

Crawley

Local Plan

**Crawley Borough Local Plan Topic Paper 5:
Employment Needs and Land Supply**



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1. INTRODUCTION

- 1.1 The Local Plan applies a positive and proactive strategy in planning to meet Crawley's employment land and floorspace needs for the period 2021 to 2037. Its approach has been informed by an up-to-date and robust evidence base that takes account of economic forecasts, market intelligence, and the available land supply position to set in place a strategic policy approach that will enable Crawley to build upon its economic strengths, counter its weaknesses, and address future challenges.
- 1.2 This Topic Paper provides an overview of the evidence base findings that have informed the Local Plan economic approach. Key to this is the Northern West Sussex Economic Growth Assessment (January 2020) and its Crawley focused update (September 2020), which establish Crawley's future employment needs in terms of job growth, business floorspace and land take. This is complemented by the Employment Land Availability Assessment and the Sustainability Appraisal/Strategic Environmental Assessment (SA/SEA), which undertakes an assessment of the potential employment land supply. An updated Employment Land Trajectory (Base Date 1 September 2020), then sets out the employment land supply pipeline, as planned for through the Local Plan review.
- 1.3 These documents have shaped the Local Plan strategy for economic growth, informing in particular the approach of Strategic Policies EC1 (Sustainable Economic Growth) and EC4 (Strategic Employment Location). The Local Plan vision for the economy is that Crawley will continue to be an economic leader, with a diverse, resilient and productive economy that meets the needs of the borough and supports the overall prosperity of the region. This Topic Paper explains how the Local Plan will facilitate this, supporting a strong and competitive economy for Crawley and its functional economic market area. It should be read in conjunction with Topic Paper 2: Gatwick Airport.

2. BACKGROUND

Crawley's Economic Context

- 2.1 Crawley is firmly established as one of the key economic drivers in the South East of England, representing the geographic and economic heart of the Gatwick Diamond sub-region and the wider Coast to Capital Local Enterprise Partnership (LEP) area. Through its excellent transport links, Crawley is well connected internally, nationally and internationally. It is home to a major international airport at Gatwick, and Manor Royal, the region's premier business destination, employs over 30,000 people across an area of 240 hectares. Both are key drivers of the Crawley economy and that of the wider area.
- 2.2 The Gatwick 360° Strategic Economic Plan 2018-2030¹, prepared by Coast to Capital Local Enterprise Partnership, sets out the economic vision that

¹ Gatwick 360° The Coast to Capital Strategic Economic Plan 2018-2030, page 15
https://www.coast2capital.org.uk/storage/downloads/coast_to_capital_strategic_economic_plan_2018-2030_pdf-1535099447.pdf

Crawley, alongside the region's other major urban centres, will be ranked among the most productive places in the UK. Key to achieving this will be supporting economic growth through the delivery of new business space and facilities, improved connectivity (including digital) and infrastructure, and supporting the necessary skills for a global economy, providing high-quality, well-paid jobs in the decades to come.

- 2.3 To promote the continued prosperity of the Gatwick Diamond and plan for its sustainable future growth, a Gatwick Diamond Local Strategic Statement (LSS)² has been prepared on a joint basis and endorsed by the two county councils and six local authorities covered by the area. The Statement sets out a commitment among local authorities to work together to promote the economic function of the Gatwick Diamond, recognising the strength of Crawley/Gatwick as a business location. Dovetailing with LEP objectives, the Gatwick Diamond LSS establishes priorities to support delivery of the floorspace needed for new and growing businesses, the skills needed to enable communities to access job opportunities within the Diamond, and the infrastructure needed to support sustainable economic growth.
- 2.4 The success of Crawley's economy, and that of the wider Gatwick Diamond and Coast to Capital LEP, is significantly driven by Gatwick Airport. It is the single biggest driver of economic growth, contributing £1.6 billion directly to the Gatwick area, and supporting a total £2.7 billion³ GVA in the Coast to Capital LEP area. The COVID-19 pandemic has impacted substantially on the aviation sector and related businesses, and this has in turn impacted significantly upon Crawley's economy. Centre for Cities⁴ estimate over half of the borough's jobs to fall within very vulnerable or vulnerable sectors, and with 41% of eligible local jobs being supported by the Job Retention Scheme as of 31 July 2020, the proportion of workers placed on furlough in Crawley is the highest in the UK⁵.
- 2.5 However, it is anticipated that Crawley's economy will respond and recover, and that flights will resume at the airport, though economic recovery will need to be supported by a positive planning approach. There remains evidenced need for new business land and floorspace over the forthcoming Plan period. Given what are significant land supply constraints faced within the borough, the Local Plan sets out a pro-active and ambitious economic strategy to support economic recovery in the shorter-term, whilst planning positively for economic growth and diversification, consistent with LEP and

² Gatwick Diamond Local Strategic Statement (2012) paragraph 4.5

<https://crawley.gov.uk/sites/default/files/documents/PUB344429.pdf>

³ Source: Gatwick Growth Board, The Economic Impact of Gatwick airport, 2017. Cited in: Gatwick 360° The Coast to Capital Strategic Economic Plan 2018-2030, page 15

⁴ Centre for Cities (2020) What does the Covid-19 crisis mean for the economies of British cities and large towns? <https://www.centreforcities.org/blog/what-does-the-covid-19-crisis-mean-for-the-economies-of-british-cities-and-large-towns/>

⁵ Centre for Cities (2020) August furlough update: Where are the highest shares of workers on the Job Retention Scheme? <https://www.centreforcities.org/blog/august-furlough-update-where-are-the-highest-shares-of-workers-on-the-job-retention-scheme/>

Gatwick Diamond priorities and national planning policies, to ensure that sustainable economic growth can be delivered over the Plan period.

3. POLICY CONTEXT

National Planning Policy Framework

- 3.1 The National Planning Policy Framework (NPPF) sets out the Government's planning policies for England and details how these should be applied. It is clear that the planning system should achieve sustainable development, built around three overarching objectives: economic, social, and environmental. Specifically in relation to the first of these, NPPF paragraph 8a outlines that the economic objective is *'to help build a strong, responsive and competitive economy, by ensuring that sufficient land of the right types is available in the right places and at the right time to support growth, innovation and improved productivity; and by identifying and coordinating the provision of infrastructure'*.
- 3.2 NPPF Section 6: *Building a strong, competitive economy* provides further detail. Paragraph 80 sets out the need for planning policies and decisions to help create the conditions in which businesses can invest, expand and adapt, with significant weight placed upon the need to support economic growth and productivity that takes account of local business needs and wider opportunities. A need to build on existing strengths, counter weaknesses and address future challenges is specifically outlined. Paragraph 81 goes on to outline the need for a clear economic vision and strategy that positively encourages sustainable economic growth; set criteria or identify sites to meet local and inward investment needs; address barriers to investment; and provide flexibility to accommodate needs not anticipated in the Plan. Paragraph 82 emphasises the need to address the specific locational requirements of different sectors, specifically referencing knowledge and creative/high technology industries and also storage & distribution operations.

