibility of fragmented ownerships.
Manningtree, Lawford and Mistley													
11	Lawford Dale Industrial Estate, Manningtree	18.77	3	4	4	4	4	4	23	None	Available	Trade counter (sui generis)	This relatively large industrial estate is accessed from Station Road (B1352), although the estate comprises a number of parcels separated by rail lines. There are a wide range of business occupiers including trade counter, warehousing, car maintenance and some limited open storage. We understand that the estate is 93% occupied and thus successful in attracting demand. This is an established and well occupied industrial area which provides a significant amount of accommodation. The 'Tesco' site has been purchased by a developer looking to undertake further employment use development at the site.

	Site Name	Site Area (Hectares)	Strategic Communications	Local Communications	Proximity to Labour & Services	Compatibility of Adjoining Uses	Development Constraints	Occupier Attractiveness	Total Rating	Barriers to Delivery	Timescale to Delivery	Potential Uses	General Comments
12	Edme Maltings, Mistley	1.50	2	3	3	3	2	2	15	Viability	Not Known	B1/B2/B8	Occupied by a successful business (Anglian Maltings) the complex of existing buildings has been the subject of work by consultants to examine the re-use of larger multi-storey maltings buildings which have heritage value. Whilst occupied by employment use, older buildings which have heritage value may not find suitable re-use for employment purposes, primarily for viability reasons.
13	Crisp Maltings, Mistley	1.50	2	2	3	2	2	2	13	Viability	Not known	B1/B2/B8	This maltings complex is accessed of School Lane and lies adjacent to attractive residential development. The access road and adjacent railway mean that the site lacks prominence and has an awkward access arrangement. There is an operational business at this site. Should the premises become vacant it is unlikely that new employment uses would come forwards at this site in this location.
14	Mistley Marine, Mistley	0.90	2	3	3	3	3	3	17	None	Not Known	B2/B8	This site is waterside and is occupied by Mistley Marine & Leisure Limited that provide marine related engineering services. There is an operational business at this site. Should the premises become vacant other occupiers in the marine industry may come forwards.
15	Mistley Port, Mistley	3.10	2	3	3	3	3	3	17	None	Not Known	B2/B8	As with Mistley Marine above this site is river side and is occupied by a range of businesses which are marine/port related. TWL are present and the port and provide logistics services of bulk materials. There is an operational business at this site. Should the premises become vacant other occupiers in the marine industry may come forwards.
Brightlingsea													
16	Morses Lane Industrial Estate, Brightlingsea	3.42	2	3	3	4	3	3	18	None	Available	B2/B8	There is a good mix of unit sizes and it is well let. Expansion land available should be retained to enable end-user led expansion as and when requirements come forwards.

	Site Name	Site Area (Hectares)	Strategic Communications	Local Communications	Proximity to Labour & Services	Compatibility of Adjoining Uses	Development Constraints	Occupier Attractiveness	Total Rating	Barriers to Delivery	Timescale to Delivery	Potential Uses	General Comments
17	Shipyard Estate	1.74	2	3	3	4	3	2	17	None	Available	B2/B8	This site fronts onto the Brightlingsea Creek and is used by marine and port related users. The site is well occupied. The site provides both buildings and sites which are suited to the marine and port related uses taking place.
Ardleigh													
8	Old Ipswich Road, Ardleigh	N/A	5	3	4	5	2	5	24	Local Roads & Site Assembly	Medium to Long Term	B1/ B2 / B8	As with West Tendring above this is an opportunity to take advantage from the proximity to Colchester and the A12/A120 corridors. There is existing employment use development in this location together with amenities including a hotel. The opportunity would be maximised if development is co-ordinated to create a quality employment use development. A development framework produced with the cooperation of the landowners would be appropriate to assist in this process.
Table 5.2 - Existing Sites Evaluation (AVL)													

Rural Sites Review

Site Name / Address	Site Area (Ha)	Site Description / Status	Market Commentary
Rural Employment Sites			
Lanswoodpark, Elmstead Market	Approx. 4.1 Ac (1.66 Ha)	<p>The site is located to the south of Clacton Road (A133) between Elmstead Market and Frating. A business centre (phase 1) has been developed on site which has attracted a range of occupiers. The location is relatively good for accessing Colchester.</p> <p>We understand that additional land is being proposed in response to the call for sites.</p> <p>Phase 2 development is on site and we understand a pre-let is agreed which will trigger the development of Phase 3.</p>	<p>With relatively new development having taken place there is a prospect that this will expand and grow in this location with further office and workshop accommodation.</p> <p><i>Recommendation: continue to protect for employment uses and consider allocation of further employment land in this location.</i></p>
Plough Road Centre, Great Bentley	Approx. 4.9 Ac (2.0 Ha)	<p>This site provides a range of office and light industrial accommodation together with car sales use and is situated immediately adjacent to Great Bentley rail station.</p> <p>The site includes expansion land, however it is not clear whether access is achievable through the main site. The adjacent site is the subject of a planning appeal that includes 0.91ha of additional employment land that would be accessed via a separate access further along Station Road..</p>	<p>This is a well-used business park, which provides a range of buildings that will appeal to businesses seeking to serve the local catchment.</p> <p><i>Recommendation: continue to protect for employment uses and allocate further accessible employment land to accommodate future requirements. Non-traditional employment uses need to be carefully managed to reduce loss of space for traditional uses.</i></p>
Martell's Pit Industrial Estate, Ardleigh	Approx. 19.8 Ac (8.03 Ha)	<p>This is a significant site which is utilised for 'dirty' uses. A single unit is available. The site has scope to accommodate other un-neighbourly uses. The site is located off Slough Lane to the south of Ardleigh and thus away from residential areas.</p>	<p>The site is in active use and may offer the District future opportunity for uses which are un-neighbourly such as handling waste.</p> <p><i>Recommendation: continue to protect for employment uses.</i></p>

Site Name / Address	Site Area (Ha)	Site Description / Status	Market Commentary
The Rice Bridge Industrial Estate, Thorpe-le-Soken	Approx. 3.6 Ac (1.47 Ha)	This site is located off Harwich Road (B1414). The site comprises a range of accommodation including a series of small industrial buildings.	This site is relatively small and provides a range of accommodation suited to businesses serving the local catchment. <i>Recommendation: continue to protect for employment uses.</i>

Table 5.3 – Rural Sites Review (AVL)

Rural Sites Evaluation

	Site Name	Site Area (Hectares)	Strategic Communications	Local Communications	Proximity to Labour & Services	Compatibility of Adjoining Uses	Development Constraints	Occupier Attractiveness	Total Rating	Barriers to Delivery	Timescale to Delivery	Potential Uses	General Comments
1	Lanswoodpark, Elmstead Market	1.66	3	3	3	4	5	4	22	None	Available	B1/B2/B8	The site is located to the south of Clacton Road (A133) between Elmstead Market and Frating. A business centre has been developed on site which has attracted a range of occupiers. The location is relatively good for accessing Colchester. Phases 2 and 3 of this scheme are progressing. Further land is currently proposed for allocation/expansion.
2	Plough Road Centre, Great Bentley	2.00	2	3	2	4	5	4	20	None	Available	B1/B2/B8	This site provides a range of office and light industrial accommodation and is situated immediately adjacent to Great Bentley rail station. There is a wide range of occupiers and unit sizes which will appeal to businesses serving the local area. This is a well used business park which provides a range of buildings which will appeal to businesses seeking to serve the local catchment. An adjacent site is the subject of a planning appeal that could deliver a further 0.91 ha of additional employment land.
3	Martell's Pit/ Industrial Estate, Ardleigh	8.03	3	3	3	4	5	4	22	None	Available	B2/B8	A site in use for dirty uses and scope to accommodate other un-neighbourly uses. The site is located off Slough Lane to the south of Ardleigh and thus away from residential areas. The site is fully occupied.
4	The Rice Bridge Industrial Estate, Thorpe-le-Soken	1.47	1	3	3	4	5	3	19	None	Available	B2/B8	This site is located off Harwich Road (B1414). The site comprises a range of accommodation including a series of industrial buildings. This site is relatively small and provides a range of accommodation suited to businesses serving the local catchment.
Table 5.4 - Rural Sites Evaluation (AVL)													

Existing Sites – Summary

- 5.5 The review of existing sites indicates that the sites and premises appear to be well used (occupied) and that the Council needs to protect these employment areas to have an effective supply of land and buildings. The evaluation of existing sites identified the following as the highest scoring locations;
- Clacton
 - Oakwood and Crusader Business Park;
 - Gorse Lane Industrial Estate.
 - Harwich
 - Europa Way.
 - Frinton, Walton and Kirby Cross
 - Kirby Cross Trading Estate.
 - Manningtree, Lawford and Mistley
 - Lawford Dale Industrial Estate, Manningtree.
 - Brightlingsea
 - Morses Lane Industrial Estate.
 - Ardleigh
 - Old Ipswich Road.
- 5.6 The review and evaluation of the rural sites across the District indicate the important function that these sites play in providing accommodation for business activities. Lanswoodpark, Elmstead Market and Martell's Pitt, Ardleigh have successfully secured occupiers.
- 5.7 It can be noted from the comments made in the foregoing tables that many of these sites do accommodate non-traditional employment uses. Such uses reduce the amount of accommodation available for traditional employment occupiers. Furthermore uses such as car sales can create conflicts in terms of traffic movement and car parking.

6 Review of Key Sites

6.1 In this section of the report we have undertaken an analysis of the sites detailed below in order to determine whether they are suitable for employment uses. A number of the sites are currently being promoted by landowners/developers and therefore we have used the proposals being put forward as the basis on which to review the proposed employment space.

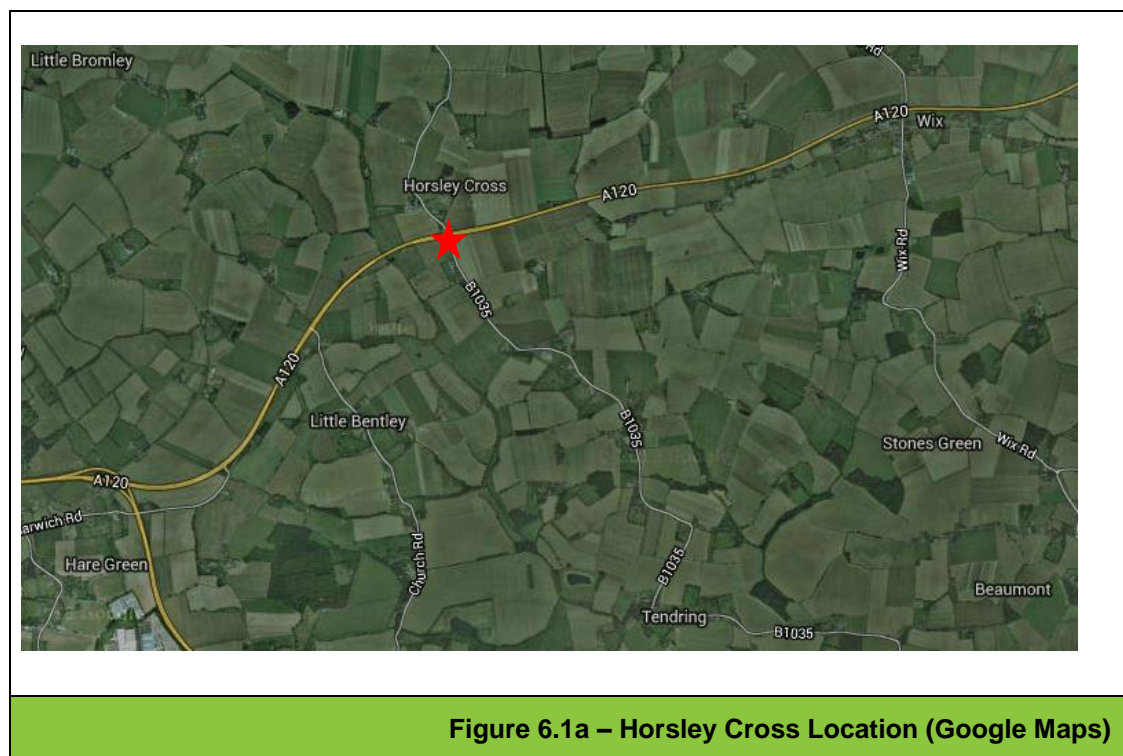
- Horsley Cross / Tendring Europark
- Harwich Valley (Pond Hall Farm)
- Weeley
- Oakwood Extension
- Stanton Europark
- Mercedes Site
- West Tendring
- Frating
- Hartley Gardens / Clacton Gateway

