

Firm grounds for future use

Employment land studies are vital to ensure future supplies for businesses, contend John Robertson and Ciaran Gunne-Jones



Regular employment land reviews have now assumed an increased importance, with PPS3's emphasis on releasing redundant employment land for residential use and the pressure to provide homes on brownfield sites.

Without any recent policy statement on economic development to balance the emphasis on housing, reviews also play a key role in protecting good-quality employment land from higher-value uses. While not claiming to be comprehensive, this brief review of recent employment land studies offers some lessons.

The first is that many local planning authorities have no recent review in place, although some are being carried out jointly or sub-regionally, and the extent of coverage nationally is mixed. Information from regional assemblies and consultants suggests that around 80 per cent of districts in the South East have prepared a study or are now doing so, but in the East Midlands the figure is less than 50 per cent. Not all these studies comply with ODPM guidance, however.

Councils have different aims when commissioning studies. The impetus usually comes from local development framework (LDF) preparation, sometimes from an imminent appeal. In some areas, the emphasis is on ensuring that sufficient new land is provided to attract investment and jobs or to find brownfield sites to meet housing targets. For others, the main concern is to protect key sites threatened by other uses, mainly residential.

The scope of the work also varies. Some authorities require a simple assessment of the scale and direction of growth and an indication of future land requirements. Others look for an economic review, identification and appraisal of additional sites, advice on appropriate LDF policies and a review of employment land monitoring systems. Expectations of what can be achieved within tight timescales and budgets are not always realistic, and there is some evidence of significant delays.

With staff resources at a premium to cope with the LDF arrangements, most authorities commission consultants to carry out reviews. The teams involved tend to be led by planning and economics experts, although a few have been prepared by property consultancies alone. There are some major national players with a large number of studies under their belt, but regionally-based firms and academic bodies have tackled rather fewer.

The range of approaches used reflects different interpretations of the ODPM guidance and how best the brief might be met. Variations include the size of sites assessed, whether a property market review is carried out and whether sites are scored and ranked. The means of estimating future land needs may be based on employment forecasts, past take-up rates, surveys of business needs or a combination of factors.

Despite the uncertainties inherent in forecasting, not all studies build in a safety margin on top of their estimates. It is important to have some flexibility should allocations fail to come forward, to provide a wider choice of sites and allow replacement of employment land lost to other uses in future. Some studies simply add a percentage safety margin, but others provide a clearer breakdown.

There is no consistency in the involvement of the local business sector and different types of property occupiers. While it can be a difficult, time-consuming process, inclusion is essential if estimates of future employment space requirements are to reflect real needs. Yet some studies we examined make no reference to such views or rely on interviews with just 30 or so firms, although a few have surveyed up to 400 local businesses.



Neither is it always clear that local developers engage with these studies to any great extent. Since such studies ought to be of some interest to developers, maybe they should take a more proactive role. Greater publicity at the outset might also help. Some developers are commissioning reviews to support individual schemes so without their own reviews, councils may find it difficult to resist unwelcome proposals.

For the most part, studies focus on the traditional business, industrial and distribution use classes. Few give detailed consideration to land needs for creative or environmental industries. The implications of trends such as jobless growth or offshoring get little mention either.

Crucially, not all studies tackle the issue of releasing poorer employment sites. Those that do adopt a fairly cautious approach. There can be good reasons for this, particularly where poorer-quality sites are fully occupied and meet a need for low-cost space. But perhaps these studies are likely to produce fewer surplus brownfield sites for housing than the government might have anticipated.

Employment land studies certainly help local authorities allocate or release land with greater confidence. Appeal inspectors clearly give them some weight, even though loss of employment sites is sometimes allowed in spite of study findings. This may suggest that such studies need stronger status to provide a counterweight to the growing emphasis on housing development in other policy documents and underline their role in emerging policy statements on economic development.

Apart from the scrutiny given by the client, the quality of studies is not always fully tested until the LDF or appeal inquiry, and very few councils present their findings to a sounding panel for a reality check. Finally, the need for monitoring and updating is not always emphasised. This is important if the findings are to remain relevant and useful.

LAND FOR JOBS: KEY LESSONS

- **Employment land studies need to be systematic, authoritative and credible.**
- **They need to be commercially realistic and must reflect local business needs.**
- **They must take account of the potential of emerging economic sectors, efficient local economies and diverse employment opportunities.**
- **They should incorporate a safety margin to provide some flexibility on future land supply.**
- **Councils should establish procedures to monitor and update studies.**

Coverage of employment land studies is progressing, but only patchily. Although greater consistency is needed, it has to be recognised that approaches need to be tailored to each local economy. Recent experience suggests that up-to-date employment land reviews are essential to a robust development plan. Without them, councils will be less well equipped to encourage economic growth or to resist unwelcome pressures on land supply.

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