VIABLE PLACEMAKING

Client: CCW Services

Employment Land and Economic Impact Assessment

Broadway Farm | Eastleigh Borough Council

Reference: VP25511

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Executive Summary

0.1 This Employment Land and Economic Impact Assessment ("the Assessment") has been prepared on behalf of CCW Services, who operate a storage and distribution centre from Broadway Farm, Broad Oak, Botley, Southampton, SO30 2EU ("the site"). The purpose of this Assessment is to better understand the demand for Use Class B8 land in Eastleigh and the wider area, the existence and opportunity for alternative similar land in the site vicinity and Council area, and the specialist nature of the business and economic implications of the existing use at this site. The purpose is to provide a decision maker with a professional opinion on the economic implications and benefits of the existing use at the site, in the context of the need, demand, and delivery of Use Class B8 land.

0.2 The National Planning Policy Framework (NPPF) and Eastleigh Local Plan assert the need to support sustainable development through three mutually supportive objectives: a social objective, an environmental objective, and an economic objective – the latter of which seeks to build a strong economy, supporting economic growth and the delivery of employment land. These three objectives – alongside the Government's overarching goals, Planning Practice Guidance, and other reports in the region – seek to ensure the right development is delivered in the right places to meet the needs of communities. This includes the delivery of employment land – to support the provision of jobs and economic growth.

0.3 The Eastleigh Local Plan sets out targets regarding employment land and delivery throughout the plan period; however, local planning policy does not account for the low delivery of Use Class B8 land in recent years. Moreover, the evidence base which informed and justified the Local Plan was prepared several years ago and, similarly, does not account for recent delivery/market performance. Considering these factors together, the adopted planning policies and strategies have been found to not adequately reflect the delivery needed in Eastleigh for employment land and associated economic growth. In summary – the Local Plan is falling short in its role to deliver the employment land people need.

0.4 In light of the above, Viable Placemaking conducted a review of the high-level Functional Economic Market Area factors, including travel to work patterns, alongside the Economic Baseline in Eastleigh. The Economic Baseline provides a holistic view on factors which impact the economic performance of the area – including the general population, GVA output, and the performance of various sectors. This analysis found that Eastleigh showed no signs which would indicate a significant decrease in the requirement of Use Class B8 land, or the associated jobs in the Transport & storage sector, which was growing in the local economy and held a more substantial role in Eastleigh's local economic makeup than the comparable geographical areas.

0.5 Viable Placemaking also conducted analysis of the Local B8 market, which found that there was a significant under-delivery of Use Class B8 land in recent years, a low vacancy rate, and a healthy market performance. Collectively, this concludes that there is a high demand but under-supply of Use Class B8 land in Eastleigh. Accordingly, this indicates that B8 uses should be supported and, where B8 land exists, the use should be intensified where possible, to support economic growth in the sector and the area.

0.6 In order to better understand the opportunity at the existing site, we reviewed the typical employment impact performance of a comparable site and compared this with the existing business. This comparison concluded that the existing business at Broadway Farm is performing far in excess of that which would typically be expected of a similar site. Therefore, the existing business at the site is of substantial benefit to the local and regional economy.

0.7 Although some non-fatal risks to the existing business exist, including the ongoing implications of Brexit and the transition to a Low Carbon Economy, CCW has continued to grow – both in employment numbers and economic output in recent years. This has been of substantial benefit to the local economy and, therefore, we would suggest the continued operation and intensification of the existing business should be supported and encouraged.

0.8 In order to ensure all options are considered, this Assessment conducted an evaluation of alternative sites in the area. 17 sites were considered and none were found to be adequate alternatives to the existing site, for a variety of reasons including size, inadequate security, and viability. Therefore, the only option for the continued use and growth of the business is the existing site, Broadway Farm.

0.9 Additionally, by virtue of the travel to work behaviour, connections with neighbouring areas, and economic output – we consider the site represents a Functional Economic Market Microcosm (FEMM) – as it represents a community, place, and situation that encapsulates in miniature the characteristics of a larger Functional Economic Market Area.

0.10 Having considered the demand for Use Class B8 land, the lack of alternative sites in the vicinity and LPA area, and the exceptional economic performance of the existing business at the site – in the context of the relevant planning policy and guidance – Viable Placemaking conclude that (subject to compliance with other relevant planning policies and material considerations) the continued use and intensification of the current use at the site – by allowing CCW to utilise all land available to operate and grow – should be supported. This would help make an effective use of land, support in building a strong and competitive economy, and improve productivity.

0.11 Overall, the existing business, CCW, at this site has been found to be of significant benefit to local employment and the economy. The continued and intensified use of Broadway Farm, and future use of the land at the site, would directly align with the economic sustainability objective while meeting the employment and economic needs of the local area, Eastleigh, and the region.

1. Introduction

1.1. Viable Placemaking have been instructed by CCW Services Limited ("CCW") to prepare an Employment Land and Economic Impact Assessment (the "Assessment").

1.2. CCW are a logistics, transport & warehousing company, who are based at Broadway Farm, Broad Oak, Botley, Southampton, SO30 2EU ("the site"). The site is located in the Eastleigh Borough Council Local Planning Authority (LPA) area, and in the wider Hampshire County Council. The site is currently in Use Class B8[1].

1.3. This report has been prepared to evaluate the national, local, and site-specific employment and economic implications, with the intention of assessing three key points:

1. The demand for Use Class B8 land;
2. The existence and opportunity for alternative similar land in the site vicinity and LPA area;
3. The specialist nature of the business and economic implications of the existing use at the specific site.

1.4. Viable Placemaking are aware of the ongoing Enforcement Appeal reference APP/W1715/C/25/3361911 at the site ("the appeal"), (linked with child appeal APP/W1715/C/25/3361912), which alleges various factors and is due to be considered by the Planning Inspectorate at an Inquiry on Tuesday 8th July 2025 over 3 days. This Assessment has been prepared so it may be submitted by the appellant's appeal agent and their project team.

1.5. Viable Placemaking may attend the appeal inquiry to provide further clarification on the contents of this report, within the extent of the scope and limitations set out within the following sub-section of this Assessment.

[1] Use Classes in line with the Town and Country Planning (Use Classes) Order 1987 (as amended). Use Class B8 is sometimes referred to as 'B8' within this Assessment.

Study Scope and Limitations

1.6. This report is focussed on considering the logistics and warehousing (Use Class B8) needs of Eastleigh Borough Council. The scope of this report is set out across the following paragraphs.

1.6.1. The vast majority of this Assessment is limited to the LPA area and or within the vicinity of the site as appropriate.

1.6.2. Identify the existing business demography, economic performance of the area, and consider sectoral performance in Eastleigh.

1.6.3. Assess the commercial demand for Use Class B8 development, local business performances, vacancies and opportunities for alternative sites and similar developments in the area.

1.6.4. This report will not conduct extensive forecasting of jobs. Rather, this report will consider the past performance, current opportunities, and what implications this could have for the necessity of the existing business and its role in the local/regional economy.

1.6.5. Consider the economic output potential of the site from a traditional economic-impact perspective and review this with some actual economic-output data, provided by CCW. For clarity, Viable Placemaking have not scrutinised or further assessed the specific employment information or economic output data provided by CCW at the time of preparing this Assessment. Should the LPA, Planning Inspectorate, or any other stakeholder require further evidence to verify, justify, or explain this information, this should be sought directly from CCW.

1.6.6. Viable Placemaking have considered Office for National Statistics (ONS) data throughout this report. Although we are aware of potential inaccuracies[2], no additional reviews have been conducted as part of this Assessment. Viable Placemaking reserve the right to revisit any assumptions should any amended/updated data be published.

1.6.7. This Assessment will consider the implications of various notable world events, including Brexit and the Coronavirus pandemic.

[2] Institute for Government: The Office for National Statistics must change to fix its data problems.

Assessment Structure

1.7. This Assessment is split into main Sections considering employment land, economic impact, and site-specific considerations. The high-level structure of this report is as follows:

- Section 2 – Site and Development
- Section 3 – Policy Context
- Section 4 – Employment Needs and Economic Impact Evidence Base
- Section 5 – Functional Economic Market Area
- Section 6 – Eastleigh Economic Baseline
- Section 7 – Local B8 Market Performance
- Section 8 – Economic Impact Assessment
- Section 9 – CCW Economic Impact
- Section 10 – Economic Conclusions

Viable Placemaking

1.8. Viable Placemaking are a town planning consultancy, with a specialism in development economics and viability, and are accredited with the Royal Town Planning Institute (RTPI) and regulated by the Royal Institution of Chartered Surveyors (RICS).

1.9. Viable Placemaking's role, within the scope of this Assessment, has been to review the employment and economic performance of the site and LPA in order to evaluate the benefits and impacts of the site and existing use/business, in the context of national and local planning policy and political agenda.

1.10. All professional work has been reviewed by Adam Place, Viable Placemaking's Director. Mr Place is a chartered town planner and, alongside the RTPI, holds professional memberships with the RICS, Institute of Economic Development, and Royal Society of Arts (RSA). Accordingly, alongside Viable Placemaking's Core Values, all professional work has been prepared in line with the professional codes and rules of conduct for these professional bodies.

2. Site and Development

Site and Business Context

2.1. Broadway Farm is located to the north of Broad Oak, A334, circa (c.) 1km from the centre of Botley. The site is used principally as a storage and distribution centre (Use Class B8) for the operation of CCW Services (the 'subject business' or 'CCW'). There is an existing dwelling at the site which is occupied by the operators of the subject business.

2.2. CCW offer a variety of storage and distribution services including transport, devanning, warehousing, pallet supply, and rework. The site is self-contained and provides on-site private security, allowing the subject business to operate 24/7.

2.3. Security is at the apex of what CCW offer, providing 24/7 security, pre-organised, with paid emergency service support as a back-up. The site is self-contained with decent privacy and one entrance in/out of the site, allowing for improved surveillance at the site. All buildings benefit from 24 hour security.

2.4. Viable Placemaking have included an Accommodation Schedule for the buildings and land areas, provided by CCW, in Table 1 below. This sets out the Gross Internal Areas (GIAs) and Gross External Areas (GEAs) of the warehousing/storage buildings at the site, all of which are Use Class B8, which shall be used throughout this report.

2.5. Additionally, we note that the secure yard, which is tarmacked, accounts for 7,073m2 (76,132sqft).

Table 1: Accommodation Schedule

Building	Description	Features	GIA	GEA
Building 1	Modern detached industrial/warehouse unit. It is constructed on a steel portal frame with part brick, part micro rib profile metal sheet elevations under a fibre cement ribbed roof with intermittent roof lights.	- Electrically operated loading door - Three Phase Power & LED Lighting throughout. - 4.5m eaves height - External lighting - Alarm and CCTV - 24/7 Access Concrete Floor - Air Conditioned - Temperature Controlled	555.93m2 (5,984sqft)	576.00m2 (6,200sqft)
Building 2	Modern detached industrial/warehouse unit. It is constructed on a steel portal frame with part brick, part micro rib profile metal sheet elevations under a fibre cement ribbed roof with intermittent roof lights.	- Electrically operated loading door - Three Phase Power & LED Lighting throughout. - 4.5m eaves height - External lighting - Alarm and CCTV - 24/7 Access Concrete Floor - Air Conditioned - Temperature Controlled	365.02m2 (3,929sqft)	383.97m2 (4,133sqft)

Building	Description	Features	GIA	GEA
Building 3	Modern detached industrial/warehouse unit. It is constructed on a steel portal frame with part brick, part micro rib profile metal sheet elevations under a fibre cement ribbed roof with intermittent roof lights.	- Electrically operated loading door - Three Phase Power & LED Lighting throughout. - 4.5m eaves height - External lighting - Alarm and CCTV - 24/7 Access Concrete Floor - Air Conditioned - Temperature Controlled	365.02m2 (3,929sqft)	383.97m2 (4,133sqft)
Building 4	Modern detached industrial/warehouse unit. It is constructed on a steel portal frame with part brick, part micro rib profile metal sheet elevations under a fibre cement ribbed roof with intermittent roof lights.	- Electrically operated loading door - Three Phase Power & LED Lighting throughout. - 4.5m eaves height - External lighting - Alarm and CCTV - 24/7 Access Concrete Floor - Air Conditioned - Temperature Controlled	216m2 (2,325sqft)	229.94m2 (2,475sqft)

Building	Description	- Features	GIA	GEA
Building 4 (Clean Room)	Modern detached industrial/warehouse unit. It is constructed on a steel portal frame with part brick, part micro rib profile metal sheet elevations under a fibre cement ribbed roof with intermittent roof lights.	- 2 x Pedestrian Door - Three Phase Power - Alarm and CCTV - External lighting - 24/7 Access Concrete Floor - Air Conditioned - Temp Controlled - Fully Contained - Bespoke set-up possible depending on room requirements (workstations, conveyor belt, packing areas, etc) - Easy-clean flooring throughout to ensure mess-free environment	125.98m2 (1,356sqft)	141.96m2 (1,528sqft)
Building 5	Detached industrial/warehouse unit. It is constructed on a steel portal frame with cladded sides and corrugated tin roof.	- Sliding steel frame door	162.02 (1,744sqft)	162.58 (1,750sqft)
Total Areas			**1789.97m2 (19,267sqft)**	**1878.42m2 (20,219sqft)**

Source: CCW Services

Planning Designations

2.6. The site is located within the Settlement Gap and designated countryside; however, the majority of the site is considered to be brownfield land.

2.7. The land to the northeast of the site is an area of flood risk, where drainage concerns may be present. However, these issues have not appeared to infringe the ongoing operations of the business which has been in use for several years.

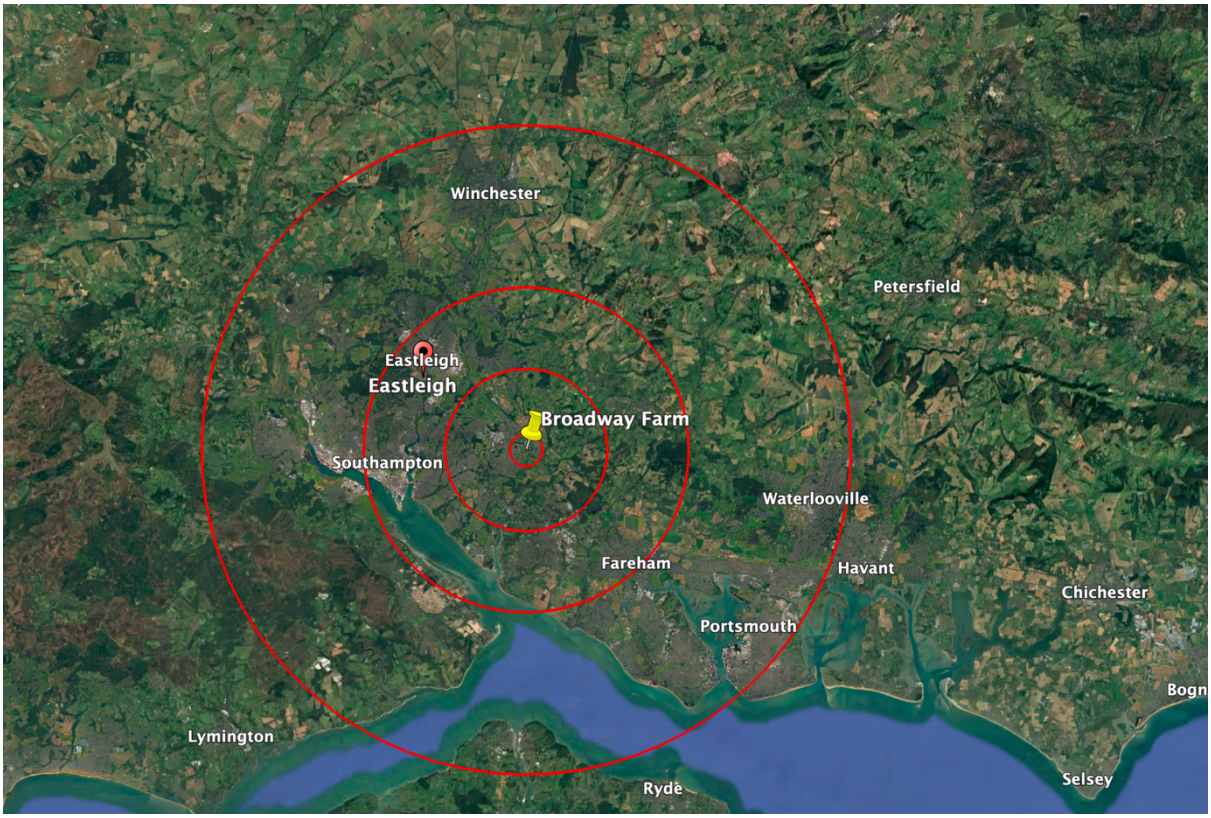
2.8. The site is well connected by transport links, being accessed by the A334, and is located c. 3km from Junction 7 on the M27 (5 minutes via car). The A334 to the south of the site is designated within the High Street Botley Air Quality Management Area (AQMA). However, the site itself does not fall within the AQMA.

Transport and Accessibility

2.9. Much of the land adjacent to the A334, leading out towards the M27, is in business use and several significant employers are located along this route, including Next, Toyota, B&Q, Sainsburys, Oak Furniture Land, Marks and Spencer, Kia, and Botley Car Centre.

2.10. At a wider level, the site is located within 5km of Hedge End; within 10km of Eastleigh, Fareham and Southampton; and within 20km of Winchester, Waterlooville, Romsey, and Portsmouth. This is set out in Figure 1, included overleaf.

Figure 1: Site Radius (1, 5, 10, and 20km)



Source: Google Earth

2.11. Other reports, including a Design and Access Statement and the accompanying plans, should set out the relevant design, planning constraints, and other factors pertaining to the subject site or development in more detail.

Planning and Enforcement Context

2.12. As noted at paragraph 1.4, Viable Placemaking are aware of the ongoing enforcement appeals (APP/W1715/C/25/3361911 and APP/W1715/C/25/3361912). Additionally, we understand that the landowners are considering preparing planning applications to be submitted to provide options on the various uses of the land, to allow the business to continue to operate. This report has not been provided for a single development or submission and may be submitted by the landowners with any such application/appeal at the site over the 12 months following release of this report, to demonstrate the three key points highlighted at paragraph 1.3.

2.13. Viable Placemaking have not been instructed to review or demonstrate the land-needs of the business, or to demonstrate that any existing or additional parcels of land are essential for the ongoing operations of the business. This should be set out within an overarching planning report and or within evidence provided by the applicant/appellants. Rather, this report will consider the employment land needs of the business, Eastleigh, and wider market area. This together with any such evidence provided by CCW, should demonstrate the need for the ongoing operations of the business, and support in justifying the use and intensification of the use at this site.

3. Policy Context

3.1. This Section introduces the overarching national and local planning policy alongside the current political context under which the economic/employment impacts shall be considered.

National Planning Policy Framework

3.2. The National Planning Policy Framework (NPPF) sets out the Government's overarching planning policies for England and how these are expected to be applied. The original NPPF was published in 2012 and has most recently been revised in December 2024 (with some minor clarifications being added in February 2025).

3.3. The NPPF sets out that the overarching purpose of the planning system, and the Framework itself, is to encourage sustainable development. At the heart of the NPPF is the "presumption of sustainable development", which establishes that plans and decisions should promote sustainable development which meets the needs of the area. Paragraph 8 of the Framework sets out that the planning system has three overarching objectives – an economic objective, a social objective, and an environmental objective – which should be pursued in mutually supportive ways. These are set out in full below for clarity and completeness.

a) *an economic objective – to help build a strong, responsive and competitive economy, by ensuring that sufficient land of the right types is available in the right places and at the right time to support growth, innovation and improved productivity; and by identifying and coordinating the provision of infrastructure;*

b) *a social objective – to support strong, vibrant and healthy communities, by ensuring that a sufficient number and range of homes can be provided to meet the needs of present and future generations; and by fostering well-designed, beautiful and safe places, with accessible services and open spaces that reflect current and future needs and support communities' health, social and cultural well-being; and*

c) *an environmental objective – to protect and enhance our natural, built and historic environment; including making effective use of land, improving biodiversity, using natural resources prudently, minimising waste and pollution, and mitigating and adapting to climate change, including moving to a low carbon economy*

3.4. Chapter 6 of the NPPF seeks to support building a strong, competitive economy, and is introduced by paragraph 85 which states that "*planning policies and decisions should help create the conditions in which businesses can invest, expand and adapt. Significant weight should be placed on the need to support economic growth and productivity, taking into account both local business needs and wider opportunities for development.*"

3.5. Paragraph 86 of the NPPF denotes that policies set out within local plans should:

a) set out a clear economic vision and strategy which positively and proactively encourages sustainable economic growth, having regard to the national industrial strategy and any relevant Local Industrial Strategies and other local policies for economic development and regeneration;
b) set criteria, and identify strategic sites, for local and inward investment to match the strategy and to meet anticipated needs over the plan period;
c) pay particular regard to facilitating development to meet the needs of a modern economy, including by identifying suitable locations for uses such as laboratories, gigafactories, data centres, digital infrastructure, freight and logistics;
d) seek to address potential barriers to investment, such as inadequate infrastructure, services or housing, or a poor environment; and
e) be flexible enough to accommodate needs not anticipated in the plan, and allow for new and flexible working practices and spaces to enable a rapid response to changes in economic circumstances.

3.6. In addition to the above, the NPPF seeks to support a prosperous rural economy, denoting at paragraph 89 that planning decisions "*should recognise that sites to meet local business and community needs in rural areas may have to be found adjacent to or beyond existing settlements, and in locations that are not well served by public transport. In these circumstances it will be important to ensure that development is sensitive to its surroundings, does not have an unacceptable impact on local roads and exploits any opportunities to make a location more sustainable (for example by improving the scope for access on foot, by cycling or by public transport). The use of previously developed land, and sites that are physically well-related to existing settlements, should be encouraged where suitable opportunities exist.*"

3.7. Chapter 11 and paragraph 124 of the NPPF seek to ensure planning policies and decisions make effective use for land in meeting the need for all uses. Moreover, paragraphs 127 and 128 seek for planning policies and decisions to reflect changes in demand for land, making clear that effective use of land to meet an unmet and or demonstrable need should be supported.

Planning Practice Guidance

3.8. The national Planning Practice Guidance (PPG) sets out a variety of factors for LPAs, applicants, and other professionals in the planning sector to consider. As a proviso, we would note that the PPG holds similar weight to the NPPF, as has recently been upheld by the Court of Appeal in Mead Realisations Ltd v Secretary of State for Housing, Communities and Local Government [2025] EWCA Civ 32, upholding Holgate's original judgement in the High Court. Therefore, we must consider the PPG with due attention as part of this Assessment.

3.9. The 'housing and economic needs assessment' guidance was published in March 2015 and most recently updated in February 2025. This sets out how LPAs can determine the type and amount of employment land needed in the area to meet the need of businesses and communities. As noted at Section 1, although this Assessment shall not consider future employment needs or

forecasts, in this context of this report, it is important to note that LPAs will need to assess[3]:

- *The best fit functional economic market area*
- *the existing stock of land for employment uses within the area;*
- *the recent pattern of employment land supply and loss – for example based on extant planning permissions and planning applications (or losses to permitted development);*
- *evidence of market demand (including the locational and premises requirements of particular types of business) – sourced from local data and market intelligence, such as recent surveys of business needs, discussions with developers and property agents and engagement with business and economic forums;*
- *wider market signals relating to economic growth, diversification and innovation; and*
- *any evidence of market failure – such as physical or ownership constraints that prevent the employment site being used effectively*

3.10. Although this Assessment may not go into the same extent of detail as an LPA's employment land needs assessment in assessing the LPA's employment needs, the above provides useful context on the requirements for local strategic policies to understand and plan for the current and potential future requirements.

