

SEVENOAKS ECONOMIC NEEDS STUDY

PREPARED FOR SEVENOAKS DISTRICT COUNCIL
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August 2022



Executive Summary

This Economic Needs Study has been commissioned by Sevenoaks District Council, in order to update the Council's existing economic evidence base. In so doing, it describes the role of the District economy and commercial property market; and it seeks to determine the future business space requirements of the District. The Project Brief (the Brief) set out three specific objectives for the study.

- Update the economic land needs for the District, to 2040, in accordance with the National Planning Policy Framework and the Government's latest advice contained within the National Planning Practice Guidance.
- Provide evidence and commentary on the emerging economic trends in commercial floorspace with a particular focus on office accommodation.
- Make recommendations for the Local Plan to support and enhance the District's economic value and competitiveness and identify opportunities for growth.

Spatial planning

- The NPPF states that planning policies should enable the sustainable growth and expansion of all types of business in rural areas, both through converted and new buildings; the development and diversification of agricultural and other land-based rural businesses; and sustainable rural tourism and leisure developments which respect the countryside.
- Policy SP8 of the Core Strategy states that sustainable development of the economy will be supported by the retention, intensification and regeneration of business areas primarily at Sevenoaks, Swanley, and Edenbridge and Major Developed Sites in rural areas, subject to Green Belt policy, as well as by new provision of office space in Sevenoaks and Swanley town centres and through allocating greenfield land at Swanley.
- We support the essence of these recommendations. The District will need to do more than 'protect what exists' if it is to nurture and enable economic growth. The latter cannot happen without new land and premises being made available, in line with changing occupier requirements.
- Spatial planning in Sevenoaks is dominated by the Green Belt and AONB. National, broadly pro-growth, planning guidance, together with sub-regional and local planning are all equally constrained by the overriding conservation context. The matter is made more complex by rapid and fundamental changes in the economy. The implication is that spatial planning needs to be creative and flexible in its approach.

Commercial property market

- The office market, in particular, is small in Sevenoaks, and offices need to be protected to the greatest extent possible from residential conversion.

One large, and mostly empty building, 160 London Road, is out of scale for the town and configured poorly for the local market. There may be scope to meet residential needs here in a mixed-use scheme.

- We recommend a more proactive approach to the provision of start-up and grow-on office space in Sevenoaks, Swanley and perhaps Edenbridge. This space could take the form of coworking/managed space such as that at Lime Tree Workshops. Some of the space could be provided in proposed mixed-use schemes in Sevenoaks town centre, especially if this is combined with the South Park allocated employment site.
- The industrial market is small but successful, and it is this market that most needs new capacity, although providing that capacity means encroachment on the Green Belt. The most viable locale for this is around Vestry Road in Sevenoaks and around Swanley.
- We recommend that the District seeks to protect the integrity of the major concentrations of industrial floorspace by resisting conversions to other uses. As with office provision above, we also recommend a more proactive approach to the provision of start-up and grow-on space for maker businesses in Sevenoaks, Swanley and perhaps Edenbridge.
- We recommend that the District works with neighbouring authorities to build a case of 'exceptional circumstances' to deal with demand for industrial and logistics space in the Green Belt in the northern part of the District in and around Swanley.

Rural economy

- The rural economy has the potential to play a much more significant role in the economic well-being of the District than is typical for South East local authorities. To realise this potential, the rural economy needs to be more closely integrated with planning and economic development policies.
- We recommend that the District should either strengthen an existing role or create an entirely new role for a planning/economic development officer whose responsibility is to understand the rural economy and champion its growth and development within the Council.

Tourism and visitor economy

- The District has nationally recognised heritage assets and tourism is an important part of the economy, with visitor spend estimated to support over 5,000 jobs across different sectors in Sevenoaks. There are issues relating to congestion in some 'honeypot' rural locations and there is insufficient quality visitor accommodation which limits the visitor spend and economic benefits.
- We recommend that the District uses planning policy and promotion/sales of sites to facilitate new visitor accommodation both in urban and rural areas, as well as protecting and enhancing town and village high streets.

We also recommend that the District works to secure funding for sustainable transport and visitor access to countryside destinations, and for events and marketing to reduce seasonality as well as support for business advice/training and business networks. We recommend that the District supports where possible the growth of events at Brands Hatch, including access issues.

Placemaking

- Although a successful and reasonably well functioning town, Swanley lacks a strong centre. It would benefit greatly from active placemaking. We concur with the *Town Centres Strategy* that Swanley should aim for an expanded retail offer, space for small businesses and co-working, and new homes of different types and tenures. All of these will enhance its attractiveness to business. In Swanley, there is scope for investigating and co-operating with landowners to expedite the development of Broom Hill.
- Most other town centres seem to work well and appropriately for their scale. However, New Ash Green is severely run down and would benefit greatly from active policy intervention. It needs to revitalise the commercial centre, and could also benefit by offering flexible space for small and creative businesses by bringing more footfall to the centre.

Supply and demand forecasts

- Projected net additional demand for employment floorspace and land for Sevenoaks over the plan period is 1,900 sq m or 0.5 ha of offices, and for - 4,700 sq m or -1.2 ha of industrial space. In addition, we recommend an allowance for the fact that vacancy rates are currently operating at below frictional levels and also to account for unplanned loss of stock through PDR.
- Taking account of existing supply and planned losses we conclude there is need to find a small additional amount of land to accommodate forecast demand. This totals 5.7ha of land, including 4.1 ha for office activity and 1.6 ha for industrial activity. This however assumes plot ratios of 40% for both office and industrial activity and it would be possible to accommodate forecast demand without additional land through intensification of use.

Recommendations

Rec #1 *Work with neighbouring authorities to meet economic needs. This will be undertaken in accordance with the Council's broader development strategy and may involve an assessment of whether exceptional circumstances exist to justify the release of Green Belt land.*

Rec #2 *Retain commercial land and premises unless it can be demonstrated that the use is no longer feasible or viable.*

Rec #3 *Continue to work with rural landowners to develop a deeper understanding of the rural economy and the issues therein, in order to formulate specific policies that will encourage the growth and development of the rural economy, reflecting its key role in the District.*

Rec #4 *Seek, as a policy objective, to be a leader in sympathetic, deliverable and sustainable development.*

Rec #5 *Combine the various sites around J3 at Swanley into a single policy area, perhaps via a Special Policy Guidance, to bring forward comprehensive solutions.*

Rec #6 *Encourage development that gives visitors a reason to stay in the District, not just pass through. Start by providing more accommodation.*

Rec #7 *Provide policy guidance on decarbonising existing and new commercial building stock.*

Rec #8 *Beware of blue sky thinking, but welcome well thought out and evidence-led innovation.*

Rec #9 *Recognise that farming is not, in itself, economically sustainable enough to effect protection of the rural character and natural beauty of the Green Belt and other protected areas. Support rural diversification that is consistent with other emerging policies in the Council's Local Plan.*

Rec #10 *Be open to mixed-use developments while guarding against such proposals being used as a backdoor way to bring about housing development.*

Rec #11 *Invite proposals to improve the sense of place and vitality of Swanley town centre.*

Rec #12 *Actively seek a way to rehabilitate and rejuvenate New Ash Green town centre.*

Rec #13 *Where possible, take a proactive stance in planning policy and the promotion/sale of sites for new accommodation, working with local landowners where this is consistent with other policies in the Council's Local Plan.*

Rec #14 *Work with partner organisations to secure funding for sustainable transport and visitor access to countryside destinations, including projects listed by the Darent Valley Landscape Partnership Scheme.*

Rec #15 *Work with partner organisations to secure funding for events and marketing to reduce seasonality as well as support for business advice/training and business networks.*

Rec #16 *Use planning policy and economic policy to protect and support town and village centre high street vitality for the benefit of the visitor economy as well as the resident communities.*

Rec #17 *Work with the County Council and Brands Hatch to mitigate traffic impacts associated with Brands Hatch events traffic.*

Rec #18 *In terms of the office market, take a more proactive approach to the provision of start-up and grow-on space in Sevenoaks, Swanley and perhaps Edenbridge, including the provision of affordable workspace.*

Rec #19 *Work with stakeholders to help resolve the situation with 160 London Road (BT Building). We recommend that options are appraised for sub-dividing the building into commercial, cultural and residential use, providing a public space and facilities next to the rail station.*

Rec #20 *In terms of the industrial market, seek to protect the integrity of the major concentrations of space by resisting any conversions to other uses. As with offices, we further recommend a more proactive approach to the provision of start-up space for maker businesses in Sevenoaks, Swanley and perhaps Edenbridge, including the provision of affordable workspace.*

Rec #21 *Work with neighbouring authorities to deal with demand for industrial and logistics space, particularly in the northern part of the District in and around Swanley.*

Rec #22 *Identify and allocate a small area of additional land for employment use. In total this should be of the order of 5.7ha, although the precise total will depend on site configuration, mix of uses and other factors.*

Rec #23 *Monitor gains and losses in employment use and vacancy rate to ensure planned land use allocations remain up-to-date and relevant.*

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1.0 Introduction

This Economic Needs Study has been commissioned by Sevenoaks District Council. The key objective of the study is to update the Council's existing economic evidence base. In so doing, it describes the role of the District economy and commercial property market; and it seeks to determine the future business space requirements of the District, through to 2040.

1.1 Context

The Project Brief (the Brief) set out three specific objectives for the study.

- Update the economic land needs for the District, to 2040, in accordance with the National Planning Policy Framework and the Government's latest advice contained within the National Planning Practice Guidance.
- Provide evidence and commentary on the emerging economic trends in commercial floorspace with a particular focus on office accommodation.
- Make recommendations for the Local Plan to support and enhance the District's economic value and competitiveness and identify opportunities for growth.

The study also takes account of, and comments upon, the changes to the Use Classes Order. The report summarises the current and potential future impact on office accommodation within the District since the original evidence base studies were undertaken in 2016-17.

The study takes account of, and aligns with, the Council's recently published *Town Centres Strategy*.¹ The *Economic Needs Study* builds on this and other research recently published and under preparation by the Council, regional authorities and various private sector organisations.

The study provides an updated, market-informed, analysis of economic opportunities in the District, based on both existing premises and sites, and from land allocations. It describes and defines the relevant market areas, and describes the comparative performance of economic sectors, both in terms of recent evidence and likely trends.

Recognising that Sevenoaks is not an economic island, the study involved consultations with neighbouring local planning authorities and takes full cognisance of the sub-regional picture and the external drivers of change. The analysis also includes commentary on the District's tourism sector, including accommodation and hotels, identifying issues with provision and opportunities.

1.2 Structure of study

Here we set out the main elements of the methodology for undertaking this *Economic Needs Study*. The methodology describes an analysis and conclusions of economic and employment opportunities in the District, from a market perspective, with a focus on delivery up to 2040. This includes analysis of existing premises and

¹ Allies & Morrison and Avison Young (2022) *Sevenoaks District Town Centres Strategy* April 2022

employment land as well as identifying future land requirements in all employment sectors focused on, but not limited to, traditional B use classes and office accommodation.

Chapter 2. Planning and strategy context The National Planning Policy Framework is clear insofar as each Local Planning Authority (LPA) should ensure that their Local Plan is based on adequate, up-to-date and relevant evidence. Further, authorities should ensure that their assessment of and strategies for housing, employment and other land-uses are integrated, and that they take full account of relevant market and economic signals.

Specifically for economic development, the National Planning Policy Framework identifies that LPAs should have a clear understanding of business needs within the various market segments operating in the local economies within and beyond their area.

This study reviews current and emerging policy at national, sub-regional and district level. We review recent planning policy documents prepared by the Council and its earlier evidence base.

Chapter 3. Issues facing spatial planning Preparing Local Plans today is becoming more problematic as economic, business and technological landscapes evolve at accelerating rates, bringing in their wake enormous change and uncertainty. The Covid-19 pandemic of 2020-21 has simply added to the level of uncertainty. The combined impact of the wide-ranging changes occurring raise enormous questions around the future of work and the nature and quantum of buildings needed going forward. This Chapter examines the key drivers of change; the issue of mixed use and intensification and the on-going implications of the Use Classes Order changes, Permitted Development Rights and Article 4 Directions.

Chapter 4. Socio-economic profile This element includes consideration and advice on changes in the economic climate from a national, regional and local perspective and their impact on employment land demand and changing work patterns including sustainable working and reduction of carbon emissions. This will also include analysis of the impact of Covid-19 on the market and the District's economy.

We provide a framework for consideration of the broader forces of change, which takes into account five key change factors – economy, business, technology, social and environment – and then assesses the drivers within each of these and their likely outcomes in terms of demand for business premises. This provides a helpful means of simplifying an enormously complex set of interacting forces.

We draw on existing work (for example, the 2016 *Economic Needs Study* and the 2018 *Sevenoaks Urban Area Study*) and supplement this with our own analysis as necessary to provide an economic profile based on: employment growth

Chapter 5. The tourism sector The Brief asks for commentary on the District's tourism sector, including accommodation and hotels, identifying any issues with provision and opportunities. The approach we have taken to the District's tourism sector is based upon an assessment of the commercial, built and natural facilities in the context of recent and expected trends, including identifying existing provision, opportunities and constraints.

Chapter 6. Commercial property market dynamics We analyse local property market data including recent take-up, current supply, vacancy rates, rentals and land values. We compare land and property values with surrounding and competing areas, and in broad terms assess the viability of different types of B-Class development. This analysis is enhanced with VOA floorspace statistics on stock levels, and past changes in stock.

We appraise the suitability, availability, and viability (affordability) of the existing stock of employment space within the District. We assess the demand for and supply of employment land.

The analysis is supplemented by interviews with locally active property agents to yield qualitative comments to provide insights into what occupiers look for; what the different areas in the District offer and what role they play; the current balance of demand and supply for different kinds of employment space; the main development opportunities; property market sentiment regarding investment; and emerging drivers of change.

We undertake an evaluation of the impact of the recent revisions to the Use Classes Order and the GDPO on the employment land available and requirements and replacement of the employment stock. We have used up-to-date data on Prior Approvals in order to provide a current picture of the level of pressure from PDR.

Chapter 7. Stock of employment space This Chapter provides an assessment of existing sites including their quantity, quality and whether they meet current and expected future demand. This work complements the Town Centre study, with commentary on the role that employment sites play in relation to the changing nature of the High Street, with a particular focus on local centres, recognising the increasing role they play in providing employment.

The analysis includes 29 Allocated sites and 13 promoted sites. We also provide summaries of five town centres.

Chapter 8. Supply-demand forecasts This Chapter quantifies land supply in the form of allocated sites and compares this with forecast demand for floorspace and land. The latter was derived from a 12-sector economic forecast commissioned from Cambridge Econometrics by Sevenoaks District Council (SDC) for the purposes of this study.

We translate employment growth into floorspace requirements by applying plot and job density ratios, drawing from HCA guidance and our own experience. However, recent years have seen significant changes in the way businesses occupy space (which might be further changed following Covid-19) and we undertake sensitivity tests around this point.

Chapter 9. Conclusions and outlook Sets out the main conclusions and recommendations arising from the research. The Chapter is arranged around four themes, namely: spatial, economic, floorspace and outlook.

2.0 Planning and strategy context

The chapter sets out the planning and spatial strategy context for the *Economic Needs Study* (ENS). We provide the relevant headlines from the National Planning Policy Framework, which sets the overall tone and objectives for national spatial planning. We then summarise relevant parts of regional and sub-regional reports produced at LEP and county level. Finally, we summarise the key points from the evidence base of the Local Planning process that will define objectives and strategies that the ENS will need to support.

2.1 National planning

The most recent version of the National Planning Policy Framework (NPPF) was published in February 2021.² It states that,

The purpose of the planning system is to contribute to the achievement of sustainable development. Achieving sustainable development means that the planning system has three overarching objectives:

- a) an economic objective – to help build a strong, responsive and competitive economy, by ensuring that sufficient land of the right types is available in the right places and at the right time to support growth, innovation and improved productivity; and by identifying and coordinating the provision of infrastructure;
- b) a social objective – to support strong, vibrant and healthy communities, by ensuring that a sufficient number and range of homes can be provided to meet the needs of present and future generations; and by fostering a well-designed and safe built environment, with accessible services and open spaces that reflect current and future needs and support communities' health, social and cultural well-being; and
- c) an environmental objective – to contribute to protecting and enhancing our natural, built and historic environment; including making effective use of land, helping to improve biodiversity, using natural resources prudently, minimising waste and pollution, and mitigating and adapting to climate change, including moving to a low carbon economy.

The planning system needs to ensure sufficient land is made available to meet housing needs and deliver a supply of housing, including meeting the need for affordable housing.

The NPPF sets out in the chapter on 'Building a strong, competitive economy' that planning policies should:

- a) set out a clear economic vision and strategy which positively and proactively encourages sustainable economic growth, having regard to Local Industrial Strategies and other local policies for economic development and regeneration;

² HM Government (2021) *National Planning Policy Framework* Ministry of Housing, Communities & Local Government February 2021

- b) set criteria, or identify strategic sites, for local and inward investment to match the strategy and to meet anticipated needs over the plan period;
- c) seek to address potential barriers to investment, such as inadequate infrastructure, services or housing, or a poor environment; and
- d) be flexible enough to accommodate needs not anticipated in the plan, allow for new and flexible working practices ... and to enable a rapid response to changes in economic circumstances.

Planning policies and decisions should recognise and address the specific locational requirements of different sectors. This includes making provision for clusters or networks of knowledge and data-driven, creative or high technology industries; and for storage and distribution operations at a variety of scales and in suitably accessible locations.

Policies on supporting a prosperous rural economy state that planning policies and decisions should enable:

- a) the sustainable growth and expansion of all types of business in rural areas, both through conversion of existing buildings and well-designed new buildings;
- b) the development and diversification of agricultural and other land-based rural businesses;
- c) sustainable rural tourism and leisure developments which respect the character of the countryside; and
- d) the retention and development of accessible local services and community facilities, such as local shops, meeting places, sports venues, open space, cultural buildings, public houses and places of worship.

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

Industrial Strategy

The Government published its *Industrial Strategy* White Paper in 2017.³ This set out five foundations of productivity.

- Ideas – with an aim both to invest a higher proportion of GDP into Research and Development (R&D) and also become more effective at turning good ideas into commercial products.

³ HM Government (2017) *Industrial Strategy: Building a Britain Fit for the Future* Dept for Business, Energy & Industrial Strategy November 2017

- People – aimed at investing in education to raise skills in STEM subjects.
- Infrastructure – with a strong emphasis on digital infrastructure.
- Business environment – including ‘sector deals’; efforts to scale up businesses with growth potential; and trying to address the ‘long tail’ of less productive businesses.
- Places – through developing local industrial strategies.

Among the key policies under the places driver were: “*Agree Local Industrial Strategies that build on local strengths and deliver on economic opportunities*”. The White Paper sets out four Grand Challenges that will shape much of the future growth in sectoral terms.

- **Growing the AI & Data-Driven Economy** The report states that embedding AI across the UK will create thousands of good quality jobs and drive economic growth; and by 2030 they could add £232bn to the UK economy. It states that, “*We will support sectors to boost their productivity through artificial intelligence and data analytic technologies*”.
- **Clean Growth** Transition to a low carbon economy is seen as generating huge opportunities and, “*Whole new industries will be created and existing industries transformed as we move towards a low carbon, more resource-efficient economy.*” These opportunities will impact across a range of sectors including, energy, agriculture, construction and transport.
- **The Future of Mobility** Early priorities are identified as: a flexible regulatory framework to encourage new modes of transport and new business models; moving from hydrocarbon to zero emission vehicles; increased autonomy, journey sharing and a blurring of the distinctions between private and public transport; use of data to accelerate development of new mobility services and enable more effective operation of the transport system.
- **Ageing Society** It states, “*Ageing populations will create new demands for technologies, products and services, including new care technologies, new housing models and innovative savings products for retirement.*” The aging population is seen as a global opportunity for UK businesses, not just a local UK market.

The White Paper places a particularly strong emphasis on digital infrastructure. A key policy is to, “*Boost our digital infrastructure with over £1bn of public investment, including £176m for 5G and £200m for local areas to encourage roll out of full-fibre networks.*”

The Ten Point Plan for a Green Industrial Revolution

This plan was published in November 2020 and aims to “*lay the foundations for a Green Industrial Revolution*” with targets of up to 250,000 new jobs by 2030.⁴ The ten points cover the following.

⁴ HM Government (2020) *The Ten Point Plan for a Green Industrial Revolution*

- Advancing Offshore Wind
- Driving the Growth of Low Carbon Hydrogen
- Delivering New and Advanced Nuclear Power
- Accelerating the Shift to Zero Emission Vehicles
- Green Public Transport, Cycling and Walking
- Jet Zero and Green Ships
- Greener Buildings
- Investing in Carbon Capture, Usage and Storage
- Protecting Our Natural Environment
- Green Finance and Innovation

Build Back Better: Our Plan for Growth

*Build Back Better: Our Plan for Growth*⁵ was published by the Prime Minister on 3rd March 2021 in response to economic (and other global) changes as a result of the Covid-19 pandemic. The impacts of the support measures outlined in the Build Back Better paper will be felt throughout the UK in the three core pillars of growth of infrastructure, skills and innovation. The paper outlines that growth will be sustained by levelling up, through a transition to net zero and with a vision for Global Britain. The net zero transition provides the greatest market incentive for the green economy under the build back better proposals and specifically references the Prime Minister's 10 Point Plan outlining proposals to have 250,000 highly skilled jobs in the sector (including 60,000 in offshore wind, 50,000 in carbon capture and storage and 8,000 in hydrogen industrial clusters) and to ensure that the finance sector has a role to play in the economic boost.

Levelling Up White Paper

The Levelling up White Paper⁶ published in February 2022 aims to tackle geographical inequality in the UK. The White Paper states that,

Levelling up will require us to:

- a. boost productivity, pay, jobs and living standards by growing the private sector, especially in those places where they are lagging;
- b. spread opportunities and improve public services, especially in those places where they are weakest;
- c. restore a sense of community, local pride and belonging, especially in those places where they have been lost; and
- d. empower local leaders and communities, especially in those places lacking local agency.

It sets a framework in which six drivers need to be developed in order to address spatial disparities.

- Physical capital – infrastructure, machines and housing.
- Human capital – the skills, health and experience of the workforce.

⁵ HM Treasury (2021) *Build Back Better: Our Plan for Growth* March 2021

⁶ HM Government (2022) *Levelling up the United Kingdom White Paper* February 2022

- Intangible capital – innovation, ideas and patents.
- Financial capital – resources supporting the financing of companies.
- Social capital – the strength of communities, relationships and trust.
- Institutional capital – local leadership, capacity and capability.

It sets out four levelling-up missions.

- Boost productivity, pay, jobs and living standards by growing the private sector, especially in those places where they are lagging.
- Spread opportunities and improve public services, especially in those places where they are weakest.
- Restore a sense of community, local pride and belonging, especially in those places where they have been lost.
- Empower local leaders and communities, especially in those places lacking local agency.

Each of these missions is underpinned by a series of targets to be achieved by 2030.

Shared Prosperity Fund

The UK Shared Prosperity Fund is a Government-allocated fund which is intended to reduce inequalities between communities, as part of the Government's wider "levelling up" agenda. It is intended as a replacement for the European Structural Funds. The Fund was launched with the publication of its full prospectus on 13th April 2022. The Fund will focus on three priorities: communities and place, local businesses, and people and skills. Sevenoaks has been awarded £1m under this Fund.

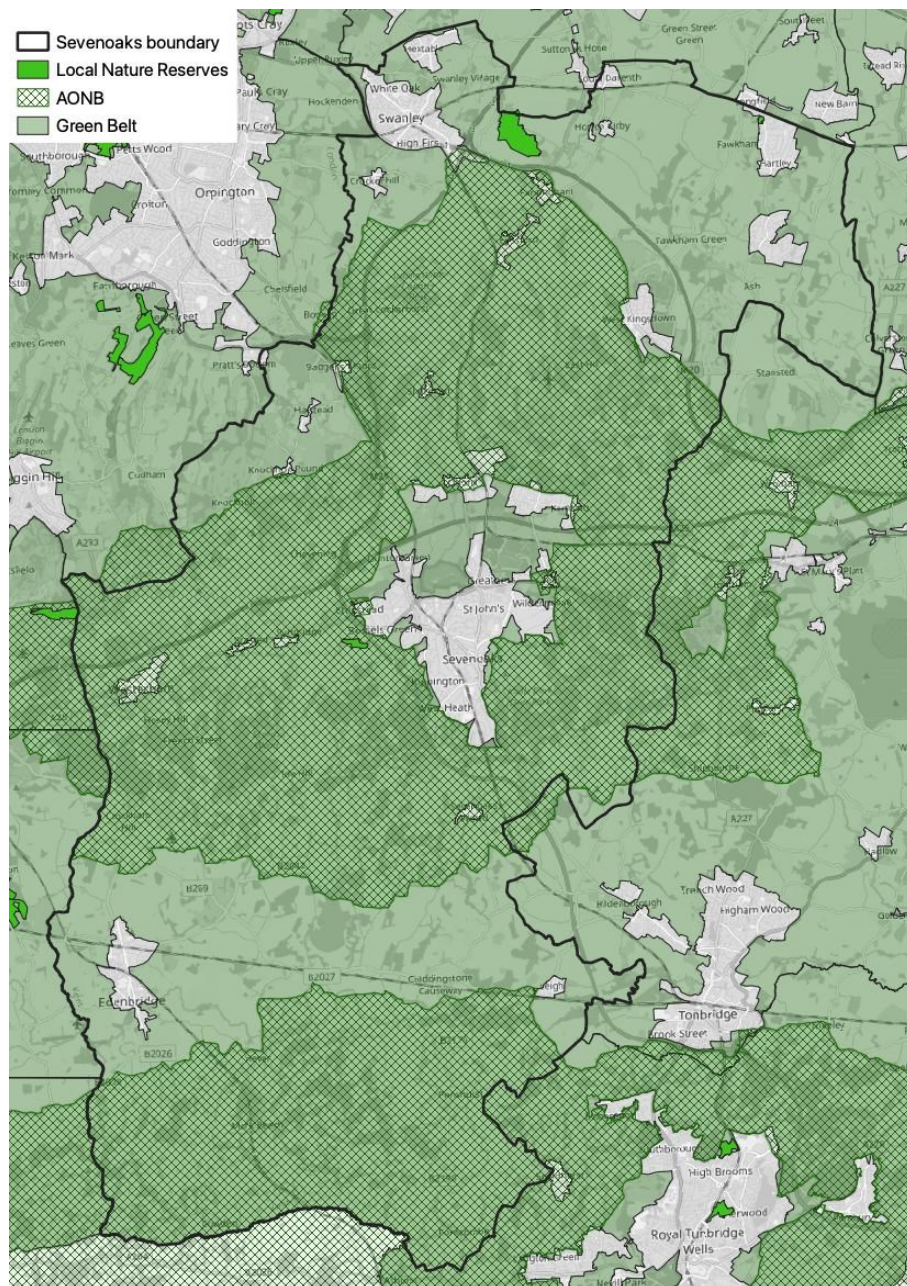
Green Belt and Conservation

Most of the foregoing describing national planning policies suggests a generally 'pro-growth' stance; one where strong encouragement is being given to local authorities to prioritise growth where they can. In terms of economic development this is a helpful context within which to work. However, this has to be tempered with the fact that Sevenoaks sits within the Metropolitan Green Belt of London (Figure 2.1).

This is a fairly self-evident statement, but bears repetition here because of the extent to which the Green Belt designation influences planning options within the District. Something in the order of 93% of the District's land is protected by the Green Belt. And in addition to the Green Belt, much of Sevenoaks District (61%) receives an additional layer of environmental protection via designation as an Area of Outstanding Natural Beauty (AONB).

With so much of the District receiving such protection, the 'pro-growth' national context is relatively constrained in its impact.

Figure 2.1 Sevenoaks and the Green Belt



2.2 Regional planning

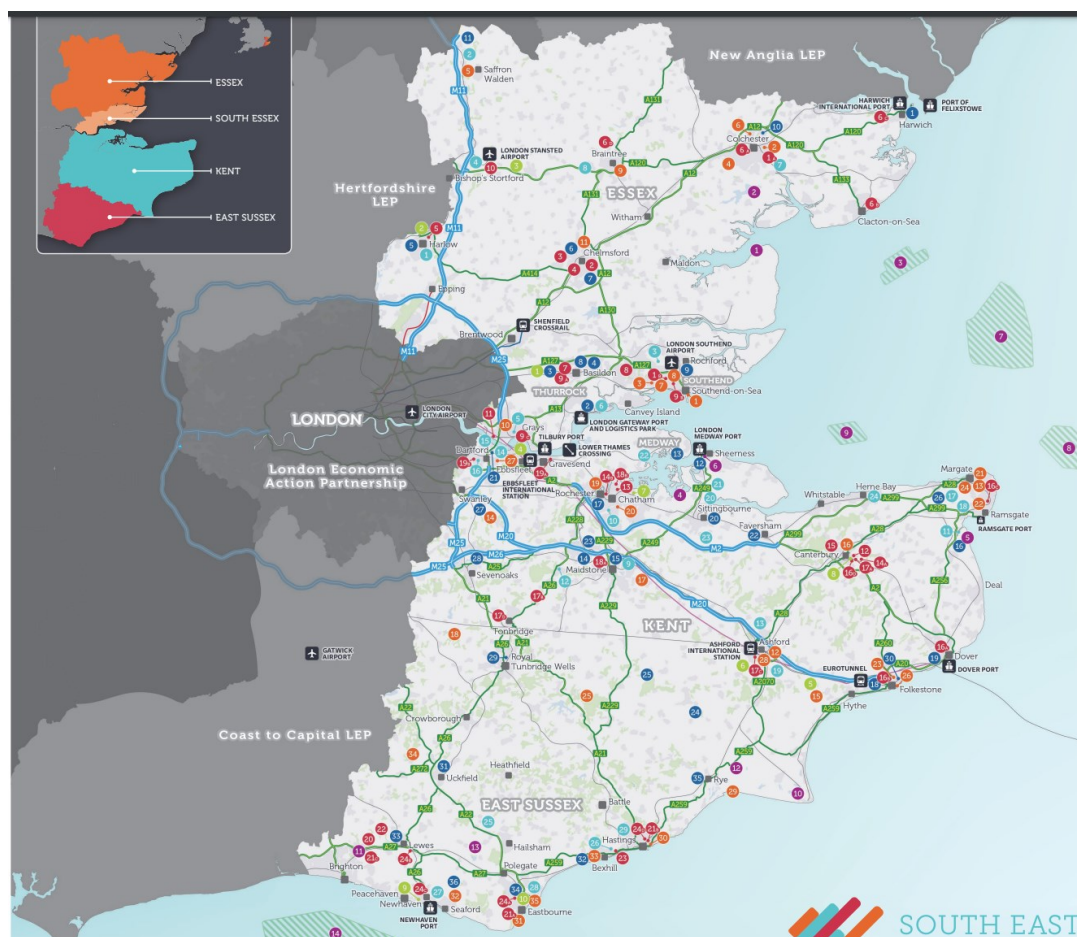
Strategic Economic Plan 2019

South East Local Enterprise Partnership (SELEP) agreed its new Economic Strategy Statement, outlining its priorities and aims to drive a more productive and prosperous economy for the area over the next decade in December 2018.⁷ Titled: *Smarter, Faster, Together*, the plan is a key part of SELEP’s approach to

⁷ South East LEP (2019) *Smarter, Faster, Together: Towards a Local Industrial Strategy*

support long-term growth for East Sussex, Essex, Kent, Medway, Southend and Thurrock (Figure 2.2), ensuring the area continues to play a pivotal role in the future growth of the wider South East and the UK as a whole.

Figure 2.2 The South East LEP region



Source: SELEP, 2019

Context for investment The strategy, which will provide a context for local priorities for investment of Government funding for improved transport infrastructure, regeneration, skills facilities and business premises, was agreed and adopted by SELEP’s Strategic Board at its December 2018 meeting.

The strategy is informed by detailed, high-quality evidence and extensive consultation. It provides a clear and concise articulation of the shared priorities of the communities across the South East.

The Plan outlines three aims, which are to:

- work **smarter** to increase productivity in the SELEP area, with the aim of bridging the gap in GVA per filled job between the South East and the rest of the UK;

- deliver **faster** by accelerating housing and infrastructure delivery to meet planned growth, and
- work better **together** by collaborating across the Greater South East, with Government and with business.

To achieve these, the Plan sets four priorities and outlines strategies for future success for each.

The priorities are as follows.

- **Create ideas and enterprise** by encouraging businesses with the capacity for innovation and high growth to scale up; increasing the adoption of new technologies and processes; supporting the process of knowledge transfer between universities and businesses; responding to the increasing need for workspace flexibility; and ensuring the South East is Britain's gateway for trade and investment.
- **Develop tomorrow's workforce** by increasing industry-relevant qualifications for all ages; simplifying the skills landscape for employers; raising awareness of the wide range of career and job opportunities that exist in the SELEP area; and supporting capital investment in further and higher education capacity.
- **Accelerate infrastructure delivery** by securing sustained improvements in the area's national transport infrastructure, including the delivery of the Lower Thames Crossing and strategic road and rail networks and connections to ports and airports; securing investment in local infrastructure that unlocks housing and jobs growth; investing in digital and advanced technology to support sophisticated communications networks; and sustaining efforts to drive up levels of housing and commercial development.
- **Create places** by putting the area's towns, cities and rural communities on the front foot in responding to new technology and changing work patterns; supporting quality of life and quality of place; and supporting businesses' role in the community.

It is clear that the ENS can contribute to these priorities by ensuring that an adequate amount, and a suitable quality, of land and property are available within which businesses can innovate and grow and employ suitably skilled workers.

London Plan

As a District that borders London, the London Plan has some relevance through the duty to co-operate. Point E of London Plan Policy E7 on Industrial intensification, co-location and substitution states,

“Development Plans and planning frameworks should consider, in collaboration with the GLA and neighbouring authorities within and outside London, the scope to facilitate the substitution of some of London's industrial capacity to related property markets elsewhere in London and beyond London's boundary where:

- 1) *this results in mutual advantage to collaboration partners inside and outside London and supports a more efficient use of land*
- 2) *full regard is given to both the positive and negative impacts of substitution including impacts on servicing the economy inside and outside London, businesses and customers, labour markets and commuting, supply-chains and logistics, congestion, pollution and vehicle miles*
- 3) *a clearly-defined strategy for the substitution of future demand capacity and/or relocation arrangements, where relevant, is in place to support this process.*

This approach should only be considered as part of a plan-led process of consolidation and intensification (and clearly defined in Development Plan policies maps) and not through ad hoc planning applications.”

2.3 Sub-regional planning

The sub-regional planning context is summarised here with reference to research by Kent County Council, Kent & Medway Economic Partnership and West Kent.

Kent County Council

KCC published a *Growth & Infrastructure Framework* (GIF) in 2018, to provide a view of emerging development and infrastructure requirements to support growth across Kent and Medway.⁸ KCC worked with Medway Council, districts and boroughs, and key strategic partners. The GIF provides a strategic framework across the County, for identifying and prioritising investment across a range of infrastructure, for planned growth up to 2031. The Plan focuses on social and physical infrastructure, rather than business infrastructure; but it also highlights some issues and challenges for the County which are pertinent to the ENS. For example, the GIF refers to the influence of London.

Strategically, the County's position as the main international gateway from the UK into Europe, and adjacent to London, inevitably means it plays a major role in the national economy. It also means that the Kent and Medway economy is sensitive to external demographic, political and economic influences. (p14)

The report observes that the impact of London's growth on Kent and Medway will influence migration in and out of the county, as well as business relocation; trends that might lead to a “*potential pressure to absorb some of the capital's growth*”. As London seeks to address its own acceleration in housing need, this could in turn affect the supply of suitable office space.

The residual housing demand and the growing crisis in office and employment space will necessarily put additional pressure onto economies across the wider South East - all of which are facing their own growth in demand. (p14)

⁸ Kent County Council *Kent and Medway Growth and Infrastructure Framework* 2018 Update

In this context, The GIF notes that it will be “*crucial to continue engaging proactively with the Greater London Authority*”, to ensure that the County’s growth is supported by all the necessary infrastructure and services.

The GIF notes also that Kent and Medway are represented on the Wider South East Political Steering Group, which meets to initiate, steer and agree strategic collaboration activities across the wider South East; and that Kent and Medway are also actively involved with, and represented by, South East England Council (SEEC) which looks to ensure that the South East has opportunities to influence London’s housing and strategic infrastructure plans.

The GIF then addresses commercial property directly. It states that if Kent and Medway are to overcome the economic challenges and realise the economic opportunities, “*there is a clear need for the local economy to provide the right space in the right location at the right specification to enable businesses to set up and grow in the area*”. However, despite the opportunity to attract businesses out of London into Kent and Medway,

there is growing evidence as to the fact that this suitable commercial space is in limited supply. This limited supply could be hindering the growth of new and existing businesses in Kent and Medway. (p30)

The obvious consequences of the gap between demand and supply, include the loss of potential inward-investing businesses, but also the potential loss of indigenous businesses to neighbouring counties or beyond where more suitable properties may be available.

Kent & Medway

The Kent & Medway Economic Partnership (KMEP) finds that the occupational profile of the workforce is similar to the national average, albeit with slightly fewer people in professional occupations and slightly more in associate professional occupations, even though the former is the largest single occupational group in Kent and Medway with 187,000 people, followed by associate professional and technical occupations (145,000) and managers, directors and senior officials (105,000). The 2021 report finds that employed jobs have grown by 2% in Kent and Medway in recent years (16,000 additional jobs) with most growth in Construction and Accommodation & Food. Overall employment both nationally and in the SELEP region is forecast to grow by a further 2% by 2027.⁹

While new jobs will contribute to demand for skilled labour, most demand is to replace those already in work who leave an existing job. KMEP forecast overall labour demand for the period 2017 to 2027, with an overall net annual demand for new recruits of over 28,000 people across Kent & Medway. This includes 4,700 care workers and 3,100 business associate professionals as well as 4,100 corporate managers and 1,500 science, engineering, and technology professionals. Given the wide range of roles that need to be filled, skills and qualifications at all levels will be needed. However, forecasts for the SELEP region suggest that, by 2027, the proportion of the workforce with a degree is

⁹ Matthews S; Pratt J & Gill R (2021) *The Kent and Medway Workforce Skills Evidence Base 2021 KMEP*

expected to increase by 6%, whilst the proportion requiring qualifications at level One or below will fall from 13% to 8%.

Sectoral employment dynamics and skills demand in the medium and long term will also be shaped by a series of major technological and social trends in the coming years. Digitalisation will change existing industries and create new ones, blurring the boundaries between some sectors. Decarbonisation will drive a range of new activities in construction, retrofit, energy generation and supply, more resource efficient methods of production, low-carbon transport, natural carbon storage, creating a range of new green jobs and skills, changing existing jobs and expanding the numbers of relevant existing jobs. Demographic change is expected to increase demand for goods and services required by an ageing population; spur a productivity gain in response to a rising 'dependency ratio', and require longer working lives. Finally, working practices are also changing, including more part-time working, increased self-employment, more (e-enabled) independent work, zero-hours contracts, and the 'gig economy'. These four trends are reflected on or own interpretation of the drivers of future demand for commercial property as summarised in Figure 3.1.

West Kent

West Kent comprises the three authorities of Sevenoaks, Tonbridge and Malling and Tunbridge Wells. West Kent is bordered by Dartford, Gravesham and Ashford authorities in Kent; and Medway, East Sussex, Surrey and the London boroughs of Bromley and Bexley. There are three main urban centres, namely: Sevenoaks, Tonbridge and Tunbridge Wells, together with Swanley, Paddock Wood, Cranbrook and a number of villages. These settlements sit within a high quality environment, much of which is designated either Metropolitan Green Belt or as Areas of Outstanding Natural Beauty.

The following is summarised from the *West Kent Economic Priorities* document.¹⁰

West Kent is a relatively prosperous area that has historically enjoyed strong job growth; it has the highest proportion of business start-ups in Kent and a stronger representation of higher value, knowledge-based industries than elsewhere in Kent. Jobs growth is forecast to continue over the next 20 years. However, future growth in the West Kent economy is "*constrained by high land values, a shortage of available development land, full employment, lack of investment in infrastructure*" (p6).

Across West Kent more than 20% of jobs are in the knowledge economy, compared to 15% in Kent as a whole. Investment in supporting growth in the knowledge economy in particular has the potential to contribute to increased productivity. "*The knowledge economy is seen as a key driver for economic growth in the UK. Sevenoaks and Tunbridge Wells districts are within the top 20% of GB local authorities with the highest concentration of knowledge economy jobs*". (p7)

The Priorities document suggests that the West Kent economy both benefits and suffers from proximity to London. While large numbers of residents commute to London taking high level skills away from the local economy, local businesses

¹⁰ West Kent Partnership (2019) *West Kent Economic Priorities for Growth 2019-22*

benefit from the additional spending power. Similarly, while house prices are the highest in Kent, reflecting easy access to London, this prevents many young local employees joining the housing market.

The key objectives of the West Kent Partnership are to:

- deliver a dynamic and well-connected economy;
- become a key location for business growth where businesses are supported to innovate and thrive; and
- ensure our local population has access to high quality jobs and opportunities for skills development.

Among its five themes, the fourth addresses the Business Environment, and seeks to deliver an environment that supports start-ups and stimulates growth.

More High Growth Businesses West Kent businesses have already demonstrated an appetite for growth through the high take up of the Escalate funding programme in the area. Building on this success, a Scale Up programme is being delivered in partnership with Kent Invicta Chamber of Commerce to deliver intensive, bespoke support to targeted businesses that have the potential to create jobs and wealth and increase productivity.

Commercial space delivered for business growth All three authorities recognise that a shortage of commercial space is currently restricting inward investment and local business growth. Space to attract businesses to West Kent is needed, just as start-ups working from home, other microbusinesses and SMEs will flourish more readily with appropriate grow on space. We will work with private investors and local councils to bring forward suitable space to support growth at every level.

Support programme available to start ups and established businesses The West Kent Partnership has a long history of delivering business support to our local businesses which will continue alongside promoting the support available to business through the Kent and Medway Growth Hub.

