Central Lancashire Employment Land Study - Objectively Assessed Needs Update 2019

Chorley, Preston and South Ribble Councils

Update Report

April 2019

1.0 INTRODUCTION

1.1 This Report updates the Objectively Assessed Needs (OAN) section of the Central Lancashire Employment Land Study, which was completed by BE Group in 2017. It has been carried out on behalf of Chorley and South Ribble Borough Councils, as well as Preston City Council.

1.2 The OAN Update is required to provide a revised evidence base on employment land needs to support the review of the Central Lancashire Core Strategy and individual local plans of Chorley, Preston and South Ribble which is being undertaken with a view to delivering a single Central Lancashire Local Plan (CLLP).

1.3 To support the review of these Plans, BE Group has specifically been asked to:

- Extend the OAN forecast period to 2036. This is to ensure the evidence base for the CLLP reflects the National Planning Policy Framework Requirement for Local Plans to have a 15-year lifespan. The CLLP is expected to be adopted by June of 2022 and will thus need to guide policy to 2036. Forecasting in the 2017 Central Lancashire Employment Land Study only ran to 2034
- To ensure that the OAN modelling accounted for the latest 2016-based population and household projections. To allow for this, and other macro-economic changes which have occurred since 2017, new (2018/19) forecast data has been procured from Oxford Economics. At Appendix 1 a short technical paper has been provided by Oxford to show how its Local Authority District Forecasting Model is developed and how it accounts for the latest population, etc. projections
- To update other aspects of the OAN modelling to 2018/19, specifically to allow for another two years of employment land take up and any changes in employment land supply, in each Local Authority Area, which have occurred since 2017
- To allow for the Revised National Planning Policy Framework, issued in 2018, and relevant changes in Planning Practice Guidance.

1.4 While the data is updated in the ways described above, the forecast methods used to develop the OAN remain relevant to current national planning guidance and are not changed from the 2017 Study. The methodology used is described below.

1.5 BE Group, economic development and property consultants, compiled this report during December 2018-January 2019. It updates and supersedes Section 8.0 of the 2017 Central Lancashire Employment Land Study (Technical Report) – Demand Assessment – Objectively Assessed Needs, and any Conclusions, Recommendations and Summaries, derived from that Section. Other aspects of the Central Lancashire Employment Land Study remain relevant, however.

Methodology

1.6 Since 2014, the National Planning Policy Framework has been complimented with the Planning Practice Guidance (PPG). The PPG note Housing and Economic Land Availability Assessment provides relevant guidance on land assessment in employment land reviews. This PPG was updated, in September 2018, to reflect the revised NPPF. That PPG was complimented by the note Housing and Economic Development Needs Assessments which provided guidance on Objectively Assessed (employment land) Needs. However, in September 2018, this was replaced by the housing only Housing Need Assessment which considers the calculation of housing needs only. There is thus no PPG for calculating employment land needs at present. However, the methodologies used in the 2017 Central Lancashire Employment Land Study remain current and BE Group's approach has been successfully defended at several Local Plan Examination's in Public, including Ribble Valley and Sefton in the North West.

1.7 Practice is that the assessment of future land needs should be determined by looking at both past trends and future forecasting methods, and highlights that these should include historic land take-up and future employment/population change. The methodology employed in this study uses two models and associated sensitivity testing. None provide a definitive answer, but they provide influences to be understood. Trends and forecasts must also reflect market signals and therefore they are considered in the context of the market overview undertaken as part of this study.

1.8 The models are:

- <u>Historic land take-up forecast</u>

  This reviews the actual take-up of employment land in the three Central Lancashire Boroughs over a period of time. The method is not wholly reliable as there will be peaks and troughs, and different time periods taken can also result in different outcomes. For example, a period of sustained growth may

show a high average take-up whereas looking over a recessionary period could well reflect low or even nil take-up

- Employment based forecast

  This relies on the econometric forecasts which use a model that projects the likely jobs growth in different industry sectors. The jobs from figures are then translated to land using a formula based on a jobs to floorspace density, which in turn can be translated into the projected land need. This scenario uses as its base Oxford Economics forecasts for 2018 which, as noted, account for the most recent national and regional socio-economic and political changes.

1.9 This is a 'policy-off' scenario in that it does not account for any strategic policy initiatives which seek to boost jobs growth. To account for the impact of City Deal (both the current Deal and a likely future one), and the strategic sites of Cuerden and Samlesbury, further sensitivity testing is undertaken for Preston and South Ribble only, the two local authorities directly impacted by these initiatives.

1.10 These forecasts have several limitations. They are based on national and regional trends with some local adjustments for some industry sectors, which means, at a local level economic activity is not always accurately represented. Also, merely translating jobs to land needs will not always reflect local property trends. Therefore, sensitivity testing against actual land take-up is undertaken to assess how the two trends in Central Lancashire are related.

1.11 The econometric forecasts are useful in that they analyse each industry sector and, in conjunction with other market data, the forecasts can identify where sectors may be growing, or shrinking which in turn can inform land and property needs.

1.12 In some forecast methodologies, a third, Resident Workforce forecast model is used. This uses the same method of forecasting as the employment-based method but takes forecast changes in the working population i.e. labour supply, rather than jobs – labour demand.

1.13 However, in completing previous Employment Land Studies, BE Group has found that labour supply figures do not accurately predict future land needs. Amongst other flaws, there is no allowance for the impact of in-commuting or company aspirations

for growth. The relevance of the figures is more related to evaluating the relationship between economic and housing needs. Therefore, the method is not utilised in this study.

1.14 The method adopted in this Study brings together all the forecasts and compares them with historic trends through the sensitivity testing. To do this, actual land take-up and building completions over a period from 1991 to 2018 are compared with land needs that would have been generated from jobs change during the same period. The resultant land figures show that actual take-up is many times the assumed need compared with the jobs calculation for that period.

Aligning Supply and Need Dates

1.15 This study measures need back, from 2018/19, to 2014. This allows consistency with other parts of the Central Lancashire evidence base but does mean that the base date for measuring need (2014) is out of alignment with the current, 2018/19 supply picture. To ensure the two align, it is appropriate to add back into the supply total completions that have occurred since 2014, indicating Central Lancashire's land potential at that time. This same process was completed for the 2017 Central Lancashire Employment Land Study and identified the 2014 Supply Position in Central Lancashire to be **188.43 ha**, comprising:

- Chorley: 59.75 ha
- Preston: 71.69 ha
- South Ribble: 56.99 ha.

1.16 It should be noted, this is a local only supply, excluding the strategic offer of Cuerden and Samlesbury, which provides a further 58.37 ha in South Ribble. The reasoning for excluding these sites is discussed in the 2017 Study but is ultimately to ensure that local only (i.e. Borough specific) supplies are assessed against local only needs. The only exception to this is the Policy On Scenario for South Ribble, where strategic level jobs growth, from both Cuerden and Samlesbury is included in OAN calculations.

1.17 The methods, and calculations, are considered in turn, in Section 3.0. Section 2.0 first looks at national and regional trends in how businesses take up and use of space, which are relevant to understanding OAN.

2.0 NATIONAL AND REGIONAL TRENDS

Introduction

2.1 BE Group through its long experience operating in the commercial property market across the UK, as well as in Central Lancashire specifically, understand market perceptions and the conditions facing the industrial and office sectors. The following sub-sections draw upon this market experience, and contemporary research, to identify modern occupier needs and emerging trends in floorspace and employment land take up.

Industrial

2.2 Occupiers are generally looking for smaller premises as average company size continues to decrease and shortages of sub-500 sqm units are commonly reported across the UK. This trend is allowing increasing density of premises on industrial, particularly light industrial, sites. However, occupiers still expect a good parking ratio and dedicated, self-contained, secure yard areas, which places some limitations on the floorspace per hectare density levels possible. Industrial companies tend to have rising aspirations about the quality of accommodation they desire, although affordability issues mean there is still a good need for budget quality premises, particularly in rural areas.

2.3 In any local area, most demand will be for units of less than 5,000 sqm Large requirements, above 10,000 sqm, are comparatively rare, and where they do exist are generally for distribution warehousing or specialised production/laboratory facilities. The outsourcing of many aspects of the production and distribution process has also 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.

2.4 Generally, manufacturing practices are changing rapidly, and while these practices will impact on employment levels, their impact on floorspace, and thus land, requirements can be more modest. For example, increasing automation may reduce employment levels but machines still take up floorspace and thus a loss of jobs to this factor does not necessarily mean a reduced land/premises need (something

discussed further in Section 3.0). Trends in advanced manufacturing are for smaller, high tech premises although this links to more general preferences for smaller units amongst industrial businesses.

2.5 'Just in Time' parts supply processes may reduce the need to store parts onsite, but the increased throughput of parts from the HGV delivery lorries to the factory floor can also take up space. Also, the reduced need to store parts may be offset by the need to store more finished products to stay flexible and meet the rapidly varying needs of clients with a similar Just in Time ethos. In modern production, the distinction between B1(c)/B2 manufacturing and B8 storage space is often blurred.

2.6 Market demand is usually for a mix of leasehold and freehold premises and many companies aspire to own their own premises, for the security and permanence this offers, as well as an investment for the business owners. Companies, especially small ones, want premises not land. Requirements for development sites, to be developed by the business itself or through a design and build agreement with a developer, are infrequent and usually limited to large and stable companies. In addition to the costs, the management time involved and the long lead-in whilst premises are built (12 month or more), are beyond the scope of many firms. Industrial demand is often contract-led, and businesses cannot wait for premises to be built to satisfy such needs. It may also be difficult for them to rationalise and visualise such an important acquisition off-plan.

2.7 The above explains why sites offered for design and build development can take a long time to complete and securing land for speculative development of premises is key. Developers looking to acquire sites for either design and build or speculative delivery will consider the nature of the local market. 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.

Warehouse

2.8 At the smaller end of the market there is frequently limited distinction between B1(c)/B2 and B8 operations. Most modern manufacturers require some element of B8 storage and most planning applications are 'mixed use' in the sense they require elements of B1, B2 and B8 usage in a common facility.