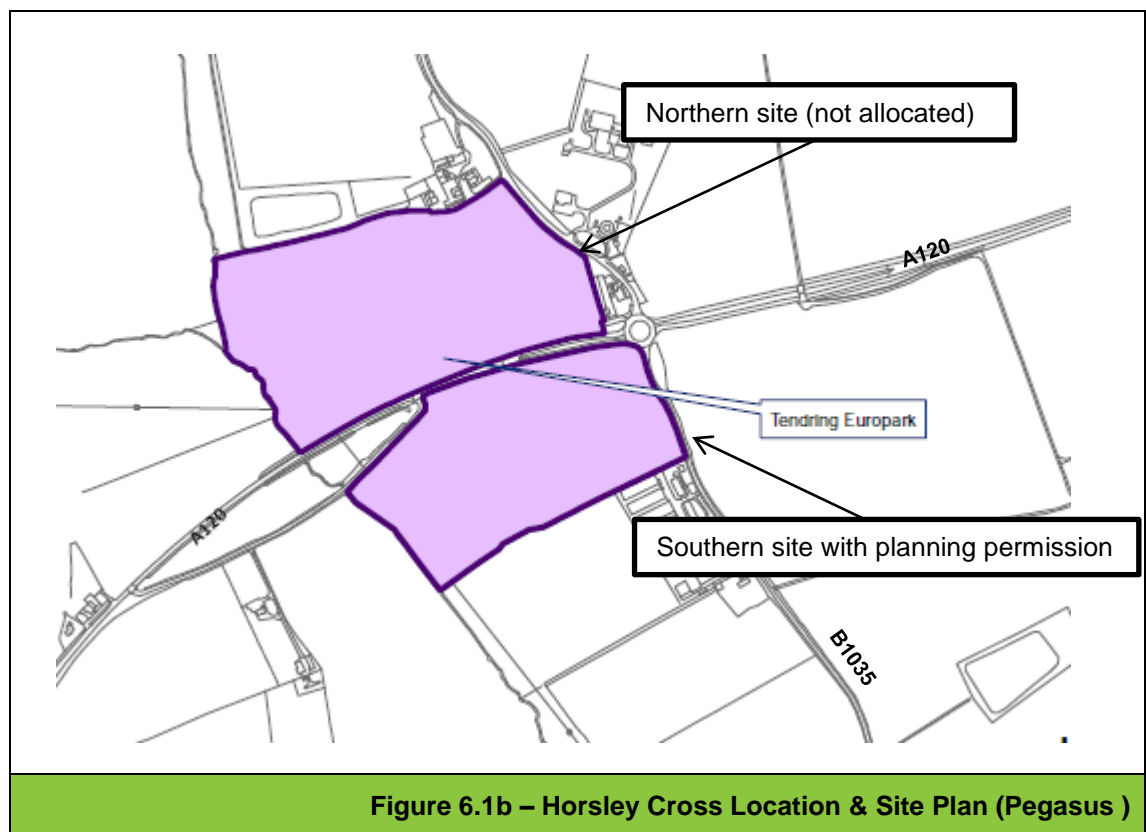
6.2 As part of our review we have considered the locational benefits of each of the sites, the nature of the proposed scheme, and how they reflect the market demand within the Tendring area. We have consulted with key landowners/developers (or their representatives) in order to understand their proposals in further detail and to discuss the key issues affecting these sites. We make recommendations as to whether the proposed sites are attractive and deliverable employment locations.

Horsley Cross / Tendring Europark

Site Description

- 6.3 The site extends to approximately 26 Ha (64.22 acres) comprising two parcels to the North and South of the A120 and to the west of the B1035 sitting roughly midway between Harwich and Colchester. Proposals for the southern site have been brought forward and outline planning permission has been secured. The southern site provides the main focus of this analysis.
- 6.4 The southern site extends to approximately 11.2 Ha (27.66 acres) and is located to the South of the junction (roundabout) of the A120 and the B1035. The site will be accessed from the B1035 and is a greenfield site which is currently used for occasional car boot sales. We understand that Hill Street Holdings / Croland Limited have options to acquire the land. The location and site plan for the southern and northern parcels is shown at Figure 6.1a and 6.1b.





Planning Policy

6.5 The 2007 Adopted Local Plan did not allocate the site for development; however, the Local Plan is currently being updated and the northern and southern parcels have been identified as employment sites under Policy PRO14 in the Draft Local Plan which states:

- Employment sites, as identified on the Policies Map and Policies Map Insets, will be safeguarded and promoted for B1 (b & c), B2 and B8 use in order to maintain a flexible supply of suitable employment land to attract inward investment in the industrial, storage, and distribution sectors, providing appropriate locations for existing businesses to expand or relocate and safeguard local employment.
- The change of use or redevelopment of land or buildings on these employment sites for purposes other than class B1 (b & c), B2 or B8 uses (or their existing employment use) will not be permitted unless it can be demonstrated that the proposal would either create new permanent employment opportunities or support existing ones and would not conflict with any other policies contained in this Local Plan.¹¹

¹¹ Written Statement of the 2012 Draft Local Plan (as amended by the 2014 Focused Changes)

Proposals

- 6.6 An outline planning permission for the southern site was granted in July 2013 for the following:
- 304,000 sqft (28,280 sqm) of floorspace, broken down as follows:
 - B2 201,183 sqft (18,690 sqm);
 - B8 83,173 sqft (7,070 sqm);
 - A new bus depot comprising 242,410 sqft (2,520 sqm);
 - A 30m high telecommunications mast; and
 - Associated access, landscaping, parking and highway improvements.
- 6.7 To date no occupier interest has been secured at this site and no development has taken place.

Developer Consultation

- 6.8 Discussions with the developer have taken place. At that time (late 2015), they informed us that they were looking to secure pre-lets before commencing development and that they were in discussion with a number of potential occupiers looking to be in occupation by June 2016.
- 6.9 As part of our discussion with the developer, it was indicated that they would submit a planning application by the end of 2015 in respect of the early phase of development. This suggests that the developer was hopeful in terms of demand, however to date we understand that no transactions have taken place and no planning application has been made.
- 6.10 During our discussions, the developer considered that the planning obligation associated with the bus depot/service provision, was onerous and that this requirement has slowed down the delivery of the scheme.
- 6.11 The developer indicated that if public sector funds could be made available, then this would be used to deliver onsite road infrastructure, thus facilitating delivery.

Key Issues

- 6.12 The site has a rural setting with no settlement in close proximity from which labour could be drawn. Equally there is no local demand generator, for instance large population catchment or industrial activities. Footloose occupiers will consider a range of sites and it is highly likely that locational attributes of the site are not as strong as competing sites.

- 6.13 In terms of bringing forward the site for development there are a number of site enabling costs which affect the viability of the development. Early infrastructure costs include access (new roundabout) and access roads within the site. Also utilities need to be connected and we understand that this will involve the provision of a new sub-station. Planning obligations including those related to public transport also have a significant cost and have been confirmed as being an issue by the developers of the site.
- 6.14 We note from the developer's planning statement (prepared by Pegasus, July 2013) that the level of B8 floorspace is to be restricted to 25% of the total commercial floorspace. We understand that this was to protect the B8 market/potential of Harwich and was offered by the developer. This restriction may affect the viability of the overall scheme as employment use demand in this location in our opinion is likely to come from warehouse and distribution companies, given national trends of growth and demand in the marketplace.
- 6.15 Whilst the developer in the past has mentioned targeting port related demand, factors like the investment in the A14 (to the West) and new rail terminal at Felixstowe suggest that other sites and locations will have competitive advantage over Horsley Cross.
- 6.16 As a location, a further concern associated with this site is sustainability. In the first instance the site faces competition in market terms from sites to the east (Harwich) and in particular to the west (Colchester). The A12 corridor is a key route and would be attractive to warehouse and distribution operators. Logistics operators are concerned with drive times and they target locations that provide the largest catchment within the minimum drive time. It is also worth noting that the logistics sector seeks to reduce 'double handling', which is a term that describes additional unloading and loading of goods. Such double handling takes time and more significantly cost. This is partially the reason why significant logistics facilities are located in the Midlands and not close to ports as containers can be unloaded and their contents distributed from these centres.
- 6.17 The lack of local facilities for employees and the fact that employees will need to commute to the site mean that this site could be at a disadvantage when compared with competing locations. It is unlikely that facilities would be provided at the site, as operators will prefer Harwich as a location, given the residential population and existing business base.

Recommendation

- 6.18 Whilst the developer is suggesting that the scheme will be a success and has had interest from several occupiers (totalling circa 80,000 sqft); no transactions have progressed and the site remains un-serviced. The site does have a number of constraints, primarily in relation to sustainability and infrastructure.

- 6.19 The viability of development in this location has been brought into question by the developer, via their reference to the need for public sector financial support. There is a clear need for significant early investment in site infrastructure and in our opinion such costs render the scheme non-viable. A bank or other lender is unlikely to fund this infrastructure and thus this would need to come from the developer's equity. A developer would need to recover such investment in a relatively short period of time otherwise the holding costs (i.e. interest costs and maintenance) will accumulate faster than returns can be generated. With demand being as weak as it appears to be, the development risks are significant.
- 6.20 Existing accommodation such as that at Europa Way, Stanton Europark or the Mercedes sites have a competitive advantage as they are available and in close proximity to the port. Additionally they benefit from being proximate to labour and other amenities. The location of the Horsley Cross site makes it unattractive for warehousing and distribution, as it lacks proximity to the Port. Drive times to larger population centres are longer than competing sites in the West of the District.
- 6.21 Based on the above we would recommend that the northern site is not allocated for employment use. With respect to the southern site, should development not take place and an application made to extend the permission, it would be our recommendation not to approve such an extension.

Harwich Valley (Pond Hall Farm)

Site Description

- 6.22 The site is approximately 73 acres (29.37 Ha) of greenfield/agricultural land situated immediately adjacent to the A120 (on the south side) and north of the residential area known as Dovercourt. The site will be accessed from the A120, through a new roundabout. We understand that the Williams Group exercised its option to acquire the site earlier this year and have submitted a hybrid planning application for a mixed use development. The application seeks “outline approval for development of the site to create employment units, café / restaurant units, public house, drive thru restaurants, cinema, hotel and up to 297 dwellings...”.
- 6.23 Please refer to Figure 6.2 and 6.3 for location and site plan. Tendring District Council have received a letter from DCLG confirming that it will not call in the application and therefore the Council is minded to grant approval subject to a S106 agreement.

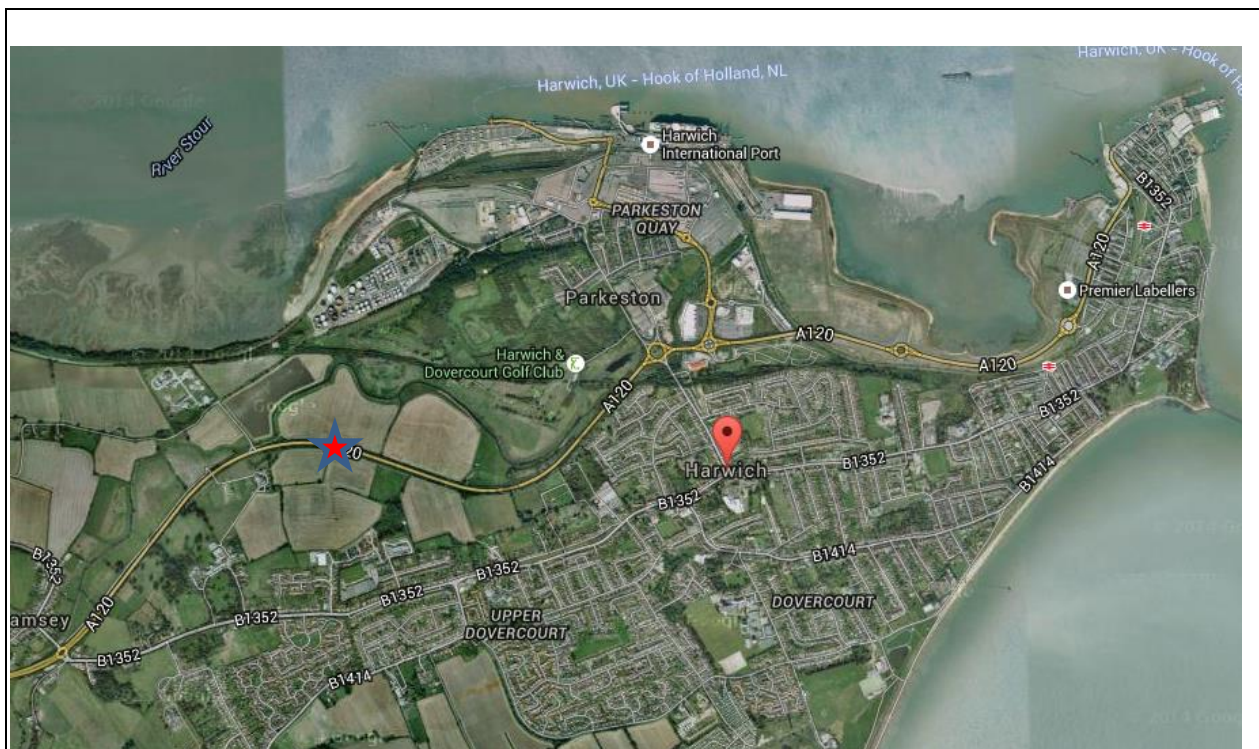


Figure 6.2 – Harwich Valley Location (Google)



Planning Policy

6.24 The entire site is allocated under the Adopted Local Plan (2007), Policy HAR2: Land East of Pond Hall Farm for employment uses, in particular ‘for the development of a new business park for storage and distribution along with general and light industrial uses’. However, the latest Draft Local Plan Policy HAD4: Development East of Pond Hall Farm¹² states that the site is allocated for a comprehensive mixed use development, incorporating residential, community facilities, commercial/employment uses and public open space. The policy goes onto say that a minimum of 5 hectares of land will be restricted to employment-related development in Classes B1, B2 or B8, or port-related uses.