3.11. The PPG indicates that current market demand can be analysed[4] through consideration of employment land take-up and projections (based on past trends), forecasts (based on future scenarios), and identify instances where sites will have been developed. This can be done to understand the underlying requirements for business and distribution space and identify 'gaps' and over-supply in a local area.

[3] Paragraph: 026 Reference ID: 2a-026-20190220
[4] Paragraph: 029 Reference ID: 2a-02920190220

3.12. The PPG gives particular recognition for the logistics industry, recognising its critical role in enabling an efficient, sustainable, and effective supply of goods for consumers and businesses, as well as contributing towards local employment opportunities[5]*. The PPG further recognises that "strategic facilities serving national or regional markets are likely to require significant amounts of land, good access to strategic transport networks, sufficient power capacity and access to appropriately skilled local labour. Where a need for such facilities may exist, strategic policy-making authorities should collaborate with other authorities, infrastructure providers and other interests to identify the scale of need across the relevant market areas. This can be informed by:*

- *engagement with logistics developers and occupiers to understand the changing nature of requirements in terms of the type, size and location of facilities, including the impact of new and emerging technologies;*
- *analysis of market signals, including trends in take up and the availability of logistics land and floorspace across the relevant market geographies;*
- *analysis of economic forecasts to identify potential changes in demand and anticipated growth in sectors likely to occupy logistics facilities, or which require support from the sector; and*
- *engagement with Local Enterprise Partnerships and review of their plans and strategies, including economic priorities within Local Industrial Strategies."*

3.13. Strategic policy-making authorities will need to consider appropriate locations to meet identified needs. Moreover, authorities should assess the extent to which land and policy support is required for some forms of logistics' requirements. This should consider the type and location of provision, market signals, population and housing stock implications, as well as the local business base and infrastructure availability.

[5] PPG: Paragraph: 031 Reference ID: 2a-031-20190722

3.14. Furthermore, it is important for LPAs to evaluate the specialist requirements for land and different employment uses and may consider the clustering of certain industries (including logistics activities) as this can play an important role in supporting collaboration, innovation, productivity, sustainability, and supporting overall economic growth.

3.15. We note that, the housing and economic needs assessment guidance is part of the 'Create or update a local plan' collection, published by the Ministry of Housing, Communities and Local Government (MHCLG). This collection gathers resources for LPAs to use when creating a local plan and provides a framework within which employment land needs and economic impact may be considered within the scope of planning applications.

Kickstarting Economic Growth

3.16. In July 2024, the Labour Government were elected and have emphasised the importance of economic growth. The Prime Minister's Office have made it clear that 'Kickstarting Economic Growth', including reform of the planning system so that it is pro-growth, is at the heart of this Government's mission.

3.17. As part of the Government's mission in supporting economic growth through the planning system, the Planning and Infrastructure Bill was published in March 2025, and is central to the government's plan to support economic growth. Although the Bill is yet to receive royal assent, it is clear that delivering development which supports the economic needs of an area is at the heart of the political agenda.

3.18. Moreover, in planning decisions for Use Class B8 land around the UK[6], decision makers have acknowledged the priority on economic development.

[6] 24/02575/FUL, West Berkshire Council

Local Planning Policy

Eastleigh Local Plan 2016 – 2036

3.19. The Eastleigh Borough Local Plan 2016-2036 (the "Local Plan") was adopted on 25 April 2022 and sets out the vision, objectives, and policies to guide development in the area through to 2036. Strategic Policy S1 reflects paragraphs 7 and 8 of the NPPF, in seeking to deliver sustainable development which meets the needs of the community without compromising the ability of future generations to meet its own needs. Notably at S1 (1) (c) emphasis is given to the aim to help to grow a high-performing economy that benefits the Borough, south Hampshire, and the wider economy.

3.20. As part of the local plan, the LPA have identified prosperous place issues which include:

- P5 – delivering new employment floorspace
- P7 – Supporting local growth sectors
- P8 – Resisting pressure on existing employment land for other non-employment uses
- P9 – Securing the quality of local jobs
- P10 – Delivering a range of employment (including non-B Use-Class)
- P11 – Meeting the needs of local employers
- P12 – Improving workforce skills

3.21. The Local Plan recognises (at paragraph 2.12) that the Borough's economy is inextricably linked to that of south Hampshire, and is located within the Partnership for South Hampshire (PfSH) and Solent Local Enterprise Partnership (LEP) area.

3.22. Paragraph 2.13 of the Local Plan goes further to recognise that the Borough's business units are predominantly factories and warehousing and that the area has a well performing economy in the Solent LEP.

3.23. Policy S2 sets out the strategic vision and approach to new development delivery, including (at S2 b) 103,500m2 (net) of new employment development (of which 56,800m2 to be E(g)(i)/(ii) development); and (at S2 c) related transport infrastructure, open space, sports facilities and other community facilities. The information at 4.16 of the Local Plan, sets out the indicative employment floorspace breakdown though the plan period, and has been extracted below:

Figure 2: Eastleigh Local Plan Employment Targets

	Total (sq.m)	E(g)(i)/(ii) (sq.m)
Residual Target 2016-2036	**103,511**	**56,817**
Supply:		
Net completions 2016 to 2019	3,962	1,239
Losses to other uses 2016 to 2019 #	7,553	1,122
Net commitment (permitted) at 2019	41,385	10,989
Local Plan Policy Allocations	31,200	0
Total Supply 2016-2036	**68,994**	**11,106**
Shortfall	34,517	45,711
Anticipated future policy losses 2019 to 2036 #	35,772	3,242
Net Shortfall at 2019	**70,289**	**48,953**
Net Commitment (allocated) at SAEG (Policies E6iii, E6iv, E7 & E9)	131,900	**48,953 @**
Total	**61,611**	**0**

Losses are added back on to the requirement figure
@ Nominal allowance for office development at Southampton Airport/SAEG

Source: Local Plan

3.24. Strategic Policy S4, employment provision, makes clear that to contribute towards sustainable economic growth, provision will be made for additional floorspace, including in Use Class B8. S4(e) further notes that the LPA will seek to retain existing employment sites which have the potential to contribute towards future employment needs, and intensify their use.

3.25. Viable Placemaking recognise that the site is located within a strategic gap, which is designated countryside outside the settlement limits, in line with policies S5 and S6. Consequently, the LPA will generally resist development

which will have a detrimental impact on the character of the countryside that undermines the gaps between settlements.

3.26. Policy DM1, General criteria for new development sets out various requirements, including respect of character of the area and amenity. Notably, within the context of this Assessment, the policy seeks, at (b), to make an efficient use of a site and have regard to potential development opportunities on adjoining land.

3.27. Policy DM15, safeguarding existing employment sites seeks to retain and intensify existing employment sites in use classes B2, B8, and E(g) subject to the general development criteria and transport policies of this Local Plan including the impact on residential areas. While this primarily relates to *major existing employment sites identified on the policies map*, it provides useful general guidance for economic development in the Borough.

3.28. Moreover, paragraph 5.97 states that the LPA considers that "*it is important to retain employment sites in employment use in order to retain a diverse choice of employment opportunities, to enable industries already established on these sites to grow, and to minimise the need to allocate further greenfield sites for employment use*."

3.29. In addition, Policy DM16 highlights that workforce training activities will normally be permitted on employment sites.

3.30. Considering rural economy, particularly employment uses in the countryside, paragraph 5.101 of the Local Plan indicates only certain forms of development will be acceptable in the countryside. Notwithstanding, all of these provisions pertain to buildings, not the use of land necessary to facilitate an existing employment site. Therefore, we have not considered policies DM17, DM18, or DM19 further within this Assessment.

Local Plan Review

3.31. The LPA is reviewing the Eastleigh Local Plan; however, are at an early stage of the local plan review. The Issues and Options consultation was undertaken between Wednesday 4 December 2024 – 29 January 2025. No further updates have been provided by the LPA at the time of preparing this Assessment. Therefore, we shall not consider the Local Plan Review further within this report.

Decision Making, Local Needs, and Up-to-date Evidence

3.32. Section 38 (6) of the Planning and Compulsory Purchase Act 2004 and Section 70 (2) of the Town and Country Planning Act 1990 make clear that planning applications must be made in accordance with the Development Plan unless material considerations indicate otherwise. This is reflected at paragraph 2 of the NPPF.

3.33. As part of this, the LPA has a responsibility to maintain an up-to-date Local Plan, which should be updated every five years, in accordance with the NPPF and Regulation 10A of the Town and Country Planning (Local Planning) (England) (Amendment) Regulations 2017.

3.34. Viable Placemaking have given reference to High Court judgement of Peel Investments (North) Ltd v Secretary of State for Housing, Communities & Local Government [2020] EWCA Civ 117, which reaffirmed the decision of Bloor Homes East Midlands Ltd v Secretary of State for Communities and Local Government and another [2014] EWHC 754 (Admin), which establishes, at paragraph 45, that a policies are out of date where they "*have been overtaken by things that have happened since it was adopted, either on the ground or in some change in national policy, or for some other reason*."

3.35. Accordingly, the Local Plan policies shall be evaluated in accordance with this definition and any matters which are subject to policies deemed to be out of date shall be assessed against the most up to date guidance. This accords within paragraph 219 of the Framework which confirms that "*existing policies should not be considered out-of-date simply because they were adopted or*

made prior to the publication of this Framework. Due weight should be given to them, according to their degree of consistency with this Framework".

3.36. Although the Local Plan was adopted relatively recently, in 2022, the evidence base which was provided to justify this is slightly older. The LPA's website[7] indicates that the following five employment needs/employment sites were included within the Local Plan evidence base:

Employment Needs

i. Economic and Employment Land Evidence Base Paper (GL Hearn for PUSH, 2016)
ii. Transforming Solent Growth Strategy (Solent Local Enterprise Partnership, 2015)
iii. Eastleigh Local Economy review (HCC, 2017)

Employment sites

iv. Employment Background Paper including the employment trajectory (2018)
v. Commercial Appraisal of existing employment sites and Addendum (LSH, 2015)

3.37. Accordingly, although the Local Plan is likely up-to-date, its evidence base may not be. Consequently, we must consider whether the Local Plan, and its policies relating to employment land and economic development, are adequate to meet the needs of the local communities.

3.38. The PPG[8] makes clear that the fundamental role of a Local Plan, and to an extent the planning system in general, is to address the needs of an area for our local communities. This includes the economic and employment needs.

[7] Planning and building > Planning policy and implementation > Local Plan > Local Plan examination > Other Local Plan 2016-2036 documents
[8] PPG: Reference ID: 61-001-20190315

3.39. Previous appeal decisions[9] have made clear that, where there is a demonstrable need for a development (be-it housing, employment land, or otherwise), significant weight ought to be attached to the delivery of development which meets this need.

3.40. Accordingly, Viable Placemaking have reviewed this evidence base and the general employment needs literature further in the following Section of this Assessment.

Policy Context Summary

3.41. The NPPF and Local Plan have a clear presumption in favour of sustainable development, including development which supports economic growth, which is at the heart of the Government's missions and the planning system.

3.42. Planning policy seeks to make an effective use of land, which meets the needs of local communities and businesses.

3.43. Although the LPA's Local Plan appears up-to-date, much of the evidence base pertaining to employment land delivery, economic growth, and local employment land needs is significantly dated. Therefore, it raises the question as to whether this adequately reflects the current needs of the area. This will be investigated further in the following Sections of this Assessment.

[9] APP/W4325/W/20/3248455

4. Employment Needs and Economic Impact Evidence Base

National Strategy

4.1. As established above, there is a national objective to kickstart economic growth. In addition to planning policy, there are several additional publications and factors which inform the importance of economic growth and employment land provision at the national, regional, and local levels.

i) Planning and Infrastructure Bill

4.2. As noted above at paragraph 2.17, in March 2025, the Government issued the Planning and Infrastructure Bill together with accompanying guidance, aiming to streamline the delivery of homes, economic infrastructure, and clean energy projects.

4.3. Although the Bill is an ambitious piece of legislation, it has five overarching objectives:

(1) *delivering a faster and more certain consenting process for critical infrastructure;*
(2) *introducing a more strategic approach to nature recovery;*
(3) *improving certainty and decision-making in the planning system;*
(4) *unlocking land and securing public value for large scale investment; and*
(5) *introducing effective new mechanisms for cross-boundary strategic planning.*

4.4. Alongside the Bill, a Written Ministerial Statement on statutory consultees was made by Matthew Pennycook (Minister for State for Housing and Planning, of MHCLG)[10] which made clear that the statutory consultee system must work in support of development and economic growth.

[10] Reform of the Statutory Consultee System, 10 March 2025, Statement UIN HCWS510, available here

ii) Building a Britain Fit for the Future

4.5. In November 2017, the Government published 'Industrial Strategy: Building a Britain fit for the future' which sets out the overarching strategy for the UK. This sets out a series of policies on all sectors of the economy, referred to as the 'Five Foundations'. These are considered 'essential attributes' for a successful economy and are listed below for completeness:

- Ideas (R&D, innovation);
- People (skills and education)
- Infrastructure (broadband, energy, transport)
- Business environment (support for specific sectors and SMEs)
- Places (Local Industrial Strategies)

4.6. The Industrial Strategy Challenge Fund is a core pillar of the Government's commitment to improving R&D. This includes a commitment of £4.7 billion towards UK businesses seeking funds to research and develop technology or processes related to the aims of the Industrial Strategy.

4.7. The Industrial Strategy also includes Sector Deals relating to discussions between industry leaders, government officials, and leading academics; access to a R&D fund; and policies to support development in specific sectors (including aerospace, automotive, construction, among other areas).

4.8. Additionally, the Industrial Strategy considers challenges facing the UK economy. This includes grand challenges, which – if addressed – could support the whole economy in strengthening and developing. This includes clean growth and mobility.

4.9. Furthermore, the report seeks to make £1.7bn through the Transforming Cities Fund to support projects that drive productivity by improving connections within city regions. Improving city connections and infrastructure to enhance connections across regions of economic growth is central to the overall Industrial Strategy.

iii) Build Back Better

4.10. Following the onset of the COVID-19 pandemic, the Government announced the Getting Building Fund, with the aim to deliver jobs, skills and infrastructure across the country.

4.11. In March 2021, HM Treasury published the 'Build Back Better: our plan for growth'. This sets out the Government's plans to support growth through investment in the three pillars of growth: infrastructure, skills, and innovation.

4.12. Moreover, the plan will drive growth that levels up the whole of the UK, supports the transition to net zero, and supports a vision for Global Britain.

4.13. The aims of the Build Back Better programme reflects the concepts set out in the Building a Britain fit for the future and other planning publications, including the NPPF.

4.14. The Build Back Better seeks to provide significant investment in infrastructure, achieve a ten point plan for a green industrial revolution, support lifelong learning, and support small and medium-sized enterprises (SMEs) to grow.

4.15. The Building Back Better programme also acknowledges the need for a dynamic economy to compete with many of its European counterparts, particularly following the UK's exit from the European Union. The programme seeks to ensure the UK integrates into the global economic system.

Regional Strategy

4.16. This section will consider the potential for economic growth in Eastleigh at a regional perspective, taking consideration for its role and position within South Hampshire, the Hampshire county as a whole, the Solent LEP, and other economic market areas.

i) Partnership for South Hampshire (PfSH)

4.17. Eastleigh Borough Council is located within Hampshire County Council area and its economic performance is closely related to its neighbouring authorities in and beyond the county, through transport links, local employment and community interests. In south Hampshire, a voluntary association of the Councils – the Partnership for South Hampshire (PfSH) has provided a non-statutory, overall economic strategy which informs the local plans.

4.18. As a proviso, we recognise that the Local Plan gives several acknowledgements to the PfSH Economic Development Strategy 2010, which provides high-level guidance on economic development including the objective to boost Gross Value Added (GVA) as a measure for economic growth and create new jobs. However, given this report is significantly dated, we have not given extensive weight to this report within this Assessment.

4.19. The PUSH Spatial Position Statement, published in June 2016, has informed Policy S4 (3) of the Local Plan. This has been updated by PfSH in December 2023, which sets out a selection of Strategic Principles (SPs) for Sustainable Growth. These SPs largely reflect the overarching national and local planning policies identified within Section 3 of this Assessment, including the following:

- Support of sustainable development and making an efficient use of land;
- Balancing housing growth with economic growth;
- Support the transition to net zero, alongside integrating land use and transport planning considerations;
- Support the creation of new jobs and economic growth in the area;
- Respecting the natural environment, considering biodiversity net gain, and remaining mindful of green/blue infrastructure.

4.20. The above are largely reflected in Policy S4(3) of the Local Plan.

4.21. The PfSH Spatial Position Statement was supported by the Economic, Employment and Commercial Needs (including logistics) Study, prepared by Stantec for the PfSH in March 2021 ('the Stantec Study'). The Stantec Study found a selection of concerning projections, including that Eastleigh is projected a net loss of industrial floorspace in the 10-year period, using a past-take-up-trend projection[11].

4.22. The PPG places emphasis on recent past level of completions, particularly in the last five years. Consequently, this can skew any future assessment for the need to be planned for, based on a recent of historic over- or under- delivery in an area. Moreover, the impacts of the coronavirus was, at the time of the preparation of the Stantec Study, still revealing itself, as acknowledged within the report. Consequently, we must consider the needs and demand of the area in further detail.

4.23. Finally, with regard to PUSH, the Economic and Employment Land Evidence Base Paper, prepared by GL Hearn in 2016, reviews and identifies sectors for growth, translating these to use classes, to forecast growth in employment and economic output around South Hampshire. This identifies, in Eastleigh, Use Class B8 is a key area for growth, delivering 1,050 new jobs between 2011 – 2036 and requiring a net increase of 73,504m2. Notwithstanding, given the date of the preparation of this report alongside its methodology – similarly using past take-up trends – we consider this is a useful informative, but not to be solely relied upon, in considering future land and employment requirement in the area.

ii) Solent Local Enterprise Partnership

4.24. Alongside its natural role within Hampshire's economy, Eastleigh falls within the Solent LEP area. A LEP is a partnership between local authorities, businesses, and other stakeholders seeking to collaborate to drive employment and economic growth within a wider market area.

[11] Table 7.4 of the Stantec Study

4.25. While we recognise that central Government has withdrawn core funding for LEPs since April 2024[12], evidence collated by these groups remains useful in the context of reviewing, assessing, and establishing employment and economic needs.

4.26. In January 2015, the Solent LEP published the 'Transporting Solent Growth Strategy' report, seeking to create an environment that will bring about sustainable economic growth and private sector investment in the area. This included several priorities including supporting SME businesses, investing in skill development and building on knowledge in key sectors, and enabling infrastructure priorities including land assets, transport, and housing. While this report was a useful informative for the plan, and its overarching objectives remain consistent with the Local Plan and NPPF, this report plans for the period between 2014 – 2020 and is, consequently, already out of date in terms of its specific targets and objectives.

4.27. The Solent LEP vision (July 2011) and Strategy for Growth (December 2012) are, similarly, relatively dated and, therefore, we consider it inappropriate to consider the objectives and targets to forecast needs, supply, and growth in the economic building environment sectors. This is because the figures and analysis will use dated information – such as previous five year completion/losses trends, out of date census and population estimates, and other data which *may* not accurately reflect the current position.

iii) South Coast Market Area

4.28. Historically, the Solent LEP included a wider area, including Test Valley Borough Council. Additionally, through the New Forest, there is a clear link between Hampshire and Dorset across the south coast. We will, therefore, also give consideration to wider commuter patterns outside previously established boundaries, such as the wider south coast and other parts of the country.

[12] Department for Levelling Up, Housing and Communities & Department for Business and Trade – Transfer of Local Enterprise Partnership (LEP) core functions to combined and local authorities

Local Evidence Base

i) LSH Employment Land Review

4.29. In 2016, Lambert Smith Hampton (LSH) published an Employment Land Study, covering Eastleigh, on behalf of Southampton City Council and Eastleigh Borough Council. This identified a selection of key industrial developments, included a commercial assessment of key employment sites, transactions, and identified a high demand and limited supply in the area.

4.30. The report sought new employment development to be delivered in the forthcoming years; concluding, at paragraph 3.2.8.1, that "*it is clear that due to current and expected demand, employment sites need to be protected for industrial and logistics use and that these sites provide the flexibility required by operators, including good vehicular access and 24-hour use*."

ii) Hampshire County Council – Eastleigh Local Economy overview

4.31. Shortly following the above LSH report, in January 2017, Hampshire County Council published the 'Eastleigh Local Economy 2016' overview report. This provides an extensive review of the current economic position, including the local economic demography, travel to work origin-destination data, and the intensification of local businesses around Eastleigh.

4.32. This report finds that some key areas of commuting are Southampton, Winchester, Test Valley, and Portsmouth – which is to be expected given the geographical relationship with these areas and their high employment rates.

4.33. Interestingly, the report finds that Botley, alongside Hedge End and West End, have a high rate of people who live and work in the area, but that the majority of people commute out of the area for work.

4.34. The information included within the Hampshire County Council report is useful informative; however, given a large portion of the evaluation relies on Census 2011 data, it is expected that there may have been some flux in local trends and needs since the time of its preparation.

iii) GL Hearn Employment Needs Assessment: Update Report

4.35. In July 2018, GL Hearn prepared an Employment Needs Assessment: Update Report for Eastleigh Borough Council, building on the findings of the PUSH report introduced at paragraph 4.23 of this Assessment. This report gave an update on the employment floorspace needs, being informed by wider factors, including the economic impacts of Brexit and 2017 Oxford Economics econometric forecasts.

4.36. Similar to other reports in the area, this acknowledged the net loss in employment floorspace which had occurred, and identified a need for over 100,000m2 of new employment floorspace between 2017-2036, including c. 15,000m2 of Use Class B8 floorspace.

4.37. We note that further completions and losses have occurred since this data; however, this Employment Needs Assessment emphasises the need for delivering employment floorspace in Eastleigh.

4.38. We would note that the losses identified within this report were completed before the Local Plan was adopted and, notably before the introduction of 'Class MA'.

4.39. Class MA was introduced within the Town and Country Planning (General Permitted Development etc.) (England) (Amendment) Order 2021 ('the amended GPDO'), inserted in Part 3 of Schedule 2, 'changes of use', allowing the change of use between a building and land falling in class E (commercial, business and service) to Class C3 (dwellinghouses. Class E was introduced within the Town and Country Planning (Use Classes) (Amendment) (England) Regulations 2020 to allow more flexibility of business uses and included what was formally considered Use Class B1(c). However, since the introduction of Class MA, there have been several buildings formally in commercial use which are now in residential use. While this is unlikely to have a direct impact on Use Class B8 land – which is the principle use class subject of this Assessment and more likely to be impacted by Schedule 2, Part 3, Class P – it is likely to have implications for the wider employment needs in the Borough.

iv) Eastleigh Employment Background Paper

4.40. Finally, we have reviewed the Eastleigh Borough Local Plan 2016 – 2036 Employment background paper (June 2018, updated June 2019) which provides high-level reviews of the floorspace completions, losses, and forecasts which informed the Local Plan targets and policies.

4.41. Similar to various other reports considered in this Section, this is a useful informative; however, given its contents and the date of drafting, it is unlikely that it will be useful within the context of this Assessment – as it is already over five years' old and, consequently, would provide limited input for future forecasting from the current date.

Evidence Base Summary

4.42. There is an objective to boost economic growth, including GVA, which is reasserted at the national, regional, and local levels. This includes recognition for the role logistics businesses which operate 24/7 play in a local economy.

4.43. Although several research pieces, Solent LEP reports, County Council reviews, and employment land assessments have been conducted to justify the local plan or otherwise inform visions for economic growth in the area, the majority of these reports and their data is relatively dated.

4.44. Consequently, this raises questions as to whether the local plan fully recognises the evolving employment land needs of the area and, by extent, whether the local plan and its policies are adequate in ensuring employment land delivery meets the needs of local communities, businesses, and Eastleigh as a whole.

