DARTFORD LOCAL PLAN

Dartford Employment Needs Review

January 2020

DARTFORD
BOROUGH COUNCIL

Dartford Employment Needs Review

DBC, January 2020

1. INTRODUCTION

Context

1.1 Local Plans are informed by national policy, local consultation and technical assessments (evidence). This paper forms evidence for Dartford Borough's forthcoming Local Plan and focuses on the long-term growth context on B-class 'employment' uses, defined in the Use Classes Order (namely Class B1, B2 and B8 land uses and associated sui generis industrial activities).

1.2 Dartford's Economic and Employment report ('the 2018 report') presented facts on employment and labour market statistics, and economic land markets (locations and sectors). It showed:

- Dartford's strong performance in terms of job levels/growth, low unemployment, and earnings.
- Dartford has relatively high land values for employment land, mostly found in large concentrations in the north of the Borough, where there is scope through existing planning permissions or adjacent brownfield land for further expansion.

1.3 Recent review of economic evidence in the Borough by Kent County Council[1] has confirmed the recent economic strengths of the Borough:

"Dartford scores significantly higher than the national median in seven of the eleven indicators. It ranks within the top 20% of authorities in the country in job density, workplace earnings and GVA per head. It ranks among the top 5% in the country for employment rate.[...]
Overall Dartford has seen significant improvement in its ranking compared to other authorities in the following indicators: employment rate, NVQ4+ and 3 year business survival rates."

1.4 The improvement in local economic conditions has been accompanied by significant residential growth in Dartford. According to the ONS, the Borough's population increase of 9.3% in the five years to 2018 is the fifth highest in the country outside London. Dartford's growth of nearly a tenth can be compared to 5.1% and 5.8% in Kent and London respectively in the same period.

[1] www.kent.gov.uk/__data/assets/pdf_file/0006/8187/Kent-economic-indicators-report.pdf

1.5 This paper focuses on past and future levels and patterns of economic development activity (construction/ changes of use) in more detail. It has applied development proposals - from planning applications and the emerging Local Plan - to inform continued strategic planning for sustainable economic growth in Dartford.

Policy and overview of scope

1.6 Dartford's Local Plan flows from national policy and guidance. National planning policy (NPPF, paragraph 80) states: "*Planning policies and decisions should help create the conditions in which businesses can invest, expand and adapt. Significant weight should be placed on the need to support economic growth and productivity, taking into account both local business needs and wider opportunities for development. The approach taken should allow each area to build on its strengths, counter any weaknesses and address the challenges of the future. This is particularly important where Britain can be a global leader in driving innovation, and in areas with high levels of productivity, which should be able to capitalise on their performance and potential.*"

1.7 Existing Dartford economic strategy is set out in the 2011 Core Strategy Local Plan, seeking a transformation through a focus on growth sectors:

Policy CS 8: Economic Change

1. The Council will seek a transformation of the economy by focusing on key growth sectors, in particular:

   a) Office uses including financial and business services; government, and ICT related activity

   b) High technology, specialist manufacturing and engineering (advanced manufacturing)

   c) Logistics, transport and distribution

   d) Environmental technologies

   e) Creative industries, hospitality and leisure

   f) Built environment and construction

1.8 Significant elaboration on national policy is provided through the planning practice guidance (online). In terms of geographic scope, the Guidance suggests when looking at economic needs, consideration is given to the concept of the Functional Economic Area. Guidance on the topic of the Duty to Cooperate states: "*Since patterns of economic activity vary from place to place, there is no standard approach to defining a functional economic market area…..*" It then advises relevant factors that include the Local Enterprise Partnership (LEP) area extent, the transport network, and travel to work areas (TTWAs). The new Dartford DERNA[2] by HdH confirms Dartford falls within the large London TTWA. All these factors point to the fact that Dartford is located centrally within the nation's dominant regional economy, the Southeast of

2 https://www.dartford.gov.uk/downloads/download/341/dartford-and-ebbsfleet-housing-needs-assessment

England and London. This large economic area is not practical or helpful to evaluate in full for this report and therefore the focus is on the economic area within the Borough of Dartford.

1.9 This area is consistent with the Guidance stating relevant factors for the functional economic area include administrative area(s) and the housing market area (see the DERNA for justification for defining this around the Borough's administrative area).

1.10 The rest of this report focuses specifically on the guidelines in the "Housing and economic needs assessment" category of the Guidance. These guidelines advise regard should be had to the existing stock of land. Guidance[3] further advises on 'How can market signals be used to forecast future need?' Stating: *"Strategic policy making authorities will need to develop an idea of future needs based on a range of data which is current and robust, such as:*

- *sectoral and employment forecasts and projections which take account of likely changes in skills needed (labour demand)*
- *demographically derived assessments of current and future local labour supply (labour supply techniques)*
- *analysis based on the past take-up of employment land and property and/or future property market requirements*
- *consultation with relevant organisations, studies of business trends, an understanding of innovative and changing business models, particularly those which make use of online platforms to respond to consumer demand and monitoring of business, economic and employment statistics."*

Authorities will need to take account of longer term economic cycles in assessing this data, and consider and plan for the implications of alternative economic scenarios.

1.11 Dartford's identified employment areas were delineated and adopted in the 2017 Development Policies Local Plan. The specific extent of these and potential alternative uses have been kept under review, notably through the SHLAA[4]. Through this, and monitoring of the build out and occupation of new employment development, it is clear that pressure for new B-class floor space outweighs in Dartford the very limited occasions where employment land or premises is not occupied.

1.12 This paper brings together a range of evidence sources on these issues, to advise planning for growth within the Borough and relating it to consultation and proposals for a new Dartford Local Plan.

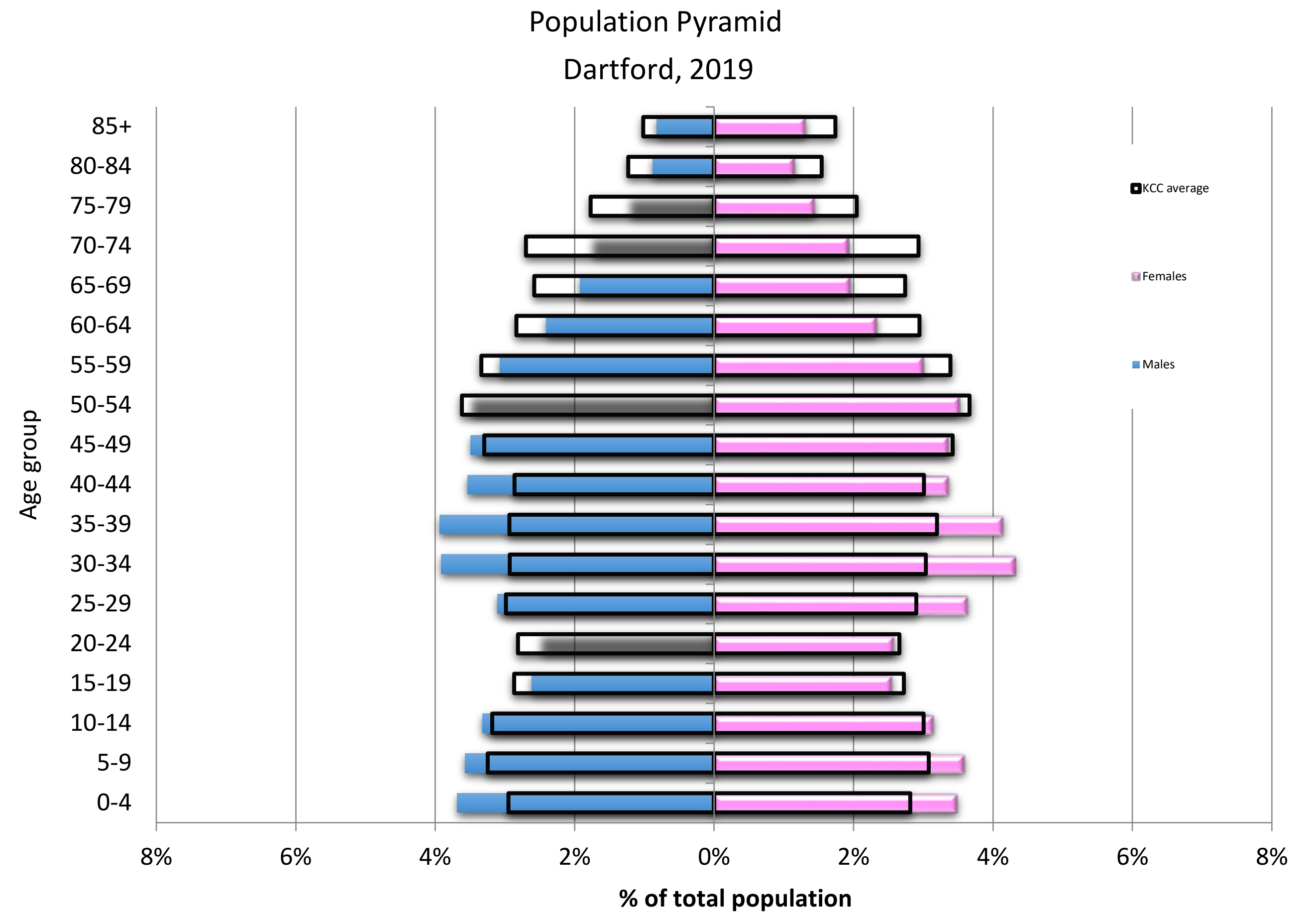
[3] Paragraph: 027 Reference ID: 2a-027-20190220.