The fifth theme, Place, includes

Vibrant town centres incorporating integrated office, retail, leisure and residential units West Kent's vitality is dependent on having vibrant town centres which are focussed around a modern model of integrated office, retail, cultural, leisure and residential uses. Supporting those towns to build a mixed offer through various initiatives and investments is a priority for the well-being of the local economy.

Clearly, the provision of suitable property – the right amount, the right type and the right locations – is clearly integral to the achievement of these objectives.

2.4 Local planning policy

Core Strategy Development Plan Document

The extant Sevenoaks *Core Strategy* was adopted in February 2011, in order to guide the development of the District over the period to 2026.¹¹ Upon adoption, there was a commitment to review the *Core Strategy* within five years in order to ensure consistently with the then-newly published NPPF. The Council is therefore in the process of producing additional evidence to inform the review, including this report, and other evidence base documents currently under preparation.

Alongside the *Core Strategy* sits the *Allocations and Development Management Plan* (ADMP).¹² This document provides the operational tool to implement and build on the strategy contained within the *Core Strategy* (and is described more fully below). The ADMP includes site specific allocations for open space, residential, employment and mixed use as well as policies for managing development across the District. It promotes sustainable development, and identifies land for potential development subject to planning permission, promotes good design and promotes the conservation and enhancement of the District's natural and built environments.

The *Core Strategy* acknowledges that the local economy has seen recent growth, although this was influenced by the economic downturn. Many businesses are small and in service or office-based sectors, although there is a recognised issue in recruiting and retraining staff due to the high cost of housing and the higher salaries available elsewhere, particularly in London. The traditional role of agriculture is identified, with a recognition that farmers are diversifying through the re-use of existing buildings and the development of new enterprises.

Various issues and challenges are identified, including the need to meet development requirements within an area constrained by Green Belt, providing for future development of Sevenoaks and improving Swanley through regeneration. The future of rural areas is also a key challenge, with a need to preserve the quality of these areas while meeting the needs of rural communities and ensuring that the rural economy can continue to sustainably develop.

A broader supply of land is also needed to meet future business needs, with a primary focus on making effective use of existing employment land. The *Core Strategy* cites the previous *Employment Land Review*, which showed that there is a sufficient supply of sites largely in acceptable locations, although there was an identified need for modernisation. A future additional land requirement for between 0.3ha and 1.5ha was identified, with a view that this could be made up through intensification and use of vacant land.

There is a particular focus on the Sevenoaks urban area, Swanley and Edenbridge, although in addition, there are also a number of Major Developed Employment Sites in the Green Belt – independent of existing settlements – which have built up over a number of years, which are all in commercial use and often pre-date the introduction

¹¹ Sevenoaks District Council (2011) *Core Strategy* Adopted February 2011

¹² Sevenoaks District Council (2015) *Allocations and Development Management Plan*
Adopted February 2015

of planning controls. These 29 sites form a significant part of the District's employment land supply.

The Community Plan vision is to have Sevenoaks recognised as a place with:

- *Safe and caring communities*
- *A green and healthy environment*
- *A dynamic and sustainable economy*

One of the key challenges identified was *Maintaining a dynamic economy*.

A supply of land is needed to meet future business needs. The background studies show the potential contribution from maintaining and making effective use of existing employment land and from limited further development in Swanley.

The spatial vision focussed the majority of new housing development on the urban areas of Swanley and Sevenoaks. It stated that "*Sevenoaks will continue to combine economic prosperity with environmental quality and new retail, office, tourism and housing development will support its role as a principal town centre within West Kent*" and that "*Swanley will be regenerated to create a town centre that better meets the needs of the community and supports the economy through development to include a mix of new shops, offices, hotel and residential development together with accompanying environmental improvements. Existing employment areas in the town will be renewed and a new site developed adjoining the M25.*" It also stated that *Edenbridge "will retain its role as a rural service centre serving the surrounding villages with a range of shops, services and employment"*.

Two particular policies of the Core Strategy are worth highlighting in the context of this ENS.

Policy SP8 Economic Development and Land for Business

Policy SP8 is the overarching strategic policy that provides for the retention and creation of employment and business facilities and opportunities throughout the District. It allows for allocated employment sites to be redeveloped for other uses if it can be demonstrated that there is 'no reasonable prospect of their take up or continued use for business purposes during the Core Strategy period'.

The Council expects an applicant seeking a release under Policy SP8 to provide information to show that the site has been unsuccessfully marketed, for use of the existing buildings or partial or comprehensive redevelopment, for a period of at least one year, at a time when the site is available or will be available shortly. In addition, the Council will expect the applicant to demonstrate that forecast changes in market conditions will not result in take up of all or part of the site.

Policy SP8 promotes a flexible approach to the use of land for business and employment purposes and as such it is the role of the ADMP to formally identify the sites to which Policy SP8 of the Core Strategy applies. Policy SP8 states that the sustainable development of the District's economy will be supported by:

- a. the retention, intensification and regeneration of existing business areas primarily at Sevenoaks, Swanley, and Edenbridge and Major Developed Sites in rural areas, subject to Green Belt policy;
- b. through new provision for business as follows
 - i. office development in Sevenoaks and Swanley town centres and
 - ii. business development through allocation of greenfield land at Swanley outside the Green Belt;
- c. giving priority to business uses, or tourist facilities, in the conversion of buildings in the rural area;
- d. promoting hotel development in suitable locations in Sevenoaks and Swanley;
- e. working with partners to develop initiatives to improve skills in the workforce and
- f. supporting the development of start-up units for small businesses in suitable locations and improvements in information and communications technology to facilitate more flexible working practices.

Policy LO8 The countryside and the rural economy

Development that supports the maintenance and diversification of the rural economy, including development for agriculture, forestry, small scale business development and rural tourism projects, and the vitality of local communities will be supported provided it is compatible with policies for protecting the Green Belt, the Kent Downs and High Weald Areas of Outstanding Natural Beauty conserves and enhances the value and character of the District's woodland and the landscape character of other rural parts of the District and that it takes account of infrastructure requirements.

Allocations and Development Management Plan

The *Core Strategy* sets out that the employment land provision for the District over the plan period, excluding developed employment sites, is 86.1ha. Following work on the proposed allocations this figure was reduced in the ADMP to 79.6ha (75.5ha of existing sites and 4.1ha new allocation at Broom Hill) primarily as a result of detailed boundary amendments to better represent the existing extent of established employment sites. The majority of this was existing employment land that was retained. The Swanley figure included a new area of 8.1ha adjoining M25 J3.

The ADMP identified 26 sites (which have formed the core of analysis in this Employment Needs Study), with a total of 75.5ha of land. In addition, there were a number of employment sites in the District, divorced from existing settlements, that had become built up over the years and which are designated as "Major Developed Sites". These were:

- Chaucer Business Park, Kemsing (4.4ha),
- Glaxo Smith Kline, Leigh (4.0ha),

- North Downs Business Park, Dunton Green (6.1ha) and
- Fort Halstead, Halstead (41.0ha).

Local Plan Regulation 19 Consultation December 2018

The Reg 19 Consultation plan set out a spatial vision that by 2035 “*Sevenoaks is striving to meet its housing and employment needs, without compromising the natural environment. Sustainable growth is being delivered by working with our partners to deliver supporting infrastructure, particularly education, health, transport and open spaces. The District continues to be a desirable place for people to lead their lives.*”

The potential of the District’s accessible location main transport routes has been maximised, to ensure a dynamic urban and rural economy. There is a wide range of employment opportunities and town centres continue to be the main focus for retail and leisure uses. Broadband connectivity is widely established, particularly in support of rural areas and the visitor economy is thriving. Challenges associated with air quality and infrastructure, particularly those related to the M25 are recognised. These issues are being addressed through on-going work with partners to facilitate improvements.

Employment proposals for each of the four main towns of Sevenoaks, Swanley, Edenbridge and Westerham were to “*Retain existing employment sites*”. For Sevenoaks Urban Area it additionally included a “*potential for intensification/expansion at Vestry Trading Estate and around the “Dunbrik” A25 area.*”

The Plan identified the need for 11.6ha of employment in the period up to 2035 made up of 7.1ha for Offices B1a/B1b; 1.1ha for Industrial B1c/B2 and 3.3ha for warehousing and storage B8.

The criteria for identifying new employment sites included:

- sites close to the existing transport network, particularly the strategic road and rail network;
- sites adjacent to, or close to, existing protected employment, and
- sites on the edge of existing settlements.

Policy EMP1 on the Economy states that, “*Non-residential use of land and/or buildings will be retained unless it can be demonstrated that the use is no longer feasible or viable*”. To help reinforce this the policy further stated that, “*All office accommodation on allocated sites will be served an Article 4 direction to retain important business space to meet the needs of the District’s economy.*”

Twenty-six existing employment sites were retained for employment use with a further three allocated employment sites retained. In addition, two sites were identified as Major Developed Employment Sites in the Green Belt: Chaucer Business Park, Kemsing and North Downs Business Park, Dunton Green.

Para 3.25 on the Visitor economy noted that “*Tourism is a vital part of ensuring the District continues to have a vibrant economy and it is important to support the*

accommodation and attractions which are already excelling across our District. We want to strengthen and protect these existing attractions, as well as expanding and encouraging tourism within both our urban and rural areas.”

Policy EMP3 – Tourism & Visitor Economy states that proposals to provide new sustainable tourism development including hotels, guesthouses, bed and breakfast, outdoor accommodation, self-catering accommodation and new visitor attractions will be supported after consideration of the following criteria.

- 1.The anticipated traffic generation and whether the location is readily accessible by a range of means of transport including walking and cycling and by public transport.
- 2.The impact on local and landscape character and amenity.
- 3.The relationship to existing tourism development and whether the proposal is for the upgrading of those facilities.
- 4.Whether the proposal will contribute to the diversification of tourist attractions in the District.

The Regulation 19 version of the plan was submitted for examination in April 2019 but did not progress, due to a failure to meet the Duty to Co-operate.

Regulation 18 Consultation Draft Local Plan

The Council has recently published an updated Local Development Scheme (LDS) , which indicates that a revised ‘Regulation 18’ version of the Local Plan will be issued for consultation in Autumn 2022. This Employment Needs Study will inform the development of policies in that document.

Economic Development Strategy 2018-2021

The Sevenoaks *Economic Development Strategy 2018-21* set a vision for, “*the development of a fair, safe and thriving economy*”. The Strategy set out five themes.

- **Growth and investment** Regeneration of our key market towns, enabling viable and vibrant town centres that provide employment and retail opportunities for all.
- **Infrastructure** Improving infrastructure to serve our communities including, broadband and mobile telephony, road, rail and air links, health and education.
- **Visitor Economy** Engaging with and supporting the Visitor Economy sector, local food producers and arts and culture venues, to maintain Sevenoaks District as a key destination for visitors.
- **Skills** Ensuring residents and businesses can gain the skills they require to sustain a prosperous District, including supporting young people into employment and life-long learning and training.
- **Enterprise** Working with businesses to ensure Sevenoaks District continues to be a place where businesses can prosper and grow.

The Strategy set out challenges and actions under each of the Strategy themes and also identified a series of monitoring indicators.

Sevenoaks Urban Area

In 2019 Hatch Regeneris produced an economic study of the *Sevenoaks Urban Area* on behalf of the District Council.¹³ This research suggested that “*strong levels of growth in Sevenoaks Town Centre may suggest that there is increased demand for the sorts of uses associated with the town centres – office space, retail units, back-office functions*”. It also highlighted demand from small and micro businesses and a “*demand for space appropriate for smaller businesses, as well as businesses and individuals seeking co-working/flexible style workspace in the area.*”

This study has since been superseded by the recently published *Town Centres Strategy*.¹⁴ The study covers Edenbridge, New Ash Green, Sevenoaks, Swanley and Westerham. The study updated the evidence base and engaged stakeholders to understand the issues and opportunities facing the District’s towns. The Strategy responds by setting a clear vision and roadmap for each centre, identifying potential projects, development opportunities, place coordination strategies and delivery considerations. The conclusions and recommendations in this ENS have been cognisant of the *Town Centres Strategy*.

Sevenoaks District Council Net Zero 2030

Sevenoaks District Council have made a commitment to work towards achieving net zero carbon emissions for the Council and its assets by 2030. Its Net Zero Action Plan 2022/23¹⁵ also seeks to work with partners in the wider community to reduce emissions in the District.

Action COM5 is to: “*Help householders and businesses improve energy efficiency by providing free advice and support for energy improvements and energy saving.*”

Action PAR3 is to: “*Encourage, and work with, businesses in our District to reduce carbon emissions.*” With one of the proposed outcomes under this action being to, “*Incorporate reduction in carbon emissions into the Economic Development Strategy.*”

2.5 Summary: planning for growth and conservation

At the national level, the NPPF encourages positive, sustainable development, with planning policies and decisions that recognise and address the specific locational requirements of different sectors. It also provides guidance for rural areas, where planning policies and decisions should enable the sustainable growth and expansion of all types of business, both through conversion of existing buildings and well-designed new buildings.

¹³ Hatch Regeneris (2019) *Sevenoaks Urban Area – Economic Study* April 2019

¹⁴ Allies & Morrison and Avison Young (2022) *Sevenoaks District Town Centres Strategy* April 2022

¹⁵ Sevenoaks District Council Net Zero 2030 Action Plan 2022/23

The Government's 2017 *Industrial Strategy* White Paper reinforces the NPPF by suggesting that the planning system and local authorities should agree local industrial strategies that *"build on local strengths and deliver on economic opportunities"*. However, while the NPPF encourages local authorities to prioritise growth where they can, this has to be tempered in areas such as Sevenoaks District that sit within the Metropolitan Green Belt and AONBs.

At the regional level, the SELEP's *Economic Strategy Statement* (2018) aims to drive a more productive and prosperous economy over the next decade, ensuring the area continues to play a pivotal role in the future growth of the wider South East and the UK as a whole.

Kent County Council's *Growth & Infrastructure Framework* (2018) reviews emerging development and infrastructure requirements to support growth. The report notes that London's growth might be leading to a *"potential pressure to absorb some of the capital's growth"*. In terms of commercial property, the GIF argues that if Kent and Medway are to overcome economic challenges and realise the economic opportunities, they will need to *provide the right space in the right location at the right specification*. However, evidence suggests that this is not happening. For example, the West Kent Partnership's *Priorities for Growth* report suggests that the economy is *"constrained by high land values, a shortage of available development land, full employment, lack of investment in infrastructure"*.

The extant Sevenoaks *Core Strategy* (2011) recognises the need to meet development requirements within an area constrained by Green Belt. It seeks to balance the future development of Sevenoaks and regeneration in Swanley, alongside the need to preserve the quality of rural areas while meeting the needs of rural communities and ensuring that the rural economy can continue to sustainably develop. Policy SP8 (retention and creation of employment and business facilities and opportunities) and Policy LO8 (maintenance and diversification of the rural economy) are both supportive of these aims, but at the same time, policies and decisions have to be compatible with the Green Belt and AONBs.

The Reg 19 Consultation plan sets out a spatial vision that by 2035 *"Sevenoaks is striving to meet its housing and employment needs, without compromising the natural environment"*. Policy Emp1 states that, *"Non-residential use of land and/or buildings will be retained unless it can be demonstrated that the use is no longer feasible or viable"*. This is reinforced with Article 4 Directions on all *office accommodation on allocated sites to retain important business space to meet the needs of the District's economy*.

Balancing the need for economic growth with the demands of Green Belt and AONBs is clearly very difficult: Green Belt and AONB designations inherently limit opportunities for economic growth. This dilemma is a critical consideration of an *Economic Needs Study*.

3.0 Issues facing spatial planning

Preparing Local Plans today takes place in a far more uncertain context than was the case a couple of decades ago, or even one decade ago. The economic, business and technological landscapes are evolving at accelerating rates, bringing in their wake enormous change and uncertainty. The Covid-19 pandemic of 2020-21 has simply added to the level of uncertainty.

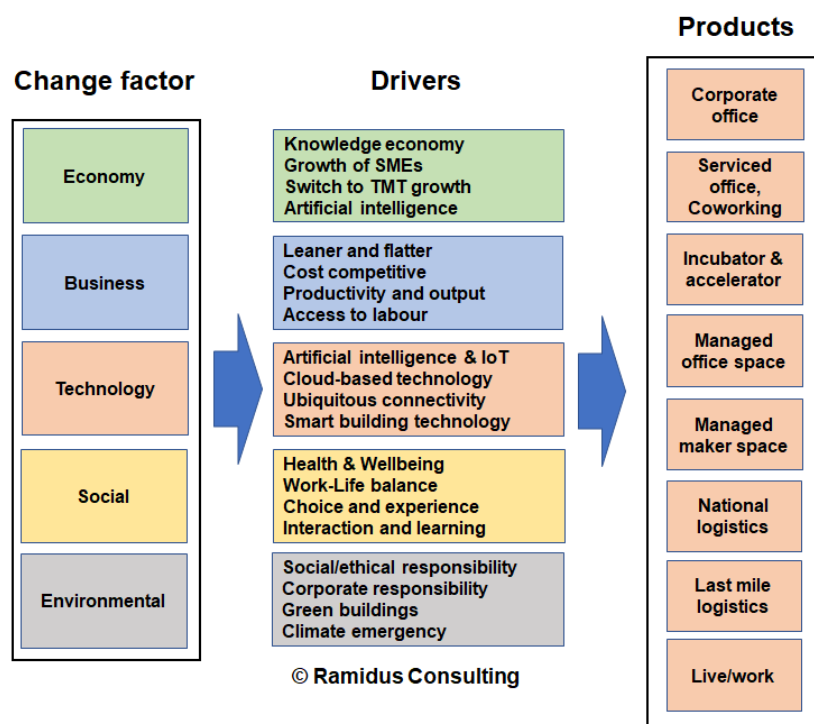
The combined impact of the wide-ranging changes occurring raises enormous questions around the future of work, the future of the high street, the future of the office and the growth of logistics. And, of course, the knock-on from all of these is a rapidly evolving property market in terms of the nature and quantum of buildings needed going forward.

In land use planning terms. All Use Class categories have been affected and the nature of change will have a growing impact on the value and utility of existing stock. And while some properties might become obsolete to changing demand, so new forms of property and occupation are emerging. The simplistic 'shops, offices and industrials' is becoming obsolete as a descriptor of the commercial sector. The key implication here is that a Local Plan, which takes a 20+ year horizon, must be cognisant of current changes taking place and their known or likely impact on the demand-supply balance.

3.1 Drivers of change

We capture the drivers of change in Figure 3.1. Forecasting future land and premises requirements against this context is fraught with difficulty.

Figure 3.1 Drivers of change and property products



The key point here is the direct link between economic, business, technological, social and environmental trends and their impact on the nature of demand. Such drivers of change will have profound impacts on the demand for employment space over the next two decades, even within the coming decade.

The drivers of change described here are reflected in the recently completed Town Centres Strategy report.¹⁶ This summarised a series of 'wider trends and strategic challenges' which will continue to shape future economic growth, and to which the five centres will need to respond in order to remain resilient. These trends and challenges include: the changing nature of retail; more flexible working; shopping closer to home; a greater focus on leisure, place and experience; easier conversion of shops and buildings between uses and climate change and sustainability.

Sectoral change

In short, spatial planning is now taking place within a context that is possibly more uncertain than any period in the past. Uncertainty in this context is not a negative term, but reflects the breadth and depth of change that is occurring, with few predictable outcomes.

- **Retail** For nearly four decades high streets have faced a threat from sprawling shopping malls and, to a lesser extent, out-of-town shopping centres. More recently, high streets and town centres have been ravaged by the impact of structural change in the retail sector and the development of technologies – most notably the growth on online retailing.

The UK's adoption of online shopping is one of the most rapid in the world and internet sales as a proportion of total retail sales have grown from little more than 3% in 2007 to nearly 20% today. The economic malaise of recent years ('the austerity years'), not to mention the impact of the Covid-19 pandemic, has suppressed demand further and encouraged discount retailers; while the national minimum living wage has added to retailers' costs.

The overall impact has been immense change in the retail sector and the high street. And this looks set to continue for the foreseeable future.

- **Offices** The office market has been evolving rapidly for the past two decades. As technology is transforming work, so the operational environments of businesses are having to respond. The critical nature of connectivity, changing corporate structures, the priorities of knowledge workers and the reduced importance of the 'corporate island' in favour of more complex web of supply chain relationships have all been changing the nature of demand for space.

The role of the office is increasingly acknowledged as enabling people to interact and collaborate; it is expected to provide a wider range of settings

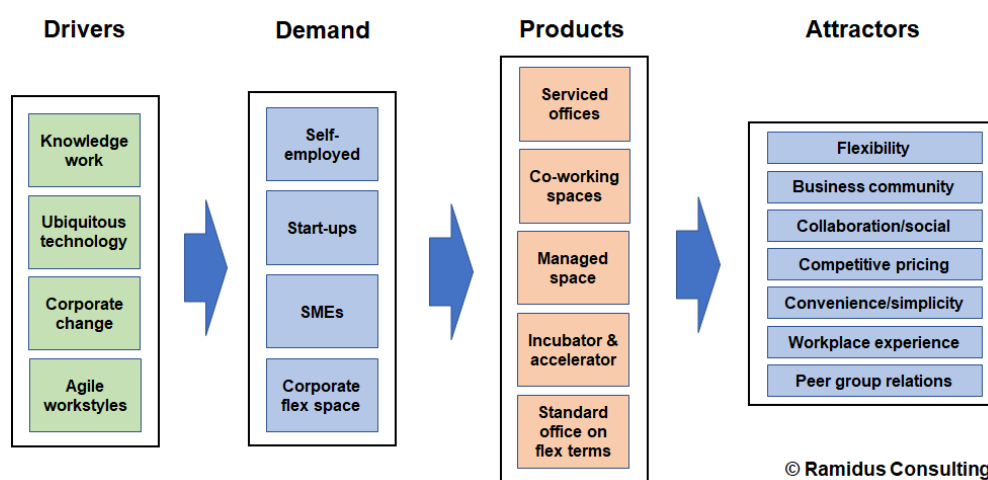
¹⁶ Allies & Morrison and Avison Young (2022) *Sevenoaks District Town Centres Strategy* April 2022

in which individuals and groups work in more dynamic ways compared with much of the more solitary work of the past.¹⁷

Since the turn of the century, the flexible space market has evolved. The importance of this trend here is the changing nature of demand from SMEs, who want good quality space on flexible terms. Figure 3.2 illustrates the dynamics of this market.

According to recent research from JLL, upwards of 30% of all commercial office space might be consumed as flexible space by 2030.¹⁸ This process is likely to be quickened by the impact of the pandemic.

Figure 3.2 Flexible space market



- Industrial** Traditional industrial (manufacturing) activity has been in terminal decline for many years. Over the past three decades the economy has become dominated by the service sector; amply demonstrated by the fact that manufacturing (industrial) employment has shrunk by almost four-fifths since the mid-1980s, while financial and business services jobs more than doubled.

Consequently, much 'industrial' employment space is now occupied by firms who are product and service based, rather than producers per se. The majority of industrial buildings are now occupied by businesses that require higher specification, flexible space, often with office content. Indeed, many industrial premises today are occupied by non-industrial businesses, with much employment on designated sites of a non-industrial nature. Start-up units and affordable space will be increasingly important.

Moreover, many of the activities in these buildings use a blend of production, storage, office, creative and sales space. In other words, they are occupying 'hybrid' space, undertaking activities that do not fit neatly into one of the traditional Use Classes. Certainly, the Use Classes definitions fail to recognise the breadth of activities taking place. This

¹⁷ Ramidus Consulting (2015) *Future Workstyles and Future Workplaces in the City of London* Corporation of London

¹⁸ JLL (2017) *Workspace, Reworked: Ride the Wave of Tech Driven Change*

causes problems when, for example, policies seek to release ‘industrial’ land that is, in fact, meeting the demands of a much richer, and economically critical, demand profile.

- **Logistics** There are a number of pressures and opportunities facing the logistics sector, some of which are Brexit related. For example, one impact is likely to be new demand for chilled and bonded facilities.

Logistics facilities have been growing larger and larger. Where once 30,000 sq m (323,000 sq ft) broadly, equivalent to around seven full-sized football pitches, was considered to be a large footprint, today it is the average. Sheds often now reach towards 100,000 sq m (c1.0m sq ft), and in recent times have far exceeded even this size. These large logistics facilities are often fully automated with high bay racking, sometimes in total darkness with only the whirring of environmental systems and robotic machines. A recent survey of all warehouses in the UK over c100,000 sq m (c1.0m sq ft) showed 1,500 units, with a total floorspace of almost 40 million sq m (400m sq ft). Of this total, 20% was used by retailers, 15% by food retailers and 18% by third party logistics firms.¹⁹

Urban logistics is a reflection of the growth of online shopping. There are a number of property products resulting, and Segro identify five.²⁰

- **Hub and spoke** where depots serving a sub-region of the London market are provided with goods from a larger hub location outside London
- **Consolidation centres** which enable deliveries from a variety of firms to be amalgamated into fewer vans in outer London before despatch
- **Last mile solutions** which focus on the final point of delivery. This includes narrow delivery timeframes and rapid delivery responses such as one hour or same day delivery
- **Click and collect** which enables online consumers to place an order for a good online and collect from a local store or alternative pick up point
- **Reverse logistics and returns processing** where vans are filled in their return journey with waste products and other goods for delivery to the store or depot.

This brief summary of changes in a nature of demand for employment space suggests a picture of great uncertainty in established industries and sectors. There are also emerging industries related to energy production, agriculture (eg

¹⁹ Savills & United Kingdom Warehouse Association (2017) *The Size and Make-up of the UK Warehousing Sector*

²⁰ SEGRO (2017) *Keep London Working: the Economic and Social Impacts of Logistics in London*

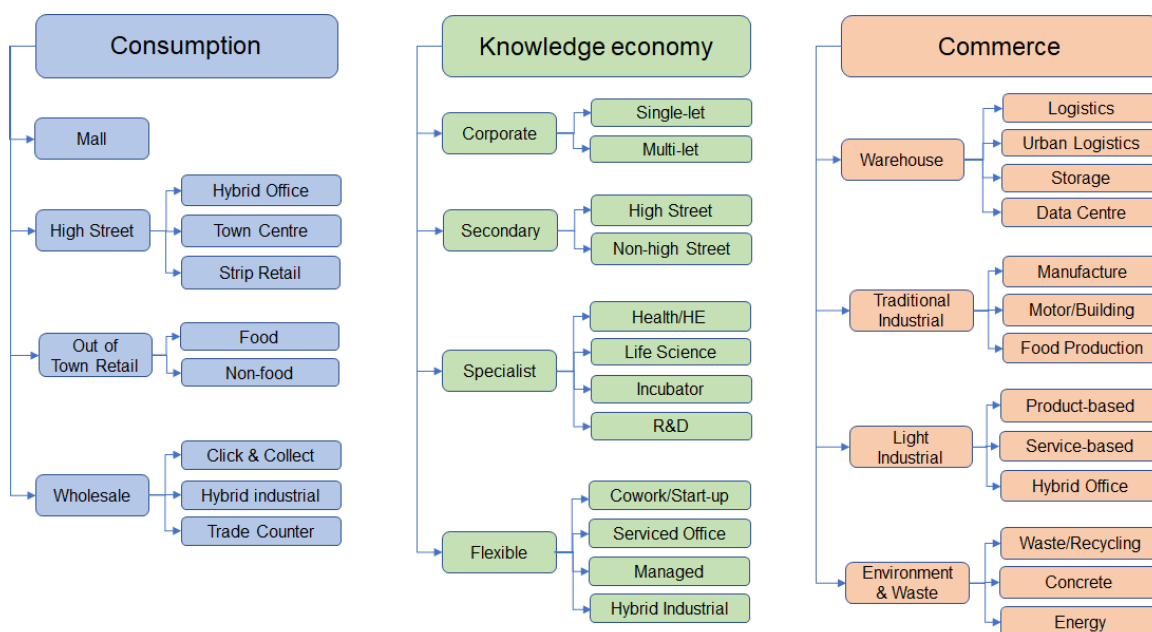
controlled environment farming), biotechnology and life sciences. These will also be making more and novel demands on buildings and employment land generally.

Discussion

Against this backdrop of enormous uncertainty, Local Plans are expected to take a twenty-year perspective. It is clear however, that the traditional ‘shops, offices and industrials’ categorisation of the real estate market, and the Use Classes Order of the planning system, are outdated, and it will become increasingly important to adopt a more ‘activity-based’ approach.

Figure 3.3 illustrates such an approach. The traditional ‘shops, offices and industrials’ sectors are replaced by Level One headings: Consumption, Knowledge-economy and Commerce. These reflect contemporary economic linkages and allow, for example, wholesale activities to be grouped with retail as part of consumption (rather than as part of the ‘industrial’). Other Level One headings not included here could comprise Leisure (including: cafes, clubs, hotels, gyms, pubs, restaurants and sports facilities) and Living (including: care homes, flats, houses and student accommodation).

Figure 3.3 Activity-based planning



Source: Ramidus Consulting

Each Level One heading is then broken down into Level Two activities to reflect locational and building differences. This encourages a subtler approach to land use planning. For example, rather than calculating how many B1(a) jobs will need to be accommodated, this model encourages spatial planners to take a more differentiated approach to the types and land and buildings they will require. For example, it highlights secondary office space, which is the backbone of the SME and start-up sectors, but rarely given any special attention (such as protection) in land use terms.

Level Three activities then describe the nature of the work that is taking place. The approach discourages overly-simplistic land use designations such as Strategic Industrial Land (SIL) and Locally Significant Industrial Site (LSIS), which reinforce perceptions of an outmoded pattern of land use. For example, Light Industrial uses are broken down into product-based and service-based activities. Each requires subtly different types of property and employ different worker skill profiles.

Importantly, the framework recognises hybrid space. For example, in the Light Industrial element of Commerce, there is a hybrid office category, recognising activities where the work environment resembles an office rather than a traditional industrial environment. Similarly, there is a hybrid office category for customer-facing activities on high streets. There are clearly implications in terms of the nature of demand for space.

3.2 Co-location and intensification

It is widely acknowledged that changing demographics and a growing population are creating competing pressures on the use of commercial land and buildings. Even before the extension of Permitted Development Rights, escalating residential land values were encouraging owners and developers to convert office and industrial land and buildings into residential use. Under pressure to meet government targets for new housing provision, many local authorities have bowed to pressure and released designated commercial land.

A key emerging trend to mitigate such losses is the notion of co-location and intensification, including the redevelopment of brownfield sites and the intensification of existing places. This is expressed in terms of creating places of higher density in appropriate locations, encouraging a mix of land uses and co-locating different uses to provide communities with a wider range of services and amenities.

Such options will increasingly need to be explored in Local Plan preparation as competition and pressure on land grows. It is generally recognised that a sufficient supply of land and premises in different parts of a local authority area, to meet current and future demands for industrial and related functions, should be provided and maintained, taking into account strategic and local employment land reviews, industrial land audits and the potential for intensification, colocation and substitution.

Much industrial land is 'untidy', 'messy' and 'dirty'. But, at the same time, it hosts businesses and activities which are essential to the smooth functioning of local (and wider) economies. So the key question is how to balance providing for such space to meet future commercial demand, while at the same time considering how to balance this with the absolute need to ensure the provision of appropriate housing to meet forecast demand. However, both co-location and intensification strategies raise issues about the nature of development, neighbourliness, traffic management, physical access and so on.

Co-location

Co-location is promoted as a solution to competing pressures on land by intensifying and integrating industrial, distribution and other employment uses with new homes as part of a Development Plan or masterplan-led mixed-use regeneration of industrial land.

Co-location is a relatively new concept, and refers to the careful knitting together of residential developments and more “neighbourly” commercial activities to form mixed-use developments. In essence, co-location aims to safeguard a sufficient supply of industrial land to meet current and future demand for industrial and related functions, while at the same time ensuring that this land makes as full a contribution as is practicable to the supply of new homes.

There is an example of one such development, under construction at the time of writing, at the front of Park Road Industrial Estate, fronting the High Street. This is ‘The Meeting Point’, which will deliver a ‘business hub’ alongside 17 new homes. The housing element of the scheme responds to the identified need for smaller units, especially for younger workers. The ‘work hub’ element will consist of 250 sq m of flexible space aimed at start-ups, home workers and people who might otherwise have to commute for work. It will provide support for business collaboration, as well as access to facilities on a ‘gym’-style membership

Benefits of co-location It can help satisfy both housing and industrial land needs in highly accessible locations where land is in short supply, particularly where industrial land is at risk of being pushed out of an accessible location for higher value uses. This could be a particular benefit for delivery firms, which can provide more deliveries if located closer to their customers. It can also maximise the efficiency of a site through increasing the density of development, when typically industrial sites would be low density.

Disadvantages of co-location It might be less appealing for residents due to concerns about noise, vibration, air quality and so on. A co-location site may also only attract a limited number of industrial tenants if there are not already many of them on the site, as certain operations may have to be restricted in order for the site to meet residents’ needs too. Constraints might be applied with regards to access and servicing, goods lifts, yard space and working hours.

There are two types of co-location:

- vertical, whereby residential uses are stacked on top of industrial uses; and
- horizontal, whereby existing industrial uses are intensified so that a portion of the site can be given over to adjacent residential development.

While some strategic industrial activities – such as waste management, for example – will likely never be suitable for co-location, of either type, the general trend is for light industrial uses to be relatively ‘neighbour-friendly’, and therefore suitable for either treatment.

It is also a fact, however, that vertical intensification introduces more issues than horizontal mixed use. There are many design and construction issues to consider including the need to minimise columns, minimise expensive decking, provide fire separation and limit vibration. There’s a clear role for effective design, along with good planning and placemaking, to create the conditions that will facilitate this sort of innovation.

There is then the need to keep the different uses sufficiently apart. Potential issues to manage include the need for separate entrances, the noise from heavy vehicles manoeuvring, the need for storage space for commercial waste and the potential for

emissions from industrial processes. There is then the question of how to manage commercial space that might be used at night as well as during the day.

There is a strong case for seeking to control the types of commercial activity that could occupy the lower level space, though the planning system is not really designed for this purpose. One option is to adopt an 'Agent of Change' approach. It is also the case that some commercial occupiers will need to be assured that they will not be disturbed by residents' activities.

In order to ensure that existing industrial operations are not undermined through co-location, the new *London Plan* (2021) introduced the 'Agent of Change' principle. This requires developers who wish to build homes next to, or within, an existing industrial site to take responsibility for protecting residents from the impacts of operations already taking place there. In this way, the principle seeks to ensure that co-location schemes are able to provide the full range of (often noisy) facilities needed by industrial occupiers – such as servicing yards, gantry cranes and goods lifts – while still delivering a safe and high-quality living environment for new residents. It also should be noted that businesses sometimes require protection from residents activity.

Co-location or residential development proposals on industrial land should only be supported where: there is no reasonable prospect of the site being used for industrial and related purposes.

Intensification

In a variation on the co-location theme, a growing number of schemes are employing vertical stacking and other innovative configurations to bring various light industrial and storage, distribution and logistics activities into multi-level structures, thereby intensifying the use of land.

Intensification itself can mean a number of different things, as set out in a report by consultants We Made That and Savills.²¹

Spatial Intensification Aims to increase intensity of land use through delivering additional industrial floorspace on an existing site. This approach can deliver additional space for an existing activity (eg light industrial) or might introduce a new use class (eg office) onto a given site. Such an approach requires the co-operation of land owners and needs to take into careful consideration the operational needs and prospects of existing and potential future businesses on site in order to ensure that spatial strategies do not prohibit industrial activities from operating successfully from the new intensified site, and includes consideration of access and servicing needs, goods lifts, yard space activities, working hours and environmental impacts.

Economic Intensification Aims to attract higher value-adding activities to an employment area. This can be done through changing the type of workspace accommodation available in an area or through targeted business development and incentive schemes to grow existing sector strengths or bring new opportunity sectors into an area. Wider considerations of the

²¹ We Made That & Savills (2018) *Industrial Intensification and Co-location Study: Design and Delivery Testing*

overall trajectory of the economy, the impact of other development activity in the District and changes in technology and working practices should all be considered.

Process Intensification Involves improvements to technologies used, or through sharing facilities, in order to deliver process efficiencies and make individual businesses and premises more productive. Process improvements work to enhance the productivity and value of existing sectors through supporting innovation and technology adoption.

Urban Intensification This seeks to deliver improvements which contribute to the quality of the urban realm; it can include improvements to transport infrastructure, to public spaces, to amenity spaces or to way-finding. Place-making which delivers a high quality environment helps to encourage existing uses to remain and grow in an area, as well as attracting new businesses to an area.

In terms of policy directly addressing intensification, development proposals can be proactive and encourage the intensification of various activities within both 'light' and 'general' industrial uses. The ways in which it can do this can be via a process of introducing small units, developing multi-story schemes, adding basements and potentially using land more efficiently through higher plot ratios.

There is an opportunity for Local Plan policies to be proactive and encourage the intensification of light industrial, general industrial and distribution business uses in occupying all categories of industrial land through:

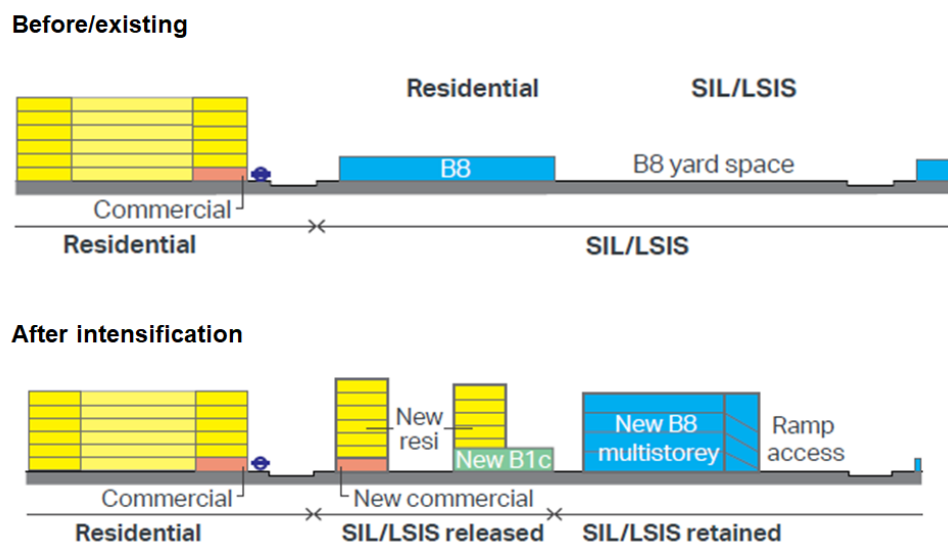
- development of mezzanines;
- introduction of small units;
- development of multi-storey schemes;
- addition of basements, and
- more efficient use of land through higher plot ratios having regard to operational requirements (including servicing) and mitigating impacts on the transport network.

Figure 3.4 shows a model example, before and after, of co-location and intensification of a hypothetical site.

Planning policy approach

Local Plans and policies could be proactive in considering whether certain logistics, industrial and related functions in selected brownfield areas and sites could be intensified. Intensification could facilitate the consolidation of industrial land and premises to support the delivery of residential and other uses, such as social infrastructure, or to contribute to town centre renewal. This process must ensure that it does not undermine or compromise the integrity or effectiveness of existing industrial land and premises, and should form part of a strategic approach, co-ordinating development activities and working closely with partners and stakeholders.

Figure 3.4 Illustration of Co-location and Intensification



Source: Adapted from: Mayor for London (2021) *The London Plan*

Planning approaches in terms of policies and masterplans must secure a number of objectives – largely to protect the integrity of the commercial uses.

- The industrial uses are intensified to deliver an increase (or at least no overall net loss) of capacity in terms of industrial, storage and warehousing floorspace with appropriate provision of yard space for servicing.
- The industrial and related activities on-site and in the immediate surroundings are not compromised in terms of their continued operational efficiency and functionality in terms of access, service arrangements and days/hours of operation noting that many businesses have 24/7 access and operational requirements.
- Appropriate design mitigation must be provided in any residential element to ensure compliance with these first two points.
- The intensified industrial, storage and distribution uses should be completed and operational in advance of any residential component being occupied.
- The design must ensure layout, orientation, access, servicing and delivery arrangements of the uses in order to minimise conflict between uses.
- Sufficient attention should be given to design quality, public realm, visual impact and amenity for residents.
- Assurance needs to be made regarding vibration and noise and air quality, including dust, odour and emissions.

Overview

Maximising the development potential of designated and non-designated industrial land through co-location schemes can play an important role in delivering new homes, particularly in highly constrained areas such as Sevenoaks District. Co-location and intensification have the potential to deliver a significant qualitative and quantitative uplift in industrial and employment floorspace.

Co-location and intensification will be key considerations as competition for land uses intensifies. Addressing the conflict between residential amenity and operational requirements of commercial occupiers (including 24/7 activity) is a key challenge to ensure they are genuinely capable of serving both industrial and housing needs. Innovative design approaches based on a detailed understanding of the commercial occupier requirements will be essential to making such schemes work in a practical sense.

However, while the planning process can help generate a pipeline for such sites, the critical test will be whether they are attractive to developers, investors and commercial occupiers.

With regard to planning and local authorities, they will need to consider the role that they wish to play in supporting the intensification of industrial premises. A more limited role might not result in enough schemes coming forward; while a more proactive role might increase the likelihood that schemes come forward, but at the same time increase the level of risk.

3.3 Implications of UCO, PDR and Article 4

As well as the drivers of change shown in Figure 3.1, the planning system itself is changing rapidly through Government policy. In this section we outline three of the more significant issues: (a) changes to the Use Classes Order and the introduction of Class E; (b) changes to Permitted Development Rights (PDR) and (c) changes to Article 4 Directions.

Use Classes and the new Class E

In April 2020, the Government announced significant changes to the use classes system in England (Use Class Order 1987) through the new Town and Country Planning (Use Classes) (Amendment) (England) Regulations 2020. The main driver of change has been a perceived need to enable the repurposing of buildings on high street and town centres. The changes to the Use Classes Order in England will have a substantial impact on town centres particularly where there is significant office and light industrial stock.

The changes introduce three new use classes (E, F1 and F2). The most significant change is the creation of a new “Commercial, Business and Service” use called “Class E”. This brackets together a wide variety of uses into a single use class. The residential (C classes), general industrial (B2) and storage and distribution (B8) use classes remain unchanged, except for a new cross-reference in the B2 class to the new Class E.