2.9 At the larger end of the market, warehousing needs are driven by strong demand from logistics sectors. The term 'logistics' refers to activities associated with the distribution of finished goods and general cargo, specifically it relates to:

- The organisations that manufacture/produce finished goods or semi-finished goods/components for input into a further production process
- Suppliers and distributors (wholesalers)
- Retailers
- Logistics operators who transport goods on behalf of others.

2.10 Logistics requirements will continue to dominate the warehousing market, driven by technological advances, changes in retail segmentation and the drive for operational efficiencies in manufacturing, leading to more goods shipped between facilities. eCommerce growth will continue to drive demand for different logistics solutions. These including strategic regional and national fulfilment centres, but also smaller (sub-50,000 sqm) "last-mile" depots in sub-regional centres such as Central Lancashire.

2.11 Logistics is a high technology business, requiring facilities fitted out to a modern specification, and frequently 'Built to Suit' specific business needs. Older B8 stock can struggle to meet modern needs, leading to strong pressures for its major refurbishment and frequently redevelopment.

2.12 The growing logistics market leads to pressure for local authorities to provide sites which specifically cater for this market, at a strategic or local scale. Specifically land which is:

- Well connected to the strategic highway network
- Appropriately located relative to the markets to be served
- Capable of providing modal choice, i.e. accessible to railway lines, ports and/or airports
- Located close to labour
- Located away from incompatible land-uses e.g. residential.

Offices

2.13 For offices the trend is for smaller suites as average business sizes fall. Micro-businesses (those with less than ten employees) often want serviced offices or similar types of easy-in, easy-out schemes that lower their risks and commitments.

This explains why business centres can often be full even in locations of weak general office demand.

2.14 As companies grow, there will usually come a time when they seek self-contained premises, i.e. their own front door, toilets, reception, utilities, etc. As this can be a major investment for a company, freehold or at least long leasehold requirements are common, frequently exceeding available stock. Companies making these investments will also like have rising aspirations about the quality of the accommodation they want. For example, air conditioning is becoming almost a standard requirement in new schemes. Delivering premises to the right specification, which are still affordable to occupiers, can make viability a challenge for developers.

2.15 In addition to general business operations, several other trends are focusing demand onto smaller office suites, and reducing B1(a) demand more generally:

- Space-less Growth: More efficient uses of floorspace mean that growth the number of office workers outpaces growth in office floorspace
- Technology Trends: Technology trends are impacting on demands for office floorspace, reducing the need for a fixed workplace and reducing the amount of floorspace required, for example: mobile/wireless technology, video conferencing and cloud computing. The traditional 'desk' can be situated almost anywhere, whether inside a building, in a café, on the move, or in a public open space
- Increased Self-Employment: Modern communications make it easier to be self-employed. Chorley and Preston presently have high rates of self-employment at 11.9 percent of workers and 9.2 percent respectively. Many self employed may work from home, but flexible desk space in serviced business centres is also a popular option
- Homeworking: An improvement to broadband connectivity combined with more tolerance of working remotely by employers has led to a rise in the levels of home working. Homeworking remains most prevalent in rural areas over urban ones so, for example, in the 2011 Census, Preston had the lowest proportion of homeworkers in its workforce, in Central Lancashire (2.3 percent), Chorley the highest (3.5 percent). Homeworking levels are not necessarily a good indicator of office needs/demand however, as working from home is not necessarily a permanent state of affairs. For example, people may work from home while raising children and then move back to the

office in later life. Individuals may start a business at home and expand into premises if it is successful.

2.16 Changing technology can also affect the type of premises sought, as well as the scale of premises needs. So, a high tech fit out can increase the costs of new build development but, conversely can make building conversions easier as features such as wireless networks make raised floors superfluous.

Summary

2.17 The key trends in floorspace and land need can be summarised as:

- Industrial – Growing needs for smaller units allows delivery of higher density schemes, although with some practical limits. Reduced demand for larger stand-alone factories and traditional large factory complexes. Fast changing manufacturing practices may reduce employment densities but do not necessarily reduce premises and land needs. Most companies want premises not land, and design and build requirements are infrequent
- Warehousing – At the smaller end of the market, most requirements are mixed, with companies needing both production and storage space. At the larger scale, demand continues to be driven by a growing logistics sector, which requires modern high quality space. Older warehousing space, which no longer meets high grade specifications, is increasingly surplus to requirements
- Offices – Business sizes are reducing, favouring the development of higher density multi-let, and especially serviced, schemes over larger self-contained units. Modern trends are further increasing the jobs densities of B1(a) space and reducing overall office needs.

3.0 OBJECTIVELY ASSESSED NEEDS

Introduction

3.1 This section sets out the two models for calculating OAN in Central Lancashire.

Model 1: Historic Land Take-up

3.2 Employment land take-up annually is recorded by the three Councils. Table 1 shows the schedule of completions between 1991 and 2018 based on this data. As can be seen there is a data gap for Preston for 2010-2012 and this is accounted for in calculations. Preston and South Ribble could also not split their take up for the 1990s and early 2000s by year, but the overall figures for that period are provided and utilised in calculations.

Table 1 – Employment Land Take-Up 1991-2018

Completion Period	Chorley	Preston	South Ribble
1991-1992	1.1	27.94	5.00
1992-1993	0.5		
1993-1994	1.4		
1994-1995	0.8		
1995-1996	2.0	6.73	12.10
1996-1997	1.6		
1997-1998	3.92		
1998-1999	3.6	26.99	
1999-2000	2.3		
2000-2001	0.59		
2001-2002	0.92		0.00
2002-2003	1.06		2.07
2003-2004	6.73		3.70
2004-2005	2.91	6.71	11.24
2005-2006	12.55	1.09	9.97
2006-2007	10.91	2.25	7.70
2007-2008	12.15	1.65	4.25
2008-2009	2.53	0.38	0.00
2009-2010	5.11	2.83	0.00
2010-2011	2.63	No Data	14.62

Completion Period	Chorley	Preston	South Ribble
2011-2012	2.38	No Data	12.60
2012-2013	6.49	1.11	0.70
2013-2014	3.92	3.29	0.00
2014-2015	1.71	0.48	0.00
2015-2016	5.79	0.53	4.63
2016-2017	0.60	4.77	8.98
2017-2018	0.63	0.40	3.17
Total	**96.83**	**87.15**	**100.73**
Annual average over 27 years (25 for Preston)	**3.59**	**3.49**	**3.73**
Reduced annual average, excluding anomalous years	**2.55**	**3.35**	**2.69**

Source: CBC, PCC, SRB, BE Group, 2019

3.3 In total, over that period 284.71 ha of land has been developed in Central Lancashire, 35.4 percent of was in South Ribble, a third was in Chorley and 30.6 percent in Preston. By local authority area, South Ribble has an average annual take-up rate of 3.73 ha/year, while Preston and Chorley record slightly lower average annual rates of 3.49 ha/year and 3.59 ha/year respectively. The take up profiles of the three authorities, on an average basis at least, are not dissimilar. The main difference since the 2017 Central Lancashire Employment Land Study was completed is that South Ribble saw an above average rate of take up in 2016/17 which increased its average rate of completion, relative to rates in Chorley and Preston.

3.4 There have been peaks and troughs in take up over the full 27-year period recorded for each Borough, which generally accord with periods of national growth and recession. Generally, Chorley and South Ribble saw higher rates of take up this century than in the 1990s, although take-up in South Ribble did drop to zero at times during the last recession, something not evidenced elsewhere. Conversely, Preston enjoyed higher rates of development in the 1991-2005 period than in the last decade.

3.5 However, the biggest anomalies can be identified as:

- Chorley – High take up rates, equating to more than 10 ha/year over 2005-2008. This is at least partially accounted for by the delivery of several large logistics properties at the Revolution, Buckshaw Village and does accord with a period of national market growth

- Preston – The more limited annual breakdown makes it harder to identify any anomalies, but 2004/05 was clearly a year of above average take up which accords with a high development year in North East Preston. 2016/17 also saw a quite high rate of completion, but less significantly so
- South Ribble – Like Chorley, South Ribble saw high take-up during the national growth years 2004-2007/08. More surprising is the take-up recorded in 2010/11 and 2011/12, when 27.22 ha of completions were noted during a period of low growth nationally. This is explained by the completion of two very large warehouse premises in the Borough over those two years – a development on Lancashire (Enterprises) Business Park, Farington, replacing a large fire damaged building, and completion of the 39,000 sqm Waitrose Regional Distribution Centre at Matrix Park, Buckshaw Village. More recently, some 9 ha was completed over 2016/18, comprising a range of facilities including more development at Matrix Park.

3.6 Table 1 above shows reduced average annual take-up rates, excluding those anomalous years, although, as can be seen, the difference for Preston is modest. However, the evidence is that larger (primarily) B8 logistics developments are a feature of all three locations, even if the biggest completions happen only infrequently. They have occurred in the past and are likely to occur again, particularly with motorway-linked sites in Cuerden (Strategic Site), South Ribble; Great Knowley, Chorley and North East Preston potentially providing large plots which will be well suited for larger B2/B8 options. Thus, the following calculations proceed using the full average annual take-up rates recorded.

