

Employment Background Paper

January 2023

Introduction

1. The purpose of this document is to explain the approach taken by West Berkshire Council to employment land within the Proposed Submission West Berkshire Local Plan Review to 2039 (LPR). It has been prepared to support the Proposed Submission LPR and to demonstrate how related national policy and guidance, as well as the relevant pieces of evidence base have informed the LPR and the policies concerning employment land.
2. For the purposes of the LPR, the term employment land/site refers to the land on which business uses and/or development are located. Business uses and/or development are offices, industrial, storage and distribution (including warehousing). It is recognised that the term economic development is broader and encompasses other employment generating uses including main town centre uses, as well as community and public uses.

Planning Policy Context

National Policy

National Planning Policy Framework (NPPF)

3. The [National Planning Policy Framework](#) (NPPF) sets out the Government's policies to support the achievement of sustainable development. The planning system has three overarching objectives, economic, social and environmental, which should be delivered through the preparation and implementation of plans. Policies should play an active role in guiding development towards sustainable solutions, taking account of local circumstances and reflecting the character, needs and opportunities of each area.
4. With regard to employment, the NPPF is clear that planning policies should help create the conditions in which businesses can invest, expand and adapt and places significant weight on the need to support economic growth and productivity (para.81). It goes on to state at paragraph 82 that 'Planning policies should:
 - a) set out a clear economic vision and strategy which positively and proactively encourages sustainable economic growth, having regard to Local Industrial Strategies and other local policies for economic development and regeneration;
 - b) set criteria, or identify strategic sites, for local and inward investment to match the strategy and to meet anticipated needs over the plan period;
 - c) seek to address potential barriers to investment, such as inadequate infrastructure, services or housing, or a poor environment; and
 - d) be flexible enough to accommodate needs not anticipated in the plan, allow for new and flexible working practices (such as live-work accommodation), and to enable a rapid response to changes in economic circumstances.'

4. The NPPF also requires planning policies to recognise the specific locational requirements of different sectors and make provision for clusters (para.83), as well as supporting the rural economy (paras. 84 and 85).

Planning Practice Guidance (PPG)

5. The NPPF is supported by more detailed guidance in the [Planning Practice Guidance](#) (PPG). The PPG outlines that planning authorities will need to prepare a robust evidence base to understand existing business needs, which should be kept under review to reflect local circumstances and market conditions. The guidance highlights that national economic trends may not automatically translate to particular area with a distinct employment base¹. In assessing the business need for the area the PPG advises that the evidence base will need to assess the following:
 - the best fit functional economic area;
 - the existing stock of employment uses within the area;
 - the recent pattern of employment land supply and loss;
 - evidence of market demand, sourced from local data and market intelligence;
 - wider market signals relating to economic growth, diversification and innovation; and
 - any evidence of market failure, such as physical or ownership constraints that prevent the employment site being used effectively².

Local Policy

6. The LPR will replace the West Berkshire District Local Plan 1991-2006 (Saved Policies 2007), West Berkshire Core Strategy DPD (2012) and the Housing Site Allocations DPD (2017).
7. The [West Berkshire District Local Plan 1991-2006 \(Saved Policies 2007\)](#) contains a number of saved policies relating to employment land. These include Policy ENV.16 (Farm Diversification – in relation to business uses), Policy ENV.19 (The Re-use and Adaptation of Rural Buildings) and Policy ECON.6 (Future of the former Greenham Common Airbase).
8. The [West Berkshire Core Strategy \(2012\)](#) was adopted in 2012 and was tested in examination for conformity with the policies in the original 2012 NPPF. The Core Strategy sets out the long term vision for West Berkshire to 2026 and translates this into spatial terms, setting out proposals for where development will go, and how this development will be built. It also provides an overall framework for the more detailed policies and site specific proposals to be contained in other documents of the Local Plan, such as the Housing Site Allocations Development Plan Document. Policies specifically relating to employment land include Policy CS9 (Location and Type of Business Development) and Policy CS10 (Rural Economy).
9. The [Housing Site Allocations DPD](#) does not contain any policies or allocations for employment land or business development.
10. Elsewhere in the development plan there are two adopted [Neighbourhood Development Plans](#) within West Berkshire, Stratfield Mortimer NDP (June 2017) and

¹ PPG Reference ID: 2a-025-20190220

² PPG Reference ID: 2a-026-20190220

Compton NDP (February 2022), both of which set out policies for business uses/development within their NDP area.

Other Strategies

11. The [Strategic Economic Plan \(SEP\)](#) (2015/16 – 2020/21) produced by the Thames Valley Berkshire Local Enterprise Partnership sets out a vision and investment priorities for economic growth across the Thames Valley and Berkshire area. The overarching priority of the SEP is to secure better access to talented people and bright ideas, and to use both more effectively’.
12. The SEP characterises the economy of the area as consisting of three functional economic areas:
 1. the predominantly rural area around Newbury with a mix of small and international businesses;
 2. the highly interconnected urban areas of Reading, Wokingham and Bracknell; and
 3. Slough, Windsor and Maidenhead with close links to areas in west London and Heathrow Airport.
13. The SEP recognises the development constraints of the area including the North Wessex Downs Area of Outstanding Natural Beauty. The SEP also refers to the polycentric nature of the area and recognises the role that different towns play locally, and the importance of connectivity between those towns.
14. The [Recovery and Renewal Plan](#) (2020) was published to support the SEP and provides a snapshot of the effects of COVID-19. The three priorities are a ‘connected Berkshire’, a ‘collaborative Berkshire’, and a ‘skilled Berkshire’. The three stages to the achievement of these priorities is recovery in the immediate term, renewal in the medium term of 6-18 months, and growth in the longer term of 2-5 years. Renewal is focused on improvements to digital infrastructure, regeneration of town centres and innovation to eco-systems.
15. All Local Enterprise Partnerships were tasked by Government with developing a Local Industrial Strategy by the Industrial Strategy White Paper which aims to improve the UK’s overall productivity performance and ensure that future economic growth is more inclusive. [Berkshire’s Local Industrial Strategy](#) was published in 2020 and sets out priorities to enhance productivity within Berkshire’s enterprises; support mature and evolving ecosystems; encourage international trade, collaborations and investments; build vibrant places and a supportive infrastructure; make Berkshire an inclusive area where aspirations can be realised; and ensure that economic growth contributes positively to Berkshire’s environmental performance, recognising the need to respond to the climate crisis.
16. The West Berkshire [Council Strategy 2019-2023](#) sets out six priorities of which one is to support businesses to start, develop and thrive in West Berkshire. The Strategy commits the Council to improving help and guidance for start-ups, and also providing incentives and opportunities to enable small businesses to grow within the District. The Strategy seeks to ensure planning policies enable business growth through the Local Plan.

17. [The West Berkshire Vision 2036](#) outlines that West Berkshire remains firmly 'open for business' and this is a key theme running through this and the Council Strategy. The West Berkshire Vision 2036 promotes the District as a pro-business area, and a hub for creativity, which encourages entrepreneurial ideas of its people. It seeks to attract the jobs and investment needed to grow the local economy, and to address recruitment issues by promoting investment in skills and training.
18. The Council's [Economic Development Strategy](#) was originally drafted in 2019 and adopted in 2020. However, in response to the pandemic this was refreshed in 2021 and identified a revised set of actions. The Economic Development Strategy seeks to boost inclusivity, productivity and sustainability in a way that benefits all residents and businesses. It is strongly focused on responding to the impact of the pandemic and considers ways to boost recovery and engage with the local business community to enhance levels of confidence in the economy as it continues to grow.

Employment land requirements

Berkshire Functional Economic Market Area Study

19. The [Berkshire Functional Economic Market Area Study](#) (FEMA) was carried out in 2016 on behalf of the six Berkshire authorities, including West Berkshire Council, and the Thames Valley Berkshire Local Enterprise Partnership (LEP). The FEMA established the various functional economic market areas that operate across Berkshire and the wider sub-region in order to understand the various economic relationships, linkages and flows which characterise the sub-regional economy.
20. Across the study area three core functional economic market areas were identified that represent a 'best fit' with local authority boundaries. It concludes that the 'Western Berkshire FEMA' comprises West Berkshire District with the key centre of Newbury. It concludes that this area is characterised by having a relatively self-contained Travel to Work Area and tends to operate within a westward facing commercial property market constituting a key node at the western end of the M4 corridor. Whilst there is some synergy in travel to work and property market terms between Newbury and Reading, these linkages are not considered sufficiently strong to include West Berkshire within the Central Berkshire FEMA.
21. Following on from the FEMA Study, the Western Berkshire Economic Development Needs Assessment (EDNA) considered the objectively assessed economic development needs of Western Berkshire over the period 2013-2036. Due to concerns about the assumptions within the study, the assessment has been superseded by the West Berkshire Employment Land Review (ELR) 2020 and Updated ELR 2022. It is important to note that the Western Berkshire EDNA does not form part of the evidence for the LPR.

Employment Land Review (2020)

22. To assess the employment needs of West Berkshire over the plan period the Council commissioned an [Employment Land Review](#) (ELR) which was published in 2020. The ELR assessed the future demand and need for different types of employment land, office and industrial, in West Berkshire over the plan period, which at the time of the study was 2020-2036. It compared the demand with supply identified for employment uses, and advised accordingly on planning policy and development management to identify if existing employment sites were fit for purpose or suitable

for other employment purposes, as well as advising if and where additional employment land should be identified for employment over and above the planning supply.

23. The ELR highlighted that West Berkshire was a strong economic performer, second only to Reading in Berkshire in terms of jobs and economic activity, with strong recent job growth in high value sectors, but only marginally a net importer of labour.
24. The property market assessment highlighted that the office market was divided east and west, and at the time of the study was performing reasonably well. There was a lack of modern purpose-built stock, but vacancy was low and large amounts of space had been lost to residential through Permitted Development Rights (PDR). Most of the take up was from SME's mainly in Theale and Newbury, but due to a lack of available space more remote locations such as Greenham Business Park were attracting office occupiers. The study concluded that from a market point of view existing stock should be protected, and should office space be speculatively developed in suitable locations such as Newbury town centre then it would be occupied.
25. The ELR 2020 highlighted that the industrial market was performing well with low vacancy and tight supply, especially for smaller units which are the most challenging to develop. Demand was evident for larger B8 distribution in locations close to the M4 motorway junctions, particularly close to Reading. Development was generally viable on a pre-let basis or on a speculative basis close to motorway junctions. The existing industrial stock was generally in good condition and rents meant it was viable to maintain for its existing use. The study concluded that given the balance of the market the existing industrial sites should be protected.
26. In terms of the balanced requirement, the ELR 2020 recommended that as a minimum 65,000sqm of new office floorspace and 62,000sqm (16ha) of industrial space should be provided for within the LPR.

Permitted development

27. The Use Classes Order was amended in September 2020, which allowed greater flexibility with the introduction of a new use class, Class E (Commercial, Business and Service). Class E replaced Classes A1 (shops), A2 (financial and professional services), A3 (restaurants and cafes), and B1 (business). Changes of use between the different uses within Class E, which includes typical high street uses, can take place without the need for planning permission. This is to help the high streets and town centres adapt quickly to changing demand and trends. This does allow changes of use of out-of-town centre locations without the need for approval from the Local Planning Authority. For example from offices to shops or to restaurants or cafes.

Employment Land Review Addendum (2022)

28. The ELR 2020 was prepared prior to Covid 19 and prior to the UK exiting the EU, and before significant changes were made to the planning system (the introduction of Use Class E and GDPO Class ZA and MA). All of these factors have had implications for how local economies operate. Given this, the Council commissioned an addendum to the ELR 2020. The purpose of the addendum, known as the ELR 2022, is to ensure the employment evidence that underpins to LPR is soundly based on robust and up to date data. As such, it considers the latest economic forecasts to see

if the impacts of Covid and Brexit change the findings and recommendations set out in the ELR 2020.

29. The ELR 2022 updates the property market assessment, reconsiders the supply and reassesses the need for both additional office and industrial floorspace/land using up to date data.
30. In terms of the qualitative property market assessment the ELR 2022 concludes that despite the global pandemic the office market across the District has remained relatively robust. In the smaller market areas such as Hungerford and Thatcham there remains steady take-up and vacancy remains low. In the larger market areas of Newbury and Theale vacancy has increased significantly, but this has simply served to bring the District-wide vacancy rate to a more reasonable level to allow for market churn. It was expected for vacancy rates to be higher than the previous assessment due to the cooling of the office market caused by the global pandemic. The increased available space is in smaller units and this matches where the demand lies. Therefore the increased vacancy rate is beneficial and not a concern. In Theale the vacancy is focused on larger units, and this is ideal to capture corporate requirements seeking larger high quality units.
31. Industrial demand has increased since the previous assessment, while supply has continued to fall, placing further pressure on existing stock. Demand across the Thames Valley is strong for largescale distribution, and remains robust because occupiers have not been able to satisfy their requirements for a sustained period. West Berkshire is now considered a credible location for largescale storage and distribution, helped by comparatively lower rents making it an attractive location for those occupiers that are being 'priced out' of the more expensive Reading and London markets. Take-up has been low but this is due to a lack of available space, and whilst there has been new development at Beenham and Greenham Business Park, there remains an acute shortage of good quality space.
32. From a quantitative perspective, the ELR 2022 concludes the following:

Table 1: Summary of quantitate assessment (ELR 2022)

Requirement		Office sq m	Industrial sq m
2020 ELR	Gross demand 2020-2036	79,524	144,485
	<i>per annum</i>	4,970	9,030
	Known supply	14,935	83,325
	Requirement	64,589	61,160
2022 Addendum	Gross demand 2022-2039	59,737	144,784
Based on economic forecast	<i>per annum</i>	3,514	8,517
	Known supply	8,921	63,867
	Requirement	50,816	80,918
Based on past trends in floorspace	Gross demand 2022-2039		154,976
	<i>per annum</i>		9,116
	Known supply		63,867
	Requirement		91,109

Source: Stantec analysis

33. As can be seen from the table above, the amount of office floorspace to be accommodated based upon the economic forecasts is approximately 51,000sqm over the plan period to 2039. This is a reduction from the ELR 2020 figure of 65,000sqm, but still a significant floorspace figure. The office sector has been steadily shrinking in terms of floorspace over the past decade, and the trend-based projection is not firmly negative. However, because availability/vacancy rates are below the optimum level for a fully effective market, albeit marginally, it is recommended to safeguard office space and not to release land or premises from office use.
34. The industrial requirement to be accommodated is approximately 91,000sqm and at a plot ratio of 40% floorspace coverage, this equates to a land area of 23 hectares (or 1.4 hectares per annum). This is higher than the 62,000sqm or 16 hectare requirement identified in the ELR 2020. From the table above, the economic and past trends produce a similar assessment of need, with the past trends being a little higher and it is this higher figure which is the recommended requirement. Past trends in industrial floorspace provision have been consistently strong over a number of years, with the most recent years (since 2019/20) seeing additional floorspace

delivered predominantly through redevelopments and extensions, which aligns with Local Plan policy objectives. Recent growth in industrial jobs has been strong, albeit the latest available actual data was for 2015-2019, a period at the top of the economic cycle.

