



AUGUST 2022

Cardiff Park and Ride East, Llanrumney

Employment Justification Report

Iceni Projects Limited on behalf of
Curtis Hall Limited

August 2022

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ON BEHALF OF CURTIS
HALL LIMITED

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EMPLOYMENT JUSTIFICATION REPORT

CONTENTS

1.	INTRODUCTION	1
2.	POLICY CONTEXT	3
3.	THE SITE'S LOCATIONAL ATTRIBUTES.....	6
4.	ECONOMIC CONTEXT	8
5.	INDUSTRIAL AND LOGISTICS PROPERTY MARKET	13
6.	JUSTIFICATION FOR DEVELOPMENT.....	20
7.	REVIEW OF ALTERNATIVE SITES	23
8.	CONCLUSIONS	29

1. INTRODUCTION

- 1.1 Curtis Hall Limited is applying for planning permission for the redevelopment and intensification of the Cardiff Park and Ride East Site (“the Site”) at Easter Avenue, Llanrumney to provide a range of commercial uses, including Class B2/B8 industrial units and trade counter units; together with reprovision of the Park and Ride and delivery of a new relief road linking the A48 Eastern Avenue with Llanrumney.

Site Location

- 1.2 The site is 23.2 ha in size. It is located immediately to the south of the A48 Eastern Avenue dual carriageway, between the Pentwyn and Llanrumney neighbourhoods on the eastern side of Cardiff.
- 1.3 The site is strategically well located, adjoining the A48, which connects the many areas of Cardiff, including Cardiff City Centre, to the M4. The dual carriageway connects the City Centre and parts of urban area to motorway network. It is therefore a strong and attractive location for industrial development, and benefits from both from strategic road access, from proximity to workers, and to businesses across the City.

Planning Policy Position

- 1.4 The Cardiff Local Development Plan (LDP) (adopted Jan 2016) sets out the policy framework for unallocated sites such as this. Policy EC7 states that proposals for employment use (B Use Class) on unallocated sites will be permitted provided that:
- i) The proposal cannot reasonably be accommodated on existing employment land and in the case of offices in the Central Enterprise Zone (Policy KP2) and the Central and Bay Business Areas (Policy EC4);
 - ii) The site falls within the settlement boundary and has no specific policy designation;
 - iii) The use is compatible with uses in the surrounding area and;
 - iv) The proposal is well related to the primary highway network and accessible to sustainable modes of transport.

Report Purpose

- 1.5 The purpose of this report is to demonstrate that the criteria outlined in Policy EC7 are met – particularly Part i) that the proposal cannot reasonably be accommodated on existing employment land. The report considers the locational attributes of the site, demonstrates that the development

cannot be reasonably accommodated on existing employment land, and sets out a clear justification for the location of the proposed development and the size and type of units provided. To do so, it also considers evidence on demand for industrial and logistics property in the Cardiff market.

2. POLICY CONTEXT

2.1 The chapter sets out the policies which are of relevance to the proposed development of the Site from an economic perspective. It focuses particularly on policies regarding the provision of employment land and floorspace. Other planning issues are addressed in the Planning Statement.

Planning Policy Wales, February 2021

2.2 Planning Policy Wales (PPW) sets out the land use planning policies and principles for Wales and alongside a series of Technical Advice Notes provides the national planning policy framework for Wales.

2.3 The primary objective of the PPW is to ensure that the planning system contributes towards the delivery of sustainable development and improves the social, economic, environmental and cultural well-being of Wales. Figure 4 identifies 'Key Planning Principles' which includes growing the economy in a sustainable manner – through enabling development which contributes to long-term economic well-being.

2.4 Paragraph 2.27 sets out how to assess the sustainable benefits of development:

“Planning authorities should ensure that social, economic, environmental and cultural benefits are considered in the decision-making process and assessed in accordance with the five ways of working to ensure a balanced assessment is carried out to implement the Well-being of Future Generations Act and the Sustainable Development Principle.”

2.5 The key economic considerations in the assessment process are listed as follows:

- The number and types of long-term jobs expected to be created or retained;
- Whether, and how far, the development will help redress economic disadvantage or support regeneration priorities, for example by enhancing local employment opportunities or upgrading the environment;
- The contribution the development would make to achieving wider strategies, for example the growth or regeneration of certain areas;
- The contribution this economic activity will have to wider policy goals;
- How the proposal would support the achievement of a more prosperous, low carbon, innovative and resource efficient Wales.

-
- 2.6 The PPW also emphasises that previously developed sites, such as this, should be used in preference wherever possible to greenfield sites.
- 2.7 The PPW provides guidance on plan-making, including the preparation of Employment Land Reviews. For development management decisions, it notes for need for up-to-date evidence. This report addresses this requirement.

Cardiff Local Development Plan 2006-2026

- 2.8 The Cardiff City Council adopted the Local Development Plan (LDP) in January 2016. The LDP outlines the broad approach the Council will take to ensure sustainable development between 2006 and 2026.
- 2.9 The Strategy sought to deliver 40,000 new jobs over the plan period (2006-26). It identifies, and seeks to maintain and enhance, the key economic role performed by Cardiff to benefit the City, the wider City Region and Wales as a whole through delivering a range and choice of economic opportunities across relevant economic sectors.
- 2.10 Chapter 2 in the LDP sets out relevant policies related to employment land. The thrust of the policy framework is to seek to protect existing employment sites and office space. Policy EC7 sets out how the Council will determine planning applications for B-class employment development on non-allocated sites. We have replicated this below.

EC7: EMPLOYMENT PROPOSALS ON LAND NOT IDENTIFIED FOR EMPLOYMENT USE

Proposals for employment use (B Use Class) on unallocated sites will be permitted provided that:

- i. The proposal cannot reasonably be accommodated on existing employment land and in the case of offices in the Central Enterprise Zone (Policy KP2) and the Central and Bay Business Areas (Policy EC4);**
- ii. The site falls within the settlement boundary and has no specific policy designation;**
- iii. The use is compatible with uses in the surrounding area and;**
- iv. The proposal is well related to the primary highway network and accessible to sustainable modes of transport.**

- 2.11 The supporting text to the Policy in Para 5.67 is clear that the LPA is not able to predict all potential business and operator requirements over the plan period; and the Policy aims to provide flexibility to enable business investment.

Cardiff Ambition

- 2.12 The Cardiff Ambition, prepared in 2020, sets out the Council's key aims and objectives. It articulates the vital role Cardiff plays in creating jobs and prosperity for people of the City and the wider City region, as Wales' strongest economic asset and best opportunity to secure economic success.
- 2.13 One of the ambitions identified is to generate new jobs and employment sites in the east of the City. The proposed development will help to achieve this.

Cardiff Post Pandemic Recovery Strategy

- 2.14 The City's 2021 City Recovery and Renewal Strategy identifies that the City's economy has been hit hard by the pandemic, with young people particularly hardly hit by growth in unemployment. It identifies one of the trends which has emerged as "an acceleration of the shift to online retail" which is identified as likely to be a more permanent feature of the post-pandemic economy. This influences the need for warehouse/ distribution floorspace. It also identifies the aspiration to retain and drive growth in knowledge-based business.