Planning Practice Guidance: Housing and Economic Needs Assessment

- 3.3 This expands upon the NPPF, outlining the need for local planning authorities to prepare a robust evidence base to understand current and future business needs, reflecting local circumstances and market conditions. This will need to assess the functional economic market area, existing stock of employment land, patterns of employment supply and loss, market demand and signals, and any evidence of market failure such as constraints that prevents an employment site from being used effectively.
- 3.4 Future need should be forecast having regard to a range of data including sectoral and employment forecasts (labour demand), demographically derived assessments of current and future labour supply (labour supply), past take-up of employment land and future property market requirements, and consultation with relevant organisations. Specific reference is made to meeting the needs and locational requirements of the logistics industry and new or specialist sectors.

Planning Practice Guidance: Housing and Economic Land Availability Assessment

- 3.5 This Planning Practice Guidance sets out the need for a thorough but proportionate assessment to identify land that is suitable, available and achievable for economic development uses over the plan period. It is important that a range of stakeholders, including land owners and promoters, are involved in this process, and a call for sites should be undertaken to identify potential opportunities.
- 3.6 Suitability of sites should be assessed having regard to factors including national policy, market views, contribution to regeneration, and potential impacts including on landscapes, nature and heritage conservation. A site can be considered available for development when, on the best information available, there is confidence that there are no legal or ownership impediments to development. A site is considered achievable when there is a reasonable prospect that a particular type of development will be developed on the site at a particular time. This should be identified in the form of a trajectory that sets out the amount of economic development that can be provided, and at what point in the future (i.e. years 1-5, 6-10, and 11+) these sites can be delivered.

Crawley Borough Local Plan 2015: Employment Land Supply Position

- 3.7 The adopted Local Plan (2015) planned for a baseline need of 57.9 hectares new business land in the borough over the Plan period to 2030⁶. The Plan recognised the scope to accommodate these needs within the borough as being severely limited as a result of Crawley's constrained land supply position, which has been significantly affected by the requirement to safeguard land for a possible additional runway at Gatwick Airport. The Plan identified an available supply of 23 hectares business land, significantly through the reuse and intensification of sites within the existing main employment areas, supported by opportunities for small-scale extensions to Manor Royal that would add to the business land supply pipeline. To maximise the available business land supply, the Plan protected the business function of Manor Royal, and more broadly, the economic function of the main employment areas, to ensure that the economy of Crawley and surrounding areas was not undermined.
- 3.8 Although the adopted Local Plan sought to maximise the available land supply within the confines of safeguarding, Crawley's constrained land supply position meant that Crawley's full employment land requirement could not be accommodated within the borough boundary, resulting in an unmet need for business land of 35 hectares over the adopted Plan period 2015-2030. The Plan identified the risk that if business needs could not be met within Crawley once the available land supply is developed out, some economic growth could be displaced, potentially outside the sub-region entirely.
- 3.9 Therefore, the adopted Local Plan set out a commitment to explore the scope to accommodate a Strategic Employment Location inside Crawley's boundary, within a defined Area of Search at the north of the borough,

⁶ Northern West Sussex Economic Growth Assessment 2014 and Crawley focused update 2015.

subject to a final government decision on the status of safeguarding. In the event that identified business land needs could not be accommodated in Crawley, the adopted Local Plan confirmed CBC's commitment to working with neighbouring authorities to address its unmet need in the most appropriate manner and locations. A hierarchy was set out, whereby if employment needs could not be met within Crawley, the second preference would be to direct delivery to land at Crawley/Gatwick, in areas immediately adjoining the borough.

- 3.10 Through its Development Management Plan DPD 2019 (Policy HOR9), Reigate & Banstead Borough Council (RBBC) allocates a 31ha site at Horley, close to the Crawley administrative boundary, for an office-led strategic employment location to provide up to 200,000sqm new business floorspace. In addition to meeting needs from RBBC, and recognising the constraints posed by safeguarding, the allocation intends to meet a significant proportion of Crawley's identified office needs from the adopted Crawley Borough Local Plan (2015), though not any of its outstanding industrial needs. This is reflected in the Policy HOR9 wording, which identifies that *'predominant use of the site should be for B1a purposes with limited B1b, B1c, B8, and non-B Class uses including appropriate airport-related Sui Generis uses'*. Whilst reference is made to supporting non-business uses, the policy is clear that this should not be at a scale likely to significantly divert trade from the wider area or to detract from the prime focus of the site as a Strategic Business Park. The allocated site has significant potential to facilitate the retention and expansion of existing businesses within the Gatwick Diamond, including firms with insufficient space to expand at Manor Royal, whilst also enabling inward investment to be secured for the sub-region.

4. CRAWLEY BOROUGH LOCAL PLAN REVIEW

- 4.1 As required by the NPPF, policies in local plans and spatial strategies should be reviewed at least once every five years from the adoption date of the plan in order to assess whether policies require updating as a result of changes in circumstance or national policy. The council is in the process of reviewing the adopted Local Plan, through the Local Plan Review (LPR), with the emerging draft document having been published for consultation at Regulation 18 and Regulation 19 stages. A further period of Regulation 19 commenced 6 January 2021.
- 4.2 The LPR is informed by an evidence base that has continued to evolve alongside the emerging Plan, ensuring that its approach has been steered by robust and up-to-date information. Key evidence base documents that have shaped the economic strategy of the LPR include: the Manor Royal Economic Impact Study 2018; Northern West Sussex Economic Growth Assessment 2020; Crawley Focused EGA Update 2020; Employment Land Availability Assessment (as informed by the Call for Sites), and the Employment Land Trajectory. An overview of the key findings from each, and the manner in which the evidence has shaped the evolving LPR economic policy approach, is set out below in chronological order.

Manor Royal Economic Impact Assessment (January 2018)

- 4.3 Prepared by Lichfields on behalf of CBC and the Manor Royal BID Company Limited, this study undertakes a detailed assessment of the economic contribution made by Manor Royal, and having regard to its strengths, weaknesses, opportunities and threats, considers planning policy and market interventions to support its economic function and enable the business district to prosper. The study finds Manor Royal to generate £1.23bn of direct GVA per year and an additional £0.54bn indirectly through supply chain activities. The BID area contains some 866,000sqm commercial floorspace, more than 90% of which falls within the office, industrial or storage & distribution use classes.
- 4.4 Market feedback suggests the industrial property market in Manor Royal is tight, with much of its available land supply having been developed and rents having increased by 40% in the 18 months to January 2018. Occupiers that cannot find space in Manor Royal typically relocate elsewhere in the Gatwick Diamond or to locations further away such as Croydon. There is a particular gap in the supply of smaller industrial units ranging in size from 400-500sq.ft and larger industrial units over 20,000sq.ft, with a major pinch point being the lack of land available for developing new premises to meet demand. The position is similar in other parts of the M23 corridor. Manor Royal's office market is comparatively less buoyant than the industrial market, with what demand that exists generated by interest from professional services and SMEs. Given the market demand, the study assessed the scope for intensification at several sites within/adjacent to Manor Royal that were either available or under-utilised. Some of these sites have since been built out, gained planning permission for employment development, or have been promoted to the council for employment development through the Local Plan review.
- 4.5 With regards to its market positioning, in comparison to other existing business parks in the South East, the study found Manor Royal to benefit from key advantages including its strategic access links, variety and mix of uses, and a developing business community through the work of the BID. Access to amenities and landscaping are identified as areas for improvement, with the absence of a centralised amenity hub to meet the needs of businesses and employees representing a disadvantage in comparison to competitors.
- 4.6 There are various challenges faced by Manor Royal as it seeks to maintain its role as the South East's premier mixed use employment location, and its competitiveness as a business location, over the coming years. These relate to land supply and the ability to accommodate development within its existing boundary, the need to maintain the profile of Manor Royal against the backdrop of strong and growing competition, and a number of operational, amenity and infrastructure issues. If these challenges can be addressed, there is potential to greatly enhance Manor Royal's appeal to business occupiers over the coming years. Actions identified by the study are grouped around key themes of quality of place; business support and

engagement; brand positioning and promotion; planning tools and mechanisms; business amenities and infrastructure and facilities.