Meeting the employment land needs

35. There are several sources that will deliver a supply of employment land across the District over the plan period. As outlined in Table 1 above, the ELR 2022 already takes account of any existing known supply (up to 31st March 2022) in calculating the employment land requirement. Additional sites are therefore required to be allocated to help meet the identified requirement to 2039.
36. The sites considered for allocation to meet the requirement were identified through the HELAA. The HELAA forms part of the evidence base for the LPR, and it makes a preliminary assessment of the potential and suitability of promoted sites. It does not make recommendations as to whether a site should be allocated as this is done through the site selection process.
37. The methodology used for the site selection process is set out within the [Site Selection Methodology Paper](#). The SA/SEA sets out the sustainability appraisal for each site, along with the site selection.

Summary of site selection process

38. As the LPR has evolved there have been changes to the evidence and changes to the sites proposed between the Regulation 18 and Regulation 19 stages. A summary of the process is set out below.

Regulation 18 Emerging Draft LPR to 2037

39. The Emerging Draft LPR was informed by the ELR 2020, and Policy SP20 of the Emerging Draft LPR highlighted the identified employment land requirements at that time:

- 65,000sqm (minimum) of new office floorspace, and
- 62,000sqm (minimum) of new industrial floorspace.

40. Within the Emerging Draft LPR, Policy SP21 identified five sites for employment floorspace and which were to be included within Designated Employment Areas (DEA). These sites were as follows:

Ref:	Site Name:	Floorspace (sqm) (Reg.18)
EMP1	Land east of Colthrop Ind. Estate, Thatcham	20,400
EMP2	Former Youngs Garden Centre, Youngs Industrial Estate, Aldermaston	7,700
EMP3	Land off Benyon Road, Easter Park, Aldermaston	8,400
EMP4	Land to the north west of Paices Hill, Youngs Industrial Estate, Aldermaston	11,600
EMP5	Land west of Ramsbury Road, Membury Industrial Estate, Lambourn	27,600

In addition, Policy SP21 identified a site to be a new DEA delivering an additional 20,000sqm of employment floorspace.

Ref:	Site Name:	Floorspace (sqm) (Reg.18)
EMP6	Land north of Arlington Business Park, Theale East Business Park, Theale	20,000

41. Based upon the evidence at that time the Emerging Draft LPR sought to deliver a total of 95,700sqm of employment floorspace to meet the identified requirements.
42. Since the publication of the Emerging Draft LPR in 2020 there have been a number of changes to the evidence and status of the identified sites which resulted in a review of all the HELAA sites and some changes to the sites proposed within the Regulation 19 Proposed Submission LPR.

Updated evidence to inform the Proposed Submission LPR

43. With regard to the evidence, given that the evidence informing the Emerging Draft LPR highlighted a shortfall in the supply of office floor space over the plan period at the Regulation 18 stage, the Council considered it necessary to look again at the evidence and decided to reassess all of the HELAA sites promoted for employment use.
44. In addition, and in order to try to address the identified shortfall, a specific Call for Sites for office space was conducted during November and December 2021. This resulted in ten responses and the submission of 8 new sites promoting office development.
45. These sites, along with any new employment sites promoted through the Regulation 18 public consultation were assessed alongside the reassessment of the existing HELAA sites.
46. As part of this work, further technical evidence was gathered on the sites, where appropriate, to assist in making an informed decision. This included [Landscape Sensitivity and Capacity Assessments \(LCA\)](#) for those sites within the AONB, updates to the [SFRA](#) and comments from internal and external services. Changes to the Detailed Emergency Planning Zone (DEPZ) around the AWE also resulted in further discussions with the Council's Emergency Planning Team and concerns were raised over sites located within the DEPZ which have since been clarified.
47. Overall 42 sites were considered through the HELAA, and the assessment/reassessment of these sites can be found within the [HELAA \(2022\)](#).
48. As explained above, the ELR 2020 was prepared prior to Covid 19 and prior to the UK exiting the EU, and before significant changes were made to the planning system (the introduction of Use Class E and GDPO Class ZA and MA). All of these factors have had implications for how local economies operate. Given this, and as outlined above, the Council commissioned an addendum to the ELR 2020 to ensure the employment evidence that underpins to LPR is soundly based on robust and up to date data. The update considers the latest economic forecasts to examine if the

impact of the pandemic and Brexit changed the findings and recommendations as set out in the 2020 ELR. The Local Plan period has also been extended to 2039, and therefore this needs to be reflected in the evidence.

49. The update to the ELR took place alongside the review of the HELAA.
50. The updated ELR highlights the identified employment land requirements as:
- 50,816sqm (minimum) of new office floorspace, and
 - 91,109sqm (minimum) of new industrial floorspace.
51. The ELR 2022 concludes that the office sector has been steadily decreasing in the District over the past decade, though the economic forecasts predict positive job growth over the plan period. Thus, the need for 50,816sqm of office space is recommended over the plan period.
52. In terms of the industrial sector the provision has been consistently strong, and projections indicate further growth in industrial space. Therefore, the ELR 2022 recommends a minimum requirement of 91,109sqm, or 23ha of land, over the plan period to meet identified needs.
53. The review of the evidence has therefore resulted in a change in status to the sites identified in the emerging draft LPR, as set out in Table 2 below.

Table 2 Status of sites identified in the Emerging Draft LPR

Ref	Site Name	Comments on site status
EMP1	Land east of Colthrop Ind. Estate, Thatcham	Outline planning permission granted
EMP2	Former Youngs Garden Centre, Youngs Industrial Estate, Aldermaston	Removed from the LPR following changes to the DEPZ
EMP3	Land off Benyon Road, Easter Park, Aldermaston	Removed from the LPR following changes to the DEPZ
EMP4	Land to the north west of Paices Hill, Youngs Ind. Estate, Aldermaston	Removed from the LPR following changes to the DEPZ
EMP5	Land west of Ramsbury Road, Membury Industrial Estate, Lambourn	Outline planning permission granted for 10,381sq. metres
EMP6	Land north of Arlington Business Park, Theale East Business Park, Theale	Removed from the LPR following landscape assessment

54. As the three sites in Aldermaston were removed from the LPR and the development potential at LAM6 was reduced, and as explained above, the Council has reassessed sites submitted through the HELAA and in response to the Regulation 18 consultation. The general approach to expanding existing Protected Employment Areas, and sites near to such areas, particularly when using previously developed land, is considered a sustainable approach. The evidence in the Landscape Sensitivity and Capacity Assessments fed into the process of seeking to allocate sites. LAM10, land to the south of Trinity Grain, is located adjacent to the existing

Membury Industrial Estate, and proposed to be allocated for B2 and Egiii uses. Such uses are considered appropriate given the size of the site and relationship with the surrounding uses. The two sites in Beenham are adjacent to the existing Beenham Industrial Estate. Northway Porsche already benefits from planning permission for garaging and workshops. The site at Beenham Landfill is adjacent to an area which benefits from planning permission for open storage. The Padworth site is previously developed land, adjacent to a Waste Management Facility, and in close proximity to Beenham Industrial Estate. The Landscape Sensitivity and Capacity Assessments prepared for the individual sites within the North Wessex Downs AONB recommend landscape buffers to ensure development would fit with the existing pattern of the landscape as well as to bring landscape enhancements. These buffers reduce the area of the individual sites considered appropriate for development.

Table 3: Employment sites allocated in the Proposed Submission LPR

Policy no / HELAA site ref	Site Name	Site area (hectares)	Developable area (hectares)	Land supply sqm
Policy ESA1 (MID5)	Land east of Colthrop Industrial Estate, Thatcham	5.1	5.1	20400
Policy ESA3 (LAM10) (in AONB)	Land to the south of Trinity Grain, Membury Industrial Estate, Lambourn Woodlands	2.2	1.3	5200
Policy ESA4 (BEEN 3/5) (in AONB) a combined site	Beenham Landfill, Pips Way, Beenham	3.5	3.5	14000
Policy ESA5 (BEEN10) (in AONB)	Northway Porsche, Grange Lane, Beenham	2.7	1.6	6400
Policy ESA6 (PAD4)	Land adjacent to Padworth IWMF, Padworth Lane, Padworth	3.1	3.1	12400
Total		16.6	14.6	58400
Policy ESA2 (LAM6) (in AONB) already in commitments	Land west of Ramsbury Road, Membury Industrial Estate, Lambourn Woodlands	6.9	4.4	10381

55. As Table 3 illustrates, with the exception of Land west of Ramsbury Road, Membury Industrial Estate, the total supply of employment land is 58,400 square metres. This relates to industrial use. No additional land has been identified for office use. Land availability, landscape constraints, and access constraints are principal reasons why

no other sites have been identified to meet the need. Table 4 illustrates the requirement and shortfall.

Table 4: Employment land requirement and supply

	Requirement (sqm)	Land supply (sqm, without LAM6)	Shortfall (sqm)
Industrial	91109	58400	32709
Office	50816	0	50816

56. LAM6 already has planning permission and is already counted within committed supply. It therefore cannot be counted as an additional contribution to meeting the employment land requirement. Therefore, there is a shortfall of 32,709 sqm of industrial land.

57. No suitable and available sites for office development have been identified. Therefore the shortfall is 100% of the requirement.

58. The Council is committed to a five year review and is taking positive and proactive action to seek opportunities for additional employment land to come forward.

59. In recognition of the shortfall in employment land the Council made contact with Local Planning Authorities (LPAs) within one hour's drive of the District. It is unlikely that any of the LPAs contacted would be in a position to meet the District's needs. This is due to those LPAs needing to meet their own need or not having up to date evidence to know their need. A [Duty to Cooperate Statement](#) has been prepared.

Exceptional Circumstances Test for major development in the AONB

60. The North Wessex Downs AONB covers 74% of West Berkshire, and is an area where the landscape is managed to conserve and enhance its natural beauty in accordance with its national designation. The NPPF at paragraph 177 states that permission should be refused for major development in the AONB other than in exceptional circumstances, where it can be demonstrated that the development is in the public interest. Consideration needs to include:

- The need for development, including in terms of any national considerations, and the impact of permitting/refusing the development on the local economy;
- The cost of, and scope for, developing outside the AONB or meeting the need in some other way; and
- Any detrimental effect on the environment, landscape and recreational opportunities, and the extent to which that could be moderated.

61. While paragraph 177 relates to the consideration of applications for development, where a Local Plan seeks to allocate sites which would meet the definition of major development in the AONB it is considered appropriate to carry out the test to ensure the allocation would have a reasonable prospect of being delivered.

62. The NPPF definition of major development has been used for the Exceptional Circumstances test:

63. For non-residential development – an additional floor space of 1,000m² or more, or a site of 1ha or more, or as otherwise provided in the Town and Country Planning (Development Management Procedure) (England) Order 2015.
64. Four of the employment allocations within the LPR are located within the North Wessex Downs AONB and meet the threshold for major development.

Table 5: Major employment allocations within the North Wessex Downs AONB

LPR policy reference	Site	Site Size (developable area) (ha)	Proposed floorspace (sqm)
ESA2	Land west of Rambury Road, Membury Industrial Estate, Lambourn Woodlands	4.4	10,381
ESA3	Land to the south of Trinity Grain, Membury Industrial Estate, Lambourn Woodlands	1.3	5,200
ESA4	Beenham Landfill, Pips Way, Beenham	3.5	14,000
ESA5	Northway Porsche, Grange Lane, Beenham	1.6	6,400

The need for development

65. Table 4 above sets out the employment land requirement for the District over the plan period to 2039. It is clear that even with the proposed allocations within the LPR there remains insufficient suitable and available sites to meet the identified requirements.
66. Policy SP2 (North Wessex Downs AONB) of the LPR is clear that development within the AONB is required to support its local communities and rural economy in a way that is commensurate with the statutory status of the AONB as a nationally valued landscape.
67. The allocations within the AONB have been directed to existing DEAs, where employment development is already well established.

The cost of, and scope for, developing outside of the AONB or meeting the need in some other way

68. The adopted Core Strategy DPD (which forms part of the current Local Plan) divides the District into geographical areas in order to deliver the spatial strategy. Such an approach was reaffirmed following the Regulation 18 consultation on the LPR that took place between 9 November and 21 December 2018. The LPR includes the following three spatial areas – Newbury and Thatcham, Eastern Area, and the North Wessex Downs AONB.
69. There are significant constraints to development within both the Newbury and Thatcham and Eastern Area Spatial Areas:

Constraints within the Newbury and Thatcham Spatial Area

70. A number of rivers and water course flow through Newbury, with the River Kennet, Kennet & Avon Canal running through the centre of the town, the River Enborne to the south and the River Lambourn entering from the North West and reaching its confluence with the River Kennet to the east of the town. The areas immediately adjacent to these water courses are within Flood Zones 2 or 3. There are a number of important environmental and heritage assets within Newbury including SSSIs (River Lambourn and River Kennet), Local Wildlife Sites and the River Lambourn Nutrient Neutrality Zone washes over the west of the town. The Registered Battelfield, the site of the First Battle of Newbury (1643), is located to the west and to the south is the Registered Park and Garden of Sandford Priory.

Constraints within the Eastern Area Spatial Area

71. The eastern edge of the AONB abuts the western edge of the built up area of Tilehurst and Calcot, and there are extensive areas of floodplain to the south of Holybrook. The Atomic Weapons Establishment (AWE) has two major sites in this area, at Aldermaston and Burghfield. Changes to legislation have resulted in the redetermination of the emergency planning arrangements. The Detailed Emergency Planning Zone (DEPZ) now covers a significant part of this spatial area, and development is heavily restricted by this designation.

72. It is evident from the HELAA and SA/SEA that the District's constraints has resulted in a lack of suitable available supply of employment land. Despite the constraints that exist within the spatial areas of Newbury and Thatcham Spatial and the Eastern Area two sites have been identified within these locations for employment uses.

Effect on the environment, landscape and recreational opportunities

73. The Council has had regard to its duty under Section 85 of the Countryside and Rights of Way Act 2000 and has placed great weight on conserving the landscape and scenic beauty of the North Wessex Downs AONB in accordance with paragraph 176 of the NPPF. The LPR takes a landscape-led approach to development.

