

Employment Land Review
December 2013

Executive Summary

The 2013 Employment Land Review (ELR) shows how Fareham can meet its required economic development floorspace targets for the plan period up to 2026.

The ELR follows a three stage approach, of looking firstly at the existing stock of employment sites, then calculating what the future floorspace requirements of the Borough are, before analysing all potential sites and showing how, on a number of recommended sites, the requirements can be met.

The document creates an economic profile for the Borough drawn from a statistical analysis of the types of jobs available within the Borough, and the skill level and earnings of the residents. The ELR then lists out all of the Borough's existing employment sites that are considered suitable for retention for employment uses, these are listed in table 6, and are analysed in detail in the Technical Appendix which accompanies the ELR.

The future requirements for the Borough for the plan period are derived from work undertaken by PUSH in the South Hampshire Strategy as well as figures from the recently published Fareham Borough Employment Study 2013 (Wessex Economics).

An analysis of potential sites in the Borough (detail in chapter 5 and the Technical Appendix) shows that Fareham has the potential to meet its overall requirements by some 36%. However, whilst there appears to be an oversupply of industrial/warehouse floorspace there is a slight deficit in terms of overall office supply.

This ELR concludes that there is a need to allocate the following sites for employment use in the Development Sites & Policies Plan to help meet the Borough's requirements:

- Solent 2
- Little Park Farm
- Midpoint 27, Cartwright Drive
- Kites Croft
- Walled Gardens, Cams Hall

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1 Introduction

- 1.1 This purpose of this chapter is to explain what the Employment Land Review is, and why it is needed. This introduction also looks at the methodology for the document, setting out why, and how, each section of the document was undertaken.

What is an Employment Land Review?

- 1.2 An Employment Land Review (ELR) is a review of all the land that is currently, or can potentially be, used for the purposes of employment. For the purposes of this study, and to accord with the work undertaken by the Partnership for Urban South Hampshire (PUSH), employment floorspace is classified as the following:

- Offices (B1)
- Manufacturing (B2) & Distribution (B8)

- 1.3 As well as reviewing the existing supply of employment sites across the Borough, the ELR will also include a range of economic information to explain the Borough's economic characteristics. It will set out the predicted requirements for new employment floorspace in the future as well as looking at sites that have the potential to help meet this part of this predicted requirement.

In line with the "Employment Land Reviews: Guidance Note" by the Office of the Deputy Prime Minister (ODPM) 2004 a site threshold of 0.25ha or 500sq.m has been applied in this ELR. Therefore no sites below this threshold have been assessed or included in future supply tables.

The need for an Employment Land Review

- 1.4 National and regional guidance recognises that a supply of quality employment sites should be available to foster economic growth. The ELR will be used to show that the projected floorspace requirements for Fareham Borough can be met through a supply of such sites.
- 1.5 The NPPF states that "Local Planning Authorities should have a clear understanding of business needs within the economic markets operating in and across their area. To achieve this, they should "work together with county and neighbouring authorities and with Local enterprise Partnerships to prepare and maintain a robust evidence base to understand both existing business needs and likely changes in the market". It goes on to say that LPA's should assess the needs for land or floorspace for economic development, and to assess the existing and future supply of land required to meet the identified needs.
- 1.6 In line with the NPPF requirements to work in tandem with

neighbouring authorities, the evidence that underpins the ELR was undertaken by the Partnership for Urban South Hampshire (PUSH). This work involved discussion and input from all Local Authorities in the PUSH region in order to meet a sub-region wide target of over 1,000,000 sq.m of floorspace.

- 1.7 The PUSH South Hampshire Strategy 2012 sets Fareham a target of 50,000sq.m of offices and 50,000sq.m of manufacturing and distribution up to 2026. This excludes the New Community North of Fareham. The ELR 2013 will show how Fareham will address this target.

How will the Employment Land Review be used?

- 1.9 The ELR will be used to show how the floorspace targets derived from the work undertaken by the Partnership for Urban South Hampshire can be met within the Borough. The recommendations in the ELR will also be used to inform the Local Plan.
- 1.10 The ELR will also be used as supporting evidence in planning applications regarding employment uses.

2 Methodology

The three stage approach

- 2.1 Guidance on producing Employment Land Review's comes from the "Employment Land Reviews: Guidance Note" by the Office of the Deputy Prime Minister (ODPM). This guidance sets out a three stage framework to developing an ELR which have been used to form the structure of this document.

Stage 1: Taking stock of the existing situation

- 2.2 The objectives of stage 1, according to the ODPM guidance, are to identify the best employment sites to be protected and those to be released. This has been achieved through a review of all existing sites, scoring them against a pre-determined set of criteria. The criteria have been taken from the 2006 Employment Land Review, which is considered suitably comprehensive whilst still being relevant.
- 2.3 Stage 1 should also describe the local economic profile with a review of the Borough's characteristics as well as a review of characteristics of the wider region/sub-region. The review of the sub-region includes information on commuter patterns, demographics, growth and/or regeneration aspirations, infrastructure and social and environmental aspects. This review of the characteristics informs the "functional property market" by looking at travel to work areas, sub-regional and local markets as well as the place of the Borough within the region.

Stage 2: Creating a picture of future requirements

- 2.4 The purpose of Stage 2 of the guidance is to create a forecast of the future requirements for employment floorspace within the Borough. Fareham Borough Council worked with PUSH to produce the apportionment figures within the South Hampshire Strategy (Oct 2012 PUSH). Subsequently the Council commissioned Wessex Economics to undertake a Fareham Employment Study (2013) to provide robust evidence of the objectively assessed need for employment floorspace in the Borough.
- 2.5 In line with all the work from PUSH this ELR splits the targets by type of employment floorspace, thus producing different tables for offices (B1) and manufacturing and distribution (B2 & B8).

Stage 3: Meeting future requirements

- 2.6 Stage 3 looks at potential options for meeting the requirements for new employment floorspace. This has been done by assessing all potential employment sites, including sites with the potential to expand or intensify existing uses. Sites allocated for employment in the Local

Plan but not yet complete will be reviewed alongside other potential sites and will not simply be rolled forward into the ELR. This is in line with the NPPF that states "planning policies should avoid the long term protection of sites allocated for employment use where there is no reasonable prospect of a site being used for that purpose."

- 2.7 This section also looks at the role of the vacant stock in the Borough, in terms of meeting supply, and also completions since the start of the Plan Period (2011)
- 2.8 This review of potential sites is set in the context of the requirements set out in Stage 2, with a final table showing how the future requirements will be met.
- 2.9 Following Stage 3 there is a key site analysis section which looks at the key sites influencing the supply position. This gives some supporting text to the decision to include, or exclude, sites from the supply as well as explaining how floorspace estimations have been calculated.

Non-B Use Classes

- 2.10 Fareham Borough Council acknowledges that non-B use class jobs play an important role in the economic profile of the Borough. However, the PUSH work that forms the foundation of the requirements for future employment floorspace looks solely at the B use classes. Therefore the 2013 ELR has no basis for assessing specific future requirements for non-B uses at this point in time. It is considered that taking a flexible approach to existing employment sites, to allow for alternative forms of economic development would be appropriate. Allowing for changes of use from B uses to non-B uses should be considered acceptable where the former use is no longer considered viable, and where the new proposal would create similar job numbers. The Council's position on allowing for non-B use development will be clarified in the Local Plan.

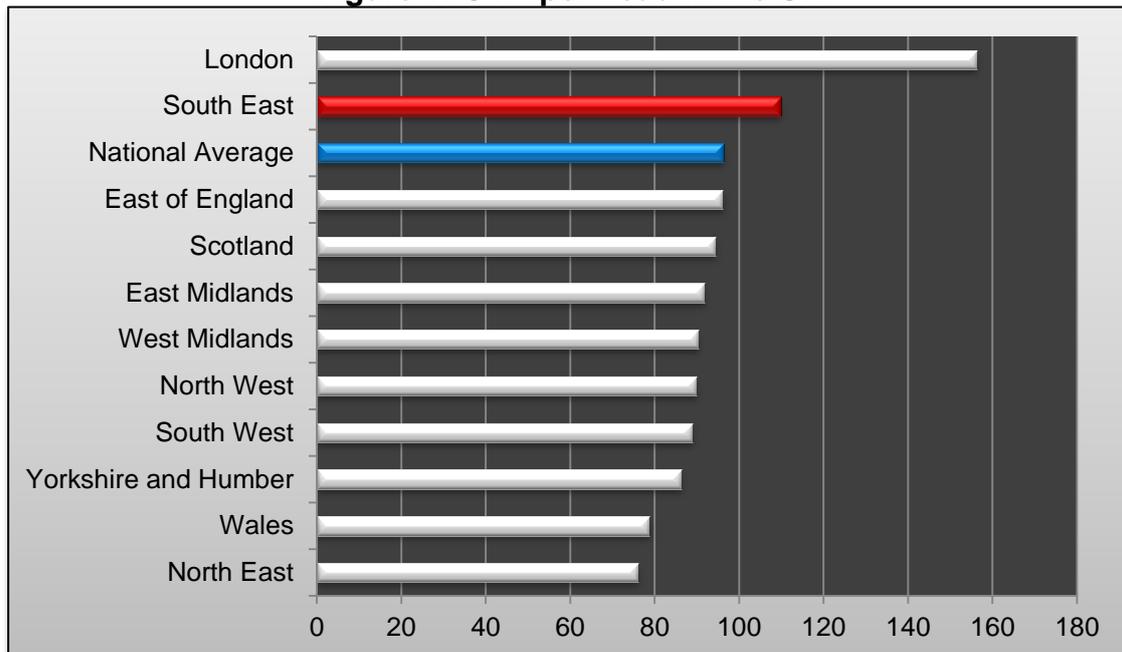
3. Taking stock of the existing situation

- 3.1 This purpose of this chapter is to provide an overview of the existing employment and economic development situation of the Borough. This is achieved by two methods. Firstly by reviewing the contextual characteristics of not only Fareham but the sub-region and the South East region as a whole. Secondly by reviewing all existing employment sites with the Borough and making recommendations over their suitability for continued employment use.

Regional Characteristics

- 3.2 The South East region as a whole is undoubtedly one of the most economically successful areas of the country, and, besides London, it is the only UK region to have a GVA (Gross Value Added) per head higher than the UK average (see figure 1 below).