¹² Written Statement of the 2012 Draft Local Plan (as amended by the 2014 Focused Changes).

Proposals

- 6.25 The developer is proposing a comprehensive mixed used development of the site and in accordance with the Draft Local Plan is seeking to deliver 6.3 Ha (15.6 Ac) of employment land; the scheme will deliver 804,473 sqft (74,736 sqm) of floorspace broken down as follows (an illustrative masterplan is shown in Figure 6.3):
- Retail A1 – 12,775 sqm (foodstore 6,422 sqm);
 - Petrol Filling Station – 94 sqm;
 - Restaurants/Cafes (A3) – 2,138 sqm;
 - Public House (A4) - 651 sqm;
 - Drive Thru – 651 sqm;
 - Cinema – 2,509 sqm;
 - Hotel – 2,463 sqm;
 - Residential – 26,921 sqm (297 units);
 - Employment;
 - B2/B8 - 24,071 sqm;
 - B1 (Start-up units) – 2,463 sqm.
- 6.26 The employment area will have frontage on to the A120 and will be accessed via a series of roundabouts off the A120. The proposed location is appropriate from a industrial/warehouse user perspective as it gives occupiers frontage onto the A120 and also avoids conflict with the residential areas included within the development.

Key Issues

- 6.27 We understand that there is a grade difference across the site and significant cut and fill will need to be undertaken to enable development. There are also substantial infrastructure costs associated with the construction of a new roundabout on the A120, which could impact on viability. The viability of the scheme is currently being considered by the developer and the Council as part of the S106 negotiations. As mentioned above the scheme includes a number of different uses, including retail which together with residential will provide the financial returns to fund site infrastructure works. However, it must be noted that with the withdrawal from the market, of the main large foodstore operators, the viability of the scheme may be further affected.

- 6.28 The foodstore sector has retracted with the larger operators scaling back new build proposals to the minimum. The 'limited assortment discount stores' are acquisitive; however their requirements are significantly smaller and generally below 1,500 sqm. The lack of a large foodstore operator as an anchor may impact upon the cinema proposals too, with the perceived footfall being considered insufficient. It should also be noted that a cinema development has been secured in Clacton and this may therefore preclude development in Harwich as the potential catchment population will be reduced.
- 6.29 The site is currently greenfield and is therefore an untested location in the market place. However, the site's proximity to the A120, Dovercourt Town Centre and Harwich International Port means that it could be an attractive employment location. Frontage onto the A120, as proposed, will increase the prominence of the site and make it more attractive as an employment location. The masterplan shows that there will be a separate access for the retail and residential elements i.e. avoiding any potential conflicts between the different uses.
- 6.30 Given the success of smaller start up units across the District, a good quality office starter unit scheme could potentially be an attractive proposition given the road links and the retail/leisure (i.e. facilities) and residential uses being proposed as part of the scheme. The start-up units will need to be delivered on a speculative basis that will require a financial commitment from the developer, whereas the industrial/warehouse units are more likely to be pre-let before they are brought forward for development. We understand that the developer is keen to work with the Council to bring forward the starter units and the viability of this element will need to be fully explored.

Recommendation

- 6.31 The site is in a good location and as part of a mixed use scheme could become an attractive employment location. The site enjoys prominence to the A120 and proximity to Harwich/Dovercourt. Therefore part of the site should continue to be brought forward and protected for employment uses.
- 6.32 Given the changes in the foodstore sector and the impact on viability it will be important to ensure that the delivery of the employment space is secured. We understand that the Council is seeking to agree with the developer appropriate milestones that need to be achieved in respect of the employment space before other elements of the scheme can be brought forward or completed. For example, we would recommend that the Council require the developer to provide 100% of the start-up units and put in place the infrastructure required (serviced plots) for the industrial/warehouse units by the time 50% of the residential and retail have been completed.

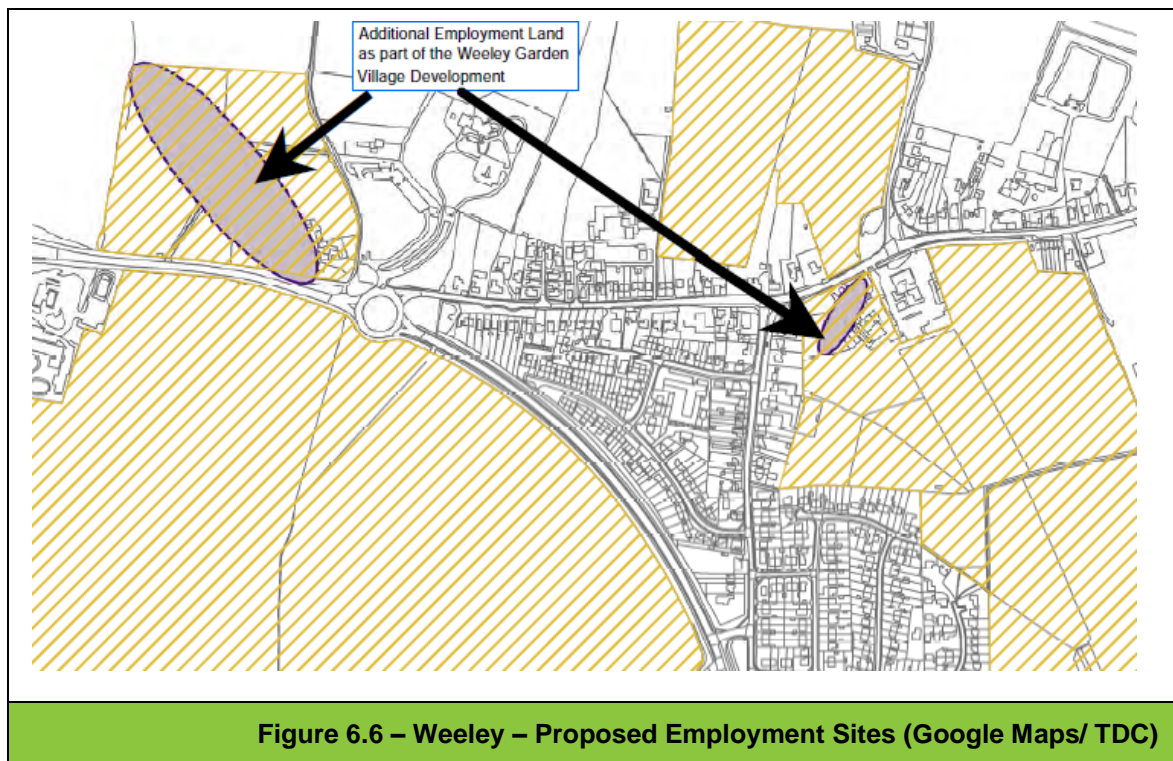
- 6.33 Following the servicing of plots, the developer may also wish to consider freehold disposal of the plots to potential businesses looking to own their units and therefore increasing the attractiveness of the employment land to a wider market.
- 6.34 The Council and Local Enterprise Partnership (and other partners) may need to provide assistance in order to provide the infrastructure which unlocks this opportunity.

Weeley

Site Description

- 6.35 Together with emerging proposals for housing growth in Weeley two prospective sites have been identified for employment use development. The first site is the Hawk Farm site to the West of Weeley and accessed from B1033/Colchester Road. The second smaller site (Ash Farm) is located directly to the west of Tendring Council's offices and accessed from B1033 Thorpe Road. Weeley lies in the centre of the District and benefits from a rail station and proximity to Colchester and the A12, via the A133.
- 6.36 Hawk Farm is located to the North of Colchester Road and across from the Weeley Garden Village proposal (see planning policy section below). The site is in agricultural use and has been operating as a fruit farm and car boot sales site. The site extends to approximately 8 Ha (20 acres).
- 6.37 The site off Thorpe Road (Ash Farm) is a brownfield site which is currently in use for agricultural related uses. The site is used for open storage purposes and has some older buildings (Figure 6.6. below indicates the approximate locations of the sites).





Planning Policy

- 6.38 In the Local Plan Proposed Submission Draft (2012) Weeley and Weeley Heath are classified as Key Rural Service Centres and in accordance with Policy SD3: Key Service Centres, 'These settlements will be the focus for small scale employment-related development that reflects their unique rural character, local housing, employment needs, physical environmental and infrastructure constraints.'
- 6.39 In 2013 the Strategic Housing Assessment identified that Weeley is well located in the centre of the District and therefore offers a location for major comprehensive neighbourhood development. The Tendring District Local Plan Issues and Options Consultation Document (September 2015) sets out as one of four options the prospect of the Weeley Garden Village development which could comprise an 800 dwelling scheme. In the very long term this could extend to a total of 2,000 dwellings with supporting community facilities.
- 6.40 The Hawk Farm and Ash Farm, Thorpe Road sites are coloured purple for employment use in the Draft Local Plan (as shown in Figure 6.6 above).

Proposals

- 6.41 The Hawk Farm and Thorpe Road sites are being proposed for development purposes but remain in their current use.

Key Issues

- 6.42 With respect to Hawk Farm this is a greenfield site which is at the gateway to Weeley. The site would therefore be highly prominent and in relative terms accessible too; therefore employment use development in this location may be appropriate. Development of new accommodation would be subject to viability and therefore aspects such as infrastructure requirements would need to be established to understand whether constraints exist.
- 6.43 In discussions with the owners, they have informed us that they are not promoting this land for development at the current time, although a proposal for residential development has been submitted through the Call for Sites process. The future value of the site will be a key consideration for them in terms of whether the current use continues or a sale is attractive to them.
- 6.44 With respect to the site at Ash Farm, off Thorpe Road, the issues are similar to those of Hawk Farm. This site is in active use and not currently being promoted for alternative development. The location of this site is quite different from Hawk Farm and with residential development close by, there may be objections from residents if non-residential development is proposed.

Recommendation

- 6.45 The precise extent of employment use development has not yet been defined. Appropriately planned employment use accommodation could be delivered, comprising small offices and smaller industrial and warehouse units at the Hawk Farm site. Such accommodation would be targeted at occupiers that are primarily serving Weeley, the Tendring District and Colchester. New housing in Weeley may help to generate demand as the number of residents in the settlement will grow and some of these may set up businesses locally.
- 6.46 The site at Ash Farm (off Thorpe Road) could provide accommodation, should the existing uses cease. The existing buildings could be reconfigured to provide cost effective light industrial or warehousing space. This would be low quality accommodation, which could be used by local businesses looking for yard and storage space. Such space can be popular with small local companies seeking cheap space.

6.47 New development of accommodation at Ash Farm is unlikely as there are a number of constraints that make this site less attractive for employment uses. The constraints are

- It is unlikely that the residence with frontage on to Thorpe Road would be demolished. The existing use value of this property would be greater than the proposed use and as such there is no incentive to do this;
- If the residence is retained then the access and prominence from the road is compromised, which is not ideal;
- Proximity to residential neighbours is often a constraint for industrial/warehouse users as conflicts can be generated. Office development would be more compatible although lack of prominence is a constraint;
- Viability is likely to be an issue as demolition and new on site infrastructure would be needed;
- The owners are likely to seek higher value uses, particularly residential use, given the central location that this site enjoys.

6.48 With both of the above sites there may be a prospect that residential development could take place at the sites or on adjacent land. Should higher value development like this occur then the prospect of cross subsidy must be considered as a way of ensuring that serviced and ready to develop employment sites are created.

6.49 We would recommend that the residential and employment use elements are considered and planned collectively. This will enable appropriate master planning of the sites with suitable buffering and infrastructure identified. Ancillary community uses may also be included within the scheme and these may be co-located with employment use to help generate attractive sustainable locations. Key triggers for the provision of infrastructure and servicing of the employment land can also be negotiated and incorporated within future S106 agreements.

6.50 Allocation at Hawk Farm could provide employment land in the medium term and to achieve this, the Council may need to lead with initiatives such as masterplanning in order to help to bring the land forward as quickly as possible.

