

Maidstone Garden Settlements Economic Report Final Report

Maidstone Borough Council

May 2021

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1.0 Introduction

- 1.1 Lichfields was commissioned by Maidstone Borough Council ('MBC') to prepare a Garden Settlements Economic Report for the Borough. The purpose of the report is to consider the future employment, retail and leisure contribution that two proposed garden settlements within Maidstone Borough could be expected to make over the new Local Plan period and beyond.

Background

- 1.2 MBC is in the process of preparing a review of the Local Plan, for which Regulation 18b Preferred Approach consultation was undertaken between December 2020 and January 2021. As the Local Plan Review progresses towards Regulation 19 stage, further refinement of the evidence base is now required to reflect the Council's preferred spatial strategy.
- 1.3 Due to the quantum of development need that the new Local Plan must address, new growth locations have been identified in the form of garden settlements (alongside other strategic development locations). This is reflected within a revised settlement hierarchy for the Borough which takes account of the Local Plan Review preferred spatial approach to new housing.
- 1.4 Several initial garden community-scale proposals were submitted through the 2019 Local Plan Call for Sites process¹ and following a two-stage assessment process, these were narrowed down to three potential settlements. After refinement, the preferred approach at this stage is for the inclusion of two potential garden settlements: at Lidsing (north of the Borough on the boundary with Medway, proposed for 2,000 homes) and at Heathlands (east of the Borough on the boundary with Ashford, proposed for 5,000 homes).

Scope of the Study

- 1.5 This preferred approach, as set out in the Regulation 18b Local Plan Preferred Approach consultation, now requires a more detailed assessment in terms of the employment, retail and leisure contribution each garden settlement is expected to make to help inform decision making and support the preferred approaches going forward into the draft Local Plan (Regulation 19).
- 1.6 In this context, the brief for this Garden Settlements Economic Report consists of the following:
- 1 Clear recommendation of the size, role, function and composition of new settlement centres at Lidsing and Heathlands, including an indication of where they would sit within Maidstone's town centre hierarchy.
 - 2 Recommendation of the types, quantum and broad location of any additional employment (E(g) and B uses), retail (E(a) uses) and leisure floorspace elsewhere within the proposed new settlements (outside of their defined centres) where appropriate.
 - 3 Recommendations on the preconditions necessary, and existing on site, to ensure the best possible chance of timely delivery of suitable employment and retail floorspace, including the locating, phasing and delivery of floorspace to complement the assumed delivery of housing development.

¹ Submitted new garden community sites include: Leeds Wider Landholding, Land north of Staplehurst, Land north of Lidsing, Langley Heath, Strategic expansion of Marden, Binbury Park, Detling and Pagehurst Farm.

Economic Development Needs Study Addendum

- 1.7 A focused Addendum to Maidstone's Borough-wide Economic Development Needs Study ('EDNS') which was originally published in April 2020 has also been prepared by Lichfields alongside this Garden Settlements Economic Report in order to provide updated economic evidence on employment, retail, leisure and town centre needs for the Local Plan Review. This reflects the Council's preferred spatial strategy and the changing economic and policy landscape which has evolved significantly since the EDNS was produced.
- 1.8 The EDNS Addendum provides an important evidence base backdrop to this study, as the Council is clear that each Garden Settlement's employment, retail and leisure offer should contribute to and complement the overall Borough requirements as set out in the EDNS and Addendum; as well as the preferred approach strategy of over-provision of employment land to offer maximum flexibility and choice to the market.

Structure of the Report

- 1.9 The remainder of this report is structured as follows:
- **Chapter 2.0** provides an overview of the proposed garden settlements at Lidsing and Heathlands and outlines emerging planning policy to guide their development.
 - **Chapter 3.0** considers the potential quantum, type and broad location of additional employment floorspace within the proposed new garden settlements, outside of their defined centres.
 - **Chapter 4.0** assesses the size, role, function and composition of new settlement centres at Lidsing and Heathlands.
 - Overall conclusions are drawn together in **Chapter 5.0**, alongside advice on the preconditions necessary, and existing on site, to ensure the best possible chance of timely delivery of suitable employment and retail floorspace at each proposed garden settlement.

2.0 The Proposed Garden Settlements

- 2.1 This section provides an overview of the proposed garden settlements at Lidsing and Heathlands and outlines emerging planning policy to guide their development over the coming years.
- 2.2 The Council acknowledge that the scale of housing growth that the Borough is required to meet has been, and will continue to be, challenging. It indicated when releasing the Call for Sites in March 2019 that it was interested in considering garden communities as a method of accommodating future housing need over the Local Plan Review Period.
- 2.3 The spatial strategy proposals contained in the Regulation 18b Local Plan Preferred Approach result from very detailed work following the council's Call for Sites exercise in 2019, which has included two stages of independent assessment by consultants commissioned to evaluate a range of 'garden settlement' scale submissions. The strategy which has emerged from this work, comprises two large scale mixed use proposals located in the north west and east of Maidstone, along with a pattern of growth dispersed sustainably amongst the town centre and the urban area, rural settlement centres and larger and smaller villages.
- 2.4 Draft Policy SP4 'Garden Settlements' notes that in order to demonstrate that a Garden Community proposal is sustainable and deliverable, it must include a development Mix containing:
- Not less than 1,500 new homes;
 - Appropriate local retail and services, taking into account the local and surrounding populations and levels of service provision; and
 - A good local employment offer, across a range of job types, with a benchmark of 1 new job for each new home delivered.
- 2.5 The draft Local Plan identifies Heathlands and Lidsing as suitable and deliverable opportunities to deliver growth in sustainable locations. They will both be delivered according to garden community principles, with value captured from the raising of land values coming from the change of uses on these sites to help to fund infrastructure improvements, and place-shaping facilities. They will both operate as sustainable locations in their own right, but will also help to provide opportunities for surrounding areas in terms of improved employment opportunities and service choice. An overview of each proposed garden settlement is included below.

Heathlands Garden Settlement

Draft Local Plan Policy 'SP4(a) Heathlands Garden Settlement'

- 2.6 Heathlands is a Council-proposed stand-alone new settlement, with the potential to accommodate around 5,000 new homes and a mix of employment and services within the Plan Period, and beyond. Development will be focused on the delivery of a new rail station on the Maidstone-Ashford line, with new infrastructure and employment opportunities focussed around this.
- 2.7 The site has many of the preconditions for a strategically located development. There is access to road by the A20 to the north, and potentially to the Maidstone-Ashford rail line. It's location at the foot of the North Kent Downs will provide a very attractive setting for the new residents, but care must be taken to ensure that the impact on views from and to the Downs are minimised and mitigated.

[illegible]

There is much work to be done in terms of bringing a masterplan together for this site, but there is the potential for an exemplary new settlement at this location, utilising the A20 and existing rail links, as well as contributing towards the business case for a new M20 junction. There is particular uncertainty around the delivery of the western portion of the site due to an existing minerals allocation, the impacts from the Lenham Waste Water Treatment facility potential for convergence with the village of Lenham, and potential AONB impact.

The requirement for a new rail station does however increase the strategic value of the land north of the currently proposed site. It is conservatively assumed that this has the potential for an additional 2,000 new homes, with a mix of employment and services to the north of the rail line. It will be particularly important that this part of the site is carefully designed to ensure the impact to the setting of the AONB is appropriately managed, as well as ensuring that new links to the A20 are established.

Key policy requirements for the new garden settlement at Heathlands are summarised in Table 2.1 overleaf.

Table 2.1 Heathlands Garden Settlement: Key Policy Requirements

Policy SP4(A) Requirement	
Phasing & Delivery	<ul style="list-style-type: none"> Starting in approximately 2030 A mix of sizes of land parcels to enable development by range of types and sizes of developers Ensure that environmental mitigations are delivered in advance of construction
Housing	<ul style="list-style-type: none"> 5,000 new homes A minimum of 40% affordable housing Range of types including across tenures, mix, including for generational living
Employment/ Commercial	<ul style="list-style-type: none"> Development should aim to provide for as close to 5,000 new jobs as feasible and viable A new District centre focused on a new railway station Local Centres where the site extends >1.2km from rail station Knowledge focused B1 focused around the new district centre New B2/B8 space: <ol style="list-style-type: none"> adjacent to A20 junction or potential future M20 junction
Transport Connections	<ul style="list-style-type: none"> A new rail station will be provided on the Maidstone-Ashford rail line 2 new A20 connections will be established to the north of the development, on routes which successfully span the Maidstone-Ashford rail line to connect with the southern part of the site A new bus route linking Improved bus routes Cycling & Walking links to the new district centre Potential connection to a new M20 junction as a result of cumulative development between M20 Junction 8 & Ashford

Source: Maidstone Borough Council (Local Plan Review, Regulation 18 Preferred Approaches Consultation, December 2020)

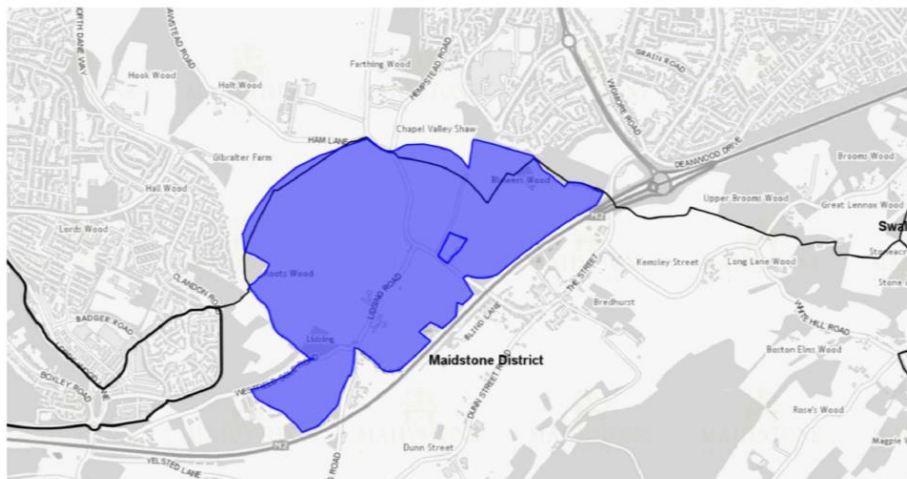
Lidsing Garden Settlement

Draft Local Plan Policy ‘SP4 (b) Development north of M2/Lidsing’

2.11

Lidsing is a significant site in largely unified ownership to the south of the Medway urban area. It has strategic access to the M2 via Junction 4 and presents an excellent opportunity to create new employment uses harnessing this accessibility. The delivery of approximately 2,000 new homes both within and beyond the Plan Period will enable the delivery of improved infrastructure that will benefit surrounding areas including enhanced bus routes linking Lordswood and Hempstead, as well as improved general access to the M2, and enhancements to the infrastructure within the Capstone Valley.

Figure 2.2 Location of Lidsing Garden Settlement



Source: Maidstone Borough Council (Local Plan Review, Regulation 18 Preferred Approaches Consultation, December 2020)

- 2.12 The current proposal includes a significant employment offer as part of the development mix, and the Council considered that this is appropriate given the strategic access granted to the M2 via Junction 4.
- 2.13 The council recognises that many aspects of this site have at least as much of an impact of the urban areas within Medway as Maidstone Borough. The council has committed to engage in Duty to Cooperate discussions to ensure that issues are discussed, solutions are proposed, and areas of common ground and disagreement are identified.
- 2.14 Key policy requirements for the new garden settlement at Lidsing are summarised in Table 2.2 below.

Table 2.2 Lidsing Garden Settlement: Key Policy Requirements

Policy SP4(B) Requirement	
Phasing & Delivery	<ul style="list-style-type: none"> Starting in approximately 2027 A mix of sizes of land parcels should be provided to enable development by range of types and sizes of developers Ensure that environmental mitigations are delivered in advance of construction
Housing	<ul style="list-style-type: none"> 2,000 new homes A minimum of 40% affordable housing Range of types including across tenures, mix, including for generational living
Employment/ Commercial	<ul style="list-style-type: none"> Development should aim to exceed 2,000 new jobs due to the area's excellent connectivity to the SRN A new Local Centre should be created on an orbital bus route linking Lordswood & Hempstead, as well as the Medway town centres
Transport Connections	<ul style="list-style-type: none"> A new connection to the M2 at Junction 4 will be created, enabling improved connections to the north of the site A new orbital bus route linking Lordswood & Hempstead, and linking to the Medway town centres will be created Cycling & Walking links throughout the site, and strategically north-south along the Capstone Valley should be created

Source: Maidstone Borough Council (Local Plan Review, Regulation 18 Preferred Approaches Consultation, December 2020)

3.0 Employment Contribution and Space Requirements

- 3.1 This section considers potential quantum, type and broad location of additional employment (E(g) and B uses) floorspace within the proposed new garden settlements, outside of their defined centres. It provides indicative estimates of employment space and land needs for the two proposed garden settlements, drawing on different assumptions about where growth and demand could come from.

Quantum of Space

- 3.2 Two scenarios are presented to consider the potential quantum of employment space that will be needed at each Garden Settlement in order realise the Council's ambition to deliver employment opportunities commensurate with a suitable new community.
- 3.3 They represent 'bottom up' estimates of potential demand for employment generation at each garden settlement, drawing on metric-based planning approaches to understand how much employment space would be required to broadly match expected growth in labour supply associated with the 1 job per home benchmark and projected increase in the working-age, economically active resident workforce in both garden settlements. They do not take account of other market or commercial property factors that could drive demand for employment space provision in both locations, or the potential for footloose business demand or inward investment (i.e. originating from elsewhere) to be attracted to each site, given the inherent difficulties associated with predicting this at such an early stage of the planning process.
- 3.4 Scenario B is broadly consistent with the labour supply scenario presented in the EDNS and applies a very similar methodology to arrive at employment floorspace requirements. It is not possible to replicate the 'labour demand' scenario from the EDNS for this Garden Settlement assessment as this applies Borough-wide forecasts of job growth over the new Local Plan period which cannot be disaggregated below Borough level, for instance to individual locations or sites such as Lidsing and Heathlands.

Scenario A: 1 New Job per Home Delivered

- 3.5 Draft Local Plan Policy SP4 'Garden Settlements' identifies a benchmark of 1 new job for each new home delivered at Heathlands and Lidsing in order to support a good local employment offer and a sustainable development mix. This benchmark also applies to draft Policies SP4(A) and SP4(B) and notes that development at Lidsing should aim to exceed this ratio (equivalent to 2,000 new jobs) due to the area's excellent connectivity to the strategic road network.
- 3.6 Table 3.1 below summarises the potential office, industrial and warehousing job growth capacity that could be supported if this overarching 'jobs to homes' benchmark were to be realised within both garden settlements, alongside associated employment floorspace and land requirements. This analysis is based on consistent assumptions to those applied in the EDNS Addendum in regard to estimating the contribution that office, industrial and warehousing uses could make to overall employment growth within the Borough and each garden settlement.