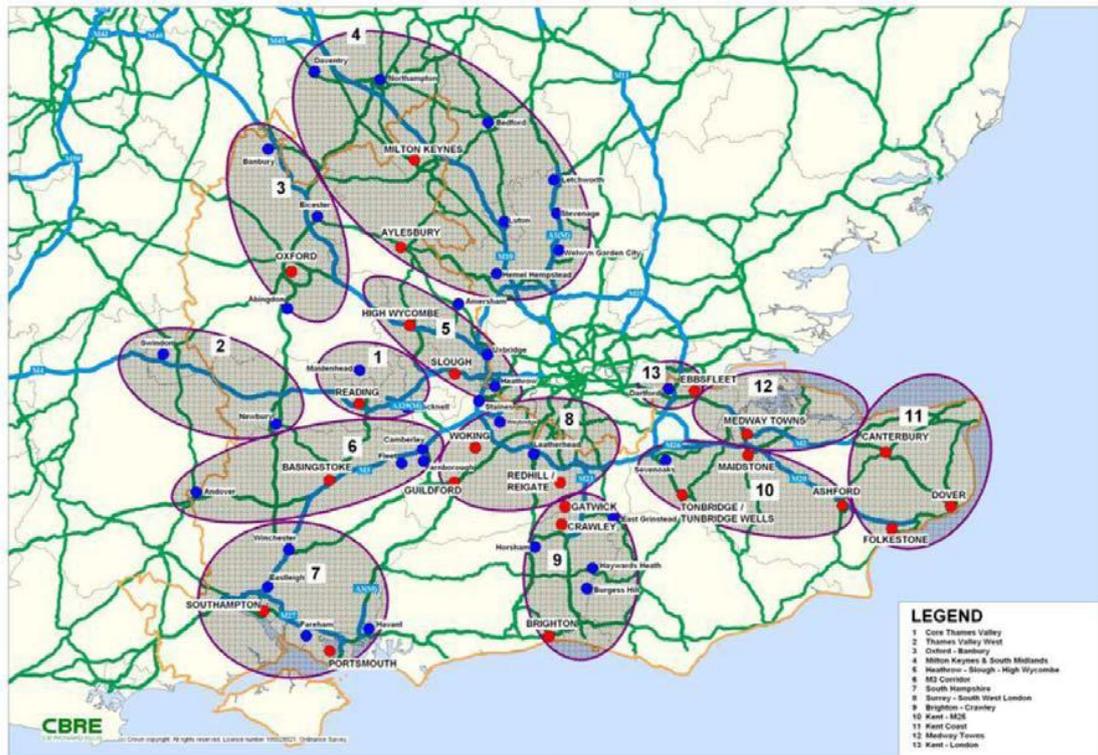
Figure 1: GVA per head in the UK



Source: Local Futures 2009

Sub-Regional Characteristics

- 3.3 Fareham is located in the south western corner of the region and is identified in the CBRE South East Regional Property Market Study as being within the South Hampshire market area (number 7 on figure 2 below) along with the cities of Portsmouth, Southampton and Winchester.

Figure 2: South East Regional Property Markets

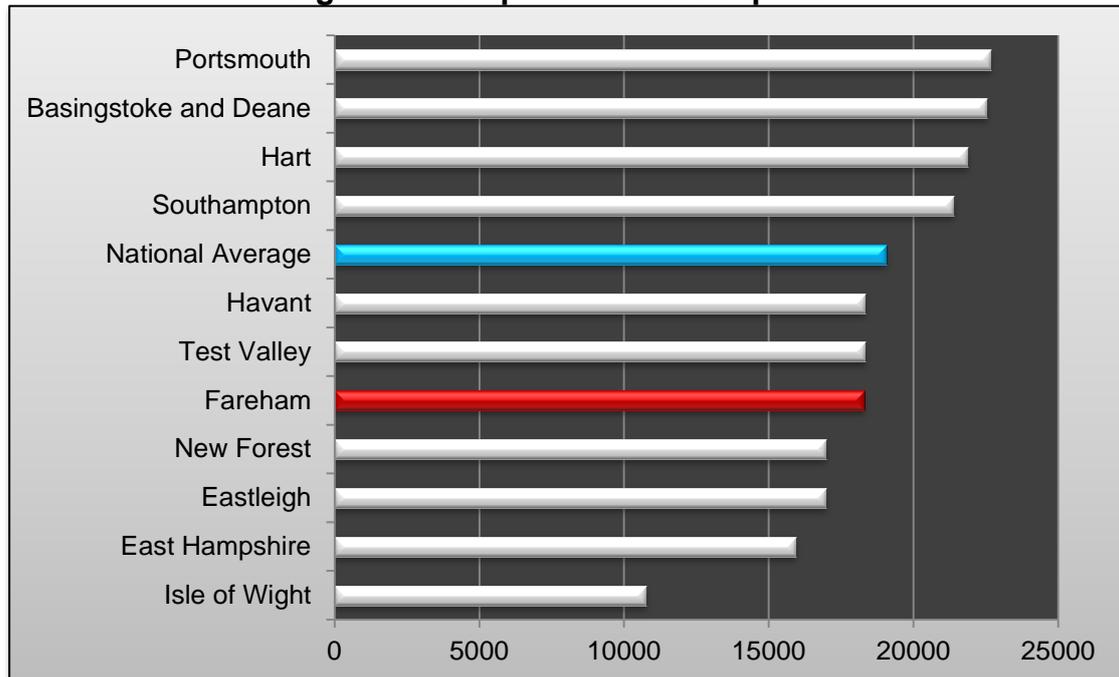
Source: South East Regional Property Market Study CBRE 2007

- 3.4 The sub-region is dominated by the port cities of Portsmouth and Southampton. The M27 motorway connects these cities and runs through the north of Fareham Borough, providing existing and potential businesses with easy access to both cities international ports, Southampton Airport and the M3 motorway and A3(M) which run directly to London.
- 3.5 According to the South East Regional Property Market Study (CBRE 2007) the South Hampshire market area has the third largest take-up of Office floorspace in the region with a recorded total of 5.1 million sq.ft. Fareham is the second most active market in the sub-region accounting for 34% of the total take-up, behind Southampton at 39%.
- 3.6 The two major industrial markets as defined by stock levels are Southampton and Eastleigh. Overall, Hampshire represents 21% of the industrial stock levels of the entire South East region.

Borough Characteristics

Residents Economic Profile

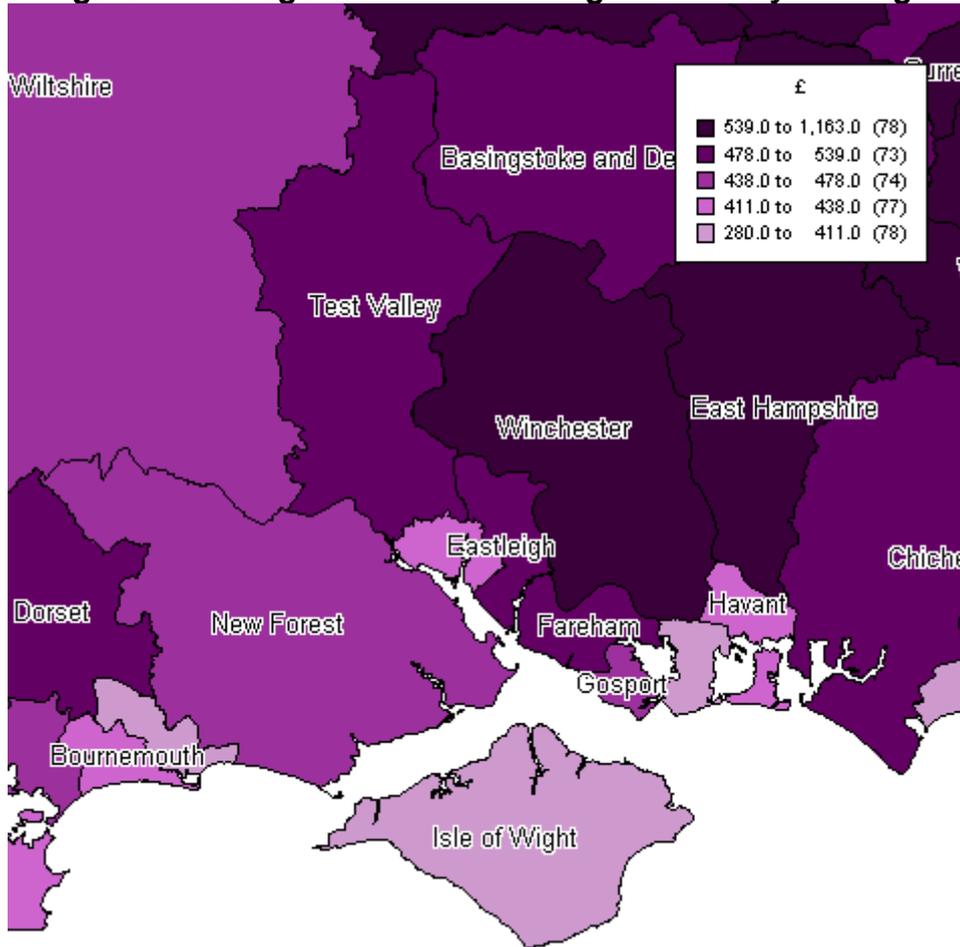
- 3.7 The 2011 Census records that Fareham has a population of 111,581 of which 59,063 are economically active, meaning that 53% of the residents of the Borough are economically active. This is slightly higher than the average for both the South East (52%) and Great Britain (51%).