4.45. None of the local evidence base or research reports have given consideration for Class MA of the amended GPDO, which may have implications for the overall employment land in the borough, particularly following the introduction of Use Class E.

4.46. Furthermore, although not specifically reviewed in this Section, we note that none of the evidence base prepared as part of the local plan was done after the UK invoked Article 50, notifying of the UK's withdrawal from the EU following the Brexit referendum, which has had impacts on employment in a variety of sectors.

4.47. Although this Assessment does not intend to forecast overall employment needs for the Borough Council, we do conclude from this Section that it is necessary to review Eastleigh's economic baseline to better understand the needs and requirements of the area. This shall be conducted at Section 6 of this Assessment.

4.48. Before considering the local and regional economic dynamics, we will conduct a high-level review of the Functional Economic Market Area evidence, to better understand the wider economic market within which Eastleigh falls.

5. Functional Economic Market Area

FEMA Guidance and Background

5.1. We have identified at Section 3 the PPG context under which a Functional Economic Market Area (FEMA) may be assessed. This includes consideration of travel to work areas, flow-of-goods, and the local transport network.

5.2. There is no standard approach to defining a FEMA. Each FEMA is different and is not a fixed boundary, rather a wider area which can serve as an informative for planning policies and decision making.

5.3. Based on a high-level review of the Local Plan, we have found no reference to a FEMA within the planning policies or supporting text. Although housing market area recognition does exist, this is different to the best fix FEMA, which should be considered when assessing local strategic policies[13].

5.4. Moreover, in July 2024, Winchester City Council published their Employment Land Study as part of considering their emerging planning policies. This included consideration of the City Council's FEMA and includes a summary of existing studies in neighbouring authorities. The Winchester report highlights that the Eastleigh Borough evidence base does not identify a FEMA and reiterates the comments from the Eastleigh Borough Employment background paper (June 2018), that "*Eastleigh borough is not an island. It sits firmly at the heart of the wider South Hampshire or Solent economy in a prime location at a key transport interchange at the junction of two major motorways, close to an international port, containing an international airport and at the junction of two mainline railway routes.*"

5.5. Accordingly, it seems that little exists in terms of previous assessments of the FEMA for Eastleigh Borough Council. Although other studies which include consideration of the Borough exist – such as the Solent Economic Profile (Lichfields, 2019), these do not place the onus on Eastleigh's economic market.

[13] PPG: Housing and economic needs assessment, Reference ID: 2a-026-20190220

5.6. Given the context and purposes of this Assessment, we shall not seek to identify a fixed FEMA in the same way that an employment land assessment prepared as part of the preparation of a local plan should; rather, we will look at the key factors which can inform employment land need and making effective/ sustainable use of land, in order to inform this Assessment. The purpose of this is to provide a benchmark against which our evaluation the site and existing business use – included at Section 9 – may be compared against.

Transport and Infrastructure Connections

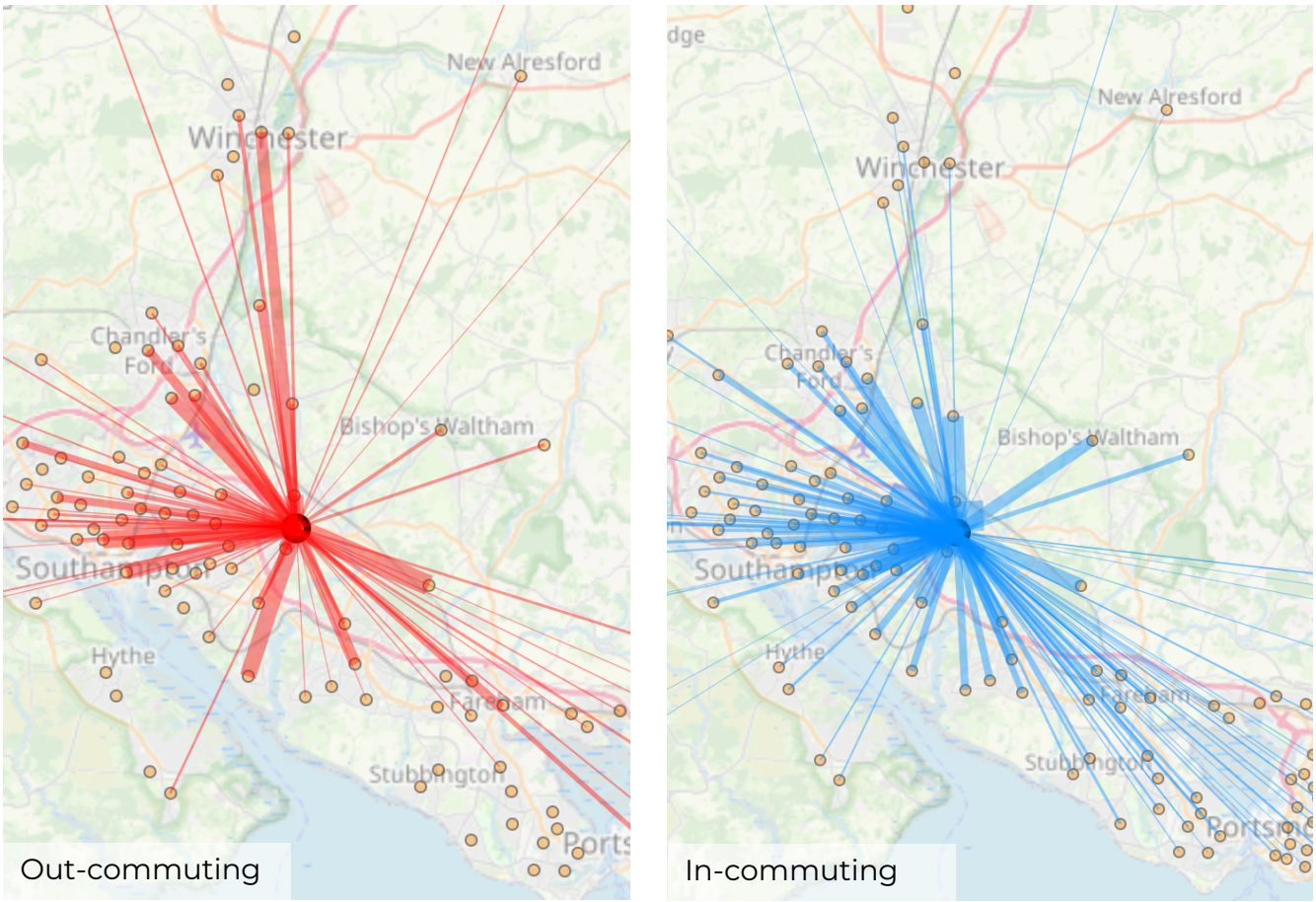
5.7. As highlighted at Section 2 of this Assessment, the site is well connected by virtue of its location on the A334, with good transport links to the M27 and, at a further level, the M3.

5.8. Directly opposite the site access, there is a bus stop which has links into Botley and Hedge End.

5.9. The site is c. 2km from Botley train station and c. 3km from Hedge End train station, both of which have connections to Portsmouth Harbour, Eastleigh, Woking, Basingstoke, Winchester, and London Waterloo.

5.10. As a proviso to considering more up-to-date commuting pattern data, Viable Placemaking have reviewed the commuting data from the 2011 Census and the high-level outputs find that there are strong connections between Eastleigh and Winchester, Southampton, and Fareham. This is indicated by the commuter flow visualisations included overleaf:

Figure 3: Historic Commuter Flows (from Eastleigh to work)



Source: DataShine Commute based on ONS Census 2011 data

Travel to Work Areas and Commuting Patterns

5.11. In any local authority area, there are commuting patterns both within the LPA boundary and beyond, usually to the neighbouring or other local authorities in the vicinity. Consideration of these factors is key in understanding local housing needs, employment land supply demands, and other factors within the planning and development process.

5.12. Eastleigh has close connections to its neighbouring authorities and, historically – as identified in Figure 3 above – other areas such as Southampton and Fareham have played a key role in commuter flows.

5.13. In Eastleigh, of 65,945 people who worked in the area, 47,876 (c. 72.6%) lived and worked in the area, whereas 18,069 (27.4%) travelled from another area[14].

[14] Viable Placemaking analysis of Census 2021 data

5.14. Table 2, below, sets out the in- and out- commuting to other local authority areas to understand the travel to work and commuting patterns by employees in the wider economic market area.

5.15. Additionally, we have included a net commuting flow column, which identifies whether an area has a greater in-flow or out-flow of employees to/from Eastleigh.

Table 2: Travel to work behaviour

Local Authority	Travel into Eastleigh	Travelled from Eastleigh	Net Commuting Flow
Southampton	8,868	6,884	1,984
Test Valley	1,926	1,999	-73
Winchester	1,587	5,706	-4,119
Fareham	1631	1,625	6
Gosport	506	225	281
Portsmouth	617	844	-227
Havant	330	183	147
Chichester	57	104	-47
East Hampshire	141	182	-41
Basingstoke and Deane	163	438	-275
Wiltshire	181	254	-73
Dorset	160	77	83
New Forest	1,053	1,298	-245
Bournemouth, Christchurch and Poole	250	160	90
West Berkshire	20	121	-101
Arun	28	24	4
Isle of Wight	43	14	29

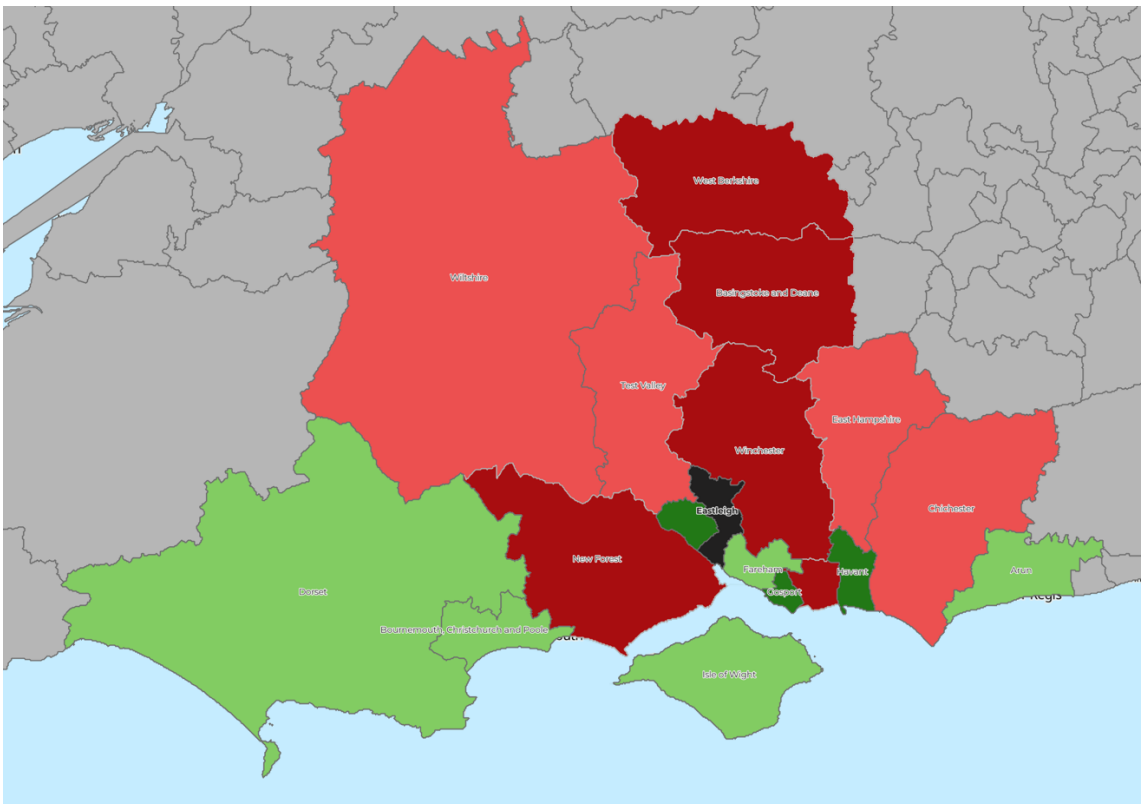
Source: Viable Placemaking analysis of Census 2021 data

5.16. The above clearly identifies that there are several local authorities who are responsible for the majority of travel to work behaviour, including Southampton and Winchester.

5.17. In order to better visualise the travel to work behaviour of Eastleigh and the borough's relationship with its neighbouring authorities, we have included Figure 4, below, which highlights local authorities in the following four categories:

(i) Areas which cause the most[15] net commuting into Eastleigh (dark green),
(ii) Areas which cause a net increase of commuting into Eastleigh (light green),
(iii) Areas which cause a net commuting out of Eastleigh (light red), and
(iv) Areas which cause the most net commuting out of Eastleigh (dark red).

Figure 4: Travel to work behaviour visualised



Source: Viable Placemaking analysis of Census 2021 data[16]

[15] 'Most' net commuting has been assessed to have a net commuting flow of ±100 (refer to Table 2). Some amendments have been made based on location quotient figures.
[16] Mapping Source: ONS licensed under the Open Government Licence v.3.0

Functional Economic Market Microcosm: A Localised Perspective

5.18. As noted above, a FEMA is the spatial level at which local economies and markets actually operate, reflecting the practical way in which labour, housing, property, and consumer markets function across administrative boundaries. FEMA's give consideration to various factors, including travel to work areas and the economic characteristics of a place.

5.19. Due to the scale of the development, it is not anticipated the site and area will have its own, isolated FEMA. However, it is expected that the travel to work patterns and economic implications of the proposed development would reflect the characteristics normally aligned with a FEMA at a smaller scale.

5.20. Therefore, Viable Placemaking will consider during the economic impact assessment Sections of this Assessment (Sections 8 and 9) whether the site, by virtue of its economic characteristics reflects a 'Functional Economic Market Microcosm' (FEMM); i.e. – the development represents a community, place, and situation regarded as encapsulating in miniature the characteristics of a larger FEMA.

5.21. Accordingly, in order to provide a local perspective of travel to work patterns, we have considered movements, at a high-level, within the Hedge End Wildern and Botley South MOSA[17], which is where the site is located.

5.22. The ONS reports that, for Hedge End Wildern and Botley South, 3,207 (c. 64% of the workforce) people travelled here for work from other areas and 1,801 people lived and worked in the area (c. 36% of the local workforce). In addition, 202 people travelled within Hedge End Wildern and Botley South, and 1,608 people worked from home or had no fixed place of work.

5.23. The largest movement of people to/from Hedge End Wildern and Botley South was 238 in people from Hedge End South and 139 people out.

[17] Middle layer Super Output Areas (MSOAs) are statistical geographical used by the ONS predominantly for Census data, to better understand more localised behaviour and statistics

5.24. We have included an MSOA equivalent of Table 3, below, comparing the travel to work commuter patterns in and out of Hedge End Wildern and Botley South, below.

Table 3: Travel to work behaviour (MSOA localised perspective)

MOSA	Travel into Hedge End Wildern and Botley South	Travelled from Hedge End Wildern and Botley South	Net Commuting Flow
Hedge End South	238	139	99
Lowford	119	32	87
Hightown	58	8	50
Thornhill	67	6	61
Swanwick and Sarisbury Green	44	20	24
Whiteley, Knowle and Wickham	59	74	-15
West End and Chartwell Green	137	67	70
Fair Oak	32	44	-12
Hamble le Rice	15	52	-37
Weston	27	1	26
Sholing East	71	6	65
Sholing West	64	5	59
Stoneham	19	9	10
Townhill Park	26	5	21
Bitterne West	46	7	39
Harefield	63	10	53
Bitterne South	49	8	41
Itchen	72	5	67
Woolston	48	12	36

Source: Viable Placemaking analysis of Census 2021 data

5.25. Clearly, there are an array of movements around local settlements impacting the site vicinity, which will have an impact on employment and economic output. We shall consider the site specific travel to work patterns at Section 9 of this Assessment.

FEMA Conclusions

5.26. There is limited evidence within the LPA's Local Plan, evidence base, or other reports prepared in the economic market area to establish Eastleigh's Functional Economic Market Area. However, in order to gain a better understanding of the economic market area, Viable Placemaking have sought to review the transport and infrastructure provisions in Eastleigh and the site locality.

5.27. Eastleigh has historic connections with Southampton and Winchester, which have continued to this day, and sees a large number of commuting between these local authority areas, alongside Fareham, New Forest, and Test Valley.

5.28. At a local level, Hedge End Wildern and Botley South – the MSOA in which the site falls – has good local connections, with the majority of other MSOAs having a net gain of people travelling into the site locality, indicating the area is of employment/economic significance within the local context. This will be considered further in considering the travel to work behaviour of the specific site, and the potential Functional Economic Market Microcosm which may be created by the site and other local businesses.

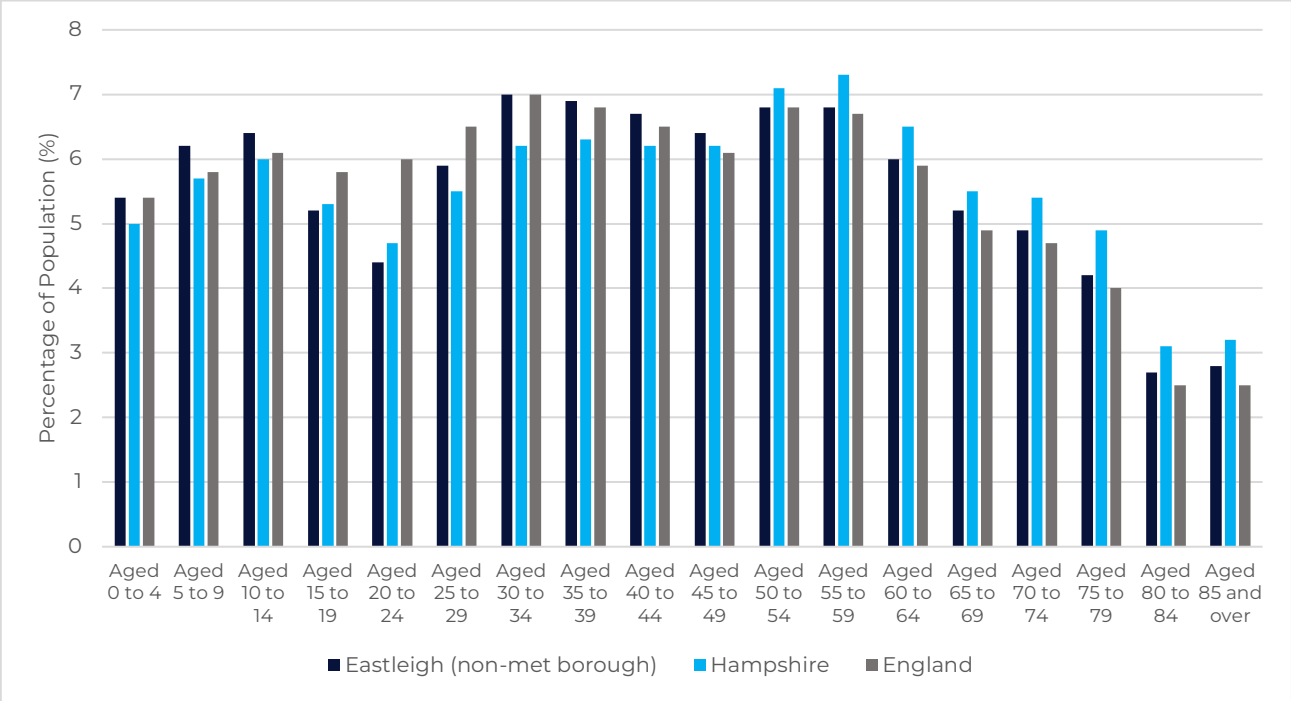
6. Eastleigh Economic Baseline

6.1. This Section provides a baseline assessment of the local and regional economic dynamics, performance, and characteristics of the Eastleigh economic and employment market.

Demography and Economic Indicators

6.2. Eastleigh[18] has a population of approximately 139,100, accounting for c. 9.81% of Hampshire. The age profile breakdown of the local area, compared with Hampshire and England, is included below, in Figure 5.

Figure 5: Eastleigh Age Profile



Source: Census 2021 data

6.3. As denoted above, although the overall age profile of Eastleigh largely reflects the county and national levels, there are some minor differences which may impact economic output. For example, considering people who may not be as economically active, 18% of people in Eastleigh are aged between 0 and 14, compared with 16.7% in Hampshire and 17.3% in England; and 19.8% of Eastleigh are aged 65 and over, compared with 22.1% in Hampshire and 18.6% in England.

[18] Demographic data has been reviewed using the Eastleigh non-metropolitan borough

6.4. To assess this further, Table 4, below, sets out the economic activity status across these three areas alongside Botley, the neighbouring settlement to the site.

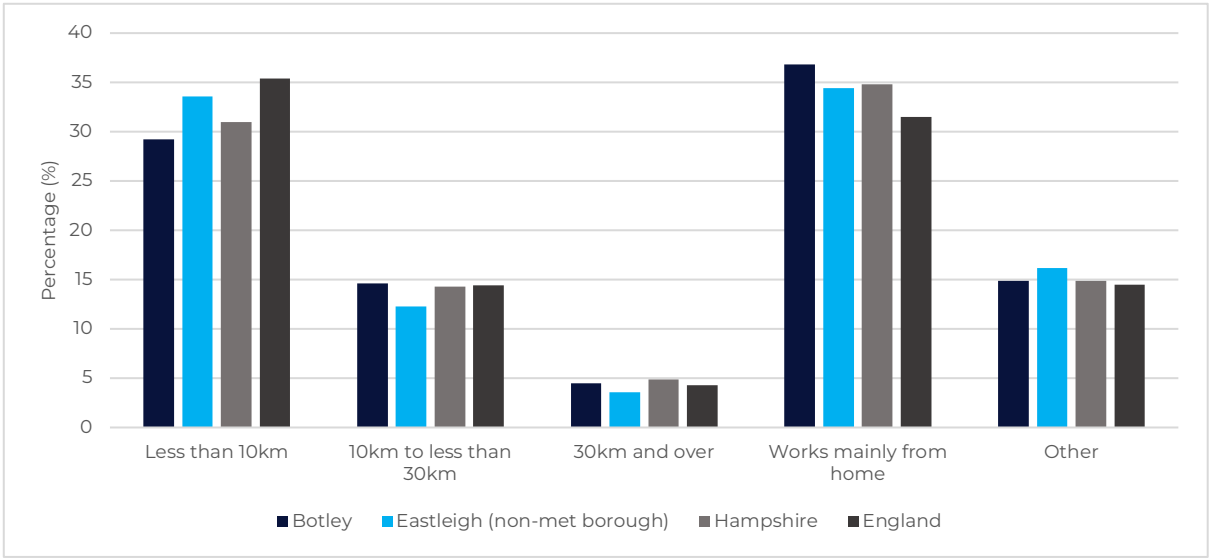
Table 4: Economic Activity Status

	Botley	Eastleigh	Hampshire	England
Economically active (in or out of employment)	67	65.4	62.2	60.9
Economically inactive	33	34.5	37.8	39.1

Source: Census 2021

6.5. Additionally, the distance travelled to work data is set out in Figure 6, below. This demonstrates that, although Botley and Eastleigh's general commuting patterns reflect those of the county and country, Botley has an increased level of people travelling over 10km to work when compared with Eastleigh.

