

Employment Land Study



Vale of Glamorgan Council



Final Report

October 2007

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EXECUTIVE SUMMARY

Introduction

- i. This report assesses the supply, need and demand for employment land and premises (use class B) in the Vale of Glamorgan. It has been carried out for Vale of Glamorgan Council to provide robust evidence to underpin and inform the Local Development Plan, 2011 to 2026.
- ii. There are three main elements to this study:
 - An assessment of the Vale's economy that will inform the amount, location and type of employment land and premises required to facilitate its development and growth
 - A review of the current portfolio of employment land and premises
 - Recommendations on the future allocation of employment land and premises to maintain the Vale's economic growth.

Methodology

- iii. A number of research methods have been used in the compilation of data for this study. They include site visits, telephone interviews with property market stakeholders such as developers, investors and their agents and a survey of 200 businesses. This has been combined with extensive consultation with the various arms of the public sector agencies involved in the study area. Desktop analysis of existing reports and documents has also been used to inform the overall findings.

Findings

- iv. The Vale has quite a complicated economy – being an area of contrasts. The main urban area Barry is quite isolated and a lower quality/value location, especially when compared to neighbouring Cardiff or wealthy residential rural areas. Penarth is more related to the Cardiff economy. There is a large rural hinterland, with very different needs to Barry. The study area also includes Cardiff International Airport, RAF St. Athan, Barry Chemical Complex and Barry Docks. These are all quite separate developments that in part also have a regional role to play. There are specialised uses attached to them – even though employment land linked to them contributes to the Vale's overall land supply.
- v. The Vale has an insular property market, where industrial need still significantly outweighs office, and Barry dominates. Requirements for offices are at the smaller

end of the market below 100 sqm. Industrial requirements are more widely spread with demand for both small start-up units and grow-on space up to 500 sqm.

- vi. There is limited inward investment due to the Vale's peripheral rural location, distance from the motorway network, lack of quality premises, the fact that it falls in the shadow of larger neighbouring centres and a more favourable grant regime elsewhere.
- vii. A significant proportion of the Vale's well-skilled workforce are out-commuting, there is an opportunity therefore to encourage more to stay local, meeting the sustainability agenda. This could be done by providing better quality land and premises, as well as serviced offices and managed workspace to encourage entrepreneurial start-ups in Barry.
- viii. There is a lack of certain types of properties, particularly workshops of up to 100 sqm, freehold premises and small freehold development plots. These issues are worse in Barry where there is a general shortage of property. In the rural west of the Vale, there is an oversupply of poor quality space.
- ix. The economics of development are marginal, the low level of activity and depressed rentals does not encourage development. The market therefore largely attracts only local stakeholders. Public sector support is therefore required to bring forward large, unserviced employment land before the private sector can develop it, especially in Barry, where there is a shortage of immediately developable land.
- x. There is sufficient employment land to meet needs up to 2026. The existing land supply in terms of location, if not in terms of availability, is reasonably well suited to need. However 54.2 ha of the 173.2 ha in total is tied up in one site – Bosch's expansion land at Miskin. This is being retained by them for potential future expansion, and may even be lost from the land portfolio because of its mineral deposits. There are also a number of sites within the Airport, Docks and at Pencoedtre that are essentially unavailable.
- xi. The Vale does have a number of good quality sites, those at Cardiff International Airport Business Park and Barry Waterfront. However demand for them is currently low as developers and companies focus on Cardiff and other larger centres. Demand will grow over the next 10-15 years when enquiries start to ripple out of Cardiff, the

Vale's office sector matures, the positive effects of St. Athan are fact, and the importance of the Airport as a business location is more fully recognised.

Recommendations

- xii. Encourage the improvement and environmental enhancement of existing industrial estates, in particular Atlantic Trading Estate and Ty-Verlon Industrial Estate.
- xiii. Investigate opportunities to build small workshops up to 100 sqm (with grow-on space up to 200 sqm) at Atlantic Trading Estate (or nearby), and adjacent to deprived areas of Barry.
- xiv. Recognise the contribution of the rural areas. Support rural industrial estates and farm conversions, facilitating their upgrade where necessary e.g. Llandow Trading Estate and Vale Business Park. Continue to promote rural conversions and reconsider planning policies to encourage this, in order to maintain a diversified, rural economy.
- xv. Provide serviced, freehold, development plots in Barry. Target owner-occupiers, as this will help satisfy the demand for freehold units. Perhaps 2 ha providing initially 5-10 0.1-0.2 ha plots are needed.
- xvi. Although there is a limited office market in the Vale, this is changing and the public sector need to anticipate this. Potential office sites at Barry Waterfront and Cardiff International Airport need to be reserved, taking a longer term view. There may be limited demand for them now, but there will be in 5-10 years time. The Council should also support appropriate business development proposals at Culverhouse Cross (an important gateway to the Vale) to retain ITV Wales as a key employer and at RAF St. Athan.

Employment Land

- xvii. Work with key partners such as the WAG to overcome barriers to the development of key sites, especially in Barry, i.e. Cardiff Airport, Hayes Wood, Atlantic Trading Estate. The development economics are marginal, and sites need to have infrastructure before the private sector will develop.

- xviii. There is sufficient land allocated for employment use in the Vale. However, most is not part of the 'true' supply, either due to landowner aspirations or development constraints.
- xix. The Pencoedre sites are likely to be lost from the employment land supply. Bosch's Miskin site may also be lost because of its protected minerals status. Rhoose Point should be re-allocated for mixed-use. The Council should also consider the status of site 5f at the Airport because it is unavailable to general users.
- xx. Prepare a strategy to better use surplus land in the chemical complex. The land will probably require significant remediation and the Council should work with the chemical companies and ABP to resolve this.

Future Land Requirements

- xxi. The Vale has sufficient land to cater for forecast need. However, this hides some market failures. Much of the land in Barry is unserviced or targeted at the office market in 5-10 years time. Also a third of the potential supply is Bosch's expansion land at Miskin. Although this site could be lost, it could effectively be replaced by the WAG's proposal to provide a 60 ha high-technology business park at St. Athan.
- xxii. However, the amount of available land is dependent on constrained land being serviced and brought forward. Once these sites at Atlantic Trading Estate have been sold, neighbouring sites need to be serviced and consolidated to provide development options in the short term.
- xxiii. Barry lacks a good quality business park, for B1 office and light industrial uses to the north of the town, well connected to strategic transport routes. A site of 5-10 ha is required, and could be achieved by re-allocating land 'lost' at Pencoedre and Rhoose Point.

1.0 INTRODUCTION

- 1.1 This report assesses the supply, need and demand for employment land and premises (use class B) in the Vale of Glamorgan (the Vale) in South Wales. It has been carried out on behalf of the Vale of Glamorgan Council (the Council).
- 1.2 It has been commissioned to provide robust evidence to underpin and inform the Local Development Plan (LDP), which the Council is currently preparing. This will replace the Unitary Development Plan and cover the period 2011 to 2026.
- 1.3 BE Group, economic development and property consultants based at Ingot House, Kelvin Close, Birchwood, Warrington, WA3 7PB, has compiled this report.
- 1.4 There are three main elements to the study:
- An assessment of the Vale's economy that will inform the amount, location and type of employment land required to facilitate its development and growth
 - A review of the current portfolio of employment land
 - Recommendations on the future allocation of employment land to maintain the Vale's economic growth.

Methodology

- 1.5 It is a statutory obligation that there is extensive community consultation as part of the LDP preparation and this has been reflected in our methodology.
- 1.6 A number of research methods have been used in the compilation of data for this study. They include site visits, face-to-face and telephone interviews with property market stakeholders such as developers, investors and their agents.
- 1.7 Consultation with various arms of the public sector agencies with responsibility for the study area has also been undertaken. Desk-top analysis of existing reports and documents has also been filtered into the overall findings.
- 1.8 A full list of consultees is included at Appendix 1.

Study Area

- 1.9 The Vale of Glamorgan covers 33,097 ha and is the most southerly local authority in Wales. Located between Cardiff to the east and Bridgend to the west, it is part of the

South East Wales City Region, and as such contributes an important part to the Region's economy. Although largely rural, it comprises a range of small and medium sized towns. Barry is the largest, followed by Penarth, Llantwit Major, Dinas Powys and Cowbridge.

- 1.10 A number of key transport corridors pass through the Vale. The M4 links Swansea to Cardiff through the north of the Vale, from which the A48 and A4232 filter traffic into west Cardiff, Barry, Penarth and the rural areas. The B4265 coast road is also important, linking Barry to Cardiff International Airport and Llantwit Major.
- 1.11 Due to the largely rural nature of the Vale, car ownership is high. Roads are vital for connecting the population to services and employment, and as such are heavily relied upon for commuting.
- 1.12 The strategic rail corridor for South Wales splits in two at Cardiff. One arm travels west across the north of the Vale to Swansea, the other is diverted south for freight to Barry Docks. Both join again at Bridgend. The Vale of Glamorgan passenger line reopened in June 2005, linking Barry and Bridgend. It includes two new stations, one at Rhoose (with a shuttle bus to the airport) and Llantwit Major.
- 1.13 The Vale of Glamorgan has a population of 119,293 (Census 2001) of which over half is in Barry and Penarth (39 percent and 18 percent respectively). 12 percent is in Llantwit Major, seven percent in Dinas Powys, three percent in Cowbridge and the remaining 21 percent in the rural hinterland.
- 1.14 Major employers, key to the local economy are Aberthaw Power Station, Lafarge cement works, Cardiff International Airport, Llandough Hospital, Vale of Glamorgan Council, Tesco, Marks and Spencer, RAF St. Athan and the chemical complex at Barry Docks. Employment is concentrated most heavily in Barry and its associated docks, characterised by industrial estates and manufacturing works. Employment is also found in more rural areas, particularly at a number of business parks and trading estates such as Vale Business Park and Llandow Trading Estate.

Employment Land Review: Guidance Note (ODPM 2004)

- 1.15 At this stage it is worth reiterating government guidance covering employment land reviews that promotes a three-stage process, and provides a framework for this report. Although this is English guidance (there is nothing equivalent in Welsh policy),

the general approach is equally applicable to the Vale context.

- 1.16 Stage one: take stock of the existing situation including an initial assessment of 'fitness for purpose' of existing allocated employment sites. The objective is to identify best employment sites to be protected; identify employment sites to be released and prepare an effective brief for stages two and three of the review. The outcome of this stage is to understand key employment land supply issues and generate a portfolio of potential employment sites to take forward for more detailed review.
- 1.17 Stage two: to understand the future quantity of land required across the main business sectors; to provide a breakdown of that analysis in terms of quality and location and to provide an indication of 'gaps' in supply through economic forecasting, consideration of recent trends and/or assessment of local property market circumstances. The outcome of this stage is to be broad quantitative employment land requirements across the principal market segments covering the plan period and an analysis of the likely 'gaps' in supply that need to be filled.
- 1.18 Stage three: this entails a qualitative review of all significant sites (and premises) in the existing portfolio in order to: confirm which of them are unsuitable for/unlikely to continue in employment use; to establish the extent of 'gaps' in the portfolio; and if necessary, identify additional sites to be allocated or safeguarded. The outcome will be the completion of the employment land review, to be taken forward in the development plan.

2.0 STRATEGY CONTEXT

Introduction

2.1 As part of our research we have reviewed a number of reports and strategies that have relevance to the allocation of employment land. Whilst some documents have a focus local to the Vale of Glamorgan, we have considered others that have a national or regional perspective.

2.2 An understanding of the strategies and reports contained within this review is needed to show strategic alignment with priorities for sustainable development. BE Group's recommendations follow the general principles set by them.

Winning Wales: The National Economic Development Strategy – WAG 2002

2.3 This is the Welsh Assembly Government's (WAG) ten year strategy to transform the economy of Wales and promote its sustainable development. It outlines a number of actions for the first phase of the strategy to meet the following key objectives:

- Encourage the knowledge, research and development and innovation capacity of the Welsh economy
- Build upon the strengths of the manufacturing sector
- Increase the number of jobs in financial and business services
- Assist more people into jobs to support economic activity.

2.4 The four main drivers of growth will be:

- Innovation – particularly spend on research and development, Wales has one of the lowest levels in the UK
- Enterprise – increase the number of businesses/business start-ups per head of population
- Qualifications – Wales has fewer educated people and lower rates of numeracy and literacy
- ICT – access to broadband, poor infrastructure and patchy take-up particularly in more isolated areas.

2.5 With relevance to employment sites and premises, it states that the WAG will work with the private sector, local authorities and other bodies to ensure an adequate provision of quality sites, premises and other infrastructure in the right places; attempt to attract inward investment, and develop an integrated bespoke package of support relevant to business needs.

People, Places, Futures: Wales Spatial Plan – WAG 2004

- 2.6 The Wales Spatial Plan seeks to reconnect people with labour markets by improving skills and targeting investment. It recognises that different places have different economic potential. The Vale of Glamorgan lies in the South East Wales area, for which the Spatial Plan sets a vision:
- “An innovative skilled area offering a high quality of life – international yet distinctively Welsh. It will compete internationally by increasing its global visibility through stronger links between the Valleys and the coast and with the UK and Europe.”*
- 2.7 The Plan highlights a key opportunity is to promote closer working between Barry in the Vale of Glamorgan with Cardiff, Newport and Bristol as a long-term strategy to develop a networked city region. Collectively, the South East is seen as the key economic driver for Wales, especially given the rising international prominence of Cardiff.
- 2.8 Despite the area’s strategic importance, it has major disparities in economic and social wealth. It is also afflicted by heavy commuting between the Valleys and the coast which places pressure upon the regional transport network. The Plan identifies these factors as key challenges to the area’s future prosperity.
- 2.9 It also emphasises the importance of maximising the use of employment sites in the region and also, to bring forward a site for a premier business park (in excess of 40 ha) in the South East. The Vale of Glamorgan’s key attribute is its natural beauty and proximity to Cardiff, and development should seek to enhance this.

South East Wales Area Development Framework Draft – South East Wales Spatial Plan Area Group 2007

- 2.10 This draft framework has been drawn up to help achieve the Wales Spatial Plan vision for South East Wales. This will be achieved by strengthening the network between the towns and cities in the area. So that it functions as a coherent urban whole to realise its international potential and reduce inequalities.
- 2.11 It recognises the rural nature of the Vale, but identifies the importance of securing a sustainable role for its key centre, and regional settlement, of Barry. This will entail regeneration in Barry to complement employment development elsewhere i.e. in Cardiff and the M4 corridor. It also directs attention to the considerable opportunity

offered by the Defence Training Academy being developed in St. Athan.

Wales: A Vibrant Economy – WAG 2005

2.12 This report considers the challenges facing the Welsh economy and the progress made in addressing them since publication of “A Winning Wales”. It sets the broad economic development agenda for the WAG. The priorities are to increase employment still further (to reduce unemployment and economic inactivity) and to raise the quality of jobs:

- Supporting job creation
- Investing to regenerate communities and stimulate economic growth
- Helping businesses to grow by investing in economic infrastructure
- Ensuring economic programmes and policies support sustainable development.

2.13 Key to this is stimulating the right employment opportunities. It focuses on strong and sustainable economic growth, increasing employment, raising earnings and quality of life. It also recognises the need to create attractive business environments and supporting key drivers to business growth. Key areas for policy are:

- Improving transport infrastructure
- Promoting high bandwidth ICT networks
- Ensuring a good supply of quality business premises, particularly in areas where private sector investment is weak
- Promoting commercial opportunities in energy efficiency support and advice.

South East Wales Development Strategy – WAG 2007

2.14 This sets out the ten year strategy for South East Wales to become a leading European region for business innovation and investment. Led by Cardiff, the region will focus on developing skills and education and creating the right conditions for emerging knowledge-based business sectors. It also focuses upon building strategic connectivity and capacity to lead the region’s growth and so enhance society, culture and quality of life.

2.15 Key challenges will be up-skilling the local economy from its industrial legacy, coping with a more mobile and global workforce; and growing the economy whilst maintaining the traditions of Welsh heritage.

2.16 The South East Wales’ economy has grown as much as the rest of the UK but is still

markedly less affluent than South East England. Unemployment, although much improved is still high, particularly in the Valleys' former mining communities.

- 2.17 With relevance to this study, the Strategy states that it is vital for business growth that an adequate supply of new property and premises is supplied. Demand and supply is most concentrated along the M4 corridor but gaps in provision still occur. There is a need to match demand with quality and not just quantity. The Vale of Glamorgan is reported to have 330 ha of employment land, across 18 sites with 13,337 sqm of vacant premises.

Property Strategy for Employment in Wales 2004-2008 – WAG

- 2.18 This is the WAG's strategy for employment sites and buildings, with the objective to increase economic prosperity. It aims to ensure high quality employment sites in the right locations for inward investors and indigenous businesses.
- 2.19 The Strategy gives priority to high value added sectors:
- Emerging industries, e.g. biotechnology
 - High-tech manufacturing, e.g. semiconductors
 - High level services, e.g. HQ functions, R&D.
- 2.20 It recognises that other sectors must not be forgotten, the lower value added ones:
- Mainstream manufacturing, e.g. plastics
 - Office services, e.g. call centres
 - General services, e.g. distribution
 - Leisure and tourism
 - Processing industries, e.g. oil.
- 2.21 It breaks down the sites and buildings portfolio into a number of categories as shown in Table 1.

Table 1 – Wales Property Strategy Sites and Buildings Categories

Sites	Buildings
Premier business parks	Offices
Business parks	High-tech units
Strategic sites	Traditional industrial/manufacturing units
Strategic mixed use sites	Distribution units
Special category sites	Innovation/incubator centres

City/town centre sites	Multi-occupancy units
Industrial estates/local sites	Bespoke units

2.22 For the UK as a whole, the fastest growing employment sectors between 2005 and 2010 are expected to be financial and other services – the fastest declining – agriculture, mining and manufacturing. Rapidly growing activities will be:

- ICT
- Financial, management and business services
- Contact/shared services
- Biotechnology
- Leisure/tourism
- Publishing/media
- Advanced materials/fine chemicals.

2.23 It points out that: much of the demand in Wales is for ready-made, modern buildings; poor performance for key growth sectors may be due to a lack of appropriate premises; property quality is becoming increasingly important; and a key element is to enable ‘trading up’ from established companies.

2.24 The ready or early availability for a new or modern building is becoming increasingly critical to investors’ requirements as time to market pressures in both the service and manufacturing sectors often rule out the scope for the planning and construction of new buildings. Although purpose-built buildings may follow at a later stage if the initial investment project performs well.

2.25 The messages about South East Wales are:

- It receives most of Wales’ new investment and jobs
- Most business opportunities are in the new knowledge service sector economy
- There is an opportunity for a premier business park (over 40 ha)
- Scope for two to three small business parks on the M4 corridor
- It estimates that the Vale has 333 ha of employment land, 28 percent of the South East’s total stock.

Learning to Work Differently – WDA 2003

2.26 This document sets out a number of objectives that the WDA (now the WAG) will pursue in the development of a sustainable economy for Wales:

- Encouraging knowledge and service based industries

- Helping businesses to develop resource efficiency, energy saving and waste management
- Maximising the benefits locally of new investment, particularly access, and minimising environmental impact
- Encouraging high standards of sustainable design
- Encouraging the re-use of brownfield sites and redundant buildings
- Involving the community in regeneration projects
- Integrating the protection of the environment and the prudent use of natural resources into the decision-making process
- Reducing the reliance on the private car.

The Knowledge Economy in the South East Wales Region – Local Futures 2006

2.27 This report highlights the potential of the coastal area of South East Wales (Cardiff, Newport and the Vale of Glamorgan) to be a major knowledge hub. However, with the exception of Cardiff, the knowledge economy is very much reliant on the public sector and is constrained by low levels of entrepreneurialism in the knowledge economy.

2.28 Key recommendations include a need to foster more links between higher education and the business community, to provide higher quality sites conducive to greater inward investment, and to increase labour mobility through improvements in transport.

The Vale of Glamorgan Unitary Development Plan 1996 – 2011 (adopted 2005)

2.29 The Plan allocates 199 ha of employment land, mainly at sites in Barry, Vale Business Park, Cardiff International Airport and adjacent to the M4. This is in order to satisfy the needs of inward investment, cater for the expansion of local businesses and facilitate new start-ups.

2.30 The Plan recognises that sites must provide high quality employment opportunities for local people to reduce outward commuting. It also identifies the important role of small businesses to the local economy.

2.31 Where new business and industrial development is planned, other policies include: the protection of residential amenity, the environment and agricultural land. Sites must also demonstrate adequate access to transport infrastructure, utilities and compatibility with adjacent land uses. There are also policies to protect employment land from other forms of development and to promote farm diversification.