Figure 3:GVA per head in Hampshire

Source: Local Futures

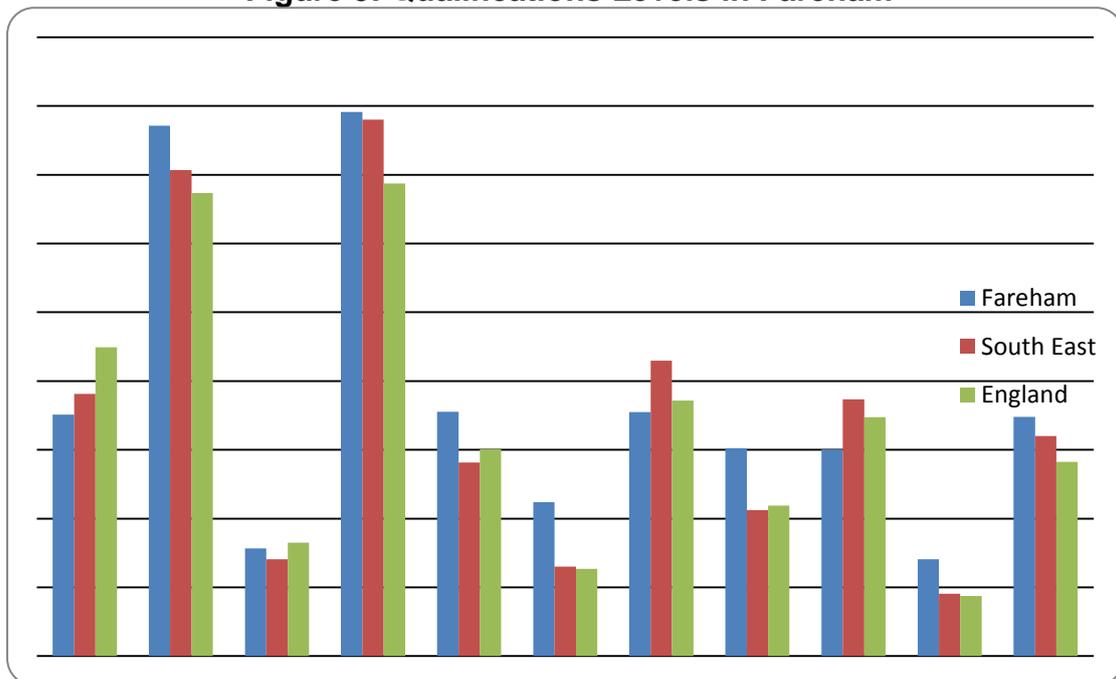
- 3.8 Figure 3 above shows that Fareham has a GVA per head slightly lower than the national average but about average within the sub-region. Although the GVA is lower than Portsmouth, Basingstoke & Deane, Hart and Southampton it is comparable to both Havant and Test Valley and higher than New Forest, Eastleigh, East Hampshire and Isle of Wight.
- 3.9 Fareham fares better in figure 4 which shows the variation in weekly earnings across the sub-region. At an average of £494.30 per week Fareham is slightly above the national average of £482.69. Fareham residents have higher average weekly earnings than residents of Southampton, Portsmouth, Havant, New Forest and Isle of Wight.

Figure 4: Average residence based gross weekly earnings



Source: Local Futures

Figure 5: Qualifications Levels in Fareham



Source: Census 2011

- 3.10 Residents of Fareham have generally higher levels of qualifications than the national average. The level of residents with no qualifications is significantly lower than the regional and national average (shown in figure 5), pointing to Fareham being home to a relatively well educated population.
- 3.11 This is partly reflected in the economic activity rates in the Borough shown in table 1, where 72.7% of the working age population are classed as economically active. This is above the national and regional average. This also relates to the unemployment rate of 2.6% which is under the regional average and well below the national average.

Table 1: Unemployment in Fareham (2011 Census)

	Fareham (numbers)	Fareham (%)	South East (%)	Great Britain (%)
Economically active	59063	72.7	72.1	69.9
Employees	46774	57.6	54.2	52.3
Self employed	7561	9.3	11.0	9.8
Unemployed	2117	2.6	3.4	4.4

Commuting Patterns

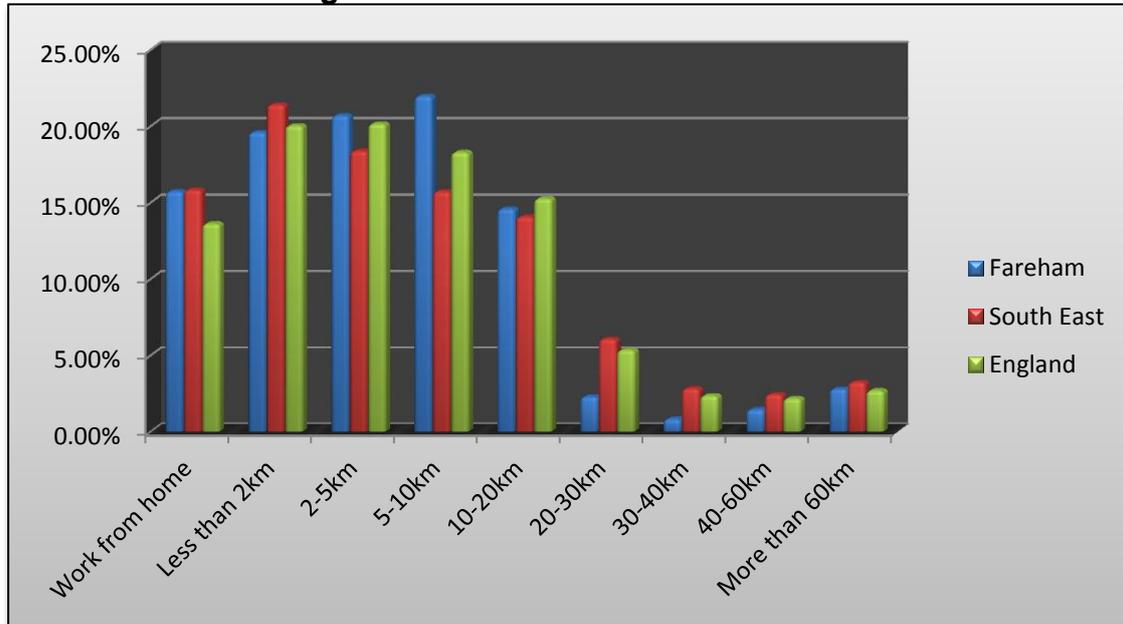
- 3.12 Table 2 shows that 46.7% of the population in Fareham Borough travel to work by driving a car or van. This is well above the national average of around 35%. 1.3% take the bus, compared to the national average of 4.7%, and although over 4.5% of people in Fareham walk to work this is also below the national average of over 6%. The amount of people who work from home in the Borough is slightly above the national average, although this proportion has doubled (in a national trend) since the 2001 Census.

Table 2: Methods of travelling to work (2011 Census)

	Fareham	South East	England
Works mainly from home	7.1%	8.3%	6.9%
Underground, metro, light rail or tram	0.1%	0.2%	2.6%
Train	2.5%	4.8%	3.3%
Bus, minibus or coach	1.3%	3.0%	4.7%
Taxi or minicab	0.2%	0.2%	0.3%
Driving a car or van	46.7%	38.9%	34.8%
Passenger in car or van	3.2%	3.1%	3.2%
Motorcycle, scooter or moped	0.9%	0.6%	0.5%
Bicycle	2.5%	2.0%	1.8%
On foot	4.5%	6.6%	6.3%
Other	0.6%	0.3%	0.3%
Not in Employment	30.5%	32.1%	35.3%

Source: ONS

- 3.13 Figure 6 shows the distances travelled by workers in Fareham, compared to that of workers in the South East and England as a whole. The chart generally shows Fareham has a higher proportion of workers who travel under 10km and a lower proportion that travel over 30km for work compared to the regional and national averages.

Figure 6: Distance Travelled to Work

Source: ONS

3.14 The reasons for this variation from the national average become apparent when looking at Table 3 which shows the major commuting flows to and from the Borough. The majority of popular working destinations fall within the 2-20km brackets.

3.15 28,977 workers are recorded as living and working within the Borough, almost 4,000 more than in 2001. In addition to that 27,355 commute into the Borough (6,000 more than in 2001), with Gosport easily being the biggest provider of employees although Portsmouth, Southampton, Havant and Winchester all provide significant numbers of workers as well. 31,037 residents of the Borough work in other locations, meaning an overall net outflow of 3,781 people, with the most popular employment locations being Portsmouth, Southampton, Winchester, Gosport, Test Valley and New Forest.

Table 3: No. of Commuters in and out of Fareham Borough

	In	Out	Difference
Gosport	8,034	3,362	4,672
Portsmouth	4,795	8,660	-3,865
Southampton	4,403	5,499	-1,096
Winchester	3,776	2,669	1,107
Havant	2,112	583	1,529
Eastleigh	920	552	368
Test Valley	888	1,999	-1,111
New Forest	391	1,242	-851
Isle of Wight	158	982	-824
Rest of Hampshire	666	496	170
Other	1,212	4,993	-3,781
Total	27,355	31,037	-3,682

Source: ONS

3.16 Table 3 shows the net difference between inflow and outflow of

commuters in the Borough. Fareham has a large net inflow from Gosport as well as smaller net inflows from Havant and Winchester. However, the Borough has net outflows to most other areas, meaning that more people commute to those areas than commute from them. The biggest net outflow is to Portsmouth, but there are also large net outflows to Southampton, Test Valley, New Forest and the Isle of Wight. Overall there are over 3,500 more people commuting out of the Borough than in to it.

Employment Types in Fareham

3.17 Figures 7, 8 and 9 show the broad spread of the B use classes within Fareham Borough. Although this does not account for the differentiation in ward sizes, with some being larger or more densely populated/built on than others, it does provide a useful visual representation. The concentration of all use classes is unsurprisingly around the motorway junctions 9, 10 and 11. Park Gate, Segensworth, Fareham Town Centre and surrounding area and north Fareham represent the highest areas of B1 concentration. B2 and B8 are generally more evenly spread around the Borough, with Broadcut, Newgate Lane and Daedalus influencing the maps.