Oakwood Extension/Land North of Gorse Lane

Site Description

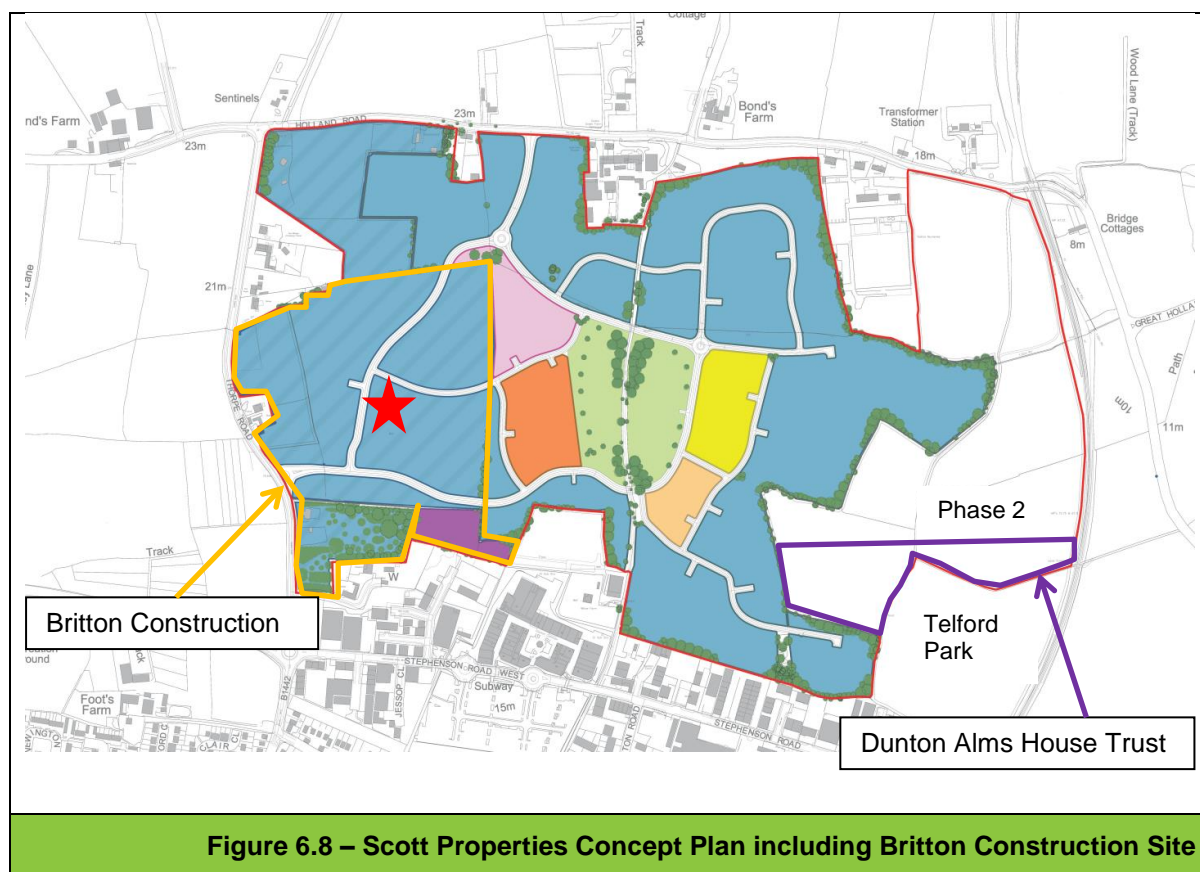
- 6.51 The Oakwood Extension (Oakwood Garden Suburb) is a significant residential led development proposal. The site is adjacent to the area that is generally known as the Gorse Lane Industrial Estate, which includes the Oakwood and Crusader Businesses Parks and the Clacton Factory Outlet Centre (see Figures 6.6, 6.7 and 6.8 below).
- 6.52 The Oakwood Extension comprises separate ownerships. The largest element is being promoted by Scott Properties and comprises land directly north of Gorse Lane Industrial Estate and bounded to the west by Thorpe Road, Holland Road to the north, and open land in separate ownership to the east. The land which is not in the control of Scott Properties is in the control of Britton Construction, the Dunton Alms House Trust and a local farmer. The approximate extent of these interests is indicated at Figure 6.8 below.
- 6.53 Gorse Lane Industrial Estate is Clacton's largest industrial area comprising a mix of predominantly industrial (B2) and warehouse (B8) use classes. There are a wide range of unit sizes of varying quality and these are generally well let. Gorse Lane is on the northern fringe of Clacton's urban area offering good access to the primary road network.



Figure 6.6 – Scott Properties and Britton Construction Sites (google maps)



Figure 6.7 – Allocations and Proposals at Oakwood (TDC)



Planning Policy

- 6.54 In the Local Plan Submission Draft (2012) Policy COS15: Development East of Thorpe Road proposes an allocation for 'residential development, employment-related development, community facilities and public open space'. It should be noted that an allocation for residential development is also proposed for the nearby land South of Centenary Way and which is proposed to be accessed from Thorpe Road and the site North of Centenary Way and West of Thorpe Road has been proposed for commercial development.
- 6.55 Policy PRO14 safeguards Gorse Lane Industrial Estate and Oakwood and Crusader Business Park as employment use allocations.

Proposals

- 6.56 The Scott Properties site is being proposed for a mixed development which comprises approximately 27.7 Ha of residential development plus school and healthcare development. The Britton Construction site included an extension to the Oakwood Industrial Estate which has been built out, and 250 homes. Outline planning permission has been granted for this residential development. The area has been the subject of evolving development proposals in consultation with the Council and is indicated in the plan above (Figure 6.8). The roundabout off Thorpe Road has been constructed.
- 6.57 The wider Oakwood Extension we understand could deliver up to 1,600 new homes and could accommodate education, health, open space and a neighbourhood centre. The proposals include the extension of industrial /warehousing on the land marked Phase 2 and Dunton Alms House Trust, although this is outside the control of Scott Properties.
- 6.58 The site known as Telford Park has recently been purchased for employment use purposes by an end user and we understand that parts of this site may be made available to third parties.

Key Issues

- 6.59 We understand that there may be landownership issues that would need to be resolved, with the Dunton Alms House Trust not currently promoting their land for development. This limits the extent to which land is available for potential employment use development and needs to be brought forward to enable access to the Phase 2 land.
- 6.60 The land is greenfield and therefore could be cost effective to develop. Aspects such as utilities capacity would need to be checked and any specific constraints addressed. The capacity of the access routes would also need to be established, particularly in light of proposed developments in the wider area. Provision of new roads and associated infrastructure will be needed in advance of the accommodation and this will involve significant forward investment.
- 6.61 The viability of new development will be an issue with the current level of rents at Gorse Lane and generally across Clacton being relatively low.

Recommendation

- 6.62 The development of Oakwood Park and the general level of activity at Gorse Lane suggest that there is active demand at this established employment use location. Whilst viability may be an issue the wider location is a key source of employment use accommodation and therefore expansion for new floorspace is likely to prove successful over a period of time, particularly where pre-lets or pre-sales can be secured.

- 6.63 Growth of the Clacton population will also provide opportunities for greater business activity and such demand could be secured at this location. Demand is likely to come from businesses seeking to serve the local catchment.
- 6.64 Land North of Telford Park including the Dunton Alms House Trust land should be brought forward for future expansion of the Gorse Lane Industrial Estate. Unlocking the Trust's land is a priority. Land within the Scott Properties ownership could also be considered for further employment use allocation.
- 6.65 Given the issues in terms of this supply and the overall availability of employment land in Clacton, it may also be appropriate to consider the land that has been previously promoted for allocation. This is located to the North of Centenary Way and to the West of Thorpe Road and we understand is in the ownership of Dalau, a local manufacturing company. This land may provide an opportunity to provide employment land to the marketplace in an attractive and prominent location.

Stanton Europark and Gateway Retail Park

Site Description

- 6.66 Stanton Europark (formerly known as the Iconfield site) is located in Harwich and accessed off the A120. The Harwich International Port is a short distance to the North of the site. The site therefore enjoys good access and close proximity to the A120.
- 6.67 At the gateway to the site, development has already taken place to both sides of the access road, which also serves Harwich International Port (see Figure 6.9). To the west is a retail warehouse park incorporating Home Bargains, Argos, Costa Coffee, Dominos, Carpet Right, Brantano and Peacocks. To the east of the access road lies a Morrison Supermarket which includes a petrol filling station. There has been some development to the eastern boundary of the site, including light industrial and office accommodation.



Figure 6.9 – Stanton Europark (Google Maps and TDC)

- 6.68 Figure 6.10 below indicates the extent of the vacant Stanton Europark site, which is in close proximity to Europa Way and Harwich International Port.



Figure 6.10 – Site Plan Stanton Europark – Penn Commercial Particulars

Planning Policy

- 6.69 This site was allocated for employment use development in the Adopted Local Plan (2007). Policy ER 1 allocated the site suitable for B1 (b and c), B2 and B8 uses. At the time the land was referred to as Stanton Euro Park (formerly Iconfield site) and Land North East of Stanton Euro Park, Dovercourt. The two sites combined extended to 5.18 Ha (12.8 Ac)..
- 6.70 The Adopted Local Plan also anticipated the potential for hotel development at this site, given its proximity to the Port and Bathside Bay (Policy HAR8).
- 6.71 The Tendring District Local Plan Submission Draft (2012) sought to safeguard the site for employment use (Policy PRO14).

Proposals

- 6.72 Outline planning permission was secured (11/00638/OUT) in 2011 for 7,200 sqm of B2 and 15,886 sqm of B8 accommodation for part of the site. We understand that this planning consent has lapsed.
- 6.73 The site has recently been purchased by a commercial development company who are working up proposals to develop the site.

Key Issues

- 6.74 We understand that the site suffers from flood risk issues (flood zone 3a) and due to a high water table will require specific foundation design similar to the floating foundation utilised by the Morrison supermarket. Furthermore, we understand that a water main crosses the site. With these issues, the viability of development will be a key factor. Occupiers would need to be secured as pre-lets or pre-sales in order to manage development risk, but viability issues may remain.
- 6.75 It is also important to note, that this site is accessed from a key route into the Port and Harwich Town Centre and is visible from this route (A120). The site presents an untidy and derelict site to passers-by. Improving the visual appearance of the site, albeit temporarily would improve the outlook.

Recommendations

- 6.76 The site is well located in the Harwich context with good access and prominence. Modest levels of local demand and significant site constraints make wholesale speculative development unlikely.
- 6.77 The site constraints have the effect of increasing development costs and therefore the likely level of rent that the developer would need to charge will be high to address viability. Less constrained sites will clearly be at a competitive advantage.
- 6.78 In addition to the constraints and associated costs making the economics of the site challenging, there is a competing supply of land and buildings at the Europa Way and the Port (e.g. Mercedes site). The Mercedes site is available (for port related and open storage uses) and the units at Europa Way are available for occupation in the very short term. These alternatives have significant competitive advantage.

- 6.79 Grant funding, if it can be made available could help to address the constraints at this site, although to be effective it would be preferable that such funding facilitated speculative development of buildings as well as the servicing of the land.
- 6.80 The site is adjacent to significant, successful retail activity and it would be appropriate to consider part of this site for alternative higher value retail or leisure development. Such uses could potentially overcome the viability constraints and also provide additional services to the Town which could help to attract further investment as well as enabling the remainder of the site to be brought forward for commercial development. It would therefore be our recommendation continue to protect this site for employment use, but consider retail or leisure enabling development to facilitate the early development of this site, although the impact on the town centre from any new retail development will have to be balanced out.

Mercedes Site, Harwich

Site Description

- 6.81 Located to the east of the bay this site is accessed from the A120 (see Figure 6.11 below). Access is from the northern end of the site. Currently the site is substantially vacant, with the exception of an industrial building located in the southern part of the site. The site extends to approximately 7.4 Ha (18.3 Ac).
- 6.82 The property is owned by Hutchinson Ports (UK) Limited as part of their acquisition of Harwich International Port. Hutchinson Ports (UK) Limited Holdings are promoting the Bathside Bay container port proposals.



Figure 6.11 – Mercedes Site Location & Site Plan (Google Maps)

Planning Policy

6.83 Within the Adopted Local Plan (2007) the following policies are relevant:

- QL4 – supply of land for employment development;
- QL5 – economic development and strategic development sites;
- TR10 – promoting rail freight;
- HAR1 – Bathside Bay - strategic employment site;
- HAR16 – port development.

6.84 The policies above anticipate a major container port development at Bathside Bay and that this would underpin the future success and growth of Harwich International Port. The Mercedes site is included in the development boundary of the proposed Bathside Bay development.

6.85 The Local Plan Submission Draft 2012 retains the allocation of this site for employment use (PRO44) and it is worth noting that the northern part of the site falls within the Priority Areas for Regeneration (PRO4) together with the historic centre of Harwich.

6.86 The Mercedes site is included in the redline map for the proposed development, it will enable some aspects of port activity to be relocated and this does create a relationship between the subject site and the Bathside Bay proposal.

Proposals

6.87 Whilst there is no specific proposal for the Mercedes site the Bathside Bay development would deliver a significant container port and associated activity and the Mercedes site is need to enable this development through the relocation of a small boat quay, it may also provide facilities whilst the construction works take place. The Bathside Bay project has secured planning permission, and is subject to a condition that development must be commenced before 2021 (10/0202/FUL).

6.88 We understand from discussions with the Port, who have significant international port and logistics interests (including Felixstowe), that they are holding this opportunity for potential future port related development. The Mercedes site will provide a relocated small boat harbour and therefore provides an important part of the overall offer for future port development. The Mercedes site is large and flat which means that it can be used for storage and handling uses. It currently has two businesses very successfully operating from the site and has been used by the Mann Group for outside vehicle storage until recently.

- 6.89 We understand that the site has constraints which include flood risk and ground stability issues.
- 6.90 In addition to the proposed container port, the site is may also be an attractive development opportunity for the off shore renewables sector, however it should be noted that the site does not enjoy direct waterside access.