The new E category use class for ‘commercial, business and services’ is a very broad-ranging use class, incorporating retail space (use classes A1-A3), office

space (B1), as well as other elements including research and development facilities; industrial uses; elements of the previous D1 Use Class including clinics, health centres, crèches, day nurseries and day centres, and elements of the previous D2 Use Class, including gyms and most indoor recreations. The A4 (pubs or drinking establishments) and A5 (takeaways) have moved to the *Sui Generis* category.

Throughout this report, where reference is made to Class B1, Class B1(a) and all B Classes, it should be noted that Class B1 has been replaced by new class E(g)(i) offices, E(g)(ii) Research & Development and E(g) (iii) light industry.

B2 General Industrial applies to use for an industrial process other than one falling within class E(g), *previously class B1*, excluding incineration purposes, chemical treatment or landfill or hazardous waste. *Sui generis* (in a class of its own) applies to a range of activities, including but not restricted to: theatres, arcades, launderettes, waste disposal, including incineration, nightclubs, betting shops and cinemas.

As stated above, the changes are largely a response to trends in the retail sector and their impact on the vitality of high streets. In principle, the changes will enable greater flexibility in how buildings are used within town centres; but previous experience has also shown that the impact can have unintended consequences. For example, a significant amount of office space was converted to residential following the previous extension of PDR in 2013, benefitting town centre living but exacerbating shortages of office space in some markets.

Of course, one of the greatest impacts of the changes, with such a broad range of uses within the single new class E category, will be on the ability of local authorities to control the nature and occupier combination within their centres. The effect of the changes will be to leave town centres uses largely to short-term market forces. There will also be implications away from town centres, in particular, change of use from office to residential and potential loss of B1 allocations to residential putting at risk the ability of local planning to meet longer term employment needs.

The potential extent and pace of change will be tempered by a range of factors, including restrictive lease covenants, limitations attached to planning permissions and legal agreements and physical constraints.

However, there can be little doubt that the nature and purpose of high street looks set to change dramatically over the coming years. The positive interpretation is that the changes offer greater flexibility for the occupational mix of high streets to respond more quickly to the unprecedented and unpredictable changes in occupational demand currently affecting high streets.

Permitted Development Rights

In parallel with the changes to the Use Class Order, the Government has also implemented, a series of changes to PDR. In summary, the following additional permitted development rights are available.

- From 31 August 2020, a new permitted development right allowing the demolition and rebuilding of “vacant and redundant” office and light industrial buildings into dwellings, without planning permission.
- From 31 August 2020, new permitted development rights to enable the upward extension, by up to two storeys of existing post-war homes. These rights were also extended to include the creation of new homes above terraces, offices and shops, without planning permission.
- From 1 August 2021 a powerful new permitted development class, MA (Mercantile to Abode) took effect. This adds some restrictions to changes from Class E to residential, including, inter alia, the requirement for business space to be vacant for at least three months, to be in continuous Class E use for two years at the time of application and limiting the floorspace that can be changed to 1,500 sq m in any one building. The restrictions still exclude most retail units.

As previously, both rights require that prior approval is sought from the local authority in terms of traffic and highway matters, air traffic and defence asset impacts, contamination risks, flood risk, the external appearance of the building, the provision of adequate natural light in all habitable rooms of the new dwellings, impact on amenity of the existing building and neighbouring premises including overlooking, privacy and loss of light, and the impact on any protected views.

It is important to recognise that the revised PDR will be conditional upon the building:

- having a floorspace of no more than 1,500 sq m (16,150 sq ft);
- being vacant for at least three months before seeking prior approval;
- having been in Class E for two years before benefitting from the right;
- not being listed, nor being within the curtilage of a listed building; and
- not being within a protected or designated area (i.e. AONB, National Park, the Broads, World Heritage Site, SSSI or Scheduled Monument), with the notable exception of Conservation Areas, where the right will apply.

The key constraint is that the upward extension rights will only apply to existing residential dwellings or purpose-built, detached blocks of flats. Mixed-use buildings will not benefit from these new rights.

The local impact of PDR is discussed in more detail in section 4.3.

Article 4 Directions

Among the most recent amendments to the NPPF, the Government has announced that it will encourage the use of Article 4 Directions in a “highly targeted way” to protect core, historic high street areas whilst not restricting the ability for much needed housing to be delivered. The new policy will apply to all Article 4 Directions. The new Paragraph 53 of the NPPF reads:

Where they relate to change from non-residential use to residential use, [they will] be limited to situations where an Article 4 Direction is necessary to avoid wholly unacceptable adverse impacts (this could include the loss of the essential core of

a primary shopping area which would seriously undermine its vitality and viability, but would be very unlikely to extend to the whole of a town centre).

In other cases, [they will] be limited to situations where an Article 4 Direction is necessary to protect local amenity or the well-being of the area (this could include the use of Article 4 Directions to require planning permission for the demolition of local facilities).

In all cases, [they will] be based on robust evidence, and apply to the smallest geographical area possible.

This differs to the current wording, which broadly just states that Article 4 Directions “should be limited to situations where this is necessary to protect local amenity or the well-being of the area”. It is clear that the change of wording is aimed at targeting certain areas, for example historic high streets or primary shopping areas. This means Local Planning Authorities will need to be very careful in where Article 4 Directions are used, that they are necessary and there is a strong evidence base to underpin them.

Effects of the changes

Landowners, occupiers and other business operators with the benefit of Class E uses will now have a much broader array of options available to them in terms of possible uses of their sites. In terms of the new permitted development rights, the ability to demolish and replace office and light industrial buildings with dwellings provides another avenue to enhance value. While in some cases this might result in properties without any other viable use being creatively repurposed as residential accommodation, in other cases it will simply denude the available stock of employment space.

The key question here is: what impact will these changes to the planning system have on the District of Sevenoaks? An Employment Land Review is concerned with the prospects for the types of jobs associated with the previous ‘B’ class – largely office, light industrial, industrial and warehousing. In this context, Sevenoaks does not have any large concentrations of corporate office buildings in its main centres and in this sense, at least, the impact will be softened.

There may be an impact on town centre employment; the most significant being a change from high density use such as office, to low density use such as a gym.

What is more likely, and which will have a greater impact in Sevenoaks District compared to more urban areas, is that there will be a disproportionate impact on small and affordable space in cases where there is less critical mass of commercial stock. Furthermore, the smaller and more marginal light industrial activities are likely to come under increasing pressure for conversion.

Whilst it is possible that a large out-of-centre B1 office building with no restrictive conditions could be converted to retail use without planning permission or an assessment of the impact on the town centre or application of the sequential test, allowing retail uses to occupy out-of-centre buildings would run counter to the objective of nurturing town centres.

Landlords will also need to be cognisant of the new arrangements when looking at leases and the extent of use that is authorised. Allowing too broad a permitted use could result in undesirable changes of use within the scope of the lease, and landlords will not be able to fall back on the planning system as a bulwark against such changes.

British Property Federation: Employment Land Manifesto

Concern about the dwindling supply of distribution and light industrial land and premises was recently raised at a property industry level by the British Property Federation. It launched its Employment Land Manifesto in July 2021. Most significantly, the report noted that the Government's Planning for the Future White Paper made no meaningful reference to the need to plan effectively for employment land. It argued that planning for new housing delivery without considering the relationship between new homes and employment land was short-sighted. Among the Manifesto's key proposals were the following.

- Introduce a presumption in favour of logistics development. Demand for modern logistics property is outstripping supply, yet the Local Plan process is too slow to respond.
- Improve cross-boundary planning to deliver strategic employment opportunities through new spatial planning powers.
- Reinforce logistics in Local Plans.
- Establish industrial and logistics-friendly design codes.
- Introduce an Employment Land Delivery Test, similar to the Housing Delivery Test or Five-Year Housing Land requirement, to ensure that a commensurate amount of employment land is brought forward to counterbalance housing.

The Federation stated that the Government should not waste untapped potential for planning to unlock considerable economic and social value, and that planning reforms with a linear focus on housing would not be adequate to create new, thriving and sustainable communities: the role of employment land in supporting new housing delivery should be better understood.

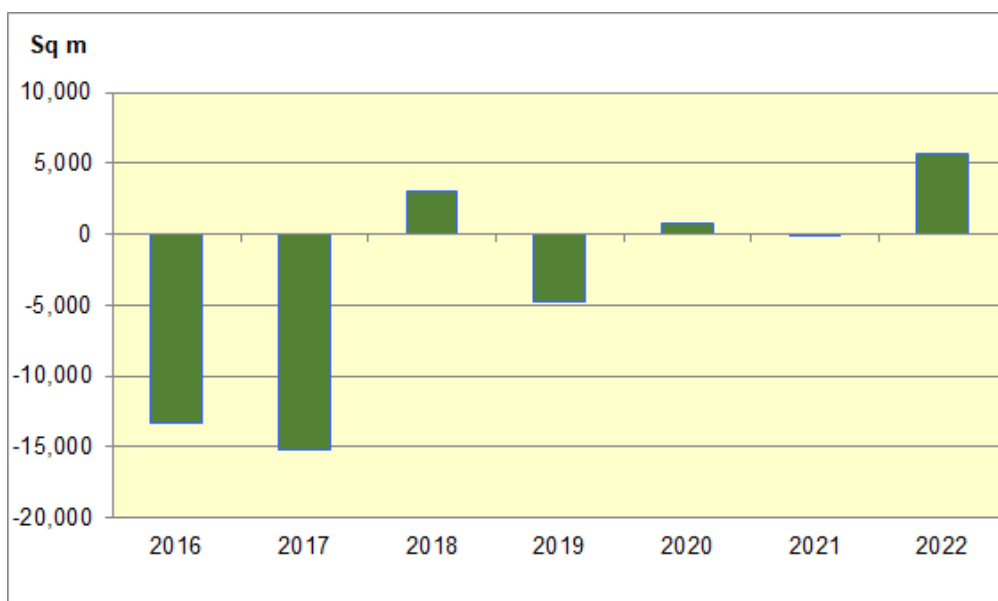
3.4 Recent trends in planning applications and Prior Approvals

The environment surrounding employment space has undergone a significant shift since the previous Economic Needs Study in 2016, although in large part this has yet to filter through to day-to-day planning. The most significant change was the creation of the E-Use Class out of several former employment related uses, as discussed earlier, which potentially brings more types of property within the scope of Permitted Development Rights which had previously been limited to redundant office buildings.

To look at how uses are changing, and to gain some idea of the impact of PDR, SDC supplied details of all complete planning permissions since 2016 within the E Use Class or its predecessors. This shows both the changed mix of use classes, and the level of attrition of employment space, mostly to residential uses.

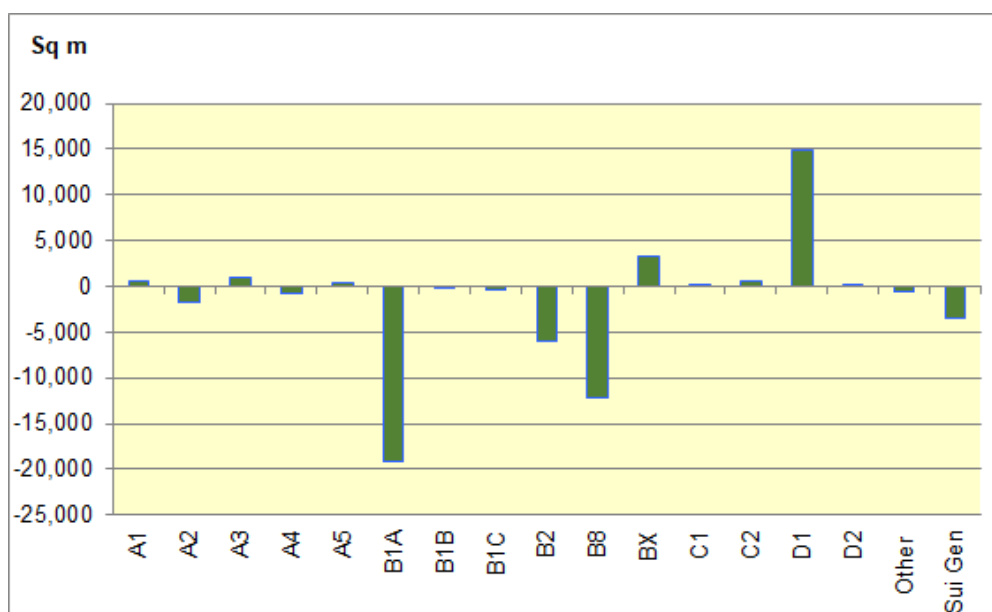
Since 2016 Sevenoaks District has lost a net 23,804 sq m of employment space across the E-Use Class. Most of this lost was in 2016-17 (Figure 3.5) with some fluctuation and a small net gain in the first quarter of 2022. A very large proportion of the loss came from just three buildings, including Tubbs Hill House – the loss of which was not mourned by the agent community. In addition, one substantial industrial and warehouse building adjacent to Swan Mill in Swanley was lost.

Figure 3.5 Change in all E-Use Class space



As well as the overall loss of space there has been a change in the balance of space types, as suggested earlier, with D1 space gaining nearly 15,000 sq m driven largely by education space (Figure 3.6) while B1a, B2 and B8 have seen the largest declines.

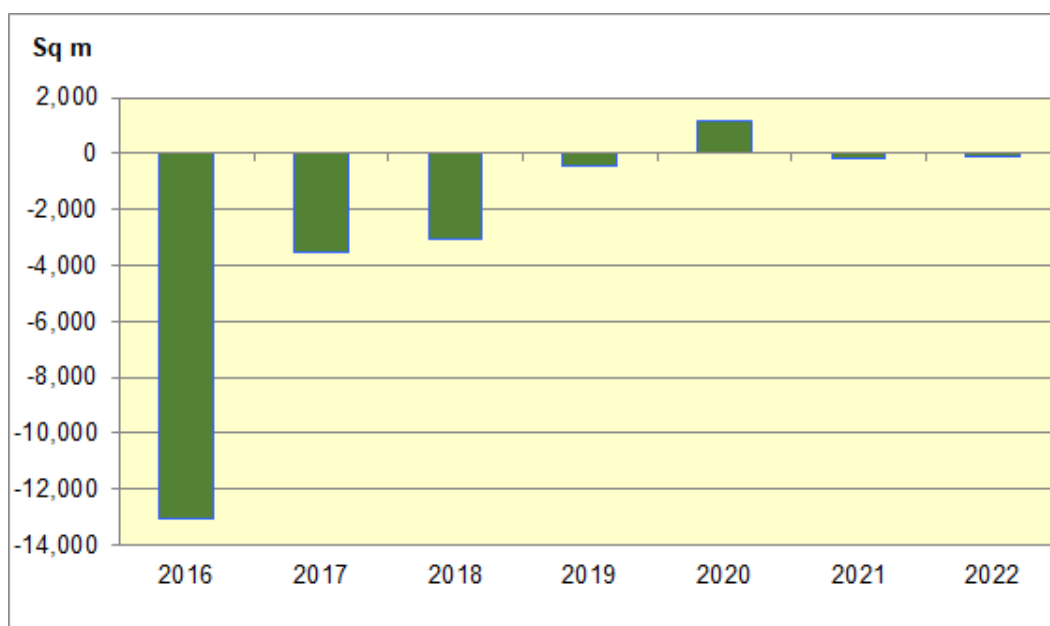
Figure 3.6 Change by 1987 Use Class Order categories



The former B-Use Classes

Loss of offices was, as noted, sharpest in 2016, with further losses in the following two years, following by a period of stability. The pandemic period was largely fallow (Figure 3.7), although the development on Oak Hill Road is completed. The largest losses were to residential, with some to other B uses, and the view in the market is that these were poor quality stock anyway. This does imply that remaining space is both of good quality and therefore worth protecting to the greatest extent possible

Figure 3.7 Change in office and R&D Use Class space



The biggest single loss of B8 space (Figure 3.8) was at United House, Swanley – where office space was also lost to residential. However, one significant loss at the BPI Films site in Sevenoaks, was to other less restricted B-Uses while another significant loss was to the new Lidl supermarket in Edenbridge.

In summary, on the whole, most loss of B8 space has been to other business uses and it can reasonably be considered the market is operating as it should. Care should be taken to protect what remains and any opportunities to create more capacity explored.

For B2 space (Figure 3.9), the losses have been mainly to residential, but with some exceptions where change has been to B8. However, the loss of Westerham House, Flitcroft Way in Edenbridge is to be regretted. Edenbridge is the core of the Sevenoaks District industrial offer, and the strongest measures should be put into place to defend this. Around 1,000 sqm of additional space under construction in Edenbridge illustrates the importance of this low-cost market.

Figure 3.8 Change in B8 Use Class space

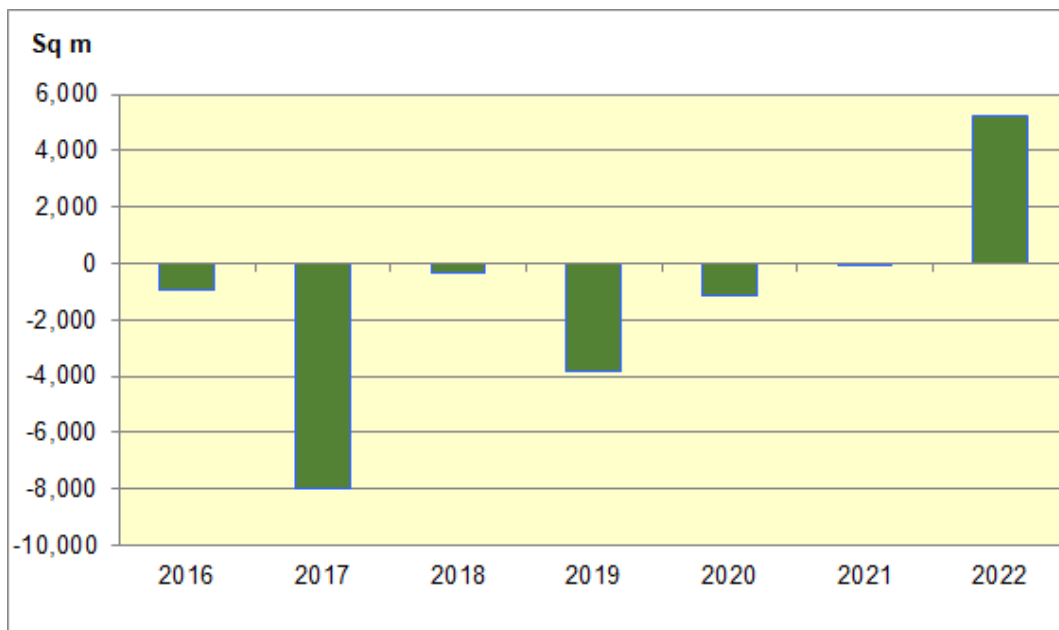
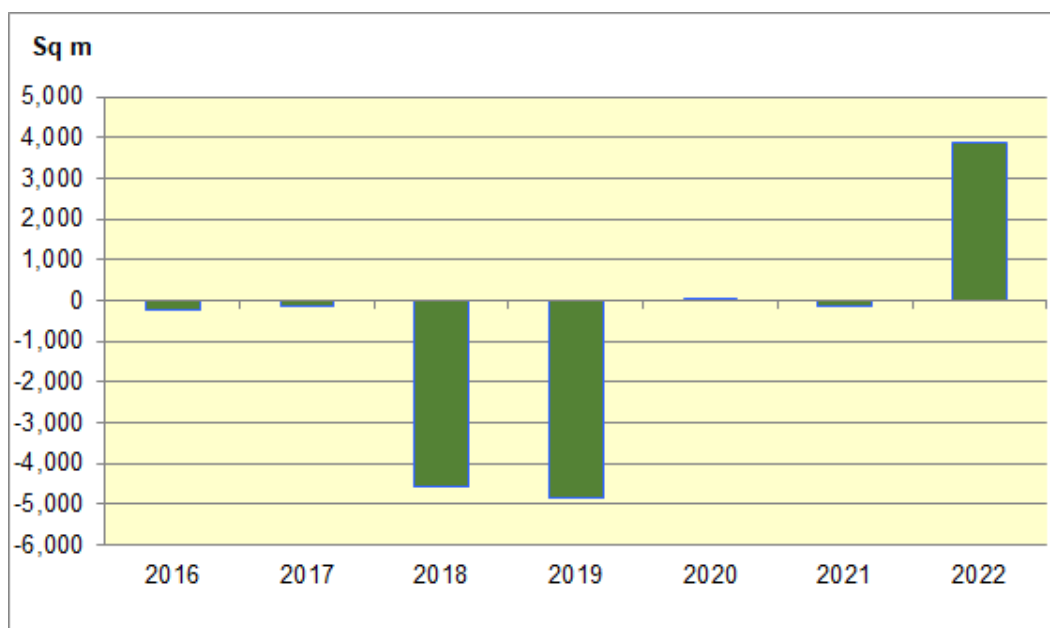


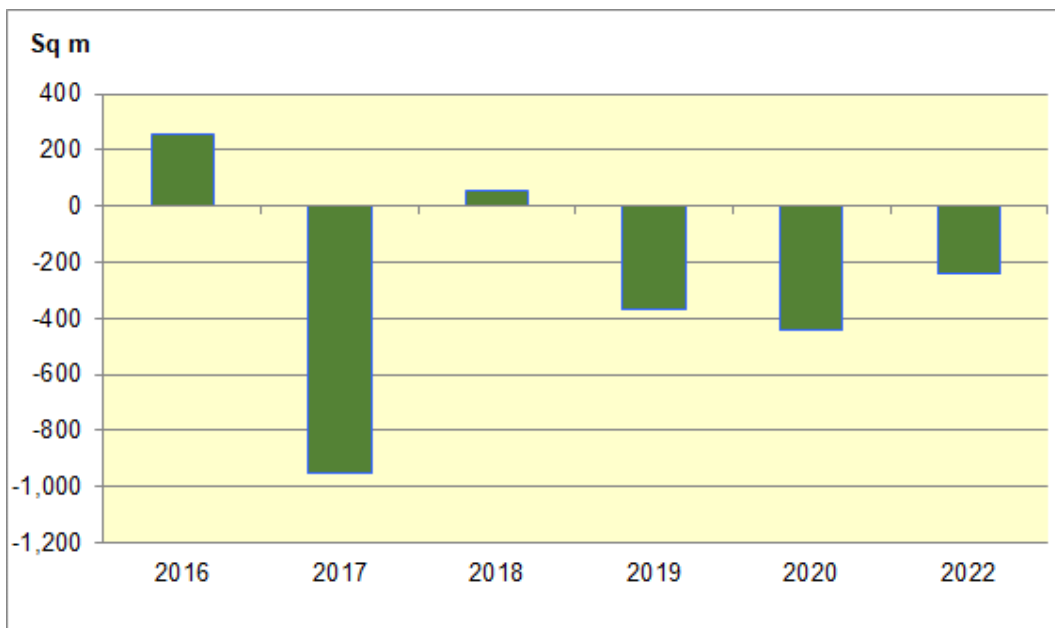
Figure 3.9 Change in B2 Use Class space



Other Use Classes

A2 use is included here not so much for its own sake – the well-known pressures faced by High Streets are generally dealt with alongside retail – but because such space frequently has small office suites on the upper floors. Such suites are essential to the small business market and care should be taken to prevent too many being lost to attrition, especially as pandemic recovery ramps up.

Figure 3.10 Changes to A2 Use Class spaces



Our analysis of tourism in Sevenoaks District, and our consultations with rural stakeholders, identified the supply of hotel space in the District as a barrier to tourism and other activities that rely on visitors. This is starkly shown in the data where, despite the construction of a new Premier Inn on Hitchen Hatch Lane, the total stock of hotel and guest house space has risen just 2 sq m (albeit there is an increase in the number of rooms by around 50).

It is difficult to overstate that if the District wishes to develop a more compelling tourism offer, then both the quantity and the range of types of hotel space needs to be improved.

Figure 3.11 Changes to hotel and guest house space (C1)

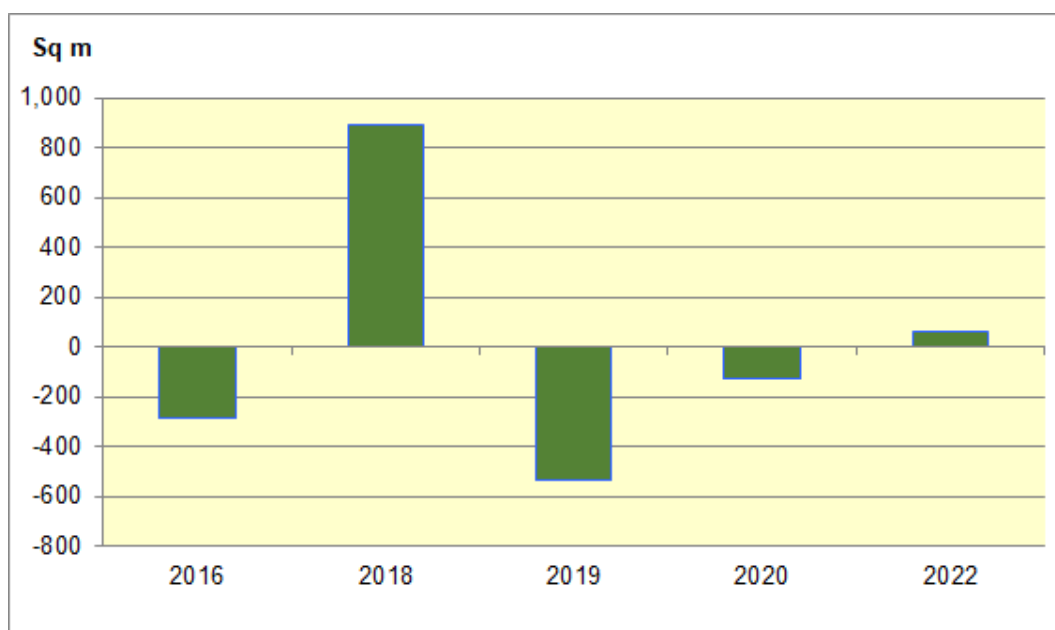
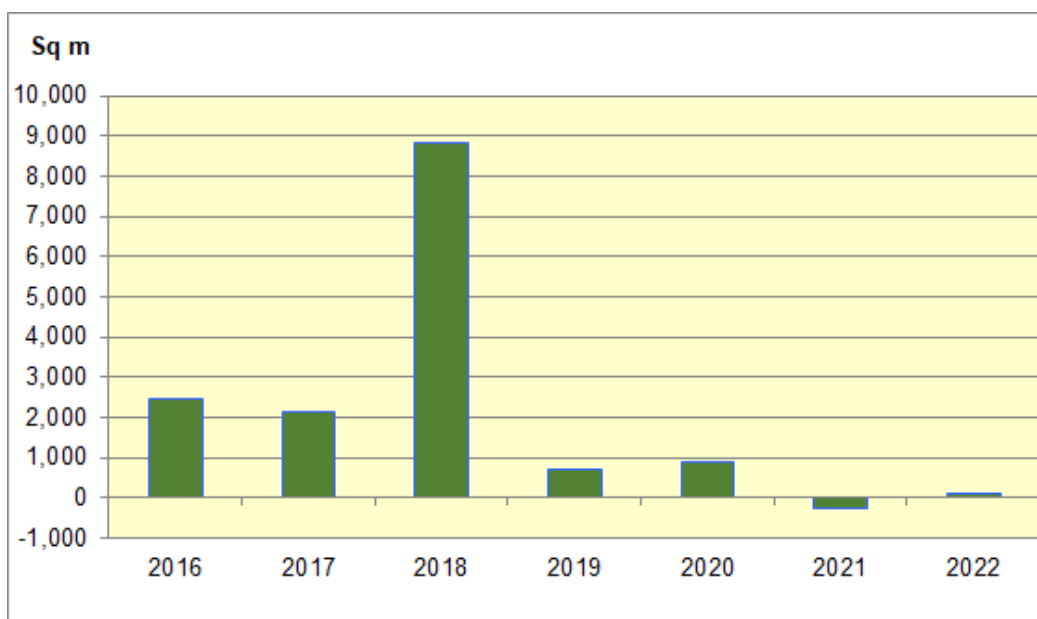


Figure 3.12 Changes to D1 Use Class space



D1 space has seen the largest net addition, thanks to major developments at local schools and the growth on child day care, but with some commercial training facilities, general purpose and religious meeting spaces also contributing. This is unarguably a growth sector and does generate jobs, but the job density of such schemes should be considered carefully when assessing applications.

Although, in raw square footage terms, the loss of employment space to residential appears typical of many other areas of southern England, a closer look reveals a more nuanced picture in Sevenoaks District. Most of the loss to residential has been concentrated in a small number of poor-quality buildings in Sevenoaks and Swanley. But, while effective use of Article 4 Directions has protected better quality stock, this tool is now more restricted, so care should be taken to defend what remains as best as can be done.

There is also a significant amount of movement within the employment space classes, and although in general this is the market working properly, the impact on the overall economic structure needs to be closely monitored and the consequences for job density considered in decision making.

4.0 Socio-economic profile

This Chapter examines the socio-economic profile of Sevenoaks District in order to provide context for the consideration of the commercial property market, the stock of employment space and the forecasts of the supply-demand balance for B-use land and premises. The chapter begins by defining the Travel-To-Work-Area and Functional Economic Market Area, and then goes on to evaluate the economy and performance, against a number of economic indicators, including demographics, economic structure, employment and skills and the business base.

4.1 Travel-to-Work-Area and Functional Economic Market Area

Travel-To-Work-Area

The Colliers Turley ENS defined the Sevenoaks Travel-To-Work-Area (TTWA).²² The report starts by noting that TTWAs were defined in August 2015, based on data from the 2011 Census. The methodology document outlines the approach taken:

The current criteria for defining TTWAs is that at least 75% of the area's resident workforce work in the area and at least 75% of the people who work in the area also live in the area However, for areas with a working population in excess of 25,000, self-containment rates as low as 66.7% are accepted as part of a limited 'trade-off' between workforce size and level of self-containment.

The report then shows (Figure 4.1) that Sevenoaks and Tunbridge Wells are largely covered by a single TTWA, centred around Royal Tunbridge Wells, but extending beyond the local authority boundaries, however, covering the towns of Tonbridge, Crowborough and other villages in the adjacent authorities, including the north west of Rother and Wealden Districts.

Colliers Turley caution that it is important to note that the northernmost part of Sevenoaks District falls within the London TTWA, indicating that Swanley and the surrounding area shares an important functional relationship with London. By contrast *"there is a limited relationship to the west – which is covered by the Crawley TTWA – with the north east and east of the study area covered by the Medway and Ashford TTWAs respectively"*. Colliers Turley conclude that

there is a relatively distinct economic geography covering the study area, which covers the entirety of Tunbridge Wells Borough and the majority of Sevenoaks District. The relationship with London and the extent of Royal Tunbridge Wells economic influence should also be recognised.

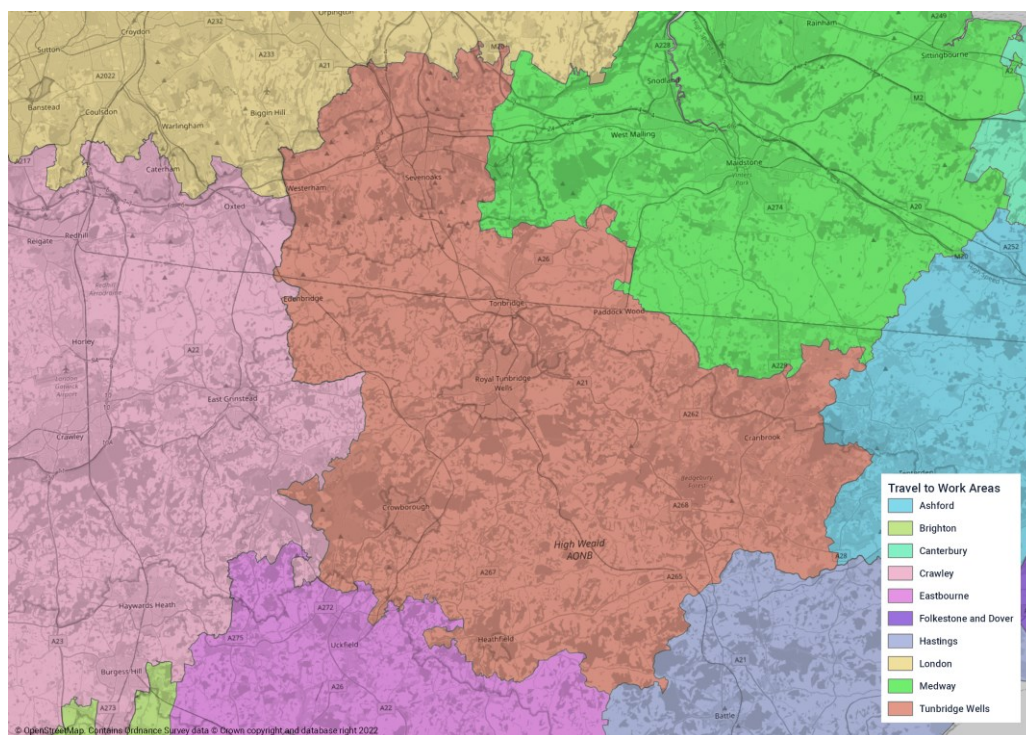
The Arc4 study on housing need used 2011 Census to provide a quantitative analysis of TTWA patterns and the extent to which residents in Sevenoaks District travel to other areas, together with details of how many people commute into the area.²³ Figure 4.2 shows that only 29.5% of Sevenoaks District resident work in the District, with 42.7% working in Greater London. 37.9% of people working in Sevenoaks District live in the District, with a further 33.2% commuting from

²² Colliers & Turley Economics (2016) *Sevenoaks and Tunbridge Wells Economic Needs Study* August 2016

²³ Arc4 (2022) *Targeted Review of Local Housing Needs* January 2022

elsewhere in Kent, 17.1% from Greater London, and 9.1% from elsewhere in the South East.

Figure 4.1 Sevenoaks and Tunbridge Wells TTWA



Source: Colliers Turley (2016)

Figure 4.2 Sevenoaks Travel-To-Work-Area data

| Location | Where do residents work? | | Where do workers live? | |
|-----------------------|--------------------------|--------------|------------------------|--------------|
| | No. | % | No. | % |
| Sevenoaks | 12,767 | 29.5 | 12,767 | 37.9 |
| Bexley | 1,973 | 4.6 | 1,151 | 3.4 |
| Bromley | 3,095 | 7.2 | 2,679 | 7.9 |
| Dartford | 3,010 | 7.0 | 1,853 | 5.5 |
| Gravesham | 666 | 1.5 | 1,148 | 3.4 |
| Tandridge | 819 | 1.9 | 851 | 2.5 |
| Tonbridge and Malling | 2,119 | 4.9 | 3,378 | 10 |
| Tunbridge Wells | 1,278 | 3.0 | 1,924 | 5.7 |
| Wealden | 178 | 0.4 | 605 | 1.8 |
| Elsewhere East Sussex | 96 | 0.2 | 338 | 1 |
| Elsewhere Kent | 1,473 | 3.4 | 2,892 | 8.6 |
| Elsewhere Surrey | 659 | 1.5 | 418 | 1.2 |
| Elsewhere London | 13,341 | 30.9 | 1,938 | 5.7 |
| Elsewhere South East | 840 | 1.9 | 851 | 2.5 |
| Elsewhere England | 857 | 2.0 | 848 | 2.5 |
| Elsewhere UK | 50 | 0.1 | 74 | 0.2 |
| Total | 43,221 | 100.0 | 33,715 | 100.0 |

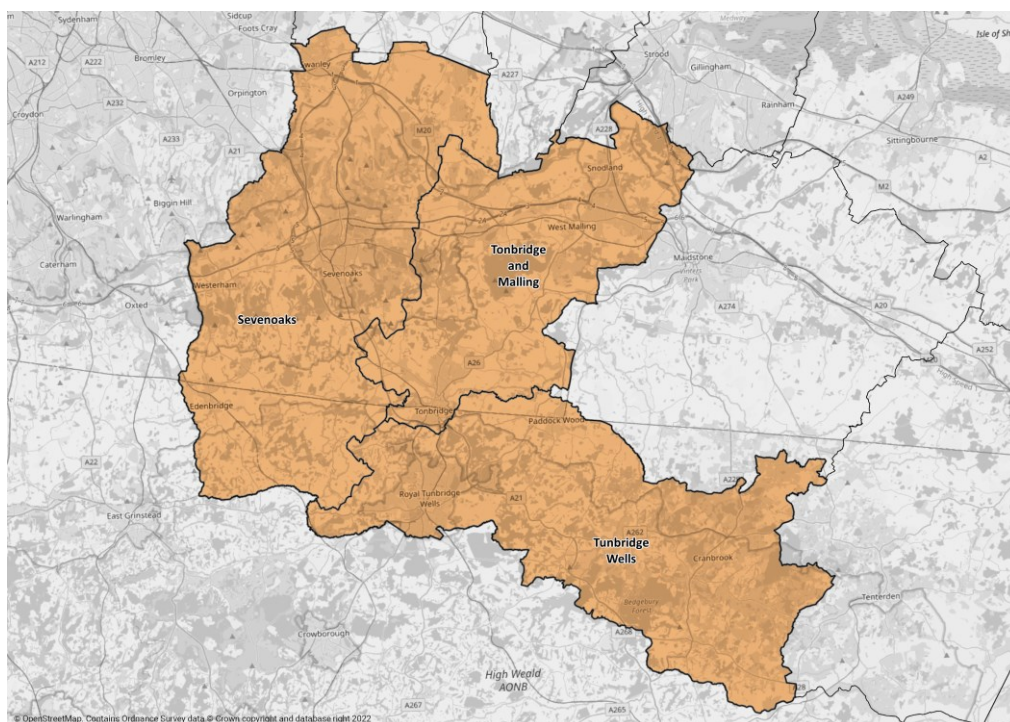
Source: adapted from Arc4 (2022)

The Arc4 study notes that the current criterion for defining TTWAs is that at least 75% of an area's resident workforce in the area and at least 75% of the people who work in the area also live in the area. However, for areas with a working population in excess of 25,000, self-containment rates as low as 66.7% are accepted. On this basis, Sevenoaks District is not self-contained but part of a wider functional economic area which extends mainly across a broader geographical area.

Functional Economic Market Area

Colliers Turley suggest that while Sevenoaks and Tunbridge Wells form part of a wider regional economy, within which many areas share important economic relationships with London, there is *"also a more localised geography that has historically functioned as a sub-regional economy and which shares similar economic characteristics"*. To reflect this conclusion regarding the local context, Colliers Turley suggest that Sevenoaks and Tunbridge Wells share a FEMA with the local authority area of Tonbridge and Malling. This is considered particularly important given the proximity of the town of Tonbridge to the main settlements of Sevenoaks Town and Royal Tunbridge Wells and the evidence of commuting patterns. Figure 4.3 shows the FEMA so described.

Figure 4.3 Sevenoaks Functional Economic Market Area



Source: Colliers Turley

4.2 The sub-regional economy

KCC Kent & Medway Growth and Infrastructure Framework sets the scene for the sub-regional economy. The County's position as the main international gateway from the UK into Europe and its proximity to London, confers on it a major role in the national economy. It also means that the Kent and Medway economy is sensitive to external demographic, political and economic influences.

The GIF used the KCC Housing Led Forecast, produced by KCC Strategic Business Development & Intelligence, to establish a population forecast directly linked to (and constrained by) the planned housing identified for this framework. The GIF forecast shows a 2031 population of 2,127,600 (up from 1,734,000 in 2011) – an increase of 396,300 from 2011, equivalent to 23% growth. This is then expected to increase to 2,347,000 by 2050 (a further 10% rise).

Similar to the rest of the UK, the population of Kent and Medway is ageing. Those aged 65 and above are forecast to increase by 64%, and those aged 80+ are forecast to increase by 94%.

The Kent and Medway economy has transformed over the last twenty years. Since 1998, Kent and Medway's GVA has grown by 84.6% to nearly £38bn in 2015. However, this is a lower rate of growth than that of the South East and the UK economy. In particular, the measure of GVA per head in Kent and Medway in 2015 was £20,977, which was 18% lower than the UK figure of £25,601 and 25% below the figure of £27,847 for the South East. GVA per head across the County highlights a clear east/west split, suggesting that those with good access to strong economic centres, such as London, benefit from increased average productivity.

One of the key challenges facing the growth agenda for Kent and Medway is how to provide the environment that enables the business character of the area to evolve. This is to enable and promote indigenous business growth, whilst attracting inward investment in the sectors of the future, thereby creating employment opportunities which can enable the area to move further up the value chain in key industries.

The core of the County continues to focus on service sectors including distribution, public administration and real estate. The traditional manufacturing industries of Kent and Medway's past - such as paper and cement manufacture – have declined, and whilst other sectors continue to expand and new industries emerge, there remains a legacy of an economy which continues to lag behind not only the South East, but the national economy.

The available workforce in the County continues to be challenged by a growing retired population against a shrinking proportion of those of traditional working age. This is in conjunction with a decline in the availability of training opportunities/appropriately skilled workers as more Kent and Medway residents travel to take up employment opportunities outside of the County, especially commuting to London.

