



IT'S ALL IN THE DETAIL

REIGATE & BANSTEAD BOROUGH COUNCIL

HOR9 Strategic Employment Site: Economic
Assessment

Task 1 and 2 Reports: Executive Summary

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CONTENTS

1. INTRODUCTION	4
2. EMPLOYMENT DEMAND AND NEEDS	7
3. COMMERCIAL MARKET & CHANGING WORKSPACE PRACTICES	9
4. ECONOMIC EFFECTS	12
5. COMPONENTS OF SUCCESSFUL BUSINESS PARKS	15
6. COMPARATIVE ASSESSMENT WITH OTHER SITES	17
7. RECOMMENDATIONS	20

1. INTRODUCTION

Overview

Chilmark Consulting Ltd. (CCL) was commissioned in December 2016 by Reigate & Banstead Borough Council (RBBC) to prepare a Strategic Employment Site Economic Assessment (SESA) for a potential large-scale employment site to the south of Horley.

The subject site is a proposed Strategic Employment Site known as **HOR9: Land West of Balcombe Road** in the Reigate & Banstead Borough Council Regulation 18 *Development Management Plan* (DMP).

Scope

The aim of the commission is to review, update and evaluate the evidence to support the proposed HOR9 Strategic Employment Site allocation.

It is necessary and timely to further assess the potential of the site and the economic impacts of the proposed development to ensure that the *Development Management Plan*, including its proposed land use allocations, are founded on clear and objective evidence.

The Strategic Employment Site

The Site

The HOR9 Land West of Balcombe Road site is located at the southern edge of Reigate & Banstead Borough's administrative boundary and to the north of Crawley Borough a short distance from Horley town centre and from Gatwick Airport.

To the west, the site is bounded by the main Brighton, Croydon, London railway line which runs north-south along the boundary. To the south, the site area is bounded by the M23/A23 running east-west and including Junction 9a of the M23. To the east, the boundary is partially along the B2036 Balcombe Road and is then formed by the rear of residential properties on Meadow Croft Close, Warltersville Way, Bayhorne Lane, Apperlie Drive and Limes Avenue.

The site is some **83** hectares in size and formed of a largely triangular shape parcel of land. Much of the site is open fields used for grazing and equestrian activities. There is an existing office facility at Meadowcroft House set within extensive grounds towards the south-eastern corner of the site.

Future Development Proposals

RBBC's Property Team is in the process of preparing a masterplan scheme for the future development of the site. This is understood to include up to **200,000** sq.m of B1 floorspace (predominantly office) with an estimated **10,500** sq.m of ancillary

and supporting uses and public open space.

Policy Context

National

The *National Planning Policy Framework* (NPPF) provides a clear position reflecting the Government's economic growth and delivery agenda.

NPPF paragraph 21 highlights the importance of planning to support existing business sectors and identifying and planning for new or emerging sectors that are likely to locate in the area. The thrust is to ensure that new development proposals offer a choice and mix of commercial B Class employment land and floorspace supply to support economic development.

Coast to Capital Local Enterprise Partnership

The Coast to Capital Local Enterprise Partnership encompasses Brighton & Hove, Croydon, the Gatwick Diamond, East Surrey, Lewes and West Sussex. The area includes over 1.9m people and more than 85,000 businesses with 776,000 jobs.

The C2C LEP *Strategic Economic Plan* (SEP) was published in March 2014 and fully integrates with the *Greater Brighton City Deal* agreed with Government. The SEP sets out the vision and objectives for the C2C LEP. The vision is that Coast to Capital will deliver exceptional growth and productivity gains to deliver economic performance to rival the best in Europe and the rest of the World.

Over a six-year investment programme, the SEP identifies that 60,000 new jobs, 27,000 homes and

970,000 sq.m of new employment floorspace will be delivered across the area.

The SEP establishes six strategic priorities:

1. Successful growth locations, including transport investment;
2. Successful businesses;
3. Building competitive advantage;
4. Skills and workforce;
5. Growth is digital; and
6. Housing and infrastructure.

In relation to the Gatwick Diamond, the SEP identified the area as “*the beating heart of the Coast to Capital economy*”. It is a strategic growth location that should be a focal point for future growth, but the SEP also recognises that there is a lack of employment land for new development and inward investment and that there is considerable poor quality commercial and industrial stock which is no longer fit for modern business use.