Draft Crawley Borough Local Plan: Regulation 18 Early Engagement (July 2019)

- 4.7 The initial Local Plan Review document was published for a period of early engagement consultation from 15 July to 16 September 2019. The document outlined that since adoption of the 2015 Local Plan, the available business land supply has continued to reduce as sites are built out, with the January 2019 Employment Land Trajectory identifying a reduced employment land supply pipeline of 13.19ha (from 23ha in the adopted Local Plan).
- 4.8 Recognising Crawley's ongoing employment land supply constraints, the Reg. 18 draft Plan's emerging economic approach echoed that of the adopted Local Plan, seeking to protect and maximise the economic function of the designated main employment areas, whilst supporting appropriate extensions to Manor Royal where this would facilitate new business floorspace. An update of the NWS EGA had recently been commissioned (4.12 refers), with its early findings suggesting possible need for between 44.6 and 57.63 hectares new business land over the period 2020-2035. The Reg. 18 draft Local Plan provided these figures for context, though explained that further refinement and testing of future requirements would be necessary as the EGA progressed.
- 4.9 With anticipated business land needs continuing to outweigh the available business land supply pipeline, the Reg. 18 draft Plan retained the Area of Search in the north of Crawley as the preferred location for new strategic employment. With much of this land subject to safeguarding for a possible southern runway at Gatwick Airport, the initial draft Plan was clear that work to identify a new Strategic Employment Location would only take place once the status of safeguarding had been clarified.
- 4.10 The council considered that Aviation 2050 (December 2018), the government's draft Aviation Strategy, did not provide a definitive steer as to whether or not the council would be required to safeguard land moving forward. It stated in para. 3.66, *"that it is prudent to continue with a safeguarding policy to maintain a supply of land for future national requirements"*, highlighting the government's commitment to *"identify and protect, where there is robust evidence, sites and routes which could be critical in developing infrastructure to widen transport choice"* and stating that it is up to *"local authorities to consider the future needs of airports and associated surface access requirements, when developing local plans"*. Therefore, the Reg. 18 Draft Local Plan sought views on two options. Option 1 to continue with the current safeguarding policy, or Option 2, not to include a policy to safeguard land for a potential future wide-spaced runway and instead to designate the area for a future Area Action Plan. It was hoped that the final Aviation Strategy, then anticipated in December 2019, would provide clarity as to whether or not the Government would require the Local Plan to include a policy that keeps safeguarding in place.

- 4.11 As part of the early engagement consultation on the draft Local Plan, a Call for Sites was undertaken, with agents/landowners contacted directly to clarify the position in relation to sites that previously been promoted to the council for employment, and details circulated more widely to contacts that had signed up for Local Plan notifications and details also set out on the council's website. Through this process, having regard to existing permissions and promoted sites, around 140ha business land supply was identified, although a number of the promoted sites were on safeguarded land.

Northern West Sussex Economic Growth Assessment (January 2020)

- 4.12 To inform the respective stages of Local Plan preparation, including for Crawley its LPR, Lichfields was jointly commissioned by CBC, HDC and MSDC to prepare an update to the EGA. The EGA had been at a very early draft stage at the time of Regulation 18 consultation, its content refined over the autumn, with the study completed in January 2020.
- 4.13 The study confirms that Northern West Sussex (NWS) continues to operate as a broad functional economic market area, with its spatial extent largely consistent with the authority boundaries of Crawley, Horsham and Mid Sussex. Economic linkages with adjoining areas such as Coastal West Sussex, Reigate & Banstead (i.e. Horley) and East Sussex are comparatively weaker but still have an influence.
- 4.14 The EGA finds the commercial property market in NWS to be moderately self-contained, and relatively buoyant, boosted by its central location within the Gatwick Diamond and wider South East, and access to a range of transport links. Crawley remains the dominant commercial centre in NWS, driving demand for employment space, attracting the most activity and commanding the highest rents. It is the main driver in the industrial market, particularly for distribution uses, which tend to drive demand in and around Crawley (reported to account for 75-80% of industrial demand). Within the NWS area, market feedback reports there to be a very limited supply of smaller scale industrial stock (sub 10,000sqft/930sqm), especially newer stock, with this shortage particularly acute within Manor Royal. Supply of industrial premises within the 75,000sqft+ (6,970sqm) bracket is also reported to be very low, with the larger end of the market not really being catered for by recent supply and new development.
- 4.15 The study confirms the position of Crawley as the Gatwick Diamond sub-region's largest and most dominant office centre, with the market having increasingly gravitated to Crawley in order to benefit from its accessible location. Across the Northern West Sussex Functional Economic Market Area, the office market has been characterised recently by more challenging conditions, with lower levels of take-up. This is in part a result of the available supply, which is largely composed of older Grade B office stock that does not match the market demand for new Grade A stock, often bespoke rather than speculative, across a range of sizes. This has resulted in the Crawley office market becoming somewhat suppressed, with the limited available Grade A stock quickly taken up, and lower grade stock tending to remain vacant. This is seen as very much a qualitative issue for Crawley's office stock, and there is

a growth opportunity for Crawley if the quality and configuration of office space being sought can be provided.

- 4.16 The EGA develops three future economic scenarios that provide a framework for considering future economic growth needs and business floor space requirements in Crawley over the period 2019-2036; Baseline Labour Demand, Past Development Rates, and Future Labour Supply. For all net floorspace figures, a 10% buffer is added to allow for flexibility and choice in the local market.
- 4.17 **Baseline Labour Demand** projects future employment growth derived from Oxford Economics (OE) Q4 2018 forecasts commissioned by the councils. Taking account of regional and macroeconomic assumptions, significant growth is forecast within the office sector (+2,800 jobs), though an anticipated decline in manufacturing jobs (-1,335) and a slowing of distribution sector growth (-70 jobs) results in a forecast change of **+1,390 business sector jobs** in Crawley up to 2036. This generates need for **6,970sqm** new business floorspace over the Plan period, although the scale of manufacturing sector decline suggested by the forecast is such that the corresponding business land requirement for the period to 2036 is identified as **negative 1.1 hectares**.
- 4.18 **Past Development Rates** uses monitoring data on past business sector completions between 2011 and 2018, assuming that these development rates carry on in the future at the long term average. The approach provides an understanding of market demand and actual development patterns, taking account of the redevelopment and recycling of employment sites to provide a reasonable basis for informing future space needs. Based on a continuation of past development trends, there would be a forecast need for 27,200sqm office floorspace and 103,700sqm industrial (manufacturing and distribution) sector floorspace, this reflecting the market view of significant demand for warehouse space and of a slower office market. This future requirement of **130,900sqm** business floorspace, following the addition of the 10% buffer, translates to a total business land need of **33 hectares** over the Plan period.
- 4.19 **Future Labour Supply** forecasts growth in local labour supply using the demographic assumptions applied as part of the Northern West Sussex Strategic Housing Market Assessment (SHMA). In contrast to the labour demand approach, it focuses on the future supply of labour rather than the demand for labour, estimating the amount of new jobs needed to match the future supply of working-age population, using this to identify the amount of employment space and land needed to accommodate the business sector component of these jobs. Crawley's 'uncapped' Standard Method figure of 752 dwellings per annum, factoring in assumptions reflecting Crawley's role as a net importer of labour, results in forecast growth of **9,749** business sector jobs over the Plan period. This generates a need for **432,910sqm** new business sector floorspace (significantly within the B8 distribution sector), translating to a total need for **113ha** new land across all business sectors (this including the 10% buffer).