3.7 Using the full take-up rates and applying them to the period 2014-2036 (22 years), the following requirements are noted:

- Chorley – 3.59 ha/year x 22 (years) = **78.98 ha**
- Preston – 3.49 ha/year x 22 (years) = **76.78 ha**
- South Ribble – 3.73 ha/year x 22 (years) = **82.06 ha**

Central Lancashire total requirement – 237.82 ha

3.8 The three Boroughs should also have a buffer in supply to reflect a choice of sites by size, quality and location and to provide a continuum of supply beyond the end of the 2036 period. This also makes an allowance for the loss of further employment land to

non B-Class uses over the period to 2036, including office space lost to housing under permitted development rights, in Preston City Centre and elsewhere. It does not cover more general growth in non B-Class employment uses which will not take place in B1/B2/B8 premises. There is no set guidance on how long this buffer should be, however, in the 48 employment land studies completed by BE Group since 2006, a buffer of five years has usually been applied. This has been identified as an acceptable margin in Local Plan Examination's in Public, in which BE Group's employment needs assessments have been appraised. For example, in the EIP for Sefton, the 'Report on the Examination into Sefton Local Plan' by Inspector Martin Pike (14th March 2017), relating to BE Group's Sefton Employment Land and Premises Study Update (2015) stated that: "*The buffer has been calculated on a consistent basis and I accept that an additional 5 years' supply is reasonable to provide flexibility and choice in the employment land market*." [Paragraph 113, Page 30]. The Local Plan was found sound with modifications and adopted 20th April 2017.

3.9 Based on the historic take-up trend this would generate the following further land needs:

- Chorley – 3.59 ha/year x 5 (years) = 17.95 ha
- Preston – 3.49 ha/year x 5 (years) = 17.45 ha
- South Ribble – 3.73 ha/year x 5 (years) = 18.65 ha.

3.10 Added to the 2036 need figure, this increases the requirement as follows:

- Chorley – 78.98 ha + 17.95 ha = **96.93 ha**
- Preston – 76.78 ha + 17.45 ha = **94.23 ha**
- South Ribble – 82.06 + 18.65 ha = **100.71 ha.**

Central Lancashire total requirement – 291.87 ha

3.11 Overall need of additional land can then be assessed through a comparison of current supply set against these figures.

3.12 The 2017 Central Lancashire Study identified the sub-region's land supply, backdated to 2014, to be **188.43 ha.**

3.13 Taken overall, therefore, Central Lancashire has a land supply shortfall of **103 ha**. Individually, the extra local requirements are:

- Chorley – 96.93 ha (need) – 59.75 ha (realistic supply, local only, backdated) = **37.18 ha (further need)**
- Preston – 94.23 ha (need) – 71.69 ha (realistic supply, local only, backdated) = **22.54 ha (further need)**
- South Ribble – 100.71 ha (need) – 56.99 ha (realistic supply, local only) = **43.72 ha (further need)**

Split by Use Class

3.14 Whilst overall need is important, further analysis can evaluate what the potential needs will be in the different use classes. Tables 2 to 4 use available Council monitoring to split the take-up by the main employment use classes (B1 (a, b, c), B2, B8), or a mix of some, or all, of these use classes. In the case of Preston, only very limited take-up by use class data is available and thus the resulting need by use class estimates should be considered indicative only.

Table 2 – Employment Land Take-Up Split – Chorley

Year	Use Class						Total
	B1(a)	B1(b)	B1(c)	B2	B8	Mixed*	
2003-2004	0.98	-	-	-	5.75	-	6.73
2004-2005	0.23	-	0.16	2.28	0.24	-	2.91
2005-2006	0.96	-	1.35	0.20	10.04	-	12.55
2006-2007	0.56	-	0.03	0.16	0.74	9.42	10.91
2007-2008	1.88	-	0.29	1.78	1.60	6.60	12.15
2008-2009	1.22	-	0.94	0.37	-	-	2.53
2009-2010	0.81	-	0.05	0.17	3.88	0.20	5.11
2010-2011	0.25	-	0.03	0.12	0.04	2.19	2.63
2011-2012	1.52	-	0.11	0.06	0.69	-	2.38
2012-2013	2.34	-	-	2.13	1.95	0.07	6.49
2013-2014	0.42	-	0.44	0.35	0.54	2.17	3.92
2014-2015	0.05	-	0.27	0.28	1.11	-	1.71
2015-2016	0.91	-	0.08	-	-	4.80	5.79
2016-2017	-	-	0.02	0.05	0.53	-	0.60
2017-2018	0.06	0.01	0.07	0.18	0.24	0.07	0.63
Total	**12.19**	**0.01**	**3.84**	**8.13**	**27.35**	**25.52**	**77.04**
Percent	***15.8***	***0.0***	***5.0***	***10.6***	***35.5***	***33.1***	***100.0***

Source: CBC, BE Group, 2019
**Mix of some, or all, B Use Classes*

Table 3 – Employment Land Take-Up Split – Preston*

Year	Use Class						Total
	B1(a)	B1(b)	B1(c)	B2	B8	Mixed**	
2005-2006	0.43	-	0.20	-	0.11	-	0.74
2006-2007	0.71	-	0.05	0.17	0.39	-	1.32
2007-2008	1.05	-	-	0.28	0.32	-	1.65
2008-2009	-	-	-	-	-	-	-
2009-2010	0.85	-	-	1.63	0.35		2.83
2012-2013	1.11	-	-	-	-	-	1.11
2013-2014	-	-	-	-	3.29	-	3.29
2016-2017	-	-	-	5.22	-	1.00	6.22
2017-2018	0.11	-	-	0.11	0.07	0.11	0.4-
Total	**4.26**	**-**	**0.25**	**7.41**	**4.53**	**1.11**	**17.56**
Percent	***24.3***	***-***	***1.4***	***42.2***	***25.8***	***6.3***	***100.0***

Source: PCC, BE Group, 2019
**Use Class split estimated from a range of available monitoring documents. In many cases the available monitoring by use class, does not cover the entirety of the take-up recorded for that year. Thus, the totals shown in Table 3 do not match the annual take-up totals shown in Table 1 above.*
***Mix of some, or all, B Use Classes.*

Table 4 – Employment Land Take-Up Split – South Ribble*

Year	Use Class						Total
	B1(a)	B1(b)	B1(c)	B2	B8	Mixed**	
2004-2005	3.10	-	-	4.3	1.7	2.14	11.24
2005-2006	3.59	-	-	2.89	3.49	-	9.97
2006-2007	2.65	-	0.14	2.26	2.65	-	7.70
2007-2008	1.33	-	-	2.27	0.65	-	4.25
2008-2009	-	-	-	-	-	-	0.00
2009-2010	-	-	-	-	-	-	0.00
2010-2011	7.84	-	-	4.82	1.96	-	14.62
2011-2012	0.37	-	-	-	12.23	-	12.60
2012-2013	0.70	-	-	-	-	-	0.70
2013-2014	-	-	-	-	-	-	0.00
2014-2015	-	-	-	-	-	-	0.00
2015-2016	-	-	1.30	3.84	3.84	-	8.98
2016-2017	-	-	-	-	-	3.17	3.17
Total	**19.58**		**1.44**	**20.38**	**26.52**	**5.31**	**73.23**
Percent	***26.7***	***0.0***	***2.0***	***27.8***	***36.2***	***7.3***	***100.0***

Source: SRBC, BE Group, 2019
**Use Class split estimated from figures for completed floorspace provided in SRBC Annual Monitoring Reports*
***Mix of some, or all, B Use Classes.*

3.15 Therefore, projecting the historic split of land need forward for the period to 2036, for each local authority area, Tables 5 to 7 shows the anticipated need for the different use classes for the Local Take-Up Model. This is then compared to the current backdated employment land supply, as originally defined in the 2017 Study. The Further Need, by use class, for this model can then be identified.

Table 5 – Full Need, Split by Use Class – Chorley

Period	Use Class						Total (ha)
	B1(a)	B1(b)	B1(c)	B2	B8	Mixed*	
Percentage, percent	15.8	0.0	5.0	10.6	35.5	33.1	100.0
Local Take Up Trend, ha	15.31	0.00	4.85	10.27	34.41	32.08	96.93**
Land Supply, by Use Class, backdated to 2014, ha	1.76	-		17.63	11.27	29.09	59.75
Further Needs, ha	**13.55**			**-2.51**	**23.14**	**3.00**	**37.18**

Source: CBC/BE Group, 2019

**Mix of some, or all, B Use Classes.*
***Figures include a five-year supply buffer.*

Table 6 – Full Need, Split by Use Class – Preston

Period	Use Class						Total (ha)
	B1(a)	B1(b)	B1(c)	B2	B8	Mixed*	
Percentage, percent	24.3	-	1.4	42.2	25.8	6.3	100.0
Local Take Up Trend, ha	22.90		1.32	39.77	24.31	5.94	94.23**
Land Supply, by Use Class, backdated to 2014, ha	0.47	-		53.79	17.43	-	71.69
Further Needs, ha	**22.43**			**(52.47)**	**39.77**	**6.88**	**5.94**

Source: PBC/BE Group, 2019

**Mix of some, or all, B Use Classes.*
***Figures include a five-year supply buffer.*

Table 7 – Full Need, Split by Use Class – South Ribble

Period	Use Class						Total (ha)
	B1(a)	B1(b)	B1(c)	B2	B8	Mixed*	
Percentage	26.7	0.0	2.0	27.8	36.2	7.3	26.7
Local Take Up Trend, ha	26.89	0.00	2.01	28.00	36.46	7.35	100.71**
2016 Realistic Supply, by Use Class, backdated to 2014, ha	1.92	-		21.78	10.93	22.36	56.99
Further Needs, ha	**24.97**	**-**		**8.23**	**25.53**	**(15.01)**	**43.72**

Source: SRBC/BE Group, 2019

**Mix of some, or all, B Use Classes.*
***Figures include a five-year supply buffer.*

3.16 The above Tables show the following trends:

- Chorley – By this measure the greatest need, unlikely to be met in the current supply, is for land suitable for larger B8 options. Some 13.55 ha of primarily office land is also required, while the Borough has sufficient land for smaller light industrial/industrial options
- Preston – As noted, the data is more limited for Preston, however, the general trend is that Preston needs more sites suited for B1(a) offices and B8 warehousing, but has more than sufficient land allocated for B1(c)/B2 uses, with any oversupply likely focused in North East Preston (where land will also suit B8 options)
- South Ribble –The need is for sites suiting both larger B2/B8 uses and B1(a) offices.