Table 3.1 Potential job growth, employment floorspace and land requirements: 1 job per new home

	Heathlands	Lidsing
Total new homes	5,000	2,000
Total new jobs (all sectors)	5,000	2,000
New jobs within employment uses (office, industrial & warehousing)*	1,580	630
<i>Offices</i>	<i>990</i>	<i>400</i>
<i>Industrial</i>	<i>310</i>	<i>120</i>
<i>Warehousing</i>	<i>280</i>	<i>110</i>
Employment floorspace (sq.m GEA)*	54,750	21,900
<i>Offices</i>	<i>15,010</i>	<i>6,005</i>
<i>Industrial</i>	<i>16,860</i>	<i>6,745</i>
<i>Warehousing</i>	<i>22,880</i>	<i>9,150</i>
Employment land (ha)	11.6	4.6
<i>Offices</i>	<i>1.7</i>	<i>0.7</i>
<i>Industrial</i>	<i>4.2</i>	<i>1.7</i>
<i>Warehousing</i>	<i>5.7</i>	<i>2.3</i>

Source: Lichfields analysis (totals rounded)

* Based on the proportion of office, industrial and warehousing job growth of total workforce job growth implied by latest Experian forecasts within the EDNS Addendum (March 2021)

* includes a 10% buffer allowance (as per EDNS Addendum)

- 3.7 This suggests that Heathlands garden settlement could accommodate around 1,580 office, industrial and warehousing jobs once complete and operational, in turn supporting 54,750 sq.m employment space which is equivalent to around 11.6ha of employment land.
- 3.8 Given its smaller overall size and residential capacity, Lidsing garden settlement could accommodate around 630 office, industrial and warehousing jobs once complete and operational, requiring approximately 21,900sq.m of employment space or 4.6ha of employment land.
- 3.9 Reflecting recent changes to the Use Classes Order, the planning use classes associated with these estimates are as follows:
- **Offices:** E(g)(i) and E(g)(ii)
 - **Industrial:** E(g)(iii) and B2
 - **Warehousing:** B8
- 3.10 These estimates apply Borough-wide assumptions regarding the proportion of total job growth that could relate to office, industrial and warehousing uses, taken from the EDNS Addendum. In reality, this share could be expected to be different within a new settlement where uses may be comparatively more restricted, and where not all sectors of the local (i.e. Maidstone Borough) economy are represented. They also assume that office-based sectors will drive the majority of job growth (based on latest Experian sector-by-sector projections) and therefore a sizeable share of employment space; this may not reflect the full extent of the post-Covid reality which could reduce the amount of formal office space required by businesses if a significant proportion of the workforce continue to work remotely (e.g. from home).
- 3.11 Beyond office, industrial and warehousing uses, both new garden settlements will also need to provide a range of other, wider employment uses on site in order to serve the day-to-day needs of the new community. This will include jobs in sectors such as retail, education and healthcare,

although these are not specifically quantified as part of this study (retail and leisure floorspace needs are considered in the following chapter).

- 3.12 The job growth, employment space and land estimates summarised above reflect both garden settlement developments in their entirety and are therefore associated with the full scale of residential development expected to take place at each location. Whilst it is too early to estimate at this stage how many of these jobs and how much of the associated floorspace could realistically come forward over the new Local Plan period to 2037, taking a balanced approach consistent with current phasing assumptions for the new housing would indicate the following broad quantum of delivery by 2037:
- **Heathlands:** 506 office/industrial/warehousing jobs, 17,520 sq.m employment floorspace and 3.7 ha employment land (based on 1,600 residential units being delivered by 2037 (starting 2029), equivalent to 32% of the total).
 - **Lidsing:** 410 office/industrial/warehousing jobs, 14,235 sq.m employment floorspace and 3.0 ha employment land (based on 1,300 residential units being delivered by 2037 (starting 2027), equivalent to 65% of the total).
- 3.13 For Heathlands, this would be equivalent to an increase of 200 total jobs and 63 office/industrial/warehousing jobs per year over the first 8 years of delivery to 2037.
- 3.14 For Lidsing, this would be equivalent to an increase of 130 total jobs and 41 office/industrial/warehousing jobs per year over the first 10 years of delivery to 2037.
- 3.15 This compares with recent job growth over the 10-year period 2010-2020² across the Borough as a whole of:
- Total job growth: 5,800 (580 p.a.)
 - Office/industrial/warehousing job growth: 3,505 (350 p.a.)
- 3.16 This suggests that the scale of job growth implied by the above analysis (associated with the 1 new job per home benchmark ratio) would not be inconsistent with patterns of recent employment growth recorded at a Borough-wide level and could therefore be considered achievable subject to the required supporting infrastructure being in place to facilitate this job growth.

Scenario B: Future Labour Supply

- 3.17 The second approach to considering the potential quantum of employment space at each garden settlement is to draw on estimates of future growth of local labour supply associated with current assumptions about the scale and timing of new housing delivery at both Lidsing and Heathlands.
- 3.18 This scenario considers the number of jobs and the associated requirement for employment space that would be necessary to match the forecast growth of the working-age and economically active resident workforce in both garden settlements. It reflects the Council's current working assumptions about the scale and timing of new housing delivery (as at March 2021) which may be subject to change and review in due course. It considers future labour supply at Lidsing and Heathlands in isolation, and does not take account of any implications that delivery of new housing at the two new garden settlements may have upon housing delivery and population growth across the rest of the Borough.

² Based on Experian data released in December 2020, as used in the EDNS Addendum

- 3.19 Table 3.2 overleaf summarises the workplace labour supply resulting from this scenario, and associated requirements for employment floorspace and land, once each garden settlement is complete and operational.
- 3.20 This represents a 'bottom up' supply based estimate of demand for employment generation at each garden settlement, assuming that the majority of working-age, economically active residents will be in employment (either within the garden settlement or elsewhere), and also allows for some in-commuting into each garden settlement to take up some of the employment opportunities.
- 3.21 It assumes that each new household at Heathlands and Lidsing accommodates 2.38 residents, reflecting current Council working assumptions. It also assumes that one additional job would be required for each additional worker, while the proportion employed in office, industrial and warehousing sectors assumes the same shares as the '1 job per home' approach described above. It assumes a working-age population of 16 to 64, that economic activity remains unchanged over the Local Plan period (at 81.8%) and that existing (2011 Census based) Borough-wide commuting patterns remain unchanged, with the Borough recording a slight net outflow of workers in overall terms.

Table 3.2 Potential job growth, employment floorspace and land requirements: future labour supply

	Total Change Over Whole Development	
	Heathlands	Lidsing
Total new homes	5,000	2,000
Total population (assuming 2.38 people per new home)	11,900	4,760
Working-age population (aged 16-64, based on 2014 SNPP at 2037)	6,724	2,689
Workplace labour supply - workforce jobs in each garden settlement (assuming existing economic activity rates and commuting patterns remain unchanged)	5,417	2,167
New jobs within employment uses (office, industrial & warehousing)*	1,712	685
<i>Offices</i>	1,075	430
<i>Industrial</i>	336	134
<i>Warehousing</i>	301	121
Employment floorspace (sq.m GEA)‡	59,320	23,730
<i>Offices</i>	16,260	6,505
<i>Industrial</i>	18,270	7,310
<i>Warehousing</i>	24,790	9,915
Employment land (ha)	12.6	5.0
<i>Offices</i>	1.8	0.7
<i>Industrial</i>	4.6	1.8
<i>Warehousing</i>	6.2	2.5

Source: Lichfields analysis (totals rounded)

* Based on the proportion of office, industrial and warehousing job growth of total workforce job growth implied by latest Experian forecasts within the EDNS Addendum (March 2021)

‡ includes a 10% buffer allowance (as per EDNS Addendum)

- 3.22 This generates similar estimates of job growth potential, employment floorspace and land requirements to Scenario A (the '1 job per home' approach).

- 3.23 Based on currently assumed phasing of housing delivery at each garden settlement, it is possible to estimate the following broad quantum of job growth and employment space delivery by 2037:
- **Heathlands:** 1,733 total jobs, 548 office/industrial/warehousing jobs, 18,980 sq.m employment floorspace and 4.0 ha employment land (based on 1,600 residential units being delivered by 2037 (starting 2029), equivalent to 32% of the total).
 - **Lidsing:** 1,409 total jobs, 445 office/industrial/warehousing jobs, 15,420 sq.m employment floorspace and 3.3 ha employment land (based on 1,300 residential units being delivered by 2037 (starting 2027), equivalent to 65% of the total).

EDNS Addendum

- 3.24 It is useful to compare these two estimates with the Council's latest economic evidence on job growth potential across the Borough, as prepared as part of the EDNS Addendum, to consider the potential role and contribution that Heathlands and Lidsing could play in supporting future economic growth and delivering employment space over the new Local Plan period. The EDNS Addendum applies latest local level economic forecasts from Experian's December 2020 release to estimate the following for the Borough overall over the Local Plan period 2022-2037:
- Total workforce job change: +13,200
 - Total change in office, industrial & warehousing jobs: +4,165
 - Gross employment space requirement: +140,110 sq.m
 - Employment land requirement: +29.5 ha
- 3.25 The above analysis suggests that combined, the two garden settlements at Heathlands and Lidsing could deliver around a quarter of this implied Borough-wide job growth, employment floorspace and land requirement over the period to 2037.
- 3.26 The EDNS Addendum identifies an overall over-supply of employment space to meet objectively assessed economic development needs in the Borough over the new plan period, and this position assumes that just under 48,000 sq.m of employment space³ comes forward across the two garden settlements (clearly this floorspace figure is subject to change as masterplan work for the two garden settlements progresses).
- 3.27 However, the Addendum notes that the relative location of the Borough's pipeline employment supply may mean that some of this additional capacity that could come forward over the Local Plan period accommodates business demand arising from across the wider functional economic market area within which the Borough operates. It also notes that employment provision within the two proposed garden settlements at Lidsing and Heathlands is specifically intended to support the sustainability of each new community (to reduce the need for out-commuting amongst residents etc) and could therefore be considered to be serving an economic need that extends beyond 'general market' provision.

Maximising Lidsing's Strategic Connectivity: Sensitivity Test

- 3.28 The Council recognises that Lidsing's strategic access to the M2 via Junction 4 presents an excellent opportunity to create new employment uses harnessing this accessibility and is keen to maximise the site's enhanced preconditions for job growth and employment development afforded by this connectivity advantage for industrial and logistics uses in particular.
- 3.29 Its unique locational advantage suggests that the profile of economic sectors at Lidsing could be different to the Borough-wide average, with a comparatively greater focus on employment (B

³ Based on indicative estimates by the Council, not on site promoter information

and E(g) class uses). We have therefore tested the employment space and land implications of a higher level of industrial and distribution/logistics activity on site at Lidsing, assuming that these B and E(g)(iii) class uses account for a larger share of total jobs at Lidsing than the existing Borough-wide average⁴:

- **Scenario A: 1 New Job per Home Delivered:** employment use (office, industrial & warehousing) jobs could increase to 900 once complete and operational, requiring an estimated 42,360 sq.m of employment floorspace and 9.8 ha of employment land.
- **Scenario B: Future Labour Supply:** employment use (office, industrial & warehousing) jobs could increase to 975 once complete and operational, requiring an estimated 45,900 sq.m of employment floorspace and 10.6 ha of employment land.

3.30 The majority of this floorspace and land would be associated with industrial and distribution/logistics activity, which by its nature is comparatively more 'land hungry' than office-based activity (i.e. associated with a lower density of development).

3.31 This illustrative analysis suggests that the quantum of employment space provision at Lidsing could realistically increase to at least 10 ha should the Garden Settlement take advantage of its strategic accessibility and provide a greater share of industrial and distribution uses within the overall employment development mix.

3.32 As part of wider planning considerations, the Council may wish to introduce specific conditions relating to the timing/phasing of employment development to avoid any employment allocation at Lidsing coming forward well in advance of the wider Garden Settlement, reflecting the overarching sustainability principles that apply.

Type of Space

Market Trends and Drivers

3.33 Maidstone has always been strategically well located within Kent, and this continues to represent a key strength from a business perspective. The Borough's commercial property market is diverse and is mainly centred upon Maidstone as Kent's county town, with the smaller settlements of Staplehurst, Headcorn, Lenham and Marden playing a less significant role. The main focus in commercial property market terms tends to be industrial, facilitated by the presence of the M20 and links with the strategic road network that this provides.

3.34 Maidstone's commercial property market is generally quite self-contained but extends beyond the Borough boundary to nearby Aylesford (which straddles the administrative border with Tonbridge & Malling) from an industrial perspective, and to the sizeable business park at Kings Hill (also in Tonbridge & Malling Borough) from an office perspective. There is some overlap in property market terms between the Borough's settlements and other commercial centres in the sub-region, including the Medway towns. Relatively poor connectivity and road linkages south of Maidstone town mean that the Borough's smaller settlements tend to operate as their own self-contained, localised markets. This means that the majority of demand for office and industrial space comes from the churn of existing firms, with comparatively few enquiries received by agents from firms located outside the immediate sub-region.

Industrial Segment

3.35 The industrial market has been the Borough's strongest performing commercial sector over the last few years and a shortage of stock combined with rental growth has combined to deliver both

⁴ For the purposes of the sensitivity test analysis, we have assumed that 'B class' jobs account for 45% of all jobs at Lidsing, and within this, industrial and distribution jobs each account for 30% and offices for 40%. All other assumptions remain the same.

capital and income returns. The Borough of Maidstone is generally perceived as a good industrial location, benefiting from strong transport links (notably the M20 transport corridor), good supply of skilled local labour and historically a reasonable supply of land for new development.

- 3.36 Industrial uses (B2 and B8 and former B1c) account for most demand for business space within Maidstone, and demand is currently reported to be strong. Most demand tends to fall within a size range of between c.5,000sqft and 20,000sqft (460sqm – 1,900sqm), with smaller units generally sought for B1c/B2 uses and larger units typically accommodating B8 occupiers. At the smaller end of the market, there is also reported to be pent up demand for freehold units between 1,500 and 2,500sqft (140sqm – 230sqm) for flexible B1c/B2/B8 uses.
- 3.37 Demand for industrial space tends to increase with proximity to the M20 motorway and to centres of population, with the M20 corridor representing the prime location for demand within the Borough. The Borough has never been a strategic distribution centre of any significance, and its relative location away from the key distribution and logistics hubs in the Midlands mean that this position is unlikely to change. Going forward, B8 demand is therefore likely to come from smaller scale occupiers seeking more modest sized accommodation.
- 3.38 Commercial development activity is reported to have been very limited in recent years, during which time demand has increased. As a result, industrial supply has continued to tighten, leading to high levels of occupation and low levels of vacancy across all locations in the Borough, despite occupiers often being restricted to poor quality built stock in need of refurbishment.
- 3.39 Resulting from the buoyant nature of the industrial property market and reasonably strong local occupier demand, relative values between the cost of land and development and achievable rents/values have become sufficient for speculative industrial development to occur, with a number of recent examples in the Borough.

Office Segment

- 3.40 The office market in Maidstone is weaker than the industrial market, with Maidstone town centre and Eclipse Park (near the M20) representing the only recognised office centres or notable concentrations of office stock. These two locations offer very different office products and cater to different segments of the office occupier market. The out-of-town office stock offers key benefits such as car parking provision, enhancing its appeal over the town centre which is reported to have seen a decrease in demand in recent years due to the town's relatively poor train connections (compared with other office centres in Kent that for instance have access to High Speed 1) and the gradually ageing stock of office accommodation on offer.
- 3.41 The Borough's office market can generally be regarded as self-contained, with little overlap or movement of firms between settlements in the Borough, and with other commercial centres in the wider sub-region. Like much of the rest of Kent, local property agents describe Maidstone as a 'low demand low supply' market which is generally in balance – demand amongst office occupiers is reported to be limited in the current climate and this is not anticipated to change significantly over the coming months and years.
- 3.42 The limited levels of demand are from a mix of office-based sectors but mainly driven by professional services firms and the wider service sector. Traditionally Maidstone has always been a strong financial and insurance hub and has attracted these types of occupiers. Financial sectors still drive local market demand but at a smaller scale than in previous years. Occupier requirements are changing, and whilst there is still demand for good quality office space in Maidstone, occupiers are increasingly looking for open plan flexible space in many cases on flexible terms. The key challenge in the current market is a reported lack of good quality office accommodation within the Borough (particularly within Maidstone town) coupled with a lack of

recent office development. Viability remains a key barrier to new office development, with achievable rents currently lagging behind those required to enable new development.