Recommendations

- 6.91 This is a significant site which would support the Bathside Bay proposals should these come forward. It does form part of the overall Harwich International Port offer. The site can be utilised at short notice for open storage and will be required during construction of the container port. Availability of the Mercedes site could therefore be a key factor in securing new business at the Port.
- 6.92 Development of industrial or warehouse buildings at this site will be subject to overcoming constraints including flood risk and ground stability and therefore economic viability is likely to be an issue for the development of new buildings.
- 6.93 Continuing dialogue and support to the owners to secure occupational demand and expansion of the port is important and promoting these sites in that context should continue. The relationship between the Port, Bathside Bay and Mercedes sites is important and therefore retaining this land for employment use as allocated is appropriate.
- 6.94 The recommendation therefore is to retain this site for employment use.

West Tendring

Site Description

- 6.95 This proposal is for a significant area of land of approximately 300 Ha (741 Ac), for an urban extension/garden village development immediately to the East of Colchester. The extent of the land being considered is not yet established but the area under consideration is (Figure 6.11) indicated by the shaded area below.

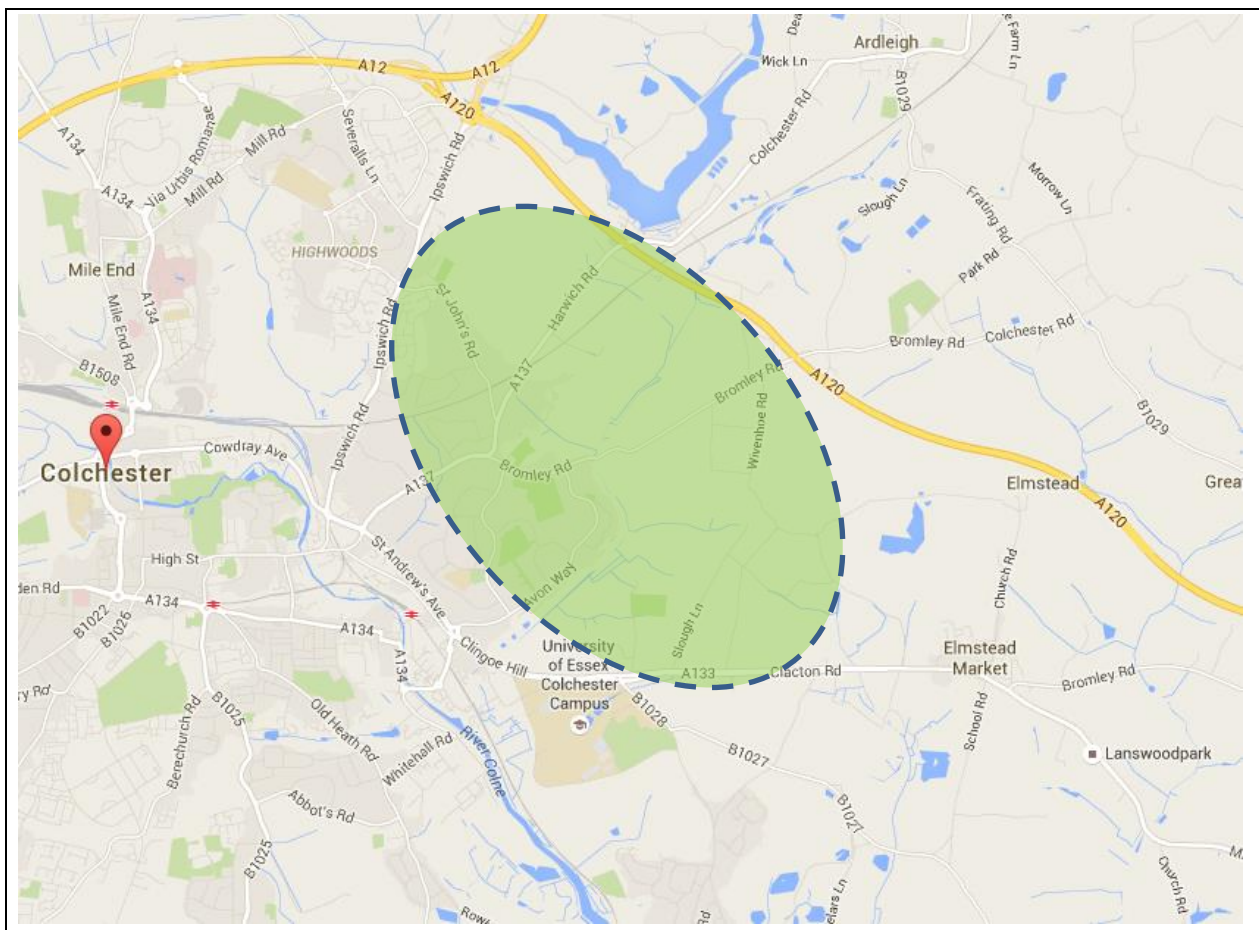


Figure 6.12 – West Tendring Urban Extension Approx. Location (Google Maps)

- 6.96 The area is broadly South of the A120 and in the West commences from Ipswich Road and stretches around to the A133 Clacton Road to its Southern boundary. The University of Essex Colchester Campus is on the Southern side of the A133.
- 6.97 At the time of preparing this report, we understand that consultants have been appointed to prepare a masterplan for the area.

- 6.98 The land is mainly in agricultural use and future development will require detailed planning for infrastructure and the mix of uses needed for a successful/sustainable urban extension.

Planning Policy

- 6.99 This land is not allocated for development at the present time. However Tendring District Council through the preparation of its Local Plan have recognised the need to bring forward this land for a residential led development which will incorporate employment and other ancillary uses.
- 6.100 The Tendring Local Plan Submission Draft (2012) does not identify this area for development purposes, but does highlight settlement boundary limits and identify areas of Ancient Woodland and parts being within the Ardleigh Reservoir catchment area. Major changes were published in January 2014 in which the 'Colchester Fringe - West Tendring' area is being considered for future development.
- 6.101 Tendring District Council and Colchester Borough Council have set up a joint working group to examine this opportunity. Work is underway on policy development and the approach to be taken with regard to site allocations.

Proposals

- 6.102 The precise details for West Tendring are yet to be defined. The scale of the residential development is yet to be established but this could be in excess of 6,000 new residential units. The main promoter Mersea Homes and the Councils are also anticipating that it would be appropriate to deliver employment use opportunities in this area, with the target being 1 job created per dwelling. The Mersea Homes website highlights the opportunity presented by the areas proximity to the University of Essex and sets out the prospect of shared growth between the two local authority areas.
- 6.103 The proximity to the University of Essex Colchester Campus and Knowledge Gateway may provide the opportunity for development. This could include office and other ancillary accommodation that would serve the campus users but also the passing traffic on this main arterial route (A133).

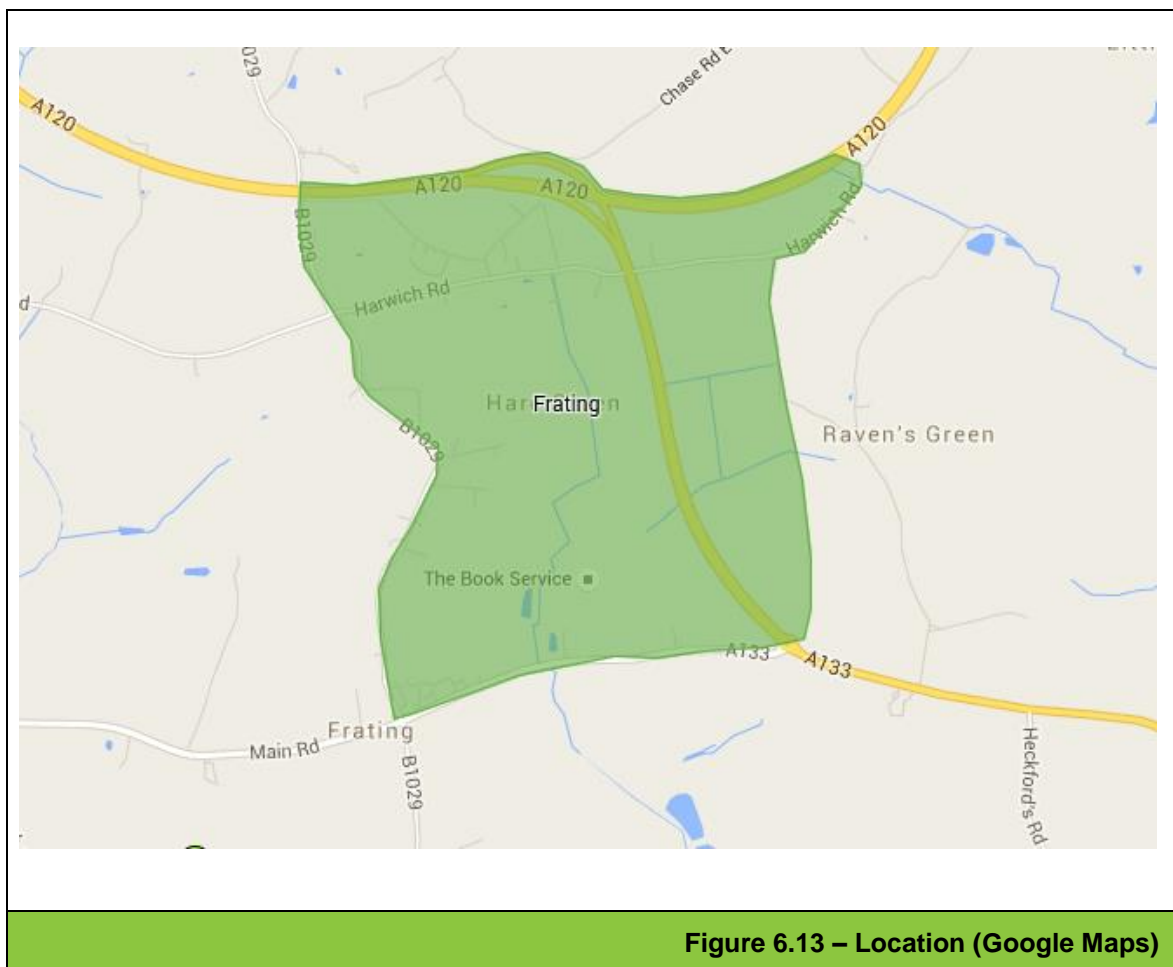
Recommendations

- 6.104 The area is a unique opportunity for Tendring District to secure employment use (and new residential) development to the District and which can benefit from the stronger locational characteristics of Colchester (i.e. A12 and rail services to London). Other attributes include the large local population, established economic activity within Colchester and the key arterial routes which enable nearby settlements to be served.
- 6.105 Greenfield development land is helpful in viability terms, especially if the residential development can fund the required infrastructure to provide serviced employment sites.
- 6.106 The area has potential to accommodate employment use in the following way:
- The area is close to the University of Essex and is well placed to capture demand for office development, in a high quality location/setting. The office development may include managed workspace and business centres and would be aimed at capturing demand from businesses looking for accommodation up to 20,000 sqft (1,858 sqm), but sub-divisible to smaller units if needed.
 - The area to the north and close to junctions with the A120 development of office, industrial and warehouse accommodation could be considered in an appropriately master-planned business park environment. Office accommodation would need to be separated from the industrial and warehouse accommodation.
 - Given the scale of residential development we would consider that provision should also be made for smaller scale ancillary employment use accommodation which would provide offices and light industrial (B1c) accommodation to serve local needs and demand. Such accommodation may ultimately be considered as being part of local centres which are created to serve the local communities. Such accommodation may be on upper floors of commercial premises.
- 6.107 Delivery and viability will be key considerations and critically it is essential that the infrastructure that these employment sites require is provided as well as that for the residential development. Ensuring that the residential development funds the delivery of infrastructure to service the employment use elements will be critical. The Councils should consider the use of specific planning policies to ensure that the employment land is delivered.
- 6.108 Bringing forward serviced sites will assist the marketing and attractiveness of such development opportunities. Good prominence, accessibility and where needed buffers between employment and residential uses will also be factors which will help to attract occupational interest.

Frating

Site Description

6.109 The 273 Ha (675 Ac) site is primarily greenfield (agricultural land) but it also includes existing employment (such as The Book Service and Manheim Auctions) and residential uses (see Figure 6.13 below). The site is a proposed new settlement on land off the A133 and A120 at Frating. The site is being jointly promoted as a Garden Village by Hawkspur Limited and Edward Gittins & Associates Limited on behalf of four landowners.