74. Each site within the AONB identified through the HELAA with potential for development was considered on its own merits and was subject to a LCA to ascertain if development would result in harm to the natural beauty and special qualities of the AONB. The [LCA assessment methodology for the employment sites](#) took a staged approach to determining the landscape sensitivity and capacity of the proposed site for offices and/or B2 and/or B8 uses.

75. The LCA examined each site in detail to determine the potential area for development for employment uses in the light of the landscape capacity and landscape and visual constraints on the site. In some cases the whole site will be ruled out for development. In others the whole site will be included as a potential site, subject to the provision of green infrastructure. However, in many cases a 'reduced area' is recommended which identifies a part of the site that could be considered further for development (subject to the provision of green infrastructure) whilst conserving (and potentially in some cases indirectly enhancing) the key landscape and visual characteristics of the site and its landscape setting; and whilst conserving and reinforcing the influence of the underlying landscape on the settlement pattern of the adjacent town or village.

76. The LCA also considers the cumulative effect of developing on sites where a cluster of sites have come forward in the same location.
77. The conclusions and recommendations from the [site specific LCA](#) have been taken into account within site assessments in both the HELAA and SA/SEA.

Designated Employment Areas (DEA)

78. The Core Strategy identified Protected Employment Areas (PEA), parcels of land designated across the District for office, industrial, storage and distribution uses. These designations were carried forward into the Core Strategy from the West Berkshire District Local Plan 1991-2006 (Saved Policies 2007). Through the LPR these parcels of land known as PEA are renamed Designated Employment Areas (DEA), as will be known as such throughout this document where appropriate.
79. Policy CS9 of the Core Strategy committed the Council to a review of these areas and this has been undertaken as part of the LPR.
80. As part of a review of these areas the ELR 2020 considered and assessed the 20 DEAs identified in Appendix G of the Core Strategy, along with other parcels of established employment land not currently identified as Designated Employment Areas but either identified through the property market appraisal or highlighted within the Core Strategy as important to the local economy. This review was updated as part of the ELR 2022.
81. The review/assessment of each DEA used the following criteria:
- Basic information: site name / site description / site size / primary type of employment / sequential location / planning history.
 - Attractiveness to occupiers: prominence of site / compatibility with surrounding uses / access to amenities (nearest centre km) / internal layout / parking / servicing and landscaping / market demand including occupancy and market intelligence.
 - Accessibility: local access by road / ease of access and proximity to SRN / public transport access.
 - Review and recommendation: future occupation of site / opportunities for expansion, redevelopment, intensification / developable land / constraints and intensification / recommendation.
82. Appendix C to the ELR 2022 sets out the updated assessments and recommends safeguarding all DEA across the District, as well as the identification of four new DEA – Greenham Business Park, The Vodafone Campus, Langley Business Court in Beedon and Easter Park in Aldermaston.
83. The Council accept the recommendations of the ELR 2022 to safeguard all existing DEA within the District, and to designate new DEA as identified with the exception of Easter Park due to its location within the DEPZ and advice from the Council's Emergency Planning Team.
84. To supplement the assessments within the ELR 2022, the Council undertook a further review in September 2022 to determine where land has been lost to or gained from other uses (for example through office to residential conversions) that would

warrant changes to the existing DEA boundary, either by way of an extension or reduction where appropriate.

85. This review involved an analysis of Council planning records, including planning commitments and CIL data, as well as online mapping information, aerial photography and site visits. A number of sites were promoted through the HELAA/Reg.18 consultation seeking DEA boundary changes, these sites were also considered through this process.
86. Appendix 1 contains a full list of the DEA as set out in the LPR with accompanying maps showing boundary changes. The changes reflect where residential development has taken place and where there are planning commitments for economic development. Cross overs in DEAs and town centre commercial areas have also been avoided.
87. DEAs are safeguarded for business uses (office, industry, storage and distribution) by Development Management Policy DM32, to protect the role the DEAs play in providing a supply of employment land to meet the existing and future needs of businesses. Complementary uses may be permitted where they support the primary function of the DEA. This could include shops, cafes, or gyms. Within DEAs the sequential test for offices, a town centre use, would not need to be satisfied. This is to create flexibility and to ensure a supply of office space to meet the District's future requirements.

Atomic Weapons Establishments (AWE)

88. The Employment Land Review (ELR) and the West Berkshire Economic Development Strategy (2020) recognise that the AWE sites at Aldermaston and Burghfield are large employers and draw employees from local areas, and indirectly support businesses in nearby business and industrial parks. However, as confirmed in the ELR, it functions differently from other places of employment, given its specialist nature.
89. The uses at the sites relate to defence services and the specialist nature of the activity within the sites mean they are not covered by Policies SP21 and DM35, and are not DEAs. Core Strategy Policy CS9 outlined that AWE would be further considered for the role it plays in the local economy. Development Management Policy DM33 has therefore been included in the Proposed Submission LPR, with the aim of supporting development which directly sustains the functioning of both Aldermaston and Burghfield AWE sites as government research and defence establishments.

Sustaining a Prosperous Rural Economy

90. The rural parts of West Berkshire play an important role within the District's economy and it is essential that businesses within the rural area are supported through planning policy and decisions. Many rural areas host a large number of small and medium sized enterprises which provide local job opportunities and are an essential part of a diverse economy. Policy DM35 of the LPR therefore sets out the policy for economic development proposals in the countryside, ensuring that a prosperous rural economy is supported. The policy focuses on proposals for economic development, rather than educational and institutional establishments, which are covered under Policy DM38. Proposals for farm diversification are considered under Policy DM36.

The policy seeks to balance the need to support the rural economy with the need to protect the character and beauty of the countryside, particularly given that the AONB covers a large area of the District. Existing business uses are sought to be maintained, so to retain the vitality and viability of the local economy, unless appropriate evidence is provided.

Other economic needs

91. The evidence and policy approach on other economic needs, including main town centre uses, are set out within the Retail Background Paper.

Conclusion

92. The National Planning policy Framework sets out that for Plans to be sound they must be:

- Positively prepared – providing a strategy which, as a minimum, seeks to meet the area’s objectively assessed needs²¹; and is informed by agreements with other authorities, so that unmet need from neighbouring areas is accommodated where it is practical to do so and is consistent with achieving sustainable development;
- Justified – an appropriate strategy, taking into account the reasonable alternatives, and based on proportionate evidence;
- Effective – deliverable over the plan period, and based on effective joint working on cross-boundary strategic matters that have been dealt with rather than deferred, as evidenced by the statement of common ground; and
- Consistent with national policy – enabling the delivery of sustainable development in accordance with the policies in the NPPF and other statements of national planning policy, where relevant.

93. The approach to employment land and economic development taken in the LPR accords with these expectations. The LPR provides a strategy to meet the area’s objectively assessed needs, is informed by agreements with other local authorities, and is consistent with achieving sustainable development. It takes an appropriate strategy and is based on proportionate evidence. It is deliverable over the plan-period and is based on effective joint working. And it is consistent with national policy, enabling the delivery of sustainable development in accordance with the NPPF and other statements of national planning policy.

APPENDIX 1

Proposed Designated Employment Areas

Map ref	DEA	Location
1	Calleva Park	Aldermaston
2	Paices Hill/Youngs Industrial Estate	Aldermaston
3	Langley Business Court	Beedon
4	Beenham Industrial Area	Beenham
5	Red Shute Hill	Hermitage
6	Charnham Park	Hungerford
7	Smitham Bridge (Hungerford Trading Estate)	Hungerford
8	Station Yard	Hungerford
9	Membury Estate, including Hurst Farm	Lambourn
10	Lambourn Business Park	Lambourn
11	Castle Estate	Newbury
12	Hambridge Road/Lane	Newbury
13	London Road Estates	Newbury
14	Newbury Business Park	Newbury
15	Turnpike Estate	Newbury
16	Vodafone Campus	Newbury
17	Horseshoe Park	Pangbourne
18	Colthrop Estate	Thatcham
19	Green Lane	Thatcham
20	Greenham Business Park	Thatcham
21	Arlington Business Park	Theale
21	Estates off Brunel Road and Station Road	Theale
22	Theale Lakes at Sheffield Bottom	Theale



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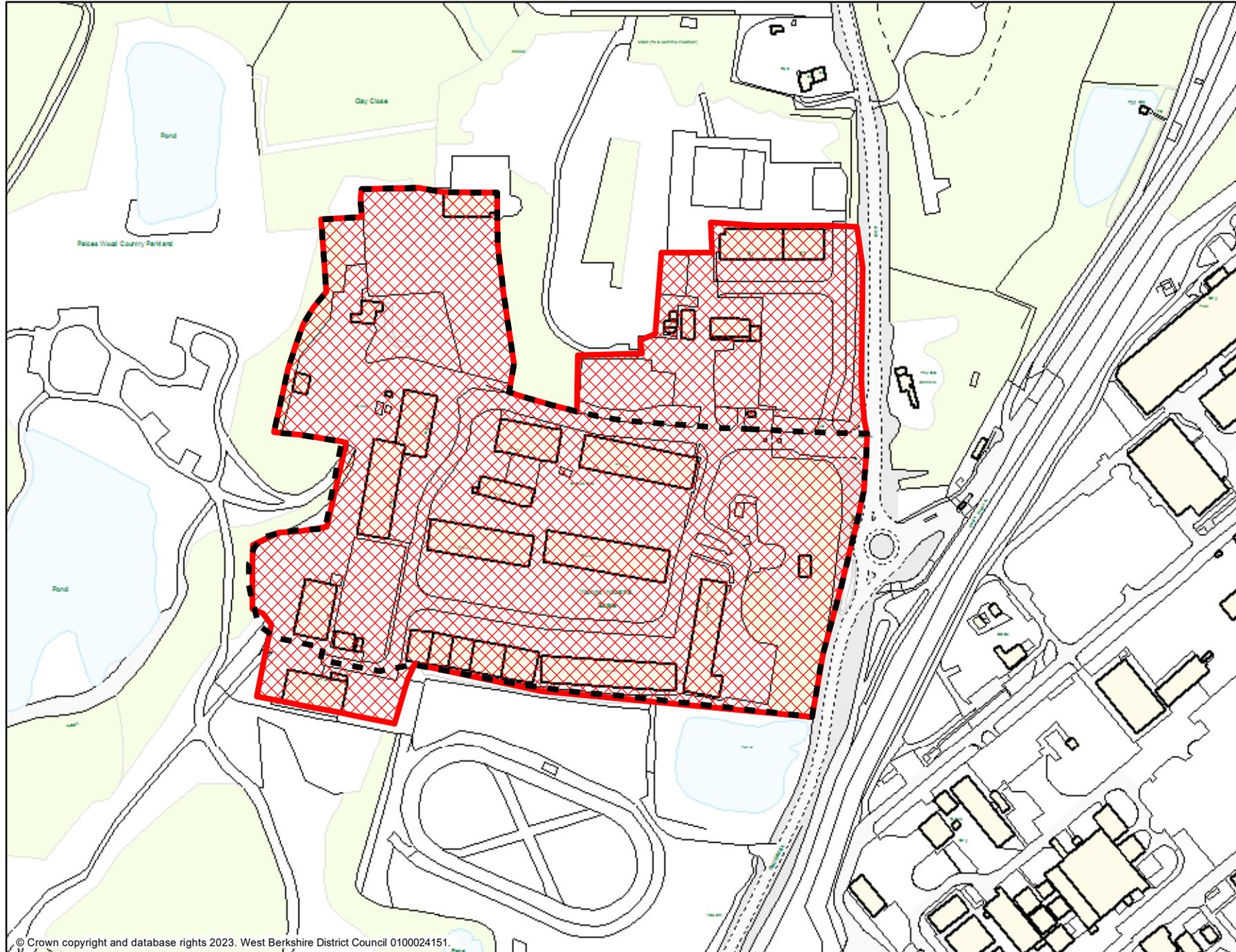
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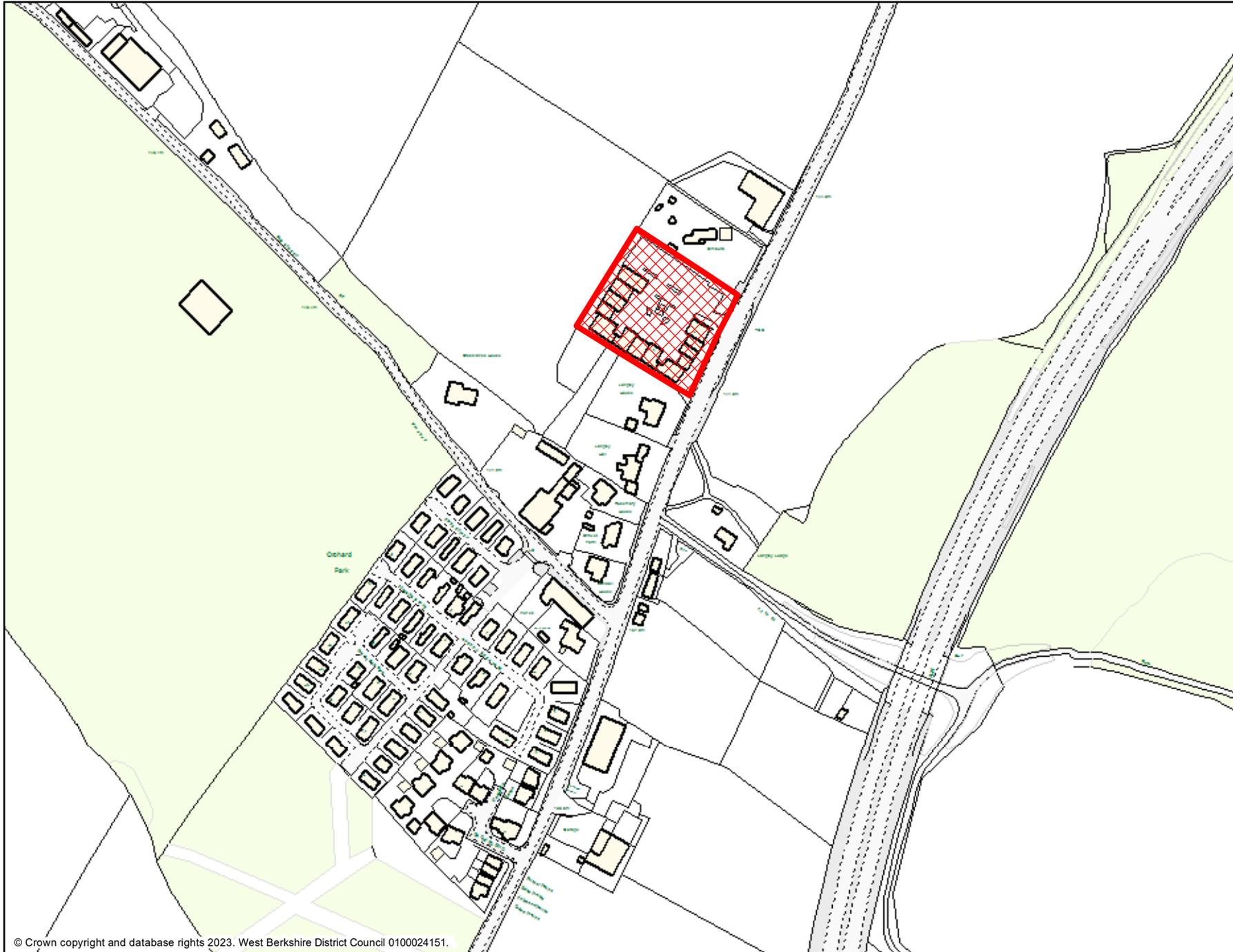
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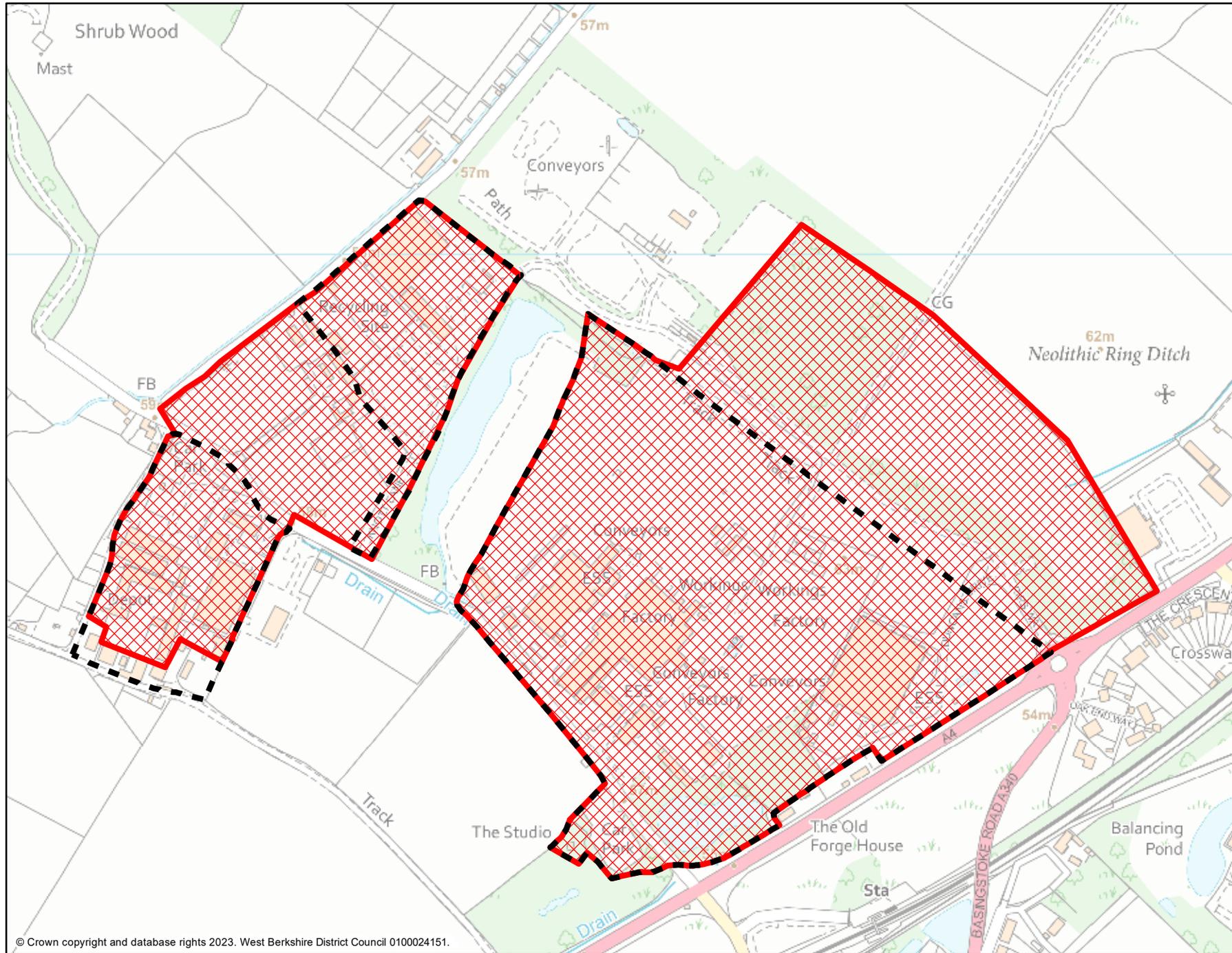