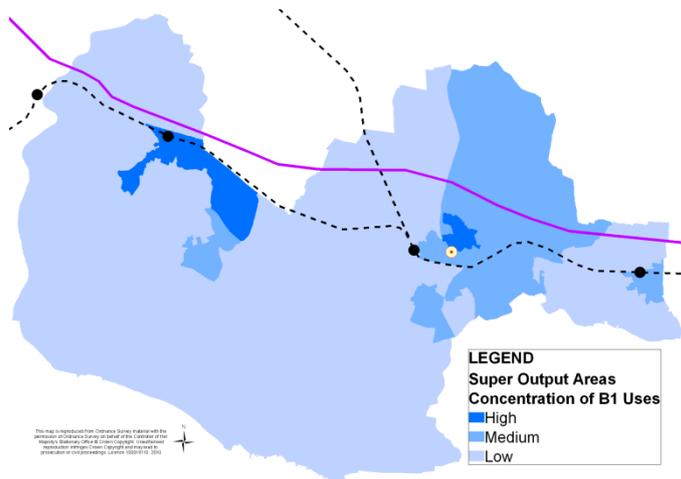
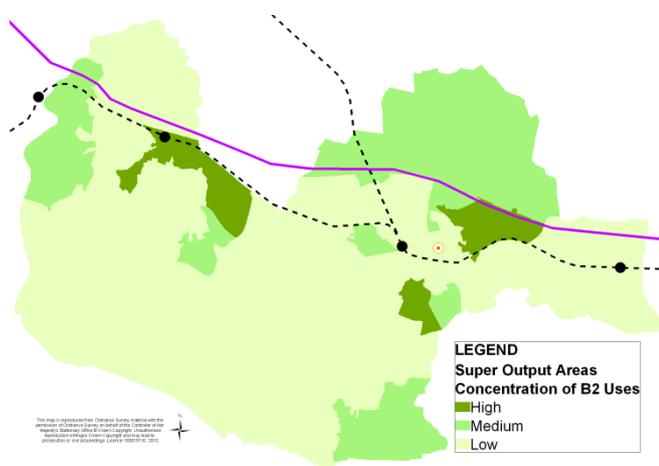
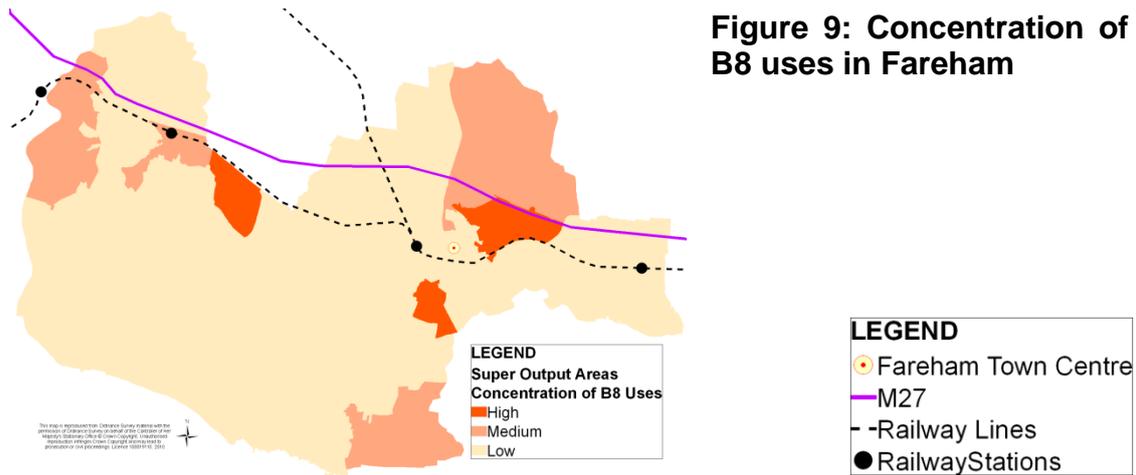


Figure 7: Concentration of B1 uses in Fareham

Figure 8: Concentration of B2 uses in Fareham

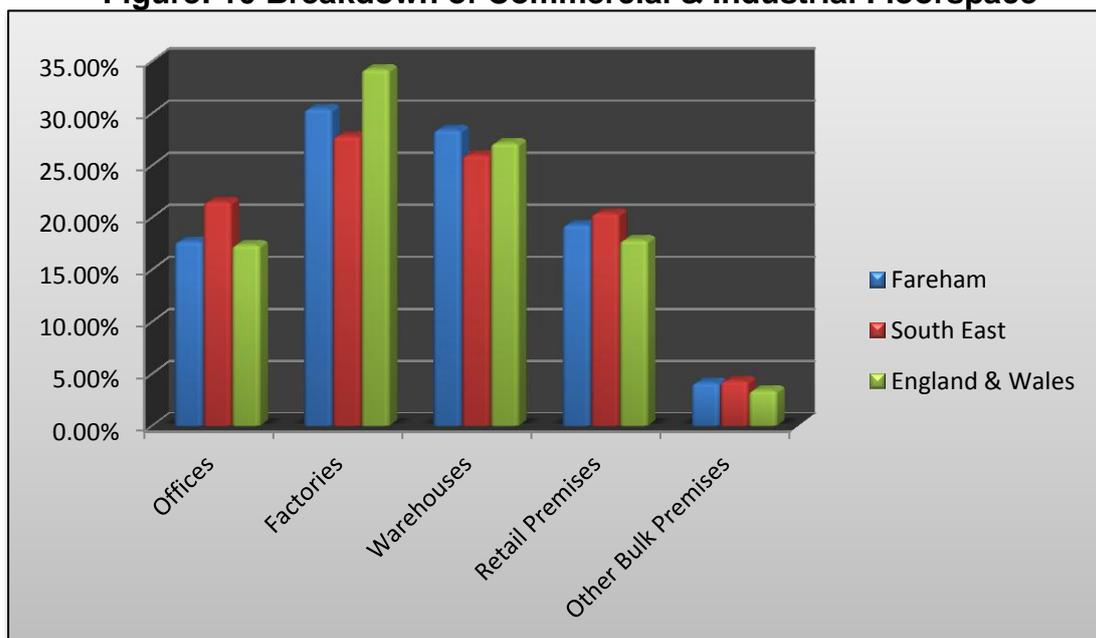




3.18 The maps generally show that employment is focused to the north of the Borough, leaving the more rural southern parts mainly absent of employment opportunities. Although this is likely to change following the emergence of the Solent Enterprise Zone. This is historically due to the connectivity of the northern areas and their proximity to both the M27 and the railway links.

3.19 Figure 10 shows how the employment floorspace within the Borough is broken down by use. Matching the regional and national trend, Fareham's highest percentage of floorspace is given over to factories, slightly ahead of warehousing. Fareham has a significantly lower proportion of office floorspace than the regional average, but slightly higher for both factories and warehouses. The Borough's position between two major centres, which each hold a significant amount of office floorspace, and the fact that the large business park at Junction 9 (Solent Business Park) is located outside of Fareham Borough undoubtedly influences this balance between uses.

Figure: 10 Breakdown of Commercial & Industrial Floorspace



Source: ONS April 2008

3.20 Table 4 shows that Fareham has nearly double the national average of workers employed in Public Administration and Defence. This is most likely due to the proximity of the Naval bases in Portsmouth and Gosport and the presence of the NATS offices in Swanwick. Manufacturing and construction industries are slightly higher employers in Fareham than the national average. Wholesale and Retail, Human Health and Social Work, Construction and Education are also major employment sectors in the Borough, although these are generally in line with regional and national averages.

Table 4: Jobs by Industry (2011)

	Fareham (employee jobs)	Fareham (%)	South East (%)	Great Britain (%)
Agriculture, Forestry and Fishing	149	0.26	0.67	0.81
Mining and Quarrying	35	0.06	0.13	0.17
Manufacturing	5581	9.88	7.19	8.84
Electricity, Gas, Steam and Air Conditioning Supply	403	0.71	0.57	0.55
Water Supply; Sewerage, Waste Management and Remediation Activities	366	0.64	0.69	0.69
Construction	4506	7.98	7.97	7.68
Wholesale and Retail Trade; Repair of Motor Vehicles and Motor Cycles	8331	14.76	15.56	15.92
Transport and Storage	2886	5.11	5.22	5.01
Accommodation and Food Service Activities	2357	4.17	5.03	5.56
Information and Communication	2513	4.45	5.51	4.07
Financial and Insurance Activities	2368	4.19	4.50	4.38
Real Estate Activities	697	1.23	1.43	1.46
Professional, Scientific and Technical Activities	3487	6.18	7.46	6.70
Administrative and Support Service Activities	2571	4.56	5.15	4.92
Public Administration and Defence; Compulsory Social Security	5887	10.43	6.00	5.89
Education	5587	9.90	10.14	9.89
Human Health and Social Work Activities	6329	11.21	11.62	12.40
Arts, Entertainment and Recreation; Other Service Activities	2337	4.14	4.90	4.79
Activities of Households as Employers; Undifferentiated Goods - and Services - Producing Activities of Households for Own Use	41	0.07	0.15	0.12
Activities of Extraterritorial Organisations and Bodies	14	0.02	0.05	0.08

Source: Census 2011

3.21 As well as the broad spread of use classes and number of jobs provided in broad sectors, Fareham is also home to a number of important clusters. The Fareham Business Needs Survey showed evidence of business, computing and professional services sectors clustering, with

smaller groups around the electronics, aviation, telecommunications and construction sectors. SEEDA proposes that the Daedalus site could be used to strengthen the area's position as a centre for the marine and aviation industries and encourage the expansion of the existing cluster.

- 3.22 Research by Portsmouth University ('Clusters of Potential' and 'Cluster analysis of Fareham Borough Council area, including Whiteley) also identified aerospace and defence, processed food and transport & logistics as clusters that are doing well in Fareham.
- 3.23 Fareham has a high percentage of small businesses (as shown in table 5), with almost 82% of all businesses in the Borough having nine or less employees, although this is lower than the regional and national average. Whilst just over 18% of businesses in the Borough have over 10 employees, this is above the regional and national average.

Table 5: Business size

Persons Employed	Fareham	South East	England
0-4	67.90%	70.30%	68.60%
5-9	13.90%	14%	14.60%
10-19	8.60%	7.70%	8.10%
20 or more	9.60%	8%	8.70%

Source: NOMIS

Vacant Units in Fareham

- 3.32 The Fareham Employment Study 2013 states that across the Core PUSH area as a whole there was over 100,000sq.m of vacant office floorspace and 176,500sq.m of vacant industrial and warehouse space in June 2013. This represents a vacancy rate of around 10% for offices and 11% for industrial/warehouses.
- 3.33 In Fareham the picture is slightly better with a vacancy rate of 8% for offices and 9% for industrial and warehouse (Figures from October 2013). This shows that Fareham is performing slightly better than some of the other PUSH authorities in terms of vacancy rates.

