



Strategic Planning Research Unit
A specialist team within DLP Planning Ltd

For and on behalf of
Coventry City Council

Employment Land Review

**Prepared by
Strategic Planning Research Unit
DLP Planning Ltd
Sheffield Office**

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Prepared by:	Brad Stott BA (Hons) MA Planner
Checked by:	Kirsten Ward BSc (Hons) MA PhD MRTPI Associate Director
Approved by:	Jon Goodall MA (Cantab) MSc Director
Date: August 2024	Office: Sheffield

Strategic Planning Research Unit

**V1 Velocity Building
Ground Floor
Tenter Street
Sheffield
S1 4BY**

Tel: 01142 289190

**Broad Quay House (6th Floor)
Prince Street
Bristol
BS1 4DJ**

Tel: 01179 058850

**4 Abbey Court
Fraser Road
Priory Business Park
Bedford
MK44 3WH**

Tel: 01234 832740

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APPENDICES (attached separately)

- Appendix 1 Employment Sites Location Plan**
- Appendix 2 Site Assessment Proformas**
- Appendix 3 Site Assessment by Criteria**

0.0 EXECUTIVE SUMMARY

- 0.1 This Employment Land Review (ELR) was conducted by DLP Planning Ltd on behalf of Coventry City Council to provide a comprehensive assessment of the city's existing employment land. This ELR will inform the Local Plan Review by offering a robust, evidence-based evaluation of current employment land use, its quality, and future requirements in accordance with national policy guidelines.
- 0.2 In terms of the wider policy context, the ELR examines both national and local policies that influence employment land use in Coventry. The National Planning Policy Framework (NPPF) promotes economic growth and sustainable development, emphasizing flexible planning to accommodate unanticipated needs, the use of brownfield sites, and a rapid response to economic changes. Locally, Coventry's current Local Plan (2017) outlines strategies for economic expansion, strategic site allocation, and the safeguarding of existing employment sites. Additionally, the Housing and Economic Development Needs Assessment (HEDNA, 2022) and the Housing and Economic Land Availability Assessment (HELAA, 2023) provide updated data and projections for employment land needs and an assessment of suitable and available sites for meeting these future needs.
- 0.3 The baseline analysis presented in this ELR highlights recent trends and vacancy rates in Coventry. Over the past five years, office floorspace in the city has decreased by 6.27%, while industrial floorspace has seen a slight increase of 0.77%. The office vacancy rate stands at 7.63%, indicating a healthy market, whereas the industrial vacancy rate is lower at 3.17%, suggesting high demand and constrained supply.
- 0.4 Stakeholder engagement played a crucial role in the ELR process, providing insights from various sectors. Stakeholders reported growth in the warehousing and distribution sectors, a shortage of small and medium-sized industrial units, and challenges in the office market due to limited demand and high build costs. Key barriers identified included redevelopment costs, fragmented ownership, and inefficiencies in the planning process. Stakeholders also highlighted the need for improved infrastructure and parking provisions to support employment sites.
- 0.5 The ELR also assessed all existing employment sites across Coventry. The site assessments covered 77 sites, identifying the key characteristics of each site (as set out in a series of detailed proformas contained in **Appendix 2**) and evaluating their suitability for continued employment use based on criteria including accessibility, level of occupancy, sustainability considerations, level of employment usage, need for investment, and size and capacity. Based on the outcomes of the individual site assessments sites were scored and ranked against these criteria (see **Appendix 3**), with the highest scoring sites identified as:
- Binley Business Park, Harry Weston Rd, CV3 2UB
 - Coventry Business Park, Herald Avenue, CV5 6UB
 - Cyan Park, CV2 4QP
 - Lyons Park, Sayer Drive, CV5 9DQ
 - Swallowgate Business Park, CV6 4QY
 - University of Warwick Science Park, CV4 7EZ
 - Whitley Business Park and Jaguar, CV3 4LF
- 0.6 The outcomes of this assessment can be used to guide future land use decisions and ensure that the city's employment land portfolio meets current and future economic needs. It is recommended that the highest scoring sites are retained for employment use and could be defined as 'Key Employment Sites'.

- 0.7 The analysis of employment land supply and demand indicates a diverse portfolio of employment sites in Coventry, though there is a notable shortage of high-quality industrial and office spaces. The HEDNA identifies significant demand for additional employment land, particularly for strategic B8 uses (logistics and distribution), due to Coventry's central location and strong transport links. The HEDNA (2022) reveals an overall need of 8.5 ha for office space and 147.6 ha for general industrial uses (excluding strategic B8) for the period from 2021 to 2041. Long-term projections from 2021 to 2050 indicate a sustained demand for office space increasing to 10 hectares, and a need for non-strategic general industrial space reaching 214 ha. As of 31st March 2023, the committed employment land supply in Coventry was calculated to be 69.3 ha. This leaves a remaining need from 2023 to 2041 of 71.3 ha, consisting of a substantial requirement for 73.9 ha of industrial floorspace and an indicative oversupply of 2.7 ha of office floorspace.
- 0.8 In conclusion, the ELR provides several policy recommendations. based on the extensive analysis and stakeholder feedback from the Regulation 18 consultation. These recommendations include:
- Updating local policies to reflect current market conditions and the latest quantitative and qualitative employment needs identified in the HEDNA (2022).
 - Enhancing infrastructure to support existing and new employment sites, focusing on accessibility, utilities, and public transport links to ensure sites are attractive to potential occupants and can sustain future growth.
 - Collaborating with neighbouring authorities to meet regional employment needs, particularly for strategic B8 uses, to manage land availability constraints and foster effective joint working.
 - Safeguarding high-quality employment sites by identifying and defining Key Employment Sites, which should be protected for continued employment use due to their strategic importance, existing demand, and minimal investment needs.
 - Considering the potential for mixed-use developments to balance employment and housing needs, ensuring that employment sites can coexist with residential areas where appropriate, and supporting policies that limit the conversion of employment land to other uses.
- 0.9 In respect of specific policies as set out in the Regulation 18 Local Plan Review consultation, this report's recommendations are as follows:
- Strengthening Policy JE1 (Overall Economy and Employment Strategy) to promote the inclusion of green infrastructure and sustainability measures, and periodically reviewing employment land needs and usage to adjust to economic shifts.
 - Updating Policy JE2 (Provision of Employment Land and Premises) to reflect the current supply and pipeline of employment land, ensuring a strategic approach to allocating and safeguarding employment sites.
 - Revising Policy JE3 (Non-employment Uses on Employment Land) to include stricter criteria for key employment sites, requiring marketing evidence before considering their redevelopment for non-employment uses.
 - Addressing specific feedback on Policy JE4 (Location of Office Development) to promote sustainable transport links and align new offices with climate goals.
 - Separate policies for R&D, industrial, and storage/distribution (Policy JE5) to address their distinct locational and operational requirements, ensuring that R&D uses are supported in suitable employment land locations.
 - Incorporating recommendations for Policy JE6 (Tourism/Visitor Related Development) to align with the NPPF, supporting tourism as a main town centre use and leveraging

- Coventry's heritage and university presence.
- Strengthening Policy JE7 (Accessibility to Employment Opportunities) by fostering partnerships with local training providers and integrating it with major employment projects.

1.0 INTRODUCTION

- 1.1 DLP Planning has been instructed by Coventry City Council to undertake an independent assessment of existing employment land across the city to inform the Local Plan Review. The findings of this Employment Land Review (ELR) are presented in this report and the accompanying appendices, which include the overview map showing site locations (**Appendix 1**) and the detailed site assessment proformas (**Appendix 2**).
- 1.2 The overarching aim of this ELR is to provide the Council with a robust evidence-based assessment of employment land (Use Classes E (business), B2 and B8, as amended and updated in the new Town and Country Planning (Use Classes) (Amendment) (England) Regulations 2020) that conforms with national policy requirements.
- 1.3 This review provides an assessment of existing employment sites across the Coventry City Council administrative area which will help inform employment land policy by assessing the quality and utilisation of existing employment sites and whether and to what extent these should be safeguarded. This review also assesses the current pipeline employment land supply against the needs identified in the Council's Housing and Economic Development Needs Assessment (HEDNA, 2022) for the plan period to 2041. This will identify whether any additional employment land allocations are required to meet these forecast needs. This review should be read alongside the Council's Housing and Economic Development Needs Assessment (HEDNA, 2022) and the Housing and Economic Land Availability Assessment (HELAA, 2023). The HEDNA (2022) was a joint assessment completed on behalf of Coventry City Council and local authorities across Warwickshire and is discussed further in Section 2 of this report.
- 1.4 This ELR takes forward the findings of the HEDNA and produces a detailed assessment of employment land needs, including on a site-by-site basis. This study also takes account of relevant representations received during the Regulation 18 consultation, and makes recommendations on whether employment land is of sufficient quality to serve the economic needs of the city for the duration of the Local Plan. The assessment of the overall supply/demand balance presented in Section 7 of this report also informs recommendations for the additional amount of land and floorspace needed to meet identified needs in full and whether any of the existing employment land could potentially be removed from the supply portfolio.
- 1.5 The remainder of this ELR report is structured as follows:
 - **Section 2 - Policy context:** This section provides an overview of the local and national policy context, including the existing evidence base relating to employment land need and supply.
 - **Section 3 - Recent pattern of employment land supply and loss:** This section analyses the recent trends concerning the supply and loss of employment land. It considers recent data and trends related to the completion, loss and granting of planning permission for employment land, highlighting any fluctuations, gains, or losses in the available land for employment purposes.
 - **Section 4 - Stakeholder engagement:** This section summarises the key findings from engagement with stakeholders such as local commercial agents, universities, and the Council.
 - **Section 5 - Regulation 18 consultation responses summary:** This section provides a summary of responses received during the Regulation 18 consultation in relation to employment policies, employment land supply and potential allocation sites.
 - **Section 6 - Site assessments:** This section outlines the methodology used for assessing existing employment sites, analysing their quality, performance (including

vacancy rates), potential for future (re)development, and alignment with employment land needs. It also summarises the recommendations on which employment sites are best performing.

- **Section 7 - Employment land supply and demand analysis:** This section analyses the current supply and projected demand for employment land within Coventry. It evaluates available land against the needs identified in the HEDNA (2022), considering the projections highlighted in earlier sections and potentially identifying any gaps or areas of surplus in employment land supply.
- **Section 8 - Conclusions and policy recommendations:** This final section synthesises the key findings from the ELR, presenting conclusions drawn from the data and analyses presented throughout the report. Additionally, it provides policy recommendations based on the findings, to help inform future Local Plan policies related to employment land and economic development within Coventry.

2.0 POLICY CONTEXT

2.1 This section provides an overview of the national and local policy context, including the existing evidence base relating to employment land need and supply.

a) National Policy Context

2.2 In terms of the national policy context, the National Planning Policy Framework (NPPF, 2023) sets out that planning policies and decisions should support economic growth and productivity by setting out a clear strategy for sustainable growth that supports local business needs (paragraphs 85 to 87).

2.3 Paragraph 86(b) in particular states that policies should set criteria or identify strategic sites for investment to match the strategy and meet anticipated needs over the plan period. Paragraph 86(d) highlights the need for plans to be flexible enough to accommodate needs not anticipated in the plan, allow for new and flexible working practices, and enable a rapid response to economic circumstances.

2.4 NPPF paragraphs 119 and 120(c) promote the effective use of land, and states that policies should give substantial weight to the value of using suitable brownfield land for identified needs and support appropriate opportunities to remediate despoiled, degraded, derelict, contaminated or unstable land. It is, therefore, important that the Local Plan identifies suitable and deliverable employment land to meet as much of the city's needs as possible throughout the plan period.