RAF St. Athan Development Brief – Metrix 2006

- 2.32 The MOD is reducing its number of training facilities across the UK. Detailed in the Defence Training Review Programme, services will be rationalised and focused at ten sites. RAF St. Athan was selected in January 2007 to be a National Training Academy and will receive significant modernisation and investment. This will complement the WAG's proposal for an adjacent Aerospace Centre of Excellence.
- 2.33 Occupying 293 ha, RAF St. Athan currently employs roughly 2000 servicemen and civilians. It includes over 21,367 sqm of employment space of which much is vacant and in poor condition. A masterplan has been produced for the site's development. This envisions a £14 billion investment over the next 25 years, and will create 380,000 sqm of floorspace. It will include a specialist business park dedicated to spin-offs from the site and companies looking to associate themselves with the activities, facilities and knowledge base. There is scope for up to 60 ha of general employment land within the wider complex.
- 2.34 It is expected to accommodate 6700 people and to create an additional 4000 jobs, of which 2300 will be local civilians employed at the site. It is also predicted to inject over £58 million a year into the local economy, and support a further 1500 jobs outside of the site. This does not include additional contributions to the local economy from visitors, etc. indirectly associated with St. Athan.
- 2.35 The site is expected to be completed in 2013 and will cater for the MOD's training requirements: aeronautical engineering; communications and information systems; electro-mechanical engineering; logistics and administration; police and guarding; security; languages; intelligence and photography.

Cardiff International Airport Masterplan 2015-2030 – CIA 2006

- 2.36 The Masterplan provides an indication of the Airport's expected needs in terms of land, development and premises over the period 2015 to 2030. Although nationally, air travel is predicted to increase threefold before 2030, only modest growth is expected at Cardiff Airport. Growth in passengers has steadied at 6.6 percent per year, compared to the UK average of 11 percent, made up largely of domestic flights rather than long-haul. Developments are therefore likely to comprise a re-organisation of existing floorspace and premises rather than land take-up.
- 2.37 No new terminal is planned, neither does it envisage a runway extension, only a taxi-

way extension. Increased land for aircraft parking is needed, but no indication is given as to the amount required.

2.38 Increased use of the Airport, mainly for short-haul flights, will incur extra parking pressures. However, no new land will be developed for car parks and the Airport will focus on a more intensive use of existing car parks, e.g. making them multi-storey.

2.39 WAG has recently commissioned consultants to undertake a comprehensive traffic study of the Vale. This will include identifying a new link from the motorway to the Airport (and to St. Athan). The favoured route should be confirmed in late 2008.

Community Strategy – Vale of Glamorgan Council 2003

2.40 The Vale of Glamorgan Community Strategy (2003–2013) details the local community's aspirations for the future development of the Vale. Key priorities of relevance to this study include:

- Reduce long term unemployment and increase economic activity
- Increase community enterprise in the areas of greatest need
- Upgrade the infrastructure and environment in establishing new employment areas
- Encourage inward investment whilst supporting existing businesses
- Strengthen and sustain rural businesses
- Extend the Waterfront to include land south of Barry Dock No.1
- Raise the profile of the Barry Waterfront and St. Athan developments
- Increase jobs in chemicals, aviation, tourism and other growth sectors
- Promote the Vale to the film and media sector.

Summary

2.41 An adequate provision of employment land is needed to promote local business growth, jobs and inward investment.

2.42 Many of the strategies recognise that high quality sites and premises are needed to promote higher-value sectors, attract modern businesses and inward investment, but there must also be a sufficient supply to support existing industries.

2.43 The development of RAF St. Athan as will have a significant impact on the local economy. Cardiff Airport has sufficient land to adequately cope with its expected growth in the LDP period. However both will have a strong impact on the Vale.

2.44 The needs of local communities, especially those of greatest need must be considered when reviewing the location and quality of employment sites. The Vale needs to capitalise on its proximity to Cardiff and also protect its natural environment.

3.0 BUSINESS PROFILE

Introduction

- 3.1 It is important to understand the nature of the economy in the Vale in order to provide suitable employment opportunities to allow sustainable growth. For example employment land should ideally be provided close to existing concentrations of businesses or in areas where companies want to locate.
- 3.2 This section, therefore, considers the size of the economy, where the businesses are, and what type of businesses they are. It also considers how things may change in the future, given that this report is assessing land provision for the period up to 2026.
- 3.3 By appreciating these aspects it is easier to facilitate economic development by allocating land in the correct locations.
- 3.4 The profile is a result of secondary research, drawing together a number of existing studies and background documents. It also uses demographic data to build the picture, given that there are no readily available answers to some of the key questions included in this section.

Demographic Assessment

- 3.5 The Vale of Glamorgan has 119,293 people (Census 2001), which is 4.1 percent of Wales' total. The population increased by one percent between 1991 and 2001, just below national levels, which grew by 1.2 percent. As Table 2 demonstrates, the population is concentrated in the towns of Barry, Penarth, Llantwit Major, Dinas Powys and Cowbridge, which together account for 79 percent of the total.

Table 2 – Population Distribution

Area	Proportion, percent
Barry	39.0
Penarth	18.0
Llantwit Major	12.0
Dinas Powys	7.0
Cowbridge	3.0
Rural	21.0

Source: Census 2001

- 3.6 72.1 percent of the working age population are in employment, compared to a national average of 71.1 percent and 74.2 for Great Britain (Annual Population Survey 2006). Unemployment (amongst the economically active) is 4.9 percent, below both national and Great Britain averages (Annual Population Survey 2006). Two super output areas in the Vale fall within the 10 percent most deprived in Wales, based on the 2005 Welsh Index of Multiple Deprivation. These are Castleland and Gibbonsdown in Barry.
- 3.7 The Vale, in general, has a relatively high skilled workforce, mostly employed in higher value jobs as Table 3 illustrates. Proportions of professional occupations are above the Wales' average, in particular for associate professional & technical occupations. Conversely the Vale has below average numbers of people employed in 'low skilled' occupations. This is likely to reflect the high number of people living in the Vale, who commute to Cardiff to work.

Table 3 – Employment by Occupation

Occupation	Vale of Glamorgan	Wales	Great Britain
Managers and senior officials	13.6	12.5	15.0
Professional occupations	12.9	11.3	12.8
Associate prof & tech occupations	18.8	13.4	14.3
Administrative and secretarial occupations	12.6	12.1	12.3
Skilled trades occupations	11.4	12.3	11.0
Personal service occupations	10.2	8.5	7.9
Sales and customer service occupations	5.4	8.3	7.6
Process, plant and machine operatives	5.7	8.9	7.4
Elementary occupations	9.4	12.4	11.3

Source: Annual Population Survey, year ending June 2006

Economic Activity

- 3.8 The Vale's economy is diverse and covers all sectors from agriculture to business and professional services, as shown in Table 4.
- 3.9 The manufacturing sector accounts for ten percent of all jobs in the Vale, below national and Great Britain averages. Likewise, jobs in Distribution, Hotels and Restaurants are below the national average. The Vale has a large service sector, accounting for 57.4 percent of jobs, compared to 49.2 in Wales.

Table 4 – Industrial Employment by Sector

SIC 92	Employment Structure, percent jobs		
	Vale of Glamorgan	Wales	Great Britain
Agric & Fishing	1.2	2.2	1.2
Energy & Water	1.9	1.1	1.0
Manufacturing	9.8	14.4	13.0
Construction	7.8	7.8	7.9
Distribution, Hotels and Restaurants	15.8	19.5	19.1
Transport & Communications	6.1	5.6	6.8
Banking, Finance & Insurance, etc	13.9	10.8	15.9
Public Administration, Education & Health	36.5	32.7	28.6
Other Services	7.0	5.7	6.2

Source: Annual Population Survey, year ending June 2006

Numbers and Sizes of Businesses

- 3.10 In 2005 there were 2960 businesses registered for VAT in the Vale. However, this will not pick up on very small companies operating below the minimum financial threshold, nor the corporate/national companies registered elsewhere. It includes approximately 30 percent of businesses in non-relevant sectors, e.g. retail. The Vale of Glamorgan Community Strategy estimates there to be a total of around 4600 businesses in the study area.
- 3.11 The Small Business Service data published in August 2006 identifies that nationally over 99 percent of all businesses are classified as small (up to 49 employees according to DTI definitions). This percentage includes micro businesses (up to nine employees) and indeed the growth in numbers of businesses in the UK over the last two decades has been fuelled by increasing numbers of sole traders and micro businesses.

Geographic Location

- 3.12 The bulk of businesses and employers are in the towns of Barry and Penarth, however the rural settlements play an important role (accounting for 36 percent of premises). Reasonable evidence of this is provided by Valuation Office hereditament statistics at Super Output Area (SOA) level for the Vale (Table 5).

- 3.13 St. Bride's Major has a surprisingly high number of units, but this includes Llandow Trading Estate and Vale Enterprise Park, both which are subdivided into lots of small units. Outside this SOA, there is a high propensity for rural businesses to occupy office space, especially in Cowbridge.

Table 5 – Valuation Office Hereditaments

SOA	Number of Units		Number of People Homeworking
	Factories/Warehouses	Office	
<i>Urban</i>			
004 – Llandough	74	7	412
005 – Penarth	69	85	566
007 – North Barry	-	18	289
008 – Sully	50	-	430
009 – East Barry	129	-	299
010 – West Barry	-	-	284
012 – Central Barry	59	83	402
013 – Central Barry	-	24	347
015 – Barry Island	160	41	316
<i>Sub-Total</i>	<i>541</i>	<i>258</i>	<i>3345</i>
<i>Rural</i>			
001 – St. Bride's Major	155	9	435
002 - Cowbridge	26	87	477
003 – Central Vale	30	9	574
006 – Dinas Powys	21	15	478
011 – Llantwit Major	20	29	472
014 – St. Athan	23	18	467
<i>Sub-Total</i>	<i>275</i>	<i>167</i>	<i>2903</i>
Total	816	425	6248

Source: Nomis, '-' data suppressed to protect confidentiality

Homeworking

- 3.14 In the Vale of Glamorgan, homeworking (those working from home either in their own business or as employees) accounts for 15.2 percent (6248 individuals) of the working age population (16-74 year olds). This figure is slightly higher than the level for Wales (14.2 percent). (Data comes from Census 2001)
- 3.15 There are generally more people working from home in the more rural parts of the Vale, particularly in Central Vale, as well as in Penarth.

Commuting

- 3.16 Annual statistics on commuting in Wales are available from WAG, the latest available being for 2005. The three local authorities with the highest levels of gross outward commuting are unsurprisingly those surrounding Cardiff (Caerphilly, Rhondda Cynon Taff and the Vale). 27,900 people commuted out of the Vale to work in 2005, half of its working population. Balanced against the inward commuters, the net flow is a loss of 14,500 people a year – 26 percent of the working population. Comparable to a similar local authority area such as Caerphilly where the net outflow is equivalent to 25 percent of the working population.

The Future

- 3.17 In conjunction with this economic forecast it is worth reiterating some of the findings of the Government's Foresight programme - a think tank predicting future trends and influences on the UK's socio-economic environment.
- 3.18 It expects that structural forces at work in the economy will create an explosion of SMEs (small and medium enterprises) in the near future. The UK has around 4.3 million such businesses. This rapid growth and change will be driven by:
- Revolutionary advances in computing and communication technologies, especially the internet. In three to five years broadband communications and digital convergence will revolutionise access to data and online services
 - Advances in other technologies such as material sciences and biotechnology
 - Growth in knowledge-intensive work supplanting labour-intensive industries
 - The rise of intellectual capital as the key value creation.
- 3.19 This will lead to new opportunities for SMEs. Many more will be in technology intensive sectors. Other opportunities will arise from large corporations outsourcing, unbundling or investing in start-ups. There will be parallel opportunities in the public sector – in health, caring services for the elderly and the disabled.
- 3.20 The size of the SME population will grow to at least 4.5 million by 2010. The majority of today's SMEs will not exist in 2010 and the majority of SMEs that will exist in 2010 do not exist today. This will obviously lead to very dynamic business profiles in all areas increasing the emphasis on planning policy to be equally dynamic and flexible.
- 3.21 We will also see new ownership patterns (with more companies owned by women, minorities, and people in their 20s and 60s); intangible assets as the main drivers of

value; SMEs acting in collaborative groups, in procurement for example; access to more financing options; and proportionately more companies trading internationally.

3.22 Although the industrial base in developed markets will continue to be eroded as jobs transfer to emerging markets, fears of the demise of Western manufacturing are unfounded. Developed manufacturing economies will still hold an advantage in high-value and capital-intensive activities; proximity to customers will also be critical for many.

3.23 This business growth predicted above, is happening to a limited degree in the Vale, as for example, there are now 2960 VAT registered businesses in the Vale of Glamorgan (latest data available is 2005), a 3.7 percent increase over the last five years.

Summary

3.24 The Vale has a relatively well skilled workforce, with more people in service sector occupations than the Welsh average.

3.25 There is evidence to suggest that a significant number of people work from home, particularly in the rural parts of the Vale. Equivalent to one in four of the workforce work outside of the Vale.

3.26 Most industrial and office premises are found in Barry and Penarth, but there are important rural concentrations at RAF St. Athan, Llandow Trading Estate, Vale Business Park, Cardiff Airport, Llantwit Major and Cowbridge – combined this rural area accounts for about a third.

4.0 PROPERTY MARKET – GENERAL

Introduction

- 4.1 Prior to analysing the Vale's property market by the individual components of sites, industrial and offices – we provide commentary relating to the study area as a whole. This comprises mainly comment from the public sector and other stakeholders and the analysis of existing monitoring data.

Welsh Assembly Government

- 4.2 The Vale of Glamorgan is considered to be a major part of Cardiff's commuter belt and a key location for the chemical sector and associated industries. The Vale has the opportunity to cater for the growth of the Cardiff property market. However, it is not an assisted area, unlike adjacent local authority areas and so is less attractive to inward investors.
- 4.3 The WAG has a number of landholdings in the Vale of Glamorgan including RAF St. Athan, and Hayes Wood (Barry), together with interests in the Innovation Quarter and Barry Waterfront. All have employment use allocations. Any developments supported by the WAG must meet BREEAM standards of excellence. The WAG is also currently proposing a major business park of national prominence, and strategically endorsed in the Wales' Property Strategy, on 40 ha of its land at Junction 33 of the M4. Located just outside of the Vale's border, this would have a significant impact on its property market. Cardiff City Council, Rhondda Cynon Taf Council, Bridgend Council and the Vale of Glamorgan Council have all objected to the proposal on the grounds of poor sustainability.
- 4.4 The WAG notes that there is little demand for offices in the Vale of Glamorgan, impacting on the lack of development at the Airport. Large areas of land at Barry Docks and the Chemical Complex are underused, not helped by the very long lease agreements offered on the land which are a deterrent to occupation. The WAG believes that there is a shortage of small offices and workshops in the Vale.
- 4.5 Table 6 shows enquiries received by the WAG for land and premises over the last five years. This has been provided for the whole of South East Wales as it not available at a local authority level. It is clear that demand for industrial premises far exceeds any other type of enquiry, 55 percent of all those received. The total number of enquiries has gradually risen over the last five years, although it did dip slightly in

2005/6.

Table 6 – WAG Enquiries by Type for South East Wales

Type	2001/2	2002/3	2003/4	2004/5	2005/6	Total
Office	213	227	260	277	229	1206
Industrial / Warehouse	393	385	541	558	478	2355
Land	131	107	143	114	115	610
Miscellaneous	20	33	35	0	0	88
Total	757	752	979	949	822	4259

Source: WAG

- 4.6 The enquiries are shown in Tables 7 and 8. There are two popular sizes of industrial unit: 25 percent of the enquiries were for 0-464 sqm units, 20 percent for 1858-4645 sqm premises. The bulk of the office enquiries (58 percent) were for units of up to 464 sqm.

Table 7 – WAG Enquiries by Size for South East Wales 2001-2006

Type	Size Band, sqm						Total
	0-464	465-929	930-1858	1859-4645	4646-9290	9291+	
Industrial / Warehouses	629	383	394	525	264	160	2355
Offices	706	168	132	149	40	11	1206
Miscellaneous	42	13	8	14	9	2	88
Number	1377	564	534	688	313	173	3649

Source: WAG

- 4.7 The scenario is similar for land. 65 percent of enquiries were for plots of up to two hectares.

Table 8 – WAG Land Enquiries by Size for South East Wales 2001-2006

Type	0-2 ha	2-4 ha	4-6 ha	6-8 ha	8-10 ha	10-20 ha	20 + ha	Total
Land	395	100	29	29	8	19	30	610

Source: WAG

- 4.8 These results tally with anecdotal evidence from Business Eye, a business information and support service funded by the WAG. It reports that most businesses seeking support in the Vale of Glamorgan are small and locally based, but then its remit is to

focus on this market segment. Most are looking to expand their premises but are restricted by a lack of choice and land availability. This has forced many to leave the Vale, often attracted to grant assisted areas in Bridgend and Swansea.

RAF St. Athan

- 4.9 RAF St. Athan has been selected to host a MOD Training Academy, which is expected to create 4000 additional jobs. Metrix has produced a masterplan (summarised in Section Two) for the site, but as yet the precise arrangements are still to be agreed. It is hoped that the site design process will begin in October 2007, with planning applications submitted in early 2008, leading to completion in 2013. The site is owned by the WAG and leased to the MOD.
- 4.10 The WAG is proposing an Aerospace Centre of Excellence at RAF St. Athan to complement the proposed MOD Training Academy, and help expand the aerospace cluster in South East Wales. It is hoped that this will create a further 2000 jobs. The business park will be developed over the next 15 years. Three companies have been attracted to existing buildings, and there are a further 16 strong enquiries for the new business park. The non-core business park could extend to some 60 ha, which will accommodate related businesses, looking to use the complex's facilities and knowledge base and spin-offs from the businesses working there. According to Defence Estates there will be a mix of blue chip companies attracted. Some looking to use the specialist facilities, those wanting to be linked to the high class training and skilled employees taught at the facility, and other spin-offs and supply chain organisations. It will be a leading centre of excellence accommodating businesses across the high-tech sector.
- 4.11 Once the plans have been finalised the WAG will carry out an economic impact study of the proposed development. However the impact on the local economy is expected to be substantial. For example the construction bill alone will run to £1 billion, while catering for the 10,000 people there will cost £1 billion per year.
- 4.12 Development of RAF St. Athan will generate significant traffic. It is proposed to improve access to the complex. WAG has recently commissioned consultants to undertake a comprehensive traffic study of the Vale. This will include identifying a new link from the motorway to St. Athan (and to the Airport). The favoured route should be confirmed in late 2008.

Inward Investment

- 4.13 Capital Wales (part of SEWEF) is a partnership set up about five years ago to manage inward investment enquiries for ten local authorities in South Wales. Over the last five years, they have received 1192 enquiries from companies looking to locate to South Wales. Of these only 11 chose to pursue locations in the Vale (just under one percent). The perception is that the Vale loses out to Newport, Cardiff and Objective 1 assisted areas in Bridgend, Port Talbot, the Valleys and Swansea.
- 4.14 Of the 11 companies that expressed an interest in the Vale of Glamorgan, one has moved to the Innovation Quarter in Barry, two others are expected to start up in the next 18 months and eight have not come to fruition.
- 4.15 Despite the low level of inward investment in the Vale, a number of business sectors are emerging. Biodiesel producers (either through imported palm oil or re-processed food waste and animal fats) are interested in the Vale of Glamorgan for its deep-water ports, proximity to Cardiff, and links to existing chemical and energy industries. The Vale may also benefit from the national growth of creative industries (knowledge intensive and media related companies), particularly evident at Culverhouse Cross (where ITV has offices).
- 4.16 The Vale has also recently secured a £14 billion investment at RAF St. Athan which is expected to create 4000 new jobs on-site and a further 1500 jobs off-site. The proposed aerospace park should also attract investment, in fact the WAG has 16 companies already interested in setting up operations there. Airbus Cimpa has now reached agreement with the WAG and MOD to use the ex-DARA super hangar at St. Athan for a two year period, whilst they commission and build a replacement structure on the south side of the runway. Airbus Cimpa expects to create 100-300 highly skilled jobs at this site.
- 4.17 However, it should be recognised that inward investment has changed from the 1980s scenario. No longer is it mainly about major multinationals investing millions in major manufacturing plants, although this does exist to a degree, e.g. the recent £8 million expansion programme at the Sogefi plant in Llantrisant. The situation has moved onto acquisitions and joint ventures, and smaller, service sector investments, e.g. regional sales offices, consultancy practices. Consequently the situation, and any success, is much harder to track. However this market is one, which the Vale should be able to benefit from.

4.18 The Vale remains a rural and peripheral area when compared to other areas in South Wales, although several major transport routes pass through it. The Vale lacks any large population centres or prestigious employment sites that could potentially attract inward investment. However, it continues to benefit from the presence of leading chemical companies such as Dow Corning. The Vale will also benefit from investment at Culverhouse Cross, and a premier business park planned at Junction 33 (even though just outside the Vale) – which although would provide jobs for the Vale’s residents, may have a negative impact on inward investment and job creation locally.