Model 2: Employment Forecasts

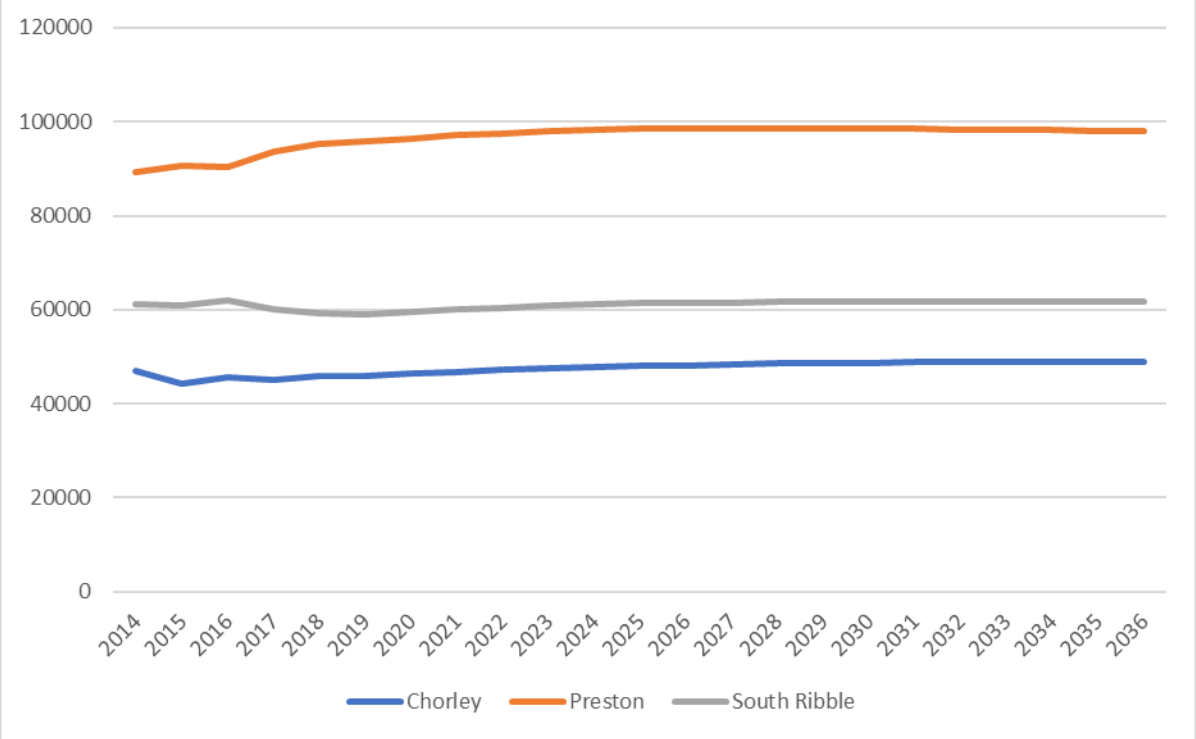
3.17 Employment forecasts were prepared by Oxford Economics in December 2018. These forecasts projected employment by sector to 2036 for the three authority areas.

3.18 Between 2014 and 2036, total employment in Central Lancashire is forecast to grow by approximately 11,198 jobs, an average of about 509 jobs per year. Over three quarters of this jobs growth is anticipated to be in Preston (+8,670 jobs), reflecting strong growth projections in the City's administrative and support service activities as well as construction. Chorley will add a much more modest 1,988 jobs, South Ribble only 540. This an improved rate of growth on the 2016 projections (+10,276 jobs) of

the 2017 Central Lancashire Employment Land Study where growth was focused in Chorley and South Ribble, and Preston saw a net overall loss in employment.

3.19 Illustrated in Figure 1 below is the growth trajectories for employment in each local authority area. As can be seen in the graph, Oxford Economics forecast jobs growth in Preston to 2024, and negligible change after that time. In comparison Chorley and South Ribble are expected to see a peak in jobs growth in the present day (2017-2020), with limited change after that. The differences reflect changing macro-economic circumstances and more pessimistic forecasts of growth, outside of some service sectors at least, in the light of ongoing uncertainties over Brexit.

Figure 1 – Growth Trajectories of Employment in Three Authority Areas to 2036



Source: Oxford Economics, 2018

Sector Level Forecasts

3.20 At a sector level, there are substantial differences in the forecast employment growth, as summarised by Table 8 for Central Lancashire.

3.21 Overall in Central Lancashire, it is projected that, as in 2017, the largest employment growth sectors will be in construction (+7,003 jobs), administrative and support services (+3,268), professional, scientific and technical activities (+2,485), and wholesale and retail trade (+1,141). However, in this forecast the growth of human

health and social work has diminished, from +3,035 previously to +760 today, while Transportation and Storage is forecast to gain 1,500 jobs against a modest loss of -207 forecast, overall, in the 2017 study. This significant change in only two years shows the growing importance of logistics in the sub-regional and regional economy.

3.22 The sectors anticipated to have the most significant declines in employment numbers between 2014 and 2036 in Central Lancashire are manufacturing (-4,176 jobs) and public administration and defence (-3,536). These two sectors were also forecast to decline in 2017, although now the decline in public administration is not offset, to the same degree, by growth in the health sector. In the private sector, the long-term trend of declining manufacturing jobs, as is typical of most areas in the UK, is anticipated to continue, with growth focused in construction and a range of service industries.

Table 8 – Employment Forecasts by Sector, Central Lancashire

Sector	Total Employment		
	2014	2036	Change 2014-36
Agriculture, Forestry and Fishing	1,652	1,307	(345)
Mining and Quarrying	61	26	(36)
Manufacturing	13,939	9,763	(4,176)
Electricity, Gas, Steam and Air Conditioning Supply	309	345	36
Water supply, Sewerage, Waste Management and Remediation Activities	2,127	2,099	(29)
Construction	21,337	28,340	7,003
Wholesale and Retail Trade	31,875	33,017	1,141
Transportation and Storage	7,360	8,860	1,500
Accommodation and Food Service Activities	9,969	10,346	377
Information and Communication	5,178	6,236	1,057
Finance and Insurance	3,064	3,102	38
Real Estate	3,072	36,94	621
Professional, Scientific and Technical	10,671	13,156	2,485
Administrative and Support Service	18,955	22,223	3,268
Public Administration and Defence	14,430	10,894	(3,536)
Education	14,181	14,471	290
Human Health and Social Work	30,025	30,785	760
Arts, Entertainment and Recreation	4,096	5,273	1,177

Sector	Total Employment		
	2014	2036	Change 2014-36
Other Service Activities	5,203	4,767	(436)
Total	**19,7504**	**20,8702**	**11,198**

Source: Oxford Economics, 2018

3.23 There are anticipated to be differences in the sectoral growth trajectories between the three local authority areas. Oxford Economics' sectoral growth projections for the three areas are provided in Tables 9 to 11 below.

Table 9 – Employment Forecasts by Sector, Chorley

Sector	Total Employment		
	2014	2036	Change 2014-36
Agriculture, Forestry and Fishing	691	524	(167)
Mining and Quarrying	35	8	(27)
Manufacturing	2,631	2,364	(266)
Electricity, Gas, Steam and Air Conditioning Supply	0	0	0
Water supply; Sewerage, Waste Management and Remediation Activities	109	131	22
Construction	2,912	4,253	1,340
Wholesale and Retail Trade	7,111	7,662	551
Transportation and Storage	1,701	2,055	354
Accommodation and Food Service Activities	2,950	3,092	142
Information and Communication	1,482	2,265	783
Finance and Insurance	514	564	50
Real Estate	504	685	181
Professional, Scientific and Technical	2,814	4,570	1,756
Administrative and Support Service	6,903	3,429	(3,474)
Public Administration and Defence	1,444	1,099	(344)
Education	4,055	3,928	(126)
Human Health and Social Work	8,202	8,940	737
Arts, Entertainment and Recreation	1,113	1,519	406
Other Service Activities	1,852	1,924	72
Total	**47,024**	**49,012**	**1,988**

Source: Oxford Economics, 2018

Table 10 – Employment Forecasts by Sector, Preston

Sector	Total Employment		
	2014	2036	Change 2014-36
Agriculture, Forestry and Fishing	549	439	(110)
Mining and Quarrying	20	18	(2)
Manufacturing	4,119	2,655	(1,464)
Electricity, Gas, Steam and Air Conditioning Supply	258	288	30
Water supply; Sewerage, Waste Management and Remediation Activities	266	296	30
Construction	4,597	7,626	3,029
Wholesale and Retail Trade	15,882	16,280	398
Transportation and Storage	3,156	3,980	824
Accommodation and Food Service Activities	4,437	4,576	139
Information and Communication	1,942	2,148	207
Finance and Insurance	2,215	2,243	28
Real Estate	1,606	1,938	332
Professional, Scientific and Technical	4,615	5,329	714
Administrative and Support Service	8,185	13,816	5,631
Public Administration and Defence	11,111	8,228	(2,883)
Education	6,285	7,340	1,055
Human Health and Social Work	15,852	1,6568	716
Arts, Entertainment and Recreation	2,005	2,507	502
Other Service Activities	2,231	1,724	(507)
Total	**89,328**	**97,998**	**8,670**

Source: Oxford Economics, 2018

Table 11 – Employment Forecasts by Sector, South Ribble

Sector	Total Employment		
	2014	2036	Change 2014-36
Agriculture, Forestry and Fishing	411	343	(68)
Mining and Quarrying	6	0	(6)
Manufacturing	7,189	4,744	(2,446)
Electricity, Gas, Steam and Air Conditioning Supply	51	57	6
Water supply; Sewerage, Waste Management and Remediation Activities	1,753	1672	(81)
Construction	13,828	16,461	2,634

