



## Employment Land Study

Melton Borough Council



Final Report

June 2015

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## EXECUTIVE SUMMARY

### Introduction

- i) This report assesses the demand, supply and need for employment land and premises in Melton. It has been carried out for Melton Borough Council to provide robust evidence to underpin and inform its Local Plan for the periods to 2031 and 2036. The report updates and supersedes the previous employment land evidence base document, the Melton Employment Land Study (2006) and Update Note (2007), along with the Major Employment Sites Study (2009).
- ii) The study has ten defined objectives:
- To provide robust evidence of employment requirements (based on identified demand and available/future supply) within the Borough of Melton up to 2031 and 2036
  - To ensure that the projected employment needs of the Borough are informed by, and consistent with, the housing needs identified in the latest Strategic Housing Market Area Assessment (2014)
  - To ensure that the requirements of all employment types are assessed, not just B-class uses (office, industry and warehousing)
  - To identify likely changes in each employment sector during the periods that will have implications for provision of employment land and premises
  - To identify the current supply of 'key' employment land and premises and assess the quality of these in order to establish if their retention for employment purposes is appropriate
  - To assess the level of vacancies / voids in existing employment premises and the likelihood of them being returned to productive B1/B2/B8 employment use, or whether alternative uses would be preferable
  - To make objective recommendations on the most suitable strategic locations for the future provision of employment land (of all types) in the Borough of Melton based on attractiveness to the market and sustainability considerations
  - To understand the relationship that Melton Borough has with its neighbours in terms of employment and working patterns
  - To provide robust information to assist in production of the new Melton Local Plan

- To identify and acknowledge linkages with other recent employment land studies undertaken by neighbouring authorities.

### **Methodology**

- iii) A number of research methods have been used including site visits and interviews with public sector agencies involved in the Borough (and in neighbouring local authority areas); and 19 major businesses; including key developers, landowners and their agents, and other key stakeholders including Brooksby Melton College, have been interviewed. Desktop analysis of existing strategies, reports and documents has also been used to inform the overall findings. Finally the land supply has been assessed against forecast data to understand the future need for any additional employment land. This is then developed into a series of economic development recommendations that cover not just land, but also premises. The methodology follows the 2014 Planning Practice Guidance (PPG) on the production of employment land reviews.

### **Study Findings and Recommendations**

#### **Recommendation 1 – Employment Land Provision Definition**

- iv) The current available land supply in Melton is defined as 18 sites with unimplemented or partially implemented planning consents as at 31st January 2015. These total 32.39 ha, which is reduced to 19.46 ha if sites under development, completed or unlikely to come forward are excluded.

#### **Recommendation 2 – Employment Sites and Areas to be Retained**

- v) The Employment Areas' assessment identifies nine key or flagship locations, graded A or B, which are identified as being of a scale or exceptional economic value (i.e. of being of sub-regional/regional value, rather than local value) that aligns to the NPPF 'key employment sites' designation. It is recommended that Melton Borough Council therefore designates the following as key employment sites to be safeguarded for B Class uses and other employment uses which achieve economic enhancement without detrimental impact to either the site or the wider area:
- Emp. Area 1: Masterfoods HQ, Waltham.
  - Emp. Area 13: Asfordby Business Park, Asfordby Hill
  - Emp. Area 14: Holwell Works (Melton Mowbray Business Park), Asfordby Hill

- Emp. Area 15: Stanton PLC (St Gobain), Asfordby Hill
  - Emp. Area 24: Saxby Road Area (incorporating Hudson Road Estate), Melton Mowbray
  - Emp. Area 28: Crown Business Park (incorporating the Six Hills Area), Old Dalby
  - Emp. Area 29: Old Dalby Trading Estate, Old Dalby
  - Emp. Area 32: Melton and Kettleby Foods, Melton Mowbray
  - Emp. Area 34: Leicester Road Estate, Melton Mowbray.
- vi) Within these areas, only applications for B class use should be permitted. Non - B Class uses should only be allowed if an applicant can demonstrate exceptional circumstances and that the proposals will not have a significant adverse impact on surrounding local uses. For the ten Employment Areas graded C/D or D, a more flexible approach could be taken to help facilitate a broad range of economic development, which is vital for the future sustainability and development of the local area's economy.

### **Recommendation 3 – Accounting for Large Business Relocation**

- vii) Melton's Employment Areas are performing well at present with low void rates and a healthy mix of micro and larger businesses in many locations. A future possible threat could come from large business looking to relocate and/or expand away from their current locations. 13 of the 19 businesses consulted for this study expressed a strong desire to grow that could result in them leaving their current locations. Many large businesses reside in older budget facilities, made up of several smaller units combined and configured to meet their business needs. Investment may be required to refurbish and sub-divide such sites, making them functional for other businesses to occupy.
- viii) In considering change, the priority should be to protect the key employment areas, graded A-B in this study, for continued B1/B2/B8 uses. In areas graded C or below there may be the need for greater flexibility in order to bring vacant sites back into viable use and this may involve incorporating a broader mix of uses.

### **Recommendation 4 – Future Employment Land Provision**

- ix) It is recommended that Melton Borough Council use the roll forward of historic take-up as the main measure of Melton's future land needs for the period up to 2036.

Specifically, the Council should use a roll forward of short term (nine year) take up which is judged to be the most accurate data. It should also include a five year take-up buffer (8.45 ha) to reflect a choice of sites by size, quality and location and to provide a continuum of supply beyond the end of the 2036 period. This also makes some allowance for the loss of further employment land to non B-Class uses over the period to 2036. This indicates a need of 50.70 ha to 2036. Measured against the Borough's current realistic supply, there is a need for a further 31.24 ha to 2036.

- x) Melton's previous take up can be split by the main employment use classes – B1(a, b, c), B2, B8. Table ES1 applies the same proportionate split to Melton's projected supply shortfall to 2036.

**Table ES1 – Residual Need, Split by Use Class**

Period	Use Class (Percentage Split, percent)					Total (ha)
	B1(a) (25.3)	B1(b) (0.0)	B1(c) (11.8)	B2 (30.1)	B8 (32.8)	
2011-2036	9.06	0.47	2.03	9.06	10.62	31.24

Source: BE Group, 2015

- xi) Thus, if new land provision is tailored to fit past development, around 29 percent of the allocation should be for B1(a) offices, around a third should be B1(c)/B2 industrial space and the remaining third B8 storage or distribution. A very small level of B1(b) provision, less than 0.5 ha to 2036, may also be needed.
- xii) However, in reality modern companies frequently require a mix of office, industrial and storage space, tailored to their individual needs. The full range of needs which may emerge cannot be predicted in advance and indeed the requirements of companies change as they grow. Demand from different sectors will also fluctuate over the lifetime of the Local Plan. Thus any policy should avoid being prescriptive on what B-Class uses can or cannot locate on employment sites.
- xiii) Melton has an aging population. The Leicester and Leicestershire SHMA suggests that Melton's population of 15-74 year olds (i.e. those likely to be in some form of employment, allowing for changes in retirement ages over time) will only grow by 2,072 people or 4.4 percent of the total population, to 2036. This incorporates reductions in the 30-44 and 45-59 age brackets, of 978 working age people, over this period. Specifically:

- The number of 30-44 year olds will decrease by 360, a 3.8 percent drop on the 2011 total of 9,536
- The number of 45-59 year olds will decrease by 618, a 5.4 percent drop on the 2011 total of 11,362.

xiv) However, these figures are based on past trend projections, which do not take account of policy interventions. The result of the Local Plan policy could be to increase population growth beyond these anticipated levels, for social and economic benefits.

**Recommendation 5 – A 20 ha Allocation on Leicester Road (High Policy Priority)**

xv) To meet the above needs, the following is recommended as a ‘prestige’ land allocation for the Borough:

- *Leicester Road Area (surrounding Emp. Area 34: Leicester Road Estate)*
- *20 ha in size*
- *Proposed for B1(c)/B2 and limited B8 uses*

xvi) The justification for this is as follows:

- To meet the growth needs of key local businesses looking to expand and provide a site which can be marketed to inward investors
- To build on the success of Emp. Area 34: Leicester Road Estate, a focus for the food production sector
- In discussions businesses directly identified Leicester Road as a preferred relocation site.
- The site size (20 ha) is justified by the scale of demand likely for this location. Even if no inward investment is attracted here, requirements from indigenous businesses extends up to 5 ha each.
- It is assumed the site will primarily be developed for B1(c)/B2 industrial uses. This reflects current demand patterns and the specific requirements of local firms which are primarily in the manufacturing sector.

**Recommendation 6 – A 10 ha Allocation at Emp. Area 13: Asfordby Business Park, Asfordby Hill (Mid Policy Priority)**

xvii) To meet the above needs, the following is recommended as a second land allocation for the Borough:

- *Emp. Area 13: Asfordby Business Park, Asfordby Hill (north west and south of current premises)*
- *10 ha in size*
- *Proposed for B2 and B8 (possible B1(a)) uses.*

xviii) The justification for this is as follows:

- Emp. Area 13: Asfordby Business Park, Asfordby Hill is an established industrial estate close to Melton Mowbray, home to a critical mass of occupiers including major manufacturing and logistics firms and large areas of undeveloped brownfield land
- The owner has expressed aspirations to deliver up to 64,000 sqm of new industrial space, including up to 10,000 sqm of B8 warehouse premises
- If all the proposed space was brought forward then 17.3 ha of additional employment land would be provided. However, given the lack of recent premises development it is appropriate to assume that the maximum development capacity may not be reached. Therefore a more modest allocation of 10 ha is proposed
- The site is also well suited to meeting the needs of B2 heavy industrial firms.

**Recommendation 7 – Protection of Holwell Works (Melton Mowbray Business Park) for B1/B2/B8 uses (Mid Policy Priority)**

xix) Recent evidence suggests Emp. Area 14: Holwell Works (Melton Mowbray Business Park), Asfordby Hill remains a viable B1/B2/B8 location, even if historic take-up has not been especially rapid. It is recommended that this location be protected for B1(c)/B2/B8 uses was appropriate for this frontage site and to accommodate premises developed to a good standard.

**Recommendation 8 – Encourage Rural Diversification (Mid/Ongoing Policy Priority)**

xx) Market evidence suggests healthy demand for rural B1/B2/B8 employment schemes. Recent Rural office developments have been particularly successful. Planning policy should continue to encourage this trend which provides valuable B-Class employment premises to serve Melton's rural areas.

xxi) This study has identified several specific rural employment locations where vacant premises or land are available for reuse or redevelopment (see Table ES2), and indeed where development is already planned.

**Table ES2 – Rural Growth Options**

Site/Area	Comment
Bottesford	Consented growth at Emp. Area 5: Winterbeck Industrial Estate (Site 18: Land at Orston Lane, Bottesford (14/00468/OUT)) should be supported as this will likely meet a lot of future needs in the village to 2031 and 2036. Options for the expansion of Emp. Area 3: Normanton Lane Estate, onto land to the rear should be explored. The barriers to growth here which have so far prevented Long Clawson Dairy from expanding need to be understood and if possible overcome to secure viable long term expansion options for the large businesses here.
Buckminster and south east Melton	The Council should work with Buckminster Estates to secure delivery of further small office schemes in Buckminster Village, and elsewhere in Buckminster Estate, to boost employment provision in the south east of the Borough.
Harby	Protect the (Former) Millway Foods site for B-Class employment. Work with both the landowner and parties that have shown an interest in this site to secure a local scale employment development here
Hose	Protect Emp. Area 11: (Former) Electro Motion site for B1/B2/B8 development, unless clear evidence and viability constraints highlight that other such uses can be suitably provided.
Long Clawson	Take up of the 6.7 ha of greenfield land to the rear of Long Clawson Dairy (Emp. Area 12), by that company, is likely over the period, to 2031. This should be recognised in the Local Plan. However, as all take up here will likely be for a single company, the 6.7 ha (or whatever remains at the time of Local Plan adoption) cannot be considered to count towards Melton's more general land needs. In addition, there is no evidence of further land requirements in Long Clawson, for businesses other than Long Clawson Dairy. This is evidenced by the fact that another large company, which occupies land adjacent to the Dairy, is looking to relocate away from the settlement.
Nether Broughton	The undeveloped plot to the north of Emp. Area 26: Greenwoods Boxes Factory, at the junction of Nottingham Road (A606) and Chapel Lane should be protected as a local employment site, to provide possible future Employment land growth options
Old Dalby	Assuming the likely take up of Site 12: Land Adjacent Unit 9, Station Road, Old Dalby (Old Dalby Enterprise Village) (12/00128/OUT) in the medium term, the Local Plan should identify a successor site to Site 12 which could be brought forward later in the Plan period or possibly after 2031, when Site 12 is complete. The emphasis on this site should be the provision of both micro business space and options for larger businesses to expand and relocate. The site would therefore have to be large enough to accommodate both. Therefore a site size of 5-10 ha is suggested.

Source: BE Group, 2015

- xxii) A rural diversification policy is recommended which indicates support for B1/B2/B8 developments, which are appropriate to their location in terms of:
- Access and traffic generation
  - Scale and intensity of use
  - Local landscape quality and environmental/ecological issues

- Impacts on neighbouring uses
  - Signage requirements (both directional signage on surrounding roads and onsite signage)
  - Sustainable development principles.
- xxiii) The policy should also encourage development for a mix of B-Class uses, i.e. not purely for office or industrial uses and, where possible, for a mix of tenures and price ranges. This is intended to encourage diversity in provision, beyond the high value and high quality offices which have (primarily) been developed recently.

**Recommendation 9 – Allocate a Further Office Site (Approx. 1 ha) in Melton Mowbray (Mid Policy Priority)**

- xxiv) To meet office needs in Melton Mowbray, the following is recommended as a land allocation for the Borough:
- *Melton Mowbray (detailed location to be determined)*
  - *1ha in size (approx.)*
  - *Proposed for B1(a) uses.*
- xxv) The justification for this is as follows:
- Emp. Area 27: Pera Business Park, Melton Mowbray is a unique multi-let office facility which has proved highly successful in meeting Borough-wide need for office space.
  - PERA is now effectively full but still identifying further demand for accommodation and with growth in several office sectors still forecast
  - Therefore growth options for Emp. Area 27: Pera Business Park needs to be considered and potentially a successor office site for the town also.
- xxvi) A site centrally located in Melton Mowbray, directly accessible to the strategic road network would be most desirable. The suggested alternative is to locate such a site in an identified growth location for the town, which may take the form of a Sustainable Urban Extension development to the north of the town. The benefit of this option would be that the growth site could be planned into the development from the start and new B1 uses would provide accessible employment for local residents. Such office uses would also be most compatible with a largely residential area.

**Recommendation 10 – Future Reviews**

- xxvii) Review and monitor the employment land and premises position considering provision in the B Use classes against the residual need identified in this study and look to refresh the study in three years

**Recommendation 11 – Maintain Awareness of External Influences**

- xxviii) The Council should continue work with neighbouring authorities in order to ensure a joined up approach to employment matters and economic development across Leicestershire.

## 1.0 INTRODUCTION

- 1.1 This report provides an employment land review for Melton. It has been carried out on behalf of Melton Borough Council (the Council).
- 1.2 The study has been commissioned to provide robust evidence to underpin and inform the Local Plan, along with Melton's Economic Development Strategy. It will analyse existing employment land and premises demand, supply and need up to 2031 and 2036.
- 1.3 BE Group, economic development and property consultants, compiled this report during January-March 2015. The report updates and supersedes the previous employment land evidence base document, the Melton Employment Land Study (2006) and Update Note (2007), along with the Major Employment Sites Study (2009).
- 1.4 The study has ten defined objectives:
- To provide robust evidence of employment requirements (based on identified demand and available/future supply) within the Borough of Melton up to 2031 and 2036
  - To ensure that the projected employment needs of the Borough are informed by, and consistent with, the housing needs identified in the latest Strategic Housing Market Area Assessment (2014)
  - To ensure that the requirements of all employment types are assessed, not just B-class uses (office, industry and warehousing)
  - To identify likely changes in each employment sector during the periods that will have implications for provision of employment land and premises
  - To identify the current supply of 'key' employment land and premises and assess the quality of these in order to establish if their retention for employment purposes is appropriate
  - To assess the level of vacancies / voids in existing employment premises and the likelihood of them being returned to productive B1/B2/B8 employment use, or whether alternative uses would be preferable
  - To make objective recommendations on the most suitable strategic locations for the future provision of employment land (of all types) in the Borough of Melton based on attractiveness to the market and sustainability

considerations

- To understand the relationship that Melton Borough has with its neighbours in terms of employment and working patterns
- To provide robust information to assist in production of the new Melton Local Plan
- To identify and acknowledge linkages with other recent employment land studies undertaken by neighbouring authorities.

### **Background**

- 1.5 This Employment Land Study will form part of the evidence base for policies and proposals in the emerging Melton Local Plan. As part of the review process, the Council is required to assess the level and quality of its existing employment sites and premises to help ensure an adequate supply of appropriate sites has been identified over the periods to 2031 and 2036.
- 1.6 Land and premises need to reflect the changing requirements of businesses and local economies. The study will therefore assess the suitability of existing employment sites, and make recommendations in respect of those that should continue to be safeguarded for B1/B2/B8 employment uses; identify sites that are no longer suitable for such employment uses (at least in their present form); and, identify the need for new allocations. Planning policies are intended to intervene in the market to ensure amongst other things an appropriate balance between housing and B1/B2/B8 employment uses in Melton. Whilst the drive to deliver more housing is important, it should not be at the expense of losing important sites that contribute to the local economy or offer new opportunities for economic development. As well as securing sustainable development for employment purposes, a realistic view is taken of the operation and vitality of the market.
- 1.7 The study is primarily concerned with those uses included within the planning Use Class B – B1 (business offices), B2 (industrial) and B8 (storage and distribution), appropriate sui generis uses including recycling and the environmental industry, together with uses such as retail, leisure, health and education.

### **Methodology**

- 1.8 Research methods used include site visits, face-to-face and telephone interviews with property market stakeholders such as developers, investors and their agents.

Consultations were undertaken with a number of the Borough's major private sector employers and key public sector agencies, including the Leicester and Leicestershire Local Enterprise Partnership. Desktop analysis of national, sub-regional and local reports and strategies has been undertaken.

- 1.9 The property market in the local authority areas adjacent to Melton has also been reviewed. This has been undertaken through consultations with officers from the relevant Councils, combined with desktop analysis of the Employment Land Studies and Local Plans of those local authorities. Understanding the supply and demand of employment land and premises in neighbouring areas is important in assessing their impact on the Borough's land and property market. In the case of Melton, it is important to consider not just the Borough's relationship to the rest of Leicestershire, but its linkages to the neighbouring Nottingham Conurbation, Rutland and the Lincolnshire A1 Corridor.
- 1.10 Finally the land supply has been assessed against forecast data to understand the future need for any additional employment land. This is then developed into a series of economic development recommendations that cover not just land, but also premises.
- 1.11 Attached at Appendix 1 is a list of all consultees.

### **Study Area**

- 1.12 With a population of 50,375 (Census 2011), Melton Borough covers 186 square miles. It is located in the north east of Leicestershire, with Charnwood to the west and Harborough to the south west. To the north and north west is the Nottingham Conurbation and the local authority area of Rushcliffe; to the east is Lincolnshire (South Kesteven) and to the south and south east, Rutland.
- 1.13 The market town of Melton Mowbray is the main economic and social focus of the Borough and home to more than half of the Borough's population, some 27,185 people in 2011. The surrounding rural hinterland comprises some 70 villages and other small settlements, of which the largest are Bottesford in the far north, Long Clawson in the north west, Asfordby on the A6006 as it travels west out of Melton Mowbray and Waltham-On-The-Wolds in the north east, on the A607 to Grantham.
- 1.14 Melton is strongly rural in character and about 85 percent of the Borough is used for

farming. Key Landscape Character areas include the Vale of Belvoir in the north west, the Wold Scarp, the High Leicestershire Hills and the Knipton Bowl. The Grantham Canal runs north east to south west through the Borough, from a point south of Muston on the South Kesteven boundary out into Rushcliffe, north west of Hose. The rivers Eye and Wreake pass through Melton Mowbray while in the north the River Devon flows through Bottesford.

- 1.15 In terms of strategic transport routes, the Borough is crossed by the A606 Nottingham to Oakham road and the A607 Leicester to Grantham road. The A52 Nottingham to Grantham road runs through the Borough at the north edge. The M1, Junction 23 is some 26 km to the west of Melton Mowbray and the A1 Trunk Road is some 18 km to the east. Nottingham East Midlands Airport is 30 km to the north west. Melton Mowbray Station is on the Birmingham to Stansted Airport Line. Bottesford Station is on the Nottingham to Skegness Line.

#### **Employment Land Review Guidance**

- 1.16 At this stage it is worth reiterating government guidance covering employment land reviews.
- 1.17 The recently published Planning Practice Guidance (PPG) provides guidance on how local Authorities should approach both housing and employment land reviews. Two guidance notes have been produced – *Housing and Economic Land Availability Assessment* which provides a methodology of reviewing suitable land, and *Housing and Economic Development Needs Assessments*, which provides guidance on how future needs can be determined. The assessment process takes the form of a five stage methodology under the following headings:
- **Stage 1: Identification of sites and broad locations** to provide an audit of available land of 0.25 ha and above. This will be a desk top review identifying as wide a range as possible of sites and broad location for development (including those existing sites that could be improved, intensified or changed). The outcome of this stage is to understand key employment land supply issues and generate a portfolio of potential employment sites to take forward for more detailed review.
  - **Stage 2: Site/broad location assessment** to estimate the development potential. This will include a re-appraisal of the suitability of previously allocated land and the potential to designate allocated land for different or a wider range of uses. This stage entails a qualitative review of all significant

sites and premises for their 'suitability', 'availability' and 'achievability' in order to confirm which of them are unsuitable for/unlikely to continue in B1/B2/B8 employment use; to establish the extent of 'gaps' in the portfolio; and if necessary, identify additional sites to be allocated or safeguarded. This exercise will help to inform whether a site is 'deliverable', 'developable' or neither. In assessing the portfolio, factors which need to be considered include:

- *"The recent pattern of employment land supply and loss to other uses (based on extant planning permissions and planning applications). This can be generated through a simple assessment of employment land by sub-areas and market segment, where there are distinct property market areas within authorities.*
- *Market intelligence (from local data and discussions with developers and property agents, recent surveys of business needs or engagement with business and economic forums).*
- *Market signals, such as levels and changes in rental values, and differentials between land values in different uses.*
- *Public information on employment land and premises required.*
- *Information held by other public sector bodies and utilities in relation to infrastructure constraints.*
- *The existing stock of employment land. This will indicate the demand for and supply of employment land and determine the likely business needs and future market requirements (though it is important to recognise that existing stock may not reflect the future needs of business). Recent statistics on take-up of sites should be consulted at this stage, along with other primary and secondary data sources to gain an understanding of the spatial implications of 'revealed demand' for employment land.*
- *The locational and premises requirements of particular types of business.*
- *Identification of oversupply and evidence of market failure (e.g. physical or ownership constraints that prevent the employment site being used effectively, which could be evidenced by unfulfilled requirements from business, yet developers are not prepared to build premises at the prevailing market rents)."*

- **Stage 3: Windfall assessment** Not applicable as relates to housing only.

- **Stage 4: Assessment review** ascertaining the need for economic development uses. To understand the future quantity of land required across the main business sectors; to provide a breakdown of that analysis in terms of quality and location and provide an indication of ‘gaps’ in supply through economic forecasting, consideration of recent trends and/or assessment of local property market circumstances. Preferred forecast methods include:
  - Sectoral and employment forecasts and projections (labour demand)
  - Demographically derived assessments of future employment needs (labour supply techniques)
  - Analyses based on the past take-up of employment land and property and/or future property market requirements.

The outcome of this stage is to provide broad quantitative employment land requirements across the principal market segments covering Melton’s Local Plan period and an analysis of the likely ‘gaps’ in supply that need to be filled

- **Stage 5: Final evidence base**, the outcome of which will be the completion of the employment land review, to be taken forward in the Local Plan. The Review is prepared in line with this advice

1.18 Table 1 shows how the Employment Land Review aligns with this Guidance. The link between the report and the PPG methodology is not always clear cut, with different sections overlapping, indeed certain steps overlap.

**Table 1 – Employment Land Reviews – PPG Guidance**

<b>Stage 1 – Site / Broad Location Identification</b>	
Step 1 – Determine assessment area and site size	Undertaken by Melton Borough Council
Step 2 – Desktop review of existing information	Covered in Sections 2, 3, 4, 5
Step 3 – Call for sites / broad locations	Undertaken by Melton Borough Council
Step 4 – Site / broad location survey	Covered in Sections 6, 10, 11
<b>Stage 2 – Site / Broad Location Assessment</b>	
Step 5 – Estimating the development potential in parallel with assessing suitability, availability, achievability – including viability	Covered in Sections 6, 9 and Appendices 5, 6 and 7
Step 6 – Overcoming constraints	Covered in Section 9 and Appendices 5 and 6
<b>Stage 3 – Windfall Assessment</b>	
Step 10 – Determine housing / economic development potential of windfall sites (where	N/A

justified)	
<b>Stage 4 – Assessment Review</b>	
Step 11 – Review assessment and prepare draft trajectory; enough sites / broad locations?	Section 9
<b>Stage 5 – Final Evidence Base</b>	
Step 12 – Evidence Base and monitoring	ELS produced by BE Group and monitoring undertaken by Melton Borough Council

Source: BE Group 2015

## 2.0 STRATEGIC CONTEXT

### Introduction

- 2.1 This section focuses on national, regional and local reports and strategies that have a relevance to the allocation of employment land and premises. An understanding of the strategies and reports contained in this review is needed to show strategic alignment and a holistic approach to promote sustainable development. The consultants' recommendations follow the general principles set by them.
- 2.2 The Leicester and Leicestershire Strategic Distribution Sector Study (2014) is considered separately in Section 4.0. The Leicester and Leicestershire Strategic Housing Market Assessment (2014) is considered separately in Section 8.0.

### National

#### **National Planning Policy Framework – Department for Communities and Local Government (2012)**

- 2.3 The NPPF sets out the Government's economic, environmental and social planning policies for England, articulating the Government's vision of sustainable development. It provides a framework for the production of local and neighbourhood plans, and has replaced all the previous Planning Policy Statements and Guidance Notes.
- 2.4 In terms of business and economic development, the NPPF argues that *"Investment in business should not be over-burdened by the combined requirements of planning policy expectations. Planning policies should recognise and seek to address potential barriers to investment, including poor environment or any lack of infrastructure, services or housing."* Local planning authorities should:
- *"Set out a clear economic vision and strategy for their area which positively and proactively encourages sustainable economic growth*
  - *Set criteria, or identify strategic sites, for local and inward investment to match the strategy and to meet anticipated requirements over the plan period*
  - *Support existing business sectors, taking account of whether they are expanding or contracting and, where possible, identify and plan for new or emerging sectors likely to locate in their area. Policies should be flexible enough to accommodate requirements not anticipated in the plan and to allow*

*a rapid response to changes in economic circumstances*

- *Plan positively for the location, promotion and expansion of clusters or networks of knowledge driven, creative or high technology industries*
- *Identify priority areas for economic regeneration, infrastructure provision and environmental enhancement*
- *Facilitate flexible working practices such as the integration of residential and commercial should be used within the same unit.”*

2.5 Planning policies should also “*avoid the long term protection of sites allocated for [B1/B2/B8] employment use where there is no reasonable prospect of a site being used for that purpose. Land allocations should be regularly reviewed. Where there is no reasonable prospect of a site being used for the allocated employment use, applications for alternative uses of land or buildings should be treated on their merits having regard to market signals and the relative need for different land uses to support sustainable local communities.*”

2.6 In addition to this, paragraph 51 indicates that local planning authorities “*should normally approve planning applications for change to residential use and any associated development from commercial buildings (currently in the B use classes) where there is an identified need for additional housing in that area, provided that there are not strong economic reasons why such development would be inappropriate.*”

2.7 In town centres, local planning authorities should “*allocate a range of suitable sites to meet the scale and type of retail, leisure, commercial, community services and residential development needed.*” Local planning authorities should apply a sequential test to planning applications for main town centre uses that are not in an existing centre and are not in accordance with an up-to-date Local Plan. This applies to office development where an impact assessment should be required if the development is over a proportionate locally set threshold. The default stance is 2,500 sqm if no locally set threshold is in place. However this sequential approach does not apply to small scale rural offices or other small scale rural development.

2.8 Planning policies should support sustainable economic growth in rural areas by taking a positive approach to new development, supporting “*the sustainable growth and expansion of all types of businesses and enterprise in rural areas, both through*

*conversion of existing buildings and well designed new buildings” and promoting “development and diversification of agricultural and other land-based rural businesses.”*

- 2.9 The NPPF re-introduces district-wide local plans, replacing the Local Development Framework system. The Local Plan should be a single strategic document, with supplementary planning documents only created if they can help to bring forward sustainable development at an accelerated rate.
- 2.10 It is proposed that Local Plans will address the spatial implications of economic, social and environmental change, setting out the opportunities for development and providing clear guidance on what will, or will not, be permitted and where. The Local Plan should outline the Local Planning Authority’s strategic priorities. This should include strategic policies to deliver *“the homes and jobs needed in the area”* as well as *“the provision of retail, leisure and other commercial development”*.

## **East Midlands**

### **East Midlands Employment Land Assessment: Audit of Employment Land Studies – East Midlands Development Agency (2010)**

- 2.11 This study was commissioned by the former East Midlands Development Agency (EMDA) to review Employment Land Reviews (ELRs) undertaken in the East Midlands in the period 2005-10. The focus of the study was on highlighting areas of the ELRs that may need updating, specifically to identify whether further work was required for a study to be robust at Examinations in Public, to take account of changed economic conditions and to reflect more recent Government guidance.
- 2.12 The Melton Employment Land Study, July 2006, and its partial update of 2007 were included in the 36 ELRs studied, as was the Leicester and Leicestershire HMA of 2008.
- 2.13 In summary, although all ELRs have individual deficiencies, most were considered broadly adequate overall in terms. The study concluded that the 36 districts with an ELR can generally rely on them to conform with the 2004 ODPM guidance and to have been undertaken in a generally consistent and methodically robust manner. It noted that the degree of compliance was higher for the 2004 ODPM Guidance than for the additional PPS4/post recession factors, which were introduced after most of

the ELRs reviewed had been undertaken. Updating to take account of these changes was identified as the most urgent requirement.

2.14 The study drew the following additional conclusions:

- Regarding overall robustness, of the few ELRs that had been tested at appeal, none had been found deficient. Almost all of the LPA officers surveyed indicated that their ELR had been sufficiently robust to underpin the preparation of emerging LDF documents
- The majority of LPA Officers were happy with their ELRs, although almost half indicated that they considered their ELR to contain important gaps or deficiencies, particularly regarding land requirements resulting from the demand forecasting work and PPS4 compliance
- The prevalence of sub-regional studies across the East Midlands ensured that land requirements generally took into account the needs of adjoining districts. This conclusion was less reliable for many smaller districts that undertook their ELRs independently
- There was a limited correlation between the regional employment land forecasts provided in regional level studies and the individual ELR forecasts; hence an over-supply of employment land was thought to remain
- It was clear that the impacts of the recession had been fully taken into account by many of the studies, with many planning for a return to 'business as usual' in the long term
- The 'building blocks' of employment land demand forecasting appeared to be relatively consistent across the region. However, there were inconsistencies, particularly concerning the approach to applying a 'margin of choice'
- Often only one method was used for estimating future requirements, rather than a range of complementary approaches, and no consistent approach was used across the region
- The majority of ELRs provided relatively understandable employment land demand projections with a clear steer on how much land needed to be provided and where, although there were some notable omissions. There also appeared to be some confusion regarding what constitutes a 'net' and 'gross' requirement
- A significant proportion of the ELRs did not provide detailed advice regarding the preferred location for new employment sites to meet future requirements

- A variety of approaches were used to identify sites to be retained or released over the Plan period. This was thought to be an issue for the region if some LPAs did not release poorer land despite a large over-supply
- The approach to scenario, and particularly sensitivity, testing of the demand forecasts was generally an area of weakness for the studies and one that could be challenged, particularly if an overly optimistic projection had been used to justify substantial land allocations
- The consideration of the needs of non B-Class economic uses was poorly dealt with by almost all of the ELRs
- Key future growth sectors were afforded only limited consideration in most of the ELRs
- Few of the studies assessed whether a specific five-year employment land supply will be available.

2.15 Potential ELR areas to strengthen therefore included the following:

- The districts without an ELR of any kind should undertake one at the earliest opportunity in order to support their respective Local Plans
- There was an identified need to increase consistency in the approach to local ELRs, suggesting that there was scope for a region-wide ELR methodological approach to be drafted for the East Midlands that all districts could sign up to
- To ensure consistency and to avoid excessive data collection, there was a need for clear guidance for LPAs undertaking post-PPS4 ELRs, particularly regarding how to assess the job potential and needs of non-B Class uses
- Certain sub-regional ELRs did not provide district-level breakdowns of employment land requirements and this needed rectification through the districts involved agreeing a suitable apportionment, or through an update to provide forecasts at a local level to inform emerging Local Plans
- Partial update of deficient ELRs to be undertaken using less optimistic forecasts in order to reflect the impacts of the recession and its legacy in terms of structural economic change and provision of employment space
- Those districts unable to demonstrate a 5-year forward supply to undertake a more detailed review of the deliverability and phasing of certain sites identified as being 'available' in their current ELR
- Those districts with ELRs that only provided employment land requirements to 2016 to undertake a partial review of their evidence base and extend the land

forecasts in order to match them with the time horizon of their emerging Local Plan

- Several ELRs needed to clarify the evidence around gross and net take-up and what that means for future provision
- There was a general need to ensure the integration and reconciliation of cross-boundary issues within the East Midlands in order to test the extent to which there was an over-supply
- Whilst some ELRs had planned for the growth of knowledge-driven or high technology industries, all future ELRs need to consider this important element consistently and in a joined-up way
- Few if any of the ELRs were undertaken in conjunction with a Local Economic Assessment (LEA). Factoring in LEA outputs into future ELRs was suggested as a comparatively straightforward, but important, action.

2.16 The key recommendation from the study was for the development of a region-wide ELR methodology capable of providing a co-ordinated and consistent future approach to ELRs and monitoring across the East Midlands.

#### **East Midlands Employment Land Priorities Study – East Midlands Development Agency (2006)**

2.17 The study was commissioned by EMDA in August 2005, to help inform the (then) emerging Regional Economic Strategy and provide additional guidance for planning policies and decisions across the region. Priority economic activities at the regional level comprise:

- Four priority sectors, comprising Transport Equipment (aerospace and motorsports), Construction, Food and Drink and Healthcare
- Cross-sector enabling technologies then undecided, but which are likely to include Environment and Energy, Advanced Materials and Micro-Nanotechnology.

2.18 Proposed intervention to provide space for these priority sectors included further specialist accommodation for early-stage food and drink producers, an ethnic food centre, and further specialist accommodation for emerging healthcare/bioscience companies. In relation to the bioscience, it recommended a study to assess the potential demand for space and the options for meeting that demand, including the location of any further capacity.

- 2.19 The study referred to the LSEP delivery plan, which analysed the weaknesses in the area's economy and found that whilst there was generally low unemployment and an evident enterprise culture, local economic performance was weaker than expected, especially in Leicester City, where earnings and skills were low. Lack of diversification into the knowledge and consumer sectors of the economy and an over-reliance on declining manufacturing industry were also highlighted as weaknesses. From this it was inferred that there was a need to diversify the economic base, invest in workforce and skills development and nurture the local enterprise culture.
- 2.20 Economic strengths highlighted in the draft plan included: a generally diverse local economy which was not over-dependent on one sector; high employment levels; high technology manufacturing; and the presence of three highly regarded universities.
- 2.21 A second, East Midlands Employment Land Provision Study was also produced at the same time. However, that study did not provide any recommendations on land provision below the sub-regional (Leicester and Leicestershire) level. Also many of its conclusions focused on the warehousing and distribution sector and have been superseded by the Leicester and Leicestershire Strategic Distribution Sector Study (2014) which is considered in Section 4.0. For this reason the Employment Land Provision Study is not considered further here.

### **Leicester and Leicestershire**

#### ***Strategic Economic Plan – Leicester and Leicestershire Economic Partnership (2014)***

- 2.22 It is the stated intention of the Leicester and Leicestershire Economic Partnership (LLEP) to create 45,000 new jobs, lever £2.5 billion of private investment and increase GVA by £4 billion by 2020. The jobs figure can be broken down as follows:
- 20,000 jobs from the 'transformational projects' identified in the SEP
  - 10,000 jobs from supporting existing businesses to grow (the Business Growth Hub)
  - 15,000 jobs from general business growth.
- 2.23 The Strategic Economic Plan (SEP) sets out the framework for achieving this vision.

2.24 In the Plan, LLEP have adopted a spatial and thematic approach, prioritising investment to 2020 through five Growth Areas; four Transformational Priorities and two Growth programmes. The Transformational Priorities are major development opportunities which will have global, national, regional and sub-regional impacts and are located within four of the Growth Areas:

Growth Areas (GAs):

- Leicester Urban Area (GA1)
- East Midlands Enterprise Gateway (GA2)
- Coalville Growth Corridor (GA3)
- Loughborough (GA4)
- South West Leicestershire (GA5).

2.25 Transformational Priorities (TPs):

- Leicester Launchpad (TP1) – Total outputs from the wider Leicester Urban Area are set out as 7,770 jobs
- East Midlands Gateway Strategic Rail Freight Interchange (TP2) – The development is expected to create over 7,000 jobs
- Loughborough University Science and Enterprise Parks (TP3) – Will create as many as 4,000 additional jobs and leveraging in private investment of up to £200 million
- MIRA Technology Park Enterprise Zone (TP4) – Creating over 2,000 high value jobs and over 3,000 indirect jobs; with the SEP setting out that it has already created over 250 jobs and attracted significant Foreign Direct Investment.

2.26 Growth Programmes:

- Market Towns and Rural Leicestershire (GP1)
- Infrastructure, Workspace and Cultural Development (GP2).

2.27 The rationale for this approach is that focusing investment in Growth Areas, and in Transformational Priorities which are located within them, will enable the LLEP to take a co-ordinated and holistic approach to infrastructure provision which will unlock the potential of key strategic economic growth locations as well as the specific major development opportunities they contain.

- 2.28 The Business Growth Hub is expected to provide 12,000 businesses with support and generate 10,000 additional jobs by 2020. This is expected to be delivered through five flagship programmes:
- Economic intelligence to underpin sector based plan/ identify businesses to support
  - Business support programmes
  - Sector-based growth plan development (including skills plans)
  - Innovation support programme
  - Low carbon support programme.
- 2.29 This growth is expected to result in part from supporting SME's to grow, with the SEP identifying an ambition to support 15,000 SMEs.
- 2.30 A significant proportion of employment growth is expected to be taken by reducing levels of unemployment and worklessness. The SEPs ambitions to enhance skills include:
- Getting 10,000 people to participate in skills development;
  - Creating 6,000 new apprenticeships, traineeships and work placements;
  - Reducing unemployment by 50 percent (including through reducing youth unemployment).
- 2.31 Skills development and provision of apprenticeships, work placements and traineeships are identified as important to achieving this. The flagship programme is the Leicester to Leicestershire to Work Gateway which is intended to deliver comprehensive people-focused interventions tailored to the level of needed exhibited by the individual and with a focus on early interventions.
- 2.32 Of most relevance to Melton are the Growth Programmes, GP1 and GP2. GP1 focuses on three main areas: affordable housing, food and drink enterprise growth and support for town centre regeneration. The Melton Cattle Market and Food Enterprise Centre is set to benefit from £5.75 million of Local Growth Fund investment between 2015 and 2018.
- 2.33 Under GP2, rural areas will benefit from the planned investment in superfast broadband.

- 2.34 The Livestock Market is a key strand of economic activity in Melton Mowbray. The buildings and grounds are in need of replacement. The Council and its partners are committed to regenerating the market and equipping it to meet future needs to support the rural economy. The development will include – replacement of livestock auction buildings, training and support facilities, public access and visitor car parking.
- 2.35 It is envisaged that this will enable new economic activity, significant business opportunities and provide a unique regional attraction for Leicestershire in keeping with its rural heritage. The Market attracts 167,000 visitors annually, with average spend of £30 per visitor and a gross spend estimated at £5.3 million.
- 2.36 It is estimated that super-fast broadband investment in this area could result in economic growth totalling £92 million over the next 7 years. Broadband investment is seen as a critical platform providing diversification and wider business opportunities.

#### *The City Deal*

- 2.37 The Leicester and Leicestershire City Deal Expression of Interest (EOI) was a precursor to the SEP. It outlined that across the LEP area employment had fallen by 25,000 between 2008-11. The City Deal EOI set out that to address this, its ambition was to create 25,000 jobs, increase GVA by £2 billion and level in £2 billion of private sector investment by 2020. The EOI outlined that to do so, the LEP would:
- *“Exploit its location at the centre of England*
  - *Accelerate growth in manufacturing and logistics*
  - *Grow exports including to global economies such as India and China*
  - *Exploit and commercialise R&D from the three universities.”*
- 2.38 It outlined that delivery of employment land would be important in achieving this, identifying need to enhance delivery of employment space. This included delivery of Grade A office space in Leicester, providing industrial land for existing and new manufacturing companies (particularly in food and drink and high tech sectors), providing strategic warehousing land in particular close to East Midlands Airport, and accelerating delivery of the Leicester Innovation Park and Loughborough Science and Technology Park. LLEP has indicated that part of the rationale for scale of jobs growth sought was to address job losses which occurred during the recession.

***Leicester and Leicestershire Housing Market Area (HMA) Employment Land Study – Leicester and Leicestershire Enterprise Partnership (2008 Report and 2013 Final Report)***

- 2.39 These studies (both the 2008 study and the 2013 updated and final report) consider joint employment land planning and delivery up to 2026 in the Leicester and Leicestershire HMA. They also look at employment land policies and allocations in the local authorities' core strategies, and recommend investment priorities and targets. They assess these against the context of three main drivers: market demand, sustainable development and climate change, and local distinctiveness.
- 2.40 The 2008 study reviews HMA-wide employment and property markets for the 1991 to 2026 period (i.e. it undertakes research on past trends, up to the commencement of the research). The 2012 update does not include a review of the employment and property markets. Thus these reports do not account for the recent recession. Across the HMA, the study notes that industrial employment has fallen sharply from 2000 to 2007 onwards, an exacerbation of the trend since 1991. Conversely both office and warehousing have seen steady increases.
- 2.41 The property market analysis notes that office floorspace across the HMA grew by 171,000 sqm between 2000 and 2007. In the districts with large stocks of offices, such as Blaby and North West Leicestershire, growth was fastest, although growth was also rapid in Melton, which added 11,000 sqm of office space, albeit from a relatively low base.
- 2.42 Factory floor space declined marginally (by 0.6 percent) across the HMA between 2000 and 2007. The stock of factory floorspace increased in Melton by 60,000 sqm over the studied period. Warehousing floor space in the HMA increased by 1.05 million sqm over the same period. 71 percent of this was in Harborough and North West Leicestershire but growth was also strong in Melton, with warehouse space increasing 6.6 percent between 2000 and 2004 and 13 percent from 2005 to 2007. In total the area added 99,000 sqm of warehouse space during the study period.
- 2.43 Following 2004 ODPM guidance the Leicester and Leicestershire (HMA) Employment Land Study 2013, updated report used employment forecasts prepared by consultants PACEC. It used a six step process:
- Employment forecasts by use class

- Conversion of forecast jobs to floorspace (for offices, industrial and warehousing uses)
  - Conversion of floorspace to industrial and warehousing land
  - Estimate floorspace and land required for renewal
  - Estimate floorspace and land required for development pipeline
  - Set out supply/demand balances for offices, industrial (comprising B1c/B2 and small B8) and finally strategic warehousing as a distinctive and substantial source of market demand.
- 2.44 The forecasting used PACEC's own data. This includes a continuous data set of workplace jobs (employees plus the self-employed) by district, dating back to 1971. The data took account of numerous changes in geographical boundaries, data collection methods, and industrial classifications over that period. The raw employment data was taken from datasets published by the Office for National Statistics:
- 1971-1991 – Census of Employment
  - 1991-1998 – Annual Employment Survey
  - 1998-2008 – Annual Business Inquiry
  - 2008-2010 – Business Register and Employment Survey.
- 2.45 The employment forecasts are shown in Table 2. As Table 2 indicates, the Leicester and Leicestershire (HMA) Employment Land Study forecast a very low level of employment growth for Melton, a 300 jobs net increase over 2010-2031, a 1.3 percent change on 2010. In part this reflects a drop in employment from 2012, which is not fully reversed until 2031. An employment decrease of this severity and duration is not forecast for any of the other local authority areas of Leicester and Leicestershire.
- 2.46 This is a far lower rate of growth than is forecast for any other local authority area in Leicester and Leicestershire. Indeed there seems to be a sharp divergence between Blaby, Charnwood, Harborough and North West Leicestershire, where high growth levels (16.7-33.3 percent) are forecast and the other local authority areas, including Leicester, where jobs growth of no more than 8.5 percent is forecast.
- 2.47 As the data for these forecasts comes from no later than 2010, it is not possible to usefully compare them to the 2015 Experian forecasts used in this study. However, it

should be noted that the 2015 forecasts will better account for the full duration of the last recession and the subsequent economic recovery.

**Table 2 – Leicester and Leicestershire HMA Employment Land Study Employment Forecasts 2010-2031**

Area	Total Employment, '000s					Employment Change, '000s	Employment Change, percent
	2010	2012	2021	2026	2031	2010-2031	2010-2031
Blaby	53.1	54.5	63.0	67.0	70.8	17.7	33.3
Charnwood	70.0	71.3	79.1	83.5	87.9	17.9	25.6
Harborough	40.5	40.5	44.1	46.1	48.2	7.7	19.0
Hinckley and Bosworth	43.1	41.9	42.2	43.1	44.3	1.2	2.8
Leicester	176.2	171.4	173.2	177.5	183.1	6.9	3.9
Melton	23.1	22.6	22.7	23.0	23.4	0.3	1.3
North West Leicestershire	56.2	56.0	60.4	63.0	65.6	9.4	16.7
Oadby and Wigston	21.1	20.9	21.7	22.3	22.9	1.8	8.5
Leicester and Leicestershire HMA	484.4	479.1	506.4	525.4	546.3	61.9	12.8

Source: Leicester and Leicestershire Enterprise Partnership 2013

2.48 Converting the job figures to a land and property rate, the gross demand forecast from Melton for 2012 to 2031 was estimated to be 8,000 sqm offices; 7.3 ha of industrial land; and no land for strategic warehousing. Balancing this against the supply of land (i.e. that which is effectively available, see Table 3) there was:

- A surplus of 3,700 sqm office space
- A surplus of 7.80 ha of industrial land.

2.49 As Table 3 shows, according to the Leicester & Leicestershire HMA Employment Land Review, in 2012 there was a modest supply of industrial land in Melton, most of which is part of the Site 6: Land West of Bowling Green, Leicester Road, Melton Mowbray (Melton Fields Business Park) (06/01012/OUT).

2.50 Sites at Emp. Area 13: Asfordby Business Park, Asfordby Hill and Emp. Area 14: Holwell Works (Melton Mowbray Business Park), Asfordby Hill were excluded from the supply as these had not yet been brought forward.

**Table 3 – Leicester & Leicestershire HMA Employment Land Study Supply Position in Melton 2012**

Site	Offices/ Science Park (sqm)	General Land (ha)	Strategic Warehousing (ha)
<b>Tier One Sites</b>			
Site 6: Land West of Bowling Green, Leicester Road, Melton Mowbray (Melton Fields Business Park) (06/01012/OUT)	7,700		
<b>Total</b>	<b>7,700</b>		
<b>Tier Two Sites</b>			
Melton West Employment Growth Area		14	
(Emp. Area 3 in this study) Normanton Lane Industrial Estate, Bottesford		0.7	
John O’Gaunt Industrial Estate, Somerby		0.4	
<b>Total</b>		<b>15.1</b>	

Source: Leicester and Leicestershire Enterprise Partnership 2013

2.51 Finally, the 2013 study made some relevant comments on Leicester and Leicestershire’s property market, from the perspectives of both supply and demand.

#### *Supply Side*

2.52 Since the 2008 market crash, developers have:

- Responded to demand for pre-let/sale design and build schemes
- Built out these schemes on pre 2008 serviced sites
- Retained fewer completed schemes within their investment portfolios
- Abandoned speculative development due to the risks, but also because many developers feel they can react quickly to market demand by delivering fast track turnkey schemes
- Developers have moved away from purchasing land outright, even sites with planning permission, in preference to option and draw down agreements
- Recent development activity has been focused on bringing forward mixed use (housing and employment land) sites.

2.53 Post 2008, weak occupier demand has translated into falling rents, rising tenant incentives and shorter leases with more frequent break options. The capital market

for funding/investments was also badly affected with yields increasing and a general shift towards quality covenants offering secure income on long leases which are in limited supply.

*The Demand Side*

2.54 Since the onset of recession, businesses have become more cautious about committing to new premises. Given the constraints on credit, demand for new build schemes is limited to *“Covenant led’ purpose built ‘design and build’ developments for purchase or lease by businesses with strong balance sheets and records of profitable trading. Owner occupier led schemes where businesses acquire sites for their own development or develop on their existing sites.”*

2.55 The main trends in the office market are:

- Lower employment growth in the financial and business services sector
- Reduced public sector demand and the consolidation of government departments into single larger buildings in regional centres such as Birmingham and Nottingham
- Higher employment densities arising from trends in occupier requirements (growth in flexible working and pressure to reduce energy consumption)
- Low rates of development due to lack of bank finance, lower capital values and lower effective demand.

**Leicestershire Rural Economy Evidence Base – Leicestershire Rural Partnership/Leicestershire County Council (2014)**

2.56 The Leicestershire Rural Partnership (LRP) commissioned this evidence base to help align its commitment to economic development with the emerging investment plans of the Leicester and Leicestershire Enterprise Partnership (LLEP) and to support the implementation of its Rural Framework.

2.57 The report analysed the current condition of Leicestershire’s rural economy, including local drivers and barriers to economic growth and considered future needs and opportunities identifying market failure and the scope for public sector investment.

2.58 The main focus of the LRP economic development agenda has been to support small businesses which are in some way dependent on their rural location (e.g. farming, food and drink, tourism and woodland economy) and micro-businesses based in

significant rural areas.

- 2.59 According to the 2011 census, Rural Leicestershire has a population of just under 200,000 people, representing 30 percent of the population of the whole county.
- 2.60 Rural Leicestershire has less extreme variations in income than the County as a whole. Median incomes at Lower Super Output Area (LSOA) level start from a higher base but fall short of highest levels of median incomes at county level. Blaby and Melton have smaller ranges compared to the other districts, implying a much smaller range of median incomes across rural LSOAs.
- 2.61 Rural Leicestershire has a relatively smaller stock of jobs than the county as a whole and when compared to the England and Wales average for job density. Job density (the stock of jobs divided by the working population) gives a good indication of the economic strength of an area. Rural Leicestershire has a job density of 0.64, compared to 0.74 for the county as a whole and 0.78 for England and Wales.
- 2.62 Rural Leicestershire has a higher proportion of home workers (based on those cited as working mainly from home in 2011 census) than the wider county or England and Wales. In terms of the rural population of districts, the east has the highest proportion of home workers, with the most significant number in Melton.
- 2.63 The report looked at the development of a number of signature rural sectors in Leicestershire, consisting of; forestry, meat and butter/cheese production, land freight and tourism (in terms of accommodation and food outlets). All these sectors, whilst relatively small in overall numbers of jobs, have shown good rates of growth in rural Leicestershire throughout the recession (for example employment in forestry and land freight activities has doubled) against a declining overall trend of employment in rural Leicestershire.
- 2.64 The other key rural sector examined is agriculture. Leicestershire had 5,000 people employed in agriculture in 2010. 22 percent of those were in Melton, comprising 2.1 percent of the population, well above wider averages (See Table 4).

**Table 4 – Comparison of changes to the Number of Agricultural Employees in Melton, Leicestershire and England**

District	2007	2010	Percent Change	Jobs/ Population (percent)
Melton	1,044	1,104	6	2.1
Leicestershire	5,088	5,009	-2	0.8
<b>England</b>	<b>308,140</b>	<b>293,170</b>	<b>-5</b>	<b>0.5</b>

Source: Leicestershire Rural Partnership, 2014

- 2.65 Overall rural Leicestershire has suffered significantly from the recession. Its jobs base in 2012 was 9 percent smaller than it was in 2009 in terms of LLEP priority sectors and 6 percent smaller overall. It has fared worse in terms of job losses during the recession than Leicestershire (which lost 2 percent of its jobs) and England and Wales (which saw a net increase in jobs of 1 percent) in relative terms.
- 2.66 Rural Leicestershire has a higher proportion of businesses per head of population than the county and national averages. It also has a higher stock of micro-enterprises (0-9 employees) than the national and county averages. The relatively smaller proportion of businesses employing between 10 and 249 people in rural Leicestershire raises the question about how easy it is for small and micro-businesses to make the transition to larger scale employment in the area.
- 2.67 Identified through consultation with planning authorities, there are 33 places which comprise the principal and key settlements across Leicestershire's rural districts. These have a population of 340,112 and have been grouped into 29 settlements and an assessment of the economic capacity of each settlement cluster was made.
- 2.68 This analysis clearly shows that below the county level it is possible to split the rural areas within the county into two discrete areas:
- The Sparse Eastern Area - running east from the M1 through Harborough and Melton districts and has a dispersed pattern of very small service centres and only effectively seven larger service centres, Lutterworth, Market Harborough, Melton Mowbray, Leicester, Corby, Oakham and Grantham. Three of these settlements are outside of the county.
  - The Less Sparse Western Area - running west from the M1 through Blaby, Hinckley and Bosworth, North West Leicestershire and Charnwood districts. It

has a more densely distributed pattern of larger rural service centres and the major towns of Hinckley, Coalville and Loughborough.

- 2.69 The stock of jobs is far higher in the service centres in the less sparse west area – 113,000 compared to 20,000 in the sparse east area. This is also true of the distribution of jobs across the totality of each area (rural and urban): 49,400 in the east and 154,268 in the west. In the east, 59 percent of jobs are based in rural areas outside of the service centres, compared to only 27 percent in the west.
- 2.70 In the east there are relatively few service centres and those which do exist are very important to the local economy – Market Harborough, Lutterworth, Broughton Astley, Bottesford, Asfordby and Melton Mowbray. Secondary centres are important in this area but in many cases are so small as to be challenging in terms of strategies to grow and sustain wider economic benefits through their development.
- 2.71 Melton Borough has 65 percent of its population based in its three service centres. It has an extensive range of secondary centres most of which are very small, with the largest settlement overall outside of Melton Mowbray having a population of just 3,348 people (Bottesford). Melton Mowbray therefore performs a very important role as its only significant settlement although Loughborough and Leicester are relatively proximate in its south western boundary.
- 2.72 Melton is the most challenged rural area in terms of key service centres; it is relatively isolated from major settlements and depends heavily on Melton Mowbray. This suggests the secondary settlements in this Borough are relatively more important than in a number of the other local authority areas, in terms of economic development.

**East Leicestershire Workspace Demand Study – Leicestershire County Council (2014)**

- 2.73 This study was commissioned by Leicestershire County Council on behalf of partners across East Leicestershire with the purpose of understanding currently available business workspace within East Leicestershire, any market failures within the business property market and the long term trends in ‘supply of’ and ‘demand for’ property.
- 2.74 East Leicestershire is an area that has had a relatively strong economy, but one that

has suffered disproportionately as a result of the economic crisis of 2008. The economy is very rural in nature and economic activity is widely dispersed, with the economy being heavily dependent on micro-businesses and SMEs. Longer term the area is set to benefit from investment through the Superfast Leicestershire project, creating new business growth and diversification opportunities.

- 2.75 Results from a business survey undertaken for the report, suggest that 62 percent of East Leicestershire businesses begin trading from home and that 40 percent of those businesses are still trading from home. Businesses cited good broadband as the major issue affecting their location decision making (86 percent), followed by value for money (84 percent), easy tenancy agreements (55 percent) and proximity to home (53 percent). Businesses in the area were also mobile, with 43 percent stating they may relocate within the next two years, but only 27 percent felt there was a good choice of property within a 10 mile radius.
- 2.76 Consultation with property agents generally cited strongest demand for small office and industrial units, under 100 sqm. This size of units, especially those under 50 sqm, is often not cost effective for agents to market and these are often informal and no defined external marketing. The agents deemed that proximity to the strategic road network was a critical factor in the attractiveness of schemes, alongside a decent broadband service.
- 2.77 A separate survey of landowners suggested that a good potential supply of sites/buildings was needed to increase the supply of rural workspace, but also highlighted insufficient finance and not being able to generate sufficient yields as the key barriers holding back projects. 89 percent of landowners felt there was sufficient demand for rural workspace in the market place to support new development.
- 2.78 The Melton Employment Growth Area report (2012) identifies Melton as having the oldest stock of property in Leicestershire. A summary of enquiries from the Leicester and Leicestershire Enterprise Partnership property portal between 2010 and 2012 identified that over 52 percent of enquiries were for industrial premises below 100 sqm.
- 2.79 There is a current gap for reasonable quality but affordable business space, preferably on easy-in, easy-out terms in some of the more rural parts of East Leicestershire. Specific geographical locations are not deemed an important issue as

people have indicated they would travel to appropriate facilities. However, many of the potential projects are on, or adjacent to, agricultural sites, with issues of noise, poor access and incompatible uses for some business types. Development would need to be sensitive to these issues.

## **Melton**

### **Melton Local Development Framework: Melton Core Strategy (Publication) Development Plan Document – Melton Borough Council (2012)**

- 2.80 A Core Strategy document was prepared and published in February 2012. However, it was subsequently withdrawn in April 2013 following receipt of preliminary conclusions from the Planning Inspector. The Inspector considered the Core Strategy to be “unsound” in its present form and that the changes required to make it sound would be too significant to be dealt with through modifications. For this reason that document is not considered in detail in this study, but rather summarised in the following paragraphs.
- 2.81 The Core Strategy set out an aspiration to grow the local economy between 2012 and 2026 by encouraging high value and knowledge-based businesses; providing opportunities for the food and drink industry; providing sustainable development opportunities for small-scale, high quality business units and offices; safeguarding recognised employment sites; responding positively to sustainable developments, which improve skills and provide higher value jobs; requiring employment developments to be accompanied by a travel plan; and supporting the delivery of high speed broadband and improved telecommunications, where appropriate.
- 2.82 In support of these employment aims, the strategy also envisaged allocating 11,000 sqm of offices, 5 ha of industrial land, 9 ha of warehousing and up to 16 ha of additional employment land (where this could be shown to lead directly to the provision of knowledge-based, high value employment and the reduction of out-commuting in the Borough) to meet the economic needs of the Borough by 2026. This total of 30 ha could be delivered as an Employment Growth Area to the west of Melton Mowbray (discussed below).

### **Melton Mowbray Employment Growth Area Delivery Statement – Melton Borough Council (2012)**

- 2.83 The, now withdrawn, Core Strategy document discussed above sought to make

employment land allocations to the south west of Melton Mowbray at Leicester Road and provided for the retention of Emp. Area 14: Holwell Works (Melton Mowbray Business Park), Asfordby Hill and Emp. Area 13: Asfordby Business Park, Asfordby Hill for B1/B2/B8 employment uses, although with no anticipated timeframe for further development given the limited delivery of new premises here to date.

2.84 The Leicester Road site, as it was envisaged in 2012, was located to the south west of Melton Mowbray, some 2.5 km to the south west of the Town Centre. It was split by the A607 adjoining the Emp. Area 34: Leicester Road Estate. Its eastern boundary was the urban edge of Melton Mowbray.

2.85 Market discussions undertaken in 2012 with local agents, developers and owners, to support this Delivery Statement, raised the following points:

- Office, industrial and warehouse market was predominantly localised
- In 2012 demand was predominantly for small to medium sized accommodation with the majority being in the 100 to 500 sqm range
- In the years up to 2012, there had been a limited volume of new developments and little speculative development. The provision of good quality spec office and industrial accommodation was also minimal
- Delivery was constrained by viability and the availability of good quality sites. In the absence of public funds and direct intervention the delivery of speculative accommodation was judged unlikely unless an improvement in rental values and yields could be achieved
- Development and take-up at this time was felt to be driven by owner occupiers who wished to develop/acquire their own premises
- Any latent demand in the Borough, at this time, was felt to be due to the lack of any new developments or the availability of good quality accommodation. However demand was also tempered by access to restricted finance during this recessionary period.

2.86 In terms of existing employment areas in, and around, this location, the following points were raised.

*Emp. Area 34: Leicester Road Estate, Melton Mowbray*

2.87 An existing industrial estate, on the southern side of the A607. *“It is bounded by the dismantled railway on its eastern boundary and a large bund presumably retained soil and earth from creating development platforms. It is largely built-out and has*

*limited development plot(s) which are available on the western boundary of the site. Units have been constructed by a variety of developers and occupiers to a variety of styles and quality. A number of units on its main frontage are car showrooms and a number of other units operate over-the-counter sales facilities”*

2.88 In terms of constraints, the Employment Growth Area Delivery Statement identified the following:

- Poor environmental quality and the overall image and perception of the estate
- Car parking and circulation was felt to be difficult and access for HGVs restricted.
- A number of the units could be regarded as secondary and not meeting flexible modern factory unit requirements in terms of eaves and internal layout requirements.

2.89 In 2012, asking prices for freehold sales were circa £540/sqm and leases £48/sqm.

*The Westleigh Development Site (Site 6: Land West of Bowling Green, Leicester Road, Melton Mowbray (Melton Fields Business Park) (06/01012/OUT)*

2.90 The Site 6 comprised some 2.5 ha to the north of A607. The site was originally proposed for 11 units totalling 8,796 sqm gross (7,377 sqm. net) of floorspace to be developed on a ‘showroom basis’ in a series of clusters.

2.91 At this time, and for the next three years, Site 6 has been marketed for self contained offices with limited success. Agents, consulted for this 2015 study, argue that this is not a desirable location for such uses (see Section 5.0). Attempts to develop similar self-contained properties in Oakham and Uppingham, Rutland, in recent years have been unsuccessful. Land prices at Melton Fields are also felt to be high in the context of Melton. The owner is now expected to seek a residential consent on the site.

*Emp. Area 14: Holwell Works (Melton Mowbray Business Park), Asfordby Hill*

2.92 Emp. Area 14: Holwell Works (Melton Mowbray Business Park), Asfordby Hill site comprised 11.8 ha of potentially developable land on two plateaus. The opinion of the marketing agents was that it may be difficult to sub-divide the site. The lower plateau is also relatively secluded. As of 2012, there was limited demand for land here according to the agents and other stakeholders contacted.

*Emp. Area 13: Asfordby Business Park, Asfordby Hill*

2.93 Asfordby was (and is) in the ownership of Harworth Estates, the property division of

UK Coal. The site does not benefit from main road frontage and its surrounding environmental quality was not felt to be good. Prior to 2012, and indeed up to the present day, only one new-build unit has been provided, built by Harworth Estates and leased to the current occupier.

2.94 The Employment Growth Area Delivery Statement noted that: *“The business model of Harworth Estates is to dispose of properties on a leasehold basis. This could place some limitations on market interest from local firms, some of whom could be looking to purchase freehold. Furthermore, to provide further new build units, Harworth Estates could be seeking relatively long lease agreements. In the current economic climate many occupiers are limiting their liabilities by moving to short lease agreements with more frequent breaks.”* Additional consultation with Harworth Estates, updating these statements can be found in Section 7.0.

2.95 The main conclusion of the Delivery Statement is that it would be unlikely that the private sector alone would deliver the Leicester Road Employment Growth Area in a comprehensive manner which would promote the quality environment required. Public sector investment would likely be needed for land assembly, access and to provide a proactive approach to promotion and master planning.

#### **Melton Local Plan: Issues and Options – Melton Borough Council (2014)**

2.96 The Issues and Options Consultation Report is the first significant step in producing a new Local Plan for Melton Borough. It sets out a draft Vision and Objectives for the Borough together with the main planning issues and choices that it faces. The document sets out the following vision for Melton Borough:

*“We will promote and manage development in a way which consolidates and builds upon the unique reputation, heritage and character of Melton Borough and meets the needs of the local community, benefits the economy and maintains or improves the quality of the local environment. We will facilitate a sustainable pattern of high quality development which:*

- *Retains the character of the countryside whilst supporting land-based industries and tourism opportunities*
- *Meets the needs of businesses to provide a diverse, competitive and innovative economy with high levels of local employment and good opportunities for training*
- *Reflects the housing needs of the whole community*

- *Strengthens Melton Mowbray's role as a historic market town and as the main social and economic focus for the Borough*
- *Raises the quality, interest and diversity of Melton Mowbray's town centre and reduces the impact of traffic*
- *Respects the individual character and distinctiveness of Melton Borough's villages preserving their heritage and promoting good design*
- *Ensures that people benefit from having better access to key services and facilities to create strong, healthy, safer communities*
- *Addresses the causes and effects of climate change and reuses and recycles resources*
- *Provides the necessary infrastructure to support economic and population growth."*

2.97 The report also sets out six Jobs and Prosperity Objectives (JPOs) for Melton:

- *"JPO6. Enhance the vitality and viability of Melton Borough Mowbray town centre*
- *JPO7. Provide sufficient land to meet current and future employment needs*
- *JPO8. Help regenerate the rural economy*
- *JPO9. Promote the tourism potential of the Borough through its food, equestrianism and heritage assets creating a Melton Borough "brand".*
- *JPO10. Create a mixed economy with increased knowledge-based jobs and wages*
- *JPO11. Provide better training opportunities and increase educational attainment."*

2.98 The Issues and Options considers ways in which Melton Mowbray could grow. Options include the potential for New Villages, focused on former airfield sites or large-scale strategic development sites either around Melton Mowbray or within existing settlements:

- *"Location 1- (Emp. Area 6 in this study) Normanton Airfield*
- *Location 2 - Belvoir Road, Bottesford*
- *Location 3 - Melton North*
- *Location 4 - Melton South*
- *Location 5 - Dalby Airfield."*

2.99 The existing (1999) Local Plan focuses large scale employment development in

Melton Mowbray and the larger rural communities of Bottesford, Long Clawson and Asfordby whilst allowing some further economic development in the smaller villages to meet local needs. The report puts forward the continuation of this policy as one option with the alternative being to *“direct more employment development to smaller villages and the rural area.”*

- 2.100 The report notes that in Melton Mowbray it is likely that significant additional employment land will need to be provided. *“This could be provided by seeking to concentrate it in a single location i.e. the creation of a business park. An alternative could be to provide a number small allocations and expansions to existing employment areas or as part of mixed use development sites. Melton Mowbray has the potential to attract and retain knowledge based industries e.g. Pera.*
- 2.101 *However these enterprises usually require high quality sites in accessible attractive locations. They may be best located in an around the Town Centre and integrated into mixed use schemes or could be provided for as part of a single large business park.”*
- 2.102 In the rural areas of Melton *“It may be that allocating of sites in communities in the rural area is not necessary the best approach to delivering jobs. Instead, a policy approach which encourages and allows small business to start up and expand to medium sized enterprises can be encouraged and managed through the Local Plan without allocating specific sites for development.”*
- 2.103 In terms of Emp. Area 14: Holwell Works (Melton Mowbray Business Park), Asfordby Hill and Emp. Area 13: Asfordby Business Park, Asfordby Hill, the report notes that: *“The Howell Works and Asfordby Business Park represent significant opportunities and challenges for the Borough... Studies have suggested that the Holwell Works site is contaminated affecting the viability of an appropriate development. Asfordby Business Park is under occupied, but this may be partly due to units only being available on a leasehold arrangement with potential freehold investors therefore put off. Access to both sites would also require significant upgrading for any major redevelopment.”*
- 2.104 *“However both sites are still seen as significant opportunities for the Borough as part of a wider economic development strategy. They are both well serviced by water and power and benefit from a rail connection. Holwell Works is allocated through the 1999 Melton Local Plan Saved Policy EM3. Asfordby Works is not allocated, but*

*parts of it are in [B1/B2/B8] employment use. Both sites represent significant brownfield opportunities for Borough.”*

- 2.105 *“The starting point in considering the future of these sites is to consider whether they are viable employment opportunities going forward. Thereafter there may be potential to consider other land uses. However, it may be that no firm deliverable development solution can be identified.”*
- 2.106 A diversity of rural enterprise is also essential for the future of Melton Boroughs economy. *“The Local Plan must guide development in a way which ensures that the natural and physical environment (infrastructure) remains attractive and a local workforce can be provided to service business. In order to support the rural economy, where agricultural buildings are no longer needed for agriculture they can be converted to provide employment opportunities. Conversions can bring environmental improvements through good sensitive design or general improvements to the wider visual appearance of the area.”*
- 2.107 *“Local Planning Policies are required to support farm diversification of agricultural and other land – based rural businesses. Farm diversifications schemes, such as farm shops, holiday accommodation, and farm based processing and packaging, can help maintain working farms.”*

**Adopted Melton Local Plan – Melton Borough Council (1999)**

- 2.108 The Melton Local Plan was prepared by Melton Borough Council and adopted in June 1999. Until a new Local Plan is adopted this remains the development plan of Melton Borough. A Secretary of State Direction under Paragraph 1(3), Schedule 8 of the Planning and Compulsory Purchase Act (2004) in 2007 indicated that the majority of the policies of the plan are saved, specifically employment policies EM2-EM4, EM6-EM10 and EM12.
- 2.109 The Melton Local Plan sets out the Local Planning Authority’s detailed policies and specific proposals for the development and use of land. The Local Plan’s policies include those which relate to the whole or part of the plan area, setting out the criteria which are used to judge whether planning applications should be allowed, and those related to individual sites.
- 2.110 Within the Plan, new employment land allocations are concentrated at the Emp. Area 14: Holwell Works (Melton Mowbray Business Park), Asfordby Hill; off Leicester

Road, south of Kirby Lane, and within the new village on the site of the former airfield. Major land allocations for new development beyond the Melton Mowbray area are limited to the two villages of Asfordby and Bottesford.

***Policies in the adopted plan of relevance to employment land***

2.111 The Local Plan seeks to reconcile the need for continued economic development within the area and the Council's environmental objectives. It also seeks to facilitate the provision of adequate land for employment generating development in order that sufficient jobs can be created in relation to population need.

2.112 The principal objectives of the employment strategy of the Local Plan are:

- *“To ensure the provision of sufficient land for industry in order to meet employment needs within the Borough over the Plan period*
- *To ensure the provision of a range of sites and premises for employment generating development at suitable locations having regard to the employment characteristics of the area and its infrastructure*
- *To ensure that industrial development is well related in scale and design to surrounding land uses;*
- *To provide where possible for the future land requirements of established industries operating on constrained or inappropriate sites*
- *To ensure the provision of a satisfactory environment within industrial estates;*
- *To encourage the development of tourism and related recreational facilities in the rural area in order to diversify employment opportunities.”*

2.113 The following policies are saved within the Plan and directly influence planning decisions relating to employment land allocation within the Borough.

EM2	<p>PLANNING PERMISSION WILL BE GRANTED FOR EMPLOYMENT DEVELOPMENT ON LAND ALLOCATED FOR EMPLOYMENT USE ON THE PROPOSALS MAP SUBJECT TO AMENITY AND COMPATIBILITY OF THE PROPOSAL WITH SURROUNDING LAND USES, LAYOUT, DENSITY, SITING, DESIGN, LANDSCAPING AND ACCESS AND PARKING DETAILS:</p> <table border="1" data-bbox="347 421 979 725"> <tr> <td colspan="2" data-bbox="347 421 979 456">MELTON MOWBRAY/ASFORDBY</td> </tr> <tr> <td data-bbox="347 456 762 492">HOLWELL WORKS</td> <td data-bbox="762 456 979 492">about 15.03 HA</td> </tr> <tr> <td data-bbox="347 492 762 528">KIRBY LANE (SOUTH)</td> <td data-bbox="762 492 979 528">8.60 HA</td> </tr> <tr> <td data-bbox="347 528 762 564">LEICESTER ROAD (NORTH)</td> <td data-bbox="762 528 979 564">13.70 HA</td> </tr> <tr> <td data-bbox="347 564 762 600">NORMAN WAY</td> <td data-bbox="762 564 979 600">0.32 HA</td> </tr> <tr> <td colspan="2" data-bbox="347 600 979 636">B)FORMER MELTON MOWBRAY AIRFIELD</td> </tr> <tr> <td data-bbox="347 636 762 672">NEW VILLAGE</td> <td data-bbox="762 636 979 672">2.80 HA</td> </tr> <tr> <td data-bbox="347 672 762 725">DALBY ROAD, FORMER AIRFIELD</td> <td data-bbox="762 672 979 725">3.00 HA</td> </tr> </table>	MELTON MOWBRAY/ASFORDBY		HOLWELL WORKS	about 15.03 HA	KIRBY LANE (SOUTH)	8.60 HA	LEICESTER ROAD (NORTH)	13.70 HA	NORMAN WAY	0.32 HA	B)FORMER MELTON MOWBRAY AIRFIELD		NEW VILLAGE	2.80 HA	DALBY ROAD, FORMER AIRFIELD	3.00 HA
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B)FORMER MELTON MOWBRAY AIRFIELD																	
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EM3	<p>PLANNING PERMISSION WILL BE RENEWED FOR EMPLOYMENT DEVELOPMENT (ON SITES WHICH HAD PLANNING PERMISSION FOR EMPLOYMENT DEVELOPMENT AT 1st APRIL 1994) IN THE EVENT OF PLANNING PERMISSION LAPSING:</p> <table border="1" data-bbox="347 869 1114 1061"> <tr> <td data-bbox="347 869 979 904">1 THORPE ROAD/SAXBY ROAD INDUSTRIAL ESTATE</td> <td data-bbox="979 869 1114 904">15.00HA</td> </tr> <tr> <td data-bbox="347 904 979 940">2 LEICESTER ROAD INDUSTRIAL ESTATE</td> <td data-bbox="979 904 1114 940">6.10HA</td> </tr> <tr> <td data-bbox="347 940 979 976">3 CAMP HILL, ORSTON LANE, BOTTESFORD</td> <td data-bbox="979 940 1114 976">0.48HA</td> </tr> <tr> <td data-bbox="347 976 979 1012">4 JOHN O'GAUNT, TWYFORD</td> <td data-bbox="979 976 1114 1012">1.90HA</td> </tr> <tr> <td data-bbox="347 1012 979 1061">5 NORMANTON LANE, BOTTESFORD</td> <td data-bbox="979 1012 1114 1061">0.70HA</td> </tr> </table>	1 THORPE ROAD/SAXBY ROAD INDUSTRIAL ESTATE	15.00HA	2 LEICESTER ROAD INDUSTRIAL ESTATE	6.10HA	3 CAMP HILL, ORSTON LANE, BOTTESFORD	0.48HA	4 JOHN O'GAUNT, TWYFORD	1.90HA	5 NORMANTON LANE, BOTTESFORD	0.70HA						
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5 NORMANTON LANE, BOTTESFORD	0.70HA																
EM4	<p>PLANNING PERMISSION WILL BE GRANTED FOR INDUSTRIAL USE CLASSES B1, B2 AND B8 (AS DEFINED BY THE TOWN AND COUNTRY PLANNING (USE CLASSES) ORDER 1987) ON LAND ADJACENT THE HOLWELL WORKS ...THE DEVELOPMENT:-</p> <p>A) IS VISUALLY CONTAINED WITHIN ITS VALLEY SETTING;</p> <p>B) INCLUDES GOOD QUALITY PERIPHERAL STRUCTURAL LANDSCAPING, PARTICULARLY ALONG THE WELBY ROAD FRONTAGE;</p> <p>C) MAKES PROVISION FOR THE BENEFICIAL USE OF LAND NOT SUITABLE FOR INDUSTRIAL DEVELOPMENT;</p> <p>D) AVOIDS ANY CONFLICT OF USES BETWEEN THE PROPOSED DEVELOPMENT AND NEARBY RESIDENTIAL AREA;</p> <p>E) SECURES IMPROVED VEHICULAR ACCESS FROM THE PUBLIC HIGHWAY NETWORK;</p> <p>F) MAKES PROVISION FOR LAY-BYS AND BUS SHELTERS ALONG WELBY ROAD;</p> <p>G) INCLUDES PHASED IMPROVEMENTS TO WELBY ROAD TO CATER FOR INCREASED LEVELS OF VEHICULAR TRAFFIC GENERATED BY THE DEVELOPMENT IN ACCORDANCE WITH THE REQUIREMENTS OF THE HIGHWAY AUTHORITY.</p>																
EM6	<p>PLANNING PERMISSION WILL BE GRANTED FOR INDUSTRIAL USE CLASSES B1, B2 AND B8 (AS DEFINED BY THE TOWN AND COUNTRY PLANNING (USE CLASSES) ORDER 1987) ON LAND SOUTH OF KIRBY LANE, MELTON MOWBRAY AS SHOWN ON THE PROPOSALS MAP PROVIDED:-</p> <p>A) HIGH QUALITY LANDSCAPING VISUALLY CONTAINS THE DEVELOPMENT WITHIN ITS TOPOGRAPHICAL SETTING;</p> <p>B) DEVELOPMENT DOES NOT COMMENCE UNTIL ADEQUATE VEHICULAR ACCESS IS SECURED ON COMPLETION OF THE SOUTHERN BY-PASS TO MELTON MOWBRAY CONNECTING LEICESTER ROAD (A607) TO BURTON ROAD (A606);</p> <p>C) THE DEVELOPMENT SAFEGUARDS ANY SIGNIFICANT ARCHAEOLOGICAL INTEREST;</p> <p>D) PROVISION IS MADE FOR BUS LAY-BYS AND SHELTERS IN PROXIMITY TO THE SITE ALONG THE PROPOSED MELTON MOWBRAY BY-PASS; AND</p>																

	E) THE DEVELOPER MAKES A CONTRIBUTION TOWARDS THE PROVISION OF THE PROPOSED NEW PASSENGER RAIL STATION AT LEICESTER ROAD.
EM7	PLANNING PERMISSION WILL BE GRANTED FOR INDUSTRIAL USE CLASSES B1, B2 AND B8 (AS DEFINED BY THE TOWN AND COUNTRY PLANNING (USE CLASSES) ORDER 1987) ON THE FORMER MELTON MOWBRAY AIRFIELD ADJACENT TO DALBY ROAD (B6047) AS SHOWN ON THE PROPOSALS MAP PROVIDED:- A) HIGH QUALITY PERIPHERAL LANDSCAPING IS PROVIDED; B) DEVELOPMENT DOES NOT COMMENCE UNTIL ADEQUATE VEHICULAR ACCESS IS SECURED ON COMPLETION OF THE SOUTHERN BY-PASS TO MELTON MOWBRAY CONNECTING LEICESTER ROAD (A607) TO BURTON ROAD (A606).
EM8	PLANNING PERMISSION WILL NOT BE GRANTED FOR FURTHER EMPLOYMENT DEVELOPMENT ON LAND SHOWN ON THE PROPOSALS MAP AT NORMANTON AIRFIELD AND LANGAR AIRFIELD UNLESS THE PROPOSAL IS FOR THE USE OF SUITABLE EXISTING BUILDINGS AND NO SIGNIFICANT INCREASE IN TRAFFIC WOULD BE GENERATED TO AND FROM THE AIRFIELDS.
EM9	PLANNING PERMISSION WILL BE GRANTED FOR INDUSTRIAL DEVELOPMENT WITHIN THE CONFINES OF AN EXISTING INDUSTRIAL SITE OUTSIDE THE TOWN AND VILLAGE ENVELOPES SHOWN ON THE PROPOSALS MAP PROVIDED:- A) THE FORM, SCALE, DESIGN AND CONSTRUCTION MATERIALS OF THE DEVELOPMENT ARE APPROPRIATE TO THE SURROUNDINGS AND WOULD NOT CAUSE VISUAL INTRUSION; B) THERE WOULD BE NO LOSS OF AMENITIES BY VIRTUE OF NOISE, SMELL, DUST OR THE WIDER OPERATIONAL EFFECTS OF THE DEVELOPMENT; C) ADEQUATE ACCESS AND PARKING PROVISION CAN BE MADE AVAILABLE; D) THE DEVELOPMENT WOULD NOT RESULT IN AN UNACCEPTABLE INCREASE IN TRAFFIC LEVELS; E) LANDSCAPING CAN BE PROVIDED TO REDUCE THE EFFECT OF THE DEVELOPMENT IN THE LOCALITY.
EM10	OUTSIDE THE TOWN OR VILLAGE ENVELOPES, THE EXTENSION OF AN EXISTING INDUSTRIAL OR COMMERCIAL SITE WILL ONLY BE PERMITTED WHERE: A) THE USE CANNOT BE ACCOMMODATED WITHIN AN EXISTING BUILDING; B) THERE ARE NO SUITABLE ALTERNATIVE SITES WITHIN A TOWN OR VILLAGE ENVELOPE; C) THE PROPOSED DEVELOPMENT IS SMALL IN SCALE; D) THE FORM, SCALE, DESIGN AND CONSTRUCTION MATERIALS OF THE PROPOSED DEVELOPMENT MINIMISES ITS IMPACT ON THE SURROUNDINGS; E) THE PROPOSAL IS IN ACCORDANCE WITH THE OTHER POLICIES OF THE PLAN.
EM12	PLANNING PERMISSION WILL NOT BE GRANTED FOR DEVELOPMENT INVOLVING THE PRESENCE OF HAZARDOUS SUBSTANCES WHERE THIS WOULD GIVE RISE TO UNACCEPTABLE RISK TO THE HEALTH AND SAFETY OF PERSONS ON THE SITE OR IN THE SURROUNDING AREA OR HAVE AN ADVERSE EFFECT ON THE WIDER LOCAL ENVIRONMENT INCLUDING THE USE OF NEARBY LAND.

2.114 In terms of policy EM2, only one of the six sites allocated for B1/B2/B8 employment in 1999 is still available. This is the land at Holwell Works, Asfordby Hill (also related to EM4), which is now measured to extend to 12.10 ha and is on the market as Melton Mowbray Business Park. This site remains part of Melton's employment land supply (designated as Site 3: Holwell Works, Asfordby Hill (Melton Mowbray

- Business Park) (09/00356/OUT) in this study) Progress in bringing this land forward is discussed in Section 6.0.
- 2.115 The 0.32 ha site on Norman Way, Melton Mowbray is also undeveloped, but now has consent for retail uses and is being marketed to such occupiers. Land at Leicester Road (North) is now developed for two production facilities, plus HQ offices, for Samworth Brothers. It is referred to in this study as Emp. Area 32: Melton and Kettleby Foods, Melton Mowbray. The other sites of policy EM2 have generally not come forward for development.
- 2.116 Within Policy EM3, the 6.10 ha at Leicester Road industrial Estate has been developed, in part, by Alpha Grey. It now forms part of Emp. Area 34: Leicester Road Estate, Melton Mowbray in this study. The 15.0 ha at Thorpe Road/ Saxby Road Industrial Estate has similarly been partly developed by a large employer. Again it now forms part of the active employment area Emp. Area 24: Saxby Road Area (incorporating Hudson Road Estate), Melton Mowbray.
- 2.117 Land at Normanton Lane, Bottesford is now a County Council waste disposal site. Land at Camp Hill, Orston Lane, Bottesford now forms Winterbeck Industrial Estate and is included in this study as part of Emp. Area 5: Winterbeck Industrial Estate /Longhedge Estate. Ongoing plans for growth here are discussed in Section 6.0. Finally, land at John O'Gaunt is now considered part of the Borough's developed B1/B2/B8 employment land and premises supply as Emp. Area 7: John O Gaunt Industrial Estate.
- 2.118 The employment policies in the Melton Adopted Plan are aligned with those of the Leicestershire Strategic Plan, in particular with LSP Policy E5, which aims to protect designated employment land from unwarranted changes of use: "*Change of use of existing or planned employment land or buildings to other uses will not normally be permitted unless:*
- *The change will not result in a shortage of employment land in the area*
  - *The land and buildings are unfit for employment purposes*
  - *The use is complementary and ancillary to an existing or proposed employment use".*
- 2.119 The plan further includes a presumption that planning permission will normally be granted for B1 uses from residential properties within the Town and Village

Envelopes.