Vale of Glamorgan Council

4.19 Table 9 details property enquiries to the Council over the last five years. It should be noted that small businesses are more likely than large companies to contact the Council about their premises requirements, and so the enquiries are likely to be skewed a little. Unfortunately prior to 2004 enquiries were not recorded by type as stringently as they were in later years.

4.20 In line with the economic and employment characteristics highlighted in the Business Profile (Section Three), there is a very definite emphasis towards industrial need. Between 2002 and 2007 the Council received almost 521 enquiries. Of those, where type is known, 74 percent were for industrial property or land (the land requirements will usually be for industrial). Only 26 percent were for offices. Although not itemised in the table, anecdotally the Council report that it receives a fair number of enquiries for small freehold development plots.

Table 9 – Vale of Glamorgan Council Enquiries by Type

Type	2002/3	2003/4	2004/5	2005/6	2006/7	Total
Industrial / Warehouses	26	21	97	68	61	273
Offices	5	6	20	24	40	95
Not specified	47	61	6	19	20	153
Total	78	88	123	111	121	521

Source: Vale of Glamorgan Council

- 4.21 The key characteristics are:
- Industrial is the dominant market
 - Three times as many industrial as office enquiries.

4.22 As Table 10 below shows, most enquiries are for premises at the smaller end of the spectrum:

- 87 percent of office enquiries for premises below 92 sqm
- 90 percent of industrial enquiries for premises below 464 sqm
- Only three percent of enquiries were for premises above 929 sqm.

Table 10 – Vale of Glamorgan Council Enquiries by Size 2002 - 2007

Type	Size Band, sqm							Not known	Total
	0-92	93-464	465-929	930-1858	1859-4645	4646-9290	9291+		
Industrial / Warehouses	169	77	15	6	5	0	0	1	273
Offices	83	10	1	0	1	0	0	0	95
Not specified	130	17	1	2	2	0	0	1	153
Number	382	104	17	8	8	0	0	2	521

Source: Vale of Glamorgan Council

Barry Waterfront

4.23 A partnership of Associated British Ports (ABP), WAG, the Council and Barry Regeneration Partnership are leading the redevelopment of Barry Waterfront. This 76 ha area is adjacent to Barry Dock No.1. The proposals comprise a mix of housing, commercial, retail and leisure uses. As yet, the amount of land to be dedicated to employment use is not known.

4.24 The Waterfront includes the Innovation Quarter, a 7.6 ha site, that already contains a Business Support Centre and Skills Centre. There are proposals to develop the remaining derelict buildings and undeveloped land for leisure, community and office uses. This includes a 0.8 ha site earmarked for offices. The area may also be extended to include a further 1.6 ha for a Lifelong Learning Centre. However, the WAG is keen to develop the rest of the Waterfront before proceeding with the Innovation Quarter proposal.

Associated British Ports

4.25 ABP own Barry Docks and Waterfront, which together total approximately 80 ha. Barry Docks, although comparable with Cardiff Port, differ in lock size and industry but remain strongly linked. Barry Docks is now, almost exclusively, allied to the chemicals sector.

- 4.26 Dow Corning is the largest company in the chemical complex and owns its own site. The remainder is leased to BP Chemicals who sub-let to a number of smaller chemical companies. BP no longer have an operational interest there. This is symptomatic of the long term downscaling of the industry as a whole in South Wales. The strategic development of this area is therefore being investigated by ABP in partnership with the WAG.
- 4.27 ABP own five key employment sites that at present are undeveloped. Only one is part of the Waterfront regeneration. The remainder are either to be kept as a buffer zone to the chemical complex, are too costly to be developed (flood mitigation) or will be kept in their current use (low-grade warehousing). ABP no longer has property development as one of its core objectives and so together with the WAG, are currently selecting a developer for the Waterfront. ABP also lease land to the Woodham Brothers who have 23 industrial units, ranging from 227 to 385 sqm on Woodham Road in Barry.

Cardiff International Airport

- 4.28 Abertis own Cardiff International Airport, creating (directly and indirectly) employment for some 2250 people (in peak season). The Airport sits adjacent to a number of employment sites, some of which have been developed and occupied by airport related and leisure uses. Barry College has an aero-engineers training facility there. BA Maintenance is also a key employer there. There is also a Holiday Express Inn, which has deterred development of a site east of the existing freight unit, which has planning consent for a hotel. Hines, a developer, has also speculatively bought land adjacent but as yet has no planning permission.
- 4.29 Abertis is working with the Council to develop a business park on this Council-owned land. To date commercial interest has been limited due to the area's poor infrastructure and support facilities. Although passengers are expected to increase threefold to eight million by 2030, this will be dominated by short-haul leisure passengers and so few extra support services will be needed. Some of this may need to be accommodated at the proposed business park (e.g. administration units, cargo sheds) but the demand is likely to be minimal. Consequently, Abertis see that there is no need for further employment land at the Airport, either air- or land-side over the next 5-10 years. Although it would like to shift some non-core air-side uses to the business park land to free up space around the Airport to make management and movement easier.

- 4.30 Access to the Airport and RAF St. Athan is proposed to be improved. WAG has recently commissioned consultants to undertake a comprehensive traffic study of the Vale. This will include identifying a new link from the motorway to the Airport (and to St. Athan). The favoured route should be confirmed in late 2008.

Chemical Industry

- 4.31 The chemical complex at Barry accommodates approximately eight companies. The sector is capital intensive, but still employs in the region of 800 people. The largest of these are Dow Corning, Hexion and Cabot Carbon. Each has been contacted and their sizes summarised in Table 11.

Table 11 – Chemical Companies at Barry

Company	Jobs	Site Size, ha	Surplus Land, ha
Dow Corning	600	64.0	0
Hexion	103	-	6.0
Vopak	11	6.8	2.2
Cabot CMP	21	0.2	0
Cabot Carbon	75	-	-
Ineos	53	13.8	8.0
Total	863	84.8	16.2

Source: BE Group

- 4.32 The complex comprises 137 ha, of which 73 ha is owned by ABP and 64 ha by Dow Corning. The complex is characterised by large areas of under-used land and vacant premises. 16.2 ha (12 percent of the complex area) has been identified as surplus to requirements by Hexion, Ineos and Vopak alone. Cabot Carbon could not be contacted. Further land alongside Hayes Road, formerly used by Dow Chemicals (who closed 18 months ago) and Cognis (in the process of closing) is also vacant. Much of this land is of low quality, being difficult to access and utilise in the context of the surrounding chemical operations. However there may be scope for redevelopment in the future – depending on the prospects of the chemical sector.
- 4.33 The UK chemical market grew by 2.1 percent between 2001 and 2005. Despite this, inward investment has been low in recent years, although re-investment has been occurring. This situation is symptomatic of the general economic malaise in the sector – the UK is not missing out to other locations. What inward investment there is, is focused in the North East, Yorkshire and the North West of England, which contain the UK's main chemical clusters. Although other regions in the UK do have chemical

sectors, including South Wales, there is not the same intensity of clustering.

ITV Wales, Culverhouse Cross

- 4.34 ITV Wales has submitted an application to develop a media-led business park at Culverhouse Cross. £2.6 million is to be invested drawing in 17.3 ha of adjacent farmland, to expand the site for the growing media and creative industries sector and to provide a high quality headquarters for ITV Wales. The proposals also include 212 residential units and two hotels (totalling 8840 sqm).
- 4.35 ITV Wales currently employ 200 people on their 7.3 ha site. They occupy only a third of the existing property (16,250 sqm), most of the rest is vacant. Although they do sublet some space to a number of media businesses such as Barcud Derwen, A2D, Antena and Birchfield.

Vale Rural Partnership

- 4.36 The Vale Rural Partnership, branded 'Creative Rural Communities' was set up in 2003 to facilitate the regeneration of the rural Vale. A new Local Development Strategy has recently been produced and, subject to funding being made available from the WAG, will add considerably to the incentives currently available for business development.
- 4.37 Although demand is focused on the larger towns, there is need in the rural communities. 85 percent of land in the Vale is rural, of which the proportion used for agriculture has declined significantly in recent years. There are now, reportedly, almost no longer any full-time farmers in the Vale (because so many have other jobs, or are running sideline businesses) and higher than ever numbers of young people are leaving the industry.
- 4.38 Despite this change in the rural economy, there are few farm conversions. Those farms that have diversified include Penllyn Estate Farm at Cowbridge and Greenway Farm at Bonvilston, which provide workshops and secure storage. Ty-fry Farm at St. Georges-Super-Ely would reportedly like to create some small offices.
- 4.39 There are four likely reasons why there are not more farm conversions: high prices in the residential market are encouraging farm owners to convert properties for housing rather than employment uses; a lack of grants to support the costs; planning constraints; and the nature of the rural roads which make access difficult away from

the key routes.

- 4.40 Existing demand for rural employment land is largely met by Llandow Trading Estate and Vale Business Park which cater mainly for local businesses. Llantwit Major and Cowbridge are important as well. Because of a lack of property transactions in these areas, and dispersed population no specific comments can be made. There is no pattern to this demand, nor areas of obvious greater or lower need.

Business Eye

- 4.41 Business Eye is funded by the WAG, and is an information, support and guidance service for businesses in the Vale of Glamorgan. Most businesses seeking support in the Vale are small and locally based. Most are looking to expand their premises but are restricted by a lack of choice, land and premises availability. Many have left the Vale as a consequence, attracted to grant assisted areas in Swansea and Bridgend.
- 4.42 Inward investment in the Vale is minimal, although Business Eye rarely have contact with businesses looking to relocate to the Vale. However, it is clear that what inward investment there is, is dominated by small businesses. Business Eye has recently assisted a national company to move to Llandough Trading Estate, which it is estimated will create up to 25 jobs.

Property Supply

- 4.43 A schedule of the vacant floorspace being marketed in the Vale (as at April 2007) has been compiled from property databases, a trawl of commercial property agents and consultation with other stakeholders. The schedules for industrial (including warehouses and workshops) and offices have been included in Appendix 2.

Industrial

- 4.44 Table 12 shows that there is 30,410 sqm of vacant industrial floorspace, made up of 42 properties, with significant numbers of premises of 93 to 1858 sqm.

Table 12 – Amount of Vacant Industrial Property

Size Band, sqm	0-92	93-464	465-929	930-1858	1859-4645	4646-9290	9291+	Total, sqm
Floorspace, sqft	157	1263	2724	8288	4776	13,202	0	30,410
Number	2	10	10	13	3	4	0	42

Source: BE Group

4.45 Nearly half of these properties are in the west of Vale, at Llandow Trading Estate and Vale Business Park, where 20 units are vacant. Other concentrations are on Llandough Industrial Estate, Penarth and Ty-Verlon Industrial Estate, Barry (see Table 13). Most of the space is of moderate quality, although buildings on Llandow Trading Estate are low grade, tertiary accommodation. There are three schemes with property that achieve a 'good' grade – West Point Industrial Estate in Penarth, Westwinds Industrial Estate in Llangan and Atlantic Gate Estate in Barry Docks. Together, four units are available there. There is also Vale Business Park, which although largely comprises moderate and some budget quality units, does have a few good quality premises. Ten units are available there. Only two of the 42 properties are available freehold.

Table 13 – Location of Vacant Industrial Property

Area	Number
Vale Business Park, Cowbridge	10
Llandow Trading Estate, Cowbridge	10
Ty-Verlon Industrial Estate, Barry	8
Llandough Industrial Estate, Penarth	5
Westwinds Industrial Estate, Llangan	2
Palmerston Trading Estate, Barry	2
Atlantic Trading Estate, Barry	2
Llantwit Major	1
Tair Onen, Cowbridge	1
West Point Industrial Estate, Penarth	1

Source: BE Group

Offices

4.46 Table 14 shows that there is 1663 sqm of vacant offices, most of up to 92 sqm. There are none larger than 603 sqm.

Table 14 – Amount of Vacant Office Property

Size Band, sqm	0-46	47-92	93-464	465-929	930-1858	1859+	Total, sqm
Floorspace, sqm	90	373	270	327	603	0	1663
Number	5	6	2	1	1	0	15

Source: BE Group

- 4.47 Only two of these are available freehold. Seven of the 15 available offices are at Vale Business Park, three are in Penarth, three in Barry and one in Cowbridge. The last is the largest unit (603 sqm) – the former Zeon premises on Sully Moors Road. All the offices are of moderate quality, none are particularly modern or prestigious in nature. It should also be added that companies can also find small office suites at one of three small business centres in Barry – Vale Enterprise Centre, the Business Service Centre or The Business Centre (reviewed in Section Five).

Valuation Office Data

Industrial

- 4.48 According to Valuation Office (VO) statistics there are 840 hereditaments in the Vale, totalling 652,901 sqm. Out of all this space there are 42 vacant premises (known about/currently marketed) totalling 30,410 sqm (from Table 12 above). This suggests an overall vacancy rate for the Vale of 4.5 percent by floorspace, 5.0 percent by premises numbers.
- 4.49 The VO data also shows that the average size of premises is 777 sqm, just below the Wales' average (Table 15).

Table 15 – Valuation Office Statistics 2005 – Factories and Warehouses

Area	Number of Hereditaments	Total Floorspace, sqm	Average Size, sqm
Wales	27,224	22,462,198	825
Vale of Glamorgan	840	652,901	777

Source: Valuation Office

Offices

- 4.50 There are 436 office hereditaments in the Vale, totalling 75,000 sqm. Out of all this space there are only 15 vacant premises (known about/currently marketed) totalling 1663 sqm (from Table 14 above). This suggests an overall vacancy rate for the whole Vale of 2.2 percent by floorspace, and 3.4 percent by premises numbers.

Table 16 – Valuation Office Statistics 2005 – Offices

Area	Number of Hereditaments	Area, sqm	Average Size, sqm
Wales	14,699	3,740,560	254
Vale of Glamorgan	436	75,000	172

Source: Valuation Office

- 4.51 Table 16 also shows that the average size of premises is 172 sqm, two thirds of Wales' average.
- 4.52 The VO defines 18 percent of offices in Wales as 'non-commercial', which is roughly the same for the Vale of Glamorgan (17 percent). This indicates an equal proportion of public sector offices in the Vale, as in Wales.

Modern Occupier Needs

- 4.53 At this stage we consider what modern businesses are looking for in terms of their property, as well as those developers providing space for them. These are general comments and apply across the UK, as well as the Vale of Glamorgan.
- 4.54 There are two key property sub-markets to consider in understanding the demand for premises. The first is the demand from companies looking for sites for their own occupation; the second, which is necessarily derived from the first, comes from specialist property developers who will provide solutions for these companies.
- 4.55 Most end-user companies looking for accommodation prefer occupying an existing building to either organising the construction of one for themselves or entering into a design and build agreement with a developer. This is due to the management time and hassle involved; while it is also difficult to rationalise and visualise such an important acquisition off-plan.
- 4.56 Having premises built requires a long lead-time to cover the planning, negotiation and construction time involved. Furthermore not every company wants a brand new building, partly because they are generally more expensive than second hand ones.
- 4.57 However the recent combination of low interest rates and the depressed stock market has led to an unusually large number of companies looking to own their premises. One route to achieving this is by developing their own site, especially if they cannot find a suitable freehold property. Nationally most requests are for small sites of less than an acre in size.
- 4.58 Although design and build options can be convenient, they are quite expensive because the controlling developer makes its profit not only on the land sale, but also on managing the building process. Consequently if the company is able, they prefer to buy land direct and organise building contractors themselves. This is especially the

case with lower value added industries where high quality buildings are of secondary importance. However without strong planning control this scenario can lead to business areas of lower aesthetic value and layout.

- 4.59 Developers acquiring sites consider the nature of the market, as outlined above, as well as the potential for speculative development, i.e. riskier, supply-led, rather than demand-driven construction.
- 4.60 They also prefer to acquire prominent, (easy to develop) greenfield sites close to arterial roads or motorways because irrespective of sustainable transport policies, private transport still predominates. They naturally want land that is attractive to end-users.
- 4.61 Furthermore property development is intensely entrepreneurial and extremely price sensitive. So although land may be available on the open market, if it is at too high a price, then the developer will not acquire it.
- 4.62 Following on from this, it is worth commenting about the needs of companies operating in South East Wales' target cluster sectors (e.g. high technology, automotive, aerospace, agri-food, tourism, financial services and creative industries). Contrary to common belief, it is only a very small percentage of companies that need specialist property of one form or another, whether that be a food processor requiring special drainage systems or an medical technologist needing laboratory space.
- 4.63 Far more important for the high technology, knowledge economy growth sectors is the availability of skilled labour supply, networking opportunities, training and business support. Their property needs are very similar to the vast bulk of the business population.

Emerging Trends

Industrial

- 4.64 Occupiers are generally looking for smaller premises as average company size continues to decrease. In line with a healthy economy, rising aspirations and a concentration on higher value added activities companies are looking for higher quality accommodation. This means specifically dedicated, self-contained, secure yard areas, and for units over 1858 sqm the trend seems to be at least one dock level loading bay and a 40 metre turning circle to allow heavy goods vehicles access into

in the region, which pushes up rentals by £0.50-1.00/sqft on average. Furthermore occupiers (looking for more than 186 sqm) tend to want self-contained premises, i.e. their own front door, toilets, reception, utilities, etc

- 4.71 Car parking remains a big problem for occupiers everywhere as the public sector try to limit spaces in response to the sustainability agenda. The lack of public sector control means they cannot rely on public transport especially in rural areas and there is a strong demand for car parking space. Developers are starting to charge per car park space in major cities, and this is now hitting city outskirts.
- 4.72 Freehold demand remains strong as a result of the continuing low interest rates, poor stockmarket pension performances and increased private sector interest in property investment. This has resulted in an overheated investment market, rising values, lowering yields and lead to response from property developers that are now more willing to offer speculative, freehold buildings. Aside from this, on the leasehold side, there is increasing demand for relatively short leases (one to three years), which helps account for the increasing popularity of serviced offices.
- 4.73 In the currently tight job market and with increasing employee legislation, organisations are taking more care of their staff in ensuring accommodation is close to amenities, especially retail and leisure facilities.
- 4.74 Higher quality occupiers, especially those linked to the Regional Economic Strategy's growth sectors will be concerned about access to an appropriate pool of skilled labour, which will drive demand towards research facilities and higher education institutes.
- 4.75 Property will need to be increasingly flexible to accommodate research-based manufacturing space as more complex processes develop, but still within an office environment.
- 4.76 International access and clustering around like-minded companies will also drive demand to key business park locations, with good availability of 'white collar', knowledge-based, skilled staff. However certain businesses will require a central conurbation, those in the professions, creative industries, where face-to-face contact is important or where public transport is important to attract staff.

Summary

- 4.77 The Vale of Glamorgan has a small, insular, local property market concentrated on expanding companies relocating from within the Vale. There is limited inward investment, based on the Vale's slightly isolated and rural location; lack of large settlements; the fact that it falls in the shadow of larger neighbouring centres; and a more favourable grant regime elsewhere.
- 4.78 Industrial need outweighs office need very substantially. In fact the office market is very limited.
- 4.79 Most requirements are for property in the smaller size range, up to 92 sqm offices; 464 sqm industrial; and two hectare plots. Although there are available options in these property size bands, there is often a general mismatch of supply and demand in terms of location, tenure and quality. For example a surplus of low quality premises in the west of the Vale, and not enough in Barry; a shortage of 0-93 sqm industrial units; and a lack of freehold units. There are also few large offices available (above 186 sqm).
- 4.80 Modern businesses (and developers) want easily developable, accessible, prominent sites for their premises. A healthy property market will have a mix of options: speculative development, design and build schemes and freehold plots for owner-occupiers to self-build. However property development is entrepreneurial, and not every company (looking for space) can realistically be satisfied all the time. The property market, by its nature is inherently imperfect. Companies generally move from existing property to provide themselves with better, more efficient, cost effective accommodation of the appropriate size. These factors are incorporated (along with others) in the sites scoring system used in Section 7.0.

5.0 PROPERTY MARKET– ANALYSIS

Introduction

- 5.1 This section considers the supply and demand conditions in the property market in the Vale. It is important to consider this as a prelude to understanding the need for land, as the demand for land is essentially derived from the demand for property.
- 5.2 The analysis is broken down into two sections: industrial and offices. Industrial space, in this instance, refers to accommodation for manufacturing, storage, distribution and warehousing purposes, together with smaller workshop premises.
- 5.3 These findings are from consultations with private sector stakeholders.

