

Harrogate Borough

Employment Land Review

January 2006



Version	Date	Amended by	Principal Changes
Final Draft	23 January 2005	RB	-

Harrogate Borough Council

Employment Land Review

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Glossary of Terms

Term	Explanation
ABI.	Annual Business Inquiry is a two part national survey of businesses covering employment and financial information. The survey is conducted annually. It does not cover the self-employed.
CHURN / MARKET CHURN.	The cycle or rate at which properties are vacated and re-occupied.
CLUSTERS.	A group of businesses or organisations who, owing to the goods they produce and/or services they provided have common customers, technology or use similar specialist skills. They group together in order to enhance their overall competitive advantage of individual companies.
COMPLETIONS	Developments which have been recently completed and ready for occupation / recently occupied.
CONSTANT PRICE:	At a price level fixed by reference to a stated year and not adjusted to take account of inflation.
DEPRECIATION:	The measure of the wearing out, consumption or other loss of value of a fixed asset.
DEVELOPMENT:	The application of scientific or technical knowledge in order to produce new or substantially improved materials, devices, products or services. Distinguished from Research in that it is undertaken with a specific, defined, practical aim or application in mind.
DEVELOPMENT PLAN DOCUMENTS (DPD).	Development Plan Documents are prepared by local planning authorities and outline the key development goals of the local development framework. Development Plan Documents include the core strategy, site-specific allocations of land and, where needed, area action plans. There will also be an adopted proposals map, which illustrates the spatial extent of policies that must be prepared and maintained to accompany all DPDs.
DOUBLE JOBS:	Jobs which form part of a portfolio of jobs held by an individual. Jobs may be a mixture of part-time and full-time jobs.
ECONOMIC ACTIVITY RATE:	The proportion of the population of normal working age who are either in work or are actively seeking work. The term may be applied to segments of the population; for example, the proportion of females aged 16-24 who are either in work or are actively seeking work. The term is also used to express the total of those economically active as a proportion of the population of normal working age.
EMPLOYMENT ALLOCATION.	Sites without planning permission which are allocated for B1 (business), B2 (industrial) and B8 (warehousing and distribution) uses in the Adopted Harrogate District Local Plan (February 2001).
EMPLOYMENT COMMITMENT.	Sites under construction or with current planning permission for B1 (business), B2 (industrial) and B8 (warehousing and distribution) use and existing employment uses with planning permission for other forms of development. 'Net Commitments' is the difference between sites with planning permission or under construction for employment development and existing sites with planning permission for alternative forms of development.
EMPLOYMENT HIERARCHY.	The types of employment sites available in the local area, based their role within the local economy
EMPLOYMENT PORTFOLIO.	The stock of land and premises within the local area.

Term	Explanation
ENDOGENOUS VARIABLE:	An economic variable where value is determined by other variables within an economic model or system.
EXOGENOUS VARIABLE:	An economic variable whose value is determined outside of an economic model or system.
GVA:	Gross Value Added measures the value of output of an industry or sector or economy less the value of the intermediate inputs required in the production process. As such, it is an output-based measure of economic activity. Gross means that the depreciation of capital is not deducted.
HEADLINE UNEMPLOYED:	Those individuals counted in official statistics as being unemployed. Those counted are normally in receipt of Jobseeker's Allowance.
HEREDITAMENTS	A piece of real, inheritable or taxable property on which rates may be charged and which is defined in law.
IN-COMMUTERS:	People who live outside of Harrogate Borough but whose normal place of employment is inside of the Borough.
INTRA-DISTRICT RELOCATIONS	Businesses which have moved from one location within the Borough to another location in the Borough.
LOCAL DEVELOPMENT DOCUMENTS (LDD).	These include Development Plan Documents (which form part of the statutory development plan) and Supplementary Planning Documents (which do not form part of the statutory development plan). LDDs collectively deliver the spatial planning strategy for the local planning authority's area.
LOCAL DEVELOPMENT FRAMEWORKS (LDF).	The folder of documents which includes all of the local planning authorities local development documents.
LOCAL DEVELOPMENT SCHEME (LDS).	The local planning authority's time-scaled programme for the preparation of Local Development Documents that must be agreed with government and reviewed every year.
MARKET PRICES:	Prices inclusive of taxes and subsidies.
MARKET TOWNS.	Small to medium-sized country towns that are rural service, social and economic centres. Most also hold or used to hold a regular market.
NET-COMMUTING:	The difference between in-commuting and out-commuting.
NORMAL RETIREMENT AGE:	60 for women and 65 for men.
NORMAL WORKING AGE:	16-65 for males and 16-60 for females.
ODPM:	Office of the Deputy Prime Minister.
ONS:	Office for National Statistics.
OTHER BUSINESS SERVICES:	Sector primarily, but not exclusively, providing services to other businesses rather than to individuals and households. Includes activities such as renting of equipment and machinery, computer hardware and software consultancy, database activities, R & D, legal and accounting services, market research, management and other consultancy, architectural services, technical testing and analysis, advertising, labour recruitment and provision of temporary labour, industrial cleaning, photographic activities, provision of secretarial and translation services and call centres.

Term	Explanation
OUT-COMMUTERS:	People who live in Harrogate Borough but whose normal place of employment is outside of the Borough.
POPULATION CENSUS:	National Census conducted every ten years and covering all people resident or normally resident in the UK. Last Population Census was conducted in 2001.
PRIMARY INDUSTRIES:	Agriculture, forestry, fishing and the extractive industries including coal mining, sand, stone and gravel extraction and the extraction of oil and natural gas.
R & D:	Research and Development.
REGIONAL SPATIAL STRATEGY (RSS).	A strategy for how a region should look in 15 to 20 years time and possibly longer. The Regional Spatial Strategy identifies the scale and distribution of new housing in the region, indicates areas for regeneration, expansion or sub-regional planning and specifies priorities for the environment, transport, infrastructure, economic development, agriculture, minerals and waste treatment and disposal. Most former Regional Planning Guidance is now considered RSS and forms part of the development plan. Regional Spatial Strategies are prepared by Regional Planning Bodies.
RESEARCH:	Original investigation undertaken in order to gain new scientific or technical knowledge and understanding but not primarily directed towards any specific practical aim or application.
RESIDENT POPULATION:	The number of people normally resident in a given area. The population of Harrogate Borough is, therefore, the total number of people whose normal residential address is in Harrogate.
SELF-EMPLOYED:	An individual working on his or her own account whether as a sole trader or as a partner within an unincorporated business. The self-employed may have employees working for them.
SMALL TO MEDIUM ENTERPRISE (SME).	An independent business managed by its owner or part owners and having a small market share either by number of employees or turnover.
TAKE UP.	The rate at which new properties are occupied.
TIGHTENING LABOUR MARKET:	A labour market in which an increase in the number of available jobs, a reduction in the workforce or a combination of the two, leads to a reduction in the number of unemployed.
UNEMPLOYED:	Those individuals who are neither employees nor self-employed and are actively seeking work.
WORKFORCE:	The total of those individuals in an economy that are any of employed, self-employed and actively seeking work.

1. Study Context

1.1 Drivers Jonas was commissioned by Harrogate Borough Council in June 2005 to prepare an Employment Land Review in accordance with good practice guidance and relevant planning policy.

1.2 This section provides background to the study in terms of:

- Aims and Objectives;
- The Brief;
- Context; and
- Outputs.

Aims and Objectives

1.3 The aims and objectives of this study, as defined by the Council, can be summarised as to:

- Review the existing supply of employment land in order to identify those sites that should be retained and those which could be made available for other uses;
- Identify the future quantity of land required for employment use based on an assessment of the scale and nature of likely demand taking account of economic forecasts, past rates of take-up and market conditions; and
- Identify, in broad terms, the quantity, location and type of sites that are needed to meet future employment land requirements.

1.4 This employment land review has been commissioned to inform the Council's Local Development Framework ("LDF") Core Strategy Development Plan Document ("DPD") and subsequent Major Land Use Allocations DPD.

The Brief

1.5 As part of the employment land study, the Council has identified the following issues to be considered:

- The amount and type of employment land required up to 2021;
- Retention or release of existing older smaller industrial plots;
- Potential for mixed use development;
- The role a mixed use urban extension to Harrogate town could play in meeting employment land requirements of the District;
- Employment land provision in rural areas to support rural diversification;
- Role of planning policies in promoting small units to accommodate new and small businesses to ensure a strong mixed economy;
- Improving the prospects of rural and market town economies;
- Potential obstacles to development of employment sites;
- Appraisal of current local plan policy E2 (Retention of employment land) to assess whether the areas subject to the policy are appropriately protected;
- Accessibility and spatial distribution;

- The relationship between employment land and the potential to reduce out commuting; and
 - Protection of high quality environment and green belt.
- 1.6 In line with national planning policy guidance and good practice, requirements for the following types of employment uses / sectors have been considered as part of the review:
- Offices, both in town centres and elsewhere, including those for public administration;
 - Light and general industry;
 - Wholesale and freight distribution; and
 - High technology premises, including research and development.

Context

- 1.7 National planning policy guidance, notably paragraph 42(a) which was adopted as an addition to PPG3 in January 2005, emphasises the importance of undertaking employment land reviews. More particularly, this revision to PPG3 notes that local planning authorities should consider favourably the development of allocated employment sites for residential or mixed uses unless certain circumstances apply. Such circumstances include that an up-to-date review of employment land (carried out in accordance with ODPM good practice guidance) identifies that there is a realistic prospect of the allocation being taken up for its stated use during the plan period.
- 1.8 At present, the Borough is generally meeting employment floorspace guidelines set out in the Structure Plan although based on past take-up rates, there will be a shortfall in provision when considering the period of this employment land review, particularly within the District's main urban area of Harrogate town. A key purpose of this Employment Land Review is to establish if this general position is still valid.
- 1.9 The study focuses on the Borough of Harrogate. In order to provide a more detailed approach to the study, where possible Harrogate Borough has been divided into the following six sub-areas for the purposes of analysis:

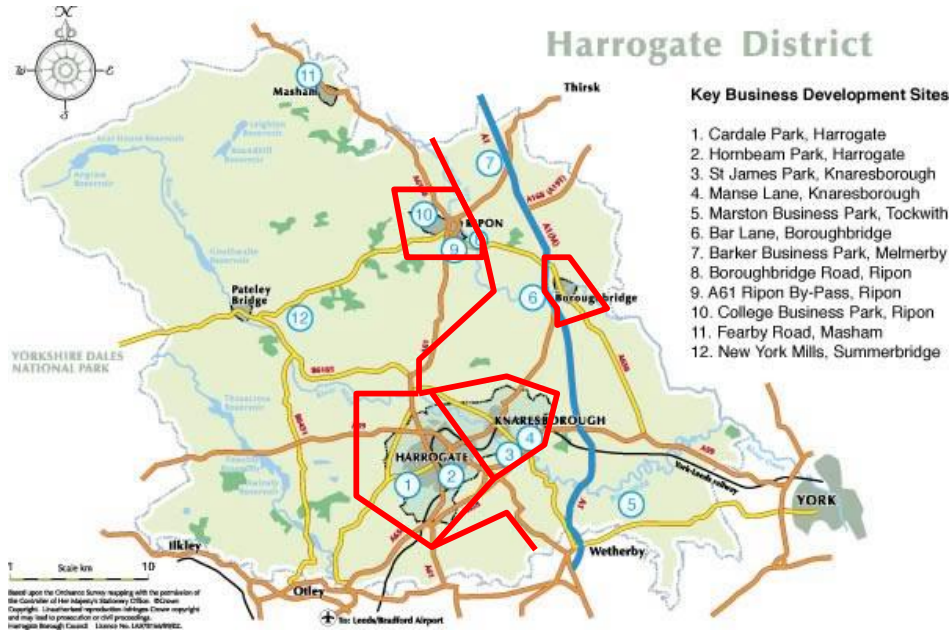
Table 2.1 Sub-Areas and Associated Wards

Sub Area	Associated Electoral Wards
Boroughbridge	Boroughbridge
Harrogate	Bilton, Granby, Harlow Moor, High Harrogate, Hookstone, Low Harrogate, New Park, Pannal, Rossett, Saltergate, Starbeck, Stray, Woodfield
Knaresborough	Knaresborough East, Knaresborough King James, Knaresborough Scriven Park
Ripon	Ripon Minster, Ripon Moorside, Ripon Spa, Wathvale (1)
Rural East	Claro, Marston Moor, Newby, Ouseburn, Ribston, Wathvale (2)
Rural West	Bishop Monkton, Killinghall, Kirkby Malzeard, Lower Nidderdale, Mashamshire (3), Nidd Valley, Pateley Bridge (4), Spofforth with Lower Wharfedale, Washburn

Note: (1) includes Melmerby Business Park only
 (2) Excludes Melmerby Business Park
 (3) includes the settlement of Masham
 (4) includes the settlement of Pateley Bridge

1.10 A plan illustrating the approximate extent of the above sub areas is included below.

Figure 2.1 Map Illustrating Approximate Extent of Study Sub Areas



Source: Harrogate Borough Council Web site

Outputs

1.11 The study sets out recommendations to inform the Council's Local Development Framework. The recommendations concentrate on the measures and proposals required to ensure that an appropriate and balanced employment land portfolio is available to meet the future employment needs of the Borough.

2. Outline of Approach and Methodology

2.1 This Employment Land Review has been undertaken in line with Government good practice guidance published by the ODPM December 2004. The main stages of the study provide:

- A review of Harrogate Borough's employment site portfolio;
- A picture of future requirements; and
- Recommendations to ensure an appropriate portfolio of sites.

2.2 These stages are briefly described below. Further details on approach and methodology are set out in subsequent sections of this report.

Stage 1 – Preliminary Review of Harrogate Borough's Employment Site Portfolio

2.3 The first stage comprises the following two key elements:

- Quantitative assessment of floorspace (existing and proposed); and
- Qualitative assessment of the main employment areas and sites.

Quantitative Assessment

2.4 The property profile in terms of quantum and broad distribution across Harrogate Borough has been assessed through a quantitative analysis of existing employment floorspace by B1, B2 and B8 use class and also by employment sectors (office, manufacturing and warehousing / distribution).

2.5 Annual employment land monitor and other data supplied by the Council has been interrogated to derive information on vacant employment allocations and planning permissions granted. A review of vacant premises and Valuation Office Agency rating data has also be undertaken to provide a picture of the total stock of employment floorspace in the District.

Qualitative Assessment

2.6 In accordance with good practice a detailed qualitative assessment of the main employment sites and areas (as defined by the Council) has been undertaken based on a number of detailed appraisal criteria. The criteria consider the following three main factors:

- Market attractiveness;
- sustainable development; and
- strategic planning.

2.7 Through this assessment, the sites and main employment areas appraised are scored (in respect of each main factor) and categorised according to their role in the District's employment hierarchy.

Stage 2 – Creating a Picture of Future Requirements

2.8 In order to create a picture of future requirements, the following research has been undertaken:

- *Labour Market Review* – Provides an understanding of the structure and composition of the local labour market to inform forecasts;
- *Labour Market Forecasts* – Projects forward the structure of the local labour market to 2021 in order to show how the labour market is expected to change over forthcoming years;

- *Employment Land and Premises Projections* – Standard and locally derived square metre per employee information is used to translate premises requirements into an overall employment land requirement;
- *Employer Survey* – A bespoke survey of a sample of approximately 206 existing employers within the District to provide a picture of key (local) issues and likely short and longer term indigenous requirements; and
- *Review of Market Trends and Demand* – An overview of market trends by location, sector and scale to provide an indication of the scale and nature of demand.
- *Impact and Implications of External Forces* - On a macro scale we have reviewed national, regional and strategic planning and economic strategies to identify requirements for and potential impacts on the supply / demand of employment within the Borough.

2.9 Based on the above research, an analysis of future need is provided, based on:

- Employment forecasting results, which uses appropriate densities to convert jobs into floorspace and floorspace into land; and
- Market analysis which uses property market evidence including past take up rates / trends / identified requirements and, judgements about current and likely future demand.

Stage 3 – Identifying a Portfolio of Sites

2.10 Through the combination of results obtained through stages 1 and 2 of the study [i.e. the assessment of future requirements / demand in the context of existing (and potential future) supply], we set out various recommendations with a view to ensuring that a balanced, realistic and sustainable portfolio of employment land is provided.

3. Policy Context

- 3.1 This section provides an overview of planning, economic and other policy and strategy documents of relevance to this employment land review. Consideration is given to a range of strategies at the national, regional/sub-regional, County and Borough-wide levels to provide a comprehensive picture of the policy content influencing the study.

National Level

PPG3: Housing (2000)

- 3.2 The guidance identifies that some authorities have employment land allocations which are unlikely to be taken up within the lifetime of the development plan. The guidance states (paragraph 42) that such land is “a wasted resource, especially where such sites include previously developed land. Local planning authorities should therefore review all their non-housing allocations when reviewing their development plan and consider whether some of this land might be better used for housing or mixed use development”.
- 3.3 Certain update amendments to PPG3 were adopted in January 2005.
- 3.4 Of particular relevance to Employment Land Studies is the insertion of paragraph 42(a) which supplements advice in paragraph 42 concerning the development of residential schemes on land allocated for employment uses. More particularly, paragraph 42(a) requires that local planning authorities give favourable consideration to housing or mixed use proposals on land allocated for industrial or commercial development in saved development plans unless:
- Proposals fail to reflect other policies in PPG3 including relating to the suitability of sites for residential development;
 - Development would lead to an overprovision of housing; or
 - It can be demonstrated through an up to date review of employment land that there is a realistic prospect for the site being taken up for its stated use in the plan period or that housing would undermine strategies for economic development and regeneration.

PPG4: Industrial, Commercial Development and Small Firms (DoE, 1992)

- 3.5 Paragraph 3 of this guidance states that development plans must work towards giving industrial and commercial developers and local communities greater certainty about the types of development which will/will not be permitted in specific locations. Furthermore, paragraph 6 goes on to outline that “policies should provide for choice, flexibility and competition. In allocating land for industry and commerce, planning authorities should be realistic in their assessment of the needs of business. They should aim to ensure that there is sufficient land available which is readily capable of development and well served by infrastructure. They should aim to ensure that there is sufficient land available to meet differing needs. A choice of suitable sites will facilitate competition between developers; this will benefit end-users and stimulate economic activity”.
- 3.6 Paragraph 9 states that “Industry and commerce have always sought locational advantage in response to various external factors. These include: the demands of customers; access to raw materials and suppliers;

links with other businesses; the workforce catchment area; the various transport considerations. Business often gives high priority to good access to roads, and sometimes rail, airports and ports”.

- 3.7 With regards to the siting of employment uses, the guidance suggests (paragraph 12) that some types of modern distribution facilities which have a low density of employment, but are served by a large number of lorries, are best located away from urban areas where there is good access to the strategic road network. Furthermore, paragraph 15 recognises that it may no longer be appropriate to separate industry and commerce from the residential communities for whom they are a source of employment.

PPS6: Planning for Town Centres (2005)

- 3.8 Paragraph 1.8 identifies the range of town centre uses to which PPS6 applies. This includes offices, both commercial and those of public bodies.
- 3.9 Paragraph 2.39 provides guidance on planning for offices in town centres. It identifies that:
- an assessment of the need for new office floorspace over the development plan document period should be carried out as part of the plan preparation and review process;
 - Local need assessments will need to be informed by regional assessments and will form part of the evidence base for development plan documents; and
 - The physical capacity of centres to accommodate new office development and the town centre’s role in the hierarchy is also relevant to the planning for new office development.

PPS7: Sustainable Development in Rural Areas (2004)

- 3.10 Paragraph 2 states that local authorities should be aware of the circumstances, needs and priorities of the rural communities and businesses in their area in order that they can ensure that the policies contained within the local plan are relevant and effective.
- 3.11 With regards to the siting of development, paragraph 5 outlines that local planning authorities should “1) Identify suitable sites for future economic development, particularly in rural areas where there is need for employment creation and economic regeneration. 2) set out in local development documents their criteria for permitting economic development in different locations, including future expansion of business premises to facilitate healthy and diverse economic activity in rural areas”.

PPG13: Transport (2001)

- 3.12 The key objective, set out in paragraph 4 of this guidance is to promote accessibility to jobs, shopping, leisure facilities, and services by public transport, walking and cycling. Local authorities are advised to consider this when preparing local development plans and assessing planning applications.
- 3.13 Paragraph 21 outlines that local authorities should review their development plan allocations and should allocate or re-allocate sites which are (or will be) highly accessible by public transport, for travel intensive uses (including offices). Conversely, less travel intensive uses should be located where public transport is less effective.
- 3.14 Paragraph 32 states that “local authorities should adopt a positive, plan-led approach to identifying preferred areas and sites for B1 uses which are (or

will be) as far as possible highly accessible by public transport, walking, and cycling”.

- 3.15 Paragraph 30 states that development involving large amounts of employment should be located in city, town and district centres and near to major public transport interchanges.
- 3.16 Paragraph 44 concerns development within rural areas and states that “In determining the appropriate strategy for employment in rural areas, it is important to consider the scale, impact and likely catchment of developments. Local authorities will need to weigh up policy concerns but in general terms, the larger the number of staff employed on site the greater the need to ensure that development is accessible by public transport, walking and cycling. Depending on the nature of use, this may mean locating larger employment uses in or next to a designated local service centre. Employment uses which are regional or sub-regional in scale should be located where they accord with regional planning guidance and where they offer a realistic choice of access by a range of transport modes”.

Regional and Sub-Regional Policy

Regional Spatial Strategy for Yorkshire and the Humber to 2016,
Based on Selective Review of RPG12 (December, 2004)

- 3.17 This guidance sets out the Regional Spatial Strategy (RSS) for Yorkshire and the Humber following a selective review of RPG12. It will eventually be replaced by ‘new’ RSS, on which the Yorkshire and Humber Assembly commenced work in 2004.
- 3.18 Chapter 2 of the guidance sets the regional context for the Plan. Paragraph 2.32 identifies Harrogate as an attractive place with a strong economic base.
- 3.19 Paragraph 2.39 outlines the changes in industrial structure and business needs in the region. It states that: -

“The region has seen massive industrial and structural change over the last 20 years, which is still going on. Some areas (notably parts of West Yorkshire and York / North Yorkshire) are further on in this process and are doing relatively well as textile and manufacturing decline has been compensated by growth of new industries and services.”

- 3.20 Paragraphs 2.54 to 2.56 address the economic challenges which are faced by the RSS. They emphasise that the Region must increasingly look outwards to capitalise on its strengths, and that the social fabric and environmental qualities of communities and their regeneration renewal are central objectives of the regional policy.
- 3.21 A number of strategic themes are addressed in terms of their deliverability. Of particular interest to this study is Theme 1 – Economic Regeneration and Growth. This states (paragraph 3.10) that: -

“Supporting the adaptation of the regional economy to changing world markets and extending the benefits of successful sectors to currently excluded social groups and areas in need of regeneration by: -

- reinforcing success where this is or can be made sustainable;

- *supporting the adjustment of the economic base in areas of decline;*
- *strengthening and diversifying the economic base of rural areas;*
- *enabling or providing necessary infrastructure and transitional support.”*

3.22 Policy P1 concerns strategic patterns of development. It identifies a number of locational principles which should govern the siting of new developments. In summary these are: -

- Policies should be developed which minimise the need for greenfield development and the need to travel;
- Wherever possible, development should be located in urban areas; and
- Consideration should be given in development plans to integrating provision of transport, housing, and industry within urban extension sites accessible by good public transport, and then around good quality ‘public transport corridors’ radiating within the main urban areas.

3.23 Policy P2 concerns Green Belts and outlines that the general extent of these should not be changed or altered.

3.24 Reviews of existing commitments are addressed in chapter 4 of the Plan. In terms of employment land, policy P3 states that: -

- “b) Land currently allocated for employment but no longer required for this purpose should be de-allocated or re-allocated through the development plan process to other appropriate purposes, including amenity / natural green space or housing.*
- c) In some cases reclamation using public financial support may still be necessary to allow alternative uses to be accommodated. In making this assessment, local authorities should compare projected employment land requirements within the scale of existing allocations to determine the extent of overprovision.*
- d) Factors to be taken into account in judging the continuing suitability of sites for employment use include:-*
 - i. RSS strategic objectives and the criteria in Policy E4;*
 - ii. The cost of site preparation;*
 - iii. Accessibility of the site by public transport and to strategic transport network compatibility of neighbouring uses;*
 - iv. Proximity of site to a choice of housing and related community facilities.”*

3.25 The Spatial Strategy for the North Yorkshire Sub-region is considered in paragraph 4.21. This states that: -

“The main urban areas of Harrogate, Scarborough and York should, in accordance with policies P1, E4 and H2 be the focus for economic and housing development in the sub-region.”

- 3.26 Paragraph 4.30 notes that it is unlikely that there will be a need to alter the green belt in Harrogate in order to implement the regional spatial strategy.
- 3.27 Employment land is considered in paragraph 4.32. This outlines that the majority of land should be to meet sub-regional and local development needs. Furthermore, this should be focused on the main urban areas and market and coastal towns, with particular emphasis on unlocking the potential of appropriate sites within the regeneration priority areas.
- 3.28 Paragraph 4.33 considers regionally significant employment sites. It states that: -
- “The distribution of the regionally significant employment sites in the region will not be finalised until after the completion of the regional employment land survey, but it is likely that one premium site will be required in the sub-region. This should be well located in relation to the City of York in accordance with the criteria set out in Policy E4.”*
- 3.29 Chapter 5 concerns the Region’s Economy. Paragraph 5.12 notes that development plans in the region contain a large amount of undeveloped land (nearly 7,000 hectares on well over a thousand sites in 1999). This equates to around 25 years of supply based on past rates of development.
- 3.30 Paragraph 5.12 outlines that economic policies in the RSS must: -
- “- Recognise the economic role and function of the region’s cities, towns and rural areas;*
 - provide a framework for reviewing the scale and location of existing allocated land against assessed needs;*
 - set out locational criteria (including adequacy of transport infrastructure and accessibility by a choice of means of transport) to guide the allocation and de-allocation of employment land;*
 - monitor take up and manage the release process through a regional employment land survey in order to focus resources on priority sites through time and co-ordinate infrastructure provision.”*
- 3.31 In terms of rural economies, paragraph 5.25 outlines that small and medium sized enterprises offer the greatest potential for achieving sustainable economic and social development in rural areas. This is further outlined in Policy E2 of the plan.
- 3.32 Planning the overall provision of employment land is considered in this chapter of the guidance. Paragraph 5.31 notes that there is a large over-supply of employment land allocated in the region. It goes on to outline that this means limited resources available for site assembly, clearance, decontamination and basic infrastructure provision are spread too thinly to make the land useable.
- 3.33 Paragraph 5.32 goes on to state that: -

“There are fundamental problem’s with the Region’s employment land portfolio. These must be addressed if the aim of economic and job growth is to be realised. The aim of a sustainable pattern of economic growth requires a site selection process that takes wider environmental and social issues into account: a careful choice of locations to meet the needs of industry and workforce, and for the targeting of resources for site preparation, infrastructure and training.

3.34 Policy E3 concerns planning for the overall provision of employment land. It states that: -

“a) Regional Employment Land Survey

A regional employment land survey should be co-ordinated and managed to common standards by the Yorkshire and Humber Assembly. It will assess the maximum market potential of employment sites, after necessary site preparation and the cost and time constraints of achieving this. As well as providing baseline information, it will be a tool for managing change. Y & HA should use the survey to provide further draft guidance on the broad location and number of employment sites to meet requirements at regional and sub-regional level and feed this into future review of RSS.

b) Amount of Employment Land

In preparing development plans, local authorities should undertake a rigorous assessment of the amount of employment land needed based on: -

- Past rates of development and projected needs;*
- The need to provide a range of size and type of sites for businesses which meet the locational criteria set out in Policies E4 and T1;*
- Regeneration requirements and policies;*
- National and regional measures to improve the regional economy;*
- The regional employment land survey.*

c) Regionally Significant Sites

Development plans and economic development strategies and programmes should ensure that locations are reserved for the types of regionally significant employment listed below and protected from inappropriate or piecemeal development.

All sites must be realistically attractive to the international or national market and be located in accordance with the criteria in Policies E4 and T1. Recommendations will be made by the Yorkshire and Humber Assembly and Yorkshire Forward on these locations to be included in development plans. There will be a preference for meeting these site requirements from within existing employment land allocations. Additional guidance will be provided on where, if any, new land should be identified.

Single User Site

One location for a major single user capable of accommodating a development in the range of 25-50+ha, accessible by public transport from the major urban concentrations of South and West Yorkshire; no development permitted which does not require the whole site (including direct suppliers of the major users and expansion space).

Premium Sites

Up to 12 general locations for major employment projects with a national or international choice of location, generally within a size range 15-40ha, designed to meet the needs for high-tech products and processes and service sector growth. (An indicative distribution is for up to five relating to the South Yorkshire conurbation and four to the West Yorkshire conurbation, two in relation to Humberside and one in relation to Greater York). The normal minimum individual development should be 5ha, including provision for later expansion.

d) Sub-Regional and Local Development

There will be a good (but not excessive) range of sizes and qualities of general employment land for sub-regional and local development, well integrated with urban industrial areas, their workforces and supply chains. These would not be subject to the minimum scale requirements of the regionally significant locations above, but will be the subject of development briefs to secure coherent layout and focus site preparation efforts."

- 3.35 Paragraph 5.35 goes on to outline that where the provision is taken up faster than expected, additional land will need to be identified in future reviews of RSS and development plans. It goes on to state that it is critical that the temptation to permit less strategically significant development onto regionally significant sites is resisted.
- 3.36 In addition to this, paragraph 5.37 notes that distribution of land is a core element of the spatial strategy. Furthermore, in terms of quantity, the majority of employment land will fall within the E3d category (above), and their location will be determined locally in the context of Policy E4.
- 3.37 Paragraph 5.39 concerns the characteristics of E3d sites and notes that it will be the responsibility of local planning authorities to ensure an appropriate portfolio taking into account the regional employment land survey. It goes on to outline that there will need to be a wide range of site sizes, types and qualities of land.
- 3.38 Policy E4 concerns employment site selection and development criteria. It states that: -
 - "a) Locational Criteria: -
 - i) *in making development plan provision for employment land and responding to development proposals, preferences should be given to land within urban areas (particularly previously developed land), subject to being able to deliver a continuing supply of sufficient quality and quantity across the portfolio identified in Policy E3. Provision should take account of preparation costs identified by the regional*

employment land survey (Policy E3a), the targets for availability (Policy E5) and the likely level of resources for site preparation purposes and infrastructure provision available to partners in the development process established by monitoring;

- ii) *Where land outside urban areas is required to ensure a balanced portfolio, preference should be given to land on the urban periphery accessible by good public transport (Policy T2), but taking account of green belt constraints, followed if necessary by consideration of sites at nodes within public transport corridors. Subject to this, re-use of previously-developed land will be favoured.*

- b) *Development Type: -*

Major Production Industries

Provision should be made in locations with good access to the major north-south and east-west inter-regional transport corridors, within the terms of Policy E3c (single user and estuary related sites). Sites suitable for such uses will be protected from inappropriate or piecemeal development.

Business Clusters

High-value-added activities should be encouraged, including the location of such activities in business clusters where this is compatible with sustainable development principles. Development plans should analyse the functioning of any existing or emerging cluster in their area to identify and resolve any constraints on its development. To encourage science-based clusters, one or more of the 'premium' sites identified under E3c should provide for a science and technology park including incubator units in accordance with the 'centres of excellence' concept set out in the RES.

Business Parks, Offices and High Tech Uses

Development plans should ensure that wherever possible pure offices should be located in town and city centres in accordance with Policy E2. Where needs are anticipated for such uses that could not be accommodated in commercial centres under policy E2, alternative locations within premium sites (E3c) or general industrial (E3d) land should be assessed against the following criteria (as part of the Sustainability Appraisal encouraged under Policy S1): -

- the likely effect on future private investment in town centres;*
- the extent to which such development would put at risk the strategy for the town centre set out in the local plan;*
- the accessibility of such sites to the workforce by a range of transport modes and accessible by good public transport (Policy T2);*

- *the impact of such development on travel patterns, including minimising journey distances and protecting the function of the strategic highway network;*

Business parks containing a mix of B1 uses will only be supported if they fall into the terms of policy E3 and can be justified against the same locational criteria as for pure office uses above.

Warehousing and Distribution

Provision should be made for activities with high goods volume and low labour content (within terms of E3d) close to major inter-regional road/rail/water transport nodes, ports and airports, integrated wherever possible with freight access and transport improvements under policies T4 and T11."

3.39 Paragraphs 5.42 to 5.47 concerns business clusters. It is important that the following is noted as being important for this study: -

- Cluster development in the region must be encouraged as a tool for ensuring economic growth and competitive advantage;
- Research undertaken for the DTI in 2001 indicates that the following clusters are of regional significance to Yorkshire and the Humber: -
 - Metals – steel processing and products;
 - Chemicals;
 - Woollens;
 - Agriculture / Food processing;
 - Construction and construction products;
 - Furniture manufacturing;
 - Finance; and
 - Medical and surgical Equipment manufacturing (especially in Harrogate).

3.40 In addition to the above, Yorkshire Forward has identified the following clusters: -

- Food and drink (along the A1 corridor);
- Advanced engineering and metals;
- Digital industries;
- Chemicals;
- Bioscience.
- Healthcare Technologies; and
- Environmental Technologies.

- 3.41 Paragraph 5.46 goes on to note the importance of ensuring that the development of these clusters is undertaken in a manner which considers all relevant factors e.g. supply chains and transport facilities.
- 3.42 In addition to this, paragraph 5.47 notes that the RES proposes 'centres of excellence' clustered around higher education institutions to increase the commercial exploitation of this knowledge base.
- 3.43 In terms of the location of new office development, paragraph 5.48 outlines that uses falling within B1a use classes should be located in town and city centres wherever possible. However, it goes on to outline that the anticipated growth of the private sector in the region may mean that some out-of-centre locations will be required.
- 3.44 Policy E5 considers management of the employment land portfolio. It states that: -
- "Economic development strategies should ensure that: -*
- a) *At any one time, one large single user site should be capable of development commencing within a year of a firm expression of interest.*
 - b) *Estuarial locations should be handled in a similar way. Other parts of the estuarial frontage should receive long-term environmental protection and enhancement, which, whilst not precluding future development will ensure that this only occurs where overriding need is proved.*
 - c) *A priority order should be established for premium sites at the sub-regional level. In the west and south Yorkshire areas there should be a choice of two such locations in state of readiness at any one time.*
 - d) *In the case of land for sub-regional and local development, prioritisation and advance preparation work should be based upon patterns of demands for the particular category of land in the locality. Reflecting the fact that larger and more significant developments are less frequent or predictable than small-scale, run of the mill development, there should be a greater forward supply of the best sites relative to take up rates. Between 2 years' supply readily available at the lower end and 4 years' supply at the upper end should provide a working baseline."*
- 3.45 Paragraph 5.54 notes that those sites to be classified as 'premium sites' and the order in which these should be developed will be reached following the completion of the regional employment land survey.
- 3.46 In addition to this, paragraph 5.55 outlines that the 2 to 4 years supply of the sub-regionally / locally significant land will be managed at the local level, by local planning authorities and informed by the findings of the regional employment land survey. It goes on to note that the policy is not intended to impose a limit on the number of sites which can be developed by the private sector. The level of provision should be monitored and kept under review.
- 3.47 Paragraph 5.59 indicates that local authorities should take the Tourism Action Plan for the region into account when drawing up development plans and strategies.

- 3.48 Chapter 7 of the guidance concerns transport. Paragraph 7.6 of the guidance emphasises the importance of ensuring that transport and land-use planning are integrated, in particular to support economic growth and regeneration.
- 3.49 Policy T1 identifies the criteria through which land use allocations should be made. It states that: -
- “i) development that generates a large number of passenger movements should be located at or close to sites which provide, or as a result of measures included as part of the scheme or where there are firm proposals in the LTP will provide, ready and convenient access on foot, by cycle and public transport;*
 - ii) development should be planned in such a way as to make best use of existing transportation networks and have regard to strategic priorities. The function of the strategic network to provide efficient and convenient long distance travel by road should be protected by preventing the location of development likely to generate high volume person movements close to junctions of the strategic highway network unless they are located within urban areas well served by public transport.*
 - iii) Development should be planned to enhance the viability of existing public transport services and facilitate the use of non road-based freight carriage.”*
- 3.50 The accessibility of destinations is considered in paragraph 7.24. It outlines that the population within walking time of a new development, and the population which can access the development through a variety of methods must be considered.
- 3.51 Policy T7 concerns transport in rural areas, market towns and coalfield towns. The following key issues from the policy are relevant to this study: -
- Investment in public transport should be promoted in a co-ordinated way;
 - Road investment should be largely concentrated on traffic calming, cycling, pedestrian and other safety measures;
 - Parking strategies should be developed for all market towns; and
 - Innovative rural transport packages should be developed.
- 3.52 Monitoring, implementation and review are considered in Chapter 11 of the guidance.
- 3.53 Table 11.5 sets out the indicative timetable for the preparation of a ‘new’ regional spatial strategy. It states that Autumn 2006 is the proposed date when a ‘new’ RSS will be issued by the First Secretary of State.
- 3.54 Paragraph 11.19 states that: -
- “RSS provides principles for deciding the amount and distribution of employment land, for the controlled release of a stated amount of housing land, for urban renaissance and a regional approach and priorities for transport. Turning these principles into development plan provisions will require: -*

for employment land – projection of locally generated employment land needs, work with neighbouring authorities to identify sites to contribute to the balanced portfolio for the relevant sub-region, consideration of re-allocation of other sites to alternative purposes, establishment of planning criteria for responding to employment proposals.”

- 3.55 In addition to the above, paragraph 11.24 outlines that the initial regional employment land survey will be completed in time to fit in with the timetable for the preparation of the ‘new’ RSS.

Regional Economic Strategy, Ten Year Strategy for Yorkshire and the Humber 2003-2012

- 3.56 This document provides a 10-year strategy for the way in which the Yorkshire and Humber Region will develop in the period to 2012. Whilst no specific reference is made to Harrogate, there are a number of more generic aims and objectives which must be considered as part of this study.

- 3.57 Paragraph 3 outlines progress since 2000. It outlines that progress has been made towards creating 150,000 jobs within the Region and that unemployment is at a 25-year low.

- 3.58 There are six key objectives which run through the strategy. These are set out in the paragraph 6 of the guidance:

- Grow the region’s businesses, with a focus on key clusters;
- Achieve higher business birth and survival rates;
- Attract and retain more private and public investment;
- Radically improve the development of education;
- Connect the Region’s communities through targeted regeneration; and
- Enhance the Region’s infrastructure of physical and environmental assets.

- 3.59 In addition to this there are six cross cutting themes identified to support the delivery of the objectives outlined above. These are:

- Environmental good practice;
- Partnerships;
- Geographic adaptation;
- Social inclusion and diversity;
- Creativity, innovation and technology; and
- Employment and Skills.

- 3.60 In line with the above, the strategy goes on to outline Yorkshire and Humber’s top ten priority actions between 2003 and 2006. It states that these are:

- Invest in the 5 priority clusters of advanced engineering and metals, bioscience, chemicals, digital industries and food and drink

- with a particular focus on placing universities at the heart of economic development;
 - Helping a core of strong manufacturing companies make improvements in innovation, productivity, and higher value projects;
 - Invest in enterprise and high quality public and private support services focused on the needs of high growth businesses;
 - Strengthen tourism through a more coherent strategy;
 - Attract the best doctors, nurses and teachers to the region, to ensure that local firms and people benefit from supply chains;
 - Connect 10,000 young people from deprived communities into jobs and education;
 - Develop an employment and skills action plan;
 - Involve local people in designing town centres by involving local people in designing them and implementing masterplans in over 20 towns and market towns;
 - Invest in URCs to transform the city centres of Sheffield, Bradford and Hull and in public-private partnerships to enhance to centres of Leeds and York; and
 - Ensure early action is taken to build a more efficient and more accessible transport system.
- 3.61 In terms of progress which the Region has made since 2000, paragraph 3 of the guidance outlines that business start up rates have remained low since 2000 when compared to the UK average. In addition to this, it notes that the number of businesses in the Region is declining.
- 3.62 One of the aims of the strategy is outlined as being to encourage (paragraph 14):
- “greater breadth and depth in the rural economies of North Yorkshire and East Riding.”*
- 3.63 The links between this strategy and the Regional Planning Guidance (RPG) are made clear in paragraph 29. This outlines that the economic strategy is totally consistent with RPG on all levels, including that of employment land, development on brownfield land, and the need for transport investment.
- Moving Forward: The Northern Way, First Growth Strategy Report**
- 3.64 This document has been prepared by the three northern Regional Development Agencies to outline how faster economic growth can be brought to the Region.
- 3.65 This document focuses on the cities within the north, and therefore there is little specific reference to Harrogate. However, there are a number of policies which relate to the marketing of the north as a whole in order to achieve a faster growth throughout the region.
- 3.66 Of interest to this study are the following points:
- The existing population of business services firms is unlikely to sustain high rates of firm growth or new firm starts;

- A focus on manufacturing firms in chemicals, food and drink, advanced engineering, energy and environmental technologies. In addition to this, there will also be a focus on financial and business services and logistics;
- Attempts will be made to increase the number of tourists visiting the North; and
- Build stronger complimentary relationships between urban and rural areas.

**Draft Regional Spatial Strategy for Yorkshire & the Humber
(December 2005)**

3.67 The Draft Regional Spatial Strategy (RSS) was published in December 2005. Policies YH1 to YH9 establish the Core Approach to give overall cohesion and direction to the RSS. In economic terms the Core Approach of the Draft RSS seeks to :

- Reverse the long term trend of investment dispersal away from the Region's cities and major towns
- Transform cities and major towns in the region as attractive places where people and business want to invest
- Support the roles of market towns as economic and employment hubs for rural areas
- Diversify urban and rural economies and help deliver a better performing and more competitive economy
- Provide opportunities for disadvantaged areas
- Respond to the global economy and local effects of climate change on people, the environment and the economy

3.68 The Economy Chapter of the Draft RSS is set out at Section 14 and its purpose is to provide a more detailed approach and operational priorities for managing the economy in spatial terms. It also sets out monitoring and delivery mechanisms.

3.69 Policy E1 sets out the approach to creating a successful and competitive economy while Policy E2 seeks to strengthen the role and performance of existing city and town centres stating that these areas should offer centres that are efficient hubs of connected activity, accessible by public transport. Taken together policies E1 and E2 provide the central spatial vision underpinning the employment land policies E3-E4.

3.70 Policy E3 concerns the supply of land and premises for economic development. It states that:

All plans, strategies, and programmes in the Region will seek to support the availability of sufficient land in sustainable locations to meet the needs of a modern economy.

A) The pattern and scale of provision of allocated employment land should be determined by local employment land reviews informed by Policy E1 & E2 and specifically take account of:

- i) The strategic regional employment and employment land forecasts set out in Table 14.6 and 14.7, unless more detailed sub-regional or local forecasts or more up-to-date data are available, and the spatial guidelines in Table 14.8*

ii) The regional pattern of projected growth in floorspace demand for office, retail and leisure uses – and the considerable scope for this to be accommodated mainly in or adjacent to city and town centres.

iii) The regional pattern of projected decline in the need for land for extensive general industrial uses.

iv) The need for land and extended premises to support the development of the non-business class employment sectors, including public services, health, sport and leisure, tourism, cultural industries and education as key employment generators and the contribution of mixed-use development to employment supply

v) The need for joint working on employment land provision where commercial property markets cross administrative boundaries

B) Local authorities in partnership with Yorkshire Forward, developers, private businesses, sub-regional and local partnerships and other organisations should critically review existing employment sites on a 3-year rolling basis so as to ensure that they continue to perform against the above criteria and will meet current or longer-term need for economic development. A portfolio of the best sites, representing at least a five-year supply of market-ready sites, should be identified and protected for those purposes. Sites that would undermine the delivery of the Core Strategic Approach of RSS (YH1 – YH8) should be considered for alternative uses/allocations in the following sequences:

i) For employment generating uses other than for business class development.

ii) For mixed-use development, including residential uses, taking account of the potential for higher employment densities.

iii) For residential uses only

iv) De-allocation

3.71 Three regional econometric model scenarios were used to calculate the demand forecasts for employment floorspace and subsequently employment land at a regional and district level and this is set out in the policy context. Paragraph 14.16 notes that at a very crude level, comparing the additional employment land requirements with the results of the 2003 Regional Employment Land Survey (RELS) that the region has more employment land than is likely to be required in the future. It goes on to state that this is not discounting the importance of providing the market with choice and flexibility in their site selection, and also to allow for a certain amount of 'churn' as sites stay necessarily vacant for a period of time. Where an oversupply of land is expected at a local authority level the policy recognises that this does not mean that further employment land does not need to be provided; it will always be necessary to ensure that new developments come forward to avoid stagnation in the market.