[4] Link no longer available as of November 2024

2. DARTFORD'S LABOUR SUPPLY & SKILLS

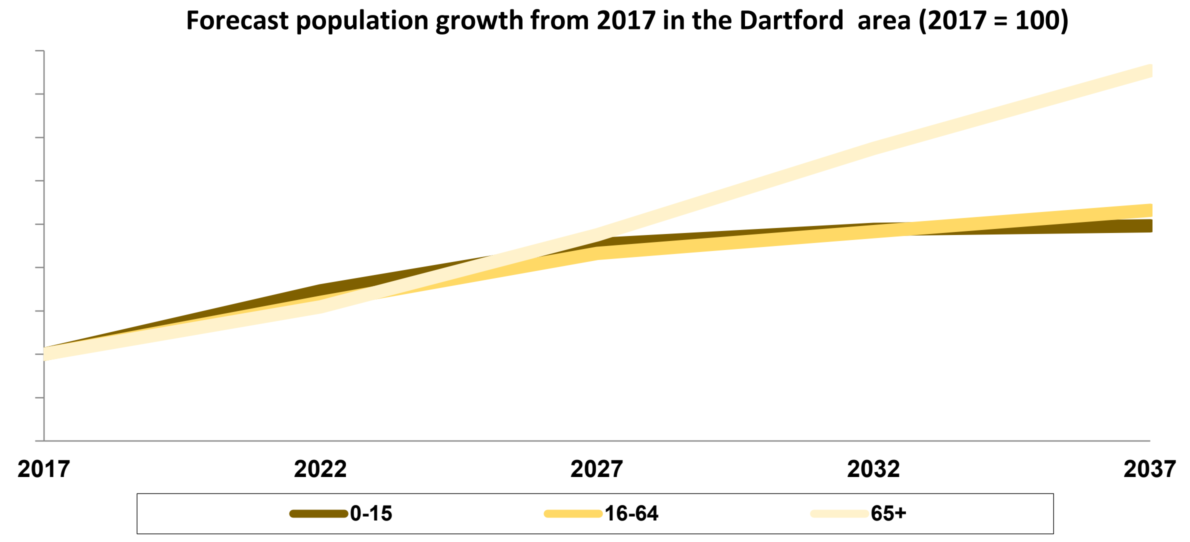
Local Labour Supply

2.1 Dartford has a younger than average population, compared to the rest of Kent. The population pyramid below shows the proportion of Dartford's population by age (coloured horizontal bars). The pyramid's two sides show male and female proportions. The clear bars show the proportion of Kent's whole population by age. It shows Dartford has a much greater proportion of children, and age categories from 25years to 44 years.



Source: KCC Housing Led forecast (October 2018, Strategic Commissioning - Analytics, Kent County Council

2.2 To look at the future sufficiency of local labour supply, the table below shows the projected growth of 8% in a core working age (20-64) population from 2017 to 2037. This equates to an average increase during the period of 329 people aged 20-64 in the Borough each year. This growth is significant, albeit at a lesser rate than the overall population growth expected in Dartford during the same period. This situation reflects that Dartford is expected to grow significantly with its regeneration plans and creation of new neighbourhoods, but that it is not immune to the national 'ageing population' trend, where higher levels of adults who have ceased to be economically active or have significantly reduced economic activity, prevail.



Source: KCC Housing Led Forecasts Oct 2018. Strategic Commissioning - Analytics, Kent County Council

Borough Population	**2019**	**2036**	**Change**
Age 20-64	67,200	72,800	5,600 (8%)
Total population	112,700	146,300	33,600 (30%)

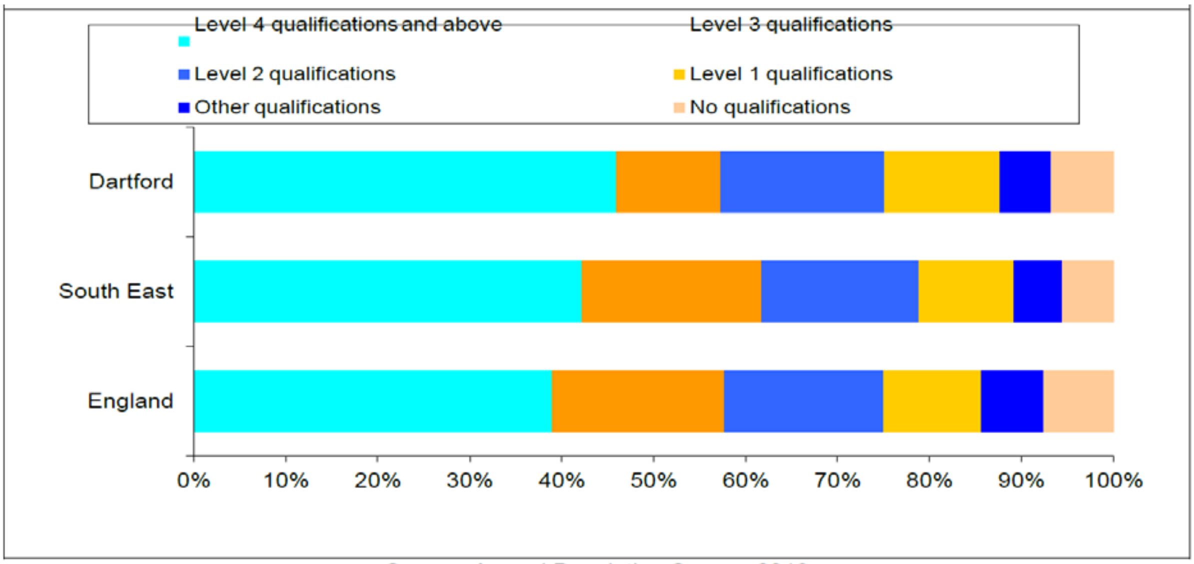
Source: *DBC analysis of KCC interactive forecast (housing-led)*

2.3 It should be noted that according to the census (2011), Dartford is not a 'standard' south-east out-commuting location. With its strong economy it is a net importer of workers. Looking forwards on this basis (if the same proportion of net in commuting continues), growth in labour supply to Dartford's economy will be larger than increase in Dartford's working age population shown above. Changes such as increased participation rates, for example amongst those aged 65 or above, may further increase the scale of the gross supply of workers.

Skills and occupation of residents

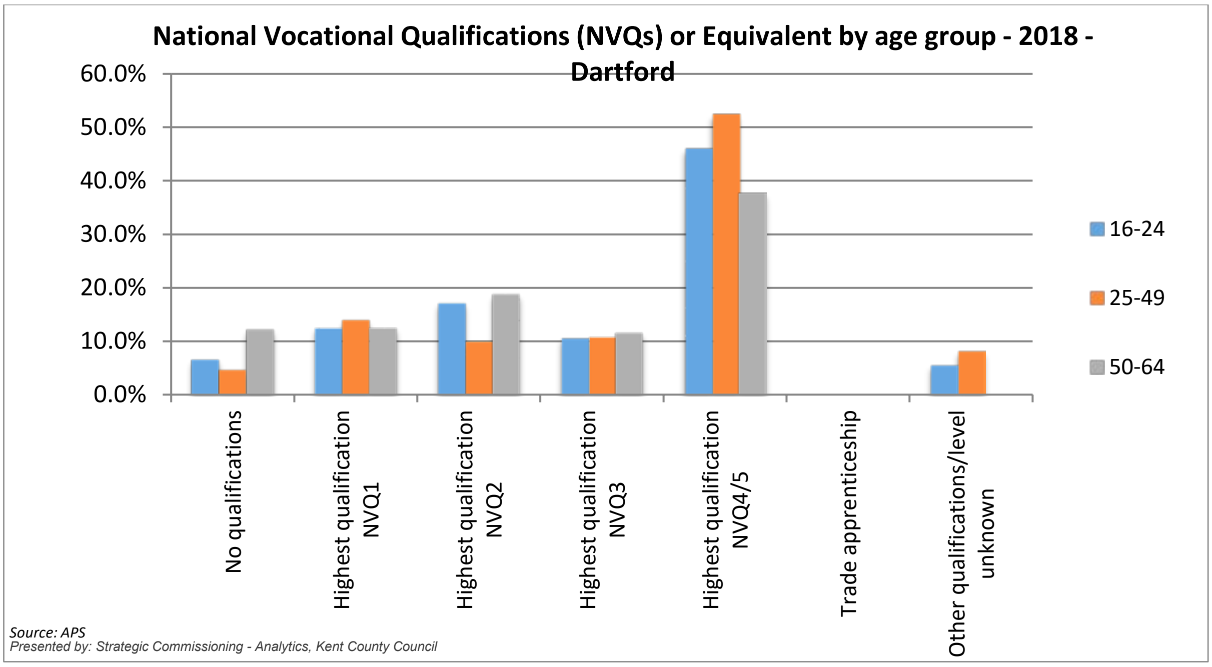
2.4 Consultants HdH looked at skills and labour force for Dartford's housing needs assessment (2019 DERNA), illustrated in the diagram below. They state: "*Level 1 qualification is the lowest (equivalent of any grade at GCSE or O-Level) and Level 4 the highest (undergraduate degree or higher)*[28]*. The data indicates that 46.0% of working-age residents in Dartford have level 4 or higher qualifications, higher than the figures for the South East region (42.2%) and England (39.0%). Dartford does however have more residents with no qualifications than is found regionally. It is important to note however that in Dartford, the proportion of working-age residents without qualifications has reduced notably since 2013 (by 15.1%).*"

Highest qualification level of residents (2018) DERNA Figure 2.5 (HdH for DBC, 2019)



Source: Annual Population Survey, 2018

2.5 Looking in more detail below and at the year 2018, there is quite a variation within the Borough's age groups and qualification levels. The chart below shows over half Dartford's population in the age group of 25-49, are qualified to NVQ Level 4 and above.



2.6 HdH further note for Dartford: *"The Annual Population Survey presents a 'Standard Occupation Classification' which categorises all working people resident within an area into one of nine groups depending on the nature of the skills that they use. These nine groups are graded from managerial jobs (Groups 1-3) to unskilled jobs (Groups 8-9). As the table below illustrates, some 53.2% of employed residents in Dartford work in Groups 1 to 3, higher than the figure for both the South East region and the national one. Further analysis shows that, since 2013, there has been a considerable increase in the number of people resident in Dartford employed within*

Groups 8 to 9 and Groups 1 to 3 and a notable fall in the number of people employed within Groups 4 to 5 and Groups 6 to 7."