Industrial

- 5.4 The stakeholders consulted made a wide range of comments covering all aspects of the market. To best illustrate the weight of feeling their views have been summarised in Table 17.
- 5.5 There are two key markets in the Vale, dictated by unit size and location. The first is for reasonably cheap, smaller accommodation of less than 186 sqm, for new firms or those expanding from homeworking. The second is for better quality grow-on, 186 to 465 sqm industrial property in good locations, to allow existing businesses to expand and grow.
- 5.6 Demand is strongest along the A4232 corridor (West Point and Llandough Trading Estates) and the closer to Cardiff better. Barry is beginning to see improvements as a result of the regeneration taking place there.
- 5.7 However the property market across the Vale is very limited, both supply and demand are at a very low level. Those consulted believe there is a shortage of good quality property in all areas.

Table 17 – Property Market Stakeholder Comments – Industrial

Contact	Comment
National Agent	There is a lack of industrial sites and land available for development in Barry, Penarth, Cowbridge and Llantwit Major. Currently marketing very few premises in the Vale of Glamorgan but industrial enquiries are mainly for freehold units at Barry Port and Atlantic Trading Estate of between 93-278 sqm. Leasehold

Contact	Comment
	premises are less attractive than freehold. West Point and Llandough Estates are very popular but almost full. Land at Atlantic Trading Estate is attractive. A number of developers are interested and would like the Council to sell its land. Llandow Trading Estate and Vale Business Park are too remote and only of interest to local businesses.
Local Agent	There is a shortage of land and freehold properties in the Vale. Leasehold properties stick, particularly older buildings. Most enquiries are for industrial units of between 93-465 sqm.
Local Agent	The Vale has an insular property market, which is dominated by local businesses. Even though they are a local agent they still do not get many enquiries for the Vale. Most businesses are looking for freehold industrial units of around 93 sqm. There is no evidence of businesses spilling over to the Vale because they can't find what they want in Cardiff. Llandow Trading Estate and Vale Business Park are very isolated. Units over 930 sqm are difficult to let.
Regional Agent	Are only marketing a few premises in the Vale at the moment. Units of 93-372 sqm go quickly to local businesses. Freehold is more popular.
National Agent	The Vale is very rural and caters mainly for local businesses. The property market in Barry is largely self-contained but a lack of quality sites is increasingly an issue. Llandough and Westpoint Industrial Estates are popular and are perceived to be part of Cardiff. Surprisingly Llandow Trading Estate is popular and gets quite a few enquiries, despite its low quality.
National Agent	The Barry property market is low grade and not attractive. It has poor access and is the wrong side of Cardiff. Developers are only interested in areas north of Barry and nearer to Cardiff. There is a shortage of small freehold industrial units. Existing schemes generally have high occupancy rates – the local economy is strong and demand is there. Demand for small freehold units is adversely affecting quality however, as large estates are broken up with no overall management. The market is supplying the demand, but there is a shortfall of land being brought forward in the right locations for development. Land needs to be cleared and prepared to encourage small local developers. More land must be sold to developers. There needs to be a substantial scheme in the north-east of the Vale to help the local economy. Development sites in Barry should be restricted to three to five acres, to attract private sector interest.
Regional Agent	There is a shortfall of employment sites and premises. Developers are put off Vale as profit margins are slim and there is no guarantee that they can sell or let the units. Access and poor road infrastructure are the main problems. The Vale is affluent and rural and people want to keep it that way. Small yards and units up to 929 sqm are always in demand.
National Agent	Demand is mainly for freehold units around 93 sqm. Receive about three enquiries a month. There is very poor access to Barry, which puts developers off. There is very little employment land available and few schemes with suitable units. Quality and location are the most important factors. Llandough and Penarth Trading Estates are the most popular but are mostly full.

Contact	Comment
Local Agent	Demand for leasehold and freehold units is fairly equal in the Vale. No knowledge about the supply of employment sites or issues relating to access and quality of industrial estates.
National Agent	Quite a lot of interest for open storage sites from businesses who are expanding, or who are moving into the Vale. There is generally little activity in the Vale so it is hard to comment. South East Wales is dominated by Cardiff and Bridgend. Developers are interested in providing small schemes of industrial units of between 140-372 sqm.
Regional Agent	Although agents for South Wales, generally has very little knowledge of the property market in the Vale as there is very little activity here.
Regional Agent	Areas of Atlantic Trading Estate have been dilapidated for years and are not attractive to investors. Land owners need to sell land to developers. There are some good quality, newer units on the Estate which are letting well. Most enquiries are from local businesses, 75 percent want freehold and most want industrial properties of up to 186 sqm. Access to the Airport needs to be improved, in order to attract national companies and inward investment.
National Agent	Enquiries are generally for industrial units of 93-465 sqm. Freehold and good quality, new units are more popular.
National Agent	There are not many enquiries for the Vale, as area is dominated by Cardiff and Bridgend. What demand there is, is from small local companies for industrial units ranging from 93-465 sqm with a roller shutter door, loading area and ancillary offices.

Source: BE Group

- 5.8 Demand is highest in Penarth and Barry because both have fairly good road links, i.e. A4232, and are close to the main economic centre of Cardiff. More isolated towns such as Cowbridge and Llantwit Major have a much more limited property market. For this reason, Llandow Trading Estate and Vale Business Park are less popular, although the latter is one of the few locations with both modern industrial units and offices.
- 5.9 The Vale is generally a local market. It proves quite difficult to attract new companies into the area, even from the rest of South Wales who prioritise more beneficial grant assisted areas above the Vale.
- 5.10 There is also a real lack of freehold space. The strong demand for this type of property is a relatively recent phenomenon influenced by low interest rates and the underperformance of the stockmarket (this may begin to change following recent interest rates hikes). This is driving two areas of demand. Firstly, company owners investing their pension funds into their business' property rather than the equity

market in anticipation of greater gains. Secondly, private property investors expanding their residential buy-to-let portfolios by acquiring commercial interests.

5.11 In Table 18 we illustrate the performance of a sample of self-contained industrial schemes in the Vale. Due to the general shortage of property in the Vale, most have high occupancy rates.

Table 18 – Vale of Glamorgan Industrial Schemes Performance

Property Scheme	Total Floorspace, sqm and Number of Units	Unit Size Range, sqm	Occupancy Rate, percent	Comments
West Point Trading Estate, Penarth	25 units	1114 - 1393	100	Popular location Recent voids have let very quickly
Llandough Trading Estate, Penarth	14,864 22 units	469 - 841	79	Currently building more units for small businesses
Ty-Verlon Estate, Barry	4097 19 units	46 - 386	68	A popular estate, at least ten enquiries a month Unusual to have so many vacant units Large units don't let easily
	5709 3 units	1467 - 2496	79	93 sqm most popular size
	2787 6 units	278 - 836	100	There is also Hamard House – large vacant offices with ancillary workshop
Atlantic Trading Estate, Barry	1509 9 units	99 - 658	57	Low quality Under-used land
Atlantic Gate Atlantic Trading Estate, Barry	1549 7 units	99 - 700	92	Good quality
Palmerston Workshops, Barry	1480 19 workshops and 3 offices	27 - 96	80	Owned by Lear Group
Llandow Trading Estate, Llandow	91,069 55 units	74 - 4645	88	Tertiary, low grade accommodation
Westwind Industrial Estate, Llangan	1150 6 units	191	66	Good quality but isolated

Property Scheme	Total Floorspace, sqm and Number of Units	Unit Size Range, sqm	Occupancy Rate, percent	Comments
Vale Business Park, Llandow	60,405 154 units	4 - 4645	88	Very few requests for large units Mixture of office and industrial
Woodham Units, Barry Docks	6837 approx. 23 units	231 - 385	90	A vacant property is to be divided into three, to cater for increasing requests for 140 to 185 sqm units

Source: BE Group

Offices

5.12 Comments for the office market were few and far between. It is generally felt that there is very little office property available in the Vale, and what there is, is taken up by the public sector or restricted to small offices above shops in Barry. There is no demand for large offices (above 929 sqm). Some large offices have stood empty for a number of years (e.g. former Zeon offices on Sully Moors Road, Hamard House at Ty-Verlon Industrial Estate). What demand exists, is for small office suites mainly from small start-up businesses. However, even demand for small office units is minimal, particularly at Vale Business Park where seven units of less than 93 sqm are vacant. Additional comments received are noted in Table 19.

Table 19 – Property Agents Comments – Offices

Contact	Comment
National Agent	The office market in South Wales is focused on Cardiff and Bridgend – very little happens in the Vale of Glamorgan. Culverhouse Cross is the main area for offices in the Vale. There are three office schemes soon to be developed at Waterton Cross just over the border in Bridgend which will compete for Vale occupiers. Development is difficult in the Vale as it is too reliant on the M4 and A48. There are six or seven office parks along the M4 corridor, just outside the Vale which caters for office demand. However, there is potential for a small office scheme (perhaps 929 sqm two storeys) at Barry Waterfront.
Local Agent	There is no office market in the Vale but in Caerphilly, two schemes (approx 9290 sqm) have recently been built to meet demand for offices between 464 to 1114 sqm.
Regional Agent	Cardiff Airport will not attract offices as it is poorly connected. Culverhouse Cross is the best location for offices. Overall, there is a shortage of small freehold offices. Existing schemes generally have high occupancy rates – the local economy is strong and demand is there – because of the shortages.
National Agent	There is no office market in the Vale. There is very poor

Contact	Comment
	access to Barry, which puts developers off. There are few suitable office locations and very few schemes. Quality and location are the most important factors.
National Agent	Very little interest for offices, especially units larger than 557 sqm. There is very little activity in the office market in the Vale so it is hard to comment. Office market dominated by Cardiff and Bridgend.
Regional Agent	The company has recently let three small offices which found occupiers within six to eight weeks. Other than that, have very little knowledge of the Vale's property market as very few transactions take place.
Regional Agent	There is no office market in the Vale as there are very few properties available. Offices above shops are not sought after.
National Agent	Are marketing one office property (278 sqm) for which have received five enquiries in six months. There are very few enquiries for offices in the Vale, all local businesses. Most offices are occupied by the public sector. A few developers are interested in small office schemes but there is very little suitable land available. A significant development will be units for media companies (ranging from 46 to 929 sqm) at Culverhouse Cross. A further 2322 sqm is being developed at St. Hilary Court, of which 650 sqm is already pre-let to a housing association. As yet, there is no spill over from Cardiff's office market which remains quite self-contained.

Source: BE Group

5.13 Very similar issues affect the office market as affect the industrial market (for example a strong preference for freehold premises), but with a much lower level of demand overall. Need is for offices of less than 93 sqm for small companies, new starters and homeworkers looking to upgrade. Beyond this the market appears limited with demand being met by individual offices in the town centres; older premises struggle to let. None of the stakeholders have highlighted any demand for large, new offices.

5.14 It proved very difficult to identify multi-let office buildings to provide an equivalent sized table to Table 18, because the office market is just so small. Those that do exist are shown in Table 20, basically the Vale's three small business centres.

Table 20 – Vale of Glamorgan Small Business Scheme Performance

Property Scheme	Total Floorspace, sqm (approx)	Unit Size Range, sqm	Occupancy Rate, percent	Comments
Vale Enterprise Centre, Atlantic Trading Estate, Barry	2991 65 units (15 offices, 50	9 - 123	86	Units can be used for either office or industrial use Workshops

Property Scheme	Total Floorspace, sqm (approx)	Unit Size Range, sqm	Occupancy Rate, percent	Comments
	workshops approx.)			vacant for over a year, offices let quickly Building needs upgrading, more enquiries for offices than industrial
Business Service Centre, Barry Waterfront	932 8 workshops 15 offices	20 - 93	48	All workshops (except one) are vacant, offices fully let. More enquiries for offices than industrial
The Business Centre, Ty-Verlon Estate, Barry	2323	14 - 70	No information available	Serviced offices

Source: BE Group

Summary

- 5.15 There is a shortage of quality industrial premises in Barry. General industrial shortages are focused on two specific size bands, small units (less than 93 sqm) for new businesses and grow-on units (up to 465 sqm) to allow local businesses to expand.
- 5.16 Demand is therefore not being met and stakeholders would like to see more land serviced and opened up in Barry. There is also strong demand for freehold property.
- 5.17 There is some demand for smaller units (up to 93 sqm) in rural areas. This is not being met by farm conversions, which tend to be redeveloped for housing.
- 5.18 The office market in the Vale is very limited most demand for smaller office units (of less than 93 sqm). There are very few quality offices. The Vale suffers because of its proximity to Cardiff.
- 5.19 The property market is constrained by low rentals and patchy demand, given the study area's relatively poor road links. Consequently it requires public sector support to service development sites before the private sector can afford to build new premises economically.

and out of the unit. Eaves heights are also continuing to rise from an average of six metres to more towards ten metres to allow storage racking and more efficient use of space.

- 4.65 Large requirements, above 9290 sqm, are very rare, and where they do exist are generally for distribution warehousing. Most of these are contract led with a flurry of activity as a number of specialist distribution companies look for units, before one of them wins the deal. However these companies generally cannot wait for a bespoke warehouse to be built for them and so, due to the rarity of such large, available buildings their search areas are increasingly wide.
- 4.66 Freehold demand remains strong as a result of the continuing low interest rates, poor stockmarket pension performances and increased private sector interest in property investment. This has resulted in an overheated investment market, rising values, lowering yields and lead to response from property developers that are now more willing to offer speculative, freehold buildings.
- 4.67 Outsourcing of many aspects of the production and distribution process has led to a declining need for traditional, large scale, all-encompassing manufacturing facilities. This is gradually being replaced by smaller, sub-assembly light manufacturing space. Shorter leases (five years) and break clauses (three years) are now becoming much more the norm.

Offices

- 4.68 The trend is for smaller office suites as average business sizes fall. There are two strands to this. Micro-businesses (those with less than ten employees) are wanting serviced offices or similar types of easy-in, easy-out schemes that lower their risk exposure. Whilst small businesses (with 10-49 employees) are looking for offices in the region of 186-279 sqm, often they are satellite facilities for larger companies.
- 4.69 Improving technology means specifications are changing, for example wireless networks will soon make raised floors superfluous and make the conversion of Victorian buildings and the like easier.
- 4.70 In line with a healthy economy, rising aspirations and a concentration on higher value added activities companies are looking for higher quality accommodation. For example air conditioning is becoming almost a standard requirement in new schemes

6.0 COMPANY SURVEY

Introduction

- 6.1 A business survey has been carried out to establish some empirical evidence of demand, and substantiate findings in other sections of this report. It is another strand of evidence that will be used to inform the study's conclusions and recommendations.

Methodology

- 6.2 A questionnaire (which is included in Appendix 3), with explanatory covering letter and pre-paid reply envelope, was sent out to 200 companies sourced from the Council's database. The companies targeted were evenly distributed across the Vale and representative of the business profile by activity and size. There are approximately 2072 businesses in the Vale operating from B1, B2 or B8 premises or sites so this is approximately a ten percent sample (this is based on the VAT registered businesses estimate of company numbers, less 30 percent for non relevant operations such as retail). We set out to achieve a minimum 40 percent response rate, based on previous experience.
- 6.3 Because most companies are still more comfortable using imperial measurements, these were used in the questionnaire. Hence, this section uses sqft and acres where appropriate. The figures are aggregated at the end, at which point metric is used.

Response

- 6.4 The postal response achieved was 19 percent – a reasonably good outcome. Building on this, we completed follow-up telephone calls to elicit better co-operation from businesses.
- 6.5 These actions significantly enhanced the numbers of responses, as well as establishing those companies who have either ceased trading or no longer have a Vale address.
- 6.6 Overall 108 questionnaires have been completed, 54 percent of the total originally targeted, see Table 21.

Table 21 – Company Survey Responses

Total Questionnaires Issued	Number of Companies	Percent
Responses Received	108	54.0
Too Busy / Unwilling	19	9.5
Companies Ceased / Moved	28	14.0
Irrelevant to study (e.g. retail/hotel)	1	0.5
Still awaiting (following reminder)	44	22.0
Total	200	100

Source: BE Group

- 6.7 The split of responses from the sample between different areas, is relatively representative of the total business population in the Vale as shown in Table 22. It is slightly overweight in Cowbridge, underweight in Llantwit Major.

Table 22 – Company Location

Area	Proportion of Vale Population, percent	Number of Companies Responding
Barry	39	51
Penarth	18	23
Cowbridge	3	12
Llantwit Major	12	6
Dinas Powys	7	4
Rural	21	12
Total	100	108

Source: BE Group

Company Size

- 6.8 The 108 companies taking part in this survey employ 1183 people. Of these, just over eight percent (104) are part-time employees.
- 6.9 The responses very much fit the profile nationally of small company employment. Just under three percent of the responding companies employ more than 50 people, whilst the majority (77 percent) employ 10 or less. The company profile breakdown can be seen below, in Table 23.

Table 23 – Company Profile

Company Size, Number of Employees	Proportion of Companies Responding, percent	Number of Companies Responding
0 – 2	28.7	31
3 – 5	27.8	30
6 – 10	21.3	23
11 – 20	9.3	10
21 – 50	9.3	10
50 +	2.7	3
Not stated	0.9	1
Total	100	108

Source: BE Group

- 6.10 It should be noted that there are two particularly large companies that took part in the survey – RWE Npower at Aberthaw, which employs 280 people, and Veolia Transport Cymru in Barry, with 124.
- 6.11 There is a corresponding breakdown in the size of premises occupied. Emphasis is much more on premises of 10,000 sqft or less (77 percent), with 32 percent of companies being based in premises of less than 1000 sqft. The breakdown of premises size is shown in Table 24.

Table 24 – Size of Premises Occupied

Size, sqft	Proportion of Companies Responding, percent	Number of Companies Responding
N/a (Work from home)	18.5	20
0 – 1000	13.9	15
1001 – 2000	12.0	13
2001 – 5000	18.6	20
5001 – 10,000	13.9	15
10,001 – 20,000	8.3	9
20,001 – 50,000	4.6	5
50,001 +	8.3	9
Not stated	1.9	2
Total	100	108

Source: BE Group

Current Premises

- 6.12 Companies were asked to indicate the type of property they currently occupy i.e. offices, serviced offices, industrial, warehouse or high-tech space. Table 25 contains these responses. It shows that some 43 percent of the companies are occupying industrial/warehouse premises. 27 percent are in offices. Just under 19 percent are based at home, rather than occupying commercial premises. Eight percent operate from a site, and just over three percent of companies are in either serviced offices or high-tech accommodation.

Table 25 – Responses by Premises Type Occupied

Type of Accommodation	Proportion of Companies Responding, percent	Number of Companies Responding
Industrial	29.6	32
Office	26.9	29
Home	18.5	20
Warehouse	13.0	14
Site	8.3	9
Serviced Office	2.8	3
High-tech/Lab	0.9	1
Total	100	108

Source: BE Group

- 6.13 Companies were asked to indicate whether they own or rent their property. The results were very equally split, with just over half renting (52 percent).
- 6.14 Respondents were asked to comment on whether they were satisfied with their present accommodation, and if not to explain why. Table 26 shows that 83 percent are content.

Table 26 – Satisfaction with Current Premises

Satisfaction with Premises	Proportion of Companies Responding, percent	Number of Companies Responding
Very satisfied	34.3	37
Satisfied	49.1	53
Unsatisfied	11.1	12
Very unsatisfied	3.7	4
No answer	1.8	2
Total	100	108

Source: BE Group

6.15 Of the 16 companies that are unsatisfied with their property or site, all but four gave reasons why, with several putting forward more than one reason. Three are unsatisfied with the size of their current property (too small), whilst one wants to consolidate multiple sites but can't find a single location to do this. Eight companies are concerned about the physical conditions of their properties or locations, four are unhappy with road conditions in the area, two are concerned about business rate increases. Finally two state that there is a lack of parking and one wants to buy their own property rather than rent.

Future Accommodation Requirements

6.16 Companies were asked to indicate whether they were considering moving premises within the next twelve months, or two to three years. 33 companies indicated that they are intending to relocate, with 20 of them proposing that this will happen within the next twelve months.

6.17 All companies planning to move cited the amount of floorspace likely to be required. In some instances a range of size was indicated. By adding these together we calculate an overall need as shown in Table 27. It shows the domination of industrial demand over the office sector in terms of total floorspace required. There is quite a large range because of the size bands (which results in our use of a minimum and maximum figure) used in the questionnaire, with a number of companies looking for offices of 10-20,000 sqft and industrial 20-50,000 sqft which, once aggregated, quickly generates this wide spread.

Table 27 – Total Land and Property Requirements

Type	Gross Floorspace Requirements, sqft	
	Minimum	Maximum
Office	19,006	45,000
Industrial / Warehouse	111,021	263,000
Total	130,027	308,000
Land	1.2 – 1.6 ha	

Source: BE Group

6.18 The breakdown of forecasted future space needs, by location, property type and size, are shown in Tables 28, 29 and 30 and which add up to the figures in Table 27. Where the word 'additional' is given, this means the company will be taking another property as well as retaining their current one, and so no space will be released back onto the market when they move.