Sector	Total Employment		
	2014	2036	Change 2014-36
Wholesale and Retail Trade	8,883	9,075	193
Transportation and Storage	2,503	2,825	323
Accommodation and Food Service Activities	2,582	2,678	96
Information and Communication	1,755	1,823	68
Finance and Insurance	335	296	(40)
Real Estate	962	1,071	109
Professional, Scientific and Technical	3,242	3,257	14
Administrative and Support Service	3,867	4,978	1,111
Public Administration and Defence	1,875	1,567	(308)
Education	3,841	3,202	(639)
Human Health and Social Work	5,971	5,277	(693)
Arts, Entertainment and Recreation	978	1,248	270
Other Service Activities	1,120	1,118	(1)
Total	**61,152**	**61,692**	**540**

Source: Oxford Economics, 2018

3.24 The following key points are noted from these sectoral projections for the three areas:

- The direction of growth (positive or negative) is broadly consistent for the larger sectors throughout the three local authority areas, except for education which is expected to see good gains in Preston (+1,055), against projected declines in Chorley and South Ribble. This likely reflects both growth in the City's higher education sector (i.e. UCLan) and education needs associated with household delivery
- In 2017, large Central Lancashire region growth in construction was primarily driven by South, which accounted for 73 percent of the region's construction employment growth. Now that Construction jobs growth is more dispersed, but with focus on Preston (43 percent of growth) and South Ribble (35 percent)
- In 2017 Chorley Borough was projected to drive growth in the human health and social work sector in Central Lancashire, adding some 2,142 jobs or 71 percent of the region's jobs growth. Now forecast growth is far more modest and spread more evenly between Chorley (+737) and Preston (+717). It is understood this reflects differing long term population growth projections for the Central Lancashire Authorities. Population is the main driver of forecasts

in the health sector. In 2017, forecasts used 2014-Based Population Projections. For Chorley these showed the 'Natural Change' balance between local births and deaths to be largely balanced, and Chorley (along with other local authorities) seeking quite high net in migration rates. This 2018 forecast uses 2016-Based Population Projections. These show Chorley having a negative Natural Change (i.e. more deaths than births) of -0.2 and reduced in migration assumptions. Conversely population assumptions for Preston have grown more positive

- As in 2017, the decline in the region's manufacturing sector is forecast to be most pronounced in South Ribble (59 percent total job losses) although all local authority areas are expected to have a declining manufacturing workforce
- Again, was true in 2017, Preston is forecast to experience the largest decline in the public administration and defence sector, losing 2,883 jobs or 82 percent of Central Lancashire's sectoral losses. Both other authority areas are expected to have modest declines
- The three largest growth sectors in Chorley and Preston are anticipated to be administrative and support services, construction and education. In South Ribble, the three sectors are projected to be administrative and support services, construction and transportation and services.

Implications for B-Class Land

3.25 Not all employment growth would result in an increase in demand for B-class employment land or premises. Only certain industry sectors are typically located on B-class land, such as manufacturing, transport and storage and professional services. The next stage of this analysis projects the likely proportions of sectoral employment growth to be located on B-class employment sites.

3.26 Using the Oxford Economics forecasts, the BE Group has forecast employment floorspace and employment land requirements for Central Lancashire and its constituent local authorities. The methodology of calculating this requirement is as follows:

- Identify which industry sectors are likely to take up employment land, including the proportion of that sector's employment on B-class employment land

- Adopt the Homes and Communities Agency's (HCA) employment densities as outlined in the Employment Density Guide Third Edition (2015) to convert employment numbers to floorspace demand
- Adopt a plot ratio of 39 percent to convert floorspace to employment land demand.

Table 47 – Model Assumptions

Sectors	Employment		
	Percentage Occupying B-Class, space	Floorspace per person, sqm	Comments
Agriculture	5	12	Managerial, admin
Manufacturing	100	36	HCA gives a range from 36-47 sqm/job. Higher density reflects largely B2; a lower density can be applied to B1 light industry. Given the manufacturing mix in Central Lancashire, the general industrial density has been adopted (36 sqm/job)
Utilities	26	12	Utilities in this context means the managerial, admin components of the sector rather than power, water or gas processing facilities directly, which are usually unmanned. The managerial/admin elements will require traditional unserviced office space in business park or town/city centre locations.
Construction	26	12	Construction in this context means the permanent occupancy of B1/B2/B8 space by businesses in construction and civil engineering sectors (e.g. Eric Wright Group, South Ribble). It does not include temporary construction sites, where development is taking place for a range of uses. Specifically, it includes the managerial, admin components of the sector taking office locations
Distribution (logistics)	48	70	Warehouses, offices-non large scale/high bay facilities. HCA provides a range of 70-95 sqm/job. Range reflects final mile distribution centres (70 sqm/job), regional distribution centres (77 sqm/job) and

Sectors	Employment		
	Percentage Occupying B-Class, space	Floorspace per person, sqm	Comments
			national distribution centres (95 sqm/job). Assume 70 sqm/job for this analysis.
Transport	48	70	Warehouses, offices-non large scale/high bay facilities. Same range as Distribution and same assumed level adopted.
Financial and Business	100	10-12	HCA guide reports higher job densities in finance and insurance sector (10 sqm/job) than other office based sectors (12 sqm/job)
Government and Other Services	22	12	Local Government, Public Administration

Source: HCA, 2015, BE Group 2017

3.27 Using the above assumptions, applied to the Oxford Economics forecasts, the B-class floorspace and land requirements have been calculated by sector, summarised in Table 12 for Central Lancashire. The large projected decline in employment in the manufacturing sector is heavily influencing the calculations of floorspace and land demand.

Table 12 – Forecast Employment Land and Floorspace Demand based on Oxford Economics Forecasts 2014-2036 – Central Lancashire

SIC Group	Workforce Growth 2014-36	Percentage Occupying B1/2/8 Space	Growth Number of Jobs on B1/2/8 Space	Floorspace Per Job, sqm	Floorspace Required, sqm
Agriculture, Forestry and Fishing	(345)	5	(17)	12	(207)
Mining and Quarrying	(36)	5	(2)	12	(22)
Manufacturing	(4,176)	100	(4,176)	36	(150,336)
Electricity, Gas, Steam and Air Conditioning Supply	36	26	9	12	112
Water supply; Sewerage, Waste Management and Remediation Activities	(29)	26	(8)	12	(90)
Construction	7,003	26	1,821	12	21,849
Wholesale and Retail Trade	1,141	5	57	70	3,994
Transportation and Storage	1,500	48	720	70	50,400

SIC Group	Workforce Growth 2014-36	Percentage Occupying B1/2/8 Space	Growth Number of Jobs on B1/2/8 Space	Floorspace Per Job, sqm	Floorspace Required, sqm
Accommodation and Food Service Activities	377	0	-		-
Information and Communication	1,057	100	1,057	11	11,627
Finance and Insurance	38	100	38	10	380
Real Estate	621	100	621	12	7,452
Professional, Scientific and Technical	2,485	100	2,485	12	29,820
Administrative and Support Service	3,268	100	3,268	12	39,216
Public Administration and Defence	(3,536)	22	(778)	12	(9,335)
Education	290	0	-		-
Human Health and Social Work	760	5	38	12	456
Arts, Entertainment and Recreation	1,177	0	-		-
Other Service Activities	(436)	22	(96)	12	(1,151)
Total	**11,198**		**5,038**		
				Increase in Floorspace – Growth Sectors (sqm)	**164,155**
				Decline in Floorspace – Declining Sectors (sqm)	**(161,141)**
				Net Change in Floorspace Demand (sqm)	**3,014**
				Assumed Developable Floorspace per Hectare (sqm/ha)	**3,900**
				Equivalent Employment Land Needed – Growth Sectors (ha)	**42.1**
				Equivalent Employment Land Needed – Declining Sectors (ha)	**(41.3)**
				Equivalent Employment Land Needed – Net (ha)	**0.8**

Source: BE Group, 2018

3.28 The analysis of B-class floorspace and land demand generated from forecast overall employment growth reveals an anticipated small B-class land need of 3,014 sqm of floorspace or 0.8 ha of land. This is somewhat improved on 2017, when the forecast was for a reduced land need of -7.4 ha. However, ultimately it shows that growth in demand driven by office-based sectors is still largely offset by the decline in demand for manufacturing floorspace, and public administration.

3.29 Focussing just on the growing sectors – the analysis shows that these sectors have a demand for some 164,155 sqm of floorspace or 42.01 ha of employment land, against only 21.8 ha in 2017. The change reflects improved growth prospects for construction and transport and storage in 2018, two sectors with large floorspace and

land needs. Looking at growth sectors only can be useful for the planning of employment land and floorspace as declining sectors may not release floorspace for growth sectors in a timely manner, or at all, and the types of floorspace may be inappropriate for the growth sectors. Therefore, it is an unwise assumption to consider that the demand from the growing sectors would be met by the release of floorspace and land from the declining sectors.

3.30 Critically, this methodology relies on the assumption of a constant sqm floorspace/job over the forecast period. With productivity improvements through automation, streamlining of processes or component outsourcing, this is unlikely to be correct. Considering the historic performance of the manufacturing sector over many decades, there has been a substantial increase in output per worker due to automation, technology and improved processes, which has resulted in some manufacturing areas declining in number of workers yet continuing to operate and grow in the sub-region.

3.31 Therefore, it is unreasonable to assume that a decline in a sector's workforce would necessarily lead to a commensurate decline in the floorspace of that sector, as a declining workforce is not necessarily due to lower production levels. Businesses would require floorspace for additional plant and machinery for automated processes and increased storage capacity and therefore, while they may reduce their workforce, may not reduce (or indeed may increase) their floorspace. Furthermore, due to the business disruption of relocating premises, even if a business did have lower floorspace needs as their workforce declined, there would still be a considerable lag between the reduction of the workforce and the reduction of the floorspace.

