

LAND NORTH OF THE A20 ASHFORD ROAD HOLLINGBOURNE KENT

Proof of Evidence of Mr Martyn Saunders MIED

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MAIDSTONE BOROUGH COUNCIL REF: 23/500899/OUT

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Appendices

Appendix I Logistics Property Market Demand and Supply Analysis JLL

Appendix II Employment Site Portfolio Analysis

Report title: Proof of Evidence

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For and on behalf of Avison Young (UK) Limited

1. Introduction

- 1.1 I am Martyn Saunders. I hold a Bachelor of Arts (Honours) in Economics and Politics and a Masters of Science in Local and Regional Economic Development. I have been a Member of the Institute of Economic Development since 2003.
- 1.2 I am a Principal in the "Place" Business Group of Avison Young leading our national regeneration and economic development service lines that includes leading a range of advisory mandates for public and private sector clients. I am based in our London office. My core focus is on economic/employment evidence base, business case and funding, masterplanning and economic strategy.
- 1.3 I have been advising Wates Developments Ltd ("The Appellant") in relation to the Appeal Site since July 2022.
- 1.4 I have over 20 years experience of planning, economic development, regeneration and development working for both the public and private sector. I have been employed by Avison Young/GVA since 2008, over which time I have provided a range of regeneration and property advice to clients, with a particular focus on the economic development agenda for London and the South East of England. Prior to joining Avison Young I worked as an Economic Development Officer at Gravesham Borough Council.
- 1.5 I have specific responsibility for leading Avison Young's work nationally relating to employment land, economic growth, sector specific property requirements and growth opportunities. This work is built upon detailed understanding of relevant property markets to provide advice on appropriate workspace strategies, future employment land needs, appropriate land allocations and investment and development advice for major business parks and hubs.
- 1.6 I have worked particularly extensively across the Kent market advising local authorities and their partner organisations on economic growth and consequent land requirements. I advised Maidstone Borough Council on employment land matters since joining Avison Young in 2008 through to the adoption of the Local Plan in 2017, leading the preparation of all employment land evidence reports.
- 1.7 I have also prepared employment land evidence to support Local Plan preparation in Gravesham and Medway (and continue to advise Gravesham on workspace needs); advised on the economic strategy for existing Discovery Park and the proposed Stone Hill Park Enterprise Zone in Dover and Thanet respectively; supported the preparation of a business case and masterplan commercial uses strategy for Ebbsfleet Central on behalf of Ebbsfleet Development Corporation, worked for Kent Science Park to understand future space needs, developed the successful business case and Levelling Up Fund application for Newtown Works in Ashford and advised Liberty on the future needs for office development at King's Hill. I have also supported the development of the Strategic Outline Case for the extension of Crossrail to Ebbsfleet – providing lead technical support on employment land and economic opportunities.
- 1.8 Outside of Kent I have prepared a range of Employment Land Studies for public sector clients to support Local Plan development, this includes current work in Bromley and Hillingdon alongside previous commissions in the Wirral, Barking and Dagenham, Eastbourne, Waltham Forest, Rochford, Rushmoor, Milton Keynes, Bedford, South Northamptonshire, Cherwell, the three planning authorities in Greater Norwich and the six planning authorities in South Essex, including a specific employment land availability assessment for Thurrock.
- 1.9 For private sector clients I have undertaken a range of employment land assessments across the country to support development proposals, including major industrial/distribution developments in

Basingstoke, Bedford, Peterborough, Cambridge, Stratford-upon-Avon, North East Somerset, Enfield and Huntingdonshire, as well as employment led mixed use projects in Greenwich, the London Legacy Development Corporation (LLDC) area and Tower Hamlets.

- 1.10 Outside of my work on employment land matters I also lead major masterplanning projects which underpin policy and delivery strategy. These include in recent years six masterplans focussed on delivering industrial intensification across London for the GLA, a 40ha masterplan for industrial intensification in Waltham Forest, a new Spatial Framework for the Strangeways area of Manchester, developing the commercial proposition for a site in the Olympic Park for LLDC, the economic vision for Euston, the commercial uses strategy for Old Oak Common, employment and other commercial needs in town centre masterplans for Romford, Bexleyheath, Feltham and Woolwich, workspace strategies for Tottenham, Wood Green, the Old Kent Road and the Upper Lee Valley and the future commercial opportunities for a masterplan around Victoria Station.
- 1.11 I have focussed my proof on addressing the core economic and employment land issues raised in the Council's Statement of Case, Reason for Refusal 1, specifically Paragraph 2.1 which states:

There are no Maidstone Borough Local Plan 2017 policies that allow for major employment development outside of designated economic development areas, site allocations, or upon undeveloped greenfield land falling within the countryside. The proposals are therefore contrary to the Spatial Strategy (policy SS1) of the Maidstone Borough Local Plan and policy SP21 for the location of economic development.

- 1.12 Which is expanded at Paragraph 2.4 to state:

The key issues in relation to these reasons for refusal are likely to relate to:

- 1. The principle of major commercial development on an unallocated site within the countryside.*
- 2. The need for the development.*

Statement of Truth

- 1.13 The Proof of Evidence has been prepared in accordance with professional standards and reflects my professional assessment of the information available to me.
- 1.14 I confirm I have no financial or other personal interest in the outcome of this Appeal.
- 1.15 I confirm that I understand and have complied with my duty as an expert witness which overrides any duty to those instructing or paying me.
- 1.16 I confirm that I have given my evidence impartially and objectively, and that I will continue to comply with that duty as required.
- 1.17 I confirm that my Proof has drawn attention to all material facts which are relevant and have affected my professional opinion.
- 1.18 As such, I confirm that the opinions expressed are my true and professional opinions.

2. Need and Demand

- 2.1 In this section of my Proof I consider the need and demand for the Appeal Scheme from both an economic and market perspective. For clarity, references to *need* to relate to the quantitative assessment of floorspace required to meet projected employment growth in the borough, references to *demand* relate to market driven requirements for particular kinds of employment space.
- 2.2 The starting point for considering the need for the Appeal Scheme is the Adopted Local Plan [CD3.1] and its supporting evidence base [CD5.4 and CD5.5]. Given the passage of time since the Plan's adoption there is other relevant evidence to consider, including the Local Plan Review [CD3.2] and its supporting evidence, in the form of the Employment Land Needs Study Stage 1 [CD6.10] and Stage 2 [CD6.11] and subsequent Addendum [CD6.9].
- 2.3 However, given the pace of change in the B8 market there is even more up to date information available to this Inquiry relating to both need and demand for B8 space within the borough than has been made available to the Local Plan Review Inspector by the Council.

Need from Employment Projections

- 2.4 The starting point for understanding whether the Appeal Scheme is justified is to consider the need arising from econometric projection modelling. These projections tend to form the basis of Local Plan evidence and policy development for employment land matters, however a sole reliance on these 'off the shelf' projections can be limiting when trying to understand the true need for different types of employment space.

The Adopted Local Plan

- 2.5 As set out in CD3.1 the Adopted Local Plan, drawing on evidence published in 2014, planned to accommodate a total of 49,911sqm (gross) of B8 space over the period 2011-2031, when existing sites and premises were taken into account the Adopted Local Plan identified a net requirement of 7,695sqm of additional floorspace to be provided.
- 2.6 The detailed analysis of property market dynamics contained in the "Economic Sensitivity Testing & Employment Land Forecast" report [CD5.5], drawing on data from 2013 notes that the industrial and distribution market is not locally defined, but related to the north-west Kent/London market linked to the M20/M25.
- 2.7 Whilst at the time the operational models of distribution businesses meant the borough was not a location attractive for 'strategic' distribution activity the analysis notes an under-representation of larger stock within the borough's (at the time) existing supply of space. It also notes an opportunity to *"utilise the M20 accessibility to attract regional and nationally focussed activities."* (Table, Page 23 of CD5.5).
- 2.8 The "Qualitative Site Assessment" report [CD5.4] noted that *"Maidstone's land portfolio for employment use suggests that, in the main, the land stock is at odds with the identified operational challenges faced by businesses within the borough. All of the identified capacity for industrial/warehouse activity lies within the south of the borough, excluding Brooklyn Yard, the area with the weakest road links."* (Paragraph 6.9, Page 65). This highlights that even a decade ago, before the substantial growth in the logistics and distribution sector in the UK, the lack of land suitable for activities that relied on good HGV access was insufficient and land capacity close to the M20 was considered to be critical to attract future inward investment.

- 2.9 Critically CD5.4 concluded that additional land will be required to meet both a quantitative and qualitative needs, and specifically a number of specific property requirements that *"existing sites/locations were not suitable for, including warehouse and distribution space to service local and sub-regional markets"* (Paragraph 8.1, Page 83). The analysis that supported this conclusion included a detailed assessment of the former Syngenta Works site – which was only considered suitable for small light industrial and office space to service local businesses.

The Local Plan Review

- 2.10 The Local Plan Review is currently at Examination Stage, with a Main Modifications consultation to the Regulation 19 Plan concluded on November 14th 2023.
- 2.11 The Main Modifications document [CD6.14] identifies a need for a minimum of 48,940sqm of additional B8 space to be accommodated within the borough between 2021 and 2038 through planning permissions and the allocation of sites.
- 2.12 The Employment Land Needs Study Addendum [CDCD6.9] provides the basis for the Local Plan Review figures, it identifies potential need to be 56,270sqm from 2022 to 2037 and 84,830sqm to 2043, drawing on forecast data from 2020. However it concludes that no adjustment to the Local Plan Review requirements are needed (as set out in the Regulation 18 version of the plan) as the authors consider that given the need to recover from the COVID pandemic it is *"likely to be the case that some of Experian's projected job growth within office, industrial and warehousing sectors over the first few years of the Local Plan period may not require additional employment floorspace capacity, and this suggests that associated floorspace requirements may exaggerate the true quantum of 'economic need' arising within the Borough over this time"* (Paragraph 5.5, Page 28).
- 2.13 This position is not only internally inconsistent, but it is also at odds with the preceding analysis of the impacts that the pandemic was having on the logistics and distribution sector which was noted to be *"instrumental"* to the economy and the sector *"will also be given a greater emphasis in the future"* (Table 2.1, Page 3). Indicating that there was greater need for logistics space during the pandemic and future growth would therefore not be a 'replacement' for lost activity during the pandemic.
- 2.14 This discounting of any additional employment growth shown in the Addendum report when compared to the original projections is significant given the Addendum (at Paragraph 3.24, Page 16) notes that floorspace needs are some 40% higher in the 2020 projections than the 2019 version. Critically Paragraph 3.25 of CD6.9 observes that the major driver of the difference is the growth in the industrial and distribution sector, with Figure 3.2 (Page 14) showing that the distribution sector alone would deliver an additional 325 jobs over the estimate provided in 2019.
- 2.15 By not responding to this signal of significantly changed demand in the sector the Local Plan review does not fully reflect the need for land which would, in simple terms, require an additional c.15,000sqm of B8 space in the borough between 2022 and 2037 beyond what is planned for in the Regulation 19 Local Plan Review (40,9990sqm in CD6.11 vs 56,270sqm in CD6.9 (Table 3.3)).

Planning Application Evidence

- 2.16 To support the preparation of the Planning Application for the Appeal Scheme I was asked to prepare an assessment of the potential demand and supply of employment land within the Borough to identify the need for the Appeal Scheme, along with analysis of the wider M20 corridor market area. This report is included in the Core Document List as CD1.6.
- 2.17 Prepared in 2022 the report was able to significantly update the analysis made available to the Local Plan Review Inspector by the Council given it could draw on market evidence and economic

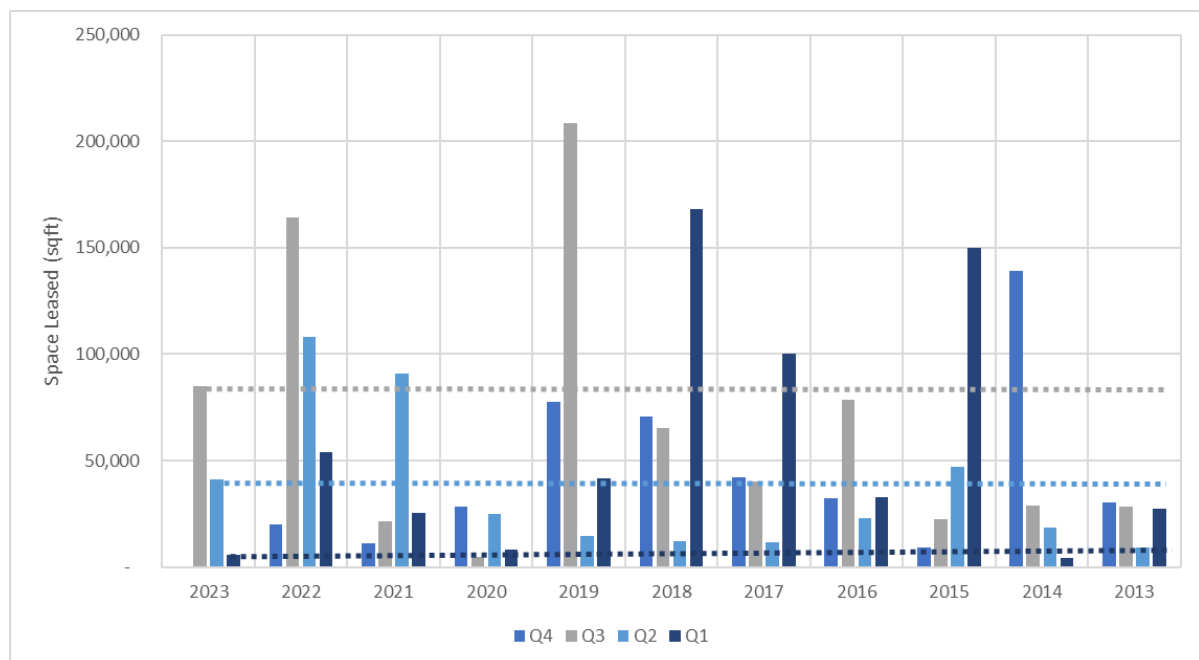
- projections from 2022, compared to the CD6.9. 6.10 and 6.11 using data points from between 2018 and 2020.
- 2.18 This distinction is critical as it allowed a detailed understanding of how the market had been performing as the UK exited the most severe period of restrictions required by the pandemic.
- 2.19 Using Avison Young's employment land needs model, which I have developed and refined across a number of local plan evidence base commissions and has been found to be a sound approach at Examination in Public, I prepared an updated assessment of projected employment growth in the borough and, in turn, the resultant employment floorspace needs.
- 2.20 It should be noted that the two projection models use different assumptions and techniques to arrive at an estimate of future need and therefore are not directly comparable. However, the results yield a broadly similar outcome, with the Avison Young assessment identifying a base need of between 41,445sqm and 46,930sqm of B8 space in the borough.
- 2.21 The Avison Young model excludes two allowances that are part of the model in CD6.10; 1.a "Planning Requirement" or buffer which represents an additional 10% of need and 2. A conversion to GEA as figures are presented as GIA (which would add c.5% to the need figure). As such the figures from the Avison Young model would always be slightly lower but, when those adjustments in CD6.10 are added to the Avison Young projection they result in a range of c.48,000sqm to 54,000sqm.
- 2.22 Whilst there is no direct comparator figures, the closest in CD6.11 is the Net Employment Space Requirements (presented in tables 2.10-2.12, Page 11) using the 2019 data which show a range from 37,265sqm to 51,705sqm of which the Avison Young assessment appears a reasonable 'mid point' and show that there was no 'tailing off' of projected need as the end of the pandemic was being reached.
- 2.23 There are no 'net' figures presented in CD6.9 using the 2020 data, however the gross figures presented in Table 3.3 (Page 16) include two allowances of 10% (one for a planning requirement/buffer and one to reflect 'ideal' levels of market vacancy) and also are presented as GEA. If these are removed the range would roughly be 42,200sqm to 64,000sqm, with the plan period figure broadly equivalent to the lower end of the Avison Young range.
- 2.24 The consistency in the latter assessments highlights the issue for the borough in relying on the 2019 figures used in CD6.11 and the later justification of these as appropriate given a proportion of growth was considered to not require additional space.
- 2.25 It is clear from two different models that is expected to be an ongoing need for new B8 space within the borough which is in excess of that planned for within the Adopted Local Plan or the draft Local Plan Review irrespective of whether there was an immediate post-COVID 'correction' in employment levels.
- 2.26 This ongoing demand for space is reflected in the market data that is now available.