- 2.120 The quality of the natural environment is considered to be one of the Borough's most important assets and the preservation of this asset needs to be balanced against the requirements of agricultural and other businesses. Two of the saved policies address this directly.

C6	<p>PLANNING PERMISSION WILL BE GRANTED TO REUSE AND ADAPT A RURAL BUILDING FOR A COMMERCIAL, INDUSTRIAL OR RECREATIONAL USE PROVIDED THAT:</p> <p>A) THE BUILDING IS OF SUBSTANTIAL, SOUND AND PERMANENT CONSTRUCTION AND IF IT IS IN THE OPEN COUNTRYSIDE, IS PROPOSED FOR REUSE AND ADAPTATION WITHOUT MAJOR OR COMPLETE RECONSTRUCTION;</p> <p>B) THE FORM, BULK AND GENERAL DESIGN OF THE BUILDING IS IN KEEPING WITH ITS SURROUNDINGS;</p> <p>C) ANY CONVERSION WORK RESPECTS LOCAL BUILDING STYLES AND MATERIALS;</p> <p>D) THE TRAFFIC TO BE GENERATED BY THE NEW USE CAN BE SAFELY ACCOMMODATED BY THE SITE ACCESS AND THE LOCAL ROAD SYSTEM;</p> <p>E) THE PROPOSED USE WILL NOT HARM THE LOCAL ENVIRONMENT THROUGH THE CREATION OF NOISE, DUST, SMOKE, FUMES, GRIT, VIBRATION OR ANY FORM OF WATER, SOIL OR AIR POLLUTION;</p> <p>F) THERE IS SUFFICIENT ROOM IN THE CURTILAGE OF THE BUILDING TO PARK THE VEHICLES OF THOSE WHO WILL WORK OR VISIT THERE AND ALSO TO SERVICE ITS USE, ALL WITHOUT DETRIMENT TO THE VISUAL AMENITY OF THE COUNTRYSIDE;</p> <p>G) NO COMMERCIAL, INDUSTRIAL OR RECREATIONAL ACTIVITY OR STORAGE OF RAW MATERIALS OR FINISHED GOODS IS TO TAKE PLACE OUTSIDE THE BUILDING; AND</p> <p>H) NO NEW FENCES, WALLS OR OTHER STRUCTURES ASSOCIATED WITH THE USE OF THE BUILDING OR THE DEFINITION OF ITS CURTILAGE OR ANY SUB-DIVISION OF IT WILL BE ERECTED IF THEY WOULD HARM THE VISUAL AMENITY OF THE COUNTRYSIDE.</p>
C7	<p>OUTSIDE THE TOWN AND VILLAGE ENVELOPES, PLANNING PERMISSION WILL NOT BE GRANTED TO REUSE AND ADAPT A RURAL BUILDING FOR RESIDENTIAL USE UNLESS IT IS TO BE USED AS AN AGRICULTURAL OR FORESTRY WORKERS DWELLING IN ACCORDANCE WITH POLICY C6, OR IS TO PROVIDE AFFORDABLE HOUSING IN ACCORDANCE WITH POLICY H8; AND ALL THE FOLLOWING CRITERIA ARE MET:</p> <p>A) THE BUILDING IS OF PERMANENT SUBSTANTIAL AND SOUND CONSTRUCTION;</p> <p>B) THE FORM, BULK AND GENERAL DESIGN OF THE BUILDING IS IN KEEPING WITH ITS SURROUNDINGS;</p> <p>C) ANY CONVERSION WORK RESPECTS LOCAL BUILDING STYLES AND MATERIALS;</p> <p>D) THE TRAFFIC TO BE GENERATED BY THE NEW USE CAN BE SAFELY ACCOMMODATED BY THE SITE ACCESS AND THE LOCAL ROAD SYSTEM:</p> <p>E) THERE IS SUFFICIENT ROOM IN THE CURTILAGE OF THE BUILDING TO PARK THE VEHICLES OF THOSE WHO WILL LIVE OR VISIT THERE WITHOUT DETRIMENT TO THE VISUAL AMENITY OF THE COUNTRYSIDE: AND</p> <p>F) NO FENCES, WALLS OR OTHER STRUCTURES ASSOCIATED WITH THE USE OF THE BUILDING OR THE DEFINITION OF ITS CURTILAGE OR ANY SUB-DIVISION OF IT WILL BE ERECTED WHICH WOULD HARM THE VISUAL AMENITY OF THE COUNTRYSIDE.</p>

**Major Employment Sites: Potential Use of Holwell Works and Asfordby Business Park – Melton Borough Council (2009)**

- 2.121 This study was commissioned by Melton Borough Council in June 2009 to consider the future use of two large brownfield sites in Melton Borough – Emp. Area 14: Holwell Works (Melton Mowbray Business Park), Asfordby Hill and Emp. Area 13: Asfordby Business Park, Asfordby Hill. The study aims to assess what uses may be suitable and viable on each site, taking account of both policy and market requirements and the potential for public funding.
- 2.122 The sites lie next to each other north of the village of Asfordby Hill to the west of Melton Mowbray. Emp. Area 13: Asfordby Business Park, Asfordby Hill provides 16 ha of development land and is not identified for any use in the current Local Plan, but is the subject of a development brief, issued in 2000, which seeks ‘employment-generating and leisure uses’. Emp. Area 14: Holwell Works (Melton Mowbray Business Park), Asfordby Hill provides some 16.5 ha of development land and is mostly vacant. It is allocated for employment in the 1999 Melton Local Plan and the subject of a development brief aiming for such uses, also issued in 2000.
- 2.123 The Major Employment Sites study concluded that both sites continue should be retained for B-Class employment uses. Employment development was judged to be deliverable, though take up is not certain and it may take a long time to deliver. One alternative put forward was the option to develop a renewable/low-carbon energy facility at one or both of the sites. However, no testing of the feasibility, deliverability or possible impacts of such a facility was undertaken for this study.

**Melton Employment Land Study – Leicestershire County Council (2006 and Update 2007)**

- 2.124 The original ELR study was commissioned in July 2005 by Leicestershire County Council, on behalf of the Leicester Shire Economic Partnership (LSEP) and its partners, to assess the balance of demand and supply for employment land in Melton Borough and draw the implications for planning policy.
- 2.125 The analysis of the local economy suggests some particular objectives to be considered in planning for employment land:
- *“To upgrade the mix of economic activity towards higher-value, knowledge-based activities, generating higher-paid jobs*

- *To provide space for small and emerging firms, with the aim of fostering entrepreneurship in the Borough*
- *To support the development of the Borough's food and drink sector particularly, by encouraging it to diversify towards higher-value activities."*

2.126 These criteria would weigh in the balance against other planning considerations. For example, an industrial estate providing small industrial units in an area of buoyant demand might be safeguarded for employment when a similarly located mainstream site could be released for housing. The rationale given for such preferential treatment is that Melton is exceptionally dependent, for its current and future prosperity, on the entrepreneurial SME sector.

2.127 The report concludes by suggesting targets, which relate to net change in employment space:

- For offices, an additional 20,000 sqm of floorspace;
- For industrial/warehousing space, up to an additional 16 ha, to be reviewed in 2-3 years' time in the light of actual take-up and employment change.

2.128 The 2007 update shows that 20,000 sqm net of office will actually last until 2026.

2.129 The updated alternative scenario shows trend-based growth of 14 ha of industrial/warehouse space by 2016, slightly lower than the previous 16 ha because it has been re-scaled and the base date has been changed. The report recommended that the Council should allocate this land up to 2016 and monitor take up. This recommendation does not allow for a positive margin because trend-based growth is already well above the forecast requirement.

#### **Action for Market Towns Benchmarking Report – Melton Mowbray (2013)**

2.130 The Annual Action for Market Towns (AMT) Town Benchmarking report provides statistical analysis on key Market Towns. Individual towns are encouraged to add their own commentary to the analysis, noting specific patterns or trends and using local knowledge to provide specific explanations. Much of the report focuses on retail activities and benchmarks Melton Mowbray against national averages.

2.131 Table 5 provides a detailed analysis of the commercial offering for A2 and B1/B2/B8 employment uses in the town centre by use class.

**Table 5 – Average Proportions of Relevant Use Classes (percent), 2013**

Use Class	National Small Towns	National Large Towns	Typology	Melton
A2	14	13	13	16
B1	3	3	3	1
B2	0	1	1	9
B8	0	0	0	0

Source: AMT, 2013

2.132 This benchmarking report includes a multi-year comparison of commercial property by use class in the town allowing a longitudinal study of the proportion of property available for each (see Table 6).

**Table 6 – Average Proportions of Relevant Use Classes in Melton Mowbray (percent), 2009-2013**

Use Class	2009	2010	2011	2012	2013
A2	14	14	15	15	16
B1	1	1	1	1	1
B2	11	10	9	10	9
B8	0	0	0	0	0
SG	3	2	2	2	5

Source: MBC using AMT data, 2013

2.133 From Table 6, it is possible to see a small but steady increase in the proportion of A2 (financial and professional) properties in Melton Mowbray from 2009 to 2013; a similar decline in B2 (Industrial) properties; whilst B1 properties (office and light industrial) have remained consistent (and consistently low) over this five year period.

### **Food Enterprise Zone**

2.134 It is worth noting that while this study was being completed Melton was progressed to the final stage of selection as a 'pathfinder' for a Local Development Order (LDO) on which a Food Enterprise Zone can then be based. The LDO will make the planning process simpler and easier for food and farming businesses that want to invest and expand.

2.135 *"A key focus of the LDO will be to improve the food chain, linking the farmers at the beginning of the food chain, manufacturers who produce the food, distribution*

*partners who deliver it, retail outlets, businesses/establishments who sell it and customers who benefit from the high quality food products.*

- 2.136 *The LDO will provide incentives to improve skills and training opportunities, provide apprenticeships and create new jobs and the Council will work with businesses and partners to facilitate these activities. It will also improve the areas 'leverage' capability in terms of allowing Melton Borough to secure Food Enterprise Zone status, opening up new opportunities for external investment and funding opportunities through the national Food and Farming Productivity Scheme (FFPS), and the Rural Growth Fund (EAFRD), which specifically identifies food and drink as a priority sector for the rural areas."*

### **Neighbourhood Planning**

- 2.137 The Localism Act (2011) introduced new rights and powers to allow local communities to shape new development by coming together to prepare neighbourhood plans. Neighbourhood forums and parish councils can use new neighbourhood planning powers to establish general planning policies for the development and use of land in a neighbourhood, by preparing a Neighbourhood Development Plan. There are currently three designated Neighbourhood Development Plans being drawn up within the Borough – in Asfordby, Bottesford, Waltham-On-The-Wolds and Thorpe Arnold. Asfordby Parish Council completed the Pre-Submission Consultation on the Asfordby Neighbourhood Plan in March 2015.

### **Summary**

- 2.138 It is a responsibility of local government to support and encourage economic growth. This includes the provision, initially through planning policy, of sufficient employment land and premises. This must be of the right scale, type, location; be readily available for development and be well related to the strategic or local highway network according to the nature of the site and the function of the settlement. One of the most important issues to consider is that the land must be allocated in sustainable locations and be readily capable of development. The employment land portfolio needs to be balanced and to adequately cater to all sectors of the economy, i.e. small and large businesses, offices and industrial, high and low quality operations.
- 2.139 It is the stated intention of the Leicester and Leicestershire Economic Partnership (LLEP) to create 45,000 new jobs, lever £2.5 billion of private investment and

increase GVA by £4 billion by 2020. The Strategic Economic Plan (SEP) sets out the framework for achieving this vision.

- 2.140 Of most relevance to the Melton Borough Council are the Growth Programmes, GP1 and GP2. The Melton Cattle Market should benefit from £5.75 million of LGF investment as part of GP1. Rural parts of the Borough stand to benefit most from the planned investment in superfast broadband under GP2.
- 2.141 The Leicester and Leicestershire HMA Employment Land Study (2013) forecasts that Melton will need 8,000 sqm offices, 7.3 ha of industrial and no land for strategic warehousing to 2031. Measured against supply, there is a surplus of 3,700 sqm of office space, while the Borough has a 7.8 ha oversupply of industrial land.
- 2.142 Melton forms part of the sparsely populated eastern area of the county, with a predominantly rural economy. It has a significantly higher proportion of agricultural employees than either the county or England as a whole. Leicestershire had 5,000 people employed in agriculture in 2010. 22 percent of those were in Melton, comprising 2.1 percent of the population, well above wider averages.
- 2.143 Melton (and Rural Leicestershire more generally) has a higher proportion of businesses per head of population than the county and national averages. It also has a higher stock of micro-enterprises (0-9 employees) than the national and county averages (see Section 3.0).
- 2.144 Melton is the most challenged rural area in terms of key service centres; it is relatively isolated from major settlements and depends heavily on Melton Mowbray. This suggests the secondary settlements in this district are relatively more important than in a number of the other districts in terms of economic development.
- 2.145 The Melton Employment Growth Area report (2012) identifies Melton as having the oldest stock of property in Leicestershire. In addition, the Employment Land Review finds that much of the supply of office space in Melton is not fit for purpose and in need of longer term renewal.
- 2.146 The 2006 ELR suggests particular objectives to be considered in planning for employment land:
- To upgrade the mix of economic activity towards higher-value, knowledge-based activities, generating higher-paid jobs;

- To provide space for small and emerging firms, with the aim of fostering entrepreneurship in the Borough; and
- To support the development of the Borough's food and drink sector particularly, by encouraging it to diversify towards higher-value activities.

2.147 To this end it suggests targets, which relate to net change in employment space:

- For offices, an additional 20,000 sqm of floorspace (which should suffice until 2026 on the 2007 updated forecasts);
- For industrial/warehousing space, up to an additional 14 ha.

2.148 The 1999 Local Plan put forward some 43.45 ha of new employment land around Melton Mowbray, Asfordby Hill and at the Former Melton Mowbray Airfield (saved Policy EM2). 24.18 ha in previous allocations in Melton Mowbray, Bottesford, John O'Gaunt were also renewed (saved Policy EM3). The withdrawn Core Strategy of 2012 envisaged allocating 11,000 sqm of offices, 5 ha of industrial land, 9 ha of warehousing and up to 16 ha of additional employment land (where this could be shown to lead directly to the provision of knowledge-based, high value employment and the reduction of out-commuting in the Borough) to meet the economic needs of the Borough by 2026. This total of 30 ha could be delivered as an Employment Growth Area to the west of Melton Mowbray. Research suggested that latent demand does exist to support such a strategic allocation, although the lack of finance likely means that public sector support and leadership would be required to open up such a large site for development.

2.149 The brownfield sites at Emp. Area 14: Holwell Works (Melton Mowbray Business Park), Asfordby Hill and Emp. Area 13: Asfordby Business Park, Asfordby Hill offer the potential for some 32.5ha of development land between them, although both sites are problematic because of their rural locations, which limit the types of use to which they can sensibly be put. The Major Employment Sites Study of 2009 concludes that they only offer either employment or sustainable energy generation opportunities. However, it is not clear that there will be demand for the former over a reasonable timescale and the latter would need further investigation to assess the suitability of the sites for this use.

2.150 Melton has now reached the final stage of selection as a 'pathfinder' for a LDO on which a Food Enterprise Zone can then be based. The LDO will simplify the planning

process for food and farming businesses that want to invest and expand and better link businesses at all stages of the food production process, from farmers to retailers. Better skills development and greater training opportunities for food sector workers will be a key element.

## **3.0 SOCIO-ECONOMIC PROFILE**

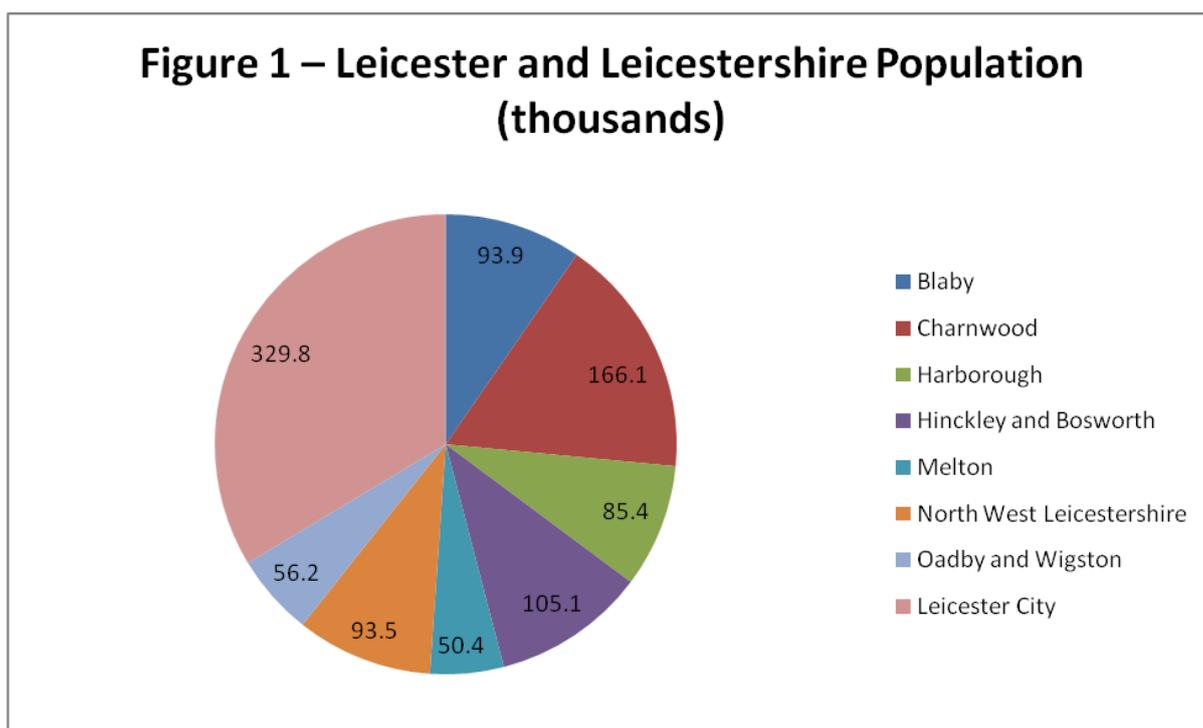
### **Introduction**

- 3.1 This section provides a summary profile of the prevailing social and economic conditions in Melton. It aims to provide the socio-economic context which shapes employment land demand and supply factors in the study area to facilitate sustainable growth. It also provides an important context for understanding economic demand/need, having regard to the wider regional and national economies.
- 3.2 This section therefore considers the size of the economy, where the businesses are, and what type of businesses they are. By appreciating these aspects it is easier to facilitate economic development by allocating land and premises in the correct locations and of the right type. The profile is a result of secondary research, drawing together a number of existing data sources. It also uses demographic data to build the picture, given that there are no readily available answers to some of the key questions included within this section.
- 3.3 Local planning authorities should have a clear understanding of needs and stronger indication of performance against neighbouring areas, as well as sub-regional and national averages. Within this section therefore, Melton is compared to the seven other local authority areas of Leicester and Leicestershire. Melton is also compared to the wider county of Leicestershire and the East Midlands region. Figures for Leicestershire exclude the unitary local authority of Leicester City, unless otherwise indicated.
- 3.4 Although this section does use some data from the 2011 Census, 2012-2014 statistics have also now been produced for a number of socio-economic categories. This section therefore utilises the most up to date data available on each subject.

### **Demographic Assessment**

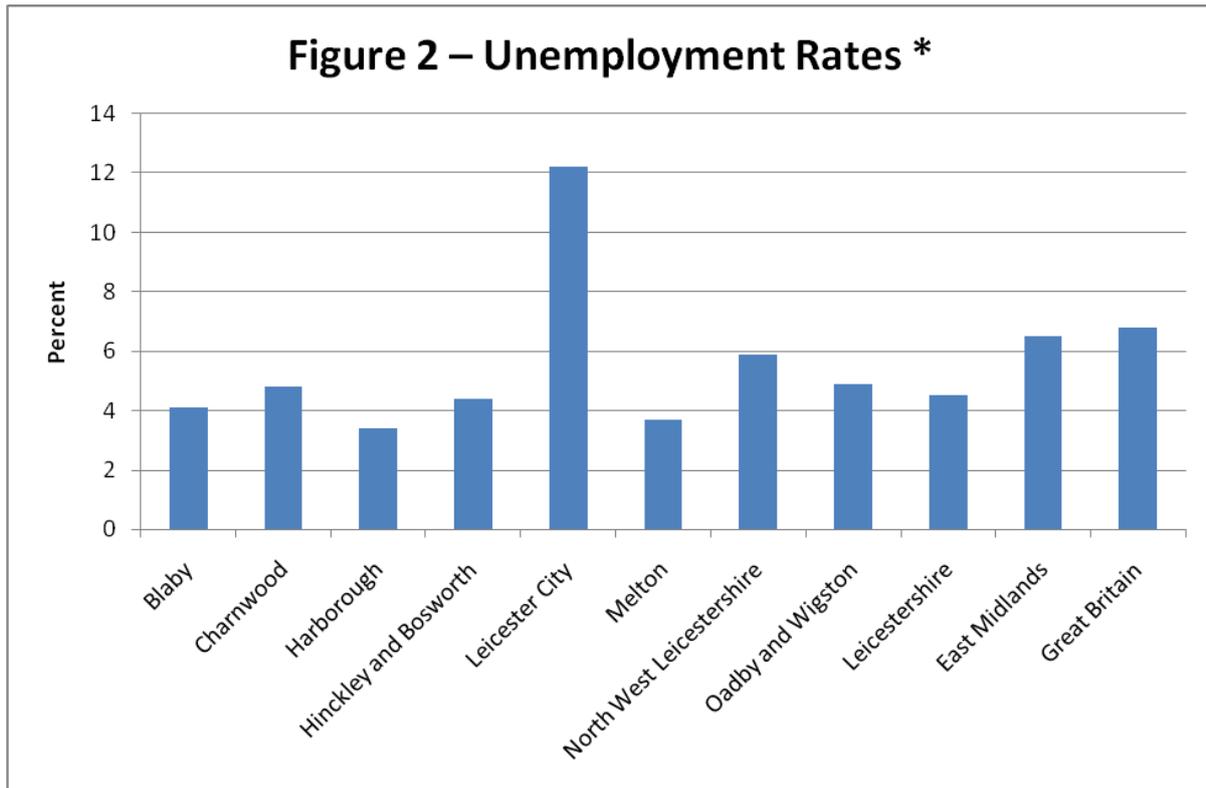
- 3.5 The population of the Borough as of the 2011 Census was 50,375 residents, which was a modest 7.7 percent of the Leicestershire total of 650,489. As Figure 1 shows, Melton is the least populous local authority area in Leicester and Leicestershire.

**Figure 1 – Leicester and Leicestershire Population (thousands)**



Source: 2011 Census

- 3.6 As of summer 2014 (ONS Annual Population Survey – July 2013-June 2014), 83.4 percent of Melton’s working age population was in employment (26,900 residents). This shows a high level of local economic activity, well above the East Midlands (73.0 percent) and Leicestershire (76.5 percent) averages.
- 3.7 The high level of local economic activity is also in evidence when rates of unemployment are considered. As Figure 2 shows, as of summer 2014, Melton had the second lowest unemployment rate within Leicestershire, after Harborough. The local unemployment rate (3.7 percent) was particularly low when compared to the level in North West Leicestershire (5.9 percent) and neighbouring Charnwood (4.8 percent), as well as more urban locations such as Oadby and Wigston (4.9 percent) and, most noticeably, Leicester City (12.2 percent). Unemployment rates in Melton were also almost half the regional and national averages of 6.5 and 6.8 percent.



Source: ONS Annual Population Survey, 2014

\*Percentage of economically active population.

- 3.8 Deprivation is a modest issue in Melton. The Borough is ranked as the 251<sup>st</sup> most deprived local authority area in England (out of 326 local authority areas) in the national Index of Multiple Deprivation (IMD, 2010, which remains the most up to date IMD until the publication of a revised ranking in summer 2015).
- 3.9 As Table 7 shows, Melton has an average deprivation ranking in Leicester and Leicestershire. It has a higher rate of deprivation than Hinckley and Bosworth, Oadby and Wigston, Blaby and, most notably, Harborough. Only North West Leicestershire and Charnwood have lower rankings, and therefore higher levels of deprivation, in the County. It is also important to note the high rate of deprivation in Leicester City (the 25th most deprived local authority area in England) when compared to the surrounding areas of Leicestershire.

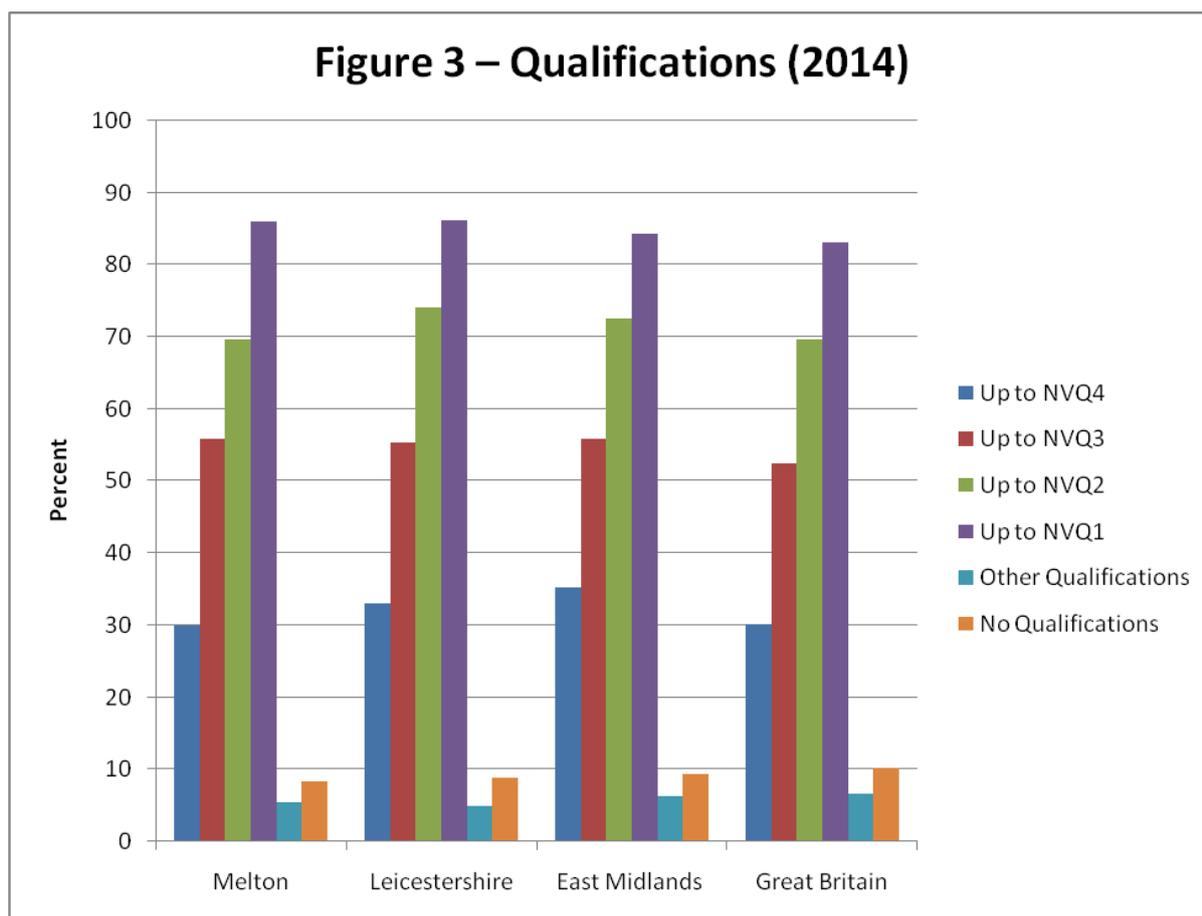
**Table 7 – IMD 2010, Leicester and Leicestershire Local Authority Average Ranking\***

Area	Ranking
Leicester City	25
North West Leicestershire	200
Charnwood	231
<b>Melton</b>	<b>251</b>
Hinckley and Bosworth	252
Oadby and Wigston	265
Blaby	297
Harborough	319

Source: IMD, 2010

\* Ranked out of 326, with 1 being the most deprived authority in England (Liverpool) and 326 the least deprived (Hart District).

- 3.10 At the local level, however, it is worth noting that (in 2010 at least) none of the Borough's 30 Lower Super Output Areas (LSOAs) were in the top 30 percent most deprived in England. Indeed only five were ranked in the top 50 percent, while eight were amongst the 10 percent least deprived LSOAs in England.
- 3.11 The areas with the highest levels of relative deprivation in the Borough include parts of central Melton Mowbray, from Welby Lane in the north west, through the commercial and retail area north of Egerton Park and then including housing and other uses on the eastern side of the A606 as it travels south east, out of town.
- 3.12 Figure 3 shows that the National Vocational Qualification (NVQ) level attained by the working age population of Melton is slightly below wider averages. At 29.9 percent, the proportion of working age residents qualified to NVQ Level 4 and above (equivalent to degree level) is below the County (33.0 percent) and regional averages (35.2 percent). It is, however, in line with the national average of 30.1 percent.
- 3.13 The proportion of residents with no qualifications (8.3 percent) is close to the Leicestershire average of 8.8 percent, but lower than the regional (9.3 percent) and national (10.3 percent) averages.

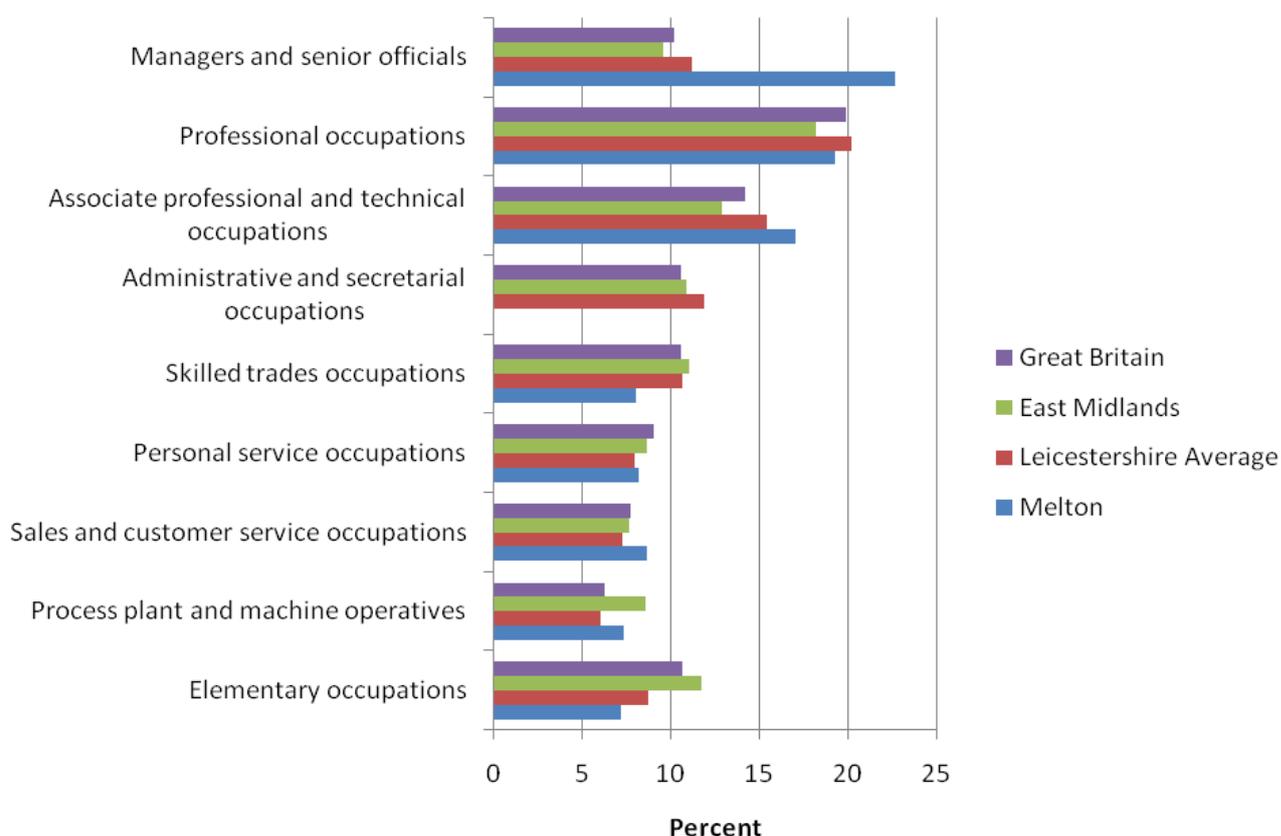


Source: ONS Annual Population Survey 2014

### Employment by Occupation

- 3.14 Figure 4 illustrates the breakdown of employment by main occupation group. The data shows that Melton has a significantly higher proportion of people employed as managers and senior officials than is the case elsewhere. Indeed at 22.7 percent, it is more than double wider averages of 9.6-11.2 percent.
- 3.15 Melton also has a higher proportion of people employed in associate professional and technical occupations (19.3 percent) than the county, regional or national averages of 12.9-15.5 percent. At 8.7 percent, the proportion employed locally in sales and customer service occupations is above wider averages, an initial indication of a strong local retail/wholesale sector.
- 3.16 Conversely, only modest proportions of people are employed locally in skilled trades and elementary occupations. The proportion employed as process plant and machine operatives (7.4 percent) is low in the East Midlands context (8.6 percent) but above the Leicestershire (6.1 percent) and national (6.3 percent) averages.

**Figure 4 – Employment by Main Occupation Group**



Source: ONS Annual Population Survey - July 2013-June 2014

N.B. Data not available on the proportion of Melton residents in administrative and secretarial occupations.

3.17 Table 8 measures local economic activity using Business Register and Employment Survey (BRES) data. BRES provides details of the number of jobs within differing industry sectors within a local authority area.

**Table 8 – Economic Activity**

	Employment Structure, number of jobs			
	Melton	Leicestershire	East Midlands	Great Britain
1 : Agriculture, forestry & fishing*	73	357	16,659	193,826
2 : Mining, quarrying & utilities	90	6,064	32,902	348,512
3 : Manufacturing	4,536	38,587	255,011	2,298,676
4 : Construction	683	10,476	71,912	1,184,694

	Employment Structure, number of jobs			
	Melton	Leicestershire	East Midlands	Great Britain
5 : Motor trades	332	5,685	38,523	474,094
6 : Wholesale	807	15,743	96,254	1,094,044
7 : Retail	1,707	25,082	186,023	2,717,834
8 : Transport & storage (inc postal)	781	22,205	98,294	1,203,003
9 : Accommodation & food services	1,696	17,134	120,797	1,897,653
10 : Information & communication	394	6,937	51,601	1,087,438
11 : Financial & insurance	165	5,495	33,314	1,009,979
12 : Property	297	3,449	24,185	456,059
13 : Professional, scientific & technical	1,091	25,644	113,907	2,140,972
14 : Business administration & support services	1,141	21,180	177,177	2,276,360
15 : Public administration & defence	434	10,105	79,339	1,313,066
16 : Education	1,832	25,001	198,975	2,578,806
17 : Health	1,719	19,902	248,634	3,672,015
18 : Arts, entertainment, recreation & other services	1,285	12,667	78,086	1,229,510
<b>Total</b>	<b>19,061</b>	<b>271,712</b>	<b>1,921,592</b>	<b>27,176,540</b>

Source: Business Register and Employment Survey 2013

\*Excludes farm based agriculture.

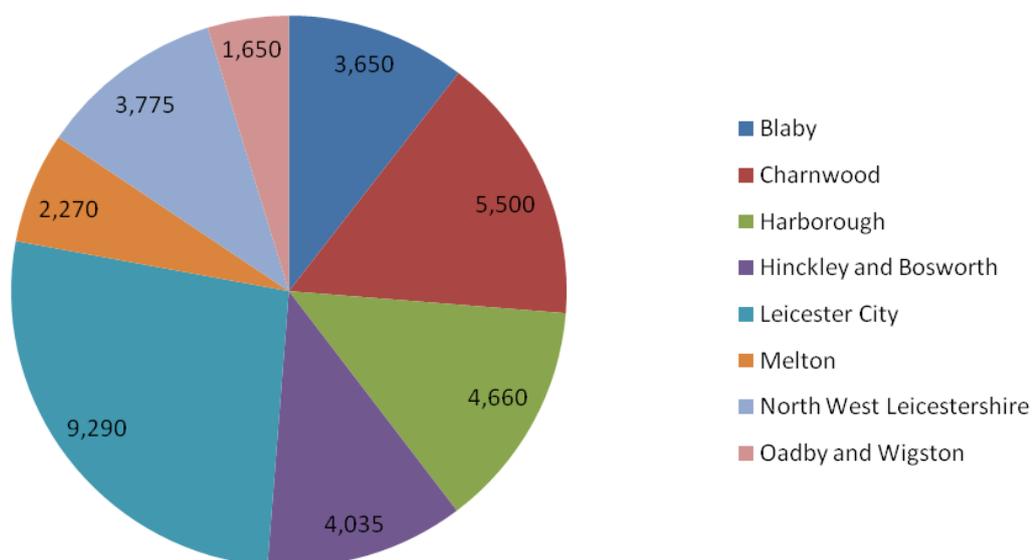
- 3.18 The first point to note is that Melton does not have a particularly strong dependence on public sector employment. In 2013, 20.9 percent of the Borough's workforce was employed in public administration, education and health. This was in line with the Leicestershire average of 20.2 percent, but below the East Midlands and national averages of 27.4 and 27.8 percent respectively.
- 3.19 Conversely the data shows, when measured by employment at least, the strength of the local manufacturing sector. It accounted for 23.8 percent of jobs locally in 2013, well above the county and regional averages and almost triple the national average of 8.5 percent. Within the general manufacturing sector, some key local sub-sectors include:

- Manufacture of other food products, which employed 1,263 or 6.6 percent of the total labour force in 2013 (although this would appear to be an underestimate as it is known that Samworth Brothers alone employ around 2,000 in the Borough (see Appendix 8))
  - Manufacture of prepared animal feeds, which employed 812 or 4.3 percent of the total labour force in 2013
  - Manufacture of dairy products, which employed 446 or 2.3 percent of the total labour force in 2013.
- 3.20 Outside of direct food production the strongest sector was the related manufacture of products of wood, cork, straw and plaiting materials, which employed 475 or 2.5 percent of the total labour force in 2013.
- 3.21 The strongest office-based sectors are business administration and support services followed by professional, scientific and technical. In both cases the proportion employed was below wider averages. Financial and insurance has a comparatively weak role in the Borough, employing only 0.9 percent of workers in 2013, compared to 2.0 percent across the county and 3.7 percent nationally.
- 3.22 In terms of town centre uses, retail and accommodation and food services accounted for 9 percent of local employment each. In the case of accommodation and food services, this proportion was above wider averages. Arts, entertainment, recreation & other services also accounted for 6.7 percent of local employment compared to 4-5 percent across the county, region and Great Britain.
- 3.23 Transport and storage (logistics) employed only modest numbers locally, 4.1 percent, half the Leicestershire average. This is unsurprising as Melton is some distance from the County's motorway corridors and lacks the large scale logistics parks found in other Leicestershire Borough's, such as Magna Park in Lutterworth, Harborough or Hinckley Commercial Park, Hinckley and Bosworth.

### **Numbers and Sizes of Businesses**

- 3.24 ONS data identifies that there were 2,270 VAT and PAYE registered businesses operating in the Borough (see Figure 5) in 2014. 2,270 businesses comprises 8.9 percent of the total stock of businesses in Leicestershire and 1.5 percent of the East Midlands stock. As Figure 5 also shows that Melton has the second lowest total stock of businesses in Leicester and Leicestershire, after Oadby and Wigston.

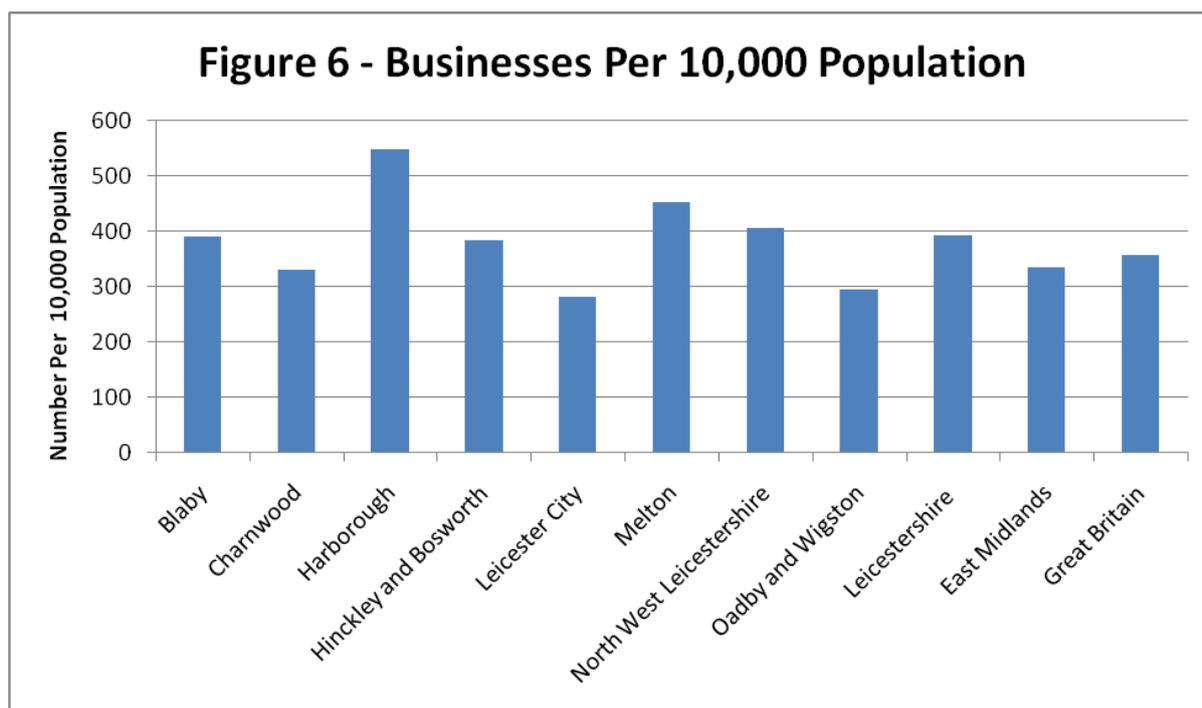
**Figure 5 – UK Business Count, Active Businesses  
in 2014\***



Source: ONS UK Business Counts – Enterprises

*\*This publication is compiled from the Inter Departmental Business Register which contains information on VAT traders and PAYE employers in a statistical register representing nearly 99 percent of economic activity.*

3.25 However given the differences in population and geographic size of the various Leicestershire authorities it is more meaningful to measure the stock of businesses against local population. Figure 6 therefore also shows the number of businesses per 10,000 people in each Leicester and Leicestershire local authority area.



Source: ONS UK Business Counts – Enterprises, 2014/2011 Census

- 3.26 Relative to its population, Melton has a high number of businesses when compared to the other local authority areas of Leicester and Leicestershire. Figure 6 shows that in 2014 there were 454 businesses per 10,000 population in the Borough. This was the second highest in the county, after Harborough with 548 per 10,000, and noticeably higher than the per 10,000 rate in Leicester City (282). It was also well above county, regional and national levels of 335-393.
- 3.27 Table 9 shows the birth rates of new enterprises over the period 2004-2013 (the period where such data is readily available), both by annual number of start-ups and by new businesses per 10,000 population. It focuses on the key years of 2007 (the pre-recession market peak), 2010 (the approximate mid-point of the recession) and 2013 (the onset of market recovery).
- 3.28 Business start-up rates in Melton are average for the Leicester and Leicestershire and the East Midlands. Across all the local authority areas of Leicester and Leicestershire there is a clear trend of high levels of business creation over 2004-2007, followed by a sharp reduction in 2010. 2013, the year of market recovery saw the highest rates of business birth in all areas.

**Table 9 – Births of New Enterprises 2004-2013, Number and per 10,000 Population**

Area	2004		2007		2010		2013	
	No.	Per 10,000						
Blaby	380	41	410	44	340	37	525	56
Charnwood	635	38	595	36	500	30	685	41
Harborough	495	58	515	61	405	48	530	62
Hinckley and Bosworth	510	49	490	47	365	35	515	49
Leicester City	1,195	36	1,155	35	1,040	32	1,880	57
<b>Melton</b>	<b>220</b>	<b>44</b>	<b>210</b>	<b>42</b>	<b>175</b>	<b>35</b>	<b>235</b>	<b>47</b>
North West Leicestershire	440	47	435	47	335	36	480	51
Oadby and Wigston	220	39	185	33	180	32	250	45
Leicestershire	2,900	45	2,840	44	2,300	35	3,220	50
East Midlands	18,805	41	18,610	41	14,325	32	22,035	49
Great Britain	274,350	45	274,770	45	230,555	38	341,630	56

Source: ONS Business Demography, 2013

3.29 Melton followed this trend with a sharp decrease in business creation in 2010, followed by a strong business development in 2013, with a rate of 47 new businesses per 10,000 achieved that year. This is an average rate of new business creation in the county. The Borough consistently out-performed Blaby, Charnwood, Oadby and Wigston and also had a higher rate of business development than Leicester City prior to 2013. However, new business development in Melton has generally been lower than in Harborough, Hinckley and Bosworth and North West Leicestershire. In most years shown, the rate of business births compares well with county and regional averages but is behind national averages.

3.30 Table 10 shows the rates of business death for the same 2004-2013 period. Again there is a pattern of increased business dissolutions in 2010, compared to previous years, followed by a reduction in 2013. Melton follows this same pattern, although the change, when measured by numbers or on a per 10,000 basis, is less sharp than in other Leicestershire local authority areas such as Blaby or Harborough. When measured against population, the rate of business loss in Melton (at 36-41) is somewhat higher than in most Leicestershire local authority areas from 2007

onwards. The main exception to this is Harborough, which has by far the highest rate of businesses death in the county, across all four years. Post 2007 business death rates in Melton are, however, close to Leicestershire and national averages.

**Table 10 – Deaths of Enterprises 2004-2013, Number and per 10,000 Population**

Area	2004		2007		2010		2013	
	No.	Per 10,000						
Blaby	345	37	340	37	480	52	340	37
Charnwood	635	38	510	31	555	33	495	30
Harborough	480	56	445	52	525	62	480	56
Hinckley and Bosworth	435	41	380	36	385	37	370	35
Leicester City	1,325	40	1,085	33	1,275	39	1,095	33
<b>Melton</b>	<b>180</b>	<b>36</b>	<b>185</b>	<b>37</b>	<b>205</b>	<b>41</b>	<b>195</b>	<b>39</b>
North West Leicestershire	380	41	325	35	380	41	350	38
Oadby and Wigston	195	35	195	35	195	35	155	28
Leicestershire	2,650	41	2,380	37	2,725	42	2,385	37
East Midlands	16,175	36	14,730	32	16,645	37	15,045	33
Great Britain	239,705	39	219,840	36	243,405	40	232,540	38

Source: ONS Business Demography, 2013

3.31 88.2 percent of businesses in Great Britain employ less than ten people (micro businesses), and overall 97.9 percent of all businesses are classified as small (up to 49 employees). Business sizes in Melton, and across Leicester, generally follow national averages. As Table 11 shows, 98.0 percent of businesses in Melton employ less than 50 employees, while the proportion employing less than ten is close to the average at 90.3 percent.

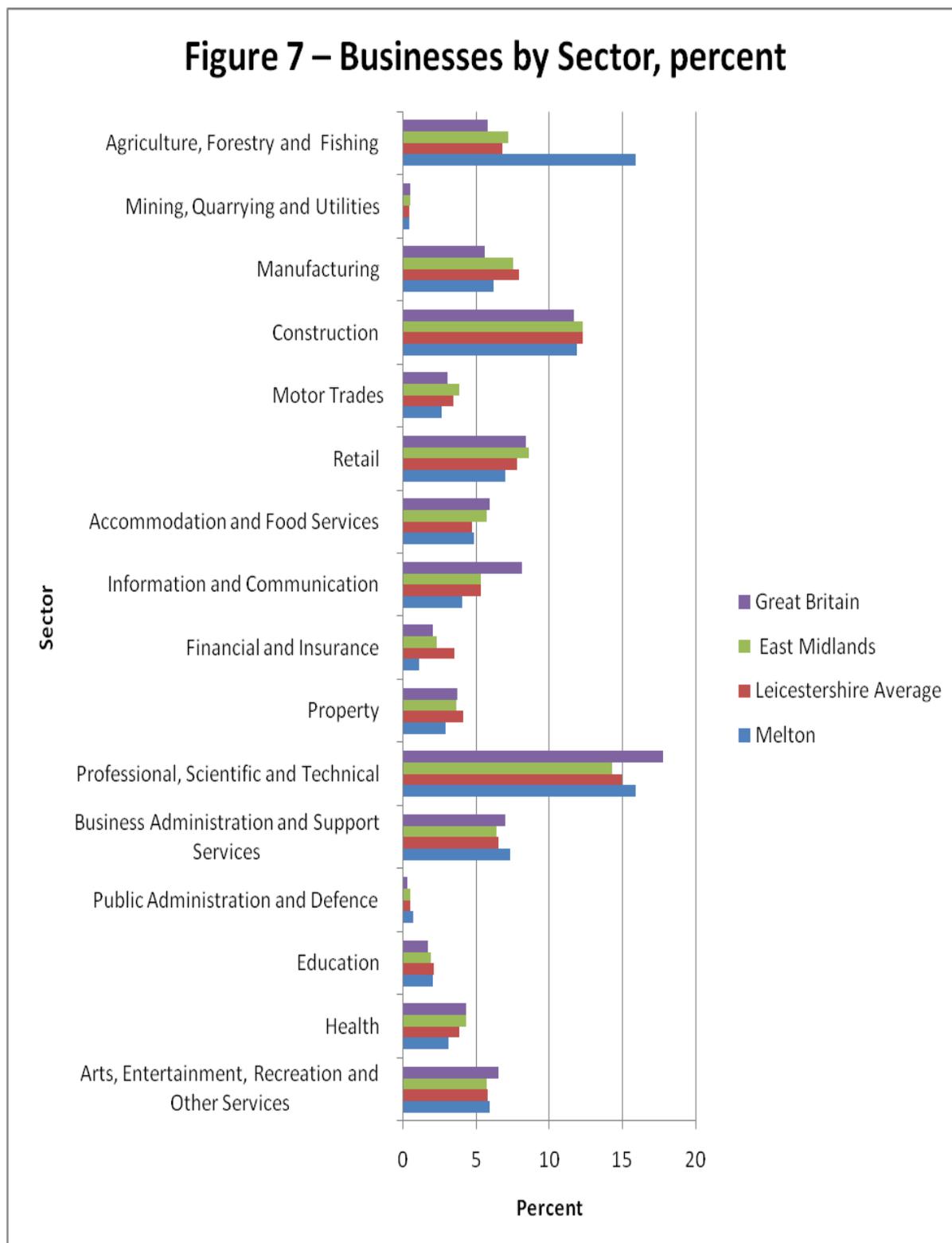
**Table 11 – Business Sizes**

Area	Number of Employees						
	1-4	5-9	10-19	20-49	50-99	100-249	250+
Melton	77.2	13.1	4.8	2.9	0.9	0.7	0.4
Leicestershire	75.8	12.6	6.0	3.5	1.0	0.7	0.4
East Midlands	74.6	13.1	6.5	3.7	1.1	0.6	0.4
Great Britain	75.6	12.6	6.3	3.4	1.1	0.6	0.4

Source: ONS UK Business Counts – Enterprises, 2014

- 3.32 The total number of businesses can be broken down further by industry sector. Figure 7 shows that the highest proportion of businesses in Melton is in the office based professional, scientific and technical sector. This includes a range of professional uses such as architects and solicitors, alongside research and development businesses. This sector accounts for 15.9 percent of active businesses, slightly above county and regional averages although still below the national average of 17.8 percent. This can be compared to the BRES data above (Table 8), from a year earlier, which shows that only 5.7 percent of local employment is in the professional, scientific and technical sector. This suggests that most professional, scientific and technical businesses in the Borough are micro businesses, employing only a few people.
- 3.33 Another 15.9 percent of local firms are in the agriculture, forestry and fishing sectors, more than double wider averages of 5.8-7.2 percent. This illustrates the strength of the traditional rural economy in Melton although the employment generated by this sector is not particularly high.
- 3.34 The next largest business sector is construction. At 11.9 percent, the proportion of construction businesses in the Borough is broadly in line with wider averages.
- 3.35 In addition to professional, scientific and technical companies, Melton also has a high proportion of business administration and support services firms. 7.3 percent of local businesses are in these sectors, compared to county and regional averages of 6.5 and 6.4 percent respectively. However, the proportions of information and communication and, most notably, financial and insurance businesses are low when compared to wider averages.

**Figure 7 – Businesses by Sector, percent**



Source: ONS UK Business Counts – Enterprises, 2014

3.36 In terms of the number of businesses at least, other town centre uses are not particularly prominent. The proportion of local businesses in the retail sector, while large in the local context, is below wider averages. The local proportion of

accommodation and food services businesses (4.8 percent) is equal to the Leicestershire average (4.7 percent) but below regional and national averages of 5.7-5.9 percent.

- 3.37 The local manufacturing sector comprises a modest 6.2 percent of businesses, slightly below county and regional averages of 7.9 and 7.5 percent. As employment in this sector (from Table 8, above) is high, this indicates that the local manufacturing sector includes a number of larger employers.

### Premises Supply

- 3.38 Table 12 shows the supply of office and industrial premises (hereditaments identified by the Valuation Office for the purposes of business rates collection) by unit. The most recent Valuation Office data available at the local authority level is 2012, so will not include any very recent development.
- 3.39 In 2012, Melton had 530 industrial/warehouse units, 8.6 percent of the county's total stock and 1.3 percent of the regional stock. The number of industrial units in Melton was three and a half times the number of offices (150). Melton had 5.2 percent of the county's office supply and 0.7 percent of the regional stock. In 2012, Melton contained 370 retail units, 7.7 percent of Leicestershire's stock and 0.9 percent of the East Midlands stock.

**Table 12 – Distribution of Premises, Number of Units**

	<b>Factories/ Warehouses (Per 10,000 pop)</b>	<b>Offices (Per 10,000 pop)</b>	<b>Retail (Per 10,000 pop)</b>
Blaby	640 (69)	420 (45)	460 (49)
Charnwood	1,550 (93)	580 (35)	1,400 (84)
Harborough	760 (89)	620 (73)	650 (76)
Hinckley and Bosworth	1,110 (106)	370 (35)	760 (72)
Leicester City	3,950 (120)	1,680 (51)	4,030 (122)
<b>Melton</b>	<b>530 (106)</b>	<b>150 (30)</b>	<b>370 (74)</b>
North West Leicestershire	1,080 (116)	630 (68)	760 (81)
Oadby and Wigston	490 (88)	130 (23)	430 (46)
Leicestershire	6,160 (95)	2,900 (45)	4,830 (74)
East Midlands	42,060 (93)	21,890 (48)	40,880 (90)

Source: ONS Commercial and Industrial Floorspace, 2012

- 3.40 Melton's stock of industrial/warehouse and office premises was the second smallest in the county, after Oadby and Wigston. Its stock of retail premises is the smallest in Leicestershire. Apart from Leicester City, Charnwood, Hinckley and Bosworth and North West Leicestershire have the largest stocks of industrial units in Leicestershire while offices are focused in North West Leicestershire, Harborough and Charnwood.
- 3.41 Table 12 also shows the stock of floorspace per 10,000 people in each Leicester and Leicestershire local authority area. This illustrates the strongly industrial nature of Melton's floorspace profile. In 2012 there were 106 industrial or warehouse units in Melton, per 10,000 population. This was well above county and regional averages of 95 and 93 per 10,000. Across Leicester and Leicestershire it was comparable to the level in Hinckley and Bosworth and only exceeded by North West Leicestershire and Leicester.
- 3.42 In comparison the number of offices, per 10,000, is low at 30. Across Leicester and Leicestershire, only Oadby and Wigston has a lower proportionate figure (23) and Melton's office figure is also below county (45) and regional (48) levels. At 74, the level of retail provision, per 10,000, in the Borough follows the county average although is below the regional average of 90.
- 3.43 Table 13 shows the supply of office and industrial premises by floorspace. In 2012, Melton had 494,000 sqm of industrial/warehouse space, 7.6 percent of the county's floorspace and 1.3 percent of the regional floorspace. Melton also had 6.4 percent of the county's office floorspace (48,000 sqm) and 1.0 percent of the regional floorspace. In 2012, Melton contained 84,000 sqm of retail space, 8.2 percent of Leicestershire's floorspace and 0.9 percent of the East Midlands floorspace.

**Table 13 – Distribution of Premises, Floorspace, Sqm**

	<b>Factories/ Warehouses</b>	<b>Offices</b>	<b>Retail</b>
Blaby	670,000	208,000	143,000
Charnwood	1,245,000	140,000	302,000
Harborough	1,248,000	86,000	113,000
Hinckley and Bosworth	1,026,000	83,000	148,000
Leicester City	2,608,000	482,000	815,000
<b>Melton</b>	<b>494,000</b>	<b>48,000</b>	<b>84,000</b>
North West Leicestershire	1,429,000	149,000	149,000

	<b>Factories/ Warehouses</b>	<b>Offices</b>	<b>Retail</b>
Oadby and Wigston	361,000	31,000	88,000
Leicestershire	6,473,000	745,000	1,027,000
East Midlands	37,787,000	4,991,000	8,928,000
England and Wales	323,101,000	92,720,000	118,151,000

Source: ONS Commercial and Industrial Floorspace, 2012

3.44 The spatial distribution of premises can be analysed by Middle Super Output Areas (MSOAs). Melton comprises six such MSOAs, and these have been separated into the main settlements and their surrounding hinterlands. However, the most recent Valuation Office data available at the MSOA level is only for 2008, which pre-dates the recession (Table 14).

**Table 14 – Distribution of Premises**

Area	Middle SOAs	Number of Units (Floorspace, sqm/sqft)		
		Factories/ Warehouses	Offices	Retail
<i>The Rural North</i> From Long Clawson in the west to Bottesford in the north and Waltham-on-the-Wolds and Croxton Kerral in the east. Incorporates relevant areas of the Vale of Belvoir.	001	97 (64,000/ 688,890)	48 (5,000/ 53,819)	29 (2,000/ 21,527)
<i>Melton Mowbray North</i> Melton Mowbray, north of the town centre. Between Welby Lane in the west and Saxby Road in the east. Includes industrial estates north of Saxby Road.	002	103 (167,000/ 1,797,573)	7 (2,000/ 21,527)	20 (7,000/ 75,347)
<i>Melton Mowbray West/South West</i> Land south of Welby Lane and west of Dalby Road. Includes the north west of the town centre, around Scaford Road	004	99 (61,000/ 656,598)	38 (26,000/ 279,861)	44 (16,000/ 172,222)
<i>Melton Mowbray East/South East</i> Includes most of the town centre, industrial estates south of Saxby Road (and north of the railway line) and residential areas around the A606 Burton Road as it moves south east out of the town.	005	53 (68,000/ 731,945)	48 (7,000/ 75,347)	229 (38,000/ 409,028)
The Rural West	003	112 (163,000/ 1,797,573)	36 (8,000/ 86,400)	17 (1,000/ 10,000)

Area	Middle SOAs	Number of Units (Floorspace, sqm/sqft)		
		Factories/ Warehouses	Offices	Retail
From Nether Broughton in the north, to the A607 in the south and east to the edge of Melton Mowbray.		1,754,517)	86,111)	10,763)
<i>The Rural South and East</i> The remaining land, effectively including all rural land east of the A607 and south of Waltham-on-the-Wolds. However, does extend north of Melton Mowbray to include Scalford, west of the A607	006	91 (28,000/ 301,389)	27 (15,000/ 161,458)	12 (1,000/ 10,763)
<b>Totals</b>		<b>555</b> <b>(551,000/ 5,930,914)</b>	<b>204</b> <b>(63,000/ 678,126)</b>	<b>351</b> <b>(65,000/ 699,654)</b>

Source: ONS Commercial and Industrial Floorspace 2008

- 3.45 In 2008, the greatest concentration of industrial premises was in the rural west (MSOA 003) with 112 units and 163,000 sqm of floorspace. This includes premises in Asfordby Hill and Old Dalby. The north of Melton Mowbray (MSOA 002, which includes Emp. Area 24: Saxby Road Area (incorporating Hudson Road Estate) and adjacent uses) was also a focus for industrial premises, with 103 units and 167,000 sqm of floorspace. There is a reasonable spread of offices across Melton, apart from in the north of Melton Mowbray (MSOA 002). Retail premises are strongly focused in Melton Mowbray East/South East with 229 units providing 38,000 sqm of space although this is unsurprising as MSOA 002 extends to include most of Melton Mowbray Town Centre.
- 3.46 Comparison of the totals in Table 14, for 2008, with the earlier Tables 12 and 13, which provide 2012 data, suggest that Melton has lost industrial/warehouse, office and retail space over the 2008 to 2012 period. This is most extreme in terms of office units, as the data appears to show the loss of some 54 units and 15,000 sqm of floorspace over this period, i.e. from 204 in 2008 to 150 in 2012. Some 25 industrial/warehouse units (57,000 sqm of floorspace) have also been lost, i.e. from 555 in 2008 to 530 in 2012. Conversely, there has been a modest gain of 19 retail units over the same period, i.e. from 351 in 2008 to 370 in 2012.

- 3.47 However, it is not possible to know how much of the office and industrial losses are due to the demolition or conversion of property and how much is due to recalculations/revisions in the VOA data and changes in how that data is analysed.

### **Homeworking**

- 3.48 Reflecting the rural nature of much of the Borough, homeworking plays a strong role in the economy of Melton. The 2011 Census records that 16.2 percent of the economically active population of the Borough, in employment, worked from home that year, above the Leicestershire average of 13.0 percent and the East Midlands average of 10.2 percent.

- 3.49 Within the county, Melton had the second highest rate of homeworking after Harborough, where 18.2 percent of economically active residents work from home. As can be seen below, the rate of homeworking is more than double that in urban Leicester:

- Blaby – 11.7 percent
- Charnwood – 11.6 percent
- Harborough – 18.2 percent
- Hinckley and Bosworth – 12.8 percent
- Leicester – 7.6 percent
- Melton – 16.2 percent
- North West Leicestershire – 12.7 percent
- Oadby and Wigston – 9.7 percent.

- 3.50 Unsurprisingly, higher proportions of people worked from home in the more rural parts of Melton, outside of Melton Mowbray. Homeworking is extremely prevalent in the rural south and east of the Borough (MSOA 006) where a 23.5 percent of the economically active population worked from home. In the rural north, homeworking is at 19.8 percent. Within Melton Mowbray itself, homeworking proportions are 6-9 percent.

### **Commuting Patterns**

- 3.51 Annual statistics on commuting are available from the Annual Population Survey, the latest available being for 2011 (see Table 15). These figures show that, in that year, Melton was a net exporter of labour with a net outflow of 3,806. This is a modest level of outflow compared to many other local authority areas in the county, most notably

Blaby and Charnwood which had net outflows of 22-24,000. Leicester was by far the largest importer in the county with a net inflow of some 66,124 workers.

**Table 15 – Leicester and Leicestershire Commuting Flows, 2011**

Area	Out-Commuters (No.)	In-Commuters (No.)	Net Flow (No.)	Percentage who Live and Work in area as a Percentage of the Total Employed, percent
Blaby	32,796	10,330	-22,466	42
Charnwood	42,471	18,155	-24,316	56
Harborough	23,446	17,881	-5,565	52
Hinckley and Bosworth	21,393	13,715	-7,678	50
Leicester City	27,589	93,713	66,124	70
<b>Melton</b>	<b>9,951</b>	<b>6,145</b>	<b>-3,806</b>	<b>62</b>
North West Leicestershire	19,651	25,461	5,810	59
Oadby and Wigston	21,678	4,820	-16,858	35

Source: Annual Population Survey, 2011

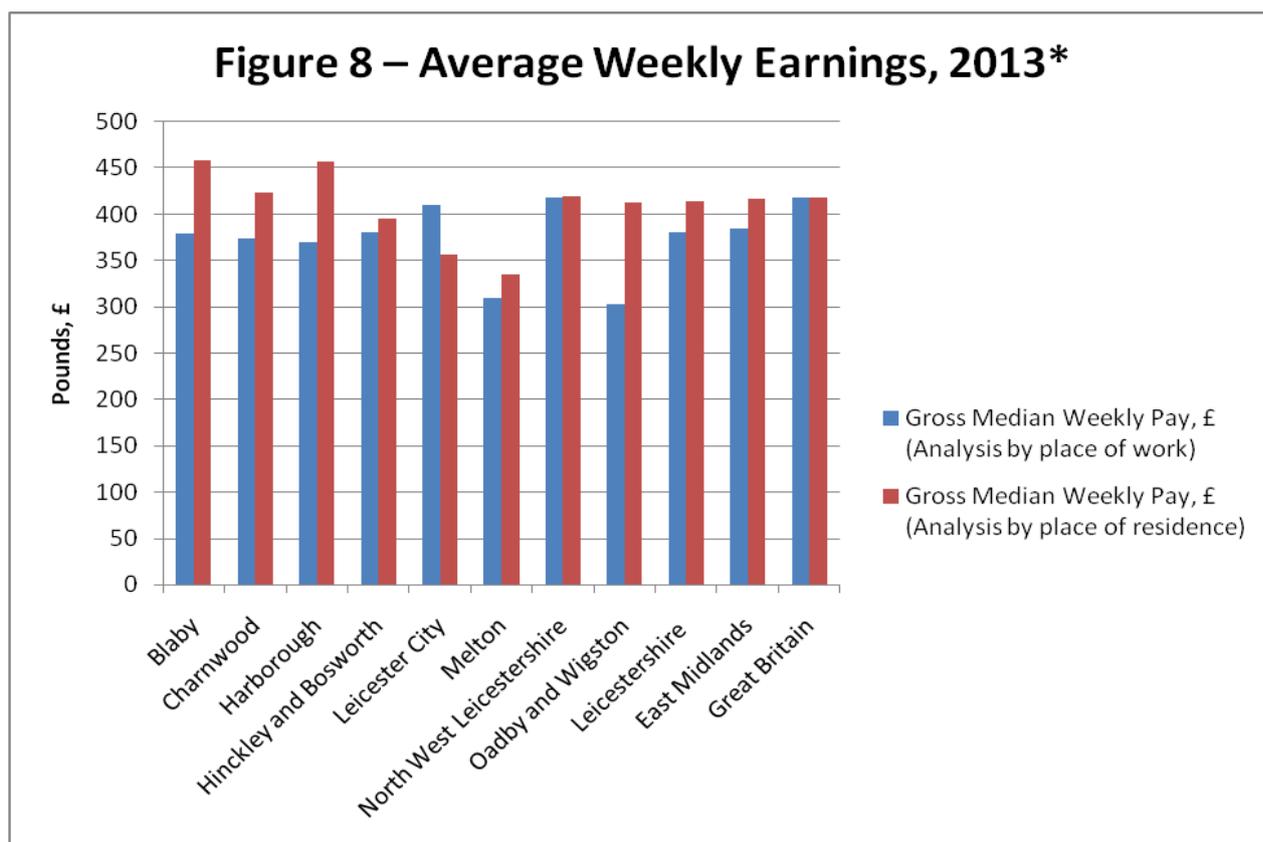
- 3.52 The evidence shows that Melton's workforce is relatively self contained. In 2011 at least, 62 percent of the Borough's working residents lived and worked in the area. This the second highest level of self containment after Leicester City and notably above centres of sub-regional out commuting such as Blaby and Oadby and Wigston.
- 3.53 For those commuting out of Melton to work, a quarter (2,541 residents) travelled into Leicester. The next most popular destination was Nottingham, which accounted for some 13.5 percent of out commuting (1,339 residents). Only a modest 533 residents (5.4 percent) commuted to neighbouring Charnwood while another 5.0 percent (495 residents) commuted south east into Rutland. The remaining 5,043 (50.6 percent) commuted to a wide range of destinations across the UK. Longer distance commuting destinations includes Sheffield, Newark and Sherwood and most of the Lincolnshire local authorities. Very few residents commuted into areas in the west of Leicestershire such as Hinckley and Bosworth and Harborough.
- 3.54 6,145 people commuted into Melton to work. 29.9 percent of these (1,836) came from neighbouring Charnwood. Perhaps more surprisingly, the second largest source of incomers was from South Kesteven which accounted for 19.8 percent of inward commuting (1,216). Another 739 (12.0 percent) commuted inward from Leicester and

387 (6.3 percent) commuted from Nottingham. Rutland was a minor source of inward commuting (236, 3.8 percent), as was Rushcliffe (268, 4.4 percent). The remaining 1,463 (33.8 percent) commuted in from further afield.

- 3.55 In terms of further details there is strong circumstantial evidence that larger businesses are importing labour into the Borough to address shortfalls in semi-skilled and skilled labour on a regular or seasonal basis. One business, consulted for this study (see Appendix 8), is reportedly importing 800 staff from Leicester on a daily basis. Other companies report seasonal shortfalls of up to 100 semi-skilled/skilled construction and manufacturing staff to meet their production needs.
- 3.56 However, further information on these issues is not available and it is difficult to determine to what degree the 19 businesses consulted for this study are representative of Melton's wider stock of companies in this regard.

### **Earnings**

- 3.57 Data suggests that low pay is an issue in Melton. In 2013, average weekly pay in Melton was £309.0/week when measured by place of work and £334.9/week when measured by place of residence. By both measures, in 2013 at least, this was lower than in almost all other Leicester and Leicestershire local authority areas. The only exception was Oadby and Wigston, when measured by place of work (£303.3/week). They are also notably below East Midlands (£384.3-£416.5/week) and national (£418.0-£418.6/week) levels.



Source: Annual Survey of Hours and Earnings 2013

\*At the time of writing, 2014 figures on Hours and Earnings have yet to be released at the local authority level.

### Summary

- 3.58 Melton has a population of 50,375, comprising an economically active and skilled workforce. Unemployment is low in the context of Leicestershire, and is well below regional and national averages. Overall, rates of deprivation are average in the county although consideration of deprivation issues at the Lower Super Output Area (LSOA) level shows that none of the Borough's 30 LSOAs are in the top thirty percent most deprived in England. Indeed only five were ranked in the top 50 percent.
- 3.59 The proportion of residents educated to degree level is modest when compared to wider averages and many neighbouring local authority areas, but comparatively few Melton residents are completely unqualified. A high proportion of local residents work as managers and senior officials.
- 3.60 Melton has only limited dependence on public sector employment and the proportion employed in public administration, education and health is average for Leicestershire, but low in the regional and national context.

- 3.61 Melton also retains a strong local manufacturing sector, with 23.8 percent of the working population in manufacturing jobs, well above wider averages. This includes large numbers of people employed in general food production, animal feeds, dairy products and food packaging.
- 3.62 In terms of service sectors, business administration and support services followed by professional, scientific and technical have the strongest roles, the latter also accounts for a high proportion (15.9 percent) of local businesses. Employment in the financial and insurance sector was more modest, and below wider averages.
- 3.63 In terms of town centre uses, retail and accommodation and food services accounted for 9 percent of local employment each. In the case of accommodation and food services, this proportion was above wider averages. Arts, entertainment, recreation & other services also accounted for 6.7 percent of local employment compared to 4-5 percent across the county, region and Great Britain.
- 3.64 There were some 2,270 businesses operating in the Borough in 2014. Relative to its population, Melton has a high number of businesses (454 businesses per 10,000 population) when compared to all the other local authority areas of Leicester and Leicestershire apart from Harborough. Most of those businesses employ less than 10 employees (90.3 percent).
- 3.65 Business start-up rates in Melton are average for the Leicester and Leicestershire and the East Midlands. When measured against population, the rate of business I death in Melton (at 36-41) is somewhat higher than in most Leicestershire local authority areas but close to county and regional averages.
- 3.66 As Tables 12 and 13 show, in 2012, Melton had 530 industrial/warehouse units, 8.6 percent of the county's total stock and 1.3 percent of the regional stock. Melton also had 5.2 percent of the county's office supply and 0.7 percent of the regional stock. In 2012, Melton contained 370 retail units, 7.7 percent of Leicestershire's stock and 0.9 percent of the East Midlands stock. Reflecting the rural nature and comparatively small population base of Melton, these levels of stock were low compared to most other Leicestershire local authorities apart from Oadby and Wigston.
- 3.67 However, measuring the stock of premises against population levels (i.e. the number of units per 10,000 population) illustrates the strongly industrial nature of Melton's

floorspace profile. In 2012 there were 106 industrial or warehouse units in Melton, per 10,000 population, well above county and regional averages of 95 and 93 per 10,000. Across Leicester and Leicestershire this level is only exceeded by North West Leicestershire and Leicester.

- 3.68 In comparison the number of offices, per 10,000, is low at 30. Only Oadby and Wigston has a lower proportionate figure. The proportion of retail floorspace, per 10,000 is average for the county at 74.
- 3.69 Melton's supply of industrial premises is focused in northern rural west and in the north of Melton Mowbray. Offices are more spread out across the Borough while retail uses are focused in, and around, Melton Mowbray Town Centre. Evidence suggests that Melton has lost some employment premises over the 2008-2012 period although the exact proportion of loss is difficult to quantify.
- 3.70 In 2011, 16.2 percent of the economically active population of the Borough, in employment worked from home. This is high in the Leicestershire context. Unsurprisingly, homeworking is higher in rural areas of the Borough than in Melton Mowbray.
- 3.71 In terms of commuting, Melton is a net exporter of labour, although the net outflow (-3,806) is modest compared to strong commuter locations such as Charnwood, Blaby and Oadby and Wigston. The general trend is one of self containment. 62 percent of the Borough's working residents live and work in the area. Only urban Leicester retains more of its working population.
- 3.72 In terms of further details there is strong circumstantial evidence that larger businesses are importing labour into the Borough to address shortfalls in semi-skilled and skilled labour on a regular or seasonal basis. One business, consulted for this study (see Appendix 8), is reportedly importing 800 staff from Leicester on a daily basis. Other companies report seasonal shortfalls of up to 100 semi-skilled/skilled construction and manufacturing staff to meet their production needs. This is an area which could benefit from further research, beyond the scope of this study.

## **4.0 PROPERTY MARKET – GENERAL**

### **Introduction**

- 4.1 Prior to analysing the study area's property market by the individual components of sites, industrial and offices – commentary is provided about the study area as a whole. This comprises a review of the supply of premises along with information on general national property and business trends. It is important to understand the supply and demand for property, as this is the key driver affecting the market for employment land.

### **Public Sector Property Enquiry Analysis**

- 4.2 Leicestershire and Leicester Enterprise Partnership (LLEP) is the organisation with prime responsibility for sites and premises marketing and/or enquiry handling in Leicestershire.
- 4.3 Enquiries data has been provided by LLEP from 2005 onwards, however, there are caveats to the analysis of this data. Firstly 2006 onwards saw a very significant increase in enquiry numbers which cannot simply be a product of growth in demand. Rather, it is understood to be the consequence of the system of how enquiries are logged – for example an enquiry that states a requirement for up to 929 sqm of offices will then be logged against each size band up to the 929 sqm figure.
- 4.4 Secondly the enquiries are derived from a mix of sources including the LLEP website (so this may involve multiple searches by the same organisation), enquiries to the former East Midlands Development Agency (EMDA) for the period 2005-2010 and overseas inward investment interest via UK consulates – so data may not be uniformly recorded.
- 4.5 Thirdly for many of the enquiries they will be recorded as having an opportunity for each, or a number of, the county's local authority areas unless there is an expressed interest for a specific location.
- 4.6 In addition the data on enquiries by company geographic origin includes EMDA sourced ones – and these cannot be analysed in terms of where they originate. Also this data includes enquiries for leisure/hotel/retail/property investment opportunities.

4.7 Retail and leisure enquiry data has not been consistently collected by the LLEP and its predecessors of the 2005-2014 timeframe and so enquiries for these uses are not considered below.

4.8 Table 16 sets out year by year analysis of the sector type of property enquiries for Melton between 1st January 2005 and 31st December 2014. Over this period some 1,788 enquiries were received for the Borough, with industrial premises accounting for 57.2 percent. There were very few land requirements. The figures reveal that following a peak in 2006, the recession impacted during 2009 which saw Melton attracting less than a quarter of the enquiries it had in the previous year. Recovery began in 2011, with a strong year in 2012. However, enquiry levels have yet to return to pre-recession rates. This generic picture also applies to the analysis of differing property sectors.

**Table 16 – LLEP Enquiries 2005-2014 Type – Melton**

	Office	Serviced Offices	Industrial/Warehouse	Land	Total
<b>2005</b>	16	14	46	1	<b>77</b>
<b>2006</b>	117	66	260	8	<b>451</b>
<b>2007</b>	83	56	161	17	<b>317</b>
<b>2008</b>	64	26	124	6	<b>220</b>
<b>2009</b>	21	6	25	0	<b>52</b>
<b>2010</b>	22	19	38	8	<b>87</b>
<b>2011</b>	28	14	62	4	<b>108</b>
<b>2012</b>	43	21	120	5	<b>189</b>
<b>2013</b>	30	15	89	1	<b>135</b>
<b>2014</b>	30	18	98	6	<b>152</b>
<b>Total</b>	<b>454</b>	<b>255</b>	<b>1,023</b>	<b>56</b>	<b>1,788</b>
<b>Percent</b>	<b>25.4</b>	<b>14.3</b>	<b>57.2</b>	<b>3.1</b>	<b>100</b>

Source: LLEP, 2015

4.9 As Table 17 shows, most enquiries are for properties at the smaller end of the size spectrum, i.e. below 464 sqm. However the industrial/warehousing sector, not unsurprisingly, exhibits a greater percentage of enquiries for larger floorspaces – particularly in the 465-929 sqm and 2,324+ sqm size bands. There is also modest

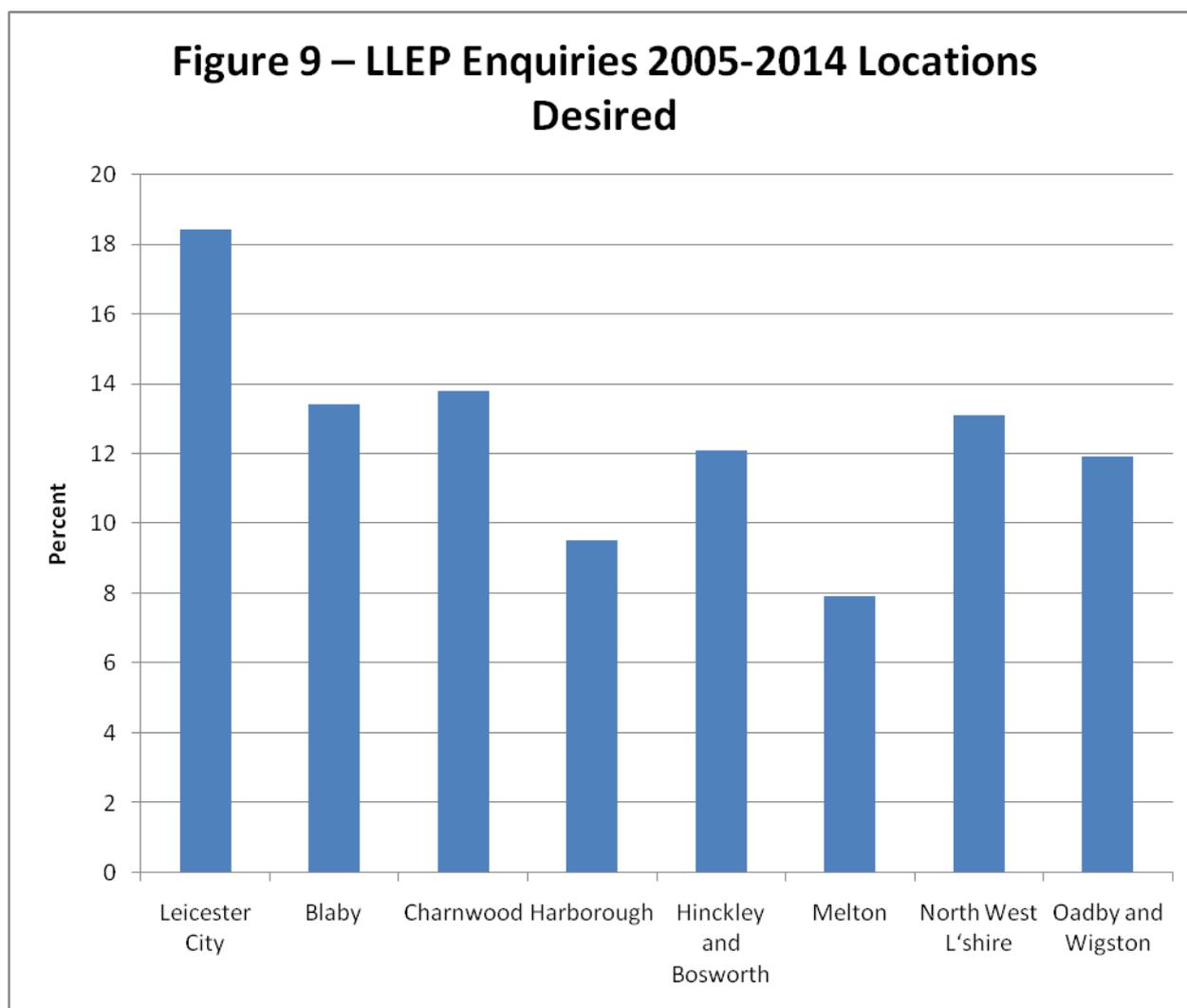
demand for larger floorplate offices of greater than 1,395 sqm. 41 percent of the enquiries for land relate to sites of less than 2.20 ha.

**Table 17 – LLEP Enquiries 2005-2014 Sizes – Melton**

Type	Size Band, sqm							Total
	0-93	94-232	234-464	465-929	930-1,394	1,395-2,323	2,324+	
Office	223	66	84	29	2	23	27	<b>454</b>
Serviced Offices	99	45	51	25	2	12	21	<b>255</b>
Industrial/Warehouse	309	164	199	146	29	51	125	<b>1,023</b>
Land Size Band, ha	0-2.20	2.21-4.40	4.41+	Total				
Number	23	13	20					<b>56</b>

Source: LLEP, 2015

- 4.10 Reflecting its city role Leicester represents the largest share of enquiries recorded by LLEP (see Figure 9), 18.4 percent of the total over that period. In comparison, Melton has only received a modest share of the County's enquiries (7.9 percent), the lowest proportion in the county. Only Harborough attracted a comparable proportion at 9.5 percent. Elsewhere, shares of 12-13 percent were more common.
- 4.11 That share has remained relatively consistent (at 6-7 percent) over the 2005-2014 period. And as Appendix 2 indicates, this pattern is characteristic of every property sector.