3.72 The context to the policy sets out the additional employment land expected to be in use in 2016 compared to 2006 at a local authority level. The figures represent a range of additional land forecasts (expressed in hectares) drawn from the three econometric scenarios. In setting out these figures it is recognised that more up to date or detailed local or sub regional studies will supplement this evaluation in order to implement policy E3. For Harrogate District the forecast change in total employment land 2006-2016 is as follows:

	B1	B2/B8	Total Emp Land Range Forecast
Harrogate	4-9	8-23	12-32

- 3.73 The policy context makes clear that the forecasts only provide for an estimation of the net increase in employment land likely to be in use and does not take account of the need to provide available supply to allow movement in the employment land market. It goes on to state that there is a need to ensure that new developments can come forward to avoid stagnation in the market.
- 3.74 Policies E1 to E3 provide a generic context for the provision of employment land and the carrying out of reviews. The policy makes clear that these guidelines apply to the Region as a whole. This is supplemented, therefore by a district-by-district commentary on specific strategic employment land issues.
- 3.67 No specific comments are made for Harrogate Borough which instead falls under a generic North Yorkshire District/General Issues heading which states:
- All of the NY Districts will require employment land portfolios based upon small-medium, high quality, specialist sites located in accordance with the RSS Core Strategy Approach
- 3.75 Policy E4 sets out the approach to support for regional priority sectors and clusters. It states that:
- Local Development Documents will support regional priority clusters identified by Yorkshire Forward and seek to assist the implementation of the Cluster Development Plans. Specifically, they will:*
- A) Support the sustainable growth of clusters, in accordance with the RSS core approach*
- B) Make specific provision to address the need for accommodation and allocation of sites immediately adjacent to or close to key regional assets including higher education and university facilities*
- C) Ensure that employment land reviews include consideration of the need to provide sufficient quantity, quality and choice of a range of sites, including incubator units, expansion space and larger facilities for priority clusters*
- D) Recognise that support for cluster development encompass a wide range of topics, including property needs, infrastructure, access to quality labour pools and supply chain/trading links.*
- 3.76 At the local level LDF's should reflect the RSS supportive framework to facilitate 'cluster' growth'. In doing so they need to recognise that 'clusters' encompass a wider range of topics, including property needs, infrastructure, access to quality labour pools and supply chain/trading links. However, it will be vital that LDF support for clusters does not prejudice the RSS sequential test or environmental protection provisions in Yorkshire and Humber.
- 3.77 Policy E5 sets out the approach to safeguarding employment land. It states that:

Local Development Frameworks should define criteria or areas where it is considered necessary to offer special protection to designated employment sites. This approach should be applied when it can be shown that:

A) It is necessary to safeguard employment land/sites on the basis of the demonstrable level of competing demand from other land uses.

B) The employment land/sites so identified are necessary to support Policies YH5, YH6 and YH7.

C) A review of employment land has been carried out in accordance with RSS Policy E1-E4 or the sites are part of an area subject to an agreed masterplan.

- 3.78 On the basis that Policies E3 and E4 require LPAs to rationalise their employment land portfolios, Policy E5 recognises that there may be pressures from competing land uses on reduced employment land portfolios. In certain parts of the Region it is considered necessary to offer protection to employment sites. This policy will assist local authorities safeguard employment land in specified areas where employment sites are being lost to other uses, principally housing. This is likely to be a significant issue in Leeds/Sheffield City Centre and areas of high demand in some market towns. There is a real concern that high-density housing can displace employment to more unsustainable locations.
- 3.79 Policy E7 is concerned with the Rural Economy. This states that:
- The diversification and strengthening of the region's rural economy will be supported through spatial planning and investment measures to facilitate the development of rural industries, businesses and enterprises in a way that:*
- A) Supports towns as hubs for the local economy, transport and services*
- B) Ensures that rural towns provide the main focus for employment development.*
- C) Promotes complementary roles for different towns.*
- D) Allows for essential development for agriculture or forestry purposes in the countryside.*
- E) Encourages the use of information technology and telecommunications.*
- F) Supports farm diversification schemes which bring economic, social and environmental benefit.*
- G) Gives priority to the re-use of existing buildings.*
- H) Supports and protects an attractive and high quality rural environment.*
- I) Ensures appropriate scales and types of development and levels of traffic generation.*
- 3.80 This policy recognises that rural areas are important not only for those living and working there but also for the economic, environmental and social contribution they make to the well-being of those living in towns and cities.
- 3.81 Policy E7 seeks to support the diversification and strengthening of the region's rural economy in a sustainable manner. While the policy follows RSS Core Approach of focussing on the role of towns as economic/service hubs, it allows for rural diversification and essential development for agriculture/forestry purposes in the countryside.

Draft Investment Plan for York and North Yorkshire 2004/2009,
April 2005

- 3.68 This Plan is the new joined-up approach to investing public sector funds to ensure that maximum benefit is gained from them in order to maximise their impact on the delivery of the Regional Economic Strategy. In 2005 the Plan is being updated with work that has been carried out since original publication in 2004.
- 3.69 Section 3 of this document outlines the following characteristics of Harrogate: -
- The area is developing strong bioscience and digital clusters;
 - Similarly, there is a strong cluster of food and drink businesses along the A1 corridor;
 - Houses are least affordable in this area, affecting the supply of labour;
 - It is an important regional and national centre for business tourism; and
 - High demand for office and retail space in York and Harrogate follows high and increased land value.
- 3.70 A number of spatial investment themes are identified in the plan. This identifies Harrogate town as an ‘area of opportunity’ within the region. Within these broad divisions, seven Spatial Investment Themes have been identified which seek to reflect the differences between areas that arise from their local economies, topography and proximity to regional and sub-regional drivers.
- 3.71 The plan goes on to outline that the major thrust of the Investment Plan is to develop and expand the influence of areas of opportunity (such as Harrogate). However, it also notes that the boundaries which separate areas into themes are indicative and therefore there will be ‘over-lap’ between the application of the themes.
- 3.72 The main Spatial Investment Themes which are relevant to Harrogate Borough (including the main settlements considered as part of our employment land study) are: -

Location	Spatial Investment Theme
Harrogate and Knaresborough	C. Develop the Sub-Regional role in the Bradford and Leeds city regions
Ripon, Boroughbridge and Melmerby	D. Build on the economic opportunities of the northern market towns on the A1/A19 corridor
Pateley Bridge and Masham	E. Utilise heritage and natural assets of upland areas and their market towns as economic drivers

- 3.73 A number of priority actions are set out in the Plan which cover a variety of areas including culture, skills and social inclusion. Of particular interest to this study are the actions relating to business support. Here the aim is to maximise the effectiveness and impact of business support on the sustainability and competitiveness of the sub-regional economies. In order to deliver this aim, a number of priority actions have been identified. These are: -
- Increasing the number of businesses in key clusters and sectors;
 - Increasing the number of high growth businesses;
 - Increasing the number of businesses exploiting better practices;

- Ensuring the survival of those business with significant importance to the local economies;
 - Ensure that no business fails through lack of information or knowledge;
 - Ensuring effective promotion of the sub-region;
 - Increasing the quality, consistency and impact of public sector funded business support.
- 3.74 In relation to the Spatial Investment Themes identified above (paragraph 2.18), a number of priority actions are also identified. For spatial investment theme 'B' these are: -
- Build tourism links with North Yorkshire;
 - Build linkages with Harrogate cluster businesses;
 - Connect Malton and Norton to the York economy;
 - Connect Selby Infrastructure to York enterprise.
- 3.75 For Spatial Investment Theme C, these are: -
- Enhance competitiveness of the Harrogate business tourism sector;
 - Grow Harrogate's digital cluster;
 - Develop market towns as rural capitals;
 - Harness dynamism of Leeds/ Bradford economy.
- 3.76 In terms of strategic management and review, section 6 of the Plan identifies that for each spatial Theme a group of relevant bodies has been assembled to draw up proposals and build connections for their enforcement. In particular, it notes that Theme C will be led by Harrogate Borough Council.

Local Policy

Harrogate District Local Plan, Adopted February 2001

- 3.77 The Harrogate District Local Plan was adopted in February 2001 and sets out planning policies and proposals to promote and control future development and the use of land to the year 2006.
- 3.78 Chapter 2 of the Plan provides context for the plan. Paragraph 2.1 outlines that Harrogate District covers an area of 1,308 square kilometres (505 sq. miles) and is located to the north of the conurbation of Leeds/Bradford, on the eastern fringes of the Yorkshire Dales.
- 3.79 Paragraph 2.2 details Harrogate's predominantly rural character, although it does note that the District also contains a number of urban areas.
- 3.80 Paragraph 2.4 outlines that in 1991 the population of Harrogate District was around 143,500. Approximately 65% of this population was concentrated in the settlements of Harrogate, Knaresborough, and Ripon (with Harrogate being the largest).

3.81 Chapter 3 of the Plan concerns the countryside within the District. Policy C17 concerns the infilling or redevelopment of existing “major developed sites” in the countryside and states that: -

“The infilling or redevelopment of existing ‘major developed sites’ in the open countryside will be permitted subject to the following criteria:

- a) *The proposals should have no greater impact on the character and appearance of the countryside than the existing development;*
- b) *Any redevelopment should result in significant environmental improvements;*
- c) *Any new buildings provided as part of the redevelopment scheme should not occupy a larger area of the site nor exceed the height of the original buildings;*
- d) *Wherever possible, existing buildings of architectural or historic interest should be retained and re-used;*
- e) *The proposal should not increase the need to travel, particularly by car;*
- f) *The traffic generated by the proposal can be accommodated within the highway network safely and without harm to the free flow of traffic; and*
- g) *Proposals for uses, like housing, which do not provide significant long term employment will be permitted on sites of existing or former employment uses only if re-use or redevelopment for employment uses is not feasible.*

3.82 The supporting text to this Policy provides a justification for its content. Of particular relevance to this study is paragraph 3.61 which states that: -

“To avoid the need for new building and the development of ‘greenfield’ sites, the Council wishes to retain, in employment use, those major developed sites which are, or have previously been, used for industrial and business purposes. Therefore, if proposals on these sites are for non-employment uses then it should be demonstrated that re-use or redevelopment for employment purposes is not feasible. This will depend on a number of factors including the physical characteristics of the buildings, demand for employment and satisfactory marketing of the site for employment.”

3.83 Chapter 5 considers Green Belt allocations within the District. Policy GB7 concerns major developed sites in the green belt. It outlines that limited infilling or redevelopment of major sites will be appropriate provided that it meets a number of criteria outlined in the policy. Furthermore, the supporting text to this policy notes that limited infilling at major developed sites can help to secure jobs and prosperity without prejudicing the aims of the green belt. In such cases, and indeed in cases where previous use has not included employment, re-use or redevelopment of sites for employment use will be encouraged.

3.84 Chapter 10 of the Plan is of particular relevance to this study as it addresses employment within the District.

- 3.85 Paragraph 10.1 outlines the way in which the employment market within the District has changed in the period preceding the Plan. Paragraph 10.2 goes on to note that in 1991, 72,000 people in the District were working or seeking work. Of these, 72% lived within the Harrogate Travel To Work Area (TTWA), 20% in the Ripon TTWA, 7% in the York TTWA, and 1% in the Leeds TTWA.
- 3.86 In addition to the above, paragraph 10.2 notes that there has been an increase in the number of people working within the service sector. Other sectors also identified as playing an important role include agriculture (particularly in the Ripon TTWA), the small business sector, and the metals and engineering sector (particularly in Harrogate).
- 3.87 Paragraph 10.3 indicates that most new industrial and business development has taken place in and around the District's main settlements. Whilst the majority of this development has taken place on previously developed land, some greenfield land has also been taken for development. Further to this, paragraph 10.3 also notes that the workforce in the District is expected to continue to grow in the period to the end of the Plan, during which it is estimated that 2,200 new industrial/ business jobs will be provided through the development of additional employment land.
- 3.88 The employment land provision target set by the North Yorkshire County Structure Plan is addressed in paragraph 10.6 of the Plan. It identifies that policy 15 of the Structure Plan makes provision for 65 hectares (160 acres) of land for industrial/ business development in the District between 1991 and 2006. The majority of this is to be accommodated in the main urban areas, however it is noted that at the time of writing of the Plan a new structure plan policy had been adopted which allows large-scale business, industrial or warehousing development in the countryside in exceptional circumstances.
- 3.89 In terms of overall objectives for both existing and future employment needs, the Plan identifies that there are three main objectives:
- To safeguard existing industrial and business land and premises;
 - To make provision for new industrial and business development to meet employment needs; and
 - To encourage economic activity in rural areas where compatible with the Plan's policies for the natural and built environment.
- 3.90 Paragraph 10.10 outlines that in order to promote sustainable development the Plan seeks to restrict new industrial and business development to meet local needs by promoting a reasonable distribution of employment sites across the district, primarily in the main urban areas which are accessible to the resident population.
- 3.91 The overall aim, therefore, is to minimise the development of greenfield sites by making use of brownfield land which is generally within or close to built-up areas.
- 3.92 Policy E1 is of particular importance as it concerns the employment land requirement for the District. It states that: -
- “Provision will be made for about 65 hectares (160 acres) of additional land for industrial/ business development in the District between April 1991 and March 2006. In addition, sites will be*

provided for business use in and adjacent to city, town and commercial centres and for small scale industry/ business development in rural settlements.”

- 3.93 Paragraph 10.13 provides some justification for the above policy. It notes that the land requirement excludes small scale industrial/ business land in rural settlements and sites for business use in and adjacent to city, town and commercial centres for which additional unspecified provision can be made. It also excludes any strategic exceptions site which may be developed under policy I15 of the Structure Plan (a full review of the Structure Plan policies is contained at Appendix 1 of the Local Plan).
- 3.94 An update as to the employment land provision position at the date of the Plan is provided in paragraph 10.15. This states that: -
- “As at 1 April 1996 some 9.7ha of land had already been developed for industrial/ business use and a further 28.5ha of land was ‘committed’. The amount of land arising from new allocations in this Local Plan amounts to 33.5ha (83 acres). These figures take account only of land which would contribute towards the Structure Plan Policy 5 requirement. In total, therefore, the amount of land provided through Proposal E4 is 71.7ha (177 acres) which is considered to be broadly in line with the Structure Plan requirement.”*
- 3.95 The importance of retaining Industrial and Business Land and Premises is addressed in Policy E2. This states that: -
- “The loss of Industrial / Business land and premises to other uses will not be permitted unless: -*
- a) The continued use of the site for industrial / business purposes would cause unacceptable planning problems; or*
 - b) The site is allocated for another purpose in this Plan; or*
 - c) The site is in a town centre and the proposed use or mixture of uses would add to the centre’s vitality and viability without harming the supply of employment land and/or premises.*
- 3.96 Policy E4 sets out the new industrial / business allocations for the District, as identified on the proposals map. It allocates a total of 71.7ha (177.17 acres) for industry / business and includes both commitments and allocations. It also outlines those commitments and allocations which do not count towards the Structure Plan requirements for employment land release.
- 3.97 In the supporting text to Policy E4 (paragraph 10.21) it is noted that the sites allocated are generally provided for B1, B2, or B8 uses. However, it goes on to note that other uses outside these use classes may also be permitted on certain less sensitive sites.
- 3.98 Paragraph 10.23 provides more detailed guidance for specific sites allocated in Policy E4 and, in addition, outlines the requirements which would need to be satisfied in order for development to proceed.
- 3.99 Policy E5 concerns non-conforming uses and outlines that these will be allowed to remain, and indeed expand, where their doing so would not result in significant harm to residential amenity.

3.100 Policy E6 outlines that the redevelopment and extension of industrial and business development will be permitted provided that in doing so unacceptable planning problems would not be caused.

3.101 New industrial and business development in the main settlements and villages is addressed in Policy E7. This states that:-

“Proposals for new development, redevelopment, conversion or change of use for industry and business within existing settlements will be permitted provided all the following criteria are met:

- a) *It is of a scale and type appropriate to the form and character of the settlement and locality;*
- b) *It would not have a significant adverse effect upon the environment or residential amenity;*
- c) *It would not adversely affect the character or appearance of the area;*
- d) *It would not result in the loss of land protected for other uses in this Local Plan;*
- e) *It complies with the traffic, parking and other relevant policies of the Local Plan.*

3.102 With regards to new industrial and business development in the countryside, Policy E8 states that such development will be permitted where the following criteria are met:

- a) *It involves either:*
 - *The re-use or adaptation of an existing building, a proposal for farm diversification or other small-scale proposal requiring a countryside location for operational reasons;*
 - *Small-scale new building adjacent to a rural settlement, which is well related to the settlement, benefits the local economy, and reduces the need for increased car commuting to urban centres.*
- b) *It is either well located in relation to the classified road network or would not generate significant volumes of traffic;*
- c) *It would not have a significant adverse effect on the character, appearance or general amenity of the area.*

3.103 The development of new cattle market / abattoir facilities is considered under Policy E10. This outlines that proposals for such schemes will be permitted on land allocated or with planning permission for industrial / business use. It goes on to state that: -

“Proposals for such development elsewhere will be permitted provided:

- a) *It can be demonstrated that land allocated or with planning permission for industrial / business use is unsuitable or unavailable for such development; and*

b) *It does not involve land in the green belt or other environmentally sensitive or visually prominent locations.*"

In addition to this it is also noted that any new development of this type must be located close to the primary road network, not have a significant adverse effect on the character of the area, and not have a significant adverse effect on the environment or residential amenity.

- 3.104 The justification text for this policy (paragraph 10.35) notes that there is interest from both existing and former operators to provide a modern facility of this kind in the District to replace outdated and poorly located facilities.
- 3.105 In addition to the above, paragraph 10.37 identifies that the Auction Mart at North Road, Ripon currently causes problems of noise, smells, and traffic congestion for nearby residents. Its relocation will therefore be encouraged.
- 3.106 Chapter 11 concerns shopping provision. Policy S6 concerns new shopping sites in the main centres. It identifies 3 sites in Harrogate, 1 in Knaresborough, and 2 in Ripon. A number of these schemes will also include an element of office development.
- 3.107 Chapter 12 concerns transportation. Provision of a new Motorway Service Area (MSA) is considered in Policy T7. Dependent on the need for such a facility, planning permission will be granted for not more than one MSA serving the A1(M).
- 3.108 Policy T18 concerns railway stations. It outlines that two new railway halts will be provided - at Bilton (Harrogate) and Halfpenny Lane (Knaresborough). It also suggests that the possibility for new railway halts will be explored, particularly in relation to new developments.
- 3.109 New bus stations are considered under Policy T19. It is outlined that new bus stations at Harrogate, Knaresborough, and Ripon will be provided as part of wider redevelopment proposals affecting their existing premises.
- 3.110 Tourism within the District is addressed in Chapter 13. Paragraph 13.1 outlines the importance of tourism employment and notes that in the Harrogate and Ripon travel to work areas, tourism accounts for 9.6% of all jobs.
- 3.111 As part of the wider development of tourism in the District, Policy TR5 concerns new / improved conference / exhibition facilities. This states that:

"The Harrogate International Centre site, King's Road, Harrogate, as shown on the proposals map, is identified for new or improved conference and exhibition facilities."

Harrogate District Local Plan, General Proof No.3 Employment Land Provision, Public Local Inquiry (September, 1997)

- 3.112 This document was prepared to provide background information on the formulation of policies and proposals for the local plan.
- 3.113 The employment land strategy is outlined in the document. It notes that there are three specific objectives for employment: -
 - (i) To safeguard existing industrial and business land;
 - (ii) To make provision for new industrial and business development to meet employment needs; and

- (iii) To encourage economic activity in rural areas where compatible with the plan's policies for the natural and built environment.
- 3.114 Paragraph 3.6 of the Proof outlines that the policies within the plan seek to balance the scale of employment and housing development in order to avoid stimulating housing growth through pressure from employment growth.
- 3.115 The document goes on to outline land which has been developed, sites with planning permission and new allocations. Paragraph 4.10 goes on to note the difficulties faced by the District in identifying new sites suitable for allocation for employment use. The three biggest problems are identified as being: -
- Difficulties in assimilating industrial development into an area of high environmental quality;
 - The fairly limited opportunities to identify land within easy access to the primary road network; and
 - The restricted potential to make use of vacant, derelict and under-used land.
- 3.116 In addition to the above, a number of criteria are identified in paragraph 4.12 which have been used to select those sites allocated within the plan under policy E4.
- 3.117 Paragraphs 4.17 – 4.18 of the Proof note that the allocation of the Uniacke Barracks site was a cause of some concern. However, the document proposes its allocation, and additional land on other sites to ensure that the structure plan requirement of 65ha could be met.
- 3.118 The conclusions to the Proof outline that the Local Plan reflects the County Structure Plan strategy of 'growth restraint'. However, in line with this a variety of sites have been allocated which will be attractive to local firms and new employers.
- Selective Alteration to the Harrogate District Local Plan (May, 2004)*
- 3.119 The changes to the Local Plan outlined in this document were adopted by the Council in May 2004. They cover issues which could not wait until the full review of the Plan was undertaken, or the Local Development Framework was introduced.
- 3.120 The changes mostly focus on housing policies contained within the Plan (Adopted 2001).
- 3.121 One proposed alteration concerns hotel protection. The justification for this text concerns the conference and exhibition industry within the District and states that:
- "The conference and exhibition industry in Harrogate has developed successfully over the years and the town is now one of the main UK destinations for such business. Its success has helped to sustain a successful local economy, bringing in over £140m of visitor expenditure per annum, and supporting about 5,000 jobs."*

3.122 Policy GB7 is also altered as part of this selective review process. This alteration has resulted in the addition to the policy of the following:

“Residential planning permission will only be granted if the proposal also satisfies policy HX”

Harrogate District Local Development Scheme, Harrogate Borough Council (January, 2005)

3.123 This document sets out how the Council will progress the first three years of plan preparation work under the new Planning and Compulsory Purchase Act 2004.

3.124 It is proposed that this document will be reviewed in December 2005.

3.125 The Local Development Scheme (LDS) sets out the Development Plan Document as being a priority for preparation as it will outline what the District should look like in 2021. The documents which will, in turn, form the DPD's which are being prepared from June 2005 onwards. The proposed adoption dates range between April 2006 and December 2009 and there will be opportunities for public consultation and involvement in the preparation process prior to these dates.

3.126 Paragraph 5.7 concerns transitional arrangements for the Plan documents and outlines that Policy E4 (New Industrial / Business Allocations) of the Harrogate District Local Plan will be replaced in the Major Land Allocations section of the Local Development Framework.

3.127 Chapter 7 of the LDS sets out the evidence base on which the LDF documents will be drawn up. It states that the employment land survey being carried out here will be used to inform both the core strategy and the major land allocations local development documents.

Harrogate District Council, Local Development Framework: Issues Consultation on the Local Development Framework Documents: Core Strategy; Housing Allocations & Policies; and Proposals Map (July/ August/ September, 2004)

3.128 This document outlines the issues to be considered in the development of the core strategy, housing allocations and policies, and proposal map documents for the Local Development Framework (LDF).

3.129 Within this document it is outlined that the policies within a number of chapters of the existing adopted Local Plan will be 'saved' to be replaced in the period 2007 to 2010. These 'saved' policies will be used alongside new LDF documents to determine planning applications.

3.130 The first issue addressed in the consultation document is the appropriate levels of new housing and employment development for Harrogate District to 2021. It goes on to note that the Local Plan seeks to provide 71 hectares of employment land, of which 32 hectares was still available in April 2004.

3.131 In terms of employment land provision the document outlines that the Joint Structure Plan Review proposed 60 hectares of new employment land in the District for the period 1998-2016 based on past take up rates and predicted future requirements. Provision of 60 hectares over the period 1998 – 2016 equates to an annual take-up rate of 3.33 hectares. This in turn will mean that a further 19.5 hectares of new allocations will be required in the period to 2021 in addition already allocated and committed sites.

- 3.132 The take up rate of 3.33 hectares is reportedly in line with the District's annual building rate of 3.16 hectares between 1991 and 2003, although between 1998 and 2004 the average was 4.1 hectares.
- 3.133 If this more recent average of 4.1 hectares was projected forward over the period 1998 to 2021 this consultation document suggests that the new employment allocation requirement would rise to 36.5 hectares.
- 3.134 Issue four concerns the future of the District's main settlements. It addresses the need to extend built up areas and notes that the ability of existing urban areas to provide employment land is limited, thus resulting in an increased take up of greenfield land.
- 3.135 Issue five concerns the current employment land supply within Harrogate and notes that the current employment land supply is sufficient to serve Harrogate town for the next 4-8 years. This emphasises the need to retain existing employment land in employment use. Furthermore, the document goes on to suggest that as other parts of the District are generally well catered for in terms of employment land provision, the majority of additional employment land should be provided in or around Harrogate town.
- 3.136 The document goes on to note that the Council's first adopted LDF will not be making additional site allocations for employment on the proposals map to those in the existing Local Plan.
- 3.137 Issue six concerns the development of Ripon. In terms of employment land provision, it is outlined that of the 77 hectares required, 8 of these will be required to serve Ripon over the period 1998-2021. There is discussion in the document regarding the possibility of de-allocating two sites in the Ripon area (Harrogate Road, Ripon or the remaining part of Proposal E4d at Melmerby).
- 3.138 In addition to this, Ripon has been the subject of Single Regeneration Budget funding over the past 5 years which has been partly used to promote business and economy. However, this funding is due to come to an end in the very near future.
- 3.139 The role of Knaresborough is considered as part of Issue 6. In terms of employment land provision, the document outlines that St. James's Business Park more than adequately provides for Knaresborough's own employment requirements to 2021. However, it is also noted that this site is needed to serve the employment land needs of Harrogate, until other employment land can be found. On the remaining developable area (11.7ha), two planning applications are pending for service road construction and development of 2 car showrooms and workshops. However, this site is unlikely to cater for small to medium sized businesses.
- 3.140 With regards to the smaller towns in the District, the employment land provision is viewed in the document as being sufficient, with the exception of Pateley Bridge where there are difficulties in finding suitable greenfield land in the area.
- Harrogate District Council, Local Development Framework:
Sustainability Appraisal, Core Strategy: Scoping Report (February, 2005)
- 3.141 This document provides a sustainability appraisal of the social, environmental, and economic effects of the strategies and policies contained within the core strategy document which will form part of the Harrogate District Local Development Framework.

- 3.142 This scoping report was the subject of a period of consultation between February and April 2005, the aim of which was to ensure that a comprehensive sustainability appraisal will be produced.
- 3.143 Paragraph 1.10 concerns the draft objectives of the core strategy. In respect of employment the following objectives are identified: -
- *“To promote a robust and varied economy for the benefit of local people;*
 - *To significantly improve the prospects of the rural and market town economy, including the diversification of agricultural industry;*
 - *To provide an adequate but not excessive supply of readily available employment land;*
 - *To protect and enhance the conference and exhibition business.”*
- 3.144 Baseline information has been gathered where it is available, and where up-dating is required this has also been identified. Baseline data has been obtained regarding employment and economic activity in the region. It states that (paragraph 2.10): -
- “The 2001 Census reported 77,943 economically active individuals of working age in the District, representing an economic activity rate of 71% compared to a national rate of 67%.”*
- 3.145 Paragraph 2.11 goes on to state that: -
- “The Annual Business Inquiry indicates that employed jobs had risen from 58,100 in 1998 to 63,000 in 2002. In terms of employment sectors the picture in Harrogate District largely mirrors the regional and national picture. However, there are notable exceptions in manufacturing which is significantly lower whilst retail, hotels and agriculture are higher.”*
- 3.146 In terms of unemployment rates in the District, the baseline information provided (paragraph 2.12) suggests that they are low and stable, with a figure of 1.1% recorded at June 2003.
- 3.147 Information regarding deprivation levels in the District is provided at paragraph 2.13. This outlines that one ward is within the 40% of the most deprived wards in the country and two others are within the 50% most deprived.
- 3.148 A number of LDF objectives are identified in the document. Those with particular relevance to this study are: -
- LDF Objective 2 – Subject to the provision of appropriate traffic management measures and infrastructure, to focus the District’s growth in the town of Harrogate (this may involve the consideration of possible sites for urban extensions);
 - LDF Objective 10 – To provide an adequate but not excessive supply of employment land (the impacts on traffic creation / reduction must be considered); and

- LDF Objective 11 – To protect and enhance the conference and exhibition business (the increase in visitor numbers may, however, increase traffic congestion).

3.149 In terms of the development of options for the growth of the District's settlements, a number of key aspects which will need to be considered have been identified. When assessing the options for settlement growth, the following economic aspect will need to be considered (paragraph 5.5): -

"The prosperity of the District's settlements is variable. Harrogate Town's economy is relatively buoyant whereas the market towns of the District have, over recent years, been the subject of various regeneration initiatives to improve their economic position. The settlement growth strategy will need to ensure that an appropriate level of good quality retail and business development can take place to deliver economic benefits."

3.150 Mixed Use Urban Extensions are considered as options. Paragraph 5.7 outlines that work undertaken by the Council on housing needs, employment land, and retail capacity and the current Regional Spatial Strategy indicate that options for a mixed use urban extension to Harrogate town should be investigated. In addition to this, the town's rugby and football clubs are reportedly seeking to relocate and therefore the potential for these to form a key part of any mixed use should be explored. It is also suggested that an urban extension to Knaresborough should be included as an option.

LDF Report of Consultation with Business Community

3.151 As part of the wider LDF consultation, businesses in the Borough were asked about their businesses aspirations over the coming years. Analysis of the responses provided raised the following issues: -

- Many respondents did not consider that it would be necessary to re-locate over the short, medium or long term. Of those who did, the majority believed that this would be to new premises in the District;
- One of the problems facing businesses was that planning is too restrictive, complicated and slow. However, it was felt that this could be overcome by more sympathetic policies which would allow for more mixed use developments.

3.152 A wider consultation was also undertaken which targeted bodies, organisations, and also members of the public who were invited to comment. In response to general questions about employment in the District the following information was obtained:

- Most people felt that an additional 19.5 ha of employment land was 'about right' for allocation up to 2021;
- A phased approach to the release of sites was supported by the majority of respondents;
- The Council's policy support to protect existing businesses was generally supported; and
- The principal of allocating more employment land to prevent out-commuting was also supported.

Other Local Information

Harrogate In Brief, September 2004

- 3.153 This document provides an overview of the economy within Harrogate. It is produced by Yorkshire Forward.
- 3.154 This document outlines that the distribution, hotels and restaurants industry is the largest employer in Harrogate (32.5%), followed by public administration, education and health (25.3%). Employment in banking and finance is above the regional average, whilst manufacturing is well below.
- 3.155 Employment is reportedly forecast to increase to 1.6% by 2007, whilst overall output is forecast to increase by 8.2%.
- 3.156 In 2003, 6,480 businesses were registered for VAT, resulting in a rate of 532 businesses per 10,000 residents. This is much higher than that of the region which is 313 per 10,000.
- 3.157 Of particular importance to this study is the fact that 82.8% of the population living within Harrogate is of working age. This is much higher than the regional and national averages (74.9% and 75.3% respectively).

Harrogate Survey of Economic Trends, April 2004

- 3.158 This document is produced by Yorkshire Futures and focuses on economic trends within the region on an area by area basis.
- 3.159 The main issues raised by the survey which are of interest to this study are:
- - Harrogate firms have seen an increase in numbers employed over the 12 months April 2003 to April 2004, at a rate higher than other areas within the region. It is expected that this will continue over the 12 months April 2004 – April 2005;
 - Around 33% of businesses reported that output had significantly increased over the period April 2003 – 2004. They also reported that they expected to see this trend continuing;
 - Companies reported a drop in profit margins. This was also a trend which was expected to continue over the period 2004-2005;
 - Harrogate business reported that high skill levels of the workforce, flexible working patterns and good management skills are the key factors in contributing to competitiveness;
 - Businesses believe that housing costs and planning restrictions are the main factors in inhibiting growth; and
 - 4% of businesses in Harrogate have research links with Universities, with a further 44% belonging to special industrial networks.

Harrogate, Census 2001 and Access to Services Focus on Rural Areas

- 3.160 This report provides an outline of the new DEFRA rural urban definition and uses this to analyse key census data.
- 3.161 The report outlines the following key characteristics of the Harrogate Borough area: -

- 32.5% of people live in rural areas;
- 30.7% of households are in rural areas;
- 21.7% of the people aged 16-74 have no academic, vocational or professional qualifications, compared with 33.1% in the Region as a whole;
- 28% of people aged 16 to 74 are economically inactive, around 52% of these are retired;
- In comparison 29% of people aged 16 to 74 are economically inactive in urban Harrogate;
- Within Harrogate, the three most common industries employing people aged 16 to 74 are 'wholesale and retail trade/ repairs', 'real estate, renting and business activities', and 'public administration and defence, social security'.

Harrogate Borough Council, Economic Development Unit,
Business Plan 2005/06

- 3.162 This document outlines the issues considered in identifying priorities and developing a working programme for the economic development unit for the year ahead.
- 3.163 The following regional (i.e. Yorkshire and the Humber) information is provided in the Plan which is of direct relevance to the study being undertaken here:-
- Although manufacturing output is likely to strengthen [in 2004], manufacturing employment is not expected to recover because restructuring and productivity improvements are likely to result in job cuts;
 - Output growth in services in the Region is likely to grow, in particular strong growth is expected in the financial and business services.
- 3.164 Key information about the workforce in Harrogate District is also provided: -
- Almost half of the District's labour market is employed in managerial / professional jobs;
 - The service sector continues to dominate as the main employer (particularly in the hotel and restaurant sub-sectors); and
 - Average shop vacancy rates fell between 2003/04 and 2004/5.
- 3.165 Paragraph 3.3.3 of the Plan outlines that western areas of the Harrogate District (including the wards of Pateley Bridge, Nidd Valley, Kirkby Malzeard, Washburn and Mashamshire) benefit from European Objective 2 Status. However, all grants must be approved by 2006 and it is expected that following a review of regional aid, no areas of the District will meet the revised criteria for this funding.

Harrogate District, Local Economic Overview (November, 2004)

3.166 This document has been prepared by Harrogate Borough Council's Economic development unit. It provides the following information which is of particular interest to this study: -

- The 2001 census calculated the population of Harrogate District as 151,399. The latest estimates (mid-2003) indicate that the population of the District now stands at 152,832;
- Population projections for the District suggest that there will be a 13% increase in population over a 25-year period, culminating in a total population of 166,000 in 2021;
- The economic activity rate in the District is around 71.4%;
- The number of businesses registered between 2001 and 2002 was around 70. The fact that de-registration rates are only slightly lower than this number is reportedly a reflection of the high levels of competition in the District;
- Employment land / property values are reportedly very similar to those taken from the July 2004 valuation office property market report.

Policy Overview

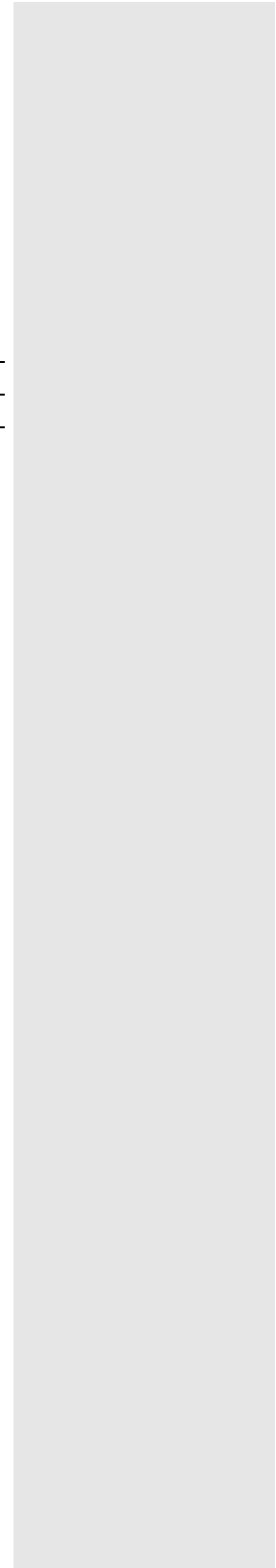
3.167 Based on the existing planning and economic policy context, a number of key themes of relevance to this study can be identified and summarised as follows:

- Employment land should be provided within urban areas and on previously developed land, followed by land on the urban periphery accessible by good public transport.
- Provision should be made for a good (but not excessive) range of sizes and qualities of land for sub-regional and local development, well integrated with urban areas, their workforces and supply chains. A portfolio of small – medium, high quality sites should be provided, with at least 5 years supply of market-ready best sites available.
- Promotion of the development of clusters, including the priority clusters of food and drink, advanced engineering and metals, digital industries, chemicals, Bioscience, Healthcare and environmental technologies
- Harrogate town is identified as an area of opportunity and should be the focus for new housing and economic development in the North Yorkshire sub-region. Additionally, the following spatial investment themes are identified for the key towns considered as part of this employment land study:

Location	Spatial Investment Theme
Harrogate and Knaresborough	C. Develop the Sub-Regional role in the Bradford and Leeds city regions
Ripon, Boroughbridge and Melmerby	D. Build on the economic opportunities of the northern market towns on the A1/A19 corridor
Pateley Bridge and Masham	E. Utilise heritage and natural assets of upland areas and their market towns as economic drivers

- There is an over-supply of employment land in the Region and there is a need to assess employment land requirements and site suitability to consider de-allocating sites or re-allocating them to other uses. The projected regional trend is for growth in demand for office floorspace and a decline in demand for land for extensive general industrial uses.
- Within Harrogate Borough, based on past completion rates there is a need to identify between 20 and 37 hectares of new employment land in addition to existing allocations and commitments to 2021 (this Employment Land Review will examine whether this approach / conclusion is valid).
- The draft RSS identifies forecast change in total employment land for Harrogate Borough for the period 2006 – 2016 as follows:

B1	B2/B8	Total
4 – 9 hectares	8 – 23 hectares	12 – 32 hectares



4. Employment Land and Premises – Quantitative Assessment of Supply

Approach

- 4.1 The assessment of existing employment land supply has focussed mainly on the following:
- **Employment Allocations** – Sites without planning permission which are allocated for B1, B2 and B8 uses in the Adopted Harrogate District Local Plan (February 2001); and
 - **Employment Commitments** – Committed sites (i.e. those under construction or with extant planning permission) for B1, B2 or B8 use and existing employment uses with extant permission for other forms of development.
- 4.2 In addition, the following sources of existing supply have also been assessed, which together with allocations and commitments, provide a picture of the total stock of existing and potential employment floorspace in the District.
- **Valuation Office Agency Records** – Total number and floorspace of rateable business properties; and
 - **Vacant Premises** – This includes information taken from the Council's vacant property register and also details on available premises identified through discussions with local agents.
- 4.3 We have utilised information provided by Harrogate Borough Council as a starting point for quantifying existing employment allocations and commitments. Information includes:
- An annual monitoring survey of the employment allocations and undeveloped commitments identified in the adopted Local Plan (identifying site areas and development status); and
 - Details of other planning permissions located outside of sites identified in the adopted Local Plan, based on applications received for consultation by the Council's Economic Development Section between January 2003 and June 2005.
- 4.4 The Council's employment land monitoring concentrates on allocated and committed sites identified in the adopted Local Plan. To provide a more complete picture of quantitative supply, floorspace gains (and losses) arising from larger planning permissions (those defined as 'major' by the local planning authority) outside of the sites are also considered as part of this study.
- 4.5 Quantitative land supply information obtained from the Council has been interrogated and expanded upon to provide a more detailed assessment of land supply and potential new employment floorspace.
- 4.6 This has involved the identification of floorspace information by planning use class / employment sector. The general approach applied to define (potential) floorspace capacities is as follows:

Allocations

- Measuring the site areas of available Local Plan employment allocations and commitments on a digital mapping system.

- Application of the following plot ratios of gross floorspace to site area based on information contained in Appendix D of the Employment Land Reviews Good Practice Note of December 2004:
 - n Offices (0.40)
 - n Industrial (0.35 to 0.45)
 - n Warehouse (0.40 to 0.60)
- Local plan information, discussions with the local planning authority, information from agents, past completions and qualitative assessment information has been used to define a quantitative apportionment of the employment uses for particular sites. Employment uses considered include:
 - n B1 office;
 - n B1 light industry;
 - n B2 manufacturing; and
 - n B8 warehousing and distribution.
- Where 'owner specific' allocations exist, normal practice is to distinguish these from allocations which are available for development on the open market. In accordance with good practice, allocations which are only available for a specific occupier are excluded from available employment land totals until sites gain planning permission. In the case of Harrogate Borough however, no such sites are specifically included in this study.

Commitments and Completions

- Interrogation of planning files provided by the Borough Council to extract site area, floorspace and use class information recorded on application forms, drawings etc. For the purposes of this study, files concerning identified local plan commitments and also other 'major' planning permissions outside of these sites, have been reviewed.
 - Where floorspace information is not recorded, a similar approach to that used for allocations has been used (note – where other information is not available and for sites which have not been qualitatively assessed as part of this study, we have applied an equal split between permitted uses as a proxy guide).
- 4.7 It should be recognised that employment monitoring information is not absolute. For example:
- An employment allocation identified for B1, B2 and B8 uses may come forward for just one of these uses. Similarly, development may come forward at a higher or lower density than assumed as part of this review; and
 - Due to the lack of employment land monitoring information relating to planning permissions located outside of employment sites identified in the Local Plan, we are not able to provide a complete picture of supply. Also, the study does not distinguish between the take-up of such permissions in terms of whether they are not started, under construction or completed.
- 4.8 In spite of these limitations, it is considered that the overall approach to the assessment does provide a good guide to employment land supply. This includes the identification of likely available floorspace capacity for different employment uses/sectors to be derived from existing local plan employment allocations and commitments. Future more refined monitoring of land supply will further enhance quantitative analysis.

4.9 Table 4.1 below illustrates the planning use classes attributed to the Valuation Office Classifications. The assignment of use classes as shown in the table is considered to be reasonably accurate by the ODPM and VOA.

Table 4.1 Valuation Office Classes v Planning Use Classes.

Valuation Office Classification	Planning Use Class
Office	A2 and B1(a)
Manufacturing	B1(b), B1(c) and B2
Wholesale Distribution	B8

4.10 In assessing potential floorspace, it is important to distinguish between B1 office and B1 light industry. Understanding this breakdown ensures a more robust approach to the assessment. Sub-dividing B1 uses enables a better comparison with information on existing stock and premises extracted from the administrative databases used by the Valuation Office Agency (“VOA”) and is also consistent with forecasting and market classifications used elsewhere in this report.

Employment Allocations and Commitments

4.11 Tables 4.2 to 4.6 below provide a quantitative assessment by sub-area of the size and (an estimate of) the potential floorspace capacity of:

- Employment allocations without planning permission ;
- Main employment commitments identified in the Local Plan (focussing on commitments specifically defined by the local planning authority); and
- Major employment commitments outside of identified Local Plan sites.

4.12 As well as considering additions to employment land supply arising from new development (employment gains), the study also considers, where possible, employment losses (i.e. reductions in employment floorspace arising from planning permissions for other uses) to provide a picture of net supply.

4.13 Tables summarising our assessment of gross and net employment land supply are reproduced at **Appendix 1**.

Table 4.2 Local Plan Allocations Without Planning Permission

Site (LP Policy Ref in brackets)	Available Area (hectares)	Floorspace Capacity Estimate in square metres [Site area estimate (in hectares) shown in brackets]				
		B1 Office	B1 Ind	B2	B8	B1-B8
No Allocations	0	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
Boroughbridge Total	0	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
-No Allocations	0	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
Harrogate Total	0	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
St James Business Park (Plot 8)	1.95	1000 (0.25)	3000 (0.75)	800 (0.2)	3750 (0.75)	8550 (1.95)
St James Business Park Phase II (E4b) (a)	10	12000 (3.0)	8000 (2.0)	4000 (1.0)	20000 (4.0)	44000 (10.0)

Site (LP Policy Ref in brackets)	Available Area (hectares)	Floorspace Capacity Estimate in square metres [Site area estimate (in hectares) shown in brackets]				
		B1 Office	B1 Ind	B2	B8	B1-B8
Knaresborough Total	11.95	13000 (3.25)	11000 (2.75)	4800 (1.2)	23750 (4.5)	52550 (11.95)
Melmerby Business Park – Plot 11	1.0	400 (0.1)	1600 (0.4)	400 (0.1)	2000 (0.4)	4400 (1.0)
Melmerby Business Park (E4d) – Plot 13	5.53	2640 (0.66)	2640 (0.66)	2640 (0.66)	17750 (3.55)	25670 (5.53)
Hutton Bank (E4g) & adjoining land (S8) (b)	1.0	1200 (0.3)	2800 (0.7)	0 (0)	0 (0)	4000 (1.0)
Ripon Total	7.53	4240 (1.06)	7040 (1.76)	3040 (0.76)	19750 (3.95)	34070 (7.53)
-	0	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
Rural East Total	0	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
-	0	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
Rural West Total	0	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
Overall Total	19.48	17240 (4.31)	18040 (4.51)	7840 (1.96)	43500 (8.7)	86620 (19.48)

Notes

- (a)
(a) Includes Phase II land for St James Park (site has planning permission but only for provision of site infrastructure)
(b) Hutton Bank allocation also includes adjoining land identified for retail development and includes net area only (i.e. excludes existing buildings on-site)

Employment Commitments

4.14 Commitments comprise of:

- Sites with planning permission for employment use where development has not started;
- Employment developments under construction at the time of the survey; and
- Sites pending a loss i.e. existing employment sites with planning permission for alternative forms of development.