KMEP Workforce Skills Evidence Base ²⁴

Gross value added The Kent and Medway economy generated a total output (measured in gross value added, or GVA) of around £41 billion in 2018. Until the pandemic in 2020, total output had grown steadily for a decade, following a slow recovery from the 2009/10 recession. Productivity (measured as GVA per filled job) was around £52,000 in 2018. This was around 93% of UK productivity levels. Over time, productivity growth has been relatively weak in Kent and Medway, which reflects a national problem. (p3)

²⁴ KMEP (2021) *The Kent & Medway Workforce Skills Evidence Base 2021*

Employment by sector Construction and Professional Services are the largest sectors in terms of business enterprises, although this mostly highlights the importance of micro-businesses to these sectors. The largest sectors in terms of employment are Education (71,000), Health (98,000) and Retail (78,000), together accounting for over a third (34%) of all 722,000 jobs in Kent and Medway. (p4-5)

Over recent years, 2015-2019, the fastest growing sectors have been construction (17%) and motor trades (14%), followed by Accommodation and food (9%) and transport and storage (5%). These are mostly sectors that drive demand for light industrial premises. By contrast, sectors that drive demand for office space have been quiet, including: property (-18%), information and communication (-3%), finance and insurance (-3%) and professional and scientific (0%). (p6)

Travel-to-work patterns The majority of outward commuters travel into Greater London, highlighting the impact of the capital on the Kent & Medway labour market, including Dartford (43%), Sevenoaks (43%) and Gravesham (27%). The report recognises that these figures are now ten years old (2011 Census). The High Speed rail connections to Ashford, East Kent and North Kent started operation in 2009, two years before the 2011 Census but may have had an increasing impact on commuting over time. Remote and flexible working has also increased since the last census, and has been reinforced during the pandemic. (p7)

Earnings Average *workplace* wages in Kent and Medway are slightly below the UK average. However, *resident* earnings are slightly higher than the UK average, reflecting the fact that many commute out mostly to London - to earn higher rates. For example, in Sevenoaks District, average weekly earnings for residents stand at £704, while average weekly workforce earnings stand at £595. (p8)

Business stock There are nearly 73,000 businesses employing over 720,000 people in Kent and Medway, and a further 158,000 self-employed people. (p8)

Kent & Medway is sometimes portrayed as a small business economy lacking 'anchor' businesses and it does have slightly fewer large employers than might be expected given national patterns (although across the UK, the great majority of businesses are small and micro). An estimated 0.3% of Kent & Medway's business enterprises employ 250 or more people compared with 0.4% for Great Britain. 47% of employment is in firms of over 50 employees. Sevenoaks District reflects this average at 46%. Around 30% of the employed workforce are in large enterprises (250+) nationally, compared with 26% in Kent & Medway. (p9)

Employment forecasts The forecasts (Figure 4.4) suggest a further contraction in manufacturing employment between 2020 and 2027 (net reduction of 4,800 jobs) but significant growth in health (+6,500), accommodation & food (+4,200), and education (+3,000). In terms of the office economy, finance and insurance is expected to shrink by 1,200; while information and communication grows by 500; property by 600, professional and scientific by 1,600 and business admin and support by 2,100. (p10)

Figure 4.4 Employment forecasts by sector

| SIC 2007 | 2020-2027 (%) | Kent & Medway |
|--------------------------------------|---------------|---------------|
| Agriculture, Forestry & Fishing | -3 | -600 |
| Mining, Quarrying & Utilities | 3 | 300 |
| Manufacturing | -10 | -4,800 |
| Construction | 2 | 1,000 |
| Wholesale & Retail | 2 | 2,600 |
| Transport & Storage | -1 | -500 |
| Accommodation & Food | 7 | 4,200 |
| Information & Communication | 3 | 500 |
| Financial & Insurance | -6 | -1,200 |
| Property | 6 | 600 |
| Professional, Scientific & Technical | 3 | 1,600 |
| Business Admin & Support | 3 | 2,100 |
| Public Admin & Defence | 0 | -100 |
| Education | 4 | 3,000 |
| Health | 7 | 6,500 |
| Arts | 2 | 700 |
| All industries | 2 | 16,000 |

Source: KMEP, 2021

The KMEP forecasts also show occupational structure, which gives a hint of the property types most likely to be in demand (Figure 4.5). The overall net annual demand for new entrants, considering both replacement and expansion demand, is over 28,000 people across Kent & Medway. This includes, for example, net annual demand for 5,600 managers, 1,500 science, engineering and technical professionals, 1,900 business, media and public professionals and 3,100 business and public associated professionals. The great bulk of these jobs are likely to be accommodated in offices. (p11)

Further evidence of sub-regional economic performance was published recently by the West Kent Partnership.²⁵ This analysis shows that, comparatively, within the context of Kent, the West Kent area is “*economically successful*”, having experienced good performance in terms of both jobs and GVA growth in recent years. The study notes that the West Kent economy has over representation in high value service sectors such as Information & Communication, Financial & Insurance, Real Estate, and Professional, Scientific and Technical Activities.

The report also finds that the labour market performs well, with resident-based economic activity and employment rates being “*very high in comparison to other Kent sub-areas*”. Further, there is “*a high level of self-employment, which boosts employment rates. A high proportion of working residents in West Kent work in higher order occupations.*”

²⁵ Hardisty Jones Associates (2022) *The Case for West Kent* West Kent Partnership June 2022

Figure 4.5 Forecasts by occupation, Kent & Medway. 2020-2027

| SIC 2007 | 2020-2027 (%) | Kent & Medway |
|---|----------------|---------------|
| Corporate manager | 78,400 | 4,300 |
| Other manager | 28,700 | 1,300 |
| Science, engineering & tech. professional | 47,100 | 1,500 |
| Health professional | 34,100 | 1,500 |
| Teaching & educational professional | 41,000 | 2,000 |
| Business, media & public professional | 46,600 | 1,900 |
| Science, engineering & tech, professional | 15,700 | 400 |
| Health & care associated professional | 12,000 | 500 |
| Protective service | 11,300 | 200 |
| Culture, media and sport | 23,600 | 700 |
| Business & public associated professional | 67,800 | 3,100 |
| Administration | 67,800 | 800 |
| Secretarial & related | 17,400 | - |
| Skilled agricultural & related | 7,900 | 300 |
| Skilled metal, electric & electronic | 28,400 | 400 |
| Skilled construction | 32,200 | 700 |
| Textiles, print & other skilled | 18,200 | 400 |
| Caring personal service | 68,900 | 4,700 |
| Leisure, travel & personal service | 22,200 | 700 |
| Sales occupations | 49,200 | 800 |
| Customer service occupation | 16,300 | 600 |
| Process, plant & machine | 14,200 | 200 |
| Transport & machine operator | 32,000 | 1,000 |
| Elementary trade occupation | 12,300 | 200 |
| Elementary admin occupations | 86,500 | 2,700 |
| Total | 880,000 | 28,400 |

Source: KMEP, 2021

These positive economic indicators, combined with the area being “a very desirable place to live” including “attractive towns set within a largely rural area, featuring large areas designated as AONB and Green Belt”, have contributed to very high house prices and very poor housing affordability.

It should also be noted that while West Kent performs well in a Kent context, it does less well “in the context of the ring of local authority areas equidistant from central London”. Whether considering labour productivity, jobs growth, workplace earnings or housing affordability West Kent does not feature near the top of the rankings.

Across a suite of indicators, the top five locations were identified as Runnymede, Wokingham, Bracknell Forest, Windsor & Maidenhead and East Hertfordshire. These areas have typically attracted blue chip companies.

The report concludes that West Kent needs to understand in detail the opportunities and challenges resulting from the Covid-19 pandemic changing working and commuting patterns; it must align to new and developing policy agendas; it must

avoid complacency, and focus on growing its own economy; and it should tackle the challenges of housing affordability and a lack of development land.

4.3 The District economy

According to the *Economic Development Strategy*, the District covers almost 143 square miles and 93% is designated Green Belt.²⁶ The main towns are Sevenoaks, Swanley, Edenbridge and Westerham, with over 30 villages and smaller settlements, of which the largest is New Ash Green. The District's popularity and prosperity derives partly from its proximity to London and the continent.

Major transport links are provided by the M25, M26, M20, A21, A20 and A25. Stations throughout the District provide rail access to London in under an hour, with travel from Sevenoaks and Swanley around half an hour. The District is also well located for Gatwick, Heathrow and Biggin Hill airports, as well as the Channel ports, Ashford and Ebbsfleet International stations.

The *Economic Development Strategy* also describes how the District has the lowest level of unemployment in Kent; whose residents are generally well qualified with only 8% of the population having no qualifications, and more than 40% of whom work within Greater London. The Strategy refers to the District's vibrant town centres with many independent shops and a good retail offering; while recognising that some areas are in need of regeneration, including Swanley town centre and New Ash Green village centre.

The *Economic Development Strategy* is currently being updated, to cover the period 2022-2027. The Draft version of this update has been made available. The Strategy refers to the changes wrought by the past 24 months as setting the scene for new ways of thinking, a new approach to working patterns and the growing imperative of climate change amelioration. These changes provide “a great opportunity to reappraise the economic priorities for Sevenoaks District and refresh our *Economic Strategy*”, and they offer an opportunity for the District to “stand out and to set the tone for the rest of Kent and the wider South East”. This can be done while continuing to emphasise the three promises made in the Council's Plan.

- Build on the District's thriving economy through the regeneration of our market towns, and by enhancing both the visitor and rural economies.
- Protect the economy of the District by preserving and making better use of existing employment sites and by redeveloping previously used land.
- Support new and existing businesses through our “Team Around the Business” approach, excellent customer service and supporting local employers to promote mental and physical wellbeing at work.

However, in terms of the ENS, these objectives must be seen in the context of a “lack of availability of employment land and commercial and office space for attracting inward investment and retaining growing businesses and the loss of existing provision to Permitted Development Rights”. To ameliorate these issues the Draft strategy sets out three business resilience and growth objectives.

²⁶ Sevenoaks District Council (2018) *Economic Development Strategy 2018-2021*

- To support business innovation, scale up support and improved access to finance with a particular focus on the rural economy.
- Prioritise inward investment and international trade.
- Promote the District as a great location to start a business.
- Retain and expand employment land where possible in line with the emerging Local Plan.

Demographics

The District had a resident population of 121,400 in 2020, a figure that had risen from 109,500 in 2000 and 114,500 in 2010. Of the economically active population of 58,000, unemployment in late-2021 was running at 3.7%, compared to 3.9% across Kent, and 4.8% nationally. According to the *Economic Development Strategy*, the District population is set to grow from 118,000 in 2018 to 137,200 by 2031. The population is spread across just over 47,000 households.

At the time of writing, small area Census 2021 data had not been published, but Local Authority level data suggest that these projections are broadly on track. Figure 4.6 summarises the data for Kent local authorities in order to place Sevenoaks in context.

Figure 4.6 Census 2021 population data for Kent

| Local Authority | Population | % of Kent population | Population density | Households |
|-----------------------|------------|----------------------|--------------------|------------|
| Medway | 279,800 | 15.1 | 1,444 | 111,500 |
| Maidstone | 175,800 | 9.5 | 447 | 71,200 |
| Canterbury | 157,400 | 8.5 | 510 | 63,800 |
| Swale | 151,700 | 8.2 | 406 | 60,500 |
| Thanet | 140,600 | 7.6 | 1,357 | 62,200 |
| Ashford | 132,700 | 7.2 | 229 | 53,600 |
| Tonbridge and Malling | 132,200 | 7.1 | 551 | 53,600 |
| Sevenoaks | 120,500 | 6.5 | 326 | 49,000 |
| Dartford | 116,800 | 6.3 | 1,606 | 45,700 |
| Dover | 116,400 | 6.3 | 369 | 50,500 |
| Tunbridge Wells | 115,300 | 6.2 | 348 | 48,200 |
| Folkestone and Hythe | 109,800 | 5.9 | 308 | 48,300 |
| Gravesham | 106,900 | 5.8 | 1,080 | 41,700 |
| Kent | 1,855,900 | 100 | 690.8 | 759,800 |

Source: ONS Census 2021

Figure 4.7 summarises the population data for Sevenoaks by age range and sex, showing that just under 60% of the population is economically active, i.e. ages 15-

64, with just under 3,000 more females. The Sevenoaks population differs from that in Figure 4.6 as a function of ONS rounding practices.

Figure 4.7 Census 2021 summary data for Sevenoaks

| Age | Female | Male | Total |
|--------------|--------|--------|---------|
| 0-14 | 10,900 | 11,500 | 22,400 |
| 15-64 | 37,300 | 34,800 | 72,100 |
| 64-79 | 9,700 | 8,700 | 18,400 |
| 79+ | 4,400 | 3,100 | 7,500 |
| Total | 62,300 | 58,100 | 120,400 |

Source: ONS Census 2021

The workforce is comparatively well qualified (Figure 4.8), with 50.9% achieving NVQ4 and above, compared to 45.1% across the South East and 43.1% nationally.

Figure 4.8 Workforce qualifications

| Qualifications (Jan 2020-Dec 2020) | Sevenoaks (Level) | Sevenoaks (%) | South East (%) | Great Britain (%) |
|------------------------------------|-------------------|---------------|----------------|-------------------|
| NVQ4 And Above | 36,100 | 50.9 | 45.1 | 43.1 |
| NVQ3 And Above | 43,900 | 61.9 | 63.8 | 61.3 |
| NVQ2 And Above | 58,100 | 82 | 80.5 | 78.1 |
| NVQ1 And Above | 64,500 | 91 | 90.2 | 87.7 |
| Other Qualifications | # | # | 5 | 5.9 |
| No Qualifications | # | # | 4.8 | 6.4 |

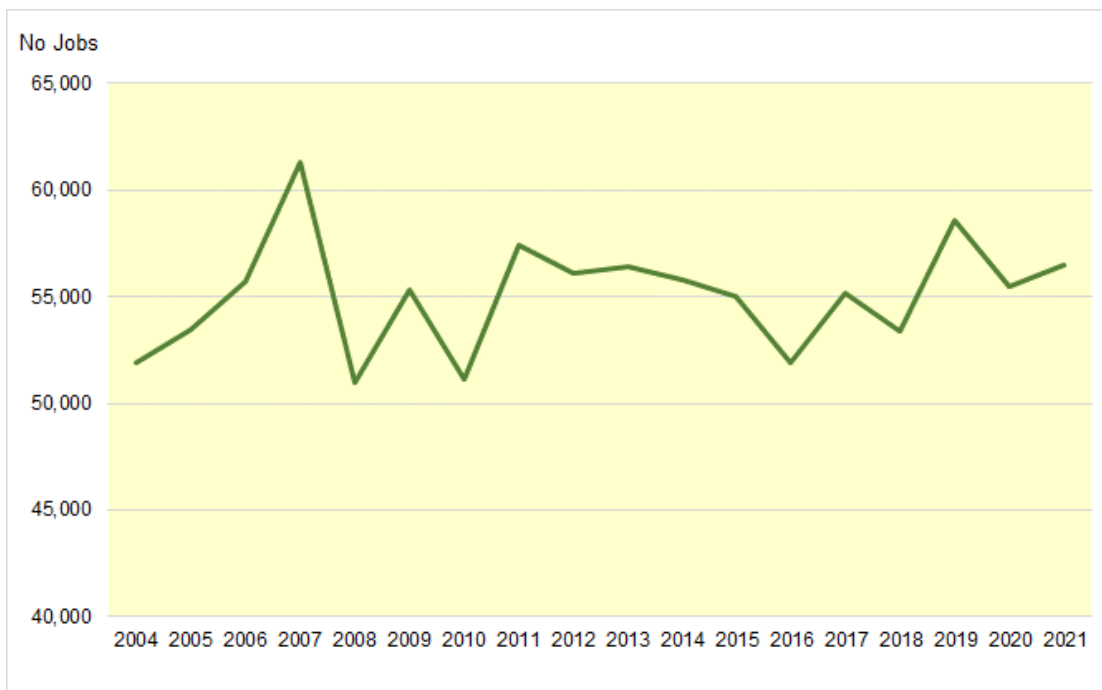
Source: NOMIS

Employment

Sevenoaks' job numbers have grown from 51,900 in 2004 to 56,500 in 2021 (Figure 4.9). During this time, the overall number has fluctuated significantly, falling to 51,000 in 2008 and 2010, rising to peaks in 2007 (61,300) and 2019 (58,600). The sharp fall between 2007 and 2008 is notable, and unexplained.

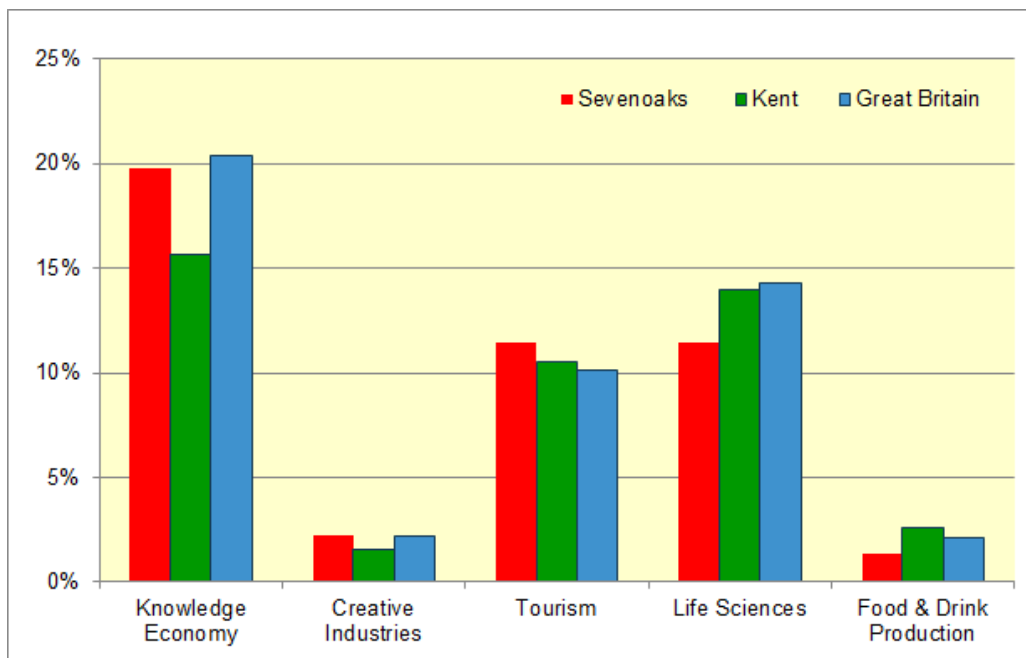
Figure 4.10 shows the number of jobs in the five most significant industrial groupings for Sevenoaks, Kent and Great Britain. As can be seen, Sevenoaks District has relative strength in Knowledge Economy, Tourism and Creative industries; but 'under-performs' in Life Sciences and Food & Drink.

Figure 4.9 Change in job numbers, Sevenoaks, 2004-2021



Source: NOMIS

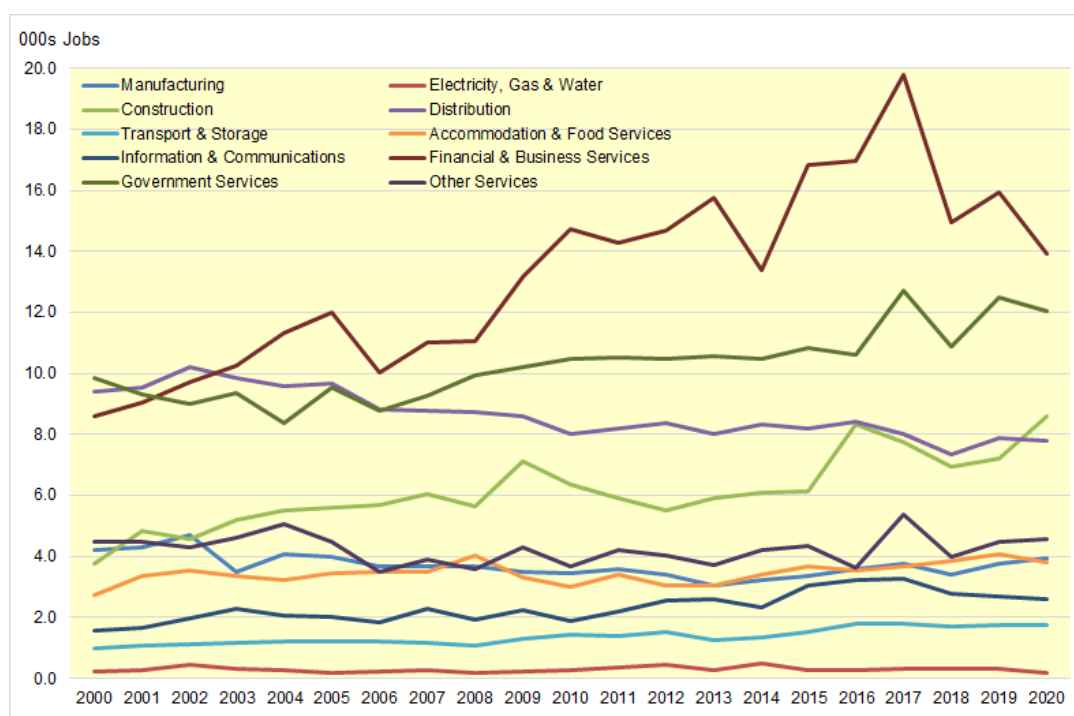
Figure 4.10 Employee jobs by industrial groupings, 2020



Source: Kent County Council & Kent Analytics, BRES

Figure 4.11 shows a breakdown of employment by sector, between 2000 and 2020. The chart shows a reduction in Distribution jobs, which runs counter to both national and regional trends. Transport and Storage jobs also show an overall decline, despite a recent uptick. Government Services show a marked increase, as do Finance and Business Services (no surprise) and Construction (some surprise).

Figure 4.11 Historic trends in employment by sector



Source: Cambridge Econometrics

Cambridge Econometrics estimate GVA in Sevenoaks District in 2020 to be £3.8bn. 37% of this comes from the Financial & Business services and real estate sector, though this will include imputed rents for housing. Construction accounts for 15% of the District’s GVA.

According to NOMIS, unemployment in Sevenoaks (in Sept 2021) is running at 3.7 % (compared to 3.9% across the South East and 4.8% nationally). Economic activity rates are running at 22.1% in Sevenoaks (compared to 18.9% in the South East and 21.5% nationally).

Figure 4.12 shows the occupational structure of Sevenoaks, compared to the South East and nationally. As can be seen, Sevenoaks is particularly over-represented in the ‘higher level’ occupations. Reflecting the occupational profile, earnings in Sevenoaks are significantly higher than both the South East and nationally (Figure 4.13).

Figure 4.12 Sevenoaks, occupational structure

| Employment by occupation (Oct 2020-Sep 2021) | Sevenoaks (number) | Sevenoaks (%) | South East (%) | Great Britain (%) |
|---|-----------------------|------------------|-------------------|----------------------|
| Soc 2010 Major Group 1-3 | 34,600 | 61.3 | 53.3 | 49.7 |
| 1 Managers, Directors & Senior Officials | 12,100 | 21.5 | 12.2 | 10.7 |
| 2 Professional Occupations | 11,200 | 19.9 | 24.3 | 23.4 |
| 3 Associate Professional & Technical | 11,200 | 19.9 | 16.6 | 15.5 |
| Soc 2010 Major Group 4-5 | 6,500 | 11.5 | 18.9 | 19.1 |
| 4 Administrative & Secretarial | # | # | 10.3 | 10.2 |
| 5 Skilled Trades Occupations | # | # | 8.5 | 8.9 |
| Soc 2010 Major Group 6-7 | 9,000 | 15.9 | 15.7 | 16.2 |
| 6 Caring, Leisure & Other Service Occupations | # | # | 9.3 | 9.1 |
| 7 Sales & Customer Service Occupations | # | # | 6.4 | 7 |
| Soc 2010 Major Group 8-9 | 6,400 | 11.3 | 12.2 | 15 |
| 8 Process Plant & Machine Operatives | # | # | 4.4 | 5.6 |
| 9 Elementary Occupations | # | # | 7.8 | 9.4 |

Source: NOMIS

Figure 4.13 Sevenoaks, weekly earnings

| Earnings by place of residence (2021) | Sevenoaks (£s) | South East (£s) | Great Britain (£s) |
|--|-------------------|--------------------|-----------------------|
| Gross Weekly Pay | | | |
| Full-time workers | 749.2 | 660.1 | 613.1 |
| Male full-time workers | 801.8 | 709.1 | 655.5 |
| Female full-time workers | 628.1 | 584.6 | 558.1 |
| Hourly Pay - Excluding Overtime | | | |
| Full-time workers | 19.05 | 16.97 | 15.65 |
| Male full-time workers | 19.36 | 17.91 | 16.26 |
| Female full-time workers | 16.77 | 15.65 | 14.86 |

Source: NOMIS

Longer term drivers

The KMEP workforce skills report,²⁷ suggests that while recovery from the pandemic is the primary focus of policymakers in the short-term, sectoral employment dynamics and skills demand in the longer term will also be shaped by a series of major technological and social trends.

Digitalisation Digital enabling technologies will introduce new products and services and make processes more efficient and productive. This will involve advances across a range of inter-related fields; and will lead to the

²⁷ KMEP (2021) *The Kent & Medway Workforce Skills Evidence Base 2021*

development of a range of ‘general purpose’ technologies which impact the economy as whole (in a comparable way to the impact of steam technology or electricity in earlier industrial revolutions).

While most suggest that technological advances lead to an increase in the aggregate number of jobs over time, many jobs are at risk from automation, as tasks are replaced with algorithms and specifically designed machines. Those jobs most vulnerable to automation are in ‘less skilled’ occupations, together with a significant impact on jobs in ‘data driven’ sectors, such as financial services. However, in the longer term (2030 onwards), around 30% of current jobs are estimated to be ‘at risk’ of automation, including those requiring complex problem-solving skills.

Decarbonisation The UK’s commitment to net zero carbon emissions by 2050 is driving investment in low carbon technologies. While a ‘low carbon and environmental goods and services’ sector has often been defined for analytical purposes, industrial decarbonisation will impact *all* sectors of the economy: ultimately, all businesses will need to become low carbon businesses.

Demographic change Between 2019 and 2039, Kent and Medway’s population is set to increase by 19% to 2.22 million. But the population aged between 16 and 64 (commonly referred to as the ‘working age’ population) will only increase by 15% - still a significant rate of growth, but highlighting the county’s steadily ageing population.

Working practices In the context of extended working lives, we can expect the *nature* of work to become more diverse and complex over the coming years. Key trends include: increased part-time working; increased self-employment; more ‘Independent’ work, more zero hours contracts, and ‘Gig economy’ work (Deliveroo, Uber, etc.) where work is accessed via apps to sell labour.

Increasing diversity of contract terms and working standards is a feature of the current labour market and, combined with the technology and demographic trends highlighted earlier, there is a growing recognition that workers are likely to change job and career more frequently. The skills system will need to adapt to this, supporting flexibility over time and providing opportunities for retraining and transferability.

4.4 The business base

Figures 4.14 – 4.17 illustrate the spatial pattern of employment in the District. Each map covers one broad segment of activity covering in turn: industrial type activity; office or business service type activity; consumer services; and public services. Each map shows the number of firms by sector and size-band, with the larger discs representing larger businesses.

Industrial activity (Figure 4.14) is predominantly clustered around Swanley in the north of the District with a number of medium-sized companies in the construction, manufacturing and distribution sectors. Construction in particular is a sector that has a high representation in Sevenoaks District.

There are also clusters of manufacturing and construction activity around Sevenoaks and one or two large and medium-sized manufacturing businesses in Westerham and Edenbridge.

Office type activity is focussed on Sevenoaks town (Figure 4.15). This includes a number of medium-sized and some larger companies in the information and communications sector and in financial services. But there are also a large number of micro businesses in the professional services and information and communications sectors in particular, that are based in and around Sevenoaks town. This will include some very small businesses that are home-based.

There is a cluster of large and medium sized businesses in the administrative and support services sector that are based in the north east of the District near New Ash Green.

Retail employment is, as would be expected, focussed on each of the town centres, with Sevenoaks as the largest centre having the largest representation (Figure 4.16).

Employment in the arts, leisure and other services sector is more evenly distributed through the District and often away from town centres.

Employment in the accommodation and food sector is even more spread throughout the District and is the only sector where there is significant representation in the south of the District.

Public services employment (Figure 4.17), predominantly health and education, reflects population centres with the largest cluster in and around Sevenoaks, followed by Swanley.

Figure 4.14 Spatial Distribution of Industrial Employment in Sevenoaks

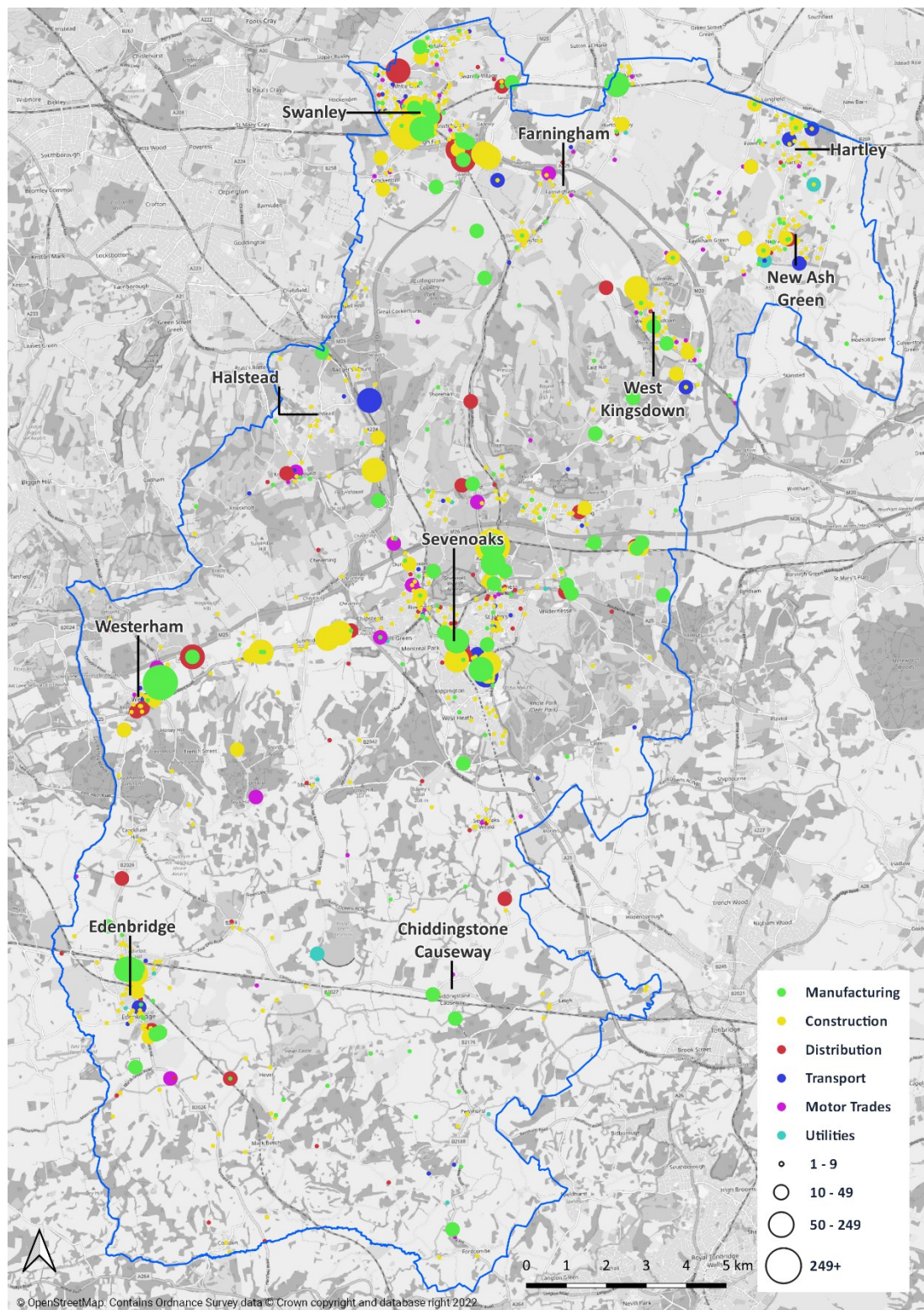


Figure 4.15 Spatial Distribution of Office and Business Services Employment in Sevenoaks

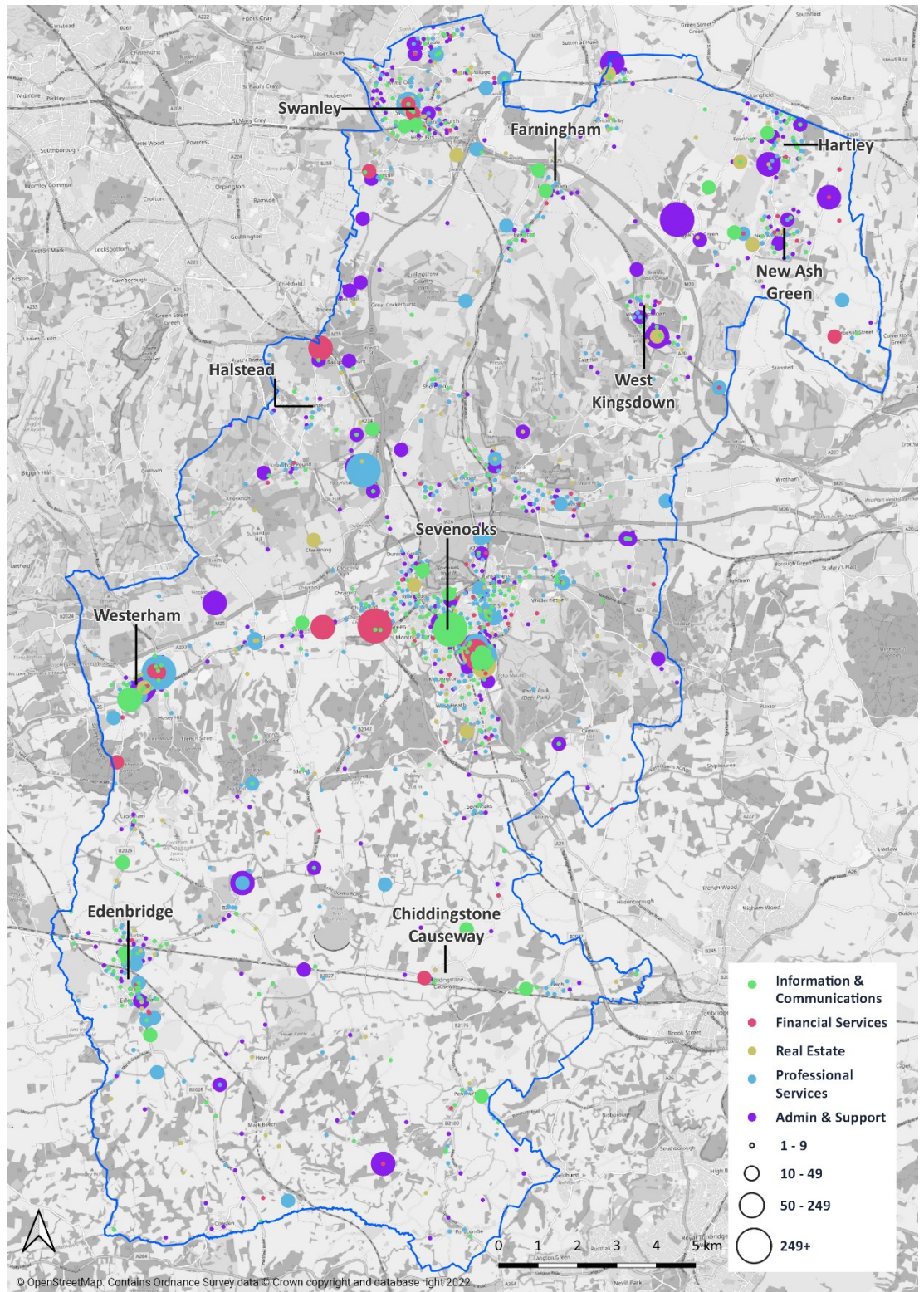


Figure 4.16 Spatial Distribution of Consumer Services Employment in Sevenoaks

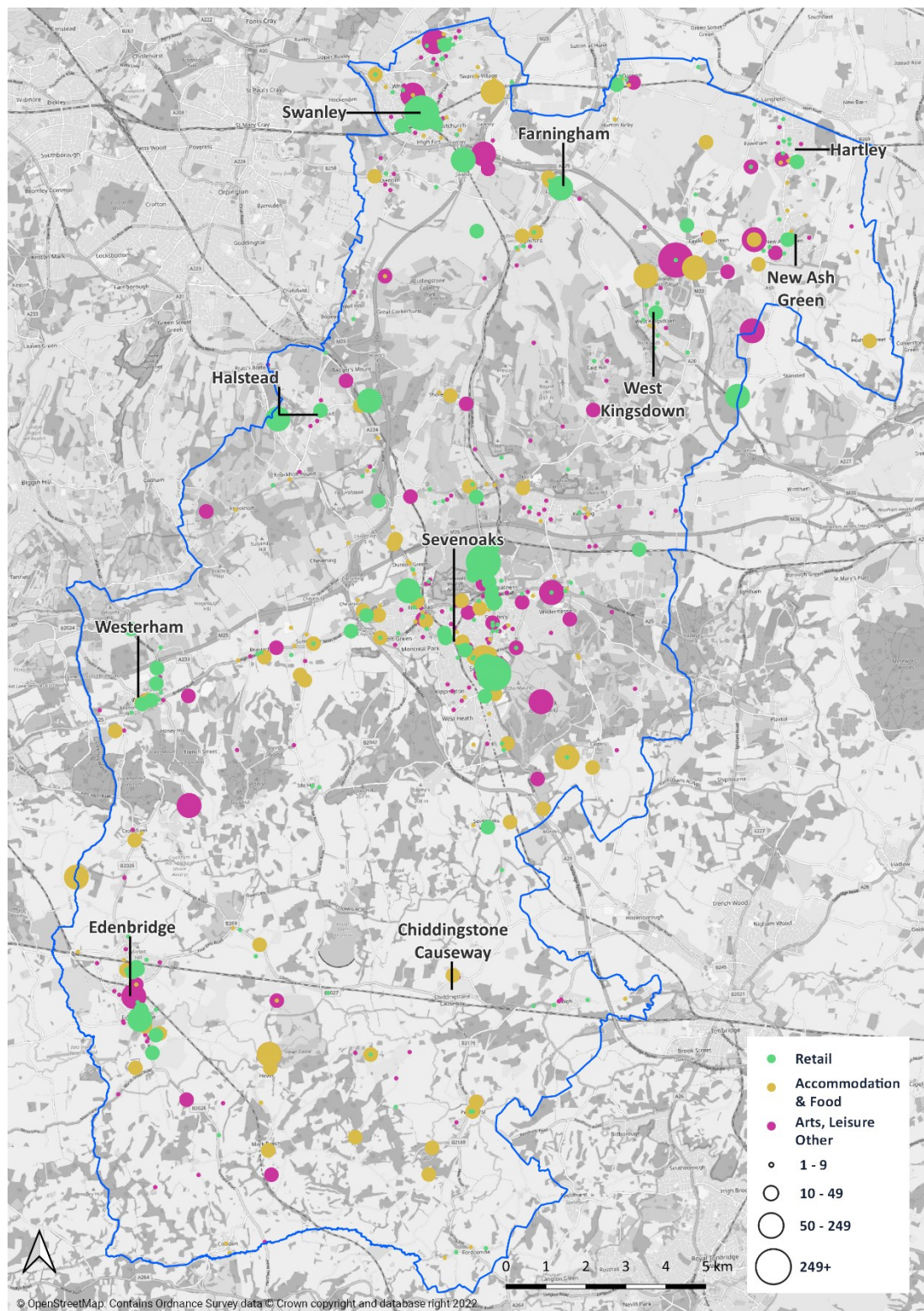
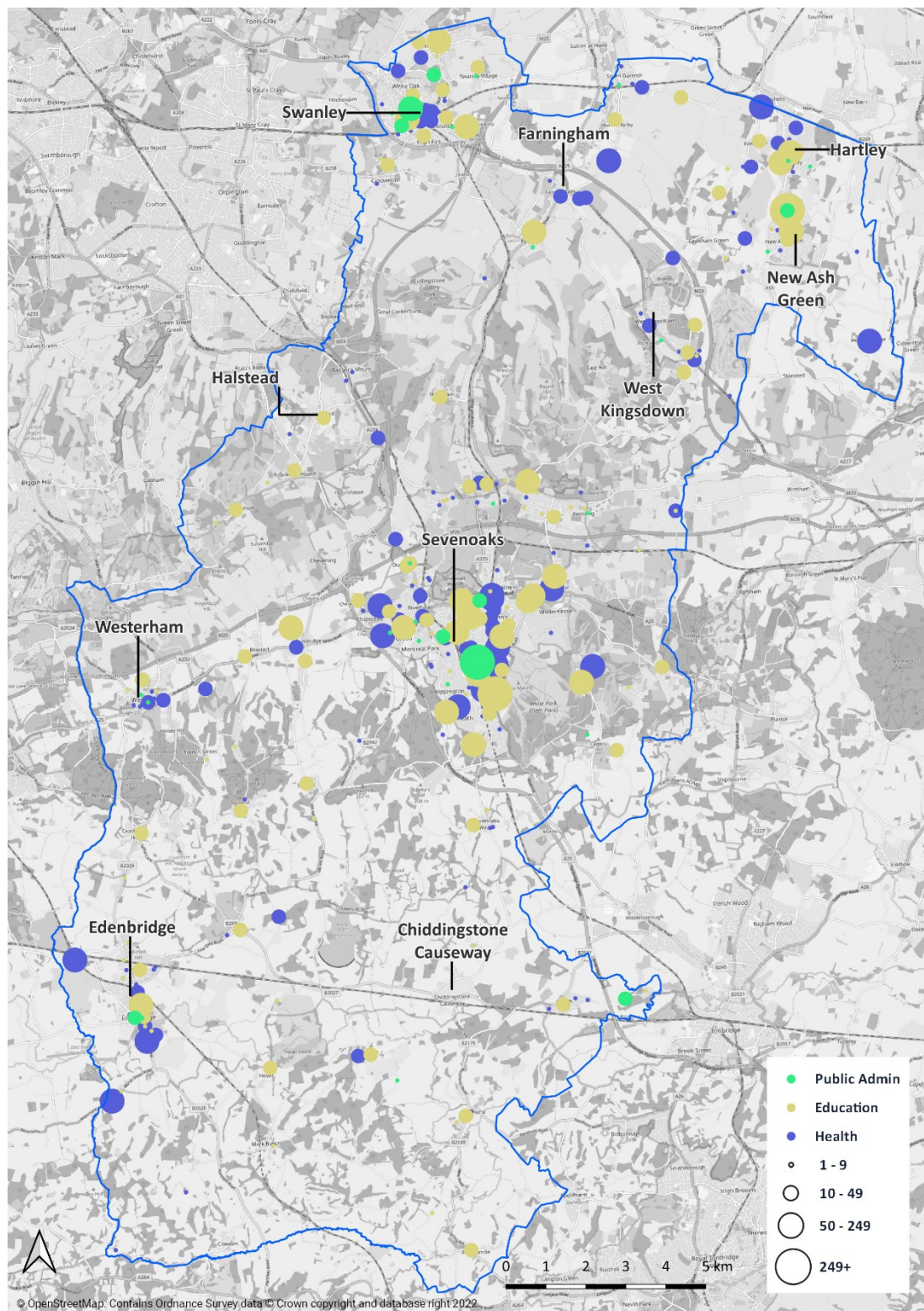


Figure 4.17 Spatial Distribution of Public Services Employment in Sevenoaks



4.5 The rural economy

As we noted in section 2.1, much of Sevenoaks District is designated as both Metropolitan Green Belt and AONB. 93% of the District is designated as Green Belt, which is a major force in preserving the settings and special characters of the many historic towns and villages. 61% of Sevenoaks District is in the Kent Downs AONB, an area characterised by tracts of ancient woodland, hedgerows, historic driveways and long-distance footpaths including the Pilgrims Way. Part of the south of the District is also within the High Weald AONB. Sevenoaks is, in short, a largely rural district.