2.5 Paragraph 125 of the NPPF states that local planning authorities should take a proactive role in identifying and helping bring forward land that may be suitable for meeting development needs. Paragraph 126 states that planning policies should reflect changes in the demand for land, and that they should be informed by regular reviews of land allocations and availability. Paragraph 127 also states that planning authorities should take a positive approach to applications for alternative uses of land which is currently developed but not allocated for a specific purpose, where this would help to meet identified development needs. This includes supporting proposals to use employment land for homes in areas of high housing demand, provided this would not undermine key economic sectors or sites.

2.6 In respect of guidance on undertaking reviews of existing employment land, there is relatively little set out in the National Planning Practice Guidance (PPG). However, in respect of undertaking employment land availability assessments, the PPG sets out a recommended approach in paragraphs 001 (ref. 3-001-20190722) to 022 (ref. 3-022-20190722). PPG recommends that plan-makers “*assess a range of different site sizes from small-scale sites to opportunities for large-scale developments*”, including “*economic development on sites of 0.25 hectares (or 500 square metres of floor space) and above*” (PPG paragraph 009, Reference ID: 3-009-20190722). The PPG also sets out factors that should be considered when assessing the suitability, availability and achievability of sites for development for housing, economic and other uses (PPG paragraphs 018, 019 and 020). These factors formed the basis of the site assessments undertaken in this ELR (see Section 6 of this report) in order to form a robust evidence-based document that conforms to national policy and guidance.

2.7 In undertaking this ELR, it has also been necessary to take account the new Town and Country Planning (Use Classes) (Amendment) (England) Regulations 2020 in which the previously defined B1 uses (offices, research and development, light industrial processes) are now largely subsumed within the new Use Class E (commercial, business and service). Industrial uses (Class B2) and storage and distribution (Class B8) remain largely unaltered, with the exception of B2 industrial uses that can be carried out in a residential area without detriment to the amenity of that area, which now also fall within the new Class E(g). The

recommendations set out in this ELR on the suitability of sites for employment uses are based on this amended Use Classes Order.

b) Local Policy Context

2.8 Prior to this study, the Council's most recent assessment of employment land was the Employment Land Study published in 2015, which considered the wider Coventry economy and the associated factors which impact upon it. This was accompanied by an in-house study of existing employment sites, also completed in 2015. This evidence was used to inform the current Local Plan and City Centre Action Plan which were adopted in 2017.

2.9 In order to inform the current review of the Coventry Local Plan a number of updated assessments on employment land needs have been prepared, including the Housing and Economic Development Needs Assessment (HEDNA, 2022) and the Housing and Economic Land Availability Assessment (HELAA, 2023).

2.10 The key policies and findings from these local policy and evidence base documents are summarised below.

i) Coventry Local Plan (2011-2031)

2.11 Coventry City Council's current Local Plan was adopted in 2017 and demonstrates a proactive approach to meeting the economic demands within the region. It outlines several key policies to foster sustainable economic growth and address employment land requirements, as summarised below.

Policy DS4: Responsive Development

2.12 Policy DS4 underscores the importance of aligning employment and commercial proposals with market demands. It emphasises the need to maximise opportunities in designated centres, catering to various business and customer needs. This policy aims to ensure that proposed developments are responsive to market dynamics.

Policy JE1: Driving Economic Expansion

2.13 Policy JE1 focuses on collaborating with stakeholders to support sustainable economic growth and job creation. It promotes diversification of the economic base by nurturing growth sectors and fostering innovation. Accessibility to job opportunities for all residents and various employment sites is a key goal.

Policy JE2: Strategic Allocations

2.14 Policy JE2 allocates specific sites for employment development, comprising 107 ha of land. These allocations help to target areas for growth and expansion strategically. The allocations, including Friargate and Lyons Park, align with the city's growth agenda and support the CWLEP's Employment Land Use Study.

Policy JE3: Safeguarding Employment Sites

2.15 Policy JE3 safeguards existing employment sites from non-employment uses unless exceptional circumstances exist. It sets stringent criteria to protect the viability and importance of employment land, ensuring that redevelopment proposals align with the plan's long-term economic objectives. Such existing employment sites are not currently identified on the adopted Local Plan Policies Map, which only identifies employment land allocations. There may be a question over the extent to which this policy complies with NPPF paragraph 126, as it is currently not clear which are key employment sites.

2.16 Appendix 2 of the Local Plan specifies marketing tools that should be used by applicants applying for a change of use from employment to an alternative use. These tools should be used to demonstrate the level of market interest or employment demand in the application site or premises. Should these tools fail to identify potential purchasers or occupiers then it

may be considered that there is a lack of employment demand.

Policies JE4 & JE5: Strategic Development

- 2.17 These policies designate preferred locations for office, research, development, and industrial expansions. Emphasising Coventry City Centre as a key location for office development and strategic sites for industrial growth, these policies aim to foster sustainable development, accessibility, and compatibility with broader planning objectives.

Policy JE7: Inclusivity and Accessibility

- 2.18 Policy JE7 prioritises accessibility and inclusivity by making job opportunities accessible to all residents, especially in priority groups. It highlights the importance of enhanced accessibility through integrated transport networks and provisions for inclusive employment opportunities.

ii) City Centre Action Plan (2017)

- 2.19 The City Centre Action Plan (2017) relates to development within the City Centre of Coventry. Several policies relate to employment land development within Coventry, including those summarised below.

Policy CC1: City Centre Development Strategy

- 2.20 This policy supports the comprehensive development and regeneration of Coventry City Centre. It emphasises the city's role as a national and international hub for living, working, and leisure. Notably, it prioritises high-quality office spaces and aims to establish the City Centre as an educational hub, catering to diverse residential needs while preserving its historical and architectural essence.

Policy CC12: Business Area Development

- 2.21 This policy emphasises Coventry's Business Area as a pivotal location for employment generation, stating, "*The business area will be the primary location within the city centre for new office development*".

Policy CC23: Technology Park Area - Parkside

- 2.22 Regarding the Parkside Area, the plan highlights its role in fostering hi-tech industries and research, stating, "*Development proposals within the Parkside area should support the hi-tech character that has been developed within this part of the city centre*". This corresponds with the Action Plan's objective of accommodating high-tech industries and R&D activities within designated zones to support innovation and technological advancements in the local economy.

Policy CC25: Regeneration Areas

- 2.23 The plan encourages comprehensive redevelopment in specific areas, stating, "*Proposals for comprehensive redevelopment within the Bishop Street and Fairfax Street regeneration areas for a mix of uses including a significant proportion of residential development will be encouraged and supported*". This implies the potential for employment opportunities within mixed-use developments, aligning with the Action Plan's approach to creating versatile spaces that accommodate diverse uses while ensuring employment growth within regenerated zones.

iii) Coventry & Warwickshire Housing and Economic Development Needs Assessment (HEDNA) (November 2022)

- 2.24 The Coventry & Warwickshire HEDNA (2022) analyses the current need for employment land across the Coventry and Warwickshire Functional Economic Market Area (FEMA).

- 2.25 The study highlights Coventry as the key contributor to the sub-region's economy, boasting

a £26 billion economy and contributing significantly to the West Midlands Gross Value Added (GVA). Notably, Coventry's recent economic performance has slightly outpaced regional and national trends, signifying its robustness in the face of economic shifts.

- 2.26 The most dominant employment sectors in Coventry are identified as: Manufacturing (10.6%), Health and Care (12.1%), and Education (13.1%). This diversity in economic sectors underscores the importance of adapting and addressing the varied needs within Coventry's dynamic employment market.
- 2.27 According to the HEDNA (2022), Coventry contains 39% of the study area's office stock, totalling 477,000 square metres, reflecting its position as a key commercial centre in the FEMA. Between 2011 and 2019 there was an increase of 26,700 jobs in Coventry.
- 2.28 An exploration into Coventry's commercial markets reveals intriguing dynamics. Variances in vacancy rates and rental prices within the Coventry administrative area indicate a complex and changing landscape within the commercial market.
- 2.29 Between 2019 and 2021, Coventry Central experienced a rise in its vacancy rate from 5.40% to 6.10%, while Coventry Fringe saw a more substantial change, increasing from 1.70% to 6.10%. In terms of rental prices per square foot, Coventry Central witnessed an increase from £11.75 to £15.72, whereas Coventry Fringe showed a slight uptick from £15.84 to £16.26.
- 2.30 Coventry provides the largest industrial stock of all the FEMA authorities with 29% of the total. North Warwickshire follows closely with over 20% of the total industrial stock. Coventry's strategic location and good connections to existing infrastructure, especially for logistics and B8 uses, explain why it is a key player in providing industrial facilities for the FEMA.
- 2.31 The forecasted demand for employment land is significant, with the HEDNA (2022) indicating a need for the period 2021-2041 across the FEMA of 659.6 hectares, comprising 37.7 hectares for offices and 621.9 hectares for general industrial use, plus an additional 551 hectares for strategic B8. Looking ahead to the period 2021-2050, the total demand across the FEMA increases to 951.3 hectares, comprising 49.4 hectares for offices and 901.8 hectares for general industrial use, and an additional 735 hectares for strategic B8. This forecast underscores the critical need for forward-thinking strategies and allocations to accommodate the region's growing economic requirements.
- 2.32 The HEDNA recommends that the needs for strategic B8 are addressed at a sub-regional level through collaboration between the local authorities.
- 2.33 For Coventry, more specifically, the employment land need specified for the period 2021-2041 is 156.1 hectares, comprising 8.5 hectares for offices and 147.6 hectares for general industrial use. Looking ahead to the period 2021-2050, the total employment land need for Coventry increases to 224.0 hectares, comprising 10.0 hectares for offices and 214.0 hectares for general industrial use. These need figures are derived from gross completions trends incorporating a margin for flexibility.
- 2.34 The HEDNA recommends aligning future office requirements with labour demand models, rather than past completions trends which have shown quite significant historic losses. The HEDNA concludes that there is likely to be future demand for office floorspace from growing sectors and new office floorspace in Coventry City Centre (such as the Friargate development) has driven up the gross completions trend in recent years.
- 2.35 The HEDNA does however highlight a level of uncertainty around future levels of occupancy and utilisation of offices post pandemic. It is recommended that the authority plans for modelled needs, but that a lower rate of need which reduces future office needs by around 30% may be appropriate (paragraph 11.4). This recommendation is based on a sensitivity

model that assumes a long-term permanent increase in homeworking trends, as shown in Table 9.6 of the HEDNA, and would reduce labour demand needs for offices in Coventry from 58,300 sqm to 40,800 sqm for the period 2021 to 2041. The Coventry Office Market Study Addendum, which accompanies this Employment Land Review, considers these recommendations and the ongoing impacts of homeworking on Coventry's future office floorspace needs in more detail.

iv) Coventry Housing and Economic Land Availability Assessment (HELAA) (2023)

- 2.36 The Coventry HELAA (2023) provides a technical assessment which seeks to identify land which is suitable, available and achievable for housing and economic development over the plan period.
- 2.37 Following the initial site identification, the sites were assessed to identify their development potential including their suitability, availability, achievability, and timescales and rate of development.
- 2.38 Of the shortlisted sites, two have been identified as suitable for employment generating uses. Both are in existing industrial/commercial use and subject to further development would potentially generate 4.1ha of industrial and 3.5ha of warehousing/distribution space in relation to employment land supply. The details of these two sites are summarised below.