3.32 Tables 13 to 15 are the equivalent floorspace and employment land analyses for the three local authority areas.

Table 13 – Forecast Employment Land and Floorspace Demand based on Oxford Economics Forecasts 2014-2036 – Chorley

SIC Group	Workforce Growth 2014-36	Percentage Occupying B1/2/8 Space	Growth Number of Jobs on B1/2/8 Space	Floorspace Per Job, sqm	Floorspace Required, sqm
Agriculture, Forestry and Fishing	(167)	5	(8)	12	(100)

SIC Group	Workforce Growth 2014-36	Percentage Occupying B1/2/8 Space	Growth Number of Jobs on B1/2/8 Space	Floorspace Per Job, sqm	Floorspace Required, sqm
Mining and Quarrying	(27)	5	(1)	12	(16)
Manufacturing	(266)	100	(266)	36	(9,576)
Electricity, Gas, Steam and Air Conditioning Supply	0	26	-	12	-
Water supply; Sewerage, Waste Management and Remediation Activities	22	26	6	12	69
Construction	1,340	26	348	12	4,181
Wholesale and Retail Trade	551	5	28	70	1,929
Transportation and Storage	354	48	170	70	11,894
Accommodation and Food Service Activities	142	0	-		-
Information and Communication	783	100	783	11	8,613
Finance and Insurance	50	100	50	10	500
Real Estate	181	100	181	12	2,172
Professional, Scientific and Technical	1,756	100	1,756	12	21,072
Administrative and Support Service	(3,474)	100	(3,474)	12	(41,688)
Public Administration and Defence	(344)	22	(76)	12	(908)
Education	(126)	0	-		-
Human Health and Social Work	737	5	37	12	442
Arts, Entertainment and Recreation	406	0	-		-
Other Service Activities	72	22	16	12	190
Total	**1,988**		**(451)**		
				Increase in Floorspace – Growth Sectors (sqm)	**51,062**
				Decline in Floorspace – Declining Sectors (sqm)	**(52,289)**
				Net Change in Floorspace Demand (sqm)	**(1,227)**
				Assumed Developable Floorspace per Hectare (sqm/ha)	**3,900**
				Equivalent Employment Land Needed – Growth Sectors (ha)	**13.1**
				Equivalent Employment Land Needed – Declining Sectors (ha)	**(13.4)**
				Equivalent Employment Land Needed – Net (ha)	**(0.3)**

Source: BE Group, 2018

Table 14 – Forecast Employment Land and Floorspace Demand based on Oxford Economics Forecasts 2014-2036 – Preston

SIC Group	Workforce Growth 2014-36	Percentage Occupying B1/2/8 Space	Growth Number of Jobs on B1/2/8 Space	Floorspace Per Job, sqm	Floorspace Required, sqm
Agriculture, Forestry and Fishing	(110)	5	6	12	(66)
Mining and Quarrying	(2)	5	-0	12	(1)
Manufacturing	(1,464)	100	(1,464)	36	(52,704)
Electricity, Gas, Steam and Air Conditioning Supply	30	26	8	12	94
Water supply; Sewerage, Waste Management and Remediation Activities	30	26	8	12	94
Construction	3,029	26	788	12	9,450
Wholesale and Retail Trade	398	5	20	70	1,393
Transportation and Storage	824	48	396	70	27,686
Accommodation and Food Service Activities	139	0	-		-
Information and Communication	207	100	207	11	2,277
Finance and Insurance	28	100	28	10	280
Real Estate	332	100	332	12	3,984
Professional, Scientific and Technical	714	100	714	12	8,568
Administrative and Support Service	5,631	100	5,631	12	67,572
Public Administration and Defence	(2,883)	22	(634)	12	(7,611)
Education	1,055	0	-		-
Human Health and Social Work	716	5	36	12	430
Arts, Entertainment and Recreation	502	0	-		-
Other Service Activities	(507)	22	(112)	12	(1,338)
Total	**8,670**		**5,951**		
				Increase in Floorspace – Growth Sectors (sqm)	**121,828**
				Decline in Floorspace – Declining Sectors (sqm)	**(61,441)**
				Net Change in Floorspace Demand (sqm)	**60,387**
				Assumed Developable Floorspace per Hectare (sqm/ha)	**3,900**
				Equivalent Employment Land Needed – Growth Sectors (ha)	**31.2**
				Equivalent Employment Land Needed – Declining Sectors (ha)	**(15.8)**
				Equivalent Employment Land Needed – Net (ha)	**15.5**

Source: BE Group, 2018

Table 15 – Forecast Employment Land and Floorspace Demand based on Oxford Economics Forecasts 2014-2036 – South Ribble

SIC Group	Workforce Growth 2014-36	Percentage Occupying B1/2/8 Space	Growth Number of Jobs on B1/2/8 Space	Floorspace Per Job, sqm	Floorspace Required, sqm
Agriculture, Forestry and Fishing	(68)	5	3	12	(41)
Mining and Quarrying	(6)	5	0	12	(4)
Manufacturing	(2,446)	100	(2,446)	36	(88,0560
Electricity, Gas, Steam and Air Conditioning Supply	6	26	2	12	19
Water supply; Sewerage, Waste Management and Remediation Activities	(81)	26	(21)	12	(253)
Construction	2,634	26	685	12	8,218
Wholesale and Retail Trade	193	5	10	70	676
Transportation and Storage	323	48	155	70	10,853
Accommodation and Food Service Activities	96	0	-		-
Information and Communication	68	100	68	11	748
Finance and Insurance	(40)	100	(40)	10	(400)
Real Estate	109	100	109	12	1,308
Professional, Scientific and Technical	14	100	14	12	168
Administrative and Support Service	1,111	100	1,111	12	13,332
Public Administration and Defence	(308)	22	(68)	12	(813)
Education	(639)	0	-		-
Human Health and Social Work	(693)	5	(35)	12	(416)
Arts, Entertainment and Recreation	270	0	-		-
Other Service Activities	(1)	22	0	12	(3)
Total	**540**		**(460)**		
Increase in Floorspace – Growth Sectors (sqm)					**34,903**
Decline in Floorspace – Declining Sectors (sqm)					**(79,132)**
Net Change in Floorspace Demand (sqm)					**(44,229)**
Assumed Developable Floorspace per Hectare (sqm/ha)					**3,900**
Equivalent Employment Land Needed – Growth Sectors (ha)					**8.9**
Equivalent Employment Land Needed – Declining Sectors (ha)					**(20.3)**
Equivalent Employment Land Needed – Net (ha)					**(11.3)**

Source: BE Group, 2017

3.33 Of the three authorities, only Preston is forecast to have a net positive level of floorspace and employment land demand using this model, at about 60,387 sqm of floorspace and 15.5 ha of land. This is due to forecasts for strong growth in administration and support, construction and transport and storage (which has a high floorspace to jobs ratio), which exceeds forecast declines in manufacturing. This is different to 2017 when a negative land need was forecast for Preston.

3.34 Looking at growth sectors only, Preston is forecast to have the largest demand for employment land to 2036 at 31.2 ha, followed by Chorley (13.1 ha) and South Ribble (8.9 ha).

3.35 The above analysis would be considered a baseline level of demand generated by employment changes in the three local authority areas. That is, if employment growth was to continue on trend, with unchanging levels of job densities, the floorspace and land requirements would be as detailed above.

Policy On Forecasting

3.36 The current Preston and South Ribble City Deal runs to 2023. However, it is considered very likely that a further City Deal will be agreed for another 15 years, i.e. the remainder of the CLLP period. It is assumed this will cover Preston and South Ribble, as with the existing programme.

3.37 The success of the strategic interventions through the City Deal would mean that growth in employment, and therefore employment land demand, will be over and above the baseline demand forecast above. Therefore, revised, 'policy-on' forecasts have been prepared for Preston and South Ribble (where the strategic interventions would occur) that reflect the additional impetus that the City Deal could provide for overall employment growth. While Chorley will enjoy indirect benefits from City Deal and the two strategic sites, it is not possible to quantify exactly what level of benefit might be accrued locally and prepare a further policy on forecast for Chorley Borough.

3.38 The City Deal will deliver additional housing to the area, which will have implications for employment demand and opportunities. Boosting housing delivery will have direct impacts on construction jobs, but also flow-on benefits to consumer driven sectors

due to the higher population in the area. The City Deal's strategic interventions to open up employment areas (e.g. Cuerden) will provide impetus to warehousing and manufacturing sectors over and above the baseline forecasts.

3.39 The Enterprise Zone at Samlesbury also has substantial capacity for jobs growth, which will have implications for the overall employment take-up in the area. While this Enterprise Zone has not seen significant growth in recent years, since the completion of the 2017 Central Lancashire Employment Land Study, the new site Spine Road has been completed and it is now being more actively marketed. Thus over the full Plan Period it is expected that significant specialised manufacturing jobs would be created at Samlesbury. This would have benefits for the supply chain in the area, most notably in Preston and South Ribble.

3.40 At Cuerden the main change since 2017 has been the loss of Ikea as anchor occupier for the scheme. While this has implications for site delivery in the short term, it does not, at the time of writing at least, affect overall long term plans for the Strategic Site, where initial site preparation works are underway. Our assessment of the policy on growth potential here is based on the new B-Class floorspace set out in the Hybrid Outline/Full Planning Application which was consented in September 2017.

3.41 Quantifying additional employment by sector due to such strategic interventions is difficult and imprecise. BE Group has prepared policy on land and floorspace forecasts using the same approach as for the baseline employment-led demand modelling. The following have also been considered in developing the policy on forecasts:

- The overall parameters of the City Deal. The current City Deal has objectives to deliver 17,000 new dwellings and 20,000 new jobs over a ten-year period from 2013. While the parameters of any post 2023 City Deal are unknown at this time, a broadly similar scope and ambition is assumed
- Information where available on the likely jobs capacity at strategic employment sites at Cuerden and Samlesbury, including a masterplan schedule for Cuerden, set out in the latest planning consent, for some 80,000 sqm of industrial/logistics space and 36,000 sqm of offices and Samlesbury' s Enterprise Zone application, which while somewhat dated, now provides an

indication of overall development intents. It was assumed that the displacement factor for these jobs from other locations in the local authority areas would be very low due to the strategic nature of the sites

- It is assumed that the growth sectors in the baseline forecasts will get an additional impetus due to the higher population growth in Preston and South Ribble due to the City Deal, estimated to be 25 percent above the projected growth
- Furthermore, specific sectors, such as construction, transportation and storage, manufacturing and office-based support services would have an impetus due to the interventions to support the roll-out of employment land. This boost will not be uniform across sectors or areas and it is expected that South Ribble's impetus would be focussed around construction, transportation and storage and manufacturing and Preston's impetus would be more focussed on office-based support sectors (although industrial uses would still see some uplift). The uplift is assumed to be between 5 and 20 percent above baseline levels.