3. THE SITE'S LOCATIONAL ATTRIBUTES

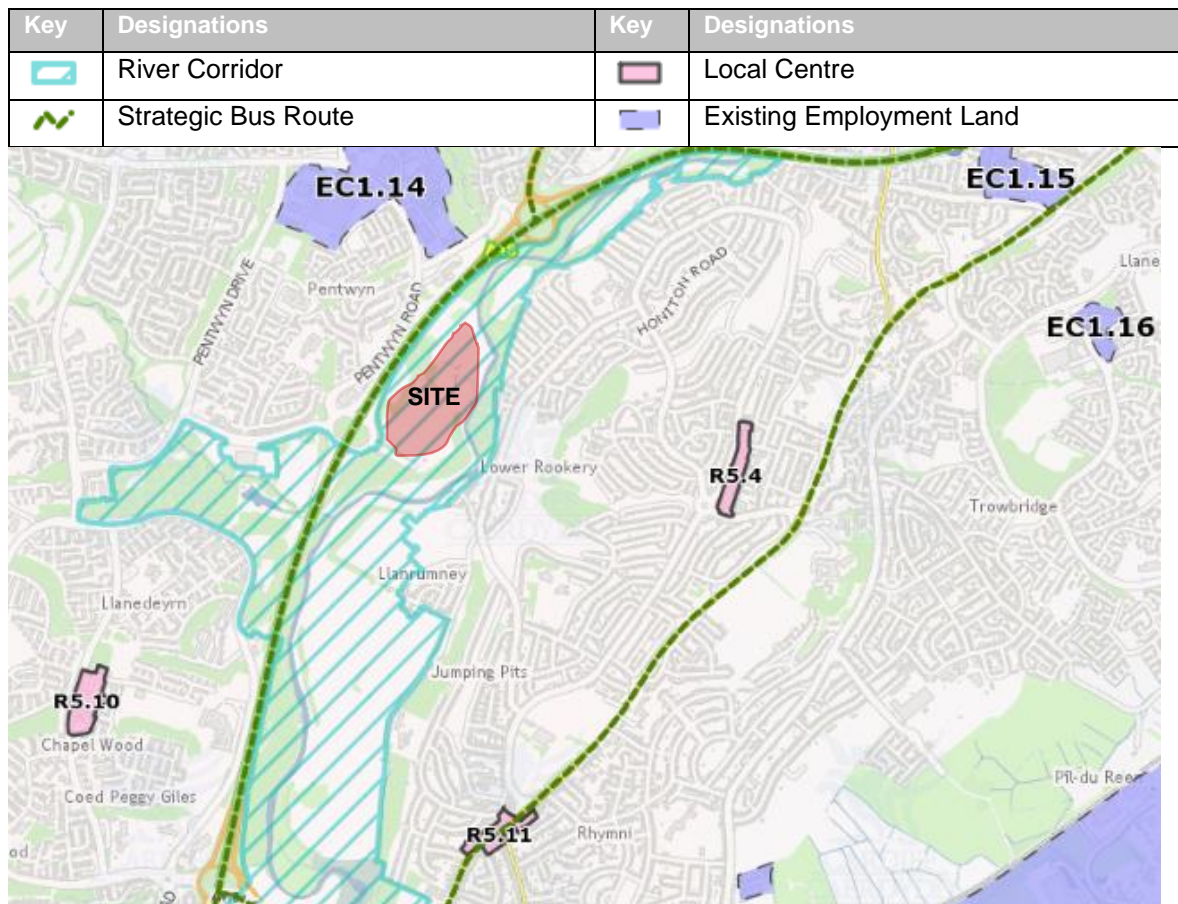
3.1 The Site is not allocated meaning Policy EC7 of the LDP applies. Policy EC7 states that “proposals for employment use (B Use Class) on unallocated sites will be permitted provided that:

- i) The proposal cannot reasonably be accommodated on existing employment land;
- ii) The site falls within the settlement boundary and has no specific policy designation;
- iii) The use is compatible with uses in the surrounding area;
- iv) The proposal is well related to the primary highway network and accessible to sustainable modes of transport.

3.2 Criteria ii – iv relate to locational consideration which are considered in this section.

3.3 The map below (extracted from the LDP Proposals Map) indicates the location of the Site.

Figure 3.1: Site Location and Context



Source: Cardiff LDP Proposal Map

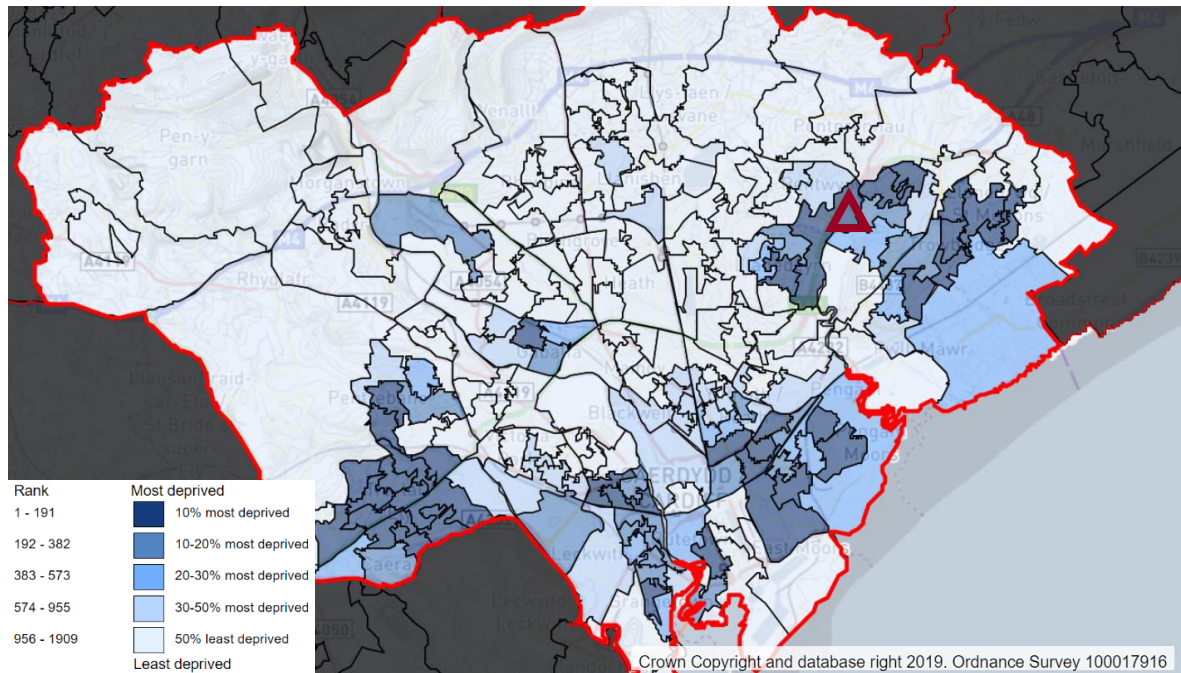
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- 3.4 The Site falls within the settlement boundary and has no specific land use policy designation or allocation. Therefore, the proposed development meets the 2nd criterion of Policy EC7.
- 3.5 The Site is adjacent to the junction of the A48, with the A48 dual carriageway located to the west of it. It is partially developed and in use as a Park and Ride with a river corridor and green infrastructure to the east. There are no evident adjacency issues where the form of development proposed could result in bad neighbour uses, for example with residential areas. Therefore, the proposed development meets the 3rd criterion (as further detailed in the Planning Statement).
- 3.6 The Site is adjacent to the primary highway network (A48), to which it has direct access. The Site is also served by sustainable modes of transport including bus (as discussed above), public rights of way and informal walking and cycling routes. As shown in Figure 3.1 it is adjacent to a Strategic Bus Route highlighting strong public transport accessibility. Therefore, the proposed development meets the 4th criterion (as further detailed in the Planning Statement).
- 3.7 This report provides evidence as to why the first criterion is also met and hence why the proposed development of the Site should be permitted.