Table 4.3 Local Plan Commitments – Not Started

Site (LP Policy Ref in brackets)	Available Area (hectares)	Floorspace Capacity in square metres [Site area estimate (in hectares) shown in brackets]				
		B1 Office	B1 Ind	B2	B8	B1-B8
Bar Lane - Becklands Close - Plot 3 (part)	0.20	0 (0)	630 (0.20)	0 (0)	0 (0)	630 (0.20)
Bar Lane – Brickyard Lane – Plot 2 (a)	0.59	0 (0)	1200 (0.30)	0 (0)	1450 (0.29)	2650 (0.59)
Boroughbridge Total	0.79	0 (0)	1830 (0.50)	0 (0)	1450 (0.29)	328 (0.79)

Site (LP Policy Ref in brackets)	Available Area (hectares)	Floorspace Capacity in square metres [Site area estimate (in hectares) shown in brackets]				
		B1 Office	B1 Ind	B2	B8	B1-B8
Beckwith Head Road, Cardale Park (E4a) – Plot 1	1.19	7050 (1.19)	0 (0)	0 (0)	0 (0)	7050 (1.19)
Cardale Park – Plot 2	0.37	1480 (0.37)	0 (0)	0 (0)	0 (0)	1480 (0.37)
Harrogate Total	1.56	8530 (1.56)	0 (0)	0 (0)	0 (0)	8530 (1.56)
	0	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
Knaresborough Total	0	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
Boroughbridge Road (E4e) (b)	3	3600 (0.9)	3600 (0.9)	1200 (0.3)	4500 (0.9)	12900 (3.0)
Harrogate Road (E4f) – Appeal Scheme B	3.4	1190 (0.5)	2760 (1.2)	1190 (0.5)	2765 (1.2)	7905 (3.4)
Ripon Total	6.4	4790 (1.4)	6360 (2.1)	2390 (0.8)	7265 (2.1)	20805 (6.4)
	0	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
Rural East Total	0	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
Fearby Road, Masham (E4c)	1.36	0 (0)	0 (0)	0 (0)	2495 (1.36)	2495 (1.36)
Rural West Total	1.36	0 (0)	0 (0)	0 (0)	2495 (1.36)	2495 (1.36)
Overall Total	10.11	13320 (2.96)	8190 (2.6)	2390 (0.8)	11210 (3.75)	35110 (10.11)

Notes

Table includes local plan commitments and allocations with extant planning permission

- (a) Plot 2 at Bar Lane (Brickyard Close) has a partially implemented permission for the manufacture of ready-mixed concrete granted in 1993 (access provided). For the purposes of this study, floorspace averages applied to estimate employment potential.
- (b) Relates to remaining land at the Boroughbridge Road allocation and excludes approximately 0.5 hectares within the northern part of the site which was in used for the storage of commercial vehicles at the time of the Study.

Table 4.4 Local Plan Commitments – Under Construction

Site (LP Policy Ref in brackets)	Total Area U/C (hectares)	Floorspace Capacity in square metres [Site area estimate (in hectares) shown in brackets]				
		B1 Office	B1 Ind	B2	B8	B1-B8
Bar Lane – Junction with Brickyard Road	0.07	0 (0)	280 (0.07)	0 (0)	0 (0)	280 (0.07)
Boroughbridge Total	0.07	0 (0)	280 (0.07)	0 (0)	0 (0)	280 (0.07)
Cardale Park – Covance Laboratories	2.01	6540 (1.0)	6845 (1.01)	0 (0)	0 (0)	13385 (2.01)
Cardale Park – Plot 3	0.78	3075 (0.78)	0 (0)	0 (0)	0 (0)	3075 (0.78)

Site (LP Policy Ref in brackets)	Total Area U/C (hectares)	Floorspace Capacity in square metres [Site area estimate (in hectares) shown in brackets]				
		B1 Office	B1 Ind	B2	B8	B1-B8
Harrogate Total	2.79	9615 (1.79)	6845 (1.01)	0 (0)	0 (0)	16460 (2.79)
-	0	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
Knaresborough Total	0	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
Melmerby Business Park – Plot 1 (Hallikeld Close)	1.1	500 (0.2)	1200 (0.4)	0 (0)	1500 (0.5)	3200 (1.1)
Boroughbridge Road (E4e) – Plot 2	0.49	2125 (0.49)	0 (0)	0 (0)	0 (0)	2125 (0.49)
Ripon Total	1.59	2625 (0.69)	1200 (0.4)	0 (0)	1500 (0.5)	5325 (1.59)
-	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
Rural East Total	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
-	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
Rural West Total	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
Overall Total	4.81	12240 (2.48)	8325 (1.66)	0 (0)	1500 (0.67)	22065 (4.81)

Table 4.5 Major Commitments Outside of Local Plan Sites (Gains)

Sub Area	No. of PP's	Site Area (ha)	Floorspace Capacity in square metres [Site area estimate (in hectares) shown in brackets]				
			B1 Office	B1 Ind	B2	B8	B1-B8
Boroughbridge	0	0	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
Harrogate	5	6.14	7225 (3.42)	800 (0.07)	0 (0)	8365 (2.65)	16940 (6.14)
Knaresborough	1	0.35	0 (0)	590 (0.18)	0 (0)	585 (0.17)	1175 (0.35)
Ripon (1)	1	0.38	1375 (0.38)	0 (0)	0 (0)	0 (0)	1375 (0.38)
Rural East	4	5.02	0 (0)	3690 (1.25)	1945 (0.8)	7555 (2.97)	13190 (5.02)
Rural West	3	1.0	0 (0)	1930 (0.35)	0 (0)	3385 (0.65)	5315 (1.0)
Total	14	12.96	9150 (4.22)	7010 (1.67)	1945 (0.8)	19890 (6.27)	37995 (12.96)

Notes

- (1) Includes planning permission for mixed use development at Ripon College (6.631.650.V.FUL). This is a local plan commitment but included in table 4.5 as we did not specifically assess this site as part of this study.

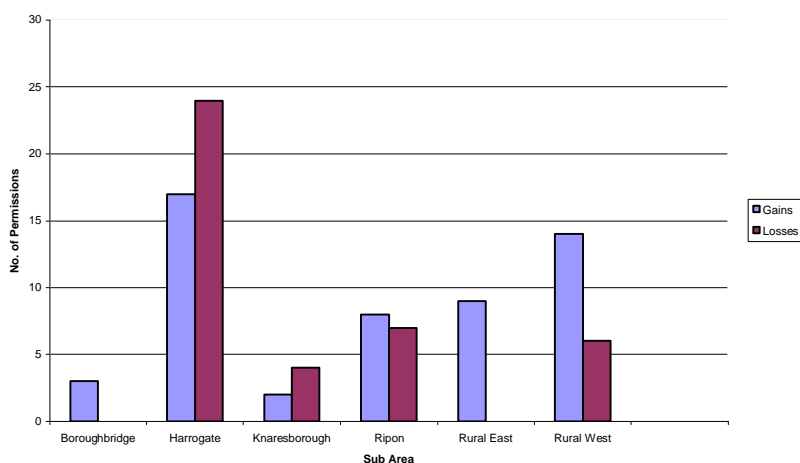
Table 4.6 Major Commitments Outside of Local Plan Sites (Losses)

Sub Area	No. of PP's	Site Area (ha)	Floorspace capacity in square metres [Site area estimate (in hectares) shown in brackets]				
			B1 Office	B1 Ind	B2	B8	B1-B8
Boroughbridge	0	0	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
Harrogate	2	-6.14	-1700 (-2.94)	0 (-0.3)	0 (0)	-6800 (-2.9)	-8500 (-6.14)
Knaresborough	1	-0.35	0 (0)	-465 (-0.35)	0 (0)	0 (0)	-465 (-0.35)
Ripon	1	-1.02	0 (0)	0 (0)	0 (0)	0 (-1.02)	0 (-1.02)
Rural East	0	0	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
Rural West	0	0	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
Total	4	-7.51	-1700 (-2.94)	-465 (-0.65)	0 (0)	-6800 (-3.92)	-8965 (-7.51)

4.15 Tables illustrating gains and losses arising from major commitments outside of local plan sites is included at **Appendix 3**.

4.16 To provide a fuller picture of planning permissions, Graph 4.1 illustrates the number and distribution of employment permissions granted based on all permitted applications received for consultation by the Council's Economic Development Section between January 2003 and June 2005. This includes permissions within and outside of identified employment sites.

Graph 4.1 Planning Permissions (Jan. 2003 – June 2005)



Notes

Where proposals include employment gains and losses (eg the redevelopment of an existing employment site for another employment use), these are recorded separately. As such, the number of permissions will likely be slightly less than recorded above).

4.17 Taking employment land supply arising from employment allocations and commitments together, Table 4.7 and 4.8 below provides a breakdown of gross and net available land area and potential future floorspace across the defined sub areas within Harrogate Borough. Table 4.7 assess potential supply by employment use class, table 4.8 by employment sector [i.e. separating B1 uses between that permitted / suitable for offices and light industrial and amalgamating light industrial and B2 uses (i.e. the B1 manu and B2 figures included in Table 4.7)] to define a single figure for manufacturing).

Table 4.7 Breakdown of Potential Future Employment Land Supply by Sub-Area – Allocations and Commitments (Planning Use Class)

Sub Area	Supply Element	Floorspace Capacity Estimate in square metres [Site area estimate (in hectares) shown in brackets]				
		B1 Office	B1 Manu	B2	B8	B1-B8
Borough- bridge	Allocations	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
	Commitments (LP) – N/S	0 (0)	1830 (0.5)	0 (0)	1450 (0.29)	3280 (0.79)
	Commitments (LP) – U/C	0 (0)	280 (0.07)	0 (0)	0 (0)	280 (0.07)
	Commitments (Other)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
	Gross Total	0 (0)	2110 (0.57)	0 (0)	1450 (0.29)	3560 (0.86)
	Pending Losses	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
	Net Total	0 (0)	2110 (0.57)	0 (0)	1450 (0.29)	3560 (0.86)
Harrogate	Allocations	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
	Commitments (LP) – N/S	8530 (1.56)	0 (0)	0 (0)	0 (0)	8530 (1.56)
	Commitments (LP) – U/C	9615 (1.79)	6845 (1.01)	0 (0)	0 (0)	16460 (2.8)
	Commitments (Other)	7225 (3.42)	800 (0.07)	0 (0)	8365 (2.65)	16940 (6.14)
	Gross Total	25920 (6.77)	7645 (1.08)	0 (0)	8365 (2.65)	41930 (10.5)
	Pending Losses	-1700 (-2.94)	0 (-0.3)	0 (0)	-6800 (-2.9)	-8500 (-6.14)
Net Total	24220 (3.83)	7645 (0.78)	0 (0)	1565 (0.25)	33430 (4.36)	
Knares- borough	Allocations	13000 (3.25)	11000 (2.75)	4800 (1.2)	23750 (4.75)	52550 (11.95)
	Commitments (LP) – N/S	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
	Commitments (LP) – U/C	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
	Commitments (Other)	0 (0)	590 (0.18)	0 (0)	585 (0.17)	1175 (0.35)

Sub Area	Supply Element	Floorspace Capacity Estimate in square metres [Site area estimate (in hectares) shown in brackets]				
		B1 Office	B1 Manu	B2	B8	B1-B8
	Gross Total	13000 (3.25)	11590 (2.93)	4800 (1.2)	24335 (4.92)	53725 (12.3)
	Pending Losses	-465 (-0.35)	0 (0)	0 (0)	0 (0)	-465 (-0.35)
	Net Total	12535 (2.9)	11590 (2.93)	4800 (1.2)	24335 (4.92)	53260 (11.95)
	Allocations	4240 (1.06)	7040 (1.76)	3040 (0.76)	19750 (3.95)	34070 (7.53)
	Commitments (LP) – N/S	4790 (1.4)	6360 (2.1)	2390 (0.8)	7265 (2.1)	20805 (6.4)
	Commitments (LP) – U/C	2625 (0.69)	1200 (0.4)	0 (0)	1500 (0.5)	5325 (1.59)
Ripon	Commitments (Other)	1375 (0.8)	0 (0)	0 (0)	0 (0)	1375 (0.8)
	Gross Total	13030 (3.95)	14600 (4.26)	5430 (1.56)	28515 (6.55)	61575 (16.32)
	Pending Losses	0 (0)	0 (0)	0 (0)	0 (-1.02)	0 (-1.02)
	Net Total	13030 (3.95)	14600 (4.26)	5430 (1.56)	28515 (5.53)	61575 (15.3)
	Allocations	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
	Commitments (LP) – N/S	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
	Commitments (LP) – U/C	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
Rural East	Commitments (Other)	0 (0)	3690 (1.25)	1945 (0.8)	7555 (2.97)	13190 (5.02)
	Gross Total	0 (0)	3690 (1.25)	1945 (0.8)	7555 (2.97)	13190 (5.02)
	Pending Losses	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
	Net Total	0 (0)	3690 (1.25)	1945 (0.8)	7555 (2.97)	13190 (5.02)
	Allocations	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
	Commitments (LP) – N/S	0 (0)	0 (0)	0 (0)	2495 (1.36)	2495 (1.36)
	Commitments (LP) – U/C	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
Rural West	Commitments (Other)	0 (0)	1930 (0.35)	0 (0)	3385 (0.65)	5315 (1.0)
	Gross Total	0 (0)	1930 (0.35)	0 (0)	5880 (2.01)	7810 (2.36)
	Pending Losses	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
	Net Total	0 (0)	1930 (0.35)	0 (0)	5880 (2.01)	7810 (2.36)

Sub Area	Supply Element	Floorspace Capacity Estimate in square metres [Site area estimate (in hectares) shown in brackets]				
		B1 Office	B1 Manu	B2	B8	B1-B8
Total	Allocations	17240 (4.31)	18040 (4.51)	7840 (1.96)	43500 (8.7)	86620 (19.48)
	Commitments (LP) – N/S	13320 (2.96)	8190 (2.6)	2390 (0.8)	11210 (3.75)	35110 (10.11)
	Commitments (LP) – U/C	12240 (2.48)	8325 (1.66)	0 (0)	1500 (0.67)	22065 (4.81)
	Commitments (Other)	9150 (4.22)	7010 (1.67)	1945 (0.8)	19890 (6.27)	37995 (12.96)
	Gross Total	51950 (13.97)	41565 (10.44)	12175 (3.56)	76100 (19.49)	181790 (47.36)
	Pending Losses	-2165 (3.29)	0 (-0.3)	0 (0)	-6800 (-3.92)	-8965 (-7.51)
	Net Total	49785 (10.68)	41565 (10.14)	12175 (3.56)	69300 (15.47)	172825 (39.85)

Table 4.8 Breakdown of Potential Future Employment Land Supply by Sub-Area – Allocations and Commitments (VOA Classification)

Site Area	Supply Element	Floorspace Capacity Estimate in square metres [Site area estimate (in hectares) shown in brackets]			
		Office	Manu	W&D	Total
Borough- bridge	Allocations	0 (0)	0 (0)	0 (0)	0 (0)
	Commitments (LP) – N/S	0 (0)	1830 (0.5)	1450 (0.29)	3280 (0.79)
	Commitments (LP) – U/C	0 (0)	280 (0.07)	0 (0)	280 (0.07)
	Commitments (Other)	0 (0)	0 (0)	0 (0)	0 (0)
	Gross Total	0 (0)	2110 (0.57)	1450 (0.29)	3560 (0.86)
	Pending Losses	0 (0)	0 (0)	0 (0)	0 (0)
	Net Total	0 (0)	2110 (0.57)	1450 (0.29)	3560 (0.86)
Harrogate	Allocations	0 (0)	0 (0)	0 (0)	0 (0)
	Commitments (LP) – N/S	8530 (1.56)	0 (0)	0 (0)	8530 (1.56)
	Commitments (LP) – U/C	9615 (1.79)	6845 (1.01)	0 (0)	16460 (2.8)
	Commitments (Other)	7225 (3.42)	800 (0.07)	8365 (2.65)	16940 (6.14)
	Gross Total	25920 (6.77)	7645 (1.08)	8365 (2.65)	41930 (10.5)
	Pending Losses	-1700 (-2.94)	0 (-0.3)	-6800 (-2.9)	-8500 (-6.14)
Net Total	24220 (3.83)	7645 (0.78)	1565 (0.25)	33430 (4.36)	

Site Area	Supply Element	Floorspace Capacity Estimate in square metres [Site area estimate (in hectares) shown in brackets]			
		Office	Manu	W&D	Total
Knares- borough	Allocations	13000 (3.25)	15800 (3.95)	23750 (4.75)	52550 (11.95)
	Commitments (LP) – N/S	0 (0)	0 (0)	0 (0)	0 (0)
	Commitments (LP) – U/C	0 (0)	0 (0)	0 (0)	0 (0)
	Commitments (Other)	0 (0)	590 (0.18)	585 (0.17)	1175 (0.35)
	Gross Total	13000 (3.25)	16390 (4.13)	24335 (4.92)	53725 (12.3)
	Pending Losses	-465 (-0.35)	0 (0)	0 (0)	-465 (-0.35)
	Net Total	12535 (2.9)	16390 (4.13)	24335 (4.92)	53260 (11.95)
Ripon	Allocations	4240 (1.06)	10080 (2.52)	19750 (3.95)	34070 (7.53)
	Commitments (LP) – N/S	4790 (1.4)	8750 (2.9)	7265 (2.1)	20805 (6.4)
	Commitments (LP) – U/C	2625 (0.69)	1200 (0.4)	1500 (0.5)	5325 (1.59)
	Commitments (Other)	1375 (0.8)	0 (0)	0 (0)	1375 (0.8)
	Gross Total	13030 (3.95)	20030 (5.82)	28515 (6.55)	61575 (16.32)
	Pending Losses	0 (0)	0 (0)	0 (-1.02)	0 (-1.02)
	Net Total	13030 (3.95)	20030 (5.82)	28515 (5.53)	61575 (15.3)
Rural East	Allocations	0 (0)	0 (0)	0 (0)	0 (0)
	Commitments (LP) – N/S	0 (0)	0 (0)	0 (0)	0 (0)
	Commitments (LP) – U/C	0 (0)	0 (0)	0 (0)	0 (0)
	Commitments (Other)	0 (0)	5635 (2.05)	7555 (2.97)	13190 (5.02)
	Gross Total	0 (0)	5635 (2.05)	7555 (2.97)	13190 (5.02)
	Pending Losses	0 (0)	0 (0)	0 (0)	0 (0)
	Net Total	0 (0)	5635 (2.05)	7555 (2.97)	13190 (5.02)
Rural West	Allocations	0 (0)	0 (0)	0 (0)	0 (0)
	Commitments (LP) – N/S	0 (0)	0 (0)	2495 (1.36)	2495 (1.36)
	Commitments (LP) – U/C	0 (0)	0 (0)	0 (0)	0 (0)

Site Area	Supply Element	Floorspace Capacity Estimate in square metres [Site area estimate (in hectares) shown in brackets]			
		Office	Manu	W&D	Total
	Commitments (Other)	0 (0)	1930 (0.35)	3385 (0.65)	5315 (1.0)
	Gross Total	0 (0)	1930 (0.35)	5880 (2.01)	7810 (2.36)
	Pending Losses	0 (0)	0 (0)	0 (0)	0 (0)
	Net Total	0 (0)	1930 (0.35)	5880 (2.01)	7810 (2.36)
	Allocations	17240 (4.31)	25880 (6.47)	43500 (8.7)	86620 (19.48)
	Commitments (LP) – N/S	13320 (2.96)	10580 (3.4)	11210 (3.75)	35110 (10.11)
	Commitments (LP) – U/C	12240 (2.48)	8325 (1.66)	1500 (0.67)	22065 (4.81)
Total	Commitments (Other)	9150 (4.22)	8955 (2.47)	19890 (6.27)	37995 (12.96)
	Gross Total	51950 (13.97)	53740 (14.0)	76100 (19.49)	181790 (47.36)
	Pending Losses	-2165 (3.29)	0 (-0.3)	-6800 (-3.92)	-8965 (-7.51)
	Net Total	49785 (10.68)	53740 (13.7)	69300 (15.47)	172825 (39.85)

Commentary – Allocations and Commitments

District-wide

Gross Land Supply

- 4.18 Vacant employment allocations without planning permission and local plan and other commitments (extant planning permissions and those under construction) provide a gross total land supply of approximately 47 hectares across the District, divided as follows:

	Office	Manufacturing	Wholesale Distribution
Total Area (ha)	14 ha	14 ha	19 ha
Percentage of Supply	30%	30%	40%

- 4.19 If known development under construction totals are excluded, gross available land supply decreases by approximately 4 hectares to around 43 hectares as shown in the table below.

	Office	Manufacturing	Wholesale Distribution
Area (ha)	12 ha	13 ha	18 ha
Percentage of Supply	28%	30%	42%

Net Land Supply

- 4.20 When considering net supply (i.e. including development under construction and, pending losses), total predicted land supply across the

District decreases to around 40 hectares, divided between sectors as follows:

	Office	Manufacturing	Wholesale Distribution
Area (ha)	11 ha	14 ha	15 ha
Percentage of Supply	28%	35%	37%

- 4.21 Predicted losses identified through the study are generally small and confined to the office and warehousing sectors.

Boroughbridge

- 4.22 The majority of available land supply in Boroughbridge was previously made up of land to the rear of Poplars Industrial Estate. This is a local plan commitment but where planning permission has now expired. As such, we have not considered this site as an existing commitment. New committed employment opportunities are therefore restricted to the Bar Lane Industrial Estates, which provide less than 1 hectare of vacant available land. Potential capacity within Boroughbridge appears to be based mainly within the manufacturing and warehousing sectors.

- 4.23 Levels of development under construction and extant planning permissions outside of identified local plan employment sites are limited within the Boroughbridge sub-area. Some activity, in the form of recent completions and development under construction, is evident within the Bar Lane Industrial Estates.

Harrogate

- 4.24 Overall, land supply within Harrogate town equates to just over 1/5 of the District's total (gross) provision. When considering net supply, this proportion decreases, a reflection of the fact that virtually all identified proposed losses fall within the Harrogate sub-area.
- 4.25 The majority of Harrogate's (gross) employment land supply is made up of development under construction and also from planning permissions outside of sites considered as part of this study. A substantial amount of this supply arises from the extension to Covance laboratories for new office and R&D accommodation at Cardale Park, under construction at the time of the survey.
- 4.26 Harrogate has no employment allocations without planning permission. Identified opportunities for new development are restricted to land with extant planning permission at Cardale Park which provides 1.56 hectares of land most likely to come forward for new office development.
- 4.27 In terms of the number of planning permissions, Harrogate is by far the most active sub-area as shown in Graph 4.1. It is also apparent however that in simple terms of numbers of permissions, this is the only sub-area where employment losses exceed employment gains. This suggests that there is a degree of recycling of existing employment stock to new employment / other uses within this sub-area.

Knaresborough

- 4.28 In direct contrast to Harrogate, virtually all of Knaresborough's supply is made up of the local plan allocation at St James Business Park. Over half

of the District's allocated undeveloped land is found at this site and this makes up around ¼ of all gross land supply within Harrogate Borough.

- 4.29 No employment developments were identified as being under construction at the time of the survey with current activity at St James Park concerning the erection of a new Audi car showroom.
- 4.30 Outside of St James Park, the number of employment-related planning permissions in Knaresborough appears low.

Ripon

- 4.31 Ripon is the most significant sub-area in overall quantitative employment land supply terms, providing around 1/3 of Harrogate Borough's total provision. The bulk of supply is made up of vacant employment allocations without planning permission (notably Melmerby Business Park which will likely be most suitable for warehousing and manufacturing uses) and also commitments / allocations within Ripon itself. Very little employment activity appears to take place outside of identified sites, with only one such commitment identified through the survey.
- 4.32 We are aware however that approximately 2 hectares of employment land is identified as under construction / developed at Ripon College in the Council's 2004 annual monitoring report. Employment elements of this development are recorded under Table 4.5. A further 0.33 hectares is also identified as being potentially available at Ripon College although ground conditions will be likely to make the remaining land difficult to come forward for employment use.

Rural Areas

- 4.33 With the exception of land at Fearby Road in Masham (which has extant planning permission for B8 development), activity in terms of planning permissions is found outside of identified local plan sites. This is a reflection of the limited supply of local plan allocations within the the District's rural areas.
- 4.34 Half of the number of 'major' planning permissions assessed outside of identified sites are located in the District's rural sub-areas, and are focussed on the manufacturing and warehousing sectors. Also, no employment losses arising from major permissions were identified in the rural sub areas. When considering all applications, losses were again comparatively low, with none identified in the Rural East area.

Existing Stock

Valuation Office Agency Records

- 4.35 The most reliable figures for existing floorspace provision at ward level (including amalgamated figures for occupied and vacant space) are provided by the Valuation Office Agency ("VOA"). This information assists in forming locally derived floorspace ratios for the forecast model to give a more accurate picture of local accommodation sizes. The results also help to create an overview of the scale and location of existing employment accommodation for market trends analysis.
- 4.36 VOA data is recorded annually. It identifies the total number and floorspace of hereditaments by sector, notably office, manufacturing and wholesale distribution. Data is also divided by electoral ward which enables analysis by sub-areas within the District.

- 4.37 Hereditaments are defined as ‘a piece of real, inheritable or taxable property on which rates may be charged and which is defined in law’. In the majority of cases, a hereditament corresponds to an extent of contiguous or adjacent space appropriate for a single business occupier. Most hereditaments relate to groups of buildings, single buildings or premises within buildings. Large office or mixed-use commercial or industrial buildings will, if shared between several tenants or owners, consist of several hereditaments. These hereditaments may occupy some floors, part of a floor or space in, adjacent to, or associated with the building. For example a flower stall or newspaper kiosk in an office building can constitute a separate hereditament. Conversely a single large hereditament may comprise many distinct buildings, for example a large factory on a single site.
- 4.38 Thus, while the VOA data reflects precisely the number of hereditaments at a certain time, this number may not be the same as the number of buildings or institutions that might be arrived at by another observer collecting information on the same building stock but for a different purpose. By and large the difference will be small, but for certain types of premise it can be more considerable. For example the VOA data has 826 university hereditaments which is much larger than the number of universities in England and Wales. This is because many have separately located buildings, which form separate assessments for rating because they are not considered essentially functionally, connected under rating law.
- 4.39 2003 floorspace figures have been used in this assessment as a base position for floorspace provision at the sub-area level. However these figures are necessarily suppressed for wards with very small numbers of hereditaments due to VOA disclosure rules.
- 4.40 Table 4.9 shows the approximate breakdown of VOA employment floorspace figures by sector and at sub-area level. (Provisional) ward level data is currently only available for 2003. Final 2004 data for the district as a whole is available and has been used as the basis for economic forecasting as outlined in subsequent chapters for 2003. To ensure consistency between the two data sets we have grossed up 2003 figures so that the district-wide total is the same as the 2004 figure. Detailed ward-level VOA data is reproduced at **Appendix 2**.

Table 4.9 Breakdown of VOA Data by Sector and Sub-Area

Sub Area		Sector			Total
		Office	Manu.	W & D	
Boroughbridge	Total Floorspace (m ²)	3000	23000	9000	35000
	Total No. of Hereditaments	23	7	23	53
Harrogate	Total Floorspace (m ²)	147000	133000	120000	400000
	Total No. of Hereditaments	834	239	335	1408
Knaresborough	Total Floorspace (m ²)	9000	52000	21000	82000
	Total No. of Hereditaments	130	54	52	236
Ripon	Total Floorspace (m ²)	12000	47000	59000	118000
	Total No. of Hereditaments	95	116	85	296
Rural East	Total Floorspace (m ²)	6000	135000	293000	434000
	Total No. of Hereditaments	45	187	168	400
Rural West	Total Floorspace (m ²)	38000	87000	39000	164000
	Total No. of Hereditaments	95	183	124	402
Total	Total Floorspace (m ²)	216000	476000	541000	1233000

Sub Area	Sector			Total
	Office	Manu.	W & D	
Total No. of Hereditaments	1222	786	787	2785

Vacant Premises

- 4.41 VOA figures do not distinguish between vacant and occupied space, providing an amalgamated figure for existing stock.
- 4.42 Set out in tables 4.10 and 4.11 is an overview of vacant employment floorspace as the time of the study. This overview has been compiled based on details in the Council's vacant property register amended / updated in the light of discussions with local agents. More detailed schedules on vacant premises schedules are set out at **Appendix 4**.

Table 4.10 Vacant Office Premises (2005)

Sub Area	Size Bands in m ² (numbers of vacant properties shown in brackets)							Total
	0 - 100	101 - 200	201 - 500	501 - 1000	1001 - 2000	2001 - 5000	5001+	
Borough-bridge	89 (1)	-	-	-	-	-	-	89 (1)
Harrogate	882 (19)	2,573 (17)	3,169 (10)	5,824 (8)	8,348 (6)	2,516 (1)	-	23,311 (61)
Knaresborough	245 (8)	240 (2)	264 (1)	-	-	-	-	750 (11)
Ripon	-	-	-	-	1,468 (1)	-	-	1,468 (1)
Rural East	55 (1)	-	212 (1)	-	-	-	-	267 (2)
Rural West	67 (1)	-	-	-	-	-	-	67 (1)
Total	1,338 (30)	2,813 (19)	3,645 (12)	5,825 (8)	9,816 (7)	2,516 (1)	-	25,952 (77)

Table 4.11 Vacant Manufacturing and Warehousing Premises (2005)

Sub Area	Size Bands in m ² (numbers vacant properties shown in brackets)							Total
	0 - 100	101 - 200	201 - 500	501 - 1000	1001 - 2000	2001 - 5000	5001+	
Borough-bridge	258 (3)	-	-	-	-	-	-	258 (3)
Harrogate	672 (9)	661 (5)	2,157 (7)	585 (1)	-	-	6,097 (1)	10,173 (22)
Knaresborough	-	167 (1)	630 (2)	-	-	-	-	798 (3)
Ripon	-	-	251 (1)	-	-	-	-	251 (1)
Rural East	242 (3)	-	799 (3)	-	-	5,831 (2)	-	6,873 (8)
Rural West	-	-	-	-	-	-	-	-
Total	1,172 (15)	828 (6)	3,837 (13)	585 (1)	-	5,831 (1)	6,097 (1)	18,352 (36)

Commentary – Existing Stock

District Wide

- 4.43 VOA figures identify a total of approximately 1,223,000 sqm of existing floorspace in the District, consisting of 2,785 hereditaments.
- 4.44 There is a total of 44,304 sqm of available vacant floorspace across the study area, equating to just around 3.6% of total existing stock. It should be noted that the vacant property figure excludes premises not marketed and hence, not revealed as part of the study. Excluded properties could well encompass a number of vacant premises within the District's urban and rural existing employment estates but which were not assessed as part of this study. It also excludes certain manufacturing / warehouse premises which have been discounted as part of our qualitative assessment as not making an effective contribution to the area's vacant stock. Thus, if considering all vacant floorspace, the proportion relative to total stock would increase.
- 4.45 Approximately 60% of vacant floorspace is in the office sector, the remainder relating to manufacturing and / or warehousing. Available office space is focussed towards smaller premises with only 8 properties identified as providing over 1,000 sq m (of which, only 1 unit was over 2000 sq m).
- 4.46 Apart from a limited number of notable exceptions, available industrial / warehouse units also tend to be skewed towards smaller premises with the vast majority being less than 500 sqm.

Boroughbridge

- 4.47 Boroughbridge is the smallest sub-area assessed in terms of existing floorspace. Existing floorspace is focussed mainly in the manufacturing sector. In terms of vacant premises, supply is very limited and all vacancies identified as being less than 100 sqm.
- 4.48 It is worthy of note however that we have excluded the former APC building from our assessment of available premises. Despite being vacant and marketed, it is considered that the scale and nature of this unit, including difficulties in sub-division, will likely make the effective re-use of this building difficult to secure. If included in the stock of vacant premises, with a floorspace of 7,225 sqm, this would substantially increase vacant industrial / warehouse space in Boroughbridge and Harrogate Borough overall.

Harrogate

- 4.49 Existing employment floorspace in Harrogate is fairly evenly divided between the different sectors, although the number of hereditaments for offices far exceeds those for manufacturing and warehousing, suggesting much smaller size of premises in comparison. Approximately 70% of all existing office space within the Borough is concentrated in Harrogate.
- 4.50 This concentration is reflected in available office stock, with Harrogate having almost 90%. Harrogate also has a large proportion of vacant industrial / warehousing floorspace, providing around 55% of identified available supply.

Knareborough

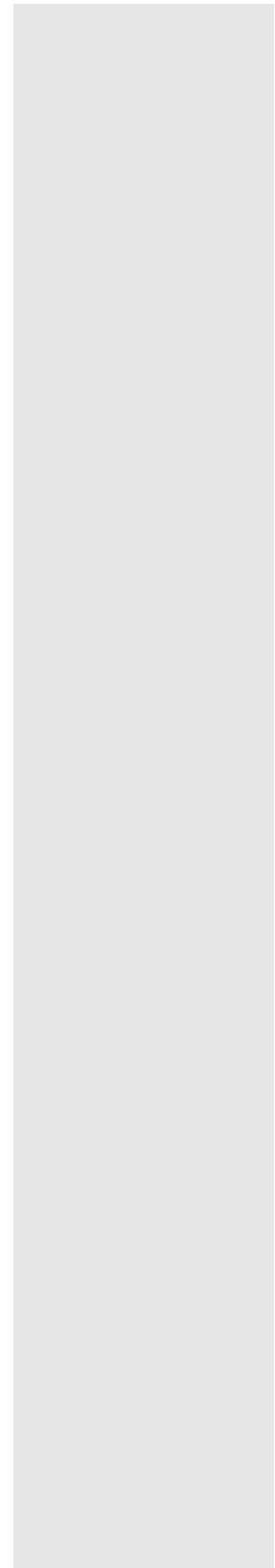
- 4.51 As with Boroughbridge, existing floorspace is focussed in the manufacturing sector, with comparatively little office accommodation.
- 4.52 Vacant property supply is limited, particularly with regard to industrial / warehousing premises. All identified vacancies were less than 500 sqm.

Ripon

- 4.53 Half of the floorspace in the Ripon sub-area is made up of warehousing. Vacant premises in Ripon are extremely limited in number, with only one office and one industrial / warehousing opportunity identified.

Rural Area

- 4.54 Cumulatively, these areas provide a significant amount of existing floorspace, accounting for almost 50% of Harrogate Borough's existing total provision. The contribution made in these sub-areas to the warehousing sector is particularly significant.
- 4.55 The Rural East sub-area is of particular significance, providing more existing floorspace than any other sub area. This picture is slightly skewed as for the purposes of assessing VOA figures, this sub area includes Melmerby Business Park. Elsewhere in this report, Melmerby Business Park is assessed as being within the Ripon sub-area.
- 4.56 Despite the significance of these sub-areas in terms of existing floorspace, this is not translated into vacant premises, with available space, especially in the Rural West sub-area being limited.



5. Existing Employment Land & Premises – Qualitative Assessment of Supply

Approach

- 5.1 In addition to a quantitative assessment of supply, it is important to undertake a qualitative review of sites, including in relation to employment allocations.
- 5.2 The purpose of undertaking such an assessment is to rigorously and systematically appraise all local plan employment land allocations and commitments, and other sites identified by the Council in terms of market attractiveness and sustainability/strategic planning considerations.
- 5.3 Regard has been had to good practice in setting appraisal criteria. The main criteria used to assess sites are listed below. A comprehensive list of criteria, including associated detailed indicators, is reproduced at **Appendix 5**.

Table 5.1 Qualitative Assessment Appraisal Criteria

Factor	Appraisal Criteria
Commercial (Market Attractiveness)	Quality of existing portfolio and internal environment Quality of the wider environment Strategic access Market conditions / perception of demand Ownership Physical site development constraints
Environmental Sustainability	Prudent use of natural resources Effective protection and enhancement of the environment
Strategic Planning	Social progress and regeneration Economic development

- 5.4 Results have been derived from:
- Site visits (undertaken during July 2005);
 - Information supplied by the Council;
 - review of reports and other available information sources; and
 - discussion with local commercial agents and site owners.
- 5.5 Detailed qualitative assessment results are recorded for each site on pro-forma sheets which are included in separate technical appendices at **Appendix 6**.
- 5.6 Our assessment of commercial factors includes the consideration of the likely attractiveness of developed sites for employment re-use and redevelopment. For clarification, this particular element of the assessment is based on our site visit only and does not include detailed or specific analysis in terms of a building survey or financial viability assessment for example.
- Site ‘Scoring’ and ‘Ranking’**
- 5.7 The completion of a rigorous and systematic qualitative appraisal allows the assessed sites to be scored against relevant criteria.
- 5.8 We have provided three rating scores for each of the site's assessed, one for commercial attractiveness (market), one for Environmental sustainability

and one for strategic planning considerations. The rating score system applied is outlined in table 5.2:

Table 5.2 Qualitative Assessment – Rating Score System

Description	Rating Score
Very Poor	1
Poor	2
Moderate	3
Good	4
Very Good	5

- 5.9 Sites are scored against each of the appraisal criteria included in Table 5.1. Separate totals identified for commercial, environmental sustainability and strategic planning/economic considerations are recorded on the qualitative appraisal pro-formas. The totals are derived for each of the three ratings by providing an average for the individual scores for each criterion.
- 5.10 In accordance with good practice, the scoring system used is relatively simplistic in approach. For example, it does not seek to weight scores in deriving an average. It is therefore important to consider scores in conjunction with associated qualitative assessment commentary set out in the report chapter which summarises the key negative and positive factors identified.
- 5.11 A single amalgamated score for each site is not recorded as it is important to separate out market and sustainability/strategic planning factors. For example, although an unconstrained Greenfield site may be commercially attractive to potential occupiers, this score will unlikely be reflected when assessed against sustainable development / environmental resource considerations.
- 5.12 This qualitative exercise also enables sites to be categorised in terms of their importance and role within the District and wider area. A list categorising the role of the sites is included at the end of the qualitative assessment section. This list only includes those sites identified by the Council for inclusion as part of this study.
- 5.13 Based on our understanding of the nature of the employment land market and types of employment sites within Harrogate Borough, for operational purposes, the employment land / sites which have been specifically assessed can be broadly sub-divided into the following categories:
- a) 'Best Urban' (BU) – Good quality sites suitable for local or incoming clients with a national/regional choice of locations.
 - b) 'Good Urban' (GU) – Good quality sites mainly suitable for locally-based clients.
 - c) 'Other Urban' (OU) – Sites which (could) perform a role for local clients.
 - d) 'Other Local' (OL) – Moderate to poor quality sites which may have potential for release to other forms of development subject to monitoring.
- 5.14 The categories provide an overview of the land portfolio available in Harrogate Borough to allow assessment against future land requirements.

- 5.15 Although site categories are often defined as 'Urban', there may be certain circumstances where sites falling within such categories are located outside of existing settlements, Melmerby Business Park being a good example.
- 5.16 'Other Urban' and 'Other Local' sites may also have potential for redevelopment through mixed-use schemes (to include an element of employment uses) or by forming part of more comprehensive redevelopment proposals together with adjoining land. Such redevelopment could therefore enhance the site's current contribution to the District's employment portfolio.
- 5.17 When considering the potential for release of sites, the scope for mixed use development should normally be first investigated, along with the other monitoring considerations discussed in chapter 10, before considering release to an entirely non-employment use.

Local Plan Employment Allocations and Commitments

Boroughbridge

Bar Lane Industrial Estates

- 5.18 The Bar lane industrial estates comprise two separate areas – Becklands Close and Brickyard Road.
- 5.19 Both areas are substantially developed and characterised by 1-2 storey part brick / part profiled steel clad units. Units are generally small and mid-sized, relatively modern and in good condition.

Commercial (Market Attractiveness)

- 5.20 Both employment areas appear popular, demonstrated by recent completions, units currently under construction and low levels of vacancy.
- 5.21 The main opportunity for further employment development relates to an area of 0.59 hectares at the southern end of Brickyard Road. This is a vacant (previously-developed) site and although extant planning permission still exists for a ready mix concrete plant (by virtue of the provision of access) it is considered unlikely that this proposal will come forward.
- 5.22 Both sites enjoy very good strategic access, located in close proximity to the A1M and A168.

Environmental Sustainability and Strategic Planning

- 5.23 The sites are previously developed. They are separated however from the main settlement of Boroughbridge with limited access to public transport, thus reducing their environmental sustainability and strategic planning scores.

Role within Employment Hierarchy

- 5.24 Overall, the sites are both classified as being within the 'Good Urban' category suitable mainly for locally-based clients.

Harrogate

Cardale Park

- 5.25 Cardale Park is a relatively well established and maintained office park on the western edge of Harrogate. Key occupiers include National Power and Covance Laboratories. The site has a variety of accommodation in terms of scale, age and quality with older premises tending to be concentrated within the north-eastern part of the site. The site includes two areas where

development was under construction at the time of the study and also two vacant areas suitable for additional office development. Vacant areas total approximately 1.56 hectares.

Commercial (Market Attractiveness)

- 5.26 Cardale Park is generally well occupied with any vacancies / under-used properties mainly limited to the older premises within its north eastern part.
- 5.27 The site appears to be a popular office location with development under construction, including speculative new office development (Greengate) and a significant extension to Covance Laboratories to provide additional office and R&D accommodation.
- 5.28 Overall, the site scores well in commercial terms. The vacant Beckwith Head Road allocation within Cardale Park represents Harrogate towns main identified opportunity for new office floorspace. Site issues including undulating topography and TPO'd trees will however need to be considered as part of development proposals. Section 106 contributions are also required towards an off-site cycle route, a Green Travel study and improvements to signals along Otley Road prior to the commencement of development. These issues should however not be a significant barrier to bringing forward development on this allocation site in commercial terms.

Environmental Sustainability and Strategic Planning

- 5.29 Given the distance from Harrogate town centre and the employee intensive nature of office development, this means that Cardale Park is a high car trip generator with high levels of car parking. Overall, the site scores moderately in terms of environmental sustainability and consideration should be given to minimising car travel such as through working with existing and potential new occupiers to formulate and implement Green Travel Plans.
- 5.30 The strategic planning score is higher in comparison due to the site's potential ability to contribute to Harrogate's sub-regional role and accommodate predicted growth in B1 (office) requirements in Harrogate Borough.

Role within Employment Hierarchy

- 5.31 Overall, Cardale Park is classified as being within the 'Best Urban' category which performs an important function, including for larger (incoming) office occupiers.

Knaresborough

St James Park

- 5.32 St James Park can be divided into the following three distinct areas:
- St James Business Park, modern profiled steel industrial / warehouse units accessed via Grimbald Crag Close;
 - St James Retail Park, including retail sheds and a number of car dealerships, accessed via Grimbald Crag Road; and
 - Vacant land, comprising mainly of the Phase II local plan employment allocation.

Commercial (Market Attractiveness)

- 5.33 St James Park scores well against market attractiveness factors. It is accessible to the strategic road network, notably the Harrogate Southern

By-pass which links to the A59. There is also a good availability of local facilities and bus services.

- 5.34 It is the largest vacant employment opportunity within Harrogate Borough, offering almost 12 hectares of vacant land and the potential for a range of plot sizes. Thus, the site is important in terms of providing for the needs of Knaresborough and also Harrogate. Only around 2 hectares are immediately available however (Plot 8) with the remaining 10 hectares which form the Phase II allocation needing site infrastructure provision to enable its comprehensive development. The developable area of the Phase II land may be less than 10 hectares due to flooding considerations.
- 5.35 Planning permission has been granted for the provision of various site preparation works for the Phase II land, including internal access road, lagoon, landscaping and levelling works although the owners have indicated that there is no firm timetable for implementation. An amended application to vary approved site levels was submitted in November 2005. Thus, this land is not immediately available.
- 5.36 The location is popular to non-employment uses, notably retail and car showrooms. The owners also identify enquiries for further car showroom users as well as hotel, retail and leisure users.

Environmental Sustainability and Strategic Planning

- 5.37 The site scores moderately against environmental sustainability considerations, limited mainly due to fact that the Phase II land is Greenfield.
- 5.38 The strategic planning score is higher in comparison due to the site's potential ability to contribute to Harrogate's sub-regional role and accommodate a range of users including predicted growth in B1 (office) requirements in Harrogate Borough.

Role within Employment Hierarchy

- 5.39 Overall, the site is classified as being within the 'Best Urban' category which performs an important function, including for (incoming) occupiers with larger land requirements.
- 5.40 Given the importance of the employment opportunity to the wider area, it will be important not to inappropriately dilute the employment offer with non-employment uses. It will be important to work with the owners to facilitate a comprehensive approach to development and ensure provision for a range of size and type of occupier, including those with smaller requirements.

Ripon

Melmerby Business Park, Melmerby

- 5.41 Melmerby Business Park is a relatively modern purpose built industrial estate comprising mainly part brick / part profiled steel clad industrial and warehousing units. Units range in size and are in generally good condition. The site includes two vacant plots, one close to the site entrance and a substantial further area at the rear of the Business Park.

Commercial (Market Attractiveness)

- 5.42 The site scores well against market / commercial considerations.
- 5.43 Development has come forward for a range of size requirements, with several smaller industrial units (for which there is a waiting list) up to very

large premises, the most notable being Wolsley UK, which occupies a plot of around 5 hectares.

- 5.44 The site enjoys very good strategic road access to the A61 and A1 and the location appears attractive to occupiers, including food and drink users. There are good occupancy rates and evidence of recent completions and development under construction at the time of the study.
- 5.45 The owners also advise of interest on the remaining vacant plots within the estate, which equate to 6.53 hectares. At 5.53 hectares, the most substantial vacant area of land lies to the north of the Wolsley UK site. Access to this land requires an extension to the internal site road along the western boundary of the Wolsley site.

Environmental Sustainability and Strategic Planning

- 5.46 The site performs well against strategic planning criteria, notably with regard to the ability to accommodate priority growth clusters (i.e. food and drink uses) and promote growth within the A1 corridor in accordance with the Regional Investment Plan.
- 5.47 Conversely, the site scores poorly in terms of environmental sustainability due to its remote location from urban areas and public transport. Vacant land within the Business Park is also Greenfield.

Role within Employment Hierarchy

- 5.48 Overall, the site is classified as being within the 'Best Urban' category which performs an important function, providing for a range of industrial / warehouse users, including for (incoming) occupiers with larger land requirements.
- 5.49 Bringing forward the early extension to the existing internal site road to serve the vacant land to the rear of the Business Park would likely enhance the attractiveness of this land for development. There would be benefit in the Council exploring this issue further with the land owner.

Boroughbridge Road

- 5.50 This site is located on the edge of Ripon. It is part developed and includes a Travis Perkins builders yard, a number of small – mid size industrial units and a 2 storey speculative office building which was under construction at the time of the study. Approximately 3 hectares of land is vacant and available for development.

Commercial (Market Attractiveness)

- 5.51 The site is relatively level and offers the most immediately available employment opportunity within Ripon. Recent / ongoing development suggests some demand for this location. Marketing agents advise that additional industrial units are proposed and that demand has been expressed for other uses such as motor trade.
- 5.52 Constraints, such as proximity to the sewage treatment works, could restrict the attractiveness of (parts of) the site to certain users.