The overall tenor of the C2C LEP strategy and plans reinforces the need for good quality employment floorspace, in the right location, and at the right scale.

Reigate & Banstead

The adopted *Reigate & Banstead Core Strategy* policies (CS5) have full, material weight. They confirm that the Council will promote and support sustainable economic prosperity and that this will be delivered through a range of actions, including planning for a range of types and sizes of employment premises, planning for the delivery of new floorspace to meet forecast growth and ensuring that development outside employment areas is sustainable.

The Core Strategy acknowledges that while it is essential to secure the best use of land including employment land, over the course of the plan period, unanticipated strategic employment proposals may come forward. Policy CS6 supports this approach and confirms that development sites will be allocated through the *Development Management Plan*.

The Borough Council is working on its *Development Management Plan* and this has reached the Regulation 18 stage, with Regulation 19 stage anticipated in late 2017. The emerging Plan includes policies to support employment development including the protection of existing land supply.

Draft policy NHE1 allows for development in the area between Horley and Gatwick Airport (where the proposed Strategic Employment Site HOR9 is located) subject to retaining space to protect against coalescence of the urban area with Gatwick Airport.

Proposed Site Allocation HOR9 then reflects this spatial approach and positively identifies the land West of Balcombe Road for a mix of business (office) and complementary retail, commercial and leisure activities together with open space and access improvements.

The Regulation 18 *Development Management Plan* document confirms that the *Strategic Employment Site Opportunity Study* has assessed a number of potential land parcels for strategic employment provision and concluded that this was the most appropriate location.

The Regulation 18 *Development Management Plan* indicates that the site could be developed for business space, predominantly for offices (B1

Use Class). It also highlights that a range of commercial and leisure facilities could be appropriate to serve and complement the business use of the site. In addition, the emerging Plan suggests 5 hectares of new high quality public open space, including parkland and outdoor sports facilities should be provided. A new, direct access spur to the strategic road network is also proposed.

While at an early stage, the Regulation 18 *Development Management Plan* policies give more detailed expression to the overall Core Strategy policies to support economic growth and employment land supply.

The adopted *Reigate & Banstead Borough Local Plan* (April 2005) saved policy designations relevant to the proposed HOR9 site (Hr33, Hr36 and Hr37) carry full material weight and the economic needs of the Borough and the proposed development of the Strategic Employment Site will need to be balanced against these existing saved policies.

2. EMPLOYMENT DEMAND AND NEEDS

Scope and Approach

An assessment of the potential scale of demand for strategic employment space associated with Reigate & Banstead Borough, and the key sectors likely to drive this demand was undertaken using Experian employment projections.

The key elements of the updated employment demand assessment which builds on initial work undertaken by the Council are:

- extending the timeframe of the employment forecasts to 2035;
- modifications to average employment densities;
- modifications to the proportion of Non-B Use Class business activities that may use B Use Class space;
- assessment of the potential to capture of wider strategic unmet need;
- assessment of the potential to capture FDI/ National expansions and relocations; and
- impacts of Gatwick Airport under different scenarios.

Findings

Overall Demand

The focus of the assessment is on 'strategic' employment floorspace requirements (floorspace that is suitable for larger businesses or collections of business, or which is aligned to the needs of growth or strategically important business

sectors). 'Strategic local need' is therefore the strategic employment demand needs arising in Reigate & Banstead and there will still be a need for a variety of different 'non-strategic' floorspace demands which need to be catered for.

There is a clear demand potential in Reigate & Banstead for between **183,200** to **213,640** sq.m of B Use Class floorspace up to 2035.

This consists of:

- **66,442 – 80,885** sq.m strategic local need within Reigate & Banstead;
- **106,757** sq.m unmet need arising from Crawley Borough; and
- **10,000 – 26,000** sq.m FDI/Relocation demand potential.

Crawley is identified as one of the surrounding local authorities with a clear shortfall of land available to meet forecast employment requirements and the potential HOR9 Strategic Employment Site is situated at the border with Crawley Borough and therefore has potential to contribute to meeting unmet employment land needs arising in that Borough.

The main sectors likely to lead demand include the finance, insurance & pensions, professional services, computer & electronic products, and real estate sectors.

Growth opportunities may be possible in the aerospace, pharmaceuticals and health technologies, environment and energy technologies, and advanced engineering sectors.

