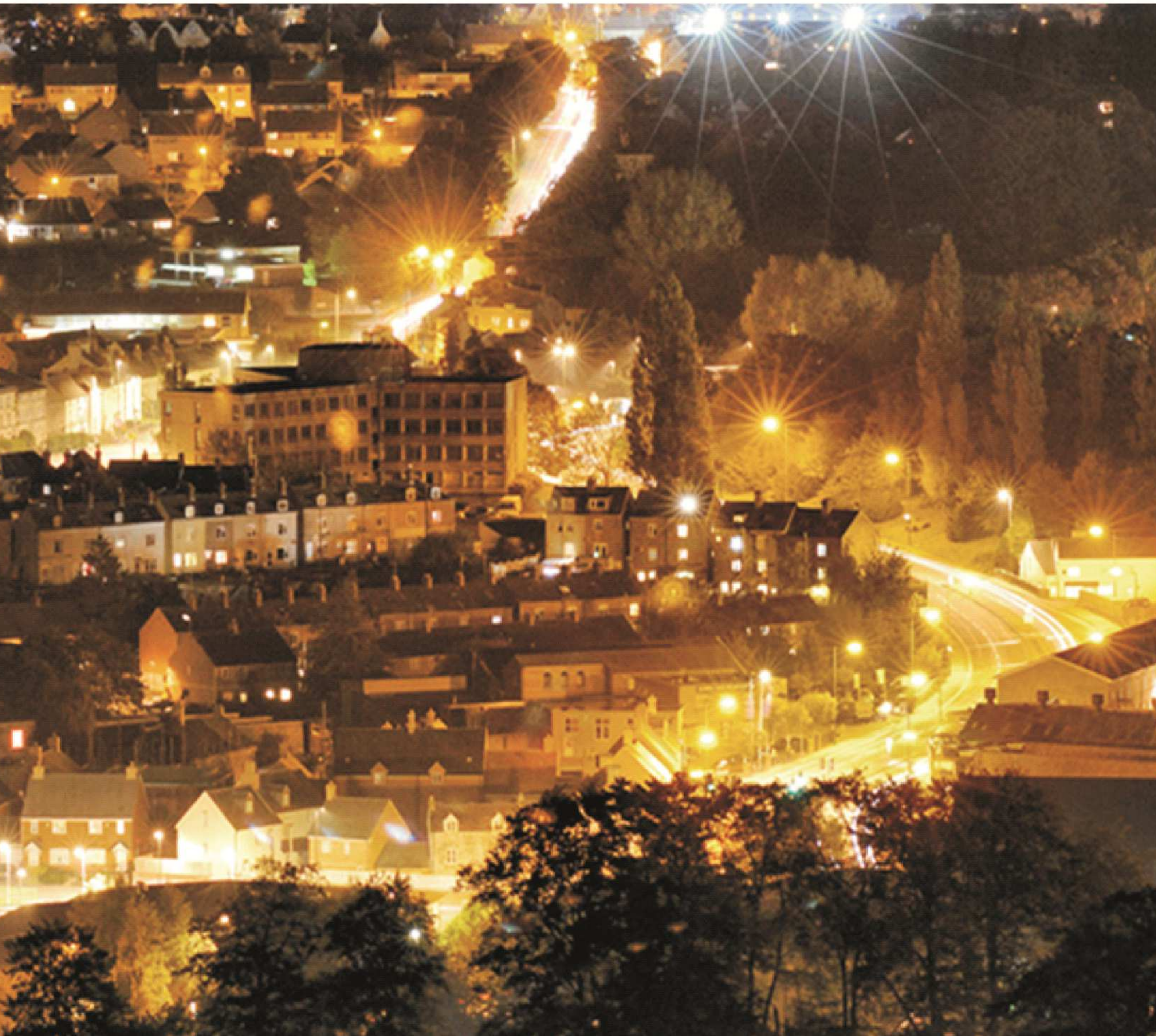
# Stroud District Employment Land Study

Final Report

Prepared for Stroud District Council
February 2013



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# EXECUTIVE SUMMARY

## Introduction

i) This report assesses the demand, supply and need for employment land and premises (Use Class B) in the District of Stroud. It has been carried out for Stroud District Council to underpin and inform the Council's Local Plan and analyse employment land demand, supply and need to 2031. Consultants AECOM and BE Group have compiled this report which comprises five main elements:

- A review of the scale and distribution of employment land and premises in Stroud District
- A review of economic growth forecasts for Stroud District, over the period to 2031
- An assessment of the District's economy that informs the amount, location and type of employment land and premises required to facilitate its development and growth
- Projection of employment land and premises requirements, by scale, sector and nature, to 2031
- Recommendations on the future allocation of employment land and premises, the protection and delivery of existing sites and any employment land which could be considered for alternative (i.e. non-employment) forms of development.

ii) The Study has taken into account recent changes in national planning policy including the adoption of the National Planning Policy Framework (NPPF), which has replaced all the previous Planning Policy Statements and Guidance Notes.

## Methodology

iii) A number of research methods have been used including desktop analysis of existing strategies, site visits, face to face and telephone interviews with property market stakeholders and a survey of 400 local businesses (of which 102 responded). Major employers in the District have been individually consulted, as have the 52 Parish and Town Councils and key public sector agencies. The property market in the local authority areas adjacent to Stroud has also been reviewed through desktop analysis of employment and planning strategies, and consultations with officers from those local authorities. Finally, the land supply has been assessed against forecast data to understand future land need. The methodology follows ODPM guidance on employment land reviews.

**Findings**

iv) Stroud is an affluent area with little evidence of deprivation. It has a strong and prosperous economy that is already emerging from the recession ahead of many other parts of the UK. The District is characterised by a resident population which is highly affluent, well qualified and economically mobile.

v) The population of Stroud is relatively self-contained, with two thirds of the resident population also working in the District. However, the District is a net exporter of labour, mainly to Gloucester, Cheltenham, Tewkesbury and Bristol.

vi) Despite the national picture of a structural decline in manufacturing, this sector continues to be very important to Stroud's economy. It generates over 22 percent of all the jobs, more than double the regional and national averages. The largest sector share (24 percent) is associated with public sector employment, but even so this is less than the county, regional and national averages.

vii) The District's industrial property market sub-divides to three key geographies. Two are associated with the M5 corridor – Junction 12 (Quedgeley) and Junction 13 (Stonehouse). These are a focus for sub-regional and modern space demand. The third is Stroud Valleys, where the very many former mill buildings cater for indigenous start ups and 'grow-on' space. However, the continuing loss of such mills to non-employment uses is considered a negative impact on the supply of business incubation space and on future business start ups.

viii) The office market is small, with demand very much locally sourced. Stroud does not compete with the more established, substantial markets of Gloucester, Cheltenham and North Bristol. Modern space provision is limited, with only Stonehouse Park delivering an appropriate offer.

ix) Private sector commercial property agents report that companies already established in the District mostly look for moderate quality industrial space. Requirements are greatest for large units of 2001-5000 sqm, and for freehold properties. This presents a challenge as much of the existing stock and development opportunities are geared to leasehold transactions. Office demand is predominately local and for premises of less than 500 sqm. It is acknowledged there is a paucity of good quality office space available within the District.

x) 35 existing Employment Areas have been reviewed. These total just under 283 ha, of which 36.5 ha (12.5 percent) has been identified as representing options for the future change and improvement of Stroud's land supply. Two thirds of this (23.2 ha) is associated with Quedgeley East Business Park.

xi) Stroud is bordered by four other local authorities, all of whom have recently reviewed their employment land needs. None expect to have to look to Stroud to meet any shortfalls in employment land or premises supply. Only Gloucester raise concerns about Stroud District's land supply. This relates to the belief there should not be any further development allocated at Quedgeley, as it is considered a far less sustainable location than opportunities to the north of the city.

**Employment Land Supply**

xii) At 31st March 2012 there was a headline supply of 57.91 ha of available employment land, made up of 24 sites. This represents sites allocated in accordance with Policy EM5 and unimplemented planning permissions. Most sites are small – half are less than 1 ha; two thirds are less than 2 ha.

xiii) The supply is dominated by provision in the west of the District, especially Sharpness and Cam/Dursley. There is a reasonable supply at Stonehouse, but very little available in Stroud town or the Stroud Valleys settlements.

xiv) Market suitability is dominated by industrial and warehousing activity. Only three percent of the supply is specifically suitable for office uses.

xv) Around 43 percent of the headline supply is potentially constrained because it is only likely to be developed for port infrastructure; or is being held by businesses for their own future expansion; or there is no evidence of any intention by the owners to bring the land forward for employment development.

xvi) Significantly, the District lacks any immediately available, serviced, developable land. However, around 18 percent of the supply (10.53 ha) is available in the short term (1-3 years) and 59 percent could be brought forward in the medium term (up to 5 years).

xvii) An additional 34.6 ha is required based on past take-up rates. The other forecast models (employment, labour supply and the 'policy on' scenario) suggest the District has a significant oversupply of employment land (see Table ES1). This would suggest that much of the current land supply is surplus to requirements and could be used for other activities. However, these methods take no account of pent-up demand, failures in the property market or need for a range of sites and locations to provide companies with choice; a five year buffer to ensure a continuum of supply beyond the Plan period. They are frequently contradicted by empirical evidence generated by this study, i.e. consultations with property specialists.

**Table ES1 – Land Need Forecasts – All Models**

| Model | Land Need, ha 2012-2031 (including 5 years buffer) | Predicted Surplus (shortfall) to 2031 Perceived Supply (57.91 ha) | Predicted Surplus (shortfall) to 2031 Residual Supply (32.78 ha) |
|---|---|---|---|
| Historic Land Take-up Rate | +67.44 | (9.53) | (34.66) |
| Employment Based | +10.86/ +14.81 | 43.10/ 47.05 | 17.97/ 21.92 |
| Labour Supply | +16.31/ +16.69 | 41.22/ 41.60 | 16.09/ 16.47 |

*Source: BE Group, 2012*

xviii) The additional land requirement increases to 36.5 ha when adjustment is made to achieve a market equilibrium rate of 7.5 percent of total floorspace stock (section 4.0).

**Recommendations**

xix) This report has had full regard to the requirements of the NPPF to encourage and deliver growth through the planning system. The key recommendations are:

- The Council should allocate a further 36.5 ha of employment land for the period 2012-2031
- However, to help meet this need, the Council should undertake a review of the Regeneration Opportunities identified in this study to determine how many are likely to come forward over the Plan period. As these are unlikely to meet the

full requirement the Council should also consider the inclusion of new allocations at Quedgeley East; north of Stroudwater Industrial Estate, Stonehouse and an extended Severn Distribution Park, Sharpness

- The Council should exclude port-related land at Sharpness Docks from the identified land supply, but existing allocations there should be retained as infrastructure land to support the docks
- The Council designates eleven key employment sites to be safeguarded for B Class Uses and other employment uses which achieve economic enhancement, namely:
  - Quedgeley West
  - Hunts Grove/Former MoD Site 2, Quedgeley
  - Stroudwater Industrial Estate, Stonehouse
  - Stonehouse Park, Stonehouse
  - Bonds Mill Industrial Estate, Stonehouse
  - Aston Down, Chalford
  - Draycotts Mill Industrial Estate, Cam
  - Littlecombe Business Park, Dursley
  - Severn Distribution Park, Sharpness
  - Bath Road Industrial Estate, Stroud
  - Inchbrook Industrial Estate, Nailsworth.
- For Stroud's other allocated employment sites and land/premises in Policy EM3 Employment Areas plus the nine additional sites identified through this study (Table 43) a more flexible approach could be taken to help facilitate a broad range of economic development. In some cases a more intensive mixed-use development could provide greater benefit to the local community than if the site was retained solely in employment use
- However, Stroud Council should continue to protect employment sites (including single standalone employment sites outside employment areas) from non-employment uses, such as housing or retail, unless wholly exceptional circumstances can be demonstrated. If employment sites (allocations) are lost to other uses, then an equivalent amount of land should be identified elsewhere to ensure a sufficient overall land supply in Stroud
- The Council undertakes research to identify the scale and location of unused or underused mill floorspace within the District, in order to identify the constraints or opportunities associated with bringing such space to the market

- The Council addresses the lack of modern office premises with associated business support services by examining the feasibility and viability of creating a business incubator/serviced offices facility to be located within its unused floorspace at Ebley Wharf
- Given the strength of continuing demand for freehold industrial units there should be sites set aside to provide small freehold development plots for owner-occupiers. As such delivery is more likely where land is in public sector ownership, it is recommended consideration is given to provision on part of the County Council owned land at Stonehouse
- Review and monitor the employment land and premises position and undertake the study again in about three years, as 2031 is a long time in the future and much will happen before then
- The council adopts the following strategic economic objectives:
  - Create a resilient, high value employment base, capitalising on existing specialisms in high tech manufacturing niches; environmental technologies; nuclear supply chain; digital technologies. Linked with this tackle local skills gap and issues of suitable sites/premises
  - Create a more balanced, sustainable economy by capturing more business services sector activity
  - Provide over the long term a more balanced employment offer, to retain more highly skilled residents that also work in Stroud, and achieve more sustainable travel to work patterns
  - Capitalise on the District's distinct environment and strong entrepreneurial culture to create an outstanding area to start and expand businesses, with more new start up facilities
  - Capture more of the high resident-based income locally by providing a better evening economy, leisure, culture offer
  - Create a stronger visitor offer to draw in more spend locally.

# 1.0 INTRODUCTION

1.1 This report provides an economic and employment land study for the District of Stroud (the District). It has been carried out on behalf of Stroud District Council (the Council).

1.2 The Study has been commissioned to provide an overall assessment of the employment and economic environment within Stroud District and to provide robust evidence to underpin and inform the Council's Local Plan. The Study will also analyse employment land and premises demand, supply and need to 2031.

1.3 AECOM and BE Group, the consultants appointed by Stroud District Council, have compiled this report. It was carried out during 2012.

1.4 The Study comprises five main elements:

- A review of the scale and distribution of employment land and premises in Stroud District
- A review of economic growth forecasts for Stroud District, over the period to 2031
- An assessment of the District's economy that informs the amount, location and type of employment land and premises required to facilitate its development and growth
- Projection of employment land and premises requirements, by scale, sector and nature, to 2031
- Recommendations on the future allocation of employment land and premises, the protection and delivery of existing sites and any employment land which could be considered for alternative (i.e. non-employment) forms of development.

**Background**

1.5 This Economic Assessment and Employment Land Study will form part of the evidence base for policies and proposals in the Stroud Local Plan. As part of the plan preparation process, the Council is required to review and assess the level and quality of its existing employment sites and premises to help ensure an adequate supply of appropriate sites has been identified over the plan period.

1.6 Land and premises need to reflect the changing requirements of businesses and local economies. The Study will therefore help assess the suitability of sites, indicating which sites might be best safeguarded for employment uses, any sites that appear no longer suitable for employment uses at least in their present form, and any need for new allocations. Planning policies are intended to intervene in the market to ensure amongst other things an appropriate balance between housing and employment uses in the District. And whilst the drive to deliver more housing is important, it should not be at the expense of losing important sites that could contribute to local economic development. However, as well as securing sustainable development for employment purposes, a realistic view is taken of the operation and vitality of the market.

1.7 The Study covers all industrial, warehousing and distribution uses, as well as offices. It does not refer to all uses that provide jobs, but to the above group of uses, which tend to share certain locational and physical characteristics. The Study is primarily concerned with those uses included within the planning Use Class B – B1 (business offices/light industrial), B2 (general industrial) and B8 (storage and distribution) and appropriate sui generis uses including recycling and the environmental industry.

**Methodology**

1.8 Research methods used include site visits, face-to-face and telephone interviews with property market stakeholders such as developers, investors and their agents. A survey of 400 local businesses (online and by post, with follow-up telephone calls) has been undertaken and the 52 Parish and Town Councils of Stroud District have also been contacted by post and email.

1.9 Extensive consultation with the District's major private sector employers was undertaken and key public sector agencies, including GFirst, Gloucestershire Local Enterprise Partnership and Gloucestershire County Council, have also been contacted. Desktop analysis of national, regional and local reports and strategies has been undertaken, accounting for recent planning policy changes such as the introduction of the National Planning Policy Framework (NPPF).

1.10 The property market in the local authority areas adjacent to Stroud District was also reviewed. This has been undertaken through face-to-face meetings with officers from the relevant Councils, combined with desktop analysis of the Employment Land

Studies and Core Strategies of those local authorities. Understanding the supply and demand of employment land and premises in neighbouring areas is important in assessing their impact on the District's land and property market.

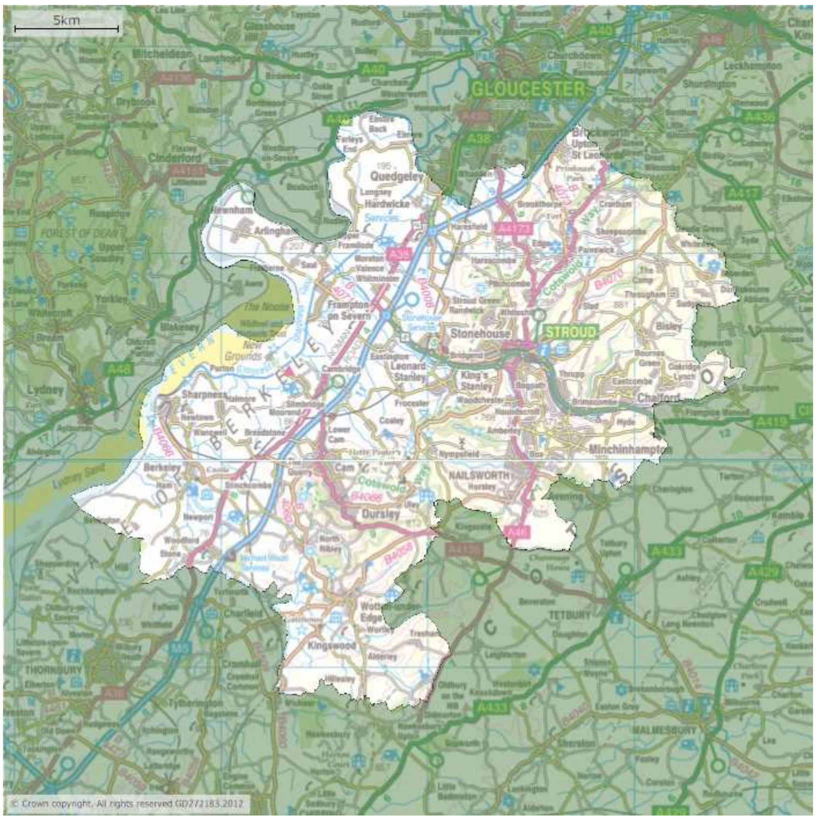
1.11 Finally the land supply has been assessed against forecast data to understand future land need. This is then developed into a series of economic development recommendations that cover not just land, but also premises.

1.12 At Appendix 1 we have included a schedule of all consultees.

**Study Area**

1.13 The District of Stroud (population 112,779, as of the 2011 Census) is a largely rural area covering 175 square miles in the south of Gloucestershire. The eastern half of the District is part of the Cotswold Hills Area of Outstanding Natural Beauty (AONB). The western half of the District comprises the low lying landscape of the Severn Vale and, in the west, the District is bordered by 42 kilometres of the Severn Estuary. Figure 1 shows a map of Stroud District.

**Figure 1 – Stroud District**




*Source: ONS 2012*

1.14 The strategic M5 passes through the District, connecting Gloucestershire with the rest of the South West and West Midlands. The town of Stroud sits around 6 km south east of the M5. It is linked to Junction 13 of the motorway by the A419, which also passes through the adjoining settlement of Stonehouse.

1.15 The A419 (and A46) subsequently run south and south east of Stroud, linking the town with settlements such as Nailsworth, Brimscombe and Chalford. Extending into the Cotswold Hills these, along with Stonehouse and Stroud town, form the ‘Stroud Valleys’. South west of Stroud town are the linked settlements of Cam and Dursley, located off the A38.

1.16 In the rural west of the District, Frampton-upon-Severn and Berkeley are the largest settlements, while Sharpness Docks and the former Berkeley Power Station front the Severn Estuary itself. In the south are the communities of Wotton-under-Edge and Kingswood.

1.17 In the north, Stroud District extends into the Gloucester urban area encompassing, in part, the suburb of Quedgeley (along with Upton St Leonards). There are also several industrial and warehouse/distribution parks located off Junction 12 of the M5, along the A38 corridor.

1.18 Employment and residential land uses are often closely linked and several of the District’s major employers are located in, or on the edge of, predominantly residential areas. A high proportion of Stroud District’s existing employment premises comprises older mill buildings and many of these have been sub-divided to provide multi-let office and industrial properties. Such mills can be found in most of the large settlements but are particularly focused in Stroud town and the Stroud Valleys. The largest single employment area in the District is Stroudwater Industrial Estate (also known as Oldends Lane Industrial Estate), located off the A419, in Stonehouse.

**Employment Land Review: Guidance Note (ODPM 2004)**

1.19 Employment Land Review: Guidance Note promotes a three-stage process, and provides the framework for this study. Although this document is now seven years old it has not been amended or superseded by more recent statements of policy and remains the only national guidance document for the production of Employment Land Studies.

1.20 Stage One: take stock of the existing situation including an initial assessment of 'fitness for purpose' of existing allocated employment sites. The objective is to identify the best employment sites to be protected; identify employment sites to be released and prepare an effective brief for stages two and three of the review. The outcome of this stage is to understand key employment land supply issues and generate a portfolio of potential employment sites to take forward for more detailed review.

1.21 Stage Two: understand the future quantity of land required across the main business sectors; to provide a breakdown of that analysis in terms of quality and location and provide an indication of 'gaps' in supply through economic forecasting, consideration of recent trends and/or assessment of local property market circumstances. The outcome of this stage is to provide broad quantitative employment land requirements across the principal market segments covering the Local Plan period and an analysis of the likely 'gaps' in supply that need to be filled.

1.22 Stage Three: entails a qualitative review of all significant sites (and premises) in the existing portfolio in order to; confirm which of them are unsuitable for/unlikely to continue in employment use; to establish the extent of 'gaps' in the portfolio; and if necessary, identify additional sites to be allocated or safeguarded. The outcome will be the completion of the employment land review, to be taken forward in the Local Plan. The Stroud Economic Assessment and Employment Land Study is prepared in compliance with this advice.

1.23 Table 1 shows how this report aligns with, and answers the requirements of the ODPM guidance. The link between the report and the ODPM steps is not always clear cut, with different sections overlapping, indeed certain steps overlap. It should be noted this report reflects adaptation (and improvement) of the ODPM guidance in order to address the requirements of the brief and the particular local circumstances of Stroud District's property market.

1.24 In line with the guidance the study covers, very broadly, all the employment property market segments and types of sites outlined in it (see Table 2). To keep the report simple, the research combines most of these requirements into three broad areas: employment land, office premises and industrial properties.

### Table 1 – Employment Land Reviews – Guidance Note

| | |
|---|---|
| **Stage 1 – Taking Stock of the Existing Situation** | |
| Step 1 – Devise Brief | Prepared by Stroud District Council |
| Step 2 – Collate Data on Land Stock and Revealed Demand | Land Stock covered in Section 6<br>Revealed Demand covered in Sections 4, 5, 6 and 8 |
| Step 3 – Devise and Apply Site Appraisal Criteria | Site Appraisals covered in Section 6 and Appendix 6 |
| Step 4 – Undertake Preliminary Site Appraisal | Site Appraisals covered in Section 6 and Appendix 7 |
| Step 5 – Confirm Brief for Stages 2 & 3 | Agreed in study progress meetings |
| **Stage 2 – Creating a Picture of Future Requirements** | |
| Step 6 – Understand Market Areas and Segments | Covered in Sections 3, 4, 5, 6, 8 and 10<br>Relationship with neighbouring areas covered in Section 7 |
| Step 7 – Select and Apply Suitable Forecast Model/Demand Analysis | Covered in Section 10 |
| Step 8 – Quantify Employment Land Supply | Covered in Section 6 |
| Step 9 – Translate Employment Land Forecasts to Land Requirements | Covered in Sections 10, 13 and 14 |
| Step 10 – Scenario Testing | Covered in Section 10, 13 |
| **Stage 3 – Identifying a New Portfolio of Sites** | |
| Step 11 – Devise Qualitative Site Appraisal Criteria | Covered in Section 6 |
| Step 12 - Confirm Existing Sites to be Retained or Released and Define Gaps in Portfolio | Covered in Sections 6, 13 and 14 |
| Step 13 – Identify Additional Sites | Covered in Sections 13 and 14 |
| Step 14 – Complete Employment Land Review | Covered in Sections 6, 10, 13 and 14 |

*Source: BE Group 2012*

### Table 2 – Main Employment Property Market Segments and Sites

| | |
|---|---|
| Established or Potential Office Locations | Heavy/Specialist Industrial Sites |
| High Quality Business Parks | Incubator/SME Cluster Sites |
| Research and Technology/Science Parks | Specialised Freight Terminals |
| Warehouse/Distribution Parks | Sites for Specific Occupiers |
| General Industrial/Business Areas | Recycling/Environmental Industries Sites |

*Source: ODPM 2004*

## 2.0 STRATEGY CONTEXT

**Introduction**

2.1 This section focuses on national, regional and local reports and strategies that have a relevance to the allocation of employment land and premises. An understanding of the strategies and reports contained in this review is needed to show strategic alignment and a holistic approach to promote sustainable development. The consultants' recommendations follow the general principles set by them.

2.2 For some of the strategies and reports, only brief reference is made in this section. More detailed content is included in Appendix 2.

**National**

**National Planning Policy Framework – Department of Community and Local Government (2012)**

2.3 As part of ongoing reforms of planning policy, the Department of Community and Local Government has published the National Planning Policy Framework (NPPF). The NPPF sets out the Government's economic, environmental and social planning policies for England, articulating the Government's vision of sustainable development. It provides a framework for the production of local and neighbourhood plans, and has replaced all the previous Planning Policy Statements and Guidance Notes.

2.4 In terms of business and economic development, the NPPF argues that *"Investment in business should not be over-burdened by the combined requirements of planning policy expectations. Planning policies should recognise and seek to address potential barriers to investment, including poor environment or any lack of infrastructure, services or housing."* Local planning authorities should:

- *"Set out a clear economic vision and strategy for their area which positively and proactively encourages sustainable economic growth*
- *Set criteria, or identify strategic sites, for local and inward investment to match the strategy and to meet anticipated requirements over the plan period*
- *Support existing business sectors, taking account of whether they are expanding or contracting and, where possible, identify and plan for new or emerging sectors likely to locate in their area. Policies should be flexible*

*enough to accommodate requirements not anticipated in the plan and to allow a rapid response to changes in economic circumstances*

- *Plan positively for the location, promotion and expansion of clusters or networks of knowledge driven, creative or high technology industries*
- *Identify priority areas for economic regeneration, infrastructure provision and environmental enhancement*
- *Facilitate flexible working practices such as the integration of residential and commercial used within the same unit."*

2.5 Planning policies should also *"avoid the long term protection of sites allocated for employment use where there is no reasonable prospect of a site being used for that purpose. Land allocations should be regularly reviewed. Where there is no reasonable prospect of a site being used for the allocated employment use, applications for alternative uses of land or buildings should be treated on their merits having regard to market signals and the relative need for different land uses to support sustainable local communities."*

2.6 In addition to this, paragraph 51 indicates that local planning authorities *"should normally approve planning applications for change to residential use and any associated development from commercial buildings (currently in the B use classes) where there is an identified need for additional housing in that area, provided that there are not strong economic reasons why such development would be inappropriate."*

2.7 In town centres, local planning authorities should *"allocate a range of suitable sites to meet the scale and type of retail, leisure, commercial, community services and residential development needed."*

2.8 Planning policies should support sustainable economic growth in rural areas by taking a positive approach to new development, supporting *"the sustainable growth and expansion of all types of businesses and enterprise in rural areas, both through conversion of existing buildings and well designed new buildings"* and promoting *"development and diversification of agricultural and other land-based rural businesses."*

2.9 The NPPF re-introduces district-wide local plans, replacing the Local Development

Framework system. The Local Plan should be a single strategic document, with supplementary planning documents only created if they can help to bring forward sustainable development at an accelerated rate.

2.10 It is proposed that Local Plans will address the spatial implications of economic, social and environmental change, setting out the opportunities for development and providing clear guidance on what will, or will not, be permitted and where. The Local Plan should outline the Local Planning Authority's strategic priorities. This should include strategic policies to deliver *"the homes and jobs needed in the area"* as well as "*the provision of retail, leisure and other commercial development"*.

2.11 Crucially, Local Plans should:

- *"Plan positively for the development and infrastructure required in the area to meet the objectives, principles and policies of this Framework*
- *Be drawn up over an appropriate time scale, preferably a 15 year time horizon, take account of longer term requirements, and be kept up to date*
- *Be based on cooperation with neighbouring authorities, public, voluntary and private sector organisations*
- *Indicate broad locations for strategic development on a key diagram and land-use designations on a proposals map*
- *Allocate sites to promote development and flexible use of land, bringing forward new land where necessary, and provide detail on form, scale, access and quantum of development where appropriate*
- *Identify areas where it may be necessary to limit freedom to change the uses of buildings, and support such restrictions with a clear explanation*
- *Identify land where development would be inappropriate, for instance because of its environmental or historic value; and*
- *Contain a clear strategy for enhancing the natural, built and historic environment, and supporting Nature Improvement Areas where they have been identified."*

2.12 Local planning authorities need to prepare and maintain a robust evidence base to understand business need within their area. This can be achieved by working with neighbouring authorities, LEPs and the local business community. This evidence base should be used to assess:

- *"the needs for land or floorspace for economic development, including both the quantitative and qualitative need for all foreseeable types of economic activity over the plan period*
- *the existing and future supply of land available for economic development and its sufficiency and suitability to meet identified needs. Reviews of land available for economic development should be undertaken at the same time, or combined with Strategic Housing Land Availability Assessments and should include a reappraisal of the suitability of previously allocated land*
- *the role and function of town centres and the relationship between them, including any trends in the performance of centres*
- *the capacity of existing centres to accommodate new town centre development*
- *locations of deprivation which may benefit from planned remedial action*
- *the needs of the food production industry and any barriers to investment that planning can resolve."*

**Sub-Regional**

**The Gloucestershire Integrated Economic Strategy 2009-2015 – GFirst / Gloucestershire County Council (2009)**

2.13 Until the Gloucestershire Local Enterprise Partnership formally issues its Economic strategy, this document represents the county-wide strategic approach. Details are provided in Appendix 2.

**Gloucestershire Local Economic Assessment – GFirst, Gloucestershire County Council (2011)**

2.14 The Local Economic Assessment (LEA) provides a comprehensive evidence base about the County's economy through analysis of key local economic issues and trends that are seen as informing the policy and interventions of local authorities and their partners. The LEA is summarised in Appendix 2.

### Local

***Core Strategy Topic Paper: Employment and Economic Growth in Stroud District – Stroud District Council (2010)***

2.15 This is one of 12 background papers published by the Council to accompany the Core Strategy – Alternative Strategies consultation (February 2010). The Topic Paper notes that the structure of jobs in Stroud District is moving away from manufacturing towards a service economy. However, Stroud District's stock of employment premises remains dominated by older industrial units. The District must provide more office and retail stock to meet the needs of the service sector. It must also address the issue of older factory units, which no longer meet modern occupier/investor needs (whilst respecting the industrial heritage of Stroud District).

2.16 The 2007 Employment Land Study (discussed below) suggested that while the current supply of land and premises would generally be sufficient to accommodate predicted employment growth, there may be a future shortfall in B1(c)/B2 industrial units. This was considered likely if some budget quality employment sites are lost to mixed use redevelopment. Such sites, which generally include older mill/factory premises, are protected in the existing Local Plan (see below). However, the Topic Paper considers that *"some relaxation of this policy stance may be necessary but only with the recognition that developing the economy of Stroud is a top priority and new jobs will need to be provided in addition to replacement of those lost if such premises are demolished."*

2.17 There are extensive employment land allocations still to be taken up around Stonehouse. These may come forward more readily as the economy recovers from the recession. Stonehouse is already established as a key employment centre within Stroud District, containing almost a third of the District's factory floorspace and a growing office market.

2.18 There are other significant employment land allocations still to come forward at Sharpness and Cam. The 2007 Employment Land Study considered these allocations to be in the wrong place and unattractive to potential occupiers. However, the more recent planning permission for a large employment park in Cam and renewed commercial interest in Sharpness Docks suggest that this may not be the case.

2.19 The Topic Paper argues that, following a recovery in the local property market, there is likely to be strong pressure to release some employment sites for other uses, particularly housing. Allowing elements of mixed use and/or the intensification of employment uses on some sites may be necessary to deliver viable employment schemes. However, some existing industrial uses in the District could not be located close to housing and so it will also be necessary to identify purely industrial sites, to meet the expansion needs of such firms.

2.20 The Topic Paper also considers three key sectors (along with tourism) which are likely to have a strong future role in the economy of Stroud District. These are advance manufacturing, environmental technologies and construction.

2.21 In terms of advanced manufacturing, the District already has a high proportion of employees, premises and floorspace in manufacturing use when compared to County, regional and national averages. Nationally, the sector is recovering well from the recession spurred, in part, by greater public and private investment sub-sectors such as low carbon technologies, composite materials and plastic electronics. Future growth will be export driven as the global economy recovers. There is also evidence that UK is becoming a more competitive location for manufacturing, with some large firms moving production back from abroad.

2.22 There is an established cluster of advanced manufacturing businesses at Stonehouse, with other companies in the Stroud Valleys. Further expansion of the sector may mean allocating further employment land, providing attractive sites with good access to freight routes and the labour market. Additional investment in infrastructure may be required to deliver this.

2.23 In terms of environmental technologies, Stroud District is already home to several major companies involved in the ‘low carbon economy’. Gloucestershire County Council is (at the time of writing this Topic Paper) considering locating a major residual waste installation within the District. This could allow the creation of a cluster of environmental technology businesses at a focused business park, linked to the installation.

2.24 Delivering such a business park would require the allocation of additional employment land. It would require a proactive approach to signal that the District is serious about developing the sector and provide the strategic framework necessary to give private business the confidence to invest.

2.25 A recovering economy is also likely to lead to an increase in construction output. Higher environmental standards will be required in future developments, providing linked opportunities with the environmental technology/low carbon economy sectors. More sustainable construction skills and techniques will become embedded within the industry and offer an opportunity for local business growth. Useful local authority support for such change in the construction sector may include allowing the development of educational facilities within employment areas, funding and other training support.

2.26 Growth in the construction sector is unlikely to require any significant additional employment land allocations. However, larger construction firms and associated suppliers sites may take up land classified for other employment uses.

2.27 In terms of the rural economy, there are already a number of advanced manufacturing and high tech businesses in the rural areas of Stroud District. Technological advancements mean that more small businesses can start up and grow outside urban locations. This may provide an opportunity for the economic growth of rural service centres, possibly linked to complementary housing developments. One option to support such developments would be the provision of small employment sites as ‘exception sites’ similar manner to existing rural affordable housing allocations. Local policy should also play a role in ensuring digital infrastructure is in place in rural areas to allow businesses to set up and compete effectively.

***Stroud District Local Plan – Stroud District Council (2005)***

2.28 The Local Plan sets out detailed policies and specific proposals for the development and use of land in Stroud District. The Local Plan Strategy identifies the requirement (as stated in the Gloucestershire County Structure Plan, (1999)) to provide 100 ha of additional employment land.

2.29 New employment development will be focused on the new mixed use development allocation at Hunt’s Grove. Hunt’s Grove is within the Gloucester Primary Urban

Area, adjacent to a major strategic, mixed use development site at the (former) RAF Quedgeley. Hunt's Grove has good links to Gloucester City Centre, including the nearby Waterwells Park and Ride, and contributions are to be sought towards securing further public transport improvements between this area and the city centre.

2.30 Employment development will also be focused in the District's 'economic base' of the Stroud Valleys, at Cam and Dursley, with outlying major employment sites near Wotton-under-Edge and Berkeley. Protection will be given to identified employment sites where *"employment needs take precedence over other uses."*

2.31 Opportunities for enhanced inter-model freight transport will be sought at Sharpness Docks and proposals which would prejudice the maximum use of the port facilities will be refused. Where appropriate, existing employment locations will be protected and new employment opportunities provided in key locations which have good. Small-scale employment opportunities and development for social purposes may be justified within defined settlements *"subject to the underlying objective of seeking development which is sustainable."*

2.32 The Plan expresses concern about a number of long term employment land allocations which have not been taken up. These include 18 ha at Sharpness Docks, which has been allocated since the 1980s. While the lack of interest in this land may suggest it is no longer viable for employment use, the Plan argues that recent economic growth at the Port (following its privatisation) should not be undermined by the loss of potential expansion sites. There is a need *"to provide a greater choice of sites to the market if the Stroud economy is to continue to flourish."*

2.33 Policies EM1 and EM2 discuss the location of employment uses within Stroud District. EM1 indicates that B1, B2, B8 developments will be permitted within defined settlement boundaries where they can be *"integrated with housing, commercial, leisure and community facilities."*

2.34 Large scale travel intensive uses, such as B1offices, should be located in the defined settlements of Cam and Dursley, Nailsworth, Stonehouse, Stroud and Wotton-under-Edge, or where they can be accessed by public transport, walking and cycling. Large scale B8 storage and distribution uses will only be permitted "*where they will not lead to the increase of HGV traffic through defined settlements and they have good* *accessibility to, and use, one or more of:*

- *The rail network*
- *The port of Sharpness*
- *The Gloucester and Sharpness Canal*
- *The preferred routes for long distance lorry traffic."*

2.35 Policy EM2 states that large scale B8 uses will only be permitted outside defined settlement boundaries where:

- "*There is no suitable site within an allocated or protected employment area and no suitable building capable of re-use within the locality*
- *The proposal would not cause significant harm to the appearance or character of the countryside or to the amenities of local residents*
- *They have good accessibility to, and use one or more of:*
    - o *The rail network*
    - o *The port of Sharpness*
    - o *The Gloucester and Sharpness Canal*
    - o *The preferred routes for long distance lorry traffic."*

2.36 Policy EM3 highlights 37 employment sites and areas to be protected from redevelopment for alternative uses (see Table 3). Policy EM4 notes that the redevelopment of existing employment land not included in the sites/areas listed under Policy EM3 *"will be permitted where the site is no longer suitable or employment use and one or more of the following criteria are met:*

- *There is an adequate supply of employment land to meet local needs without retention of the site*
- *There are demonstrable environmental and/or conservation benefits that outweigh the loss of the employment land*
- *The loss of employment land through site rationalisation leads to investment in other parts of the site resulting in increased employment generation."*

**Table 3 – Protected Sites/Areas under Policy EM3**

| Ref. | Parish | Site/Area Name |
|---|---|---|
| EK1 | Chalford | Chalford Industrial Estate |
| EK2 | Eastington | Meadow Mill Industrial Estate |
| EK3 | Stonehouse | Stroudwater/Oldends Lane Industrial Area |
| EK4 | Stonehouse | Bonds Mill Industrial Estate, Bristol Road |

| Ref. | Parish | Site/Area Name |
|---|---|---|
| EK5 | Stonehouse | Upper Mills Industrial Estate, Bristol Road |
| EK6 | Stonehouse | Ryeford Industrial Area |
| EK7 | Cainscross | Dudbridge Industrial Area |
| EK8 | Rodborough | Daniels Industrial Estate, Bath Road |
| EK9 | Rodborough | Bath Road Industrial Estate |
| EK10 | Stroud | Fromeside Industrial Estate, Dr Newton's Way |
| EK11 | Stroud | Salmon Springs Industrial Estate, Painswick Road |
| EK12 | Stroud | Stafford Mills Industrial Estate, London Road |
| EK13 | Thrupp | Griffin Mills Industrial Estate, London Road |
| EK14 | Thrupp | Phoenix Industrial Estate, London Road |
| EK15 | Thrupp | Hope Mills Industrial Estate, London Road |
| EK16 | Thrupp | Brimscombe Port Industrial Area, London Road |
| EK17 | Woodchester | South Woodchester Industrial Area, Bath Road |
| EK18 | Woodchester | Frogmarsh Mill Industrial Estate, Bath Road |
| EK19, | Nailsworth | Inchbrook Industrial Estate, Bath Road |
| EK20 | Nailsworth | Nailsworth Mill Industrial Estate, Avening Road |
| EK21 | Nailsworth | Spring Mill Industrial Estate, Avening Road |
| EK22 | Frampton-on- Severn | Frampton Industrial Estate, Bridge Road |
| EK23 | Cam | Draycott/Middle Mill Industrial Area, High Street |
| EK24 | Cam | Cam Mills, Everlands |
| EK26 | Dursley | Mawdsley's, Uley Road |
| EK27 | Wotton-under- Edge | Tabernacle Road |
| EK28 | Wotton-under-Edge | Renishaw, Old Town |
| EK29 | Wotton-under-Edge | Berkshire Gravure, Brookside |
| EK30 | Kingswood | Abbey Mill Industrial Estate, Charfield Road |
| EK31 | Kingswood | Renishaw, New Mills |
| EK32 | Hinton | Sharpness Docks |
| EK33 | Berkeley | Rigestate, Station Road |
| EK34 | Hardwicke | Former MoD Site 4 |
| EK35 | Hardwicke | Former MoD Site 2 |
| EK36 | Hardwicke | Former MoD Site 6 |
| EK37 | Stroud | Lodgemore/Fromehall Mills |

*Source: Stroud District Council,* 2005

2.37 Policy EM5 allocates 12 additional sites for employment use (Table 4). These provide an additional 57.9 ha of employment land in Stroud District. It also highlights the Section 106 contributions which will be required from developers in order to secure an acceptable development on those sites.

**Table 4 – Allocated Employment Sites under Policy EM5**

| Ref. | Parish | Site Name | Required S106 Provisions | Size (ha) |
|---|---|---|---|---|
| EA1 | Cam | Land East of Draycott Mills Industrial Estate, Cam* | • Contributions to off-site highway works, measures to improve traffic calming, public transport, pedestrian and cycle links to Cam and Dursley Rail Station, and to Cam and Dursley centres. Landscaping of the site. | 11.6 |
| EA2 | Eastington | Meadow Mill, Eastington* | • Contributions to off-site highway works, measures to improve traffic calming, public transport, pedestrian and cycle links to Stonehouse and Stroud. | 2.2 |
| MU1 | Hardwicke | Hunt's Grove, Colethrop Farm* | • These will be sought in conjunction with the provision of residential development (as listed under Policy H1 of the Local Plan) | 5.2 |
| EA3 | Hinton | Rear of Dock Road, Sharpness Dock* | • Contributions to off-site highway works<br>• Contributions to provide improved public transport services to the development. | 9.2 |
| EA4 | Hinton | Land east of dock, Sharpness Dock* | • Contributions to off-site highway works<br>• Contributions to provide improved public transport services to the development. | 2.8 |
| EA5 | Hinton | Adjacent tidal basin, Sharpness Dock* | • Contributions to off-site highway works<br>• Contributions to provide improved public transport services to the development. | 4.0 |
| EA6 | Hinton | Bridge Road, Sharpness Dock* | • Contributions to off-site highway works<br>• Contributions to provide improved public transport services to the development. | 3.4 |
| EA7 | Kingswood | Charfield Road, Kingswood* | - | 0.3 |
| EA9 | Stonehouse | North of Stroudwater Industrial Estate | • Contributions to off-site highway works including public transport, pedestrian and cycle links to Stonehouse and Stroud<br>• Contributions towards the re-opening of Stonehouse (Bristol line) railway station | 15.7 |

| Ref. | Parish | Site Name | Required S106 Provisions | Size (ha) |
|---|---|---|---|---|
| | | | • Protection of woodland and amenity areas. | |
| EA10 | Stonehouse | Stroudwater Business Park, Phase 1 | • Contributions to off-site highway works including public transport, pedestrian and cycle links to Stonehouse and Stroud<br>• Contributions towards the re-opening of Stonehouse (Bristol line) railway station. | 1.5 |
| EA11 | Stonehouse | Land adj. ABB/Kent, Oldends Lane | • Contributions to off-site highway works including public transport, pedestrian and cycle links to Stonehouse and Stroud<br>• Contributions towards the re-opening of Stonehouse (Bristol line) railway station. | 1.4 |
| EA12 | Thrupp | Adj Ham Mills, Thrupp* | • Contributions to off-site highway works and pedestrian and bus stop facilities. | 0.6 |
| | | | **Total** | **57.9** |

*Source: Stroud District Council, 2005*

*These sites may have archaeological significance and may require an archaeological evaluation.

2.38 Policy EM6 highlights that the extension of employment sites or premises within, or adjacent, to defined settlement boundaries or key employment sites will be permitted provided that:

- *"The development would not appear as an intrusion into open countryside;*
- *The site is capable of satisfactorily accommodating the proposed development in terms of layout, access, parking, landscaping or any other requirement of the development*
- *The development is appropriate in scale to the locality."*

2.39 Proposals for such extensions in the open countryside (Policy EM7) will be permitted if:

- *"The development is appropriate in scale to the locality*
- *There are no suitable alternative buildings or sites within or adjacent to settlements in the area*
- *The development would improve local employment opportunities."*

2.40 In terms of farm diversification, Policy EM8 states that "*new buildings for farm-based* *enterprises will be permitted if:*

- *A location in the countryside is appropriate to the business concerned*
- *The development is appropriate in scale to the locality*
- *The development would improve local employment opportunities."*

2.41 The Local Plan expresses support for home based businesses in Stroud District. It highlights that if the employment use remains ancillary to the domestic use of the property, then planning permission is not usually required. Unacceptable aspects of home based businesses may occur where the business generates visitors, traffic, noise or fumes beyond that normal at a single residence. In general B1 (light industrial) uses are most acceptable while B2 or B8 uses are likely to be unacceptable.

2.42 Finally, transport Policy TR11 seeks to protect Sharpness Docks for handling freight and shipping repairs. Development proposals which conflict with this use will not be permitted.