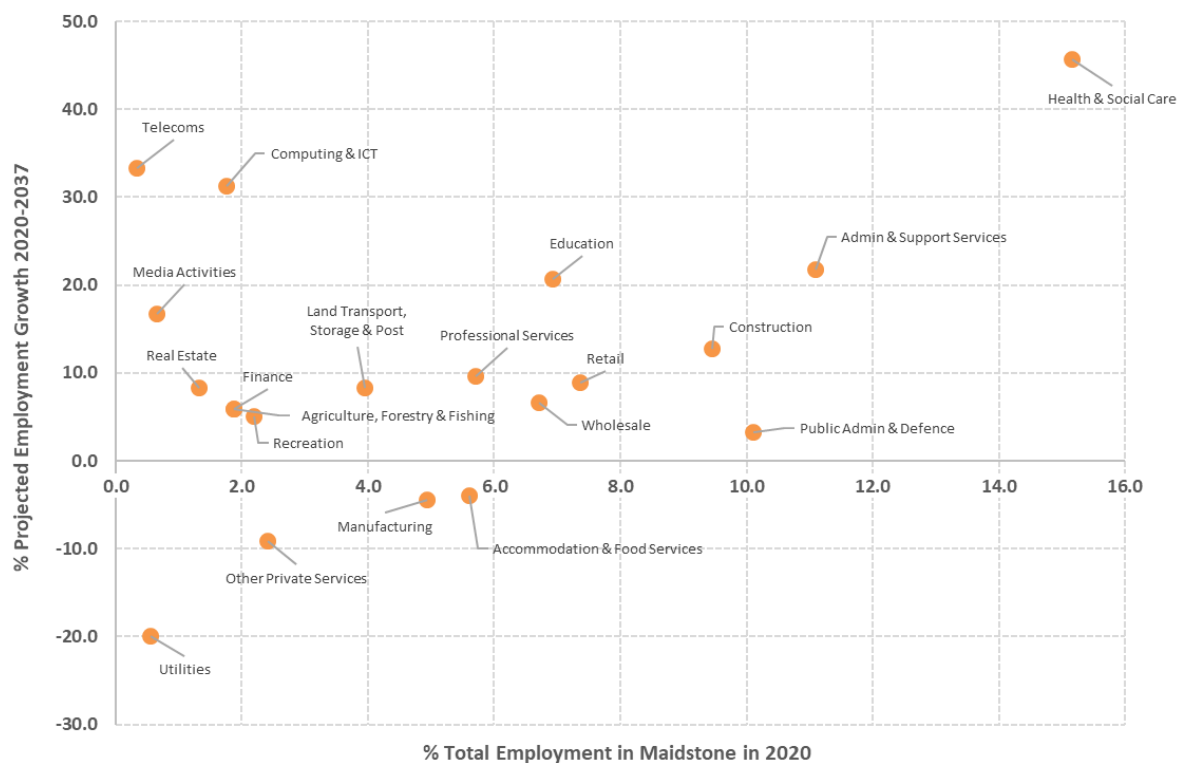
Inward Investment Trends

- 3.43 Despite the national and global challenges of the Covid-19 pandemic and uncertainty created by Brexit, Locate in Kent (the official investment promotion agency for Kent and Medway) note in the latest Kent Property Market Report (2020) that business enquiries have continued, and some major investments have been secured over the past year. At the end of July 2020, Locate in Kent had a pipeline of 274 investment projects for companies looking to start up, expand or relocate in Kent and Medway, with 17% of them being overseas companies.
- 3.44 Over the last 12 months, Locate in Kent has recognised a number of trends in the types of investment across Kent and Medway, summarised below.
- **Innovation and sustainability:** This year has seen green growth come to the fore in the county. There have been a number of innovative schemes brought forward that will establish the region as a hub for low carbon technologies. Plans for the UK's largest solar farm near Faversham, a hydrogen production plant approved for Herne Bay and the leading offshore wind farms off the Kent coast already in operation, demonstrate the opportunity.
 - **Logistics and distribution** property investment has been strong in the last 12 months with the advancement of significant schemes, including the recent £200 million deal in Dartford which will see a warehouse for an internet retailer built on the site of the decommissioned Littlebrook Power Station and redevelopment proposals for the former Aylesford Newsprint site. Fuelled by busy ports, the Channel Tunnel and three major motorways, the logistics and distribution sector has a strong presence in Kent.
 - **Film and TV:** The last year has seen the burgeoning film and TV production cluster in Kent and Medway take a leap forward with planning permission granted for the £250m film studio-led development at Newtown Works in Ashford. Alongside Maidstone TV Studios, one of the UK's largest independent high definition TV broadcasting facilities and with over 500 key locations for film and TV identified by the Kent Film Office, the county is fast becoming a hotspot for this sector. The Creative Estuary project, wider Thames Estuary Production Corridor and proposals for London Resort will further cement the county as a go-to location for creative industry investment.
 - **Food and drink production:** The food and drink production cluster in the county received a recent boost with the Growing Kent & Medway initiative being awarded £18m of government funding. This will help establish the region as a world-leader for the climate-smart production and processing of high-value, nutrient-rich foods and plant-based products. The county already has robust strengths in this sector from an available skilled workforce, established supply chains and excellent connectivity to domestic and global markets. Leading brands continue to commit to Kent, with Chapel Down planting a further 62ha (154 acres) in Kent in 2019, and frozen food manufacturer Cook planning to create 200 jobs after securing funding to build a new 2,320m² kitchen facility in Sittingbourne.
 - **Navigating Covid-19 and Brexit:** When looking at the impact of Covid-19 on businesses specifically, Locate in Kent has seen a 57% rise in London-based businesses browsing commercial property in the county in the three months to 31 July 2020 when compared to the same quarter in 2019. There has also been a 15.2% uplift in commercial property enquiries in the same period. This shows a steady increase in businesses planning their future in Kent and taking advantage of its competitive offering, further increasing the county's economic landscape.

Sector Growth Drivers

- 3.45 The Borough of Maidstone is characterised by a diverse economic base, reflecting its role as the County Town and business capital of Kent. Recent years have seen particularly strong local employment growth within key sectors such as hospitality and recreation, administrative and support services, wholesale and transport, and social care.
- 3.46 Looking ahead over the new Local Plan period, latest Experian economic forecasts (used to inform the EDNS Addendum) suggest that job growth within the Borough is expected to be driven by a number of sectors including health and social care, admin and support services, education and construction. Between them, these four sectors are anticipated to account for 81% of total employment growth in the Borough between 2020 and 2037. All four sectors already accommodate sizeable shares of local employment, so this contribution is expected to continue (see Figure 3.1).
- 3.47 In proportionate terms, the telecoms, computing and ICT sectors are also expected to see significant employment growth in the Borough, albeit starting from a lower base, and accounting for around 600 additional jobs by 2037 (equivalent to 4.5% of total job growth).

Figure 3.1 Current employment and projected change to 2037 by sector in Maidstone Borough



Source: Experian 2020 / Lichfields analysis

- 3.48 At a Kent-wide level, Locate in Kent identify four key sectors that represent significant drivers of economic activity in their own right, as well as offering strong growth potential going forward:

3.49

Creative & Digital: Kent is home to 7,000 creative companies employing more than 10,600 people. Digital start-ups, film & TV studios, artistic producers, games manufacturers, and entertainment companies have created an ecosystem of expertise and growth across the county, from household names to SMEs. The county boasts a number of strategic locations that are primed for creative and digital businesses to expand, including the Folkestone Creative Quarter, Maidstone TV Studios, Newtown Works Ashford and the Chatham Historic Dockyard. New initiatives such as the Creative Estuary – part of the Thames Estuary Production Corridor – and the planned London Resort theme park (built in partnership with ITV, BBC and Paramount Pictures) are also expected to build interest in Kent's creative potential.



3.50

Food & Drink: 2,500 food and drink companies have chosen to relocate to The Garden of England. The county boasts some of the most productive agricultural land in the UK, along with access to several production clusters around the county, supplying everything from fresh fruit and veg to supermarkets to some of the finest wines in Europe to Michelin-starred hotels and restaurants. The region also benefits from a steady stream of graduates from its universities and industry leader Hadlow College, which trains the food and agricultural professionals of the future. Food and drink business in Kent have the added support of both Produced in Kent and Rural PLC Kent, and the new Growing Kent & Medway research and innovation collaboration will support productivity and sustainability across the sector.



3.51

Life Sciences: Pfizer, Mylan, Diasorin, Smiths Medical and over 450 other life science sector companies have made Kent their home over the years, putting the county on the map as a key location for everything from bio-tech, pharmaceuticals and diagnostics to global science logistics, med-tech manufacturers and contract research organisations. Pharmaceutical giants and SMEs have developed collaborative clusters of excellence for research and drug discovery in key locations around the county. Two of the UK's leading science parks – Discovery Park and Kent Science Park – and the emerging North Kent Enterprise Zone allow businesses access to state-of-the-art facilities while saving on overheads thanks to cheaper commercial costs and discounted business rates.



3.52

Manufacturing: More than 3,500 manufacturing companies have made Kent their home, employing over 45,000 people. Some of the largest UK manufacturing companies are based in Kent and Medway, such as leading skincare, cosmetics and fragrances manufacturers Coty and industry-leading defence, security and aerospace manufacturing company BAE Systems. The county offers fast links to London and Europe thanks to easy access to major motorways, international airports, major UK ports, and High-Speed rail services, as well as a pipeline of highly-qualified employees stemming from higher education providers such as the University of Kent's School of Engineering and Digital Arts in Chatham Maritime.



3.53 These are complemented by a number of established sectors supporting the county's growth:

- **Viticulture:** Kent is one of the country's leading viticulture hotspots and is home to the Wine Garden of England, a collective of seven of England's best producers and wineries.
- **Logistics & Distribution:** Fuelled by one of the busiest ports in the UK, the Port of Dover and supported by the Channel Tunnel, two further ports and three major motorways, the logistics and distribution sector has a strong presence in Kent.
- **Construction:** With a constant stream of high-quality homes and commercial property coming to the local market, Kent's construction sector continues to thrive. The number of construction-based enterprises and businesses in Kent exceeds the national average, with 12,500 companies employing more than 45,000 people across Kent and Medway.
- **Visitor Economy:** The oldest county in the country and home to some of the UK's most popular landmarks, Kent's visitor economy contributes £3.8bn to the UK economy and supports more than 76,000 jobs.

Site and Premises Typologies

3.54 The above analysis identifies a range of potential sectors that could be targeted to support employment growth at the Borough's two garden settlements. It is important that the right type of site and business accommodation is made available to the market in order to attract and accommodate these employment growth and investment opportunities; the Table below summarises how these growth sector opportunities might translate into specific types of employment site requirements.

Table 3.2 Potential site and premises typologies

Growth sector	Sector needs	Indicative space requirements	Site/premises typology
Creative, digital, film and media	Skilled workers Fast links to London Fast broadband access Quality of life/image of location/housing offer	Wide range of premises – high quality offices to small-scale studios, industrial and incubator units	<ul style="list-style-type: none"> • Office/business park • Mixed employment area • Flexible workspace hubs
Life sciences	Skilled workers Links to hospitals and R&D centres	High tech workshops, high specification B1/B2 units and flexible workhubs	<ul style="list-style-type: none"> • Office/science park • Mixed employment areas • Flexible workspace hubs
Transport and logistics	Excellent transport connections Proximity to suppliers	Primarily B8 units with large sites and ancillary office accommodation	<ul style="list-style-type: none"> • Industrial park • Mixed employment area
Food and drink production	High quality agricultural land Proximity to suppliers	Wide range of premises – from high tech distilleries to large scale factories	<ul style="list-style-type: none"> • Industrial park • Mixed employment area • Standalone business units
Manufacturing	Workshops for research and design Testing facilities	Wide range of premises – from small industrial flexible units to high specification units with office content	<ul style="list-style-type: none"> • Industrial/advanced manufacturing park • Mixed employment area
Construction	Reasonable links to R&D centres/ institutions Availability of skilled engineering labour Proximity to suppliers	Range of premises - from offices to B2/B8 units with large sites and ancillary office accommodation	<ul style="list-style-type: none"> • Industrial/advanced manufacturing park • Mixed employment area

Source: Lichfields analysis

- 3.55 The types of premises required could potentially vary significantly. However, there are certain typologies of sites and premises with a specific scale, form and environment, which can accommodate many of the needs of these sectors. These include an industrial park, mixed employment area and flexible workspace hubs.
- 3.56 In reality, a mix of sectors should be encouraged to support the Borough's existing strengths but also to support growth and diversification of the local economy. To be viable and attractive to occupiers, the two garden settlements should provide a range of flexible, mixed employment (E(g) and B uses) including:
- Light/high tech industrial units;
 - Small-scale distribution/warehousing units;
 - Small-scale office/business park space, with capacity for a range of floorplate sizes;
 - Plots for bespoke design and build (including temporary facilities during the construction phase); and
 - Flexible workspace hubs within residential areas and close to local centres.
- 3.57 Whilst occupiers are likely to be attracted by the highly accessible location that both Lidsing and Heathlands provide, a more targeted site proposition will be required in order to fully capitalise on the garden community concept and ethos. In particular, this may include developing linkages with university or R&D facilities particularly in those sectors where Maidstone does not have established strengths, such as green/low carbon technology. This type of initiative will also help provide capacity for skills development and training which will be necessary to both attract higher-value uses to each site, but also to ensure that local residents are able to access new job opportunities.

Sources of Employment Growth

- 3.58 Employment generation at Lidsing and Heathlands is likely to be driven by a number of different sources, as summarised below in Table 3.3. The main source of employment, particularly in the early phases, is likely to be generated by businesses moving to each site. This could comprise existing local businesses operating within Maidstone Borough (and adjoining authority areas) which opt to relocate and/or expand at the garden settlements because it provides new high quality commercial space. Demand could be relatively high, and growing and retaining local businesses within the Borough would support wider economic ambitions.

Table 3.3 Key sources of employment generation

Employment generator	Main drivers	Likely scale of demand	Indicative site/premises requirements
Indigenous growth	Relocation and expansion of existing businesses in Maidstone Borough	High	Range of premises types including small-medium scale industrial/ warehousing units and small-scale office space
Inward investment	Businesses moving into the Borough from elsewhere	Rest of Kent = high London/SE = medium International = low	Flexible employment areas with scope for industrial, office and hybrid premises
Business start-ups	Strong entrepreneurial culture of business start-up in the Borough, local residents exploring alternative	Medium	Provision of incubation facilities and flexible enterprise space, with access to support networks

Employment generator	Main drivers	Likely scale of demand	Indicative site/premises requirements
	employment options in wake of Covid-19 pandemic		
Home-workers	Increasing trend of home-working following Covid-19 and improved digital connectivity	High	Suitable home office facilities and access to dedicated co-working space to collaborate and socialise
Consumption-led	Growth of local servicing needs (retail, leisure, community etc)	Medium (incremental with growth of settlement)	Range of commercial and community space dispersed across the garden settlement

Source: Lichfields analysis

- 3.59 Employment could also arise from inward investment attracted to the garden settlement sites from other parts of Kent and potentially from further afield. This includes those sectors summarised earlier in this chapter. The scale of demand will vary, but such growth would strongly support the Council's strategy objectives. Links with further and higher education will be essential not only to help provide skilled workers for new growth sectors, but also to ensure local people are able to access new job opportunities.
- 3.60 The final sources of employment are those generated within the site itself that will increase with the growth of the settlement. These include home-workers and new business start-ups, as well as jobs created in local services to serve the new population.
- 3.61 In addition to the sources of employment noted above, significant employment opportunities will also be created through the construction programme for Lidsing and Heathlands. The phased approach to the development of each site will give rise to long-term opportunities and could facilities career development through facilitation of apprenticeships and training in construction trades.

Broad Location and Distribution

- 3.62 Employment provision should be structured within the respective masterplans for Lidsing and Heathlands to reflect the different types of space to be provided, their respective locational drivers, and with a focus on creating key nodes with critical mass.
- 3.63 Some jobs and employment provision should be based within settlement centres (especially the case at Heathlands which proposes a District centre around a new railway station) while others are better suited to more peripheral locations within each settlement, for instance near to strategic road links (especially the case at Lidsing with its direct access to the M2 via Junction 4).
- 3.64 Based on our analysis and reflecting feedback from stakeholders, we suggest that employment space distribution at the two garden settlements adopts the following broad components:
- 1 **A primary employment district** which should be located to maximise ease of access to the M2 (in Lidsing's case) and in Heathland's case, the A20 (or potential new M20 junction). A peripheral location within the settlement offers the potential for a high profile 'gateway' setting for prestige employment uses. Sufficient scale will be required to give critical mass and to enable the employment area to establish a distinguishable market profile. This employment district could take the form of an industrial park or mixed business park capable of accommodating traditional employment uses including light and general industrial and distribution/warehousing.

- 2 **Flexible workspace hubs** located within the settlement centre and potentially smaller neighbourhood centres in the case of Heathlands. This could take the form of dedicated co-working centres, or form part of a wider network of community hubs, but crucially based within mixed-use local centres that provide good access to services and amenities within walking distance of new residential neighbourhoods. These should be designed to cater for home-based businesses and remote-workers, as well as start-up businesses who may not require formal space within the primary employment district, or can migrate there over time.
- 3 **Self-contained office suites** for those firms that outgrow co-working space or who require larger, standalone accommodation. This could take the form of office units above retail or community uses within the district/local centre or a small purpose built business/enterprise centre within the primary employment district (akin to the Maidstone Innovation Centre currently under construction at the North Kent Enterprise Zone), and should be relatively modest in scale reflecting market trends and likely demand for office space in the Borough.