Occupation structure (2018) DERNA Figure 2.2 (HdH for DBC, 2019)

Occupation Groups	*Dartford*	*South East*	*England*	*Change in # of people employed in Dartford since 2013*
Group 1-3: Senior, Professional or Technical	53.2%	50.8%	46.8%	34.5%
Group 4-5: Administrative, skilled trades	17.1%	19.8%	20.0%	-5.6%
Group 6-7: Personal service, Customer service and Sales	14.0%	15.9%	16.3%	-6.7%
Group 8-9: Machine operatives, Elementary occupations	14.3%	13.1%	16.6%	25.0%
Total	100.0%	100.0%	100.0%	-

Source: Annual Population Survey, 2018

2.7 Summary:

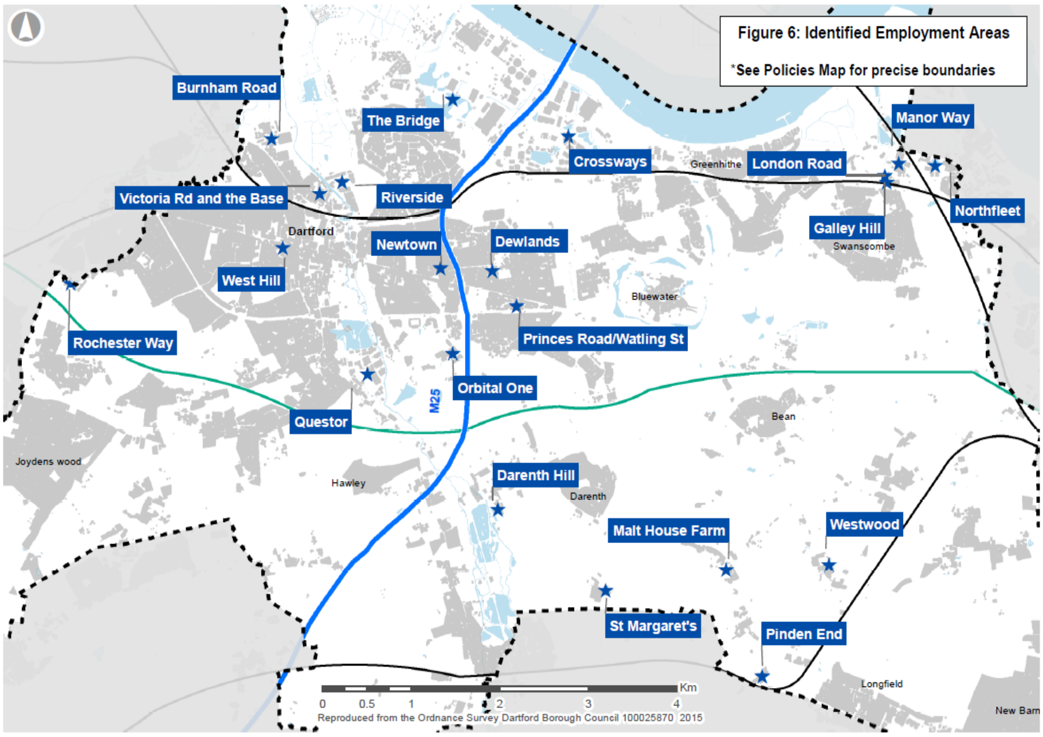
- **The Borough has a growing population, particularly focused in the under 50 age groups compared to population projections for Kent. Forecast growth in people aged in their 30s and under 10 year old children, are significantly greater than Kent.**
- **Currently, 60% of the population are in the age bracket 20-64, key for a working population. With the forecast age distribution of Borough growth this is expected to expand by over 5,000 people by 2036.**
- **The available local labour force will be a growing pool of residents complemented on current behaviour by in-commuting (a net daily inflow to the Borough for work).**
- **The majority of workers from Dartford are now found in the top three occupational levels, above both regional and national averages.**
- **The numbers of people in Dartford without qualifications is higher than the south east average but is decreasing significantly.**

3 BUSINESS DEVELOPMENT IN DARTFORD

3.0 In line with national guidance, business development in the Borough is examined through the past and present pattern of new (and former) employment land.

Currently

3.1 Dartford is a small compact Borough and does not have different competing economic (urban property market) areas within its boundaries. The Borough's current and future employment land is predominantly clustered in large sites in the north of the Borough, as shown from this extract from the 2017 Development Policies Plan:



3.2 In terms of a snapshot of locations and segments, the following table from the 2018 report ranked the ten largest identified employment sites[5] in Dartford Borough. It provides a breakdown of floor space (sqm) by Use Class. Some new developments may not be included:

#	Name of Site	B1	B2	B8	Total
1	CROSSWAYS BUSINESS PARK	12,068	5,288	124,028	141,384
2	QUESTOR & ADJACENT SITES	7,754	10,183	40,997	58,934
3	THE BRIDGE	0	0	46,666	46,666

[5] Using national average job densities (HCA, 2015) this suggests over 2,000 work at the largest areas, whilst smaller sites still host over 100 employees each.

4	BURNHAM ROAD EMPLOYMENT AREAS	2,390	6,582	17,862	26,834
5	MANOR ROAD BUSINESS PARK	0	5,943	14,520	20,463
6	PRINCES ROAD & WATLING STREET	3,073	5,150	9,422	17,645
7	RIVERSIDE EMPLOYMENT AREA	736	9,119	6,756	16,611
8	NORTHFLEET INDUSTRIAL ESTATE	639	8,837	5,977	15,453
9	ORBITAL ONE	1,015	4,147	6,513	11,675
10	ROCHESTER WAY	910	0	10,589	11,499

Source: *Economy and Employment Paper (DBC, 2018)*

3.4 Regular monitoring of identified employment areas, and research for the 2017 Local Plan and subsequently (e.g. SHLAA) indicates B-class/ sui generis vacancy is low across the Borough. It generally constitutes brownfield or greenfield land awaiting redevelopment, and is not concentrated (is found in small parts of in various sites).

3.5 The following table looks at the largest single[6] employers found in B-class floor space in the Borough. It also outlines their sector and premises. This shows Laing O'Rouke at Crossways is a huge private sector employer, an international construction company based in Crossways, with more jobs associated than all the other large businesses put together.

- Two thirds of the largest employers are located at Crossways.
- Most locations are company headquarters, otherwise they do not appear to have premises outside Dartford.[7]
- Most premises appear modern and purpose built.
- B1 and B8 are both significant forms of accommodation for large employers in the Borough. B1 offices are recognised to be premises where employment is densely concentrated, but it is notable that distribution activities are significant to employment, and jobs levels are high in Dartford at these premises. This may be due the accommodation hosting headquarters functions and/or providing a modern blend of accommodation i.e. both storage and administrative areas.

Top Employers by Size, Location and Sector in Dartford:

Company Name	Employees attributed	Location	Premises*	Sector
Laing O'Rourke PLC / Laing O'Rourke Services Limited	8,539 + 8,372	Crossways	**Office** - *modern*	Construction
Europa Worldwide Group Limited / Europa Road Limited/ Symmetry Logistics Holdings Limited	616+ 615 +604	Littlebrook	**Warehouse** – *modern*	Financial and Professional Services
Dormole Limited / Curtis Holt Limited	934 +532	Crossways	**Warehouse**	Financial and Professional Services

[6] Companies that are officially separate, but have evident strong connections and are co-located, are counted together below.

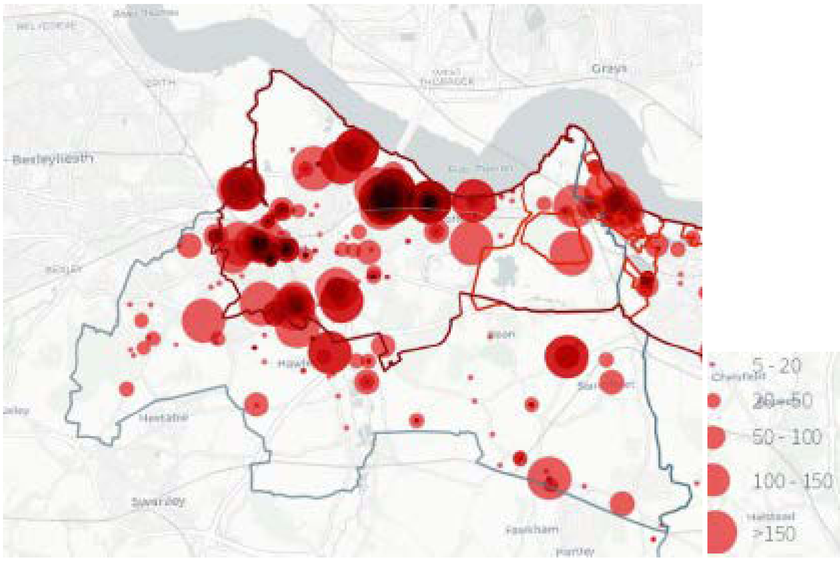
[7] This and the associated 'centralised' counting of geographically flexible company jobs by location at the HQ, may explain the unusually high local job densities of some HQ premises on this basis.

Premium Support Services Limited	1,038	Crossways	**Gen. industrial unit** - *modern*	Business Support Services
Beck and Pollitzer Limited	860	Burnham Road	**Office**	Financial and Professional Services
Hi-Spec Facilities Services Ltd	781	Crossways	**Gen. industrial unit** - *modern*	Business Support Services
Simpsons Removal and Storage Ltd (Swanscombe)	674	Manor Way	**Warehouse**	Transport
Moat Homes Limited	496	Crossways	**Office** - *modern*	Construction
Brown and Mason Limited	401	Crossways	**Office** - *modern*	Construction

*Modern: buildings understood to be constructed in the last 20 years.

Source: *DBC research*

3.6 The diagram below maps the location of all smaller and large employers across the Borough, not restricted to B class premises. There are overlapping (clusters of) employees at Dartford Town Centre, to the south (and north) of the town, with a concentration near the Dartford Crossing (especially at Crossways). There is a wide dispersal of generally smaller job locations in the southern part of the Borough, including within Longfield. At the Ebbsfleet area employment concentrations are currently largely at Northfleet riverside (outside the Borough).