Environmental Sustainability and Strategic Planning

- 5.53 The site scores only moderately against environmental sustainability and strategic planning considerations, due particularly to its location away from the centre of Ripon and its associated retail, public transport and other facilities.

Role within Employment Hierarchy

- 5.54 Overall, the site is classified as being within the 'Good Urban' category suitable for locally based clients.
- 5.55 Given the fact that this employment opportunity is the only identified site in Ripon which is immediately available and where activity is currently taking place, it will be important not to dilute the employment offer with inappropriate non-employment uses.

Harrogate Road

- 5.56 The site is broadly triangular in shape. It is undeveloped and comprises informal scrub vegetation. The site is sloping and has tree screening around much of its perimeter. Access is required through the adjoining Morrisons Supermarket site.
- 5.57 Planning permission was granted on appeal for the mixed-use development of this site, including a Homebase store and B1, B2 and B8 employment development. Employment development will likely provide a total of 6,500 sqm of new floorspace.

Commercial (Market Attractiveness)

- 5.58 Overall the site scores moderately well against commercial considerations.
- 5.59 The site has good strategic access to the A61 Ripon By-pass. Marketing Agents advise of a good level of interest for the proposed employment units, which will be provided in freehold B1, B2 and B8 units of around 500 sqm and upwards with some potential for subdivision.
- 5.60 Site shape and topography could restrict the form / scale of development within certain parts of the site. Also, site availability for employment users is dependant on the prior development of the proposed Homebase store first taking place, which we are advised is likely to be sometime in 2006.

Environmental Sustainability and Strategic Planning

- 5.61 The site's environmental sustainability score is reduced due to the Greenfield nature of the site and its position away from the centre of Ripon.
- 5.62 The strategic planning score is average, but is slightly better than environmental sustainability due to the site's ability to meet certain economic development objectives, such as building on the economic opportunities of northern market towns.

Role within Employment Hierarchy

- 5.63 Overall, the site is classified as being within the 'Good Urban' category suitable mainly for locally based clients.

Hutton Bank

- 5.64 The site includes a number of existing brick-built and other buildings that are in a poor condition. The southern part of the site consists of a broadly triangular uneven grassed/scrub area, which slopes down from north-east to south-west. This part of the site previously had planning permission for retail development but this has now lapsed.

Commercial (Market Attractiveness)

- 5.65 Overall the site scores poorly against market attractiveness considerations.
- 5.66 Existing poor quality buildings on the site would unlikely be attractive for economic re-use. Redevelopment of these buildings for employment use

would also be unlikely to generate significant market interest. This is reflected in the limited number of enquiries received by marketing agents for employment use (and greater level of enquiries for alternative uses such as housing and trade counter uses). Undeveloped parts of the site also present some constraints to development in terms of its shape and topography.

Environmental Sustainability and Strategic Planning

- 5.67 Environmental sustainability and strategic planning scores are moderate. Appropriate redevelopment of this relatively prominent 'gateway site' will enhance local townscape although this benefit is balanced against its location away from the centre of Ripon and its associated shops and services.

Role within Employment Hierarchy

- 5.68 Overall, the site is classified as being within the 'Other Urban' category, being of a moderate quality site but with potential to provide a long-term opportunity through redevelopment of vacant land and buildings.
- 5.69 A comprehensive approach to redevelopment should be considered to bring forward the site. This could be assisted through the preparation of a development brief worked up with the site owners. Comprehensive development will likely require the inclusion of an element of non-employment uses to assist in delivery and maximize the potential for enhancing the appearance of the currently unattractive site.

Rural West

Fearby Road, Masham

- 5.70 The site is undeveloped and is in current agricultural (arable) use. It covers an area of approximately 1.36 hectares. It lies on the edge of Masham and adjacent to other employment users, including Danby Food and Jamesons Animal Feeds.
- 5.71 Planning permission was granted in January this year for a beer packing plant and distribution facility on the entire site for use by the Blacksheep Brewery. This would provide approximately 2,495 sqm of new warehouse floorspace.

Commercial (Market Attractiveness)

- 5.72 The general remoteness of the site from the main strategic road network and main centres of population will limit the attractiveness of this site to many users. The site is relatively unconstrained physically being fairly flat, large and not previously developed. It will likely be attractive to 'local' sectors such as food and drink and agriculture-related industries. This is evident by the recent planning permission for the site. This site represents Masham's, (and the District's rural sub-areas) only currently identified vacant employment opportunity.

Environmental Sustainability and Strategic Planning

- 5.73 The rural location and Greenfield nature of this site mean that it generally scores poorly against environmental sustainability considerations.
- 5.74 The Strategic planning score is better however, due in part to the site's potential to promote / consolidate priority clusters, notably food and drink.

Role within Employment Hierarchy

- 5.75 Overall, the site is classified as being within the 'Good Urban' category suitable for locally based clients.

Other Employment Sites

Boroughbridge

Poplars Industrial Estate

- 5.76 The northern part of the trading estate is dominated by a low-slung substantial vacant factory building (7,225 sqm) of brick built and profiled steel construction. This building was formerly occupied by APC but is now vacant.
- 5.77 The south-eastern part of the estate also includes a large brick-built industrial building occupied by Kelan Circuits Limited (manufacturers and distributors of computer circuit boards). This unit is generally similar in appearance (albeit smaller) to the vacant factory building to the north. To the rear of the Kelan unit is a flat, cleared area of land of approximately 0.59 hectares, accessed through the existing internal site road from Wetherby Road. This area was used by Kelan Circuits as their car park although it is understood that parking provision associated with the vacant APC unit is being used by Kelan at present.

Commercial (Market Attractiveness)

- 5.78 The site has very good strategic accessibility, located within easy access of the A1M and A168. This being said, the overall market attractiveness score for the site is limited by other factors.
- 5.79 Re-use of the former APC unit for employment will likely generate limited market interest due to its large size, low eaves heights and difficulties in sub-division. This conclusion is reiterated by the marketing agents. Redevelopment of the APC unit for employment use (in isolation) would also be unlikely to generate strong market demand.

Environmental Sustainability and Strategic Planning

- 5.80 The site scores well against environmental sustainability and strategic planning criteria, by virtue of its previously developed nature and location within the urban area with relatively good accessibility to facilities.

Role within Employment Hierarchy

- 5.81 Overall, the site is classified as being within the 'Other Urban' category, being of moderate quality site but with potential to provide a long-term opportunity through redevelopment of vacant buildings.
- 5.82 A comprehensive approach to redevelopment could be considered to bring forward the former APC site, other adjoining dilapidated buildings in the Estate and also adjoining land. Consideration could be given to the preparation of a development brief. Comprehensive development may require a pro-active approach from the Council and / or the inclusion of an element of non-employment uses to facilitate delivery.

Land Rear of Poplars Industrial Estate

- 5.83 This site is undeveloped and is currently in agricultural (grazing and 'horse-related') use. The site is approximately 3.21 hectares and broadly rectangular in shape.

Commercial (Market Attractiveness)

- 5.84 Given its size and shape, the site could potentially offer a range of plot sizes and potential layouts. At 3.21 hectares, the site would be the largest potential new undeveloped employment opportunity in the Boroughbridge area, with other identified sites in the locality being largely developed.
- 5.85 It is also relatively prominent in terms of its visibility from the strategic highway network (i.e. the A1M and A168). As such, the site scores reasonably well in terms of market attractiveness but this is tempered by certain site constraints, notably that access to the site is only available through the adjoining Poplars Industrial Estate, which is in different ownership. Also, off-site highway works may be necessary to enable the development of this site
- 5.86 Outline planning permission for employment development on this site was granted in 1993 and renewed in 1996 as an extension to the adjoining Poplars Industrial Estate. Permission has now lapsed however and the site is therefore not considered as an existing local plan commitment in the context of this report.

Environmental Sustainability and Strategic Planning

- 5.87 The site scores moderately in relation to environmental sustainability, being located in an accessible urban location but categorised as Greenfield.
- 5.88 The strategic planning score is better. The site has potential to accommodate different sizes of user and hence, play a role in promoting opportunities in the A1 corridor.

Role within Employment Hierarchy

- 5.89 Overall, in qualitative terms, the site is classified as being within the 'Good Urban' category due to its ability to cater for (incoming) occupiers with larger land requirements.
- 5.90 This site could be considered as a longer-term opportunity for Boroughbridge. Effective development of this site is largely dependent however upon securing access through the adjoining Poplars Industrial Estate. As such, any development of this site would need to be considered comprehensively as part of proposals for the existing Estate.

Riverside Sawmills

- 5.91 The site is in current use as a sawmill comprising a number of profiled steel warehouse type buildings used for wood storage, timber cutting etc. Buildings and external areas within the site are generally of a poor quality. The eastern part of the site appears underused and it is understood that the owner (John Boddy Timber) is considering further consolidation of operations which could release part of the site for development.
- 5.92 Access to the site is via Valuation Lane, which is a narrow and unadopted road.

Commercial (Market Attractiveness)

- 5.93 The site has very good strategic access located in close proximity to the main highway network. In contrast however, local access is poor and would require improvement as part of any redevelopment, notably the inclusion of land and buildings at Richmond House to enable the widening of Valuation Lane and provision of an adequate junction with Horesefair. It is understood however that this land is in the same ownership.

5.94 Commercial issues such as the quality and condition of existing buildings and lack of visibility from main roads, limits the commercial attractiveness score of this site.

Environmental Sustainability and Strategic Planning

5.95 The site scores better against environmental sustainability and strategic planning criteria, through being previously developed and within an urban area. Redevelopment of the site would also enhance its contribution to local townscape quality, with the northern part of the site located within a conservation area.

Role within Employment Hierarchy

5.96 Overall, the site is classified as being within the 'Other Urban' category, being of a moderate quality site but with potential to provide a long-term opportunity through (part) redevelopment of vacant / underused land and buildings.

5.97 A comprehensive approach to redevelopment may need to be considered to bring forward the site and address existing constraints. A pro-active approach by the Council and / or the inclusion of an element of non-employment uses may be needed to help ensure a commercially viable form of development.

Land at Milby

5.98 The majority of the site is unattractive in appearance. It is predominantly used in connection with sand and gravel operations and includes various poor quality buildings, plant and large areas of open storage. The north western part of the site is occupied by a number of small, generally better quality warehouse buildings. A further small warehouse building was under construction at the time of the survey. This area also includes Station House, which is a Grade II listed building.

Commercial (Market Attractiveness)

5.99 The majority of the site presents a poor environment. Other than buildings within the north western part of the site, properties are likely to generate very limited interest for re-use other than from occupiers requiring cheap low quality accommodation or land for open storage for example.

5.100 Strategic accessibility is relatively good although immediate access to the site is of a poor standard. Market demand for redevelopment of the site for other forms of employment use is unlikely be strong due to access and other site issues. A generally low score is recorded for the site's overall commercial attractiveness.

Environmental Sustainability and Strategic Planning

5.101 The site is previously developed in an edge of urban location. The site's contribution to townscape quality is currently poor although this would be enhanced through redevelopment of the site.

Role within Employment Hierarchy

5.102 Overall, the site is classified as being within the 'Other Local' category generally of a poor quality which may have the potential for release to other forms of development subject to monitoring, in particular, ensuring an adequate supply of lower grade employment land.

Harrogate

Rossett Drive Industrial Estate

- 5.103 The northern part of the site comprises relatively modern brick-built office buildings and associated parking accessed via St George's Walk. An unadopted private access to the site also exists, linking Rossett Drive and St George's Place. The southern part of the site is open land including telegraph poles (used for telecom engineer training) and other structures, most notably a prominent frame structure.
- 5.104 Part of the site (Area B) has been vacant since about 1998. Agents advise that the remainder of the site, currently occupied by BT / Accenture, may become vacant in the longer-term. Planning permission has previously been sought for residential development on the site (proposals refused and a subsequent application withdrawn).

Commercial (Market Attractiveness)

- 5.105 Existing buildings are relatively modern and appear in a reasonable condition. Re-use of buildings may attract interest although re-letting may be affected by the size or premises and their location, which is removed from other employment uses and main roads and is within a residential area.
- 5.106 Consideration would need to be given to site access arrangements for proposals to intensify current site usage. It is understood that the private site road to Rossett Drive will not be adopted by the Highways Authority.

Environmental Sustainability and Strategic Planning

- 5.107 The site scores quite well against environmental sustainability and strategic planning criteria, through being previously developed land within the urban area and with relatively good accessibility to facilities. The site can also potentially assist in accommodating predicted growth in B1 (office) requirements in Harrogate Borough.

Role within Employment Hierarchy

- 5.108 Overall, the site is classified as being within the 'Other Urban' category, being of a moderate quality site but with potential to provide a long-term opportunity through (part) redevelopment / reuse of vacant and underused land and buildings for employment purposes.

Northern Lights Warehouse, Grove Park Centre

- 5.109 Buildings on site comprise a stone-built warehouse (built 1910) and a later 1960's extension. The warehouse building has three bays sharing a small external service yard fronting onto Grove Park View. There is separate vehicular access, service yard and parking to the adjoining extension accessed via Grove Park Avenue.
- 5.110 The site is in current use accommodating a range of occupiers although the marketing agents advise that the entire site will likely come available in 2010. An outline planning application for residential development on the site previously submitted but subsequently withdrawn.

Commercial (Market Attractiveness)

- 5.111 Existing buildings on site are of a generally low quality. The location within a mainly residential area and constraints in terms of loading, access and parking, will limit interest in employment re-use to 'lower order' occupiers. Employment redevelopment may also generate only limited demand

although there may be potential to accommodate an extension to the adjoining Grove Park Court office development.

- 5.112 On balance, the site is given a moderate to poor score when assessed against commercial attractiveness factors.

Environmental Sustainability and Strategic Planning

- 5.113 In contrast, the previously developed nature of the site together with its accessible urban context means that the site scores well against environmental sustainability factors. The strategic planning score is moderate.

Role within Employment Hierarchy

- 5.114 Overall, the site is classified as being within the 'Other Local' category, generally of a poor quality which may have the potential for release to other forms of development subject to monitoring, in particular, ensuring an adequate supply of lower grade employment land.

Starbeck Highways Depot

- 5.115 The site in current use by the County Council as a Highways Depot but it is understood that it has been declared surplus to future requirements. It comprises several low level variable quality brick-built, profiled steel and temporary buildings situated within an enclosed yard area. A large proportion of the site is used for vehicle circulation / parking and also for open storage. The site is accessed via Station View.

Commercial (Market Attractiveness)

- 5.116 Access to the site is reasonable although site visibility / prominence from main roads is poor.

- 5.117 There may be some market interest in re-use of buildings for employment use although the quality and age of certain premises will likely limit overall attractiveness to occupiers requiring cheap accommodation. Redevelopment for employment use may generate some market interest although the site's location and existence of nearby residential and other non-employment uses could limit the type of occupier appropriate / likely to be attracted to the site.

Environmental Sustainability and Strategic Planning

- 5.118 As with the Grove Park Centre in Harrogate, the previously developed nature of this site within the urban area and with good access to local facilities means that it scores well in terms of environmental sustainability and more moderately against strategic planning considerations.

Role within Employment Hierarchy

- 5.119 Overall, the site is classified as being within the 'Other Local' category, generally of a poor quality which may have the potential for release to other forms of development subject to monitoring, in particular, ensuring an adequate supply of lower grade employment land.

Harrogate Glass, Back Valley Drive

- 5.120 The building on site comprises part 1 / part 2-storey stone built accommodation on a small tight corner fronting Back Valley Drive and Back Harlow Moor Drive. The building is old and makes little contribution to local townscape quality. It is unclear whether the site is still in active employment use. An appeal into the redevelopment of the site for residential flats was dismissed in May 2005.

Commercial (Market Attractiveness)

- 5.121 The site scores poorly against market attractiveness considerations, due mainly to the quality and age of premises, restricted access and parking and proximity to residential premises. These considerations will limit interest to users requiring cheap accommodation of this type and quality. Given the size of the site, there will likely be low market interest in redevelopment for employment use.

Environmental Sustainability and Strategic Planning

- 5.122 Redevelopment of the site, which is located within the Harrogate Conservation Area, would enhance its contribution to local townscape quality. Combined with other environmental sustainability benefits, the site scores well in this regard.
- 5.123 The site makes only a very limited contribution to strategic planning considerations and therefore scores poorly.

Role within Employment Hierarchy

- 5.124 The site is classified as being within the 'Other Local' category, generally of a poor quality which may have the potential for release to other forms of development subject to monitoring, in particular, ensuring an adequate supply of lower grade employment land.

Dunlopillo, Pannal

- 5.125 The Dunlopillo site is approximately 6.9 hectares. It is in current use for the manufacture of rubber products although parts of the site do not appear intensively used and with certain buildings being vacant.
- 5.126 A 3 / 4 storey office block is located to the front of the site. To the rear is a range of predominantly brick-built factory buildings, dating from the 1950's / 60's with some later additions. These buildings are of a generally poor quality.

Commercial (Market Attractiveness)

- 5.127 The Dunlopillo site has good access to the strategic road network (A61) and is adjacent to Pannal railway station. This being said, the site scores only moderately / poorly against market attractiveness factors, limited by other considerations.
- 5.128 Re-use of the buildings would unlikely generate significant market interest due to their age, scale, nature and condition. Similarly, redevelopment of the site for an entirely employment scheme may not attract a strong level of demand as a result of site preparation costs, including the demolition of buildings and the need to provide ground remediation works to deal with likely contamination.
- 5.129 Surrounding residential uses may also limit the type of employment use appropriate for the site, as illustrated by complaints in relation to noise and odour emissions arising from current operations.

Environmental Sustainability and Strategic Planning

- 5.130 Overall, the site scores quite well against sustainability and strategic planning criteria. It is previously developed and enjoys good accessibility by public transport, albeit that the site is located outside of the District's main urban area of Harrogate town itself.

Role within the Employment Hierarchy

- 5.131 The site is classified as being within the 'Other Urban' category, being of a moderate quality but with potential to provide a long-term opportunity through the redevelopment of existing buildings.
- 5.132 Should the site become vacant, a comprehensive approach to development would likely be required to bring forward the site. A pro-active approach by the Council, through the preparation of a development brief in consultation with the owners for example, together with the inclusion of an element of non-employment use within any redevelopment scheme, may be necessary to ensure delivery.

Knarborough

Former Cattle Market, Commercial Yard

- 5.133 The site was formerly used as a cattle market but is now vacant. It includes a low slung stone building and a dilapidated former cattle shed. The site also includes an overgrown yard area. Principal access is from Commercial yard, via the A59 High Street, although an unmade track also provides access to the rear of the site.
- 5.134 Planning permission for food retail on this site and adjoining land was previously permitted although part of this land has now been developed for sheltered housing.

Commercial (Market Attractiveness)

- 5.135 This site scores very poorly against commercial considerations. It is constrained by a number of factors, notably access and its 'hidden' position to the rear of properties on the High Street. Access to the site is very restricted. Existing buildings and structures on site are of a poor quality.
- 5.136 The site will very unlikely be attractive to the market for employment use.

Environmental Sustainability and Strategic Planning

- 5.137 In direct contrast, the previously developed nature of the site within the urban area and with very good access to local facilities means that the site scores very well against environmental sustainability factors. Redevelopment of the site would enhance its contribution to local townscape quality.
- 5.138 The site makes only a limited contribution to strategic planning considerations.

Role within Employment Hierarchy

- 5.139 The site is classified as being within the 'Other Local' category, generally of a poor quality with potential for release to other forms of development subject to monitoring.
- 5.140 This being said, if considered with adjoining poor quality buildings to the south, as promoted in the Market Towns Initiative Development Framework for Knarborough, a more comprehensive approach to redevelopment could be considered to bring the site forward.
- 5.141 This could be assisted through the preparation of a development brief worked up with relevant land owners. Comprehensive development may require a pro-active approach from the Council and / or the inclusion of an element of non-employment uses to facilitate site delivery. If pursuing a

wider redevelopment opportunity, it will be important to ensure that any displaced employment occupiers can be relocated.

Former Timber Yard, Stockwell Road

- 5.142 The site was formerly used as a timber yard. It has been cleared of buildings, although a number of hardstanding areas still remain. The site has become overgrown. An appeal has recently been dismissed for a nursing home. The site measures 0.30 hectares.

Commercial (Market Attractiveness)

- 5.143 The site is generally flat and regular in shape. It has reasonable access and road frontage visibility to Stockwell Road. The Inspector's report into the recently dismissed appeal identified that there has been some interest in the site, including from the adjoining Manse Masterdor Limited (manufacturers of windows and doors).
- 5.144 Proximity to residential and existing industrial users may limit the potential to accommodate certain employment users. Overall, the site scores moderately in market attractiveness terms.

Environmental Sustainability and Strategic Planning

- 5.145 The site scores very well against environmental sustainability factors due to its previously developed nature and urban location close to the centre of Knaresborough. Development would also offer the potential to enhance the contribution of this site to local townscape / environmental quality. The site scores moderately against strategic planning considerations.

Role within Employment Hierarchy

- 5.146 The site is classified as being within the 'Other Urban' category, being of a moderate quality site but with potential to provide a long-term opportunity through redevelopment of vacant land. Consideration could be given to the inclusion of adjoining land, such as the underused Council Depot, to provide a more comprehensive redevelopment opportunity.

Castle Forge and Cheapside

- 5.147 The site is a mix of one and two storey buildings. It is in current use and includes retail, residential and employment uses. Access to the site is via Cheapside and Brewerton Street.

Commercial (Market Attractiveness)

- 5.148 The site has good strategic access in terms of proximity to the A59. It is also well located in relation to facilities within the town centre. Local access and servicing is constrained however, with narrow streets and very limited on-street parking.
- 5.149 Continued use of existing premises for small scale employment occupiers is likely to remain moderately attractive for small scale 'workshop' type uses. There is likely to be very limited market interest in redevelopment for employment use due to the tight and already intensively developed nature and small scale of the site.

Environmental Sustainability and Strategic Planning

- 5.150 The site achieves a 'very good' score against environmental sustainability factors due to its previously developed nature in an urban location close to the town centre. The strategic planning score is less due to the scale and already developed nature of the site.

Role within Employment Hierarchy

- 5.151 The site is classified as being within the 'Other Local' category, generally of a poor quality which has the potential for release to other forms of development subject to monitoring, in particular ensuring an adequate supply of lower grade employment land

Ripon

Ash Grove Industrial Estate

- 5.152 The site comprises a number of single-storey prefabricated buildings of very poor quality. Occupiers vary but include a number of car repair operators. The site is accessed from Ash Grove to the south.

Commercial (Market Attractiveness)

- 5.153 The site scores very poorly in market attractiveness terms. Buildings, and the appearance of the site overall, is of a very poor quality and there appears to be a large number of vacancies. This being said, the site does offer cheaper accommodation for particular types of end users with limited other similar opportunities in the Ripon area.
- 5.154 Site constraints and the site's residential context could reduce market demand from employment redevelopment proposals.

Environmental Sustainability and Strategic Planning

- 5.155 The site scores better in terms of environmental sustainability and strategic planning due to its previously developed nature and urban location.

Role within Employment Hierarchy

- 5.156 The site is classified as being within the 'Other Local' category generally of a poor quality which may have the potential for release to other forms of development subject to monitoring, in particular, ensuring an adequate supply of lower grade employment land.

Tower Garage, Palace Road

- 5.157 The site comprises a single storey brick-built garage building with forecourt area. It is currently vacant, formerly used as a car showroom and for vehicle servicing / repairs. Access to the site is from Palace Road, which abuts the site to the west.

Commercial (Market Attractiveness)

- 5.158 The site is relatively prominently located close to the junction of Palace Road and North Street, which is an entrance and exit into Ripon.
- 5.159 The property appears to be in a reasonable condition although given its nature, re-use will not generate market interest from a wide range of potential users. It is not evident however that the site has been actively marketed for employment use and a planning application for residential development was refused on 20 October 2005.
- 5.160 The site is given a moderate score against market attractiveness considerations.

Environmental Sustainability and Strategic Planning

- 5.161 The site is previously developed and located in relative close proximity to the City centre. Redevelopment of the site would also enhance its contribution to local townscape quality. The site is situated close to a listed building and conservation area. Overall the site scores highly in terms of

environmental sustainability but makes a more modest contribution against strategic planning criteria.

Role within Employment Hierarchy

- 5.162 The site is classified as being within the 'Other Local' category, generally of a poor quality which may have the potential for release to other forms of development subject to monitoring, in particular, ensuring an adequate supply of lower grade employment land.

Gas Holder Station, Stonebridgegate

- 5.163 This site is characterised by a mixture of scrub and hardstanding areas. A gas holder was located towards the rear of the site but this has been demolished. The site has been vacant since 1994. Access is via Stonebridgegate. The site is 0.58 hectares

Commercial (Market Attractiveness)

- 5.164 The site has good accessibility to the main road network although site access will need to be considered carefully as part of any development, by virtue of the current point of access being situated immediately adjacent to the access to a neighbouring factory and opposite a fire station.
- 5.165 Given the sites former use, there will be potential for contamination. Other site constraints, including the presence of gypsum and nearby residential and relatively unattractive industrial buildings, may also limit the strength of demand.

Environmental Sustainability and Strategic Planning

- 5.166 The site scores well against environmental sustainability considerations, being previously-developed and close to the centre of Ripon. The site makes a fairly limited contribution to strategic planning objectives.

Role within Employment Hierarchy

- 5.167 The site is classified as being within the 'Other Local' category, generally of a poor quality which may have the potential for release to other forms of development subject to monitoring, in particular, ensuring an adequate supply of lower grade employment land.
- 5.168 In order to overcome site constraints, such as contamination given the site's past use, consideration may need to be given to mixed use development including elements of higher value non-employment uses such as residential.

City Motors, Bondgate Green

- 5.169 This site comprises a brick-built garage with bay doors and a small forecourt and yard area. It is understood that the site was occupied for vehicle storage in 2004 but it was unclear from the site visit whether or not the site was still in active use.

Commercial (Market Attractiveness)

- 5.170 Overall, the site is awarded a moderate / poor score in terms of market considerations. Continued use of the building will likely be reasonably attractive although the quality and size of the unit will limit its use to occupiers requiring this type of 'lower order' space.
- 5.171 Redevelopment of the site for employment use would unlikely generate strong market demand due to its small size and already intensively developed nature.

Environmental Sustainability and Strategic Planning

- 5.172 The site is previously developed and located quite close to Ripon centre. Redevelopment of the site would also enhance its contribution to the conservation area.

Role within Employment Hierarchy

- 5.173 The site is classified as being within the 'Other Local' category, generally of a poor quality which may have the potential for release to other forms of development subject to monitoring, in particular, ensuring an adequate supply of lower grade employment land.

Rural West

Rear of Livestock Auction Mart, Leyburn Road, Masham

- 5.174 The northern part of the site is a field currently in use as a temporary car park for the nearby Black Sheep Brewery. The southern part of the site includes livestock holding pens and a yard area used in connection with the adjoining Livestock Auction Mart. Access to the site is via the A6108.

Commercial (Market Attractiveness)

- 5.175 The site is fairly regular in shape and measures approximately 0.60 hectares. It has reasonably good frontage visibility directly on to the A6108.
- 5.176 The site scores moderately against market attractiveness considerations. Proximity to the existing Auction Mart (which is unattractive in appearance) and nearby residential uses could limit the attractiveness of the site to certain users. Given the rural location of Masham and the general remoteness of the site from the main strategic road network and main centres of population, this will limit the size of the market. Interest would likely be focussed within locally-based employment sectors, such as agriculture and food and drink.

Environmental Sustainability and Strategic Planning

- 5.177 As with commercial factors, the site's scores for environmental sustainability and strategic planning are moderate. It is recognised however that the site could have a role in promoting priority clusters.

Role within Employment Hierarchy

- 5.178 The site is classified as being within the 'Other Urban' category, being of a moderate quality site but with potential to provide a long-term opportunity through redevelopment of vacant land.
- 5.179 Consideration could be given to the inclusion of adjoining land, including the adjoining Auction Mart to the south, to provide a more comprehensive redevelopment opportunity of 1.04 hectares in total capable of delivering greater environmental sustainability benefits in terms of enhancements to townscape / local environmental quality.
- 5.180 Comprehensive development including the Auction Mart site may require a pro-active approach from the Council and / or the inclusion of an element of non-employment uses to promote delivery. If such an approach is pursued, it will be important to establish the aspirations of the owners of the Auction Mart, including the need for any replacement auction facilities. A development brief, worked up with land owners, would likely assist in this process.

Jameson's Warehouse and Office, Leyburn Road, Masham

5.181 The site is in current employment use. The majority of the site is occupied by a single storey rendered warehouse building with a small forecourt and separate stone-built newer office building fronting on to the A6108. The rear part of the site comprises a small allotment garden, a storage yard / parking area (to the main warehouse building) and a small stone-built storage building of fairly poor quality.

Commercial (Market Attractiveness)

5.182 Re-use of buildings for employment use is likely to be of moderate attractiveness. The site has relative good frontage visibility on to the A1608. The quality and age of premises, allied to access constraints (particularly to the rear) and proximity to residential uses could reduce interest from potential occupiers.

5.183 Given the size of the site and existing buildings, there is likely to be limited market interest in redevelopment of the site for employment purposes.

Environmental Sustainability and Strategic Planning

5.184 The site scores reasonably well in terms of environmental sustainability. It is previously developed, located relatively close to the centre of Masham. The site's contribution towards strategic planning objectives are more modest in comparison.

Role within Employment Hierarchy

5.185 The site is classified as being within the 'Other Local' category, generally of a poor quality which may have the potential for release to other forms of development subject to monitoring, in particular ensuring an adequate supply of lower grade employment land

Highways Depot and Coal Yard, Pateley Bridge

5.186 Although these sites are separate, they adjoin one another and share a number of similar characteristics. As such, they are considered together for the purposes of the qualitative assessment.

5.187 The Highways Depot site is in current use by the County Council but it is understood that it has been declared surplus to future requirements. It comprises variable quality brick-built and profiled steel buildings. A relatively large part of the site is used for vehicle circulation / parking and also for open storage (blocks, gravel, lamp posts etc). Overall the site is 'scruffy' in appearance, with buildings being in a poor condition. Access to the site is from Millfield Road.

5.188 The Coal Yard is in current active use. A number of buildings are located within the southern half of the site including three rendered warehouse buildings and two relatively recent residential properties (Station House and Hawken House). The northern half of the site is used as open storage for coal and gas bottles. As with the adjoining Highways Depot, overall the coal yard site is unattractive, with the warehouse buildings being a relatively poor condition. Access to the site is from Greenwood Road.

Commercial (Market Attractiveness)

5.189 Market interest in re-use of buildings for employment use is likely to be limited due to their generally poor quality. There is also likely to be fairly low interest in redevelopment for employment use due to physical site issues and adjoining residential and industrial uses which would likely limit overall market attractiveness and the type of occupier appropriate. Given

the rural location of Pateley Bridge and the remoteness of the sites from the main strategic road network and main centres of population, this will also restrict the market to local users.

Environmental Sustainability and Strategic Planning

- 5.190 The sites score reasonably well in terms of environmental sustainability. Redevelopment proposals would enhance their current contribution to local townscape / environmental quality. Neither of the sites make a significant contribution towards strategic / economic planning appraisal criteria.

Role within Employment Hierarchy

- 5.191 Both sites are classified as being within the ‘Other Local’ category generally of a poor quality with potential for release to other forms of development subject to monitoring, in particular, ensuring an adequate supply of lower grade employment land.

Qualitative Assessment Overview

- 5.192 Tables 5.3 and 5.4 below provides a summary of the local plan and other sites which have been subject to qualitative assessment. Information includes scoring against broad appraisal criteria and their classification in terms of role in the employment hierarchy.

Table 5.3 Qualitative Assessment Scores and Ranking – Local Plan Allocations and Commitments

Site	Commercial	Sustainable	Strategic	Rank
Bar Lane (Becklands Close), Boroughbridge	4	3	3	GU
Bar Lane (Brickyard Road), Boroughbridge	3/4	3	3	GU
Cardale Park, Harrogate	4	3	4	BU
St James Park, Knaresborough	4	3	4	BU
Melmerby Business Park	4	2	4	BU
Boroughbridge Road, Ripon	3 / 4	3	3	GU
Harrogate Road, Ripon	3 / 4	2 / 3	3	GU
Hutton Bank, Ripon	2	3	3	OU
Fearby Road, Masham	3 / 4	1 / 2	3	GU

Table 5.4 Qualitative Assessment Scores and Ranking – Other Sites

Sub Area	Site	Commercial	Sustainable	Strategic	Rank
Boroughbridge	Poplars Trading Estate,	2/3	4	3	OU
	Land Rear of Poplars Trading Estate	3	3	3 / 4	OU
	Land at Milby	2	3	2 / 3	OL
	Riverside Sawmills	2 / 3	4	2 / 3	OU
Harrogate	Grove Park Centre	2 / 3	4 / 5	2	OL
	Harrogate Glass, Back Valley Drive	1 / 2	4 / 5	2	OL
	Rossett Drive Industrial Estate	2 / 3	4	3	OU
	Starbeck Highways Depot	2 / 3	4 / 5	2 / 3	OL

Sub Area	Site	Commercial	Sustainable	Strategic	Rank
	Dunlopillo, Pannal	2 / 3	4	3/4	OU
Knaresborough	Former Cattle Market, Commercial Yard	1	5	2 / 3	OL
	Former Timber Yard, Stockwell Road	3	5	3	OU
	Castle Forge and Cheapside	2 / 3	5	2	OL
	Ash Grove Industrial Estate	1	3/4	2 / 3	OL
Ripon	Tower Garage, Palace Road	2 / 3	4 / 5	2 / 3	OL
	Gas Holder Station, Stonebridgigate	2 / 3	4 / 5	2 / 3	OL
	City Motors, Bondgate Green	2 / 3	4 / 5	2 / 3	OL
Rural West	Rear of Auction Mart, Masham	3	3	3	OU
	Jamesons Warehouse & Office, Masham	2	4	2 / 3	OL
	Highways Depot, Pateley Bridge	2	3	2	OL
	Coal Yard, Pateley Bridge	2	3	2	OL

5.193 The following Tables provide a complete overview of the qualitative review. Information is provided on the types of uses appropriate for development at each site assessed, likely timescales for vacant land to be brought forward and also an estimate of the amount of years supply this is likely to represent.

Table 5.5a: Overview of Qualitative Assessment – Local Plan Allocations and Commitments

Site	Rank	Availability (years)	Area Available for Dev (Ha).	Office	Manu. B1c/B2	W & D B8	Appropriate Alternative Uses	Years Supply (1-3, 3-5, 5+)	Comments
Bar Lane (Becklands Close), Boroughbridge	GU	Immediate	0.2	-	630	-	No	1-3 year	Permission for B1c
Bar Lane (Brickyard Road), Boroughbridge	GU	Immediate	0.59	-	1200	1450	No	1-3 years	Likely to come forward form B1c / B8 uses.
Cardale Park, Harrogate	BU	Immediate	1.56	8530	-	-	No	1-3, 3-5 years	Beckwith Head Road (Plot 1) and Plot 2. Office location
St James Park, Knaresborough	BU	Plot 8 immediate Phase II land 1- 3 years	11.95 (Plot 8 = 1.95, Phase II land = 10)	13000	15800	23750	No	5+ years	Seek to prevent inappropriate non-employment uses. Promote range of employment types / sizes. Need for infrastructure provision for Phase II land.
Melmerby Business Park	BU	Immediate	6.53	3040	7280	19750	No	1-3, 3-5 years	Plot 11 (1 ha) and Plot 13 (5.53 ha). Extension of site road will be needed to access Plot 13.
Boroughbridge Road, Ripon	GU	Immediate	3	3600	4800	4500	No	3-5 years	Seek to prevent inappropriate non-employment uses.
Harrogate Road, Ripon	GU	1-3 years	3.4	500	3500	2500	No	3-5 years	Employment development requires prior provision of bulky goods retail warehouse on the site. Floorspace based on appeal decision. Seek to prevent inappropriate non-employment uses on the remaining part of the site
Hutton Bank, Ripon	OU	Immediate	1 (net)	1200	2800	-	Possible mixed use	1-3 years	Possible need to consider mixed use to bring forward site
Fearby Road, Masham	GU	Immediate	1.36	-	-	2495	No	1-3 years	Floorspace based on extant planning permission on the site

Table 5.5b: Overview of Qualitative Assessment – Other Sites

Sub Area	Site	Rank	Availability (years)	Area Available for Dev (Ha).	Office	Manu. B1c/B2	W & D B8	Appropriate Alternative Uses	Years Supply (1-3, 3-5, 5+)	Comments
Boroughbridge	Poplars Trading Estate	OU	-	0	a	a	a	Potential mixed use	0	Site developed. Potential for redevelopment of former APC unit and adjoining land
	Land Rear of Poplars Trading Estate	OU	Immediate	3.21	-	6840	7500	-	5+ years	Could consider as a longer-term opportunity and part of any redevelopment of adjoining Poplars Industrial Estate
	Land at Milby	OL	-	0	a	a (B1c)	a	-	0	Site developed. Could consider potential for redevelopment together with adjoining land
	Riverside Sawmills	OU	-	0	a	a (B1c)	a	Potential mixed use	0	Site developed but part underused. Potential for infill / redevelopment
Harrogate	Grove Park Centre	OL	-	0	a	a (B1c)	a	-	0	Site developed and in use
	Harrogate Glass, Back Valley Drive	OL	-	0	a	a (B1c)	a	-	0	Site developed and in use
	Rossett Drive Industrial Estate	OU	-	0	a	a (B1c)	-	-	0	Site developed. Part of site is vacant. Potential for re-use / infill development
	Starbeck Highways Depot	OL	-	0	a	a (B1c)	a	-	0	Site developed and in use but declared surplus to requirements by NYCC
Knaresborough	Dunlopillo, Pannal	OU	-	0	a	a (B1c)	a	Potential mixed use	0	Site developed and in use (albeit underused). Possible redevelopment opportunity.
	Former Cattle Market, Commercial Yard	OL	-	0	a	a (B1c)	a	-	0	Site developed by currently vacant. Possibly consider mixed-use development together with adjoining land.

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Sub Area	Site	Rank	Availability (years)	Area Available for Dev (Ha).	Office	Manu. B1c/B2	W & D B8	Appropriate Alternative Uses	Years Supply (1-3, 3-5, 5+)	Comments	
Ripon	Former Timber Yard, Stockwell Road	OU	Immediate	0.30	-	600	750	-	1-3 years	Could consider as part of a wider redevelopment opportunity with adjoining land.	
	Castle Forge and Cheapside	OL	-	0	a	a (B1c)	a	-	0	Site developed and in use	
	Ash Grove Industrial Estate	OL	-	0	a	a (B1c)	a	-	0	Site developed and in use (but with a fairly high level of vacancy). Possible redevelopment opportunity	
	Tower Garage, Palace Road	OL	-	0	a	a (B1c)	a	-	0	Site developed but currently vacant	
	Gas Holder Station, Stonebridgeway	OL	Immediate	0.58	-	1080	1350	Potential mixed use	1-3 years	Site previously developed but now vacant. Possibly consider mixed-use development to bring forward.	
	City Motors, Bondgate Green	OL	-	0	a	a (B1c)	a	-	0	Site developed and in use	
	Rural West	Rear of Auction Mart, Masham	OL	-	0	a	a	a	Potential mixed use	0	Site in current use (temporary car park and auction mart facilities). Could consider as part of a wider redevelopment opportunity with adjoining auction mart
		Jamesons Warehouse & Office, Masham	OL	-	0	a	a (B1c)	a	-	0	Site developed and in use
		Highways Depot, Pateley Bridge	OL	-	0	a	a (B1c)	a	-	0	Site developed and in use but declared surplus to requirements by NYCC
		Coal Yard, Pateley Bridge	OL	-	0	a	a (B1c)	a	-	0	Site developed and in use

Note: a indicates employment use classes which will be appropriate in planning terms.

6. Overview of Market Trends and Demand

- 6.1 Previous chapters deal with the quantitative and qualitative supply of employment land and premises. This section provides an overview of market trends and likely future demand by location, sector and scale. Taken together with the forecasts and business survey in the following sections, this will provide an indication of the scale and nature of demand for employment land.
- 6.2 The overview of market trends included in this section is based on the following:
- Discussions with local commercial agents to obtain details of enquiries and general views of market;
 - Review of existing reports and strategies to provide a picture of local and more general external factors which will impact upon the existing and future market;
 - Interrogation of databases EGi, FOCUS etc; and
 - Review of office and industrial enquiries received by the Council – see **Appendix 7**
- 6.3 Normal reporting convention when discussing property is to provide all figures as metric with imperial figures following in brackets. In the other sections of this report we have adopted the metric system only.
- 6.4 Market practice is however to operate the imperial system, with agents and surveyors quoting, letting and selling space on a price per sq ft basis. The only property sector that operates using metric measurements is Rating, driven by the Valuation Office Agency use of sq m. To conform with the rest of this report, we have put metric figures first, with equivalent imperial figures in brackets thereafter where appropriate.
- 6.5 As a general note, we would normally expect to separate manufacturing property from storage and distribution property as there are usually differences in demand and requirements for these uses.
- 6.6 In the Harrogate area there are few industrial properties at all relative to other study areas that we have experience of. Analysis of small samples can produce misleading data and trends are more difficult to isolate and identify. For this study we have therefore kept all industrial property together (i.e. manufacturing and warehousing / distribution) as a single class, but if clear differences lie within each of the sub-areas we comment upon those accordingly.

BOROUGHBRIDGE – General Market Overview

- 6.7 Boroughbridge is a market town north east of Harrogate and just east of the A1(M) at junction 48. This sub-area relates to the town and its immediate surrounds and does not include any of the peripheral villages, which fit into the Rural East sub-area.
- 6.8 The employment property market in Boroughbridge is much smaller than the other sub-areas – it is less than half the size of Knaresborough as the next smallest market - and it is heavily dominated by manufacturing premises. There is one very large property (the former APC unit) that skews the vacancy statistics when taken in conjunction with other properties and has been excluded to avoid misunderstanding the market.

- 6.9 We were not asked to consider any office employment sites in Boroughbridge, and there are no sites under construction, with planning permission, or allocated for office use, so we concentrate our comments on the industrial sector only.

Industrial

Supply

- 6.10 The Bar Lane estates at Boroughbridge appears to serve general industrial needs reasonably well with high levels of occupancy. Reed Bordall is dominant in this general location. Boroughbridge's location near to the A1(M) assists Boroughbridge in favour of other sub-areas in the Harrogate Borough in particular for storage and distribution operations.
- 6.11 The largest available property by far is the former APC UK property, approximately 7,225 sq m of poor quality space with low eaves height in comparison to modern property, difficult configuration (particularly for sub-division) and its age. It has been on the market since APC relocated out of the District and its sheer size in comparison to anything else available in the Borough and sub-area sets it apart from all other vacant space. It comprises approximately 23% of all industrial space recorded by the Valuation Office Agency in the sub-area.
- 6.12 It would be unlikely that another manufacturer would want to take on the APC premises in its existing form. The location of the plot could appeal to a warehouse/distribution occupier given its regularity and accessibility to the motorway but this would mean redevelopment. Most of the industrial properties in Boroughbridge are on the opposite side of the motorway but this is not necessarily a negative factor for the APC site.
- 6.13 The other properties available are three small units on Brickyard Road (each less than 100 sq m) and offered on monthly lettings rather than seeking term leases. These are at completely the opposite end of the spectrum from the APC property and comprise only a small fraction of the overall stock in the sub-area.
- 6.14 Under construction at Bar Lane is only one unit of 280 sq m, there are no others in the sub-area.
- 6.15 The only other 'commitments' are small infill areas located within the Bar Lane industrial areas.
- 6.16 Future employment potential at Boroughbridge is fairly limited without the APC premises opportunity.

Demand

- 6.17 Only one enquiry was received by the Council's Economic Development Unit for premises over 4,645 sq m in the last three years, and that could have been Borough-wide rather than specific to Boroughbridge. Four enquiries were recorded in that time period for premises over 1,860 sq m but again were possibly wider than just Boroughbridge.
- 6.18 This lack of demand for larger premises is reflected in agents comments and reflective of findings in the other sub-areas. Despite its better proximity to the A1(M) there is still not a strong market for warehouse/distribution premises here, with more favourable locations in the country.

HARROGATE - General Market Overview

- 6.19 The employment property market in the Harrogate sub-area is predominantly made up of small office suites in converted premises, office suites in refurbished large purpose-built office blocks, and mixed industrial space comprising some very small poor quality individual premises in the town centre and some small industrial estates. New development is fairly limited. Much of the stock is in the town centre although the Cardale Park and Hornbeam Park are both recognised out-of-centre-area business (office) locations and well-established.
- 6.20 Employment property in the town centre is characterised by large multi-storey and multi-let office space in the very centre near the shopping hub and converted period properties (often formerly residential) in surrounding streets. The business parks offer larger and more modern office buildings.
- 6.21 Size of property in the Harrogate sub-area is 1,000 sq m and below on the vast majority of properties. There are a number of single office buildings that are larger than this but they tend to be multi-let, and there are only a small number of office buildings that are larger than this.
- 6.22 With regard to industrial premises, the estates are typically out of Harrogate town centre spread around the edges with no real single focus. Properties in the centre are much smaller and long-standing individual employment businesses.

