



Employment Land Review Update

Monmouthshire

Final Report

November 2022

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EXECUTIVE SUMMARY

Introduction

- i. This Employment Land Review (ELR) has been prepared for Monmouthshire County Council by BE Group, updating previous studies in 2019 and 2021. The ELR will form part of the evidence base for the preparation of Monmouthshire's Replacement Local Development Plan (RLDP).
- ii. This 2022 iteration of the ELR has been prepared due to changes in the Preferred Strategy targets for employment and housing, compared to the Preferred Strategy 2021, which was considered to not be in conformity with Future Wales: The National Development Framework. As a result, Monmouthshire County Council has reduced its Preferred Strategy to propose to provide approximately 5,400 – 5,940 homes and 6,240 jobs over the Plan period 2018 – 2033. This jobs figure has been adopted within this report for assessment.
- iii. In addition, Natural Resources Wales (NRW) has advised that the RLDP must demonstrate neutrality or betterment in relation to nutrient and phosphate levels within the riverine system of the River Usk and upper River Wye Catchments. Council officers have advised that due to the lack of an identified strategic solution to the treatment of phosphates at the Monmouth Wastewater Treatment Works (WWTW) within the Plan period, this impacts upon the opportunities for development within the upper River Wye catchment, most particularly development in Monmouth.

Socio-Economic Assessment

- iv. The socio-economic and demographic characteristics of Monmouthshire show a solid economic base, with low unemployment, high economic activity and solid wage levels. The proportion of degree-level qualified residents is significantly above Welsh averages.
- v. Population growth has been at a faster rate than for Wales as a whole, though the growth rate of the typical working-age population has been slower than the national average. Given that the median age is already older than for Wales, there is a concern that Monmouthshire's economy will be increasingly reliant on a shrinking working age population to support an increasing retired/semi-retired population.
- vi. The baseline Oxford Economics forecasts were undertaken in August 2022 and thus have attempted to account for the intensifying cost of living crisis. The projections also

consider the tightening of fiscal policy, as the government unwinds the support it provided during the pandemic in an attempt to reduce the structural deficit. The baseline Oxford Economics forecasts anticipate growth of employment between 2018 and 2033 of 406 jobs, though the peak of employment numbers will be about 2028. The policy-on growth trajectory is significantly above the baseline forecast, projecting growth of 6,420 jobs over the planning period. This would be driven through policy interventions to support housing and employment growth in order to achieve an outcome above the forecast based on continuation of trends.

- vii. The baseline and policy on growth by sector is provided in Table E1.

Table E1: Employment Forecasts by Broad Sector

Sector	2018	Baseline 2033	Policy- on 2033	Baseline Change 2018-2033	Policy-on Change 2018-2033
Agriculture, forestry and fishing	1,728	1,323	1,340	-405	-388
Mining and quarrying	5	6	5	1	0
Manufacturing	3,841	3,112	3,620	-729	-221
Electricity, gas, steam and air conditioning supply	6	9	10	3	4
Water supply; sewerage, waste management and remediation activities	374	312	350	-62	-24
Construction	5,361	4,419	5,140	-941	-220
Wholesale and retail trade; repair of motor vehicles and motorcycles	6,248	7,145	8,010	898	1,763
Transportation and storage	1,912	1,897	2,140	-15	228
Accommodation and food service activities	3,734	4,349	4,910	615	1,176
Information and communication	982	1,058	1,200	75	217
Financial and insurance activities	414	326	370	-88	-44
Real estate activities	937	759	860	-178	-77
Professional, scientific and technical activities	3,560	3,476	3,930	-84	370
Administrative and support service activities	1,652	2,187	2,470	535	818
Public administration and defence; compulsory social security	1,873	2,088	2,360	215	487
Education	2,735	2,642	2,990	-94	254
Human health and social work activities	6,957	6,914	7,810	-43	853
Arts, entertainment and recreation	1,141	1,809	2,040	668	899
Other service activities	1,081	1,115	1,260	34	179
Total	44,541	44,947	50,965	406	6,420

Source: Oxford Economics (baseline) and BE Group (policy-on), 2022

Property Market Assessment

- viii. The commercial property market in Monmouthshire has diversity of types of stock, size and location. In particular, the industrial market in the County has seen a considerable range of unit sizes transacted over the last decade, from small workshops to large manufacturing and warehousing premises. The southern areas, benefiting from proximity to the M4, are the key areas for larger premises.
- ix. The office market is more dominated by small suites, though a smaller number of mid and larger premises have been transacted, indicating some demand for such units. Overall, the transaction volume of offices is less than half (by number of premises) than that of industrial premises.
- x. The feedback from agents operating in Monmouthshire and the surrounding area is that for industrial premises, the rate of stock being transacted is limited by lack of supply of premises. Viability constraints are limiting new stock coming to the market, but when it does, it is taken up quickly.
- xi. The office market is slower than the industrial market. It is constrained by larger office nodes in the broader region (e.g. Newport, Cardiff, Bristol) and is also limited by viability constraints for new development. The continued use of homeworking post-pandemic restrictions is limiting office demand, particularly with Welsh Government's policy of increasing homeworking more generally.

Business Consultations

- xii. Businesses have been consulted via a telephone survey of set questions, with 199 respondents, and an in-depth consultations with a small number of key businesses to provide greater insight into business requirements and satisfaction.
- xiii. Overall, there was a significant degree of satisfaction in operating a business within Monmouthshire. Several long-term businesses were identified suggesting a solid business environment. Respondents stated a significant array of advantages of locating within the County, including affordability of premises, availability of premises, close to markets, close to populations, etc. The position of Monmouthshire, enabling access to key markets (Cardiff, Newport, Bristol, Birmingham) is considered a key advantage for businesses in the area. Generally, the number of disadvantages cited were significantly less than advantages and concerned traffic congestion.

xiv. The in-depth consultations allowed conversations about the impacts of the pandemic and Brexit. Both have impacted upon businesses' supply chains and operations, particularly the supply of materials (e.g. steel) from overseas. Businesses have adapted to new working environments and regulations.

xv. A lack of quality spaces has meant that some businesses have not been able to find premises, despite looking for considerable times. One business cited that they are operating from three separate units in Chepstow and would like to consolidate operations, but have been unable to find appropriate premises.

Employment Sites

xvi. The employment allocations within the Adopted LDP have been assessed for their on-going applicability for employment uses. This assessment included a critique of the likely realistically available land for employment. This included a sifting of sites that are within the upper River Wye catchment and thus constrained for development. The assessment concluded that there was some 22.54 ha of employment land available, comprised of 19.89 ha of employment sites and 2.65 ha of Mixed-Use Sites (employment component only). The available sites are listed in Table E2.

Table E2 – Employment Sites with Realistically Developable Land

Site Ref.	Site Name	Area (Ha)	Type of Employment Site	Realistic Supply for B-Class Uses (Ha)
Employment Sites				
SAE1a	Wales One, Magor (West)	4.00	B1	4.00
SAE1b	Quay Point, Magor	19.60	B1, B2, B8	13.76
SAE1c	Gwent Europark, Magor	13.30	B2, B8	0.00
SAE1d	Westgate Business Park, Llanfoist	5.00	B1	0.00
SAE1e	Ross Road, Abergavenny	1.50	B1, B2, B8	0.00
SAE1f	Newhouse Farm, Chepstow	4.00	B1, B2, B8	2.13
SAE1g	South Woodside, Usk	1.30	B1, B2, B8	0.00
SAE1h	Pill Row, Severnbridge Ind. Est., Caldicot	1.00	B1, B8	0.00
SAE1i	Beaufort Park, Chepstow	0.42	B1	0.00
Mixed-Use Sites – Employment Component				
SAH2	Crick Rd, Portskewett	10.95	Care home	0.00
SAH3	Fairfield Mabey, Chepstow	16.10	B1	0.65
SAH4	Wonastow Rd, Monmouth	33.36	B1, B8	0.00
SAH5	Rockfield Farm, Undy	11.00	B1	2.00
Totals		121.53		22.54

Sources: Adopted Local Development Plan, Employment Land Background Paper, planning applications, BE Group assessment, 2022

xvii. Candidate sites from the Second Call for Sites process were assessed for their potential for employment land. The following candidate sites are considered to have

potential for employment uses in Monmouthshire over the planning period.

Table E3 – Candidate Sites that Could Support Employment

2 nd Call Site Ref.	Site Name	Site Size, ha - Total	Site Size, ha – Potential for B1/B2/B8 Uses
CS0016	Land to the east of Little Mill	4.06	0.2
CS0038	Land West Wales Business Park, Magor	3.84	3.84
CS0069	Land adj Raglan Enterprise Park, Raglan	12.8	1.0 (approx.)
CS0139	Former Petrol Station, Llanover	2.17	2.17
CS0154	Land north M48, Chepstow	1.8	1.8
CS0178 & CS0286 (with Residential)	The Abergavenny Workhouse, Abergavenny	0.67	0.67
CS0213	Abergavenny Urban Extension, Abergavenny	24.75	Support up to 5 ha, though further investigation required to determine scale
CS0228	Land off Green Moor Lane, Magor	3.16	3.16
CS0251	Bradbury Farm, Crick	29.1	Support up to 5 ha, though further investigation required to determine scale
CS0253	Ifton Manor (Site A), Rogiet	19.52	<1.0ha
CS0255	Land adj Ifton Industrial Estate, Rogiet	0.1	0.1
CS0258	Quay Point (Land South of Magor Brewery)	19.6	10.6 This figure excludes land already developed and CS0228
CS0260 & CS0261	Land at M48 Junction, Chepstow	4.0	2.13 (the remaining 1.87ha will likely be taken up by non B-class uses)
CS0266	Land at Nantgavenny Business Park, Abergavenny	0.59	0.59
CS0278	Land west of Raglan, Raglan	8.86	8.86

Source: BE Group assessment 2022

* shaded sites are allocated sites resubmitted for employment in the Second Call for Sites process

Employment Land Projections

- xviii. Employment land requirements to 2033 have been critiqued using two approaches – looking at past take-up rates of land and employment projections. Table E4 summarises the results of this analysis.

Table E4 – Land Forecast Models – Summary

Model	Land Stock 2022, ha*	Land Consumed 2018-2022	Land Need 2018-2033, ha	Flexibility Buffer (five years take-up rate) ha	Land Need Incl. flexibility buffer	Surplus/ Deficit, ha
Practice Guidance Method One: Past Building Completions	22.54	5.05	B1 Office: 2.6 B2 Ind: 6.9 B8: 18.9 Total: 28.4	B1 Office: 0.9 B1/B2 Ind: 2.3 B8: 6.3 Total: 9.5	B1 Office: 3.5 B1/B2 Ind: 9.2 B8: 25.2 Total: 37.9	-10.31
Practice Guidance Method Two: Labour Demand Forecasting (Policy Off)	22.54	5.05	<i>Net Change</i> B1: 1.14 B2/B8: -15.18 Total: -14.04 <i>Growth Only</i> B1: 2.66 B2/B8: 1.51 Total: 4.17	<i>Net Change</i> B1: 0.38 B2/B8: - Total: 0.38 <i>Growth Only</i> B1: 0.89 B2/B8: 0.50 Total: 1.39	<i>Net Change</i> B1: 1.52 B2/B8: -15.18 Total: -13.66 <i>Growth Only</i> B1: 3.55 B2/B8: 2.01 Total: 5.56	<i>Net Change</i> 41.25 <i>Growth Only</i> 22.03
Practice Guidance Method Two: Labour Demand Forecasting (Policy On)	22.54	5.05	<i>Net Change</i> B1: 6.70 B2/B8: 0.04 Total: 6.74 <i>Growth Only</i> B1: 7.18 B2/B8: 4.77 Total: 11.95	<i>Net Change</i> B1: 2.23 B2/B8: 0.01 Total: 2.24 <i>Growth Only</i> B1: 2.39 B2/B8: 1.59 Total: 3.98	<i>Net Change</i> B1: 8.93 B2/B8: 0.05 Total: 8.98 <i>Growth Only</i> B1: 9.57 B2/B8: 6.36 Total: 15.93	<i>Net Change</i> 18.61 <i>Growth Only</i> 11.66

Source: BE Group's analysis, 2022

*Realistic land supply of allocated sites only, not including candidate sites.

- xix. The Model One (land take-up) approach results in the highest land requirement of 37.9 ha between 2018 and 2033, which compared to supply in 2022 and take up between 2018 and 2022, results in a deficit of 10.31 ha. Therefore, if the trajectory of growth does follow this forecast, further sites would be required on top of the allocated sites within the forecast period.
- xx. **It is recommended that the Model One approach is adopted for the requirement for employment land in Monmouthshire.** However, this approach may overestimate the requirement for B1 office space, given it is based on predominantly pre-covid economic conditions. Therefore, this should be seen as an upper limit for employment land requirements in relation to office land. It is noted that the office land requirement of 3.5 ha (including buffer) is a relatively modest component of the overall land requirement of 37.9 ha and thus if this element does end up being an overestimate of actual growth to 2033 then the oversupply of B1 employment land will be minor.

Recommendations

xxi. The following recommendations have been proposed for employment land in Monmouthshire, as input into the RLDP:

1. The future employment land need for Monmouthshire between 2018 and 2033 is 37.9 ha, which includes a five-year buffer to allow for choice and uncertainty. This compares to the 2022 supply of land of 22.54 ha, thus having a deficit of 10.31 ha.
2. The following employment allocations in the Adopted LDP are recommended to be retained as employment allocations (subject to landholders bringing the sites forward in the second Call for Sites process).

Table E5 – Recommended Employment Allocation Sites

Site Ref.	Site Name	Area (Ha)	Type of Employment Site	Realistic Supply for B-Class Uses (Ha)
Employment Sites				
SAE1a	Wales One, Magor (West)	4.00	B1	4.00
SAE1b	Quay Point, Magor	19.60	B1, B2, B8	13.76
SAE1f	Newhouse Farm, Chepstow	4.00	B1, B2, B8	2.13
Total				19.89
Mixed-Use Sites – Employment Component				
SAH3	Fairfield Mabey, Chepstow	16.10	B1	0.65
SAH5	Rockfield Farm, Undy	11.00	B1	2.00
Total				2.65

Sources: Adopted Local Development Plan, BE Group assessment, 2022

3. Further sites would need to come forward and be allocated to provide for sufficient employment land over the planning period. A range of sites within those identified in Table E3 would need to be allocated.
4. Existing employment areas should be protected for employment where appropriate. However, it is recommended that the following employment areas are no longer appropriate for B-class employment uses and should not be protected.
 - i. SAE2f: School Hill, Chepstow
 - ii. SAE2r: Progress Industrial Estate, Rogiet
 - iii. SAE2s: Former Railway Goods Yard, Usk
5. Employment sites should be deliverable over the planning timeframe and Monmouthshire County Council should consider a range of delivery mechanisms to help bring forward sites.

6. The employment land requirements for Monmouthshire should be regularly reviewed to account for changes in the market.
7. Future planning for employment land for Monmouthshire should have regard to external influences, including the regional environment of South East Wales.

1.0 INTRODUCTION

- 1.1 This Employment Land Review (ELR) has been prepared for Monmouthshire County Council by BE Group, updating the previous studies in 2019 and 2021. The ELR will form part of the evidence base for the preparation of Monmouthshire's Replacement Local Development Plan (RLDP). This study accompanies the Monmouthshire Preferred Strategy.
- 1.2 The ELR provides an assessment of the supply and demand for employment land in the County, looking at the available employment allocations and existing employment areas to understand the supply side and reviewing the property market, consulting with local stakeholders and forecasting employment growth to understand the demand side.
- 1.3 The forecast period for the ELR is 2018-2033.
- 1.4 Since the preparation of the 2021 ELR, Monmouthshire has consulted Welsh Government on the RLDP Preferred Strategy. Welsh Government has advised that the Preferred Strategy is not in general conformity with Future Wales: The National Development Framework in relation to the scale of growth proposed in the Preferred Strategy. Specifically, Welsh Government advise that the *"Preferred Strategy is not in general conformity with Policies 1 and 33 of Future Wales and undermines the role of Cardiff, Newport and the Valleys as the main focus for growth and investment in the South East region."*
- 1.5 The Preferred Strategy (June 2021) proposed a growth level of 7,215 new jobs and 7,605 homes to 2033. Welsh Government advised that for the Preferred Strategy to be in conformity with Future Wales, the proposed level of housing growth should be no greater than 4,275 units plus an appropriate flexibility allowance.
- 1.6 In addition, Natural Resources Wales (NRW) has advised that the RLDP must demonstrate neutrality or betterment in relation to nutrient and phosphate levels within the riverine system of the River Usk and upper River Wye Catchments. Council officers have advised that due to the lack of an identified strategic solution to the treatment of phosphates at the Monmouth Wastewater Treatment Works (WWTW) within the Plan

period, this impacts upon the opportunities for development within the upper River Wye catchment, most particularly development in Monmouth.

- 1.7 Monmouthshire County Council has considered how to progress the RLDP having regard to the above challenges and has made a decision to progress with an amended growth and spatial strategy that responds to the challenges identified above. The revised preferred strategy would reduce the level of growth proposed and would amend the spatial distribution of new growth to avoid the upper Wye catchment. The Preferred Strategy (2022) proposes to provide approximately 5,400 – 5,940 homes and 6,240 jobs over the Plan period 2018 – 2033. This jobs figure has been adopted within this report for assessment.
- 1.8 Other relevant changes since the preparation of the 2021 report include significant increases in inflation and construction costs, due to substantial energy price rises. This is affecting business and consumer confidence, which may impact on decision making for development on employment land in the near term.
- 1.9 As a result, this ELR is being updated to consider these changed circumstances and potential implications for employment land demand and supply in Monmouthshire to 2033.

Methodology

- 1.10 Primary and secondary research techniques have been used in undertaking this update, including conversations with commercial agents and a sample of local businesses, drawing on recent site survey work undertaken by Monmouthshire County Council and reviewing national, sub-regional and local reports and strategies relevant to this study.
- 1.11 An analysis of the local property market has been undertaken, including a critique of the transactions of commercial premises in Monmouthshire, a review of currently marketed properties and an assessment of the types of uses within employment areas. This data was complemented with information gathered from conversations with locally active commercial agents.
- 1.12 The ELR has reviewed the current/existing employment site allocations and existing employment areas through site inspections, reference to Council's annual employment

land monitoring, conversations with landholders/agents as appropriate and review of planning applications/permissions. The existing employment site allocations and existing areas have been catalogued and critiqued.

- 1.13 BE Group undertook a range of business consultation work for the earlier iterations of the ELR in 2019 and 2021, including 199 business survey responses in 2019 that explored the reasons for businesses locating in Monmouthshire and a range of one-on-one in-depth business consultations with larger/key businesses within the County in 2019 and in 2021. Further business consultations have not been undertaken in 2022, with the market intelligence gathered from businesses for the earlier ELR reports complemented by conversations with commercial agents in 2019, 2021 and 2022 to understand changing market dynamics.
- 1.14 The employment land demand over the planning period has been forecast using reference to past employment land take-up and employment forecasts by sector. This is consistent with Welsh Government Practice Guidance. A series of recommendations has been provided to guide employment land planning to 2033.

Welsh Employment Land Review Guidance

- 1.15 This study reflects Welsh Government guidance on how Local Authorities should approach employment land reviews, namely *'Practice Guidance – Building an Economic Development Evidence Base to Support a Local Development Plan'* (August 2015). The employment land review process takes the form of a four-stage methodology under the following headings:
- **Stage 1: Property Market Assessment** – An analysis of demand in terms of specific market sectors, property requirements and geographical areas, focusing on the current situation and prospects for the LDP over its 15-year life cycle. Where there is demand for development and where there is not.
 - **Stage 2: Audit of Employment Sites** – The quantitative inventory and qualitative appraisal of local land supplies, including existing committed, allocated and potential employment sites and existing stock. This will feed directly into the review's conclusions on whether any further land should be identified for employment and whether any existing or committed employment sites should be transferred to other uses.
 - **Stage 3: Future Land Requirements** – Establishing the LDP's employment land requirement, using recognised forecast methods, primarily:

- **“Method 1 – Past Building Completions:** Method 1 uses the average annual completions rate for B1, B2, and B8 employment land for a previous period in order to project future requirements over the life of the LDP.
- **Method 2 – Labour Demand Forecasting:** Method 2 involves acquiring employment growth forecast data for relevant Standard Industrial Classification (SIC, 2007) activity sectors, assigning sectors to B use classes and then converting jobs to floorspace.”
- **Stage 4: Policy Options, Recommendations and Monitoring –** Identifying policy options and recommendations, based on review findings.

1.16 Table 1 shows how the Employment Land Review aligns with this Guidance. The link between the report and the Planning Practice methodology is not always clear cut, with different sections overlapping, indeed certain steps overlap.

Table 1 – Employment Land Reviews – Practice Guidance

Stage 1: Property Market Assessment	
Step 1: Identify where demand and opportunities exist for development. Step 2: Identify where existing employment land is no longer in demand. Step 3: Establish property market profiles for offices, industry and warehousing.	Covered in Sections: 3.0 Socio-Economic Profile 4.0 Property Market Assessment 5.0 Stakeholder Consultations <i>Demand assessment and market profiling, including consultations with local businesses regarding their land/property needs.</i>
Stage 2: Audit of Employment Sites	
Step 1: Preparation of a quantitative site inventory Step 2: Preparation of qualitative site appraisals Step 3: Recommendations	6.0 Employment Land Assessment <i>Quantitative and qualitative site assessments</i>
Stage 3: Calculating Future Land Requirements	
Method 1 – Past Building Method 2 – Labour Demand Forecasting	7.0 Future Land Requirements Review <i>Review of completed Economic Development Evidence Base, allowing for updated LDP position.</i>
Stage 4: Policy Options, Recommendations and Monitoring	
Step 1: Policy Options Step 2: Policy Recommendations Step 3: Monitoring and Recording	8.0 Conclusions and Recommendations <i>Final reporting, including conclusions and policy/practice recommendations.</i>

Source: BE Group reporting response to Planning Guidance – Building an Economic Development Evidence Base Support a Local Development Plan

2.0 POLICY CONTEXT

Introduction

- 2.1 This section focuses on Welsh Government, sub regional and local reports and strategies that have a relevance to the allocation of employment land and premises. The strategies and reports reviewed below provides the context within which employment land planning and growth would be developed.
- 2.2 Most of these documents were prepared pre-pandemic and thus have not accounted for the economic shock that has occurred due to covid restrictions. However, they provide the policy base upon which the RLDP would be prepared.

Welsh Government

Future Wales: The National Plan 2040, Welsh Government (2021)

- 2.3 This document replaces the Wales Spatial Plan and acts as the national development framework, guiding development and where investment should be in Wales to 2040. This framework will be built on by Strategic Development Plans at a regional level and LDP's at a local authority level, to identify the location of new development and infrastructure. This document supports and helps deliver the aims of the Welsh Government Economic Action Plan.
- 2.4 The prosperity of the country has been altered by the Covid-19 pandemic and therefore working patterns in terms of location and hours may change. Future Wales supports the provision of infrastructure to support these changing work patterns. Additionally, there is no 'one size fits all' approach to strengthening, diversifying and increasing the resilience of the Welsh economy meaning support must be given to new and existing businesses of all sizes.
- 2.5 11 Outcomes were created as overarching ambitions for Wales for the next 20 years which will link all policies together and describe 'A Wales where people live:
1. And work in connected, inclusive and healthy places
 2. In vibrant rural places with access to homes, jobs and services
 3. In distinctive regions that tackle health and socio-economic inequality
 4. In places with a thriving Welsh language

5. And work in towns/ cities which are a focus and springboard for sustainable growth
6. In places where prosperity, innovation and culture are promoted
7. In places where travel is sustainable
8. In places with world-class digital infrastructure
9. In places that sustainably manage their natural resources and reduce pollution
10. In places with biodiverse resilient and connected ecosystems
11. In places which are decarbonised and climate-resilient’.

2.6 Policy 1 states key areas for development with an aim to focus large scale growth on the urban areas, allowing productive agricultural land to be protected as development pressures are channelled away from the countryside. In particular, national and regional growth areas are defined within Policy 1, which does not include areas in Monmouthshire. For the South East region, Cardiff, Newport and the Valleys is a defined national growth area.

2.7 Policy 5 focuses on the rural economy with it being key to develop strong economies in order to support local enterprises. *‘The presence of local rural businesses and employment opportunities can reduce the need for workers to travel long distances and reduce the reliance on larger economic centres’*. Rural areas should develop a broad economic base to retain workers, broaden skills and help sustain the rural communities. Additionally, the changing work patterns of increased ability to work from home, and remotely from main offices, may result in a higher demand to live in rural areas.

2.8 The Framework is then split geographically with a Strategic Development Plan for the South East, including issues of housing, employment, digital connectivity, rural economy and the environment. It is noted that Policy 33 sets out that Cardiff, Newport and the Valleys as a National Growth Area, with the Valleys as a priority area for investment. Therefore, Monmouthshire, while potentially having indirect benefits from broader regional investment, may not see such investment within the County itself.

Building Better Places: The Planning System Delivering Resilient and Brighter Futures (2020)

- 2.9 This document, published in July 2020, was created with the intention of setting out the Welsh Government's planning policy priorities for the Covid-19 pandemic recovery period.
- 2.10 The Covid-19 Pandemic has emphasised the importance of having quality living and working environments and how much they matter as more flexibility is required to support new working, living and learning needs. Consequently, the Welsh Government is moving to ensure that when policies are being devised by all sectors in the environmental, social, cultural and economic recovery, placemaking is an important consideration.
- 2.11 This commitment to placemaking will help:
- Create and sustain communities
 - Grow the economy in a sustainable manner
 - Make the best use of resources
 - Maximise environmental protection and limit environmental impact
 - Facilitate accessible and healthy environments
- 2.12 The document outlined eight key issues that bring individual policy areas together to ensure action is the most effective. One of these issues is the case of revitalising town centres. Since Covid-19 there has been a rise in online retailing providing increased competition to town centre retailers. Consequently, the role and function of established shopping areas in town centres must be reassessed. Part of this will involve creating larger open spaces for people to socialise whilst feeling safe. Another part of this will involve bringing employment, commercial, community, leisure and public sector land uses into town centres in addition to retail.
- 2.13 In anticipation of homeworking becoming more prevalent across the country, ensuring strong mobile and broadband connections is another issue faced by planners. The Welsh Government recommends that planning applications for new digital infrastructure will be recognised as being essential to the Covid-19 recovery period in order to ensure areas that currently have poor internet coverage can become better connected.

- 2.14 A final issue recognised is the change in the future need for employment land due to changing working practices. The Welsh Government state that recent developments such as the Covid-19 pandemic and Brexit have the potential to impact requirements for future workspace. Consequently, economic forecasts will need to be re-examined frequently in order to ensure the supply of land for employment uses is adequate and fit for the future. Additionally, with the anticipated rise of homeworking flexible workplaces will need to be provided for remote workers to congregate together, share ideas and access office environments and facilities. The Welsh Governments see town centres as ideal environments for hosting these flexible workplaces.

Planning Policy Wales, 11th Edition – Welsh Government (2021)

- 2.15 Planning Policy Wales (PPW) 11th Edition, sets out the land-use planning policies of the Welsh Government. It is supplemented by a series of Technical Advice Notes (TANs). Together with several circulars and policy clarification letters, PPW and the TANs comprise the national planning policy for Wales. National planning policy, alongside the Wales Spatial Plan should be considered in the preparation of LDPs.
- 2.16 Chapter 5 '*Productive and Enterprising Places*' of PPW 11 sets out national policies for economic development. For planning purposes, the Welsh Government defines economic development as *"the development of land and buildings for activities that generate sustainable long term prosperity, jobs and incomes... Economic land uses include the traditional employment land uses (offices, research and development, industry and warehousing), as well as uses such as retail, tourism, and public services."*
- 2.17 The document states the importance of the planning system supporting economic growth and ensuring that there is sufficient land to meet the needs of the employment market at both a strategic and local level. *"Development plans should identify employment land requirements, allocate an appropriate mix of sites to meet need and provide a framework for the protection of existing employment sites of strategic and local importance."*
- 2.18 *"Wherever possible, planning authorities should encourage and support developments which generate economic prosperity and regeneration. Sites identified for employment use in a development plan should be protected from inappropriate development."*

- 2.19 Plans and decisions need to be based on an up to date and locally/sub-regionally specific evidence base which demonstrates the *“suitability of the existing employment land supply as well as future provision in relation to the locational and development requirements of business.”* That evidence base should include an ELR.
- 2.20 *“Planning authorities should work with each other and with relevant economic fora in order to prepare an ELR. The review should include an assessment of anticipated employment change and land use together with estimates of land provision for employment uses showing net change in land/ floorspace. This should be calculated for offices, industrial and warehouse uses separately. This evidence should help inform an economic vision for the area. Employment Land Reviews should be kept up to date and relevant to prevailing market conditions and the needs of the development plan.”*
- 2.21 In addition, local planning authorities should steer economic development to the most appropriate locations, including provision of strategic scale sites, by:
- Coordinating development with infrastructure provision
 - Supporting national, regional and local economic policies/strategies
 - Aligning jobs and services with housing (where possible) to reduce the need for travel, especially by car
 - Promote the re-use of previously developed vacant and underused land
 - Delivering physical regeneration and employment opportunities to disadvantaged communities
 - Control and manage the release of unwanted employment sites to other uses
 - Propose specific locations for locally and strategically important industries which are detrimental to amenity and may be a source of pollution
 - Identify protection zones around land and premises that hold hazardous substances and protect the ability of existing businesses to operate or expand by preventing the incremental development of vulnerable uses in the locality.
- 2.22 Innovative business and technology clusters may also be important to the economic growth of a local authority area. Development plan policies need to identify potential networks and cluster areas, and set policies for the creation of the transport, environmental and telecommunications infrastructure needed to support such networks. Planning authorities should also look favourably on any renewable and low carbon energy generation proposals designed to serve clusters.

- 2.23 New business creation is essential to sustain and improve rural economies. *“Many commercial and light manufacturing activities can be located in rural areas without causing unacceptable disturbance or other adverse effects. Micro and small enterprises have a vital role to play in the rural economy, and contribute to both local and national competitiveness and prosperity.”*
- 2.24 Whilst some rural employment can be created through the re-use of buildings, new development may also be required. This new development should, where possible be within or adjacent to settlement boundaries and preferably close to public transport links. In addition, where businesses cannot be accommodated within settlements, appropriate small-scale rural enterprise should be permitted on unallocated land. The expansion of existing businesses located in open countryside should be supported provided there are no unacceptable impacts on local amenity.
- 2.25 *“Planning authorities should adopt a positive approach to diversification projects in rural areas... Whilst every effort should be made to locate diversification proposals so they are well-served by public transport, it is recognised that certain diversification proposals will only be accessible by car. While initial consideration should be given to adapting existing farm buildings, the provision of a sensitively designed new building on a working farm within existing farm complexes may be appropriate where a conversion opportunity does not exist.”*

Technical Advice Notes – Welsh Government

- 2.26 These guidance notes and statements are intended to assist local authority policy makers in the preparation of LDPs. Of relevance to this study is TAN 6: Planning for Sustainable Rural Communities, TAN 15: Development and Flood Risk and TAN 23: Economic Development.

TAN 6: Planning for Sustainable Rural Communities (2010)

- 2.27 This TAN highlights that *“strong rural economies are essential to support sustainable and vibrant rural communities.”* Development plans should facilitate diversification of the rural economy, accommodating the needs of both traditional rural industries and new enterprises, whilst minimising impacts on the local community and the environment.

- 2.28 Meeting the economic needs of rural communities will require the provision of a diverse range of employment sites. Where possible such sites should be located within or adjacent to settlements. A rural employment exception policy may also be required, setting out the criteria against which planning applications for employment use on the edge of settlements, on sites which are not specifically allocated in the development plan, will be assessed. The expansion of existing rural businesses, including businesses that are in the open countryside should be supported, providing there are *“no unacceptable impacts on local amenity.”*
- 2.29 If there is a shortfall of employment land in the local authority area then planning authorities should resist development proposals that could result in the loss of employment sites, unless the applicant puts forward land or property of equivalent or greater employment value.
- 2.30 Planning authorities should also encourage the growth of self-employment and micro businesses by supporting home working. Planning applications for employment premises at home should be supported and development plans should identify new opportunities for home/work developments.
- 2.31 Farm conversions to employment uses will often be appropriate in rural areas. Appropriate uses at such locations could include food and timber processing and packing, services (offices, workshop facilities, equipment hire and maintenance), sports and recreation services, the production of non-food crops and renewable energy.