Gatwick Airport

A sensitivity analysis has been carried out to the demand assessment. This

included a 'Demand Increase Scenario'¹, based on an expanded Gatwick Airport, and a 'Supply Increase Scenario'², based on a release of safeguarded land surrounding Gatwick Airport.

The key assumptions are set out in the Stage 1 Report in full.

The sensitivity analysis showed:

- the 'Demand Increase Scenario', could increase demand in the Reigate & Banstead area by at least **15,780 sq.m** up to 2030.
- the 'Supply Increase Scenario', could result in the potential supply of **88,960 sq.m** of B1a/b floorspace, and **355,840 sq.m** B1c, B2, B8 floorspace.

¹ The Demand Increase scenario considers the impact of expansion in Gatwick Airport, primarily in terms of 'natural' growth given the Government's view on Heathrow being the preferred location for airport expansion

² The Supply Increase scenario considers the impact of the release of Airport safeguarded expansion land for other uses and how this might influence the demand potential for a Strategic Employment Site in Reigate and Banstead

3. COMMERCIAL MARKET & CHANGING WORKSPACE PRACTICES

Scope and Approach

Changes in the total stock of commercial floorspace, supply and market trends (including a review of the current active commercial property market in Reigate and Banstead and more widely) was examined. This included a review of historic trends and future employment floorspace provision.

The geography used is based on examining change in the immediate area (within two miles of the proposed HOR9 Strategic Employment Land site); within the Reigate & Banstead Borough area; and a wider Property Market Study Area that includes the Gatwick Diamond authorities together with the London Boroughs of Sutton and Croydon to the north of Reigate and Banstead.

The analysis draws on published data, as collated by CoStar, together with discussions with relevant economic development organisations and local commercial agents active in the local market and wider market. This information has been supplemented by other published evidence to draw out relevant trends.

Findings

The commercial market within two miles of the proposed HOR9 strategic employment site is characterised by an overall shortage of available B1 office and industrial floorspace. This is confirmed by very low levels of vacancy rate, rental growth and a

general absence of new supply over recent years.

At the Borough-wide level, there has been a marked reduction in the level of available office floorspace in recent years.

Recent levels of net take up exceed new supply whilst the continued general absence of new business accommodation has been compounded by the increased loss of office space since the introduction of the Permitted Development Rights (PDR) from office to residential.

The industrial market in the Borough has experienced a reduction in available supply over the last ten years although market trends confirm a healthy level of take up, an exceptionally low level of vacancy, especially for light industrial uses, and a significant increase in rental values driven by a lack of suitable supply.

At the wider Gatwick Diamond and LB Sutton and LB Croydon level, most of the authorities have experienced a reduction in the level and availability of office and industrial floorspace. Vacancy rates continue to fall whilst availability, take up and rental growth evidence across the office and industrial sectors confirm a general picture of limited supply and healthy levels of demand.

Local commercial agents confirm an overall theme of a tight, limited supply of office and industrial floorspace. This has helped to secure an element of speculative office development, particularly in the Crawley area although there remains a significant level of demand and unmet requirements, with major competition

for available and emerging supply on a lease and sale basis.

Demand for office accommodation in the Reigate/Crawley market is focused on a range of requirements, ranging from the very small scale (**92 – 185** sq.m) whilst stock availability up to **929** sq.m is considered tight. Larger options do exist although these are limited. There is a consensus among local commercial agents and economic development officers that the general lack of an available and flexible supply is frustrating demand.

The need for new industrial floorspace is considered as important as that for offices in the Reigate/Crawley area. Rental growth, rising land values and continued high demand and unmet needs are compounded by a shortage of land. Major demand is reported from commercial agents for industrial units in the range **929 – 1,858** sq.m, and up to **3,716** sq.m.

At the wider Gatwick Diamond and LB Sutton and LB Croydon level there has for some years been a recognition of an absence of a bespoke, dedicated high quality office park in the Gatwick Diamond and current market demand suggests that this need is as strong as ever. Equally, the unmet needs of industrial occupiers are fully recognised given the continued high demand for such floorspace, and require suitable future land supply.

Future pipeline supply of employment floorspace (existing commitments and floorspace under construction) in Reigate & Banstead is negative with some significant net losses anticipated from the existing B1 office stock (due mainly to PDR conversions to residential use) and from the B1c and B2 stock due to re-development for alternative purposes. The Borough's planning monitoring records as well as the commercial and

industrial monitor datasets both record the effects and likely future position.

