

**Chippenham Vision Paper for Area Board****Title: Employment Land in Chippenham**Summary

This paper sets out the need for suitable employment land in Chippenham and the ways in which the Chippenham Vision can help address the current shortage in supply.

Recent evidence from economic development officers has indicated a strong demand for employment land in Chippenham. Failure to respond to this demand may lead to businesses moving elsewhere with the resultant loss of local employment at a time when job losses are universally anticipated. Furthermore Chippenham is in danger of being completely overlooked as a potential business location in the future.

The Chippenham Vision identified a severe threat of shortage of employment land in the 2008 Vision strategy document. The current consultation on the Core Strategy is seeking to identify appropriate land for this purpose. However this process will not be concluded in time to satisfy the immediate demand.

The draft Vision set out a primary objective to make the town an attractive location for businesses and it has been a recurring theme as the Vision has developed over the past months through consultation with local stakeholders.

Recent consultation with local residents identified that a key priority for the future was the creation of local jobs for young people, making sure that good jobs are available within the town for local people and identifying more employment land to retain and attract employers.

Objective

The purpose of this paper is threefold:

Firstly, to raise the profile of the issue. The Chippenham Vision has a role to inform key partners and stakeholders in order to raise awareness and understanding of how this issue will impact the delivery of the Vision.

Secondly, to improve understanding of the issue. There is a perception that there are a large number of vacant premises in the town and therefore there is no real need. Unfortunately this is not the case. Instead there is frequently a mismatch between available land and property and the needs of business. Details are set out below

Thirdly, to prepare Councillors, local stakeholders and residents in advance of key decisions being made. The Vision can perform a local co-ordination role to encourage partners to work in concert and can help facilitate solutions but

applications for development will come forward in advance of the Core Strategy being agreed. It is therefore critical that discussion and debate of these issues takes place so that those decisions are well informed.

Proposal

It is proposed that the Vision take a lead in addressing the issues restricting supply and improve understanding of the situation amongst key decision makers.

Background

Previous Planning Policy Guidance (PPG) 4 emphasised the need for development plans to allow for choice, flexibility and competition taking into account the locational demands of business in planning for economic growth. Development plans should ensure that there was sufficient land available which is readily capable of development and well served by infrastructure.

PPS4 reflects changes in the role of planning. There is a move towards a more positive attitude for development and a presumption in favour of proposals for sustainable economic development.

Full consideration should be given to the economic, social and environmental aspects of a proposal, as part of a more positive approach to considering new development. The imminent Localism Bill is likely to have further impacts on the planning process.

The 2008 'Vision for Chippenham' Document identified a severe threat to employment in Chippenham from a shortage of employment land for employers to move to or expand. This was based on a substantial report commissioned by the Chippenham Vision from King Sturge (available)

This threat was confirmed in a study of available employment land by DTZ for Wiltshire Council (however some concerns have been expressed regarding the robustness of this study) which formed the basis of the Wiltshire Workspace and Employment Land Strategy 2009. This work identified only three suitable and substantial opportunities for employment land in Chippenham beyond the immediate future. All three of these presented issues to overcome. It also identified a land requirement in Chippenham of 42 hectares.

Commercial property requirements in the future will depend on a number of factors. Population size, growth of certain employment sectors (and decline in others), changes in technology and working practices and the general economic cycle will all influence demand for commercial property in the coming years.

Generally speaking in a strong market developers will act quickly to complete new premises, while in a weaker market they will be less eager to build speculatively and may have to wait longer to find buyers or tenants for their developments.

Demand for particular types of business accommodation also depends to a large extent on technology. Office users will want buildings that can accommodate the latest developments in IT while being cheap and efficient to run. Manufacturing is more difficult to predict. However as much bulk manufacturing takes place abroad,

demand in the UK will be for smaller, more flexible premises with a mix of office and manufacturing space, which can be used for R&D and more specialised manufacturing. Larger manufacturers want premises tailored to their particular needs, with a good mix of indoor and outdoor space.