Market Demand

- 2.27 The Adopted Local Plan was supported by analysis of property market activity in the period to 2013 within its evidence base. The Local Plan Review has some limited market information within its evidence base (CD6.10) which is solely drawn from existing published sources and interviews with local agents. It appears the majority of information is from 2019 (for example see Table 6.1, Page 68). As such, at the time of Examination, the Inspector had no up to date detailed primary analysis

provided to him by the Council's evidence in order to understand the dynamics of market demand alongside econometric need. This is an obvious evidential deficiency.

- 2.28 Over the past 5-10 years the logistics and distribution sector has experienced unparalleled levels of growth both in terms of economic value and employment. Initially driven by changing business supply chain management approaches and shifts in consumer behaviour the sector has grown to represent 10% of the UK's total economic output.
- 2.29 As recognised in CD6.9 the pandemic accelerated the expansion of the sector further, driving higher levels of e-commerce activity (which in turn required more distribution space, in locations closer to customers) and requiring businesses to hold more stock to meet needs – this latter issue was exacerbated by new 'post-Brexit' trading regulations, which drove businesses hold more stock in domestic locations, rather than being reliant upon 'just in time' deliveries from the European mainland.
- 2.30 Understandably, as these immediate pressures have eased, and the global economic context as weakened, there has been a cooling off in the market in the last 12-18 months, with fewer investment and occupancy deals occurring. However, despite this cooling from the record peaks of 2021 and 2022, the market remains resilient with an underlying demand for space and shortage of supply.
- 2.31 Nationally take up of large (100,000sqft+) B8 units remains above the 5 year average, with data within Avison Young's "Big Box Bulletin"¹ for Quarter 3 2023 showing take up of c.12,700,000sqft for the first three quarters of the year and a further c.4,945,000sqft under offer at the start of Quarter 4. The Report also notes growing enquiry levels for space, with most requirements seeking space in the 100,000sqft-200,000sqft sizeband.
- 2.32 Within the Maidstone market activity remains generally above pre-pandemic levels with take up in 2022 well above the 5 and 10 year averages. Within both Quarter 2 and Quarter 3 of 2023 higher levels of leasing activity has been achieved than most comparable quarters in the last decade.

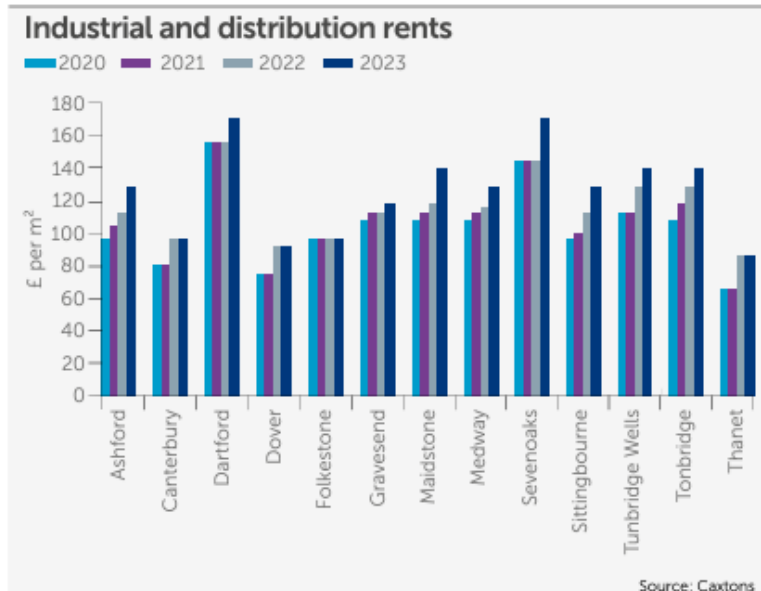


Source: CoStar, December 2023

¹ <https://avison-young.foleon.com/research-uk/big-box-bulletin-q3/>

- 2.33 The data from CoStar for the Maidstone market also highlights the pent up demand for space in the borough, with 2019 and 2022 showing significant peaks in take up, aligned to when new space at Loc8 and Panattoni Park was made available.
- 2.34 This need for the right type of space in the borough is highlighted by new analysis from JLL (Appendix I) which demonstrates the ongoing market attractiveness of high quality space along the M20 to a range of occupiers, noting that all schemes that have delivered have seen high levels of leasing even before buildings are complete and occupiable. The Adopted Local Plan and Local Plan Review evidence base both identified the M20 as a key driver for sector activity and it being the “prime location” for future development (CD6.10 Paragraph 6.14, Page 66).
- 2.35 Of most note JLL identify **Panattoni Park**, Aylesford which is a 36ha site where all but 1 small site (itself only 0.4ha) has been leased prior to construction starting. It demonstrates the market demand for units such as those proposed in the Appeal Scheme with the 4 units of between 7,280sqm and 13,400sqm provided at Panattoni Park all being let to national operators on 15 year leases.
- 2.36 From a size perspective there is only one other comparably sized unit available, a 110,557sqft unit under construction at Click, highlighting the lack of provision to meet the evident demand. Two further comparably sized new units have been delivered at **Crossways** Dartford (9,444sqm and 12,825sqm), with both going under offer prior to completion (despite being built speculatively) reinforcing the attractiveness of units of the size of the Appeal Scheme.
- 2.37 More broadly the M20 market has continued to attract occupiers for smaller sized spaces. **Loc8** on land neighbouring the Appeal site has seen strong leasing activity since it was granted consent with the larger spaces (between 3,740sqm and 5,490sqm) 75% let and high occupancy of smaller units on site. **Click** Aylesford is being developed speculatively with site preparation underway, already 3 of the 6 units being developed have been leased to occupiers.
- 2.38 These schemes were identified within the evidence supporting the Appeal Scheme planning application (see CD1.6, Pages 63-66), which highlighted the early demand and leasing activity within each site. At the time the report noted that two of the comparable units at Panattoni Park remained available, however as shown by JLL these are now let – showing demand continues in the sector when the right stock is made available.
- 2.39 Similarly, contemporary data in CD1.6 for Loc8 and Click both highlight the availability of units which JLL now record as being leased. The change in leasing position over the c.18 months between the two reports being prepared, highlights the ongoing demand for such space in the market and
- 2.40 The Kent Property Market Report [CD5.3] provides further evidence of the role the logistics sector plays in the Kent economy and highlights the increasingly strong market context within the M20 market area, reflecting wider trends in the sector regionally and nationally.
- 2.41 Prepared on behalf of Kent County Council and Locate in Kent, and supported by all other local authorities in the county, the Kent Property Market Report is published annually to provide a detailed local assessment of the Kent economy and market over the preceding year. The latest version was published on 7th November 2023 and therefore provides the most up to date local evidence of demand for (and supply of) employment floorspace, this is prepared by Caxtons, who are a locally based property agent.
- 2.42 The analysis of the industrial and distribution sector in Section 10 of the Kent Property Market Report draws out the strong demand that has been experienced for space and the resultant increase in rents being paid by businesses in order to secure the quality of space they need in the location that suits their operational requirements.

- 2.43 Noting that rental growth provides the best proxy data to reflect demand, the Caxton's data analysis presented on Page 10 of the Kent Property Market Report highlights the increasing importance of Maidstone to the sector. As shown the borough has seen the highest proportional increase in achieved rent (£ per square metre) of all the market sub-areas considered over the most recent 4 years and the Report observes that Caxtons have "seen an increase in rents particularly in Aylesford and Maidstone" (Page 10).



Source: Kent Property Market Report, 2023

- 2.44 In absolute terms, this increase has meant Maidstone now has the third highest rent in the County, behind Dartford and Sevenoaks both of which are servicing strategic demand driven by their proximity to the M25 and London. Given the scale of change between 2022 and 2023 it is clear that in market terms Maidstone is a strengthening/growing market and that the provision of appropriately located and scaled floorspace is quickly leased, highlighting the underlying demand in the area, and the crucial importance of this location for this sector.
- 2.45 It noted there was a general expectation from agents and developers that the market would continue to be strong, reporting national survey data results that show "46% of developers and investors expected industrial and logistics asset values and rents to increase in 2023 despite major market and policy pressures. 39% expected occupier demand to increase" (Page 10). This reinforces the position that performance during 2021 and 2022 was not a 'blip' or solely the result of a post-COVID rebound in the economy and that, from a market perspective there will be ongoing demand for well located, good quality large stock.
- 2.46 This new information further challenges the position taken in the Local Plan Review, that planning for levels of need established using 2019 data will provide sufficient land to meet demand in the sector as there is clearly evidenced market demand for space beyond what is within the 2019 forecasts [CD6.10] and more likely to align with the figures included in the 2021 Addendum [CD6.9].
- 2.47 This is particularly the case when a forward look is taken as to what will drive demand for new B8 space in the coming years. As set out in CD1.6 there are a range of both consumer and business side factors that will continue to support demand, including:
- Ongoing increases to market share for online retail (which forecasters still expect to reach 37% of all sales during by 2040) coupled with increased demand for faster deliveries mean both retailers and third party logistics companies will require more space;

- The diversification of the industrial sector into the UK as new technology is adopted will increase competition for space, with data centres, battery storage/production and reshored manufacturing all seeking similar spaces to logistics operators;
- Changing operating practices mean established operators are looking for new locations outside of the 'traditional' logistics hotspots in order to meet customer and client need;
- Increasing expectations/requirements for building environmental performance is driving occupiers to relocate to premises that are more sustainable to meet their net zero targets.

2.48 In addition to these strategic drivers there are 'live' requirements in the market which further evidences the overall deficit in floorspace and the importance of Maidstone as a location. These come from a range of sources:

- New businesses seeking to locate in the area,
 - JLL conclude that *"there are a range of requirements which are seeking to identify a suitable location within the Kent market, although it is typically difficult to name specific companies behind these because of issues of commercial confidentiality. As one recent example, Savills circulated an anonymous requirement via the Industrial Agents Society on 17 October 2023 for a warehouse of 100,000 sq ft to 150,000 sq ft covering a south London/Kent market search area with a summary: 'Occupation targeted from Q1 2025, will consider existing, under construction and build to suit opportunities.'" (Appendix I, Page 14)*
 - Locate in Kent confirm that that highlights since 2021 there have been 46 specific enquiries for 50,000sqft+ industrial/distribution space that specifically named Maidstone in their search and 334 searches for similar properties across a wider North Kent geography which includes Maidstone (see Appendix 3 of JLL's Report).
- Existing South East/Kent operators considering new facilities to expand their network.
 - JLL identify *"these include major grocery retailers Sainsbury and Waitrose which have existing distribution facilities in Dartford and Aylesford respectively. Leading supply chain and logistics service providers such as DHL and GXO also have on-going plans to upgrade, consolidate or acquire new facilities, subject to customer requirements, and parcel network operators are in the market looking for additional depots."* (Appendix I, Page 14)
- Resident businesses who's accommodation needs have been suppressed by a lack of stock.
 - JLL observe *"given a lack of new development within Maidstone over recent years the existing base of companies has effectively had to make do with operating out of their existing older buildings, as there has been no choice of sizeable new premise for them to move to, or to accommodate expansion. If the proposed development is consented and developed it could enable an existing company to move to, or expand into, a more efficient building and location."* (Appendix I, Page 14/15)

2.49 Together these 'new' factors, alongside existing demand drivers that were in place at the time of the Local Plan evidence, clearly demonstrate the need for the borough to maintain an appropriate scale and nature of sites to meet future demand from the B8 sector.

3. Sector Space Requirements

- 3.1 It is not in question that, overall, there is a need and demand for additional B8 floorspace to be provided within the borough.
- 3.2 In meeting need and demand it is important to consider the market dynamics and factors that influence the location of occupier demand for space in determining the appropriateness of the Appeal Scheme as it is vital that both quantitative and qualitative needs are provided for in the borough.
- 3.3 The Adopted Local Plan is based on an evidence base that considers in detail (through CD5.4 and CD5.5) both the sectoral needs of the economy and, in turn, the qualitative requirements of businesses that operate within those sectors. The evidence base concluded that, for qualitative reasons, there was a need for additional sites in the borough to be identified and allocated in order to provide the 'right' types of site and location to meet business needs.
- 3.4 It was for this reason that land at Woodcut Farm was allocated to address a qualitative deficiency despite existing sites (including the former Syngenta Works) providing a sufficient quantum of development capacity.
- 3.5 Oddly, the Local Plan Review was not supported by such similar evidence, with the information in CD6.9, CD6.10 and CD6.11 focussed predominantly on the quantitative balance of demand and supply and concluding that the previously allocated sites could simply be 'rolled forward' as they provide sufficient capacity to meet the numeric needs identified over the plan period, supplemented by space at the Garden Settlements.
- 3.6 The evidence provided to support the planning application and Appeal seeks to address the evidence gap and set out the clear qualitative location and site requirements of B8 businesses that should inform the portfolio of sites provided within the borough to meet identified need and demand.
- 3.7 Drawing on their knowledge of occupier requirements developed through their nationwide experience of working as agents and development advisors to a range of investors/developers and occupiers JLL have identified the key attributes the businesses in the logistics and distribution sector are looking for from sites (Appendix I Pages 10-11).
- 3.8 From a location perspective, companies typically require a building on a site that:
- *is well located to service their customers (businesses or end consumers);*
 - *has good access to the national motorway network, which is related to the first requirement;*
 - *benefits from good access to an appropriate supply of labour;*
 - *has an appropriate supply of power.*
- 3.9 The ability for the borough to appropriately accommodate any identified need for B8 space is therefore intrinsically linked to how the site portfolio can deliver these standard requirements and, therefore, the need for the Appeal Site to be brought forward as proposed is demonstrated by any inability of that portfolio to meet such needs – a matter I consider in the following section of my Proof.
- 3.10 Alongside these site attributes there are also standard building specification requirements that apply to all businesses in order to support secure and efficient logistics operations at lower costs and

incorporate ESG goals, including reduced carbon emissions and an enhanced working environment for workers. Again, drawing on their experience of advising corporate occupiers JLL identify the following key factors (Appendix I, Page 11):

- **A secure site.** *Security is a key requirement to ensure continuity of operations, the health and safety of staff and for insurance purposes. In the case of a single (stand-alone) building the principal form of security would comprise a perimeter fence around the external yard with a gatehouse at entrance/exit and a separate area and entrance for staff car parking.*
- **A good external yard area.** *A good yard area is required to facilitate in and outbound deliveries to the distribution warehouse and, in most cases, occupiers want a yard depth of around 50 metres in front of the loading doors for easy vehicle manoeuvrability.*
- **Sufficient loading provision.** *Occupiers generally want dock level loading for efficient HGV unloading and loading direct to / from the warehouse floor. In addition, a small number of level access doors to provide additional delivery flexibility, and to allow for the movement of fork-lift trucks between the warehouse floor and external yard area are required.*
- **Clear and open floorspace.** *Occupier typically want a warehouse with a minimal number of columns to provide good clear space to support flexible and efficient operations including receiving inbound deliveries, putting stock into storage, and picking marshalling orders for outward dispatch. In some instances, occupiers may undertake cross docking operations within the warehouse where goods are received from different locations and combined for outbound distribution without being put into storage and again this requires open floorspace.*
- **Clear internal height.** *Companies typically want sufficient height to provide good storage solutions, such as adjustable pallet racking, and the potential to include a mezzanine floor, which some occupiers may want in order to undertake dedicated tasks, such as returns processing or final assembly, away from other warehouse activities.*
- **Office area.** *An office area to serve as a general reception area, and for office-based roles and amenities, e.g. canteen, is typically required. For a building of the size of the proposed development this area is generally around 10 percent of the overall area of the building (or less) but may be higher especially if the building incorporates better quality spaces for staff amenities.*

3.11 The need for buildings/sites to provide the above characteristics, coupled with an increased focus on environmental performance of the property they occupy, means logistics companies are now far less likely to seek to occupy existing dated properties and new leasing activity is more heavily focussed on new/modern stock.