Review of Existing Employment Sites

- 3.32 The NPPF advocates reviewing land allocations regularly. Paragraph 22 states that "Planning Policies should avoid the long term protection of sites allocated for employment use where there is no reasonable prospect of a site being used for that purpose." To that end, in order to provide reasonable evidence to the Borough's Local Plan, it is important that not only are all employment sites in the Borough are reviewed regularly, but that a realistic recommendation is made in the ELR as to their suitability for continued employment use.
- 3.33 Table 10 lists all sites within the Borough currently in employment use and recommended for protection, including boatyards and countryside employment sites. These sites are considered to be the major employment areas in the Borough and have scored well in terms of their suitability (see technical annex). The recommendation for these sites is that they should still be retained for employment use, only if it can be proven that such a use is no longer viable should buildings in these sites be considered for other uses.
- 3.34 This protection from non-employment uses is deemed necessary despite changes to the general permitted development order by Government which allows offices to convert to residential units without the need for planning permission. Notwithstanding this change, it is still considered important to protect important sites where possible. This sends a clear message that, outside any of the parameters to be set within the Government's changes to the permitted development rights, these sites will be retained for employment uses.
- 3.35 There are a number of sites within the Borough that are not considered to be suitable for protection for future employment uses. Whilst some of these sites contain small scale businesses that do contribute to overall economic development in the Borough, they are not strategic in nature and thus alternative uses can be considered if this is the desire of the market.
- 3.36 Detailed reviews of individual existing sites to be retained, including scoring (and scoring methodology) and site boundary maps are available in the Technical Appendix that supports this document.
- 3.37 Sites under the size threshold of 0.25ha or 500sq.m have not been included in these tables, and none are recommended for protection.

Table 6: Existing Employment Sites to be retained

ID	Site Name	Location	Size	Comments
37	Pinks Timber Yard	Rural	Medium	Medium site with a mix of open storage and industrial units. Considered as part of the Welborne Plan.
39	Fareham Ind. Est. and Broadcut	Edge of Centre	Large	Large established industrial park including pockets of B1 and open storage. Edge of Centre location.
63	Castle Trading Est. & Murrills Est.	Urban Area	Large	Combination of regular B2 estate north of East Street (Murrills Est.) and larger organic estate to south (Castle Trading Est.). Adjacent to boundary with Portsmouth CC.
65	North Wallington	Urban Area	Large	Includes mix of B classes at Fort Wallington and B1 office park at Fareham Heights. Strong employment concentration with good access to M27.
74	Newgate Lane & Speedfields	Urban Area	Large	Large site, consisting of industrial units, largest concentration of car sales vendors in the Borough and other retail units. Access off of congested Newgate Lane.
76	Fort Fareham	Urban Area	Large	Grade II fort converted to fairly intensive employment uses, mostly B2. Access off of congested Newgate Lane.
77	Palmerston Business Park	Urban Area	Large	Relatively modern industrial area, comprising mostly of B2 but also some B1 and B8. Access off of congested Newgate Lane.
78	Segensworth South & Kites Croft	Urban Area	Large	Large industrial area with relatively modern additions. Mostly B1 and B2 with a range of unit sizes.
79	Segensworth East	Urban Area	Large	Large established industrial estate incl. all B use classes. Adjacent to Jct 9 of M27.
80	Segensworth West	Urban Area	Large	Large established industrial estate with a mix of B1 and B2 units. Close to M27 Jct 9 and Park Gate Local Centre.
81	Park Gate Centre & North	Local Centre	Large	Includes concentration of office uses along Botley Road as well as B2 area along Duncan Road. Located between Park Gate Centre and Swanwick railway station.
82	Park Gate Business Centre	Edge of Centre	Large	Medium industrial estate located between railway line and M27 motorway.
84	Fareham Point, Wickham Road & North end of High St	Town Centre	Medium	Concentration of offices within the Town Centre.
87&88	West End, South of Station Roundabout	Town Centre	Medium	Industrial and Office buildings close to Fareham Town Centre located between A27 and the railway line.
90	Boatyard Industrial Estate	Urban Area	Medium	Small industrial estate in mainly residential area with public open space to north.
92	Salterns & Delta Business Park	Urban Area	Medium	Two local business parks either side of Salterns Lane. Mainly B2 at Salterns, with B1 offices and day nursery at Delta Business Park.
94	Highland Rd/Stow Crescent	Fareham NW	Medium	Individual industrial business operating in adjacent units. Ambulance depot currently operating in site adjacent.
95	Funtley Court	Urban Area	Medium	Former school converted to B1 space. Expansion space to rear.
96	The Tanneries	Urban Area	Medium	Medium industrial estate within conservation area. Mix of uses and building styles.

98	Brook Avenue/Brook Lane	Urban Area	Small	Small site in low density residential area, providing a mix of retail and B1 floorspace.
99	Warsash Village Centre	Local Centre	Medium	Small B2 and B1 units in behind retail units in village centre location.
100	Swanwick BP & Oslands Ct.	Urban Area	Medium	Includes the marine orientated Swanwick business park and adjacent B1 Oslands Court. In close proximity to boatyard cluster in Lower Swanwick.
102	Eastlands Boat Yard & B.P.	Rural	Medium	Boatyard. Includes boatyard and associated retail, B1 and B2. Limited access, but forms part of marine cluster along Hamble.
103	RK Marine	Rural	Small	Boatyard. Well used site that forms part of cluster of Marine uses in Lower Swanwick
104	Swanwick Marina	Rural	Medium	Boatyard. Large marina and associated B1 and B2 buildings. Forms part of a cluster of Marine uses in Lower Swanwick.
105	Universal Shipyard	Rural	Medium	Boatyard. Poor access down narrow road, forms part of marine cluster along Hamble.
106	Stone Pier Yard	Rural	Medium	Boatyard. Located near Warsash village centre and forms part of wider marine uses along Hamble.
107	Wicor Marine	Rural	Medium	Boatyard site. Only boatyard in Portchester and adjacent to Cranleigh Road site.
108	Lower Quay Boat Yard	Urban Area	Medium	Boatyard site. Only boatyard in Fareham (town) and located within conservation area.
126	Kiln Acre, Wickham Road	Urban Area	Medium	Mixture of offices, industrial units and sui generis uses fronting Wickham Road. Part of wider economic development uses that span Wickham Road.
127	Parkway, Wickham Road	Urban Area	Small	Two reasonably modern office blocks in use with associate parking. Part of wider economic development uses that span Wickham Road.
128	Furzehall Farm, Wickham Road	Urban Area	Medium	Collection of offices in new blocks and older converted buildings close to M27 junction 10. Part of wider economic development uses that span Wickham Road.
138	Blackbrook Road Ind. Est.	Urban Area	Medium	Medium industrial estate in residential area located away from strategic road network.
139	Waterside House	Urban Area	Medium	Established B1 office site. Adjacent to residential and Delme roundabout.
161	High Walls, North of East St	Town Centre	Small	Single substantial office building with good links to Fareham Town Centre
163	Castle Court	Portchester East	Small	Well located office building within Portchester District Centre
165	Cams Estate	Rural	Large	High quality business park set in conservation area and grounds of country house.
173	National Air Traffic Services	Rural	Large	Large B1 office block for specific occupier.
1272	Dean Farm Estate	Rural	Large	Large established industrial estate currently in a rural location. Will become part of the Welborne development.
1628	South of Solent Way	Urban Area	Small	Southern section of industrial estate in Whiteley that falls within Fareham's Borough boundary.
1700	242-248 Gosport Road	Fareham East	Medium	Terrace of relatively modern industrial/warehouse/retail units fronting Gosport Road.

Table 7: Sites not recommended for protection

ID	Site Name	Ward	Comments
36	Charity Farm	Fareham North	Countryside site. Close proximity to motorway but poor visibility/prominence
40	Gosport Road Bus Depot	Fareham East	Purpose built bus depot with low suitability score. Would be difficult to "re-let" if current occupiers vacated.
83	Windmill Grove	Portchester East	Employment no longer viable, poor location and mostly vacant.
85	Lysses Court	Fareham East	Small Town Centre site. Poor access, semi retail uses present.
86	1&2 The Avenue	Fareham North	Site already in semi-retail and sui-generis use. Being considered as part of wider station area redevelopment.
91	Lower Quay & Quayside	Fareham East	Mix of uses with semi-retail and sui generis present.
93	Hammonds	Hill Head	Mix of uses with semi-retail and sui generis present. Low suitability score.
97	R.O. Bridge Road Parade	Sarisbury	Limited occupancy rate and poorly related to surroundings. Low suitability score.
101	Coal Park Lane	Sarisbury	Limited occupancy rate and poorly related to surroundings. Low suitability score.
133	Barnbrook Systems	Fareham North	Very small site in a wholly residential area. Low suitability score.
134	8-10 Southampton Hill	Titchfield	Long term vacant, no longer considered viable for B class employment use.
137	Swanwick Shore Road	Sarisbury	Site forms residential part of permitted wider redevelopment of Swanwick Marina.
179	Spurlings Road & Down Barn Farm	Fareham East	Countryside site. Poor access and very low suitability score. Sui generis uses present.
186	Albany Business Centre	Fareham East	Countryside site. Currently poorly located but will be adjacent to Welborne in due course.
187	310A-312 & 316 Botley Road	Sarisbury	Countryside site. Mix of uses, some semi-retail and sui-generis. Protection not justified.
1261	Cranleigh Road	Portchester East	Countryside site. Poorly located with very low suitability score. Flood zone.
1267	Brook Lane	Park Gate	Building is partially occupied. Limited relationship with surrounding residential area.
1274	Carron Row Farm	Titchfield	Countryside site. Poor access and very low suitability score. Sui generis uses present.
1275	St Margarets Lane	Titchfield	Countryside site. Poor access and very low suitability score. Sui generis uses present.
1276	North Coal Park Lane	Sarisbury	Countryside site. Poor access and low suitability score. Sui generis uses present.
1280	Great Brook	Warsash	Countryside site. Poor access and very low suitability score. Sui generis uses present.
1281	Fontley Farm House	Fareham North	Countryside site. Poor access and very low suitability score. Sui generis uses present.