4.20 The overall business land requirement identified by each of the NWS EGA 2020 forecasts is summarised in Table 4.1 below.

Table 4.1: Summary of NWS EGA forecasts

Use	Baseline Job Growth	Past Development Rates	Baseline Labour Supply
Offices (B1a/b)	+2,800 jobs +33,890sqm floorspace +5.6ha land	+27,200sqm floorspace +4.5ha land	+4,472 jobs +54,115sqm floorspace +8.9ha land
Manufacturing (B1c/B2)	-1,335 jobs -24,065sqm floorspace -6.0ha land	+103,700sqm floorspace +28.5ha land	+1,767 jobs +69,990sqm floorspace +19.2ha land
Distribution (B8)	-70 jobs -2,855sqm floorspace -0.7ha land		+3,509 jobs +308,805sqm floorspace +84.9ha land
All Business Sectors	+1,390 jobs +6,970sqm floorspace -1.1ha land	+130,900sqm floorspace +33.3ha land	+9,749 jobs +432,910sqm floorspace +113ha land

Source: Northern West Sussex EGA 2020

- 4.21 The EGA advises that for Crawley, the Baseline Job Growth scenario does not appear to provide a robust scenario for positively planning for future employment space needs, as it falls significantly below past job growth performance in Crawley and does not align with the more qualitative market intelligence captured in terms of drivers of demand.
- 4.22 The growth scenarios indicate that projected population growth could be the most significant driver of economic growth in Crawley over the Plan period, and that the market has demonstrated that appetite exists to deliver new employment floorspace (if sufficient space is made available). The EGA therefore recommended planning for the **Past Development Rates** requirement as a minimum, to enable historically strong levels of employment development to continue in the borough over the new Plan period. In quantitative terms, Crawley has insufficient employment land supply to meet the spatial requirements emerging from the past take-up based scenario over the period to 2036. The pipeline of available supply identified by Employment Land Trajectory would be sufficient to accommodate identified office needs, but a significant shortfall would arise for industrial uses. This is supported by qualitative market feedback which indicates that Crawley requires additional employment land (for industrial uses in particular) to accommodate strong levels of market demand and development that have been coming forward in recent months and years.
- 4.23 The EGA discusses the scope to plan for higher economic growth associated with the Baseline Labour Supply scenario in an unconstrained employment land supply position. However, it is clear that this requirement is based upon 'uncapped' local housing need resulting from the Standard Method approach to calculating housing need, and that it therefore represents a 'starting point' for the purposes of the Local Plan, recognising that adjustments to these figures will likely be required to the reflect spatial capacity for accommodating new housing development as well as ongoing, continued cross-boundary working through Duty to Cooperate to ensure that housing and economic needs are planned for over the forthcoming Plan periods. For

this reason, the EGA advises that the Baseline Labour Supply employment space requirements should be treated with caution, as they may be subject to change as the Local Plan develops.

Draft Crawley Borough Local Plan Regulation 19 Submission Publication (January 2020)

- 4.24 The draft Submission Local Plan was published for Regulation 19 consultation from 6 January 2020 until 2 March 2020. As advised by the EGA, draft Policy EC1 planned for economic growth based on the Past Development Rates requirement of 33ha new business land over the Plan period. The Employment Land Trajectory (December 2019), published with the draft Plan, identified an available land supply pipeline of 12ha which, subtracted from the overall 33ha need, resulted in an outstanding business land need of 21ha.
- 4.25 The constrained employment land supply position placed significant onus on the draft Local Plan to ensure that the limited available business land supply was not undermined, and that it was, where possible, enhanced. As with previous iterations of the Plan, the designated Main Employment Areas would be protected for employment use, with policy supporting their intensification. Manor Royal would continue as the focus for business-led economic growth, with opportunities for its appropriate extension supported, whilst the other Main Employment Areas would have flexibility to support a broad range of economic uses.
- 4.26 However, this approach alone would not be sufficient to meet Crawley's outstanding 21ha employment land requirement in full. Given the national aviation policy position in January 2020 with an Airports National Policy Statement supporting expansion at Heathrow, a new Policy SD3 and amended Policy EC1 explored the principle of removing safeguarding, (see Topic Paper 2: Gatwick Airport for more information) and committed to the preparation of a North Crawley Area Action Plan (AAP) upon adoption of the Local Plan. This AAP would assess whether safeguarding should be retained, retained with its extent amended, or removed entirely. If safeguarding were to be removed or its extent amended, the AAP would establish how this land should be planned for, including potential allocation of a Strategic Employment Location capable of accommodating Crawley's unmet business land needs.
- 4.27 The AAP would focus on the 613 hectares of previously safeguarded land located in the north of Crawley between the town and Gatwick Airport, within which a number of sites had been promoted to the council for employment use through the Call for Sites. It would be tasked with determining the most appropriate use of the land within its remit for future development needs, including those of the airport, providing an opportunity to assess the scope to bring forward a new Strategic Employment Location to meet Crawley's outstanding 21ha business land needs, in addition to other potential land uses including infrastructure, residential (where not affected by unacceptable noise exposure) or open space designations. If the AAP were to determine that the future growth needs of the airport do not require any, or all, of the land previously safeguarded, then it would be possible to assess

and designate a sustainable site or sites through the AAP to accommodate strategic employment needs based on Crawley's higher unconstrained business land requirement of 113ha (the EGA Baseline Labour Supply). Whilst recognising that this would need to be reassessed to clarify the overall business land need, subject to this updated work, the AAP would identify and allocate the most appropriate sustainable site for a Strategic Employment Location(s). This requirement, to be set out in the AAP, would supersede the 'Past Development Rates' business land requirement of 33ha identified by Local Plan Policy EC1.

- 4.28 The intention of the AAP approach was to allow for the principle of lifting safeguarding to be considered first through the Local Plan Examination, with the subsequent AAP process enabling consideration of all issues, allowing for the growth needs of the Airport to be demonstrated by the airport operator, and considered alongside other development needs as part of the work on the AAP.
- 4.29 In response to the proposed Reg. 19 Local Plan approach, Gatwick Airport Limited (GAL) outlined its strong objection to the proposed removal of safeguarding. The principle of reviewing and/or removing safeguarding was strongly supported by landowners and agents promoting employment development within the safeguarded area, though some did not favour the proposed AAP approach, preferring instead that their sites should be allocated through the Local Plan Review.