Central City Industrial Estate, Red Lane, Coventry, CV6 5RY

- Size: 7.03 Ha
- Constraints: Canal Conservation Area (Part of site only), high risk of land contamination due to former usage, no gas connection on site, Flood Zone 1
- Availability: 6 – 10 years
- Narrative: Former ordnance works; an employment-generating use would be preferable. The capacity suggested is roughly 6000sqm of Industrial space and 5000sqm of warehousing/distribution.

Austin Drive, Coventry, CV6 7NS

- Size: 1.21 Ha
- Constraints: None, no gas connection on site, Flood Zone 1
- Availability: 1 – 5 Years
- Narrative: Former Park and Ride, now used as commercial bin storage; suitable for employment-generating use due to surrounding constraints and adjacent uses. The capacity suggested is roughly 6000sqm of Industrial space and 5000sqm of warehousing/distribution

- 2.39 The HELAA provides an updated position on the Local Plan (2017) employment allocations, which identifies 58.48 ha of allocated employment land without planning permission and 2.08 ha non-allocated employment sites in the supply pipeline (as at 31st March 2023). Once losses have been accounted for, the employment land supply pipeline as of March 2023 was identified as 60.35 ha. An updated assessment of the employment supply pipeline is included in Section 7 of this ELR report.
- 2.40 It is noted that the HELAA erroneously notes an over-supply of B1, B2 and B8 uses in Table 6 by referring to the HEDNA net labour demand needs figures. The recommended employment land needs set out in the HEDNA are those contained in Table 11.2, which reflect labour demand modelling for office needs; gross completions trends for industrial and warehousing; and incorporate a margin for flexibility.
- 2.41 The updated supply/demand calculation contained in Section 7 of this ELR report is based on the recommended employment land needs figures contained in Table 11.2 of the HEDNA,

and hence are different from those quoted in the HELAA (2023).

v) Coventry Economic Development Strategy (2022)

2.42 Coventry City Council adopted an Economic Development Strategy (2022) which sets out the following key economic development objectives that have been taken into consideration when assessing sites as part of this ELR:

- Focus on Advanced Manufacturing & Engineering: Emphasis on B2 floorspace and modern facilities to accommodate these sectors' requirements. Demand for skilled labour force within this sector.
- Promoting a Green City: Prioritising industrial innovation for sustainability through Investment in sustainable transport to foster environmental consciousness.
- Cultural City with Expanded Creative & Tourism Sectors: Creative industries likely to require E(g) floorspace.
- Commitment to expanding creative and tourism sectors for cultural growth.
- High Employment Levels & Quality Jobs: Strong focus on creating employment opportunities with quality jobs.
- Opportunities for All through Education & Skills Ecosystems: Strengthening universities and education institutions to create opportunities for everyone.
- Addressing Inequalities: Aim to reduce health, economic, and social inequalities across the city.

vi) Coventry Local Plan Review Regulation 18 Consultation

2.43 The Local Plan Review Regulation 18 consultation took place between July 2023 and September 2023. This consultation set out a series of recommendations for enhancing the effectiveness of existing Local Plan policies, as summarised below. A detailed review of the responses to this Regulation 18 consultation is contained in Section 5 of this ELR report.

2.44 In respect of Policy JE1, which addresses the Overall Economy and Employment Strategy, the Council suggests minor updates, such as referencing the West Midlands Combined Authority and replacing mentions of the Ricoh Arena. The aim is to strengthen the policy in alignment with the One Coventry Plan and the emerging climate change strategy.

2.45 Policy JE2, focusing on the Provision of Employment Land and Premises, is under consideration for an update to mirror the current status of employment allocations. Policy options include determining an appropriate strategic need, evaluating available employment land, and potential adjustments based on assessments from the Housing and Economic Development Need Assessment (HEDNA).

2.46 The proposed changes to Policy JE3, which deals with Non-Employment Uses on Employment Land, include considerations for refining the definition of 'employment land' and expanding the policy to accommodate diverse uses. There is also a proposal to modify Part 1(a) by removing the requirement for unsuccessful marketing if a site is deemed unsuitable for employment use.

2.47 Policy JE4, addressing the Location of Office Development, is being reviewed to align with revised overall growth needs. Proposed changes include adjustments to use class references, removal of permitted development rights for major office developments, and considerations for sustainable transport.

2.48 The Council is also exploring the possibility of separating policies for Research and Development from Industrial, Storage, and Distribution in Policy JE5. The Regulation 18 consultation also sought input on the current policy's relevance and the unique needs of the Research and Development sector.

- 2.49 In Policy JE6, which focuses on Tourist/Visitor-Related Development, the consultation included a proposal to strengthen the policy by aligning it with the National Planning Policy Framework (NPPF) and treating tourism as a 'main town centre use'.
- 2.50 In Policy JE7, which addresses Accessibility to Employment Opportunities, the Council acknowledges the policy's relevance but there is a suggestion to update references to the Community Infrastructure Levy (CIL) with 'developer contributions' for resilience to potential future changes.

3.0 EMPLOYMENT LAND BASELINE

3.1 This section analyses the recent trends in Coventry's employment land supply, using data from the Council's Annual Monitoring Reports (AMR), Valuation Office Agency (VOA), existing Housing and Economic Development Needs Assessment (HEDNA), and a desk-based vacancy search conducted by DLP.

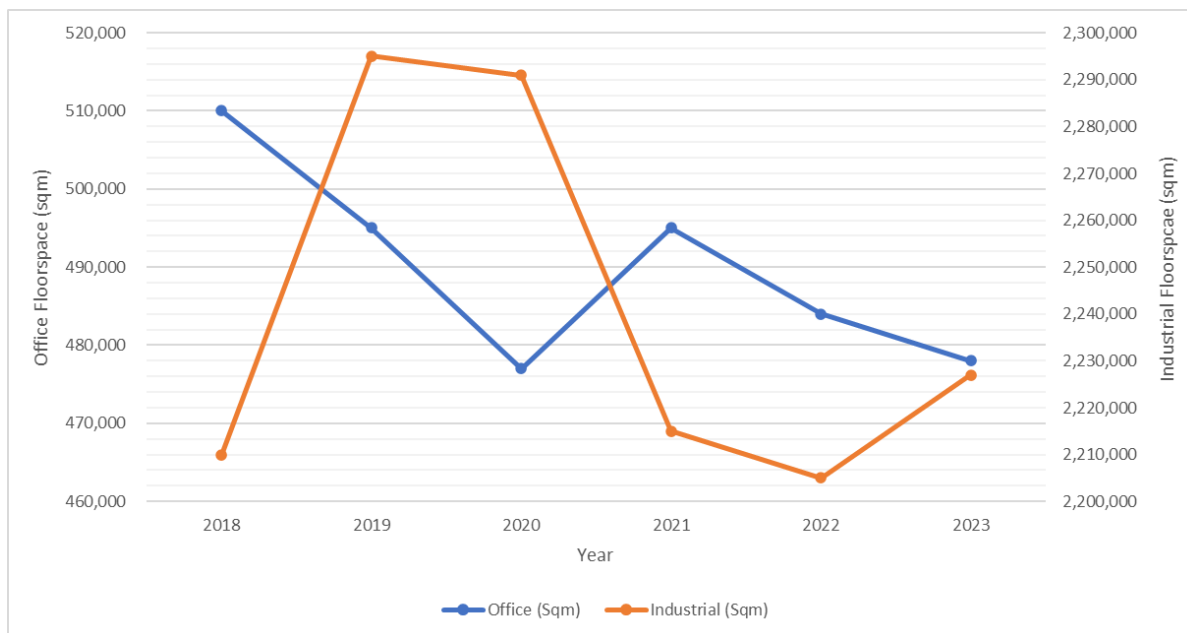
a) Total Employment Floorspace

3.2 Over the past five years, Coventry has undergone changes in both office and industrial floor space. According to the most recent VOA data (2023) the current amount of industrial floorspace in Coventry is 2,227,000 sqm and office floorspace is 478,000 sqm.

3.3 The most significant change is the decrease in office floorspace, which has reduced by 6.27% since 2018. Figure 1 shows this decline has been a relatively consistent trend, interrupted only by an unusual anomaly in 2020-2021 when there was an unexpected increase of 18,000 sqm.

3.4 Conversely, the availability of industrial floorspace within Coventry has experienced a more modest change, with a marginal increase of 0.77% over the same period. The peak within this five-year span occurred in 2019, where the total industrial floorspace reached 2,291,000 sqm. Since then, there has been a stabilisation in industrial floor space, potentially indicating redevelopment or demolition activities in specific areas. This modest overall increase reflects the nuanced and dynamic nature of Coventry's commercial property market, with shifting demands and influences shaping the spatial and economic dynamics of the city.

Figure 1 Change in Employment Floorspace in Coventry (2018-2023)



Source: VOA Floorspace data (2023)

Table 1 Change in Office and Industrial Floorspace (2018-2023)

	Office (Sqm)	Industrial (Sqm)
Change (2018 – 2023)	-32,000	17,000
Percentage Change	-6.27%	0.77%

Source: VOA floorspace data (2023)

b) Vacancy Rates

3.5 Analysis of current employment floorspace vacancy rates in Coventry, based on the latest VOA data and a DLP search of Prime Location and Sqwyre.com (online property search engines) reveals a contrast between industrial and office units. Office units generally report a higher vacancy rate compared to industrial units, as shown in Table 2. The vacancy rate for industrial floorspace is currently 3.17% of total stock, whereas the office sector experiences a vacancy rate of 7.63%. The total count of vacant office units is 129, which is more than double the count of vacant industrial units (64).

Table 2 Vacancy Rate (%) for Office and Industrial Floorspace

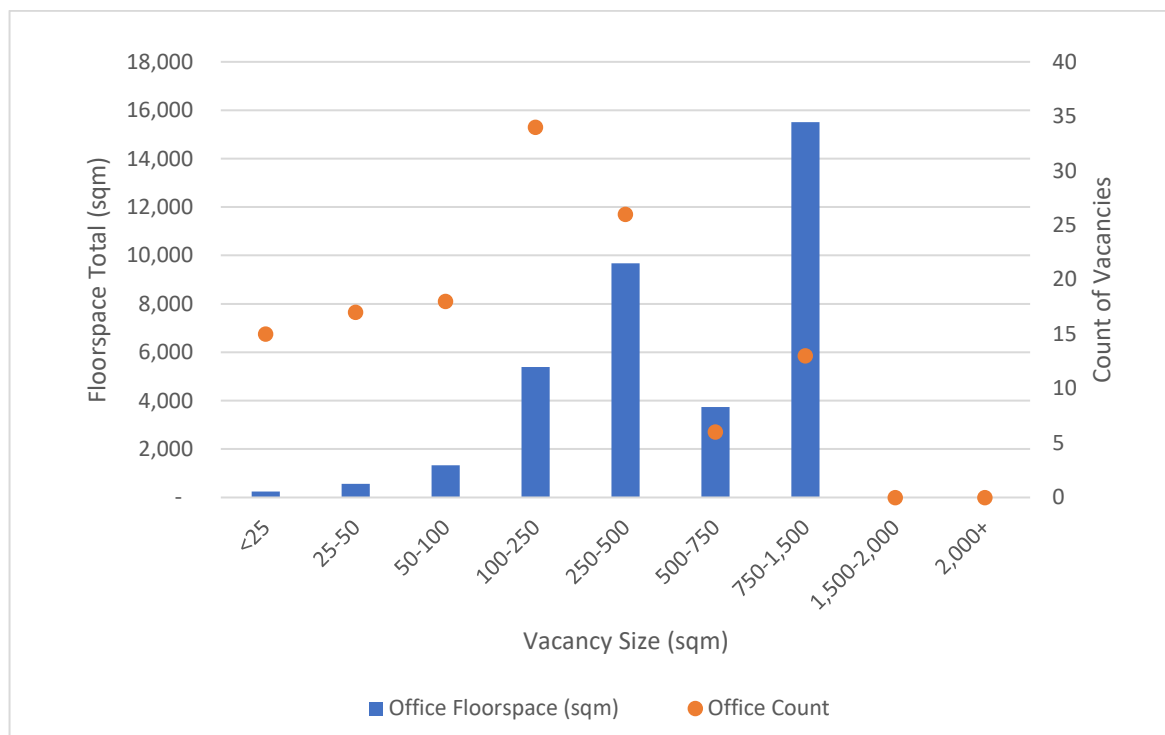
Offices		Industrial	
Total Office Vacancies (sqm)	36,454	Total Industrial Vacancies (sqm)	70,623
Total Stock (sqm)	478,000	Total Stock (sqm)	2,227,000
Vacancy Rate	7.63%	Vacancy Rate	3.17%