The pipeline position in Crawley Borough is markedly different from RBBC with some significant new B1 office and B1c/B2 and B8 floorspace consented and under construction now, or anticipated to come forward in due course. Such floorspace is both a replacement for existing stock as well as site intensification and is in part off-set by significant losses to existing office floorspace in Crawley town centre (again due to PDR stock conversions to residential use). Future employment floorspace in Crawley Borough is however needed to ensure delivery of sufficient space to meet that Borough's plan requirements (as well as address the un-met employment land need arising in that Borough).

The pipeline position in other neighbouring boroughs and district areas shows a mixed picture of net gains and net losses with significant impacts evidenced or anticipated through PDR stock conversions of B1 office floorspace for residential use). Structural changes have become apparent in office stock losses in Sutton and Croydon in particular, but there have also been net floorspace gains in Horsham and evidence of extensive unimplemented or committed floorspace in the pipeline elsewhere in the area.

Changing Workspace Practices

The pace of changing workspace expectations and requirements, driven by technology and associated cultural and social trends, has the potential to change occupier and employee expectations of the form,

characteristics and nature of floorspace to be delivered in the future.

Worker experience will be important in design and functionality of workspace and it is important that this is recognised in the design of the proposed HOR9 Strategic Employment Site. Different types of workspace will likely be required within a scheme such as this, including within the same building (e.g. co-working, hot desking, serviced accommodation).

Key drivers of future occupier demand will focus on proximity to public transport options, pedestrian and cycle friendly environments, access to leisure facilities and a range of local amenities, all of which are vital to attracting future employees and occupiers and which this site would appear to have the opportunity to deliver.

Connectivity is crucial and the provision of modern, ICT infrastructure is a prerequisite for business and residents.

Office location, the organisation of workspace and the built/local environment is essential to help differentiate workspace locations. This is related to the attraction of occupiers and employees alike.

Workspace provision will need to be fully integrated into the vision and character of development, including the development of intelligent buildings to support occupier and employee expectations for a healthy working environment.

4. ECONOMIC EFFECTS

Scope and Approach

The analysis assesses construction jobs associated with the development of the site and the likely direct and indirect employment generated resulting from the site being in operation as a strategic business park. The wider supply-chain effects are also considered.

Floorspace Assumptions

An estimated total floorspace figure for the development of the potential HOR9 Strategic Employment Site has been made as shown in the table below based on information from the Council.

A figure of **200,000** sq.m of 'core' employment or business space has been assumed with a further **10,500** sq.m of 'non-core' services / facilities as part of the development, ranging from local retail provision to a hotel.

Component	Floorspace (GIA sq.m)
Core Business Park Space	
B1(a) Office	150,000
B1 Incubator	2,500
B1b Research & Development	40,000
B1c Light Industrial	7,500
Total Core Business Park	200,000
Non-Core Business Park Space	
A1 Retail	1,000
A3 Café/Restaurant	1,000
Mid-scale Hotel	3,500
Mid-scale Hotel Business Space	1,500
Gym (Mid-Market)	2,000
Crèche	1,500
Total Non-Core Business Park	10,500
Overall Total	210,500

Findings

Employment Generation

An assessment has been undertaken of the likely employment generation associated with the proposed development and labour force supply in the area, the findings of which are summarised below. It should be noted that this exercise has involved a number of assumptions and as such the results should be treated with some caution.

An estimate of the number of operational phase jobs that could be created on the HOR9 Strategic Employment Site has been made. This is based on the likely floorspace mix of the site and standard employment density figures or similar metrics³.

An estimate of construction jobs associated with the HOR9 site has also been made, based on likely construction costs of a development of **210,500** sq.m GIA.

Estimates of indirect employment have been made using standard input-output ratios⁴.

11,985 direct operational jobs are calculated to be generated from the Proposed Strategic Employment Site in Reigate & Banstead.

This is split: **11,681** core business space (B Use Class) jobs and **303** non-core (Non B Use Class) jobs.