3.42 Tables 16 and 17 provide the policy on forecasts for Preston and South Ribble respectively.

Table 16 – Policy On Forecast Employment Land and Floorspace Demand 2014-2036 – Preston*

SIC Group	Workforce Growth 2014-36	Percentage Occupying B1/2/8 Space	Growth Number of Jobs on B1/2/8 Space	Floorspace Per Job, sqm	Floorspace Required, sqm
Agriculture, Forestry and Fishing	(110)	5	(6)	12	(66)
Mining and Quarrying	(2)	5	0	12	(1)
Manufacturing	36	100	36	36	1,296
Electricity, Gas, Steam and Air Conditioning Supply	30	26	8	12	94
Water supply; Sewerage, Waste Management and Remediation Activities	30	26	8	12	94
Construction	4,267	26	1,109	12	13,313
Wholesale and Retail Trade	518	5	26	70	1,813
Transportation and Storage	1,124	48	540	70	37,766
Accommodation and Food Service Activities	257	0	-		-
Information and	361	100	361	11	3,971

SIC Group	Workforce Growth 2014-36	Percentage Occupying B1/2/8 Space	Growth Number of Jobs on B1/2/8 Space	Floorspace Per Job, sqm	Floorspace Required, sqm
Communication					
Finance and Insurance	228	100	228	10	2,280
Real Estate	439	100	439	12	5,268
Professional, Scientific and Technical	1,368	100	1,368	12	16,416
Administrative and Support Service	8,299	100	8,299	12	99,588
Public Administration and Defence	(2,783)	22	(612)	12	(7,347)
Education	(1,155)	0	-		-
Human Health and Social Work	996	5	50	12	598
Arts, Entertainment and Recreation	673	0	-		-
Other Service Activities	(634)	22	(139)	12	(1,674)
Total	**16,252**		**11,714**		
Increase in Floorspace – Growth Sectors (sqm)					**182,496**
Decline in Floorspace – Declining Sectors (sqm)					**(9,088)**
Net Change in Floorspace Demand (sqm)					**173,408**
Assumed Developable Floorspace per Hectare (sqm/ha)					**3,900**
Equivalent Employment Land Needed – Growth Sectors (ha)					**46.8**
Equivalent Employment Land Needed – Declining Sectors (ha)					**(2.3)**
Equivalent Employment Land Needed – Net (ha)					**44.5**

Source: BE Group, 2019
**Applies the assumptions made in paragraph 3.41.*

Table 17 – Policy On Forecast Employment Land and Floorspace Demand 2014-2036 – South Ribble *

SIC Group	Workforce Growth 2014-36	Percentage Occupying B1/2/8 Space	Growth Number of Jobs on B1/2/8 Space	Floorspace Per Job, sqm	Floorspace Required, sqm
Agriculture, Forestry and Fishing	(68)	5	(3)	12	(41)
Mining and Quarrying	(6)	5	(0)	12	(4)
Manufacturing	294	100	294	36	10,584
Electricity, Gas, Steam and Air Conditioning Supply	6	26	2	12	19
Water supply; Sewerage, Waste Management and Remediation Activities	(81)	26	(21)	12	(253)

SIC Group	Workforce Growth 2014-36	Percentage Occupying B1/2/8 Space	Growth Number of Jobs on B1/2/8 Space	Floorspace Per Job, sqm	Floorspace Required, sqm
Construction	4340	26	1,128	12	13,541
Wholesale and Retail Trade	1080	5	54	70	3,780
Transportation and Storage	1488	48	714	70	49,997
Accommodation and Food Service Activities	833	0	-		-
Information and Communication	709	100	709	11	7,799
Finance and Insurance	379	100	379	10	3,790
Real Estate	559	100	559	12	6,708
Professional, Scientific and Technical	672	100	672	12	8,064
Administrative and Support Service	1441	100	1,441	12	17,292
Public Administration and Defence	(108)	22	(24)	12	(285)
Education	(639)	0	-		-
Human Health and Social Work	(867)	5	(43)	12	(520)
Arts, Entertainment and Recreation	362	0	-		-
Other Service Activities	(2)	22	(0)	12	(5)
Total	**10,392**		**5,860**		
Increase in Floorspace – Growth Sectors (sqm)					**121,573**
Decline in Floorspace – Declining Sectors (sqm)					**(1,089)**
Net Change in Floorspace Demand (sqm)					**120,484**
Assumed Developable Floorspace per Hectare (sqm/ha)					**3,900**
Equivalent Employment Land Needed – Growth Sectors (ha)					**31.2**
Equivalent Employment Land Needed – Declining Sectors (ha)					**(0.3)**
Equivalent Employment Land Needed – Net (ha)					**30.9**

Source: BE Group, 2019
**Applies the assumptions made in paragraph 3.41.*

3.43 This policy on approach results in a net positive land demand for both Preston (44.5 ha) and South Ribble (30.9 ha). This is a change of 29.0 ha for Preston and 42.2 ha for South Ribble over the baseline forecasts. South Ribble has a much higher level of change over the baseline level due to Cuerden and Samlesbury, which are delivered within South Ribble. Preston's policy on forecast need is much higher in this Study than in 2017 (11.5 ha), reflecting the greater projected growth in administration and support, construction and transport and storage, sectors whose growth is further

amplified in the policy-on scenario.

Employment Land Take-Up/Employment Change Comparison

3.44 In reality the employment change does not translate to land provision in the way set out in the above employment-based models, both policy-on and policy-off. There are several factors that will influence the land requirement and it is necessary to understand the market signals to predict a more accurate employment land requirement. These factors include:

- To what extent the growth in office employment takes place in town centre locations, at higher densities, rather than in low-density business parks. Preston, for example, will see both higher density development in the City Centre and lower density development in North East Preston. In Chorley Town, and many South Ribble settlements, the town centre office supply is modest and most existing office space is in edge of town/out of town business parks. Any future B1(a) development in Chorley and South Ribble is expected to focus outside of the main town centres. The assumption of mostly lower density office development in all three local authority areas means that a lower density level of 39 percent site coverage is applied to the floorspace to land conversions noted above. However, where growth is predicted in town or city centres different densities would be applied, closer to 100 percent site coverage
- Will the decline in jobs lead to the release of land? As noted previously, experience suggests that even where businesses are contracting, they will continue to hold onto sites in anticipation of future improvement and change. Where jobs are being lost to automation, those new automated processes will still require land on which to operate and can lead to higher productivity and growth
- Land take-up/property needs can be for different reasons such as modernisation or geographic relocation, land banking for future needs
- Expansion may also be within existing premises or on expansion land not accounted for in land allocations.

3.45 Therefore, to test how closely jobs change translates to land take-up, historic trends have been compared for South Ribble. Using the same methodology, the land needs based on employment change has been calculated for two historic periods. For this analysis, just baseline (policy-off) forecasts are used as the relevant strategic initiatives had yet to be implemented during the bulk of these historic periods:

- The long-term period from 1991-2018 and compared to the actual land take-up during that period (Table 18)
- 2001-2007 which was a period of sustained economic growth nationally (Table 19).

Table 18 – Employment Land Take-Up/Employment Change Comparison 1991-2018 – South Ribble

Employment Change	Total Jobs	Land (Ha)
Growth	25,127	**28.4**
Decline	(8,892)	**(65.2)**
Net growth	16,238	**(36.9)**
Historic land take-up		**100.73**

Source: BE Group, Oxford Economics, SRBC 2018

Table 19 – Employment Land Take-Up/Employment Change Comparison 2001-2007 – South Ribble

Employment Change	Total Jobs	Land (Ha)
Growth	6,682	**1.6**
Decline	(2,213)	**(9.0)**
Net growth	4,470	**(7.5)**
Historic land take-up	**-**	**34.68**

Source: BE Group, Oxford Economics, SRBC 2018

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3.46 The two tables show that low net jobs growth during both periods, would have resulted in negative land needs, the result of large projected declines in manufacturing employment. Even if the sectors predicted to grow only are considered, the projected land requirements represent only a fraction of what was taken up.

3.47 Equivalent exercises are completed for Chorley and Preston in Tables 20-23 and show broadly similar trends. In the case of Chorley, the forecast is for strong jobs growth in construction; professional, scientific and technical; and information and communication sectors. The B-Class land needs of these sectors somewhat exceed forecast declines in manufacturing, which has larger B-Class land requirements, per job.