Offices

Supply

- 6.23 There is quite a significant amount of vacant office space in the Harrogate sub-area, totalling approximately 23,310 sq m. Around 85% of premises offer less than 1,000 sq m but this amounts to only around 45% of the total space.
- 6.24 The majority of space is contained in only nine properties each with over 1,000 sq m vacant, but even looking at these premises there are four where the available space is split over several floors and therefore does not offer a single large floorplate or building. The larger buildings are at Hornbeam Park, Cardale Park/Beckwith Knowle, and in Exchange/Windsor House.
- 6.25 Existing vacant accommodation does however offer a wide range of lot size, with the smallest office being 15 sq m and the largest single office of 1,758 sq m (The Inspire at Hornbeam Park). This allows occupation by a wide range of businesses and given that in our opinion Harrogate is generally unlikely to attract large corporate occupiers (with location, transport and labour acting against it) this should mean that a range of possibilities is available for nearly all potential tenants.
- 6.26 There is no readily available information on office completions over the last five years although much of the stock inspected as part of the study was not considered to be less than five years old.
- 6.27 New construction is being under-taken at Cardale Park (Green Gate) which will add a considerable amount of vacant space to the market if all built. Around a third has already been taken up, some of which is to its developer and therefore not included in our figures as available, but there is around a further 2,135 sq m in the scheme. There is also construction on-going on another site by an existing occupier (Covance) as part of their operation

however this also is not included in our availability as it is not for general release.

- 6.28 The Green Gate development will offer a higher specification than exists in much of Harrogates existing built space, (despite the good refurbishment of buildings such as The Exchange, Harrogate House, Windsor House), and it will be able to accommodate larger single occupiers in a more modern working space. Cardale Park competes well with Hornbeam Park, with both providing a different offer from that in the city centre.
- 6.29 With regard to other potential space, planning permission exists for Beckwith Court to offer a further 7,050 sq m of office space all in the same location. This is unlikely to be carried out speculatively but with Green Gate would increase availability of current vacant office premises in the sub-area by around a third. This would also offer better quality premises than many of the existing small suites.
- 6.30 In total, potential future employment space (accommodation either under construction, permitted, or allocated) in this category totals around 24,200 sq m (26,070 sq ft) – double the existing built vacant space.

Demand

- 6.31 Demand emanates predominantly from the local market, with firms such as IT, media, small businesses, and local Health Authorities having recently taken space. Lease terms are generally short, around three to five years being normal, and break clauses generally incorporated into longer leases. This reflects a wider business need of flexibility experienced not just in Harrogate but across the occupational sector for offices.
- 6.32 There is a reported demand for freehold premises as opposed to leasehold, not just from occupiers but also those speculators considering applying for a change of use where the property appears physically suitable. This is particularly true of converted offices which may have started life as residential premises.
- 6.33 Agents report that demand for smaller units is steady at a 'tickover' level, with suites within the larger buildings such as Exchange House or Windsor House in flux so that occupancy remains at a reasonably constant level. Enquiries reported by the Council's Economic Development Unit are almost always for less than 1,000 sq m (10,000 sq ft) reflecting agents comments.
- 6.34 The market has local churn with companies moving to better premises, slightly larger premises or other premises within a short radius but preferable location for various reasons. In spite of this rate of churn, Harrogate will remain a sub-market in comparison to Leeds.

Industrial

Supply

- 6.35 In terms of existing built property, there are some industrial estates in Harrogate that work well but where we have not been asked to specifically assess as part of this study. There are a number of smaller premises throughout the town that have traditionally been in employment use and which perhaps could be better suited to alternative uses. As the demand is for smaller property and freehold space however, protection needs to be given to ensure sufficient supply which caters for small business needs.
- 6.36 This does not necessarily mean retaining every employment site, but could perhaps be achieved by expanding established estates in a planned

manner where similar neighbours are in occupation rather than keeping poor quality premises with unsuitable access or surrounding uses.

- 6.37 In terms of vacant premises, those found in this sub-area in the course of our study are all smaller than 1,000 sq m by a considerable margin, demonstrating the lack of large-scale manufacturing or warehouse premises available. We would not expect there to be a large quantity of warehouse or distribution space given the relative remoteness from the motorway and poor access roads in between for large vehicle movements, and this is reinforced by the lack of new distribution premises being built speculatively.
- 6.38 Three of the sites that we considered in detail are not of the better quality premises and the condition would be likely to affect re-letting potential if existing occupiers were to vacate.
- 6.39 Manufacturing as a general trend is declining and employers in this sector using technology to short-circuit labour-intensive tasks where possible. Space requirements for this sector are not expected to increase but there does appear to be a reasonable market at local level.
- 6.40 There is a total in excess of 250,000 sq m of industrial (manufacturing and warehouse/distribution) employment space in the Harrogate sub-area according to Valuation Office Agency statistics, however our study has only uncovered a very small proportion of vacant premises amounting to 10,173 sq m, or around 4.1% of the total. This is surprisingly low so we estimate that there are vacancies on some of the established estates that we were not asked to consider in detail.
- 6.41 The vacant premises do however match the average premises size. If excluding the largest vacant property in the Harrogate sub-area, this provides an average of just 194 sq m across the remaining 21 properties considered. As with the office sector, this allows flexibility for small occupiers and a variety of quality is on offer.
- 6.42 Three of the properties are available freehold, with the remainder being leasehold, and this is probably affecting take-up to some degree. The present economic climate encourages owner-occupation and the properties offered on a freehold basis at the lower end of the market do not languish on the market unless quality is very poor.
- 6.43 We cannot compare take-up over the last few years as there are no statistics in place either from the Council or agents, but from our discussions there appears, as with the office sector, to be a reasonable local market amongst existing property, with supply generally able to meet the demand of local businesses. From statistics recorded by the Economic Development Unit, there were only four enquiries in the first half of 2005 for industrial properties over 1,000 sq m in the Borough, and these were Borough-wide rather than specific to Harrogate.
- 6.44 Under construction is only one building in this sector which is an extension for Covance to accommodate R&D functions and not accommodation that will be marketed. There were no warehouse or distribution premises under construction.
- 6.45 We have also found no data of industrial property with extant planning permission but not presently under construction. This demonstrates an economic viability issue for developers without a pre-let, and a general doubt over the level of demand for new and further premises in this sector. The immediate or short-term supply is therefore limited.

- 6.46 Potential future industrial property includes allocated space predominantly for warehouse and distribution space, with 8,365 sq m of space with extant planning permission all outside of Local Plan employment allocations. In strong distribution locations this could easily be encompassed in a single building, but this is unlikely in Harrogate given its communications and strength/nature of usual enquiries.

Demand

- 6.47 As with Harrogates office market, demand does not emanate from a particular type of occupier with a mix of enquiries and transactions taking place. There are a few large employers in the town but not of the magnitude of some of the more industrial areas of the country where complementary businesses tend to congregate.
- 6.48 Encouragingly there is not a significant number of old (large) manufacturing properties in this sub-area that are lying derelict or depreciating, as Harrogate has not traditionally been a highly industrialised location.
- 6.49 Smaller premises have been updated or refurbished over time to seek to meet demand for this lot size, attracting tenants who do not want to carry out estate or property maintenance.

KNARESBOROUGH - General Market Overview

- 6.50 Knaresborough is much smaller than Harrogate and as a consequence the property market is more limited and tends to comprise small properties. There are few existing employment opportunities (i.e. vacant premises) in this area, mostly clustered in the town itself.
- 6.51 Property that is available tends to be small-scale and sporadic, with a turnover of small suites in office buildings that are multi-occupied. Evidence of transactions is low as there are only a small number of properties. This area is suggested as a focus for future local employment activity only.

Offices

- 6.52 The available office premises totalled 750 sq m (8,070,sq ft) in 11 demises, meaning that the average floor size of units on offer is less than 93 sq m (1,000 sq ft). Only one of the 11 properties is over 120 sq m, Firecrest House, and this is an older building out of the town to the north west. Just over half of the available space is contained in a single building, Craven House, which has recently been refurbished and brought to the market for letting on flexible terms and with a number of small suites. Conyngham Hall also offers a multi-occupancy role for small businesses, situated on the outskirts of the town.
- 6.53 The vacant space represents around 8% of the total stock, which in itself only comprises 9,000 sq m - around 6% of the size of the nearby Harrogate office market but about three-quarters of the size of Ripons office sector.
- 6.54 There is little data available for completions over the last few years, an indicator of an imperfect market with few transactions and a lack of information released to the wider market.
- 6.55 With regard to potential space, there are no office buildings under construction and no detailed extant planning permissions in Knaresborough for office space. Knaresborough is close to Harrogate, which has good office provision to suit a wide range of size requirements, and if an occupier were looking in this geographical area then Harrogate will have a significant pull on business location by comparison.

- 6.56 It is estimated that there is allocated space for 13,000 sq m of offices at St James' Business Park, which if constructed would improve on the provision of built stock and would be able to offer larger occupiers a provision that is not currently available. We suggest however that permitted accommodation will likely only be constructed if an occupier can be found.
- 6.57 There are no other office properties in the breakdown of potential future employment space for Knaresborough demonstrating the lack of developer interest in building here although the owner of St James' Park has received some enquiries from office users / developers. We do not see Knaresborough as a location suitable to sustain a very large office market.
- 6.58 Demand is limited, typified by small local companies or start-up businesses, with small suites sometimes offered at an all inclusive rental for ease. The dearth of evidence and space to let does not permit real trends or conclusions to be drawn other than the market is very local and appears reasonably static at this low level of activity. Rents are unlikely to be increased above current levels as the market will be determined more by the price tenants can afford to pay rather than by the quality of the stock.

Industrial

- 6.59 There are three available existing industrial premises to let in Knaresborough totalling 798 sq m (8,590 sq ft). All are smaller than 372 sq m (4,000 sq ft) again indicative of the lack of large property in the Knaresborough wards and reflecting a market for local occupiers.
- 6.60 There have been freehold premises available but such opportunities currently create good demand in accordance with trends in the wider property and investment markets so do not languish on the market unless specific factors such as condition prevail.
- 6.61 One of the properties in this study is the former cattle market in Knaresborough town centre. It has poor access afforded by the restricted-width roads leading to it and being surrounded by tightly developed property to all aspects. These factors combine to render the property difficult to develop for any use in isolation, so viability would be a particular issue.
- 6.62 Land for new industrial development is identified on the east side of Knaresborough at St James' Business Park, where the site is big enough to allow scope for larger premises with better eaves height and accessibility for larger vehicles. The frontage of the Park has been developed as a small retail park with occupiers currently trading and there is an element of car showroom use along the eastern edge of the development where further construction is taking place.
- 6.63 Other than this retail activity there is little happening on the industrial front as, in common with the other sub-areas, developers are reluctant to build speculatively given the potential length the completed unit could sit on the market generating no return. Estimated floorspace capacity at St James' including manufacturing and warehouse and distribution totals 39,550 sq m, a large quantity in relation to the existing stock of 73,000 sq m across this entire sub-area – it would grow the existing industrial employment base by over 50%.
- 6.64 The only other property identified with a commitment is the former Greenbank depot at Manse Lane where a unit is to be demolished and replaced with new property totalling 1,175 sq m.
- 6.65 There is no information on completions in Knaresborough over the last five years. It appears from our visits to the area that there have been few

completions over that period other than at St James' Park, which has seen the development of mid-sized warehouse / industrial units. Apart from retailing, it is now the car showroom occupiers currently taking further space.

- 6.66 Future potential employment floorspace is in essence to be provided at St James' Business Park. This will also play a role in contributing towards Harrogate's employment requirements.

RIPON - General Market Overview

- 6.67 Ripon is located north of Harrogate. Ripon is slightly larger than Knaresborough so with a correspondingly larger property market.
- 6.68 Whilst Harrogate is more dominated by the office market, Ripon is more dominated by industrial property although still on a relatively small-scale.
- 6.69 Some of the existing properties that we were specifically asked to comment upon are small-scale premises with clear potential in market terms for alternative use, although others comprise more comprehensive land coverage with emerging employment uses and expansion space. These tended to be on the outskirts of town as would be expected where existing surrounding properties are less restrictive to new development.
- 6.70 In general there seems to be a lower turnover of occupiers than in Harrogate with few properties available to let and only limited amount of new-build. There are several large-scale occupiers such as Wolsely (at Melmerby Business Park) and Econ in Ripon itself.

Offices

Supply

- 6.71 Most built office supply in Ripon centre is spread around the town with no single or dominant office location. There are a number of buildings at the former College site Highfield Business Park off College Road/Kearsley Road where the largest office buildings in the town are located, although these are only around 930-1,100 sq m (10,000-12,000 sq ft).
- 6.72 The number of vacant premises in Ripon is low. However, built vacant stock totals around 12% of overall supply assessed by the Valuation Office Agency, which is quite a high proportion and higher than in Harrogate. However in overall terms it is a much lower quantum.
- 6.73 We have no detailed information on recent completions other than that the Canalside building is speculative new-build with interest being demonstrated in about a quarter of the building and a single occupier unlikely. Take-up is quite slow on leasehold terms although as with other sub-areas in this study small freehold premises fare better and are in greater demand although lower supply.
- 6.74 Premises included in our under construction figures are the Canalside (Ripon Business Park, Boroughbridge Road) development, although its overall total of 2,125 sq m is not being constructed in a single phase and will not be continued until the first building is fully let. This statistic therefore is slightly misleading as there is no actual construction on site at present. Other premises in the under construction figures are all at Melmerby where a more established employment location is situated, although our figure of 500 sq m under construction is an estimate of office space to be provided within a mainly industrial scheme.

6.75 Outstanding planning permissions for offices not yet started aggregate a considerable amount of floor space. We calculate that there is a further 3,600 sq m at Boroughbridge Road (given that the site extends to around 3 ha) and a potential 500 sq m at Harrogate Road behind the Morrison superstore, together with a commitment for two more buildings at Highfield Business Park (College Business Park). If all of this were constructed, this would be a huge increase in supply for Ripon, and is probably equivalent to a number of years supply. It is unlikely that this space will be built speculatively so supply should be kept roughly in equilibrium with demand rather than outstripping it.

Demand

6.76 Turnover is low in Ripon and there are few enquiries for offices here from companies based outside the region. Growth tends to be organic rather than arising from inward investment with only around 10% of the overall employment stock being in office use.

6.77 Marketing agents report slow office take-up as is being experienced more widely around the country. The Canalside building is being offered as sub-divisible as the agents consider it unlikely that a single occupier will be found. As with Harrogate, there are no particular occupier sectors that target Ripon as it is a more local market, and formal enquiries are rather sporadic.

6.78 Office space in the District is more concentrated around Harrogate with its more mainline railway links and conference facilities making it a more mature office location.

Industrial

Supply

6.79 The main established industrial locations in the Ripon sub-area are at Melmerby and Dalamire's Lane. The former is an Industrial estate outside of Ripon itself that is well-established and offers a good quality environment for industrial and warehousing occupiers. A range of property is on offer in terms of size, with high levels of occupancy at present – we were only able to find details of one unit of 250 sq m available.

6.80 Five of the specific sites in Ripon we were asked to consider as part of this study were on the whole small, being either individual premises (Tower Garage or the City Motors site) or vacant sites capable of limited development, for example Hutton Bank or the gas holders site. These properties were generally vacant, and the two sites had no real employment buildings to speak of. Whilst this permits a developer to construct new premises and renew stock of industrial property, we doubt that without a pre-let development would occur. Furthermore the two built premises appeared to be rather use-specific (car sales/repairs) rather than general industrial or warehouse/distribution space, thereby limiting their re-use by many potential employment occupiers.

6.81 None of these properties appears to be being actively marketed although Hutton Bank does have an agents board for enquiries.

6.82 The fifth site was at Ash Grove and comprised a 'back-street' compound-type property that was in multiple occupation. It has poor facilities, access, and buildings, and is situated at the end of a narrow residential cul-de-sac. This type of property is more likely to be handled directly by its owner than

by property firms with occupation on a less formal basis and perhaps more transient in nature than on better established or larger estates.

- 6.83 The above demonstrates the rather poor quality property that we were specifically asked to consider and is not reflective of all industrial property in Ripon – for example the area around Bondgate/Dallamires is an active and busy employment sector with occupiers such as those in the building trade/trade counter sectors being noted.
- 6.84 There are two large sites in Ripon for future development to be concentrated, at Boroughbridge Road and off Harrogate Road behind the Morrison supermarket. At Boroughbridge Road a trade counter/building supplies operators has also taken space, but as with the office sector there are no units under construction at present despite the amount of floorspace permitted. The developers are unwilling to release the land on a freehold plot basis, wishing to retain overall ownership of the scheme, so tenants will need to be attracted to the design-and-build philosophy.
- 6.85 At Harrogate Road, the land is currently Greenfield. Construction is to commence imminently on the first phase of this development to comprise a retail warehouse and two retail units, with eight industrial units of 1,000 sq m or less to follow. The industrial units will be available on a freehold or leasehold basis which should encourage demand from owner-occupiers as there is little competition on offer.

Demand

- 6.86 The market appears to be relatively stable with some local churn but not huge numbers of enquiries or movement. Freehold premises are in demand and in terms of size, less than 1,000 sq m is the norm.

RURAL EAST - General Market Overview

- 6.87 The Rural East sub-area mainly comprises more sparsely populated wards with a number of villages spread throughout the area. Commercial property here is dominated by the industrial sector and there is no real office market to speak of.
- 6.88 The A1(M) road cuts directly through the middle of this sub-area on a north-south axis but despite this there is practically no ribbon or associated development nodes around any of the junctions (Boroughbridge and Melmerby Business Park having been dealt with separately as forming / being within different sub-areas). The other roads that pass through the area include the A59 between York and Harrogate and the A61/A168 leading north from Ripon, but neither of these has a town of any size along it within the boundary of the Wards that make up this study sub-area.
- 6.89 Industrial property is clustered around the Tockwith/Marston area in the south-east of the sub-area, with several large estates accommodating a number of occupiers making up the second largest industrial sector of the study sub-areas. We have not specifically assessed these employment areas as part of this study.
- 6.90 There is very little information formally recorded as to vacant stock, demand or take-up and supply across this sub-area and our comments with regard to the Rural East area are as a result fairly limited.

Offices

Supply

- 6.91 We were able to find details of only two existing properties vacant in the Rural East area, both at Hunsingore near Wetherby. They total 267 sq m between them, comprising only a fraction of the overall stock of 6,000 sq m as calculated by the Valuation Office Agency. The average size of premises in the sub-area is approximately 133 sq m, which is small and corresponds pretty well with the average size of offices across the Borough.
- 6.92 There are no office premises either under construction, with planning permission or committed/allocated for new office development.

Demand

- 6.93 None of the agents we spoke to reported that the Rural East area was one often quoted by formal searches, and we suggest that demand here is much more localised, and patchy or infrequent. It would be unlikely that a large corporate would seek to have headquarters in a more remote area such as this.

Industrial

Supply

- 6.94 As stated, there are a number of large estates that serve a variety of occupiers with a high proportion of warehouse and distribution occupiers. We were not asked to consider any of the estates in the Tockwith/Marston area and we assume these are long-established and working well within the context of the sub-area.
- 6.95 We found details of eight vacant premises totalling 6,873 sq m, equating to an average of 859 sq m, only slightly higher than the average across the sub-area. However, this is slightly misleading as six of the eight properties offer 345 sq m or less, and there are two at around 2,800 sq m with nothing sized in between. This indicates a lack of medium-sized units which in other areas of the Borough are in most demand and supply.
- 6.96 The average warehouse property across the sub-area is however larger than in other areas, at around 1,744 sq m, and larger than the average industrial property at around 722 sq m.
- 6.97 With regard to new premises, the only pipeline supply is a mix of a permission for a scheme of 19 small B1/B2/B8 units at Marston Business Park; a new warehouse at Jubilee Court; an extension for a potato storage facility by WM Morrison off York Road and a small new warehouse at Home Farm, Wighill Park. Some of this space is for existing occupiers and will not be released to the general market. There are no applications or permissions identified for large-scale occupational development.

Demand

- 6.98 This is likely to be limited to local firms requiring expansion space or small start-up businesses. Large-scale manufacturing or warehouse and distribution is not in demand in this Rural East area as might be expected.

RURAL WEST - General Market Overview

- 6.99 Employment opportunities are also few and far between in the Rural West sub-area. It comprises much more open countryside and small villages mainly interconnected by local roads.
- 6.100 There are two concentrated areas of activity in this sub-area, one at Pateley Bridge and the other at Masham. There is limited information about both as neither is a particularly strong market with multiple properties or lettings. Statistics about activity levels are not kept by either the Council or local agents.
- 6.101 Generally, the property that is available is small-scale, rather sporadic, and in some cases related to local agricultural activity. Demand for commercial property is limited. This area is not suggested as a key focus for future employment development and our comments in this section are relatively brief.

Offices

Supply

- 6.102 There is only one vacant property we were able to glean details of in this rural sub-area and that is a small office suite in converted barns. Given the overall stock quantified by the Valuation Office Agency statistics of 164,000 sq m of employment space, offices and industrial, this seems surprising. However the Pateley Bridge and Masham locations are not widely marketed as available accommodation and it may be that some of this is vacant without being publicised in the usual manner or marketed with agents.
- 6.103 In terms of future supply, there are no buildings under construction, no extant permissions, nor any allocations in this sub-area (likely to come forward) for offices, demonstrating the lack of commercial interest in the Rural West area.

Demand

- 6.104 Demand for B1 offices in this area is very limited, only arising from local occupiers or perhaps start-up businesses looking for a 'quality-of-life' workplace rather than availability of local services/transport. For example, enquiries recorded by the Economic Development Unit over the last three years show only seven for properties over 1,000 sq m. This sub-area is only really suitable for small firms given the lack of public transport and road connections throughout these areas.
- 6.105 Transactional evidence is exceedingly limited and with such a low number, statistics can be misleading. Rental levels could be higher than expected, if reflecting the individual character of the properties ie barn conversions rather than locational factors.
- 6.106 There is insufficient evidence of demand to support new premises in this area. New and future office premises would be better suited to more urban areas.

Industrial

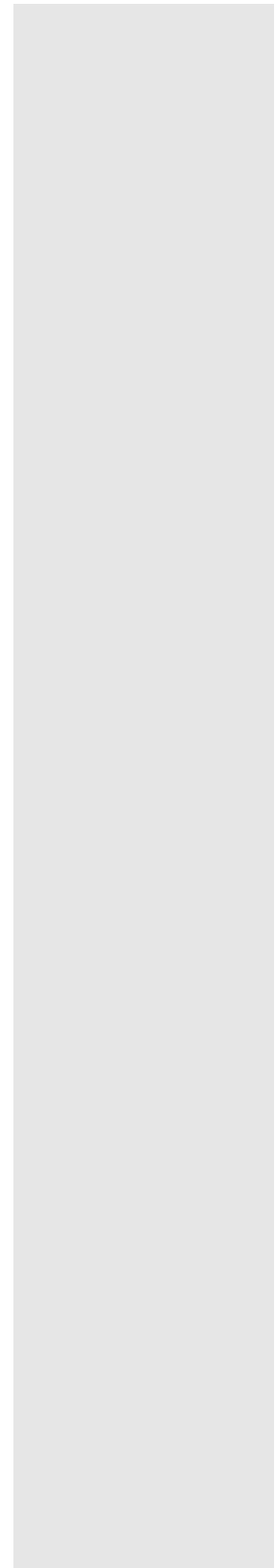
Supply

- 6.107 We were not able to find any details of vacant built stock available to let in the Rural West area.

6.108 Permission exists for a 2,495 sq m extension to the Black Sheep brewery operation at Masham. There exists permission for other barn conversions in the area to B1 and B8 accommodation such as at Hillside Far, Four Lane Ends Farm and White House Farm. These schemes may not necessarily be marketed and could be in connection with existing businesses/occupation/uses.

Demand

6.109 Few enquiries are received for this sub-area with most occupiers even at local level targeting the more urban areas. The Rural West area received the least number of all enquiries recorded by the Council's Economic Development Unit over the last three years, and those that were recorded were heavily orientated around units less than 465 sq m



7. Forecasting Employment Land Requirements - Methodology

Introduction

- 7.1 The following details the methodology employed in forecasting Harrogate Borough's employment land requirements through to 2021.
- 7.2 The methodology is based around forecasting all aspects of the local labour market, within the context of anticipated international, national and regional economic developments, and then translating the resultant local labour demand into floorspace and land requirements.
- 7.3 At the centre of the forecasts is a small area forecasting model specified by reference to local population, employment and other available data. This model is, in turn, driven by the labour market and output forecasts for the UK and for Yorkshire and the Humber produced by the Cambridge Econometrics national and regional forecasting models.
- 7.4 All forecasting models are extremely data hungry. Unfortunately, much of the data that would ideally be needed in order to specify a full economic model of Harrogate Borough is not available. As such, there is inevitably a degree of estimation involved in producing forecasts of the Borough's floorspace and land requirements. Despite this, the forecasts presented in this report are considered to be robust and to represent the best available assessment of future employment floorspace and land requirements.
- 7.5 The following details the way in which the model operates and explains how the various inputs into it have been devised. In this way, it provides detail of how the forecasts have been generated.

The Model

Population

- 7.6 The starting point for the model is the demographic structure of the current and future population of Harrogate Borough.
- 7.7 Rather than generate its own forecasts, the model normally makes use of forecasts generated either by the local authority itself or by third parties such as the County Council of which the Borough is a constituent part, or by the Office for National Statistics.
- 7.8 In this particular case, the population forecasts used were those produced by the Office for National Statistics.
- 7.9 Population projections were also sourced from the North Yorkshire County Council but these were virtually identical to those sourced from the Office for National Statistics, reflecting that North Yorkshire County Council relies on the Office for National Statistics' forecasts rather than generate its own.
- 7.10 The Office for National Statistics projections show the population of Harrogate Borough growing over the forecast period, reaching an estimated 165,400 by 2021.
- 7.11 The population forecasts are trend based. As such, they lack some of the sophistication found in local authority generated forecasts. Despite this, experience from other areas indicates that trend based forecasts produce reasonable estimates of future population levels, when compared with those produced using more sophisticated means.

7.12 The projections use the 2001 Population Census results as a starting point. These showed Harrogate Borough as having a population of around 151,600. The projections also include Office for National Statistics estimates of population change within Harrogate Borough for the years 2002 and 2003.

7.13 The Office for National Statistics population estimates and projections are made by age and by gender. This is important, as the population figures are used, by the model, to generate numbers of economically active persons within the population and hence the resident labour-force.

Economic Activity Rates

7.14 Translating the resident population figures into workforce estimates requires assumptions to be made about current and future economic activity rates.

7.15 The economic activity rates used in the model are specified by reference to age and gender, such that changes in the demographic structure of the area generate changes in the number economically active.

7.16 The model assumes that no individual aged under 16 is economically active. It also assumes that economic activity can and does continue after normal retirement age, but with the proportion of those economically active declining with age.

7.17 The actual economic activity rates used were derived from the 1991 and 2001 Population Censuses and were then projected forward in line with the identified trends but subject to moderation by national trends. The resultant forecasts show a general decline over time in male economic activity rates and a general increase over time in female economic activity rates. The one exception to these trends is the male activity rate for the 16-24 age group, where the rate grows steadily 1991 to 2011 and thereafter remains static.

7.18 Outside of the general economic trends, activity rates are assumed to increase in response to a tightening labour market. As such, the model assumes that as the economy grows and demand for labour increases, so the proportion of the population that is economically active rises.

7.19 The model does not assume, however, that labour supply and labour demand equate to each other. Rather, it forecasts labour supply and labour demand independently and only increases the supply of labour, through the above mentioned increase in activity rates, should the labour market start to overheat.

7.20 Even so, the increase in activity rates is not set so as to restore balance to the labour market. Rather, the rate of increase is determined independently, as an exogenous variable, and only allows for a relatively modest increase in activity rates, year on year.

7.21 In this way and as with the real economy, imbalances in the labour market lead to unemployment or to a change in commuting or to a change in the proportion of the economically active population that has more than one job.

7.22 In practice, the model shows the economic activity rate, (total number economically active expressed as a percentage of the population of normal working age), as generally following an upward trend over the forecast period. This is, in part, due to a rising level of economic activity amongst females and, in part, due to an increase in the number of people electing to work beyond normal retirement age.

Employees in Employment

- 7.23 The base data used in forecasting the number of employees in employment in Harrogate Borough is sourced from the Annual Business Inquiry. This employer sourced information provides an estimate of the number of employees in employment whose jobs are based within Harrogate Borough.
- 7.24 The information from the Annual Business Inquiry, (ABI), is accessed as a number of data series together running from 1991 through to 2003. The data is drawn down from NOMIS at a four digit minimum list heading level. The fact that the data comes in three different series reflects definitional changes that have taken place over the period, in turn reflecting changes in the industrial structure of the UK economy and a need to conform with EU reporting definitions.
- 7.25 The first stage in the forecasting process is to examine the data in order to identify and, where necessary, correct any miscoding or other obvious data errors. This exercise also facilitates a degree of familiarisation with the structure of the local economy.
- 7.26 Information on the agricultural sector is frequently lacking for some years. Where necessary, trend analysis is used to fill in the gaps.
- 7.27 For forecasting purposes, the employment data is aggregated into 28 different industrial sectors. These are the industrial sectors used by Cambridge Econometrics in reporting their regional and associated national forecasts. The aggregation process automatically removes some of the data series inconsistencies. Estimation and allocation techniques are used to remove the remainder.
- 7.28 Aggregation also has the benefit that it hides many of the sensitive data entries contained within the raw data and thereby facilitates publication.

Self Employment

- 7.29 Although information on self-employment is available from the Labour Force Survey, (LFS), it is notoriously unreliable at a small area level. This is due to the relatively small numbers that are sampled by the LFS.
- 7.30 In order to overcome this problem, information from the 1991 and 2001 Population Censuses is used to estimate the proportion of the Harrogate Borough resident population that is self-employed.
- 7.31 Specifically, the Population Census information is used to determine the ratio of self-employment to employees in employment by gender and by industrial division.
- 7.32 The assumption is then made that each ratio will either remain constant over the forecast period or, if significantly different from the relevant national ratio, will move marginally, year on year, towards the relevant national ratio. The consequence of this is that as employment in a particular sector rises or falls, so self-employment in that sector also tends to rise or fall.

Employment Projections

- 7.33 The employment projections for Harrogate Borough are substantially driven by the forecasts for Yorkshire and the Humber, produced by Cambridge Econometrics.
- 7.34 This does not mean that the Harrogate Borough economy is assumed to be a microcosm of the Yorkshire and the Humber regional economy. Rather,

the model assumes that the overall performance of the Harrogate Borough economy is determined by a combination of:

- local factors within each industrial sector
- the overall industrial structure
- regional, national and international factors.

- 7.35 Of these, local factors are determined by reference to the historic performance of the local sector, relative to the regional sector, and by reference to time trends. As such, the model allows a local sector to behave differently from the same sector, both regionally and nationally.
- 7.36 As the model forecasts at an industry level, it explicitly recognises that the economy of Harrogate Borough has a different structure from that of Yorkshire and the Humber and that this will, irrespective of other factors, produce different growth rates for the Borough economy from those of Yorkshire and the Humber and the UK.
- 7.37 Regional, national and international factors are taken on board through using the Cambridge Econometrics model to drive the local forecasting model. Effectively, the local model allocates employment within Yorkshire and the Humber between Harrogate Borough and the rest of the region.
- 7.38 This allocation is performed at a 28 industry level and, as indicated above, takes account of factors local to Harrogate in the allocation.
- 7.39 As the model produces forecasts for employees in employment, so, and as described above, it produces forecasts for self-employment.
- 7.40 All of the forecasts are reviewed in order to determine that they look reasonable and are consistent with known events such as major factory closure, expansion or inward investment events. In practice, little manual adjustment is ever warranted.

Commuting

- 7.41 In producing a comprehensive picture of the Harrogate Borough labour market, the model needs to take account of the extent to which jobs within the Harrogate Borough area are taken by people who are resident outside of the Borough in places such as Leeds, York and Bradford. Equally, it needs to take account of the extent to which Harrogate Borough residents hold down jobs outside of the Borough, for example, in Leeds, which is a major employer of Harrogate residents.
- 7.42 This requirement arises because the population and labour force forecasts are residence based and the employment forecasts are place of employment based.
- 7.43 Normally, up to date information on in- and out-commuting is very difficult to obtain, such that net commuting has to be estimated, through the model, for a given year when all other elements of the labour market are known. Specifically, the level of net in- or out-commuting is derived as the balancing factor such that:

$$\begin{array}{l}
 \text{Resident labour force} \\
 \text{less:}
 \end{array}
 \left[\begin{array}{l}
 \text{Resident unemployed} \\
 \\
 \text{Self-employment} \\
 \\
 \text{Jobs based in the Borough} \\
 \\
 \text{Residents on schemes etc}
 \end{array} \right] = \text{net commuting}$$

- 7.44 If the net commuting figure is a negative, it means that there is a net outflow of residents into employment outside the Borough. If the net commuting figure is positive, the Borough is a net importer of labour.
- 7.45 In the case of Harrogate Borough, the Borough Council has undertaken a considerable amount of analysis work on the 2001 Population Census results in order to gain a full understanding of commuter flows, both into and out of the Borough.
- 7.46 This analysis shows that, in 2001, Harrogate Borough had a resident working population of 77,900 of whom 59,200 (75.9%) worked in the Borough and 18,700 (24.0%) worked outside of the Borough. Of those working outside of the Borough, 9,600 (51.3%) worked in Leeds, 2,000 (10.7%) in the other Yorkshire metropolitan districts and 4,900 (26.2%) elsewhere in Yorkshire and the Humber. The balance of 2,200 (11.8%) worked outside of Yorkshire and the Humber.
- 7.47 The Harrogate Borough Council analysis shows that nearly 12,000 of the jobs within Harrogate Borough were taken, in 2001, by in-commuters. Specifically, around 15% of the available jobs were taken by in-commuters, with the main origins of those commuters being Leeds (32.0% of in-commuters), Hambleton District (15.5%), York (13.1%), and Bradford (7.0%).
- 7.48 As such, Harrogate Borough is a net exporter of labour, with a net 6,800 residents having employment outside of the Borough in 2001.
- 7.49 The forecasting model does not assume that net commuting remains unchanged over time. Rather, the model looks at the relative performances of the Harrogate Borough labour market and the labour market in the rest of Yorkshire and the Humber and assumes that net out-commuting increases if demand for labour in the rest of Yorkshire and the Humber grows at a faster rate than the demand for labour in Harrogate, and vice versa.

Students

- 7.50 Whilst full-time students are not treated as being economically active, a number do have part-time paid employment in retail outlets, bars and the like. The number of such individuals has been growing over recent years as a consequence of the overall increase in student numbers, changes to the way in which HE students are financially supported and a growth in the number of part-time employment opportunities.
- 7.51 This means that it is not appropriate to ignore the role of students in the labour market in places like Harrogate, particularly as the 2001 Population Census results indicate that nearly 3,000 of the jobs in Harrogate, at that time, were taken by full-time students.
- 7.52 The assumption within the model is that the ratio of full-time students with part-time jobs to the resident population aged 16-24 remains a constant.
- 7.53 This leads to the number of full-time students with part-time jobs rising through to 2011 but then reducing in line with the reduction in the population aged 16-24.

Double Jobs

- 7.54 One feature of the labour market over recent years has been a growth in the number of people that have more than one job. Typically, people with

more than one job have one full-time job and one part-time job, rather than a portfolio of part-time jobs.¹

- 7.55 The model works on the assumption that the incidence of individuals with more than one job will continue to grow over time, but with males more likely to have two jobs than females.
- 7.56 Balancing the Harrogate Borough labour market for 2001 requires there to be 6,100 people with more than one job, assuming that no individual has more than two jobs. This amounts to 1 in every 12.7 of the Borough's resident working population having more than one job.
- 7.57 The proportion of people with more than one job appears high, relative to a national figure of 1 in every 35. It may be that the cost of living in Harrogate Borough is such that a high proportion of households need the income from double jobs in order to maintain an acceptable life style. Equally, the seasonal service nature of many of the jobs may be a factor.
- 7.58 In addition and since double jobs are treated as the balancing factor in arriving at a picture of the Harrogate Borough labour market in 2001, any data errors will also accumulate within this element. This approach is taken in order to make the report and its findings more easily read and understood, but nevertheless, means that the double job estimate needs to be treated with a degree of caution.

Unemployment / On Schemes

- 7.59 The model mirrors the labour market in that it treats unemployment as a residual.
- 7.60 In this context, unemployment is the difference between the resident labour force in Harrogate Borough and those who are either employed or self-employed, irrespective of whether the employment or self-employment is based in Harrogate Borough.

Value Added

- 7.61 In the absence of information on value added specific to Harrogate Borough, the model assumes that value added per person employed in Harrogate Borough is the same, in each sector, as is value added per person employed in that sector in Yorkshire and the Humber.
- 7.62 Equally, the model assumes that labour productivity gains within each sector in Yorkshire and the Humber will be mirrored in Harrogate Borough. As such, any overall differential performance between Harrogate Borough and Yorkshire and the Humber is solely the result of differences in the two areas' industrial structures.

Employment Land Requirement

- 7.63 The model amalgamates the employment and self-employment projections into broad headings of: manufacturing, construction, retail in-town, retail out of town, hotels and catering, transport and communications, finance and business services, public administration and defence, education and health, and other services.
- 7.64 Standard square metres per employed person figures are then applied for each of the broad headings in order to produce the floorspace required to accommodate the stated number of people.

¹ M Simic and S Sethi, People with Second Jobs, Labour Market Trends, May 2003.

- 7.65 Finally, employment density estimates are applied to the floorspace requirements in order to arrive at estimates of the employment land requirement for each of the broad headings.
- 7.66 Appropriate amalgamations of headings are then used in order to arrive at the employment land requirements for each category.
- 7.67 In practice, the floorspace and land requirements for retailing, for hotels and catering and for education and health were not calculated for Harrogate, as these are outside the scope of this particular employment land study.
- 7.68 In addition, more than one set of floorspace and employment land requirement figures were calculated. Specifically, one set was produced using the standard floorspace and density levels specified in the ODPM guidance², one set was produced using Harrogate Borough specific Valuation Office derived figures and one set was produced based on the findings from a survey of over 200 local employers.
- 7.69 Whilst these different sets of floorspace and land requirements were generated, the figures presented in the following section of this report are primarily based on local findings rather than on the ODPM standards.
- 7.70 This approach has been adopted because it better reflects the current employment and site densities in the Borough, which are, themselves, better indicators of future densities than are any other measure, including national standards.
- 7.71 The main reasons for this are twofold. Firstly, those manufacturing activities already operating in the Borough are likely to constitute the occupiers of most of the manufacturing floorspace in the future. Many will continue to occupy the same buildings on the same sites. As such, current manufacturing floorspace and site densities will dominate future manufacturing floorspace and site densities and thereby determine the quintessence of manufacturing in the area.
- 7.72 Secondly, new office developments are likely to be relatively low level and not town centre tower blocks. This means that floorspace and site densities within new developments will replicate those within existing developments rather than deviate from them.
- 7.73 The use of local figures is a recommendation within the ODPM guidelines.

² Employment Land Reviews Guidance Notes, ODPM, 2005

8. Findings of the Forecasting Model

Introduction

- 8.1 The following details the principal outputs derived from the small area forecasting model specified for Harrogate Borough.

Population

- 8.2 At the time of the 1991 Population Census, the total population of Harrogate Borough was 140,700. By 2001, this number had grown to around 151,600.
- 8.3 The forecasts produced by the Office for National Statistics, (ONS), anticipate the population of Harrogate Borough rising from an estimated 2003 total of 152,700 to reach 161,900 by 2016 and 165,400 by 2021. As previously mentioned, these forecasts are being used by North Yorkshire County Council in preference to forecasts that they might produce themselves.

Demographic Structure

- 8.4 Whilst the overall size of the population has implications both for the level of demand for housing land and for the level of demand for local services, it is the structure of the population that is of more concern in terms of the demand for employment land.
- 8.5 This is because the age structure and gender of the population largely determine the size and structure of the resident labour force.
- 8.6 Table 8.1 below shows the forecast structure of the Harrogate Borough population at 2016.

Table 8.1: Population Projections for Harrogate Borough by Age and Gender, 2016

Age	Number			Percentage of Total		
	Male ('000)	Female ('000)	Total ('000)	Male	Female	Total
0-15	13.30	13.56	26.76	8.2%	8.4%	16.6%
16 to normal retirement age	49.42	44.54	93.96	30.6%	27.5%	58.1%
Over normal retirement age	16.08	24.90	40.98	9.9%	15.4%	25.3%
Total population	78.80	83.00	161.80	48.7%	51.3%	100.0%

Sources: ONS

- 8.7 Table 8.2 (overleaf) shows how the structure of Harrogate's population is expected to change between 2003 and 2021.

Table 8.2: Comparison of Harrogate Borough's 2001 Population Structure and the Forecast 2016 Population Structure

Age	2003 (Actual)			2016 (Forecast)		
	Male	Female	Total	Male	Female	Total
0-15	9.6%	9.1%	18.7%	8.1%	8.2%	16.3%
16 to normal retirement age	31.8%	29.0%	60.8%	29.9%	26.9%	56.8%
Over normal retirement age	7.3%	13.2%	20.5%	10.6%	16.3%	26.9%
Total population	48.7%	51.3%	100.0%	48.6%	51.4%	100.0%

Source: ONS; WM Enterprise Consultants

- 8.8 From the above figure, (Table 8.2), it is apparent that Harrogate Borough will see a decline in the proportion of its population that is of normal working age from a current (2003) 60.8% to reach 56.8% by 2021. Underlying these percentages is a relatively modest increase of just over 1,100 in the absolute number of people of normal working age. Activity Rates
- 8.9 The activity rates used in the model were derived from Population Census results, by age group and by gender. These were then projected forward to reflect activity rate trends within different age and gender groups and, where deemed relevant, modified to reflect certain national trends.
- 8.10 The resultant activity rates are set out in Table 8.3 below. These were applied to the population forecasts in order to arrive at a set of labour force projections for Harrogate. These are shown in Table 8.4.

Table 8.3: Harrogate Borough Activity Rate Assumptions – 2005, 2010, 2016, 2021

Gender / Age	2005 %	2010 %	2016 %	2021 %
<u>Male</u>				
0-15	0.0	0.0	0.0	0.0
16-24	81.6	82.7	82.9	82.9
25-34	94.6	93.6	93.3	93.3
35-44	93.8	92.3	92.0	92.0
45-59	86.9	86.6	87.4	86.4
60-64	56.1	53.2	52.5	52.5
65+	9.4	8.8	8.7	8.7
Total*	88.4	86.9	87.7	87.6
<u>Female</u>				
0-15	0.0	0.0	0.0	0.0
16-24	66.9	67.3	67.6	67.8
25-34	82.4	84.4	85.8	86.8
35-44	80.5	82.1	83.2	84.0
45-59	74.5	77.5	79.0	80.0
60-64	31.8	33.7	35.1	36.2
65	4.0	4.0	4.2	4.3
Total*	81.3	84.2	85.4	87.2

Source: Derived from Population Census Figures

* Total economically active (including pensioners) expressed as a percentage of the population of normal working age.

- 8.11 Overall, the figures indicate a marginal reduction in male participation rates in the labour market and an increasing level of participation on the part of females. These are trends that are evident nationally.

Size of the Workforce

- 8.12 Applying the activity rates to the population projections provides forecasts for the expected size and composition of the Harrogate Borough resident workforce.
- 8.13 Whilst the model produces estimates of the composition of the workforce by age and by gender, this level of detail is not directly relevant to this particular piece of work as the labour demand forecasts treat labour as a homogeneous commodity. Accordingly, the composition of the workforce is not presented in the figures below.

Table 8.4: Harrogate Borough Workforce – Projections for Selected Years

Forecast	2004	2005	2006	2007	2008	2009	2010	2016	2021
Number ('000)	79.0	79.3	79.7	79.8	80.1	80.4	80.6	81.4	82.1
Percentage of population of normal working age	85.0%	85.1%	85.1%	85.3%	85.4%	85.5%	85.6%	86.6%	87.4%

Source: WM Enterprise Consultants

- 8.14 Overall, the projections see the resident workforce of Harrogate Borough growing by 3,100 over the forecast period (2004-2021). This represents an increase of 3.9%. Allied to this, the figures indicate that the percentage of the population of normal working age will rise from 85.0% to 87.4%. Part of this will be the result of greater female economic activity whilst part will be the result of an increasing number of people working beyond normal retirement age. This latter group is included in the numerator in calculating the percentage of the workforce that is economically active but those over normal retirement age are excluded from the denominator. This means that the percentages in Table 8.4 need to be interpreted with a degree of caution.

Labour Demand

- 8.15 The Harrogate Borough economy is considerably more service sector dependent, than are either the rest of Yorkshire and the Humber or the rest of the UK. This is shown in the following figure.

Table 8.5: Comparative Employment Structures, 2003

	Harrogate Borough	Yorkshire and the Humber	UK
Primary	2.1%	1.7%	1.6%
Manufacturing	8.4%	15.2%	12.2%
Construction	4.0%	7.0%	6.6%
Utilities	0.1%	0.3%	0.4%
Services	<u>85.4%</u>	<u>75.8%</u>	<u>79.1%</u>
Total	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

Sources: Cambridge Econometrics, NOMIS; WM Enterprise Consultants

- 8.16 Within the service industries, Harrogate Borough is relatively over-represented in retailing and in the hotels and catering sector but is under-represented in the financial services sector, in transport and communications and in public administration, not least because it does not contain the county town. The following figure, (Table 8.6), provides more detail.

Table 8.6: Comparative Service Sector Employment

	Harrogate Borough	Yorkshire and the Humber	UK
Retailing	15.3%	14.3%	13.0%
Distribution	9.5%	9.0%	8.1%
Hotels & Catering	11.7%	7.8%	8.1%
Transport & Communications	4.4%	8.0%	7.7%
Financial Services	3.1%	4.5%	4.9%
Other Business Services	20.0%	16.5%	19.9%
Public Administration, Education & Health	29.7%	32.7%	30.4%
Other Services	<u>-6.3%</u>	<u>-7.3%</u>	<u>-7.8%</u>
Total	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

Sources: Cambridge Econometrics; Nomis

- 8.17 The forecasts through to 2016 indicate that service sector employment will reinforce its dominant position within Harrogate Borough, such that, by 2016, the service sector will account for over 87.9% of total employment. This is shown in the following figure, (Table 8.7).