³ HCA (November 2015) *Employment Density Guide 2015*

⁴ Economic Statistics - Input-Output Tables - Multipliers. www.gov.scot. July 2016 Update

Labour Force Supply

11,681 direct B Use Class jobs may be sourced from the following categories:

- Natural Employment Growth, Increased Economic Activity Rate, Reduced Unemployment Growth in Reigate & Banstead – **5,100**
- Commuting Clawback – **1,407**
- Crawley Unmet Need – **4,553**
- Additional Potential Commuting Inflow – **621**

Recognising the caveats associated with this assessment, this exercise suggests that:

- **56%** of the direct operational employment on the Proposed Strategic Employment Site (**6,507** jobs) may be likely to be taken-up by residents of Reigate & Banstead Borough.
- The **303** direct Non B Use Class jobs may be sourced from the projected 'natural' growth in **5,572** Non B Use Class jobs in Reigate & Banstead over the period 2015 - 2035.
- The **182** indirect Non B Use Class jobs may also be met from the growth in **5,572** Non B Use Class jobs. This leaves a 'residual' of **5,087** jobs from the projected 'natural' growth in **5,572** Non B Use Class jobs.
- The 'residual' of **5,087** will help in meeting the expected **7,009** indirect jobs associated with the operational B Use Class element of the HOR9 Proposed Strategic Employment Site. This means that potentially **1,922** indirect jobs are likely to be based outside of the Reigate & Banstead economy, unless the local economy could expand further than assumed.

Skills

The potential workforce has the appropriate skills and qualifications base within the local Reigate and Banstead area to support new employment opportunities created by the proposed HOR9 Strategic Employment Site.

Reigate and Banstead has a relatively highly skilled workforce, with **56.3%** in Managerial, Professional and Technical occupations, compared with **49.6%** in the South East (Nomis, *Labour Market Profile – Reigate & Banstead*, Oct 2015-Sept 2016). The professional and private services sectors represent almost **40%** of businesses in the Borough.

Most construction period jobs would be from outside of the Reigate & Banstead local economy. There may be employment growth potential for the local economy related to the construction sector, but this requires that there is capacity in the local economy to deliver this.

5. COMPONENTS OF SUCCESSFUL BUSINESS PARKS

Scope and Approach

The key components and parameters that support a successful office-led business park have been considered, many of which could also help secure a successful development at the proposed HOR9 Strategic Employment Site.

Key Components

The most important contributions of a successful business park to the local economy are:

- a **highly visible** centre for business and innovation in the local area;
- providing specialised modern property and facilities for businesses; and
- the **creation of flexible space** to support new businesses to start and grow-on within the same facility.

To achieve these contributions, there are common key components influencing the form and nature of successful business parks. These have been examined and include:

- Knowledge base;
- Active management regimes;
- Hard infrastructure:
 - business incubator facilities;
 - move-on space;
 - specialist space and equipment;

- shared meeting and conference space; shared communal facilities); and

- **Soft Infrastructure:**
 - business support services;
 - environmental enhancement; and
 - sustainable transport initiatives.

Evidence suggests that the proportion of tenants (but not necessarily floorspace) is within the following ranges:

- **Incubator/Start-ups: 20-30%**
- **Expanding/Stable businesses: 30-40%**
- **Major/Anchor occupiers: 30-40%**

To make the business park a community of businesses rather than simply a collection of individual premises, the design and management must ensure as much interaction as possible between the people working within the business park. The typical range of community facilities provided, depending on the size and location of the business park can include:

- on-site catering;
- limited retail provision;
- Gym;
- Crèche; and
- Medical services.

A key issue for Reigate & Banstead Borough in terms of planning policy (and any planning application determination) is ensuring that the site

and building-by-building development phasing supports (and is supported by) a clear business model approach ensuring that floorspace is effectively used as it is completed and that there is sufficient adaptability/flexibility in building parameters to meet changing market demands, workspace practices and occupier requirements over time.

6. COMPARATIVE ASSESSMENT WITH OTHER SITES

Scope and Approach

The effects of a large-scale employment site at the potential HOR9 Strategic Employment Site have been assessed. The comparative assessment has considered the effect on a number of existing sites and emerging proposals in the Gatwick Diamond area and further afield.

These could be considered natural competitors (or comparators) to the proposed HOR9 Strategic Employment Site, which has implications for the competitive position of the proposed site in demand, commercial viability and deliverability terms.

It is inevitable that the delivery of this scale of new commercial provision will have some impact on the commercial market, including the displacement of some existing occupiers from nearby employment sites in the vicinity and the wider area to the new site.

Whilst this is part of the natural 'churn' of employment land stock, much will depend on the phasing of future delivery together with the nature of provision, which this Report assumes will be office led (B1a), with a more limited level of B1b, B1c and non B Class uses.