Meeting Wider FEMA Needs

- 3.65 Analysis presented within Stage One of the Maidstone Economic Development Needs Study⁵ suggests that the Borough functions as a relatively self-contained functional economic market area (FEMA), although there are strong functional linkages and relationships with the neighbouring authorities of Tonbridge and Malling and Medway. These relationships are strongest with the Malling part of Tonbridge and Malling and comparatively weaker with Medway but still have an influence. In overall terms, Maidstone's functional economic relationships are much stronger with northern and western parts of Kent than with eastern parts of Kent including the adjoining Borough of Ashford.
- 3.66 It is important that Maidstone's economic role is considered within a wider spatial context that extends beyond its administrative boundary, reflecting both the NPPF's focus on the duty to cooperate and the PPG requirement to assess economic needs in relation to relevant FEMAs.
- 3.67 Given the geographical location of the two proposed garden settlements, it is likely that they will share economic relationships with the adjoining areas of Medway and Ashford in terms of labour, housing, consumer and commercial property market linkages in particular. For instance, some of the new residents will work within and access services within adjoining economic centres, while residents of Medway and Ashford Boroughs may look to the new garden settlements for employment opportunities. This is particularly likely to be the case at Lidsing which is situated directly on the administrative boundary with Medway. In reality, this means that some of the employment provision based within the two garden settlements will accommodate business needs arising from adjoining local economies (or indeed the wider functional economic market area within which the Borough operates) as opposed to Maidstone Borough itself. Whilst the scale and nature of this is impossible to predict at this stage, it will inevitably influence the economic role played by each garden settlement and, in turn, their economic relationship with the rest of Maidstone Borough.
- 3.68 Within this context, it is relevant to consider the overall employment land demand/supply balance position within the two authority areas of Medway and Ashford that adjoin Maidstone Borough and which lie in close proximity to the two proposed garden settlements.
- **Medway** Council's draft Local Plan is due to be published in Spring 2021 (Regulation 19), with an overall approach to accommodating growth focused upon consolidating regeneration opportunities within the area's urban centres and waterfronts, complemented

⁵ Maidstone Economic Development Needs Study Stage One, July 2019 (Lichfields)

by scope for strategic scale growth on the Hoo Peninsula. The industrial market is reported to be buoyant, and the new Local Plan seeks to accommodate future industrial needs through a combination of site allocations on the Hoo Peninsula and the southern periphery of the Borough (at junctions 2 and 3 of the M2 at Strood and Rochester Airfield). The Council is also keen to promote higher value office development through flexible co-working type provision within the key centres of Chatham and Strood. There are also plans for additional B1 development at the Enterprise Zone at Rochester Airfield where the Council owns land. In overall terms, the new Local Plan seeks to meet Medway's own economic development needs and provides an additional 'buffer' allowance in case land fails to come forward in more economically marginal locations.

- The **Ashford** Local Plan 2030 was adopted in February 2019 and represents the main development plan for the Borough. With regards to employment provision, the Local Plan concludes that in broad terms there is sufficient land allocated already within existing adopted Plans to meet the Borough's overall employment land requirements identified to 2030 and these were rolled forward as allocations in the Local Plan. Policy SP3 'Strategic Approach to Economic Development' seeks to deliver 63 ha of new employment land and a total of 11,100 jobs in the Borough between 2014-30 through a combination of new employment allocations, protecting existing employment land/sites, maximising employment opportunities within Ashford town centre and promoting rural employment opportunities in sustainable locations. As such, the current Local Plan includes sufficient capacity to accommodate Ashford's employment needs over the period to 2030.

- 3.69 The summary above shows that these authorities are planning to accommodate their own business growth needs in full, with limited scope for over-provision of employment land but also no obvious requirement for 'spillover' capacity from Maidstone Borough.
- 3.70 We note that discussions are currently underway between Maidstone Borough Council and the Boroughs of Medway and Ashford, as part of ongoing duty to cooperate working, to ensure that economic and wider development needs are appropriately planned for over respective Plan periods. As Maidstone's Local Plan Review progresses over the coming months, these duty to cooperate discussions should seek to determine a pragmatic and mutually agreeable economic strategy for the two proposed garden settlements at Lidsing and Heathlands, building on the analysis contained within this report and emerging proposals provided by the garden settlement promoters.

4.0 Retail and Leisure Assessment

- 4.1 This section assesses the size, role, function and composition of new settlement centres at Lidsing and Heathlands, including an indication of where they should sit within Maidstone's and neighbouring authority's town centre hierarchies. The analysis provides recommendation relation to the type, quantum and broad location of any additional retail (E(a) uses) and leisure floorspace within the proposed new settlements.

National Policy

- 4.2 A revised National Planning Policy Framework was published in February 2019. In relation to retail and town centre uses, the revised NPPF does not change the overall aims of policy. At the heart of the NPPF is a presumption in favour of sustainable development (para. 11). For plan-making this means development plans should positively seek opportunities to meet the needs of their area and be sufficiently flexible to adapt to rapid change. Policies should set out an overall strategy for the pattern, scale and quality of development, and make sufficient provision for (para. 20) employment, retail, leisure, other commercial development and community facilities.
- 4.3 The NPPF (paragraph 92) identifies the need to plan positively for community facilities including local shops. In relation to large residential developments, paragraph 72 indicates that new homes can be provided within new settlements or significant extensions to existing villages, provided they are well located and designed, and supported by the necessary infrastructure and facilities. This objective requires sufficient access to services and employment opportunities within the development itself. The benefits of providing an appropriate mix of uses within large scale development in terms of sustainable transport (minimising the number and length of journeys) is highlighted (paragraph 104).
- 4.4 In terms of retail, planning policies and decisions should support the role that centres play at the heart of local communities, by taking a positive approach to their growth, management and adaptation. Planning policies should allocate a range of suitable sites to meet the scale and type of development likely to be needed. Meeting anticipated needs for retail, leisure, office and other main town centre uses should not be compromised by limited site availability.
- 4.5 The sequential approach test indicates main town centre uses should locate in town centres, then in edge of centre locations; and only if suitable sites are not available (or expected to become available within a reasonable period) should out of centre sites be considered (para. 86).
- 4.6 Any new centres or facilities within proposed new settlements will technically be in out-of-centre location, at least until they are allocated in a new development plan. Notwithstanding the policy status of these proposed centres/facilities, the National Planning Policy Guidance (NPPG) suggests certain main town centre uses have particular market and locational requirements, which mean they may only be accommodated in specific locations. Robust evidence is required to demonstrate a locational specific requirement when applying the sequential test.
- 4.7 A key consideration relating to a location specific requirement at Lidsing and Heathlands is whether the scale and type of development is commensurate with the proposed development i.e. does the development primarily serve local needs generated by the development or does it have a wider catchment area. If the scale or type of development has a wider catchment area and is significantly over and above that required to serve the local needs, then some of the proposed uses could be located within an existing centre, where the scale of development would be better placed to serve a wider catchment area. On this basis a locational specific requirement could not be demonstrated by robust evidence.

- 4.8 The NPPF states that local planning authorities should require an impact assessment for applications for retail and leisure development outside of town centres, which are not in accordance with an up-to-date development plan and are over a proportionate, locally set floorspace threshold. Where there is no locally set threshold, the default impact threshold is 2,500 sq. m (para. 89). An impact assessment should include:
- the impact of the proposal on existing, committed and planned public and private investment in a centre or centres in the catchment area of the proposal; and
 - the impact of the proposal on town centre vitality and viability, including local consumer choice and trade in the town centre and the wider retail catchment (as applicable to the scale and nature of the scheme).

Existing Hierarchy of Centres

- 4.9 New centres/facilities at Lidsing and Heathlands should primarily serve new residential areas within the developments. These facilities may also attract expenditure from the indigenous population within their local catchment areas, which will result in some trade diversion from existing centres.
- 4.10 The centre of the Lidsing development area is about 1km south west of Hempstead Valley Shopping Centre and a similar distance east of Lordswood local centre and 5km south of Chatham town centre. Lidsing will fall within the overlapping catchment areas of these centres. The centre of the Heathlands development area is about 15km east of Maidstone town centre and 12km west of Ashford town centre. The development is just to the east of Lenham Rural Service Centre. Heathlands will fall within sub-regional catchment areas of Ashford and Maidstone.
- 4.11 In terms of the Javelin's Venuescore ranks the UK's top 3,500 retail destinations including town centres and other shopping destinations. The results for the north west Kent sub-region are shown in Table 4.1 overleaf. Each shopping destination is given a weighted score based on multiple retailers present. The score attached to each retailer is weighted depending on their overall impact on shopping patterns. The Venuescore usually correlates to the actual market size of the shopping destination in terms of consumer expenditure.
- 4.12 Consistent with the relevant development plans, the Javelin index ranks Ashford, Chatham and Maidstone as the main centres within each authority area. The top tier centres have a Venuescore over 100 points, which reflects the higher number of national multiple retailers. These centres serve wider catchment areas. The lack of national multiple retailers in other centres in the sub-region results in relatively low scores. Most centres within the sub-region serve middle markets, with Ashford Designer Outlet having a higher "upscale" market position.
- 4.13 Maidstone is top of the hierarchy in the Maidstone borough. Other Rural Service Centres and Large Village Centres in the Borough have few national multiple retailers and are therefore not included within the Venuescore analysis, including Harrietsham, Headcorn and Lenham.
- 4.14 Rural Service Centres within the Borough tend to have between 25 to 50 retail and service units, predominantly small independent businesses. Larger Village Centres tend to have less than 20 retail and service outlets. Headcorn is the largest Rural Service Centre with a good range and choice of shops and services, including convenience stores, independent comparison shops, restaurant/café, public houses, beauty salons/ hairdressers, estate agents, funeral directors, takeaways and other services such as a dentist, doctor's surgery, village hall and fitness studio. National multiples include Sainsbury's Local and Costa Coffee.
- 4.15 New centres at Lidsing and Heathlands will need to become assimilated into the current network of shopping centres. Lidsing will fall within the hierarchy of centres in the Medway

towns, below Chatham town centre and Hempstead Valley. Heathlands will serve the east of the Borough and will fall within the overlapping catchment areas of Maidstone and Ashford town centres.

Table 4.1 Venuescore UK Shopping Index and UK rank

Shopping Destination	Location Grade	Venuescore	UK Rank	Market Position
Bluewater Shopping Centre	Major Regional	324	27	Upper Middle
Maidstone	Major Regional	234	52	Middle
Tunbridge Wells	Major Regional	232	55	Upper Middle
Canterbury	Regional	213	67	Upper Middle
Chatham	Sub-Regional	121	200	Lower Middle
Ashford	Sub-Regional	117	205	Middle
Folkestone	Sub-Regional	112	222	Lower Middle
Ashford Designer Outlet	Sub-Regional	93	286	Upscale
Dover	Sub-Regional	91	292	Lower Middle
Dartford	Sub-Regional	91	292	Lower Middle
Gravesend	Sub-Regional	87	309	Lower Middle
Tonbridge	Sub-Regional	82	332	Middle
Sevenoaks	Sub-Regional	79	350	Upper Middle
Hempstead Valley Shopping Centre	Major District	73	382	Middle
Sittingbourne	Major District	69	408	Lower Middle
Ramsgate	Major District	63	463	Lower Middle
Strood, Rochester	Major District	62	473	Lower Middle
Margate	Major District	51	592	Lower Middle
Tenterden	District	48	633	Upper Middle
Gillingham	District	47	654	n/a
Sheerness	District	44	696	Lower Middle
Dockside Outlet, Chatham	District	44	696	Middle
Faversham	District	43	710	Middle
Rainham	Minor District	23	1368	Lower Middle
South Aylesford Retail Park, Aylesford	Minor District	22	1418	Middle
Kings Hill, Maidstone	Local	17	1775	Middle
Liberty Quays, Gillingham	Local	16	1888	Middle
Willesborough, Ashford	Local	14	2171	Middle
Paddock Wood	Local	14	2171	Middle
Linden Park Rd, Tunbridge Wells	Local	14	2171	Middle
Larkfield, Aylesford	Local	14	2171	Middle
St Peter's Wharf Retail Park, Maidstone	Local	13	2377	Middle
Moatfield Meadow, Ashford	Local	13	2377	Middle
London Rd, Aylesford	Local	13	2377	Middle
Weavering, Maidstone	Local	12	2566	Middle
Aylesford Industrial Estate, Aylesford	Local	12	2566	Middle
St Saviours Rd/Sutton Rd, Maidstone	Local	11	2815	Middle
Princes Ave, Chatham	Local	11	2815	Middle
Castle Rd, Maidstone	Local	10	3133	Middle
Fant, Maidstone	Local	10	3133	Middle

Shopping Destination	Location Grade	Venuescore	UK Rank	Market Position
Milton Road, Sittingbourne	Local	10	3133	Middle

Source: Venuescore, Javelin Group 2017

Methodology and Base Data

4.16 The quantitative assessment for the new centres at Lidsing and Heathlands includes the following:

- 1 identification of an appropriate local catchment area for new centres. Experian population and local expenditure projections have been obtained;
- 2 estimations of the existing trade draw and trading performance of retail facilities, drawing on information from the EDNS Addendum 2021; and
- 3 an assessment of the future quantitative capacity for retail uses (comparison, convenience goods and food/beverage) generated by new dwellings and existing population within the local catchment area, provided at intervals linked to the likely completion of new homes within the development.

Price Base

4.17 All monetary values expressed in this study are at 2019 prices, consistent with the EDNS Addendum 2021.

Primary Catchment Areas

4.18 The analysis is based on an identification of an appropriate catchment area for new centres at Lidsing and Heathlands. The primary catchment area of new facilities is unlikely to extend significantly beyond one kilometre from the centre of the Lidsing development area, as shown in Appendix 1. Lidsings' primary catchment area will be constrained by the existing network of centres i.e. Hempstead Valley Shopping Centre and Lordswood Local Centre.

4.19 Heathlands Garden Settlement is more freestanding than Lidsing and there is a greater critical mass of new homes. New facilities at Heathlands have the potential to serve a wider rural catchment area and a primary catchment area of 5 kilometres is appropriate, as shown in Appendix 1. These primary catchment areas includes the entirety of the proposed garden settlements and represents an appropriate local catchment area.

Population and Expenditure

4.20 The primary catchment area population for the period 2019 to 2042 is set out in Table 1A and 1B in Appendix 2. The Experian population has been obtained for the base year 2019 and projections.

4.21 In total up to 2,000 new homes could be provided at Lidsing Garden Settlement (about 130 new homes per annum from 2027) and 2,800 new homes at Heathlands Garden Settlement (about 200 homes per annum from 2029). Based on this trajectory, Tables 4.2 and 4.3 below set out expected population growth, adopting an average of 2.38 people per dwelling.

4.22 The projections suggest the combined population within the Lidsing local catchment area (indigenous growth and from new homes in the garden settlement) will increase from 1,193 in 2019 to 2,807 by 2032, 4,377 by 2037 and 6,073 by 2042.

- 4.23 The projections suggest combined population within the Heathlands local catchment area (indigenous growth and from new homes in the garden settlement) will increase from 9,987 in 2019 to 12,418 by 2032; 15,017 by 2037 and 18,073 by 2042.