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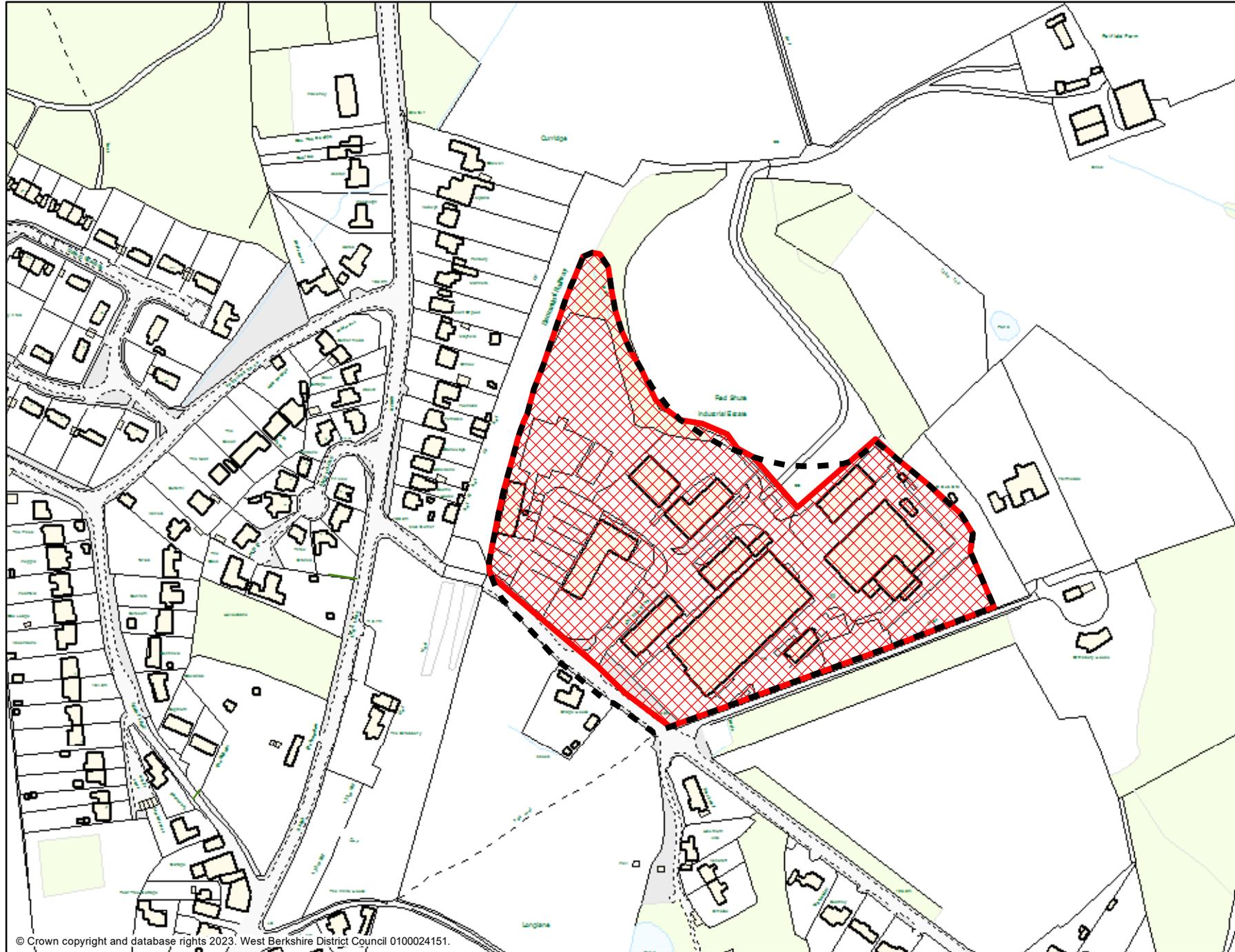
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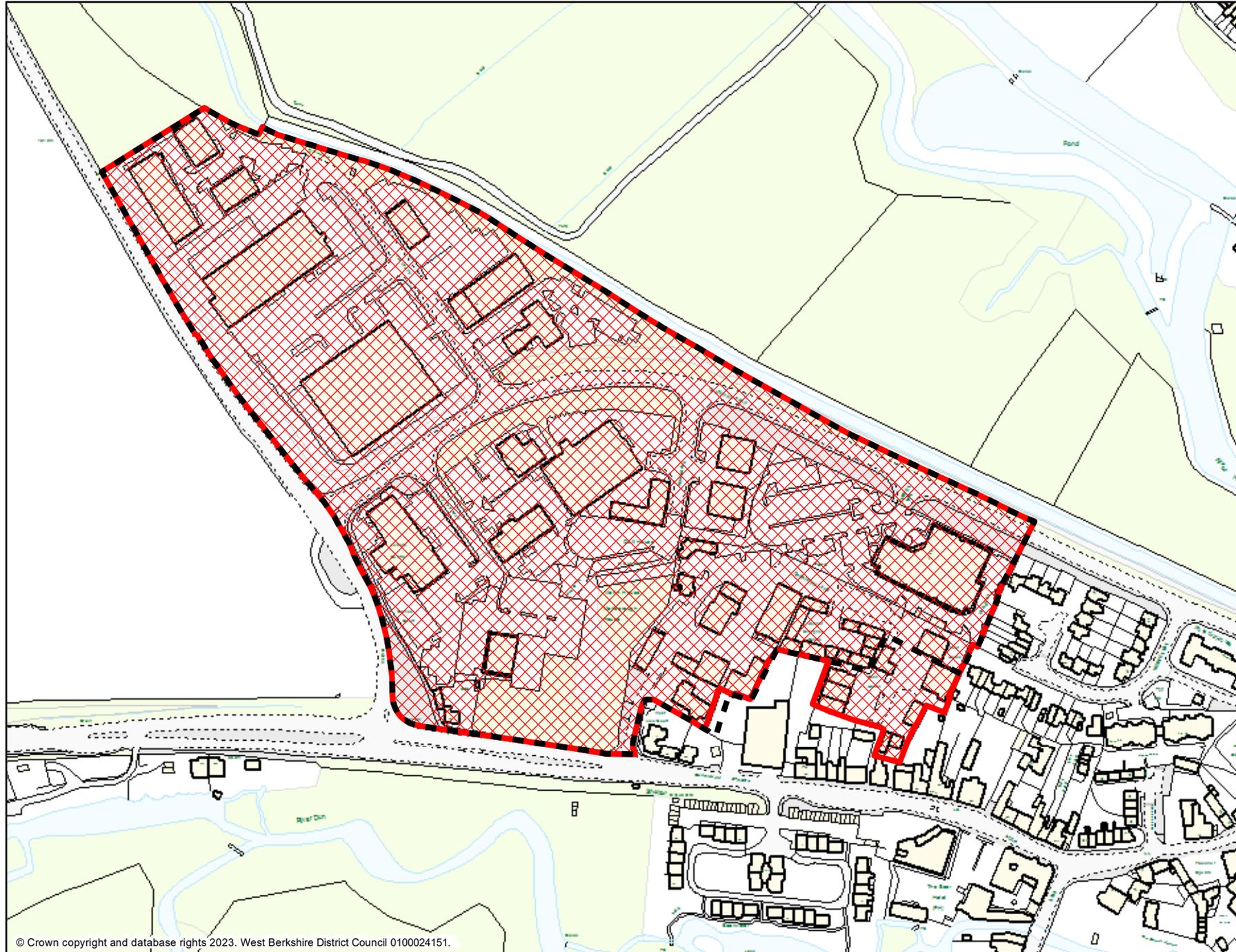
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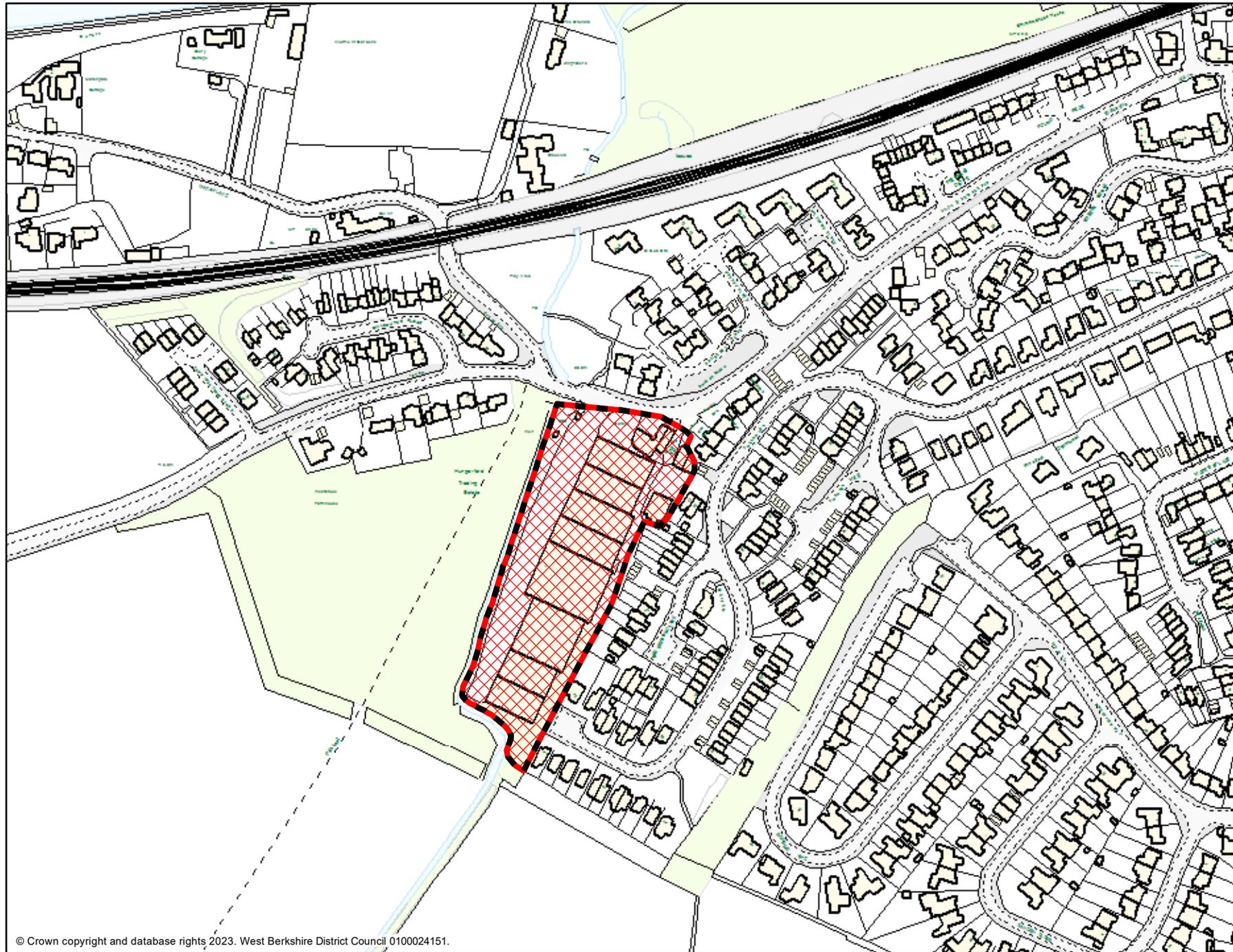
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Designated Employment Area - Smitham Bridge (Hungerford Trading Estate), Hungerford