4. ECONOMIC CONTEXT

Cardiff

- 4.1 Cardiff is the national capital of Wales and accommodated around 240,000 jobs in 2020. It has a relatively broad-based economy with particular relative concentrations of employment in public administration – reflecting its capital city status – in education (influenced by its universities); and in higher value service sector activities such as financial and professional services.
- 4.2 Levels of economic participation are broadly average, or indeed slightly higher than in other parts of Wales.
- 4.3 In the year April 2021 to March 2022 the unemployment rate in Cardiff was 4.6% compared to just 3.8% for Wales as a whole. This equates around 9,200 unemployed people in Cardiff who are in search of work.
- 4.4 As with many areas, the economy was affected by the Covid-19 pandemic. Unemployment benefit recipients grew sharply at the start of the pandemic and whilst from Spring 2021 they have started to fall, the claimant rate remains above pre-covid levels at 3.7% (around 9,225 people) as at July 2022 suggesting that the labour market is yet to fully recover. Evidently there is a need to create and deliver additional jobs.
- 4.5 The figure below maps Welsh Index of Multiple Deprivation ranks for LSOAs across Cardiff. The LSOA in which the site lies ranks in the 10% most employment deprived in Wales. In the surrounding area (including Pentwyn, Llanrumney and Llanedeyrn but also slightly further east) many LSOAs are within the top 10% most deprived national with more LSOAs in the top 20% and 30%. The area in which the proposed development lies is clearly one of the most deprived areas in Cardiff and even Wales. Providing employment opportunities in particular, as well access to services (transport) and a high quality development on brownfield land close to areas of acute deprivation will help to address the root causes of this deprivation.

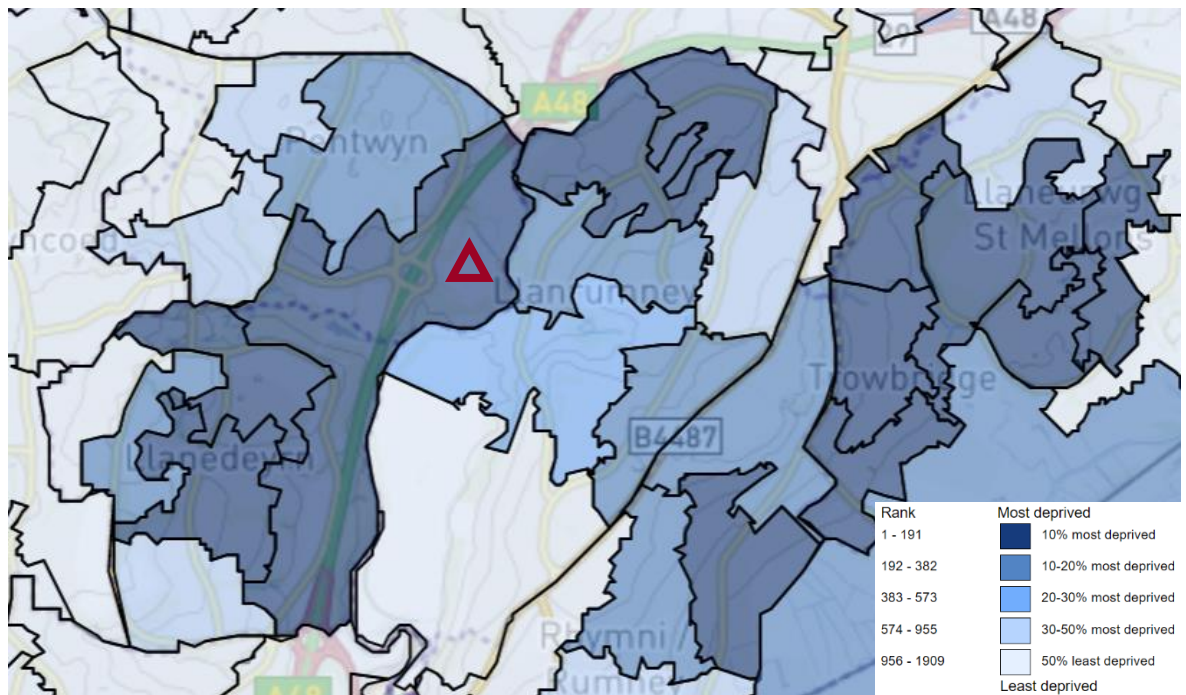
Figure 4.1: Welsh Index of Multiple Deprivation Map - Cardiff



Source: WIMD, 2019. Site marked by red triangle.

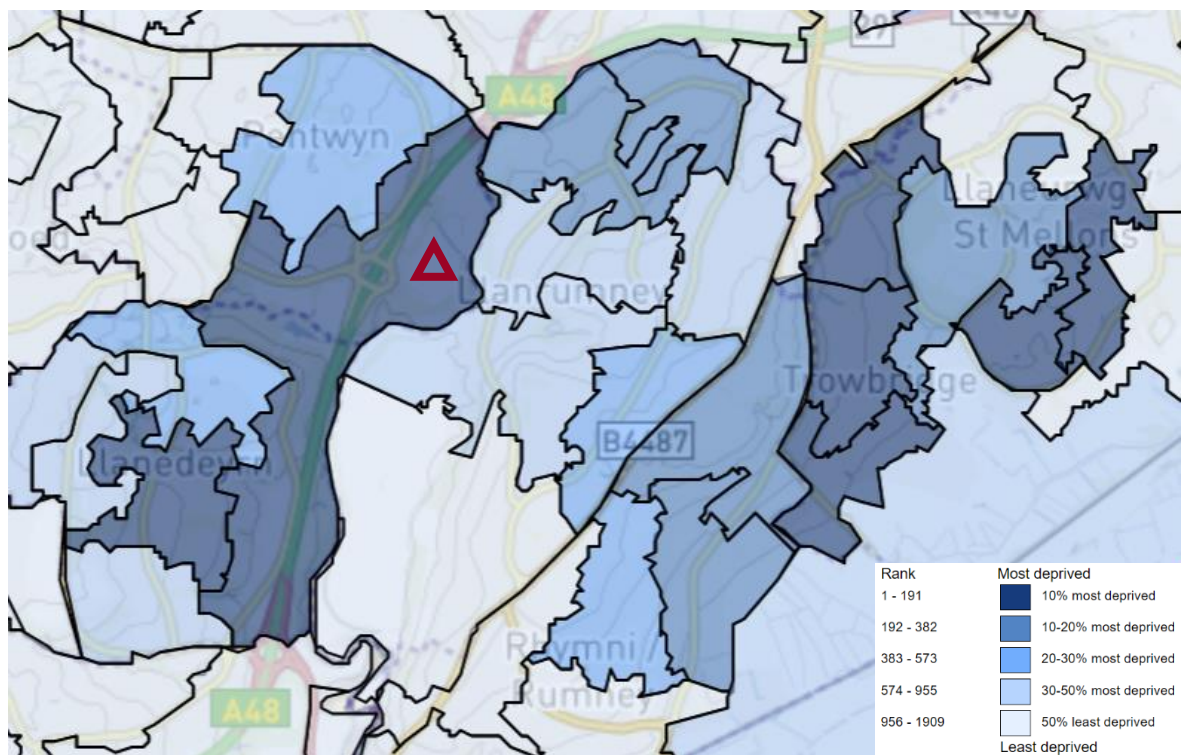
4.6 When focusing in on the Employment and Income domains of deprivation (see maps below), there is a cluster of deprived LSOAs in and around the site which means that there is a particularly high percentage of residents in receipt of employment and income related benefits and tax credits. In the three LSOAs surrounding the site there were 580 claimants as of July 2022. This highlights a particular need for employment opportunities in the area local to the proposed development.