Main issues for consideration

- **Demand** - There are indications of strong demand and a serious shortage of supply. If this situation is allowed to continue, employers will move elsewhere. This situation has occurred in before i.e. Dyson in Malmesbury. There are at least two large businesses in Chippenham which have an immediate requirement of over 20 acres of employment land between them. A recent pilot survey undertaken by NWEF (Appendix 1) has indicated that several businesses in Chippenham are looking to expand in the near future. Further work and a follow up survey have been carried out in early 2011 to assist the creation of a robust evidence base of demand for employment land in Chippenham. However there is a lack of detailed evidence of demand and the type of premises occupiers require.
- **Quality** - a fair proportion of the existing employment land estate is in poor repair (in both private and public ownership). In some cases the cost of remediating the land and or buildings outweighs the financial return from redeveloping the land.
- **Land Value** - in some cases Brownfield land has been designated for mixed use. This results in land owners holding out for opportunities to develop the land for retail (supermarkets) and or residential use which would result in much higher financial returns for them.
- **Development Costs** – In addition to the cost of remediating land or upgrading buildings there are often costs associated with improved infrastructure (utilities, broadband, access etc). In other cases the contributions required by the planning authority from the developer (ie Section 106) can limit their ability to deliver a financially viable scheme.
- **Scale** - Much of the currently available land and property is too small to accommodate businesses wishing to grow.
- **Location** – many sites do not provide sufficient accessibility for movement of goods and staff, or sufficient parking. Some businesses require a sufficiently 'attractive' location in order to create the right impression for their customers and to attract staff. Other sites are too close to residential areas which can restrict hours of operation or types of operation due to noise etc.

It is often the combination of a number of these factors which need to be overcome in order to produce a suitable scheme for development.

- **Churn** – one final factor is the rate of business turnover. At any one time there will be businesses vacating premises as a result of various factors (expansion, contraction, consolidation, bankruptcy). It takes time for premises to find a suitable occupier. The rate of churn is not consistent and can have significant peaks and troughs, some occurring naturally others as the result of external economic factors.
- **Timescale** - The Core Strategy, which will identify suitable employment land in Chippenham, will not be adopted until Autumn 2012. The Economic Development Team at Wiltshire Council plan to commission a 'Phase 2' to the DTZ Employment

Land Strategy to address the identified shortcomings, this is still at Project Initiation Stage.

Consideration must therefore be given to the implications of losing significant local employers and to bringing forward land for employment development outside the current plan.

Approach

The first phase of the Chippenham Vision master-planning process aims to identify existing documents and strategies, assess them for relevance and robustness, and procure evidence where appropriate to fill or remedy any gaps or shortcomings in the evidence base.

We propose to extract all the Chippenham relevant information from the existing DTZ Workspace Strategy, critically assess it, commission a piece of work to remedy inaccuracies and fill the evidence gap.

This would hit three objectives:

1. A cohesive and agreed workplace and employment land strategy between Wiltshire Council and the Vision
2. A vital piece of the Master planning data would be assessed and completed
3. An additional piece of evidence would be provided in time to feed into the Core Strategy.

The Chippenham Vision will then seek to:

- Actively engage with all developers and businesses who are prepared to bring forward proposals for significant enhancement of local employment and support them in bringing forward high quality proposals based on current best practice.
- Work with developers to ensure that environmental considerations be a key priority in the delivery of new development eg. – Reuse of old buildings where possible, minimise the impact on the surrounding countryside etc.
- Promote Chippenham as a business location
- Work with all partners to determine the priorities for each site
- Encourage proposals which can demonstrate an overall benefit to the town and the wider objectives of the Chippenham Vision subject to appropriate consultations with stakeholders and the Chippenham public
- Work with businesses and developers to encourage and achieve the highest possible standards of design, construction and environmental responsibility.
- Raise the level of understanding amongst local people and stakeholders regarding the need for employment land
- Support further research and analysis of local need and demand. Improve understanding of what occupiers require. Why are they in the area, what are they looking for, or why have they vacated the site/area etc?

- Work with partners and developers to identify ways to unlock existing land
- Work with partners and developers to ensure the provision of adequate infrastructure to support the development of suitable employment land and any wider benefits
- Support the creation of suitable workspace for start up businesses and business incubation units
- Identify the tools to facilitate investment (e.g. Localism Bill)

Risk Assessment

There is a danger in actively encouraging development proposals in advance of the allocation of land through the usual planning process. This has the potential to undermine the spatial planning system and thereby opening the door to a number of unsuitable planning applications.

However due to the reasons above, the alternative of waiting for the core strategy could lose key employers at a time of rising unemployment, hence the need for this strategy.

Mitigation: The Vision will ensure that planning officers are fully involved and informed at all stages.

Financial Implications

There are no financial implications to the Area Board.

Legal implications

The Vision Board can only operate to advise partners therefore it must ensure that it does not take action that would prejudice the formal planning application process.