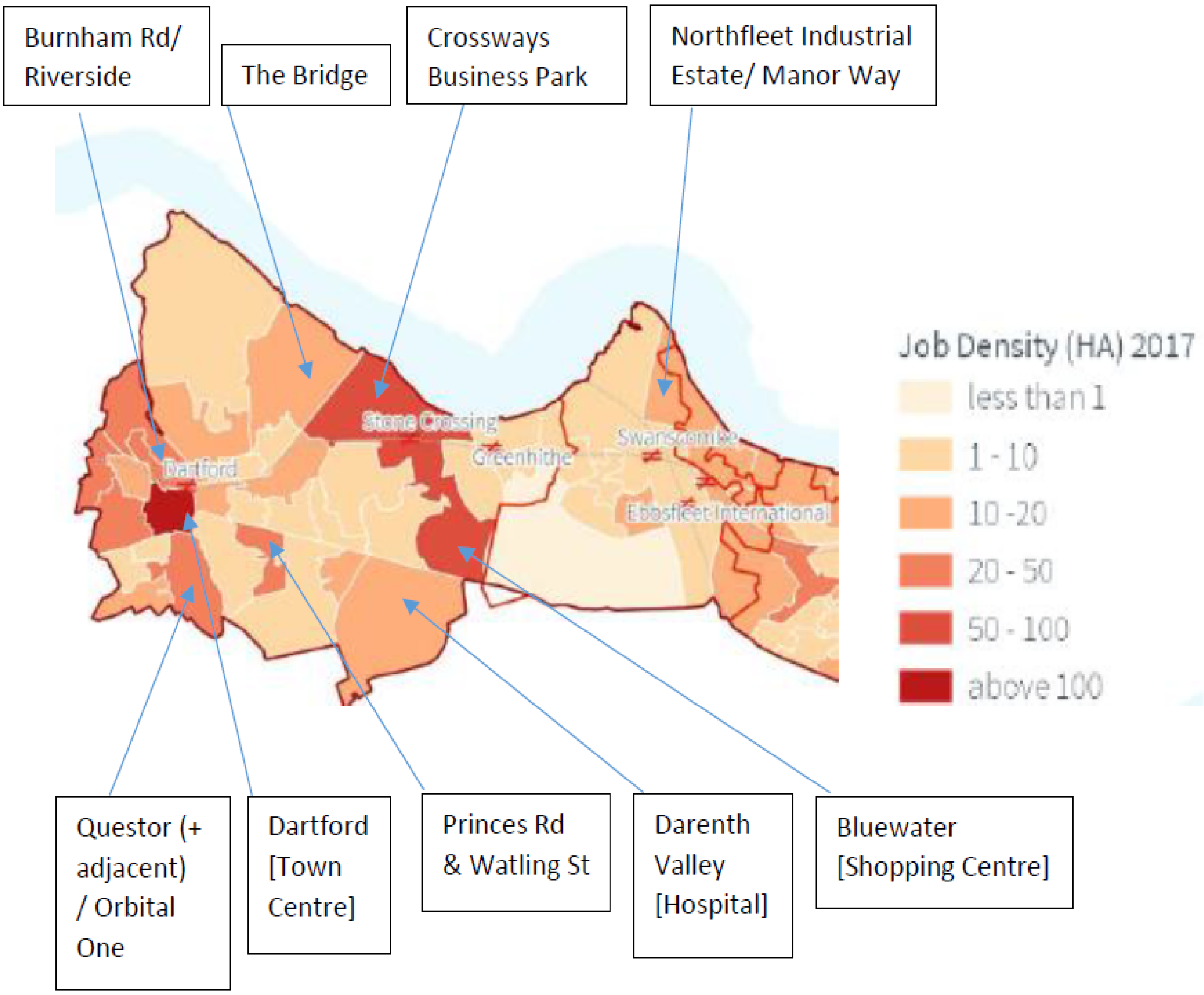


Source: *Ebbsfleet Garden City- Inclusive Growth Strategy (Hatch Regeneris for EDC, 2019)*

3.7 Other activities especially in the services, private and public sector, are also significant employers. Therefore retail locations and Darenth Valley Hospital are also notable in hosting many of the Borough's jobs.

3.8 The following diagram is particularly useful in showing the densest concentrations of all jobs (employees per hectare) in the urban part of the Borough with key clusters annotated. This is notably at Dartford (town centre) and Stone (Bluewater and Crossways):

Local Pattern of Employment Density (all jobs) & Key Dartford Economic Locations:



Source: Adapted by DBC from *Ebbsfleet Garden City: Inclusive Growth Strategy (Hatch Regeneris for EDC, 2019)*

3.9 Overall, since 2012, the number of private businesses has grown significantly in the north of the Borough. The following map shows growth by a quarter or more in locations east and north of Dartford town centre:

Source: *Ebbsfleet Garden City: Inclusive Growth Strategy (Hatch Regeneris for EDC, 2019)*

3.10 Businesses have therefore more than doubled in the Greenhithe area for example, but the real stand out change has been in the northernmost area, which is accounted for by the establishment of The Bridge development location, which has proved highly attractive as a new business location (including sites for sui generic uses such as car sales).

New Development Trends

3.11 Dartford has many examples of developments completed for new employment floorspace. Clear trends can be identified to inform future decision taking.

3.12 All segments of business/ industrial land have grown in the Borough. The table below indicates the net changes in employment floorspace over a ten year period. The data indicates a large increase in Storage & Distribution (B8) floorspace, moderate uplift in Office (B1a & A2) and a small net increase in Industrial (B1 & B2). Its covers the decade preceding 2016, which included the financial crisis and recession, and sustained economic growth at either end of the period. Development had an annual average of 13,285 sqm of net new floorspace.

Year 2006-2016	*Sq.m. (net)*
Office (B1a & A2)	+28,850
Industrial (B1 & B2)	+692
Storage & Distribution (B8)	+103,311
Total	**132,853**

Source: *Economy and Employment Paper (DBC, 2018)*

3.13 Monitoring of development completions also confirms there has not been any significant loss of designated employment land to other uses such as residential (indeed there were no losses of B-class floorspace occurring at all in the past monitoring year 2018/19). As set out in the 2018 paper the losses under the Core Strategy Local Plan have predominantly been:

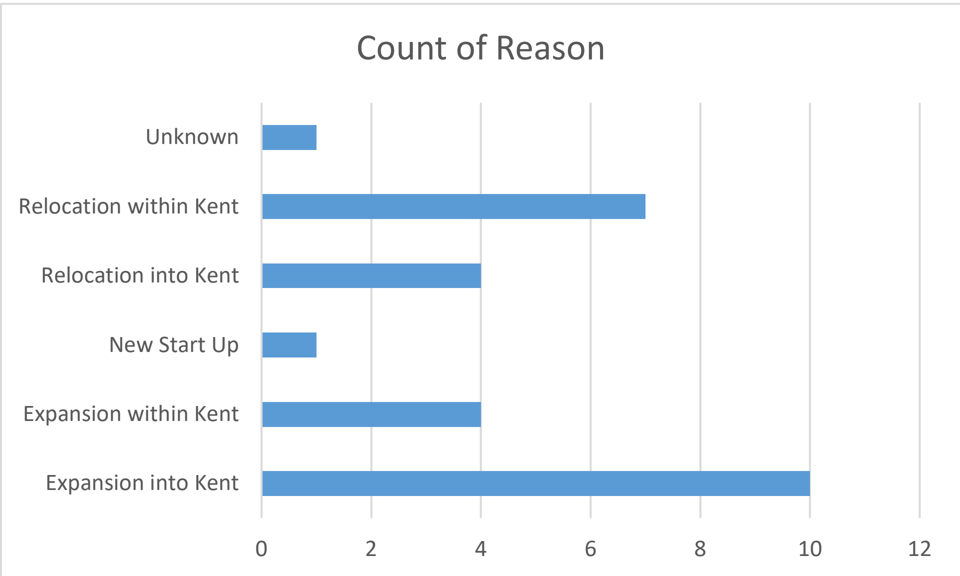
- At Dartford town centre: this is attributed to a series of redevelopment of small/ backland sites and upper floor offices for non-employment uses.

- At Burnham Road/ former Glaxo Smith Kline premises (which had ceased to be in economic use): a central part of the residential-led Northern Gateway allocation in the Dartford Core Strategy.
- Questor and adjacent: older premises here were cleared but are now coming forward for new B-class uses.

3.14 Detailed analysis of the last three years confirms the majority of the limited instances of loss of employment floorspace has been to residential use. However, this has been of limited scale in the Borough – not more than 1000sqm on any occasion (other than the planned redevelopment of the vacated Glaxo Smith Kline site). In residential terms, the contribution of employment land has been minimal, it does not form any significant part of Dartford's housing land supply.

3.15 There was also some switching between B-class uses; and only one instance of use for non B class or residential: a change to D1 community use.

3.16 The focus of this report is therefore on the type of employment premises coming forward. Analysis of Locate in Kent (LiK) data for businesses interested in premises in Dartford Borough over the last five years shows Dartford principally attracts interest from existing businesses looking to add premises, followed by businesses already within Kent that may shift to Dartford. This may reflect the strong perceptions around how well connected the Borough is through its transport links:



Source: *DBC analysis of data supplied by LiK*

3.17 To focus on individual key developments that have occurred and their broad character the following table ranks the the largest B-class completions over the last 10 years:

No.	Site	Location	Development and application reference	Sqm	Year completed
1	Zone A Plot 1, Europa logistics, Prologis Park	Littlebrook, Dartford	Storage and distribution (B8) 13/01668/Vcon	22,580	2014/15
2	Phase 2 Northern Gateway North,	Central Road, Dartford	Erection of two employment units for B1c (light industrial), B2 (general industrial) and B8 (storage or distribution) Use Classes, of up to 15,939 SQ M (GIA) including ancillary offices…17/01793/FUL	15,939	2018/19
3	Plots A8 & A9 Admirals Park, Schooner Court	Crossways, Stone	RM to 93/00187/OUT erection of 1x2storey block, 2x3 storey block to provide office, 5x1 storey blocks and 1x2 storey block industrial units 07/01047/REM	15,710	2009/10
4	TNT International Road Hub, Phase 1, Wellcome Avenue,	Northern Gateway North, Dartford	RM for DA/13/00500/OUT for erection of a building of 12,789 sq m for B8 use 15/01271/REM	12,789	2016/17
5	Crosswater UK, Plot 35,	The Bridge, Dartford	B1a 1550sqm, B8 10,659sqm Warehouse with ancillary offices 13/001132/FUL	12,209	2013/14
6	SEM, Plot 13	The Bridge, Dartford	B1a 2459sqm remaining B uses 8469sqm 13/000398/REM	10,928	2014/15
7	Plot A6b, Admirals	Admirals Park,	Erection of 1 x 4 storey and 2 x 3 storey	9,703	2010/11

	Park, Anchor Boulevard	Crossways, Stone	detached buildings for office 07/00492/REM		
8	Plot 1 Questor	Questor Industrial Estate, Dartford	5 x B1c,B2,B8 - Plot 1 (Full) Plot 1 - 5,507 B Class 16/00190/FUL	5,507	2017/18
9	Phase 1 Former Sama Roneo Building, Questor	Questor Industrial Estate, Dartford	Erection of B8 warehouse with ancillary offices (RM to 12/00207/OUT) 13/00655/REM	3,590	2013/14
10	Basepoint Centre, Unwins Site, Victoria Rd,	Northern Gateway, Dartford	Erection of buildings for B1 and B2 uses 10/00017/FUL	2,780	2010/11

Source: *DBC research*

3.18 It can be seen from these largest developments in the last 10 years:

- There has been consistent development activity, with development completed almost every year. Sites at Crossways, were completed earlier in the period, followed by the first completions at The Bridge.
- Large B-class development has ocurred in a number of places. The Northern Gateway is the most frequently represented location above.
- The type of floorspace most commonly repesentated in large developments above is Class B8.

3.19 **Summary take up of business premises:**

- **The volume of businesses has growth significantly in the north of the Borough, particularly through the establishment of land at The Bridge, Littlebrook and Northern Gateway as a location to attract new businesses.**
- **Large business employers in the Borough have particularly stemmed from the provision of new premises in high quality and accessible settings attracting Headquarters (Crossways), typically relating to construction industries and services.**
- **Loss of employment land has been limited. The recent pattern of development on employment land is clear:**
  - **There has been investment in updating the business stock. Employment premises have been demolished or refurbished for alternative business use.**
  - **There has been some loss to residential use, this has been small scale and incremental. The exception being planned residential led redevelopment of a former pharmaceutical manufacturing facility.**
- **The level of vacant premises is low across identified employment areas.**

4 DARTFORD EMPLOYMENT LAND PROFILE: SEGMENTS & TRENDS

4.0 National guidance[8] advises: *"A simple typology of employment land by market segment and by sub-areas, where there are distinct property market areas within authorities, can be developed and analysed. This can be supplemented by information on permissions for other uses that have been granted, if available, on sites formerly in employment use."* Market indicators from external sources has been synthesized with intelligence from monitoring from different types of employment development in Dartford under industrial, office and distribution headings in turn.