3.12 The borough's ability to appropriately accommodate the identified need and demand for B8 space within existing developed sites is limited given few would deliver the required attributes, with only newer space or new development likely to be able to meet the necessary space requirements.

4. Land Supply

- 4.1 Having considered both the deeper understanding of need and demand that has been established and the deeper insight provided by JLL on the site/premises attributes needed to suitably accommodate distribution activity I now turn to consider the appropriateness of the land supply identified to meet B8 need, both from a quantitative and qualitative perspective.
- 4.2 The status of the Local Plan Review means the employment land supply position is in transition, with a number of sites identified within the Adopted Local Plan and some new sites then identified 'in addition' to these within the Local Plan Review.
- 4.3 Despite this transitional period there is numerical consistency between the two versions of the Local Plan, with the Local Plan Review effectively 'rolling forward' the previous allocations and adding to these by including employment land within the draft allocations for the Garden Settlements at Lidsing and Heathlands.
- 4.4 In terms of the Adopted Local Plan, the following sites were allocated for employment use (see CD3.1 Pages 229-234):

| Site Reference | Site Name | Capacity | Use Mix | Notes |
|----------------|---|-----------|------------|--|
| EMP1 (1) | West of Barradale Farm, Headcorn | 5,500sqm | B1, B2, B8 | |
| EMP1 (2) | South of Claygate, Marden | 6,800sqm | B1, B2, B8 | |
| EMP1 (3) | West of Wheelbarrow Industrial Estate, Marden | 14,500sqm | B1, B2, B8 | Potential limitation of building scale due to Air Ambulance flight path |
| EMP1 (4) | Woodcut Farm, Bearsted | 49,000sqm | B1, B2, B8 | Minimum 10,000sqm B1a/b Maximum unit size 5,000sqm Maximum 40% site coverage |

- 4.5 Given the location and scale of sites EMP1 (1), EMP1 (2) and EMP1 (3) it is evident that they do not provide the appropriate attributes to accommodate B8 activity, this is consistent with the analysis in the Local Plan evidence base and recommendations made at that time.
- 4.6 The only site which offers the locational suitability for a larger scale B8 use is EMP1 (4), again this is consistent with the analysis in the evidence base and the justification it provides for the allocation of employment land in the M20 corridor to address the qualitative gap for businesses that rely on road access.
- 4.7 However, as noted in CD1.6 there are potential limitations with EMP1 (4)'s ability to meet the full requirements of the B8 sector given the size limitations placed on individual buildings within the site.

- 4.8 Turning to the Local Plan Review, the Regulation 19 version of the plan identifies the portfolio of sites that the LPA considered necessary to meet all identified (former) B class employment needs, these are set out on Page 128 of the document CD3.2, and summarised below

| Site Reference | Site Name | Office | Industrial | Distribution | Town Centre |
|----------------|------------------------------------|-----------|------------|--------------|-------------|
| LPRSA151 | Mote Road | 1,169sqm | | | |
| LPRSA146 | Maidstone East | 5,000sqm | | | |
| LPRRMX1 (1) | Newnham Park (Kent Medical Campus) | 21,270sqm | | | 14,300sqm |
| LPREMP1 (4) | Woodcut Farm | 49,000sqm | | | |
| EMP1 (1) | West of Barradale Farm, Headcorn | 3,500sqm | | | |
| EMP1 (2) | South of Claygate, Marden | 4,000sqm | | | |
| LPRSA260 | Ashford Road, Lenham | 2,500sqm | | | |
| LPRSAEmp1 | Former Syngenta Works, Yalding | 46,000sqm | | | |
| LPRS4(A) | Healthlands Garden Settlement | 19,110sqm | | | 4,764sqm |
| LPRS4(B) | Lidsing Garden Settlement | 42,998sqm | | | 1,055sqm |

- 4.9 As shown no sites have been proposed for allocation within the Local Plan Review for solely distribution uses, the Local Plan Review presumably therefore assumes identified need and demand can be met through the mixed employment use developments at LPREMP1 (4), EMP1 (1), EMP1 (2), LPRSA260 and LPRSAEmp1, alongside the two Garden Settlements LPRS4(A) and LPRS4(B).
- 4.10 Sites EMP1 (1) and EMP1 (2) had already been considered inappropriate for larger B8 activity within the Adopted Local Plan given their limited scale and their location in the rural south of the borough which meant their accessibility was not suitable. Nothing has changed in the intervening period to suggest these would now be attractive, and therefore are not considered part of the actual supply of B8 capacity. LPRSA260, whilst in the north of the borough, suffers from similar limitations in terms of its scale and also has some limitations on its accessibility as a result of the character of the A20. Again for these reasons it should not be considered part of the actual supply of land able to meet B8 need.
- 4.11 Therefore, the borough is relying upon only two site specific allocations and land earmarked within the Garden Settlements to meet the needs of the distribution sector, noting also these have to also

provide the majority of capacity to meet the identified need for industrial space and make a contribution to meeting office needs too.

- 4.12 In pure quantum terms there is likely to be sufficient supply to meet identified need in CD6.11, however there are a number of qualitative issues that mean they are unlikely to offer a suitable stock of capacity to meet occupier requirements and therefore are not capable of meeting the identified needs.
- 4.13 This qualitative analysis of sites against actual occupier needs was not undertaken as part of the Local Plan Review evidence base, and therefore no information on the qualitative suitability of the proposed land portfolio was made available by the Council to the Inspector.
- 4.14 However, as part of the planning Application for the Appeal Scheme such an exercise has been undertaken by Avison Young, and its findings demonstrate the major shortcomings of the proposed portfolio, which the Appeal Scheme can positively help the borough overcome.
- 4.15 In Appendix II I have included a detailed analysis of the four sites to consider the appropriateness of each site in meeting the needs of the distribution sector, in essence this highlights the limitations that each site faces, which can be summarised as:
- LPREMP1 (4) Woodcut Farm
 - The site offers immediate capacity given its planning status, units are delivered and further development is underway. It is being marketed as Loc8.
 - It offers strong accessibility given proximity to the M20 at Junction 8.
 - Phase 1 is already delivered and (largely) occupied, with Phase 2 under construction/partially completed and also well let. This means there is limited remaining capacity to meet the identified needs over the future plan period.
 - Irrespective of the occupancy level the biggest limitation for Woodcut Farm is the limit placed on building size across the phases. Already the largest units have been developed and leased and therefore are not available to accommodate additional demand in the future.
 - LPRSAEmp1 Former Syngenta Works
 - The site is being marketed as a design and build opportunity under the name Yalding Enterprise Park.
 - The indicative masterplan for the site shows c.40 small units indicating it is not being targeted at B8 occupiers.
 - The biggest limitation of this allocation in meeting distribution sector requirements is its accessibility, with the site serviced by smaller rural roads and lying a significant distance from the motorway network.
 - Overall both JLL and Avison Young consider that the site is not suitable for B8 distribution uses.

- LPRS4(A) Heathlands Garden Settlement
 - The provision of employment land at Heathlands is not broken down into particular use classes, as such there is no reliable share of total space identified or a means for assessing the quantum of space that can be assumed to be provided under the B8 use class.
 - The supporting narrative for the Settlement in the Local Plan Review highlights it will provide “flexible business space and communal workspace facilities” (CD3.2 Paragraph 6.71, Page 57) with the policy directing the development to deliver a “significant knowledge-based employment offer” (CD3.2 Page 58). There is no reference in the Regulation 19 Local Plan Review or Main Modifications document to the provision of B8 floorspace.
 - It is not anticipated that Phase 1 of the employment land at Heathlands will be delivered until the 2031-2037 period, with the scale of Phase 1 not set out. Overall the Settlement will not provide any capacity to meet B8 needs until the later part of the plan period.
 - LPRS4(B) Lidsing Garden Settlement
 - The delivery of the Garden Settlement is contingent on the adoption of an SPD that will guide the overall strategy, delivery programme and phasing. This is not expected until 2028, as such here is no certainty of what form, nature or mix of employment activities will be provided.
 - However, within the Main Modifications document the following key parameters are established
 - That only 25% of the employment land can be used for ‘storage’ activity.
 - The scale of individual employment buildings will be limited to a maximum of 6,000sqm.
 - Delivery of employment land will not commence until 2031-2037.
 - Overall it is therefore unlikely a significant amount of space suitable for distribution occupiers will come forward in the plan period, and if it does come forward would not be able to meet demand in the first half of the period.
- 4.16 Taking these considerations into account it becomes clear that the borough, either through existing allocations or proposed additions to them, does not have the right portfolio of sites to meet the identified need and demand.
- 4.17 In quantum terms there is capacity, however, there are significant risks to the delivery of that capacity in the form required by businesses in the sector or within the time periods where it is accepted that demand will exist. It is therefore likely that the quantum of space will not be available to allow the borough to meet its identified needs.
- 4.18 More critically, even if the quantum of land were to come forward, the sites identified are not capable of providing the form and scale of space or accessibility that businesses in the sector require. Qualitatively the portfolio is therefore not suitable to meet all assessed economic needs in the borough.
- 4.19 It is for these reasons that the Appeal Site should be positively viewed, it can offer all the positive attributes needed to meet market needs and attract distribution businesses, provide a form of space that is not achievable elsewhere (and therefore will not compete with occupiers) and deliver in a timeframe that other sites cannot meet.

- 4.20 It is, therefore, clear that there is an evidential need for the Appeal Scheme to be delivered if the borough is to meet the economic objectives set out in both the Adopted Local Plan and the Local Plan Review.

5. Summary and Conclusions

- 5.1 There is broad agreement across all employment land and property market evidence available to the Inquiry that there is a need for the borough to ensure there is an appropriate scale and nature of employment land capacity available to meet the identified need and demand for B8 space.
- 5.2 It is also consistently agreed within that evidence that the M20 is the primary driver of the distribution market and the “prime location” for such development/business activity. This spatial requirement has been identified across the evidence base prepared for the Adopted Local Plan and the Local Plan Review, supported by the up to date market evidence presented by Avison Young, JLL and KCC/Locate in Kent (via the Kent Property Market Report) and further reinforced by the leasing success of the developments such as Loc8, Panattoni Park and Click when other sites in the south of the borough (such as the Former Syngenta Works) have remained largely undelivered.
- 5.3 There is also a general consensus that recent global events, ongoing changes to consumer behaviour and a range of other factors will mean that there will be a continued need for B8 space to be provided in the right locations as businesses focus on good quality stock and locations.
- 5.4 The strengthening of the M20 market in recent years means Maidstone has a key role to play in ensuring the right space is delivered at the right time in the right places to ensure market demand and need is met and the economy is not unduly stifled.
- 5.5 However, as I have shown in my evidence, at present the borough does not possess the requisite portfolio of sites to meet identified need and demand across relevant sectors.
- 5.6 None of the seven identified mixed employment use site allocations proposed in the Local Plan Review offer the attributes that would make them attractive for distribution businesses and therefore cannot be demonstrated to be suitable sites for such use.
- 5.7 Moreover, the reliance on employment land within the two Garden Settlements adds a significant delivery risk with the current expectation being that that land would not be commenced until 2033 at the earliest – potentially meaning little capacity available in the first part of the plan period given development at Woodcut Farm is almost complete.
- 5.8 Given these limitations and the availability of up to date market data highlighting demand in the M20 corridor part of the borough there is a clear justification for the Appeal Scheme, offering as it does an opportunity to deliver a different form of space than the proposed employment allocations.
- 5.9 Critically the Appeal Scheme will provide space that directly aligns with the immediate requirements of the market, in the prime location for B8 activity in the borough and in a time period when other sites will not be able to deliver. It therefore provides the only potential response to the acute issue of qualitative need that the Local Plan Review has not addressed.
- 5.10 As such I conclude this is not an issue that can wait for another Local Plan Review to be resolved and the Appeal Site should therefore be considered positively in terms of its role in enabling the borough to meet its economic needs.

Appendix I

Logistics Property Market Demand and Supply
Analysis

JLL

Land North of the A20 Ashford Road, Hollingbourne, Kent

Logistics Property Market Demand and Supply Analysis

PINS REF : APP/U2235/W/23/3329481

Executive Summary

- 1 This report has been prepared for Wates Developments to provide an assessment of the market potential of its proposed development at 'Land North of the A20 Ashford Road, Hollingbourne, Kent'.
- 2 We believe there is a compelling market case to support the proposed development at the above site.
 - 1) **The proposed development site would be highly attractive to the market.** It has strong location attributes based around its motorway proximity, access to London and the wider South East and Eastern regions and its position on a key motorway corridor (M20) connecting the UK with Europe (via seaports and the Channel Tunnel). A company based at this location would additionally be able to draw on a large supply of labour, including some 17,400 people who are unemployed within a 30-minute car drive of the site including more than 3,000 people unemployed within the Maidstone local authority area. In addition, the proposed building design is closely aligned with the key priorities of companies looking for this size of distribution facility in the market.
 - 2) **Recent evidence highlights very good market demand where appropriate development has been brought forward.** Key evidence to support this includes:
 - Panattoni Park, Aylesford – which has all been pre-let before construction with all deals concluded since 2021;
 - Click Aylesford – which has already seen three out of six units taken up while the scheme has only recently started construction;
 - and Loc8, which is adjacent to the proposed development site, where only one unit remains available in Phase 1 and 30% of phase 2 (which is not due to be completed until Q3 2024) is already under offer.
 - 3) **There continues to be active requirements for distribution warehouse space of the type proposed.** For example, Locate in Kent's active pipeline contained 67 employers with requirements for industrial space 'right now'. In addition, and more specifically, Locate in Kent has written a letter of support for the proposed development that highlights 46 specific enquiries for industrial/distribution space since 2021 that mention Maidstone in their search area. This evidence points to a significant level of unmet demand.
 - 4) **There is no current supply within the Maidstone Borough Council area that could meet demand for a single large distribution unit of the type proposed and all the existing allocated sites are locationally inferior for distribution purposes compared with the proposed development site.** In addition, whilst having a large development potential overall, Yardley Enterprise Park does not cater for large distribution units and is also unattractive for this use due to its location.
 - 5) **There is a very limited immediate supply in the size range of the proposed development along the M20 and wider mid-Kent area.** Most supply is being promoted in Built to Suit (BTS) developments in locations such as Waterford Park, Ashford and London Medway Commercial Park and is primarily aimed at larger scale occupiers. Although, Panattoni is reportedly due to start construction of two speculative units at land it has recently acquired at Sittingbourne (formerly part of G-Park Sittingbourne) these are both much larger than the proposed development, and therefore directed at the larger end of this market sector.
 - 6) **There are adverse implications associated with not approving the proposed development.** The main adverse impacts are associated with a lost opportunity to secure good quality employment and the negative impact on overall logistics performance in the County. If appropriate supply is not brought

forward immediate and on-going demand will be unmet within Maidstone Borough Council local authority and the opportunity to secure employment for residents will be lost at a time when some 3,285 borough residents are unemployed.¹ The proposed development could generate in the region of 120 direct jobs on site if developed and occupied by a warehouse user. In addition, instead of being able to secure a warehouse with immediate access to the M20, a company with this need would likely have to select a less efficient location which could involve higher transport costs and be less sustainable if this resulted in more HGV road miles.