4 Creating a picture of future requirements

PUSH South Hampshire Strategy

- 4.1 Fareham benefits from being a part of the Partnership for Urban South Hampshire (PUSH), which has undertaken a great deal of research and collaborative working in order to establish targets for the sub-region within the 2012 South Hampshire Strategy, and then apportion the figures across the relevant Local Authorities. This has resulted in each Local Authority within the sub-region being assigned a proportion of the overall target based partly on the potential of each area.
- 4.2 The PUSH South Hampshire Strategy was updated in 2012. This identified that 1,130,000sq.m of net additional employment floorspace should be provided in the South Hampshire Sub-region by 2026. This is broken down for the Borough, which is expected to deliver 100,000sq.m of total employment floorspace between 2011 and 2026, split evenly between offices and industrial/manufacturing. These figures are based on achieving a growth of 3.5% of Gross Value Added (GVA) per year by 2026.

Fareham Employment Study 2013

- 4.3 The Council subsequently commissioned Wessex Economics to undertake an Employment Study to look at the objectively assessed need for employment floorspace within the Borough. This was done to ensure the targets for new employment floorspace within the Development Sites & Policies Plan were suitably robust.

The Study looked at three aspects that would influence the requirement for new floorspace:

- Forecasts for change in employment up to 2026
- The requirement for replacement floorspace
- Flexibility in supply

Forecasts for change in employment

This forecasts what sectors of employment are likely to grow (and contract) over the Plan period and what this means in terms of job numbers. These figures for job growth in certain sectors are then appropriately attributed to different use classes (utilising the same methodology that underpinned the South Hampshire Strategy) giving a figure for projected job growth in the different B use classes up to 2026.

The projected job numbers in the B use classes is then multiplied by

the average floorspace per worker to provide an overall floorspace requirement for each of the B use classes (see table 8 below).

Table 8 Floorspace Requirement to Accommodate Job Growth in Fareham Borough 2011-26

	Jobs	Floorspace per worker	Floorspace Requirement
Offices	2,400	12sq.m	29,000
Industrial	0	45sq.m	n/a
Warehousing	500	75sq.m	38,000
Total B use class	2,900		67,000
Non-B use class	3,800	Various	
Total	6,700		

Wessex Economics 2013

Allowance for Replacement Floorspace

The Fareham Employment Study 2013 states that it is important to plan for the provision of replacement floorspace. This is where older employment stock is replaced over time by newer stock, which is better suited to modern occupier requirements. The study recommends reviewing existing stock (undertaken in chapter 3) stating that “if they remain suited in terms of location and access to the ongoing requirements of business users, they are retained and replacement and renewal encouraged as appropriate on these sites”.

The Council is satisfied that, in general, the sites recommended for protection are suitable for ongoing employment use and that the policies in the Development Plan allow for replacement facilities on existing sites. However, as recognised in the Employment Study, it would be prudent to plan for some replacement floorspace in line with historic trends, in order to cover the changing requirements of potential occupiers over time. The Study recommends a figure of 24,000sq.m should be applied (split evenly between the 3 use classes) which is equivalent to the losses in employment over the previous 12 years of the Plan.

Providing for Choice and Flexibility

The Study recommends that a 10% uplift should be applied to the figures to allow for choice and flexibility in the market.

Future Requirements

- 4.4 The Fareham Employment Study 2013 concluded that there was a need for an additional 100,100sq.m of employment floorspace (see breakdown in table 9 below).

Table 9: Floorspace requirement 2011-2026

	Forecast Employment Change	Replacement requirement	Flexibility (10%)	Total
Offices	29,000	8,000	3,700	40,700
Industrial	0	8,000	800	8,800
Warehousing	38,000	8,000	4,600	50,600
Total	67,000	24,000	9,100	100,100

Source: Wessex Economics 2013

5 Stage 3: Meeting Floorspace Requirements

- 5.1 This stage of the ELR is to show how the complete picture of future requirements (as set out in table xx) can be met through completions, vacancies, identified sites, and sites with permission, throughout the Borough.

Completions & Losses

- 5.2 Since 2011 there has been limited employment floorspace completed or lost to other forms of development. According to the 2013 Employment Study there have been just 1,500sq.m of net employment floorspace completed since 2011.

Vacancies

- 5.3 As set out in section 3 there is currently a relatively high level of vacancy rates in commercial floorspace, both in the Borough and the wider PUSH region. It is considered appropriate to count this “oversupply” of vacant floorspace towards meeting future requirements as it would be inefficient to plan for a significant amount of new floorspace whilst there remains high vacancy rates in existing stock.
- 5.4 The Fareham Employment Study 2013 states that “in reality a vacancy rate of around 5% might reasonably be regarded as the minimum level of vacancy to allow for churn in the market”. This means that anything above the 5% base level should be counted towards the overall supply in preference of allocating sites for new floorspace. For Fareham the contribution of this vacant stock is 3,400sq.m for offices and 8,600sq.m for industrial/warehousing.
- 5.5 However, as noted in the Employment Study, “vacant floorspace in Fareham Borough is not the only vacant floorspace that can satisfy locally arising requirements for employment floorspace. There is a very large quantity of recently built vacant floorspace at the Solent Business Park 1, located just to the north of Junction 9 on the M27. While this development is located in Winchester District, it is located immediately adjacent to Winchester District’s boundary with Fareham, and is functionally part of the Fareham/South Hampshire economy.” In total some 20,000sq.m of office space is currently vacant. In addition there is around 3,175 sq m of industrial space to the west of Whiteley Way which is vacant. Although these figures will not be counted towards meeting a Borough wide requirement in this ELR, it is important they remain part of a more general consideration in terms of general supply for the local employment market.

Sites with Permission

- 5.6 There are a number of sites in the Borough which already benefit from planning permissions that have yet to be fully implemented. This includes some sites currently under construction and others that have a material start but are yet to be implemented.
- 5.7 This table below (table 10) sets out all permitted gains that have yet to be implemented (this table is taken from Hampshire County Council monitoring figures).

Table 10: Permitted Floorspace Gains

Address	B1-B8 gain	Comments
Solent 2 Business Park	23,526	Permission given , material start made
The Walled Garden, Cams Hall	1,952	Permitted, subsequently amended, not yet started
Midpoint 27, Cartwright Drive	4,000	Phase 1 complete, Phase 2 not started
Swanwick Marina	1,369	Permission given, material start made
Unit 1 Blackbrook Business Park	844	Permitted.
Great Brook, Brook Lane	876	Permitted and started
64 Botley Road	340	Permitted but not started
Total Permitted Gain	32,907	

- 5.8 These sites should be considered to be suitable for employment use as they have outstanding permissions. However, it is clear that a number have not been developed as expected. The main concerns are Solent 2 Business Park, Swanwick Marina and Midpoint 27, Cartwright Drive which are discussed in more detail in Chapter 6.

Potential Sites

- 5.9 The following table (table 11) shows all the potential sites to be considered. The sites are a combination of incomplete or outstanding Local Plan allocations, the Borough's Centres or sites that have been promoted for employment uses through the Development Sites & Policies Plan process.

Table 11: Potential Sites

Site ID	Site	Source
20	Land at Standard Way, Wallington	Development Sites & Policies Plan
81	Park Gate Centre & North	Centre
123	Little Park Farm	Local Plan Allocation
154	Maytree Road	Development Sites & Policies Plan
172	Solent Enterprise Zone	Major Development Site in Local

	(Daedalus)	Plan, Core Strategy Strategic Site
198	Civic Area	Development Sites & Policies Plan
199	Market Quay Car Park	Development Sites & Policies Plan
205	Land N of St Margaret's Rndbt	Development Sites & Policies Plan
211	Fareham Station East	Development Sites & Policies Plan
212	Fareham Station West	Development Sites & Policies Plan
324	Land at North Wallington & Standard Way	Development Sites & Policies Plan
458	Portchester District Centre	Centre
1291	Land SE of Segensworth Rndbt	Development Sites & Policies Plan
1379	Military Road Depot, Wallington	Development Sites & Policies Plan
1427	Locks Heath District Centre	Centre
1914	Fareham Shopping Centre	Development Sites & Policies Plan
1998	Pinks Hill, Wallington	Development Sites & Policies Plan
2004 & 2005	Kites Croft	Local Plan Allocation

5.10 Each of the sites in the above table is reviewed in more detail in Chapter 6. A full site assessment is available in the Technical Annex that supports this document. Only those sites considered suitable, available and of market interest have been included in the supply table.

Welborne

5.11 Welborne is expected to deliver a substantial amount of employment floorspace over the lifetime of the development. The anticipated scale and mix of uses is set out in the Welborne Employment Strategy (Wessex Economics 2013). It is anticipated that Welborne will deliver almost 100,000sqm (Gross Internal Area) of employment floorspace over the life of the development (up to 2041). However, the majority of this will be delivered after the necessary major improvements to Junction 10 of the M27 which is estimated between 2020 and 2022. For the purposes of this ELR only the initial phases of development can be used towards meeting the Borough's requirements up to 2026. The trajectory in the Welborne Employment Strategy estimates that 4,400sq.m of offices and 15,900sq.m of B2/B8 floorspace can be delivered at Welborne by 2026.

Meeting Floorspace Requirements

5.12 Taking into consideration all the above information, table 12 has been developed to show how the Borough's employment floorspace targets can be met and the contribution made by the various sources.

Table 12: Employment Floorspace Supply 2011-2026

Source	B1	B2/B8	B1-B8	Total
Completions 2011-2013	200	1,030	270	1,500
Excess Vacancies	3,400	8,600		12,000
Permissions	25,800		7,100	32,900
Potential Sites				
Solent Enterprise Zone	2,300	47,900		50,200
Little Park Farm			11,200	11,200
Kites Croft			3,090	3,090
Welborne	4,400	15,900		20,300
Total	36,100	73,430	21,660	131,190
Requirement	40,700	59,400	0	100,100
Surplus/Deficit	-4,600	+14,030	+21,660	+31,090

- 5.13 Whilst there is a comfortable 31% overall oversupply on the overall requirement there are clear variations in terms of supply between different use classes. There is an oversupply in B2/B8, due mainly to the provision of the Enterprise Zone, whilst there is a noticeable deficit in pure office provision.
- 5.14 Although the supply of office floorspace appears, at a glance, to be insufficient there are a number of important factors to consider. Firstly there is a substantial part of the overall supply from above which is shown as B1-B8 (21,660sq.m), where the final use has yet to be determined. It is conceivable that a proportion of this will be for offices, although it is difficult to ascertain at this juncture what this figure is likely to be.
- 5.15 There are substantial office vacancies in Whiteley (around 20,000sq.m for B1) alongside undeveloped allocations for employment development (around 42,000sq.m) outside of the Fareham Borough boundary. This area is considered to be a functional part of the local economy, despite being located outside of the administrative boundary. Any floorspace built at Whiteley will undoubtedly help provide jobs for residents of the Borough.
- 5.16 It is also important to consider that “the boundaries between different uses classes are becoming increasingly blurred, for example, where businesses that have significant on-line sales want to have within the same building warehousing space, a call centre, some office space, and perhaps space for customisation of products” (Employment Study 2013). It is becoming increasingly important, therefore, to allow for flexibility when planning for economic development.