Figure 6: Distance Travelled to work

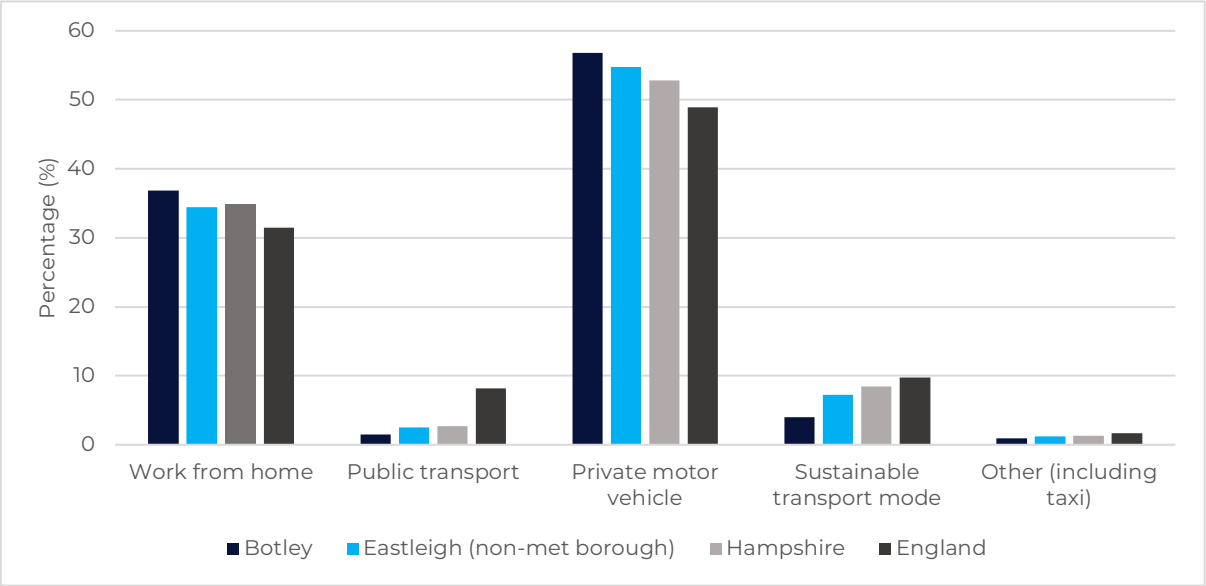


Source: Census 2021

6.6. Finally, we have considered the method of travel to workplace in the above areas. Figure 7 included overleaf, shows that, excluding the 34.4% of those who work from home in Eastleigh, the majority of people use a private motor vehicle (such as a car, van, motorcycle, scooter, moped) either as a driver or a passenger.

6.7. Very few people in Botley, Eastleigh, or Hampshire use public transport – particularly compared with the national levels – and a low percentage of people travel to work using a sustainable mode of travel (either bicycle of on foot).

Figure 7: Method of Travel to work



Source: Census 2021

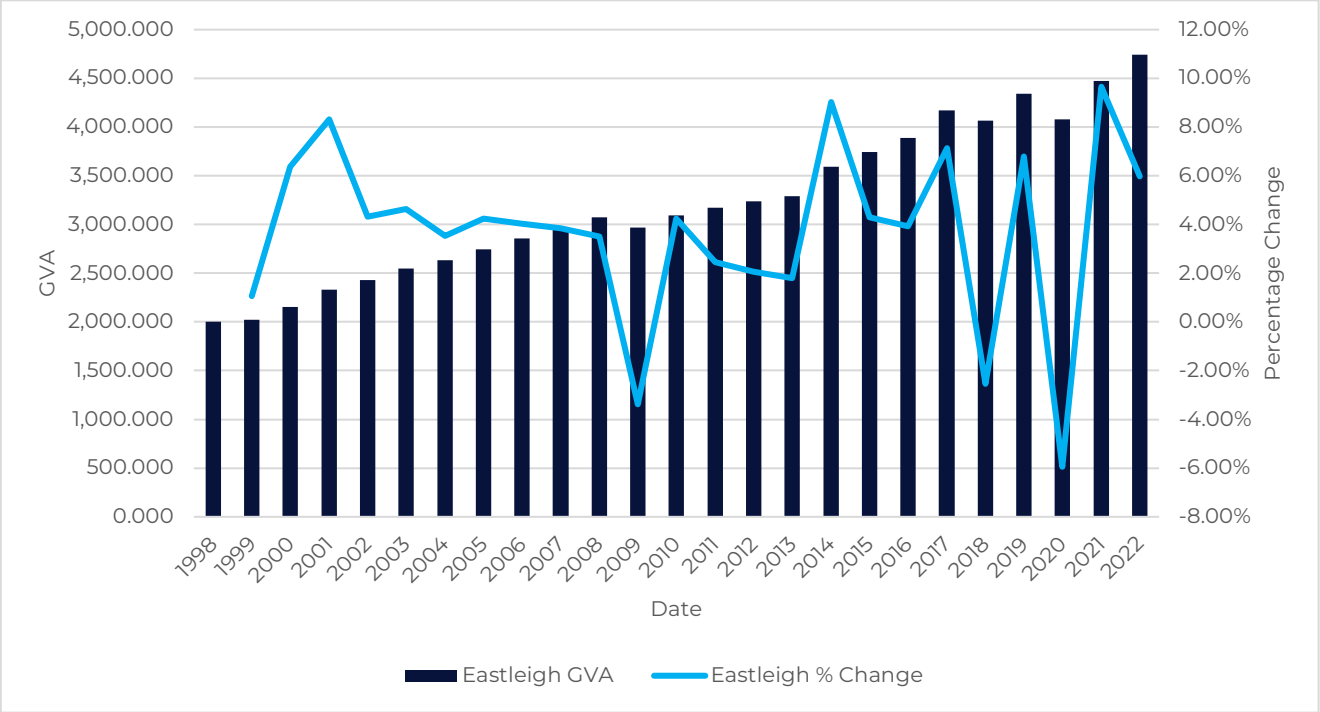
Productivity (GVA)

6.8. The GVA a measure of the increase in economy by production of goods and services. In 2022, the GVA of Eastleigh was £4.742m, accounting for c. 39.04% of the South Hampshire total GVA[19] and 1.41% of the South East total GVA.

6.9. As shown in Figure 8 below, Eastleigh's total GVA has steadily increased between 1998 and 2022. Although several years did see a decrease – notably 2009, 2018, and 2021 – we expect these may be reasonably attributed to the financial implications of the 2008 Financial Crisis, the Brexit referendum, and the coronavirus pandemic. All other years since 1998, the GVA has increased steadily, improving the local economy.

[19] South Hampshire ITL – refer to paragraph 6.10

Figure 8: Eastleigh Total GVA 1998-2022



Source: Viable Placemaking analysis of ONS Data

6.10. The local GVA reflects the GVA per head data, which local authorities publish by International Territorial Area (ITL). Eastleigh is located within South Hampshire, as part of Hampshire and Isle of Wight in the wider south east (ITL3). As an introduction, Table 5, below, sets out the GVA per head data in these three ITL areas in 2022.

Table 5: GVA Per Head (2022)

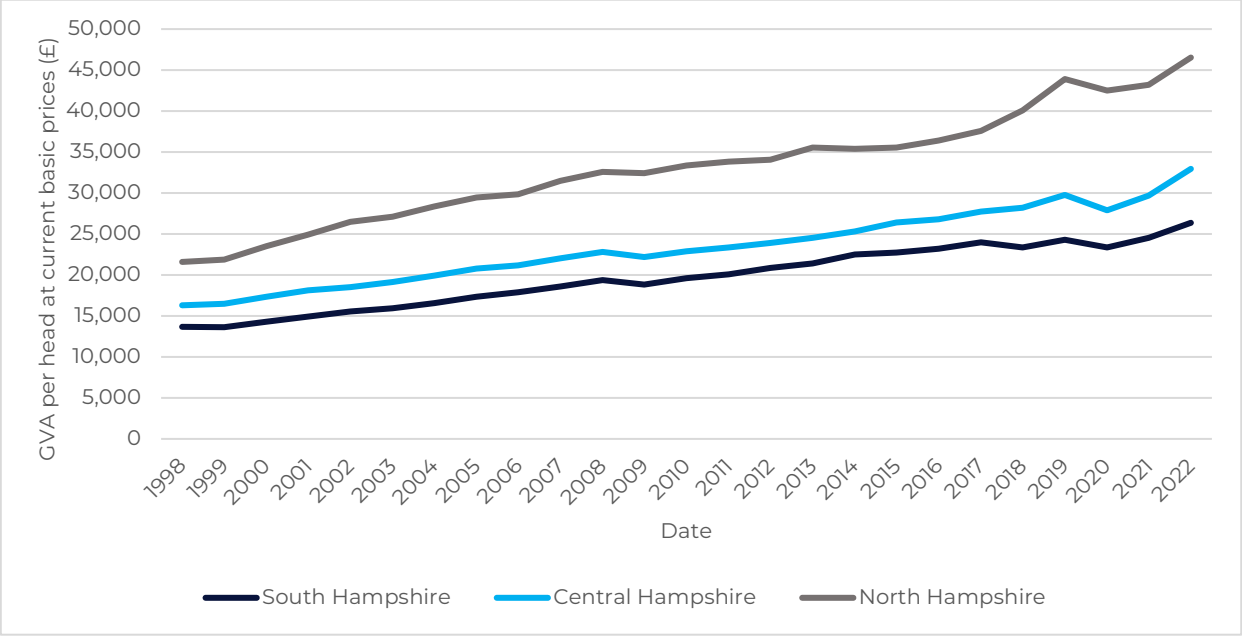
International Territorial Level	GVA Per Head
South Hampshire	£26,366
Central Hampshire	£32,948
North Hampshire	£46,530

Source: ONS Data

6.11. Figure 9, below, denotes the flux in GVA per head of South Hampshire, Central Hampshire, and North Hampshire to compare performance within the neighbouring economies over the last two decades. We would note that the GVA per head is calculated using the wider population estimates for the area; consequently, the output is sensitive to the impact of the total non-working population (e.g.- those who are retired or unemployed) relative to the size of the overall population.

6.12. South Hampshire has a lower GVA per head than its neighbours, Central and North Hampshire; however, we would note that the area has a relatively high level of people who are out of work as a whole which may have skewed these outputs slightly[20].

Figure 9: GVA Per Head 1998-2022



Source: ONS Data

[20] Viable Placemaking analysis of Census 2021 data included at demography section and GVA per head population estimates at the county level [GVA per head Table 17]

6.13. As is clear from the above, there has been a consistent and steady increase in GVA per head. Although some minor reductions have occurred in 2009, 2018, and 2020 (noting the events at paragraph 6.9), this is expected to continue at a steady rate throughout the next 5 years and the Local Plan period.

6.14. Table 6, below, sets out the average percentage change in GVA per head over time in the above three ITL areas. Although the overall performance of South Hampshire is lower than Central Hampshire and North Hampshire, when we remove the abovementioned three years, the level is much more comparable to these areas.

Table 6: Average % change in GVA per head (1998-2022)

International Territorial Level	% change 1998 - 2022	% change 1998 – 2022 excluding '09, '18, and '20
South Hampshire	2.81%	3.68%
Central Hampshire	3.02%	3.78%
North Hampshire	3.29%	3.63%

Source: Viable Placemaking analysis of ONS Data

6.15. We shall now consider the GVA performance by Sectors in Eastleigh. Table 7, below, shows that the average sector amounts for 5.56% of the GVA in Eastleigh in 2023.

Table 7: Sectoral breakdown of GVA, Eastleigh

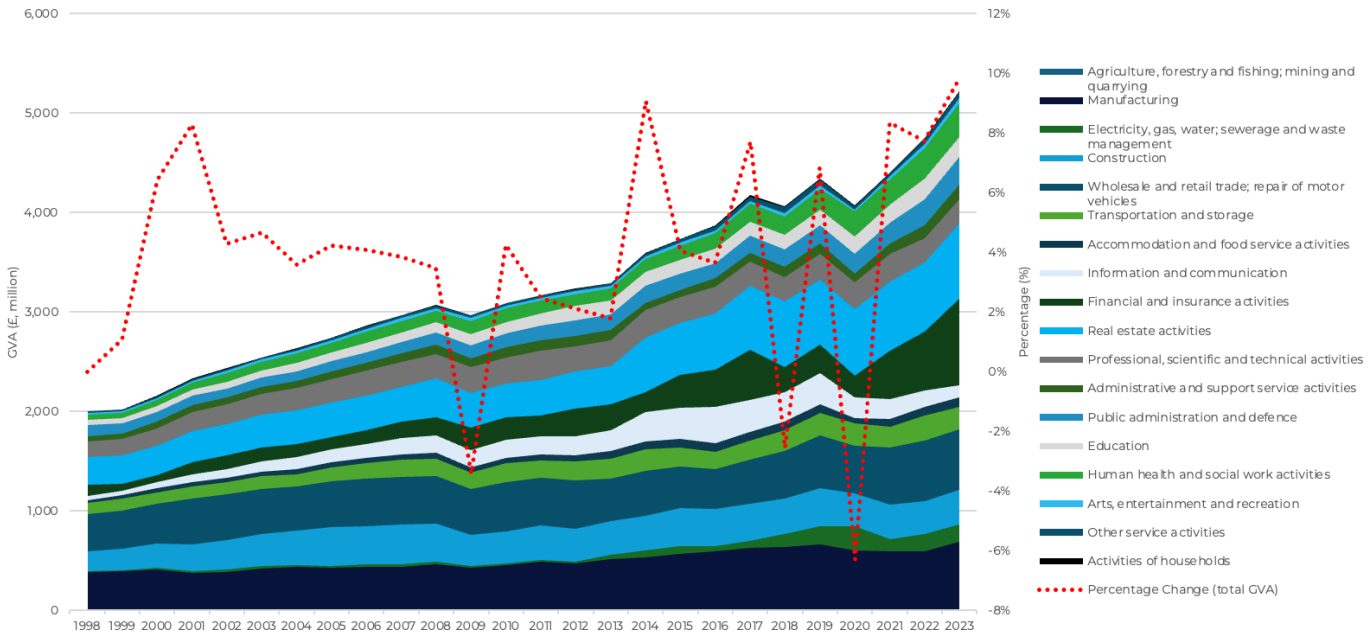
Sector	GVA 2023 (£million)	% of total
Agriculture, forestry and fishing; mining and quarrying	4	0.08%
Manufacturing	681	13.06%
Electricity, gas, water; sewerage and waste management	172	3.30%
Construction	355	6.81%
Wholesale and retail trade; repair of motor vehicles	607	11.64%
Transportation and storage	221	4.24%
Accommodation and food service activities	99	1.90%
Information and communication	126	2.42%
Financial and insurance activities	862	16.53%
Real estate activities	758	14.54%
Professional, scientific and technical activities	248	4.76%
Administrative and support service activities	149	2.86%
Public administration and defence	275	5.27%
Education	201	3.86%
Human health and social work activities	338	6.48%
Arts, entertainment and recreation	52	1.00%
Other service activities	61	1.17%
Activities of households	8	0.15%
Total	**5,217**	**100%**

Source: Viable Placemaking analysis of ONS Data

6.16. As denoted above, the highest performing sectors are financial and insurance activities, real estate activities, and manufacturing. These three collectively account for c. 44.13% of the GVA in Eastleigh and are expected to have contributed significantly to the local economy. These, alongside wholesale and retail trade; repair of motor vehicles, account for over half of the local GVA.

6.17. In order to better visualise the flux in GVA by Sector across the last 25 years, we have included Figure 10, below, which shows the change in GVA by Sector. As is clear from the below, the general GVA has increased by an average of 4% each year since 1998.

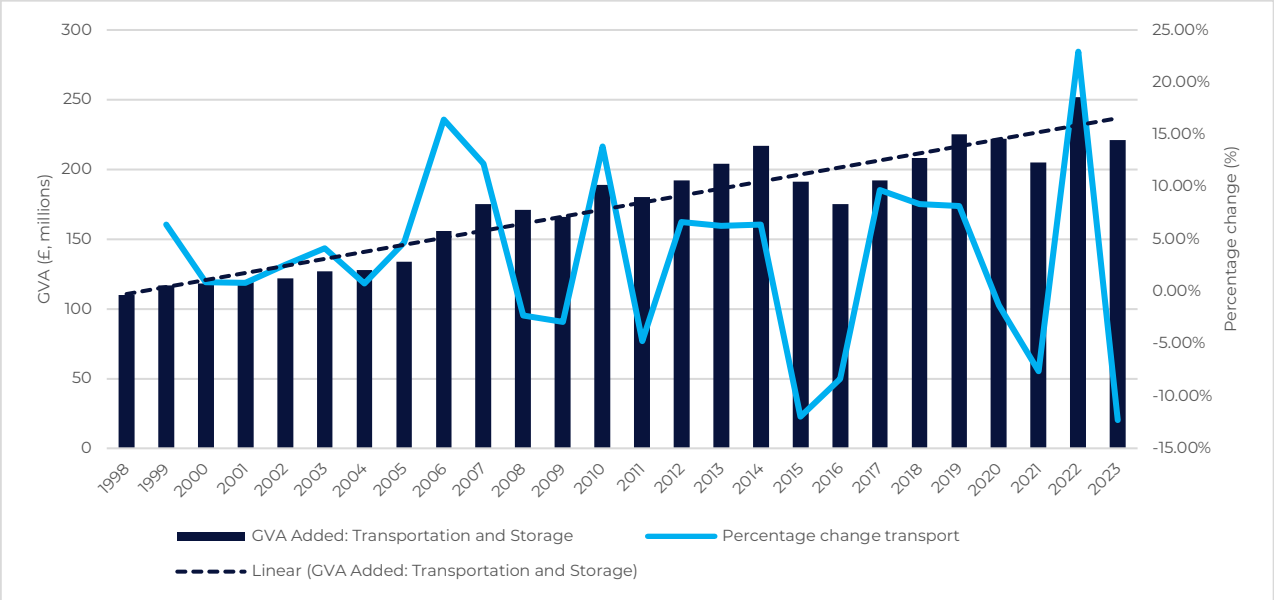
Figure 10: GVA Per Sector 1998 – 2023



Source: Viable Placemaking analysis of ONS Data

6.18. Although not one of the highest performing sectors, Transportation and Storage has continued to grow throughout the last 25 years. Although the percentage flux each year has varied, the general trajectory has been in line with the overall GVA, having increased by 3.18% per annum on average since 1998. This is demonstrated by Figure 11, overleaf.

Figure 11: GVA Added: Transportation and Storage

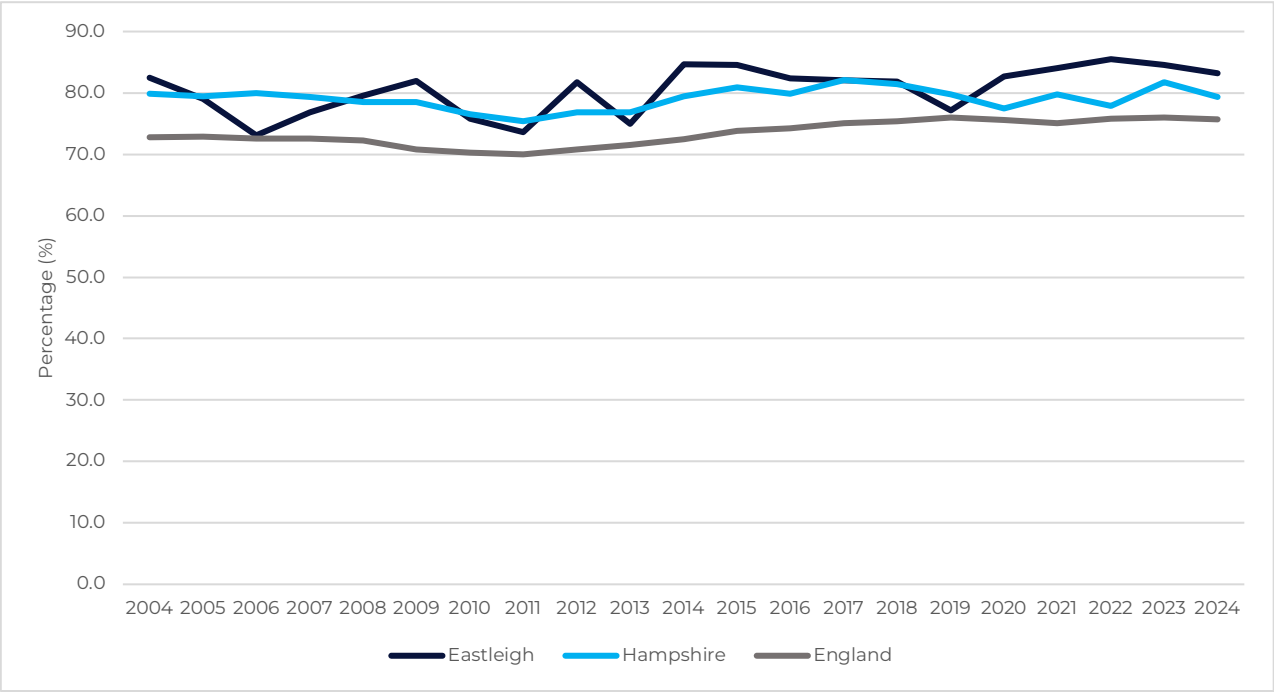


Source: Viable Placemaking analysis of ONS Data

Employment Rates and Business Demography

6.19. Figure 12, below, shows the trend in total employment for the last 20 years. In Eastleigh, it is clear that the overall employment has remained broadly in line with the level in Hampshire, and has remained consistent with the national level.

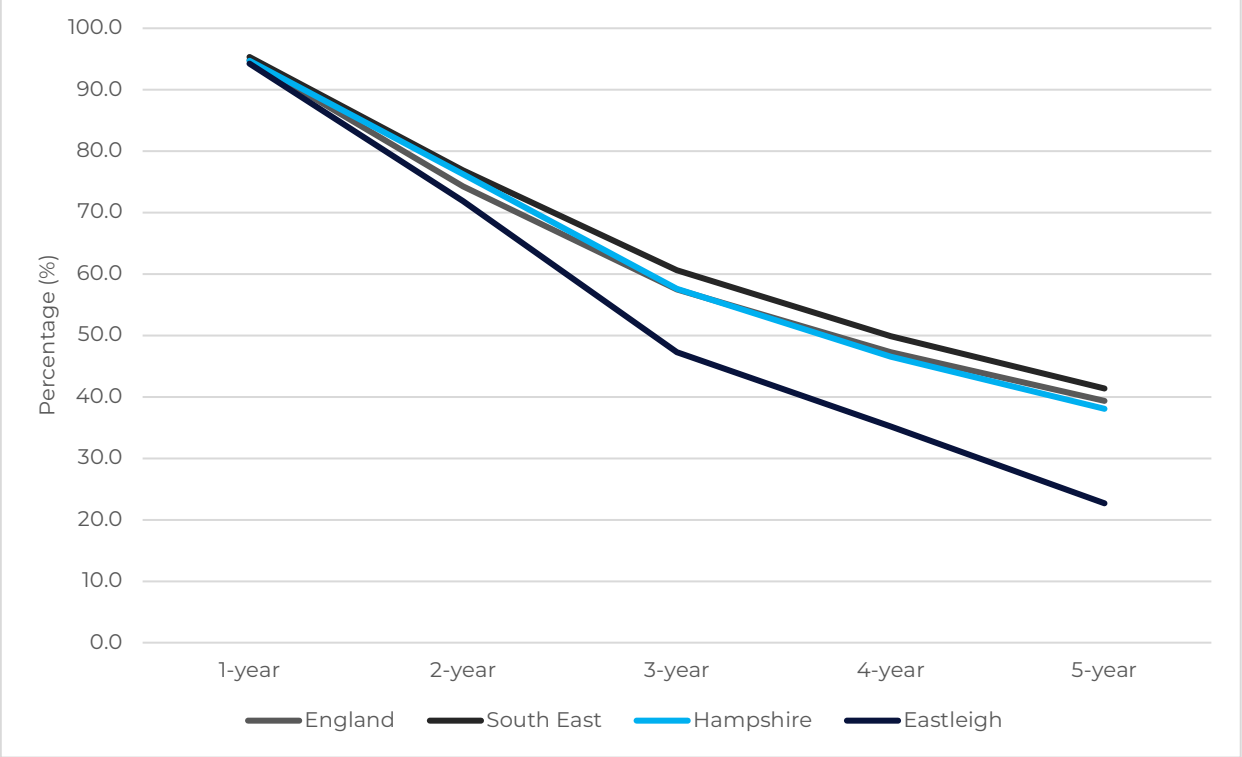
Figure 12: Employment Rate aged 16-64 (2004 – 2024)



Source: Annual Population Survey

6.20. The most recently reported Business demography, UK data from the ONS, published November 2024, indicates the business survival in Eastleigh across a five-year period is significantly lower than the county, region, and national levels.