Map 7



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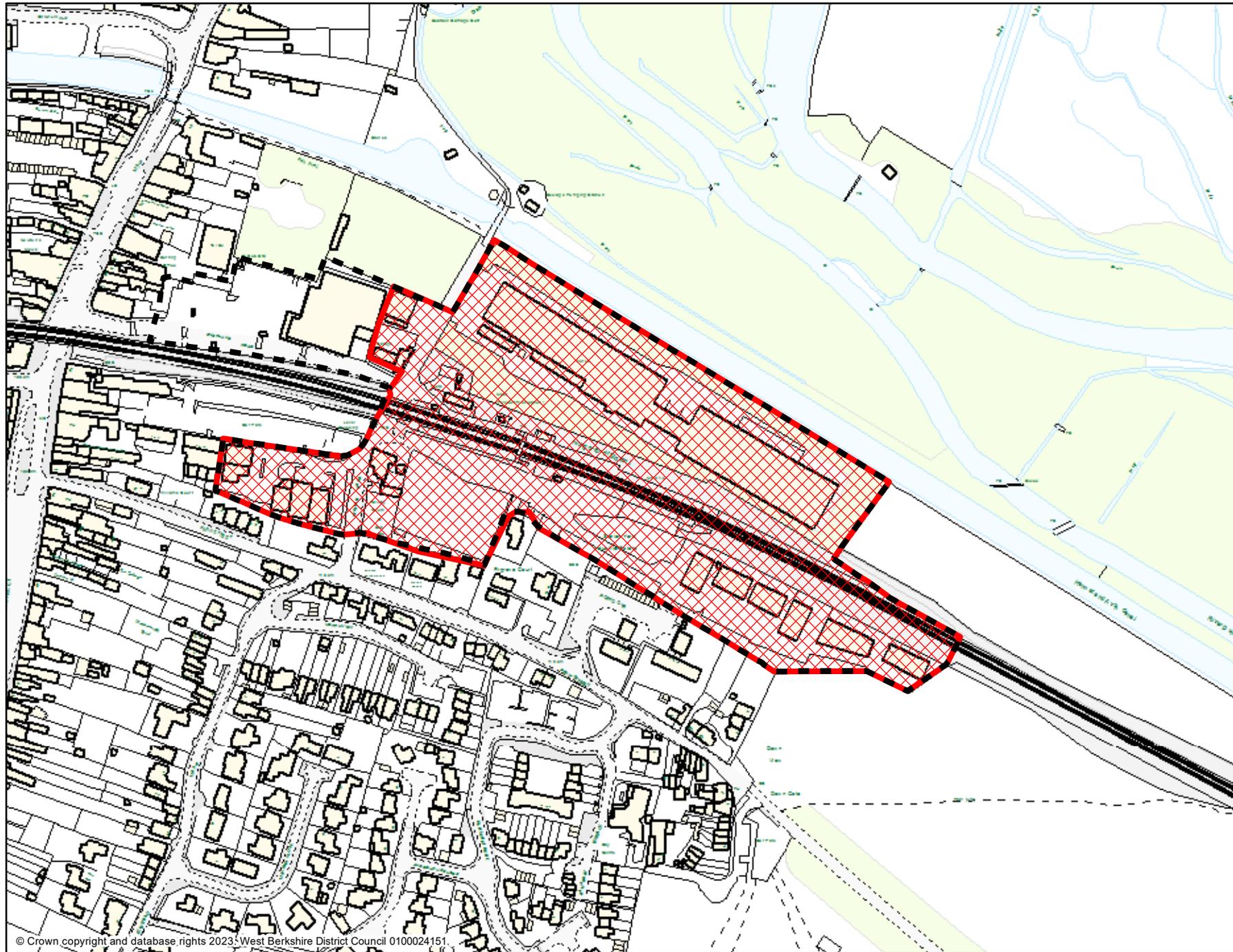
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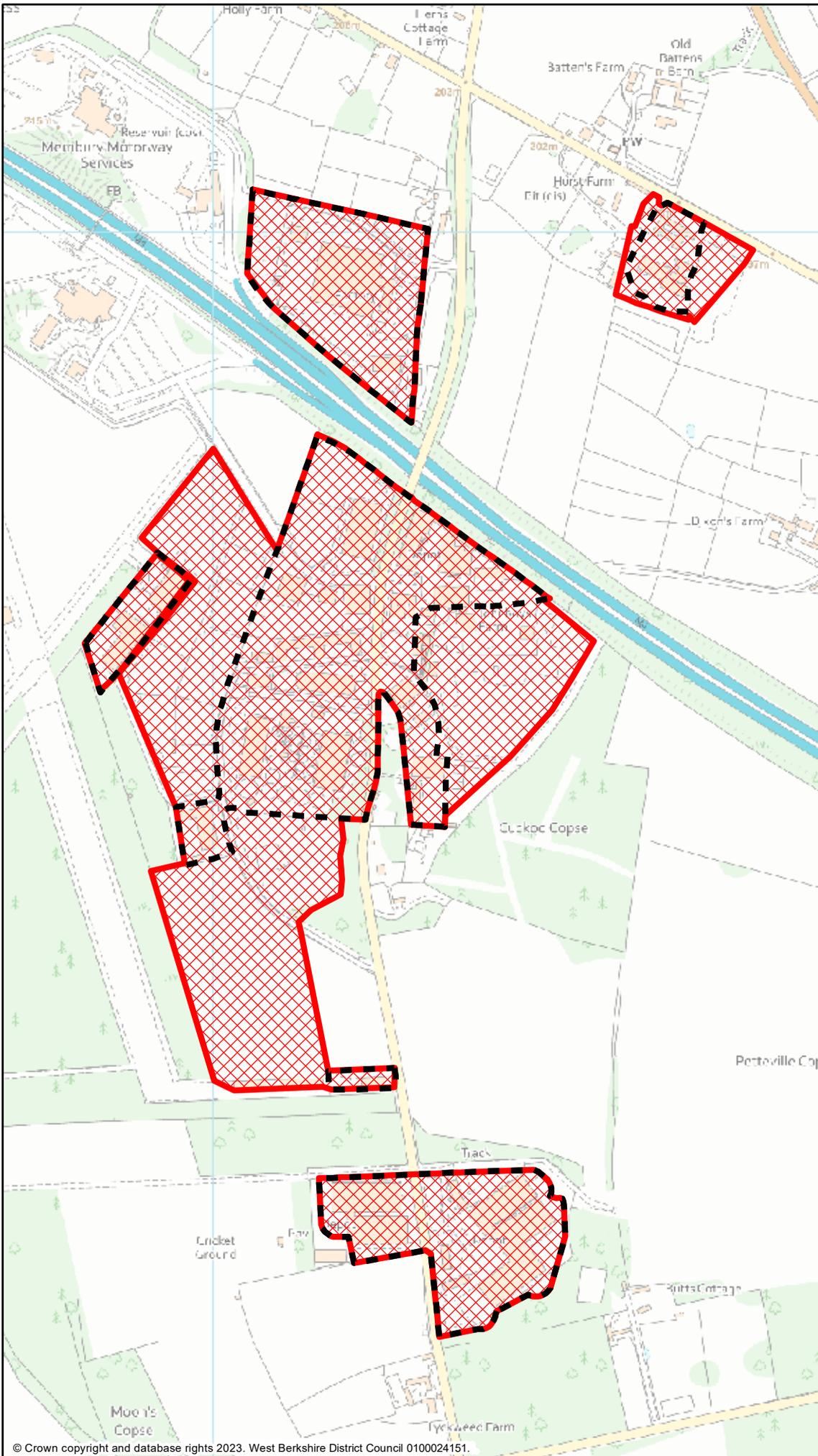
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Designated Employment Area - Membury Estate, including Hurst Farm



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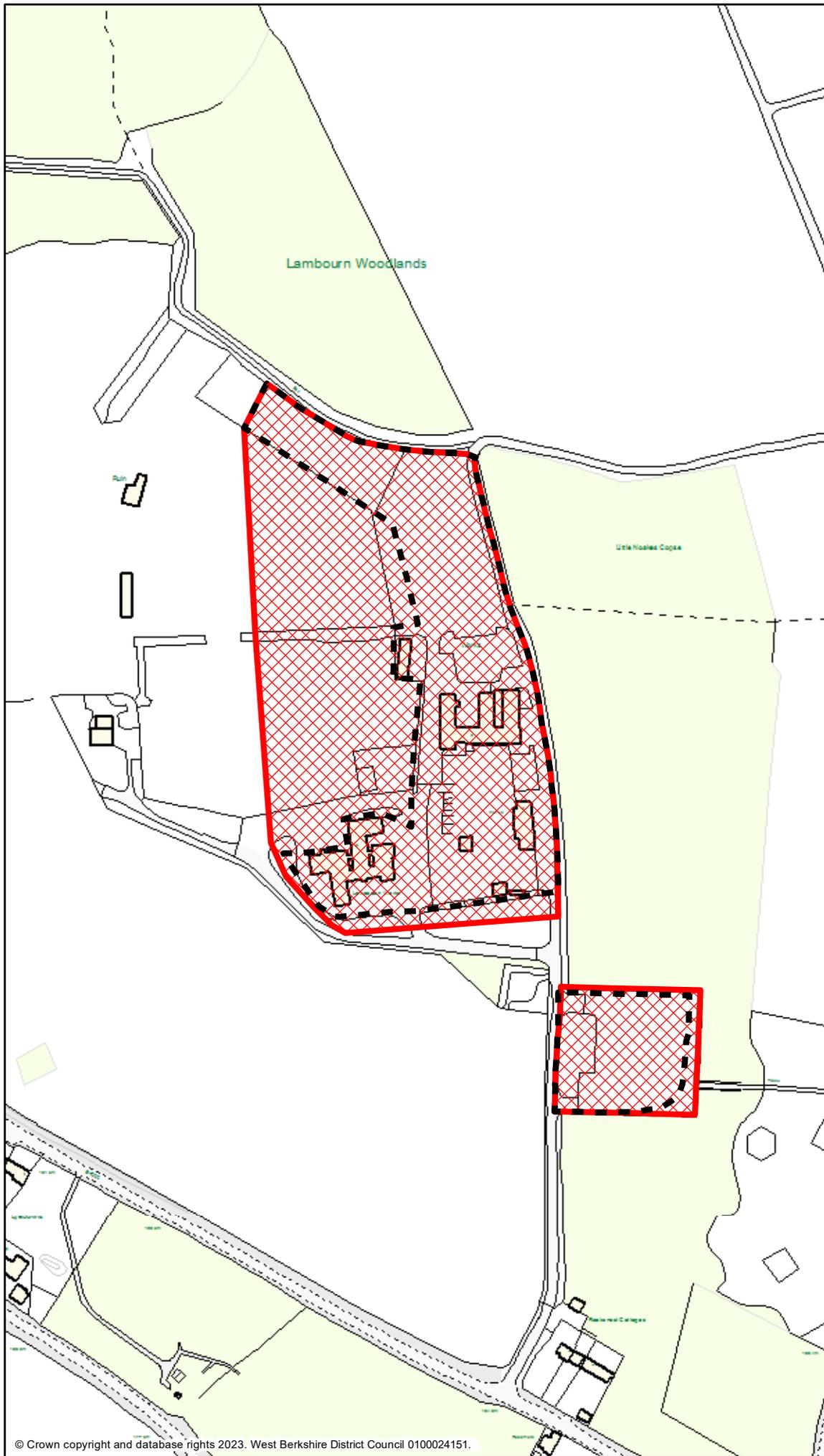
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Designated Employment Area - Lambourn Business Park Map 10