Findings

Reigate & Banstead Borough

At the Reigate & Banstead Borough-wide level, commercial evidence indicates that a new Strategic

Employment Site would help meet the healthy levels of demand and local needs of the Horley area, together with those in the Reigate & Banstead area. It would also help to meet the significant unmet needs of Crawley.

The Council should also have regard to the strong levels of demand for industrial (light industrial, and storage/distribution) uses that exist locally, with significant levels of unmet requirements reported.

Horley Town Centre

Horley Town Centre area supports a limited level of office floorspace which is primarily focused on the needs of small businesses and driven by local demand. The existing office stock base in the Town Centre has been eroded over recent years by the implementation of permitted development rights conversions of floorspace to residential use.

The nature and dynamics of the existing office floorspace provision and the localised commercial market characteristics in the Town Centre fundamentally differs to that associated with a larger strategic office business park/campus and its offer of high quality, Grade A office accommodation set within a landscaped environment.

On this basis, the scope for competition with the existing office provision in Horley Town Centre is limited. Where there may be displacement of existing occupiers, the effect would also be to free up existing office space in the Town Centre capable of then being re-let to other businesses, widening choice.

It is anticipated that there can be a positive impact on Horley Town Centre of the proposed HOR9 Strategic Employment Site arising from the significant levels of economic growth opportunities and impacts assessed. The spin offs arising from enhanced expenditure to the Town Centre, potential for indirect employment and supply chain growth offer the opportunity for an enhanced investment profile.

In preparing policies and guidance in respect of the site, consideration should also be given to how the design and ancillary uses on site can benefit the town and existing residents.

Non-core activities proposed are considered to be of a small scale to cater for the needs of the business park and would not be likely to compete directly with provision in Horley (or indeed Crawley) town centres.

Crawley Borough - Manor Royal and the Town Centre

Of all the existing sites, the Manor Royal Business District is considered the location that could be most affected by the proposed HOR9 Potential Strategic Employment Site. Manor Royal has successfully developed its office offer and has accommodated several large office schemes over recent years. However, land availability at Manor Royal is limited which has implications for fulfilling future requirements in Crawley Borough. The reality is that both sites should be considered as complementary employment sites, to ensure that inward investment is secured and commercial needs are retained within the core of the Gatwick Diamond, for the benefit of the wider sub-region.

Crawley Town Centre supports a two tier market, comprised of Grade A supply (such as St John's House, the Pinnacle and High Street One) alongside the majority of supply that is focused on secondary grade stock.

The limited availability of Grade A office supply in the Town Centre could be expected to divert some existing occupiers towards a new Strategic Employment Site such as the proposed HOR9 site. This is especially relevant where there is an acknowledged dominance of older, secondary stock in the Centre which no longer readily meets modern business needs or occupier expectations.

Ultimately this will depend on the nature and type of future provision in the proposed HOR9 Strategic Employment Site, although there is expected to be a healthy demand for smaller, high quality office provision to support start-up and grow-on business needs and meet evident market demands.

Wider Market Area

Analysis of the wider commercial market and existing supply of employment land sites in adjoining Gatwick Diamond authorities confirms a general trend of a localised, relatively self-contained markets for offices and industrial uses. The absence of a Strategic Employment Site serving this area is relevant to all the adjoining authorities, and in many ways, has helped to reinforce the creation of localised commercial markets.

Possible future sites (not yet committed) have been identified which could contribute significantly to future supply, namely in Mid Sussex and Horsham.

In both cases, the sites are considered important in delivering much needed modern stock to primarily serve their local market needs and offer a choice over an established supply of older, dated stock which is increasingly unsuited for modern requirements.

Similarly, the potential delivery of a Science and Technology Park at Burgess Hill is a specialist and unique employment offer, which is specifically orientated towards research and development and which could be complementary to the proposed HOR9 Strategic Employment Site. The important issue at this site will be to maintain the high quality, science and technology focus to ensure its commercial appeal is not diluted.

Further afield, the proposed London Cancer Hub (in the London Borough of Sutton) is focused on the life sciences sector and seeks to consolidate the global expertise which exists at established research and medical facilities in Sutton. This is fundamentally different to a B1a led office business park and raises no concerns in commercial competition terms as it should be a complementary offer to that on the proposed HOR9 Strategic Employment Site.

Differentiating the Strategic Employment Site

There are key ingredients and parameters which are considered

essential for delivering a successful Strategic Employment Site as summarised in Section 5 above.