***Corporate Delivery Plan 2012-2016 – Stroud District Council (2012)***

2.43 The economic objective of the Corporate Delivery Plan is to "*help local people and businesses recover from the recession, grow the local economy and increase employment."*

2.44 The Plan highlights the Council's purchase of Littlecombe which is "*helping kick start development and lift business confidence in Dursley."* The Council is also encouraging landowners in the Stroud Valleys to bring forward employment developments that create jobs and investment.

2.45 Key actions for 2012/13 include the commitment to support the relocation of Lister Shearing and Lister Petter, allowing them to expand and create jobs. The Council also intends to produce a new Local Plan by May 2013, with a focus on "*identifying employment land and our 'jobs and growth' agenda."*

2.46 Over the next four years, the Council's focus will be to:

- *"Promote investment to create jobs in key sectors – environmental technologies, advanced manufacturing, creative industries*

- *Deliver the £33 million canal regeneration project – every £1 we spend levers in £9 of investment from partners*
- *'Punch above our weight' in bringing investment into the district*
- *Deliver our 'Jobs and Growth' agenda*
- *Invest in key sites that create jobs, private investment and sustainable construction."*

***Stroud Employment Land Review – Stroud District Council (2007)***

2.47 In terms of the current property market, the Employment Land Review established that demand for employment land is focused on sites close to the M5. The annual take up rate, between 1991 and 2006 was 2.74 ha. The bulk of the land supply was (and remains) close to M5 corridor, at Quedgeley, Stonehouse, Cam and Sharpness. The Review argues that (given that demand within Stroud is distributed across the District) these allocations will serve the wider needs of Gloucestershire, rather than meeting purely local requirements.

2.48 In 2007, (i.e. before the recession) local rental levels were higher than in most neighbouring local authority areas. The Review notes that while this encourages developers to bring sites to the market, it may also discourage some new businesses from locating in the District.

2.49 Market analysis, undertaken for the Review, indicated unmet demand for industrial premises from local, established companies in older premises. It also indicated that there are opportunities to upgrade some of the poorer quality existing stock to meet this demand, although any such refurbishment is dependant upon the location and viability of the properties.

2.50 The office market in Stroud District was primarily local (for suites of less than 500 sqm), with supply generally meeting needs (although shortages of some sizes of accommodation, in some settlements were reported by property agents). Stonehouse is becoming an established office location, with rental levels which (at the time of writing) supported speculative development. However, it was not clear if recent office developments at Stonehouse were attracting inward investment or simply allowing the relocation of existing businesses.

2.51 Stroud District was not considered to be a distribution/storage location, although

Stonehouse could be promoted for this use given its position off the M5. Sharpness Docks has the potential to be developed as an integrated distribution hub, with a rail freight terminal and good links to the M5 motorway.

2.52 According to Baseline (based on 'policy-off' Cambridge Econometrics employment projections) and Alternative ('policy-on') forecasting scenarios, a number of relevant business sectors are expected to grow in Stroud District to 2026:

- Computing Services
- Construction
- Distribution
- Other Business Services
- Professional Services (Alternative Scenario only).

2.53 Forecasting indicated need for either 59.68 ha (Baseline Scenario) or 71.17 ha (Alternative Scenario) of employment land between 2004 and 2026 (See Table 5). Table 6 shows that Stroud District's 2006 employment land supply was generally sufficient to meet this need, although there is a shortfall of B1(c)/B2 industrial land if Supply Scenario One is applied.

**Table 5 – Land Need to 2026, ha**

| Use | Baseline Scenario | Alternative Scenario |
|---|---|---|
| (B1(a)) Office | 18.72 | 19.73 |
| (B2) General Industry | 26.32 | 26.32 |
| (B8) Distribution | 14.64 | 25.12 |
| **Total** | **59.68** (183,302 sqm of floorspace) | **71.17** (220,781 sqm of floorspace) |

*Source: Stroud District Council 2007*

**Table 6 – Land Supply 2006 Summary, ha**

| Use | Supply Scenario One | Supply Scenario Two |
|---|---|---|
| (B1(a)/(b)) Office/Technology | 20.3 | 20.3 |
| (B1(c)/B2) Light and General Industry | 23.0 | 33.5 |
| (B8) Distribution | 27.4 | 46.3 |
| **Total** | **70.7** (236,000 sqm of floorspace) | **108.4** (379,000 sqm of floorspace) |

*Source: Stroud District Council 2007*

2.54 Supply Scenarios One and Two include Stroud District's 2006 supply of 62.5 ha of employment sites, (which could deliver up to 208,000 sqm of new accommodation). Scenario One also assumes that nine existing poor quality employment areas are redeveloped for mixed uses (delivering around 14,000 sqm of new premises), while Scenario Two assumes the same employment areas will be developed purely for employment uses (providing around 157,000 sqm of new premises). The nine identified areas were:

- Bath Road Industrial Estate
- Bridgend
- Brimscombe Port Industrial Area
- Daniels Industrial Estate
- Dudbridge Industrial Area
- Lodgemore/Fromehall Mills
- Ryeford Industrial Area
- Sharpness Docks.

2.55 Both scenarios also identify four old industrial areas that have potential for intensification as part of mixed use schemes (Brimscombe Port, Ham Mills, Dudbridge/Fromehall and Cheapside Wharf) These could provide another 14,000 sqm of B1/B2/B8 accommodation to 2026. The Review considered Supply Scenario One to be the more likely outcome given the likely viability issues in redeveloping existing employment areas for new employment uses (with no higher value enabling development).

2.56 However, these supply scenarios includes sites at Cam and Sharpness Docks, which total 28.75 ha, and would meet demand from the light/general industry and distribution sectors. The Review questions the viability of these sites in terms of their likely contribution to the local economy and their appropriateness when related to the size of nearby settlements. Deallocating these sites would reduce the potential supply to 21.65-51.05 ha. Measured against Scenario One, this would give the requirement for a further 29.75 ha of additional employment land to 2026.

2.57 Elsewhere, the 'Key Strategic' employment sites within Stroud District's 2006 employment land supply were at Quedgeley (Former MoD Site 4 and Hunt's Grove) while the 'Best Local' employment sites were at Stroudwater Industrial Estate. These sites should be protected for B1/B2/B8 uses.

***Stroud Valleys Employment Study – Stroud District Council (2003)***

2.58 Demand research undertaken as part of this study provides a comparative picture of the employment property market almost a decade ago. The research showed:

- Demand was mostly local and for industrial units of 232 sqm to 697 sqm, for start-up and grow-on accommodation
- Demand was focused around the central area of the Stroud Valleys, including Stroud town. Popular locations included Bath Road Industrial Estate and the Stroud Enterprise Centre
- Good freehold demand
- Limited demand from inward investors or larger firms looking to relocate. Such organisations are drawn to larger competing centres such as Gloucester, Cheltenham and Bristol
- Demand was for small offices of 5 sqm to 186 sqm, often from local industrial occupiers looking for administrative space
- With the exception of a few major employers, the Stroud Valleys has a limited office base
- Little demand for B8 accommodation, Stroud District's logistics market is focused around Junction 12, M5
- High levels of occupation in the employment areas of the Stroud Valleys, however, the quality of the workspace supply is considered an issue. A number of buildings, including units at Bath Road Industrial Estate and Brimscombe Port were considered no longer suitable to meet the needs of modern occupiers.

2.59 The property market of the Stroud Valleys is split on an east/west basis. Older mill buildings are concentrated in the east while the large new employment sites are concentrated at Stonehouse to the west. Stonehouse benefits from its proximity to the M5 and provides larger, purpose built units to meet the needs of inward investors. The local property market continues to be focused on the existing employment areas of the Valleys, with little growth anticipated elsewhere, including Stroud, Stonehouse and Nailsworth town centres

**Town and Parish Plans**

2.60 Of the 52 Town and Parish Councils of Stroud District, 19 have produced town and parish plans (along with associated action plans and design statements) which discuss economic issues. These are:

- Berkeley Parish
- Bisley with Lypiatt Parish
- Brimscombe and Thrupp Parish
- Cainscross Parish
- Cranham Parish
- Frampton-on-Severn Parish
- Fretherne with Saul Parish
- King's Stanley Parish
- Longney and Epney Parish
- Minchinhampton Parish
- Miserden Parish
- North Nibley Parish
- Slimbridge Parish
- Stinchcombe Parish
- Stonehouse Town
- Whiteshill and Ruscombe Parish
- Upton St Leonards Parish
- Whitminster Parish
- Woodchester Parish.

2.61 The relevant town/parish plans are summarised in Table 7.

**Table 7 – Town/Parish Plan Employment Issues**

| Town/Parish Plan (date completed) | Comment |
|---|---|
| Berkeley (2005) | The Parish Plan saw the further growth/development of Berkeley Power Station as a priority. |
| Bisley with Lypiatt (2007 and 2010) | ***Village Design Statement***<br>The Village Design Statement identifies the largest employers in the Parish to be Graduate Gardeners, Aberlink, Gardiners and Holbrook Garage/Green Shop. These are local businesses staffed mainly by local people. However, only 15 percent of the resident workforce works within the Parish, while 85 percent commute to nearby towns.<br>• Policy E1 states that new employment sites, which provide local employment opportunities within the recognised settlements (Bisley, Eastcombe and Oakridge villages) will be supported. Further, "*new employment sites for small scale, low impact enterprises which provide local employment opportunities adjacent to the recognised settlements will be supported where appropriate opportunities exist in business sectors that can thrive in the rural environment."* Transport links, noise and preserving the visual amenity of the Cotswold AONB will be key considerations when the Parish Council reviews any proposals.<br>• Policy E2 states that *"proposals for small employment units outside the settlement boundaries should be supported (particularly the reuse of redundant farm buildings) where appropriate transport links exist."* Such units should be visually compatible with surrounding buildings and landscape.<br>• Policy E3 notes that *"renewable energy employment opportunities should be supported in forestry",* particularly where these link woodland management and wood fuel production. Any such developments should not be detrimental to landscape character or wildlife interests.<br>• Policy E5 states that rural businesses will need to support the 'viability and vitality' of rural communities. Development will also need to take account of the character of the built and natural environment within the Cotswold AONB.<br>***Parish Plan Review***<br>Under Section G: Economy, part of the vision is to create *"A diverse range of successful local businesses generating wealth and providing local employment".* This is to be encouraged through the promotion of businesses in local forums such the village newsletter and parish web directory.<br>The Parish Council will also provide practical support for local businesses by investigating *"the availability of funding for training and business development."* |
| Brimscombe and Thrupp (2011) | Relevant priorities for action in the Parish Plan include:<br>*1. "We will encourage, support and engage with initiatives which make Brimscombe and Thrupp more sustainable as a place to live,* |

| Town/Parish Plan (date completed) | Comment |
|---|---|
| | *work and play.*<br>*2. We will encourage and support development of appropriate brownfield sites, in particular along the canal corridor. We will not support development on greenfield sites outside of the settlement boundary.*<br>*3. We will support high quality, sustainable, mixed development (supported by appropriate infrastructure improvements) that provides employment and housing to meet local needs.*<br>*5. Commercial developments should support employment opportunities which meet the needs and skills of local people.*<br>*6. We want to ensure that the canal regeneration is used to revitalise the whole area and to make Brimscombe Port the vibrant heart of our community.*<br>*7. Development at Brimscombe Port should include a significant element of community use, including at the heart of the site a new multi-use building offering a range of facilities, services and employment opportunities, to be developed, owned and run by the community as a social enterprise centre.”*<br><br>The plan identifies six potential development sites, suitable for a mix of housing and commercial uses:<br>• Brimscombe Port<br>• Ham Mill<br>• Lewiston Mill<br>• Parts of Hope Mill and Canal Ironworks site<br>• Parts of the Brimscombe Mill site<br>• Parts of the Griffin Mill site.<br><br>To improve employment opportunities, in the Parish, the plan also encourages the provision of:<br>• Facilities for homeworkers<br>• Suitable premises for light industry<br>• Office space as part of mixed-use developments<br>• Suitable facilities for the creative industries<br>• Increased broadband capacity.<br><br>Brimscombe Port is identified as a key regeneration area within the Parish. The plan wishes to see the Port developed for a high-quality employment, retail and residential scheme. This should include a new community-owned social enterprise building (run by a |

| Town/Parish Plan (date completed) | Comment |
|---|---|
| | local Community Development Trust) and affordable employment space (e.g. small workshops and studios). |
| Cainscross (2006) | The Parish Council commits to support 'Buy Local' campaigns and projects that assist the local community. It also intends to help local businesses to be aware of opportunities associated with the regeneration of the Thames and Severn Canal. The Plan encourages the Parish Council to work with the District Council to encourage an increase in the number of businesses (services and retail outlets) in the area. A business award for Cainscross is also proposed. |
| Cranham (2009) | Of a survey of 199 local households (undertaken in 2008) the consensus was that Cranham is disadvantaged by the lack of facilities which could encourage and further develop the rural economy. These included shops, a post office, broadband and public transport provision. Opportunities for small scale businesses, highlighting rural skills and crafts, were also identified as a priority. |
| Frampton-on-Severn (2003) | Encouragement should be given to the provision of small-scale, village based local industries, in order to:<br>• Support local markets<br>• Enhance sustainability<br>• Support the existing vibrant and enthusiastic community within the village<br>• Provide employment to villagers.<br>Such industries should not affect residents in an adverse way (e.g. produce noise pollution). Any planning application for industrial development should be considered on its merits and compared to the recommendations of the Parish Plan. The District and the Parish Councils' also need to 'agree a formula' for the reuse of redundant agricultural buildings, for present and future economic use. Such a 'formula' could include the creation, by Stroud District Council, of Supplementary Planning Guidance. |
| Fretherne with Saul (2007) | The plan aims to promote and support local businesses and research what facilities are needed within the village. |
| King's Stanley (2007) | The Vision Statement of the Parish Plan commits the Parish Council to work towards *"a balanced community with homes, educational and employment opportunities for all".* To deliver this statement, the Parish Council will *"encourage workplaces within the community for self-employed people"* and "increased employment opportunities within 2 or 3 miles of the parish – perhaps through encouraging small-scale work units within local farms."<br>The Plan identifies that most residents commute out of the parish to go to work, particularly to the nearby industrial areas of Stonehouse and Stroud. Identified key local employers include shops, schools, pubs, farms, bed and breakfast accommodation, Dangerfield's bakery, King's Service Station and carpet manufacture at Stanley Mill.<br>Stanley Mill, which once housed a major local employer, is now felt to be underused. Suggestions for the re-use of vacant space (subject to owner intentions) include:<br>• Generation of hydro-electricity |

| **Town/Parish Plan (date completed)** | **Comment** |
|---|---|
| | • Establishment of an industrial museum<br>• Conversion of one section to artisan workshops<br>• Conversion of part of the building to affordable apartments<br>• Establishing a café and bike hire business<br>• Developing a heritage centre on the site. |
| Longney and Epney (2008) | Develop and maintain a community based business directory. Explore whether residents and parish businesses could benefit from joint purchasing of goods and services. |
| Minchinhampton (2005) | At a series of ‘roadshow’ workshops, undertaken in 2003, the residents expressed the desire for more small businesses in the Parish. Suggestions for achieving this included:<br>• Lower business rates<br>• Improved electronic links/broadband<br>• Wherever possible, employment premises within Parish should be retained for business uses. |
| Miserden (2006) | The plan seeks to promote parishes as suitable locations for new sustainable businesses that ensure local wealth creation but have minimal, or positive, effects on the environment. The plan also looks to explore how local businesses can ‘maintain the working character of the parish. The Parish Council will also support local businesses by helping them to publicise themselves within parish newsletters, etc. |
| North Nibley (2011) | A survey of local residents, undertaken in 2009, indicated that 28 percent of parishioners travel to work within a radius of 10 miles; almost a third travel up to 25 miles; whilst a further 10 percent travel in excess of 25 miles. 14 percent of respondents work from home. Identified key local employers include shops, pubs, a garage, farms, bed and breakfast accommodation and a caravan site.<br>Renishaw, based in nearby Wotton-under-Edge, is one of the major sources of employment for local people. |
| Slimbridge (2010) | A survey of 420 local households, undertaken in 2010, indicated that 10 percent of the 305 respondents had family members who had to leave the Parish because of the lack of suitable local employment. |
| Stinchcombe (2008) | A survey of local businesses was undertaken in 2006. 23 businesses responded including companies in the agriculture/ landscaping/plant, manufacturing, care/hospitality and service/suppliers/consultants sectors. 14 of the businesses employ staff and the majority of organisations attract visitors to the village. Most are home based. Stated reasons for choosing to site the business in Stinchcombe include the nature of the location (buildings, access and proximity to M5), the desire to live in a rural village and the desire to work from home. The main concerns of those businesses were planning limitations for company expansion, the lack of opportunities for businesses to meet and the need to include a business directory on the village website.<br>Surveys of local companies and households indicated the desire to limit future business development, within the parish boundary, to |

| Town/Parish Plan (date completed) | Comment |
|---|---|
| | expansion within the curtilage of existing business premises.<br>Any development should take into account the Stinchcombe Conservation Area and Cotswold AONB, sustaining the rural character of the area and maintaining the agricultural use of land. The loss of agricultural land for industrial, business or leisure purposes which are not in keeping with the established character of the area should not be permitted.<br>The expansion of existing brownfield sites, for employment uses, will be accepted (taking into account infrastructure), so long as any development is in keeping with the nature and scale of the village.<br>Existing local businesses should be supported and the Parish Council will seek to *“raise awareness of local businesses amongst each other and amongst residents.”* To assist with this, the Parish Council will set up a business directory. |
| Stonehouse (2005 and 2008) | The plan indicates that, in 2008, Stonehouse had an unemployment rate of 1.4 percent, compared to the national average of 2.6%. A high percentage of local residents less than 2 km to work. This indicates that employment opportunities are available in the town and its periphery. A quarter of local people are employed in the manufacturing sector, above the England and Wales average of 15 percent.<br>There are a number of large local employers, mostly on the industrial and commercial estates to the west of the town. In 2008, the major employers (employing more than 250 each) were:<br>• ABB Limited (manufacturers of flow metering and analytical equipment)<br>• Dairy Crest (637 employees in 2008).<br>• Schlumberger (development and manufacture of drilling tools for oil exploration markets).<br>• SKF Aerospace UK (manufacture high precision bearings for aerospace applications).<br>Stonehouse has become an important employment area for the District due, in part, to its proximity to the M5 motorway. The large businesses above attract workers from across the District.<br>In 2008, business confidence was high, with many firms expanding their operations in the town. Examples of this included Anstee and Ware’s 372 sqm extension, Schlumberger’s 4,924 sqm Technology Centre and UNITE’s 17,094 sqm manufacturing site. Also the ongoing development of The Waterfront, Stonehouse Park.<br>Part of the Plan’s vision for Stonehouse is that the town should be ‘open for business’, with the objective of providing, within Stonehouse, “*an employment centre for the district*.”<br>Policy priorities within the plan include the development of a local business network.<br><br>***Stonehouse Design Statement***<br>The Stonehouse Design Statement recommends that the floor levels and heights, along with the colour of the cladding, of new employment units at Nastend Farm and Oldend Farm (i.e. Stonehouse Industrial Estate) are planned so as to minimise their impact |

| Town/Parish Plan (date completed) | Comment |
|---|---|
| | on the landscape. Development should include planted landscape belts.<br>Quality landscaping should be incorporated into new employment development along the A419 Bristol Road corridor. Alternative boundary treatments such as hurdle fencing could also be considered, while service areas and car parks should not be visible from Bristol Road.<br>New industrial areas should be laid out so as to allow permeability within the areas and to enhance pedestrian and cycle links into Stonehouse. Existing footpaths, bridle-paths and lanes should be retained and enhanced.<br>Key 'Green Spaces' should be protected from employment development. |
| Upton St Leonards (2006) | The plan identifies a modest need for further employment premises. Options to deliver this include:<br>• Developing offices facilities at the Village Hall<br>• Encouraging the use of redundant buildings by small businesses.<br>The expansion of local business should be encouraged and the Parish Council will 'consider positively' any planning applications for economic development. |
| Whiteshill and Ruscombe (2011) | Of a survey of local residents, undertaken in 2011, 84 percent of the 179 respondents were against any commercial development in the parish, 11 percent were in favour of business units and 5 percent were in favour of small industrial units. |
| Whitminster (2008) | A survey of 118 local households, undertaken in 2005, indicates that majority of respondents work within 10 miles of Whitminster, and the majority of these use a car to travel to work.<br>Key local employers include Attwoolls (marquee hire, tent manufacturer and camping equipment suppliers), Machinery Development Services, Gloucestershire County Council Highways Depot and Tim Tiley (furniture restoration). Many other private businesses in the community are run from home addresses.<br>The plan also confirms that there is no allocated employment land within Whitminster Parish. |
| Woodchester (2005 and 2012) | The 2001 Census indicated that Woodchester Parish had a population 1,198 (in 505 households). Almost half of this population was in paid employment (full and part time) of whom 64 percent work in the parish. 16 percent of the population was self employed, while 18 percent worked from home. 37 percent travelled more less than 5 km to work, 39 percent travelled more than 5 km to work.<br>The Census also identified 99 employers in the parish.<br>In 2004, a questionnaire was sent all the households of Woodchester. A majority of those responding were in favour of seeing more small businesses, workshops or associations of self-employed people in the area. Half of all residents would like to see mixed working and residential units developed. Any development of small businesses should be on brownfield land (e.g. Station Road) or in existing commercial buildings (e.g. the Piano Works). |

| Town/Parish Plan (date completed) | Comment |
|---|---|
| | ***2012 Update***<br>The 2012 Update to the Parish Plan notes that the Piano Works now fully in use and ready for tenant occupancy. The Parish Council has also completed a Business Directory for the Parish Council website.<br>Over the next five years, the Parish Council hopes to *“encourage local employment and home working”* and *“encourage combined workshop/residential premises.”* |

*Source: BE Group 2012*

2.62 Most of the town and parish plans describe existing economic conditions within the town/parish area, but only seven provide guidance on the scale and location of any new employment development.

2.63 The Bisley with Lypiatt Village Design Statement seeks to focus new employment opportunities within the main settlements of Bisley, Eastcombe and Oakridge. Proposals for small employment developments, particularly farm diversifications, will also be supported *“where appropriate transport links exist.”*

2.64 The Brimscombe and Thrupp Parish Plan identifies six potential development sites, primarily mill properties, which are considered suitable for housing and commercial uses. Brimscombe Port is highlighted as the main regeneration area within the Parish and is considered suitable for a mixed use development, including affordable workshops/studios. More generally, the Parish Plan seeks to encourage the development of light industrial premises, offices and facilities for both creative industries and homeworkers.

2.65 In King’s Stanley, the underused Stanley Mill is identified as providing an opportunity to deliver new employment (artisan workshops), leisure (museum, heritage centre, café and bike hire business) and/or affordable apartments (along with the generation of hydro-electricity).

2.66 In Stinchcombe, the expansion of existing brownfield sites, for employment uses, will be accepted, so long as any development is in keeping with the nature and scale of the village. In Stonehouse, it is assumed that future employment development will be focused in the major employment areas of the town. The Town Plan seeks to ensure that the design of any new employment premises will enhance the quality and visual amenity of Stonehouse, particularly along the A419 Bristol Road Corridor.

2.67 The Woodchester Parish Plan states that any development of small businesses should be on brownfield land (e.g. Station Road) or in existing commercial buildings (e.g. the Piano Works). Finally, Upton St Leonards Parish Council would consider developing some offices facilities at the Village Hall.

**Summary**

2.68 It is a responsibility of local government to support and encourage economic growth.

This includes the provision, initially through planning policy, of sufficient employment land and premises. This must be of the right scale, type, location, be readily available for development and be well related to the strategic or local highway network according to the nature of the site and the function of the settlement. One of the most important issues to consider is that the land must be allocated in sustainable locations and be readily capable of development. The employment land portfolio needs to be balanced and to adequately cater to all sectors of the economy, i.e. small and large businesses, offices and industrial, high and low quality operations.

2.69 Some 58 ha of employment land was allocated in the 2005 Stroud District Local Plan and extensive undeveloped allocations remain at Stonehouse, Cam and Sharpness. The previous employment land study (undertaken in 2007) felt that there was sufficient employment land to meet demand to 2026. However, there may be a future shortfall in B1(c)/B2 industrial units, particularly if some budget quality employment sites are lost to mixed use redevelopment.

2.70 The 2007 Employment Land Study also questioned the viability of allocations in Sharpness and Cam (totalling 28.75 ha). These sites were felt to be in the wrong place and unattractive to potential occupiers. However, the more recent planning permission for a large employment park in Cam and renewed commercial interest in Sharpness Docks suggest that this may not be the case.

2.71 37 existing employment sites and areas are identified in the Local Plan. These are focused in the Stroud Valleys and around Junction 12, M5.

2.72 Stonehouse is already established as a key employment centre within Stroud District, containing almost a third of the District’s factory floorspace and a growing office market. A significant supply of undeveloped employment land remains available around Stroudwater Industrial Estate and Stonehouse’s proximity to the M5 makes it a viable location for the further development of the warehousing and distribution sector in Stroud District. Sites in Quedgeley are also identified as ‘strategic’ due to their position in the M5 corridor and links to neighbouring Gloucester.

2.73 Outside of Stonehouse, the Stroud Valleys area has a primarily local property market. Demand is for smaller workshop accommodation and while space is available to meet most needs, concern has been raised about the quality of several older industrial schemes. Several studies identify lower quality employment areas which may be suitable for redevelopment to provide new office/industrial accommodation (possibly as part of mixed use schemes). Indeed, the 2007 Employment Land Study identifies such redevelopments as forming a significant part of Stroud District's future employment land supply. Dudbridge Industrial Area and Lodgemore/Fromehall Mills are identified in multiple separate reports as being two such regeneration opportunities.

2.74 Seven of the town and parish plans advocate having modest employment development in their areas to ensure the sustainability of local settlements. Proposals generally focus on refurbishing/redeveloping brownfield sites (including old mill properties) within existing employment areas. In Brimscombe and Thrupp and King's Stanley, the historic Brimscombe Port and Stanley Mill sites are identified as opportunities for comprehensive, heritage-led, mixed use schemes.

# 3.0 SOCIO-ECONOMIC PROFILE

**Introduction**

3.1 It is important to understand the nature of the economy in Stroud District in order to provide suitable employment opportunities to facilitate sustainable growth. For example there is a need to try and provide employment land close to existing concentrations of businesses, in regeneration areas or in areas where companies want to locate.

3.2 This section, therefore, comments on the size of the economy, where the businesses are, and what type of businesses they are. The profile produced, set out in detail in Appendices 3 and 4, is a result of secondary research drawing together a number of existing data sources. It compares Stroud District to the five other local authority areas of Gloucestershire. Where relevant, comparisons are also made to the neighbouring local authority area of South Gloucestershire, which is outside the county.

**Summary**

3.3 Stroud District has a population of 112,779, comprising an economically active and skilled workforce. This is evidenced by the high proportion of people who work in professional occupations in the District, compared to the rest of Gloucestershire and the South West. It is also an affluent area, amongst the top 25 percent least deprived local authority areas of England.

3.4 The public sector (public administration, education and health) accounts for 24.0 percent of all employment in Stroud District. The manufacturing sector also employs a further 22.3 percent, more than double county, regional and national averages. Manufacturing sub-sectors which employ large numbers of people locally include the ‘manufacture of instruments and appliances for measuring, testing and navigation; watches and clocks’ (which employed 2,090 in 2011) and the ‘manufacture of general purpose machinery’ (which employed 1,466).

3.5 Stroud District has 5,810 VAT registered-businesses, the second largest supply in Gloucestershire after Cotswold District. A majority of these businesses are in the public administration, defence, education and health and manufacturing sectors.

3.6 Most businesses are very small, with almost two thirds employing only 1-4 staff. Stroud District has the third highest percentage of micro-business (less than 10 employees) in Gloucestershire, after the Cotswold and Forest of Dean local authority areas.

3.7 Measuring rates of new business creation and company dissolution, shows a decline in the annual net growth of the District's stock of businesses over the recessionary period 2007 and 2009. Since 2010 net stock growth has increased as more new companies are formed and the number of failing businesses decreases. This is evidence of local economic growth and district economy recovering from the recession.

3.8 The current structure of premises provision in Stroud is strongly industrial. Across the District, the number of industrial units is more than double the number of offices. The largest concentration of industrial and office premises is in Stroud town, extending south into the Stroud Valleys. Stonehouse (Stroudwater Industrial Estate) also has a significant supply as do the smaller settlements of Frampton-on-Severn and Berkeley (including Sharpness Docks).

3.9 In 2001, the latest figures available, homeworking in Stroud District accounted for 10.4 percent of the population. This is lower than homeworking levels across the South West but higher than the national average (9.1 percent).

3.10 Commuting patterns indicate that the District is a net exporter of workers. In 2001, it was losing 8,642 people, 16.1 percent of its residents in employment, to the surrounding urban settlements. However, Stroud District is also attracting significant numbers of workers, particularly to Stroud Town Centre.

3.11 The average earnings of people living in Stroud District are higher than elsewhere in Gloucestershire and the South West. The earnings of those who work in the District (but may commute from elsewhere) are lower, but still compare well with wider averages.

# 4.0 PROPERTY MARKET – GENERAL

**Introduction**

4.1 Prior to analysing the study area's property market by the individual components of sites, industrial and offices – commentary is provided about the study area as a whole. This comprises a review of the supply of premises along with information on general national property and business trends. It is important to understand the supply and demand for property, as this is the key driver affecting the market for employment land.

**Property Supply**

4.2 A schedule of the vacant floorspace being marketed in the study area (as at October 2012) has been compiled mainly from physical survey, a trawl of commercial property agents' websites and consultations with agents. The marketed space is taken to be a reasonably close approximation to that which is vacant – obviously there may be occupiers waiting for interest in their property before moving, and empty units not actually being marketed. The schedules for industrial (including warehouses and workshops) and offices have been included in Appendix 5.

***Industrial***

4.3 Table 8 details that there are 60 available/marketed premises in the District, with a total floorspace of 58,821 sqm. 49 percent of the available floorspace (20 percent of the stock of properties) is located in Quedgeley. Both Stonehouse and Minchinhampton (Aston Down) have a 14 percent share of the available floorspace.

**Table 8 – Amount of Vacant Industrial Property in Stroud**

| Property | | Size Band, sqm | | | | | | | Total |
|---|---|---|---|---|---|---|---|---|---|
| | | 0-100 | 101-200 | 201-500 | 501-1,000 | 1,001-2,000 | 2,001-5,000 | 5,000+ | |
| Stroud Town | Floorspace, sqm | 74 | 1,075 | 1,118 | 1,034 | - | - | - | 3,301 |
| | Number of Properties | 1 | 6 | 4 | 2 | - | - | - | 13 |
| Hardwicke (Quedgeley) | Floorspace, sqm | 332 | 162 | 502 | - | 1,093 | - | 26,457 | 28,546 |
| | Number of Properties | 4 | 1 | 2 | - | 1 | - | 4 | 12 |

| Property | | Size Band, sqm | | | | | | | Total |
|---|---|---|---|---|---|---|---|---|---|
| | | 0-100 | 101-200 | 201-500 | 501-1,000 | 1,001-2,000 | 2,001-5,000 | 5,000+ | |
| Stonehouse | Floorspace, sqm | 69 | 187 | 776 | 648 | 3,876 | 2,587 | - | 8,143 |
| | Number of Properties | 2 | 1 | 2 | 1 | 3 | 1 | - | 10 |
| Minchinhampton (Aston Down) | Floorspace, sqm | - | - | - | 743 | 7,525 | - | - | 8,268 |
| | Number of Properties | - | - | - | 1 | 5 | - | - | 6 |
| Dursley/Cam | Floorspace, sqm | 35 | 451 | 300 | 600 | - | - | - | 1,386 |
| | Number of Properties | 1 | 3 | 1 | 1 | - | - | - | 6 |
| Nailsworth | Floorspace, sqm | - | - | 1,419 | - | - | 2,497 | - | 3,916 |
| | Number of Properties | - | - | 3 | - | - | 1 | - | 4 |
| Breadstone | Floorspace, sqm | 63 | 165 | - | - | - | - | - | 228 |
| | Number of Properties | 2 | 1 | - | - | - | - | - | 3 |
| Woodchester | Floorspace, sqm | - | - | - | 1,718 | 1,201 | - | - | 2,919 |
| | Number of Properties | - | - | - | 2 | 1 | - | - | 3 |
| Berkeley | Floorspace, sqm | - | - | - | - | 1,115 | - | - | 1,115 |
| | Number of Properties | - | - | - | - | 1 | - | - | 1 |
| Brimscombe | Floorspace, sqm | - | - | - | 646 | - | - | - | 646 |
| | Number of Properties | - | - | - | 1 | - | - | - | 1 |
| Kingswood | Floorspace, sqm | - | - | 353 | - | - | - | - | 353 |
| | Number of Properties | - | - | 1 | - | - | - | - | 1 |
| Total | Floorspace, sqm | 573 | 2,449 | 4,059 | 5,389 | 17,307 | 5,084 | 26,457 | 58,821 |
| | Number of Properties | 10 | 12 | 13 | 8 | 11 | 2 | 4 | 60 |

*Source: BE Group 2012*

4.4 Across the District there is provision in all size bands. Half of the properties comprise mid-sized (201-2,000 sqm) units, and these are distributed throughout the District. The largest share of these is at Aston Down, Minchinhampton. There are only a handful of larger (2,001 sqm or more) units on the market. One is at Stonehouse; the remainder are located on either the Quedgeley West or Quedgeley East sites adjacent to Junction 12, M5. The largest building (8,983 sqm) is at the time of writing this report now understood to be in legal hands for a letting as expansion space for an existing Stroud District based business.

4.5 Table 9 shows the location of available vacant industrial premises sub-divided to the three key property market areas of Quedgeley (Junction 12, M5); Stonehouse; Stroud, and the remaining settlements where vacant property is being marketed. 31 percent of the available floorspace is represented by former MoD buildings at Quedgeley East. The popularity of the Stonehouse area, in proximity to Junction 13, M5 is reflected in the low number of vacant properties – only ten, which represents 16 percent of the District-wide currently vacant, marketed stock of properties.

4.6 Numerically, in terms of properties rather than floorspace, Bath Road Trading Estate in Stroud has the most vacancies. There are currently 12 properties available, ranging in size from 74 to 525 sqm.

4.7 Analysis suggests there to be only limited availability on the District's main modern business parks associated with the M5 motorway junctions. Only seven of their properties are on the market, although these equate to 28 percent of the total available floorspace for the District. However, as noted above it is understood an occupier has been secured for the largest vacant unit (8983 sqm), and the only one available at Quedgeley West Business Park.

**Table 9 – Location of Vacant Industrial Property by Sub-Market Areas**

| Employment Area, Settlement | Number | Floorspace |
|---|---|---|
| **Junction 12, M5** | | |
| Quedgeley East Business Park | 10 | 18,470 |
| Quedgeley West Business Park | 1 | 8,983 |
| The Quadrant Centre | 1 | 1,093 |
| Total | **12** | **28,546** |

| **Employment Area, Settlement** | **Number** | **Floorspace** |
|---|---|---|
| **Stonehouse** | | |
| Stroudwater Industrial Estate | 5 | 6,329 |
| Upper Mills Trading Estate | 1 | 1,167 |
| Bonds Mill Industrial Estate | 4 | 647 |
| Total | **10** | **8,143** |
| **Stroud** | | |
| Bath Road Trading Estate | 12 | 2,926 |
| Daniels Industrial Estate | 1 | 375 |
| Total | 13 | 3,301 |
| **Nailsworth** | | |
| Nailsworth Mill Industrial Estate | 1 | 2,497 |
| Inchbrook Industrial Estate | 3 | 1,419 |
| Total | 4 | 3,916 |
| **Woodchester** | | |
| South Woodchester Industrial Area | 2 | 2,153 |
| Station Road Industrial Estate | 1 | 766 |
| Total | 3 | 2,919 |
| **Dursley** | | |
| Springhill, Cam | 1 | 600 |
| Woodend Lane | 2 | 480 |
| Draycott Industrial Estate | 2 | 271 |
| Station Road, Cam | 1 | 35 |
| Total | 6 | 1,386 |
| **Minchinhampton** | | |
| Aston Down | 6 | 8,268 |
| **Other Settlements** | | |
| Berkeley | 1 | 1,115 |
| Brimscombe Wimberley Mills | 1 | 646 |
| Kingswood Abbey Mills | 1 | 353 |
| Breadstone Business Park | 3 | 228 |
| **Overall Total** | **60** | **58,821** |

*Source: BE Group 2012*

4.8 Table 10 assesses the quality of the available properties. The percentage of new or good quality premises is low, only 11.6 percent of the availably supply. All these properties are located on the business parks associated with motorway junctions.

Table 10 clearly illustrates the lack of modern good quality space within the employment areas and sites located away from the motorway junctions.

**Table 10 – Quality of Industrial Premises**

| Number of Properties | Quality | | |
|---|---|---|---|
| | **Good/New** | **Moderate** | **Budget** |
| Junction 12, M5 | 2 | 0 | 10 |
| Stonehouse | 5 | 5 | 0 |
| Stroud | 0 | 13 | 0 |
| Other Settlements | 0 | 17 | 8 |
| **Total** | **7** | **35** | **18** |

*Source: BE Group, 2012*

4.9 As Table 11 shows, there are relatively few properties that are available for companies who might want to own their properties. The leasehold market dominates.

**Table 11 – Tenure of Industrial Premises**

| Number of Properties | Tenure | | |
|---|---|---|---|
| | **Either** | **Freehold** | **Leasehold** |
| Junction 12, M5 | 1 | 0 | 11 |
| Stonehouse | 3 | 0 | 7 |
| Stroud | 0 | 0 | 13 |
| Other Settlement | 3 | 0 | 22 |
| **Total** | **7** | **0** | **53** |

*Source: BE Group, 2012*

***Offices***

4.10 Table 12 identifies that the District currently has 8,703 sqm of vacant office floorspace that is being marketed. This comprises of 61 premises. The greatest share of floorspace (46 percent) and premises (41 percent) is associated with locations within Stroud town. Around 23 percent of the premises are at Stonehouse, most of these being at Bonds Mill Industrial Estate.

4.11 Currently availability, as demonstrated by Table 12, is very much weighted towards premises of under 250 sqm. 85 percent of the properties on the market fall into the 0-250 sqm size bands. There is only one property available in excess of 500 sqm;

this is a 645 sqm building at South Woodchester Industrial Area, which would accommodate around 70 people.

**Table 12 – Amount of Vacant Office Property in Stroud**

| Property | | Size Band, sqm | | | | | Total |
|---|---|---|---|---|---|---|---|
| | | 0-100 | 101-200 | 201-500 | 501-1000 | 1001+ | |
| Stroud | Floorspace, sqm | 454 | 922 | 2,651 | - | - | 4,,027 |
| | Number of Properties | 8 | 7 | 10 | - | - | 25 |
| Stonehouse | Floorspace, sqm | 529 | 193 | 266 | - | - | 988 |
| | Number of Properties | 12 | 1 | 1 | - | - | 14 |
| Dursley/Cam | Floorspace, sqm | 407 | - | 1,256 | - | - | 1,663 |
| | Number of Properties | 6 | - | 3 | - | - | 9 |
| Nailsworth | Floorspace, sqm | - | 457 | - | - | - | 457 |
| | Number of Properties | - | 4 | - | - | - | 4 |
| Breadstone | Floorspace, sqm | 184 | - | - | - | - | 184 |
| | Number of Properties | 3 | - | - | - | - | 3 |
| Woodchester | Floorspace, sqm | - | - | - | 645 | - | 645 |
| | Number of Properties | - | - | - | 1 | - | 1 |
| Frampton | Floorspace, sqm | - | 141 | - | - | - | 141 |
| | Number of Properties | - | 1 | - | - | - | 1 |
| Berkeley | Floorspace, sqm | - | 149 | - | - | - | 149 |
| | Number of Properties | - | 1 | - | - | - | 1 |
| Chalford | Floorspace, sqm | - | - | 232- | - | - | 232 |
| | Number of Properties | - | - | 1 | - | - | 1 |
| Wotton Under Edge | Floorspace, sqm | - | 124 | - | - | - | 124 |

| Property | | Size Band, sqm | | | | | Total |
|---|---|---|---|---|---|---|---|
| | Number of Properties | - | 1 | - | - | - | 1 |
| Woodford | Floorspace, sqm | 93 | - | - | - | - | 93 |
| | Number of Properties | 1 | - | - | - | - | 1 |
| Total | Floorspace, sqm | 1,667 | 1,986 | 4,405 | 645 | - | 8,703 |
| | Number of Properties | 30 | 15 | 15 | 1 | - | 61 |

*Source: BE Group, 2012*

4.12 In Table 13 a breakdown of the available stock is provided in terms of location. Almost two thirds of the marketed premises in Stroud relates to three developments – The Mill, Ebley; Bath Road Trading Estate and The Old Police Station, Beeches Green. The Mill, Ebley represents 16 percent of the District-wide availability figure. Drake House, Littlecombe is the only property to exceed this, with 17 percent (1,497 sqm).

4.13 Stonehouse Park is acknowledged as the District's prime office park development and its popularity is reflected by the fact there is only one property currently on the market, and this is for 75 sqm.

**Table 13 – Location of Vacant Office Property by Sub-Market Areas**

| Employment Area, Settlement | Number | Floorspace |
|---|---|---|
| **Stroud** | | |
| The Mill, Ebley | 5 | 1,382 |
| Bath Road Trading Estate | 5 | 824 |
| Merrywalks House | 2 | 413 |
| Daniels Industrial Estate | 2 | 395 |
| Brunel Mall | 3 | 252 |
| The Old Police Station | 6 | 512 |
| John Street | 2 | 249 |
| Total | 25 | 4,027 |
| **Stonehouse** | | |
| Upper Mills Industrial Estate | 1 | 266 |
| Bonds Mill Industrial Estate | 11 | 556 |
| Standish Village Hall | 1 | 91 |

| **Employment Area, Settlement** | **Number** | **Floorspace** |
|---|---|---|
| Stonehouse Park | 1 | 75 |
| Total | 14 | 988 |
| **Nailsworth** | | |
| George Street | 1 | 142 |
| Spring Mill Industrial Estate | 3 | 315 |
| Total | 4 | 457 |
| **Dursley/Cam** | | |
| Littlecombe | 7 | 1,497 |
| Parsonage Street | 1 | 96 |
| May Lane | 1 | 70 |
| Total | 9 | 1,663 |
| **Other Settlements** | | |
| Breadstone Business Park | 3 | 184 |
| South Woodchester Industrial Area | 1 | 645 |
| Frampton – Kimberley House | 1 | 141 |
| Berkeley – The Old Forge | 1 | 149 |
| Minchinhampton – Aston Down | 1 | 232 |
| Wotton under Edge – Market Street | 1 | 124 |
| Woodford – Damery Works | 1 | 93 |
| **Overall Total** | **61** | **8,703** |

*Source: BE Group 2012*

4.14 As Table 14 shows there is a paucity of good quality office property available within the District. Only five properties are assessed as being of good quality, one being the only property on the market at Stonehouse Park and three represented by the refurbished Holcombe Mill, Nailsworth. 92 percent of the available, marketed premises (representing 88 percent of the available floorspace) are assessed as being of moderate quality.

**Table 14 – Quality of Office Premises**

| **Number of Properties** | **Quality** | | |
|---|---|---|---|
| | **Good/New** | **Moderate** | **Budget** |
| Stroud | 0 | 25 | 0 |
| Stonehouse | 1 | 13 | 0 |
| Other Settlements | 4 | 18 | 0 |
| **Total** | **5** | **56** | **0** |

*Source: BE Group 2012*

4.15 There are only two freehold options, one being a town centre property in Stroud. The other is located in Cam.

## Valuation Office Data

### *Industrial*

4.16 According to the latest Valuation Office (VO) statistics (2008) there are 1,460 industrial hereditaments in Stroud District, totalling 897,000 sqm (see Table 15). In comparison with its neighbouring local authorities, Stroud has the largest number of industrial and warehouse properties in Gloucestershire although the neighbouring unitary authority of South Gloucestershire exceeds the figure by about 25 percent.

4.17 However the District has less industrial floorspace than Tewkesbury (as well as South Gloucestershire). This suggests Stroud has a high proportion of small industrial/warehouse units compared to most of its neighbours, reflecting that much of the existing stock away from the motorway-related newer estates comprises sub-divided former mill complexes.

4.18 Of this space, there are some 60 vacant premises totalling 58,821 sqm (from Table 22) currently on the market. Compared to the 2008 VO data, this suggests an overall occupancy rate for the whole District of 93.5 percent by floorspace, 95.9 percent by premises numbers. It should be noted that the number of vacant properties (and therefore floorspace total) may actually be higher as there may be some that for whatever reason are not being marketed.

4.19 In 2008 the average size of premises for Stroud was 614 sqm. This is marginally below the Gloucestershire average (662 sqm) but slightly above the South West average of 581 sqm. Nevertheless, reflecting the weighting of supply towards small premises, Stroud's average figure is greater than those of only Cheltenham and Cotswold. It is significantly less than the average property sizes of South Gloucestershire and Tewkesbury.

**Table 15 – Valuation Office Statistics – Factories and Warehouses**

| | Number of Hereditaments | Area, sqm | Average Property Size, sqm |
|---|---|---|---|
| Cheltenham | 793 | 470,000 | 593 |
| Cotswold | 1,167 | 511,000 | 438 |
| Gloucester | 944 | 711,000 | 753 |
| South Gloucestershire | 1,820 | 1,778,000 | 977 |
| Stroud | 1,460 | 897,000 | 614 |
| Tewkesbury | 973 | 918,000 | 943 |
| Gloucestershire | 6,510 | 4,315,000 | 662 |
| South West | 50,451 | 29,359,000 | 581 |

*Source: ONS Commercial and Industrial Floorspace 2008*

***Offices***

4.20 In 2008 there were 659 office hereditaments in the District, totalling 99,000 sqm (see Table 16). The number of properties is less than the supply in all the neighbouring local authority areas, with one exception – Tewkesbury. It terms of total floorspace however, Stroud has the least supply.