- 3 Overall, therefore, we believe the proposed development provides an important opportunity within Maidstone Borough to provide a high quality new, low carbon, distribution unit that has the potential to generate some 120 direct (on site) jobs at a time when more than 3,000 residents within Maidstone Borough are unemployed. It has the potential to meet an immediate and on-going need for new space on a site adjacent to a key motorway corridor connecting the UK with Europe.

¹ Unemployment based on Claimant Count measure at October 2023. See Nomis Local Market Profile – Maidstone.

1 Introduction

- 1.1 This report has been prepared for Wates Developments to provide an assessment of the market potential of its proposed development at 'Land North of the A20 Ashford Road, Hollingbourne, Kent'.
- 1.2 An outline planning application for development at this site was originally made by Wates Developments to Maidstone Borough Council for a single storage and distribution building (Class B8 use) with a floorspace up to 10,788 sq m / 116,120 sq ft (Gross External Area) and associated car parking, HGV parking, landscaping and infrastructure (Application Reference 23/500899/OUT). The Council refused planning permission for this development for the reasons outlined in its Planning Decision Notice, dated 28 June 2023.
- 1.3 This report does not seek to address that planning decision. Instead, it provides an objective market analysis to show that there is unmet demand and need for storage and distribution use in Maidstone, which reflects strong occupational demand and very constrained supply - both within the Maidstone Borough Council area, the wider M20 corridor and mid-Kent area. In addition, the report highlights that the proposed development is well-suited to address this need because the location of the site and the specification of the proposed building are closely aligned with the principal requirements companies have when looking for distribution facilities. It also highlights the adverse implications of not granting consent for the proposed development.
- 1.4 JLL is a global real estate consultancy with a recognised market leading position in the UK distribution warehouse market (logistics) sector. In the past three years (2020-2022) JLL provided advice on some 3.47 million sq m (37.4 million sq ft) of Grade A distribution warehouse space in buildings of 92,290 sq m (100,000 sq ft) and over that transacted for occupation across Great Britain, around 36% of all floorspace in this category taken-up over this period. JLL's UK Logistics Team acts for major investors and developers in this market and includes a dedicated Strategic Occupier Solutions Team which advises occupiers. Based on the wide-ranging advice we provide and our leading market research, JLL is able to provide insights into market demand and need in the distribution warehouse sector and the potential supply to meet this need in specific geographies.
- 1.5 This report has been jointly authored by Jon Sleeman and Ed Cole of JLL:
- Jon Sleeman is a Director in JLL's UK Research team responsible for UK Industrial & Logistics Research. He has worked at JLL/King Sturge since 1994 with an exclusive focus on the industrial and logistics sector and has advised many clients on market demand and supply and demographics and labour issues to support planning and investment/development decisions. He has a MSc degree in Logistics & Supply Chain Management from the Cranfield School of Management and is the Member of the Chartered Institute of Logistics and Transport. He also has a BSc (Econ) degree from the London School of Economics and a M.Phil degree from Nuffield College, Oxford.
 - Ed Cole is a Director and Head of UK Logistics at JLL. Ed has been actively working in the industrial & logistics agency market for over 15 years and has built a widely known and well-respected position within the market sector. He has responsibility of running JLL's 'big box' logistics agency team across the country but personally has a dominant focus in the South East, South West and Midlands markets. The bulk of this work has been advising the largest and most active landlords/developers in the market on all aspects of the development from site acquisition through to leasing completion. He also has extensive experience in working up sites for sale and has concluded a significant number of site disposals around the country. Ed is a Member of the Royal Institution of Chartered Surveyors (MRICS). He has a BA Hons degree from Nottingham University and a PGDip from London South Bank University.
- 1.6 We believe the market case for the proposed development is a compelling one; to highlight this case we have structured the report as follows:

- **Section 2** reviews the proposed development – the location of the site and the specification of the proposed development.
- **Section 3** considers market demand. This section considers the main location and building priorities of companies looking for new distribution warehouse premises and then reviews recent evidence of market demand based on the 'take-up' of space comparable to the proposed development. This section also considers unmet demand in the market based on JLL's market intelligence and refers to published data from Locate in Kent.
- **Section 4** considers the supply available in the market to meet demand. This analysis considers supply within the local authority area of Maidstone Borough Council and more widely along the M20 corridor and mid-Kent.
- **Section 5** considers the adverse implications of not approving development at the subject site.
- **Section 6** provides our conclusions on the market potential of the proposed development based on our evaluation of the site and the proposed development and our analysis of market demand and supply. It provides six specific reasons why we think there is a strong rationale for the proposed development.

2 The proposed development

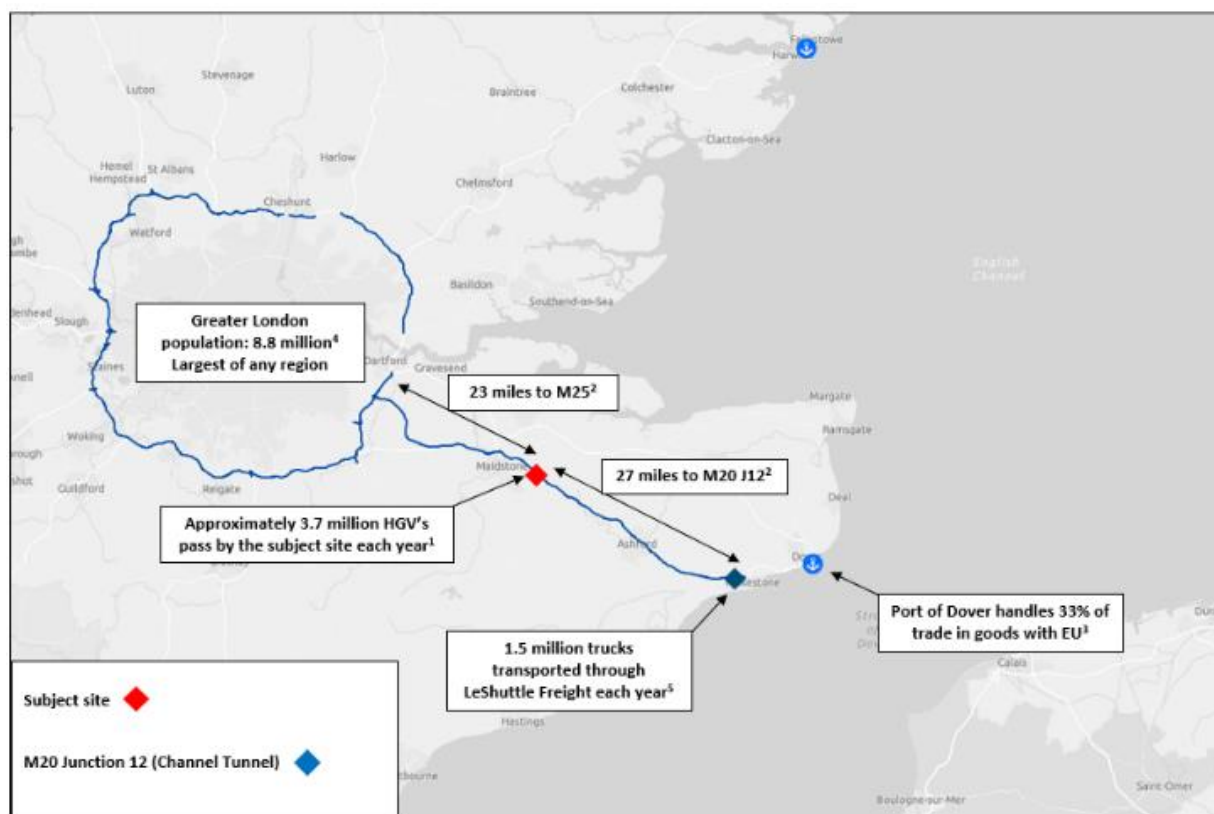
2.1 The site and its location attributes

2.1 The proposed development site totals 2.91 hectares (7.20 acres) and is located north of the A20 Ashford Road, adjacent to Junction 8 of the M20 motorway and next to the new Loc8 development which is being undertaken by Clearbell and which has proved very attractive to the market.

2.2 The location of the site immediately next to junction 8 of the M20 is a key attribute of the site and one that would make it highly attractive to the market. This is both because of its location in mid-Kent and because companies occupying distribution facilities typically want to service customers in a reliable and efficient manner and this is generally best enabled by access to the motorway network.

- The GB motorway network accounts for approaching half of all road freight despite making up under 1% of the road network by length.
- The M20 is a key route connecting the UK to Europe especially via the Port of Dover or the Channel Tunnel. The Port of Dover alone handles 33% of UK trade with the EU.²

Map 1: The location of the proposed development adjacent to M20 Corridor



1. Count point junction 7 to 8 of M20 motorway, Department for Transport, Road Traffic Statistics 2022
2. Journey distances calculated through Google Maps
3. Port of Dover: <https://www.portofdover.com/corporate/about/key-facts/>
4. Population statistics: ONS 2021
5. GetLink Group: <https://www.getlinkgroup.com/en/our-group/eurotunnel/>

² Port of Dover web site: <https://www.portofdover.com/corporate/about/key-facts/#:-:text=33%25&text=The%20Port%20of%20Dover%20handles,all%20trade%20with%20the%20EU.>

2.3 The site's excellent location for distributing to customers (whether B2C or B2B) within GB is highlighted in the Map in Appendix 1, and by statistics in Table 1 below on the number of people that could be reached from the site in different HGV drive-times.

- As **Appendix 1 shows**, virtually all of Greater London can be reached within a 2-hour drive of the site whilst most of the South East and East of England and parts of the South West and Midlands can be serviced within three hours.
- As **Table 1 shows** within a 3-hour drive 24.7 million people could be reached from the site some 38% of the GB population while within a 4.5-hour HGV drive time around 40.6 million people can be reached, some 62% of the GB population.

2.4 These statistics suggest that the site would be a particularly strong location for a distribution hub to service London and the wider South East / Home Counties especially.

Table 1: Population that could be serviced from a distribution warehouse on the proposed development site
HGV drive time from the proposed development site

| | 1 hour | 2 hours | 3 hours | 4 hours | 4.5 hours |
|---------------------------|-----------|------------|------------|------------|------------|
| Population (2022) | 3,706,800 | 16,648,300 | 24,673,100 | 35,840,800 | 40,574,300 |
| % of GB population | 5.6% | 25.3% | 37.5% | 54.5% | 61.7% |

Source: CACI

2.5 In addition, the proposed development site has access to a large supply of labour which is a key location consideration for companies in the distribution warehouse market. According to CACI, within a 30-minute car drive of the proposed development site the total population is 1,103,600, the population of working age (16-64) is 685,000 and the economically active population (aged 16-74) is 560,000.³ The economically active population is the best single indicator of the size of the labour force. As highlighted in Table 2, in the 30-minute car drive area it comprises around 442,600 employees, 77,800 self-employed, 17,400 unemployed and 22,200 people classified as 'other'.

Table 2: Breakdown of economically active and inactive population within a 30-minute car drive of the proposed development

| Economic Activity | Number | % of total |
|---------------------------------|----------------|--------------|
| Economically active | 560,019 | 72.2 |
| - Full-time employees | 336,973 | 43.4 |
| - Part-time employees | 105,648 | 13.6 |
| - Self-employed | 77,751 | 10.0 |
| - Unemployed | 17,448 | 2.2 |
| - Other | 22,199 | 2.9 |
| Economically inactive | 215,739 | 27.8 |
| - Retired | 107,196 | 13.8 |
| - Not retired | 108,543 | 14.0 |
| All people aged 16 to 74 | 775,758 | 100.0 |

Source: CACI

2.6 This suggests a large potential labour supply within a reasonable commuting time including 17,400 people who are presently unemployed and therefore looking for, and available to start, work.

³ We believe a 30-minute drive time area is a reasonable one to consider as the latest official data show that the average time taken to travel to work by car to a workplace in the South East region is 25 minutes, source, Department for Transport: TSG0111, 2021 data.

- 2.7 Separate data for the local authority of Maidstone based on the claimant count unemployment data show that 3,285 Maidstone Borough residents were unemployed at October 2023.⁴
- 2.8 Based on recent survey-based research on 'employment densities' (i.e. floorspace to labour ratios) in large distribution warehouses we would expect the proposed development to directly generate employment for around 120 people, if built out and occupied.⁵ As a result, we believe the proposed development offers a good opportunity to generate new job opportunities for local people who are currently unemployed within Maidstone Borough.
- 2.9 The attractiveness of this location has been acknowledged by the Leader of the Maidstone Borough Council David Burton who on visiting the Loc8 development which is adjacent to the proposed development is reported as saying:

*'Right from the outset I have been very enthusiastic about bringing this great new business park to Maidstone. It is in a perfect location, so close to the M20 which will avoid the need for HGV's to pass through the town centre and rural routes.'*⁶

2.2 Existing development along the M20

- 2.10 As highlighted in **Appendix 2**, the M20 motorway corridor has seen a significant amount of employment development at key junctions along it, including at junction 8 with the on-going development of the Loc8 business park. Examples of new developments along the motorway include Panattoni Park Aylesford (junction 4), Click Aylesford (junction 5), the Loc8 business park (junction 8), and Waterbrook Park, phase 1 (junction 10 a). In addition to these new developments, Goya has secured planning consent for an industrial development at Swanley (junction 1) which it is currently marketing on a pre-let basis, and there are a range of existing (older) industrial developments at other M20 junctions including Cheriton Parc at junction 12 and Shearway Business Park and Park Farm Industrial Estate at junction 13.
- 2.11 These developments highlight the broad attractiveness of motorway junctions for development, and this in turn reflects their appeal to corporate occupiers as locations from which to operate. This is especially the case for operators of warehouse and distribution facilities because of the significance of motorways in terms of the amount of freight transported along them. In addition, as noted above, the M20 is a key route connecting the UK to Europe via seaports as well as the Channel Tunnel.

2.3 The proposed development

- 2.12 Subject to final design, the proposed development would comprise a single distribution warehouse facility of up to 11,471.7 sq m (123,480 sq ft) consisting of a warehouse with an internal area 9,591.70 sq m (103,244 sq ft) and office areas totalling 1,880 sq m (20,236 sq ft) distributed equally over ground and first floor.
- 2.13 The proposed development would have two level access door and 12 dock level loading doors. Moving forward within the detailed stage of design it is envisaged that the ground floor slab could be designed to support an imposed uniformly distributed load (UDL) of 50kN/m² and would be designed appropriately to support racking loads, subject to structural designs and calculations.

⁴ Nomis, Maidstone Local Authority profile.