Figure 13: Business Survival Rates (2018 – 2023)



Source: ONS Data

6.21. Viable Placemaking have also given consideration to the socio-economic classification of the population in Eastleigh, Hampshire, and England – to better understand the positions held by the workforce across these areas. This data is set out in Table 8, overleaf. As shown here, the greatest proportion of staff in Eastleigh work in lower managerial, administrative, and professional occupations, reflecting the national level. The main points of difference are that Eastleigh and Hampshire have a lower proportion of full-time students and a lower level of 'routine occupations'[21].

1 [21] 'Routine occupations' are defined by the ONS within the SOC2010 volume 3: the National Statistics Socio-economic classification as positions with a basic labour contract, in which employees are engaged in routine occupations. These positions have the least need for employee discretion and employees are regulated by a basic labour contract.

Table 8: Socio-economic classification (% of population)

International Territorial Level	Eastleigh	Hampshire	England
L1, L2 and L3: Higher managerial, administrative and professional occupations	15.4	16.1	13.2
L4, L5 and L6: Lower managerial, administrative and professional occupations	23.2	22.8	19.9
L7: Intermediate occupations	13.5	12.6	11.4
L8 and L9: Small employers and own account workers	10.3	11.1	10.6
L10 and L11: Lower supervisory and technical occupations	6	5.6	5.3
L12: Semi-routine occupations	11.9	11.3	11.3
L13: Routine occupations	9.9	9.6	12
L14.1 and L14.2: Never worked and long-term unemployed	5.2	5.7	8.5
L15: Full-time students	4.7	5	7.7

Source: Census 2021

6.22. Businesses in Eastleigh have a variety of sizes, though their composition largely reflects that of the county, regional, and national levels. Table 9, below, sets out the business composition at these levels in 2024.

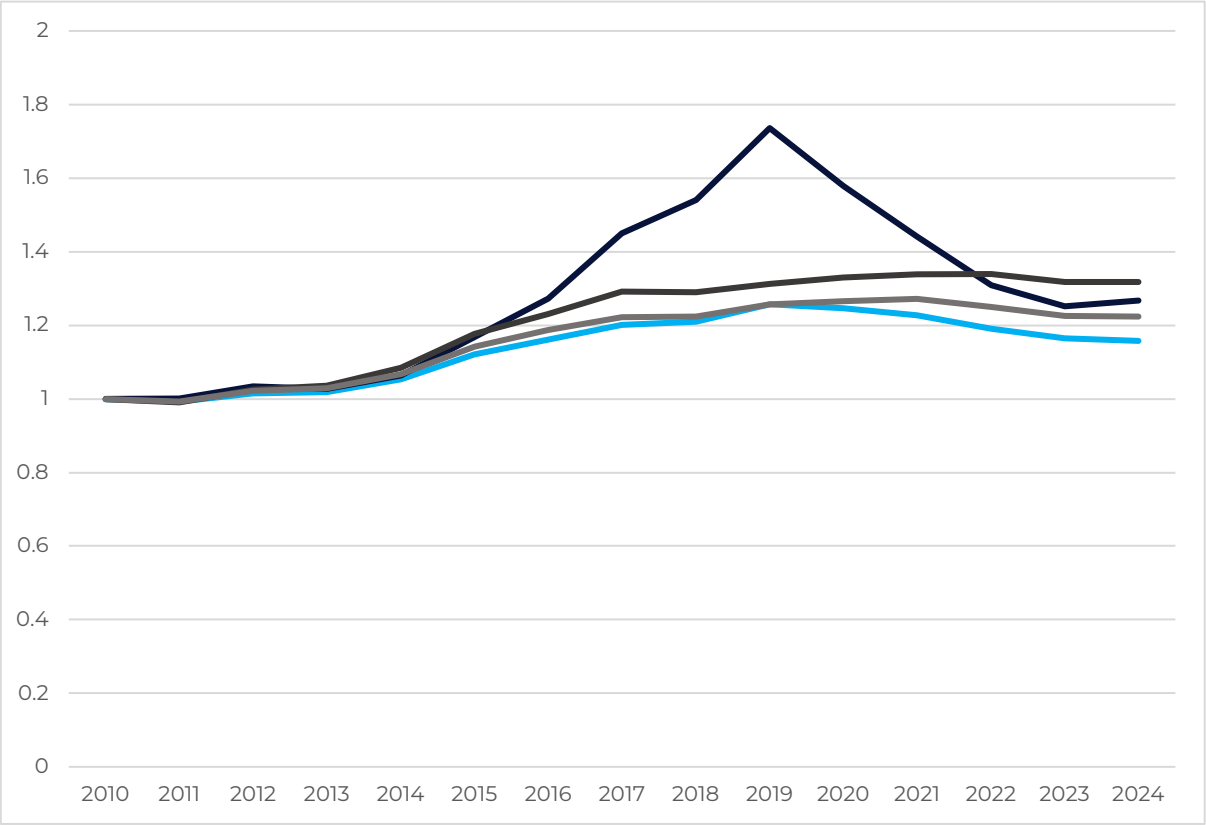
Table 9: Business Composition (2024)

	Micro (0 to 9)	Small (10 to 49)	Medium-sized (50 to 249)	Large (250+)
Eastleigh	88.69%	9.05%	1.79%	0.47%
Hampshire	88.00%	9.99%	1.64%	0.38%
South East	89.58%	8.47%	1.54%	0.41%
England	89.24%	8.73%	1.60%	0.42%

Source: ONS Business Demographic Statistics

6.23. In addition to the above, we have given consideration to the flux in the total number of businesses across these four areas. This is set out in Figure 14 below, which shown that, although Eastleigh has had greater flux during 2017 – 2021, the overall levels has been similar to the county, regional, and national levels.

Figure 14: Quantum of businesses (2010 – 2024)



Source: ONS Business Count Data

Sectoral Analysis

6.24. Analysis of Business Registration and Employment Survey (BRES) data 2023 has been conducted to identify and assess the sectoral breakdown in Eastleigh. Table 10, below, sets out that the top sectors in the LPA area are manufacturing; retail; professional, scientific & technical; and health – each of which accounts for 9.2% of the number of employees in the area.

Table 10: Eastleigh Composition of Employment by Sector

Sector	Number	Percentage
Agriculture, forestry & fishing	75	0.12%
Mining, quarrying & utilities	1,250	1.97%
Manufacturing	6,000	9.47%
Construction	3,500	5.53%
Motor trades	1,750	2.76%
Wholesale	3,000	4.74%
Retail	6,000	9.47%
Transport & storage (inc postal)	4,000	6.32%
Accommodation & food services	4,000	6.32%
Information & communication	2,000	3.16%
Financial & insurance	3,000	4.74%
Property	1,250	1.97%
Professional, scientific & technical	6,000	9.47%
Business administration & support services	4,500	7.11%
Public administration & defence	3,500	5.53%
Education	4,500	7.11%
Health	6,000	9.47%
Arts, entertainment, recreation & other services	3,000	4.74%
Total	**63,325**	**100%**

Source: BRES Data

6.25. Viable Placemaking have gone further to conduct Location Quotient (LQ) analysis of the composition of employment in Eastleigh when compared with the Solent LEP, the Hampshire county area, the southeast region, and England as a whole. All of these areas will have intrinsically linked but independent economic characteristics. The purpose of this is to understand the sectors which are performing well and hold integral parts in Eastleigh when compared with these other geographical areas.

6.26. Table 11 compares the percentage role a sector within an area's economy and compares it with the equivalent percentage for that sector in Eastleigh (which is set out in Table 10, above).

6.27. Where a sector results in an LQ below 1, this sector has a larger percentage role within that area's employment composition. Where a sector results in a LQ above 1, this sector has more employees in Eastleigh's respective employment composition than in the comparison area. A worked example is below for clarity, and this methodology has been applied throughout table 11.

Transport and storage accounts for 6.32% of the employees in Eastleigh, but only 4.32% in Hampshire. Accordingly, the LQ is calculated as follows:

$$\frac{6.32}{4.32} = 1.46$$

Table 11: Location Quotient comparison with Eastleigh

Sector	Solent LQ	Hampshire LQ	South East LQ	England LQ
Agriculture, forestry & fishing	0.31	0.16	0.18	0.23
Mining, quarrying & utilities	1.47	1.76	1.71	1.79
Manufacturing	1.23	1.23	1.57	1.28
Construction	1.20	1.02	1.14	1.17
Motor trades	1.31	1.23	1.42	1.61
Wholesale	1.54	1.02	1.07	1.24
Retail	1.03	0.99	1.10	1.16
Transport & storage (inc postal)	1.27	1.46	1.37	1.24
Accommodation & food services	0.67	0.76	0.74	0.81
Information & communication	0.97	0.58	0.57	0.66
Financial & insurance	2.24	1.64	1.80	1.38
Property	1.14	1.12	1.17	1.01
Professional, scientific & technical	1.50	1.04	1.06	0.99
Business administration & support services	0.97	0.94	0.89	0.80
Public administration & defence	1.03	1.28	1.58	1.27
Education	0.73	0.91	0.73	0.83
Health	0.57	0.82	0.68	0.70
Arts, entertainment, recreation & other services	0.99	0.87	0.91	1.05

Source: Analysis of BRES Data

6.28. As is set out in Table 11, Financial & insurance; Mining, quarrying & utilities; and motor trades have the highest average LQs – meaning these sectors amount to more of the employment composition in Eastleigh than the Solent LEP, Hampshire, south east region, or England. By comparison, agriculture, forestry & fishing, health; and information & communication have the lowest LQs.

6.29. Placing a spotlight on transport and storage, this sector consistently plays a more crucial role in Eastleigh's local economy compared with the abovementioned geographical areas. This produces an average LQ of 1.34, and it is clear that Eastleigh's transport and storage businesses play a wider role within the supply chain, including the needs of the Solent LEP and Hampshire.

Eastleigh Economic Baseline Summary

6.30. Eastleigh's population's age profile is similar to the county and national levels, although the area has a slightly reduced level of people who are economically active and of working age.

6.31. Of the local workforce, the majority of people local to the site, particularly those in Botley, travel to work via private motor vehicle and significantly more of Botley's workforce travel more than 10km, when compared with the wider local authority area.

6.32. The overall GVA of Eastleigh has grown in recent years, with financial and insurance activities, real estate activities, and manufacturing being the three highest performing sectors. Transport & storage as a sector has continued to grow during the last 25 years, despite annual flux.

6.33. Eastleigh has a higher level of medium sized enterprises (50-249 employees) than county, region, or national levels; however, business survival rates in the local authority area is significantly lower over a 5 year period than these comparative geographical areas.

6.34. Alongside other sectors, transport & storage plays a critical role within Eastleigh's local employment composition, accounting for 6.32% of employment in the area. Additionally, this sector plays a more significant role in the context of Eastleigh's local economy when compared with the Solent LEP and Hampshire, connoting that the local authority's role within this sector likely has implications beyond the local authority boundary and into further economic market areas.

7. Local B8 Market Performance

7.1. This Section has reviewed the performance of the local industrial (Use Class B8) property market in the Council area and wider property market, to better understand the demand for these units. This has included consideration of alternative sites, completion and take-up trend data, and vacancy rates.

7.2. In order to provide a comprehensive evaluation of the local B8 property market's performance, this Assessment has drawn on a variety of information sources, including the Council's monitoring reports, property search engines, CoStar and HM Land Registry.

7.3. For clarity, this Assessment shall not consider the performance of office space or other commercial uses not relevant to the subject site and development introduced at Section 2.

Local Market Performance

7.4. Eastleigh's property market has been performing well, with comparable growth and a lower vacancy rate than the wider south coast market area, which comprises Hampshire and Dorset. This wider area allows us to consider the broader economic performance, beyond the county and Solent LEP boundaries.

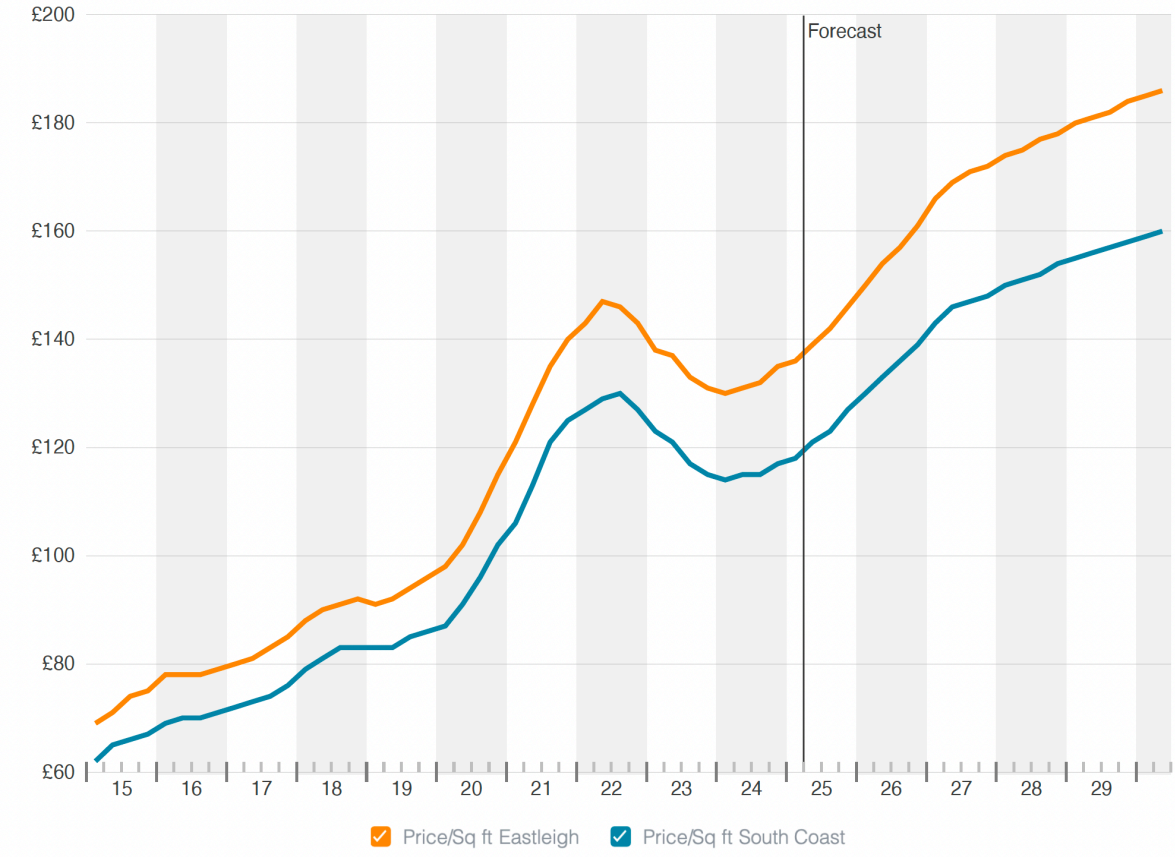
7.5. The economic performance of the south coast as a whole has been relatively strong over the last 5 years and has expanded by almost 5%, compared with 4% growth across the UK.

7.6. In addition, Oxford Economics industry analysis[22] indicates that transportation/ warehouse/ utilities have a current growth of 2.54% in the local market, compared with a of -0.03% flux in the UK as a whole.

[22] Also recognised by CoStar South Coast GBR Office Market Report

7.7. Storage and distribution sites, similar to the subject site, have a market sale price per square foot (sqft) of c. £136/sqft, compared with £118/sqft in with the wider south coast. This has decreased since 2022, when sales prices peaked in both areas, although each are expected to continue to grow over the next 3 years, per the CoStar analysis included in Figure 15a, below.

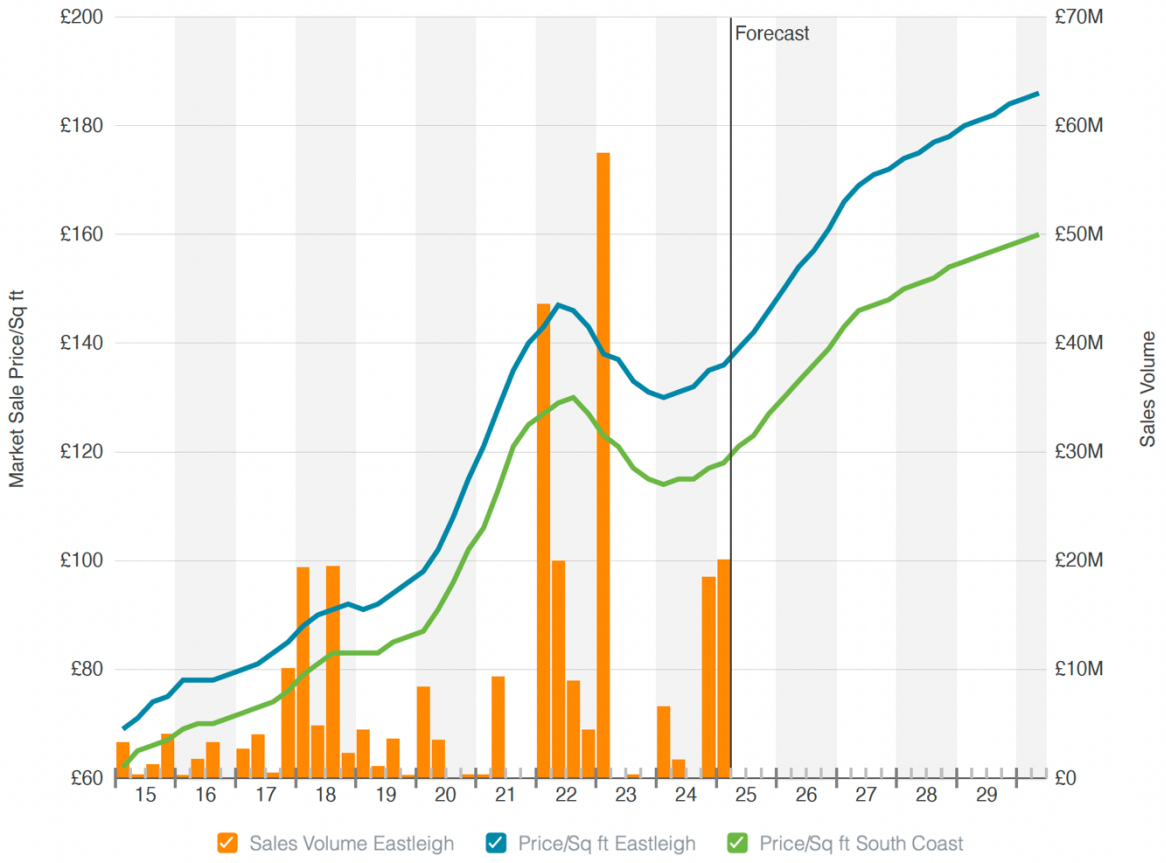
Figure 15a: Market Sale Price per sqft (Eastleigh vs south coast)



Source: CoStar

7.8. We would note that the sales volume (calculated by value) peaked in Q1 of 2022 and again in Q1 of 2023, at the same time market yields dropped to 4.95% and 5.13% in Eastleigh and the south coast market area respectively – the lowest levels in 10 years. Therefore, it is clear that take-up of previously delivered and available units in these periods had wider impacts on the market's performance. These two factors are set out in Figure 15b.

Figure 15b: Market Sale Price per sqft and sales volume comparison

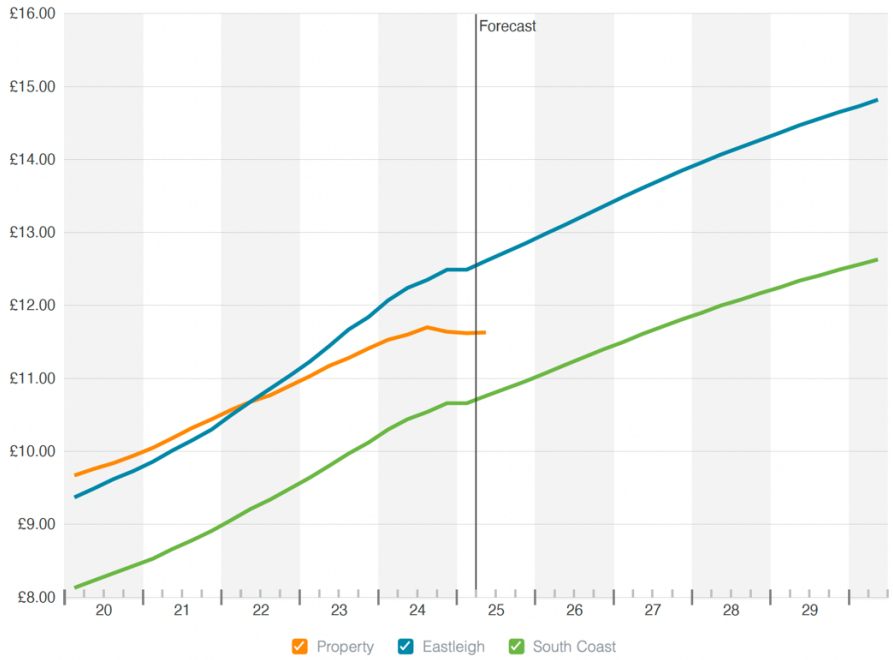


Source: CoStar

7.9. Rents are around £12.50/sqft, which is a 3.2% increase within the last year. Over the past 3 years, rents have seen a cumulative increase of 18.7%. This is above the typical asking rent per sqft, which is generally within the range of £8.10/sqft - £11.34/sqft. Eastleigh as a whole is expensive in this context when compared with the wider south coast market, where average rents are c. £10.70/sqft.

7.10. The subject property, however, remains competitive in this market, remaining relatively comparable to Eastleigh and, more recently, between the general market asking rents per sqft to Eastleigh and the south coast as a whole, as set out in Figure 16.

Figure 16: Market asking rent per sqft (2020-2025)



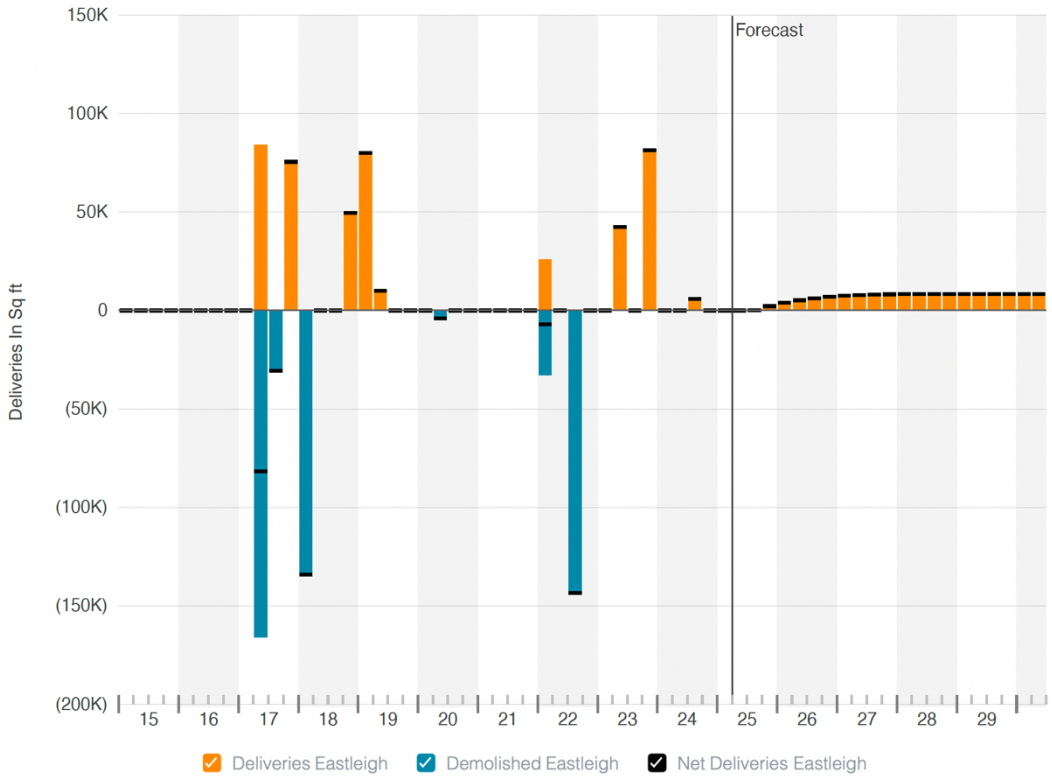
Source: CoStar

7.11. Notwithstanding the above, rental growth at the site is significantly lower than the level in Eastleigh or the south coast – both of which are 3.5% per annum. Each of these have fallen significantly in the last 24 months, similar to sales, indicating there may be a supply and demand factor at play.