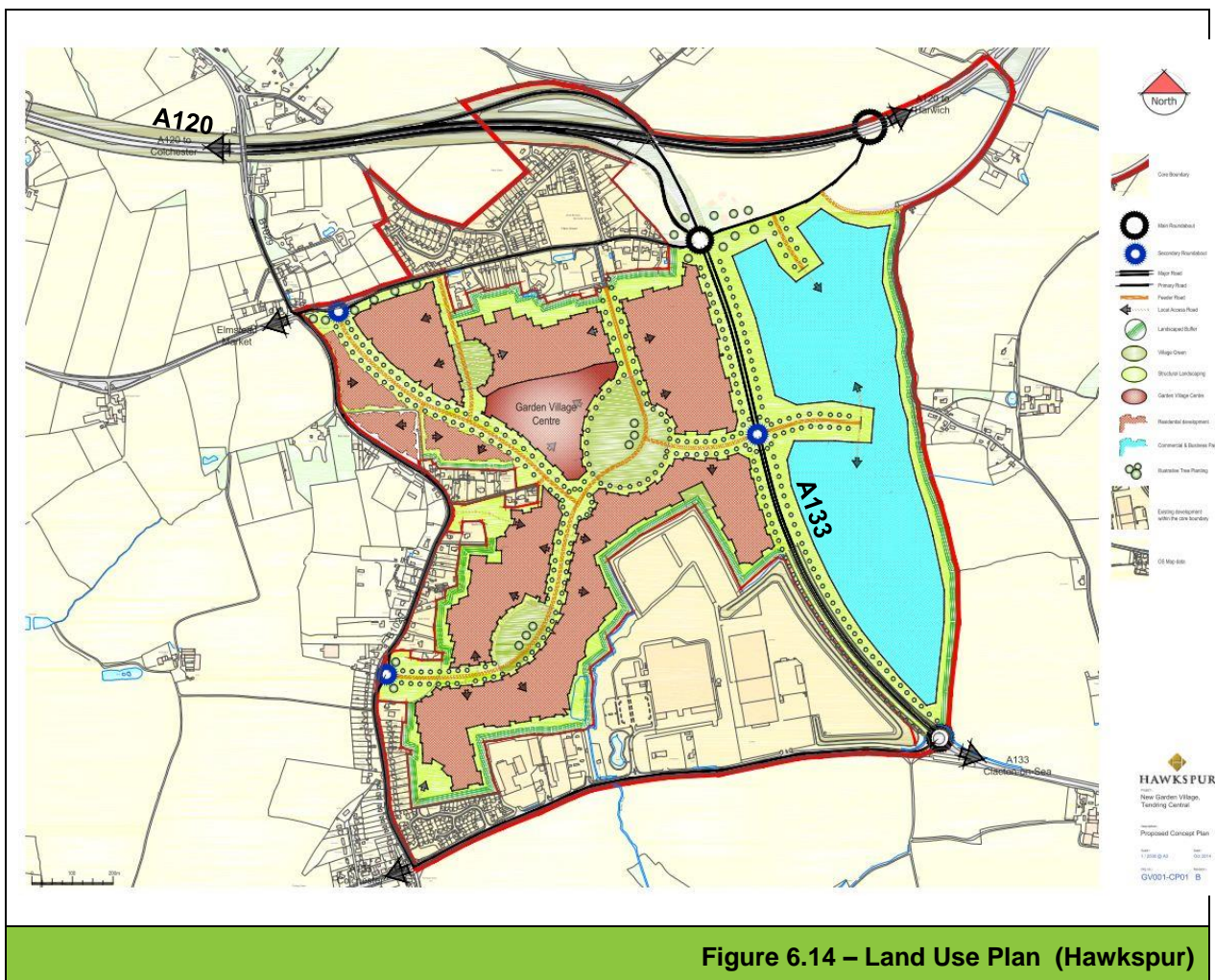
6.110 The site shown at Fig 6.12 is located just to the south of the A120 at the interchange with the A133. The development would benefit from the dual section of the A133.

Planning Policy

- 6.111 The site is not currently allocated within the Local Plan for development and we understand that the Council is currently consulting on whether the site should be included within the new Local Plan as part of its Issues and Options Consultation Document (September 2015).
- 6.112 As mentioned above there are currently a number of major (and smaller) businesses included within the red line boundary; however, the scheme proposals suggest that these units are retained as part of the new development.

Proposals

- 6.113 The landowners are promoting the development of the land to the east and west of the A133 slip road off the A120. The site is strategically located between Harwich, Clacton and Colchester and benefits from good road infrastructure. As indicated in Figure 6.14 below the residential development to the west of the A133 comprises 2,000 new dwellings.



- 6.114 We have been informed by the promoter that the main employment area is to the east of the A133 and the proposed Village Centre. The promoter is seeking to distinguish the employment area between a traditional industrial estate (principally Classes B2 & B8) and a business park (principally Classes B1 and B2); with the potential to create a minimum of 1,000 jobs for these two areas. They consider that this site would be compatible with and lie midway between Knowledge Gateway at the University of Essex to the west and Harwich Valley to the east. For the Village Centre, which will include a supermarket, they are estimating a minimum of 500 jobs. Their overall target is a minimum of 1,500 jobs, attracting labour not only from central Tendring but also tapping in to the workforce in nearby towns, in particular, Clacton, Frinton and Walton.

Key Issues

- 6.115 The site is strategically located to the west of Tendring's major towns (Harwich and Clacton) and to the east of Colchester, with access provided via the A120/A133. There are already a number of major business occupiers located at the site. Current proposals suggest that these existing businesses will be retained, it will therefore be important to ensure that the neighbouring uses do not conflict with these existing users, particularly in terms of access and potentially noise generated by the businesses. An appropriate buffer is needed between the existing employment and proposed residential uses to ensure that these potential conflicts are mitigated.
- 6.116 Given the strategic location of the site, the site could potentially attract businesses into the area that service the market areas of Colchester, Harwich, and Clacton by being strategically located between the three main towns.
- 6.117 Whilst the location is strategic the settlement of Frating is relatively small at the present time and therefore the availability of very local labour and demand for services will be dependent on the residential development proposed.
- 6.118 As with all developments of this scale there will be significant infrastructure works required in order to improve the access off the A120/A133 and also to service the site. The developers of the site will no doubt seek to deliver the more valuable elements (i.e. residential) of the scheme in the initial phases in order to improve cashflow and scheme viability. There is always the danger that the employment element is left to later phases or does not come forward at all and therefore if the site is allocated for development it will be important to ensure that the delivery of the employment land is linked to the phasing of any residential development. Thresholds can be agreed which ensure that parts of the employment site are serviced and marketed during the residential development.

- 6.119 As with other major residential developments, a scheme seeking to deliver a minimum of 2,000 homes will no doubt create its own indigenous demand for business/services (e.g. estate agents, financial advisors and solicitors) and therefore it will be important to ensure that smaller scale office space is also included within the Village Centre which is developed as part of this scheme.

Recommendation

- 6.120 The location of this site is strategic given its proximity to the A120 and A133. This central location can provide access to Tendring District in reasonable drive-times. However given the prospect of employment land coming forward in West Tendring and Weeley, both of these sites are closer to existing markets and sources of labour and are therefore more attractive locations.
- 6.121 Should the proposal progress it would be appropriate to acknowledge the longer term potential for further employment land. Therefore it is our view that this site should not be allocated for employment use development in the short to medium term. This will permit other employment sites to come forward (e.g. West Tendring and Weeley) and capture demand.
- 6.122 The recommendation would be to reconsider this site as an allocation in a future Local Plan.

Hartley Gardens Suburb / Clacton Gateway

Site Description

- 6.123 The site is immediately to the north of the urban area of Clacton and to the west of the A133, with access off the Bovill's Roundabout (see Figure 6.15 below). The site is not an allocated employment site and is being promoted by Robinson and Hall on behalf of landowners as a Sustainable Urban Extension (SUE) to Clacton. It is linked to a site being put forward by Britton Construction for retail/leisure development accessed off the Brook Retail Park roundabout.
- 6.124 We understand from the Council that at the present time the development proposals being put forward do not include traditional 'B' class employment uses. The proposals do however include a local centre which would comprise a range of uses to support the residential community.

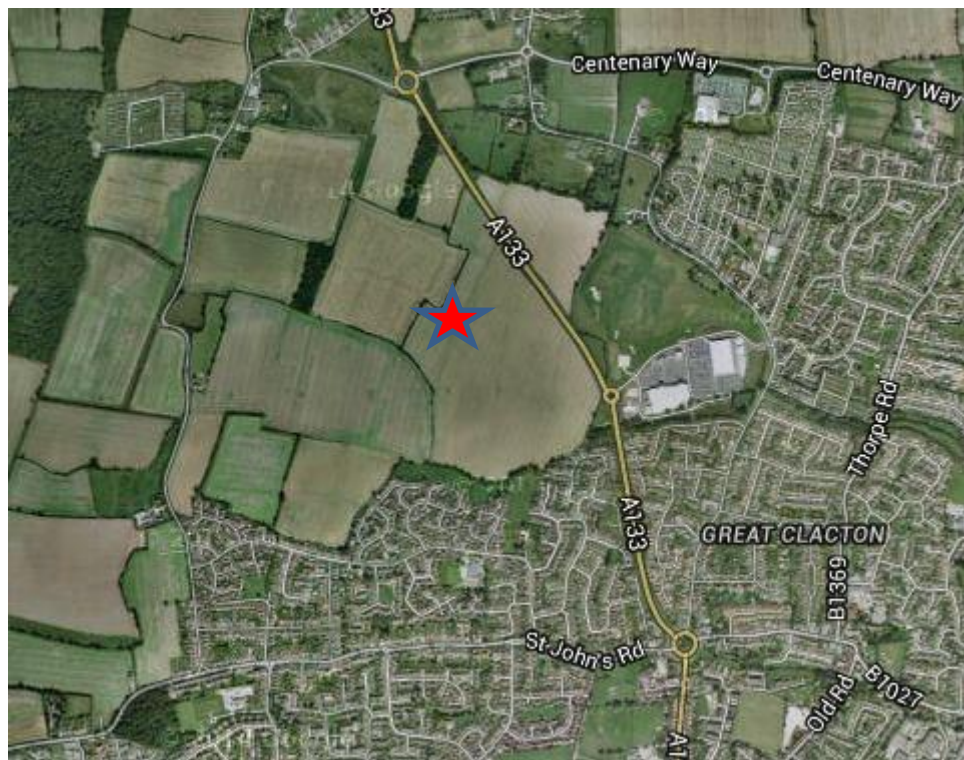


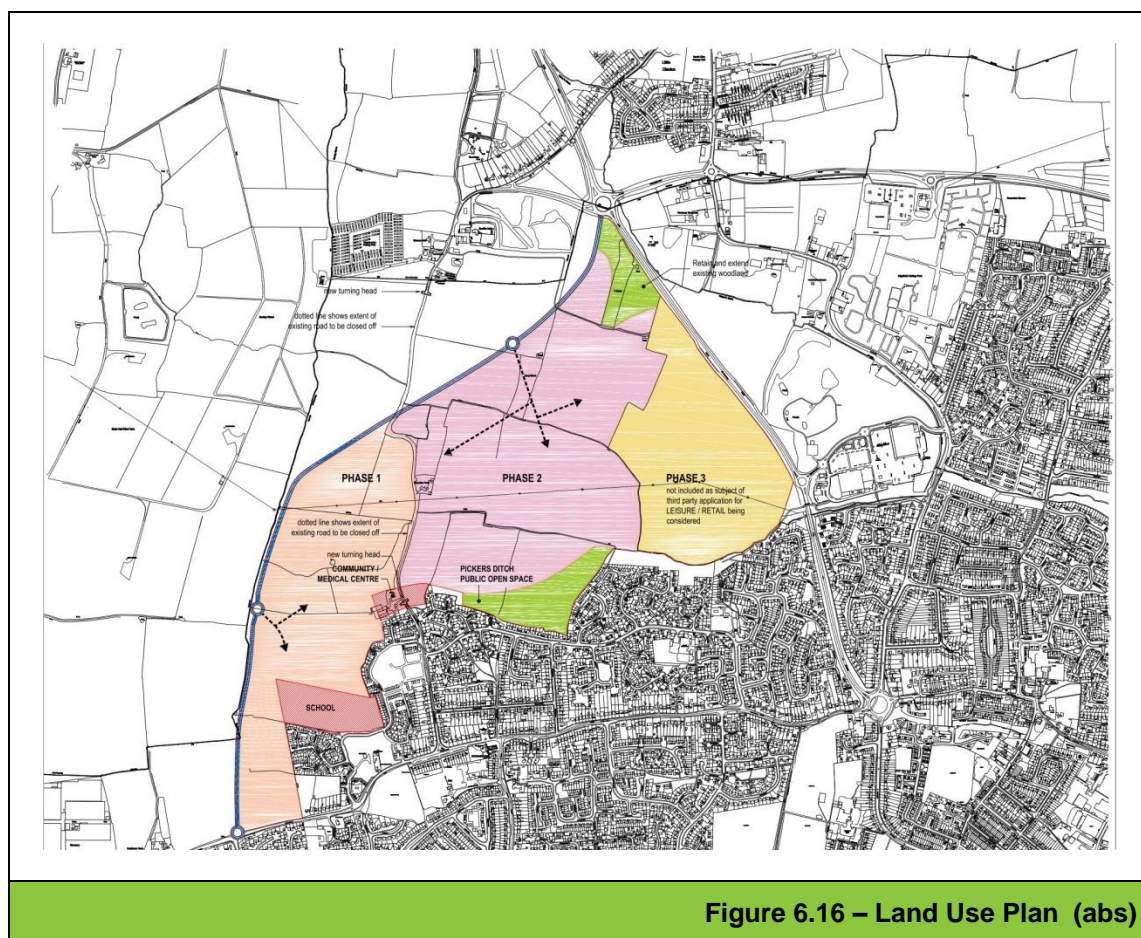
Figure 6.15 – Location Plan (Google Maps)

Planning Policy

6.125 The site is not allocated for development within the adopted Local Plan however it is one of the Options for Growth identified in the Council's Issues and Options Consultation Document (September 2015). It is described as a 'long-term development that would deliver around 800 new homes between now and 2032, with further phases of development likely to take place after 2032, which could deliver a further 1,700 homes up to 2047'. It will be seen below that the developer's proposals are at a larger scale.