Table 4.2 Assumed dwelling delivery at Lidsing Garden Settlement

	2019	2032	2037	2042
Dwelling delivery	0	650	1,300	2,000
New population	0	1,547	3,094	4,760

Table 4.3 Assumed dwelling delivery at Heathlands Garden Settlement

	2019	2032	2037	2042
Dwelling delivery	0	600	1,600	2,800
New population	0	1,428	3,808	6,664

- 4.24 Assessing future expenditure levels within this report needs to consider economic prospects, particularly in the short and medium term. Careful consideration is needed to establish the appropriate level of expenditure growth to be adopted over the development period. Trends in population growth, home shopping/internet sales and growth in turnover efficiency also need to be considered and a balanced approach taken.
- 4.25 Historic retail trends indicate that expenditure has consistently grown in real terms in the past, generally following a cyclical growth trend. The underlying trend shows consistent growth and this trend is expected to continue in the future.
- 4.26 For convenience goods, Experian's forecasts anticipate limited growth future. For comparison goods, higher levels of growth are expected in the future (2.9% per annum from 2028), still at a lower rate than previous pre-recession trends (8% per annum between 1997 and 2007). Historically comparison goods expenditure has grown significantly more than convenience goods expenditure, and Experian's latest national growth rate recommendations are consistent with these past trends.
- 4.27 New forms of retailing (multi-channel shopping) have continued to grow. Home/electronic shopping has increased with the growth in the use of personal computers, smart phones and the internet. Click and collect / click and return shopping has become more popular. This assessment makes an allowance for future growth in e-tailing based on Experian projections. This home/e-tailing expenditure will not generate demand for traditional floorspace and has therefore been subtracted from the need and impact analysis, consistent with standard practice.
- 4.28 Given the likelihood that multi-channel shopping will continue to grow at a faster pace than total retail expenditure, the assessment has adopted relatively cautious growth projections for retail expenditure and an allowance has been made for retailers to increase their turnover density, due to growth in home shopping and click and collect.
- 4.29 Table 2A in Appendix 2 sets out the forecast growth in spending per head for convenience goods within the catchment area. Forecasts for comparison goods and food/beverage are shown in Table 2B and 2C in Appendix 3 and 4 respectively.
- 4.30 Residents within the Lidsing Garden Settlement are expected to generate £29.1 million of new expenditure by 2036 that would not otherwise be available, broken down as follows:
- convenience goods expenditure = £7.46 million;
 - comparison goods expenditure = £15.96 million; and
 - food/beverage expenditure = £5.68 million.

4.31 Residents within the Heathlands Garden Settlement are expected to generate £33.38 million of new expenditure by 2036 that would not otherwise be available, broken down as follows:

- convenience goods expenditure = £8.82 million;
- comparison goods expenditure = £18.31 million; and
- food/beverage expenditure = £6.25 million.

Expenditure Retention

4.32 Population and expenditure within the two primary local catchment areas are projected to grow significantly. As a minimum, Lidsing and Heathlands Garden Settlements should seek to meet the day to day needs of residents within development and within the local catchment area in order to minimise the need to travel for items and service purchased on a regular basis.

4.33 The development of new facilities particularly within Heathlands Garden Settlement provides an opportunity to increase expenditure retention within the local rural catchment area by improving the range and choice of facilities available. Future floorspace capacity has been assessed based on expected expenditure retention from both new settlement residents and the indigenous population within the expected primary catchment areas.

4.34 Based on the likely scale of residential development, the proximity of existing retail centres and Lichfield's experience across the country, realistic expected expenditure retention rates/market shares are shown in Table 4.3.

Table 4.4 Retention Rates (% market share)

	Lidsing GS	Rest of 1 km PCA area	Inflow
Convenience Goods	30%	15%	5%
Comparison Goods	10%	5%	5%
Food / beverage	20%	15%	5%
	Heathlands GS	Rest of 5 km PCA area	Inflow
Convenience Goods	60%	45%	10%
Comparison Goods	20%	5%	5%
Food / beverage	40%	5%	5%

4.35 The retention of comparison goods expenditure within both garden settlements is much lower than for convenience goods shopping, because residents will generally travel further and shop around for comparison goods i.e. they will travel into Medway, Maidstone, Ashford or further afield to visit larger shopping destinations. The provision of additional shopping facilities within the garden settlements should assist in increasing expenditure retention in the local catchment area.

4.36 These market shares are considered viable in terms of the scope to expand existing facilities, the likely scale of a new retail facilities and the amount of expenditure leakage from the local catchment area.

Floorspace Capacity

Convenience Goods Retail

4.37 Adopting the market shares in Table 4.4, the future retention of convenience goods expenditure is shown in Table 5A and 5B in Appendix 2. Based on the trajectory of new dwellings, future levels of available convenience goods expenditure at 2032, 2037 and 2042 are provided.

- 4.38 Table 5A demonstrates for Lidsing total available convenience goods expenditure of £1.60 million at 2032, rising to £2.73 million at 2037 and £3.95 million at 2042.
- 4.39 Table 5B demonstrates for Heathlands total available convenience goods expenditure of £15.59 million at 2032, rising to £19.2 million at 2037 and £23.48 million at 2042. Expenditure projections are much higher in Heathlands because a higher level of expenditure (60% rather than 30%) will be retained and the local primary catchment area is much larger, because Heathlands Garden Settlement is both larger and more freestanding. Lidsing's ability to retain expenditure and the extent of its local primary catchment area are constrained by the proximity of existing facilities in Medway, in particular Hempstead Valley Shopping Centre.
- 4.40 Heathlands scale and position are expected to enable the provision of a large food store capable of attracting main/bulk food and grocery shopping trips. Lidsing is expected to cater primarily for top-up/basket food and grocery shopping trips, because there are existing large food stores nearby in Medway.
- 4.41 Tables 6A and 6B in Appendix 2 convert available expenditure into floorspace estimates adopting assumed average sales density figure of £12,000 per sq.m net, which is a viable and realistic turnover for main supermarket operators (source: Global Data's company average sales densities for food store operators). The projected floorspace capacity estimates are summarised in Table 4.5.

Table 4.5 Convenience floorspace projections (sq. m gross)

	2032	2037	2042
Lidsing Garden Settlement	190	324	471
Heathlands Garden Settlement	1,856	2,286	2,795

Source: Table 6A and 6B, Appendix 2.

Comparison Goods Retail

- 4.42 As for the convenience goods retail capacity, the assumed retention rates have been used to determine the future levels of available comparison goods expenditure at 2032, 2037 and 2042. Table 5A demonstrates for Lidsing total available comparison goods expenditure of £1 million at 2032, rising to £1.94 million at 2037 and £3.23 million at 2042. Table 5B suggests for Heathlands total available comparison goods expenditure of £3.93 million at 2032, rising to £6.82 million at 2037 and £11.05 million at 2042.
- 4.43 The available expenditure projections are converted into floorspace estimates in Table 6B, Appendix 2. Expenditure is converted into floorspace estimates using an appropriate average sales density figure of £6,000 per sq.m net at 2019 (source: Global Data's company average sales densities for comparison goods operators). The projected floorspace requirements are summarised in Table 4.6.

Table 4.6 Comparison floorspace projections (sq. m gross)

	2032	2037	2042
Lidsing Garden Settlement	157	268	392
Heathlands Garden Settlement	615	940	1,340

Source: Table 6A and 6B, Appendix 3

Food and Beverage Facilities

- 4.44 The future levels of available food and beverage expenditure in 2026, 2031, 2036 and 2040 are shown at Table 3C in Appendix 2. The assumed retention rates have been used to determine the future levels of available food and beverage expenditure. This table demonstrates total available food/beverage expenditure of £2.19 million at 2031, rising to £4.37 million at 2036 and up to £6.30 million at 2040.
- 4.45 Available food and beverage expenditure projections are converted into food and beverage floorspace projections at Table 6C in Appendix 2, adopting an average sales density at 2019 of £5,000 per sq.m gross, based on company reports for selected food/beverage operators. The floorspace projections are summarised in Table 4.7.

Table 4.7 Food and beverage floorspace projections (sq. m gross)

	2032	2037	2042
Lidsing Garden Settlement	157	252	354
Heathlands Garden Settlement	322	585	897

Source: Tables 6A and 6B, Appendix 4

Community and leisure uses

- 4.46 Community and leisure uses is more difficult to quantify because of the fragmented nature of these sector. The provision of a health and fitness facility is most likely to be provided at Lidsing and Heathlands. The new settlement populations will not be sufficient to support large scale leisure facilities such as: cinemas, bingo halls, theatres, tenpin bowling/family entertainment centres etc. For example, a small 3-screen cinema would require a catchment population of at least 120,000 people and a 20-lane tenpin bowling facility would require over 200,000 people.
- 4.47 The Lidsing development's end population (4,760) could support 33 fitness stations (based on the South East average of 7 stations per 1,000 people). A small gymnasium (up to 500 sq.m) could be provided.
- 4.48 The Heathlands development's end population (6,664) could support 47 fitness stations (based on the South East average of 7 stations per 1,000 people). A medium size gymnasium (between 500 to 1,000 sq.m) could be provided.

Mix of Uses

- 4.49 In addition to these retail and food/beverage uses, local centres should provide additional space for other non-retail service uses e.g. hairdressers, barbers, beauty salons, estate agents, solicitor/financial services, travel agents etc. Lichfields would normally expect 20% of total floorspace would be required to accommodate these non-retail service uses.
- 4.50 Floorspace projections up to 2037 indicate the following could be provided at Lidsing:
- Convenience goods retail = 324 sq.m gross
 - Comparison goods retail = 268 sq.m gross
 - Food/beverage facilities = 252 sq.m gross
 - Non-retail services = 211 sq.m gross
 - TOTAL: = 1,055 sq.m gross**

By 2042, these figures increase as follows:

- Convenience goods retail = 471 sq.m gross
- Comparison goods retail = 392 sq.m gross
- Food/beverage facilities = 354 sq.m gross
- Non-retail services = 304 sq.m gross
- TOTAL: = 1,521 sq.m**

4-51 Floorspace projections up to 2037 indicate the following could be provided at Heathlands:

- Convenience goods retail = 2,286 sq.m gross
- Comparison goods retail = 940 sq.m gross
- Food/beverage facilities = 585 sq.m gross
- Non-retail services = 953 sq.m gross
- TOTAL: = 4,764 sq.m gross**

By 2042, these figures increase as follows:

- Convenience goods retail = 2,795 sq.m gross
- Comparison goods retail = 1,340 sq.m gross
- Food/beverage facilities = 897 sq.m gross
- Non-retail services = 1,258 sq.m gross
- TOTAL: = 6,290 sq.m**

Retail impact assessment

4-52 The level of trade diversion and impact caused by new retail and service facilities at Lidsing and Heathlands Garden Settlements will depend on the scale of floorspace and the timing of development. The more retail floorspace developed, earlier in the development programme, the more likely it will attract trade from existing facilities. This will be counter-balanced by the benefits of new expenditure generated by new home delivered.

4-53 For the purpose of the retail impact assessment the earliest completion date for the retail and services facilities is 2030. A design year of 2032 is adopted allowing two years for new centres to reach full and settled trading levels. In line with the longer term capacity projections up to 2042, the impact assessment assumes the Lidsing local centre will provide up to 1,500 sq.m gross of retail and service floorspace, as set out above. The district and local centres at Heathlands will provide up to 6,200 sq.m gross.

Base year shopping patterns

4-54 Base year (2019) shopping patterns have been derived from the following sources:

- Maidstone Economic Development Needs Study – Addendum 2021 (MEDNAS);
- Ashford Retail Need and Leisure Study 2015 (ARNLS); and
- North Kent Strategic Housing Economic Needs Assessment 2016 (NKSHENA).

4-55 The base year turnover estimates for Ashford have been extrapolated from the ARNLS to reflect the updated 2019 price base, higher projected deductions for special forms of trading (SFT) and Experian's latest expenditure projections. The same approach has been adopted to extrapolate turnover levels for centres/facilities in Medway. The base year turnovers for convenience goods

retail, comparison goods retail and food/beverage are shown in the first column of figures in Table 7 in Appendix 2, 3 and 4 respectively.

- 4.56 These base year turnover levels have been projected to the 2032 design year based on the latest population and expenditure projections, constant market shares and without the development of proposed garden settlements. The projected pre-development turnovers are shown in the second column of figures in Table 7 in Appendix 2, 3 and 4 respectively.

Trade draw

- 4.57 In order to test the highest level of impact, the assessment assumes the maximum amount of floorspace (1,500 sq.m gross at Lidsing and 6,200 sq.m gross at Heathlands) will be developed and trading to its full potential by 2032. The expected retail and food/beverage turnover of the Lidsing development at 2032 is £8.3 million, broken down as follows:
- Convenience goods retail (450 sq.m gross – 300 sq.m net) = £3.6 million
 - Comparison goods retail (400 sq.m gross – 300 sq.m net) = £2.7 million
 - Food/beverage facilities (350 sq.m gross) = £2.0 million
 - Other non-retail services (300 sq.m gross) n/a
- 4.58 The expected retail and food/beverage turnover of the Heathlands development at 2032 is £36.1 million, broken down as follows:
- Convenience goods retail (450 sq.m gross – 300 sq.m net) = £22.8 million
 - Comparison goods retail (400 sq.m gross – 300 sq.m net) = £8.2 million
 - Food/beverage facilities (350 sq.m gross) = £5.1 million
 - Other non-retail services (300 sq.m gross) n/a
- 4.59 A significant element of these turnover estimates will be attributed to new residents within the new garden settlements, i.e. expenditure that would not otherwise be available. The impact assessment assumes about two thirds of the Lidsing turnover (£5.5 million out of £8.3 million) will come from new residents in the development at 2032. The remaining turnover (£2.8 million) will be attracted from the indigenous population, which will result in trade diversion from existing facilities.
- 4.60 For Heathlands a much higher proportion of turnover is expected to come from the indigenous population within the rural catchment area. Only a quarter of turnover (£8.9 million out of £36.1 million) is expected to come from new residents in the development at 2032. The remaining turnover (£27.2 million) will be attracted from the indigenous population, which will result in trade diversion from existing facilities.
- 4.61 The expected trade draw of the proposed new centres for convenience goods, comparison goods and food/beverage turnover is shown in Tables 7 in Appendix 2, 3 and 4 respectively. These estimated trade draw patterns are based on:
- existing and projected trading patterns from the MEDNAS, ARNLS and NKSHENA; and
 - the propensity of the development to compete with existing shopping destinations.

Convenience goods impact

- 4.62 Lichfields' combined convenience goods impact assessment for both Lidsing and Heathlands trading to their full potential at 2032 are shown in Table 7 in Appendix 2. The Heathlands district centre is expected to include a large food store (about 2,000 sq.m gross). A significant proportion of the convenience goods trade diversion is expected to be diverted from other large food stores within Maidstone, Ashford and Sittingbourne.
- 4.63 The highest proportional impact is on town centres in Hempstead Valley (-2.2%) and Maidstone (-2.0%). This level of trade diversion will be offset by population/expenditure growth between 2019 and 2032. The residual convenience goods turnover of Maidstone town centre is £47.15 million, 6.9% higher than the base turnover (£44.12 million). The residual convenience goods turnover of Hempstead Valley (£70.69 million) is marginally higher than the base turnover (£70.68 million).
- 4.64 Lidsing's impact on local shopping facilities at Lordwood is -5.3%. This impact will be predominantly offset by population and expenditure growth and the residual turnover at 2032 (£0.59 million) is similar to the base year turnover (£0.6 million). Most of the trade diversion will be focused on the Tesco Express store, which will continue to trade viably.
- 4.65 Heathland's worst case impact on local shopping facilities at Lenham, Harrietsham and Charing is -10.4%. Most (three quarters) of the £0.39 million trade diversion will be offset by expenditure growth between 2019 and 2032. Facilities will trade about 2.6% lower than base year levels. Most of the trade diversion will come from the Co-op stores in Lenham and Harrietsham, but these stores should continue to trade viably. Furthermore, the impact figures assume the district centre and two local centres and Heathlands will be completed and trading to their full potential at 2032. However, the new centres are expected to be completed in three phases, as indicated above. The main impact will be experienced when the district centre is completed in the second phase, which is likely to be much later than 2032. To ensure the level of impact is minimised, the completion of the district centre could be restricted until at least 1,000 dwellings are completed.

Comparison good impact

- 4.66 Lichfields' combined comparison goods impact assessment for both Lidsing and Heathlands trading to their full potential at 2032 are shown in Table 7 in Appendix 3.
- 4.67 The highest proportional impact is on town centres is Hempstead Valley (-0.4%), Maidstone (-0.3%), Ashford (-0.3%). This level of trade diversion will be more than offset by population/expenditure growth between 2019 and 2032. The residual comparison goods turnover of these town centre is significantly higher than their base turnovers.
- 4.68 Lidsing's impact on local shopping facilities at Lordwood is -3.1%, which will also be offset by population and expenditure growth. The residual turnover at 2032 (£0.5 million) is higher than the base year turnover (£0.43 million).
- 4.69 Heathland's worst case impact on local shopping facilities at Lenham, Harrietsham and Charing is -7.5%, which will again be offset by expenditure growth between 2019 and 2032. Facilities will continue to trade about 20% above base year levels. The level of impact will be much lower than -7.5% if the completion of the district centre is restricted until at least 1,000 dwellings are completed.