⁵ See overall employment density of 97 sq m per worker in Prologis, *Critical Infrastructure Driving Employment Growth Within The UK's logistics sector, 2023*.

⁶ <https://news.maidstone.gov.uk/home/news/2023/december/loc8-open-for-business-and-almost-full>

2.14 In terms of the parking numbers there are:

- 40 HGV parking/loading bays;
- 100 car parking spaces (including six disabled spaces);
- 58 covered and secure cycle spaces (showers and changing facilities are provided within the buildings);
- 10 parking spaces will also be provided with active electric vehicle charging points (7kW) and a further 10 parking spaces will be provided with passive electric vehicle charging points.

2.15 These figures are in line with Kent County Council's standards.

2.16 The proposed development includes a wide range of sustainability initiatives. It is designed to be built to BREEAM Excellent with the overall design subject to a Life Cycle Assessment to identify measures to optimise construction product consumption efficiency and selection of low environmental impact products. Further initiatives would seek to maximise material efficiency and minimise waste including the reduction of waste associated with future refurbishment, fit-out and in the demolition, reuse and recycling of materials at the end of the building's life.

2.17 Sustainability measures would also minimise operational carbon emissions. For example, the building envelope includes high thermal performance and an efficient MEP (mechanical, electrical and plumbing) system; a heat pump system would be installed; and the implementation of a photovoltaic (PV) array on the roof of the building would generate renewable electricity. Roof lights would optimise the use of natural light and high efficiency LED lighting would be utilised. Measures to improve air quality, minimise external light pollution, enhance biodiversity and encourage sustainable transport for staff, including EV charging points and cycle storage and showers, have all been introduced as sustainability initiatives to minimise carbon and enhance the appeal of the proposed development to potential occupiers.

2.4 Conclusion

2.18 The proposed development benefits from excellent motorway access to a key motorway corridor for domestic distribution and distribution between the UK and Europe. In addition, any occupier that selected the proposed distribution site for its operation would be able to recruit from a large potential labour supply including, most obviously, from residents within the Maidstone Borough Council area. The development has the potential to offer a high class, sustainable building which is targeting a BREEAM Excellent rating, and which incorporates a wide range of sustainability initiatives.

3 Market Demand

3.1 The location and building specification requirements of companies seeking new distribution facilities

3.1 The principal requirements of corporate occupiers of large distribution warehouse facilities comparable to the proposed development can be broadly divided into two, namely requirements relating to the location attributes of the property and requirements relating to the building's specification.

3.2 From a **location perspective**, companies typically require a building on a site that:

- is well located to service their customers (businesses or end consumers);
- has good access to the national motorway network, which is related to the first requirement;
- benefits from good access to an appropriate supply of labour;
- has an appropriate supply of power.

3.3 Access to customers is a key location consideration of companies in deciding where to locate their distribution warehouse facilities because selecting a good location to service customers will typically reduce outbound transportation costs from the warehouse and ensure fast and reliable delivery to customers. A location which is optimally located to service customers can both reduce costs and improve customer service.

3.4 Access to the national motorway network supports good access to customers because motorways are very significant in the movement of freight across GB. This reflects the importance of road as a freight transport mode and the significance of motorways within the road network.

- In 2020 road accounted for 89.1% of freight moved in GB, measured by tonnes lifted, and 77.4% of freight moved, measured by tonne kms, which takes account of weight and distance moved.⁷
- In 2021 the motorway network accounted for just 0.9% of the total GB road network by length of road but for 47% of all miles travelled by goods vehicles over 3,500 kgs gross vehicle weight.⁸

3.5 Access to labour is another important location consideration for companies because the activities undertaken within and from distribution warehouses often create demand for a significant number and diversity of jobs. This consideration has become even more important over recent years as the labour market generally has remained 'tight' despite relatively weak economic growth and transport and storage activities are among those that are experiencing labour shortages.

3.6 Access to power has become a more important location consideration over recent years especially where companies are seeking to invest in automation and or to charge electric materials handling equipment (MHE) or vehicles, although this consideration is more important in the case of very large facilities (much bigger than the proposed development) as these are more likely to include automation.

3.7 From a **building specification** perspective, companies are increasingly looking for distribution warehouse facilities that support secure and efficient logistics operations at lower costs and incorporate ESG goals,

⁷ Office of Road and Rail (ORR) statistics. For comparison, rail and water moved 8.6% and 14.0% respectively of tonnes lifted and 4.8% and 6.1% respectively of tonne km.

⁸ Department of Transport Road Length Statistics, 2021 and Department of Transport, Road traffic (vehicle miles) by vehicle type and road class in Great Britain, 2021.

including reduced carbon emissions and an enhanced working environment for workers. For companies seeking facilities around the size of the proposed development, these broad priorities typically translate into a range of more specific building requirements. The following outlines the main requirements that occupiers typically have when they have a need for a new distribution warehouse facility around the size of the proposed development based on JLL's experience of advising corporate occupiers.

- **A secure site.** Security is a key requirement to ensure continuity of operations, the health and safety of staff and for insurance purposes. In the case of a single (stand-alone) building the principal form of security would comprise a perimeter fence around the external yard with a gatehouse at entrance/exit and a separate area and entrance for staff car parking.
 - **A good external yard area.** A good yard area is required to facilitate in and outbound deliveries to the distribution warehouse and, in most cases, occupiers want a yard depth of around 50 metres in front of the loading doors for easy vehicle manoeuvrability.
 - **Sufficient loading provision.** Occupiers generally want dock level loading for efficient HGV unloading and loading direct to / from the warehouse floor. In addition, a small number of level access doors to provide additional delivery flexibility, and to allow for the movement of fork-lift trucks between the warehouse floor and external yard area are required.
 - **Clear and open floorspace.** Occupier typically want a warehouse with a minimal number of columns to provide good clear space to support flexible and efficient operations including receiving inbound deliveries, putting stock into storage, and picking and marshalling orders for outward dispatch. In some instances, occupiers may undertake cross docking operations within the warehouse where goods are received from different locations and combined for outbound distribution without being put into storage and again this requires open floorspace.
 - **Clear internal height.** Companies typically want sufficient height to provide good storage solutions, such as adjustable pallet racking, and the potential to include a mezzanine floor, which some occupiers may want in order to undertake dedicated tasks, such as returns processing or final assembly, away from other warehouse activities.
 - **Office area.** An office area to serve as a general reception area, and for office-based roles and amenities, e.g. canteen, is typically required. For a building of the size of the proposed development this area is generally around 10 percent of the overall area of the building (or less) but may be higher especially if the building incorporates better quality spaces for staff amenities.
- 3.8 In terms of ESG we are seeing companies increasingly looking to energy efficient and sustainable buildings, as highlighted by companies wanting buildings with good Energy Performance Certificate (EPC) ratings (such as A or A+) and other certifications, such as BREEAM Very Good, Excellent or Outstanding ratings. Specific environmental requirements increasingly include requirements to have solar panels installed on warehouse roofs or to have a building which is 'solar-ready', i.e. able to have solar panels installed; plus electric charging provision for materials handling equipment and vehicles.
- 3.9 In terms of power, we are seeing greater power requirements from occupiers linked to potential automation and advances in technology plus electric vehicle charging. However, as an indicative guide, for speculative units between 92,290 sq m and 18,580 sq m (100,000 and 200,000 sq ft) companies typically look for at least 1MVA, with more than this level considered an upside benefit.
- The requirements of major occupiers, therefore, suggest that certain sites and buildings which meet these will be more attractive to the market than other buildings which fall short in some respect.

- In addition, when considering the balance between demand and supply it is important to have regard to quantitative factors and not merely consider the respective quantities involved, as some properties that add to the overall quantum of supply may have limited market appeal due to location or specification challenges.

3.2 Recent evidence of market demand

Evidence from the 2023 Kent Property Market Report

- 3.10 The 2023 Kent Property Market Report has recently been published and launched (October 2023) and this is widely recognised as an authoritative annual guide to market conditions in the county. The guide is in its 32nd edition with the latest edition produced by Kent County Council, Caxtons and Locate in Kent.
- 3.11 This report paints a picture of a very strong industrial and distribution occupational market. For example, specifically with respect to Maidstone it notes that:
- 'Industrial rental growth in Kent is slightly ahead of last year's figures at 9.78% with Maidstone and Medway achieving 18%, well ahead of the South East average.'*⁹
- 3.12 In addition, it notes that:
- 'There continues to remain a lack of stock which has gone some way to help take up. Clearbell's LOC8 in Maidstone has practically pre-let the whole of its first phase and part of its second phase.'*¹⁰
- 3.13 This evidence is very relevant to the proposed development and highlights how strong the occupational market has been over the past two to three years especially. First, strong rental growth is primarily driven by market conditions where good occupational demand runs up against limited supply. Second, the LOC8 development is adjacent to the proposed development site and, therefore, the success of this development highlights the attractiveness of this location for industrial/distribution users (albeit that the current scheme does not include larger former buildings).

Letter of support from Locate in Kent and specific evidence from Locate in Kent based on industrial enquiries that mention Maidstone as part of their search area

- 3.14 **Appendix 3** includes a letter of support for the proposed development from Simon Ryan, Investment Director, Locate in Kent, the official investment promotion agency for Kent and Medway that exists to help new businesses invest in Kent and Medway and support the growth of businesses already here. This is particularly important in respect of the demand for the larger sized unit. According to this letter:
- 'Since 2021, Locate in Kent has received 46 enquiries from local, national and international businesses with an industrial property requirement for 50,000 Sq. Ft. or larger with Maidstone as part of their search area. This shows the demand for this size of industrial property in Maidstone is significant and supply in the borough isn't meeting demand.'*

⁹ Caxtons, Locate in Kent and Kent County Council, 2023 *The Kent Property Market Report*, p. 05

¹⁰ Caxtons, Locate in Kent and Kent County Council, 2023 *The Kent Property Market Report*, p. 05

'In addition to enquiries, statistics from Locate in Kent's property portal on our website also show 334 searches for industrial properties larger than 50,000 Sq. Ft. in the area of North Kent that includes Maidstone.'

Case study evidence

- 3.15 Within the property market one widely used indicator of market demand is the 'take-up' of floorspace for occupation. However, this indicator has clear limitations, especially when considering the demand for new buildings such as the proposed development, as it is only possible for floorspace to be taken up (or transacted) where appropriate supply has been made available.
- 3.16 Within Maidstone, as we highlight below, the availability of space comparable to the proposed development has been extremely limited over recent years.
- 3.17 Indeed, there has been so little new development of warehouse/distribution space in Maidstone over recent years that it could be said that existing companies have effectively had to make do with operating out of their existing older buildings, as there has been no choice of sizeable new development for them to move to, or to accommodate expansion.
- 3.18 However, there has been good evidence of recent demand both within the local authority of Maidstone and in a wider area where supply has been brought forward. In our view this evidence is the most relevant to consider. Therefore, reflecting the location and proposed development, we look at recent evidence of demand at the following new developments.
- Loc8, Maidstone;
 - Panattoni Park Aylesford;
 - Click at Aylesford;
 - Crossways Commercial Park, Dartford.
- 3.19 **Loc8 in Maidstone** is relevant because it is a new development off Ashford Road, on land next to the site of the proposed development. Clearbell, a privately-owned real estate fund management business, acquired this site in 2019 as part of an existing portfolio of multi-let industrial development. After securing planning consent, it started the phase 1 development of this mixed-use business park in 2022. This phase included some smaller industrial units and four larger industrial units (i.e. building B1, B2, B3 and B4). The bigger units have attracted strong interest and three of the four units has been let:
- B1 (4,206 sq m / 45,275 sq ft) was leased to Zehnder Group in 2022;
 - B2 (3,743 sq m / 40,293 sq ft) was leased to Va-q-tec in 2022;
 - B3 (4,379 sq m / 47,138 sq ft) was leased to BAE Systems in 2023;
 - B4 (5,492 sq m / 59,119 sq ft) is currently available.
- 3.20 A second phase of development at the park is under way and is due to deliver additional new space by Q3 2024 in six units between 1,424 sq m to 3,381 sq m (15,339 sq ft to 36,398 sq ft) with some 30% already under offer.¹¹

¹¹ 2023 Kent Property Market Report, p. 10

- 3.21 **Panattoni Park, Aylesford** has been built on the site of the former Aylesford Newsprint and provides the best recent example of demand for large distribution warehouse buildings in the vicinity of the proposed development site. Panattoni acquired the 90-acre site and except for a one-acre plot, which is being marketed for a small industrial unit or for roadside use, the whole site has been leased before construction started to occupiers including a number which have taken large buildings around the size of the proposed development. In total more than 92,900 sq m (1 million sq ft) has been taken up on this park since 2021, creating significant employment benefit. For example:
- Hermes Parcelnet Ltd/Evri, the logistics business, leased a warehouse of 7,278 sq m (78,345 sq ft) on a 15-year term;
 - Fowley Welch leased a warehouse of 9,094 sq m (97,891 sq ft) on a 15-year term;
 - DHL leased a warehouse of 10,257 sq m (110,406 sq ft), also on a 15-year term;
 - a major online retailer leased a warehouse of 13,404 sq m (144,279 sq ft).
- 3.22 In addition, Marley Tiles leased a smaller unit of 924 sq m (9,945 sq ft) and in 2023 a major grocery retailer agreed to lease a built to suit (BTS) facility of around 58,527 sq m (630,000 sq ft).
- 3.23 **Click, Aylesford** is a new development adjacent to junction 5 of the M20 which is being developed by Wrenbridge and Bridge Fund Management. The development comprises six units that in total can provide 28,134 sq m (302,844 sq ft). The largest unit is unit 2 (10,271 sq m / 110,557 sq ft) and the other units range in size from 1,272 sq m to 5,987 sq m (13,691 sq ft to 64,444 sq ft). This site has recently started speculative construction, with the steels going up now, and practical completion is expected for August 2024. Three units have already been leased:
- FixFast has leased unit 3 (5,987 sq m / 64,444 sq ft);
 - Headline Filters has leased unit 5 (1,272 sq m / 13,691 sq ft) and unit 6 (1,470 sq m / 15,823 sq ft).
- 3.24 **Crossways Commercial Park, Dartford** is a new development of three units built speculatively for the market by Goodman. The buildings on this park are named to reflect their sizes and both the buildings around the size of the proposed development have been leased.
- Crossway 102 (9,444 sq m / 101,659 sq ft) was leased by Mission Produce on a 10-year lease in 2022 for a ripening, packing and forward distribution centre for avocados;
 - Crossway 138 (12,826 / 138,062 sq ft) was leased in 2022 by Albion Fine Foods on a 15-year lease to service chefs in London and the South East with food products from a range of 4,000 products.
- 3.25 The final building, Crossway 241 (22,378 sq m / 240,884 sq ft), remains available. The evidence at this development therefore highlights demand around the size of the proposed development.

3.3 Unmet demand

- 3.26 We conclude that there are a range of requirements which are seeking to identify a suitable location within the Kent market, although it is typically difficult to name specific companies behind these because of issues of commercial confidentiality. As one recent example, Savills circulated an anonymous requirement via the Industrial Agents Society on 17 October 2023 for a warehouse of 9,290 sq m to 13,935 sq m (100,000 sq ft to 150,000 sq ft) covering a south London/Kent market search area with a summary: 'Occupation targeted from Q1 2025, will consider existing, under construction and build to suit opportunities.'
- 3.27 In addition, a number of corporate occupiers with existing facilities in south east London or Kent are understood to be evaluating options for new facilities. These include major grocery retailers Sainsbury and

Waitrose which have existing distribution facilities in Dartford and Aylesford respectively. Leading supply chain and logistics service providers such as DHL and GXO also have on-going plans to upgrade, consolidate or acquire new facilities, subject to customer requirements, and parcel network operators are in the market looking for additional depots.