**Table 16 – Valuation Office Statistics – Offices**

| | Number of Hereditaments | Area, sqm | Average Property Size, sqm |
|---|---|---|---|
| Cheltenham | 1,178 | 358,000 | 304 |
| Cotswold | 713 | 112,000 | 157 |
| Gloucester | 927 | 319,000 | 344 |
| South Gloucestershire | 1,181 | 439,000 | 372 |
| Stroud | 659 | 99,000 | 150 |
| Tewkesbury | 527 | 127,000 | 241 |
| Gloucestershire | 4,308 | 1,056,000 | 245 |
| South West | 28,530 | 7,348,000 | 258 |

*Source: ONS Commercial and Industrial Floorspace 2008*

4.21 Measured against the 2008 data, the overall occupancy rate for the District is 91.2 percent by floorspace, and 90.7 percent by premises numbers. The vacancy rate for office premises is therefore more than double that of industrial properties within the District.

4.22 In 2008 the average size of office premises was only 150 sqm, which is 39 percent less than the Gloucestershire figure (245 sqm) and 42 percent less than the South West regional figure (258 sqm). The average office size in Stroud is below the averages of all the neighbouring local authorities. Indeed for most, Stroud's average is significantly below, with Cheltenham, Gloucester and South Gloucestershire all having average premises sizes at least double that of Stroud. This reflects the limited provision of modern developments (either office parks or in town centres) that might offer large floorplate offices.

**Market Equilibrium**

4.23 In assessing the supply side, allowance needs to be made according to whether there are higher or lower levels of vacancies in the existing floorspace stock. A certain level of vacant property is generally required for the property market to function effectively. Recent employment land studies elsewhere have seen the equilibrium vacancy rate to be generally held to be around 7.5 percent of the total office and industrial stock.

4.24 Where the actual level of vacant floorspace is higher or lower than this 7.5 percent rate, this indicates the position is one of market disequilibrium. A vacancy rate above 7.5 percent suggests floorspace is oversupplied. A rate below 7.5 percent is an indication the floorspace market is undersupplied.

4.25 Some employment land reviews have used rates of 5 percent (for offices) and 10 percent (for industrial and warehousing space). In Table 17 these alternative yardsticks have been applied to the vacancy rates identified for Stroud.

4.26 Whilst there are factors that influence the level of vacant stock (e.g. economic recession; building obsolescence; owners' aspirations for alternative higher value use) Table 17 illustrates contrasting pictures for Stroud. Although the total stock exhibits a current vacancy level just below the 7.5 percent equilibrium rate, this masks sub-market differences. The statistics indicate vacant office stock levels represent a significant oversupply – although the influence of inappropriate premises to meet modern occupiers' needs is referred to later in this report. For industrial and warehousing stock there is an undersupply, when measured against 7.5 or 10 percent 'equilibrium' rates.

**Table 17 – Vacant Floorspace, Market Equilibrium Status**

| | Stroud |
|---|---|
| Vacancy Rate Total Stock | 6.8 |
| Over (Under) Supply 7.5 percent rate | (UNDER) |
| Vacancy Rate Office Stock | 8.8 |
| Over (Under) Supply 7.5 percent rate | OVER |
| Over (Under) Supply 5 percent rate | OVER |
| Vacancy Rate Industrial Stock | 6.5 |
| Over (Under) Supply 7.5 percent rate | (UNDER) |
| Over (Under) Supply 10 percent rate | (UNDER) |

*Source: BE Group 2012*

### Modern Occupier Needs

4.27 In this sub-section the report outlines what modern businesses are looking for in terms of their property, as well as those developers providing space for them. These are general comments and apply across the UK, as well as in the study area.

4.28 There are two key property sub-markets to consider in understanding the demand for premises. The first is the demand from companies looking for sites for their own occupation; the second, which is necessarily derived from the first, comes from specialist property developers who will provide solutions for these companies.

4.29 Many end-user companies, especially small ones, looking for accommodation prefer occupying an existing building to either organising the construction of one for themselves or entering into a design and build agreement with a developer. This is due to the management time involved; while it may also be difficult to rationalise and visualise such an important acquisition off-plan.

4.30 Having premises built for owner occupation requires a long lead-time to cover the planning, negotiation and construction time involved. Furthermore not every company wants a brand new building, partly because they are generally more expensive than second-hand ones.

4.31 However the recent combination of low interest rates and the depressed stock market has led to an unusually large number of companies looking to own their premises (although current market conditions, have softened this due to the lack of available finance). One route to achieving this is by developing their own site, especially if they cannot find a suitable freehold property. Nationally most requests for such small sites to enable self-build are of less than 0.4 ha in size.

4.32 Although design and build options can be convenient, they are quite expensive because the controlling developer makes its profit not only on the land sale, but also on managing the building process. Consequently if the company is able, some prefer to buy land direct and organise building contractors themselves. This is especially the case with lower value added industries where high quality buildings are of secondary importance. However without strong planning control this scenario can lead to business areas of lower aesthetic value and layout.

4.33 Developers acquiring sites consider the nature of the market, as outlined above, as well as the potential for speculative development, i.e. riskier, supply-led, rather than demand-driven construction. They also prefer to acquire prominent, (easy to develop) greenfield sites close to arterial roads or motorways because irrespective of sustainable transport policies, private transport still predominates. They naturally want land that is attractive to end-users. Furthermore property development is intensely entrepreneurial and extremely price sensitive. So although land may be available on the open market, if it is at too high a price, then the developer will not acquire it.

**Emerging Property Trends**

***Industrial***

4.34 Occupiers are generally looking for smaller premises as average company size continues to decrease. In line with rising aspirations and a concentration on higher value added activities, companies are looking for higher quality accommodation. In rural areas company sizes are generally already small; and the desire for high quality is less of a priority due to affordability issues. Successful industrial businesses typically require dedicated, self-contained, secure yard areas, and for units over 2,000 sqm the trend seems to be at least one dock level loading bay and a 40 metre turning circle to allow heavy goods vehicles access into and out of the unit. Eaves heights are also continuing to rise from an average of six metres to more towards ten metres to allow storage racking and more efficient use of space. For B8 high bay warehousing eaves heights can now be 15 metres to accommodate automatic racking systems.

4.35 Large requirements, above 10,000 sqm, are comparatively rare, and where they do exist are generally for distribution warehousing. Most of these are contract-led with a flurry of activity as a number of specialist distribution companies look for units, before one of them secures the contract on offer. However these companies generally cannot wait for a bespoke warehouse to be built for them and so, due to the rarity of such large, available buildings their search areas are increasingly wide.

4.36 Freehold demand is relatively strong as a result of low interest rates, poor stock market pension performances and increased private sector interest in property investment. However the lack of available finance is constraining this sub-market currently. This previously resulted in an overheated investment market, rising values, lowering yields and led to property developers being more willing to offer speculative, freehold buildings. However, as a consequence of the recent prolonged recession speculative development has stopped dead across much of the country. It may resume once the effects of the recession recede, but in more rural areas speculative development will never be the norm.

4.37 Outsourcing of many aspects of the production and distribution process has led to a declining need for traditional, large scale, all-encompassing manufacturing facilities. This is gradually being replaced by smaller, sub-assembly light manufacturing space. Shorter leases (five years) and break clauses (three years) are now becoming much more the norm.

***Offices***

4.38 The trend is for smaller office suites as average business sizes fall. There are two strands to this. Micro-businesses (those with less than ten employees) want serviced offices or similar types of easy-in, easy-out schemes that lower their risk of exposure. Small businesses (with 10-49 employees) are looking for offices in the region of 150-300 sqm. Often they are satellite facilities for larger companies.

4.39 Improving technology means specifications are changing, for example wireless networks may soon make raised floors superfluous and make the conversion of Victorian buildings and the like easier.

4.40 In line with rising aspirations and a concentration on higher value added activities, successful companies are looking for higher quality accommodation. For example air conditioning is becoming almost a standard requirement in new schemes, which pushes up rentals by £5-10/sqm on average. Furthermore some occupiers (looking for more than 200 sqm) increasingly want self-contained premises, i.e. their own front door, toilets, reception, utilities, etc. There is increasing demand for relatively short leases (one to three years), which helps account for the increasing popularity of serviced offices.

4.41 Car parking remains a big problem for occupiers everywhere as planning policy seeks to limit spaces in response to the sustainability agenda. However, more often than not, businesses cannot rely on public transport, especially in rural areas, and so there remains a strong demand for car parking spaces. Developers are starting to charge per car park space in major cities, and this is now being extended to other settlements.

4.42 Prior to the credit crunch, freehold demand was strong as a result of low interest rates, poor stock market pension performances and increased private sector interest in property investment. However, as with the industrial market, the recession and lack of available finance is constraining this sub-market and has largely eradicated speculative development, outside of major city centres.

4.43 Occupiers requiring higher skills, especially those linked to key growth sectors will be concerned about access to an appropriate pool of skilled labour, which will drive demand towards city centres, research facilities and higher education institutes.

4.44 Property will need to be increasingly flexible to accommodate research-based manufacturing space as more complex processes develop, but still within an office environment.

4.45 Clustering around like-minded companies will also drive demand to key business park locations, with good availability of ‘white collar’, knowledge-based, skilled staff. Other businesses will require central urban locations such as the professions and creative industries, where face-to-face contact is important or where public transport is important to attract staff.

### Summary

4.46 58,821 sqm of industrial and warehouse space is available in the District. This comprises 60 properties. Almost half the floorspace (one fifth of the properties) is concentrated in Quedgeley. Stonehouse and Chalford (Aston Down) each have 14 percent of the available floorspace. The supply is relatively well spread across all size bands, although the greatest share is represented by units of less than 200 sqm. Freehold availability is limited.

4.47 The supply of industrial and warehouse space significantly outstrips that of offices. Although the number of available office properties is slightly larger (61 properties), they total only 8,703 sqm. This is because 74 percent of the premises on the market involve properties of less that 200 sqm. Indeed there is only one available property in excess of 500 sqm. Most if the space is of moderate quality, but there is very little available for sale.

4.48 A certain level of vacant property is generally required for the property market to effectively function. A rule of thumb guide is 7.5 percent of the total office and industrial stock. Stroud's current availability represents only 6.8 percent, indicating that the market is not in equilibrium, but this masks sub-market differences. The vacant office stock levels (8.8 percent) suggests an oversupply, for industrial and warehousing (6.5 percent) there is a more significant undersupply.

4.49 Modern businesses and developers want easily developable, accessible and usually prominent sites for their premises. A healthy property market should provide a mix of options including speculative developments; design and build schemes, and freehold plots for owner occupiers to self-build. However, property development is entrepreneurial and not all companies that are looking for space can realistically be satisfied all the time. The property market, by nature, is inherently imperfect. Companies will, however, generally seek to move from existing property to provide themselves with better, more efficient, cost effective accommodation of an approximate size. This is reflected in the findings of the company survey detailed in Section 8.0.

4.50 Modern trends are expected to lead to a greater number of businesses that are smaller in size, which are more dynamic and technology driven and which will come and go more fluidly.

# 5.0 PROPERTY MARKET – ANALYSIS

## Introduction

5.1 This section considers the more detailed issues related to supply and demand within the District as a prelude to assessing the future need for land.

5.2 The section presents the comments of private sector stakeholders on Stroud District's industrial and office property markets. The industrial market refers to accommodation for manufacturing, storage, distribution and warehousing purposes including smaller workshop premises.

5.3 Private sector stakeholders made a range of comments regarding the local market. Their views have been summarised in a series of tables. Table 18 provides a breakdown of the general comments received with regard to conditions within the District as a whole.

**Table 18 – Property Market Comments – General**

| Contact | Comment |
|---|---|
| National Agent | There is a shortage of good quality space in Stroud District.<br>There are good employment sites in Stroud District e.g. the Avocet site at Dudbridge Road, Stroud. Demand exists to retain these sites in employment use, if they were redeveloped. However, in some cases it is felt that the owners are letting them deteriorate in the hope that they can make a case for alternative uses.<br>In the future, employment sites linked to the M5 motorway will continue to be popular. |
| Regional Agent | Though not a very large District it has a very diverse local economy that reflects in the property market.<br>Further development should be concentrated at Junction 13, as this is a proven and sought after location.<br>The local property market faces the issue of opportunities being tied to a few property developers, which means occupiers have a lack of choice/flexibility – especially those who want to own their property, where as developers will only consider leaseholds. |
| Regional Agent | There is little good quality stock available in the District and the supply of second hand space is shrinking. However, developers remain reluctant to undertake any speculative development.<br>The District is divided into different geographical areas:<br>• In the north, the M5 Corridor between Gloucester and Cheltenham is the focus for land and premises demand in Gloucestershire.<br>• The south is a different market, as are the Stroud Valleys.<br>• Stonehouse is a further market area, with little crossover to other areas. It has taken time for companies to move to |

| Contact | Comment |
|---|---|
| | Stonehouse from the Stroud Valleys.<br>• Sharpness and Dursley are also seen as a separate market area, with limited local demand but successful specialist schemes such as Severn Distribution Park.<br>At present, demand from modern businesses is for locations to the west of Stroud town.<br>In the future, demand will be for motorway related sites, close to housing. There are large housing allocations across the District (and in South Gloucestershire) which could be linked to employment developments.<br>Medical and oil are key business sectors in Stroud District.<br>The local nuclear sector of Stroud District and Gloucester will benefit from the decision to develop a new nuclear power station at Oldbury. The design and construction of the new power station will generate a substantial supply chain.<br>Future land allocations could include the Javelin Park site at Junction 12, M5. This County Council owned land although it may be used for a waste incinerator. Land south of Javelin Park would also be suitable for employment uses. |
| Regional Agent | *Quedgeley*<br>Seen as part of the Gloucester market. Occupiers from the Stroud Valleys and even Stonehouse won't go to Junction 12, M5.<br><br>*Stonehouse*<br>Demand exceeds supply, with few opportunities for freehold purchase.<br>Stroudwater Industrial Estate supports a cluster of oil sector businesses and the major oil companies such as Schlumberger now have a supply chain around them. Further growth of this sector is expected.<br>Some interest in Employment Site EA9: 'North of Stroudwater Industrial Estate, Stonehouse'. However, the high cost to bring access in combined with other constraints, such as level differences, are preventing development. |
| Regional Developer | Local mills do not provide sufficient grow-on space.<br>Developers remain unwilling to build speculatively and thus the supply of available premises will continue to shrink. |
| Local Agent | Key business sectors include:<br>• Advanced engineering – Through historic links to Bristol. Companies such as Renishaw, who came out of Rolls Royce, have been long established in the District<br>• Nuclear<br>• Plastics – plastic extrusion machines were developed in Stroud<br>• Textiles – Although this sector has declined locally, some key employers remain. These include WSP who manufacture all the cloth for tournament tennis balls worldwide. 90 percent of WSP's trade is overseas, and they enjoy a seven figure profit every year. The company employs 140 staff.<br>Agrees that Stroud District falls into several different property markets.<br>In Stonehouse, and across the District, most employment land is |

| Contact | Comment |
|---|---|
| | held by developers who are unwilling to release sites. Large employers such as Renishaw are also retaining land for future expansion.<br>There is also demand for a motor retail site, bringing together dealers from across the District. |
| Local Agent | Very little new commercial space has been developed recently.<br>Some of the larger employment sites have been lost to housing e.g. the Bymack site was sold to Crest Nicholson. |

*Source: BE Group, 2012*

5.4 Table 19 provides a summary of the comments received from stakeholders with regards to the local industrial property market.

**Table 19 – Property Market Comments – Industrial**

| Contact | Comment |
|---|---|
| National Agent | Experience at Severn Distribution Park has shown that demand exists for warehouse space. |
| National Fund Manager | Manage Bath Road Industrial Estate on behalf of an industrial fund.<br>Reasonable demand from local firms for 3-5 year leases. Rents range upwards from £10/sqm.<br>The scheme has some good occupiers, including Stroud Auction Rooms at the front of the estate.<br>The industrial estate has also been considered for food retail. However, the big food retailers have not shown any interest in the area. ASDA (the one remaining operator not already in the town) consider Stroud town to be at capacity, and that the location is not going to attract any passing trade.<br>Have now been approached by Aldi to develop a 929 sqm store on a 0.40 ha site.<br>Leisure or bulky goods are not considered appropriate at this location. |
| Regional Agent | Old cleared sites within Stroud Valleys e.g. Brimscombe, will not support new development due to clean up costs and values.<br>Places like Aston Down succeed/survive on low rents. New development requires much higher rents and values which the occupier market won't accept for these locations, so new build industrial space is unlikely to be delivered. |
| Regional Agent | Quadrant at Quedgeley has been highly successful, with nine units let in the last year. Demand now exceeds supply at this location, indicating a market shortage.<br>Aston Down has proven popular with budget occupiers from the Stroud Valleys. Most of the budget accommodation is now let, but this remains a location that can meet local needs. |
| Regional Manager/Owner | Own Aston Down, which is partly within Cotswold District.<br>Most occupiers are local firms which tend to come from within a 5 mile radius.<br>From an occupancy rate of 85 percent before 2009, Aston Down |

| Contact | Comment |
|---|---|
| | was hard hit by the recession. Demand is now starting to recover.<br>Aston Down competes successfully with the mills of the Stroud Valleys. It offers a level of accessibility and external space which the mills cannot.<br>Rents are around £20/sqm.<br>Scheme includes areas of external storage, but failed to get planning permission for these due to Aston Down's location in the Cotswolds AONB.<br>Further expansion land exists. |
| Regional Agent | Demand is for units of 1,858 sqm<br>Rents for newer properties are £55-60/sqm.<br>Generally, mills are difficult to reuse/redevelop. Access is often poor and difficult to service with commercial vehicles.<br>Rents for mills can be as high as £30-£40/sqm but also can be as low as £10/sqm in the long term.<br>Some mills are in attractive waterside locations and could be reused for housing.<br><br>*Quedgeley*<br>Junction 12, M5 is not a distribution location. Logistics occupiers tend to go to Avonmouth, Swindon or Chepstow.<br>If a large (up to 65,000 sqm) distribution requirement did come to Quedgeley, it could be accommodated on the Gateway12 site<br>Quedgeley West has been very successful. 4.4 ha remain undeveloped, marketed for design and build.<br>Quedgeley East has also been modestly successful. St Modwen will wait until Quedgeley West is complete before undertaking any redevelopment here. |
| Local Agent | Demand is for units of 929–2,787 sqm.<br>The Stroud Valleys are dominated by mill type properties which are often held by property owners who only want to lease space. Examples of this include Nailsworth Mills and Spring Mill, Nailsworth.<br>There is freehold demand and schemes which offer space for sale, such as Inchbrook Trading Estate and Merretts Mill, Woodchester, are popular.<br>Expressed concern that the release of too many traditional industrial and mill sites for alternative uses will affect the supply of start-up and grow-on space for local businesses. Several mills have proved successful incubating new firms, notably Fromehall Mill.<br>The District has lost a number of large employers in recent years, but the industrial space they leave behind has been re-occupied quickly, suggesting good demand for industrial accommodation. Examples of this include Cooper Oil's occupation of the McEvoys site, while Renishaw have expanded into sites in Wotton, Nailsworth and Stonehouse.<br>Comments on specific settlements and employment areas include:<br>• Berkeley – Has a very insular market both for housing and commercial uses<br>• Dursley – The Lister Petter site needs an improved access<br>• Stonehouse – Stroudwater Industrial Estate is dominated by B1 |

| Contact | Comment |
|---|---|
| | and B2 uses. Attempts to introduce B8 storage or distribution uses have been resisted. However, the success of Severn Distribution Park indicates that there is a market for such uses in Stroud District<br>• Stroud town – Bath Road Trading Estate has suffered over the years from poor investment and management, along with contamination from a former BP use. However, it continues to attract occupiers – most recently Damien Hirst who employ 150 people<br>• Stroud town – Large mill complexes dominate in Stroud Town Centre<br>• Stroud town – The owners of adjacent Daniels Trading Estate have redevelopment aspirations<br>• Stroud Valleys – Aston Down has been successful in attracting warehouse operators. Most occupiers are local and there are opportunities for both redevelopment and new build construction. Currently 400-500 people are employed there. |
| Local Agent | Stroud District has a local property market.<br>Rents are £40-50/sqm for workshops.<br>There is longstanding demand for small industrial units in Cam/Dursley, but the lack of available stock has meant businesses have to look elsewhere. |
| Local Developer | Owners of Land East of Draycott Mills, Cam (Site EA1).<br>Demand here is from local Cam/Dursley businesses along with some requirements from North Bristol and Stroud town. |

*Source: BE Group, 2012*

5.5 Table 20 sets out the occupancy rates on some of the District's most significant multi-let industrial property schemes. It includes some schemes which are located within Stroud District's 37 allocated Employment Areas. This occupancy rate review concentrates on specific schemes rather than the Employment Areas in their entirety. The Employment Areas are discussed separately in Section 6.0.

**Table 20 – Stroud District Selected Industrial Schemes Performance**

| Property Scheme | Total Floorspace, sqm and Number of Units | Unit Size Range, sqm | Occupancy Rate, percent | Comments |
|---|---|---|---|---|
| The Quadrant Centre, Quedgeley | 8,363<br>15 units | 186-2,172 | 93.3 | Ashtenne scheme<br>New, high quality development close to Gloucester.<br>Demand is reasonable, only one unit still available.<br>Units are available for sale or to let.<br>Average rents are |

| Property Scheme | Total Floorspace, sqm and Number of Units | Unit Size Range, sqm | Occupancy Rate, percent | Comments |
|---|---|---|---|---|
| | | | | £64/sqm. |
| Quedgeley East Business Park | 18,670<br>12 units | 76-5,836 | 88.9 | St Modwen scheme<br>Former MoD site available as budget quality accommodation.<br>Rents approximately £20/sqm<br>St Modwen has options on a further 14 ha of expansion land to the west and south. |
| Abbey Mills, Kingswood | 2,926<br>7 units | 205-1,384 | 88.0 | Older mill premises.<br>The whole scheme is presently for sale as a commercial investment opportunity; at £444/sqm (rental income is £120,000).<br>Average rents are £38/sqm. |
| Severn Distribution Park, Sharpness | 41,240<br>7 units (including one 975 sqm office) | 931-11,776 | 85.7 | Howard Tenens scheme.<br>Occupiers include Eddie Stobart, Malcolms, Honda, Matthew Clark, and Merloni (Electrolux).<br>Consent for a further 22,000 sqm unit (Unit H) which may be built in 2013. Howard Tenens are also looking at expansion options which would deliver a further 58,000 sqm of logistics accommodation.<br>Rents approximately £30-60/sqm.<br>Scheme has no links to the adjacent Sharpness Docks. |
| Quedgeley West Business Park | 29,729<br>7 units | 929-8,983 | 85.7 | St Modwen scheme<br>Key logistics scheme for Stroud District, occupiers include CM Downton and City Link.<br>3.2 ha remains available to deliver a |

| Property Scheme | Total Floorspace, sqm and Number of Units | Unit Size Range, sqm | Occupancy Rate, percent | Comments |
|---|---|---|---|---|
| | | | | further 12,077 sqm of (primarily) B8 space<br>A 8,983 sqm unit (formally occupied by Prestoplan) on the market – but understood terms now agreed with Stonehouse based company who will occupy as additional space. |
| Bath Road Trading Estate, Bath Road, Stroud | 32,516<br>57 units | 83-525 | 70.2 | Managed by Valad and Vine Property Management on behalf of an Industrial Fund.<br>Includes a listed mill, older industrial units (of varying quality) and 14 modern terraced industrial units, on a 2.8-3.2 ha site.<br>North of the site was sold to British Polythene Industries (BPI).<br>In Conservation Area.<br>Reasonably popular scheme.<br>Rents from £10/sqm on 3-5 year leases.<br>Interest from Aldi for a retail development on 0.40 ha. |

*Source: BE Group, 2012*

5.6 Table 21 provides a summary of the comments received on the local property market.

**Table 21 – Property Market Comments – Office**

| Contact | Comment |
|---|---|
| Regional Agent | Stonehouse Park provides the only good quality office accommodation in Stroud District. It has proved popular with local occupiers.<br>The conversion of mills for office uses is no longer desirable. Undertaking a successful mill conversion is difficult due to the poor spec. in most mills. |
| Regional Agent | There may be a small office market but Stroud District is unlikely to |

| Contact | Comment |
|---|---|
| | attract substantial B1 offices development. Large occupiers will go to Gloucester or Bristol, so developers will not look at building larger space in the District for this reason. |
| Regional Developer | Own and manage Bonds Mill and Stonehouse Park, Stonehouse.<br>*Bonds Mill*<br>The scheme previously had a low occupancy rate. However, (following refurbishment to address health and safety concerns) take-up has improved and Bonds Mill is now a popular serviced scheme.<br>Most occupiers are local, primarily from Stroud town and the Stroud valleys.<br>Rents are approximately £80-£100/sqm. Leases are 2-10 years.<br>The Developer owns a further 3.6 ha of adjacent land which they wish to promote for employment uses. Feel there is a shortage of land in the District, both for B1/B2/B8 and associated commercial uses.<br>*Stonehouse Park*<br>Stonehouse Park is the only modern office scheme in the District.<br>A number of businesses have expanded to Stonehouse Park from Bonds Mill, progressing to self contained space.<br>Good local demand, including freehold demand, despite the recession.<br>Rents are approximately £130-£150/sqm<br>Stonehouse Park has 2.4 ha of expansion land. Phase 4 of the scheme (1,858 sqm) will be delivered (mostly) speculatively.<br>Developer is also considering some service/retail uses. |
| Local Agent | Stroud District has a local property market.<br>Overall there is a very limited office market, which is dominated by units over shops.<br>Town centre offices suffer from a lack of car parking.<br>Offices range from £40 to £110-120/sqm depending on the size and quality. |
| National Agent | Marketing the Berkeley Centre.<br>Comprises older, sometimes lower quality buildings. Although there is little other stock in the area.<br>The Centre is some distance from the motorway.<br>It was intended to create a nuclear hub, based around existing occupiers. However, there has been little demand from companies in the nuclear sector to date. This is partly due to the delay in decisions on the existing/proposed Oldbury Nuclear Power Stations.<br>A requirement for 2,787 sqm, from EDF Energy, was lost to North Bristol. Bristol benefits from a much greater pool of potential staff.<br>Have also received interest from other non-nuclear firms, including a life science company. However, the labs to do not meet modern occupier needs and will need to be refurbished. |

*Source: BE Group, 2012*

5.7 Table 22 sets out the occupancy rates for some of the District's most significant office-based, multi-let property schemes. Again, it includes some schemes which are within Stroud District's allocated Employment Areas, but does not review those Employment Areas in their entirety. Those are addressed later in Section 6.0.

**Table 22 – Stroud District Selected Office Schemes Performance**

| Property Scheme | Total Floorspace, sqm and Number of Units | Unit Size Range, sqm | Occupancy Rate, percent | Comments |
|---|---|---|---|---|
| Stonehouse Park, Stonehouse | 6,317<br>17 units | 316-530 | 94.1 | New, high quality, low density development.<br>Good local demand, including freehold demand, despite the recession.<br>Rents are approximately £130-£150/sqm.<br>Includes 2.4 ha of expansion land. The owner is looking to deliver Phase 4 of the scheme (1,858 sqm) shortly.<br>Also considering some service/retail uses. |
| Bonds Mill, Bristol Road, Stonehouse | 7,758<br>73 units (46 offices, 15 storage units and 12 workshops) | Offices: 10-232<br>Storage: 13-186<br>Workshops: 50-743 | 79.5 | Historic mill complex.<br>Scheme previously had a low occupancy rate, however, (following refurbishment to address health and safety concerns) take-up has now improved.<br>Demand is mostly from Stroud town and the Stroud Valleys.<br>Rents are approximately £80-£100/sqm. Leases are 2-10 years. |
| Breadstone Business Centre, Breadstone, Berkeley | 1,870<br>22 units (18 offices and 4 workshops) | Offices: 46-72<br>Workshops: 139 | 68.2 | Rural farm conversion to provide a business centre.<br>Occupiers include Armstrong Mobile |

| Property Scheme | Total Floorspace, sqm and Number of Units | Unit Size Range, sqm | Occupancy Rate, percent | Comments |
|---|---|---|---|---|
| | | | | Vets and Dyno Plumbing. Rents are approximately £30/sqm |
| Merrywalks House, Merrywalks, Stroud | 945 6 units | 160-253 | 66.7 | Older, town centre, multi-let office building. Occupiers include HMRC/Inland Revenue |
| Drake House, Littlecombe, Dursley | 1,975 14 units | 47-392 | 50.0 | St Modwen Scheme Refurbished offices, part of the Lister Petter mixed-use redevelopment scheme. Occupiers include Rowley Associates and Solent Stevedores. Rents are approximately £80/sqm |
| The Brunel Mall, London Road, Stroud | 673 9 units (plus retail space) | 27-379 | 49.8 | Town centre, serviced office premises. Occupiers include the Citizens Advice Bureau. Rents are approximately £150/sqm |
| The Old Police Station, Beeches Green, Stroud | 757 11 units | 23-137 | 45.5 | Grade II listed town centre office premises Occupiers include Homestart. Rents are approximately £100/sqm |

*Source: BE Group, 2012*

**Summary**

5.8 Stroud District's industrial property market has three key geographic segments. Junction 12, M5 at the northern end of the District is seen as part of the Gloucester-Cheltenham axis and is a focus for sub-regional level demand. Seen as the southern gateway to Gloucester the area is experiencing demand in excess of supply. Stonehouse is now a focus of demand for modern space, reflecting its proximity to the M5 (Junction 13) and residential areas. As with Quedgeley (Junction 12) demand is exceeding supply. In addition there is a lack of freehold property to meet the demand of local companies. The Stroud Valleys make up the third geographic segment. They cater more for indigenous, local companies, many of whom occupy the former mill properties which dominate the area. However because of their multi-occupier character they only cater for the leasehold market.

5.9 The Stroud Valley mills have been proven incubators for local start-ups, or have delivered grow-on space. There are concerns that the continual loss of mills to alternative uses (mainly residential) will have a negative impact on the supply of such space, and of the ability for establishing Stroud-based start-ups.

5.10 In terms of offices, the market demand is predominantly locally sourced. There is a dearth of good quality modern office development, with only Stonehouse Park offering an appropriate product. Because of this shortage the second-hand supply of offices is shrinking, although the quality level of this continues to be deterrent to some occupiers. This is evidenced by the examination of current performance of a number of existing office schemes. Three of the seven reviewed have occupancy levels of no more than 50 percent. Only Stonehouse Park (94 percent) has above an 80 percent occupancy level.

# 6.0 EMPLOYMENT LAND

## Introduction

6.1 There are two aspects that need to be looked at specifically. First is the existing portfolio of land in the District, not only how much there is, but also its quality, type, suitability and availability.

6.2 The District needs a balanced portfolio of land to accommodate a sustainable, growing economy that can respond to dynamic market conditions, changing business needs and working practices, including higher technology operations.

6.3 By initially establishing how much land there is, we must then, secondly, consider how much land is needed in the future (to 2031). This assessment is based on the consideration of both ‘policy off’ and ‘policy on’ scenarios as well as the roll forward of long-term trends in historic employment land take-up.

6.4 The Stroud Employment Land Review report produced in 2007 suggested the District had a supply of either 70.7 ha (Scenario One) or 108.4 ha (Scenario Two) of employment land. This included 62.5 ha of employment sites and options for the redevelopment and intensification of existing employment areas. This supply was considered generally sufficient to meet the identified need of either 59.68 ha (Baseline Scenario) or 71.17 ha (Alternative Scenario), although there may be a shortfall of B1(c)/B2 industrial land if Supply Scenario One is applied.

6.5 However, the supply scenarios include sites at Cam and Sharpness Docks, which total 28.75 ha, and would meet demand from the light/general industry and distribution sectors. The Review questions the viability of these sites in terms of their likely contribution to the local economy and their appropriateness when related to the size of nearby settlements. De-allocating these sites would reduce the potential supply to 21.65-51.05 ha. Measured against Scenario One, this would give the requirement for a further 29.75 ha of additional employment land to 2026.

6.6 In calculating the existing land supply and future needs from now until 2031, it is important to set a base date for the analysis. For this report, that date is 31st March 2012. Any employment planning permissions approved since 1st April 2012 do not therefore affect the identified land supply.

### Historic Employment Land Take-Up

6.7 Stroud's employment land take-up since 1991 has been weighted towards development sites associated with the M5 motorway junctions. Stonehouse has dominated, with some 47 percent of the District's total, led by two developments – Stroudwater Business Park and Stonehouse Park. A further 12 percent reflects development activity in proximity to Junction 12 in the north of the District. The Quadrant Distribution Centre and The Perry Centre represent much of this take-up.

6.8 Elsewhere in the District, although most settlements have seen small amounts of development, the only other significant take-up recorded relates to new facilities for Cableways (3.6 ha) at Kings Stanley and Sundeala (2.4 ha) at Cam.

6.9 Over the same period 37.15 ha of employment land has been lost to other uses. Around 2 ha have been redeveloped for retail and commercial leisure facilities, but the remainder has involved residential schemes. Over 83 percent of this land was previously in B2 industrial use, an illustration of the combined factors of the decline in manufacturing and the obsolescence of the stock (and location) of sites and premises for modern production operations.

6.10 Land lost from employment use is distributed throughout the District. However, Dursley (12.85 ha); Nailsworth (5 ha) and Rodborough (4.15 ha) have seen the largest losses.

### Land Supply

6.11 The start point for the supply side assessment is the Council's Employment Land Availability Schedule, dated 1st April 2012. This is the most up to date document held by the Council. This identified 12 sites previously allocated under Policy EM5 of the Local Plan and a further 21 sites comprising land with planning permission, but not yet under construction. Together 33 sites totalled 97.78 ha. During the study the Council agreed this should comprise the definition of the existing land supply.

6.12 To establish the up to date supply position for this study's baseline we have reviewed each of the 33 sites to determine their status as at 31st March 2012. The review noted the following changes for the sites identified as having unimplemented planning consent:

- Land adjacent to Ongers Farm, Upton Lane, Brookthorpe, Gloucester (25.00 ha). Site is proposed for a Motorway Service Area incorporating a café, toilet/shower facilities, tourist information point, A1 retail and a petrol filling station. However, the land should be omitted from the supply figure as the proposal includes no B1, B2, B8 employment uses
- Berkeley Heath Farm, Berkeley Heath, Berkeley (0.01 ha). This very small site has planning permission for toilet facilities, a picnic shelter and a change of use to provide an A5 food and drink preparation area and servery. Again no B1, B2, B8 employment uses are proposed so the land should be omitted from the supply figure
- The Gables, Tiltups End, Horsley (0.20 ha). The site has planning permission for a C2 residential medical facility (biodynamic research and study centre). No B1, B2, B8 employment uses are proposed so the land should be omitted from the supply figure
- 17 Archway Gardens, Stroud (0.01 ha). This very small site should be omitted from the supply figure as it is simply related to the change of use (from residential to offices) of first floor premises
- Lower Mills, Stonehouse (0.09 ha). The planning application (for a production and storage building) was approved in 2004 and has not subsequently been renewed. This permission therefore lapsed in 2009
- Baptist Church, Rope Walk, Wotton-under-Edge (0.02 ha). This very small site has planning permission for a change of use from a derelict cottage to a D1 church. Again this very small site should be omitted from the supply figure as it is a change of use (to a non-employment use).

6.13 The Employment Land Availability Schedule (Table 3b) highlights three commitments (unimplemented planning permissions) on Stroud District's allocated employment land:

- Land East of Disused Railway Line Draycott (9.34 ha on site EA1 – Outline permission for 34,083 sqm of B1/B2/B8 space).
- Land east of Draycott Mills (0.33 ha on site EA1 – Full permission for a 807 sqm industrial building)
- Hunts Grove, Colethrop Farm, Hardwicke (5.75 ha on site MU1 – Part of a larger mixed use application on 105 ha).

6.14 These total 15.42 ha. To avoid double counting, these commitments are included as part of wider allocated site in which they are located. They are not analysed as separate sites in Table 37 below.

6.15 In the case of allocated employment site MU1: Hunts Grove, Colethrop Farm, Hardwicke, the site size has been increased from 5.20 ha to 5.75 ha. This reflects the unimplemented outline planning permission on the site, which permits 5.75 ha of B1/B2/B8 development as part of a larger, mixed-use scheme.

6.16 As a consequence of these changes the available land supply at 31st March 2012 comprised 51.95 ha from the Policy EM5 allocated sites and 5.96 ha from 12 sites with unimplemented planning consents. The total of 57.91 ha represents just over 20 years supply, based on the historic take-up trend experienced by Stroud District.

6.17 Table 23 sets out Stroud District's 2012 supply, outlining the size and location of each site, providing comments on its current status (e.g. owner intentions) and assessing when it might come forward for development or use. The assessment of timescale is based upon a number of factors – ownership situation, planning status, known or likely constraints, infrastructure and services required, market demand. Detailed proformas for each site (which include plans) are provided at Appendix 4.

**Table 23 – Employment Land Supply – Stroud District, 2012**

| Ref | Site | Size, ha | Comment | Estimated Availability, years |
|---|---|---|---|---|
| EA1 | Land East of Draycott Mills, Cam | 11.60 | Bathurst and Springfield Investments own (along with Additional Commitment 5, to the south west).<br>Greenfield land, partly in agricultural use. Separated from existing industrial estate by disused railway.<br>Outline permission for 7,500 sqm of B1(a), 10,246 sqm of B1(c), 10,405 sqm and 6,739 sqm of B8 accommodation on 9.34 ha. An application to extend the time limit of this permission has recently been submitted – decision awaited.<br>The owner reports only moderate interest from potential occupiers for this land. Bathurst also lacks the | 3-5 |

| Ref | Site | Size, ha | Comment | Estimated Availability, years |
|---|---|---|---|---|
| | | | funds to develop the site speculatively. They are now considering a revised scheme to develop half the site for housing (relocating some employment uses to adjacent land, also under their ownership) in order to cross-fund the development.<br>There is a further full planning permission for an 823 sqm office, for Kerry Ingredients, on 0.33 ha.<br>Trees on site.<br>In flood risk area.<br>Site includes areas of ecological value.<br>Access will need to include a bridge across the River Cam.<br>B1, B2, B8 uses. | |
| EA2 | Meadow Mill, Eastington | 2.20 | Industrial Sales Ltd own.<br>Vacant, greenfield site at entrance to existing trading estate.<br>Expansion land for the existing industrial estate. No plans to bring forward at this time.<br>In flood risk area.<br>B1, B2, B8 uses. | 5+ |
| EA3 | Sharpness Docks, Rear of Dock Road, Sharpness | 9.20 | Canal and River Trust own.<br>Brownfield/greenfield land between the docks and the river. Includes areas of woodland and the site of a former military base.<br>Long term allocation which has seen little recent activity. Future development likely to be for port related uses only.<br>Trees on site, includes a military monument.<br>Allocated for waste uses in the local plan<br>Foundations/roads of previous buildings onsite<br>B2/B8 uses | 5+ |
| EA4 | Sharpness Docks, Land East of Dock, Sharpness | 2.80 | Canal and River Trust own (on a long lease to Victoria Group Holdings).<br>Brownfield site within the secure dock area. In use for skip storage.<br>Long term allocation which has seen little recent activity. Future | 5+ |

| Ref | Site | Size, ha | Comment | Estimated Availability, years |
|---|---|---|---|---|
| | | | development likely to be for port related uses only.<br>Includes a area of ecological value in the north of the site<br>Partly in flood risk area.<br>B1/B2/B8 uses. | |
| EA5 | Sharpness Docks, Tidal Basin, Sharpness | 4.00 | Canal and River Trust own.<br>Cleared brownfield site (former rail infrastructure). Includes Canal and River Trust workshop, water pumping station and small secure storage site.<br>Long term allocation which has seen little recent activity. Future development likely to be for port related uses only.<br>Power lines cross the site.<br>Trees on site.<br>Includes the remains of dock infrastructure (possible contamination).<br>Partly in flood risk area.<br>B2/B8 uses. | 5+ |
| EA6 | Sharpness Docks, Land between Bridge Road and Oldminster Road,<br>Sharpness | 3.40 | Canal and River Trust own (on a long lease to Victoria Group Holdings).<br>Brownfield/greenfield land. West is in use for open storage, east extends into woodland.<br>Long term allocation which has seen little recent activity. Future development likely to be for port related uses only.<br>Partly in woodland.<br>Possible contamination<br>West of site is part of a waste allocation<br>B2/B8 uses. | 5+ |
| EA7 | Land off Charfield Road, Kingswood | 0.30 | FTC South West own.<br>Developed for three terraced industrial units.<br>B1(c)/B2/B8 uses | 0-1 |
| EA9 | North of Stroudwater Industrial Estate, Stonehouse | 9.00 | Gloucestershire County Council (GCC) and Schlumberger own.<br>West is greenfield agricultural land. East has been developed for multiple employment uses, including accommodation for | 3-5 |

| Ref | Site | Size, ha | Comment | Estimated Availability, years |
|---|---|---|---|---|
| | | | Schlumberger.<br>GCC have previously marketed the remaining land, but a combination of access costs (the need to bridge a watercourse) and topography mean that a purely employment development is not viable.<br>GCC are now considering other options including a grant funding bid for access. May also look to develop this site alongside the adjacent Sustainable Urban Extension (SUE) proposal. This would see this site developed for a mix of uses (including some housing) while 10.5 ha of employment land is provided across the wider SUE.<br>Partly in flood risk area.<br>B1/B2/B8 uses. | |
| EA11 | Land adj. ABB Kent-Taylor, Oldends Lane, Stonehouse | 1.40 | ABB own.<br>Vacant greenfield site.<br>Being held as expansion land.<br>B1/B2/B8 uses. | 5+ |
| EA12 | Land adj. Ham Mills, A419 London Road, Thrupp | 0.60 | Stroud Corporation NV own (along with multiple low quality industrial units to the north).<br>Vacant, wooded brownfield site at entrance to existing industrial estate.<br>Part of a larger investment ownership. No identified development plans.<br>Trees on site.<br>In flood risk area.<br>In Conservation Area<br>B1/B2/B8 uses. | 5+ |
| MU1 | Hunts Gove, Colethrop Farm, Hardwicke | 5.75 | St Modwen own.<br>L-shaped, vacant greenfield site<br>Outline planning consent for 20,439 sqm of B1/B2/B8 accommodation.<br>The land is on the market for design and build options of 465 sqm, or more.<br>Site configuration prevents the development of larger B8 warehouses. However, adjustments to the site boundary, | 1-3 |

| Ref | Site | Size, ha | Comment | Estimated Availability, years |
|---|---|---|---|---|
| | | | with the neighbouring employment area, may be possible to accommodate the needs of a larger employer.<br>B1/B2/B8 uses. | |
| MU3 | Land at Lister Petter, Long Street, Dursley* | 1.70 | St Modwen own.<br>Vacant brownfield site, part of a larger mixed-use scheme (residential, hospital and employment).<br>The remaining employment land is likely to be taken up by the relocation of Lister Shearer. Land at this location is may also accommodate a second large local employer (Lister Petter).<br>At present progress (across the wider mixed-use scheme) is being inhibited by an application for a village green which, if implemented, would make delivery of the access road difficult.<br>Partly in flood risk area<br>B1/B2/B8 uses. | 1-3 |
| Additional Commitment 1 | Barn at Goldwick Farm, Lower Wick, Dursley | 0.03 | Goldwick Farm own.<br>Barn within an existing Grade II listed farm complex.<br>Full planning consent for a barn conversion to provide a 320 sqm B1(c) studio workshop and associated dwelling.<br>B1(c) uses. | 1-3 |
| Additional Commitment 2 | Land at Chapel Hill, Newport, Berkeley | 0.33 | Freeman Property Developments own.<br>Small, linear site at a road junction.<br>Full planning consent for the erection of a 210 sqm joinery workshop and change of use of land to provide a builders yard and 50 sqm of offices.<br>Adjacent to waste transfer station. Potential issues of land contamination, controlled waters and/or ground gas.<br>B1/B2 uses. | 1-3 |
| Additional Commitment 3 | Opposite 8 Chapel Street, Cam | 0.72 | Stroud District Council own.<br>Vacant car park.<br>Full planning consent for 32 sqm office for Cam Parish Council and | 1-3 |

| Ref | Site | Size, ha | Comment | Estimated Availability, years |
|---|---|---|---|---|
| | | | A3 café.<br>B1 (a) uses. | |
| Additional Commitment 4 | Upper Upthorpe Farm, Upthorpe, Cam | 0.09 | Upper Upthorpe Farm own.<br>Former dairy buildings within Grade II listed farm complex.<br>Full planning consent for 67 sqm kitchen and service accommodation for catering business.<br>B1(c) uses. | 1-3 |
| Additional Commitment 5 | Land South of Draycott Mills Trading Estate, Cam | 1.91 | Bathurst and Springfield Investments own (along with EA1, to the north east).<br>Cleared brownfield site adjacent to River Cam.<br>Outline planning consent for 2,500 sqm of B1 (a and c)/B8 accommodation. Scheme will include improved road access and new bridge over the River Cam.<br>The owner reports only moderate interest from potential occupiers for this land. Bathurst also lacks the funds to develop the site speculatively. They are now considering a revised scheme to develop half the site for housing (relocating some employment uses to adjacent land, also under their ownership) in order to cross-fund the development.<br>Trees on site.<br>In flood risk area.<br>Site may include areas of ecological value.<br>B1/B8 uses. | 3-5 |
| Additional Commitment 6 | Barn, Pear Orchard Farm, Upthorpe Lane, Cam | 0.38 | Private individual owns.<br>Barn within an existing farm complex.<br>Full planning consent for change of use to provide a 500 sqm B8 storage facility and associated access. Links to multiple previous applications for adjacent Retro Track and Air (UK).<br>B8 uses. | 1-3 |
| Additional Commitment 7 | John Stayte Services, Puddlesworth | 0.09 | John Stayte Services own.<br>Land and buildings within an existing commercial/retail facility, | 1-3 |

| Ref | Site | Size, ha | Comment | Estimated Availability, years |
|---|---|---|---|---|
| | Lane, Eastington | | adjacent to M5 motorway.<br>Full planning consent for 935 sqm of B1 (a and c) premises.<br>B1 uses. | |
| Additional Commitment 8 | (Land at) Berkeley Nuclear Power Station, Hamfield Lane, Berkeley | 0.74 | Nuclear Decommissioning Authority own.<br>Vacant brownfield land within the secure former nuclear site.<br>Full planning consent for 865 sqm of B1 (a) offices and a 116 sqm workshop. This is a temporary use, to be removed by 2019.<br>Potential issues of land contamination, controlled waters and/or ground gas.<br>B1 uses. | 1-3 |
| Additional Commitment 9 | Land East of Waterwells Business Park, Davy Way, Hardwicke | 0.83 | Crest Nicholson (South West) own.<br>Vacant greenfield site<br>Outline planning consent for 12,040 sqm of B1 office/light industrial accommodation on a 4.03 ha site (of which 3.20 ha is within the Gloucester local authority area). Links to a larger mixed-use proposal which extends south to the M5.<br>B1 uses. | 3-5 |
| Additional Commitment 10 | The Gables, Tiltups End, Horsley | 0.27 | Ruskin Mill Trust own.<br>Former garden for 'The Gables', within Ruskin Mill College campus. Site includes existing shop, W/C and storage buildings.<br>Full planning consent for 96 sqm smokehouse and processing facility for the use of Ruskin Mill College (to provide an educational, training and workshop opportunities) and for local producers to utilise on small scale commercial bases.<br>Trees on site<br>B1 uses. | 1-3 |
| Additional Commitment 11 | Meister Masonry, Painswick | 0.14 | Meister Masonry own.<br>Land within mason's yard, close to golf course.<br>Outline planning consent for a 1,282 sqm B8 storage and B2 industrial building for Meister Masonry's own use. Reserved | 0-1 |

| Ref | Site | Size, ha | Comment | Estimated Availability, years |
|---|---|---|---|---|
| | | | matters applications approved in mid-2012.<br>Part of former quarry.<br>B2/B8 uses. | |
| Additional Commitment 12 | Land adj. Hill Paul Building, Cheapside, Stroud | 0.43 | Chelbury Homes the former owners have gone into administration.<br>Cleared brownfield site, adjacent to historic mill building.<br>Full planning consent for 2,675 sqm of offices (and 860 sqm of offices and retail space) as part of a larger mixed-use scheme.<br>B1(a) use. | 1-3 |
| **TOTAL** | | **57.91** | | |

*Source: Stroud District Council and BE Group, 2012*

**Site added to the allocated land supply after the adoption of the 2005 Stroud District Local Plan*

6.18 Around a third of the 2012 supply (4 sites comprising 19.40 ha) is located at Sharpness Docks. Owned by the Canal and River Trust (formally British Waterways), this land comprises long term allocations of low quality brownfield/greenfield land. Several of the sites are inaccessible, located within the secure dock estate, while others are constrained by site conditions (trees on site, former dock infrastructure on site, possible contamination). Two are in active use for open storage.