Source: LLEP, 2015

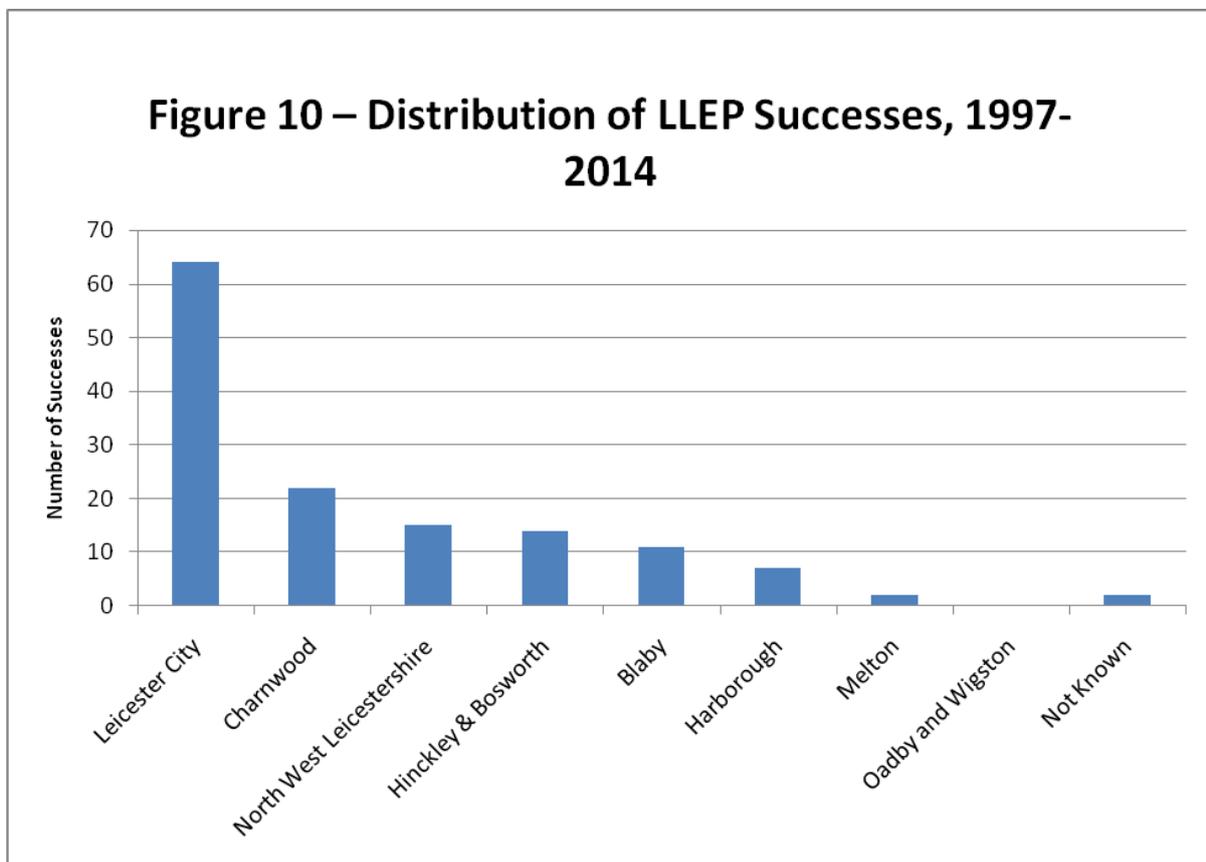
- 4.12 In terms of the source of the business enquiry (i.e. location of the organisation making that enquiry). LLEP indicate that around 60 percent of those who enquired were already based in the county. In terms of enquiries from outside the county, only around 6 percent came from elsewhere in the East Midlands, while most of the remainder come from the rest of the UK. International enquiries account for around 1 percent of the total.

### **Inward Investment**

- 4.13 One of the LLEP's main remits is the promotion of Melton to the rest of the County and the City of Leicester, sourcing inward investment enquiries from around the UK and internationally. However inward investment has changed from the 1980s scenario. No longer is it about major multinationals investing millions in major manufacturing plants, e.g. Toyota. The situation has moved onto acquisitions and

joint ventures, and smaller, service sector investments, e.g. regional sales offices, consultancy practices.

- 4.14 Figure 10 summarises the number of inward investments attracted to the LLEP area for the period 1997 to December 2014. These are defined as companies locating in a local authority area as a result of relocation, expansion or first time operations. As Figure 10 shows, the rate of inward investment in Melton has been negligible, with only two inward investment successes recorded by LLEP and its predecessors over the last 17 years. However, as these are only the one's which the LLEP (and Prospect Leicestershire/Invest Leicestershire before it) has had some role in securing the actual number of successes may be much higher.



Source: LLEP, 2015

- 4.15 It is also worth noting that the 137 successes, recorded for the whole county, over 17 years is actually quite a small component of the property market as a whole, when you consider how many investments occur annually by local businesses.

### **The Sub-Regional Logistics Market – Strategic Distribution Sector Study (2014)**

- 4.16 Work has recently completed on a Strategic Distribution Sector Study for the Leicester and Leicestershire local authorities and the LLEP. It is worth considering some of the points that projected expansion in the strategic distribution and logistics sector raises.
- 4.17 The term 'logistics' refers to activities associated with the distribution of finished goods and general cargo, specifically it relates to:
- The organisations that manufacture/produce finished goods or semi-finished goods/components for input into a further production process
  - Suppliers and distributors (wholesalers)
  - Retailers
  - Logistics operators who transport goods on behalf of others.
- 4.18 Within Leicestershire it is apparent that prime locations for B8 development are those areas most accessible to the M1 Corridor (Castle Donington, East Midlands Airport and Kegworth, to the North; Leicester, Lutterworth and Hinckley to the south). These areas benefit from very good road linkages and connections to the major conurbations of Nottingham, Derby, Leicester, Northampton and Birmingham. Three 'Key Areas', prioritised by this study as being particularly suitable for logistics uses are the:
- Leicester to Hinckley M69 corridor
  - The Midland Main Line North corridor (primarily through Charnwood)
  - East Midlands Airport to south Derby corridor.
- 4.19 Other 'good' areas of opportunity include the M1 south corridor as it passes through Harborough, the M1 north corridor (through Hinckley and Bosworth, Charnwood and North West Leicestershire) and the M42/A42 corridor as it extends west though North West Leicestershire.
- 4.20 Most of the existing sites considered suitable for larger B8 development are in North West Leicestershire, Leicester, Blaby and Hinckley and Bosworth. In terms of existing warehouse space, around 2.25 million sqm of floorspace across 89 warehouse units are identified across Leicestershire. The main concentrations of existing larger (50,000 sqm plus) warehousing are around Lutterworth (Magna Park), Leicester and Coalville.

4.21 The preferred high replacement land use forecasts suggests that around 115 ha of new land at rail-served sites will need to be brought forward by 2036, across the county, once existing consents and development proposals are accounted for. A further 153 ha of new land at non rail served sites will also be required. If this land need is met, the resulting new logistics provision has the potential to generate some 7,000 new full-time jobs and an additional £297million in Gross Value Added (GVA). By comparison, failure to deliver the required land could lead to the loss, in the study's estimation at least, of between 3,500 and 7,500 full-time equivalent jobs and £274 – £548 million of GVA.

*Opportunities in Melton*

4.22 The Sub-Regional Logistics Market study recommends that “*distribution sites selection task group*” should be established to identify and discuss opportunities and determine the most suitable sites to bring forward in local plans for logistics uses. In line with the duty to co-operate principle, this body should include representatives of the Leicester and Leicestershire local authorities, LLEP and County Council.

4.23 However, given the anticipated need for accommodating growth in the strategic distribution sector, it is worth considering what opportunities exist for logistics provision in Melton. Generally, commercially attractive strategic logistics sites are likely to be locations which comprise:

- *“At least 50ha of developable land*
- *Good highway connectivity – demonstrating that the motorway/dual carriageway junctions serving the prospective sites and the approach routes have sufficient network capacity*
- *Showing that a prospective site can be connected to the railway network and that it is served by a railway line offering a generous loading gauge (minimum W9), available freight capacity and connects to key origins/destinations directly without the requirement to use long circuitous routes*
- *Are the prospective sites sufficiently large and flexible in configuration to accommodate an intermodal terminal and internal reception sidings*
- *Similarly, are they sufficiently large and flexible in configuration to accommodate the size of distribution centre warehouse units now required by the market*

- *Demonstrating that they are accessible to labour, including the ability to be served by sustainable transport, and located close to areas of employment need*
- *Located away from incompatible land-uses.”*

4.24 Given the above criteria it is likely that existing opportunities for the siting of logistics development in Melton will be modest compared to other locations with direct motorway or main line railway access. The study identifies the following employment areas as providing existing options for storage and distribution operators:

- *“Old Dalby Business Park – Owned by Highcross, this is a 15.8ha business park located some 13km to the north west of Melton Mowbray and benefits from improved access to the M1 as a result of the recent dualling of the A46. Two large scale distribution units are located on this site. Unit 3, a 12,630 sqm occupied by Brands 2 Hands and Unit 1, a 12,360 sqm unit. Toyota and East Midlands Pharmaceuticals also occupy units on the site. The majority of the accommodation is in refurbished units. There are additional parcels of land available up to 3.2 ha with outline consent for industrial uses*
- *Leicester Road Industrial Estate – On the A607, Leicester Road has good access to the highways network. There is one unit in excess of 9,290 sqm occupied as a research, design and production facility by Laporte Alphagary*
- *Asfordby Business Park – The Asfordby Business Park site on the former Asfordby coal mine to the west of Melton Mowbray has access to the A46 which leads directly onto the M1 at Junction 21(a). A potential 16ha of additional development land. A disused twin track railway line, which could be reinstated, serves the site and a large power supply, providing tenants with 7-40 MVA, is available.*
- *Holwell Works – The site at Holwell Works (12ha) is situated adjacent to the southern boundary of Asfordby Business Park. Outline consent exists for development of 35,080 sqm of B1(c), B2 and B8 industrial and warehouse units on the site.*
- *Saxby Road Industrial Estate, Melton Mowbray – Asfordby Storage and Haulage occupy the largest unit in the Borough; a 53,420 sqm unit on an industrial estate to the east of the town, adjacent to the A607*
- *Mill Street, Melton Mowbray – Mars Petcare occupy a 46,450 sqm unit on Mill Street in the centre of the town, close to the A606.”*

- 4.25 Current planning consents and future developer/owner aspirations may provide some new employment opportunities of a scale suitable for large scale logistics premises. Options for warehouse/logistics development are considered in Table 18.

**Table 18 – Emerging Opportunities for Larger Warehouse Development**

Employment Area/Site	Comment
Emp. Area 3: Normanton Lane Estate, Bottesford	Emp. Area 3: Normanton Lane Estate (and Emp. Area 5: Winterbeck Industrial Estate /Longhedge Estate) generally accommodate small and mid-sized manufacturing operations. There is little scope or capacity for larger logistics uses in either the current estates or the proposed expansion to Winterbeck Industrial Estate.
Emp. Area 6: Normanton Airfield, Bottesford	172.65 ha of land is potentially available here, sufficient to support even national scale logistics operations. The area also has reasonable access to the A1, some 3 km to the north at Long Bennington. The area already accommodates some logistics operations, including T2 Logistics and Gardner Douglas Sports Cars (who store large numbers of cars on the runways), in the South Kesteven portion of the area.  However, delivery here would necessitate large scale development in the countryside, the loss of local agricultural land and likely some upgrading of the local highways network
Emp. Area 8: Langar Airfield, Harby	34.48 ha of this large airfield site falls within Melton, the rest is in Rushcliffe. The Rushcliffe portion of the site accommodates several large logistics businesses including CDA and JIT Logistics.  If further development occurs here, it is more likely to fall within Rushcliffe, extending the existing developed area and making use of existing site entrances onto Langer Lane and the routes north west to the A46 and A52.
Emp. Area 13: Asfordby Business Park, Asfordby Hill	There is 19,654 sqm of developed accommodation Emp. Area 13: Asfordby Business Park, Asfordby Hill, including a number of larger properties suitable for logistics use. One haulage company, S&J European Haulage already operates a 40-lorry fleet from this location and confirms its viability as a logistics location in terms of highways accessibility.  Space exists for a further 38,000 sqm of industrial and warehouse premises here, in three main plots which could provide individual units of 2,000-10,000 sqm, large enough for local or regional scale logistics operations.  Further brownfield expansion land exists in the north west of the Business Park, which could accommodate another 26,000 sqm of premises.
Emp. Area 14: Holwell Works (Melton Mowbray Business Park), Asfordby Hill	Site 3: Holwell Works, Asfordby Hill (Melton Mowbray Business Park) (09/00356/OUT), owned by Rotherhill is on the market. The indicative Masterplan suggests 19 units could be delivered here in sizes ranging from 116 sqm to 6,735 sqm, which could accommodate some smaller logistics operations. However, the emphasis so far has been on development of local scale manufacturing premises. Demand to date has also come from local manufacturing businesses looking to relocate and expand within the Borough.
Emp. Area 24: Saxby Road Area (incorporating	Established distribution and major manufacturing location, accommodating several existing logistics firms, including Asfordby Storage and Haulage. However, there appears little scope for

Employment Area/Site	Comment
Hudson Road Estate) and the Asfordby Storage and Haulage site (Emp. Area 21)), Melton Mowbray	significant further expansion here without developing beyond the current settlement boundary or encroaching on neighbouring uses. HGV access through central Melton Mowbray to the A606/A607 can also be congested at peak times.
Emp. Area 28: Crown Business Park (incorporating the Six Hills Area), Old Dalby)/Area 29: Old Dalby Trading Estate, Old Dalby	Established industrial estates, accommodating some logistics companies. However, most of the existing larger properties are held on long leases or as freehold ownerships. The main expansion site, the Site 12: Land Adjacent Unit 9, Station Road, Old Dalby (Old Dalby Enterprise Village) (12/00128/OUT) (2.70 ha), is a backland site marketed for small business development.
Emp. Area 31: Melton Airfield, Burton and Dalby	Again with 99.33 ha potentially available, ample land exists for future development. The site already accommodates some small scale haulage and open storage operations. However, the same issues of allowing major development on a rural site would also apply. A viable HGV route to the A607 and A606 would also have to be determined
Emp. Area 34: Leicester Road Estate, Melton Mowbray	A centre for the Borough's food production industry (extending to include the nearby Samwoth Brothers site) and other major manufacturing occupiers, this would be a logical location for logistics developments. The site also has direct access to the A607 to Leicester.  However, the current stock of undeveloped land here (0.70 ha) is too small for warehousing. The nearby Site 6: Land West of Bowling Green, Leicester Road, Melton Mowbray (Melton Fields Business Park) (06/01012/OUT) (1.83 ha) is presently marketed to and serviced to accommodate B1 uses.

Source: BE Group, 2015

- 4.26 At the time of writing, Emp. Area 13: Asfordby Business Park, Asfordby Hill is the most promising location in the Borough for accommodating large new logistics accommodation. The landowner is proposing some 64,000 sqm of additional industrial/warehouse space within the existing employment area boundary. This could be provided in units of up to 10,000 sqm, offered on a design and build basis (see Section 7.0), large enough to accommodate local and regional scale distribution operations. Adjacent Emp. Area 14: Holwell Works (Melton Mowbray Business Park), Asfordby Hill could also accommodate such uses, but present demand here appears to be for relocation/expansion sites for local manufacturing businesses looking to grow.
- 4.27 Of the other existing industrial estates, Emp. Area 34: Leicester Road Estate, Melton Mowbray would be a desirable location for logistics development, taking advantage of the A607 strategic route and supporting the local cluster of food and major manufacturing businesses. However, there is insufficient undeveloped land in the

area, at present, to achieve this.

- 4.28 The three large airfields have sufficient land for a large scale logistics development and all three accommodate at least some storage and distribution uses. However, further growth here would necessitate major development in rural areas and put strong pressure on local transport routes. Development at Emp. Area 31: Melton Airfield, Burton and Dalby would, for example, route significant traffic along Dalby Road, a rural route – either through the residential south west of Melton Mowbray or south through Great Dalby and back north to the A607. Significant investment would be required to enhance this route and make it suitable for large scale HGV traffic. Similar improvements would be required to roads accessing Emp. Area 8: Langar Airfield and Emp. Area 6: Normanton Airfield, to allow for the major increase in HGV traffic which would result from a logistics development.

### **Property Supply**

- 4.29 A schedule of the vacant floorspace being marketed in the study area (as at February 2015) has been compiled mainly from physical survey, a trawl of commercial property agents' websites and consultations with agents. The marketed space is taken to be a reasonably close approximation to that which is vacant – although there may be occupiers waiting for interest in their property before moving, and empty units not actually being marketed. The schedules for industrial (including warehouses and workshops), offices and retail/leisure space (discussed separately in Section 9.0) have been included in Appendix 3.

### **Industrial**

- 4.30 Table 19 shows that there is 24,533 sqm of marketed industrial floorspace, made up of 13 properties, in the study area. However, over two thirds of this floorspace comprises two large units at Old Dalby Business Park – Unit 4, 7,536 sqm and Unit 5, 9,489 sqm – which total 17,025 sqm. These are by far the biggest units currently on the market in the Borough, they are available, to let or for sale, to a large business looking for space in Melton. Both could provide warehousing space, but as older properties they may lack the features (ceiling heights, etc.) which modern logistics operators require.
- 4.31 Unsurprisingly, the supply is focused in Melton Mowbray (extending to include Emp. Area 13: Asfordby Business Park, Asfordby Hill) and Old Dalby, the two settlements which contain the bulk of the Borough's industrial premises. 77 percent of the

available units and 95 percent of the floorspace are in these two locations. Industrial options in the other rural settlements are limited and only one unit is being actively marketed in Bottesford (Unit 15-16 Winterbeck Industrial Estate (Emp. Area 5)).

**Table 19 – Amount of Marketed Industrial Property**

Area		Size Band, sqm							Total
		0-100	101-200	201-500	501-1000	1001-2000	2001-5000	5001+	
Melton Mowbray	Floorspace, sqm	-	179	288	1,208	-	2,559	-	<b>4,234</b>
	Number of Properties	-	1	1	2	-	1	-	<b>5</b>
Old Dalby	Floorspace, sqm	-	-	346	-	1,628	-	17,025	<b>18,999</b>
	Number of Properties	-	-	1	-	1	-	2	<b>4</b>
Asfordby Hill (Emp. Area 13: Asfordby Business Park, Asfordby Hill)	Floorspace, sqm	-	167	-	-	-	-	-	<b>167</b>
	Number of Properties	-	1	-	-	-	-	-	<b>1</b>
Waltham on the Wolds	Floorspace, sqm	-	-	-	575	-	-	-	<b>575</b>
	Number of Properties	-	-	-	1	-	-	-	<b>1</b>
Bottesford	Floorspace, sqm	-	-	465	-	-	-	-	<b>465</b>
	Number of Properties	-	-	1	-	-	-	-	<b>1</b>
Ab Kettleby	Floorspace, sqm	-	113	-	-	-	-	-	<b>113</b>
	Number of Properties	-	1	-	-	-	-	-	<b>1</b>
<b>Total</b>	<b>Floorspace, sqm</b>	-	<b>459</b>	<b>1,099</b>	<b>1,783</b>	<b>1,628</b>	<b>2,559</b>	<b>17,025</b>	<b>24,533</b>
	<b>Number of Properties</b>	-	<b>3</b>	<b>3</b>	<b>3</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>13</b>

Source: BE Group 2015

4.32 In terms of size, the supply of units up to 500 sqm, which could meet the needs of micro and small businesses, is comparatively modest. In particular there are no sub-100 sqm workshops available which could meet the needs of business start-ups. In part this reflects the nature of demand in Melton. As indicated in the consultations in Section 5.0, there is a good take-up rate for smaller units and vacant space does not

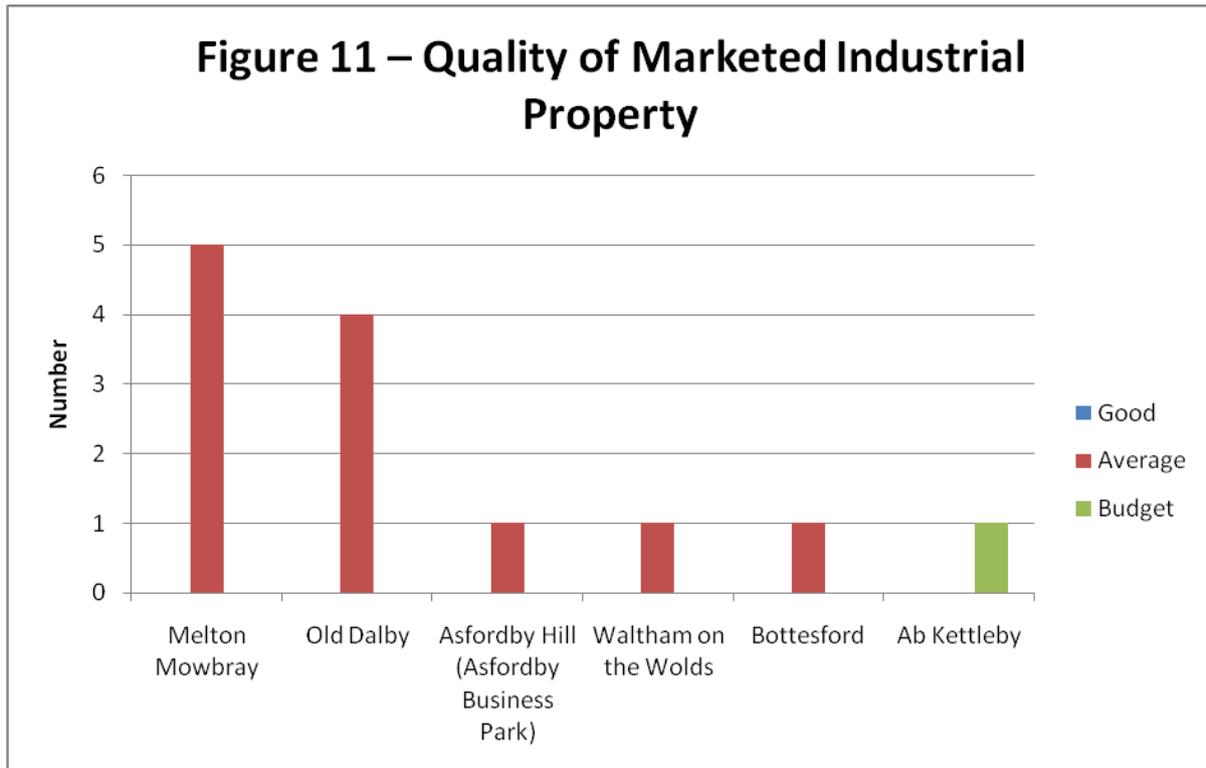
stay on the market for long. However, there appear to be only a few options available for new and growing businesses available at any one time.

- 4.33 Larger units of 1,500-9,500 sqm are available in Emp. Area 24: Saxby Road Area (incorporating Hudson Road Estate), Melton Mowbray and at Old Dalby Business Park. These could meet the need of larger firms although as noted these are mostly older (pre-1980) units that may not meet all modern requirements.
- 4.34 Building quality is broken down into three category assessments as shown in Table 20, based on the headline rents of the available units. Rental levels provide a good indication of the general quality of a property without a detailed physical inspection. Figure 11 shows that the majority of marketed industrial space in Melton is of average quality. There are no modern, good quality premises currently on the market. There is only one budget property on the market, a rural workshop in Ab Kettleby.

**Table 20 – Building Quality Assessment**

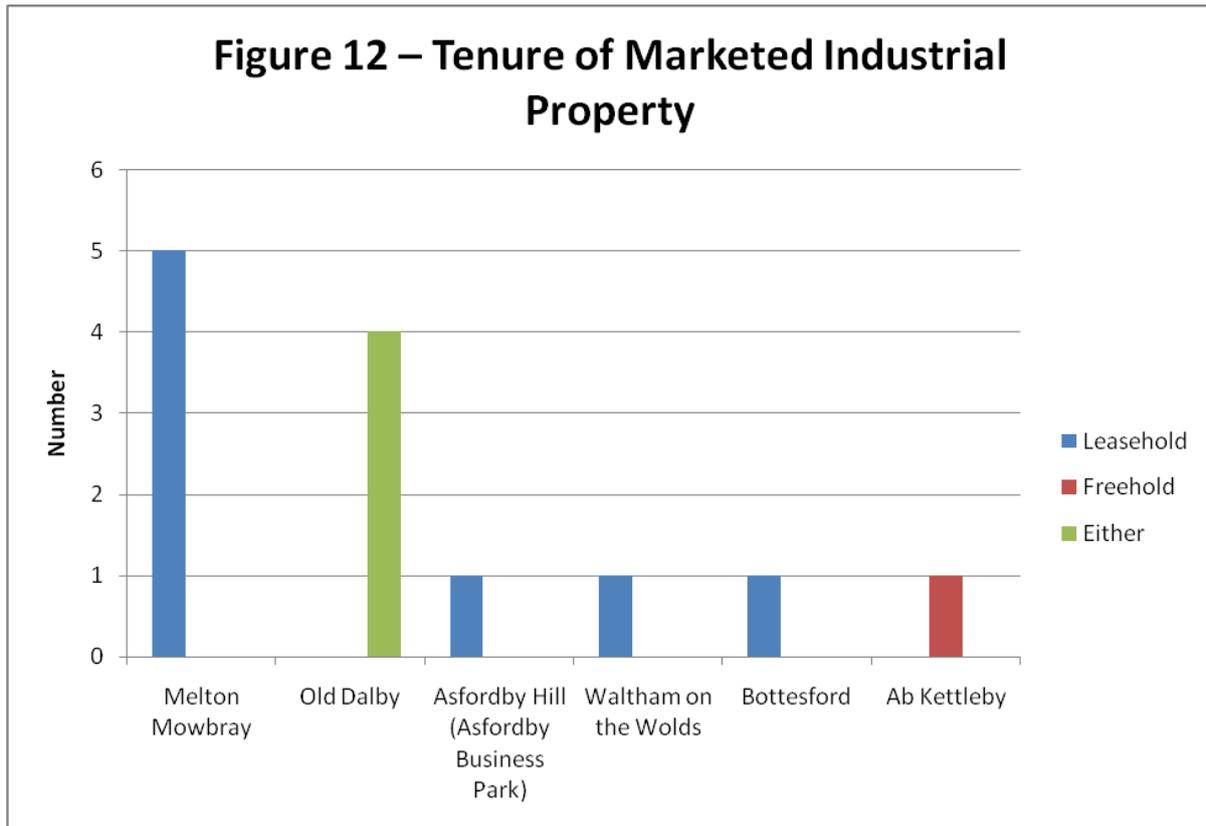
Type	Quality Assessment – Rental Levels		
	Good	Average	Budget
Industrial	>£5.00/sqft	£2.50-5.00/sqft	<£2.50/sqft
Office	>£15.00/sqft	£5.00-15.00/sqft	<£5.00/sqft

Source: BE Group 2015



Source: BE Group 2015

- 4.35 62 percent of the premises are available on leasehold (Figure 12) and there is one freehold option currently available in Melton Mowbray. However, marketing particulars for the larger units at Old Dalby Business Park indicate that the owners would be willing to sell. This is important given the stated demand for more freehold units from large companies and investors (see Sections 5.0 and 7.0).



Source: BE Group 2015

### Offices

4.36 Table 21 shows that there are 1,460 sqm of marketed offices (17 premises) in Melton. All are small in size; the largest suite currently on the market – Unit B, Emp. Area 13: Asfordby Business Park, Asfordby Hill – is only 167 sqm. This is not surprising as there are currently no schemes of larger self-contained offices in Melton, although larger offices have been proposed at Site 6: Land West of Bowling Green, Leicester Road, Melton Mowbray (Melton Fields Business Park) (06/01012/OUT).

**Table 21 – Amount of Marketed Office Property**

Area		Size Band, sqm						Total	
		0-50	51-100	101-200	201-500	501-1000	1001-2000		2001+
Melton Mowbray	Floorspace, sqm	59	136	584	-	-	-	-	779
	Number of Properties	2	2	4	-	-	-	-	8
Burrough on the Hill	Floorspace, sqm	25	89	125	-	-	-	-	239
	Number of Properties	1	1	1	-	-	-	-	3
Asfordby Hill (Emp. Area 13: Asfordby Business Park, Asfordby Hill)	Floorspace, sqm	33	-	167	-	-	-	-	200
	Number of Properties	1	-	1	-	-	-	-	2
Buckminster	Floorspace, sqm	38	60	-	-	-	-	-	98
	Number of Properties	1	1	-	-	-	-	-	2
Great Dalby	Floorspace, sqm	-	57	-	-	-	-	-	57
	Number of Properties	-	1	-	-	-	-	-	1
Wartnaby	Floorspace, sqm	-	87	-	-	-	-	-	87
	Number of Properties	-	1	-	-	-	-	-	1
<b>Total</b>	<b>Floorspace, sqm</b>	<b>155</b>	<b>429</b>	<b>876</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,460</b>
	<b>Number of Properties</b>	<b>5</b>	<b>6</b>	<b>6</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17</b>

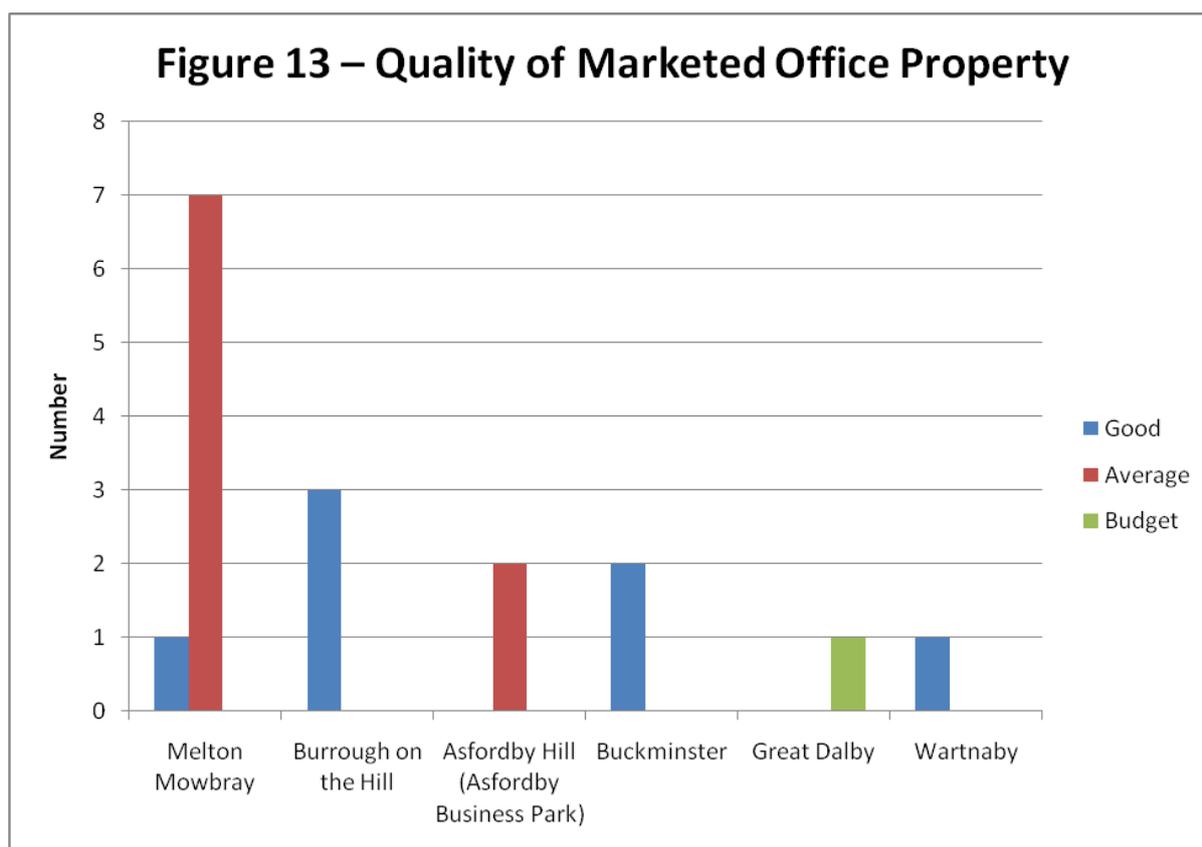
Source: BE Group 2015

4.37 Eight properties comprising 779 sqm of space are available in Melton Mowbray. These are mostly town centre suites including several in the converted mill, the Old Dairy, North Street (L13 1NL). At the time of writing, there was no space available in Emp. Area 27: Pera Business Park, the main source of good quality serviced offices in the town.

4.38 Another key source of serviced space is the high quality Burrough Court scheme in the south of the Borough at Burrough on the Hill. Three suites, out of a total of 16, are currently on the market providing 239 sqm of available space. Another two,

totalling 98 sqm are available at Buckminster Yard, Buckminster, another high quality scheme close to the boundary with South Kesteven.

- 4.39 As Figure 13 shows, there is a reasonable mix of good and average quality options in Melton. The highest quality premises currently available in the Borough are at Burrough Court. In addition to high specification offices, this scheme has its own Gym, Pilates Studio, manned reception, meeting rooms and Superfast Broadband. Rents are accordingly high at £200-300/sqm. Suites at Buckminster Yard don't offer these kinds of services, but still provide premises of a very high quality.
- 4.40 Within Melton Mowbray only the County Chambers building, Kings Road is the only good quality premises. However, the quality of available office space is reasonable across the Borough and this is reflected by the fact that there is only one budget option.



Source: BE Group 2015

- 4.41 All of the offices currently on the market are available leasehold only. There are no freehold options.

## **Valuation Office Data**

### ***Industrial***

- 4.42 According to the latest Valuation Office statistics (2012) there are 530 industrial properties in the study area, totalling 494,000 sqm. Out of all this space there are 13 marketed premises totalling 24,533 sqm (see Table 19 above). This suggests an overall 'occupancy rate' for Melton of 95.0 percent by floorspace. By premises numbers, the 'occupancy rate' is 97.5 percent.
- 4.43 Generally, occupancy rates of 90-95 percent can be considered high and suggest that, subject to the natural churn of businesses expansion and relocation, most schemes in the Borough are fully occupied.

### ***Offices***

- 4.44 There are 150 office properties in the study area, totalling 48,000 sqm. Out of all this space there are 17 marketed premises totalling 1,460 sqm (see Table 21 above). This suggests an overall 'occupancy rate' for the study area of 97.0 percent by floorspace. By premises numbers the overall 'occupancy rate' is a more modest 89.7 percent.
- 4.45 However, these figures will be skewed unfavourably by serviced office schemes in the study area which are probably rated as single hereditaments for the purposes of Valuation Office rating.

## **Modern Occupier Needs and the Emerging Property Trends**

- 4.46 BE Group through its long experience operating in the commercial property market across the UK, as well as in the study area specifically, understand market perceptions and the conditions facing the industrial and office sectors. The following sub-sections draw upon this market experience, providing a brief commentary on modern occupier needs and emerging trends within both sectors.

### ***Modern Occupier Needs***

- 4.47 In this sub-section the report outlines what modern businesses are looking for in terms of their property, as well as those developers providing space for them.
- 4.48 There are two key property sub-markets to consider in understanding the demand for premises. The first is the demand from companies looking for premises for their own

occupation; the second, which is necessarily derived from the first, comes from specialist property developers who will provide solutions for these companies.

- 4.49 Many end-user companies, especially small ones, looking for accommodation prefer occupying an existing building to either organising the construction of one for themselves or entering into a design and build agreement with a developer. This is due to the management time involved and the long lead-in whilst premises are built; while it may also be difficult to rationalise and visualise such an important acquisition off-plan.
- 4.50 Having premises built for owner occupation requires a long lead-time to cover the planning, negotiation and construction time involved often greater than 12 months. Furthermore not every company wants a brand new building, partly because they are generally more expensive than second-hand ones.
- 4.51 Experience shows today companies want well located, accessible space. Specifications such as parking, external loading and the quality of the immediate environment will all be factored into the decision to acquire.
- 4.52 However the recent combination of low interest rates and the depressed stock market has led to an unusually large number of companies looking to own their premises (although current market conditions have softened this due to the lack of available finance). One route to achieving this is by developing their own site, especially if they cannot find a suitable freehold property. Nationally most requests for such small sites to enable self-build are of less than 0.4 ha in size.
- 4.53 Although design and build options can be convenient, they are quite expensive because the controlling developer makes its profit not only on the land sale, but also on managing the building process. Consequently if the company is able to, some prefer to buy land direct and organise building contractors themselves. This is especially the case with lower value added industries where high quality buildings are of secondary importance. However without strong planning control this scenario can lead to business areas of lower aesthetic value and layout.
- 4.54 Developers acquiring sites consider the nature of the market, as outlined above, as well as the potential for speculative development, i.e. riskier, supply-led, rather than demand-driven construction. They also prefer to acquire prominent, (easy to develop)

greenfield sites close to arterial roads or motorways because irrespective of sustainable transport policies, private transport still predominates. They naturally want land that is attractive to end-users. Furthermore property development is intensely entrepreneurial and extremely price sensitive. So although land may be available on the open market, if it is priced too high then the developer will not acquire it.

### ***Emerging Property Trends***

#### *Industrial*

- 4.55 Occupiers are generally looking for smaller premises as average company size continues to decrease. In line with rising aspirations and a concentration on higher value added activities, companies are looking for higher quality accommodation. In rural areas company sizes are generally already small; and the desire for high quality is less of a priority due to affordability issues. Successful industrial businesses typically require dedicated, self-contained, secure yard areas, and for units over 2,000 sqm the trend seems to be at least one dock level loading bay and a 40 metre turning circle to allow heavy goods vehicles access into and out of the unit. This is reflected in Melton-specific demand requirements which, as set out in Section 5.0, are presently for premises of 300 sqm.
- 4.56 Large requirements, above 10,000 sqm, are comparatively rare, and where they do exist are generally for distribution warehousing or specialised production/laboratory facilities. In Melton, such large requirements are most likely to be associated with the growth and diversification of indigenous large firms, particularly in food production and related sectors.
- 4.57 Such demand can be contract-led with a flurry of activity as specialist production and distribution companies look for units, when one of them secures a major contract which necessitates additional production or warehousing processes to satisfy. However these companies generally cannot wait for a bespoke warehouse or factory to be built for them and so, due to the rarity of such large, available buildings their search areas are increasingly wide.
- 4.58 Freehold demand is relatively strong as a result of low interest rates, poor stock market pension performances and increased private sector interest in property investment. The high level of (investment) freehold demand is something a range of

Melton based stakeholders have highlighted in discussions (See Section 7.0 and Appendix 8). However, the lack of stock with just one freehold-only property on the market in Melton, and the ongoing lack of available finance, are currently constraining this sub-market currently. These two factors previously resulted in property developers being willing to offer speculative, freehold buildings. However, as a consequence of the recent prolonged recession, speculative development has stopped across much of the country. It may resume as the effects of the recession recede, and indeed speculative development is evident in schemes in neighbouring Charnwood Borough, most notably in the Broadnook Garden Suburb proposals.

- 4.59 Outsourcing of many aspects of the production and distribution process has led to a declining need for traditional, large scale, all-encompassing manufacturing facilities. This is gradually being replaced by smaller, sub-assembly light manufacturing space. Shorter leases (five years) and break clauses (three years) are now becoming much more common.

#### *Offices*

- 4.60 For offices the trend is for smaller suites as average business sizes fall. There are two strands to this. Micro-businesses (those with less than ten employees) often want serviced offices or similar types of easy-in, easy-out schemes that lower their risk of exposure. This is reflected in the success of many of the Borough's key business centres, notably Emp. Area 27: Pera Business Park, Melton Mowbray and in rural schemes such Burrough Court. Small businesses (with 10-49 employees) typically are looking for offices in the region of 150-500 sqm.
- 4.61 Improving technology means specifications are changing, for example wireless networks may soon make raised floors superfluous and make the conversion of Victorian and other similar buildings easier. Changes in working practices also means that floorspace requirements through home working, hot-desking, and increased densities are reducing
- 4.62 In line with rising aspirations and a concentration on higher value added activities, successful companies are looking for higher quality accommodation. For example air conditioning is becoming almost a standard requirement in new schemes, which pushes up rentals by £5-10/sqm on average. Furthermore some occupiers (looking for more than 200 sqm) increasingly want self-contained premises, i.e. their own front door, toilets, reception, utilities, etc. There is also an increasing demand for relatively

short leases (one to three years), which helps account for the increasing popularity of serviced offices.

- 4.63 Prior to the credit crunch, freehold demand was strong. However, as with the industrial market, the recession and lack of available finance is constraining this sub-market and has largely eradicated speculative development, outside of major city centres. Again, where there is demand, the lack of available premises is a factor in suppressing the market, and in Melton there are no freehold-only offices on the market.
- 4.64 Occupiers requiring higher skills, especially those linked to key growth sectors will be concerned about access to an appropriate pool of skilled labour, which can drive demand towards city centres, research facilities and higher education institutes. Discussions with major businesses, outlined in Appendix 8, suggest that skills shortages, at least in some key sectors, are an issue in Melton, albeit more focused on lower skilled manufacturing and production sectors than may be the case elsewhere.
- 4.65 Property will need to be increasingly flexible to accommodate research-based manufacturing space as more complex processes develop, but still within an office environment.
- 4.66 Clustering around like-minded companies will also drive demand to key business park locations, with good availability of 'white collar', knowledge-based, skilled staff. Other businesses will require more urban locations such as the professions and creative industries, where face-to-face contact is important or where public transport is important to attract staff.

### **Summary**

- 4.67 LLEP receives more enquiries for industrial space than for offices; and fewest for sites. Most industrial enquiries are for units up to 464 sqm; and for sites up to 2 ha. Over the last decade only 7.9 percent of those enquiring about property in Leicester and Leicestershire wanted space specifically in Melton. This compares to 9.5 percent in neighbouring Harborough and 13.9 percent in Charnwood.
- 4.68 Inward investment plays a negligible role in the economy of Melton. The LLEP and its predecessors have only recorded two inward investment successes into the Borough

since 1997. However inward investment is actually quite a small part of Melton's, and Leicestershire's, property market.

- 4.69 Market signals now indicate a high degree of demand for road and rail based logistics land in Leicestershire. However, Melton's existing employment land supply offers only modest scope for further logistics development without large new land allocations. In terms of the strategic sites, Emp. Area 13: Asfordby Business Park, Asfordby Hill is the only location in the Borough where landowners/developers actively aspire to deliver larger warehouse units at present.
- 4.70 As of February 2015 there was 24,533 sqm of industrial floorspace on the market, comprising 13 properties. However, two thirds of this floorspace comprises two large units at Old Dalby Business Park which total 17,025 sqm. Available industrial premises are concentrated in Melton Mowbray and at Old Dalby Business Park. Supply is limited elsewhere. There are no modern, good quality premises currently on the market. Freehold options are limited although the owners of Old Dalby Business Park indicate that they would consider the sale of the available large premises.
- 4.71 There are only a modest range of office suites on the market in Melton and all are less than 200 sqm in size. This reflects the lack of any larger self contained office schemes in Melton. The large offices which do exist in the Borough are generally associated with individual major companies, e.g. Melton Mowbray Building Society. Available suites are mostly 51-200 sqm in size and focused in Melton Mowbray, some units are available at Burrough Court, Burrough Hill and Buckminster Yard, Buckminster. There is limited availability elsewhere, and nothing in the north of the Borough. Most space is of good or average quality, and there are no freehold units on the market.
- 4.72 Modern businesses and developers want easily developable, accessible and usually prominent sites for their premises. A healthy property market should provide a mix of options including speculative developments; design and build schemes, and freehold plots for owner occupiers to self-build. However, property development is entrepreneurial and not all companies that are looking for space can realistically be satisfied all the time. The property market, by nature, is inherently imperfect. Companies will, however, generally seek to move from existing property to provide

themselves with better, more efficient, cost effective accommodation of an approximate size.

- 4.73 Modern trends are expected to lead to a greater number of businesses that are smaller in size, which are more dynamic and technology driven and which are more footloose in their location decisions, able to operate in a range of sites across a wide geographical area.

## 5.0 PROPERTY MARKET – ANALYSIS

### Introduction

- 5.1 This section considers the more detailed issues related to supply and demand for industrial and office property within the study area as a prelude to assessing the future need for land. The comments of stakeholders active in Melton's industrial and office property markets are analysed. The industrial market refers to accommodation for manufacturing, storage, distribution and warehousing purposes including smaller workshop premises.
- 5.2 Eight private sector stakeholders were contacted by telephone for an informal discussion of the property market. To protect anonymity of individuals and organisation, names of commentators are not revealed.
- 5.3 These are stakeholders who are actively engaged in the sale and/or lease of industrial and office premises 'on the ground' and so have good firsthand knowledge of the market in Melton. The views they give provide useful practical input which balances the higher level evidence provided by forecasting and policy analysis.
- 5.4 Stakeholders were contacted by telephone, or face-to-face, to undertake a semi-structured interview which focused on the following questions:
- What units are you currently marketing? What are businesses looking for?
  - Review property offer – office, industrial, land – is there enough property and is it good enough quality?
  - Are they mainly freehold or leasehold – is there a shortage of either one of these?
  - How quickly are units letting? What are popular sizes? What sizes do not find occupiers?
  - Are certain areas more popular than others?
  - Is there enough land? Where should further land be allocated?
  - Property requirements of emerging businesses and sectors? Any noticeable trends, e.g. increasing need for quality, smaller units, etc?
  - Weaknesses and shortfalls in existing offer – what can be done about it?
  - Are there any key aspects that the Council needs to address? What is the private sector's perception of the place? How is Melton viewed in terms of inward investment?

- What is the average price per square foot/square metre for the office/industrial premises you represent?
- Is there any noticeable demand for non-B class uses, such as retail or leisure?

5.5 Their views have been summarised in a series of tables. Table 22 provides a breakdown of the general comments received with regard to office and industrial land in Melton.

**Table 22 – Property Market Comments – Land**

Contact	Comment
National Agent	Marketing land at Site 3: Holwell Works, Asfordby Hill (Melton Mowbray Business Park) (09/00356/OUT) along with an adjacent site of 0.6 ha. Have had modest interest on this land for industrial uses, both from local developers and companies looking to expand. Land is available freehold here with land values at £494,000/ha. This is comparatively cheap compared to comparable sites closer to Leicester.
National Agent	Marketing Emp. Area 13: Asfordby Business Park, Asfordby Hill. Receives regular enquiries for storage sites which are let at £62,000-£86,000/ha per year. Freehold land values, for industrial uses are £297,000-£371,000/ha.
Local Agent	A recent land sale at Old Dalby, for industrial uses, achieved a modest £198,000/ha. Sales are rare however as there is little commercial land on the market <i>Site 12: Land Adjacent Unit 9, Station Road, Old Dalby (Old Dalby Enterprise Village) (12/00128/OUT)</i> Agent feels this land is overpriced at £49,000-£89,000 for a 100-300 sqm development plot. Have only had a few enquiries for this land over the last 3-4 years. Site is also in a backland location with difficult access. <i>Site 6: Land West of Bowling Green, Leicester Road, Melton Mowbray (Melton Fields Business Park) (06/01012/OUT)</i> Felt to be similarly overpriced. Needs a confident developer to initiate development and show what can be achieved. <i>Options for Growth</i> Further land allocations around Leicester Road Industrial Estate would be desirable. There is Greenfield land to the west and east of the existing estate which could be suitable.
Local Agent	Investors are looking for land to develop (or at least service) and sell on. But little in the pipeline. Feels that an opportunity is being missed, although high construction costs make it hard to kick-start development.
Local Agent	Strong local investment market and a number of developers who are acquiring land at present.

Source BE Group, 2015

5.6 Table 23 provides a summary of the comments received from stakeholders with regards to the local industrial property market.

**Table 23 – Property Market Comments – Industrial**

Contact	Comment
National Agent	<p>Reasonable demand for premises up to 300 sqm, primarily from local businesses looking to expand in, and around, Melton Mowbray. Feels there are some shortages of units in this size range.</p> <p>Enquiries from larger businesses are focused at Emp. Area 13: Asfordby Business Park, Asfordby Hill and the Emp. Area 14: Holwell Works (Melton Mowbray Business Park), Asfordby Hill. Demand is a mix of new inward investment and existing large businesses looking to expand. Requirements are for units up to 2,000 sqm.</p> <p>For existing stock, average rents for industrial units are between £50.00/sqm and £60.00/sqm.</p> <p>Don't receive many enquiries for freehold space.</p>
National Agent	<p>Marketing Emp. Area 13: Asfordby Business Park, Asfordby Hill. Successful scheme which is usually 90-100 percent let. The current available unit (1,486 sqm) is likely to be let soon to an existing tenant looking to grow.</p> <p>Demand generally comes from within Leicestershire. The railway access, along with the power and water facilities, are key features which should make the site more desirable to inward investors. However, does not feel that these advantages are being fully promoted to regional/national occupiers at present. There is currently one rail related company in the Business Park.</p> <p>Local demand is for workshops of 100 sqm, but established industrial companies are looking for space of up to 5,000 sqm.</p> <p>Rents range from £25/sqm for larger space, up to £45/sqm for workshops.</p> <p>Reasonable demand for freehold units of up to 5,000 sqm. Mostly comes from companies looking to purchase their own units, but also have a list of investors who would buy units if they were available. Demand for freehold options far exceeds the available supply.</p> <p>Freehold values for older premises are £200-450/sqm. There is no new build space on the market at present, but estimated sale values for new industrial premises would be £750-1,000/sqm. Such values would make new development just about viable.</p> <p>There is a shortage of modern industrial premises in the Borough, while the stock at locations such as Old Dalby is aging and less attractive to many modern manufacturing and storage operations. The range of businesses in the Borough means that there is need for space in a range of sizes, from 500-5,000 sqm.</p>
Local Agent	<p>Local demand for suites of 100-300 sqm, while larger properties can take 2 years to let. There is a reasonable supply of budget and moderate quality space in the Borough, but some need for good quality units with associated office space. The main shortfall is for grow-on units of 200-400 sqm.</p> <p>Average rents are £35-38/sqm. The largest unit recently let by this agent in Melton (1,600 sqm) achieved £28/sqm.</p> <p>Reasonable demand in Melton Mowbray, but also in rural locations with good A-road access. In Melton Mowbray Emp. Area 34: Leicester Road Estate in the west and Emp. Area 19: Snow Hill Estate in the</p>

Contact	Comment
	<p>east are the most popular locations, particularly as they offer trade options on main road frontages.</p> <p>Site 6: Land West of Bowling Green, Leicester Road, Melton Mowbray (Melton Fields Business Park) (06/01012/OUT), adjacent to Leicester Road would be a good location for further industrial development.</p> <p>There is also a strong freehold investment market, with a lot of local people looking to make modest SIPP investments. However, few freehold options are on the market at present. A 100 sqm unit would sell for at least £80,000.</p>
Local Agent	<p>Markets Emp. Area 19: Snow Hill Estate, Melton Mowbray which comprises 20 units of 50-200 sqm plus 3 garages. No vacancies at present with a range of long term tenants. Small units let within 3 months and don't really need a rent free period. 1970s units with three parking spaces.</p> <p>Larger units (184 sqm) take longer to let. This reflects the fact that much of the larger unit demand is for freehold space. Particularly, for investment purchases from SIPP funds.</p> <p>Rents:</p> <ul style="list-style-type: none"> <li>• £68/sqm for 50 sqm</li> <li>• £42/sqm for 184 sqm</li> </ul>

Source BE Group, 2015

5.7 Table 24 provides a summary of the comments received on the local office property market.

**Table 24 – Property Market Comments – Office**

Contact	Comment
Local Agent	<p>Argues that the local office market is oversupplied at present, particularly in Melton Mowbray Town Centre. Reason is a lack of demand combined with constraints on town centre schemes, specifically a lack of parking and loading space.</p> <p>Rural schemes, which do offer greater parking and loading options, are performing much better. The agent can let a moderate quality rural office, with good parking, in 12 weeks.</p> <p>Rents:</p> <ul style="list-style-type: none"> <li>• £70-80/sqm – Rural Office (standard specification)</li> <li>• £120-130/sqm – Rural Office (higher specification)</li> <li>• £60-70/sqm – Melton Mowbray Town Centre Office</li> </ul> <p>Suites of 40-70/sqm are most desirable. There is a steady rate of rural conversion which is meeting demands.</p> <p>No real market for larger self-contained properties, although that product does not really exist in Melton. Attempts to develop self-contained properties in Oakham and Uppingham, Rutland, in recent years have been unsuccessful. Feels that options to deliver comparable space at Site 6: Land West of Bowling Green, Leicester Road, Melton Mowbray (Melton Fields Business Park) (06/01012/OUT) will be similarly unsuccessful.</p>
Local Agent	Reasonable demand for small leasehold units of less than 50 sqm,

Contact	Comment
	<p>across the Borough to accommodate those moving up from homeworking. Demand focused in rural locations rather than in Melton Mowbray where attractive, rural conversions, which offer more parking than Melton Mowbray Town Centre Schemes, can do well.</p> <p>Burrough Court, Burrough-on-the-Hill is the prestige scheme of Melton, offering a very high standard of space, meeting rooms, gym, generous parking, etc. But rents are high - £200-300/sqm all inclusive which puts it out of the price range of most start-ups and micro businesses. £100-150/sqm is more realistic for the area and rural conversions which charge more can price themselves out of the market.</p>
Local Manager	<p>There is an oversupply of offices in Melton Mowbray Town Centre. Needs are being met at Emp. Area 27: Pera Business Park, Melton Mowbray.</p> <p>Across the Borough however, office demand remains healthy, particularly for small suites to support those moving up from homeworking. However, such potential occupiers prefer rural schemes closer to where they live and with better parking.</p>
Local Manager	<p>Manage Emp. Area 27: Pera Business Park, Melton Mowbray (See Appendix 8 for the full stakeholder consultation).</p> <p>Pera Business Park is full at present (although 7,000-8,000 sqm of space is expected to become available shortly)</p> <p>However, still receive an average of two enquiries a month here.</p> <p>Demand is from companies in Melton, Charnwood and Harborough, mostly in the financial/professional services and ICT sectors.</p> <p>Companies want serviced suites of 20-180 sqm</p> <p>Also receive regular enquiries from businesses which have spun out from the larger industrial businesses of Melton.</p>

Source BE Group, 2015

## Summary

- 5.8 Understanding of the local market was informed by a number of consultees comprising from four national and three local agents. Discussions focused on the level of sales and rental activity, the broad locational distribution of demand and the anticipated future trends and requirements.
- 5.9 The consensus is that, some two years after the end of the recession, demand for premises in Melton is improving at a steady rate. The local market appears to require industrial units of up to 300 sqm and there are some shortages of grow-on units of up to 400 sqm.
- 5.10 However, a lot of the recent market activity has been from larger businesses, mostly around Melton Mowbray, Holwell Works, Emp. Area 13: Asfordby Business Park, Asfordby Hill, and Old Dalby. Much demand is coming from existing large local businesses looking to grow into units of up to 5,000 sqm. A high proportion of

companies (and individuals) want freehold units, for owner occupation and/or as investments. There appears to be a shortage of larger freehold options to meet such requirements rents are £40-50/sqm, rising to £60/sqm for better quality space.

- 5.11 There is reasonable demand, across Melton, for leasehold offices of less than 100 sqm, to accommodate those moving up from homeworking. However, such demand is focused in rural locations rather than in Melton Mowbray where attractive, rural conversions, which offer more parking than Melton Mowbray Town Centre Schemes, do well. In Melton Mowbray there is an oversupply of town centre offices and Emp. Area 27: Pera Business Park is meeting most need for office space in the town. While the Business Park is fully let at the time of writing, further space is likely to be made available and there are some options for further growth here (see Appendix 8). Rural schemes also exist to meet most needs outside of Melton Mowbray although some high specification schemes may be unaffordable to many home based and micro businesses. Office rents in the rural area are £70-80/sqm for standard specification schemes and £120/sqm plus for higher spec offices. Rents in Melton Mowbray, outside of Emp. Area 27: Pera Business Park at least, rarely exceed £70/sqm.
- 5.12 An improving market means that there is increasing interest in the marketed development sites of Melton Mowbray, Asfordby Hill and Old Dalby. However, one mismatch is that land in several locations is only being offered leasehold/long leasehold while businesses with the capital to invest in new premises are more likely to want to buy land. High construction costs, relative to land values, remain a barrier to investment but values are improving with prices of up to £494,000/ha put forward by stakeholders. Land remains comparatively cheap in Melton compared to comparable sites closer to Leicester, although some sites are still judged to be overpriced.

## 6.0 EMPLOYMENT LAND

### Introduction

- 6.1 This section looks at the existing portfolio of potential employment land in the study area, not only how much there is, but also its quality, type, suitability and availability. Melton needs a balanced portfolio of land to accommodate a sustainable, growing economy that can respond to dynamic market conditions, changing business needs and working practices. By initially establishing how much land there is, the second task is to consider how much land is needed in the future (to 2036), which is picked up in the forecasting section later in the report.

### Land Supply

- 6.2 The Council track a large number of sites as part of its annual monitoring, with the latest monitoring dating from 31st January 2015. However, there are reasons to exclude a number of the sites from consideration:
- Planning Practice Guidance: 'Housing and Economic Land Availability Assessment', paragraph 010 indicates that "*The assessment should consider all sites and broad locations capable of delivering ...economic development on sites of 0.25ha (or 500 sqm of floorspace) and above.*" However, applying this threshold to Melton's supply would automatically exclude all but nine sites. The Practice Guidance, paragraph 010, goes on to say that "*where appropriate, plan makers may wish to consider alternative site size thresholds*". Reflecting the rural nature of Melton, and the fact that most sites, outside of the main Employment Areas, are less than 0.25 ha in size, this study uses a lower threshold of 0.125 ha. This is an approach that BE Group has successfully applied to land analysis in a number of other employment land studies in rural areas, including neighbouring Rutland
  - Several planning consents are excluded as they refer to building conversions/rebuilds rather than being sites; identify land lost to alternative uses or changes of use within the B-Classes (which will not deliver any additional employment land or premises)
  - In some cases the 'site size' given in planning applications, for the expansion of industrial and office facilities, actually refers to the whole facility (i.e. both developed and undeveloped land) rather than just the area of new development. Where this is felt to have occurred, the proposed employment floorspace has been given an equivalent employment land figure using a

multiplier of 3,900 sqm/ha. This equates to a typical industrial estate/business park development density for both office and industrial schemes.

- 6.3 Appendix 4 outlines the assumptions made about sites included in the Council's monitoring records, explaining why certain sites have been excluded.
- 6.4 Table 25 schedules the employment sites (of 0.125 ha or larger) in Melton Borough. It outlines their size; provides comments on current status (e.g. owner intentions) and any development proposals on some or all of the land; together with an assessment as to when they might come forward for development or use (and an explanation of how that period has been arrived at). This assessment of timescale is based upon a number of factors – market demand, overview (from discussions with stakeholders and site owners), ownership situation, planning status, infrastructure and services required. Proformas for each site are provided at Appendix 5.

**Table 25 – Employment Sites Schedule**

Name	Size, ha	Comment	Constraints	Serviced Site, Yes/No	Status	Availability, years/ Comment on Availability
Site 1: Stonepits Farm, Six Hills Road, Wartnaby (12/00052/FUL and 13/00880/FUL)	0.50 (Two developments of 0.30 & 0.20 ha)	Stonepits Farm own Full planning consents (12/00052/FUL and 13/00880/FUL) for construction of additional storage area and new agricultural style building for storage of timber (558 sqm plus approx. 0.15 ha of storage land) to support an existing timber products business (David Musson Fencing). Consent for a larger storage property (785 sqm on 0.20 ha) to the north west was secured in late 2013. Both properties were under construction as of April 2014, and are assumed largely complete as of base date of this study. A further two or three jobs will be created if the proposal is implemented, in addition to eight already employed. Developed for the exclusive use of David Musson Fencing.	None relevant – Site developed.	Yes	Under construction/ developed	0-1 Site developed now
Site 2: St Gobain PAM, Welby Lane, Asfordby Hill (10/00912/FUL)	10.34	St Gobain own Full planning consent (10/00912/FUL) for new industrial unit of on additional land. Proposal comprises 5,476 sqm of B2 space and 8.9 ha sqm of open storage land. Facilities would be for the manufacture of drainage related iron products, operated by St Gobain. Consent has now lapsed. No evidence that St Gobain wish to proceed with this development. A further 59 jobs will be created if the proposal is implemented, in addition to 128 already employed. Would be developed for the exclusive use of St Gobain.	<ul style="list-style-type: none"> <li>Various pollution issues associated with adjoining uses</li> </ul>	Yes	Consent lapsed	5+ No evidence that St Gobain wish to proceed with this development in the short/medium term, or at all.
Site 3: Holwell Works, Asfordby Hill (Melton Mowbray Business Park) (09/00356/OUT)	12.10	Rotherhill own Outline consent (09/00356/OUT) for development of 35,080 square metres of B1(c) B2 and B8 industrial, warehouse units with parking and serving area. Construction of access road with cycleway and footpath, ancillary works and landscaping. Indicative Masterplan suggests 19 units could be delivered here in sizes ranging from 116 sqm to 6,735 sqm.	<ul style="list-style-type: none"> <li>Housing adjacent</li> <li>Contains three areas identified as of local ecological significance</li> <li>Some foundations, water tanks, hard surfaces remain from</li> </ul>	No	Not started	5+ The development of 0.6 ha of land here is expected in the short term.

Name	Size, ha	Comment	Constraints	Serviced Site, Yes/No	Status	Availability, years/ Comment on Availability
		<p>A growing local company has now signed a developer agreement for the purchase of 0.6 ha of land at Melton Business Park. This would be developed for 5,000 sqm of space at a combined cost (land purchase and development) of £1.7 million</p> <p>Agents marketing this site report modest interest on this land for industrial uses, both from local developers and companies looking to expand. Land is available freehold here with land values at £494,000/ha.</p> <p>It is worth noting that some large local businesses, seeking expansion/relocation land have judged this site too expensive. Owner may also have some aspirations for housing here.</p>	<p>former industrial uses</p> <ul style="list-style-type: none"> <li>Some land contamination</li> <li>A small part of the site is at risk of flooding (Flood Zones 2 and 3)</li> </ul>			<p>However, there is no evidence of other developments coming forward at this time. Thus the full completion of the site remains a longer term prospect.</p>
Site 4: Land Adjacent 54 Barkers Farm, Church Lane, Long Clawson (12/00361/COU)	0.16	<p>Private individuals own</p> <p>Full planning consent (12/00361/COU) for change of use of agricultural buildings of 612 sqm to use for B1 uses at Barkers Farm</p> <p>Not started as of study base date.</p> <p>Consent lapses in August 2015</p> <p>Would be developed for the exclusive use of Bakers Farm.</p>	<ul style="list-style-type: none"> <li>Housing adjacent</li> </ul>	Yes	Not started	<p>1-3</p> <p>Assumes that the consent will have to be implemented quickly, or it will lapse</p>
Site 5: Weldhall Ltd, Melton Road, Long Clawson (11/00968/REM)	0.21	<p>Weldhall own</p> <p>Full planning consent (11/00968/REM 11/00970/EXT) for redevelopment for 824 sqm of new industrial buildings</p> <p>Completed in early 2014.</p> <p>Developed for the exclusive use of Weldhall.</p>	<p>None relevant – Site developed.</p>	Yes	Developed	<p>0-1</p> <p>Site developed now</p>
Site 6: Land West Of Bowling Green, Leicester Road, Melton Mowbray (Melton Fields Business Park) (06/01012/OUT)	1.83	<p>WG Herbert Holdings (Westleigh) own</p> <p>Outline consent (06/01012/OUT) for buildings for B1 use within a Business Park setting to allow a phased approach to the development. Premises available from 100-6,000 sqm.</p> <p>On the market for some nine years.</p> <p>Primarily marketed for self contained offices. Agents, consulted for this study, argue that this is not a desirable location for such uses. Attempts to develop similar self-</p>	<ul style="list-style-type: none"> <li>There are constraints on the power supply in Emp. Area 34: Leicester Road Estate, Melton Mowbray. Western Power is in discussions with the Council for the</li> </ul>	Yes	Not started	<p>5+</p> <p>Given the lack of demand for offices here there is no prospect of land take up in the short or medium term.</p>

Name	Size, ha	Comment	Constraints	Serviced Site, Yes/No	Status	Availability, years/ Comment on Availability
		<p>contained properties in Oakham and Uppingham, Rutland, in recent years have been unsuccessful. Land prices also felt to be high.</p> <p>Felt to need a third party or developer to take the initiative to develop the site, and show what can be achieved.</p> <p>Owner now seeking a residential consent on the site with application 14/00995/OUT which is seeking 54 residential units and also provides for 1,360 sqm of B1(a) offices. If consented, this would only leave 0.35 ha in B1(a) employment use.</p>	<p>acquisition of site to the south of the Borough for the installation of a new sub-station to address these issues</p>			<p>Indeed the owner is now seeking a mixed use scheme here which, if the current application is consented, would only retain around 0.35 ha in B1(a) employment use.</p>
<p>Site 7: Greenacre, Dalby Road, Nether Broughton (10/00318/COU)</p>	0.14	<p>Private individual owns</p> <p>Full planning consent (10/00318/COU) for change of use of domestic garage to ice cream making room to include new doors and windows. Will use surplus milk from the farm to create artisan ice cream.</p> <p>Consent lapsed in June 2013, no evidence that this proposal will be taken forward.</p> <p>Uses associated with business operations and not available to other occupiers.</p> <p>A further two jobs will be created if the proposal is implemented.</p>	<ul style="list-style-type: none"> <li>Housing adjacent</li> </ul>	Yes	Consent lapsed	<p>5+ Consent lapsed in 2013, no evidence that this proposal will be taken forward.</p>
<p>Site 8: Agricultural Livestock Building Between Tunnel Farm and Saxelby View Farm Six Hills Lane, Tunnel Farm, Six Hills Lane, Old Dalby</p>	0.41	<p>Friar's Well Estate own</p> <p>Full planning consent (11/00957/COU) for change of use of agricultural cattle sheds to B8 storage with some manufacturing uses.</p> <p>Property redeveloped in 2014 but not yet occupied.</p>	<p>None relevant – Site developed.</p>	Yes	Developed	<p>0-1 Site developed now</p>

Name	Size, ha	Comment	Constraints	Serviced Site, Yes/No	Status	Availability, years/ Comment on Availability
(11/00957/COU)						
Site 9: Car Park, Station Road, Old Dalby (12/00218/OUT)	0.55	<p>Private individual owns</p> <p>Outline consent (12/00218/OUT) for operations centre for AE Faulks Ltd of 692 sqm, comprising 260 sqm of B1(a) and 432 sqm of B2</p> <p>Site now in use for lorry parking and open storage, not clear if the full proposal is now required.</p> <p>Would be developed for the exclusive use of AE Faulks, but site could be made available to other occupiers if that did not occur</p> <p>A further 19 jobs will be created if the proposal is implemented.</p>	<ul style="list-style-type: none"> <li>Adjacent recreation facilities</li> </ul>	No	Not started	5+ Site now in use for lorry parking and open storage, not clear if the full proposal is now required.
Site 10: Brooksby Foods, 4 Pate Road, Melton Mowbray (13/00135/FUL)	0.21	<p>Tecnos Holdings own</p> <p>Full consent (13/00135/FUL) for construction of a single-storey despatch extension (838 sqm) and packaging store, with car parking.</p> <p>Development completed in 2014.</p> <p>Developed for the exclusive use of Brooksby Foods.</p> <p>Previous issues with power supply at Brooksby Foods have been addressed with the provision a heavy duty power cable from near the Council offices to Leicester Road.</p>	None relevant – Site developed.	Yes	Developed	0-1 Site developed now
Site 11: Long Clawson Dairy Ltd, 28 West End, Long Clawson (13/00382/FUL)	0.15	<p>Long Clawson Dairy own</p> <p>Full consent (13/00382/FUL) for erection of new dry packaging storage building of 600 sqm</p> <p>Development completed in 2014.</p> <p>Developed for the exclusive use of Long Clawson Dairy.</p>	None relevant – Site developed.	Yes	Developed	0-1 Site developed now
Site 12: Land Adjacent Unit 9, Station Road, Old Dalby (Old Dalby Enterprise Village)	2.70	<p>Heywood Estates/ABRO Properties own</p> <p>Outline consent (13/00128/OUT) for 4,200 sqm of B1 and B2 uses including earth modelling, road layout, drainage and strategic landscaping details.</p> <p>Site marketed as freehold, serviced development plots suitable</p>	<ul style="list-style-type: none"> <li>Backland location with constrained access</li> <li>Sloping site (now being addressed in site preparation)</li> </ul>	No (servicing under development)	Under construction	1-3 Site preparation works have now

Name	Size, ha	Comment	Constraints	Serviced Site, Yes/No	Status	Availability, years/ Comment on Availability
(12/00128/OUT)		<p>for buildings of 100-300 sqm, with prices of £49,000-£89,000. Area aimed at small scale start up businesses.</p> <p>Space exists for up to 25 serviced building plots of between 100-450 sqm each.</p> <p>Developer Heywood Estates offers a full design and build package on this site. Growing Places funds are available to support growth here.</p> <p>Infrastructure development is currently underway, re-modelling 2.7 ha of hillside into three flat plateaus of buildable land, interconnected by access roads.</p> <p>The target is to have the lower plateau ready to hand over plots to freehold purchasers by the end of March 2015, so they can commence construction of their buildings and landscaping. The middle and upper plateaus are targeted to be ready for hand over by the end of June 2015.</p> <p>Limited initial interest in the development plots, although demand now appears to be improving, supporting an initial phase of development.</p>	<p>works)</p> <ul style="list-style-type: none"> <li>• Drains cross the site</li> <li>• Trees onsite.</li> </ul>			<p>commenced and it is expected that the plateaus will be available for development in 2015. Phase I of development is expected to commence shortly after. However, take up of all the plots, in all phases, will still take time and even assuming strong demand it is likely that at least two years will be required for the take up of all plots and full site completion.</p>
Site 13: MC Waste Services, 1 Pate Road, Melton Mowbray (13/00456/OUT)	0.71	<p>M Collard Waste Management Services/Samworth Brothers own</p> <p>Outline consent (13/00456/OUT) for construction of a food production facility of 2,750 sqm and associated external works Proposed as expansion facilities for adjacent Brooksby Foods (Samworth Brothers).</p> <p>In discussions, Samworth Brothers confirm that its short term</p>	<ul style="list-style-type: none"> <li>• Vacant buildings onsite</li> <li>• Possible contamination from previous uses</li> <li>• Car parking onsite</li> <li>• Trees onsite</li> </ul>	No	Not started	<p>5+</p> <p>In discussions, Samworth Brothers confirm that its short term expansion plans are</p>

Name	Size, ha	Comment	Constraints	Serviced Site, Yes/No	Status	Availability, years/ Comment on Availability
		<p>expansion plans are focused at Melton Foods</p> <p>They indicate that it is unlikely that this site will be taken up in less than five years</p> <p>Outline consent lapses in September 2016</p> <p>Would be developed for the exclusive use of Brooksby Foods, but site could be made available to other occupiers if that did not occur</p>	<ul style="list-style-type: none"> <li>There are constraints on the power supply in Emp. Area 34: Leicester Road Estate. Western Power is in discussions with the Council for the acquisition of site to the south of the Borough for the installation of a new sub-station to address these issues. It is also assumed that if the site was developed for Samworth Brothers use then it would benefit from the heavy duty power cable which already feeds into the adjacent Brooksby Foods site.</li> </ul>			<p>focused at Melton Foods.</p> <p>They indicate that it is unlikely that this site will be taken up in less than five years.</p>
Site 14: Truframe, Units 4P and 4Q, Hudson Road, Melton Mowbray (13/00121/FUL)	0.35	<p>Seme Ltd are site owners.</p> <p>Land leased to Truframe.</p> <p>Full planning consent (13/00121/FUL) for the erection of three storage units to existing units, totalling 1,350 sqm, and new pallisade fencing.</p> <p>Site visit in February 2015 suggests that this development is largely/fully completed.</p> <p>Developed for the exclusive use of Truframe.</p> <p>A further five jobs will be created if the proposal is implemented.</p>	<ul style="list-style-type: none"> <li>There are constraints on the power supply at Emp. Area 24: Saxby Road Area (incorporating Hudson Road Estate). Western Power is in discussions with the Council for the acquisition of site to the south of the Borough for the installation of a new sub-station to address</li> </ul>	Yes	Completed	0-1 Site developed now

Name	Size, ha	Comment	Constraints	Serviced Site, Yes/No	Status	Availability, years/ Comment on Availability
			these issues.			
Site 15: Melton Foods, Samworth Way, Melton Mowbray (14/00177/FUL)	0.26	<p>Samworth Foods own</p> <p>Full consent (14/00177/FUL) for:</p> <ul style="list-style-type: none"> <li>Erection of four chill stores to South Elevation.</li> <li>Location of prefabricated office unit.</li> <li>Enlargement of existing storage tent to North Elevation.</li> <li>Erection of tent structure for machine storage.</li> <li>Small Chill store and waste enclosure to East Elevation.</li> </ul> <p>Proposal will provide the following additional space:</p> <ul style="list-style-type: none"> <li>B1(a) – 40 sqm</li> <li>B2 – 790 sqm</li> <li>B8 –165 sqm.</li> </ul> <p>995 sqm in total.</p> <p>Development underway as of base date of this study</p> <p>Developed for the exclusive use of Melton Foods (Samworth Brothers</p> <p>Previous issues with the power supply for Samworth Brothers production facilities are assumed to have been addressed with the provision a heavy duty power cable from near the Council offices to Brooksby Foods, Leicester Road.</p>	None relevant – Under development	Yes	Under construction	0-1 Site under development (likely now completed)
Site 16: Unit 13a Station Road, Old Dalby (14/00217/FUL)	0.15	<p>Direct Trade Bags own</p> <p>Full consent (14/00217/FUL) to demolish existing garages and construct new storage warehouse of 595 sqm</p> <p>Development completed as of base date of this study</p> <p>Developed for the exclusive use of Direct Trade Bags</p>	None relevant – Site developed.	Yes	Developed	0-1 Site developed now
Site 17: Kettleby Foods, 2 Samworth Way, Melton (14/00407/FUL)	0.21	<p>Samworth Foods own</p> <p>Full consent (14/00407/FUL) for extension of an existing food production facility to provide additional despatch store space of 820 sqm.</p> <p>Development underway as of base date of this study</p>	None relevant – Under development	Yes	Under construction	0-1 Site under development (likely now completed)

Name	Size, ha	Comment	Constraints	Serviced Site, Yes/No	Status	Availability, years/ Comment on Availability
		<p>Will be developed for the exclusive use of Kettleby Foods (Samworth Brothers)</p> <p>Previous issues with the power supply for Samworth Brothers production facilities are assumed to have been addressed with the provision a heavy duty power cable from near the Council offices to Brooksby Foods, Leicester Road.</p>				
Site 18: Land at Orston Lane, Bottesford (14/00468/OUT)	1.41	<p>S &amp; P Industrial own</p> <p>Outline planning consent (14/00468/OUT) for an industrial development of 5,500 sqm comprising an extension to Emp. Area 5: Winterbeck Industrial Estate</p> <p>19 units are provisionally proposed comprising 15 starter units plus four larger buildings to accommodate an established business wishing to relocate to Bottesford.</p> <p>Owner in the process of identifying key occupiers for this site</p> <p>Delivery likely within three years</p>	<ul style="list-style-type: none"> <li>Half of the proposed development site is in Flood Zone 3a (High Probability) with the other half in Flood Zone 2 (Medium Probability).</li> </ul>	No	Not started	1-3 Marketing underway, owner estimates delivery within three years.
<b>Total</b>	<b>32.39</b>					

Source: BE Group/MBC, 2015

- 6.5 There are 18 sites totalling 32.39 ha.
- 6.6 However, consideration of the sites on an individual basis suggests that nine sites totalling 2.45 ha were already developed or under construction for specific occupiers (and could not be made available to accommodate other firms), as of 31st January 2015. Two further planning consents, totalling 10.48 ha, have now lapsed and there is no evidence that the respective applicants intend to proceed with the respective schemes.
- 6.7 Removing or reducing all these sites gives a realistic employment land supply of **19.46 ha** as shown in Table 26.

**Table 26 – Melton Land Supply Scenarios**

Site	Cumulative Total Land Supply, ha	Justification for Site Exclusion from Supply
Baseline	32.39	-
<b>Sites Already Developed or Under Development</b>		
Site 1: Stonepits Farm, Six Hills Road, Wartnaby (12/00052/FUL and 13/00880/FUL)	-0.50	Both properties were under construction as of April 2014, and are assumed largely complete as of base date of this study
Site 5: Weldhall Ltd, Melton Road, Long Clawson (11/00968/REM)	-0.21	Completed in early 2014.
Site 8: Agricultural Livestock Building Between Tunnel Farm and Saxelby View Farm Six Hills Lane, Tunnel Farm, Six Hills Lane, Old Dalby (11/00957/COU)	-0.41	Property redeveloped in 2014 but not yet occupied.
Site 10: Brooksby Foods, 4 Pate Road, Melton Mowbray (13/00135/FUL)	-0.21	Development completed in 2014.
Site 11: Long Clawson Dairy Ltd, 28 West End, Long Clawson (13/00382/FUL)	-0.15	Development completed in 2014.
Site 14: Truframe, Units 4P and 4Q, Hudson Road, Melton Mowbray (13/00121/FUL)	-0.35	Site visit in February 2015 suggests that this development is largely/fully completed.
Site 15: Melton Foods, Samworth Way, Melton Mowbray (14/00177/FUL)	-0.26	Development underway as of base date of this study

Site	Cumulative Total Land Supply, ha	Justification for Site Exclusion from Supply
Site 16: Unit 13a Station Road, Old Dalby (14/00217/FUL)	-0.15	Development completed as of base date of this study
Site 17: Kettleby Foods, 2 Samworth Way, Melton (14/00407/FUL)	-0.21	Development underway as of base date of this study
<b>Reduced Supply Total</b>	<b>29.94</b>	-
<b>Sites Judged Unlikely to come Forward</b>		
Site 2: St Gobain PAM, Welby Lane, Asfordby Hill (10/00912/FUL)	-10.34	Consent has now lapsed. No evidence that St Gobain wish to proceed with this development
Site 7: Greenacre, Dalby Road, Nether Broughton (10/00318/COU)	-0.14	Consent lapsed in June 2013, no evidence that this proposal will be taken forward
<b>Final Reduced Supply Total (Realistic Supply)</b>	<b>19.46</b>	-

Source: BE Group; 2015

- 6.8 At present Site 6: Land West of Bowling Green, Leicester Road, Melton Mowbray (Melton Fields Business Park) (06/01012/OUT) remains available employment land. If the current mixed use planning application on this site is successful then the B-Class employment land supply here would reduce by 1.48 ha to 0.35 ha. This would reduce the total realistic supply to 17.98 ha. However, this study does not wish to prejudge the outcome of that application, so Site 6 is not presently identified as unavailable land, in its entirety or in part, in Table 26 above.

### Sites Analysis

- 6.9 The following section analyses Melton's full land supply in terms of its distribution, anticipated land use, availability and grading. To ensure a complete analysis of the supply all of the Borough's 18 identified employment sites (totalling 32.39 ha) are considered, including those, identified in Table 26 above, which may prove to be partially/wholly unavailable.
- 6.10 Table 27 shows how the land is distributed through Melton Borough. It shows that while Melton Mowbray has the largest number of sites, the largest stock of land is at

Emp. Area 14: Holwell Works (Melton Mowbray Business Park), Asfordby Hill. However, of the six sites in Melton Mowbray four, totalling 1.03 ha, have been developed or are under construction. Site 13: MC Waste Services, 1 Pate Road, Melton Mowbray (13/00456/OUT) is most likely to be held as expansion facilities for adjacent Brooksby Foods (Samworth Brothers). This leaves the 1.83 ha Melton Fields site as the only significant employment land resource remaining in the town and, as noted, the majority of this site could be lost to a housing led planning application.

- 6.11 Land at Asfordby Hill includes Site 2: St Gobain PAM, Welby Lane, Asfordby Hill (10/00912/FUL) (10.34 ha). As noted above, it is not clear if this proposal will ever come forward. The remaining 12.10 ha comprises Site 3: Holwell Works, Asfordby Hill (Melton Mowbray Business Park) (09/00356/OUT), where at least some development is likely in the short term to accommodate expanding local businesses.

**Table 27 – Distribution of Employment Land**

Area	Number of Sites	All Employment Land, ha	Serviced Land, ha
Melton Mowbray	6	3.57	2.86
Old Dalby	4	3.81	0.56
Long Clawson	3	0.52	0.52
Ashforby Hill	2	22.44	10.34
Wartnaby	1	0.50	0.50
Nether Broughton	1	0.14	0.14
Bottesford	1	1.41	-
<b>Total</b>	<b>18</b>	<b>32.39</b>	<b>14.92</b>

Source: BE Group 2015

- 6.12 The majority of land supply comprises extension proposals for specific companies which, when delivered, will be held for the sole use of that business. There are also three large consents which will deliver new multi-occupancy business premises for the Borough:
- Site 3: Holwell Works, Asfordby Hill (Melton Mowbray Business Park) (09/00356/OUT) (12.10 ha) – Indicative Masterplan suggests 19 units could be delivered here in sizes ranging from 116 sqm to 6,735 sqm

- Site 12: Land Adjacent Unit 9, Station Road, Old Dalby (Old Dalby Enterprise Village) (12/00128/OUT) (2.70 ha) – Space exists for up to 25 serviced building plots of between 100-450 sqm each
  - Site 18: Land at Orston Lane, Bottesford (14/00468/OUT) (1.41 ha) – 19 units are provisionally proposed comprising 15 starter units plus four larger buildings to accommodate an established business wishing to relocate to Bottesford.
- 6.13 In principle, Site 6: Land West Of Bowling Green, Leicester Road, Melton Mowbray (Melton Fields Business Park) (06/01012/OUT) (1.83 ha) is also available to deliver B1(a) offices of 100-6,000 sqm. In practice, the owner is now seeking planning consent for a housing led mixed use scheme which, if consented, would only retain 0.35 ha in B1(a) employment use.
- 6.14 Out of the total land supply of 32.39 ha, almost half (14.92 ha) is serviced. The serviced land generally comprises consented expansion sites within the curtilages of existing businesses, along with Site 6: Land West of Bowling Green, Leicester Road, Melton Mowbray (Melton Fields Business Park) (06/01012/OUT). Servicing and infrastructure delivery is presently underway at Site 12: Land Adjacent Unit 9, Station Road, Old Dalby (Old Dalby Enterprise Village) (12/00128/OUT).
- 6.15 A site is assumed to be serviced if utilities and road access are readily available. This would apply to infill sites in existing employment areas or where major sites have been opened up. Large allocations, where although services run to the edge of the site they have not been provided into the site itself, are not considered to be serviced. For this reason, the 12.10 ha at Site 3: Holwell Works, Asfordby Hill (Melton Mowbray Business Park) (09/00356/OUT) (which mostly comprises undeveloped brownfield land) cannot be considered serviced until the relevant infrastructure is delivered and development plots prepared.
- 6.16 Land is divided between two types of uses – office and industrial (which can include B8 warehousing). Table 28 shows that, reflecting the planning consents achieved, 92.7 percent of the Borough's land is only suitable for industrial uses. This includes the large business park sites of Site 3: Holwell Works, Asfordby Hill (Melton Mowbray Business Park) (09/00356/OUT) and Site 12: Land Adjacent Unit 9, Station Road, Old Dalby (Old Dalby Enterprise Village) (12/00128/OUT), where the emphasis is strongly on new industrial or warehouse development.

- 6.17 Site 6: Land West of Bowling Green, Leicester Road, Melton Mowbray (Melton Fields Business Park) (06/01012/OUT) is the only large site in the Borough which has been marketed for offices. As noted, this marketing appears to have identified little demand in Melton for larger, self-contained offices and the owner is now seeking a housing-led mixed use development on the land.