3.28 In addition, as noted above, given a lack of new development within Maidstone over recent years the existing base of companies has effectively had to make do with operating out of their existing older buildings, as there has been no choice of sizeable new premises for them to move to, or to accommodate expansion. If the proposed development is consented and developed it could enable an existing company to move to, or expand into, a more efficient building and location. If it is not consented potential demand from local occupiers that might want the opportunity to move into better facilities will be suppressed.

3.29 In the *2023 Kent Property Market Report*, specific commentary by Locate in Kent highlights the extent of unmet demand based on property searches and generated enquiries. It says:

'The Locate in Kent Property Portal handled almost 68,000 property searches (over 1,300 each week) and registered over 26,000 new users to access the site in the year to 30 August 2023. Each user typically looks at four properties. Half of the property searches were for industrial space or employment development land, the outcome being 341 property enquiries generated and distributed directly to agents.

Right now, locate in Kent's active pipeline contained 67 employers with requirements for industrial space. The mean requirement is 43,751 ft² (4,065 m²).'¹²

3.30 This evidence suggests an immediate and on-going need for new industrial/distribution development in Kent to satisfy an active pipeline of demand now.

3.31 Finally, as noted above, Locate in Kent has written a letter of support for the proposed development (**Appendix 3**), that highlights 46 specific enquiries for industrial/distribution space since 2021 that mention Maidstone in their search area. This evidence points to a significant level of unmet demand.

'Since 2021, Locate in Kent has received 46 enquiries from local, national and international businesses with an industrial property requirement for 50,000 Sq. Ft. or larger with Maidstone as part of their search area. This shows the demand for this size of industrial property in Maidstone is significant and supply in the borough isn't meeting demand.

In addition to enquiries, statistics from Locate in Kent's property portal on our website also show 334 searches for industrial properties larger than 50,000 Sq. Ft. in the area of North Kent that includes Maidstone.'

3.4 Conclusions

3.32 Corporate occupiers seeking new distribution facilities typically focus on sites with good motorway access and need to be able to source appropriate labour for their operations.

3.33 There is strong demand for high quality new buildings that typically improve the efficiency of logistics operations and which are more attractive to staff. As ESG goals rise higher up the corporate agenda, more companies are seeking buildings that have good environmental credentials (such as a high BREEAM rating and good EPC grade) and which support worker well-being. We believe the proposed development is closely aligned with the principal requirements of occupiers in the market.

3.34 Recent case studies highlight good demand for high quality new distribution warehouse space where this has been brought forward.

¹² Caxtons, Locate in Kent and Kent County Council, *2023 The Kent Property Market Report*, p. 23

- 3.35 There is unmet demand in the Kent market with a range of corporate occupiers having requirements which have yet to 'land' in a suitable facility. For example, in the 2023 Kent Property Market Report Locate in Kent say that 'right now' its 'active pipeline contained 67 employers with requirements for industrial space' which point to an immediate and on-going need for new space. Separate and more specific evidence based on industrial/distribution enquiries for space of 4,645 sq m (50,000 sq ft) and over received by Locate in Kent since 2021 and which mention Maidstone in their search area highlights demand from 46 companies.
- 3.36 Some of these companies would be likely to consider the proposed development as a potential new location if planning can be secured because the motorway location would have a strong appeal and the proposed developed is aligned with what occupiers generally want.

4 Market supply

4.1 Supply and potential supply within the local authority of Maidstone Borough Council

- 4.1 Within the Borough of Maidstone there is no current supply comparable to the proposed development in terms of being able to provide a single distribution warehouse building of around 11,473 sq m (123,000 sq ft).
- 4.2 The adopted Maidstone Borough Local Plan (2017) allocates four sites for employment development which in total have the potential for some 75,800 sq m (815,911 sq ft) of employment floorspace.¹³ These sites are set out in Table 3 and displayed in Map 2 below.

Table 3: Allocated Employment Sites in Maidstone Local Plan

| Policy Number | Name | Development Potential (sq m) |
|---------------|---|------------------------------|
| EMP1 (1) | West of Barradale Farm, Maidstone Road, Headcorn | 5,500 |
| EMP1 (2) | South of Claygate, Pattenden Lane, Marden | 6,800 |
| EMP1 (3) | West of Wheelbarrow Industrial Estate, Pattenden Lane, Marden | 14,500 |
| EMP1 (4) | Woodcut Farm, Ashford Road, Bearsted | 49,000 |

Source: Adopted Maidstone Local Plan

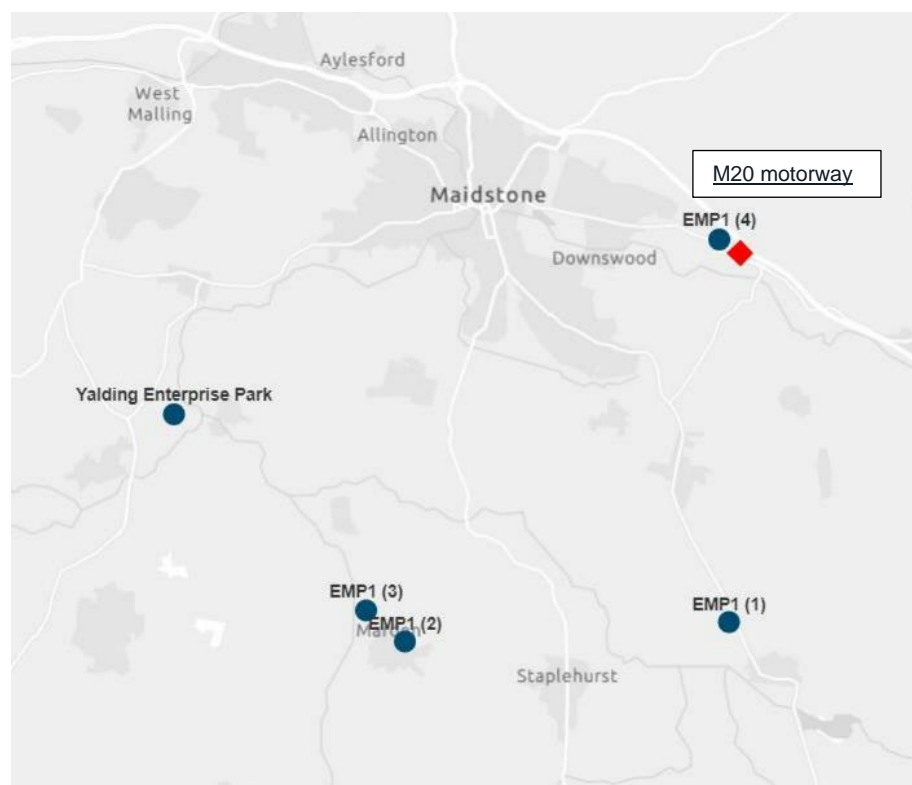
- 4.3 However, as our analysis highlights, there is very little potential remaining in any of these allocated sites, and none could accommodate a single distribution warehouse of a similar scale to the proposed development.
- **EMP1 (1): West of Barradale Farm, Maidstone Road, Headcorn.** This site allocation allowed for an extension to Headcorn Business Park, with the site located directly to the west side of the already established units. There is very limited further development potential on this land and the site is serviced by a small-scale rural road and poorly located in relation to the M20.
 - **EMP1 (2): South of Claygate, Pattenden Lane, Marden.** As with land west of Barradale Farm this site has limited site capacity and is accessed via a rural road and is poorly located in relation to the M20.
 - **EMP1 (3): West of Wheelbarrow Industrial Estate, Pattenden Lane Marden.** This allocation, located to the west side of Wheelbarrow Industrial estate, has been built out to expand the operations of Boddingtons Plastics already located on the estate. Most of the remainder of the allocated site is taken by a pond and not suitable for development. We would consider this site at full capacity with no additional significant development capacity.
 - **EMP1 (4): Woodcut Farm, Ashford Road, Bearsted.** Woodcut Farm refers to land allocated to the south side of junction 8 of the M20. The site is mentioned in the local plan as 'a unique opportunity in the borough to provide a prestigious business park at Junction 8 of the M20 that is well connected to the motorway network and that can provide for a range of job needs up to 2031.' This site has subsequently been developed by Clearbell and is known in the market as LOC8 Maidstone. As noted above, this has attracted very good demand.
- 4.4 In addition to the sites allocated in the adopted Local Plan, an outline application (ref. 19/504910/OUT) has been approved for the redevelopment of the **former Syngenta agro-chemical site off Hampstead Lane, Yalding** to provide a new business park of up to 46,447 sq m (c 500,000 sq ft) of B1(c), B2 and B8

¹³ Maidstone Borough Local Plan (2017), page 111.

floorspace with associated access, parking and infrastructure works. However, this site, which is known in the market as Yardley Business Park is not being promoted for large-scale distribution use. The marketing brochure for this site shows more than 40 units, highlighting that this is being targeted at small to medium size requirements. The site's location and access make it unattractive to a company requiring a large-scale distribution warehouse facility comparable to the proposed development.

- 4.5 Finally, land at **Ashford Road, Lenham** is also a small site that could not accommodate a large development comparable to the proposed development.

Map 2: The location of the proposed development site and sites allocated in the adopted Maidstone Borough Plan and Yalding Enterprise Park.



◆ The proposed development site

- 4.6 As Map 2 highlights the proposed development site is adjacent to the M20 motorway whereas other sites - (EMP1 (1), EMP1(2) EMP 1(3) and Yalding Enterprise Park - are inferior locations for distribution purposes being poorly situated in relation to the M20 motorway.

4.2 Supply and potential supply in relevant market locations outside the local authority of Maidstone Borough Council

- 4.7 Beyond Maidstone Borough Council area, along the central M20 corridor extending from junction 4 to junction 10/10a (Aylesford to Ashford) the available supply that offers buildings, or plots with the potential to offer buildings, comparable in size to the proposed development are as set out below. In this case, by 'comparable' we mean between 9,290 sq m and 13,935 sq m (100,000 sq ft and 150,000 sq ft), compared with a proposed development size of 123,480 sq ft. In addition, we only consider new buildings (or development sites that could deliver a new building), or good quality (Grade A) second hand buildings, as opposed to poorer quality

buildings. New buildings can be built to meet demand either speculatively for the general market or on a BTS (Built to Suit) basis to meet the requirements of a specific occupier.

- **Click Aylesford.** As noted above, this development includes one unit comparable to the proposed development, i.e. unit 2 (10,271 sq m / 110,557 sq ft). This unit is under construction speculatively for the market.
- **Waterbrook Business Park, phase 2, Ashford.** Waterbrook Park is situated close to junction 10/10a of the M20 and phase 1 has been built out and occupied. Phase 2 comprises 7.08 ha (17.5 acres) with outline consent for B1, B2, B8 and sui generis and various options are available for industrial and warehouse use.
 - Option 1 totals 26,577 sq m (286,080 sq ft) in five units with the largest unit being 9,164 sq m (98,640 sq ft).
 - Option 2 totals 28,439 sq m (306,120 sq ft) in two units of 14,590 sq m / 157,050 sq ft (unit 1) and 13,349 sq m / 149,070 sq ft (unit 2) respectively.
 - Option 3 totals 26,931 sq m (289,890 sq ft) in a single unit. The development is being promoted by GSE Development Group.

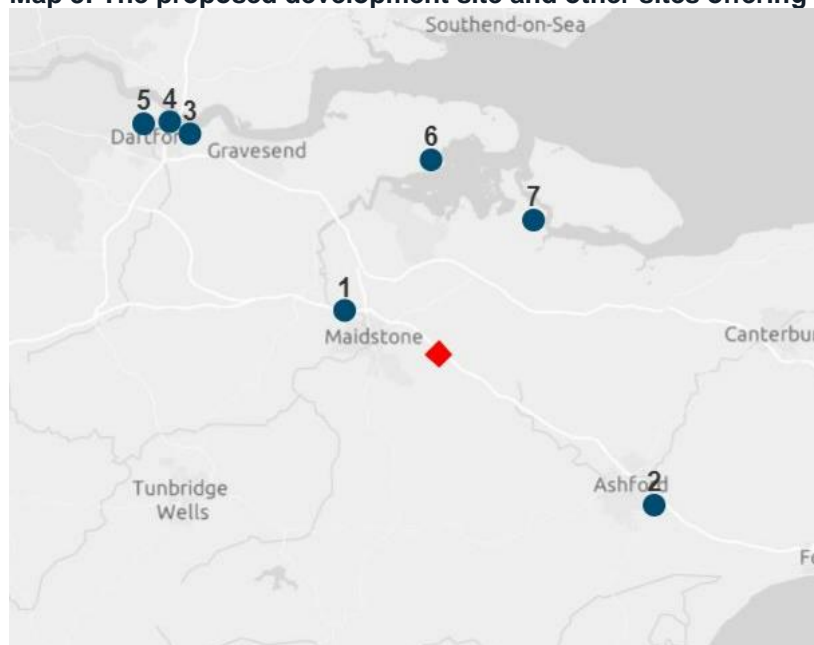
4.8 In the wider area, but within Kent, there are a range of other new logistics developments with additional supply potential, although except for Crossway 241 at Dartford, which is a completed new building, all of these are currently being promoted on a built to suit (BTS) basis. In addition to being offered on a BTS basis, much of this potential supply is in unit sizes much larger than the proposed development and therefore not relevant as alternative supply.

- **Crossways Commercial Park, Dartford.** Within phase 1 Crossway 241 (22,378 sq m / 240,884 sq ft) is immediately available. In addition, phase 2 comprises an additional total of 29,583 sq m (318,440 sq ft) which will be promoted for built to suit/pre-let requirements. Three potential units of 11,593 sq m (124,785 sq ft), 6,114 sq m (65,815 sq ft) and 11,876 sq m (127,840 sq ft) have detailed planning consent with the flexibility to deliver bespoke built to suit options.
- **300 at the Powerhouse, Dartford.** This is the last remaining plot of the Powerhouse development undertaken by Bericote and Tritax Big Box. It comprises a single unit of 28,260 sq m (304,196 sq ft). It is being promoted on a built to suit basis.
- **Orbital East, Sandpit Road, Dartford.** This building of 11,244 sq m (121,029 sq ft) is currently undergoing refurbishment with completion expected in H1 2024. It is, however, located some 2 miles from the nearest motorway junction of the M25.
- **London Medway Commercial Park.** This park has been developed by Goodman with existing buildings occupied by Amazon, Wincanton, Sicame, KKB, I&A Communications and Noatum Logistics. Three plots remain available with consent for B1, B2 and B8 use and each of these is being promoted on a built to suit/pre-let basis to meet bespoke requirements.
 - a) Plot 1c has the potential to provide up to c. 20,029 sq m (215,600 sq ft). The site has detailed consent for B1, B2 and B8. The marketing brochure shows two different options: a single building of 18,357 sq m (197,600 sq ft) and two buildings comprising 8,965 sq m / 96,500 sq ft (plot 1c) and 11,064 sq m / 119,100 sq ft (plot 1d) respectively.

- b) Plot 2 has detailed consent for a single unit of 40,514 sq m (436,100 sq ft) but the marketing brochure shows an alternative option of a cross dock warehouse (with loading on two elevations) of 36,027 sq m (387,800 sq ft) or a further option of two building of 18,719 sq m / 201,500 sq ft (plot 2a) and 15,212 sq m / 163,750 sq ft (plot 2b).
- c) Plot 8 has consent for a unit of 5,626 sq m (60,562 sq ft).

