

Replacement Local Development Plan 2018-2033

Background Paper

# **BP56: Employment land investment hierarchy**

**Deposit Plan**

**January 2025**



**Mae'r ddogfen hon ar gael yn Gymraeg hefyd.**

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## **1. Background**

It is recognised that there are many, sometimes complex factors to consider when looking for a suitable site for starting up or expanding a business. For example proximity to customers/suppliers, transport accessibility, size and configuration of premises and provision of facilities/amenities for staff and visitors being just a few examples. In Conwy the Strategic Planning Policy Service are keen to facilitate this process from a planning perspective by offering clear guidance to identify suitable sites to meet the needs of home-grown businesses and/or attracting inward investors.

This Background Paper examines the national policy context behind finding suitable locations for employment uses, revisits what is currently in place in the adopted Local Development Plan (LDP) 2007-2022 and from this evidence suggests a possible direction for future policy as part of the Replacement Local Development Plan (RLDP) 2018-2033. Recognising that Conwy's economy is made up of a combination of urban and rural business and services, it is important that this Background Paper addresses future policy approaches that can be accessed by both urban and rural businesses. Also see Background Paper 16 –Planning and the Rural Economy.

## **2. National Planning Policy Context**

### **2.1 Planning Policy Wales 12**

PPW 12 at paragraph 5.6.6 states “The absence of allocated employment sites should not prevent authorities from accommodating proposals for appropriate small-scale enterprises in or adjoining rural settlements, including small rural settlements.” Planning authorities should include criteria based policy in development plans to consider such proposals when they are outside settlement boundaries.” It also goes on to say in the same paragraph; “Whilst the protection of the open countryside should be maintained wherever possible, the expansion of existing businesses located in the open countryside should be supported provided there are no unacceptable impacts”

National Planning Policy on Employment Planning Policy Wales (PPW) and TAN 23 – Economic Development establishes the principle of a sequential test in relation to town centre related uses which have direct relevance to economic land uses. Accordingly when identifying land for economic uses in development plans, or when determining applications, it is recommended that local planning authorities should seek to replicate this approach.

### **2.2 Technical Advice Note (TAN) 23 Economic Development**

In accordance with TAN 23, Local Planning Authorities (LPAs) should therefore need to apply judgement depending on the nature of the economic use and its applicability to a particular location. They should give first preference to sites within the boundaries of settlements (including planned new settlements and urban extensions). As a second preference, they should consider edge-of-settlement sites. As a third preference, they should consider identifying land in the open countryside outside the areas identified as C1 and C2 flood zones in the Welsh Government's Development Advice Maps. Land may be identified in less

preferable locations but only if the resulting benefits outweigh any adverse impacts of the development.

### **2.3 Future Wales: The National Plan 2040**

Future Wales: The National Plan 2040 was published in February 2021. The main aims for the Welsh economy are as follows:

- To support a low carbon economy and the decarbonisation of industry, and the growth of sustainable and renewable energy
- To support the sustainable location of economic land uses
- To support the growth of innovation, research and development, and better linkages between higher education and private industry
- To support the development of advanced manufacturing in each region
- To recognise the importance of key future sectors such as advanced engineering, renewable technologies, Artificial Intelligence, transport, automation and digital innovation
- To support the foundational economy and identifies a regional and sub-regional approach to economic development delivered through Strategic Development Plans and Local Development Plans
- To supports infrastructure development, including transport, energy, and digital communications.

In Conwy, two Regional Growth Areas have been identified - Colwyn Bay and Llandudno. Future Wales promotes a 'Town centres first' approach meaning significant new commercial, retail, education, health, leisure and public service facilities must be located within town and city centres. Co-working office hubs are also promoted within walkable distance of peoples' homes within town and local centre locations.

### **2.3 Our Economic Resilience & Reconstruction Mission**

This document was also published by the Welsh Government in February 2021 and focusses on recovery and resilience in the wake of the Covid 19 pandemic. In particular the 'five beacons' for overcoming COVID-19, and delivering medium and longer term recovery. The five beacons are:

- Strengthening the Foundational Economy
- COVID Commitment to protecting and enabling skills and employment
- Accelerating adaptation for recovery and future prosperity
- Magnetising investment in a green recovery
- Fortifying the pursuit of social value

The mission for economic reconstruction sets out a well-being economy as the purpose of economic development. A holistic approach to the economy, recognising its potential for harm as well as good, demands a holistic way to measure progress, for example, Gross Value Added (GVA), can no longer be the dominant measure of success and prosperity. The Welsh Government is instead focussed on seeing progress on the national indicators for

Wales which reflect the vision for well-being as the central pillar. This means driving improvements to environmental impacts, well-being at work and wider progress of society as a whole.