6.19 Discussions with stakeholders suggest that, despite its relatively isolated position, there is demand for industrial and logistics premises at Sharpness. However, that demand is focused at Severn Distribution Park (which has unused expansion land) rather than at the dock itself. Stakeholders feel that if the four allocated sites are ever brought forward it is likely to be for port related infrastructure rather than traditional B1/B2/B8 employment.

6.20 Available land at Stonehouse includes 9.00 ha North of Stroudwater Industrial Estate (Site EA9). The eastern portion of this site has been developed as accommodation (primarily) for Schlumberger. Undeveloped agricultural land in the west is owned by GCC, who have previously marketed the site for employment uses. However, GCC argue that the additional costs of bringing this site forward (bridging a watercourse and overcoming topographical constraints) mean that a purely employment development is not viable.

6.21 To bridge this viability gap, GCC may look to bid for 'Growing Places' monies. Alternatively, they would look to include this land within a sustainable urban extension proposal, suggested for land to the north and east of Stroudwater Industrial Estate. Such a proposal would include 17.90 ha of land (including Site EA9) owned by GCC. Site EA9 would be developed for a mix of uses (generating greater sufficient value to overcome the site constraints) while 10.50 ha of employment land is provided across the wider SUE.

6.22 The largest single site is the 11.60 ha 'Land East of Draycott Mills, Cam' (Site EA1). The owners (Bathurst and Springfield Investments) have outline permission for B1/B2/B8 uses, but several years' of marketing has generated only moderate interest from potential occupiers (while Bathurst lacks the funds to develop the site speculatively). Bathurst is now considering a revised scheme to develop half the site for housing (relocating some employment uses to adjacent land, also under their ownership) in order to cross-fund the development.

6.23 The 0.60 ha 'Land adj. Ham Mills, A419 London Road, Thrupp' (Site EA12) is owned by an overseas investment company (who could not be contacted for this study). Although it remains part of Stroud District's employment land supply, there is no evidence that the owner (or any other party) wish to bring this land forward for employment development. Two other sites which have not been developed since the 2007 Employment Land Review and where, at the time of writing, there remains no evidence that the land is likely to be brought forward are:

- EA2: Meadow Mill, Eastington – 2.2 ha
- EA11: Land adj. ABB Kent-Taylor, Oldends Lane, Stonehouse (likely to be held as expansion land) – 1.4 ha.

6.24 Of the 12 sites with unimplemented planning consents, four of the permissions are (as indicated on the Application Form) to permit the expansion of an existing businesses only:

- Additional Commitment 6: Barn, Pear Orchard Farm, Upthorpe Lane – 0.38 ha

- Additional Commitment 8: Berkeley Nuclear Power Station, Hamfield Lane, Berkeley – 0.74 ha (a temporary office for use by the Nuclear Decommissioning Authority)
- Additional Commitment 10: The Gables, Tiltups End, Horsley – 0.27 ha
- Additional Commitment 11: Meister Masonry, Painswick – 0.14 ha.

6.25 In all four cases the location of the proposed premises (i.e. within the private curtilage of the existing business property) and/or the design (i.e. intended to meet the very specific needs of the applicant) mean that they could not be easily be occupied by other businesses to meet general land/property requirements.

6.26 Therefore, in Table 24 scenarios are presented for Stroud District's land resource, considering the total supply initially and then adjusting it according to the various assumptions made above.

**Table 24 – Stroud District's Land Supply Scenarios**

| Scenario | Cumulative Total Land Supply, ha | Comments |
|---|---|---|
| Baseline | 57.91 | Allocated and existing consented employment sites. |
| Baseline less land at Sharpness Docks which is likely to be developed for dock infrastructure only. | 38.51 | |
| Baseline less land at Sharpness Docks, other long term allocations which may be potentially unviable/unavailable and unimplemented planning permissions, intended solely to provide expansion space for existing firms. | 32.78 | EA2: Meadow Mill, Eastington – 2.2 ha no evidence of any owner/developer intentions to ever bring forward.<br>EA11: Land adj. ABB, Oldends Lane, Stonehouse – 1.4 ha likely to be held as expansion land.<br>EA12: Land adj. Ham Mills, A419 London Road, Thrupp' – 0.60 ha no evidence of any owner/developer intentions to ever bring forward.<br>Additional Commitment 6: Barn, Pear Orchard Farm, Upthorpe Lane – 0.38 ha intended to provide kitchen and service accommodation for an existing catering business.<br>Additional Commitment 8: Berkeley Nuclear Power Station, Hamfield Lane, Berkeley – 0.74 ha a temporary office for use by the Nuclear Decommissioning Authority<br>Additional Commitment 10: The |

| Scenario | Cumulative Total Land Supply, ha | Comments |
|---|---|---|
| | | Gables, Tiltups End, Horsley – 0.27 ha will provide facilities for Ruskin Mill College<br>Additional Commitment 11: Meister Masonry, Painswick – 0.14 ha will provide a storage building for Meister Masonry. |

*Source: Stroud District Council and BE Group 2012*

6.27 As Table 24 shows, in a best case scenario Stroud District has 57.91 ha of employment land and in a worst case 32.78 ha, at the base date of 31st March 2012.

**Geographic Distribution, Availability & Suitability**

6.28 As discussed, around a quarter of the land supply is located on the Severn Estuary at Sharpness. A further 28 percent (16.43 ha) is around Cam/Dursley, comprising major allocations east of Draycott Industrial Estate and the former Lister Petter site, along with several unimplemented planning consents. 10.40 ha (18 percent of the total supply) remains undeveloped at Stroudwater Industrial Estate, Stonehouse.

6.29 Of the major settlements of Stroud District, Stroud itself has a negligible supply, as do the other towns of the Stroud Valley. Quedgeley, identified in the 2007 Employment Land Review as a 'strategic' location for Gloucestershire, has an identified land supply of 6.58 ha (11 percent of the total supply). This includes 5.75 ha at Hunts Gove, Colethrop Farm, Hardwicke (Site MU1) which is on the market and available for purchase by occupiers and developers.

6.30 In Table 25 there is an analysis of the existing land supply at 31st March 2012 by location and availability. Less than 1 percent is immediately available, within 0-1 years. This includes land off Charfield Road, Kingswood (Site EA7) where development has been completed, since April 2012. A substantial supply (40 percent) is likely to be available within 3-5 years, including the larger allocated sites of Cam/Dursley and Stonehouse. 23.60 ha (41 percent) is constrained long term. As discussed, this includes allocations at Sharpness, which may never come forward for general B1/B2/B8 employment uses.

6.31 Table 26 shows that 56 percent of the land supply is generally available for a mix of B1, B2, and B8. Another 38 percent (including all the land at Sharpness Dock) is generally only suitable for industrial and/or warehouse uses. Only three small sites, totalling 1.89 ha, are primarily suitable for office uses. These are Additional Commitments in Cam, Berkeley and Stroud Town where the permission is specifically (or primarily) for B1 (a) office uses.

**Table 25 – Location and Availability Assessment**

| Location | Availability, years | | | | Total, ha |
|---|---|---|---|---|---|
| | 0 - 1 | 1 – 3 | 3 – 5 | 5+ | |
| Berkeley (and surrounding villages) | - | 1.07 | - | - | **1.07** |
| Cam/Dursley | - | 2.92 | 13.51 | - | **16.43** |
| Eastington | - | 0.09 | - | 2.20 | **2.29** |
| Kingswood | 0.30 | - | - | - | **0.30** |
| Painswick | 0.14 | - | - | - | **0.14** |
| Quedgeley/Junction 12, M5 | - | 5.75 | 0.83 | - | **6.58** |
| Sharpness | - | - | - | 19.40 | **19.40** |
| Stonehouse | - | - | 9.00 | 1.40 | **10.40** |
| Stroud town | - | 0.43 | - | - | **0.43** |
| Stroud Valleys | | 0.27 | - | 0.60 | **0.87** |
| **Total, ha** | **0.44** | **10.53** | **23.34** | **23.60** | **57.91** |

*Source: BE Group 2012*

**Table 26 – Land Suitability**

| Type | Amount, ha | Percent |
|---|---|---|
| B1 office | 1.89 | 3.3 |
| B1(c)/B2 Industrial | 1.64 | 2.8 |
| B1(c)/B2/B8 Industrial and/or Warehouse | 21.83 | 37.7 |
| B1,B2,B8 various | 32.55 | 56.2 |
| **Total** | **57.91** | **100.0** |

*Source: BE Group 2012*

**Sites Quality**

6.32 All sites have been graded using a standard scoring system that consists of objective measures (as far as possible). Each site is scored for its attractiveness to the market and for how well it meets planning policy objectives. The categories are: location, prominence, public transport, sequential test, planning status, services availability, environmental setting, flexibility and site availability. The assessment gives an appraisal of the overall quality of the land resource. The scoring system is provided in Appendix 6, while the summarised results of the detailed scoring are provided in Appendix 7.

6.33 The highest market scoring site is Land adj. Hill Paul Building, Cheapside, Stroud (Additional Commitment 12). Although not particularly large (0.43 ha), the site is unconstrained and prominently located at the edge of Stroud town centre, close to both Stroud Railway Station and the A46. The site also has an outstanding full planning consent. It scores 81 out of a maximum possible of 100.

6.34 Most of the District's good quality employment land is at Quedgeley or Cam/Dursley. This is emphasised by the fact that six of the seven highest scoring sites (with scores ranging from 66 to 73) are within these settlements. Sites at Stonehouse also score relatively well, although the 9 ha site 'North of Stroudwater Industrial Estate, Stonehouse' (Site EA9) only scores a modest 62 because of the identified constraints to development and the site's lack of prominence.

6.35 The dominance of Quedgeley, Cam/Dursley and Stonehouse is further illustrated in Table 27 which shows the average score of all the sites in each settlement. Excluding Stroud town (which only has one site), the settlement with the highest overall quality of its portfolio of sites is Quedgeley/Junction 12, M5. This is followed by Cam/Dursley and Stonehouse. Sites in Sharpness have a very low average score.

**Table 27 – Overall Sites Quality by Settlement**

| Settlement | Number of Sites | Highest Site Score | Lowest Site Score | Average Site Score |
|---|---|---|---|---|
| Stroud town | 1 | 81 | 81 | 81 |
| Quedgeley/Junction 12, M5 | 2 | 73 | 69 | 71 |
| Cam/Dursley | 7 | 70 | 54 | 63 |
| Stonehouse | 2 | 63 | 62 | 63 |
| Stroud Valleys | 2 | 69 | 53 | 61 |
| Berkeley (and surrounding villages) | 2 | 61 | 56 | 59 |
| Painswick | 1 | 59 | 59 | 59 |
| Eastington | 2 | 60 | 53 | 57 |
| Kingswood | 1 | 56 | 56 | 56 |
| Sharpness | 4 | 33 | 27 | 30 |

*Source: BE Group 2012*

6.36 The scoring is intended to give a reasonably objective, transparent appraisal of the overall quality of the land resource. This scoring system is just one method to use when assessing sites. There will be exceptions that prove the rule. However it gives general guidance, and those sites scoring well are the ones to be protected – at least more so than those scoring poorly. However low scoring sites can still have a role to play in satisfying the needs of all sectors of Stroud District's businesses. For example, sites in Sharpness may not be suitable for general employment development, but as is discussed elsewhere, may still have a role in providing dock infrastructure, which would support employment uses elsewhere in the District.

6.37 The individual employment sites proformas are set out in Appendix 8.

**Employment Areas Assessments**

6.38 BE Group has reviewed a total of 44 Employment Areas across Stroud District. These include the 35 Employment Areas identified in policy EM3 of the Stroud District Local Plan (2005). It also includes 9 additional employment areas which although they are allocated in the Local Plan for non-employment uses, do provide some B1, B2, B8 accommodation.

6.39 Each area has been appraised and assessed through a combination of site visits, local intelligence, consultations with some owners and the views of those involved in the local property market. Proformas have been completed for each area and are accompanied by site plans. These are included at Appendix 9. Some key points to note about the proformas are:

- Area boundaries are based on Geographic Information Systems (GIS) plans provided by the Borough Council. Area sizes are also calculated from GIS
- In 'Area Reference' the local authority's planning policy descriptor is provided for the Employment Areas already designated in the Local Plan. The Additional Employment Areas are simply labelled 1-9
- The 'Name' contains the local authority's designated title for the area, including where necessary the main street and town
- A brief 'Description' is provided in the form of the consultancy team's comment on the area
- In a multi-occupier scheme, 'Occupier(s)' lists the major occupiers only

- 'Prominence' assesses the visibility of each area from adjacent main roads. Areas can have high, moderate or low prominence
- 'Current Use (Use Classes)' identifies whether buildings in the area are in office/light industrial (B1); general industrial (B2) and/or warehouse (B8) uses In some cases areas may also contain an element of retail (A1), food retail (A3-A5) or motor retail (Sui Generis)
- An indication is provided of the age of properties in each of four categories assessed in 'Buildings Age'. These are pre-1945; Post 1945; Post 1960; Modern (i.e. post 1990) and New
- 'Buildings Quality' is also broken down into three category assessments. 'Low' represents low quality design, externals, and condition. 'Good' equates to modern design, building condition, parking and external area provision. The remaining category is 'Moderate', covering properties that do not fit the other two headings
- In access constraints, any physical barriers to vehicle access (particularly HGV access) are discussed
- The distance from the area to the strategic road network (including the M5), the nearest rail station (in some cases the nearest station is Gloucester), nearest bus route and nearest services (local shops, hotels and cafes/pubs/restaurants) is measured
- The quality of car parking within the area is measured. To get a 'good' rating each individual property must have its own off-street parking
- 'Constraints' can be physical, environmental or planning based and will lower the quality of the area and/or limit existing or proposed business operation
- 'Critical Mass' indicates whether the area has sufficient supply of existing premises, and occupiers, to encourage further businesses to locate within the area and (potentially) encourage further expansion
- Vacant land is identified, as is the scope for remodelling of particular properties or sites. Expansion possibilities are also included. All of these are identified, for simplicity, as 'Opportunities for redevelopment/expansion'
- Finally, recommendations for the future role of the area are set out.

6.40 The template for the employment areas' proforma is included at Table 28.

**Table 28 – Employment Area Proforma Template**

| Map | |
|---|---|
| Area Reference | |
| Name | |
| Description | |
| Occupier(s) | |
| Prominence | |
| Current Use (Use Classes) | |
| Size, ha | |
| Building Age | |
| Building Quality | |
| Access Constraints | |
| Distance to M5 Motorway, km | |
| Distance to A-road, km | |
| Distance to Rail Station, km | |
| Distance to Existing Bus Route, km | |
| Distance to Services, km | |
| Car Parking | |
| Constraints | |
| Critical Mass | |
| Opportunities for redevelopment/ expansion | |
| Other Information | |
| Recommendations | |

*Source: BE Group 2012*

6.41 Table 29 provides the assessment of the 44 official and unofficial Employment Areas in Stroud District. Together they indicate that some 362.12 ha of land is in employment use across the District. 16.7 percent of this is associated with Stroudwater Industrial Estate, Stonehouse, and a further 16.4 percent is located at Sharpness Docks. The 35 allocated Employment Areas total 267.07 ha. A further 95.05 ha is associated with the nine additional employment areas identified during this study.

**Table 29 –Summary of Existing Employment Areas**

| Area | Description (Use Classes) | Size, ha | Remaining Area to be Developed, ha (Employment Sites) | Opportunities for Redevelopment/expansion | Recommendations |
|---|---|---|---|---|---|
| EM3, Site EK1: Chalford Industrial Estate, Chalford | Established, moderate quality industrial estate comprising a range of older stone built properties, a sub-divided mill and areas of open storage, bounded by the River Frome and Thames/Severn Canal<br>(B1(c), B2, B8) | 3.62 | 0.00 | Most land and property appears to be in use. While the refurbishment of some properties may be possible, options for redevelopment will be constrained by the historic nature of many of the buildings (protected though Conservation Area, and possibly, Listed Building status). | **Retain** as local employment area for B1/B2/B8 uses. |
| EM3, Site EK2: Meadow Mill Industrial Estate (Eastington Trading Estate), Eastington | Small rural industrial estate, comprising a mix of mostly budget quality industrial premises, fronted by greenfield expansion land.<br>(B1(c), B2, B8) | 1.90 | 2.20 | The ARC Energy building provides future opportunities for refurbishment should it no longer meet the needs of the occupier. Elsewhere land and property appears in reasonable condition and well occupied. Further growth (beyond Site EA2) is constrained by surrounding areas of ecological value. | **Retain** as local employment area for B1/B2/B8 uses |
| EM3, Site EK3:<br>Stroudwater/ Oldends Lane Industrial Area (Stroudwater Industrial Estate), Stonehouse | Good quality greenfield business park, on a main road location close to Junction 13, M5<br>(B1(a, c), B2, B8) | 60.53 | 10.40 | There are also options to link future development here to a strategic urban extension proposal. These are discussed further in Sections 6.0 and 12.0. | **Retain** as sub-regional employment area for B1/B8 and associated services. **Protect** (existing and proposed) greenfield expansion sites (working with Gloucestershire County Council to overcome the |

| Area | Description (Use Classes) | Size, ha | Remaining Area to be Developed, ha (Employment Sites) | Opportunities for Redevelopment/expansion | Recommendations |
|---|---|---|---|---|---|
| | | | | | identified development constraints) to ensure the future growth of this key employment area. |
| EM3, Site EK4: Bonds Mill Industrial Estate, Bristol Road, Stonehouse | Sub-divided, dense former mill complex providing a range of good quality workspace on a canal side location. Also includes several larger industrial units close to the A419 Bristol Road frontage. (B1(a, c), B2, B8) | 3.32 | 0.00 | Most land and property appears to be in use, while refurbishment of much of the older mill premises has already taken place. | **Retain** as local employment area for B1/B2/B8 uses. |
| EM3, Site EK5: Upper Mills Industrial Estate, Bristol Road, Stonehouse | Small, linear industrial estate in an edge of settlement location. (B1(c)/B2/B8) | 2.47 | 0.00 | Dense industrial estate with all land and premises in use. The units are modern, providing no opportunities for refurbishment. Further growth of the area is prevented by surrounding uses, including land of ecological value to the south. | **Retain** as local employment area for B1/B2/B8 uses. |
| EM3, Site EK6: Ryeford Industrial Area, Stonehouse | Budget quality industrial estate, accessed by unsurfaced roads and dominated by trade uses. (B1(c), B2, B8, D1) | 5.70 | 0.00 | Dense industrial estate with all land and premises in use north of the bypass land and premises south of the bypass provide future opportunities for refurbishment. Further growth of the area is prevented by surrounding uses, including land of ecological value. | **Retain** as local employment area for B1/B2/B8 uses/ motor retail uses. Any future proposals for regeneration should look to improve access and circulation. |

| Area | Description (Use Classes) | Size, ha | Remaining Area to be Developed, ha (Employment Sites) | Opportunities for Redevelopment/expansion | Recommendations |
|---|---|---|---|---|---|
| EM3, Site EK7:<br>Dudbridge Industrial Area, Cainscross, Stroud | Low quality mill complex, including several derelict/demolished properties<br>(B1(a, c)/B2/B8) | 4.90 | 0.00 | Most property in the north and east of the area has now been demolished, while property in the south and west appears poorly occupied. Dudbridge Industrial Area therefore represents a significant redevelopment opportunity in Stroud Town | Area is available as a **redevelopment/ remodelling** opportunity close to Stroud Town, capable of providing space for both employment and non-employment uses |
| EM3, Site EK8:<br>Daniels Industrial Estate, Bath Road, Rodborough, Stroud | Moderate quality industrial estate on a steeply sloping hillside location.<br>(B1(c)/B2/B8) | 3.34 | 0.00 | Area has been identified as a redevelopment opportunity, capable of providing some retail (foodstore) uses. However, at present most land and premises appears to be in use and the industrial estate continues to function. The steeply sloping nature of the area may also make redevelopment difficult.<br>Visual inspection and discussions with owners/managers suggest that the nearby Dudbridge Industrial Area (Site EK7) and Bath Road Industrial Estate (Site EK9) provide better redevelopment opportunities. | **Retain** as local employment area for B1/B2/B8 uses. However, should the industrial estate fall into long term vacancy/dereliction then it may provide an opportunity for **refurbishment/ redevelopment** to provide new employment and/or retail premises. |
| EM3, Site EK9:<br>Bath Road Industrial Estate, Rodborough, Stroud | Substantial employment area, including a listed mill complex, terraced industrial units and accommodation for a major occupier.<br>(B1(a, c)/B2/B8) | 6.40 | 0.00 | Area has been identified as a partial redevelopment opportunity, capable of providing some retail (foodstore) uses. The owner has marketed the area to the major foodstore operators, but received little interest (the | **Retain** the bulk of the land as a local employment area for B1/B2/B8 uses. Any vacant/poorly used land should be |

| Area | Description (Use Classes) | Size, ha | Remaining Area to be Developed, ha (Employment Sites) | Opportunities for Redevelopment/expansion | Recommendations |
|---|---|---|---|---|---|
| | | | | operators consider Stroud town to be at capacity). However, Aldi have now expressed an interested in purchasing 0.4 ha to deliver a 929 sqm foodstore. | considered for retail uses, reflecting the identified demand. |
| EM3, Site EK10: Fromeside Industrial Estate, Dr Newton's Way, Stroud | Small estate of moderate quality terraced industrial units, centrally located in Stroud town. (B1(c)/B2/B8) | 1.36 | 0.00 | Successful industrial estate with all land and premises in use. Further growth of the area is prevented by surrounding uses, including canal to the north. | **Retain** as local employment area for B1/B2/B8 uses. |
| EM3, Site EK11: Salmon Springs Industrial Estate, Painswick Road, Stroud | Edge of settlement industrial estate comprising several mill properties on a main road location. (B1(c), B2, B8) | 2.07 | 0.00 | The historic mill properties may provide some opportunities for further refurbishment and sub-division of units. Further expansion of the area would not be possible without the loss of greenfield land (within the Cotswold AONB). | **Retain** as local employment area for B1/B2/B8 uses. Consider for retail uses, if appropriate. |
| EM3, Site EK12: Stafford Mills Industrial Estate, London Road, Stroud | Small, budget quality industrial estate dominated by motor trade occupiers. (B1(c)/B2/B8/ Sui Generis) | 1.71 | 0.00 | Low quality units within the estate may provide small scale opportunities for refurbishment and redevelopment. This includes buildings formally occupied by Crown Aluminium, which have recently been sold. Further expansion of the estate would require bridging of the River Frome to the west. | **Retain** as local employment area for B1/B2/B8 uses. Consider what **refurbishment/ redevelopment** opportunities may exist. |
| EM3, Site EK13: Griffin Mills Industrial Estate | Moderate quality industrial estate, comprising several sub-divided mill properties which house office, industrial, craft and retail firms. Also | 3.50 | 0.00 | Although there may be further opportunities to refurbish and remodel the mills, these buildings presently provide a useful function | **Retain** as a local employment area for B1/B2/B8 and associated craft/retail |

| Area | Description (Use Classes) | Size, ha | Remaining Area to be Developed, ha (Employment Sites) | Opportunities for Redevelopment/expansion | Recommendations |
|---|---|---|---|---|---|
| North, London Road, Thrupp | accommodation for a large occupier.<br>(A1/B1(a, c)/B2/B8) | | | accommodating new/micro workshop, office and craft/retail businesses. More significant redevelopment would require major alteration to listed buildings. At present, there is no evidence of any demand for such a project | uses. |
| EM3, Site EK14:<br>Griffin Mills Industrial Estate South (Phoenix Industrial Estate), London Road, Thrupp | Estate of moderate quality terraced industrial units, with some lower quality accommodation in the north. (B1(a, c)/B2/B8) | 7.26 | 0.60 | Area includes employment Site EA12: *'Land adj. Ham Mills, A419 London Road*, Thrupp'. This land, combined with the low quality industrial units to the north (which are under common ownership) represent a significant redevelopment opportunity. | **Retain** as local employment area for B1/B2/B8 uses. Permit **refurbishment/ redevelopment** if it is deemed necessary to improve the quality of the area and better meet modern occupier needs. |
| EM3, Site EK15:<br>Hope Mills Industrial Estate, London Road, Thrupp | Established, moderate quality industrial estate, partly in a backland location.<br>(B1(c)/B2/B8) | 4.83 | 0.00 | Individual units may provide some opportunities for refurbishment. There is a small area of cleared brownfield land, close to the southern entrance to the estate, which could provide additional development land, if required. Expansion of the estate elsewhere in constrained by surrounding uses. | **Retain** as local employment area for B1/B2/B8 uses. |
| EM3, Site EK16:<br>Brimscombe Port Industrial Area, | Historic mill complex, sub-divided to provide small office and workshop accommodation. | 4.20 | 0.00 | Brimscombe Port has outline planning permission for a mixed-use redevelopment scheme which would | Continue to pursue the existing mixed-use scheme, amending if |

| Area | Description (Use Classes) | Size, ha | Remaining Area to be Developed, ha (Employment Sites) | Opportunities for Redevelopment/expansion | Recommendations |
|---|---|---|---|---|---|
| London Road, Thrupp) | (B1(a, c)/B2/B8) | | | provide some 1,486 sqm of business space (plus the retention of Port Mill for offices), 1,412 sqm of ground floor retail/commercial space, 234 dwellings and Live/Work units and potentially a 50 bed hotel. However, a tendering process, undertaken in early 2012, did not produce any suitable bids from developers. The project is presently on hold pending an improving economic climate. | necessary to reflect changing market conditions. |
| EM3, Site EK17: South Woodchester Industrial Area, Bath Road, Woodchester | Substantial modern industrial complex, on a main road, edge of settlement location. (B1(a, c)/B2/B8) | 3.18 | 0.00 | The large factory, fronting the A46, has recently been sold. There are areas of cleared brownfield land within the curtilage of the facility, which could allow its expansion, should this be required by the new owners. Further expansion of the area would not be possible without encroaching into surrounding greenfield land (which includes areas of nature conservation value and land within the Cotswold AONB). | **Retain** as local employment area for B1/B2/B8 uses. The largest factory in the area has recently been sold to an unknown party. The Council should engage with this purchaser to determine if they have any investment plans for the facility. |
| EM3, Site EK18: Frogmarsh Mill Industrial Estate, Bath Road, Woodchester | Small, sub-divided mill complex with modern extensions to the rear (A1/B1(c)/B2) | 1.14 | 0.00 | The primary occupier (Bottle Green) has gradually expanded its operation over the past 10 years, taking up most of the available land and buildings (land fronting the A46 is wooded, sloping and inaccessible). The | **Retain** as site for key local employer (B1/B2/B8 uses). In the longer term, assist the relocation of that occupier (if required) |

| Area | Description (Use Classes) | Size, ha | Remaining Area to be Developed, ha (Employment Sites) | Opportunities for Redevelopment/expansion | Recommendations |
|---|---|---|---|---|---|
| | | | | company estimates that in another 5-10 years it will have outgrown this area and will have to move some, or all, of its operations elsewhere in the District. Further expansion of the area is constrained by surrounding uses. | and review the future of the area. |
| EM3, Site EK19: Inchbrook Industrial Estate, Bath Road, Nailsworth | Substantial, linear employment area comprising modern facilities for a major local employer, sub-divided mill complexes and several budget quality metal-framed units. (B1(c)/B2/B8) | 8.64 | 0.00 | Dense employment area, all land and property is in use. Further expansion of the area is prevented by adjoining uses and the sloping topography of the surrounding valley. Some of the mill properties may provide future opportunities for refurbishment. | **Retain** as key local employment area for B1/B2/B8 uses and as site for major local employer |
| EM3, Site EK20; Nailsworth Mill Industrial Estate, Avening Road, Nailsworth | Good quality, established industrial estate, comprising stone built units in a valley bottom location. (B1(a, c)/B2/B8) | 3.31 | 0.00 | Dense, modern industrial estate. All land and property is in use. Further expansion of the area is prevented by adjoining uses and the sloping topography of the surrounding valley. | **Retain** as local employment area for B1/B2/B8 uses |
| EM3, Site EK21: Spring Mill Industrial Estate, Avening Road, Nailsworth | Good quality, established industrial estate, comprising stone built units in a valley bottom location. Includes a recent mill refurbishment (Holcombe Mill). (B1(a, c)/B2/B8) | 2.37 | 0.00 | Small, dense, modern industrial estate. All land and property is in use. Further expansion of the area is prevented by adjoining uses and the sloping topography of the surrounding valley. Refurbishment of the existing mill properties has already taken place. | **Retain** as local employment area for B1/B2/B8 uses |
| EM3, Site EK22: Frampton | Budget quality, canal side industrial estate in an edge of settlement | 2.89 | 0.00 | Tightly defined, dense industrial area presenting no opportunities for significant change. Further expansion | **Retain** as local employment area for |

| Area | Description (Use Classes) | Size, ha | Remaining Area to be Developed, ha (Employment Sites) | Opportunities for Redevelopment/expansion | Recommendations |
|---|---|---|---|---|---|
| Industrial Estate, Bridge Road, Frampton-on-Severn | location.<br>(B1(a, c)/B2/B8) | | | is prevented by the surrounding canal and housing. | B1/B2/B8 uses |
| EM3, Site EK23:<br>Draycott/Middle Mill Industrial Area, High Street, Cam/Dursley | Modern industrial estate, with accommodation for several large employers and expansion land in the south and east.<br>(B1(c), B2, B8, Sui Generis) | 8.43 | 11.60 | Existing estate comprises a range of reasonable quality, modern industrial units which provide no refurbishment/redevelopment opportunities. 11.60 ha of expansion land exists within, and to the west of the area. | **Retain** as key local employment area for B1/B2/B8 uses and as site for major local employer. **Protect** the identified expansion land, to be brought forward when possible. |
| EM3, Site EK24:<br>Cam Mills, Everlands, Cam/Dursley | Mill complex, plus modern extensions, occupied by a large local employer (WSP Textiles).<br>(B2) | 2.25 | 0.00 | Some undeveloped land in the east of the site (presently used for landscaping) which could permit the expansion of WSP, if required. All other land in use. Further expansion of the area is prevented by surrounding housing and recreation land. | **Retain** as site for key local employer. |
| EM3, Site EK27:<br>Tabernacle Road, Wotton-under-Edge | Small backland industrial estate, dominated by motor trade occupiers.<br>(B1(c), Sui Generis) | 0.52 | 0.00 | Dense area of reasonable quality industrial units, surrounded by housing. No refurbishment, redevelopment or expansion opportunities. | **Retain** as local employment area for B1(c)/Sui Generis uses |
| EM3, Site EK28:<br>Renishaw, Old Town, Wotton- | Single site facility for a major employer, centrally located in Wotton village. | 0.57 | 0.00 | Further expansion is constrained by surrounding uses. | **Retain** as site for key local employer. |

| Area | Description (Use Classes) | Size, ha | Remaining Area to be Developed, ha (Employment Sites) | Opportunities for Redevelopment/expansion | Recommendations |
|---|---|---|---|---|---|
| under-Edge | B1(a), B2 | | | | |
| EM3, Site EK29: (Former) Berkshire Gravure, Brookside, Wotton-under-Edge | Linear, backland industrial area in a sloping residential location<br>(B1(c)) | 0.87 | 0.00 | Buildings vacant. The area therefore represents a refurbishment/redevelopment opportunity, although the backland nature of the site is likely to limit both developer/occupier interest and practical options for change. Further expansion is constrained by surrounding uses. | Consider what **refurbishment/ redevelopment** opportunities may exist. |
| EM3, Site EK30: Abbey Mill Industrial Estate, Charfield Road, Kingswood | Small, moderate quality, edge of settlement industrial estate.<br>(B1(c), B2, B8) | 2.33 | 0.30 | Includes employment Site EA7: *'Land off Charfield Road, Kingswood'* which is now developed. Further expansion of the industrial estate would not be possible without the loss of some greenfield agricultural land. Would also require development outside of the present Kingswood settlement boundary. | **Retain** as local employment area for B1/B2/B8 uses. |
| EM3, Site EK31: Renishaw, New Mills, Kingswood | Substantial, modern headquarters office/manufacturing facility for a major employer.<br>(B1(a), B2) | 8.91 | 0.00 | Some undeveloped expansion land has planning permission to meet the future needs of Renishaw (presently used as landscaping). Further growth of the area would not be possible without the loss of surrounding greenfield agricultural land. | **Retain** as site for key local employer. |
| EM3, Site EK32: Sharpness Docks, | Dock complex and adjacent secure distribution park | 59.29 | 19.40 | There are extensive areas of brownfield land across the docks, which could provide | **Retain** as a sub regional port and logistics/distribution |

| Area | Description (Use Classes) | Size, ha | Remaining Area to be Developed, ha (Employment Sites) | Opportunities for Redevelopment/expansion | Recommendations |
|---|---|---|---|---|---|
| Sharpness | (B1(c), B2, B8) | | | redevelopment/development opportunities. This includes 19.40 ha of allocated employment land (four sites, discussed further in Section 6.0). However, much of this redevelopment/expansion land is inaccessible, located within the secure dock estate, in use or constrained by site conditions (trees on site, former dock infrastructure on site, possible contamination).<br><br>Discussions with stakeholders suggest that there is demand for industrial and logistics premises at Sharpness. However, that demand is focused at Severn Distribution Park (which has unused expansion land) rather than at the dock itself. Stakeholders feel that if the four allocated sites are ever brought forward it is likely to be for port related infrastructure rather than traditional B1/B2/B8 employment. | centre. Where possible, support the **growth** of Severn Distribution Park. |
| EM3, Site EK33: Rigestate, Station Road, Berkeley | Small industrial estate in an isolated rural location.<br>(B1(a, c), B2, B8) | 0.96 | 0.00 | Small, dense industrial estate, bounded by railway line to the north. No redevelopment/ expansion options. | **Retain** as local employment area for B1/B2/B8 uses |
| EM3, Site EK34: | High quality, modern logistics park on | 12.70 | 0.00 | 3.2 ha of unconstrained, brownfield | **Retain** as sub- |

| Area | Description (Use Classes) | Size, ha | Remaining Area to be Developed, ha (Employment Sites) | Opportunities for Redevelopment/expansion | Recommendations |
|---|---|---|---|---|---|
| Former MoD Site 4 (Quedgeley West Business Park), Quedgeley | a main road location, close to Junction 12, M5.<br>(B2, B8) | | | expansion land remains available. This could provide some12,077 sqm of additional B2, B8 accommodation. This land is on the market to provide design and build options of 929-9290 sqm. Additional expansion land is available in the north east, comprising the remains of a number of former MoD buildings. | regional employment area for B2/B8 uses. **Permit** the take-up of the existing expansion land, as required. |
| EM3, Site EK35: Former MoD Site 2 (Gateway 12), Quedgeley | Modern, low density business park, including substantial greenfield development land.<br>(B1(c), B2, B8) | 15.44 | 0.00 | Most of the area has yet to be developed. Undeveloped land includes the adjacent employment site MU1: '*Hunts Gove, Colethrop Farm, Hardwicke*'. This land is on the market for design and build options of 465 sqm, or more. Although the site configuration prevents the development of larger B8 warehouses, adjustments to the site boundary, with the undeveloped land to the south, may be possible to accommodate the needs of a larger employer. | **Retain** as sub-regional employment area for B1/B2/B8 uses. **Permit** the take-up of the existing expansion land, as required. |
| EM3, Site EK36: Former MoD Site 6 (Quedgeley East Business Park), Quedgeley | Low quality former MoD complex, in a rural location close to Junction 12, M5<br>(B1(c), B2, B8) | 9.63 | 0.00 | The owner has an option on 13.6 ha farmland between the motorway and the existing estate. Although not presently allocated for employment uses, this land could be combined with the redevelopment of Quedgeley East Business Park, to deliver a | In the short/medium term **retain** as sub-regional employment area for B1/B2/B8 uses. In the long term this location should be considered as an **area** |

| Area | Description (Use Classes) | Size, ha | Remaining Area to be Developed, ha (Employment Sites) | Opportunities for Redevelopment/expansion | Recommendations |
|---|---|---|---|---|---|
| | | | | substantial new employment area in Stroud District. The owner will continue to promote this option through the planning process. | **of search for additional employment land** when required. |
| EM3, Site EK37:<br>Lodgemore/ Fromehall Mills, Stroud | Linear, canal side industrial estate, including historic mill complexes, close to Stroud Town Centre.<br>(B1(c), B2, B8) | 6.53 | 0.00 | Although individual mill properties may provide some opportunities for refurbishment, the area as a whole appears well occupied and most land/property is in use. There is an area of undeveloped canal side land, between the Chestnut Lane and Lodgemore Lane canal bridges. This could be used to deliver further employment premises, possibly linked to the ongoing improvement works along the Thames Severn Canal. However, at the time of writing, there is no evidence that this backland site would be desirable to developers or occupiers. | **Retain** as local employment area for B1/B2/B8 uses. |
| Additional Employment Area 1: Aston Down, Minchinhampton | Former airfield properties, converted to provide budget quality employment premises in a rural area<br>(B1(a, c), B2, B8) | 32.93 | 0.00 | Some 7,757 sqm of industrial and office accommodation is available. The owner has identified several growth options which they wish to pursue. These include the use of compound areas totalling 2.2 ha (a planning application to bring these into employment use failed at appeal in 2009). Also the development of further employment uses on the outer | Significant rural employment area. The area is sufficiently established to warrant **adoption** as an allocated employment area. The boundary of any allocation should be tightly defined to protect surrounding |

| Area | Description (Use Classes) | Size, ha | Remaining Area to be Developed, ha (Employment Sites) | Opportunities for Redevelopment/expansion | Recommendations |
|---|---|---|---|---|---|
| | | | | areas of the site (linked to housing proposals) and potentially the redevelopment of some hangar space to provide a mixed use (residential and employment) scheme. | countryside, while still allowing the ongoing growth and modernisation of the area. |
| Additional Employment Area 2: Wimberley Mills, London Road, Thrupp | Budget quality industrial and mill complex, located north and south of the River Frome<br>(B1(c), B2, B8) | 6.46 | 0.00 | Estate appears fully developed, with most property in use. Further expansion would not be possible without the loss of greenfield land, within the Cotswold AONB. | Wimberley Mills appears to be an active mill complex, little different from other adopted employment areas along London Road. Stroud District Council should **adopt** it as an allocated B1(c)/B2/B8 employment area. |
| Additional Employment Area 3: Javelin Park, Gloucester Road, Quedgeley | Cleared industrial site with permission for new warehousing and distribution use, adjacent to garden centre, off Junction 12, M5 | 11.23 | 0.00 | Gloucestershire County Council purchased part of this site two years ago and now proposes the development of a waste incinerator (energy from waste) plant. Planning permission is being pursued, with the aim to build the incinerator by 2014/15. | If the waste incinerator proposal does not go ahead then this would make a valuable **employment allocation**, providing the opportunity to deliver further B1, B2, B8 uses close to Junction 12, M5. |
| Additional Employment Area 4: New Mills/Libbys | Small, budget quality industrial and mill complex, to the rear of housing.<br>(B1(c), B2, B8) | 1.58 | 0.00 | The majority of the estate, including 704 sqm of partly occupied workshops and a 0.06 ha site is on the market, | Small industrial estate which, while partly on the market as an |

| Area | Description (Use Classes) | Size, ha | Remaining Area to be Developed, ha (Employment Sites) | Opportunities for Redevelopment/expansion | Recommendations |
|---|---|---|---|---|---|
| Drive Site, Stroud | | | | for sale, as an investment or development opportunities (asking price is £482.93/sqm). Possible redevelopment options include housing. The site had a previous full planning permission, now lapsed, for 3-4 townhouses. Further expansion of the area is prevented by adjacent uses and the sloping topography of the surrounding valley. | investment/development opportunity, still houses a number of local firms. Stroud District Council should **adopt** the area as an allocated B1(c), B2, B8 employment area. |
| Additional Employment Area 5: Coaley Junction Industrial Estate, Draycott, Cam/Dursley | Rural open storage yard (former rail yard), in an edge of settlement location off a main road.<br>(B8) | 0.95 | 0.00 | The bulk of the area comprises cleared land, some of which is in use for open storage. Thus apart from the railway engine shed, the whole area can be said to represent a rural, brownfield development opportunity | Should the land become vacant then it should be considered as a **brownfield development site** which could support a range of uses including B1, B2, B8 employment or, if required, non-employment uses. |
| Additional Employment Area 6: Berkeley Power Station, Berkeley | A decommissioned nuclear power station (which remains licensed and not available for development) along with delicensed office/lad accommodation (The Berkeley Centre), in a rural location by the River Severn<br>(B1(a, b, c), B8) | 31.89 | 0.00 | Office, industrial and lab space within the Power Station will now be offered as a business park (The Berkeley Centre) for a range of occupiers, including those associated with the nuclear, environmental sciences and high tech sectors. The present owners/occupiers feel that the area will come to house a cluster of nuclear | The area which forms the Berkeley Centre should be **adopted** as a employment area for B1(a, b, c),B8 employment uses in the development plan. |

| Area | Description (Use Classes) | Size, ha | Remaining Area to be Developed, ha (Employment Sites) | Opportunities for Redevelopment/expansion | Recommendations |
|---|---|---|---|---|---|
| | | | | businesses, supporting future development proposals at Oldbury. | |
| Additional Employment Area 7: Bonds Mill (Stonehouse Park), Bristol Road, Stonehouse | High quality, modern office park combined with greenfield expansion land, at a canal side location.<br>(B1(a)) | 5.04 | 0.00 | 2.4 ha remains undeveloped. This includes options for a Phase 4 of Stonehouse Office Park (1,858 sqm) which is likely to be delivered (at least in part) speculatively in the short term. Elsewhere the owner would also wish to develop a pub/restaurant. An application for such a use was refused three years ago. | Stonehouse Park is an important employment area in Stroud District as it the only source of modern, self-contained office properties in the local authority area. The Park should therefore be **adopted** as a B1(a) employment area.<br>Future proposals that would allow the delivery of more such good quality office space should be encouraged.<br>Proposals to deliver ancillary uses, such as a pub-restaurant, which are likely to improve the attractiveness of Stonehouse Park should also be encouraged, providing any planning/highways constraints can be |

| Area | Description (Use Classes) | Size, ha | Remaining Area to be Developed, ha (Employment Sites) | Opportunities for Redevelopment/expansion | Recommendations |
|---|---|---|---|---|---|
| | | | | | overcome. |
| Additional Employment Area 8: Upper Mills, Stonehouse | Two small, moderate quality industrial areas on edge of settlement locations, south of Stonehouse.<br>(B1(c)/B2/B8) | 1.77 | 0.00 | Dense, linear industrial estate with all land and premises in use. Further growth of the area is prevented by surrounding uses, including land of ecological value to the south. | Small industrial estates which house a number of local firms and one large occupier. Stroud District Council should **adopt** the area as an allocated B1(c), B2, B8 employment area. |
| Additional Employment Area 9: Land at Lister Petter, Dursley | Edge of settlement site, in the process of being redeveloped for a mix of uses. Vale Community Hospital and industrial units are presently in place.<br>(B1(c)/D1) | 3.20 | 1.70 | The remaining employment land will be taken up by the relocation of Lister Shearer. Further growth of the area is prevented by surrounding uses. | Emerging employment area which will include accommodation for a major local employer. Stroud District Council should **adopt** the area as an allocated B1(c), B2, B8 employment area. |
| **Total** | | **362.12** | **46.20** | | |

*Source: BE Group 2012*

6.42 12.7 percent of the 362.12 ha comprises remaining undeveloped land within allocated Employment Areas. This is mainly located at Sharpness Docks, Stonehouse and Cam/Dursley.