TAN 15: Development and Flood Risk (July 2004)

- 2.32 TAN 15 provides technical guidance on development and flood risk. It provides a framework within which risks from flooding can be assessed. The overall aim of the TAN 15 is to apply the precautionary framework to decision making for development, with a preference to direct development away from areas which are at high risk of flooding. Where development has to be considered in high risk areas, only those developments which can be justified on series of tests will be considered.
- 2.33 The TAN 15 defines three development advice zones for flooding, which would require different planning actions.

- Zone A: little or no risk of flooding and the justification test is not applicable;
- Zone B: areas known to have been flooded in the past evidenced by sedimentary deposits. Applying the precautionary approach, the site should be assessed against the extreme (0.1%) flood level. If site levels are greater than the extreme flood level, no further assessment is required;
- Zone C: based on the extreme flood level, flooding issues should be considered as an integral part of decision making by the application of the justification test. C1 sites are used to indicate that development can take place subject to the justification test and C2 sites indicate that only less vulnerable development should be considered, subject to the justification test.

2.34 The TAN 15 recognises that substantial urban development in Wales has occurred alongside rivers and in the coastal plain, Therefore, some existing development will be vulnerable to flooding and occur within Zone C. Therefore, the TAN 15 states that *“some flexibility is necessary to enable the risks of flooding to be addressed whilst recognising the negative economic and social consequences if policy were to preclude investment in existing urban areas, and the benefits of reusing previously developed land. Further development in such areas, whilst possibly benefiting from some protection, will not be free from risk and could in some cases exacerbate the consequences of a flood event for existing development and therefore a balanced judgement is required.”* New development should be directed away from Zone C sites to suitable land in Zone A or otherwise to Zone B. Development in Zone C will only be justified if it can be demonstrated that:

- “i. Its location in zone C is necessary to assist, or be part of, a local authority regeneration initiative or a local authority strategy required to sustain an existing settlement; or,*
- ii Its location in zone C is necessary to contribute to key employment objectives supported by the local authority, and other key partners, to sustain an existing settlement or region; and,*
- iii It concurs with the aims of PPW and meets the definition of previously developed land; and,*
- iv The potential consequences of a flooding event for the particular type of development have been considered, and in terms of the criteria contained in sections 5 and 7 and appendix 1 [of the TAN 15] found to be acceptable.”*

Technical Advice Note 15: Development, Flooding and Coastal Erosion – December 2021

- 2.35 Following consultation in October 2019, Welsh Government released an updated version of TAN15 in September 2021 with the intention of it coming into effect on 1st December 2021. Formal publication has, however, been suspended until 1st June 2023 for Development Management decisions. In the meantime, however, the updated TAN15 remains the policy basis for the preparation of the RLDP. A further consultation is anticipated during 2022 in advance of the formal publication in June 2023. The updated TAN 15 would take a risk-based approach in assessing new development in areas at risk of flooding and coastal erosion. The updated TAN 15 changes the zones for flood risk to the following:

Table 2 – New Flood Zones in Draft TAN 15 December 2021

Zone	Flooding from rivers	Flooding from sea	Flooding from water courses and surface small
1	<i>Less than 1 in 1000 (0.1%) (plus climate change) chance of flooding in a given year.</i>		
2	<i>Less than 1 in 100 (1%) but greater than 1 in 1000 (0.1%) chance of flooding in a given year, including climate change.</i>	<i>Less than 1 in 200 (0.5%) but greater than 1 in 1000 (0.1%) chance of flooding in a given year, including climate change</i>	<i>Less than 1 in 100 (1%) but greater than 1 in 1000 (0.1%) chance of flooding in a given year, including climate change.</i>
3	<i>A greater than 1 in 100 (1%) chance of flooding in a given year, including climate change</i>	<i>A greater than 1 in 200 (0.5%) chance of flooding in a given year, including climate change</i>	<i>A greater than 1 in 100 (1%) chance of flooding in a given year, including climate change.</i>
TAN 15 Defended Zones	<i>Areas where flood risk management infrastructure provides a minimum standard of protection against flooding from rivers of 1:100 (plus climate change and freeboard)</i>	<i>Areas where flood risk management infrastructure provides a minimum standard of protection against flooding from the sea of 1:200 (plus climate change and freeboard).</i>	<i>Not applicable.</i>

Source: TAN 15, December 2021

- 2.36 The updated TAN 15 outlines how sites are selected for development. Planning authorities should prioritise development in Zone 1. Within Defended Zones development will be justified if *“its location meets the definition of previously developed land; AND the potential consequences of a flooding event for the particular type of development have been considered and found to be acceptable”*. For Zone 2, development may be justified if *“it will assist, or be part of, a strategy supported by the Development Plan to regenerate an existing settlement or achieve key economic or environmental objectives; AND its location meets the definition of previously developed land; AND the potential consequences of a flooding event for the particular type of development have been considered, and found to be acceptable”*. Within Zone 3 new

highly vulnerable development must not be permitted and less vulnerable development (including employment uses) will only be justified if “there are exceptional circumstances that require its location in Zone 3, such as the interests of national security, energy security, public health or to mitigate the impacts of climate change; AND its location meets the definition of previously developed land; AND the potential consequences of a flooding event for the particular type of development have been considered, and found to be acceptable.”

- 2.37 Therefore, there is a higher threshold in the updated TAN 15 text for development on sites with a material flood risk. This has implications for selection of employment sites within Monmouthshire, including for some sites that currently are allocated for employment uses in the adopted Local Development Plan.

TAN 23: Economic Development (2014)

- 2.38 This TAN provides guidance on planning for economic development at a strategic level, identifying and assessing the economic benefits of development proposals and establishing an evidence base to support the economic development policies of LDPs.
- 2.39 Echoing PPW, the TAN advises that local planning authorities should aim to provide the land that the market requires (unless there are good reasons to the contrary). *“Local planning authorities should recognise market signals and have regard to the need to guide economic development to the most appropriate locations, rather than prevent or discourage such development.”*
- 2.40 However, there may also be instances when planning authorities do not provide the land the market demands, in the places where the market demands it. Proposed developments or site allocations may be resisted because they would have unacceptable environmental impacts, divert demand from town centres or would go against agreed spatial strategies. In these circumstances planning authorities should look for alternative sites which offer the same, or very similar, advantages.
- 2.41 A sequential test should be applied to economic development proposals or possible employment land allocations. First preference should be given to sites within the boundaries of settlements (including planned new settlements and urban extensions), then edge-of-settlement sites and finally land in the open countryside. Land may be

identified in less preferable locations if the resulting benefits (i.e. jobs accommodated, alternatives, special merit) *“outweigh any adverse impacts of the development.”*

- 2.42 Local authorities are encouraged to work jointly in sub-regional groups to prepare joint economy evidence bases, including an analysis of the sub-regional commercial and industrial property market. Such sub-regional strategies should also focus on identifying strategic sites of national and regional importance.
- 2.43 Where a planning authority is assessing a site allocation or planning application that could cause social or environmental harm, there are three issues which need to be considered:
- *“Alternatives: if the land is not made available (the site is not allocated, or the application is refused), is it likely that the equivalent demand could be met on a site where development would cause less harm, and if so where?”*
 - *...Jobs accommodated: how many direct jobs will be based at the site?*
 - *...Special merit: would the development make any special contribution to policy objectives?”*
- 2.44 An example of a development of ‘special merit’ could be a greenfield development that could attract high-value, high-skill businesses that would not be interested in a lower-quality urban environment.
- 2.45 In rural areas, development may be acceptable in countryside locations if it makes communities more sustainable (encouraging people to work close to home), meets the expansion needs of an existing local business or an existing business cluster.
- 2.46 In producing LDPs, local planning authorities should:
- Develop a broad vision for the Plan which *“must be consistent and coherent so that the economic, social and environmental considerations support each other”*
 - Set land provision targets which meet the market demand for land. Local authorities should work together to steer development to sustainable locations.
- 2.47 In terms of forecasting future growth, the TAN, echoing Planning Policy Wales, advocates *“a broad assessment of anticipated employment change by broad sector and land use”*. Specifically, this will require *“the preparation of possible future*

economic scenarios with plans developed in a way which ensures they are robust across the more likely scenarios and contain the flexibilities necessary to adjust to changing circumstances. The starting point for scenarios would normally be past trends at a regional level. Such scenarios could be adjusted to reflect different policy or demographic assumptions.”

- 2.48 The TAN accepts that such forecast modelling can often be imprecise – *“Models of future economic scenarios are surrounded by a large margin of uncertainty, and often more so for individual authorities than for larger areas. Modelling may be most successful when based on functional economic areas such as travel to work areas and housing market areas.”*
- 2.49 Where projected local authority growth differs markedly from that expected for the wider region, *“the authority should provide an evidence-based justification for these differences, much as they would have to in respect of population projections for their area.”* Predicted employment figures should usually be expressed as a range of scenarios to reflect different economic outcomes and policy options. Ultimately however, *“the level of growth envisaged must be realistic, able to withstand scrutiny and be consistent with the other aspirations of the plan including population and housing projections.”*
- 2.50 Finally, the TAN highlights that existing employment sites should only be released for other uses if:
- *“They have poor prospects of being re-occupied for their previous use;*
 - *And/or the particular market that the site is part of is oversupplied;*
 - *And/or the existing employment use has unacceptable adverse impacts on amenity or the environment;*
 - *And the proposed redevelopment does not compromise unduly neighbouring employment sites that are to be retained;*
 - *Or other priorities, such as housing need, override more narrowly focused economic considerations.”*

Practice Guidance: Building an Economic Development Evidence Base to Support a Local Development Plan – Welsh Government (2015)

- 2.51 This Practice Guidance provides a methodology for local planning authorities (LPAs) to help meet these requirements, and to *“produce robust evidence bases to underpin sound plans and development management decisions.”* The guidance aims to *“address common technical problems and help achieve greater consistency in the approach to collecting data across Wales.”* LPAs may choose to depart from or add to the methods contained in this document *“but in either case make clear the reasons for their preferred methodology in their evidence base studies and LDP as the outputs should be robust enough to withstand scrutiny along with other supporting evidence for LDPs.”*
- 2.52 Planning Policy Wales (PPW) section 7.5.1 provides policy advice about LDPs and the economy, including the need for:
- ii. *“An economic vision for the area, including a broad assessment of expected employment change by broad sector and land use*
 - iii. *Quantitative targets on the provision of land for employment (B-Class) uses over the plan period, showing net change in land and/or floorspace for offices, industry and warehousing*
 - iv. *Site-specific policies: – on new sites to be allocated for employment; – on established employment sites, to determine whether they should be safeguarded for their existing uses or released for alternative uses*
 - v. *Criteria-based policies to guide development management decision on sites not specifically identified in the plan.”*
- 2.53 Chapter 4 establishes that the Employment Land Review (ELR) is an integral part of establishing an evidence base to support the strategies and policies of an LDP. *“While ELRs have typically been conducted, and deal with data, at a local authority level, PPW and Technical Advice Note (TAN) 23 strongly support joint studies with neighbouring authorities where this is practicable. The information collected in the ELR study will also help inform the more strategic assessment of economic development taking places at a larger than local level.”*
- 2.54 The Employment Review includes four stages. *“The Employment Land Review is essentially a two-part process, an appraisal of the present situation (stages 1 & 2) followed by an assessment of future needs (stages 3 & 4):*

- *Stage 1: Property Market Assessment*
- *Stage 2: Audit of Employment Sites*
- *Stage 3: Future Land Requirements*
- *Stage 4: Policy options and recommendations.”*

Prosperity for All: Economic Action Plan – Welsh Government (2017)

- 2.55 The purpose of the Economic Action Plan is to support delivery of Prosperity for All – the national strategy for Wales. The Plan sets out a vision for inclusive growth, built on strong foundations, supercharges industries of the future and productive regions. The Plan drives the twin goals of growing the economy and reducing inequality.
- 2.56 The Economic Contract is the centrepiece of the new approach. *“This will frame the reciprocal relationship between Government and business and drive public investment with a social purpose.”* The Economic Contract will be applied to Welsh Government’s direct financial support to business. Government will explore extending the contract to include the wider offer to business and the adoption of these principles by the rest of the public sector in Wales. The Economic Contract will require businesses seeking investment from Welsh Government to demonstrate all of the following as a minimum requirement:
- Growth potential (measured for example, by contribution to employment, productivity, or multiplier effects through the supply chain)
 - Fair Work (as defined by the Fair Work Board)
 - Promotion of health, including a special emphasis on mental health, skill, and learning in the workplace
 - Progress in reducing carbon footprint.
- 2.57 Each region benefits from its own distinctive opportunities and challenges and the report advocates more effective regional collaboration in order to lead to better outcomes. *“We will introduce a new regionally focussed model of economic development. We will bring greater coherence through the work of our Chief Regional Officers who promote regional interests and issues in Welsh Government to tailor delivery on a broad range of issues. Our regional footprint is consistent with our local government reform agenda and those used by the Regional Skills Partnerships.”*

Smarter Working: a Remote Working Strategy for Wales - Welsh Government (2022)

- 2.58 This strategy document outlines the Welsh Government's approach to achieving 30 percent of the Welsh workforce working at or near to home in this Senedd term. The vision is to embed a culture that supports remote working in the workplace. The vision states that Welsh Government wants to:
- *“see 30% of the workforce working remotely on a regular basis*
 - *work in partnership with employers, workers, trade unions and others to support a shift to more people working remotely, helping them to build on progress made during the pandemic and better understand the benefits of remote working*
 - *take action against climate change by reducing the need to travel thereby reducing greenhouse gas emissions associated with transport*
 - *improve air quality by reducing congestion and softening rush hour peaks*
 - *create inclusive workplaces in our local communities that have equality at the heart of decision making*
 - *promote a hybrid workplace model of office, home and local hubs to enable people to live and work in their local communities*
 - *increase opportunities for more fair work and promote well-being and worklife balance in the Welsh workforce.”*
- 2.59 The strategy states that the Welsh Government will take a leading role in remote working with no more than 50 percent of its workforce working from a central office at any one time.
- 2.60 The strategy includes an outline of benefits and risks that could potentially arise from this policy. This includes recognition that such a policy may change how city and urban centres are used. The document cites a study that suggests that there may be a shift in footfall from city centres to the suburbs as workers spend more time in their local area. It considers that city centres will survive through adaptation but that monitoring will be required.
- 2.61 Of relevance to the forecasting of employment land requirements in Monmouthshire, it is noted that this is likely to be most applicable for office based workers, either in B1 office spaces or hybrid spaces (mix of B2/B8 with B1 offices).

Regional

Baseline Economic Analysis for South East Wales – South East Wales Directors of Regeneration and Environment Business Group (SEWDER) (2015)

2.62 This study provides an economic baseline assessment for South East Wales (SEW) that will inform the regional business strategy. The main aim of the study is to provide a regional economic baseline assessment that informs the regional business strategy. It seeks to:

- *“Draw together the wide variety of information that currently exists including the business cluster assessment;*
- *Focus on gaps and opportunities for business development linking to the two other key strategic priorities within the RSF, i.e. Place and People & Skills;*
- *Provide useful analysis that will assist in future funding bids and provide part of the evidence base for the Strategic Development Plan; and*
- *Demonstrate the significant variations that exist within the region.”*

2.63 SEW covers the ten unitary authorities of Blaenau Gwent County Borough Council, Bridgend County Borough Council, Caerphilly County Borough Council, The City of Cardiff Council, Merthyr Tydfil County Borough Council, Monmouthshire County Council, Newport City Council, Rhondda Cynon Taf County Borough Council, Torfaen County Borough Council and Vale of Glamorgan Council.

2.64 SEW has a population of almost 1.5 million, which equates to 48 percent of the population of Wales. *“It is also economically significant for Wales, generating more than half of the total Gross Value Added (GVA) in Wales but still lags behind the UK average, generating only 80 percent of the UK average GVA per head... There is great disparity within SEW particularly between the more prosperous coastal areas and the more deprived Heads of the Valleys area.”*

Sub Regional Policy Context – Cardiff Capital Region

City Deal – Cardiff Capital Region (2017/18)

2.65 The Cardiff Capital Region City Deal includes the ten districts in South-East Wales – Blaenau Gwent, Bridgend, Caerphilly, Cardiff, Merthyr Tydfil, Monmouthshire, Newport, Rhondda Cynon Taff, Torfaen and Vale of Glamorgan – in a £1.28 billion

programme of infrastructure investment. Hoping to “*build on the region’s sectoral strengths*” and “*tackle barriers to economic growth*”, the deal aims to deliver 25,000 new jobs, increase connectivity and improve infrastructure and regional business governance. Targeted economic gains include a 5 percent uplift in GVA and the attraction of an additional £4 billion private sector investment.

2.66 The Deal includes:

- £1.2 billion investment in the Cardiff City Region’s infrastructure. A key priority for investment will be the delivery of the South East Wales Metro, including the Valley Lines Electrification programme.
- Connecting the Region. The Cardiff Capital Region will establish a new non-statutory Regional Transport Authority to co-ordinate transport planning and investment, in partnership with the Welsh Government.
- Support for innovation and improving the digital network
- Developing a skilled workforce and tackling unemployment
- Supporting enterprise and business growth
- Housing development and regeneration.

2.67 Specific projects that have recently or currently being brought forward through the City Deal programme in Monmouthshire include Covid-19 Cool Plasma Sterilisation Technology (£2.05 million) and the Metro Plus Severn Tunnel Junction Park and Ride (£5.0 million).

Cardiff Capital Region, Industrial & Economic Plan – Cardiff Capital Region

2.68 The purpose of the Industrial & Economic Plan is “*to guide the deployment of funding, policy decisions, and targeted effort to ensure the future productivity and prosperity of the region. It sets out the principles that will guide the region towards self-reliance, rather than a more detailed, prescriptive roadmap.*”

2.69 The CCR wishes to perform economically on a par with any region in the UK and internationally. It currently sits towards the bottom of most of the economic productivity and competitiveness tables in the UK. In order to improve the economic prosperity of the region, the report recommends the following:

- “*Identify areas of comparative strength in the CCR that can compete at a UK level and internationally, and invest in them*

- *Create rich ecosystems that stretch and support the development of key sectors within the economy – take a challenge led approach that drives up ambition and cohesiveness*
- *Encourage and support entrepreneurship so that our population not only seeks employment but creates employment within the region*
- *Improve productivity within the Foundational Economy*
- *Target our most deprived and isolated communities and support regenerative growth*
- *Turn the large public sector base within the region into an asset that adds prosperity to the region.”*

2.70 *“Building on our competitive advantage and opportunity within the economy we will strategically target sectors for support, enabling them to grow and flourish. These will include – but not be limited to – the following:*

- *Compound Semiconductors, its supply chain and applications*
- *Fin Tech*
- *Cyber Security Analytics*
- *Artificial Intelligence and Data Science*
- *Creative Economy*
- *Life sciences and more specifically the medical devices and diagnostics sub-sectors*
- *Transport Engineering – automotive, trains and aircraft.”*

Local

Monmouthshire Local Development Plan 2011-2021 – Monmouthshire County Council

2.71 The Local Development Plan (LDP) identifies employment & economic development as one of the key issues to be addressed. It emphasises the need for inward investment and local employment opportunities, recognising high levels of out-commuting and slow uptake of employment land in the County. It acknowledges the need to regenerate and diversify the County’s rural economy and the role of tourism in sustaining the historic town centres.

- 2.72 The LDP identifies Industrial and Business Sites (SAE1 sites) that are allocated sites for further B1, B2 and B8 employment growth. Four further sites are identified as Mixed Use Sites, with the intention of being development for employment and residential uses. Protected Employment Sites (SAE2) are also listed as existing employment areas in Monmouthshire.
- 2.73 The following lists the SAE1 employment sites identified in the LDP, along with the site areas, intended use classes and estimated job capacities of the sites, as stated in the LDP.

Table 3 – Identified Industrial and Business Sites (SAE1)

Site Ref.	Site Name	Area (ha)	Use Class	Job Potential
SAE1a	Wales One, Magor (West)	4.0	B1	1,289
SAE1b	Quay Point, Magor	19.6	B1, B2, B8	1,962
SAE1c	Gwent Europark, Magor	13.3	B8	581
SAE1d	Westgate Business Park, Llanfoist	5.0	B1, B2	576
SAE1e	Ross Road, Abergavenny	1.5	B1, B2, B8	158
SAE1f	Newhouse Farm, Chepstow	4.0	B2, B8	200
SAE1g	South Woodside, Usk	1.3	B1	142
SAE1h	Pill Row, Severnbridge IE, Caldicot	1.0	B1, B8	106
SAE1i	Beaufort Park, Chepstow	0.42	B1	50
Total Area		50.1		

Source: Local Development Plan 2011-2021

- 2.74 The following table provides the list of protected employment sites (SAE2).

Table 4 – Protected Employment Sites (SAE2)

Site Ref.	Site Name
SAE2a	Mill Street, Abergavenny
SAE2b	Lower Monk Street, Abergavenny
SAE2c	Union Road, Abergavenny
SAE2d	Hatherleigh Place, Abergavenny
SAE2e	Ross Road (Junction Yard), Abergavenny
SAE2f	School Hill, Chepstow
SAE2g	Station Road, Chepstow
SAE2h	Job Centre, Chepstow
SAE2i	Bulwark Road, Chepstow
SAE2j	Beaufort Park, Chepstow
SAE2k	Newhouse Farm, Chepstow
SAE2l	Wonastow Road, Monmouth
SAE2m	Mayhill/Hadnock Road, Monmouth
SAE2n	Tri-Wall, Wonastow Road, Monmouth
SAE2o	Magor Brewery
SAE2p	Severn Bridge, Caldicot
SAE2q	Cheeseman's Industrial Estate, Rogiet
SAE2r	Progress Industrial Estate, Rogiet
SAE2s	Former Railway Goods Yard, Usk
SAE2t	Cuckoo's Row, Raglan
SAE2u	Raglan Enterprise Park
SAE2v	Mamhilad
SAE2w	Wales One, Magor
SAE2x	Woodside Industrial Estate, Usk
SAE2y	Avara Foods, Abergavenny

Source: Local Development Plan 2011-2021

2.75 The four mixed use sites are listed below.

Table 5 – Mixed Use Sites

Site Ref.	Site Name	Area (ha)	Job Potential
SAH2	Crick Road, Portskewett	1.0	118
SAH3	Fairfield Mabey, Chepstow	2.8	401
SAH4	Wonastow Road, Monmouth	6.5	651
SAH5	Rockfield Farm, Undy	2.0	258
Total Area		10.3	

Source: Local Development Plan 2011-2021

2.76 The Council is embarking on the preparation of a Replacement Local Development Plan to cover the period 2018-2033, which will be informed by this study.

Local Development Plan: Review Report – Monmouthshire County Council (2018)

2.77 This Review Report provides an overview of the issues that have been considered as part of the full review process and subsequently identifies the changes that are likely to be needed to the current LDP, based on evidence. *“The LDP review has been informed by the findings of preceding Annual Monitoring Reviews (AMRs), significant*

contextual changes, updates to the evidence base and responses to the Draft Review Report consultation.”

2.78 Chapter 3 addresses Policies S9, SAE1 and SAE2, regarding employment. *“The LDP policy review found that in general the Plan’s employment policies are functioning effectively in enabling appropriate industrial and business development across the County and no concerns have been raised by officers in respect of the current employment policy framework.”* The following however will need to be considered:

- *“The employment strategy, to take account of the industrial and business allocations that have been developed since LDP adoption*
- *The ‘economies of the future’ and their locational, sites and premises requirements*
- *The Council’s long term economic priorities and aspirations linked to the Cardiff Capital Region City Deal and Future Monmouthshire.”*

2.79 *“The LDP allocated a total of 50.12 ha of Identified Industrial and Business Sites (SAE1) to ensure that there is a sufficient supply of employment land to meet the need of the County. The 2016-2017 AMR identified a total take-up of 9.36 ha of employment land on SAE1 sites since LDP adoption (to 31 March 2017). Of this development, 3.1 ha relates to non-B uses.”*

2.80 The LDP monitoring indicator relating to employment land supply/development notes sufficient employment land is required to be maintained to meet the identified take-up rate of 1.9 ha per annum. *“There is currently 40.76 ha of remaining land available across the identified Industrial and Business Sites (SAE1), the majority of which is located in Magor (31.06 ha/76 percent). Assuming a take-up rate of 1.9 ha per annum, the LDP currently contains sufficient industrial and business sites to the year 2038. In addition to this, 8.58 ha is currently available on the Identified Mixed Use sites and 1.12 ha on Protected Employment Sites (SAE2) Sites.”* The net availability of land on employment sites and mixed use sites is critiqued and reviewed as part of this ELR report.

Monmouthshire Business Growth & Enterprise Strategy 2014-2020

2.81 Monmouthshire Business and Enterprise have three key strategic priorities that will enable them and Monmouthshire’s business community and key business partners to move forward in partnership. *“In line with the aspiration to create a Monmouthshire*

where 'people benefit from an economy which is prosperous and supports enterprise and sustainable growth, where families shop locally and create a truly entrepreneurial spirit' these three strategic priorities are being suggested:

- *Supporting Business Growth;*
- *Encouraging Inward Investment; and*
- *Growing Entrepreneurs."*

2.82 *"Cross cutting themes weaved across all three priorities will embrace and capitalise on digital technology opportunities and raising skills levels to meet the needs and aspirations of individuals and employers, with a view to creating high level employment opportunities and raise wage levels. Together these three strategic priorities present a consolidated approach to the delivery and implementation of the Monmouthshire Business Growth and Enterprise Strategy."*

Vision Monmouthshire 2040 – Our Economic Growth and Ambition Statement (2019) and Inward Investment Prospectus (March 2020)

2.83 Vision Monmouthshire 2040 outlines the overall vision for the County and is designed to sit alongside the RLDP.

2.84 The Vision includes a list of priorities, which are:

- *"Raise the profile of Monmouthshire as a key investment opportunity for the private sector*
- *Lay the ground rules for an economic environment which enables businesses to land and expand and provide sustainable employment for local people*
- *Attract funding and investment to Monmouthshire to attract the right conditions for 'an inclusive economy' – Equitable, Sustainable, Stable, Participatory, Growing*
- *Set an ambition which is sensitive to the landscape to ensure Monmouthshire remains an incredible place to visit, stay, live and invest."*

2.85 The Vision also outlines Aims for Monmouthshire under four themes:

- A Productive Monmouthshire
- A Healthy and Happy Monmouthshire
- A Prosperous Monmouthshire
- A Welcoming Monmouthshire

- 2.86 The Inward Investment Prospectus 2020 supports the Growth and Ambition Statement and sets out aspirations to raise the economic profile of Monmouthshire with priorities to explore business opportunities, attract funding and develop a portfolio of sites.

3.0 SOCIO-ECONOMIC ASSESSMENT

Introduction

- 3.1 This section provides a summary of the prevailing economic conditions in Monmouthshire. It aims to provide the context which shapes employment land demand and supply factors in the study area to facilitate sustainable growth. It also provides an important context for understanding economic demand/need, having regard to the wider regional and national economies.
- 3.2 This chapter brings in the most up-to-date information available at the time of writing, including initial results of the 2021 Census. Further, more detailed census results will be published over the remainder of 2022 and 2023.

Economic Assessment – Population and Labour Market

- 3.3 The scale, quality and efficiency of the local labour market are acknowledged as key factors that will influence the ability of an area to capture economic growth and in turn have implications for both housing and employment land requirements.
- 3.4 Being able to access a pool of suitably qualified and experienced workers is important to both new and existing businesses, including those who are well established within an area and seeking to grow. The composition of the labour market, and in particular the skills, occupational profile and associated wages is critical for businesses looking to grow and recruit staff and are considerations when a new business is looking to enter the area. Therefore, an understanding of these characteristics is useful for his analysis.

Population

- 3.5 The estimated population of Monmouthshire at the time of the 2021 Census was 93,000 and over the period of the last 20 years the population has increased by 8,115 residents, equating to a percentage increase of 9.6 percent over that period. Population growth in Monmouthshire since 2001 has been at a faster rate than for Wales (7.0 percent).
- 3.6 Population growth of those of typical working age residents (15-64) is however some way below the level reported for both Wales for the last 20 years, which has

implications for availability of labour, taxation base and provision of services. While the overall population in Monmouthshire has increase by 9.6 percent since the 2001 Census, the 15-64 year old population has only increased by 2.7 percent. Compared to the Wales averages, Monmouthshire overall has been increasing at a faster rate than Wales, but its working age population has been increasing at a slower rate.

Table 6 – Population Growth (2001 Census to 2021 Census)

	2001		2021		Percent Change (2001-2021)	
	Total	Working Age (15-64)	Total	Working Age (15-64)	Total	Working Age (15-64)
Monmouthshire	84,885	53,737	93,000	55,200	9.6	2.7
Wales	2,903,085	1,849,107	3,107,500	1,931,800	7.0	4.5

Source: ONS Population Estimates, 2022

- 3.7 The slower growth in the working age population has meant that the Monmouthshire population has an older age profile than for Wales. The ONS's 2019 estimates of the median age for the Monmouthshire population is 49.0 years, compared to 42.5 years for Wales. Monmouthshire has the third oldest median age in Wales, behind only Powys (50.4 years) and Conwy (49.9 years). The median age of Monmouthshire has increased by 4.3 years between 2009 and 2019 (10 percent growth). The ageing population has implications for the further provision of labour in the market, which may influence location decisions of businesses.

Labour Market

- 3.8 Looking at recent Business Register and Employment Survey (BRES) data, the number of people in employment has fallen slightly between 2015 (39,000 employment) to 2020 (37,000 employment). The health sector has the largest representation of any sector in Monmouthshire; however, manufacturing, retail and accommodation and food services are also significant sectors in terms of employment numbers.

Table 7 – Employment Numbers	Monmouthshire						Wales					
	2015	2016	2017	2018	2019	2020	2015	2016	2017	2018	2019	2020
Agriculture, forestry & fishing (A)	3,500	3,000	3,000	1,500	1,750	2,000	61,000	60,000	56,000	39,000	43,000	49,000
Mining, quarrying & utilities (B, D, E)	350	350	350	400	300	200	25,000	20,000	21,000	22,000	23,000	23,000
Manufacturing (C)	4,000	3,500	3,500	3,500	3,500	3,500	146,000	143,000	139,000	145,000	143,000	140,000
Construction (F)	1,750	2,500	2,250	3,000	2,500	3,000	58,000	73,000	59,000	71,000	65,000	74,000
Motor trades (Part G)	800	800	700	800	1,250	900	27,000	24,000	21,000	24,000	32,000	24,000
Wholesale (Part G)	1,500	2,250	1,000	1,250	1,750	1,250	34,000	38,000	30,000	30,000	44,000	29,000
Retail (Part G)	4,000	3,500	3,500	4,000	3,500	3,500	137,000	131,000	130,000	134,000	126,000	120,000
Transport & Storage (incl postal) (H)	1,250	1,500	2,000	1,750	1,500	1,750	45,000	39,000	42,000	45,000	44,000	50,000
Accommodation & food services (I)	3,000	3,500	3,000	3,500	4,000	3,500	101,000	120,000	101,000	107,000	123,000	111,000
Information & communication (J)	500	1,000	2,250	900	900	800	20,000	31,000	52,000	27,000	28,000	27,000
Financial & Insurance (K)	300	300	300	350	350	250	30,000	28,000	30,000	33,000	32,000	29,000
Property (L)	700	700	700	1,000	700	800	20,000	20,000	17,000	23,000	18,000	21,000
Professional, scientific & technical (M)	2,250	1,750	2,500	3,000	2,500	2,500	68,000	57,000	69,000	77,000	66,000	72,000
Business administration & support (N)	1,500	1,750	1,750	1,500	1,750	1,750	80,000	83,000	89,000	89,000	84,000	96,000
Public administration & defence (O)	1,750	1,750	1,750	1,750	2,000	2,000	86,000	85,000	87,000	87,000	96,000	101,000
Education (P)	3,000	2,500	2,500	2,500	2,500	2,500	125,000	126,000	122,000	115,000	115,000	114,000
Health (Q)	7,000	7,000	6,000	7,000	6,000	6,000	200,000	203,000	201,000	216,000	201,000	200,000
Arts, entertainment, rec. & other (R, S, T, U)	2,000	1,500	1,750	1,500	1,500	1,750	59,000	52,000	60,000	55,000	48,000	52,000
Total	39,000	39,000	40,000	39,000	38,000	37,000	1,322,000	1,334,000	1,324,000	1,339,000	1,332,000	1,331,000

Source: BRES, 2022

- 3.9 Although, as of 2020, the Health sector had the largest representation, its estimated employment was higher in 2020, with 7,000 employed. Significant declines were also seen in the Agriculture, forestry and fishing, Mining, quarrying and utilities and Arts, entertainment, recreation and other services sectors. Significant increases between 2015 and 2020 were seen in the Construction, Accommodation and food services and Transport and storage sectors. The Motor trades sector was experiencing strong employment gains of 450 (56.3 percent) until 2019 however employment fell by 350 (-28.0 percent) in the year of 2020, cancelling out a large portion of these gains.
- 3.10 Employment in Manufacturing fell by 500 over the observed period, however this decrease occurred between 2015 and 2016 and estimated employment has remained steady at 3,500 since. The estimates of employment within an industry sector are based on annual surveys and thus subject to error, with some of the fluctuations year on year likely to be due to survey error.
- 3.11 The ONS reports that around 45,600 people are economically active in Monmouthshire for the period July 2021-June 2022, which equates to 79.9 percent of the working age population in the County. This percentage is stronger than that reported for either Wales or Great Britain.