### **3. Current Adopted Local Planning Policy**

#### **3.1 Conwy LDP 2007 – 2022 adopted October 2013**

Strategic Policy EMP/1 is concerned with meeting the employment needs of the County Borough. The LDP recognises the contribution that existing employment sites make to the economy and would firstly encourage reuse of vacant existing sites and buildings. A total of 17.4 hectares of new employment land was allocated in the Urban Strategy Area (including contingency sites) and 3.6 hectares in the Rural Strategy Area (including contingency sites). In terms of take-up, it is noted that not all the urban employment sites have come forward for B class development within the LDP timeframe, however 15.8ha of employment land has been delivered in the urban area from a mixture of LDP allocations, land on safeguarding sites and other locations. In the rural area while there have been many tourism, agricultural and some farm diversification applications, none of the LDP employment allocations have come forward for development.

Policy EMP/3 is concerned with new employment uses on non-allocated sites, EMP/4 seeks to protect existing B1 (office/light industrial), B2 (general industrial), and B8 (storage/distribution) uses, EMP/5 addresses the need to improve certain existing employment sites and EMP/6 permits the reuse and adaption for redundant rural buildings for business use.

#### **3.2. Employment Land Protocol**

To support current policy the Employment Land Protocol was drawn up to assist prospective inward investors and existing businesses or developers who are looking for suitable sites for business start-up or to relocate or grow an existing business within the County Borough of Conwy. Principally, the document aims to explain from a planning perspective where suitable sites are located and how to go about securing permission on such sites. By way of background, the principles of national planning policy context are explored (though now out of date), followed by a summary of the Local Development Plan (LDP) policies relevant to employment sites. The document also provides a step by step guide to identifying suitable employment locations within the County Borough. While this document was approved for publication and circulation around commercial agents/developers and landowners, it has not been formally adopted as SPG.

## **4. Replacement LDP 2018-2033 - The need for new and revised LDP policies**

### **4.1 Conwy Employment Land Review (ELR) (revised 2020)**

The Conwy ELR, a key piece of evidence base relating to the Replacement LDP was revised during the last half of 2020 to understand the impact the Covid 19 pandemic would have on the need for employment land. The conclusions are that around 15 hectares of land will be needed up to 2033 on a split of 65% for industrial uses and 35% office uses. The ELR recognises that Conwy County has a proportionally high level of office space in comparison with other areas in North Wales, and some of this is old, non-purpose built which may be suitable for conversion to other appropriate uses. On the flip side, there may be a greater need for different models of office provision – so called co-working office hubs as referred to in Future Wales. A separate study (Town Centres First) has been undertaken to look at areas that are needed for office use, and those that are not to ensure supply is capable of meeting demand.

### **4.2 Conwy Commercial Market Analysis (2018)**

Conwy County Borough Council commissioned Lichfields to undertake a Commercial Market Analysis (BP19) to understand the demand relating to the type and location of employment sites/land. Concerning the location, Lichfields concluded the following:

According to commercial agents and businesses demand is understood to be strongest in the A55 Corridor and in urbanised areas such as Llandudno Junction, Mochdre, Kinmel Bay and Colwyn Bay. A number of key locations were set out as industrial hotspots which include:

- Mochdre Commerce Parc;
- Mochdre Business Park;
- Conwy Morfa Enterprise Park and,
- Quinton Hazell Business Parc.

The office market in Conwy is relatively small and indigenous, lacking the critical mass to attract larger office occupiers, particularly in light of strong competition from nearby established centres such as Chester and Wrexham. The vast majority of office stock (in addition to office demand), is along the A55. Whilst there are sites which house good quality office accommodation, much of the town centre / urbanised stock tends to be old and often of a poor quality or configuration. As a result, the demand that does exist for these units tends to be indigenous in nature. However, this trend seems to be changing with the increased public-sector investments in office premises in the towns such as Colwyn Bay and Llandudno.

The Conwy CMA was written before the Covid pandemic struck, however there are still relevant messages for the location of employment land in Conwy contained within it. In terms of the vacant office spaces, there may be scope for some office buildings to be used for alternative uses. This should be used to facilitate the provision of office space that better reflects market demands. In addition encouraging small, lower cost office units (e.g. a small business centre) which can provide a more cost-effective option than provision of new bespoke space. This is similar to the Co-working hubs that have been suggested in Future Wales: The National Plan 2040.