Table 28 – Property Requirements by Location and Type – Industrial

Area	Current Size, sqft	Required Size, sqft	Tenure and Quality
Barry/Penarth	0 – 1000	0 – 1000	New freehold/leasehold
	Additional	1001 – 2000	Budget freehold
	0 – 1000	1001 – 2000	Moderate freehold
	2001 – 5000	2001 – 5000	Moderate leasehold
	0 – 1000	2001 – 5000	New/moderate freehold/leasehold
	5001 – 10,000	2001 – 5000	Budget leasehold
	2001 – 5000	2001 – 5000	Moderate/budget leasehold
	2001 – 5000	2001 – 5000	Freehold
	5001 – 10,000	5001 – 10,000	Freehold/leasehold
	2001 – 5000	5001 – 10,000	Moderate freehold
	2001 – 5000	5001 – 10,000	New freehold
	20,001 – 50,000	20,001 – 50,000	Moderate freehold
	Sub-total	40,008 – 98,000	47,011 – 110,000
Llantwit Major	20,001 – 50,000	20,001 – 50,000	Freehold
Sub-total	20,001 – 50,000	20,001 – 50,000	
Cowbridge	2001 – 5000	2001 – 5000	Freehold/leasehold
Sub-total	2001 – 5000	2001 – 5000	
Bridgend	5001 – 10,000	5001 – 10,000	Leasehold
Sub-total	5001 – 10,000	5001 – 10,000	
Anywhere Vale of Glamorgan	0 – 1000	1001 – 2000	Leasehold
	0 – 1000	2001 – 5000	Moderate freehold
	2001 – 5000	5001 – 1000	New freehold/leasehold
	2001 – 5000	5001 – 10,000	Moderate/budget leasehold
	20,001 – 50,000	20,001 – 60,000	New/moderate freehold
Sub-total	24,003 – 62,000	33,005 – 78,000	
Anywhere South Wales	5001 – 10,000	2001 – 5000	Moderate freehold/leasehold
	1001 – 2000	2001 – 5000	New freehold
Sub-total	6002 – 12,000	4002 – 10,000	
Total	97,016 – 237,000	111,021 – 263,000	

Source: BE Group

Table 29 – Property Requirements by Location and Type – Offices

Area	Current Size, Sqft	Required Size, sqft	Tenure and Quality
Barry/Penarth	1001 – 2000	1001 – 2000	Moderate freehold
	0 – 1000	2001 – 5000	Moderate freehold
	2001 – 5000	2001 – 5000	Moderate freehold/leasehold
	5001 – 10,000	10,001 – 20,000	Moderate leasehold
Cowbridge	1001 – 2000	2001 – 5000	Moderate freehold
	1001 – 2000	2001 – 5000	New/moderate leasehold

Area	Current Size, Sqft	Required Size, sqft	Tenure and Quality
Cardiff	0 – 1000 0 – 1000	0 – 1000 0 – 1000	Moderate leasehold Moderate freehold
Newport	0 – 1000	0 – 1000	Moderate leasehold
Total	10,005 – 25,000	19,006 – 45,000	

Source: BE Group

Table 30 – Requirements by Location and Type - Sites

Area	Current Site Size, ha	Required Site Size, ha	Tenure
Barry	1.2	1.2 – 1.6	Freehold
Total	1.2	1.2 – 1.6	

Source: BE Group

- 6.19 There are 23 industrial and nine office premises requirements. There is also one company looking for a site. In relation to industrial requirements, there is a preference for freehold property. Demand in the office sector for freehold and leasehold is equally split.
- 6.20 The companies requiring new offices are generally looking for moderate premises, and demand is for small suites of 0-1000 and 2000-5000 sqft. All the companies looking for industrial accommodation generally want moderate quality premises, although six are looking for prestigious/new. Six stated no preference. The industrial sizes most in demand are between 2000 and 5000 sqft.
- 6.21 For the office requirements, three companies want locations outside of the Vale in Cardiff and Newport. The remaining requirements are in Barry/Penarth and Cowbridge. The preference was for town centre or business park locations.
- 6.22 For the 33 companies expecting to move within the next three years, the most important factor(s) when looking for alternative accommodation are shown in Table 31. Several companies gave more than one reason.

Table 31 – Most Important Factor(s) When Seeking Alternative Accommodation

Aspect	Number of Companies Commenting	Proportion of Companies responding, percent
Accessibility	17	51.2
Location	10	30.0

Aspect	Number of Companies Commenting	Proportion of Companies responding, percent
Parking	9	27.2
Cost	7	21.2
Size/space	5	15.1
Quality of premises	4	12.1
Security	3	9.1
Utilities	1	3.1
Total	33	100

Source: BE Group

6.23 The most important factor for companies is access. This includes proximity to main roads as well as access for heavy goods vehicles (important particularly for some of the more industrial firms). A good location was the second most important factor, next to key infrastructure, major conurbations and within established trading estates and business parks. Car parking and the cost of accommodation, in terms of both the premises itself and the expense of moving, were highlighted as important considerations. The suitability of new premises, security and maintenance services in place are also important factors.

Perceptions/Comments

6.24 Most respondents made additional comments relating to the wider business environment, with some making several comments. As can be seen in Table 32, which outlines all comments made, a lack of sufficient land and property was the most common. A lack of business support was also mentioned quite frequently.

Table 32 – Company Comments

Aspect	Number of Companies commenting
Roads are congested to the west of Cardiff	10
Lack of premises to expand into	10
Businesses need more public sector support	9
Delays in planning permission make business difficult	7
Poor access to Vale Business Park and Llandow Trading Estate	7
Expensive business rates and little support for rural businesses	6
Road improvements needed around Barry Docks	5
Public transport is poor	4
Skill shortages	3
Need to raise profile of Barry	3

Aspect	Number of Companies commenting
Improved security needed on estates	2
Poor roads around Llantwit Major	2
Better public services required (rubbish collection, etc.)	2
Affordable housing is needed to attract young workers	1
Cowbridge needs more parking	1
Limited amenities at Barry Waterfront	1
Poor utilities on Barry Docks	1
Barry Docks are unattractive	1
Expansion of RAF St. Athan will have a negative impact	1
Anti-social behaviour in Barry	1
Vale Enterprise Centre needs renovation	1
Penarth needs more parking	1
Better signage to Vale Business Park required	1

Source: BE Group

Land Need

6.25 The analysis is taken further by considering just the net property need. This takes into account the likelihood that the majority of planned moves will release back onto the property market the premises presently occupied – to be re-used by other businesses. The survey also identified a net requirement for 0-0.4 ha of land, so the total net need is 0.5-1.5 ha, as Table 33 shows, because the company requiring the site also releases back onto the market an existing 1.2 ha site.

Table 33 – Net Property Requirements

Type	Net Floorspace Requirements, sqft	
	Minimum	Maximum
Office	9001	20,000
Industrial / Warehouse	14,005	26,000
Total	23,006	46,000
Equated Land Need (42,000 sqft/ha)	0.5	1.1
Additional Land Need, ha	0-0.4	
Total Net Land Need, ha	0.5	1.5

Source: BE Group

6.26 When extrapolating the results to represent all the businesses in the Vale we use 200 as the sample size not 108. We assume that although 108 responded, 200 were originally sampled and presume that the main reason these companies did not reply

was because they did not want property (an assumption used in similar studies elsewhere). Thus the requirements are multiplied by a factor of ten (as there are approximately 2000 relevant businesses in the Vale). Consequently the land need could be in the region of 5 to 15 ha.

- 6.27 If the median net land need of 1 ha, halfway between 0.5 and 1.0 ha, is taken, and this is extrapolated by ten to reflect the whole business population. It results in a land need of 10 ha for the Vale. This is forecast to be realised over the next two-to-three years. However business plans tend to be flexible (companies also tend to be more aspirational and optimistic than reality suggests) and this may actually take place over the next five.

Summary

- 6.28 The survey has identified a need for 0.5 to 1.5 ha of employment land. Extrapolating this to represent all the Vale's business population equates to a median level of 10 ha. The weight of demand is for Barry, but there are some footloose requirements for a wider area of search.
- 6.29 Irrespective of the shift to the service sector, industrial need dominates (contradicting theoretical economic forecasts which indicate higher density office development will dominate in the future). There are few office requirements. There is a preference for freehold space. The office requirements are for small units up to 465 sqm; the industrial for moderate quality of 186-465 sqm. Generally out-of-town industrial estate/business park locations are desired. Furthermore, companies are very loyal to their towns – not looking to move far – although there is an impression that some are forced to by a lack of choice.
- 6.30 Referring the property need back to the findings in Section Four, where the supply of available premises was assessed, it suggests there is an insufficient supply of buildings. If the requirements are multiplied accordingly to represent the total business population (by ten) then there are real shortages. Irrespective of this, there does appear to be a lack of 186 to 465 sqm units, both industrial and office; freehold space generally; and good quality industrial space (as Table 34 shows). Furthermore, half the available industrial units are near Cowbridge, even though demand is for the Barry area.

Table 34 – Vale of Glamorgan Premises Supply and Demand Analysis

Requirement Property Size, Sqft		Industrial		Office	
		Available Units	Number of Requirements	Available Units	Number of Requirements
0-1000	0-92	2	1	11	3
1001-2000	93-186	10	3	2	1
2001-5000	187-465	10	9	1	4
5001-10,000	466-929	13	6	1	0
10,001-20,000	930-1860	3	0	0	1
20,001-50,000	1861-4650	4	2	0	0
50,001+	4650 +	0	1	0	0
Freehold		2	10	2	3
Good Quality / New		3	4	0	1

Source: BE Group

- 6.31 The survey confirms the extent of homeworking in the Vale; the need for industrial estate/business park property solutions (in preference to town centre locations); the very limited size of the office sector; the importance of road access for business; and the feeling from companies that there is a lack of available land and premises.
- 6.32 It should be remembered that the company survey is just one strand of evidence. It illustrates pent-up demand. It is not the sole answer, obviously not all the company requirements will come to fruition as indicated by the survey returns. Equally there will be other companies who were surveyed who do not intend to relocate at the moment, which may well do so over the next five years.

7.0 EMPLOYMENT LAND

Introduction

- 7.1 This section looks at the existing portfolio of land in the Vale, not only how much there is, but also its quality, type, suitability and availability. The Vale needs a balanced portfolio of land to accommodate a sustainable, growing economy that can respond to dynamic market conditions, changing business needs and working practices, including higher technology operations.
- 7.2 By initially establishing how much land there is, we must then, secondly, consider how much land is needed in the future (to 2026 in accordance with the new LDP).

Land Supply

- 7.3 The starting point for the supply side assessment is the Council's 2006 Employment Land Register that identifies 25 sites allocated for employment uses, totalling 173 ha (see Table 35).
- 7.4 Table 35 schedules the location of each site; its size; provides comments on its current status (e.g. owner intentions) together with an assessment (by BE Group) as to when it might come forward for development or use. This assessment of timescale is based upon a number of factors – market demand, ownership situation, planning status, infrastructure and services required.

Table 35 – Employment Land

UDP/Site Ref	Name	Size, ha	Comment / Update	Estimated Availability, years
EMP 1 (1) Atlantic Trading Estate				
1d	Atlantic Trading Estate, Barry	0.5	Council owned Adjacent to proposed waste recycling facility The Estate is planned for phased regeneration	0-1 Serviced
1f	Wimbourne Road, Barry Docks	4.0	Owned by ABP Occupied by low-quality warehouses Must be port-related activity	3-5 Serviced
1g	Atlantic Trading Estate, Barry	0.6	Council owned Recently prepared for development and for sale	0-1 Serviced
EMP 1 (3) Barry Docks and Chemical Complex				
4a	High Level Site,	9.0	Owned by Cadoc Castle	1-3

UDP/Site Ref	Name	Size, ha	Comment / Update	Estimated Availability, years
	Barry Docks		Bought from ABP Developments – aspirations for higher value uses Proposed retail/office scheme was not permitted Adjacent to scrap metal works	Not Serviced
4b	Barry Docks	0.2	Owned by ABP Operational reserve land and not to be released for development	5+ Not Serviced
4c	Barry Docks	1.7	Owned by ABP Operational reserve land and not to be released for development	5+ Not Serviced
EMP 1 (4) Cardiff International Airport Business Park				
5a	Cardiff International Airport	20.9	Owned by Cardiff International Airport / Vale of Glamorgan Council	3-5 Not Serviced
5b	Cardiff International Airport	5.7	Owned by Cardiff International Airport / Vale of Glamorgan Council	3-5 Not Serviced
5d	Cardiff International Airport	10.4	Owned by Cardiff International Airport / Vale of Glamorgan Council / Q Park Part used for a car park Has planning consent for a hotel on part – owned by Q-Park	3-5 Not Serviced
EMP 1 (17)				
5f	Cardiff International Airport, Rhoose	6.3	Owned by Cardiff International Airport To be retained as airport operational land Not available for general use Doesn't want to be 'bad neighbour' to nearby residential	5+ Not Serviced
EMP 1 (5)				
6a	Hayes Lane, Atlantic Trading Estate, Barry	1.4	Owned by Stevens & Stevens Has planning consent for a waste transfer station	1-3 Not Serviced
EMP 1 (6)				
7a	Hayes Road, Barry	7.3	Owned by R.E. Phillips & Partners B1 use only	1-3 Not Serviced
EMP 1 (7)				
8a	Hayes Wood, Barry	1.7	Owned by WAG Drainage improvements required To be marketed for development	1-3 Not Serviced
8b	Hayes Wood, Barry	2.5	Owned by WAG Drainage improvements required To be marketed for development	1-3 Not Serviced

UDP/Site Ref	Name	Size, ha	Comment / Update	Estimated Availability, years
EMP 1 (9)				
10a	Llandow Trading Estate	7.3	Owned by Arlington Greene and Thomas Family Trust	3-5 Not Serviced
EMP 1 (10)				
11	Marley Tile Site, Llangan	0.8	Owned by Frank Sutton Remainder of recently developed larger site	0-1 Serviced
EMP 1 (11)				
13	Pencoedre Business Park, Barry	3.2	Agent is Harmers	5+ Not Serviced
22	Pencoedre Wood	11.5	Agent is Harmers Recently designated a SSSI	5+ Not Serviced
EMP 1 (12)				
14	Rhose Point	2.7	Agent is Hutchings & Thomas	0-1 Serviced
EMP 1 (13)				
15	Sully Moors Road, Barry	5.0	Owned by ABP Leased to BP Chemicals Development severely constrained by flood mitigation costs	5+ Not Serviced
EMP 1 (14)				
16	The Waterfront, Barry	3.4	Owned by ABP Part of regeneration area Size is estimate of employment land designated within wider scheme	1-3 Not Serviced
EMP 1 (16)				
19a	Vale Business Park	10.5	Owned by AA & EJ Evans Condition on developers to fund major highway improvements	5+ Not Serviced
19b	Vale Business Park	0.8	Owned by LEL Properties Retaining it as a gateway site Condition on developers to fund major highway improvements	1-3 Serviced
19c	Vale Business Park	1.5	Owned by LEL Properties Available for development Condition on developers to fund major highway improvements	0-1 Serviced
EMP 1 (19)				
21	Land to SE of Junction 34, M4 Miskin	54.2	Owned by Bosch Expansion land for Bosch	5+ Not

UDP/Site Ref	Name	Size, ha	Comment / Update	Estimated Availability, years
			Protected minerals site – may be undevelopable	Serviced
Total		173.1		

Source: Vale of Glamorgan Employment Land Availability Register 2006

Sites Analysis

7.5 Table 36 shows how the land is distributed through the Vale. As expected it is concentrated in the main urban area of Barry, which includes Cardiff International Airport. 12 percent of the 173.1 ha of employment land is rural. Over 30 percent is accounted for by one allocation, Bosch's expansion land of 54.2 ha. There is no land available in Penarth, Dinas Powys, Llantwit Major or Cowbridge.

Table 36 – Distribution of Sites

Area	All Employment Land, ha	Serviced Land, ha
Barry	54.7	7.8
Cardiff Airport	43.3	0
M4 Corridor	54.2	0
Rural	20.9	3.1

Source: BE Group

7.6 Most of the land is unserviced and therefore not readily available for businesses to use and develop as required. Only a few small sites at Atlantic Trading Estate and Vale Business Park are serviced. Consequently businesses are finding it very difficult to expand and relocate in the Vale, especially in Barry.

7.7 Very little of the land is immediately available for development. Although 26 ha is potentially available within the short term (three years), as Table 37 shows, much is constrained by land owner aspirations, poor access and servicing.

Table 37 – Land Availability

Area	Availability, years			
	0-1	1-3	3-5	5+
Barry	3.8	25.3	4.0	21.6
Cardiff Airport	0	0	37.0	6.3
M4 Corridor	0	0	0	54.2
Rural	2.3	0.8	7.3	10.5

Total	6.1	26.1	48.3	92.3
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Source: BE Group

- 7.8 Land owner aspirations make a number of the sites effectively unavailable for development. Sites 4b and 4c at Barry Docks are operational reserve land for ABP; Site 5f is effectively used by Cardiff International Airport; land (10 ha and 19 ha) at Llandow Trading Estate and Vale Business Park is stymied by a developer-led proposal for a major housing scheme in the area; the two sites at Pencoedtre are unlikely to be developed in order to protect the SSSI; Rhoose Point is likely to be developed for non-employment uses; Bosch are unlikely to release their expansion land at Junction 34 in the foreseeable future (it may also be lost from the employment land resource because of its protected minerals site status); while site 4a at Barry Docks is likely to be the subject of higher value development aspirations by their owners.
- 7.9 Most of the available sites are only suitable for industrial premises and are constrained in one way or another. Hayes Wood (8a and 8b) and Sully Moors Road (15) require costly drainage improvements; sites at Cardiff Airport need servicing (sewerage, etc.) and better access; and protected minerals have recently been identified at land at Bosch (21).
- 7.10 In total, unavailable land amounts to 120 ha, which is two thirds of the Vale's total, nominally available, land supply.
- 7.11 In addition, few sites have the potential for good quality office development. The possible office sites are:
- High Level Site, Barry Docks
 - Cardiff International Airport Business Park
 - Pencoedtre
 - The Waterfront, Barry
 - Junction 34, M4.

Site Grading

- 7.12 All sites have been graded using a standard scoring system that consists of mainly objective measures. Each site is scored out of 100, made up of ten individual measures, each scored out of ten. These are: proximity to the M4/Airport, prominence, public transport, planning status, services availability, road accessibility,

constraints, environmental setting, flexibility and availability. The detailed scores and scoring system are provided in Appendix 4.

- 7.13 Two scores are provided in Table 38, a total score and a market-led score, which reflect the locational strengths and weaknesses of each site. The market-led score is made up of just M4/Airport proximity, prominence, road accessibility, environmental setting and flexibility. These are the characteristics that are very difficult to improve. The other five aspects, which combine to make up the total score, are much easier to improve and hence provide the ability to raise the quality of a site.
- 7.14 The highest scoring sites are those close to Cardiff Airport and Bosch's expansion land which are very high profile allocations. The second tier includes the sites at Barry Waterfront and Pencoedtre. Atlantic Trading Estate scores only modestly, even though it is one of the Vale's key employment areas. As its regeneration continues, its grade will rise.

Table 38 - Allocated Sites Scoring

UDP Ref	UDP Name	Land Available, ha	Total Score, max 100	Market-led Sub-total, max 50
5a	Cardiff Airport Business Park	20.90	76	50
5d	Cardiff Airport Business Park	10.40	75	50
5b	Cardiff Airport Business Park	5.70	75	49
21	Junction 34, M4	54.20	65	48
5f	Cardiff Airport Business Park	6.30	60	40
16	Barry Waterfront	3.40	74	33
4a	High Level Site, Barry Docks	8.80	59	32
22	Pencoedtre Wood, Barry	11.50	51	31
13	Pencoedtre Business Park, Barry	3.20	50	30
15	Sully Moors Road, Barry	4.90	42	24
6a	Hayes Lane, Atlantic Trading Estate, Barry	1.40	49	24
8a	Hayes Wood, Atlantic Trading Estate, Barry	1.70	48	24
8b	Hayes Wood, Atlantic Trading Estate, Barry	2.50	48	24
14	Rhose Point	2.70	67	25
7a	Hayes Road, Barry	7.30	50	22
19a	Vale Business Park, Llandow	10.50	39	22

UDP Ref	UDP Name	Land Available, ha	Total Score, max 100	Market-led Sub-total, max 50
1f	Wimbourne Road, Barry	4.00	37	20
1d	Atlantic Trading Estate, Barry	0.50	39	18
1g	Atlantic Trading Estate, Barry	0.60	40	18
11	Marley Tile Site, Llangan	0.80	45	18
10a	Llandow Trading Estate	6.50	41	18
19c	Vale Business Park, Llandow	1.50	45	18
19b	Vale Business Park, Llandow	0.80	40	17
4b	Barry Docks	0.20	26	13
4c	Barry Docks	1.70	26	13

Source: BE Group

Candidate Sites

- 7.15 As part of the LDP process, stakeholders have put forward a series of Candidate Sites for potential inclusion in the LDP. Where duly directed an assessment of those relevant to economic development have been assessed. A schedule of these sites (as at August 2007) is included in Appendix 5, although a check should be made with the Council's Planning department to see the latest position with regard to the register.