Figure 4.2: Income Deprivation Map



Source: WIMD, 2019. Site marked by red triangle.

Figure 4.3: Employment Deprivation Map



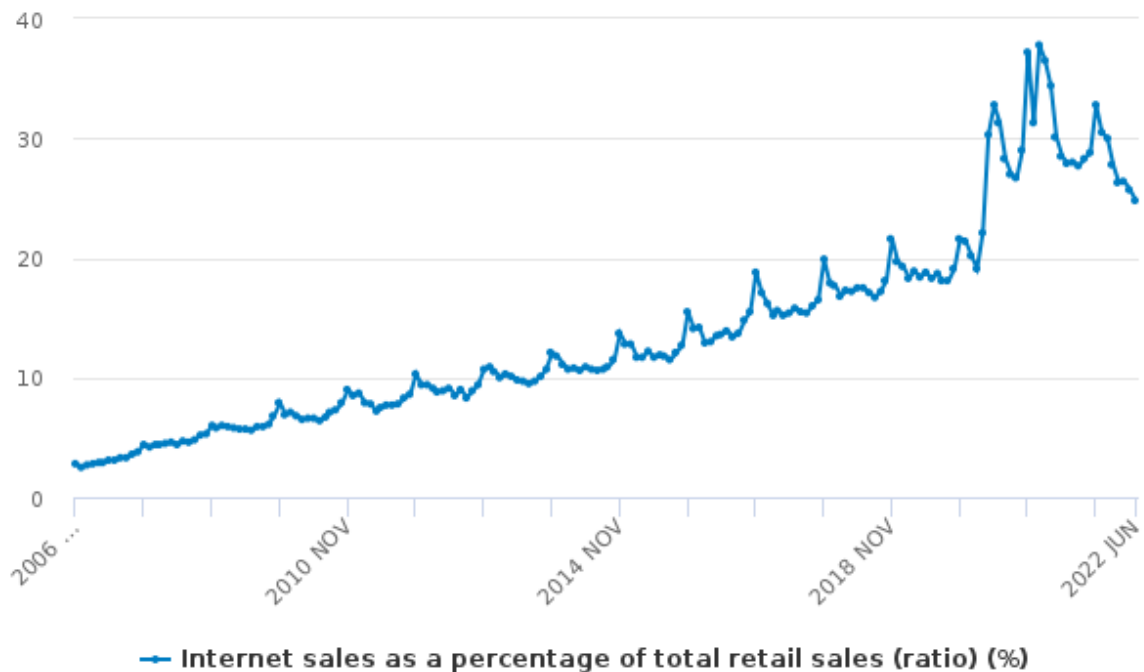
Source: WIMD, 2019. Site marked by red triangle.

4.7 The above analysis provides evidence of a need for employment creation in Cardiff and particularly in the area around the site.

E-Commerce – Underlying Driver of the Need for Logistics Floorspace

- 4.8 As reported by the ONS, in 2010 online retailing was around 7% of total sales across the UK. By 2019 this had reached around 20% before the shock effect of Covid-19 drove this to a high of 36% in Q1 2021. DHL reported in their recent results that the pandemic had condensed the growth in e-commerce from 6 years to 6 weeks and Royal Mail had shipped 117 million more parcels by the end of the June quarter 2020, compared with the same period in 2019, as people and businesses shifted to online sales during lockdown.
- 4.9 Despite a fall back down to 26% in Q2 2022 there has still been a fast forward of the pre-Covid trend of increasing levels of online shopping and **now over a quarter of retail spending is online compared to around 10% ten years ago**. This is driving a huge surge in demand for warehousing as a rapid structural transformation occurs in retailing and the economy. It sits alongside the impact of Brexit and risks of trade/port disruption in increasing business' stock holding requirements in the UK. This is creating demand for additional commercial floorspace from both manufacturing and warehousing/ logistics companies.

Figure 4.4: Internet Sales as a Percentage of Total Retail Sales (%)



Source: Office for National Statistics, July 2022.

- 4.10 These trends are likely to continue. The National Infrastructure Commission (NIC) noted in its 2019 report, Better Delivery: The Challenge for Freight, that e-commerce could reach 65% of all retail sales by 2050.

4.11 The above provides underlying evidence of the need for well-located industrial and logistics space to meet the growing demands of e-commerce and support business growth, and the increasing space requirements of existing businesses.

5. INDUSTRIAL AND LOGISTICS PROPERTY MARKET

Authority Monitoring Data

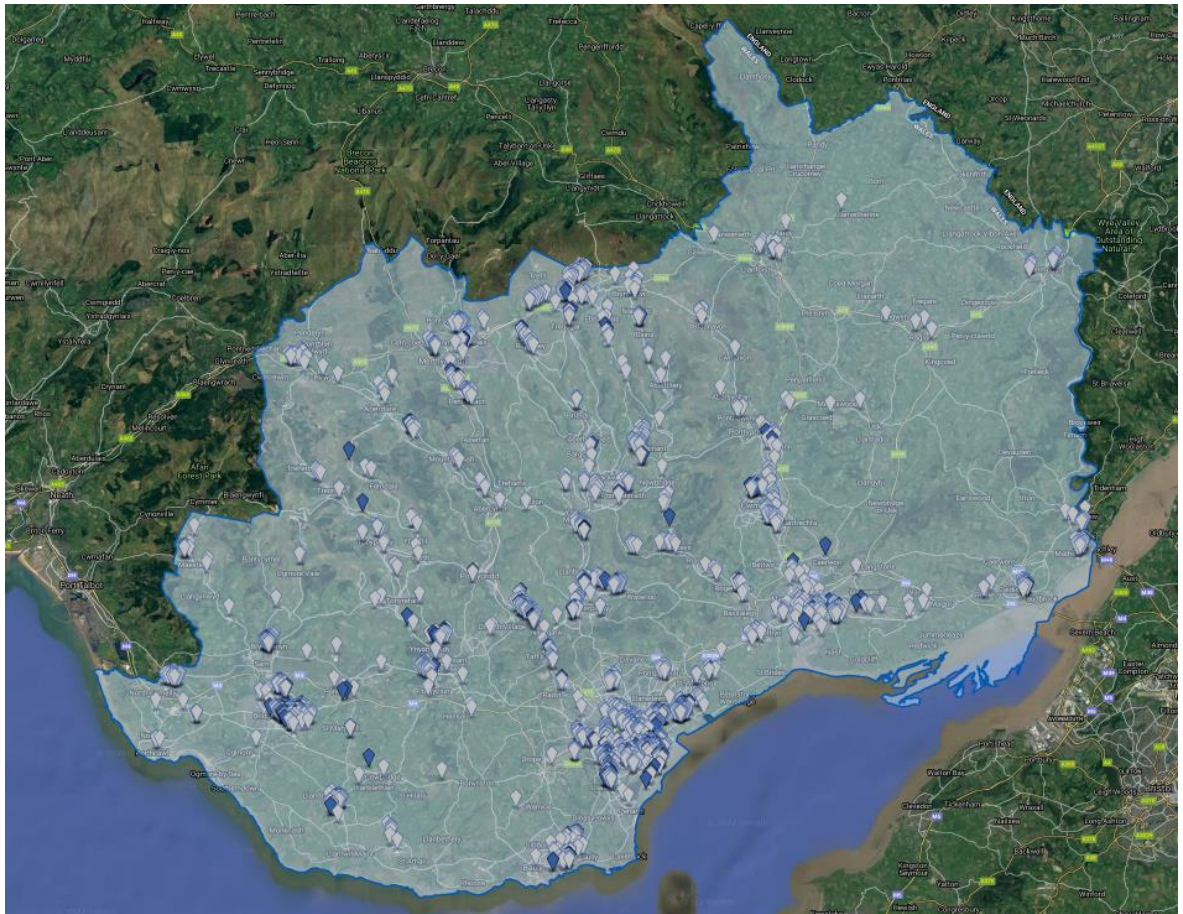
- 5.1 Cardiff's Local Plan targets the provision of 4-7 hectares of industrial (B1b/c, B2 and B8 space annually. Annual Monitoring data shows that since 2016-17, only 3.18 hectares of industrial space has been delivered per annum.
- 5.2 This suggests that further space needs to be delivered to meet historic a under supply. Our analysis later in this report indicates that a number of the allocations within the Cardiff Local Development Plan have yet to come forwards and are not expected to deliver in the short-term. The delivery of this site will help to enable economic growth.
- 5.3 The proposed development of the Site will provide around 5.74 ha of industrial space (considering the B2, B8 and Trade Counter plots only. This means that the proposed development will meet at least 1 year's supply of industrial space needed in Cardiff.