It would, however, be a mistake to assume that the label 'rural' means unimportant in terms of economic development. On the contrary, and specifically in the case of Sevenoaks, the rural economy is integral to the success, or otherwise, of the wider District economy. It is therefore essential for an Economic Needs Study to be cognizant of the contribution of the rural economy.

This section summarises consultations with rural landowners and includes quotes arising from those discussions. Our consultations with representatives of the rural economy suggested that it should be seen through three different lenses.

- **Growing and rearing** This is land used for the core activities of arable and livestock farming and forestry, and increasingly agri-environmental land use.
- **Bricks and mortar** This is where farmland is used for residential and commercial development. In employment terms, this often means converting redundant farm buildings into work environments. The principal purpose of these activities is to provide stable cashflow.
- **Brand** This describes the broader entrepreneurial activities of estates and farms in tourism, entertainment, events, leisure activities. This would also include hop growing and viticulture.

The central reason for the three lenses is that the first, growing and rearing, is continuing to undergo fundamental change, which means that it must change and diversify. Farming has become less and less profitable as pricing structures have responded to global supply chains and overseas competition. According to our consultations, there are no longer any farms within the Sevenoaks District which are sustainable purely through growing and rearing. The result is a small number of rural estates and businesses that make up the rural economy and landscape and, as one consultee asked: *"If they fail what will Sevenoaks look like?"*

In the search for alternative forms of income, new forms of business must be explored. And this is where conflict arises. On the one hand, the wider population, and in particular local residents, generally seek to resist change to the 'countryside'. On the other hand, the countryside is not economically sustainable without limited and controlled development. Further, it is a practical fact that the farming and landowning community manage the countryside which the same residents cherish so highly.

The central question therefore is how to manage the aspirations of both interests so that one might continue to enjoy the benefits of the countryside while the other survives economically to continue its role. It is unrealistic to think that the countryside can be sealed in aspic while all around it goes through fundamental

economic and social change. The risk is, that if farmers and landowners cannot economically manage their estates then they will be progressively broken up and plots are sold off to fund the business. This would create fractured development that, it might be reasonably be argued, is in conflict with good land use planning. A one consultee stated: “*The easiest thing is to sell to [a volume housebuilder]. The Council needs to work with us to prevent that.*”

Yet there was a sense of frustration within our consultations, particularly with the Green Belt in Sevenoaks and the area’s vocal ‘no change’ lobby. An example given was that of new houses for key workers. Attracting new workers and apprentices is increasingly difficult because local house prices are beyond the reach of most such workers. Yet it is not possible to provide new homes on privately-owned land, even in the small numbers involved without running in to quotas and restrictions designed for urban areas. There is no recognition of the idea of ‘key workers’ for the rural economy.

Such problems are far from unique to Sevenoaks District, and reflect a planning system that, historically, has focused on the demands of urban areas and not really developed sophisticated policy approaches to rural economies.

There was also a sense from our consultations that the term ‘diversification’ was poorly understood. While the conversion of barns and other redundant farm buildings to rural offices is generally recognised as diversification, as are ‘bed & breakfast’ ventures and selling farm produce, we were told that the potential is much greater. The food and drinks industry (particularly viticulture), the leisure industry (heritage tourism and quality hotels) and the film industry, were all reported to have particular potential for growth.

Indeed, emphasis was placed on the need to define the rural economy in very broad terms to allow true diversification. One consultee said: “*White collar is not diversification. The way to maintain [rural areas] is to have people come and enjoy it.*” This in turn highlights the role of landowners is protecting and developing rights of way and other forms on non-vehicular access. In addition to the physiological and psychological benefits of access to green areas, resources such as cycle paths are potential lifelines to rural pubs and other small businesses.

It was also noted that rural enterprises typically employ local contractors, suppliers and advisors. One estate reported that is used around 200 local businesses, handling thousands of invoices for business retained within the District.

Further, jobs within the estates tend to be very long-term jobs – one respondent said that their oldest worker was 75 years old and had worked his entire life in the areas. However, there is now a problem of finding young staff. The estates want to bring new staff in, but are then faced with the challenge of how to house them, a process that can take so long that staff simply move on rather than wait for acceptable housing.

In common with much of Kent, once traffic moves away from the motorways and trunk roads, the roads are somewhat underspecified for modern purposes – as one respondent put it “*getting around can be difficult,*” with road signage cited as an issue.

On top of these issues are the common concerns, but with rural dimension – rural crime, exploiting isolation, as well as fly-tipping, which is a blight in many rural areas.

Although white collar is not seen as a ‘diversification panacea’ is it worth noting that estates that hold land at historical prices, and therefore free of the need to finance land acquisition, may be in a position to offer more affordable space than is available in Sevenoaks itself. This could be further helped if some anomalies could be addressed, for example that redundant hardstanding on farms is not classed as brownfield land.

The overarching concern from consultation is that the landowners see themselves as long-term custodians of the rural landscape, with no interest in despoiling it, but are faced by many small frustrations thrown up by a planning system that has never been optimised for the rural economy. And alongside this is the feeling that there is nobody to speak up for the rural economy and champion both its custodian role and recognise its importance to the Sevenoaks economy, both directly and through its need for a supply chain of local businesses.

Landowners were of the view, in the words of one, that “*with support and championing the rural economy could double.*”

Overview

We have not assessed in detail the merits of comments by rural stakeholders; we have simply listened to and reported a cross section of views. However, given the physical and economic significance of the rural economy in Sevenoaks District, as well as the undoubted amenity value of such a high concentration of green space, there is a case for a much more structured and engaged approach to the rural economy. It is evidence that many local small businesses serve rural users, and that the owners see scope of sympathetic development in rural areas, while being adamant that they are custodians needing a stable business in which to carry out this role.

These thoughts are reinforced by a recent report from an all-party parliamentary group which examined in detail the many issues faced by the rural economy.²⁸ It concluded that, in order to improve productivity across the rural economy through planning policy, the Government should:

- 1) ensure the [NPPF], and all planning-related policies, explicitly refer to the need for economic growth in rural areas;
- 2) amend the [NPPF] to favour small housing developments in rural areas with emphasis placed on affordable housing;
- 3) transform the planning application process by broadening the use of permission in principle, which shifts development costs back to a later stage of the planning application process, unlocking economic investment in rural areas;
- 4) improve training provision to ensure planning officers understand the needs of the rural economy;

²⁸ The All-Party Parliamentary Group for Rural Business and the Rural Powerhouse (2022) *Levelling Up the Rural Economy: An Inquiry into Rural Productivity* April 2022

- 5) provide an additional £25m for an extra planning officer in every local authority in England and Wales.

We believe that these national proposals are appropriate and could be adopted in the short-term at the local level. In particular, items 1 and 2 could be enshrined within the emerging Local Plan, while items 3 and 4 could be adopted as a matter of procedure. And we believe that item 5 is critical, and that Sevenoaks District should either strengthen an existing role or create an entirely new role for a planning officer whose responsibility is to understand the rural economy and champion its growth and development within the Council.

4.6 Summary: strengths and weaknesses

The socio-economic profile presented here describes a District that is, overall, functioning well, with relatively high levels of skills, occupations and earnings. The District has a strong business base and is well supplied with small and growing businesses.

For all these factors, the District is well-placed within the county and region to take advantage of evolving changes in the economy. There are opportunities for the rural economy to diversify and contribute even more to the District’s output. Further, creative and digital industries have much potential for growth.

Despite this very positive picture, the District needs to continue to evolve its approach to spatial planning to support further economic growth. For example, there is uneven distribution of jobs and opportunity in the District, and in this sense, there is an opportunity to consider regeneration and economic stimulus in Swanley and New Ash Green, and high streets more generally.

Chapter 6 considers the commercial property market, and the evidence here suggests a very constrained market. Competition for land generally, and for housing in particular, is both reducing the amount of land available and pushing up values in what remains. Weaknesses in the commercial property market present a real and present danger for the Council in terms of planning for growth.

The District cannot continue to maintain its relatively positive socio-economic position in the long-term if the physical resources of the employment market continue to be eroded and made more unaffordable.

The *Economic Development Strategy*²⁹ provides a SWOT analysis of the District’s economy (Figure 4.18). The SWOT highlights a lack of suitable land and premises as a weakness and pressure on employment sites from housing generally and PDR in particular as a threat.

Figure 4.18 Sevenoaks strengths, weaknesses, opportunities and threats

| Opportunities | Strengths |
|--|--|
| <ul style="list-style-type: none"> • Diversification of the rural economy and new live/work units in rural areas. | <ul style="list-style-type: none"> • Strategic location with access to London and farther afield. |

²⁹ Sevenoaks District Council (2018) *Economic Development Strategy 2018-2021*

| | |
|---|--|
| <ul style="list-style-type: none"> • Growth of sectors including creative and digital, tech start-ups, logistics and tourism. • Regeneration in Swanley and New Ash Green. • The longer term redevelopment of Fort Halstead. | <ul style="list-style-type: none"> • A highly skilled population and labour force. • A very strong reputation as an attractive and desirable place to live and work. • Significant number of micro-businesses with higher-than-average survival rates for start-ups. |
| <p>Threats</p> <ul style="list-style-type: none"> • Pressure on employment sites from housing and PDR. • Ageing population and shrinking younger workforce. • Changes in retail and impact on high streets. • Employment changes in the rural economy arising from technology. | <p>Weaknesses</p> <ul style="list-style-type: none"> • Shortage of commercial development sites and premises, including low-cost workspace, and an ageing existing stock. • Poor public transport links to employment, education and tourism destinations. • Varying quality of broadband and mobile telephony coverage. • Affordability of housing affecting demography and recruitment. |

Source: Economic Development Strategy, 2018

It should also be noted that there are a number of major projects in the region that might have a medium- and long-term impact on the District economy, in terms of job opportunities and economic multipliers. These were discussed during stakeholder consultation and have recently been summarised in recent research on workforce skills in the Greater North Kent area.³⁰

- **Lower Thames Crossing** could start in 2023, taking 6-7 years for delivery, and employing 22,000 people during the lifetime of the project (peaking at c10,000). The construction programme has three elements: (a) the road north of the river; (b) the tunnel and (c) the road south of the river.
- **Ebbsfleet** The Development Corporation is bringing forward housing and mixed-use sites at Ebbsfleet. Early indications are that there could be skills shortages in respect of bricklayers, carpenters, roofers, dry liners, painters and decorators and labourers.
- **London Resort** Subject to planning approval, construction could begin in mid/late 2023. The project is expected to require around 8,000 onsite and offsite construction jobs at the peak; with operational jobs increasing from nearly 9,000 on opening in 2025, to over 17,000 by 2038.
- **Thames Freeport** This is a 34-kilometre corridor from Thames Enterprise Park to Barking and Dagenham, involving an investment of £4.5bn, expected to create around 25,000 direct new jobs. The project creates an economic zone connecting Ford's Dagenham engine plant to the ports at London

³⁰ Matthews S & Gill R (2021) *Greater North Kent Workforce Skills Evidence Base A report for Greater North Kent* 6th December 2021

Gateway and Tilbury, with an emphasis on introducing electric and autonomous vehicle technology along the A13 corridor into London.

The report notes research into recruitment demand arising from major projects in the SELEP region which suggests that, for eight projects in Kent and Medway, the total additional workforce requirement will be 51,300 (2021-2024), 66,500 (2025-2028), 48,600 (2029-2038), and 17,300 from 2039 onwards.

Across all the major projects the greatest skills shortages are anticipated to be for Engineers (civil, structural, M&E, highways, drainage, where there is already a skills shortage); many construction trades, which are already at full capacity (joiners, bricklayers, roofers, scaffolders, welders, carpenters, painters, decorators, kitchen and bathroom fitters, floor layers, pavers, plumbers and plant operators); project managers; architects; logistics; teachers and support staff; manufacturing; and health care workers (including GPs).

The report recommends that skills training in West Kent should focus on those sectors (a) which account for the most employment (health; business administration and support services; retail; manufacturing/engineering; construction; transport and logistics; and hospitality); (b) with the highest levels of employment growth (construction; professional and hospitality); (c) which are relative strengths (construction; and transport and logistics) and (d) sectors identified by stakeholders i.e.: construction; visitor/experience economy; creative and cultural; food and drink; manufacturing/engineering; digital; transport and logistics, and health and social care.

5.0 The tourism sector

This chapter reviews the role of the tourism sector in the Sevenoaks District. We begin with a national overview which sets the context for a more local analysis, before summarising salient points from the 2015 *Sevenoaks Tourism Accommodation Study*, which concluded that the growth of tourism in the District was constrained by the limited stock of hotel accommodation. We then review tourism resources and visitor accommodation in the District, before ending with a review of tourism and the economy.

5.1 Strategic context

The current national tourism strategy is the DCMS Tourism Recovery Plan³¹ has been developed in response to the impact of Covid-19 restrictions on tourism, where the sector was one of the hardest hit and where a full recovery to pre-pandemic levels is not forecast until 2025. The Plan aims to achieve the following.

- Increase the speed of recovery to pre pandemic levels for domestic and inbound tourists.
- Spread recovery benefits across all of the country, including longer stays, better off-peak occupancy and investment in tourism and transport infrastructure.
- Build back better with a more resilient industry that makes better use of technology and data, with more UK year-round quality jobs.
- Ensure tourism contributes to conservation of cultural, national, and historic heritage with minimised environmental damage; and is inclusive and accessible to all.
- Return the UK to the pre-pandemic role of leading European destination for business events.

The Plan includes a set of measures to stimulate demand in the short term as well as a review to determine actions in the longer term. The short-term actions include an evidence-based approach to restarting both business tourism and inbound/domestic leisure tourism, recognising that consumer sentiment data shows that many remain nervous; supporting businesses and stimulating demand particularly in gateways cities which rely on inbound visitors.

The Tourism Recovery Plan follows the earlier VisitBritain/VisitEngland '*Our Five-year Strategy*'³², which aims to make tourism one of the most successful and productive sectors for the UK economy by the following actions.

- Growing the value of tourism – through prioritising the international markets with the most valuable and best prospect visitors (business, leisure, visiting friends and relatives, and students); and through stepping up domestic marketing activity to young adults and families.
- Driving the dispersal of tourism value across Britain - growing visits across the UK by supporting the building of regional product and distribution, including ensuring that product is researchable and bookable online.

³¹ DCMS (2021) *The Tourism Recovery Plan*

³² VisitBritain/VisitEngland (2020) *Our Five-year Strategy*

- Supporting productivity optimisation - extending seasonality and length of stay through product development and marketing, as well as better data.
- Being the expert body on growing tourism – ensuring VisitBritain delivers on the Government agenda to grow tourism and ensure the industry’s resilience and sustainability.
- Delivering a clear strategy for England.

The *Our Five-year Strategy* includes a set of market strategies for key international and domestic markets. For international markets the strategy identifies global segments for the best prospect markets in the USA, China, Australia, France, Germany, the Gulf Co-operation Council and India. For domestic visitors, the focus is on mini breaks (including additional shoulder short breaks).

Visit Kent is the Destination Management Organisation for the county, with a new three-strand strategic approach.³³

- Rebuild – Post-covid recovery of the visitor economy, including business support and delivering positive impacts on local communities.
- Grow - Grow the Kent brand as a world-class destination to visit, live, work, invest and study. This includes a focus on year-round tourism, new markets, increased overnight stays through new high-quality accommodation; and the provision of technical advice and training.
- Sustain - A long-term commitment to a sustainable, desirable and innovative destination, where businesses and communities thrive. This includes sustainable and inclusive destinations, funding bids and partnership working.

The Visit Kent strategy³⁴ has the vision for Kent to be the first-choice destination for day visits and short breaks in the UK. This will be undertaken through:

- encouraging day visits and increase short break visits to Kent;
- encouraging visitors to use ‘green’ transport for environmental benefits (and increase public transport borne visitors to destinations and attractions), and
- promoting Kent as a destination rich in experiences.

The key target markets are:

- domestic visitors, particularly Kent Residents and the Visiting Friends and Relative (VFR) market, Londoners (and those visiting the capital) and people residing within a 2.5 hour travel radius to Kent;
- near Europeans (France, Belgium, Netherlands and Germany), and
- overseas Visitor Day Trips Out of London – looking for that quintessential English experience as part of their visit.

The current development strategy in Sevenoaks is the *Core Strategy*³⁵, with an Emerging Local Plan being prepared to provide an update. As well as the general development policies in the *Core Strategy*, the document also contains policies

³³ Visit Kent, 2022, personal contact

³⁴ <https://www.visitkentbusiness.co.uk/about-us/our-marketing/our-strategy/>

³⁵ Sevenoaks District Council (2011) *Core Strategy* Adopted February 2011

relating to tourism and recreation. The *Core Strategy* notes that the quality of the landscape is a distinctive feature of the area (60% in AONBs), and that it is rare to find such extensive areas of high-quality landscape so close to London. There is also an important historic and cultural legacy with 17 nationally designated historic parks and gardens including Knole House and Park. Sevenoaks also has a number of historic houses including Penshurst Place, Hever Castle and Lullingstone Roman Villa. Recreational paths include the North Downs Way, the Greensand Way, the Wealdway, the Darent Valley Path and the Eden Valley Walk. Horse riding is a significant recreational activity in rural areas of the District.

- Policy LO 3 requires that a mix of uses (including retail, offices, cultural, leisure, hotel and residential development) will be retained and enhanced within Sevenoaks town centre.
- Para 4.3.11 and Policy LO 5 note that hotel development would be beneficial for the Swanley economy and that consent has been granted on the western side of the town.
- Para 5.4.10 notes that there is scope for further tourist-related development including support for hotel development in Sevenoaks and Swanley and for improved facilities for visitors in Edenbridge, together with small scale initiatives to support tourism in rural areas. Policy SP 8 includes priority for business or tourist use for conversion of rural buildings as well as the promotion of hotel development in Sevenoaks and Swanley.

The adopted Sevenoaks *Allocations and Development Management Plan (ADMP)*³⁶ sets out further information on the implementation of the *Core Strategy*, with site specific allocations for open space, residential, employment and mixed use as well as policies for managing development across the District. The DPD notes that the tourism industry is vital to the local economy and that there needs to be a balance between protecting the natural environment and promoting the continued growth in the tourism sector. Policy LT1 - Tourist Accommodation and Visitor Attractions recognises the benefits to the economy in considering proposals for tourist accommodation and facilities, as well as protection for existing tourism uses.

There is recognition of the role of equestrian activities as well as the specific role of Brands Hatch which is located in the Green Belt: Policy LT3 – Brands Hatch is supportive of the facility's role in the District's economy and permits proposals for outdoor sport, recreation and leisure activities. The criteria in LT3 for new development include restrictions on new noise levels, retention of trees and woodland, appropriately scaled new development and continued access through via the A20. The leisure and tourism performance indicators in the DPD include additional hotel and tourism accommodation in urban areas and the Green Belt, additional tourism attractions/facilities, and development at Brands Hatch.

The ADMP also supports town centre development of tourism uses in Sevenoaks (TLC1), Swanley (TLC2) Edenbridge (TLC3).

The *Emerging Local Plan*³⁷ notes that tourism is important to the District's economy, particularly in the rural areas (Para 3.4); and draft Policy EMP 1 supports the maintenance and diversification of the rural economy including development for agriculture, forestry, small scale business development and rural tourism projects.

³⁶ Sevenoaks District Council (2015) *Allocations and Development Management Plan*

³⁷ Sevenoaks District Council (2018) *Regulation 19 Consultation* December 2018

Draft Policy EMP3 Tourism and the Visitor Economy supports proposals to provide new sustainable tourism development including hotels, guest houses, bed and breakfast, outdoor and self-catering accommodation and new visitor attractions.

The District's *Economic Development Strategy*³⁸ includes the visitor economy as one of its five themes, setting out the need to engage with and support the sector, including local food producers and arts and culture venues. The strategy notes the proximity of the District to London, with major transport links making Sevenoaks easily accessible for the capital's residents, and that the District is particularly popular with day visitors.

The District's economic opportunities include the growth of tourism (along with some other sectors) although poor public transport links to tourism destinations are seen as a weakness. The visitor economy is seen as a major contributor to economic performance. The local food and drink producers and arts and cultural venues are strongly linked to other parts of the visitor economy, and tourism helps to support rural services and farm diversification. The strategy notes demand for a diverse range of visitor accommodation in addition to the Sevenoaks 83-bed Premier Inn completed in 2018. Further accommodation opportunities will be sought to serve different market segments. The strategy refers to the challenge of maintaining visitor numbers and diversifying their activities without damage to historic landscape and properties. The visitor economy challenges for Sevenoaks District are:

- limited visitor accommodation;
- capacity of individual destinations, and
- increasing visitor 'stay' or 'dwell' time.

5.2 Sevenoaks Tourism Accommodation Study

The *Sevenoaks Tourism Accommodation Study*³⁹ in 2015 considered that the growth of tourism in the District was constrained by the limited stock of hotel accommodation. The report considered market demand, with generally strong mid-week demand from business travellers (linked to local businesses) as well as Friday and Saturday night demand from wedding parties and weekend leisure breaks. Drivers of leisure break business include Chartwell, Hever Castle, the National Trust properties in the area, and Bluewater. The higher profile events at Brands Hatch can generate significant demand for hotel accommodation as well as ongoing demand from people visiting for driving experiences. Within the hotels, corporate and contractor visitors in particular keep the budget hotel demand strong.

Specific opportunities in the *Tourism Accommodation Study* included a new hotel at Fort Halstead to serve the defence industries business park development. There was also considered to be opportunities for new spa/leisure facilities as part of the upgrading of existing hotels, as well as an opportunity for new or upgraded premises for boutique hotels. The report also identified the need for a new budget hotel in Sevenoaks (which has now been delivered by Premier Inn), as well as general budget hotel opportunities to meet corporate and contractor demand from general and larger scale investments in Sevenoaks District and the surrounding areas. The report noted the demand for self-catering, including conversions of rural buildings as well as 'super' cottages to cater for larger groups. There were also other small-scale

³⁸ Sevenoaks District Council (2018) *Economic Development Strategy*

³⁹ Hotel Solutions (2015) *Tourism Accommodation Study* Sevenoaks District Council

opportunities such as lodges fishing lakes, touring caravan and camping sites and new/enhanced B&Bs and self-catering. The provision of accessible accommodation for those travelling with wheelchair users was also noted as an opportunity.

5.3 Tourism resources

The District has nationally recognised heritage assets including the historic estates of Knole, Chartwell, Hever Castle, Penshurst Place and Lullingstone Castle. Other places of interest include the National Trust village at Chiddingstone, Eynsford Castle ruin, Lullingstone Roman Villa, Otford Palace and Toys Hill (the birthplace of the National Trust). The District is popular with day visitors. Sevenoaks District is relatively well connected to key markets, including road and rail links to London as well as near European markets.

The tourism resources attracting visitors in the District include historic properties, commercial venues, town centres and the natural environment (Figure 5.1).

Figure 5.1 Sevenoaks tourism resources

| | |
|---|----------------------------------|
| Historic properties | |
| Chiddingstone Castle | Knole House |
| Chartwell | Penshurst Place & Gardens |
| Eynsford Castle | Quebec House & Museum |
| Hever Castle & Gardens | Squerryes Park |
| Lullingstone Castle & World Garden | |
| Museums and attractions | |
| Archbishop's Palace | Lullingstone Roman Villa |
| Eden Valley Museum | Otford Heritage Centre |
| Kent Firefighting Museum | Shoreham Aircraft Museum |
| Events venues | |
| Brands Hatch | The Stag Arts Centre |
| Wildlife and environment | |
| Bore Place | Lullingstone Country Park |
| Dryhill Local Nature Reserve | Riverhill Himalayan Gardens |
| Eagle Heights Wildlife Park | Sevenoaks Wildlife Reserve |
| Emmetts Garden | Swanley Park |
| Kingdom | Tudor Trail |
| Knole Park | Willow Birds of Prey |
| Vineyards, breweries, farm shops and producers | |
| Bore Place | Mount Vineyard |
| Castle Farm Shop | Polhill Farm Shop |
| Chart Farm | Squerryes Vineyard |
| Falconhurst Farm Shop | Westerham Brewery |
| Sports | |
| Darenth Valley Golf Course | Pedham Place Golf Centre |
| Hever Castle Golf Club | Redlibbets Golf and Country Club |
| Knole Park Golf Club | Sevenoaks Town Golf Club |
| London Golf Club | Westerham Golf Club |
| Lullingstone Park Golf Course | Wilderness Golf Club |

The town and village centres provide the following attractive locations for visits.

- Sevenoaks – Historic market town, larger high street; alleyways with independent shops; The Shambles; markets – Bligh’s Meadow, High Street, Buckhurst Lane.
- Westerham - small, contains Quebec House (General James Wolfe) and Chartwell (Winston Churchill), independent shops.
- Swanley- modern shopping street, with Wednesday/Sunday market.
- Edenbridge - gateway to the Eden Valley. medieval buildings, antiques; Ye Olde Crown.
- Eynsford – small scale historic riverside environment, Roman Villa, castle.

There is a strong link between the resident and visitor experience of the town and village centres, with locations attractive to visitors also attracting use and enjoyment by residents. Research from Visit Kent ⁴⁰ shows that residents see the connection between tourism infrastructure and benefits to local communities. The local authority has a role through planning policy in protecting centres from inappropriate change of use, as well as facilitating development of suitable new uses and initiatives to support town centre vibrancy through business forums etc.

As well as the specific wildlife and environment attractions noted in the table above, 61% of the District is designated as AONB (Kent Downs AONB across central and northern parts of the District; and High Weald in the south of the District). The Darent Valley runs through the Kent Downs AONB, with a 30 km National Trail walking path from the Thames at Dartford to the Greensand Hills above Sevenoaks. The Darent Valley walks are served by nine railway stations. Other National Trails in Sevenoaks are the North Downs Way, Greensand Way, Vanguard Way, Eden Valley Path, Sussex Border Path and Wealdway. Although there will be some visitors walking the length of these trails, typically use by visitors is concentrated in specific high-profile locations along the route, and this is particularly evident in the Darent Valley around Eynsford and Shoreham, as well as around destinations such as Knole Park. Other locations in the Darent Valley such as Otford, Brasted, Sundridge, Westerham, Farningham and Horton Kirby are also affected to some degree. Concentrations of visitor use can lead to congestion, particularly at peak times.

Kent visitor perception research ⁴¹ shows that countryside/natural beauty and the variety of places to visit are key drivers for visitors. Heritage and the outdoor activity offer are highly rated. Visitors seek immersive experiences, particularly outdoor and active experiences, as well as visiting vineyards, breweries and cideries. The importance of accommodation in driving destination decisions is strong, often forming the primary decision influence and is a core part of the short break/holiday for over half of travellers. The survey sample for this research was focussed on people outside Kent but within a 2-3 hour journey time and of these, 21% had visited Sevenoaks District and 19% had visited the Kent Downs AONB. Of the people who had not visited, awareness of the Kent Downs AONB was lower than Sevenoaks District. Kent destinations such as Dover, Canterbury, Margate and Folkestone had higher levels of previous visits and awareness.

⁴⁰ Visit Kent (2021) *Social Impact Monitoring: Kent Residents Survey*

⁴¹ Visit Kent (2022) *Kent Perception Research*

Consultation as part of this study suggests that some tourism facing businesses are constrained by access issues. Although these have been particularly evident during Covid-19 restrictions it is clear that there is a long-term problem of greater use of private cars to access countryside locations than the capacity of the road network comfortably allows, and that this is reducing the quality of the visitor experience as well as adversely affecting local communities and the environment. In addition, there can be specific congestion issues associated with larger events at Brands Hatch on the A20.

There have been some initiatives to improve the links between the network of rail stations and visitor destinations (such as the planned new path between Shoreham station and the village due to open in autumn 2022) and there will be benefits from further locally-specific solutions to improve the 'last mile' links from the existing networks. Consultation feedback indicates that in general, the solution is not to provide more parking for cars but instead focus on use of public transport including local services. The Darent Valley Landscape Partnership Scheme has developed a set of costed projects designed to provide some solutions to this issue⁴². There is also a role for the District and County Councils in identifying solutions and working with landowners and communities to provide solutions, which will have benefits for local communities as well as the visitor economy. Examples of locations with visitor traffic capacity issues include the following.

- Hever
- Eynsford, Eynsford Castle and Roman Villa
- Lullingstone Castle and Gardens
- Lullingstone Country Park
- Eden Valley
- Knole

Some of the solutions may also include revenue activity (e.g. events, marketing and information) to disperse activity both within the District but also to different times of the week or year. The introduction of bus services to some locations may also serve to alleviate congestion issues if used in conjunction with parking strategies and awareness building, but these are likely to require a funding commitment.

There is a link between tourism and local food and drink, where many of the characteristics that make a place attractive to visit are also part of the attributes that build a positive local provenance.

5.4 Visitor accommodation

The *Sevenoaks Tourism Accommodation Study* ⁴³ undertook an audit of known visitor accommodation in 2015. This audit showed that the accommodation stock in the District was relatively limited, with seven hotels and a larger number of B&Bs, self-catering and camping/caravan businesses. Since that time there have been some changes in hotel stock with three closed (the Royal Oak and the Moorings, both in Sevenoaks, as well as the 7 Hotel Diner in Halstead) and a new Premier Inn in Sevenoaks. In 2015 the identified hotel beds was 373, which has increased to 440 in 2022. Geographically, the branded budget hotels (Figure 5.2) are located in

⁴² [DVLPS-LCAP-parts-1-2.pdf \(darent-valley.org.uk\)](#)

⁴³ Hotel Solutions (2015) *Tourism Accommodation Study* Sevenoaks District Council

the District's larger settlements while Brands Hatch is able to support two hotels. Business trips and meetings can form an important part of tourism and the larger hotels in Brands Hatch are capable of serving this market.

Figure 5.2 Hotels in Sevenoaks District

| Hotel | Location | Rooms |
|-------------------------------------|--------------|-------|
| Brands Hatch Place Hotel | Fawkham | 38 |
| The Brands Hatch Hotel | Brands Hatch | 121 |
| Best Western Donnington Manor Hotel | Dunton Green | 59 |
| Premier Inn Swanley | Swanley | 61 |
| Premier Inn Sevenoaks | Sevenoaks | 83 |
| Hever Hotel | Hever | 78 |

A brief review of the B&B and self-catering stock suggests that some while some businesses have continued operating, some have ceased trading while new ones have emerged. This churn is unsurprising given the crossover with residential use for small scale visitor accommodation and reflects the changing requirements of the respective property owners. The smaller B&Bs and self-catering businesses are relatively well dispersed over the District.

Of the eight camping/caravan locations identified in 2015, one has closed and six others have been identified. The newly identified sites include some of the more recent forms of provision, including glamping and luxury domes. Unsurprisingly, the camping/caravan businesses are located in the more rural parts of the District.

Since the 2015 *Tourism Accommodation Study*, AirBnB has become more widespread. In 2020 it was estimated ⁴⁴ that there were 199 active AirBnB rentals in Sevenoaks, and that this had seen a 225% rise in rentals between 2016 and 2019. There is likely to be some overlap between businesses listed on AirBnB and other routes to market.

Consultation undertaken as part of this study suggests that there are opportunities to increase the scale and type of visitor accommodation in the District. Further provision would increase the value of tourism to the District, especially as staying visitors have a higher level of spend than day visitors.

- Full service 4-star or 5-star hotels are under-represented in the District and this may be constraining some of the benefits from potential independent leisure visitors as well as high profile events (such as those at London Golf Club or Brands Hatch) and the meetings/incentives/conferences market. The current provision is limited meaning that when larger events take place, some of the attendees are obliged to travel in from accommodation elsewhere. Undertaking this type of development would require individual private sector businesses to develop their organisation-specific business cases for investment, although the local authority can have a role in planning

⁴⁴ Canterbury Christ Church University (2020) *A Review of Accommodation Provision in the Garden of England* Visit Kent/Kent County Council

policy and promotion/sale of sites. There are few 5-star hotels outside the major conurbations so 4-star may be a better prospect.

- Independent high-quality B&B and self-catering accommodation, particularly in rural areas. This could include further development of aspirational provision making use of the landscape setting and waterside locations, with links to the food and drink produced in the surrounding area. Again, the local authority can have a role in planning policy and promotion/sale of sites, working with local landowners.

The review earlier in this section shows that policy is supportive of the development of new accommodation although the consultation suggests that in practice there can be significant barriers to the development of new accommodation in rural settlements or as additions to existing development in Greenbelt locations. In economic terms it is likely that some of the issues around extending the length of stay and level of visitor spend can be addressed by facilitating new accommodation or other tourism development in some rural and greenbelt locations. It might also be possible to develop new small-scale accommodation by reducing the barriers to entry for owners of existing buildings, such as pubs as well as larger houses. Revenue projects to provide business advice can be used to address this issue, and measures to develop visitor-facing business groups or networks can also provide economic benefits.

5.5 Tourism and the economy

It is estimated that there approximately 0.2m trips with an overnight stay to Sevenoaks District per annum, with an average length of stay of four nights, plus approximately 4m day trips from home.⁴⁵ The £182m combined visitor spend is estimated to support almost 5,300 jobs, equivalent to 10% of all employment in the District. The jobs directly supported by tourism expenditure are mainly in the food and drink, and retail sectors. Sevenoaks District receives 4% of the county's staying visitors and 7% of the day trips from home.

It is estimated⁴⁶ that of the staying visitors, the main group is those visiting friends and relatives (41% of the total, followed by leisure and business visitors (both 28% of the total). 73% of the staying visitors are from the UK and 27% are from overseas.

It is estimated that 7% of businesses in Sevenoaks District are tourism enterprises.⁴⁷ This is a relatively low in both a national and Kent context (8.8% and 8.6% respectively). The locations in Kent with more tourism businesses than the national average proportion are all coastal districts. The estimated 465 tourism businesses in Sevenoaks District have seen a 2.1% decrease in number over the past five years, compared to a 10.5% increase across Kent. Sevenoaks (along with Tonbridge & Malling and Tunbridge Wells) has a higher than Kent average proportion of cultural,

⁴⁵ VisitKent (2017) *Visitor Economic Impact Study 2017 Sevenoaks* These figures will have been affected by Covid-19 restrictions.

⁴⁶ VisitKent (2017) *Visitor Economic Impact Study 2017 Sevenoaks*

⁴⁷ Kent Analytics (2022) *Tourism Industries in Kent* – based on SIC codes for accommodation, food and beverage, cultural, sports, recreational, conference and public/for hire transport.

sports and conference enterprises, while the District has a lower than Kent average proportion of accommodation, food & beverage and transport businesses.

In Sevenoaks District and across Kent, over 80% of tourism businesses are micro enterprises (0-9 employees) and there are very few employing 50 people or more. Based on the enterprise categories used by Kent Analytics, there are an estimated 5,500 tourism employees, making up 11.4% of all jobs in Sevenoaks (compared to 10.5% of all jobs across Kent). Food and beverage jobs make up 3,000 of the 5,500 tourism jobs in Sevenoaks, and cultural, sports, recreation and conference jobs make up another 1,500 jobs.

It is clear that tourism businesses in Sevenoaks District are affected by recruitment and skill issues. This is common in other locations in England.

Impact of Covid-19

Visit Kent reports ⁴⁸ that Covid-19 restrictions resulted in cancellations (particularly from overseas visitors), with events cancelled and businesses affected by footfall loss and cash flow. An estimated 89% of Kent tourism and hospitality closed either temporarily or indefinitely – more than any other sector. Oxford Economics ⁴⁹ does not predict tourism in the UK to return in full to 2019 levels of volume and expenditure until 2025. There are a wide range of factors influencing this, such as the pace of vaccine rollout in inbound markets, the impact of social distancing on capacity, the impact of the pandemic on consumers' discretionary spending power, the threat of potential variants of concern emerging and lingering doubts amongst consumers about their own safety when travelling.

5.6 Summary: supporting a growing sector

Tourism is an important part of the economy in Sevenoaks District, with visitor spend estimated to support over 5,000 jobs across a number of sectors. Numerically, day visits from home make up the bulk of the tourism activity although there is still a significant amount of visitors staying away from home in Sevenoaks. The District has nationally recognised heritage assets including the historic estates of Knole, Chartwell, Hever Castle, Penshurst Place and Lullingstone Castle, as well as a set of attractive town and village centres, and high-quality natural environment.

The issues identified include the following:

- Congestion in specific 'honeypot' rural locations resulting from use of private cars by visitors. This issue is constraining some of the visitor-facing business in these locations as well as the host communities. This is exacerbated by some poor 'last mile' public transport access to many of the popular destinations in the District.
- Congestion associated with some larger events at Brands Hatch.
- A lack of visitor accommodation, which limits the visitor spend and economic benefits the District might be able to gain from tourism, both directly and because of the constraint on the development of major events and

⁴⁸ Visit Kent (2020) *KCC Scrutiny Committee into the impact of Covid-19 on the Visitor Economy Written Evidence*

⁴⁹ DCMS (2021) *The Tourism Recovery Plan*

conferences. This includes small scale rural accommodation as well as larger full-service hotels.

There is a potential role for the District Council (with partners) in addressing these issues through the following actions.

- Identifying specific honeypot congestion issues and working with landowners and communities to provide solutions, which will have benefits for local communities as well as the visitor economy. This could include new footpath or multi-use trail development, as well as parking strategies and support for bus services suitable for visitor use. Work could include further support for and implementation of the Darent Valley Landscape Partnership Scheme projects. There is also benefit in addressing the specific pinch points associated with Brands Hatch events traffic. These transport issues will need partnership working with Kent County Council.
- A role in planning policy and promotion/sale of sites for new accommodation, working with local landowners.
- Revenue support for events, marketing and information provision to disperse visitors across the District and across a wider period of the year, in order to relieve pressure on honeypots and improve the utilisation of tourism businesses. This could be undertaken in partnership with other Kent locations.
- Revenue support for training and business advice as well as to assist the establishment of business groups and networks.
- A role through planning policy in protecting centres from inappropriate change of use, as well as facilitating development of suitable new uses and initiatives to support town centre vibrancy.

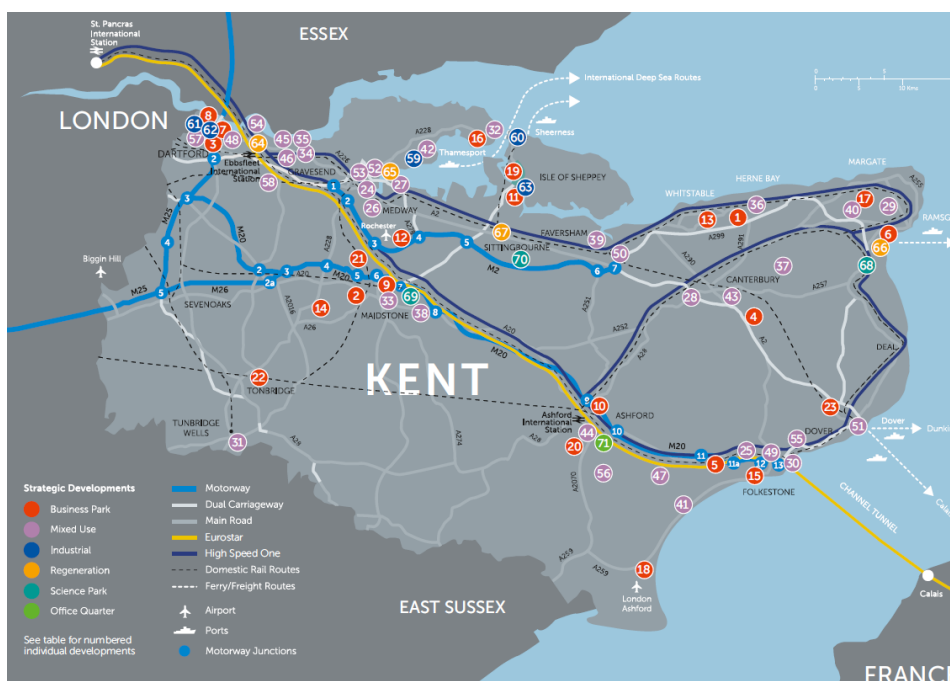
6.0 Commercial property market dynamics

In terms of context, the *Kent Infrastructure Framework* of 2018 observes that there is a “varied supply of commercial space within Kent and Medway, both operating as standalone spaces as well as estates”. However, the same report states that the “overall level of supply of industrial and office space in Kent and Medway has been declining since 2012”. The report also states that there is a “limited supply available for occupation – creating a limited supply to enable new business growth”. Whilst there are several hubs of commercial space that have been developed over recent years, these have limited vacancies – having generally been faced with more demand than can be met with these available spaces.

These opportunities include Ebbsfleet, which is providing an anchor for business growth, as well as Chatham Maritime university campus, Rochester Airport Technology Park, the Kent Science Park, the University of Kent and Canterbury Christ Church University campuses in Canterbury and the Discovery Park at Sandwich.

The Sevenoaks commercial property market is comparatively small. This is shown by Figure 6.1 which shows strategic developments across Kent. This map is extracted from the Caxtons property market report.⁵⁰ The map clearly shows high concentrations of activity along strategic road and rail routes, as well as around port facilities. In these terms, Sevenoaks in West Kent, despite its proximity to the M25, has relatively few ‘strategic developments’.

Figure 6.1 Strategic developments across Kent



Source: Caxtons, 2021

⁵⁰ Caxtons Kent (2021) *Property Market Report 2021*

Thus, Sevenoaks is a very small market, even in the context of Kent, even more so in the wider economy. In part this is to do with its relatively small population, with a very high level of out-commuting, and in part it is because almost all of the rural area of the District is in the Metropolitan Green Belt. Further, unlike other Home Counties districts, it does not have a legacy of redundant industry – especially airfields – with which to counterbalance the Green Belt.