Table 8 – Economically Active Residents

	Monmouthshire (Numbers)	Monmouthshire (%)	Wales (%)	Great Britain (%)
Economically Active (All)	45,600	79.9	76.5	78.6
Male	24,300	86.2	80.2	82.4
Female	21,300	73.8	72.7	74.7

Source: ONS, 2022

- 3.12 The July 2021-June 2022 average unemployment rate for Monmouthshire was estimated to be 2.7 percent, which is lower than the estimates for Wales (3.5 percent) and Great Britain (3.8 percent).
- 3.13 Monmouthshire clearly benefits from a highly skilled workforce. As of 2021, 52.6 percent of Monmouthshire residents have a qualification NVQ4 and above (degree level or above). This is significantly above the equivalent figure for both Wales and Great Britain, 38.6 and 43.6 percent respectively. This figure is significant for

Monmouthshire and comes as the proportion of people residing within the County with at least an NVQ4 has grown by 16.1 percentage points between 2011 and 2021.

Table 9 – Qualifications (2011-2021)

	Monmouthshire (Numbers)		Monmouthshire (%)		Wales (%)		Great Britain (%)	
	2011	2021	2011	2021	2011	2021	2011	2021
NVQ4 and Above	20,200	28,100	36.5	52.6	29.2	38.6	32.8	43.6
NVQ3 and Above	31,000	36,800	55.9	68.8	48.1	58	50.8	61.5
NVQ2 and Above	41,800	43,900	75.4	82.1	68.5	75.3	69.5	78.1
NVQ1 and Above	48,100	48,700	86.7	91	81.2	85.8	82.5	87.5
Other	2,700	3,200	4.9	5.9	6.4	5.9	6.8	5.9
No Quals	4,700	1,700	8.4	3.1	12.4	8.3	10.7	6.6

Source: ONS, 2022

- 3.14 Average earnings in Monmouthshire are above the Wales average for both residents of Monmouthshire and those working in the County. However, the results summarised below also show a significant difference between the average earnings of residents of Monmouthshire, compared to those working in Monmouthshire. That implies that the residents are commuting out of the County for higher earning jobs (e.g. in Cardiff, Newport, Bristol), with less opportunities for higher earning jobs within Monmouthshire.

Table 10 – Earnings (Gross Weekly Pay, £) (2011-2021)

Full Time Workers	Monmouthshire		Wales		Great Britain	
	2011	2021	2011	2021	2011	2021
Earnings by Residence	689.5	796.6	525.2	638.1	605.8	730.5
Earnings by Place of Work	491.0	630.2	516.3	628.2	605.1	730.2

Source: ONS, 2022

- 3.15 Wage growth of the last decade has been lower in Monmouthshire (15.5 percent) than in Wales (21.4 percent) for residents. On the other hand, the rate of growth for workers working in Monmouthshire (28.4 percent) compared to those working in Wales (21.7 percent) is significantly different. Over the last decade the earnings by place of work

in Monmouthshire has accelerated from being five percent below the Welsh average to being slightly above the Welsh average.

- 3.16 As of 2020, Monmouthshire had the same job density (ratio of total jobs to population aged 16-64 years) as seen in Wales though it was eight percent below Great Britain as a whole. Over the last decade the job density figure in Monmouthshire has increased by five percent, which is lower than that observed in Wales and Great Britain (both seven percent increases) across the same period, 2010-2020, which indicates a relative strong economy in Monmouthshire.

Table 11 – Job Density (2010-2020)

	Monmouthshire (Numbers)		Monmouthshire (Density)		Wales (Density)		Great Britain (Density)	
	2019	2020	2010	2020	2010	2020	2010	2020
<i>The density figures represent the ratio of total jobs to population aged 16-64</i>								
Density	40,000	25,000	0.71	0.76	0.69	0.76	0.77	0.84

Source: Job Density, ONS, 2022

Business Profile

- 3.17 According to ONS data, there were 4,490 businesses in the County as of 2021. This is an increase of 635 on the figure reported in 2011 but down 20 on the figure observed in 2020. Typical of most areas in the UK, Monmouthshire was dominated by smaller businesses, with 91.4 percent of businesses employing nine people or less (micro businesses). The number of micro businesses in Monmouthshire has increased the most since 2011 (increasing by 565 businesses) while all other size bands have also seen increases. Large businesses in Monmouthshire have grown at the fastest rate, growing by 100 percent.
- 3.18 Monmouthshire has a higher proportion of micro businesses than in Wales as a whole. This dominance of microbusinesses in the County has implications for the types and sizes of business premises required. However, the provision of such premises would need to allow for larger businesses, even though the actual numbers are smaller.

Table 12 – Businesses by Size (2011-2021)

	Monmouthshire (Numbers)		Monmouthshire (%)		Wales (Numbers)		Wales (%)	
	2011	2021	2011	2021	2011	2021	2011	2021
Micro (0-9)	3,540	4,105	91.8	91.4	77,955	95,995	89.2	89.6
Small (10-49)	270	320	7.0	7.1	7,955	9,305	9.1	8.7
Medium (50-249)	40	55	1.0	1.2	1,245	1,470	1.4	1.4
Large (250+)	5	10	0.1	0.2	275	315	0.3	0.3
Total	3,855	4,490	100.0	100	87,430	107,085	100.0	100.0

Source: ONS, 2022

Commuting Patterns

- 3.19 The latest data available for statistics on commuting in Wales are seen in Table 13 below. These figures show that in 2021, 61.3 percent of working residents of Monmouthshire also work within the County. As seen in the table below this compares relatively well to other rural local authorities in South East Wales.

Table 13 - Commuting Flows, 2021

Area	Out-Commuters (No.)	In-Commuters (No.)	Live and Work in Area (No.)	Percentage who Live and Work in area as a Percentage of the Working Residents, percent
Bridgend	16,300	16,000	48,900	75.0
Vale of Glamorgan	26,800	8,100	34,000	55.9
Cardiff	34,300	75,500	157,400	82.1
Rhondda Cynon Taf	43,100	14,000	65,500	60.3
Caerphilly	36,100	17,800	44,200	55.0
Blaenau Gwent	14,100	6,000	16,500	53.9
Torfaen	18,000	17,600	21,300	54.2
Monmouthshire	17,100	14,300	27,100	61.3
Newport	27,400	34,100	42,000	60.5
Merthyr Tydfil	9,900	8,700	16,500	62.5

Source: Welsh Government, 2022

- 3.20 The main worker destinations of Monmouthshire residents are:

- Newport – 2,600 workers
- Torfaen – 2,400 workers
- Cardiff – 1,600 workers
- South West England – 7,400 workers
- Rest of England – 900 workers

- 3.21 In terms of in-commuting, the main in-commuting location to Monmouthshire is Newport with 3,000 workers, followed by Torfaen (1,900) and Blaenau Gwent (1,400). In total 14,300 commuters come into Monmouthshire for work, whilst 17,100 out-commute, giving a negative flow of 2,800 workers. In 2020, 19,700 out-commuted from Monmouthshire, 19,000 in-commuted while 25,900 lived and worked there. Consequently, it can be seen that less people are commuting and more people are deciding to live and work in Monmouthshire compared to 2020.

Employment Forecasts

Baseline Forecasts

- 3.22 Updated employment forecasts from Oxford Economics have been procured as part of this update study, which attempt to account for the intensifying cost of living crisis, the tightening of fiscal policy, the likely deterioration of trade due to Brexit and the lower levels of migration that are a result of the pandemic. These forecasts are independent of the optioning work undertaken for the preparation of the Preferred Strategy. Rather than an ambition or target for growth, this baseline employment forecast represents a potential growth trajectory if current economic and employment trends continue, without any growth policies or interventions.
- 3.23 The table below summarises Oxford Economics' forecasts for Monmouthshire (released August 2022) over the planning period. Oxford Economics forecasts that employment in Monmouthshire will increase from 44,541 jobs in 2018 to 44,947 jobs in 2033, an increase of 406 jobs over this period. By comparison, the 2021 forecasts from Oxford Economics were for some 45,320 jobs to be in the County by 2033. Thus the change in jobs between 2018 and 2033 has decreased from an estimated +780 jobs (2021 estimated change) to +406 jobs (2022 estimated change).
- 3.24 Advice provided by Oxford Economics as to their underlining assumptions in arriving at includes the following:
- Pressures on real incomes will intensify this winter. Inflation reached a 40-year high of 10.1% in July and is likely to rise further in the short-term, with the energy price cap is set to increase by around 80% in October, followed by 20% in January.
 - The burden of tighter fiscal policy has also fallen on households, as the government unwinds the support provided during the pandemic and attempts to reduce the structural deficit.

- The next prime minister will likely provide some short-term support to households, however, even with this support we still expect that consumer expenditure will only begin to pick up in the second half of 2023, when inflation cools and real household income begins to recover.
- Over the longer term, we expect Brexit and the legacy of the pandemic to exert a drag on the UK economy. Although the UK and EU struck a basic free-trade agreement, the switch from EU membership to the new relationship introduced significant friction on UK-EU trade. This will result in some deterioration in trade, limiting improvements in total factor productivity, and will reduce the attractiveness of the UK as a destination for FDI.
- Lower migration as a result as a result of the pandemic has meant weaker working-age population and on top of this in its latest set of official population projections, the Office for National Statistics (ONS) adopted much gloomier assumptions for "natural change", assuming both lower births and higher deaths than before.
- We adopt the ONS assumptions for natural change and layer on our own forecasts for migration. Therefore, the ONS assumptions mean our long-term forecasts for population growth and other key variables are lower than they were in previous years.

3.25 These are UK wide assumptions for the overall performance of the economy and are not specific to Monmouthshire.

3.26 The forecast growth of the employment in Monmouthshire is provided in the table below.

Table 14: Employment Forecast by Broad Sector

Sector	2018	2023	2028	2033	Change 2018- 2033	Percent Change
Agriculture, forestry and fishing	1,728	1,365	1,384	1,323	-405	-23%
Mining and quarrying	5	9	7	6	1	20%
Manufacturing	3,841	3,868	3,536	3,112	-729	-19%
Electricity, gas, steam and air conditioning supply	6	10	10	9	3	50%
Water supply; sewerage, waste management and remediation activities	374	341	331	312	-62	-17%
Construction	5,360	4,112	4,359	4,419	-941	-18%
Wholesale and retail trade; repair of motor vehicles and motorcycles	6,247	6,741	7,186	7,145	898	14%
Transportation and storage	1,912	1,898	1,946	1,897	-15	-1%
Accommodation and food service activities	3,734	4,017	4,352	4,349	615	16%
Information and communication	983	1,004	1,057	1,058	75	8%
Financial and insurance activities	414	330	333	326	-88	-21%
Real estate activities	937	721	751	759	-178	-19%
Professional, scientific and technical activities	3,560	3,137	3,412	3,476	-84	-2%
Administrative and support service activities	1,652	1,986	2,131	2,187	535	32%
Public administration and defence; compulsory social security	1,873	2,212	2,165	2,088	215	11%
Education	2,736	2,729	2,712	2,642	-94	-3%
Human health and social work activities	6,957	6,501	6,788	6,914	-43	-1%
Arts, entertainment and recreation	1,141	1,565	1,733	1,809	668	59%
Other service activities	1,081	965	1,076	1,115	34	3%
Total	44,541	43,511	45,271	44,947	406	1%

Source: Oxford Economics, 2022

- 3.27 Employment growth is not uniform over the forecast period. While the table above is a summary of the growth for each five-year period, Oxford Economics has provided annual figures. These show that the peak employment is anticipated to occur in 2028 at about 45,271 jobs before a gradual decline to 2033 due to the shrinking working age population. Comparing to the 2021 forecasts, the peak of employment is anticipated to occur at a similar time but now it is expected to be smaller (c.f. 45,720 in 2027)

- 3.28 Furthermore, employment growth is not uniform between the industry sectors, as demonstrated above. The largest growth sectors (by number) are anticipated to be wholesale and retail trade (+897 jobs), Arts, entertainment and recreation (+639 jobs), and Accommodation and food services (+616 jobs) sectors. The rise in wholesale and retail trade employment is 630 jobs lower than forecasted in 2021 while Arts, entertainment and recreation employment is projected to follow the same trajectory as forecasted in 2021. Interestingly, the 2022 forecast contains a more optimistic outlook, compared to 2021's forecast, for the Accommodation and food services sector with 119 more jobs predicted to be present by 2033. The largest sectoral declines are anticipated to be in the Construction (-941 jobs) and Manufacturing (-729 jobs) sectors. This change in the mix of employment may have implications for the provision of employment land in Monmouthshire over the forecast period. However, it is noted that the three largest employment sectors in Monmouthshire in 2018 (human health and social work, wholesale and retail and construction) are forecast to remain the three largest employment sectors in 2033.

Policy-On Forecasts

- 3.29 As noted above, these Oxford Economics forecasts represent a baseline projection of employment changes over the forecast period. That is, a continuation of on-trend growth. If specific interventions were to occur in the local market, or external, unanticipated structural changes to the economy were to happen in the forecast period, this could significantly change the actual growth of employment in Monmouthshire (positively or negatively). Volatility in the market, such as being experienced in 2022, add to the uncertainty in forecasting.
- 3.30 Monmouthshire County Council is looking to develop policies that would provide a higher impetus to the local economy, including positive housing growth targets and economic policy interventions, albeit in keeping with wider growth strategies, which focus on other areas in South East Wales for targeted growth.
- 3.31 The preferred employment growth trajectory is for 428 additional jobs per annum, equating to 6,420 jobs over the 2018 to 2033 period, which is a significant 5,637 jobs over the Oxford Economics baseline. This is a significant addition and represents a policy driven growth trajectory. Therefore, this study considers this a Policy On growth scenario and will investigate its implications for employment land demand (Chapter 7.0).

- 3.32 The breakdown of this employment growth by industry sector will be key in understanding the implications for employment land, as different industry sectors have differing usages of B-class employment spaces. BE Group has taken account of the underlining assumptions behind this growth trajectory, but notes that the forecasts have not been disaggregated to individual sectors. Therefore, BE Group has undertaken this disaggregation, with reference to the Oxford Economics baseline forecasts, current and recent BRES data on sectoral employment in Monmouthshire, and the underlining assumptions for this growth scenario. The forecasts have applied broadly similar proportional growth to the Oxford Economics baseline forecasts for the sectors. However, higher levels of growth have been adopted for manufacturing and construction, reflecting more positive market intelligence on the manufacturing sector performance in recent times and the proposed more positive housing growth intents proposed for the Preferred Strategy (2022). However, even with more positive growth trajectories, the net change for manufacturing (-221 jobs) and construction (-220 jobs) are still forecast to be negative, albeit significantly smaller declines than forecast in the baseline Oxford Economics figures.
- 3.33 The following provides BE Group's estimates of the breakdown of the growth of employment between 2018 and 2033, assuming an overall growth of 6,420 jobs over the period. The starting point is Oxford Economics' 2021 estimate for 2018 employment.

Table 15: Policy On Employment Forecast by Broad Sector

Sector	2018	2033	Change 2018-2033	Percent Change
Agriculture, forestry and fishing	1,728	1,340	-388	-22%
Mining and quarrying	5	5	0	-1%
Manufacturing	3,841	3,620	-221	-5%
Electricity, gas, steam and air conditioning supply	6	10	4	73%
Water supply; sewerage, waste management and remediation activities	374	350	-24	-6%
Construction	5,360	5,140	-220	-4%
Wholesale and retail trade; repair of motor vehicles and motorcycles	6,247	8,010	1,763	28%
Transportation and storage	1,912	2,140	228	12%
Accommodation and food service activities	3,734	4,910	1,176	32%
Information and communication	983	1,200	217	22%
Financial and insurance activities	414	370	-44	-11%
Real estate activities	937	860	-77	-8%
Professional, scientific and technical activities	3,560	3,930	370	11%
Administrative and support service activities	1,652	2,470	818	50%
Public administration and defence; compulsory social security	1,873	2,360	487	27%
Education	2,736	2,990	254	10%
Human health and social work activities	6,957	7,810	853	13%
Arts, entertainment and recreation	1,141	2,040	899	80%
Other service activities	1,081	1,260	179	17%
Total	44,541	50,965	6,420	14%

Sources: BE Group analysis of Oxford Economics data, 2022

* figures may not add up due to rounding

- 3.34 Even with this uplift in overall employment numbers, it is still expected that some sectors would perform more strongly than others, including some sectors still anticipated to decline in employment numbers over the forecast period.

Summary

- 3.35 The socio-economic and demographic characteristics of Monmouthshire show a solid economic base, with low unemployment, high economic activity and solid wage levels. The proportion of degree-level qualified residents is significantly above Welsh averages.

- 3.36 Population growth has been at a faster rate than for Wales as a whole, though the growth rate of the typical working-age population has been slower than the national average. Given that the median age is already older than for Wales, there is a concern that Monmouthshire's economy will be increasingly reliant on a shrinking working age population to support an increasing retired/semi-retired population.
- 3.37 The Oxford Economics forecasts were undertaken in August 2022 and thus have attempted to account for the intensifying cost of living crisis, with inflation reaching a 40-year high of 10.1% in July. The projections also consider the tightening of fiscal policy, as the government unwinds the support it provided during the pandemic in an attempt to reduce the structural deficit. Additionally, it is assumed that Brexit will cause a deterioration of trade and will reduce the attractiveness of the UK as a destination for FDI. The forecasts account for the lower levels of migration that are a result of the pandemic which has meant a weaker working-age population. Finally, the long-term forecasts for population growth and other key variables are lower than they were in previous years.
- 3.38 The baseline Oxford Economics forecasts anticipate growth of employment between 2018 and 2033 of 406 jobs, though the peak of employment numbers will be about 2028.
- 3.39 The policy-on growth trajectory is significantly above the baseline forecast, projecting growth of 6,420 jobs over the planning period. This would be driven through policy interventions to support housing and employment growth in order to achieve an outcome above the forecast based on continuation of trends.

4.0 PROPERTY MARKET

Introduction

- 4.1 The current commercial property market in Monmouthshire has been summarised in the following chapter based on recorded information on commercial deals conducted within the County, currently available commercial property and discussions with locally active property agents.

Transactions

- 4.2 A list of recorded occupational deals (i.e. sales and leases of the premises by the occupier and not including investment deals) completed between 2012 and 2022 has been obtained from Radius Data Exchange, formerly the EGi property database. This data has been compiled below for industrial/warehousing and for offices. Whilst this database is not necessarily comprehensive of all deals conducted within Monmouthshire (some agents may not choose to disclose details), it does nonetheless provide a guide to the level and nature of activity within the County.
- 4.3 A total of 298,731 sqm of industrial/warehousing floorspace was transacted within Monmouthshire from 141 deals over the previous decade. 2013 saw a peak in the number of properties transacted with 36 and a total floorspace of 78,466 sqm. However, there has been substantial fluctuations in the overall floorspace transacted year to year, influenced by the irregular transactions of larger properties.
- 4.4 The sale of the former Mabey site at Newhouse Farm Industrial Estate was completed in 2016. The 32,512 sqm site was sold to AluK Ltd for £13.1 million. This sale was the largest recorded in Monmouthshire and significant in comparison to nearby Welsh local authority areas. Overall, an average rent was achieved of £61.14/ sqm over the time period.
- 4.5 Of these transactions, 86.5 percent were recorded as leasehold deals, with 13.5 percent being occupational sales (freehold).
- 4.6 It is noted that Monmouthshire has seen a good distribution of its industrial transactions across the size bands. While just over half of all transactions over the last decade were for premises less than 500 sqm (5,380 sqft), the larger floorspace size bands were also well represented, including 15 transactions (10.6 percent of transactions) above

5,000 sqm (53,800 sqft). This suggests that the industrial and warehousing market in Monmouthshire comprises local SMEs and regional and national enterprises.

Table 16 – Monmouthshire Industrial/Warehousing Letting/Occupational Sale Transactions, 2012-2022

Industrial		Size (sqm)								Total
		0-100	101-200	201-500	501-1,000	1,001-5,000	5,001-10,000	10,000+	Unknown	
2022	Floorspace (sqm)	~	~	359	~	~	19,113	~	0	19,472
YTD	Total Properties	~	~	1	~	~	3	~	0	4
2021	Floorspace (sqm)	61	285	924	~	2,491	8,078	~	0	11,839
	Total Properties	1	2	4	~	1	1	~	0	9
2020	Floorspace (sqm)	86	~	417	581	1,385	~	~	0	2,469
	Total Properties	1	~	1	1	1	~	~	0	4
2019	Floorspace (sqm)	80	602	~	1,499	3,417	~	~	0	5,597
	Total Properties	1	4	~	2	3	~	~	1	11
2018	Floorspace (sqm)	~	186	1,377	~	6,798	~	14,106	0	22,468
	Total Properties	~	1	4	~	3	~	1	0	9
2017	Floorspace (sqm)	85	305	621	1,443	~	~	26,284	0	28,738
	Total Properties	1	2	2	2	~	~	1	1	9
2016	Floorspace (sqm)	~	616	1,640	2,748	4,333	13,775	35,512	0	58,624
	Total Properties	~	4	6	5	2	2	1	2	22
2015	Floorspace (sqm)	~	~	1,202	1,170	4,196	~	~	0	6,568
	Total Properties	~	~	3	2	1	~	~	0	6
2014	Floorspace (sqm)	81	373	2,395	1,574	7,096	~	13,966	0	25,484
	Total Properties	2	2	8	2	3	~	1	0	18
2013	Floorspace (sqm)	177	1,604	2,488	2,249	10,827	~	61,121	0	78,466
	Total Properties	3	10	9	3	6	~	4	1	36
2012	Floorspace (sqm)	85	186	224	4,636	6,697	~	27,177	0	39,006
	Total Properties	1	1	1	7	2	~	1	0	13
Total	Floorspace (sqm)	654	4,156	11,647	15,899	47,239	40,967	244,192	0	298,731
	Total Properties	10	26	39	24	22	6	9	5	141

Source: Radius Data Exchange, 2022

- 4.7 17 investment sales have been recorded for industrial/warehousing premises in Monmouthshire over the last decade, which are listed below. These transactions do not add to the occupational (business) demand for premises and thus not included in the totals above, though are indicative of the investor interest and confidence in the local market.

Table 17 – Monmouthshire Industrial/Warehousing Investment Transactions, 2012-2022

Unit Address	Date	Floor Area (sqm)	Price (£)
Beacon Business Park, Norman Way, Severn Bridge Industrial Estate, Portskewett	Jan 2022	90,847	7,900,000
Singleton Court Business Park, Wonastow Road West, Monmouth	Mar 2021	4,855	500,000
5, Thomas Industrial Units, Lower Monk Street, Abergavenny	Mar 2021	N/A	750,000
Unit 48a, Symondscliff Way, Severn Bridge Industrial Estate, Portskewett	Jun 2020	3,692	260,000
Industrial Property, Station Road, Caldicot, NP26 3UE	Feb 2020	102	140,000
UC1, Bulwark Industrial Estate, Chepstow	Nov 2019	54	348,000
UC2, Bulwark Industrial Estate, Chepstow	Sept 2019	545	290,000
Morgans Of Usk Ltd, Woodside Trading Estate, Usk	April 2019	1,503	680,000
U12 Severn Link Distribution Centre, Chepstow	Jul 2018	1,046	852,500
U1 Severn Link Distribution Centre, Chepstow	Mar 2018	1,204	4,572,669
U1 Newhouse Farm IE, Chepstow	Oct 2017	13,973	8,710,000
Former Tesco Distribution Centre, Newhouse Farm IE, Chepstow	Oct 2017	26,226	14,000,000
U2 Wonastow Rd IE, Monmouth	Jun 2017	N/A	400,000
U48A Severnbridge IE, Caldicot	Mar 2016	343	160,000
U16A Severnbridge IE, Caldicot	Jun 2015	706	310,000
Mill St IE, Abergavenny	Jan 2014	3,683	2,560,000
Former Tesco Distribution Centre, Newhouse Farm IE, Chepstow	Dec 2013	26,226	13,905,000

Source: Radius Data Exchange, 2022

4.8 It is noted that the former Tesco distribution centre has been sold twice over the last decade and did not increase in price significantly in the four years between sales. The investment sales are predominantly in the south of the County, either at Newhouse Farm, Bulwark Industrial Estate or Severnbridge Industrial Estate as key industrial nodes in Monmouthshire.

4.9 The table below provides the occupational transactions for office space in Monmouthshire since 2012. The overall volume of occupational transactions for office space and the average floorspace size are significantly smaller than for industrial and warehousing.

Table 18 – Monmouthshire Office Letting/Occupational Sale Transactions, 2012-2022

Office		Size (sqm)								Total
		0-100	101-200	201-500	501-1,000	1,001-5,000	5,001-10,000	10,000+	Unknown	
2022 YTD	Floorspace (sqm)	87	254	~	~	~	~	~	0	341
	Total Properties	3	2	~	~	~	~	~	0	5
2021	Floorspace (sqm)	107	140	1,196	~	~	~	~	0	1,442
	Total Properties	3	1	4	~	~	~	~	2	10
2020	Floorspace (sqm)	177	~	1,280	~	~	~	~	0	1,457
	Total Properties	2	~	4	~	~	~	~	0	6
2019	Floorspace (sqm)	~	~	~	~	~	~	~	0	0
	Total Properties	~	~	~	~	~	~	~	1	1
2018	Floorspace (sqm)	256	330	~	559	~	~	~	0	1,144
	Total Properties	4	2	~	1	~	~	~	1	8
2017	Floorspace (sqm)	28	~	619	734	~	~	~	0	1,380
	Total Properties	1	~	2	1	~	~	~	1	5
2016	Floorspace (sqm)	65	~	938	~	2,990	~	~	0	3,993
	Total Properties	2	~	3	~	1	~	~	1	7
2015	Floorspace (sqm)	223	~	~	645	~	~	~	0	867
	Total Properties	4	~	~	1	~	~	~	1	6
2014	Floorspace (sqm)	87	~	903	~	~	~	~	0	990
	Total Properties	3	~	2	~	~	~	~	0	5
2013	Floorspace (sqm)	241	146	1,000	~	5,550	~	~	0	6,938
	Total Properties	4	1	3	~	2	~	~	1	11
2012	Floorspace (sqm)	156	369	466	~	1,187	~	~	0	2,178
	Total Properties	4	3	1	~	1	~	~	1	10
Total	Floorspace (sqm)	1,427	1,239	6,402	1,937	9,727	0	0	0	20,732
	Total Properties	30	9	19	3	4	0	0	9	74

Source: Radius Data Exchange, 2022

- 4.10 2013 was the year in which the highest number of office transactions occurred (11) in Monmouthshire accounting for 15 percent of the decade total of 74, along with the highest amount of floorspace transacted during a single year, 6,938 sqm. The total floorspace transacted during the 10 years was 20,732 sqm.
- 4.11 The sale of Building B at Conrad House, Beaufort Square, Chepstow was completed in 2013 to Wunda Group Plc. This 3,257 sqm building was the largest amount of office floorspace involved in a Monmouthshire transaction throughout the decade.
- 4.12 On average seven deals and 2,073 sqm of floorspace was transacted per year. In recent years, the floorspace transacted has been below the decadal average, including during pandemic years but also prior to the pandemic (2019 was the year with the lowest volume of office floorspace transacted). This suggests that the quiet office market in Monmouthshire is not only due to the pandemic impacts, but also other

factors. It is noted that so far in 2022 five deals have occurred which represents a respectable start to the year.

- 4.13 79.7 percent of office transactions over the last decade were by leasehold, with 21.3 percent by freehold sale.
- 4.14 41.0 percent of transactions were for premises less than 100 sqm (1,076 sqft), demonstrating that office occupiers are generally SMEs. However, four transactions were for units above 1,000 sqm and thus, while rarer, would still need to be catered for in the market to ensure that businesses have flexibility.
- 4.15 The following table provides a list of the investment sales of offices over the last decade.

Table 19 – Monmouthshire Office Investment Transactions, 2011-2021

Unit Address	Date	Floor Area (sqm)	Price (£)
Merlin House, Station Road, Chepstow	June 2020	N/A	275,000
Castlegate Business Park, Caldicot	Oct 2018	23,411	N/A
Chepstow Delivery Office, Chepstow	Mar 2018	N/A	170,907
Enterprise House, Chepstow	Nov 2017	596	N/A

Source: Radius Data Exchange, 2022

- 4.16 As can be seen from the table, only four investment deals have been recorded over the last decade for offices. No more investment deals have occurred since the previous assessment of the market.

Property Supply

- 4.17 A schedule of the vacant floorspace being marketed in Monmouthshire (as of August 2022) has been compiled from a review of online property portals and commercial property agents' websites, as well as consultations with agents. The marketed spaces can be taken to be a reasonably close approximation to that which is vacant – although there may be occupiers waiting for interest in their property before moving, and empty units not being marketed. The schedules for industrial (including warehouses and workshops) and offices have been included in Appendix 1.
- 4.18 Across the study area, a total supply of 52,635 sqm vacant space is reported (industrial and offices spaces), comprised of 38 individual premises. This is over three times the

vacant floorspace observed in 2021 (15,918 sqm) despite there being six less premises on the market. A large part of this increase can be attributed to the marketing of one large industrial premises on Newhouse Farm Industrial Estate near Chepstow which accounted for 73 percent of the supply increase.

- 4.19 Table 20 provides a breakdown of vacancy by property type and location. The most vacant premises can be found in Chepstow and Caldicot, where 12 individual premises are available. Usk and Abergavenny have both have five options on the market while Raglan, Magor and Monmouth all have very few available options, across both office and industrial categories.

Table 20 – Marketed Property by Type and Location

	Office		Industrial		Total	
	No.	Sqm	No.	Sqm	No.	Sqm
Abergavenny	4	406	1	238	5	643
Caldicot	6	7963	6	11421	12	19,384
Usk	3	222	2	371	5	592
Chepstow	9	413	3	27432	12	27,845
Magor	1	149	0	0	1	149
Raglan	1	143	0	0	1	143
Monmouth	2	3879	0	0	2	3,879
Total	26	13,174	12	39,461	38	52,635

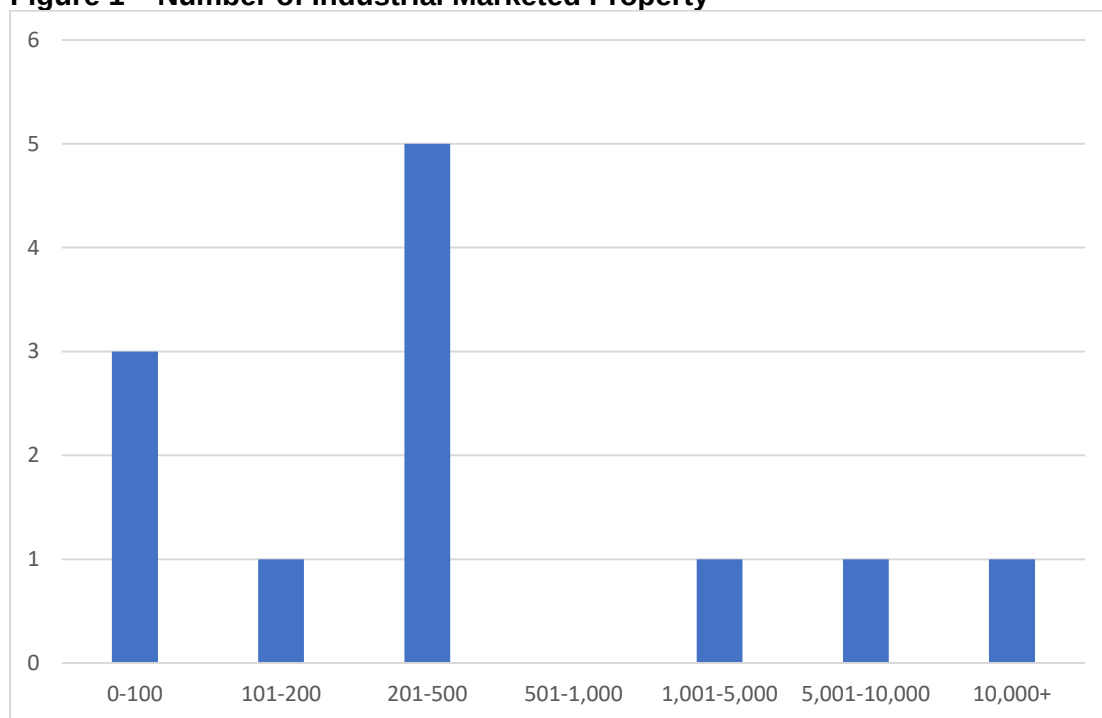
Source: BE Group, 2022

Industrial

- 4.20 Industrial availability comprises 39,461 sqm in 12 individual premises, significantly more than the 13,792 sqm in 10 premises in 2021. Chepstow has seen the most significant increase in marketed floorspace, increasing 26,807 sqm on 2021 despite the number of premises only increasing by one, due to the one significant unit being marketed at Newhouse Farm Industrial Estate. Usk is the only other area to have seen an increase in industrial floorspace, growing by 371 sqm while the number of premises also grew by two. Meanwhile, Caldicot saw a significant loss of floorspace, losing 1,222 sqm despite gaining a single premises. Abergavenny experienced a loss of 288 sqm of floorspace and two premises while Raglan, Monmouth and Magor continued to be without a single marketed industrial premises.