Employment Areas

- 7.16 In this sub-section an assessment of the Vale's main employment areas is made in order to provide guidance as to their continued viability. Using the WDA's Property Strategy for Employment in Wales classification, most of the Vale's sites would fall in the very general 'industrial estates/local sites' category although there are a significant number of potential flagship sites. In Table 39, they are grouped in an alternative system to better reflect their ranking one against the other.

Table 39 – Alternative Site Hierarchy

Type	Typical Characteristics	Employment Areas/Sites
Flagships	Sites of scale, location and setting capable of being broad business park developments competing for investment in the regional/sub regional marketplace. These are prime sites for marketing to a cross-section of users – including new inward investments into the County. They can also meet the needs of image-conscious, aspirational companies already located in the area	Cardiff International Airport Business Park Pencoedre Culverhouse Cross Junction 34 M4 RAF St. Athan Barry Waterfront

Type	Typical Characteristics	Employment Areas/Sites
Narrow Band Sites	Key developments where the sites, their locations and environment are promoted for a narrow range of uses. It may be that only a part of a larger site is allocated to this activity. In other cases it may be prudent to dedicate the whole site to this narrow band use	Barry Docks RAF St. Athan Barry Chemical Complex
Key Employment Sites	Sites with an influence over the whole of the study area, geared to serving the needs of indigenous industry. They are likely to be of a size to create presence and able to accommodate a range of uses, but more suited to B2 and B8 activity	Atlantic Trading Estate Llandough Trading Estate West Point Industrial Estate Vale Business Park Ty-Verlon Industrial Estate
Key Local Sites	Sites that offer employment opportunities within specific local areas. In most instances their role will be to meet the expansion needs of indigenous companies or to accommodate local start-ups	Palmerston Workshops Palmerston Industrial Estate Palmer's Vale Business Centre
Key Rural Sites	Sites that offer employment opportunities within rural areas. In most instances their role will be to meet the expansion needs of rural businesses or to accommodate rural start-ups	Llandow Trading Estate West Winds Business Park
Others	-	Duffryn Business Park

Source: BE Group

Neighbouring Areas

- 7.17 The Vale falls in the shadow of Cardiff, which drives the economic growth of Wales. Cardiff's prosperity relies on its labour force, pooled from its surrounding areas, most notably from the Vale of Glamorgan and Rhondda Cynon Taf. Understanding activities on the border of the Vale is vital in terms of understanding their impact on the Vale's property market and movement of workers.

Cardiff

- 7.18 Cardiff is the main driver of economic growth in the South East Wales City Region. In population terms, it is relatively small for a city (320,000 people) and so relies on the surrounding hinterland of Newport, the Valleys and the Vale of Glamorgan for its workforce.
- 7.19 The property market in Cardiff is heavily saturated, despite significant investment in recent years in strategic employment sites. There is a shortage of high quality office accommodation, a result of high take-up and limited new developments. Key sites have also been lost to other uses resulting in a lack of land of the right specification for employment uses. This shortage has been compounded by a number of companies out growing their premises. The provision of high quality sites and premises is critical to the growth of the knowledge economy.

7.20 The WAG is proposing a Premier Business Park (100,000 sqm of B1) on its own land at Junction 33 of the M4 at Capel Llaniltern. This will also comprise 26,000 sqm of leisure facilities.

7.21 Employment has risen by 15 percent in the last 15 years in Cardiff, although heavily concentrated along the coast. Maintaining this growth as sustainable growth is a key priority. Most key employment sites are to the east of Cardiff, towards Newport. This includes St. Mellons Business Park and Capital Business Park. Plans are in place to extend Cardiff Gate Business Park (33,450 sqm) at Junction 30 of the M4 by a further 46,450sqm. Within the City, Cardiff Bay has B1 consent for 230,000 sqm.

Rhondda Cynon Taf

7.22 According to the 2007 Employment Land Requirement Topic Paper, Rhondda Cynon Taf has 274 ha of land available (nearly two thirds more than the Vale), of which half is committed to development. The annual take-up rate was just under 15 ha per year between 2001 and 2006. But more recently, the take-up rate has been much higher and so over the 15 year Plan period, the intention is to ensure 300 ha of employment land is made available.

7.23 Key developments are at Pencoed, Llantrisant Business Park, Garth Business Park and Parc Eirin at Tonyrefail. 19 ha is proposed for redevelopment at Mwyndy (Junction 34 of the M4), including housing and a business park. Although supported by WAG, planning has been refused by the local planning authority and has gone to appeal. Planning consent has also been granted for Dragon Film Studios and an associated business park at Llanharan (between Junctions 34 and 35 of the M4). Existing key industrial estates include Hirwaun Industrial Estate, Aberaman Park Industrial Estate and Canal Road Industrial Estate at Cwmbach.

Bridgend

7.24 An Employment Land Study is currently being prepared for Bridgend Borough Council, however the 2006 Employment Land Availability Schedule states that 226 ha of employment land is available for development (a third more than the Vale). This is concentrated at existing industrial estates and business parks of which, the largest is

Bridgend Industrial Estate (128 ha) and Waterton Industrial Estate (124 ha). Both border the western boundary of the Vale of Glamorgan.

- 7.25 Bridgend Borough Council has proposed an employment allocation in the Vale of Glamorgan that adjoins Waterton Industrial Estate. This is to cater for future business expansion in this area, and provide the opportunity to link the Estate to Brocastle Industrial Estate (52 ha), also in Bridgend.
- 7.26 A number of new developments are in the pipeline. A new scheme is shortly to be completed at Bocam Business Park at Junction 35 that comprises high quality B1 offices and a Mercedes Benz showroom. The Bridgend Borough Council also has plans to upgrade Eweny Industrial Estate, a major gateway for Bridgend. Bridgend Industrial Estate is the most important employment site, although it has recently suffered from some notable business closures. Bridgend Science Park is a very high quality scheme catering for knowledge intensive businesses. The WAG has proposals to develop this site.

Summary

- 7.27 There is 173.1 ha of potentially available employment land in the Vale across 25 sites. Two thirds of this is poorly serviced or not currently available for development, which leaves approximately 50 ha.
- 7.28 Some of this is good quality land – those sites close to Cardiff Airport and Barry Waterfront. Although land at the Airport is deliverable, demand for these sites is currently low. Land at Pencoedre and Miskin (Bosch) also scored highly but none of these sites are likely to come forward for development for a variety of reasons.
- 7.29 Consequently there is a shortage of immediately developable good quality land, especially in Barry – where it is most in demand.
- 7.30 The land supply is not evenly distributed – there is none in Penarth, Dinas Powys, Llantwit Major or Cowbridge.
- 7.31 There is a lot of property market activity taking place along the border of the Vale in neighbouring areas. So much so, that it is hard to justify major business park allocations on the periphery of the Vale.

8.0 LAND NEED FORECAST

Introduction

8.1 This section explains the models applied to the assessment of employment land need in the future. The three models normally used are:

- Projection of historic land take-up
- Labour supply projection
- Forecast based on employment sector change.

8.2 None provide a definite answer, but are influences to be considered. Where appropriate, the models take into account standard assumptions about employment densities and the built floorspace associated with developable land areas used by regional planning agencies in other parts of the UK, e.g. South East Regional Planning Conference and Advantage West Midlands.

Model 1: Historic Land Take-up Forecast

8.3 The Council has provided employment land take-up figures for the period 1996 to 2007. 56.8 ha has been developed, of which 11.7 ha was for Bosch. Excluding the Bosch development, which is assumed to be an extra-ordinary development, average take-up was 4.1 ha per year.

8.4 If these trends continue, the Vale would need 82 ha to cater for an expected annual take-up of 4.1 ha for employment use during the 20 year study period. Often a buffer is also provided to offer range and choice, in this case five years seems appropriate, which would take land need up to 102.5 ha.

8.5 There is 173.1 ha of employment land in the Vale (from Section 6.0) which is obviously therefore more than is needed. Neither does this include a further 16 ha of surplus land (which many come forward) at the chemical complex in Barry Docks, an amount which may well increase in future years.

8.6 Much of this (119.7 ha) is low quality, constrained by poor services or is unavailable for development. This leaves 53.4 ha, if major sites do not come forward for development, it suggests that more land needs to be allocated for employment use.

Model 2: Labour Supply Forecast

8.7 This model is based on population estimates to 2026 supplied by the Council. The figure supplied is shown in Table 40.

8.8 Analysis of these supply-led forecasts involves the following assumptions:

- Labour supply is the sum of all people between 15 and 64
- Constant economic activity rate of 77.6 percent of the working age population
- Employment density rates remain constant
- Build density rates remain constant, 3400 sqm/ha
- Constant out commuting rate, a quarter of the workforce.

Table 40 - Population Forecast

Projection	Working Age Population			Change Economically Active, 2006-2026	Change Economically Active After Net Out Commuting, 2006-2026
	2006	2026	Change, 2006-26		
Demographic	123,275	135,647	12,372	9600	7200

Source: Vale of Glamorgan Council

8.9 Therefore the number economically active can be equated to a land need using the following assumptions:

- The proportion of people working in each industry sector remains constant
- Industry sector use of space remains constant, see Table 41
- Employment space uses are sourced from the South East Regional Planning Conferences' (SERPLAN) 'The Use of Business Space'.

8.10 Table 41 shows the current distribution of employment between industry sector, together with the implications for floorspace need.

Table 41 – Sector Employment and Floorspace Assumptions

Sector	Proportion of Employment, percent	Proportion of Workforce Occupying B1, B2 or B8 Floorspace, percent	Average Floorspace/Person, sqm
Agriculture	1.2	5	21.0
Electricity, Water & Gas, Mining & Quarrying	1.9	5	21.0
Manufacturing	9.8	100	41.1
Construction	7.8	26	21.0

Distribution	15.8	48	67.4
Transport	6.1	48	67.4
Financial & Business Services	13.9	100	21.0
Government & Other Services	43.5	22	21.0

Source: SERPLAN

- 8.11 The equated floorspace and land need for the population scenario is shown in Table 42. It suggests a further 34.9 ha of land is needed to accommodate the expanded workforce.

Table 42 – Population Scenario’s Floorspace and Land Need

Projection	Floorspace, sqm	Land Need, ha
81to01Migration	118,800	34.9

Source: Vale of Glamorgan Council

- 8.13 This land need figure is based on the existing amount of employment land in use. Undeveloped land is obviously not in use and therefore could be put towards accommodating this requirement. As there is 173.1 ha undeveloped, there is plenty of land to cater for an expanded population’s land need, as well as provide a buffer to allow range and choice.

Model 3: Sector Employment Forecast

- 8.14 The other model looks at how people will be employed in the future. Although the remit of this study does not cover the purchase of the forecasts, the general trend is that more people will be employed in office based jobs in the future, and fewer in sectors occupying industrial and warehouse floorspace. As job/floorspace densities are higher in offices, less property and hence less employment land is required to accommodate the same number of workers. For example in a similar sized 10,000 sqm office, 556 people can be employed; in a similar sized 10,000 sqm industrial unit, only 323 people will (on average) be employed. Because less property is needed, so less land is needed.
- 8.15 The upshot is that generally less employment land is needed in the future. Typically this model is combined the labour supply forecasts analysed above. The effect of this is that it reduces the land needed under the scenario shown in Table 42.

Summary

- 8.16 In this sub-section the findings of the preceding research are drawn together into a number of conclusions.
- 8.17 Applying the annual average take-up over the last 11 years of 4.1 ha/year, there is an oversupply of employment land to cater for the study area's needs to 2026, over 90 ha, although a half of this is made up of one site.
- 8.18 The population forecasts suggest the study area actually needs 34.9 ha employment land, less than predicted by historic take-up rates. Consequently this would mean that much of the vacant employment land in the study area is surplus to requirements (according to these models) and could be used for other activities such as housing or parks.
- 8.19 The economic models are in some ways simplistic (and this is recognised), they assume the property market is a perfect market, and not rife with market failures as it is (for example they make no allowance for companies modernising or relocating into different sized properties; that land is not used totally efficiently; that brownfield land will remain undeveloped due to the costs of remedying it; or that some companies occupy more space than they need, etc).
- 8.20 Generally where population/economic forecasts are applied a number of caveats are made. Furthermore the land need they predict are net figures. That is, they recognise there will be new employment land allocated and developed, but this will probably be compensated for by the redevelopment of existing brownfield employment land for alternative uses.
- 8.21 Such forecast methodologies often also recommend having an employment land buffer, to allow the structural change predicted (the move from industrial to office space) to occur.
- 8.22 The economic forecasts look at how the size of the workforce and activities they will be undertaking are expected to change. However they should be treated with some caution. Typically these indicate very small job growth and higher density employment uses, i.e. offices, negating the need for further employment land. However these theoretical forecasts contradict what is happening in practice, which is continuing development and expansion, even though these theoretical trends have been

occurring for some twenty years or more. Such forecasts are also found to be less robust at local (as compared to the regional) level.

- 8.23 There will be a move to higher density employment, however, counter to this and increasing the need for land, will be continuing economic growth, the growth in numbers of small business; and increasing preference for better quality, more spacious accommodation. BE Group also feel that, especially in rural areas, a lot of the 'service sector employment' will be in light industrial premises, rather than offices as is generally predicted.

9.0 CONCLUSIONS

9.1 In this section the findings of each of the preceding sections are drawn together into a number of conclusions, broadly themed under five headings.

Economic Assessment

9.2 There are approximately 2960 VAT registered businesses in the Vale. Of these, approximately 2000 (70 percent) operate from B1, B2 or B8 premises. The main concentrations are in Barry and Penarth, but rural settlements also play an important role, accounting for a third of the business space.

9.3 The Vale is relatively well skilled with above average numbers of people working in managerial and professional occupations. The unemployment rate is also lower in the Vale than in Wales. Manufacturing has declined, accounting for only ten percent of employment, much lower than for Wales and Great Britain. There is a very strong service sector, and growing in line with national trends. It is ahead of comparable averages. However, this strong profile is linked to the fact that many Vale residents work in the office sector in Cardiff.

9.4 The Vale has quite a complicated economy – being an area of contrasts. The main urban area Barry is quite isolated and a lower quality/value location, especially when compared to neighbouring Cardiff or wealthy residential rural areas. Penarth is more related to the Cardiff economy. There is a large rural hinterland, with very different needs to Barry. The study area also includes Cardiff International Airport, RAF St. Athan, Barry Chemical Complex and Barry Docks. These are all quite separate developments that in part also have a regional role to play. There are specialised uses attached to them – even though employment land linked to them contributes to the Vale's overall land supply.

9.5 Homeworking is an important element of the Vale's economy, particularly strong in Penarth and rural areas. This is undertaken by over 15 percent of all those employed, which is higher than the national average. This is contributing to the national trend of a greater number of (on average) smaller companies. Also, one in four people (of working age) work outside of the Vale, one of the highest rates in Wales, reflecting the proximity to Cardiff.

Property Market Assessment

9.6 In Table 43 the proportional distribution of various aspects of the Vale's property market is compared to the relative populations of the six main areas. The main issue of concern is the relative under provision of land in the main towns, with the exception of Barry. Two thirds of the employment land is found in rural areas, but this is heavily skewed by the 54.20 ha Miskin Land. There are no developable employment sites in Penarth, Llantwit Major, Dinas Powys or Cowbridge (although Cowbridge and Llantwit Major are close to Vale Business Park and Llandow Trading Estate).

Table 43 – Findings Summary

Area	Proportional Distribution, percent					
	Population	Employment Land	Industrial Units	Offices	Vacant Industrial Floorspace	Vacant Office Floorspace
Barry	39.0	31.6	48.2	39.1	26.5	65.7
Penarth	18.0	0.0	17.7	21.6	11.5	17.1
Llantwit Major	12.0	0.0	2.6	6.8	0.3	0.0
Dinas Powys	7.0	0.0	2.7	3.5	0.0	0.0
Cowbridge	3.0	0.0	3.3	20.5	1.1	3.5
Rural	21.0	68.4	25.5	8.5	60.6	13.7

Source: BE Group

9.7 The Vale has an insular property market, where demand is largely from local businesses and industrial need far out weighs that for offices. Barry and Penarth dominate, but the combined rural areas and towns are far more important than one would expect. Cowbridge for example, is an important contributor to the office market.

9.8 Barry has a greater proportion of vacant office floorspace but this is mainly made up of three large units. Most of the vacant industrial floorspace is in rural areas, namely Llandow Trading Estate and Vale Business Park, which although important have created a concentration of space in a small area.

9.9 There is very little inward investment. This is due to the Vale's largely rural character; peripheral nature of large areas; close proximity to grant assisted areas; a lack of a large, high profile, strategic population centre and distance from the motorway network. More importantly, the Vale falls in the shadow of Cardiff, and misses out to investment that is largely concentrated eastwards of the City towards Newport and

Bristol.

- 9.10 Although manufacturing is declining, it is the demand for industrial sites and premises that is the strongest in the Vale. Companies require space for storage, distribution and assembly of goods. Most requirements are for freehold industrial units up to 464 sqm of moderate quality, but there is still demand for larger units up to 929 sqm. Most of the rural demand is for cheaper, more basic industrial units.
- 9.11 The office market is very limited, suffering in comparison to Cardiff. Most requirements are for small offices of up to 100 sqm.

Property Supply

- 9.12 There are no high quality industrial schemes in the Vale: Atlantic Trading Estate and West Point Industrial Estate are the pick and both are well occupied. Other moderate quality schemes such as Ty-Verlon Industrial Estate and Llandough Trading Estate are also popular. The various rural industrial estates (Llandow Trading Estate, Vale Business Park and Westwinds Industrial Estate) provide a valuable resource for local businesses, often providing low cost premises. Most exhibit high occupancy rates, only where units are poor quality (or over specified) do landlords struggle to find tenants.
- 9.13 Small workshops are provided at Vale Enterprise Centre, which although dilapidated and in poor condition is 86 percent occupied. Conversely, workshops at the Council's newly built Business Service Centre are all vacant. This may be because the development is new and perceived to provide only offices.
- 9.14 In terms of offices, there are very few schemes, reflecting the small size of this market in the Vale. There is a lack of quality office premises, the only options are at Culverhouse Cross. This would be the best place for further office development, because of its proximity to Cardiff and accessibility.
- 9.15 Office requirements are few and far between and rarely exceed 100 sqm, but this is likely to change over the next ten years in line with general economic trends, but exacerbated by a number of factors. The Airport, especially once opened up with a new access road from the M4, will benefit from the growth of Cardiff and potentially, the out-sourcing of freight from more costly airports such as Heathrow. There will be spin-off effects from St. Athan and the increasing attractiveness of a regenerated

Barry Waterfront will help grow the service sector. There will also be a ripple effect out of Cardiff as available sites and premises there fill up.

- 9.16 There are only three serviced office schemes in the Vale. These are well suited to growing the small business sector and encouraging new start-ups and are also well occupied. Offices let well at both Vale Enterprise Centre and the Business Support Centre. Unfortunately, no figures are available for the privately owned Business Centre at Ty-Verlon Industrial Estate.
- 9.17 There is a shortage of good quality immediately developable sites and premises. Modern businesses (and developers) want easily developable, accessible, prominent sites for their premises. As they move from existing property, they want better, more efficient, cost effective accommodation of an appropriate size. There are limited opportunities to do this in the Vale, especially in Barry. There is also a shortage of freehold premises, particularly on the industrial side.
- 9.18 Based on the results of the company survey there appear to be shortages of 200-500 sqm properties – both industrial and office. Rural options are concentrated at Vale Business Park and Llandow Trading Estate. There is not a broad range of schemes, distributed evenly around the Vale. Large parts of the study area have minimal supply.

Land Supply

- 9.19 According to the Council's 2006 Employment Land Register, there is 173.1 ha of employment land. However, only about 50 ha is actually available in the short term (i.e. free of site constraints and the land owner willing to develop).
- 9.20 There is a shortage of readily available, serviced land which limits occupier choice. The only options small sites at Atlantic Trading Estate and the Marley Tile site at Llangan. Other sites require significant investment, are simply not available or are being landbanked. It is therefore very difficult for local companies to expand and relocate to new sites especially in the main economic centre, Barry.
- 9.21 There is a shortage of land at Barry, some land is coming forward at Atlantic Trading Estate, but most other sites are severely constrained, limiting occupier choice.
- 9.22 A number of sites are potentially high quality and suitable for good quality office

development, e.g. those at Cardiff International Airport and Barry Waterfront (sites 4a and 16). However demand is limited at the moment, but will increase. They are slightly ahead of their time, because of the strong activity along the M4 and in Cardiff which diverts private sector interest from them.