Source: VOA floorspace data (2023) and Prime Location/Sqwyre (January 2024)

3.6 The office vacancy rate remains at a level deemed healthy. According to Planning Advisory Service guidelines¹, a healthy vacancy level is considered to be 7.5%. Whereas for industrial floorspace, the vacancy rate is 4.33% below what is considered a healthy vacancy rate. This significant difference in vacancy rates based on floorspace implies a greater demand and a more constrained market for industrial units in Coventry. Based on current figures, an additional 96,000 sqm vacant industrial floorspace would be required to provide a 'healthy' vacancy rate and allow churn and flexibility in the market.

¹ Planning Advisory Service, Housing & Economic Development Needs Assessment Technical Advice Note Volume 3 Economic Development, April 2016

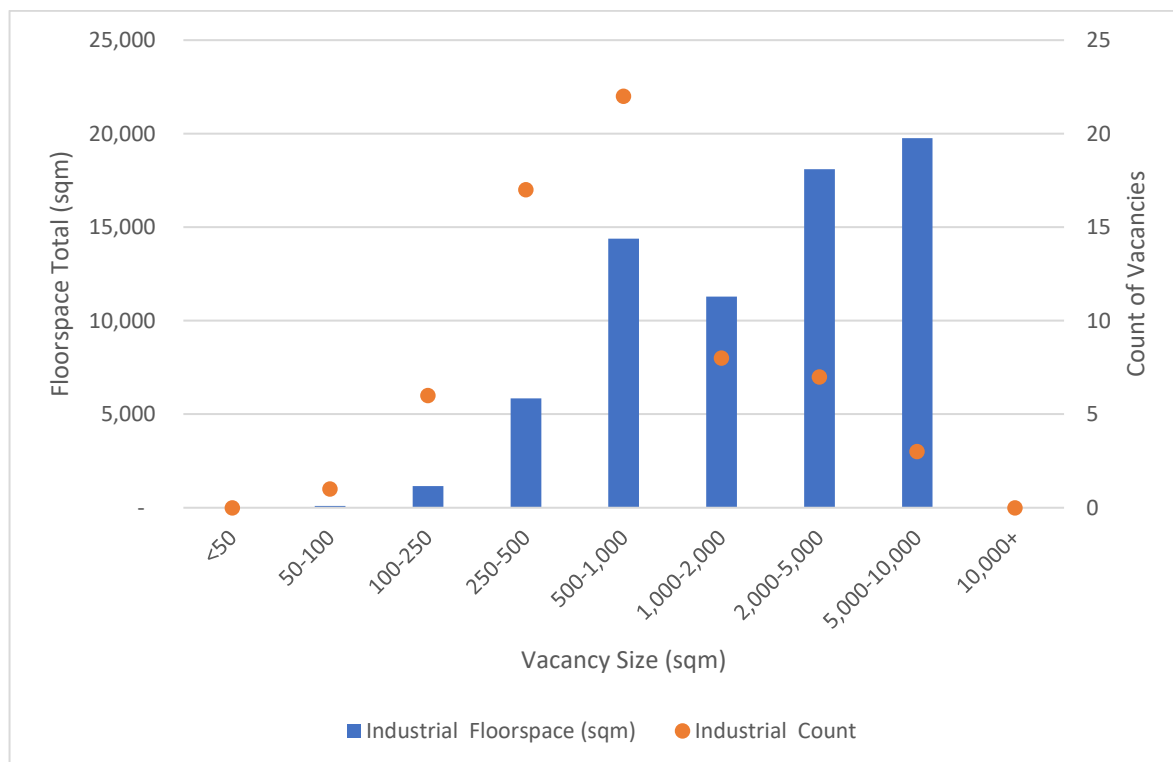
Figure 2 Office Vacancies in Coventry



Source: VOA floorspace data (2023) and Prime Location/Sqwyre (January 2024)

- 3.7 Figure 2 above shows the total amount of vacant office floorspace and number of vacant office units across different unit sizes in Coventry. Approximately 43% of the vacant office floorspace in Coventry falls within the 750-1,500 sqm unit size category.
- 3.8 The highest count of vacant units is in the 100-250 sqm category, constituting 26% of the total. The 250-500 sqm category also shows a substantial vacancy rate of 20%. There is a relatively low vacancy rate in the 500-750 sqm category (5%), suggesting a potentially high demand for offices within this size range.
- 3.9 Smaller units (<25 sqm) represent the third-lowest number of vacant units, at just 12% of total vacant units, which may be reflective of the growing demands on space to accommodate small businesses. This observation opens possibilities for adapting to changing working patterns, where offering smaller, flexible office spaces within larger vacant units could address emerging needs in the post-pandemic era. The need and demand for office floorspace in Coventry is assessed in further detail in the Coventry Office Market Study which accompanies this Employment Land Review.

Figure 3 Industrial Vacancies in Coventry



Source: VOA floorspace data (2023) and Prime Location/Sqwyre (January 2024)

3.10 Figure 3 shows the range of industrial vacancies in Coventry, offering insights into both floorspace and the count of vacant units. The data is organised into size categories, measured in square metres.

3.11 In terms of vacant floorspace distribution, the highest amount falls within the 5,000-10,000 sqm range, accounting for 28% of the total industrial floorspace in Coventry. However, this represents just three of a total 64 vacant industrial units.

3.12 The category with the largest number of vacant units is 500-1000 sqm. This accounts for 34% of all vacant units identified. The 50-100 sqm unit category represents just 2% of the total number of vacant industrial units.

c) Employment Floorspace Completions and Losses

3.13 The HEDNA (2022) analysed employment floorspace completions data provided directly or through the Council’s Annual Monitoring Reports (AMRs). This identifies total employment floorspace completions in Coventry between 2011/12 and 2019/20 of 91.3 ha, or an average of 10.1 ha per year.

3.14 Table 3 below sets out the latest employment floorspace losses and completions data derived from the Council’s monitoring data. This shows annual average gross employment floorspace completions of 25,909 sqm over the 12 year period between 2011/12 and 2022/23, which is equivalent to around 5.7 ha per year². The average annual losses over this period were 6,312 sqm, primarily in the B8 sector followed by B1/E(g). The resultant average annual net completions (taking account of losses) over this period was 19,598 sqm.

² Based on applying plot ratios of 0.5 for B1/E(g)/B2 floorspace and 0.4 for B8 floorspace.

Table 3 Employment Floorspace Losses and Net Completion Trends (2011/12 – 2022/23)

Losses (sqm)

	B1/E(g)	B2	B8	Total
Total Losses 2011/12 - 2022/23	30,004	10,078	35,658	75,740
Average annual losses (12 years)	2,500	840	2,972	6,312

Gross completions (sqm)

	B1/E(g)	B2	B8	Total
Total gross completions 2011/12 - 2022/23	120,060	74,218	116,633	310,911
Average annual gross completions (12 years)	10,005	6,185	9,719	25,909

Net completions (sqm)

	B1/E(g)	B2	B8	Total
Total net completions 2011/12 - 2022/23	90,056	64,140	80,975	235,171
Average annual net completions (12 years)	7,505	5,345	6,748	19,598

4.0 STAKEHOLDER ENGAGEMENT

4.1 The stakeholder engagement process was a key part of preparing this ELR. The intention was to gain a comprehensive understanding of the current employment land market in Coventry. The key stakeholders who were invited to participate their views to this study included the following:

4.2 Coventry & Warwickshire Chamber of Commerce

- Coventry & Warwickshire Growth Hub
- Coventry City Council Economic Development Service
- Federation of Small Businesses
- Local commercial property agents, including agents for strategic employment sites
- Coventry University
- University of Warwick

4.3 The stakeholder engagement process involved a series of virtual workshops and meetings with representatives from the invited organisations. The discussion topics covered in these sessions broadly covered the following:

- Current economic conditions and market performance in Coventry.
- Operational market areas, including supply chain networks and target customer markets.
- Identification of growth sectors and potential expansion opportunities.
- Barriers that businesses encounter in their operations and growth plans.
- Insights into workforce availability and the required skills for different employment sites.
- Assessment of existing infrastructure and its suitability for business operations.
- Future prospects and potential risks in the employment land sector in Coventry.

4.4 Table 4 below summarises the key findings from the meetings with stakeholders.

Table 4 Stakeholder Response Summary

Theme	Stakeholder Response Summary
Recent Performance in Commercial Property Market	<p>The commercial property market in Coventry has shown growth in various sectors in recent years, particularly in warehousing and distribution.</p> <p>Stakeholders noted industrial rents have nearly doubled over the last 8-10 years, driven by significant logistics developments including warehouses of 100,000 sqft (9,200 sqm) and more. However, the office sector is facing challenges, with limited demand and increased build costs affecting the uptake of office space, especially in new schemes such as the Friargate development.</p> <p>Local property developers highlighted the shortage of good quality industrial space, particularly “mid-box” units, due to the limited availability of land within Coventry’s local authority area boundaries. Land constraints in Coventry have led to commercial property developers exploring opportunities in</p>

Theme	Stakeholder Response Summary
	<p>neighbouring areas in Warwickshire such as, Nuneaton and Bedworth.</p> <p>Demand for small industrial units, especially in Coventry, is high, resulting in increased rents in this sector of the market. The lack of available land and lack of clarity from planning policies in regard to the use class allocation have contributed to a space shortage and increased market prices. This means the employment land is often used by Class B8 instead of Class B2 and Class E.</p>
<p>Types and size of premises most in demand by businesses by sector / location</p>	<p>The demand for industrial spaces, especially smaller units ranging from 20,000 to 40,000sqft (1850 to 3710 sqm), is prevalent. There is a need for "grow on" space to facilitate the expansion of small-medium sized businesses from 5,000 to 10,000sqft (460 to 930 sqm).</p> <p>Larger distribution companies (such as Amazon) are acquiring freeholds of larger B8 units, due to the centralised location of Coventry on the strategic motorway network. This poses challenges for local companies who need more space.</p> <p>Warwick University's demand for innovation space and the growth of high-tech sectors (south west of the City Centre) aligns with the need for flexible, high-quality offices with good sustainability credentials. The consensus amongst stakeholders was that demand for flexible office space has become more prevalent due to the long-lasting impacts of the COVID-19 pandemic.</p> <p>The commercial property market indicates a preference for smaller, affordable, and well-located units, emphasising the importance of addressing the affordability issue for small businesses to retain them in Coventry.</p>
<p>Performance of employment land based on sector / location</p>	<p>There is growth in the warehousing and logistics sector on the outskirts of the city due to the connectivity to existing motorways and infrastructure.</p> <p>The office sector is experiencing slower take-up, as evidenced by the delay of new development schemes like Friargate in the City Centre.</p> <p>The focus on sustainability credentials is more pronounced for larger companies. This is particularly in light of the introduction of the Minimum Energy Efficiency Standards (MEES), which will require a minimum EPC rating of B by 2030 and an interim target of C by 2027. Whereas smaller businesses tend to prioritise affordability and flexibility in leases.</p> <p>The development of Coventry University's Technology Park, located just south of the City Centre (to the south of the A4053) and the growth of the advanced manufacturing and high-tech sectors highlight future opportunities for employment land use.</p>