Planning Inspectorate Advisory Meeting (April 2020)

- 4.30 Following Regulation 19 consultation, an advisory meeting was held with a PINs appointed planning inspector, who provided a high level advisory view on particular aspects of the emerging Local Plan. In relation to employment, the inspector advised that an approach of planning for need based on past development trends would not necessarily enable the requirements of new and changing employment sectors to be accommodated.
- 4.31 Given the NPPF requirement for local plan policies that positively and pro-actively encourage sustainable economic growth, the inspector was clear that Crawley should be pro-actively seeking to accommodate its employment need, either outside the borough through Duty to Cooperate, or should there be certainty in national policy that safeguarding could be lifted, through a review of the Plan. Pointing to continued uncertainty as to whether safeguarding could be lifted and the timescales for doing so, the inspector's position was that an Area Action Plan would be unlikely to be effective, as the approach would result in a significant change to the Plan's overall development strategy. In those circumstances, an AAP would not be appropriate because it should be consistent with the strategy of the submitted Plan. As such, the inspector's advice was that the Plan should contain a review trigger rather than a reference to an AAP, enabling the whole development and spatial strategy to be re-examined should the additional land become available.

Gatwick Airport Safeguarding

4.32 The council, in determining a way forward for the Local Plan, and responding to the advice of the advisory Inspector, considered that GAL's objection and the draft national Aviation Strategy's statement that it is prudent to continue to safeguard land means there is still uncertainty regarding the need to safeguard land at Gatwick. Taking the advice into account, the council therefore considered the extent of safeguarding, rather than the principle of it. The detail of the Gatwick Master Plan was assessed to determine whether there was an appropriate location to bring forward new employment land/ floorspace to meet the needs of the economy whilst still safeguarding land that may be required for the physical land take of a potential future southern runway and associated infrastructure including essential road diversions.

Crawley Focused EGA Update (September 2020)

4.33 In light of the significant economic impact of COVID-19, a Crawley specific update (CBC EGA) to the NWS EGA was prepared by Lichfields in summer 2020, with the additional work being undertaken in order to:

- i.) sensitivity check Oxford Economics Q4 2018 forecast against comparator forecasts from Experian;
- ii.) consider Q2 2020 forecasts from Oxford Economics and Experian that take account of economic implications arising from COVID-19;
- iii.) update the Past Development Rates forecast to take account of 2018/19 monitoring data;
- iv.) update the Baseline Labour Supply forecast to take account of the supply-led Local Plan housing figure of 347 dwellings per annum, and a higher figure of 597dpa to takes account of a possible urban extension to Crawley.

4.34 The Study assessed forecasts over the 2019-2036 period, which now differs slightly from the Local Plan period 2021-2037. However, the broad quantum of growth needs would be similar for both timeframes, and with a 10% buffer factored in for flexibility, the difference would not be material by 2036/37. The 2021 base year is potentially more stable than 2020 would have been due to Covid-19, and use of the pre Covid-19 forecasts for the baseline is consistent with this approach. It should also be noted that changes to the Use Class Order introduced 1 September 2020 have incorporated Class B1a (office), Class B1b (research & development) and Class B1c (light industrial) into a new Class E (commercial, business and service use). For consistency with the 2020 NWS EGA, it is necessary for the Crawley focused EGA update to refer to the previous use classes.

4.35 Lichfields is also working with the council to prepare a new Economic Development Strategy for the borough, which sets out a longer-term direction to support Crawley's economy as it seeks to recover from the disruption caused by the COVID-19 pandemic. The emerging strategy is clear that greater economic diversity can increase the economy's resilience and reduce its exposure to financial crisis, whilst identification of new employment land can maximise growth opportunities and support the shift

towards a more diverse and multi-sectoral economy that has emerged over the last fifteen years.

2018 Q4 Oxford Economics and Experian Forecasts

- 4.36 The Oxford Economics 2018 forecast set out in the NWS EGA 2020 anticipates 372 total jobs (all sectors) per annum 2019-2036, equating to a negative land requirement of -1.1ha over the period. The scale of job growth implied by this forecast is unlikely to provide an effective, positive basis for planning for local economic growth in Crawley. For comparison, the CBC EGA analyses equivalent Experian 2018 Q4 forecasts on a consistent basis with the methodology applied by the 2020 NWS EGA.
- 4.37 Both 2018 forecasts point to a slowing of growth for Crawley compared with previous years. To place this into context, ONS Business Register and Employment Survey past growth data indicates Crawley's economy grew by circa 1,780 total workforce jobs per annum between 2009 and 2018, a period characterised by relatively mixed economic conditions. By comparison, the Experian 2018 forecast implied annual job growth rate (871) to 2036 is less than half of this past trend (48%) with the OE forecast of 372 jobs per annum equivalent to just 20%.
- 4.38 The CBC EGA undertakes further analysis to understand divergence between the OE and Experian forecasts, identifying significant variation between specific sectors that are expected to drive employment growth, or decline, over the period to 2036. For the Manufacturing sector, whilst both OE and Experian forecast a decline over the period, OE forecasts loss (-1,533 jobs) to a much greater extent than Experian (-600 jobs). For the Transport and Storage sector, Experian forecasts 14% growth (+3,600 jobs) over the period, whereas OE forecasts a small loss (-567 jobs) as it expects increased automation to reduce job growth.
- 4.39 To understand which set of forecasts might be the most appropriate to plan for growth in Crawley, the CBC EGA update refers to Business Register and Employment Survey data, which provides an overview of actual sectoral growth or decline over time. This finds the Transport and Storage sector to have grown by around 19% (394 jobs per annum) over the past nine years. As of 2018, the largest Transport and Storage sub-sectors are 'passenger air transport' (10,000 jobs) and 'service activities incidental to air transportation' (6,000 jobs), both of which relate to the presence of Gatwick Airport, and which have remained relatively stable in employment terms over the past 9 years. In contrast, the 'warehousing and storage' sub-sector grew by around 400% from 300 total jobs 2009 to 1,500 jobs in 2018, with this growth relating exclusively to land transport.
- 4.40 The Experian forecast is found to align more closely with past job growth trends recorded in Crawley based on the types of transport and storage activity occurring in the borough. In contrast, the OE forecast, which assumes for a significant decline in manufacturing and storage & distribution jobs as a result of automation, does not reflect actual market performance or demand in Crawley. On this basis, the Experian view of how the transport and storage

sector will grow in the future, albeit at a slower rate than the past trend, provides a more appropriate basis for anticipating the needs of this sector.

- 4.41 The adjusted 2018 OE forecast anticipates growth of 1,602 business sector jobs over the period 2019-2036. In comparison, the 2018 Experian forecast anticipates growth of 4,199 jobs across all business sectors. The corresponding business sector floorspace and land take requirement associated with each forecast is **+21,970sqm (+2.9ha) for OE 2018**, and **+154,680sqm (+38.7ha) for Experian**.