- 5.17 Whilst section 6 does look at a number of alternative measures to meet the shortfall in office development the conclusion is that the majority of the sites are unsuitable for this type of use. Allocating unsuitable office sites for economic development uses is likely to lead to further non-office development which will only exacerbate the existing situation. There are some sites which do appear suitable for office development (Town Centre sites), but evidence from the Employment Study shows that these are unlikely to attract significant market interest.
- 5.18 Given the above, it is considered that the best solution is to allocate sufficient sites to meet the overall employment floorspace requirement, whilst allowing for flexibility between uses. If significant office demand arises that cannot be met on existing sites, at Whiteley (Winchester district part) or at Welborne then the focus should be on locating these within the redevelopment opportunities being pursued in Fareham Town Centre.

6 Analysis of Key Sites

6.1 A more detailed analysis of the key sites discussed in Chapter 5 can be seen below. This is to justify why they have, or have not, been included within the supply to meet the future floorspace requirements.

6.2 The sites analysed are:

- Solent 2
- Daedalus
- Fareham Town Centre Sites
- Little Park Farm
- Other remaining Local Plan allocations
- District Centres
- Sites identified in the Site Allocations process

Solent 2

6.3 A reserved matters application for Solent 2 was approved in 2006, and the site had a material start in 2010. This site is one of the remaining pieces of land of a much larger employment area which is mostly within the borders of Winchester District Council. The site is adjacent to junction 9 of the M27 and immediately next to occupied employment buildings that were completed as recently as 2008.

6.4 The owners of the Solent 2 have been actively promoting the site for residential development in recent years. It is argued that the length of time the site has remained undeveloped means that it is no longer suitable for employment uses, and that it is more aligned with the nearby residential development (Arabian Gardens and Berber Close) than it is to the wider Whiteley employment area.

6.5 The 2013 Employment Study considered that Solent 2 was an important part of the Council's office supply. Although it did note that development is unlikely to occur until the market for offices picks up, given the level of vacancies in the neighbouring Whiteley Business Park. The Study states that "if the South Hampshire economy really picks up and significant occupier requirements materialise, the Fareham part of Solent Business Park 2 might come into its own". Given the need to plan positively and the need to "plan for growth" it would seem appropriate to plan for a scenario where the economy picks up before 2026. To that end it would appear that Solent 2 is required for an improved economic arena in the future.

6.6 Table 12 in chapter 5 shows that even if Solent 2 is delivered that Borough will struggle to meet its identified requirement for offices. Given that Solent 2 makes up almost two thirds (65%) of the identified office supply its importance cannot be underestimated. Without Solent 2 the Council's supply of suitable and deliverable office sites is limited to some small scale permissions, allocations and a small

amount that can be delivered in Welborne by 2026. This is reiterated in the Employment Study which states “from a Fareham Borough perspective it would be important to ensure that the Solent 2 Business Park allocation for B1a office use is retained.”

- 6.7 The site is “oven ready” in as much as it has an outstanding permission, with a material start, and is currently being advertised. The 2013 employment study confirms that the site “is well located in terms of an employment allocation, with excellent access to the M27. It is located almost midway between the two key poles of the South Hampshire area, Portsmouth and Southampton, and the M27/M3 junction and the M27/A3(M) junction. The area has developed as a major centre of employment with many high profile occupiers. Market perception is that this location is good for employers”.
- 6.8 The NPPF states that “planning policies should avoid the long term protection of sites allocated for employment use where there is no reasonable prospect of a site being used for that purpose”. Given that the 2013 Employment Study concludes that “the prospects for development before 2026 are reasonable” it would seem appropriate to continue the employment allocation on the site. This approach will ensure that when the office market picks up in the sub-region Fareham has a ready supply of sites to utilise.

Solent Enterprise Zone

- 6.9 The former HMS Daedalus site was allocated as a Major Development Site in the Local Plan, and was subsequently allocated as a Strategic Employment Site in the Core Strategy, emphasising its importance as a site for future employment uses. The site is located in the South East corner of the Borough adjacent to the Borough boundary with Gosport. The wider plans for redevelopment of the site cross the boundaries between the authorities, with more intensive redevelopment, including residential, and re-use of existing buildings within Gosport Borough as opposed to a more spread out B2/B8 marine/aviation focussed development in Fareham.
- 6.10 The South East England Development Agency (SEEDA) acquired the Daedalus site with the intention of acting as a catalyst for economic development in South Hampshire. This site is considered in more detail as part of the 2013 Employment Study (Wessex Economics). The site now has a much higher profile in policy terms after it was designated an Enterprise Zone in August 2011. The EZ designation raises the profile of the site and provides some incentives for businesses to locate on the EZ (primarily business rates relief). Designation has also made securing development on the site a still higher priority, with backing not just of FBC but also Solent LEP.

Hangars East

- 6.11 The development proposals for the Hangars East site are predominantly for B2 industrial and B8 warehouse uses, but it is anticipated that there will be some limited provision of B1a office or B1b R&D space. This is most likely to be located at the entrance of the site. The current planning application allows for up to 28,990sq.m of employment floorspace on the site (2,300sq.m of B1 space, and 25,990sq.m of B2/B8 floorspace). Planning permission for development was agreed in principle in March 2012, subject to the signing of a Section 106 agreement, but to date the Section 106 Agreement has not been signed.
- 6.12 Investment is being made into the surrounding infrastructure and FBC has secured a commitment from the HCA to fund development of an Innovation Centre close to the perimeter gateway to the Hangars East site, aimed at stimulating new business start-ups. It is expected that this part of the site will be delivered in the short term.

Hangars West

- 6.13 The Hangars West site comprises three linked triangles of land formed by the serrated edge of Stubbington, and lies on the west side of the airfield. It is expected that the site will be developed for 21,900 sq m of B2/B8 space with a focus on defence and aviation activities within a secure compound. It is expected that this part of the site will only come forward once the initial phase of the Hangars East site is nearing completion. This section of the site is predicted to come forward in the medium term.

Fareham Town Centre Sites

- 6.14 There are around 40 office properties in Fareham's town centre; with total floorspace of private sector office accommodation of around 14,800sq.m (this excludes the Civic Centre and the Job Centre). The 2013 Employment Study notes that the office provision is essentially local in character.
- 6.15 Evidence included in the Employment Study points to a lack of a "high quality" office space in Fareham Town Centre, with the majority of floorspace being converted residential buildings or spaces above shops. However, the Study goes on to say that there is not a significant market for new offices, given previous trends and competition from other employment clusters in, and outside of, the Borough.
- 6.16 The conclusion from the Study is that office development should be encouraged as part of mixed-use redevelopments (major areas discussed in more detail below), although this is likely to be replacement floorspace for offices lost in older stock throughout the Town Centre. Therefore, it is not considered suitable to plan for significant net growth in office floorspace during the Plan period. To

that end, no figure has been included in the supply table (table 12) for the Town Centre.

Fareham Station East

- 6.17 Fareham Station East is currently in occupation as an aggregates depot, with the area adjacent to the roundabout currently a mix of low density employment uses, Fareham Fire Station and car parking. The site was allocated as an employment site in the Local Plan under policy E4, which sought a comprehensive redevelopment of the site. A similar approach has been applied in the draft DSP Plan.
- 6.18 The aggregates depot is set to be retained on site, with the draft Hampshire Minerals Plan including the railway depot in Policy M5 to be retained unless an alternative location can be found. The draft policy in the DSP Plan lists a range of uses that may be appropriate on site, including retail, leisure, residential and café/restaurants as well of offices. However, obstacles to development include multiple landownership and the need to relocate the Fire Station. The retention of the aggregates depot means that HGV access will need to be provided through the site. This, coupled with the proximity of the busy station roundabout, may act as a deterrent to those seeking an attractive office environment.

Fareham Station West

- 6.19 The land to the west of Fareham Station is also identified as having potential for redevelopment. The land is mainly underused but does currently have some semi-commercial uses occupying part of the site and also includes two commercial units at 1-2 The Avenue. Although the site could potentially yield an office development, it is considered that the more likely use will be residential, or potentially a care home.

Market Quay Car Park

- 6.20 The Market Quay car park was laid out as part of the wider Market Quay retail and leisure development of 2005/6. Previous retail studies have identified the area as a possible location for new retail development, to add another dimension to the retail core of Fareham Town Centre. The major issue with the site is the relocation of the parking, as the current car park is well used, particularly in the evenings and weekends. Whilst a multi-storey option would be a solution, this has obvious financial implications and could affect overall viability.
- 6.21 The DSP Plan identifies that the site has potential to house a replacement library and entertainment venue. It also lists retail and hotel uses alongside public open space as the principal uses. B1, leisure or residential are considered to be supplementary uses on upper floors. However, there is significant scope for floorspace above

principal uses, and given the prominent location of the site, visible to the A32, A27 and railway station, it is considered that office development may be attracted to this location.

Civic Area

- 6.22 This site encompasses the area between the shopping centre and Osborn Road, and includes the Civic offices, Ferneham Hall, the library, the multi-storey car park, some surface car parking and the health centre. There are concerns about the longevity of the multi-storey car park as well as the efficiency of both Ferneham Hall and the library.
- 6.23 The policy position in the draft DSP Plan shows a redevelopment of the area involving the potential relocation of the library and Ferneham Hall to another part of the Centre, and the replacement of the multi-storey car park with a smaller scale building. This would, in theory, free up significant space for residential development facing Osborn Road. There is also potential for additional office floorspace as extensions to the Civic Offices and either extensions or redevelopment of the Health Centre and Job Centre.