**Table 28 – Anticipated Land Use**

Site Type	Total, ha (number of sites)
Office	-
Industrial	30.01 (16)
Office / Industrial	2.38 (2)
<b>Total</b>	<b>32.39 (18)</b>

Source: BE Group 2015

- 6.18 Each site has been assessed for its expected availability, the point at which it may come to market or be developed (see Table 29). This is derived from consultations with owners, occupiers, agents, the Council and other evidence gathered in this study.
- 6.19 Of all the sites, nine (2.45 ha) are already developed or under construction and thus can be removed from the supply within the year. Elsewhere, development is now likely on Site 12: Land Adjacent Unit 9, Station Road, Old Dalby (Old Dalby Enterprise Village) (12/00128/OUT) and Site 18: Land at Orston Lane, Bottesford (14/00468/OUT) which could see both sites taken up over the next three years. Thus 13.2 percent of the supply (4.27 ha) is likely to be taken up over the medium term, 1-3 years.

**Table 29 – Current Land Availability**

Area	Hectares Available, years (Number of Sites)				
	0-1	1-3	3-5	5+	Total
Melton Mowbray	1.03 (4)	-	-	2.54 (2)	3.57 (6)

Area	Hectares Available, years (Number of Sites)				
	0-1	1-3	3-5	5+	Total
Old Dalby	0.56 (2)	2.70 (1)	-	0.55 (1)	3.81 (4)
Long Clawson	0.36 (2)	0.16 (1)	-	-	0.52 (3)
Ashforby Hill	-	-	-	22.44 (2)	22.44 (2)
Wartnaby	0.50 (1)	-	-	-	0.50 (1)
Nether Broughton	-	-	-	0.14 (1)	0.14 (1)
Bottesford	-	1.41 (1)	-	-	1.41 (1)
<b>Total</b>	<b>2.45 (9)</b>	<b>4.27 (3)</b>	<b>-</b>	<b>25.67 (6)</b>	<b>32.39 (18)</b>

Source: BE Group, 2015

6.20 Site 3: Holwell Works, Asfordby Hill (Melton Mowbray Business Park) (09/00356/OUT) is likely to see some short term development on 0.6 ha, but the full development of this large (12.10 ha) site remains a long term prospect. Overall, 25.67 ha (79.3 percent) comprises a longer term supply which is unlikely to be brought forward in less than five years. In practice this includes sites such as Site 2: St Gobain PAM, Welby Lane, Asfordby Hill (10/00912/FUL) where development may not place, as it is currently consented for at least.

### **Site Grading**

6.21 All sites have been graded using a standard scoring system (see Appendix 6). Each site is scored out of 100, made up of ten individual measures, each scored out of ten. These are:

- Strategic highway proximity
- Proximity to key cross country routes
- Prominence
- Public transport
- Planning status
- Services availability
- Constraints

- Environmental setting
- Flexibility and availability.

6.22 The detailed scores are provided in Appendix 7.

6.23 Two scores are provided in Table 30, a total score and a market-led score, which reflect the locational strengths and weaknesses of each site. The market-led score is made up of just:

- Strategic highway proximity
- Proximity to key local routes
- Prominence
- Environmental setting
- Flexibility.

6.24 These are the characteristics that are very difficult to improve. The other five aspects, which combine to make up the total score, are much easier to improve and hence provide the ability to raise the quality of a site.

**Table 30 – Sites Scoring**

Site Name	Settlement	Land Available, ha	Total Score, max 100	Market-led Sub-total, max 50
Site 15: Melton Foods, Samworth Way, Melton Mowbray (14/00177/FUL)	Melton Mowbray	0.26	81	36
Site 17: Kettleby Foods, 2 Samworth Way, Melton (14/00407/FUL)	Melton Mowbray	0.21	81	36
Site 14: Truframe, Units 4P and 4Q, Hudson Road, Melton Mowbray (13/00121/FUL)	Melton Mowbray	0.35	76	28
Site 1: Stonepits Farm, Six Hills Road, Wartnaby (12/00052/FUL and 13/00880/FUL)	Wartnaby	0.50	75	35
Site 8: Agricultural Livestock Building Between Tunnel Farm and Saxelby View Farm Six Hills Lane, Tunnel Farm,	Old Dalby	0.41	72	32

Site Name	Settlement	Land Available, ha	Total Score, max 100	Market-led Sub-total, max 50
Six Hills Lane, Old Dalby (11/00957/COU)				
Site 6: Land West Of Bowling Green, Leicester Road, Melton Mowbray (Melton Fields Business Park) (06/01012/OUT)	Melton Mowbray	1.83	71	40
Site 10: Brooksby Foods, 4 Pate Road, Melton Mowbray (13/00135/FUL)	Melton Mowbray	0.21	70	25
Site 18: Land at Orston Lane, Bottesford (14/00468/OUT)	Bottesford	1.41	64	24
Site 2: St Gobain PAM, Welby Lane, Asfordby Hill (10/00912/FUL)	Asfordby Hill	10.34	63	35
Site 16: Unit 13a Station Road, Old Dalby (14/00217/FUL)	Old Dalby	0.15	62	17
Site 5: Weldhall Ltd, Melton Road, Long Clawson (11/00968/REM)	Long Clawson	0.21	60	15
Site 12: Land Adjacent Unit 9, Station Road, Old Dalby (Old Dalby Enterprise Village) (12/00128/OUT)	Old Dalby	2.70	58	29
Site 3: Holwell Works, Asfordby Hill (Melton Mowbray Business Park) (09/00356/OUT)	Asfordby Hill	12.10	55	39
Site 7: Greenacre, Dalby Road, Nether Broughton (10/00318/COU)	Nether Broughton	0.14	55	22
Site 9: Car Park, Station Road, Old Dalby (12/00218/OUT)	Old Dalby	0.55	55	26
Site 11: Long Clawson Dairy Ltd, 28 West End, Long Clawson (13/00382/FUL)	Long Clawson	0.15	54	9
Site 13: MC Waste Services, 1 Pate Road,	Melton Mowbray	0.71	54	33

Site Name	Settlement	Land Available, ha	Total Score, max 100	Market-led Sub-total, max 50
Melton Mowbray (13/00456/OUT)				
Site 4: Land Adjacent 54 Barkers Farm, Church Lane, Long Clawson (12/00361/COU)	Long Clawson	0.16	47	8

Source: BE Group 2015

6.25 The best scoring sites overall are Site 17: Kettleby Foods, 2 Samworth Way, Melton (14/00407/FUL), Site 15: Melton Foods, Samworth Way, Melton Mowbray (14/00177/FUL) and Site 14: Truframe, Units 4P and 4Q, Hudson Road, Melton Mowbray (13/00121/FUL). These are all prominently located sites off the A607 Leicester Road where development is complete or underway. In market terms, however, Site 6: Land West Of Bowling Green, Leicester Road, Melton Mowbray (Melton Fields Business Park) (06/01012/OUT) scores best, reflecting both its prominence, environmental quality and its greater flexibility, allowing it to accommodate a range of businesses. The other large sites of the Borough, including Site 3: Holwell Works, Asfordby Hill (Melton Mowbray Business Park) (09/00356/OUT) and particularly Site 12: Land Adjacent Unit 9, Station Road, Old Dalby (Old Dalby Enterprise Village) (12/00128/OUT), are much less prominent on the strategic highway network and accordingly have lower scores.

6.26 The worst performing site overall and in market terms, is Site 4: Land Adjacent 54 Barkers Farm, Church Lane, Long Clawson (12/00361/COU) which comprises a small site in a comparative backland location, where consented development plans are not being taken forward. In a residential and agricultural area, with no other B-Class employment uses nearby, this location appears both unsuited and undesirable for employment development.

### Employment Areas Assessments

6.27 BE Group has reviewed a total of 36 Employment Areas across Melton Borough. These were all identified in the previous Melton Employment Land Studies (2006 and 2007 update) as established employment locations and collectively they contain the bulk of the B1/B2/B8 premises in the Borough. This list excludes Burrough Court, Burrough-On-The-Hill and Buckminster Yard, Buckminster which are more recent

developments and not so defined in terms of site areas, uses, quality, etc. These two locations are discussed elsewhere in the study.

6.28 Each area has been appraised and assessed through a combination of site visits, local intelligence, consultations with some owners and the views of those involved in the local property market. The analysis includes the following:

- The 'Name' contains the local authority's designated title for the area/site
- A brief 'Description' in the form of the consultancy team's comment on the area, including the main use classes.
- The size in hectares is also provided
- Vacant land is identified, as is the scope for remodelling of particular properties or sites. Expansion possibilities are also included. All of these are identified, for simplicity, as 'Opportunities for redevelopment/expansion'. However, in most cases, where an Employment Area is functioning well and most land/property is in use, there may be no such opportunities.
- The 'Grade' refers to BE Group's professional opinion on the ranking that should be afforded to the individual area. This has been based on a number of factors – critical mass of the area, companies likely to cluster; accessibility, the closer to motorways and arterial roads the better; prominence, to main roads, and environment – setting of the location, servicing, parking and landscape treatment. For each element assessments are made as Poor, Average or Good. Combining this data leads to an overall hierarchical assessment banded A to E. These are described in Table 31. Finally, recommendations for the future role of the area are set out.

**Table 31 – Grades A to E Definitions**

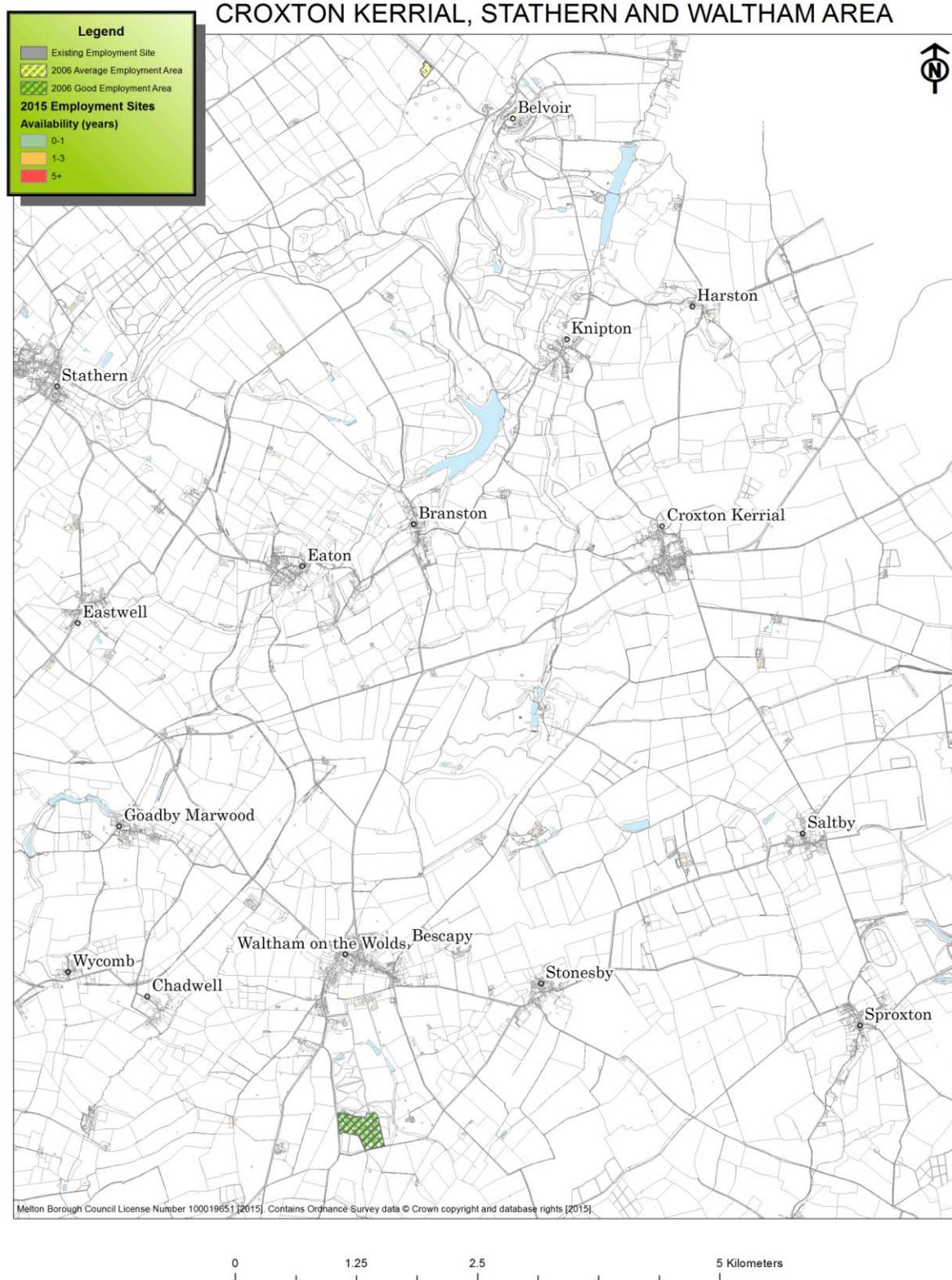
Grade	Definition	Action
A	High quality, prestigious, flagship business areas due to their scale, location and setting. Capable of competing for investment in the regional market place. These are prime sites for marketing to a cross section of users including new inward investors. They can also meet the needs of image-conscious, aspirational companies already in the local authority area	Protect strongly in the Local Plan Support and expand
B	Good employment sites due to their scale, location and setting. Capable of competing for investment in the sub-regional market place. These are prime sites for marketing to a cross section of users, B1, B2 and B8, including some new inward investors.	Protect strongly in the Local Plan Support and expand
B/C	Key employment sites with an influence over the whole	Protect in the Local

Grade	Definition	Action
C	local authority area, but primarily geared towards local businesses and B1 light industrial, B2 and B8 uses.	Plan Support
C/D	Lower quality locations in residential areas suffering from poor accessibility and massing.	Continue to protect/review through the Local Plan
D		
D/E	Very poor quality areas. Widespread vacancy and dereliction in poor environments. Or areas which have been, or are in the process of being, lost to other uses.	Promote alternative uses if possible
E		

Source: BE Group 2015

- 6.29 The 36 Employment Areas have been split into six geographic sub-areas, which are shown in Figures 14-20 below. The Employment Areas included in each sub-area are highlighted in green or yellow hatch. Any employment sites, from the above analysis, which fall within the relevant sub area, are included within the relevant map, referenced by their planning application number. Results of the above analyses, for each Employment Area, are then summarised in Tables 32-38.
- 6.30 Overall, there is some 541.66 ha of developed land in, or with potential for, B1/B2/B8 uses in Melton Borough. However, 306.46 ha (56.6 percent) of this comprises the Borough's three former airfields – Emp. Area 31: Melton Airfield, Burton and Dalby (99.33 ha); Emp. Area 6: Normanton Airfield, Bottesford (172.65 ha) and Emp. Area 8: Langar Airfield, Harby (34.48 ha). Most land in all three locations is designated for airfield (Sui Generis) uses rather than B-Class use and, in practice, comprises undeveloped and vacant land or sites in open storage/agricultural operation. Change of use planning applications, along with significant infrastructure investment, would therefore be required to deliver further employment premises at any of the three locations.
- 6.31 A more realistic developed land total, excluding land which is not presently in B1/B2/B8 use and which could not be quickly and easily brought into such uses (i.e. all three airfields) is therefore 235.20 ha. Within this, the largest individual Employment Area is Emp. Area 13: Asfordby Business Park, Asfordby Hill, which comprises 48.41 ha.

**Figure 14 – Melton’s Existing Employment Areas – Croxton Kerral, Stathern and Waltham Area**



Source: MBC, 2015

**Table 32 – Employment Area Summaries – Croxton Kerral, Stathern and Waltham Area**

Area (Hatched Green on the Map)	Settlement	Size, ha	Description and Use Classes	Issues with voids or unviable premises	Grading	Recommendations
				Opportunities for Redevelopment/ expansion		
Emp. Area 1: Masterfoods HQ	Waltham	11.81	Secure modern research facility for Mars, in an isolated rural location (B1(b))	Secure modern facility for a single company.	Critical mass: Poor Accessibility: Good Prominence: Average Environment: Good  <b>Total Grade: B</b>	<b>Protect strongly in the Local Plan</b> as major facility for a key county and regional employer.
<b>Sub Total</b>		<b>11.81</b>				

Source: MBC/BE Group 2015

Figure 15 – Melton’s Existing Employment Areas – Bottesford Area



Source: MBC, 2015

**Table 33 – Employment Area Summaries – Bottesford Area**

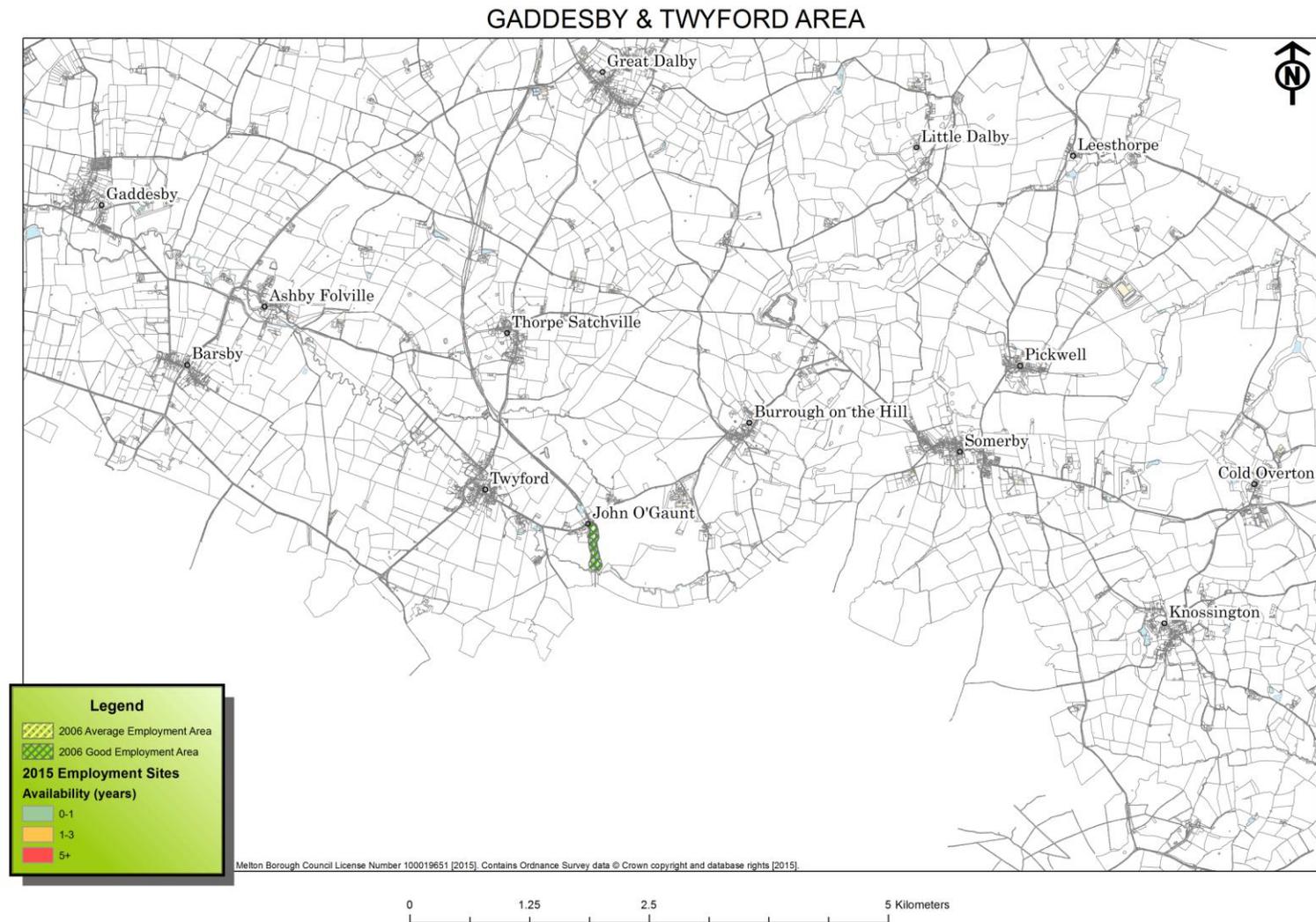
Area (Hatched Green on the Map)	Settlement	Size, ha	Description and Use Classes	Issues with voids or unviable premises  Opportunities for Redevelopment/ expansion	Grading	Recommendations
Emp. Area 2: Belvoir Fruit Farms, Vale View	Bottesford	2.30	New build cordial production and bottling plant in a rural area (B2, B8)	Recently completed plant, now occupied	Critical mass: Poor Accessibility: Average Prominence: Poor Environment: Good  <b>Total Grade: C</b>	<b>Protect in the Local Plan</b> as local employment area for B1/B2/B8 (and appropriate ancillary) uses.
Emp. Area 36: (Former) Belvoir Fruit Farms, Woolsthorpe Road	Redmile	1.20	Older food production premises, densely developed in an isolated rural location. Occupier has recently vacated.	Older rural premises which could benefit from investment and refurbishment. Occupier has recently vacated and premises are likely to put on the market by the owner (Belvoir Estate).	Critical mass: Poor Accessibility: Poor Prominence: Average Environment: Average  <b>Total Grade: C/D</b>	<b>Protect in the Local Plan</b> as local employment area for B1/B2/B8 (and appropriate ancillary) uses. Although now vacant the premises remain a sizable facility in a part of the Borough that otherwise lacks B-Class employment options.
Emp. Area 3: Normanton Lane Estate	Bottesford	2.17	Established local industrial estate, in an edge of settlement location, accommodating a number of key businesses (serving the north of the Borough), including Long Clawson Dairy, the Clay Pigeon Company and Perfectos Printing Inks. There is a Leicestershire County Council run household waste site to the north. (B1(a, c), B2, B8)	Mix of premises types and qualities. However, all appear well used, with no evidence of voids or significant physical issues.  Indeed major employers have previously looked to grow in the area and have been unable to acquire the space – Long Clawson Dairy negotiated to buy undeveloped land to the rear, for expansion purposes, but was unable to reach an	Critical mass: Good Accessibility: Average Prominence: Good Environment: Average  <b>Total Grade: C</b>	<b>Protect in the Local Plan</b> as local employment area for B1/B2/B8 (and appropriate ancillary) uses. Consider if small scale expansion options can be provided on the agricultural land to the west of the estate, to allow company expansion and help to retain the operations of Long Clawson Dairy (and others) locally.

Area (Hatched Green on the Map)	Settlement	Size, ha	Description and Use Classes	Issues with voids or unviable premises  Opportunities for Redevelopment/ expansion	Grading	Recommendations
				agreement with the landowner.		
Emp. Area 4: Orston Lane	Bottesford	4.71	Low density, rural employment area with large quantities of land in use for vehicle parking and aggregate storage.	Developed to a low density, but the buildings which are on site are of a reasonable quality. Other land is in use, albeit for open storage.	Critical mass: Poor Accessibility: Average Prominence: Average Environment: Average  <b>Total Grade: C/D</b>	<b>Protect in the Local Plan</b> as local employment area for B1/B2/B8 (and appropriate ancillary) uses
Emp. Area 5: Orston Lane (Winterbeck Industrial Estate )/ Longhedge Estate	Bottesford	7.06	Two adjoining moderate quality industrial estates, accommodating a range of micro and small business. A key source of reasonable quality industrial space in the north of the Borough (B1(c), B2, B8)	Two estates of modern industrial units which are well occupied.  Evidence of the success of this area comes from the plans for growth which are now being progressed - S & P Industrial has now secured Outline Consent for a 1.41 ha expansion of Winterbeck Industrial Estate (Site 18: Land at Orston Lane, Bottesford (14/00468/OUT)). 19 units are provisionally proposed, comprising 15 starter units plus four larger buildings to accommodate an established business wishing to relocate to Bottesford.	Critical mass: Good Accessibility: Average Prominence: Average Environment: Good  <b>Total Grade: C</b>	<b>Protect in the Local Plan</b> as local employment area for B1/B2/B8 (and appropriate ancillary) uses. The consented growth area should also be protected.

Area (Hatched Green on the Map)	Settlement	Size, ha	Description and Use Classes	Issues with voids or unviable premises  Opportunities for Redevelopment/ expansion	Grading	Recommendations
Emp. Area 6: Normanton Airfield	Normanton	172.6 5	Former RAF airfield on the Melton/South Kesteven boundary. The west of the site, which falls within Melton, comprises runways and surrounding agricultural land. The east, in South Kesteven, includes Roseland Business Park which provides industrial, warehouse and open storage options on some 283 ha. Occupiers include Bennington Foods, Tarmac, Balfour Beatty and Tarmac. The runways appear partially in use for car storage. (B1(c), B2, B8)	Developed premises fall outside of Melton Borough.  In principle a large area of brownfield land remains available for development on a site with good access to the A1 at Long Bennington. However, it is unlikely that the rural market of this area will support a major employment development. It must also be recognised that much of the Melton portion of the site has returned to agricultural use. Future growth is likely to focus around the existing industrial area, most of which is in South Kesteven.  It should also be noted that a planning application was submitted in late 2014 (to Melton Borough Council) that seeks the use of the runways, for the taking off and landing of light aircraft, gliders and helicopters for up to 28 days per year.	Critical mass: N/A Accessibility: Average Prominence: Average Environment: Good  <b>Total Grade: D</b>	<b>Review in the Local Plan</b> the Melton portion of this site is in agricultural use and provides no real employment options. The review should consider if this site could better meet other development needs or if it should be deallocated to countryside uses. Engage with South Kesteven District Council to determine if joint growth proposals are viable here.
<b>Sub Total</b>		<b>201.9 0</b>				

Source: MBC/BE Group 2015

Figure 16 – Melton’s Existing Employment Areas – Gaddesby and Twyford Area



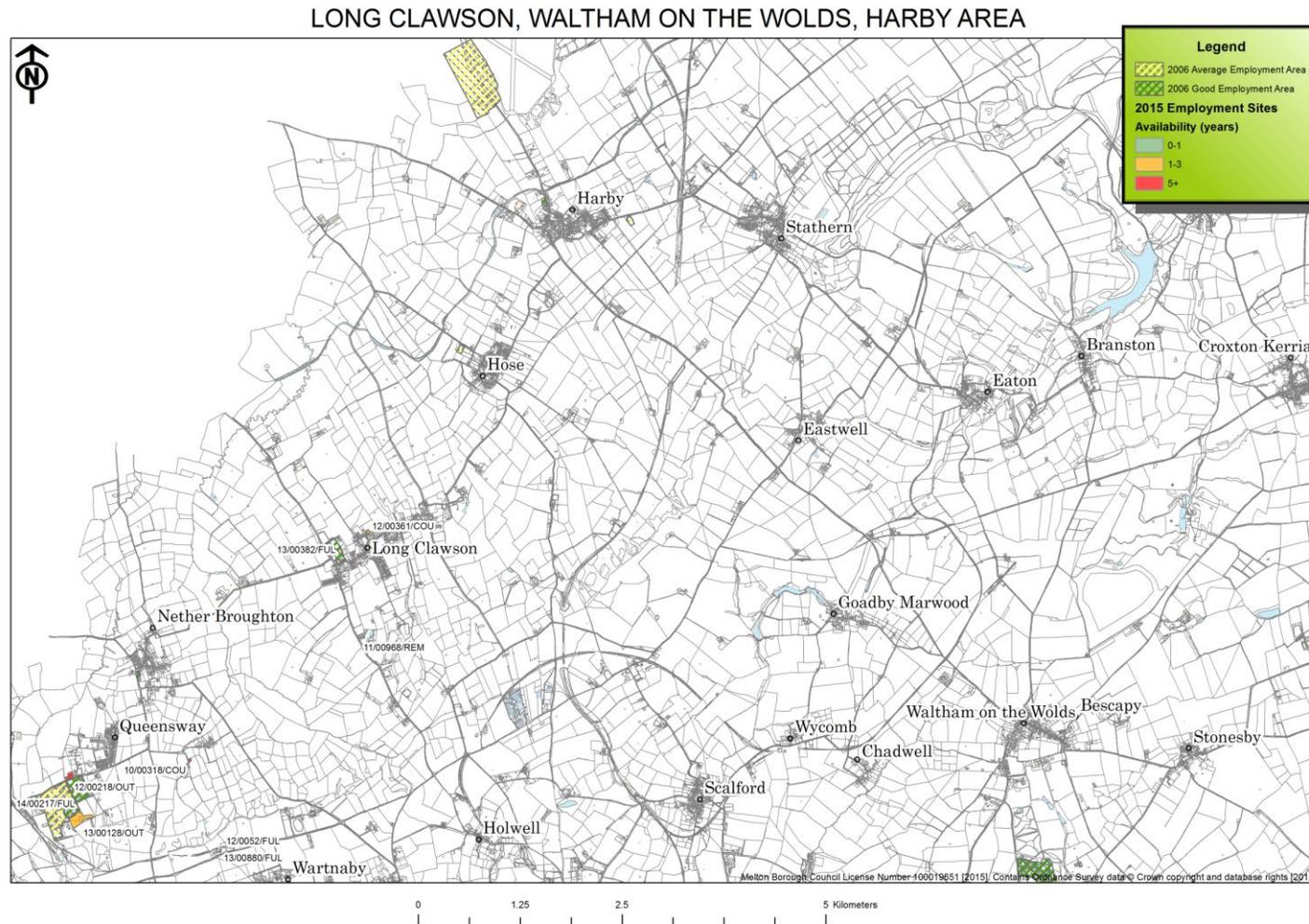
Source: MBC, 2015

**Table 34 – Employment Area Summaries – Gaddesby and Twyford Area**

Area (Hatched Green on the Map)	Settlement	Size, ha	Description and Use Classes	Issues with voids or unviable premises  Opportunities for Redevelopment/ expansion	Grading	Recommendations
Emp. Area 7: John O Gaunt Industrial Estate	John O Gaunt	4.77	Rural industrial estate including good quality premises and land which may be in equestrian use. S Milner and Son Saddlers is the main occupier (B1(c))	Premises appear to be of good quality and in use, albeit for low density agricultural/ equestrian supply uses  Land within the estate appears to be in equestrian use or is used as landscaping.	Critical mass: Poor Accessibility: Good Prominence: Good Environment: Good  <b>Total Grade: C</b>	<b>Protect in the Local Plan</b> as local employment area for B1/B2/B8 (and appropriate ancillary) uses.
<b>Sub Total</b>		<b>4.77</b>				

Source: MBC/BE Group 2015

Figure 17 – Melton’s Existing Employment Areas – Long Clawson, Waltham, Harby Area



Source: MBC, 2015

**Table 35 – Employment Area Summaries – Long Clawson, Waltham, Harby Area**

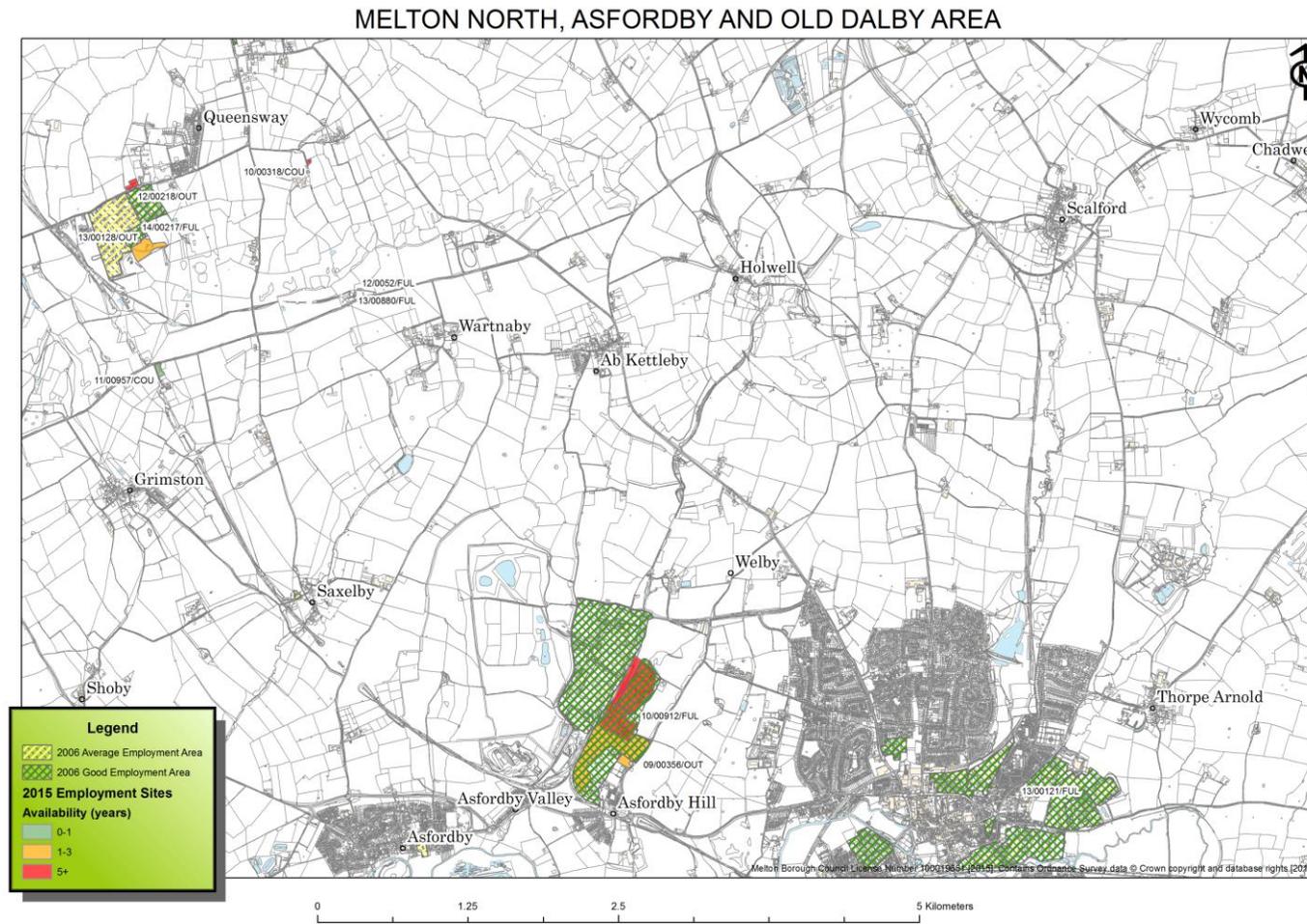
Area (Hatched Green or Yellow on the Map)	Settlement	Size, ha	Description and Use Classes	Issues with voids or unviable premises  Opportunities for Redevelopment/ expansion	Grading	Recommendations
Emp. Area 8: Langar Airfield	Harby	34.48	Former RAF airfield on the boundary between Melton and Rushcliffe. Most of site comprises disused runways. Developed premises are in the north and west of the area, within Rushcliffe, and include UK HQ facilities for John Deere and a range of smaller workshop units and several larger units in B8 storage use. Only one premises, occupied by Langar Cart and Quad Centre, is in Melton. (B1(c), B2, B8)	Developed premises largely fall outside of the Borough.  Rushcliffe Borough Council indicates that there are no expansion plans on this site at this time.  The undeveloped land within Melton could provide new employment opportunities for Melton Borough. However, as the bulk of the site (including site entrances) is in Rushcliffe it is assumed that the emphasis for change here will be led by Rushcliffe Borough Council.	Critical mass: N/A Accessibility: Average Prominence: Average Environment: Good  <b>Total Grade: D</b>	<b>Review in the Local Plan</b> to determine if better use can be made of this site, delivering greater employment options (whilst reflecting the rural character of the area). Any review would need to be in partnership with Rushcliffe Borough Council
Emp. Area 9: Former Dairy (Bagforce)	Harby	0.64	Solus edge of settlement employment area. Occupied by Bagforce Aggregates (B8)	Small moderate quality industrial unit, plus land in use for open storage. Meets the need of that specific employer, but would be of limited value to other occupiers if Bagforce relocated.  Further expansion not possible without encroaching on surrounding rural land.	Critical mass: Average Accessibility: Good Prominence: Good Environment: Poor  <b>Total Grade: C/D</b>	<b>Protect in the Local Plan</b> as a site for key local employer
Emp. Area 10: (Former) Long Clawson Dairy	Harby	0.47	Former dairy complex, in an edge of settlement location, which has been vacant for some years and is now	Former dairy site is now largely cleared. The location has consent for nine dwellings and development is expected to commence shortly	Critical mass: N/A Accessibility: Average Prominence: Average Environment: Poor	Area has now been lost to housing.

Area (Hatched Green or Yellow on the Map)	Settlement	Size, ha	Description and Use Classes	Issues with voids or unviable premises  Opportunities for Redevelopment/ expansion	Grading	Recommendations
			largely cleared (B2)		<b>Total Grade: D/E</b>	
Emp. Area 11: (Former) Electro Motion	Hose	0.65	Vacant solus manufacturing complex, in an edge of settlement location to the west of Hose (B2)	<p>Site vacated by Electro Motion in 2014. Interest from a developer in the site.</p> <p>The building is of a reasonable quality and includes a modern office extension on the front. However, finding an alternative occupier to take the whole of this rural site would be difficult so sub-division or partial/total redevelopment is more likely.</p> <p>There is a large area of unused brownfield land to the west of the existing plant. It is not clear if this is part of the (Former) Electro Motion site.</p>	<p>Critical mass: Poor Accessibility: Average Prominence: Poor Environment: Average</p> <p><b>Total Grade: C/D</b></p>	<b>Review future options for the reuse of this site</b> reflecting the fact that this is the only significant B1/B2/B8 location in the Hose area.
Emp. Area 12: Long Clawson Dairy	Long Clawson	3.30	Large dairy facility within the Long Clawson settlement area, plus adjacent manufacturing facilities for KS Composites (B2, B8)	<p>Modern dairy premises, which has been developed incrementally to meet the needs of a specific major employer.</p> <p>Small scale expansion has recently taken place at Long Clawson Dairy (discussed above).</p> <p>The Dairy also owns 6.7 ha of greenfield expansion land to the rear, currently in agricultural use. In October 2014 the Dairy</p>	<p>Critical mass: Poor Accessibility: Good Prominence: Good Environment: Good</p> <p><b>Total Grade: B/C</b></p>	<b>Protect in the Local Plan as a site for key local employer(s).</b>

Area (Hatched Green or Yellow on the Map)	Settlement	Size, ha	Description and Use Classes	Issues with voids or unviable premises  Opportunities for Redevelopment/ expansion	Grading	Recommendations
				submitted a planning application to develop a portion of this land to develop a new packing building with cold storage facility and a new milk reception building/covered milk offload area. The new facilities will be delivered partly through the conversion of existing buildings and partly through a 4,500 sqm new build development.		
<b>Sub Total</b>		<b>39.54</b>				

Source: MBC/BE Group 2015

Figure 18 – Melton’s Existing Employment Areas – Melton Mowbray North, Asfordby and Old Dalby Area



Source: MBC, 2015

**Table 36 – Employment Area Summaries – Melton Mowbray North, Asfordby and Old Dalby Area**

Area (Hatched Green or Yellow on the Map)	Settlement	Size, ha	Description and Use Classes	Issues with voids or unviable premises  Opportunities for Redevelopment/ expansion	Grading	Recommendations
Emp. Area 13: Asfordby Business Park	Asfordby Hill	48.41	<p>Major industrial estate. The largest developed estate in the Borough offering some 19,654 sqm of industrial and warehouse space, of which only 167 sqm (0.8 percent) is vacant and on the market. There is also 3,951 sqm of offices although 89 percent of this (3,505 sqm) is contained within the former Mine Amenity Block which is considered to no longer meet modern requirements.</p> <p>The estate accommodates a range of mostly larger established businesses, including national firms such as Network Rail (see Section 7.0) and has a range of unique infrastructure features including a power station, rail test track and water supply.</p> <p>(B1(a, c), B2, B8)</p>	<p>The quality of accommodation varies considerably across the Business Park, but there is little void space. Units are generally set up to meet the needs of specific occupiers and so may be difficult to market to others once that occupier vacates. At present only the Mine Amenity Block is judged surplus and an opportunity for redevelopment.</p> <p>As noted by the landowner in Section 7.0, future growth will take place within the footprint of the existing Business Park. There are no plans for expansion into the surrounding greenfield land. Space exists for a further 38,000 sqm of industrial and warehouse space, in three main plots which could provide individual units of 2,000-10,000 sqm. Further brownfield expansion land exists in the</p>	<p>Critical mass: Good Accessibility: Good Prominence: Average Environment: Average</p> <p><b>Total Grade: A</b></p>	<p><b>Protect strongly in the Local Plan</b> as key local/county employment area for B1/B2/B8 (and appropriate ancillary) uses. Future growth, within the existing employment area boundary could provide some 64,000 sqm of additional employment space (mostly for industrial occupiers) without the need for further land allocations. This growth should therefore be encouraged.</p>

Area (Hatched Green or Yellow on the Map)	Settlement	Size, ha	Description and Use Classes	Issues with voids or unviable premises  Opportunities for Redevelopment/ expansion	Grading	Recommendations
				north west of the Business Park, which could accommodate another 26,000 sqm of premises. Development plots will be marketed on a design and build basis only and will only be offered for leasehold (or long leasehold) occupancy. Harworth also has aspirations to develop some 3,300 sqm of 'pod' style starter offices, to be marketed to local businesses.		
Emp. Area 14: Holwell Works (Melton Mowbray Business Park)	Asfordby Hill	26.41	Dispersed employment area, north of Asfordby Hill. Most of the Welby Road frontage comprises undeveloped expansion land, sloping in places, (None)	Site 3: Holwell Works, Asfordby Hill (Melton Mowbray Business Park) (09/00356/OUT) is owned by Rotherhill is on the market as Melton Mowbray Business Park The indicative Masterplan suggests 19 units could be delivered here in sizes ranging from 116 sqm to 6,735 sqm. There is some interest from expanding local businesses for land here, as is discussed above.	Critical mass: N/A Accessibility: Good Prominence: Average Environment: Average  <b>Total Grade: B</b>	<b>Protect strongly in the Local Plan</b> as key local/county employment area for B1/B2/B8 (and appropriate ancillary) uses. Future growth here does appear viable and the expansion land should remain protected for B1/B2/B8 development.
Emp. Area 15: Stanton PLC (St Gobain)	Asfordby Hill	8.67	Comprises a major facility for St Gobain plus a smaller operations for	Includes a large older industrial complex for St Gobain,	Critical mass: Poor Accessibility: Good Prominence:	<b>Protect in the Local Plan</b> as a site for key local employer.

Area (Hatched Green or Yellow on the Map)	Settlement	Size, ha	Description and Use Classes	Issues with voids or unviable premises  Opportunities for Redevelopment/ expansion	Grading	Recommendations
			Hanson and Countrywide (B2, B8)	adapted to meet the specific needs of that business	Average Environment: Average  <b>Total Grade: B</b>	
Emp. Area 16: Asfordby Haulage and Storage	Asfordby	1.13	Solus older depot for Asfordby Haulage and Storage (B8)	Established warehouse premises, of moderate quality, in full use by a single business. May be difficult to adapt to other users if that business ever vacates.  None – all land and premises appear to be in use. Site tightly bound by other uses.	Critical mass: Poor Accessibility: Average Prominence: Average Environment: Average  <b>Total Grade: C</b>	<b>Protect in the Local Plan</b> as local employment area for B1/B2/B8 (and appropriate ancillary) uses.
Emp. Area 17: Shoby Lodge Farm	Grimston	1.25	A group of small, budget quality workshop units off the A6006 (B1 (c))	Workshops and lock-up units in a rural setting. Quality of accommodation is low, but space appear to be well used and area continues to perform a function, providing budget space to rural business that may not be able to afford more modern units elsewhere.  Further expansion not possible without encroaching on surrounding rural land	Critical mass: Poor Accessibility: Average Prominence: Average Environment: Average  <b>Total Grade: C/D</b>	<b>Protect in the Local Plan</b> as local employment area for B1/B2/B8 (and appropriate ancillary) uses.
Emp. Area 18: Saxelbye Dairy (Websters)	Grimston	0.25	Small artisan dairy, in historic premises in Saxelbye	Historic dairy premises of moderate quality. Premises fitted	Critical mass: Poor Accessibility: Poor	<b>Protect in the Local Plan</b> as local employment area for B1/B2/B8 (and

Area (Hatched Green or Yellow on the Map)	Settlement	Size, ha	Description and Use Classes	Issues with voids or unviable premises  Opportunities for Redevelopment/ expansion	Grading	Recommendations
Dairy)			(B1 (c))	out to accommodate a specific occupier and may not be viable for reuse by others if that occupier ever vacates.  Site fully developed and bounded by other uses. Location also within a Conservation Area.	Prominence: Average Environment: Good  <b>Total Grade: C/D</b>	appropriate ancillary) uses.
Emp. Area 19: Snow Hill Estate	Melton Mowbray	5.56	Established, moderate quality industrial estate, centrally located in Melton Mowbray and accommodating a range of local micro and small businesses. (B1(c), B2, B8)	Moderate quality, terraced industrial units. Some occupiers have complained about the standards of maintenance in individual units, suggesting some investment requirements, but the scheme as a whole remains well occupied and viable. A good source of start-up workshop space locally.  Site fully developed and bounded by other uses.	Critical mass: Good Accessibility: Average Prominence: Average Environment: Average  <b>Total Grade: B/C</b>	<b>Protect in the Local Plan</b> as local employment area for B1/B2/B8 (and appropriate ancillary) uses.
Emp. Area 20: Jeld-Wen Factory	Melton Mowbray	6.52	Large older manufacturing complex for Jeld-Wen, tightly bound by surrounding housing and woodland. (B2)	Older, budget quality premises with constrained access and unsurfaced parking in places. Site meets the needs of Jeld-Wen, but if that company ever vacated this complex site would be difficult to market to	Critical mass: Poor Accessibility: Average Prominence: Average Environment: Average  <b>Total Grade: B/C</b>	<b>Protect in the Local Plan</b> as a site for key local employer. If that employer vacates look to protect the land for B1/B2/B8 uses.

Area (Hatched Green or Yellow on the Map)	Settlement	Size, ha	Description and Use Classes	Issues with voids or unviable premises  Opportunities for Redevelopment/ expansion	Grading	Recommendations
				<p>other users, either as a single site or as sub-divided units. At that time the future of this area would have to be reconsidered and redevelopment options put forward.</p> <p>Site fully developed and bounded by other uses.</p>		
Emp. Area 21: Asfordby Storage and Haulage, Saxby Road	Melton Mowbray	13.85	<p>Large modern depot for Asfordby Storage and Haulage/Mailway Packaging Solutions.</p> <p>There are constraints on the power supply in the Saxby Road area. Western Power is in discussions with the Council for the acquisition of site to the south of the Borough for the installation of a new sub-station to address these issues. (B8)</p>	<p>Good quality depot, a useful logistics premises in the town which could be marketed to other similar occupiers if Asfordby Storage and Haulage/Mailway Packaging Solutions ever vacate.</p> <p>Site fully developed and bounded to the west by recreation ground.</p>	<p>Critical mass: Poor Accessibility: Average Prominence: Average Environment: Average</p> <p><b>Total Grade: B/C</b></p>	<b>Protect in the Local Plan</b> as a site for key local employer.
Emp. Area 22: Thorpe Road Area	Melton Mowbray	6.17	Dispersed older industrial area, comprising a large older manufacturing facility for Jeld-Wen, plus surrounding smaller units for Craftplay, Melton Building Suppliers/Fuel	Mixed employment area, but most premises is of reasonable quality and well occupied. Jeld-Wen is the anchor occupier and if they ever vacated it would break up the	<p>Critical mass: Average Accessibility: Average Prominence: Good Environment: Average</p> <p><b>Total Grade: B/C</b></p>	<b>Protect in the Local Plan</b> as local employment area for B1/B2/B8 (and appropriate ancillary) uses.

Area (Hatched Green or Yellow on the Map)	Settlement	Size, ha	Description and Use Classes	Issues with voids or unviable premises  Opportunities for Redevelopment/ expansion	Grading	Recommendations
			Supplies and Howdens. (B2, B8)	area and likely put it at risk from loss to retail or residential development.  Site fully developed and bounded by other uses.		
Emp. Area 23: Tuxford and Tebbutt (Arla Dairies)	Melton Mowbray	0.89	Modern Arla Dairies facility located on the edge of the Town Centre (B2)	Good quality, modern dairy facility. The specialist nature of the facility would make its re-use by other occupiers difficult if Arla ever vacate.  Site fully developed and bounded to the west by recreation ground.	Critical mass: Poor Accessibility: Good Prominence: Good Environment: Good  <b>Total Grade: B/C</b>	<b>Protect in the Local Plan</b> as a site for key local employer.
Emp. Area 24: Saxby Road Area (incorporating Hudson Road Estate)	Melton Mowbray	9.21	Established industrial estate comprising a group of larger industrial and warehouse premises, occupied by larger premises on the eastern edge of Melton Mowbray  There are constraints on the power supply in the Saxby Road area. Western Power is in discussions with the Council for the acquisition of site to the south of the Borough for the installation of a new sub-station to address	Established, modern industrial estate which is largely fully occupied. Main future challenge (aside from power issues) is likely to be the relocation of TrueFrame. That company occupies a collection of formally separate workshop units. That collection of units would be difficult to market as a single site to other large businesses. Rather there would likely need to be investment to separate out the units again for individual marketing to smaller firms.	Critical mass: Good Accessibility: Good Prominence: Good Environment: Average  <b>Total Grade: B</b>	<b>Protect strongly in the Local Plan</b> as key local/county employment area for B1/B2/B8 (and appropriate ancillary) uses.

Area (Hatched Green or Yellow on the Map)	Settlement	Size, ha	Description and Use Classes	Issues with voids or unviable premises  Opportunities for Redevelopment/ expansion	Grading	Recommendations
			these issues. (B1(c), B2, B8)	There appears to be one undeveloped plot, in the south east of the estate, north of CE Turner.		
Emp. Area 25: Kings Road Area	Melton Mowbray	0.16	Local industrial estate comprising a group of older workshop premises in a primarily residential area. Several units are in trade/motor trade use. (B1(a, c), B8)	Older, budget premises. Area now established as a trade/motor trade location and appears to be operating well, accommodating such uses.  Site fully developed and bounded by other uses.	Critical mass: Average Accessibility: Average Prominence: Poor Environment: Average  <b>Total Grade: C/D</b>	<b>Protect in the Local Plan</b> as local employment area for B1/B2/B8 (and appropriate ancillary) uses.
Emp. Area 26: Greenwood Boxes Factory	Nether Broughton	0.38	Small terrace of industrial units plus an older property and yard on the edge of Nether Broughton. (B1(c), B2, B8)	Small, budget quality terrace of units. The site accommodates a mid-sized local employer (Greenwood Boxes) and has value accordingly. If Greenwood vacate however, this small employment site has limited economic value by itself.  There is a small undeveloped plot in the north of the area, at the junction of Nottingham Road (A606) and Chapel Lane.	Critical mass: Poor Accessibility: Good Prominence: Good Environment: Average  <b>Total Grade: C</b>	<b>Initially protect in the Local Plan as local employment area for B1/B2/B8 (and appropriate ancillary) uses.</b> However, if the key occupier is lost then there may be flexibility to consider other options.
Emp. Area 27: Pera Business Park	Melton Mowbray	2.84	Older, multi-storey office complex, centrally located in Melton Mowbray,	Older premises but almost fully occupied and with an owner willing to invest further in the site. Pera Business	Critical mass: Good Accessibility: Good Prominence: Good Environment:	<b>Protect in the Local Plan</b> as local employment area for B1/B2/B8 (and appropriate ancillary) uses. Subject to other policy commitments,

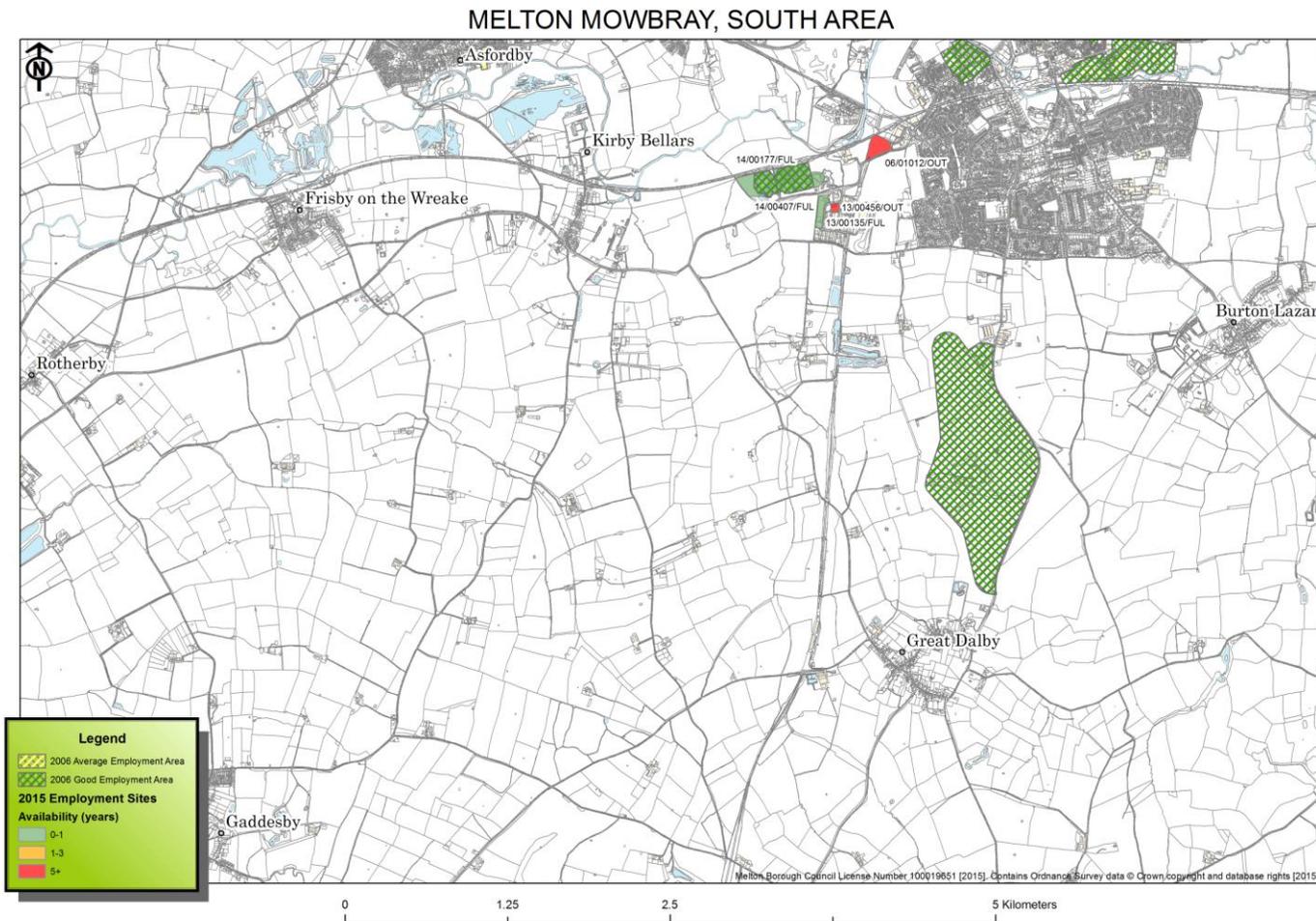
Area (Hatched Green or Yellow on the Map)	Settlement	Size, ha	Description and Use Classes	Issues with voids or unviable premises  Opportunities for Redevelopment/ expansion	Grading	Recommendations
			operated by the Pera group of companies and providing space for some 33 other businesses. The only large scale, modern office scheme in Melton Mowbray (B1(a, b, c)	Park has considerable value as the only large multi-let office complex in the town.  In discussions Pera identify two expansion options (Appendix 8).	Average  <b>Total Grade: B/C</b>	support options that would allow this key office facility to grow.
Emp. Area 28: Crown Business Park (incorporating the Six Hills Area)	Old Dalby	10.26	Former MoD facilities, refurbished as an industrial estate. Premises is dominated by a small number of larger occupiers including Hawthorn Theatricals, Direct Trade Bags and Alpha Gary. (B1(a, c), B2, B8)	Older business premises of varying quality. Units have gradually been combined by a number of large expanding businesses. Thus the estate now has around eight main occupiers who have continued to invest in the premises. No issues with voids or low quality buildings at present, but the loss of a large occupier would be challenging as the buildings have largely been converted to meet the needs of specific businesses. Investment and sub-division would likely be required to make the properties viable for other occupiers.  2.70 ha of land to the south has outline consent for 4,200 sqm of B1 and B2 uses. Site marketed as	Critical mass: Good Accessibility: Good Prominence: Good Environment: Average  <b>Total Grade: B</b>	<b>Protect strongly in the Local Plan as key local/county employment area for B1/B2/B8 (and appropriate ancillary) uses.</b>

Area (Hatched Green or Yellow on the Map)	Settlement	Size, ha	Description and Use Classes	Issues with voids or unviable premises  Opportunities for Redevelopment/ expansion	Grading	Recommendations
				<p>freehold, serviced development plots suitable for buildings of 100-300 sqm, with prices of £49,000-£89,000. There is a focus on small scale start up business. Space exists for up to 25 serviced building plots of between 100-450 sqm each. A car park (0.55 ha) across Old Dalby Lane is also identified as an employment site (discussed above). This site now in use for lorry parking and open storage, by AE Faulks but could be made available for development in the future.</p>		
Emp. Area 29: Old Dalby Trading Estate	Old Dalby	15.97	Former MoD facilities, refurbished as a secure, good quality business park. Part of a wider business complex with Emp. Area 28: Crown Business Park (incorporating the Six Hills Area) (discussed above) (B1(a, c), B2, B8)	<p>Area appears to have received recent investment in new (secure) access, estate roads and some premises. No issues with voids or low quality premises.</p> <p>Site 12: Land Adjacent Unit 9, Station Road, Old Dalby (Old Dalby Enterprise Village) (12/00128/OUT), discussed above, represents a common growth opportunity for this area.</p>	<p>Critical mass: Good Accessibility: Good Prominence: Good Environment: Average</p> <p><b>Total Grade: B</b></p>	<b>Protect strongly in the Local Plan as key local/county employment area for B1/B2/B8 (and appropriate ancillary) uses.</b>

Area (Hatched Green or Yellow on the Map)	Settlement	Size, ha	Description and Use Classes	Issues with voids or unviable premises  Opportunities for Redevelopment/ expansion	Grading	Recommendations
Emp. Area 30: Woodhill Industrial Estate	Old Dalby	0.87	Small, budget quality rural industrial estate. A useful source of smaller workshop premises which is not readily available in the main Old Dalby employment areas. (B1(c), B2, B8)	Quality of premises varies and parts of the estate road are unsurfaced. Some tenants, consulted for this study, report dissatisfaction with maintenance standards and there is a general need for greater investment here. The area remains well occupied at present however and does include some modern units.  Land in the rear of the area, adjacent to Gibson's Lane is in use for aggregate storage and could provide a future infill development site.	Critical mass: Average Accessibility: Average Prominence: Average Environment: Average  <b>Total Grade: C</b>	<b>Protect in the Local Plan as local employment area for B1/B2/B8 (and appropriate ancillary) uses.</b>
<b>Sub Total</b>		<b>158.80</b>				

Source: MBC/BE Group 2015

Figure 19 – Melton’s Existing Employment Areas – Melton Mowbray South Area



Source: MBC, 2015

**Table 37 – Employment Area Summaries – Melton Mowbray South Area**

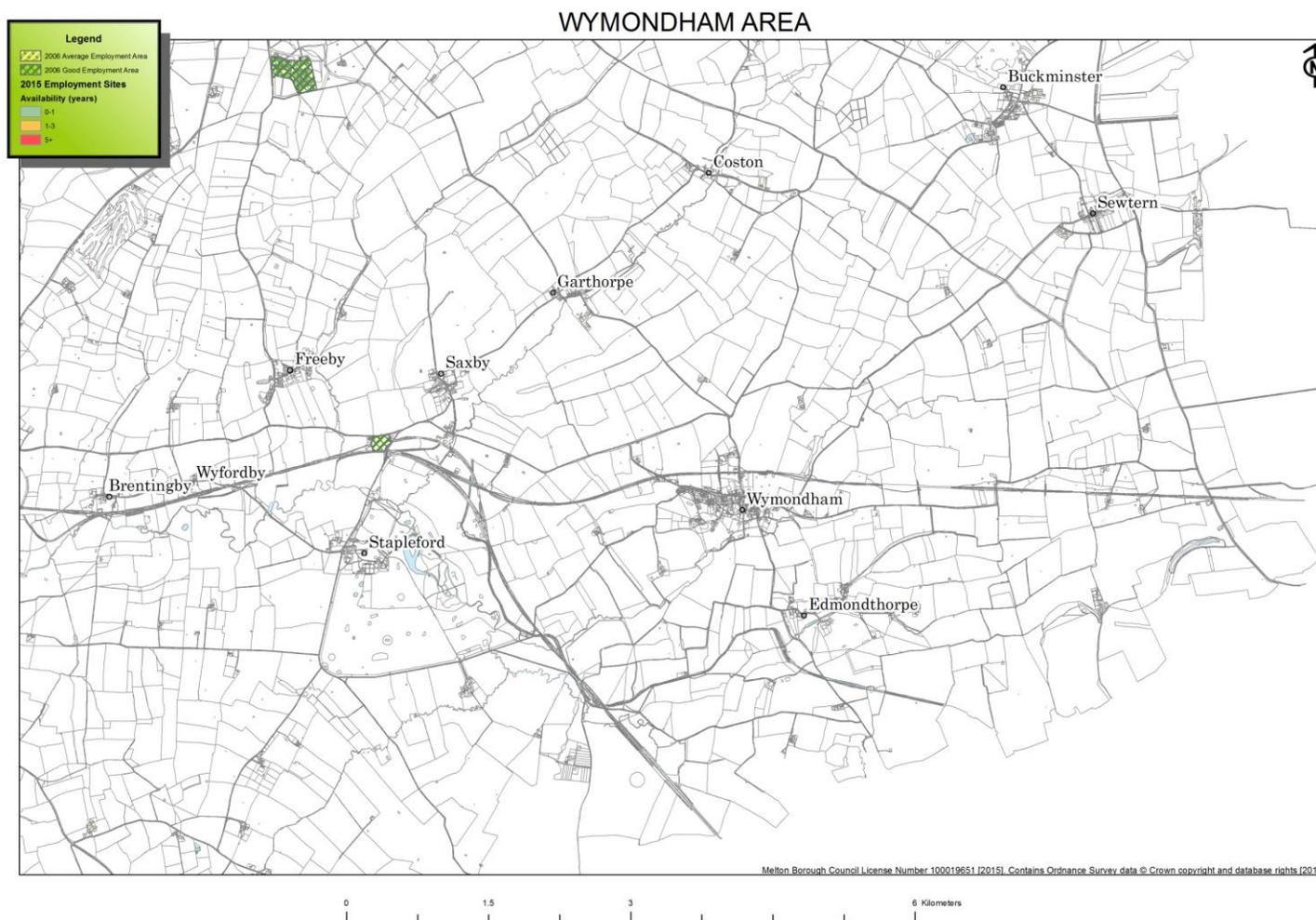
Area (Hatched Green or Yellow on the Map)	Settlement	Size, ha	Description and Use Classes	Issues with voids or unviable premises	Grading	Recommendations
				Opportunities for Redevelopment/ expansion		
Emp. Area 31: Melton Airfield	Melton Mowbray and Burton and Dalby	99.33	Former RAF airfield south of Melton Mowbray. Most of site comprises disused runways while a small portion of land in the south of the site is in use for open storage and the Terminal 1 Skate Park (B1 (c), B8, D1)	<p>Small group of units in the centre of the site. Premises is in low density use, but is of low quality and limited economic value.</p> <p>As with Emp. Area 6: Normanton Airfield a large area of land remains available, in principle, for B- Class development. However, the local economy and environment is unlikely to support a very large employment development in this rural location, which sits away from the strategic transport routes.</p>	<p>Critical mass: N/A Accessibility: Average Prominence: Average Environment: Good</p> <p><b>Total Grade: D</b></p>	<b>Review in the Local Plan</b> to determine if better use can be made of this site, delivering greater employment options whilst reflecting the rural character of the area.
Emp. Area 32: Melton and Kettleby Foods	Melton Mowbray	7.99	<p>Large modern HQ offices for Samworth Brothers, with extensive parking, plus adjoining food production facilities in an out of town location on the A607.</p> <p>Previous issues with the power supply for Samworth Brothers production facilities are assumed to have been addressed with the provision a heavy duty</p>	<p>High quality, modern production facilities which have seen recent investment.</p> <p>Expansion options at both Melton Foods (Site 15: Melton Foods, Samworth Way, Melton Mowbray (14/00177/FUL)) and Kettleby Foods (Site 17: Kettleby Foods, 2 Samworth Way, Melton (14/00407/FUL)) are being implemented at present.</p>	<p>Critical mass: Good Accessibility: Good Prominence: Good Environment: Good</p> <p><b>Total Grade: A</b></p>	<b>Protect strongly in the Local Plan</b> as major facility for a key county and regional /national employer.

Area (Hatched Green or Yellow on the Map)	Settlement	Size, ha	Description and Use Classes	Issues with voids or unviable premises  Opportunities for Redevelopment/ expansion	Grading	Recommendations
			power cable from near the Council offices to Brooksby Foods, Leicester Road. (B2, B8)			
Emp. Area 33: Masterfoods Factory	Melton Mowbray	18.71	Modern, secure production facilities for Mars in the west and Hallmark Consumer Services in the east, on an edge of settlement location. (B1(a), B2, B8)	Modern production facilities which are secure and appear to be in full use.  Expansion options focused around Hallmark, with undeveloped expansion land to the north and east of its current facility.	Critical mass: Poor Accessibility: Good Prominence: Good Environment: Good  <b>Total Grade: B/C</b>	<b>Protect in the Local Plan</b> as a site for key regional/county/local employers.
Emp. Area 34: Leicester Road Estate	Melton Mowbray	7.85	Modern, mixed industrial estate prominently located on the A607 west of Melton Mowbray. Includes trade/motor trade uses on the frontage, major production facilities for Samworth Brothers (Brooksby Foods) and Alpha Gary along with a range of smaller industrial premises.  There are constraints on the power supply in the Leicester Road area. Western Power is in discussions with the	Key industrial estate for the Borough. In addition to the major employers, the mix of smaller industrial and trade/motor trade premises generally of good quality and well occupied.  One vacant site exists within the existing industrial estate. Site 13: MC Waste Services, 1 Pate Road, Melton Mowbray (13/00456/OUT) (0.71 ha) is proposed as expansion facilities for adjacent Brooksby Foods.	Critical mass: Good Accessibility: Good Prominence: Good Environment: Good  <b>Total Grade: B</b>	<b>Protect strongly in the Local Plan</b> as key local/county employment area for B1/B2/B8 (and appropriate ancillary) uses.

Area (Hatched Green or Yellow on the Map)	Settlement	Size, ha	Description and Use Classes	Issues with voids or unviable premises	Grading	Recommendations
			Council for the acquisition of site to the south of the Borough for the installation of a new sub-station to address these issues. (B1(a, c), B2, B8)			
<b>Sub Total</b>		<b>133.88</b>				

Source: MBC/BE Group 2015

Figure 20 – Melton’s Existing Employment Areas – Wymondham Area



Source: MBC, 2015

**Table 38 – Employment Area Summaries – Wymondham Area**

Area (Hatched Green on the Map)	Settlement	Size, ha	Description and Use Classes	Issues with voids or unviable premises  Opportunities for Redevelopment/ expansion	Grading	Recommendations
Emp. Area 35: Saxby Road	Saxby	2.77	Low grade rural employment area, mostly comprising open land housing storage containers as part of a self storage facility. (B8)	Current use is of limited economic value, employs only a few and does not make good use of this relatively prominent site.  In the short term the current use should be protected as a local employer, but over the longer term this location could be considered as a regeneration site to deliver B1/B2/B8 uses in the south east of the Borough.	Critical mass: Poor Accessibility: Average Prominence: Good Environment: Poor  <b>Total Grade: D</b>	<b>Protect in the short term. In the long term review future options for the reuse of this site</b> reflecting the fact that this remains a prominent rural employment site in the south east of the Borough.
<b>Sub Total</b>		<b>2.77</b>				

Source: MBC/BE Group 2015

- 6.32 As noted above, Melton's total supply of land in B-Class use includes the three large airfields. Collectively, these offer a huge stock of land (306.46 ha) potentially suitable for employment development. In practice, however, all three (and particularly Emp. Area 6: Normanton Airfield) are in rural locations where large scale employment development may not be appropriate. Emp. Area 6: Normanton Airfield and Emp. Area 8: Langar Airfield also sit on the boundaries with South Kesteven and Rushcliffe respectively, so any large scale new development proposals would have to be completed in consultation with those two authorities.
- 6.33 The above list of Employment Areas excludes Burrough Court (as a more recent development not included in previous Employment Land Studies for Melton Borough), a high quality office and industrial refurbishment near Burrough-On-The-Hill. This is now an established employment area with most land and property in active B1/B2/B8 use and it is recommended that it be adopted as an employment area in the emerging Local Plan. Adoption would allow future growth and change in this site to be better managed and controlled. Setting a tight boundary to the allocation would also ensure that surrounding countryside is protected.
- 6.34 Generally, the quality of premises in Melton's Employment Areas varies but, with the exception of several empty solus properties around Harby and Hose along with the recently vacated Emp. Area 36: (Former) Belvoir Fruit Farms, Woolsthorpe Road, Redmile, most are well occupied. In consultations some occupiers have complained about maintenance and general quality in Emp. Area 19: Snow Hill Estate, Melton Mowbray and Emp. Area 30: Woodhill Industrial Estate, Old Dalby, but this has not yet resulted in significant voids or premises dereliction. The issue of power supply in the Emp. Area 34: Leicester Road Estate and Emp. Area 24: Saxby Road Area (incorporating Hudson Road Estate) is identified and the Council is working with Western Power to address this.
- 6.35 Across the Borough, many Employment Areas are dominated by large employers, who have expanded over time and combined multiple small units into a single facility, often fitted out to their specialist requirements. Truframe at Emp. Area 24: Saxby Road Area (incorporating Hudson Road Estate); Jeld-Wen facilities in Melton Mowbray and the occupiers of Emp. Area 28: Crown Business Park (incorporating the Six Hills Area), Old Dalby are good examples of this. At least some of these occupiers have aspirations to expand and relocate to larger premises. If they do move they will leave behind altered premises which will be difficult to market to

others in its present condition. Investment will be required to sub-divide premises and bring units up to modern standards. All constraints, including viability, will need to be considered to establish the best future use for such sites. In sites on main road locations or in historic Employment Areas, now bounded by housing, it is likely that landowners will seek alternative uses rather than invest in new B1/B2/B8 employment. The Council needs to consider how it may protect such large employment locations, which may face this issue in the future.

6.36 The research has also identified a number of 'redevelopment opportunities', generally undeveloped/partially developed land within the boundaries of the 36 Employment Areas. These have the potential to provide additional/alternative employment land, meet the growth needs of existing local firms or other requirements, which cannot be met elsewhere. Excluding land with consent for B1/B2/B8 employment use which has already been identified in Table 25 above, these are:

- Emp. Area 11: (Former) Electro Motion – Large, vacant industrial premises along with a large area of unused brownfield land to the west of the existing plant. Interest from a developer in this location. As the only large B-Class employment area in Hose, the priority should be to protect the location for B1/B2/B8 uses, unless clear evidence of the unviability of the site for these uses can be provided by the developer.
- Emp. Area 12: Long Clawson Dairy, Long Clawson – The Dairy owns 6.7 ha of greenfield expansion land to the rear, currently in agricultural use. In October 2014, the Dairy submitted a planning application to develop a portion of this land to develop a new packing building with cold storage facility and a new milk reception building/covered milk offload area. The new facilities will be delivered partly through the conversion of existing buildings and partly through a 4,500 sqm new build development. This land will be held for the expansion of Long Clawson Dairy
- Emp. Area 13: Asfordby Business Park, Asfordby Hill – The landowner has considerable plans for growth within the footprint of the existing Business Park. As indicated in Section 7.0, space exists for a further 38,000 sqm of industrial and warehouse space, in three main plots which could provide individual units of 2,000-10,000 sqm. Further brownfield expansion land exists in the north west of the Business Park, which could accommodate another 26,000 sqm of premises. Harworth also has aspirations to develop some 3,300 sqm of 'pod' style starter offices, to be marketed to local businesses. These developments, if all realised, could add 17.3 ha of employment land to

the Borough's supply (at a standard developer ratio of 3,900 sqm/ha) without the need for further employment allocations

- Emp. Area 24: Saxby Road Area (incorporating Hudson Road Estate), Melton Mowbray – There appears to be one undeveloped plot, in the south east of the estate, north of CE Turner.
- Emp. Area 26: Greenwoods Boxes Factory, Nether Broughton – There is a small undeveloped plot in the north of the area, at the junction of Nottingham Road (A606) and Chapel Lane.
- Emp. Area 27: Pera Business Park, Melton Mowbray – Pera Business Park, the main office facility is close to capacity. If this site is to continue meeting office needs in the town, growth options do need to be considered. Options for growth have been put forward by Pera (see Appendix 8)
- Emp. Area 30: Woodhill Industrial Estate, Old Dalby – Land in the rear of the area, adjacent to Gibson's Lane is in use for aggregate storage and could provide a future infill development site.
- Emp. Area 33: Masterfoods Factory, Melton Mowbray – Expansion land, associated with Hallmark is likely to be taken up in the next five years.
- Emp. Area 35: Saxby Road Saxby – A low grade, low value Employment Area in a prominent location which may provide a future option for redevelopment
- Emp. Area 36: (Former) Belvoir Fruit Farms, Woolsthorpe Road – A recently vacated cordial production plant. Likely to be marketed by the owner soon but given the budget nature of the premises and the specialist nature of the previous occupier, investment may be required before it is suitable to accommodate other B- Class employers.

### **Summary**

6.37 As of 31<sup>st</sup> January 2015, the baseline land supply for the study area was 32.39 ha. However, this supply includes areas of land that are unlikely to be developed in their present form or are already developed/under development. Removing such land reduces the net land supply to 19.46 ha.

6.38 At present Site 6: Land West of Bowling Green, Leicester Road, Melton Mowbray (Melton Fields Business Park) (06/01012/OUT) remains available employment land. However, if the current mixed use application on this site is successful then the B-Class employment land supply here would reduce by 1.48 ha to 0.35 ha. This would further reduce the total realistic supply to 17.98 ha.

- 6.39 Melton Mowbray has the largest number of sites (six), while the largest stock of land (22.44 ha) is at Holwell Works, Asfordby Hill. However, of the six sites in Melton Mowbray four sites, totalling 1.03 ha, have been developed or are presently under construction. Site 13: MC Waste Services, 1 Pate Road, Melton Mowbray (13/00456/OUT) is most likely to be held as expansion facilities for adjacent Brooksby Foods (Samworth Brothers). Thus Site 6: Land West of Bowling Green, Leicester Road, Melton Mowbray (Melton Fields Business Park) (06/01012/OUT) is the only significant land resource remaining in the town. If the current application for a housing-led scheme is consented then most of this resource will also be lost.
- 6.40 Land at Asfordby Hill Site 2: St Gobain PAM, Welby Lane, Asfordby Hill (10/00912/FUL) (10.34 ha). As noted above, it is not clear if this proposal will come forward. The remaining 12.10 ha comprises Site 3: Holwell Works, Asfordby Hill (Melton Mowbray Business Park) (09/00356/OUT), where at least some development is likely in the short term to accommodate expanding local businesses.
- 6.41 Most land within the Borough is only suitable for industrial uses. Site 6: Land West of Bowling Green, Leicester Road, Melton Mowbray (Melton Fields Business Park) (06/01012/OUT) is the only large site in the Borough marketed for offices. Excluding sites which are already developed or under construction, then around half the supply (16.37 ha) is likely to be brought forward in the medium term (1-3 years). Other sites, totalling 13.57 ha will take more than five years to complete. In practice this includes sites such as Site 2: St Gobain PAM, Welby Lane, Asfordby Hill (10/00912/FUL) where development may not take place in its present form.
- 6.42 A review of Melton's 36 allocated employment areas indicates that most are established office and industrial areas, of moderate quality, which are aimed at meeting local needs and should be protected for that purpose. These are generally graded C to B/C in this study's scoring.
- 6.43 Melton's flagship (A or B Grade) locations are Emp. Area 13: Asfordby Business Park, Asfordby Hill; Emp. Area 14: Holwell Works (Melton Mowbray Business Park) , Asfordby Hill; Emp. Area 15: Stanton PLC (St Gobain), Asfordby Hill; Emp. Area 32: Melton and Kettleby Foods, Melton Mowbray; Emp. Area 33:, Melton Mowbray; Emp. Area 24: Saxby Road Area (incorporating Hudson Road Estate), Melton Mowbray; Emp. Area 28: Crown Business Park (incorporating the Six Hills Area), Old Dalby;

Emp. Area 29: Old Dalby Trading Estate, Old Dalby and Emp. Area 1: Masterfoods HQ, Waltham. A future review would likely include Burrough Court, Burrough-On-The-Hill and Buckminster Yard, Buckminster to this list.

- 6.44 At present, most of the Employment Areas are well occupied, with no large areas of void premises, even in budget quality schemes. However, many areas are dominated by large occupiers who have expanded over time and combined multiple small units into a single facility, often fitted out to their specialist requirements. If any of these occupiers were to vacate they would leave behind altered premises which will be difficult to market to others in its present condition. Investment will be required to subdivide premises and bring units up to modern standards. In some cases this may not be viable resulting in pressure for redevelopment, possibly for alternative uses.
- 6.45 There are a number of potential redevelopment/regeneration opportunities, which might deliver additional land supply, should it be required. However, these are caveated in that, with some exceptions, owner/developer aspirations for B1/B2/B8 development on these sites has not been tested.

## 7.0 STAKEHOLDER CONSULTATIONS

### Introduction

- 7.1 This section provides commentary about Melton, drawn from consultations with the public sector and other stakeholders – primarily the major businesses and landowners. It should be noted that each organisation's comments are their perception of the situation, and may well reflect their role and involvement, rather than being the complete picture.
- 7.2 This section also considers the property market in the seven local authority areas of Leicestershire, along with Leicestershire County Council and neighbouring Rutland, Rushcliffe in Nottinghamshire and South Kesteven in Lincolnshire. Understanding the supply and demand of employment land and premises in neighbouring areas is important in assessing their impact on the study area's land and property market.
- 7.3 Finally, the section considers relevant responses from a survey of 63 local businesses, undertaken by Council Economic Development Officers in the summer of 2013.

### Melton Borough Council

- 7.4 Council Economic Development and Strategic Officers were consulted as part of this study. They made a number of comments on Melton's economy and potential land needs.

### *Melton's Economy*

- 7.5 At the apex of Melton's economy are a group of key businesses in the food and haulage sectors. These include:
- Samworth Brothers – Group of companies with a £1 billion combined turnover. The company has been expanding its production operations in Leicestershire and has been increasing its land holdings accordingly
  - Arla Foods (Tuxford & Tebbutt) Thorpe End, Melton Mowbray (Emp. Area 23)
  - Mars Foods have a production facility in Melton Mowbray and an R&D facility at Waltham (Emp. Area 1: Masterfoods HQ)
  - Asfordby Storage and Haulage, Saxby Road, Melton Mowbray (Emp. Area 21)
  - Long Clawson Dairy, who have multiple sites across the Borough.

- 7.6 Overall, some 4,000 people are employed in manufacturing in the Borough (2013, BRES data), and around half of these are in the food industry. This includes a range of Tier 1 and 2 suppliers for the main food production companies. An example of this is Millitec Food Systems which provides fit out services for food producers. This strong base is also generating a range of spin-out and start-ups from the major businesses. New inward investment is more limited however as large regional/national businesses usually prefer locations with larger areas of available land, close to main motorway junctions.
- 7.7 Due to its geographic separation Bottesford has an economy that is relatively independent from Melton Mowbray. In particular, it has branches of several key local businesses, most notably Long Clawson Dairy. However, these tend to be separate branches/divisions of the companies, serving the Nottinghamshire and Lincolnshire markets.

***Employment Land***

- 7.8 Officers argue that there is limited land available locally to meet the needs of growing businesses and that a lot of companies are constrained on their sites. This is particularly an issue for micro and small businesses that don't have the expansion land available to larger producers. Land which is available, at Emp. Area 14: Holwell Works (Melton Mowbray Business Park), Asfordby Hill and elsewhere, can be comparatively expensive, around £370,000/ha.
- 7.9 At present Melton is not losing businesses due to a lack of land options, in the food industry in particular, the clustering of businesses is encouraging firms to stay local. However, firms outside of this cluster or lower down the food industry supply chain are more footloose and the risk of future losses to areas offering greater growth options is high.
- 7.10 There is a particular shortage of freehold sites at a time when demand from purchasers, both for owner occupation and investment purchase, is rising. However, viability issues still surround some sites and continues to discourage speculative development.
- 7.11 In discussions, several areas of search for new employment land allocations, should they be required, were put forward:

- Melton Mowbray – Land around Emp. Area 34: Leicester Road Estate is identified as an appropriate location for future growth. The area already contains a critical mass of established business (including HQ and production facilities for Samworth Brothers) and, it is argued, that further development here would have only modest transport impacts on key routes. A location to the west of the town would also be best placed to access Leicester
- Emp. Area 13: Asfordby Business Park, Asfordby Hill – There are a number of growth options within the existing estate (discussed with the landowner Harworth Estates, below) along with more long term greenfield expansion options. The Business Park offers a number of unique facilities including a test track for Network Rail (used to test Tube Trains), a 500 MW power station and water supply
- Emp. Area 14: Holwell Works (Melton Mowbray Business Park) , Asfordby Hill – Questions raised by officers over the viability/deliverability of land here
- Outside of the main Melton Mowbray/Asfordby Hill market area, Bottesford and Old Dalby are the most viable locations for growth. In Bottesford both Long Clawson Dairy and the owners of Winterbeck Industrial Estate (Emp. Area 5) have aspirations for growth.

7.12 Office demand in Melton Mowbray is largely met by Emp. Area 27: Pera Business Park, although as that facility is largely at capacity there are questions about how longer term needs can be met.

### **Skills**

7.13 Strong demand for appropriately skilled labour from the main local manufacturing sectors. There is a skills shortage locally and several large companies have to import workers from Leicester, e.g. Samworth Brothers (Brooksby Foods). It was argued that large companies are being 'reactive' to their labour needs and not planning for the future or for the long term retention of staff.

### **Parish/Town Councils**

7.14 All the Parish and Town Councils in the Borough have been contacted by letter. Many have not responded with any issues with respect to the economy or the employment land and property market. Burton and Dalby Parish Council, responded that they *"have no view regarding the supply and need for employment sites and premises"* in that Parish.