2020 Q2 Oxford Economics and Experian Forecasts

- 4.42 Following the outbreak of COVID-19 in March 2020, a further two scenarios have been considered to examine potential impact of the COVID-19 pandemic on the Borough's economy, both in the short term and the effect on its forecast growth over the longer-term period. This draws on initial COVID-19 economic forecasts published by OE and Experian in June 2020 which take account of revised macro-economic assumptions for the UK economy including a recession in the UK economy during 2020 and a 'delayed V-shape' recovery.
- 4.43 The OE forecast remains more pessimistic than Experian, identifying a decline in business sector growth over the period of -527 jobs, equating to negative growth of -29,913sqm business floorspace (-9.8ha business land). For the same period, the corresponding Experian forecast identifies business sector growth of 1,737 jobs, equating to a requirement for 57,400sqm business floorspace (13.4ha business land). Both forecasts provide a necessary sensitivity check at the current time but are, invariably, subject to a high degree of variability given the evolving nature of the pandemic, and are therefore not considered to represent a reliable basis for long-term planning given the uncertainty associated with them.

Past Development Rates

- 4.44 The Past Development Rates forecast has been updated to take account of the 2018/19 reporting year, during which gross and net business sector floorspace completions were considerably higher than in recent years. This has had the effect of increasing the historic annual average take-up rate and therefore the resulting business sector floorspace (**159,290sqm**) and land requirement (**39.6ha**) for the period to 2036. Of the 39.6ha business land requirement, the need predominantly (33.4ha) relates to industrial sectors of light industrial, manufacturing and storage & distribution.
- 4.45 This forecast provides a useful barometer of expected growth requirements based on historic completions, and although it is set within the context of Crawley's constrained land supply position, it underlines the role of industrial sectors in driving take-up of employment space in Crawley over recent years. Whilst recognising that a 'past take up' approach cannot take account of future sectoral changes, variance in work practices, or unforeseen economic circumstances, it implies a level of growth comparable to that identified by the Experian 2018 Baseline.

Baseline Labour Supply Forecasts

- 4.46 The 2020 NWS EGA provided a baseline labour supply scenario based on population growth associated with the standard method of calculating housing need. This was based on Crawley’s full ‘uncapped’ housing need of 11,265 new dwellings (751dpa), which generates a theoretical need for up to 113ha new employment land over the 2019-2036 period. However, the NWS EGA is clear that this represents a ‘starting point’ for the purposes of the Local Plan, with adjustments likely to be required to reflect spatial capacity for accommodating new housing development as well as ongoing, continued cross-boundary working through Duty to Cooperate. For this reason, there was recognition that the 113ha business land requirement should be treated with caution and may be subject to change.
- 4.47 As a result of Crawley’s significantly constrained land supply position, the full ‘uncapped’ level of housing growth cannot be accommodated within Crawley’s administrative boundary. The emerging draft Local Plan applies a supply-led approach to housing, planning for around 5,200 dwellings in Crawley over the period 2021-2036. In addition, through the Duty to Cooperate, discussions are taking place to ensure Crawley’s unmet housing needs are met within the wider Housing Market Area (more information is set out in Topic Paper 1). Should outstanding housing need be met in the form of urban extensions to Crawley, it is anticipated that this would result in an increased delivery of 597dpa.
- 4.48 The CBC EGA models business sector employment growth requirements associated with each scenario, providing a more realistic view of labour supply growth based on anticipated housing delivery over the period. For consistency with the 2020 NWS EGA, labour supply estimates have been provided by Icenii (authors of the 2019 Northern West Sussex Strategic Housing Market Assessment) to provide job growth numbers, which are then converted into a business land requirement. Based on this approach, housing delivery at 347dpa would generate growth of 2,183 business sector jobs, and a corresponding business land requirement of 21.7ha. The higher 597dpa would generate growth of 5,725 business sector jobs, and a corresponding business land requirement of 56.9ha.
- 4.49 The indicative gross land requirement to 2036 for each scenario is set out in Table 4.2.

Table 4.2: Indicative Gross Land Requirement (ha) to 2036 by Scenario

	1. Baseline Job Growth (Experian 2018)	2. Past Take-Up	3. Labour Supply (347 dpa)	3. Labour Supply (597 dpa)
Office (B1a/B1b)	5.9	6.2	2.3	6.0
Manufacturing (B1c/B2)	-0.6	33.4	4.8	12.5
Distribution (B8)	33.4		14.7	38.4
All B Uses	38.7	39.6	21.7	56.9

Source: Crawley Focused EGA Update (September 2020)/Lichfields analysis

- 4.50 The updated scenarios generate employment land requirements that range from 22ha to 57ha, significantly narrowing the gap between the lowest and highest scenarios set out in the January 2020 EGA. Analysis of the scenarios undertaken by Lichfields suggests that the Experian 2018 forecast provides the most appropriate basis for considering future employment land requirements from a labour demand perspective. It reflects relatively up-to-date economic information, and market demand for distribution floorspace, and assumes for the continuation of strong job growth in Crawley over the Local Plan period, albeit at a slower rate when compared with past trends. Its 38.7ha business land requirement remains closely aligned with the past take up figure of 39ha, reflecting the historically strong performance of the storage & distribution sectors in Crawley, and remains greater than the supply-led Labour Supply (347dpa) figure of 21.7ha, representing a positive approach in planning for sustainable economic growth.
- 4.51 As part of its further examination of local employment trends within the transport and storage sector, the CBC EGA analyses Inter Departmental Business Register (IDBR) data to explore the relationship between transport and storage-related jobs and land use within Crawley. Job apportionment assumptions made by the councils to feed into the 2020 NWS EGA had assumed that that 60% of employment uses within the wholesale, land transport storage and post sectors in Crawley would require B8 warehouse space, whereas the IDBR data finds the actual proportion of Crawley businesses using this type of floorspace (c.30%) is lower. To reflect actual land use patterns in Crawley, the CBC EGA adjusts the OE job apportionments to reflect current land use patterns in Crawley, enabling the OE and Experian forecast to be more accurately compared.
- 4.52 The higher Labour Supply (597dpa) figure of 56.9ha employment land factors in the possibility of an urban extension to Crawley. However, it is recognised that such an extension would not meet solely Crawley's housing needs, and would also meet those from the adjoining district. Therefore, it is anticipated that, although some employment needs arising from an urban extension may need to be met in Crawley, remaining employment need arising from the development may be accommodated within the urban extension itself, or if necessary, elsewhere within neighbouring districts.

Employment Land Demand/Supply Balance

- 4.53 Based on the 2018 Experian Baseline forecast, the Local Plan Review will plan for a minimum 38.7ha new business land over the Plan period. This figure can be broken down into an office land requirement of 5.9ha and an industrial land⁷ requirement of 32.8ha. It is necessary to consider the identified employment land need against the employment land supply. This is identified through, the Employment Land Availability Assessment (ELAA) (base date 1 September 2020).

⁷ Industrial is defined as uses falling within Class B2 (general industrial), Class B8 (storage & distribution) and the former Class B1c (light industrial).