For example, in Hertfordshire, the former British Aerospace plant at Hatfield was developed as a large business park, which includes the HQ of mobile phone company EE, and a campus for the University of Hertfordshire, while the Rolls Royce aero engine plant saw both commercial development and the creation of Warner Brother's Harry Potter World. In Surrey the old Brooklands airfield and race track is a business park, while in northern Hampshire the still operating Farnborough airfield has been the focus of large-scale commercial development. Elsewhere in Kent former and current airfields from Manston to Biggin Hill are seen as potential development hubs. Given the centrality of Kent to Britain's wartime effort, it is perhaps ironic that Sevenoaks has no such space⁵¹. This is unfortunate, given the value such space has in attracting business HQs looking to escape the high costs of London.

Also, although it has an impressive array of strategic road infrastructure, most of this – in addition to some capacity problems – feels designed for traffic that is on its way somewhere else.

And yet, despite this downbeat assessment is the unarguable fact that Sevenoaks District is a pleasant and prosperous area, with very few signs of dereliction and with commercial property that, for the most part, seems well occupied.

6.1 Stock of commercial space

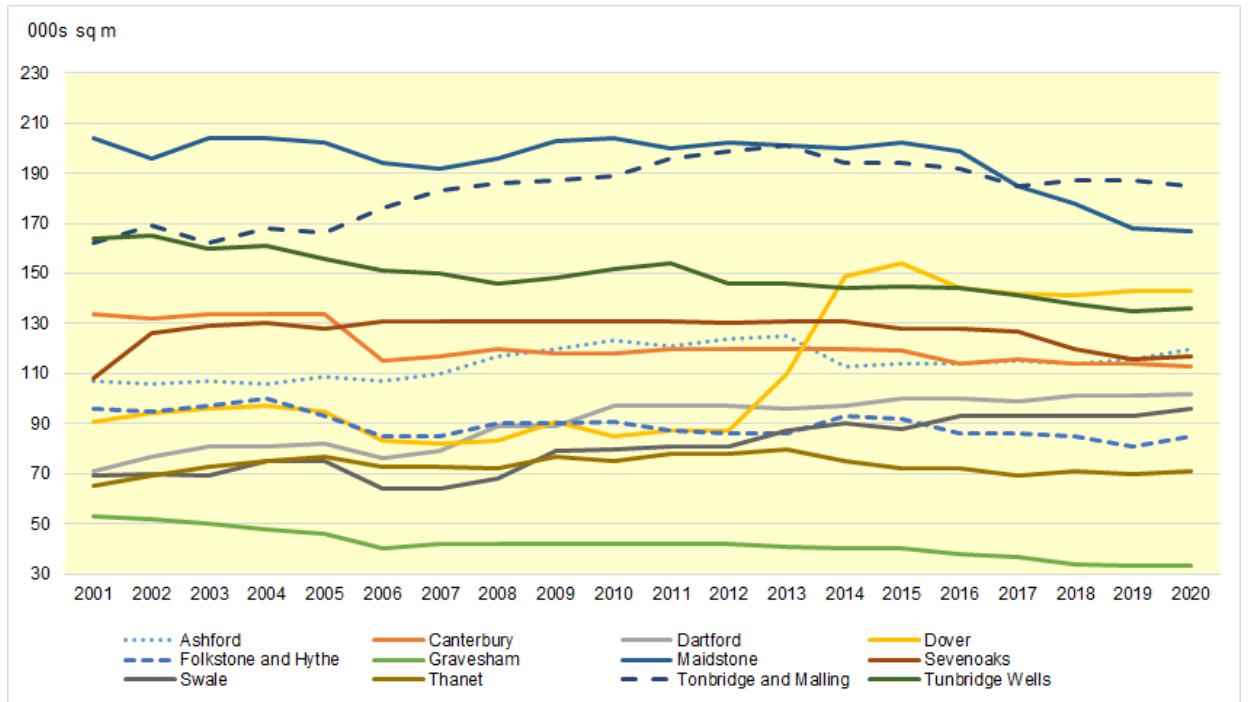
Figure 6.2 shows a very quiet office market over an extended time. Five of the twelve districts had less stock in 2020 than in 2001 (Canterbury, Folkestone, Gravesham, Maidstone and Tunbridge Wells).⁵² Dover experienced a major upswing between 2012 and 2015. Over the period, Sevenoaks experienced a meagre 8.3% uplift in office stock. Across the South East, and nationally office stock grew very marginally over this time period.

Similarly to office stock, eight of the twelve districts had less stock (albeit mostly marginally) in 2020 than in 2001, with just Ashford, Dartford, Swale and Tunbridge Wells experiencing growth (Figure 6.3). Dover experienced a major upswing between 2012 and 2015. Over the period, Sevenoaks experienced a 8.3% uplift in office stock. Dartford and Swale witnessed the strongest growth. Across the South East, industrial stock shrank very marginally over this time period, while nationally there was a marginal shrinkage.

⁵¹ We are aware of Fort Halstead, about 3 miles north-east of Sevenoaks, which has potential for redevelopment. Given that its future is yet to be determined we were asked not to comment in detail on the location.

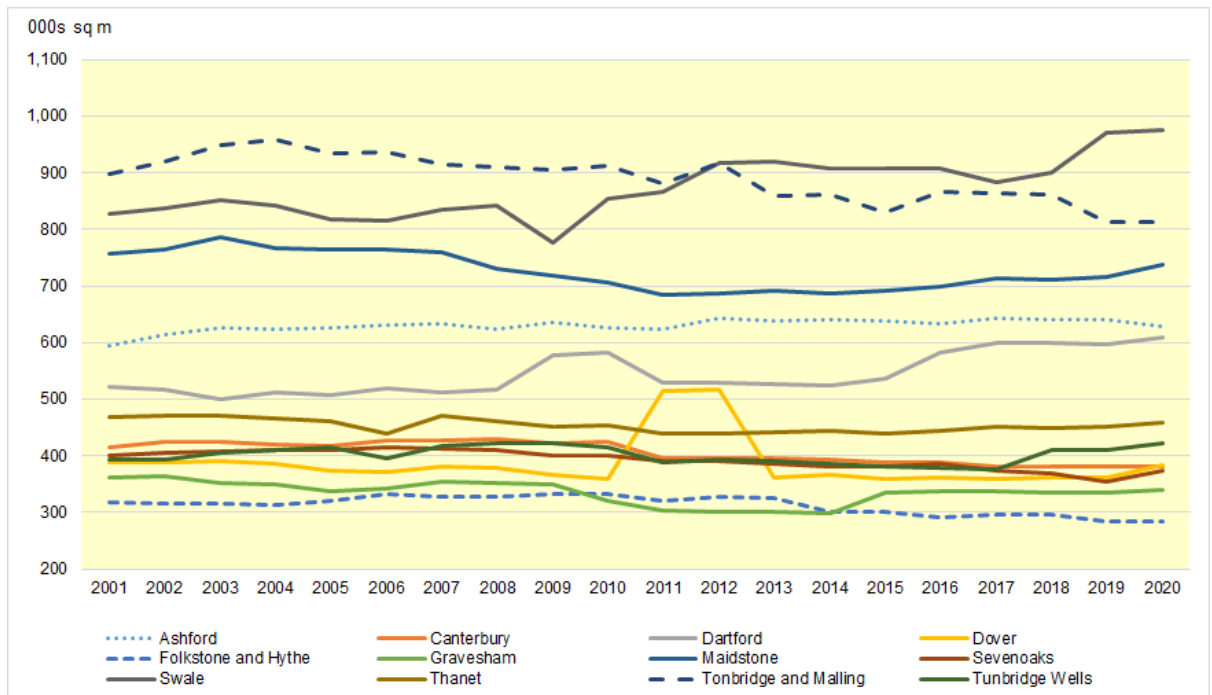
⁵² Valuation Office Agency (2020) *Commercial Floorspace Statistics*

Figure 6.2 Stock of office space



Source: VOA, 2020

Figure 6.3 Stock of industrial space



Source: VOA, 2020

At a more local level, a recent Council topic paper ⁵³ reported that, since the beginning of the Core Strategy Plan period, there had been an overall loss of employment floorspace despite the rise in population. The study reported that the District had lost 57,375 sq m of employment floorspace across the District since 2008-09 (Figure 6.4).

The District was experiencing small annual losses and gains up to the point at which Permitted Development Rights were extended (2013), whereupon annual losses escalated dramatically. In fact, 56,102 sq m, or 97%, of the net loss over the period has been lost since 2014-15. Prior to 2022, net gains in stock were only recorded in 2020. 2022's gain is largely accounted for by two schemes: Morley's Farm (agricultural storage to B2 and B8) and a factory extension in Edenbridge.

Figure 6.4 Change in employment space, 2008-09 to 2017-18

| Year | Change in employment floorspace (sq m) |
|--------------|--|
| 2008-09 | 1,478 |
| 2009-10 | 1,452 |
| 2010-11 | -1,511 |
| 2011-12 | 3,155 |
| 2012-13 | -1,733 |
| 2013-14 | -4,415 |
| 2014-15 | -21,490 |
| 2015-16 | -13,909 |
| 2016-17 | -12,605 |
| 2017-18 | -7,797 |
| 2018-19 | -9,460 |
| 2019-20 | 316 |
| 2020-21 | -961 |
| 2021-22 | 9,804 |
| Total | -57,676 |

Source: Sevenoaks District Council, 2020

In ten years nearly 11% of office stock has been lost, while just over 3% of industrial stock has gone (Figure 6.5). Retail stock has increased by almost exactly the sum of other uses lost.

This is unlikely to be like-for-like swapping. The 10-year loss for offices coincides with the expansion of Permitted Development Rights.

⁵³ Sevenoaks District Council (2020) *Employment and Retail Topic Paper*

Figure 6.5 Stock change in Sevenoaks

| Sector | 2010-11 (000 sq m) | 2015-16 (000 sq m) | 2020-21 (000 sq m) | 10yr change (%) | 5yr change (%) |
|------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------------|
| Retail | 131 | 147 | 149 | 13.74 | 1.36 |
| Office | 131 | 128 | 117 | (10.69) | (8.59) |
| Industrial | 394 | 389 | 382 | (3.05) | (1.80) |
| Other | 111 | 119 | 114 | 2.70 | (4.20) |

Source: VOA

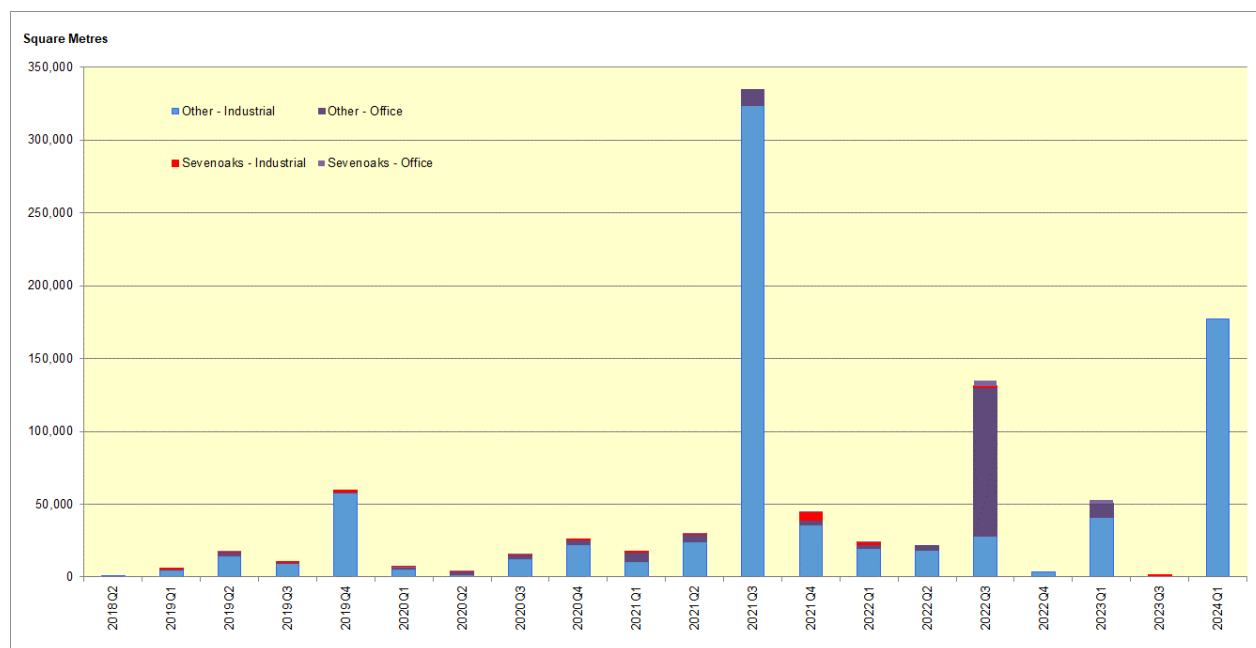
6.2 New construction

When it comes to the delivery of new supply of employment space, Sevenoaks is a very minor source in the context of West and North Kent (Figure 6.6), with new office supply barely visible.

This pattern remains true even if Dartford and Tonbridge and Malling, both of which have very large consents, are excluded (Figure 6.7), although Sevenoaks is much more easily identified.

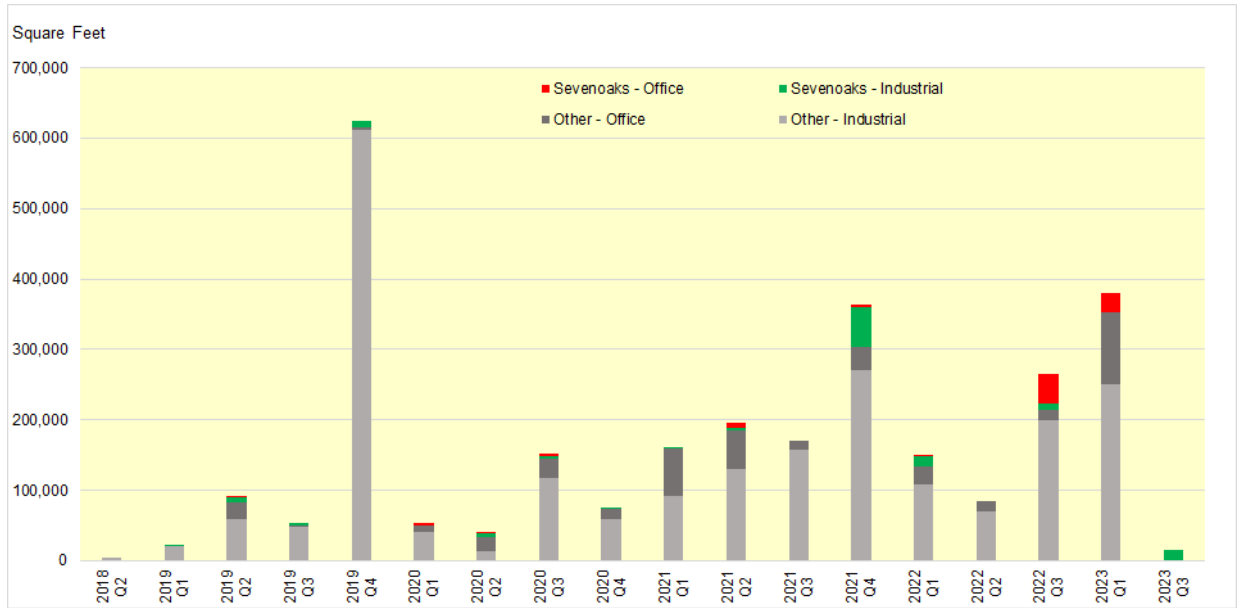
This reflects the tight supply of development land in the District, with few opportunities to add to stock. This is starkly illustrated in the context of the whole of Kent in Figure 6.8 which shows the weight of development, with large cluster in Dartford, Maidstone and Medway but little of any scale in Sevenoaks.

Figure 6.6 New construction in North and West Kent, since 2018, excluding Dartford and Tonbridge



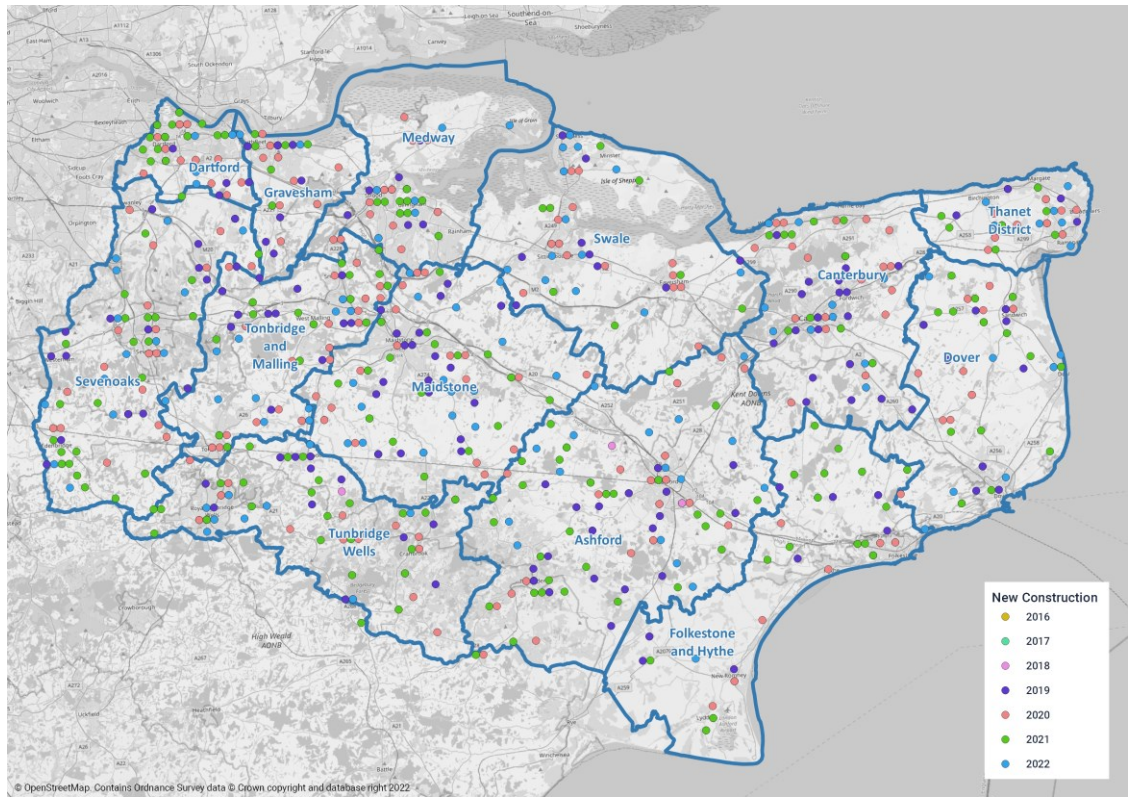
Source: EGI

Figure 6.7 New construction in North and West Kent – very large supply excluded



Source: EGI

Figure 6.8 New construction in Kent, 2016-2022



Source: EGI

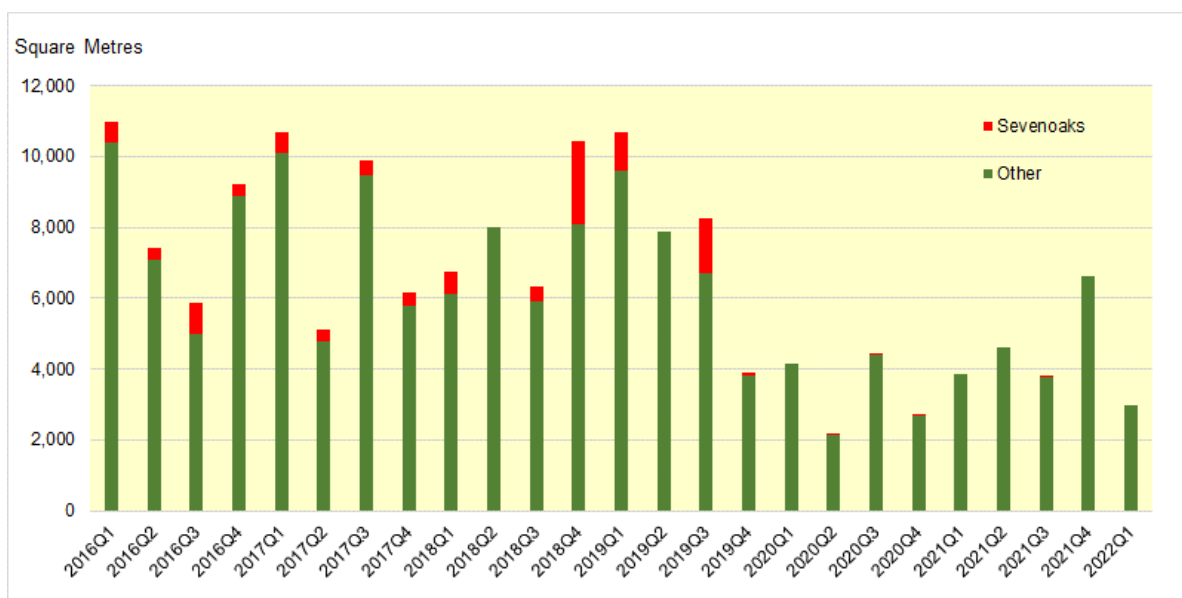
6.3 The office market

Caxtons note that lettings across Kent's town centres have been subdued, following the onset of the pandemic in 2020.⁵⁴ Occupiers are reported to be adopting a 'wait and see' approach to reviewing their longer term occupational strategies. In the absence of traditional leasing activity, the serviced office and co-working market has benefited, "*delivering the flexible high quality space in demand by a range of businesses*". Caxtons acknowledge that less floorspace might be required longer term, but that quality will remain important.

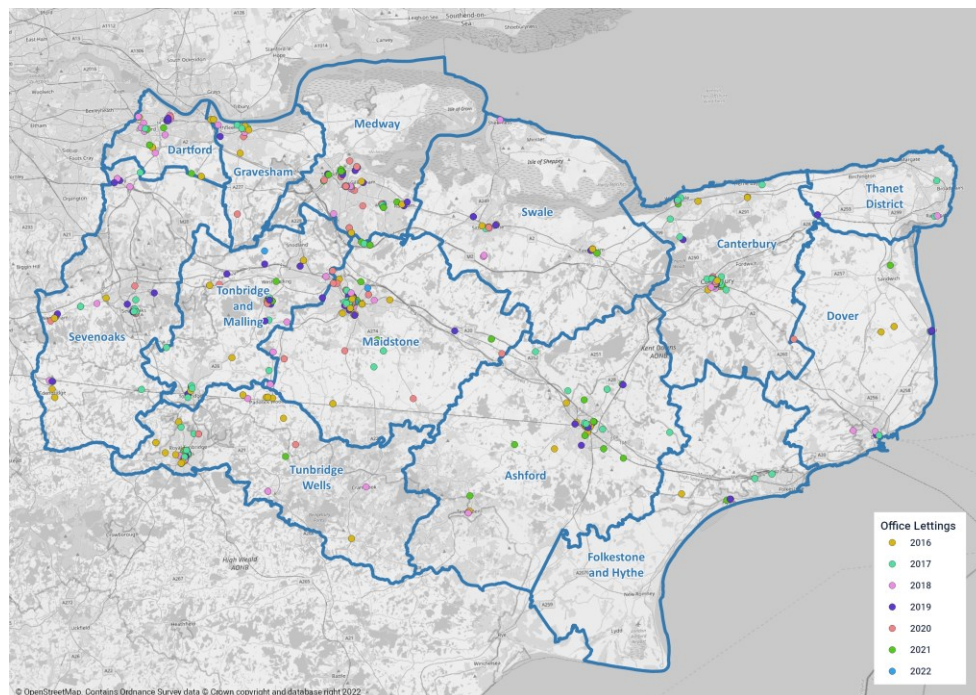
The same report raises concerns over the loss of larger floorplate stock to residential use. This reflects on-going concerns over the impact of PDR on the market's capacity to respond to new demand for corporate offices. During the pandemic, the limited take-up in Kent's town centres has focused on floorplates of less than 3,000 sq ft (279 sq m). Headline prime office rents in Sevenoaks have remained unchanged since 2021, at £30.00 sq ft (£323 sq m). This compares with £16.90 sq ft (£182 sq m) for the county average.

Since 2016 the Kent office market has seen average quarterly lettings of 70,205 sq ft (6,522 sq m), with a conspicuous dip evident as a consequence of the Covid-19 pandemic, that was much deeper than earlier cyclical variations. Within this Kent average, Sevenoaks' average quarterly office lettings were 6,103 sq ft (567 sq m), 8.7% of the Kent total. However, although the wider market has seen some recovery as we emerge from the pandemic, Sevenoaks has not (Figure 6.9).

Figure 6.9 Office lettings in Sevenoaks and rest of Kent, 2016-2022



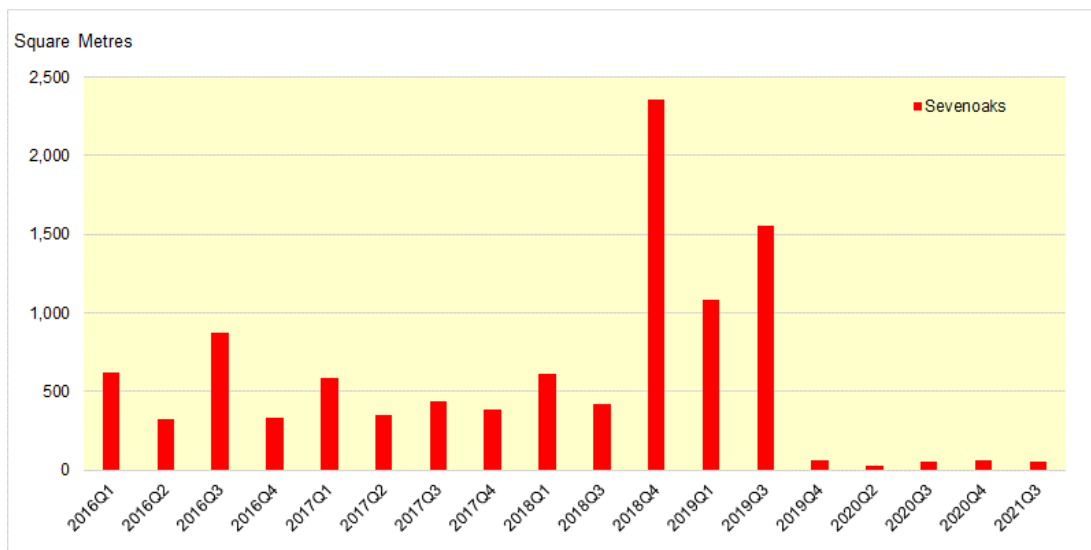
⁵⁴ Caxtons Kent (2021) *Property Market Report 2021*



Source: EGI

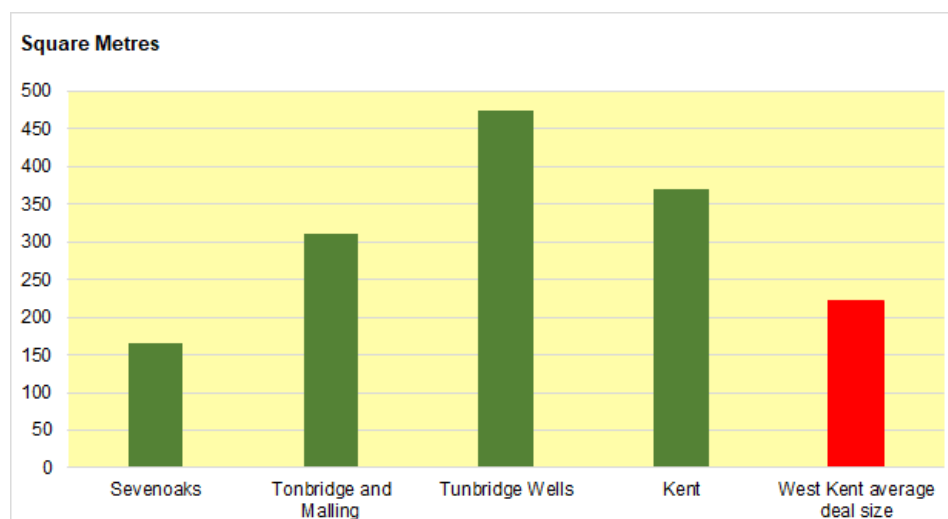
Indeed, it appears that since the onset of the pandemic the office market in Sevenoaks has collapsed. Very few and only very small deals have been reported since the end of 2019 (Figure 6.10).

Figure 6.10 Office lettings in Sevenoaks, 2016-2021



Source: EGI

One evident problem with Sevenoaks's office market is that the average size of available units is smaller than the average deal size across Kent (Figure 6.11). This mismatch, on the face of it, puts Sevenoaks at a competitive disadvantage.

Figure 6.11 Average office size available in West Kent (2019-2021)

Source: Locate in Kent, 2021

This is not, however, strongly reflected in rents. Of the 653 deals recorded by EGI since 2016, 56 were in Sevenoaks. Rents were largely stable over this period, with quarterly averages in Kent as a whole fluctuating between c£13.50 per sq ft (£145 sq m) and £20 per sq ft (£215 sq m) and averaging £15.98 per sq ft (£172 sq m) per quarter. Sevenoaks had, on the face of it, a stronger pattern with the quarterly average ranging from £10 per sq ft (£108 sq m) and £3.90 per sq ft (£42 sq m) and an average quarterly average of £19.88 per sq ft (£214 sq m)). This reflects the smaller sample, the much smaller typical unit size and a smaller sample. Put simply, Sevenoaks does not compete with locations that can offer larger unit sizes.

6.4 The industrial market

The industrial market nationally has benefited in recent years from a rise in demand for distribution facilities, driven in large part by the growth in online retailing. This trend has been reinforced by the pandemic with its associated lock downs and working from home. Caxtons note that the continued expansion and upgrading of facilities by retailers, parcel delivery operators and third-party logistics businesses has driven the pace of growth, with large floorplate space in particularly high demand.⁵⁵

Across the South East, much of the available floorspace supply is located within the M25 but there remains a shortage of stock in the home counties. This is reflected in Kent, where the past twelve months has seen the absorption of significant new space coming forward through pre-lets. It is notable that rents have continued to see growth across many areas of the county despite the sharp increase in stock over the last couple of years. Prime industrial and distribution rents in Kent have risen from around £6.30 (£68 sq m) in 2015 to around £9.90 sq ft (107 sq m) in 2021 – a rise of almost 50%.

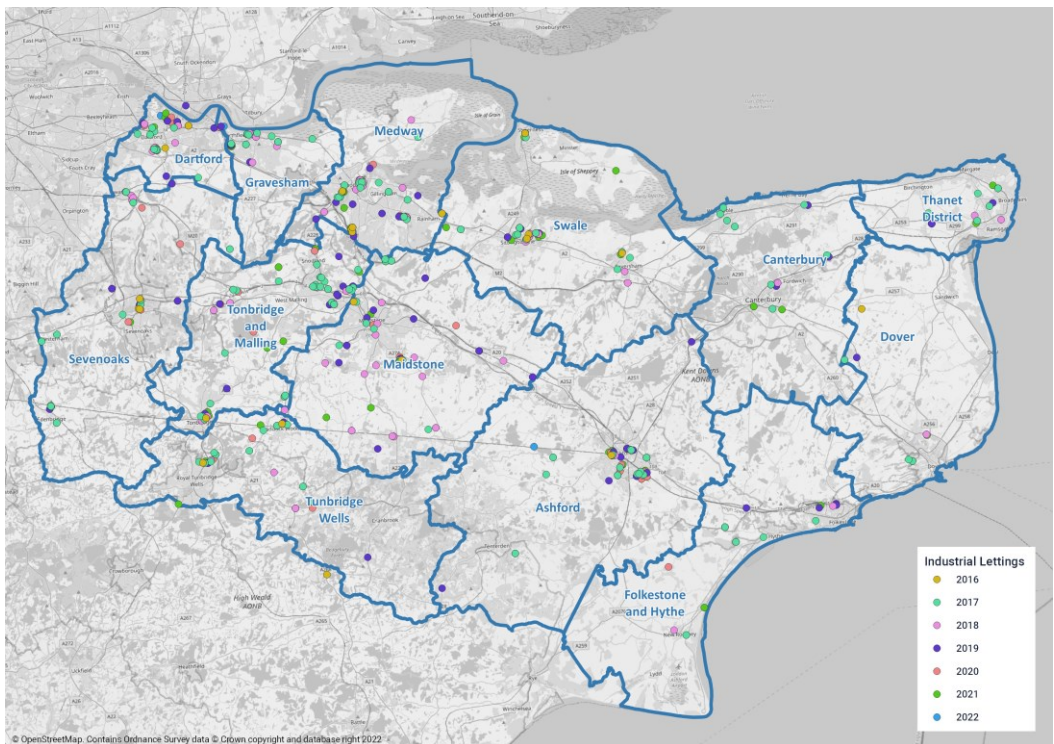
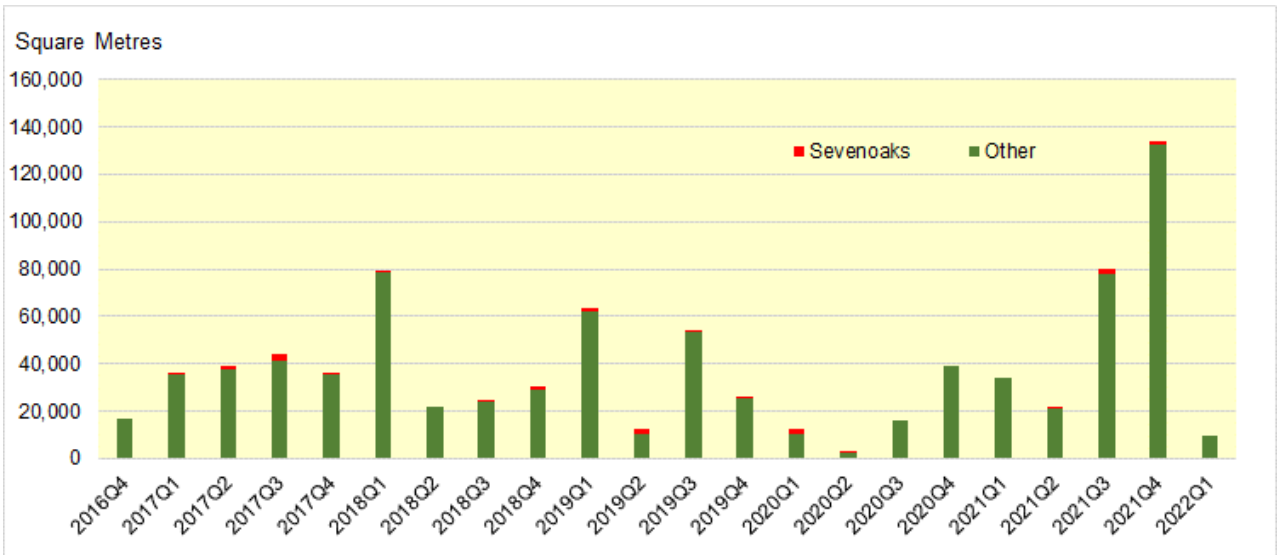
As with Kent as a whole, industrial and distribution is a more significant market than offices. Even so, in the context of average quarterly lettings across Kent of 407,868

⁵⁵ Caxtons Kent (2021) *Property Market Report 2021*

sq ft (37,892 sq m), Sevenoaks only secures 12,185 sq ft (1,132 sq m) of this quarterly average – amounting to just 2.98% of the market. This is clearly evident in Figure 6.12, where the Sevenoaks’ contribution is barely discernible.

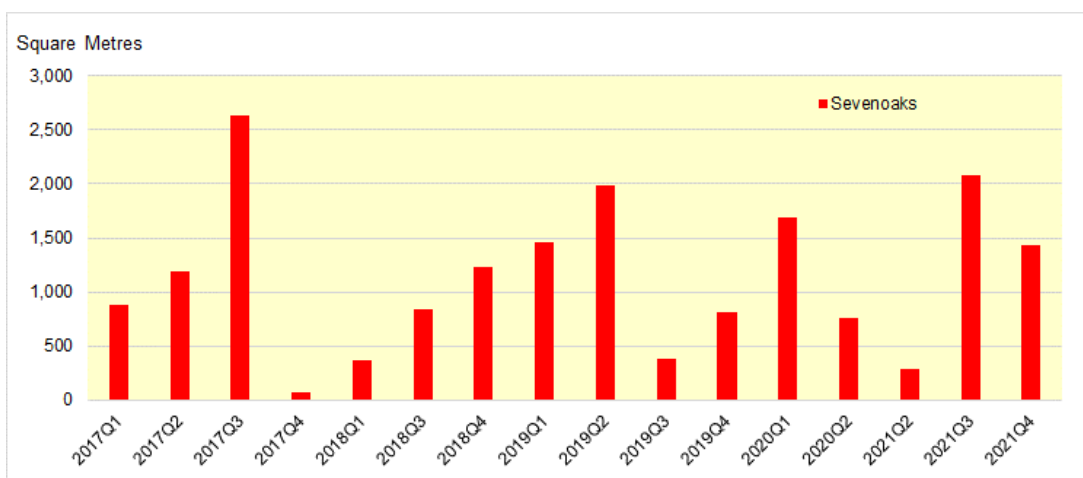
Letting of industrial space exhibits a fairly clear cyclical character, even before the pandemic, but unlike offices has seen a strong rally as restrictions have eased. Figure 6.13 shows lettings in Sevenoaks, 2016-2021.

Figure 6.12 Industrial lettings in Sevenoaks and rest of Kent, 2016-2022



Source: EGI

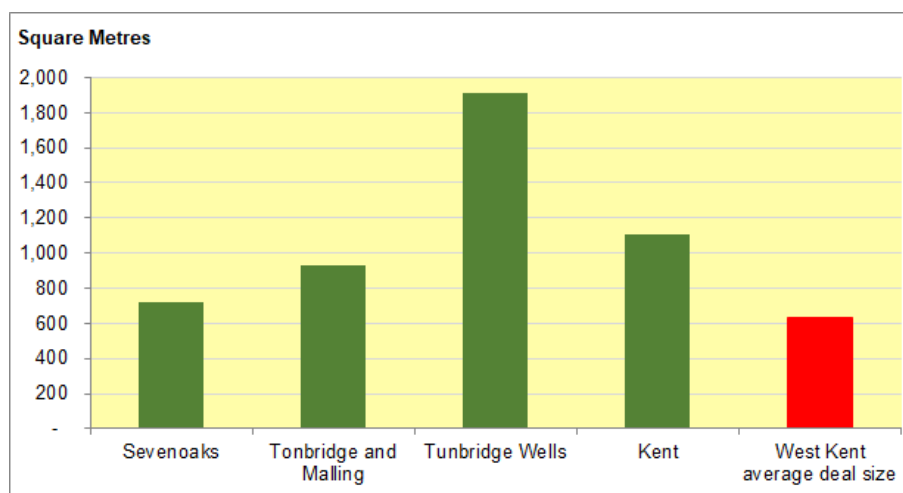
Figure 6.13 Industrial lettings in Sevenoaks, 2017-2021



Source: EGI

Within Sevenoaks the cyclical pattern is equally visible, and it is likely that both here and in the wider Kent market the cycle reflects the way that space comes through in bursts. Industrial space offers more scope to respond nimbly to market signals in a way that is not typically the case with office development. Sevenoaks has a better match between average availability and average deal size (Figure 6.14), and this is reflected in the low levels of vacancy observed across the District.

Figure 6.14 Average industrial size available in West Kent (2019-2021)



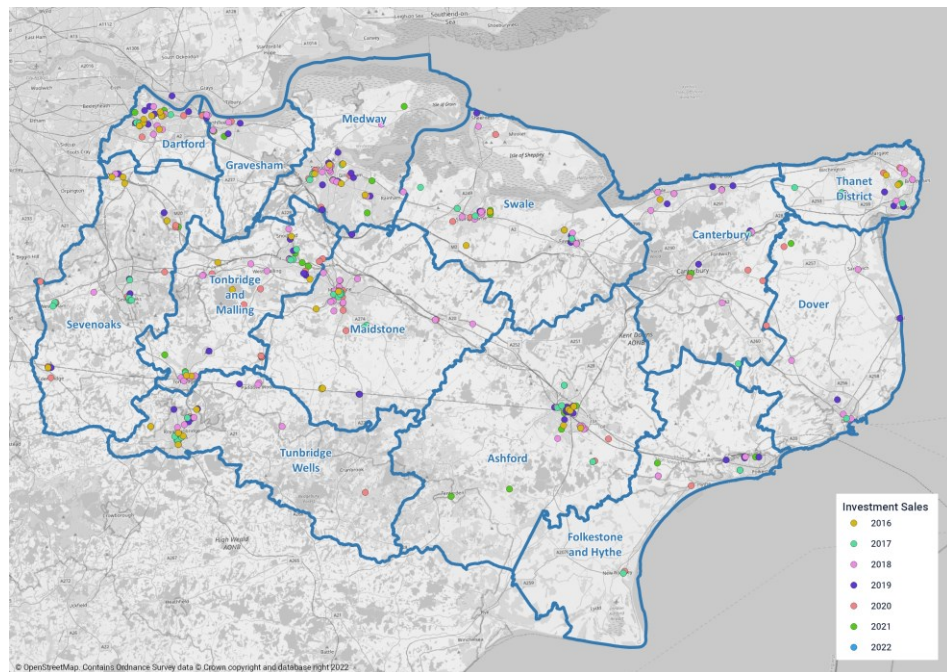
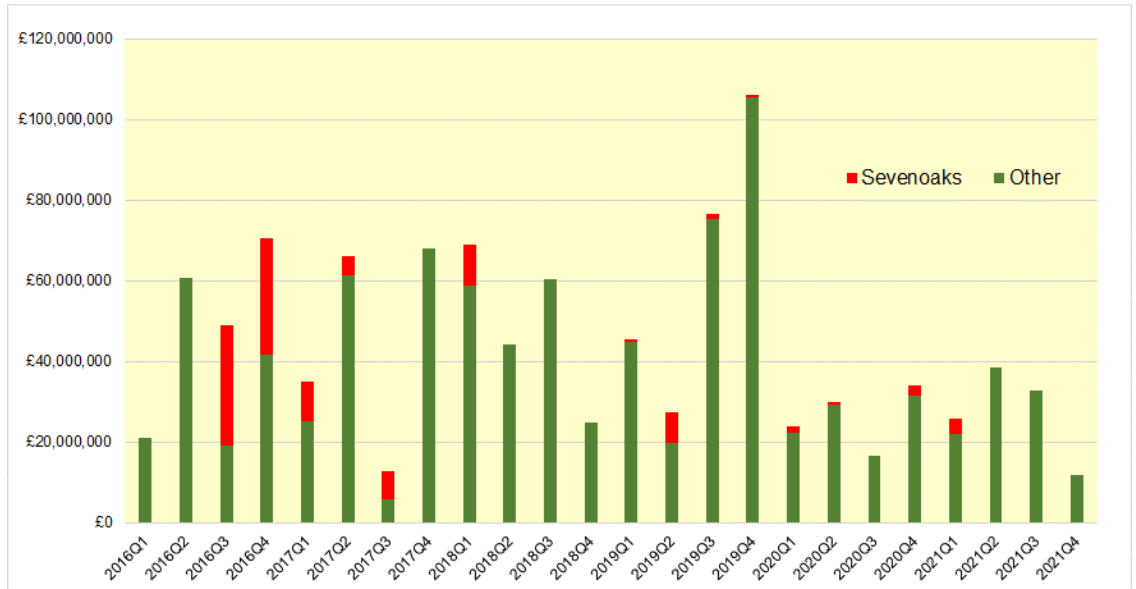
Source: Locate In Kent, 2021

Industrial property has been showing strong rental performance over the past few years, and this is evident in Kent, where average quarterly rents have moved from £6.46 per sq ft (£69 sq m) in Q1 2016 to a peak of nearly £11 per sq ft (£118 sq m) in Q3 2021, although they have eased back somewhat since then, possibly due to most new space being absorbed, and further space not yet delivered. It is very difficult to compare Sevenoaks with Kent as a whole because only 24 deals had details recorded by EGI, but there is no evidence that its overall pattern is significantly different to Kent as a whole.