Industrial

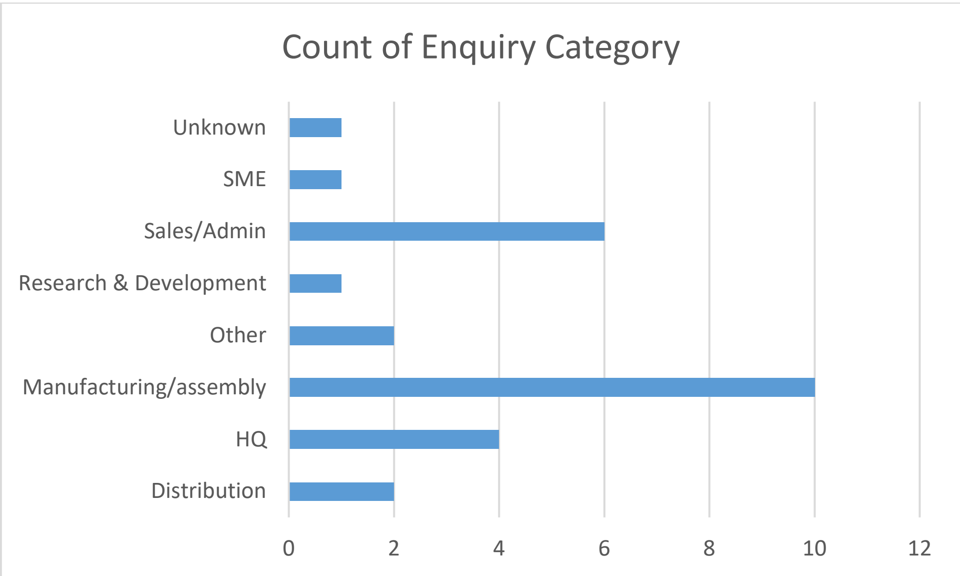
4.5 This segment includes B2 and non-office B1 use classes, and applicable sui generis uses.

4.6 Class B2 floorspace is relatively even spread in Dartford, with at least 7 identified employment locations hosting over 5,000sqm floorspace. Riverside and Northfleet are prominent in hosting more B2 floorspace than other uses.

4.7 Sui generis uses that can be regarded as industrial in nature eg some waste/material processing activities are generally found on the edges of the Borough at Rochester Way (southwest of Dartford town) and in the Northfleet area, north of Ebbsfleet; these have been generally stable in floorspace levels.

4.8 Historically, there was some limited loss of units in 2009 and 2010 for community (D-class) uses totalling c 500sqm.

4.9 Information from Locate in Kent (LiK) on enquiries from business attracted to potential new premises in Dartford in the last five years shows many of interested businesses to be in the 'manufacturing and assembly' category:



Source: *DBC analysis of data from LiK*

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[8] Paragraph: 028 Reference ID: 2a-028-20190220

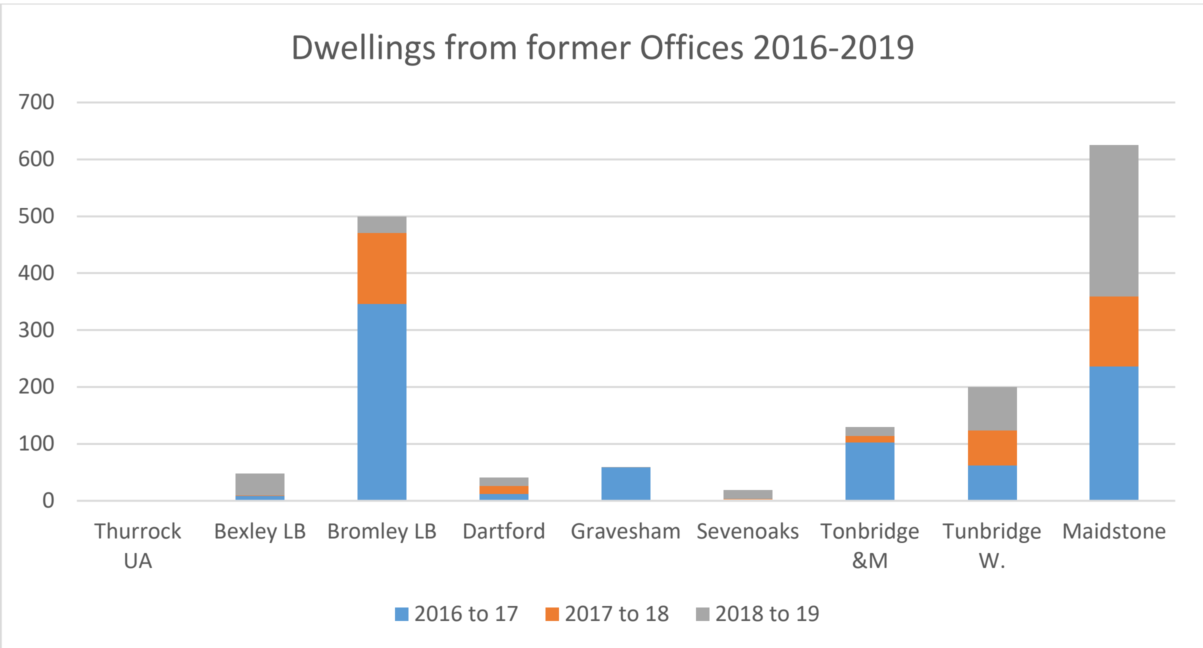
4.10 **Recent take up-** analysis of completions in the last three years for these types of B-class shows:

- A modest net gain in floorspace.
- New industrial floorspace has come from:
  - New build B1c units at Questor.
  - Some change of use and mezzanine development.

Office

4.11 This segment includes A2 and B1(a) use class offices. These are found in a variety of locations in the Borough, including alongside shops and residential areas.
4.12 Dartford has not historically been attractive for major B1a office development compared to some other towns, and Dartford Town Centre attracted little investment in past decades.
4.13 Nationally, office supply has been reduced by 'permitted development rights' which removed the ability of Local Planning Authorities to restrict the conversion of offices to residential in many instances. The Borough has not intervened to prevent the right being exercised, for instance through special 'Article 4 directions'. As shown below, this has had very little impact in creating new homes in Dartford (only contributing between 12 and 15 units a year over the last three years):

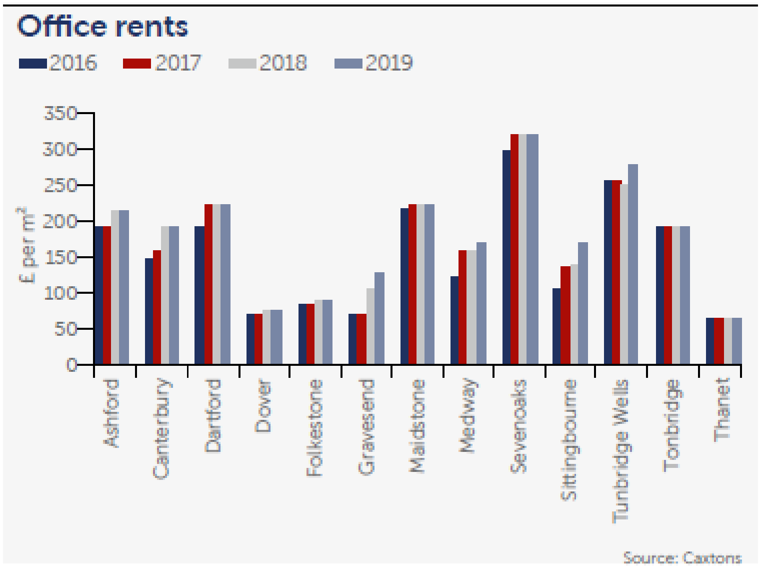
- Zero office to residential conversions have occurred in the last three years at Thurrock, which has few notable office locations.
- In comparison, former sub-regional office locations such as Bromley and Maidstone have averaged over 150 dwellings a year created from offices. These locations, and some other places nearby where there has been more office to residential conversion such as Gravesham and Tonbridge & Malling, have tended to see a decline in the scale of office loss post 2016/17.



Source: *DBC research*

4.14 Office to residential rights can be considered to be something of a one-off and probably a declining source of pressure on B1a floorspace levels, with no indication that rates of conversion will pick up in Dartford and its limited stock of old office buildings.
4.15 Crossways emerged in the 2000s as an attractive location for national and regional Headquarters, and dominates provision in the Borough. For example, the premises of Lang O'Rourke and a major Housing Association.
4.16 Office rents in Dartford are relatively high for Kent, comparable with Maidstone, but less than the two very prosperous west Kent Boroughs of Sevenoaks and Tunbridge Wells:

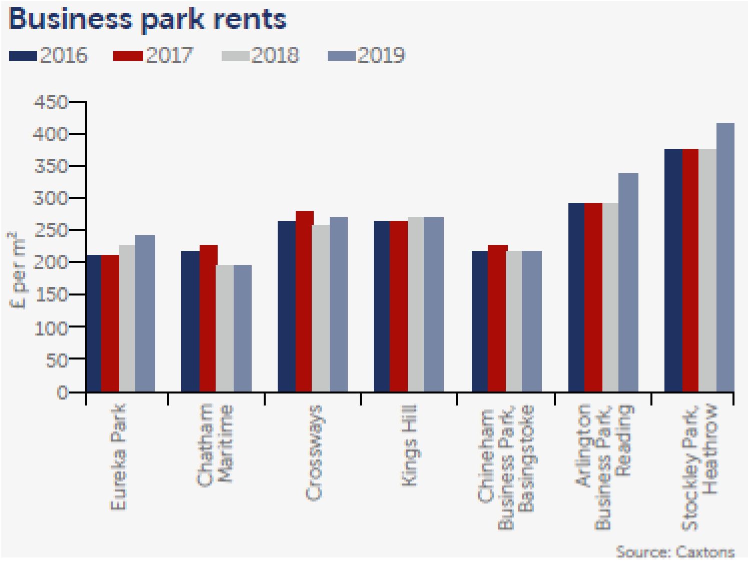
Kent Office Rents *(Kent Property Market Report, 2019)*[9]



4.13 Undoubtedly within these figures for Dartford, new office rents are higher with Crossways commanding a substantial premium as a prestige HQ location[10]. Crossways as a business park location has sustained rents at £250/sqm, akin to some of the highest profile competitors in the country:

[9] http://www.kentpropertymarket.com/index.html
[10] The Kent Property Market Report 2019 states: *Crossways Business Park, Dartford, has seen key lettings over the last 12 months. Diebold Nexdorf (UK) Ltd, specialising in financial and retail technology, took the 2,374m2 (25,557ft2) Gf Radius building. Meanwhile, in July, Bellway completed the lease of the 1,392m2 (14,983ft2) Drake House.*

Kent Business Park Rents *(Kent Property Market Report, 2019)*[11]



4.14 Recent take up- analysis of completions in the last three years for these particular types of B-class shows:

- A balance between loss of offices (predominantly to residential) and new floorspace has occurred. This produces a replenishment of stock maintaining quality and competitiveness to meet modern expectations.
- New office floorspace has come from:
  - Some change of use and mezzanine development.
  - And in the most recent year, the 1039sqm office at Ebbsfleet Green, occupied by housebuilder Redrow.