Table 8.7: Forecast Relative Shares of Employment in 2016

	Harrogate Borough	Yorkshire and the Humber	UK
Primary	1.6%	1.2%	1.3%
Manufacturing	6.9%	12.6%	9.6%
Construction	3.5%	6.3%	6.5%
Utilities	0.1%	0.2%	0.3%
Services	<u>87.9%</u>	<u>79.6%</u>	<u>82.4%</u>
Total	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

Sources: WM Enterprise Consultants; Cambridge Econometrics

- 8.18 The service sector's share of gross value added in Harrogate Borough is expected to rise from a current 64.4% to reach 69% by 2016 and 68.7% by

2021. This modest rise is despite the service sector's share of total employment rising from 85.6% to 88.7%, over the same period.

- 8.19 Within the Harrogate Borough service sector, it is the other business services sector that is expected to be the major source of new job opportunities, followed by education and health, with the latter's growth driven by the needs of an ageing population. Between them, the other business services sector and education and health are expected to account for 77% of net service sector employment growth. Other sources of employment growth include other services, hotels and catering, transport and communications and distribution, which, together, account for a further 23% of the anticipated service sector employment growth.
- 8.20 Despite the forecast continuing growth in the service sector, manufacturing is expected to show employment loss in Harrogate Borough, over the forecast period, at a lower rate than in either Yorkshire & the Humber or the UK. Specifically, manufacturing employment loss in Harrogate Borough 2004-2021 is expected to be 8.7% as against 12.9% in the region and 18.4% nationally.
- 8.21 Even though manufacturing employment is expected to fall, manufacturing GVA in Harrogate Borough is expected to grow by around 26%.
- 8.22 The forecasts assume that manufacturing floorspace requirements are driven by employment rather than by GVA. This is in line with ODPM guidelines.
- 8.23 Whilst, based on historical evidence, it would be unreasonable to assume that the manufacturing floorspace requirement will grow in line with the growth in GVA, it could be argued that it is unreasonable to expect it to decline in line with the decline in employment. A compromise weighting of 75% employment and 25% GVA would see little change in the manufacturing floorspace requirement 2004-2021.

Commuting

- 8.24 Harrogate Borough is a significant exporter of labour, primarily to other parts of Yorkshire and the Humber. Equally, it is a major importer of labour from the same areas.
- 8.25 Analysis of the 2001 Population Census results undertaken by Harrogate Borough Council showed that, in 2001, around 24% of the Harrogate Borough resident workforce worked outside of the Borough. Equally, over 15% of Borough jobs were taken by people living outside of the Borough. In aggregate, net out-commuting was a significant 6,776 people.
- 8.26 Expectations are that commuting will continue to be a feature of the Harrogate Borough economy.
- 8.27 The extent to which net out-commuting is likely to change is dependent upon the rate of growth in the population of Harrogate Borough, relative to the rate of growth in local employment opportunities and the rate of growth in employment opportunities within commuting distance of Harrogate Borough.
- 8.28 The forecasts indicate that the level of net out-commuting will fall. This occurs because the forecast growth in the resident workforce is sufficient to match the growth in local employment opportunities. If net out-commuting does not fall, then either the forecast level of employment growth will be constrained or economic activity rates will have to rise above the levels

predicted. This latter event may occur as a result of the pensions crisis with individuals forced to delay their retirement date. Double Job Adjustment

8.29 The forecasts assume that, by 2016, the number of jobs within Harrogate Borough that are taken by individuals who have another job will be 7,400. This amounts to 8.4% of all jobs in the Borough and means that 9.0% of the economically active resident population will have more than one job. At present, around 4% of the UK workforce has more than one job.

8.30 However and as mentioned above, some caution needs to be exercised in relation to the double job figures. This is because the double job figure is initially calculated for 2001 as a residual balancing labour supply and labour demand. As such, any statistical errors and inaccuracies within any of the 2001 data used in the model are effectively subsumed within the double job number. Projecting the double job figure forwards perpetuates any inaccuracies that might be within the calculated 2001 number. However and despite this, the level of any error term is thought likely to be relatively small and, more importantly, does not materially impact on the magnitude of the employment land figures generated by the model.

Labour Market Summary

8.31 The following provides a summary of the Harrogate Borough labour market for selected years, 2001 to 2021.

Table 8.8: Harrogate Labour Market Projections Based on ONS Population Projections

	2001	2004	2005	2006	2007	2008	2009	2010	2016	2021
	('000)	('000)	('000)	('000)	('000)	('000)	('000)	('000)	('000)	('000)
Total population	151.6	153.5	154.2	154.9	155.7	156.4	157.1	157.8	161.8	165.4
of which: of normal working age	91.8	93.0	93.2	93.6	93.6	93.7	94.0	94.1	94.0	93.9
over normal retirement age	30.7	31.9	32.4	32.8	33.7	34.5	35.3	36.1	41.0	44.5
Labour force (all ages)	77.9	79.0	79.3	79.7	79.8	80.1	80.4	80.6	81.4	82.1
Plus net in commuting	(6.8)	(6.8)	(6.8)	(6.8)	(6.8)	(6.1)	(6.1)	(6.1)	(4.9)	(3.6)
Local labour force	<u>71.2</u>	<u>72.3</u>	<u>72.5</u>	<u>72.9</u>	<u>73.1</u>	<u>74.0</u>	<u>74.3</u>	<u>74.5</u>	<u>76.4</u>	<u>78.5</u>
Local employment	78.2	80.9	81.3	81.7	82.1	82.6	83.1	83.6	85.7	87.8
Less double job adjustment	6.1	6.8	6.9	6.9	6.9	7.0	7.0	7.1	7.3	7.4
Less jobs taken by students	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	2.9	2.9
Net local jobs	69.1	71.1	71.4	71.8	72.1	72.6	73.1	73.5	75.6	77.4
Unemployment	2.0	1.2	1.1	1.1	0.9	1.4	1.2	1.0	0.9	1.1

Sources: ONS; WM Enterprise Consultants

8.32 The principal features of the labour market scenario are as follows:

- The resident population of Harrogate Borough is expected to continue to rise over the forecast period, reaching 165,400 by 2021. This increase in population will add to demand for retail and personal services and to demand for public services. It will not, however, directly impact on the demand for employment land in the sectors covered by this report. This

is because demand for these sectors' outputs is largely determined by wider international, national and regional factors.

- The resident labour force of Harrogate Borough is also expected to rise over the forecast period and is expected to reach 82,100 by 2021. The increase, 2004-2021, of 3.9% is under half the rate of increase in the resident population over the same period. This is because population growth is expected to be concentrated amongst those over retirement age and to be the result of increasing longevity.
- The expectation is that net out-commuting will reduce in response to a tightening labour market. Specifically, the level of net out-commuting is expected to reduce to 3,600 by 2021 as an increasing proportion of those currently living in the Borough but working outside access jobs within the Borough
- Whilst it is impossible to draw firm conclusions about gross commuting levels, the expectation is that these may grow rather than decline.
- The number of Harrogate Borough residents with more than one job is expected to increase, in response to a growth in the number of available jobs and a desire to maintain living standards. This latter factor may well lead to more and more people working beyond normal retirement age.
- Despite the increase in the number of people with more than one job and the reduction in the level of net out-commuting, unemployment is not expected to decline dramatically. This is, in part, because of structural factors which mean that unemployment can never fall below a certain, if not well defined, level.

8.33 Ultimately, the expectation is that Harrogate Borough will remain a relatively attractive place to live and work with attendant low levels of unemployment.

Employment Land Requirement

8.34 The mechanism used to translate employment into an employment land requirement is firstly to multiply the number of employed persons, (employees in employment plus self-employed), by an assumed number of square metres per employee. The resultant number is then divided by an assumed plot development ratio in order to arrive at a total site requirement.

8.35 Whilst the ODPM's Employment Land Reviews Guidance Note provides national standards for use in this type of work, there is also recognition in the Guidance Note of the need to use local figures, where these are available. The salient figures from the Guidance Note are set out in the table overleaf.

Table 8.9: Standard Square Metres Per Employee and Site Density by Activity

Activity	Square Metres Per Employed Person		Site Density
	Gross Internal Area	Gross External Area	Site Density
<u>Industry</u>			
General	34.0	35.0}	0.35 to 0.45
Small Business	32.0	33.0}	
High tech / R & D	29.0	30.0}	0.25 to 0.40
Science Park	32.0	33.0}	
<u>Warehousing & Distribution</u>			
General Warehousing	50.0	50.0}	0.40 to 0.60
Large Scale & High Bay	80.0	80.0}	
<u>Office</u>			
General	19.0	20.5	0.41 to 2.00
Headquarters	22.0	23.0	
Serviced Business Centre	20.0	21.0	
City of London	20.0	21.0	
Business Park	16.0	17.0	
Call Centre	12.8	13.0	
<u>Retail</u>			
Town / City Centre	20.0	24.0	
Restaurants	13.0	13.0	
Food Superstores	19.0	23.0	
Other Superstores / Retail Warehousing	90.0	93.0	

Source: Planning: Employment Land Reviews – Guidance Note, ODPM, December 2004

- 8.36 As mentioned above, the ODPM guidance recognises that the standards will not apply in all areas and therefore recommends that local information be used, where possible.
- 8.37 Accordingly, three different sources of employment density information were considered. The first was from the national guidelines, as issued by the ODPM, (i.e. the numbers cited in the above figure). The second was from local information derived from Valuation Office floorspace statistics for Harrogate Borough for 2004 and the sectoral employment estimates for the Borough. The third source was the findings from a telephone survey of over 200 businesses operating from premises in Harrogate Borough. This survey was conducted in July and August 2005 and, *inter alia*, sought information on numbers employed, floorspace occupied and the total site area.
- 8.38 The densities derived from Valuation Office floorspace statistics were calculated by taking the Valuation Office gross internal floorspace by use

category, deducting the vacant floorspace and then dividing the result by the number of persons employed in Harrogate Borough in industries using premises within the relevant use category.

- 8.39 For example, the manufacturing floorspace per person was derived from the VO figure of 476,000 square metres of industrial floorspace less the 16,327 square metres of vacant industrial floorspace, giving total industrial floorspace in use of 459,673 square metres. Dividing this by the estimated 6,586 employees and self-employed engaged in manufacturing in Harrogate Borough in 2004, gave a gross internal square metres per person figure of 69.8.
- 8.40 The survey-derived figures were generated by asking each respondent business for details of both the number of employees that were based at its premises and also the square metres of floorspace occupied. The resultant numbers were then weighted and aggregated by major activity, (e.g. manufacturing, distribution), before dividing the resultant floorspace by the number of persons employed to arrive at a square metres per person figure.
- 8.41 The survey covered only those industries and sectors relevant to the study.
- 8.42 Given the nature of economic activity in Harrogate Borough and given the aims of this study, not all of the ODPM employment category density rates are directly relevant. For example, retailing is outside the scope of this study.
- 8.43 As such, the following table, (Table 8.10), which contains the employment density figures considered when calculating the building space required to accommodate Harrogate's employment, only covers those activities relevant to Harrogate Borough and to this study.

**Table 8.10: Comparison of Employment Density Figures
(Square Metres Per Person)**

Activity		Harrogate Borough		
		ODPM (Gross Internal) Sq m	Derived Sq m	Survey ⁽¹⁾ Sq m
Industry	- General	34.0}	69.8	56.3
	- Small business	32.0}		
Warehouse & Distribution	- General	50.0}	48.5	60.2
	- Large scale & high bay	80.0}		
Construction		-	26.6	12.9
Offices - General		19.0	20.4	22.2

(1) Based on findings from a telephone survey of 242 Harrogate Borough Businesses.

- 8.44 The VO derived figures in the above table show the average manufacturing floorspace per employee as more than twice as high as the ODPM standard, but nearly 20% higher than the figure revealed by the survey.
- 8.45 The detailed figures from the survey show significant differences in the floorspace per employee in different manufacturing industries. Textiles,

clothing and leather is the industry with the lowest amount of floorspace per employee, with the non-metallic mineral products somewhat the highest.

- 8.46 The average manufacturing floorspace per person was obtained by weighting the floorspace per employee figures from the survey across ten broad manufacturing industry groups. Using total employment in each industry in Harrogate Borough, gives a weighted floorspace per person figure of 56.3 square metres. The calculation is shown in the following figure.
- 8.47 Based on the survey findings, the floorspace requirement to accommodate the total Harrogate manufacturing activity is 371,600 square metres. This figure is 23% lower than the 459,700 square metres shown as being occupied by the Valuation Office figures.

Table 8.11: Manufacturing Employment Density

Manufacturing Industry	Square Metres per Employee from Survey	Total Employment ⁽¹⁾ ('000)	Total Floorspace ('000 sq m)
Food & Drink	43.8	1.3	56.3
Textiles, Clothing & Leather	30.0	0.1	2.7
Wood & Wood Products	68.9	0.5	35.0
Paper, Printing & Publishing	73.6	1.2	86.9
Chemicals, Plastics & Rubber	70.4	0.4	25.7
Metal Fabrication	39.4	0.2	8.4
Non-Metal Manufacturing	115.1	0.1	14.4
Machinery & Equipment	52.1	0.4	22.1
Electrical, Electronic & Instrument Engineering	41.2	0.4	17.0
Other Manufacturing	<u>49.2</u>	<u>0.8</u>	<u>32.3</u>
Total		5.5	300.7
Weighted Average Floorspace	<u>56.3</u>	<u>6.6</u>	<u>371.6</u>

Source: WM Enterprise Consultants

- (1) Weighted using employees in employment
(2) Employees in employment plus self-employment

- 8.48 Figures for square metres per person in warehouses in the survey are 20% higher than the ODPM average figures for general warehousing, but are 30% below the figure for high bay and large-scale warehouses, reflecting a mix of warehouse types in Harrogate Borough. The survey figures are also higher than the Valuation Office derived figures, which are below the ODPM average for general warehouses. The difference may be due to a lower proportion of the space in Harrogate being open storage or parking space than is generally found.
- 8.49 The figure for office space per person, at 22.2 square metres, is higher than the ODPM standard for general offices at 19.0 and is higher than the 20.4 square metres per employee derived from the Valuation Office figures.
- 8.50 Also included in the survey were a number of construction businesses. These had, on average, 12.9 square metres of floorspace per employee. This relatively low figure reflects that most workers in the construction sector work at other peoples' premises rather than at their own, which are largely used for administration and for storage.

- 8.51 The derived figure, at 26.6 square metres, is based on a weighted average of office space (40%) and warehousing (60%) but discounted by 40% to allow for those self-employed who work from home and have no formal business premises. In practice, the construction industry requirement is allocated between office and warehouse and distribution uses and does not appear as a separate requirement in the following table.
- 8.52 The sum of the warehouse and distribution figures derived from the survey is 14% higher than the Valuation Office reported occupied warehouse and distribution floorspace of 531,900 square metres.
- 8.53 The ODPM does not include construction as a separate employment land use activity. Ignoring it and assuming that it is subsumed within warehousing and distribution, means that the ODPM based warehousing and distribution requirement is, at 491,300 square metres, close to the amount actually available.

Current Floorspace Requirement

- 8.54 Applying the figures for square metres per employee to the 2004 employment estimate produces the following range of estimates for the amount of built space required in Harrogate Borough to house its various business activities.

Table 8.12: Built Accommodation Requirement, (Gross Internal Floorspace), Under Different Employment Density Assumptions

Activity	ODPM (‘000 sq m)	Survey (‘000 sq m)	Derived (‘000 sq m)
Industrial	221.7	370.8	459.7
Warehouse & Distribution	491.3	608.3	531.9
General Office	176.9	206.2	190.0

*Weighted by Employment Structure.

- 8.55 From Table 8.12, it is apparent that the floorspace requirements derived using ODPM guidelines produce a lower requirement than is produced by either of the two locally based methodologies.
- 8.56 As such, it is apparent that employment densities in Harrogate Borough are different from the national averages represented by the ODPM guidelines and that reliance should, therefore, only be placed on the local information.
- 8.57 One further point in relation to Table 8.12 is that the figures in the table only provide sufficient gross internal floorspace to accommodate the current level of activity. As such, there is no allowance for spare capacity linked to frictional or other elements of the market, including the need to secure a balanced portfolio of land and premises linked to providing adequate choice within the market place. Equally, there is no allowance for walls, plant rooms and outbuildings.

Employment Land Requirement

- 8.58 Translating floorspace requirements into employment land requirements necessitates the adoption of appropriate factors to translate internal floorspace into gross external floorspace. It also requires the adoption of appropriate site development density assumptions.
- 8.59 The factors used in translating internal floorspace into gross external floorspace were a 5% increase for manufacturing, 5% for warehousing and

15-20% for offices. These figures are based on industry standards, including as presented in the 2001 Arup Economics Study for English Partnerships.

- 8.60 Two sets of site development density figures are available. These are the ones provided by ODPM and the ones available from the survey of Harrogate businesses. The following table compares the numbers from these two sources.

Table 8.13: Site Density Figures

	ODPM	Survey
Industry	0.4	0.5
Warehousing	0.5	0.5
Transport		0.3
Construction		0.7
Offices	3.6	0.8

- 8.61 From Table 8.13, it is apparent that the site density of industry in Harrogate Borough, as revealed by the survey, is higher than the national average. This reflects the presence in the Borough of a number of multiple floored production facilities.

- 8.62 The site density for offices is considerably lower in Harrogate Borough than that indicated by the ODPM figure. This is due to a number of Harrogate Borough offices being located on low density businesses parks, with relatively few high density office blocks present in the Borough.

- 8.63 Applying the various site density ratios to the calculated square metres required to accommodate existing economic activity in Harrogate Borough provides an estimate of the total employment land requirement. This is detailed in the following figure.

Table 8.14: Employment Land Requirement (Hectares)

	ODPM		Survey		Derived	
	ODPM	Survey	ODPM	Survey	ODPM	Survey
Industry	57.1	48.8	97.3	83.1	120.7	103.1
Warehousing & Distribution	124.0 ⁽¹⁾	116.7	146.1	146.4	124.8	124.8
Offices	5.3	23.0	6.7	29.2	6.6	28.8

(1) These figures include an estimate for construction.

- 8.64 The above figures indicate that reliance on ODPM standards would seriously underestimate the current actual employment land requirements in Harrogate. This is particularly true in relation to industrial activities and office based activities.

- 8.65 Equally, the inference has to be that local employment land relationships need to be used when producing forecasts of Harrogate Borough's future employment land requirements. This is reflected in the next sections.

Employment Floorspace and Land Forecasts

- 8.66 The following figure, Table 8.15, shows the current, (2005), estimated floorspace occupied in Harrogate Borough by different use categories, together with the forecast floorspace requirement for selected years through to 2021. The forecasts are based on local employment densities.

Table 8.15: Employment Floorspace Requirement ('000 square metres)

	2005	2006	2007	2008	2009	2010	2016	2021
Industrial	454.9	447.6	445.2	441.9	439.4	435.9	419.6	408.9
Warehouse & Distribution	602.7	602.9	601.7	602.5	604.8	607.6	623.5	636.9
General Office	209.2	212.0	214.9	218.1	221.9	225.7	249.5	269.9

Source: WM Enterprise Consultants

- 8.67 The figures in Table 8.15 are in accordance with the normal convention used by property agents and developers in reporting floorspace. As such, they represent gross internal areas for industrial and warehouse premises and the net internal areas for offices. This means that the floorspace figures are not directly comparable between different uses and need to be variously adjusted in order to raise them to a common gross external area basis for use in calculating land requirements.
- 8.68 Also, in using the floorspace figures in Table 8.15, it is important to recognise that these do not include any allowance for vacant premises and do not allow for the provision of a balanced portfolio providing choice. As such, they are the absolute minimum needed merely to accommodate current and forecast activity.
- 8.69 The following figure, (Table 8.16), sets out the anticipated employment land requirement for Harrogate Borough through to 2021 based on current employment densities and land development densities in the Borough. In producing these figures, the manufacturing, warehouse and distribution gross internal floorspace shown in Table 8.17 has been increased by 5% and the office floorspace by 17.5% in order to raise them to gross external area, before applying appropriate employment densities.

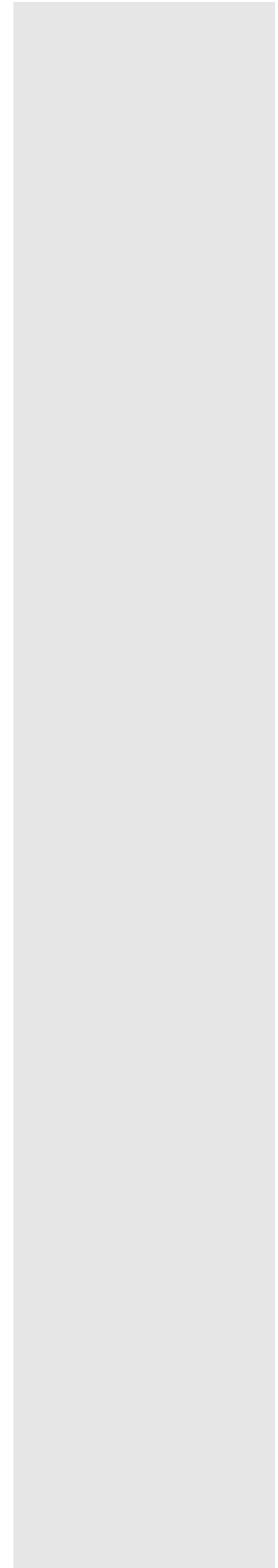
Table 8.16: Employment Land Requirements (Hectares)

	2005	2006	2007	2008	2009	2010	2016	2021
		(ha)	(ha)	(ha)	(ha)	(ha)	(ha)	(ha)
Industrial	102.0	100.4	99.8	99.1	98.5	97.7	94.1	91.7
Warehouse - & Distribution	131.4	131.3	131.2	131.4	132.1	132.8	136.6	139.8
General Office	29.6	30.0	30.4	30.9	31.4	31.9	35.3	38.2

Source: WM Enterprise Consultants

- 8.70 As with the figures in Table 8.15, the figures in Table 8.16 represent the absolute minimum needed to accommodate existing and future activities, with no allowance for vacancies or the need for a balanced land portfolio.
- 8.71 From the above, there is expected to be an increasing requirement for warehouse and distribution space and for general office space, but a decline in the requirement for industrial land.

- 8.72 Ultimately, appropriate additions need to be made to the above figures in order to ensure that a balanced portfolio of sites is available to meet the needs of indigenous businesses and of those either planning to start-up in business in the Borough or to re-locate into it.



9. Findings From Employer Survey

Introduction

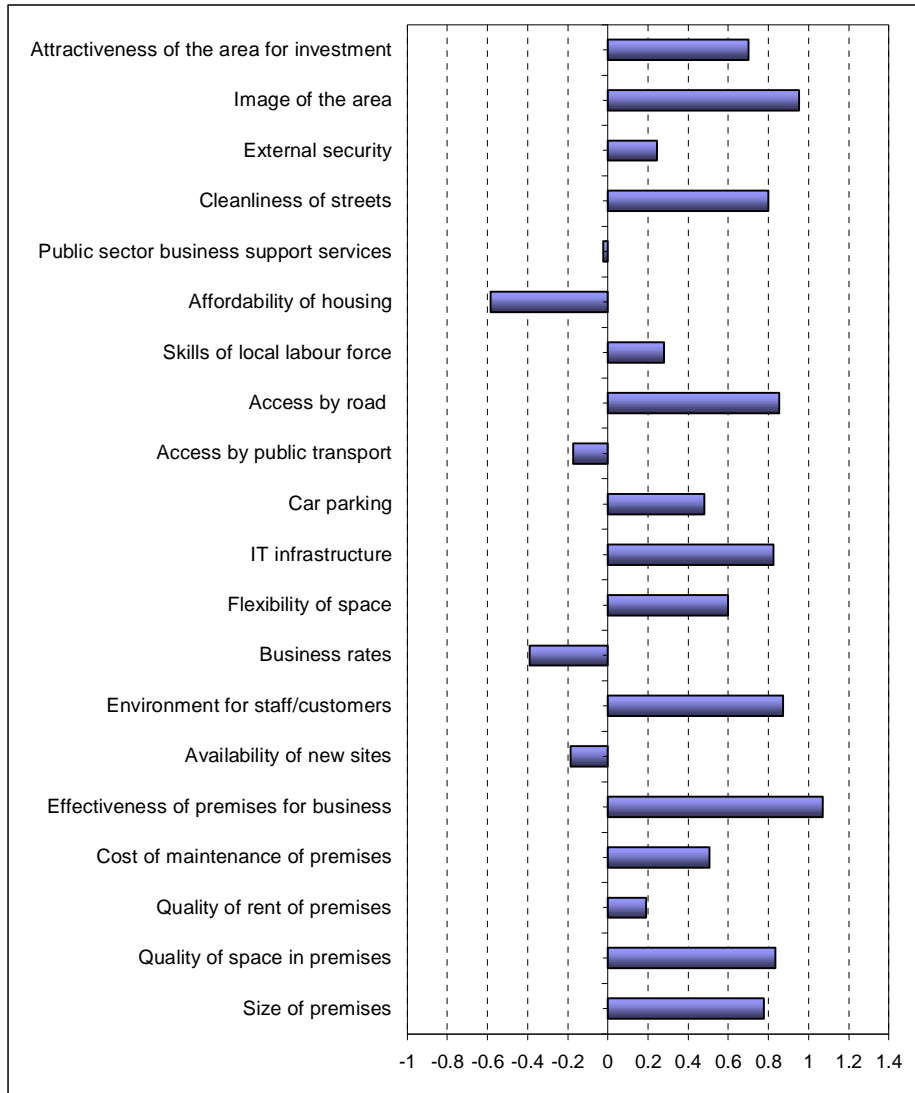
- 9.1 The following details the findings from a survey of 242 businesses operating in Harrogate Borough. This equates to 3.4% of the 7,061 businesses in the District, although not all sectors were covered by the survey. Specifically, the businesses variously operated in the manufacturing, construction, wholesale and distribution and in the business and financial services sectors. None of the businesses operated from High Street type retail premises, although 23 businesses (9.5%) of the total were currently operating out of residential properties.
- 9.2 The survey was conducted by telephone, with respondent businesses asked to complete a proforma questionnaire focusing on their current and future employment land requirements within the Borough of Harrogate. Other questions sought to gain an insight into the dynamics of the local business sector and an understanding of perceptions of Harrogate Borough as a place in which to operate businesses. In addition, the opportunity was used to gain an insight into perceptions of employment land and premises availability within the Borough as a whole and within different parts of it.
- 9.3 The survey took place in July and August 2005, with those selected for interview drawn from a stratified database of eligible businesses. Those selected for interview were chosen so as to give as representative a sample as possible across and within sectors, but with due consideration being given to ensuring coverage of all relevant geographical parts of the Borough and of all industrial sectors within each.
- 9.4 WM Enterprise would like to use this opportunity to thank all those business that participated in the survey and thereby enabled data from 242 respondents to be collected and analysed, against a target of 200.

Overview

- 9.5 Companies who responded to the survey had a total of 7,300 employees, the equivalent of 10.6% of all employees in employment in Harrogate Borough. As indicated above, not all sectors were included in the survey. Taking this into account lifts the percentage coverage of the workforce within eligible sectors to just over 25%.
- 9.6 76% of the employees of the businesses surveyed lived inside the Borough, with around 37% living in the locality of the business. The percentage of the employees of the surveyed businesses that lived inside the Borough was lower than the estimated 82% for all Borough employees. This reflects that many of the excluded sectors, such as retailing, are characterised by high levels of part-time employment, which do not justify long commuter journeys.
- 9.7 Survey respondents were asked to rate various aspects of operating a business in Harrogate, using a weighting of +2 for very good, +1 for good, -1 for poor and -2 for very poor. The results show how highly businesses rate various aspects of their current premises and locality. As the figures include people who were neutral, anything over +1 shows that a particular aspect is rated highly enough to cut through respondent apathy.
- 9.8 The main findings are presented in the following figure, with bars to the left of the central axis indicating perceived problem areas and those to the right indicating positive aspects of trading within Harrogate Borough.

9.9 The length of each bar indicates the relative strength of opinion.

Figure 9.1: Positive and Negative Aspects of Operating in Harrogate Borough

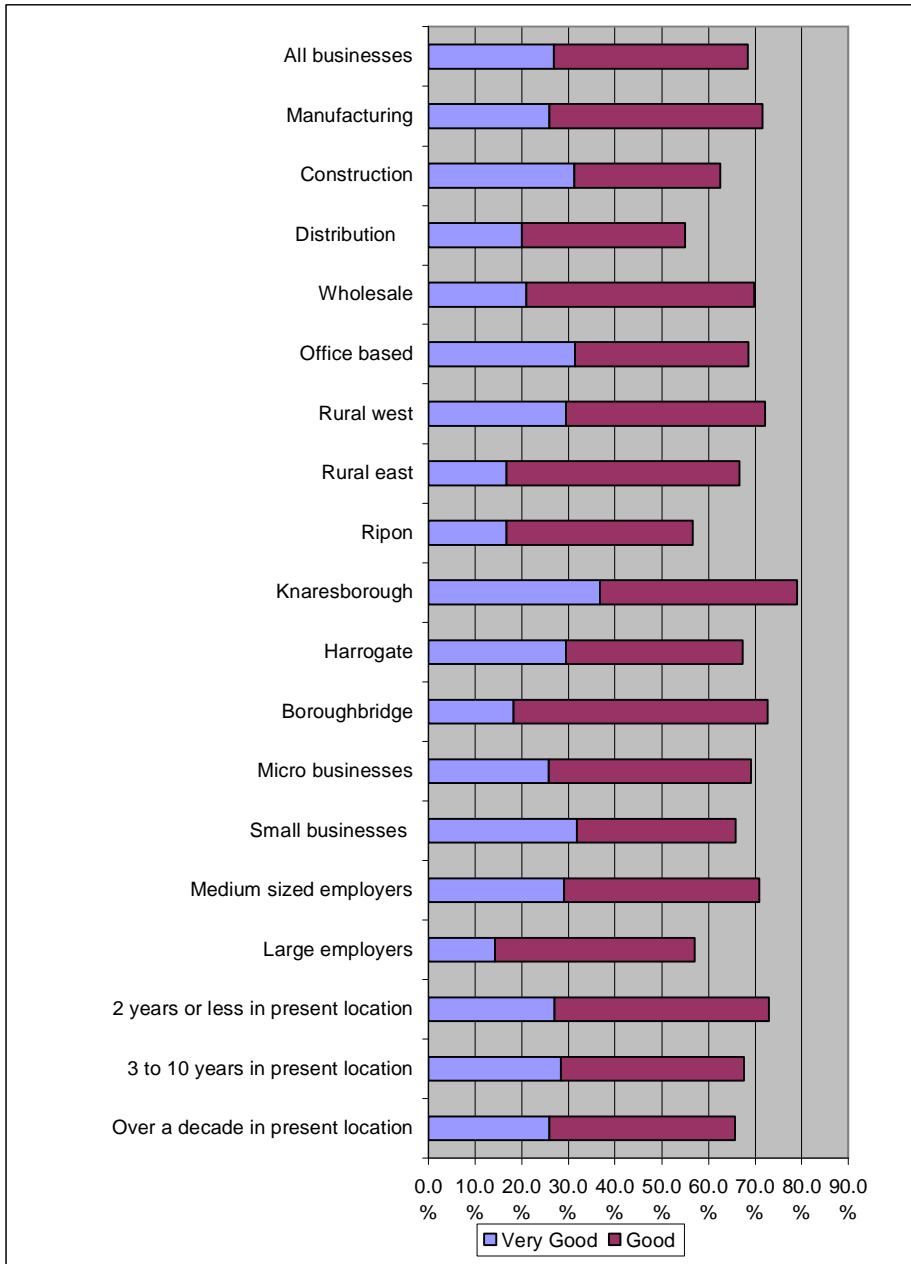


Source: WM Enterprise Consultants

9.10 As can be seen from the figure, the major concerns of Harrogate businesses are the affordability of housing, the availability of new sites, the level of business rates, and access by public transport. When compared with the findings from a recent study conducted in the South East, the Harrogate Borough study shows a very similar balance in terms of the need for more affordable housing and for greater levels of availability of sites, with the need in Harrogate being slightly more pronounced. The need for more available employment sites was especially pronounced amongst small/micro businesses.

- 9.11 The need for more sites and premises for small/micro businesses is, in part, evidenced by the high proportion of the businesses surveyed that were operating from residential premises.
- 9.12 A reduction in business rates was a key element that businesses wanted. Despite this, business rates were not seen as a major determinant of business location particularly as, according to a large company in a neighbouring district, the difference between business rates in Harrogate and York is so marginal that this would not enter into their minds if they were looking to relocate. This is not surprising, following the introduction of the uniform business rate regime, with business rates set by central government and with local authorities having very little control over their level.
- 9.13 The main problems faced by the surveyed businesses were market pressures (14%), a shortage of appropriately skilled staff, (9%), and existing site constraints, (9%).
- 9.14 Market pressure was particularly acute for 30% of manufacturers. A lack of appropriately skilled staff was mentioned most frequently by construction businesses. Site constraints were highest for warehouses and, by location, in Boroughbridge, the A1(M) corridor and in Ripon. Those most affected were typically small companies employing between 11 and 49 staff.
- 9.15 68% of the survey respondents rated Harrogate Borough as a good or a very good place in which to do business. 24% felt it was only average but only 7% thought that it was either poor or very poor. Levels of satisfaction were particularly high in Knaresborough, (79% of respondents rating it either very good or good), Boroughbridge, (73%), and the Rural West, (72%). The lowest level of satisfaction was in Ripon, (57% rating it either very good or good).
- 9.16 Respondents in areas where the levels of satisfaction were high tended to support their views by reference to the quality of the local physical environment and, for those who were dependent upon local markets, the level of wealth in the area. Businesses within the Rural West also made reference to the ease of access to the trunk road network.
- 9.17 Respondents within Ripon tended to see nothing outstanding about the area and to draw attention to planning constraints.

Figure 9.2: Percentage of Surveyed Businesses Rating Harrogate Borough as a Very Good or Good Business Location, By Business Attribute



Source: WM Enterprise Consultants

9.18 The following figure shows the geographical and sectoral distribution of surveyed activity within the Borough.

Table 9.1: Distribution of Surveyed Activity Within Harrogate Borough

	m ² per person	Site Density	Approximate proportions of floorspace				
			Office	Warehousing	R&D	Industrial	Other
Harrogate	32.43	0.68	30%	21%	2%	41%	6%
Boroughbridge	57.81	0.32	28%	71%	0%	0%	0%
Ripon	49.86	0.31	30%	63%	0%	5%	2%
Knaresborough	51.71	0.47	10%	7%	0%	83%	0%
Rural West (wards)	43.90	0.38	17%	15%	36%	20%	12%
Rural East (wards)	32.14	0.33	21%	50%	0%	29%	1%

9.19 Areas around the A1(M) are predominantly in the rural east area and show the lowest proportion of floorspace per person and the lowest site density, this is due to a heavy requirement for parking, although there is some outdoor storage. There are one or two heavy R&D focussed businesses in the Rural West. Ripon includes the Melmerby industrial park where there is a high proportion of warehousing.

9.20 The following table, (Table 9.2), shows the amount of additional floorspace (sq m) required by respondents in the short-term. It also shows the total of that space that will be put to different uses and the percentage of the total in each area of the Borough that will be put to those different uses.

Table 9.2: Additional Space Required by Survey Respondents in the Short Term

	Total (m2)	Subletting	Office Space	Retail Space	Warehouse	R&D space	Industrial space	Other space
Harrogate	23,415	0%	11%	3%	16%	1%	65%	4%
Boroughbridge	1,499	0%	37%	1%	61%	0%	0%	0%
Ripon	681	2%	17%	6%	71%	0%	4%	0%
Knaresborough	800	5%	3%	0%	0%	0%	92%	0%
Rural West (wards)	16,156	0%	12%	0%	19%	54%	11%	5%
Rural East (wards)	1,820	7%	-3%	0%	12%	0%	84%	0%
Total (m2)	44,371	308	5,174	671	8,334	8,886	19,198	1,801

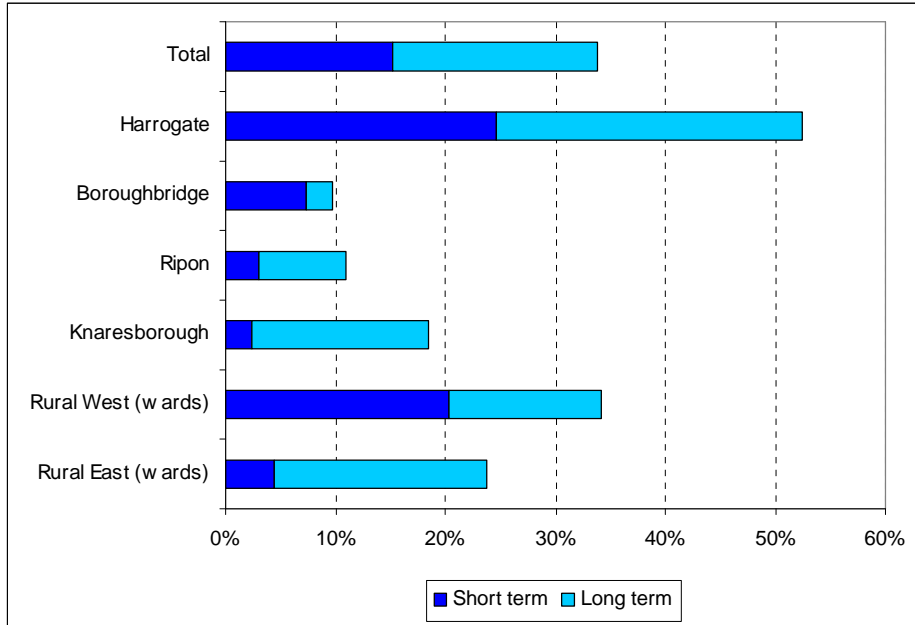
9.21 The “Other space” category in Table 9.2 above includes datacentres and a small proportion of sublet and commercial accommodation. There is a also a small amount of retail space required. The area around the A1(M) of the rural east shows a decline in office space which is compounded by the expectation of subletting. However there appears to be a small increase in the warehouse space requirement and a large increase in the industrial space requirement.

9.22 The apparent level of demand for additional industrial space in the short-term is, however, potentially misleading as one respondent accounts for the vast majority of the additional space requirement. Discounting this leaves short-term demand for additional industrial space at a relatively low level.

9.23 Anticipated long-term increases in premises demand were highest in Harrogate and Rural East. The latter is due to anticipated favourable long-term prospects of the transport sector where there is an expectation of a 25% increase in premises requirements in the longer term. In contrast

there was a reasonably short-term requirement for additional space in Boroughbridge but respondents were cautious about the longer term. This fits in with the relatively high proportion of respondents who cited existing site constraints as a key problem.

Figure 9.3: Short and Long Term Additional Floorspace Requirements by Area, Expressed as a Percentage of the Floorspace Currently Occupied



9.24 The following provides a more detailed analysis of the survey findings by sectoral activity.

Manufacturing

9.25 A total of 85 manufacturing companies, with a total of 2,846 employees, were interviewed as part of the survey. In total they occupied just under 140,000m² of floorspace and around 29.5 hectares (73 acres) of land. The main industrial sectors covered were paper, printing and publishing, (17% of respondents), food manufacturing, (15%), and electrical and electronic engineering (14%).

9.26 The average floorspace per person in the manufactured businesses surveyed was 49.2m². Given that different manufacturing industries exhibited different amounts of floorspace per person, a weighting was applied. This gave a weighted average amount of floorspace per person 56.3m². The average site density for manufacturing businesses was 0.47.

9.27 In total, 89% of the employees of the respondent businesses were employed full-time and 11% were employed part-time. The maximum number of employees on site across all the businesses, at any one time, was 84% of the total number employed. This suggests that there is relatively little large-scale shift work within Harrogate Borough's manufacturing sector.

- 9.28 Around 43% of the manufacturing workforce was drawn from the local community (i.e. within 3 miles) and an additional 35% from elsewhere within the Borough. In total 22% came from outside Borough.
- 9.29 44% of the surveyed businesses held the freehold of their sites, with a further 47% occupying their sites under a lease. 8% occupied their premises under a licence agreement, with the balance having other arrangements, mainly involving a combination of freeholds and leaseholds resulting from their occupying more than one site in the Borough.
- 9.30 35% of the manufacturing businesses described their premises as budget, with a further 54% describing them as mid range. 12% considered their premises to be prestigious. This latter percentage is slightly higher than the 10% level that has been typical in other areas.
- 9.31 55% of the businesses had been trading from their current premises in Harrogate Borough for more than 10 years and a further 11% for between 6 and 10 years. Only 17% had been trading from their current premises for less than two years, including 4% trading from their current premises for less than a year.
- 9.32 Those that had been trading in the Borough for less than one year were predominantly relocations. Specifically, 67% had relocated from elsewhere in Harrogate Borough, whilst 17% had come from outside the Borough and only 17% were start-ups. A similar picture is shown for businesses that had been trading at their current address for between 1 and 2 years with half of these relocating from elsewhere in the Borough as against 25% that were inward investors and 25% that were start-ups.
- 9.33 As such, Harrogate does not appear to be a major destination for footloose manufacturing activities. Despite this, manufacturing businesses moving into Harrogate Borough typically did not consider other locations and typically were restricted in their choice of sites by a need to be in a location that was easily accessed by their key staff.
- 9.34 Overall, 58% of the surveyed manufacturers had always been at their present site in Harrogate Borough and a further 36% had relocated within the Borough. Only 4% had relocated into Harrogate Borough from elsewhere, with Leeds and Wetherby cited as previous locations.
- 9.35 Those surveyed businesses that had relocated to their current address from elsewhere within the Borough had mainly moved because of a need for larger premises. This reason was specifically mentioned by 63% of the relevant interviewees, with one or two building bespoke new premises on acquired sites.
- 9.36 35% of the businesses that had relocated had not looked at any other sites. This was due to 61% of their employees living within a few miles of the area chosen. For the same reason, those that had considered other sites had tended to look only at other sites within the Borough and frequently only at sites close to the one eventually selected. However, those that had looked at places such as Ripon, Masham and Pateley Bridge, had tended to search on a wider scale, throughout the western side of the Borough.
- 9.37 The main reasons given for businesses being located in Harrogate Borough were proximity to “key staff”¹ and the cost, size and quality of premises. 54% of manufacturing respondents used proximity to key staff as being a key locational factor. The size of premises was mentioned by 26% of respondents whilst premises quality was indicated by 18%. Further detail is provided in the following table.

¹ Key staff are staff on whom the success of the business critically depends

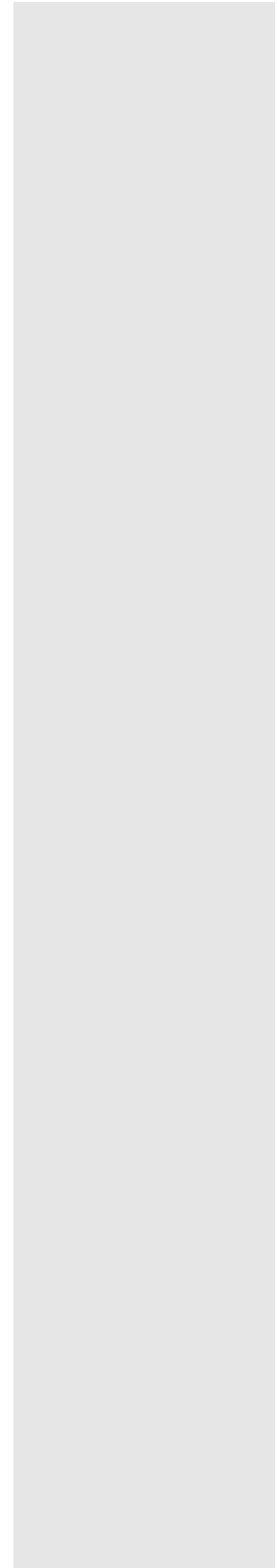


Table 9.3: Factors Cited As Being Important In Determining the Location of Manufacturing Businesses in Harrogate Borough

Factor	% of Respondents Citing
Proximity to key staff	44.7
Size of premises	25.9
Quality of premises	17.6
Cost of premises	16.5
Business climate	18.8
Proximity to customers	12.9
Quality of the environment	11.8
Ease of access to the motorway network	9.5
Proximity to suppliers	5.9
Lack of alternative sites	4.7
Other	29.4

Source: WM Enterprise Consultants

- 9.38 81% of those manufacturers surveyed considered their current premises to be suited to their needs. The most dissatisfied were engineering firms in the fabricated metal, electrical and equipment manufacturing sectors.
- 9.39 Between them, the manufacturers whose premises did not suit them occupied over 40% of the total manufacturing floorspace surveyed. This was because four of the largest manufacturers considered their workspace to be no longer suited to their needs. In total, 10 out of the 17 that considered their premises unsuited to their needs, stated that their premises were too small, with other problems mentioned being a lack of suitability due to a decline in their market (2), the premises being too old (2), access problems, parking problems and proximity to residential areas.
- 9.40 Market pressure was the main difficulty being experienced by manufacturers as a whole, with 30% of respondents citing issues in this area, including as a result of the growth in manufacturing capacity in the Far East and especially China.
- 9.41 A shortage of skilled labour was mentioned by 13% of respondents, with a wide range of industries affected.
- 9.42 Site related issues were a problem for a significant number of respondents. Such issues included a lack of available space (mentioned by 9% of respondents), parking problems (9%), site constraints such as restrictions on operating hours (9%), and a lack of suitable sites and premises (9%). The latter problem appears to be of most concern in Harrogate itself and in the rural west of the Borough, but was also mentioned by some rural east respondents.
- 9.43 There was some concern expressed that the local authority was not particularly helpful in granting planning permission (5% of manufacturing respondents), and that it could do more by way of providing business support, including through providing access to grants. 5% of respondents also felt that the rural infrastructure, including the rural road network, would benefit from improvement.
- 9.44 The following table sets out the issues facing manufacturing businesses in Harrogate Borough.