- 9.23 There are a number of sites that are essentially in use or being retained by their owners, particularly those owned by ABP and linked to their port activities and Site 5f at the Airport. This also applies to the Vale's largest site at Miskin, 54.2 ha, which is being retained by Bosch. This high profile, well connected site would obviously make a very good motorway-related business park location. However, how much effect such a site would have on the Vale's economy and job opportunities is questionable because of its distance from population centres. It would support neighbouring local authority areas more.
- 9.24 There is no good quality general business park location in Barry/Penarth. The two sites at Pencoedre had the potential to offer this – being prominent and accessible. However they are likely to be lost from the land supply.
- 9.25 Rural land supply is concentrated in one area Vale Business Park/Llandow Trading Estate (apart from 0.8 ha in Llangan).
- 9.26 There is only one of the generally available sites that is not suitable for employment uses – the 2.7 ha Rhoose Point – which suffers from poor access, situation, prominence and is divorced from other employment areas.

Future Land and Property Requirements

- 9.27 A balanced land and premises portfolio is required to stimulate local company growth, inward investment and emerging industries. This will also help to move the Vale's employment base away from manufacturing to higher-value industries. Ideally employment land should be close to residential areas, well served by public transport, cycle and walking routes; and support areas of deprivation or regeneration (i.e. parts of Barry).
- 9.28 Based on the long term annual average take-up between 1996 and 2007 (4.1 ha/year), 102.5 ha of land is required for the period 2007-2026 (this includes a five year buffer to provide range and choice). Therefore purely quantitatively there is enough land in the Vale to meet its needs.

- 9.29 The company survey has identified reasonable demand, and a relatively large number of requirements for freehold units. This is possibly pent-up demand as a result of a lack of serviced available land in the past.
- 9.30 The findings of the company survey are but one strand of evidence to formulate a land supply policy. What they do show is the hypothetical need for 10 ha of land over the next three (but more realistically five) years. This is extrapolated from the identified demand of 0.5 to 1.5 ha from a survey of 200 businesses. The Council should bear this in mind, tending towards maximum figures, rather than minimum, where there is a choice when allocating employment land.
- 9.31 Land take-up will also be increased in the effect of St. Athan, which will have a dramatic impact on the economy. Its scale and number of jobs created will increase the demand for goods and services, to cater to the people employed or studying there. There is no economic impact evidence, but assuming that this could add 0.5-1.0 ha/year (BE Group's indicative assessment) to average take-up there is still sufficient land in the Vale to cope with this increased demand. Plus there is substantial development land proposed at St. Athan (60 ha) to accommodate increased take-up.
- 9.32 Population growth, predicated to be some 9600 people between 2006 and 2026, will also increase the need for land and premises. The Vale has sufficient surplus land to cater for this growth, especially given the trend to higher density office working which should impact more noticeably over the next decade than it has to date.
- 9.33 There is a proposal to redevelop the ITV headquarters at Culverhouse Cross. This is a high profile, gateway location to the Vale, which has the potential to create a high quality business park of the wider study area. This is a developer-led proposal which the Council has yet to determine.
- 9.34 There are other potential development sites in the pipeline, for example the WAG propose an Aerospace Park at RAF St. Athan; while there is also potential surplus land that could come forward within Barry's chemical complex. There appears to be sufficient land at Cardiff International Airport for the next 10-15 years.
- 9.35 A lot of the employment land is still constrained (i.e. poor servicing, access and

infrastructure) and to satisfy demand over the Plan period, this needs to be resolved, particularly at sites in Barry. Sites at the Airport will however, become considerably more attractive in the future. If sites do not come forward, or are lost, they will need to be replaced, especially major allocations such as at Miskin. (Although this could be compensated for by the proposal at St. Athan to regenerate over 60 ha of employment land).

- 9.36 The property market is restricted by the marginal economics of property development. Prime, new industrial building generally achieve up to £60/sqm, given current build costs there is generally not enough margin for private sector developers to service sites, build and market units and make a profit. Developers often need pre-lets or to really control costs to make new build worthwhile. This situation is even worse in the office sector, where demand and rents are relatively even lower. Consequently the study area lacks speculative development, which is needed to encourage occupier growth by providing immediately available options. Furthermore it is reliant on public sector support to service development sites to facilitate the property market. This is an issue restricting the true availability of much of the Vale's land supply – and certainly constraining growth in Barry.

10.0 RECOMMENDATIONS

- 10.1 In this section the conclusions are drawn together into a number of recommendations, broadly themed under the headings identified previously.

Economic Assessment

- 10.2 Enhance the promotion of the Vale and its benefits to inward investors, especially when new land allocations are serviced and opened up. There is the potential to draw in new businesses to broaden the employment base to higher-value sectors and services, from more expensive, overheating, neighbouring locations such as Cardiff and Bridgend. However it is recognised that this will be difficult.
- 10.3 A significant proportion of the Vale's well-skilled workforce are out-commuting, there is an opportunity therefore to encourage more to stay local, meeting the sustainability agenda. This could be done by providing better quality land and premises, as well as serviced offices and managed workspace to encourage entrepreneurial start-ups in Barry. The St. Athan development shall also help to assist in this. The Vale should aim to excel in business support and guidance, to appeal to those businesses choosing to relocate to grant assisted areas.
- 10.4 Homeworking is high in the Vale. The Council could investigate ways of supporting businesses starting from home, through business support, networking events, best practice seminars. For example, the NWDA has started a Colo Centre scheme, providing bespoke business accommodation in very rural areas offering business services and drop-in desk availability, including document storage space, etc. This has also helped professionals working from home who are looking for a small office unit, with secretarial support. This model could be looked at for consideration in the Vale.

Property Market Assessment

- 10.5 Recognise the needs of modern industrial companies, they require accessible, out-of-town centre locations with car parking. Although town centres continue to have a role, this is reducing. Town centres can be made more viable with mixed-use schemes involving residential, retail and some small-scale offices.
- 10.6 Recognise the contribution of the rural areas to the Vale's property market and economy. Help to support rural industrial estates and farm conversions (which there

seem to be a lack of), facilitating their upgrade where necessary e.g. Llandow Trading Estate and Vale Business Park. This includes infrastructure, signage, building condition, etc. They plan an important role and cannot afford to be lost, unless replaced elsewhere, because of the lack of alternative sites and premises in the rural areas.

- 10.7 Continue to promote rural building conversion and reconsider planning policies to encourage this further. Many potential workspace conversions are being lost to residential. It is a fine balance, but thought needs to be given to this to maintain a diversified, rural economy. This should be progressed through the LDP to alter the balance, away from residential conversions more towards employment diversification.
- 10.8 Although most companies are looking for basic/moderate industrial premises in the Vale, this is changing. There is a need for better quality land and premises, especially for high growth, dynamic sectors which are likely to generate the greatest employment in the future.
- 10.9 Provide serviced, freehold, development plots in Barry. Target at owner-occupiers, as this will help satisfy the demand for freehold units. Perhaps 2 ha providing initially 5-10 0.1-0.2 ha plots is needed, offered on a long leasehold basis to ensure some control of the area to keep it well planned, clean and tidy.
- 10.10 Again, although there is a very limited office market in the Vale, this is also changing and the public sector need to respond to this and anticipate it. Potential office sites at Barry Waterfront and Cardiff International Airport need to be reserved, taking a longer term view. It is recognised that there may be limited demand for them now, but they will be needed in 5-10 years time. The Council should also support appropriate business development proposals at Culverhouse Cross (an important gateway to the Vale) to retain ITV Wales as a key employer and at RAF St. Athan. (The wider mixed-use element of the latest Culverhouse Cross proposals are not considered here, and are outside the remit of this report).

Property Supply

- 10.11 Encourage the improvement and environmental enhancement of existing industrial estates, in particular Atlantic Trading Estate and Ty-Verlon Industrial Estate. These are areas at risk of fragmented ownership and poor maintenance. The low quality nature of Llandow Industrial Estate also requires tackling – it needs better roads,

utilities and higher specification premises.

- 10.12 Monitor the demand for units at the Business Service Centre, and ascertain why the take-up of workshops is low. They might be better used, if converted to offices.
- 10.13 Investigate opportunities to build small workshops up to 100 sqm (with grow-on space up to 200 sqm) at Atlantic Trading Estate (or nearby), and adjacent to deprived areas of Barry.
- 10.14 There is a need for a good quality business park on the north side of Barry. The Council should investigate potential locations for this, and consider bringing forward a suitable site, given that the Pencoedre sites are likely to be lost from the land supply.
- 10.15 The economy could be stimulated further by providing small-scale office/workshops outside Barry, especially in rural areas. Penarth, Dinas Powys, Cowbridge and Llantwit Major are potentially suitable.

Employment Land

- 10.16 Continue to work with key partners such as the WAG to overcome barriers to the development of key sites, especially in Barry, i.e. Cardiff Airport, Hayes Wood, Atlantic Trading Estate. Work with landowners, particularly those with higher value aspirations to realise the strategic importance of their sites for employment use, e.g. High Level Site, Barry. These may well need public sector support to help service them. The development economics are marginal, and sites need to have infrastructure before the private sector will develop. As Barry is identified as a key settlement in the South East Wales Development Framework, funding may well be available for this.
- 10.17 There is sufficient land allocated for employment use in the Vale. However, most is not part of the 'true' supply, either due to landowner aspirations or development constraints. Unfortunately, this includes a number of sites in Barry and the Bosch site at Miskin. Only one site is recommended for de-allocation – Rhoose Point. Land needs to be retained to ensure the long term economic future of the Vale. And to capitalise on expected growth in 10-15 years time when more demand starts to ripple out of Cardiff, the Vale's office sector matures, the positive effects of St. Athan are felt and the importance of the airport as a business location is more fully recognised.

- 10.18 The Pencoedtre sites (13 and 22) are likely to be lost from the employment land supply. Land to SE of Junction 34, M4 Miskin may also be lost because it is a protected minerals site. Rhoose Point (Site 14) should be re-allocated for mixed-use. The Council should also consider the status of site 5f at the Airport because it is unavailable to general users.
- 10.19 Further to this, employment land is distributed unequally across the Vale – two thirds being in rural areas alone. All of the settlements, with the exception of Barry, have no employment land allocated. Neither is this conducive to the future economic growth of existing settlements or sustainable development of the Vale as a whole.
- 10.20 Maintain the good quality employment land allocations at Cardiff Airport and Barry Waterfront. Although demand is low at the moment for these sites, it is likely to emerge in the future and the Council should anticipate this. Having said this, at Cardiff Airport there is sufficient land to allow some ancillary leisure development to both complement the Airport and provide amenities to future occupiers. In the future Cardiff Airport should become an increasingly strategic location. It will accommodate high profile operations generally, indirect spin-offs linked to the airport and St. Athan proposal and some high growth local businesses.
- 10.21 Prepare a strategy to better use surplus land in the chemical complex. Currently 16 ha has been identified, but this may well increase. The land will probably require significant remediation and the Council should work with the chemical companies and ABP to resolve this.

Future Land Requirements

- 10.22 Based on the historic average annual take-up rate of 4.1 ha; company survey, which identified latent demand; and the impact of emerging developments (e.g. St. Athan), the Vale should probably have enough land to cater for expected take-up.
- 10.23 It would seem therefore that the Vale has sufficient land to cater for forecast need. However, this hides some market failures. Much of the land in Barry is unserviced or targeted at the office market in 5-10 years time. Also a third of the potential supply is Bosch's expansion land at Miskin. Although this site could be lost, it could effectively be replaced by the WAG's proposal to provide 60 ha of general employment land at St. Athan.

- 10.24 However, the amount of available land is dependent on constrained land being serviced and brought forward. Once these sites at Atlantic Trading Estate have been sold, neighbouring sites need to be serviced and consolidated to provide development options in the short term, and as mentioned before, small freehold development plots made available.
- 10.25 Barry lacks a good quality business park, for B1 office and light industrial uses to the north of the town, well connected to strategic transport routes. A site of 5-10 ha is required, and could be achieved by re-allocating land 'lost' at Pencoedre and Rhoose Point.
- 10.26 It is difficult to predict what sort of employment sector ought to be assigned to each site. The key objective would be separate B2 from B1 and B8 uses; and maintain the high quality of buildings, especially on the various business parks. It may also be prudent to separate B1 office from B1 light industrial and B8 uses, but with such a small office sector this may be difficult (and unnecessary).
- 10.27 Ensure future land allocations are sustainable and meet guidelines in terms of being accessible to workers; do not promote use of the car; and are well linked by public transport, cycle and pedestrian routes. However the private sector would prefer accessible, edge-of-town, greenfield sites.
- 10.28 For the moment there is no need to allocate more land – aside from replacing any allocations 'lost'. Although there is scope to intensify development on a number of estates, e.g. Atlantic Trading Estate, Barry Docks, Llandow Trading Estate and Vale Business Park. Rural employment should be about property conversion/provision rather than the allocation of more land.
- 10.29 The exception to this is the WAG's proposal for a business park alongside the MOD Training Academy at St. Athan. This will be needed to accommodate spin-offs from this facility and will be a regionally important, targeting a specialist market pulling in high-tech inward investment. Given this proposal, there is no need for another allocation elsewhere in the Vale, for example, nearer Cardiff Airport, beyond that employment land which already exists.
- 10.30 There are proposals to expand employment areas in neighbouring local authority areas, e.g. Waterton Industrial Estate in Bridgend. This may be appropriate if the

neighbouring area is struggling to find suitable land for employment allocations, however it must be considered at a cross-border strategic level. No firm answer can be given within the remit of this study.

- 10.31 Review and monitor the position and undertake the study again in five years. 2026 is a long time in the future, much can (or cannot) happen. The study has found some information gaps in the preparation of this report. The Council (Planning/Economic Development) should monitor more closely the take-up and development of employment land in the future in order to aid long term planning and strategy decisions.

Appendix 1

Consultees

Consultees

AA & EJ Evans
Advantage West Midlands
Alder King
Arlington Greene
Associated British Ports
Bosch
Bridgend Council
Brinsons
Burnett Davies
Business Eye
Cabot CMP
Cadoc Castle Developments
Capital Wales
Cardiff Airport
Cardiff City Council
Creative Rural Communities Partnership
Defence Estates
DTZ
Farmers Union Wales
Fletcher Morgan
Gerald Eve
GVA Grimley
Harmers
Herbert R Thomas
Hexion
Hirons Morgan & Yapp
Hutchings & Thomas
Ineos Vinyls
King Sturge
Knight Frank
Lambert Smith Hampton
LEL Properties
National Farmers Union
Rhondda Cynon Taff Council
Thomas Family Trust
Vale of Glamorgan Council
Vopak Chemicals
Watts and Morgan
Welsh Assembly Government
Woodham Brothers

Appendix 2

Vacant Premises Schedules

VACANT INDUSTRIAL PREMISES SCHEDULE				
Property	Location	Tenure	Quality	Size, Sqm
Unit 5	Vale Business Park	Leasehold	Moderate	4614
Unit 19/Plot A	Llandow Trading Estate	Leasehold	Budget	4181
Unit A	Ty Verlon Industrial Estate, Barry	Leasehold	Moderate	2456
Unit 53	Llandow Trading Estate	Leasehold	Budget	1951
Unit B	Ty Verlon Industrial Estate, Barry	Leasehold	Moderate	1742
Unit 44	Llandow Trading Estate	Leasehold	Budget	1741
Units 1 & 2	Ty Verlon Industrial Estate, Barry	Leasehold	Moderate	1293
Unit 26a	Llandow Trading Estate	Leasehold	Budget	846
Unit 6	Llandough Trading Estate	Leasehold	Moderate	841
Unit 14	Atlantic Trading Estate	Freehold	Budget	792
Unit 13	Llandough Trading Estate	Leasehold	Moderate	686
Unit 39C	Vale Business Park	Leasehold	Moderate	678
Unit 34	Llandow Trading Estate	Leasehold	Budget	601
Unit 26	Llandow Trading Estate	Leasehold	Budget	592
Unit 9A/5	Vale Business Park	Leasehold	Moderate	585
Unit 5	Llandough Trading Estate	Leasehold	Moderate	576
Unit 9	Llandow Trading Estate	Leasehold	Budget	562
Unit 2&3	Ty Verlon Industrial Estate, Barry	Leasehold	Moderate	557
Unit 12	Llandough Trading Estate	Leasehold	Moderate	502
Unit 2	Llandough Trading Estate	Leasehold	Moderate	470
Unit B4	West Point Industrial Estate	Leasehold	Good	429
Unit 24&25	Ty Verlon Industrial Estate, Barry	Leasehold	Moderate	386
Unit 1	Tair Onen, Cowbridge	Leasehold	Budget	337
Unit 51	Vale Business Park	Leasehold	Moderate	288
Unit 25/48	Llandow Trading Estate	Leasehold	Budget	255
Unit 32	Llandow Trading Estate	Leasehold	Budget	229
Unit 2A / 2B	Palmersvale Business Centre, Barry	Leasehold	Moderate	223
Unit 15	Ty Verlon Industrial Estate, Barry	Leasehold	Moderate	194
Unit 4	Westwinds Business Park	Leasehold	Good	192
Unit 5	Westwinds Business Park	Leasehold	Good	192
Unit 7C	Vale Business Park	Leasehold	Moderate	183
Unit 7B	Vale Business Park	Leasehold	Moderate	175
Unit 7E	Vale Business Park	Leasehold	Moderate	149
D2 Atlantic Gate	Atlantic Trading Estate	Leasehold	Good	124
Unit 24	Vale Business Park	Leasehold	Moderate	118
Unit 4D	Palmersvale Business Centre, Barry	Leasehold	Moderate	112
Unit 9A/4	Vale Business Park	Leasehold	Moderate	111
Former Sorting Office	Llantwit Major	Freehold	Moderate	103
Unit 7&8	Ty Verlon Industrial Estate, Barry	Leasehold	Moderate	94
Unit 9&10	Ty Verlon Industrial Estate, Barry	Leasehold	Moderate	93
Unit 1	Llandow Trading Estate	Leasehold	Budget	82
Unit 7	Vale Business Park	Leasehold	Moderate	74

VACANT OFFICES PREMISES SCHEDULE				
Property	Location	Tenure	Quality	Size, sqm
Former Zeon offices	Sully Moors Road	Leasehold	Moderate	603
Units 1 & 2, Ty Verlon Industrial Estate	Barry	Leasehold	Moderate	328
87 Glebe Street	Penarth	Leasehold	Moderate	167
159 Holton Road	Barry	Either	Moderate	102
Unit 9/1-1C	Vale Business Park	Leasehold	Moderate	88
Unit 5, Stangate House	Penarth	Leasehold	Moderate	70
1B Tynwydd Road	Barry	Leasehold	Moderate	59
89 Eastgate	Cowbridge	Leasehold	Moderate	59
Unit 9/8-A	Vale Business Park	Leasehold	Moderate	51
17B Plas St Pol De Leon	Penarth marina	Freehold	Moderate	47
Unit 9/8-B	Vale Business Park	Leasehold	Moderate	28
Unit 9/1-D	Vale Business Park	Leasehold	Moderate	24
Unit 9/10D	Vale Business Park	Leasehold	Moderate	15
Unit 9/1-F	Vale Business Park	Leasehold	Moderate	13
Unit 9/1-E	Vale Business Park	Leasehold	Moderate	9

Appendix 3

Company Survey Questionnaire

VALE OF GLAMORGAN PROPERTY SURVEY

Your Company Details

Company: _____
Contact Name: _____ Position: _____
Address: _____
Tel No: _____
Business Activity: _____

Employees

1. Number of **full-time** employees _____ and **2. part-time** employees _____

3. Does your business suffer from any staff shortages or skills issues? if so, what?

No Yes _____

Current Accommodation

Type of accommodation

4. Office 5. Freehold
Serviced office Leasehold
Industrial
Warehouse
Hi-tech/Lab
Site

6. Size of unit

0-1000 sq ft 1001-2000 sq ft 2001-5000 sq ft
5001-10,000 sq ft 10,001-20,000 sq ft 20,001-50,000 sq ft
Larger, sq ft _____
Site size, acres _____

7. How satisfied are you with your current accommodation?

Very satisfied Satisfied
Unsatisfied Very unsatisfied

8. If you are unsatisfied or very unsatisfied, please state your reasons.

Future Accommodation

9. Are you considering moving premises within the next:

12 months? Yes No 2-3 years? Yes No

If yes to either of the above, please respond to questions 10a – 10h otherwise go directly to question 11.