4.15 There are emerging indications of investment in locations such as Dartford town centre for uses such as flexible co-working premises, which can be accommodated through existing buildings.

Distribution

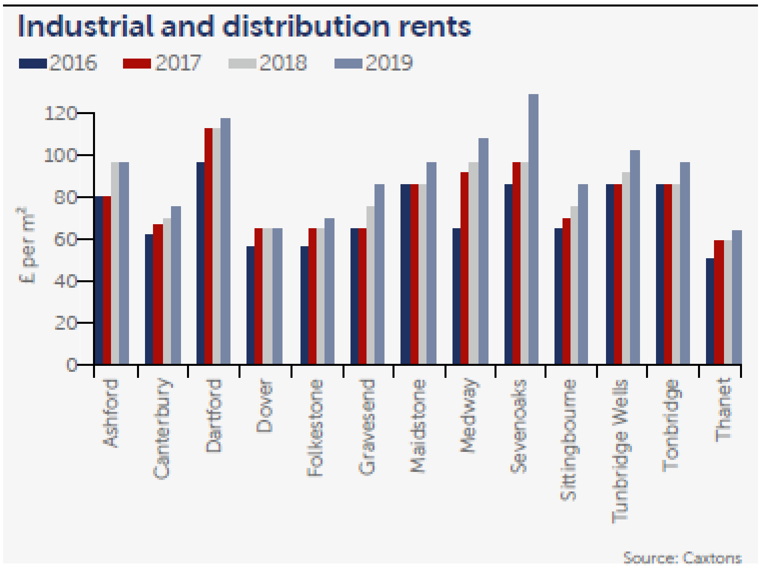
4.16 This falls within the B8 Use Class storage. Many larger/ new logistics facilities in the Borough include an element of office or administrative ancillary uses, particularly where company headquarters.

4.17 By floorspace, B8 provision dominates B1 and B2 provision in the Borough.

4.18 Information is available on industrial and distribution rents in Kent (with the two segments often located in similar parts of local areas). From 2016 Dartford had the highest rents in Kent; albeit for 2019 an unusual jump in rents recorded by Caxtons for Sevenoaks has resulted in Dartford becoming second highest in the county:

[11] http://www.kentpropertymarket.com/index.html

Kent Industrial/ Distribution Rents *(Kent Property Market Report, 2019)*[12]



4.19 High market values for B8 in Dartford is supported by the highway network includes national routes.

4.20 Research for Highways England projected high levels of growth from 2015 to 2030 in employment in Dartford in 'strategic road network' sensitive sectors (taken to be largely B8/ sui generis). Dartford was third in the country in projected job levels, along with a number of Essex authorities in particular:

Top Employment Growth areas	*Change in employment (SRN sensitive sectors)*	*% of England change*
1.South Gloucestershire, Avon	6351	1.9%
2. Leeds, West Yorkshire	5836	1.8%
3. Dartford, Kent	**5386**	**1.6%**
4. Basildon, Essex	4300	1.3%
5. Epping Forest, Essex	3916	1.2%
6. New Forest, Hampshire	3909	1.2%
7.Thurrock, Essex	3658	1.1%

Source: *Adapted from Socio-economic analysis, future forecasts and the strategic road network (Atkins for Highways England, 2016).*

4.20 **Recent take up-** analysis of B8 development from the last three years shows:

- Large net gains of c 30,000sqm, from two years where there was no loss of warehousing and major completions of new floorspace at Northern Gateway sites.
- Major growth in B8 prior to that period occurred through new build development at Littlebrook and The Bridge.

[12] http://www.kentpropertymarket.com/index.html

- These areas are concentrated to the west of the Dartford Crossing (Junction 1a access to the London Oribtal/M25).

4.21 Summary of segment trends:

- **There has been net growth in business floorspace in all sectors.**
- **Industrial:**
    - **This is generally fairly widely distributed in Dartford.**
    - **Past losses eg for community uses have been more recently outweighed by new build (at Questor) and creating additional floorspace within existing buildings.**
    - **There would appear to be a good take up of light industrial premises and there remains some interest in the Borough for manufacturing.**
- **Offices:**
    - **The Borough historically had limited office provision, and the relative lack of older stock may explain why the Borough has not been significantly hit by the Office to Residential PD rights change.**
    - **The development of Crossways Business Park has led to the Borough hosting some large offices/ concentrations of employees, and Dartford's rents becoming amongst the highest in Kent.**
    - **This has prompted a recent updating/ replenishment of the office stock of the Borough. Some offices have been lost, principally through residential planning permissions. However further new floorspace has been provided through investment at existing commercial buildings. New build office development recently occurred at a new location, the Ebbsfleet Green part of the Garden City, just off the A2.**
- **Distribution:**
    - **This is the dominant form of business floorspace in the district and particularly in the heavily concentrated north of Dartford town.**
    - **The warehousing stock has continued to expand through major recent new-build development – particularly at Littlebrook/ The Bridge and also with no loss of any B8 premises in the last year.**
    - **Rents are very high in Dartford compared to typical Kent levels.**
    - **Further demand is projected in this sector.**

5 FINDINGS

5.0 It is important to consider the nature of economic development that should be planned to meet the needs of Dartford's sustainable growth and economy. This final section reviews the form emerging proposals in Dartford need to take to be suitable in terms of:

- the locational and qualitative requirements for economic development, and
- quantitatively (aggregate projected job levels from developments against local workforce).

Growth sectors and local strengths

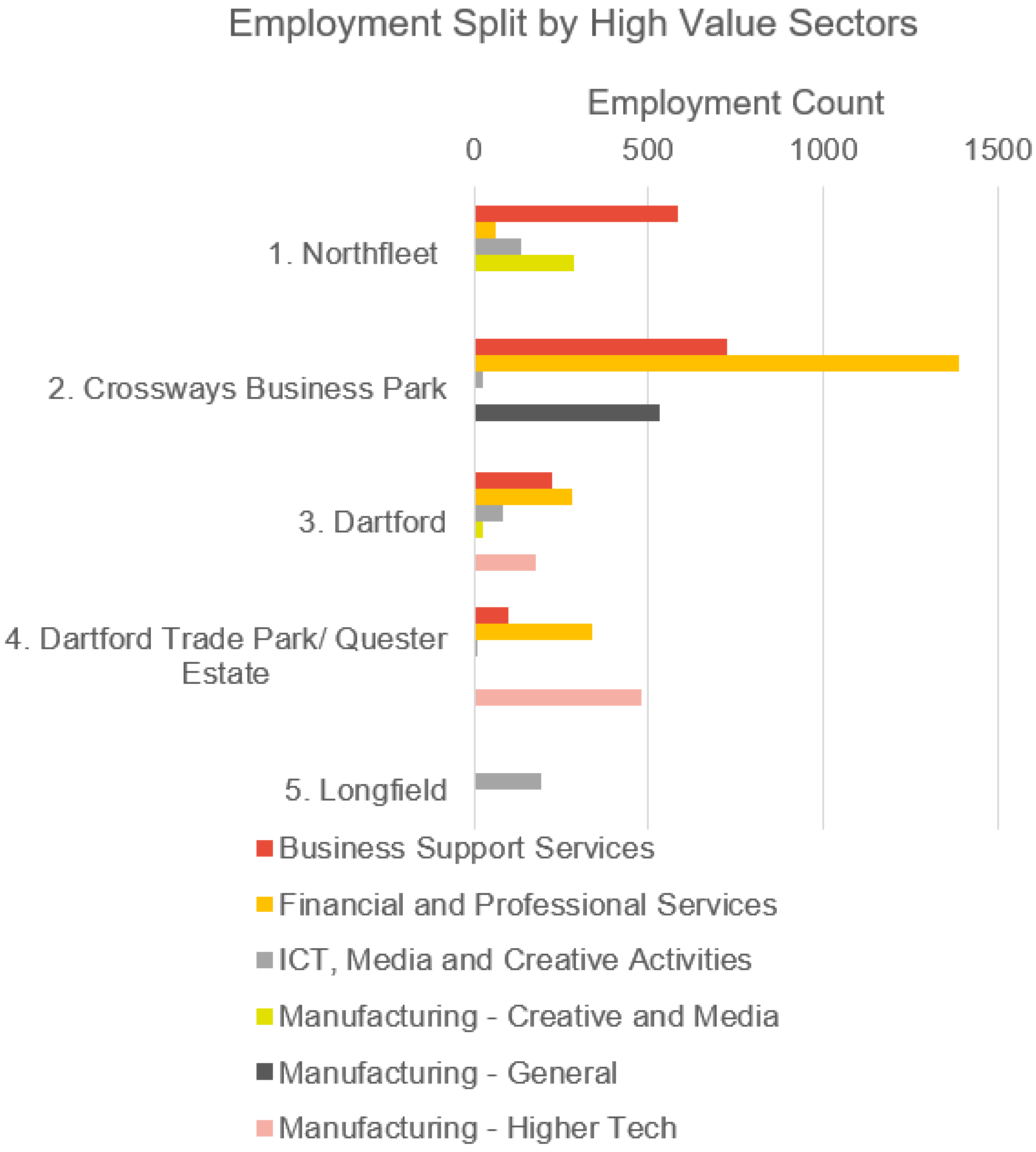
5.1 National planning policy seeks a particular focus on growth sectors to contribute to raising the nation's productivity (NPPF paragraph 82): "Planning policies and decisions should recognise and address the specific locational requirements of different sectors. This includes making provision for clusters or networks of **knowledge and data-driven**, **creative or high technology industries**; and for **storage and distribution** operations at a variety of scales and in suitably accessible locations."

5.2 In this vein, Dartford's economic growth should focus on these sectors as applicable locally, and on other areas of competitive advantage. EMSI looked at the main types of 'tradable' businesses in Dartford, more 'footloose' activity (compared to local activities such as services that need to be provided in the vicinity). Using location quotient analysis for these activities, logistics and (downstream) chemicals, for instance, are identified as particularly characteristic of the Borough, with the latter offering good earnings for employees. Job totals currently vary significantly between the identified 'tradable' industries.