Food and beverage impact

- 4.70 Lichfields' combined food/beverage impact assessment for both Lidsing and Heathlands trading to their full potential at 2032 are shown in Table 7 in Appendix 4.
- 4.71 The highest proportional impact is on town and district centre is Hempstead Valley (-1.5%), Ashford (-2.8%), Gillingham (-0.5%), Maidstone (-0.4%) and Chatham (-0.4%). Impact on local facilities at Lordwood and Lenham/Harrietsham/Charing is -2.5%. These levels of trade diversion will be more than offset by population/expenditure growth between 2019 and 2032. The residual food/beverage turnover of these centres is significantly higher than their base turnovers.

5.0

Conclusions and Delivery Recommendations

- 5.1 This section draws together overall conclusions and provides advice on the preconditions necessary, and existing on site, to ensure the best possible chance of timely delivery of suitable employment and retail floorspace at both of the proposed garden settlements.

New Centres within Garden Settlements

- 5.2 The floorspace capacity and impact assessment in Section 4.0 has informed the analysis of the appropriate size, role, function and composition of new settlement centres at Lidsing and Heathlands. A key consideration will be the extent of the location specific requirement and whether the scale and type of development is commensurate with the proposed development. New centres at Lidsing and Heathlands should primarily serve new residential areas within the developments and should become assimilated into the current network of shopping centres.
- 5.3 Taking into account the current network and location of centres, the primary catchment area of new facilities at Lidsing should not extend beyond one kilometre from the new centre. At Heathlands, the proposed district centre has the potential to serve a wider rural catchment area, up to 5 kilometres from the centre. As a minimum, proposals should seek to meet the day to day needs of residents within development. However, Heathlands Garden Settlement provides an opportunity to increase expenditure retention within the local rural catchment area.
- 5.4 Ideally all residents within the new garden settlements should have access to day to day shops and services within easy walking distance, about 500 metres. Within large developments a series of local centres/parades would be required to serve residents.
- 5.5 Based on the capacity projections and phasing of development above, an indicative breakdown of the floorspace proposed is shown in Table 5.1.

Table 5.1 Indicative proposed retail, food beverage and service floorspace breakdown (sq.m gross)

Location	Convenience	Comparison	Food/ beverage	Other services	Total
Lidsing – local centre	450	400	350	300	1,500
Heathlands – district centre	2,200	1,100	700	1,000	4,000
Heathlands – local centre east	300	100	100	100	600
Heathlands – local centre west	300	100	100	100	600
Heathlands total	2,800	1,300	900	1,200	6,200

Lidsing Garden Settlement

- 5.6 The floorspace capacity projections for Lidsing suggest one medium size or two smaller local centres could be provided. The north/eastern section of the new settlement will be within easy walking distance of Hempstead Valley Shopping Centre and the provision of new facilities in this location is unnecessary.
- 5.7 A single new local centre in the centre of the development area should provide adequate access to the remaining residents within the new settlement. The local centre should be provided at a relatively early stage in order to serve the first phase of residential development. However, given the limited scale of centre and the need to provide a viable critical mass, it is unlikely the development of a single local centre can be phased. The local centre could open when a minimum of 500 homes are completed at Lidsing in order to minimise impact on other centres.

- 5.8 The Lidsing local centre (up to 1,500 sq.m gross) is likely to include 10 to 15 units, which should include a small supermarket or convenience store (at least 300 sq.m gross) perhaps supported by 2-3 small specialist outlets e.g. butcher, baker, deli, greengrocer, off license and/or newsagent. The comparison goods shopping facilities could include a chemist/pharmacist and opticians. The food/beverage offer could include a pub/restaurant, café and takeaway. Other non-retail commercial services should include a small health and fitness gym, hairdresser, barber, estate agent etc. The local centre at Lidsing should be akin to Larger Village Centres as designated in the development plan, i.e. centres that tend to have less than 20 retail and service outlets.

Heathlands Garden Settlement

- 5.9 The Heathlands Garden Community Masterplan Design Concept June 2020 suggests a district centre and two local centres could be provided. The indicative first phase, to the east of the development area, is expected to include a local centre serving new residents within a 5-minute walking distance. The second phase, in the central area of the new settlement, is expected to include the district centre. This central location will provide the highest levels of accessibility to the district centre for all residents in the new settlement. The final third phase, to the west of the new settlement, is expected to include another local centre. This distribution and phasing of development are appropriate in the context of the floorspace capacity projections and the need to maximise accessibility to facilities for new residents.
- 5.10 The Heathlands local centres (up to 600 sq.m each) are likely to include around 5 units each, which should include a small convenience store (less than 300 sq.m gross) perhaps supported by a chemist/pharmacist, takeaway/café and hair salon.
- 5.11 The Heathlands district centre (about 5,000 sq.m gross) is likely to include 25 to 30 units. The centre should be anchored by a large food store (about 2,000 sq.m gross) perhaps supported by 2-3 small specialist outlets e.g. butcher, baker, deli, greengrocer, off license and/or newsagent. The district centre could include 8 to 10 comparison goods shops including a chemist/pharmacist, optician and other shops selling lower order comparison goods purchased on a day-to-day basis e.g. florist, children's clothes, hardware and household goods. Around 4 to 5 food/beverage uses could be provided including a large pub/restaurant (about 400 sq.m), smaller café/restaurants and takeaways.
- 5.12 Other non-retail commercial services could occupy 8 to 10 units including hairdressers, barber, estate agents, travel agent, banks/building societies, accountants, insurance brokers, legal services and other financial/ professional services. Other complimentary community uses could include a doctor's surgery, dental practice, community hall/meeting place, gym/fitness centre and nursery.
- 5.13 The district centre at Heathlands should be akin to Rural Service Centres in the development plan, i.e. centres that have between 25 to 50 retail and service units. A Rural Service Centre should have a good range and choice of shops and services.

Employment Provision

- 5.14 In order to inform early stage masterplanning work, two different scenarios of future employment growth at Lidsing and Heathlands have been considered and presented in chapter 3.0, based on the broad '1 job per dwelling' benchmark and assumptions about future growth in labour supply at each garden settlement. They provide a starting point guide for potential quantum of additional employment (E(g) and B uses) floorspace that should be planned for as part of the wider development, based on existing Borough-wide employment, population, economic activity and commuting trends.

- 5.15 This implies that Lidsing could accommodate between 2,000 and 2,167 jobs across all sectors once fully built out and operational, of which between 630 and 685 jobs could fall within office, industrial and warehouse uses/sectors. This would generate a requirement for between 21,900 sqm and 23,730 sqm of employment floorspace, or between 4.6 ha and 5.0 ha of employment land (depending on density of development).
- 5.16 For Heathlands, total job capacity on site could range between 5,000 and 5,417, of which between 1,580 and 1,712 jobs could fall within office, industrial and warehouse uses/sectors. Associated employment floorspace requirements would range between 54,750 sqm and 59,320 sqm, or 11.6 ha to 12.6 ha in land terms (again depending on density of development).
- 5.17 If phasing of employment development were to broadly match currently assumed phasing of residential development, we could expect around 65% of these jobs and associated floorspace to come forward at Lidsing by the end of the new Local Plan period (2037), and 32% at Heathlands.
- 5.18 The scale of job growth implied by this analysis would not be inconsistent with patterns of recent employment growth recorded at a Borough-wide level and could therefore be considered achievable subject to the required supporting infrastructure being in place.
- 5.19 It also suggests that combined, the two garden settlements at Heathlands and Lidsing could deliver around a quarter of projected Borough-wide job growth, employment floorspace and land requirement over the period to 2037, as identified by the EDNS Addendum.
- 5.20 In recognition of Lidsing's unique strategic accessibility advantages - which provide enhanced preconditions for job growth and employment development that could justify a greater share of industrial and distribution uses within the overall employment development mix – we have tested the employment space and land implications of a higher level of industrial and distribution/logistics activity on site. This illustrative analysis suggests that, under this scenario, the quantum of employment space provision at Lidsing could realistically increase to at least 10 ha.
- 5.21 Our analysis identifies a range of potential sectors that could be targeted to support employment growth at the Borough's two garden settlements, ranging from traditional industrial sectors that are currently driving demand for business space in the Borough through to higher growth sectors such as life sciences and advanced manufacturing and specific sector clusters such as digital, film and media where Kent is developing particular strengths and specialisms. There are certain typologies of sites and premises with a specific scale, form and environment which can accommodate the needs of many of these sectors including an industrial park, mixed employment area and flexible workspace hubs. A mix of sectors should be encouraged to support the Borough's existing strengths but also to support growth and diversification of the local economy and we suggest the two garden settlements provide a range of flexible, mixed employment (E(g) and B uses) including light/high tech industrial units, small-scale distribution/warehousing units, plots for bespoke design and build, and flexible workspace hubs within residential areas and close to local centres.
- 5.22 The strategic connectivity advantages offered by **Lidsing** mean that the site is likely to be particularly attractive to industrial and distribution uses that value strong access to major routes such as the M2. The Council is keen to harness this unique precondition for growth through inclusion of a significant employment offer as part of the overall development mix, and our analysis suggests that a more explicit sector focus on logistics could increase the employment land requirement at Lidsing to at least 10 ha.
- 5.23 By comparison, **Heathlands** represents a relatively untested employment location and market area, given its location broadly equidistant between Maidstone and Ashford. Whilst this makes

it difficult to point to an obvious economic opportunity, it does also provide scope to curate a bespoke economic identity and role ‘from scratch’, and potentially offer a new dimension to the Borough’s economy that does not already exist. This could include a dedicated hub for food and drink production (leveraging Kent’s ‘Garden of England’ brand), a cluster for creative and digital businesses (subject to provision of high-quality digital infrastructure) or specialist facilities for film and TV production, linking with nearby Ashford’s growing strengths in this sector. Delivery of a new railway station at Heathlands provides further opportunities, particularly for small scale service sector and supply chain firms that want to be part of a new economic cluster and also take advantage of convenient rail links into Maidstone town, Ashford, and the wider network.

Towards a Delivery Strategy

- 5.24 In order to ensure the best possible chance of timely delivery of suitable employment floorspace, the emerging masterplans for Lidsing and Heathlands garden settlements should not be overly prescriptive but accommodate flexibility, responding to phasing and different routes for structuring delivery of space. This section considers an appropriate strategy for bringing forward employment floorspace to market and ensuring sustainable levels of occupancy as each garden settlement develops and grows.

Place Making and Urban Design

- 5.25 The emerging Maidstone Local Plan notes that high quality design is central to the overall strategy for both garden settlements. Lessons from elsewhere provide a series of design and place making principles that could be used to shape a distinctive employment offer at Lidsing and Heathlands. A number of key considerations are presented below for the employment development in the context of ‘place-making’ and urban design, in order to strengthen the various connections between people and the places they share. This relates to core elements that will maximise the prospect for success, drawing on an appreciation of what has worked well elsewhere:
- i **Inclusion of a vibrant central amenities hub** to provide a focus within the site for networking and to provide for the needs of workers, for example meeting space, café, crèche, electric car charging points etc. The spatial strategy for employment provision at Heathlands may generate a requirement for more than one central amenities hub within the overall garden community, to serve different business communities.
 - ii **Creating a sense of place** through attention to amenities such as walking paths, cycle paths and green spaces as well as the provision of public spaces – to help ‘humanise’ the employment part of the site. Creating a sense of place will be important from the outset to allow the garden communities to develop their own identity.
 - iii **Maximising the connectivity** between the employment development and the rest of the garden community, as well as other parts of the Borough, adjoining settlements such as Medway and beyond. This will help embed the new developments within the existing physical and economic fabric of the local area and help foster business linkages and supply chains.
- 5.26 Incorporating these design elements will not only help to maximise the market appeal of the proposed employment floorspace at Lidsing and Heathlands, but also create a premium environment to support higher values and, in turn, improved viability of commercial development.

Flexibility

- 5.27 As longer term growth opportunities, a flexible approach to designing and delivering new employment floorspace at both Lidsing and Heathlands will be critical. Planning for employment space is not an exact science, and business and market needs can change quickly and evolve over time. Given their scale and the likely timescale for delivery, a key consideration for both masterplans must therefore be to allow flexibility in a number of respects:
- **Change over time** – the economic role of, and market demand for, employment space will evolve over time. Occupiers will be attracted as each location becomes more established with a wider range of services and amenities, but also as new businesses start and scale-up. It will be important that a ‘ladder’ of premises of different sizes and price points is established to allow businesses to expand and be retained within the site if possible. The provision of grow-on space is particularly significant in this regard, given the relatively limited supply of such facilities within the Borough’s existing employment stock.
 - **Change between uses** – at a macro level, there is increasing demand for hybrid spaces that combine different floorspace types and allow for adaptability to change. This means not being overly prescriptive in respect of individual employment (E(g) and B) use classes in both design and planning policy terms.
 - **Choice of premises** – the combination of serviced plots and competed buildings (of different sizes and for lease or purchase) will ensure that the needs of a wide range of potential occupiers can be accommodated and organisations can be supported and retained in this location as they expand.
 - **Accommodating temporary uses** – given the likely long term phasing associated with construction of both garden settlements, there will be a need to accommodate temporary uses both relating to construction and other business activities over this period.
- 5.28 The degree of flexibility will need to have regard to potential governance and operational arrangements for employment facilities once complete, in particular the structures set up for strategic and operational decision making as the development grows and evolves.

Supporting Infrastructure

- 5.29 Provision of the right physical, social and communications infrastructure to unlock growth opportunities at the right time will be a critical cross-cutting theme for all aspects of garden settlement development. Government (local and national) will have a key role to play in enabling early investment in infrastructure, and this need not be at taxpayer expense if it can be tied to the value uplift captured for the wider community. There is likely to be a need for early investment in key infrastructure, before new residential and commercial development can take place. This is not just about utilities and roads but also the elements that make a new community attractive and sustainable and the new homes and commercial space marketable, such as early delivery of schools and retail.
- 5.30 The successful growth and development of an appropriate quantum and mix of employment space at Lidsing and Heathlands will be predicated by the services it offers to occupiers, notably through the provision infrastructure required for a well-functioning and thriving business environment, but also through the creation of an environment that is conducive to collaboration and support between businesses. Supporting infrastructure can be grouped into the following three categories:
- 1 **Physical infrastructure** – availability of space and land to accommodate the expected needs of potential tenants and the availability of urban infrastructure services including streets, parking facilities, utilities, and an uninterrupted power supply.

- 2 **Social infrastructure** – wider facilities and amenities, such as health centres, gyms, creches, shopping facilities, cafes and meeting places.
- 3 **Communication infrastructure** – a competitive and attractive business location will be able to provide high speed intra-site, domestic and international data and voice connectivity.

Table 5.2 Supporting Infrastructure

Infrastructure type	Site / plot specific	Site-wide
Transport and highways	✓	✓
Energy	✓	
Utilities, water and waste	✓	
Telecommunications	✓	
Green infrastructure		✓
Social and cultural Includes retail, food and drink, sports facilities etc		✓
Personal services Includes medical facilities, creches, dry cleaning services etc		✓

Source: Lichfields

- 5-31 This supporting infrastructure is likely to be required at different points in the development process. Up-front provision will be critical as part of enabling development works (e.g. access roads), while other types of infrastructure will only be required (and viable to provide) as the critical mass of the business community grows (e.g. central meeting hub, leisure facilities etc) and as and when business premises are constructed (e.g. energy and utility services). As shown in the table above, there is also a distinction between site wide infrastructure requirements and those that are necessary to unlock specific sites for development.
- 5-32 The early delivery of small-scale shared workspace to cater for SMEs and start-ups, together with grow-on space to retain businesses that have outgrown their incubator facilities may help to catalyse the wider cluster and develop synergies with the existing business community. This may require initial public sector intervention which in turn can leverage private sector investment.

Delivery Model

- 5-33 There are a number of different routes for structuring delivery of employment space, with the aim ideally to achieve long term stewardship. Delivery of employment facilities at Lidsing and Heathlands could take a number of forms, being led by a single developer, institutional investor – who could be attracted by the capacity for long term returns from new garden communities – or through a joint venture (JV) between the public and private sector – an approach that allows the combined assets and expertise of the public and private sectors to be shared in order to manage any risks to delivery and maximise the quality and value of the scheme.
- 5-34 Delivering a successful new community requires a clear understanding of how assets generated by the development process will be managed over the long term. Consideration will need to be given to how the new employment facilities will be managed on behalf of the wider garden community.
- 5-35 In order to assist the delivery of new employment space, Maidstone Borough Council should explore the mechanisms by which the planning process might be expedited. This could include the use of Local Development Orders, a tool which the Planning Advisory Service and the Local Government Association have encouraged.