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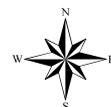
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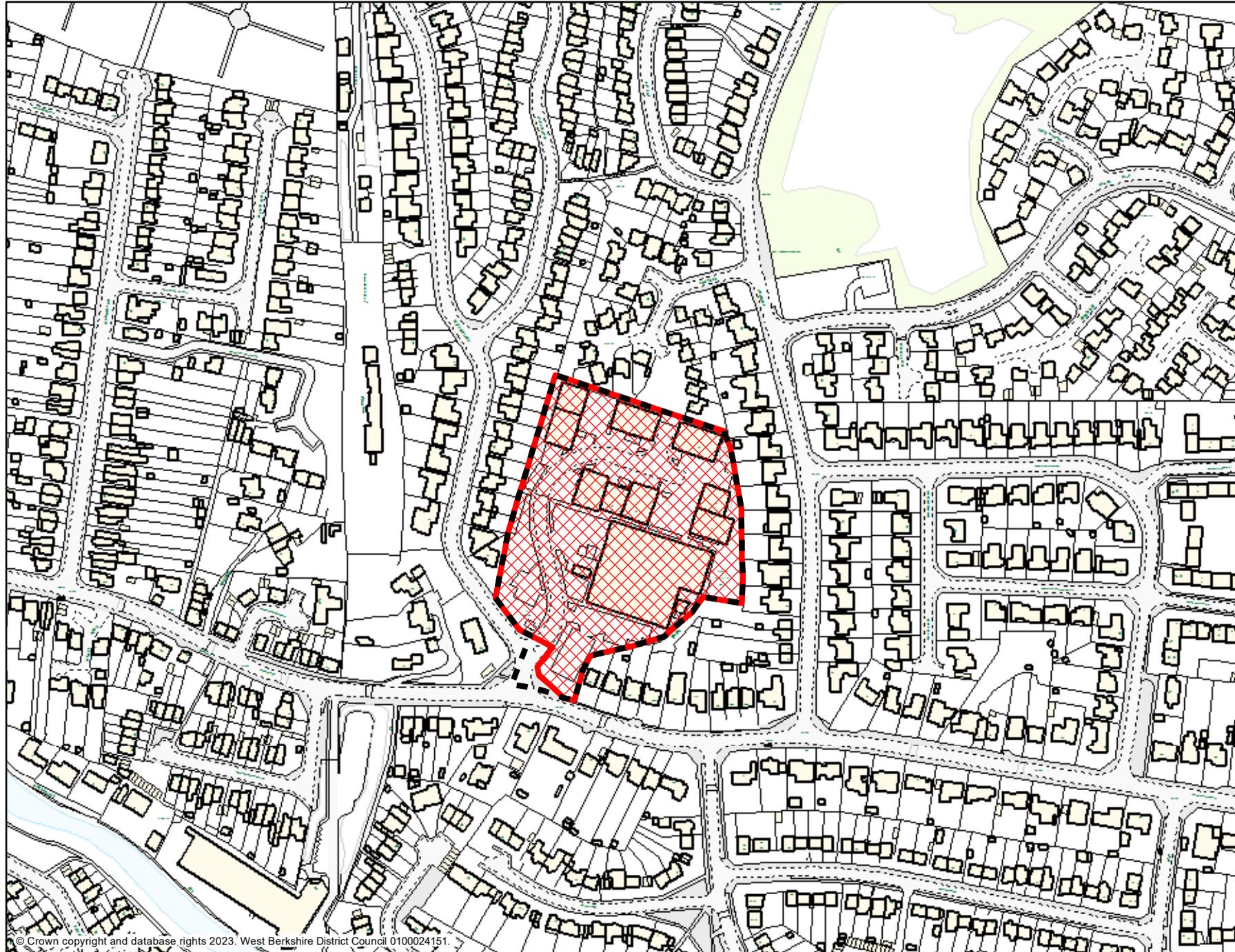
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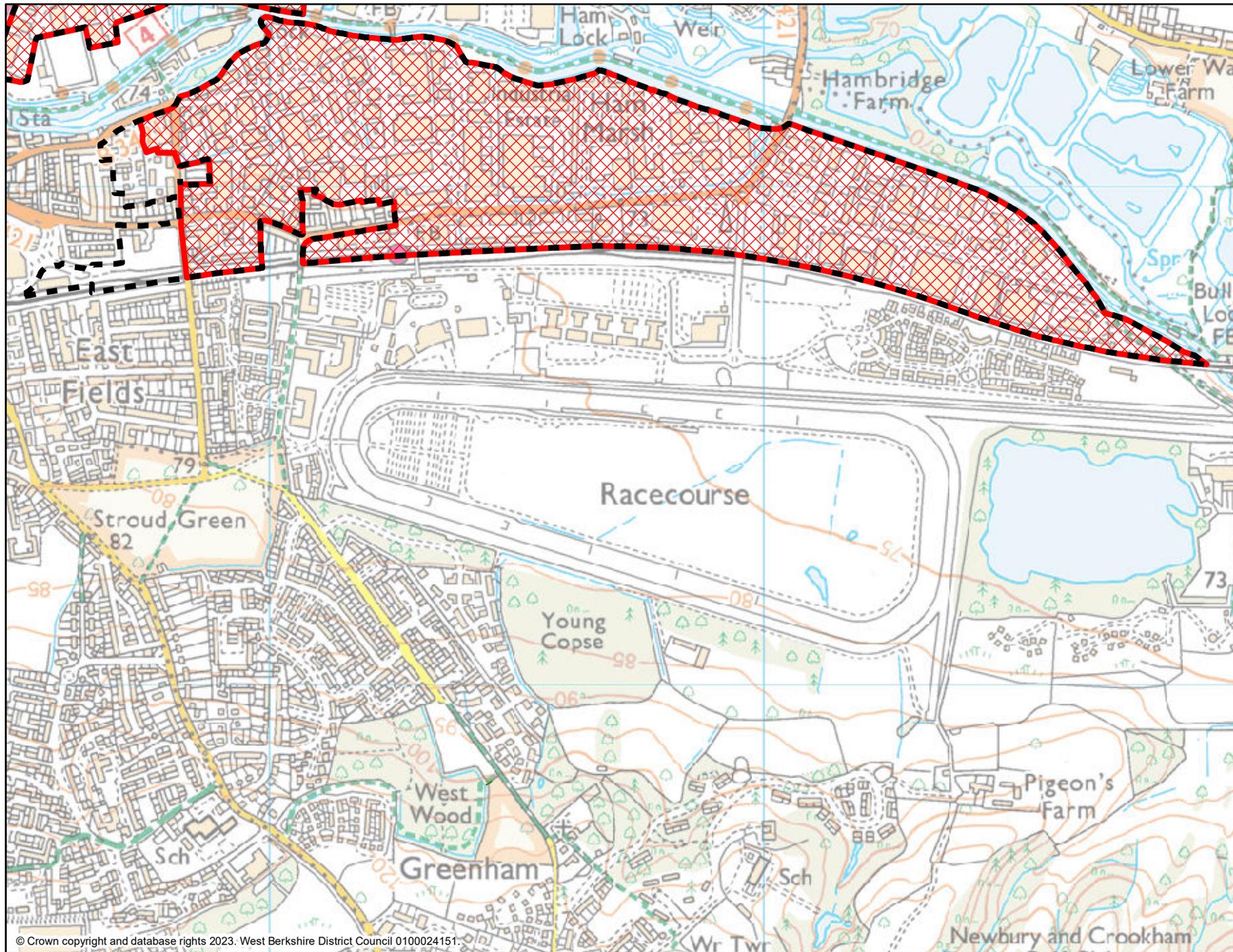
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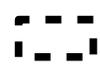