7.12. In order to consider this further, we have considered property search engine analysis of construction starts, deliveries, and demolitions in the area. Although it is possible this data may vary slightly from the Council's data collected in this context, it has the benefit of providing more context on how the local industrial storage property market is perceived from a commerciality perspective.

7.13. Industry data indicates a variety of delivery and demolitions across the last 10 years which has resulted in a relatively low level of net floorspace delivered in Eastleigh. CoStar reports a delivery of 455,186sqft since 2015, with 511,711 of floorspace being demolished in the same period. This results in a net loss of floorspace of 56,525sqft. Moreover, industry forecasts indicate that by 2030, assuming no significant demolitions are brought forward. Eastleigh will have delivered a net:gross ratio of just 13.985%. This is set out in Figure 17, overleaf.

Figure 17: Eastleigh Deliveries and Demolitions 2015-2025



Source: CoStar

7.14. By comparison, in the last decade, the south coast has delivered a net increase of 6,058,326, with a net:gross delivery ratio of 55.74%.

7.15. In order to fully evaluate completion trends data further, we have considered the Council's evidence on this factor further in the following sub-section.

Completion Trend Data

7.16. Authority Monitoring Reports (AMRs) are a statutory requirement[23], to be produced by the LPA each year and set out the effectiveness of the plan. However, the LPA's most recent monitoring report published only covers the period up to 31 March 2021.

7.17. Although the last AMR is quite dated – certainly by virtue of how much has changed in the context of planning and politics since then – we shall review

[23] Localism Act 2011 - Section 113 and The Town and Country Planning (Local Planning) (England) Regulations 2012 - Regulation 34

the employment floorspace and land information available. However, given this data was published several years ago and several completions, losses, etc. have occurred since – it will not be utilised to conduct any forecasting analysis.

7.18. As an initial benchmark, Hampshire County Council land and monitoring data indicates the following levels of completions, allocated land, and permitted floorspace in Eastleigh Council area at 1 April 2024. As a proviso, the below includes Use Class E, B2, and B8 space collectively and, therefore, should not be relied upon as a sole indicator of the delivery of Use Class B8 space.

Table 12: Eastleigh Industrial & Office Land and Floorspace 2023

Sites with permitted/agreed floorspace (sqm)	Additional allocated sites without permitted/agreed floorspace (ha)	Completed floorspace 2022-2023 (sqm)
259,198	0.24	4,651

Source: Hampshire County Council, Land supply monitoring data

7.19. The LPA's AMR, covering the period between 2020-2021, reviews the completions and losses of employment floorspace (overall and on previously developed land) in the period since 2011. The AMR acknowledges the PUSH target for the plan period to deliver c. 124,000m2 alongside the overall plan target of delivering 131,900m2 of B-class employment floorspace, as set out in Figure 2 of this Assessment.

7.20. Notwithstanding, it acknowledges that only 23,603m2 of new net B8 class floorspace has been delivered since the 2011/12 monitoring period. Furthermore, there has been a recorded loss of 54,992m2 of employment floorspace to other uses in the same period. Consequently, in this period, there was a net loss of 31,389 of B class floorspace in Eastleigh – which is in direct opposition of the targets of the plan.

7.21. Although the LPA have made provision to allocate 131,000m2 of B-class floorspace in the plan, losses in the above 9-year period indicate that there will still be a shortfall of 24,389m2 of B-class floorspace. Using the split

indicated in Figure 2 – that c. 54.89% of new floorspace will be Use Class E – this would leave c. 13,387m2 of B-class floorspace to be delivered in the plan period. In addition to delivering allocated sites, the Council should proactively consider alternative windfall sites, resist the loss of existing employment sites, and support the intensification of these facilities where they meet the needs of the community.

7.22. On 4 April 2025, Viable Placemaking requested information under the Freedom of Information Act 2000 on the completion, loss, and delivery data for buildings and land in Use Class B8 in Eastleigh in the period since June 2010. The LPA kindly provided this information on 24 April 2025, and we have included a review of this data in Table 13 below.

7.23. Much of the data pertains to the same major development sites, such as Chalcroft Business Park (an allocation for 30,000m2) and Land at Chickenhall Lane which is expected to slightly skew the sum of the outstanding floorspace in each of these years. Therefore, we anticipate that the completions and losses figures (including losses to other uses), set out in Table 13, are the most appropriate data to consider within this Assessment, and to establish recent delivery of industrial floorspace[24] in the area.

Table 13: Completions and Losses 2019-2024

Year	Completed floorspace (m2)	Completed Losses (m2)
2019-2020	2,016.00	2,533.00
2020-2021	3198	0
2021-2022	287	7,118.00
2022-23	4,651.00	0.00
2023-24	11290	3,451.00
Total	**21,442.00**	**13,102.00**

Source: Eastleigh Borough Council FOI Request

7.24. As set out above, there has only been a net increase of 11,791m2 of industrial floorspace in Eastleigh in the last 5 years, which is an average annual delivery

[24] We note that some completions/losses are for mixed use development and, therefore, not all floorspace will be in Use Class B8.

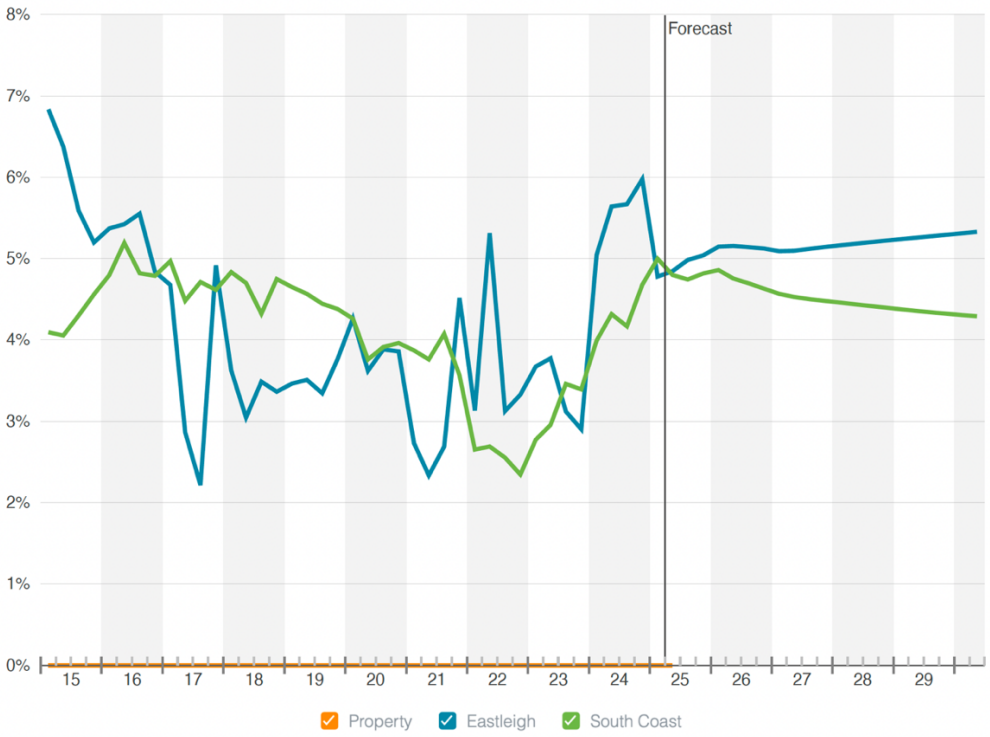
of c. 2,358m2. Despite allocations accounting for the majority of future needs, this remains significantly below the delivery required to meet the established local needs.

Vacancies

7.25. Vacancy data provides useful insight into a local property market's performance and the demand for these units and land. We have reviewed vacancy analytics for the subject site, Eastleigh, and wider south coast market area.

7.26. As denoted in Figure 18, below, CoStar data indicates that Eastleigh has a lower vacancy rate, at c. 4.8% in 2025, than the south coast as a whole, which sits at 5%.

Figure 18: Vacancy Data



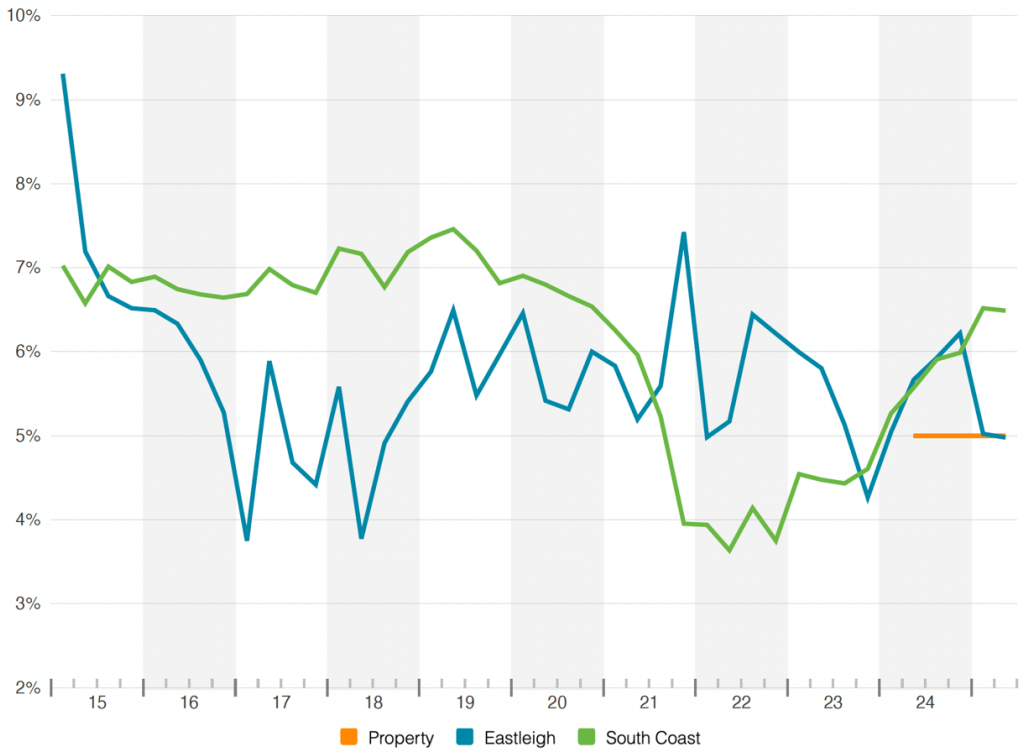
Source: CoStar

7.27. Although the vacancy rate in Eastleigh has decreased by 0.3% over the past 12 months, the rate in the wider market area has increased by 0.9% - showing some flux in the market around various economical geographies. The overall vacancy in the market is c. 5%, including sublease space.

7.28. Further analysis of the above indicates that the average yield in the last 10 and 5 years are 4.166% and 3.970% respectively. Accordingly, it's reasonable to deduce that, excluding recent increases in vacancies in 2024, the overall demand for industrial storage units is high in Eastleigh and the south coast.

7.29. Furthermore, closer analysis of the availability rate indicates that the subject site and Eastleigh have a comparable availability, at 5%, compared with the south coast as a whole which has an availability rate of 6.5%, as denoted in Figure 19, below.

Figure 19: Availability Rate



Source: CoStar

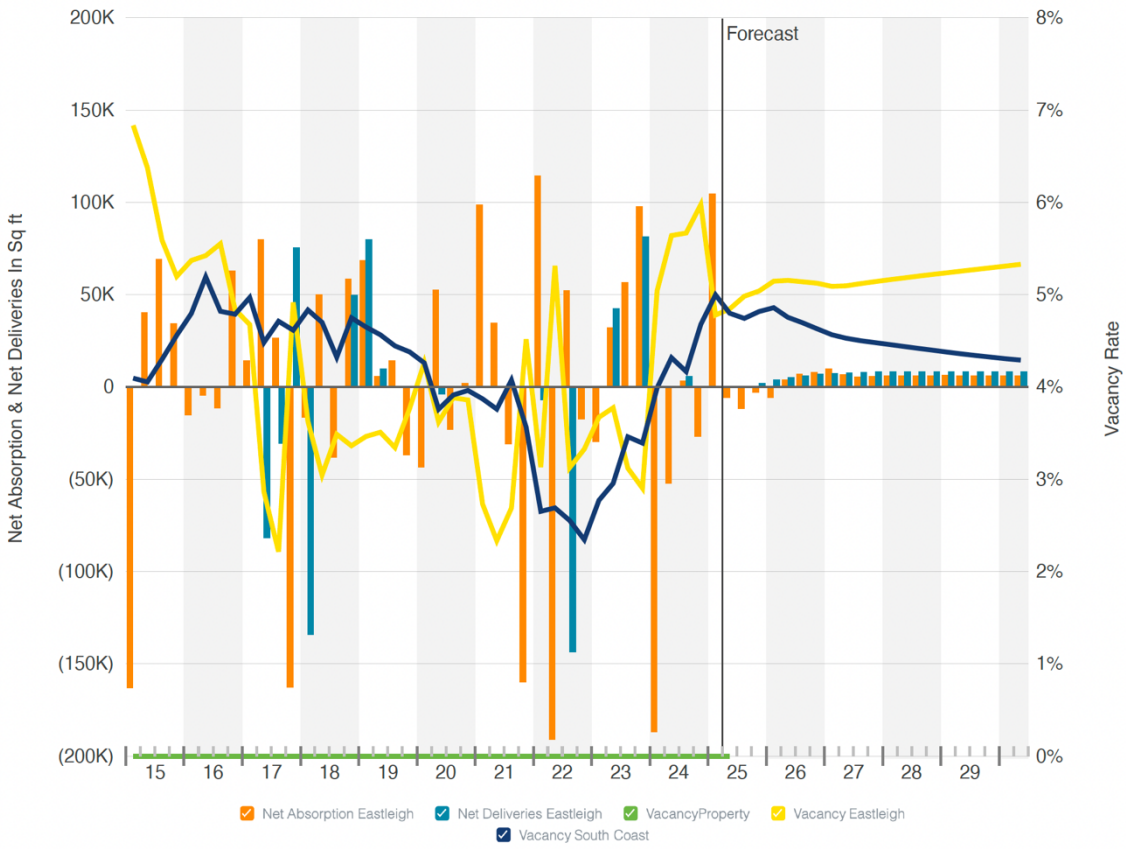
7.30. We expect that the recent increase of availability in Eastleigh when compared with the wider south coast is due to other comparable sites being taken up in neighbouring local authorities. Other significant developments such as Adanac Park and the University of Southampton Science Park which have been delivered in the recent years are likely to have contributed to some flux in the market.

7.31. Alongside vacancies being varied, the period for which properties are vacant has seen similar flux. However, this flux is relatively comparable to the general vacancy rate – indicating that the more properties which are available, the more time taken to absorb[25] them – which is as to be expected. This trend has continued in both Eastleigh and the south coast market area.

7.32. In the last year, 36,000sqft of industrial space has been absorbed and 5,900sqft has been delivered.

7.33. To set out the full picture from a vacancy, absorption, and delivery perspective, we have included Figure 20, below, which amalgamates these factors for reference and comparison in the period between 2015-2025.

Figure 20: Net Absorption, Net Deliveries, and Vacancy (holistic perspective, 2015-2025)



Source: CoStar

[25] In real estate, absorption rates measure the speed properties are taken up (either in the rental market or sold)

7.34. Notwithstanding, the main conclusion of this sub-section is that vacancies are relatively low in Eastleigh for storage and distribution space, the market remains competitive, and there is a need for a variety of units around Eastleigh and the wider south coast.

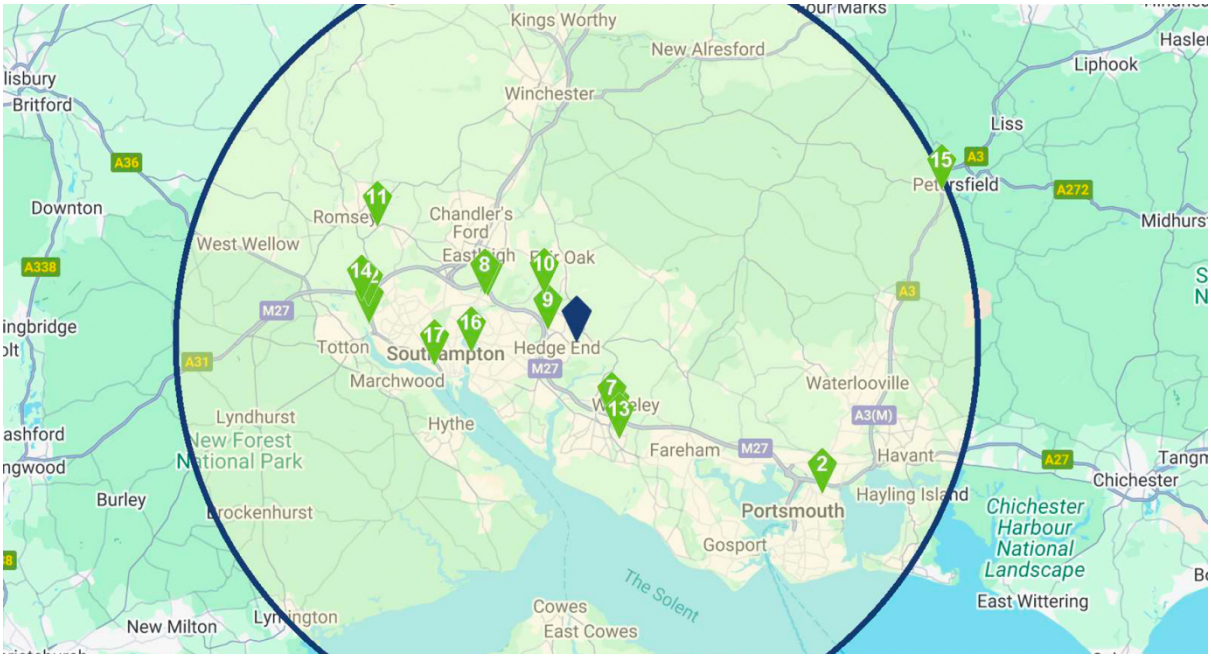
7.35. If Eastleigh wish to remain competitive within this market, a degree of delivery and intensification of existing units will likely be required.

Alternative Site Assessment

7.36. As part of our evaluation of the local property market, we have ascertained similar sites in the site area. We have sought peer properties which are similar in Use Class, areas, and are available at the time of preparing this report.

7.37. Viable Placemaking have ascertained 17 comparable properties to consider as alternatives to the subject site for use and intensification. These properties are set out in Figure 21, below. The site is shown in blue, alternative sites in green, and a 16 mile indicative radius for reference has been included.

Figure 21: Location of alternative sites



Source: CoStar

7.38. We would highlight that we have conducted this assessment with an onus on development in Eastleigh, seeking to grow the economy in the LPA area. Although wider sites may be considered, given this Assessment has been prepared to accompany planning applications and appeals – we have sought to ensure the lens of economic growth is done so with a focus on Eastleigh.

7.39. Our approach is similar to that of an out of centre retail sequential test[26], i.e.- we have considered the alternative sites through an assessment of their suitability, viability, and availability. The latter has been considered in identifying these sites as potentially available.

[26] PPG: Town centres and retail: How should the sequential approach be used in plan-making? Reference ID: 2b-010-20190722

Table 14: Alternative Site Assessments

Site	Local Authority	Use Class, Size and Description	Assessment	Conclusion
1. Unit 2-3, Ferne Park 	Fareham Borough Council	Mixed Use E (g) (i), (ii), and (iii), B2, and B8 3,842 - 89,021sqft available The site occupies two high-quality mixed use industrial buildings comprising three individual units of mixed use.	The site is well connected by rail and road. The site offers high-quality secure yards and will be a great benefit of the occupant. However, each building has access directly into the warehouse without a secure gate or additional security.	Not appropriate alternative Reasons i. Located outside Eastleigh LPA area ii. Inadequate security

Site	Local Authority	Use Class, Size and Description	Assessment	Conclusion
2. 5-7 Sonar, Limberline Road 	Portsmouth City Council	Mixed use industrial[27] 404 - 49,509sqft available	The site occupies high-quality industrial units which have been built to modern sustainability requirements. Severely lacking in adequate security and inadequate space is available for the subject business.	Not appropriate alternative <u>Reasons</u> i. Located outside Eastleigh LPA area ii. Inadequate security

[27] Where no use classes have been provided, we anticipate mixed use industrial reflects Use Class E(g), B2, and B8

Site	Local Authority	Use Class, Size and Description	Assessment	Conclusion
3. Unit 3, Yeoman Industrial Park 	Southampton City Council	Mixed use industrial Three grade A units in total, only one available. 5,893 - 62,729 sqft available in the following breakdown: Warehouse: 55,888sqft Reception: 717sqft Office: 5,893 sqft	This site represents a decent alternative with high-quality sustainable units served by 24/7 secured gated access. The site has direct access to the M271 and is part of a wider development, including the John Lewis distribution centre, and is bounded to the north by Nursling Industrial Estate, which raises wider security concerns. Additionally, the available building is significantly too large to meet the needs of the subject business.	Not appropriate alternative <u>Reasons</u> i. Located outside Eastleigh LPA area ii. Security concerns as this is part of a wider estate/development iii. The main warehouse unit is too large (55,888sqft) to meet the needs of the subject business.

Site	Local Authority	Use Class, Size and Description	Assessment	Conclusion
4. Unit 1, Yeoman Industrial Estate 	Southampton City Council	Mixed use industrial 4,819 - 51,245sqft available over two storeys	This site is a high-quality, industrial warehouse unit which is well connected to other, similar units. However, the site lacks adequate security overall and, therefore, is certainly not an appropriate site for the development.	Not appropriate alternative <u>Reasons</u> i. Located outside Eastleigh LPA area ii. Inadequate security

Site	Local Authority	Use Class, Size and Description	Assessment	Conclusion
5. Unit 2, Quest 271, Test Lane 	Southampton City Council	Mixed use industrial 4,137 - 44,400sqft Available in the following breakdown: Warehouse: 39,259sqft Reception: 720sqft Office: 4,137sqft	This site has 24/7 access and is a modern, high-quality industrial warehouse (5-star rated). The site has a security system in place, however limited information is available on the extent of this system. The site is well-connected to major road networks and the Port of Southampton. Similar to entry [3], although this site is a decent alternative in principle, the main storage space is too large to meet the needs of the subject business.	Not appropriate alternative Reasons i. Located outside Eastleigh LPA area ii. The main warehouse unit is too large (39,259sqft) to meet the needs of the subject business.