6.43 The research has identified 9 additional employment areas across the District. Some of these are substantial and half are in rural locations, and with the exception of Javelin Park, Haresfield are in active use (to varying degrees) as employment facilities, and (with the below exceptions) it is recommended that they be adopted as employment areas in the Local Plan. Adoption would allow future growth and change in these sites to be better managed and controlled. Setting a tight boundary to the allocations would also ensure that surrounding countryside and housing is protected.

6.44 As a consequence a number of redevelopment opportunities have been identified from both the existing and additional employment areas, namely:

- Dudbridge Industrial Area – partial/total redevelopment opportunity of up to 4.9 ha
- Brimscombe Port Industrial Area – mixed use redevelopment/refurbishment proposals for whole area (4.2 ha)
- Sharpness Docks – unused development land and further expansion options at Severn Distribution Park
- Former MoD Site 4 (Quedgeley West Business Park) – 3.2 ha of brownfield expansion land currently on the market for design and build opportunities
- Former MoD Site 6 (Quedgeley East Business Park) – owner holds options on adjoining 13.6 ha which could be combined with the redevelopment of Quedgeley East (9.63 ha) to deliver a substantial new business park
- Aston Down – several expansion options identified, including the use of compound areas totalling 2.20 ha
- Javelin Park – if the waste incinerator is not developed, the whole site could deliver 11.23 ha of employment land
- Coaley Junction Industrial Estate – open storage site which could provide future development opportunity of 0.95 ha
- Stonehouse Park – 2.4 ha remains undeveloped, which includes potential Phase 4 of the office park.

6.45 Exceptions to this may be Javelin Park and Coaley Junction Industrial Estate. Javelin Park is identified for a waste treatment incinerator facility. Coaley Junction, while presently in use for open storage may represent a brownfield development opportunity. Options for the future of this site could include either employment or non-employment uses.

**Summary**

6.46 Updating of the District Council's recorded employment land availability schedule, confirms that as at 31st March 2012 there were 24 sites totalling 57.91 ha. This represents sites allocated in accordance with Policy EM5, and unimplemented planning permissions. After adjustment to reflect a worst case scenario this land supply could reduce to 32.78 ha. This is a significant reduction from 2007, when 62.5 ha of employment land was deemed available.

6.47 The land supply is dominated by provision in the west of the District, especially at Sharpness and Cam/Dursley. There is also a reasonable supply of land at Stonehouse, although the 9 ha site 'North of Stroudwater Industrial Estate, Stonehouse' (Site EA9) is constrained and the owner is considering mixed use options to deliver greater development value.

6.48 There is very little land available in either Stroud town or the settlements of the Stroud Valleys. A number of rural settlements in the south and west of the District also lack employment sites, the most significant being Wotton-under-Edge and Frampton-upon-Severn.

6.49 The availability of the existing supply is not a major issue, as 59 percent of the land could be brought forward in the medium term (1-5 years). However there is almost no immediately available land. Also sites at Sharpness Dock may only come forward in the long term (5+ years) and possibly only for dock infrastructure, rather than general employment uses.

6.50 Site scoring shows that Stroud District does have a range of high quality employment sites, but that these are focused in Quedgeley, Cam/Dursley and Stonehouse. Only 3 percent of the available land is specifically suitable for office uses.

6.51 A review of Stroud District's 44 identified (formal and informal) employment areas shows that most of the office and industrial areas are fully developed. Only 12 percent of the total land is available for development, with most of this represented by three locations – Sharpness Docks; Stonehouse and Cam/Dursley. There are a number of potential redevelopment/regeneration opportunities, which might deliver additional land supply. However these are caveated in that most represent owner/developer aspirations.

# 7.0 NEIGHBOURING AREAS ANALYSIS

7.1 This section considers the property market in the local authority areas adjoining or adjacent to Stroud. Understanding the supply and demand of employment land and premises in neighbouring areas is important in assessing whether they have any impact on Stroud's land and property market. In reality many of the impacts may be limited, as companies tend to prefer to remain in their localities due to the desire to retain employees.

7.2 Furthermore through changes to the Planning and Compulsory Purchase Act 2004, introduced through the Localism Act 2011, and the direction of the National Planning Policy Framework, a local authority has a duty to cooperate with other local planning authorities relating to development plan document preparation and evidence base collation. Para 160, NPPF states local planning authorities should have a clear understanding of business needs within their local economic markets, by working with county and neighbouring authorities to prepare and maintain a robust evidence base about business needs and likely market changes.

7.3 Stroud is centrally located within Gloucestershire. To the north are Gloucester City Tewkesbury Borough and Cheltenham Borough Councils. Both the City and Tewkesbury share a border with Stroud. Tewkesbury Borough Council, with Gloucester and Cheltenham forms the Joint Core Strategy area. To the east and south Stroud has shared borders with Cotswold District and the unitary authority of South Gloucestershire District Council. Figures for the total property supply, set out in Table 30 are taken from 2008 Valuation Office data (the latest available), whilst local authority reports and a number of relevant background documents are used as appropriate.

**Table 30 – Property and Floorspace Distribution**

| Area | Floorspace, sqm (Number of Units) | | Total Floorspace, sqm (Number of Units) |
|---|---|---|---|
| | Factories/ Warehouses | Offices | |
| Cheltenham | 470,000 (793) | 358,000 (1,178) | 828,000 (1,971) |
| Cotswold District | 511,000 (1,167) | 112,000 (713) | 623,000 (1,880) |

| Area | Floorspace, sqm (Number of Units) | | Total Floorspace, sqm (Number of Units) |
|---|---|---|---|
| | Factories/ Warehouses | Offices | |
| Gloucester | 711,000 (944) | 319,000 (927) | 1,030,000 (1,871) |
| South Gloucestershire | 1,778,000 (1,820) | 439,000 (1,181) | 2,217,000 (3,001) |
| *Stroud District* | *897,000 (1,460)* | *99,000 (659)* | *996,000 (2,130)* |
| Tewkesbury | 918,000 (973) | 127,000 (527) | 1,045,000 (1,500) |

*Source: ONS Commercial and Industrial Floorspace 2008*

7.4 As Table 30 shows South Gloucestershire has by far the largest supply of floorspace in the area, due to its northern fringe of Bristol location, in close proximity to the M4/M5 motorway network.

7.5 Tewkesbury had the second largest supply, marginally more than Gloucester, although as illustrated the emphasis of the type of floorspace differs significantly between the two. For Tewkesbury the emphasis is a warehousing/manufacturing space whilst for Gloucester it is on offices.

7.6 Stroud District has a combined supply of 996,000 sqm in 2,130 units. The District's office supply is the least of any of the local authorities with only 99,000 sqm. This represents less than one quarter of South Gloucestershire's figures, and less than one third of those for Cheltenham and Gloucester. The average office premises size of 150 sqm is the least of any of the local authority areas, indicating that relative to its neighbours, Stroud District's premises supply comprises a high number of smaller properties.

7.7 Stroud has the third largest amount of factories and warehouses floorspace, being exceeded only by South Gloucestershire and Tewkesbury. However the total number of such properties in the District is exceeded only by South Gloucestershire (1,820 compared to 1,460 properties). As a result there is again an emphasis towards smaller properties, with the average figure of 614 sqm greater than only those of Cheltenham and Cotswold District.

**South Gloucestershire**

7.8 The South Gloucestershire Core Strategy was the subject of Public Examination during summer 2012. The Inspector's draft main modifications have been received and were subject to public consultation during October and November. The Inspector has advised that the Core Strategy is capable of being found sound subject to additional main modifications.

7.9 The Inspector has accepted the establishment through the Core Strategy of an employment land portfolio of 350 ha of land available for new employment development that is capable of supporting the West of England LEP's ambitions for South Gloucestershire up to 2031. This includes three of the five Enterprise Areas in the West of England. There is also acceptance of the locational strategy and commitment to a strong urban focus, with new major strategic development allocations located at the Bristol North Fringe including the future redevelopment of Filton Airfield, Yate and Thornbury.

7.10 The modifications include seeking to clarify the approach to interim safeguarded employment sites and to ensure consistency with the NPPF. As part of this Policy CS12 now specifically refers to safeguarding an area of around 50 ha of employment land through the redevelopment of Filton Airfield, in order to support, complement and enhance the existing cluster of aerospace excellence – and to provide for other employment needs as appropriate.

7.11 The evidence base for the Core Strategy included an Employment Land Review completed in June 2010, which appraised likely land needs over the period 2006 to 2026. The key conclusion was that the total supply exceeds likely demand, although this District-wide picture is distorted by the significant supply of vacant land at Severnside. Elsewhere in the District there is a more limited supply of vacant land and the aim is generally to protect existing sites to meet future employment needs.

7.12 Table 31 summarises the future sites portfolio by area. In all 1,362 ha of land within urban areas and villages are proposed for safeguarding, with a further 70 ha in Green Belt and rural areas covered by other forms of safeguarding policy. Some 35 ha were not proposed for safeguarding due to existing alternative use consents or allocations. Another 120 ha are to be the subject of future policy review.

**Table 31 – South Gloucestershire – Summary of Future Employment Sites Portfolio by Area**

| Area | Total Area (ha) | Safeguarded (ha) | Not Safeguarded (ha) | Specific Policy Review (ha) | Green Belt/ Rural Sites (ha) |
|---|---|---|---|---|---|
| Bristol North Fringe | 558.93 | 447.60 | 16.00 | 95.33 | - |
| Emersons Green | 80.70 | 80.70 | - | - | - |
| Kingswood | 74.21 | 64.16 | 6.75 | - | 3.30 |
| Severnside | 633.92 | 633.92 | - | - | - |
| Yate | 127.65 | 102.10 | - | 25.55 | - |
| Rural Total | 113.01 | 33.80 | 12.73 | - | 66.48 |
| **Total** | **1,588.47** | **1,362.23** | **35.48** | **120.93** | **69.78** |

*Source: South Gloucestershire Employment Land Review – June 2010*

7.13 At October 2012 the District Council's monitoring indicates there to be 498 ha of available employment land. Of this 407 ha is allocated for B class use, with the remainder being other commercial uses through new allocations and the re-use of existing land and buildings.

7.14 South Gloucestershire has a very diverse economy, which capitalises on its geography of the north fringe of Bristol, the M4/M5 motorways and Severnside. There is a high level of employment, especially in aerospace, nuclear and financial services sectors.

7.15 As referred to above there are three strategic employment sites being promoted as Enterprise Areas. These are:

- Severnside Avonmouth – the largest developable industrial area in Europe, spanning two local authorities. Extends to 600 ha and is targeted for logistics, warehousing, waste recycling.
- Filton – 48 ha originally safeguarded for advanced engineering and aerospace. Following BAE's announced closure of the airfield a further 50 ha is also to be safeguarded.
- Emersons Green – includes Bristol Bio-Science Park, and extends to 40-50 ha. Aimed at science and innovation building on the presence of the National Composites Centre.

7.16 It is understood the respective target sectors for the Enterprise Areas are aspirational, not mandatory. They will not therefore be set in policy. However under the now approved Bristol and West of England City Deal the local authorities will retain 100 percent of business rates growth in the Enterprise Areas for the next 25 years. This is expected to generate significant funding towards a £1 billion West of England Development Fund that will unlock and accelerate economic growth in the area.

**Cotswold**

7.17 The District Council will be consulting on the draft Local Plan: Core Strategy early in 2013. As part of the evidence base a Cotswold Economy Study, which included an employment land review has been commissioned. The study was completed in October 2012.

7.18 Cotswold District Council is still preparing its Local Plan Core Strategy, and has not yet commenced the Site Allocations Development Plan Document stage. The expectation is that the Pre-Submission Core Strategy will not be produced until at least Spring 2013.

7.19 As part of the Core Strategy evidence base a Cotswold Economy Study, which also addressed employment land provision, has been produced, and was published in October. The Economy Study highlights the local economy's reliance on micro-businesses, with around 89 percent of the District's businesses made up of such businesses. Large employers include St James' Place; Mitsubishi and the Campden BRI food technology research laboratories. Around 40 percent of jobs within the District are associated with B Class uses, with half of these attributable to office type premises. The remainder of the B class use jobs are roughly equally divided between industrial and warehouse properties.

7.20 Employment forecasts produced by Gloucestershire County Council were used for the demand forecast process. These were extrapolated from 2006-2026 to 2031, using the trend for the period 2016-2026. These suggest a net growth between 2011 and 2031 of 6,220 jobs, translated to an overall requirement for 162,000 sqm of new employment floorspace. The study equates this to 15.28 ha of employment land.

7.21 The study identifies the most suitable spatial option for the future distribution of employment being one that reaffirms Cirencester as the primary employment settlement, whilst allowing a suitable level of growth at other key settlements to enable greater opportunities to live and work locally. The strategy also allows for rural business growth by continuing to provide more small rural business units.

7.22 Table 32 indicates the breakdown of land and floorspace additional need by locational split within the District. Existing committed gains and losses have been taken into account in arriving at the 'Indicative Floorspace Requirements' floorspace figure.

**Table 32 – Cotswold District – Future Employment Requirement 2011-2031**

| Location (% split) | Overall Land Requirement (ha) | Overall Floorspace Requirement (sqm) | Indicative Floorspace Requirement (sqm) |
|---|---|---|---|
| Cirencester Area (60%) | 9.16 | 97,207 | 45,774 |
| Tetbury Area (11%) | 1.68 | 17,821 | 10,459 |
| Moreton-in-March Area (8%) | 1.22 | 12,961 | 9,813 |
| Bourton-on-the-Water Area (11%) | 1.68 | 17,821 | 22,048 |
| Other Areas (10%) | 1.53 | 16,201 | 7,628 |
| **Total** | **15.28** | **162,012** | **95,723** |

*Source: Cotswold Economy Study: October 2012*

7.23 The study identifies a shortfall in meeting future requirements and recommends the District Council plans to provide for the gross land requirements without taking into consideration existing commitments, in order to:

- Provide flexibility and ensure variation in development schemes density does not constrain employment supply
- Ensure market choice
- Address the potential non-implementation of existing commitments.

7.24 New Local Plan allocations are suggested for employment sites at Tetbury Industrial Estate and south west Cirencester (both in conjunction with potential urban extensions) and Bourton Business Park, Bourton-on-the-Water.

7.25 The District Council is aware of the proposals for development at Aston Down, which straddles the border with Stroud, and accepts the principle of this being a sustainable development of new housing with employment.

7.26 The Council is experiencing pressure on some of its employment sites, especially for care home developments, due to the changed definition of ‘employment’ reflected in the NPPF. This is of concern because of the subsequent impact on the surrounding remaining employment.

**Cheltenham, Gloucester and Tewkesbury**

7.27 The three local authorities of Cheltenham, Gloucester and Tewkesbury are preparing a Joint Core Strategy (JCS). The expectation is that a preferred option will be established and consulted on by summer 2013, to show how the JCS area will develop during the period to 2031.

7.28 The Councils have agreed that the objectively assessed need for the JCS area should be based upon local job projections and the alignment of housing and employment provision. Further work is being undertaken to understand the level of economic growth assumed in the produced population growth figure of 44,700 and the separate projections prepared by Cambridge Econometrics and Experian. The authorities are working with Gloucestershire LEP to establish the level of economic growth for the JCS area and the potential implications that this may have on new housing numbers required. This will be geared to the LEP’s county-wide economic strategy, which is expected to be published early in 2013.

7.29 At present the Cambridge Econometrics and Experian economic forecasts suggest housing provision, ranging from 32,500 to 43,220 dwellings to align proposed job growth and housing numbers for the period 2011 to 2031. Cambridge forecast the creation of 27,000 new jobs, whilst Experian consider the figure would be 15,500.

7.30 As part of the JCS evidence base an Employment Land Review has been carried out, which updated the findings of the three Council’s existing employment land information and provides detailed evidence on the need across the area to 2026. The review makes recommendations about the location of future employment land as well as the type of employment the JCS area should seek to attract and accommodate.

7.31 The Employment Land Review, although completed in March 2011 was based an analysis undertaken in Spring 2009. It addressed the period to 2026, rather than the JCS plan end date of 2031.

7.32 The review identified land requirements through to 2026 and set them against the existing supply. As Table 33 illustrates the implication of this is the need to identify and allocate additional employment land in Cheltenham and Tewkesbury. In contrast the figures suggest an existing over-supply in Gloucester, however it is noted the supply figure for Gloucester includes some non-B uses so it is not possible to understand the scale of need purely for B Class uses.

**Table 33 – JCS Area Employment Land Requirements**

| | Requirement (ha) | Total (ha) | Net Requirement (ha) |
|---|---|---|---|
| Cheltenham | 23.2 | 8.35 | 14.85 |
| Gloucester | 34.6 | 192.50 | -157.90 |
| Tewkesbury | 23.6 | 9.20 | 14.40 |

*Source: Cheltenham, Tewkesbury & Gloucester Joint Core Strategy Employment Land Review, March 2011*

7.33 A subsequent review of 50 business parks in the JCS area was carried out to assess their fitness for purpose and role within the future of Gloucestershire's economy. The assessment concluded that all of the existing employment provision across the three local authority areas is considered fit for purpose. There is a good portfolio of sites, ranging in size, quality and use, with a number of high quality strategic and smaller sites that have both the capacity and necessary attributes to attract new employers in accordance with the policy aspirations of the Gloucestershire Integrated Economic Strategy (2009-2015).

7.34 Discussion with the JCS team planners has established that the outcome of the Gloucestershire LEP's county-wide economic strategy is awaited. This is now expected in February 2013. This will then influence the JCS Preferred Option. However it is anticipated there will be a collective need for 40-50 ha of additional employment land during the plan period to 2031. This will largely be delivered through Sustainable Urban Extensions. Whilst still only options, the SUEs are likely to be:

- North of Gloucester (former MoD site at Innsworth)

- North west of Cheltenham (Uckington)
- East of Gloucester (Brockworth)
- East of Tewkesbury (former MoD site at Ashchurch)

7.35 Gloucester City Council recognises that one of Stroud's key employment generating locations is Quedgeley, which immediately adjoins the City Council's boundary. This is acknowledged as capitalising on Junction 12, M5 and being a southern gateway to the city. However the Council considers this area has seen as much development as it would want, although it is accepted in principle that the last unallocated part of Hunts Grove be included to round off development.

7.36 Future development will be promoted to the north of Gloucester as sites there are considered to be better connected to the city centre.

**Gloucestershire County Council**

7.37 The County Council's planning function now concentrates upon minerals and waste, with the Districts taking responsibility for other plan making. At a county-wide level the Council has commissioned an Infrastructure Investment Study, due for completion in early 2013, which is based on assumptions of where preferred development options might be agreed by the individual districts. This Investment Study will feed into Local Plans, the Joint Core Strategy and Community Infrastructure Levies.

7.38 Within Stroud the County Council has two significant landholdings that relate to employment land provision. The County Council has purchased the residue (6.5 ha) of Javelin Park, Junction 12, M5, with a view to accommodating an energy from waste plant. Planning will be pursued once the County Council adopts the Waste Core Strategy early in 2013.

7.39 The second landholding is Nastend Farm at Stonehouse, comprising 16.6 ha. Much of this is allocated for employment use as an extension to the Stonehouse employment area. However it also sits within a substantially larger area that has been masterplanned and promoted as a sustainable urban extension. More detailed reference to this is made elsewhere in the report.

**Summary**

7.40 Consultations have been undertaken with all the local authorities that have a physical land boundary with Stroud. Tewkesbury Borough has also been included as it is preparing a Joint Core Strategy along with Cheltenham and Gloucester. These consultations have contributed to the duty to cooperate with other local planning authorities and the preparation of a robust evidence base.

7.41 In comparison to these neighbouring authorities Stroud is well placed in terms of the number and total floorspace of factories and warehouses. It has the second largest number of premises (1,460 units) and the third highest amount of floorspace (897,000 sqm). This is not the case for offices, with Stroud having, at 99,000 sqm, the least amount of floorspace by some margin.

7.42 South Gloucestershire attracts a level of commuting from Stroud due to its motorway links and its economic gravitas as Bristol's northern fringe. There is a very high level of employment, especially in aerospace, nuclear and financial services, and the allocation of three Enterprise Areas (at Severnside, Filton and Emersons Green) is targeted at further growth associated with logistics, warehousing and waste recycling; advanced engineering, and science and innovation.

7.43 South Gloucestershire is self sufficient in terms of its employment land supply and will not need to look to any of its neighbours to meet any shortfalls. Indeed none of the local authorities consulted have suggested this might be necessary to address employment land provision issues.

7.44 Whilst South Gloucestershire's Core Strategy has been the subject of public examination, and the Inspector's draft main findings state it has been found to be sound, the other local authorities are not as advanced in their plan making progress. Employment Land Reviews commissioned by them have indicated a need for additional land allocations to accommodate forecast need to 2031.

7.45 Cotswold District has a need for 162,000 sqm of new employment floorspace, which it considers equates to 15.28 ha. 60 percent of this is proposed for Cirencester, with other new allocations at Tetbury and Bourton-on-the-Water. Provision in Cirencester and Tetbury is proposed to be associated with urban extension schemes.

7.46 A Joint Core Strategy is being produced by Cheltenham, Gloucester and Tewkesbury. Indications are that there will be a collective need for 40-50 ha of additional employment land in the plan period (to 2031), to largely be delivered through four sustainable urban extensions – at Innsworth, Uckington, Brockworth and Ashchurch.

7.47 Gloucester City Council is not supportive of any further development beyond that already allocated in Stroud in the Quedgeley area. It wishes to see the emphasis for new development being to the north of the city where sites are considered to be better connected to the city centre.

# 8.0 COMPANY SURVEY

### Introduction

8.1 A business survey has been carried out to establish evidence of demand for land and property, and substantiate findings in other sections of this study. It also widens the consultation process and provides direct empirical data on the demand for property and land. It is another strand of evidence that will be used to inform the study's conclusions and recommendations.

### Methodology

8.2 A questionnaire (included at Appendix 10), with explanatory covering letter and pre-paid envelope, was sent out to 400 companies. The company database was provided by Stroud District Council. In 2010 there were approximately 3,700 relevant businesses operating out of B1, B2 or B8 premises or sites in the study area (according to the Office of National Statistics, VAT & PAYE Enterprises, 2011), and therefore this is just over a ten percent sample.

### Response

8.3 The postal response achieved was 14.2 percent. Building on this, follow-up telephone calls were made to elicit better co-operation from businesses. These actions enhanced the numbers of responses, as well as establishing those companies who have either ceased trading or are no longer in the study area. The latter represented around one quarter of the database.

8.4 Overall 102 questionnaires have been completed, 25 percent of the total originally targeted (400). A further 12 companies declined to participate in the survey.

8.5 Table 34 shows that the geographic distribution of the companies responding to the survey is reasonably representative of the District. The table summarises responses in terms of companies who have no current expansion requirements and those intending to expand or relocate within the next three years.

### Table 34 – Geographic Distribution of Respondents

| Area | Number of Businesses | | |
|---|---|---|---|
| | No Expansion/ Relocation Plans | Proposed Expansion/ Relocation Within 3 years | Total |
| Berkeley | 3 | 0 | 3 |
| Bisley | 2 | 0 | 2 |
| Brimscombe | 2 | 1 | 3 |
| Cam/Dursley | 7 | 3 | 10 |
| Cambridge | 0 | 1 | 1 |
| Chalford | 2 | 2 | 4 |
| Horsley | 1 | 0 | 1 |
| Miserden | 1 | 0 | 1 |
| Nailsworth | 1 | 2 | 3 |
| Painswick | 1 | 0 | 1 |
| Quedgeley | 7 | 1 | 8 |
| Saul | 0 | 1 | 1 |
| Sharpness | 2 | 0 | 2 |
| Stonehouse | 20 | 3 | 23 |
| Stroud | 19 | 9 | 28 |
| Thrupp | 3 | 2 | 5 |
| Woodchester | 1 | 2 | 3 |
| Wotton under Edge | 2 | 1 | 3 |
| **Total** | **74** | **28** | **102** |

*Source: BE Group 2012*

### Company Size

8.6 The 102 companies taking part in this survey employ 5,727 people, equivalent to just over 10 percent of the District's current total employment figure – 56,000 according to Oxford Economics' baseline analysis. Of these, 5,727, 10.6 percent are part-time employees, as shown in Table 35.

### Table 35 – Number of Employees

| Area | Full-Time | Part-Time | Total |
|---|---|---|---|
| Berkeley | 42 | 6 | 48 |
| Bisley | 13 | 1 | 14 |
| Brimscombe | 84 | 9 | 93 |
| Cam/Dursley | 176 | 15 | 191 |

| Area | Full-Time | Part-Time | Total |
|---|---|---|---|
| Cambridge | 20 | 5 | 25 |
| Chalford | 241 | 21 | 262 |
| Horsley | 1 | 0 | 1 |
| Miserden | 3 | 2 | 5 |
| Nailsworth | 78 | 1 | 79 |
| Painswick | 3 | 5 | 8 |
| Quedgeley | 1,410 | 154 | 1,564 |
| Saul | 80 | 150 | 230 |
| Sharpness | 40 | 12 | 52 |
| Stonehouse | 2,220 | 77 | 2,297 |
| Stroud | 435 | 121 | 556 |
| Thrupp | 227 | 7 | 234 |
| Woodchester | 24 | 4 | 28 |
| Wotton under Edge | 21 | 19 | 40 |
| **Total** | **5,118** | **609** | **5,727** |

*Source: BE Group 2012*

8.7 The high number of employees recorded from the survey responses reflects the fact that returns were received from six companies that each employ in excess of 200 people:

- CM Downton – 950 employees
- Delphi – 885 employees
- Smith's Gloucester – 419 employees
- NOV Downhole – 266 employees
- Markey Builders – 240 employees

8.8 These account for 52 percent of the identified employment from the survey. Six further companies, each employing between 100 and 200 people also took part in the survey. Collectively they represent a further 13 percent of the identified employment.

8.9 As Table 36 shows the responses provided indicate representation in all size bands. 42 percent of the responses relate to micro businesses, although as noted elsewhere in this report micro-businesses make up a significantly higher proportion of Stroud District's stock of businesses. 23 percent of the companies employ over 51 people, with the remaining 35 percent being small firms (11-50 employees).

**Table 36 – Company Size**

| Area | Company Size, employees | | | | | | | Total |
|---|---|---|---|---|---|---|---|---|
| | 0-5 | 6-10 | 11-20 | 21-50 | 51-100 | 101-200 | 201+ | |
| Berkeley | 1 | 1 | | 1 | | | | 3 |
| Bisley | | 2 | | | | | | 2 |
| Brimscombe | | | 2 | | 1 | | | 3 |
| Cam/Dursley | 4 | | 2 | 3 | 1 | | | 10 |
| Cambridge | | | | 1 | | | | 1 |
| Chalford | 2 | | | | | 2 | | 4 |
| Horsley | 1 | | | | | | | 1 |
| Miserden | 1 | | | | | | | 1 |
| Nailsworth | | 2 | | | 1 | | | 3 |
| Painswick | | 1 | | | | | | 1 |
| Quedgeley | | | | 3 | 2 | 1 | 2 | 8 |
| Saul | | | | | | | 1 | 1 |
| Sharpness | | | 1 | 1 | | | | 2 |
| Stonehouse | 4 | 2 | 7 | 3 | 2 | 1 | 4 | 23 |
| Stroud | 11 | 7 | 3 | 4 | 2 | 1 | | 28 |
| Thrupp | | 2 | | 1 | 1 | 1 | | 5 |
| Woodchester | 1 | | 2 | | | | | 3 |
| Wotton under Edge | | 1 | 2 | | | | | 3 |
| **Total** | **25** | **18** | **19** | **17** | **10** | **6** | **7** | **102** |

*Source: BE Group 2012*

**Current Premises**

8.10 Companies were asked to state the type of property they occupy e.g. offices, industrial, warehouse, etc. Table 37 shows a strong emphasis on industrial and warehouse accommodation. 63.7 percent of the companies replying occupy industrial/warehouse accommodation, with around three quarters related to industrial space. Only 21.6 percent occupy office premises, with only a quarter being located in and around Stroud town centre. The remainder are distributed across the District, reflecting the lack of office-dominated areas. This breakdown is representative of the District's economy, which remains strongly focussed towards manufacturing and distribution.

**Table 37 – Responses by Premises Type Occupied**

| Area | Accommodation Type | | | | | | | | Total |
|---|---|---|---|---|---|---|---|---|---|
| | Office | Serviced Office | Industrial | Warehouse | High-tech/Lab | Barn Conversion/ Farm Location | Home | Other | |
| Berkeley | | | 2 | | | | | 1 | 3 |
| Bisley | | 2 | | | | | | | 2 |
| Brimscombe | 1 | | 2 | | | | | | 3 |
| Cam/Dursley | 2 | | 4 | 1 | | | 3 | | 10 |
| Cambridge | | | | | | 1 | | | 1 |
| Chalford | 1 | | 1 | 1 | | | 1 | | 4 |
| Horsley | 1 | | | | | | | | 1 |
| Miserden | | | | | 1 | | | | 1 |
| Nailsworth | 1 | | 1 | 1 | | | | | 3 |
| Painswick | 1 | | | | | | | | 1 |
| Quedgeley | | | 5 | 2 | | | | 1 | 8 |
| Saul | | | | | | | | 1 | 1 |
| Sharpness | | | 1 | 1 | | | | | 2 |
| Stonehouse | 3 | | 15 | 4 | | 1 | | | 23 |
| Stroud | 5 | | 13 | 5 | | 1 | 2 | 2 | 28 |
| Thrupp | 2 | | 3 | | | | | | 5 |
| Woodchester | 1 | | 2 | | | | | | 3 |
| Wotton under Edge | 2 | | 1 | | | | | | 1 |
| **Total** | **20** | **2** | **50** | **15** | **1** | **3** | **6** | **5** | **102** |
| **Proportion of Companies Responding, percent** | **19.6** | **2.0** | **49.0** | **14.7** | **1.0** | **3.0** | **5.9** | **4.9** | **100.0** |

*Source: BE Group 2012*

8.11 Companies were asked to indicate whether they own or rent their property. Table 38 shows a relatively even split between these tenures. The weighting towards rented property increases when the 5.9 percent who work from home are excluded, as most of these will be owned freehold.

**Table 38 – Tenure of Premises Occupied**

| Area | Tenure of Accommodation | | | | Total |
|---|---|---|---|---|---|
| | Leasehold | Freehold | N/A (work from home) | Not Stated | |
| Berkeley | 3 | | | | 3 |
| Bisley | 1 | 1 | | | 1 |
| Brimscombe | 2 | 1 | | | 3 |
| Cam/Dursley | 2 | 4 | 3 | 1 | 10 |
| Cambridge | | 1 | | | 1 |
| Chalford | 2 | 1 | 1 | | 4 |
| Horsley | | 1 | | | 1 |
| Miserden | 1 | | | | 1 |
| Nailsworth | 2 | 1 | | | 3 |
| Painswick | | 1 | | | 1 |
| Quedgeley | 2 | 6 | | | 8 |
| Saul | | 1 | | | 1 |
| Sharpness | 1 | 1 | | | 2 |
| Stonehouse | 10 | 11 | | 2 | 23 |
| Stroud | 18 | 8 | 2 | | 28 |
| Thrupp | 1 | 4 | | | 5 |
| Woodchester | 1 | 2 | | | 3 |
| Wotton under Edge | 1 | 2 | | | 3 |
| **Proportion of Companies Responding, percent** | **46.1** | **45.1** | **5.9** | **2.9** | **100.0** |

*Source: BE Group 2012*

8.12 Table 39 indicates the sizes of premises occupied by companies. Overall, emphasis is on premises of 500 sqm or less (56.0 percent), however the greatest proportion (17.6 percent) is based in premises of 201-500 sqm. Just under one-fifth of the companies have premises in excess of 2,001 sqm; indeed 7.8 percent occupy properties that are larger than 5000 sqm.

### Table 39 – Size of Premises Occupied

| **Area** | **Size, sqm,** | | | | | | | | | | **Total** |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | **0-100** | **101-200** | **201-500** | **501-1000** | **1001-2000** | **2001-5000** | **5001 +** | **N/a (Work from Home)** | **N/a (Occupy Site Only)** | **Not Known** | |
| Berkeley | | | | | 1 | | | | | 2 | 3 |
| Bisley | 1 | 1 | | | | | | | | | 2 |
| Brimscombe | | 1 | 1 | | 1 | | | | | | 3 |
| Cam/Dursley | 1 | 1 | 1 | | 1 | 1 | 1 | 3 | | | 10 |
| Cambridge | 1 | | | | | | | | | | 1 |
| Chalford | | | | 1 | 1 | 1 | | 1 | | | 4 |
| Horsley | 1 | | | | | | | | | | 1 |
| Miserden | | 1 | | | | | | | | | 1 |
| Nailsworth | | 1 | | | 1 | 1 | | | | | 3 |
| Painswick | | | | | | | | | | 1 | 1 |
| Quedgeley | | 1 | | | 3 | 2 | 2 | | | | 8 |
| Saul | | | | | | | | | 1 | | 1 |
| Sharpness | | | | 1 | | | 1 | | | | 2 |
| Stonehouse | 2 | 2 | 7 | 2 | 2 | 1 | 4 | | | 3 | 23 |
| Stroud | 7 | 4 | 5 | 3 | 2 | 4 | | 2 | 1 | | 28 |
| Thrupp | | 1 | 1 | 1 | 1 | 1 | | | | | 5 |
| Woodchester | 1 | 1 | 1 | | | | | | | | 3 |
| Wotton under Edge | 1 | | 2 | | | | | | | | 3 |
| **Proportion of Companies Responding, percent** | **14.7** | **13.7** | **17.6** | **7.8** | **12.7** | **10.8** | **7.8** | **5.9** | **2.0** | **5.9** | **100.0** |

*Source: BE Group 2012*

8.13 Respondents were asked to comment on whether they were satisfied with their present accommodation, and if not to explain why. Table 40 shows that 80.3 percent are content. Most locations exhibit high degrees of satisfaction although around one-third of companies located in Stonehouse are dissatisfied to some degree. For Stroud just under one quarter of the companies consider their current accommodation unsatisfactory.

**Table 40 – Satisfaction with Current Premises**

| Area | Very Satisfied | Satisfied | Unsatisfied | Very Unsatisfied | Total |
|---|---|---|---|---|---|
| Berkeley | 1 | 1 | | 1 | 3 |
| Bisley | | 2 | | | 2 |
| Brimscombe | 1 | 2 | | | 3 |
| Cam/Dursley | 5 | 5 | | | 10 |
| Cambridge | | | | 1 | 1 |
| Chalford | 2 | 2 | | | 4 |
| Horsley | 1 | | | | 1 |
| Miserden | 1 | | | | 1 |
| Nailsworth | | 2 | 1 | | 3 |
| Painswick | 1 | | | | 1 |
| Quedgeley | 4 | 3 | | 1 | 8 |
| Saul | | 1 | | | 1 |
| Sharpness | 2 | | | | 2 |
| Stonehouse | 9 | 7 | 5 | 2 | 23 |
| Stroud | 9 | 13 | 3 | 3 | 28 |
| Thrupp | 1 | 4 | | | 5 |
| Woodchester | | 1 | 1 | 1 | 3 |
| Wotton under Edge | 1 | 1 | 1 | | 3 |
| **Proportion of Companies Responding, percent** | **37.2** | **43.1** | **10.8** | **8.8** | **100.0** |

*Source: BE Group 2012*

8.14 From those companies who consider their property to be unsatisfactory for their business needs the following explanatory comments are provided:

- Property too small but more importantly in poor condition and badly maintained by landlord
- Restricted access for HGVs; limited parking; multiple unit occupation when would be better integrated into single property
- Restricted vehicular access to main road and planning conditions have imposed restricted operating hours
- Low building height no longer appropriate to business operations and no room to expand on site
- Lack of parking with property and on road parking problems leading to loss of customer business

- Lack of car parking; unreliable power supplies and slow broadband at location
- Old mill premises which do not suit modern manufacturing. Also in poor external condition.

**Future Accommodation Requirements**

8.15 Companies were asked to indicate whether they are considering moving premises in the next twelve months, or two to three years. 27 companies indicated that they are intending to relocate, with just over half (14) of them proposing that this will happen in the next year.

8.16 The forecasted future space needs by size, tenure, quality and location type are shown in Tables 41 and 42. These are then summarised in Tables 43-46 (offices) and 47-50 (industrial).

**Table 41 – Property Requirements by Location and Type – Offices**

| Location Type | Current Size, sqm | Required Size, sqm | Tenure and Quality | Area Preferred |
|---|---|---|---|---|
| **Cam/Dursley** | | | | |
| Business Park | 0-100 | 101-200 | Freehold/Moderate | Chalford |
| **Nailsworth** | | | | |
| Town Centre | 101-200 | 101-200 | Leasehold/Moderate | Nailsworth |
| **Stroud** | | | | |
| Town Centre | 101-200 | 201-500 | Freehold/Moderate | Stroud |
| **Thrupp** | | | | |
| Business Park | 201-500 | 201-500 | Leasehold/Moderate | Stroud Valleys/ Quedgeley |
| **Wotton under Edge** | | | | |
| Town Centre/Business Park/Rural | 0-100 | 101-200 | No Preference/Moderate | Anywhere in Stroud District |
| **Total** | **403-1,100** | **705-1,600** | | |

*Source: BE Group 2012*

**Table 42 – Property Requirements by Location and Type – Industrial**

| Location Type | Current Size, sqm | Required Size, sqm | Tenure and Quality | Area Preferred |
|---|---|---|---|---|
| **Brimscombe** | | | | |
| Industrial Estate/Business Park | 101-200 | 201-500 | Leasehold/Moderate | Stroud Valleys |
| **Cam/Dursley** | | | | |
| Industrial Estate/Business Park | 1,001-2,000 | 2,001-5,000 | Freehold/Prestigious New | Cam/Dursley |
| Industrial Estate | 201-500 | 301-700 | Freehold/Moderate | Cam/Dursley |
| **Cambridge** | | | | |
| Business Park | 0-100 | 501-1,000 | Freehold/No Preference | Cambridge |
| **Chalford** | | | | |
| Industrial Estate | 201-5,000 | 1,202-7,000 | Freehold/No Preference | Chalford/Eastcombe |
| Industrial Estate/Rural | 2,001-5,000 | 2,001-5,000 | No Preference/Basic Budget | Chalford |
| **Nailsworth** | | | | |
| Industrial Estate/Business Park | 2,001-5,000 | 2,001-5,000 | Leasehold/Prestigious New | Quedgeley |
| **Quedgeley** | | | | |
| Business Park | 101-200 | 201-500 | Freehold/Moderate | Quedgeley |
| **Saul** | | | | |
| Rural | Not Known | 1,001-2,000 | Freehold/Basic Budget | Elsewhere in Gloucestershire |
| **Stonehouse** | | | | |
| Industrial Estate/Business Park | 2,001-5,000 | 7,450 | No Preference/Moderate | Stroud/Gloucester |
| Industrial Estate/Business Park | 201-500 | 2,001-5,000 | Freehold/No Preference | Stroud Valleys |
| **Stroud** | | | | |
| Town Centre | 0-100 | 0-100 | No Preference/Basic Budget | Stroud |
| Industrial Estate | 2,001-5,000 | 2,001-,5000 | No Preference/Moderate | Stroud Valleys |
| Industrial Estate | 101-200 | 201-500 | Freehold/No Preference | Stroud Valleys |

| Location Type | Current Size, sqm | Required Size, sqm | Tenure and Quality | Area Preferred |
|---|---|---|---|---|
| Industrial Estate | 501-1,000 | 501-1,000 | No Preference/Moderate | Stonehouse |
| Industrial Estate/Business Park | 201-500 | 501-1,000 | Freehold/No Preference | Stonehouse |
| Industrial Estate | 2,001-5,000 | 6,,500 | Freehold/Moderate | Stonehouse |
| **Thrupp** | | | | |
| Industrial Estate/Business Park | 501-1,000 | 501-1,000 | No Preference/Moderate | Stroud Valleys |
| **Woodchester** | | | | |
| Industrial Estate/Business Park | 101-200 | 101-200 | No Preference/No Preference | Woodchester |
| Industrial Estate/Business Park | 0-100 | 0-100 | No Preference/Moderate | Stroud/Stroud Valleys/ Nailsworth/ Chalford |
| **Total** | **13,216-36,600** | **29,167-54,550** | | |

*Source: BE Group 2012*

## Summary Tables of Office Requirements

### Table 43 – Summary of Office Requirements – Sizes

| Size, sqm | Number of Companies Responding | Proportion of Companies Responding, percent |
|---|---|---|
| 0-100 | 0 | 0 |
| 101-200 | 3 | 60.0 |
| 201-500 | 2 | 40.0 |
| 501-1000 | 0 | 0 |
| 1001-2000 | 0 | 0 |
| 2001-5000 | 0 | 0 |
| 5001+ | 0 | 0 |
| **Total** | **5** | **100.0** |

*Source: BE Group 2012*

### Table 44 – Summary of Office Requirements – Tenure

| Tenure | Number of Companies Responding | Proportion of Companies Responding, percent |
|---|---|---|
| Leasehold | 2 | 40.0 |
| Freehold | 2 | 40.0 |

| Tenure | Number of Companies Responding | Proportion of Companies Responding, percent |
|---|---|---|
| No Preference | 1 | 20.0 |
| **Total** | **5** | **100.0** |

*Source: BE Group 2012*

### Table 45 – Summary of Office Requirements – Quality

| Quality | Number of Companies Responding | Proportion of Companies Responding, percent |
|---|---|---|
| Budget | 0 | 0 |
| Moderate | 5 | 100.0 |
| New | 0 | 0 |
| No Preference | 0 | 0 |
| **Total** | **5** | **100.0** |

*Source: BE Group 2012*

### Table 46 – Summary of Office Requirements – Location Type

| Location Type | Number of Companies Responding | Proportion of Companies Responding, percent |
|---|---|---|
| Town Centre | 3 | 60.0 |
| Industrial Estate | 0 | 0 |
| Business Park | 3 | 60.0 |
| Rural | 1 | 20.0 |
| **Total** | **7*** | |

*Source: BE Group 2012*
** Note: some respondents gave more than one answer*

8.17 The five office requirements are all for properties of less than 500 sqm. All are for properties of moderate quality. There is no pronounced preference of geographic location for these requirements, though the majority indicate wherever this is, it should be associated with either a town centre or business park environment.

## Summary Tables of Industrial Requirements

### Table 47 – Summary of Industrial Requirements – Sizes

| Size, sqm | Number of Companies Responding | Proportion of Companies Responding, percent |
|---|---|---|
| 0-100 | 2 | 10.0 |
| 101-200 | 2 | 10.0 |
| 201-500 | 3 | 15.0 |
| 501-1,000 | 4 | 20.0 |

| Size, sqm | Number of Companies Responding | Proportion of Companies Responding, percent |
|---|---|---|
| 1,001-2,000 | 2 | 10.0 |
| 2,001-5,000 | 5 | 25.0 |
| 5,001+ | 2 | 10.0 |
| **Total** | **20** | **100.0** |

*Source: BE Group 2012*

**Table 48 – Summary of Industrial Requirements – Tenure**

| Tenure | Number of Companies Responding | Proportion of Companies Responding, percent |
|---|---|---|
| Freehold | 10 | 50.0 |
| Leasehold | 2 | 10.0 |
| No Preference | 8 | 40.0 |
| **Total** | **20** | **100.0** |

*Source: BE Group 2012*

**Table 49 – Summary of Industrial Requirements – Quality**

| Quality | Number of Companies Responding | Proportion of Companies Responding, percent |
|---|---|---|
| Prestigious/New | 2 | 10.0 |
| Moderate | 9 | 45.0 |
| Basic Budget | 3 | 15.0 |
| No Preference | 6 | 30.0 |
| **Total** | **20** | **100.0** |

*Source: BE Group 2012*

**Table 50 – Summary of Industrial Requirements – Location Type**

| Location Type | Number of Companies Responding | Proportion of Companies Responding, percent |
|---|---|---|
| Town Centre | 1 | 5.0 |
| Industrial Estate | 16 | 80.0 |
| Business Park | 11 | 55.0 |
| Rural | 2 | 10.0 |
| **Total** | **30*** | |

*Source: BE Group 2012*

* *Note: some respondents gave more than one answer*

8.18 Only two companies are looking for sites, one for industrial use and one for sustainable food practices. As these are not property requirements they are excluded from Table 42. The former company is located in Stonehouse and is seeking an alternative site of between 1.2 and 2 ha for industrial training.

8.19 Tables 41 and 42 show the very substantial greater industrial demand compared to the office sector, both in terms of total floorspace required and number of requirements. Industrial requirements outnumber offices by a ratio of 5:1. The potential gross increase of industrial floorspace, at between 29,167 and 54,550 sqm is around 40 times that of the 705-1,600 sqm office figure.

8.20 There are 20 industrial requirements (and one industrial site requirement). Demand is spread across all unit sizes, with the 35 percent share for units of up to 500 sqm being matched by the share for units above 2,000 sqm. The largest share of requirements is for property within the Stroud Valleys (30 percent). Perhaps surprisingly the motorway junction locations of Quedgeley and Stonehouse are the preferred choice for only one quarter of the companies seeking to expand or relocate. The companies appear to be committed to Stroud District, with only two stating that an expansion or relocation would occur outside the District.

8.21 Where companies have stated a preference for tenure type, this is for freehold property. However, it should be noted that 40 percent of the companies indicate they have no preference regarding purchasing or leasing property. Demand is generally for moderate quality premises, although there are also two requirements for prestigious/new quality units. Industrial estates and business parks are the most preferred locations.

**Property Factors**

8.22 A number of companies expecting to move in the next three years identified the most important factor(s) when looking for alternative accommodation. These are shown in Table 51. Several companies gave more than one reason.

8.23 The most important factors identified are cost of premises; accessibility (both to the major highway network and internal estate roads), and onsite parking for staff and visitors. A number of companies comment on current issues of a lack of parking provision or unregulated parking on access roads which impose difficulties for deliveries and customers.