4.21 The largest marketed industrial unit is Delta 290 which was formerly used as a distribution centre. The unit is found on Newhouse Farm Industrial Estate and is 26,942 sqm in size. This unit is responsible for Chepstow having the most vacant industrial floorspace however if this unit is excluded, Caldicot has the most industrial premises and floorspace with six premises and 11,421 sqm available. There is currently one freehold industrial option available on the market in Monmouthshire with the remainder being marketed at leasehold options. 86.5 percent of past transactions were by leasehold. Therefore, the dominance of leasehold properties currently available would suit this market. However, the low proportion of freehold deals could be indicative of persistent low supply of freehold options.

Figure 1 – Number of Industrial Marketed Property



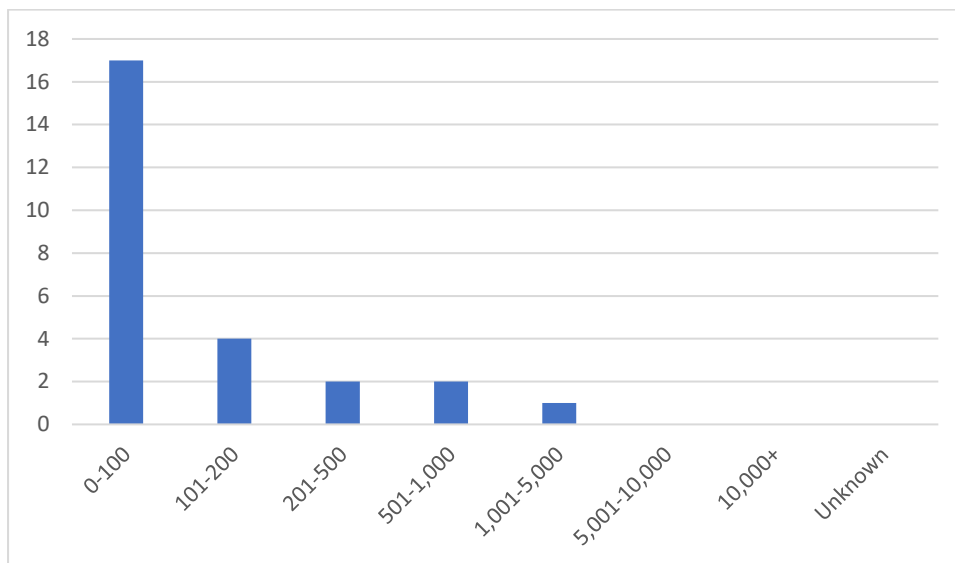
Source: Radius Data Exchange, Various Agents Websites, 2022

4.22 As Figure 1 shows, three quarters of the industrial supply is of units less than 500 sqm in size with the most popular size band being 201-500 sqm, accounting for 42 percent of the available units. There is a small amount of supply at 1,000 sqm and above with two found in Caldicot and the largest, as previously mentioned, being found near Chepstow. However, there is a complete absence of units in the 501-1,000 sqm size.

Office

- 4.23 Office unit availability comprises 13,174 sqm in 26 individual premises. The quantum of floorspace has increased by 11,048 sqm since 2021 despite the number of premises marketed falling by eight. The largest of these options is Unit 100 of Castlegate Business Park in Caldicot and is 4,241 sqm in size. This unit was occupied up until recently by Mitel, a large business in Monmouthshire who relocated to Newport as their requirement for space reduced. According to the agent marketing this premises, a vacancy of this size will be difficult to fill as there is very little demand for offices premises of this size.
- 4.24 As seen in Figure 2, there is currently a strong supply of small office suites (sub-100 sqm) in Monmouthshire, including several options being marketed at Stuart House, Chepstow. From here, the supply of premises falls as the size increases. This size profile is comparable to the past transactions, with a strong emphasis of small units being transacted. Therefore, the available properties appear to be consistent with the recent demand for units.
- 4.25 It is also worth noting that, even with a current supply of small, sub-100 sqm office options, Monmouthshire also has a ready supply of serviced office accommodation. This is not fully included in the above vacancy figures, given the incomplete nature of online listings for such accommodation and the very regular churn of occupiers within such spaces. Current listings indicate three major serviced office locations – Basepoint on Beaufort Way Park in Chepstow, along with Singleton Court and Apex House in Monmouth. Both options list availability from 5 sqm to 650 sqm, with presumed accommodation from desk space/single suites to whole floors.

Figure 2 – Amount of Marketed Office Property



Source: Radius Data Exchange, Various Agents Websites, 2022

Property Market Stakeholders

- 4.26 Qualitative evidence of the demand for industrial and office property within Monmouthshire and the wider region has been gained through consultations with commercial property agents active in the local market.

Table 21 – Property Market Comments, Industrial

Contact	Comments
National Agent	- Sold a unit in Abergavenny in 2018 for Countrywide. The unit was 8,800 sqft and sold for £650,000 (£74.54/sqft) despite quoting £500,000 - Since then prices have skyrocketed, increasing around 10-15 percent - Still it is not really viable to build them in Monmouthshire or South Wales because rents are too low, rents would need to reach around £9-10/sqft. In Cardiff they are only £6-7/sqft while in Bristol they are £15-18/sqft - There are not many projects occurring for that reason and consequently there is a shortage of space. When industrial units come on the market there is a lot of demand Generally: - Monmouthshire sits in the middle of Cardiff and Bristol but lags behind the two quite considerably - Bristol's office rents can double or triple that found in Monmouthshire with £40/sqft plus being achieved - Wales is only across the Severn Bridge but lags behind Bristol. Tolls were recently abolished on the Severn Bridge which had a positive effect on residential values in Monmouthshire. The hope was that this would filter through to commercial values but so far this has not been the case

	• The main areas of activity are around the M4 and M48, in Caldicot and Magor • Monmouthshire has two motorways but the attractiveness is limited by a lack of junctions • Agent specialises in the South West of England, but there is not enough activity for anyone to specialise in Monmouthshire
National Agent	• The No 1 Warehouse at Newhouse Farm Industrial Estate has had a planning application in the process of being submitted • The client has had a full team of consultants that have confirmed the problem of the steep slope can be alleviated • There has been interest from a few parties but nothing concrete as of yet • The problem currently is that competing land in Newport is more readily available, this project will likely take 2 years before it is erected. Occupiers prefer more readily deliverable options • Build costs are going up all the time but if it was on the market now £8-8.5/sqft would be quoted. This is what is quoted by St Modwen for an industrial unit near Langstone in Newport • Monmouthshire industrial units compete with Newport and Bristol and generally there is a discount on the quoted rent compared to Bristol • Generally industrial activity in Monmouthshire is located on Newhouse Industrial Estate and Caldicot • Smaller occupiers prefer to be closer to Chepstow while on the M4 demand is generally for larger units • Severnbridge Industrial Estate currently has one unit available however historically it has often struggled to attract smaller occupiers • Generally second hand stock is available as there are few new developments • Consequently, there is a shortage of industrial stock in the area.
Regional Agent	• Very strong demand for industrial units, but supply is not there, particularly for better quality stock • Problem across the whole of South Wales, not just Monmouthshire • Demand for smaller units is the greatest, which is usual but strong across all unit sizes • Developers cannot develop further stock as build costs in excess of values when factoring in land costs and developer profit, therefore schemes are unviable so not coming forward • Rents and build costs do not stack up • Across Abergavenny, Monmouth, Chepstow, Caldicot the quality is not particularly high • Last new build Severn Bridge in mid 90s • Rents are £10/sqft for 1,000sqft; £6-7/sqft for 5,000 sqft; £5-6/sqft for +10000 sqft

Source: Comments from commercial agents, 2022

Table 22 – Property Market Comments, Office

Contact	Comments
National Agent	• The office sector in Monmouthshire is out of town and is typically demand is for units 5,000 sqft or below • Over the bridge prices are around £20/sqft but in Monmouthshire it is far lower despite not being far • Innovation House, currently there is 17,000 sqft available, £14/sqft is being quoted but there has been little interest despite the space being new and of high quality. • Mitel recently vacated Castlegate Business Park, leaving 40,000 sqft of space free. This space is quoted at £10/sqft as it is of an older and lower quality specification • Mitel vacated as they no longer needed so much space, they downsized and moved to Newport • So there is a lot of space to fill in Monmouthshire and at a current take-up rate of one or two thousand sqft a year this space will take many years to fill • Offices in Chepstow and Monmouth are mainly smaller but overall, there is not much town centre office activity. •
National Agent	• Very little volume in Monmouthshire • There has been a sea of change in the office market • Slow for Welsh employees to return to offices • Welsh Government are not behind getting people back into offices • Welsh Government aims to achieve 30% working from home in order to ease congestion and achieve sustainability • Public sector employs 40-50% of the workforce so this policy has even more of an effect • Households having to stay at home as there is no office • Having a wider effect on occupier requirements • Where occupiers required 10,000 sqft they now require 4,000 sqft • Offices now are set up for people to work collaboratively, have hot desking • No longer a sea of desks • Quality of space is key, flexibility an important attribute • Currently the offering of office space is quite weak so there are opportunities for local government to offer smart tech hubs where you can go and rent a desk • Rather than Regus, people like the WeWork model • Admiral Insurance are vacating South Wales' cities, having a large effect, leaving a large amount of space (e.g. Newport) • Recently let to Roku, a US based tech streaming company. New entrants and growth areas are tech companies and life sciences • Newport saw M&S leave and Admiral Insurance, falling behind Cardiff • Newport £16.5 - £17.5/sqft headline rents • Cardiff headline £25/sqft, PWC soon will raise that to £32.5/sqft • Swansea £14.5/sqft, tech company will soon raise that to £20/sqft

	• Monmouth is a challenging one as it does not have an office market itself • A hub building in Monmouth could be quite viable • There are a lot of high worth individuals living around Monmouth • Demand in the office market is mainly for leasehold units
Regional Agent	• Offices are mainly above shops but not fit for purpose going forward, though there is always demand on that end • Modern business parks not the way forward, everyone needs communication links, transports • Shift towards wanting to be in city centres, as opposed to needing a car • There is not a significant established office market in Monmouthshire. There are little bits in Chepstow and Abergavenny, but not major areas, • Former Mitel unit at Caldicot is a very large amount of space, 50,000 sqft vacant, this will be difficult to relet as one unit, not much interest in repurposing at the moment. • Hard to repurpose out of town office stock • Smaller units most in demand • Not many developments unless they are pre-let or pre-sale • Rent at £8-12/sqft depends on size and specification • Can count recent transactions on one hand

Source: Comments from commercial agents, 2022

Summary

- 4.27 The commercial property market in Monmouthshire has diversity of types of stock, size and location. In particular, the industrial market in the County has seen a considerable range of unit sizes transacted over the last decade, from small workshops to large manufacturing and warehousing premises. The southern areas, benefiting from proximity to the M4, are the key areas for larger premises.
- 4.28 The office market is more dominated by small suites, though a smaller number of mid and larger premises have been transacted, indicating some demand for such units. Overall, the transaction volume of offices is less than half (by number of premises) than that of industrial premises.
- 4.29 The feedback from agents operating in Monmouthshire and the surrounding area is that for industrial premises, the rate of stock being transacted is limited by lack of supply of premises. Viability constraints are limiting new stock coming to the market, but when it does, it is taken up quickly.
- 4.30 The office market is slower than the industrial market. It is constrained by larger office nodes in the broader region (e.g. Newport, Cardiff, Bristol) and is also limited by

viability constraints for new development. The continued use of homeworking post-pandemic restrictions is limiting office demand, particularly with Welsh Government's policy of increasing homeworking more generally.

5.0 BUSINESS SURVEY AND CONSULTATIONS

- 5.1 In June 2019, a business survey was completed with 199 different businesses in Monmouthshire. Consequently, the survey took place before the Covid-19 pandemic; however still provides insights as to the reasons firms had for locating in Monmouthshire and the key issues raised are still relevant today. The information from this survey can also provide further analysis into the local commercial property market and provide empirical evidence on the demand for land and property.
- 5.2 This data has been corroborated with a small number of in-depth consultations undertaken with Monmouthshire businesses in May and June 2021, which discuss employment land or premises requirements and key issues affecting businesses in the County. The findings of these are provided after the business survey data findings.
- 5.3 These primary data sources provide insightful market intelligence of the business dynamics in Monmouthshire. Further business consultations were not undertaken in 2022, rather the earlier consultations, along with updated market intelligence from the commercial agents, provide a sufficient profile of business intentions in the market for the purposes of employment land planning.
- 5.4 The views discussed below are those of the individual businesses surveyed at the time of consultation and not the views of BE Group or the Council.

Business Survey Methodology

- 5.5 Businesses were contacted via telephone to answer questions from a structured questionnaire, with the results completed by the surveyor at the time of consultation. The content of the final questionnaire was agreed by the Council. The target business types were those who would be expected to occupy B1, B2 and B8 premises in the County. The questionnaire survey asked for basic information regarding the business and future land/property needs.
- 5.6 The business survey can be found in Appendix 2.

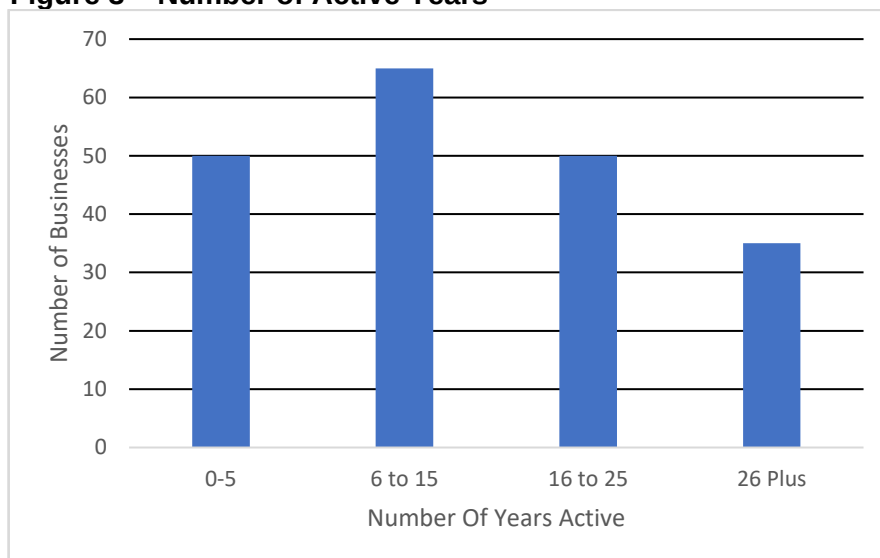
Survey Responses

- 5.7 The responses to each of the survey questions have been consolidated, to ensure the anonymity of individual respondents, and are analysed in the tables/graphs below.

Types of Businesses

- 5.8 The business survey focused primarily on details of current business premises and future space requirements, with little detail requested on the nature of the businesses themselves. Businesses were however asked for how many years they have been trading in Monmouthshire, with the results of Figure 3 demonstrating a relatively stable local business community.

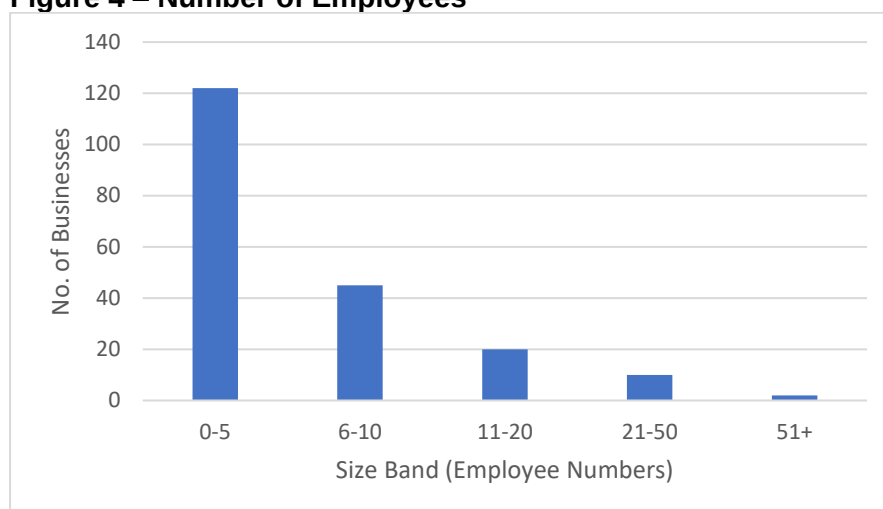
Figure 3 – Number of Active Years



Source: BE Group, 2019

- 5.9 64 of the businesses surveyed (32 percent) indicated that they have been active for between six and 15 years, with 50 having been established within only the last five years (25 percent). 35 businesses (18 percent) reported being older than 26 years, with the longest established company reporting that they were founded 140 years ago.
- 5.10 Businesses were all asked how many members of staff they employ, as per Figure 4.

Figure 4 – Number of Employees



Source: BE Group, 2019

- 5.11 The majority (61 percent) of businesses employ between zero and five people. These 122 businesses demonstrate the importance of smaller enterprises in Monmouthshire. 45 businesses employ between six and ten people and 20 businesses employ between 11 and 20 people. There were only two businesses surveyed who employee 51 people or more. This employee profile is consistent with the statistical information presented in Chapter 3.0 regarding size of business (see Table 11).

Current Premises

- 5.12 Businesses were asked to state the type of property it currently occupiers, i.e. office, warehouse, industrial unit/factory, laboratory or site. The results of this question are displayed in Table 23 below. Businesses could state multiple responses as some may operate from various locations within Monmouthshire, or occupy a hybrid unit, i.e. office/warehouse.

Table 23 – Types of Business Premises*

Type of Premises	Number
Office	101
Warehouse	44
Industrial/factory	57
Laboratory	0
Site	0
Other	73

Source: BE Group, 2019

*Respondents could select more than one option

- 5.13 The highest proportion of businesses surveyed (37 percent) reported occupying an office space. 26 percent of businesses put themselves within the 'Other' category. This will account for those who work from home, as well as businesses who, for example, would classify their working environment as a showroom, rather a strictly industrial facility.
- 5.14 No businesses reported as occupying a laboratory or site space, with the remainder of those surveyed indicating the occupation of an industrial unit/factory (21 percent), or warehouse facility (16 percent).
- 5.15 Businesses were asked whether they owned or rented their current premises and just under 60 percent held the freehold interest in the property. Of these, 62 (31 percent) were in the Other category of type of premises, suggesting home/work arrangements. 50 (25 percent) were office occupiers and 26 (13 percent) occupied an industrial unit/factory. The remainder occupied warehouse space.

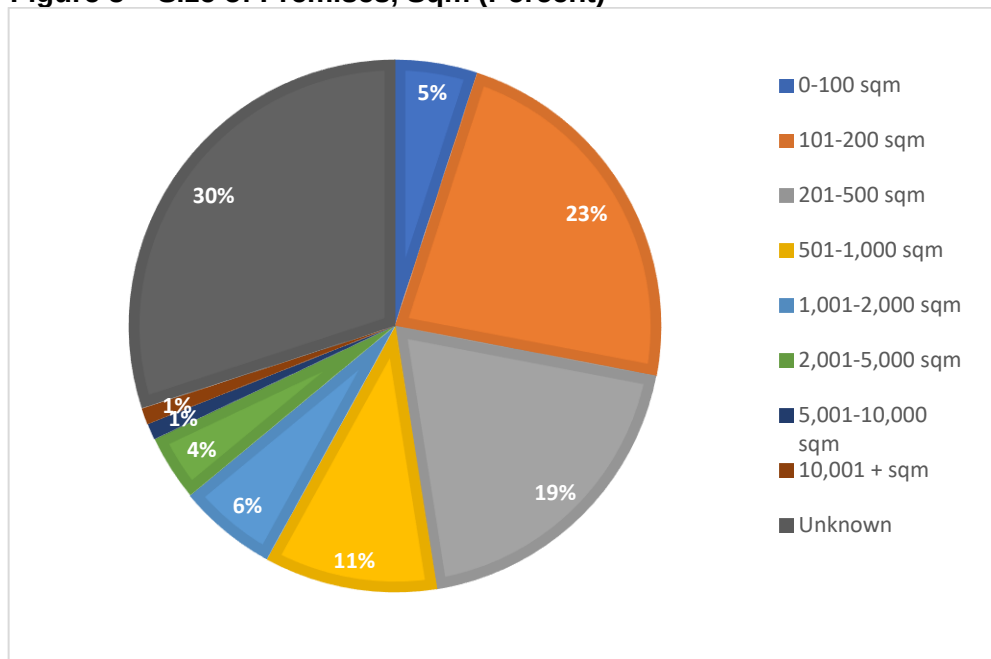
Table 24 – Tenure of Premises

	Owned	Rented
Number of Premises	119	80

Source: BE Group, 2019

- 5.16 Businesses were asked to give an indication of the size of their premises. Figure 5 also illustrates the 'unknown' category, which is explained by the significant number of home-based businesses, unable to give an accurate size reading. The survey sample does however otherwise suggest a positive level of commercial space in Monmouthshire, with examples given up to and above 10,000 sqm. The most common size indicated was 101-200 sqm (23 percent), followed by 201-500 sqm (19 percent). Interestingly, those businesses in the 0-100 sqm (5 percent) category, were relatively scarce. Overall, the size profile is similar to the profile of past transactions reviewed in the previous chapter, with small units being more prevalent.

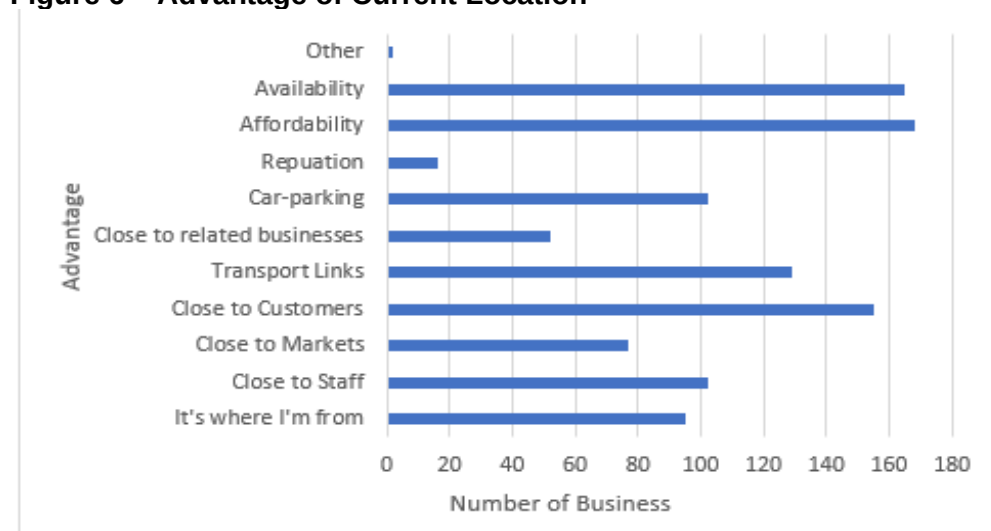
Figure 5 – Size of Premises, Sqm (Percent)



Source: BE Group, 2019

- 5.17 Figure 6 illustrates that affordability and availability are both identified as strong advantages for businesses in their current premises (multiple responses were allowed). Proximity to customer base and local transport links were also identified as positives. Interestingly, reputation of the local area was not mentioned highly, indicating that Monmouthshire operates, to a certain extent, as very much a local base. Though overall, a variety of responses were provided, including several multiple responses, suggesting satisfaction with the local business environment.

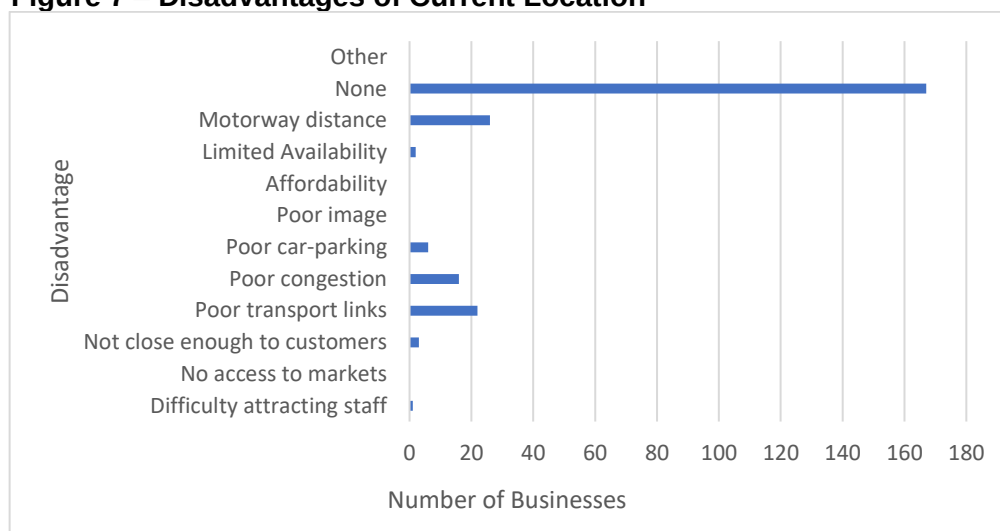
Figure 6 – Advantage of Current Location



Source: BE Group, 2019

- 5.18 Although given the option to identify a number of notable disadvantages to their current premises, many businesses were unable to. Of those who did identify a disadvantage, reasons were primarily focused on transport, for example poor congestion, transport links and parking. Limited availability of commercial premises, and proximity to customers and suitable staff were also highlighted by some. Though, as a positive, the volume of disadvantages cited by respondents was substantially lower than the cited advantages.

Figure 7 – Disadvantages of Current Location

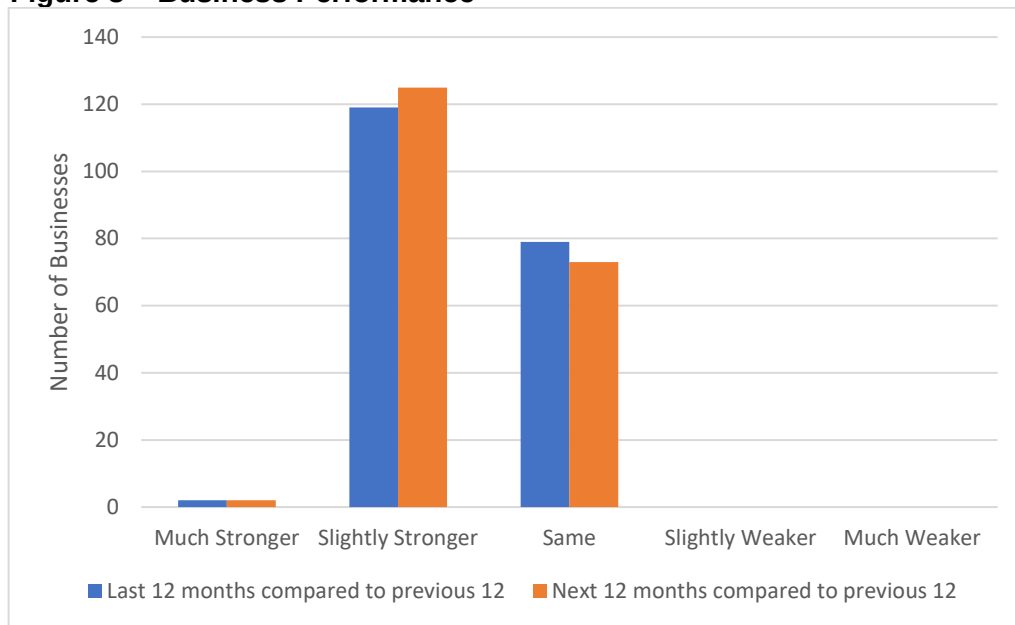


Source: BE Group, 2019

Business Performance

- 5.19 Businesses were asked to indicate whether the performance in the last 12 months had changed (positive or negative), and whether they would expect any relative performance change in the next 12 months.
- 5.20 Figure 8 indicates a confidence in performance as no business suggested that performance is projected to be weaker in the immediate future. This is especially pertinent given the uncertainty of the current political climate. More respondents expected a slightly improved performance than expected the performance to remain unchanged. A small number of businesses highlight that they do indeed expect to be performing much more strongly in the next 12 months.

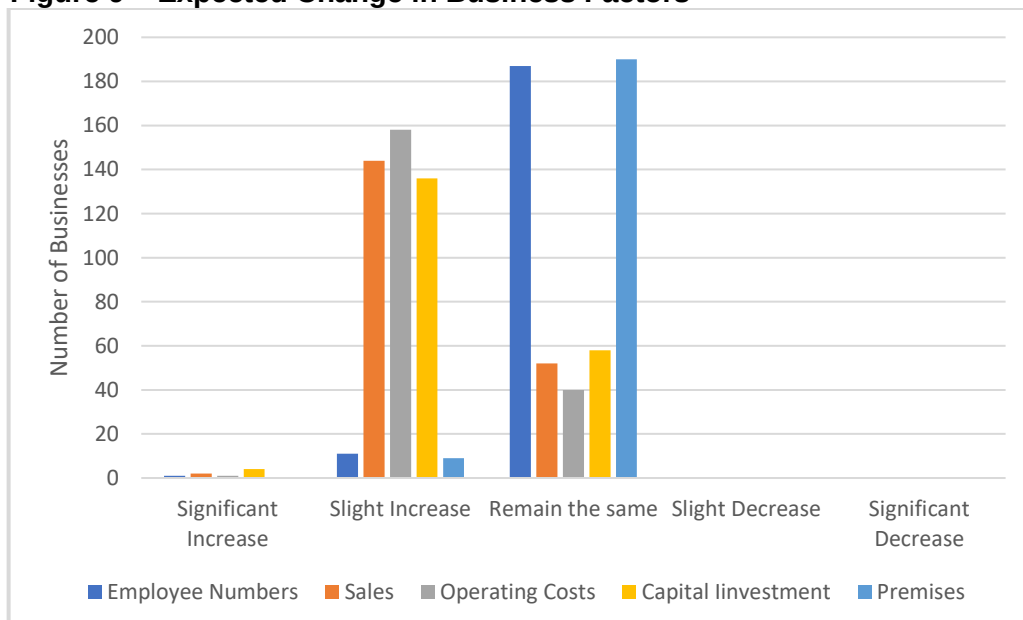
Figure 8 – Business Performance



Source: BE Group, 2019

- 5.21 Businesses generally expect both employee numbers and premises to remain the same within the next 12 months, with indications that sales, operating costs and capital investment will rise. Again, no business indicated that their projections saw any of these factors decrease in the near future.

Figure 9 – Expected Change in Business Factors



Source: BE Group, 2019

Future Requirements

- 5.22 Businesses were asked to state 'yes' or 'no' whether they were considering relocating their business premises. 100 percent of businesses surveyed stated no desire for a relocation or expansion. It is positive for Monmouthshire that there is no desire from these companies for relocation, however, no plans for expansion perhaps suggest a static business market with limited growth potential.
- 5.23 The remaining seven questions in the survey were rendered void as were only to be answered by companies who wished to relocate or expand.