Structuring Delivery

- 5.36 There are a range of potential approaches to support delivery of new employment space at the two garden settlements, and some combination of the following should be considered as part of the emerging masterplans:
- 1 Provision of plots to accommodate ‘**design and build**’ opportunities to meet bespoke requirements or respond to specific investment opportunities. This approach would be particularly attractive to the market if plots were made available for sale on a freehold basis, reflecting market demand drivers in Maidstone. Design and build allows companies to have buildings constructed to meet their own specific occupational needs.
 - 2 Provision of **serviced plots** (i.e. with enabling physical, social and communication infrastructure) that could give flexibility to accommodate a range of uses and lower the barriers to entry for firms relocating to Lidsing and Heathlands.
 - 3 Public sector **pump-priming** or cross-subsidisation of uses to support employment development on a speculative basis and to encourage new business start-ups. For example, starter businesses typically require affordable rents and unless there are financial incentives in the early phases it may be difficult to foster these types of business. This may also apply in respect of incubator or managed workspace for smaller business occupiers, which could take the form of a joint venture with a private sector provider or direct development by the Council or a Council wholly-owned company.

Phasing

- 5.37 The Lidsing and Heathlands garden settlements represent long term, strategic scale employment opportunities that will need to be delivered over a number of phases. At this early stage, neither garden settlement is subject to detailed phasing assumptions, and draft Local Plan policy SP4 requires a phasing plan for the delivery of infrastructure improvements alongside new homes and jobs to be provided in order to demonstrate that a Garden Community proposal is sustainable and deliverable.
- 5.38 As noted in chapter 3.0 of this report, currently assumed phasing of housing delivery at each garden settlement is broadly as follows:
- **Heathlands:** development starting in 2029, with 1,600 residential units delivered by 2037, equivalent to 32% of the total.
 - **Lidsing:** development starting in 2027, with 1,300 residential units delivered by 2037, equivalent to 65% of the total.
- 5.39 We then estimate the broad quantum of job growth and employment space delivery that could take place on each site by the end of the Local Plan period in 2037 by applying the same phasing assumptions as for housing delivery. Clearly, a significant quantum of development is expected to take place beyond the new Local Plan period, reflecting the scale of each proposed garden settlement, and the construction period will continue for a considerable period of time.
- 5.40 The vision for each garden community is for a thriving settlement and the delivery of new employment opportunities will be central to this. At both locations, the employment opportunity will capitalise upon the site’s strategic location. In accordance with Garden City/Village principles, there will be a strong emphasis on the provision of high quality local employment opportunities in order to encourage increased self-containment and reduce the need for out-commuting.
- 5.41 The delivery of the housing, employment floorspace and other land uses will be phased in accordance with the timing of provision of essential supporting infrastructure and facilities,

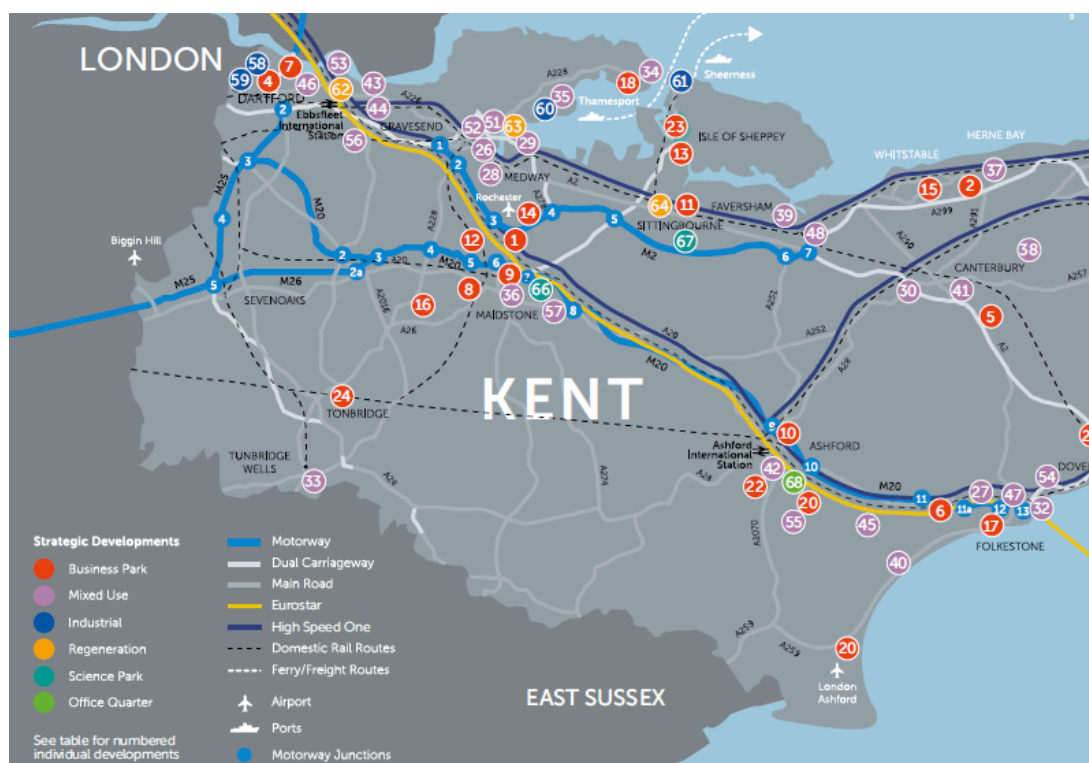
including at Heathlands: a new rail station on the Maidstone-Ashford rail line; 2 new A20 connections to the north of the development; and a potential connection to a new M20 junction; and at Lidsing: a new connection to the M2 at Junction 4; and new bus connections to link Lordswood & Hempstead, and linking to the Medway town centres.

- 5.42 Delivering some employment floorspace at an early stage will provide an important statement of intent regarding the overall balance of uses, whilst also ensuring availability of local employment opportunities to optimise sustainability. Nevertheless, the Council will want to ensure that any employment floorspace that does come forward does so in a way that is broadly aligned and balanced with delivery of wider uses (particularly residential). For instance, the excellent strategic connectivity offered by the Lidsing site, adjacent to an existing M2 junction, is likely to make this an attractive short term location for business development regardless of its intended wider garden settlement economic role.

Factors Influencing Delivery

- 5.43 The overall timescale for progress and completion will be subject to market conditions and occupier demand, the strength of the post-Covid-19 local economy, the timing of a planning application, as well as the extent of any specific interventions that are brought forward by the Council and other public sector partners. Another influencing factor will be timing of provision of key infrastructure that is required to unlock and accelerate delivery of different components of the garden settlement, as noted above.
- 5.44 Phasing of delivery will also be influenced by wider commercial property market dynamics across Kent, and the progress associated with a number of other strategic scale employment and mixed-use developments in the pipeline for the coming years, some of which are shown on the map of key strategic developments in Kent below.

Figure 5.1 Map of Strategic Developments in Kent



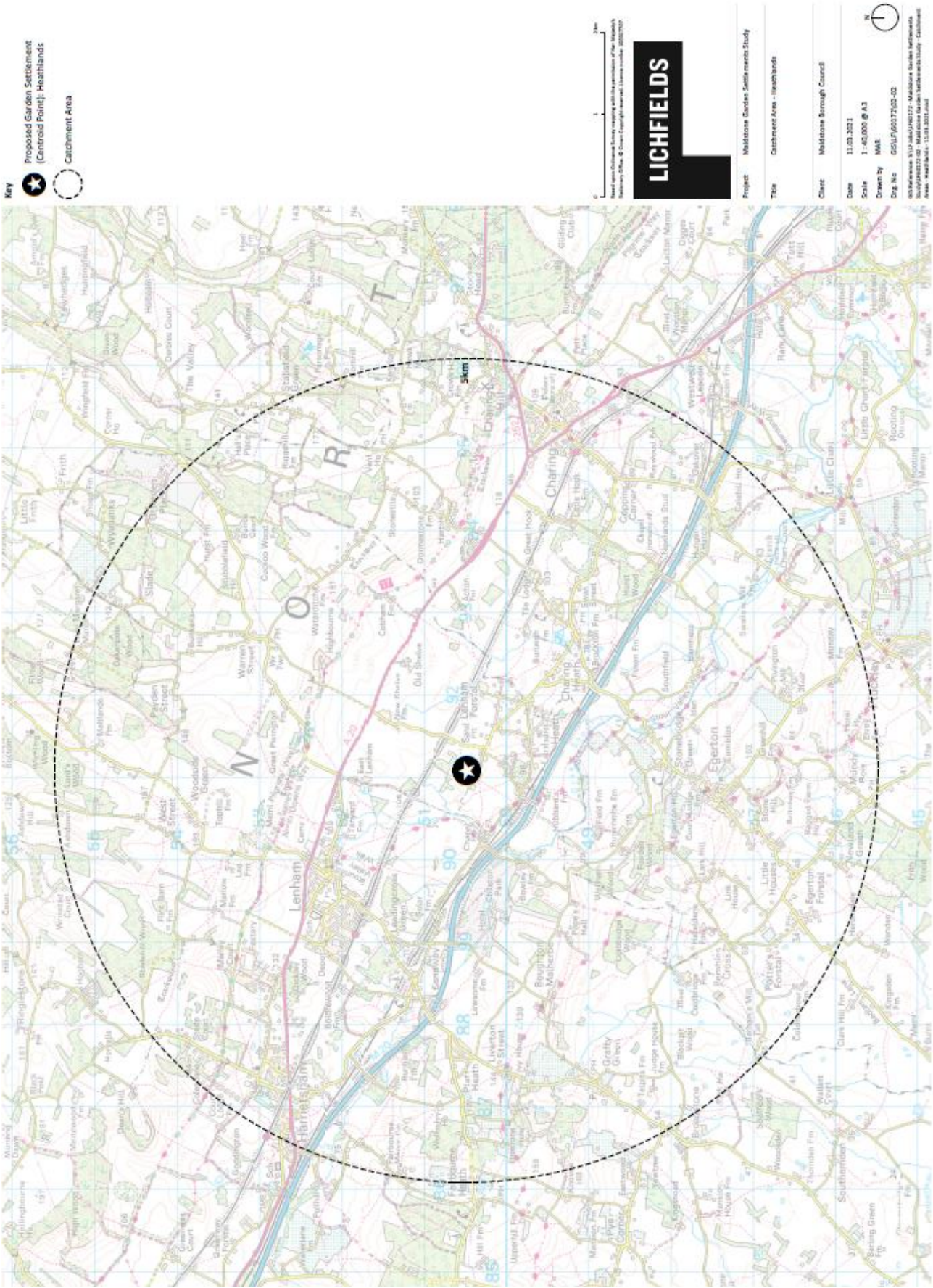
Source: Kent Property Market Report 2020 (available at <http://www.kentpropertymarket.com/>)

5-45

Those strategic developments of particular significance for the proposed garden settlements at Lidsing and Heathlands include:

- **Innovation Park Medway**, adjacent to Rochester Airport in Medway, will offer circa 100,000 sqm of high quality, innovative commercial space in a prime location near M2 Junction 3. It seeks to attract high value, knowledge-intensive businesses looking to grow and benefit from access to world-class research and development and highly skilled talent through the cluster of Kent and Medway based universities. Medway Council and Tonbridge & Malling Borough Council have also developed draft Local Development Orders (LDOs) which will offer streamlined planning for businesses that locate to the site.
- **Otterpool Park** is a proposed Garden Town located further down the M20 near the town of Folkestone. It represents a major new development, set within a 770ha site with plans for up to 10,000 homes, eight primary schools, two secondary schools, community facilities and employment space delivered in phases over 30 years. An outline planning application was received in February 2019 for up to 8,500 homes alongside 82,418 sqm of employment (B1 and B2 use class) floor space including commercial business hubs, a commercial business park and a light industrial business park.
- **Borough Green Gardens**, Tonbridge and Malling, is one of 19 Garden Villages that was added into the UK Garden Communities Programme in 2019. In addition to private investment, funding from Homes England has been provided to help progress the project. The project is at an early stage but is currently anticipated to include approximately 3,000 new homes and new employment floorspace capable of creating hundreds of new jobs.
- Demolition of the former **Aylesford Newsprint site**, Tonbridge and Malling, was completed at the end of 2019, with the estate's new owners Panattoni recently securing planning consent for a new logistics and warehousing development. The scheme will invest £180m in the design and build of seven industrial buildings offering in the region of 177,000 sqm of new commercial floorspace, creating up to 3,000 new jobs.
- There have been significant developments during the past year in the commercial property market in **Ashford** to support its continued growth, despite the impact of Covid-19. Ashford has become an increasingly important commercial area and is in a strong position to weather the unprecedented times facing business and the property market. For instance, work is currently underway on site at Ashford International Film Studios on the 4.86 ha Newtown Works development to create 6,968 sqm of television and film studio space.

Appendix 1 Primary Catchment Areas



Appendix 2 Convenience Assessment

Table 1A: Lidsing local catchment area population

Zone	2019	2032	2037	2042
Garden settlement	0	1,547	3,094	4,760
1 kilometre (indigenous)	1,193	1,260	1,283	1,313
Total	1,193	2,807	4,377	6,073

Table 1B: Heathlands local catchment area population

Zone	2019	2032	2037	2042
Garden settlement	0	1,428	3,808	6,664
5 kilometres (indigenous)	9,987	10,990	11,209	11,409
Total	9,987	12,418	15,017	18,073

Sources:

*Experian MMG3 population projections**Lidsing - 2,000 dwelling by 2042 average of 130 dpa at 2.38 people per dwelling**Heathland - 2,800 dwellings by 2042 - start 2029 average of 200 dpa at 2.38 people per dwelling***Table 2A: Lidsing local catchment convenience goods expenditure per person (£)**

	2019	2032	2037	2042
Garden settlement	2,324	2,313	2,317	2,323
1 kilometre (indigenous)	2,418	2,406	2,410	2,417

Table 2B: Heathlands local catchment convenience goods expenditure per person (£)

	2019	2032	2037	2042
Garden settlement	2,324	2,313	2,317	2,323
1 kilometre (indigenous)	2,489	2,477	2,481	2,488

Sources:

*Experian Local Expenditure 2019 (2019 prices)**Experian expenditure growth rates. Excluding special forms of trading.*

Table 3A: Lidsing local catchment total convenience goods expenditure (£m)

	2019	2032	2037	2042
Garden settlement	£0.00	£3.72	£7.46	£11.50
1 kilometre (indigenous)	£2.88	£3.03	£3.09	£3.17
Total	£2.88	£6.75	£10.55	£14.68

Source: Tables 1A and 2A

Table 3B: Heathlands local catchment total convenience goods expenditure (£m)

	2019	2032	2037	2042
Garden settlement	£0.00	£3.30	£8.82	£15.48
5 kilometres (indigenous)	£24.86	£27.22	£27.81	£28.39
Total	£24.86	£30.53	£36.63	£43.87

Source: Tables 1B and 2B

Table 4A: Lidsing convenience goods expenditure retention (% market shares)

	Garden settlement (1)	Rest of 1km catchment (2)	Inflow from beyond catchment
% expenditure retained in area	30%	15%	5%

Notes:

(1) assumes 80% retention of top-up food expenditure and 10% retention of main food shopping in Garden settlement.

(2) assumes 40% retention of top-up food expenditure and 5% retention of main food shopping in rest of 1km area.

Table 4B: Heathlands convenience goods expenditure retention (% market shares)

	Garden settlement (1)	Rest of 5km catchment (2)	Inflow from beyond catchment
% expenditure retained in area	60%	45%	10%

Notes:

(1) assumes 85% retention of top-up food expenditure and 50% retention of main food shopping in Garden settlement.

(2) assumes 50% retention of top-up food expenditure and 40% retention of main food shopping in rest of 5km area.