Dartford 'Tradable' Industries (EMSI, 2018)

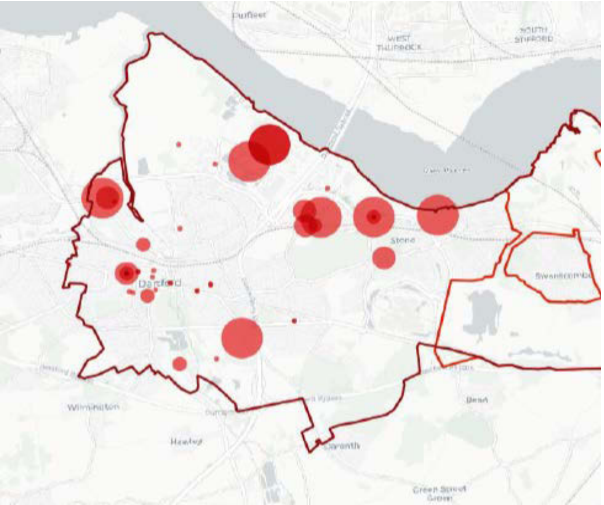
Source: *Your Region's Sector Strengths A brief analysis of industry strengths and opportunities in Dartford (EMSI, 2018).*

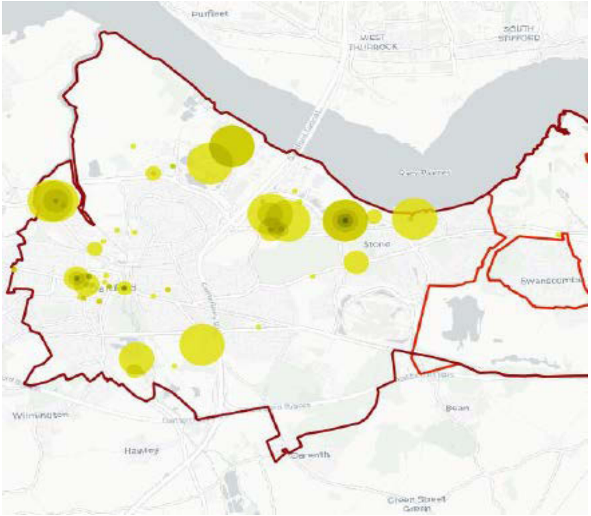
5.3 The Ebbsfleet Development Corporation (EDC) examined high value sectors in north Kent, highlighting key locations in the Borough (and Northfleet just outside the boundary). It shows over 2,500 people are employed in high value sectors at Crossways, particularly professional/ financial services, and business services. Manufacturing is also of significance here, and at Questor/ Dartford Trade Park. Other locations noted in the Borough are at Dartford (town) and Longfield.

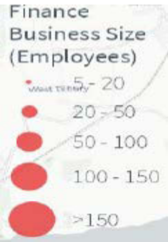


Source: *Ebbsfleet Garden City: Inclusive Growth Strategy (Hatch Regeneris for EDC, 2019)*

5.4 Hatch Regeneris for the EDC also mapped higher value sub-sector companies by size and location (see extracts below). The knowledge economy and finance/business share a similar pattern of locations, with larger employers found across Crossways, to the west side of the Dartford Crossing (The Bridge/ Littlebrook), and locations on the edge of Dartford such as Burnham Road and Orbital One:



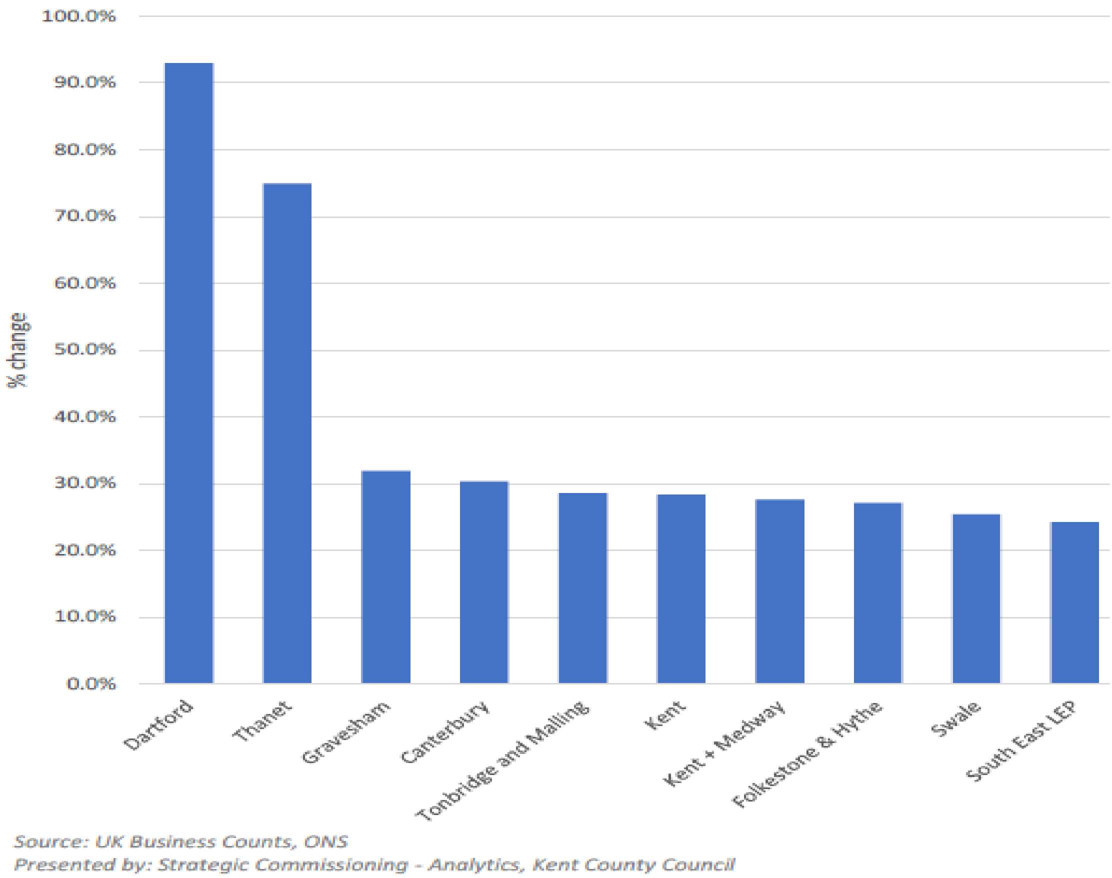




Source: *Ebbsfleet Garden City: Inclusive Growth Strategy (Hatch Regeneris for EDC, 2019)*

5.5 Creative-related industries feature both in national policy as a focus, and within service and manufacturing sectors locally as potential high value and as key to productivity. Interestingly, the County Council have reported Dartford is the fastest growing location in Kent/ the region (LEP) in creative enterprises:

Top Five-year Change in Creative industry enterprises in Kent and Comparators, 2013-2018, *(KCC, 2019)*[13]



5.6 Agglomeration is considered vital in sustaining the growth of creative industries. Unlike activities such as distribution, this activity is not tied to physical infrastructure, instead being assisted by a range of factors contributing to a positive 'milieu' for creatives. Therefore changing urban centres such as Dartford town may offer further opportunities, building on its social and creative assets, and relative affordability and choice of premises. The town and adjoining developments, in addition to the 'blank canvas' opportunities within the Ebbsfleet area, are recognised within opportunities identified in work for the Thames Estuary Production Corridor[14].

5.7 Hatch Regeneris for the EDC also looked at High Tech manufacturing as a potential growth industry. Currently, these businesses are slightly less concentrated at Crossways, with The Bridge and Questor shown alongside a cluster at Dartford's Northern Gateway.

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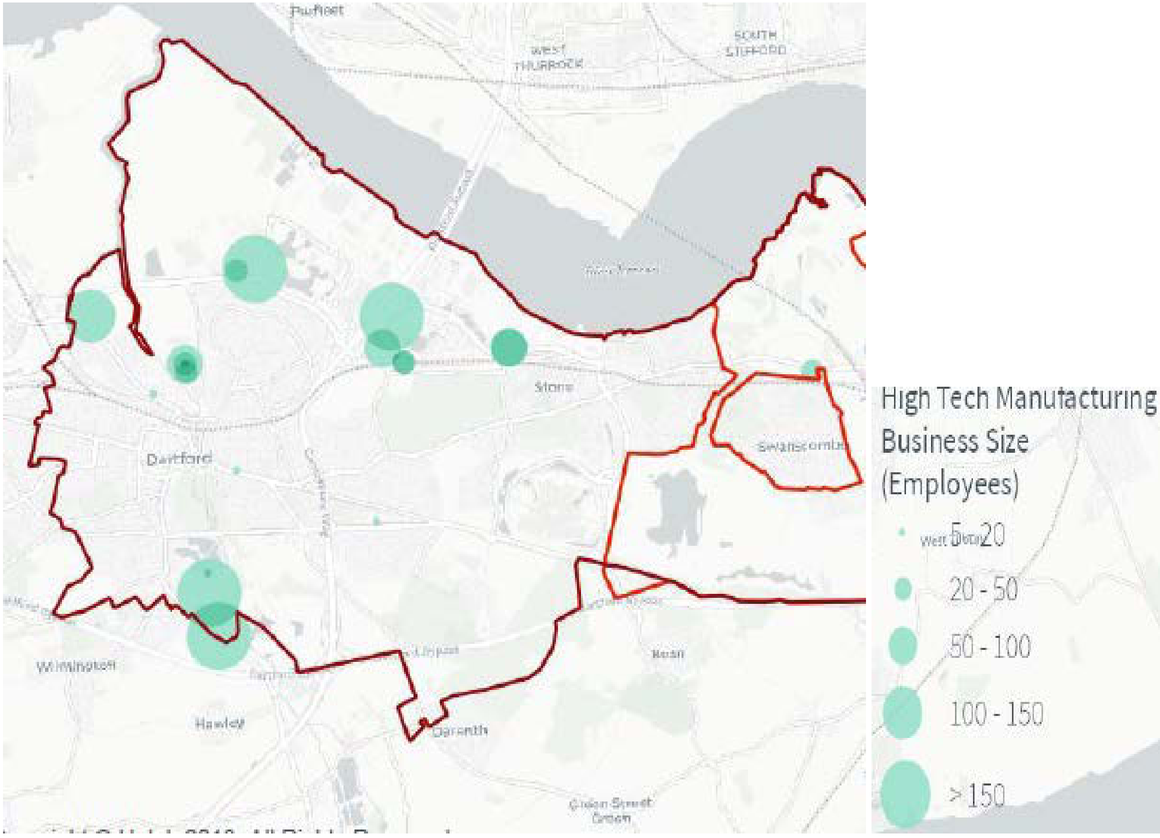
[13] https://www.kent.gov.uk/__data/assets/pdf_file/0003/87429/Creative-Industries-statistics.pdf

[14] https://democracy.kent.gov.uk/documents/s90213/Thames%20Estuary%20Production%20Corridor%20-%20Final%20Report.pdf



Source: *Ebbsfleet Garden City: Inclusive Growth Strategy (Hatch Regeneris for EDC, 2019)*

Dartford Future growth and jobs as a whole

5.8 Future economic growth and associated job levels are not readily estimated. However, local knowledge of future employment developments can be translated to job projections under the standard practice of applying present/ past observed job densities (sqm per employee). There is then the option of cautiously relating these to long-term plans for changes in housing and infrastructure provision through Local Plan proposals, to help inform consideration of the delivery prospects for development plans.