In-depth Business Consultations

- 5.24 One-on-one consultations have taken place with key businesses in Monmouthshire in 2021. The aim was to understand the impacts that Brexit and the Covid-19 pandemic have had on the business, along with if they have any updated property requirements.
- 5.25 The information has been gathered via telephone call with a member of the business and a member of the consultancy team. Any views on Monmouthshire given within these consultations are the views of the individual at the company and may not be representative of the company as a whole, nor are they the views of the Council or consultants, BE Group.

Siltbuster

- 5.26 Siltbuster have been situated in Monmouth since 2003, specialising in wastewater treatment, with the majority of their work for the construction sector. They build containers at their facility in Monmouth which they then rent out to customers across the UK. Their current premise, Williams Building, Kingswood Gate, Monmouth, is the only physical building currently in use. Multiple premises across the UK would not be suitable as their engineers work across the whole country. The premise itself occupies around a third of the total site area (10 acres) with the vacant land being used for storage. There are plans to refurbish and repurpose agricultural buildings on site, turning them into storage units/training facilities/ R&D space. Siltbuster hopes to expand into further international markets and make their premise in Monmouth the company HQ. Therefore, they are looking to continually invest in their current site.
- 5.27 The business currently employs 75 workers with roughly half working on site and the other half working in the field (engineers). Siltbuster are starting to employ workers in various regions across the UK so engineers do not have to be sent from Wales around

the country. The Covid-19 pandemic has accelerated the growth in employment of engineers in various regions. The business has faced some difficulty recruiting staff. Employees are required to have a multitude of skills, thus requiring the majority of recruits to be given further training.

- 5.28 The Covid-19 pandemic has not significantly affected Siltbuster. The business is considered to be essential and therefore has continued to operate throughout the various restrictions/lockdowns implemented. Even so, office staff worked from home and are now offered more flexible working arrangements. 'Build Back Better' government initiative has meant that workload has since increased.
- 5.29 Brexit also only affected the business in a limited way. There is now different paperwork required to deal with the EU but this will become more slick as time goes on. They had an existing customer base in Europe which has remained largely unaffected, but the business is now branching out into markets outside of Europe. The availability of steel has also been an issue. With limited availability, the price of steel has increased. This has increased costs as the business is reliant on the use of steel in the production of containers.

Bucket Manufacturing Company

- 5.30 Bucket Manufacturing Company, founded in 2003, is a Caldicot-based company specialising in the manufacture of excavator attachments. The businesses currently operating out of units 6 C and D (12,500 sq ft) and unit 4 (6,000 sq ft), Bulwark Industrial Estate, Chepstow. Ideally, they would prefer to be in a single, larger unit as operating out of two units creates difficulties in the manufacturing process and increases costs. They have been looking for a new premise for the last two years but have not found anything suitable locally. They want to stay in the Monmouthshire/Newport area in order to retain staff.
- 5.31 The business has struggled to recruit staff to do the manual jobs required as part of the production process, such as welders. Welding is a fundamental part of the production process and cannot be automated in this case. The business uses agencies to find suitable workers and is also in contact with local colleges but still they find that there is a shortage of workers with the skillset required. A small part of this is put down to some workers moving back to Europe as a result of the Brexit referendum.

- 5.32 Aside from a partial loss of workers who are believed to have moved back to Europe, the business has been largely unaffected by the Brexit result. Initial uncertainty did stifle demand, which has since returned.
- 5.33 The business closed for three weeks as the first Covid-19 restrictions were put in place. Staff were then gradually brought back into work as work picked up again. The business' supply chain has been heavily affected with both themselves and suppliers struggling to get hold of materials. A lack of supply of steel has reportedly increased the price by more than 30 percent in the last eight weeks, increasing costs to the business. Additionally, the supply of welding wire is low which affects the ability of the business to manufacture their goods. Lead times are also getting longer from India and China.
- 5.34 The priority for the business is to find a premise which allows the whole manufacturing process to take place in one location. Finding a single premise from which to operate would allow them to be more efficient in the manufacturing process, reduce costs and employ more staff.

Megachem

- 5.35 Megachem specialise in sourcing and selling chemicals to manufacturers of paint, adhesive and plastics. The company's headquarters is situated in Singapore; however it also currently holds a site in Chepstow which it has occupied for the last 15 years. The company is satisfied with the Chepstow premises and emphasised its good location. In the long term the business has growth ambitions in terms of income and employees, however there are no immediate plans to expand or relocate.
- 5.36 The Chepstow premises employs 19 workers with 14 currently working in the office and the additional salespeople working from home. The Covid-19 pandemic has presented a challenge for the company as there have been many supply chain issues, particularly when importing materials from Asia. There has been a global shortage of containers and freight rates have increased from \$900 to \$7,000-\$8,000, increasing costs for the business. On the other hand, the business has also benefitted from Covid as they have managed to secure customers they previously targeted due to their competitors ceasing operations during the pandemic. Additionally, more domestic customers have been gained as Covid-19 presented difficulties in dealing internationally. Consequently, the business had a very strong year with gross profit

rising 31% and business remaining strong enough so that no staff had to be furloughed.

- 5.37 From the perspective of Brexit, the company was inconvenienced by having to understand how the new legislation affected their ability to buy and sell on the European market. The new regulations forced the company to set up a new legal entity in Holland which allows them to continue selling products in the EU. Overall, the whole process did not have a major effect on the business but did create more work and cost.

AI UK

- 5.38 AI UK specialise in the designing of curtain wall systems; it is owned by a global company; however has one large facility in the UK. That facility is located in Chepstow, 360,000 sqm in size and employs 172 people. The company is very happy with the current premises and does not have any requirements for the purchase of new facilities in the UK.

- 5.39 The Covid-19 pandemic meant that 70 members of staff initially worked from home. On-site operations had to be adapted so that employees worked in smaller groups to limit transmission. Other than this, the effects of Covid-19 were limited as being part of the construction industry meant that operations resumed earlier than many other sectors. Subsequently, the business had one of its strongest years on record.

- 5.40 The company were largely unaffected by Brexit as most of the materials used in the production process are sourced from China, rather than Europe. Additionally, the company had made provisions to ensure they would have no shortages in stock or consumables.

BDS Logistics

- 5.41 BDS Logistics specialises in the sale of second-hand telecommunication equipment and provides a logistics service for Mitel. The business operated out of 52B Severnbridge Industrial Estate, Caldicot until February 2021, at which point they decided to not renew their lease of the premise. This is as a result of a decline in demand for second-hand telecommunications, with the Covid-19 pandemic forcing employees to work from home in many cases for over a year. This significantly impacted the success of the business, resulting in BDS Logistics giving up their premise. There are no plans to find a new premise post-covid. The business now

employs 12 workers, who work from the Mitel Distribution Centre, Castlegate Business Centre.

- 5.42 Originally, the business hoped to continue operating from 52B Severnbridge Industrial Estate beyond February on a short-term basis, but, due to the large number of businesses with an interest in the premise, the landlord wanted new tenants in immediately. This highlights the lack of availability of warehousing premises in Caldicot and further afield.
- 5.43 The business has struggled to recruit staff in the past with an apparent lack of warehouse operatives in the area. Previously, staff would be recruited by word of mouth but now job openings are advertised on online job portals and at job centres.
- 5.44 The business was largely unaffected by the UK leaving the European Union.

6.0 EMPLOYMENT SITES

- 6.1 This chapter provides a review of the existing employment allocations (SAE1 sites) as identified in the Adopted Local Development Plan. Further mixed-use sites (SAH sites) that are intended to have a component of B-class employment have also been reviewed.
- 6.2 These sites have been reviewed as to the appropriateness and potential for B-class employment uses for Monmouthshire. They have been critiqued and scored on a range of aspects that would be relevant to the sites' market attractiveness for employment uses.
- 6.3 Comment has also been provided on any existing permissions or current applications for the employment sites.
- 6.4 This assessment is undertaken in Table 25 overleaf. A recommendation is provided in the table as to whether each site should be safeguarded or allocated for employment in the RLDP. The Welsh Government guidance is that employment allocations should not be rolled forward from previous LDP without evidence of their deliverability within the coming plan period. The Candidate Sites assessed are those that were submitted in the second Call for Sites and then subsequently passed an initial sift by the Council that sought to filter out sites that do not meet the initial filtering assessment criteria including compatibility with the Preferred Strategy, site size, a fundamental constraint such as flooding and whether the site is located within the upper River Wye Catchment Area. Sites located within the upper River Wye Catchment Area have been sifted out as a feasible solution for phosphate mitigation at the Monmouth WWTW is improbable during the Plan period.

Table 25 – Employment Sites in Adopted Local Development Plan

Site Ref.	Site Name	Site Description	Constraints	Intended Development Planning Permissions / Candidate Site Submissions	Comments	Recommendations	Site Size, ha - Baseline	Site Size, ha – Realistically Available for B1/B2/B8 Use (Anticipated Land Use – B1/B2/B8)	Should the site be safeguarded or identified for employment uses?
SAE1a	Wales One, Magor (West)	Vacant, flat site currently used for grazing. Alongside existing B1 development (Wales One (East)) and opposite AB InBev brewery. Visible from M4 and proximate to J23A. Wales One (East) is an existing office park with a hotel and was developed by the Charnwood Group, which also own the western site. Landholders: Christopher Mayers and Jonathan Rhodes (most of site) Daisy Vale Ltd		No planning permissions on site. Current application to develop an industrial storage and distribution warehouse together with ancillary offices (B2, B8, B1) is pending consideration (ref. DM/2022/00634). The site has been submitted as a candidate site (CS0038) for commercial uses including B1/B2/B8. It was submitted by The Executors of DG Harris	While close to the M4 and Junction 23A, the link between the Mayers and Rhodes owned site and the junction is convoluted. There are also concerns with access to the site, given it is opposite access point to brewery. Signalised junction and relocation of bus stop may be required, adding to costs. Daisy Vale site is small corner site and not critical to developability of site and note that it is not part of the second call for sites area.	The site should be retained for employment purposes. Logical extension of Wales One (East) uses, developed for similar B1 uses. Supporting uses, such as those seen on the East site (hotel, restaurants, takeaway) are unlikely to be needed to be replicated on the West site. Potential for a high-quality business park development. Appears straightforward to develop. Note applicant's intents for an industrial storage and distribution warehouse with ancillary offices for the site. MCC should ensure that any employment scheme is of a high quality on this high profile site.	4.00	4.00 (B1 primarily, though note application for industrial storage and distribution with ancillary offices)	Yes
SAE1b	Quay Point, Magor	Site south of the AB InBev Brewery. Vacant areas are in a mix of ownerships, including AB InBev. Moderately	- Multiple ownerships - Some sloping	DNS EIA Scoping under consideration (DNS Ref: 01960/ MCC ref:	This employment allocation site to the south of the AB InBev brewery is in six ownerships, including the brewery and private	The site should be retained for employment use. Application for energy generation should be	19.60	13.76 (B1/B2/B8)	Yes

Site Ref.	Site Name	Site Description	Constraints	Intended Development Planning Permissions / Candidate Site Submissions	Comments	Recommendations	Site Size, ha - Baseline	Site Size, ha – Realistically Available for B1/B2/B8 Use (Anticipated Land Use – B1/B2/B8)	Should the site be safeguarded or identified for employment uses?
		sloped in parts, used for grazing, includes farm buildings. Narrow lane through the middle of the site. Access to A4810, connecting to J23A of the M4. Site is between AB InBev and Gwent Europark and thus is in a high-profile corridor. AB InBev has purchase options on some of the land in private ownerships. Landholders: AB InBev UK Ltd Leonard Attewell & Susan Gardner Paul Jones & Joanne Fox-Jones Wayne Humphries Paul Williams Edward Izod Clifford & Brenda Izod Clifford	Access would require upgrades	DM/2022/00954)M agor Net Zero Ltd are proposing to develop a solar and wind power facility on Gwent Level and hydrogen electrolyzers on land to south of brewery. This would be for energy production linked with the brewery. Part of the has been submitted as a candidate site (CS0228 – Land off Green Moor Lane (southern parcel)). The site totals 3.16 and has been submitted for B1/B2/B8 uses. It was submitted by Mr P Williams. Additionally, the whole site has been submitted as another candidate site (CS0258 - Quay Point (Land South of Magor Brewery)). It totals 19.6ha and has been submitted for B2/B8 uses.	residences/farms. The two key obstacles for the development of this site are its multiple ownerships and the control of AB InBev in access and landholdings. Access is also a key issue, with the roundabout adjacent to the site requiring significant reconfiguration if development of significant scale was promoted. This site to come forward would require a leading role from AB InBev, which has landholdings and options on other land. The proposed energy generation would be a low employment yield, but appropriate in this location and a solution to a difficult to develop site. Remainder of the site could be for a mix of employment uses in the medium to long term.	supported. Development of remainder of site would require substantial infrastructure investment, including utilities and access upgrades.		Part of site already developed	

Site Ref.	Site Name	Site Description	Constraints	Intended Development Planning Permissions / Candidate Site Submissions	Comments	Recommendations	Site Size, ha - Baseline	Site Size, ha – Realistically Available for B1/B2/B8 Use (Anticipated Land Use – B1/B2/B8)	Should the site be safeguarded or identified for employment uses?
				This was submitted by Budweiser Brewing Group					
SAE1c	Gwent Europark, Magor	Vacant site, mostly flat with some moderate sloping. Some areas covered by scrub and trees. The site links to a wider employment allocation in the Newport City Council area, which has been developed for warehousing uses. It has frontage to A4810 but would require an access point, potentially through the existing warehousing park on Newport land. Landholders: Kach Capital Estates Studwelders Holdings Ltd Charles Conlin & Rosina Conlin	- Site of Special Scientific Interest (all of site) - TAN15 Development and Flood Risk C1 (part of site) (existing DAM maps) - Defended Zone 3 Sea in updated flood maps. - Multiple ownerships	Extant Reserved matters permission for the construction of a warehouse building for B8 uses and associated infrastructure works and access roads (ref: DC/2007/00835). The site was submitted as a candidate site (two sites CS0252 and CS0227) though removed in initial sifting due to updated TAN15 constraints	The land in the north of the allocation is under the control of Studwelders Holdings, which is a manufacturing business, which has a current unit in Caldicot. Their site straddles the Newport/Monmouthshire boundary. Elsewhere on this employment allocation, land in Kach Capital ownership is intended to be taken forward in short to medium term, for B8 and B2 uses. Identifying appropriate access for this site would be key in opening up the site. Some ground works have been recently commenced on wider site.	The site should not be retained for employment use due to flooding constraints. If these constraints are overcome, the site would be appropriate for a mix of B-class uses, though further infrastructure would be required to open up the south and east of the site.	13.30	0	No, due to updated TAN15 constraints
SAE1d	Westgate Business Park, Llanfoist	Development largely complete. Westgate Business Park currently has a McDonalds, Costa Coffee, Premier Inn, Brewers Fayre and Foxhunters aged care facility.	- TAN15 Development and Flood Risk C2 (small part of NE of site) - River Usk Phosphates Catchment	Permission granted for 24 extra care units (Class C2 use) 03/12/2020 (ref: DM/2019/02012) which is for the spare land to the west of Foxhunters. This would consume the	The Westgate Business Park is largely developed for a variety of uses – pub, hotel, care home, takeaway outlets. The remaining site still within Johnsey Estates control has permission for extra care units and would be for the remaining 1.3 ha that is undeveloped.	The site should not be retained for employment purposes.	5.00	0.0	No

Site Ref.	Site Name	Site Description	Constraints	Intended Development Planning Permissions / Candidate Site Submissions	Comments	Recommendations	Site Size, ha - Baseline	Site Size, ha – Realistically Available for B1/B2/B8 Use (Anticipated Land Use – B1/B2/B8)	Should the site be safeguarded or identified for employment uses?
		Spare land (1.3 ha) is located to the west of Foxhunters, which is flat, though has some spare fill on the site. This land is currently surrounded by boards stating 1,2 and 3 bedroom bungalows will be built in a community for the over 50s. No construction has started.		remaining land within this area.	Therefore not available for B-class employment uses.				
SAE1e	Ross Road, Abergavenny	Flat site, partly covered by trees. Long, narrow site with some hardstand area on site. Alongside Abergavenny Sawmill yard. Relatively narrow access, including tight turn from Ross Rd. Site is in ownership of Robert Price and Sons but there are no immediate plans to develop. Some indications of interest by landholder to develop for residential. SAW1 of the Adopted Local Development Plan as a potential site	- Narrow access and narrow site - River Usk Phosphate Catchment	No planning permissions on this site and no change since 2021. Not brought forward as a candidate site. for employment	Shape, access and topography of site limit development options on this site. While close to A465 junction affords the site key highway linkages, the constraints on the site mean that development for B-class uses will be difficult. Overall, the key obstacle to development is the technical issues. The established entrance would not be acceptable under modern standards. Therefore, redesign of the junction entrance should be considered in order to enable this site to be developed for employment uses.	The site should not be retained for employment purposes. While potentially supportable for small, low-level employment uses, the site has not been brought forward in the call for sites process.	1.5	0.0	No

Site Ref.	Site Name	Site Description	Constraints	Intended Development Planning Permissions / Candidate Site Submissions	Comments	Recommendations	Site Size, ha - Baseline	Site Size, ha – Realistically Available for B1/B2/B8 Use (Anticipated Land Use – B1/B2/B8)	Should the site be safeguarded or identified for employment uses?
		for in-building waste management facility. Landholders: William Godfrey and Tessa Pike							
SAE1f	Newhouse Farm, Chepstow	Vacant site, some significant sloping in east of plot. Gateway position to Newhouse Farm Industrial Estate. Adjacent to J2 of M48, although there is a line of trees which will limit visibility. SAW1 of the Adopted Local Development Plan as a potential site for in-building waste management facility. Landholders: East Mon. Industrial Holding Ltd Michael Anstey and Beryl Rees	Sloped site	No planning permissions on this site. Currently full planning permission (DM/2022/01155) is being sought for the erection of a roadside facility comprising PFS & 2no. Drive thru units. Outline application for storage & distribution/ logistics or industrial & manufacturing floorspace (B2/B8) with all matters reserved except access. This is currently pending consideration. The landholder East Holdings has submitted the site as a candidate site	From a market perspective the site is a strong candidate for employment uses as it is at the junction with the M48 and at the entrance to a substantial industrial estate. However, the topographical issues with the site and the technical options that result from this, mean that the site would be more difficult and expensive to develop. BE Group has had a discussion with the agent representing the landholder and it was stated that this issue has been investigated and that a technical solution is achievable and viable. A portion of the site is currently being marketed by CBRE. They are marketing a 100,000 sqft warehouse on the half of the site closest to the AluK Ltd section of the site. The remaining 1.87ha of the site will likely house non B-class uses such as a Hotel or Drive-thru facilities.	The site should be retained for employment purposes.	4.00	2.13 (the remaining 1.87ha will likely be taken up by non B-class uses)	Yes

Site Ref.	Site Name	Site Description	Constraints	Intended Development Planning Permissions / Candidate Site Submissions	Comments	Recommendations	Site Size, ha - Baseline	Site Size, ha – Realistically Available for B1/B2/B8 Use (Anticipated Land Use – B1/B2/B8)	Should the site be safeguarded or identified for employment uses?
				twice – once for hotel and employment uses (CS00260) and once for the petrol station, drive-thru and employment uses (CS0261)					
SAE1g	South Woodside, Usk	Flat, hardstand site, currently used for overflow parking for neighbouring employment uses and trailer storage. Existing access point from highway. The site itself continues to be used as an overflow as well as storing lorries. Landholders: Richard Etheridge & Janet Etheridge	- Area of Amenity Importance (small part of site) - TAN15 Development and Flood Risk C1 (all of site) - Narrow roads and bridge affecting access - Defended Zone 3 Rivers in updated TAN15 Flood Risk Maps - River Usk Phosphates Catchment	Approvals for temporary storage of lorry trailers, and a current application to renew this approval for 3 years (lodged Jun 2020 – DM/2020/00774) Planning application (DC/2005/00433) for the development of site for light industrial units and associated offices was approved 08/08/2006. This commenced and therefore is extant, but has not been completed.	Site is providing lower order function (outdoor storage, overflow car parking) as support to employment uses to the immediate north with landholders appearing satisfied with current arrangement. If site was to be developed for more intensive uses (e.g. industrial units) this could be achieved either through linking with uses to the north, or separately through the southern access point. If undertaken in conjunction with the northern uses, Wider highways constraints (e.g. bridge over River Usk) are a further limiting factor on this site.	The site should not be retained for employment purposes. While potentially providing a lower order economic function, the site has not been brought forward in the call for sites process and is thus unlikely to be available for employment.	1.30	0	No
SAE1h	Pill Row, Severnbridge Industrial Estate, Caldicot	Flat site, partly covered by trees. Remaining site within Severnbridge Industrial Estate, site is	Partially covered by trees	No planning permissions on this site.	Site is last remaining parcel within Severnbridge Industrial Estate and also abuts residential uses. Landholder has interest in	The site should not be retained for employment use due to flooding constraints.	1.00	0.0	No

Site Ref.	Site Name	Site Description	Constraints	Intended Development Planning Permissions / Candidate Site Submissions	Comments	Recommendations	Site Size, ha - Baseline	Site Size, ha – Realistically Available for B1/B2/B8 Use (Anticipated Land Use – B1/B2/B8)	Should the site be safeguarded or identified for employment uses?
		at the end of a cul-de-sac within the industrial estate. Site backs onto residential lots. Landholders: Allan Home	- TAN15 Development and Flood Risk C1 (all of site) - Zone 3 Sea and Rivers in updated TAN15	Application (DM/2022/00331) for the development of commercial units suitable for use classes B1, B2 and B8 plus associated external works is currently pending consideration. The site has been submitted as a candidate site (CS0007 – Land Adj. Pill Row) with the intention of it being brought forward for Employment. However, the site was removed at the initial sifting stage due to flood risk and updated policy in the updated TAN15. It was submitted by F1 Real Estate Management Ltd.	residential outcome for the site and submitted site as a candidate site for housing during the first call. In terms of access, either industrial or residential options for the site would be feasible, though industrial usage (with access from Castle Court) appears the most straightforward. If developed for residential, access would need to be from Pill Row.	If these constraints are overcome, the site would be appropriate for a mix of B-class uses.			
SAE1i	Beaufort Park, Chepstow	Site is developed for office uses, with last remaining parcel constructed and occupied.	• No constraints	Developed for B1 uses		Site is built out	0.42	0.0	On-going employment use

Site Ref.	Site Name	Site Description	Constraints	Intended Development Planning Permissions / Candidate Site Submissions	Comments	Recommendations	Site Size, ha - Baseline	Site Size, ha – Realistically Available for B1/B2/B8 Use (Anticipated Land Use – B1/B2/B8)	Should the site be safeguarded or identified for employment uses?
		The site is now occupied by a Basepoint business centre and Creo Medical.							
Mixed-use Sites									
SAH2	Crick Rd, Portskewett	Strategic Mixed Use Site. Large, mainly flat site. In ownership of Monmouthshire CC. Partnership involves Melin Homes, Candleston and Monmouthshire County Council. Lovell Homes has been chosen as the preferred developer on a design and build scheme of 269 new homes and a 32-bedroom care home. Landholders: Monmouthshire CC	No constraints	Approval for care and home and residential	To be developed for residential led scheme, not to include B-class employment uses.	Employment on the site will not be within B-class employment uses.	10.95	0.0	No
SAH3	Fairfield Mabey, Chepstow	Strategic Mixed Use Site. Brownfield site, previously used for industry. Site has long river frontage and is close to the Chepstow town centre. Well positioned for a residential-led mixed use development. Barratt Homes and David Wilson Homes	- TAN15 Development and Flood Risk C2 (part of site) - Zone 3 Sea on employment part of site.	Site has outline permission for 450 residential units with permission granted for 0.65 ha of employment land. Detailed permission for 345 dwellings.	Site is under construction though initial focus is on residential components. Barratt Homes have allocated a space on their site plan for commercial uses. This site is located at the north end of the housing estate directly on the River Wye. This means the site is disconnected from	Site should be developed according to approvals, including development of 0.65 ha of employment land. The priority for the site at present appears to be for residential dwellings and Council should continue to encourage	16.1	0.65 (B1)	Yes, in accordance with approvals and subject to satisfying the justification tests set out in TAN15 (Dec 2021)

Site Ref.	Site Name	Site Description	Constraints	Intended Development Planning Permissions / Candidate Site Submissions	Comments	Recommendations	Site Size, ha - Baseline	Site Size, ha – Realistically Available for B1/B2/B8 Use (Anticipated Land Use – B1/B2/B8)	Should the site be safeguarded or identified for employment uses?
		are currently developing a housing estate called the Brunel Quarter on the site.		No application for the employment element submitted.	Chepstow's existing commercial nodes, reducing attractiveness. However, an office building overlooking the river may remain attractive. The flood risk associated with the close proximity to the river is a factor that must be considered in any development.	the employment component of the site.			
SAH4	Wonastow Rd, Monmouth	Strategic Mixed Use Site. Residential component of the site is the King's Wood Gate, which has been completed. Employment component is at the southern entrance, alongside Wonastow Rd. Employment land is partially developed, including Siltbuster building (approx. 3,000sqm). Siltbuster has further land under its control for further B-class uses and has indicated that they would look to expand within 5 years	- TAN15 Development and Flood Risk C1 (part of site, not on land identified for employment uses) - Defended Zone 2 Rivers on part of site (not on land identified for employment uses). - Small amount of Zone 2/3 Surface Water Flooding within site. - Upper River Wye	Most of the site has proceeded in accordance with planning permissions on site. Outline permission was for up to 370 dwellings and 6.5 ha of employment land (B1 and B8) A portion of the employment element of the site forms part a submitted candidate site (CS0274 – Land north of Wonastow Road) This site totals 10.97 ha and was brought forward for mixed use Residential, Employment	The two remaining parcels of employment land are under the ownership of Siltbuster and Tri-Wall respectively. Consequently, these pieces of land allow these two companies the ability to expand should they choose to.	The employment component of this site should be retained for employment purposes.	33.36	0.0	While 1.64 ha remains undeveloped within employment areas at this allocation, its phosphates catchment constraint mean it cannot be relied upon for part of the employment land supply at this stage.

Site Ref.	Site Name	Site Description	Constraints	Intended Development Planning Permissions / Candidate Site Submissions	Comments	Recommendations	Site Size, ha - Baseline	Site Size, ha – Realistically Available for B1/B2/B8 Use (Anticipated Land Use – B1/B2/B8)	Should the site be safeguarded or identified for employment uses?
			Phosphates Catchment	(C3/B1/B2/B8) and Community Use.					
SAH5	Rockfield Farm, Undy	Strategic Mixed Use Site. Large, slightly sloped site between settlement area of Undy and M4. MCC and Bellway Homes are owners of the site. Bellway Homes are currently constructing the residential component of the site, branded as Greystone Meadows. 3.21 ha commercial development site currently be marketed for sale by MCC (though net developable area still likely to be about 2 ha).	- The site is partially located within Flood Zone B - Trees on site - Watercourses on edge of site - Footpath on edge of site	Outline approval for 266 residential units and 5,575 sqm B1 floorspace on approximately 2 ha. Reserved matters application (DM/2021/00358) for the provision of 5,575 sqm B1 employment space was submitted March 2021 and is currently pending consideration.	Employment site currently being marketed as a development site by MCC (advertised as a 3.21 ha parcel). Depending on private sector interest, MCC may need to consider developing the site itself to bring forward. B1 uses would compete with Wales One at Magor, which has better access and profile.	The employment component of this site should be retained for employment purposes. Uses would predominantly be B1 uses, though smaller, complementary low-impact B2/B8 uses could be supported (with planning approvals).	11.00	2.0 (approx.)	Yes

Sources: Adopted Local Development Plan, planning applications, BE Group assessment, 2022

6.5 Table 26 below summarises the employment allocation sites that have some realistically developable employment land. **The total realistic supply of employment land in Monmouthshire is 22.54 ha, comprised of 19.89 ha of employment sites and 2.65 ha of Mixed-Use Sites (employment component only).**

Table 26 – Employment Sites with Realistically Developable Land

Site Ref.	Site Name	Area (Ha)	Type of Employment Site	Realistic Supply for B-Class Uses (Ha)
Employment Sites				
SAE1a	Wales One, Magor (West)	4.00	B1	4.00
SAE1b	Quay Point, Magor	19.60	B1, B2, B8	13.76
SAE1c	Gwent Europark, Magor	13.30	B2, B8	0.00
SAE1d	Westgate Business Park, Llanfoist	5.00	B1	0.00
SAE1e	Ross Road, Abergavenny	1.50	B1, B2, B8	0.00
SAE1f	Newhouse Farm, Chepstow	4.00	B1, B2, B8	2.13
SAE1g	South Woodside, Usk	1.30	B1, B2, B8	0.00
SAE1h	Pill Row, Severnbridge Ind. Est., Caldicot	1.00	B1, B8	0.00
SAE1i	Beaufort Park, Chepstow	0.42	B1	0.00
Mixed-Use Sites – Employment Component				
SAH2	Crick Rd, Portskewett	10.95	Care home	0.00
SAH3	Fairfield Mabey, Chepstow	16.10	B1	0.65
SAH4	Wonastow Rd, Monmouth	33.36	B1, B8	0.00
SAH5	Rockfield Farm, Undy	11.00	B1	2.00
Totals		121.53		22.54

Sources: Adopted Local Development Plan, Employment Land Background Paper, planning applications, BE Group assessment, 2022

6.6 It should be noted that some sites have been removed since the last iteration of the ELR for three reasons:

- Updated TAN 15 flooding provisions – sites at Gwent Europark and Pill Row have been removed from the list of realistically available sites, reducing supply by 14.3 ha
- Sites not being brought forward by landholders in most recent Call for Sites process – Ross Road and South Woodside have not been promoted, which reduces supply by 2.8 ha
- Sites that fall within the upper River Wye phosphates catchment area and thus are subject to phosphates constraints (remaining area at Wonastow Road, Monmouth).

6.7 Therefore, there is some 18.7 ha of land that was considered available for employment development, but is now not classified as realistically available for employment uses over the forecast period.

6.8 This reduction in choice leaves Quay Point as the only site of significant size within Monmouthshire available for employment uses, comprising 61 percent of the available land.

Site Grading

6.9 All sites with available land have been graded using a standard scoring system (see Appendix 3) which reflects guidance in 'Employment Paper for SEWSPG: A Common Methodology for Undertaking Audits of Employment Sites as Part of an Employment Land Review in South East Wales' (Report of the Pathfinder Group, 2017). Each site is scored out of 20, made up of four individual measures, each scored out of five – Accessibility, Internal Environmental Factors, External Environmental Factors and Market Attractiveness (see Table 27). Those sites with no realistically available land are not included. Results are provided in Appendix 4.

Table 27 – Sites Scoring

Site Ref.	Site Name	Site Size, ha – Realistically Available for B1/B2/B8 Use	Total Score, Max 20
SAE1a	Wales One, Magor (West)	4.00	17
SAE1b	Quay Point, Magor	13.76	13
SAE1f	Newhouse Farm, Chepstow	2.13	17
SAH3	Fairfield Mabey, Chepstow	0.65	15
SAH5	Rockfield Farm, Undy	2.00	12

Source: BE Group, 2022

6.10 The highest scoring sites are Wales One and Newhouse Farm, reflecting their prominent positions and complementary neighbouring uses. All sites with some remaining employment land score satisfactorily.

Existing Employment Areas

- 6.11 This section reviews the existing employment areas in Monmouthshire for their on-going appropriateness for employment uses. These sites have considered factors such as condition of premises, vacant premises, market attractiveness and location.
- 6.12 The table overleaf provides a summary of each existing employment area in Monmouthshire. The table includes site scoring for each area, based on similar scoring as was undertaken for the employment sites, but also incorporating an assessment of the existing premises and external areas. Each site is scored out of 30, made up of six individual measures, each scored out of five – Accessibility, Building and Site Quality and Characteristics (Overall Building Quality and Overall Site Quality), Environmental Factors (internal and external) and Market Attractiveness. This is a means of assessing and comparing the sites, through a grading of several qualitative factors.
- 6.13 Some existing employment areas are now considered higher risk areas within the updated TAN 15 guidance, which is likely to limit regeneration and intensification potential of these areas. However, as existing and functional areas, they would still have on-going uses as employment nodes.