6.5 Office and industrial investment sales

Other than in 2016, when a small number of large deals in Swanley (The Interchange, Media House and Gateway Trading Estate) and Edenbridge (Eden House, Enterprise Way) boosted the figures, Sevenoaks as an investment market reflects the data seen in all other metrics (Figure 6.15). This, again, reflects the small and constrained scale of the Sevenoaks market.

Figure 6.15 Investment sales, office and industrial, Sevenoaks and rest of Kent, 2016-21



Source: EGI

6.6 Market sentiment

Offices

Sevenoaks District is recognised among property market agents as a small office market, characterised by smaller units in the 2-5,000 sq ft (185-465 sq m) range as the core of the market, with smaller units also typical. Despite the presence of a couple of large 1980s and 1990s buildings it is not seen as a 'big occupier' market. Larger occupiers tend to go to Bromley. In Sevenoaks itself rents are robust, with well refurbished 1980s space letting for rents in excess of £30 per sq ft (£323 sq m), increasing from around £25 per sq ft (£269 sq m) five years ago.

There have been instances of bidding wars for office space, and this has, inevitably, helped drive rental growth. It is expected that good quality units will see quoting rents of £38 per sq ft (£409 sq m). Overall there is seen to be a drive to quality. In terms of the impact of the Covid-19 pandemic, Sevenoaks did go through a 'lean patch' in comparison to Bromley, but the town is now starting to benefit from pent up demand.

The coworking sector is seen as interesting, and agents have received enquiries from coworking operators, but some operators are seen as unrealistic in terms of the size of the market, and there is some scepticism about the scope for significantly more than is already provided. The feeling is that the requirement for grow-on space is best filled in the serviced office sector.

SDC is seen to have done well in terms of limiting loss of quality space to residential, via the use of Article 4 Directions, while allowing poor space to be converted. This has created a market where one agent stated that a good quality building in the 20-30,000 sq ft (1,900-2,790 sq m) range would let readily.

It is worth noting that there is new office development in Sevenoaks, albeit at a modest scale, at Hendry House, Oakhill Road.

Swanley is an even smaller office market than Sevenoaks and does not attract the competitive pressure that Sevenoaks does. That said, a recent Swanley office deal achieved just under £16 per sq ft (£172 sq m).

Industrial

Unlike the office market, the industrial and distribution market has seen strong rental performances, which in turn has driven strong investment performance, across the country but especially in the South East and on routes from the major ports. Driven on the one hand by the market for very large warehouses, and on the other for so-called 'last mile' logistics, this has created a position in Sevenoaks where, as one agent put it: "*There is absolutely minimal vacancy.*"

There is new construction in both Sevenoaks with a trade counter unit under construction – at the time of writing – on Cramptons Road. This is one of only three significant available spaces in and around Sevenoaks itself, with others at Chaucer Business Park and a newly vacated unit at Vestry Road. The strong performance of the industrial sector has pushed rents of £15 per sq ft (£161 sq m) for new space and £13 per sq ft (£140 sq m) for older stock. Although agents report a slight slow down this is not seen as a source of concern.

Land to the north of Vestry Road is seen as the logical place to extend the industrial area of the town. It was further suggested that some of the smaller sites could be used to act as a safety valve to attract D2 (leisure) uses away from industrial estates, where they are seen as something as a nuisance, typically due to inconsiderate parking.

Edenbridge has a small but active industrial property market. For example, it has some very high value industrial concerns such as Smith Scientific, Global Wholesalers (relocated from Croydon) Ambe Medical Group. Further there is also new construction – AirBorn International, an aircraft component manufacturer is taking 14,000 sq ft (1,300 sq m) of refurbished space and 10,000 sq ft (930 sq m) of new build.

Usage in Edenbridge is seen as more biased towards manufacturing, rather than distribution, thanks to inadequate roads, as well as more favoured by owner-occupiers rather than lessors. That said, it has low vacancy even if rental growth has been slow – typically rents are at £8-9 per sq ft (£86-97 sq m). significantly lower than elsewhere in the District. One agent characterised to as *“an oasis of cheap space in a south east area that has lost too much space.”*

Edenbridge is recognised as seeing pressure around the margins from residential competition, and this is a source of concern. The view was that, rather than allocating new areas the priority should be to protect existing areas, especially Enterprise Way and Commerce Way.

Swanley is perhaps the most strategically located centre in the District, with direct access to London, the M25 and the Kent coast via the M20 at M25 Junction 3. There is concern from highways authorities that Junction 3 has capacity issues, although local agents note that it is *“not really a roundabout that gets logjammed,”* especially when compared to Junction 2. One agent argued that even if this were to become an issue then it would simply be a management issue with covenants for new occupancy controlling when certain types of traffic could use the interchange. Such arrangements are already used to ease pressure on Junction 2.

In terms of demand, the town is popular and voids are *“reducing at a rate of knots,”* creating pressure for new development, with the opinion expressed that new development at Broom Hill would find occupiers readily.

Market-wide

Overall Sevenoaks District is seen as a successful, if small, market with strong values, very low availability and potential for growth if sites can be identified.

One specific concern raised by SDC is that of grow-on space for expanding business. Some agents felt that this was a market best filled by the serviced office sector, enquiries suggest that this makes up only around one-third of the demand for serviced space, the other two-thirds being business that need the benefit of a fully functioning office on flexible terms. This mix gives serviced offices about 80-90% occupancy. This sector held up quite well during the pandemic as staff were reluctant to use public transport, but there is now something of a rebalancing. This in turn is happening through the lens of increasing costs of living. Overall, however, the serviced sector is seen as complementing the traditional leasing market.

A new dimension to the market is coworking space, as exemplified by the new Lime Tree Works and this may offer an element of grow-on space with appeal to younger entrepreneurs, while those businesses that require more secure space – financial advisors and personnel firms, for example – use the serviced sector.

6.7 Summary: protecting and growing

That Sevenoaks District has a small commercial property market is indisputable, and that it is highly constrained by environmental protections poses uncommonly severe challenges for unlocking opportunities for growth.

That said, both the office and industrial markets are in good health, with minimal vacancy and robust rents. The office market is complemented by a well-developed and experienced serviced office sector and a nascent co-working offer which could complement the traditional leasing market. The problem of pressure for residential conversion is unlikely to recede, however, so care should be taken to protect what is held.

A key challenge for the Sevenoaks office market is what to do about the former BT building at 160 London Road, which is out of scale and poorly configured for the local market. It is likely that any future development will be residential-led but consideration should be given to how a mixed-use scheme might work.

The overarching need for commercial property is to protect what is there while seeking sustainable and environmentally acceptable opportunities to provide more employment land. But achieving these objectives is problematic in the context of the District's broader features. Thus housing affordability and available workspace have been identified as particularly challenging issues that there "*are a range of constraints on development across West Kent which are part of what makes the area so attractive to live within, but at the same time have the potential to hold it back economically*". This has been exacerbated by the loss of employment space through PDR and the acute challenges in identifying new sites.⁵⁶

⁵⁶ Hardisty Jones Associates (2022) *The Case for West Kent* West Kent Partnership June 2022

7.0 Stock of employment space

This Chapter provides an assessment of allocated sites, including their quantity, quality and whether they meet current and expected future demand. This work complements the Town Centre study, with commentary on the role that employment sites play in relation to the changing nature of the High Street, with a particular focus on local centres, recognising the increasing role they play in providing employment. The analysis include 29 Allocated sites. We also provide summaries of five town centres.

Figure 7.1 Summary of allocated sites

| | | |
|--------------|---------|--|
| EMP1(a) | S_EA17 | Vestry Road, Sevenoaks |
| EMP1(b) | S_EA18 | Bat and Ball Enterprise Centre, Sevenoaks |
| EMP1(c) | S_EA1 | 160, London Road Sevenoaks |
| EMP1(d) | S_EA3 | Erskine House, Oak Hill Road, Sevenoaks |
| EMP1(e) | S_EA16 | Hardy's Yard, Riverhead |
| EMP1(f) | S_EA4 | High Street/Suffolk Way, Sevenoaks |
| EMP1(g) | S_EA26 | London Road, Sevenoaks |
| EMP1(h) | S_EA19 | Morewood Close (excluding Housing Area), Sevenoaks |
| EMP1(i) | S_EA5 | South Park, Sevenoaks |
| EMP1(k) | S_EA6 | Lime Tree Walk, Sevenoaks |
| EMP1(m) | S_EA8 | Swanley Town Council Offices, Swanley |
| EMP1(u) | S_EA7 | The Technology Centre, Swanley |
| EMP1(p) | S_EA11 | Media House, Swanley |
| EMP1(r) | S_EA9 | Park Road Industrial Estate, Swanley |
| EMP1(n) | S_EA13 | Swan Mill, Goldsel Road, Swanley |
| EMP1(l) | S_EA28 | Wested Lane & Mark Way Industrial Estate, Swanley |
| EMP1(s) | S_EA20 | Southern Cross Industrial Estate |
| EMP1(t) | S_EA29 | Teardrop Industrial Estate |
| EMP1(q) EMP4 | S_EA27 | Moreton Industrial Estate & Land at Boom Hill, Swanley |
| EMP1(v) | S_EA14 | Station Road, Edenbridge |
| H2(d) | S_EA10 | Station Approach North, Edenbridge |
| EMP1(w) | S_EA15 | Edenbridge Trading Centre/Warsop Trading Centre |
| EMP1(x) | S_EA24 | Westerham Trading Centre, Westerham |
| EMP2 MDES3 | S_MDES3 | Chaucer Business Park |
| EMP1(y) | S_EA23 | Blue Chalet Industrial Park, West Kingsdown |
| EMP1(z) | S_EA22 | West Kingsdown Industrial Estate, London Road |
| EMP1(zz) | S_EA25 | Horton Kirby/Mills Trading Estate, South Darent |
| EMP2 MDES2 | S_MDES2 | North Downs Business Park |

7.1 Location and town centre overview

Sevenoaks Town Centre

Sevenoaks has a compact town centre, characterised by a comparatively large proportion of niche and independent shops, low vacancy and low third sector presence. Superficially, the high street seems to have survived the pandemic and widespread retail decline seen in many other centres.

The *Town Centres Strategy*⁵⁷ recommends that the profile of the town centre's "best assets" – its historic town centre, array of independent shops and the impressive Knole – should be raised, alongside an expansion of the cultural scene and provision of more affordable homes. It also mentions improving connections to Knole; exploring the relocation of the market; revitalising the eastern part of the town centre; the Post Office and telephone exchange site and improving the station arrival. We would concur with these measures in terms of making the town centre more attractive to business generally.

There is evidence of small office suites above retail units, and towards the edge of the town centre, for example, Dartford Road and at the St Nicholas Church end, there are a number of small professional firms occupying offices in previously retail and residential buildings. A number of office clusters are evident.

Cluster 1. Suffolk Way Here there is a cluster of self-contained, brick-built, mainly c1980s office buildings. At 1 Suffolk Way, Brebners (accountancy) and Stonebond (property) occupy a largely empty building; St John's House is occupied by Airey Miller (building consulting) and Mercury Holidays (tour operator); while on the corner with the High Street is Suffolk House, occupied by Countryside (property). Just around the corner, at 154 High Street there is an older, vacant office building, Transterra House which, itself sits next to a cleared site.

Cluster 2. London Road-Pembroke Road This second cluster also comprises mainly buildings from the 1980s, including public sector buildings. Not least among the latter are the office premises of Sevenoaks District Council and Kent Police, and West Kent Housing Association. Opposite, at 26-28 Pembroke Road there is an office building, previously occupied by Towergate Insurance, that is currently being marketed.

Cluster 3. South Park This very central cluster is dominated by the physical presence of the Royal Mail's old telephone exchange buildings. The latter is vacant and allocated for a mixed used resi/retail development in the existing Allocations and Development Management Plan. At 16 South Park is a firm of solicitors, while the neighbouring 24-26 South Park is occupied by the Electrical Contractors Association. Both occupy 1980s/1990s office premises. There is also a medical centre on the site.

⁵⁷ Allies & Morrison and Avison Young (2022) *Sevenoaks District Town Centres Strategy* April 2022

The site is a good employment location – near but not on the high street. There is potential for redevelopment of parts of the site for residential or mixed-use development, including for office use.

Cluster 4. Lime Tree Walk This area is highly residential in character and can no longer be described as an ‘employment location’ in terms of a prominent land use. Clearly, there are several buildings, with historic doors and windows, that were once in light industrial use, but most of these are now residential. The site has restricted access and controlled parking.

There are two notable buildings here – Sevenoaks Business Centre (serviced offices) and, in front of that, a coworking members’ club. Both potentially service the growing demand for hybrid working, with the latter seeking to provide a blend of quality space and social space.

Erskine House, on Oakhill Road, has been occupied as a regional head office for the Berkeley Group. The building sits isolated within a largely residential area. The building is currently being marketed for re-development as residential.

Clearly, Sevenoaks town has witnessed a shrinkage of its office market over the past decade and more. This is not untypical for M25 towns, and has been driven by an overall decline in demand for ‘back office’ buildings, the growth in out-of-town office parks and the recent changes to Permitted Development Rights, allowing conversion of office space to residential.

Larger office buildings have more vacancy, suggesting lessening demand from larger employers. The existing office sites have capacity for redevelopment and intensification, *should this be required*. The dynamics of the market also suggest more potential for residential-led mixed use development, with ground floor office use. There is virtually no light industrial use in the town centre.

Sevenoaks rail station and environs

As noted elsewhere, Sevenoaks is a major commuting town, with large numbers of residents employed in London. The rail station is, therefore, a critical part of the town’s infrastructure and services. It is also the ‘gateway’ to the town for tourists and business visitors.

The area comprises land immediately either side of the rail tracks, plus the three car parks; the road stretching up Tubs Hill; the area around the junction with Oak Hill and Shell garage [on the A224 London Road], and the area surrounding the largely vacant 160 London Road (‘BT building’) and the neighbouring Premier Inn.

Station Area and Tubs Hill This is more a potential cluster than an existing one. From the rail station and along Tubs Hill there is a vacant site in front of the Premier Inn, which is followed by a small parade of tertiary retail. There is another parade further along London Road, at Tubs Hill Parade.

There is then Oak House, a modern residential building with commercial, including architects, on the ground floor. In the opposite direction from the rail station along the A224 London Road, there is the large ex-BT building, known as 160 London Road. This 15,000 sq m building, dating from the early-2000s, is largely vacant.

Opposite is Daisy House, an office building occupied by telecoms business Daisy. Behind this building, at the time of the visit, a new office building was nearing completion. Hendry House, 1 Oakhill Road, involved the demolition of an existing office building and store/outbuilding, and the development of a new two storey office building. Next to Daisy House, is a Shell garage and Kwik Fit business. The rail station is surrounded by narrow strips of land and larger parcels currently allocated to car parking. Clearly, there is potential for re-development.

The rail station environs comprise potential for redevelopment, through a combination of replacement of stock and development of brownfield land. The key question for this study, however, is '*for which potential uses?*' There is clearly an opportunity to create more residential stock with, for example, medium-rise flats. But the case for commercial development is more nuanced. This is not a light industrial location – land values say no, and aesthetics concur.

The question remains whether there is demand for office space. The answer to this question can be addressed at two levels: 'corporate space' and 'SME space'.

The example of BT's exit from 160 London Road is symptomatic of broader corporate real estate decision making, where demand for large buildings in commuter towns has fallen sharply, and maybe permanently, out of favour. There remains the possibility that a large occupier might choose to take a large office building in Sevenoaks, but this will be against the grain rather than as part of a general trend.

In contrast to corporate demand, there is demand from SMEs. The picture here is far more positive. Even before Covid-19, there was a long-term trend of growth in office-based SMEs. These are largely professional services businesses that take advantage of cheap and ubiquitous technology to establish agile businesses in areas such as finance, accounting, legal, real estate, personnel, design, media, technology and so on.

Now, following two years of enforced working from home (WFH), there is the prospect that demand for smaller units will grow, as more people choose to set up their own businesses, and as larger businesses allow employees to work remotely. The latter is likely to generate increased demand for serviced, managed and coworking spaces.

The potential growing demand for smaller office units could be accommodated in and around the station environs as part of broader mixed-use development.

Westerham

Westerham town centre is a compact centre, where niche retail predominates. It sits on the arterial A25, approximately five miles west of Sevenoaks and four miles east of Oxted. The town is roughly equidistant from Junctions 5 and 6 of the M25 (approx. five miles) via the A25.

Residential use also encroaches to the town centre. The buildings are generally older, with many qualifying as 'historic'. The more modern buildings, from the 1960s through 1980s, tend to be infills, several with retail on the ground and flats above.

There are a few office buildings on the edge of the town centre, for example, those occupied by Bond Bryan (architecture) at Verralls House on the High Street and Crest Nicholson (property) at the junction of Squerryes Mede; as well as office suites in a town house on the junction of Black Eagle Close and the modern three-storey General Wolfe House at 83 High Street, which is sub-divided into smaller office suites.

The main employment area is located on London Road and at the junction with The Flyers Way. The Crown is a prominent modern office building here, which sits alone on the north side of the London Road. It is a large building sub-divided into smaller suites. There is currently one suite of 2,500 sq ft (230 sq m) on the market at a headline rent of £27.50 sq ft (£296 sq m). The four-storey office building, constructed in the early-1990s, has good on-site parking, and is situated within walking distance of Westerham town centre.

The Flyers Way also includes Churchill Business Park, Churchill Court and Westerham Trade Centre. The largest Flyers Way occupier, Aqualisa Products (bathroom accessories), occupies a number of industrial units there as well as a light industrial shed on Hortons Way.

Churchill Business Park comprised a number of traditional sheds (corrugated steels and roller doors), with occupiers including Sharp Prints (printing), Automatic Machine Services (gaming machines) and Geeplus Europe (electronic components).

Churchill Court comprises four, 1980s brick built, two-storey office buildings. Occupiers include: Bagco (sport/travel bags), Direct Press Marketing (printing), Water Hygiene Management (environmental consultants) and GSI Wealth Management (financial).

The other significant building on the site is Westerham Trade Centre. This building fronting London Road is in fact a 1980s brick-built terrace of seven units – classic B1c, with mezzanine office at the front and light industrial to the rear. Parker Air Conditioning and Essential Flooring typify the occupiers here.

Collectively, the buildings in this location are of good quality, with a range of ages, sizes and specification. The edge-of-centre location is well-managed, and the buildings maintained. There is very little evidence of vacancy. Access is good, as is parking and turning space. There might be opportunities for intensification.

The dominant use is light industrial (B1c), with some office use. There is a residential building in the middle of the site, which appears to be a converted office building. If so this is an example of the piecemeal loss of employment stock that can be detrimental to the long term viability of such sites.

The *Town Centres Strategy* recommends improved public realm to reduce car dominance and create more enjoyable streets and spaces; while improving the High Street streetscape; improving connections to the countryside; enhancing sustainable transport connections, and nurturing a better visitor economy – all measures that this study would endorse to enhance attractiveness to business.

Edenbridge

Edenbridge is another compact centre surrounded by Green Belt land. Approaching the town centre from the south, along Mill Hill, the edge of centre high street includes largely two-storey buildings, with a wide mix of ages, with ground floor retail and services. But the long sweep into the town centre is predominantly residential in character, with large green, open areas. The High Street proper comprises largely two-storey buildings, often older in character. Cafes and restaurants, local services and groceries supplies make up the bulk of shops. The largest retail store is a Waitrose unit, followed by a Tesco Express and a Boots outlet.

Other large land users in the town centre include Edenbridge Leisure centre, Edenbridge Primary School. The former is adjacent to Stangrove Park a large, town centre green space.

There is very little evidence of B-use in the town centre. But as the High Street gives way to Station Road, the physical character of the town changes dramatically. Between here and Edenbridge rail station there is a large commercial district. Focused on Enterprise Way, Station Road, Commercial Way and Fircroft Way, the industrial estate is a classic of its type: diverse occupiers, diverse premises (age, size and condition) and diverse activities.

Auto repairs and parts supplies, building merchants, electrical supplies, engineering, furniture supplies, pharmaceuticals, printing, security and timber supplies are typical. Inside the buildings, activities include production and manufacturing, storage and distribution, sales, office administration, which underlines the diverse employment opportunities on such a site.

Overall, the whole commercial area shows very few signs of vacancy, and the quality of the built stock is generally good. At the time of the visit a large, seemingly bespoke building, was under construction, suggesting confidence in the area and viability.

The site is quite densely occupied, and physically constrained. To the east, over the B2027 there is greenfield land and a residential area; to the north is the rail line; and to the west, there is a large new housing development underway. The first, centred on Mallory Park Mead, Brooklands Crescent and Goodwood Road is largely complete while, at the time of the visit, the area to the north was being developed. The main opportunities for the commercial district are, therefore, intensification in redevelopment.

The *Town Centres Strategy* recommends investment and renewal of the historic High Street; a transformed Leather Market area as a focus for markets, events and activity in the heart of the town, and a stronger food, drink, cultural and leisure offer. It also recommends redeveloping the Leather Market and back land sites; relocating the market; and shopfront renewal. These are recommendations with which this study would concur.

Swanley

The physical character of Swanley is quite distinct from Sevenoaks, Edenbridge and Westerham. It is located on the edge of Greater London, close to Dartford, and reflects the economic structure of industrial Outer London more than it does the

Green Belt areas of Sevenoaks District. The town centre straddles the rail line, and is focused on Swanley Square, a 1960s, pedestrianised shopping centre, with further retailing along the High Street and Station Road. The retail offer is dominated by convenience and 'value' outlets.

Town centre employment space is relatively limited. Examples of office premises include the occupied Civic Centre on St Mary's Road, the multi-let Technology Centre on the junction of London Road and Bartholomew Way, which has several B8 units sharing the same road access, and the largely empty Media House on Azalea Drive. By far the largest employment site is the Swan Mill site, largely B2 and occupied by the single owner, Swan Mill Paper Company. There is also the Park Road industrial estate, which is a well-managed, relatively modern and almost fully occupied B1(c).

In front of Park Road Industrial Estate, fronting the High Street, is a new development, and SDC asset, still under construction at the time of visit. This is 'The Meeting Point'. According to the scheme's business case, the project will deliver a new and innovative 'work hub' alongside 17 new homes. The housing element of the scheme responds to the identified need for smaller units, especially for younger workers.

The 'business hub' element will consist of 2,690 sq m (250 sq m) of flexible co-working spaces, private offices, meeting rooms and networking space aimed at start-ups, home workers and people who might otherwise have to commute for work. It will provide support for business collaboration, as well as access to facilities on a 'gym'-style membership basis.⁵⁸

The Town Centres Strategy recommends an expanded retail offer with an emphasis on independents, food and drink, alongside an expanded community, leisure and civic offer. It also recommends more space for small businesses and coworking; new homes of different types and tenures, and various place-making initiatives. These are all recommendations with which this study would concur.

7.2 Allocated employment sites

Sevenoaks District is relatively small in terms of population and employment density. It has two major concentrations of employment activity, one in Sevenoaks itself and the other in Swanley, by Junction 3 of the M25. It has smaller concentrations in Edenbridge and Westerham and several minor clusters around the District.

Overall, there are very few signs of dereliction or of wholesale vacancy and, indeed, in Sevenoaks both B1 and B8 space are under construction, while B8 is under construction in Edenbridge. In most locations property is in reasonable or better condition and well maintained. The industrial areas are largely typical of such areas being laid out before mass car ownership and most suffer, at least to an extent, from congestion. That said, it is axiomatic that a congested industrial area is a successful industrial area.

⁵⁸ South East LEP (2020) *The Meeting Point: 27-37 High Street, Swanley. Full Business Case for Getting Building Fund* October 2020

SEVENOAKS

Emp1(a) Vestry Road, Sevenoaks



Vestry Road, an 11.37ha area, is to the north of Sevenoaks itself, and is the only area visited in the town to be explicitly industrial in character. Its approaches, however, are dominated by Conway House, a substantial three storey office building which is headquarters of infrastructure services company FM Conway. Buildings range from modern office and R&D space such that that occupied for food ingredients company Jardox to older industrial space ranging from inter-war to modern light industrial. Occupiers are the typical range expected from industrial estates, from small light industrial businesses to trade counter and car repair operations.

The area is busy, with the congestion that is typical of long-established industrial areas and seems to function very well with only minor levels of vacancy. In terms of services, a large

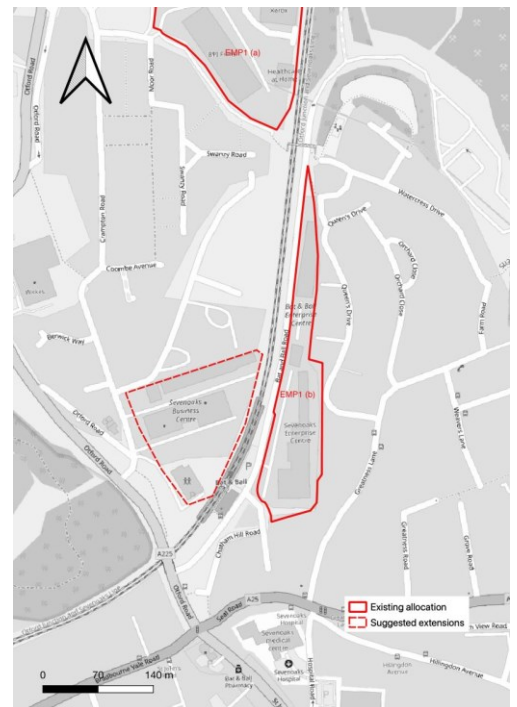
Sainsburys and an Aldi are nearby.

Recommendation: Retain and protect.

Emp1(b) Bat & Ball Enterprise centre, Sevenoaks

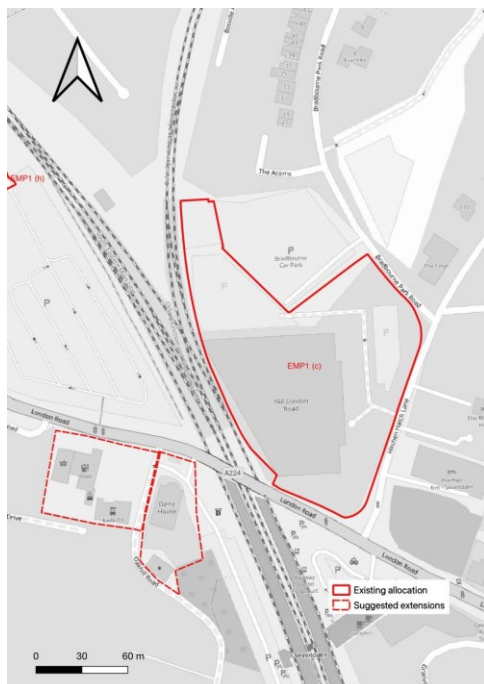
Adjacent to Bat & Ball Railway Station, this 1.8ha enterprise park contains more businesses typical of such facilities, including a Howdens and other business serving trade and to a lesser extent domestic services. Sevenoaks Enterprise Centre provide space of ten business with a preponderance of electrical service companies, while Halford Auto occupies another building. One new industrial/warehouse building is under construction, suggesting it successful.

It is worth noting that Sevenoaks Business Centre, on the other side of the railway tracks, and where Travis Perkins and others have facilities, does not appear to be part of the employment land designation and should be added.



Recommendation: Retain, extend area and protect.

Emp1(c) 160 London Road, Sevenoaks



This 15,000 sq m office building is directly opposite Sevenoaks Station. Originally built for BT in the early-2000s. It is now multi-occupied, but the owner applied for consent to convert it into 116 flats. These were refused on the grounds that the proposal contained too much parking (21/02502/PAC), subject to appeal. While it is clear that, as an office building, 160 London Road is out of scale for Sevenoaks, its location suggests that it could be a viable location for a mixed-use scheme that retains some office content, perhaps of co-working and serviced office style. This in turn could remove an obstacle for the residential scheme by assigning some parking to office use. If this is done, separation between residential and commercial space should be vertical rather than horizontal, in line with investor

preferences.

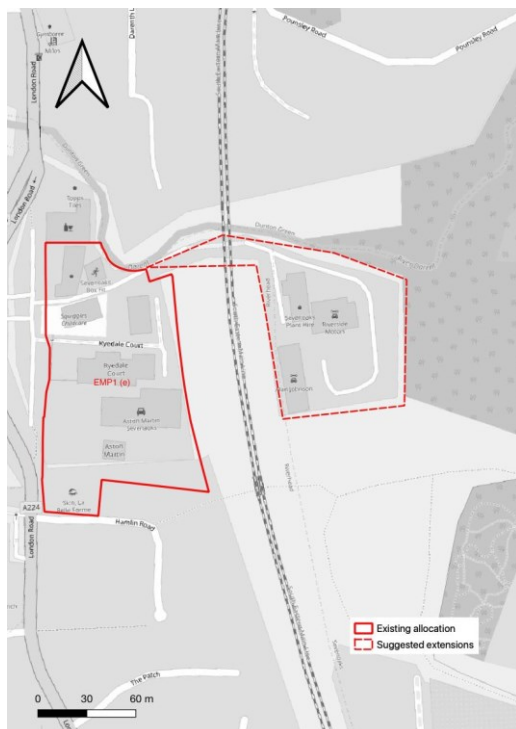
Recommendation: Consider allocation for mixed-use development.

Emp1(d) Erskine House, Oak Hill Road, Sevenoaks

This is a freestanding brick-built office building in an otherwise exclusively high value private residential street. It is used by Berkeley Group, the house builder, and appears suitable for the needs of an HQ-style office. However, its location suggests that, should the occupier choose to vacate, it would readily attract interests from house builders – not least, potentially, the occupiers, and there is no specific merit in retaining it for employment use. Further the – at time of writing – under construction Hendry House at the station end of Oak Hill Road would be a more appropriately located and like-for-like replacement.



Recommendation: Release if vacated.



Emp1(e) Hardy's Yard, Riverhead

This is a 1.25ha area of commercial land next to the A224, with an additional area behind and on the other side of the mainline rail. The buildings are a mix of ages, from a modern Majestic Wine warehouse to older, possibly 1980s offices, and a modern Aston Martin dealership. The area behind is occupied by a vehicle repair business.

Ryedale Court, next to the Aston Martin dealership, is a former office building that was converted to gated residential use around 2016. Riverpoint House, is an office building occupied by construction and engineering firm Volker Fitzpatrick Ltd.

Although there is nothing outstanding about this site, it is well maintained and occupied.

Recommendation: Retain.

Emp1(f) High Street/Suffolk Way, Sevenoaks

This cluster is on the north-eastern edge of the town centre and includes a collection of c1980s office buildings noted above – Suffolk House and St John's House. There is also space above shops, although it is difficult to tell how much of this is commercial compared with residential. There is no on-street parking, but some of the buildings have surface or basement car parks.

The retail is very characteristic of edge-of-centre provision and appears well occupied. Overall, this is a pleasant area with green space nearby and buildings in good condition.

Recommendation: Retain.



Emp1(g) London Road, Sevenoaks



This site of around 3.97ha covers the area around the junction of London Road and Pembroke Road, a five-minute walk from Sevenoaks Station. The most prominent building is the office of Sevenoaks District Council and the police station, as well as purpose built and converted office buildings on Pembroke Road occupied by, among others, a cleaning firm and a podiatry centre. 9 Pembroke Road has consent to be redeveloped into a 2,571 sq m office building but is, at the time of writing, subject to an application for mixed residential/office scheme with 890 sq m of office space plus a gym. Overall, the area has something of a legacy of older office stock.

Recommendation: Retain and protect via Article 4 Direction.

Emp1(h) Morewood Close, Sevenoaks

A site of around a dozen units of average quality close to Sevenoaks Station Car Park that includes a medical centre, fire station and is next to a Lidl supermarket.

The units are of average quality and their proximity to housing raises some questions about neighbourliness, while proposals to develop into housing have been made, but overall, the proximity to the railway station and available parking make it a decent location.

Recommendation: Retain.



Emp1(i) South Park, Sevenoaks

South Park runs west from London Road in the town centre; the site is a small area of 0.18ha encompassing South Park Medical Practice and an architects' office.

It is immediately outside the town centre area, west of the telephone exchange, which together with the post office has been proposed for a mixed-use retail and housing scheme and it would seem logical to include this site in any planning to ensure employment space is not lost.

Recommendation: Retain and integrate with adjacent plans.



Emp1(k) Lime Tree Walk, Sevenoaks

This 0.3ha area between Lime Tree Walk and South Place contains several office buildings, with on-site parking, some purpose built and some converted, which houses a law firm and Sevenoaks Business Centre. Next door is Lime Tree Workshop which has been refurbished after many years of neglect, as co-working space. It has applied for a drinks licence to provide out-of-hours event space. Both buildings fill an increasingly significant niche which could be enhanced in the wake of the Covid-19 pandemic, should people remain more cautious of using crowded public transport.

Recommendation: Retain and protect.



SWANLEY

The following five sites – Town Council offices, the Technology Centre, Media House, Park Road and Swan Mill – are all town centre sites, with the first three being offices and the other two being industrial sites.

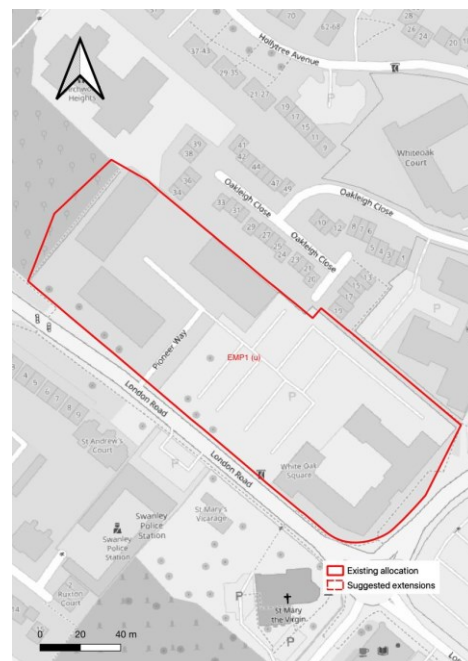
**Emp1(m) Swanley Town Council Offices, Swanley**

This site is a c1970s two-storey, B1(a) development, of low density, situated in front of Swanley Recreation Ground and with a school directly opposite. It is occupied by Swanley Town Council, within a five-minute walk of the town centre, and has allocated parking. The proximity of the school and other educational facilities suggest that the area is quite congested at certain times of the day and is not suitable for B2 or B8 development. Whilst the site is well-used as a Civic Centre, it is an unlikely site/location for a more commercial business and so, is not a prime candidate for protection or retention.

Recommendation: Release if vacated.

Emp1(u) The Technology Centre, Swanley

This site comprises two parts. At the front are two connected buildings on the roundabout junction of London Road and Bartholomew Way. The development appears to date from the 1980s, and is well-maintained and in good condition generally. The buildings are arranged around an internal courtyard providing a pleasant work environment. The site is very close to the town centre and within a short walking distance of the train station. The buildings are occupied by a selection of professional businesses, including chartered accountants, consulting, fire protection and real estate. At the time of the visit, there was one small unit being marketed. To the rear, sharing common vehicular access with the offices via Pioneer Way, is a collection of B8 sheds. These appear in good condition and are occupied by a window company, a precision engineering firm a printers and lift company.



Recommendation: Retain.

Emp1(p) Media House, Swanley



This site was probably developed in the 1970s. It sits next to Swanley rail station, and is formed of a three-storey office building with car parking to the rear. At the time of the visit, the building appeared to be largely empty, and is likely to be promoted for redevelopment. The location is not as convenient as other office locations, and it is doubtful that Swanley has the critical mass to appeal to a services office operator exploiting the nearby station.

Recommendation: Release.

Emp1(r) Park Road Industrial Estate, Swanley

This mostly 1980s industrial estate is located to the rear of Swanley High Street; although the site is not directly visible from the high Street. There is a total of 15 units in total with associated car parking and loading bays. Most units appear to be in good condition; the site is well-managed, and parking is good. At the time of the visit the buildings looked well-occupied with one of the older buildings appearing to be prepared for redevelopment. The site is adjacent to residential uses and therefore appropriate for B'1(c) light industrial, but not for B2 or B8 use.

Recommendation: Retain.





Emp1(n) Swan Mill, Goldsel Road, Swanley

This site is densely developed by a single occupier – Swan Paper Company Ltd – for largely B2 use (paper production). This site appears to be well-used and well-managed, and is fulfilling the requirements of a major local employer. It is a good employment site with clear access and good parking provision.

Recommendation: Retain.

The following four sites – Wested Lane, Southern Cross, Teardrop Industrial Estate and Moreton Industrial Estate/Broom Hill – are all grouped around Junction and can, in planning terms, be considered as a single employment location.

Emp1(l) Wested Lane and Mark Way Industrial Estate, Swanley

This area comprises the gate Interchange, Wested Lane estate and the ungated estate along Mark Lane. Both sections are characterised by modern space, with some older space on Mark Way having been redeveloped within the last ten years or so. Wested Lane includes a very large Dreams Beds facility, a DX Freight shed and a row of modern looking smaller units in multi-occupation. Mark Way includes Phoenix Healthcare, Anglian Windows and Beadles car repair facility.

Recommendation: Retain.

Emp1(s) Southern Cross Industrial Estate

This site lies to the north of Wested Lane/Mark Way directly alongside the A20 slip road. It contains a small group of modern B2/B8 premises occupied by plastics firm Ring Containers, Zenoth security and a Safestore self-storage units.

Recommendation: Retain.

Emp1(t) Teardrop Industrial Estate

Teardrop Industrial Estate is 3.4ha containing Kent CC household recycling centre, an office/light industrial and warehouse building occupied by Sharp Business Systems, which relocated there from Essex in 2018, and specialist doorway company Kingsway Group. Although modest in size, the location directly on M25 J3/M20 J1 means it works very well and is a strong location.

Recommendation: Retain.

Emp1(q) Moreton/Gateway Industrial Estate, Swanley, Emp4 Land at Broom Hill Swanley

This area comprises two sites: the 1.83ha Moreton Industrial Estate and the 4.1ha of consented but undeveloped land behind it at Broom Hill. As with the other estates Moreton (called Gateway in its entrance board) is mostly well occupied, with Howdens prominent, although one unit is vacant.

The Broom Hill scheme would add 15,000 sq m of mixed industrial and storage space and, as with the other estates in this locale, is very close to M25 J3/M20 J1.

Development on the Broom Hill site is consented, but has yet to be implemented. (20/03825/FUL). Although the principle of the consent is sound, given that it is adjacent to a motorway, and close to existing provision, access to the site is problematic and if development is delayed significantly more it may be worth engaging with adjacent commercial landowners to explore a more comprehensive redevelopment of the group of industrial estates and the greenfield area to provide upgraded space. A large part of the site is under application for residential development, so action on this should be considered urgent.

Recommendation: Retain and consider co-ordinating redevelopment.



EDENBRIDGE**EMP1(v) Station Road, Edenbridge**

This area of 18.78ha straddles Station Road and is the largest single employment area in the District. It contains a varied mixed of employment premises, ranging from inter-war light industrial to modern purpose-built storage, with at least one new unit under construction at the time of the site visit. The area is vibrant, with congestion typical of successful pre-mass car ownership industrial areas, but parking is adequate, and HGVs are able to move about within it with minimal difficulty.

The principal constraint is that approaches to the area are somewhat under-specified for the task, thanks in part to railway bridges with narrow arches and also to the roads being secondary in nature. There was some

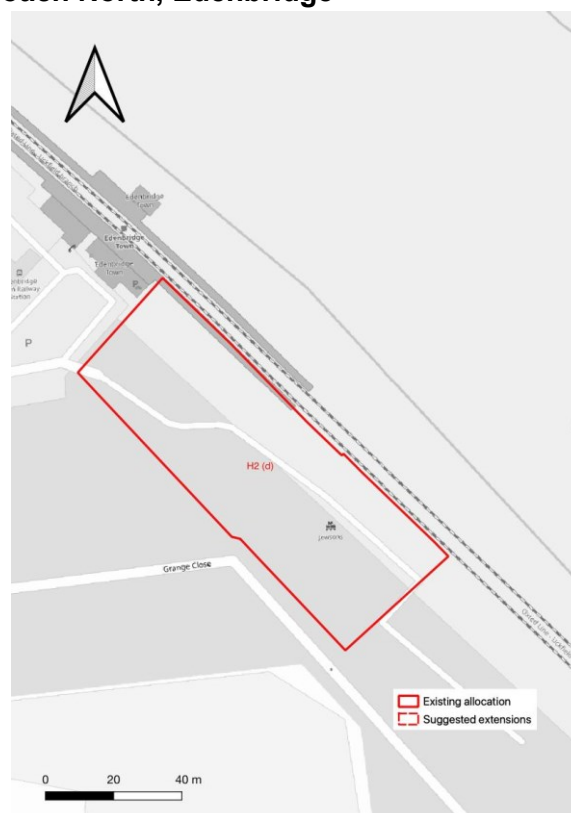
evidence of neglect around the edges and the incursion of residential development which should be guarded against to the greatest extent possible.