Site	Local Authority	Use Class, Size and Description	Assessment	Conclusion
6. Penta Industrial Park, Stoneham Cemetery Road 	Southampton City Council	Four industrial units in mixed Use Class E(g)(iii), B2 and/B8 3,823 - 37,033sqft available	The site occupies high-quality industrial/ warehouse units with secure yards. Although these units do have security in place, given there are four units (each likely to have an independent occupant and all four would certainly be too large for the subject business), there are security concerns of the plots as a whole which mean they are unsuitable alternative sites.	Not appropriate alternative <u>Reasons</u> i. Located outside Eastleigh LPA area ii. Inadequate security

Site	Local Authority	Use Class, Size and Description	Assessment	Conclusion
7. Plot 3, Sopwith Park, Concorde Way 	Winchester City Council	Mixed use industrial 2,391 - 32,915sqft Available This newly refurbished warehouse has a secure yard with parking. The site is well connected to main road networks and the Portsmouth Docks.	The main ground floor office is 30,524 – which is a suitable site; however, the building has direct access from public land making it unsecure for the subject business. Additionally, the rent is c. £13/sqft, which is around 4% higher than the average in Eastleigh, indicating the building would likely be unviable for the subject business. Moreover, CCW had pursued this plot in the past and it was found to be extremely unviable.	Not appropriate alternative <u>Reasons</u> i. Located outside Eastleigh LPA area ii. Inadequate security iii. Unviable

Site	Local Authority	Use Class, Size and Description	Assessment	Conclusion
8. Unit 5, Mountpark, Wide Lane, Southampton 	Southampton City Council	Mixed use industrial 6,125 – 74,390sqft available in the following breakdown: Warehouse: 68,265sqft Office – 6,125 This site has a secure yard and high-quality, Grade A office fit out. The site is well connected to the road network, airport, and Southampton docks.	Although this is a relatively affordable unit, it is likely due to the inverse correlation between property's size and cost per square metre. Linked to the above, the subject warehouse is significantly too large for the subject business. Limited information is available on the site's overall security beyond the secure yard, though this is expected to be limited given its location within a wider industrial estate.	Not appropriate alternative <u>Reasons</u> i. Located outside Eastleigh LPA area ii. The main warehouse unit is too large (68,265sqft) to meet the needs of the subject business iii. Security concerns

Site	Local Authority	Use Class, Size and Description	Assessment	Conclusion
9. Units 1 – 2, Waterloo Trade Park, Flanders Road  	Eastleigh Borough Council	Mixed industrial use with an ancillary office 16,994sqft available, 48.9% vacant in the following breakdown: Ground floor: 14,362sqft First floor office: 808sqft Mezzanine office: 890sqft Mezanine storage: 934sqft	This mixed use industrial distribution unit is split into two units, one of which is available. The site claims to have a security system; however, further review of the site indicates this is not entirely secure 24/7 from the point of entrance. Additionally, the available area is too small to meet the needs of the subject business.	Not appropriate alternative <u>Reasons</u> i. The main warehouse unit is too small (14,362sqft) to meet the needs of the subject business ii. Security concerns

Site	Local Authority	Use Class, Size and Description	Assessment	Conclusion
10. Unit 6, Chalcroft Business Park, Burnetts Lane 	Eastleigh Borough Council	Mixed industrial use Unit 6 is available at 30,400sqft It is unclear whether unit 7 is available, so we have considered this as one entry. For reference, Unit 7 provides c. 36,216sqft Both units are located within the Chalcroft Business Park.	Chalcroft Business Park benefits from 24/7 security and access and is well connected to the M27 and other key points within the supply chain, including the Southampton Docks. Although the unit is a suitable size, the main security provided serves the business park as a whole and, consequently, there would be limited control of access by other unit occupants, thus providing inadequate security for this specialist business' needs.	Not appropriate alternative <u>Reasons</u> i. Inadequate security for the unit(s)

Site	Local Authority	Use Class, Size and Description	Assessment	Conclusion
11. Unit 1, Abbey Park Industrial Estate 	Test Valley Borough Council	Industrial use (expected Use Class B8) 34,406sqft available over the following breakdown: Industrial area: 23,443sqft Ground floor office: 2,885sqft First floor office: 2,770sqft L-shaped extension: 5,308sqft	This unit is of highly comparable size to the subject site. Although there is secure land, the site as a whole is not secure and, therefore, does not meet the needs of the business. As such, it cannot be considered a suitable alternative site.	Not appropriate alternative <u>Reasons</u> i. Located outside Eastleigh LPA area ii. Inadequate security for the unit(s)

Site	Local Authority	Use Class, Size and Description	Assessment	Conclusion
12. Unit 10, Nursling Industrial Estate, Oriana Way 	Test Valley Borough Council	Mixed industrial use 3,430 - 62,759sqft available over the following breakdown: Ground floor: 59,329sqft First floor: 3,430sqft	The site appears to have been recently refurbished and is a high quality estate. The site does not provide adequate security beyond an enclosed fence. Critically, the subject unit is too large to meet the needs of the subject business.	Not appropriate alternative <u>Reasons</u> i. Located outside Eastleigh LPA area ii. Security concerns iii. The main warehouse unit is too large (59,329sqft) to meet the needs of the subject business.

Site	Local Authority	Use Class, Size and Description	Assessment	Conclusion
13. Unit 5 – Matrix Park, Talbot Road 	Fareham Borough Council	Mixed industrial use 34,026sqft available in the following breakdown: Warehouse: 28,422sqft GF office: 2,223sqft FF office: 3,381 The subject site is a high quality industrial warehouse with a secure yard. The site is part of the wider Matrix Park with good transport connections.	Although the site offers a suitable space (in terms of GIA), insufficient evidence exists on the yard to verify whether there is adequate external storage facilities to meet the varied and ongoing needs of the subject business. Additionally, as the site is part of a wider estate which has access to the building, this is considered to have inadequate security to meet the needs of the business.	Not appropriate alternative <u>Reasons</u> i. Located outside Eastleigh LPA area ii. The main warehouse can be accessed directly from the main route around the estate providing inadequate security overall.

Site	Local Authority	Use Class, Size and Description	Assessment	Conclusion
14. Building 210, Nursling Industrial Estate, Mauretania Road 	Test Valley Borough Council	Mixed industrial use 70,641sqft available The site offers a high quality mixed industrial building with ancillary offices, split over two floors.	The unit is well connected to major roads, including the M271 and M27. The building is part of the wider Nursling Industrial Estate which raises security concerns since, although the site has a secure yard, the building as a whole does not have adequate security to meet the needs of the business. Additionally, the building is too large to meet the needs of the subject business.	Not appropriate alternative <u>Reasons</u> i. Located outside Eastleigh LPA area ii. Security concerns due to location within a wider industrial estate iii. The unit is too large to meet the needs of the subject business.

Site	Local Authority	Use Class, Size and Description	Assessment	Conclusion
15. Denmark House, Bedford Road 	East Hampshire District Council	Mixed industrial use (expected Use Class B8) 79,491sqft available in the following breakdown: Ground floor warehouse: 70,909sqft First floor office: 8,362sqft Gatehouse: 220sqft The site is well connected to the A3.	This site offers a high-quality storage and distribution unit which is well connected via transport links. There may be some minor transport safety concerns regarding access via local roads (including Bedford Road). A 24/7 gatehouse security exists which is suitable for the subject business. Unfortunately, the site is extremely large meaning it cannot be viewed as a suitable alternative site.	Not appropriate alternative <u>Reasons</u> i. Located outside Eastleigh LPA area ii. Some highway concern given 24/7 access required by subject business iii. The unit is too large to meet the needs of the subject business

Site	Local Authority	Use Class, Size and Description	Assessment	Conclusion
16. Millstone Point, Lower William Street 	Southampton City Council	Industrial Use, unrefurbished storage unit available. 83,078sqft available The site is a waterfront marine facility offering warehousing and offices.	This site is well connected and will clearly serve an essential use within the supply chain given its unapparelled location at the waterfront. However, the site does not have adequate security. Although the building is too large to be suitable for the business' needs, there is mixed information from various sources as to whether this unit may be taken in part or as a whole. Therefore, we have not included this as a reason for dismissal within our conclusions.	Not appropriate alternative <u>Reasons</u> i. Located outside Eastleigh LPA area ii. Inadequate security

Site	Local Authority	Use Class, Size and Description	Assessment	Conclusion
17. 3 West Quay Road 	Southampton City Council	Industrial Use 45,632sqft available	Similar to property reference 16, the site is well connected by virtue of its location. Although the yards are secure, the building does not have adequate security and there is not enough space to create a new security building without being detrimental to highway safety. Additionally, the building, as a single large warehouse, is not adequate by size or type for the subject business' needs.	Not appropriate alternative <u>Reasons</u> i. Located outside Eastleigh LPA area ii. Inadequate security iii. The building is too large to meet the needs of the business.

7.40. Having considered all the alternative sites available at the time of preparing this Assessment, we have concluded that there are no suitable alternative sites to take on the needs of the existing business.

7.41. The main reasons for sites not being appropriate alternatives, from a commercial perspective, were:

- Property size not suitable for the subject business
- Inadequate security facilities
- Unviable

7.42. Accordingly, if the current business is unable to continue to operate at the site as required, it would likely connote its closure, which would be to the detriment of the local economy – as we will consider further in the following Sections.

7.43. Furthermore, as established during the identification and assessment of these sites, there are extremely limited alternative sites available Eastleigh, which would indicate that – even if an alternative site became available, it would likely be in a different LPA area, thus being to the detriment of the Council's economy.

Local B8 Market Performance Summary

7.44. This Section has reviewed the performance of the local Use Class B8 and wider industrial property market in Eastleigh and the wider market area. We have identified that although rents are slightly higher in the local authority area to the wider south coast, the market remains competitive.

7.45. Low completions and loss of existing employment floorspace in the period since 2011 has caused some flux in the property market, although the rent and yield levels indicate that overall industrial properties remain competitive in the wider economic market area.

7.46. Eastleigh has a lower vacancy rate, at 4.8%, than the wider south coastal area, which indicates a high demand for storage and distribution facilities in the area.

7.47. Viable Placemaking have reviewed the available alternative sites in the area to establish whether other suitable sites exist in the wider area as an alternative to the subject site. For various reasons – including size, security, and viability – these sites are not appropriate alternatives. Accordingly, if the current business is unable to continue to operate at the subject site, it could close.

7.48. Moreover, given the lack of alternative sites in Eastleigh, Viable Placemaking would encourage the LPA to support the growth and intensification of this site, to support employment and economic growth in the LPA area.

8. Economic Impact Assessment

8.1. This Section consists of a high-level, objective, and impartial Economic Impact Assessment of the site.

8.2. The purpose is not to evaluate the subject business' employment impacts or economic output – both of which shall be considered in Section 9 – but rather to provide the reader with an opinion on the prospective economic impacts the existing buildings at the site *could* have.

8.3. This Economic Impact Assessment will consider the site *as though* it were proposed in order to gain an insight into the typical economic output which could be expected from a site of this type. This will then be compared to the existing business, to better understand the economic performance of the site and business.

8.4. We note that this Section was conducted before CCW provided the information to conduct Section 9 of the Assessment, and the assumptions made are considered to be reasonable for a comparable business in Eastleigh. This has been done to ensure we remain objective throughout our evaluation of the economic benefits of the site and existing business.

Calculating Economic Impact

8.5. There are two major components to assessing the economic impacts of development proposals – those associated with the construction phase and those with its subsequent operation. For clarity, details on methodologies and assumptions applies within this Impact Assessment are set out throughout the report.

8.6. The suppliers and other services that are engaged in the impacts of the scheme are described in direct, indirect, and induced jobs and resultant GVA[28]. Each of these factors are summarised below:

[28] In this section, numbers, values, costs, and other figures may not sum due to rounding

- **Direct Impact**: Wage income and profit generated (often in the construction sector, plus spend on non-labour input).
- **Indirect Impact**: The supply chain impacts of construction and its knock-on-effects (i.e.- an increase in output and income up and down the supply chain from the direct impact).
- **Induced Impact**: An increase in household income as a result of increased employment/income in construction and other sectors which leads to an increase in spending and demand/output in the overall economy.

8.7. Given the context of the subject site and development, we shall not consider any construction impacts, as we do not consider this would not be appropriate.

Operational Impact

8.8. For operational impacts, the number of new jobs expected to be generated from a development proposal has been calculated and related GVA output. This has been set out in two stages: (i) employment density and (ii) additionality.

(i) Employment Density

8.9. HCA Employment Densities Guide (3rd Edition) ('the Employment Densities Guide')[29] provides industry standard employment densities for many uses and have been used for industrial floorspace. Where appropriate, Viable Placemaking have reviewed the proposed development's impacts in the context of the relevant Use Class.

8.10. To calculate the direct jobs at the site, employment densities (i.e.- floorspace per job) for the proposed use has been identified. As informed within the accommodation schedule, we have the total warehousing floorspace of permanent buildings in Use Class B8, which have a GEA of 1,878.42m2.

[29] Although the Employment Densities Guide was withdrawn in February 2022, in lieu of an updated edition it remains best practice.

8.11. For Use Class B8 storage and distribution space, we would expect an employment density of c. 77m2/job (GEA)[30].

8.12. With specific regard to logistics, the Employment Densities Guide denotes that "*this* [the updated employment density] *is a significant increase in employment density for the distribution sector, highlighting the increasing number of employees that can be supported by new, modern high quality distribution floorspace, even with significant increases in the scale of floorspace. Despite increased mechanisation and deployment of technology the data suggests that as logistics becomes more specialised both a greater number of employees and range of skills are required to operate a modern distribution facility*." Accordingly, 77m2/job will be applied within this impact assessment.

8.13. Utilising the above, the proposed development is expected to support c. 24 additional full time equivalent (FTE) operation jobs on-site (n.b.- this does not account for self-employment).

(ii) Additionality Density

8.14. In addition to the above, we must also consider the additionality factors of the operation economic impacts of the development. These include the following factors[31]:

- **Leakage** – The proportion of outputs that benefit those outside of the intervention's target area or group.
- **Displacement** – The proportion of intervention outputs accounted for by reduced outputs elsewhere in the target area.
- **Multiplier effects** – Further economic activity (jobs, expenditure or income) associated with additional local income, local supplier purchases and longer term effects.
- **Deadweight** – Output that would have occurred without the intervention.

[30] This figure is informed by the regional distribution centre sub-sector density.
[31] Definitions extracted from the Glossary of the Additionality Guide Fourth Edition – HCA (2014)

8.15. First, we have considered Leakage. The leakage effects of a development may be assessed as follows[32]:

Table 15: Leakage

Level	Description	Leakage
None	All of the benefits go to people living in the target area/the target group	0%
Low	The majority of benefits will go to people living within the target area/the target group	10%
Medium	A reasonably high proportion of the benefits will be retained within the target area/target group	25%
High	Many of the benefits will go to people living outside the area of benefit/outside of the target group	50%
Very High	A substantial proportion of those benefiting will live outside of the area of benefit/ be non-target group members	75%
Total	None of the benefits go to members of the target area/target group	100%

Source: Additionality Guide

8.16. Following review of the travel to work behaviour and the FEMA, we found that c. 72.6% of people in Eastleigh live and work in the area (per paragraph 5.13). For the purposes of this Assessment, we have taken this as an estimate and applied a medium leakage of 25%.

8.17. A proportion of employment created will have an impact on surrounding established employment. As stated above, displacement is a measure of the reduced employment outputs as a result of employment created on-site. Consulting the relevant Additionality Guide Ready Reckoner which is reasserted below in Table 16[33], a displacement of 50% will be applied, accounting for a reasonably high proportion of the benefits being retained within the target area/group.

[32] Extracted from Table 4.3 of the Additionality Guide
[33] Extracted from Table 4.8 of the Additionality Guide

8.18. We note, of course, that as this site is existing, the displacement in reality would be 0%. However, in order to accurately assess the economic impacts of a comparable development, we have applied a more realistic displacement figure.

Table 16: Displacement

Level	Description	Displacement
None	No other firms/demand affected.	0%
Low	There are expected to be some displacement effects, although only to a limited extent.	25%
Medium	About half of the activity would be displaced.	50%
High	A high level of displacement is expected to arise.	75%
Total	All of the activity generated will be displaced.	100%

Source: Additionality Guide

8.19. The direct employment created will also generate further economic activity associated with income and expenditure and the supply chain. The scale of the multiplier effects will be influenced by the extent of the supply chain linkages and the additional income spent within the area. Informed by HCA Guidance, at 4.12 of the Additionality Guide, the composite multiplier effects applied for B8 space locally is 1.29 and in a region is 1.44. Given the nature of employment, we have applied the region-level multiplier.

8.20. Finally, we have considered deadweight. While we have applied a displacement figure to remain reasonable, it is not expected that the proposed development would result in a loss of jobs, but rather any changes in economic/employment activity will have been addressed by displacement and multiplier effects. Therefore, deadweight is assumed to be zero.

8.21. Additionality is a staged approach; i.e. – the displacement impact is applied to the jobs created following consideration of the leakage and, thereafter the multiplier impacts are considered. Thus, the overall additionality calculations are set out in Table 17 overleaf:

Table 17: Operational Additionality Calculations (GEA)

Factor	Jobs
Gross permanent direct jobs created	24
Estimated leakage	*-6*
Estimated displacement	*-9*
Net jobs before multipliers	9
Multiplier impacts	*+4*
Deadweight	*-0*
Total net FTEs	**13**

Source: Viable Placemaking Analysis

8.22. Accordingly, taking account of the relevant additionality factors, the existing buildings at the site are estimated to support approximately 13 FTE jobs in the local economy.

8.23. The below is considered to be relatively low considering the extent of the hardstanding, which is able to provide employment. Therefore, we have conducted one further exercise, applying the above methodology to the entire are covered by hardstanding at the site, c. 7,073m2 (per paragraph 2.5). This is set out in Table 18 below:

Table 18: Operational Additionality Calculations (external hardstanding)

Factor	Jobs
Gross permanent direct jobs created	92
Estimated leakage	*-23*
Estimated displacement	*-34*
Net jobs before multipliers	35
Multiplier impacts	*+15*
Deadweight	*-0*
Total net FTEs	**50**

Source: Viable Placemaking Analysis

8.24. It is expected the above would be an upper-estimate for a typical business in Use Class B8; however, it is a useful informative which we shall take forward throughout the remainder of this economic impact assessment to consider the maximum economic performance of a typical B8 business at the site.

(iii) Economic Impact Assessment Outputs

8.25. The proposed development's contribution to the economic output has been calculated by taking the job creation figures associated by the scheme and multiplying these by an estimate of average levels of GVA per employee in the south east economy.

8.26. The average GVA per person in South Hampshire is £26,366 (per Table 5). When applied to the prospective FTE operational jobs created by the development (per Table 18), the total GVA supported by the proposed development would be c. £1,318,300 per annum.

8.27. Looking at the economic output over a longer timeframe, ten years, this translates to an approximate additional £8.1m in economic output for the Eastleigh economy (present value[34]).

Site Economic Potential Summary

8.28. We have calculated the prospective impacts of a similar development in the site locality, to provide an assessment of a similar site's employment implications and economic output. This has established that the site could be expected to result in the following high-level operational impacts:

- 50 operational jobs on site, and
- The operational phase will generate a total GVA of c. £8.1m.

[34] Where future benefits have been calculated over a 10-year timeframe, these have been discounted to produce a present value. The discounted rate to convert costs and benefits is informed by the Treasury's Green Book, with a discount rate of 3.5%.

8.29. The above provides a useful benchmark against which we may compare the existing business' performance, to better understand the economic outputs of the site and business.

8.30. As a proviso, Viable Placemaking consider that if the existing business and site has a higher employment and economic output than that which has been established within this Section, then it should be seen to have significant economic benefits, which should be considered within the determination of planning applications and appeals.

9. CCW Economic Impact

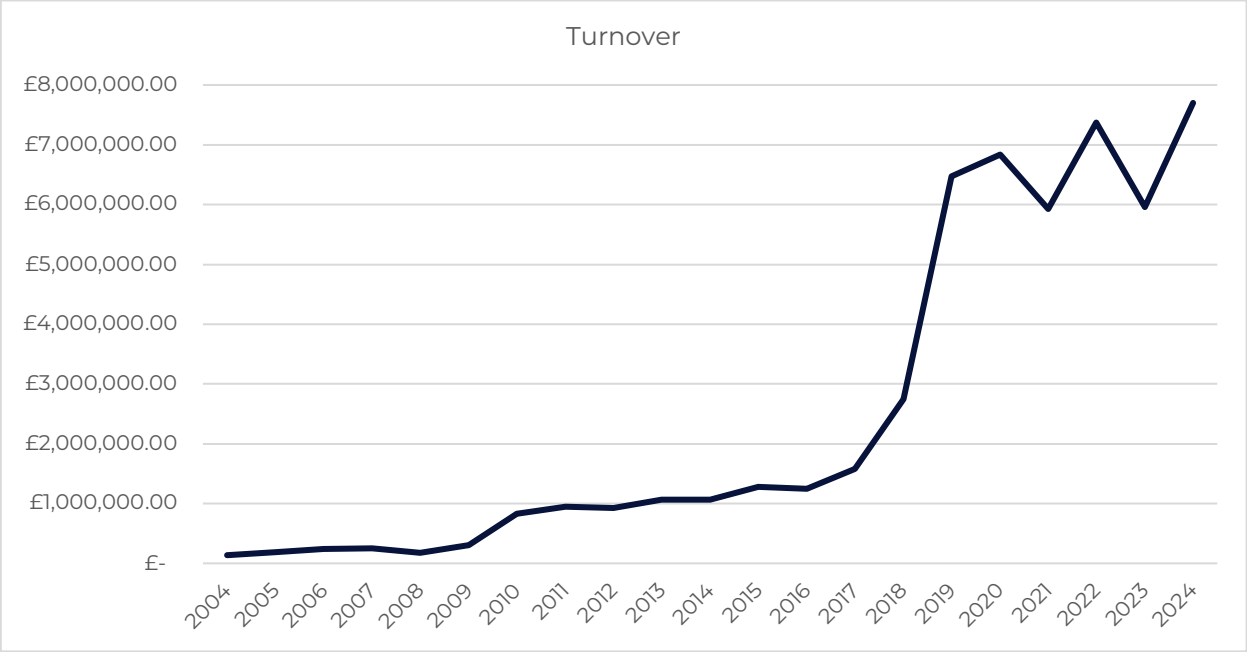
9.1. Now we shall consider the economic impact of the existing business – CCW – to fully understand the employment performance and economic output benefits of this use at the subject site.

9.2. Details which have informed this Section have been provided by CCW. Any confirmation of information or further details should be sought from CCW directly Viable Placemaking have not assessed this data for accuracy but presented it in the context established by the planning policy, evidence base, and B8 performance and supply – established in the previous Sections of this Assessment.

Business Performance and Economic Impact Comparison

9.3. In the last 20 years, CCW has had a total gross turnover of over £53m, of which c. **£48m has been turnover in the last decade**, which has been of substantial benefit to the local and regional economy. **In 2024, the company's annual turnover peaked at c. 7.7m.** The turnover in this period is set out in Figure 22, below.

Figure 22: CCW Turnover 2004 – 2024



Source: CCW Data

9.4. We note that the flux in economic output was particularly notable in 2021, during the coronavirus pandemic, and in 2023, which CCW attribute to manufacturing issues in Petersfield that impacted the business' economic performance that year. Since then, performance has returned to the expected progression and grown into 2024.

9.5. This is significantly higher than the typical businesses, as has been established at Section 8 of this Assessment.

9.6. Additionally, in the period since 2004, CCW has paid a total of c £14.3m, having paid c. **£2.5m in wages in 2024** and now employees **110 members of staff** – over double that which would typically be expected from a Use Class B8 business at this site. We also understand, from CCW's planning consultant, that, of these, CCW employs c. 75 full time members of staff.