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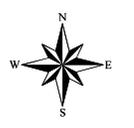
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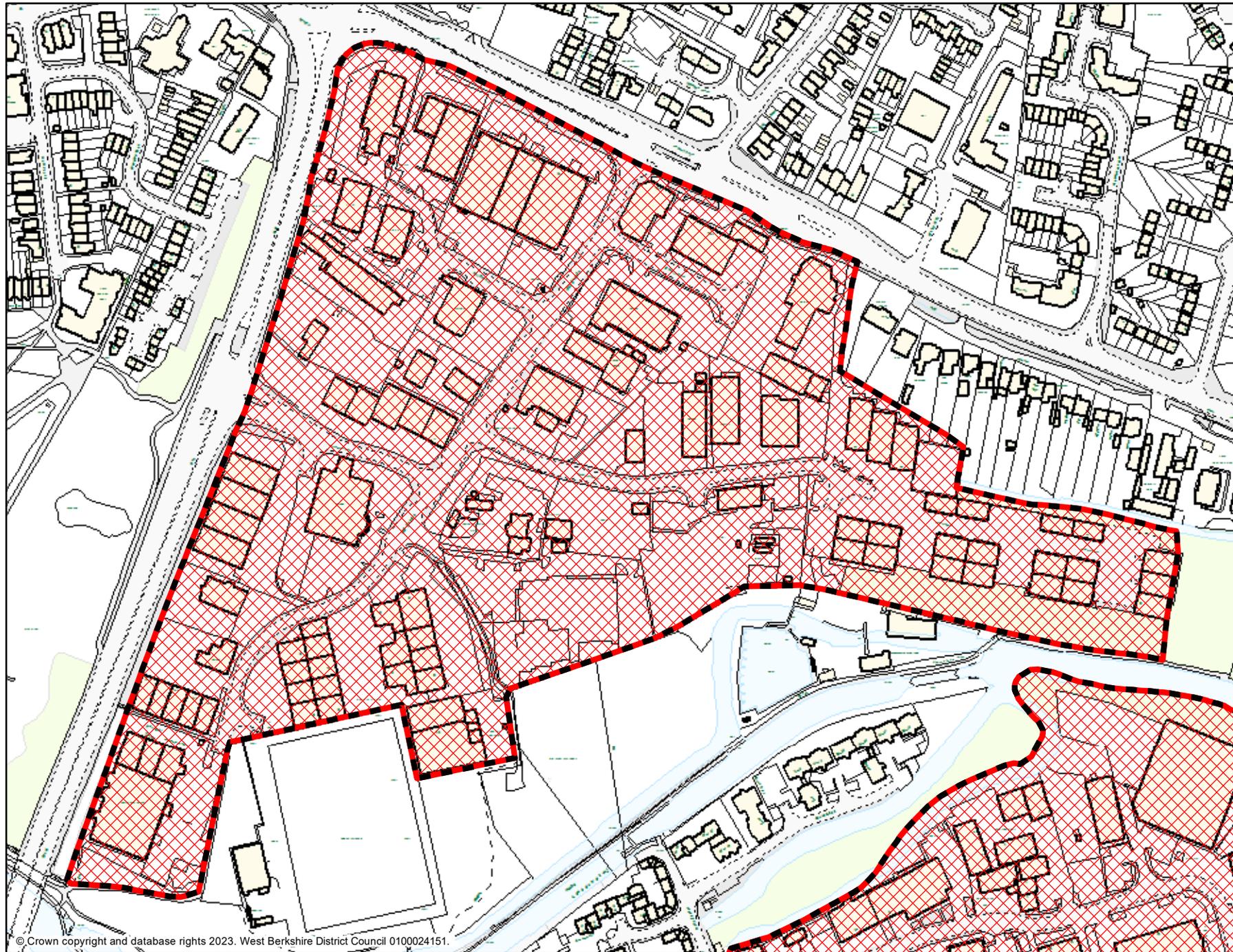
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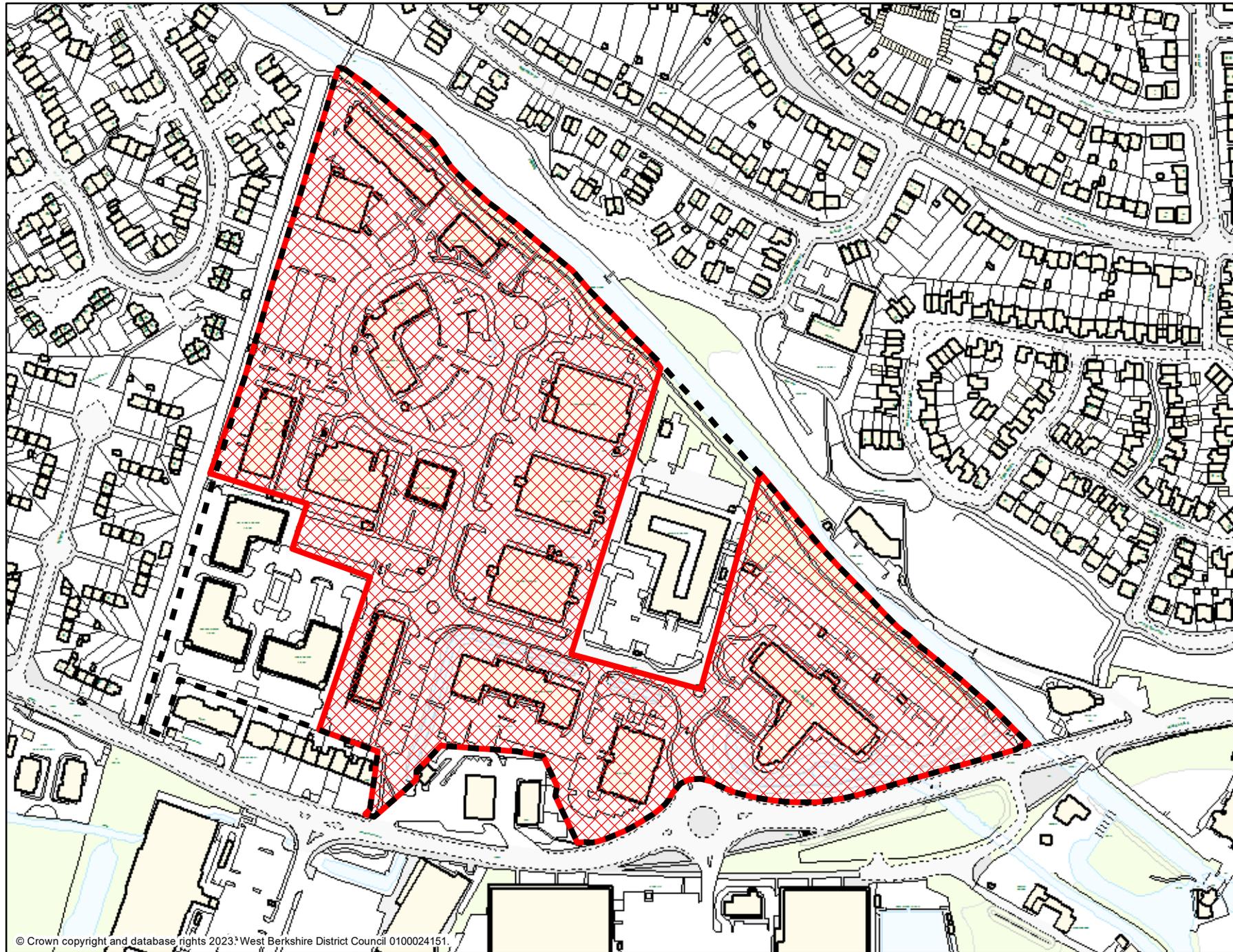
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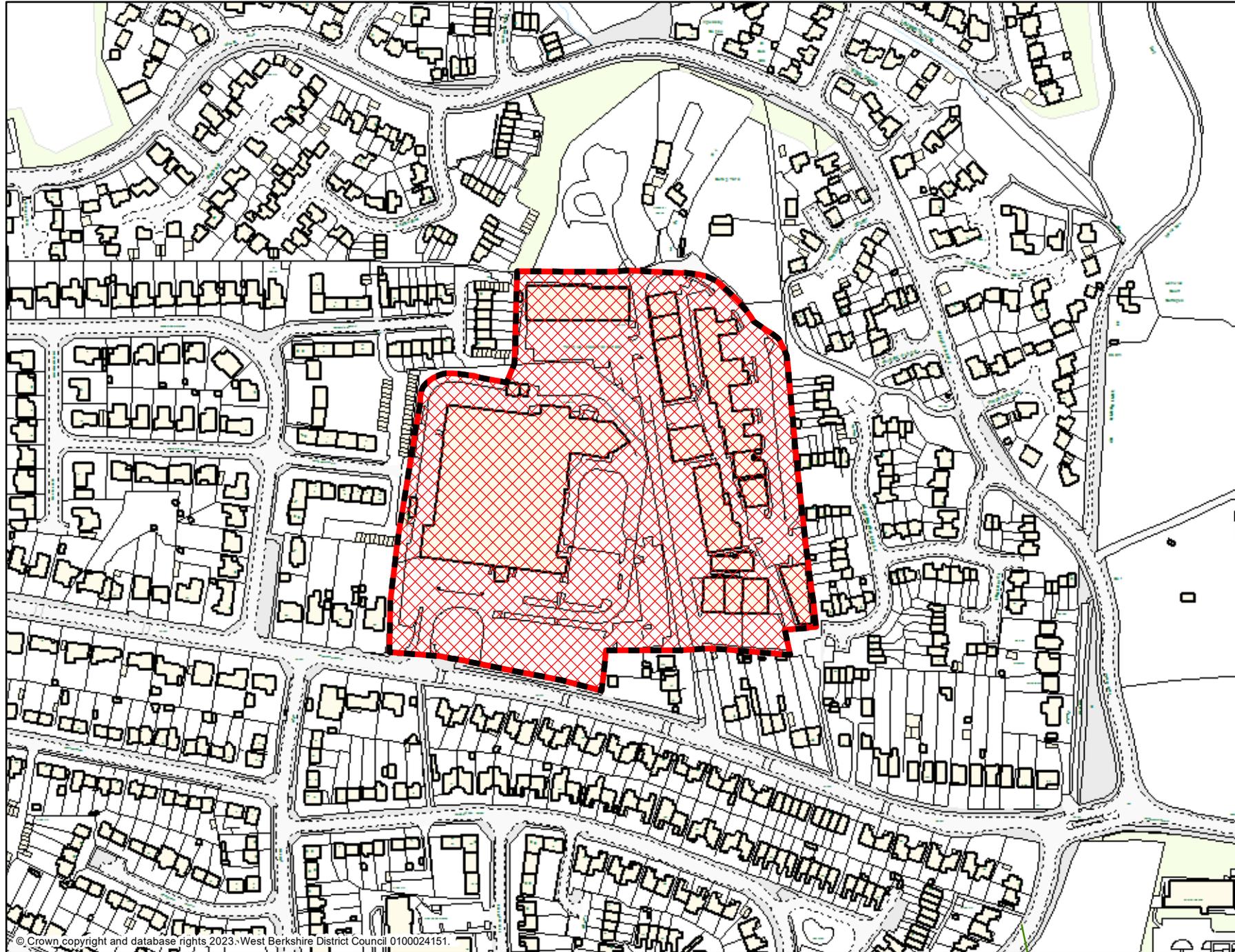
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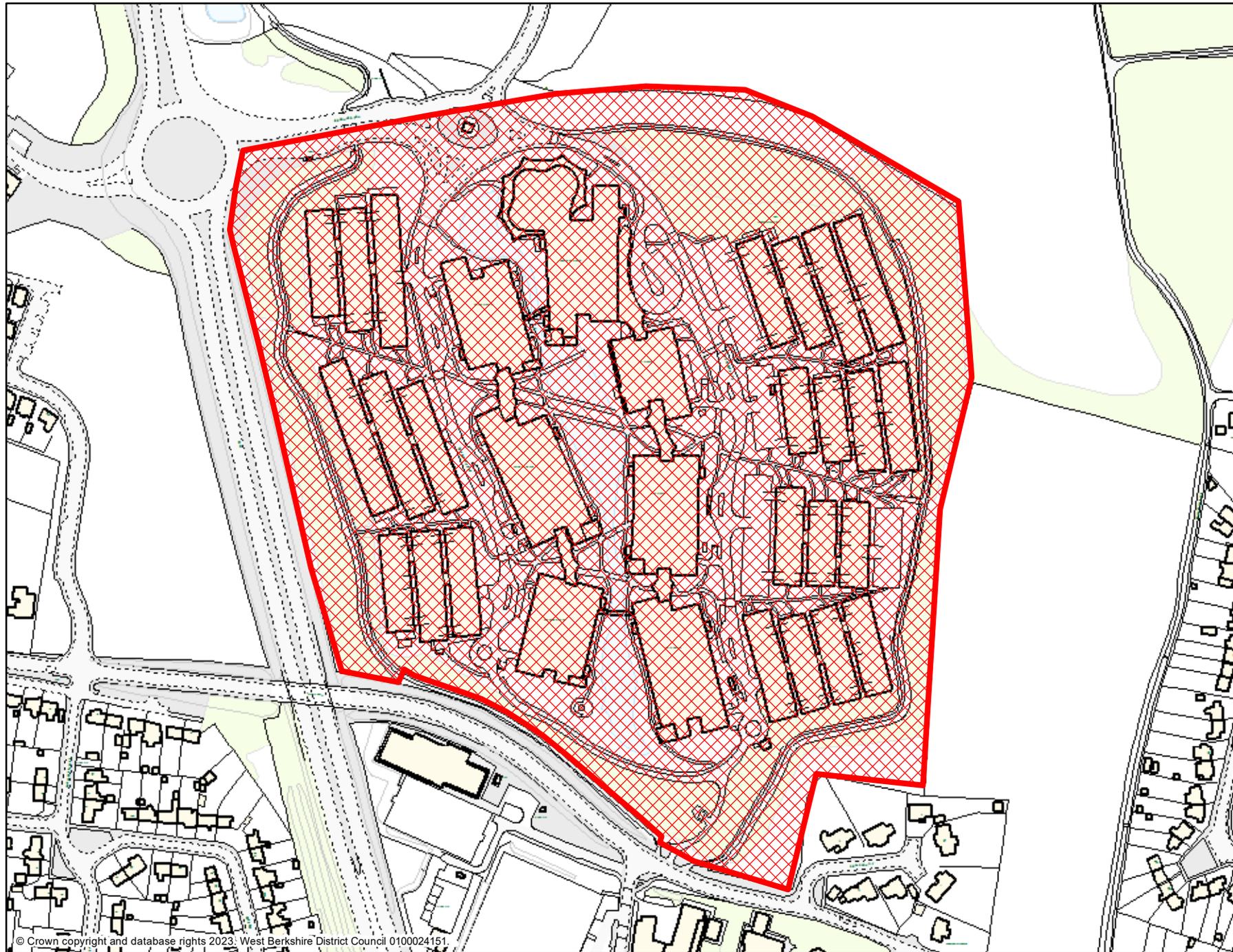
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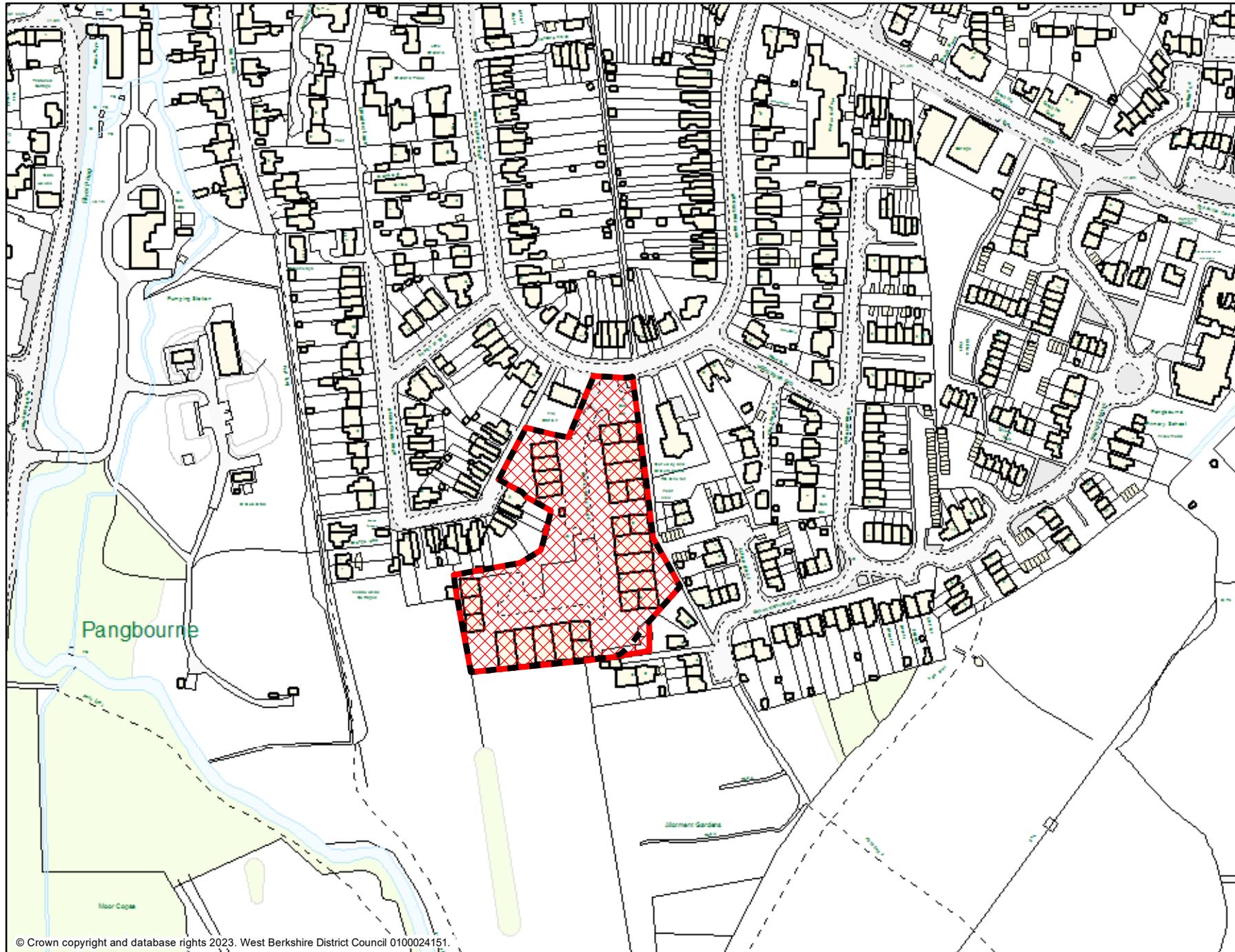
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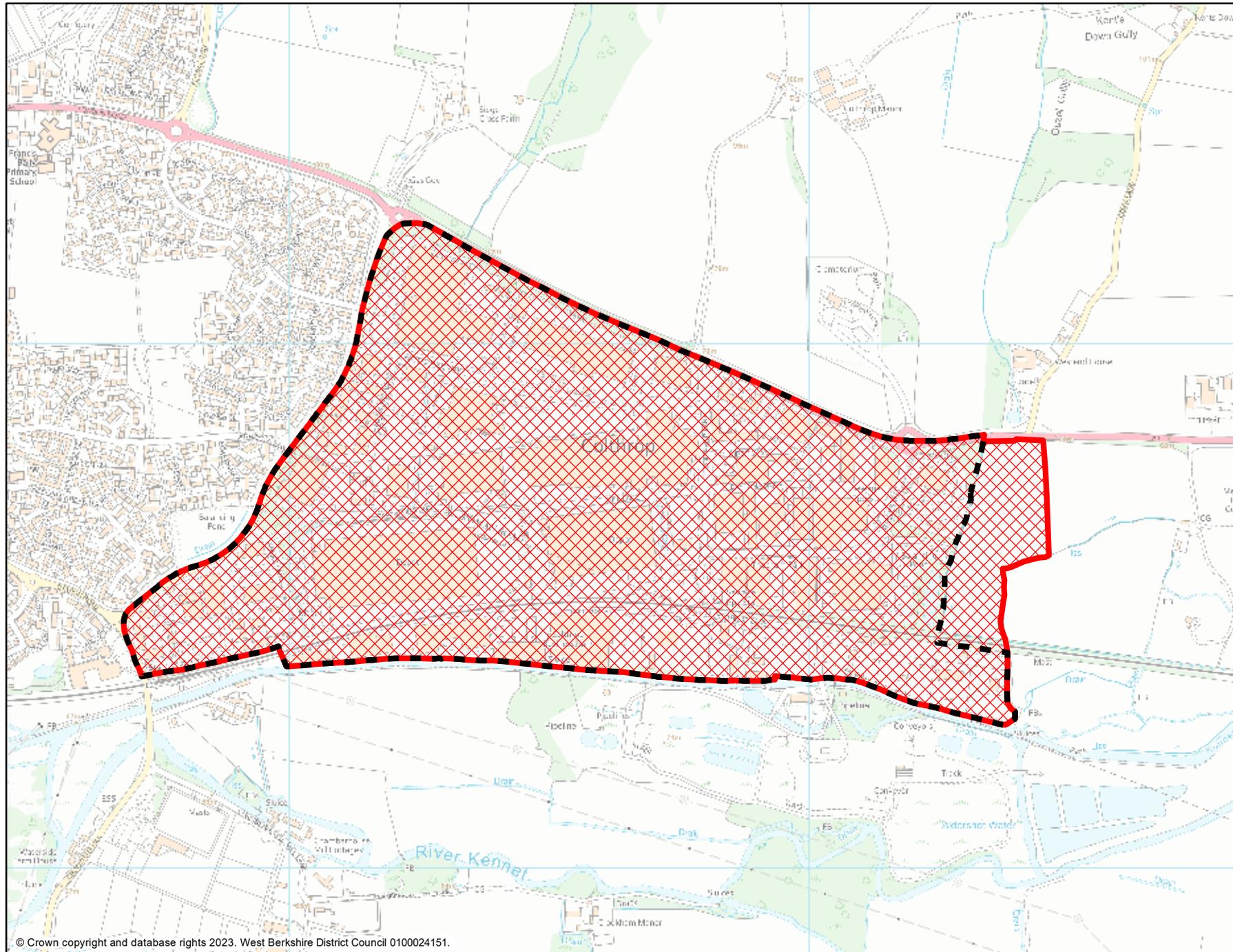
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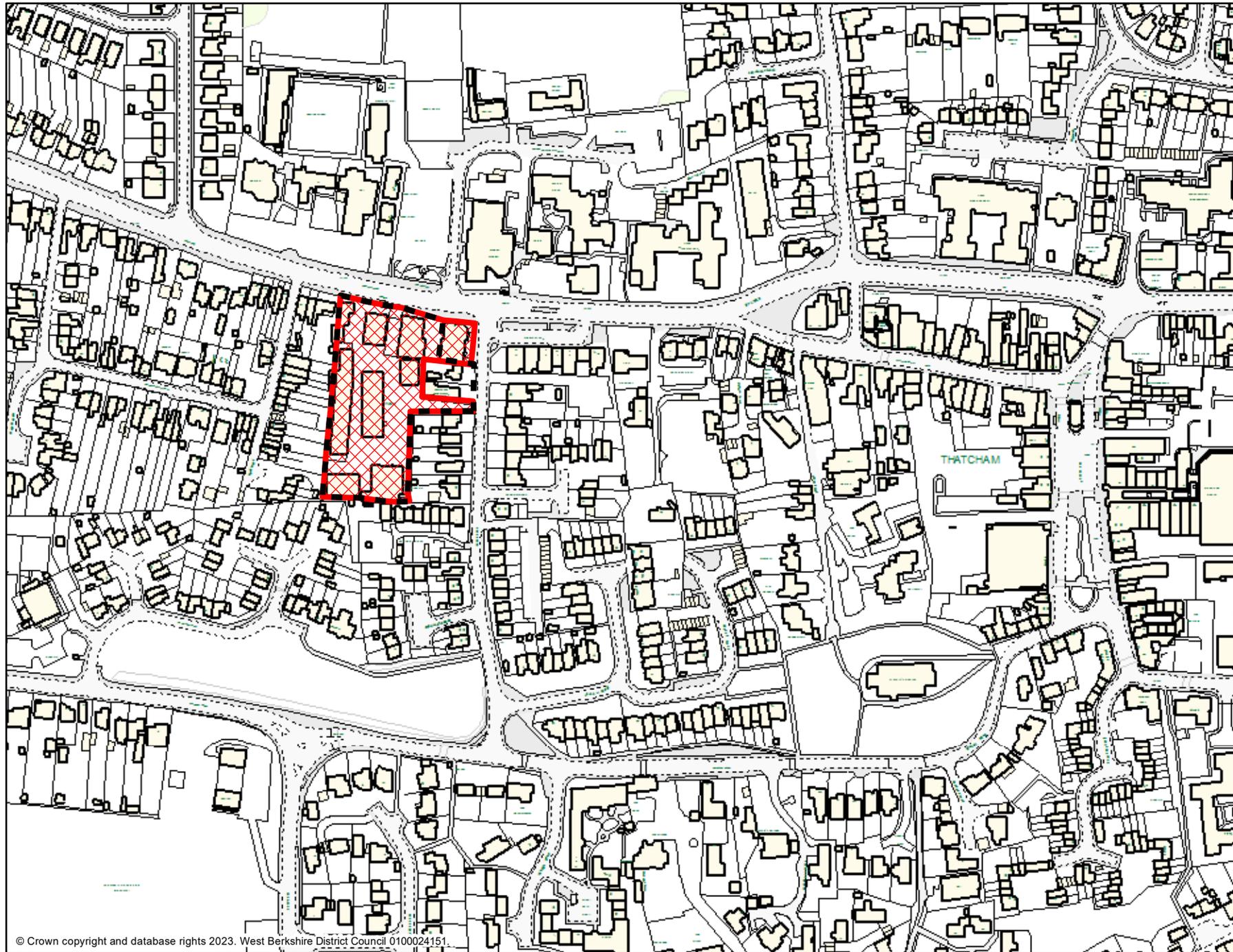
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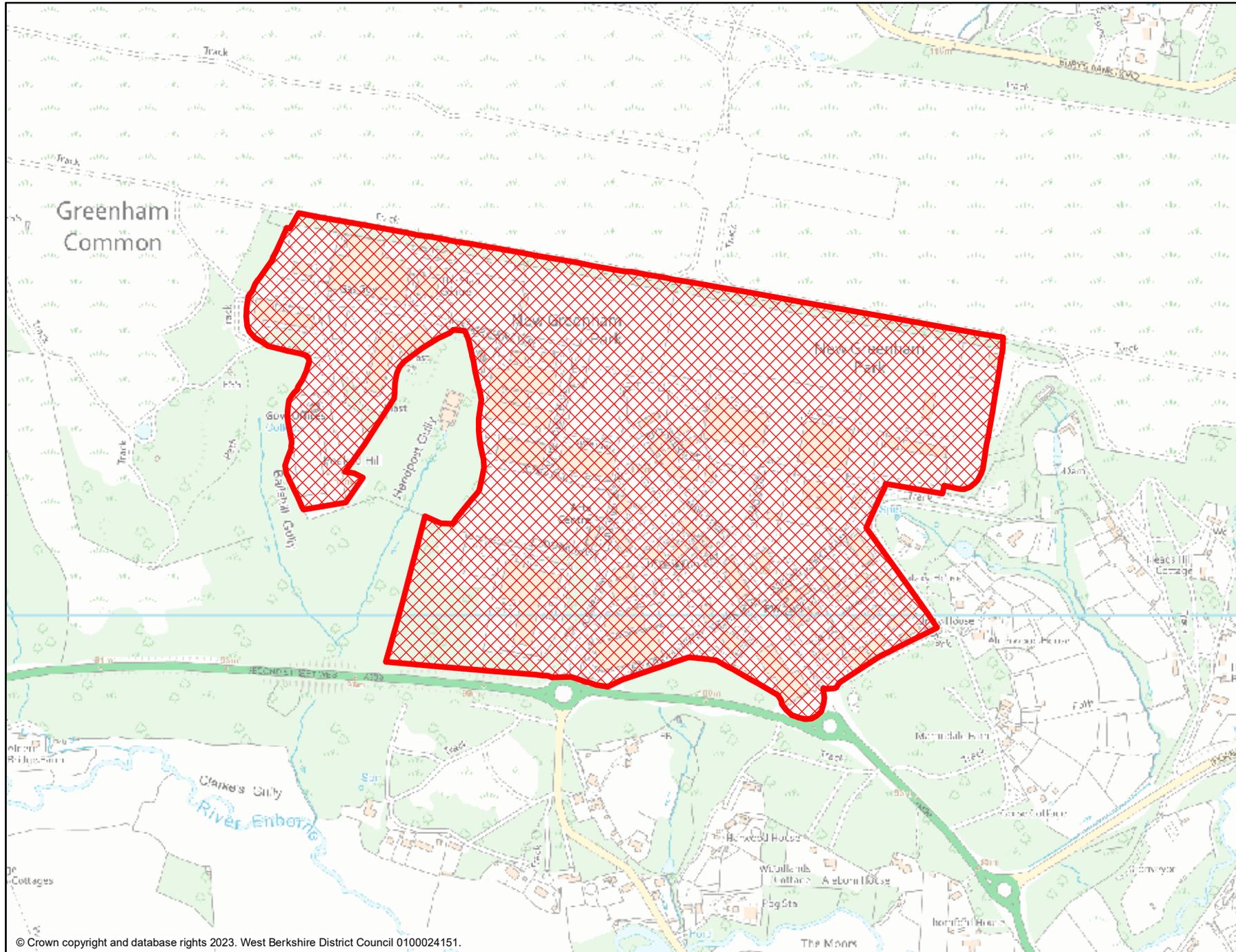
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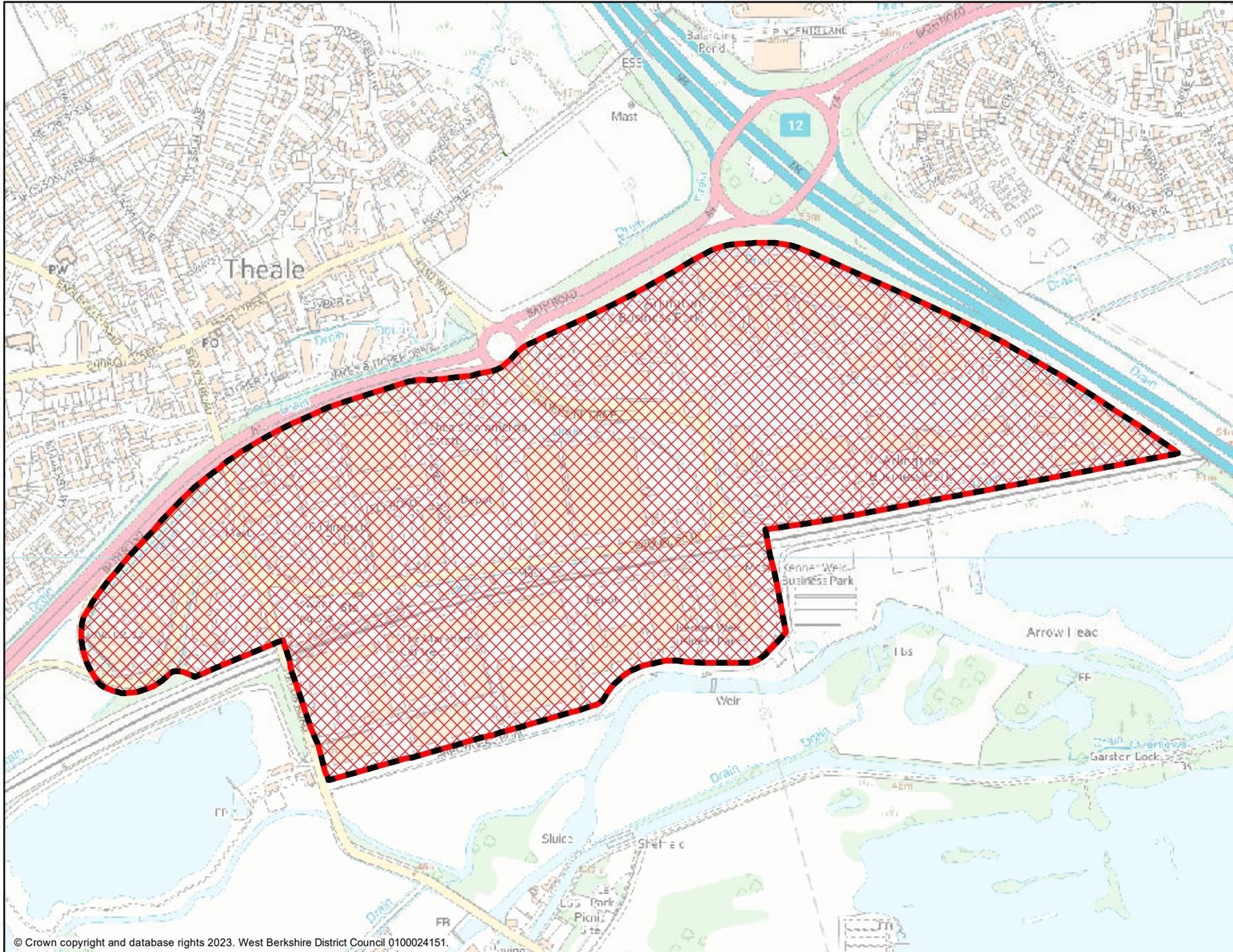
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Designated Employment Area - Arlington Business Park & Estates off Brunel & Station Rds