**Table 51 – Most Important Factor(s) When Seeking Alternative Accommodation**

| Quality | Number of Companies Responding |
|---|---|
| Cost | 9 |
| Accessibility | 8 |
| Parking | 6 |
| Location | 5 |
| Size | 4 |
| Specification of property (e.g. appropriate storage space, lorry loading access, product demonstration facilities, etc.) | 4 |
| Superfast Broadband | 2 |
| Reliable Power Supply | 1 |
| No restrictions on operating hours | 1 |

*Source: BE Group 2012*

### Job Creation

8.24 The 27 firms with property requirements currently employ 1,823 people. Their survey responses suggest that between 189 and 247 additional jobs would be generated by their relocations or expansions. At least 93 percent of these jobs would be associated with companies involved in industrial or distribution activities.

### Perceptions/Comments

8.25 A number of respondents made additional comments relating to issues that might influence them to remain in Stroud, or to relocate elsewhere, or that are providing barriers to their growth in the District. Over a quarter of the respondents specifically stated they had no issues at all. A small number commented that the retention of their existing workforce would condition any move, either because they hold specialist skills or because of their positive work ethic. In Table 52 we have set out those additional comments that express concern about land and property related issues.

8.26 Linked to the issue of planning, one company commented that communities in the District will not thrive without local employment, so there needs to be more freedom to develop employment in rural or semi-rural locations. Another observed that derelict premises should be redeveloped for employment use in preference to new greenfield development. The comment was also made that as there is now much more effort needed in marketing and customer service provision, more office space needs to be attached to warehouse units. The historic 10-15 percent ratio of offices is no longer sufficient. A further comment was "*Gloucestershire Highways need to get real and stop acting as commercial contraceptives".*

8.27 There is a view that Stroud District lacks good quality serviced offices, which is a constraint to start-up and micro businesses. It was suggested that Stroud town should accommodate an enterprise hub for such businesses.

8.28 Although not directly related to land and property, several companies made reference to the lack of local supply chain opportunities, not withstanding the presence of a number of large multi-nationals and national businesses in the District. Associated with this some businesses stated that Stroud District Council should operate a local procurement scheme as this would keep money circulating locally and help the security of local businesses.

**Table 52 – Other Issues**

| Comments | Number of Times Commented On |
|---|---|
| Property overheads/business rates (value for money) | 6 |
| Lack of suitable accommodation/sites (constraint to growth) | 6 |
| Very poor broadband network | 4 |
| Lack of local supply chain opportunities (including SDC procurement) | 4 |
| Parking issues (lack of parking space) | 3 |
| Skills shortage (now/in the future) | 3 |
| Planning decisions (erratic/restriction of operating hours) | 3 |
| More start-up office premises required | 2 |
| Road infrastructure upgrade required (e.g. A417 dualling) | 2 |
| Unreliable power supplies | 1 |
| Lack of SDC support for business | 1 |

*Source: BE Group 2012*

8.29 The questionnaire survey invited companies to rate the importance of a number of factors to both their business and how well their current property/site performs against them. The detailed assessment of the responses generated is included at Appendix 11. This identifies, for each factor, an average score for the District and enables specific locations, from where responses have been received, to be compared in terms of above or below average scores.

8.30 The responding companies indicate the three most important factors overall, to their business are road access; telecommunications (especially broadband) and workforce retention. All three score on average in excess of 4.25 (out of 5). Proximity to customers or suppliers; public transport provision and local education/training are of least importance, with all having average scores of less than 3.0.

8.31 The assessment by companies of how well their premises perform against the sixteen factors identified reveals the following:

- Road accessibility is overall not meeting the level of importance attached to it by the responding companies. Only around one third of the locations (7 out of 18) exceed the average score given for importance to business operations
- The poor experience of telecommunications/broadband provision, reflected by an average score that is almost a quarter below that of its degree of importance rating, indicates investment is required to improve either coverage or speed – or both
- Whilst staff turnover experience aligns to its perceived importance, the data suggests there are local labour pool and skills constraints. Respectively these average 2.95 and 2.69 compared to 3.71 and 3.47 given for their importance. For those locations where multiple survey returns were received premises/sites in Quedgeley, Sharpness, Stonehouse and Thrupp exhibit the best performance. They score below average for only between two and six factors. In contrast Cam Dursley, despite its popularity and planned further investment, sees below average scores for three quarters of the factors.

8.32 The questionnaire also made reference to a number of Government backed business support programmes, and invited businesses to identify those areas of support for which they would like to receive further information. Table 53 summarises the number of responses in respect of the areas identified. From these, advice regarding manufacturing, apprenticeships and access to finance are mentioned most frequently.

**Table 53 – Business Support – Level of Interest by Topic**

| Topic | Number of Mentions |
|---|---|
| Manufacturing | 25 |
| Innovation | 13 |
| Exporting | 8 |
| Apprenticeships | 18 |

| **Topic** | **Number of Mentions** |
|---|---|
| Business Coaching | 11 |
| Research and Development | 14 |
| Business Mentoring | 11 |
| Access to Finance | 19 |

*Source: BE Group 2012*

**Summary**

8.33 The company survey secured a 25 percent response rate.

8.34 The survey results reflect Stroud's local economy structure. Despite the general economic shift from industrial to service sector activity, the former remains a strong focus for the District. The survey has found demand for industrial and warehousing premises to be substantially higher than that for offices. This applies both in terms of the number of requirements (5:1) and the total floorspace requirement (40:1).

8.35 In terms of industrial need, the greatest demand is for large units of 2,001-5,000 sqm, although there is a level of demand across all sizes – from below 100 sqm to over 5,000 sqm. Where companies have indicated a preference, the demand is greater for freehold premises. Industrial estates or business parks are the most popular locations. For most companies the requirement is for moderate quality accommodation.

8.36 Should all the relocations and expansions go ahead then on average the companies would be increasing their workforces by at least 10 percent. Of the total potential of between 189 and 247 jobs indentified from all the survey responses, at least 93 percent are associated with industrial and distribution businesses.

8.37 The findings in Section 4.0 – Property Market General assess the supply of available premises. In Table 54 the available properties are aligned to the identified company requirements as one test of the supply and demand situation.

**Table 54 – Overall Stroud Premises Supply and Demand Analysis**

| Requirement Property Size, sqm | Industrial | | Office | |
|---|---|---|---|---|
| | Available Units | Number of Requirements Identified by Company Survey | Available Units | Number of Requirements Identified by Company Survey |
| 0-100 | 10 | 2 | 30 | - |
| 101-200 | 12 | 2 | 15 | 3 |
| 201-500 | 13 | 3 | 15 | 2 |
| 501-1000 | 8 | 4 | 1 | - |
| 1001-2000 | 11 | 2 | - | - |
| 2001-5000 | 2 | 5 | - | - |
| 5001+ | 4 | 2 | - | - |

| Requirement Property Size, sqm | Industrial | | Office | |
|---|---|---|---|---|
| | Available Units | Number of Requirements Identified by Company Survey | Available Units | Number of Requirements Identified by Company Survey |
| Freehold (or Either) | 7 | 18 | 2 | 3 |
| Good Quality/New | 7 | 2 | 5 | - |
| Moderate | 35 | 9 | 54 | 5 |
| Basic/Budget | 18 | 3 | 1 | - |

*Source: BE Group 2012*

8.38 Table 54 illustrates that overall Stroud has a reasonable range of industrial premises, in that there is some availability in each size band. However this supply is weighted towards premises of less than 500 sqm. Based against even a relatively small sample of the District's stock of businesses there would appear to be a shortage of larger buildings (2,001 sqm and above), which could constrain expansion plans, or see relocations to available property outside the District. There also appears to be a distinct shortage of freehold industrial and warehousing properties, although there is not an issue of the quality standard of premises required.

8.39 Table 54 also shows that the supply of office accommodation is very much geared to micro businesses or start up/small operations. Three quarters of the available properties represent sizes of 200 sqm or less. For the spatial requirements identified by the company survey there is numerically plenty of supply, however again the demand is for freehold property whereas the supply is overwhelmingly leasehold.

8.40 It should be remembered that the company survey is just one strand of evidence, providing an illustration of pent-up demand. It is not the sole answer. It is probable that not all the company requirements identified by the survey returns will come to fruition. Equally there will be other companies who were surveyed that stated that they do not intend to relocate or expand at the moment, but which may well do so over the next three years. It should also be noted that this survey has been undertaken during a period of challenging national and global economic conditions. This is likely to impact on companies' future plans and the timing of these plans.

# 9.0 STAKEHOLDER CONSULTATIONS

## Introduction

9.1 Here commentary is provided about Stroud District, drawn from the public sector and other stakeholders – public sector agencies and major businesses. It should be noted that each organisation's comments are their perception of the situation, and may well reflect their role and involvement rather than being the complete picture. This has been done to widen the consultation process and to complement the company survey.

## Parish and Town Councils

9.2 All 52 Parish and Town Councils, including two Parish Meetings, have been contacted through email communication from Stroud District Council. This explained the nature of the Employment Land Study and invited comments. A copy of the emailed letter sent to all the Clerks of all the Councils is included in Appendix 12.

9.3 A total of four Town Councils and eleven Parish Councils submitted written responses, having discussed the matter as part of a meeting agenda item:

- Bisley-with-Lypiatt Parish Council
- Cainscross Parish Council
- Dursley Town Council
- Eastington Parish Council
- Ham and Stone Parish Council
- Horsley Parish Council
- Kings Stanley Parish Council
- Minchinhampton Parish Council
- Nailsworth Town Council
- Nympsfield Parish Council
- Stonehouse Town Council
- Whiteshill and Ruscombe Parish Council
- Whitminster Parish Council
- Wotton-under-Edge Town Council.

9.4 The comments made on the local economy and the parish/town employment land and property market are discussed in the following paragraphs.

9.5 Bisley-with-Lypiatt Parish Council comment that a Village Design Statement has been produced and adopted. This serves as the Parish Council's stance regarding employment land and premises provision. Reference to this is made in Section 2.0.

9.6 Cainscross Parish Council wishes to see all existing commercial premises within the Parish retained for business and employment use. The Parish has traditionally been seen as a housing suburb of Stroud and in recent years this has resulted in a number of employment sites being redeveloped for housing.

9.7 The Parish Council expressed concern about the continuing vacant and deteriorating state of the former Tricorn House office building, despite it having planning permission for change of use to a care facility.

9.8 Avocet Business Park represents the main employment area within the Parish, and the Parish Council would like to see a large proportion of commercial use retained on the site. It has an established heavy commercial use and good road access to the A46 and M5. Any housing proposed here should therefore be linked to business use e.g. live workspace.

9.9 The Council also believes it is important to maintain the Valley's industrial heritage by retaining some level of business and industrial use along the canal corridor. Canal side employment locations should be generated, not just more housing.

9.10 As the most densely populated of the District's parishes, Cainscross experiences considerable outward migration for employment purposes. The Parish has a large number of young residents seeking employment within the immediate area as they have more difficulty in commuting. The Parish Council wishes to avoid the area becoming purely a dormitory area for Gloucester, Cheltenham and Bristol. Sufficient employment sites need to be provided to balance the amount of housing and population growth.

9.11 Dursley Town Council recognises the need to encourage more residents to work locally and in this respect have identified the following sites that could be developed, or redeveloped, for employment:

- Littlecombe – the Parish Council considers there should be more land allocated to employment based development, with re-assessment of the proportion proposed for housing
- Land off Prospect Place and May Lane, where an outline planning application has recently been withdrawn.
- Former Sandpits Clinic, owned by Gloucestershire NHS.

9.12 Eastington Parish Council has recently completed a survey to inform its Village Design Statement. In terms of current work patterns it established a high level of home working (32 percent); the role of motorway-related commuting to Bristol, Cheltenham and Gloucester (29 percent) and the low level of local working (8 percent) at Stonehouse.

9.13 For the future new technologies are considered to provide a better fit live-work environment, creating significant opportunity for employment growth throughout Stroud District. The Council comment that the effect of the digital manufacturing revolution is every bit as powerful as the mechanisation of the textile industry that built much of Stroud. Understanding it presents the opportunity to lead at the start of this wave, not unlike the towns that have aspired to 'silicon valley' status.

9.14 The District strengths include the fact the area is renowned for entrepreneurs, inventors and new-starters – people who start small with new ideas, grow and create wealth and employment for the District. Stroud is most likely to be successful if this indigenous characteristic is encouraged.

9.15 The Council suggest that planning strategies should no longer revolve around large employment zones. Instead more consideration should be given to mixed-use development on employment sites and as it is employers who create jobs a pro-active strategy should identify and work with them. By choosing derelict sites or land already urban in nature this would help generate sustainable live-work environments with less journeys, less road infrastructure, less parking

9.16 Ham and Stone Parish Council are currently producing a Village Design Statement, which will incorporate their views and proposals regarding employment sites and premises provision. However, informally the desire is to maintain what already exists and to encourage the attraction of high value employment when premises become vacant.

9.17 Horsley Parish Council response to the study simply states that there is no land within the Parish which would fall within the scope of the study. Nor are there any proposals for the future.

9.18 King's Stanley Parish Council express concern that the level of traffic through the parish (and the associated speeds) is an issue and the Council would wish to see protection as much as possible from developments that might exacerbate this situation.

9.19 Stanley Mill is considered to be the main potential site for accommodating small business units. It is felt to have good links to the main road and M5, and as a site on the edge of the village it is an appropriate employment location. Additional comment was made about the former King's Stanley Junior School. It is thought to have potential as office space, providing conversion costs are manageable, or as starter units for new businesses. However, the building has only limited parking provision – associated with the former playground – and the only useable access may generate objections linked to intensification of use.

9.20 Minchinhampton Parish Council submitted the following response to the invitation to comment:

> "*Councillors agreed that each day people leave Minchinhampton to work, creating many vehicle movements and congestion of transport routes. The Parish Council would like to see employment maintained and enhanced within the parish. This was borne out by the 'Planning for Real' experience undertaken in 2010. Areas of industry/employment land should be protected from further residential development e.g. Aston Down, Woodchester Valley and Brimscombe and any new residential developments not adjacent to existing settlement areas are unsustainable.*"

9.21 Nailsworth Parish Council's Planning Committee responded, simply stating that there should be no loss of employment land within the Parish. Nympsfield Parish Council also provided a short statement, that given the size and nature of the parish no additional development is required at this time.

9.22 Stonehouse Town Council representatives attended the workshop held with Stroud District Councillors. In addition a formal written response has been provided. The Town Council observe that Stonehouse has suffered from unsympathetic town planning, and whilst noting others may consider Javelin Park as having the potential for larger business units, it doubts that the site could be developed in an aesthetically pleasing way on the approaches to Standish and Stonehouse. This is despite recognition of its strategic position close to the M5, and indeed irrespective of whether the County Council pursues proposals for a waste incinerator facility on the site.

9.23 Furthermore because of its connections to the M5 junction (Junction 12) the Parish Council question whether the workforce would be from the immediate area, which might then in time lead to a need for more local housing and facilities. This could mean a new settlement which would change the face of Stonehouse town centre.

9.24 The Parish Council state that Stonehouse town centre currently suffers from voids in the form of small dilapidated industrial units; a derelict railway station site; empty shops; failing public houses; unlet new business units and a town that has its own experience of redundancies. Further large scale business development on the fringes of the parish will not, in the Council's opinion, turn this around.

9.25 There is a desire for people to work locally, but without the benefit of statistics or knowledge of the needs of existing businesses, the Council can only seek to protect the existing green environment by encouraging local employment that is centred on the existing voids. Also the Council wants to see that the town is regenerated as a retail/small business centre with outreach training facilities to increase the residents' skills base.

9.26 The Council wishes to protect assets from unwanted development and specifically refers to protection of the canal corridor from developments other than those that are sympathetic to tourism. Employment development needs to start from the town centre and then spread out, rather than creating a further large stand alone employment area.

9.27 It is the opinion of Whitminster Parish Council that a structured Local Plan that identifies business parks, industrial estates and new build offices rarely creates new employment in the locality for local people. Rather they attract companies relocating or expanding from elsewhere who relocate staff (putting extra pressure on local housing) or rely on commuting. The Parish Council would prefer to see a relaxation of planning regulations to allow the creation of small mixed use developments incorporating starter units, in and around local villages. It also wishes to see the encouragement of conversion of former farm buildings for employment uses.

9.28 The Parish Council also suggests an innovative approach be applied to historic buildings that would see allowance of viable economic uses taking priority over the fine detail of building conservation. Mixed use consents should be allowed for the area's various redundant mill buildings to permit live/work units to evolve where the buildings are clearly of a size and nature that a full commercial use is no longer practical.

9.29 As with other of the Parish Councils, Wotton-under-Edge Town Council expresses concern at what is seen as a continual loss of employment sites, both protected and unprotected, in the town. It considers there is strong need to provide more local employment opportunities.

9.30 The Council refers to there being only three industrial sites in Wotton-under-Edge identified in the Stroud District Plan 2005. One is now the subject of a planning application that would see it lost to housing; one is suggested as a potential supermarket site (which though providing some employment opportunities, these would differ substantially from the highly skilled workforce currently working on the site). A number of other smaller and unlisted employment sites have been lost in recent years – all to housing – with the result of reducing local employment opportunities despite an increasing local population.

9.31 Wotton-under-Edge is considered to be poorly served by public transport, making it difficult to commute to work elsewhere without private car useage. This in turn is having a negative impact on the town's poor road infrastructure.

9.32 The protection of existing employment sites is important as the potential for new sites is constrained by the development boundary, the existing built up nature and the AONB designation.

9.33 The Council has been informed by some local employers that they would like to expand their businesses/take an additional space, but none is available. It is therefore considered there is a requirement for an improved office/industrial premises supply, especially for start-up businesses. This would help to encourage more people to work locally; reducing reliance on cars, and keeping spend in the local economy.

9.34 The Town Council wishes to protect Wotton-under-Edge from unwanted development. There is a history of a number of highly skilled and specialist engineering employers both in the immediate locality and to the south in North Bristol. This has resulted in a large number of engineers living in the town, so employers offering local employment opportunities for these people would be particularly welcome. However the town's location within the AONB; its poor road infrastructure and the proximity of any possible employment sites to housing mean that neither heavy industry, not transport based industry, are appropriate.

9.35 Finally, Whiteshill and Ruscombe Parish Council comment that there is no viable land within the parish for employment based activities. The infrastructure is considered substandard and insufficient for development.

### Other Public Sector Bodies

#### GFirst and Gloucestershire LEP

9.36 GFirst is the place promotion agency for Gloucestershire. As such it promotes business in Stroud, as well as the rest of the County. It works closely with the Gloucestershire Local Enterprise Partnership. Both organisations were consulted regarding the Employment Land Study.

9.37 GLEP has to maintain a strategic role related to the best economic and investment outcomes for the wider county area, but Stroud's key role within this is recognised. Discussions with GFirst and the LEP centred on the overarching economic strategy within which the Employment Land Review should sit. It was agreed that advanced manufacturing and environmental technologies should be considered priority sectors for the Stroud economy, as they are also important at the wider LEP level.

9.38 The LEP holds economic forecasts from both Cambridge Econometrics and Experian, but these do not fully align. As such the LEP sees value in examining Oxford Economics' Stroud forecasts as they include county and UK comparators. The LEP continues to prepare its economic strategy. It is unlikely this will be published until the latter part of the first quarter of 2013.

**Key Businesses/Landowners**

9.39 One to one consultations have taken place with several major businesses located in the District. Many are national or international businesses, with facilities in Stroud being part of a wider network of research and development, production, service and logistics operations.

***Advanced Insulation Plc***

9.40 Advanced Insulation specialises in the manufacture and supply of products for upstream oil and gas infrastructure. The company, which originally started at Berkeley, now has its UK headquarters at Quedgeley.

9.41 However the business experienced difficulty in finding suitable accommodation, taking two years before purchasing a shell building, which it has subsequently fitted out to provide office, high tech laboratories and production space. The company anticipates further significant growth in the next five years and this might generate a need to expand from its present 4,180 sqm (45,000 sqft) to around 11,150 sqm (120,000 sqft). Were to this to happen then Advanced Insulation are concerned they would again have an issue in finding suitable premises.

9.42 As with other locally based advanced engineering companies recruitment of appropriately skilled people is difficult. The company draws on a labour pool from a very wide geographic area, with staff commuting from as far as Cardiff and North West England.

9.43 In establishing at Quedgeley problems were experienced with planning. Although change of use was secured to B2 from B8, restrictions were imposed on night-time working and objections were raised on 24 hour running of air conditioning plant. The company also had to face highways authority objections about the increased trip generation from a manufacturing and headquarters, rather than a distribution, facility.

***Bottle Green***

9.44 Bottle Green is a producer of cordial drinks. The company was founded in Nailsworth in 1989. It moved to South Woodchester four years later. Bottle Green has undergone ownership changes, most recently in 2011 being bought out by SHS Group – a Northern Ireland company. The main office is now in Gloucester, with sales and marketing having relocated there from South Woodchester.

9.45 Production remains at South Woodchester, with annual output now 18 million bottles. They employ a mix of permanent staff and temporary labour. 95 percent live within a 20 mile radius. Recruitment is challenging because the available workforce in the immediate area lacks the skills required. Staff have been attracted from Dairy Crest and Renishaw because the skill sets are similar for these companies. Now the company tends to employ temporary staff and then train them up for permanent employment positions.

9.46 There is no onsite warehousing as CM Downton undertake storage and distribution for them.

9.47 Bottle Green expect to remain in their current location for the next five years. Beyond then the need to expand the business will not be able to be accommodated at this site, notwithstanding that they use spring water from an on-site borehole.

9.48 The likelihood is that the relocation will be local because of the importance of workforce retention. However the company does have concerns about whether suitable property will be found.

***Delphi Corporation***

9.49 Delphi is a leading global supplier of electronics and technologies for the automotive and commercial vehicle markets. The company's Delphi Diesel Systems plant in Stonehouse manufactures fuel injection systems for commercial vehicles, and has a worldwide monopoly. Delphi acquired the business in 2000 from Lucas (part of General Motors). Lucas had established the plant 30 years ago, as a social experiment in terms of the management structure and working conditions.

9.50 All production is exported. There are no UK customers, and whilst the company has plans to build a facility in China to address the expanding market there, with a current worldwide order book that is full to 2020, there are no plans to relocate from Stroud.

9.51 Stroud is one of two production plants in the UK. The other is in Norfolk. Delphi plan to invest a further $150 million on these plants in upgrading and improving the current production lines. The supply chain depends on most of the high quality components (and machine tools) being imported – mostly from Germany. Lower quality components and supplies are sourced from within the UK.

9.52 The workforce is highly skilled and recruitment is challenging. As such they draw from a wide area, with many staff travelling from Gloucester, Bristol and South Wales. A graduate training scheme is operated, which presently involves 100 people.

9.53 In terms of Stonehouse's location, Delphi make the following observations:

- Public transport is poor, so nearly all staff have to drive to and from work
- There is a lack of local facilities for staff
- Parking on estate roads is an issue for cars and commercial vehicles
- Road maintenance in winter is non-existent (especially salting) which leads to dangerous driving conditions
- There is little, if any, contact with neighbouring businesses – though there could be benefit from establishing a business forum.

***Ecotricity***

9.54 Ecotricity was founded in Stroud and was the world's first green electricity company. In 2010 it became a green energy company, introducing the concept of green gas to the UK. It has also established and operates the 'Electric Highway', the world's first national network of charging stations for electric cars. Ecotricity generates green energy from a growing number of wind turbine facilities it owns across the UK and the first of a number of large-scale 'sun parks' (this has been built in Lincolnshire). The company is now involved in the development of technology to generate electricity from the power of the sea.

9.55 Ecotricity currently employs 300 people across four locations within the District. Three of the locations are offices – the former Stroud and Swindon Building Society offices in Stroud town centre; the former Stroud and Swindon Building Society headquarters at Wallbridge, and at Forest Green Rovers football ground, Nailsworth. The company also has 12 people carrying out maintenance and small scale assembly of wind monitoring equipment, from a workshop.

9.56 The business will stay and continue to expand in Stroud. The recent acquisition of the former building society headquarters is to accommodate planned growth of a further 300 staff, with the first 60 due to occupy part of the building in early 2013.

9.57 The workforce is mainly local and the company has not experienced any problems in recruiting to date, nor does it expect to in the future.

***Howard Tenens***

9.58 The company has its UK headquarters at Kingfisher Business Park, Thrupp. It operates circa three million sqft of warehousing space across the UK, including Severn Distribution Park at Sharpness. From its origins in logistics for the automotive industry, Howard Tenens now focuses very much on food and drink logistics services.

The Distribution Park is adjacent to Sharpness Docks. Most of the Park is built and occupied, though consent exists for a further 15,800 sqm (170,000 sqft) warehouse which will complete the site's development. Construction may commence in 2013.

9.59 Howard Tenens also have an interest in adjoining land, which can be accessed via the existing Distribution Park's main entrance. Discussions are ongoing with an existing Gloucestershire-based company, which are likely to lead to a planning application being made for around 64,100 sqm (690,000 sqft) of warehouse accommodation on this land – although this is not presently allocated for employment use.

9.60 Occupiers of the Distribution Park include Stobart Group and WH Malcolm. The arrangements they have with such distribution companies is not always a traditional landlord and tenant basis. There are close tie-ups nationally which mean Howard Tenens are successful in attracting major logistics companies to Sharpness – despite the location not being a motorway-related one.

***Magnox***

9.61 Magnox directly employ around 100 people on the remaining nuclear licenced site at Berkeley. They employ a further 310 people in two key buildings at the adjacent Berkeley Centre. Facilities management has been outsourced to facilities management company Provelio.

9.62 The geographic location of the Berkeley Centre is viewed as a potential deterrent to non-nuclear related businesses. For the nuclear industry sector it remains of interest, and the location is seen as having the potential to profit from supply chain spin offs from the announced new nuclear power station at Oldbury. Oldbury is estimated to be creating 4,000 direct jobs during the construction phase, with supply chain employment possibly double this figure.

***National Nuclear Laboratories***

9.63 NNL is a government-linked nuclear R&D organisation. Headquartered in Warrington, it has a research office located in Stonehouse. This was relocated from Berkeley in 2007. The current workforce of 12 at Stonehouse is expected in time to double, and the premises are large enough to accommodate this growth.

9.64 NNL also has a research office at Harwell, and did consider combining the two. However the staff at both locations are highly qualified, and their reluctance to move led to the decision to retain both offices.

9.65 NNL's business is R&D into the longevity of nuclear power stations, and therefore is closely linked with the Government's nuclear power strategy. NNL expect to capitalise on links with EDF (based at Gloucester) and Horizon (Hitachi) as the two companies develop new power stations in the UK, and particularly in the south-west at Hinckley Point and Oldbury.

***National Oilwell Varco (NOV Downhole)***

9.66 The company located in Stonehouse in 1981. Since then its workforce has grown from 20 to 280 people. The current owners acquired the business in 2008, and it now forms part of a $15 billion business employing 60,000 worldwide.

9.67 NOV Downhole are one of a number of Stroud District based businesses involved in the oil and gas industry. The Stroud business developed the application of using synthetic diamond to cut rock. This is now manufactured at Stonehouse, along with drill bits.

9.68 The business, along with others in the energy sector, has been resilient to the world wide recession. Looking to the future the plant is close to produce capacity, although business growth is forecast to continue. NOV has occupied its current building for ten years. It comprises 6,970 sqm (75,200 sqft) on a site of 1.6 ha (4 acres). To address growth the company will first look at internal efficiencies to improve capacity. It has no intention to expand its buildings or to relocate to larger space elsewhere. However, if necessary, it could move a single function (e.g. synthetic diamond manufacture) to another site.

9.69 NOV's workforce has a mixed skills set. Graduates are drawn from a wide area; machinists are more locally sourced, though Bristol is a good recruiting ground.

9.70 The company is generally satisfied with Stonehouse as a location but does have concerns about the lack of local traffic management, especially at rush hour periods, where uncontrolled junctions generate lengthy traffic queues.

9.71 The company has had an important role in generating the cluster of oil and gas industry sector related business in Stroud District. It played a part in Schlumberger coming to Stroud. Schlumberger purchased NOV in the 1990s, expanded to a second building and then in turn sold off the drill bit production part of the business.

9.72 NOV comment there are now around 1,000 people employment in this industry sector in Stroud, mainly involved in drill bits production. However, Schlumberger have attracted other businesses allied to other areas of the oil and gas sector.

***Nuclear Decommissioning Authority***

9.73 NDA owns the Berkeley Centre site, which is adjacent to the decommissioning Berkeley Nuclear Power Station. The NDA, through NDA Properties Ltd intends to establish the site as a business park for a range of uses including those associated with nuclear, environmental sciences and high tech industries.

9.74 The site offers a range of accommodation including offices, industrial and laboratory space. Current key occupiers are Magnox (310 employees) and Babcock (60-70 staff) who operate in a low level nuclear business associated with non-destructive testing.

9.75 The NDA is reviewing the commercial potential of the site. This includes options of a sale or joint venture. Under the Energy Act NDA is charged with delivery socio-economic outputs and it could put the land into a joint venture at a nominal cost, especially if it was partnering with the local authority.

9.76 With Hitachi's announcement of its' taking over of Horizon, and the new Oldbury nuclear power station announced to be delivered by Horizon, the NDA see the site as having the potential to attract supply chain operators associated with that development.

***Omega Resource Group***

9.77 Founded in Stroud in 1998, Omega Resource Group is now an international recruitment and resource solutions business supporting the automotive, aerospace, oil and gas, energy logistics and facilities management industries.

9.78 The company is based at Bonds Mill, where it is currently the largest tenant, occupying 836 sqm (9,000 sqft) and employing 55 staff. Little of its customer base is local to Stroud.

9.79 Relocation to accommodate expansion has previously involved considering either a move towards Cheltenham (as a large share of the workforce commutes from there) or a new build office at Stonehouse Park. However the latter would have seen an uplift in rent from the current £8 per sqft to circa £15 per sqft, which was considered to be too expensive.

9.80 The company expects to look at further expansion in the future (no timescale yet determined) and this may well be accommodated by the refurbishment of other space associated with Bonds Mill.

***Bathurst Limited***

9.81 Bathurst Limited is a property development company. In conjunction with Springfield Investments (both companies have the same owner). Bathurst own circa 11 ha (28 acres) at Cam, which is allocated for employment use. They also have another nearby 16 ha (40 acres) which is being promoted for housing use.

9.82 Opening up the employment site is dependent on significant capital costs associated with an access road, bridge crossing of the River Cam and a signalled junction. Development has not materialised due to funding limitations.

9.83 Bathurst's current thinking is to find a way of kick-starting development through a swop of uses between the two sites. Putting housing on half of the 11 ha site, with employment on the other half, would generate receipts to enable infrastructure investment to commence. The outstanding 5.5 ha employment allocation would then be transferred to form part of the 16 ha site. Initial discussions have taken place with Stroud District Council regarding this idea.

9.84 Demand for employment use is seen as being sourced from existing businesses in Cam and Dursley. Approaches have also been received from companies currently in Stroud and North Bristol.

***LEDA Properties***

9.85 LEDA are owners of Aston Down, a former MoD site that extends to some 23 ha (57 acres) and houses 23,225 sqm (250,000 sqft) of built space. Prior to 2009 the site was 85 percent occupied. Then a number of tenants were lost but occupancy rates have again picked up as a result of interest entirely from companies established within a five mile radius of Aston Down.

9.86 About half the built space comprises six former hangars that are remotely located on the far side of the adjacent airfield which is owned by Cotswold Gliding Club. This space is fully occupied for warehousing use, the perception being that its demand is generated by the low property overheads.

9.87 The site straddles both Stroud and Cotswold District Council's areas and is the subject of consideration for intensified use for employment purposes and associated housing development, as one scenario for accommodating Stroud's future growth.

***Robert Hitchins Group***

9.88 Robert Hitchins is a property development company with a wide range of office, industrial and warehouse schemes in the South West and South Wales. The company is headquartered in Cheltenham but has developments in Stroud District, most notably at Stonehouse.

9.89 The company has developed Stonehouse Park, a 4.8 ha (12 acre) office park – the only such development in Stroud District. Half the site has been built out since 2006, in a total of three phases. These have provided 6,320 sqm (68,000 sqft) of modern offices, all of which have been sold or let. Historically more have been bought than let reflecting company owners' pension plans. Demand has held up well during the recession, with rents achieving £13-£15 per sqft. The demand is almost all from companies located within 10 miles of Stonehouse.

9.90 Robert Hitchins are now looking at the next development phase, totalling another 1,858 sqm (20,000 sqft). This could comprise a pre-let for one building, with the remainder being speculative space.

9.91 As some occupiers in the area have also commented, Stonehouse is considered to have an issue of a lack of support facilities e.g. food and drink outlets.

9.92 Robert Hitchins also own the adjacent Bonds Mill, an old mill complex comprising a number of buildings. Most of the occupation is office related space, with occupiers being mainly local businesses relocating from Stroud or the Stroud Valleys. There are some exceptions; a recent letting was to a firm relocating from North Bristol. Leases range from 2 to 10 years, at rents of £8-£10 per sqft plus service charges of £2.50-£4.50 per sqft. The largest tenant occupancy is 836 sqm (9000 sqft). A number of former tenants have expanded to self contained space at Stonehouse Park.

9.93 Robert Hitchins consider there is a shortage of employment land in the District, and despite the number of mill locations throughout the Stroud Valleys there is a lack of grow-on space, so expanding local companies do struggle to find available space in the locality. They are also of the opinion that companies based in or around Stroud are reluctant to move to Junction 12.

9.94 In support of their argument for additional employment land provision, Robert Hitchins are leading on a potential sustainable urban extension site at Stonehouse, located to the north of the existing employment area. A revised iteration of a previous masterplan has just commenced, which will promote up to 1,500 residential units; 12 ha of employment (adjacent to the railway); mixed use, including employment, on the County Council's land; a primary school.

9.95 Stonehouse is seen as one of very few market led opportunities to introduce new employment within the District.

***St Modwen Developments***

9.96 St Modwen has significant development commitments within Stroud District. At Dursley there is a joint venture mixed use development with the District Council (passed on from SWERDA). This involves 36.4 ha (90 acres) of which 4 ha (10 acres) are zoned as Littlecombe Business Park. To date a community hospital and some speculative industrial units (all let) have been built, together with a first phase of housing. The rest of the Business Park will be taken up by a new manufacturing facility for Lister Shearer, who will vacate old property elsewhere within the 36.4 ha site.

9.97 To facilitate the full development it will be necessary to see another company, Lister Petter, relocated elsewhere. Lister Petter already has other facilities in Quedgeley. An access road also needs to be constructed before the rest of the development can take place, though a village green application has been made by objectors.

9.98 St Modwen has three separate interests around Junction 12, M5 at Quedgeley. At Gateway 12, Waterwells outline planning consent is held for 20,400 sqm (220,000 sqft) of B1, B2, B8 space.

9.99 This comprises a 6 ha (15 ac) gross area site – 4.8 ha (12 ac) net. The irregular shape of the site prevents construction of a single large distribution building, although exploratory talks have taken place with Ashtenne (owners of the adjoining site) about co-operation to adjust boundaries, if necessary, to accommodate a large occupier.

9.100 St Modwen has developed Quedgeley West – 12 ha (32 acres) in total of which the final remaining phase extends to 3.2 ha (8 acres). This undeveloped area does contain a number of former MoD buildings, all of which are let as low quality accommodation. Development began in 2007 and has comprised a mix of bespoke and speculative industrial developments. The final phase could deliver 12,000 sqm (130,000 sqft) of new built space.

9.101 Quedgeley West was originally envisaged as B8 space, but has attracted B2 occupiers. Contributory factors to the location’s attraction are the motorway junction proximity and housing development within Gloucester city to the immediate north, which means it is no longer perceived as an isolated location.

9.102 St Modwen also own Quedgeley East, which comprises 9.7 ha (24 acres) of former MoD Land and buildings to the east of Junction 12. This is a low density, low quality space estate that targets companies seeking cheap premises. Rents are £2 per sqft, a third of the level of that for modern space.

9.103 St Modwen hold options on a further 13.8 ha (34 acres) of farmland, located between the M5 and the existing Quedgeley East estate. Though not allocated, St Modwen has made representations for employment land use allocations (B2/B8 use).

***Valad***

9.104 Valad are fund managers and manage Bath Road Industrial Estate, Stroud on behalf of an Investment Fund that invests in secondary property.

9.105 The Estate sub-divides to three areas of varying quality. There is a listed mill that provides offices in suites from 74 sqm (800 sqft) upwards. This is 70 percent let. A second area comprises a mix of pre-war sheds, some reclad, varying from poor to reasonable condition. These are, despite their condition, 90 percent occupied. This area includes another office building, which has been mothballed.

9.106 The third area contains a terrace of 14 industrial units. 75 percent are occupied, let on leases of 3-5 years, at rents ranging upwards from £1 per sqft.

9.107 The site area managed by Valad extends to 2.8 ha (7 acres) and houses around 32,500 sqm (350,000 sqft) of floorspace. Further land at the northern end of the site has been sold to British Polythene Industries.

9.108 Valad has explored alternative uses and redevelopment plans for the site. Previous consideration of residential development was not found to be viable. Major foodstore operators have shown little interest, not just because the site's location would not attract much passing trade, but more so because Stroud is considered to be at capacity for such provision. However talks are ongoing with a food discount retailer to purchase 0.4 ha (1 acre) for a store.

**Summary**

9.109 Although every Parish and Town Council was contacted to seek their views on employment land and premises provision, only around thirty percent responded. Of these fourteen Town and Parish Councils, six (Bisley, Ham and Stone, Horsley, Nailsworth, Nympsfield, Whiteshill and Ruscombe) commented that their views were, or would be, reflected in Village Design Statements, or that there was no existing employment land provision or no need for more beyond what exists at present. Of these six, only Nailsworth commented that there should be no loss of what already exists.

9.110 Cainscross Parish Council wishes to avoid the area becoming simply a dormitory location. It sees the need for a balance between residential and employment functions, and in this respect comment on the importance of safeguarding the Parish's main employment site – Avocet Business Park.

9.111 Dursley Town Council also wants to see more locally based employment opportunities for its residents. In particularly there should be re-assessment of the proportions of employment and housing (reduce the housing share) at Littlecombe. King's Stanley and Minchinhampton Parish Councils express similar views about the importance of protecting, for employment purposes, existing sites and premises.

9.112 Eastington Parish Council highlights the strong incidence of home working and the disconnect between the Parish's working population and the nearby Stonehouse employment area. Emphasis is given to the District's strong characteristics of entrepreneurship, invention and business start-ups, arguing these should underpin the strategy for creating more jobs for people that work, and importantly, live in the District. Delivery of this could be through a commitment to live/work schemes.

9.113 Stonehouse Town Council express reservations about the Javelin Park development site irrespective of whether the County pursues proposals for a waste incinerator facility there. In addition there is concern that the town centre is suffering due to a number of economic factors, and that further large scale peripherally located development will not help to redress this.

9.114 Whitminster Parish Council would like to see measures adopted that allow more organic growth of smaller businesses rather than earmarking development land for new build commercial premises. This in their view could be achieved through live/work schemes associated with the area's various redundant mill buildings.

9.115 Wotton-under-Edge Parish Council comment that there has been a continual loss of employment sites, both protected and unprotected, in the town. As a result local businesses are constrained by the lack of sites or premises, and the Parish Council would particularly wish this to be addressed through improved supply, especially for start-up businesses.

9.116 A number of the District's key businesses were consulted on a one to one basis as part of the study. Some affirmed their desire to expand in the future, although none have scope to do so within their current sites. Furthermore most voice the opinion that finding suitable premises within Stroud District will be challenging.

9.117 Several of the companies consulted were originally formed in the Stroud area, and as a result have their UK headquarters here. These include Ecotricity, Advanced Insulation, Omega Resource Group and Howard Tenens. Some have undergone ownership changes to be incorporated into wider national or global businesses. In the case of Bottle Green this has resulted in office based functions largely being relocated out of the District.

9.118 Many of these key businesses are involved in advanced engineering or environmental technologies sectors. They require highly skilled workforces, and certainly those involved in production activity draw on a wide geographic area when recruiting, as dependency on local labour is not viable. However, having established an appropriately skilled/qualified workforce in Stroud District, some companies see their retention as a key influence in any future location search for more modern or additional space.

9.119 As a consequence of the former nuclear power station at Berkeley, the area still has some representation of nuclear sector-related companies. Plans by NDA Properties for the Berkeley Centre business park on de-licenced nuclear land at Berkeley, and Hitachi's in terms of a new build power station at Oldbury, are seen as catalysts for securing supply chain opportunities associated with the latter's construction.

9.120 One of the fastest growing companies, in terms of workforce numbers, is Ecotricity. Their recent purchase of the former Stroud and Swindon Building Society's headquarters in Stroud is to accommodate a planned doubling of the workforce from 300 to 600 employees.

9.121 In addition to key businesses one to one consultations took place with the majority of the property developers with interests in Stroud District. There is consensus that the District needs more employment land, though not necessarily for offices use. Some such as St Modwen, Robert Hitchins, LEDA Properties, Bathurst Limited, have existing landholdings that they consider could address the perceived shortfall. Further development opportunities associated with the M5 motorway corridor (i.e. Junctions 12 and 13) are considered to be of most importance.

# 10.0 GROWTH FORECASTS

## Introduction

10.1 This section explains the four alternative models we have applied to the assessment of employment land allocations for the Local Plan period. None provide a definitive answer, but they are influences to be considered. The four models are:

- Historic land take-up forecast
- Policy off – employment based forecast
- Policy off – labour supply forecast
- Policy on – linked to target industry sectors of advanced engineering and environmental technologies.

10.2 Both the ‘policy off’ and ‘policy on’ forecasts are based on data commissioned for this study from Oxford Economics. As such they represent up to date forecasts that reflect the impact of the recent recession.

10.3 The ‘policy on’ forecast has sought to take account of the estimated impact on employment in the advanced manufacturing and environmental technologies sectors, which Stroud, and Gloucestershire LEP, have highlighted as a focus of policy and investment. The definitions used for advanced manufacturing and environmental technologies are set out in Appendix 13.

10.4 For each model we have commented upon the implications in terms of the volume of land required. Where appropriate the options take into account assumptions regarding the built floorspace associated with developable land areas drawn from the consultancy team’s experience and application in other Employment Land Review studies. Job related densities used equate to those identified in the Homes and Communities Agency and OFFPAT (Office of Project and Programme Advice and Training) Employment Densities Guide 2nd Edition, published in 2010.

## Model 1 : Historic Land Take-Up

10.5 Employment land take-up is recorded by the District Council. In Table 55 a schedule of completions between 1991 and 2012 is shown. The 58.99 ha of land developed over this period equates to an annual average take-up of 2.81 ha. Total land take-up is categorised between B Use classes (B1 offices; B1 industrial; B2 industry and B8 warehousing) and employment land gain with other use classes. However the available data only details annual performance figures for the five and half most recent years.

**Table 55 – Stroud Employment Land Take-Up 1991-2012**

| Completion Period | Total (ha) | B Use Land (ha) | | | | | Employment Land Gain with Non-B Use Classes (ha) |
|---|---|---|---|---|---|---|---|
| | | Total | Office | B1 | B2 | B8 | |
| April 1991 – Oct 2006 | 42.25 | 39.31 | 2.26 | 26.62 | 4.57 | 5.86 | 2.94 |
| Nov 2006 – April 2007 | 4.71 | 3.06 | 0.23 | 0.16 | - | 2.67 | 1.65 |
| April 2007 – March 2008 | 0.88 | 0.88 | 0.64 | - | - | 0.24 | - |
| April 2008 – March 2009 | 2.30 | 2.25 | 0.45 | 0.05 | 0.66 | 1.09 | 0.05 |
| April 2009 – March 2010 | 5.79 | 2.95 | 0.40 | 2.05 | - | 0.50 | 2.84 |
| April 2010 – March 2011 | 0.69 | 0.56 | 0.23 | 0.33 | - | - | 0.13 |
| April 2011 – March 2012 | 2.376 | 1.056 | 0.86 | - | - | 0.196 | 1.32 |
| **Total** | **58.996** | **50.066** | **5.07** | **29.21** | **5.23** | **10.556** | **8.93** |

*Source: Stroud DC*

10.6 Analysis reveals an annual average take-up of 2.81 ha since 1991, based on the 58.996 ha total. The annual average for the most recent five years, a period that has experienced economic recession, has seen a reduced figure of 2.41 ha. Reference to Stroud District's previous Employment Land Review dated October 2007, enables an annual average take-up to be calculated for the eight years since April 2004. This reveals a slightly higher figure of 2.84 ha compared to the long term average of 2.81 ha.

10.7 Application of the long term take-up figure suggests Stroud would need 53.39 ha to cater for an expected annual take-up of 2.81 ha for the next 19 years (to the end of the Local Plan period, 2031). However the District should have a buffer of five years supply to reflect a choice of sites by size, quality and location and to provide a continuum of supply beyond the end of the Plan period. Based on the historic take-up trend this would increase land supply need to 67.44 ha.

10.8 At March 31 2012 there was 57.91 ha of available land in the District (from Section 6.0), which suggest the Council needs to find an additional 9.53 ha to match historic trends. As noted in Section 6.0 for a variety of reasons the supply position could be reduced to 32.78 ha. This could require the Council finding a further 25.13 ha in addition to the 9.53 ha mentioned above i.e. 34.66 ha.

10.9 As the figures in Table 69 illustrate, the short term trend has seen a slightly reduced annual take-up average, during a period of economic recession. Were this short term trend (2.41 ha) to be applied Stroud would require 45.79 ha to the end of the Local Plan period, plus a five year buffer of 12.05 ha. This would align with the current headline availability of 57.91 ha, suggesting no further employment land allocations are required beyond those already established. However, when land identified as unlikely to come forward is excluded from the current supply figure there would be need to allocate an additional 25.13 ha.

**Model 2: Policy 'off' – Employment Based Forecast**

10.10 This scenario uses as its base the Oxford Economics Forecasts referred to above. The forecasts project employment change through to 2031 and include annual employment figures for the District from 1991.

10.11 The forecasts break down employment to the level of 19 industry sectors, although not all are relevant to this Employment Land review. It should be noted that for this model the forecasts reflect a non-intervention scenario, in that no account is taken of any planned or emerging investment programmes or strategies in Stroud.