Proposals

6.126 Developers propose that the scheme is to be brought forward in three phases (see Figure 6.16 below), with Phases 1 and 2 seeking to deliver circa 2,500 houses, as well as a school and community/medical centre. A planning application has been made for retail/leisure development at Phase 3 and this has not been determined at the time of preparing this report. Discussion with the promoter of phases 1 and 2 has confirmed that no traditional employment uses are included and although uses such as a medical centre are proposed.



Key Issues

- 6.127 The promoter has confirmed that the development of phase 1 and 2 is dependent upon construction of a spine road and provision of a sewerage treatment works. Initial phases can be undertaken with the provision of access direct from St John's Road (i.e. to the south-east of the site). It is anticipated that development could commence within three years with provision of the entire spine road. Costs associated with delivering the spine road and in particular the sewage treatment plant are likely to be significant and therefore will have an impact on both phasing and viability.
- 6.128 As mentioned above the scheme proposals do not currently include any employment space and the site itself is not an allocated employment site within the adopted Local Plan. There are two aspects of employment use potential that need to be considered further. Firstly in respect of indigenous demand and secondly related to the locational attributes of the site.
- 6.129 The promoter recognises that a scheme of 2,500 homes will no doubt generate indigenous demand for employment space; for example, demand will be created for services such as medical centre, estate and letting agents, and other local services. Some of these services will need to be accommodated within the SUE itself, ideally within or in close proximity to the proposed local/district centre.
- 6.130 The site also has good locational advantages with direct access off the A133, without having to drive through urban areas of Clacton. Ideally, any employment use would be located adjacent to, or with frontage onto the A133 or the new spine road. The northern areas of Phase 2 and 3 land as shown would be suitable.
- 6.131 As mentioned in our market review employment floorspace within the Clacton area is more often than not serving the local Clacton market and therefore this site is likely to compete for occupiers with other employment locations within the town. The site presents an opportunity to develop new accommodation on greenfield land, as it is in a highly prominent and accessible location. Development here may also enable existing businesses to relocate to new accommodation.

Recommendation

- 6.132 The site does have the potential for employment uses, driven by indigenous demand and also its locational benefits. We recommend that the Council work closely with the developer to identify the level of floorspace that is likely to be required in respect of the local / district centre and the nature/scale of the employment floorspace that could be brought forward adjacent to the A133.

Key Sites Evaluation

6.133 Tabulated below is an evaluation of the sites detailed in this section of the report, based on our knowledge and understanding of the local property market.

	Site Name	Site Area (Hectares)	Strategic Communications	Local Communications	Proximity to Labour & Services	Compatibility of Adjoining Uses	Development Constraints	Occupier Attractiveness	Total Rating	Barriers to Delivery	Timescale to Delivery	Potential Uses	Comments
1	Horsley Cross / Tendring Europark	26.00	4	1	1	5	3	2	16	On-site infrastructure & Utilities	Medium Term	B2/B8	The location is an unproven employment location. As a location, our key concerns associated with this site are sustainability, in particular the lack of local facilities and the fact that employees will need to commute to the site, also the current supply of accommodation and land in Harwich in particular is at an advantage. In terms of bringing forward the site for development the highway and infrastructure works are likely to be significant and therefore will impact on the viability. New allocations to the west of this location would have a competitive
2	Harwich Valley / Pond Hall Farm	29.37	3	2	4	4	3	4	20	On -site infrastructure & Levels Difference	Medium Term	B1/B2/B8	There is a level difference across the site and significant cut and fill will need to be undertaken. There are also substantial infrastructure costs associated with the construction of a new roundabout on the A120 which will impact on viability. Given the proximity to the A120 and Harwich International Port, the site is an attractive employment location particularly if, as proposed the employment floorspace has frontage onto the A120 (i.e. prominence). Cross subsidy from higher value development proposed at the site needs to be secured.

	Site Name	Site Area (Hectares)	Strategic Communications	Local Communications	Proximity to Labour & Services	Compatibility of Adjoining Uses	Development Constraints	Occupier Attractiveness	Total Rating	Barriers to Delivery	Timescale to Delivery	Potential Uses	Comments
3	Weeley	52.00	4	4	4	4	4	3	23	On-site infrastructure & Utilities . Capacity of Sewage works.	Medium to Long Term	B1/B2/B8	Weeley is one of four growth options currently being considered. There are two employment locations suggested. The one to the west of the village is larger and would have a prominent and accessible location, the other to the east is within the built up area and lacks prominence and is brownfield. The latter site may have viability issues particularly in the context of new employment use development. The proposed growth in population, location and existing services (e.g. hotel) make this a potentially attractive location for employment use development.
4	Oakwood Extension / Land North of Gorse Lane	66.15	2	3	4	5	4	3	21	On -site infrastructure & levels difference	Medium to Long	B1/B2/B8	There is potential to extend further the popular Gorse Lane Industrial Estate. Whilst rents are relatively low the location remains popular with occupiers and with further growth planned for Clacton this land would provide the opportunity to deliver further employment use land and buildings. The Phase 2 land needs to be unlocked and consideration given to the allocation of the Dalau land.
5	Stanton Europark	3.30	3	4	4	3	1	2	17	Flood risk, site infrastructure	Medium Term	B2/B8	The site has been marketed for sometime and suffers from constraints relating to flood risk and the need to relocate on site drainage infrastructure. These constraints make an employment use scheme non-viable. The planning permission has lapsed. The site is surrounded by retail and leisure development in a very prominent location and it is likely that subject to demand such alternative uses could be viable at the site. Grant funding to unlock the site could help to retain the site for employment use.
6	Mercedes Site	2.77	3	4	4	4	2	2	19	Flood risk and ground stability	Available (port related)	B2/B8	Owned by Harwich International Port the site is available for port related users. The site does also offer the opportunity for relocation of specific uses should the Bathside Bay scheme progress. The site enjoys good access directly from the A120. The site suffers from ground stability and flood risk issues and therefore viability of new accommodation would need to be thoroughly evaluated.

	Site Name	Site Area (Hectares)	Strategic Communications	Local Communications	Proximity to Labour & Services	Compatibility of Adjoining Uses	Development Constraints	Occupier Attractiveness	Total Rating	Barriers to Delivery	Timescale to Delivery	Potential Uses	Comments
7	West Tendring	N/A	5	4	4	4	3	5	25	Funding of infrastructure	Long term	B1/B2/B8	As part of the growth options being considered the West Tendring opportunity provides a unique opportunity for Tendring District to benefit from the growth of Colchester through the development of residential and employment use accommodation, particularly on the main arterial routes which provide excellent accessibility to Tendring District and the wider Essex/Suffolk area.
8	Frating	273	4	3	3	3	3	4	20	Significant Infrastructure Works	next plan period	B1/B/B8	Another of the growth options currently being considered in Tendring. The current proposal is to the east of the A133 and is looking to allocate a significant amount of new employment land (together with the residential proposed). The current residential catchment close to the site is limited and therefore employees would need to commute. The site would require significant infrastructure in terms of roads and utilities to come forwards and this would need to be subsidised by the residential development.
9	Hartley Gardens / Clacton Gateway	N/A	3	4	5	4	2	3	21	Significant Infrastructure Works (including new spine road and sewage treatment works)	Medium to Long Term	B1/B2/B8	In the Clacton context the site is well located to the north-west of the Town and accessible from the A133. The wider development is dependent upon the provision of infrastructure, which includes a new sewage treatment works. The residential development would need to fund such infrastructure works in order to ensure that the proposed employment use is viable. An employment use allocation close to Brook Retail Park and the roundabout on the A133 could prove popular. The site will generally appeal to local businesses and provide an alternative to Gorse Lane where supply is limited.

Table 6.16 - Existing Sites Evaluation (AVL)

Key Sites – Summary

- 6.134 The evaluation of the key sites indicates that there is limited available supply and many of the sites have development constraints that need to be addressed. Of the nine sites considered there are two sites (Frating and Horsley Cross), which we consider, are not appropriate for allocation at the current time. The employment proposal at Frating should be reconsidered as part of the next Local Plan with an emphasis on bringing forward land at Weeley that has better locational attributes.
- 6.135 The site at Horsley Cross (north) should not be allocated given its weak locational attributes. The weakness of this location is evidenced by the lack of demand and progress at the Horsley Cross southern site, which has the benefit of planning permission.
- 6.136 West Tendring is identified as the strongest location, although it must be noted that the actual employment site locations remain to be determined. It is expected that further work will ensure that the most appropriate locations are identified. These sites are unlikely to come to the market until the medium to longer term.
- 6.137 Weeley is ranked second after West Tendring and this reflects its attributes that include the access, the scale of the existing settlement and the presence of local services, which may help to establish the location as one attractive to business.
- 6.138 Land at Oakwood Extension and to the north of Gorse Lane can help to generate supply for a well established employment use location. Available supply is very limited and efforts need to be made to bring forward the land to the north of Telford Park. It may also be appropriate to consider the 'Dalau' land to the north of Gorse Lane and west of Thorpe Road as an additional allocation, which could in particular help to address short-term supply issues.
- 6.139 Overall support and assistance for constrained sites (including in financial terms) will help to accelerate and bring forward quality opportunities. Securing Local Growth funding which can help to unlock sites would enable progress to be made.

7 Conclusions & Recommendations

- 7.1 We present our key findings below following the comprehensive analysis we have undertaken of the local property market, and the allocated rural and proposed employment sites. Initially, we discuss the industrial and office market in Tendring. We then make recommendations as to which employment sites (allocated or proposed) should be brought forward during the plan period.

Planning Policy Framework

- 7.2 There is a clear aim to promote Tendring as a vibrant place to live, work and visit, and to promote the area to support sustainable economic growth. Key opportunity sectors in the District include Offshore Wind and Care & Assisted Living. Other sectors including agri-tech, composites, engineering, manufacturing, hospitality and retail all have the potential to contribute to growth in jobs across the District.
- 7.3 The 2013 Employment Land Review estimated a total requirement of 7.1 Ha additional employment land over the plan period up to 2032 on top of 30.75 Ha identified. This would allow for a further 1,800 'B' class jobs to be created in sectors including care, retail, health and food & beverages. The study concluded that employment sites located along the Colchester fringe are most popular.
- 7.4 A significant amount of new residential accommodation is being planned and whilst this is being spread across the larger settlements, it is clear that the existing towns of Clacton and Harwich will grow significantly together with a major new settlement on the Tendring – Colchester border (garden village proposal). The growth and location of the new resident population has a relationship with the provision of employment land across the District.
- 7.5 The Council are in the process of preparing a new Local Plan covering the period up to 2032. The Economic Development Strategy suggests it could be possible to create between 3,000 and 5,000 new jobs in Tendring over the next 15-20 years across all sectors.
- 7.6 In January 2016 following detailed work by leading demographer John Hollis, using updated Experian data the Council's Local Plan Committee approved a target of 9,900 to 10,900 new homes to be delivered over the next 17 years. This equates to 500 - 600 homes per year and over the same 17 year period the forecast suggests an additional 2,000 jobs in 'B' class uses and 8,200 across all sectors.

- 7.7 As mentioned above the Regeneris Consulting study identified a requirement 7.1 Ha of additional land over and above the available supply of 30.75 Ha. The examination undertaken here reveals that the amount of available supply has fallen to approximately 25.22 Ha. Therefore additional land needs to be allocated to provide a total provision in the order of 38 Ha.

Industrial & Warehousing Market Overview

- 7.8 Take-up (demand) for industrial and warehouse accommodation has averaged 42,248 sqft (3,925 sqm) per annum. The majority of these transactions are for space less than 10,000 sqft (929 sqm).
- 7.9 Availability (supply) across Tendring at existing sites is limited, our research indicates availability of 102,254 sqft (9,499 sqm) of built accommodation in 24 units. The greatest supply (15 units) is in Clacton and then limited generally to 1 or 2 units in remaining locations.
- 7.10 The industrial market in Tendring is primarily focused around existing core urban settlements and Clacton in particular, which is the largest of the urban settlements, and tends to have the most supply/availability of floorspace.
- 7.11 The east of the District is focused primarily on meeting the requirements generated by the local demand and needs. The current supply of floorspace within these urban settlements is unlikely to meet the needs of footloose occupiers, due to the competition from neighbouring areas (e.g. Colchester), which benefit from better communication infrastructure to larger settlements and markets.
- 7.12 Colchester tends to dominate the market in the north east of Essex, and is experiencing good levels of take-up. Supply of accommodation in Colchester is limited as activity has increased. There is the potential for Tendring to capitalise on the higher levels of demand, by bringing forward sites that can provide new floorspace in the west of the District as this will also provide good communications.
- 7.13 Given the level of rents and yields being achieved in the District, viability of new development is an issue, even with sites that have better communication linkages. A combination of greater demand and reduced supply could begin to drive up rents.