- 7.15 AB Kettleby Parish Council responded that *“Although recognising the need for employment, Councillors feel that this Parish is well served with employment opportunities at the adjacent Asfordby Business Park and the two business parks in the adjoining Broughton and Dalby Parish as well as in Melton itself.”*
- 7.16 *“The Parish does have its own business site, Friars Well Estate and would not like to see any further business development in the area. [They] consider that it would not be sustainable with no public transport links, no shops and inadequate road infrastructure.”*
- 7.17 A detailed response was provided by Bottesford Parish Council, which extends to include the settlements of Bottesford, Easthorpe, Muston and Normanton. The Parish Council highlights that *“despite the comparatively small size of the parish, Bottesford has a large number of employers ranging from small sole traders to large, nationally known companies such as Belvoir Fruit Farms [Emp. Area 2] and Long Clawson Dairy. There are also cafes, restaurants, pubs and other traditional retail businesses (e.g. greengrocer, butcher, hairdressers and convenience shops). Recent research as part of the Bottesford Neighbourhood Plan project identified over 100 active businesses registered within the parish.”*
- 7.18 Recent developments of new industrial premises at Longhedge Lane and Winterbeck industrial estates (Emp. Area 5) have been successful and there are now plans to build further units to meet demand (Site 18: Land at Orston Lane, Bottesford (14/00468/OUT)). This new premises will provide further employment opportunities for the local economy.
- 7.19 The concern of the Parish Council is not a lack of business space but a lack of skilled employees. As noted by the Parish Council: *“As part of the current Neighbourhood Plan project, all of the employers located in the parish were canvassed for their comments on how they would like to see the parish develop over the next 20-30 years. Several of the employers responded that they would prefer to employ local people, primarily due to the flexibility and reliability that such employees generally offer. However, due to the lack of affordable housing within the parish, there are simply too few people of the right age to fulfil these roles. Accordingly, employers are having to recruit from further afield, meaning that the money being generated by these businesses is not staying within the parish. This is a medium to long term issue for the parish and is one that will need to be addressed.”*

- 7.20 *“Whilst the physical number of businesses within the parish is healthy and indeed growing, the majority of the roles generated by these businesses are traditional “blue collar” work. Whilst such work is vital in any healthy economy, an economy needs a mix of employers. In the recently published Melton Local Plan Issues & Options document, the town of Melton Mowbray was identified as having a low average wage when compared to the national average, and this was partly attributed to the lack of good quality employment opportunities in the town. Currently, Bottesford does not suffer to quite the same extent as Melton in this regard, but unless high quality employers are attracted to the parish, one can see that Bottesford could gradually decline.*
- 7.21 In addition, *“The parish attracts almost no ‘professional’ businesses such as accountants, lawyers, financial advisers and other consultants.”* The lack of an appropriate base of such businesses is blamed on a lack of office premises in the local area. The Parish Council therefore suggests that: *“Some consideration should therefore be given to whether a modestly sized office development should be built in order to try to attract different sorts of businesses.”*
- 7.22 *“If such businesses can be attracted it could bring significant income and prosperity to the parish .... It may also relieve some of the pressure of the need to build large numbers of affordable houses within the parish, as altering the mix of employers would inevitably alter the mix of employees, with a possible consequence that the current housing stock may be sufficient to satisfy demand from professionals and higher paid employees.”*

### **Key Businesses**

- 7.23 One to one consultations have taken place with 19 businesses located in Melton. Details of these consultations can be found in Appendix 8.

### **7.24 Key Developers/Landowners**

#### ***Buckminster Estates***

- 7.25 A historic rural estate, Buckminster Estates owns in excess of 8,000 ha of mostly agricultural land between Melton Mowbray and the A1/Grantham.
- 7.26 Commercial holdings include Buckminster Yard, Buckminster Village, a high specification office scheme of 11 suites totalling 583 sqm. The scheme has three

large occupiers, occupying multiple suites each, including BPG Media. 45 people are employed here.

- 7.27 Completed in 2012 Buckminster Yard has proved a highly successful scheme and all units were let off plan, prior to development. Businesses were attracted to this attractive rural location from across Melton and Grantham, with one relocation from Nottingham. There are two vacant suites at present, totalling 98 sqm, with quoting rents of £40-70/sqm plus a service charge.
- 7.28 Following the success of Buckminster Yard, the Estate has secured consent for a second scheme to be developed in Buckminster Village. Referred to as Wood Yard, the scheme will provide 405 sqm of additional office space. Demand exists to support this but the build costs are still expected to exceed the likely rents generated. Buckminster Estates is currently in negotiations with the Council and LLEP about funding options.
- 7.29 Buckminster Estates might look to develop more commercial property, beyond this proposal, but it will depend on future improvements in property demand. The Estate will only build leasehold schemes and wishes to retain freehold ownership of any developments. The Estate highlighted the importance of developing schemes which are affordable for local micro businesses and maintaining flexibility in how space can be sub-divided, to meet a wide range of requirements.
- 7.30 Buckminster Estates own 250 residential properties in Melton and South Kesteven, which are home to a range of home based businesses. Common local businesses include accountants, bespoke travel agents, stock brokers, legal advisors and cleaners.
- 7.31 Buckminster Village is the estate hub, but the Estate also has substantial holdings in Saxby, Garthorpe and Wymondham. Amongst the Estate's initiatives is 'Buckminster Broadband Partnership', which comprises a high speed (200 Mb) cable feeding into the Buckminster Estates Office which links to a transmitter with a range of 64 square miles. 200 local properties now receive broadband remotely this way; achieving speeds of up to 30 Mb/s. Packages are available from £14.99 to £50.40 per month.
- 7.32 The Estate reports no major highways issues across its area of ownership but would like to see more local bus services.

## Landowners

### *Harworth Estates*

- 7.33 Harworth Estates own the 48 ha Emp. Area 13: Asfordby Business Park, Asfordby Hill and much of the surrounding agricultural land. The Business Park comprises the former Asfordby Mine, which ceased operations in 1997, plus rail linkages and a rail test track. Harworth converted the former mine buildings into office and industrial space and let much of the surrounding brownfield land. There has been comparatively little new development on the site since that time, although Harworth have recently invested in superfast broadband connections.
- 7.34 Emp. Area 13: Asfordby Business Park, Asfordby Hill comprises 19,654 sqm of industrial and warehouse space, of which only 167 sqm (0.8 percent) is vacant and on the market. There is also 3,951 sqm of offices although 89 percent of this (3,505 sqm) is contained within the former Mine Amenity Block which is considered to no longer meet modern requirements. Three tenants remain within that block and once they vacate, Harworth will look to demolish the property. A further 200 sqm of offices is vacant and on the market, in two other properties.
- 7.35 Emp. Area 13: Asfordby Business Park, Asfordby Hill accommodates a number of large national and regional businesses. These include:
- Network Rail – The operators of the test track. They have sub-contracts with Transport for London (London Underground) to test Tube Trains
  - E Synergy – Relocated from County Durham in late 2014 and took a 10 year lease on a 4,645 sqm property for waste electrical recycling
  - UK Power Reserve – Power generating company. It uses diesel engines to support the national grid during times of peak power need
  - Sandiccliffe Motor Group – Lease 2.5 ha of land for the storage of cars and a 465 sqm workshop
  - Caldic – A chemicals production company in a bespoke building of 2,230 sqm (Unit O) and a yard of 0.7 ha. This is the only building on the Business Park developed after 1997
  - S and J European Haulage (discussed above).
- 7.36 Rents are:
- Land – £32,000-£138,000/ha per year

- Industrial premises – £33-65/sqm or £33-45/sqm for units without yard space
- Offices – £30-65/sqm.

7.37 There is reasonable demand for land and premises at Emp. Area 13: Asfordby Business Park, Asfordby Hill. Much of it comes from existing tenants looking to grow – Network Rail recently took out a lease on a further 0.2 ha of land at £59,000/ha per year. However, the business park also attracts national inward investment, most recently from E Synergy. Demand is for industrial premises, offices take longer to let although this generally reflects the industrial character of the Business Park.

7.38 Future growth will take place within the 51 ha footprint of the existing Business Park. There are no plans for expansion onto the surrounding greenfield land. Space exists for a further 38,000 sqm of industrial and warehouse accommodation, in three main plots which could provide individual units of 2,000-10,000 sqm. Further brownfield expansion land exists in the north west of the Business Park, which could accommodate another 26,000 sqm of premises. Development plots will be marketed on a design and build basis only and will only be offered for leasehold (or long leasehold) occupancy. Harworth does not wish to sell any land. Harworth also has aspirations to develop some 3,300 sqm of 'pod' style starter offices, to be marketed to local businesses.

7.39 A timescale for any of this development has not been determined but it is likely that Harworth will seek outline consent for a development masterplan in the short term. Plots will then be marketed on this basis.

### **Neighbouring Areas**

7.40 Para 160 of the NPPF states that local planning authorities should have a clear understanding of business needs within their local economic markets, by working with county and neighbouring authorities to prepare and maintain a robust evidence base about business needs and likely market changes.

7.41 Melton sits in the north east of the County of Leicestershire. Its immediate neighbours include Charnwood to the west and Harborough to the south. Further west and south west are Leicester City (along with Oadby and Wigston), Blaby, Hinckley and Bosworth and North West Leicestershire. To the North West is the Nottinghamshire borough of Rushcliffe while South Kesteven (Lincolnshire) lies to the east. The County of Rutland is located to the south east.

## ***Leicestershire Authorities***

### ***Leicestershire County Council***

7.42 In consultation, Leicestershire County Council wished to highlight some of the key employment programmes which are currently under development at the County level. In some cases these have been developed by the LEP rather than the County Council itself. Ongoing County-level research/strategies includes the LEP's Enabling Growth Plan and Logistics Sector study (See Section 2.0).

### ***Leicester and Leicestershire City Deal***

7.43 The City Deal was signed in March 2014, securing £16 million Government funding that will create nearly 1500 jobs and unlock over £130 million of investment across the County. Relevant projects include:

- £4 million for skills and employment including a new scheme for 16-24 year olds to reduce youth unemployment by half by 2018, deliver 3,000 new apprenticeships and 1,000 traineeships and work placements and a new training scheme for young offenders
- £10 million to improve business support services focussing in particular on a new Business Growth Hub service and small and medium enterprise grant scheme set to create 744 new jobs.

7.44 This will be supported through monies from the EU Structural Investment Fund for Leicestershire, which will comprise some €126million for the programme period 2014-2020.

### ***Enterprise Loan Fund***

7.45 For 2014/15, the County Council has set up a £1 million programme in partnership with Funding Circle, an online marketplace for business loans. This is known as the Leicestershire Local Enterprise Fund. Investment of £4 million was achieved in previous years

7.46 To be eligible, firms must have a minimum turnover of £100,000 and have been trading for at least two years. Businesses can borrow between £5,000 and £1 million and investors receive an average net return of 5.8 percent.

*East Leicestershire LEADER 2015-2020*

7.47 In late 2014, the Leicestershire Rural Partnership successfully bid for £1.591 million in LEADER funding for an area of East Leicestershire covering all of Melton and Harborough as well as parts of eastern Charnwood. The Local Action Group has formed which will call for applications in June 2015.

7.48 Scheme priorities include:

- *“Well-connected and innovative land-based businesses supported to improve their productivity and exploit diversification opportunities*
- *A growing food and drink sector producing and promoting high quality local foods*
- *Networked home-based businesses and micro enterprises with confidence to grow*
- *A thriving short-stay visitor destination for people interested in: fine food and drink, culture and heritage, field and outdoor pursuits*
- *Active and inclusive communities that are able to help provide local services*
- *Vibrant rural towns underpinning a thriving economic hinterland.”*

7.49 Leicestershire Rural Partnership is currently seeking funding ideas based around these priorities.

*Sector Growth Plans*

7.50 The LEP is developing a series of Sector Growth Plans to support delivery of the aims and objectives outlined within the SEP and European Union Structural Investment Funds. Growth Plans will be developed for eight priority sectors:

- Advanced Manufacturing and Engineering
- Creative Industries
- Food & Drink Manufacturing
- Logistics and Distribution
- Low Carbon
- Professional and Financial Services
- Textile Manufacturing
- Tourism and Hospitality.

7.51 Sector Growth Plans will focus on the current position of the sector in Leicester and Leicestershire, before outlining a series of actions and recommendations for both

public and private sector partners.

### **Charnwood**

- 7.52 Charnwood's Core Strategy submitted to the Secretary of State in December 2013 for Independent Examination. Initial hearing sessions took place in March 2014 and again in December 2014 and January 2015. In a letter dated 22<sup>nd</sup> January 2015 the Inspector confirmed that the Core Strategy as submitted is capable of being made sound through modifications.
- 7.53 BE Group completed the Charnwood Employment Land Review in November 2014. This identified that the Borough had a realistic employment land supply of 25.70 ha in nine sites. Forecast demand was for 49.97-67.07 ha of land to 2028. By this measure Charnwood has a land supply shortfall of 24.27-41.37 ha.
- 7.54 Going forward, the emerging Core Strategy proposes the delivery of at least 7,260 homes and up to 46 ha of employment by 2028. Employment land will be focused in four key locations:
- The North East of Leicester Sustainable Urban Extension (SUE) at Thurmaston will be allocated to deliver a community of some 4,500 homes. 13 ha of employment land will be allocated to meet strategic and local employment needs. . A planning application for the site was submitted in December 2013 and approved in November 2014. Development of the employment land will be for smaller B-Class premises, to be marketed at local micro-mid-sized businesses. Initial estimates suggest that some 4,900 sqm of B1(a) offices, 3,900 sqm of B1(b) research and development, 19,500 sqm of B1(c) light industrial, 5,500 sqm of B2 general industry and 8,000 sqm of (smaller) B8 warehousing will be developed.
  - A direction of growth is identified for land to the north of Birstall for a SUE. This will deliver at least 1,500 homes and 15 ha of employment land by 2028. Now referred to as the Broadnook Garden Suburb a planning application on this was submitted to the Council in late 2014. It is envisaged that the employment land will be developed for a B1 business park, including a significant element of high quality offices, smaller range of B1(c)/B2 industrial premises and some small scale B8 warehousing. The latter will be aimed at local operators rather than larger logistics firms.
  - Watermead Regeneration Corridor - Direction of Growth. Development here will provide up to 8,750 sqm for offices and around 16 ha for employment land

- A further SUE will be allocated to the west of Loughborough to deliver a community of some 3,000 homes. 16 ha of employment land will be allocated to meet strategic and local employment needs and support the regeneration of Loughborough and Shepshed. In September 2014, William Davis and Persimmon Homes (North Midlands) submitted an outline planning application for this site. A decision on this is expected in March 2015. The main 16 ha employment area would be delivered in the north west of the area, in four main blocks adjacent to the M1 carriageway. Opening up this site for development is not anticipated until after 2023. It is expected that estimate that the 16 ha site could provide for some 62,000 sqm of employment floorspace, of which half will be B8 space and the remainder mixture of B1 and B2 space.

7.55 Charnwood is a net exporter of labour to Melton. 533 Melton residents travelled into Charnwood to work while 1,836 Charnwood residents commuted into Melton.

7.56 In terms of economic links, there are some overlaps along the A607 as it passes through Rearsby, East Goscote, Syston and Thurmaston on the way into Leicester. Agents report that Wymeswold Industrial Estate, near Burton on the Wolds, in north east Charnwood, also serves Melton's market. Indeed many agents and possible occupiers appear unsure as to whether Wymeswold Industrial Estate is in Charnwood or Melton borough. Within Melton, the industrial estates at Old Dalby have a catchment area that extends into Charnwood.

7.57 Finally, Melton needs to be aware of the scale of employment land which is likely to be delivered in Charnwood over the next 15 years, as noted above. From 2016 onwards the three SUE sites, plus the Watermead Regeneration Corridor Direction of Growth will provide employment sites which will compete with Melton for inward investment, particularly from large manufacturing and logistics companies. The available land may also prove attractive to large businesses in Melton, including a number of the companies noted above, who are constrained in their current locations and presently unable to find alternative sites in Melton Borough.

### **Blaby**

7.58 The District Local Plan (Core Strategy) has been the subject of public examination, and was found to be sound. It was adopted in February 2013. The Council is now gathering evidence for a Local Plan Delivery DPD.

7.59 BE Group completed the Blaby Employment Land Study refresh in November 2011. This updated the 2006 Blaby District Employment Study also undertaken by BE Group. The refresh was commissioned to underpin and inform Blaby's Local Development Framework and analyse employment land demand, supply and need to 2029. This reflected a Council decision that the Core Strategy and Allocations Document should provide 15 years of allocations from the date of adoption.

7.60 The economy of Blaby is strongly dependent on links to surrounding areas, with around 57 percent of the economically active population working outside the District. Around half of these commute into Leicester. Commuting into Melton appears to be negligible.

7.61 At March 2014 the District's headline supply of employment land comprised four main sites, totalling 69.61 ha (gross):

- Glenfield Park, Glenfield – Housing development here is now underway. Outline consent was obtained, at appeal in 2011, for 30 ha of employment land (25 ha net). The mix of employment uses (B1, B2 or B8) will be determined at Reserved Matters stage, but it is likely to be a primarily logistics site
- The District Council has granted outline consent for a 21 ha Strategic Employment Site at Enderby, as part of the New Lubbesthorpe SUE. Again this will primarily be 21 ha B8 logistics site. A further 2.37 ha of employment uses (B1(a) or B1(c)) will be delivered within the District and Local Centres as well as a 7,100 sqm serviced business centre close to the existing Meridian Business Park. The employment uses will be delivered in phased stages over the next 15 years, subject to individual reserved matters consents
- Everards Brewery has outline consent (subject to a S.106 agreement) to develop a 4.8 ha site at Enderby, relating to the construction of a brewery, visitor centre, food and drink preparation units (with retail trade counters), restaurants and a public house. This would see over 13,000 sqm of new floorspace, of which over half (6926 sqm) would represent B1 and B2 floorspace
- Further employment land is also available at Enderby Substation.

7.62 These strategic schemes will allow Blaby to play a stronger role in the sub-regional

and regional market (capitalising on its M1/M69 motorway links), and to help address land shortages in Leicester City.

### **Harborough**

- 7.63 Harborough has an adopted Core Strategy and is now in the process of preparing a new Local Plan. The new Local Plan will incorporate a focused review of the Harborough Core Strategy (adopted in November 2011) and will also identify key areas of land for development.
- 7.64 The Leicester and Leicestershire HMA Employment Land Study (2013) shows demand for 19.90 ha of industrial land, 40.90 ha of warehousing land and 11,000 sqm of offices. The realistic industrial supply is 11.7 ha, while 58,130 sqm of offices is available.
- 7.65 There is only 2.85 ha of warehousing land, leading to a shortfall of 38.1 ha. However, this must be set in the context of the 700,000 sqm of relatively modern strategic distribution premises which exists at Magna Park. As well as the 894,741 sqm under construction or proposed at DIRFT in nearby Daventry.
- 7.66 In contrast to other parts of Leicestershire, no Strategic Employment Sites or SUEs are proposed in Harborough. However a strategic development area is proposed to the north west of Market Harborough. This is linked to the 5.2 ha Airfield Farm employment site, which could be extended, if necessary.
- 7.67 The majority of Harborough's key employment areas are located around Market Harborough and Lutterworth. This includes the 200 ha Magna Park. Europe's largest dedicated distribution park, Magna Park is largely full, bar one remaining plot, providing some 700,000 sqm of warehouse and distribution space. It presently accommodates 28 major distribution operators including Asda, Nissan, Toyota, Argos, DHL and Lidl.
- 7.68 The owners are seeking to further expand Magna Park into the surrounding countryside. A representation has been made to Harborough District Council to expand the site by 225 ha, north west along the A5. This development will include a 100,000 sqm logistics unit for DHL. Barwood Estates is also proposing a second expansion site to the south, extending to some 100 ha.
- 7.69 The north east portion of Harborough, which bounds Melton, is strongly rural in

character with no large settlements, industrial estates or significant employment allocations. Rural employment schemes such as Burrough Court, Burrough on the Hill will have catchments which extend into Harborough, but otherwise economic linkages are modest. Harborough District Council argues that the main economic focus of the Borough is to the west along the M1 and A5 Corridors.

### **Hinckley and Bosworth**

- 7.70 BE Group completed an Employment Land Study for Hinckley and Bosworth Borough Council in 2013. This indicates that the Borough has 98.56 ha of employment land made up of 11 sites. However, 93 percent of this resource comprises just four sites – MIRA Technology Park Enterprise Zone; Nailstone Colliery; Hinckley Commercial Park and Neovia's land at Desford. Most of this land is in Hinckley or along the A5 Corridor. There is only a modest supply in the smaller eastern settlements of the east, such as Markfield, Ratby or Groby. An additional 53.20 ha is required based on past take-up rates of 3.80 ha/year between 1996/97 and 2011/12.
- 7.71 The Leicester and Leicestershire HMA Employment Land Study indicates that Hinckley and Bosworth has a supply of some 19.7 ha of industrial land, 13.19 ha of warehousing land and 3,870 sqm of offices. Hinckley and Bosworth needs 12.9 ha of industrial land, 3.50 ha of warehousing land and 11,800 sqm of offices.
- 7.72 In addition to the identified headline supply (98.56 ha) additional employment land is proposed in the Borough's two SUEs. There is 6.5 ha proposed to the west of Barwell and 4.9 ha to the south of Earl Shilton. These two sites will add another 11.4 ha of employment land.
- 7.73 In Barwell, a consortium of developers, including Taylor Wimpey, Ainscough Strategic Land and Barwood, have secured outline consent (subject to agreement on s section 106) to bring forward the SUE, now know as West Barwell. This allows the delivery of up to 24,800 sqm of B2 and B8 accommodation, on a 6.5 ha site immediately west of Barwell Industrial Estate. This employment floorspace would be delivered over the 12 year lifetime of the SUE, with development commencing in 2015 and completing by 2026. Proposals in Earl Shilton are less advanced, but development (incorporating 4.9 ha of employment land) by development partners Barwood, Bloor Homes and Jelson Homes is scheduled to commence in 2014/2015.

- 7.74 However, the Earl Shilton and Barwell Employment Land Assessment (2010) indicates that demand for employment premises in the two SUEs will be limited to local firms. In particular, the road network (even with the new A47 bypass at Earl Shilton) lacks the strategic links which might attract large distribution occupiers. Also neither settlement has an established office market, with demand being limited to small suites of up to 300 sqm.
- 7.75 Following these recommendations, the Borough Council has determined that employment land in the SUEs will no longer have a strategic role in the Borough. Rather the smaller employment allocations will meet local needs.
- 7.76 The focus for the delivery of strategic employment land will be the Motor Industry Research Association (MIRA) facility on the A5. MIRA was awarded Enterprise Zone status in August 2011 and subsequently secured a £19.5 million Regional Growth Fund Grant. This will be used to support the development of the 132,716 sqm MIRA Technology Park, including the renewal of existing facilities, a hotel and retail services as well as off-site infrastructure improvements. As MIRA will cater to specialist automotive businesses, it will not directly compete with property schemes in Blaby.
- 7.77 Key influences on Melton's land and property market include Hinckley Commercial Park, Harrowbrook Industrial Estate and Hinckley Fields Industrial Estate. All are likely to provide some employment for Melton. Hinckley Commercial Park is a 20.8 ha warehouse and distribution site on the A5. It is the District's premier employment area and provides good quality warehousing properties to occupiers such as Johnson Apparelmaster. A 17.63 ha extension is proposed on land to the north, to be delivered as part of a mixed-use scheme. The housing elements of that scheme (Sketchley Meadows) are under construction.
- 7.78 Other major employment areas in the Borough include Harrowbrook Industrial Estate (37.12 ha) on the A5 and Hinckley Fields Industrial Estate (12.98 ha) to the north of Hinckley. These are large, established, industrial estates (Hinckley Fields also has a number of self contained offices) with little available land.
- 7.79 Most other employment areas in Hinckley and Bosworth are small (less than 30 units) and cater primarily for local needs. However, Hinckley and Bosworth has a number of large employers which will draw some labour from Melton. These include Triumph Motorcycles and a Tesco distribution centre at Hinckley and Caterpillar at

Desford.

### **Leicester**

7.80 BE Group completed the City's most recent employment land study, in January 2006.

Key findings of this study were:

- The lack of readily available employment land in accessible locations was a major issue. Just over 51 ha were available, although up to half already had potential occupiers. After adjustment and expected short-term take-up, the land supply could reduce to as little as 16.33 ha
- Based on historic take-up rates the City has a shortage of employment land for B1 industrial, B2 and B8 uses to 2016. About 55 ha was required for this period
- The well-located sites on the periphery of the City are subject to intense demand, and likely to be developed in the short term, leaving the smaller, poor quality in-fill sites for the medium term
- The study did not directly address office demand as it was assumed this would be catered for through the regeneration of the City Centre and development of the New Business Quarter
- Future land needs reflect the approximately 30 ha generated by Leicester Regeneration Company's planned relocation of companies to be displaced by its regeneration projects.

7.81 The report recommended that Leicester City needed to allocate a further 62.5 ha of employment land for the period to 2016. More land needed to be allocated close to the outer ring road, reinforcing established locations such as Braunstone Frith Industrial Estate, Bursom Business Park, Troon Industrial Estate.

7.82 It was also noted that there has to be strategic cross-border co-operation to allocate sufficient employment land outside the City's boundaries to allow Leicester to grow.

7.83 The City Council planners advise that there has been little change in terms of the development of employment land since the study was completed. Planning permission was granted for B1/B2/B8 employment uses on the City Council's land at Ashton Green, Beaumont Leys, part of the wider SUE, in 2011. However, that 5 ha site was purchased by Samworth Brothers in 2012 and has now been developed as a 6,000 sqm bakery. The Core Strategy proposes an allocation of up to 10 ha here, so potentially another 5 ha could be made available over the lifetime of the SUE.

- 7.84 Leicester's land supply shortfall has been most recently defined in the 2013 Leicester and Leicestershire Housing Market Area Employment Land Study. This report forecasts demand to 2031 for 52,500 sqm of offices; 51.50 ha of industrial land and 19.20 ha of strategic warehousing land. It comments that set against the supply there is a small shortfall in the planned provision for offices (some 7,600 sqm), but substantial shortfalls in the provision of industrial use land (32.16 ha) and strategic warehousing land (19.20 ha).
- 7.85 The report states the industrial and strategic warehousing land deficits will need to be accommodated elsewhere within the HMA. Inevitably schemes within (or close to) the Leicester PUA will have the strongest role in meeting this shortfall, specifically the North East Leicester SUE, Broadnook Garden Suburb and Watermead Direction of Growth in Charnwood along with Glenfield Park and the New Lubbethorpe SUE in Blaby. It is unlikely that more distant Melton, with its modest forward land supply can make a significant contribution to Leicester's needs.
- 7.86 The City's Core Strategy was approved in 2010, a revised version was adopted in July 2014 with revised employment policies which indicated the following:
- *"At least 50,000 sqm of new grade 'A' office development will be provided in the City Centre. The Office Market Review (2012) identified the need to upgrade the office stock, by either redevelopment, or refurbishment of offices capable of meeting occupier requirements for flexible and energy efficient working environments"*
  - The Council will promote small offices between 100 and 1,000 sqm in the City Centre at Waterside and St. George's and within the existing professional office area between New Walk and the Cathedral
  - Small offices will be allowed between 100 and 1,000 sqm outside the City Centre in local and District Centres, or where they extend existing offices or where they are part of a mixed use scheme, including a Business Centre (B1(a)) at Ashton Green, as part of the village Centre.
  - Land will be retained within the Abbey Meadows Science and Innovation Park for research, development and technology based business, an Innovation Centre Building (of which Phase I is now complete) and Associated Research Institutes.
- 7.87 Council is now proceeding to develop a new Local Plan. An Issues and Options

Paper has now been produced and underwent public consultation in January 2015.

### **North West Leicestershire**

- 7.88 North West Leicestershire withdrew its Core Strategy, in October 2013, following concerns over housing provision. A new Local Plan is under development, with an initial draft expected within a year.
- 7.89 Previous employment land research (a Employment Land Topic Paper completed in 2012) concluded that North West Leicestershire has sufficient industrial land to meet demand between 2006 and 2031 (indeed a 11 ha oversupply was indicated). However, the District has a significant need for warehousing (125 ha) and industrial/warehousing (113 ha) land. 21 ha of (out of town) office land is also needed. In response to this, North West Leicestershire District Council was looking to provide new employment allocations in the Coalville and Bardon areas. However, it is not yet clear if these will be taken forward in the new Local Plan.
- 7.90 The Leicester and Leicestershire HMA Employment Land Study indicates that North West Leicestershire has a supply of some 24.46 ha of industrial land, 153.49 ha of warehousing land and 7,500 sqm of offices. North West Leicestershire needs 35.5 ha of industrial land, 51.90 ha of warehousing land and 31,900 sqm of offices.
- 7.91 Major local office schemes include Pegasus Business Park, Ashby Business Park and Boundary Court. All three schemes are in the north of the District and focus on the Derby/Nottingham property market. Industrial and warehouse provision is also focused in the north, at Castle Donington and Ashby-de-la-Zouch. This includes a 40 ha regional strategic distribution site at the former Castle Donington Power Station (East Midlands Distribution Centre).
- 7.92 The East Midlands Distribution Centre site is now home to a 93,000 sqm regional distribution centre for Marks and Spencer, employing 1,000 people. This is one of four large distribution centres, to be developed around the UK, which will replace the company's 110 smaller existing warehouses.
- 7.93 However, by far the most significant development proposal in North West Leicestershire at present is the proposed Strategic Rail Freight Interchange (East Midlands Gateway) on a site north of East Midlands Airport, close to junction 24, M1. The site is being promoted by, and would be developed by, Roxhill Developments.

- 7.94 A Nationally Significant Infrastructure Project, the East Midlands Gateway requires an application for a Development Consent Order to be prepared. The Examination in Public for this will be progressed over January-July 2015. This will be submitted to the National Infrastructure Directorate of the Planning Inspectorate shortly. Proposals will include:
- 557,414 sqm of new distribution and storage buildings, employing some 7,000 people
  - A new rail line connecting the freight terminal to the Nottingham to Birmingham freight only line
  - New road works and improvements to the existing road infrastructure, including to M1 junction 24, and a new bypass south of Kegworth from the A6 trunk road.
- 7.95 As the largest new build logistics scheme in Leicester and Leicestershire, the scheme will inevitably impact on demand for storage and distribution premises across the county, particularly when considered alongside other proposed and existing schemes in Blaby, Hinckley, Harborough and Daventry. Overall, the East Midlands Gateway is expected to generate £267 million in additional GVA for relevant parts of Leicestershire, Derbyshire and Nottinghamshire. However, as its focus is on the M1 Corridor the impacts on, and benefits to, Melton are likely to be modest.

### ***Oadby and Wigston***

- 7.96 Oadby and Wigston's Core Strategy was adopted in September 2010. This did not set any targets for new employment land, but rather indicated that 2.5 ha of land was required to replace land lost to alternative uses over the period to 2026.
- 7.97 Oadby and Wigston is a small suburban local authority which falls within the market of the wider Leicester PUA. Most in and out-commuting is to and from the city. Commuting to and from Melton is negligible.
- 7.98 The Leicester and Leicestershire HMA Employment Land Study (2012) shows demand for 7.20 ha of industrial land and 5,200 sqm of offices. The realistic industrial supply is 3.0 ha, while 12,500 sqm of offices is available. There are no large employment development proposals in Oadby and Wigston at present, rather the Borough has seen several large employers leave or close down, notably R F Brooks

in South Wigston.

### **Rutland**

7.99 Rutland adopted its Core Strategy DPD in July 2011. A Site Allocations and Policies DPD was adopted in October 2014. An ongoing Local Plan review commenced in 2024 and will continue through to 2037.

7.100 BE Group completed the Rutland Employment Land Assessment Review in May 2013. This identified that the County had an employment land supply of 19.98 ha in ten sites. An additional 14.41 ha is required based on long term past take-up rates. If short term take-up rates are used, then Rutland has sufficient land to meet the need for 19.57 ha of land, but only if all existing employment sites are protected.

Large employment sites in Rutland are focused around Oakham and include Oakham Enterprise Park, the former Ashwell Prison which was acquired by the Council in March 2011 for development as a Business Park. Both land and premises are on the market at this location. 10.54 ha of land is also available North of Pillings Road, in Oakham. Part of a larger mixed use site, this allocation has been marketed for B1/B2/B8 uses for over a decade. To the south of this land are a number of large local businesses including Lands End Clothing, Mecc Alte and Woodstream Europe.

7.101 Melton is a net exporter of labour to Rutland. 495 Melton residents travelled into Rutland to work while 236 Rutland residents commuted into Melton.

7.102 Despite the relative proximity between Melton Mowbray and Oakham, economic links between Melton and Rutland are not felt to be strong. Research suggests that the main employment areas of Oakham and Uppingham are more closely aligned to the Corby and Northamptonshire markets. These towns are particularly attractive to Corby based businesses looking to relocate to locations of higher environmental quality. In the east of Rutland County only a couple of its smaller employment areas link to the A1 Corridor.

### ***Nottinghamshire Authorities***

#### ***Rushcliffe***

7.103 Rushcliffe Borough Council adopted the Rushcliffe Local Plan Part 1: Core Strategy in December 2014. Rushcliffe Council will now proceed with a Part II Strategy that

would look at site allocations in the smaller settlements.

7.104 Employment land in Rushcliffe will be provided through a number of strategic allocations. These include:

- A SUE to the South of Clifton providing around 20 ha of B1(a) B2 and B8 employment land (an outline planning application has already been submitted here)
- The provision of around 15.5 ha of employment land on land to the North of Bingham
- The provision of around 4.5 ha of employment through the redevelopment and regeneration of the former Cotgrave Colliery. Some 450 homes are already under development here.
- The re-use of the existing hangars at former RAF Newton and the provision of a further 6.5 ha (15 ha in total). Development here has planning consent and will also provide 500 homes and 50 live-work units.

7.105 These are located in the north of the Borough and will generally serve the Nottinghamshire market. However, they will link to Bottesford and the north of Melton Borough which itself has economic links to the Nottingham Conurbation.

7.106 North of Harby is Emp. Area 8: Langar Airfield, an employment area shared between Melton and Rushcliffe. Most developed premises is in the north and west of the area, within Rushcliffe, and includes UK HQ facilities for John Deere, a range of smaller workshop units and several larger units in B8 storage use, including facilities for CDA. There are no expansion plans on this site at this time.

7.107 Bottesford is identified as a commuter town for Nottingham and relevant settlements in Rushcliffe and benefits from its train station on the Nottingham to Skegness Line. However, Rushcliffe Borough Council feels that the movement of businesses between Rushcliffe and Melton is comparatively rare. Businesses already in Bottesford serve a defined rural catchment area which includes areas of Rushcliffe and South Kesteven.

7.108 Keyworth is a significant settlement in south east Rushcliffe which is likely to have economic influence on Melton. The settlement is home to the HQ of The British Geological Survey. A Neighbourhood Plan has recently been completed for the settlement which proposes a further 8 ha of land here, in two sites associated with

existing employment areas.

## **Lincolnshire**

### ***South Kesteven***

7.109 South Kesteven adopted its Core Strategy in 2010. Reflecting the findings of an earlier employment land review, this proposes extensive employment land allocations (205 ha) to 2026, primarily in the settlements of Grantham, Stamford, Bourne and the Deepings.

7.110 Individual site allocations are set out in a Site Specific Allocations and Policies DPD which was adopted in April 2014.

#### *Grantham*

7.111 Grantham is identified in the Core Strategy as a 'Sub-Regional Centre' and 90 ha of employment land is proposed in the town over the next 13 years. 25 ha of this will be delivered as part of the 'Southern Quadrant' SUE, which will also provide 4,000 homes. A logistics park (King 31) is also proposed which will provide three warehouses of 7,693-87,408 sqm.

#### *Stamford*

7.112 The Site Specific Allocations and Policies DPD allocates some 27 ha of employment land in Stamford. This comprises three sites to the west of the town:

- Land North of Barnack Road – 8 ha
- Land South of Uffington Road – 2 ha
- Land adjacent to the A1 off Empingham Road (part of a wider urban extension) – 14 ha.
- Land east of Ryhall Road – 3 ha

#### *Bourne/Market Deeping*

7.113 Some 51 ha in five sites is proposed in Bourne. 20 ha, in two sites, is proposed in Market Deeping.

7.114 Stakeholder consultations suggest that Melton has relatively strong links with South Kesteven and specifically the Grantham A1 Corridor area. Certainly sites and premises in this area appear to be in competition with equivalent sites/premises in

Melton Mowbray. For example Pera highlights that it has attracted occupiers from Grantham while several Melton businesses, consulted for this study, highlighted that they consider Grantham/A1 to be within their area of search for new premises. In particular Samworth Brothers highlighted Grantham (amongst other options) as a preferred location for its next major investment, over Melton Mowbray, because of the greater availability of skilled labour there.

- 7.115 However, it should also be noted that Melton imports a large proportion of its external labour from South Kesteven. At the time of the 2011 Census at least, 1,216 South Kesteven residents commuted into Melton to work, 19.8 percent of in commuting that year.

*Emp. Area 6: Normanton Airfield*

- 7.116 Emp. Area 6: Normanton Airfield is shared between Melton and South Kesteven. As with Emp. Area 8: Langar Airfield, most of the developed premises is in the neighbouring Borough, while land in Melton (which includes most of the runways) is in agricultural and open storage use. Land in South Kesteven includes an established rural industrial estate – Roseland Business Park – which provides industrial, warehouse and open storage options on some 283 ha. Occupiers include Bennington Foods, Tarmac, Balfour Beatty and Tarmac. There are no large scale new development plans here.

**MBC Business Survey 2013**

- 7.117 This section briefly considers relevant responses from a survey of 63 local businesses, undertaken by Council Economic Development Officers in the summer of 2013. It only reviews responses to questions judged to be directly relevant to this study, for example ignoring questions related to the performance of Melton Borough Council.

***Business Information and Business Details***

- 7.118 Respondents were asked if they own or rent their business premises or if they operate from home. A total of 55 percent rent their property. 28.3 percent are freeholders and 16.7 percent operate from home.
- 7.119 Nearly 40 percent of respondents stated their business has been based within Melton Borough for more than 21 years while the proportion of newer businesses (1-5 years) was high at 34.9 percent.

- 7.120 Nearly one-fifth of businesses stated the nature of their business was financial or professional services and 12.7 percent indicated they were industrial. Surprisingly, given the high prevalence of food and drink businesses within the Borough, only a small number of surveys (6.3 percent of the total) were completed by firms in this sector.
- 7.121 The overwhelming majority operate independent businesses (84.1 percent), whilst the remainder were made up of branches of national (4.8 percent), international (4.8 percent) and regional (3.2 percent) firms. A further 3.2 percent stated they operate another type of business, including one GP surgery that stated they were part of the NHS. Nearly a quarter of Melton businesses (24.2 percent) import or export to other countries outside of the UK.
- 7.122 Business owners were asked to select all of the factors that influenced their decision to establish a business in Melton. A high proportion of business owners indicated that one of the factors that influenced their decision to set up a business locally was because they are a Melton Borough resident. By comparison the local pool of available labour was a more modest factor. Funding/growth incentives and supply chain opportunities did not factor in the decision to establish a business in the Borough.
- 7.123 Over 90 percent of respondents believe their business will continue to operate in Melton for the foreseeable future, with no plans of relocating their business elsewhere. 9.8 percent of business owners envisage their business may relocate outside of the Borough at some point.

#### ***Melton as a Business Location***

- 7.124 In terms of Melton as a business location, 66.1 percent of respondents believe it has stayed the same in the last 5 years, 24.2 percent believe it is a worse place to do business and 9.7 percent believe it is a better place to do business. Comments from those who feel that Melton is a worse place to do business generally focus on the (perceived) decline of Melton Mowbray as a shopping, visitor and residential location. Those who feel that the Borough has become a better place to do business generally highlighted the recent work of the Council as a beneficial factor.
- 7.125 Over three quarters of respondents stated that they or their business had not been a victim of crime during the previous year. However, there had been reports of criminal

activity, including criminal damage (18 percent), robbery (13.1 percent) and burglary (3.3 percent).

### ***Employees, Profit, Turnover and Growth Aspirations***

7.126 The 63 businesses surveyed employed 737 people, of which only 15 (2 percent) were part time employees. Most were micro or small businesses and the average number of full time employees was 12. Over half of business owners (53.2 percent) believe that their staff numbers will remain the same in the next year. However, over a third (38.7 percent) of businesses believes their staff numbers will grow.

7.127 Respondents were positive in terms of the future of their business. Over half (55 percent) believe that their turnover will increase in the next 12 months, 30 percent believe it will stay the same and the remaining 15 percent believe it will decrease.

7.128 A total of 44 respondents (72.1 percent) stated that they have intentions to grow their business, whilst the remaining 17 respondents (27.9 percent) stated that they did not have any growth aspirations.

### ***Recruitment and Skills***

7.129 The large majority of respondents (63.4 percent) indicated that a local skills shortage was the main barrier to recruiting staff. Other factors suggested included:

- *“Lack of suitable candidates willing to work for a reasonable wage.*
- *Funding to pay wages*
- *People not wanting to undertake heavy, manual work*
- *Work considered demeaning*
- *Need to know the skills of people available.”*

7.130 Poor experience (71.1 percent) was cited as the main skills barrier, whilst poor quality CV's also featured highly (31.6 percent). Relatively few business owners stated that poor IT skills were a barrier. The large majority of business owners have stated that their employees are not currently completing NVQ training (81 percent).

### **Melton Borough Council Local Plan Reference Groups – Economy (Employment) Workshop**

7.131 Finally, Appendix 9 provides the most recent outcomes of the Melton Local Plan Reference Group meetings on employment. The data was collected through the

Local Plan Reference Groups on both 8<sup>th</sup> and 10<sup>th</sup> December 2015, which offered local residents insight to employment related issues in the Borough.

### **Summary**

- 7.132 11 major public sector organisations including, all the other local authorities of Leicestershire; two other key organisations; 19 key businesses and two landowners were consulted on a one to one basis as part of the study.
- 7.133 Melton's Parish Councils were also consulted. The most detailed response came from Bottesford Parish Council, whose main concern was that Bottesford attracts almost no 'professional' businesses such as accountants, lawyers, and financial advisers. The lack of an appropriate base of such businesses is blamed on a lack of office premises in the local area. The Parish Council therefore suggests that: *"Some consideration should therefore be given to whether a modestly sized office development should be built in order to try to attract different sorts of businesses."*
- 7.134 Consultations with a sample of the larger businesses in the Borough suggest a strong desire for further growth (see Appendix 8). 13 of the 19 businesses (68 percent) expressed a desire to expand in the future. Six of those already have the land they need to grow under their control, although finance and planning issues may still be barriers to change. Other companies report unmet requirements for land and property. Several voiced the opinion that finding suitable premises within Melton will be challenging.
- 7.135 Seven of the 19 businesses report difficulties recruiting staff. For companies in smaller settlements such as Harby, Long Clawson and Old Dalby this seems to be due to the rural nature of operations, which makes attracting staff, and particularly graduates, difficult. Within Melton Mowbray, the shortage appears to be for skilled manufacturing workers in a range of specific sectors.
- 7.136 Buckminster Estates owns in excess of 8,000 ha of mostly agricultural land between Melton Mowbray and the A1/Grantham. Following the success of Buckminster Yard, the Estate has secured consent for a second scheme to be developed in Buckminster Village. Referred to as Wood Yard, the scheme will provide 405 sqm of additional office space. Demand exists to support this but the build costs are still expected to exceed the likely rents generated. Buckminster Estates might look to develop more commercial property, beyond this proposal, but it will depend on future

improvements in property demand.

- 7.137 Harworth Estates own the 48 ha Emp. Area 13: Asfordby Business Park, Asfordby Hill and much of the surrounding agricultural land. Space exists for a further 38,000 sqm of industrial and warehouse accommodation, in three main plots which could provide individual units of 2,000-10,000 sqm. Further brownfield expansion land exists in the north west of the Business Park, which could accommodate another 26,000 sqm of premises. Harworth also has aspirations to develop some 3,300 sqm of 'pod' style starter offices, to be marketed to local businesses.
- 7.138 With the exception of Leicester City, all of the local authorities around Melton feel they are able to meet their employment land needs on land within their own local authority area boundaries. Leicester has a significant, and long established, shortage of employment land and will be looking for support from its neighbours. The City's need for industrial land has, if anything, grown stronger in recent years as at least half of the Ashton Green site has now been developed by a single occupier – Samworth Brothers. However, it is likely that most cross-boundary requirements will be met on the large strategic allocations currently proposed within the Leicester PUA, which mostly fall within Charnwood and Blaby. It is unlikely that more distant Melton, with its modest forward land supply can make a significant contribution to Leicester's needs.
- 7.139 Melton shares Emp. Area 8: Langar Airfield with Rushcliffe. This large brownfield site extends to several hundred hectares, of which 34 ha is within Melton. Most developed premises is in the north and west of the area, within Rushcliffe, and includes UK HQ facilities for John Deere, a range of smaller workshop units and several larger units in B8 storage use, including facilities for CDA. There are no expansion plans on this site at this time and it is assumed that any future growth will be in the Rushcliffe portion of the site, where most of the existing infrastructure and developed premises is located.
- 7.140 Emp. Area 6: Normanton Airfield is shared between Melton and South Kesteven. As with Emp. Area 8: Langar Airfield, most of the developed premises are in the neighbouring Borough, while land in Melton (which includes most of the runways) is in agricultural and open storage use. Land in South Kesteven includes an established rural industrial estate which provides industrial, warehouse and open storage options.

## 8.0 GROWTH FORECASTS

### Introduction

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

8.2 The three models are:

- Historic land take-up forecast

This reviews the actual take-up of employment land in the Borough over a period of time. The method is not wholly reliable as there will be peaks and troughs and also different time periods taken can also result in different outcomes. For example a period of sustained growth may show a high average take-up whereas looking over a recessionary period could well reflect low or even nil take-up.

- Employment based forecast

This relies on the econometric forecasts which use a model that projects the likely jobs growth in different industry sectors. The jobs from figures are then translated to land using a formula based on a jobs to floorspace density, which in turn can be translated into the projected land need. For Melton, Experian data has been used which is consistent with Forecasts used across the wider Leicestershire area.

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

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

- Resident workforce forecast

This uses the same method of forecasting as the employment based method but takes forecast changes in the working population i.e. labour supply, rather than jobs – labour demand.

We have found in other recent studies that labour supply figures do not accurately predict future land needs. The relevance of the figures are more related to evaluating the relationship between economic and housing needs. Therefore, there is more reliance on the other two methods.

8.3 The method adopted in this Study brings together all three forecasts, and compares them with historic trends through the sensitivity testing. To do this, actual land take-up and building completions over a period from 1997 to 2014 are compared with land needs that would have been generated from jobs change during the same period. The resultant land figures show that actual take-up is four times the assumed need compared with the jobs calculation for that period. Thus it is considered that the most reliable method of forecasting needs is to assume a historic take-up basis.

8.4 The three methods, and calculations, are considered in turn.

#### **Model 1: Historic Land Take-up**

8.5 Employment land take-up annually is recorded by the Borough Council. This is recorded through a combination of building completions on employment land, and land that is taken out of allocations for other reasons. From this data it is then possible to estimate how the land supply reduces on an annual basis. Where building completions are recorded, an assumed land area is calculated using a formula that assumes buildings occupy land on a ratio of 3,900 sqm/ha.

8.6 Table 39 shows the schedule of completions between 1996 and 2015 based on this data. In total, over that period 63.30 ha of land has been developed and that equates to an average of 3.33 ha per year.

**Table 39 – Employment Land Take-Up 1996-2015**

<b>Completion Period</b>	<b>Total (ha)</b>
1996-1997	13.70
1997-1998	5.97
1998-1999	5.97

<b>Completion Period</b>	<b>Total (ha)</b>
1999-2000	5.97
2000-2001	0
2001-2002	0
2002-2003	16.47
2003-2004	0
2004-2005	0
2005-2006	0
2006-2007	1.58
2007-2008	2.71
2008-2009	1.78
2009-2010	1.10
2010-2011	0.58
2011-2012	2.85
2012-2013	2.76
2013-2014	1.31
2014-2015	0.55
<b>Total</b>	<b>63.30</b>

Source: MBC, 2015

- 8.7 However, the figures prior to 2006/7 must be treated with great caution, as accurate records do not exist and figures have been drawn together without any firm validation. That period shows two years of substantial take-up in 1996/7 and 2002/3, which are between 3-5 times the long term average. No explanation can be given for these, and may be accounted for single large scale take-up by a single occupier, or possibly land transferred to other uses. However, if it is assumed these figures are anomalies, which skew the figures, an adjustment can be made. Assuming a level more in line with the take-up in the intervening years of around 6 ha, then the long term average reduces to around 2.37 ha per annum.
- 8.8 Harder to account for is the period 1997/98 to 1999/00 when identical annual take-up rates are recorded for each of the three years, 5.97 ha/year. One possibility is that a very large development, taking up some 18 ha overall, completed during that period and the total take up has been averaged out over three years. However, detailed take up data is not available to confirm or deny this.
- 8.9 From 2006/07 the land take-up figures can be validated as accurate. Data is taken from Council Annual Monitoring and based on clearly identified planning consents,

delivered during that period. The annual take-up is derived from net completions by square metres which allow for any B-Class employment land lost during that period to non B-Class uses. The square metre completion figures are then converted into hectare figures using a standard developer ratio of 3,900 sqm/hectare i.e. the average amount of B1/B2/B8 floorspace which can be accommodated on a single hectare of land.

8.10 The nine year period from 2006/07 to 2014/15 does include two years of low take-up, 2010/11 and 2014/15, when less than 0.60 ha was developed in each year. This does not reflect an overall lack of development activity in those years but rather that all completions were for smaller B1/B2/B8 units, with limited land requirements. Conversely, 2007/08, 2011/12 and 2012/13 saw higher take up rates, in the case of the latter two years, during a period of recession. Higher take up here reflects a greater completion of larger B2 and B8 premises, primarily resulting from the expansion or relocation activities of existing large local businesses, such as Long Clawson Dairy.

8.11 The 2006/07 to 2014/15 take up data is therefore viewed as a more accurate picture of recent development activity in Melton Borough. Whilst the period does include the recent recession (2008-2013), it also includes growth periods immediately before and after. An average land take-up over the last nine years can be calculated as follows:

$$15.22 \text{ ha}/9 \text{ years (2006/7 – 2014/5)} = \mathbf{1.69 \text{ ha/annum}}$$

8.12 Thus the resultant figure is less than the long term adjusted calculations of 2.37 ha/annum. However, as noted the take-up rate prior to 2006/7 appears unusually high when compared to verified trend data over the last nine years. Using the more accurate short term (nine year) data and applying it to the period 2011-2031 (20 years), then Melton requires 33.80 ha of land to 2031, i.e.

$$1.69 \text{ ha/year} \times 20 \text{ (years)} = \mathbf{33.80 \text{ ha}}$$

8.13 Extending the period to 2036 (25 years) increases the need to 42.25 ha, i.e.

$$1.69 \text{ ha/year} \times 25 \text{ (years)} = \mathbf{42.25 \text{ ha}}$$

8.14 The Borough should also have a buffer of five years supply to reflect a choice of sites

by size, quality and location and to provide a continuum of supply beyond the end of the 2036 period. This also makes some allowance for the loss of further employment land to non B-Class uses over the period to 2036. Site 6: Land West of Bowling Green, Leicester Road, Melton Mowbray (Melton Fields Business Park) (06/01012/OUT) is a current example of an employment site where land is in danger of being lost to alternative uses (see Section 6.0). Finally, it also allows for the possibility that some active employment locations may be lost to other uses if the current large occupiers relocate and the resultant vacant sites cannot be made usable for other B1/B2/B8 occupiers (discussed in Sections 6.0 and 10.0). Based on the historic take-up trend this would generate a further land need of 8.45 ha, i.e.

$$1.69 \text{ ha/year} \times 5 \text{ (years)} = \mathbf{8.45 \text{ ha}}$$

8.15 Added to the 2036 need figure, this increases the requirement to 50.70 ha, i.e.

$$42.25 \text{ ha} + 8.45 \text{ ha} = \mathbf{50.70 \text{ ha}}$$

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

8.17 At 31st January 2015 there was 32.39 ha of available land in the Borough (Section 6.0), which suggest the Council needs to find a further of 1.41 ha to 2031 and 18.31 ha to 2036 (inclusive of a 5-year buffer), to match historic trends. However, as noted in Section 6.0, for a variety of reasons, the supply position could be reduced to 19.46 ha. This could require the Council finding a further 14.34 ha to 2031 and 31.24 ha to 2036, i.e.

To 2031: 33.80 ha – 19.46 ha (realistic supply) = **14.34 ha (further need)**

To 2036: 50.70 ha – 19.46 ha (realistic supply) = **31.24 ha (further need)**

### ***Split by Use Class***

8.18 Whilst overall need is important, further analysis can evaluate what the potential needs will be in the different use classes. Table 40 splits the 2008/09-2014/15 take up by the main employment use classes (B1 (a, b, c), B2, B8). As Table 40 shows, over the nine year period, 29 percent of take up was for B1(a) offices, 6.5 percent was for B1(c) light industry, 29 percent was for B2 general industry and around a third was for B8 storage or distribution. Take up for B1(b) research and development

was negligible.

**Table 40 – Employment Land Take-Up 2006-2015, by Use Class**

Completion Period	Use Class					Total (ha)
	B1(a)	B1(b)	B1(c)	B2	B8	
2006-2007	-	0.22	0.53	0.37	0.46	1.58
2007-2008	2.7	0.01	-0.04	0.47	-0.43	2.71
2008-2009	0.09	-	0.03	0.62	1.04	1.78
2009-2010	0.07	-	0.12	-0.56	1.47	1.1
2010-2011	0.12	-	-0.16	0.1	0.52	0.58
2011-2012	0.85	-	0.15	0.92	0.93	2.85
2012-2013	0.22	-	0.16	1.63	0.75	2.76
2013-2014	0.12	-	0.19	0.71	0.29	1.31
2014-2015	0.25	-	-	0.15	0.15	0.55
<b>Total (percent)</b>	<b>4.42 (29.0)</b>	<b>0.23 (1.5)</b>	<b>0.98 (6.5)</b>	<b>4.41 (29.0)</b>	<b>5.18 (34.0)</b>	<b>15.22 (100.0)</b>

Source: MBC, 2015

- 8.19 Therefore projecting the historic split of land need forward for the periods to 2031 and 2036, Table 41 shows the anticipated need for the different use classes.

**Table 41 – Residual Need, Split by Use Class**

Period	Use Class (Percentage Split, percent)					Total (ha)
	B1(a) (29.0)	B1(b) (1.5)	B1(c) (6.5)	B2 (29.0)	B8 (34.0)	
2011-2031	4.16	0.22	0.92	4.16	4.88	14.34
2011-2036	9.06	0.47	2.03	9.06	10.62	31.24

Source: BE Group, 2015

### **Model 2: Employment Based Forecast**

- 8.20 This scenario uses as its base the Experian Forecasts referred to above. The forecasts project employment change through to 2031 and 2036, and include annual employment figures for the Borough from 1997. Therefore the forecasts can be used to calculate the future need, and also the past jobs change can be used to calculate the assumed land need over that period for comparison with the historic take-up over the same period.
- 8.21 This section deals with calculation of future needs.

- 8.22 The forecasts break down employment to the level of 12 industry sectors (Tables 42-43), although not all are relevant to this Employment Land Review. It should be noted that for this model the forecasts reflect “policy off”, a non-intervention scenario, in that no account is taken of any planned or emerging investment programmes or strategies in Melton.
- 8.23 Experian’s baseline indicates that whilst Melton’s employment has been impacted by the recent recession, the economy is now starting to grow again in a number of sectors.

**Table 42 – Employment Change by Employee Numbers 2011-2031**

Sector	Jobs 2011	Jobs 2031	Jobs Total Change	Jobs Change (percent)
Agriculture, Forestry & Fishing	650	650	0	0.00
Accommodation, Food Services and Recreation	2,050	2,440	390	19.02
Construction	1,490	1,680	190	12.79
Wholesale and Retail	3,560	3,700	140	3.93
Extraction and Mining	10	10	0	0.00
Finance and Insurance	180	120	-60	-32.75
Information and communication	520	1,000	480	92.16
Manufacturing	4,410	5,940	1,530	34.67
Professional and Other Private Services	4,220	5,020	800	18.97
Public Services	4,290	3,980	-310	-7.22
Transport and storage	1,020	690	-330	-32.30
Utilities	200	210	10	4.89
<b>Net growth/decline</b>	<b>22,620</b>	<b>25,440</b>	<b>2,840</b>	<b>12.56</b>

Source: Experian, 2015

**Table 43 – Employment Change by Employee Numbers 2011-2036**

Sector	Jobs 2011	Jobs 2036	Jobs Total Change	Jobs Change (percent)
Agriculture, Forestry & Fishing	650	63	-20	-3.06
Accommodation, Food Services and Recreation	2,050	2,560	510	24.87
Construction	1,490	1,740	250	16.83
Wholesale and Retail	3,560	3,780	220	6.17
Extraction and Mining	10	10	0	0.00

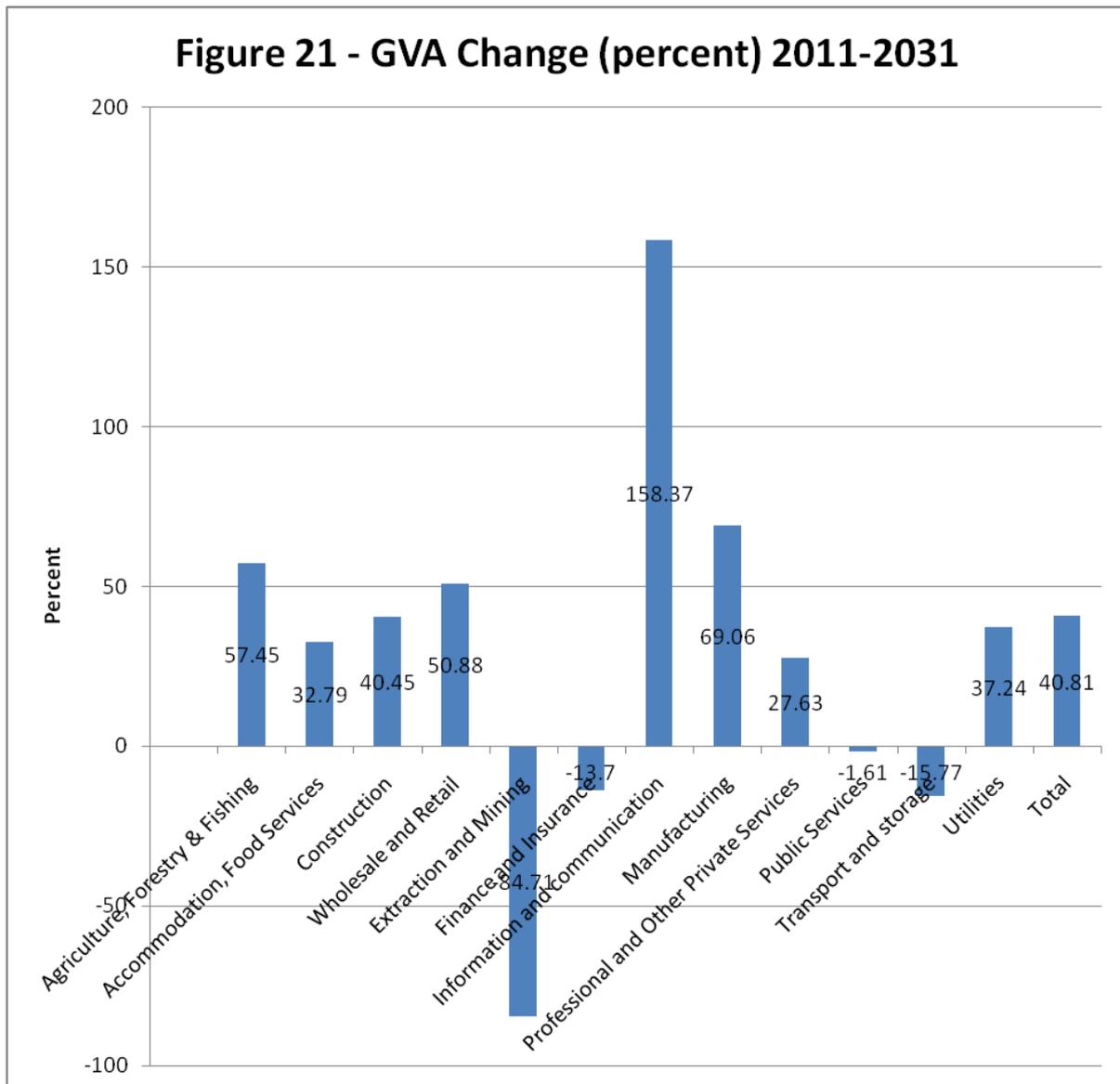
Sector	Jobs 2011	Jobs 2036	Jobs Total Change	Jobs Change (percent)
Finance and Insurance	180	100	-80	-43.66
Information and communication	520	1,200	680	130.57
Manufacturing	4,410	6,120	1,710	38.75
Professional and Other Private Services	4,220	5,080	860	20.39
Public Services	4,290	3,950	-340	-7.92
Transport and storage	1,020	640	-380	-37.19
Utilities	200	210	10	4.89
<b>Net growth/decline</b>	<b>22,620</b>	<b>26,020</b>	<b>3,420</b>	<b>15.12</b>

Source: Experian, 2015

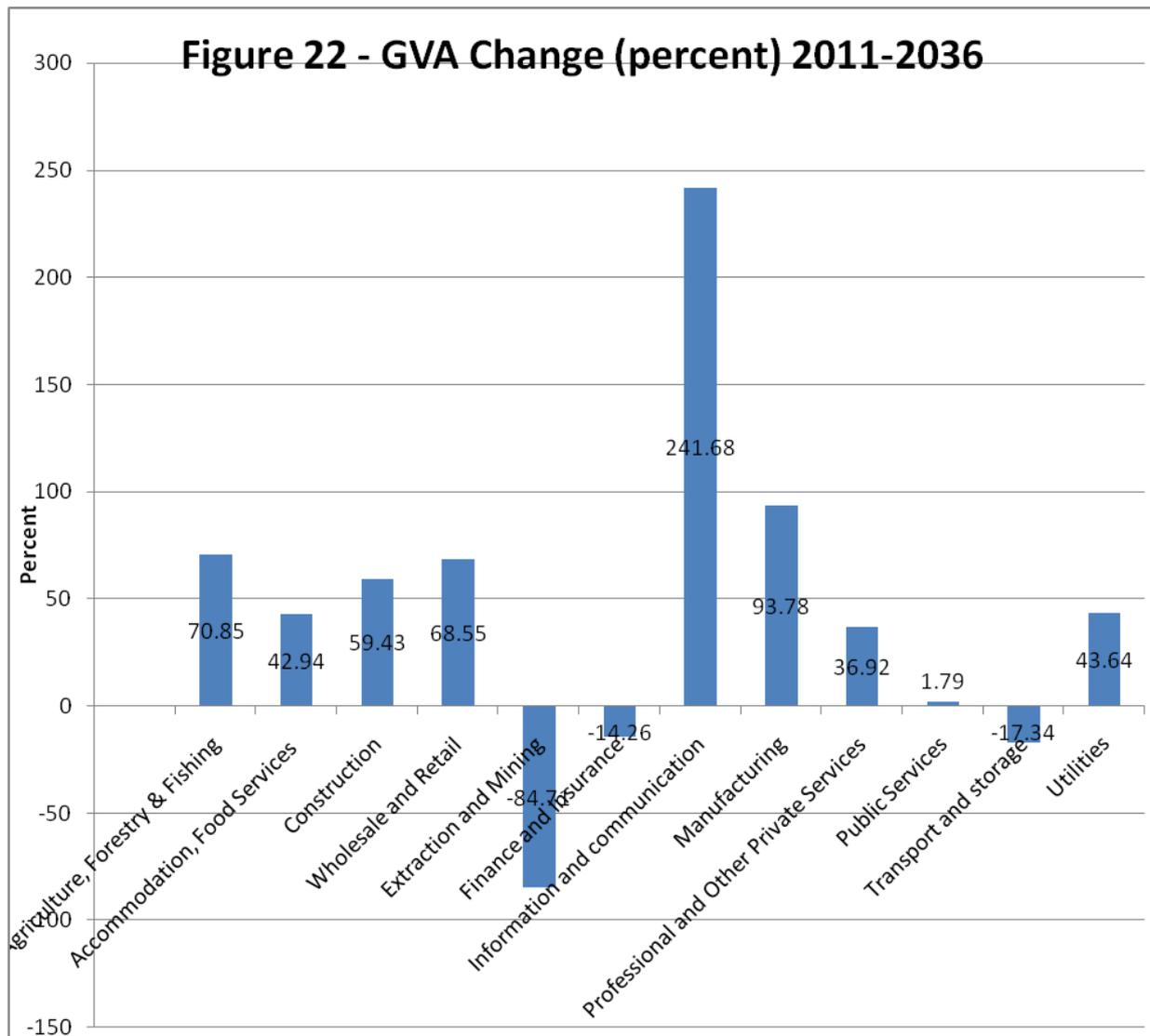
- 8.24 Total employment is forecast to increase by 2,820 jobs to 2031 and by 3,420 jobs by 2036, equivalent to a rise of 15.12 percent from 2015. It is important to understand that this is a net increase overall. During the period 8 of the 12 sectors are predicted to grow, producing 4,240 jobs to 2036, but four sectors, agriculture, finance and insurance, public services and transport and storage are forecast to see a reduction in jobs numbers totalling 820. The largest decreases are in public services, reflecting projections for public sector spending reductions, and transport and storage. The reduction in transport and storage employment is perhaps more surprising given wider projections of growth in *'The Sub-Regional Logistics Market – Strategic Distribution Sector Study (2014)'* discussed in Section 4.0. However, that study considers growth in the logistics sector across Leicester and Leicestershire and does not say what, if any, benefits will be received by Melton specifically. It is not therefore possible to account for its findings in the Experian forecasts.
- 8.25 The highest growth sector, of direct relevance to this study, is manufacturing. Melton is forecast to gain 1,710 manufacturing jobs by 2036, half the net jobs growth forecast over 2011-2036. 60 percent of this growth (870 jobs by 2031, 1,030 jobs by 2036) will be in food and drink manufacture. There is clearly some conflict between this projection and the comments of local companies (see Appendix 8) that this scale of additional appropriately trained labour cannot be provided in Melton.
- 8.26 Modest growth is also forecast in the manufacture of metallic products (180 jobs gained to 2036) and non-metallic products (120 jobs gained to 2036).
- 8.27 In percentage terms Information and Communication is showing the greatest growth

with a predicted 130.57 percent increase to 2036.

8.28 Growth across the sectors is not measured by jobs growth alone. Change in Gross Added Value (GAV) measuring the contribution to the economy in each sector and can show how jobs growth compares with economic growth (see Figures 21 and 22). Again manufacturing is slowing strong growth and the strong growth in ICT is also evident.



Source: Experian, 2015



Source: Experian, 2015

8.29 Total GVA change during the period 2011 to 2021 is set to increase by £300.81 million. This represents a 40.81 percent increase for the period. To 2036 the increase is 417.02 million, a 56.57 percent uplift. The manufacturing sector is predicted to see a change representing an increase of £184.18 million, almost doubling from the 2011 level of £196.39 million to £380.57 million by 2036. Again around 60 percent of this growth (£109.79 million to 2036) is in food and drink manufacturing.

8.30 Thus the GVA trends and jobs change appear reasonably consistent. In terms of future employment land requirements, only certain sectors will translate jobs into a requirement for employment land. The model assesses what percentage of jobs in

each sector translates to floorspace. For example in transport and storage a percentage of jobs will be warehouse based, whilst the remainder will be drivers not operating on site. Thus this model is likely to be affected by a number of key factors:

- The future mix of activities in respect of office, manufacturing and warehousing employment within different sectors. It is not possible to predict the impact of evolving technical change over the period to 2036, and we have therefore assumed that this mix will not change over the period
- The percentage of employees in each sector that will translate to floorspace  
The proportion of people in each industry sector that occupy B1, B2 or B8 space conforms to those ratios used in other studies and accepted in comparable locations and are sourced from the South East Regional Planning Conference's 'The Use of Business Space'
- The average space each employee occupies – the employment density. We have assumed no variation in the density rates through to 2031 and 2036, and have used those densities identified in the HCA 2010 published Employment Densities Guide 2<sup>nd</sup> Edition
- The average development floorspace per ha for office, manufacturing and warehousing activities. We have applied the uniform amount of 3,900 sqm per ha.

8.31 These assumptions are summarised in Table 44.

**Table 44 – Model Assumptions**

Industry Sector	Employees		
	Percentage of staff Occupying B1, B2, B8 Floorspace (percent)	Floorspace occupied per person (sqm)	Other Comments
Agriculture	5	12	Managerial, admin
Manufacturing	100	47	Higher density reflects largely B2;a lower density can be applied to B1 light industry
Utilities	26	12	Managerial, admin
Construction	26	12	Managerial, admin
Distribution	48	70	Warehouses, offices-non large scale/high bay facilities
Transport	48	70	Warehouses, offices-non large scale/high bay facilities
Financial & Business	100	12	

Industry Sector	Employees		
	Percentage of staff Occupying B1, B2, B8 Floorspace (percent)	Floorspace occupied per person (sqm)	Other Comments
Government & Other Services	22	12	Local Government, Public Administration

Source: SERPLAN and HCA, 2010

8.32 Using the adjustments shown in Table 44, the net job figure for each sector is calculated to reflect the proportion of jobs occupying “B” floorspace. That figure is then multiplied by the floorspace per person to give total floorspace for each sector.

8.33 Once a total floorspace is calculated, the figures are then translated to a land requirement using the ratio of 3,900 sqm per hectare. This applies to all use classes. Table 45-48 show these calculations. Sectors showing jobs growth resulting a positive land requirement are shown separately from jobs reductions which assumes that these will be a negative land requirement.

**Table 45 – Employment Based Forecast 2011-2031 – Growth Sectors**

Sector/Jobs	Workforce Growth	Workforce Proportion (%) Occupying B1/2/8 Space	Net Number of Jobs	Floorspace per job, sqm	Floorspace Required, sqm
Agriculture, Forestry and Fishing	0	5	0	12	0
Accommodation, Food Services and Recreation	390	0	-	-	-
Construction	190	26	49	12	588
Wholesale and Retail	140	0	-	-	-
Extraction and Mining	0	0	-	-	-
Information and communication	480	100	480	12	5,760
Manufacturing	1,530	100	1530	47	71,910
Professional and Other Private Services	800	100	800	12	9,600
Utilities	10	26	3	12	36
<b>Total Floorspace sqm</b>					<b>87,894</b>
<b>Divided by Development Floorspace per ha</b>					<b>3,900</b>
<b>Equivalent Employment Land Needed ha</b>					<b>22.54</b>

Source: BE Group, 2015

**Table 46 – Employment Based Forecast 2011-2031 –Sectors in Decline**

Sector/Jobs	Workforce Losses	Workforce Proportion (%) Occupying B1/2/8 Space	Net Number of Jobs	Floorspace per job, sqm	Floorspace Reduction, sqm
Finance and Insurance	60	100	-60	12	-720
Public Services	310	22	-68	12	-816
Transport and storage	-330	48	-158	70	-11,060
<b>Total Floorspace sqm</b>					<b>-12,596</b>
<b>Divided by Development Floorspace per ha</b>					<b>3,900</b>
<b>Equivalent Employment Land Reduction ha</b>					<b>-3.23</b>

Source: BE Group, 2015

**Table 47 – Employment Based Forecast 2011-2036 – Growth Sectors**

Sector/Jobs	Workforce Growth	Workforce Proportion (%) Occupying B1/2/8 Space	Net Number of Jobs	Floorspace per job, sqm	Floorspace Required, sqm
Agriculture, Forestry and Fishing	-20	5	1	12	12
Accommodation, Food Services and Recreation	510	0	-	-	-
Construction	250	26	65	12	780
Wholesale and Retail	220	0	-	-	-
Extraction and Mining	0	0	-	-	-
Information and communication	680	100	680	12	8160
Manufacturing	1,710	100	1,710	47	80,370
Professional and Other Private Services	860	100	860	12	10,320
Utilities	10	26	3	12	36
<b>Total Floorspace sqm</b>					<b>99,678</b>
<b>Divided by Development Floorspace per ha</b>					<b>3,900</b>
<b>Equivalent Employment Land Needed ha</b>					<b>25.56</b>

Source: BE Group, 2015

**Table 48 – Employment Based Forecast 2011-2036 –Sectors in Decline**

Sector/Jobs	Workforce Losses	Workforce Proportion (%) Occupying B1/2/8 Space	Net Number of Jobs	Floorspace per job, sqm	Floorspace Reduction, sqm
Finance and Insurance	-80	100	-80	12	-960
Public Services	-340	22	-75	12	-900
Transport and Storage	-380	48	-182	70	-12,740
<b>Total Floorspace sqm</b>					<b>-14,600</b>
<b>Divided by Development Floorspace per ha</b>					<b>3,900</b>
<b>Equivalent Employment Land Reduction ha</b>					<b>3.74</b>

Source: BE Group, 2015

8.34 When the land needs from both jobs growth and jobs reduction are bought together the net land requirement based on change can be calculated:

- From sectors predicted to grow: 87,894 sqm of extra floorspace ÷ development floorspace per ha (3,900 sqm/ha) = 22.54 ha
- Less those sectors predicted to decline: 12,596 sqm less space ÷ development floorspace per ha (3,900 sqm/ha) = -3.23 ha
- Gives a net need of **19.31 ha**.

8.35 Based on the net change in jobs, Melton's net land need to 2031 (19.31 ha) and this method suggests that realistic land supply of 19.46 ha (as identified in Section 6.0) are largely in equilibrium and there is no need for any additional employment land provision.

8.36 To 2036 the results are:

- From sectors predicted to grow: 99,678 sqm of extra floorspace ÷ development floorspace per ha (3,900 sqm/ha) = 25.56 ha
- Less those sectors predicted to decline: 14,600 sqm less space ÷ development floorspace per ha (3,900 sqm/ha) = -3.74 ha
- Gives a net need of **21.82 ha**.

8.37 The net result of this suggests Melton's net land need to 2036 (21.82) exceeds the realistic land supply of 19.46 ha by **2.36 ha**. Thus a modest provision of further land is required.

8.38 These figures fall significantly below the forecast based on historic take-up.

8.39 In reality the employment change does not translate to land provision in this way. There are a number of factors that will influence the land requirement and it is necessary to understand the market signals to predict a more accurate employment land requirement. These factors include:

- To what extent the growth in office employment takes place in a town centre locations, at higher densities, rather than in low-density business parks. It is more likely to be the latter in view of the Borough's characteristics, which do not include extensive supplies of town centre office schemes. Where growth is predicted in town or city centres different densities would be applied, closer to 100 percent site coverage
- Will the decline in jobs actually lead to the release of land? Past experience suggests that even where businesses are contracting, they will continue to hold onto sites in anticipation of future improvements. Also, where jobs are being lost to automation, those new automated processes will still require land on which to operate
- Land take-up/property needs can be for different reasons such as modernisation or geographic relocation, land banking for future needs or
- Expansion may also be within existing premises or on expansion land not accounted for in land allocations.

8.40 Therefore, to test how closely jobs change translates to land take-up, historic trends have been compared. Using the same methodology, the land needs based on employment change has been calculated for the period 1997-2014 (the period over which Experian forecasting is available), and compared to the actual land take-up during that period (see Table 49).

**Table 49 – Employment Land Take-Up/Employment Change Comparison**

<b>Employment Change</b>	<b>Total Jobs</b>	<b>Land (Ha)</b>
Growth	2,840	12.23
Decline	70	0.22
Net growth	<b>2,770</b>	<b>12.01</b>
Historic land take-up	-	<b>49.05</b>

*Source: Experian, MBC, BE Group, 2015*

- 8.41 The trend shows that net jobs growth is not an accurate method of calculating land with some four times the amount of land being developed against the land calculated from the jobs prediction. **Even adjusting the historic take-up to the more accurate recent period and discounting any decline in jobs, there is still a large difference in the figures and this calculation reinforces the view that historic take-up is the most appropriate method.**

### **Model 3: Resident Workforce**

- 8.42 This scenario is based upon Experian Population Forecasts (2015 Output) and uses the same methodology to translate population to land need.
- 8.43 The projections indicate a rise in total population numbers for the Borough to 56,110 by 2031 and 57,130. This represents an 11.63 percent increase from the 2014 figure of 50,490. The working age population figure would see a lesser increase of 4.32 percent percent – from 30,180 in 2011 to 32,030 in 2031, followed by a modest decline (reflecting an aging population) 31,540 in 2036. However, the 2011 Census data reveals that approximately 12 percent of the 65+ age cohort was in employment. With the population expected to continue to age, the economic importance of this age group being in employment will continue to grow.
- 8.44 It is possible to apply a similar methodology used for the employment forecasting to the population figures, as increasingly the Planning Inspectorate (reflecting NPPF guidance) is seeking to understand the link between population growth and employment growth. Population growth represents labour supply, whereas the employment figures represent labour demand. Whilst the jobs created through economic growth is the most important test for determining land needs for industry, the third test is still applied.
- 8.45 The significance of the population figures is to demonstrate that where there is an anticipated increase in jobs being created within the Borough that the labour supply forecasts are such that the population growth can meet this demand.
- 8.46 With a working age population expected to grow by 4.32 percent or an increase of 1,360 to 2036 compared with a labour demand need of 15.12 percent, the employment land requirement generated by the growth in the resident population would also be expected to be lower.

8.47 Projections of the change in employment numbers for each sector are provided in the tables below for 2011 to 2031 and 2036, based on Experian projections for the total working age residential population and ONS data on the breakdown of resident workers by industry as at the 2011 Census. The rate of growth in employment numbers is higher than the rate of growth in the working age population (but still lower than labour demand growth) due to assumptions as to increasing participation in the workforce of the 16-64 year population group and increasing participation by 65+ workers.

**Table 50 – Employment Change by Employee Numbers of Resident Population 2011-2031**

<b>Sector</b>	<b>Jobs Total Change</b>	<b>Jobs Change (percent)</b>
Agriculture, Energy and Water	-10	-0.56
Manufacturing	420	9.40
Construction	110	5.50
Wholesale and Retail	-190	-4.62
Transport and storage	-140	-13.03
Accommodation, Food Services and Recreation	440	33.43
Information and communication	330	55.33
Finance and Insurance	-40	-6.77
Real Estate Activities	20	6.99
Professional, scientific and technical activities	370	22.69
Administrative and support services	80	7.11
Public administration and defence	-50	-3.29
Education	60	2.19
Human Health and social work	390	14.81
Other	110	7.10
<b>Net growth/decline</b>	<b>1,870</b>	<b>7.09</b>

Source: Experian, ONS, BE Group analysis, 2015

**Table 51 – Employment Change by Employee Numbers of Resident Population  
2011-2036**

<b>Sector</b>	<b>Jobs Total Change</b>	<b>Jobs Change (percent)</b>
Agriculture, Energy and Water	-10	-0.65
Manufacturing	380	8.67
Construction	110	5.40
Wholesale and Retail	-220	-5.39
Transport and storage	-170	-15.66
Accommodation, Food Services and Recreation	520	39.76
Information and communication	420	69.33
Finance and Insurance	-70	-11.55
Real Estate Activities	20	6.99
Professional, scientific and technical activities	370	22.57
Administrative and support services	70	7.01
Public administration and defence	-80	-5.17
Education	30	1.00
Human Health and social work	390	14.74
Other	110	7.03
<b>Net growth/decline</b>	<b>1,850</b>	<b>7.01</b>

Source: Experian, ONS, BE Group analysis, 2015

- 8.48 Using the methodology for employment change, the net growth in employment land hectares has been calculated from the growth in resident workers. It is projected that there would be an increase in demand for employment land of 6.26 hectares between 2011 and 2031, generated by the growth of resident workers. Given there is a slight decline in the projected resident worker numbers between 2031 and 2036, the net growth in employment land between 2011 and 2036 is projected to be 5.73 hectares.
- 8.49 Again, some sectors are projected to have a decline in the land requirements based on resident worker growth, therefore further analysis shows that:
- From sectors predicted to grow, there is a need for a further 9.11 ha
  - From those sectors where the employment land requirement is forecast to reduce there will be a potential loss of 2.85 ha, giving a net need of 6.26 ha.
- 8.50 Therefore the net result of this suggests that from the resident worker demand the realistic land supply of 19.46 ha (as identified in Section 6.0) is in excess of

requirements.

8.51 To 2036, the results are:

- From sectors predicted to grow, the need for a further 9.09 ha
- From those sectors where employment is forecast to reduce there will be a potential loss of 3.36 ha, giving a net need of 5.73 ha.

8.52 The resident worker demand for 2036 is a slight decline from 2031 due to the aging workforce and is less than the realistic land supply of 19.46 ha

8.53 This growth factors in the decline of the number of workers in land consumptive sectors, such as wholesale trade or transport and storage and increases in higher density worker environments, such as office based sectors. Therefore there is an overall higher density of workers on employment land.

8.54 The implication of comparing the resident worker generated land requirement to the labour demand generated land requirement is that there would be an increasing requirement for in-commuters to meet the labour demand. The labour demand projections consider changes in the industry sectors of Melton businesses and their subsequent requirements for labour. The residential worker projections consider the changes in employment behaviour of the local residents, regardless of whether they work within the district or commute elsewhere. **Therefore the labour demand projections are more directly linked to land requirements in Melton than residential workers projections. For this reason the roll forward of historic take-up remains the most appropriate method for forecasting the Borough's B-Class employment land needs to 2031 and 2036.**

#### **Economic Needs and Household Projections**

8.55 NPPF requires authorities to consider the effect economic growth may have on forecasted household growth. This is to ensure that where there is anticipated jobs growth in an area, the provision of housing is balanced to accommodate those jobs.

8.56 This requires a comparison of jobs growth with households. However, it must be stressed that the comparison based on the rationale set out earlier in this section, is not the relationship of land to households. The land needs calculated far exceed the land that would be directly derived from the jobs based forecast, and to try and relocate overall land backwards based on jobs densities will give an inflated figure.

8.57 The Experian jobs forecasts are therefore used, and the following sub-section explores the relationship with housing numbers forecast through the SHMA.

***Leicester and Leicestershire Strategic Housing Market Assessment – Leicester and Leicestershire Local Planning Authorities (2014)***

8.58 As part of the Leicester and Leicestershire Strategic Housing Market Assessment (SHMA, 2014), GL Hearn have assessed the potential population and household growth across the Housing Market Area to 2031 and 2036. This is broken down by local authority areas.

8.59 The starting point for this analysis was the projected household growth figures from 2011 produced by the Department of Communities and Local Government (CLG). These run to 2021 but have been extended to 2031 and 2036 by using Sub Regional Population Projections from the ONS.

8.60 The projections for Melton suggest an increase in households from 21,533 in 2011 to 25,104 in 2031, which is an increase of 3,571 or 16.6 percent over the period. In housing numbers that translates to 3,693 new homes or 185/year.

8.61 To 2036, households will increase to 25,705, an increase of 4,172 or 19.4 percent from 2011. In housing numbers that translates to 4,314 new homes or 173/year.

8.62 The figures provide a gross housing figure, which when adjusted for migration and other factors, reduces the predicted growth in households to 3,719. This translates to a housing need of 192 homes/year to 2031 and 4,510 (180 homes/year) to 2036.

8.63 The study also provides an assessment of employment growth for the periods to 2031 and 2036. Forecasts were based on Experian economic data, as is this Employment Land Study (see above). For the period 2011-2031 an increase of 1,856 jobs is predicted (similar to that projected in Table 50 above), increasing to 2,087 to 2036 (slightly higher than the projection in Table 51). As discussed in the commentary regarding Model 3 (projections based on resident workers), the labour demand methodology has forecast higher rates of jobs growth – 2,840 jobs to 2031 and 3,420 jobs by 2036. It is considered that an analysis based on the workers working in Melton, rather than the resident workers, is a more targeted and appropriate analysis for forecasting employment land growth in the district.

8.64 The SHMA figures were also modelled to calculate the increase in the resident working population (adjusting the jobs figure to take account of commuting) and in turn a housing need arising from the increase in resident population can be assessed. This modelling shows an increase in households of 4,415 (228/year) to 2031 and 5,242 (210/year) to 2036.