10.12 Oxford Economics' baseline indicates that whilst Stroud's employment has been impacted by the recent recession, this has not been as detrimental as some other areas of the UK. The forecasts indicate a shorter impact, with total numbers only beginning to fall in 2009 (55,200 in total). Whilst the baseline shows total numbers falling year on year between 2009 and 2011, this trend is forecast to reverse from 2012, and to demonstrate annual growth, albeit at a low level, continually through the Plan period to 2031.

10.13 Over the Plan period total employment is forecast to increase by 5,200 jobs, equivalent to a rise of 9.2 percent from 2012, when the total figure was 56,000. This is marginally above the UK growth figure of 8.7 percent for the same period, but is a fifth less than the 11.8 percent increase projected for Gloucestershire.

10.14 The model suggests that much of Stroud's growth will be in the five year period 2012-2016, at which point total employment is expected to be 57,800 – a 5.1 percent increase from the pre-recession (2007) level of 55,000. Whilst this lags the 6.6 percent growth associated with Gloucestershire for the same period, it is at a level more than double expected for the UK (2.2 percent).

10.15 The growth in total employment for the period 2012-2016 is forecast to be around 1,800 jobs, reflecting an annual average growth rate of 0.6 percent. This aligns to the forecast performance for Gloucestershire, and is a full percentage point better than that for the UK as a whole. Between 2016 and 2020 the forecast indicates Stroud's employment will continue to grow at a similar annual average. As a consequence Stroud will be slightly below the Gloucestershire annual average of 0.7 percent.

10.16 The rate of Stroud's employment growth is forecast to slow post-2020, with the figures equating to annual average growth of less than 0.3 percent for the last decade of the Plan period. This is similar to the expectations for the whole of the UK, but is only two-thirds of the growth envisaged for Gloucestershire.

10.17 The figures suggest that Stroud is aligned to the general trend of the UK of a decline in manufacturing employment and growth in services – but only in the private sector. At 2012 manufacturing employment represented 20.9 percent of the District's total, with this forecast to reduce to 16.8 percent by 2031. However manufacturing remains a very significant share of the local economy and employment provision. The 2012 share is two and a half times the UK average (8.2 percent) and almost 70 percent above that for Gloucestershire (12.3 percent). And whilst Stroud's manufacturing sector has a reduced share of 16.8 percent by 2031, this is still substantially above the Gloucestershire (8.8 percent) and UK (6.0 percent) projections.

10.18 With regard to services, for example, whilst professional, scientific and technical activities, and administrative and support services sectors exhibit growth in Stroud, public administration is forecast to decline.

10.19 In terms of future employment land requirements this model is likely to be affected by three key factors:

- The future mix of activities in respect of office, manufacturing and warehousing employment within different sectors. It is not possible to predict the impact of evolving technical change over the Local Plan period, and we have therefore assumed the current split is maintained
- The average space each employee occupiers – the employment density. We have assumed no variation in the density rates through to 2030 and as stated earlier have used those identified in the 2010 published Employment Densities Guide 2nd Edition
- The average development floorspace per hectare for office, manufacturing and warehousing activities. We have applied the uniform amount of 3,900 sqm per ha.

10.20 Table 56 provides a breakdown of the projected sector changes. It should be noted that the figures include non-B use class sectors such as retailing, hotel and catering, to acknowledge their reference as economic activity. Total employment is forecast to increase by 5,200 between 2012 and 2031, despite the decline in manufacturing.

**Table 56 – Projected Employment Change by Industry Sector 2012-2031**

| Industry Sector | Workforce Change Numbers of Employees | Percentage Workforce Change |
|---|---|---|
| Agriculture | (200) | -14.3 |
| Utilities | (300) | -37.5 |
| Manufacturing | (1,400) | -12.0 |
| Construction | 1300 | +23.6 |
| Transportation & Storage | 300 | +13.0 |
| Wholesale & Retail | 1,200 | +16.6 |
| Hotels & Catering | 700 | +18.9 |
| Information & Communications | 200 | +12.5 |
| Real Estate | 100 | +16.6 |
| Finance & Insurance | - | - |
| Professional, Scientific & Technical Services | 1,700 | +42.5 |
| Administrative & Support Services | 1,400 | +45.1 |
| Public Administration | (100) | -12.5 |
| Education | (400) | -9.1 |

| Industry Sector | Workforce Change Numbers of Employees | Percentage Workforce Change |
|---|---|---|
| Health & Social Work | (200) | -3.5 |
| Arts, Entertainment, Research | 400 | +26.7 |
| Miscellaneous Services | 100 | +7.7 |
| **TOTAL** | **5,200** | |

*Source: Oxford Economics/BE Group 2012*

10.21 In calculating the employment land requirement arising from forecast employment changes, the following assumptions have been used (Table 57):

- The proportion of people in each industry sector that occupy B1, B2 or B8 space conforms to those ratios used in other studies and accepted in comparable locations and are sourced from the South East Regional Planning Conference's 'The Use of Business Space'
- Employment Densities for each B Use Class are those set out in the 2010 Employment Densities Guide 2nd Edition published by HCA and OFFPAT
- The development per hectare of land is uniform across all B Use Class functions – 3,900 sqm per hectare, the accepted industry norm.

**Table 57 – Model Assumptions**

| | Employees | | |
|---|---|---|---|
| **Industry Sector** | **Proportion Occupying B1, B2, B8 Floorspace, percent** | **Floorspace per person, sqm** | **Other Comments** |
| Agriculture | 5 | 12 | Managerial, admin |
| Manufacturing | 100 | 36-47 | Higher density reflects B2; Lower density B1 light industry |
| Construction | 26 | 12 | Managerial, admin |
| Distribution | 48 | 70 | Warehouses, offices-non large scale/high bay facilities |
| Transport | 48 | 70 | Warehouses, offices-non large scale/high bay facilities |
| Financial & Business | 100 | 12 | |
| Government & Other Services | 22 | 12 | Local Government, Public Administration |

*Source: SERPLAN and Employment Densities Guide 2nd Edition, 2010*

10.22 Application of these assumptions suggests the following in terms of future employment land provision:

- From sectors predicted to grow, the need for a further 13.78 ha
- From those sectors where employment is forecast to reduce there will be a need for between 13.02 and 16.97 ha less. This range reflects the variance in employment densities between light and general manufacturing.

10.23 The net result of this suggests Stroud would have either a marginal undersupply of employment land or an excess of some 3.2 ha by 2031. The detailed calculation is provided at Appendix 14.

10.24 In reality the employment land provision situation will be reliant upon two issues. Firstly, how far the growth in office employment takes place in a town centre location, at higher densities, rather than in low-density business parks. It is more likely to be the latter in view of the District's characteristics. Secondly, whether the decline in some manufacturing sub-sectors will actually lead to the release of land that could then be regenerated for other employment uses.

10.25 It is probable that these land requirements' calculations represent a false position. Irrespective of changes to employment densities, whilst growth sectors seek to expand by taking additional space, declining sectors may actually not release land in line with the above assumptions. Were this to be the case this model's outcome would change to a position where around one quarter of the current supply would be required to meet the forecast need.

10.26 It is possible the Local Plan period will see further changes in employment densities. For office employment this could be the result of trends towards remote working, hot desking, increased use of ICT and smaller businesses. Densities in manufacturing and distribution may well continue to fall as a result of automation. However, it is impossible to project what the percentage change in densities might be and thus what the impact on future land requirements might be.

**Model 3: Labour Supply Forecast**

10.27 This scenario is based upon Oxford Economics Population Forecasts. The projections indicate a rise in population numbers for the District to 121,000 by 2031. This represents a six percent increase from the 2012 figure of 114,000. Reflecting a trend of an ageing population, the working age population figure would see a lesser increase of only 1.5 percent – from 67,000 in 2012 to 68,000 in 2031.

10.28 The forecast is based on the assumption that the current economic activity rate of 80.7 percent remains unchanged. This suggests an increase in the number of residents working of 807 by 2031. To calculate what the increase means in terms of impact on employment land need we have converted the effect of the 807 growth into an equivalent land area. We have applied the Oxford Economics' forecasts for the percentage shares of the different industry sectors to the 807 figure to establish the number of jobs applicable to each sector. We have also assumed that the relationship between employment densities and land requirements within industry sectors is the same as projected in Model 2 – the employment based analysis. This translates to an increased need of between 2.26 and 2.64 ha. As with Model 2 the range of need reflects high and low densities for manufacturing employment.

**Model 4: Policy On Scenario**

10.29 Oxford Economics did endeavour to prepare a 'policy on' projection that takes into account the impact on employment within the two industry sectors (advanced manufacturing and environmental technology) identified by both Stroud and the Gloucestershire LEP as growth targets. As stated earlier the definitions used for each of these sectors are included at Appendix 13.

10.30 Oxford Economics' data shows that Stroud currently has a much higher share of advanced manufacturing than either Gloucestershire or the UK – with the percentage share being almost four times that of the UK average. And although the percentage share is forecast to drop by 2031 it is at a lesser rate than either the county or the UK, evidencing that advanced manufacturing is forecast to continue as an important sector to Stroud's local economy. Indeed Stroud's share of such employment in the County is forecast to rise from 18 percent to over 20 percent by 2031. Nevertheless in terms of numbers of jobs provided, the sector will see an overall fall by 700 by 2031.

10.31 The forecasts provide some supporting evidence for the rationale for seeking to exploit Stroud's location as a clustering of environmental technologies sector businesses. In contrast to the UK, where the sector's percentage share of total employment is forecast to fall between 2012 and 2031, and Gloucestershire which represents a static situation, Stroud District sees a rise of around one quarter in the sector's share from 2012 to 2031. Numerically this reflects 600 additional jobs, equating to 30 percent of all the extra jobs in this sector in Gloucestershire between 2012 and 2031.

10.32 Table 58 illustrates the above observations.

**Table 58 – Advanced Manufacturing/Environmental Technologies Employment 2012-2031. Comparisons of Percentage Shares and Job Numbers**

| | Advanced Manufacturing | | | Environmental Technologies | | |
|---|---|---|---|---|---|---|
| | Percentage Share Total Employment | | Numbers Employed 2012-2031 Increase (Decrease) | Percentage Share Total Employment | | Numbers Employed 2012-2031 Increase (Decrease) |
| | 2012 | 2031 | | 2012 | 2031 | |
| Stroud | 11.8 | 9.6 | (700) | 2.9 | 3.6 | 600 |
| Gloucestershire | 7.7 | 5.4 | (7,500) | 3.1 | 3.1 | 2,000 |
| UK | 3.7 | 2.6 | (275,000) | 7.4 | 6.8 | - |

*Source: Oxford Economics/BE Group 2012*

10.33 It should be noted that the importance, particularly of the advanced manufacturing sector, to Stroud's local economy is demonstrated by the fact it sustains a contribution of one sixth of the District's total GVA throughout the Plan period to 2031. The contribution of the environmental technologies sector is somewhat less, but does increase from a 3.2 percent share in 2012 to 3.6 percent in 2031. The two sectors together are predicted to deliver £660 million per annum GVA by 2031.

10.34 At the District level of Stroud, Oxford Economics have had to face a disclosure issue regarding the statistics, as some of the SICs used have such small representation. In order to prevent identification of specific companies it has been necessary, for the environmental technology data to simply be broken down to manufacturing or office based employment activity.

10.35 For the advance manufacturing sector the forecasts indicate a decline in both job numbers and the percentage share of total employment over the Plan period. From 6600 jobs (11.8 percent share of the total jobs in the District) in 2012, the number drops by 700 by 2031 (to only 9.6 percent). However this reduction of 10.6 percent of employment in this sector of manufacturing is less than the overall manufacturing figure quoted in the baseline. This latter figure is projected to fall by 12 percent by 2031.

10.36 The environmental technologies sector forecast generates a contrasting picture. The sector is forecast to grow via a series of plateaus, to increase from 1,600 jobs to 2,200, between 2012 and 2031. This reflects an almost 2 percent annual average growth rate.

10.37 Oxford Economics have identified that the structure of the environmental technologies sector differs in Stroud District from the national picture. There are quite marked differences for Stroud, from the national picture, especially in terms of manufacturing, where the percentage share is half that of the UK. Stroud's strength in terms of environmental technologies would seem to relate to power generation; professional scientific and technical services; and administrative and support services activities. Table 59 identifies the differences.

**Table 59 – Environmental Technologies Sector UK and Stroud District Comparisons**

| Industry Sector | Percentage Share For Environmental Technologies | |
|---|---|---|
| | Stroud | UK |
| Mining and Quarrying | 0.0 | 37.0 |
| Electricity, gas, steam and air conditioning supply | 28.0 | 22.0 |
| Water supply, sewerage, waste management, remediation | 2.0 | 19.0 |
| Manufacturing | 2.0 | 4.0 |
| Professional, scientific and technical activities | 27.0 | 19.0 |
| Administrative and support services activities | 7.0 | 3.0 |
| Public administration and defence | 5.0 | 13.0 |

*Source: Oxford Economic, 2012*

10.38 However, it is not been possible to establish a meaningful Policy 'on' forecast, as, despite the declared aspiration at both District and County LEP level to target advanced manufacturing and environmental technologies for growth, at the time of preparing these forecasts these aspirations were not translated into measurable indicators.

**Future Additional Employment Land Allocations – Areas of Search**

10.39 Research has identified three areas of search where additional future employment land allocations might be delivered. The first is Quedgeley East, where the existing operational industrial estate could be extended to bring forward an area of land (13.6 ha) between the estate and the M5 motorway Junction 12.

10.40 The second is at Stonehouse, adjacent to the northern boundary of Stroudwater Industrial Estate (10 ha). The emerging plans for a mixed use sustainable urban expansion include allocated, County Council-owned, employment land plus other privately owned land.

10.41 The third area of search is Severn Distribution Park (16 ha), where the owners wish to explore the opportunity of accommodating further bespoke logistics facilities for an existing Gloucestershire based company.

10.42 Collectively these three sites represent in the order of 39 ha.

**Summary**

10.43 Three alternative forecast options have been produced and considered for the Plan period. The calculations for each are summarised in Table 60 and show varied outcomes. Only the historic land take-up rate forecast predicts a shortfall of supply against forecast need. The other two forecasts suggest a surplus of supply, which increases if a five-year buffer is not applied.

**Table 60 – Land Forecast Models – Summary**

| Model | Land Stock 2012[1], ha | Land Need 2012-2031, ha | Buffer (five years take-up rate)[2,] ha | Surplus (Shortfall), ha | Assumptions |
|---|---|---|---|---|---|
| Historic Land Take-Up Rate | 57.91 | +53.39 | +14.05 | (9.53) | Based on historic (21 years) take-up of 2.81 ha/pa |
| Employment based | 57.91 | +0.76/ -3.19 | +14.05 | 43.10/ 47.05 | Based on projected growth/reduction of employment in industry sectors |
| Labour Supply | 57.91 | +2.26/ +2.64 | +14.05 | 41.22/ 41.60 | Based on population projections and industry sector changes (growth/reduction) and impact on floorspace (and thus land) need |

*Source: BE Group 2012*

*NB.1 Headline supply at 31 March 2012*

*NB.2 Based on historic take-up rate of 2.81 ha/pa*

10.44 Applying the long term (from 1991/92) annual average take up of 2.81 ha/year, indicates there is a shortfall of employment land to cater for Stroud's needs to 2031 of 9.53 ha. This is based on the headline supply figure of 57.91 ha. The worse case scenario for actual availability would increase the shortfall to 34.66 ha.

10.45 The 'policy off' forecasts suggest the Borough needs significantly less employment land than predicted by historic take-up rates. Indeed both suggest reductions in the already available supply. The employment model suggests an oversupply of between 41 and 47 ha even after allowance is made for a five year supply buffer. The labour supply model suggests a similar oversupply to the employment model lower figure of 41 ha.

10.46 Consequently both these models would mean that the majority of the currently allocated or consented but undeveloped employment land in Stroud is surplus to requirements. As such it could be used for other activities.

10.47 Common sense suggests this argument is flawed. The two models cannot account for the vagaries of the property market. They assume the property market is perfect and not rife with market failures as is reality. For example, neither model makes allowances for companies modernising or relocating into different sized properties; that land is not used totally efficiently; that some brownfield land may remain undeveloped due to the costs of remediation; that some companies occupy more space than they need or will hold land long term for their own possible future expansion; or that there needs to be a range of sites and locations to provide companies with choice.

10.48 It has not been possible to produce a meaningful 'policy on' forecast as currently there are no measurable outputs established at either LEP or District Council level.

10.49 In other local authority areas where similar studies have been completed, the use of employment and labour supply models has also generated comparable results. In all instances where BE Group has been involved these models have been discounted in favour of long term land take-up trends.

10.50 Furthermore the figures in Table 60 relate to the 2012 headline land supply. They take no account of the potential losses to this supply, identified in Section 6.0, which could be up to 25.13 ha. The consequence of taking these losses into account would be an increased supply shortfall for the historic land take-up model of 34.67 ha.

10.51 Three areas of search have been indentified where this shortfall might be addressed. These are the expansion of Quedgeley East; the expansion of Severn Distribution Park, Sharpness; the mixed use sustainable urban expansion proposal to the north of Stroudwater Industrial Estate, Stonehouse.

## 11.0 LAND NEEDS OF NON-B CLASS USES

11.1 Reflecting a wider definition of economic development this section considers, as far as is possible, future requirements for land from non-B class sectors that are also employment generators. Whilst retailing falls into these sectors it is noted Stroud District Council has separately commissioned a 'Stroud Town Centres and Retailing Study' that examines future need.

11.2 For this study the following broad sectors have been identified:

- Accommodation and food service activities
- Education
- Human health and social work activities
- Arts, entertainment and recreation.

11.3 These non-B class employment uses (excluding retailing) are estimated to account for 27.3 percent of all jobs in Stroud District at present. This is expected to fall slightly to 26.4 percent by 2030, according to Oxford Economics' job forecasts.

11.4 It must be recognised that the job and space requirements associated with these sectors are estimated and planned for in a different way to B class uses. For example, health facilities will have quite specific land needs that are not linked directly to job numbers; education facilities are planned based on forecasts for pupil roll numbers and capacity in existing schools/colleges. Retail or leisure operators will locate in town centres, within mixed-use schemes or in locations of their choice, rather than on specifically allocated sites.

11.5 A key factor relating to many of these sectors is the likely level of population and housing growth in the District. Oxford Economics' forecasts, commissioned to inform this study, estimate that the overall population will grow from 114,000 in 2012 to 121,000 by 2030. This scale of population change compares with potential population growth delivered by new housing development targets associated with the Local Plan, which sees a further 3200 dwellings beyond established commitments at 2011.

11.6 As stated above future retailing requirements are separately considered in the 'Stroud Town Centre and Retailing Study', 2010. Most new retail floorspace can be expected to be located primarily within or adjoining the District's main centres. It is possible, as has already been explained, that some retail warehousing and convenience superstores may seek to locate on existing industrial land because their floorplate and site requirements cannot be accommodated elsewhere. It is difficult to estimate as part of this study how much industrial land might be needed for retail uses (particularly non-food retail) over the Local Plan period. However it is suggested a relatively modest amount of say 1-2 ha, could come under pressure for warehousing/superstore uses in future in proximity to Stroud town.

**Accommodation and Food Service Activities**

11.7 The Accommodation and Food Services Activities sector provided 3700 jobs in Stroud District in 2012 (Oxford Economics forecast). This equates to some 6.6 percent of the total number of jobs. Oxford Economics forecast the sector to see growth of 700 jobs by 2030. By the end of the Local Plan period the sector's share of total jobs in the District will have risen to 7.2 percent – a reflection of its forecast to experience the fourth largest jobs growth total of any industry sector in the District.

11.8 The sector covers employment generated by hotel, bed and breakfast self-catering accommodation, as well as bars and restaurants.

11.9 Demand for this sector is generated from both domestic, and to a lesser extent overseas tourism (hotels and restaurants), as well as spend by the District's residents (most likely to be restaurants and other catering). Future growth depends on visitor numbers in the District and business activity. For example many business parks now include 3 or 4 star hotels as part of their offer of support services for occupiers. As Stonehouse continues to grow and see further investment then provision might be required for such a hotel. There is also an increasing trend nationally for some chain hotel operators to co-locate with coffee shop/bar/restaurant facilities.

11.10 Of the uses included in this sector it is only likely to be hotels (especially if they want co-located bar/restaurant facilities) that will have significant new land needs. Most other bars, restaurants, pubs etc are likely to occupy existing retail properties or rural premises. Consequently it seems appropriate to make some provision for land for new hotel facilities. Based on the typical current site requirements of 3 star budget chain hotels, this would mean in the order of 1 ha.

### Education

11.11 This sector incorporates primary and secondary schools, further education colleges as well as commercial nurseries. In 2012 the sector comprised 4,400 jobs in the District, which Oxford Economics forecast will fall to 4,000 by the end of the Local Plan period.

11.12 The scale and location of new facilities is heavily interrelated with the level of population and housing growth in the District, which remains unconfirmed until the Local Plan is approved. Given the levels of housing growth expected to take place, and the concentration of this at a small number of locations, it is likely any new school provision will be accommodated within the gross area of these larger housing/settlement developments.

11.13 It is not expected therefore that there is need to plan for any substantial additional land requirements during the Local Plan period, beyond provision within the new major housing developments.

### Human Health and Social Work Activities

11.14 Included within this sector are hospitals, medical centres, GP and dental surgeries, private or specialist healthcare (e.g. physiotherapy), veterinary practices and residential care homes. Oxford Economics estimate that in 2012, 5,700 jobs were provided in this sector within Stroud District. At just over 10 percent of the total jobs in the District, the sector is the third largest source of employment behind manufacturing and wholesale and retail trade. Oxford Economics' jobs forecasts expect to see the sector experience only a modest rise of 200 jobs between 2012 and 2030.

11.15 Despite a slowdown in Government spending on health, the increasing numbers and longevity of the elderly population and possible growth in demand for private health care may lead to further provision of residential care homes. Nevertheless in general employment sites are inappropriate locations for care homes, due to amenity considerations. However, some single sites within the Stroud Valleys, and smaller rural sites might be of interest for such use.

11.16 There is evidence elsewhere of veterinary practices, GP and private or specialist healthcare operations being accommodated on employment sites, or through a change of use of existing office buildings. The informal health sector, with its many micro-business practitioners, tends to operate from dwellings, converted retail premises or community buildings. Whilst they can contribute to local job growth, they do not require significant amounts of floorspace.

11.17 Consequently it is considered the growth in employment from this sector will be limited in terms of requirements for new space (more probably existing buildings will be occupied through changes of use) and there will be very little requirement for additional land.

**Arts Entertainment and Leisure**

11.18 This sector includes amongst other activities forms of commercial leisure such as cinemas, theatres, bowling alleys, bingo halls and nightclubs. Overall the relative proximity of major leisure facilities in surrounding Districts (particularly South Gloucestershire and Gloucester) constrains the catchment area and potential for sizeable growth in commercial leisure facilities in Stroud District. There could be some expansion of provision in bars and nightclubs, but these activities would mainly be located within town centres, using former retail properties or forming part of new mixed-use development. They would not require additional land of any significant scale.

**Summary**

11.19 Reflecting the above analysis, Table 61 summarises as far as is possible the current (2012) and forecast (2030) levels of employment and land requirements associated with non-B class sectors. The forecast is consistent with the forecasts used to estimate future space requirements for the B class uses.

11.20 The non B Uses could provide some 900 more jobs in Stroud District by 2030, a 5.9 percent increase on the 2012 employment level.

11.21 In terms of future land needs for these sectors the analyses suggest land requirements for more are likely to be at best modest. This is largely because many will use land already held by the relevant provider, or because the use can be incorporated within mixed-use developments, often town centre based.

**Table 61 – Non-B Class Sectors Job Growth and Land Requirements**

| Sector | Employment Nos 2012 | Employment Forecast Growth (Decline) to 2030 | Additional Land Requirement | Implications for B Class Land |
|---|---|---|---|---|
| Accommodation & Food Services | 3,700 | +700 | 1 ha (for hotel) | Potentially a hotel could occupy Business Park location |
| Education | 4,400 | (-400) | Possible | None. New facilities likely to be associated with housing developments |
| Health & Social Work | 5,700 | +200 | Likely to be limited in scale | Potential for some activities e.g. vets practice, informal health activities to locate on B Class sites or occupy existing office / industrial buildings, based on trend evidence elsewhere.<br>Residential care homes might pursue stand alone industrial sites where location is considered appropriate from market perspective |
| Arts, Entertainment & Leisure | 1,500 | +400 | Likely to be limited in scale | None. Activities associated mainly with town centres uses and will occupy either retail properties or be part of new mixed-use schemes |

*Source : Oxford Economics / BE Group 2012*

# 12.0 STRATEGIC ECONOMIC OVERVIEW

## TOWARDS A RESILIENT AND SUSTAINABLE ECONOMY

### Introduction

12.1 This section is intended to bring together the information from the socio-economic profile of the Stroud economy contained in Section 3.0; various other sources of economic data including the economic projections supplied by Oxford Economics, and the various indicators collected for our own analysis, which specifically looks at economic structure, diversification/specialisation, and growth trends to assess the resilience of the District's economy going forward. This section starts therefore, with a summary of the current economic position and the economic projections together with resilience analysis. It then considers the implications of all of this when considering future strategic priorities for the Stroud economy.

### A prosperous economy already emerging from recession

12.2 From the latest secondary data available, including the latest 2011 data from ONS, the Stroud 2011 Annual Business Confidence Report and our own business survey, it can be reasonably concluded that Stroud has a strong and prosperous economy that is already emerging from the recession (ahead of many other parts of the UK). Furthermore on most of the broad indicators contained within the Socio-Economic Chapter, the District's economy performs better than other districts in the county and the LEP average. Of particular importance are the following:

12.3 **High resident employment rates** – Stroud has a resident employment rate of just under 79 percent, which is higher than the UK (70 percent) and the relatively high Gloucester average of 77 percent. This is one of the highest resident employment rates in the country and is forecast by Oxford Economics to rise to 86 percent by 2030. Unemployment is also comparatively low, at 4.8 percent of the economically active population, compared to 6.5 percent for Gloucestershire and 8.1 percent for the UK. As expected in an area with this economic profile, rates of deprivation are very low.

12.4 **Highly qualified resident population** – 38.4 percent are qualified to NVQ 4 and above which is higher than the county and national averages. It is only surpassed (marginally) by Tewkesbury and Cheltenham in the region. Significantly, Stroud has a strong occupational structure with a higher proportion of the resident population in Professional Occupations than the county or national average.

12.5 **Large and highly productive business base** – as highlighted in Section 3.0 Stroud District has a greater number of businesses within its boundaries than Cheltenham or Gloucester and is second only to Cotswold District in the county. The sectoral profile of Stroud's business base is highly productive with many businesses falling within high-GVA sectors such as construction, manufacturing and professional, scientific and technical sectors. This contrasts with Cotswold District (which has the highest number of businesses) which has a much higher concentration of firms and employment in accommodation, food services, hospitality etc. New business start-up rates are also now increasing in Stroud at a rate of 15.8 percent (5.1 percent higher than the national rate) which highlights a return to almost pre-recession levels.

12.6 **Residence based earnings are particularly high** in Stroud, being greater than national and county comparators and second only to Cheltenham locally.

12.7 These factors taken together paint a picture of Stroud District as being characterised by a resident population which is relatively affluent, well qualified and economically mobile.

**Stroud – a dual economy vulnerable to exogenous shocks**

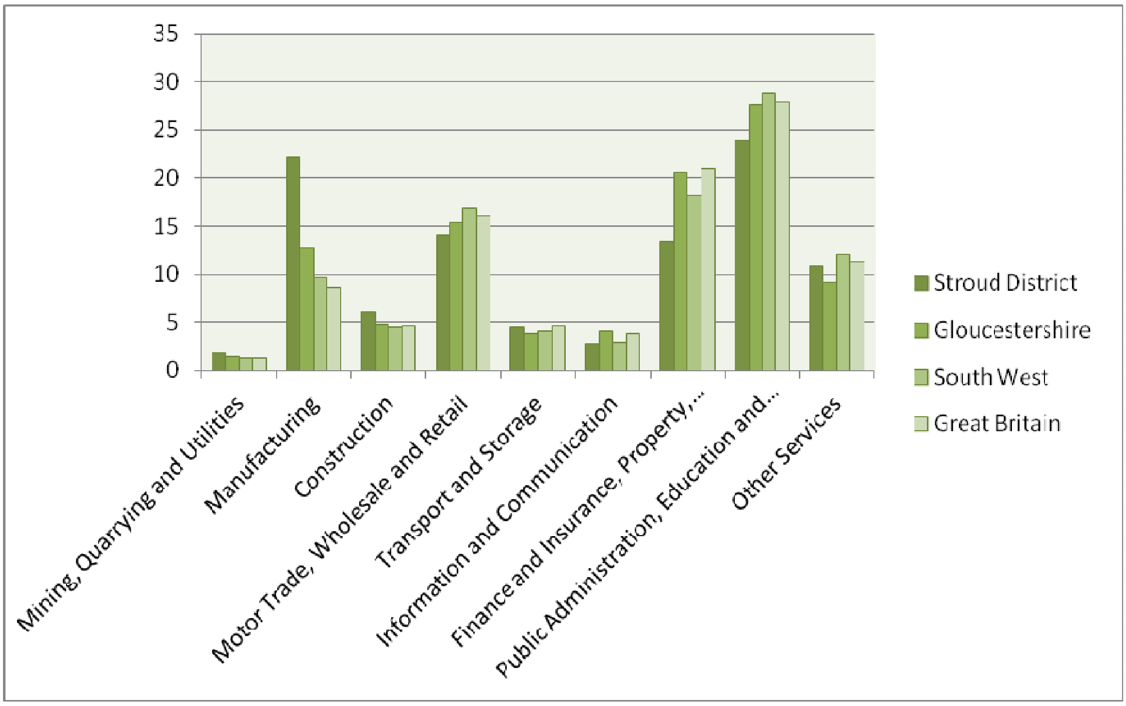
12.8 The paragraphs above highlight the strength of the Stroud economy when observing residence-based data. Resident employment, unemployment, qualifications and earnings are amongst the best in the country and many of the residents are employed in professional and/or technical occupations that command good salaries and are in sectors that drive high levels of GVA. The workplace based statistics however tell a slightly different story. **Median earnings per worker located in Stroud District are actually lower than the national figure** (still slightly higher than the County) and GVA per worker (by place of work) is lower than the county and the national figure.

12.9 This suggests that while there are many firms engaged in high value activities across Stroud there is still a significant component of low value employment in the District. This might be located in low value manufacturing and public administration, retail or wholesale employment, where the profile of jobs may be lower value within each sector than elsewhere. Within manufacturing – *general purpose machinery* and *manufacturing of dairy products* would represent examples of lower value activities.

**A vulnerable economic structure**

12.10 The Stroud economy is also over dependent on declining sectors. Table 61 shows the sectoral spread of employment by (percentage) in Stroud.

**Table 61 - Sectoral Structure of Employment in Stroud 2011**

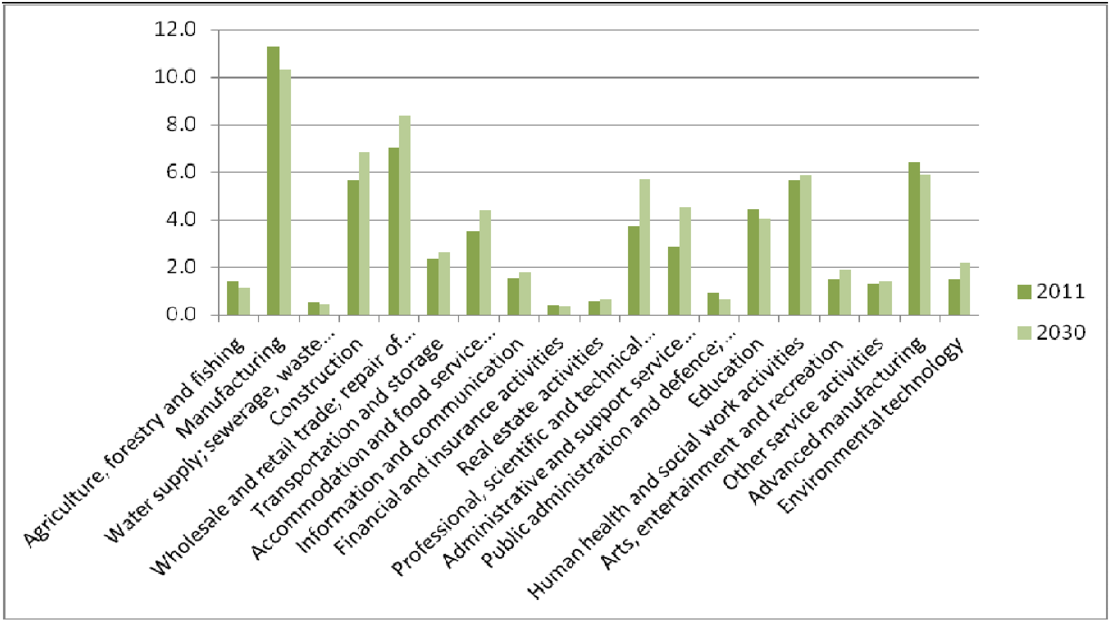



*Source: Business Register and Employment Survey 2011*

12.11 The relatively high proportions of employment compared to county, regional and national benchmarks can be seen in manufacturing (22.3 percent) and construction (6.1 percent), transport and storage. Conversely, Stroud has a far smaller share of Public Administration, Education and Health than the comparator areas and a less developed business and professional services sector.

12.12 Table 62 is taken from Oxford Economics' recent employment forecast (November 2012) for Stroud and shows employment change by sector to 2030. Here we can see that despite an overall decline in manufacturing, and a small decline in advanced manufacturing, the sector will continue to be the dominant driver of employment and consequently of GVA in Stroud. Some niche areas within Advanced Manufacturing will continue to provide high skilled employment over the long-term.

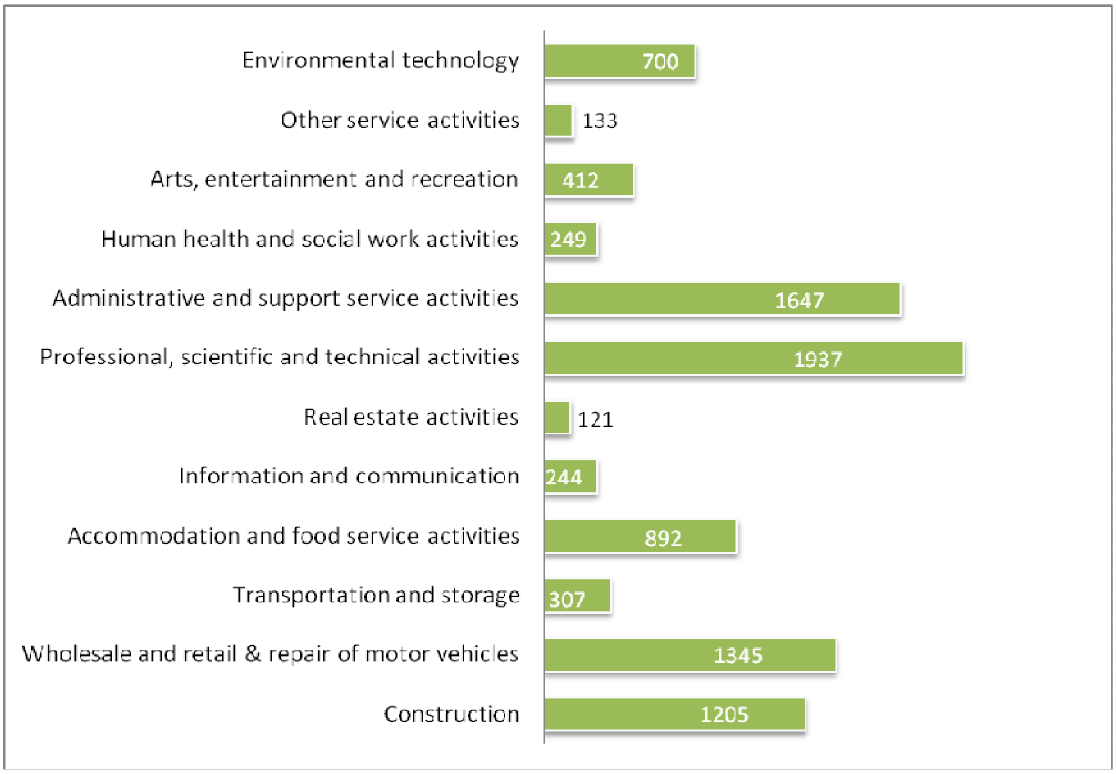
**Table 62 - Sectoral Employment Change in Stroud to 2030**




*Source: Oxford Economics 2012*

12.13 The sectors driving net employment growth in Stroud are shown in Table 63.

**Table 63 - Sectors Delivering Job Growth by 2030**




*Source: Oxford Economics 2012*

12.14 A total of 8,501 new jobs will be created in the sectors shown in Table 63. The biggest sectors in terms of new jobs growth are professional, scientific and technical activities; administrative and support services and wholesale and retail. A key issue for this study is the extent to which the current land, sites and premises offer will accomodate this growth effectively given that much of this growth will require office accommodation. Notably, Environmental Technologies is forecast to contribute 700 net jobs by 2030[1]. This growth picture also shows the importance of capturing the knowledge economy in Stroud; by definition professional, scientific and technical activities will require skilled and highly qualified people. Ensuring that workforce skills keep pace with changing requirements in these sectors will be paramount to securing new investment and remaining competitive in growth sectors.

12.15 A total of 3,300 jobs will be lost over the same period across a range of sectors but the biggest sector losses occur in manufacturing, the public sector,education, arts and leisure, waste management. This gives a net new jobs figure of 5,200 by 2030.

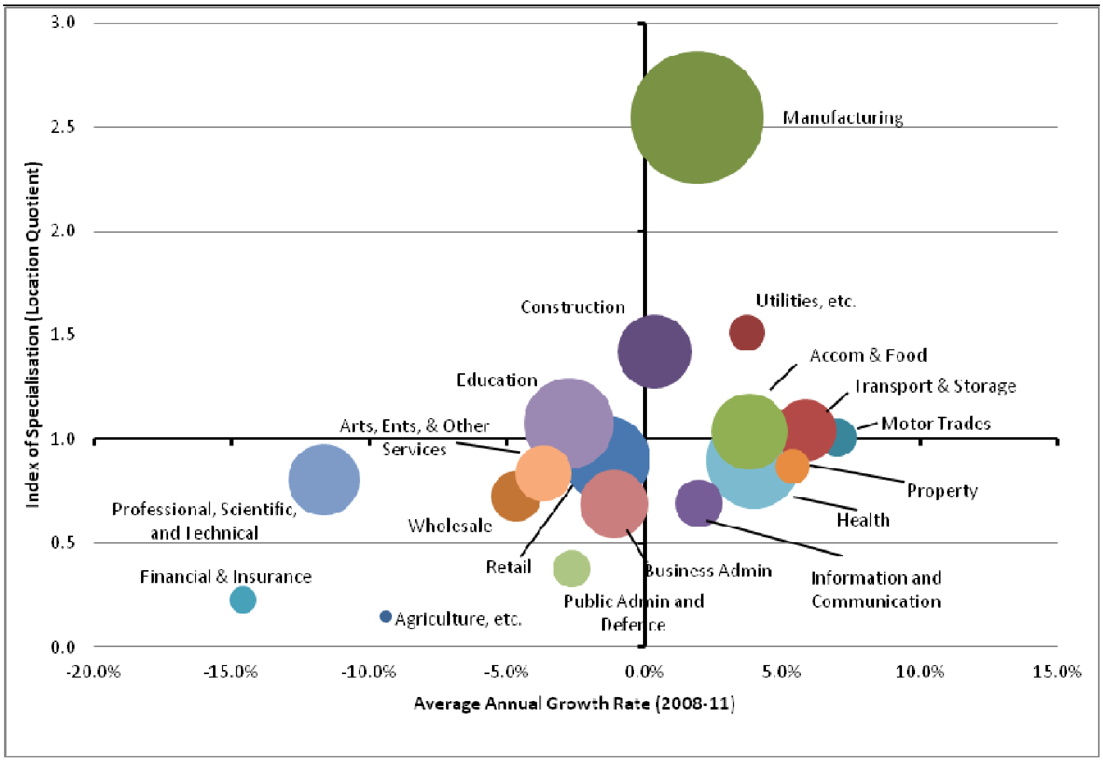
**The Resilience of the Stroud Economy**

12.16 In order to ascertain the resilience of any area's economy it is important to understand the degree of diversification and specialisation and the extent to which employment is concentrated in sectors which are declining or growing. In the bubble charts contained in this next section we look initially at the Stroud economy as a whole and then drill down into the priority sectors of Advanced Manufacturing and Environmental Technologies. Finally, we summarise Stroud's Economic Resilience compared to 324 other Districts across the UK.

12.17 In Table 64 the annual average growth rate of sectors (in terms of employment) is shown on the x axis and the degree of specialisation (measured by location quotients) is shown on the y axis where 1 is the national average. This enables relative specialisation and the sectoral concentration of employment in Stroud to be assessed alongside recent growth trends and size of employment.

[1] The 700 Environmental technology jobs have been separated out for purposes of analysis according to an agreed definition. The jobs are spread across the other sectors such as manufacturing and professional and technical and so are not double counted in the total of 8,501 new jobs.

**Table 64 – Stroud Sector Growth and Specialisation by Broad Sector Group**



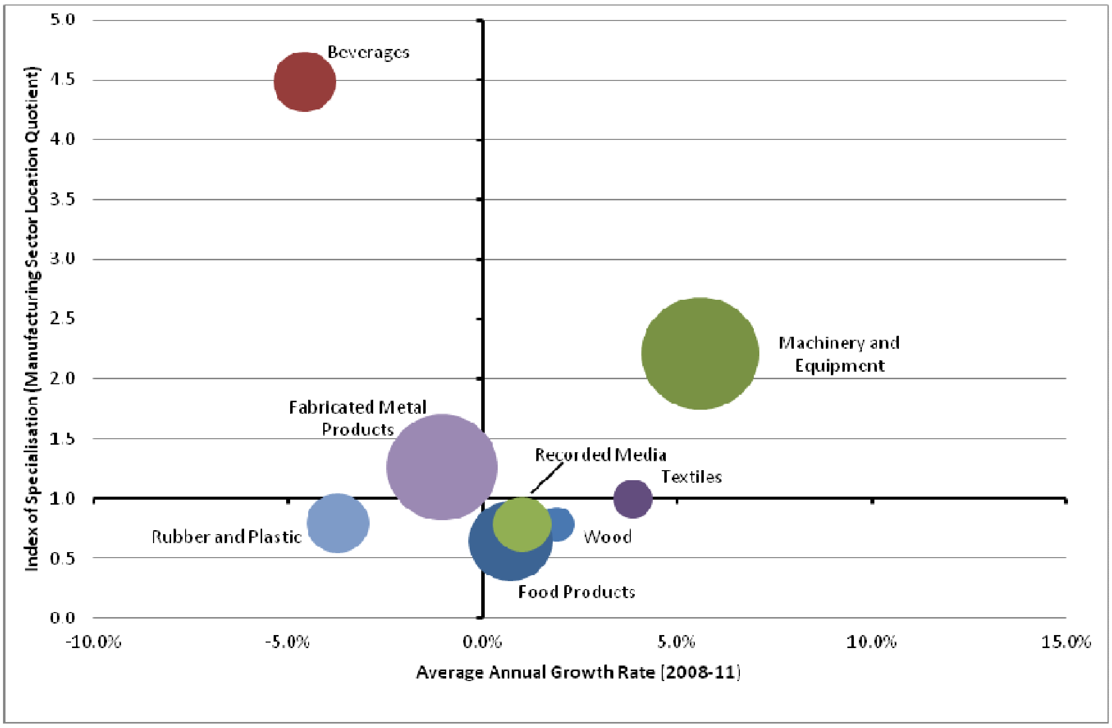

*Source: AECOM 2012*

12.18 Table 64 highlights the dominance of the manufacturing sector (in relative size and degree of specialisation). It has grown a bit in the last four years, which is relatively unusual given the current economic climate, but has been outpaced by a range of other smaller sectors, transport, motor trades, accommodation and food, etc. Other key points include:

- Both the professional services and finance and insurance sectors are significantly underperforming, which reinforces the point that Stroud is weak on higher value services based work – this may also explain the lower than average GVA for the economy as a whole
- The public sector is a big employer in relative terms (even if they are not over-represented in education and health) and given the ongoing cut backs and Oxford Economics forecast this could be a risk for the future
- Construction is a big and over-represented employer. But as a relatively footloose industry experiencing significant contraction, this could also be a risk area.

12.19 Given the size of the manufacturing sector we have also included at Table 65 all manufacturing sub-sectors (by 2 digit sic) that employ more than 200 people.