Table 9.4: Main Issues Facing Surveyed Manufacturing Businesses in Harrogate Borough

Issue	% of Businesses Mentioning
Competition with the marketplace	30.6
Shortage of skilled labour	12.9
Escalating costs	10.6
Shortage of space	9.4
Lack of suitable alternative premises or sites	9.4
Lack of parking	9.4
Site constraints	9.4
Site access problems	8.2
Business rates	7.0
Lack of investment	5.9
Inadequate infrastructure	4.7
Unsympathetic planning regime	4.7
Lack of business support, including grants	3.5
Cost of premises	3.5
Legislation	3.5
Other	8.2

Source: WM Enterprise Consultants

- 9.45 Around 2/3^{ds} of the space within the manufacturing premises was, predictably, given over to manufacturing activities, with the balance largely shared between offices and warehousing. This is shown in the figure below.

Table 9.5: Percentage of Floorspace Within Surveyed Manufacturing Businesses Used For Different Activities

Activity	% of Floorspace
Office Space	13%
Retail Space	1%
Warehousing	18%
R&D	<1%
Industrial / manufacturing space	65%
Other (including sub-let)	3%

Source: WM Enterprise Consultants

- 9.46 The retail space shown was largely attributable to one company, based in Harrogate.
- 9.47 Relatively little space was devoted by the surveyed businesses to R & D. Specifically, less than 10% of the surveyed manufacturing businesses had a specific R & D area, with none having more than 10% of their premises given up to R & D. This does not mean, however, that none of the other businesses was undertaking R & D. Rather, to the extent that R & D was being conducted, it was being undertaken in areas not exclusively given over to R & D.
- 9.48 48% of the manufacturing businesses surveyed were expecting to see their businesses grow in the short-term, with only 2% expecting to see a decline. The balance were either expecting their businesses to remain static (47%) or did not know (3%). In terms of employment, 42% expected to increase staff in the short-term and 4% expected employment numbers to decrease.

There was no correlation between location and employment prospects, although 2 out of the 3 companies that anticipated a decline in employee numbers were located in Harrogate.

- 9.49 80% of those expecting to see turnover growth also anticipated an associated increase in employment, with 20% expecting employment levels to stay the same.
- 9.50 26% of the surveyed manufacturers expected to expand their premises in the short-term, with some of the most significant expansions already at the planning stage. Around half of those expecting to see turnover growth (53%), expected this to lead to an increased premises requirement.
- 9.51 Between them, the manufacturing firms expecting to have an increased space requirement were expecting to add a net 19% to the total floorspace surveyed. One company accounted for 74% of this planned increase. Most of the additional floorspace was to facilitate more efficient production with 70% of the space to be used for manufacturing, 14% for storage, 8% for office activities and 7% for other activities, including 1% R&D.
- 9.52 A small number of the businesses anticipated the additional floorspace being acquired outside of Harrogate Borough, with one respondent expecting to achieve expansion through relocation out of the Borough.
- 9.53 The following figure shows the anticipated future use of premises occupied by manufacturing business in Harrogate.

Table 9.6: Percentage of Floorspace in Manufacturing Businesses Expected to be Used for Stated Activity

Activity	Future % of floorspace
Office Space	14%
Retail Space	2%
Warehousing	15%
R&D	1%
Industrial	66%
Other	3%

Source: WM Enterprise Consultants

- 9.54 The majority of the growth is expected to take place in Harrogate itself, although there is planned growth amongst small and medium sized businesses across the Borough.
- 9.55 Around 80% of the surveyed manufacturing businesses with quantified expansion plans were unable to accommodate those plans within their existing buildings. Those able to accommodate their expansion plans typically had low site densities or were planning a wholesale site redevelopment. Of those who felt that their companies' expansion plans could be accommodated, 2/3rds felt that no building modifications were required.
- 9.56 Out of the three companies that felt that their premises were not suitable, only one was looking to move to smaller premises.
- 9.57 Around 6% of companies not looking either to expand or to reduce the scale of their business activities, felt that their premises were not suitable for their short-term future needs.
- 9.58 The largest anticipated development was still in the pre-planning stage, although there was a preference for relocation to a bespoke site. Many of

the others where there was a smaller requirement were looking to build on their current land.

- 9.59 In terms of whether the Borough contained premises suitable for their future requirements, manufacturers were split more or less equally. Those who felt there were suitable buildings in the Borough tended to mention the quality of the environment or of the premises. Those who had a negative view felt that the cost and size of premises in the Borough made them unsuitable for the future business climate.
- 9.60 In terms of locations, manufacturers were relatively positive about the possibility of finding premises in Ripon (17%) and Knaresborough (17%) with a sizeable proportion not sure of what was out there. Manufacturers were most negative about Harrogate.
- 9.61 75% of companies were looking to remain in the Borough for their current or for all of their activities. Of those that were looking to relocate, 50% were considering Knaresborough. Only two firms were considering meeting their needs through taking on additional sites. Of these, one was looking for an additional site in Harrogate and the other was looking for an additional site south of the Borough.
- 9.62 Only two of the surveyed manufacturing companies expected their turnover to decline over the longer-term, as against 72% that were anticipating turnover growth. The remaining 26% expected turnover to remain unchanged.
- 9.63 Food manufacturers were the most bullish, with 90% expecting to see long-term turnover growth. However, only 30% of these expected to see an increase in their floorspace requirement, as a result.
- 9.64 Taken together, the anticipated increase in premises represents a 14% increase in the square metres currently occupied. This increase is somewhat less than the 24.7% forecast increase in Harrogate Borough manufacturing GVA over the same period.
- 9.65 Whilst it is impossible to draw firm conclusions, it would appear that demand for additional manufacturing floorspace is particularly high in Harrogate, Knaresborough, the Rural East and the Rural West.
- 9.66 60% of companies expected to see growth in staff numbers and 33% expected to see a decline. Machine operatives (42%), administrative positions (26%) and skilled manual workers (19%) were expected to be the main areas where increases would take place.

Wholesale

- 9.67 43 companies engaged in warehouse activities and employing a total of 574 people were interviewed as part of the survey. Around 72% of these were independent companies with the remainder being branches or subsidiaries. 62% of the total workforce lived locally and 13% lived outside of Harrogate Borough. The maximum number of staff on site at any one time was 97% of the total employed. This implies a relatively low level of shift work as well as only a small element of delivery work.
- 9.68 Employment within the wholesale businesses is predominately full-time, with 82% of employment full-time and only 18% part-time.
- 9.69 The average floorspace per person in the surveyed businesses in this sector was 72m², close to the 80m² ODPM guide for large scale and high bay warehouses. Certain of the businesses, whilst classified as

wholesalers, did not occupy premises that were predominately given over to wholesale activities. Examples include the offices of importers and exporters and retail warehouses. Excluding these marginally raised the floorspace per employee to 76m².

- 9.70 Freehold premises tended to be significantly larger than their leasehold counterparts, (on average four times as big). Freehold premises also tended to have more floorspace per employee and to have lower site densities. This is shown in the following table.

Table 9.7: Characteristics of Surveyed Freehold and Leasehold Warehouse Premises

	Freehold	Leasehold
Mean size of premises (m ²)	1,966	465
Mean number of m ² per employee	86	45
Mean site density	0.36	0.50

Source: WM Enterprise Consultants

- 9.71 51% of the surveyed wholesale businesses owned the freehold of their premises, with a further 37% occupying their premises under a lease. 9% occupied their premises under a license, with 5% of the interviewees not knowing the basis on which the premises were occupied.
- 9.72 The ODPM's 0.5 guide for site density is in line with the average site density for the Borough's leasehold warehouse premises but is significantly higher than that for the Borough's freehold warehouses. The average site density for all establishments, at 0.47, was, nevertheless, close to the ODPM guide.
- 9.73 The number of square metres per employee also varies considerably, ranging from around 9, (where there was a small office and open storage/parking), to one that was over 300. Site density also varied massively from 0.001 to 2.0.
- 9.74 Overall, 69% of the available floorspace within the surveyed warehouse businesses was given over to warehousing, with 29% used to house office functions. The balance was used to house a small amount of retail and industrial activity. The overall split is shown in the table below.

Table 9.8: Percentage of Floorspace In Surveyed Wholesale Businesses Used for Stated Activity

Activity	% of total floorspace
Office Space	29%
Retail Space	2%
Warehousing	69%
R&D	0%
Industrial	1%
Other	0%

Source: WM Enterprise Consultants

- 9.75 53% of the wholesale premises surveyed were defined as mid range, 16% as prestigious, with the remaining 30% defined as budget. Prestigious premises accounted for 27% of the floorspace, mid range for 57% with the remaining 16% being self defined as budget. This suggests that the prestigious premises tend to be larger than mid-range and, particularly, budget premises.

- 9.76 The site density also varied according to the status of the premises, with prestigious premises having an average site density of 0.30, mid range premises an average site density of 0.43 and budget premises an average site density of 0.55.
- 9.77 44% of those surveyed had occupied their current premises for more than 10 years, with a further 30% occupying their current premises for between 3 and 10 years. 6% had only been in their current premises for 1-2 years and 21% had been in their current premises for less than one year. Of this latter group, 45% were start-ups and 55% relocations within Harrogate Borough.
- 9.78 47% of the surveyed wholesale businesses had always been at their current address in the Borough. Of these, 63% had been there for more than 10 years and 19% for less than one year.
- 9.79 A further 44% of the surveyed wholesalers had relocated from a site elsewhere in the Borough to their present site.
- 9.80 Wholesalers that had relocated into the area tended to be located around the A1(M). The key locational influences were size of premises, ability to access the road network and the quality of premises/environment.
- 9.81 50% of wholesale premises were on one floor only; 41% were on two floors and 9% had three or more floors. Those with more than one floor were most likely to have office space on the upper levels.
- 9.82 82% of respondents considered their current premises to be suited to their current business needs, leaving 18% whose premises were unsuited to their needs. The main problems facing these businesses were, however, market, rather than premises related.
- 9.83 Harrogate Borough was generally seen as an effective place from which to operate a wholesale business, with the main aspects of Harrogate Borough that led to the surveyed businesses being located there being proximity to key staff, the size of the available premises and the proximity to customers. Further detail is contained in the following table.

Table 9.9: Factors Making Harrogate Borough Attractive to Wholesale Businesses

Factor	% Mentioning
Proximity to key staff	35.3
Size of premises	32.4
Proximity to customers	23.5
Quality of premises	17.6
Easy motorway access	14.7
Cost of premises	11.8
Quality of the local environment	8.8
Proximity to suppliers	8.8
Other	20.6

Source: WM Enterprise Consultants

- 9.84 The main problems faced by wholesalers in the Borough included; constraints placed on the businesses by market conditions, skill shortages, parking problems and site constraints. Further detail is contained in the following table.

Table 9.10: Main Issues Faced by Surveyed Wholesale Businesses

Issue	% Mentioning
Market conditions	32.6
Parking	25.6
Site constraints	16.3
Skill shortages	13.9
Cashflow	11.6
Traffic congestion	9.3
Legislation	9.3
Business rates	7.0
Other costs	7.0
Other	30.2

Source: WM Enterprise Consultants

- 9.85 Parking was seen as a particular problem in Ripon and, to a lesser extent in Harrogate. Site constraints were, however, more widespread, with mention in all of Ripon, the Rural West, Boroughbridge and the Rural East.
- 9.86 44% of the surveyed businesses were expecting to experience increased turnover in the short-term, with 68% of these expecting employment also to increase. A further 14% of the total were expecting an increase in employment numbers despite turnover being expected to remain unchanged.
- 9.87 26% of the wholesale businesses surveyed believed that their floorspace requirements would increase in the short-term. Of these, 82% were expecting their turnover to grow, whereas 18% needed additional space, irrespective of what happened to turnover.
- 9.88 Overall, the immediate expansion plans of the surveyed businesses would add only 5% of floorspace to the total currently occupied by them. Over half of the additional warehousing floorspace was required in Boroughbridge, with Harrogate and Ripon accounting for a further 20% each. The balance was divided between the Rural East and the Rural West of the Borough.
- 9.89 63% of the wholesalers requiring additional floorspace felt that their current buildings were not suitable to accommodate their required changes. The remaining 37% of companies felt that they could achieve their desired expansion with building modifications. Those located on industrial estates were most likely to feel the need either to relocate or for additional space elsewhere as the sites that they were on were fully let.
- 9.90 50% of those needing additional space, but where such space could not be met through the expansion of their existing premises, believed that there were suitable alternative premises within Harrogate Borough.
- 9.91 58% of the surveyed businesses that did not have an immediate requirement for additional space believed that they could accommodate any growth in turnover within their existing premises. This would be variously done by making more effective use of the available space, by constructing mezzanine floors or by taking over space currently occupied by tenants.
- 9.92 Businesses typically wished to maintain activities on a single site. Those considering relocation as a way of achieving this exclusively wished to relocate close to their existing site.
- 9.93 88% of wholesalers expected to see an increase in turnover over the longer-term and none expected a decrease. 70% expected employment to

increase over the same period with elementary occupations (mentioned by 37% of firms), machine operatives/drivers (30%), and administrative staff (37%) being the key employment categories likely to be affected.

- 9.94 26% of all wholesalers and 30% of those expecting to expand envisaged that their growth would lead to their needing additional space. One company expected to see an increase in both employment and turnover but a decrease in its premises requirement. This was because its current premises were too large for both its current and its anticipated future needs.
- 9.95 Overall, the expanding businesses were expecting to require around a net 1,600 square metres of additional space. Excluding short-term requirements, this equates to around 4% more space than that currently occupied. Including short-term requirements raises this percentage to 9%.

Transport And Distribution

- 9.96 19 businesses engaged in transport and distribution activities were interviewed as part of the survey. Together, these employed a total of 1,057 people. Around 80% of the interviewed businesses were independent companies with the remainder being branches or subsidiaries.
- 9.97 Only a relatively low 11% of the total workforce lived local to their place of employment, with 36% living outside of Harrogate Borough.
- 9.98 The maximum number of staff on site at any one time was 58% of the total employed. This is not a surprising level and reflects the high proportion of employees in the sector that are engaged in driving activities. Employment within the surveyed businesses is predominately full-time, with 94% of employment full-time and only 6% part-time.
- 9.99 11% of the surveyed businesses were operated from residential premises rather than from formal business premises. Where appropriate, these have been excluded from the subsequent analysis.
- 9.100 The average amount of floorspace per person was 29.6m². If those off-site are discounted, the floorspace per person rises to 50.2m². Excluding the businesses operated from residential properties makes no difference to the floorspace per person figures.
- 9.101 47% of the interviewed transport and storage businesses operating from formal business premises operated from freehold premises, as against 35% that operated from leasehold premises and 18% under licence. Only 6% of the business premises were classified as prestigious, with 70% classified as mid-range and 18% budget.
- 9.102 12% of the available floorspace was given over to office activities with the vast majority of the floorspace (85%) used for storage. The balance of the space was used for parking or similar activities.
- 9.103 58% of the surveyed businesses had been trading from their current premises for more than five years as against only 21% that had been trading from their current premises for two years or less. 75% of this latter group were recent start-ups with the balance having been operated from a variety of different residential properties.
- 9.104 16% of the surveyed businesses had re-located into Harrogate Borough. Mostly, these had come from neighbouring areas either in North or West Yorkshire. The main reasons given for the choice of the present location were the location of the residences of director-level staff and the size of the premises. Better premises and access to the A1(M) were also mentioned

- as key reasons. No other locations were mentioned as having been considered.
- 9.105 A further 16% of the businesses had relocated within Harrogate Borough. All of these relocations had taken place at least five years ago, with access to more suitable premises being the main reason behind the relocations.
- 9.106 58% of respondents stated that proximity to key staff was the main reason why they were located in their current premises. The next most frequently mentioned factor was the size of the available premises, which was mentioned by 26% of respondents. Ease of access to the motorway/road system was mentioned by 16% as were the cost and quality of the available premises and the local business climate. Other factors mentioned included that the business had been purchased *in situ*, (11%), that the business was a diversification of an existing business on the same site and the quality of the environment.
- 9.107 The average site density of 0.33 was closer to levels in the South East as opposed to a survey done in the North West, where land was relatively cheap and site density was closer to 0.1. Excluding one company operating out of a multi-storey building, reduced the site density ratio to 0.24. Individual site densities ranged from 2 to 0.03.
- 9.108 16% of the surveyed businesses, together occupying 23% of the surveyed floorspace, considered that their current premises were unsuitable to their needs. In all cases, the site was too small. These businesses were variously located in Boroughbridge, Ripon and in the Rural West of the Borough.
- 9.109 37% of the surveyed businesses stated that they were not experiencing any particular problems. For those with problems, the main problem was market pressures, including as a result of increases in the price of diesel. Site constraints were the next most frequently mentioned problem. These were mentioned by 15% of respondents all of whom mentioned it as their main problem. Respondents with site constraints were variously located in Boroughbridge, Ripon and the Rural West.
- 9.110 Other issues mentioned included traffic congestion, difficulties in obtaining planning consent, and driver and other skilled staff shortages. Traffic congestion was considered by some to be a seasonal problem, only.
- 9.111 Overall, 55.6% of respondents rated Harrogate Borough as either a good or a very good place in which to base their business. Factors contributing to this were the ease of access by road, the effectiveness of the available premises, the quality of the environment and the image of the area.
- 9.112 The main negatives about Harrogate Borough are the lack of car parking spaces, the shortage of appropriately skilled labour and the lack of public sector business support, in particular grants.
- 9.113 In terms of premises, this sector was the least positive sector in its rating for the size of premises, rent of premises and availability of new sites. Equally, few of the businesses surveyed considered Harrogate Borough to be very good or good in terms of the availability of new sites, whilst around half of those who stated an opinion felt that the location was poor or very poor.
- 9.114 53% of respondent businesses expected their turnover to increase in the short-term. 37% expected employment to increase over the same period, with those expecting employment growth, in all cases bar one, also expecting turnover growth. The one exception was a company that was

experiencing high driver turnover and was seeking to bring the establishment back up to strength through recruitment.

- 9.115 16% of the surveyed businesses expected that they would have additional floorspace requirements as a result of the anticipated growth. The expectation was that this expansion would add 9% to the total floorspace covered by the survey. Excluded from these figures is one company that is currently applying for planning permission to increase its floorspace.
- 9.116 Over 80% of the increased floorspace would be used for storage. This percentage would rise further if the figures of the company applying for planning permission were included. Businesses planning to expand were principally in the Rural West of the Borough.
- 9.117 16% of the surveyed businesses did not consider their current premises adequate to meet their needs. These were variously located in Boroughbridge and the Rural West of the Borough. Whilst all of these businesses had a preference for remaining in Harrogate Borough, one was considering relocating to a site outside the Borough, but still in North Yorkshire, whilst a second was considering relocating within the Borough. A third company believed that any sites on which there were potentially adequate buildings were too far from its current site to be considered and that operating from more than one site was not economic. Accordingly, it saw expansion on its current site as the only viable alternative.
- 9.118 For some companies, expansion would not impact on their Harrogate Borough premises requirements, as any expansion would be directed towards mainland Europe.
- 9.119 In the longer-term, 63% of respondents expected their turnover to grow and 47% expected their employment requirements to grow, whilst none was expecting a decrease in either area. A shortage of operatives was the main anticipated employment problem with over half of the surveyed businesses needing either drivers with C or C+E licences or forklift drivers.
- 9.120 32% of respondents expected that their longer-term floorspace requirements would be higher than their current usages. Based on rough estimates, there is an expectation for floorspace requirements to increase by 31% in the medium term. A significant proportion of this increased requirement is due to one company's pent up demand.
- 9.121 The businesses involved expect to meet the requirement either through an expansion of their existing sites or through relocation. Those businesses seeing relocation as an option appear to be looking beyond Harrogate Borough for suitable sites. Specifically, places like Leeds and Bradford are seen as having more suitable industrial estates than does Harrogate Borough.

Offices

- 9.122 The majority of non public sector office buildings, particularly in Harrogate town, are used for commercial activities such as non –banking financial services, property management, labour recruitment and the provision of temporary staff and the provision of other business-to-business services.
- 9.123 A total of 58 businesses were surveyed in this sector, including a number of businesses engaged in research and development. This latter activity is a relatively large employer in Harrogate Borough. One of the surveyed businesses had to be subsequently dropped from the analysis, as its principal activities did not fit within an office use category. As such, the

following analysis is based on 57 completed questionnaires. None of the surveyed businesses operated from High Street retail premises.

- 9.124 As with the transport and distribution sector, a number of the surveyed businesses were based in residential properties. These businesses were excluded from the analysis when appropriate.
- 9.125 Together, the 57 survey respondent businesses employed a total of 2,200 people, an average of just fewer than 40 per business.
- 9.126 Whilst not all respondents were able to provide information on where their workforces lived, from those that were, it is apparent that 38% of employees lived local to where they worked and a further 32% lived within Harrogate Borough. The remaining 31% commuted to work from outside of the Borough.
- 9.127 Office based workers are traditionally the most likely to travel long distances to work.
- 9.128 85% of the staff covered by the survey were full-time employees and 15% were part-time. Up to 88% of the staff could be on the premises at any one time.
- 9.129 Excluding the figures from one anomalous employer, the average amount of floorspace per employee was 22.2m². This figure remained unchanged, regardless of whether or not the businesses based in residential properties were included or excluded. In general, the least densely occupied premises tended to be away from Harrogate, in the rural areas.
- 9.130 Excluding the residential properties, 38% of the surveyed offices were freehold, 58% leasehold and 4% occupied under a licence agreement. Also excluding the residential properties, 22% of buildings were considered, by their occupants, to be prestigious, 58% saw their buildings as mid-range whilst 20% considered their premises to be budget.
- 9.131 63% of respondent businesses were on a single floor, 27% on two floors, 7% on three floors and the remaining 4% on four or more floors. Businesses operating on a single storey were not necessarily in a single storey building. For this reason, the apparent site density figures for the area, at 0.4, needs to be treated with caution, particularly as this number doubles to 0.9 when estimates for additional floors not used by the business are taken into account. Nevertheless, the figure is still below the ODPM average of 3.6.
- 9.132 Site density figures for the Harrogate town based businesses surveyed are, at 1.3, higher than the average for the Borough as a whole. This increases to 2.1 when estimates are made for other floors within the surveyed buildings. In this context, the tallest building covered by the survey had 11 storeys.
- 9.133 The following table show the current floorspace usage within the surveyed businesses. The first set of percentages is based on all of the businesses surveyed in the sector. The second set excludes the research and development based businesses.

Table 9.11: Percentage of Floorspace In Surveyed Businesses Services Businesses Used for Stated Activity

Activity	% of total floorspace	
	all companies	excluding research companies
Office Space	39%	80%
Retail Space	0%	0%
Warehousing	7%	9%
R&D	46%	5%
Industrial	0%	1%
Other	8%	6%

Source: WM Enterprise Consultants

- 9.134 29% of the surveyed businesses in the sector had been working from their current address for less than 2 years compared to an overall proportion of 20%. The trend for this sector to be trading from their current address for a shorter time than the overall sample extends throughout, with only 29% of businesses being in their current location for over 10 years compared with a sample average of almost 50%.
- 9.135 Of the 13% of businesses trading at their current address for less than one year, 57% were relocations from within the Borough and 43% new businesses. However, two of the companies included in the relocations were also recent start-ups. One of these had been started in the owner's home and the other had been started up in temporary accommodation in the Borough.
- 9.136 Those businesses trading from their current address for between one and two years showed a slightly different pattern. Specifically, 44% were start-ups, 33% had relocated within Harrogate Borough and 22% had relocated into the Borough from elsewhere in North Yorkshire.
- 9.137 Overall, 56% of the businesses surveyed had always been at their present address, 38% had relocated within Harrogate Borough, and the balancing 6% were relocations into the Borough.
- 9.138 Relocations within the Borough were predominantly for reasons of expansion and included a small number of businesses that had started at home and then relocated into formal business premises. Whilst only a small number of relocations into the Borough had occurred, these had also mainly been relocations to access formal business premises. As such, there is a need to ensure that there is an adequate supply of office premises to meet the varying needs of start-ups, growing businesses within the Borough and a modest number of in-comers.
- 9.139 18% of the businesses that had relocated within Harrogate Borough had considered a location outside of the Borough, although only one company had considered more than one such location. The alternative locations mentioned were Wetherby, Richmond, York, Leeds and Hambleton.
- 9.140 Almost 75% of the relocated businesses had considered only Harrogate and of these 58% had not considered any sites other than the one now occupied.
- 9.141 For all businesses, proximity to where key staff lived was the major factor in selecting a location, although among those that had considered only Harrogate as a location, around half mentioned either the need to be close to customers or the attraction of the local business climate. Quality

considerations (environment and premises) were also mentioned quite frequently.

- 9.142 10% of the respondents considered that their current premises were not suited to their current needs. A number of reasons were given as to why premises were not suitable. These included that they were too small, were in need of refurbishment, were too expensive or no longer suited the changed needs of the business.
- 9.143 40% of the surveyed businesses stated that there were no major problems affecting their businesses. For those businesses with problems, market conditions and a shortage of appropriately qualified staff were the main problems. These were mentioned by 13% of the businesses surveyed. Staff shortages were particularly an issue for Harrogate and Rural West businesses. However, they were also mentioned by Boroughbridge businesses.
- 9.144 Cashflow constraints were mentioned by 11% of businesses with a further 8% mentioning investment constraints. 11% of businesses were also overburdened by legislative changes.
- 9.145 Land and premises related issues included site constraints (exclusively in Harrogate), a shortage of space (Harrogate and the Rural West), a shortage of land (also Harrogate and the Rural West) and a shortage of premises in Harrogate and Boroughbridge. In all cases, these issues were raised by 8% of respondents, apart from the shortage of premises, which was raised by 4% of respondents. Also raised by 4% of respondents was the high cost of premises in Harrogate.
- 9.146 Other issues facing businesses included parking in Harrogate (raised by 6% of respondents), business rates (6%), traffic congestion (4%) and a lack of local council support and funding for businesses (4%). The later elements are largely a function of national and EU policy, with the business support function assigned to the Business Links, now part of the RDAs, and the grant regime largely determined by EU priorities.
- 9.147 In general, the surveyed businesses rated Harrogate Borough as a good location in which to base their businesses. Specifically, 65% rated it as good or very good as against only 4% that rated it poor or very poor.
- 9.148 Factors contributing to the Borough being a good location included: the image of the area; the effectiveness of the premises; IT facilities; the quality of the environment; the cleanliness of the streets; the quality and size of the premises and the accessibility by road.
- 9.149 Factors that detracted from Harrogate Borough as a business location included: the affordability of housing; the size of the business rates (which are largely determined by central government); the lack of access by public transport and the shortage of good sites. Further detail is provided in the following table.

Table 9.12: Percentage of Businesses Rating Stated Aspect As Either Very Good / Good or Very Poor / Poor

	Percentage rating good or very good	Percentage rating poor or very poor
Size of available premises	75	6
Quality of available premises	77	8
Rent of premises	54	19
Cost of maintaining premises	61	15
Effectiveness of premises	81	4
Site availability	36	39
Environment	80	8
Business rates	27	49
Flexibility of space	58	14
IT	80	10
Parking	62	25
Public transport	31	43
Road access	75	12
Availability of skilled labour	60	18
Affordability of housing	13	66
Public sector business support	33	33
Cleanliness of streets	79	4
Security	48	15
Image of the area	94	0
Appropriate place to invest	72	6
Overall rating	65	4

Source: WM Enterprise Consultants

- 9.150 47% of the surveyed businesses expected to see turnover increase in the short-term. Of these, 85% expected to recruit additional staff, whilst the remainder expected to be able to cope with their existing staff complement.
- 9.151 Only one of the surveyed businesses expected to see a reduction in turnover but with no change to staffing levels or the size of the premises requirement.
- 9.152 42% of the businesses expecting to recruit additional staff, (18% of all the office based businesses surveyed), also expected to have an increased floorspace requirement. In the short-term, an additional 12,650m² is required. This amounts to around an additional 20% on the floorspace currently occupied by the businesses covered by the survey.
- 9.153 However, only 19% of this additional space is expected to be office space as the figures are dominated by one large development primarily for R&D space. Excluding this development would show relatively sluggish growth of around 3%, in terms of floorspace, with 77% of this for office uses, 9% for storage and the rest being required for training.
- 9.154 66% of those with expansion plans believed that these could be readily satisfied either by re-developing their existing site, by making more effective use of their existing space or by relocating to neighbouring premises. For the remainder, relocation was the only option, with some considering relocating out of the Borough.
- 9.155 What this shows is that whereas some businesses consider there to be an adequate stock of office premises, others take a contrary view. In particular there was felt by some respondents to be a particular shortage of starter

units and units for those moving their businesses out of their domestic premises.

- 9.156 Whilst some respondents were certain that there were no buildings suitable for their business in Harrogate, they were less certain about the rural areas. Despite this, many ruled out the rural areas as being too far away.
- 9.157 86% of the surveyed businesses expected to see their turnover increase in the medium to long term, with only 2% expecting their turnover to decrease. On average, those expecting turnover growth expected a rate of growth of around 15% per annum.
- 9.158 51% of respondents expected to increase their staff numbers over the longer term, but at a slightly slower rate than the anticipated rate of growth in turnover. On average, the expectation was that staff numbers would grow by around 15% over the medium term. All of those expecting a decrease in turnover were also expecting a reduction in staff numbers of around 5 to 10%.
- 9.159 Those companies able to quantify their requirements were expecting to require an additional 9,900m² of floorspace. This equates to a 13% increase on the floorspace currently occupied by all respondents. The figure for general offices is proportionally greater being 16%, around 5,500m². No companies considered decreasing their floorspace.
- 9.160 Of the businesses with embryonic plans to meet their longer-term additional floorspace requirements, some were looking to expand or redevelop their existing freehold sites whilst others were looking to expand into other buildings that they owned. A further group were keeping a careful watch on the other occupants in their shared buildings with a view to taking any space that they might vacate.
- 9.161 For the vast majority, however, the only option from their point of view was to relocate. 50% of the 12 seeing relocation as the only option were located in Harrogate, with a further 25% in Boroughbridge. The balance was spread across the rural areas and Ripon. The need to relocate out of Harrogate was partially driven by a perceived shortage of appropriately sized premises.
- 9.162 Of concern is that 33% of those expecting to relocate were looking for locations outside of Harrogate Borough. For the remainder, the preference was to remain in Harrogate Borough and emphasises the need for there to be an adequate selection of available premises and sites to meet the needs of such businesses.

Construction

- 9.163 37 businesses, employing a total of 503 people, were surveyed in the construction sector. 81% of these businesses were independent, 11% were head office sites and 8% were branches of a larger group.
- 9.164 43% of the premises were predominantly offices, 5% were predominantly workshops and a further 5% distribution depots. 17% were in mixed use with the remaining 30% being primarily residential, with office space for the business mainly included in the residential curtilage.
- 9.165 Typical of the construction industry, the amount of floorspace per person was relatively low. Specifically, the floorspace per person was only 12.2 square metres. Excluding the residential premises, the floorspace per person rose only slightly to 12.9 m².

- 9.166 The construction industry is different from other sectors as the majority of time is spent on other peoples' properties. For this reason, there is a significant difference between floorspace per person (12.2m²) and the floorspace for the maximum number of employees on site at any one time (21.1m²).
- 9.167 The head offices actually produced a floorspace figure for all staff of 11.25m² per person, which was below the average. However the site density for these buildings was 0.1 as opposed to an average of 0.68, indicating a large area set aside for the storage of materials and the parking of vehicles.
- 9.168 94% of the employees of the surveyed businesses were full-time, and only 6% part-time. Equally, 46% lived local to where their employing business was based, although the proximity of their home to the place of execution of their work would, for many, vary on a day-to-day basis.
- 9.169 In contrast, only around 23% of the employees resided outside of Harrogate Borough.
- 9.170 Excluding the residential properties, which were all freehold, the business premises were 40% freehold, 52% leasehold and 8% occupied on licence. This latter group included two semi permanent portacabins on one site, although the business was looking to relocate in the near future.
- 9.171 Again excluding the residential properties, only 4% of the surveyed businesses occupied prestigious premises, with the majority (60%) being mid-range. 36% of the premises were classified as budget.
- 9.172 46% of the businesses had been at their present address for more than ten years, with a further 16% having been at their present address for between six and ten years. Only 5% had been at their present address for less than one year. These were all businesses that operated out of residential properties and which had relocated to their present address from elsewhere in Harrogate Borough.
- 9.173 The businesses that were operated from residential properties had all either always been there or had relocated there from elsewhere in Harrogate Borough, with 45% having relocated at some point in time. This shows the importance of residential bases to many small construction industry businesses.
- 9.174 41% of the surveyed construction businesses had always been at their present address in Harrogate Borough. A slightly higher percentage (49%) had relocated to their present address, from elsewhere within the Borough. The remaining 10% of firms had variously relocated from Leeds or from York. 75% of the businesses relocating into the Borough had moved to the area in the last 3 to 5 years, with the other 25% having been in the area for 6 to 10 years.
- 9.175 The businesses that had relocated into the Borough had looked at a limited number of alternative options. Where they had considered other sites these were within the same urban areas, namely Boroughbridge/Roelcliffe or Harrogate/Knaresborough.
- 9.176 The most important factor for construction companies in selecting a site was proximity to where their key staff lived, (65%), with size of premises, (27%), the next most important consideration. Quality of premises (19%) and quality of environment (16%) also scored relatively highly.

- 9.177 Indications are that most of the work undertaken by the surveyed businesses was within the Borough as only 14% stated that access to the motorway was an important consideration.
- 9.178 The 6,109m² of available floorspace within the surveyed premises was allocated as follows:

Table 9.13: Percentage of Floorspace In Surveyed Construction Businesses Used for Stated Activity

Activity	% of total floorspace
Office Space	43%
Retail Space	0%
Warehousing	44%
R&D	0%
Industrial	13%
Other	0%

Source: WM Enterprise Consultants

- 9.179 Excluding the residential properties marginally decreased the proportion of space allocated to offices to 42%. This shows that the offices within residential properties are typically very small.
- 9.180 57% of buildings were on one level with 41% having two floors. One company building had three storeys.
- 9.181 11% of the surveyed businesses believed that their premises were not suited to their current needs. Half of these were due to size, one was looking for a better quality of environment and one felt that the current predominantly residential location was not ideal for the business. None of the businesses being operated from residential properties considered their premises arrangements to be unsuited to their business needs. As such and unlike other industries, there does not appear to be significant demand for formal business premises from home-based construction firms.
- 9.182 Although the construction industry in general has a skill shortage, this was a major problem for 17% of the businesses surveyed compared to only 6% of all the businesses surveyed. Other problems facing the businesses surveyed were more varied and embraced legislative and market pressures, a shortage of land for development, a difficulty in obtaining planning consents, traffic congestion and parking problems.
- 9.183 In general, the construction businesses surveyed viewed Harrogate Borough as a good place in which to base their businesses, with 77% of those who replied stating, overall, that it was a good or very good place in which to do business. No one felt that it was either a poor or very poor area in which to base a business. This does not mean, however, that the construction businesses were not concerned about some aspects of the area. Further detail is given in the following table.

Table 9.14: Percentage of Businesses Rating Stated Aspect As Either Very Good / Good OR Very Poor / Poor

	Percentage rating good or very good	Percentage rating poor or very poor
Size of available premises	83	3
Quality of available premises	74	3
Rent of premises	35	24
Cost of maintaining premises	65	0
Effectiveness of premises	91	0
Site availability	37	43
Environment	87	0
Business rates	28	45
Flexibility of space	79	3
IT	85	0
Parking	62	18
Public transport	47	25
Road access	83	6
Availability of skilled labour	54	11
Affordability of housing	21	62
Public sector business support	32	20
Cleanliness of streets	91	0
Security	59	6
Image of the area	89	3
Appropriate place to invest	61	7
Overall rating	77	0

Source: WM Enterprise Consultants

- 9.184 19% of the businesses surveyed were anticipating expanding their businesses and 24% were expecting to recruit additional staff. The fact that the number expecting to recruit exceeds the number expecting to expand their business reflects that a number of the surveyed businesses had job vacancies outstanding and one small company was looking to take on an apprentice.
- 9.185 22% of the businesses that were surveyed were expecting to need additional floorspace. Those requiring additional floorspace were not necessarily the same as those looking to expand in terms of turnover and employment as three out of the eight companies looking to increase floorspace were doing so due to cramped conditions. Two of these three were currently in residential properties.
- 9.186 The short-term additional floorspace requirement was equivalent to around 20% of the total floorspace surveyed.
- 9.187 61% of the expected increased floorspace was to be office space, 16% warehouse/storage space and 22% industrial space.
- 9.188 For those whose existing premises were incapable of accommodating their expansion plans, the options appeared to be either to take additional space or relocate on their existing trading estates or relocate elsewhere. The latter option was the only one for one respondent who was seeking to relocate his business away from the adjacent residential properties.

- 9.189 In terms of short term growth, around half of the businesses felt there were suitable alternative premises in Harrogate Borough to meet their needs. Of those who were more negative one cited transport difficulties and access to the current premises whilst the other three felt that cost was the key inhibiting factor. Those who felt cost was the key issue were looking to remain in the area for all activities, whilst the other company felt that although there were sites in Boroughbridge that were suitable for its needs the preference was to move out of the area.
- 9.190 43% of the surveyed businesses were anticipating longer-term growth as against 14% that were forecasting a decline. Turnover growth was expected to translate into expected increases in employment for 35% of businesses. Anticipated requirements were for skilled manual labourers (stated by 80% of businesses planning to increase employment) and administrators (27%).
- 9.191 A third of the businesses were anticipating an increased floorspace requirement. The expected growth from those companies that gave figures indicated an increase of around 1200m² or 18% of the surveyed current floorspace figure, indicating that it is the larger companies who will expand the most.

Residential Premises

- 9.192 Anecdotal evidence suggested that there was a difficulty in businesses obtaining start up commercial units. In order to gain an insight into this, a number of additional questions were asked of some interviewees to see whether there was unfulfilled demand for such units in Harrogate Borough.
- 9.193 This section reports the findings from this additional questioning. It specifically excludes commercial properties located in residential areas.
- 9.194 A total of 23 businesses employing 60 people were based at residential addresses. 19 of these businesses employed people other than the proprietor. Around 50% of the businesses were in the construction industry, 18% in manufacturing, 13% in business services, 9% in financial intermediation, 9% in transport, storage and distribution and 4% in wholesale activities.
- 9.195 These businesses used 1,200m² of floorspace for their business activities (just over 20m² per person). Unsurprisingly, apparent site density was low, at 0.2, as this area included the rest of the house as well as grounds and parking areas.
- 9.196 The majority of premises just had a small office or workshop. However, the presence of one relatively large workshop meant that the floorspace in the sample was 37% office, 9% retail and storage and 54% workshop. Storage is slightly low as one company stored its products outside and many craftsmen in the construction sector used their vehicles for storage.
- 9.197 Relocations amongst these businesses were due to the proprietor moving house in 86% of cases. The other main reason for relocations was to save money.
- 9.198 Market pressure was the key difficulty for this sector, although 8% mentioned site constraints and a lack of land. That market pressures were the main problem possibly indicates that many of the businesses could not afford the additional overheads associated with more formal business premises.

- 9.199 No one considered lack of suitable premises to be an issue and 96% of businesses felt that their current premises was suitable for their current business needs and that there was no need to relocate to formal business premises. In terms of the availability of new sites, the balance of home based businesses was positive, as opposed to all other interviewees, where there was a negative outlook overall.
- 9.200 The clear indications are that there is currently no significant un-met demand from home based businesses themselves for formal business premises.
- 9.201 In the next two years, an additional 165m² (13%) of floorspace was expected to be required by the surveyed businesses. All of this was due to just four businesses. Two of these are looking to remain in residential properties (one is looking to relocate to bigger premises and the other is looking to extend the office space within the site. Two companies are looking to move their businesses out of their residential dwellings and into commercial buildings. Including their current residential space they would require around 150m² (130m² of office space and 20m² of storage).
- 9.202 Over the longer term, 7 businesses stated that they anticipated increasing the number of their employees, with skilled manual workers (57%) and administrators (57%) in particular demand. Decreases in a further two businesses were due to the planned retirement of the proprietors.
- 9.203 In terms of floorspace, an additional 271m² of floorspace is expected to be required, with only 65m² of this expected to be provided by the residential sector.
- 9.204 One of the companies expecting to move into commercial dwellings is looking for an additional 100m². Another is looking for a 100m² storage site, but did not mention whether the current home office location would change and the fourth business was looking to set up a commercial base outside the area.

10. Summary Findings and Recommendations

- 10.1 This section of the report sets out a summary of our key findings and recommendations.

Labour Market Forecasts

- 10.2 The population of Harrogate Borough is forecast, by ONS, to continue to rise, reaching 165,400 by 2021. The population of normal working age (16-59 for women and 16-64 for men) is expected to rise to 94,100 by 2010 but then to fall to 93,900 by 2016.
- 10.3 The resident workforce of Harrogate Borough is predicted to grow by 3.9% between 2004 and 2021, reaching just under 82,100 by 2021. The increase will be the result of demographic change, higher female participation rates and an increasing number of people remaining economically active beyond normal retirement age.
- 10.4 Net out commuting is significant in the Harrogate Borough economy. It is a significant exporter of labour, primarily to other parts of Yorkshire and the Humber. A considerable number of people, albeit fewer than those living in the area and working elsewhere, commute into the District for their jobs. This general trend will likely continue.
- 10.5 The Harrogate Borough economy is much more service sector dependent, than either the rest of Yorkshire and the Humber or the rest of the UK. It is anticipated that the service sector will reinforce its dominant position.
- 10.6 The following table sets out the minimum floorspace requirements to accommodate economic activity in certain sectors within Harrogate Borough, both current and at 2021. The 2005 figure is based on forecasts for the Harrogate Borough Economy.

Table 10.1 Floorspace Requirements to 2021

	2005	2021
	Floorspace ('000m ²)	Floorspace ('000m ²)
Manufacturing	454.9	408.9
Warehouse & Distribution	602.7	636.9
Office	<u>209.2</u>	<u>269.9</u>
Total	<u>1,266.8</u>	<u>1,315.7</u>

- 10.7 The above indicates an increased net floorspace requirement of 48,900 sqm, with the requirement embracing a 46,000 sqm reduction in manufacturing floorspace and increases in floorspace requirements in the other activities, notably offices.
- 10.8 Translating the floorspace requirements into employment land requirements necessitates the adoption of appropriate factors to translate internal floorspace to gross external floorspace and the adoption of appropriate site development density assumptions. This analysis gives the land requirements set out in Table 10.2 below.

Table 10.2 Land Area Requirements to 2021

	2005	2021	Change 2005 - 2021
	Land (ha)	Land (ha)	Land (ha)
Manufacturing	102.0	91.7	-10.3
Warehouse & Distribution	131.4	139.8	8.4
Office	<u>29.6</u>	<u>38.2</u>	<u>8.6</u>
Total	<u>263.0</u>	<u>269.7</u>	<u>6.7</u>

- 10.9 Overall, the employment land requirement for the sectors covered by this report is predicted to increase by just under 7 hectares in total, although the mix will change. The increased requirement refers only to the minimum additional land needed to accommodate the sectors' activities. It does not mean that the supply of such land needs to be increased by 7 hectares. This is because the figures do not allow for churn and for the associated need for there to be a selection of vacant sites and premises. Equally, the figures are stated with no reference to the level and nature of existing employment land supply.
- 10.10 On this basis, it is important that future provision exceeds the total requirements in the above tables to robustly meet labour forecasts in addition to any identified demand considerations.