Industrial Market

- 5.4 The map below shows the Cardiff industrial and logistics market area defined by CoStar.¹ They markers indicate the location of an industrial and/or logistics property. The grey markers indicate properties with no available space and the blue markers indicate properties with available space.

¹ CoStar is a commercial property database and research hub

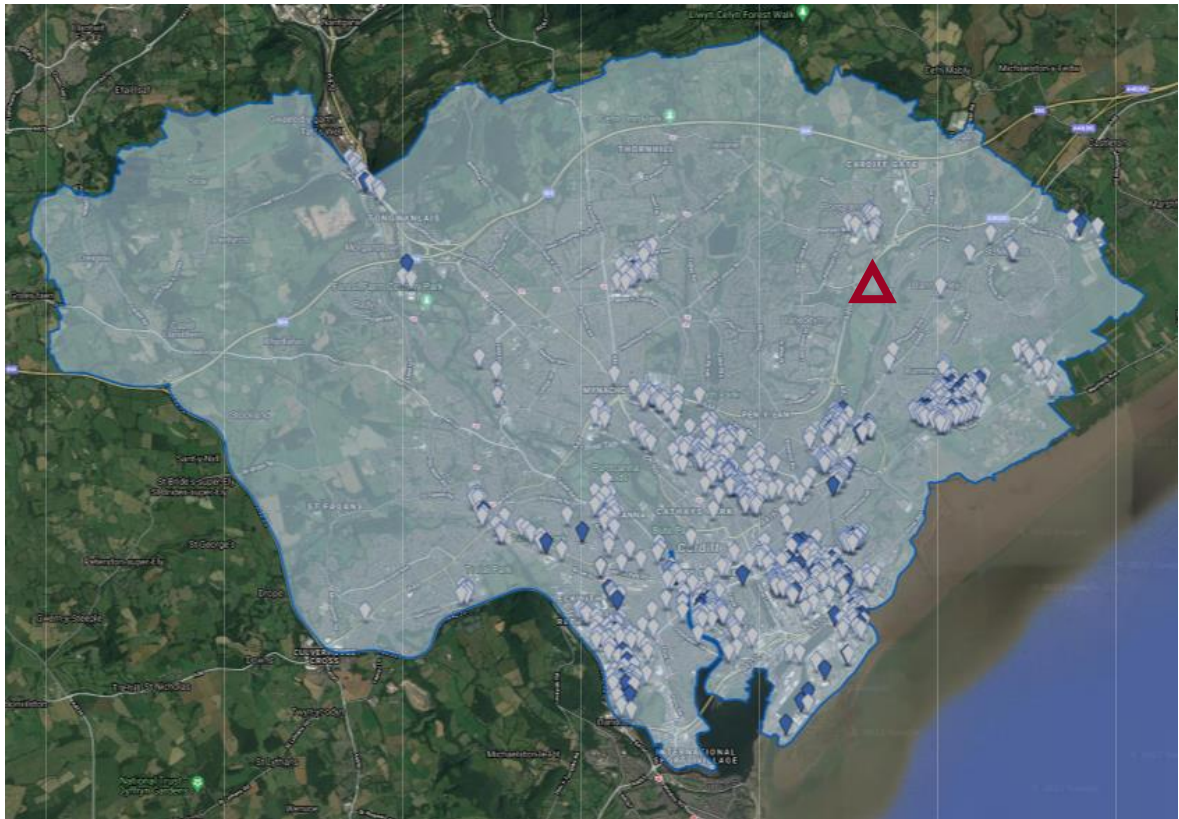
Figure 5.1: CoStar's Cardiff Industrial and Logistics Market



Source: CoStar

- 5.5 The map below shows the Cardiff Core industrial and logistics **sub**-market area as defined by CoStar. This aligns to the Cardiff City local authority area which is under the control of the Local Planning Authority. The Site location is indicated on the map by a red triangle.