- **G-Park Sittingbourne** is a development by GLP with Morrison, the leading grocery retailers, having a large National Distribution Centre on this site. Panattoni has recently acquired the remaining 10.52 ha (26 acres) here from the landowner Abrdn with the site benefitting from planning consent for two units of 40,804 sq m (439,228 sq ft) and 19,074 sq m (205,320 sq ft) respectively. Reportedly, Panattoni intends to start speculative construction of both units before the end of 2023 with completion scheduled for Q4 2024 and therefore the name of this development site will change.

Map 3: The proposed development site and other sites offering large logistics buildings



◆ The proposed development site

- 1 Click, Aylesford
- 2 Waterbrook Business Park, phase 2, Ashford
- 3 Crossways Commercial Park, Dartford
- 4 300 at the Powerhouse, Dartford
- 5 Orbital East, Sandpit Road, Dartford
- 6 London Medway Commercial Park
- 7 Land at former G-Park Sittingbourne

4.3 Conclusion

- 4.9 Based on this assessment, in our view the only new speculative building that might be considered to compete with the proposed development is unit 2 at Click, Aylesford, although Orbital East at Dartford will offer a refurbished building. In addition, Phase 2 at Waterbrook Park Ashford includes one option (option 2 unit 2, 13,849 sq m / 149,070 sq ft) within the comparable size range and Phase 2 of Crossways at

Dartford has the potential to offer two buildings (11,593 sq / 124,785 sq ft and 11,876 sq m / 127,840 sq ft) as does one option at London Medway Commercial Park (plot 1d, 11,064 sq m /119,100 sq ft). This analysis therefore indicates a total supply potential of just six buildings/plots broadly comparable to the proposed development in terms of size and likely specification. However, only four buildings/plots offer comparable motorway accessibility, i.e. unit 2 Click at Aylesford; option 2 unit 2 at Waterbrook Park, Ashford; and two potential units in phase 2 of Crossways at Dartford offer comparable motorway accessibility.

4.10 **In summary, we believe the relevant competing supply to the proposed development comprises just four buildings/plots in the wider M20 corridor and mid-Kent area:**

- Unit 2, Click Aylesford 10,271 sq m (110,557 sq ft) which is under construction on a speculative basis;
- Option 2 unit 2 at Waterbrook Park Ashford (13,849 sq m / 149,070 sq ft) which is being promoted on a BTS basis;
- The units of 11,593 sq m (124,785 sq ft) and 11,876 sq m (127,840 sq ft) respectively in the second phase of Crossways, Dartford which have detailed planning consent, but which will be promoted on a BTS basis.

5 The adverse implications of not approving development at the subject site

5.1 A missed opportunity to create local employment

- 5.1 At a local level, the most direct adverse impact of development not being consented at this site would be a loss of employment associated with the construction of the warehouse and subsequently the direct on-site employment that would be associated with its occupation and use. In addition, direct on-site employment would also give rise to additional economic benefits due to supply chain linkages and the effect of additional consumer spending derived from the extra employment incomes.
- 5.2 The construction jobs involved in the development of the warehouse would be spread over the construction programme which we would expect to extend for between 38 and 42 weeks.
- 5.3 During this period the number of construction jobs would vary depending on the activities undertaken including ground works, works on the base foundations and drainage, the erection of the steel frame, roofing and cladding, the internal fit-out including M&E (mechanical and engineering), and external works. In total more than 100 different construction jobs could be created during the build programme with these roles co-ordinated by a main contractor working with a variety of sub-contractors. These employment opportunities would not arise if the proposed development is not approved.
- 5.4 In terms of the direct employment once built and occupied, based on recent survey-based research on 'employment densities' (i.e. floorspace to labour ratios) in large distribution warehouses undertaken by Prologis we would expect the proposed development to generate employment for around 120 people.¹⁴ Based on this survey, we would expect most of these jobs to be full-time roles (the survey showed 91% were full-time and 9% part-time). This survey evidence also highlights that a typical large warehouse would generate a variety of jobs. Whilst 60% of survey jobs were classified as warehouse staff, 15% were office staff, 9% were managerial staff, 6% were drivers and 11% were classified as 'other'. Therefore, if the proposed development is not consented, the opportunity for a range of good quality jobs would not materialise.
- 5.5 It should be noted this missed opportunity to create employment is at a time when there are over 3,000 people in the local authority of Maidstone who are unemployed based on the 'claimant count' measure which is the number of people claiming benefit principally for the reason of being unemployed.¹⁵

5.2 A detrimental impact on economic performance

- 5.6 Warehouses play a critical role in supply chains by enabling materials and goods to be stored and moved to customers and end-consumers. As such, warehouses, and the wider logistics activities associated with them, play a crucial role in supporting economic activities in the UK, including employment, economic growth and productivity and international trade. In aggregate, therefore, if the planning system does not make provision for sufficient new warehouse development to match demand in locations that are well-connected to transport infrastructure and markets then this 'failure' will have a detrimental impact on the UK's overall economic performance.¹⁶

¹⁴ See overall employment density of 97 sq m per worker in Prologis, Critical Infrastructure Driving Employment Growth Within The UK's logistics sector, 2023.

¹⁵ See Nomis, Local Market Profile - Maidstone. The actual Claimant Count number for October 2023 is 3,285 people.

¹⁶ In terms of the measurable contribution warehouses and logistics makes to the UK economy the latest (2023) *Logistics Report* published by Logistics UK, the industry organisation, refers to logistics businesses adding an estimated £163 billion to the UK economy in 2021 and generating just over £1 trillion in revenues. This report refers to the UK logistics industry as comprising some 227,000 logistics enterprises that directly employ 1.8 million people across the UK. In addition, a further 890,000 people are employed in logistics roles in non-logistics businesses, giving an overall total of 2.7 million people employed in logistics roles. This equates to 8.2% of the UK workforce. According to this report, in 2022 UK logistics moved 208 billion

- 5.7 At a more local level, the location of the proposed development is well-suited to support efficient logistics operations because of its proximity to the M20 motorway, which is a critical artery route to and from Europe (via Dover and Folkestone). There is, and will be, a critical need for warehousing / staging space for product entering and leaving the UK. The Maidstone area is well-placed to take advantage of this business need. If planning consent at this site is refused, demand from corporate occupiers that want to locate along the M20 corridor with the benefit of immediate motorway connectivity may be suppressed, or displaced to less well-located sites, giving rise to less efficient logistics operations and potentially less sustainable logistics if, for example, more HGV road miles result from this displacement. Instead of Maidstone securing the economic benefit associated with a warehouse at this location, another local authority will take these benefits.

5.3 Conclusions

- 5.8 There would be significant adverse consequences if this site is not consented for distribution warehouse development. The opportunity to provide local employment would be lost as would the opportunity to provide a development with immediate access to the M20 motorway, a key route connecting the UK to Europe (via ports and the Channel Tunnel). If unmet industrial/distribution demand is prevented from locating at such a strong location then it may be displaced to poorer locations elsewhere, with a detrimental impact on logistics performance and on the sustainability of logistics.

tonne-kilometres of goods domestically through warehouses to businesses and consumers. In addition, in 2022 the UK traded over £1 trillion in goods, consisting of £414 billion exports and £644 billion imports.

6 Conclusion: the potential of the proposed development to meet unmet demand

6.1 We believe there is a compelling market case to support the proposed development at land north of the A20 Ashford Road, Hollingbourne, Kent..

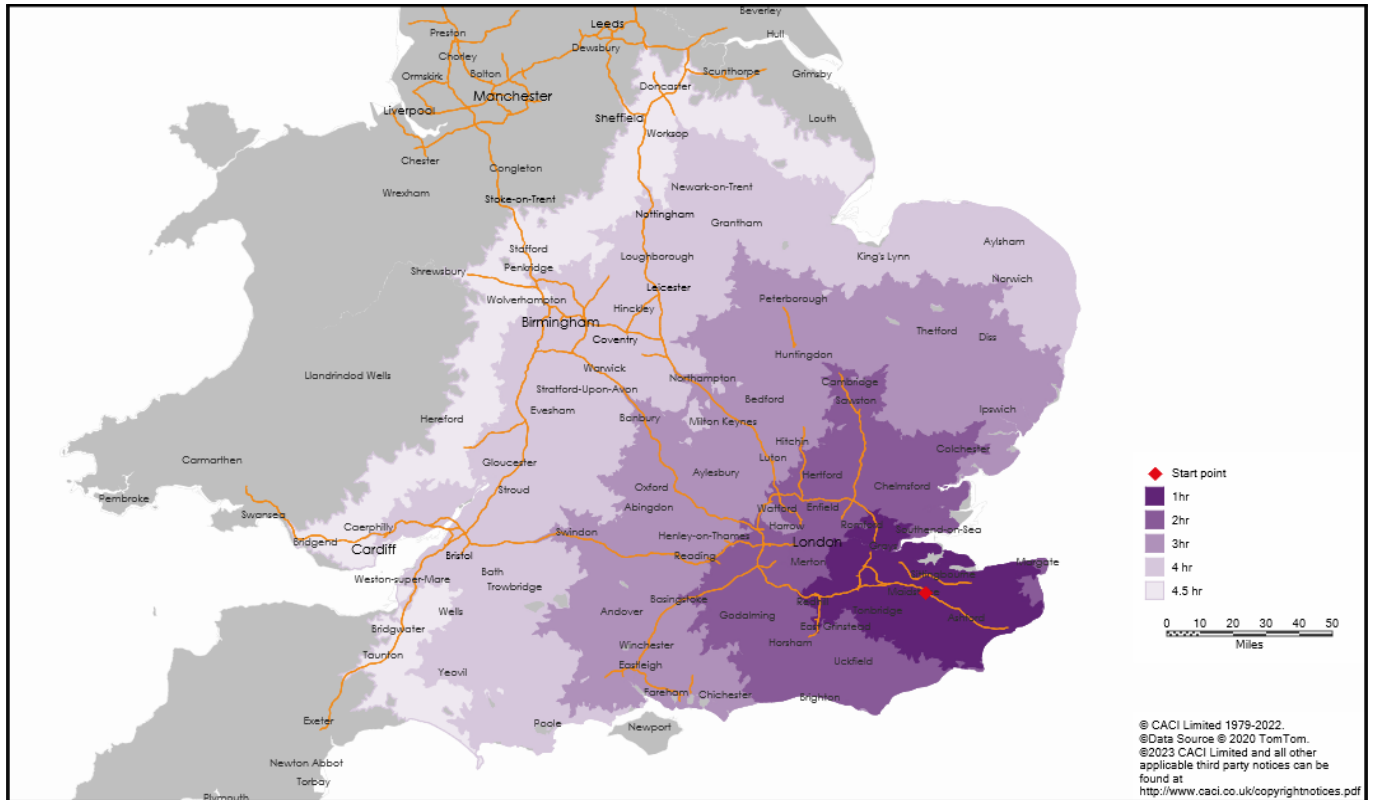
- 1) **The proposed development site would be highly attractive to the market.** It has strong location attributes based around its motorway proximity, access to London and the wider South East and Eastern regions and its position on a key motorway corridor (M20) connecting the UK with Europe (via seaports and the Channel Tunnel). A company based at this location would additionally be able to draw on a large supply of labour, including some 17,400 people who are unemployed within a 30-minute car drive of the site including more than 3,000 people unemployed within the Maidstone local authority area. In addition, the proposed building design is closely aligned with the key priorities of companies looking for this size of distribution facility in the market.
- 2) **Recent evidence highlights very good market demand where appropriate development has been brought forward.** Key evidence to support this includes:
 - Panattoni Park, Aylesford – which has all been pre-let before construction with all deals concluded since 2021;
 - Click Aylesford – which has already seen three out of six units taken up while the scheme has only recently started construction;
 - and Loc8, which is adjacent to the proposed development site, where only one unit remains available in Phase 1 and 30% of phase 2 (which is not due to be completed until Q3 2024) is already under offer.
- 3) **There continues to be active requirements for distribution warehouse space of the type proposed.** For example, Locate in Kent's active pipeline contained 67 employers with requirements for industrial space 'right now'. In addition, and more specifically, Locate in Kent has written a letter of support for the proposed development that highlights 46 specific enquiries for industrial/distribution space since 2021 that mention Maidstone in their search area. This evidence points to a significant level of unmet demand.
- 4) **There is no current supply within the Maidstone Borough Council area that could meet demand for a single large distribution unit of the type proposed and all the existing allocated sites are locationally inferior for distribution purposes compared with the proposed development site.** In addition, whilst having a large development potential overall, Yardley Enterprise Park does not cater for large distribution units and is also unattractive for this use due to its location.
- 5) **There is a very limited immediate supply in the size range of the proposed development along the M20 and wider mid-Kent area.** Most supply is being promoted in Built to Suit (BTS) developments in locations such as Waterford Park, Ashford and London Medway Commercial Park and is primarily aimed at larger scale occupiers. Although, Panattoni is reportedly due to start construction of two speculative units at land it has recently acquired at Sittingbourne (formerly part of G-Park Sittingbourne) these are both much larger than the proposed development and therefore directed at the larger end of this market sector.
- 6) **There are adverse implications associated with not approving the proposed development.** The main adverse impacts are associated with a lost opportunity to secure good quality employment and the negative impact on overall logistics performance in the County. If appropriate supply is not brought forward immediate and on-going demand will be unmet within Maidstone Borough Council local authority and the opportunity to secure employment for residents will be lost at a time when some 3,285 borough residents

are unemployed.¹⁷ The proposed development could generate in the region of 120 direct jobs on site if developed and occupied by a warehouse user. In addition, instead of being able to secure a warehouse with immediate access to the M20, a company with this need would likely have to select a less efficient location which could involve higher transport costs and be less sustainable if this resulted in more HGV road miles.

- 6.2 Overall, therefore, we believe the proposed development provides an important opportunity within Maidstone Borough to provide a high quality new, low carbon, distribution unit that has the potential to generate some 120 direct (on site) jobs at a time when more than 3,000 residents within Maidstone Borough are unemployed. It has the potential to meet an immediate and on-going need for new space on a site adjacent to a key motorway corridor connecting the UK with Europe.

¹⁷ Unemployment based on Claimant Count measure at October 2023. See Nomis Local Market Profile – Maidstone.

Appendix 1: Map showing the area that could be serviced by HGV from the proposed development site within specified drive times



Appendix 2: Employment and other development at M20 motorway junctions

| Junction | Location and intersections | Employment uses | Other uses |
|----------|----------------------------------|---|---|
| 1 | Swanley Interchange | Goya Distribution Link, Swanley. Detailed planning consent for a new 4-unit warehouse development totalling 15,068 sq m (162,192 sq ft). Currently seeking pre-lets. | |
| 2 | Wrotham Interchange | | |
| 3 | Addington Interchange | | |
| 4 | Leybourne Interchange | Panattoni Park, Aylesford. Existing: New Hythe industrial estate. | |
| 5 | Aylesford Interchange | Click Aylesford. New development of c 28,134 sq m (302,844 sq ft) in six units under construction. Existing: Forstal industrial area. Existing: 20/20 business park. Existing: Quarry Wood industrial area. | |
| 6 | Sandling Interchange | | Scania Truck Dealer. Audi dealership. |
| 7 | Detling Interchange | | Eclipse Park (Marks & Spencer, etc) Newnham Veterinary Hospital |
| 8 | Hollingbourne Interchange | Loc8. New business park development comprising industrial/warehouse and office space. Phase 1 completed, phase 2 under development. | |
| 9 | Drover Interchange | Existing: Coty Manufacturing. | Eureka Park (leisure and retail) Sainsbury's superstore Ashford International Hotel & Spa |
| 10 | Lacton Interchange | | |
| 10a | Sevington Interchange | Waterbrook Park, Ashford. Phase 1 built, phase 2 consented and being promoted on a pre-let basis. Existing: Orbital Park. | Sevington Inland Border Security. Ashford Truck Stop. |
| 11 | Westenhanger Interchange | | Folkstone Services |
| 11a | Channel Tunnel Terminal Junction | | Dollards Moor Freight Yard |
| 12 | Cheriton Interchange | Existing: Cheriton Parc, including Motis Business Centre. | The Range Tesco Superstore |
| 13 | Castle Hill Interchange | Existing: Shearway Business Park. Existing: Park Farm Industrial Estate. | |

Source: JLL. Developments in bold are new or recently developed new schemes.