- 7.14 The Local Plan should firstly seek to protect and secure new development within the key settlements of Clacton, Harwich, and Manningtree. Equally existing supply in smaller settlements such as Brightlingsea, Walton-on-the-Naze and Great Bentley and others are providing an important function in terms of meeting local business needs and providing employment in these settlements. These locations provide cost effective opportunities for local businesses and should be retained.
- 7.15 The emerging Local Plan needs to bring forward more employment land and buildings that can provide proximity to the A12/A120 and Colchester. The scale of the market in Colchester is greater and a proportion of such demand could be satisfied in the west of Tendring.

Office Market Overview

- 7.16 Total take-up (demand) for offices over the past 6 years has totalled 66,650 sqft (6,192 sqm). Supply totalled 13,345 sqft (1,240 sqm) in 8 units.
- 7.17 As with the industrial and warehouse uses, Colchester dominates the north east of Essex. Within Tendring, Clacton is the key location with the greatest number of transactions recorded. Within the main centres of Clacton and Harwich supply is limited and the quality of floorspace also generally poor apart from the enterprise centres. There has also been some loss of space to residential conversion in recent years.
- 7.18 Outside of the main urban centres supply in the smaller rural settlements has proven popular and in these locations development activity has taken place, with good quality space focused towards smaller businesses coming forward. The managed workspace centres are proving to be popular and have limited availability.
- 7.19 The following actions could contribute to improved delivery and performance of the office market:
- Clacton and Harwich – in these larger urban settlements, provision of quality managed workspace together with business support could help to encourage new business start-ups and provide the opportunity for existing businesses to access better standards of space. This will help to build a cohort of office based businesses which may grow and drive future demand for larger units of accommodation.

- Rural business centres – the District has a number of good quality centres which are popular with SMEs and therefore the Local Plan should seek to promote / provide quality space in an attractive environment and proximate to where business owners live.
- A more strategic opportunity exists to capture demand from the successful Colchester marketplace. Well located sites which can provide good communications and environment are needed which are an attractive option for larger occupiers and established businesses. In particular proximity to the University of Essex Colchester Campus is an important consideration.

Existing Sites

7.20 The sites have been evaluated using a scoring system, as can be seen, in the tables presented in Chapter 5. The sites with higher scores are considered the most appropriate for employment use development. The evaluation of the allocated sites has revealed that the strongest sites in the Clacton area are:

- Gorse Lane Industrial Estate; and
- Oakwood and Crusader Business Park.

7.21 In Harwich the strongest site is Europa Way, with the SATO and Durite sites having low scores primarily due to their location. It should be noted that at Europa Way the owners, who incidentally also occupy the majority of the accommodation, are currently marketing a significant amount of accommodation.

7.22 In the smaller settlements the evaluation indicates that the good employment sites are:

- Lawford Dale Industrial Estate, Manningtree; and
- Kirby Cross Trading Estate.

7.23 Many of the remaining sites are in use and whilst in location terms they have weaknesses, they do provide employment space and jobs in these settlements. These should be protected as far as possible, although we note that some of the sites are in locations where re-use may be difficult due to nearby residential uses and accessibility issues (i.e. Edme and Crisp Maltings in Mistley).

Rural Sites

- 7.24 The evaluation of the rural sites indicates the popularity of accommodation, which provides relatively small flexible units of accommodation in attractive rural locations. All of the four sites reviewed have scored over 19, with Lanswoodpark and Martell's Pit scoring highly due to their location close to key centres and arterial routes. The owners of Lanswoodpark have put forward additional land for allocation and this should be allocated. The proposal is in respect of a further 4.24 Ha.

Key Sites

- 7.25 We have undertaken a review of nine proposed employment sites that the Council are currently considering as part of the Local Plan review process. We have considered a number of factors ranging from communications, proximity to labour and barriers to development, in order to determine whether the proposed sites are suitable for employment uses. We have also taken into consideration the local property market dynamics to determine which sites can deliver future employment growth, taking into account the local market focused around the main existing urban settlements (namely Clacton and Harwich) to the East and the potential to capitalise on the success/future growth of Colchester to the west.
- 7.26 Based on the criteria adopted the sites scoring more than 20 can be ranked as follows:

Site Name	Score
West Tendring	25
Weeley	23
Oakwood Extension, Clacton	21
Hartley Gardens/Clacton Gateway	21
Harwich Valley	20
Frating	20
Table 7.1. – Key Sites Evaluation Ranking (AVL)	

- 7.27 The sites in the West of Tendring score well given their communications linkages and the proximity to a large urban settlement (Colchester). With respect to the growth options of Weeley and Frating, the former scores well given the proximity to a relatively large settlement and the presence of uses such as the hotel and service area.

- 7.28 The prospect of extending provision at Gorse Lane with the Oakwood Extension is an opportunity to extend an already functioning and popular employment estate. Harwich Valley is a greenfield site and benefits from good communication linkages.
- 7.29 In terms of site allocations, we recommend that the Council continues to promote and assist the delivery of the following within the east of the District.
- Clacton
 - Oakwood Extension;
 - Hartley Gardens – although we note the infrastructure requirements associated with this site and these need to be fully explored and costed.
 - Harwich
 - Harwich Valley;
 - Mercedes Site.
- 7.30 These sites within/edge of existing urban centres will be key to ensure that the needs of the local market/businesses continue to be met within the east of the District. Sites within Harwich will also be important in respect of the potential future growth of the container port and therefore should be retained over the short to medium term; however, if this demand does not materialise then alternative uses (including employment as part of the mix) may need to be considered.
- 7.31 The 'Dalau' site which is located north of Centenary Way and west of Thorpe Road can also be considered for allocation. This site had been previously promoted for allocation, and it could now provide additional supply in the short term. The site we understand extends to approximately 2.43 Ha.
- 7.32 It is important to ensure that a number of sites are allocated to provide choice but also a sufficient supply of land given that these sites will be delivered over differing timescales.
- 7.33 With regards to employment use in the west of the District, we recommend prioritising West Tendring and Weeley. The West Tendring area is in close proximity to Colchester and therefore occupies an ideal location to benefit / capture market share. West Tendring provides a significant opportunity to secure new good quality floorspace within the District. Given the scale of the proposed development, the area will not only capture demand from Colchester but also generate its own indigenous demand. The close proximity to the University could be key a driver of the employment space and therefore it will be important to ensure that the scheme fully capitalises on this potential.

- 7.34 Sites around Weeley provide an opportunity at the centre of Tendring District to bring forward employment land which has good access and prominence. It would be a new location and would benefit from existing facilities and the prospect of further growth in Weeley.
- 7.35 The two remaining sites reviewed in our opinion will struggle to secure occupiers given that the sites to the west, which are being recommended for allocation have a competitive locational advantages. Horsley Cross/ Tendring Europark despite having outline planning permission on the southern parcel appears to suffer from weak demand. Given the lack of interest/development the Council should not therefore allocate the remainder of the site.
- 7.36 With regards to Frating, it is our view that this site should not be allocated for employment use development but should be reconsidered as part of the next Local Plan review. This is based upon the prospect of employment land coming forward in more attractive locations, which are closer to existing markets and sources of labour, such as Clacton, Harwich, Weeley and West Tendring.

Recommendations

- 7.37 The allocations, which need to be made to provide an effective supply of employment land, are listed below. They have been grouped together in terms of their likely timescale to come to the market. The employment land area is stated where known;
- Short term
 - Oakwood Extension (the 'Dalau' site should also be considered – 2.43 Ha)
 - Mercedes (2.77 Ha)
 - Stanton Europark (3.3Ha)
 - Landswoodpark (4.34 Ha)
 - Medium Term
 - Harwich Valley (6.3 Ha)
 - Weeley
 - Hartley Gardens/Clacton Gateway
 - Longer Term
 - West Tendring
- 7.38 The total identifiable land area totals 19.14 Ha and therefore a further 19 Ha of employment land needs to be allocated across the remaining sites (i.e. across Clacton, Harwich, Hartley Gardens, Weeley and West Tendring).

- 7.39 The Frating site should be reconsidered as part of a future Local Plan. The northern site at Horsley Cross is not proposed for allocation. The southern site provides short-term supply and future performance will further test the attractiveness of this location. To date there has been no progress in bringing development forwards, indicating to us the weakness of this location.
- 7.40 Performance at Stanton Europark and Harwich Valley site needs to be monitored as it may be found that these sites do not come to the market as the constraints have not been addressed. Therefore it is appropriate to consider sites including Lanswoodpark and the 'Dalau' site in Clacton for the short term. This would be in addition to employment land being allocated at West Tendring and Weeley to ensure that there is a suitable supply of land coming forwards over the plan period.

Improving Performance & Delivery

- 7.41 Based on the research undertaken both in respect of the property market and the sites analysis, it is considered that the Council and public sector partners including the Local Enterprise Partnership and County Council should consider the following interventions:
- Management of non-traditional employment uses – to reduce the impact of supply of accommodation;
 - Local Development Orders (LDOs) – to enhance the rationalisation and reconfiguration of existing buildings;
 - Serviced sites and cross subsidy – ensuring that higher value uses help to deliver serviced employment sites;
 - Encouraging plot sales – bring sites which can be sold on a freehold basis to occupiers;
 - Growth Funds – using growth funding to unlock sites and development, particularly infrastructure constraints;
 - Direct delivery – to provide serviced plots or premises (i.e. managed workspace) such that there is greater choice; and
 - Rural workspace – ensure that delivery of accommodation in rural locations continues.

Review of Planning Policies

- 7.42 At Chapter 2 the current adopted local plan policies as well as those that are proposed in the emerging Draft Local Plan are set out. Having reviewed the Tendring property market and considered the proposed and existing site allocations we would consider that the current and emerging planning policy framework is appropriate in terms of protecting employment sites.
- 7.43 Adopted policies PRO14 and PRO15 are relevant in the Tendring context and we would recommend to the Council that with PRO14 that further policy and guidance is developed which sets out the standards against which change of use proposals will be examined. For example the type of marketing which needs to be undertaken (e.g. advertisement, website presence, direct mailing); the period of time the marketing should have been undertaken; and the type of information that should be collected to evidence the feedback from the market.
- 7.44 The Council also needs to develop a range of policies that prevent and or reduce the levels of non-traditional, or sui-generis uses being accommodated at employment sites. This will enable the supply of accommodation in particular to be maintained for traditional employment users.
- 7.45 With emerging employment sites linked to residential development it is critical that policies are developed that ensure that as a minimum employment land is serviced and made ready for the market. The higher value uses can help to fund this work and developers can create efficiencies in procuring site works and infrastructure. This will ensure an effective supply of deliverable land and help to deal with viability issues.
- 7.46 Local Development Orders could also contribute towards the sustainability and renewal of existing industrial sites. This will simplify planning for property owners and occupiers seeking to adapt their accommodation and has been effective on older industrial estates.
- 7.47 In terms of site specific policies bringing forward new employment use development we would recommend to the Council that such policies are strengthened to ensure that delivery of employment use development has the best possible chance of happening. In this context we would recommend:
- Where mixed use sites are being allocated that the applicant and Council should explore the delivery and viability of the scheme as a whole and particularly the servicing and timing of release of employment land; and

- That master planning or planning of mixed use sites includes consideration of how the employment use element delivery is being maximised. For instance a Property Agent report advising on the most suitable form of development, the location and siting of such development. The intention here is to ensure that the most appropriate part of the site is selected for the employment use element of the scheme;
- That infrastructure including roads and utilities should be planned for the whole site and that phasing of such infrastructure is planned against specific development milestones. The intention here would be that serviced employment land is provided to the marketplace and therefore developers would only be able to construct a certain amount of the other uses proposed prior to servicing all or part of the employment land.

7.48 The Growth Options which are currently being considered can be taken into account together with the findings (site evaluations) of this report. The location of future employment land and its relationship to residential development is important. This is particularly true if the allocation and development of residential development can help to secure serviced employment land across the District.

Appendix 1 – List of Consultees

Consultees which have been contacted during the undertaking of this report include

Organisation	Name
Britton Construction	Contacted but no response
Dedman Commercial	Contacted but no response
D J Snell	Andy Snell
EGA Planning	Ted Gittings
Essex Enterprise Centre	Julie Hepburn
Fenn Wright	Stephen Donnelly/Lewis Chambers
Harwich International Port	Jane Stanbridge & Steve Hume
Hawkspur (Frating))	
Horsley Cross	Ed Bennett
John V Story	Barry Haines
Lambert Smith Hampton	Contacted but no response
Lanswoodpark	Chris Board
Morley Riches and Ablewhite	John Ablewhite
Moult Walker	Contacted but no response
Newman Commercial	Jeremy Newman & Michael Moody
Nicolas Percival	Tom Noble
North East Essex Builders	Roger Raymond
Omega Property Services	Contacted but no response
Penn Commercial/ Stanton Eurppark	Vannessa Penn -Contacted but no response
Penn Commercial	Paul Iacabucci
Peter Brett Associates	Peter Keenan
Property Front	Scott Pepper
Robinson and Hall	David Brooks
Rose Builders	Stephen Rose
Scott Properties	Martin Scott
Strutt and Parker	Contacted but no response
Surya Foods	Martin Halls
Tim Snow Architects	Contacted but no response
Whirlledge & Nott	Contacted but no response
Whybrow	Ewan Dodds
Wright Ruffell	Peter Wright