**Table 65 – Stroud: Key Employment Sub-Sectors in Manufacturing**




*Source: AECOM 2012*

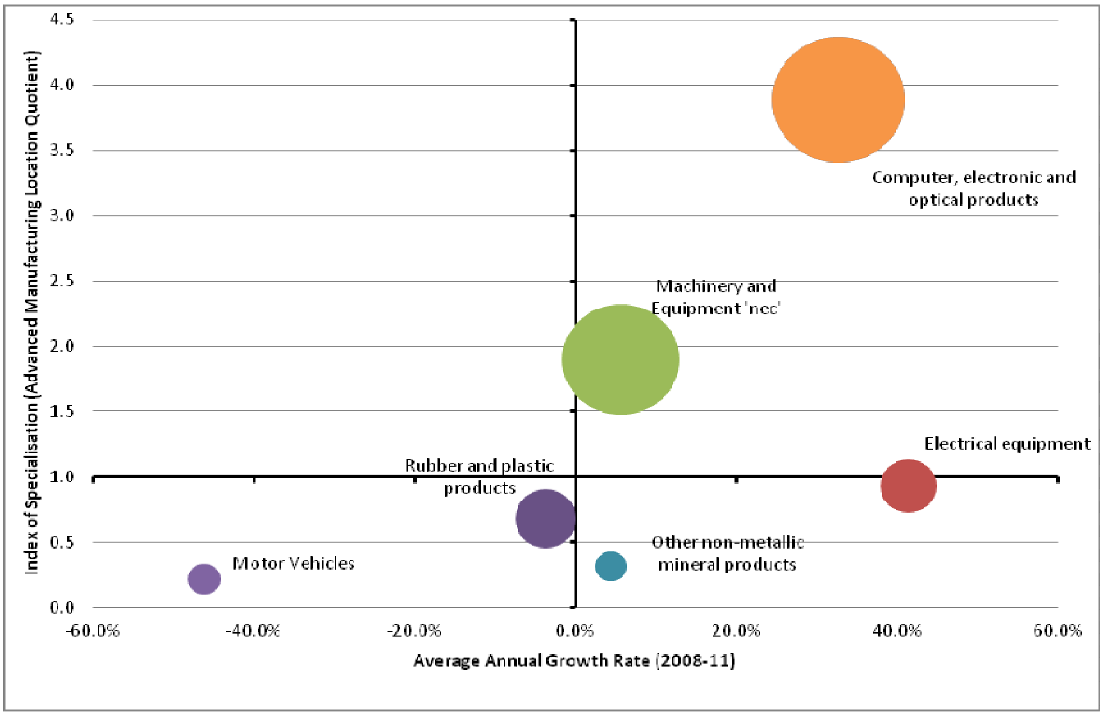
12.20 Most sectors cluster around the centre of the chart in Table 65, which is the national average level of specialisation and static growth. The two big exceptions are:

- Beverages – employs over 500 people or more than four times the national average. The precise figures for this sector are not for publication, which suggests that this depends on a couple of large local employers. This sector has declined by 3.5 percent a year over the last three years.
- Machinery and equipment. It employs over 1,800 people, has an LQ of 2.2 and is growing (by 4.2 percent a year). However, fabricated metal products – the other big employer – is shrinking, albeit at a relatively slow rate.

**Priority Sectors**

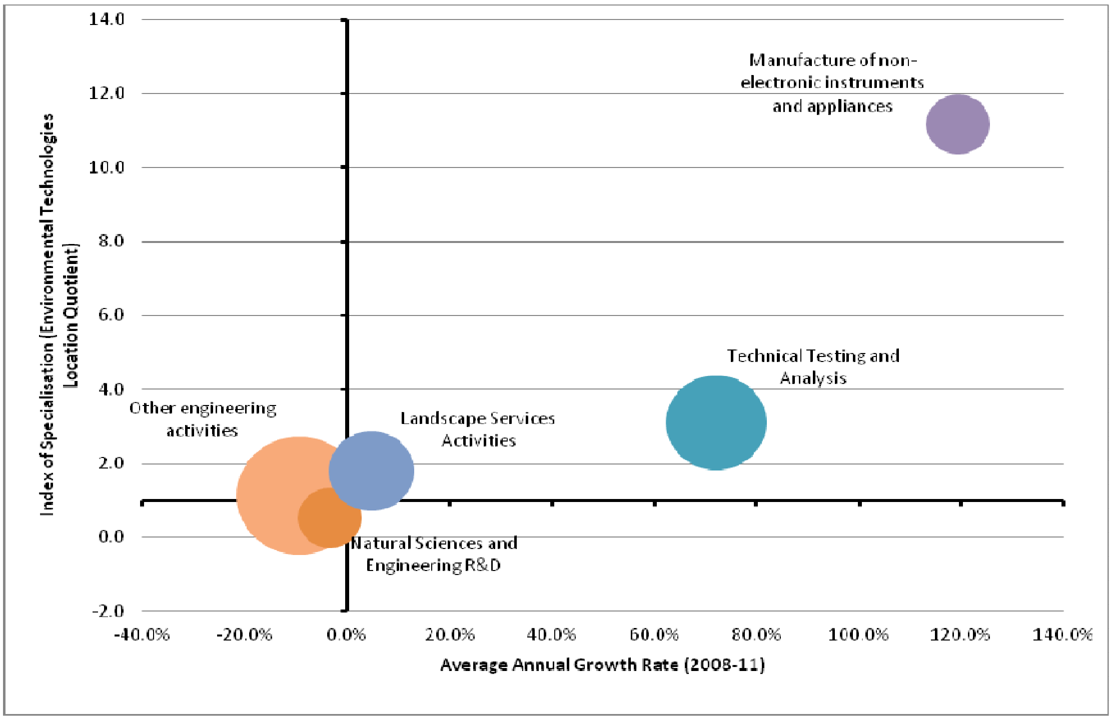
12.21 We look in detail at Advanced Manufacturing and Environmental Technologies in Tables 66-67.

## Table 66 – Stroud: Key Employment Sub-Sectors in Advanced Manufacturing




*Source: AECOM 2012*

## Table 67 – Stroud: Key Employment Sub-Sectors in Environmental Technologies




*Source: AECOM 2012*

12.22 Within each sector, employment is dominated by a couple of key sub-sectors. In Advanced Manufacturing, strengths are in computers, electronic, and optical products and electrical equipment. Both have very high growth rates. Machinery and equipment is also a significant employer in the sector. In the case of Environmental Technologies, the pattern is more extreme, but this may reflect that it is a much smaller sector employing 1,400 locally compared to 5,700 in advanced manufacturing. Manufacture of non-electrical appliances is the major strength with significant growth and specialisation within the district (although note, that it currently only employs around 100 people). The other strong sector is technical testing, which employs around 300 people.

12.23 Stroud clearly has a number of niche sub-sectors in both priority sectors that have the potential to drive employment and GVA growth going forward and lead to a real comparative advantage for the Stroud economy. There is also a high degree of overlap and convergence beween advanced manufacturing and environmental technologies which makes precise sectoral definition difficult but nonethless makes the location attractive for business in both sectors to locate and cluster, delivering economies of scale and efficiency benefits as the sectors develop critical mass.

**Key Issues and Priorities**

12.24 What does this analysis mean for the Stroud economy? In short, it remains prosperous with strong prospects but must look at creating a better balanced and resilient economy if it is to maintain or improve upon this position. In particular:

- The sector balance needs to improve to reduce dependence on manufacturing to capture a bigger share of national/county growth in business services
- Business services is a broad sector which is forecast to grow in every comparator area and nationally. Stroud is significantly under-represented in this sector and should move to balance the situation to reduce dependence on manufacturing
- Stroud has a highly skilled but mobile resident workforce – more of them would work in Stroud rather than out-commute. If there was a better balance of sectors including a bigger service sector, this would lead to more sustainable travel to work patterns
- The high spend potential of the resident population is a significant economic asset and Stroud District could consider capturing more of this through a better retail/culture/food drink offer in its town centres – especially Stroud town itself.

- High-tech manufacturing is in decline but is still significant as a driver of employment and GVA in Stroud. There is still a strong comparative advantage around Stonehouse and evidence of convergence and growth with environmental technologies. This should be encouraged and can help embed high value sectors in the economy; support the development of a highly skilled specialist workforce and stimulate clustering
- Stroud District has an extremely high business density by national standards and new company birth rates are back on the rise. Stroud could encourage more of this and position itself as an entrepreneurial District – an ideal place to start new businesses – playing to the strengths of the high quality lifestyle, good connections, and the proposed upgrade in broadband. New start-up facilities developed in premises like Ebley Mill could play a key role here
- Demand led, sector specific workplace skills development is a priority and will be required to realise the District's potential in its priority sectors.

12.25 Stroud District currently has an undersupply of premises suited to modern business services firms and this sector is forecast to grow. Moreover many modern advanced manufacturing and technical jobs are accommodated in office space such as the technical and consultancy elements which are also forecast to grow. So in order to provide a more balanced economy and capture some of the highest value sectors the District should ensure there is more high quality space for the knowledge economy, in particular high quality office space of a standard currently only delivered at Stonehouse Park.

**Indicative Economic Strategic Objectives for Stroud**

12.26 The outline Strategic Objectives set out below reflect and address the economic priorities for Stroud and analysis presented in this section.

- Create a resilient and high value employment base in Stroud which is able to derive significant productivity benefits from specialisms in:
  - high tech manufacturing niches
  - environmental technologies
  - nuclear supply chain
  - digital technologies.

12.27 Co-ordinated support targeted at these sectors and help to tackle the skills gaps and site/premises issues would be appropriate.

- Create a more balanced and sustainable economy by capturing a bigger share of business services which is growing nationally and is underrepresented locally
    - ensure an effective supply of accommodation for these uses
- Over the long-term increase the proportion of highly skilled residents who actually work in Stroud by providing a more balanced employment offer and in doing so achieve more sustainable travel to work patterns
- Capture more of the high resident based income locally by providing a better food/drink evening economy leisure culture offer
- Build on the distinctive environment and strong entrepreneurial culture locally by creating an outstanding place to start and expand business with new start-up space facilities run by the private sector
- Create a stronger visitor offer to bring in more spend locally.

# 13.0 CONCLUSIONS

13.1 This study has included a wide-ranging look at the factors affecting Stroud's economy, with particular reference to those that are likely to affect the future need for land and property within the District. This section draws together the main issues that will need to be addressed as a preliminary to the more detailed recommendations set out in Section 14.0.

**Planning Policy Position**

13.2 The National Planning Policy Framework (NPPF) places a strong emphasis on delivering sustainable development through the planning system. This includes reviewing employment land allocations to ensure supply meets identified objectively assessed needs; proactively supporting sustainable economic development to deliver business and industrial units, and encouraging the effective use of land by reusing brownfield land.

13.3 The Government's planning policy approach sees responsibility resting with Stroud District Council to set employment land requirement figures for the Local Plan. Land targets will be tested through the Local Plan process and the Council therefore needs to collect and use reliable information to justify employment land supply policies. This report provides this information.

13.4 The economic role that the planning system must perform incorporates contributing to the building of a strong, responsive and competitive economy, by ensuring sufficient land of the right type is available in the right locations, at the right time, to support growth and innovation.

13.5 The NPPF states that 'significant weight' should be placed on the need to support economic growth through the planning system. To help achieve this growth, Local Plans should set criteria, or identify strategic sites for local and inward investment and to meet anticipated needs over the Local Plan period. For Stroud this means to 2031.

13.6 The NPPF also 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 treated on their merits having regard to market signals and the relative need for different land uses to support sustainable local communities.

**Economic Profile**

13.7 The socio-economic profile of Stroud reveals almost 81 percent of the working age population to be in employment, higher than the Gloucestershire and South West averages. Unemployment, at 4.8 percent in mid 2012, is low, particularly when compared to the regional (6.2 percent) and national (8.1 percent) averages. It is also an affluent area, amongst the top 25 percent least deprived local authority areas in England.

13.8 The District's population is relatively self-contained, with the Census figures showing that two-thirds of Stroud's employed residents also work in the District. The District is a net exporter of labour, with the main destinations being Gloucester, Bristol, Cheltenham and Tewkesbury. As a result, compared to some 10,300 who commute in, some 18,900 commute out of Stroud to work elsewhere.

13.9 In contrast to the national picture of a structural decline in manufacturing, the manufacturing sector continues to employ a large proportion (22.3 percent) of people in Stroud. As a consequence the percentage share is more than double the regional and national averages, and just under twice that for Gloucestershire. Public Administration, Education and Health employ the highest share (24.0 percent), but even so this is less than the county, regional and national shares for these sectors.

13.10 The number of VAT registered businesses is high when compared to other Gloucestershire local authority areas. The figure is higher than all areas except Cotswold District. Over 85 percent of companies are micro-businesses (less than 10 employees). A further 12 percent employ up to 49 people (small businesses). Homeworking is at a level below the regional average, but does exceed that for England and Wales. It remains important in the rural areas of the District, but is also a strong characteristic of the Stroud urban area.

13.11 The current structure of premises in Stroud is strongly industrial. Across the District the number of industrial and warehousing units is more than double the number of offices.

### Property Market Assessment

13.12 Stroud District's industrial property market sub-divides to three key geographies – Junction 12, M5 (Quedgeley); Junction 13, M5 (Stonehouse) and the Stroud Valleys. Quedgeley is seen as part of the Gloucester-Cheltenham axis, and is a focus for sub-regional level demand. Stonehouse is prominent because of its proximity to the M5 and established residential areas. It is a focus of demand for modern space, accommodating some expansions or relocations of companies originating in the Stroud Valleys. The latter comprises the third geographic segment and caters more for indigenous, local companies, many of whom occupy the former mill buildings that dominate the area.

13.13 The former mills have been proven business incubators and a source for grow-on space. The continuing loss of mills to non-employment uses is considered a negative impact on the supply of such space and future business start ups.

13.14 Office market demand is very much locally sourced, and is of small scale as most large space users tend to look in either North Bristol, Gloucester or Cheltenham to meet their needs. Modern office space provision is very limited, with only Stonehouse Park delivering an appropriate offer. As such the second hand supply is shrinking, although its poor quality does deter some occupiers.

13.15 Across the whole District the strongest demand is for industrial sites and premises. Despite the national recessionary picture, Stroud's industrial market is seen to be performing well, a reflection of the District's economic data that shows it was late entering recession and has emerged from this much sooner than expected.

13.16 Modern businesses (and developers) want easily developable, accessible and usually prominent sites. They will move from existing property to provide themselves with better, more efficient, cost-effective accommodation of an appropriate size.

### Industrial Market

13.17 Companies already established in the District are mainly looking for moderate quality units of all sizes. The greatest demand is for large units of 2,001-5,000 sqm. Most companies prefer to own, which is a challenge as much of the existing stock and development opportunities are held by developers and investors who will only consider leasehold transactions.

13.18 Around 58,800 sqm of industrial space is currently vacant – 6.5 percent of the total floorspace and only 4.1 percent by premises numbers. Comparison against a market equilibrium average rate of 7.5 percents suggests Stroud is undersupplied.

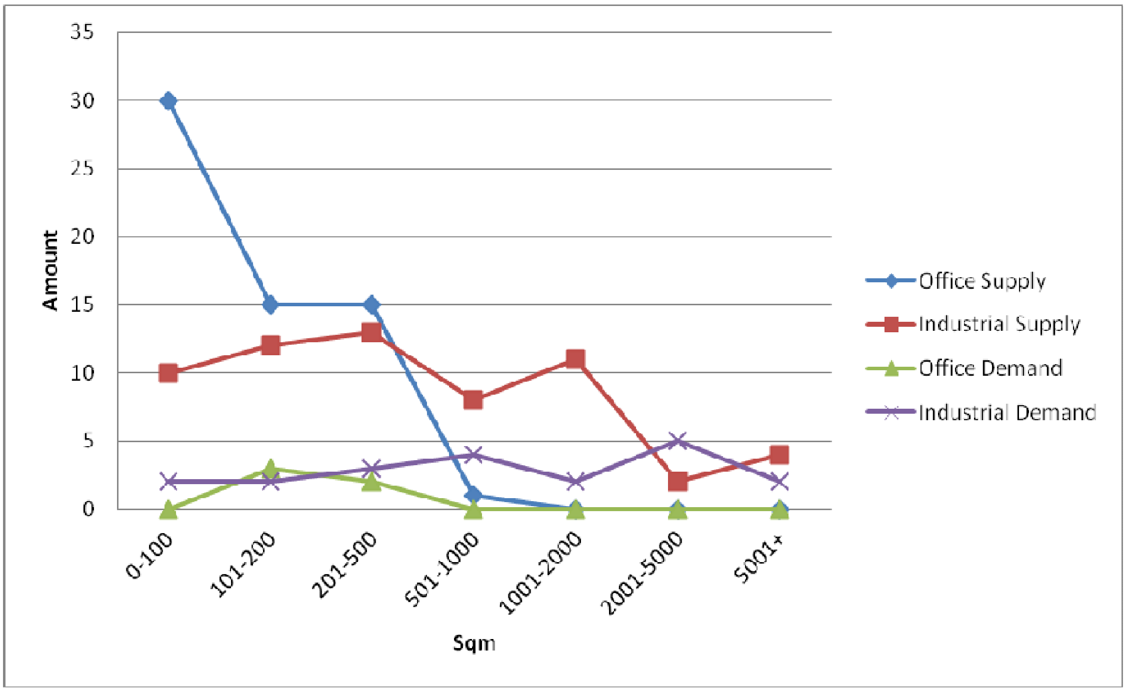
**Office Market**

13.19 Stroud's office market is small. The existing supply stock is less than that of any local authority area in Gloucestershire. Demand evidence affirms the limited level of interest and that this is weighted towards premises of less than 500 sqm.

13.20 There is 8,700 sqm of vacant office floorspace, which equates to vacancy rates of 8.8 percent by floorspace and 9.3 percent by number of premises. Measured against the market equilibrium average rate this would suggest Stroud is oversupplied. However this must be caveated by the fact that analysis of the vacant supply shows there is a paucity of good quality space available within the District.

13.21 Table 68 balances the requirements identified in the company survey undertaken as part of this study against the premises supply identified by this research.

**Table 68 – Stroud Property Supply and Demand**




*Source: BE Group 2012*

### Current Land Availability

13.22 Stroud's current potential employment land resource amounts to 57.91 ha, located across 24 sites. This represents sites allocated in accordance with Policy EM5 and unimplemented planning permissions. The majority of the sites are small. Two-thirds are less than 2 ha, and indeed half are less than 1 ha.

13.23 The land supply is dominated by provision in the west of the District, especially at Sharpness and Cam/Dursley. Whilst there is also a reasonable supply at Stonehouse, there is very little land available in either Stroud town or the Stroud Valleys settlements.

13.24 The market suitability of the available supply is overwhelmingly geared to industrial and warehousing activity. Only three percent of the supply is specifically suitable for office uses.

13.25 Around 43 percent of the existing headline land supply is potentially constrained. This amounts to 25.13 ha and represents one third of the study area's sites. The sites in question comprise land at Sharpness Docks (only likely to be developed for port infrastructure); those being held by existing businesses for their own future expansion; and those where there is no evidence of any intention by the owners to bring the land forward for employment development.

13.26 The majority (59 percent) of the District's land supply could be brought forward within medium term (up to 5 years). Whilst 18 percent (10.53 ha) is available in the short term (1-3 years) there is almost no immediately available, serviced, developable land, with utilities and road access already in place.

### Employment Areas

13.27 A total of 35 existing employment areas identified in Policy EM3 have been assessed ranging from large-scale locations such as Stroudwater Industrial Estate (60.53 ha) to smaller areas like Tabernacle Road, Wotton-under-Edge (0.52 ha). They total just under 283 ha. The assessment has identified that 16 percent (46.41 ha) remains available.

13.28 A further 12.5 percent (35.5 ha) is viewed as appropriate for regeneration, remodelling or expansion. 23.2 ha is located at Quedgeley East Business Park.

13.29 It should be noted that the regeneration opportunities are only suggested as potential areas of such that could be appropriate for employment redevelopment or remodelling. Many of them are not presently available for reuse and they are not part of the existing employment land supply. However, if an opportunity does become available over the plan period, it may be considered as an option for future employment land provision within Stroud.

13.30 Notwithstanding that some of these areas contain buildings reaching the end of their economic life, it is concluded that retention of these areas is important. This is because they have scope to continue providing sustainable local employment opportunities through the Local Plan period and beyond.

**Retaining Employment Land**

13.31 Existing sites and premises provide valuable opportunities for employment close to where people live. This is particularly so for the Stroud Valleys settlements. They benefit the local economy, and whilst it is noted there is increasing pressure for change of use to higher value or non-employment generating uses (including housing), the loss of employment uses can negativity impact on local access to jobs and the economic competitiveness of local areas within Stroud. Ultimately this pressure challenges the District's economic growth.

13.32 Stroud's 35 Employment Areas (identified in Policy EM3 of the adopted Stroud District Local Plan) contain the bulk of the District's existing supply of employment land and premises. As discussed, they also have considerable scope to continue providing local employment opportunities through the Local Plan period and beyond. At present Stroud has a land supply shortfall to 2031 (discussed below) and a declining land supply. This is particularly so for Stroud town and other settlements in the Stroud Valley, where erosion of the historic supply centred on mill complexes has been the result of redevelopment or regeneration for residential and other higher value uses. The Employment Areas will be a key source of smaller brownfield sites that can be brought forward to meet the requirements of specific companies or developers.

13.33 Amongst these existing employment areas this study has identified 'key employment sites' that are considered to significantly contribute to the District's employment land supply for B class uses (see Section 14.0). For Stroud's other employment sites a more flexible approach may be required to help facilitate the broad range of economic development, which is vital for the future sustainability and growth of the local area's economy. In some instances there may not be a need for the site to stay in employment use, if there are sufficient alternatives available in the local area. In some cases, as argued by a number of the District's Town and Parish Councils in their consultations on this study, the size, location and characteristics of a site may mean that more intensive mixed-use development could provide greater benefit to the local community, in terms of addressing local needs, than if the site was retained solely in employment use. However, Stroud District Council should ensure that any proposal for mixed-use redevelopment retains an equivalent amount of jobs on the site. Where a site is vacant or underused then consideration should be given to its potential for job creation, rather than the existing number of jobs.

13.34 Stroud also contains a significant supply of existing and potential employment land outside the identified Employment Areas. The nine additional employment areas identified in Section 6.0 extend to a total of 95.05 ha. The bulk of this is associated with two locations – Aston Down and Berkeley Power Station. Around 18 percent could potentially represent regeneration or development opportunities for B1, B2, B8 uses. However some three quarters of the 16.78 ha total is represented by Javelin Park, part of which is currently earmarked by the County Council for a waste treatment site.

13.35 There is no 'one size fits all' approach that could be applied to protecting, or releasing, employment sites outside of the Employment Areas. Each must be considered on its individual merits.

**Impact of Neighbouring Areas**

13.36 Stroud shares boundaries with four local authorities – Gloucester, Tewkesbury, Cotswold and South Gloucestershire. All have been consulted, along with Cheltenham Borough Council as it is preparing a joint Core Strategy along with Gloucester and Tewkesbury.

13.37 All of these neighbouring authorities indicate that as a result of recently commissioned studies they are able to meet their projected employment land needs through a mixture of existing and proposed additional land allocations. None expect to have to look to Stroud to meet any shortfalls in employment land or premises supply. However only South Gloucestershire's Core Strategy has been the subject of public examination (and found to be sound). The other local authorities are not as advanced in their plan making process.

13.38 Only Gloucester City Council raise concerns about Stroud District's land supply. The City Council is not supportive of any further development allocated south of Gloucester. Rather it believes the emphasis for any further employment land development should be to the north of the city, where sites are considered to be better connected to the city centre. The Quedgeley East site and adjacent land, despite its southern gateway role, is viewed as a far less sustainable location.

**Future Land Requirements**

13.39 It is a responsibility of local government to support and encourage economic growth. This includes the provision, initially through planning policy of sufficient employment land and premises. Provision must be of the right scale, type, location and be readily available for, and capable of, development. The allocated land must be in sustainable locations and comprise a portfolio that is balanced, to adequately cater to all sectors of the economy i.e. small and large companies, offices and industrial, high and low quality operations.

13.40 Since the District's previous Employment Land Study was completed in 2007 there have been changes to the planning policy and strategy landscape. Government has now formally approved the NPPF, which provides the framework for the production of local and neighbourhood plans. The NPPF replaces all the previous Planning Policy Statements and Guidance Notes.

13.41 This study is primarily concerned with those uses included within the planning Use Class B (B1, offices, research and development and light industrial; B2, general industrial; B8, storage and distribution) and appropriate sui generis uses including recycling and the environmental industry. It considers a number of different employment land scenarios. All look at the situation as it stands now. As such the land supply required is balanced against what is currently available. Furthermore it sets forecasts for a nineteen year period (to 2031).

13.42 There is no definitive model for forecasting future employment land needs. Three 'policy off' based models have been used to assess future employment land provision.

These are the projection forward of historic land take-up; a forecast based on employment sector change and one of labour supply projections.

13.43 From data provided it has been possible to establish long term (21 years), medium term (8 years) and short term (5 years) trends that can be used in projection forward of historic take-up rates achieved by Stroud. This trend based forecast merely reflects and perpetuates the economic circumstances of the past two decades. It takes no account of the changes in economic activity that may arise from the implementation of sub-regional initiatives, such as the emerging Gloucestershire LEP Economic Strategy.

13.44 The take-up evidence shows a fluctuating picture. The long term annual average is 2.81 ha. For the medium term the take-up has been marginally higher at 2.84 ha. However, the most recent five years, exhibits a level 14 percent below the long term average. This is considered to be the consequence of what has nationally substantially been a period of economic recession.

13.45 However these methods make no allowance for companies modernising or relocating into different sized property; that land is not used totally efficiently; that some companies occupy more space than they need or will hold land long term for their own possible future expansion; or that there needs to be a range of sites and locations to provide companies with choice. Furthermore the company survey identified short term requirements equating to an additional 4.75 ha from amongst the 102 companies that responded (circa 3 percent of the District's total relevant business stock). Therefore common sense suggests the assessments based on the forecasts are flawed, even though their principles of limited job growth and higher density land use are correct.

13.46 Oxford Economics did seek to produce a 'policy on' model that considered the employment impact arising from the identified growth sectors of advanced manufacturing and environmental technologies. These two sectors are identified at both LEP and District Council levels. However it was established that no measureable targets have been set for increased attraction or activity of these two sectors and therefore it has not been possible to prepare a forecast model.

13.47 The long term take-up forecast suggests a need of 53.39 ha for the period 2012-2031. Incorporating a five year take-up buffer to provide a choice and range of sites and a continuum of supply beyond the Plan period, indicates a shortfall of 9.53 ha against the current headline land supply. This deficit increases to 34.6 ha when potential losses from the headline supply are taken into account.

13.48 The employment based forecast indicates that net growth over the Plan period would generate need at best of only 0.73 ha. Even after inclusion of the five-year buffer figure to allow for a range and choice of sites this model suggests there is a surplus of between 43 and 47 ha against the current headline supply figure. A similar picture applies to the labour supply forecast, although the surplus reduces slightly to around 41 ha.

13.49 A summary of the three forecast scenarios is set out in Table 6. They relate solely to the Plan period 2012 – 2031 and illustrate the effect of a five year buffer as proposed in Section 10.0, to facilitate an ongoing range and choice of sites to accommodate the anticipated structural change in employment sectors and a continuum of available supply beyond 2031.

**Table 69 – Land Forecast Models – Summary**

| Model | Land Stock 2012[1], ha | Land Need 2012-2031, ha | Buffer (5 years take-up rate)[2], ha | Surplus (Shortfall), ha | Assumptions |
|---|---|---|---|---|---|
| Historic Land Take-Up Rate | 57.91 | +53.39 | +14.05 | (9.53) | Based on historic (21 years) take-up of 2.81 ha/pa |
| Employment based | 57.91 | +0.76/ -3.19 | +14.05 | 43.10/ 47.05 | Based on projected growth/reduction of employment in industry sectors |
| Labour Supply | 57.91 | +2.26/ +2.64 | +14.05 | 41.22/ 41.60 | Based on population projections and projected industry sector changes (growth/reduction) and impact on floorspace (and thus land) need |

*Source: BE Group 2012*

*NB.1 Headline supply at 31 March 2012*

*NB.2 Based on historic take-up rate of 2.81 ha/pa*

13.50 The variation in the outcome figures demonstrates the uncertainty of forecasting. Three of the models suggest there is an over-provision of employment land based against the headline supply figure. Only the historic land take-up rate identifies a shortfall. However potentially up to 25.13 ha of the supply may not be available. The effect of this would, for three of the models, significantly reduce the forecast level of overprovision – but all still suggest a surplus of supply over need.

13.51 Table 70 compares the forecast employment land need and the projected shortfall/surplus for both the headline (perceived) available supply (57.91 ha) and the residual supply (32.78 ha).

**Table 70 – Land Need Forecasts – All Models**

| Model | Land Need, ha 2012-2031 (Including 5 years Buffer) | Predicted Surplus (Shortfall) to 2031 Perceived Supply (57.91 ha) | Predicted Surplus (Shortfall) to 2031 Residual Supply (32.78 ha) |
|---|---|---|---|
| Historic Land Take-up Rate | +67.44 | (9.53) | (34.66) |
| Employment based | +10.86/<br>+14.81 | 43.10/<br>47.05 | 17.97/<br>21.92 |
| Labour Supply | +16.31/<br>+16.69 | 41.22/<br>41.60 | 16.09/<br>16.47 |

*Source: BE Group 2012*

13.52 In Section 4.0 reference is made to Stroud District having an overall underprovision of available floorspace against a market equilibrium rate of 7.5 percent of total floorspace stock. Adjusting the current 6.8 percent rate to market equilibrium translates the additional floorspace to a need for 1.84 ha of further employment land. If this is included then the land requirement, based on the historic land take-up rate, increases to 36.50 ha. This figure further increases to 37.50 ha if allowance is made for some limited take up of employment land by non-B Use Class activities.

13.53 The conclusion to be drawn is that Stroud District needs to replace any land that is lost to alternative uses, as well as expand the overall supply of employment land over the Local Plan period. There is a need for caution in considering the release of sites, as more recent (medium term) take-up (notwithstanding the recession) has been above the longer term trend.

### Providing for Structural Change

13.54 The complexities of structural change make it difficult to be confident about the true scale or nature of future employment land needs through to 2031, especially when what is actually happening on the ground – where industrial demand is very much outpacing office demand – is contrary to expected forecasts. The differential between 'policy off' and 'policy on' is also difficult to quantify and will require careful monitoring over the plan period, alongside the need to recognise the redundancy of poor quality employment sites and premises and to encourage the recycling of less suitable older stock to make way for premises better suited to meet modern requirements. In practice, this can only be realistically addressed by ensuring that a good range of suitable sites is maintained throughout the plan period to stimulate local company growth, inward investment and emerging industries, as well as to provide for choice and for 'room to manoeuvre', to enable any necessary structural change to occur.

13.55 Structural change will also have implications for the type of land required. Whilst much of Stroud has been and is expected to continue to be a manufacturing location, there is need to ensure that future sites and premises provision is suited to the requirements of the service industry sector. To attract and retain these occupiers, environmental setting, accessibility and provision of support facilities for the workforce, are expected to assume much greater importance as part of the wider need to directly address the quality of the land supply.

13.56 In providing for structural change regard should be given to the growth sector opportunities identified for Stroud and the wider LEP area – advanced manufacturing and environmental technologies – relevant to B Use Class employment land provision. These include the possibility of growth of the nuclear sector supply chain, capitalising on the existence of the Berkeley site's relative proximity to the proposed new nuclear power station at Oldbury.

# 14.0 RECOMMENDATIONS

## Introduction

14.1 This section sets out the consultants' recommendations arising from the Employment Land and Premises Review. The recommendations in this report have had full regard to the requirements of the NPPF to encourage and deliver growth through the Planning System. The recommendations are grouped around four aspects:

- Employment Land Supply
- Spatial Implications
- Provision of Premises
- External Influences.

## Employment Land Supply

### Recommendation 1 – Employment Land Provision Definition

14.2 The NPPF does not define employment land provision within the main document. However Annex 2 defines economic development as "*development, including those uses within the B use classes, public and community uses and main town centre uses (but excluding housing development)*".

14.3 For the purpose of this study Stroud's current available land supply is defined as the twelve sites allocated in the adopted Local Plan Policy EM5 that remain undeveloped, and twelve sites with unimplemented planning consents. These total 57.91 ha and are identified in Section 6.0 Table 23.

### Recommendation 2 – Employment Sites and Areas to be Retained

14.4 As is discussed in Section 13.0, existing sites and premises provide valuable opportunities for employment close to where people live. They benefit the local economy, and the loss of employment uses can negatively impact on local access to jobs and the economic competitiveness of local areas. Ultimately this challenges the District's economic growth.

14.5 The relative scarcity of available, developable employment land, alongside the issues outlined above, means that there is a strong economic justification for the ongoing protection of employment land in Stroud.

14.6 This study has identified 'key employment sites' that are considered to significantly contribute to the District's employment land supply for B class uses. These should be safeguarded for B class uses and other employment uses which achieve economic enhancement without detrimental impact to either the site or the wider area. In considering economic enhancement regard should be given to issues such as wage rates, job numbers, achievement of higher level skills and the key industry sectors identified as important for Stroud.

14.7 It is recommended that Stroud District Council designate the following as key employment sites to be safeguarded for B-Class uses and other employment uses which achieve economic enhancement without detrimental impact to either the site or the wider area:

- Quedgeley West
- Hunts Grove/Former MoD Site 2, Quedgeley
- Stroudwater Industrial Estate, Stonehouse
- Stonehouse Park, Stonehouse
- Bonds Mill Industrial Estate, Stonehouse
- Aston Down, Chalford
- Draycott Mills Industrial Estate, Cam
- Littlecombe Business Park, Dursley
- Severn Distribution Park, Sharpness
- Bath Road Industrial Estate, Stroud
- Inchbrook Industrial Estate, Nailsworth.

14.8 Within these 'key employment sites' applications for B class use should be permitted subject to the proposals not having a significant adverse impact on surrounding local uses. The use for employment purposes other than B class uses may be appropriate but only if it can be shown that the use provides on-site support facilities or demonstrates an economic enhancement over and above B class uses. Such development should however not prejudice the efficient and effective uses of the remainder of the employment area.

14.9 Retail uses should not generally be supported on employment sites. Exceptionally, uses which have trade links with employment uses or are un-neighbourly in character (such as car showrooms, tyre and exhaust centres, or trade counters) may be permitted on employment sites which have good access to a range of transport options. Other uses that do not provide direct, on-going local employment opportunities should not be permitted on ‘key employment sites’.

14.10 For Stroud’s other allocated employment sites and land/premises in Policy EM3 Employment Areas, plus the nine additional sites identified through this study (see Section 6.0 Table 43), a more flexible approach could be taken to help facilitate a broad range of economic development, which is vital for the future sustainability and development of the local area’s economy. In some cases, the size, location and characteristics of a site may mean that a more intensive mixed-use development could provide greater benefit to the local community, in terms of addressing local needs, than if the site was retained solely in employment use. However, Stroud District Council should look to ensure that any proposal for mixed-use redevelopment (incorporating both employment and non-employment uses) must retain an equivalent amount of jobs on the site. Where a site is vacant or underused then consideration should be given to its potential for job creation rather than the existing number of jobs.

14.11 Where employment sites are proposed for mixed-use development (incorporating both employment and non-employment uses), Stroud District Council should require the applicants to provide the following:

- A description of the community and regeneration benefits to be delivered
- A description of the economic benefits
- Any local employment or other needs addressed by the proposal
- Scale and type of employment development to be retained and provided
- Existing job numbers (full and part time) by job type
- Expected job numbers (full and part time) by job type and how these are justified.

14.12 Stroud District Council should only consider non-employment uses (such as housing and retail) where wholly exceptional circumstances apply. In considering an application for a non-employment use, applicants should be required to demonstrate that real effort has been undertaken to secure alternative employment uses, and that consideration has been given to current market trends and future land needs in the location. To this extent, applicants should be required to:

- Make a compelling case that wholly exceptional circumstances apply that would not create a precedent for the loss of employment sites elsewhere in the District

- Describe any problems caused by the current employment use; the measures considered to try and mitigate these issues, and an explanation of why these problems could not be overcome
- Detail any other reasons why the site is thought unsuitable for employment uses
- Detail how the property has been marketed, over what period, and for what price (defining how the price was determined), what use(s) it was marketed for, where it was advertised and provide information on any offers received
- Set out any measures that are proposed to mitigate the loss of employment land.

14.13 It is suggested that in terms of protecting employment sites, the redevelopment of employment land and premises for non-employment uses be allowed in the following circumstances:

- The present (or previous, if vacant or derelict) use causes significant harm to the character or amenities of the surrounding area, and it is demonstrated that no other appropriate viable alternative employment uses could be attracted to the site, or
- Mixed-use redevelopment would provide important community and/or regeneration benefits with no significant loss of jobs, potential jobs, and the proposed mix of uses accords with other planning policies.

14.14 This advice is offered without consideration of other planning, traffic/highways issues, etc. which might render some uses or mixed use developments inappropriate on particular employment sites. It is clearly for Stroud District Council to judge proposals on their merits taking account of these factors.

14.15 If employment sites (allocations) are lost to other uses, then an equivalent amount of land should be identified elsewhere to ensure a sufficient overall land supply in Stroud.

**Recommendation 3 – Future Employment Land Provision**

14.16 The perceived land supply of 57.91 ha, at April 2012, generates a shortfall of 9.53 ha when measured against a roll forward of historic take-up. This increases to 34.66 ha when sites with development constraints are excluded. The shortfall further increases to 36.5 ha, if market equilibrium (of a 7.5 percent overall floorspace vacancy rate) is to be attained and to 37.50 ha when non-B use class activities that could locate on employment land are considered.

14.17 The forecasts of future population (labour supply) and industry sector activity (jobs), and the policy 'on' model relating to key industry target sectors suggest there will be a substantial surplus of employment land. These forecasts suggest that Stroud will need substantially less employment land than is already identified. This would mean most of the currently available land is surplus to requirements.

14.18 However, AECOM and BE Group do not recommend that the economic forecasts be the basis for defining employment land provision for the Local Plan period. This is because the forecasts represent the absolute minimum amount of land required to accommodate the activities of different industry sectors. Furthermore they take no account:

- that within sectors expected to decline (particularly manufacturing) there will still be businesses that will grow and expand
- that there will be local market churn
- that there will be need to maintain a choice of supply by size, type, location and quality of sites and premises for businesses at differing levels of their maturity
- that there should be a continuing forward supply to accommodate site development beyond the end of the Local Plan period
- of reference to the level and nature of the existing employment land supply at April 2012
- of addressing the fact the District is a significant net exporter of labour.

14.19 It is therefore recommended that Stroud District Council use the roll forward of historic take-up as the main measure of the District's future land needs, to 2031.

14.20 Increasing office use will lead to a reduced scale of employment land demand. However, getting there is a different proposition. Therefore it is recommended that Stroud maintains a buffer zone of at least five years historic land take-up. This should be maintained as a five year rolling supply at all times to provide range and choice as well as 'room-to-manoeuvre' to enable the forecast structural change to occur.

14.21 To be safe, Stroud District Council should adopt the scenario that the reduced baseline figure of 32.78 ha identified in Table 38 actually occurs and that, notwithstanding the recommendations of this study, some land is lost to alternative uses. Where employment sites are lost to other uses, this will need to be re-provided elsewhere in the District to ensure a sufficient supply.

14.22 The assessment of existing Employment Areas suggests that a portion of this need for additional land could be met by remodelling of some sites and/or regenerating poor quality buildings that are appropriate for continuing employment use. However, many of the regeneration opportunities identified in this study represent long term options for change. Some are presently occupied; are subject of alternative proposals which would require planning permissions. It is expected that only a portion of the identified opportunities will come forward over the Local Plan period and it is unlikely that the projected shortfall (34.66 ha) could be met through this source alone.

14.23 This study therefore recommends that Stroud District Council undertakes a review of the Regeneration Opportunities identified in this study, with the aim of determining which are likely to come forward over the next two decades and what level of land supply this is likely to generate.

**Recommendation 4 – Areas of Search**

14.24 To meet the potential shortfall of employment land during the plan period it is recommended that Stroud District Council considers the inclusion of new allocations in the Local Plan process at Quedgeley East; north of Stroudwater Industrial Estate, Stonehouse; an extended Severn Distribution Park, Sharpness. Collectively these could deliver in the order of 39ha.

**Recommendation 5 – Continue to Assess Land at Sharpness Docks**

14.25 Stroud District includes significant port facilities at Sharpness Docks. At present, there are four employment sites at the Docks, totalling 19.40 ha. This land comprises long term allocations of low quality brownfield/greenfield land. Several of the sites are inaccessible, others are constrained by site conditions and two are in active use for open storage.

14.26 It is the view of this study that these sites are unlikely to come forward for general B1/B2/B8 employment. However, it is not possible to predict what future land requirements the Docks themselves will have. An expanding Dock complex may, for example, have requirements for infrastructure, open storage or vehicle parking which could only be met on the allocated land. It is therefore recommended that the four sites be retained as infrastructure land to support Sharpness Docks. This does not preclude the possibility that some of this land could be used to support a future employment development proposal, should one emerge.

14.27 Demand for industrial and logistics premises at Sharpness is focused at the adjacent Severn Distribution Park and the Distribution Park owner has plans to expand this facility. Severn Distribution Park is now established as a key warehouse/distribution facility in Stroud District and the wider Gloucestershire sub-region. Realistic and viable proposals to deliver further warehouse accommodation at this location should therefore be supported.

**Recommendation 6 – Single Employment Sites Outside Employment Areas**

14.28 This study has not surveyed B use class employment activities associated with solus sites outside current employment land allocations. However, it is accepted that these are activities that make a contribution to local employment activity and jobs. It is also recognised that there may be competing pressures for other uses on some of these sites, but any consideration of future non-employment use should be addressed in the same way as non ‘key employment’ sites and employment areas.

**Recommendation 7 – Future Reviews**

14.29 Stroud should review its employment land portfolio at intervals of around three years. This is also broadly in accordance with the NPPF which recommends regular monitoring and review of the local land supply to ensure a robust evidence base.

**Spatial Implications**

**Recommendation 8 – Spatial Distribution of Use Classes**

14.30 It is generally difficult to predict what sort of employment sector ought to be assigned to each site within the employment land supply. As developments such as Stroudwater Industrial Estate have demonstrated, large scale sites can accommodate a mix of uses if the environmental framework is appropriate.

14.31 Rather than limiting which (employment) use class can be developed, the priority for Stroud District Council should be to ensure that any industrial, warehouse or office accommodation which is delivered, is of a uniformly high quality (delivering good job outputs), appropriate for these prominent business park locations.

14.32 Stroud District Council should also recognise the increasing level of precedents of non-B use employment activity provision within employment areas across the UK. Sui generis uses, such as vets practices, and D1 non-residential institutions including training centres, nurseries/children's play facilities and activity centres do generate employment opportunities. Such applications within the District should be treated on their individual merits, including employment outputs.

**Provision of Premises and Sites**

**Recommendation 9 – Research Underused or Unused Mills Floorspace**

14.33 The overwhelming majority of the District's businesses are micro businesses that have been established locally. It is important to meet the needs of start-up businesses through the provision of business incubators, managed workspace and 'grow on' premises.

14.34 The District's mill complexes, especially those in the Stroud Valleys settlements have served, and continue to do so, as a genuine and vital role in delivering business incubation and grow on space. Yet consultations in the course of this study have raised questions about the degree of knowledge regarding unused, or underutilised space associated with some mills that for whatever reason is not being marketed.

14.35 In view of the limited availability of existing built space it is recommended that Stroud District Council undertakes research to identify the scale and location of unused or underused mill floorspace, and to identify the constraints or opportunities associated with bringing such space to the market.

**Recommendation 10 – Strengthen Support Services and Premises for Start-Up Businesses**

14.36 Stroud has an entrepreneurial culture. Yet the provision of modern offices premises, with associated business support services is essentially lacking. The District Council has unoccupied office accommodation within its building at Ebley Wharf, which could fulfil the role of business incubator space for B1(a) use class activity. Co-location, in this way, with the District Council's economic development and business engagement personnel would help to strengthen ties and understanding between the private and public sectors. For the District Council it would generate an income stream from an underused capital asset.

14.37 It is therefore recommended that Stroud District Council examines the feasibility and viability of creating a business incubator/serviced offices facility to be located within its unused floorspace at Ebley Wharf.

**Recommendation 11 – Premises and Sites Provision**

14.38 Given the strength of continuing demand for freehold industrial units, there should be sites set aside to provide small freehold development plots for owner-occupiers. These could comprise up to 2 ha, providing initially 5 to 10 plots, 0.1-0.2 ha in size on a long leasehold basis to ensure some control to keep the scheme well planned, clean and tidy. Such delivery is more likely where land is currently in public sector ownership. Therefore it is recommended consideration be given to provision on part of the County Council owned land at Stonehouse.

14.39 More industrial units are required in the range 2,001-5,000 sqm. Both leasehold and freehold premises are needed, although as noted above the greater preference is for freehold. There is no evidence of an equivalent need for further office accommodation. The District appears to have an oversupply of floorspace relative to present demand. However this may be a self fulfilling prophecy as the historic absence of modern office development of any scale means demand is not generated because businesses know no such product exists in the District.

**External Influences**

**Recommendation 12 – Maintain Awareness of External Influences**

14.40 As a first point, Stroud District Council must recognise its role, together with the other Gloucestershire authorities, in developing the county's economy. In this respect they are interconnected, to varying degrees, on a number of levels.

14.41 Discussions with the adjoining local authorities of South Gloucestershire, Cotswold, Cheltenham, Gloucester and Tewkesbury indicate that they all have sufficient land allocations (both existing and proposed) to meet their projected needs. There is therefore no immediate need for them to look to Stroud for support in land provision.

14.42 However, there are still a number of issues and opportunities in which the wider area local authorities interests will overlap, and where joint working is advisable. For example, addressing Gloucester City's concerns about any further employment land allocations in the vicinity of Junction 12, M5. Or, the strategic aim to grow the advanced manufacturing and environmental technologies sectors within the LEP area – something which coincides with Stroud District's desire to build on these sectors because of their existing strong representation within the local economy. Also, the potential (perhaps with South Gloucestershire and Gloucester) to capitalise on the supply chain opportunities associated with the nuclear industry, with the planned investment in a new power station at Oldbury and the decommissioning of Berkeley.

**Recommendation 13 – Indicative Economic Strategic Objectives**

14.43 Reflecting and addressing the analysis of the local economy and economic priorities for Stroud District the following strategic objectives are recommended:

- Create a resilient and high value employment base, which derives significant productivity benefits from specialisms in high tech manufacturing niches; environmental technologies; nuclear supply chain; digital technologies. This to tackle the skills gap and issues of suitable sites/premises
- Create a more balanced and sustainable economy by capturing more business services sector activity. As part of this address the lack of appropriate accommodation in the District
- Provide, over the long term, a more balanced employment offer to increase the proportion of highly skilled residents that also work in Stroud, and achieve more sustainable travel to work patterns
- Capture more of the high resident-based income locally, by providing a better food/drink evening economy, leisure, culture offer
- Capitalise on the District's distinct environment and strong entrepreneurial culture, to create an outstanding place to start and expand business with more new start-up space facilities
- Create a stronger visitor offer to draw in more spend locally.

## APPENDICES TO THIS REPORT ARE BOUND SEPARATELY