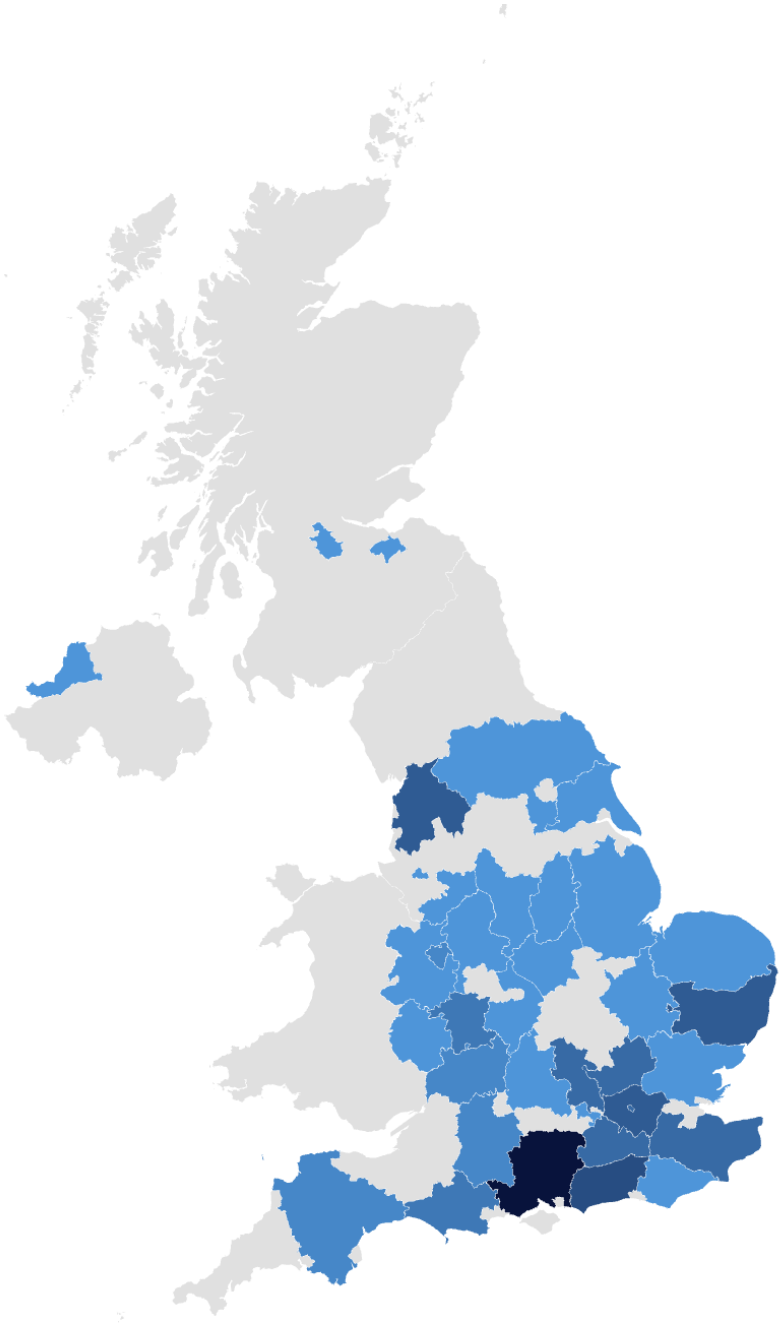
9.7. It is clear that the existing business, CCW, is performing well in excess of what would be expected for a similar business in Eastleigh. There are several aspects which have been identified – including the location, extremely high demand, and increased security which are expected to make CCW, at this site, an attractive business with whom to partner.

9.8. In addition to the above, we have been informed that CCW replace their vehicles approximately every three years. This allows increased security during the transfer of supplies and for the business to use more sustainably designed vehicles (compared with those manufactured 20 years ago)[35].

9.9. Although CCW's primary suppliers are based in the surrounding areas – primarily Hampshire, Southampton, Portsmouth, and Bournemouth, Christchurch and Poole local authority areas; CCW also works with several businesses all around the UK. The heatmap, overleaf at Figure 23, sets out the primary local authority areas in which CCW operate and clearly demonstrates the vast local, regional, and national operation of the business.

[35] Green Logistics: Forbes

Figure 23: CCW Supplier List Heatmap



Source: Viable Placemaking Analysis of CCW data[36]

9.10. Overall, therefore, it is considered that the site provides substantial economic benefit to the local area and to the region, with some additional economic benefit being provided further around the UK.

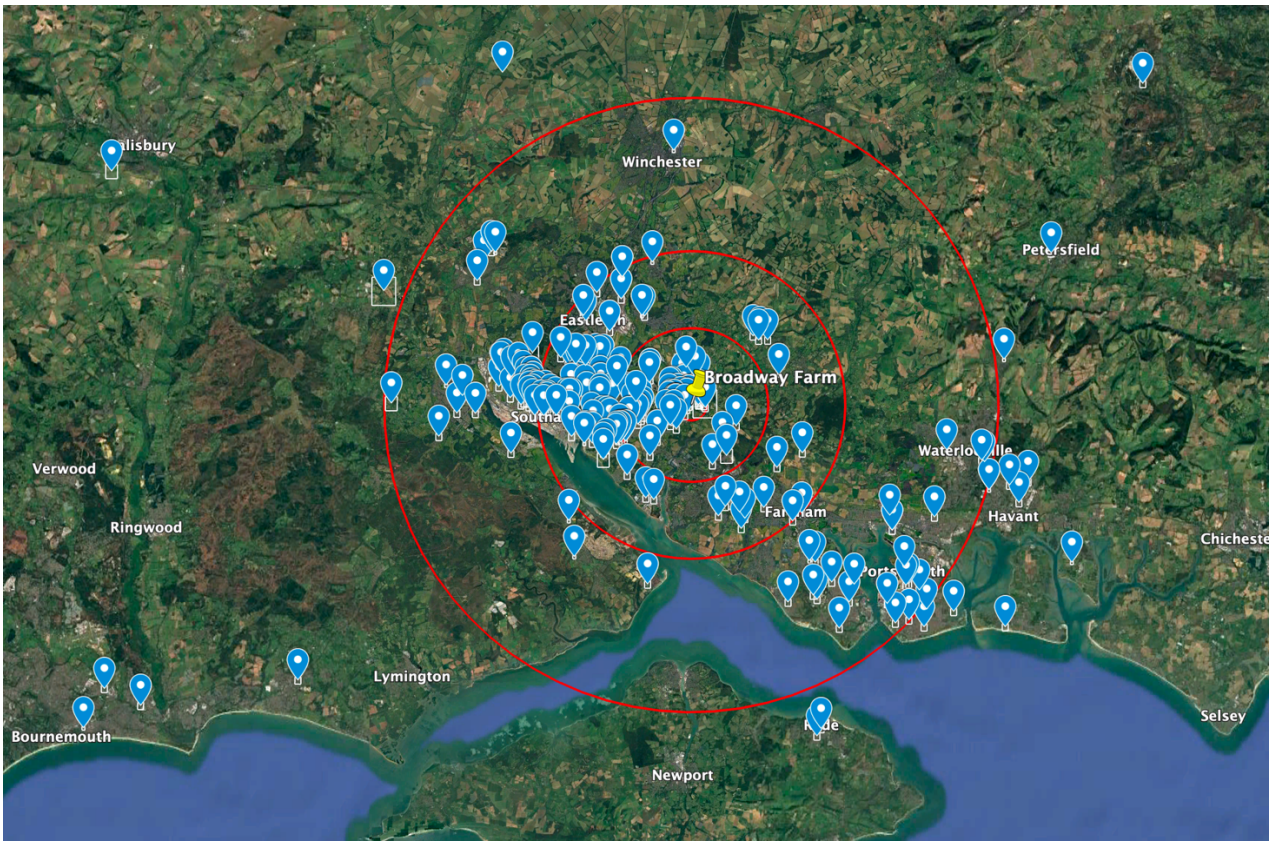
[36] Utilising Microsoft, OpenPlaces

Rural Economy and FEMA implications

9.11. In addition to the business having a positive impact on the economy, there are also benefits in the context of travel to work patterns, supporting the local economy, and potentially representing a FEMM.

9.12. Figure 24, below, sets out the indicative home locations[37] of CCW's employees, overlayed with the site distance boundaries from Figure 1. As is clear from the below, the site has a decent level of local employment, primarily in Eastleigh, Southampton, and Portsmouth – reflecting the larger travel to work behaviours of Eastleigh as a whole (per Table 2).

Figure 24: CCW Travel to Work Behaviour



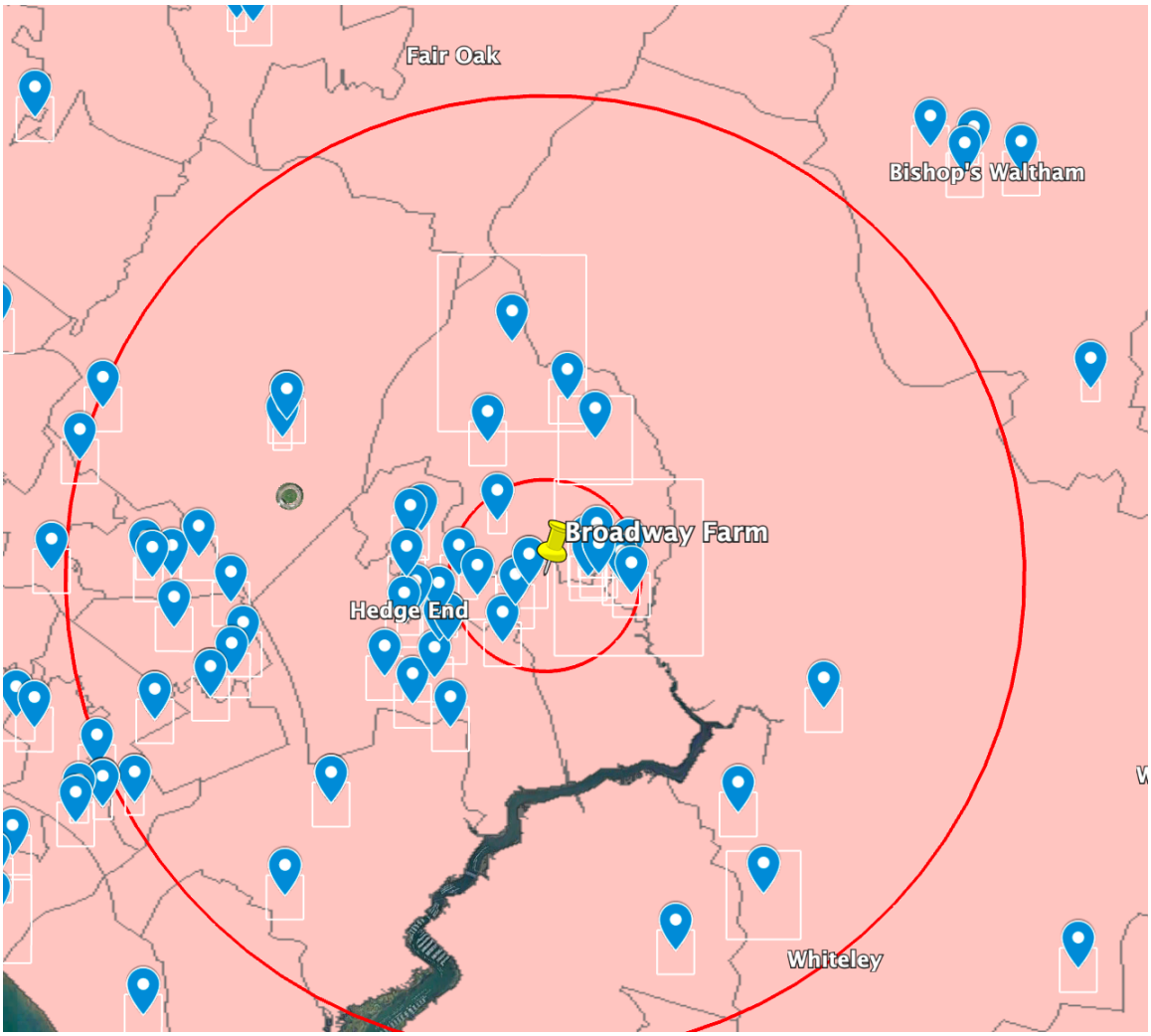
Source: Viable Placemaking Analysis of CCW data

9.13. Viable Placemaking would also note that, given the locations of the employees, staff will produce additional economic benefits through the multiplier effect, in their use of other local businesses.

[37] Based on postcode data

9.14. Further to the above, we would highlight that a significant proportion of employees reside within the Hedge End Wildern and Botley South MOSA, within 5km of the site, or in Eastleigh local authority area. This is shown in Figure 25, below, which focusses on the site locality and overlays indicative MSOA boundaries.

Figure 25: Employees proximity to site



Source: Viable Placemaking Analysis of CCW and ONS data

9.15. As the site is located within a strategic gap, in the open countryside, we must conclude that, by virtue of the business' high economic output and support of jobs at a rural location, that the existing business is of significant benefit to the rural economy.

9.16. The travel to work behaviour for Broadway Farm appears to reflect that of the wider Eastleigh area and also that of the MSOA – each with close connections to the neighbouring LPA/MSOA areas. Although the general travel behaviour does not appear to extend as far into certain LPAs as Eastleigh as a whole – such as Test Valley and Winchester – it is considered that the business is substantial such that it mimics the overarching commuting patterns which have been historically associated with the area (see Figure 3 – in-commuting).

9.17. Accordingly, we would conclude that the site does indeed represent a Functional Economic Market Microcosm (FEMM) – as it represents a community, place, and situation that encapsulates in miniature the characteristics of a larger FEMA (see paragraph 5.20). Where a site or development represents a FEMM, Viable Placemaking would assert it should be given substantial weight in favour of the continued use or intensification of the site for employment use, in line with the NPPF's economic sustainability objective.

Future Economic Growth

9.18. Turning to the future, we have considered the opportunities and threats which may present to the business, site, and wider commercial market.

Opportunities

9.19. The main opportunity is for the continued use of the site and intensification of the business operations. This should include maximising all land in the site area for employment and economic uses, while ensuring regard for the other planning policies and material considerations.

9.20. Viable Placemaking understand that there are currently two areas of land within the current ownership which are available for use for parking and storage (Use Class B8), one of which has been in longstanding use and is subject to the previously mentioned Enforcement Appeal (see paragraph 2.12).

9.21. While the appellant's planning team should thoroughly assess all planning policies and material considerations pertaining to this use, from an employment and economic sustainability objective perspective, we consider this use should be supported, to allow the ongoing output of the business to grow, which will provide further benefits to the local and regional economy.

9.22. Should the LPA/Planning Inspector consider that this is not an appropriate site, Viable Placemaking would encourage any decision maker to consider alternative areas of land at the site which may replace this use, to allow for the continued operations of the business, and potential future growth.

Threats

9.23. There are multiple potential threats to the growth and intensification of the business at this site to be considered. Within this Assessment, we have identified three key considerations for the future: (i) Brexit, (ii) COVID-19, and (iii) the transition to a Low Carbon Economy; each of which is considered in turn below.

i) Brexit

9.24. The first threat to the growth of the business we will consider is Brexit, and the ongoing implications of the UK's vote to leave the European Union (EU). The overall analysis of post-Brexit performance is that GDP has been around 1-3% lower than it otherwise would have been, indicating that Brexit has impacted negatively on the overall economy[38].

9.25. More specifically, analysis of sector growth and forecasts has identified that 'Transport, distribution, retail, and wholesale trade' as a Sector is an area which remains most at risk as a result of Brexit[39].

9.26. This is expected to have a moderate impact on investment and export, but a strong constraint on employment and access to workforce in this Sector[40],

[38] Cambridge Econometrics: "Brexit: the economists were broadly right"
[39] Cambridge Econometrics: Test Valley, Sectoral Brexit Risk Rating
[40] Centre for European Reform: Early impacts of the post-Brexit immigration system on the UK Labour Market

which was reported to have a reduction of 128,000 workers (8% of the total employment in the sector)[41].

9.27. Accordingly, there may be some flux in the demand for Use Class B8 floorspace as a result. These implications have been seen in the downturn in existing B8 floorspace and delivery for the last 10 years.

9.28. Notwithstanding, while other businesses have had notable impacts as a result of Brexit, and business survival rate data in the area indicates many may have closed as a result of this among other factors, CCW has continued to trade and perform well throughout the period from the initial referendum through to Article 50[42], and beyond. Consequently, while ongoing recruitment and access to workforce may remain a constraint of the business' growth, we have concluded that there is limited direct risk resulting from Brexit to the future growth of the business, within the context of this Assessment.

9.29. One final associated risk is that businesses who trade with CCW, who are based in or operate in the EU, may elect to cease trading through CCW or the UK altogether. However, this risk will always remain as part of building a competitive business and economy. Therefore, given the time which has passed since the UK left the EU, through which CCW has continued to operate and grow, we do not consider this risk to the business to be directly relevant for the purposes of this Assessment, which has been prepared to accompany planning applications and appeals at the site.

9.30. Overall, therefore, we do not consider that Brexit remains a significant risk to the ongoing operations of the business and, while some barriers may exist (primarily in access to workforce), this risk is not considered fatal within the purposes of this Assessment.

[41] The Guardian: Shortfall of 333,000 workers in UK due to Brexit, says thinktanks
[42] Article 50 of the Treaty on European Union, withdrawal from the EU

ii) COVID-19

9.31. Secondly, we will consider threats due to COVID-19. As noted above, during the coronavirus pandemic and associated lockdowns, the business's turnover was reduced. However, as is recognised within the evidence base[43], in the wake of this event, logistics is expected to strengthen, and this has been reflected by the bounce-back in economic performance by CCW. Therefore, we do not currently foresee this threat to impose lasting impacts on the performance of the business.

iii) A Low Carbon Economy

9.32. Finally, we have considered the transition to a Low Carbon Economy. The UK has a goal of achieving net zero by 2050, and the Government has made several updates, including to national planning policy and the Building Regulations, in the objective to transition towards net zero.

9.33. Locally, Policy DM2 of the Local Plan seeks to promote environmentally sustainable development, and Policy DM4 seeks to support zero and low carbon energy.

9.34. Within the business Sector, the Governments Net Zero Strategy: Build Back Greener[44], acknowledges that freight and logistics will need to begin a transition towards net-zero, including the transition of larger vehicles to zero emissions. Although more guidance on this is expected to be published by the Government in the coming years, as noted above, CCW frequently replace their vehicles so this will support their transition towards sustainability, in line with the Government's sustainability objectives.

9.35. Additionally, Logistics UK have published a Route to Net Zero campaign and manifesto, seeking to support the logistics industry to succeed in the ambition to achieve net zero.

[43] Stantec report 10.18, refer to paragraph 4.21 of this Assessment
[44] Department for Energy Security and Net Zero and Department for Business, Energy & Industrial Strategy: 'Net Zero Strategy: Build Back Greener'

9.36. While the business may need to make efforts to allow a transition towards sustainability, this is a standard factor for businesses to consider across the UK, and it is not expected to threaten the future of the business' existence or growth, within the context of this report.

CCW Economic Impact Summary

9.37. CCW's business has a current annual turnover of c. £7.7m and has turned over c. £48m in the last decade. This significantly exceeds that which could normally be expected of a similar business, as established at Section 8 of this Assessment.

9.38. Additionally, CCW employs c. 110 members of staff, many of whom live locally and currently generates c. £2.5m in wages. This is of significant support for Eastleigh's local economy both in direct and multiplier impacts.

9.39. The existing business and site represent a FEMM, encapsulating in miniature the characteristics of the wider FEMA through its commuting patterns and relationships with neighbouring MSOAs and LPAs.

9.40. Although access to workforce as a result of Brexit and the transition to a low carbon economy may present constraints in the future of the business, these are not expected to be fatal.

9.41. Given the site's exceptional economic performance and benefits to the local economy in the supply chain and employment, Viable Placemaking consider that substantial weight should be given to support the retention, intensification, and growth of this use at the site.

9.42. Moreover, if the business is not able to effectively operate at this site, through removing parcels of land which have been in operation for several years or otherwise, the closure of the business would be of significant detriment to the economy, both locally and in the region. This is a key material consideration in the determination of planning applications and enforcement appeals at this site.

10. Economic Conclusions

10.1. The Government's overarching goal of kickstarting economic growth is reflected in the planning system, through the economic sustainability objective within the NPPF, supporting the delivery of employment sites, and making an effective use of land. This is echoed by Eastleigh Borough Council through their Local Plan. Ultimately, the goal of the planning system is to contribute towards sustainable development and deliver land and places which people need. One key component of delivering communities' needs is ensuring there is adequate provision for employment land – to ensure there are jobs and support economic growth. This is typically done through the identification of sites for new employment land and the support of the continued use and intensification of existing employment sites, to boost economic output. This will direct further money into an economy, which in turn will contribute towards local, regional, and national prosperity.

10.2. Although the Local Plan was found to be sound, the vast majority of the evidence base pertaining to economic delivery and employment land was conducted some time ago and, consequently, has been found to be potentially out of date with current needs. None of the evidence base accounts for the exceptionally low delivery of Use Class B8 land in recent years and, although existing allocations are expected to deliver the majority of the employment land forecast in the plan period, this does not go far enough to meet local needs or account for recent loss in employment floorspace.

10.3. Upon review of the economic baseline and local B8 market, it has been established that although Eastleigh is appropriate for further employment land delivery, this has not been done in recent years. Consequently, we must conclude that the Local Plan is falling short of delivering the employment land which is required to meet the current and future needs of Eastleigh's communities.

10.4. An analysis of the typical employment and economic output performance of the site has been conducted; however, when compared with the historic and ongoing performance of CCW, we find that the existing business at Broadway Farm is performing far in excess of that which would typically be expected of a similar site. This is of substantial benefit to the local and regional economy.

10.5. Additionally, although the Local Plan lacks in its consideration or acknowledgement of a FEMA, evidence indicates that the existing business represents a FEMM, given its contribution towards local and regional employment, travel-to-work behaviour of CCW's employees, and its wider relationship with its suppliers. This should be given due consideration in the determination process, as the site and existing business contributes positively towards the local economy in a significant way.

10.6. Although some non-fatal risks do exist, as with every business, including the ongoing implications of Brexit and the transition to a Low Carbon Economy, the business is prospering at the existing site, and clearly continues to play a powerful role in ensuring a strong and competitive economy – both on the national and international stages.

10.7. In order to ensure we have considered all options prior to the further intensification of this site, Viable Placemaking conducted an assessment of Alternative Sites. 17 sites were considered and none were found to be adequate alternatives, for a variety of reasons including size, inadequate security, and viability. Therefore, the only option for the continued use and growth of the business is the existing site, Broadway Farm.

10.8. Having considered all of the above – from the need to support economic growth, the loss of and lack of alternative sites, and exceptional performance of the existing business – Viable Placemaking conclude that the continued use of the site for its current use should be supported and, moreover, intensified, subject to respect for and due compliance with other relevant planning policies and material considerations.

10.9. The intensification of the existing business, by allowing it to utilise all available land necessary to continue to operate and grow, would allow the most effective use of land, in line with paragraph 124 of the NPPF.

10.10. Additionally, this would support in building a strong and competitive economy, in which the business can adapt and take opportunities to grow, in line with paragraph 85 of the NPPF.

10.11. While Viable Placemaking acknowledge that this Assessment has only considered the employment land requirements and delivery in Eastleigh, the economic impact implications of the site and business, and the need for B8 land – we conclude that any planning decision maker should give due weight to these factors as a material consideration in the determination process.

10.12. The economic sustainability objective seeks to "*help build a strong, responsive and competitive economy, by ensuring that sufficient land of the right types is available in the right places and at the right time to support growth, innovation and improved productivity*". This Assessment has demonstrated that the continued use of Broadway Farm, and future use of the land at the site, would directly align with this objective while meeting the employment and economic needs of the local area, Eastleigh, and the region.