Options

Do Nothing

Reason why option rejected: There is an imminent threat to losing business and employment in the town. Failure to take action would send a wrong message to residents and businesses that the Vision is not serious about the future of the town.

Defer to the Wiltshire Council Employment Land and Workspace Strategy

Reason why option rejected: This is a countywide strategy and not sufficiently specific to Chippenham.

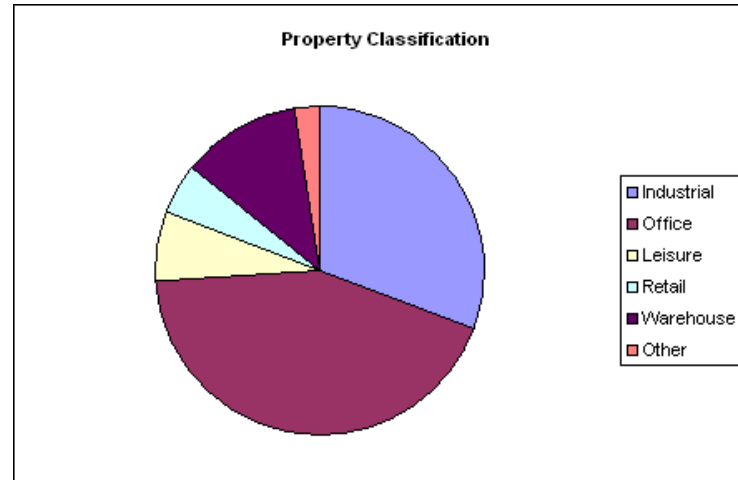
Recommendations

- The Area Board are recommended to note and comment on the issues raised in this paper
- The Area Board are recommended to approve the Vision take a lead in addressing the issues restricting supply and improve understanding of the situation amongst key decision makers

Chippenham Property Demand Survey results - 2011

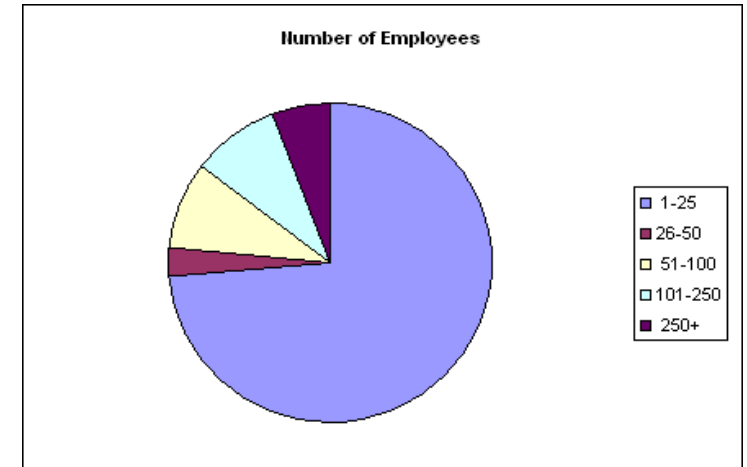
Property Classification

Industrial	13
Office	18
Leisure	3
Retail	2
Warehouse	5
Other	1



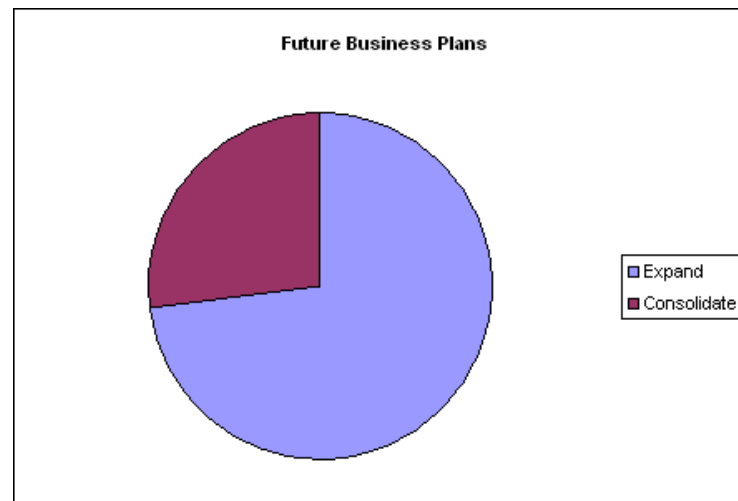
Number of Employees

1-25	25
26-50	1
51-100	3
101-250	3
250+	2



Future Business Plans

Expand	24
Consolidate	9



Future Business Requirements

Land/Property	20
Labour Supply	19
Skills	22
Investment	12