Theme	Stakeholder Response Summary
	<p>However, barriers such as Biodiversity Net Gain and remediation challenges associated with redeveloping existing brownfield sites for industrial use need to be addressed.</p>
<p>Gaps in provision of suitable premises</p>	<p>Affordability remains a significant issue, particularly for small businesses within Coventry. The market demands more flexible leases, with 5 years considered too long for new startups.</p> <p>Lack of availability of small-scale units is also an issue, particularly those below 930 sqm.</p> <p>Parking is identified as beneficial but may not be a deciding factor for businesses if premises are in close proximity to efficient public transport networks.</p> <p>There has been a noticeable loss of existing employment floorspace to residential uses, such as within the City Centre South development, which raises questions about the balance between residential and employment land use on development sites.</p> <p>The need for suitable premises for the creative sector, short-term leases, and flexible spaces for startups underscores the evolving demands of businesses in Coventry.</p>
<p>Site specific demands and locations</p>	<p>Key locations and estates in demand include the proposed investment zone around Coventry Airport, Friargate for service industry activity and the Holbrook Site. The Holbrook site, north of the City Centre, was seen as beneficial given its connectivity to road networks such as the A444 and M6. The availability of mixed sized units was also seen as an attractive feature.</p> <p>Employment sites at the fringes of the city, such as Ansty Park, SegroPark, and Lyons Park, show growing demand, particularly in the manufacturing and technology sectors.</p> <p>Infrastructure and access are identified as factors affecting the vitality of employment site locations. Some development sites, like Friargate, are taking longer to deliver than expected, impacting the availability of high quality (Grade A) office space. The quality of the product is critical to the performance of certain existing commercial estates, and attention to sustainability credentials is noted.</p>
<p>Stock and availability of sites</p>	<p>The shortage of employment floorspace across the Coventry commercial property market is evident, with smaller sites built in the 1980s needing investment and higher levels of vacancy on these sites. Developers are tending to build speculatively outside Coventry due to the lack of availability of suitable, available sites within the city.</p>

Theme	Stakeholder Response Summary
	<p>The erosion of existing employment stock, including those being converted into residential use, poses a challenge that is not being adequately addressed by new supply.</p> <p>The existing employment stock in Coventry is perceived to be of lower quality, leading developers to show clients sites in nearby authorities, such as Warwick that offer better quality premises. The lack of availability and degradation of stock over time is raising concerns about the future supply of suitable premises. Sites are left to go into disrepair, as is evident from the lack of investment in the Bestway Distribution site, for example.</p>
<p>Potential barriers / threats for business growth in Coventry</p>	<p>Barriers to redeveloping existing industrial sites include the cost of redevelopment, fragmented ownership and funding challenges. Biodiversity Net Gain and remediation issues also pose significant challenges for brownfield employment sites.</p> <p>Short leases on freehold properties (particularly those that are Council-owned, such as on Torrington Avenue) and institutional acceptability (particularly the slow process of planning) are identified as barriers to redevelopment and enhancement of existing sites.</p> <p>Issues related to the availability of power supply, particularly in locations like Ansty Park, and the need for financial incentives to unlock the redevelopment of sites, highlight the complex nature of overcoming barriers to business growth.</p>
<p>Future demand</p>	<p>Future trends and prospects for employment growth in the commercial property market in Coventry hinge on addressing the challenges noted above and seizing opportunities for enabling new development and improving existing stock.</p> <p>While demand for logistics is expected to persist region-wide, in Coventry there is a particular need for a mix of industrial unit sizes, especially small-medium sized units to provide ‘grow on’ space for SMEs. Foreign Direct Investment (FDI) in Coventry is notable, but global economic slowdown threats may impact the future occupation of sites by international manufacturing companies.</p> <p>The lack of larger-scale units, especially mid-sized units, is a recurring theme, with demand significantly outstripping supply. Coventry’s potential to attract new businesses and allow expansion of existing businesses is threatened by land constraints, suggesting the importance of cross-boundary working and exploring opportunities beyond Coventry’s boundaries, including joint working with neighbouring Warwickshire authorities.</p>
<p>University Impact on Future Growth</p>	<p>Both Coventry University and Warwick University play a key role in driving research and development, innovation, and</p>

Theme	Stakeholder Response Summary
	<p>collaboration with businesses. Coventry University's commitment to an innovation campus (south of the City Centre), though constrained by highway capacity, provides a significant opportunity for future growth. The collaboration with Jaguar Land Rover, Lotus, Tata, and other partners showcases the potential for the university-led development to contribute to the local economy.</p> <p>However, there are challenges related to the availability of land on both universities' existing campuses, and there is a need to explore extensions beyond current boundaries to meet the Universities' future employment growth needs.</p> <p>Coventry City Council and Warwick District Council are preparing a University of Warwick draft Campus Framework Masterplan Supplementary Planning Document in conjunction with the university to help plan for the university's future growth.</p>

- 4.5 The stakeholder responses provide valuable insights into Coventry's commercial property market. Stakeholders recognised strong growth, particularly in the warehousing and distribution sector, as reflected in a surge in industrial rents over the past decade. However, it was expressed that the office market has shown comparatively limited demand, lower levels of growth and increased build costs.
- 4.6 There was consensus amongst stakeholders on the need to address affordability issues for small businesses and a high demand for smaller industrial units. High levels of demand were highlighted in key areas such as Coventry Airport's proposed investment zone, Friargate, and the Holbrook Site. Stakeholders expressed growing interest in the fringes of the city, particularly in the manufacturing and technology sectors.
- 4.7 Challenges were also highlighted, including the shortage of available floorspace, barriers to redeveloping existing sites (which is reflected in limited permissions in the current pipeline which involve redevelopment of existing sites), and the need for a mix of warehouse sizes. Stakeholders anticipated ongoing demand for logistics floorspace, coupled with the shortage of large-scale developable sites within Coventry, which highlighted the importance of collaborative, cross-boundary efforts to meet strategic B8 needs. The roles of Coventry University and Warwick University in driving innovation and collaboration were acknowledged positively despite challenges, such as limited land availability.

5.0 REGULATION 18 CONSULTATION RESPONSES SUMMARY

5.1 The Regulation 18 consultation is a crucial step in the plan-making process, conducted by Coventry City Council in compliance with the Town and Country Planning (Local Planning) (England) Regulations 2012 from 18th July to 29th September 2023. This formal consultation served as an opportunity for stakeholders to provide feedback on the emerging local plan and associated policies. This section summarises responses received during the Regulation 18 consultation period, focusing specifically on those related to employment land and needs.

a) Overall Employment Needs

5.2 Respondents have acknowledged the demand for strategic storage and distribution units while also highlighting the need identified in the HEDNA for industrial / manufacturing premises. The challenge of meeting the demand for strategic B8 units in Coventry is highlighted in relation to land availability constraints. Collaborative land allocation with neighbouring authorities is suggested as a necessary step to address this challenge.

5.3 Concerns about Table 4 in Chapter 4 of the Regulation 18 consultation document showing a slight over-supply, which the respondent argues is misleading given the under supply of offices (1.89 ha) and industrial and non-strategic floorspace (94.58 ha) identified in the HEDNA. An additional concern is raised regarding the overestimation of strategic B8 needs, as the identified 551 hectare requirement encompass both Coventry and Warwickshire, not exclusively Coventry.

5.4 The shift to remote working prompts questions about the overestimation of office space needs. In evaluating Coventry's employment land proposals, several respondents express collective concerns about clarity and the need for additional allocations, particularly to meet the strategic B8 requirements.

5.5 Collaboration with neighbouring authorities emerges as a consistent recommendation from various respondents. This collaborative approach is seen as essential to ensure effective joint working and address wider regional employment needs. Discrepancies in assessments, highlighted by respondents, particularly between the HEDNA and HELAA, underscore the necessity for reassessment post the West Midlands Regional Strategic Employment Sites Study. Overall, the responses collectively stress the significance of adopting a comprehensive and collaborative approach to effectively address both current and future employment land requirements.

b) Alternative Growth Scenario

5.6 Coventry City Council's focus on economic prosperity, job creation, and the promotion of employment opportunities is highlighted by respondents. The connection between the need to deliver housing and support local jobs is emphasised.

5.7 Reference is made to the Employment Growth Assessment (September 2023), which outlines the government's planning policy advocating for local planning policies that address barriers to investment, including housing inadequacies.

5.8 The HEDNA recommends a need for a certain amount of employment land over the 20-year plan period. Stakeholders stress the importance of appropriately distributing this land across the Coventry and Warwickshire local authorities.

5.9 The need to support sustainably located employment, accessible by walking, cycling, and public transport, is highlighted. The emphasis on linking employment to various services and infrastructure is also noted.

5.10 Concerns are raised about the existing imbalance in the workforce, with Coventry being a net importer of labour. Recommendations include planning for additional economically active residents to address this imbalance.