#### *Aging Population*

8.65 One factor that may reduce housing need is the increase in working age population (65 years and above). Some 12 percent of over 65s are working. The consequence of this is that some of the anticipated jobs growth will be taken up by a largely resident population and thus should be taken into account under the SHMA modelling.

8.66 Melton certainly has an aging population. In 2011, Experian 2015 data indicated that there were 11,170 people of state retirement age in the Borough, 22.1 percent of the total population. By 2036 this is projected to rise to 15,800, 27.7 percent of the total population.

8.67 Table 52 uses data from the Leicester and Leicestershire Strategic Housing Market Assessment (2014 Experian data) to compare growth in Melton's 60-74 and 75+ populations, 2011-2036, to the other local authority areas of Leicester and Leicestershire. The data predicts an increase of around 2,800 people in the 60-74 category, i.e. people approaching/at retirement but possibly still undertaking work at reduced hours. This represents a change of 32.4 percent, high in the context of Leicester and Leicestershire, but not excessively so. Leicester will see a proportionate increase of 38.4 percent in the same age range over 2011-2036.

8.68 The proportion of over 75's in the Borough (i.e. people unlikely to still be in any form of employment), will increase by around 5,000, a 116.2 percent increase. Again this is an above average change for Leicester and Leicestershire, but not the highest. Harborough is forecast to see a 137.2 percent increase in its over 75's.

**Table 52 – Growth of Over 60’s in the Population 2011-2036, by Borough**

Area	Age Group	Population 2011	Population 2036	Change in population	Percentage change from 2011, percent
Blaby	60-74	15,528	19, 225	3, 697	23.8
	75+	7,800	15, 915	8,115	104.0
Charnwood	60-74	24, 848	32, 136	7,288	29.3
	75+	13, 045	26,228	13,183	101.1
Harborough	60-74	14, 659	20,900	6,241	42.6
	75+	7,200	17,025	9,875	137.2
Hinckley and Bosworth	60-74	18,572	22,976	4,404	23.7
	75+	8,846	18,640	9,794	110.7
Leicester	60-74	33,177	45,908	12,731	38.4
	75+	18,429	30,732	12,303	66.8
<b>Melton</b>	<b>60-74</b>	<b>8,688</b>	<b>11, 504</b>	<b>2,816</b>	<b>32.4</b>
	<b>75+</b>	<b>4,302</b>	<b>9,299</b>	<b>4,997</b>	<b>116.2</b>
North West Leicestershire	60-74	15,679	20,058	4,379	27.9
	75+	7,293	15,256	7,963	109.2
Oadby and Wigston	60-74	8,766	10,167	1,401	16.0
	75+	5,584	9,647	4,063	72.8

Source: Leicester and Leicestershire Local Planning Authorities, 2014

8.69 Table 53 show’s Melton’s full population profile using SHMA data. Most significant is the projected decline in the Borough’s 30-44 and 45-59 population ranges. These two age brackets are the ones most likely to be in full time employment. This data suggests that Melton’s overall workforce is declining. Melton is one of four Leicester and Leicestershire local authority areas which are predicted to see declines in their 30-59 year old resident population. The sharpest reductions are predicted in Oadby and Wigston where the number of 30-44 year olds is predicted to decrease by 20.9 percent to 2036 (45-59 year olds are forecast to drop by 12.0 percent) . Decreases comparable to those in Melton are also forecast in Harborough (30-44 year olds only), Hinckley and Bosworth and North West Leicestershire. By comparison growth of around 10 percent is projected, in each of those categories, in Leicester.

**Table 53 – Melton’s Changing Population Profile, 2011-2036**

Age Group	Population 2011	Population 2036	Change in Population	Percentage change from 2011, percent
Under 15	8,474	9,069	595	7.0
15-29	8,133	8,367	234	2.9
30-44	9,536	9,176	-360	-3.8
45-59	11,362	10,744	-618	-5.4
60-74	8,688	11,504	2,816	32.4
75+	4,302	9,299	4,997	116.2

Source: Leicester and Leicestershire Local Planning Authorities, 2014

### Summary

8.70 The three alternative forecast options have been produced and considered for the periods of 2011-2031 and 2011-2036. The calculations for each are summarised in Table 54 and show varied outcomes.

**Table 54 – Land Forecast Models – Summary**

Model	Land Stock 2015, ha	Land Need 2011-2031, ha	Surplus (Shortfall), ha	Land Need 2011-2036, ha	Buffer (five years take-up rate) ha*	Surplus (Shortfall), ha	Assumptions
Historic Land Take-Up Rate/ Adjusted stock	19.46	+33.80 ha	(14.34)	+42.25 ha	+8.45	(31.24)	Based on 1.69 ha/year and inclusive of a 5 year buffer post 2036
Employment based on adjusted stock	19.46	+22.54 Growth +19.31 Change	(3.08) (0.15)	+25.56 Growth +21.82 Change	+8.45 +8.45	(14.55) (10.81)	Based on 1. projected growth sectors 2. projected employment change across sectors
Resident Workforce based on adjusted stock	19.46	+9.11 Growth +6.26 Change	10.35 13.20	+9.09 Growth +5.73 Change	+8.45 +8.45	2.92 5.28	Based on 1. projected growth sectors 2. projected employment change across sectors

Source: BE Group 2015

\*Applied to 2036 figures only.

- 8.71 The 2036 figures allow for a five year buffer to allow for choice and potential change in needs during the Plan Period as well as accounting for further possible losses in the supply.
- 8.72 This scenario is that based on the adjusted land availability where sites considered undeliverable (or deliverable only for specific companies) are excluded, then there is a potential shortfall of 31.24 ha to 2036 if the short term historic land take-up trend is applied (14.34 ha to 2031).
- 8.73 If employment based forecasts are taken then there will be an estimated shortfall of 10.76-14.50 ha to 2036 (0.15-3.08 ha to 2031), the former reflecting that where employment declines there is a corresponding reduction in land needs. From the market assessment and also reviewing the historic trends in employment change and land take up, this approach suggests that employment land needs are underestimated. When a comparison of past employment changeover the period 1996-2014 is made, actual land take-up is around four times more than the estimate put forward by the growth only approach. Applying this ratio to future needs brings the estimated land requirement much closer.
- 8.74 The resident worker forecast suggests that there is a sufficient surplus in the existing realistic supply to meet the employment land needs to 2031 and 2036. However, as discussed above, this analysis is not as targeted or directly applicable to the assessment of employment land in Melton Borough in comparison to the labour demand assessment.
- 8.75 In conclusion, it is considered that the most appropriate forecast is the short-term take-up rate based on the adjusted stock, suggesting a shortfall of:
- **14.34 ha to 2031**
  - **31.24 ha to 2036.**
- 8.76 Melton's previous take up can be split by the main employment use classes – B1(a, b, c), B2, B8. Table 55 applies the same proportionate split to Melton's projected supply shortfall, to 2031 and 2036.

**Table 55 – Residual Need, Split by Use Class**

Period	Use Class (Percentage Split, percent)					Total (ha)
	B1(a) (29.0)	B1(b) (1.5)	B1(c) (6.5)	B2 (29.0)	B8 (34.0)	
2011-2031	4.16	0.22	0.92	4.16	4.88	14.34
2011-2036	9.06	0.47	2.03	9.06	10.62	31.24

Source: BE Group, 2015

- 8.77 Melton has an aging population. However, in terms of Melton’s future labour force, the most significant issue is likely to be a predicted reduction in the Borough’s 30-44 and 45-59 population ranges of 3.8 and 5.5 percent or 978 people. These two age brackets are the ones most likely to be in full time employment and possess the full range of skills and experience in their respective fields. These declines are also seen in four other Leicester and Leicestershire local authority areas.
- 8.78 Leicester and Leicestershire SHMA identifies, for the period 2011-2031 an increase 1,856 jobs, increasing to 2,087 to 2036. In comparison, this study has forecast higher rates of jobs growth – 2,840 jobs to 2031 and by 3,420 jobs by 2036. If the higher figures are accepted then the SHMA would appear to underestimate employment (and likely therefore housing) growth in Melton. These higher figures may suggest a need to consider the SHMA and its projections. The Leicestershire Local Authorities are committed to regular updates of the SHMA to accommodate this.

## **9.0 LAND NEEDS OF NON-B CLASS USES AND MELTON MOWBRAY TOWN CENTRE**

### **Introduction**

9.1 Reflecting a wider definition of economic development this section considers, as far as is possible, future requirements for land from non-B class sectors that are also employment generators. The geographic focus of this analysis is Melton Mowbray Town Centre, the main retail and leisure centre within the Borough.

9.2 For this study the following broad sectors have been identified:

- Retail
- Accommodation and food service activities (tourism related)
- Education
- Human health and social work activities
- Arts, entertainment and recreation.

9.3 It must be recognised that the job and space requirements associated with these sectors are estimated and planned for in a different way to B class uses. For example, health facilities will have quite specific land needs that are not linked directly to job numbers; education facilities are planned based on forecasts for pupil roll numbers and capacity in existing schools/colleges. Retail or leisure operators will often locate in town centres, within mixed-use schemes or in locations of their choice, rather than on specifically allocated sites.

9.4 A key factor relating to many of these sectors is the likely level of population and housing growth in the Borough. Experian forecasts, commissioned to inform this study, estimate that the overall population will grow from 50,490 in 2011 to 57,130 by 2036.

### **Retail – Melton Mowbray Town Centre**

9.5 Melton Mowbray is the largest retail centre in the Borough. It is located in the centre of Melton and serves a rural catchment which extends to Bottesford in the north, Loughborough and the Leicester PUA in the west, Grantham in the east and Oakham in the south.

9.6 The Town Centre's retail core is relatively tightly defined by the shopping streets of High Street in the west, Norman Way in the north and Sherrard Street/Thorpe End in

the south. Sherrard Street and Market Place are identified by stakeholders as the prime retail locations.

- 9.7 The most recent Town Centre Performance Report (Market Town Benchmarking) indicates that around 78 percent of local retail units are in comparison sectors, with 22 percent comprising convenience retail. In 2013, Town Centre Benchmarking suggests that around half of all Town Centre units were A1 shops. 16 percent were in A2 Financial and Professional Services uses and 11 percent comprised A3 restaurants and cafes.
- 9.8 The Bell Centre, off High Street, is the main multi-let shopping centre in Melton Mowbray Town Centre. This Co-Op owned scheme which is currently 30 percent vacant. Some stakeholders suggest that this is due to the high asking rents here (around £150/sqm overall) although agents for the scheme respond that it a symptom of low levels of overall demand in the town.
- 9.9 New retail development in the Town Centre has tended to focus on edge of centre locations, particularly Norman Way. A new Premier Inn Hotel was recently completed there and development has now commenced for a Lidl foodstore on adjacent Scalford Road. The only significant retail development in the central shopping streets, in recent years has been the completion of 455 sqm below apartments on Windsor Street. This premises has been vacant for some years. Agents consulted for this study suggest that this is due to the size of the space, i.e. that it is too large for local needs, and the fact that it is on a side street, away from the most desirable retail frontages.
- 9.10 The offer of Melton Mowbray Town Centre is strongly dominated by local independent retailers and around 68 percent of retail units are occupied by independents.

***Retail and Leisure Premises Supply, Melton Mowbray***

- 9.11 Table 56 shows that there are 1,981 sqm of marketed retail and leisure (A3-A5 food) floorspace in, and around, Melton Mowbray Town Centre (13 premises). A schedule of vacant premises is available at Appendix 3. All are A1/A2 shops apart from one pub (The Mash Tub, Nottingham Street) and one A3 coffee shop (40 Sherrard Street). The 2011 Retail Study identified that there are some 294 retail units in Melton Mowbray Town Centre, comprising some 48,570 sqm of floorspace. This suggests an (approximate) vacancy rate of 4.4 percent by premises and 4.1 percent by

floorspace. This compares well to the national vacancy rate of 12 percent, by premises, for mid-sized towns with more than 200 shops.

9.12 There is a reasonable mix of available shop premises, ranging from 25 sqm to the recently developed unit of 455 sqm on Windsor Street, which could accommodate a national multiple retailer.

9.13 Five properties comprising 649 sqm of space are available on the prime retail streets of Sherrard Street and Market Place. Three are small, sub-50 sqm, terraced properties mostly suited to accommodating local independent retailers. The two larger properties extend to 250-285 sqm. Four shops, out of around 21, are currently vacant in the Bell Centre off Nottingham Street.

**Table 56 – Amount of Marketed Retail/Leisure Property**

Area		Size Band, sqm					Total
		0-50	51-100	101-200	201-500	501+	
Sherrard Street/Market Place	Floorspace, sqm	115	-	-	534	-	649
	Number of Properties	3	-	-	2	-	5
The Bell Centre	Floorspace, sqm	-	96	244	229	-	569
	Number of Properties	-	1	2	1	-	4
Windsor Street	Floorspace, sqm	46	-	-	455	-	501
	Number of Properties	1			1	-	2
Other Streets	Floorspace, sqm	-	52	-	210	-	262
	Number of Properties		1		1	-	2
<b>Total</b>	<b>Floorspace, sqm</b>	<b>161</b>	<b>148</b>	<b>244</b>	<b>1,428</b>	<b>-</b>	<b>1,981</b>
	<b>Number of Properties</b>	<b>4</b>	<b>2</b>	<b>2</b>	<b>5</b>	<b>-</b>	<b>13</b>

Source: BE Group 2015

9.14 As Table 57 shows, most available premises are of average quality. Generally, there are no noticeably poor or notably high quality units available at present. Only The Mash Tub pub is available freehold (at £929/sqm). All the shops are available as leasehold options only.

**Table 57 – Quality of Marketed Retail/Leisure Property**

Area	Quality		
	Good	Average	Budget
Sherrard Street/ Market Place	-	5	-
The Bell Centre		4	-
Windsor Street	1	1	-
Other Streets	1	1	-
<b>Total</b>	<b>2</b>	<b>11</b>	

Source: BE Group 2015

- 9.15 There is also one retail site on the market at present, off Norman Way and suitable for four small retail units on 0.18 ha. It is worth noting that a local trade company recently negotiated with the owner of that land for a trade unit of 350-500 sqm (see Appendix 8), but were unable to reach an agreement on price. The rental asking price at that location is £60,000/year or around £120/sqm which was judged, by that company at least, to be too high.

***Retail and Leisure Premises Demand***

- 9.16 Table 58 provides a summary of the comments received by agents on the local retail and leisure property market.

**Table 58 – Property Market Comments – Retail and Leisure**

Contact	Comment
National Agent	Marketing pubs in Melton Mowbray Sees a fairly limited local leisure market which mostly serves the local market only. Melton Mowbray has a modern pub/restaurant offer but there are also a number of older pubs on the edge of the Town Centre which are of only marginal value and may be subject to future change of use proposals.
Regional Agent	Marketing the Bell Centre, Melton Mowbray Town Centre and several further shops. These properties are achieving around £150/sqm with generous lease terms (3-6 month lease breaks) and options for short term lets (6 months to one year). Receives regular enquiries for these properties, almost exclusively from local independent retailers, but has struggled to convert those enquiries into lettings. Feels that demand remains constrained in Melton Mowbray and that growth in trade is lagging behind growth in footfall in the Town Centre. Local retailers are still not confident enough to expand their operations. This may be changing as the national economy improves, but only slowly. Recent positive signs have included the investment of a number of major coffee shop chains in the Town centre and the

Contact	Comment
	<p>development of a new Lidl on Scalford Road.</p> <p>Retailers want shops in a range of sizes from 10-200 sqm. Sherrard Street and Market Place are the prime retail streets, other streets are secondary.</p> <p>Demand does not support any further retail developments in Melton Mowbray.</p>
Local Agent	<p>Melton Mowbray was hard hit by the recession and had 13 empty shops in 2008. Several large retailers left the town altogether. But take-up has improved recently with healthy demand from local independent traders for shops of 20-50 sqm. Larger shops of 90 sqm or more can still take a year to let. However, occupiers are still wary about making long term commitments and it is hard to secure tenants on the longer leases (10 years or more) that landlords want.</p> <p>It is also still a challenge to attract larger national multiples to the town.</p> <p>There is one retail site on the market at present in Melton Mowbray, off Norman Way, and suitable for four small retail units. Good infill site but there are no larger development options.</p> <p>No real demand for a large new build retail scheme in the town. Plenty of existing vacant shops remain to meet most likely requirements.</p> <p>The largest premises on the market at present is off Winsor Street (490 sqm), comprising a new build space below flats. This has struggled to let as it is on a side street, away from prime frontages.</p> <p>Average rents are £90/sqm-140/sqm in Melton Mowbray. Market Place is the prime location and attracts rents of £150/sqm (£350/sqm Zone A). Supply still exceeds demand at present so lots of scope for occupiers to negotiate generous deals.</p>

Source BE Group, 2015

- 9.17 Agents, consulted for this study feel that, the retail/leisure market in Melton Mowbray was hard hit by the recession and has only recently begun to improve. Demand is from local independent retailers looking for smaller shops of up to 50 sqm, for short term lettings. Larger properties can still struggle to let and the town has seen little recent investment from national multiples, apart from food retailers. There is no demand for a large new build retail scheme in the town. Average rents are £90/sqm-140/sqm. Market Place is the prime location and attracts rents of £150/sqm.
- 9.18 The 2013 Town Centre Performance Report indicates that, as of 2013, Zone A rents in the town were around £400/sqm (with yields of 7 percent). This is reduced from £500/sqm Zone A (and 8 percent yields) in 2009.
- 9.19 The most recent Retail Study for Melton was completed in 2011. That report indicated that there is no capacity for additional convenience goods floorspace to 2026. Indeed there was judged to be an oversupply of up to 977 sqm of floorspace

over that period, which is likely to have increased since the completion of Sainsbury's on Nottingham Road.

- 9.20 In the case of comparison goods, the report projected an initial oversupply of 484 to 2016. However, by 2021 it was estimated that there will be capacity to support 928 sqm net additional comparison goods floorspace in the Borough, increasing to 2,496 sqm net by 2026. This indicates some capacity for further growth, but 2,500 sqm of extra space really only equates to a single additional large format store or 4-5 mid-sized independent retail units. Full development of the Norman Way infill site would, as an example, likely take up most of this capacity.
- 9.21 Experian forecasts that growth in retail sectors will generate a further 220 jobs to 2036, again fairly modest growth equating to only a couple of additional large format stores.
- 9.22 In summary neither market demand, retail capacity research or jobs forecasting supports a further allocation of retail land in Melton Mowbray. There may however, be a need to protect infill sites for retail uses to support the future growth and diversification of a town centre retail offer currently dominated by local independent retailers.

### ***Sectoral Change – Online Shopping***

- 9.23 In 2013, UK internet sales were above £30 billion, almost 40 percent of all European Online sales volumes. This means that the UK is the third largest online market in the world after the US and China. Internet sales now exceed 10 percent of all retail sales and forecasts suggest that this will increase to 25-30 percent by 2020.
- 9.24 This is not projected to change the nature of the high street significantly. Despite the strong growth of online retailing, the vast majority of retail sales will continue to be in high street shops. Those that do offer online retail will be providing a secondary service or 'Click and Collect' style functions which still require the shopper to collect goods from the store, even if payment is taken via the website. This may require some amendments to store layouts or, in the case of larger retailers, the provision of Click and Collect collection facilities in car parks. However, it will not in itself significantly increase (or decrease) demand for retail premises at the level of individual towns.

- 9.25 E-retailing may change the nature of some retail jobs, for example increasing the need for delivery drivers over sales staff. However, in Melton Mowbray the scale of change, like the above mentioned scale of retail jobs growth to 2036, is likely to be small.
- 9.26 Increased online retail sales will however, drive demand for logistics premises. In spring 2015, property specialists Jones Lang LaSalle estimated that an extra 5 million square metres of logistics space will be required in the UK, to 2020, in order to meet the needs of e-retail. This accords with the high growth in logistics sector needs, from a range of sources, forecast in the *'The Sub-Regional Logistics Market – Strategic Distribution Sector Study (2014)'* discussed in Section 4.0.
- 9.27 Melton already has a modest role in the online retail sector. Melton Mowbray based Hallmark Consumer Services provides e-fulfilment services for a range of high profile clients. Local haulage sector firms already transport e-sourced goods and will transport more as online trade increases. There is therefore scope for local scale improvement in e-commerce while Section 4.0 has considered locations in Melton which may be suited to provide some further logistics accommodation.
- 9.28 However, larger online traders such as Amazon or the superstore operators are increasingly centralising logistics operations into large Regional or National Distribution Centres. Such Centres can exceed 100,000 sqm in size and require more than 25 ha of land. In terms of location, sites with direct motorway access are normally required which favours employment areas in western Leicestershire over Melton. This is reflected in Experian forecasting data which suggests that local employment in transport and storage will actually decline slightly, by 380 jobs, to 2036.

#### ***The Loss of Retail to Offices***

- 9.29 Melton's retail needs are therefore projected to be modest to 2036. With this in mind it is important to consider if any of Melton Mowbray's current retail stock could be at risk from loss to alternative uses, which would most likely include B1(a) Offices.
- 9.30 The quantitative evidence suggests that this might be a possible issue. As Section 8.0 shows, around a quarter of Melton's past employment land take-up (since 2008 at least) has been for B1(a) uses. Experian forecasting projects reasonable growth in two office-based sectors – Information and Communication (680 extra jobs to 2036) and Professional and Other Private Services (860 extra jobs to 2036).

- 9.31 However, consideration of the enacted planning consents which made up that 25 percent of take-up indicate that almost all recent new office development in the Borough has either been for ancillary facilities serving B1(c)/B2 industry or B8 storage and distribution sector companies, within Melton's Employment Areas, or rural developments/conversions.
- 9.32 This reflects the discussions with property market professionals (highlighted in Section 5.0). They noted that local demand is for reasonable quality offices, with a range of services and good parking provision. Outside of Emp. Area 27: Pera Business Park these requirements (particularly the parking provision) cannot be readily provided in Melton Mowbray's current office stock, either in first floor offices above retail, or multi-let schemes. A retail conversion, at least of the small terraced shop units which make up the bulk of Melton Mowbray's stock, would also struggle to provide the parking and quality of accommodation required. Rather office based businesses are looking to good quality rural schemes such as Burrough Court, Burrough-On-The-Hill which offer good quality space, a range of services and ample parking while remaining accessible to Melton Mowbray and the strategic road network.
- 9.33 Investment in new office premises in Melton Mowbray, which meets the above criteria, may encourage more service sector businesses into the town. However, this would likely be a new build development, or a major conversion of a redundant property. There is no reason to assume it would require the loss of any retail premises in Melton Mowbray.

#### **Accommodation and Food Service Activities**

- 9.34 The sector covers employment generated by hotel, bed and breakfast self-catering accommodation, as well as bars and restaurants. This sector currently employed 2,050 in 2011 and is expected to grow by 510 jobs up to 2036.
- 9.35 Demand for this sector is generated from both domestic, and to a lesser extent overseas tourism (hotels and restaurants), as well as spend by the Borough's residents (most likely to be restaurants and other catering). Future growth depends on visitor numbers and business activity.

#### ***Tourism and B Class Accommodation***

- 9.36 Melton has a well established aspiration to grow itself as a tourist destination, with

particular focus on its branding as 'UK Rural Capital of Food' and its established Food Festival. This will mean growing its current restaurant and other hot food outlet offer as well as local artisan food production. It is also worth noting the recent completion of a Premier Inn Hotel on Norman Way and the identified demand from Travelodge for a second hotel in the town.

- 9.37 Overall, there may therefore be a need for modest provision of sites for hotel and food uses, primarily in Melton Mowbray. A typical hotel site will be up to 0.5 ha, and may be grouped with other restaurant and roadside uses
- 9.38 Artisan food producers may require an element of B1(c) or B8 production/storage space to support their operations, something that could be accommodated in existing industrial estates and business parks in the Borough. However, the bulk of their activities will be retail/trade based and better suited to town centre locations where their activities can benefit from trade/footfall and support the wider Town Centre retail and leisure offer. Where possible therefore, such uses should be discouraged from B1/B2/B8 Employment Areas and into sites which can better support uses which attract high levels of customer activity.

### **Education**

- 9.39 This sector incorporates primary and secondary schools, further education colleges as well as commercial nurseries. In 2011, the sector comprised 1,250 jobs and Experian estimate this will be largely unchanged by 2036.

### ***Brooksby Melton College***

- 9.40 Brooksby Melton College is an independent further and higher education college with specialisms in land-based courses such as animal care and agriculture as well as performing arts. The College has 15,000-17,000 students, of which 12,000 are on full time courses. Most students are on vocational (NVQ and related) courses associated with local businesses. The College does not do A Levels. 180 students are on degree level courses, also of a vocational nature.
- 9.41 The College operates from four main sites, three in Melton Mowbray mostly around the junction of the A607 Wilton Road and the A6006, along with the Brooksby Hall facilities to the south west, off the A607 Melton Road. Within those two main campuses the College has now scheduled two sites for disposal, sales which will raise funds for changes elsewhere:

- Brooksby Site – 3.5 ha of land south of the A607, at the junction with Hoby Lane (also referred to as The Spinney) is proposed for sale as a mixed use development site (uses confidential at this time). The College will be seeking planning consent on this in spring 2015. The site presently comprises a range of low grade agricultural facilities and any remaining operations onsite will be relocated to neighbouring Brooksby Hall
- Melton Mowbray Site – The former Performing Arts facility, off Norman Way, (close to the police station) is proposed for sale as a housing site (some 24 affordable dwellings). Again the College will be seeking consent on this shortly.

9.42 All other land and premises will be retained. Elsewhere the College has invested £27.7 million, over 2013-15, in the major refurbishment and expansion of its facilities. In Melton Mowbray this involved the refurbishment and expansion of almost all its educational buildings and the provision of an enhanced food court (850 sqm). Former car parking has also been developed as hospitality and catering facilities.

9.43 In Brooksby, investment has included a new sports hall, football pitches, facilities for practical animal care, an Equine Rehabilitation Centre (Hives Farm – 1,150 sqm) and extensions to the Buckingham building (204 sqm) to provide Science Labs. Overall, this has delivered some 8,052 sqm of gross additional floorspace at Brooksby.

9.44 In Brooksby, future growth is likely to focus on the expansion of the College's agricultural courses. As the College owns 344 ha of agricultural land around Brooksby Hall it has ample land to meet any future requirements.

9.45 In Melton Mowbray, the College would look to expand facilities for higher education. The College also provides a small amount of incubation space for start-up businesses originated by its students (this is not available to outside companies). This includes the ICT start-up company Pixel. The College would like to provide more such start-up space, and possibly provide facilities for external businesses, but the details of this aspiration have yet to be defined.

9.46 A focus of future growth options may be the Melton Mowbray Library building which is controlled by the College, with library facilities operated by Leicestershire County Council. That property is, in the College's opinion, no longer fit for purpose and,

subject to finding a relocation site for the Library, could be utilised to provide new facilities for the College.

- 9.47 The College has no other requirements, including no requirements for student residential accommodation.

### **Schools**

- 9.48 Brownlow Primary School, Limes Avenue, Melton Mowbray has recently secured £845,000 in national government and County Council funding to build a new dining room and kitchen. No large scale school development or redevelopment projects are proposed in the Borough, at the time of writing

- 9.49 In summary, while education related employment is not forecast to grow in Melton there may still be a need to accommodate additional further education facilities for Brooksby Melton College, both on greenfield land at Brooksby and in Melton Mowbray Town Centre. At present, the only identified growth site, outside of the College's current boundaries, is the Melton Mowbray Library building. Reuse of this property for education uses would displace the existing Leicestershire County Council Library which would have to be re-housed elsewhere in Melton Mowbray.

- 9.50 However, the further expansion of Brooksby Melton College is likely to be offset by the release of other land for alternative uses. It should be noted that at both Brooksby and Melton Mowbray, the College is proposing to develop B1 employment uses including 0.4 ha within a wider mixed use development in Brooksby and possibly a modest start-up facility in Melton Mowbray.

### **Human Health and Social Work Activities**

- 9.51 Included within this sector are hospitals, medical centres, GP and dental surgeries, private or specialist healthcare (e.g. physiotherapy), veterinary practices and residential care homes. Experian forecast a modest decline of 30 jobs from the current total of 690.

- 9.52 Although there will inevitably be changes to local clinics, surgeries, dentists, etc. over the period to 2036, no major healthcare facilities are proposed at the moment. Indeed NHS Property Services, which manages the existing and former hospital facilities in Melton Mowbray, is looking to release land for other uses.

**Melton & District War Memorial Hospital, Ankle Hill**

- 9.53 This is a vacant hospital site in the south of the town. In late January 2015 it achieved consent, completion of a Section 106 agreement, for: “*Conversion of buildings to provide 20 dwellings, erection of 40 new dwelling houses, erection of block of retirement housing (38 dwellings, Class C3), associated accesses and parking areas, demolition of Warwick Cottage and 22-24 Ankle Hill and construction of balancing ponds.*” Sale of this site to a housing developer is now likely.

**Melton Hospital (St Mary’s Hospital)**

- 9.54 The active hospital facility for Melton Borough. NHS Property Services is not aware of any expansion plans for this facility at present. However, NHS Commissioners in Leicester and Leicestershire are currently preparing a five year Commissioning Plan which will clarify any additional medical facilities which may be required in the Borough.
- 9.55 Within the hospital site some 0.47 ha of land fronting Thorpe Road, and incorporating one main building and three ancillary structures, is considered surplus to requirements. NHS Property Services is researching redevelopment options which could include housing, retail or other town centre uses. Property Services submitted the site to the 2012 Melton Strategic Housing Land Assessment (Ref. 0101/MBC/SHLAA) where it was identified as being able to provide 16 dwellings at 35 dwellings/ha. There is no current timetable as to when Property Services will proceed with redevelopment options here.
- 9.56 Despite a slowdown in Government spending on health, the increasing numbers and longevity of the elderly population and possible growth in demand for private health care may lead to further provision of residential care homes. Nevertheless in general employment sites are inappropriate locations for care homes, due to amenity considerations.
- 9.57 There is evidence elsewhere of veterinary practices, GP and private or specialist healthcare operations being accommodated on employment sites, or through a change of use of existing office buildings. The informal health sector, with its many micro-business practitioners, tends to operate from dwellings, converted retail premises or community buildings. Whilst they can contribute to local job growth, they do not require significant amounts of floorspace.

- 9.58 Consequently it is considered the growth in this sector will be limited in terms of requirements for new space (most probably existing buildings will be occupied through changes of use) and there will be very little requirement for additional land.

### **Arts Entertainment and Leisure**

- 9.59 This sector includes, amongst other activities, forms of commercial leisure such as cinemas, theatres, bowling alleys, bingo halls and nightclubs. This study has not identified any requirements for large scale leisure facilities, such as cinemas or bowling facilities in Melton Mowbray. Melton Theatre, on Asfordby Road is well established and has no identified aspirations for further growth.
- 9.60 The growth in health awareness has seen an increase in demand for private health clubs and gyms and these are uses that will look to locate on business parks, industrial estates or retail parks either through new build or conversion of existing industrial space. Such facilities can range in size from 500 sqm to 2,000 sqm, which could translate to up to 1.5 ha of land with car parking. The jobs forecast is modest for the recreational sector predicting an additional 50 jobs to 2036. This does not suggest the need for further land allocations in relation to this sector.

### **Summary**

- 9.61 Jobs growth from non B-Class uses is forecast to be modest to 2036 in Melton. In terms of retail while there may be some need to permit infill development within the Town Centre, to support the growth and diversification of Melton Mowbray's shopping offer, the evidence shows no demand for the allocation of larger retail sites.
- 9.62 Online retail is not projected to change the nature of the high street significantly. Despite the strong growth of online retailing, the vast majority of retail sales will continue to be in high street shops and demand for retail premises, at the individual town level is not expected to increase, or decrease, significantly.
- 9.63 Nationally, online retail is a driving force behind the increasing demand of logistics premises, something identified in The Sub-Regional Logistics Market – Strategic Distribution Sector Study. Melton already has some local businesses providing e-fulfilment services and there is scope to grow this sector at the local
- 9.64 Experian data does suggest some growth in employment in the accommodation and food sectors, by 510 jobs to 2036. Future growth in tourism locally is likely to mean

improving the restaurant/hot food offer as well as local artisan food production. Artisan food producers may require an element of B1(c) or B8 production/storage space to support their operations, something that could be accommodated in existing industrial estates and business parks in the Borough. However, the bulk of their activities will be retail/trade based and better suited to town centre locations where their activities can benefit from trade/footfall and support the wider Town Centre retail and leisure offer. Where possible therefore, such uses should be discouraged from B1/B2/B8 Employment Areas and into sites which can better support uses which attract high levels of customer activity.

- 9.65 Brooksby Melton College operates from four main sites. The College has now scheduled two sites for disposal, sales which will raise funds for changes elsewhere. All other land and premises will be retained. In Brooksby, future growth is likely to focus on the expansion of the College's agricultural courses. As the College owns 344 ha of agricultural land around Brooksby Hall it has ample land to meet any future requirements. In Melton Mowbray, the College would look to expand facilities for higher education. The College also provides a small amount of incubation space for start-up businesses originated by its students. The College would like to provide more such start-up space, and possibly provide facilities for external businesses, but the details of this aspiration have yet to be defined.
- 9.66 A focus of future growth options may be the Melton Mowbray Library. That property is, in the College's opinion, no longer fit for purpose and, subject to finding a relocation site for the Library, could be utilised to provide new facilities for the College.
- 9.67 NHS Property Services report that within Melton Hospital (St Mary's Hospital) some 0.47 ha of land fronting Thorpe Road is considered surplus to requirements. NHS Property Services is researching redevelopment options which could include housing, retail or other town centre uses.
- 9.68 In terms of arts, entertainment and leisure, the jobs forecast is modest for the recreational sector predicting an additional 50 jobs to 2036. This does not suggest the need for further land allocations in relation to this sector.

## 10.0 CONCLUSIONS

### Introduction

- 10.1 This study has included a wide-ranging look at the factors affecting Melton's economy, with particular reference to those that are likely to affect the future need for land and property within the Borough. This section draws together the main issues that will need to be addressed as a preliminary to the more detailed recommendations set out in Section 11.0.

### Planning Policy Position

- 10.2 The National Planning Policy Framework (NPPF) places a strong emphasis on delivering sustainable development through the planning system. This includes reviewing employment land allocations to ensure supply meets identified objectively assessed needs; proactively supporting sustainable economic development to deliver business and industrial units, and encouraging the effective use of land by reusing brownfield land.
- 10.3 The Government's planning policy approach, recently restated in Planning Practice Guidance, sees responsibility resting with Melton Borough Council to set employment land requirement figures for the Local Plan. Land targets will be tested through the Local Plan process and the Council therefore needs to collect and use reliable information to justify employment land supply policies. This report provides this information.
- 10.4 The economic role that the planning system must perform incorporates contributing to the building of a strong, responsive and competitive economy, by ensuring sufficient land of the right type is available in the right locations, at the right time, to support growth and innovation.
- 10.5 The NPPF states that 'significant weight' should be placed on the need to support economic growth through the planning system. To help achieve this growth, Local Plans should set criteria, or identify strategic sites, for local and inward investment and to meet anticipated needs over the Local Plan period.
- 10.6 The NPPF also highlights that allocated employment sites for which there is no reasonable prospect of development should not be protected in the long term. Proposals for alternative uses on such sites should be treated on their merits having

regard to market signals and the relative need for different land uses to support sustainable local communities.

- 10.7 The NPPF states that local planning authorities should apply sequential testing to planning applications for main town centre uses that are not in an existing centre and are not in accordance with an up-to-date Local Plan. This sequential testing applies to office development – but not to small scale rural offices or other small scale rural development. As NPPF stays silent on the definition of “small scale rural offices” and no established precedent is known, it is considered Melton should take a lead on this through its planning policies. This will avoid any doubt as to what is meant. It is believed the intent of NPPF is to facilitate and encourage the economic re-use of former agricultural properties, which by and large are small scale in size.
- 10.8 It is suggested that Melton define small scale rural offices as individual premises of no more than 200 sqm in size created either by conversion or new build and a maximum of 1,000 sqm of development on a single site. This therefore does not preclude the provision of more than one property at a single location but it would ensure the avoidance of large scale office development by stealth i.e. an attempt to circumvent the sequential test requirement for schemes not in town centres.

### **Economic Profile**

- 10.9 The socio-economic profile of Melton reveals that over 83 percent of the working age population to be in employment, well above the Leicestershire (76.5 percent) and East Midlands (73.0 percent) averages. Unemployment, at 3.7 percent in summer 2014, was the second lowest unemployment rate within Leicestershire, after Harborough. The local unemployment rate was particularly low when compared to the level in North West Leicestershire and neighbouring Charnwood, as well as more urban locations such as Oadby and Wigston and Leicester City. Unemployment rates in Melton were also almost half the regional and national averages.
- 10.10 The Census figures show that 62 percent of Melton’s employed residents also work in the Borough. This the second highest level of self containment after Leicester City and notably above centres of sub-regional out commuting such as Blaby and Oadby and Wigston. The Borough is a net exporter of labour, with the main destinations being Leicester, Nottingham, Charnwood and Rutland. As a result, compared to some 6,145 who commute in, some 9,951 commute out of Melton to work elsewhere.

- 10.11 In terms of further details there is strong circumstantial evidence that larger businesses are importing labour into the Borough to address shortfalls in semi-skilled and skilled labour on a regular or seasonal basis. One business, consulted for this study (see Appendix 8), is reportedly importing 800 staff from Leicester on a daily basis. Other companies report seasonal shortfalls of up to 100 semi-skilled/skilled construction and manufacturing staff to meet their production needs. This is an area which could benefit from further research, beyond the scope of this study
- 10.12 In contrast to the national picture of a structural decline in manufacturing, the manufacturing sector continues to employ a large proportion (23.8 percent) of people in Melton. This proportion is well above the Leicestershire and East Midlands averages and almost triple the national average of 8.5 percent. Some 2,521 people were directly employed in food production, including animal feeds, in 2013 – 13.2 percent of the workforce.
- 10.13 20.9 percent of the Borough's workforce is employed in public administration, education and health in 2012. This was in line with the Leicestershire average of 20.2 percent, but low in the East Midlands context.
- 10.14 In terms of service sectors, business administration and support services followed by professional, scientific and technical have the strongest roles. However, employment in both was below county and regional averages in 2014. Financial and insurance has a comparatively weak role in the Borough, employing only 0.9 percent of workers in 2013, compared to 2.0 percent across the county and 3.7 percent nationally.
- 10.15 In terms of town centre uses, retail and accommodation and food services accounted for 9 percent of local employment each. In the case of accommodation and food services, this proportion was above wider averages. Arts, entertainment, recreation & other services also accounted for 6.7 percent of local employment compared to 4-5 percent across the county, region and Great Britain.
- 10.16 The number of VAT and PAYE registered businesses was 2,270 in 2014. Relative to its population, Melton has a high number of businesses when compared to the other local authority areas of Leicester and Leicestershire. In 2014, there were 454 businesses per 10,000 population in the Borough, the second highest rate in the county, after Harborough. It was also well above county, regional and national levels.

- 10.17 90.3 percent of companies are micro-businesses (less than 10 employees). 98.0 percent employ up to 49 people (small businesses). Homeworking is high compared to the county and regional averages, and compared to levels in most other Leicestershire local authority areas, apart from Harborough. It is a characteristic of the rural areas of the Borough.
- 10.18 The current structure of premises in Melton is strongly industrial. Across the Borough the number of industrial and warehousing units is almost triple the number of offices.

### **Property Market Assessment**

- 10.19 Old Dalby, Asfordby Hill and Emp. Area 34: Leicester Road Estate, Melton Mowbray dominate the existing supply of premises and represent the Borough's prime investment focus because of the proximity of the A606/A607 and the availability of investment land. Demand at all three locations is generally coming from existing large businesses looking to grow. The inward investment market is limited at this time. Feedback from local property market stakeholders suggests that the demand profile is strongly industrial. Requirements for larger office properties are comparatively rare.
- 10.20 An improving market means that there is increasing interest in the marketed development sites of Melton Mowbray, Asfordby Hill and Old Dalby. However, one mismatch is that land in several locations is only being offered leasehold/long leasehold while businesses with the capital to invest in new premises are more likely to want to buy land. High construction costs, relative to land values, remain a barrier to investment but values are improving with prices of up to £494,000/ha put forward by stakeholders. Land remains comparatively cheap in Melton compared to comparable sites closer to Leicester, although some sites are still judged to be overpriced.

### **Industrial Market**

- 10.21 The local market appears to require industrial units of up to 300 sqm and there are some shortages of grow-on units of up to 400 sqm. However, a lot of the recent market activity has been from larger businesses, mostly around Melton Mowbray: Emp. Area 14: Holwell Works (Melton Mowbray Business Park) , Asfordby Hill; Emp. Area 13: Asfordby Business Park, Asfordby Hill, and Old Dalby. Much demand is coming from existing large local businesses looking to grow into units of up to 5,000 sqm. A high proportion of companies (and individuals) want freehold units, for owner

occupation and/or as investments. There appears to be a shortage of larger freehold options to meet such requirements.

10.22 Around 25,533 sqm of industrial space is currently vacant – 5.0 percent of the total floorspace and only 2.5 percent by premises numbers. This is considered low in average supply terms and points to a lack of availability and choice. The supply of units up to 500 sqm, which could meet the needs of micro and small businesses, is comparatively modest. In particular there are no sub-100 sqm workshops available which could meet the needs of business start-ups.

10.23 Larger units of 1,500-9,500 sqm are available in Saxby Road, Melton Mowbray and at Old Dalby Business Park. These could meet the need of larger firms although as noted these are mostly older (pre-1980) units that may not meet all modern requirements.

#### ***Office Market***

10.24 Melton has a limited supply of office accommodation available – 1,460 sqm in 17 suites, which equates to vacancy rates of 3.0 percent by floorspace and 10.3 percent by number of premises. This particularly reflects the fact that there is currently no space available in Emp. Area 27: Pera Business Park, Melton Mowbray (although options for further space provision do exist here). All available space is less than 200 sqm in size and generally contained within various local business centres and multi-let town centre properties.

10.25 There is reasonable demand, across Melton, for leasehold offices of less than 100 sqm, to accommodate those moving up from homeworking. However, such demand focused in rural locations rather than in Melton Mowbray where attractive, rural conversions, which offer more parking than Melton Mowbray Town Centre Schemes, can do well.

#### ***Stakeholder Engagement***

10.26 A wide consultation with various stakeholders was conducted as part of the market research, which comprised parish councils, key employers and landowners and public sector organisations including relevant neighbouring local authorities.

10.27 Bottesford Parish Council suggested that the north of the Borough could benefit from a “*modestly sized office development*” to attract more service sector businesses such

as accountants, lawyers, and financial advisers. This study has identified a modest demand for smaller office suites across the Borough, with a particular focus on rural areas with a high proportion of home based businesses. However, the consensus of stakeholders was that rural conversion schemes are being brought forward to meet most relevant requirements. There is no evidence of a strong shortage of office premises in any particular town, including Bottesford.

- 10.28 This study therefore does not recommend the specific allocation of an office site in Bottesford but does argue that proposals which do include an element of B1(a) use, in Bottesford and elsewhere, which could meet local needs should be considered favourably, subject to other policy considerations.
- 10.29 Consultations with a sample of the larger businesses in the Borough suggest a strong desire for further growth (see Appendix 8 for details on the needs of individual companies). 13 of the 19 businesses (68 percent) expressed a desire to expand in the future. Six of those already have the land they need to grow under their control, although finance and planning issues may still be barriers to change. Other companies report unmet requirements for land and property. Several voiced the opinion that finding suitable premises within Melton will be challenging.
- 10.30 Seven of the 19 businesses report difficulties recruiting staff. For companies in smaller settlements such as Harby, Long Clawson and Old Dalby this seems to be due to the rural nature of operations, which makes attracting staff, and particularly graduates, difficult. Within Melton Mowbray, the shortage appears to be for skilled manufacturing workers in a range of specific sectors.
- 10.31 All the seven other local authorities of Leicestershire have been consulted, along with Rushcliffe in Nottinghamshire, South Kesteven in Lincolnshire and Rutland because of its common boundaries with Melton.
- 10.32 Most of the local authority areas that neighbour Melton have additional employment land needs, but indicate they are able to meet these needs through a mixture of existing and proposed additional land allocations. As a consequence they do not expect to have to look to Melton to meet any shortfalls in employment land or premises supply.

- 10.33 The exception is Leicester, which has a significant, and long established, shortage of employment land and will be looking for support from its neighbours. However, it is likely that most cross-boundary requirements will be met on the large strategic allocations currently proposed within the Leicester PUA, which mostly fall within Charnwood and Blaby. It is unlikely that more distant Melton, with its modest forward land supply can make a significant contribution to Leicester's needs.
- 10.34 Melton shares Emp. Area 8: Langar Airfield with Rushcliffe. This large brownfield site extends to several hundred hectares, of which 34 ha is within Melton. There are no expansion plans on this site at this time and it is assumed that any future growth will be in the Rushcliffe portion of the site, where most of the existing infrastructure and developed premises is located.
- 10.35 Emp. Area 6: Normanton Airfield is shared between Melton and South Kesteven. As with Emp. Area 8: Langar Airfield, most of the developed premises is in the neighbouring Borough, while land in Melton (which includes most of the runways) is in agricultural and open storage use.

### **Current Land Availability**

#### ***Employment Land Supply***

- 10.36 Melton's current potential employment land resource (at 31st January 2015) amounts to 32.39 ha, located across 18 sites. This comprises land from relevant planning consents identified in Council Annual Monitoring.
- 10.37 The land supply is dominated by just two sites. They comprise over two thirds of the resource. These sites are Site 2: St Gobain PAM, Welby Lane, Asfordby Hill (10/00912/FUL) and Site 3: Holwell Works, Asfordby Hill (Melton Mowbray Business Park) (09/00356/OUT). All but one of the remaining sites are less than 2 ha in size.
- 10.38 Most of the stock of land in the supply comprises extension proposals for specific companies which, when delivered, will be held for the sole use of that business. However, there are also three larger consents which will deliver new multi-occupancy business premises for the Borough:
- Site 3: Holwell Works, Asfordby Hill (Melton Mowbray Business Park) (09/00356/OUT) (12.10 ha) – Indicative Masterplan suggests 19 units could be delivered here in sizes ranging from 116 sqm to 6,735 sqm

- Site 12: Land Adjacent Unit 9, Station Road, Old Dalby (Old Dalby Enterprise Village) (12/00128/OUT) (2.70 ha) – Space exists for up to 25 serviced building plots of between 100-450 sqm each
- Site 18: Land at Orston Lane, Bottesford (14/00468/OUT) (1.41 ha) - 19 units are provisionally proposed comprising 15 starter units plus four larger buildings to accommodate an established business wishing to relocate to Bottesford.

10.39 58.1 percent of the Borough’s land supply could be brought forward within the medium term (1-3 years). Nine sites totalling 2.45 ha are already developed or under development and thus can be removed from the supply within the year.

10.40 In addition to the nine sites which are developed/under development, two further planning consents, totalling 10.48 ha, have now lapsed and there is no evidence that the respective applicants ever intend to proceed with the respective schemes. Removing or reducing all these sites gives a realistic employment land supply of **19.46 ha**.

### ***Employment Areas***

10.41 The Borough’s existing 36 Employment Areas have been appraised and graded A-E, as defined in Table 59. Collectively they provide some 541.66 ha of brownfield land in B1/B2/B8 use in Melton. However, 306.46 ha (56.6 percent) of this comprises the Borough’s three former airfields where land is mostly undeveloped and vacant or in open storage/agricultural use. A more realistic developed land total, excluding all three airfields, is therefore 235.20 ha. Within this, the largest individual Employment Area is Emp. Area 13: Asfordby Business Park, Asfordby Hill, which comprises 48.41 ha.

**Table 59 – Grades A to E Definitions**

<b>Grade</b>	<b>Definition</b>	<b>Action</b>
A	High quality, prestigious, flagship business areas due to their scale, location and setting. Capable of competing for investment in the regional market place. These are prime sites for marketing to a cross section of users including new inward investors. They can also meet the needs of image-conscious, aspirational companies already in the local authority area	Protect strongly in the Local Plan Support and expand
B	Good employment sites due to their scale, location and setting. Capable of competing for investment in the sub-regional market place. These are prime sites for	Protect strongly in the Local Plan Support and expand

Grade	Definition	Action
	marketing to a cross section of users, B1, B2 and B8, including some new inward investors.	
B/C	Key employment sites with an influence over the whole local authority area, but primarily geared towards local businesses and B1 light industrial, B2 and B8 uses.	Protect in the Local Plan Support
C		
C/D	Lower quality locations in residential areas suffering from poor accessibility and massing.	Continue to protect/review through the Local Plan
D		
D/E	Very poor quality areas. Widespread vacancy and dereliction in poor environments. Or areas which have been, or are in the process of being, lost to other uses.	Promote alternative uses if possible
E		

Source: BE Group 2014

10.42 Table 60 summarises the Employment Areas by each of the above grades. It is assumed that future growth will be focused around the nine flagship locations (Grade A or B). Areas graded B/C and C generally represent the Borough's supply of B1/B2/B8 premises for meeting local needs. They should be protected for that use. It is not envisaged that large scale growth will take place at these locations, outside of the allocated employment sites. However, this study has identified a number of small scale 'regeneration opportunities' which have the potential to provide additional/alternative employment land, meet the growth needs of existing local firms or other requirements. Many of these are discussed for the in the 'Areas of Search' section below.

**Table 60 – Employment Areas' Appraisal by Category**

Category	Number of Sites	Comments
A and B - Key/Flagship areas	9	<ul style="list-style-type: none"> <li>• Emp. Area 1: Masterfoods HQ, Waltham.</li> <li>• Emp. Area 13: Asfordby Business Park, Asfordby Hill</li> <li>• Emp. Area 14: Holwell Works (Melton Mowbray Business Park) , Asfordby Hill</li> <li>• Emp. Area 15: Stanton PLC (St Gobain), Asfordby Hill</li> <li>• Emp. Area 24: Saxby Road Area (incorporating Hudson Road Estate), Melton Mowbray</li> <li>• Emp. Area 28: Crown Business Park (incorporating the Six Hills Area), Old Dalby</li> <li>• Emp. Area 29: Old Dalby Trading Estate, Old Dalby</li> <li>• Emp. Area 32: Melton and Kettleby Foods, Melton Mowbray</li> <li>• Emp. Area 34: Leicester Road Estate, Melton Mowbray</li> </ul> <p>The Borough's current 'flagship' locations, the focus for growth proposals and inward</p>

Category	Number of Sites	Comments
		investment enquiries.
B/C and C - Fit-for-purpose local Employment Areas	15	Active and established industrial estates/business parks in the area, primarily catering to local business needs.
C/D and D - Lower quality in residential/rural areas	11	Includes the three airfield sites, which offer a sizable stock of undeveloped land.
D/E and E – Areas of concern, requiring immediate attention or areas lost to other uses	1	No areas suffer from widespread vacancy and/or dereliction. The only area which falls into this category is Emp. Area 10: (Former) Long Clawson Dairy, Harby which is in the process of being redeveloped for housing.
<b>TOTAL</b>	<b>36</b>	

Source: BE Group, 2015

10.43 At present, most of the Employment Areas are well occupied, with no large areas of void premises, even in budget quality schemes. However, many areas are dominated by large occupiers who have expanded over time and combined multiple small units into a single facility, often fitted out to their specialist requirements. If any of these occupiers were to vacate they would leave behind altered premises which will be difficult to market to others in its present condition. Investment will be required to subdivide premises and bring units up to modern standards. All constraints, including viability, will need to be considered to establish the best future use for such sites. In sites on main road locations or in historic Employment Areas, now bounded by housing, it is likely that landowners will seek alternative uses rather than invest in new B1/B2/B8 employment. This may become an issue later in the Plan Period, but is hard to plan for in advance without knowing exactly which sites are likely to become vacant. Rather it will need to be dealt with on a case by case basis.

### Future Land Requirements

10.44 There is no definitive model for forecasting future employment land needs. Two 'policy off' based models have been used to assess future employment land provision. These are the projection forward of historic land take and a forecast based on employment sector change.

10.45 In terms of take-up, viable data was obtained for the 2006/07-2014/2015 period. Data prior to this time shows a range of inconsistencies which make it difficult to rely on.

By comparison post 2006 data has been cross checked by both the Council and BE Group, giving a greater degree of confidence.

10.46 Using the more immediate (8 year) data only, the annual average is 1.69 ha/year. Projected forward over 20 and 25 years, to 2031 and 2036, the following need is identified:

- To 2031: 1.69 ha/year x 20 (years) = **33.80 ha**
- To 2036: 1.69 ha/year x 25 (years) = **42.25 ha**

10.47 Incorporating a five year take-up buffer to provide a choice and range of sites a continuum of supply beyond 2036 period and to allow for possible B-Class employment land losses, increases the 2036 need to **50.70 ha**.

10.48 When the current realistic land supply is removed, the following shortfalls are identified:

- To 2031: 33.80 ha – 19.46 ha (realistic supply) = **14.34 ha (further need)**
- To 2036: 50.70 ha (inclusive of a five year buffer) – 19.46 ha (realistic supply) = **31.24 ha (further need)**

10.49 The employment based forecast suggests the following in terms of future employment land provision to 2031:

- From sectors predicted to grow: 87,894 sqm of extra floorspace ÷ development floorspace per ha (3,900 sqm/ha) = 22.54 ha
- *Minus*
- From those sectors predicted to decline: -12,596 sqm less space ÷ development floorspace per ha (3,900 sqm/ha) = 3.23 ha
- Gives a net need of **19.31 ha**.

10.50 The net result of this suggests Melton's net land need to 2031 (19.31 ha) and realistic land supply of 19.46 ha are largely in equilibrium and there is no need for any additional employment land provision.

10.51 To 2036 the results are:

- From sectors predicted to grow: 99,678 sqm of extra floorspace ÷ development floorspace per ha (3,900 sqm/ha) = 25.56 ha
- *Minus*

- From those sectors predicted to decline: -14,600 sqm less space ÷ development floorspace per ha (3,900 sqm/ha) = 3.74 ha
- Gives a net need of **21.82 ha**.

10.52 Including a five year buffer (an extra 8.45 ha) suggests Melton's net land need to 2036 (30.27 ha) exceeds the realistic land supply of 19.46 ha by 10.81 ha. Thus a modest provision of further land is required.

10.53 The highest growth sector, of direct relevance to this study, is manufacturing. Melton is forecast to gain 1,710 manufacturing jobs by 2036, half the net jobs growth forecast over 2011-2036. 60 percent of this growth (870 jobs by 2031, 1,030 jobs by 2036) will be in food and drink manufacture.

10.54 However the employment methods of forecasting make no allowance for issues such as the extent that growth in office employment takes place in a town centre locations, at higher densities, rather than in low-density business parks. Also that land take-up/property needs can be for different reasons such as modernisation or geographic relocation or that expansion may also be within existing premises or on expansion land not accounted for in land allocations. Past experience also suggests that even where businesses are contracting, they will continue to hold onto sites in anticipation of future improvements. Also, where jobs are being lost to automation, those new automated processes will still require land on which to operate, and improved productivity could lead to additional need.

10.55 It is therefore considered that the land requirements' calculations can represent a false position. To test how closely jobs change translates to land take-up, historic trends have been compared. Using the same methodology, the land needs based on employment change has been calculated for the period 1997 -2014, and compared to the actual land take-up during that period (see Table 61).

**Table 61 – Employment Land Take-Up/Employment Change Comparison**

Employment Change	Total Jobs	Land (Ha)
Growth	2,840	12.23
Decline	-70	-0.22
Net growth	2,770	12.01
Historic land take-up	-	<b>49.05</b>

Source: Experian, MBC, BE Group, 2015

10.56 The trend shows that net jobs growth is not an accurate method of calculating land with some four times the amount of land being developed against the land calculated from the jobs prediction.

10.57 A summary of the various forecast scenarios is set out in Table 62. They relate periods 2011-2031 and 2011-2036.

**Table 62 – Land Forecast Models – Summary**

Model	Land Stock 2015, ha	Land Need 2011-2031, ha	Surplus (Shortfall), ha	Land Need 2011-2036, ha	Buffer (five years take-up rate) ha*	Surplus (Shortfall), ha	Assumptions
Historic Land Take-Up Rate/ Adjusted stock	19.46	+33.80 ha	(14.34)	+42.25 ha	+8.45	(31.24)	Based on 1.69 ha/year and inclusive of a 5 year buffer post 2036
Employment based on adjusted stock	19.46	+22.54 Growth +19.31 Change	(3.08) (0.15)	+25.56 Growth +21.82 Change	+8.45 +8.45	(14.55) (10.81)	Based on 1. projected growth sectors 2. projected employment change across sectors
Resident Workforce based on adjusted stock	19.46	+9.11 Growth +6.26 Change	10.35 13.20	+9.09 Growth +5.73 Change	+8.45 +8.45	2.92 5.28	Based on 1. projected growth sectors 2. projected employment change across sectors

Source: BE Group 2015

\*Applied to 2036 figures only.

10.58 The variation in the outcome figures demonstrates the uncertainty of forecasting. The outputs range from an oversupply of 2.92 to a shortfall of 31.24 ha. However, from the market assessment and also reviewing the historic trends in employment change and land take up, the conclusion is that the employment based forecasts

underestimate land needs significantly. When a comparison of past employment changeover the period 1997-2014 is made, actual land take-up is around four times the estimate that the growth only sectors suggest. Applying this ratio to future needs brings the estimated land requirement much closer.

10.59 The resident worker forecast suggest that there is a sufficient surplus in the existing realistic supply to meet the employment land needs to 2031 and 2036. However, as discussed above, this analysis is not as targeted or directly applicable to the assessment of employment land in Melton in comparison to the labour demand assessment.

10.60 In conclusion, it is considered that the most appropriate forecast is the low historic take-up rate based on the adjusted stock, suggesting a shortfall of **14.34 ha** to 2031 and **31.24 ha** to 2036.

10.61 Melton’s previous take up can be split by the main employment use classes – B1(a, b, c), B2, B8. Table 63 applies the same proportionate split to Melton’s projected supply shortfall, to 2031 and 2036.

**Table 63 – Residual Need, Split by Use Class**

Period	Use Class (Percentage Split, percent)					Total (ha)
	B1(a) (29.0)	B1(b) (1.5)	B1(c) (6.5)	B2 (29.0)	B8 (34.0)	
2011-2031	4.16	0.22	0.92	4.16	4.88	14.34
2011-2036	9.06	0.47	2.03	9.06	10.62	31.24

Source: BE Group, 2015

10.62 Thus, if new land provision is tailored to fit past development, around 29 percent of the allocation should be for B1(a) offices, around a third should be B1(c)/B2 industrial space and the remaining third B8 storage or distribution. A very small level of B1(b) provision, less than 0.5 ha to 2036, may also be needed.

10.63 Melton has an aging population. However, in terms of Melton’s future labour force, the most significant issue is likely to be a predicted reduction in the Borough’s 30-44 and 45-59 population ranges of 3.8 and 5.5 percent or 978 people. These two age brackets are the ones most likely to be in full time employment and possess the full range of skills and experience in their respective fields.

10.64 These declines are also seen in four other Leicester and Leicestershire local authority areas. The sharpest reductions are predicted in Oadby and Wigston where the number of 30-44 year olds is predicted to decrease by 20.9 percent to 2036 (45-59 year olds are forecast to drop by 12.0 percent). Decreases comparable to those in Melton are also forecast in Harborough (30-44 year olds only), Hinckley and Bosworth and North West Leicestershire. By comparison growth of around 10 percent is projected, in each of those categories, in Leicester.

### ***Other Land Needs – The Needs of Non-B Class Uses***

#### *Retail*

10.65 There is a general requirement to support the ongoing modernisation and diversification of Melton Mowbray Town Centre. Specifically there is a need to enhance the national multiple offer in the town. However, given the modest increase in jobs forecast by Experian (220) to 2036, the lack of extra capacity (as noted by the 2011 Retail Study) and the lack of unmet demand in the Town Centre, as observed by stakeholders, there appears to be little need for a further allocation of retail land in Melton Mowbray. Further growth of the Town's shopping offer is more likely to be achieved through infill development (including the take-up of the available retail site on Norman Way) and the refurbishment of existing premises.

10.66 Online retail is not projected to change the nature of the high street significantly. Despite the strong growth of online retailing, the vast majority of retail sales will continue to be in high street shops and demand for retail premises, at the individual town level is not expected to increase, or decrease, significantly.

10.67 Nationally, online retail is a driving force behind the increasing demand of logistics premises, something identified in The Sub-Regional Logistics Market – Strategic Distribution Sector Study. Melton already has some local businesses providing e-fulfilment services and there is scope to grow this sector at the local scale, although it is impossible to quantify what level of growth might be achievable.

10.68 However, Melton would struggle to compete for the larger Regional or National Distribution Centres required by major online retailers. Such properties can require sites in excess of 25 ha for a single building and will normally require locations with direct motorway access.

10.69 Current demand patterns suggest there is little risk of significant numbers of Melton Mowbray's retail premises being lost to B1(a) office uses. Local office based businesses want reasonable quality offices, with a range of services and good parking provision. Outside of Emp. Area 27: Pera Business Park, Melton Mowbray these requirements (particularly the parking provision) cannot be readily provided in Melton Mowbray's current office stock. A retail conversion, at least of the small terraced shop units which make up the bulk of Melton Mowbray's stock, would also struggle to provide the parking and quality of accommodation required. Rather office based businesses are looking to good quality rural schemes such as Burrough Court, Burrough-On-The-Hill which offer good quality space, a range of services and ample parking while remaining accessible.

*Accommodation and Food Service Activities (Tourism Growth)*

10.70 Experian forecasts do suggest jobs growth in these sectors, an increase of 510 by 2036. Evidence of growth potential is also provided by the recent completion of a Premier Inn hotel in Melton Mowbray Town Centre and the wider aspiration of Melton to grow itself as a tourist destination, with particular focus on its branding as 'UK Rural Capital of Food' and its established Food Festival.

10.71 Future growth in tourism locally is likely to mean improving the restaurant/hot food offer as well as local artisan food production. Artisan food producers may require an element of B1(c) or B8 production/storage space to support their operations, something that could be accommodated in existing industrial estates and business parks in the Borough. However, the bulk of their activities will be retail/trade based and better suited to town centre locations where their activities can benefit from trade/footfall and support the wider Town Centre retail and leisure offer. Where possible therefore, such uses should be discouraged from B1/B2/B8 Employment Areas and into sites which can better support uses which attract high levels of customer activity.

*Education*

10.72 Brooksby Melton College has recently expanded its facilities in Melton Mowbray. It has further aspirations for growth which could include reuse of the current Melton Mowbray Library building for education uses. If this occurred it would generate a requirement to relocate the County Council Library Services within the town. However, further land requirements by the College in Melton Mowbray will be offset by the disposal of the former Performing Arts facility, off Norman Way. In Brooksby,

the College may, over the period to 2036, look to expand the current educational facilities (although to what extent cannot be clarified). The College has ample land in the area to meet its needs. Again development here will be offset by the disposal of 3.5 ha of land south of the A607, at the junction with Hoby Lane.

#### *Human Health and Social Work Activities*

- 10.73 Experian forecasts a modest decline in employment (30 jobs) to 2036. Certainly, NHS Property Services is looking to dispose of land at Melton Hospital. Growth, in this sector is therefore likely limited to small scale clinic developments.

#### *Arts Entertainment and Leisure*

- 10.74 The jobs forecast is modest for the recreational sector predicting an additional 50 jobs during to 2036. This does not suggest the need for further land allocations in relation to this sector.
- 10.75 In summary therefore, only the accommodation and food service activities and education sectors are likely to grow significantly over the period to 2036. Accommodating a stronger artisan food offer in Melton Mowbray may generate some associated requirements for B1(c) production and B8 storage space. However, such requirements are likely to be few in number and small in scope, likely requiring units of less than 300 sqm. Sales and trade functions from these businesses should be focused into Melton Mowbray Town Centre, the focus of the Borough's visitor offer. Online retail, amongst other factors, is boosting demand for B8 logistics premises nationally. Growth within Melton is likely to be modest and reflective of the Borough's geographic position.

#### **Meeting Needs**

- 10.76 The identified need for up to 50.70 ha against a realistic land supply of 19.46 ha suggests a supply shortfall of up to 31.24 ha, to 2036. This section accordingly considers some viable locations which could supply employment land over the study period. They are ordered in terms of suggested policy priority. It should be noted that these are areas of search only, in some cases no contact has been made with the relevant landowners, nor has any site survey work been completed to identify possible physical constraints. It would be the responsibility of the Council to consider such matters further and ensure that any of the suggestions made here, if taken forward, are in compliance with the wider policy framework.

**Priority 1: Leicester Road**

- 10.77 The withdrawn Core Strategy proposed a 30 ha strategic 'Employment Growth Area' to the west of Melton Mowbray. It comprised three plots – two east and west of Emp. Area 34: Leicester Road Estate and a third north of Leicester Road, incorporating White House Farm and much of Site 6: Land West of Bowling Green, Leicester Road, Melton Mowbray (Melton Fields Business Park) (06/01012/OUT).
- 10.78 Qualitative evidence, obtained through discussions with property market stakeholders (Section 5.0) and larger businesses (Appendix 8) suggest that this is still a desirable location for provision. In particular, several of the large businesses looking to move identified it as a preferred relocation site. Other businesses expressed a desire to invest in freehold development land in this area, while stakeholders generally highlighted demand for freehold land and property for both investment and occupancy purposes.
- 10.79 Stakeholders appreciated the area's position on the A607, which gives it good access to Leicester. The critical mass of existing companies on Emp. Area 34: Leicester Road Estate was also identified as a positive feature, as was the area's links to the services and housing of Melton Mowbray.
- 10.80 The provision of the full 30 ha proposed previously may no longer be appropriate, particularly as some of the land is already part of Site 6: Land West of Bowling Green, Leicester Road, Melton Mowbray (Melton Fields Business Park) (06/01012/OUT). However, it should be noted that much of the demand here is likely to come from the existing large businesses of Melton, seeking expansion space. As individual large firms could require sites of up to 5 ha each, an allocation of at least 10-20 ha would appear necessary, both to support existing large company growth and provide some options for micro firms. Proposals here could seek to include Site 6: Land West of Bowling Green, Leicester Road, Melton Mowbray (Melton Fields Business Park) (06/01012/OUT), assuming that land is not lost to housing.

**Priority 2: Emp. Area 13: Asfordby Business Park, Asfordby Hill**

- 10.81 The landowner here has considerable plans for growth within the footprint of the existing Business Park. As indicated in Section 7.0, space exists for a further 38,000 sqm of industrial and warehouse space, in three main plots which could provide individual units of 2,000-10,000 sqm, including properties which could meet logistics needs. Further brownfield expansion land exists in the north west of the Business

Park, which could accommodate another 26,000 sqm of premises. Harworth also has aspirations to develop some 3,300 sqm of 'pod' style starter offices, to be marketed to local businesses. These developments, if all realised, could add 17.3 ha of employment land to the Borough's supply (at a standard developer ratio of 3,900 sqm/ha).

10.82 However, Emp. Area 13: Asfordby Business Park, Asfordby Hill sits in a comparatively backland location in the Borough. Compared to land at Leicester Road it does not have direct strategic road access and so will not attract businesses for whom prominence is key. It will not have the high profile of Leicester Road. Rather, this is a strong location for heavy industrial uses that are better located away from residential areas and logistics uses that need extensive HGV parking/loading space, again something which may not be desirable to accommodate on Leicester Road.

10.83 It is accepted however, that the estate owner has delivered little new premises at Emp. Area 13: Asfordby Business Park, Asfordby Hill since the end of mine operations in 1997. It would be reasonable therefore for the Council to seek strong assurance of delivery before making any specific land allocations here. The Council is also encouraged to seek a range of sources for new employment sites, to avoid becoming excessively dependant on the delivery of any specific scheme.

10.84 This view also reflects the relatively cautious findings of the Melton Mowbray Employment Growth Area Delivery Statement (2012), regarding viability and deliverability at Emp. Area 13: Asfordby Business Park, Asfordby Hill and Emp. Area 14: Holwell Works (Melton Mowbray Business Park), Asfordby Hill, although that study was completed during a period of national recession.

*Emp. Area 14: Holwell Works (Melton Mowbray Business Park), Asfordby Hill*

10.85 Emp. Area 14: Holwell Works (Melton Mowbray Business Park), Asfordby Hill is an established employment area which is already part of Melton's land supply. It cannot therefore be considered a new allocation for the Borough.

10.86 Evidence here is that after a long period of vacancy, reflecting the national recession, site conditions, the lack of freehold options and (in the opinion of stakeholders) high land prices, companies are beginning to invest in this location. Take up is still at a low level though and full development of the area may take the remainder of the Local Plan period.

- 10.87 Emp. Area 14: Holwell Works (Melton Mowbray Business Park), Asfordby Hill is effectively the frontage site for the three main employment areas here – Emp. Area 13: Asfordby Business Park, Asfordby Hill; Holwell Works and Emp. Area 15: Stanton PLC (St Gobain), Asfordby Hill. Accordingly there is a need to ensure that premises are developed to a high standard here.
- 10.88 The need for a higher standard of development at Emp. Area 14: Holwell Works (Melton Mowbray Business Park), Asfordby Hill may also lead to a differentiation in the type of occupiers attracted here, when compared to Emp. Area 13: Asfordby Business Park, Asfordby Hill. Development at Emp. Area 14: Holwell Works (Melton Mowbray Business Park), Asfordby Hill, reflecting the modest amount of demand attracted to this location so far, is likely to focus on higher value manufacturing and production, while Emp. Area 13: Asfordby Business Park, Asfordby Hill (again reflecting demand and current occupiers) may accommodate heavy industry and logistics operations.

***Priority 3: Rural Diversification***

- 10.89 Large business growth and development will focus in the core area of Melton Mowbray and Emp. Area 13: Asfordby Business Park, Asfordby Hill. However, there is also a healthy market for rural employment schemes in both the industrial and office sectors. Stakeholders particularly point to the success of rural office schemes such as Burrough Court, Burrough-On-The-Hill and Buckminster Yard, Buckminster which have attracted a range of micro, small and mid-sized businesses from across broad catchment areas. The success of such schemes is further evidenced by their ability to attract occupiers away from Melton Mowbray through offering a stronger range of services and facilities as well as greater parking provision.
- 10.90 Rural industrial schemes tend to be of a budget nature, but all the rural Employment Areas considered for this study are well occupied and generally accommodate a good mix of larger established businesses and micro firms. There appears to be a reasonable appetite for further rural development and one local landowner and several businesses, consulted for this study, have expressed a desire to deliver further accommodation.
- 10.91 The main concern raised by stakeholders is that recent developments or conversions have been for very high quality (primarily) office schemes such as Burrough Court

and Buckminster Yard, which can attract high rents in excess of £150/sqm. More affordable options for office and industrial businesses are not being brought forward.

10.92 Subject to other policy provisions, further provision of B1/B2/B8 accommodation in rural areas should therefore be encouraged whether through agricultural diversification, the reuse of existing employment premises or appropriate new build development. However, policy should also encourage a mix of new premises to meet all needs.

10.93 This view covers the whole of Melton's rural area. However, this study has also identified some specific opportunities for the provision of small scale rural employment opportunities in the rural area and smaller settlements of Melton. These are outlined in Table 64.

**Table 64 – Other Rural Areas and Small Settlements' Assessment**

Settlement	Comment
Bottesford	<p>Outline planning consent has recently been secured for the development of a 5,500 sqm extension to Emp. Area 5: Winterbeck Industrial Estate (Site 18: Land at Orston Lane, Bottesford (14/00468/OUT)). 19 units are provisionally proposed comprising 15 starter units plus four larger buildings to accommodate an established business wishing to relocate to Bottesford. This represents a reasonable expansion of workshop premises for the town and, assuming it is delivered, is likely to meet local needs to 2031 and beyond.</p> <p>Bottesford Parish Council would wish to see a greater provision of office premises in the town. While there is a general need to provide modern office suites across the Borough there is no evidence of a particular focus of demand in Bottesford. The provision of a specific site for offices uses in the town is not therefore recommended. However, realistic proposals for the development of B1(a) offices should, subject to other policy provisions, be supported.</p> <p>At Emp. Area 3: Normanton Lane Estate, Long Clawson Dairy has previously negotiated to buy undeveloped land to the rear, for expansion purposes, but was unable to reach an agreement with the landowner. The Council should still explore if expansion land to the west of Normanton Lane Industrial Estate can be delivered, to allow the future growth of the estate and meet the needs of local large businesses looking to grow.</p>
Buckminster and south east Melton	<p>Buckminster Estates successfully delivered the high quality Buckminster Yard scheme in 2012. Estate has secured consent for a second scheme to be developed in Buckminster Village. Referred to as Wood Yard, the scheme will provide 405 sqm of additional office space. Demand exists to support this but the build costs are still</p>

Settlement	Comment
	<p>expected to exceed the likely rents generated. It is therefore recommended that the Council work with Buckminster Estates to secure delivery of this scheme and boost employment provision in the south east of the Borough.</p>
Harby	<p>The 5.2 ha (Former) Millway Foods site, Colston Lane has been vacant for more than 20 years and is no longer considered as one of the Borough's active employment areas. The owner's aspirations have been for housing development although they have been unable to secure consent for this. However, stakeholder consultations have identified one local business with aspirations to relocate to this site, developing new premises both for themselves and other local businesses.</p> <p>The Council should work with that business, and any other interested parties coming forward, to try and secure the re-use of the (Former) Millway Foods site for B-Class employment. Subject to the success of this, the Council should protect the location for B1/B2/B8 uses.</p>
Hose	<p>Emp. Area 11: (Former) Electro Motion is now vacant. There is interest from a developer in this location. As the only large B-Class employment area in Hose, the priority should be to protect the location for B1/B2/B8 uses, unless clear evidence of the unviability of the site for these uses can be provided by the developer.</p>
Long Clawson	<p>Long Clawson Dairy owns 6.7 ha of greenfield expansion land (at Emp. Area 12) to the rear, currently in agricultural use. In October 2014 the Dairy submitted a planning application to develop a portion of this land to develop a new packing building with cold storage facility and a new milk reception building/covered milk offload area.</p> <p>Given the Dairy's history of expansion and its ongoing aspirations for growth, the ultimate take up of this 6.7 ha for B1/B2/B8 employment uses appears likely. It is therefore suggested that the Local Plan should reflect this by allocating the land for B-Class employment uses. However, as all take up here will likely be for a single company the 6.7 ha (or whatever remains at the time of Local Plan adoption) cannot be considered to count towards Melton's more general land needs.</p> <p>In addition, there is no evidence of further land requirements in Long Clawson, for businesses other than Long Clawson Dairy. This is evidenced by the fact that another large company, which occupies land adjacent to the Dairy, is looking to relocate away from the settlement.</p>
Nether Broughton	<p>There is a small undeveloped plot to the north of Emp. Area 26: Greenwoods Boxes Factory, at the junction of Nottingham Road (A606) and Chapel Lane. However, the plot would only be large enough to accommodate a single micro business.</p>
Old Dalby	<p>Work is now progressing on Site 12: Land Adjacent Unit 9, Station Road, Old Dalby (Old Dalby Enterprise Village) (12/00128/OUT) (2.70 ha) and take up of this site is likely in the medium term. Elsewhere Emp. Area 28: Crown Business Park (incorporating the Six Hills Area), Old Dalby is largely fully developed and dominated by a small number of large businesses, with few options for smaller firms. Adjacent Area</p>

Settlement	Comment
	<p>29: Old Dalby Trading Estate does have some larger industrial/warehouse units on the market, but options for micro and small firms are again limited. Emp. Area 30: Woodhill Industrial Estate, Old Dalby does provide some workshop space but the area appears fully let.</p> <p>It is therefore recommended that the Council identify a successor site to Site 12 which could be brought forward later in the Plan period or possibly after 2031, when the Site 12 is complete. The emphasis on this site should be the provision of both micro businesses space and options for larger businesses to expand and relocate. The site would therefore have to be large enough to accommodate both and a size of 5-10 ha is therefore suggested.</p>

Source: BE Group, 2015

### Office Requirements in Melton Mowbray

- 10.94 As discussed above, there is a healthy level of demand across Melton, for leasehold offices of less than 100 sqm, to accommodate those moving up from homeworking. However, in recent years this demand has been pushed to rural schemes which can offer a higher standard of accommodation, a greater range of services and parking. These are features which basic, unserviced town centre offices in Melton Mowbray can't compete with. However, where office space is provided in the town, which does meet these standards, it has done well.
- 10.95 In Melton Mowbray this primarily means Emp. Area 27: Pera Business Park, where some 6,800 sqm is let to 33 separate companies. Pera report ongoing demand for office space in Melton Mowbray while the current facility is now effectively full. Experian data has also forecast growth in several office based sectors, notably information and communication (680 extra jobs forecast to 2036) and professional and other private services (869 extra jobs forecast to 2036).
- 10.96 Given evidence of ongoing demand and prospects of future sectoral growth there is a need to plan for further office provision in the town, following the Pera model of serviced space. In discussions Pera has put forward two options for the midterm growth of Emp. Area 27: Pera Business Park (see Appendix 8). However, it is likely that at least one of these options will conflict with other land use policies.
- 10.97 It is therefore suggested that a new office development site be identified to allow provision of a new office scheme, either an extension to Emp. Area 27: Pera Business Park or a new scheme of comparable scope.

## 11.0 RECOMMENDATIONS

### Introduction

- 11.1 This section sets out the consultants' recommendations arising from the Employment Land Study. The recommendations in this report have had full regard to the requirements of the NPPF to encourage and deliver growth through the planning system.

### Employment Land Supply

#### Recommendation 1 – Employment Land Provision Definition

- 11.2 The NPPF does not define employment land provision within the main document. However Annex 2 defines economic development as “*development, including those uses within the B use classes, public and community uses and main town centre uses (but excluding housing development)*”.
- 11.3 For the purpose of this study the current available land supply in Melton is defined as 18 sites with unimplemented or partially implemented planning consents as at 31<sup>st</sup> January 2015. These total 32.39 ha and are identified in Section 6.0 Table 25. Employment land site proformas for the 18 sites are included within Appendix 5.

#### Recommendation 2 – Employment Sites and Areas to be Retained

- 11.4 Existing sites and premises provide valuable opportunities for employment close to where people live. They benefit the local economy, and the loss of B1/B2/B8 employment uses can negatively impact on local access to jobs and the economic competitiveness of local areas. Ultimately this challenges the Borough's economic growth.
- 11.5 The NPPF provides the opportunity for Melton Borough Council to identify 'key employment sites' that are considered to significantly contribute to the Borough's land supply for B class uses. It enables these to be safeguarded for B class uses and other employment uses which achieve economic enhancement without detrimental impact to either the site or the wider area.
- 11.6 The Employment Areas' assessment (Section 6.0) identifies nine key/flagship locations, graded A or B in the analysis, which are identified of being of a scale or of exceptional economic value (i.e. of being of sub-regional/regional value, rather than

local value) that aligns to the NPPF 'key employment sites' designation. It is recommended that Melton Borough Council therefore designates the following as key employment sites to be safeguarded for B Class uses and other employment uses which achieve economic enhancement without detrimental impact to either the site or the wider area:

- Emp. Area 1: Masterfoods HQ, Waltham.
- Emp. Area 13: Asfordby Business Park, Asfordby Hill
- Emp. Area 14: Holwell Works (Melton Mowbray Business Park), Asfordby Hill
- Emp. Area 15: Stanton PLC (St Gobain), Asfordby Hill
- Emp. Area 24: Saxby Road Area (incorporating Hudson Road Estate), Melton Mowbray
- Emp. Area 28: Crown Business Park (incorporating the Six Hills Area), Old Dalby
- Emp. Area 29: Old Dalby Trading Estate, Old Dalby
- Emp. Area 32: Melton and Kettleby Foods, Melton Mowbray
- Emp. Area 34: Leicester Road Estate, Melton Mowbray.

11.7 Within these areas, only applications for B class use should be permitted. Non - B Class uses should only be allowed if an applicant can demonstrate exceptional circumstances and that the proposals will not have a significant adverse impact on surrounding local uses. The use for employment purposes other than B class uses may be appropriate but only if it can be shown that the use provides on-site support facilities or demonstrates an economic enhancement over and above B class uses. Such development should however not prejudice the efficient and effective uses of the remainder of the employment area.

11.8 Retail uses should not generally be supported on employment areas. Exceptionally, uses which have trade links with B1/B2/B8 employment uses or are un-neighbourly in character (such as car showrooms, tyre and exhaust centres, or trade counters) may be permitted on employment sites which have good access to a range of sustainable transport options. Sites that may be suitable for such options include the 15 Employment Areas graded B/C or C in Section 6.0 Tables 32-38.

11.9 Where non-B Class uses are proposed for, or within, such areas then Melton Borough Council should require the applicants to demonstrate that:

- The site/premises are no longer suitable or reasonably capable of being redeveloped for employment purposes, and
- The site/premises has been proactively marketed for employment purposes for a reasonable period of time (a minimum of twelve months) at a reasonable market rate (i.e. rent or capital value) as supported through a documented formal marketing strategy and campaign, or
- There will be a significant community benefit which outweighs the impact of losing the employment site/premises.

11.10 At Appendix 10 Developer Marketing Standards are set out that provide the template for delivering the evidence that premises or sites have been appropriately marketed without success. Whilst these are primarily directed at B Use Class situations they are equally applicable to other property types e.g. public houses, community facilities, etc.

11.11 For the ten Employment Areas graded C/D or D, a more flexible approach could be taken to help facilitate a broad range of economic development, which is vital for the future sustainability and development of the local area's economy. In some cases, the size, location and characteristics of a site may mean that a development for non-B Class uses could provide greater benefit to the local community, in terms of addressing local needs, than if the site was retained solely in B1/B2/B8 employment use.

11.12 Melton Borough Council should also recognise the increasing level of precedents of non-B use employment activity provision within employment areas across the UK. Sui generis uses, such as vets practices, and D1 non-residential institutions including training centres, nurseries/children's play facilities and activity centres do generate employment opportunities. Such applications within the Borough should be treated on their individual merits, including employment outputs, but should be restricted to the Employment Areas graded B/C to D.

11.13 It is suggested that in terms of protecting employment sites that do not sit within Employment Areas, the redevelopment of employment land and premises for non B-Class employment uses be allowed in the following circumstances:

- The present (or previous, if vacant or derelict) use causes significant harm to the character or amenities of the surrounding area, and it is demonstrated

that no other appropriate viable alternative B1/B2/B8 employment uses could be attracted to the site, or

- Mixed-use redevelopment would provide important community and/or regeneration benefits with no significant loss of jobs, potential jobs, and the proposed mix of uses accords with other planning policies.

11.14 This advice is offered without consideration of other planning, traffic/highways issues, etc. which might render some uses or mixed use developments inappropriate on particular employment areas. It is clearly for Melton Borough Council to judge proposals on their merits taking account of these factors.

### **Recommendation 3 – Accounting for Large Business Relocation**

11.15 Melton's Employment Areas are performing well at present with low void rates and a healthy mix of micro and larger businesses in many locations. The main future threat is likely to come from large business looking relocate and expand away from their current locations. 13 of the 19 businesses consulted for this study expressed a strong desire for growth that could result in them leaving their current locations.

11.16 It is important to try and retain these large employers in the Borough and the new employment sites recommended below will have a role in providing relocation space. However, of equal concern is the sites they leave behind. Many large businesses are in older budget facilities, combined from multiple smaller units and configured to meet the needs of specific firms. In most cases successfully marketing these combined sites to other single occupiers will not be viable. Significant investment may be required to refurbish and sub-divide sites and, faced with viability gaps, landowners may seek profitable redevelopment options for higher value uses such as retail and housing.