It is essential that the key ingredients are fully embraced and offered through the potential HOR9 Strategic Employment Site scheme to ensure the site is sufficiently differentiated from existing local and Borough-wide market provision but equally to ensure that a quality brand and perception is promoted to the commercial market.

Ultimately the success of such business park sites is dependent on their appeal to the market, and in ensuring that the available offer can meet the needs of the local market and further afield, particularly from the corporate sector.

Flexibility (in terms of the ability to adapt and re-configure buildings and floorspace to meet occupier requirements) is key and this represents a major advantage and opportunity for differentiation for the proposed HOR9 Strategic Employment Site in comparison with existing town centre offices and other potential competitor/comparator provision.

Planning tools such as robust policies and masterplans are needed to set and maintain quality, support a phased approach to land release and ensure flexibility. Together, these are factors that will help to differentiate the HOR9 site and to extract the most positive economic and commercial market benefits from the development.

7. RECOMMENDATIONS

Introduction

It is envisaged that relevant policy direction for the proposed HOR9 Strategic Employment Site would be provided through the *Development Management Plan* policies or a site-specific masterplan/Area Action Plan. Consideration should also be given to the merits of Supplementary Planning Documents (SPD) or Local Development Orders (LDO) to support the future development of the proposed HOR9 Strategic Employment Site.

The report recommendations are summarised below (see the main Task 2 Report for additional details).

Site Specific

- **R1: scale and mix of commercial floorspace** – policy should set out the overall scale and mix of B Use and non-B Use Class floorspace that the HOR9 site can develop. It is recommended that the appropriate policy establishes a series of overarching parameters for overall scale (and any sub-mix floorspace parameters) to allow flexibility and some level of adaptability for future planning application(s) to shape the more precise quantum of floorspace and the detailed use mix.
- **R2: development phasing and timing** – the scale of total development envisaged at the HOR9 site means that effective delivery phasing and timing will be critical. This is to ensure that the local and wider commercial market can sustain and absorb the

level and types of new floorspace that will be created but also to ensure that critical transport, green and community infrastructure is provided in advance or in tandem with the site's build out and occupation programme. The scale of development proposed is likely to involve a construction and completion/occupation in multiple phases within and beyond the current Local Plan period. Policy and supporting evidence is needed to identify the overall programme and critical milestone thresholds which may trigger the need for infrastructure or planning contributions to be made.

- **R3: supporting uses and ancillary facilities** – are critical to the success of a strategic employment land site such as HOR9 for the ultimate development to be considered sustainable in economic, social and environmental terms. The Reigate & Banstead Development Management Plan policies should allow for and define appropriate, acceptable supporting and ancillary uses.
- **R4: securing soft infrastructure** – soft infrastructure provision within the overall development is important. Soft infrastructure is critical to successful development, occupation and integration of the site. Planning policy direction is therefore necessary to ensure that appropriate soft infrastructure is delivered, managed and maintained over the lifetime of the Business Park.
- **R5: masterplanning and design coding** – given the scale and

nature of the proposed HOR9 site it is recommended that an appropriate site masterplan be prepared and that this, together with more detailed design coding for individual plots/parcels and spaces be agreed and adopted into policy or supplementary guidance as appropriate. This will allow effective control of the overall development over time and ensure future phases (which may be at the end or beyond the current plan period) can be controlled and permitted swiftly. It may be appropriate to use a site-wide SPD or LDO, in conjunction with a site masterplan to help control the use, amount and design of individual areas or parcels of the site.

construction and local labour compacts, local supply chain procurement clauses and similar skills/capacity support and outreach (in conjunction with local education and training providers) is essential to ensure that the proposed development can be fully and positively embedded in the local Reigate & Banstead economy. The use of criteria in the Borough's *Development Management Plan* policies, together with appropriate planning conditions or S106 obligations for any planning permission will ensure that this recommendation can be implemented, managed and monitored over time.

Economic Effects

- **R6: review and monitoring of economic impacts arising** – the economic impacts identified are based on a notional scheme and are based on some significant assumptions made on floorspace mix, etc. There is a need therefore to ensure ongoing economic effects modelling and impact testing as the proposed scheme is implemented and constructed.

Labour Force and Skills

- **R7: securing local labour force economic opportunities** – there are clear opportunities to support local economic growth, supply chain development and skills / capacity building as the proposed HOR9 Strategic Employment Site is taken forward. The use of



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