5.9 Alternative future levels of jobs have been estimated by looking at the potential floorspace of new development and applying HCA (national) job density (sqm per employee) calculations:

Source	*Locations*	*Local Plan Preferred Option*	*Very high jobs scenario test*
A) Completions and deliverable applications	Questor, The Bridge, Crossways & Littlebrook5.	2,139	2,139
B) Promote intensification of use at current sustainable locations	Four existing urban identified employment sites	662	1,207

C) Major future developable options	Littlebrook, Ebbsfleet Central & Bluewater	6,048	13,023
JOBS TOTALS -INDICATIVE:		**8,849**	**16,369**

Source: *DBC research*

5.10 The table shows job totals from various types (sources) of new B-class developments, on a central basis applying the Local Plan Preferred Options proposals; but also as a test, a very high job generation scenario. Full explanation is provided in the Technical Appendix.

5.11 Overall results from this modelling suggest Dartford's B-class jobs growth, with all the caveats, can be quantified using current development proposals, to a level of 520pa up to 963pa (very high scenario). There would appear to be sufficient growth under the Preferred Options compared to the planned changes in the demographics of Dartford (see chapter 2).

5.12 In terms of directly comparing jobs and housing growth, the current housing requirement from government of 797pa homes falls within the estimated annual new job range. It may be of local interest to note that (on the above basis) with current proposals Dartford has potential to provide a sustainable growth pattern, with a broad potential alignment between new homes and jobs in the Borough that may not be found in many areas. It should also be highlighted however that local housing growth levels are now determined through a national formula that is not employment based.

5.13 When considering at high level the sufficiency of B-class provision for sustainable development other considerations need to be factored in, for example:

- The local workforce, for Dartford employers, currently includes people in-commuting to the Borough.). Dartford's strong economic potential can be seen as positive in providing more of a balance in the wider area, continuing to provide jobs for Kent residents without having to commute to central London. Therefore, priority should be given to future opportunities well located to highly sustainable transport options, and jobs of a quality more typically found in London.
- The significance of non B-class jobs in a dynamic economy. For example, logistics (and e-commerce) account for over 4,000 jobs in the Borough. However, this is less than half those employed in health and care. Job growth in the Borough will require retaining key employers such as those at Darenth Valley, Hospital Bluewater, and other services; in addition to providing new B-class premises.
- Individual site specific factors are highly determinant in Dartford given the scale of some proposed developments, including at Ebbsfleet. At Swanscombe, the London Resort proposal could have possibly very major job (non B class) and infrastructure implications, if it proceeds[15].

[15] On current evidence the developer's project is not supported – see Local Plan Preferred Options consultation document, and is not the focus of this research (although retention of existing employment areas in the vicinity has been factored in).

5.14 There is greater certainty in relation to applying floorspace trends; as opposed to employment levels that result from development. The past trend of over approximately 13,000sqm net gains in B-class floorspace a year could continue to be met over the Plan period to 2036 through:

- At least 30,00sqm under construction/ newly completed.
- A further circa 85,000sqm recently permitted.
- Longer-term supply options featured in the Local Preferred Options proposed strategic allocations: the existing Ebbsfleet Central allocated site, and at the former Littlebrook Power Station (currently subject to a large planning application).

5.15 Needs will also be met - particularly in terms of qualitative requirements - through retention/ intensification of suitable current identified employment areas, and through potential in and around Dartford town centre.

5.16 With residential growth, and the Borough's young population, if Dartford is to maintain the higher levels of job density it has secured to this point, this would require an expansion in the stock of employment premises. This will occur with planning permissions and proposals in the Local Plan. The good take up of new/ improved modern floorspace is expected to continue for all sectors, however the greatest volume of floorspace demand is likely to be for B8 development (in line with national policy this should be a variety of size businesses). In terms of other national priorities for growth, clear opportunities exist for significant new premises of a variety of sizes:

- **knowledge and data-driven business** at new complexes at Ebbsfleet Central, and Crossways and other business parks,
- **creative industries** at Dartford Town in particular,
- **high technology services and manufacturing,** at intensified existing employment locations in the north of the Borough.

5.17 A range of new premises is necessary to address qualitative needs to support the expansion of local businesses, a choice of size of premises as the needs of existing businesses change; and to continue to grow (office based) local managerial/ professional jobs. Business growth, especially for more intensive employment uses, should favour locations well served by public transport, given in-commuting and the highways dependent nature of some major employment locations and of B8 development currently.

TECHNICAL APPENDIX-

In Chapter 5, new jobs from development are looked at from three general sources A-C:

A) *Completions and deliverable applications*: There is good certainty over this category of growth. New jobs will occur from buildings finished since March 2019, plus significant permissions anticipated to be completed for new B-class uses.
   - This will result in over 2,000 jobs on standard job density levels.
   - This can be seen as a minimum baseline for overall jobs as the developments have already been accepted or started.
   - Not all planning applications are included. For example as dealt with under C Ebbsfleet Central is not counted here, nor are minor permissions.

B) Promote intensification of use at current sustainable locations: This principle is outlined the Preferred Options consultation document, as are general indicative locations. To model job implications four potentially suitable existing identified employment sites have been modelled. These are all located on a Fastrack route but have varying premises and sector representation. Note this represents employment growth from switches within B-class uses (to more job intense forms of employment activity) plus limited new floorspace, reflecting broad sectoral economic shifts.
   - This results in a relatively small scale increase in employment. The high growth test scenario almost doubles new jobs levels, to in excess of 1,200.
   - This may come from change of use, but more likely redevelopment. Two levels of change between B1, B2 and B8 use are modelled for the table, reflecting general long-term trends and local evidence:
   - A *switch in floorspace from general industrial/ manufacturing towards light industry including offices*[16]. This is likely to be consistent with structural change and an aim to grow the proportion of local managerial/ professional employees:
      i. Under the Preferred Options scenario, this was assumed to be 50%, with no net growth in floorspace, but growth due to more job intensive activities.
      ii. Alternatively, the high growth scenario increased the B2 to B1 land use change to 80%.[17]
   - *A strong market for redevelopment for warehousing* for modern and more efficient provision. For modelling B8 jobs, land is considered for intensification for further B8 provision i.e floorspace gain. Under the Preferred Options scenario this assumed a 20% growth in B8 provision, the high scenario was 40%.

[16] A blended job density of 20sqm per employee was used to reflect a mix of modern more intense B1 uses.
[17] In many instances, B1 floorspace growth may occur through redevelopment of B2 land provided new (growth through net gain) floorpsace, but this is not directly calculated.

C) *Major future developable options:* this final source explores alternative levels at which new employment land may be brought in, principally through proposed strategic allocations.

- Under the Preferred Option, around 6,000 new jobs result. The bulk of this is at Ebbsfleet Central, where a spread of B1 activities (totalling up to 100,000sqm gross are modelled). At Littlebrook, the Preferred Option policy envisaged floorspace to 88,000sqm - additional to the existing Phase 1 permission in the east of the former Power Station considered in A - leading to an extra 1000+ jobs or more (including the westernmost part of the site for B1c led development, Phase 3).
- The very high growth scenario increases by a further 7,000 jobs. This is partly due to assuming Ebbsfleet Central floorspace will be predominantly in job intensive B1a use. However this substantial increase above the Preferred Option is approximately half accounted for by modelling a much higher floorspace at Littlebrook Power Station, beyond 200,000sqm B8 at Phase 2 (the central part of the site for which a planning application[18] has recently been received) and also at the smaller Phase 3. It should be highlighted the applicant has put forward a proposal for Phase 2 based on a higher floorspace and reduced job density figure, due to special automation planned for a facility of this significance; and therefore the developer argues that total job levels will be much reduced from the maximum modelled here.

These development-led, site specific, projections are based on real economic development opportunities in the Borough. Reviewing the future scenarios modelled in B and C (with A already underway), the development projections need to be applied judiciously but have credence:

- Intensification (B) is generally more challenging to deliver than new land for employment. However the uplifts derived are modest. Due to the scale of the site, most growth is projected at Crossways. This however does benefit from some remaining land/ outline floorspace with permission (not otherwise accounted for. Moreover, the presence of existing more intensive well-occupied premises alongside 'shed' style (high quality) development demonstrates scope for intensification subject to demand, especially if facilitated through major public transport upgrade.
- Growth through new locations (C) is considered broadly reasonable as they are all locations not just where growth is planned but it is actually already moving forward, to various levels, through specific proposals put to the council. This includes the high growth scenario e.g. Littlebrook. It may be highly likely that not all these developments will occur in their most job intensive form, however together they represent a credible high employment test scenario.

When looking at future local employment, potential changes in the relationship between employment premises and how they are occupied, impacting on job densities, need to be recognised. Offices may increasingly be used more efficiently, supported by technology and flexible work practises[19]. Industries such as logistics may strongly invest in automation and

[18] Ref. No: 19/01515/FUL
[19] The same trends however bring demand for new (types of) offices e.g. locations for self-employees or small service companies to work flexibly and collectively.

reduce the level of employment per sqm. In the future businesses may require a smaller floorspace to accommodate their workforce, or may operate with fewer employees.

Overall, the modelling produces aggregate level results broadly consistent quantitatively with current trends (reflecting high recent economic growth in Dartford):

- In terms of projecting forward the scale overall (total sqm) development completions. Generic high demand projections would be tempered by a recession, however Dartford is well established and diversified to continue its positive economic performance.
- Job growth estimated here attributable to the key national growth sector of B8 development, accounts for the bulk of future employment levels under the forward projections undertaken for Strategic Network dependent jobs. However this is sensitive to job density assumptions, due to the large potential B8 floorspace locally; which are subject to change as this dynamic sector evolves in response to technology, environmental policy on shifting from dependency on diesel and petrol for transport, and shifting behaviour eg online retailing.