11.17 Such sites will need to be dealt with on a case by case basis, reflecting the nature of the location, the costs of refurbishing space to a marketable condition and the gap in financial viability (following a formal valuation exercise) this generates. The priority should be to protect land in Melton's key employment areas, graded A-B in this study, for B1/B2/B8 uses. As noted above, redevelopment to other uses should only be considered if the applicant can demonstrate exceptional circumstances, i.e. provide strong market and financial evidence that restoring the site will never be viable.

11.18 In areas graded C or below there may be a need for greater flexibility in order to bring vacant sites back into viable use which, again reflecting the above guidance, may include a broader mix of uses in any redevelopment scheme.

#### **Recommendation 4 – Future Employment Land Provision**

11.19 The identified realistic land supply of 19.46 ha, at 31st January 2015, suggests a shortfall of 14.34 ha when measured against the employment land take up over 2011-2031. To 2036 the shortfall is 31.24 ha, with a five year buffer included. The forecasts of industry sector activity (jobs), suggest much smaller shortfalls of 0.15-3.08 ha to 2031 and 10.81-14.55 ha to 2036.

11.20 However, BE Group does not recommend that the economic forecasts be the basis for defining employment land provision up to 2031 and 2036. This is because the forecasts represent the absolute minimum amount of land required to accommodate the activities of different industry sectors. Other issues include:

- That within sectors expected to decline (particularly manufacturing) there will still be businesses that will grow and expand
- That there will be local market churn
- That there will be need to maintain a choice of supply by size, type, location and quality of sites and premises for businesses at differing levels of their maturity
- That there should be a continuing forward supply to accommodate site development beyond 2036
- The level and nature of the existing employment land supply at 31<sup>st</sup> January 2015.

11.21 Experian forecasting also appears pessimistic in that it suggests that overall jobs growth in Melton over the next 25 years will be far lower than the growth that has been achieved since 1997. Certainly, both stakeholder consultations and forecast data indicates strong growth aspirations in the local manufacturing sector and in many other sectors as well. Melton should therefore aspire to match (and exceed) the economic growth it has achieved in the recent past.

11.22 The resident worker forecast suggest that there is a sufficient surplus in the existing realistic supply to meet the employment land needs to 2031 and 2036. However, this is not felt to provide a 'whole economy' approach in that it does not account for in-

commuting or the actual needs of businesses. Rather it is solely based on jobs needs of Melton’s growing resident population over the two study periods.

11.23 It is therefore recommended that Melton Borough Council use the roll forward of historic take-up as the main measure of Melton’s future land needs for the period up to 2031 and 2036 (see Table 65). Specifically, the Council should use a roll forward of short term (seven year) take up which is judged to be the most accurate data. This indicates a need of 33.80 ha to 2031 and 50.70 ha (inclusive of a five year buffer of 8.45 ha) to 2036. Measured against the Borough’s current realistic supply, there is a need for a further 14.34 ha to 2031 and 31.24 ha to 2036.

**Table 65 – Land Forecast Models – Summary**

Model	Land Stock 2015, ha	Land Need 2011-2031, ha	Surplus (Shortfall), ha	Land Need 2011-2036, ha	Buffer (five years take-up rate) ha*	Surplus (Shortfall), ha	Assumptions
Historic Land Take-Up Rate/ Adjusted stock	19.46	+33.80 ha	(14.34)	+42.25 ha	+8.45	(31.24)	Based on 1.69 ha/year and inclusive of a 5 year buffer post 2036
Employment based on adjusted stock	19.46	+22.54 Growth +19.31 Change	(3.08) (0.15)	+25.56 Growth +21.82 Change	+8.45 +8.45	(14.50) (10.76)	Based on 1. projected growth sectors 2. projected employment change across sectors
Resident Workforce based on adjusted stock	19.46	+9.11 Growth +6.26 Change	10.35 13.20	+9.09 Growth +5.73 Change	+8.45 +8.45	1.97 5.55	Based on 1. projected growth sectors 2. projected employment change across sectors

Source: BE Group 2015

\*Applied to 2036 figures only.

11.24 Melton’s previous take up can be split by the main employment use classes – B1(a, b, c), B2, B8. Table 66 applies the same proportionate split to Melton’s projected supply shortfall, to 2031 and 2036.

**Table 66 – Residual Need, Split by Use Class**

Period	Use Class (Percentage Split, percent)					Total (ha)
	B1(a) (29.0)	B1(b) (1.5)	B1(c) (6.5)	B2 (29.0)	B8 (34.0)	
2011-2031	4.16	0.22	0.92	4.16	4.88	14.34
2011-2036	9.06	0.47	2.03	9.06	10.62	31.24

Source: BE Group, 2015

11.25 Thus, if new land provision is tailored to fit past development, around 29 percent of the allocation should be for B1(a) offices, around a third should be B1(c)/B2 industrial space and the remaining third B8 storage or distribution. A very small level of B1(b) provision, less than 0.5 ha to 2036, may also be needed.

11.26 However, in reality modern companies frequently require a mix of office, industrial and storage space, tailored to their individual needs. The full range of needs which may emerge cannot be predicted in advance and indeed the requirements of companies change as they grow. Demand from different sectors will also fluctuate over the lifetime of the Local Plan. Thus policy should avoid proscriptions on what B-Class uses can or cannot locate on employment sites, unless there are specific environmental reasons for excluding some uses, such as the proximity of land to housing.

**Recommendation 5 – A 20 ha Allocation on Leicester Road (High Policy Priority)**

11.27 To meet the above needs, the following is recommended as a ‘prestige’ land allocation for the Borough:

- *Leicester Road Area (surrounding Emp. Area 34: Leicester Road Estate)*
- *20 ha in size*
- *Proposed for B1(c)/B2 and limited B8 uses.*

11.28 The justification for this is as follows:

- There is a need for a prestige employment site in the Borough, which will meet the growth needs of key local businesses looking to expand (including the 13 firms with growth aspirations contacted for this study) and provide a site which can be marketed to inward investors. With the partial exception of Emp. Area 14: Holwell Works (Melton Mowbray Business Park), Asfordby Hill Melton does not have this at present

- Past research, undertaken for the previous Local Plan, has already identified Leicester Road as a viable and unconstrained development location, which is prominently situated on the A607 towards Leicester
- The location builds on the success of Emp. Area 34: Leicester Road Estate, Melton Mowbray, which has an existing critical mass of businesses and is identified as one of the key Employment Areas of the Borough. The presence of multiple production plants for Samworth Brothers, plus their HQ office, makes this the logical location for further growth of the food production sector locally
- In discussions a number of businesses directly identified Leicester Road as a preferred relocation site. Property agents and developers also felt this was the preferred growth location for Melton Mowbray
- The site size (20 ha) is justified by the scale of demand likely for this location. Even if no inward investment is attracted here, requirements from indigenous business extend to up to 5 ha each. A further development by Samworth Brothers, although not proposed at this time, could be even larger. Thus a smaller site could not meet a sufficiently broad range of needs and would likely be taken up early in the Plan Period
- It is assumed the site will primarily be developed for B1(c)/B2 industrial uses. This reflects current demand patterns and the specific requirements of local firms which are primarily in manufacturing sector. It also reflects the fact that most jobs growth is forecast for manufacturing sectors to 2036. B8 uses would also be acceptable here, particularly where they support production operations. However, warehousing should be discouraged from 'crowding out' the more urgent need for industrial space.

**Recommendation 6 – A 10 ha Allocation at Emp. Area 13: Asfordby Business Park, Asfordby Hill (Mid Policy Priority)**

11.29 To meet the above needs, the following is recommended as a second land allocation for the Borough:

- *Emp. Area 13: Asfordby Business Park, Asfordby Hill (north west and south of current premises)*
- *10 ha in size*
- *Proposed for B2 and B8 (possible B1(a)) uses.*

11.30 The justification for this is as follows:

- Emp. Area 13: Asfordby Business Park, Asfordby Hill is an established industrial estate close to Melton Mowbray, home to a critical mass of occupiers including major manufacturing and logistics firms and large areas of undeveloped brownfield expansion land
- It is under single ownership and that owner has expressed aspirations to deliver up to 64,000 sqm of new industrial space. This could include B8 warehouse premises of up to 10,000 sqm, giving Melton some capacity to compete in Leicestershire's growing logistics market
- If all the proposed space was brought forward then 17.3 ha of additional employment land would be provided. However, given the lack of new premises development at this location since the end of mine workings in 1997 it is appropriate to assume that maximum development capacity may not be reached. Thus a more modest allocation of 10 ha is proposed
- As a more backland location, and reflecting the current occupier profile, land at Emp. Area 13: Asfordby Business Park, Asfordby Hill would be suited to meeting the needs of B2 heavy industrial firms whose uses may be more 'dirty' and less suited for the Leicester Road site. The landowner is also proposing B1(a) starter offices, but the viability of such offices in this heavily industrial site has yet to be tested.

**Recommendation 7 – Protection of Holwell Works (Melton Mowbray Business Park) for B1/B2/B8 uses (Mid Policy Priority)**

- 11.31 The pre-existing employment site at Emp. Area 14: Holwell Works (Melton Mowbray Business Park), Asfordby Hill forms a frontage site for the three main employment areas here – Emp. Area 13: Asfordby Business Park, Asfordby Hill; Emp. Area 14: Holwell Works (Melton Mowbray Business Park), Asfordby Hill and Emp. Area 15: Stanton PLC (St Gobain), Asfordby Hill. Recent evidence suggests it remains a viable B1/B2/B8 location, even if take-up may not be especially rapid. It is recommended that this location be protected for B1(c)/B2/B8 uses which will be appropriate for this frontage site, to be accommodated in premises developed to a good standard.

**Recommendation 8 – Encourage Rural Diversification (Mid/Ongoing Policy Priority)**

- 11.32 Market evidence suggests healthy demand for rural B1/B2/B8 employment schemes. Recent office developments have been particularly successful, even taking occupiers

away from Melton Mowbray. Planning policy should continue to encourage this trend which provides valuable B-Class employment premises to serve Melton's broad rural area.

11.33 Agricultural diversification will be a key source of such premises, but it is about more than the reuse of farm buildings. This study has also identified several rural employment locations where vacant premises or land are available for reuse or redevelopment (see Table 67), and indeed where development is already planned. Other sites and premises, not necessarily in agricultural use may also be suitable.

11.34 A broader rural diversification policy is therefore recommended which indicates support for B1/B2/B8 developments which are appropriate to their location in terms of:

- Access and traffic generation
- Scale and intensity of use
- Local landscape quality and environmental/ecological issues
- Impacts on neighbouring uses
- Signage requirements (both directional signage on surrounding roads and onsite signage)
- Sustainable development principles.

11.35 Reuse of existing premises is always desirable but new development may also be needed to address all requirements and, subject to the above, should not be discouraged.

11.36 Policy should also encourage development for a mix of B-Class uses, i.e. not purely for office or industrial uses and, where possible, for a mix of tenures and price ranges. The reason for this is that recent rural developments have focused purely on very high value (primarily) office developments, which attracted high rents. Although these have been successful they are not providing options for industrial businesses or those requiring more affordable accommodation. While policy cannot enforce how much developers charge for space it can encourage a greater diversity of provision than can be seen at present.

11.37 As this is a windfall recommendation it is not possible to quantify what level of additional B1/B2/B8 employment space it might generate.

**Table 67 – Rural Growth Options**

Site/Area	Comment
Bottesford	<p>Consented growth at Emp. Area 5: Winterbeck Industrial Estate (Site 18: Land at Orston Lane, Bottesford (14/00468/OUT)) should be supported as this will likely meet a lot of future needs in the village to 2031 and 2036.</p> <p>Options for the expansion of Emp. Area 3: Normanton Lane Estate, onto land to the rear should be explored. The barriers to growth here which have so far prevented Long Clawson Dairy from expanding need to be understood and if possible overcome to secure viable long term expansion options for the large businesses here.</p>
Buckminster and south east Melton	The Council should work with Buckminster Estates to secure delivery of further small office schemes in Buckminster Village, and elsewhere in Buckminster Estate, to boost employment provision in the south east of the Borough.
Harby	Protect the (Former) Millway Foods site for B-Class employment. Work with both the landowner and parties that have shown an interest in this site to secure a local scale employment development here.
Hose	Protect Emp. Area 11: (Former) Electro Motion site for B1/B2/B8 development, unless clear evidence of the location's unviability for such uses can be provided.
Long Clawson	<p>Take up of the 6.7 ha of greenfield land to the rear of Long Clawson Dairy (Emp. Area 12), by that company, is likely over the period, to 2031. This should be recognised in the Local Plan. However, as all take up here will likely be for a single company, the 6.7 ha (or whatever remains at the time of Local Plan adoption) cannot be considered to count towards Melton's more general land needs.</p> <p>In addition, there is no evidence of further land requirements in Long Clawson, for businesses other than Long Clawson Dairy. This is evidenced by the fact that another large company, which occupies land adjacent to the Dairy, is looking to relocate away from the settlement.</p>
Nether Broughton	The undeveloped plot to the north of Emp. Area 26: Greenwoods Boxes Factory, at the junction of Nottingham Road (A606) and Chapel Lane should be protected as a local employment site.
Old Dalby	Assuming the likely take up of Site 12: Land Adjacent Unit 9, Station Road, Old Dalby (Old Dalby Enterprise Village) (12/00128/OUT) in the medium term, the Local Plan should identify a successor site to Site 12 which could be brought forward later in the Plan period or possibly after 2031, when Site 12 is complete. The emphasis on this site should be the provision of both micro businesses space and options for larger businesses to expand and relocate. The site would therefore have to be large enough to accommodate both and a size of 5-10 ha is therefore suggested.

Source: BE Group, 2015

**Recommendation 9 – Allocate a Further Office Site (Approx. 1 ha) in Melton Mowbray (Mid Policy Priority)**

11.38 To meet office needs in Melton Mowbray, the following is recommended as a land allocation for the Borough:

- *Melton Mowbray (detailed location to be determined)*
- *1ha in size (approx.)*
- *Proposed for B1(a) uses*

11.39 The justification for this is as follows:

- Study research has shown that while demand for town centre office premises generally is not high, Emp. Area 27: Pera Business Park, Melton Mowbray, a unique multi-let office facility has proved highly successful in meeting the Borough-wide office demand which does exist
- Pera is now effectively full but identifying further demand for accommodation, while further growth in several office sectors is forecast
- There is therefore a need to plan for growth options for Emp. Area 27: Pera Business Park and potentially a successor office site for the town.

11.40 It is therefore recommended that a new office development site be identified to allow provision of a new office scheme, either an extension to Emp. Area 27: Pera Business Park or a new scheme of comparable scope. It is recognised that the Pera building is an unusual property in the context of Melton Mowbray, six storeys tall and with a car park covering several hectares. However, the new office site would still have to be large enough to accommodate a reasonable quantum of new B1(a) space, at least 3,000 sqm to accommodate long term growth, and provide adequate parking. A site of at least 1 ha would likely be required.

11.41 A site centrally located in Melton Mowbray, directly accessible to the strategic road network would be most desirable. However, land for this option may not be available. The suggested alternative is to locate such a site in an identified growth location for the town, which may take the form of a Sustainable Urban Extension development to the north of the town. The benefit of this option would be that the growth site could be planned into the development from the start and new B1 uses would provide accessible employment for local residents. Such office uses would also be most compatible with a largely residential area. The disadvantage of such an option is that the new site may not be made available early enough in the Plan period to meet needs and so provision of such uses would need to be made a phase I priority of any wider scheme.

### **Recommendation 10 – Future Reviews**

11.42 This report has shown how market conditions in Melton have changed significantly in only the two years since the end of the recession. In addition this study has suggested a need for some further land allocations to 2036, while take up on many of Melton's existing large sites is now looking more likely in the short and medium term. In view of these factors, Melton should review its employment land portfolio at intervals of around three years. This is also in accordance with the NPPF which recommends regular monitoring and review of the local land supply to ensure a robust evidence base.

### **Recommendation 11 – Maintain Awareness of External Influences**

11.43 As a first point, Melton Borough Council must recognise its role, together with the other Leicestershire authorities, in developing the county's economy. In this respect they are interconnected, to varying degrees, on a number of levels. Because of its location Melton also has a similar relationship with Rushcliffe in Nottinghamshire, South Kesteven in Lincolnshire and Rutland.

11.44 Discussions with the adjoining local authorities of Leicestershire, Lincolnshire and Nottinghamshire, along with Rutland, indicate that they all have sufficient land allocations (both existing and proposed) to meet their projected needs. There is therefore no immediate need for them to look to Melton for support in land provision.

11.45 However, there are a number of other issues and opportunities in which the wider area local authorities' interests will overlap, and where joint working is advisable. These include future growth at Emp. Area 6: Normanton Airfield (shared between Melton and South Kesteven) and, less likely, Emp. Area 8: Langar Airfield (shared between Melton and Rushcliffe).

# **Appendix 1**

## **List of Consultees**

## Appendix 1 – List of Consultees

AB Kettleby Parish Council  
Andrew and Ashwell  
Belvoir Brewery  
Bentons  
Blaby District Council  
Bottesford Parish Council  
Brooksby Melton College  
Buckminster Estates  
Burton and Dalby Parish Council  
Charnwood Borough Council  
City Electrical Factors  
Cottage Farm  
Direct Trade Bags  
ESF Events  
Golden Fleece Restaurant  
Hallmark Consumer Services  
Harborough District Council  
Harworth Estates  
Hawthorn Theatrical  
Hinckley and Bosworth Borough Council  
James a Baker  
Jeld-Wen  
KS Composites  
Lambert Smith Hampton  
Leicester City Council  
Leicester and Leicestershire Enterprise Partnership  
Leicestershire County Council  
Long Clawson Dairy  
Mather Jamie  
Melton Borough Council  
Millitec Food Systems  
NHS Property Services  
North West Leicestershire District Council  
Oadby and Wigston Borough Council  
Pera  
RES Tractors  
Rushcliffe Borough Council  
Rutland County Council District Council  
S&J European Haulage  
Samworth Brothers (Brooksby Foods)  
Shouler and Son  
South Kesteven District Council  
Soyfoods  
TruFrame  
Twinlakes Theme Park

## **Appendix 2**

### **Enquiries Analysis**

## Appendix 2 – Enquiries Analysis

**Table A2.1 – LLEP Enquiries 2005-2014 Locations Desired – Industrial**

Location	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Total	Percent
Leicester City	165	690	410	246	79	115	173	260	195	222	2555	18.5
Blaby	84	441	287	216	59	69	108	215	176	205	1860	13.5
Charnwood	103	418	290	228	71	78	126	233	178	187	1912	13.9
Harborough	43	298	190	154	31	48	76	155	120	123	1238	9.0
Hinckley and Bosworth	81	417	268	186	54	61	95	199	187	182	1730	12.5
<b>Melton</b>	<b>46</b>	<b>260</b>	<b>161</b>	<b>124</b>	<b>25</b>	<b>38</b>	<b>62</b>	<b>120</b>	<b>89</b>	<b>98</b>	<b>1023</b>	<b>7.4</b>
North West Leicestershire	101	329	264	140	70	77	154	237	205	253	1830	13.3
Oadby and Wigston	73	419	245	163	58	75	116	200	132	159	1640	11.9
<b>Total</b>	<b>696</b>	<b>3,272</b>	<b>2,115</b>	<b>1,457</b>	<b>447</b>	<b>561</b>	<b>910</b>	<b>1,619</b>	<b>1,282</b>	<b>1,429</b>	<b>13,788</b>	<b>100.0</b>

Source: LLEP, 2015

**Table A2.2 – LLEP Enquiries 2005-2014 Locations Desired – Office**

Location	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Total	Percent
Leicester City	87	280	184	88	43	73	82	87	58	72	1,054	19.3
Blaby	44	167	134	85	30	38	41	73	55	71	738	13.5
Charnwood	44	186	146	83	36	43	51	60	47	48	744	13.6
Harborough	20	145	113	66	27	27	31	49	40	36	554	10.1
Hinckley and Bosworth	29	133	118	73	26	35	35	53	54	51	607	11.1
<b>Melton</b>	<b>16</b>	<b>117</b>	<b>83</b>	<b>64</b>	<b>21</b>	<b>22</b>	<b>28</b>	<b>43</b>	<b>30</b>	<b>30</b>	<b>454</b>	<b>8.3</b>
North West Leicestershire	41	148	134	71	26	41	53	51	55	64	684	12.5
Oadby and Wigston	34	151	117	73	21	40	44	63	41	46	630	11.5
<b>Total</b>	<b>315</b>	<b>1,327</b>	<b>1,029</b>	<b>603</b>	<b>230</b>	<b>319</b>	<b>365</b>	<b>479</b>	<b>380</b>	<b>418</b>	<b>5,465</b>	<b>100.0</b>

Source: LLEP, 2015

**Table A2.3 – LLEP Enquiries 2005-2014 Locations Desired – Serviced Offices**

Location	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Total	Percent
Leicester City	23	100	90	44	15	42	38	40	32	40	464	16.6
Blaby	14	78	82	35	7	29	20	36	23	44	368	13.2
Charnwood	16	93	70	38	14	29	30	37	25	35	387	13.8
Harborough	12	72	66	23	8	20	19	25	16	24	285	10.2
Hinckley and Bosworth	14	76	71	34	7	21	23	27	22	36	331	11.8
<b>Melton</b>	<b>14</b>	<b>66</b>	<b>56</b>	<b>26</b>	<b>6</b>	<b>19</b>	<b>14</b>	<b>21</b>	<b>15</b>	<b>18</b>	<b>255</b>	<b>9.1</b>
North West Leicestershire	19	66	73	28	5	23	36	35	32	42	359	12.8
Oadby and Wigston	17	85	74	28	7	30	23	35	17	32	348	12.4
<b>Total</b>	<b>129</b>	<b>636</b>	<b>582</b>	<b>256</b>	<b>69</b>	<b>213</b>	<b>203</b>	<b>256</b>	<b>182</b>	<b>271</b>	<b>2,797</b>	<b>100.0</b>

Source: LLEP, 2015

**Table A2.4 – LLEP Enquiries 2005-2014 Locations Desired – Land**

Location	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Total	Percent
Leicester City	6	12	19	11	1	12	7	7	4	3	82	15.4
Blaby	-	8	17	10	-	10	7	8	3	4	67	12.5
Charnwood	2	6	18	9	-	10	8	8	1	4	66	12.4
Harborough	-	7	18	10	-	9	5	7	3	5	64	12.0
Hinckley and Bosworth	-	11	18	10	-	9	6	7	3	4	68	12.7
<b>Melton</b>	<b>1</b>	<b>8</b>	<b>17</b>	<b>6</b>	<b>-</b>	<b>8</b>	<b>4</b>	<b>5</b>	<b>1</b>	<b>4</b>	<b>54</b>	<b>10.1</b>
North West Leicestershire	2	10	17	13	-	11	7	8	3	4	75	14.0
Oadby and Wigston	-	7	17	6	-	9	6	7	2	4	58	10.9
<b>Total</b>	<b>11</b>	<b>69</b>	<b>141</b>	<b>75</b>	<b>1</b>	<b>78</b>	<b>50</b>	<b>57</b>	<b>20</b>	<b>32</b>	<b>534</b>	<b>100.0</b>

Source: LLEP, 2015

## **Appendix 3**

### **Melton Vacant Property Schedules**

**Appendix 3 – Melton Vacant Property Schedules**

**Table A3.1 – Schedule of Industrial Premises**

<b>Property</b>	<b>Settlement</b>	<b>Tenure</b>	<b>Quality</b>	<b>Size, Sqm</b>
Unit 5, Old Dalby Business Park	Old Dalby	Either	Average	9,489
Unit 4, Old Dalby Business Park	Old Dalby	Either	Average	7,536
Refurbished Factory/Warehouse, Saxby Road IE	Melton Mowbray	Leasehold	Average	2,559
Unit 5F, Old Dalby Business Park	Old Dalby	Either	Average	1,628
18-24 North Street	Melton Mowbray	Leasehold	Average	604
22 North Street	Melton Mowbray	Leasehold	Average	604
4 Fairfield Industrial Park	Waltham on the Wolds	Leasehold	Average	575
Unit 15-16, Winterbeck Industrial Estate, Orston Lane	Bottesford	Leasehold	Average	465
Unit 7, Old Dalby Business Park	Old Dalby	Either	Average	346
44 Mill Street	Melton Mowbray	Leasehold	Average	288
5 & 9 Old Dairy, North Street	Melton Mowbray	Leasehold	Average	179
Unit C6, Ashfordby Business Park	Ashfordby Hill	Leasehold	Average	167
Workshop, Rear of 3 Melton Road	Ab Kettleby	Freehold	Budget	113

Source: BE Group, 2015

**Table A3.2 – Schedule of Office Premises\***

Property	Settlement	Tenure	Quality	Size, Sqm
Unit B, Ashfordby Business Park	Ashfordby Hill	Leasehold	Average	167
7 Old Dairy, North Street	Melton Mowbray	Leasehold	Average	162
2 and 3 Old Dairy, North Street	Melton Mowbray	Leasehold	Average	150
12 Digby Drive, Leicester Road	Melton Mowbray	Leasehold	Average	147
Office 5, Burrough Court	Burrough on the Hill	Leasehold	Good	125
14A Pate Road (offices), Leicester Road Industrial Estate	Melton Mowbray	Leasehold	Average	125
Office 16, Burrough Court	Burrough on the Hill	Leasehold	Good	89
The Paddocks, Friars Well Estate, North Drive	Wartnaby	Leasehold	Good	87
County Chambers, Kings Road	Melton Mowbray	Leasehold	Good	71
27A High Street	Melton Mowbray	Leasehold	Average	65
Suite 11, Buckminster Yard	Buckminster	Leasehold	Good	60
Officers in Compound Yard, Melton Airfield	Great Dalby	Leasehold	Budget	57
Suite 10, Buckminster Yard	Buckminster	Leasehold	Good	38
Unit C3, Ashfordby Business Park	Ashfordby Hill	Leasehold	Average	33
Suite 4, 10 High Street	Melton Mowbray	Leasehold	Average	33
Office 1, Storage Concepts, Pate Road	Melton Mowbray	Leasehold	Average	26
Office 6, Burrough Court	Burrough on the Hill	Leasehold	Good	25

Source: BE Group, 2015

\*Excludes space at The Manor House, King Street, Melton Mowbray which is based on the rental of desks on a part time basis rather than the permanent letting of specific areas of space.

**Table A3.3 – Schedule of Retail/Leisure Premises – Melton Mowbray**

Property	Tenure	Quality	Size, Sqm
12 Windsor Street	Leasehold	Average	455
27 Sherrard Street	Leasehold	Average	284
14 Sherrard Street	Leasehold	Average	250
Unit 6/7, Bell Centre, Nottingham Street	Leasehold	Average	229
The Mash Tub, Nottingham Street	Freehold	Average	210
Unit 22, Bell Centre, Nottingham Street	Leasehold	Average	135
Unit 23, Bell Centre, Nottingham Street	Leasehold	Average	109
Unit 20/21, Bell Centre, Nottingham Street	Leasehold	Average	96
5 Cheapside	Leasehold	Good	52
40 Sherrard Street	Leasehold	Average	48
3 Windsor Street	Leasehold	Good	46
13 Sherrard Street	Leasehold	Average	41
8 Market Place	Leasehold	Average	26

Source: BE Group, 2015

## **Appendix 4**

### **Sites Appraisal**

## Appendix 4 – Potential Employment Sites Monitoring Appraisal

A4.1 The Council track a large number of sites as part of its annual monitoring. However an assessment of them indicates that most are to be excluded on the basis that they are below the 0.125 ha threshold (reflecting Planning Practice Guidance - Housing and Economic Land Availability Assessment, which suggests that sites of less than 0.25 ha should be excluded, but halving that requirement to reflect that, in a rural location like Melton, most consents will be for schemes covering less than 0.25 ha), or refer to building conversions, changes of use or rebuilds rather than being sites. In most cases the proposed employment floorspace has been given an equivalent employment land figure using a multiplier of 3,900 sqm/ha. This equates to a typical industrial estate/business park development density for both office and industrial schemes. The exceptions are where the applicant has identified additional land, in addition to the main development sites, which forms part of the scheme (e.g. land for associated storage). This appendix outlines the assumptions made about sites included in the Council's monitoring records, explaining why certain sites have been deleted or why revised site areas have been used.

**Table 4.1 – Employment Sites Monitoring Appraisal\***

Category	App. No.	Address	Proposed floorspace, sqm*	Size, ha	Comment
Employment site	10/00149/FUL	White Lodge Farm, Ab Kettleby	57	0.01	New office for landscaping, agricultural contracting business Below 0.125 ha threshold Excluded
Employment site	12/00052/FUL	Stonepits Farm, Six Hills Road, Wartnaby	558	0.30	Construction of additional storage area and new agricultural style building for storage of timber Included as <b>Site 1: Stonepits Farm, Six Hills Road, Wartnaby (12/00052/FUL and 13/00880/FUL)</b>
Employment site	10/00912/FUL	St Gobain PAM, Welby Lane, Asfordby Hill	5,476	10.34	Erection of a new industrial unit and open storage on 8.9 ha of land Included as <b>Site 2: St Gobain PAM, Welby Lane, Asfordby Hill (10/00912/FUL)</b>
Employment site	09/00356/OUT 12/00846/EXT	Holwell Works, Asfordby Hill	36,152	12.10	Extend time limit to 09/00356/OUT-Outline development of 35,080 square metres of B1(c)

Category	App. No.	Address	Proposed floorspace, sqm*	Size, ha	Comment
					B2 and B8 industrial, warehouse units with parking and serving area. Construction of access road with cycleway and footpath, ancillary works and landscaping Included as <b>Site 3: Holwell Works, Asfordby Hill (Melton Mowbray Business Park) (09/00356/OUT)</b>
Change of Use	10/00272/EXT & 07/00094/COU	Engine Yard, Belvoir	-	-	Time extension to COU to outbuildings to create rural workspace Previous use was general maintenance depot (i.e. use class B1(c) or B2) Change of use within the B Classes (no new employment land/premises proposed) Excluded
Change of Use	09/00267/FUL	Barlows Lodge, Colston Lane, Harby	138	0.035	Change of use of part of farm to B8 storage involving placing up to 10 storage units on land. Below 0.125 ha threshold Excluded
Employment site	11/00380/FUL	Rural Industrial Estate Station Road John O Gaunt	200	0.05	Construction of 3 workshop units Below 0.125 ha threshold Excluded
Change of Use	12/00361/COU	Land Adjacent 54 Barkers Farm Church Lane Long Clawson	612	0.16	Change of use of agricultural buildings to use for B1 uses at Barkers Farm Included as <b>Site 4: Land Adjacent 54 Barkers Farm, Church Lane, Long Clawson (12/00361/COU)</b>
Employment site	11/00968/REM 11/00970/EXT	Weldhall Ltd, Melton Road, Long Clawson	824	0.21	New industrial buildings Included as <b>Site 5: Weldhall Ltd, Melton Road, Long Clawson (11/00968/REM)</b>
Employment site	10/00190/EXT (06/01012/OUT)	Land West Of Bowling Green Leicester	7,128	1.83	Development to provide buildings for B1 use within a Business Park

Category	App. No.	Address	Proposed floorspace, sqm*	Size, ha	Comment
		Road Melton Mowbray			setting to allow a phased approach to the development. Included as <b>Site 6: Land West Of Bowling Green, Leicester Road, Melton Mowbray (Melton Fields Business Park) (06/01012/OUT)</b>
Change of Use	12/00483/COU	Exel Logistics (now Hallmark) Green Bank Melton Mowbray	-	-	Change of use from B8 to B2 Change of use within the B Classes (no new employment land/premises proposed) Excluded
Employment site	13/00229/FUL	Exel Logistics (now Hallmark) Green Bank Melton Mowbray	322	0.08	Extension to Offices & new fenestration (windows) to existing warehouse. Below 0.125 ha threshold Excluded
Employment site	11/00173	Melton Building Supplies 52 Thorpe Road Melton Mowbray	198	0.05	Extension to existing building for storage of building materials Below 0.125 ha threshold Excluded
Rebuild/Building conversion	13/00029/FUL	TruFrame Units 4P And 4Q Hudson Road Melton Mowbray	81	0.02	First floor extension to existing offices. Excluded as building conversion
Employment site	12/00849/FUL	Dry Transfers Of Melton Ltd Jubilee Street Melton Mowbray	36	0.009	Side single storey extension to unit. Below 0.125 ha threshold Excluded
Employment site	12/00883/FUL	2 Mill Lane Melton Mowbray	216	0.06	Demolish existing detached 2 storey house and construct a steel clad portal building for B1 and B2 use. Below 0.125 ha threshold Excluded
Change of Use	11/00916/COU	Airfield Farm Dalby Road	-	-	Change of use to storage and businesses.

Category	App. No.	Address	Proposed floorspace, sqm*	Size, ha	Comment
		Melton Mowbray			Land previously in B8 use Change of use within the B Classes (no new employment land proposed) Excluded
Change of Use	10/00318/COU	Greenacre Dalby Road Nether Broughton	Not stated	0.14	Change of use of domestic garage to ice cream making room to include new doors and windows.  Included as <b>Site 7: Greenacre, Dalby Road, Nether Broughton (10/00318/COU)</b>
Employment site	12/00485/FUL	Hangar 10 Normanton Airfield Main Street Normanton	32	0.008	Installation of 2 x 30Te silos to feed a 1Te bagging plant and a 25kg bagging facility. Below 0.125 ha threshold Excluded
Change of Use	11/00957/COU	Agricultural Livestock Building Between Tunnel Farm and Saxelby View Farm Six Hills Lane, Tunnel Farm Six Hills Lane Old Dalby	1,595	0.41	Change of use from agricultural to B8 with some B2  Included as <b>Site 8: Agricultural Livestock Building Between Tunnel Farm and Saxelby View Farm Six Hills Lane, Tunnel Farm, Six Hills Lane, Old Dalby (11/00957/COU)</b>
Employment site	12/00218/OUT	Car Park Station Road Old Dalby	692	0.55	Outline application for operations centre for AE Faulks Ltd  Included as <b>Site 9: Car Park, Station Road, Old Dalby (12/00218/OUT)</b>
Employment site	10/00765/FUL	Websters Dairy 5 Main Street Saxelby	73	0.02	New two storey extension to dairy Below 0.125 ha threshold Excluded
Employment site	11/00961/FUL	New Estate Office North Drive Wartnaby	106	0.03	Proposed demolition of redundant barn and erection of new estate office and meeting room, adjacent to main entrance of Friars Well Estate. Below 0.125 ha threshold

Category	App. No.	Address	Proposed floorspace, sqm*	Size, ha	Comment
					Excluded
Employment site	12/00884/FUL	37 Edmondthorpe Road Wymondham	121	0.03	New office unit Below 0.125 ha threshold Excluded
Employment site	13/00451/FUL	SEME Unit 8 Hudson Road Melton Mowbray	180	0.05	Extension of industrial unit to allow expansion of the existing business. Below 0.125 ha threshold Excluded
Employment site	13/00486/FUL	Lodge Farm Six Hills Lane Old Dalby	219	0.06	New office building associated with existing agricultural use. Below 0.125 ha threshold Excluded
Employment site	13/00922/FUL	Waltham Centre For Pet Nutrition Freeby Lane Waltham On The Wolds	398	0.10	Single storey extension to existing dog care facility. Below 0.125 ha threshold Excluded
Employment site	13/00096/FUL	Brooksby Foods, 4 Pate Road, Melton Mowbray	321	0.08	Fit out of an existing industrial shell to extend an existing Food Production facility including associated external works and nominal elevational modifications. Below 0.125 ha threshold Excluded
Employment site	13/00135/FUL	Brooksby Foods, 4 Pate Road, Melton Mowbray	838	0.21	Construction of a single-storey despatch extension and packaging store, with car parking Included as <b>Site 10: Brooksby Foods, 4 Pate Road, Melton Mowbray (13/00135/FUL)</b>
Approval of developed building	13/00158/FUL	Long Clawson Dairy Ltd Rectory Lane Bottesford	375	0.10	Permanent approval of previous temporary dispatch/delivery building, i.e. building already developed. Excluded
Employment site	13/00382/FUL	Long Clawson Dairy Ltd 28 West End Long Clawson	600	0.15	Erection of new dry packaging storage building. Included as <b>Site 11: Long Clawson Dairy</b>

Category	App. No.	Address	Proposed floorspace, sqm*	Size, ha	Comment
					<b>Ltd, 28 West End, Long Clawson (13/00382/FUL)</b>
Employment site	13/00505/FUL	Long Clawson Dairy Ltd 28 West End Long Clawson	145	0.04	Extensions to existing packing building. Below 0.125 ha threshold Excluded
Employment site	13/00880/FUL	Stonepits Farm Six Hills Road Wartnaby	785	0.20	New timber products storage building on site of existing timber storage area. Included (combined with the other Stonepits farm consent above to become <b>Site 1: Stonepits Farm, Six Hills Road, Wartnaby (12/00052/FUL and 13/00880/FUL)</b> )
Employment site	13/00128/FUL	Land Adjacent Unit 9 Station Road Old Dalby	4,200	2.70	Outline application for enterprise village for B1 and B2 uses including earth modelling, road layout, drainage and strategic landscaping details. Included as <b>Site 12: Land Adjacent Unit 9, Station Road, Old Dalby (Old Dalby Enterprise Village) (12/00128/OUT)</b>
Employment site	13/00456/OUT	MC Waste Services 1 Pate Road Melton Mowbray	2,750	0.71	Construction of a food production facility and associated external works. Included as <b>Site 13: MC Waste Services, 1 Pate Road, Melton Mowbray (13/00456/OUT)</b>
Employment site	13/00121/FUL	Truframe Units 4P And 4Q Hudson Road Melton Mowbray	1,350	0.35	Erection of 3 storage units to existing units, and new pallisade fencing. Included as <b>Site 14: Truframe, Units 4P and 4Q, Hudson Road, Melton Mowbray (13/00121/FUL)</b>
Rebuild/Building conversion	13/00089/FUL	Animal Defence Centre Headquarters Remount Road Melton	80	0.02	New welfare building to include demolition of original Rebuild of existing welfare building Excluded

Category	App. No.	Address	Proposed floorspace, sqm*	Size, ha	Comment
		Mowbray			
Employment site	14/00384/FUL	Estate Office, Off Main Street, Buckminster	435	0.11	Convert agricultural building to Estate Office Below 0.125 ha threshold Excluded
Employment site	14/00704/FUL	25 Pate Road, Melton Mowbray	432	0.11	Extension to commercial unit Below 0.125 ha threshold Excluded
Employment site	14/00177/FUL	Melton Foods, Samworth Way, Melton Mowbray	995	0.26	<ul style="list-style-type: none"> <li>Erection of 4No. chill stores to South Elevation.</li> <li>Location of prefabricated office unit.</li> <li>Enlargement of existing storage tent to North Elevation.</li> <li>Erection of tent structure for machine storage.</li> <li>Small Chill store and waste enclosure to East Elevation.</li> </ul> <p>Included as <b>Site 15: Melton Foods, Samworth Way, Melton Mowbray (14/00177/FUL)</b></p>
Employment site	14/00217/FUL	Unit 13a Station Road, Old Dalby	595	0.15	Demolish existing garages and construct new storage warehouse Included as <b>Site 16: Unit 13a Station Road, Old Dalby (14/00217/FUL)</b>
Employment site	14/00407/FUL	Kettleby Foods, 2 Samworth Way, Melton Mowbray	820	0.21	Extension of an existing food production facility to provide additional despatch store space. Included as <b>Site 17: Kettleby Foods, 2 Samworth Way, Melton (14/00407/FUL)</b>
Employment site	14/00464/FUL	The Maples, Knossington Rd, Somerby	74	0.02	Erection of building to prepare vehicles and equipment for scrap disposal Below 0.125 ha threshold Excluded
Change of Use	14/00297/COU	Borough Court, Tilton Road,	-	-	Change of use of storage/warehouse into offices and warehouse

Category	App. No.	Address	Proposed floorspace, sqm*	Size, ha	Comment
		Burrough on the Hill			Change of use within the B Classes (no new employment land/premises proposed) Excluded
Change of Use	14/00364/COU	Church Farm, 11 Main St, Saxelby	35	0.008	Change of use from Agricultural to B1 Below 0.125 ha threshold Excluded
Change of Use (Land Loss)	14/00462/COU	21 Leicester Street, Melton Mowbray	31	0.008	Change of use from office to shop (A1), i.e. employment land loss rather than gain. Excluded
Change of Use	14/00481/COU	Acrelands, Orston Lane, Bottesford	-	-	Change of use from container/skip/equipment storage under planning permission 2010/0619/06 to the storage of plant and equipment and ancillary operations relating to the existing plant hire business. B Classes (no new employment land/premises proposed) Excluded
Change of Use	14/00664/FUL	Barlows Lodge, Colston Lane, Harby	451	0.120	Change of use of 5 sheds from agricultural to B2 and B8 Below 0.125 ha threshold Excluded
Change of Use (Land Loss)	14/00785/FUL	4 The Ammexe, Normanton Lane, Business Park, Bottesford	113	0.03	Change of use from storage to youth club (D2), i.e. employment land loss rather than gain. Excluded
Employment site	14/00468/OUT	Land At Orston Lane, Bottesford	5,500	1.41	Proposed industrial development Included as <b>Site 18: Land at Orston Lane, Bottesford (14/00468/OUT)</b>

Source: BE Group/MBC, 2014

\*Net figures, where relevant.

## **Appendix 5**

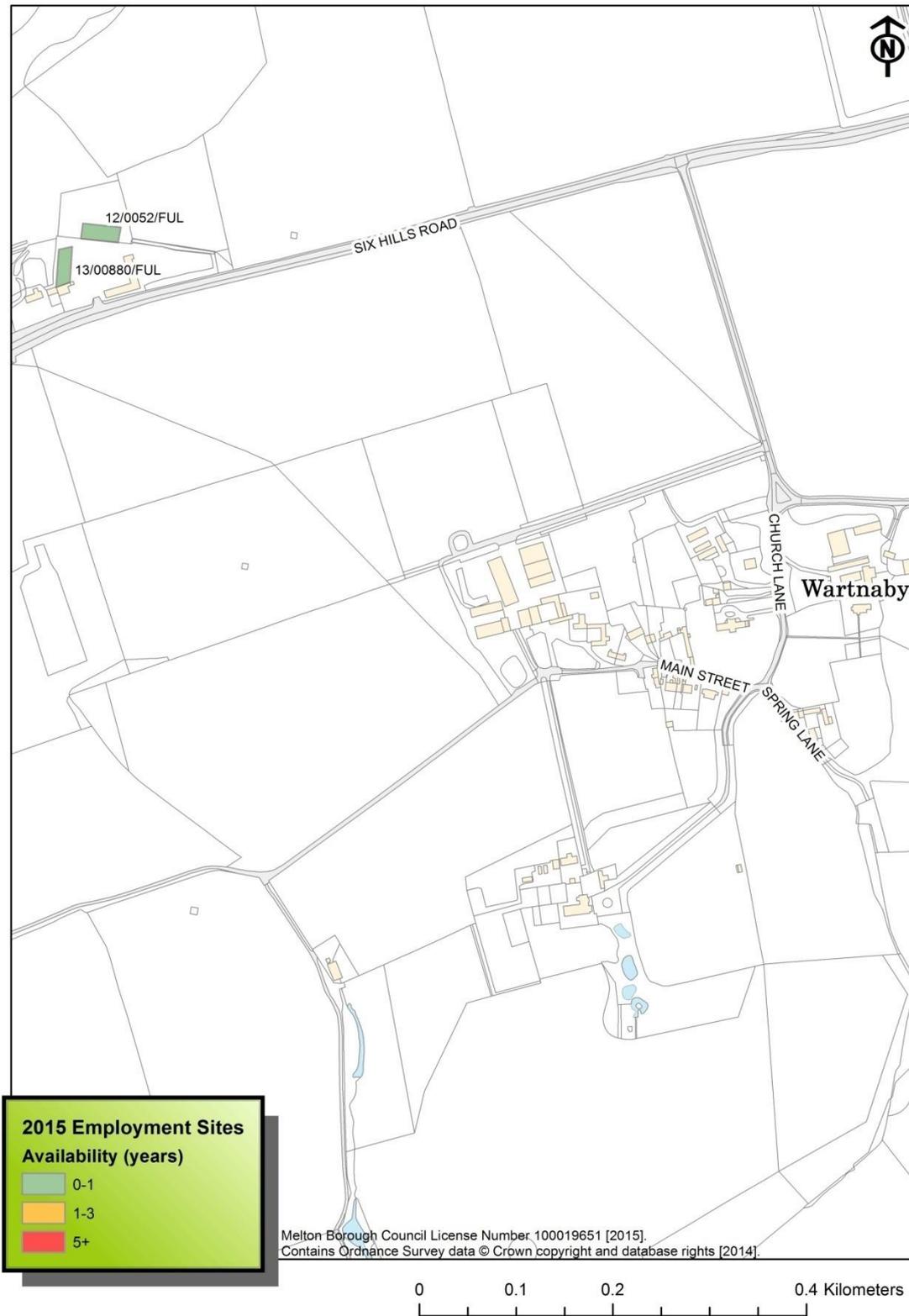
# **Employment Land Site Proformas**

## **Appendix 5 – Employment Land Site Proformas**

- A5.1 The employment land site proformas comprise identified relevant planning consents as at 31<sup>st</sup> January 2015.
- A5.2 These proformas are linked to the analysis in Section 6.0 of the main Employment Land Study document.
- A5.3 Each proforma is followed by a map which identifies the site by its planning application reference number.

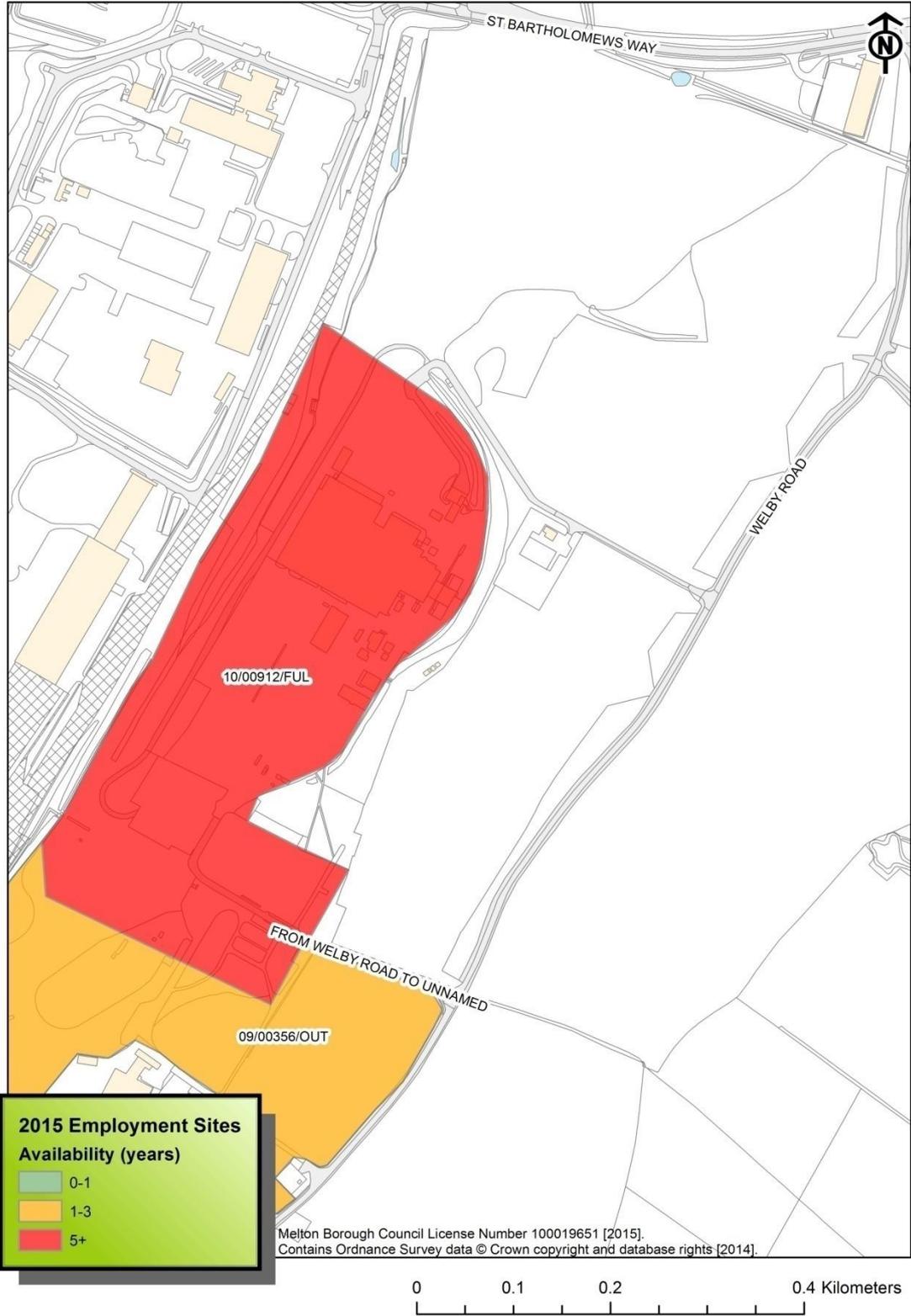
<b>Site Name</b>	<b>Site 1: Stonepits Farm, Six Hills Road, Wartnaby (12/00052/FUL and 13/00880/FUL)</b>
Owner	Stonepits Farm
Agent	Fairhurst Consultancy
Size, ha	0.50 (two developments of 0.30 and 0.20 ha)
Market Availability	Not Available
Planning Status (Allocated Uses)	Full planning consents (12/00052/FUL and 13/00880/FUL) for B8 use
Proposal	Construction of additional storage area and new agricultural style building for storage of timber (558 sqm plus approx. 0.15 ha of storage land) to support an existing timber products business (David Musson Fencing). Consent for a larger storage property (785 sqm on 0.20 ha) to the north west was secured in late 2013.
Constraints	None relevant – Site developed.
Comments	Both properties were under construction as of April 2014, and are assumed largely complete as of base date of this study. Uses associated with business operations and not available to other occupiers. A further two or three jobs will be created if the proposal is implemented, in addition to eight already employed.
Likely development potential	Industrial
Potential guidance market segment uses	Site for Specific Occupiers
Serviced	Yes
<i>Availability, years</i> Justification for Availability Estimate	<i>0-1</i> Site now developed

**Site 1: Stonepits Farm, Six Hills Road, Wartnaby (12/0052/FUL and 13/00880/FUL)**



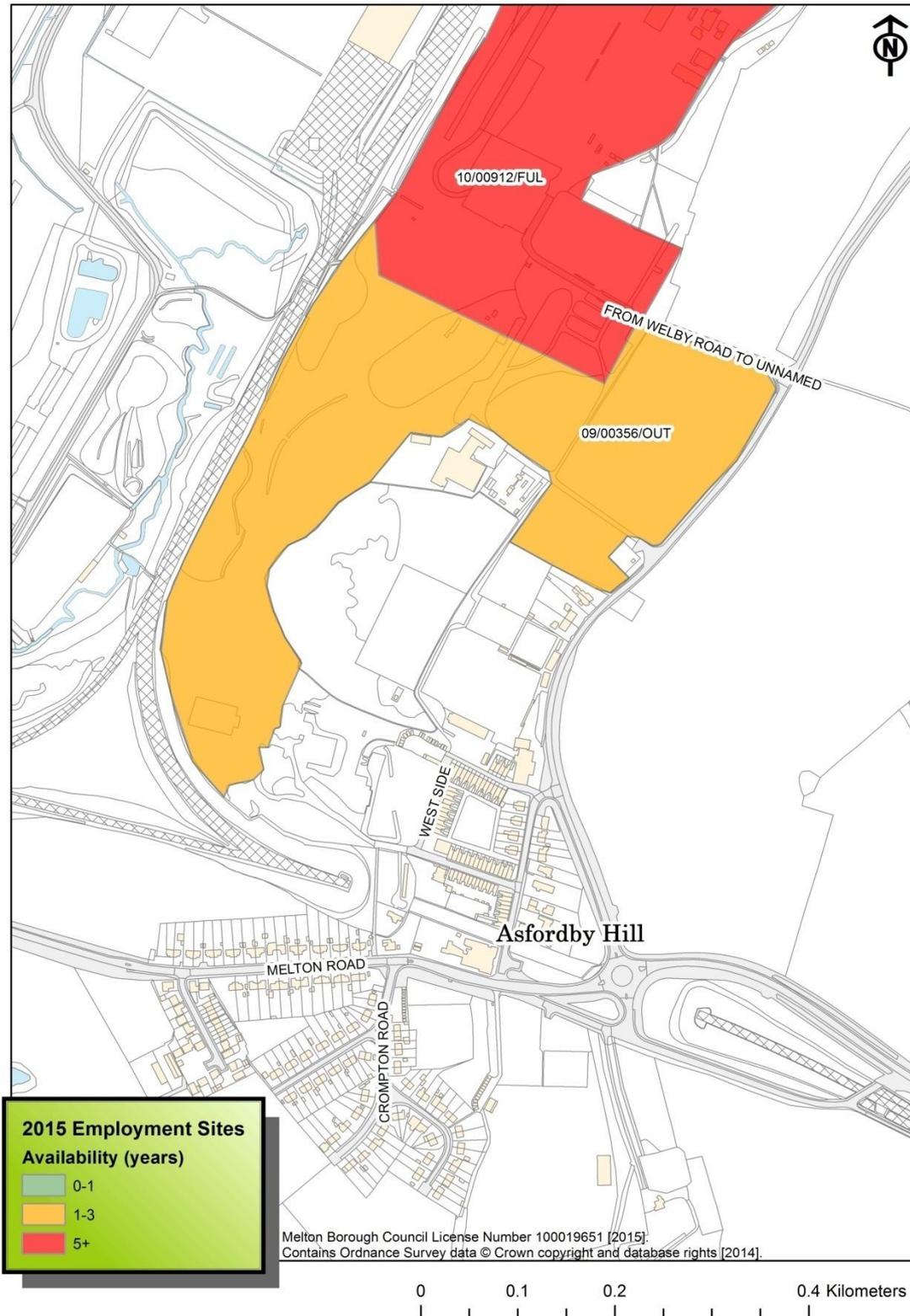
<b>Site Name</b>	<b>Site 2: St Gobain PAM, Welby Lane, Asfordby Hill (10/00912/FUL)</b>
Owner	St Gobain
Agent	Freeth Cartwright
Size, ha	10.34
Market Availability	Not available
Planning Status (Allocated Uses)	Full planning consent (10/00912/FUL) for B2 and B8 uses lapsed in February 2014.
Proposal	New industrial unit of on additional land. Proposal comprises 5,476 sqm of B2 space and 8.9 ha sqm of open storage land. Facilities would be for the manufacture of drainage related iron products, operated by St Gobain.
Constraints	Various pollution issues associated with adjoining uses
Comments	Consent has now lapsed. No evidence that St Gobain wish to proceed with this development. A further 59 jobs will be created if the proposal is implemented, in addition to 128 already employed.
Likely development potential	Industrial
Potential guidance market segment uses	Site for Specific Occupiers
Serviced	Yes
<i>Availability, years</i> Justification for Availability Estimate	5+ No evidence that St Gobain wish to proceed with this development in the short/medium term, or at all.

Site 2: St Gobain PAM, Welby Lane, Asfordby Hill (10/00912/FUL)



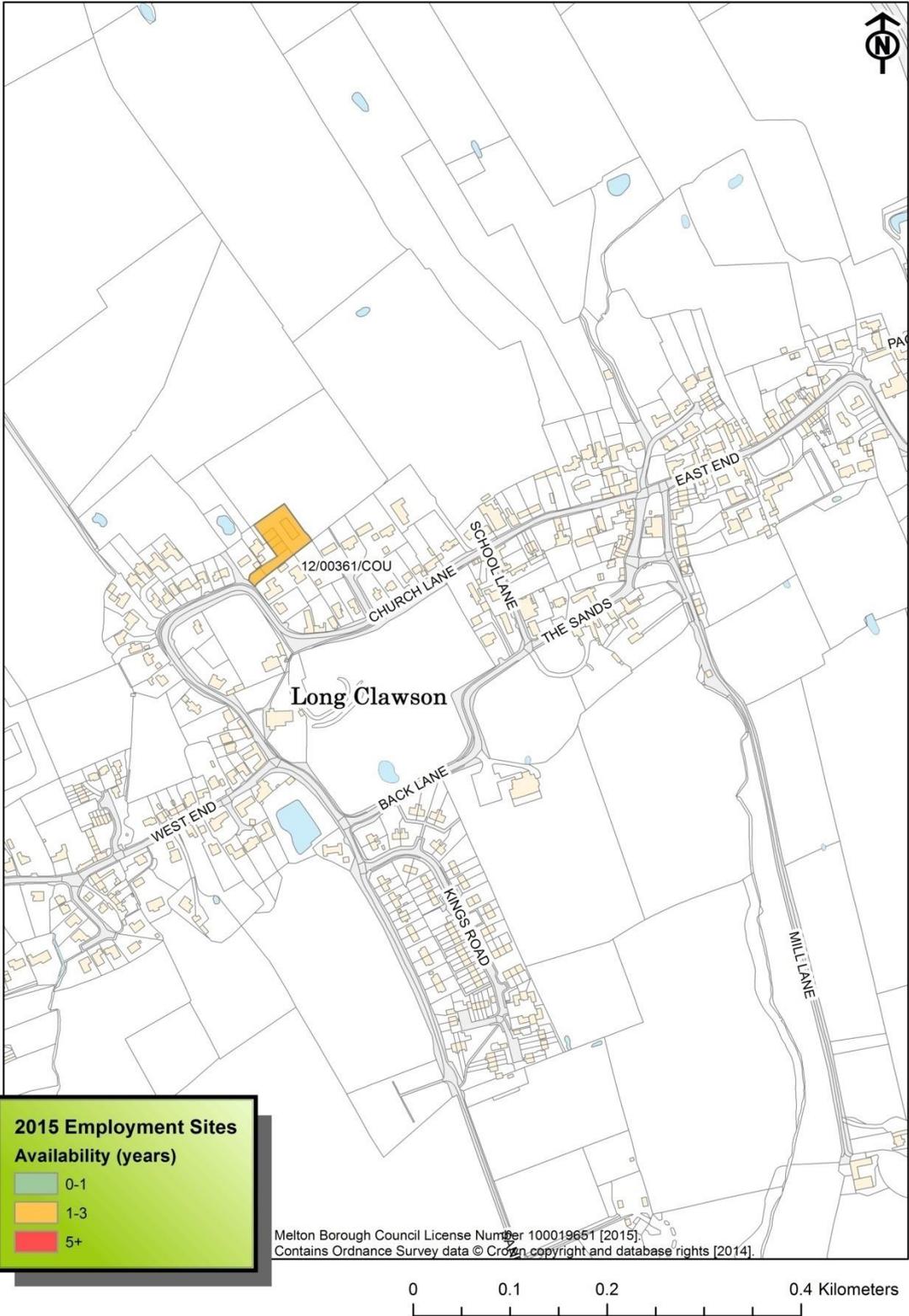
<b>Site Name</b>	<b>Site 3: Holwell Works, Asfordby Hill (Melton Mowbray Business Park) (09/00356/OUT)</b>
Owner	Rotherhill
Agent	Mather Jamie/Budworth Hardcastle
Size, ha	12.10
Market Availability	On the market as Melton Mowbray Business Park
Planning Status (Allocated Uses)	Outline consent (09/00356/OUT) for development of B1(c) B2 and B8 industrial, warehouse units. Subsequent time extension secured (12/00846/EXT), extending the amount of time available to submit Reserved Matters applications to April 2015.
Proposal	Proposed development of 35,080 square metres of B1(c) B2 and B8 industrial, warehouse units with parking and serving area. Construction of access road with cycleway and footpath, ancillary works and landscaping. Indicative Masterplan suggests 19 units could be delivered here in sizes ranging from 116 sqm to 6,735 sqm.
Constraints	Housing adjacent Contains three areas identified as of local ecological significance Some foundations, water tanks, hard surfaces remain from former industrial uses Some land contamination A small part of the site is at risk of flooding (Flood Zones 2 and 3)
Comments	A growing local company has now signed a developer agreement for the purchase of 0.6 ha of land at Melton Business Park. This would be developed for 5,000 sqm of space at a combined cost (land purchase and development) of £1.7 million Agents marketing this site report modest interest on this land for industrial uses, both from local developers and companies looking to expand. Land is available freehold here with land values at £494,000/ha. It is worth noting that some large local businesses, seeking expansion/relocation land have judged this site too expensive. Owner may also have some aspirations for housing here.
Likely development potential	Industrial
Potential guidance market segment uses	Warehouse/Distribution Park General Business/Industrial Area Site for Specific Occupiers Heavy/Specialist Industrial Site
Serviced	No
<i>Availability, years</i> Justification for Availability Estimate	5+ The development of 0.6 ha of land here is expected in the short term. However, there is no evidence of other developments coming forward at this time. Thus the full completion of the site remains a longer term prospect.

Site 3: Holwell Works, Asfordby Hill (Melton Mowbray Business Park) (09/00356/OUT)



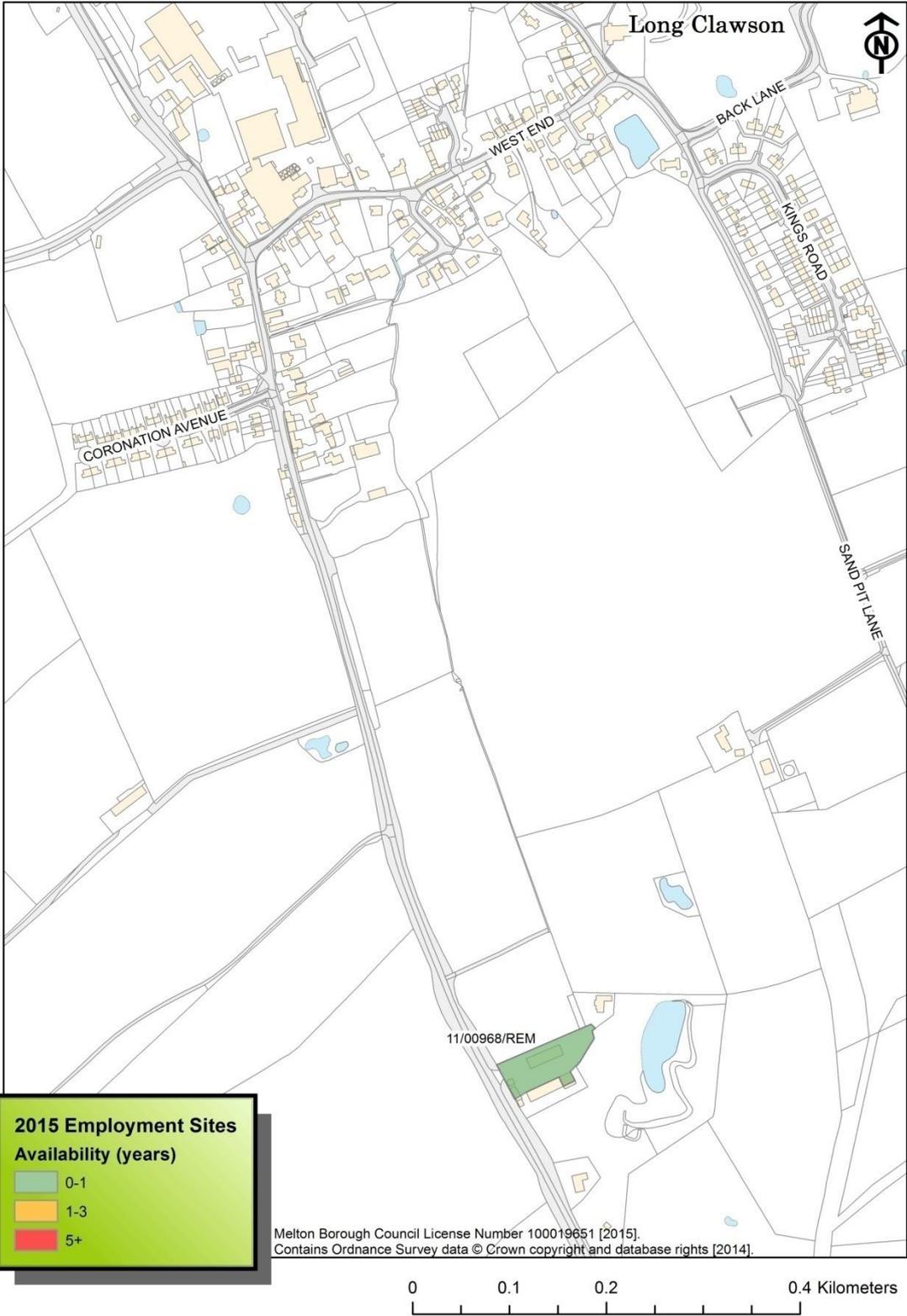
<b>Site Name</b>	<b>Site 4: Land Adjacent 54 Barkers Farm, Church Lane, Long Clawson (12/00361/COU)</b>
Owner	Private individuals
Agent	HSSP Architects
Size, ha	0.16
Market Availability	Not Available
Planning Status (Allocated Uses)	Full planning consent (12/00361/COU) for B1(c) use
Proposal	Change of use of agricultural buildings of 612 sqm to use for B1 uses at Barkers Farm
Constraints	Housing adjacent
Comments	Not started as of study base date. Consent lapses in August 2015 Uses associated with farm operations and not available to other occupiers.
Likely development potential	Industrial
Potential guidance market segment uses	Site for Specific Occupiers
Serviced	Yes
<i>Availability, years</i> Justification for Availability Estimate	1-3 Assumes that the consent will have to be implemented quickly, or it will lapse

Site 4: Land Adjacent 54 Barkers Farm, Church Lane, Long Clawson (12/00361/COU)



<b>Site Name</b>	<b>Site 5: Weldhall Ltd, Melton Road, Long Clawson (11/00968/REM)</b>
Owner	Weldhall
Agent	Richard Ling and Associates
Size, ha	0.21
Market Availability	Not Available
Planning Status (Allocated Uses)	Full planning consent (11/00968/REM and 11/00970/EXT) for B1(a and c) use
Proposal	Site redevelopment for 824 sqm of new industrial buildings
Constraints	None relevant – Site developed.
Comments	Completed in early 2014. Uses associated with business operations and not available to other occupiers.
Likely development potential	Industrial
Potential guidance market segment uses	Site for Specific Occupiers
Serviced	Yes
<i>Availability, years</i> Justification for Availability Estimate	<i>0-1</i> Site now developed

Site 5: Weldhall Ltd, Melton Road, Long Clawson (11/00968/REM)



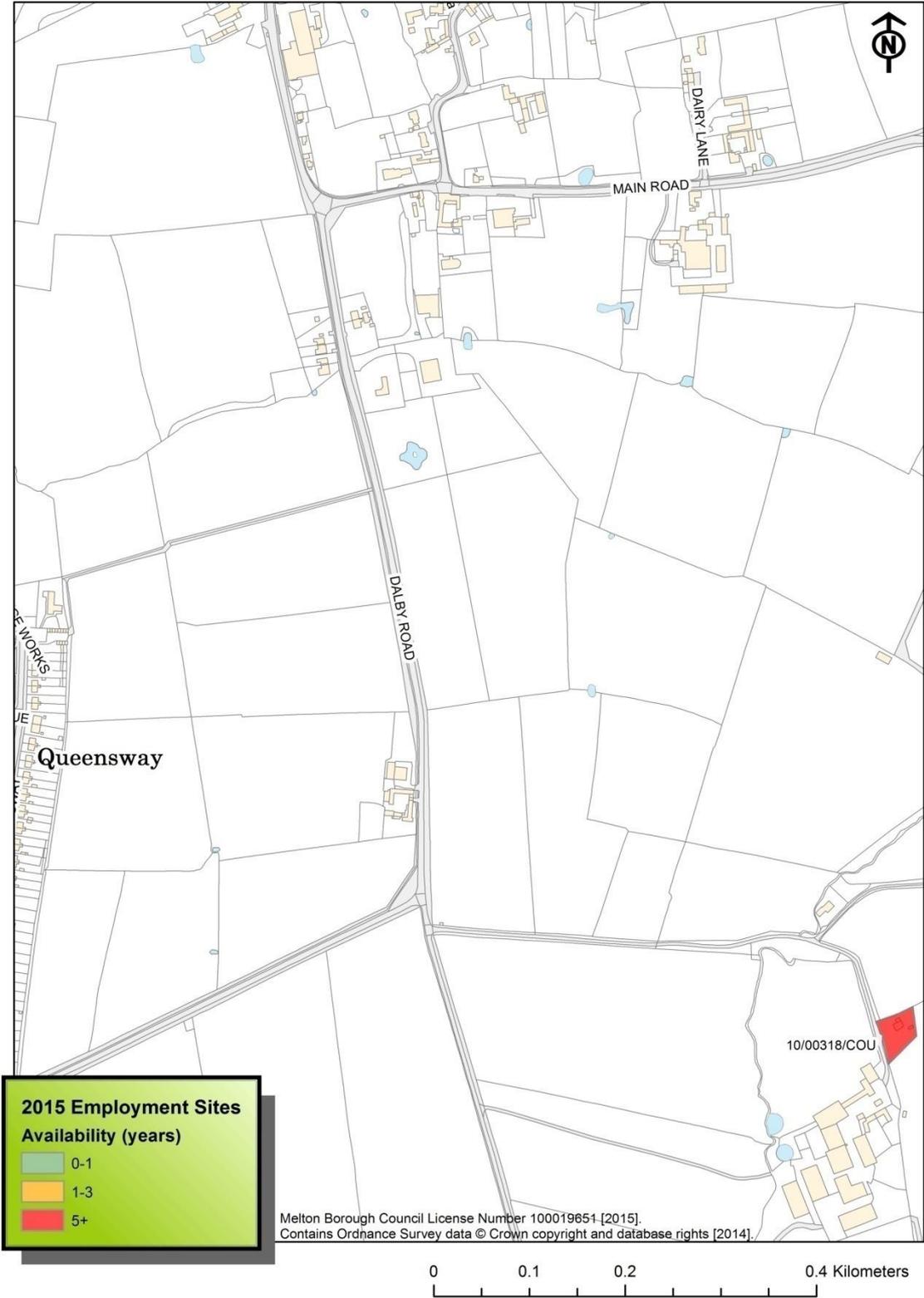
<b>Site Name</b>	<b>Site 6: Land West of Bowling Green, Leicester Road, Melton Mowbray (Melton Fields Business Park) (06/01012/OUT)</b>
Owner	WG Herbert Holdings (Westleigh)
Agent	Mather Jamie/Shoulers/Lambert Smith Hampton
Size, ha	1.83
Market Availability	On the market as Melton Fields Business Park
Planning Status (Allocated Uses)	Outline consent (06/01012/OUT) for B1 business park. Subsequent time extension secured (10/00190/EXT), extending the amount of time available to submit Reserved Matters applications to August 2013.
Proposal	Buildings for B1 use within a Business Park setting to allow a phased approach to the development. Premises available from 100-6,000 sqm
Constraints	There are constraints on the power supply in the Leicester Road area. Western Power is in discussions with the Council for the acquisition of site to the south of the Borough for the installation of a new sub-station to address these issues.
Comments	On the market for some nine years. Primarily marketed for self contained offices. Agents, consulted for this study, argue that this is not a desirable location for such uses. Attempts to develop similar self-contained properties in Oakham and Uppingham, Rutland, in recent years have been unsuccessful. Land prices also felt to be high. Felt to need a third part to developer to initiate development and show what can be achieved. Owner now seeking a residential consent on the site with application 14/00995/OUT which is seeking 54 residential units and also provides for 1,360 sqm of B1(a) offices. If consented, this would only leave 0.35 ha in B1(a) employment use.
Likely development potential	Office/industrial
Potential guidance market segment uses	General Business/Industrial Area Site for Specific Occupiers Established/Potential Office Locations High Quality Business Parks
Serviced	Yes
<i>Availability, years</i> Justification for Availability Estimate	5+ Given the lack of demand for offices here there is no prospect of land take up in the short or medium term. Indeed the owner is now seeking a mixed use scheme here which, if the current application is consented, would only retain around 0.35 ha in B1(a) employment use.

**Site 6: Land West Of Bowling Green, Leicester Road, Melton Mowbray (Melton Fields Business Park) (06/01012/OUT)**



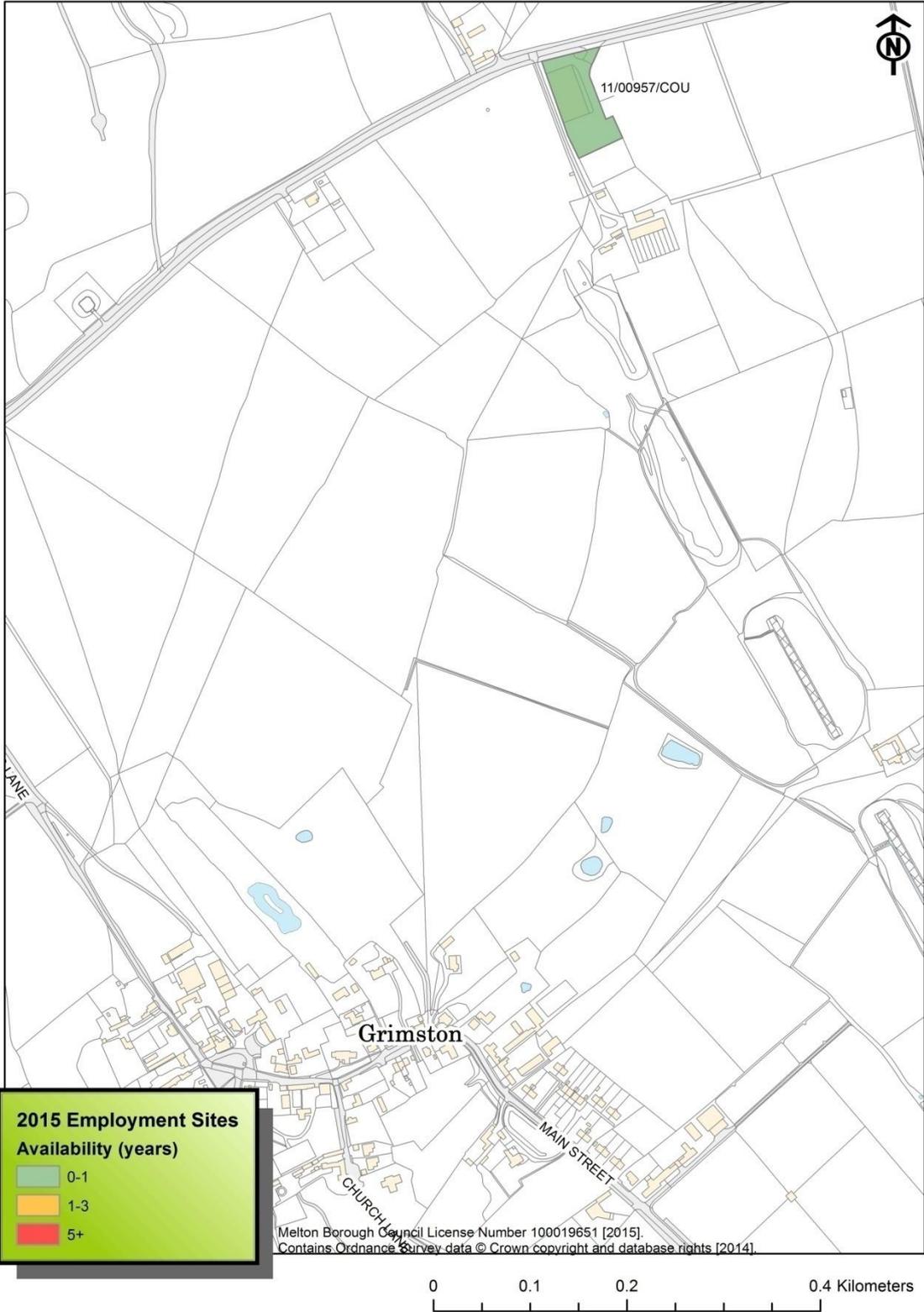
<b>Site Name</b>	<b>Site 7: Greenacre, Dalby Road, Nether Broughton (10/00318/COU)</b>
Owner	Private individual
Agent	AN Walton
Size, ha	0.14
Market Availability	Not available
Planning Status (Allocated Uses)	Full planning consent (10/00318/COU) for B1(c) use
Proposal	Change of use of domestic garage to ice cream making room to include new doors and windows. Will use surplus milk from the farm to create artisan ice cream.
Constraints	Housing adjacent
Comments	Consent lapsed in June 2013, no evidence that this proposal will be taken forward. Uses associated with business operations and not available to other occupiers. A further two jobs will be created if the proposal is implemented.
Likely development potential	Industrial
Potential guidance market segment uses	Site for Specific Occupiers
Serviced	Yes
<i>Availability, years</i> Justification for Availability Estimate	5+ Consent lapsed in 2013, no evidence that this proposal will be taken forward

Site 7: Greenacre, Dalby Road, Nether Broughton (10/00318/COU)



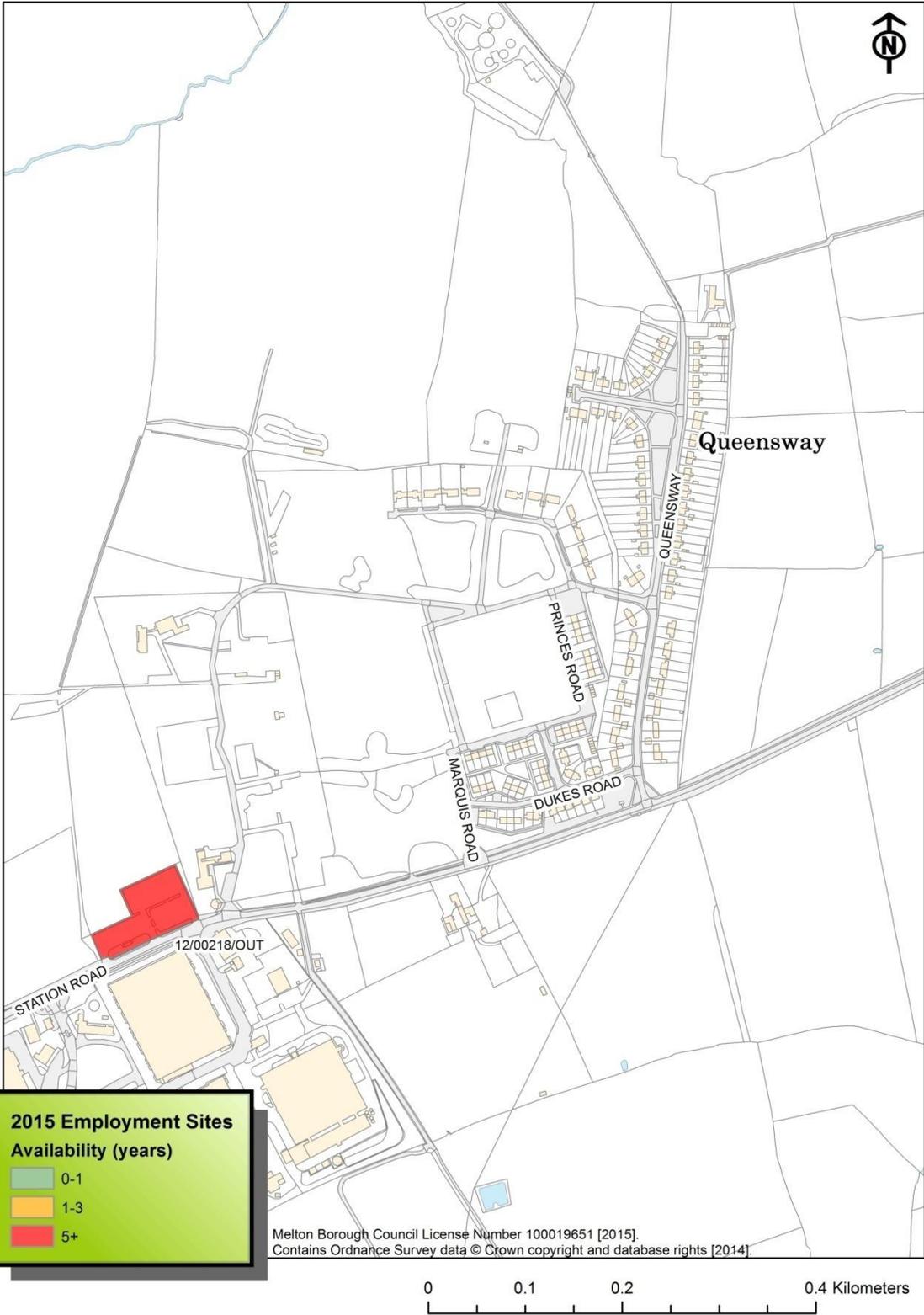
<b>Site Name</b>	<b>Site 8: Agricultural Livestock Building Between Tunnel Farm and Saxelby View Farm Six Hills Lane, Tunnel Farm, Six Hills Lane, Old Dalby (11/00957/COU)</b>
Owner	Friar's Well Estate
Agent	Fairhurst Consultancy
Size, ha	0.41
Market Availability	Not available
Planning Status (Allocated Uses)	Full planning consent (11/00957/COU) for B8 and B2 uses
Proposal	Change of use of agricultural cattle sheds to B8 storage with some manufacturing uses.
Constraints	None relevant – Site developed
Comments	Property redeveloped in 2014 but not yet occupied.
Likely development potential	Industrial
Potential guidance market segment uses	Site for Specific Occupiers
Serviced	Yes
<i>Availability, years</i> Justification for Availability Estimate	<i>0-1</i> Site developed now

**Site 8: Agricultural Livestock Building Between Tunnel Farm and Saxelby View Farm Six Hills Lane, Tunnel Farm, Six Hills Lane, Old Dalby (11/00957/COU)**



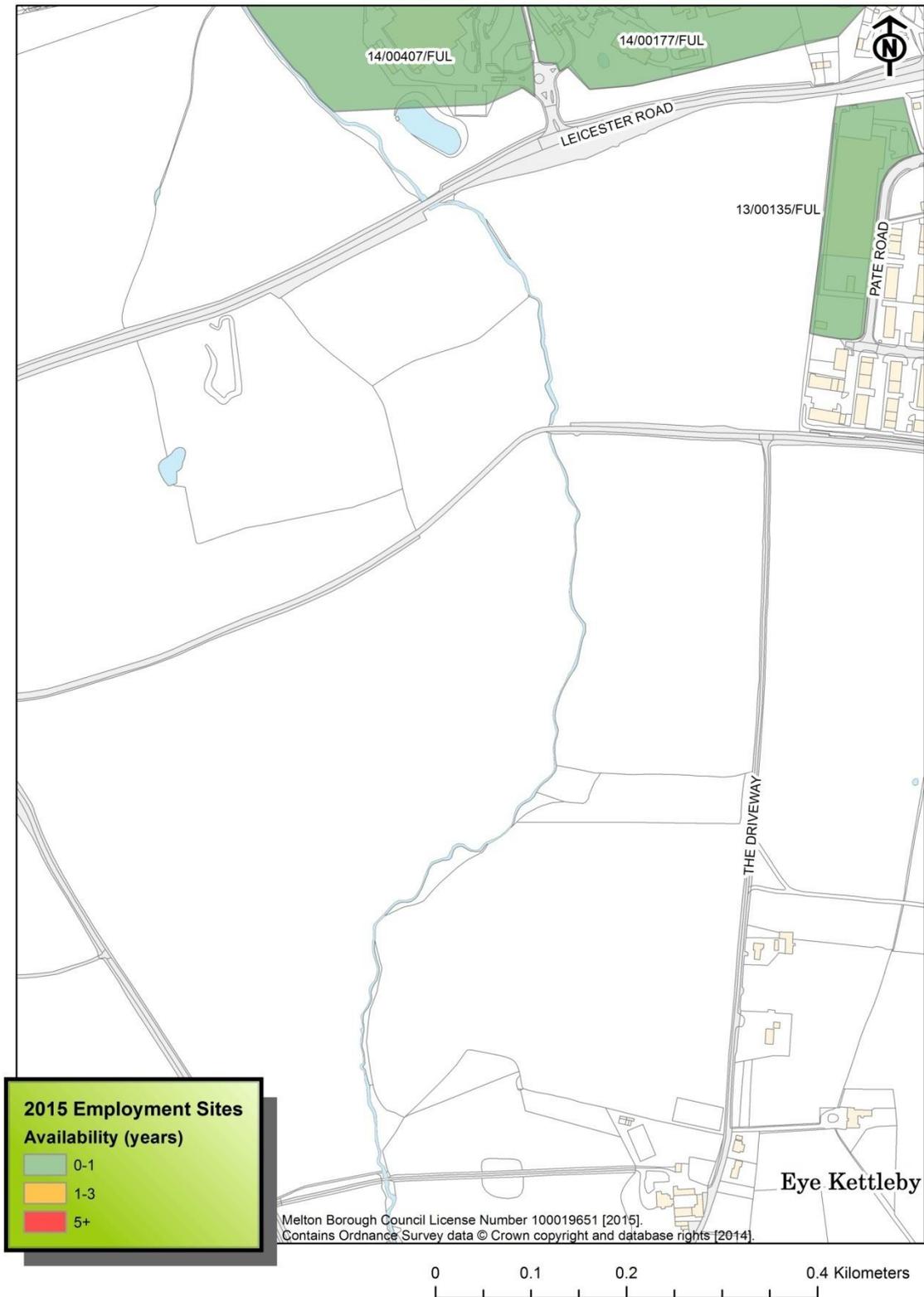
<b>Site Name</b>	<b>Site 9: Car Park, Station Road, Old Dalby (12/00218/OUT)</b>
Owner	Private Individual
Agent	Fairhurst Consultancy
Size, ha	0.55
Market Availability	Not available
Planning Status (Allocated Uses)	Outline consent (12/00218/OUT) for B1(a) and B2 uses Separate consent (13/00857/FUL) for revised access arrangements which has been implemented.
Proposal	Operations centre for AE Faulks Ltd of 692 sqm, comprising 260 sqm of B1(a) and 432 sqm of B2 The proposal includes a 5 bay lorry and construction equipment workshop, a covered lorry wash bay, offices and staff facilities and associated parking and storage facilities. There will also be associated fuel storage tanks, parking facilities for staff cars, lorries, road sweepers, plant and equipment, an area for the storage of machinery attachments such as buckets and about 300 tonnes of road stone aggregate and soils.
Constraints	Adjacent recreation facilities
Comments	Site now in use for lorry parking and open storage, not clear if the full proposal is now required. Current consent is associated with a specific business, but the site could be made available to other occupiers, if no longer required by that company A further 19 jobs will be created if the proposal is implemented.
Likely development potential	Office/industrial
Potential guidance market segment uses	Site for Specific Occupiers
Serviced	No
<i>Availability, years</i> Justification for Availability Estimate	5+ Site now in use for lorry parking and open storage, not clear if the full proposal is now required.