Policy and Strategies

- 10.11 A review of planning and economic strategies, particularly at the regional and sub-regional / County level reveals the following main issues of relevance to Harrogate Borough:
- n Employment land should be provided within urban areas and on previously developed land, followed by land on the urban periphery accessible by good public transport.
 - n Provision should be made for a good (but not excessive) range of sizes and qualities of land for sub-regional and local development, well integrated with urban areas, their workforces and supply chains. A portfolio of small – medium, high quality sites should be provided, with at least 5 years supply of market-ready best sites available.
 - n Promotion of the development of clusters, including the priority clusters of food and drink, advanced engineering and metals, digital industries, chemicals and Bioscience, Healthcare and environmental technologies
 - n Harrogate town is identified as an area of opportunity and should be the focus for new housing and economic development in the North Yorkshire sub-region. Additionally, the following spatial investment themes are identified for the key towns considered as part of this employment land study:

Location	Spatial Investment Theme
Harrogate and Knaresborough	C. Develop the Sub-Regional role in the Bradford and Leeds city regions
Ripon, Boroughbridge and Melmerby	D. Build on the economic opportunities of the northern market towns on the A1/A19 corridor
Pateley Bridge and Masham	E. Utilise heritage and natural assets of upland areas and their market towns as economic drivers

- n There is an over-supply of employment land in the Region and there is a need to assess employment land requirements and site suitability to consider de-allocating sites or re-allocating them to other uses. The projected regional trend is for growth in demand for office floorspace and a decline in demand for land for extensive general industrial uses.
- n Within Harrogate Borough, based on past completion rates there is a need to identify between 20 and 37 hectares of new employment land in addition to existing allocations and commitments to 2021 (this Employment Land Review will examine whether this approach / conclusion is valid).
- n The draft RSS identifies forecast change in total employment land for Harrogate Borough for the period 2006 – 2016 as follows:

B1	B2/B8	Total
4 – 9 hectares	8 – 23 hectares	12 – 32 hectares

Overview of Market Demand

- 10.12 For the purposes of the assessment of market demand, and elsewhere in this study, where possible Harrogate Borough has been divided into the following six sub areas for the purposes of analysis. A plan showing the approximate boundaries of the sub-areas is included at Chapter 1 of this study:

Sub Area	Associated Electoral Wards
Boroughbridge	Boroughbridge
Harrogate Town	Billton, Granby, Harlow Moor, High Harrogate, Hookstone, Low Harrogate, New Park, Pannal, Rossett, Saltergate, Starbeck, Stray, Woodfield
Knaresborough	Knaresborough East, Knaresborough King James, Knaresborough Scriven Park
Ripon	Ripon Minster, Ripon Moorside, Ripon Spa, Wathvale (1)
Rural East	Claro, Marston Moor, Newby, Ouseburn, Ribston, Wathvale (2)
Rural West	Bishop Monkton, Killinghall, Kirkby Malzeard, Lower Nidderdale, Mashamshire (3), Nidd Valley, Pateley Bridge (4), Spofforth with Lower Wharfdale, Washburn

Note: (1) includes Melmerby Business Park only
 (2) Excludes Melmerby Business Park
 (3) includes the settlement of Masham
 (4) includes the settlement of Pateley Bridge

Boroughbridge

- 10.13 Boroughbridge is a market town north east of Harrogate town and just east of the A1(M) at junction 48. This sub-area relates to the town and its immediate surrounds and does not include any of the peripheral villages, which fit into the Rural East sub-area.
- 10.14 The employment property market in Boroughbridge is much smaller than the other sub-areas – it is less than half the size of Knaresborough as the next smallest market - and it is heavily dominated by manufacturing premises. There is one very large property (the former APC unit) that skews

the vacancy statistics when taken in conjunction with other properties and has been excluded to avoid misunderstanding the market.

- 10.15 Available units and development under construction is relatively limited, and focussed towards small light industrial type premises in the Bar Lane industrial areas. Only one enquiry was received by the Council's Economic Development Unit for premises over 4,645 sq m in the last three years, and that could have been Borough-wide rather than specific to Boroughbridge. Four enquiries were recorded in that time period for premises over 1,860 sq m but again were possibly wider than just Boroughbridge.
- 10.16 This lack of demand for larger premises is reflected in agents comments and reflective of findings in the other sub-areas. Despite its better proximity to the A1(M) there is still not a strong market for warehouse/distribution premises here, with more favourable locations in the country.

Harrogate Town

- 10.17 The employment property market in the Harrogate town sub-area is predominantly made up of small office suites in converted premises, office suites in refurbished large purpose-built office blocks, and mixed industrial space comprising some very small poorer quality individual premises in the town centre and some small industrial estates. New office development is fairly limited. Much of the stock is in the town centre although the Cardale Park and Hornbeam Park are both recognised out of centre business (office) locations and well-established. New construction is being undertaken at Cardale Park (Green Gate) which will add a considerable amount of vacant space to the market if all built.
- 10.18 Demand emanates predominantly from the local market and for smaller units with suites within the larger buildings such as Exchange House or Windsor House in flux so that occupancy remains at a reasonably constant level.
- 10.19 Size of property in the Harrogate town sub-area is 1,000 sq m and below on the vast majority of properties. There are a number of single office buildings that are larger than this but they tend to be multi-let, and there are only a small number of office buildings that are larger than this.
- 10.20 With regard to industrial premises, the estates are typically out of Harrogate town centre spread around the edges with no real single focus. Properties in the centre are much smaller and long-standing individual employment businesses.
- 10.21 As with the office market in this sub-area, industrial demand does not emanate from a particular type of occupier with a mix of enquiries and transactions taking place. Harrogate town has not traditionally been a highly industrialised location. Many of the town's former larger employers (eg ICI, Octavius, Atkinson and RAF Logistics) moved from the area in the early 1990's and 'replaced' by smaller indigenous firms. As such, there are few large employers in the town of the magnitude of some of the more industrial areas of the country where complementary businesses tend to congregate. Smaller premises have been updated or refurbished over time, attracting tenants who do not want to carry out estate or property maintenance.

Knaresborough

- 10.22 Knaresborough is smaller than Harrogate town and as a consequence the property market is more limited and tends to comprise small properties. There are few existing employment opportunities (i.e. vacant premises) in this area, mostly clustered in the town itself.

- 10.23 Property that is available tends to be small-scale and sporadic, with a turnover of small suites in office buildings that are multi-occupied. Evidence of transactions is low as there are only a small number of properties.
- 10.24 Demand for office space is limited, typified by small local companies or start-up businesses, with small suites sometimes offered at an all inclusive rental for ease. The dearth of evidence and space to let does not permit real trends or conclusions to be drawn other than the market is very local and appears reasonably static at this low level of activity.
- 10.25 With regard to potential space, there are no office buildings under construction and no extant planning permissions in Knaresborough for office space. Knaresborough is close to Harrogate town, which has good office provision to suit a wide range of size requirements, and if an occupier were looking in this geographical area then Harrogate will have a significant pull on business location by comparison.
- 10.26 The main focus for future development in Knaresborough is St James' Park. Developers are often reluctant to build speculatively however given the potential length the completed unit could sit on the market for generating no return. Estimated floorspace capacity at St James' including warehouse and distribution totals 39,550 sq m, a large quantity in relation to the existing stock of 73,000 sq m across this entire sub-area.
- 10.27 Development at this scale would increase the size of the existing industrial employment base by over 50%. There are two available existing industrial premises to let in Knaresborough totalling 534 sq m (5,750 sq ft). Both are smaller than 372 sq m (4,000 sq ft) again indicative of the lack of large property in the Knaresborough wards and reflecting a market for local occupiers.

Ripon

- 10.28 Ripon is located north of Harrogate town and is slightly larger than Knaresborough with a correspondingly larger property market.
- 10.29 Whilst Harrogate town is more dominated by the office market, Ripon is more dominated by industrial property although still on a relatively small-scale.
- 10.30 In general there seems to be a lower turnover of occupiers than in Harrogate town with few properties available to let and only limited amount of new-build. There are several large-scale occupiers such as Wolsely (at Melmerby Business Park) and Econ in Ripon itself.
- 10.31 Turnover is low in Ripon and there are few enquiries for offices here from companies based outside the region. The Canalside building (at Ripon Business Park, Boroughbridge Road) is being offered as sub-divisible as the agents consider it unlikely that a single occupier will be found. As with Harrogate town, there are no particular occupier sectors that target Ripon as it is a more local market, and formal enquiries are rather sporadic.
- 10.32 In terms of industrial, the market appears to be relatively stable with some local churn but not huge numbers of enquiries or movement. Freehold premises are in demand and in terms of size, less than 1,000 sqm is the norm.

Rural East Sub Area

- 10.33 The Rural East sub-area mainly comprises more sparsely populated wards with a number of villages spread throughout the area. Commercial property

here is dominated by the industrial sector and there is no real office market to speak of.

- 10.34 The A1(M) road cuts directly through the middle of this sub-area on a north-south axis but despite this there is practically no ribbon or associated development nodes around any of the junctions (Melmerby Business Park has been included with Ripon and Boroughbridge has been dealt with separately as a sub-area on its own). The other roads that pass through the area include the A59 between York and Harrogate and the A61/A168 leading north from Ripon, but neither of these has a town of any size along it within the boundary of the Wards that make up this study sub-area.
- 10.35 Industrial property is clustered around the Tockwith/Marston area in the south-east of the sub-area, with several large estates accommodating a number of occupiers making up the second largest industrial sector of the seven study sub-areas. We have not specifically assessed these employment areas as part of the study.
- 10.36 There is very little information formally recorded as to vacant stock, demand or take-up and supply across this sub-area.
- 10.37 None of the agents we spoke to reported that the Rural East area was one often quoted by formal searches, and we suggest that demand here is much more localised, and patchy or infrequent for offices. In terms of industrial, this area is likely to be limited to local firms requiring expansion space or small start-up businesses. Large-scale manufacturing or warehouse and distribution is not in demand in this Rural East area.

Rural West Sub Area

- 10.38 Employment opportunities are also few and far between in the Rural West sub-area. It comprises much more open countryside and small villages mainly interconnected by local roads.
- 10.39 There are two concentrated areas of activity in this sub-area, one at Pateley Bridge and the other at Masham. There is limited information about both as neither is a particularly strong market with multiple properties or lettings. Statistics about activity levels are not kept by either the Council or local agents.
- 10.40 Generally, the property that is available is small-scale, rather sporadic, and in some cases related to local agricultural activity. Demand for commercial property is limited. This area is not suggested as a key focus for future employment development.

Business Survey

Overall Findings

- 10.41 Companies who responded to the survey had a total of 7,300 employees, the equivalent of 10.6% of all employees in employment in Harrogate Borough. Not all sectors were, however, covered by the survey. This is because the study was solely concerned with the provision of employment land for manufacturing, warehouse and distribution and office uses. Taking this into account lifts the percentage coverage of the workforce within eligible sectors to just over 25%.
- 10.42 37% of the employees of the surveyed businesses lived both within the Borough and within the locality of the business for which they worked. A further 39% lived in the Borough but not close to the business for which they worked. The remaining 24% of the employees covered by the survey lived outside of the Borough. The difference reflects that many of the

sectors not covered by the survey, such as retailing and hotels and catering, are characterised by high levels of part-time employment, which do not justify long commuter journeys and which therefore attract employees from a narrower geographical area.

- 10.43 The major concerns of businesses in the District are the affordability of housing, the availability of new sites, the level of business rates, and access by public transport. When compared with the findings from a recent study conducted in the South East (for Tonbridge and Malling Borough Council in Kent), the Harrogate Borough study shows a very similar balance in terms of the need for more affordable housing and for greater levels of availability of sites, with the need in Harrogate being slightly more pronounced. The need for more available employment sites was especially pronounced amongst engineering businesses and amongst small/micro businesses.
- 10.44 The need for more sites and premises for small/micro businesses is, in part, evidenced by the high proportion of the businesses surveyed that were operating from residential premises.
- 10.45 A reduction in business rates was a key element that businesses wanted. Despite this, business rates were not seen as a major determinant of business location particularly as, according to a large company in a neighbouring district, the difference between business rates in Harrogate and York is so marginal that this would not enter into their minds if they were looking to relocate. This is not surprising, following the introduction of the uniform business rate regime.
- 10.46 The main problems directly affecting the performance of the surveyed businesses were market pressures (14%), a shortage of appropriately skilled staff, (9%), and existing site constraints, (9%).
- 10.47 Market pressure was particularly acute for 30% of manufacturers. A lack of appropriately skilled staff was mentioned most frequently by construction businesses. Site constraints were highest for warehouses and, by location, in Boroughbridge, the A1(M) corridor and in Ripon. Those most affected were typically small companies employing between 11 and 49 staff.
- 10.48 68% of the survey respondents rated Harrogate Borough as a good or a very good place in which to do business. 24% felt it was only average but only 7% thought that it was either poor or very poor. Levels of satisfaction were particularly high in Knaresborough, (79% of respondents rating it either very good or good), Boroughbridge, (73%), and the Rural West, (72%). The lowest level of satisfaction was in Ripon, (57% rating it either very good or good).
- 10.49 In terms of a more specific sectoral analysis of the business survey findings, the following conclusions can be reached.

Offices

- Generally the district is seen as a good location for the office sector. Some constraints are identified, relating mainly to Harrogate town, but also to the Rural West sub-area and, to a lesser extent, to Boroughbridge. In Harrogate town, constraints mainly relate to the shortage of space within existing buildings, compounded by site constraints that prevent the expansion of the buildings and a perceived shortage of affordable alternative land or premises. In addition, a shortage of car parking is seen as a major problem, as is traffic congestion. The main problem in the Rural West and to a lesser extent Boroughbridge is a shortage of affordable land.

- A number of intra-district relocations have taken place, including arising from businesses started from home and moving into 'formal' office premises. Some respondents identified a shortage of start-up office accommodation.
- Fairly good level of growth anticipated, with 66% believing that growth could be accommodated on site or by moving into nearby premises within the District. 33% of the businesses surveyed would consider moving out of Harrogate Borough to meet growth requirements however.

Manufacturing

- Around 25% of surveyed businesses expected to expand in the short-term. Half of these anticipate a requirement for increased premises, with growth generally thought able to be accommodated on existing sites.
- The majority of manufacturing growth is expected in Harrogate town (and also Knareborough and the rural sub-areas). Conversely, site-related constraints, including lack of space and suitable sites and premises, were most pronounced in the Harrogate town and the rural sub-areas.

Warehousing and Distribution

- For wholesale operators, Harrogate Borough is seen as a generally good place to do businesses. Of those firms which have relocated from elsewhere in the Borough, they have tended to move to around the A1(M) corridor. Of those wholesale operators which identify constraints, these are mainly in Ripon, Boroughbridge and the rural sub-areas.
- Issues mainly focus on space constraints within existing sites and a shortage of alternative premises or land in the Rural West and Ripon. Traffic congestion is a problem in Harrogate town, Ripon and the Rural West, with parking a particular problem in Ripon and Harrogate town.
- Transport and distribution operators identify site constraints in similar locations to wholesalers but in contrast this sector is the least positive about premises and availability of new sites.
- For those distribution businesses looking to expand, these are principally located in the Rural West sub-area.

Overview of Supply

10.50 Table 10.3 provides an overview of vacant land across the Borough available for development, arising from extant planning permissions, local plan allocations and other areas of vacant land (but excluding vacant premises) assessed as part of this study. Separate tables and associated commentary has also been prepared for each sub-area and include details of

- Net vacant land;
- Net commitments including extant unimplemented permissions, developments under construction and pending losses to alternative uses; and
- Vacant premises

10.51 A more detailed explanation of components of the sub area supply tables and where this information has been derived is set out below:

Figure 10.1: Sub Area Supply Tables – Explanation of Components

Supply Component	Description	Source
Employment Allocations	Sites without planning permission which are allocated for B1, B2 and B8 uses in the Adopted Harrogate District Local Plan (February 2001)	Chapter 4 of the main report (Table 4.2)
Commitments (Gains)	Sites with extant planning permission or under construction at the time of the study for B1, B2 and B8 uses	Chapter 4 of the main report (Tables 4.3-4.5)
Pending Losses	Existing employment sites with planning permission / under construction for alternative forms of development	Chapter 4 of the main report (Table 4.6)
Commitments (Net)	Commitment (Gains) minus Pending Losses	-
Other QA Sites	Vacant land which has been subject to a qualitative assessment as part of this study but which is neither allocated for employment use in the adopted Local Plan nor with extant planning permission / under construction	Chapter 5 of the main report (Table 5.5b)
Vacant Premises	Details of premises extracted from Harrogate Borough Council's vacant property register and also details of available premises identified through discussions with local agents.	Chapter 4 of the main report (Tables 4.10 & 4.11)



Table 10.3: Overview of Vacant Land Availability Across Harrogate Borough

Site	Rank	Availability (years)	Area Available for Dev (Ha).	Office	Manu. B1c/B2	W & D B8	Appropriate Alternative Uses	Years Supply (1-3, 3-5, 5+)	Comments
Bar Lane (Becklands Close), Boroughbridge	GU	Immediate	0.2	-	630	-	No	1-3 year	Permission for B1c
Bar Lane (Brickyard Road), Boroughbridge	GU	Immediate	0.59	-	1200	1450	No	1-3 years	Likely to come forward form B1c / B8 uses.
Land Rear of Poplars Trading Estate, Boroughbridge	OU	Immediate	3.21	-	6840	7500	-	5+ years	Could consider as a longer-term opportunity and part of any redevelopment of adjoining Poplars Industrial Estate
Cardale Park, Harrogate	BU	Immediate	1.56	8530	-	-	No	1-3, 3-5 years	Beckwith Head Road (Plot 1) and Plot 2. Office location
St James Park, Knaresborough	BU	Plot 8 immediate Phase II land 1-3 years	11.95 (Plot 8 = 1.95, Phase II land = 10)	13000	15800	23750	No	5+ years	Seek to prevent inappropriate non-employment uses. Promote range of employment types / sizes. Need for infrastructure provision for Phase II land.
Former Timber Yard, Stockwell Lane, Knaresborough	OU	Immediate	0.30	-	600	750	-	1-3 years	Could consider as part of a wider redevelopment opportunity with adjoining land.
Melmerby Business Park	BU	Plot 11 immediate Plot 13 1-3 years	6.53	3040	7280	19750	No	1-3, 3-5 years	Plot 11 (1 ha) and Plot 13 (5.53 ha). Extension of site road will be needed to access Plot 13.
Boroughbridge Road, Ripon	GU	Immediate	3	3600	4800	4500	No	3-5 years	Seek to prevent inappropriate non-employment uses.
Harrogate Road, Ripon	GU	1-3 years	3.4	500	3500	2500	No	3-5 years	Employment development requires prior provision of bulky goods retail warehouse on the site. Floorspace based on appeal decision.
Hutton Bank, Ripon	OU	Immediate	1 (net)	1200	2800	-	Possible mixed use	1-3 years	Possible need to consider mixed use to bring forward site
Former Gas Holder Station, Stonebridgegate, Ripon	OL	Immediate	0.58	-	1080	1350	Possible mixed use	1-3 years	Possible need to consider mixed use to bring forward site
Fearby Road, Masham	GU	Immediate	1.36	-	-	2495	No	1-3 years	Floorspace based on extant planning permission on the site

Note: Information derived from Tables 5.5a and 5.5b.

Boroughbridge

- 10.52 Vacant committed land available for new employment development is limited in Boroughbridge, restricted to two plots within the Bar Lane Industrial Estates totalling less than one hectare. These sites are available and likely to be taken up within 1 – 3 years. Current activity is also relatively limited to small scale industrial units within the Bar Lane industrial areas.
- 10.53 Vacant premises are small in scale and number when excluding the former APC unit, which due to its scale and nature is unlikely to generate strong market interest for re-use. Land to the rear of the Poplars Trading Estate, which is a local plan employment commitment but where planning permission is expired, is identified as an 'Other QA site' assessed as part of this study. Inclusion of this site as part of identified supply would substantially increase quantitative provision in Boroughbridge over the longer term.
- 10.54 The current potential for longer-term employment opportunities would likely arise from the recycling of underused employment sites, notably the Poplars Trading Estate.
- 10.55 The business survey identifies half of those warehousing users requiring additional space as being within Boroughbridge. Also, intra-borough warehouse relocations tended to now be found around the A1(M).

Table 10.4a Boroughbridge Area – Supply Overview [m^2 (Ha)]

Supply Component	Office	Manufacturing	Warehousing
Employment Allocations	0 (0)	0 (0)	0 (0)
Commitments Gains	0 (0)	2110 (0.57)	1450 (0.29)
Sites Pending a Loss	0 (0)	0 (0)	0 (0)
Commitments (Net)	0 (0)	2110 (0)	1450 (0.29)
Other QA Sites	0 (0)	6840 (1.6)	7500 (1.61)
Vacant Premises	89	173	174
Total	89	9123	8950
Total (excl vacant premises & other QA Sites)	0 (0)	2110 (0.57)	1450 (0.29)

Note: See Figure 10.1 for an explanation of Supply Components.

Harrogate Town

- 10.56 Approximately 70% of all existing office space and almost 90% of identified vacant office stock is within Harrogate town. Harrogate town also includes over half of the Borough's vacant industrial / warehouse supply. This will help cater for identified and latent demand for these sectors although the business survey identifies a lack of manufacturing premises as a concern by certain respondents.
- 10.57 Overall, land supply within Harrogate town equates to just over 1/5 of the District's total (gross) provision. When considering net supply, this

proportion decreases, a reflection of the fact that virtually all identified proposed losses fall within the Harrogate town sub-area.

- 10.58 The majority of Harrogate town's (gross) employment land supply is made up of development under construction and also from planning permissions outside of sites considered as part of this study. A substantial amount of this supply arises from the extension to Covance laboratories for new office and R&D accommodation at Cardale Park, under construction at the time of the survey.
- 10.59 Harrogate town has no employment allocations without planning permission. Identified opportunities for new development are restricted to land with extant planning permission at Cardale Park which provides 1.56 hectares of land most likely to come forward for new office development. Overall supply within Harrogate town is heavily focussed in the office sector. There are no vacant local plan allocations identified as available for manufacturing and warehouse development.
- 10.60 In terms of the number of planning permissions, Harrogate town is by far the most active sub-area. It is also apparent however that in simple terms of numbers of permissions, this is the only sub-area where employment losses exceed employment gains. This suggests that there is a degree of recycling of existing employment stock to new employment / other uses within this sub-area.

Table 10.4b Harrogate Town Area – Supply Overview [m² (Ha)]

Supply Component	Office	Manufacturing	Warehousing
Employment Allocations	0 (0)	0 (0)	0 (0)
Commitments Gains	25920 (6.77)	7645 (1.08)	8365 (2.65)
Sites Pending a Loss	-1700 (-2.94)	0 (-0.3)	-6800 (-2.9)
Commitments (Net)	24220 (3.83)	7645 (0.78)	1565 (0.25)
Other QA Sites	0 (0)	0 (0)	0 (0)
Vacant Premises	23311	5086	5087
Total	47531	12731	6652
Total (excl vacant premises & other QA Sites)	24220 (3.83)	7645 (0.78)	1565 (0.25)

Note: See Figure 10.1 for an explanation of Supply Components.

Knaresborough

- 10.61 In direct contrast to Harrogate town, virtually all of Knaresborough's supply is made up of the local plan allocation at St James Business Park. Over half of the District's allocated undeveloped land is found at this site and this makes up around ¼ of all gross land supply within Harrogate Borough.
- 10.62 St James Park provides approximately 12 hectares of vacant land although the majority of this is not immediately available, first requiring the provision of site infrastructure works to enable comprehensive development. The site will be able to physically accommodate a range of type of employment user Although it will likely come forward for users with larger requirements, thereby not generally catering for SME's.

- 10.63 No employment developments were identified as being under construction at the time of the survey with current activity at St James Park concerning the erection of a new Audi car showroom.
- 10.64 Outside of St James Park, the number of employment-related planning permissions in Knaresborough appears low.
- 10.65 As with Boroughbridge, existing floorspace is focussed in the manufacturing sector, with comparatively little office accommodation. The business survey identifies Knaresborough (along with Harrogate and the District's rural areas) as the locations where demand for additional manufacturing space is highest. Vacant property supply is limited, particularly with regard to industrial / warehousing premises. All identified vacancies were less than 500 sqm.

Table 10.4c Knaresborough Area – Supply Overview [m² (Ha)]

Supply Component	Office	Manufacturing	Warehousing
Employment Allocations	13000 (3.25)	15800 (3.95)	23750 (4.75)
Commitments Gains	0 (0)	590 (0.18)	585 (0.17)
Sites Pending a Loss	-465 (-0.35)	0 (0)	0 (0)
Commitments (Net)	-465 (-0.35)	590 (0.18)	585 (0.17)
Other QA Sites	0 (0)	600 (0.15)	750 (0.15)
Vacant Premises	750	399	399
Total	13285	17389	25484
Total (excl vacant premises & other QA Sites)	12535 (2.9)	16390 (4.13)	24335 (4.92)

Note: See Figure 10.1 for an explanation of Supply Components.

Ripon

- 10.66 Ripon is the most significant sub-area in overall quantitative employment land supply terms, providing around 1/3 of Harrogate Borough's total provision. This level of supply is significant in terms of the scale of Ripon and supply across the district as a whole.
- 10.67 The bulk of supply is made up of vacant employment allocations without planning permission (notably Melmerby Business Park which will likely be most suitable for warehousing and manufacturing uses) and also commitments / allocations within Ripon itself. A number of these sites are constrained to varying degrees which will impact on their availability. More particularly, vacant land supply equates about 15 hectares, about 9 of which is not considered to be immediately available.
- 10.68 Very little employment activity appears to take place outside of identified sites, with only one such commitment identified through the survey.
- 10.69 In addition to supply as defined above, a further 0.33 hectares is also identified as being potentially available at Ripon College although ground conditions will make the remaining land likely difficult to come forward for employment use.

10.70 Half of the existing floorspace in the Ripon sub-area is made up of warehousing. Vacant premises in Ripon are extremely limited in number, with only one office and one industrial / warehousing opportunity identified.

Table 10.4d Ripon Area – Supply Overview [m² (Ha)]

Supply Component	Office	Manufacturing	Warehousing
Employment Allocations	4240 (1.06)	10080 (2.52)	19750 (3.95)
<i>Commitments Gains</i>	<i>8790 (2.89)</i>	<i>9950 (3.3)</i>	<i>8765 (2.6)</i>
<i>Sites Pending a Loss</i>	<i>0 (0)</i>	<i>0 (0)</i>	<i>0 (-1.02)</i>
Commitments (Net)	8790 (2.89)	9950 (3.3)	8765 (1.58)
Other QA Sites	0 (0)	1080 (0.29)	1350 (0.29)
Vacant Premises	1468	125	126
Total	14498	21235	29991
Total (excluding vacant premises and other QA sites)	13030 (3.95)	20030 (5.82)	28515 (5.53)

Note: See Figure 10.1 for an explanation of Supply Components.

Rural Areas

- 10.71 With the exception of land at Fearby Road in Masham (which has extant planning permission for B8 development), activity in terms of planning permissions is found outside of identified local plan sites. This is a reflection of the limited supply of local plan allocations within the the District's rural areas.
- 10.72 Half of the number of 'major' planning permissions assessed outside of identified sites are located in the District's rural sub-areas, and are focussed on the manufacturing and warehousing sectors. Also, no employment losses arising from major permissions were identified in the rural sub areas. When considering all applications, losses were again comparatively low, with none identified in the Rural East area.
- 10.73 Cumulatively, these areas provide a significant amount of existing floorspace, accounting for almost 50% of Harrogate Borough's existing total provision. The contribution made in these sub-areas to the warehousing sector is particularly significant.
- 10.74 The Rural East sub-area is of particular significance, providing more existing floorspace than any other sub area. This picture is slightly skewed as for the purposes of assessing VOA figures, this sub area includes Melmerby Business Park. Elsewhere in this report, Melmerby Business Park is assessed as being within the Ripon sub-area.
- 10.75 Despite the significance of these sub-areas in terms of existing floorspace, this is not translated into vacant premises, with available space, especially in the Rural West sub-area, limited in number.

Table 10.4e Rural East – Supply Overview [m² (Ha)]

Supply Component	Office	Manufacturing	Warehousing
Employment Allocations	0 (0)	0 (0)	0 (0)
Commitments Gains	0 (0)	5635 (2.05)	7555 (2.97)
Sites Pending a Loss	0 (0)	0 (0)	0 (0)
Commitments (Net)	0 (0)	5635 (2.05)	7555 (2.97)
Other QA Sites	0 (0)	0 (0)	0 (0)
Vacant Premises	267	3436	3437
Total	267	9071	10992
Total (excl vacant premises & other QA Sites)	0 (0)	5635 (2.05)	7555 (2.97)

(1)

Note: See Figure 10.1 for an explanation of Supply Components.

Table 10.4f Rural West – Supply Overview [m² (Ha)]

Supply Component	Office	Manufacturing	Warehousing
Employment Allocations	0 (0)	0 (0)	0 (0)
Commitments Gains	0 (0)	1930 (0.35)	5880 (2.01)
Sites Pending a Loss	0 (0)	0 (0)	0 (0)
Commitments (Net)	0 (0)	1930 (0.35)	5880 (2.01)
Other QA Sites	0 (0)	0 (0)	0 (0)
Vacant Premises	67	0 (0)	0 (0)
Total	67	1930	5880
Total (excl vacant premises & other QA Sites)	0 (0)	1930 (0.35)	5880 (2.01)

Note: See Figure 10.1 for an explanation of Supply Components.

Conclusions and Recommendations

Conclusions

- 10.76 Drawing together details in tables 10.4a – f enables a total table to be derived which enables net supply for Harrogate Borough as a whole to be compared against the forecast requirements i.e.:

Table 10.5 Total Supply versus Forecast Requirement to 2021 [m² (Ha)]

	Office	Manufacturing	Warehousing
Employment Allocations	17240 (4.31)	25880 (6.47)	43500 (8.7)
Commitments Gains	34710 (9.66)	27860 (7.53)	32600 (10.79)
Sites Pending a Loss	-2165 (-3.29)	0 (-0.3)	-6800 (-3.92)
Commitments (Net)	32545 (6.37)	27860 (7.23)	25800 (6.87)
A. Net Land Supply (1)	49785 (10.68)	53740 (13.7)	69300 (15.47)
B. Other QA Sites	0 (0)	8520 (2.04)	9600 (2.05)
C. Vacant Premises	25952	9176	9176
D. Forecast Requirement 2005 – 2021 (2)	60700 (8.6)	-46000 (-10.3)	34200 (8.4)
Total Difference [(A:C-D)]	15037	117436	53876
Surplus or Deficit (excluding vacant premises and other QA sites)	-10915 (2.08)	99740 (24.0)	35100 (7.07)

(1) 'Net Land Supply' = Employment Allocations + Commitments (Net)

(2) Derived from information included in Tables 10.1 and 10.2.

- 10.77 The following very broad headline quantitative conclusion for the Borough can be identified when considering employment forecasts against existing supply,:

- Overall, there is a sufficient quantity of employment land to meet the minimum forecast requirement of 7 hectares for the District, but there is a mismatch in the distribution of supply and there are other qualitative issues which restrict availability. In particular, consideration needs to be given to enhancing future supply in the Harrogate town area and, to a lesser extent, in Boroughbridge.

- 10.78 In terms of the different employment sectors assessed as part of this study, the main conclusions can be summarised as:

- Forecast office requirements [use class B1(a)] are anticipated to increase by 8.6 hectares. Existing land supply in the Borough (exclusive of vacancies) exceeds this minimum land requirement by only about 2 hectares. Office land supply is mainly focussed in Harrogate and to a lesser extent, Knaresborough and Ripon.
- Forecast Industrial requirements [use classes B1(b), B1(c) and B2] are set to decline over the period to 2021 by approximately 10 hectares. Allied to the quantum of existing employment land supply, in basic quantitative terms there will be a large surplus of land for this sector across the Borough. It is important to note however that this level of

decline is less than that forecast for the Region. Decline will also likely vary across the District, with large amounts of existing industrial floorspace located within less sustainable rural areas.

- As with offices, forecast warehousing requirements (use class B8) are predicted to grow by 8.4 hectares. Potential supply currently exceeds this requirement, focussed mainly in Knaresborough and Ripon.

10.79 Our conclusions are also considered in the context of the distribution, availability / likely release and quality of land supply, as well as market and latent demand.

Recommendations

10.80 Our recommendations relate in particular to:

- A : Key allocated sites where there will likely be pressure for other forms of development or where specific issues should be addressed to enhance their attractiveness;
- B : Other sites with potential for mixed use and / or wider redevelopment;
- C : The level of protection to be given to the sites assessed as part of this study in terms of their role within the employment hierarchy;
- D : Future monitoring; and
- E : The need for additional sites to meet (longer term) employment requirements.

A : Key Allocated Sites

Office

Cardale Park, Harrogate

- Vacant land at Cardale Park offer's Harrogate towns' key identified office opportunity in terms of vacant land. Harrogate town offers the Borough's main office market location, with 70% of all office space and 90% of identified office vacancies. It will therefore be important that available land at Cardale Park is safeguarded for future development.
- Given the scale, nature and edge of urban area location of Cardale Park, it is a high traffic generator. Opportunities for the promotion of Green Travel Plans in association with larger scale new office development and existing major occupiers as opportunities arise should be considered. This would assist in enhancing the site's current moderate environmental sustainability qualitative assessment score.

Manufacturing and Warehousing

St James Park, Knaresborough

- This site provides the Borough's most significant current employment opportunity, with potential to contribute towards meeting the future employment needs of Knaresborough and also Harrogate town. We are aware that there is demand in this location for non-B Use Class employment uses including further car showrooms, hotel and leisure uses. Given the strategic importance of this employment opportunity to

the Borough and the absence of similar opportunities in the Harrogate town / Knaresborough area, it should be protected from inappropriate non-employment users which could dilute the employment offer.

- In general terms, demand across the district in all sectors is for small scale development. This site will be able to cater for larger scale opportunities although it will be important to seek to promote a range of employment uses and unit sizes (including smaller opportunities). In general terms, demand in Knaresborough is focused towards smaller scale requirements.
- Comprehensive redevelopment of the Phase II land is dependent on the provision of site infrastructure. So that the site makes an effective contribution to supply, the early provision of Phase II land infrastructure should be promoted and we would recommend that the Council undertake further discussions with the land owner in this regard.

Boroughbridge Road, Ripon

- Land at Boroughbridge Road is the least constrained employment opportunity in the Ripon area where activity is taking place. It is immediately available and has seen recent development. We also understand that the owners are keen to promote further industrial (leasehold) development but that interest has also been expressed by non-B Class employment uses, notably car showrooms. As with St James' Park, land at Boroughbridge Road should be protected from inappropriate non-employment users which could dilute the employment offer.

Melmerby Business Park, Melmerby

- Land to the rear of the Wolsley depot provides a significant employment opportunity within the A1 corridor. The business park already houses a number of food and drink type users and existing available opportunities could further consolidate this location for this growth cluster. Access to land to the rear of the Wolsely unit first requires the provision of an extension to the site access road. We would recommend that that the Council examine this further with the land owner with a view to promoting the early provision of road infrastructure to enhance the attractiveness of this development plot

B : Potential Mixed Use and Wider Development Opportunity Sites

- 10.81 Under the qualitative assessment review, the following have been specifically identified as sites for potential mixed use development, sometimes in conjunction with adjoining land, to help overcome constraints and stimulate development.
- Poplars Industrial Estate, Boroughbridge
 - Riverside Sawmills, Boroughbridge
 - Dunlopillo Site, Pannal
 - Former Cattle Market, Commercial Yard, Knaresborough
 - Hutton Bank, Ripon
 - Gas Holder Site, Stonebridgeway, Ripon
 - (Land at) Auction Mart, Masham
- 10.82 For any of the identified mixed use / wider development opportunities, it will be important for proposals to demonstrate that any non-employment elements are (the minimum) necessary in viability terms. This also applies

to mixed use / non-employment proposals which may come forward on other employment sites.

10.83 We would recommend that investigation be given to viability issues further with regard to the identified potential mixed-use sites. The preparation of site development briefs for these sites would help to ensure that the most appropriate form and mix of development is brought forward. Working up briefs in consultation with the landowners would also likely assist in this process.

10.84 A number of the potential mixed-use sites also refer to adjoining land which could be considered to create more comprehensive and attractive redevelopment opportunities.

Poplars Industrial Estate, Boroughbridge

- This estate is dominated by the former APC unit. This is a substantial vacant building which is unlikely to generate strong market interest due to its scale and the nature of demand in the area which is for smaller premises. In order to enhance the appearance and potential contribution of this site and adjoining land to meeting the development needs of Boroughbridge, a pro-active approach to the redevelopment of this site would be appropriate.
- Inclusion of the former local plan employment commitment to the rear of the estate would create a more comprehensive development opportunity and enhance future supply of vacant employment land provision in Boroughbridge (also see recommendations in relation to the need for additional employment land).

Riverside Sawmills, Boroughbridge

- Part of this site is underused at present and it is understood that the existing occupier is to consolidate further which will potentially result in part of the site becoming available for development. Redevelopment of parts of the site for higher value uses may be necessary to overcome existing access and other site constraints.

Dunlopillo Site, Pannal

- The site is in current use for rubber manufacture although parts of the site are underused. The site has been promoted by the owners for mixed use development through the Council's LDF process. If the site becomes vacant, it is unlikely that the re-use or redevelopment of existing buildings for employment will generate significant market interest. Redevelopment of the site to include an element of non-employment use will assist in addressing site constraints such as demolition of buildings and site remediation.

Former Cattle Market, Commercial Yard, Knaresborough

- This site is significantly constrained by access and lack of visibility. It is highly unlikely that this site will come forward for employment development in isolation. The inclusion of buildings to the south of the site would provide a development opportunity potentially capable of addressing access and other site constraints. If adopting such an approach, displaced occupiers should be relocated.

Hutton Bank, Ripon

- Redevelopment of this site would enhance its contribution to townscape / local environmental quality. It is currently vacant and includes a number of brick-built and other buildings which are in a poor condition. Allied with other site constraints such as site shape and topography, it scores poorly against market attractiveness considerations. An element

of non-employment uses will likely be required to actively bring forward the site.

Gas Holder Site, Stonebridgegate, Ripon

- This site is vacant and former buildings / gas holders have been removed. Given the past use of the site, it is likely however that high levels of contamination exist which will limit market attractiveness for employment. An element of non-employment higher value uses will likely be required to bring forward the development of the site.

Land Rear of Auction Mart, Masham

- Land to the rear of the auction mart building would generally be moderately attractive in commercial terms, with interest likely to be limited to locally based employment sectors given the rural location and relative isolation from the strategic road network. Identification of this site would enhance current employment land supply in the Rural West area.
- Consideration of this land together with redevelopment of the adjoining auction mart would create a more comprehensive opportunity able to deliver enhanced townscape improvements to this fairly prominent site within Masham. If considering such an approach, discussions should be progressed with the land owner to examine need for replacement auction mart facilities as part of any redevelopment opportunity.

C : Maintaining a Portfolio of Sites

10.85 The sites considered as part of this review have been classified according to their importance and function in the employment land hierarchy. Site classifications and associated recommendations for each type of classification are summarised in the following table:

Table 10.6 Site Classification and Recommendations

Classification	Recommendation
Best Urban (BU)	Protect for employment use
Good Urban (GU)	Protect for employment use
Other Urban (OU)	Normally protect for employment use subject to revised Policy E2
Other Local (OL)	May have potential for release subject to revised Policy E2

Note – not all employment land throughout the District has been the subject of this review.

10.86 It is recommended that those sites classified as Best Urban and Good Urban be retained as they are considered valuable employment sites/areas which should be protected against loss and the gradual erosion through the encroachment of alternative uses.

10.87 Table 10.7 outlines the sites recommended for inclusion within these classifications:

Table 10.7 Best Urban and Good Urban Sites

Site	Classification
Cardale Park, Harrogate	BU
St James Park, Knaresborough	BU
Melmerby Business Park	BU
Bar Lane (Becklands Close), Boroughbridge	GU
Bar Lane (Brickyard Road), Boroughbridge	GU
Boroughbridge Road, Ripon	GU
Harrogate Road, Ripon	GU
Fearby Road, Masham	GU

- 10.88 Those sites identified as 'Other Urban' are of reasonable quality but which are likely to be of interest to local occupiers only. Their loss should generally be resisted except in exceptional circumstances. For instance, where the only way forward to stimulate employment development is likely to be through the mixed use of a site, then the loss of part of this type of 'Other Urban' site for alternative uses may be acceptable.
- 10.89 It is recommended that the following 'Other Urban' sites be considered in the Council's Local Development Framework for mixed use development including employment use:-
- n Poplars Trading Estate, Boroughbridge
 - n Riverside Sawmills, Boroughbridge
 - n Dunlopillo, Pannal
 - n Hutton Bank, Ripon
- 10.90 The following 'Other Urban' sites are recommended for protection under a revised employment land policy:-
- n Rossett Drive Industrial Estate, Harrogate
 - n Former Timber Yard, Stockwell Road, Knaresborough
- 10.91 Land to the rear of Poplars Trading Estate in Boroughbridge is specifically recommended for allocation as a future longer-term employment opportunity [see E : Need for Additional Employment Land (up to 2021)].
- 10.92 Sites classed as 'Other Local' generally perform poorly under the qualitative assessment, but can provide an important supply of lower grade employment land for the cheaper end of the market. The users on these sites are often difficult to relocate – rentals are frequently prohibitive elsewhere and/or amenity considerations make this difficult. Therefore, apart from those sites recommended below for potential alternative or mixed uses, these sites should normally be protected from non-employment uses in the Local Development Framework.
- 10.93 'Other Local' sites recommended for consideration in the Local Development Framework for alternative/mixed uses are:
- n Former Cattle Market (and adjoining uses), Knaresborough
 - n Former Gas Holder Station, Stonebridgegate, Ripon
 - n Rear of Auction Mart, Masham
- 10.94 'Other Local' sites are recommended for protection under a revised employment land protection policy (see below). These are:
- n Land at Milby, Boroughbridge
 - n Grove Park Centre, Harrogate
 - n Harrogate Glass, Back Valley Drive, Harrogate
 - n Starbeck Highways Depot, Harrogate
 - n Castleforge and Cheapside, Knaresborough
 - n Ash Grove Industrial Estate, Ripon
 - n City Motors, Bondgate Green, Ripon
 - n Tower Garage, Palace Road, Ripon
 - n Jamesons Warehouse and office, Masham

- n Highways Depot, Pateley Bridge
 - n Coal Yard, Pateley Bridge
- 10.95 As part of the preparation of the Local Development Framework, the Borough Council may wish to assess those existing employment sites not included in this review and consider which classification they should belong to and what level of protection is appropriate.
- 10.95 Proposals for non-employment uses on 'Other Urban' and 'Other Local' sites should be considered against all of the relevant criteria listed below:
- **Impact on the quality and quantity of employment land supply** when assessed against forecast requirements and the scale and nature of demand within the area. In assessing quantitative and qualitative issues, regard should be had to available land and premises in the local area and it will therefore be important to monitor take up and losses using this study as a base position.
 - **Ability to accommodate smaller scale requirements** – as identified by the business survey and through our analysis of market demand, employment requirements are often for small – medium scale development. Thus, in assessing qualitative impacts on employment supply, it will be important to assess the realistic potential of premises / sites to accommodate such development when assessing proposals for their release to other uses.
 - **Details of Active Marketing** - to allow the full consideration of specific demand, details should be sought on marketing including duration, method and price, particularly in relation to premises. As part of this assessment, consideration could be given to the appropriateness for subdivision of premises.
 - **Viability of Employment Development** – details of redevelopment costs to justify that employment development is not viable in the first instance, and secondly, whether mixed use development (including employment) is feasible.
 - **Amenity Considerations** – most relevant for 'non-conforming' uses close to residential areas where recycling to an alternative use would offer amenity benefits.
- 10.96 The Council's adopted Local Plan includes Policy E2 which seeks to restrict the loss of industrial / business land and premises to other uses unless one or more of certain defined criteria are satisfied. We recommend that this policy be retained and expanded in the appropriate Local Development Document to take into account the above considerations and also the different levels of protection given to different sites in the employment hierarchy.
- D : Monitoring**
- 10.97 In order to maintain a robust basis for assessing proposals and keeping employment policies up to date, it is important that the Council monitor and keep under regular review the following:
- Employment land supply, including commitments outside of identified local plan sites. Monitoring of site area and floorspace information should be carried out. Where possible B1 classes should be split between offices (B1a) and, research and development and light industrial sites (B1b&c) to allow for detailed monitoring of land take up and trend analysis. This allows for a more robust approach in terms of

the assessment of land supply in the context of planning use class and importantly market sectors.

- Where possible business relocations and expansions into and out of the Borough (through planning applications).
- The Council undertakes relatively frequent agents forum meetings. To keep up to date of market issues, we would recommend that these forum meetings continue to help assess key issues facing the Borough.

10.98 Implementation of monitoring recommendations will be important in order to properly apply criteria. Consideration could also be given to developing a SPD to elaborate on the policy criteria and their implementation.

10.99 Further detail on employment land supply monitoring is included at **Appendix 8**.

E : Need for Additional Employment Land (up to 2021)

10.100 As illustrated in Table 10.5, in broad quantitative terms, overall current land supply exceeds minimum forecast requirements. There is a particular surplus for manufacturing.

10.101 This being said, as noted previously there is a mismatch between supply in terms of its distribution across the district. More particularly, we recommend that consideration be given to increasing currently available land supply in Harrogate town and future longer-term supply in Boroughbridge through the LDF process to provide a more geographically balanced employment land portfolio relative to the scale of local populations and sub-markets. Given the nature of the Borough, it will also be important to ensure an appropriate supply of employment opportunities in the rural area.

Harrogate

- Although the St James' Park allocation in Knaresborough will also contribute towards the future employment needs of Harrogate town, supply in Harrogate town itself in terms of available land is limited for a town of this size and the role it plays in the Borough's economy. Also, existing supply in the Harrogate town and Knaresborough sub areas are generally focused towards larger scale requirements.
- Although Harrogate town's economy is focused towards the office sector, there will also be a need to make future provision for the other employment sectors to robustly meet future requirements and (latent) demand.
- In considering future provision it should be ensured that sites are suitable to accommodate a range of user requirements. This would include ensuring that sites are able to deliver opportunities for SMEs given the lack of currently available employment allocations which cater for smaller requirements.

Boroughbridge

- Although there is not an immediate need for further employment allocations, available opportunities for new employment development in Boroughbridge are limited. There will be a need to enhance medium and longer term supply to capitalize on the location of Boroughbridge in relation to the area's strategic road network.
- Consideration could be given to identifying land to the rear of Poplars Industrial Estate as a longer term employment / mixed use opportunity together with land and buildings in the trading estate itself (also see specific recommendations relating to mixed use and wider

redevelopment opportunities). This would consolidate future supply in Boroughbridge and promote its employment location within the A1(M) corridor.

Rural Areas

- The decline in agricultural employment means that more residents in the rural parts of the District will require employment other than in agriculture.
- The drive towards sustainable communities supports appropriate employment development within the rural area. This can be achieved from working from home although for others, more formal business premises will be needed. The conversion of rural buildings will likely be an important and sustainable source of such premises and it is recommended that the LDF provides appropriate policy protection and support for such development.