Fareham Shopping Centre

- 6.24 Fareham Shopping Centre has been identified in the DSP Plan as having the potential for redevelopment as part of a wider masterplan that encompasses the Civic Area and Market Quay. Options for the Shopping Centre include creating a new, open air, "street" from north to south which would significantly improve connectivity as well as making better use of upper floor areas.
- 6.25 Discussions with the owners of the Shopping Centre are ongoing, and final details are likely to come through a masterplan for the wider area. The DSP Plan encourages the re-use of the upper floor areas and identifies a wide range of potential uses, including offices.

Land adjacent to Maytree Road

- 6.26 This site is a currently underutilised mixed use area comprising of a large former car sales area and a council surface car park. The development is set back from the main road and lacks cohesion in terms of scale and style. Potential redevelopment opportunities were identified in previous retail studies, with options for large format retail units or residential with potentially retail units below, both with the potential to yield offices as well.
- 6.27 However, the DSP Plan identifies the central part of the site as a residential site in the first instance, which is likely to come forward in the short term. If other parts do come forward some B1 offices may be provided, but given the degree of uncertainty surrounding the wider

site it is not considered appropriate to rely on this site to provide offices in the Plan period.

Little Park Farm

- 6.28 The site suffers significant access problems, with the primary access coming via a single lane track from the south under the railway line. Other access options and use of the railway line have been explored but have serious questions marks over their viability. Despite the access problems the site has no neighbour constraints and almost no environmental constraints. Its position between the railway and the motorway coupled with the access problem means that the site has almost no alternative development opportunity other than low traffic generating employment.
- 6.29 Although the site suffers from access constraints, the land owners have indicated that there has been significant progress made with both land amalgamation and agreeing access improvements with network rail. Therefore, the site is considered suitable for employment development and the existing owners have indicated that it is likely to come forward in the medium term. The site is 5.6 ha in size and applying a relatively low plot ratio of 20% (as recommended by landowners) provides a realistic figure of 11,200sq.m to take forward.

Other Remaining Local Plan Allocations

Midpoint 27, Cartwright Drive

- 6.30 Midpoint 27, Cartwright Drive remains undeveloped despite the majority of the site being permitted in 2001 and built soon after. The remaining section is relatively small in relation to the wider site, but is well located close to the access to Cartwright Drive and has had recent market interest.
- 6.31 The NPPF states that "policies should avoid the long term protection of sites allocated for employment use where there is no reasonable prospect of a site being used for that purpose". However, given market interest in the Cartwright Drive site, it cannot be argued that there is not a reasonable prospect of this site being delivered over the plan period.

Kites Croft

- 6.32 The wider Kites Croft was an employment allocation in the 2000 Local Plan Review, but has been mostly completed. However, there remains two small parcels of land that have yet to be started. These remain part of the existing permission for B1-B8 uses and could yield 3,090sq.m.

Walled Gardens, Cams Hall

- 6.33 Office development was originally permitted at the Walled Garden, Cams Hall in 1996 as part of the wider redevelopment of buildings within the grounds of Cams Hall. Subsequent amended schemes for offices and server uses were permitted in 2004 and again in 2008. An application to vary the condition over the commencement date was approved in 2012. The site is part of a wider employment area and adjacent to established office uses. The unique setting ensures the site has distinctive marketability over standard modern office buildings

Other Centres in the Borough

Portchester

- 6.34 Portchester District Centre currently has one purpose built office block within its boundary; Castle Court. There are a number of smaller A2 office areas dotted around the Centre mostly at the extremities of the pedestrianised area, which suggests that demand for new office development is low. The Centre does offer some development opportunities in general, with the car park to the south and areas to the north and east previously considered as areas for Centre expansion. However, the potential for new office floorspace as part of any such expansion is considered limited, given the small amount of existing floorspace, which reflects demand.

Locks Heath

- 6.35 A number of small scale extensions to Locks Heath District Centre have previously been considered. The centre currently has an outstanding permission for new retail floorspace on one of the centre's existing blank facades. However, other than a recent permission granted for the conversion of some of the upper floor retail units into office floorspace, there is limited employment floorspace in the Centre. There remains a Council aspiration to allow for expansion of the Centre, but it is not considered that offices will play a significant part in this.

Park Gate

- 6.36 Unlike Locks Heath and Portchester, Park Gate Local Centre has a significant office presence, typified by small units and converted residential properties, which extends northwards out of the existing Centre boundary up Botley Road. It is highly unlikely that anything other than small scale development will occur in this area in the foreseeable future, given the relatively dense nature of the existing built environment. Although the area will not help meet our outstanding targets, it is considered an important cluster for small scale office development and should be allowed to grow with market demand.

Sites Identified through the Site Allocations Process

Land North of Wallington

- 6.37 The area to the north of Wallington (Land at Standard Way and North Wallington) was a site submission for consideration in the Site Allocations Issues & Options stage. The uses for consideration were residential and/or B1 office development given that it sits adjacent to a residential area and Fareham Heights office park. The site is currently used as a small paddock for horses and slopes to the north west. The site could potentially gain access to Standard Way which would provide easy links to the Fareham Heights, Fort Wallington, Broadcut and Fareham Industrial Park areas. However, the site is currently outside of the urban boundary, and the site does not score well in terms of suitability for offices. The site would be better as a B2/B8 site, but given its location outside of the urban area it should only be considered if floorspace targets cannot be met elsewhere.

Land East of Wallington

- 6.38 To the east of Wallington, between Fort Wallington and the A32 three other parcels of adjoining land were submitted and considered in the Site Allocations Issues & Options stage for employment uses:
- Land at Standard Way. This vacant site is to the north east of Standard Way and south of the motorway. To the south of the site is the Military Road Depot. The site is relatively flat and could have easy access onto Standard Way.
 - Military Road Depot & land adjacent. This site is currently mostly in occupation by the Waste Transfer Station, although there is adjoining land that is currently vacant. The site is being promoted with the site above to create a "regional facility".
 - Pinks Hill, Wallington. This is the largest of the three parcels of land. It is the most visually prominent but also the most difficult in terms of topography as it slopes south easterly down towards the A27.

- 6.39 All of these sites are outside the urban boundary, but are in relatively close proximity to the M27 junction 11. Although further usage of Pinks Hill would not be desirable there is an alternative route to the motorway via Standard Way. All three sites score well in terms of their suitability for B2/B8 uses, however they are not particularly prominent and are not sequentially preferable, thus their assessments show they are unsuitable for B1 uses. Therefore, they should only be considered if floorspace targets for B2/B8 cannot be met elsewhere.

Land north of St Margarets Roundabout

- 6.40 The area north of St Margaret's roundabout includes a small paddock

outside of the urban area, with the former Air Training Corps buildings and a row of detached houses to the north. The site benefits from a prominent location to the north of a major roundabout on the A27, and has the potential to link to the established Segensworth South employment area to the north. However, the part of the site with the former ATC buildings on has recently been given permission for residential development. This leaves only the paddock undeveloped, which is outside of the urban area, cut off from other employment areas and with residential development close by restricting potential uses. As the site is outside the urban area and partly permitted for residential it is considered unsuitable for employment development.

Land South East of Segensworth Roundabout

- 6.41 The area to the south east of Segensworth roundabout consists of a small paddock area, some former agricultural buildings and some areas of underutilised and generally untidy land. The site is bordered by the A27 (Southampton Road) to the west and south and by a SINC to the east. The site forms part of a "green finger" of countryside that splits Titchfield Common with the more employment led parts of Segensworth. Whilst the area is mainly green, it lacks cohesion and is relatively inaccessible for the general public.
- 6.42 The site was promoted for a mixture of employment and residential, and there are a number of different landowners who have an interest in the site. Redevelopment of the site would require a significant change to the current urban area boundary, and given that the residential supply is adequate and the overall employment supply can be met elsewhere this is not considered appropriate.

7 Conclusions

- 7.1 Table 12 shows that, overall, Fareham can comfortably meet its target for industrial/warehouse development over the Plan period. This is mainly due to the major development at the Solent Enterprise Zone, but also the floorspace that can be accommodated at Little Park Farm.
- 7.2 However, the table also shows that there is a predicted undersupply of office floorspace across the Plan period. As table 12 shows, there have only been a handful of potential employment sites submitted by landowners, and following assessment as part of this ELR it has been concluded that these are substantially less suitable for offices as opposed to industrial or warehouse development.
- 7.3 Policy CS6 states that in identifying land for development the priority will be for the reuse of previously developed land. It is therefore not considered appropriate to recommend allocating additional sites outside the urban area for offices that are unlikely to be suitable for such uses, especially in such a depressed market. If the Council were to allocate greenfield sites for employment uses, it is far more likely that such sites would be utilised for B2/B8 facilities, which this study shows there is already an adequate supply. This would not help meet the supply in office floorspace in any case.
- 7.4 As well as the suitability of the potential supply, another key issue is competition from neighbouring areas, with the most significant being Whiteley. Solent Business Park in Whiteley operates as part of the local employment market and is located just over the Borough boundary from the Borough's largest employment area at Segensworth. The Winchester part of Whiteley has significant vacancies as well as potential for some 42,000sq.m of new floorspace. Couple this with the potential for expansion at Lakeside in Portsmouth and it is clear that the supply for offices in the sub-region is adequately supplied for. Indeed the 2013 Employment Study states that "there is no overall shortfall of planned supply of employment land in the PUSH area as whole in the period to 2026".
- 7.5 The conclusion, therefore, is to allocate the following sites for employment use:
- Solent 2
 - Little Park Farm
 - Midpoint 27, Cartwright Drive
 - Kites Croft
 - Walled Gardens, Cams Hall
- 7.6 Although some of these sites benefit from a current permission (and a material start in some cases) it is considered important to include them in the Development Sites & Policies Plan as allocations in order to ensure they are fully developed for employment uses. Only when

these sites have been built out should they be considered as “existing employment areas to be retained”.

- 7.7 These sites are in addition to the Solent Enterprise Zone which was allocated in the Core Strategy. It should be noted that the Town Centre sites have a wide range of potential uses as well as employment, and will be allocated separately as "opportunity areas".
- 7.8 On top of these allocations the Council should seek to protect all existing sites (those recommended in table 6) for economic development uses, whilst taking a positive approach to allowing flexibility to account for the changing nature of modern business. Any new applications for office developments that come forward in suitable locations order to address the shortfall should be considered favourably.
- 7.9 The Council will review the ELR process on a regular basis to ascertain the effectiveness of this approach.