Table 28 – Existing Employment Areas – Assessment Summaries

Site Ref	Comments	Vacant Parcels of Land on Existing Site	Site Scoring, Max 30	ELR Recommendation for the RLDP
SAE2a - Mill St, Abergavenny	Busy industrial, trade services and retail area in Abergavenny. Key occupiers are Aldi and Screwfix, with other uses being auto repairs and trade services. Crowded location, with some car-parking difficulties and narrow laneways. Central location in Abergavenny, near to high street and thus is attracting non-B-class uses (e.g. Aldi). Likely to be continued pressure for non-B-class uses on this site. However, the overall function of the site as a node providing an array of trade services and local employment is on-going. Aldi submitted a planning application (DM/2019/01794) for the demolition and re-siting of ATS car service centre, to extend the foodstore and reconfigure the car park. This was approved 29/2/2021 and construction is currently underway. Large section of site in Zone 2 Rivers in the updated TAN15. River Usk Phosphates Catchment	No vacant land	19	Retain for employment
SAE2b - Lower Monk St Abergavenny	Industrial and trade services node to the north of the Abergavenny town centre. Older units, some in a poor state of repair. Node is anchored by Travis Perkins, which has a site to the rear of the site. Traffic flows through the site are difficult, with a cul-de-sac and on street parking disrupting flows. Site is surrounded by residential uses, which prevent any opportunities for expansion and present potential areas of conflict. Approximately half the site is in Zone 3 Rivers in the updated TAN15. River Usk Phosphates Catchment	No vacant land	15	Retain for employment
SAE2c - Union Rd, Abergavenny	Industrial estate comprised of smaller units. Primarily a node for auto servicing, the site also has a range of other industrial uses. It has a disjointed layout and does not function as a single node, rather a loose agglomeration of uses. Units are of a variety of standards, though most are of a basic or moderate quality. Some of the streets are tree-lined which improves the amenity of the site and shields some uses from the highway. Busy node, with some on street parking. River Usk Phosphates Catchment	No vacant land	19	Retain for employment

Site Ref	Comments	Vacant Parcels of Land on Existing Site	Site Scoring, Max 30	ELR Recommendation for the RLDP
SAE2d - Hatherleigh PI, Abergavenny	North of SAE2c, this node is a mix of uses including offices, storage, retailing, industry and car sales. Building forms are also varied, including older stonework premises, garages, workshops, etc. Internal roads are very narrow. While some of the site has frontage to the A4143, trees effectively shield any visibility from the A-road. Access is via Union Rd. CS0178 - Mixed use: Retail/Professional services/Food outlets (A1/A2/A3), Employment (B1/B2/B8), Health/leisure (D1/D2) and Sui Generis on 0.67ha of site. CS0286 - Mixed use: Retail/Professional services/Food outlets (A1/A2/A3), Employment (B1/B2/B8), Health/leisure (D1/D2), Sui Generis and Residential (C3) on 0.67ha of site. River Usk Phosphates Catchment	No vacant land	19	Retain for employment
SAE2e - Ross Rd, Junction Yard, Abergavenny	Disused timber storage yard. Narrow site, with narrow access point. Site abuts SAE1e. Site now cleared. Alternative uses are likely to be low level storage, including open storage. River Usk Phosphates Catchment	Full site vacant	17	Retain for employment, though if SAE1e not retained for employment, it further reduces the attractiveness of this site.
SAE2f - School Hill, Chepstow	Small node in Chepstow, comprising two trade counter uses, child play centre and a dance studio. Therefore, no B-class uses, though trade counter units could be repurposed for industrial. Site is cramped, with limited parking and narrow access. Acting as a fringe of town centre use and is surrounded by a mix of other commercial uses and residential dwellings. May be pressures for reuse of this area in the longer term.	No vacant land	16	Do not retain for employment – no B-use class uses on site.
SAE2g - Station Rd, Chepstow	Loose collection of uses to the south of Tesco in Chepstow, including 2-3 storey, good quality offices, building suppliers, industrial units and trade counters. Site is alongside Chepstow train station, although the uses are not oriented to the station and co-location opportunities have not been realised. Range of building standards, from basic to very good. Application DM/2021/01462 was approved in October 2021 that proposed a change of use of part ground floor from office (Class B1) to a dental surgery (Class D1).	No vacant land	20	Retain for employment
SAE2h - Job Centre, Chepstow	Single occupier site (Job Centre), north of SAE2g. Triangular site framed by Station Rd, Forest Sand and the Chepstow train station car park. Good quality office building with some off-street car-parking.	No vacant land	24	Retain for employment
SAE2i - Bulwark Rd, Chepstow	A significant industrial estate in Chepstow, with a variety of occupiers, including auto repairs, engineering and bus depot. Site includes several non-B-class occupiers, including sui generis (car wash, plant hire), retailing, gym, particularly at the frontage to Bulwark Rd. Buildings are in a moderate state of repair. Industrial units are low-ceiling and would be unsuitable for some modern uses. Surrounding uses include retailing, community club and residential dwellings. Application DM/2021/01507 recently approved on adjacent site which proposes to demolish the former Severn Bridge Social Club and erect a supermarket, car parking, landscaping and all associated works.	No vacant land	19	Retain for employment and resist further encroachment of non-B-class employment uses where possible.

Site Ref	Comments	Vacant Parcels of Land on Existing Site	Site Scoring, Max 30	ELR Recommendation for the RLDP
SAE2j - Beaufort Park, Chepstow	Office and retail park at Junction 2 of the M48. Modern development with good quality buildings. Individual plots have off-street parking, however, internal roads are still used for worker parking. Basepoint Business Centre is an important serviced office use. Now that SAE1i has been developed, this should be absorbed into SAE2j	No vacant land	25	Retain for employment – add completed SAE1i allocation to protected employment allocation/
SAE2k - Newhouse Farm, Chepstow	Large industrial location south of Junction 2 of the M48. Site of several large logistics and general industry operators, including Asda, AluK, Reid Lifting, Zenith Logistics, Bond International, Bidfood. Important location for employment and has a strategic role in the market. Wide internal streets for HGV movements. Most recent development was Mon Motors unit (site 3.72 ha). Key employment node within Monmouthshire Zone 3 Sea on majority of site, though not for remaining vacant land. Remainder of Newhouse Farm Industrial Estate land (SAE1f and thin tract of land to the north of SAE2k) has been brought forward as a candidate site for two options: CS0260 – Land South of Junction 2, M48 – Option 1: Mixed Use: Hotel (C1), Employment (B1/B2/B8) submitted by East Mon Holdings CS0261 Land south of Junction 2, M48 (Option 2: Mixed Use: Petrol Station (Sui Generis), Drive-Thru (A1/A3), Employment (B1/B2/B8) submitted by East Mon Holdings	SAE1f is vacant and has been brought forward as a candidate site. Site is currently being marketed.	25	Retain for employment
SAE2l - Wonastow Rd, Monmouth	Wonastow Rd industrial area is the primary industrial node in Monmouth and an important location in the northern half of the county. This node includes a range of engineering, storage, building suppliers, office and auto service uses. Some operators have links to the surrounding agriculture sector. Internal roads have on-street parking. Mainly moderate level industrial buildings, with low ceiling heights. Defended Zone 2 Rivers and defended Zone 3 Rivers in part in updated Tan15. Upper River Wye Phosphates Catchment	No vacant land	19	Retain for employment
SAE2m - Mayhill/Hadnock Rd, Monmouth	Older industrial node in the east of Monmouth. Hadnock Rd is a relatively narrow road. Premises look tired and under-utilised. Several vacancies were observed in this locality, most of which were the larger unit sizes, appropriate for B2 uses. A secondary location at the intersection of Hadnock Rd and the A4136 appears to be performing better, with a higher profile site and more modern premises. The two locations are separated by a school. Good connection to the A40, which connects to M50 to the north. Zone 3 Rivers in updated TAN15. Upper River Wye Phosphates Catchment	No vacant land	15	Retain for employment

Site Ref	Comments	Vacant Parcels of Land on Existing Site	Site Scoring, Max 30	ELR Recommendation for the RLDP
SAE2n - Tri-Wall, Wonastow Rd, Monmouth	Single occupier site. Tri-Wall is an important Monmouth business and key employer. Site is south of the Wonastow Rd industrial area. Some landscaping to shield uses from the road. Defended Zone 2 Rivers in updated TAN15. Upper River Wye Phosphates Catchment	No vacant land	22	Retain for employment
SAE2o - Magor Brewery, Magor	Large brewery site with several buildings on site. Site is in excellent location, south of Junction 23A of the M4. Several of the buildings are special-purpose for brewing and would not be easily repurposed if another occupier were to acquire the site.	No vacant land	24	Retain for employment
SAE2p - Severnbridge, Caldicot	Large, sprawling industrial estate, providing a broad range of unit sizes, from small workshops to large factories. Estate has wide streets and some streetscaping. Most land parcels have off-street parking. Castlegate Business Park (owned by MCC) in the north of this node comprises office uses. Mitel, one of the largest occupiers at Castlegate Business Park, recently vacated their space, leaving 4,241 sqm unused, which may take a considerable time to reoccupy. Approximately two-thirds of site is within Zone 3 Sea in the updated TAN15.	Only vacant land is SAE1h, which is flood-affected and not being retained for employment.	22	Retain for employment
SAE2q - Cheeseman's IE, Rogiet	Small industrial node on Rogiet Rd, containing older workshop units and BP. Site backs on to M48 corridor, though is not near a junction. No significant visibility from motorway. Development of land is reasonably low intensity. To the east of the site is agricultural fields, which could provide expansion option (subject to planning), though it is doubtful that there would be demand for further land in this area. Zone 3 Sea in updated TAN15.	Only vacant land has been submitted as candidate site CS0255 which proposes to convert the car park into employment uses (B2/B8)	18	Retain for employment
SAE2r - Progress IE, Rogiet	Small industrial node, hidden behind residential dwellings. Site backs onto a rail corridor, near the Severn Tunnel Junction station. Access is through residential streets. Buildings are of a moderate quality. Location and access suggest that the site is not suitable for employment premises in the longer term and once the buildings become uneconomic there may be pressure for a reuse to non-B-class uses, including redevelopment for residential. Zone 3 Sea in updated TAN15	No vacant land	13	Do not retain for employment – access is through residential streets and buildings of moderate quality. Location and access suggest site is not suitable for employment premises in the longer term.

Site Ref	Comments	Vacant Parcels of Land on Existing Site	Site Scoring, Max 30	ELR Recommendation for the RLDP
SAE2s - Former Railway Goods Yard, Usk	Small site on the A472 on the western approach to Usk. Site is comprised of a small garage and two small vacant premises. Other uses include some outdoor storage area and hardstand area that appears disused. Site is surrounded by trees and forms part of the boundary of the settlement of Usk. Note that the site has been submitted for residential uses in Call for Sites process Defended Zone 3 Rivers in updated TAN15. River Usk Phosphates Catchment	Underutilised hardstand area.	14	Do not retain for employment
SAE2t - Cuckoo's Row, Raglan	Site is comprised of Frank Sutton Engineering, an agricultural machinery sales, storage and service area. Some of the site appears to be underutilised (e.g. derelict building) and some used for outdoor storage. However, core areas are in good condition. Serves a rural function. Upper River Usk Phosphates Catchment	Some underutilised areas	19	Retain for employment
SAE2u - Raglan Enterprise Park, Raglan	Small row of workshop and storage units on Chepstow Rd, owned by MCC. The units are in moderate condition. The units generally are occupied by SMEs. River Usk Phosphates Catchment Enterprise Park is within a larger Candidate Site submission – CS0069 – Raglan Enterprise Park for Employment (B1) and Renewable Energy (Solar on 12.80ha land. Submitted by MCC.	No vacant land, though surrounded by a candidate site	18	Retain for employment
SAE2v - Mamhilad	Part of a larger employment area that extends into Torfaen, with most of the node within Torfaen. The Monmouthshire component comprises good quality units, being a mix of storage (including outdoor storage) and office space. Composite Metal Forming and Monmouthshire Housing Association are the two occupiers. Car parking is provided within each land parcel. This estate includes some landscaping, including trees that provide screening from the main roads. Functionally it is more strongly linked to Torfaen than to Monmouthshire. Zone 3 Rivers in updated TAN15. River Usk Phosphates Catchment	No vacant land, though some of the site is developed at a relatively low intensity	22	Retain for employment
SAE2w - Wales One (east), Magor	Office, hotel and retail site at Junction 23A of the M4. High profile site with modern office space, including traditional office space and services offices. Non-B-class uses form a significant component of the total floorspace and comprise Ty Magor hotel (formerly Hampton by Hilton), restaurants, childcare nursery and takeaway premises. Includes internal car-parking. Adjacent area has a current application for Bio-CNG vehicle refuelling facility.	No vacant land	27	Retain for employment

Site Ref	Comments	Vacant Parcels of Land on Existing Site	Site Scoring, Max 30	ELR Recommendation for the RLDP
SAE2x - Woodside IE, Usk	Collection of older industrial workshop units, west of the River Usk. Close to the town centre of Usk, though access is through narrow roads, particularly the bridge that crosses the river. Units are comprised of engineering works and auto servicing outlets. BP petrol station fronts the site. Parking is within the site. Movement through the site is not easy, with a confusing layout of buildings and poorly defined access point. Defended Zone 3 Rivers in updated TAN15. River Usk Phosphates Catchment	No vacant land	13	Retain for employment
SAE2y - Avara Foods, Abergavenny	Single occupier site at the intersection of the A40 and A465 at Abergavenny. Access is via the A465, though site is fully screened from the A465 by trees. Car-parking is internal to the site. Occupier is a food processor. Part of the site is crossed by high voltage power lines. Low intensity of development on site, though unlikely to be available in foreseeable future for general employment market. River Usk Phosphates Catchment	No vacant land, though site is developed at a low intensity	26	Retain for employment
Nantgavenny Business Park, Abergavenny	Relatively newly built business park containing B1/B2 uses. to be fully occupied. The A465 appears close, however a junction is not close by. Car parking is internal to the site. Good quality units.	Vacant land at the back of the Business Park has been submitted as Candidate Site CS0266	22	Retain for employment

Sources: Monmouthshire CC, BE Group 2022

- 6.14 Wales One (east), Avara Foods, Newhouse Farm and Beaufort Park scored highly, reflecting their prominence in the market, key strategic locations and modern premises. Progress Industrial Estate, Woodside Industrial Estate and the former Railway Goods Yard at Usk received the lowest scores, due to the state of their premises and poor accessibility.

Candidate Sites

- 6.15 BE Group has reviewed the employment candidate sites that Monmouthshire County Council has received through the second round of the Call for Sites process. These sites have been submitted with the intents that they would wholly or partly comprise employment uses. The sites have been assessed through site inspections and a review of their constraints. The candidate sites have been scored in an analogous manner to the assessment of the employment sites above, with a maximum score of 20.
- 6.16 Sites have been submitted through two rounds of Call for Sites. The sites submitted in the first round were reviewed in the earlier iterations of this ELR. The below assessment reviews the sites submitted in second Call for Sites. Landholders were asked by Council to resubmit sites in the second round if they wished to retain their interest in development. Sites not resubmitted as part of the second call have been discounted from the process. Candidate sites put forward for employment use that have been sifted out by the Council due to issues including flood risk constraints and incompatibility with the strategy have not been assessed as part of the ELR. Employment related Candidate sites within the upper River Wye Phosphates Catchment Area have been assessed as part of the ELR, but will not progress in line with the new Preferred Strategy (Dec 2022)
- 6.17 The table overleaf provides a review of these sites. This includes a comment on whether the site should be further considered for employment uses, which would be subject to the overall RLDP Preferred Strategy for Monmouthshire. Those sites that have been recommended for further consideration would need to undergo more detailed site assessment to ensure appropriateness for and deliverability of employment uses on site.

Table 29 – Candidate Sites Submitted with an Employment Element

2 nd Call Site Ref.	Site Name	Site Description	Constraints	Proposed Use	Recommendations	Site Size, ha - Total	Site Size, ha – Potential for B1/B2/B8 Uses	Should the site be further considered for employment uses?
CS0009	Land at Former MoD Training Facility, Caerwent	High profile brownfield site with a derelict building on site. The site is rectangular and sloped slightly. The current access to the site is narrow and requires a sharp turn off the A48 at a point where there are two lanes travelling each way and traffic is moving quickly.	Potentially in FW Green Belt	Mixed Use: Residential (C3), Care (C2), Employment (B1), Community Use (D1)	No other employment uses are around so the site. Consequently, the site could accommodate B1 in order to support residential or however without residential coming forward the site would not support B1 on its own.	4.2	B1 employment uses would be ancillary to the primary uses which would be care or residential.	Yes, though only ancillary to other uses
CS0016	Land to the east of Little Mill	Moderately flat, greenfield site to the east of Little Mill, a small rural settlement on the A472. Brought forward as a predominantly residential scheme with 0.2 ha proposed for employment.	River Usk Phosphates Catchment	Residential and Commercial Hub (B1/B8)	Employment uses at this site would only be of very small scale – workshops, storage or office space servicing the rural economy. If developed as part of the residential scheme could provide local employment opportunities, though unlikely to come forward without residential scheme.	4.06	0.2	Yes
CS0038	Land West Wales One Business Park, Magor	Site is an allocated employment site SAE1a – see Table 25 Slightly different area boundary, Daisy Vale Ltd land excluded.		B1, B2 and B8	Site is recommended for B1 office uses, though if applicant demonstrates demand for B2 and B8 uses, this could be supported, providing they are high quality uses appropriate for this high-profile site.	3.84	3.84	Yes
CS0051	Land at Croft Y Bwla Farm, Monmouth	Large, moderately sloped greenfield site with trees and overhead lines in the middle of the site. The site is removed from Rockfield Road and access to the site is currently via a long dirt road or requires traversing a resident's driveway. Consequently,	Upper River Wye Phosphates Catchment	Residential & Employment	Site impacted by River Wye phosphates catchment constraint. If this can be resolved, it is likely that development here will be residential led with small scale employment to support that. A masterplan would be needed for the whole site in order to	49	0.0	No. Sites within upper River Wye phosphates catchment not being progressed

2 nd Call Site Ref.	Site Name	Site Description	Constraints	Proposed Use	Recommendations	Site Size, ha - Total	Site Size, ha – Potential for B1/B2/B8 Uses	Should the site be further considered for employment uses?
		access would need to be created. The site is close to a residential estate and removed from employment nodes.			determine the scale of employment.			
CS0069	Land adj Raglan Enterprise Park, Raglan	Large, moderately sloped agricultural site west of Chepstow Rd. Site is adjacent to MCC-owned Ragland Enterprise Park, which has a small number of workshop/storage units.	River Usk Phosphates Catchment	Employment and renewable energy	Expansion of employment uses at this location could provide small-scale units for local needs. Could be marketed as complementary to renewable energy use or generic employment units. Most of the site to be used for renewable energy, but should include allocation of units for some of needs of northern part of County.	12.8	1.0 (approx.)	Yes, though would need to demonstrate further evidence of need
CS0136 & CS0272	Land adj Rockfield Road, Monmouth	Disused poultry sheds to the east of Rockfield Rd. Site is flat and access could be secured to Rockfield Rd. Site is to the north of new, small retailing node, including Co-op.	- TAN15 Development and Flood Risk C2 (most of site) - Zone 2 (Rivers) in updated TAN15 - DES2 amenity land - Upper River Wye Phosphates Catchment	CS0136: Residential, B1 and Healthcare. CS0272: Employment (B1 new build)	Site impacted by River Wye phosphates catchment constraint. If this can be resolved, site is reasonable for residential and healthcare operations, being close to services and not impacted by other uses. B1 to support the core uses would be appropriate if small scale. Development would be dependent on TAN15 C2 constraints. The site is also subject to the River Wye phosphates issue which would have to be addressed. The site is unlikely to come forward as a B1 employment site its own as the CS0272 submission proposes.	1.3	0.0	No. Sites within upper River Wye phosphates catchment not being progressed

2 nd Call Site Ref.	Site Name	Site Description	Constraints	Proposed Use	Recommendations	Site Size, ha - Total	Site Size, ha – Potential for B1/B2/B8 Uses	Should the site be further considered for employment uses?
CS0139	Former Petrol Station, Llanover	Slightly sloped site used for cropping. Adjacent to employment uses (office units) at Llanover Business Centre. Frontage on A4042	• Conservation Area • River Usk Phosphate Catchment	Employment (B1) (including farm shop A1)	Potential for further stage of Llanover Business Centre if required, or to provide workshop units to serve rural economy. Support development of small scale workshop units, potentially phased.	2.17	2.17	Yes
CS0154	Land north M48, Chepstow	Land to the north of Junction 2 of the M48. Excellent, high profile position, slightly sloped. Greenfield.	• Green Wedge • Mineral Safeguarding Area • Conservation Area	Hotel	Site with potential for a range of uses, including hotel as proposed, or business park (B1), retailing, services etc. Could be suitable for uses similar to Beaufort Park opposite.	1.8	1.8	Yes, though note current preference for hotel use by submitter.
CS0178 & CS0286 (with Resident ial)	The Abergavenny Workhouse, Abergavenny	Part of SAE2d (see Table 28). Current uses are a mix of offices, storage, retailing, industry in a variety of buildings. Potential regeneration opportunity.	• Access • Existing uses • Listed Building on site • River Usk Phosphates Catchment	Mixed use or Commercial	Regeneration of uses is supported, though would look to retain as a mix of B-class uses.	0.67	0.67	Yes, support on-going employment uses and regeneration opportunities for employment.
CS0213	Abergavenny Urban Extension, Abergavenny	Site to the east of A645 and south of B4233. Some trees and sloped areas, some areas used for agriculture. Development of this area would represent an extension of Abergavenny east of the A645. Reasonable location for expansion if demand exists.	• Partially covered by trees • River Usk Phosphates Catchment	Mixed Use	Masterplan required. Large site could support element of employment uses, particularly if access to the A465 was secured. Development would be residential-led, but good potential for employment uses.	24.75	Support up to 5 ha, though further investigation required to determine scale	Yes, though dependent on masterplan and phosphate concerns.
CS0228	Land off Green Moor Lane, Magor	Part of the larger employment allocation SAE1b and part of larger candidate site CS0258.	• Multiple ownerships • Some sloping	Employment (B1/B2/B8)	The site should be retained for employment use but development would require significant infrastructure investment, including utilities and access upgrades. Uses would be	3.16	3.16	Yes, though likely to require cooperation with AB InBev and

2 nd Call Site Ref.	Site Name	Site Description	Constraints	Proposed Use	Recommendations	Site Size, ha - Total	Site Size, ha – Potential for B1/B2/B8 Uses	Should the site be further considered for employment uses?
		Moderately sloped in parts, used for grazing. Site is bordered by a narrow lane, A4810 and rail corridor. Site is south of AB InBev brewery.			for AB InBev's expansion as well as B2/B8 units.			infrastructure upgrades
CS0251	Bradbury Farm, Crick	Large site between M48 and B4245, with long frontage along Crick Rd. Some significant sloping on parts of site. Currently used as pastoral land. Crick Rd would require substantial upgrades to open up this site.	• Sloping • Mineral Safeguarding - Limestone	Mixed Use: Residential (C3), Employment (B1/B2/B8) Retail, (A1), Leisure (D1, Sui Generis)	Potential for residential-led scheme. Full development of a site of this scale should have employment opportunities. Site would need full masterplanning of the full settlement site, which should include an assessment of the opportunities for employment on site, including considering that the Severnbridge IE is nearby, but is effectively built out.	29.1	Support up to 5 ha, though further investigation required to determine scale	Yes, part of site
CS0253	Ifton Manor (Site A), Rogiet	Large parcel of land split in two by the B4245 and slightly sloped in areas. Currently the site is used for agriculture. The site sits directly adjacent to existing employment site Cheeseman's Industrial Estate. Site backs on to M48 corridor, though is not near a junction. No significant visibility from motorway. It is a potential extension option for the estate however demand would have to be demonstrated.	• Green Wedge	Mixed Use: Residential (C3), Employment (B1/B2/B8)	Potential for a residential-led scheme. Full development of a site of this scale should have employment opportunities. Site would need full masterplanning of the full settlement site, which should include an assessment of the opportunities for employment on site. The employment uses on this site should be adjacent to Cheeseman's Industrial Estate. Overall determinant would be whether residential is supported in the green wedge, and if so, employment should be part of such a scheme.	19.52	<1.0ha	Yes, part of site
CS0255	Land adj Ifton Industrial Estate, Rogiet	Small triangular site at the back of Cheeseman's Industrial Estate currently	• Green Wedge	Employment (B2/B8)	In the case demand is demonstrated for this site then it should be considered for	0.1	0.1	Yes

2 nd Call Site Ref.	Site Name	Site Description	Constraints	Proposed Use	Recommendations	Site Size, ha - Total	Site Size, ha – Potential for B1/B2/B8 Uses	Should the site be further considered for employment uses?
		used for car parking. The site's position and shape limits the potential development but could house uses similar to that which it is surrounded by. Application (DM/2021/00822) for a change of use of this land to industrial use was rejected due to the site's position in the green wedge. Application (DM/2020/00935) for the development of an industrial unit 11m wide x 33m long was also rejected due to position in the green wedge.			employment uses. It will likely host small workshop space.			
CS0258	Quay Point (Land South of Magor Brewery)	Some of this large site has been taken up by a recent AB InBev expansion with further units under construction for the brewery's use. Further vacant areas to the south are in a mix of ownerships, including AB InBev. This site also includes CS0228 Moderately sloped in parts, used for grazing, includes farm buildings. Narrow lane through the middle of the site. Access to A4810, connecting to J23A of the M4. Site is between AB InBev and Gwent Europark	Some sloping	Employment (B2/B8)	The site should be retained for employment use but development would require substantial infrastructure investment, including utilities and access upgrades. Uses would be for AB InBev's expansion as well as B2/B8 units. Medium to longer term prospect for development.	19.6	10.6 This figure excludes land already developed and CS0228	Yes, however, given the reliance of the AB InBev site in bringing the full allocation forward, it is likely that this is a longer term option for development.

2 nd Call Site Ref.	Site Name	Site Description	Constraints	Proposed Use	Recommendations	Site Size, ha - Total	Site Size, ha – Potential for B1/B2/B8 Uses	Should the site be further considered for employment uses?
		and thus is in a high-profile corridor.						
CS0260 & CS0261	Land at M48 Junction, Chepstow	Vacant site, some significant sloping in east of plot. Gateway position to Newhouse Farm Industrial Estate. Adjacent to J2 of M48, although there is a line of trees which will limit visibility. From a market perspective the site is a strong candidate for employment uses as it is at the junction with the M48 and at the entrance to a substantial industrial estate. However, the topographical issues with the site and the technical options that result from this, mean that the site would be more difficult and expensive to develop.	Sloped site	Option 1: Mixed Use: Hotel (C1), Employment (B1/B2/B8) Option 2: Mixed Use: Petrol Station (Sui Generis), Drive-Thru (A1/A3), Employment (B1/B2/B8)	BE Group has had a discussion with the agent representing the landholder and it was stated that this issue has been investigated and that a technical solution is achievable and viable. A portion of the site is currently being marketed by CBRE. They are marketing a 100,000 sqft warehouse on the half of the site closest to the AluK Ltd section of the site. The remaining 1.87ha of the site will likely house non B-class uses such as a Hotel or Drive-thru facilities	4.0	2.13 (the remaining 1.87ha will likely be taken up by non B-class uses)	Yes
CS0266	Land at Nantgavenny Business Park, Abergavenny	Strip of land found at the back of the relatively newly built Nantgavenny Business Park. The site is mostly flat but currently has trees in the middle of it. The site would be a logical extension to an estate that appears to be fully occupied. The A465 is nearby, however a junction is not close by. This raises questions as to whether demand would be present	River Usk Phosphate Catchment	Employment (B1/B2)	The site would make a logical extension to the existing industrial estate. The mix of uses would be the same as stage one. The site should be considered for employment uses if demand can be demonstrated. Demand will likely be from local SMEs.	0.59	0.59	Yes

2 nd Call Site Ref.	Site Name	Site Description	Constraints	Proposed Use	Recommendations	Site Size, ha - Total	Site Size, ha – Potential for B1/B2/B8 Uses	Should the site be further considered for employment uses?
		to sustain such a development.						
CS0274	Land north of Wonastow Road, Monmouth	Large, mostly flat site adjacent to a new residential estate as well as the new Silbuster industrial development. The site currently has overhead lines.	Upper River Wye Phosphates Catchment	Mixed Use: Residential (C3), Employment (B1/B2/B8) and Community Use	Site impacted by River Wye phosphates catchment constraint. If this can be resolved, the site is attractive for both residential and employment. A mix of uses could be accommodated. The site would likely host several industrial units smaller than the neighbouring Silbuster and Tri-Wall Site. Development would also be subject to the issue of phosphates.	10.97	0.0	No. Sites within upper River Wye phosphates catchment not being progressed
CS0278	Land west of Raglan, Raglan	Large, mostly flat site currently used for cropping. Site is west of the Raglan settlement area and south of the A40. The site is in a strong position as it sits on a junction of the A40, however trees affect the site's visibility from the road. The site is under private ownership.	River Usk Phosphate Catchment	Employment	The site would be suitable for employment uses, representing an option for excess demand from Abergavenny and Monmouth. However, a full masterplan would be needed for the site and demand would need to be demonstrated	8.86	8.86	Yes
CS0292	Rhossili, Hadnock Road	Long narrow sloped site opposite an existing industrial estate. The site has trees in the middle. Access is gained via Hadnock Road which is narrow. Relatively low demand for existing industrial units at this location, though this is partly due to poor state of units.	Upper River Wye Phosphates Catchment	Employment (B1/B8), Hotel (C1)	Site impacted by River Wye phosphates catchment constraint. If this can be resolved, would suit employment if issues with the slope could be tackled. Also additional traffic would cause stress on the narrow road meaning widening the access may be necessary. The phosphate issue would also have to be addressed. Proponent has put forward site for B1/B8 uses, however likely	3.39	0.0	No. Sites within upper River Wye phosphates catchment not being progressed

2 nd Call Site Ref.	Site Name	Site Description	Constraints	Proposed Use	Recommendations	Site Size, ha - Total	Site Size, ha – Potential for B1/B2/B8 Uses	Should the site be further considered for employment uses?
					market would be for B2/B8, with supporting B1. The site does not appear to be an appropriate location for a hotel.			

Sources: Monmouthshire County Council, RLDP, Call for Candidate Sites submissions, BE Group assessment 2022

6.18 As can be seen from the assessment in the table above, there is a range of further sites that could support employment uses, subject to compatibility with the RLDP Preferred Strategy, detailed site assessments and planning, if further sites are required.

Summary

6.19 In terms of overall supply, the **existing employment allocations (SAE1 & SAH) provide some 22.54 ha of realistically deliverable land.**

6.20 Candidate sites coming forward can provide further employment land if supported. The following table summarises potential additional sites that could be available for the market within the forecasting timeframe. These include the SAE1 sites that have been resubmitted, which are shaded. **Excluding these SAE1 sites, the candidate sites could support provide another 26.39 ha**

Table 30 – Candidate Sites that Could Support Employment

2 nd Call Site Ref.	Site Name	Site Size, ha - Total	Site Size, ha – Potential for B1/B2/B8 Uses
CS0016	Land to the east of Little Mill	4.06	0.2
CS0038	Land West Wales Business Park, Magor	3.84	3.84
CS0069	Land adj Raglan Enterprise Park, Raglan	12.8	1.0 (approx.)
CS0139	Former Petrol Station, Llanover	2.17	2.17
CS0154	Land north M48, Chepstow	1.8	1.8
CS0178 & CS0286 (with Residential)	The Abergavenny Workhouse, Abergavenny	0.67	0.67
CS0213	Abergavenny Urban Extension, Abergavenny	24.75	Support up to 5 ha, though further investigation required to determine scale
CS0228	Land off Green Moor Lane, Magor	3.16	3.16
CS0251	Bradbury Farm, Crick	29.1	Support up to 5 ha, though further investigation required to determine scale
CS0253	Ifton Manor (Site A), Rogiet	19.52	<1.0ha
CS0255	Land adj Ifton Industrial Estate, Rogiet	0.1	0.1
CS0258	Quay Point (Land South of Magor Brewery)	19.6	10.6 This figure excludes land already developed and CS0228
CS0260 & CS0261	Land at M48 Junction, Chepstow	4.0	2.13 (the remaining 1.87ha will likely be taken up by non B-class uses)
CS0266	Land at Nantgavenny Business Park, Abergavenny	0.59	0.59
CS0278	Land west of Raglan, Raglan	8.86	8.86

Source: BE Group assessment 2022

7.0 EMPLOYMENT LAND FORECASTS

Introduction

7.1 The Welsh Planning Practice Guidance Note 'Building an Economic Development Evidence Base to Support a Local Development Plan' states that the assessment of future land needs should be determined by looking at both past trends and future forecasting methods, and highlights that these should include historic land take-up and future employment and population change. Neither approach provides a definitive answer, but they do provide an indication of growth patterns and directions. Trends and forecasts must also reflect market signals and they are considered in the context of the market overview undertaken as part of this study.