Figure 5.1: CoStar's Cardiff Core Industrial and Logistics Sub-Market

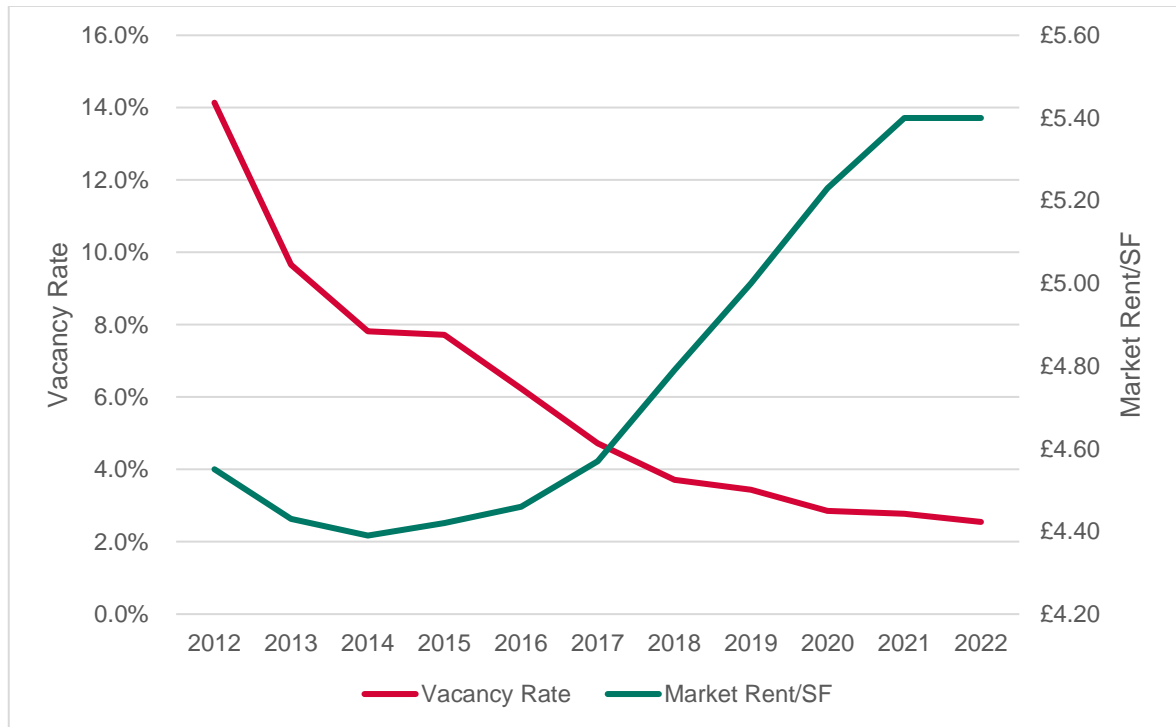


Source: CoStar

- 5.6 It can be seen that the majority of industrial and logistics space is in more central areas. Properties in central areas may be less suitable and attractive for logistics use and the site benefits from both rapid access both to the City Centre but also the M4, via the A48. It will also provide industrial and wider employment premises in an area with more limited supply but evident economic need as the deprivation analysis has shown.
- 5.7 Vacancy rate for industrial and logistics property in Wales are currently 2.1%. Across the Cardiff market area, the vacancy rate is just 2.4%. This is extremely low, highlighting significant undersupply of industrial and logistics property across Wales and in Cardiff. To put this into more perspective, these are the lowest vacancy rates seen in both Wales and Cardiff since CoStar's records began in 2009. Furthermore, the vacancy rate in both Wales and Cardiff is lower than for the whole of the UK which is experiencing lows not seen since 2005. Typically a vacancy rate of 7.5-10% might be expected in a properly functioning market to allow a choice of available premises for businesses. This data points to an urgent need for more industrial and logistics space in Cardiff.
- 5.8 The graph below shows the relationship between vacancy rates and inflation adjusted rents in the Cardiff market area. It can be seen that as vacancy rates have fallen (particularly from around 6%), rents have risen. This clearly highlights that the tight supply position has led to growth in rents, and thus property costs for businesses. This can create affordability issues to some occupiers and harm

business competitiveness (particularly at a time of rising other business costs, such as for energy and wages). Delivering new employment floorspace is the appropriate means of addressing this. The evidence points to an urgent need to bring forward and deliver new industrial floorspace.

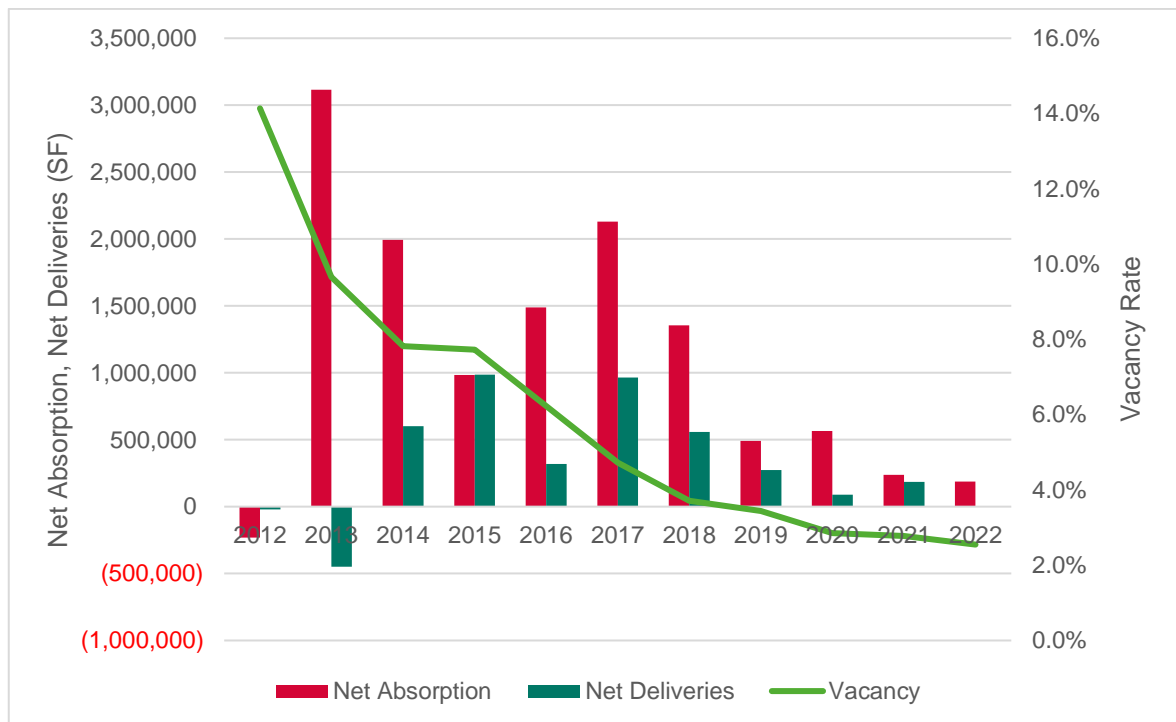
Figure 5.2: Vacancy Rates vs Inflation Adjusted Rents – Cardiff Market Area



Source: IcenI analysis of CoStar data

- 5.9 The graph below shows the relationship between net absorption, net deliveries and vacancy rates. Net absorption is equal to ‘move-ins’ minus ‘move-outs’ and represents the net demand for space. Net deliveries is equal to deliveries minus demolitions and represents the change in the amount of occupied floorspace.
- 5.10 It can be seen that net absorption has outweighed net deliveries over the last 10 years leading to a declining vacancy rate. However, since 2019 net absorption has been low. This is likely to be due to the fact that demand is being constrained by low vacancy of stock. This is evidently limiting economic growth in the area and suggests that additional industrial floorspace development is needed to accommodate pent up demand.

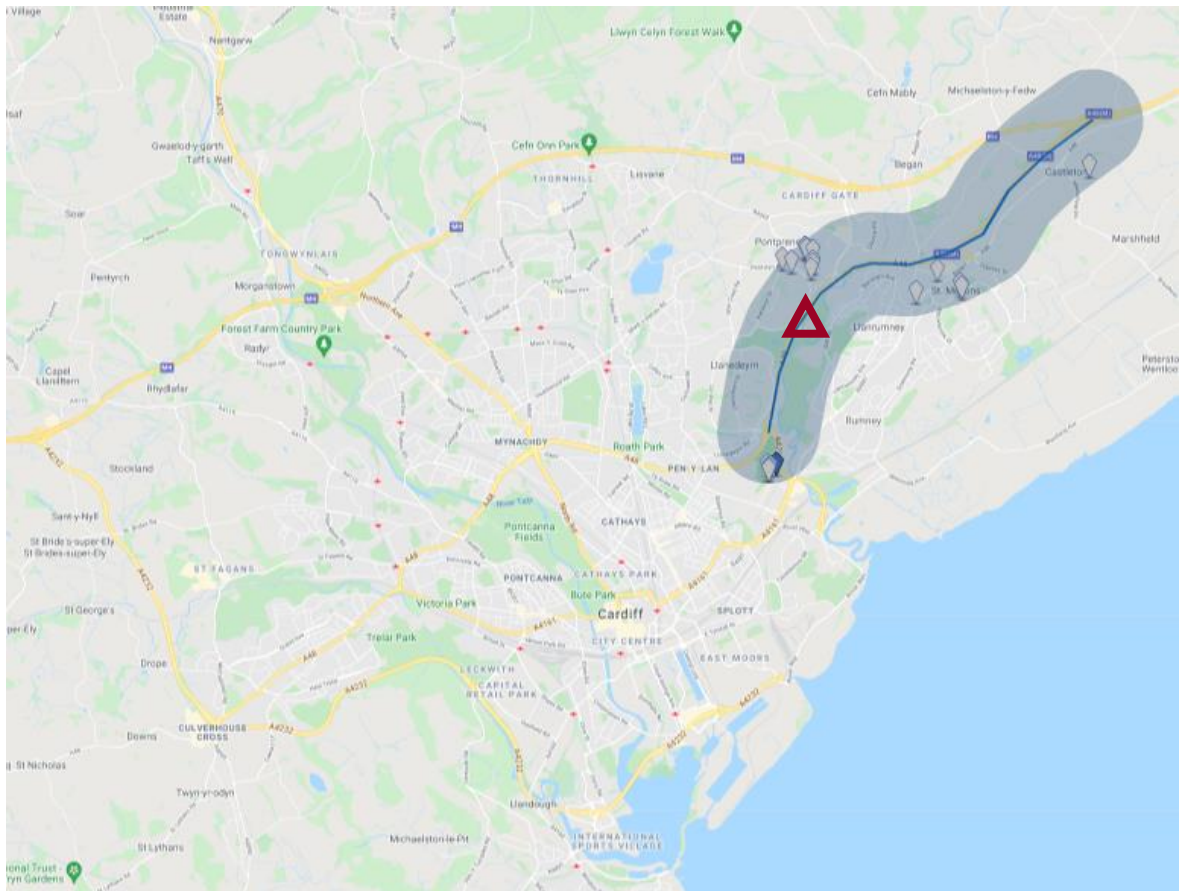
Figure 5.3: Net Absorption, Net Deliveries and Vacancy Rates – Cardiff Market Area