- 5.11 Stakeholders suggest engaging with Birmingham to determine an appropriate level of unmet needs, considering the functional economic market area and relationships between homes and jobs.
- 5.12 The HEDNA's calculation of employment land needs and job forecasts is discussed, with stakeholders suggesting adjustments and considerations based on factors such as distribution and specific evidence related to identified strategic B8 land needs.
- 5.13 Some respondents stress the importance of considering market intelligence and signals for employment needs, advocating for a comprehensive study to inform employment land planning.

c) Suggestion of a Policy defining employment

- 5.14 Several responses express support for the proposed new policy, emphasising the need to limit the conversion of employment land to other uses.
- 5.15 Concerns were raised about potential nuisance from light industrial uses in residential areas, advocating for the removal of Permitted Development rights in certain situations to safeguard industrial land. These responses also highlight the importance of a clear definition of employment for development planning and monitoring, endorsing the Employment Land Review and urging expedited results.
- 5.16 Some respondents support the policy proposal but emphasise the need for more detailed information in subsequent stages of the Local Plan Review. Others seek clarity on the locations of 'town centres' and related uses. Additionally, there are suggestions to remove a typographical error in reference to Class E Part g (i to iii).

d) Standards for new employment sites

- 5.17 One respondent highlighted that nearby employment mainly consists of warehousing, including companies like Amazon and Prologis. They expressed concerns about low-paid jobs and the unaffordability of housing for these employees.
- 5.18 Another respondent suggested mandating on-site shower facilities to encourage cycling and supporting amenities like lockers and secure, sheltered bike storage.
- 5.19 The Coventry University Group, in their representation, emphasised their Sustainability (Climate Change Commitments) Strategy and the ongoing development of a Decarbonisation Strategy. They questioned the comprehensiveness of a policy addressing Sustainable Development and its coverage of economic, environmental, and social sustainability issues, including health and wellbeing.
- 5.20 National Highways acknowledged proposed amendments to Policy JE1, aligning with the One Coventry Plan and emerging climate change strategy. They recommended strategically locating employment sites close to residential areas, ensuring accessibility by walking, cycling, and public transport, and maintaining Travel Plans to encourage sustainable travel behaviour.
- 5.21 Another respondent expressed scepticism about achieving certain proposed measures and suggested exploring geographical clustering or co-location of employment sites that share common characteristics.

e) Employment Land Supply

- 5.22 One common theme highlighted was the potential exclusion of strategic employment land needs from the draft policy. Stakeholders emphasised the importance of considering both non-strategic and strategic employment land requirements in the planning process to ensure these unmet needs are met through a comprehensive and balanced approach.
- 5.23 Three main sites were promoted as potential new employment site allocations. Though the

exact addresses of these are not clear a description for each was given:

- A site in Ansty for significant employment growth, emphasised its strategic location within Rugby Borough, close to both the urban edge of Coventry and Junction 2 of the M6. The area off Brandon Lane in Coventry sees potential to meet various employment needs and emphasises the necessity of close coordination between local authorities for the site's release.
- An organisation is promoting a large site to the north-west of Coventry for strategic employment, highlighting the need for new infrastructure, including a link road and junction on the M6.
- An organisation proposed an employment site in Rugby Borough for further investigation by the Council to meet the unmet employment needs of Coventry and the wider sub-region.

f) Specific Needs for Existing Employment

- 5.24 A respondent emphasised the need for clear parking provisions, especially for Heavy Goods Vehicles (HGVs), in light of the growing demand for strategic B8 units in the area.
- 5.25 Another respondent underscored the significance of connecting areas through sufficient public transportation. Though not directly linked to employment land, they highlighted that constraints in public transport could impact the success of employment land.

g) Policy JE1 – Overall Economy and Employment Strategy

- 5.26 Several respondents expressed support for the proposals to strengthen Policy JE1 in relation to employment land. One respondent agreed with the suggested changes, emphasising the importance of incorporating green infrastructure in development. Another individual suggested minor wording adjustments regarding the use of roof space for solar panels and highlighted the need to maintain newly created green spaces.
- 5.27 One respondent supported the review of this policy but urged caution, emphasising the necessity of considering cost impacts on local businesses before introducing new obligations related to green infrastructure. Another recommendation includes opportunities to create or enhance links to the canal network as part of the green infrastructure requirement.
- 5.28 A representative from a community association proposed a broader policy for all new developments to include self-sustainability in energy supply. Conversely, another respondent agreed with the proposals but expressed concerns about potential undue pressure on employers, suggesting a need for proportionality.
- 5.29 In contrast, an industry representative called for more ambitious policy amendments aligned with Coventry's Climate Change Strategy, specifically regarding future energy solutions. Another respondent, a major energy company, agreed with the proposed changes but suggested even more ambitious amendments to enhance alignment with Coventry's commitment to the Green Industrial Revolution.

h) Policy JE2 – Provision of Employment Land and Premises

- 5.30 There is a strong consensus on safeguarding existing employment land and premises, with concerns raised about losses over the past decade. Improved monitoring of employment land changes is advocated, emphasising coordination with neighbouring authorities.
- 5.31 There is general agreement on updating policies to reflect legislative changes. Discussions around specific redevelopment plans are noted, but these are not directly tied to the proposed changes to Policy JE2.

i) Policy JE3 – Non-Employment Uses on Employment Land

5.32 Several respondents agreed that the policy text should be amended as suggested and also recommended clarification of the definition of 'employment.' Additionally, the need for explicitness in defining 'employment land' when applying Policy JE3 was highlighted, particularly concerning specific land use classifications.

j) Policy JE4 – Location of Office Development

5.33 Respondents broadly support proposed changes to Policy JE4, emphasising the importance of sustainable transport for office locations.

5.34 Specific suggestions include clarifying town centre locations on maps and ensuring new developments align with climate goals. Concerns were raised about potential exclusion of key employment sites.

k) Policy JE5 – Location of R&D, Industrial and Storage / Distribution Development

5.35 Several respondents support the Coventry and Warwickshire HEDNA as an evidence base for identifying employment land needs, particularly for strategic B8 development. They highlight the M40 corridor as a key location for strategic distribution.

5.36 Some advocate for separate policies for research and development (R&D) and storage/distribution, citing concerns about the relevance of Policy JE5.

5.37 Several respondents stress the importance of a detailed Employment Land Review for Coventry. Other respondents also highlighted the need to consider the environmental goals.

5.38 The distinction between R&D and storage/distribution was emphasised, with a call for separate policies to address specific sector requirements on employment land. Acknowledgement of the importance of R&D, especially when linked to universities. There was a willingness expressed to share information on R&D interests, and flexibility was highlighted in repurposing or redeveloping controlled facilities.

5.39 The suggestion was made that the R&D sector requires its own policy document separate from Policy JE5. The importance of low-cost and flexible facilities for innovative research or small start-ups in green energy technologies was noted.

5.40 Support was voiced for proposed changes to Policy JE5 to clarify differences between R&D and storage/distribution. The belief is that such clarification would simplify future decision-making related to employment land. A statement was made that Policy JE5 is no longer up-to-date for practical reasons, supporting the separation of R&D as the two sectors are considered unrelated.

5.41 Encouragement was given for continued support for new R&D activity in suitable employment land locations. There was support for recognising the unique needs of R&D as a separate issue, with an example cited regarding the current policy wording's relevance.

l) Summary

5.42 Whilst recognising that the draft Regulation 18 policy proposals are in an early stage of development, some of the recurring themes and recommendations identified through the consultation signify challenges and opportunities for the Local Plan Review. Some of the comments made relate to issues that would not be addressed through employment policies (e.g. comments related to housing affordability).

5.43 Of those comments most relevant to this study, the feedback underscores a recognised demand for strategic B8 units, but raises concerns about potential oversupply. Collaborative efforts with neighbouring authorities are recommended to address land constraints within Coventry and foster effective joint working. Coventry City Council's focus on economic prosperity and job creation is praised yet concerns about workforce imbalances and the call

for collaboration with neighbouring regions, especially Birmingham, emphasise the importance of a holistic growth strategy.

- 5.44 Support for proposed policies defining and limiting conversion of employment land to other uses signifies a shared understanding of the need for clarity in development planning. However, stakeholders seek more detailed information, clarity on the Town Centre definition, and corrections for effective policy implementation.
- 5.45 The responses highlighted potential sites for new strategic employment land and concerns about their release underscore the importance of coordinated efforts between local authorities for successful development and comprehensive land use planning.
- 5.46 Clear provisions for car parking and public transport access are acknowledged as crucial aspects to support the growing demand for strategic B8 units. These needs are essential for sustaining an effective and inclusive employment land supply.
- 5.47 In terms of policy amendments (JE1 to JE5), there is a broad consensus on the importance of green infrastructure, sustainability, and safeguarding existing employment land. However, concerns about potential undue pressure and expense for employers call for a balanced approach to imposing additional policy requirements.

6.0 SITE ASSESSMENTS

- 6.1 This section outlines the approach used in reviewing the existing employment sites, based on a series of set criteria and a mixture of desk-based and physical site assessments. The primary goal is to assess existing employment land in terms of its physical, market and sustainability characteristics and to provide recommendations on whether the employment land is of sufficient quality to serve the economic needs of the city for the duration of the Local Plan.
- 6.2 77 existing employment sites were identified for assessment by Coventry City Council as part of this study. An overview map showing the geographic distribution of these is contained in **Appendix 1**. Detailed site plans for each site are contained in the individual site assessment proformas contained in **Appendix 2**. A detailed breakdown of the criteria used to assess the sites and the assessment outcomes for each site can be found in **Appendix 3**.
- 6.3 The majority of the sites are situated north of the City Centre, primarily comprising small parcels of land accommodating individual businesses. The remaining sites are dispersed sporadically throughout Coventry. A concentration of larger sites exists in the south west of Coventry and in the southern vicinity towards the airport.
- 6.4 The site assessment process involved three key stages; desk-based assessment, physical site visits, and an overall evaluation of the sites against a series of pre-defined criteria to determine if the site is considered to be well performing. The approach to each stage is set out below.

a) Desktop Assessment

- 6.5 A desk-based assessment of each site was undertaken. A set of characteristics was agreed with the Council prior to the assessment being undertaken based on a range of criteria including:
- Site size and location;
 - Site allocation status or policy reference (where relevant)
 - Current site uses and occupiers;
 - Landowners (where known);
 - Recent relevant planning history;
 - Ecological, environmental or heritage designations within or in close proximity to the site;
 - Market activity on the site (including any units for sale/rent);
 - Site accessibility and proximity to public transport services; and
 - Alignment with Council's Economic Development Strategy and other identified employment growth sectors.

b) Physical Site Surveys

- 6.6 The desktop assessment was augmented by physical site surveys of the employment sites under consideration which were undertaken in December 2023. These site surveys were used to complement the desktop assessment for the 77 existing employment sites listed in Table 6 below, and enabled specific site characteristics to be affirmed, including:
- Active land uses and occupancy/vacancy status;
 - Quality of the site and facilities;
 - Surrounding land uses;

- Physical or environmental constraints; and
- Access, parking, and location.

c) Assessment against Key Criteria

6.7 The sites have been evaluated based on key criteria to inform future local plan policy, including the potential allocation of ‘key employment sites’. The evaluation provides a score for each site which signifies the varying levels of performance across different aspects crucial to site suitability Table 5 below sets out the key criteria used to assess the performance of each site. A further breakdown of how each site performs relative to each criterion together with the overall assessment score is contained in **Appendix 3**.

Table 5 Assessment Criteria for each employment site

Criteria	Explanation
Accessibility	Assessment of each site’s strategic location and ability to facilitate convenient commuting for employees and efficient transportation of goods and services.
Level of Occupancy	Assessment of each site’s vacancy rate, indicative of existing demand within the area, market performance and attractiveness for potential occupiers.
Sustainability Considerations	Assessment of each site’s locational and potential for environmental sustainability and promotion of sustainable economic growth.
Level of Employment Usage	Assessment of each site’s overall level of employment usage, defined as uses falling within Land Use Classes B2, B8 or E(g).
Need for Investment	Assessment of the quality of each site in terms of units, on-site infrastructure and facilities.
Size and Capacity	Assessment of each site’s ability to accommodate additional employment growth, through new development or intensification of use.

d) Summary of Site Assessment Outcomes

- 6.8 All site information gathered during stages (a) and (b) above is recorded on site proformas agreed with the Council. The proformas provide a comprehensive record of the quality, suitability and performance each site, including site photographs and site plan. These are contained in **Appendix 2**.
- 6.9 Table 6 summarises the overall criteria-based assessment score derived from the site visit and desk-based research conducted for each site. A detailed breakdown of the scoring for each site is contained in **Appendix 3**.
- 6.10 The assessment identified seven sites which received the maximum performance score across all criteria. These sites are highlighted at the top of the table below.
- 6.11 The outcomes of this assessment may be used to inform the identification of ‘Key Employment Sites’ in the local plan and may be used to inform site allocations subject to the application of sustainability appraisal and site selection criteria. Any allocations or designations would also be dependent on the economic development needs and supply/demand balance set out in Section 7 of this report.