Recommendation: Retain and protect.

H2(d) Emp1(w) Station Approach North, Edenbridge

This 0.45ha is adjacent to Edenbridge railway station is occupied by Jewson and has an awkward approach with station car parking along it, in effect making it single lane. It is remote from the main economic activity of Edenbridge and would be unlikely to find a user if Jewson relocated.

Recommendation:
Release.





Emp1(w) Edenbridge Trading Centre/Warsop Trading Centre

Two separate sites on either side of Philippines Close make up this 1.64ha area, accessed via residential streets and somewhat narrow roads. While both sites are fully developed there is significant dereliction on the Warsop estate, which is being marketed as an office development opportunity. However, Google Streetview imagery suggests the derelict buildings were boarded up as long ago as 2010. General estate maintenance is poor, although the functional parts seem well used. It is understood that an adjacent site was put forward in the previous plan process but not taken forward. This seems the correct decision, given the poor accessibility of the sites. While there is no obvious sign that current occupiers plan to vacate, should they do so then

there is little merit in retaining them as employment sites.

Recommendation: Release.

WESTERHAM

EMP1(x) Westerham Trading Centre:

Westerham Trading Centre is a 3.7ha site to the north east of Westerham town centre. It comprises a mix of B1, B2 and B8 space, mostly in good order although some small units along Hortons Way are of a decidedly secondary quality. This is not in itself a bad thing, since inexpensive space is an essential part of any employment use mix, but it is this that is most likely to come under pressure for residential redevelopment. Indeed a site that had been consented for 500 sq m of office space has subsequently been redeveloped as apartments.

The area is in good order and most units had plentiful parking, meaning the streets are heavily yellow-lined, and there is no sign of vacancy or dereliction.

Recommendation: Retain and protect.



OTHER



EMP2 MDES3 Chaucer Business Park

This is a 4.45ha rural business park of mixed B-uses, accessed via somewhat narrow country roads. It is surrounded by Green Belt and the buildings seem to be of 1980s or 1990s vintage.

Mostly they are in good condition. Its remoteness from strategic roads gives a very local flavour, which is no bad thing, but there were some padlocked units, and it was difficult to establish if they were vacant or merely unattended.

Despite its unusual location, the estate appears to be functioning well, and is very close to Kemsing railway station.

Recommendation: Retain.

EMP1(y) Blue Chalet Industrial Park, West Kingsdown

Blue Chalet is a 0.88ha estate of 46 units at the northern end of West Kingsdown, on the A20, mainly of c1980s development. Its proximity to Brands Hatch may account for a strong presence from motor trade business along with the uses of the type of small businesses typical of such estates. There were no obvious signs of vacancy or dereliction and the estate was quite busy when visited.

Recommendation: Retain.



Emp1(w) West Kingsdown Industrial Estate, London Road, West Kingsdown

This site is less than half a hectare is also on the A20, but to the south of West Kingsdown. It comprises two multi-unit light industrial buildings of c1980s construction. It is well maintained and appears fully occupied.

Recommendation: Retain.



EMP1(zz) Horton Kirby/Mills Trading Estate, South Darent

A 0.8ha site off Station Road in South Darent behind an imposing viaduct, containing a mix of B1 and B8 space mainly occupied by three companies. It is in good condition and well maintained, although its situation, surrounded by housing, offers no room for expansion.

Recommendation: Retain.



EMP2 MDES2 S North Downs Business Park



This is a large employment site, comprising c16 units, in the Green Belt. The site is remote; while it is close to the M25, the nearest junction is around three miles to the south, there are no public transport links close by. The estate appears to be established and fully occupied. At the time of the visit the site appeared to be well occupied, with no obvious evidence of vacancy. The site is suitable for B1 and B8 use and the current activities on the site include precision cutting, luxury cars, window blinds, cake decorating and artificial intelligence!

Recommendation: Retain.

8.0 Supply and demand forecasts

This Chapter sets out quantitative projections of demand for the previous B-class employment uses, now classes E(g)(i) Offices, E(g)(ii) Research & Development, E(g)(iii) Light industry and existing classes B2 and B8.

8.1 Method

Forecast demand for floorspace and land is derived from forecasts of employment change by sector. A sectoral forecast for Sevenoaks District was commissioned from Cambridge Econometrics for the purposes of this project. We then translate employment growth into floorspace requirements by applying plot and job density ratios, drawing from HCA guidance and our own experience. However, recent years have seen significant changes in the way businesses occupy space (which might be further changed following Covid-19) and we undertake sensitivity tests around this point by varying the employment density ratios applied.

Projecting employment land and floorspace in this way takes account of the existing local economic structure of the District, the sectors that are projected to grow or decline nationally, and the relative past performance of Sevenoaks District compared with these broader national trends.

Quantitative econometric projections are a top-down and mechanistic method. Whilst much local data is incorporated into these projections, they need to be sense checked against local intelligence on the Sevenoaks economy. This is done through the data analysis and stakeholder consultations reviewed in earlier chapters. The sector forecast method of projecting demand for floorspace is also compared with analysis of past trends in floorspace stock and projecting forward of those trends.

Finally, we compare the forecast demand with the land and property supply identified in the appraisal of employment stock.

8.2 Employment projections

The employment projections for Sevenoaks District commissioned for this project cover the period 2020-2040 and are produced for 12 employment sectors. Figure 8.1 shows the Cambridge Econometrics projections expressed in terms of annual average percentage change in Gross Value Added (GVA) over the period 2020-2040, compared to the preceding 20-year period. Between 2020-2040 GVA in Sevenoaks is projected to grow at an annual average rate of 1.9% p.a. compared with 2.3% p.a. over the period 2000-2020.

In terms of growth rates, the fastest growing sectors in terms of GVA are projected to be Accommodation & Food (4.2% p.a.) and Construction (3.1% p.a.); although in terms of absolute value added, the largest contribution comes from the Financial & Business Services sector which is projected to add £540m in GVA over the period, accounting for 30% of the District's projected growth of £1.8bn. This will however include growth in housing values.

Over the period 2020-2040 employment in Sevenoaks District is projected to increase by 7,200 jobs or 12.0%, growing from 59,800 to 67,000.

The largest growth sectors are projected to be Financial & Business Services, up by 2,600 jobs; Construction, up by 2,200 jobs; and Accommodation & Food, up by 1,200 jobs. Conversely manufacturing is projected to decline by 800 jobs. The projections by sector are shown in Figure 8.2.

Figure 8.1 GVA annual percentage change, Sevenoaks District, 2000-2040

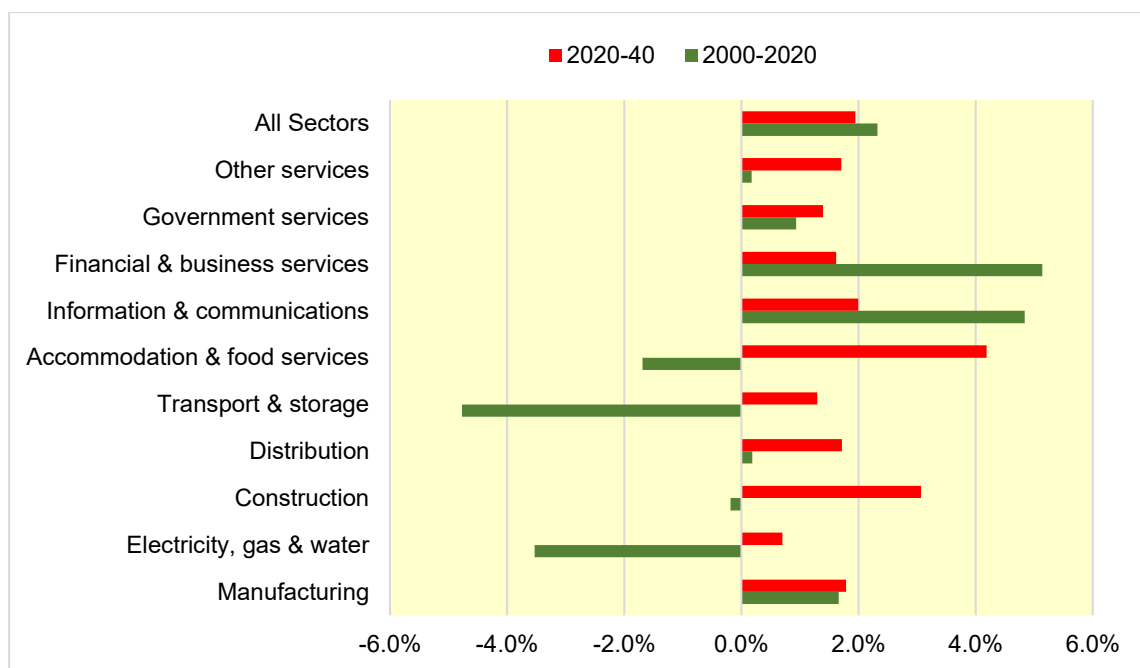
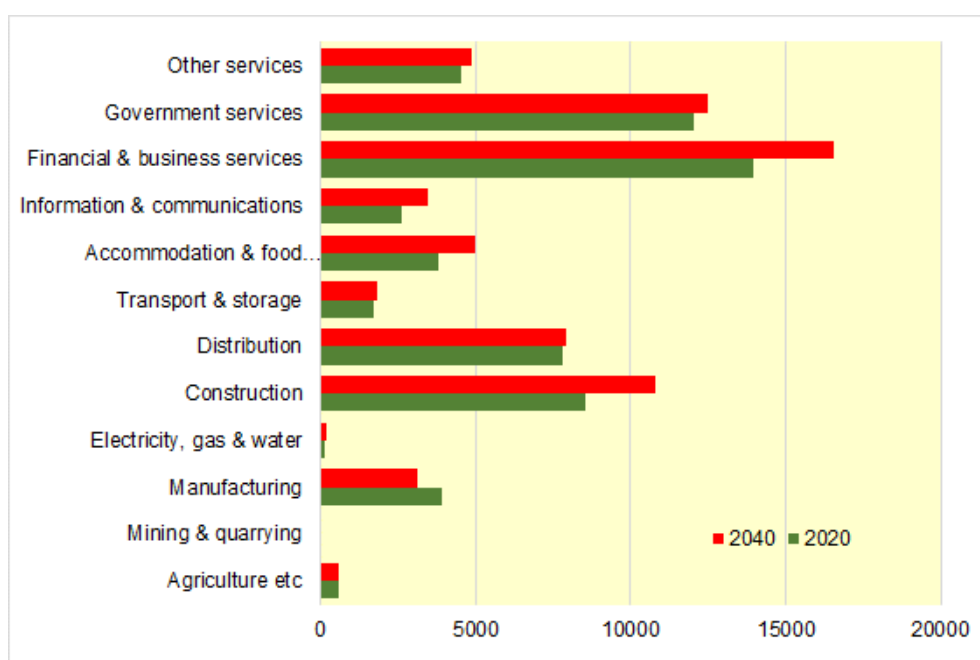


Figure 8.2 Employment projections, number, Sevenoaks District, 2020-2040



The Standard Industrial Classification (SIC) is a hierarchical classification of activities into sectors. At the most disaggregated activity level (5-digit SIC) we classify activities as to whether they are likely to occupy office or industrial floorspace – or neither. This provides a finer grained representation of the economic structure of the Sevenoaks economy by use class type.

Applying this to the Cambridge Econometrics forecast by sector we project the future change in employment by office and industrial (manufacturing, warehousing and other) occupiers, over the period 2020 to 2040. To this projected change in jobs, we then apply a standard employment density ratio. Projected change in jobs and employment density ratios are set out in Figure 8.3.

Figure 8.3 Jobs change by property type, 2020-2040

| Property type | Jobs change | Density ratio (sq m/worker) | Net additional floorspace (sq m) | Land (ha) |
|-------------------------|-------------|-----------------------------|----------------------------------|-------------|
| Manufacturing | -800 | 36 | -28,800 | -7.2 |
| Other Industrial | 998 | 36 | 35,900 | 9.0 |
| Distribution | 117 | 60 | 7,000 | 1.8 |
| Office | 2,622 | 11.3 | 29,600 | 7.4 |
| Total land | | | | 10.9 |

In total this produces a projected increase in demand for industrial floorspace of 14,100 sq m (151,770 sq ft) and an increase in demand for office floorspace of 29,600 sq m (318,610 sq ft).

To convert this into demand for land we have applied a standard plot ratio of 0.4, which generates demand for industrial land of 3.5ha and demand for land for offices of 7.4ha. If demand was for higher density town centre office floorspace at an assumed plot ratio of 1, then demand for land for office would fall to 3.0ha.

Sensitivity tests

We have applied some sensitivity testing around the central density ratio assumption. Figure 8.4 shows higher and lower employment density assumptions.

These higher and lower density assumptions provide a range of between 8.9ha and 13.2ha of net additional employment land.

Again if a higher plot ratio of 1 is applied to the office floorspace projections, then the range of land required for offices falls to between 2.4ha and 3.5ha, and the overall land demand is in the range of 5.3ha – 7.9ha.

Past trends in floorspace

An alternative projection is to apply the recent trend rate of change in floorspace to the future. Over the ten years 2011-2021 office floorspace stock declined by an annual average of 1,400 sq m (151,770 sq ft) per annum or -1.1% per annum. If this same rate of change were applied for the next 20-year period. It would imply

a loss of between 32,000 and 38,000 sq m (344,500-409,000 sq ft) of floorspace depending on whether the annual rate or annual quantum is applied. Applying a plot ratio of 0.4 would mean a reduction of between -5.9ha and -7.0ha of land for offices over a 20-year period.

Figure 8.4 Sensitivity tests and density ratios

| Sensitivity & property type | Jobs change | Density ratio (sq m/worker) | Net additional floorspace (sq m) | Land (ha) |
|-----------------------------|-------------|-----------------------------|----------------------------------|-------------|
| High density | | | | |
| Manufacturing | -800 | 30 | -24,000 | -6.0 |
| Other Industrial | 998 | 30 | 29,900 | 7.5 |
| Distribution | 117 | 50 | 5,900 | 1.5 |
| Office | 2,622 | 9 | 23,600 | 5.9 |
| Total land | | | | 8.9 |
| | | | | |
| Low density | | | | |
| Manufacturing | -800 | 40 | -32,000 | -8.0 |
| Other Industrial | 998 | 40 | 39,900 | 10.0 |
| Distribution | 117 | 80 | 9,400 | 2.4 |
| Office | 2,622 | 13.5 | 35,400 | 8.9 |
| Total land | | | | 13.2 |

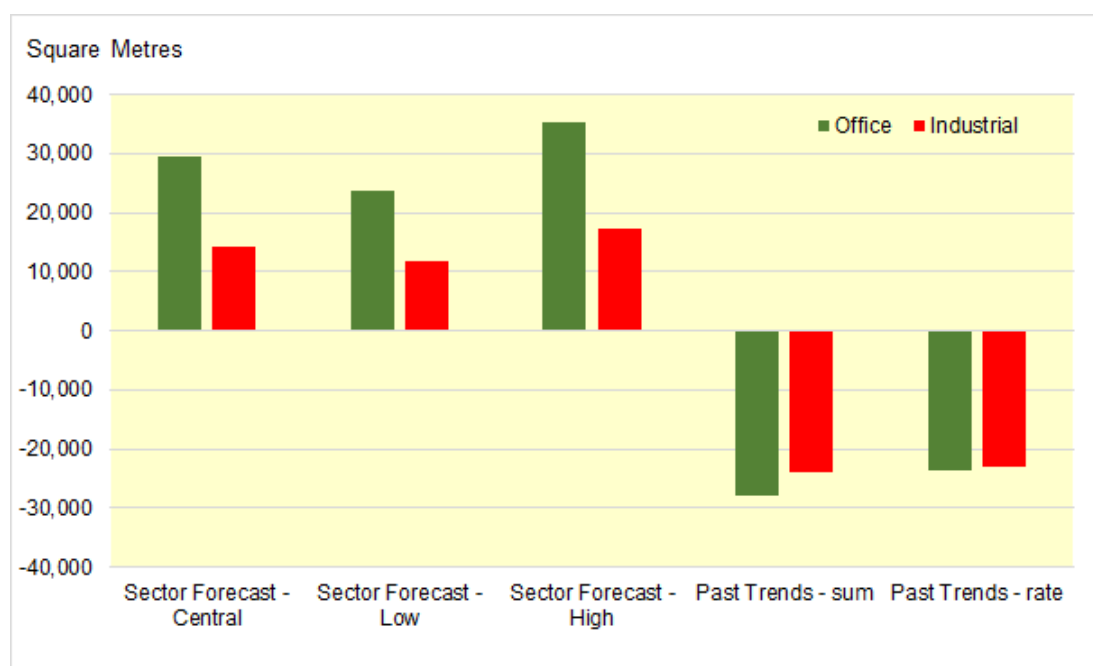
For industrial floorspace over the ten years 2011-2021 the stock declined by an annual average of 1,200 sq m (12,920 sq ft) per annum or -0.3% per annum. Over a 20-year period this would imply a loss of between 23,000 and 24,000 sq m (247,570-258,340 sq ft) of floorspace depending on whether the annual rate or annual quantum is applied. Applying a plot ratio of 0.4 would mean a reduction of between -5.7ha and -6.0ha of land for industrial land over a 20-year period.

Past change in stock reflects what has actually occurred in recent years including loss of stock to housing and newly built out space.

Demand projection

The two projection methods produce opposite results. The demand projections show a small positive additional demand for employment land, whilst the trend-based method shows a small negative demand for additional employment. The floorspace projections resulting from the different methods are summarised in Figure 8.5 below.

Figure 8.5 Summary of floorspace projections



For the Central projection we propose to adopt the average of the Central sector demand projection and the average of the floorspace trend projection. That produces a forecast demand for offices of 1,900 sq m or 0.5 ha, and demand for industrial of -4,700 sq m or -1.2 ha.

8.3 Demand and supply balance

Loss of stock

The forecasts for office and industrial land set out above are based on net change in demand for floorspace. They represent the quantum of land that would be needed if there were no loss in employment land or floorspace.

To the extent that existing employment land is lost during the plan period then additional allocations may be needed to replace those losses. Therefore any losses, including those via PDR need to be monitored in order to ensure the net change figure is met by increasing the gross stock figure where necessary. The quantum of office floorspace lost through PDR is not known but it appears to be a small but steady loss and the gross amount of new office E(g)(i) may need to be adjusted up to compensate for this.

The introduction of the new E class from September 2020 gives greater flexibility to move between uses for certain categories of employment. This may further impact on the supply of existing or future office stock. We do not believe that the probability of loss of large parts of office stock to other E class is high, but there is some possibility of loss to E(a), E(b), E(c), E(d), (E(g)(ii) and E(g)(iii). We think the probability of loss to E(e) and E(f) is lower.

These other E use classes are also employment generating, so the overall impact on employment would be mitigated. It depends on the relative density of

employment. Employment impacts would be greatest if it were lost to a low density use such as a gym.

To provide a reasonable margin to allow for loss of stock through prior approvals or other reasons, we recommend that the allocations, be increased. For our central scenario we suggested an allowance for unplanned loss 50% of past floorspace loss. Loss of stock should then be monitored to establish whether this is needed.

Frictional vacancy

In normal market conditions there will always be an element of vacant land and premises to enable the market to function smoothly and allow for churn of businesses. This frictional level of vacancy is usually considered to be around 8%. Above this level there is excess vacancy which needs to be managed down. Below 8% the market is relatively tight. We do not have data on vacancy rates in Sevenoaks, but observationally through our site visits and consultations with stakeholders, the market appears relatively tight at present and certainly well below 8%. For the purposes of estimating an additional allowance for below frictional rates of vacancy we would estimate vacancy rates at present to be around 4%.

Using the VOA stock data set out earlier and applying a plot ratio of 40%, this would imply an additional allowance of 5ha to return to a frictional vacancy rate of 8%.⁵⁹

Supply

From existing allocations in Sevenoaks District we estimate that there are 6.9ha of vacant and available employment land. These are summarised in Figure 8.6. The largest single allocation is at Broom Hill in Swanley where 4.1 ha is available.

Figure 8.6 Available supply

| Site name | Area available (ha) |
|--|---------------------|
| British Telecom, London Road Sevenoaks | 0.75 |
| London Road, Sevenoaks | 0.15 |
| South Park, Sevenoaks | 0.18 |
| Swanley Town Council Offices, Swanley | 0.35 |
| Media House, Swanley | 0.29 |
| Teardrop Industrial Estate | 0.58 |
| Station Road, Edenbridge | 0.29 |
| Westerham Trading Centre, Westerham | 0.22 |
| Land at Broom Hill, Swanley | 4.10 |
| Total | 6.91 |

Of the available supply, 1.5ha is likely to be best suited to office use and 5.4ha to industrial use.

⁵⁹ VOA floorspace data for Sevenoaks in 2021 show a combined total occupied floorspace stock of 499,000 sq m for office and industrial floorspace.

Planned loss

In addition to the unplanned losses through PDR, there are some planned losses through recommended release of sites set out in the previous chapter. These total 3.6ha of which 1.5ha is office use and 2.1 ha is industrial use.

Demand and supply balance

The balance of demand and supply for the plan period, taking account into account the factors set out, above is summarised in Figure 8.7. Overall we conclude there is need to find a small additional amount of land to accommodate forecast demand. This totals 5.7ha of land which consists of 4.1ha for office activity and 1.6ha for industrial activity.

This however assumes plot ratios of 40% for both office and industrial activity and it would be possible to accommodate forecast demand without additional land through intensification of use.

Figure 8.7 Demand and supply balance

| Component | Office | Industrial | Total |
|--------------------------|------------|------------|------------|
| Demand | | | |
| Forecast demand | 0.5 | -1.2 | -0.7 |
| Addition for low vacancy | 1.2 | 3.8 | 5.0 |
| Unplanned PDR loss | 2.4 | 2.3 | 4.7 |
| Total demand | 4.1 | 4.9 | 9.0 |
| Supply | | | |
| Available | 1.5 | 5.4 | 6.9 |
| Planned Loss | -1.5 | -2.1 | -3.6 |
| Total supply | 0.0 | 3.3 | 3.3 |
| | | | |
| Demand - supply | 4.1 | 1.6 | 5.7 |

Figure 8.8 summarise the demand and supply balance based on the high and low sensitivity tests for forecast demand set out earlier in the chapter.

Under the low sensitivity assumptions there is a net additional requirement for 2.4ha of employment land and under the high sensitivity assumptions there is a net additional requirement for 12ha of employment land.

Figure 8.8 Demand and Supply Balance – Low and High Sensitivity Tests

| Component | Office (ha) | Industrial (ha) | Total (ha) |
|--------------------------|-------------|-----------------|-------------|
| Low Sensitivity | | | |
| Demand | | | |
| Forecast demand | -0.6 | -1.5 | -2.1 |
| Addition for low vacancy | 1.2 | 3.8 | 5.0 |
| Unplanned PDR loss | 1.4 | 1.4 | 2.8 |
| Total demand | 2.0 | 3.7 | 5.7 |
| Supply | | | |
| Available | 1.5 | 5.4 | 6.9 |
| Planned loss | -1.5 | -2.1 | -3.6 |
| Total supply | 0.0 | 3.3 | 3.3 |
| Demand - supply | 2.0 | 0.4 | 2.4 |
| High Sensitivity | | | |
| Demand | | | |
| Forecast demand | 1.5 | -0.7 | 0.8 |
| Addition for low vacancy | 1.2 | 3.8 | 5.0 |
| Unplanned PDR loss | 4.8 | 4.7 | 9.5 |
| Total demand | 7.5 | 7.8 | 15.3 |
| Supply | | | |
| Available | 1.5 | 5.4 | 6.9 |
| Planned loss | -1.5 | -2.1 | -3.6 |
| Total supply | 0.0 | 3.3 | 3.3 |
| Demand - supply | 7.5 | 4.5 | 12.0 |

The overall projected balance of demand is relatively small and it should be noted that such projections are not precise and subject to change over time. Therefore, it is important that any additions and, in particular, losses, are monitored closely.

It should also be recognised that demand is not constrained by local authority boundaries and any monitoring should also take account of what is happening in neighbouring authorities within the Functional Economic Market Area.

Growth in employment demand can also be accommodated without additional employment land requirements through more intensive use of existing sites or through introducing mix-use employment development on residential-led schemes.

Overall this would suggest a policy of strengthening retention and protection of existing sites and employment uses, except those that have been identified for release.

With 93% of the district in greenbelt planning positively for employment may require some minor greenbelt release.

8.4 Summary

We used two different methods to project future demand for employment land and floorspace in Sevenoaks District. Using sector based forecasts of employment produces a projected increase in demand for industrial floorspace of 14,100 sq m (151,770 sq ft) and an increase in demand for office floorspace of 29,600 sq m (318,610 sq ft). Applying a standard plot ratio of 0.4, generates demand for industrial land of 3.5ha and demand for land for offices of 7.4ha.

Projecting forward past trends in floorspace imply a loss of between 32,000 and 38,000 sq m (344,500-409,000 sq ft) of office floorspace and a loss of between 23,000 and 24,000 sq m (247,570-258,340 sq ft) of industrial floorspace. Applying a plot ratio of 0.4 would mean a reduction of between -5.9ha and -7.0ha of land for offices and a reduction of between -5.7ha and -6.0ha of land for industrial land.

For the Central projection we combine these two approaches which produces a forecast of net additional demand for offices of 1,900 sq m or 0.5ha, and for industrial of -4,700 sq m or -1.2ha.

In addition we recommend an allowance for the fact that vacancy rates are currently operating at below frictional levels and also to account for unplanned loss of stock through PDR.

Existing available supply totals 6.9ha of which 1.5ha is best suited to office use and 5.4ha to industrial use. Planned losses through recommended release of sites. These total 3.6ha of which 1.5ha is office use and 2.1ha is industrial use.

Overall we conclude there is need to find a small additional amount of land to accommodate forecast demand. This totals 5.7ha of land which consists of 4.1ha for office activity and 1.6ha for industrial activity. This however assumes plot ratios of 40% for both office and industrial activity and it would be possible to accommodate forecast demand without additional land through intensification of use.

9.0 Conclusions and recommendations

This chapter synthesises the key themes emerging from the ENS research and makes a number of recommendations. The key themes are grouped under four generic headings: spatial, economic, floorspace and demand and supply forecast.

In the following sections we set out key findings from this research and, where appropriate, make recommendations to the District Council. The recommendations are made within the context both of national planning guidance and of the Local Plan formulation process, both of which will need to be taken into account as the Council develops its specific policies in response to the recommendations.

9.1 Spatial planning (Chapter 2.0)

National guidance National guidance on spatial planning is supportive of economic development, via the NPPF. This argues for building strong, competitive economies, with policies that should set out a clear economic vision and strategy to positively and proactively encourage sustainable economic growth; identify strategic sites, for local and inward investment to match the strategy and to meet anticipated need and be flexible enough to accommodate new and flexible working practices.

With regards to rural economies, the NPPF states that planning policies should enable the sustainable growth and expansion of all types of business in rural areas, both through conversion of existing buildings and well-designed new buildings; the development and diversification of agricultural and other land-based rural businesses; and sustainable rural tourism and leisure developments which respect the character of the countryside.

Green Belt Spatial planning in Sevenoaks District is strongly influenced by the Green Belt and AONB. National, broadly pro-growth, planning guidance is limited in its ability to influence matters; and sub-regional and local planning for economic growth are equally constrained by the overriding conservation context.

The matter is made further complex by rapid and fundamental changes in the economy. The implication in terms of spatial planning for economic needs is that the District needs to be creative and flexible in its approach. Yet, the Sevenoaks economy will be unable to grow and evolve simply by seeking to protect existing physical resources. They must also expand and change to meet new business requirements.

***Rec #1** Work with neighbouring authorities to meet economic needs. This will be undertaken in accordance with the Council's broader development strategy and may involve an assessment of whether exceptional circumstances exist to justify the release of Green Belt land.*

Regional and local planning Various regional policy documents set out the vital need to nurture economic growth in the face of increasing competition for land from residential development. Similarly, the Reg 19 Consultation plan sets out a spatial vision such that Sevenoaks District can meet its housing and employment needs, without compromising the natural environment.

Rec #2 *Retain commercial land and premises unless it can be demonstrated that the use is no longer feasible or viable.*

Rural economy The Sevenoaks economy is largely rural in character, and so the wellbeing of the rural economy should be an integral part of the Local Plan. This might involve tactical interventions such as tweaking the planning application process by broadening the use of permission in principle, thereby shifting development costs back to a later stage of the planning application process. But it could also involve a more strategic decision to allocate more resource to the planning of the rural economy.

Rec #3 *Continue to work with rural landowners to develop a deeper understanding of the rural economy and the issues therein, in order to formulate specific policies that will encourage the growth and development of the rural economy, reflecting its key role in the District.*

9.2 Issues facing spatial planning (Chapter 3.0)

We note in Chapter 3.0 that preparing Local Plans today takes place in a far more uncertain context than was the case a couple of decades ago, or even one decade ago. The economic, business and technological landscapes are evolving at accelerating rates, bringing in their wake enormous change and uncertainty. The combined impact has led to enormous questions around the future of work, the future of the high street, the future of the office and the growth of logistics. And, of course, the knock-on from all of these is a rapidly evolving property market in terms of the nature and quantum of buildings needed going forward. This includes the need to decarbonise building stock.

Flexibility and creativity We encourage Sevenoaks District to approach its employment land and buildings with flexibility and creativity, to respond to the great uncertainties in the economy. Blind adherence to policies created for previous times might ultimately prove constraining. We make five suggestions below.

Rec #4 *Seek, as a policy objective, to be a leader in sympathetic, deliverable and sustainable development.*

Rec #5 *Combine the various sites around J3 at Swanley into a single policy area, perhaps via a Special Policy Guidance, to bring forward comprehensive solutions.*

Rec #6 *Encourage development that gives visitors a reason to stay in the District, not just pass through. Start by providing more accommodation.*

Rec #7 *Provide policy guidance on decarbonising existing and new commercial building stock.*

Rec #8 *Beware of blue sky thinking, but welcome well thought out and evidence-led innovation.*

9.3 Economy (Chapter 4.0)

Economic development Policy SP8 of the Adopted Local Plan argues that sustainable development of the District's economy will be supported by the retention, intensification and regeneration of existing business areas primarily at Sevenoaks, Swanley, and Edenbridge and Major Developed Sites in rural areas, subject to Green Belt policy, as well as through new provision of office space in Sevenoaks and Swanley town centres and through allocation of greenfield land at Swanley outside the Green Belt. It also supports giving priority to business uses, or tourist facilities, in the conversion of buildings in the rural area, promoting hotel development in suitable locations in Sevenoaks and Swanley and working with partners to develop initiatives to improve skills in the workforce.

We support the essence of these recommendations. The District will need to do more than 'protect what exists' if it is, at the same time, to nurture and enable economic growth. The latter cannot happen without new land and premises being made available, in line with changing occupier requirements. However, in terms of creating additional physical capacity, it is virtually impossible to add capacity without encroachment on Green Belt land, so planning or design briefs for individual sites should be explicit about the standards of environmental safeguarding and enhancing that is anticipated.

***Rec #9** Recognise that farming is not, in itself, economically sustainable enough to effect protection of the rural character and natural beauty of the Green Belt and other protected areas. Support rural diversification that is consistent with other emerging policies in the Council's Local Plan.*

Co-location and intensification Competition for land between residential and commercial uses continues to intensify, particularly in the main town centres. To this end we recommend detailed consideration be given to assess opportunities for mixed use development wherever possible.

Addressing the conflict between residential amenity and operational requirements of commercial occupiers (including 24/7 activity) is a key challenge to ensure they are genuinely capable of serving both commercial and housing needs. Innovative design approaches based on a detailed understanding of the commercial occupier requirements will be essential to making such schemes work in a practical sense.

However, while the planning process can help generate a pipeline for such sites, the critical test will be whether they are attractive to developers, investors and commercial occupiers. In this sense the District will need to consider what role, if any, it wishes to play in supporting mixed use development. A more limited role might not result in enough schemes coming forward; while a more proactive role might increase the likelihood that schemes come forward, but at the same time increase the level of risk.

***Rec #10** Be open to mixed-use developments while guarding against such proposals being used as a backdoor way to bring about housing development.*

Placemaking Swanley, and New Ash Green to a lesser extent, both have capacity to absorb growth in employment premises. Yet they are currently both suffering from high street malaise, which is a disincentive to investment and business. The issues faced by the centres were identified in the *Town Centres Strategy* report.

We concur with this work in so far as Swanley should aim for (1) an expanded retail offer with an emphasis on independents, food and drink, alongside an expanded community, leisure and civic offer; (2) space for small businesses and co-working, and new homes of different types and tenures; (3) high quality buildings and spaces that embrace and enhance Swanley's character and (4) place making and gradual town centre redevelopment. All of these will enhance its attractiveness to business.

Rec #11 Invite proposals to improve the sense of place and vitality of Swanley town centre.

Similarly, we concur with the report's findings in so far as New Ash Green should (1) work towards a more vibrant heart, with shops and businesses supported by a refreshed and well-maintained shopping centre; (2) offer flexible space for small and creative businesses bringing more footfall to the centre and renew the public realm with new focal points for events and pop-up activity, new buildings which turn to face outwards and improved public realm, upper storey improvements; connection to Longfield Station; and improving the arrival experience.

Rec #12 Actively seek a way to rehabilitate and rejuvenate New Ash Green town centre.

9.4 Tourism (Chapter 5.0)

This is an important part of the District's economy, with visitor spend estimated to support over 5,000 jobs across a number of sectors. The District has nationally recognised heritage assets including the historic estates of Knole, Chartwell, Hever Castle, Penshurst Place and Lullingstone Castle, as well as a set of attractive town and village centres, and high-quality natural environment. The strategic priorities relating to tourism include reducing seasonality, ensuring tourism contributes to conservation of the built and natural environment, increasing value rather than volume, dispersing activity and benefits. The strategic actions to deliver these priorities include growing the Kent brand, new high-quality accommodation, technical advice and training, and use of sustainable transport by visitors. Locally, planning policy supports additional hotel and tourism accommodation in urban areas and the Green Belt, additional tourism attractions/facilities, and development at Brands Hatch.

The study has shown that there are challenges. For example congestion in specific 'honeypot' rural locations resulting from use of private cars by visitors is constraining some of the visitor-facing businesses in these locations as well as the host communities. This is exacerbated by some poor 'last mile' public transport access to many of the popular destinations in the district. There is the opportunity for the District Council to work with Kent County Council, landowners and communities to implement solutions, which will benefit local communities as well as the visitor economy. Solutions identified range from additional pedestrian routes to highways improvements relating to Brands Hatch. The Darent Valley Landscape Partnership Scheme has identified a set of projects to address some of these issues and consideration should be given to taking these forward. Note that some solutions include revenue projects e.g., events, marketing and information to disperse visitors around the district and address seasonality.

There is also a lack of quality visitor accommodation, which limits the visitor spend and economic benefits the district may be able to gain from tourism, both directly

and because of the constraint on the development of major events and conferences. The need for both full-service hotels and smaller rural accommodation has been identified.

Rec #13 *Where possible, take a proactive stance in planning policy and the promotion/sale of sites for new accommodation, working with local landowners where this is consistent with other policies in the Council's Local Plan.*

Rec #14 *Work with partner organisations to secure funding for sustainable transport and visitor access to countryside destinations, including projects listed by the Darent Valley Landscape Partnership Scheme.*

Rec #15 *Work with partner organisations to secure funding for events and marketing to reduce seasonality as well as support for business advice/training and business networks.*

Rec #16 *Use planning policy and economic policy to protect and support town and village centre high street vitality for the benefit of the visitor economy as well as the resident communities.*

Rec #17 *Work with the County Council and Brands Hatch to mitigate traffic impacts associated with Brands Hatch events traffic.*

9.5 Commercial property market (Chapter 6.0)

Sevenoaks District is a relatively small market in commercial property market terms. The office market has shrunk in recent years, in a structural rather than cyclical sense. Nevertheless there is demand from SMEs and this is being constrained in terms of growth by rising rents. The light industrial market is very strong and vacancy on the main estates is very low. Nevertheless, industrial land is under intensifying pressure from the demands of the residential market. There is already evidence of the incremental loss of industrial stock on the edges of estates.

There is a need for a more proactive approach to the provision of start-up and grow-on space in Sevenoaks, Swanley and perhaps Edenbridge. This space could take the form of coworking/managed space. Some of the space could be provided in the mixed-use schemes currently being considered such as that at Lime Tree Walk in Sevenoaks town centre.

Similarly there is a need to resolve the situation with 160 London Road (BT Building). The sight of the 'out-sized' building lying largely vacant is bad for the image of the town and acts as a drag on the property market.

In terms of the industrial market, there is a pressing need for the District to protect and nurture the remaining concentrations of property. As with office provision above, there is also a need for a more proactive approach to the provision of start-up and grow-on space for maker businesses in Sevenoaks, Swanley and perhaps Edenbridge. This space could take the form of coworking/managed space. Some of the space could be provided in the mixed-use schemes currently being considered such as that at Lime Tree Walk in Sevenoaks town centre.

There is also relatively strong demand for general industrial and logistics space in the District. We recommend that the Council seeks to find ways to enhance provision particularly in the north of the District, while safeguarding space in Edenbridge and Westerham.

The District has been effective in protecting the best quality office space, and should continue to use all the tools available to do so. In the context of the E-Use class, which brings more space into the reach of PDR, isolated pockets of employment land with poor access can be released, but large agglomerations and well-located smaller space should be vigorously defended.

Our recommendations on specific site allocations in Chapter 7 reflect this thinking.

Adding additional capacity without encroachment onto the Green Belt is considered to be a particular challenge. Proposals will be expected to meet relevant policy requirements, including the necessary very Special Circumstances or Exceptional Circumstances tests.

Rec #18 *In terms of the office market, take a more proactive approach to the provision of start-up and grow-on space in Sevenoaks, Swanley and perhaps Edenbridge, including the provision of affordable workspace.*

Rec #19 *Work with stakeholders to help resolve the situation with 160 London Road (BT Building). We recommend that options are appraised for sub-dividing the building into commercial, cultural and residential use, providing a public space and facilities next to the rail station.*

Rec #20 *In terms of the industrial market, seek to protect the integrity of the major concentrations of space by resisting any conversions to other uses. As with offices, we further recommend a more proactive approach to the provision of start-up space for maker businesses in Sevenoaks, Swanley and perhaps Edenbridge, including the provision of affordable workspace.*

Rec #21 *Work with neighbouring authorities to deal with demand for industrial and logistics space, particularly in the northern part of the District in and around Swanley.*

9.6 Demand and supply forecasts (Chapter 8.0)

Two different methods were used to project future demand for employment land and floorspace in Sevenoaks District. Sector-based forecasts of employment produced a projected increase in demand for industrial floorspace of 14,100 sq m (151,770 sq ft) and an increase in demand for office floorspace of 29,600 sq m (318,610 sq ft). A standard plot ratio of 0.4, generates demand for industrial land of 3.5ha and demand for land for offices of 7.4ha.

Projecting forward past trends in floorspace gives a loss of between 32,000 and 38,000 sq m (344,500-409,000 sq ft) of office floorspace and a loss of between 23,000 and 24,000 sq m (247,570-258,340 sq ft) of industrial floorspace. A plot ratio of 0.4 would mean a reduction of between -5.9ha and -7.0ha of land for offices and a reduction of between -5.7ha and -6.0ha of land for industrial land.

For the Central projection we combine these two approaches which produces a forecast of net additional demand for offices of 1,900 sq m or 0.5ha, and for industrial of -4,700 sq m or -1.2ha.

In addition, we recommend an allowance for the fact that vacancy rates are currently operating at below frictional levels and also to account for unplanned loss of stock through PDR.

Existing available supply totals 6.9ha of which 1.5ha is best suited to office use and 5.4ha to industrial use. Planned losses through recommended release of sites These total 3.6ha of which 1.5ha is office use and 2.1ha is industrial use.

Overall we conclude there is need to find a small additional amount of land to accommodate forecast demand. This totals 5.7ha of land which consists of 4.1ha for office activity and 1.6ha for industrial activity. This however assumes plot ratios of 40% for both office and industrial activity and it would be possible to accommodate forecast demand without additional land through intensification of use.

Rec #22 Identify and allocate a small area of additional land for employment use. In total this should be of the order of 5.7ha, although the precise total will depend on site configuration, mix of uses and other factors.

Rec #23 Monitor gains and losses in employment use and vacancy rate to ensure planned land use allocations remain up-to-date and relevant.

Appendices

Appendix One: Consultations

| Contact | Organisation |
|----------------------|--|
| Robert Bradley Smith | Altus Group |
| Steve Richmond | Altus Group |
| Nick Rushby | Archbishop's Palace Conservation Trust |
| Mike Lally | Brands Hatch |
| Caroline Alexander | Castle Farm |
| Lewis Kirnon | Dartford Borough Council |
| Geoff Baker | Gravesham Borough Council |
| Keith Grimley | Gravesham Borough Council |
| Rebecca Rees | Kent Downs AONB Unit |
| Simon Ryan | Locate in Kent |
| Roger Duke | Michael Rogers |
| Mike Lewis | Michael Rogers |
| Sue Green | Montreal Estate |
| Simon Greenwood | Mount Vineyard |
| Ben Thomas | Penshurst Estate |
| Sarah Newman | SDC/Community Rail Partnership |
| Ed Walker | Sevenoaks Business Centres |
| Henry Wade | Squerryes Estate |
| Ross Gill | SQW |
| Eliza Ecclestone | St Clere Estate |
| Bartholomew Wren | Tonbridge and Malling |
| Steve Baughen | Tunbridge Wells |
| Sharon Evans | Tunbridge Wells |
| Robert Wicks | Westerham Brewery |
| Louisa Mungall | Visit Kent |