Source: Icení analysis of CoStar data

5.11 The map below highlights industrial and logistics properties in the A48 corridor in which the Site lies (1 mile buffer zone from the A48). The vacancy rate for industrial and logistics property in this corridor is 0% suggesting that the area is undersupplied. At present, market rents in this area are £6.69 per sq.ft – higher than for the whole of Cardiff County and the whole of the Cardiff market area, highlighting the area’s market attractiveness as a location for industrial and logistics development. There has been no delivery of new industrial space in this area since 2014 and net absorption has been constrained by low vacancy. This analysis suggests that, there is strong demand for industrial and logistics space in this corridor and that this is a particularly good place to address the undersupply of industrial space seen across the whole of Cardiff.

Figure 5.4: A48 Corridor



Source: IcenI, CoStar

- 5.12 The table below shows the amount of floorspace in the Cardiff market area and vacancy rate by property type.
- 5.13 It can be seen that vacancy rates are relatively low across the board but are particularly low for specialised industrial and to a lesser extent logistics (the property types to be provided at the site i.e. B2 and B8). This suggests that within industrial and logistics there is a particular demand for logistics (B8) and specialised industrial (B2) space.

Table 5.1 Vacancy Rates by Property Type

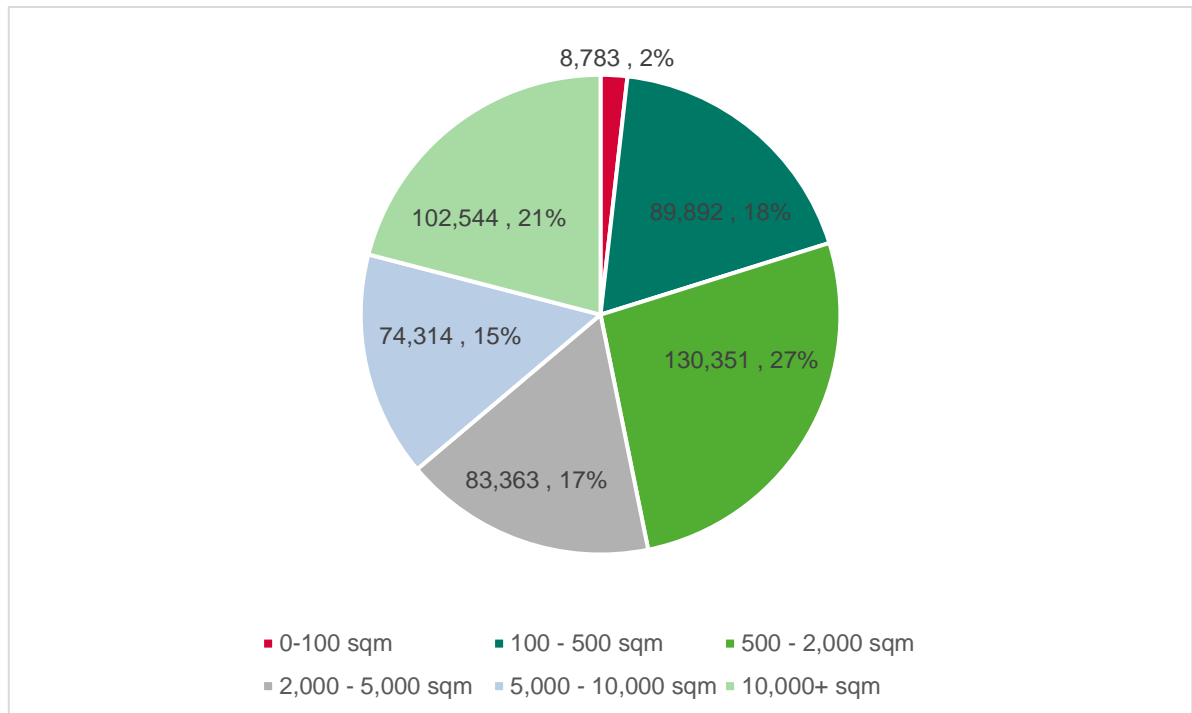
	Logistics	Specialised Industrial	Light Industrial
Floorspace (GIA SF)	45,394,167	31,357,030	5,431,126
Vacancy Rate	3.4%	0.9%	5%

Source: IcenI analysis of CoStar data

5.14 In both the logistics and specialised industrial property types, net absorption of space has strongly outweighed net new development (net deliveries) in recent years. This suggests an urgent demand for these space types.

5.15 The chart below shows the proportion of floorspace leased by lease size band. It can be seen that there is a good mix of different sizes of floorspace which are in demand. This is reflected at the Site.

Figure 5.5: Leasing by Size Band



Source: IcenI analysis of CoStar data

Conclusion

5.16 In conclusion, Cardiff's industrial property market is extremely undersupplied which has driven up inflation adjusted rents to an all-time high. The evidence clearly points to a supply/demand balance for industrial space. This is even more apparent in the A48 corridor. This is resulting in an inability for businesses to acquire space and is hence preventing business formation, inward investment, and business/economic growth.

6. JUSTIFICATION FOR DEVELOPMENT

6.1 As evidenced above, Cardiff's industrial and logistics property market is undersupplied and there is urgent demand for new floorspace, particularly B2 and B8. There is especially strong demand and a lack of supply of floorspace in the A48 corridor, in which the Site is located. Furthermore, rates of delivery over the last 5 years have not kept up with assessed need. The evidence clearly points to an urgent need to bring forward new industrial development.

6.2 This chapter further considers the justification for the proposed development including the location of the Site, some wider benefits of the development and the type and size of units to be provided.

Location

6.3 The Site is located within the east of Cardiff but towards the outer edge of the city. It has direct access to the A48 - the main arterial route into Cardiff which is well connected to other main roads including the north-south A470. This allows for rapid access across city, including to the City Centre.

6.4 The site is also within an 8-minute drive (along the A48) to the M4 motorway. This allows for fast and efficient access to and from the rest of the UK, to the north via the M48 and to the south.

6.5 The locational characteristics described above make the Site ideal for trade, logistics, couriers and in particular final mile logistics operators serving the City. Providing appropriate space for such operators is vital given the accelerated rise of online retailing and food delivery. Furthermore, increased inventory holding due to Brexit and Covid induced supply chain disruption is also driving up demand for warehousing space. It is crucial to ensure that domestic supply chains are resilient in the face of Covid, particularly for large markets such as Cardiff.

6.6 The demand for industrial and logistics property in the A48 corridor is quantitatively evidenced in the Industrial and Logistics Property Market chapter above. This evidence centres on extremely low vacancy rates and high rents compared to the average for Cardiff.