Site 9: Car Park, Station Road, Old Dalby (12/00218/OUT)



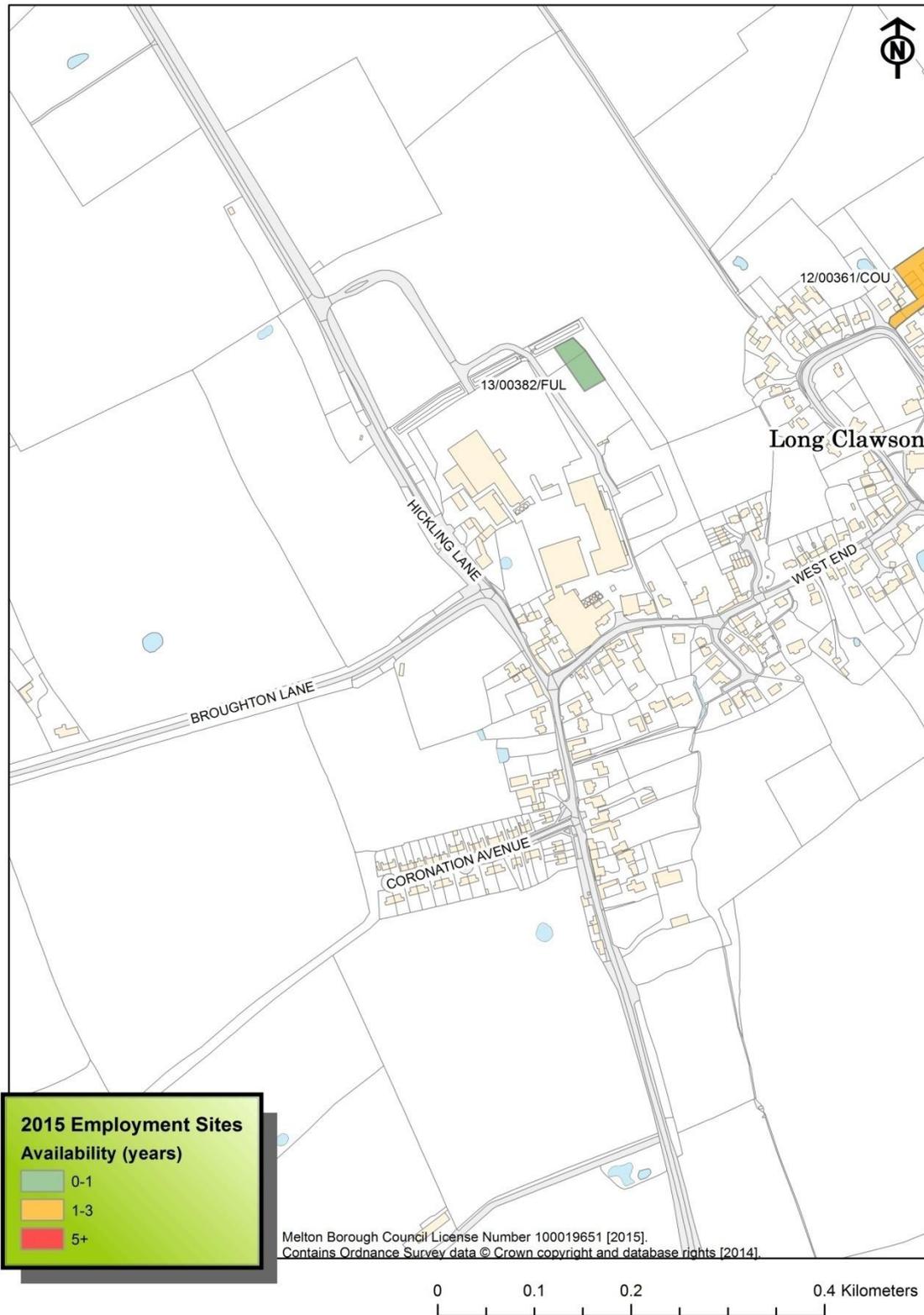
<b>Site Name</b>	<b>Site 10: Brooksby Foods, 4 Pate Road, Melton Mowbray (13/00135/FUL)</b>
Owner	Tecnos Holdings
Agent	Williams-Architects
Size, ha	0.21
Market Availability	Not available
Planning Status (Allocated Uses)	Full consent (13/00135/FUL) for B2 uses
Proposal	Construction of a single-storey despatch extension (838 sqm) and packaging store, with car parking
Constraints	None relevant – Site developed
Comments	Development completed in 2014. Uses associated with business operations and not available to other occupiers. Previous issues with power supply at Brooksby Foods have been addressed with the provision a heavy duty power cable from near the Council offices to Leicester Road.
Likely development potential	Industrial
Potential guidance market segment uses	Site for Specific Occupiers
Serviced	Yes
<i>Availability, years</i> Justification for Availability Estimate	0-1 Site now developed

Site 10: Brooksby Foods, 4 Pate Road, Melton Mowbray (13/00135/FUL)



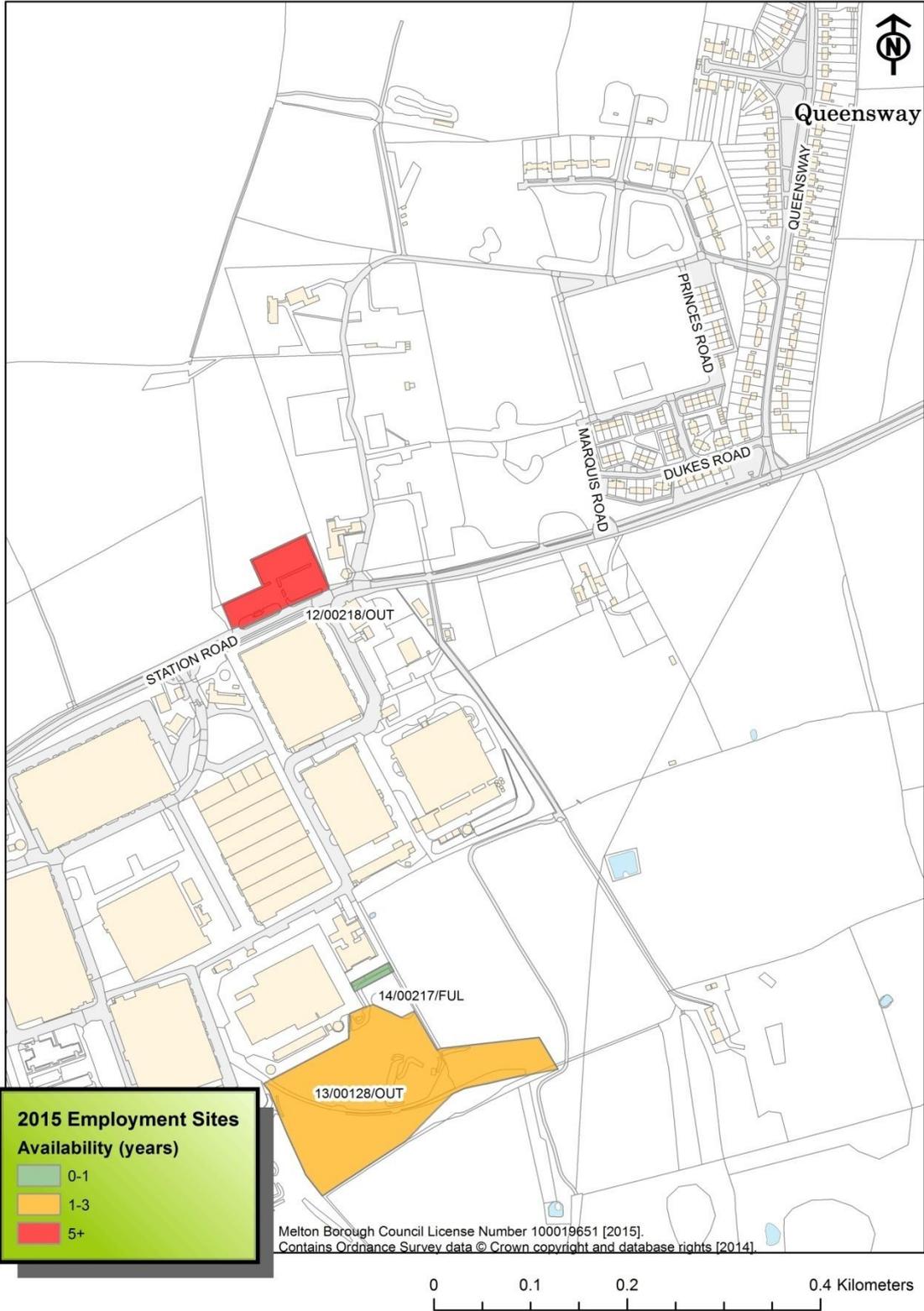
<b>Site Name</b>	<b>Site 11: Long Clawson Dairy Ltd, 28 West End, Long Clawson (13/00382/FUL)</b>
Owner	Long Clawson Dairy
Agent	HSSP Architects
Size, ha	0.15
Market Availability	Not available
Planning Status (Allocated Uses)	Full consent (13/00382/FUL) for B8 uses
Proposal	Erection of new dry packaging storage building of 600 sqm
Constraints	None relevant – Site developed
Comments	Development completed in 2014. Uses associated with business operations and not available to other occupiers.
Likely development potential	Industrial
Potential guidance market segment uses	Site for Specific Occupiers
Serviced	Yes
<i>Availability, years</i> Justification for Availability Estimate	<i>0-1</i> Site now developed

Site 11: Long Clawson Dairy Ltd, 28 West End, Long Clawson (13/00382/FUL)



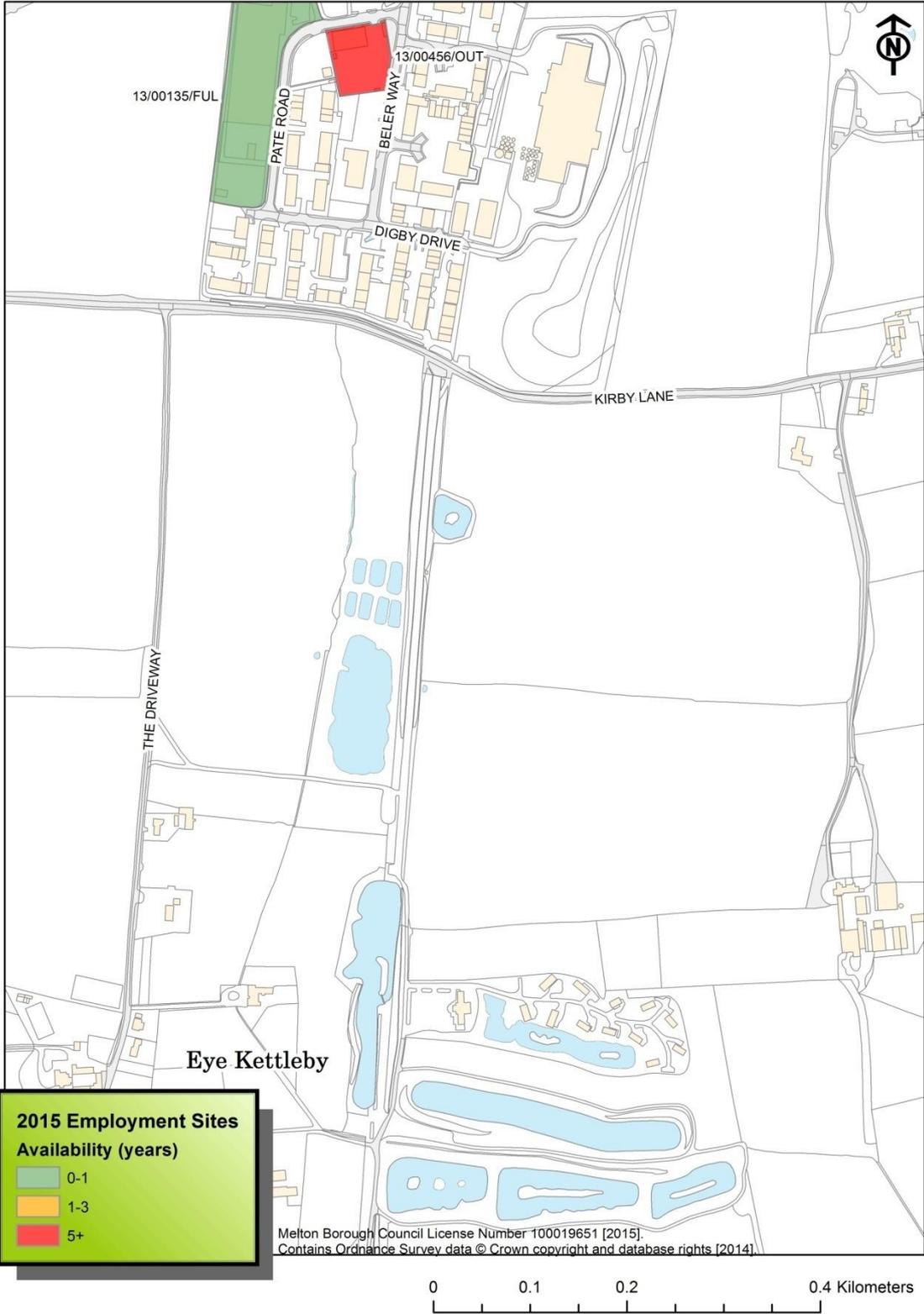
<b>Site Name</b>	<b>Site 12: Land Adjacent Unit 9, Station Road, Old Dalby (Old Dalby Enterprise Village) (12/00128/OUT)</b>
Owner	Heywood Estates/ABRO Properties
Agent	Lambert Smith Hampton
Size, ha	2.70
Market Availability	On the market as freehold commercial building plots (Old Dalby Enterprise Village)
Planning Status (Allocated Uses)	Outline consent (12/00128/OUT) for B1 and B2 uses
Proposal	<p>Proposed for 4,200 sqm of B1 and B2 uses including earth modelling, road layout, drainage and strategic landscaping details.</p> <p>Site marketed as freehold, serviced development plots suitable for buildings of 100-300 sqm, with prices of £49,000-£89,000.</p> <p>Area aimed at small scale start up businesses</p> <p>Space exists for up to 25 serviced building plots of between 100-450 sqm each. Developer Heywood Estates offers a full design and build package on this site.</p>
Constraints	<p>Backland location with constrained access</p> <p>Sloping site (now being addressed in site preparation works)</p> <p>Drains cross the site</p> <p>Trees onsite</p>
Comments	<p>Infrastructure development is currently underway, re-modelling 2.7 ha of hillside into three flat plateaus of buildable land, interconnected by access roads.</p> <p>The target is to have the lower plateau ready to hand over plots to freehold purchasers by the end of March 2015, so they can commence construction of their buildings and landscaping. The middle and upper plateaus are targeted to be ready for hand over by the end of June 2015.</p> <p>Limited initial interest in the development plots, although demand now appears to be improving, supporting an initial phase of development.</p> <p>Growing Places funds are available to support growth here.</p>
Likely development potential	Industrial
Potential guidance market segment uses	<p>General Business/Industrial Area</p> <p>Site for Specific Occupiers</p> <p>Incubator/SME Cluster Site</p>
Serviced	No (servicing under development)
<i>Availability, years</i> Justification for Availability Estimate	<p>1-3</p> <p>Site preparation works have now commenced and it is expected that the plateaus will be available for development in 2015. Phase I of development is expected to commence shortly after. However, take up of all the plots, in all phases, will still take time and even assuming strong demand it is likely that at least two years will be required for the take up of all plots and full site completion</p>

**Site 12: Land Adjacent Unit 9, Station Road, Old Dalby (Old Dalby Enterprise Village)  
(12/00128/OUT)**



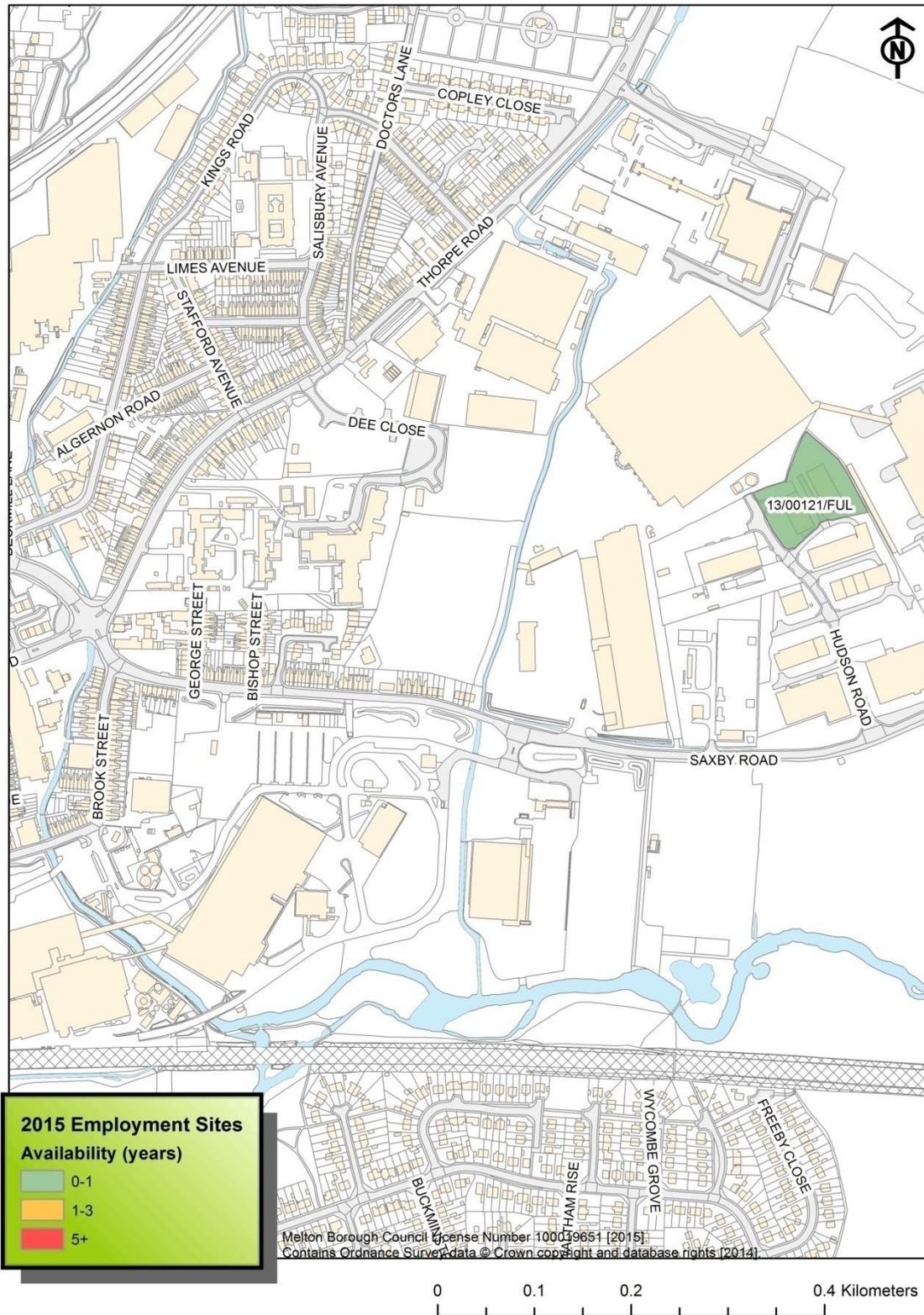
<b>Site Name</b>	<b>Site 13: MC Waste Services, 1 Pate Road, Melton Mowbray (13/00456/OUT)</b>
Owner	M Collard Waste Management Services/Samworth Foods
Agent	Williams Architects
Size, ha	0.71
Market Availability	Not available
Planning Status (Allocated Uses)	Outline consent (13/00456/OUT) for B2 uses
Proposal	Construction of a food production facility of 2,750 sqm and associated external works Proposed as expansion facilities for adjacent Brooksby Foods (Samworth Brothers)
Constraints	Vacant buildings onsite Possible contamination from previous uses Car parking onsite Trees onsite There are constraints on the power supply in the Leicester Road area. Western Power is in discussions with the Council for the acquisition of site to the south of the Borough for the installation of a new sub-station to address these issues. It is also assumed that if the site was developed for Samworth Brothers use then it would benefit from the heavy duty power cable which already feeds into the adjacent Brooksby Foods site.
Comments	In discussions, Samworth Brothers confirm that its short term expansion plans are focused at Melton Foods They indicate that it is unlikely that this site will be taken up in less than five years Outline consent lapses in September 2016 Current consent is associated with a specific business, but the site could be made available to other occupiers, if no longer required by that company
Likely development potential	Industrial
Potential guidance market segment uses	Site for Specific Occupiers
Serviced	No
<i>Availability, years</i> Justification for Availability Estimate	5+ In discussions, Samworth Brothers confirm that its short term expansion plans are focused at Melton Foods. They indicate that it is unlikely that this site will be taken up in less than five years.

Site 13: MC Waste Services, 1 Pate Road, Melton Mowbray (13/00456/OUT)



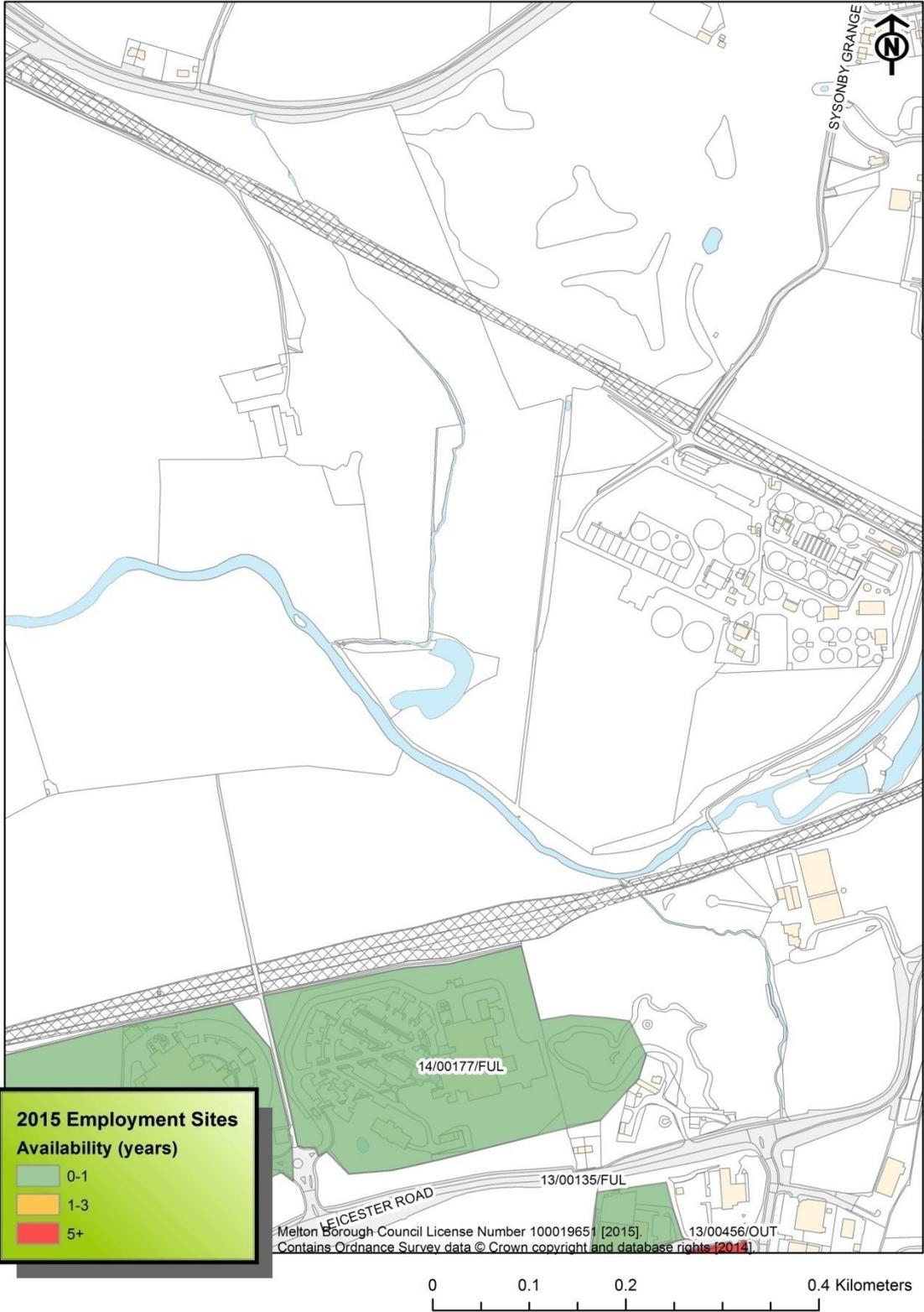
<b>Site Name</b>	<b>Site 14: Truframe, Units 4P and 4Q, Hudson Road, Melton Mowbray (13/00121/FUL)</b>
Owner	Seme Ltd Land leased to Truframe.
Agent	Gordon White and Hood
Size, ha	0.35
Market Availability	Not available
Planning Status (Allocated Uses)	Full planning consent (13/00121/FUL) for B8
Proposal	Erection of three storage units to existing units, totalling 1,350 sqm, and new pallisade fencing.
Constraints	There are constraints on the power supply in the Saxby Road area. Western Power is in discussions with the Council for the acquisition of site to the south of the Borough for the installation of a new sub-station to address these issues.
Comments	Site visit in February 2015 suggests that this development is largely/fully completed. Uses associated with business operations (Truframe) and not available to other occupiers. A further five jobs will be created if the proposal is implemented.
Likely development potential	Industrial
Potential guidance market segment uses	Site for Specific Occupiers
Serviced	Yes
<i>Availability, years</i> Justification for Availability Estimate	<i>0-1</i> Site now developed

Site 14: Truframe, Units 4P and 4Q, Hudson Road, Melton Mowbray (13/00121/FUL)



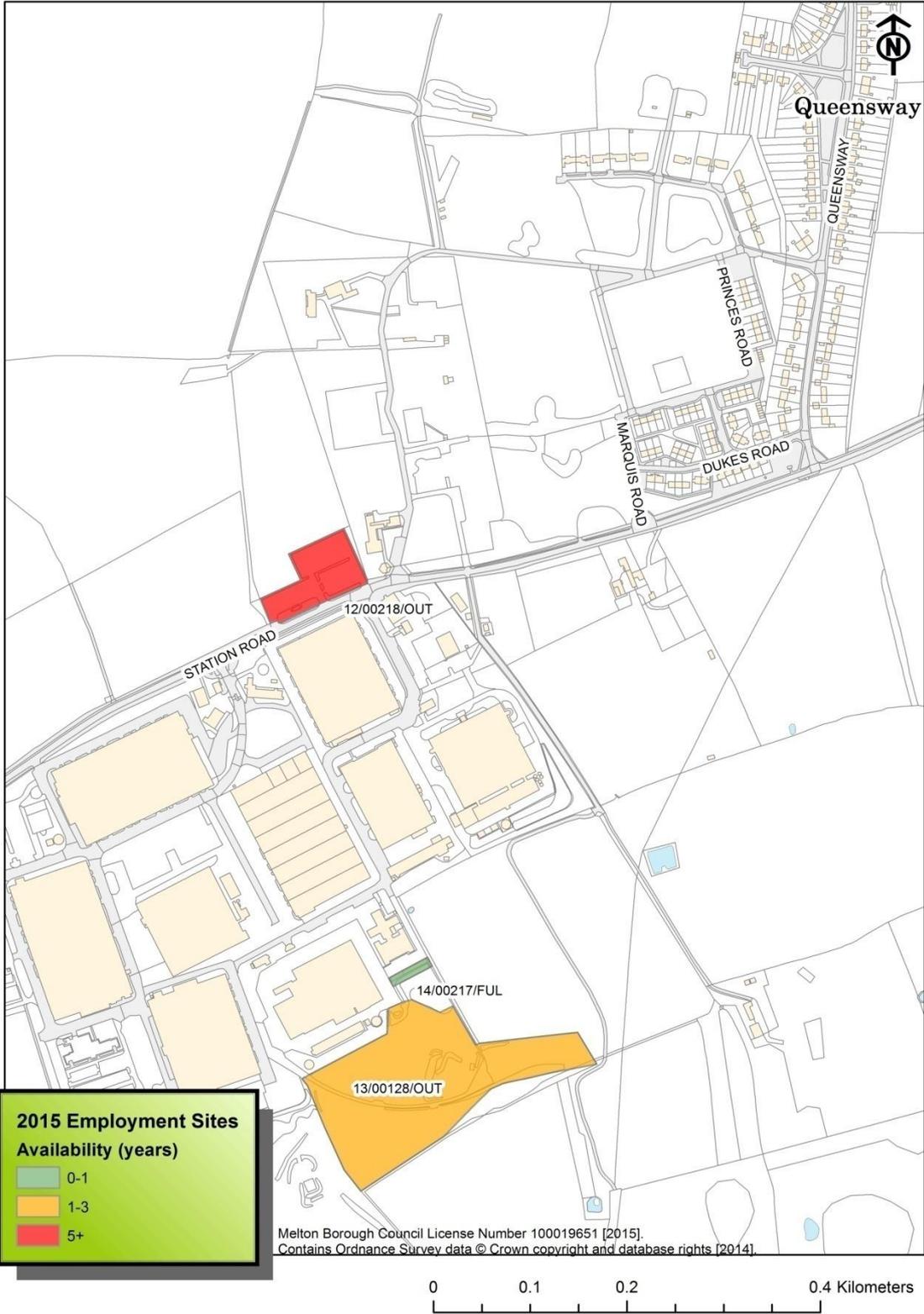
<b>Site Name</b>	<b>Site 15: Melton Foods, Samworth Way, Melton Mowbray (14/00177/FUL)</b>
Owner	Samworth Foods
Agent	Cox Freeman
Size, ha	0.26
Market Availability	Not available
Planning Status (Allocated Uses)	Full consent (14/00177/FUL) for B1(a), B2 and B8 uses
Proposal	<p>Multiple proposals:</p> <ul style="list-style-type: none"> <li>• Erection of four chill stores to South Elevation.</li> <li>• Location of prefabricated office unit.</li> <li>• Enlargement of existing storage tent to North Elevation.</li> <li>• Erection of tent structure for machine storage.</li> <li>• Small Chill store and waste enclosure to East Elevation.</li> </ul> <p>Proposal will provide the following additional space:</p> <ul style="list-style-type: none"> <li>• B1(a) – 40 sqm</li> <li>• B2 – 790 sqm</li> <li>• B8 –165 sqm.</li> </ul> <p>995 sqm in total.</p>
Constraints	None relevant – Development underway
Comments	<p>Development underway as of base date of this study</p> <p>Uses associated with business operations and not available to other occupiers.</p> <p>Previous issues with the power supply for Samworth Brothers production facilities are assumed to have been addressed with the provision a heavy duty power cable from near the Council offices to Brooksby Foods, Leicester Road.</p>
Likely development potential	Industrial
Potential guidance market segment uses	Site for Specific Occupiers
Serviced	Yes
<i>Availability, years</i> Justification for Availability Estimate	<p>0-1</p> <p>Site under development (likely now completed)</p>

Site 15: Melton Foods, Samworth Way, Melton Mowbray (14/00177/FUL)



<b>Site Name</b>	<b>Site 16: Unit 13a Station Road, Old Dalby (14/00217/FUL)</b>
Owner	Direct Trade Bags
Agent	HSSP Architects
Size, ha	0.15
Market Availability	Not available
Planning Status (Allocated Uses)	Full consent (14/00217/FUL) for B8 uses
Proposal	Demolish existing garages and construct new storage warehouse of 595 sqm.
Constraints	None relevant – Site developed
Comments	Development completed as of base date of this study Uses associated with business operations and not available to other occupiers Company has ongoing expansion requirements, see Section 7.0 of the main report
Likely development potential	Industrial
Potential guidance market segment uses	Site for Specific Occupiers
Serviced	Yes
<i>Availability, years</i> Justification for Availability Estimate	<i>0-1</i> Site now developed

Site 16: Unit 13a Station Road, Old Dalby (14/00217/FUL)



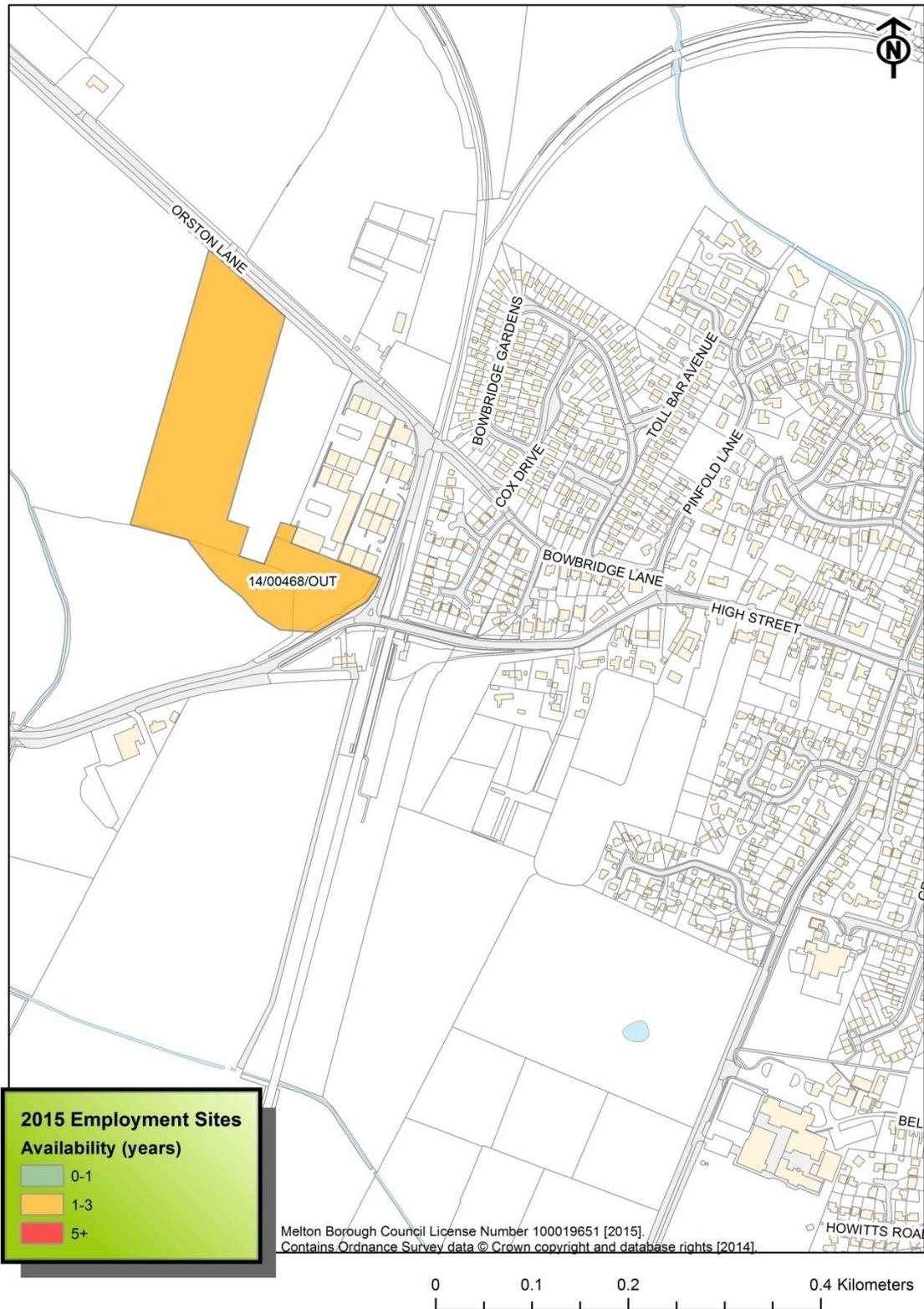
<b>Site Name</b>	<b>Site 17: Kettleby Foods, 2 Samworth Way, Melton (14/00407/FUL)</b>
Owner	Samworth Foods
Agent	Williams Architects
Size, ha	0.21
Market Availability	Not available
Planning Status (Allocated Uses)	Full consent (14/00407/FUL) for B8 uses
Proposal	Extension of an existing food production facility to provide additional despatch store space of 820 sqm.
Constraints	None relevant – Development underway
Comments	Development underway as of base date of this study Uses associated with business operations and not available to other occupiers. Previous issues with the power supply for Samworth Brothers production facilities are assumed to have been addressed with the provision a heavy duty power cable from near the Council offices to Brooksby Foods, Leicester Road.
Likely development potential	Industrial
Potential guidance market segment uses	Site for Specific Occupiers
Serviced	Yes
<i>Availability, years</i> Justification for Availability Estimate	<i>0-1</i> Site under development (likely now completed)

Site 17: Kettleby Foods, 2 Samworth Way, Melton (14/00407/FUL)



<b>Site Name</b>	<b>Site 18: Land at Orston Lane, Bottesford (14/00468/OUT)</b>
Owner	S & P Industrial
Agent	Clive Wicks Associates
Size, ha	1.41
Market Availability	Not available
Planning Status (Allocated Uses)	Outline planning consent (14/00468/OUT) for B1(c)
Proposal	Proposed industrial development of 5,500 sqm comprising an extension to Winterbeck Industrial Estate 19 units provisionally proposed comprising 15 starter units plus four larger buildings to accommodate an established business wishing to relocate to Bottesford.
Constraints	Half of the proposed development site is in Flood Zone 3a (High Probability) with the other half in Flood Zone 2 (Medium Probability).
Comments	Owner in the process of identifying key occupiers for this site Delivery likely within three years
Likely development potential	Industrial
Potential guidance market segment uses	General Business/Industrial Area Site for Specific Occupiers Incubator/SME Cluster Site
Serviced	No
<i>Availability, years</i> Justification for Availability Estimate	1-3 Marketing underway, owner estimates delivery within three years.

Site 18: Land at Orston Lane, Bottesford (14/00468/OUT)



## **Appendix 6**

# **Melton Site Scoring System**

## Appendix 6 – Melton Site Scoring System

Site Location and Access	Proximity to strategic highway network	<ul style="list-style-type: none"> <li>• Site adjacent to primary route (strategic highways network) - A46, A52, A606 and A607 – score 10</li> <li>• Site 0.5 km from primary route – score 9</li> <li>• Site 1.0 km from primary route – score 8</li> <li>• For each further half km distance from junction, reduce score by one point, i.e. any site 5.0 km or further from primary route scores zero.</li> </ul>
	Proximity to routes within the local network	Proximity to key local highways route (A6006, B6047, B676): <ul style="list-style-type: none"> <li>• Site within 1.0 km from key local highways route junction – score 10</li> <li>• Site within 5.0 km from key local highways route junction – score 6</li> <li>• Site within 10.0 km from key local highways route junction – score 3</li> <li>• Site more than 10.0 km from key local highways route junction – score 0.</li> </ul>
	Prominence	<ul style="list-style-type: none"> <li>• Site adjacent to, and visible from A46, A52, A606 and A607 – score 10/9</li> <li>• Site adjacent to, and visible from key routes within the local network (A6006, B6047, B676 – score 8/7</li> <li>• Site adjacent to, and visible from other A road – score 6/5</li> <li>• Site has local prominence, e.g. within its industrial location – score 4/3</li> <li>• Site located in 'backlands' – score 2/1/0</li> </ul>
	Public Transport	<ul style="list-style-type: none"> <li>• Site close to bus route (within 0.5 km) and near to rail station (within 2 km) – score 10</li> <li>• Site within 0.5 km of a bus route – score 5</li> <li>• Limited public transport – score 0</li> </ul>
Planning Status		<ul style="list-style-type: none"> <li>• If site has detailed/full planning status – score 10</li> <li>• If site has outline planning status – score 8</li> <li>• If site allocated in the development plan – score 4</li> <li>• If site is available, subject to planning – score 1</li> </ul>
Site Conditions	Services Availability	<ul style="list-style-type: none"> <li>• If all services are provided and in place – score 10</li> <li>• If priority services are available with no abnormal costs – score 7</li> <li>• If all priority services are available, but with abnormal costs – score 3</li> <li>• Some services are unavailable – score 0</li> </ul>
	Constraints	May be physical (including access), planning, or legal Reduce score by 2 for each constraint If there are none – score 10

	Environmental Setting	<p>Subjective, score 0 to 10, examples:</p> <ul style="list-style-type: none"> <li>• Good quality business park/greenfield location – score 10</li> <li>• Moderate quality industrial estate – score 5</li> <li>• Poor quality industrial estate/in-fill location – score 2</li> </ul>
	Flexibility	<p>Subjective, score 0 to 10: Score site in terms of site shape and ability to sub-divide to suit smaller occupiers Consider the site within its context/category. Score 10 if it is flexible, 0 if it is inflexible.</p>
Site Availability		<ul style="list-style-type: none"> <li>• Site available to develop within 0-1 year – score 10</li> <li>• Site available to develop within 1-3 years – score 6</li> <li>• Site available to develop 3-5 years – score 3</li> <li>• Site available to develop 5+ years – score 0</li> </ul>

## **Appendix 7**

### **Melton Sites Scoring Assessment**

Appendix 7 - Melton Sites Scoring Assessment

Site Name	Settlement	Site Size, ha	Serviced	Site Location and Access				Planning Status	Site Conditions				Site Availability	Total	Market-led Sub-Total	Constraints
				Strategic Highway Proximity	Key Local Route Proximity	Prominence	Public Transport		Services Availability	Constraints	Environmental Setting	Flexibility				
Site 15: Melton Foods, Samworth Way, Melton Mowbray (14/00177/FUL)	Melton Mowbray	0.26	Yes	10	6	10	5	10	10	10	9	1	10	81	36	None relevant – Under development
Site 17: Kettleby Foods, 2 Samworth Way, Melton (14/00407/FUL)	Melton Mowbray	0.21	Yes	10	6	10	5	10	10	10	9	1	10	81	36	None relevant – Under development
Site 14: Truframe, Units 4P and 4Q, Hudson Road, Melton Mowbray (13/00121/FUL)	Melton Mowbray	0.35	Yes	8	10	4	10	10	10	8	4	2	10	76	28	• There are constraints on the power supply in the Saxby Road area. Western Power is in discussions with the Council for the acquisition of site to the south of the Borough for the installation of a new sub-station to address these issues.
Site 1: Stonepits Farm, Six Hills Road, Wartnaby (12/00052/FUL and 13/00880/FUL)	Wartnaby	0.50	Yes	7	10	8	0	10	10	10	8	2	10	75	35	None relevant – Site developed.
Site 8: Agricultural Livestock Building Between Tunnel Farm and Saxelby View Farm Six Hills Lane, Tunnel Farm, Six Hills Lane, Old Dalby (11/00957/COU)	Old Dalby	0.41	Yes	4	10	8	0	10	10	10	8	2	10	72	32	None relevant – Site developed.
Site 6: Land West Of Bowling Green, Leicester Road, Melton Mowbray (Melton Fields Business Park) (06/01012/OUT)	Melton Mowbray	1.83	Yes	10	6	9	5	8	10	8	10	5	0	71	40	• There are constraints on the power supply in the Leicester Road area. Western Power is in discussions with the Council for the acquisition of site to the south of the Borough for the installation of a new sub-station to address these issues
Site 10: Brooksby Foods, 4 Pate Road, Melton Mowbray (13/00135/FUL)	Melton Mowbray	0.21	Yes	9	6	4	5	10	10	10	5	1	10	70	25	None relevant – Site developed.
Site 18: Land at Orston Lane, Bottesford (14/00468/OUT)	Bottesford	1.41	No	6	0	4	10	8	8	8	9	5	6	64	24	• Half of the proposed development site is in Flood Zone 3a (High Probability) with the other half in Flood Zone 2 (Medium Probability).
Site 2: St Gobain PAM, Welby Lane, Asfordby Hill (10/00912/FUL)	Asfordby Hill	10.34	Yes	7	10	2	0	10	10	8	6	10	0	63	35	• Various pollution issues associated with adjoining uses
Site 16: Unit 13a Station Road, Old Dalby (14/00217/FUL)	Old Dalby	0.15	Yes	7	6	0	5	10	10	10	4	0	10	62	17	None relevant – Site developed.
Site 5: Weldhall Ltd, Melton Road, Long Clawson (11/00968/REM)	Long Clawson	0.21	Yes	3	0	4	5	10	10	10	7	1	10	60	15	None relevant – Site developed.
Site 12: Land Adjacent Unit 9, Station Road, Old Dalby (Old Dalby Enterprise Village) (12/00128/OUT)	Old Dalby	2.70	No	7	6	1	5	8	8	2	8	7	6	58	29	• Backland location with constrained access • Sloping site (now being addressed in site preparation works) • Drains cross the site • Trees onsite.
Site 3: Holwell Works, Asfordby Hill (Melton Mowbray Business Park) (09/00356/OUT)	Asfordby Hill	12.10	No	7	10	4	0	8	8	0	8	10	0	55	39	• Housing adjacent • Contains three areas identified as of local ecological significance • Some foundations, water tanks, hard surfaces remain from former industrial uses • Some land contamination • A small part of the site is at risk of flooding (Flood Zones 2 and 3)
Site 7: Greenacre, Dalby Road, Nether Broughton (10/00318/COU)	Nether Broughton	0.14	Yes	8	3	4	5	10	10	8	7	0	0	55	22	• Housing adjacent
Site 9: Car Park, Station Road, Old Dalby (12/00218/OUT)	Old Dalby	0.55	No	7	6	4	5	8	8	8	6	3	0	55	26	• Adjacent recreation facilities
Site 11: Long Clawson Dairy Ltd, 28 West End, Long Clawson (13/00382/FUL)	Long Clawson	0.15	Yes	3	0	1	5	10	10	10	5	0	10	54	9	None relevant – Site developed.
Site 13: MC Waste Services, 1 Pate Road, Melton Mowbray (13/00456/OUT)	Melton Mowbray	0.71	No	10	6	9	5	8	8	0	5	3	0	54	33	• Vacant buildings onsite • Possible contamination from previous uses • Car parking onsite • Trees onsite • There are constraints on the power supply in the Leicester Road area. Western Power is in discussions with the Council for the acquisition of site to the south of the Borough for the installation of a new sub-station to address these issues. It is also assumed that if the site was developed for Samworth Brothers use then it would benefit from the heavy duty power cable which already feeds into the adjacent Brooksby Foods site.
Site 4: Land Adjacent 54 Barkers Farm, Church Lane, Long Clawson (12/00361/COU)	Long Clawson	0.16	Yes	3	0	1	5	10	10	8	4	0	6	47	8	• Housing adjacent

## **Appendix 8**

# **Key Business Consultations**

## Appendix 8 – Key Business Consultations

A8.1 One to one consultations have taken place with 19 businesses located in Melton. Many are regional, national or international businesses, with facilities in the study area being part of a wider network of research and development, production, service and logistics operations.

### **Belvoir Brewery**

A8.2 Established in 1995 on a site at Old Dalby, Belvoir Brewery brews a selection of cask ales and bitters, and supplies 275 pubs in Leicestershire, Lincolnshire, Rutland and Nottinghamshire. The Brewery also supplies local retailers and local Tesco branches and has an onsite retail store as well as offering daily Brewery tours.

A8.3 The Brewery employs 27 people and has a strong graduate recruitment programme which has provided employment to a range of engineering and associated graduates. Other staff are in sales/customer services trades. Belvoir Brewery reports no problems in recruiting staff at any skill level.

A8.4 The Brewery was originally developed on a 0.2 ha site and subsequently purchased another 0.4 ha of expansion land which has met their needs to date. The Brewery has no further land or property needs. Future growth plans, on this expansion land, include provision of a manager's flat, locals bar, specialist beer shop and company offices, to be developed adjacent to the existing plant. Older land will provide amended access arrangements and a new, 25-30 space, car park. The Brewery intends to submit a planning application for these uses shortly.

### **City Electrical Factors**

A8.5 City Electrical Factors (CEF) is a national chain of electrical goods wholesalers and retailers. The company employs seven people from a 250 sqm trade store at Emp. Area 25: Kings Road Area, which it leases at £34/sqm.

A8.6 The company is dissatisfied with this current location which is in a backland location, poorly placed to catch passing trade. The property is also too small and lacks a Mezzanine floor. CEF also report issues with crime and security at this location.

A8.7 The company's requirement is for a trade unit of 350-500 sqm on a main road frontage. CEF feel they could employ four further staff if they had larger premises.

- A8.8 CEF would be willing to build its own premises. The company has been looking at the vacant retail site on Norman Way, but has been unable to reach an agreement with the landowner there. The rental asking price at that location is £60,000/year or around £120/sqm. CEF indicate that they would be unwilling to pay more than £15,000-20,000/year for a rental option.
- A8.9 The company has also looked at Emp. Area 34: Leicester Road Estate and Emp. Area 24: Saxby Road Area (incorporating Hudson Road Estate) but could not find an appropriate trade property.

### **Cottage Farm**

- A8.10 Cottage Farm is a 12 ha agricultural holding off Main Road in Kirby Bellars. In addition to its traditional agricultural uses (300 sheep, with piggeries under construction to fulfil a contract with Waitrose) a riding business and construction company are also operating from the site. The construction business has two full time employees and supports 10 subcontractors. Four are employed in agricultural activities.
- A8.11 The farm is looking to develop an equestrian centre on the site and is seeking £120,000 of public funds on top of the £200,000 it is willing to commit to the project. The farm also has aspirations to develop small industrial units onsite to support the local agricultural industry. However, it would need to secure funding sources to support this.
- A8.12 The farm also owns a small plot of land on the Main Road frontage which it would wish to develop into a local shop.

### **Direct Trade Bags**

- A8.13 Direct Trade Bags is the UK's largest dedicated bag printer, printing labels and logos onto cloth, jute and other textile bags which are used by manufacturers and wholesale or retail traders. The company relocated into Melton from Nottingham just over a year ago and now owns and occupies 2,650 sqm at Emp. Area 28: Crown Business Park (incorporating the Six Hills Area), including a recently acquired 900 sqm warehouse.
- A8.14 Trade has increased sharply since the move to Melton and the company is now seeking to purchase a further 1,500 sqm of expansion space, including 900 sqm of

additional warehousing. To meet this requirement Direct Trade Bags is in discussions for design and build options at The Site 12: Land Adjacent Unit 9, Station Road, Old Dalby (Old Dalby Enterprise Village) (12/00128/OUT) to the rear of Emp. Area 28: Crown Business Park (incorporating the Six Hills Area). The company is happy with its current location at Old Dalby and wishes to stay and expand in the area. However, it did express some concern that new build options in The Site 12 may prove too expensive, particularly for the basic warehouse space it requires. Direct Trade Bags indicated that it would be willing to pay around £500-600/sqm for freehold space. If it could not purchase affordable space at Old Dalby the alternative, but less desirable option, would be to acquire a separate storage unit elsewhere in Melton, splitting its printing and storage operations.

A8.15 The company employs 45 people, 10 part time. The company does not have any stated recruitment difficulties but does have to use Nottingham based employment and temp agencies to fill some vacancies.

#### **ESF Events**

A8.16 Based at 7 Bowley Court in Melton Mowbray Town Centre, ESF Events is a sports tour operator, specialising in organising sporting events (football and rugby) for young people. Established in 1989 the company has provided sporting events for some 900,000 young people (around 35,000 per year) in the April and May season. Most events are staged outside of the Borough, at coastal venues in Minehead, Bognor Regis and Skegness.

A8.17 ESF only has four full time employees, but provides seasonal employment for another 80 to support its events. The company reports no problems in hiring the staff it requires.

A8.18 ESF has limited property requirements and operates from its offices in Bowley Court. This is rented from the shop below with a lease ending in 2016. The company may review its options at this time. The company also rents a small amount of storage space locally and rent temporary space closer to their venues.

A8.19 ESF's business is not staff or space intensive so it does not envisage requiring larger space in the foreseeable future. The company has no access issues although Bowley Court does not provide onsite parking.

### **Golden Fleece Restaurant**

A8.20 The (former) co-owner of the Belvoir Brewery also owns the Golden Fleece Pub/Restaurant in Upper Broughton. They will shortly be submitting a planning application for a second, smaller brewery at this location. They are also proposing to convert the first floor of the restaurant into nine en suite guest bedrooms and managers flat.

A8.21 This second brewery (defined as a '5-barrel' plant) will employ four staff and be primarily a visitor attraction, providing 'brewing experience days' for group and corporate bookings. It will not provide commercial 'contract' brewing facilities. It will comprise a main brewing building (some 20 sqm in size) plus storage space and two car parking spaces.

### **Hallmark Consumer Services**

A8.22 Hallmark provides a range of order fulfilment solutions, customer aftercare and support services, receiving orders for goods on behalf of clients and distributing those goods to customers. Clients have included Airfix, BBC Countryfile and Dickinson and Morris. Turnover is £5 million annually.

A8.23 The company employs 50 in Full Time Equivalent (FTE) posts, but in the period up to Christmas (i.e. from September) it can increase its staffing to 150 FTE posts, with most operating in its packaging and contact centres. The company reports no problems in recruiting the staff it needs, most posts require relatively low skill levels and Hallmark has contacts with a number of local recruitment agencies.

A8.24 In August 2013 Hallmark purchased, via a SIPP fund, its present premises Emp. Area 33: Masterfoods Factory, Melton Mowbray. The company paid £1.05 million for a 2.8 ha site and premises, which it subsequently renovated and expanded to provide 4,200 sqm of warehouse space and 400 sqm of offices. Leicestershire Enterprise Council funding was used to purchase new plant and equipment.

A8.25 This premises meets Hallmark's short term needs, but the company may need to expand its warehousing operations onto adjacent expansion land, under its ownership, over the next five years. A further 2,000-3,000 sqm is required and the company intends to submit a planning application for this shortly.

A8.26 To finance this expansion, Hallmark intends to sell of 0.4 ha of its Saxby Road frontage as a development site. The aspiration is for a development of 10-12 B1(c),

trade or retail units or approximately 150 sqm each. This proposal has received interest from several local developers and two trade operators. The company intends to submit a planning application for this shortly and will also seek advice on the flood risks associated with adjacent watercourses.

### **Hawthorn Theatrical**

A8.27 Hawthorn is the largest independent stage equipment hire company in the UK. Founded in 1986, the company has expanded from a single unit of 160 sqm to a major warehouse complex of 10,000 sqm (mixed rental and owner occupation) at Emp. Area 28: Crown Business Park (incorporating the Six Hills Area), Old Dalby.

A8.28 The company employs 85-90, mostly full time. Its main skills shortage is for arts graduates, to form part of its set design team. Highly qualified arts graduates can be hard to attract from the cities to a rural location like Old Dalby.

A8.29 In recent years Hawthorn has expanded to almost completely fill its site. As a result there is little open land left over for HGV/car parking and no further expansion space.

A8.30 The company is not actively searching for alternative space at this time although it does not consider that any unit of the scale it would require (i.e. larger than 10,000 sqm) will be available in Melton.

A8.31 Hawthorn did highlight that, due to a lack of available large units, companies such as itself are buying up all available space within the Borough's business parks. This is reducing the property options of smaller businesses and means that local employment areas are increasingly dominated by a small number of large companies.

A8.32 Hawthorn would wish to see improved public transport and broadband in Old Dalby (the company has had to invest in its own leased line system). It also suggested that it would be viable to expand the Old Dalby industrial estates onto land to the south.

### **Millitec Food Systems**

A8.33 Millitec design and produce food processing equipment. The company employs 15 people, all full time.

A8.34 The company operates from a 500 sqm, rented unit at Emp. Area 30: Woodhill Industrial Estate, Old Dalby. This property is far too small to meet the company's production needs, has limited broadband and public transport access. Its isolated

rural location also makes staff recruitment difficult.

A8.35 Millitec is actively seeking a larger industrial unit of 2,000-3,000 sqm. It would consider either a developed unit or a design and build option. The company is relatively footloose and not tied to Melton. Accordingly, its area of search for new premises extends to include Nottingham, Loughborough and Castle Donnington. In Leicestershire the company would be willing to consider any location east of the M1. The company may also consider investing in a larger property scheme which could provide some premises for other businesses.

### **Pera**

A8.36 The Pera Group comprises four separate companies, all of which have their HQ offices at the Pera site (Pera Innovation Centre) off Nottingham Road, Melton Mowbray. These are:

- Pera Technology – New product development consultancy
- Pera Training – Workplace training services, with clients including Jaguar/Landrover
- Pera Consulting – Supports government activities and provides advice on subjects such as manufacturing development, business growth, investment and exporting
- Emp. Area 27: Pera Business Park – A serviced business park, discussed further below.

A8.37 The group employs 200 people in Melton Mowbray, with another 200 employed remotely as home based workers who may, or may not, be based in Melton Borough. The wider group has an annual turnover of some £70 million. Strong growth is forecast for the group over the next few years which could see its Melton Mowbray staffing levels double. However, supporting another 200 staff at the Pera Innovation Centre would be challenging and could require the take up of some space presently occupied by other businesses in the Emp. Area 27: Pera Business Park.

A8.38 Pera does not have any land or property requirements but rather intends to grow within its existing site in Melton Mowbray. That site currently has 12,500 of developed premises, comprising 9,000 sqm of offices and 3,500 sqm of mixed office and lab space. This space is divided as follows:

- Pera Training – 500 sqm (could require a further 250 sqm in the short term)
- Pera Consulting – 700 sqm (may require a modest amount of additional

space in the short term)

- Pera Technology – 4,500 sqm. This has recently reduced by 700-800 sqm, to 3,700 sqm. The space freed up will shortly go on the market to external businesses as part of Emp. Area 27: Pera Business Park.

#### *Pera Business Park*

A8.39 The remaining space, some 6,800 sqm, is let to 33 separate companies as Emp. Area 27: Pera Business Park. These are a mix of local Melton businesses and companies attracted from neighbouring Charnwood and Harborough. The scheme is fully let at present, although as noted above, additional property will come on the market shortly. Pera has managed to fill the site successfully for the last three years, without engaging external property.

A8.40 Most occupiers are micro businesses, employing 3-6 staff. They occupy suites of 13 sqm upwards, with the Pera companies being the three largest occupiers. Most occupiers are in either the professional/financial services or ICT sectors.

A8.41 Occupancy is on a flexible licence agreement ('easy-in, easy-out') which requires as little as a month's notice to quit. Rents are £250/sqm, all inclusive. Services provided by the Emp. Area 27: Pera Business Park include a manned reception, meeting rooms, café, mail services, discounted print room and server hosting. There are 430 parking spaces on the site.

#### *Growth Options*

A8.42 South of the main Pera building is an old villa/hunting lodge surrounded by 1.6 ha of gardens. Pera has previously put this site forward for housing, but as the gardens are a protected feature this was not supported by the Council. Pera still has aspirations to develop some, or all, of this land, either for further business floorspace, housing or other commercial options. Pera has also considered opening this site as an amenity for local people.

A8.43 The main conference hall on the site (which seats 400 delegates), is also increasingly surplus to requirements. Pera are considering converting this space into a further 120 sqm of offices, but does not have the finance to achieve this, at present.

#### **Jeld-Wen**

A8.44 Jeld-Wen is the UK's largest manufacturer of timber interior and

exterior doors, windows and stairs. The wider company has an annual turnover of £110 million. All manufacturing is for wholesale only, Jeld-Wen does not undertake retail sales to the public. Headquartered in Sheffield, and with an additional factory in Penrith, Jeld-Wen has three factories in Melton Mowbray:

- Snow Hill 1 (Emp. Area 20) – The main windows and doors manufacturing plant. 230 are employed here
- Snow Hill 2 (Emp. Area 20) – An adjacent stair manufacturing plant which employs 160 people. These two plants occupy 35 ha of land and are occupied leasehold, with a lease running to 2021
- Thorpe Road (Emp. Area 22) – A milling plant, employing 90 on a 20 ha site. This site is owned by Jeld-Wen.

A8.45 The company has a strong need for seasonal labour during peak times and frequently has trouble recruiting skilled labour, specifically joiners, machinists and sprayers. The estimated labour shortfall is some 50-100 people who could be employed, primarily in part time or temporary roles. The company presently recruits through several agencies.

A8.46 Jeld-Wen has no property requirements at present, but may consider the relocation of operations in 2021, when the current lease at Snow Hill expires. The company's hours of operations are limited to 6.30 am-8.00 pm due to adjacent housing and it might seek a site where it can operate 24 hours a day.

### **KS Composites**

A8.47 Based off Hickling Lane, Long Clawson (Emp. Area 12), KS Composites manufacture bespoke composite materials for race cars or specialist domestic vehicles. Clients include Jaguar Landrover. The company employs 105 people, increased from 70 over 2014. 70 of these are full time employees, 35 contract staff. The company has been trading for 30 years, expanding from a home based business into premises of 2,500 sqm. Turnover is £5 million annually.

A8.48 KS Composites report strong difficulties in recruiting staff. Partly this is due to the specialist nature of their industry, but it is also due to the rural nature of their location. Generally, the company is heavily constrained at its current location, lacking both the space to grow its operations and the parking for its workforce. Parking for KS Composites is currently spilling out onto Hickling Lane, causing wider access issues

in Long Clawson. Long Clawson Dairy previously offered to provide some parking for KS, but this was objected to by the local community.

A8.49 KS Composites' also had issues with the local power supply in Long Clawson and had to invest in its own substation.

A8.50 To address this issue KS has now signed a developer agreement for the purchase of 0.6 ha of land at Site 3: Holwell Works, Asfordby Hill (Melton Mowbray Business Park) (09/00356/OUT). This would be developed for 5,000 sqm of space at a combined cost (land purchase and development) of £1.7 million. These costs can be met through bank funding, but the subsequent fit out costs (£1.2 million) will need to be financed separately. KS has applied for funding under the Advanced Manufacturing Supply Chain Initiative to support this element of the move. KS have also enquired about business rates relief with the Council.

A8.51 If Advanced Manufacturing Supply Chain Initiative finance was secured then funding rules would require that KS Composites relocate within the next 12 months. If the funding bid is unsuccessful then a timetable of two years is more likely for relocation.

A8.52 KS is committed to increasing its full time staff numbers by 30 over 2015, to meet its contracts. Mostly, this will be achieved by converting temporary staff members into permanent employees. KS runs its own staff training programme, operating four courses a year and generating 24 new trained staff annually.

A8.53 KS Composites highlight that demand for its products is growing sharply and estimates that it could double its current employment levels by 2017.

### **Long Clawson Dairy**

A8.54 Long Clawson Dairy operates two dairy facilities in Melton. The main Long Clawson facility (Emp. Area 12) employs 260 permanent staff and 20-30 agency staff. Another 50-60 are employed at Emp. Area 3: Normanton Lane Estate, Bottesford. Around 20 percent of its local staff are employed part time and most are shift workers.

A8.55 Long Clawson Dairy reports strong difficulties is recruiting the staff it needs, primarily due to the relatively isolated nature of both of its dairy facilities. The company has had negotiations with the Council about providing a bus service from Melton Mowbray, but was unable to reach an agreement with Melton Borough Council about this option. The company argues that it could employ another 20-30 staff at Long

Clawson if it could secure such a bus service.

A8.56 Long Clawson Dairy owns 16.2 ha of land in Long Clawson (Emp. Area 12), of which 10.1 ha comprises active production space. The company also owns 6.7 ha of greenfield expansion land to the rear, currently in agricultural use. In October 2014 the Dairy submitted a planning application to develop a portion of this land to develop a new packing building with cold storage facility and a new milk reception building/covered milk offload area. The new facilities will be delivered partly through the conversion of existing buildings and partly through a 4,500 sqm new build development.

A8.57 This expansion will cost £15-16 million to complete and increase production capacity by 25-30 percent. The Dairy estimates that it will generate 50 additional jobs in Long Clawson.

A8.58 The Bottesford plant is far smaller, covering only 0.8 ha. The Dairy has previously negotiated to buy undeveloped land to the rear, for expansion purposes, but was unable to reach an agreement with the landowner. Long Clawson Dairy will therefore meet its growth needs here through an internal reworking of its existing production space and by relocating some uses to Long Clawson.

A8.59 These changes will, if approved, meet Long Clawson Dairy's growth needs for the next decade. The company will retain its remaining expansion land at the rear of the Long Clawson facility, to meet further growth requirements, after that time.

A8.60 The company reports no problems with access – at Long Clawson and Bottesford – and has sufficient car parking. The Dairy uses small milk tankers which are specially designed to traverse narrow rural roads. Both its sites are secure and the Dairy reports no issues with crime and security.

### **RES Tractors**

A8.61 RES Tractors is a tractor/tractor parts sale and repair business based on 0.6 ha of land off Waltham Lane, Harby. The company employs 21, including four sales staff, seven workshop staff and five service/parts staff. Two are employed part time.

A8.62 RES report that business has doubled over the last four years, as has turnover and staff. Annual turnover is currently £6.5 million.

A8.63 The company also support a GPS system for tractors which allows more efficient

farming methods. One signal mast has already been set up on the RES site and the company is seeking funding to develop five more in the local area.

A8.64 The company reports that it has struggled to recruit workshop technicians and it argues there is a shortage of agricultural technicians in Melton. However, the company has successfully trained apprentices in the past to meet its needs.

A8.65 RES Tractors is constrained current site – it lacks the office space it requires for telephone sales and requires a bigger workshop. HGV and tractor access is also narrow and constrained by adjacent housing.

A8.66 RES has considered two options for increasing its site area. One would be to rebuild on its existing site plus 1.2 ha of agricultural land to the rear. However, the company is unsure if it would get planning consent for such a development on its rural site.

A8.67 The second option would be a relocation, although the company would wish to stay in Harby which is at the centre of its defined trading area, which covers a 15 mile radius from the settlement. The company requires 0.8-1.2 ha in an oblong site with access arrangements which could support the larger models of combine harvesters it services.

A8.68 RES has considered relocation to the former Millway Foods site in Harby. This site extends to 5.2 ha, of which some 1.2 ha comprises vacant buildings. The company has entered into negotiations with the landowner but has been unable to reach an agreement. The current asking price, around £1 million, is judged to be too high.

A8.69 If RES could acquire the dairy site it would consider developing premises for itself and additional small employment space for sale or let. This could be in the form of small offices, possibly serviced business space, aimed at rural businesses. The focus could be on the local food industry, with the provision of communal kitchens. RES would seek advice from the Council on its growth and funding options.

### **Samworth Brothers (Brooksby Foods)**

A8.70 Samworth Brothers was contacted through Brooksby Foods, which is part of the Samworth Brothers Group of companies. Samworth Brothers has three production facilities in, and around, Melton Mowbray. These comprise:

- Brooksby Foods, Pate Road, Emp. Area 34: Leicester Road Estate (rented) – 6,400 sqm, 400 employed

- Kettleby Foods, Samworth Way, Leicester Road (Emp. Area 32) (owned) – 7,700 sqm, 750 employed
- Melton Foods, Leicester Road (Emp. Area 32) (owned) – 4,700 sqm, 700 employed.

A8.71 The Samworth Brothers group HQ is based at Chetwode House, Samworth Way Leicester Road (Emp. Area 32) , a 1,070 sqm self contained office building (approx. 100 employed here).

A8.72 Samworth employ almost 2,000 people in Melton and 8,000 overall. 5 percent of its Melton staff is part time. Around a quarter are sourced from agencies and transported in from Leicester daily. Samworth argue there is little scope to expand the proportion of staff they employ from within the Borough as the company already employs a huge proportion (up to 40 percent) of all skilled manufacturing labour in Melton. There is no spare capacity in the local manufacturing workforce that it could take advantage of.

A8.73 The company has no real problems in recruiting staff. It argues that it offers an attractive wages and a final salary pension which allows it to retain skilled labour. Samworth reports no issues with access or crime/security at any of its sites.

A8.74 In terms of expansion options, the following comments were made:

- Brooksby Foods – Samworth own 0.6 ha of land to the east of the current factory, across Pate Road. A former waste transfer station, partly used for car parking, the site has consent for 2,000 sqm of food production facilities. It is unlikely that this will be taken up in less than five years
- Kettleby Foods – Some 1,400 sqm of spare capacity remains within the facility to meet future needs
- Melton Foods – Expansion is underway at the moment and will deliver another 1,000 sqm of additional production space. This will meet future needs.

A8.75 Samwoth Brothers has grown extensively over the last decade, opening a large new production facility (6,000 sqm of space employing some 700 staff) every two years (although this rate of growth may slow in the future). The company's most recent investment has been in a new 6,000 sqm bakery at Ashton Green in the north of Leicester. A further, investment of this scale is unlikely in Melton as land is not

available to support a fourth large factory. Even if land were available, it is unlikely that the Borough could provide the 700 further appropriately skilled workers required. Other local constraints include the power supply (the Brooksby Foods facility required a heavy duty power cable to be provided from near the Council offices to Leicester Road), water/waste water supply and processing capacity, transport access (such a facility would generate 30-50 extra HGV movements a day) and the need for 24 hour operations (Samworth's factories only close on Christmas Day). Samworth are therefore more likely to look at locations in larger settlements (Grantham, A1 Corridor and Nottingham were highlighted) which can better meet its needs.

A8.76 The company owns land at Rothley, Charnwood and, notwithstanding the above statements, may still be interested in acquiring further land in Melton, to provide long term expansion options.

### **S&J European Haulage**

A8.77 Based at Emp. Area 13: Asfordby Business Park, Asfordby Hill – S&J European Haulage provides contract haulage for a number of large local businesses, including Jeld-Wen. S&J is also part of the Palletforce Network, covering all of Leicestershire apart from Harborough. The company provides an overnight service to the Republic of Ireland, via Holyhead or Stranraer, which is relatively unique in the haulage industry. Turnover is £6.8 million annually.

A8.78 The company operates 40 HGVs from Emp. Area 13: Asfordby Business Park, Asfordby Hill, employing 46 drivers and 27 other staff. Ten posts are part time.

A8.79 Recruitment of HGV drivers is becoming more difficult, although this is a national issue as fewer young people are seeking HGV licences. This partly results from changes in UK Driving Licence laws which mean that people under 35 can no longer drive a 7.5 ton lorry on a standard domestic licence. The resulting cost of training for, and gaining a specialist, HGV licence is a disincentive to many. Existing HGV drivers also now require a CPC Licence an additional cost which has, in the opinion of S&J, encouraged some to leave the industry or retire early.

A8.80 S&J European Haulage rent 1,000 sqm of office and warehouse space at Asfordby Business Park. Its yard area and HGV parking extends to a further 4,000 sqm. The company is broadly happy with this location, which allows 24 hour operations and has good access to the strategic road network. However, S&J did express some

concerns with the current standard of security levels it receives and is in negotiations with the management company to address those issues. A particular concern is the loss of 24 hr site security which may leave the goods it ships vulnerable to theft. Broadband access is also poor at this location and the company has invested in a satellite based system to meet its needs.

A8.81 S&J's current lease at Emp. Area 13: Asfordby Business Park comes to an end in 2015. Subject to addressing its concerns, the company intends to renew its lease for a further 5-10 years. It has no land or property requirements.

### **Soyfoods**

A8.82 Also known as Paul's Tofu or simply Paul's, Soyfoods was the UK's first manufacturer of tofu based products and has been based in Melton Mowbray for 30 years. The company produces a range of organic foods, including fruit and vegetables, dairy produce, and breads. Turnover is £1.5 million annually.

A8.83 The company rents two units at 66-68 Snow Hill Industrial Estate (Emp. Area 19), Melton Mowbray (412 sqm) from the Council. It expressed dissatisfaction with conditions in these properties, highlighting leaks in the roof and failures with the roller shutter doors as issues. Soyfoods is in discussions with the Council over these matters. If it did have to relocate the company would wish to stay in Melton and would seek a location with good strategic road access, particularly to the A1.

A8.84 Soyfoods employ 20 people. It employs a mix of labour including some recent immigrants to the UK. The company has aspirations to link its operations with local food producers more strongly and trade in a more sustainable manor. This could include bringing together a number of food producers into a single land based operation.

### **TruFrame**

A8.85 Founded in 1994, the company employs 205 staff from 4,000 sqm of leasehold industrial premises at Emp. Area 24: Saxby Road Area (incorporating Hudson Road Estate). The company manufactures uPVC windows and doors at the rate of 2,800 products per week. Turnover for year ending 31<sup>st</sup> March 2015 was £14,209,808.

A8.86 The company reports strong growth over the last five years, both in terms of turnover (which has grown by 10 percent annually) and employment, which has increased

from 137 in 2010/11 to 205 today. Since 2012 the company has invested £3.8 million on new machinery and upgrading their existing premises.

A8.87 Having expended from one small workshop in 1994 to 13 industrial units today, TruFrame is now constrained at Emp. Area 24: Saxby Road Area (incorporating Hudson Road Estate), which offers no obvious space for expansion. Worryingly, the local electricity supply at Saxby Road is insufficient to meet the companies needs within the next three to six months. The company is now seeking 4.5 ha of development land on which to build a 20,000 sqm “Window & Door Production Centre”. This enlarged facility would allow TruFrame to expand production of its existing product range to 10,000 units per week and implement vastly improved production processes.

A8.88 The option to acquire 2.5 ha of adjacent land at a later date would future proof the business, by providing space for complementary business activities that would help to retain wealth within the local economy. These include a 7,500 sqm “Glass Production Plant”, an obvious complementary venture that would allow the company to supply glass with their uPVC frames, and a 7,500 sqm “Future Ventures Division”. These additional business units would employ around 200 staff.

A8.89 TruFrame estimate that this much larger facility would allow it to increase its staffing levels to 800. The company also proposes to invest in greater staff training (it already supports a number of NVQ training programmes) and provide a “Training Academy” for independent uPVC window installers. Staff facilities proposed include an onsite crèche for working families and a subsidised staff canteen. Other amenities for the general public include sponsored sports pitches and an outdoor public play area located nearby. It is proposed that the building could sustain a very large solar array (one of the largest in the UK), providing a significant percentage of the companies power requirement.

A8.90 The company has had previous negotiations for land at Site 3, Holwell Works, Asfordby Hill (Melton Mowbray Business Park) (09/00356/OUT). The asking price of £6 million for a 10,000 sqm new build property was deemed to be excessive, with initial negotiations unfortunately proving fruitless. In addition, TruFrame felt that this location was somewhat isolated and would require them to organise transport for local staff.

A8.91 TruFrame has not been able to identify any alternative sites in Melton and feels that it

may have to consider locations outside of the Borough, possibly in Charnwood or on the A1 at Grantham. The company suggested that it would be willing to pay £297,000/ha for the industrial land it needs. TruFrame's current lease ends in three years and would wish to relocate at that time.

### **Twinlakes Theme Park**

- A8.92 Twinlakes is a family theme park, established on 45 ha of rural land north of Melton Mowbray, in 2002. The park attracts 400,000-500,000 visitors annually and employs 200 people, of which 80 percent are part time or seasonal workers. The company reports no problems in hiring the staff it requires. Turnover is £6-7 million annually.
- A8.93 Twinlakes would like to expand its visitor offer with the provision of onsite holiday accommodation. This could comprise 'pod' style dwellings alongside space for caravans and camping. Land is available to provide this and the company has produced several layout drawings as to how this proposal could be incorporated into the park.
- A8.94 Twinlakes would also wish to build a single managers dwelling on the site to ensure it is manned 24 hours a day and provide night time security. Generally Twinlakes is looking to expand its visitor offer and intends to spend £3-4 million upgrading attractions over the next few years.
- A8.95 The company reports no problems with access and has sufficient land to meet the growth aspirations described above. It would however, like to improve its broadband connectivity. One of these schemes it would like to implement over the next few years is a WiFi service for visitors. Would also wish to improve directional signage to the park on neighbouring roads.

## **Appendix 9**

### **Melton BC Local Plan Reference Groups – Economy (Employment) Workshop Summary**

## **Appendix 9 – Melton BC Local Plan Reference Groups – Economy (Employment) Workshop Summary**

### **Introduction**

- A9.1 Melton Borough Council facilitated two identical economy and employment focussed workshops with the Melton Local Plan Reference Groups. These workshops took place on the 8th and 10<sup>th</sup> December 2014.
- A9.2 The purpose of the workshops was to engage the Reference Group members on:
- The economy and employment related Melton Local Plan Issues and Options
  - Seek Reference Group member views on possible options for improving the employment offer within Melton Borough, both to workers and businesses.
  - Offer insight into the differing constraints and opportunities to businesses, of varying sizes, across the Borough.
- A9.3 This paper summarises the findings of the exercise.

### **Exercise 1 – Test Study Findings**

- A9.4 Groups were presented with key facts on the Melton economy and key constraints to both the economy and employment offer within the Borough. Groups were asked to complete an exercise, from the perspective of one of three businesses:
- start-up business
  - business expansion
  - inward investment.
- A9.5 The exercise asked groups to rank a series of issues, as high, medium or low priority for their scenario business.

A9.6 The results are shown below:

PRIORITY	HIGH	MEDIUM	LOW	Rank	COMMENTS
<b>1. ACCESS TO WORKFORCE</b>	<b>Overall Rank</b>			<b>1.</b>	Equal medium weighting given to skilled and unskilled workforces as directly related to type of business and its workforce needs.
	<b>Scores</b>				
SKILLED WORKFORCE	xxx	x	xx		
UNSKILLED WORKFORCE	x	xxx	xx		
<b>2. WORKPLACE / PREMISES</b>	<b>Overall Rank</b>			<b>2.</b>	Land availability given high priority weighting, but tenure of that land is related to business needs, however suggests the need for additional provision in order to fill current gaps in tenure types.
	<b>Scores</b>				
LOCATION OF LAND OR PREMISES (i.e. Melton or Rural)	xxxx	xx			
LAND OR PREMISES TO LEASE	xxxx		xx		
LAND OR PREMISES TO BUY	xx	x	xxx		
LAND TO BUILD/EXPAND	x	x	xxxx		
<b>3. COMMUNICATIONS &amp; CONNECTIONS</b>	<b>Overall Rank</b>			<b>3.</b>	Connections given medium weighting, on the basis that most suitable employment sites are already serviced. However, raises the question of Borough wide access and communication connections.
	<b>Scores</b>				
BROADBAND – INTERNET CONNECTIONS	xxxxx	x			
ACCESS FOR GOODS	xxx		xxx		
ACCESS FOR WORKERS	xxx	x	xx		
<b>4. ENVIRONMENT</b>	<b>Overall Rank</b>			<b>4.</b>	Environment given medium weighting, on the basis that unsustainable locations would not be pursued on account of planning policies. However, raises the role of sustainable and renewable technologies in employment provisions.
	<b>Scores</b>				
SUSTAINABILITY		xxx	xxx		
ENERGY & WATER SUPPLIES (renewables?)	xx	xx	xx		
<b>5. BUSINESS RELATIONSHIPS</b>	<b>Overall Rank</b>			<b>5.</b>	Relationships given high priority weighting as there is a need to build stronger relationships with big businesses across the Borough. Also, the relationship of all businesses and employment with the Local Plan and what the Local Plan can offer them.
	<b>Scores</b>				
ADVICE & SUPPORT	xxxxx	x			
LINKS TO EDUCATION	xxxx	x	x		
INVESTMENT (inward investment or funding)	xxx	xx	x		
SUPPLY CHAIN	x	x	xxxx		

A9.7 The results of the exercise show that land availability and business relations are seen as high priorities by Reference Group members.

## **Appendix 10**

# **Developer Marketing Standards**

## Appendix 10 – Developer Marketing Standards

A10.1 Where a sites' or premises' owner is applying to a Local Authority for change of use from employment to an alternative use, they have to prove there is a lack of demand for that site or premises.

A10.2 This table itemises the various marketing tools that should typically be used to market the interest.

A10.3 Should these tools fail to identify potential purchasers or occupiers then it may be considered that there is a lack of employment demand for the site or premises in question.

Marketing Tool	Premises	Site, 0-2 ha	Site, 2+ ha
On-site Marketing Board in prominent position	✓	✓	✓
Local Property Agent	✓	✓	✓
Regional Property Agent (joint or sole)	✓		✓
Liaise with Melton Borough Council	✓	✓	✓
Produce Marketing Particulars (in hard copy/PDF)	✓	✓	✓
Targeted mailing to Local/County/Regional Property Agents (Internet)	✓	✓	✓
Targeted mailing to Local/County/Regional Property Developers/Investors (Internet)	✓	✓	✓
Targeted mailing to UK Property Agents/Developer/Investors (Internet/postal)			✓

<b>Marketing Tool</b>	<b>Premises</b>	<b>Site, 0-2 ha</b>	<b>Site, 2+ ha</b>
Targeted mailing to selected potential occupiers (large local companies) (Postal)	✓	✓	✓
Advertise in Local/County/Regional Business Press		✓	✓
Advertise in UK Property Press			✓
Website	✓	✓	✓
Internet Mailing to Targeted Business Sectors (e-shot type mailing)	✓	✓	✓
Marketing Period, months	6-12	6-12	9-18

Source: BE Group, 2015