- 4.54 The Employment Land Availability Assessment undertakes an assessment of the potential employment land supply position for Crawley. The document details the available employment land supply pipeline for Years 1-5 of the Local Plan. It also provides details of sites promoted to the council for employment use through the “call for sites” and the Local Plan consultations, which have been considered further for the possible allocation of a Strategic Employment Location that would come forward in Years 6-15 of the Plan.
- 4.55 The majority of Year 1-5 sites set out in the ELAA are located within the designated Main Employment Areas, and either benefit from planning permission that would bring about an intensification of the site or form an underutilised or vacant plot where employment development is likely to be appropriate. These sites form the employment land supply pipeline, which totals 17.56ha, made up of 8.84ha office land and 8.72ha industrial land. The sites are also set out in the Employment Land Trajectory included in the Local Plan.
- 4.55 The EGA business land requirement of 38.7ha is set against this available land supply pipeline in Table 4.3 below. This shows that the available office land supply pipeline meets Crawley’s identified quantitative office needs over the Plan period, notwithstanding that there remains a broader qualitative office need. The office-led Horley Strategic Business Park allocation in Reigate and Banstead Borough meets Crawley’s office needs from the previous Plan period, and will further add to the sub-regional office offer. Therefore, Crawley’s employment land needs are substantially of an industrial nature, principally in relation to B8 storage and distribution use. With an existing available industrial land supply pipeline of 8.7ha, there is outstanding need for 24.1ha new industrial land.

Table 4.3: Crawley Employment Land Demand/Supply

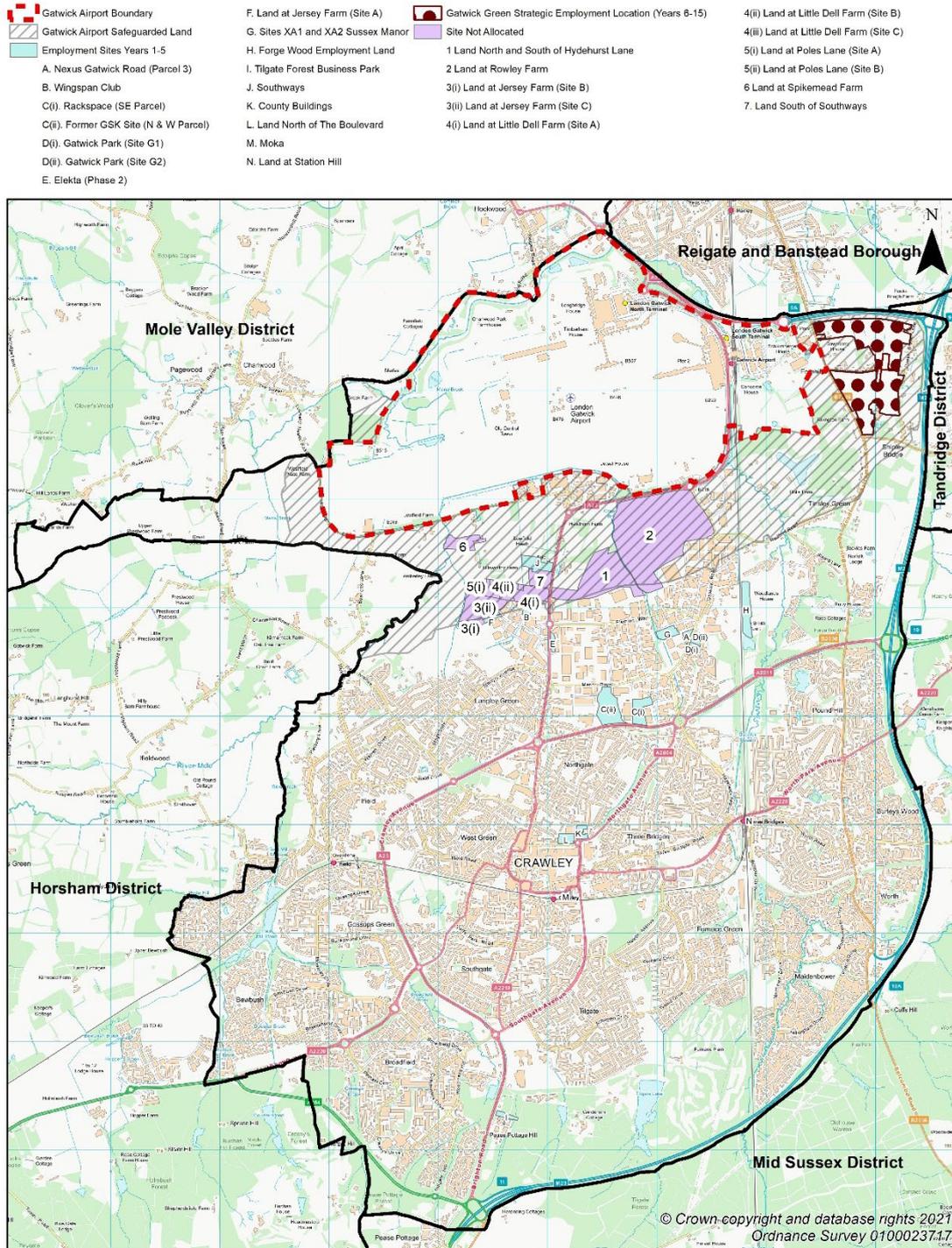
	2018 Experian Baseline Labour Demand Land Requirement (Hectares)
Office Requirement	5.9
Office Land Supply Pipeline	8.8
Surplus/Shortfall	+2.9
Industrial Requirement	32.8
Industrial Land Supply Pipeline	8.7
Surplus/Shortfall	-24.1

Source: Crawley Employment Land Trajectory (1 September 2020) /Crawley Focused EGA Update (September 2020) / Lichfields analysis

- 4.56 To plan positively and pro-actively for sustainable economic growth, as required by the NPPF, it is necessary for the Local Plan to identify new land that is capable of accommodating the outstanding 24.1ha industrial-led business land requirement. The ‘call for sites’ undertaken at Regulation 18 Local Plan consultation resulted in land totalling around 125ha being promoted to the council for business-led employment use. The location of each site is shown below on Figure 4.1. Further detail is set out in the ELAA, which details the site area and where known the business floorspace proposed, based on information provided by the site promoter. Commentary is provided for each site, having regard to information from the site promoter

and high-level desktop assessment undertaken by the council. Further assessment for each site has been undertaken through the SA/SEA process.

Figure 4.1: Crawley Borough Employment Land Availability Assessment Map (1 September 2020)



4.57 The majority of the promoted sites are situated entirely or partly on land that is required to continue to be safeguarded. The council has carefully considered the extent of safeguarding set out in the Gatwick Airport Master Plan, particularly the *Airport Layout: Additional Runway* shown in Plan 20 of

the Master Plan. Taking account of the location of the different uses shown on the Airport Layout Plan, the Local Plan safeguarded boundary includes the land that would be required to accommodate a southern runway, and essential road diversions. Delivery of strategic employment at these sites would prejudice the potential future delivery of a southern runway at Gatwick Airport should this be required, which would be contrary to national policy. Therefore, as required by national policy, land to the south of Gatwick Airport continues to be safeguarded and cannot be considered for strategic employment at this time.