7.2 The two models are:

- Practice Guidance Method 1: Past Building Completions

This reviews the actual take-up of employment land and premises in Monmouthshire over time. The method is not wholly reliable as there will be peaks and troughs and different time periods taken can also result in different outcomes. For example, a period of sustained growth may show a high average take-up, whereas looking over a recessionary period could well reflect low or even nil take-up.

- Practice Guidance Method 2: Labour Demand Forecasting

This relies on the econometric forecasts which use a model that projects the likely jobs growth in different industry sectors. The jobs figures are then translated to land using a formula based on jobs to floorspace density, which in turn can be translated into the projected land need. This method uses two scenarios – **Oxford Economics forecasts**, which account for the most recent national and regional socio-economic and political changes and which could be seen as a baseline trajectory of employment. Secondly, this method will use the latest **preferred growth trajectory** as prepared by Monmouthshire County Council. Such a growth strategy would require interventions and active support of the Council to achieve and thus the calculations based on this growth trajectory could be seen as a 'policy on' forecast. Following the Welsh Government advice on the previous preferred growth strategy, this policy on approach is for a more moderate trajectory.

Employment forecasts and the resulting estimations of employment premises and land have several limitations. The forecasts are based on national and regional trends with some local adjustments for some industry sectors, which means, at a local level economic activity is not always accurately represented. For example, any differences in the economic performance during the pandemic recovery between Monmouthshire and the national averages, may not be adequately picked up within the forecasts. Also, merely translating jobs to land needs will not always reflect local property trends.

The econometric forecasts are useful in that they analyse each industry sector and, in conjunction with other market data, the forecasts can identify where sectors may be growing, or shrinking which in turn can inform land and property needs.

7.3 The forecast period for the ELR is 2018-2033.

Practice Guidance Method One: Past Building Completions

7.4 Monmouthshire County Council has provided employment land and premises monitoring data since 2014, as summarised in the tables below. As can be seen, most completions in that time were for B8 warehousing and B2 industry, though B1 offices were also developed.

Table 31 – Building Completions, By Year, Sqm

	B1 - Office	B2	B8	Total Floorspace
2014			11,185	11,185
2015		2,301	625	2,926
2016		8,204	3,118	11,322
2017		507	10,035	10,542
2018	4,768	974		5,742
2019		130	488	618
2020	650	2,244	14,850	17,744
2021	230	266	49	545
Total 2014-21	5,648	14,626	40,350	60,624
Average 2014-21	706	1,828	5,044	7,578

Source: Monmouthshire County Council, 2022

7.5 The employment land take-up is provided below. This data has been compiled by financial years and includes more up-to-date data.

Table 32 – Employment Land Take-Up, By Year, ha

	Land Area (ha)
2014/15	0.38
2015/16	1.131
2016/17	3.21
2017/18	5.002
2018/19	0.873
2019/20	3.74
2020/21	0.3803
2021/22	0.0545*
Total 2014-22	14.7708
Average 2014-22	1.85

Sources: Annual Monitoring Reports, Employment Land Background Paper

* take-up has been exclusively for small extensions of existing premises, therefore 1:1 plot ratio is appropriate

- 7.6 This more recent land take-up average is similar to the 1.9 ha per annum average of earlier years that was used as the basis for the planning within the Adopted Local Development Plan, though is somewhat below the 2.10 ha/yr from the 2021 study due to the low 2021/22 figure.
- 7.7 Employment land and premises demand can be forecasted based on the assumption that the past take-up rates would continue over the forecast period. Therefore, underlying this approach is that the future growth in Monmouthshire will be in line with past growth. If there are significant structural changes to the economy over the forecast period, this may not be the case, but provides a baseline indication of potential growth. The current volatility in the market due to several overarching economic influence – high inflation, energy price shocks, behavioural changes in the post-pandemic restrictions environment and changes to central government's economic policies - make forecasting difficult. There is likely to be a short term dip in business confidence, which could impact on take up, though this may be followed by an upsurge in demand as economic policies to stimulate growth take effect. For B-class uses, the policy of the Welsh Government to continue to encourage homeworking is likely to dampen demand and developer investment for office space.
- 7.8 The forecasts can be undertaken using the floorspace averages or the land take-up. Assuming that growth in the past is at typical development densities, either approach should give similar results. Though if some past take-up was at atypical development densities (either more or less intensive), this may skew results. Looking at the above floorspace completions and land take-up values, it is noted that over the period 2014-21 some 60,624 sqm of B-class employment floorspace was developed over 14.8 ha. This equates to an average development density of 4,104 sqm/ha over this time period,

which is considered within a typical range though slightly above industry accepted average plot ratios of 4,000 sqm/ha (which is used in the forecast below).

- 7.9 Using these take-up rates and applying it to the period 2018-2033 (15 years), the requirements for the County are provided in the table below.

Table 33 – Past Building Completions Forecast

Use	2014-2021 Annual Average Employment Completions, sqm	2018-2033 Floor Space Requirement, sqm	Land Requirement, Assuming Plot Ratio at 40 percent Coverage, ha
Offices (B1)	706	10,590	2.6
Industrial (B2)	1,828	27,420	6.9
Warehouse (B8)	5,044	75,660	18.9
Total	7,578	113,670	28.4

Source: BE Group, 2022

- 7.10 A 40 percent plot ratio would, as noted in Welsh Practice Guidance, be standard for development on modern industrial estates and business parks, with other land used for car parking, landscaping, open storage and the 40 metre turning circle HGVs require. Higher ratios, normally up to 80 percent, would be applied only to town or city centre schemes, mostly multi-storey offices. High density schemes are unlikely to be dominant in the County over the planning period and thus it is not recommended that this higher density assumption is applied.
- 7.11 It is recommended that a safety margin be included in the forecasts to allow for choice of sites and flexibility in the market. It is recommended to include a buffer equivalent to five-years' supply of employment land to provide a choice of sites by size, quality and location and to help ensure a continuum of supply beyond the end of the 2033 period. This also makes some allowance for the loss of employment land to non B-Class uses over the period. Based on the historic take-up trend this would generate a further land need of 9.5 ha, as outlined below.
- Office (B1): 706 sqm/year x 5 years = 3,530 sqm. Land at 40 percent cover = 0.9 ha
 - Industrial (B2): 1,828 sqm/year x 5 years = 9,140 sqm. Land at 40 percent cover = 2.3 ha
 - Warehousing (B8): 5,044 sqm/year x 5 years = 25,220 sqm. Land at 40 percent cover = 6.3 ha
 - Total: 37,890 sqm. **9.5 ha.**

- 7.12 Added to the 2033 need figure, this increases the requirement to 37.9 ha to incorporate the buffer, including the following land requirements for the individual land use types.
- B1: 3.5 ha
 - B2: 9.2 ha
 - B8: 25.2 ha
 - Total: **37.9 ha**
- 7.13 This is a moderate decline from the forecast employment land requirement as calculated in 2021, which was 43.0 ha (including buffer) and due to the low recent data reducing the overall average.

Practice Guidance Method Two: Labour Demand Forecasting

Baseline

- 7.14 This method assesses two forecast scenarios, as presented in Chapter 3.0 – the baseline Oxford Economics projections and the policy-on employment growth trajectory aligned with Monmouthshire County Council's preferred growth strategy. The forecasts project employment change over 2018-2033 and can be used to calculate the future employment land and premises need.
- 7.15 The forecasts break down employment to the level of 18 industry sectors. Employment in some of these sectors is likely to be fully (or nearly all) within B-class employment workspaces, such as manufacturing, professional services and administration. Conversely, some sectors are all or almost all out of B-class land, such as agriculture, mining and accommodation and food services. However, many sectors are mixed, with a component of their employment likely to be in B-class employment workspaces, but also located within other spaces. For example, transport and storage would include employment on B8 warehousing land, but employment would also include self-employed hauliers and drivers that would not be based at a particular B-class site. Therefore, for each sector in the table below, an estimate has been made on the proportion of employment that is likely to be located within B-class employment spaces (and thus infer a demand for employment land). These estimates have been based on BE Group's experience with other areas across Wales and England and have been accepted in Examinations in Public.

7.16 The following table provides the forecasted change in employment floorspace demand generated by the changes in employment numbers from Oxford Economics. This analysis has reflected Welsh Practice Guidance and includes the following:

- Identify which industry sectors are likely to take up employment land, including the proportion of that sector's employment on B-class employment land (Table 34).
- Adopt appropriate employment densities to convert employment numbers to floorspace demand (see Table 35).
- Adopt a plot ratio to convert floorspace to employment land demand (see Table 35).

Table 34 – Labour Demand Forecast, 2018-2033 – Baseline

Broad Sector Groupings	Jobs, Split by Sector 2018-2033	Land Use	Weighting	Jobs, Split by Sector 2018-2033	Jobs, by use, which <u>Do Not</u> Require B-Class Premises. 2018-2033
Non B-Class Uses					
Agriculture, Forestry and Fishing	-405	Non B	-	-	-405
Mining and Quarrying	1	Non B	-	-	1
Accommodation and food service activities	616	Non B	-	-	616
Arts, entertainment and recreation	668	Non B	-	-	668
Total	880			-	880
B1 Mostly Office Uses					
Administrative and support service activities	535	B1	1	535	-
Information and Communication	75	B1	1	75	-
Professional, scientific and technical activities	-84	B1	1	-84	-
Real estate activities	-178	B1	1	-178	-
Financial and Insurance Activities	-88	B1	1	-88	-
Public administration and defence; compulsory social security	215	B1	0.22	47	167
Human health and social work activities	-43	B1	0.22	-9	-33
Education	-94	B1	0.22	-21	-73
Other service activities	34	B1	0.22	8	27
Total	373	-	-	285	87
B2/B8 Uses					
Manufacturing	-729	B2	1	-729	-
Utilities	-59	B2	0.26	-15	-43
Construction	-941	B2	0.26	-245	-696
Transportation and storage	-15	B8	0.48	-7	-8
Wholesale and retail trade; repair of motor vehicles and motorcycles	897	B8	0.10	90	807
Total	-847	-	-	-906	60

Source: BE Group analysis of Oxford Economics forecasts, 2022

- 7.17 Table 35 takes the total net jobs figures for B1 and B2/B8 uses identified above and converts them first into floorspace (sqm) by the rates per worker shown. These worker densities are presented as a range, representing potential different outcomes of workspaces in the County. For offices, higher densities (i.e. less floorspace per worker) would be in call centre or city centre, with lower densities in locations where floorspace is not at a premium price or in workplaces that require some lower intensity spaces. For industrial and warehousing the higher density workspaces will be manufacturing

and lower densities will be for warehousing uses. The table then converts that floorspace into land (hectares) at 40 percent or 4,000 sqm/hectare coverage, i.e. dividing the floorspace by 4,000 sqm.

Table 35 – Floorspace and Land Requirement Forecasts – Baseline

Offices (B1)	Based on 285 additional workers, sqm	Plot Ratio at 40 percent Coverage, ha
12 sqm per worker	3,420	0.86
16 sqm per worker	4,560	1.14
20 sqm per worker	5,700	1.43
Industrial (B2/B8)	Based on 906 /less workers, sqm	Plot Ratio at 40 percent Coverage, ha
50 sqm per worker	-45,300	-11.33
67 sqm per worker	-60,702	-15.18
85 sqm per worker	-77,010	-19.25

Source: BE Group analysis, 2022

- 7.18 The baseline projections for employment floorspace in Monmouthshire, based on the Oxford Economics forecasts, show that there is a positive demand for office floorspace, but that this is more than offset by a negative demand for industrial and warehousing floorspace. This is due to the projected trajectories of growth of the sectors likely to be located in such spaces, with office-based sectors forecast to grow and manufacturing and transportation and storage expected to decline in employment numbers.
- 7.19 It is important to note that this methodology assumes that there would be a constant density of workers per floorspace. This may not be the case over the forecast period as changes in operation (e.g. automation, efficiency improvements) may mean that the worker levels change but that the overall floorspace needs of an operation may not. Therefore, in declining employment sectors, such as manufacturing, it may not be the case that there will be a commensurate decline in floorspace requirements. It is also noted that the latest Annual Monitoring Report shows that manufacturing businesses comprise the largest proportion by sector for employment floorspace (over 60 percent of total land area taken up).
- 7.20 For professional services, this approach assumes that all workers would be located in B1 office space. With changing workplace patterns precipitated by the pandemic but that will remain to an extent as Welsh Government policies support homeworking, not

all of these workers are likely to be in B1 office space, with an increasing proportion working from home (partly or fully). However, it is noted that the forecast demand for office land growth is 0.9-1.4 ha and thus such workplace pattern changes are unlikely to have a significant effect on overall land demand and allocations.

- 7.21 For each use, offices (B1) and industrial (B2/B8), three employment density levels (the amount of floorspace required for each job) are considered. Comments on these density options are provided:

Offices

- 12 sqm per worker – Would be applicable to a quite high-density service sector operation such as a call centre or city centre offices. This is considered too dense for Monmouthshire as a whole, though some individual premises may be at such levels.
- 16 sqm per worker – Mid-level density level, this is identified in Welsh Practice Guidance (para 6.5.1, page 39) as an average floorspace/worker rate for office uses in Wales. It reflects a mix of town centre and business park density levels.
- 20 sqm per worker – A comparably low employment density, reflective of more specialist facilities such as design studios, co-working and maker spaces.

Industrial

- 50 sqm per worker – This high density relates to B1 light industrial uses, which are found throughout the employment areas of Monmouthshire (e.g. workshops), but does not allow for larger B2/B8 options.
- 67 sqm per worker – Mid-level density level, this is identified in Welsh Practice Guidance (para 6.5.1, page 39) as an average floorspace/worker rate for industrial/warehouse uses in Wales. Allows for a mix of high-density light industrial and mid-density B2/B8 uses.
- 85 sqm per worker – This low-density level would be most applicable to the largest B8 logistics facilities, National and Regional Distribution Centres. Some facilities at Newhouse Farm Industrial Estate are likely to be operating at these levels (or even lower).

- 7.22 Based on the above, the recommended land needs between 2018 and 2033 for Method Two – Baseline are thus:

- B1 Offices – 285 additional jobs at 16 sqm per worker and a 40 percent plot ratio = 1.14 ha
- B2/B8 Industrial – 906 less jobs at 67 sqm per worker and a 40 percent plot ratio = -15.18 ha
- Total net need = **-14.04 ha**

7.23 Therefore, assessing employment land using this approach, there is a negative requirement for employment land in Monmouthshire over the forecast period. This is comprised of the office sectors have an increasing requirement, but which is more than offset by the negative requirement of the industrial and warehousing sectors. Looking at the land requirements from a *net* perspective assumes that declining sectors can and will readily release their 'spare' requirement which would be taken up by growing sectors. However, as it may not be straightforward to convert floorspace from declining sectors to meet the needs of the growth sectors (e.g. converting a factory to offices), it is therefore prudent to look at just the growth sectors. Furthermore, declining employment numbers may be due to efficiency improvements rather than output declines and thus not have a reduction in employment land.

7.24 If just looking at growth sectors, Monmouthshire would have the following requirements.

- B1 Offices – 665 additional jobs at 16 sqm per worker and a 40 percent plot ratio = 2.66 ha
- B2/B8 Industrial – 90 extra jobs at 67 sqm per worker and a 40 percent plot ratio = 1.51 ha
- Total growth sector need = **4.17 ha.**

Policy On

7.25 Monmouthshire County Council are looking to have a stronger growth strategy for the County than that forecast based on continuation of past trends (i.e. baseline above), though still consistent with wider strategy growth policies for South East Wales which directs the focus of population growth elsewhere. As such, revised employment growth trajectories have been developed, with the preferred trajectory being an additional 6,420 jobs over 2018 levels by 2033.

7.26 In Chapter 3.0, BE Group provided an estimate of the breakdown of this growth into industry sectors. Using the same methodology as for the baseline growth, this forecast jobs growth can be transposed into a demand for employment floorspace and land, as outlined below.

Table 36 – Labour Demand Forecast, 2018-2033 – Policy On

Broad Sector Groupings	Jobs, Split by Sector 2018-2033	Land Use	Weighting	Jobs, Split by Sector 2018-2033	Jobs, by use, which <u>Do Not</u> Require B-Class Premises. 2018-2033
Non B-Class Uses					
Agriculture, Forestry and Fishing	-388	Non B	-	-	-388
Mining and Quarrying	0	Non B	-	-	0
Accommodation and food service activities	1,176	Non B	-	-	1,176
Arts, entertainment and recreation	899	Non B	-	-	899
Total	1,687			-	1,687
B1 Mostly Office Uses					
Administrative and support service activities	818	B1	1	818	-
Information and Communication	217	B1	1	217	-
Professional, scientific and technical activities	370	B1	1	370	-
Real estate activities	-77	B1	1	-77	-
Financial and Insurance Activities	-44	B1	1	-44	-
Public administration and defence; compulsory social security	487	B1	0.22	107	380
Human health and social work activities	853	B1	0.22	188	665
Education	254	B1	0.22	56	198
Other service activities	179	B1	0.22	39	140
Total	3,057	-	-	1,674	1,383
B2/B8 Uses					
Manufacturing	-221	B2	1	-221	-
Utilities	-20	B2	0.26	-5	-15
Construction	-220	B2	0.26	-57	-163
Transportation and storage	228	B8	0.48	109	119
Wholesale and retail trade; repair of motor vehicles and motorcycles	1,763	B8	0.10	176	1,587
Total	1,530	-	-	2	1,528

Source: BE Group analysis, 2022

Table 37 – Floorspace and Land Requirement Forecasts – Policy On

Offices (B1)	Based on 1,674 additional workers, sqm	Plot Ratio at 40 percent Coverage, ha
12 sqm per worker	20,088	5.02
16 sqm per worker	26,784	6.70
20 sqm per worker	33,480	8.37
Industrial (B2/B8)	Based on 2 additional workers, sqm	Plot Ratio at 40 percent Coverage, ha
50 sqm per worker	100	0.03
67 sqm per worker	134	0.03
85 sqm per worker	170	0.04

Source: BE Group analysis of revised forecasts, 2022

7.27 Based on the above, and using the same assumptions on floorspace ratio/plot area as previously, the recommended land needs for Method Two – Policy On are thus:

- B1 Offices – 1,674 additional jobs at 16 sqm per worker and a 40 percent plot ratio = 6.70 ha
- B2/B8 Industrial – 2 additional jobs at 67 sqm per worker and a 40 percent plot ratio = 0.04 ha
- Total net need = **6.74 ha**.

7.28 As above, it is prudent to look at growth sectors only, which is summarised below.

- B1 Offices – 1,795 additional jobs at 16 sqm per worker and a 40 percent plot ratio = 7.18 ha
- B2/B8 Industrial – 285 additional jobs at 67 sqm per worker and a 40 percent plot ratio = 4.77 ha
- Total net need = **11.95 ha**.

Comparing Methods One and Two

7.29 No forecasting method is perfect and appropriate to account for every scenario. Therefore, it is prudent to critique the results of the forecasts for Monmouthshire to

2033. The Method One approach is a simple extrapolation exercise of past growth rates over the forecast period. This has its limitations, but past averages can be insightful as to the realistic land requirements of the local economy. The Method One approach, unadjusted, does not account for Covid impacts changing demand for employment land in the forecast period.

7.30 The Method Two approach, looking at employment growth projections for the area, has resulted in a lower forecast than the Method One results. The Method Two approach has looked at net growth (incorporating both growing and declining sectors) and growth sectors only. It is recommended that the growth only approach is a more appropriate forecast than the net approach due to the following reasons:

- Will the decline in jobs lead to the release of land? Experience suggests that even where businesses are contracting, they will continue to hold on to sites in anticipation of future improvements. Also, where jobs are being lost to automation, those new automated processes will still require land on which to operate.
- Land take-up/property needs can be for different reasons such as modernisation or geographic relocation, or land banking for future needs.
- The local market intelligence suggests a healthy interest in industrial and warehousing premises in the market and a more modest interest in office properties.
- Expansion may also be within existing premises or on expansion land not accounted for in land allocations.
- The underlying assumption with the net growth approach is that growing sectors can take space being released by declining sectors, but this may not always be possible or appropriate.

7.31 Therefore, for the Method Two approach, it is recommended that the growth only forecast be adopted.

7.32 The Method Two baseline approach is based on Oxford Economics forecasts that have attempted to account for the current volatility in the market, including increasing inflation and post-pandemic environment. However, these impacts are UK-wide impacts and do not account for any Monmouthshire-specific changes.

7.33 The Method Two approach also looked at the baseline growth scenario and a policy on scenario that reflected the revised preferred growth strategy of Monmouthshire. If the Council continues to pursue this higher growth approach then the policy on forecast would be the more appropriate of the Method Two forecasts.

7.34 The following table summarises the forecasts, including in comparison to the existing, realistic supply of employment land in the County. This includes an allowance of a buffer equivalent to five-years of growth for each of the scenario options. This is to enable choice in the market and fluctuations in growth.

Table 38 – Land Forecast Models – Summary

Model	Land Stock 2022, ha*	Land Consumed 2018-2022	Land Need 2018-2033, ha	Flexibility Buffer (five years take-up rate) ha	Land Need Incl. flexibility buffer	Surplus/ Deficit, ha
Practice Guidance Method One: Past Building Completions	22.54	5.05	B1 Office: 2.6 B2 Ind: 6.9 B8: 18.9 Total: 28.4	B1 Office: 0.9 B1/B2 Ind: 2.3 B8: 6.3 Total: 9.5	B1 Office: 3.5 B1/B2 Ind: 9.2 B8: 25.2 Total: 37.9	-10.31
Practice Guidance Method Two: Labour Demand Forecasting (Policy Off)	22.54	5.05	<i>Net Change</i> B1: 1.14 B2/B8: -15.18 Total: -14.04 <i>Growth Only</i> B1: 2.66 B2/B8: 1.51 Total: 4.17	<i>Net Change</i> B1: 0.38 B2/B8: - Total: 0.38 <i>Growth Only</i> B1: 0.89 B2/B8: 0.50 Total: 1.39	<i>Net Change</i> B1: 1.52 B2/B8: -15.18 Total: -13.66 <i>Growth Only</i> B1: 3.55 B2/B8: 2.01 Total: 5.56	<i>Net Change</i> 41.25 <i>Growth Only</i> 22.03
Practice Guidance Method Two: Labour Demand Forecasting (Policy On)	22.54	5.05	<i>Net Change</i> B1: 6.70 B2/B8: 0.04 Total: 6.74 <i>Growth Only</i> B1: 7.18 B2/B8: 4.77 Total: 11.95	<i>Net Change</i> B1: 2.23 B2/B8: 0.01 Total: 2.24 <i>Growth Only</i> B1: 2.39 B2/B8: 1.59 Total: 3.98	<i>Net Change</i> B1: 8.93 B2/B8: 0.05 Total: 8.98 <i>Growth Only</i> B1: 9.57 B2/B8: 6.36 Total: 15.93	<i>Net Change</i> 18.61 <i>Growth Only</i> 11.66

Source: BE Group's analysis, 2022

*Realistic land supply of allocated sites only, not including candidate sites.

7.35 Therefore, including buffers, the Method One approach results in the highest land requirement of 37.9 ha between 2018 and 2033. Compared to the realistically available supply of allocated employment lands of 22.54 ha as of 2022. This supply is lower than that analysed in 2021, not because of large take up of land since the previous report,

but due to some sites being removed from the list because of the more constrained approach to flooding risk, phosphate constraints and some sites have not been brought forward by their landowners.

- 7.36 The Method Two approach was used based on the baseline labour demand and the policy on labour demand, resulting in forecast employment land demand ranging from -13.7 ha (baseline net change) to 15.9 ha (policy on growth only). As discussed above, it is considered that the growth only approach would be the preferred forecast based on the Method Two calculations. For the baseline growth only forecast, it is estimated that 5.6 ha would be required due to labour growth, which equates to a surplus of land of 22.0 ha compared to the realistically available land as of 2022. For the policy on approach, the growth only forecast is 15.9 ha, equating to a more modest surplus of land of 11.7 ha.
- 7.37 **It is recommended that the Method One approach is adopted for the requirement for employment land in Monmouthshire.** This is due to Method Two appearing to underestimate employment land need, particularly in relation to B2 manufacturing land. Method Two forecasts a decline in manufacturing floorspace and employment land need; however, manufacturing has contributed the largest component of take-up of employment land in recent years and market intelligence from commercial agents points to the industrial market being more positive than the office sector.
- 7.38 The Method One forecast for B1 office space may overestimate office demand (despite being relatively modest at 3.5 ha including a buffer) given the ongoing preference for homeworking, including the Welsh Government's policy to continue to support homeworking. Therefore, past trends may not adequately accommodate future take-up for this sector. Therefore, the level for B1 offices should be seen as an upper limit for employment land requirements in relation to office land. It is noted that the office land requirement of 3.5 ha (including buffer) is a relatively modest component of the overall land requirement of 37.9 ha and thus if this element does end up being an overestimate of actual growth to 2033 then the oversupply of B1 employment land will be minor.
- 7.39 **Therefore, compared to supply in 2022, there is anticipated to be a deficit of employment land if just considering the currently allocated employment sites. Further sites would need to be allocated to provide adequate employment land**

for Monmouthshire to 2033. These would come from the candidate sites that are considered appropriate for employment uses.

8.0 CONCLUSIONS AND RECOMMENDATIONS

Summary of Findings

8.1 The following summarise the key findings of this study:

Economic Profile

- Population growth in Monmouthshire has been at a faster rate than for Wales, increasing to 93,000 as at the time of the 2021 Census. Population growth is being led by the 65+ age group, with the working age population in Monmouthshire growing at a slower rate than the national average.
- The Monmouthshire population has an older median age population than Wales. The median age of the County has increased over recent years and with current population growth trends this is likely to continue.
- The area is an economically active area with low unemployment levels. Unemployment has remained low despite recent economic volatility.
- Monmouthshire has high levels of qualifications, including at degree or above levels.
- Median wages are higher in the County than the national averages, for both workers working in the County and for its residents. Wage growth for workers working in Monmouthshire has been faster in recent years than wage growth for Monmouthshire residents.
- The baseline employment forecast (Oxford Economics) for Monmouthshire projects that there will be an additional 406 jobs in Monmouthshire in 2033 over 2018 levels, though jobs are anticipated to peak in 2028 before gradually declining. This is an increase of 1 percent over the forecast period and is lower than the forecast prepared by Oxford Economics in 2021 (+780 jobs) reflecting the more uncertain economic conditions in 2022 compared to 2021.
- The ELR has also analysed a policy on forecast based upon jobs growth of 6,420 jobs over the forecast period.

Property Market

- The property market in Monmouthshire has diversity of types of stock, size and location.
- The industrial market has seen transactions from small workshops to mid and large factory and warehousing facilities.

- Caldicot and Chepstow are the primary locations for mid and large industrial and warehousing stock, benefiting from access to the M4 and proximity to England and southern Wales.
- There is some 39,461 sqm of industrial units on the market as at August 2022, which represents an increase since 2021, though is considered a reasonable level for the local market. However, there remains only limited good quality industrial stock in the market.
- The office market is significantly more muted than the industrial sector, though still an important component of the commercial property market. The majority of demand for office premises is for small units.
- The office market has been more impacted by the pandemic and on-going homeworking preferences than the industrial market, with very quiet demand for office space.
- There is a lack of quality, modern premises that are appropriate for the needs of contemporary businesses. This lack of choice for modern premises is apparent in industrial and office stock.

Employment Land Supply

- The employment allocations are assessed to have a realistic supply of land of some 22.54 ha, which comprises of 19.89 ha in SAE1 sites and 2.65 ha in mixed use sites.
- Only Quay Point at Magor (13.76 ha) provides a significant mass of land at one site within Monmouthshire.
- The overall quantity of available employment land is impacted by sites being excluded due to the updated TAN 15 flooding constraints, the phosphates constraint for the upper River Wye catchment (affecting Monmouth sites) and some sites not being brought forward by their landowners in the second Call for Sites process, thereby being considered unavailable for employment development.
- The existing employment areas provide a reasonable mix of employment premises in terms of quality, location and size, though commentary from commercial agents has suggested a need for further good-quality, modern premises, with several existing employment areas dominated by stock that is of a basic or moderate quality.

- Existing employment areas have very little in-fill locations for further development. While some could be developed more intensively for employment uses, the range of development-ready in-fill sites is very small.
- Candidate sites could provide an additional 26.39 ha of developable employment land (excluding sites that are already allocated), though this yield depends on the final mixes and development profiles of the sites.

Employment Land Forecasts

- In recent years, Monmouthshire has averaged approximately 7,600 sqm of employment floorspace take up per annum, which equates to approximately 1.9 ha per annum.
- Extrapolating the recent take up of employment over the forecast period, projects that Monmouthshire would have a demand for 28.4 ha of employment land between 2018 and 2033 or floorspace of approximately 113,670 sqm of B-class employment floorspace. Including a five year buffer to allow for choice and uncertainty in the market means that the requirement would be 37.9 ha.
- Using the baseline Oxford Economics employment projections to 2033 infers a requirement of 5.6 ha of employment land between 2018 and 2033 (growth sectors only and including five-year buffer).
- Using the policy on employment scenario to project employment demand infers a requirement of 15.9 ha of employment land demand between 2018 and 2033 (growth sectors only and including five-year buffer).
- While the employment growth based forecasts (Method Two) suggest a surplus of employment land to 2033 in Monmouthshire, looking at historical take-up (Method One) suggests a land supply deficit compared to the 2022 availability of land of 10.3 ha.
- Method One forecast is the recommended approach for Monmouthshire, which suggests that further sites would need to be allocated.

Recommendations

- 8.2 The following provides a series of recommendations for Monmouthshire in regards to the protection and delivery of employment land and premises in the County to 2033. These recommendations have been written to guide the development of the RLDP.

Recommendation 1: Future Employment Land Need in Monmouthshire is 37.9 ha

- 8.3 The forecasting in Chapter 7.0 explored three alternative employment land demand scenarios for Monmouthshire, depending on the underlying assumptions and modelling adopted – a forecast based on past take-up rates, a forecast based on the baseline employment forecast prepared by Oxford Economics and a forecast based on a more positive approach to employment growth in Monmouthshire.
- 8.4 It is recommended that the forecast scenario based on past take-up rates is adopted for Monmouthshire. That is, the **recommended employment land need between 2018 and 2033 for Monmouthshire County is 37.9 ha, including a five-year buffer** to allow for choice and uncertainty in forecasting.
- 8.5 The reason this forecast trajectory has been selected is that it appears to be the best scenario for accommodating growth in the manufacturing sector. The statistics of past floorspace take-up demonstrates that some B2 employment land has been developed in recent years (see Table 31). Indeed, the most recent Annual Monitoring Report states that manufacturing businesses comprise the largest proportion of B-class planning permissions in recent years. The Method Two (employment demand) forecasts calculate a negative floorspace demand in the manufacturing sector due to the forecast decline in employment numbers in this sector. However, it is noted that the recent growth of manufacturing floorspace has also occurred during a time period of declining employment numbers in this sector. That is, employment numbers have not translated well to employment floorspace changes.
- 8.6 Of the Method Two forecast scenarios, it is considered that the growth sector only approach is the preferred option, though these are still likely to underestimate potential growth.
- 8.7 Therefore, adopting the employment land need of 37.9 ha between 2018 and 2033 (Method One), would result in a deficit of employment land, compared to 2022 supply, of some 10.3 ha. Further supply is recommended to meet this shortfall and enable further flexibility in the market in terms of types of land and locations.
- 8.8 The 37.9ha employment land need includes an estimated land need of 3.5 ha for office space. Given the changes to the office market due to the pandemic and a policy to encourage on-going homeworking, it is estimated that this would be an upper level of

need for office land over the forecast period, with actual growth perhaps being more muted as businesses and workers operate in a different environment than past trends. However, if this is the case, given it is less than 10 percent of the overall requirement for employment land, it is not considered to be problematic as this is an over-estimate.

Recommendation 2: Employment Allocations Sites

8.9 The following employment allocations are recommended to be retained for the RLDP.

Table 39 – Recommended Employment Allocation Sites

Site Ref.	Site Name	Area (Ha)	Type of Employment Site	Realistic Supply for B-Class Uses (Ha)
Employment Sites				
SAE1a	Wales One, Magor (West)	4.00	B1	4.00
SAE1b	Quay Point, Magor	19.60	B1, B2, B8	13.76
SAE1f	Newhouse Farm, Chepstow	4.00	B1, B2, B8	2.13
Totals				19.89

Sources: Adopted Local Development Plan, BE Group assessment, 2022

8.10 Furthermore, the following mixed-use sites are recommended to continue to be intended to support a B-class employment element.