Table 6 Summary of Criteria-based Site Assessment

Site Ref	Address	Overall Performance (Score)
7	Binley Business Park, Harry Weston Rd, CV3 2UB	18
21	Coventry Business Park, Herald Avenue, CV5 6UB	18
25	Cyan Park, CV2 4QP	18
45	Lyons Park, Sayer Drive, CV5 9DQ	18
68	Swallowgate Business Park, CV6 4QY	18
71	University of Warwick Science Park, CV4 7EZ	18
74	Whitley Business Park and Jaguar, CV3 4LF	18
73	Westwood Business Park, Westwood Way, CV4 8HS	17
54	Parkside, CV1 2TT	17
57	RO Airport Retail Park, Pilot Close, CV3 4RR	17
67	Stonebridge Trading Estate, CV3 4FG	17
14	Burnsall Road Industrial Estate, CV5 6SP	17
39	Jaguar Browns lane, CV5 9PF	17
48	Meriden Business Park, CV5 9RN	17
51	New Horizon Park, Waterman Rd, CV6 5TP	17
55	Peugeot HQ, CV3 1ND	17
75	Wickmans Drive, Banner Park, CV4 9XA	16
3	Aldermans Green Industrial Estate CV2 2LD	16
4	Alpha Business Park, Deedmore Rd CV2 1EQ	16
5	Arches Industrial Estate CV1 3JQ	16
6	Bilton Industrial Estate CV3 1JL	16
16	Central City Industrial Estate, Red Lane, CV6 5RY	16
19	Costco Torrington Avenue, CV4 9AQ	16
20	Courtaulds, CV6 5NX	16
23	Cross Point, Parkway, CV2 2SY	16
32	Foleshill Enterprise Park, CV6 5NX	16
40	Kingfield Rd, CV1 4LD	16
49	Middlemarch Business Park, Siskin Drive, CV3 4FJ	16
72	Walsgrave Triangle, Paradise Way, CV2 2ST	16
77	Premier Exhaust Systems Beresford Avenue	16
56	Prologis Park, CV6 4QJ	15
9	Bishopgate Business Park, Widdrington Rd, CV1 4NA	15
27	Earl Place Business Park, Fletchamstead Highway, CV4 9XL	15
31	Fmr Talon Unit 145 Foleshill Rd, CV1 4LF	15
37	Holbrook Lane/Jackson Rd Newport Rd, CV6 4BN	15
38	Holbrook Park Industrial Estate, Kingswood Close, CV6 4AZ	15
41	Land between Bedworth Rd and Oban Rd CV6 6BN	15
50	Napier Street, CV1 5PR	15

Site Ref	Address	Overall Performance (Score)
58	Rowleys Green Industrial Estate, CV6 6AN	15
70	Torrington Avenue, CV4 9TB	15
8	Binley Industrial Estate, Herald Way, CV3 2SF	14
10	Blackburn Rd Stonebrook Way, CV6 6LN	14
13	Broad Street Industrial Estate, CV6 5BE	14
17	Charter Avenue Industrial Estate, CV4 8AW	14
18	Chelmarsh, Land East of Highley Drive, CV6 3LT	14
29	Edgewick Park, Canal Rd, CV6 5RE	14
34	Hanford Close, CV6 5TL	14
36	Henley Road Industrial Estate, CV2 1ST	14
42	Little Heath Industrial Estate, CV6 7ND	14
44	Lower Ford Street/Sky Blue Way, CV1 5PT	14
46	Lythalls Lane Industrial Estate, CV6 6FL	14
60	Seven Stars Industrial Estate, CV3 4LA	14
65	Station Street West Business Park, CV6 5BP	14
69	Three Spires Industrial Estate, Ibstock Road, CV6 6JR	14
33	Hales Industrial Estate, Rowleys Green, CV6 6AN	13
59	Sandy Lane Industrial Estate, CV1 4EX	13
64	Stag Industrial Estate, Endermere Rd, CV6 5PY	13
2	Albion Industrial Estate, Endemere Rd, Coventry CV6 5NT	12
11	Bodmin Road Industrial Estate, CV2 5DB	12
30	Fletchamstead Highway Industrial Estate, Canley, Coventry CV4 7BB	12
12	Broad Lane Trading Estate aka Bestway Distribution, CV4 9GH	11
26	Durbar Ave Industrial Estate, CV6 5NN	11
47	Melbourne Road, CV1 3HG	11
52	New Inn Bridge CV6 6GS	11
53	North Awson St, CV6 5GA	11
76	Yelverton Road/Holbrook Lane, CV6 4BG	11
35	Harper Road, CV1 2AP	10
43	Livingstone Road, CV6 5AR	10
61	Shakleton Rd, CV5 6HU	10
62	South of Allied Close, CV6 6GF	10
66	Stoke Row, CV2 4JP	10
1	Aintree Close CV6 5QD	9
15	Carlton Road, CV6 7FL	9
22	Cromwell/Bright Street, CV6 5EY	9
24	Cross Road Industrial Estate, CV6 5GR	9
63	South of Awson St, CV6 5ED	9
28	East Street Days Lane, CV1 5LS	8

- 6.12 Alongside the individual site recommendations, several consistent themes were observed across the assessments, which are discussed below.
- 6.13 The assessment of the employment sites in Coventry revealed a significant variation in overall site quality, with larger sites generally showing better conditions. Among the notable sites in good condition were Lyons Park, Whitley Business Park, and University of Warwick Science Park. However, a distinct trend emerged concerning smaller sites concentrated north of the City Centre, which tended to have limited on-site facilities and were more physically constrained.
- 6.14 The primary pattern of constraints identified was closely linked to the size of sites, impacting the potential for future development and a notable lack of parking provisions. The former Bestway site in North West Coventry stood out as a site which appears to have been abandoned without any signs of recent development or relevant planning history.
- 6.15 While no clear trend in vacancy rates was evident, it was observed that sites with a higher proportion of office space tended to have more vacancies.
- 6.16 The Holbrook Park industrial estate, adjacent to the Swallowgate Business Park, represented a significant new development, featuring a mix of unit sizes primarily classified as Class B8 but also including Class B2.
- 6.17 The assessment highlighted notable losses in employment land primarily attributed to conversions or redevelopment to residential uses, gyms, and car dealerships.

7.0 EMPLOYMENT LAND SUPPLY AND DEMAND ANALYSIS

7.1 This section analyses the current supply and projected demand for employment land within Coventry. It evaluates available land against the needs identified in the HEDNA (2022), considering the projections highlighted in earlier sections and potentially identifying any gaps or areas of surplus in employment land supply.

a) Quantitative employment land needs (HEDNA, 2022)

7.2 The HEDNA (2022) provides valuable insights into Coventry's quantitative employment land needs, offering a detailed examination of the city's requirements from 2021 to 2041. The assessment reveals a labour demand for office space amounting to 3.9 ha plus a flexibility margin of 4.6 ha resulting in an overall need of 8.5 ha. This can be contrasted with a need for general industrial uses (excluding strategic B8) of 118 ha based on gross completions plus a flexibility margin of 29.5 ha, resulting in an overall need of 147.6 ha.

7.3 Looking over the longer term (2021-2050), the HEDNA report projects a sustained demand for office space, increasing to 10 hectares, and a need for non-strategic general industrial space of 214 ha. This long-term perspective emphasises the significance of industrial land in supporting Coventry's economic growth and development over the coming decades.

b) Qualitative employment land needs (HEDNA and Stakeholder engagement findings)

7.4 In terms of office spaces, the report questions the extrapolation of historical losses in Warwick and Coventry, emphasising the potential unrealism and undesirability of such projections due to Permitted Development Rights (PDR) related losses converting poorer quality stock. Notably, the emergence of new city centre office spaces, exemplified by developments like Friargate in Coventry, has driven an upward trend in gross completions. The future need for offices in Coventry is considered in further detail in the Coventry Office Market Study addendum.

7.5 The need for industrial and warehousing spaces reveals a robust demand. However, challenges arise in differentiating between strategic and local industrial/warehouse requirements using both Valuation Office Agency (VOA) and labour demand models. The recommendation leans towards utilising completion data as the best representation for short to medium-term planning, with a recognition of potentially higher development levels based on monitoring. In the adjustment for margin, the report advises incorporating flexibility to account for forecasting uncertainties and potential delays in site development. The margin, including five years of gross completions for industrial/distribution and two years for offices/R&D, aims to buffer against future demand uncertainties.

7.6 Addressing replacement demand, the report notes considerable losses in Coventry due to the Change of Use under PDR, especially in offices. While specific provisions for replacement demand in the office sector may not be warranted in the current market, a positive approach through gross completions for industrial and warehousing could mitigate the need for additional inclusion.

7.7 For meeting the strategic B8 (warehousing and distribution) need, the report emphasises key locational considerations such as road accessibility, power supply, proximity to rail terminals, labour availability, and neighbouring activities. It recommends a geographical spread of commercially attractive sites to avoid over-concentration and highlights the importance of collaboration between local authorities in the sub-region for effective planning. The potential corridors for strategic B8 development include M42/A446, M6, M45/A45, A5, M40, and A46, with a focus on considering sites' individual characteristics for optimal decision-making. During stakeholder engagement, there was a clear consensus these developments had been prioritised and not necessarily wanted as they take up a large portion of the already limited land and offer fewer jobs per sqm than a Class B2 unit would.

c) Committed (pipeline) supply

7.8 Coventry Council’s committed (pipeline) supply of employment sites as at 31st March 2023 has been calculated and is set out in Table 7 below. The proposed floorspace figures have been converted to a land supply in hectares by applying the following plot ratios, which align with those used in the HEDNA (2022):

- B1/E(g) – 0.5
- B2 – 0.5
- B8 – 0.4

7.9 Known future losses have not been subtracted from the gross employment land gains as these have already been factored into the employment land need set out in the HEDNA (which is based on gross completions trends and includes a flexibility margin).

Table 7 Committed (Pipeline) Employment Land Supply as at 31st March 2023

Gross Gains (Supply)				
	B1/E(g)	B2	B8	Total
Sites with permission (under construction / not started)	4.60	2.50	3.33	10.4
Allocations without permission	6.52	26.18	26.18	58.9
Total	11.12	28.68	29.51	69.3

7.10 The pipeline supply includes all sites (including allocations) with extant planning permission, including both those which are under-construction or not yet commenced. Such sites are expected to deliver a total of 10.4 ha future employment land supply.

7.11 Existing employment land allocations which do not yet have planning permission are also included in the pipeline supply. Such sites are expected to deliver a further 58.9 ha employment land across the following seven allocated sites³:

- Friargate (Policy JE2:1) – 6.52 ha
- Whitley Business Park (Policy JE2:3) – 6.46 ha
- Land at Baington Fields and South East of Whitley Business Park (Policy JE2:4) – 25 ha
- A45 Eastern Green (Policy JE2:5) – 15 ha
- Whitmore Park (Policy JE2:6) – 2.89 ha
- Durbar Avenue (Policy JE2:7) – 1.5 ha
- Land at Aldermans Green Road and Sutton Stop (Policy JE2:8) – 1.5 ha

7.12 The total committed employment land supply in Coventry (as at 31st March 2023) was 69.3 ha.

d) Supply/demand balance and gap analysis

7.13 The employment land supply/demand balance for Coventry is set out in Table 8 below. This identifies the Council’s current position as at 31st March 2023.

7.14 The total need is based on the need figure published in the HEDNA (2022). From this total need figure we have subtracted the gross completions for the monitoring years 2021/21 and 2022/23 and the committed (pipeline) supply. This results in a remaining need of 71.3 ha which needs to be planned for the period to 2041.