## **5. Summary**

Looking at what is currently in place from a local policy perspective and revisiting national planning guidance, the evidence points towards retaining a sequential approach to finding employment sites while enabling a greater degree of flexibility where appropriate. This could involve retaining the main elements of existing policy EMP/3, but update this in line with national guidance and local evidence. This RLDP policy should also be supported by adoption of an Employment Land Investment Hierarchy SPG (similar to the Employment Land Protocol) to assist applicants and decision makers with the sequential approach to site selection.

Given the focus on sustaining and growing existing rural businesses, the RLDP should also contain a new policy to facilitate the expansion of rural business outside of settlement boundaries in line with PPW 12.

With reference to the sequential approach and application of the proposed policy ED/3, the flow chart on the following page outlines the steps to take when trying to find a suitable site for a business start-up or relocation. If the business specifically requires a rural location, policies PL/10 and ED/6 should be considered in the first instance in case they apply to the circumstances in question.

### Approach to finding a suitable site:

#### **Step 1: Existing safeguarded employment sites, existing employment premises and LDP allocations**

In the first instance, businesses should contact the Economic Development Officers. Officers in the Economic Development team will be able to share information on which existing business premises/plots are available. This will include information from the Employment Land Database including **existing employment/industrial properties and land that is safeguarded or new land that is allocated** in the Local Development Plan. For B1 uses, town and local centres should be explored in the first instance. If there are no suitable sites or buildings available then Step 2 should be investigated.



#### **Step 2: Brownfield land in line with Policy ED/3 (including the Re-use and adaptation of redundant rural buildings (PL10))**

If no suitable sites can be found via the above options then suitable **brownfield sites can be considered in line with ED/3 & PL/10**. A Supplementary Planning Guidance document will be produced to guide development in line with this policy. If no suitable site is found, please proceed to Step 3.



#### **Step 3: Greenfield land in line with Policy ED/3**

If no suitable sites can be found via the above options then **greenfield sites outside the C1 and C2 flood zones can be considered in line with ED/3**. A Supplementary Planning Guidance document will be produced to guide development in line with this policy. Alternatively, the **re-use or adaptation of redundant rural buildings in line with PL/10** may be an option depending on the type of business proposed.

Extensions to existing rural businesses and farm diversification schemes in the open countryside that require new buildings and land will be supported in principle in line with **Policy ED/6** and national planning guidance.



## **Appendix 1**

### **Draft Policy ED3**

#### **POLICY ED/3– NEW B1, B2, B8 DEVELOPMENT ON NON-ALLOCATED SITES**

Development of new B1 (Business), B2 (General Industrial), B8 (Storage or Distribution) or a mixture of these uses will be supported on a sequential basis on non-allocated sites as outlined in the sequential approach below and subject to the following criteria:

- a) The proposal is appropriate in scale and nature to its location;
- b) The proposed development would not have an unacceptable adverse impact on occupiers of neighbouring properties or the environment;
- c) The proposal is sustainably accessible.

#### **Sequential Approach:**

Applicants should demonstrate they have followed a sequential approach when submitting a planning application for new B class uses. The order of priority is as follows:

**Priority 1** - Existing employment sites and buildings including safeguarded / improvement sites, for B1 uses previously developed land within town and local centres should be explored first in line with a 'town centres first' approach

**Priority 2** - Previously developed land within the rest of the Coastal Development Strategy Area (CDSA), Key service centre, Tier 2 main villages and minor villages including infill sites and rounding off. (In the open countryside redevelopment of previously developed land will be considered under policy PL/10 Rural Conversions

**Priority 3** - Greenfield land within the settlement boundaries of the CDSA, Key service centre and Tier 2 main villages including infill sites and rounding off.

**Priority 4** - Greenfield land that forms a settlement extension to the settlement boundaries in the CDSA, Key service centre and Tier 2 main villages.

**Priority 5** - Greenfield land within minor villages, including infill sites and rounding off.

**Extensions to existing rural businesses that require new buildings and land will be considered under Policy ED/6.**

Sustainability hierarchy	Employment sites		PDL		Greenfield		
RLDP Strategy hierarchy	Existing Employment sites	Allocated/ designated/ safeguarded EMP sites	Town Centre PDL	Other PDL	Within settlements	Infill/ rounding off	Settlement extensions
CDSA	1	1	1	2	3	3	4
Key Service Centre	1	1	1	2	3	3	4
Rural: Tier 2 Main Villages	1	N/A	1	2	3	3	4
Rural: Minor Villages	N/A	N/A	N/A	2	5	5	X

X- see policies PL/10 and ED/6