- 4.58 However, one of the sites promoted for employment is considered to be capable of providing the required quantum of business land in a manner that would not prejudice future delivery of a southern runway at Gatwick Airport should this be required by national policy. This is the 47ha site located on land to the east of Balcombe Road and south of the M23 spur, referred to as Gatwick Green. This land is not shown by the Gatwick Airport Master Plan as being required to accommodate the physical land-take of a possible southern runway, nor any essential road diversions. Rather, it is shown in the Master Plan as being utilised for a large area of surface car parking. Given the constrained land supply within the borough and its significant employment needs, the council does not consider surface parking to represent an efficient use of this land. This is particularly the case given that the airport is currently accommodating parking more efficiently through decked and robotic parking, and its Surface Access Strategy seeks to reduce access to the airport by car.
- 4.59 The Submission draft Local Plan was approved at 16 December 2020 Full Council for a period of public consultation, and subject to any amendments deemed necessary following consultation, for submission to the Secretary of State. A Communication Item was provided for the Full Council in the Supplementary Agenda papers so that members were aware of the Supreme Court decision the Airports National Policy Statement (Topic Paper 2: Gatwick Airport refers) before making their decision to approve the Local Plan on the evening of December 16 2020. At this meeting, an amendment to Recommendation 2 - Submission of Crawley's Local Plan was tabled by Pound Hill North and Forge Wood Councillors, this proposing that the Local Plan be agreed as proposed but with all reference to the Gatwick Green employment site allocation having been removed. Following a vote, the amendment was not carried. The subsequent vote on the proposed Recommendation 2 – Submission of Crawley's Local Plan was then agreed.
- 4.60 The Local Plan safeguarded boundary does not therefore include all of the land east of Gatwick Airport, excluding some of the Land east of Balcombe Road and south of the M23 spur from safeguarding. This land is essential to meet Crawley's employment floorspace needs and its exclusion from safeguarding would not prejudice delivery of a southern runway at Gatwick Airport should this be required by national policy. The site is therefore allocated in the Local Plan through Policies EC1 and EC4 for the comprehensive development of an industrial-led Strategic Employment Location that will provide a minimum 24.1ha new industrial land,

predominantly for B8 storage and distribution uses. The site area is larger than the anticipated built area of any scheme, with an expectation that any development is carefully master planned to ensure comprehensive supporting infrastructure and appropriate landscaping, including a landscape buffer to retain a sense of separation between the site and adjoining countryside, and to ensure the protection of the amenity of neighbouring properties. Master planning of the site will also be required to ensure that highways improvements required as part of any growth related to a new southern runway at Gatwick Airport would not be prejudiced.

Crawley Borough Local Plan Submission Publication Consultation (January 2021)

- 4.61 The Local Plan has been published for a second period of Regulation 19 consultation from 6 January 2021 until 17 February 2021. It has been appropriate to repeat this stage as a result of the updated evidence, changes in national policy, and guidance from the Planning Inspectorate that has been discussed in previous sections of this Topic Paper. The draft Plan reinstates safeguarding (Policy GAT2), though in an amended form that excludes land east of Balcombe Road and south of the M23 spur, which is allocated as a Strategic Employment Location (Policies EC1 and EC4). Due to the requirement to continue safeguarding, and following advice from the Planning Inspectorate, the North Crawley Area Action Plan is not pursued, with draft Policy SD3 removed from the Plan.
- 4.62 Crawley's housing numbers have continued to evolve in real time, as new planning permissions are granted and existing permissions are built out or expire. The Local Plan period has also changed, now covering the period 2021-2037. These updates are reflected in the Submission Publication draft Local Plan, which identifies a total 'uncapped' need for 12,000 new homes 2021-2037. As a result of a constrained housing land supply position, a supply-led approach continues to be applied, with the Plan setting out a stepped trajectory through which a minimum 5,320 new dwellings will be delivered in Crawley over the Plan period, equating to an annualised average of 332.5dpa. This updated annualised figure is lower than the 347dpa tested through the CBC EGA, which resulted in a corresponding Labour Supply Forecast need for 21.7ha new business land. Therefore, in planning for the Experian Baseline Job Growth requirement of 38.7ha, the Local Plan continues to take a positive and NPPF compatible approach in planning for sustainable economic growth. Further explanation regarding evolution of the housing figure is set out in Topic Paper 1: Unmet Needs and Duty to Cooperate; Topic Paper 3: Housing Needs; and Topic Paper 4: Housing Supply.
- 4.63 Policy EC1 sets out the overarching strategy through which Crawley's 38.7ha business land requirement will be met. As with the adopted Local Plan and earlier stages of the Local Plan Review, Manor Royal is protected for business development, with the designated Main Employment Areas protected for a broader range of employment uses. Redevelopment and intensification of under-utilised sites in the Main Employment Areas continue to be supported, as are carefully planned minor extensions abutting the Manor Royal boundary where these would add to the business land supply and are

consistent with countryside policies. With the Policy identifying an existing business land supply of 17.56ha, Gatwick Green is allocated as a Strategic Employment Location to meet the outstanding requirement of a minimum 24.1ha industrial land, principally within the B8 storage & distribution sector.

- 4.64 The industrial-led employment allocation at Gatwick Green is capable of supporting the diversification of Crawley's economy, providing the land and premises needed to address the identified provision gap in the storage & distribution sector, and in turn adding to the type, range and churn of employment sites within the borough. This will help to meet the growth and locational requirements of businesses that have outgrown existing sites, and attract new investment that has not previously been able to locate in the borough due to the scale of their operations and/or lack of appropriate sites. Allocation of Gatwick Green for industrial-led employment will help to reinvigorate Crawley's economy, supporting existing businesses, attracting new and diverse growth, and reinforcing the key economic role of Crawley within the Gatwick Diamond.
- 4.65 Policy EC4 provides further detail on the requirements of a Gatwick Green Strategic Employment Location, which is anticipated to come forward in Years 6 to 15 of the Plan period. Specifically in relation to employment land supply, the policy sets out that the allocation will be required to deliver, as a minimum, 24.1ha new industrial land, predominantly for B8 storage and distribution uses. This site, in combination with the Years 1-5 sites, as demonstrated in the Employment Land Trajectory, will meet Crawley's business land requirement for the Plan period. The Policy is therefore clear that should additional floorspace be proposed, including for any complementary uses, this should be justified by evidence.
- 4.66 Strategic employment development at Gatwick Green will be required to come forward in a manner that is complementary to the mixed-use business function of Manor Royal, the vitality and viability of Crawley Town Centre, delivery of the allocated office-led Horley Strategic Business Park in Reigate & Banstead Borough, and other planned strategic employment development in the functional economic market area. As set out by Policy EC4, an Impact Assessment will be required to demonstrate how the Strategic Employment Location will address Crawley's identified need for industrial focused business floorspace, and how its offer will be complementary to the existing and planned employment growth in the Gatwick Diamond.
- 4.67 It is anticipated that Gatwick Green will help to address identified shortages within the industrial sector, particularly the smaller scale industrial stock (sub 10,000sqft/930sqm) and industrial premises within the 75,000sqft + (6,970sqm) bracket, with these ends of the market not comprehensively catered for in Manor Royal. This will help Gatwick Green to achieve complementarity with Manor Royal. Crawley is currently meeting its quantitative office needs in full, and the office-led Horley Strategic Business Park allocation will further add to the sub-regional office supply. Given the industrial focus of Gatwick Green, its offer is also expected to complement the office-led provision at Horley.

5. CONCLUSION

- 5.1 Crawley is planning positively and pro-actively to meet its employment needs, protecting the Main Employment Areas as a focus for economic growth and maximising the efficient use of land there, whilst identifying opportunities for new business land, most significantly through the allocation of a Strategic Employment Location at Gatwick Green.
- 5.2 Through this approach, Crawley will be able to meet its employment land requirement for 38.7ha business land, within its borough boundary and in a manner that is complementary to existing and planned employment, and consistent with Crawley's role and function at the heart of the Gatwick Diamond and Coast to Capital LEP.

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