Table 5A: Lidsing convenience goods expenditure retained (£m)

By year	Garden Settlement	Rest of 1km catchment	Inflow	Total
Base year	0.00	0.43	0.02	0.46
2032	1.12	0.45	0.02	1.60
2037	2.24	0.46	0.02	2.73
2042	3.45	0.48	0.03	3.95

Source: Table 3A and 4A

Table 5B: Heathlands convenience goods expenditure retained (£m)

By year	Garden Settlement	Rest of 5km catchment	Inflow	Total
Base year	0.00	11.19	1.24	12.43
2032	1.98	12.25	1.36	15.59
2037	5.29	12.51	1.39	19.20
2042	9.29	12.77	1.42	23.48

Source: Table 3B and 4B

Table 6A: Lidsing convenience goods floorspace capacity

By year	Retained available expenditure £m	Turnover density new floorspace £psm net	Sales floorspace capacity sq.m net	Gross (1) floorspace capacity sq.m
Base year	0.46	12,000	38	54
2032	1.60	12,000	133	190
2037	2.73	12,000	227	324
2042	3.95	12,000	329	471

Table 6B: Heathlands convenience goods floorspace capacity

By year	Retained available expenditure £m	Turnover density new floorspace £psm net	Sales floorspace capacity sq.m net	Gross (1) floorspace capacity sq.m
Base year	12.43	12,000	1,036	1,480
2032	15.59	12,000	1,299	1,856
2037	19.20	12,000	1,600	2,286
2042	23.48	12,000	1,957	2,795

(1) net to gross ratio 70%

Table 7: Cumulative convenience goods impact at 2032

	Base year 2019 turnover	Design year turnover 2032 without Garden Settlements	% trade draw to Lidsing	% trade draw to Heathlands	Combined trade diversion	Post development turnover 2032	% Impact 2032
	£m	£m	£m	£m	£m	£m	
Maidstone town centre	44.12	48.12	0%	5%	0.97	47.15	-2.0%
Other Maidstone urban area	204.70	223.29	0%	30%	5.82	217.47	-2.6%
Other Maidstone Borough large stores	45.93	50.03	0%	5%	0.97	49.06	-1.9%
Lenham/Harrietsham/Charing	3.43	3.73	0%	2%	0.39	3.34	-10.4%
Other Maidstone Borough	15.47	16.89	0%	1%	0.19	16.70	-1.1%
Chatham town centre	54.18	55.39	5%	0%	0.06	55.34	-0.1%
Gillingham district centre	32.79	33.52	3%	0%	0.03	33.49	-0.1%
Hempstead Valley district centre	70.68	72.26	55%	5%	1.58	70.69	-2.2%
Lordswood	0.60	0.62	3%	0%	0.03	0.59	-5.3%
Rainham district centre	31.38	32.08	3%	0%	0.03	32.05	-0.1%
Rochester district centre	6.95	7.10	1%	0%	0.01	7.09	-0.2%
Strood district centre	36.37	37.19	0%	0%	0.00	37.19	0.0%
Medway out of centre	328.33	335.68	20%	5%	1.19	334.49	-0.4%
Faversham	12.70	13.94	0%	1%	0.19	13.75	-1.4%
Sittingbourne	181.90	199.49	0%	15%	2.91	196.58	-1.5%
Ashford town centre	18.84	21.00	0%	1%	0.19	20.81	-0.9%
Ashford out of centre	264.82	295.24	0%	20%	3.88	291.36	-1.3%
Elsewhere	n/a	n/a	10%	10%	2.05	n/a	n/a
TOTAL	1,353.18	1,445.57	100%	100%	20.50	1,427.12	

Source: Maidstone EDNS 2021, Ashford Retail Needs and Leisure Assessment 2015 and North Kent SHENA 2016

Lidsing Garden Settlement - convenience floorspace 300 sq.m net at £12,000 per sq.m net - £3.6 million

Heathlands Garden Settlement - convenience floorspace 1,900 sq.m net at £12,000 per sq.m net - £22.8 million

70% of turnover from Lidsing Garden Settlement population at 2032 = £2.5 million

30% of turnover from indigenous population at 2032 = £1.1 million

15% of turnover from Heathlands Garden Settlement population at 2032 = £3.4 million

85% of turnover from indigenous population at 2032 = £19.4 million

Appendix 3 Comparison Assessment

Table 1A: Lidsing local catchment area population

Zone	2019	2032	2037	2042
Garden settlement	0	1,547	3,094	4,760
1 kilometre (indigenous)	1,193	1,260	1,283	1,313
Total	1,193	2,807	4,377	6,073

Table 1B: Heathlands local catchment area population

Zone	2019	2032	2037	2042
Garden settlement	0	1,428	3,808	6,664
5 kilometres (indigenous)	9,987	10,990	11,209	11,409
Total	9,987	12,418	15,017	18,073

Sources:

*Experian MMG3 population projections**Lidsing - 2,000 dwelling by 2042 average of 130 dpa at 2.38 people per dwelling**Heathland - 2,800 dwellings by 2042 - start 2029 average of 200 dpa at 2.38 people per dwelling***Table 2A: Lidsing local catchment comparison goods expenditure per person (£)**

	2019	2032	2037	2042
Garden settlement	3,550	4,226	4,808	5,524
1 kilometre (indigenous)	3,808	4,533	5,158	5,926

Table 2B: Heathlands local catchment comparison goods expenditure per person (£)

	2019	2032	2037	2042
Garden settlement	3,550	4,226	4,808	5,524
1 kilometre (indigenous)	3,951	4,703	5,351	6,148

Sources:

*Experian Local Expenditure 2019 (2019 prices)**Experian expenditure growth rates. Excluding special forms of trading.*

Table 3A: Lidsing local catchment total comparison goods expenditure (£m)

	2019	2032	2037	2042
Garden settlement	£0.00	£7.01	£15.96	£28.21
1 kilometre (indigenous)	£4.54	£5.71	£6.62	£7.78
Total	£4.54	£12.72	£22.58	£35.99

Source: Tables 1A and 2A

Table 3B: Heathlands local catchment total comparison goods expenditure (£m)

	2019	2032	2037	2042
Garden settlement	£0.00	£6.03	£18.31	£36.81
5 kilometres (indigenous)	£39.46	£51.69	£59.98	£70.14
Total	£39.46	£57.72	£78.29	£106.95

Source: Tables 1B and 2B

Table 4A: Lidsing comparison goods expenditure retention (% market shares)

	Garden settlement (1)	Rest of 1km catchment (2)	Inflow from beyond catchment
% expenditure retained in area	10%	5%	5%

Table 4B: Heathlands comparison goods expenditure retention (% market shares)

	Garden settlement (1)	Rest of 5km catchment (2)	Inflow from beyond catchment
% expenditure retained in area	20%	5%	5%

Table 5A: Lidsing comparison goods expenditure retained (£m)

By year	Garden Settlement	Rest of 1km catchment	Inflow	Total
Base year	0.00	0.23	0.01	0.24
2032	0.70	0.29	0.02	1.00
2037	1.60	0.33	0.02	1.94
2042	2.82	0.39	0.02	3.23

Source: Table 3A and 4A

Table 5B: Heathlands comparison goods expenditure retained (£m)

By year	Garden Settlement	Rest of 5km catchment	Inflow	Total
Base year	0.00	1.97	0.10	2.08
2032	1.21	2.58	0.14	3.93
2037	3.66	3.00	0.16	6.82
2042	7.36	3.51	0.18	11.05

Source: Table 3B and 4B

Table 6A: Lidsing comparison goods floorspace capacity

By year	Retained available expenditure £m	Turnover density new floorspace £psm net	Sales floorspace capacity sq.m net	Gross (1) floorspace capacity sq.m
Base year	0.24	7,000	34	49
2032	1.00	9,118	110	157
2037	1.94	10,367	188	268
2042	3.23	11,787	274	392

Table 6B: Heathlands comparison goods floorspace capacity

By year	Retained available expenditure £m	Turnover density new floorspace £psm net	Sales floorspace capacity sq.m net	Gross (1) floorspace capacity sq.m
Base year	2.08	7,000	297	424
2032	3.93	9,118	431	615
2037	6.82	10,367	658	940
2042	11.05	11,787	938	1,340

(1) net to gross ratio 80%

Table 7: Cumulative comparison goods impact at 2032

	Base year 2019 turnover	Design year turnover 2032 without Garden Settlements	% trade draw to Lidsing	% trade draw to Heathlands	Combined trade diversion	Post development turnover 2032	% Impact 2032
	£m	£m	£m	£m	£m	£m	
Maidstone town centre	432.02	532.93	0%	30%	1.71	531.22	-0.3%
Other Maidstone urban area	90.82	110.34	0%	10%	0.57	109.77	-0.5%
Lenham/Harrietsham/Charing Hill	1.17	1.52	0%	2%	0.11	1.41	-7.5%
Other Maidstone Borough	20.81	25.85	0%	1%	0.06	25.79	-0.2%
Chatham town centre	181.08	221.44	20%	5%	0.45	221.00	-0.2%
Gillingham district centre	97.48	119.20	10%	0%	0.08	119.12	-0.1%
Hempstead Valley district centre	110.90	135.61	40%	5%	0.61	135.01	-0.4%
Lordswood	0.43	0.52	2%	0%	0.02	0.50	-3.1%
Rainham district centre	21.40	26.17	2%	0%	0.02	26.15	-0.1%
Rochester district centre	30.10	36.81	2%	0%	0.02	36.79	0.0%
Strood district centre	21.76	26.61	2%	0%	0.02	26.59	-0.1%
Medway out of centre	184.26	225.32	12%	2%	0.21	225.11	-0.1%
Sittingbourne	167.73	219.23	0%	10%	0.57	218.66	-0.3%
Ashford town centre	245.16	326.91	0%	15%	0.86	326.06	-0.3%
Ashford out of centre	130.30	173.75	0%	10%	0.57	173.18	-0.3%
Elsewhere	n/a	n/a	10%	10%	0.65	n/a	n/a
TOTAL	1,735.42	2,182.21	100%	100%	6.50	2,176.36	

Source: Maidstone EDNS 2021, Ashford Retail Needs and Leisure Assessment 2015 and North Kent SHENA 2016

Lidsing Garden Settlement - comparison floorspace 300 sq.m net at £9,118 per sq.m net - £2.7 million

Heathlands Garden Settlement - comparison floorspace 900 sq.m net at £9,118 per sq.m net - £8.2 million

70% of turnover from Lidsing Garden Settlement population at 2032 = £1.9 million

30% of turnover from indigenous population at 2032 = £0.8 million

30% of turnover from Heathlands Garden Settlement population at 2032 = £2.5 million

70% of turnover from indigenous population at 2032 = £5.7 million

Appendix 4 Food/Beverage Assessment

Table 1A: Lidsing local catchment area population

Zone	2019	2032	2037	2042
Garden settlement	0	1,547	3,094	4,760
1 kilometre (indigenous)	1,193	1,260	1,283	1,313
Total	1,193	2,807	4,377	6,073

Table 1B: Heathlands local catchment area population

Zone	2019	2032	2037	2042
Garden settlement	0	1,428	3,808	6,664
5 kilometres (indigenous)	9,987	10,990	11,209	11,409
Total	9,987	12,418	15,017	18,073

Sources:

*Experian MMG3 population projections**Lidsing - 2,000 dwellings by 2042 average of 130 dpa at 2.38 people per dwelling**Heathland - 2,800 dwellings by 2042 - start 2029 average of 200 dpa at 2.38 people per dwelling***Table 2A: Lidsing local catchment food/beverage expenditure per person (£)**

	2019	2032	2037	2042
Garden settlement	1,489	1,569	1,641	1,716
1 kilometre (indigenous)	1,665	1,754	1,835	1,919

Table 2B: Heathlands local catchment food/beverage expenditure per person (£)

	2019	2032	2037	2042
Garden settlement	1,489	1,569	1,641	1,716
1 kilometre (indigenous)	1,538	1,621	1,695	1,773

Sources:

*Experian Local Expenditure 2019 (2019 prices)**Experian expenditure growth rates.*

Table 3A: Lidsing local catchment total food/beverage expenditure (£m)

	2019	2032	2037	2042
Garden settlement	£0.00	£2.71	£5.68	£9.13
1 kilometre (indigenous)	£1.99	£2.21	£2.35	£2.52
Total	£1.99	£4.92	£8.03	£11.65

Source: Tables 1A and 2A

Table 3B: Heathlands local catchment total food/beverage expenditure (£m)

	2019	2032	2037	2042
Garden settlement	£0.00	£2.24	£6.25	£11.44
5 kilometres (indigenous)	£15.36	£17.81	£19.00	£20.23
Total	£15.36	£20.06	£25.25	£31.66

Source: Tables 1B and 2B

Table 4A: Lidsing food/beverage expenditure retention (% market shares)

	Garden settlement (1)	Rest of 1km catchment (2)	Inflow from beyond catchment
% expenditure retained in area	20%	15%	5%

Table 4B: Heathlands food/beverage expenditure retention (% market shares)

	Garden settlement (1)	Rest of 5km catchment (2)	Inflow from beyond catchment
% expenditure retained in area	40%	5%	5%

Table 5A: Lidsing food/beverage expenditure retained (£m)

By year	Garden Settlement	Rest of 1km catchment	Inflow	Total
Base year	0.00	0.30	0.02	0.31
2032	0.54	0.33	0.02	0.89
2037	1.14	0.35	0.02	1.51
2042	1.83	0.38	0.02	2.22

Source: Table 3A and 4A

Table 5B: Heathlands food/beverage expenditure retained (£m)

By year	Garden Settlement	Rest of 5km catchment	Inflow	Total
Base year	0.00	0.77	0.04	0.81
2032	0.90	0.89	0.05	1.83
2037	2.50	0.95	0.05	3.50
2042	4.57	1.01	0.05	5.64

Source: Table 3B and 4B

Table 6A: Lidsing food/beverage floorspace capacity

By year	Retained available expenditure £m	Turnover density new floorspace £psm gross	Floorspace capacity sq.m gross
Base year	0.31	5,000	63
2032	0.89	5,690	157
2037	1.51	5,981	252
2042	2.22	6,286	354

Table 6B: Heathlands food/beverage floorspace capacity

By year	Retained available expenditure £m	Turnover density new floorspace £psm gross	Sales floorspace capacity sq.m gross
Base year	0.81	5,000	162
2032	1.83	5,690	322
2037	3.50	5,981	585
2042	5.64	6,286	897

Table 7: Cumulative food/beverage impact at 2032

	Base year 2019 turnover	Design year turnover 2032 without Garden Settlements	% trade draw to Lidsing	% trade draw to Heathlands	Combined trade diversion	Post development turnover 2032	% Impact 2032
	£m	£m	£m	£m	£m	£m	
Maidstone urban area	236.55	272.41	0%	50%	1.05	271.36	-0.4%
Lenham/Harrietsham/Charing Hill	3.63	4.14	0%	5%	0.11	4.04	-2.5%
Other Maidstone Borough	50.07	57.75	0%	10%	0.21	57.54	-0.4%
Chatham town centre	40.00	44.16	30%	0%	0.18	43.98	-0.4%
Gillingham district centre	34.75	37.88	30%	0%	0.18	37.70	-0.5%
Hempstead Valley district centre	6.81	7.88	20%	0%	0.12	7.76	-1.5%
Lordswood	0.22	0.24	1%	0%	0.01	0.23	-2.5%
Rainham district centre	19.10	21.01	4%	0%	0.02	20.99	-0.1%
Rochester district centre	30.20	33.16	4%	0%	0.02	33.14	-0.1%
Strood district centre	5.16	5.63	1%	0%	0.01	5.62	-0.1%
Sittingbourne	73.37	84.93	0%	10%	0.21	84.72	-0.2%
Ashford	9.65	11.13	0%	15%	0.32	10.82	-2.8%
Elsewhere	n/a	n/a	10%	10%	0.27	n/a	n/a
TOTAL	509.51	580.32	100%	100%	2.70	577.89	

Source: Maidstone EDNS 2021

Lidsing Garden Settlement - food/beverage floorspace 350 sq.m gross at £5,690 per sq.m = £2 million

Heathlands Garden Settlement - food/beverage floorspace 900 sq.m gross at £5,690 per sq.m = £5.1 million

70% of turnover from Lidsing Garden Settlement population at 2032 = £1.4 million

30% of turnover from indigenous population at 2032 = £0.6 million

60% of turnover from Heathlands Garden Settlement population at 2032 = £3.0 million

40% of turnover from indigenous population at 2032 = £2.1 million

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