Table 20 – Employment Land Take-Up/Employment Change Comparison 1991-2018 – Chorley

Employment Change	Total Jobs	Land (Ha)
Growth	10,059	**23.9**
Decline	(3,720)	**(22.8)**
Net growth	7,338	**1.1**
Historic land take-up	**-**	**96.84**

Source: BE Group, Oxford Economics, CBC 2018

Table 21 – Employment Land Take-Up/Employment Change Comparison 2001-2007 – Chorley

Employment Change	Total Jobs	Land (Ha)
Growth	9,116	**18.0**
Decline	(1,669)	**(9.5)**
Net growth	7,446	**8.4**
Historic land take-up	**-**	**47.23**

Source: BE Group, Oxford Economics, CBC 2018

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Table 22 – Employment Land Take-Up/Employment Change Comparison 1991-2018 – Preston

Employment Change	Total Jobs	Land (Ha)
Growth	26,699	**39.6**
Decline	(16,940)	**(75.9)**
Net growth	9,730	**(36.3)**
Historic land take-up	**-**	**87.15**

Source: BE Group, Oxford Economics, PCC 2018

Table 23 – Employment Land Take-Up/Employment Change Comparison 2001-2007 – Preston

Employment Change	Total Jobs	Land (Ha)
Growth	18,849	**44.9**
Decline	(5,825)	**(8.6)**
Net growth	13,024	**36.4**
Historic land take-up	**-**	**23.55***

Source: BE Group, Oxford Economics, PCC 2018

**There is no annual take up breakdown for the years 2001/02-2003/04, for Preston, rather monitoring provides an overall completion for 1998-2004. To allow this 2001-2007 analysis to be undertaken, the 1998-2004 take up figure of 26.99 ha has been divided evenly over those six years, to create an average take up rate of 4.50 ha/year. This has then been added to years where take up is available on an annual basis to create an indicative take up over 2001-2007 of 23.55 ha.*

3.48 In the case of Preston, the 2001-2007 exercise does come somewhat closer with projected needs of 36.4 ha against an indicative real world take up rate of 23.55 ha. This reflects the fact that the forecast does suggest a gain in manufacturing employment for the City in the early 2000s. However, when the whole 1991-2016 period is considered, forecasts and reality diverge sharply, with forecast losses of 36.3 ha and real-world gains of around 87 ha. The large difference reflects that fact that Oxford Economic forecast that Preston would lose over 9,500 manufacturing jobs between 2002 and 2018, loses that would not be offset, in terms of B-Class land, by increases in service sector and public-sector employment.

3.49 Thus, the trend shows that net jobs growth is not an accurate method of calculating land. **Even when land is calculated on the sectors that generate a positive jobs figure over the two periods, there is still a significant difference between the anticipated take-up from a jobs calculation and the actual market take up. An allowance for strategic growth only slightly addresses this. This calculation reinforces the view that historic take-up is the most appropriate method.**

4.0 CONCLUSIONS

4.1 This Report updates Section 8.0 of the 2017 Central Lancashire Employment Land Study (Technical Report) – Demand Assessment – Objectively Assessed Needs to reflect a longer forecast period (2014-2036), allow for the latest 2016-based population and household projections and updated national planning policy guidance. Two forecast models have been produced and considered for the three Boroughs of Central Lancashire. The calculations for each are summarised in Table 24 and show varied outcomes.

4.2 As in the 2017 Central Lancashire Employment Land Study, the land supply for each local authority area is backdated to 2014 to ensure the need and supply base dates align. Thus the 2014 supply position in Central Lancashire is 188.43 ha, comprising:

- Chorley: 59.75 ha (backdated supply)
- Preston: 71.69 ha (backdated supply)
- South Ribble: 56.99 ha (backdated supply).

4.3 The first scenario measures local land take-up, over the last 27 years, onwards to 2036 for each local authority area, and then measures it against local only (backdated) supply. A scenario for strategic take up is not possible since there have been no B-Class completions at Cuerden and little at Samlesbury to date.

4.4 The figures also allow for a five-year buffer to allow for choice and potential change in needs during the study period as well as accounting for possible losses in the supply.

4.5 If employment-based forecasts are taken then there is a need of up to 51.67 ha across Central Lancashire, under a baseline, Policy-Off, forecast. The Borough specific targets range from 38.29 ha in Preston, to 16.08 ha in Chorley and 10.92 ha in South Ribble, where sectors predicted to grow only are considered.

Table 24 – Central Lancashire Land Forecast Models – Summary

Local Authority	Model	A: Land Need 2014-2036, ha	B: Buffer (five years further need), ha	C: Total Need, ha A+B	D: Land Stock 2014, ha – Strategic and/or Local Supply*	E: Surplus (Shortfall), ha *C-D*	Assumptions
Central Lancashire	Employment based on adjusted stock – Policy-Off Model	+42.10 Growth +0.80 Change	+9.57 +0.18	+51.67 +0.98	188.43 Combined Local Supply, backdated	1) 136.76 2) 187.45	Based on 1) projected growth sectors 2) projected employment change across sectors A combined, sub-regional growth scenario, based on local growth rates for the three authorities
Chorley	Local Take Up	78.98	17.95	96.93	59.75 Local Supply, backdated	(37.18)	Based on historic (27 years) take-up of 3.59 ha/pa. Compares a local growth rate with a local only supply picture
	Employment based on adjusted stock – Policy-Off Model	+13.10 Growth -0.30 Change	+2.98 N/A	+16.08 -0.30	59.75 Local Supply, backdated	1) 43.67 2) 60.05	Based on 1) projected growth sectors 2) projected employment change across sectors A local growth only scenario
	-	-	-	-	-	-	-
Preston	Local Take Up	76.78	17.45	94.23	71.69 Local Supply, backdated	(22.54)	Based on historic (25 years) take-up of 3.49 ha/pa. Compares a local growth rate with a local only supply picture
	Employment based on adjusted stock – Policy-Off Model	+31.20 Growth +15.50 Change	+7.09 + 3.52	+38.29 +19.02	71.69 Local Supply, backdated	1) 33.40 2) 52.67	Based on 1) projected growth sectors 2) projected employment change across sectors A local growth only scenario
	Employment based on adjusted stock – Policy-On Model**	+46.80 Growth +44.50 Change	+10.64 +10.11	+57.44 +54.61	71.69 Local Supply, backdated (with strategic	1) 14.25 2) 17.08	Based on 1) projected growth sectors 2) projected employment change across sectors A local/strategic growth scenario

Local Authority	Model	A: Land Need 2014-2036, ha	B: Buffer (five years further need), ha	C: Total Need, ha A+B	D: Land Stock 2014, ha – Strategic and/or Local Supply*	E: Surplus (Shortfall), ha *C-D*	Assumptions
					sites in SR)		
South Ribble	Local Take Up	82.06	18.65	100.71	56.99 Local Supply, backdated	(43.72)	Based on historic (27 years) take-up of 3.73 ha/pa. Compares a local growth rate with a local only supply picture
	Employment based on adjusted stock – Policy-Off Model	+8.90 Growth -11.30 Change	+2.02 N/A	+10.92 -11.30	56.99 Local Supply, backdated	1) 46.07 2) 68.79	Based on 1) projected growth sectors 2) projected employment change across sectors A local growth only scenario
	Employment based on adjusted stock – Policy-On Model**	+31.20 Growth +30.90 Change	+7.09 +7.02	+38.29 +37.92	115.36 Strategic/Local Supply, backdated	1) 77.07 2) 77.44	Based on 1) projected growth sectors 2) projected employment change across sectors A local/strategic growth scenario

Source: BE Group, 2019

**Backdated land supply at 2014*

***Applies the assumptions made in paragraph 3.41.*

4.6 Further scenarios have been prepared for Preston and South Ribble, which adjust the baseline Oxford Economics forecast, to allow for the impact of City Deal (existing and likely future programmes) and known jobs forecasts for Cuerden/Samlesbury. This provides a mixed local/strategic forecast of 57.44 ha for Preston and 38.29 ha for South Ribble, on a growth only basis, with Preston showing noticeable improvements in forecast growth in sectors including in administration and support, construction and transport and storage, on the 2017 Study predictions.

4.7 Deducting local baseline requirements from policy-on requirements suggests that strategic only needs are around 19 ha in Preston and 27 ha in South Ribble, to 2036. Under all the above employment forecasts, all three authorities have ample land, both local and strategic, to meet needs.

4.8 However, from reviewing the historic trends in employment change and land take up here, and the assessment of market demand completed in the 2017 Central Lancashire Employment Land Study, it is suggested that employment land needs are underestimated in both policy-on and policy-off forecast models. When a comparison of past employment change over the period 1991-2018 and 2001-2007 periods is made, actual land take-up is usually many times more than the estimate put forward by the growth only approach.

4.9 **In conclusion, it is considered that the most appropriate forecasts is the Local Take-Up Scenario. Although this does not permit consideration of strategic requirements at Cuerden/Samlesbury, it does accurately measure local needs and suggests that each authority does require additional local land to 2036, against the backdated supply, comprising:**

- **Chorley – 37.18 ha further need**
- **Preston – 22.54 ha further need**
- **South Ribble – 43.72 ha further need.**

4.10 Central Lancashire's previous take up can be split by the main employment use classes – B1(a, b, c), B2, B8 – and then compared to an equivalent split of the backdated local land supply. This identifies the following main gaps:

- Chorley – Larger B8 options. Some 13.55 ha of primarily B1(a) office land is also required

- Preston – Preston needs more sites suited for B1(a) offices and B8 warehousing, but has more than sufficient land allocated for B1(c)/B2 uses, with any oversupply likely focused in North East Preston (where land will also suit B8 options)
- South Ribble – Sites suiting both larger B2/B8 uses and B1(a) offices.

4.11 The specific need for office space, using previous take up as a guide is:

- Chorley – 13.55 ha = 52,849 sqm at 3,900 sqm/hectare
- Preston – 22.33 ha = 87,087 sqm at 3,900 sqm/hectare
- South Ribble – 24.97 ha = 97,383 sqm at 3,900 sqm/hectare.

4.12 Where an oversupply is shown, by use class, it is not recommended that this be used as a reason to de-allocate or re-allocate any specific site, or group of sites, because:

- Overall, all three authorities need their full land supplies to meet projected needs, plus further allocations
- The split of needs, by use class, in this study, remains indicative, reflecting past development activity
- With the exception of some town/city centre office sites, employment allocations will normally be suitable for a range of B-Class sites, i.e. sites not needed for B1(c)/B2 industrial could suit local B8 warehousing, or vice versa
- Modern businesses frequently require facilities which cut across the B Use Classes, e.g. a medium/large scale B2 manufacturing plant will likely also require administrative/sales offices and include space for B8 parts/products storage
- For areas to remain competitive, developers and businesses should be presented with the maximum possible choice of scale, location and type of sites.

4.13 Applicants, seeking the reallocation of employment land, outside of permitted development rights, should be asked to prove that the land is not deliverable for any of the B-Class uses. To maximise choice, and meet the full range of needs, it is not recommended that local authorities place any limitations on what B-Class uses can locate on designated employment sites (again except for B1(a) office sites in town/city centres).