³ The allocation at Lyons Park (Policy JE2:2) has been fully completed.

7.15 Within this overall remaining need of 71.3 ha there is substantial requirement for industrial floorspace (73.9 ha) and an indicative oversupply of office floorspace (2.7 ha). These figures should however be considered in the context of the likely deliverability of the future pipeline supply and whether there are any past losses which may be considered ‘atypical’ (i.e. not just losses through permitted development) and which may need to be replaced.

Table 8 Coventry Employment Land Supply/Demand Balance

	Office	General Industrial (B2/B8)	Total
Total Need (2021-2041)	8.5	147.6	156.1
Completions (21/22 - 22/23)	0.1	15.5	15.5
Pipeline Supply (sites with permission, incl. allocations)	4.6	5.8	10.4
Pipeline Supply (allocations without permission)	6.5	52.4	58.9
Remaining Need (2023-2041)	-2.7	73.9	71.3

7.16 The final section of this report sets out some recommendations on how the Council may look to plan to meet this remaining need through policies and allocations within the emerging Local Plan.

8.0 CONCLUSIONS AND POLICY RECOMMENDATIONS

8.1 This section synthesises the key findings from the ELR, presenting conclusions drawn from the data and analyses presented throughout the report. Additionally, it provides policy recommendations based on the findings, to help inform future Local Plan policies related to employment land within Coventry.

a) Assessment of Existing Employment Land

8.2 A total of 77 existing employment sites were identified for assessment by the Council as part of this study. The site assessment process involved two key stages; desk-based assessment and physical site visits. An overview map showing the geographic distribution of these is contained in **Appendix 1**. Detailed site plans for each site are contained in the individual site assessment proformas contained in **Appendix 2**.

8.3 Whilst the vast majority of existing employment sites were considered to serve an important economic function and therefore suitable for continued employment use, a number were identified as lower in quality and in locations which may make them suitable for redevelopment for either higher quality employment floorspace (to meet identified needs, including offering enhanced sustainability credentials, accessibility and parking) or repurposing for other uses, such as residential or retail/leisure.

8.4 It is recommended that policies are included in the emerging Local Plan which will ensure that high quality, well-functioning employment land is retained where possible and that any future applications on sites that would result in the loss of existing employment land are assessed against relevant criteria (as suggested below).

8.5 Whilst some smaller, lower quality employment sites have been identified as having potential for redevelopment for other uses, it is recognised that these do still serve an important economic function, particularly in terms of providing floorspace for smaller businesses and local employment opportunities for residents. Therefore, the potential implications of these sites' redevelopment to other uses should be carefully considered. However, these older sites, typically offering smaller scale units, are most likely to fall foul of any proposed changes to the EPC regulations, which could result in such sites being unlettable in the near future without significant retrofitting or enhancements. Encouraging the development of better quality, smaller size units elsewhere may help alleviate such issues, as long as they remain in accessible locations and affordable to small and medium-sized businesses.

b) Employment Land Supply

8.6 As of 31st March 2023, Coventry had a committed (pipeline) supply of 67.9 ha employment land, including sites with extant planning permission (under construction or not yet started) and existing employment land allocations without planning permission. This pipeline supply comprises around 11 ha offices, 28 ha B2 industrial and 29 ha B8 storage/distribution uses.

8.7 87% of the current committed employment land supply is on allocated sites without planning permission. These sites were allocated in the current Coventry Local Plan which was adopted in 2017. In reviewing whether it is appropriate to carry these existing allocations forward to the emerging Local Plan, the Council should reassess their suitability, deliverability and alignment with the overarching spatial strategy.

c) Employment Land Needs

8.8 The total employment land need that the Council must plan to meet over the period 2023 to 2041 is 156.1 ha, as set out in the HEDNA (2022). Taking account of completions that have been delivered since 2021/2022 and the existing pipeline supply of sites, as at 31st March 2023 there was a remaining need of 71.3 ha which has not yet been planned for. This remaining need comprises 73.9 ha of industrial employment land demand, which is partially

offset by a potential oversupply of 2.7 ha in office space, resulting in a remaining net need of 71.3 ha.

- 8.9 The residual employment land need figure presented in this ELR indicates a need for the Council to allocate additional employment sites to meet its needs over the period to 2041. These figures should however be considered in the context of the likely deliverability of the future pipeline supply and whether there are any past losses which may be considered 'atypical' (i.e. not just losses through permitted development) and which may need to be replaced. Whether there is a need for additional office floorspace in Coventry in particular is further considered in the Coventry Office Market Study which is published as an addendum to this ELR report.
- 8.10 The constrained nature of Coventry City Council area means it may not be possible to meet all of these needs within the local authority area, and as such it may be necessary for the Council to engage with neighbouring authorities through the Duty to Cooperate to see whether any unmet needs could potentially be met elsewhere. This will be necessary alongside discussions on how to meet the separately identified strategic B8 needs to serve the wider Coventry and Warwickshire functional economic market area.

d) New Policy Defining Employment

- 8.11 In accordance with the Council's Regulation 18 consultation, it is recommended that employment uses are defined within the Local Plan as those within Land Use Class E Part g (i to iiiii), and Classes B2 and B8.
- 8.12 Should the Council also wish to include other uses that "*serve an employment purpose in the local economy*" it will be necessary to very clearly define what is meant by this and how applicants will be expected to demonstrate this. Retail uses, for example, could be argued to serve a key employment purpose, as could schools and hospitals. Defining employment as containing non-office or industrial uses may also conflict with Policy JE3 which seeks to prevent loss of employment land to non-employment uses. If, for example, retail uses have been found to serve an employment purpose in one instance, it would be difficult for the Council to argue that an application for a change of use from industrial to retail use would not be acceptable.
- 8.13 We would recommend that the definition of 'employment' within the Local Plan is incorporated within an existing policy or within the supporting text. It does not necessarily require a standalone policy, unless the new policy also seeks to define existing or 'key' employment sites. The criteria for allowing non-employment uses on employment sites (Policy JE3 below) may be applied more strictly to 'key' employment sites for example.

e) Policy JE2 – Provision of Employment Land and Premises

- 8.14 The supply and availability of employment land should be updated to reflect the current committed (pipeline) supply (correct at the point of Plan submission) and any new or carried-forward allocations without permission which are deliverable within the Plan period.
- 8.15 It is agreed that the emphasis in the third part of existing Policy JE2 could be changed to reflect the NPPF which emphasises meeting locational requirements and the ability to adapt to rapid change. The requirement set out in paragraph 33 of the NPPF to review Local Plans at least once every five years should also ensure that any economic shifts or unexpected losses of existing employment sites can be picked up and addressed through this process.
- 8.16 In order to assist this review process, it is recommended that this Employment Land Review, including the site assessments, is updated on at least a five-yearly basis ahead of any required Local Plan Review. Employment floorspace completions (and losses) and commitments should be monitored on an annual basis as part of the Council's Annual Monitoring Reporting process.

f) Policy JE3 – Non-employment uses on employment land

- 8.17 The changes proposed to Policy JE3 as set out in the Regulation 18 consultation (i.e. no longer requiring evidence of marketing if a site is no longer suitable for employment use) could potentially result in number of existing, currently active employment sites being lost to other uses.
- 8.18 Within this policy the Council may wish to identify and define Key Employment Sites which are in suitable locations and offer good access arrangements, and to which marketing evidence would always be required before the redevelopment of a site to non-employment use would be considered acceptable.
- 8.19 Suggested criteria for identifying ‘key employment sites’ based on the evidence presented in this ELR and the accompanying proformas include those outlined below which relate primarily to the site’s performance, including its suitability and functionality for employment use. These criteria encompass several key aspects:
- **Accessibility:** Assessment of each site’s strategic location and ability to facilitate convenient commuting for employees and efficient transportation of goods and services.
 - **Level of Occupancy:** Assessment of each site’s vacancy rate, indicative of existing demand within the area, market performance and attractiveness for potential occupiers.
 - **Sustainability Considerations:** Assessment of each site’s locational and potential for environmental sustainability and promotion of sustainable economic growth.
 - **Level of Employment Usage:** Assessment of each site’s overall level of employment usage, defined as uses falling within Land Use Classes B2, B8 or E(g).
 - **Need for Investment:** Assessment of the quality of each site in terms of units, on-site infrastructure and facilities.
 - **Size and Capacity:** Assessment of each site’s ability to accommodate additional employment growth, through new development or intensification of use.
- 8.20 Based on the assessment undertaken to inform this ELR, and in the context of the above criteria, sites which may be defined as ‘Key Employment Sites’ could include:
- Binley Business Park, Harry Weston Rd, CV3 2UB
 - Coventry Business Park, Herald Avenue, CV5 6UB
 - Cyan Park, CV2 4QP
 - Lyons Park, Sayer Drive, CV5 9DQ
 - Swallowgate Business Park, CV6 4QY
 - University of Warwick Science Park, CV4 7EZ
 - Whitley Business Park and Jaguar, CV3 4LF
- 8.21 Appendix 2 of the Local Plan currently specifies marketing tools that should be used by applicants applying for a change of use from employment to an alternative use. These tools are considered appropriate for demonstrating the level of market interest or employment demand in the application site or premises.
- g) Policy JE4 – Location of Office Development**
- 8.22 Our recommendations in respect of Policy JE4 are set out in the accompanying Office Market Study addendum report.

h) Policy JE5 – Location of R&D, Industrial and Storage/Distribution Development

8.23 Given the distinctly different nature and locational requirements of some R&D, industrial and storage/distribution uses, it is recommended that these are dealt with under separate policies (or sub-sections within the same policy). Particularly because R&D uses can fall within Use Class E(g)(ii) and some light industrial processes fall can fall within Use Class E(g)(iii) which are considered suitable to be carried out in a residential area without detriment to its amenity. Whilst other employment uses falling within Use Classes B2 or B8 are more likely to be unsuitable for residential areas and more likely to require access to strategic road networks.

i) Policy JE6 - Tourism/Visitor Related Development

8.24 Whilst this policy relates primarily to non-office/industrial employment uses, we agree that its wording could be strengthened to better align with the NPPF and recognise tourism as a defined 'main town centre use'. Tourism and visitor related development may be considered a suitable use on non-safeguarded employment sites, subject to location and accessibility, which could be incorporated into the wording of Policy JE3. The Council should continue to support and promote tourism and visitor related development to leverage Coventry's heritage and university presence, ensuring alignment with broader city planning goals.

j) Policy JE7 - Accessibility to Employment Opportunities

8.25 The implementation of JE7 could be strengthened by integrating it more closely with major employment development projects and fostering partnerships with local training providers.



BEDFORD

Planning / SDD / SPRU

bedford@dlpconsultants.co.uk

BRISTOL

Planning / SDD / SPRU

bristol@dlpconsultants.co.uk

EAST MIDLANDS

Planning/ SDD

nottingham@dlpconsultants.co.uk

LEEDS

Planning

leeds@dlpconsultants.co.uk

LIVERPOOL

Planning

liverpool@dlpconsultants.co.uk

LONDON

Planning

london@dlpconsultants.co.uk

MILTON KEYNES

Planning

miltonkeynes@dlpconsultants.co.uk

RUGBY

Planning

rugby.enquiries@dlpconsultants.co.uk

SHEFFIELD

Planning/ SDD / SPRU

sheffield@dlpconsultants.co.uk



RTPI

Chartered Town Planner