Appendix 3. Letter of support from Simon Ryan, Investment Director, Locate in Kent



Richard Timms
Development Control.
Maidstone Borough Council.
Maidstone House, King Street,
Maidstone. ME15 6JQ.

10 Best Street,
Canterbury.
CT1 2JB

Tel: 01732 520 700

simon.ryan@locateinkent.com
www.locateinkent.com
30 November 2023

Dear Mr. Timms,

Planning Application 23/500899 - Land North Of The A20 Ashford Road, Hollingbourne.

Locate in Kent is the official investment promotion agency for Kent and Medway and exists to help new businesses invest in Kent and Medway and support the growth of businesses already here.

We are supporting the proposed scheme submitted by Wates Developments Ltd due to its immediate and lasting impact on our local and regional economy.

Locate in Kent's longstanding position is that the M20 and M2 motorway junctions present an excellent development opportunity to attract investment and create jobs for the respective borough and the Kent and Medway region as a whole. The proposed development at Junction 8- which is adjacent to LOCB Business Park, the M20 and the A20 would create further employment of a 110-130 full time jobs for local people.

Locate in Kent have identified a lack of supply of modern fit for purpose well located large logistics/distribution warehouses. Currently, there is not a single available warehouse in the MBC area of the proposed unit size. (116,000 Sq.Ft.) within close proximity of the M20.

Since 2021, Locate in Kent has received 46 enquiries from local, national and international businesses with an industrial property requirement for 50,000 Sq. Ft. or larger with Maidstone as part of their search area. This shows the demand for this size of industrial property in Maidstone is significant and supply in the borough isn't meeting demand.

In addition to enquiries, statistics from Locate in Kent's property portal on our website also show 334 searches for industrial properties larger than 50,000 Sq. Ft. in the area of North Kent that includes Maidstone.

The proposed unit would provide welcome commercial space supporting local business growth allowing expanding businesses to stay in Maidstone. The location at Junction 8/M20 on Ashford Road with direct access to the M20 makes an attractive location for growing businesses servicing Maidstone, Kent and beyond.

Locate in Kent is the official inward investment agency for Kent and Medway. Promoting the region as a prime location for business and investment and providing free, confidential support to businesses setting up, expanding or relocating; Locate in Kent is the first point of call for any UK or international company. Limited by Guarantee. Company registration no: 3230721





We ask you to consider the application with the backdrop to demand in mind. In the last 20 years, Greater London released almost six million square metres, about 23% of total industrial space. At the same time demand for industrial land did not fall. Many business have moved to the east of the capital to North Kent and South Essex. Intensifying competition for local employers. Vacancy rates, which stood at 16% in 2001, are now around 4%.

Finally, I want to reassure you that Locate in Kent is working with a pipeline of global investors and local employers that will consider this specific site should this scheme be approved. The proposed scheme contributes to futureproofing Maidstone's employment needs and will augment the existing vibrant local economy.

Yours sincerely

A handwritten signature in black ink, appearing to read 'S. Ryan', with a small dot at the end.

Simon Ryan.

INVESTMENT DIRECTOR.

Locate in Kent is the official inward investment agency for Kent and Medway. Promoting the region as a prime location for business and investment and providing free, confidential support to businesses setting up, expanding or relocating; Locate in Kent is the first point of call for any UK or International company. Limited by Guarantee. Company registration no: 3230721



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About JLL

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Appendix II

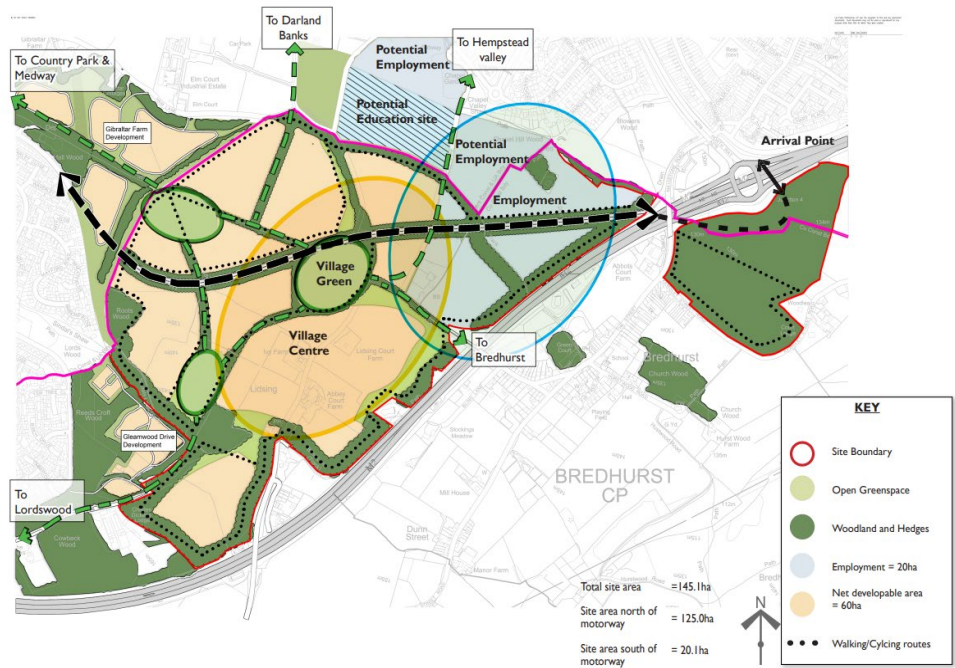
Employment Site Portfolio Analysis

Heathlands Garden Settlement

| Site | Policy LPRS4(A) – Heathlands Garden Settlement |
|--------------------------------------|--|
| <p>Plan</p> |  |
| Location | 7 miles north-west of Ashford and 10 miles south-east of Maidstone, between the villages of Charing and Lenham. |
| Accessibility | Access to A20 to the north, and rail access could be achieved along Maidstone - Ashford line. |
| Plot Size | 14 ha employment land allocated, with an estimate of 5,000 additional jobs. No breakdown in the employment mix has been determined and therefore B8 provision is not certain. |
| Current Consents | No employment consents on site. There are a total of five sites of 10+ residential units in a 4-mile radius. |
| Restrictions | Site falls within Kent Downs AONB. Wider area contains several heritage designations, including Chilston Park, Lenham, Sandway, Egerton, Charing. The western part of the site is constrained due to existing minerals allocation and Lenham Wastewater Treatment facility. |
| Alignment with Demand | Good motorway access, but unsuitable for distribution uses due to the intention to deliver a high quality garden village sensitive to the local landscape. |
| Timing | The employment allocation is split across two phases, with the scale of each phase still to be established. Phase 1 is anticipated to come forward between 2031 and 2037, no indication of the timing of Phase 2 is provided, suggesting at best it will only provide some capacity to meet identified needs towards the end of the plan period, and beyond. |
| Other Relevant Considerations | Site is focused on delivery of a high-quality residential settlement, the limited information on employment uses suggests an intended focus on knowledge-based industries to complement the proposed Rural Innovation Hub and Local Centre. |

Site

Plan



| | |
|--------------------------------------|--|
| Location | Urban extension of Gillingham, 4 miles south of the centre, adjacent to M2 motorway. |
| Accessibility | Access to the M2 via Junction 4 with potential for addition of Junction 4 roundabout to provide direct access from North Danes Way. |
| Plot Size | 14 ha total employment allocation, providing a maximum of 42,000sqm of space and accommodating c.2,000 additional jobs. Supporting evidence suggests the split of 50% for light industrial and general industrial, 25% for storage and 15% for offices. |
| Current Consents | No existing employment use consents. Five granted applications for residential developments of 10+ units in a 2-mile radius (including 650 units at Capstone Medway), and another two sites in progress. |
| Restrictions | Hume Planning recommend "limited the footprint, scale and breaking up the massing" of industrial and storage units, which would restrict their suitability for B8 use. |
| Alignment with Demand | Despite access to strategic motorway network, the site's proximity to Kent Downs AONB require a limited scale and mass of industrial development, which makes this site unsuitable for large scale distribution uses. |
| Timing | The main modifications to the Local Plan suggest that delivery of the Garden Community will be guided by a new SPD which will establish phasing details, due in 2028 the SPD will define the employment mix, at present therefore no commitment is made to the scale of B8 provision. It is not currently anticipated that the employment site will be "commenced" until 2033-38 – suggesting delivery/occupancy of floorspace would follow sometime after – possibly early 2040s. |
| Other Relevant Considerations | Hume Planning note that there is demand for light industrial and general storage uses including the latter at a smaller scale (c.500 sqm). The Main Modifications suggest a limitation will be placed on the scale of any single unit of 6,000sqm with 9m ridge height – limiting the appropriateness for B8 uses. |


Site **Site Ref. LREPM1(4) – Woodcut Farm**

Plan



| | |
|--------------------------------------|---|
| Location | To the West of the M20/A20 Junction 8, 4 miles south east of Maidstone. |
| Accessibility | Well connected to motorway network via M20 Junction 8. |
| Plot Size | 25.8 ha total area. |
| Current Consents | Outline permission granted in 2018 for B1(a), B1(b), B1(c) and B8 uses with maximum floorspace of 45,295 sqm, of which 50% is for B8. The Local Plan reports that works relating to pre-commencement conditions are underway. |
| Restrictions | The site has a high landscape sensitivity. Development will therefore require the retention and enhancement of trees and hedges, substantial structural landscaping and a limit of 40% total building coverage. The flatter parts of the site are suitable for larger footprint buildings of up to 5,000 sqm and 12m in height. |
| Alignment with Demand | Despite the site's proximity to the motorway network, the current 5,000 sqm upper limit for buildings would be inadequate for large-scale distribution uses. |
| Timing | The site has a consent and therefore is available for development/occupancy immediately for businesses seeking premises that match the design parameters. |
| Other Relevant Considerations | The Local Plan sets out the site's priority to deliver a mix of employment uses including offices, R&D and warehouse/industrial space, including "smaller distribution businesses." |

Former Syngenta Works

| | |
|--------------------------------------|---|
| Site | Site Ref. LPRSAEmp1 - Former Syngenta Works |
| Plan |  <p>The plan shows a large industrial site with several large rectangular buildings, parking lots, and access roads. The site is bounded by a red line, and there are various annotations and labels on the plan, including 'Separate Apartment 20a' and 'Part of the site (2021)'. The surrounding area includes roads, green spaces, and other industrial buildings.</p> |
| Location | Adjacent to Yalding Railway station, 5 miles south west of Maidstone. |
| Accessibility | Located on tertiary road with link to A228 from which the M20 and A21 are 8 miles north and south respectively. |
| Plot Size | 19.5 ha in total. 15.1 ha consented for employment uses. |
| Current Consents | Outline planning granted in 2021 for business park of 46,447 sqm of B uses, including 24,792 sqm of B8 use. The outline application indicates that the split of this space will be determined by market demand, however, the Design and Access statement produced as part of the planning application suggests that this will be formed of 'a mix of small to larger units.' To cater to the occupational requirements of corporate occupiers of large distribution warehouse facilities, there would need to be limited provision of 2-3 large floorplate units. Based on current drawings, and the initial steer provided in the Outline planning application, it is unlikely that the proposed scheme will provide the scale of space required to support B8 demand within the area. |
| Restrictions | The whole site lies within Flood Zone 3a. The site has been approved following satisfactory Sequential and Exception Test. |
| Alignment with Demand | The site sits approximately 8 miles (17 minutes) south of the nearest junction to join the M20 or M26 and serviced in part by relatively minor roads. This does not provide the accessibility to the motorway network required to support large-scale distribution uses. Based on current drawings, and the initial steer provided in the Outline planning application, it is unlikely that the proposed scheme will provide the scale of space required to support B8 demand within the area. |
| Timing | The scheme has outline consent, with unit sizes etc requiring reserved matters applications, they are therefore likely to be available in the early part of the plan period. |
| Other Relevant Considerations | N/A |

5.11 Using the above site analysis alongside the demand and site attribute factors identified as critical for distribution businesses by JLL in Appendix I an assessment of the suitability of proposed allocation is possible to understand if they are capable of meeting all identified need or if further sites are required. This assessment is based on a high-level scoring of each site to identify the extent to which:

- 1) The scheme provides fast and effective access to the motorway network.
- 2) The scheme provide access to potential customers (businesses of end consumers).
- 3) The scheme provide access to an appropriate supply of labour.
- 4) The scheme is sufficient size, including floorspace, external yard space and clear internal heights.
- 5) The scheme can be delivered within a timeframe to meet identified needs within the Plan Period.

5.12 This is consistent with how a Avison Young would consider qualitative suitability in any employment land evidence work.

5.13 To simplify the conclusions of the analysis a RAG score has been applied to each site for each consideration, again consistent with how the Adopted Local Plan evidence base assessed sites in the borough. As shown in the table overleaf each option is given a score out of three for each parameter:

- 0 = does not meet criteria (red).
- 1 = meets criteria to a limited extent (yellow).
- 2 = meets criteria to some extent (orange).
- 3 = meets criteria to a great extent (green).

5.14 The scores assigned to each option are subjective judgements based on Avison Young's professional judgement and extensive experience working on market and demand-based assessments to support B8 development.

| <i>To what extent...</i> | LPRS4(A) Heathlands Garden Settlement | LPRS4(B) Lidsing Garden Community | LREPM1(4) Woodcut Farm | LPRSAEmp1 Former Syngenta Works | Appeal Scheme |
|--|--|--|------------------------------|--|------------------|
| Does the scheme provide fast and effective access to the motorway network? | 3 | 3 | 3 | 0 | 3 |
| Does the scheme provide access to customers (businesses of end consumers)? | 3 | 3 | 3 | 0 | 3 |
| Does the scheme provide access to an appropriate supply of labour? | 2 | 2 | 2 | 1 | 2 |
| Does the scheme provide sufficient size, including floorspace, external yard space and clear internal heights? | 1 | 1 | 1 | 2 | 3 |
| Does the scheme enable the provision of appropriate space within the Plan Period | 1 | 0 | 3 | 3 | 3 |
| TOTAL | 10 | 9 | 12 | 6 | 14 |

Red = does not meet criteria (0 points) **Yellow** = to a limited extent (1 points), **Orange** = to some extent (2 points), **Green** = to a great extent (3 points).

- 5.15 Given the very specific requirements of distribution operators the assessment demonstrates the limited ability of the identified sites to provide the right type of space, with the appropriate accessibility within an appropriate time period to meet demand and need. This indicates that, much like the position taken in the Adopted Local Plan, a different type of site is required to ensure the borough can meet qualitative needs.
- 5.16 The Appeal Scheme would provide all the attributes needed to address the unmet qualitative needs in the borough, providing a large site, with excellent access to the trunk road network and the ability to deliver within the early part of the plan period.

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