Map 21



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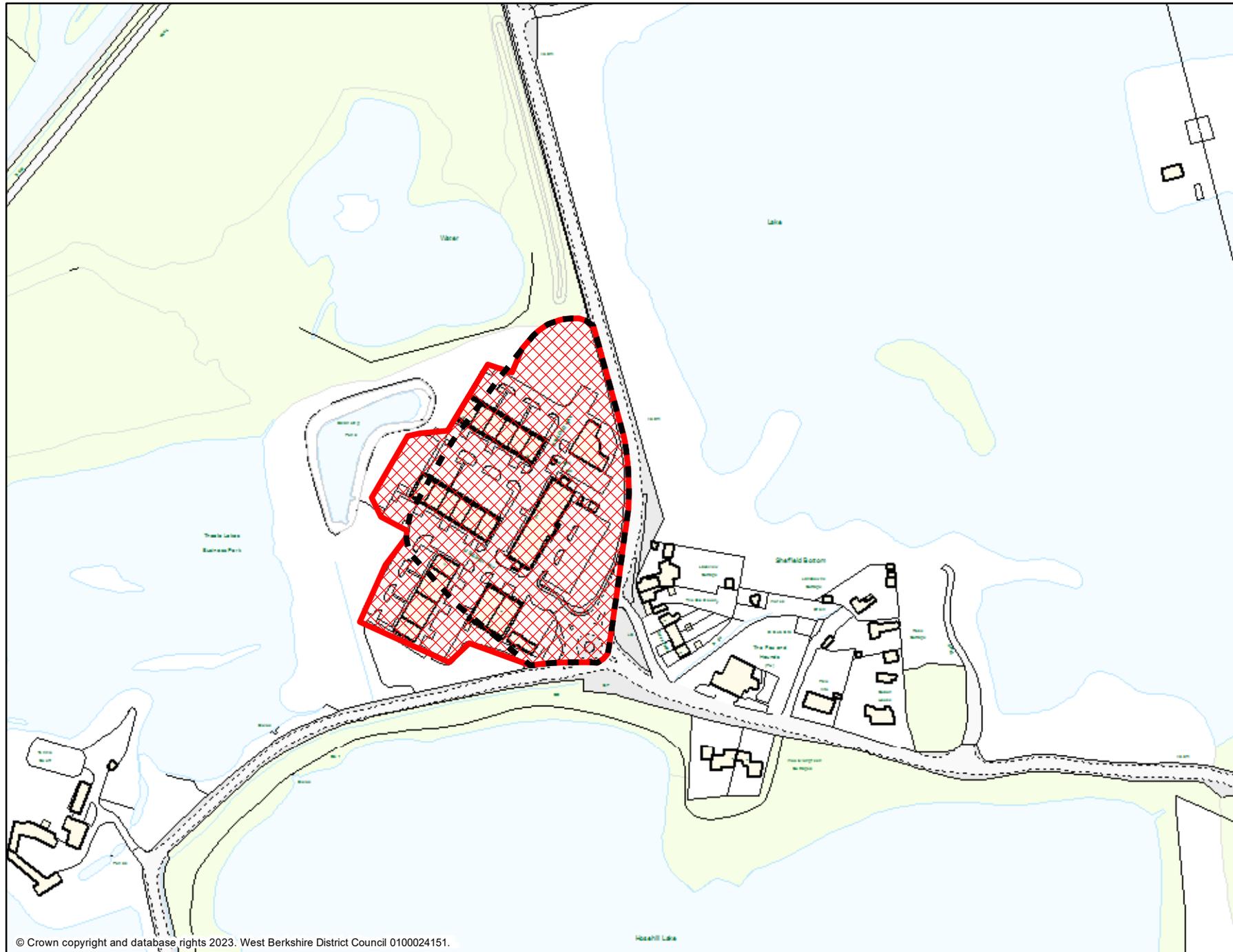
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