10. What type of accommodation will you be looking for? (please tick main type/use)

10a. Office Industrial Serviced office
Warehouse Hi-tech/Lab Land

10b. Tenure required ? Freehold Leasehold

10c. Quality of premises preferred?

Prestigious/New Moderate Basic/Budget

10d. Will this be **additional** or **alternative** to existing property?

10e. What size of unit/site will you be looking for?

0-1000 sq ft	<input type="checkbox"/>	Site size, acres	
1001-2000 sq ft	<input type="checkbox"/>		_____
2001-5000 sq ft	<input type="checkbox"/>		
5001-10,000 sq ft	<input type="checkbox"/>		
10,001-20,000 sq ft	<input type="checkbox"/>	Larger unit, sq ft	
20,001-50,000 sq ft	<input type="checkbox"/>		_____

10f. General location - please indicate preferred area(s) below:

Barry	<input type="checkbox"/>	Anywhere Vale of Glamorgan	<input type="checkbox"/>
Penarth	<input type="checkbox"/>	Elsewhere South Wales	<input type="checkbox"/>
Cowbridge	<input type="checkbox"/>	Cardiff	<input type="checkbox"/>
Llantwit Major	<input type="checkbox"/>	Bridgend	<input type="checkbox"/>
Rest of Wales	<input type="checkbox"/>	Pontypridd	<input type="checkbox"/>
Other			_____

10g. Location type preferred: Town centre No preference
Business park Industrial estate

10h. What do you consider to be the most important factor when seeking alternative accommodation? Please state below.

Additional Comments

11. If you have any additional comments please use the space below.

Suggested topics might include:

- Road infrastructure
- Public transport
- Staff availability
- Business support
- Lack of property options
- Planning issues

Thank you for your assistance. All comments will be treated in confidence.
If you would like any further information on this survey please contact
BE Group on 01925 822112

Appendix 4

Sites Scoring

SITES GRADING SYSTEM

Location	Proximity to M4/Airport	<p>Site adjacent to M4 junction/airport – score 10 Site 0.5 mile from junction/airport – score 9 Site 1 mile from junction/airport – score 8 For each further half mile distance from junction/airport, reduce score by one point, i.e. any site 5 miles or further from M4/airport scores zero.</p>
	Prominence	<p>Site adjacent to, and visible from M4/airport – score 10/9 Site adjacent to, and visible from A4232 (dual) – score 8/7 Site adjacent to, and visible from A road – score 6/5 Site has local prominence, e.g. within its industrial location – score 4/3 Site located in ‘backlands’ – score 2/1/0</p>
Public Transport		<p>Site on a bus route and near to rail station – score 10 Site on a bus route – score 5 Limited public transport – score 0</p>
Planning Status		<p>If site has detailed planning status – score 10 If site has outline planning status – score 8 If site approved in the UDP – score 4 If site is available, subject to planning – score 1</p>
Services Availability		<p>If all services are provided and in place – score 10 If priority services are available with no abnormal costs – score 7 If all priority services are available, but with abnormal costs – score 3 Some services are unavailable – score 0</p>
Road Accessibility <i>(Reflects accessibility in terms of business use)</i>		<p>In Barry/Penarth/A232 Corridor/airport – score 10 In A road corridor – score 7 Remote or restricted HGV access – score 3</p>
Constraints		<p>May be physical, planning, or legal Take a subjective view If there are none – score 10</p>
Environmental Setting		<p>Subjective</p>
Flexibility		<p>In terms of site shape and sub-division to suit smaller needs. Subjective, but consider the site within its context/category. Score 10 if it is flexible, 0 if it is inflexible.</p>
Availability		<p>Site is available for development immediately – score 10 Site is available to develop in 1 year – score 8 Site is available to develop in 2 years – score 6 Site is available to develop in 3 years – score 4 Site is available to develop in 4 years – score 2 Site is available to develop in 5 years – score 0</p>

Site Ref	Site Name	Settlement	Size, ha	Serviced	M4/Airport Proximity	Prominence	Public Transport	Planning Status	Services Availability	Road Accessibility	Constraints	Environmental Setting	Flexibility	Availability	Total	Marketed Sub-Total	Specialist Use	Specialist Uses	Constraints
1d	Atlantic Trading Estate	Barry	0.5	Yes	0	2	0	4	7	10	2	5	1	8	39	18			Flooding, Archaeology, adjacent Waste Resource Park within hazardous installation zone
1g	Atlantic Trading Estate	Barry	0.6	Yes	0	2	0	4	7	10	2	5	1	9	40	18			Residential, Archaeology, flooding within hazardous installation zone
1f	Wimbourne Road	Barry	4	Yes	0	2	0	4	7	10	2	5	3	4	37	20	Yes	Port	Partly used, Flooding, Port-related within hazardous installation zone
4a	High Level Site	Barry	8.8	No	0	6	8	4	7	10	2	8	8	6	59	32			Flooding, Water, Landfill, swap neighbours
4b	Barry Docks	Barry	0.2	No	0	1	0	4	7	10	2	2	0	0	26	13	Yes	Port	Flooding, Water, Landfill, Buffer Zone
4c	Barry Docks	Barry	1.7	No	0	1	0	4	7	10	2	2	0	0	26	13	Yes	Port	Flooding, Water, Landfill, Buffer Zone
5a	Cardiff Airport Business Park	Barry	20.9	No	10	10	5	4	7	10	8	10	10	2	76	50			Excavation Costs
5b	Cardiff Airport Business Park	Barry	5.7	No	10	10	5	4	7	10	8	10	9	2	75	49			Excavation Costs
5d	Cardiff Airport Business Park	Barry	10.40	No	10	10	5	4	7	10	8	10	10	2	76	50			Excavation Costs
5f	Cardiff Airport Business Park	Rhosee	6.3	No	9	8	5	4	7	10	4	10	3	0	60	40	Yes	Airport	Water, Airport related, Residential
6a	Hayes Lane, Atlantic Trading Estate	Barry	1.4	No	0	4	0	4	7	10	8	5	5	6	49	24			Landfill
7a	Hayes Road	Barry	7.3	No	0	2	5	4	7	10	6	4	6	6	50	22			Contamination, SSSI, Coastal Buffer, Flooding
8a	Hayes Wood, Atlantic Trading Estate	Barry	1.7	No	0	4	5	4	7	10	2	5	5	6	48	24			Archaeology, Residential, Flooding, Drainage
8b	Hayes Wood, Atlantic Trading Estate	Barry	2.5	No	0	4	5	4	7	10	2	5	5	6	48	24			Archaeology, Residential, Flooding, Drainage
10a	Llandow Trading Estate	Llandow	6.50	No	0	4	0	4	7	3	8	4	7	4	41	18			Environmental
11	Marley Tile Site	Llandan	0.8	Yes	4	3	0	4	7	3	8	6	2	8	45	18			Environmental
13	Pencoedre Business Park	Barry	3.2	No	2	6	5	4	7	10	4	7	5	0	50	30			Archaeology, SSSI, Residential
14	Rhosee Point	Rhosee	2.7	Yes	8	1	10	4	10	3	8	6	7	10	67	25			Residential
15	Sully Moors Road	Barry	4.9	No	0	3	5	4	7	10	2	4	7	0	42	24	Yes	Chemicals	Flooding, Landfill, Water Mains, Chemical Complex
16	Waterfront	Barry	3.40	No	0	6	10	4	10	10	10	8	9	7	74	33			
19a	Vale Business Park	Llandow	10.50	No	0	4	0	4	7	3	6	7	8	0	39	22			Access, Drainage
19b	Vale Business Park	Llandow	0.80	Yes	0	4	0	4	7	3	6	7	3	6	40	17			Access, Drainage
19c	Vale Business Park	Llandow	1.50	Yes	0	4	0	4	7	3	6	7	4	10	45	18			Access, Drainage
21	Junction 34, M4	Miskin	54.20	No	10	10	0	4	7	10	6	8	10	0	65	48			Archaeology, Landscape, Minerals
22	Pencoedre Wood	Barry	11.50	No	2	6	5	4	7	10	4	7	6	0	51	31			Archaeology, SSSI, Residential

Appendix 5

Candidate Sites

Candidate Sites Scoring

Site Ref	Site Name	Settlement	Size, ha	M4/Airport Proximity	Prominence	Road Accessibility	Environmental Setting	Flexibility	Marketed Sub-Total
2561/CS.1	MoD St Athan and adjoining land	St Athan	427.8000	10	5	3	7	10	35
182/CS.4	The former Llandow Airfield	Llandow	189.2000	0	4	3	7	8	22
2449/CS.1	Land at Fort Road	Lavernock	157.1000	0	2	3	8	10	23
2501/CS.1	Model Farm, Port Road	Rhoose	110.1000	10	10	10	9	10	49
2490/CS.5	Land adjacent St Athan airport	Boverton	67.8900	10	3	3	6	9	31
2407/CS.1	Land at Brynhill Golf Course, Port Road East	Barry	62.5300	4	1	10	9	9	33
34/CS.3	Land at West Pond and South Quay, Barry Waterfront	Barry	33.7300	4	7	10	9	9	39
2468/CS.1	Land at Brocasle Farm	Brocasle	22.2200	4	2	3	7	8	24
2531/CS.1	Old harbour and public car park	Barry Island	20.7800	2	1	3	0	0	6
2482/CS.3	The Lawns, Cwrt yr Ala	Michaelston-le-Pit	19.4000	0	1	3	5	8	17
2241/CS.1	Land south of Waterton Industrial Estate	Waterton	19.2700	5	3	10	7	8	33
2490/CS.3	Land adjoining Walterston Village	Rhoose	19.2200	0	0	3	6	7	16
2490/CS.2	Land adjoining Walterston Village	Rhoose	18.6100	0	0	3	6	5	14
2442/CS.1	Land at Llandow, East of Llantwit Major Road	Llandow	18.4700	1	3	3	7	8	22
2388/CS.2	Land at Long Lands Farm, Cornstown Road	Llandow	15.5100	4	1	3	7	7	22
2490/CS.4	Land adjoining Walterston Village	Rhoose	15.4100	0	0	3	6	7	16
2533/CS.1	ITV Wales and Land Adjacent to Old Port Road	Culverhouse Cross	15.3800	4	8	10	10	8	40
2393/CS.2	Land adjacent to Railway & River Ely, Duffryn Bach	Pendoylan	12.4000	9	10	0	5	7	31
2514/CS.1	Wenvoe Castle Lawns	Wenvoe	11.5400	0	7	10	7	8	32
2500/CS.1	Land to the south of Treoes and Adjoining Road Factory Site	Treoes	7.9550	4	0	0	7	7	18
2334/CS.3	Land to the south east of Ford Factory	Brocasle	7.9550	4	0	0	7	7	18
2551/CS.1	Land at Leckwith Quay, Leckwith Bridge	Leckwith	7.8880	0	8	10	7	7	32
2500/CS.3	Land to the south of Treoes and Adjoining Road Factory Site	Treoes	6.6160	5	2	10	7	6	30
2334/CS.2	Land to the south of Ford Factory, Waterton Industrial Estate	Waterton	6.6160	5	2	10	7	6	30
1287/CS.1	Lilwery Old Lime Works/Quarry, St Athan Road	Aberthaw	6.6010	9	1	3	5	4	22
2432/CS.1	Land to the south of Ford Factory	Bridgend	6.0720	5	0	0	7	6	18
2512/CS.1	Ty-Hen Farm	Treoes	6.0460	5	2	10	7	5	29
2188/CS.1	Land to the east side of Llantwit Major Road	Llandow	5.7000	1	4	3	7	7	22
2500/CS.2	Land to the south of Treoes and Adjoining Road Factory Site	Treoes	5.5240	5	2	10	7	5	29
2334/CS.1	Land to the south west of Treoes	Treoes	5.5240	5	2	10	7	5	29
2450/CS.1	Land South of and adjoining Cardiff Airport	Rhoose	4.9100	9	8	10	10	2	39
2396/CS.3	Hayes Wood	Barry	4.2960	2	4	10	5	6	27
2440/CS.2	Land to the West of the Marley Tile Site	St Mary Hill	4.1370	6	2	3	6	3	20
2512/CS.2	Ty-Hen Farm	Treoes	3.7790	5	1	0	7	2	15

Site Ref	Site Name	Settlement	Size, ha	M4/Airport Proximity	Prominence	Road Accessibility	Environmental Setting	Flexibility	Marketed Sub-Total
2570/CS.1	Land at Pencoedre, North East Barry	Barry	3.6850	6	6	10	7	5	34
2354/CS.2	Moor Mill Farm	Treos	3.2220	6	1	10	7	4	28
2463/CS.1	Land at Morfa Lane, Llandow Industrial Estate	Llandow	2.7830	0	2	3	4	3	12
2392/CS.1	Port Road, Nurston	Rhoose	2.3230	9	2	10	4	2	27
2508/CS.1	Land at Sutton Road	Llandow	1.9880	1	2	3	2	1	9
2510/CS.1	Barry Island Pleasure Park	Barry Island	1.9680	2	2	10	1	2	17
2548/CS.1	St Mary Hill	Mynywd Ruthin	1.6290	6	3	3	6	2	20
2494/CS.1	Land at Ty-Verion Industrial Estate, Cardiff Road	Barry	1.2380	0	0	10	2	1	13
34/CS.4	Land at Arno, Enterprise and Castileland Quays, Barry Waterfront	Barry	1.2110	4	2	10	8	1	25
2372/CS.2	Land at Rhiwan Farm, Old Port Road	Wenvoe	0.8873	4	3	10	7	1	25
2203/CS.3	Wick Road	Llantwit Major	0.7943	0	2	3	4	2	11
2520/CS.1	Land Adjoining Crossways Estate, Llantwit Major Road	Cowbridge	0.4902	0	2	3	4	1	10
2471/CS.1	Land at Tair Ohnen	Cowbridge	0.4844	0	2	3	4	1	10

CANDIDATE SITES ASSESSMENT

Introduction

A number of sites have been proposed through the LDP process for employment or mixed-use development. There are also a few existing employment areas, where it is suggested that alternative forms of development would be preferable. This assessment looks at these sites individually, as a whole and set against the context of the existing land portfolio in the Vale of Glamorgan – which overall is an oversupply, but lacking quality options in Barry.

Barry

In Barry some of the sites proposed are already appraised in Section 6. These include 2396/CS.3 Hayes Wood; 34/CS.3 Land at West Pond and South Quay, Barry Waterfront; 2570/CS.1 Land at Pencoedtre; and 34/CS.4 Land at Arno, Enterprise and Castleland Quays, Barry Waterfront.

Two are tourism-led opportunities, which are not typical employment sites as such, but could accommodate ancillary, small-scale premises, e.g. offices, workshops. These are 2510/CS.1 Barry Island Pleasure Park and 2531/CS.1 Old Harbour and Public Car Park, Barry Island.

2407/CS.1 Land at Brynhill Golf Course, Port Road East is 62.5 ha in size. It has the potential to become a good quality business park serving Barry. It needs access and servicing, but if developed in conjunction with the new road to St Athan, it has the potential to meet the gap in the Vale's employment land portfolio. It is on the north side of Barry, would be highly accessible and prominent, related to existing housing and has the critical mass to enable development of a scale to be both sustainable and viable.

Culverhouse Cross

Two sites are proposed in this area. 2533/CS.1 ITV Wales and Land Adjacent to Old Port Road and 2372/CS.2 Land at Rhiwan Farm, Old Port Road. Culverhouse Cross is a good business location because of its accessibility and prominence. ITV is a key employer and flagship operation in the Vale. ITV should be supported. If these sites enable this and meet planning regulations they should also be supported.

RAF St. Athan

Two sites are proposed, presumably because they facilitate the MOD's and the WAG's plans to develop RAF St. Athan. Hence they should be supported. They are 2561/CS.1 MOD St. Athan and Adjoining Land and 2490/CS.5 Land Adjacent St. Athan Airport, Boverton.

Rhose

Six sites are proposed around Rhose and Cardiff International Airport. 2450/CS.1 Land South of and Adjoining Cardiff Airport, Rhose consolidates operational airport land and is warranted. 2501/CS.1 Model Farm, Port Road is a large 110.1 ha strategic expansion, at the current time it is unnecessary, given the amount of undeveloped employment land already in existence around the airport.

The other sites proposed should not be used for employment purposes. Rhose is not a strategic business location. There is plenty of land elsewhere. There may be scope to open these sites up with new infrastructure linking to the airport, but they remain future possibilities in the long term, 10 years plus:

- 2392/CS.1 Port Road, Nurston
- 2490/CS.4 Land Adjoining Walterston Village
- 2490/CS.2 Land Adjoining Walterston Village
- 2490/CS.3 Land Adjoining Walterston Village.

Llandow Trading Estate/Vale Business Park

Four sites are identified in this area (182/CS.4, 2442/CS.1, 2188/CS.1, 2463/CS.1). While the importance of this area to the rural economy is recognised it is unlikely that there need to be major new employment land additions. There is already over 11 ha allocated there and the area is, in general, developed to a low intensity.

Mixed-Use Rural

Five sites are proposed for mixed-use development in rural areas. The presumption is that these will be essentially housing-led. The employment aspect will be small/ancillary. The smallest of these five is 6.6 ha, the largest 157.1 ha. None are supported for employment use, none are particularly strategic in location, or required, given oversupply elsewhere in the Borough.

One of the sites (2393/CS.2 Land Adjacent to Railway & River Ely, Duffryn Bach, Pendoylan) is actually close to the M4, Junction 34, although access to it is uncertain. This will share some of the locational advantages of Bosch's site at Miskin that is very close by. However there is little evidence that employment land in this area will benefit the vast proportion of the Vale people/economy. The other sites are:

- 2449/CS.1 Land at Fort Road, Lavernock
- 1287/CS.1 Lliwerry Old Lime Works/Quarry, St Athan Road, Aberthaw
- 2482/CS.3 The Lawns, Cwrt yr Ala, Michaelston-le-Pit
- 2514/CS.1 Wenvoe Castle Lawns, Wenvoe.

Other Rural

Three proposals are looking to expand rural employment, away from agriculture. If there is a willingness to do this and the uses are appropriate then they should be supported, as they help diversify the rural economy. The sites in question are:

- 2508/CS.1 Land at Sutton Road, Llandow
- 2440/CS.2 Land to the West of the Marley Tile Site, St. Mary Hill
- 2520/CS.1 Land Adjoining Crossways Estate, Llantwit Major Road, Cowbridge.

Bridgend

There are 13 sites linked to the expansion of Waterton Industrial Estate in neighbouring Bridgend, which are close to Treoes and Brocastle. Most lack infrastructure (including access). They are difficult to appraise because they need to be considered as a whole, brought forward together along with improved access infrastructure. There could be a rationale to allocate land in the Vale to expand this industrial estate if there is no room for enlargement in Bridgend. However this is a strategic cross-border planning issue. It is debateable how much benefit such land would directly have on the employment prospects of people and the economy in the Vale. The sites in question are shown in Table A1.

Table A1 – Waterton Industrial Estate Expansion Opportunities

2354/CS.2 Moor Mill Farm, Treoes	2432/CS.1 Land to South of Ford Factory, near Bridgend	2388/CS.2 Land at Long Lands Farm, Corntown Road
2512/CS.2 Ty-Hen Farm, Treoes	2334/CS.2 Land South of Ford Factory, Waterton Industrial Estate	2241/CS.1 Land South of Waterton Industrial Estate
2334/CS.1 Land to the South West of Treoes	2500/CS.3 Land to the South of Treoes and Adjoining Road Factory Site	2468/CS.1 Land at Brocastle Farm
2500/CS.2 Land to the South of Treoes and Adjoining Road Factory Site	2334/CS.3 Land to the South East of Ford Factory, near Brocastle	

2512/CS.1 Ty-Hen Farm, Treoes	2500/CS.1 Land to the South of Treoes and Adjoining Ford Factory Site	
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Potential Employment Losses

There are three sites proposed which are currently used for employment but which those making the representation would like to redevelop for residential. Three are small rural sites (2548/CS.1 St Mary Hill, Mynywd Ruthin, near Ruthin; 2203/CS.3 Wick Road, Llantwit Major; and 2471/CS.1 Land at Tair Onnen, near Cowbridge). The general presumption would be to retain for employment to help maintain a diversified rural economy. However if on public amenity considerations they should be reallocated, then the effect on economic development, of their loss, would be marginal.

One is in Barry. It is an in-fill site at the popular, and important, Ty-Verlon Industrial Estate. Although an irregular shape, and assuming access is reasonable, this should be retained for employment. There is a shortage of developable employment land in Barry (the site is Land at Ty-Verlon Industrial Estate, Cardiff Road, Barry). The other is at Leckwith, close to the A4232 (2551/CS.1 Land at Leckwith Quay, Leckwith Bridge, Leckwith), this has potential either as a better quality employment site (good road links) or as housing (capitalising on the waterfront location). The decision is left with the Council to debate on its merits.