Table 40 – Recommended Mixed-Use Sites with B-class Use Component

Site Ref.	Site Name	Area (Ha)	Type of Employment Site	Realistic Supply for B-Class Uses (Ha)
Mixed-Use Sites – Employment Component				
SAH3	Fairfield Mabey, Chepstow	16.10	B1	0.65
SAH5	Rockfield Farm, Undy	11.00	B1	2.00
Totals				2.65

Sources: Adopted Local Development Plan, BE Group assessment, 2022

8.11 This array of sites is insufficient to cover the forecast demand of the planning period.

8.12 The opportunities for employment development is limited by the upper River Wye phosphates catchment constraint, which has meant that the remainder of the Wonastow Road, Monmouth, mixed-use allocation has been removed from the realistic supply of employment land and further candidate sites in Monmouth have not been included in the further supply (see below). Therefore, this has in effect stalled employment growth potential in Monmouth until this issue is resolved and further sites are able to be brought forward. This will have implications for businesses looking to locate in the north of the County. If not resolved in a timely manner, it is likely that

Monmouth businesses wanting to expand will need to look outside of the town for adequate premises. Furthermore, businesses looking to establish a presence in Monmouth are unlikely to be accommodated and thus economic opportunities for the town will be lost.

Recommendation 3: Further sites can be allocated from the range of Candidate Sites put forwarded in the Second Call for Sites process

8.13 Chapter 6.0 included a review of candidate sites that were brought forward during the Second Call for Sites process in 2021. This has identified 11 additional sites (excluding already allocated sites) that could provide further employment sites for Monmouthshire (part or full sites). Those sites remain potential candidates for further employment allocations for the RLDP. This could provide a further 26.39 ha of employment land, though is dependent on final development roll out of the sites. The following table lists the candidate sites that could provide employment land within Monmouthshire, including the allocated sites (shaded sites)

Table 41 – Candidate Sites that Could Support Employment

2 nd Call Site Ref.	Site Name	Site Size, ha - Total	Site Size, ha – Potential for B1/B2/B8 Uses
CS0016	Land to the east of Little Mill	4.06	0.2
CS0038	Land West Wales Business Park, Magor	3.84	3.84
CS0069	Land adj Raglan Enterprise Park, Raglan	12.8	1.0 (approx.)
CS0139	Former Petrol Station, Llanover	2.17	2.17
CS0154	Land north M48, Chepstow	1.8	1.8
CS0178 & CS0286 (with Residential)	The Abergavenny Workhouse, Abergavenny	0.67	0.67
CS0213	Abergavenny Urban Extension, Abergavenny	24.75	Support up to 5 ha, though further investigation required to determine scale
CS0228	Land off Green Moor Lane, Magor	3.16	3.16
CS0251	Bradbury Farm, Crick	29.1	Support up to 5 ha, though further investigation required to determine scale
CS0253	Ifton Manor (Site A), Rogiet	19.52	<1.0ha
CS0255	Land adj Ifton Industrial Estate, Rogiet	0.1	0.1
CS0258	Quay Point (Land South of Magor Brewery)	19.6	10.6 This figure excludes land already developed and CS0228
CS0260 & CS0261	Land at M48 Junction, Chepstow	4.0	2.13 (the remaining 1.87ha will likely be taken up by non B-class uses)
CS0266	Land at Nantgavenny Business Park, Abergavenny	0.59	0.59
CS0278	Land west of Raglan, Raglan	8.86	8.86

Source: BE Group assessment 2022

- 8.14 Monmouthshire County Council should work with the landholders of the candidate sites to ensure that proposed uses on the sites are appropriate for the employment needs of the County. Once sites are allocated, Council can support landholders through planning and economic development in delivering employment uses on the sites. For mixed-use sites, Council should work with the landholders to determine an appropriate level of employment within the sites, ensuring that while residential uses may drive the developments, they are not the sole use of the sites.

Recommendation 4: Existing Employment Area Protection (SAE2)

- 8.15 Monmouthshire County Council should continue to support and protect existing employment areas, encouraging the primary uses to be B-class employment uses. However, it is recognised that in many employment areas there is an expectation of non-B-class uses to support the core uses, such as retail, sui generis, takeaway outlets, etc. This should only be supported where it is ancillary to and supportive of the core B-class employment uses.
- 8.16 Chapter 6.0 included a review of the existing employment areas in Monmouthshire, including a scoring of each area. Some of these areas scored poorly, as they are not in prominent locations and the quality of premises is poor. The lowest scoring existing employment areas are listed below, with a recommendation as to the on-going use of each of the areas. It should be noted that the basis of recommending whether employment areas are retained or not for on-going employment uses is not solely based on score and there is no 'cut-off' score, below which areas are recommended to not be retained. Recommendations are based on the on-going functionality and appropriateness of the areas for B-class employment.

Table 42 – Existing Employment Areas – Assessment Summaries

ID: Site Name	Location	Description	Recommendation	Site Scoring, Max 30
SAE2b	Lower Monk St Abergavenny	Industrial and trade services node to the north of the Abergavenny town centre. Older units, some in a poor state of repair. Node is anchored by Travis Perkins, which has a site to the rear of the site. Traffic flows through the site are difficult, with a cul-de-sac and on street parking disrupting flows. Site is surrounded by residential uses, which prevent any opportunities for expansion and present potential areas of conflict.	This site is pressured by residential and may in the fullness of time be redeveloped as residential, given its near town centre location. However, it continues to form a local function for Abergavenny and at this stage should be retained for employment Recommendation: retain for employment	15
SAE2e	Ross Rd, Junction Yard, Abergavenny	Disused timber storage yard. Narrow site, with narrow access point. Site abuts SAE1e. Site now cleared. Alternative uses are likely to be low level storage, including open storage.	This site would have limited market appeal, although its market would include open storage and those looking for inexpensive basic quality sites. Given the adjacent SAE1e site has not been promoted for on-going employment by its landholder, it further reduces the appeal of this site. Recommendation: Retain for employment, though if SAE1e not retained for employment, it further reduces the attractiveness of this site	17
SAE2f	School Hill, Chepstow	Small node in Chepstow, comprising two trade counter uses, child play centre and a dance studio. Therefore, no B-class uses, though trade counter units could be repurposed for industrial. Site is cramped, with limited parking and narrow access. Acting as a fringe of town centre use and is surrounded by a mix of other commercial uses and residential dwellings. May be pressures for reuse of this area in the longer term.	This area is not currently functioning as a B-class employment node and its highest order uses would be broader than B-class uses as demonstrated by its current activity Recommendation: do not retain for employment	16
SAE2m	Mayhill/ Hadnock Rd, Monmouth	Older industrial node in the east of Monmouth. Hadnock Rd is a relatively narrow road. Premises look tired and under-utilised. Several vacancies were observed in this locality, most of which were the larger unit sizes, appropriate for B2 uses. A secondary location at the intersection of Hadnock Rd and the A4136 appears to be performing better, with a higher profile site and more modern premises. The two locations are separated by a school. Good connection to the A40, which connects to M50 to the north.	Landlords in this area should be encouraged to refurbish/renew their premises, although the overall function of an employment area should be retained. An upgrade to Hadnock Rd may increase the attractiveness of premises in this location Recommendation: retain for employment	15
SAE2r	Progress IE, Rogiet	Small industrial node, hidden behind residential dwellings. Site backs onto a rail corridor, near the Severn Tunnel Junction station. Access is through residential streets. Buildings are of a moderate quality. Location and access suggest that the site is not suitable for employment premises in the longer term and once the buildings become uneconomic there may be pressure for a reuse to non-B-class uses, including redevelopment for residential.	While the buildings appear to have some economic life, the poor location and access of this area suggests that it is inappropriate for employment uses. Recommendation: do not retain for employment	13

ID: Site Name	Location	Description	Recommendation	Site Scoring, Max 30
SAE2s	Former Railway Goods Yard, Usk	Small site on the A472 on the western approach to Usk. Site is comprised of a small garage and two small vacant premises. Other uses include some outdoor storage area and hardstand area that appears disused. Site is surrounded by trees and forms part of the boundary of the settlement of Usk. May be pressure to reuse this site for residential over the forecast period.	There appears to be no market for this site as employment and insufficient demand in Usk to retain this site. Recommendation: do not retain for employment	14
SAE2x	Woodside IE, Usk	Collection of older industrial workshop units, west of the River Usk. Close to the town centre of Usk, though access is through narrow roads, particularly the bridge that crosses the river. Units are comprised of engineering works and auto servicing outlets. BP petrol station fronts the site. Parking is within the site. Movement through the site is not easy, with a confusing layout of buildings and poorly defined access point.	While the site has a poor layout and difficult approaches and access, it is performing a local function. Recommend to encourage landholder to refurbish the site, including improved internal layout. Recommendation: retain for employment	13

Sources: BE Group 2022

8.17 The other existing employment areas in Monmouthshire scored higher than the above areas and are recommended to be retained for employment uses.

Recommendation 5: Delivery of Employment Sites

8.18 The deliverability of allocated sites and candidate sites brought forwarded to be allocated is important for the continuous, appropriate roll-out of employment stock in the County. Several of the sites have been allocated for a considerable time, without being brought forward, though some sites have seen recent interest.

8.19 Therefore, Monmouthshire County Council should continue to work with landholders to encourage development of the sites. Monmouthshire County Council could consider taking an active role in the promotion and development of the sites, through a range of mechanisms, which are discussed in the table below.

8.20 The table below shows that there are several mechanisms and levels of public sector involvement that could be considered in order to stimulate development activity. Not all mechanisms are appropriate for a given site, with circumstances particular to the site determining what approach, if any, that Council may look to pursue. It is provided to demonstrate the range of mechanisms that have been seen in markets elsewhere, from light touch support to active development roles and site acquisition. Council may

consider taking active roles in the delivery of employment sites in order to ensure that ready to move into premises (rather than land) are available to the market.

Table 43 – Delivery Mechanisms

Mechanism	Description
Private Sector Led/Private Sector Funded	This will happen where development is financially viable, there are willing developers and market confidence in occupier demand and potential for rental growth. Public sector input may be more focused on nurturing market confidence through positive engagement by planning and economic development officers, to ensure a smooth delivery of the relevant property mix.
Mixed Use Development to cross-fund Employment Land	Responds to potential viability gap, but no direct public sector intervention. Rather council officers and the developer negotiate a suitable development mix which includes a strong element of higher value uses to offset the gap. This does not automatically mean housing but could include retail or leisure uses, appropriate to the location, which can also improve values. Pubs/restaurants, a gym or hotel are examples of uses that both generate reasonable returns for developers and can improve the offer and attractiveness of a potential business park scheme. Council would need to ensure that the employment elements (the less financially attractive elements) are actually delivered rather than just the housing. This can be achieved through conditioning in the approvals process, such as having an agreed number of dwellings constructed that would trigger the development of the employment uses.
Low Level Public Support Practical Advice	Public sector support does not always mean large scale investment. Sometimes a landowner may simply be unaware of the full potential of their site, level of market demand or how site constraints can be overcome. An increasingly common approach is for local authorities to assume some of the initial research costs, producing for example a planning brief or masterplan to show the owner/developer what is possible and prompt development. Support on site and area marketing may also be welcome.
Medium Level Public Support De-Risking Development	The public sector could go further to “de-risk” commercial development through, for example, direct delivery of infrastructure and/or site improvement work. This could include environmental mitigation, enhanced drainage and/or on and off-site highway improvements which could otherwise impinge on the development viability. Pro-active support may also be required to ensure strategic infrastructure and services are available including energy and waste treatment.
Public Sector Land Acquisition	In this approach the public sector takes the lead in acquiring employment land, taking a more proactive approach to development delivery either as direct provider or in partnership with others. Once the land is acquired, the public sector has direct control over the roll out of the land and choose to develop themselves, enter into a partnership arrangement or sell on the site with conditions that it is developed.
Joint Venture Agreement	A defined agreement between public sector agencies and private developer partners. It is most commonly used where land is, at least in part, owned by the public sector. The public sector can then support development by inputting the land at low or nil value or by seeking out infrastructure funding. Such a Joint Venture partnership can take a number of forms: Contractual Partnership – Normally a short-term arrangement where the parties enter into a contractual arrangement where one party, usually the developer, will deliver. It would relate to the most straightforward developments.

Mechanism	Description
	- Joint Venture through formation of a limited company formed through share issue - A common arrangement where each party will put in an element of cost and risk, and the return reflects the share. The council may put in land and/or capital, the developer will often meet development costs. The arrangement may see proceeds distributed in different ways. This could be a revenue share, or a share on sale of the investment. The party taking the greater level of risk will normally have first call on the profit. - Company limited by guarantee – Tends to be more for non-profit making arrangements and can introduce a number of partners to the company. This arrangement is more likely to be suitable for marketing and promotion of regeneration schemes rather than a Joint Venture to deliver development.
Direct Public Support	This may be in the form of direct development funding or funding infrastructure. In Wales this could potentially include a Property Development Grant programme from Welsh Government. It may also be through rental guarantees or other forms of security. Emerging from the Covid-19 economic shock, there may be changes to the priorities of Government funding (they may look to stimulate investment so will aggressively fund programmes, or they may look to target sectors not related to the commercial property market), which is unknown at this time.
Public Sector Support – Rental Guarantee	Another direct support approach could be through rental guarantees (either in terms of minimum rental thresholds) or where a public body (Local Authority or Government agency) enter into a long-term “head-lease” arrangement with the developer to help secure funding and the public body then “sub-lets” to future business occupiers
Long lease interest and Annuity Rent	This is also increasingly used to support investments by pension funds and other major financial institutions into developments. The institution will fund the development in exchange for a lease of circa 35 years and an annuity rent paid by a secure covenant such as the council acting as developer. This would be a low but secured rent over the time period with agreed uplifts. The developer can then sub-let at market value to obtain a profitable rent. At the end of the 35 years the property will revert to the developer for £1 and the developer retains the long-term asset value.
Public Sector direct development	Ultimately, when soft intervention schemes as set out above still fail to encourage private sector development the remaining option is for the public sector to take full responsibility for speculative property development. This means the public body takes full financial and market risk prior to securing a commercial tenant or freehold sale of the completed property. The public sector is able to secure funding at significantly competitive rates through the Public Works Loan Board (PWLb) and defer repayments over the lifetime of the completed asset (40 - 50 years potentially).

Source: BE Group, 2022

Recommendation 6: Future Reviews

- 8.21 Paragraph 7.10 of the Welsh Government Practice Guidance – Building an Economic Development Evidence Base to Support a Local Development Plan, states that:
- “Reviews of the whole evidence base, both larger than local and local studies, will most likely reflect the 4 year development plan cycle; however, an earlier review might be*

considered if certain employment land related targets are not being achieved and are identified through the LDP Annual Monitoring Report.”

- 8.22 In light of this it is recommended to conduct regular updates of the forecasts and planning for employment land. Furthermore, the annual monitoring should continue to collate data on employment land and premise completions and permissions.
- 8.23 The Covid-19 pandemic, changes to workplace dynamics and current economic volatility highlight the need for reviews in light of changing circumstances.

Recommendation 7: Maintain Awareness of External Influences

- 8.24 Welsh planning policy highlights the importance of joint working and ‘more than local’ planning, to understand the interconnectedness of local authority areas.
- 8.25 The Employment Land Review of 2019 was produced alongside the Regional Employment Study, which covers a Larger Than Local Area of Blaenau Gwent, Caerphilly, Monmouthshire, Newport and Torfaen. It is appropriate that Monmouthshire continues to collaborate with its neighbouring local authorities regarding employment land provision to ensure that the regional economy has sufficient employment land in appropriate locations to support economic and population growth.

Appendix 1 – Vacancy Schedule

Office

Unit	Address	Sqm	Sqft	LH/FH	Rent/Price £/sqm
Second Floor	First Second Floor 7 Nevill Street, Abergavenny, Monmouthshire, NP7 5AA (Ref:7377)	N/A	N/A	LH	N/A
Office Building	The Cedars Business Centre, Penperlleni, Abergavenny, NP4 0AD	24	254	LH	279
Industrial Unit	Little Castle Business Park, Raglan, Monmouthshire, NP15 2BX	143	1,543	LH	N/A
1st Floor	1st Floor Offices, The Mill, Betholey, Usk, NP15 1LR	118	1,274	LH	56
Suite 2	Stuart House, Chepstow, NP16 5HH	24	255	LH	329
Suite 7	Stuart House, Chepstow, NP16 5HH	13	140	LH	346
Suite 8	Stuart House, Chepstow, NP16 5HH	22	235	LH	345
Suite 10	Stuart House, Chepstow, NP16 5HH	15	162	LH	335
Suite 11	Stuart House, Chepstow, NP16 5HH	7	75	LH	360
Suite 12	Stuart House, Chepstow, NP16 5HH	15	165	LH	358
Suite 14	Stuart House, Chepstow, NP16 5HH	52	563	LH	321
Suite 18	Stuart House, Chepstow, NP16 5HH	25	264	LH	323
1st Floor	Floor Office, Oak House, Llancayo Court, Usk NP15 1HY	77	823	LH	131
First Floor	First Floor, Unit 1b Beaufort Park Way, Bulwark, Chepstow	240	2,582	LH	133
Building 103	Wales 1 Business Park, 1, Newport Road, Magor, NP26 3DG	149	1,600	LH	N/A
Office Premises	Apex House Wonastow Road , Monmouth, NP25 5JA	N/A	N/A	LH	N/A
Office Premises	Singleton Court Business Park Wonastow Road , Monmouth, NP25 5JA	14	152	LH	170
Suite 3, First Floor	Suite 3, First Floor, Former Usk Adult Education Centre, Maryport Street, Usk, Monmouthshire, NP15 1AE	27	288	LH	168
Second Floor	Second Floor, 63 Frogmore Street, Abergavenny, NP7 5AU	74	800	LH	75
Unit 11B, Unit 4A, Unit 7	Castlegate Business Park, Caldicot Road, Caldicot, NP26 5PS	745	8,013	LH	54
Office Premises	Castlegate Business Park, Caldicot, NP26 5YR	3865	41,558	LH	N/A
Office Premises	Innovation House, Newport, Caldicot, NP26 3DG	1871	20,114	LH	N/A
	Ty Perllan , Nantgavenny Business Park, Nantgavenny Lane, Abergavenny, NP7 6LG	308	3,307	FH	N/A

Industrial

Unit	Address	Sqm	Sqft	LH/FH	Rent/Price £/sqm
Industrial Building	Court Farm, Llanover, Abergavenny, NP7 9HY	238	2555	LH	66
Unit 14d	Unit 14d Severnbridge Industrial Estate, Caldicot, NP26 5PT	216	2,318	LH	65
Church Farm	Unit 4, Church Farm, Llantrisant, Usk NP15 1LG	248	2,667	LH	60
	Tinmasters, Forge Row, Severnbridge Industrial Estate, Caldicot, NP26 5XG	8069	86759	FH	N/A
Unit 3	Unit 3, Bertholey Farm, Llantrisant, Usk, NP15 1LR	123	1,318	LH	64
Unit 14d	Unit 14d, Beacons Business Park, Severnbridge Industrial Estate, Caldicot, Monmouthshire, NP26 5PT	223	2,400	LH	70
Unit 8	Unit 8 Severnlink Distribution Centre, Newhouse Farm, Chepstow, Monmouthshire, NP16 6UN	397	4,269	LH	86
Unit 7	Unit 7 Severnbridge Industrial Estate, Under Offer, Symondscliff Way, Severn Bridge Industrial Estate, Caldicot, Chepstow, NP26 5PT	2793	30,032	LH	N/A
Ground Floor, First Floor	Station Road, Rogiet, Caldicot, NP26 3UE	51	550	LH	15
Unit 5	Unit 5 Pill Farm, Magor, Caldicot, NP26 3EE	70	750	LH	86
	No.1, Newhouse Industrial Estate, Mathern, Chepstow, NP16 6UD	14089.5	151500	LH/FH	N/A
Industrial Unit	Former Steam Flour Mill, Off Station Road, Chepstow, NP16 5YL	93	1,000	LH	65
	Delta 290, Newhouse Farm Industrial Estate	26942	290000	LH	N/A

Appendix 2 – Business Survey

Monmouthshire County Council Monmouthshire Business Survey 2019

Company Details

1. Company Name

2. Respondent Name

3. Position within Company

4. Telephone Number

5. Email Address

Current Accommodation

6. Activity of Company

7. Number of years active

8. Number of employees

9. Type of accommodation:

Office

☐

Warehouse

☐

Industrial/Factory

☐

Lab

☐

Site (undeveloped land)

☐

Other

10. What is the size(sqm) of your current premises?

0-100 (0-1,076sqft)	☐	101-200 (1,077-2,152sqft)	☐	201-500 (2,153-5,382sqft)	☐
					☐
501-1,000 (5,383-10,764sqft)	☐	1,001-2,000 (10,765-21,529sqft)	☐	2,001-5,000 (21,530-53,820sqft)	
					☐
5,001-10,000 (53,821-107,639sqft)	☐	10,001+ (107,640sqft+)	☐	Other (i.e. hectares/acres)	

11. Is the property rented or owned?

Rented ☐ Owned ☐

12. If rented, when does the current lease expire?

.....

13. Has there been any previous location for the business?

No previous site	☐
In the same industrial estate/ business park	☐
Same town	☐
Elsewhere (<i>please state</i>)	☐

.....

14. What are the advantages of having your business in its current area? (Please tick as many that apply)

Its where I'm from	☐	Car-parking	☐
Close to staff	☐	Reputation of area	☐
Close to market	☐	Affordability	☐
Close to customers	☐	Availability	☐
Transport links	☐	Potential to expand	☐
Close to related businesses	☐	Other (<i>please state</i>)	☐

.....

15. What are the main disadvantages of having your business located in its current area? (Please tick as many that apply)

Difficulty attracting staff	☐	Poor reputation/image	☐
No access to markets	☐	Affordability	☐
Not close enough to customers	☐	Limited availability	☐
Poor transport links	☐	Distance from motorways	☐
Poor congestion	☐	No disadvantages	☐
Poor car-parking	☐	Other (<i>please state</i>)	☐
Potential to expand	☐		

.....

Business Confidence

16. How would you rate the strength of your business on the following performance issues?

	Much Stronger	Slightly Stronger	About the same	Slightly Weaker	Much Weaker
How has your business performed in the last 12 months compared to the previous 12?	☐	☐	☐	☐	☐
How do you expect your business to perform in the next 12 months compared to the previous 12?	☐	☐	☐	☐	☐

17. How do you expect the following factors of your business to change over the next 12 months?

	Significant increase	Slight increase	Remain the same	Slight decrease	Significant decrease
Employee Numbers	☐	☐	☐	☐	☐
Sales	☐	☐	☐	☐	☐
Operating Costs	☐	☐	☐	☐	☐
Capital Investment	☐	☐	☐	☐	☐
Premises	☐	☐	☐	☐	☐

Future Requirements

18. Looking to relocate or expand?

Yes

☐

No

☐

If yes, relocation or expansion?

If answered 'No' to question 18, please proceed to question 24.

19. Will this be **additional** ☐ or **alternative** ☐ to existing property?

20. What is the main reason for your business choosing to relocate/expand?

Current site too small	☐	Need to be closer to market	☐
Current site too large	☐	Need to be closer to customers	☐
Current site too old	☐	Upgrading	☐
Cost	☐	Lease running out	☐
Location	☐	Availability of workforce	☐
Need to be closer to staff	☐	Other (<i>please state</i>)	☐

.....

21. What is your time frame for relocating/expanding your business?

12 months	☐
2 – 5 years	☐
5+ years	☐
Unknown	☐

22. What type of property will you be looking for?

Office	☐	Lab	☐
Warehouse	☐	Land	☐
Industrial/Factory	☐	Other (<i>Please state</i>)	☐

.....

23. What size site(sqm) are you looking for?

0-100 (0-1,076sqft)	☐	101-200 (1,077-2,152sqft)	☐	201-500 (2,153-5,382sqft)	☐
501-1,000 (5,383-10,764sqft)	☐	1,001-2,000 (10,765-21,529sqft)	☐	2,001-5,000 (21,530-53,820sqft)	☐
5,001-10,000 (53,821-107,639sqft)	☐	10,001+ (107,640sqft+)	☐	Other (i.e. hectares/acres)	☐

24. Is there a location you have in mind for relocation/expansion?

No location in mind	☐
Same industrial estate/ business park	☐
Same town	☐
Elsewhere, please state	☐

.....

25. Have you had any difficulties finding new premises?

No difficulty	☐	Significant difficulty	☐
Some difficulty	☐	Great difficulty	☐

Please provide reasons for your answer

.....

Additional Comments

26. Please let us know if you have any additional comments to make regarding your business or commercial properties in Monmouthshire in general:

.....
.....

27. Please let us know if you would be happy to be contacted again for further research:

Yes	☐	No	☐
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Ment Criteria	Issues to Consider	1 – Poor	5 – Excellent
Accessibility	Links to major roads (M4, A40, A465 etc.); local and strategic access; public transport and pedestrian cycle access; internal circulation and parking.	Over five miles away from major motorway junctions or dual carriageways. Difficult, narrow access via residential streets/roads; sloping/bending access; congested roads and difficult site junctions. No pavements for pedestrians and lack of cycle lanes; inadequate crossing facilities. The site is remote with poor and infrequent transport links; 1 bus or train service per hour or less to a limited range of destinations. Lack of parking on site or nearby.	On major motorway junctions and/or dual carriageways. Easy access via good quality, uncongested roads with good quality junctions. Wide pavements and cycle lanes around the site which are safe and convenient. Close to railway stations and bus stops with frequent services running to a number of areas. Ample parking on site (where applicable).
Buildings and Site Quality and Characteristics	Condition and age of buildings, space around buildings and servicing.	Poor quality buildings which are unattractive and in a poor state of repair. Buildings have a detrimental impact upon the surrounding area. Absolutely no space around the buildings consequently there would be no scope for expansion. There is no provision on site for service vehicles and as such maneuverability would be an issue.	Very high quality, attractive buildings which are made from high quality materials and well maintained. The buildings make a positive contribution to the immediate and wider area. There are large quantities of space available around the buildings which will allow for expansion in all directions. There is ample provision for service vehicles on site affording generous space for manoeuvring.

Ment Criteria	Issues to Consider	1 – Poor	5 – Excellent
Environmental Factors	Internal and external environment of the site (e.g. noise, smell, dirt/dust, general pollution etc.).	Dirty site upon which activities are (or were) noisy and omit significant odours and dust/dirt. The site is (or was) polluting quite badly. The site impact (or previously impacted) upon adjoining occupiers; surrounding uses are highly sensitive/detrimentally impacted by activities on site. Poor quality external areas; poorly maintained with a poor design/layout.	Very clean and tidy site free from particular environmental problems (i.e. quiet, clean, odourless). The site does not (or did not) produce any significant pollutants. Surrounding uses are compatible with and not detrimentally affected by activities on site. Very high quality public areas/good quality design/landscaping and well maintained.
Market Attractiveness	Feasibility of site remaining for employment, local market evidence, improvement prospects, special opportunities and overall image of site.	Low profile, poor quality appearance, attracts lower end uses. High level of vacancy and difficult to let. Constraints on development and low levels of market activity. Unattractive poor quality image of the area. Would not have a realistic prospect of remaining for employment should the site become vacant or be required for an alternative use.	High profile, high quality appearance, low levels of vacancy (<10%). Units are rarely available and witness a quick turnover when vacated. The site witnesses new investment. Attractive and high quality area. Would have a very real prospect of being retained for employment purposes for the foreseeable future.

Site Ref.	Site Name	Site Size, ha – Realistically Available for B1/B2/B8 Use	Accessibility	Environmental Factors Internal	Environmental Factors External	Market Attractiveness	Total Score, Max 20
SAE1a	Wales One, Magor (West)	4	5	4	3	5	17
SAE1b	Quay Point, Magor	13.76	4	3	3	3	13
SAE1f	Newhouse Farm, Chepstow	2.13	5	3	4	5	17
SAH3	Fairfield Mabey, Chepstow	0.65	3	4	4	4	15
SAH5	Rockfield Farm, Undy	2	1	4	4	3	12
Total		22.54					

Site Ref.	Site Name	Accessibility	Building Quality	Site Quality	Environmental Factors Internal	Environmental Factors External	Market Attractiveness	Total Score, Max 20
SAE2a	Mill St, Abergavenny	3	3	3	4	3	3	19
SAE2b	Lower Monk St Abergavenny	3	2	2	3	2	3	15
SAE2c	Union Rd, Abergavenny	3	3	3	3	4	3	19
SAE2d	Hatherleigh Pl, Abergavenny	3	3	3	3	4	3	19
SAE2e	Ross Rd, Junction Yard, Abergavenny	2	3	3	3	4	2	17
SAE2f	School Hill, Chepstow	2	3	3	3	3	2	16
SAE2g	Station Rd, Chepstow	4	4	3	3	3	3	20
SAE2h	Job Centre, Chepstow	4	4	4	4	4	4	24
SAE2i	Bulwark Rd, Chepstow	4	3	3	3	3	3	19
SAE2j	Beaufort Park, Chepstow	5	5	3	4	3	5	25
SAE2k	Newhouse Farm, Chepstow	5	4	4	3	4	5	25
SAE2l	Wonastow Rd, Monmouth	3	3	3	3	3	4	19
SAE2m	Mayhill/ Hadnock Rd, Monmouth	4	2	2	2	3	2	15
SAE2n	Tri-Wall, Wonastow Rd, Monmouth	3	4	4	3	4	4	22
SAE2o	Magor Brewery, Magor	5	4	4	2	4	5	24
SAE2p	Severnbridge, Caldicot	3	4	4	3	4	4	22
SAE2q	Cheeseman's IE, Rogiet	4	3	2	3	4	2	18
SAE2r	Progress IE, Rogiet	1	3	3	2	3	1	13
SAE2s	Former Railway Goods Yard, Usk	2	1	3	3	4	1	14
SAE2t	Cuckoo's Row, Raglan	3	3	3	3	4	3	19
SAE2u	Raglan Enterprise Park, Raglan	2	3	3	3	4	3	18
SAE2v	Mamhilad	3	4	4	3	4	4	22
SAE2w	Wales One (east), Magor	5	5	4	5	3	5	27
SAE2x	Woodside IE, Usk	2	2	2	3	2	2	13
SAE2y	Cranberry Foods, Abergavenny	5	4	5	4	4	4	26
	Nantgavenny Business Park	3	4	4	4	4	3	22

Site Ref.	Site Name	Site Size, ha – Realistically Available for B1/B2/B8 Use	Accessibility	Environmental Factors Internal	Environmental Factors External	Market Attractiveness	Total Score, Max 20
CS0009	Land at Former MoD Training Facility, Caerwent		4	2	3	3	12
CS0016	Land to the East of Little Mill	0.2	3	4	4	3	14
CS0038	Land West Wales One Business Park, Magor	3.84	5	4	3	5	17
CS0051	Land at Croft Y Bwla Farm, Monmouth	0	2	4	4	2	12
CS0069	Land adj Raglan Enterprise Park, Raglan	1	2	3	4	3	12
CS0136 & CS0272	Land adj Rockfield Road, Monmouth	0	3	2	4	3	12
CS0139	Former Petrol Station, Llanover	2.17	2	3	4	3	12
CS0154	Land north M48, Chepstow	1.8	5	3	4	5	17
CS0178 & CS0286 (with Residential)	The Abergavenny Workhouse, Abergavenny	0.67	3	3	4	3	13
CS0213	Abergavenny Urban Extension, Abergavenny	up to 5 ha	3	4	4	4	15
CS0228	Land off Green Moor Lane, Magor	3.16	3	3	3	2	11
CS0251	Bradbury Farm, Crick	up to 5 ha	3	3	4	3	13
CS0253	Ifton Manor (Site A), Rogiet	up to 1 ha	4	4	4	2	14
CS0255	Land adj Ifton Industrial Estate, Rogiet	0.1	4	3	4	2	13
CS0258	Quay Point (Land South of Magor Brewery)	10.6	4	3	3	3	13
CS0260 & CS0261	Land at M48 Junction, Chepstow	2.13	5	3	4	5	17
CS0266	Land at Nantgavenny Business Park, Abergavenny	0.59	3	4	4	3	14
CS0274	Land north of Wonastow Road, Monmouth	0	3	4	4	4	15
CS0278	Land west of Raglan, Raglan	8.86	4	4	4	4	16
CS0292	Rhossilli, Hadnock Road	0	3	3	2	2	10