Provision of Local Infrastructure

6.7 The proposed development of the Site includes the provision of vital infrastructure.

6.8 A road bridge of the River Rhymer will be constructed. This will have a number of accessibility benefits (particularly for residents and businesses to the east of the A48 in Rumney, Llanrumney, and to a lesser extent Trowbridge), including:

v) **Improved access to the A48, the rest of Cardiff and the Strategic Road Network.** This will help to reduce traffic flows on local and residential roads to the east of the A48.

vi) **Improved access to the Park and Ride.** This will reduce the number of car trips to the city centre, reducing congestion, pollution and carbon emissions.

6.9 This increased accessibility will have a number of social and economic benefits for local residents such as increased access to employment opportunities, including those created by the proposed development. It will also allow local businesses to trade more easily across Cardiff and the UK. This can help to address localised economic deprivation.

Size and Type of Units

6.10 The table below shows the type and size of units to be provided by the proposed development (excluding Drive Thru units and the Park and Ride Office). It can be seen that a mix of sizes of flexible B2/B8 accommodation will be provided responding to a range of needs and allowing for space to be used according to contemporary market demands.

Table 6.1 Indicative Type and Size of Units Proposed

Plot	Use	Building Footprint (sqm)	Ancillary Office (GEA sqm)
3a	B2/B8	389	
3b	B2/B8	682	
3c	B2/B8	682	
3d	B2/B8	440	
3e	B2/B8	440	
4	B2/B8	10,900	845
6a	B2/B8	1,600	290
6b	B2/B8	1,600	290
8	B2/B8	1,430 plus 520 (Mezzanine)	
5	Trade Counters	4,625	
Total	B2/B8	18,733	1,425
Total	Total	23,358	1,425

Source: Indicative Site Layout Plan

6.11 The proposed development will provide the modern, high quality floorspace which is required to meet the demands of industrial and logistics occupiers. This is particularly important given the levels of automation and electrical/power requirements seen in these sectors and ESG requirements. There is a need for new units as older stock, even with refurbishment, cannot meet occupier criteria.

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- 6.12 The proposed development incorporates amenities (drive thru units, green and social spaces) which can be utilised by those employed on the site. Provision of such amenities may not be achievable at other sites given the role the Park and Ride plays in making the operation of the Drive Thru units a commercial attractive proposition. On-site amenities support employee well-being and reduce the need for travel (for example at lunch time). This is in accordance with Policy EC2: Provision of Complementary Facilities for Employees in Business, Industrial and Warehousing Developments of the Local Plan.
- 6.13 The proposed development will be targeting net zero carbon opportunities through the use of on-site energy generation, heat pumps and energy efficiency measures. Water usage will be minimised by water recycling/harvesting where appropriate. Localised district heating systems will also be explored. These sustainability credentials will be attractive to prospective occupiers, increasing the demand for space at the Site.

7. REVIEW OF ALTERNATIVE SITES

- 7.1 This chapter considers and demonstrates the lack of alternative allocated sites which could accommodate the proposed development in order to satisfy the requirements of Policy EC7 of the Local Development Plan. It also considers whether the types of occupiers supported by the proposed development of the Site could be supported by planned development on allocations. The analysis is presented in presented in Table 6.1 below.
- 7.2 In summary, there are no allocated employment sites which could accommodate the proposed development and thus the development meets the requirements of Policy EC7.
- 7.3 This is firstly because, none of the sites are deemed suitable for B2 and B8 employment use in policy terms – i.e. none of the sites are allocated for B2 and B8 use. Secondly there are no alternative sites for industrial use which provide potential for development in the short-term.
- 7.4 Site KP2 (H): South of St Mellons Business Park is allocated for uses which are similar to those at the existing St Mellons Business Park which could include B2/B8 uses. There is an application on this site for 90,000 sqm of B1/B2/B8 floorspace. This has yet to be determined. However the market evidence indicates that this site alone cannot meet the City's requirements for industrial development and will not alone address the lack of supply in Cardiff's industrial property market.
- 7.5 There are no alternative sites available now or in the pipeline for B2 and B8 development which meet the needs of the proposed development either because they are too small or poorly located in terms of meeting the needs of occupiers from which demand will mainly come (final-mile logistics, dark kitchens, trade counters and couriers).

Table 7.1 Review of Strategic and Employment Allocations as Alternatives

Site	Allocation	Notes from Local Plan	Suitable and available alternative?
<p>KP2 (A): Cardiff Central Enterprise Zone and Regional Transport Hub</p>	<p>For a major employment-led initiative including a Regional Transport Hub together with other mixed uses.</p>	<p>Town Centre with employment opportunities focussed on financial and business services.</p>	<p>No:</p> <ul style="list-style-type: none"> • Significant proportion of the area is already developed or has committed development. • Focussed on financial and business services (i.e. office provision) • Inappropriate location (town centre) for B2/B8 and particularly for logistics.
<p>KP2 (B): Former Gas Works, Ferry Road</p>	<p>For a housing-based scheme of 500 homes and other associated community uses.</p>	<p>-</p>	<p>No:</p> <ul style="list-style-type: none"> • Not allocated for employment
<p>KP2 (C): North West Cardiff</p>	<p>For a mixed-use comprehensive development including a minimum of 5,000 homes and local employment opportunities.</p>	<p>Employment provision (B1 & B1(b)(c)) to be located in and adjoining the District/Local Centres amounting to approximately 15,000sqm.</p>	<p>No:</p> <ul style="list-style-type: none"> • Allocated for B1 employment only. Not suitable for industrial/logistics. • Smaller employment allocation than proposed at the Site (15,000 sqm as opposed to ~20,000 sqm). • 15,000 sqm of employment space granted permission with a range of conditions discharged (14/02733/MJR). This is made of B1 space only and hence would not be able to accommodate the same occupiers as at the proposed development of the Site. This is part of a ~7000 home

			development for which some homes have reserved matters permitted, construction has started and some homes are complete.
KP2 (D & E): North Of Junction 33 on M4 and South of Creigiau	For a mixed-use development of approximately 2,000 homes, employment, other associated community uses and a strategic park and ride site.	High quality business uses to reflect the strategic location of the site (excluding B8 uses) to be located adjacent to Junction 33 and an additional flexible local employment space to be located adjacent to the Motorway to the south west of the site.	No: <ul style="list-style-type: none"> • Target level of employment provision gained through outline permission in 2016/17 (19/02330/MJR). This is made of B1 space only (as well as 1500 dwellings for which reserved matters have been permitted for around 550 and construction has started) and hence would not be able to accommodate the same occupiers as at the proposed development of the Site. • Allocation excludes B8 uses, which would not be suitable alongside residential, and therefore this allocation does not provide the same flexibility in use as the Site. • The site's location to the west of Cardiff does not provide the same level of strategic access to both Cardiff and the rest of the UK that is provided at the proposed development Site. Would not be attractive to the same type of occupiers (e.g. final-mile logistics) that are likely to occupy the proposed development Site.
KP2 (F): North East Cardiff (West of Pontprennau)	For a mixed-use comprehensive development of a minimum of 4,500 homes, employment and other associated community uses	Employment provision (B1 & B1(b)(c)) to be located in and adjoining the District Centre and adjacent to Cardiff Gate Business	No: <ul style="list-style-type: none"> • Allocated for B1 employment only. The masterplan for the site as set out in the Development Plan Policy does not contain any areas for employment provision aside from a local centre – this does not suggest the site is suitable for large scale employment uses. • Whilst the allocation is in a strategic location in the north of Cardiff, adjacent to the M4, it does not provide direct motorway/A-road access. Access to the M4 would be via the existing Cardiff Gate Business Park or

		Park amounting to approximately 6.5ha	<p>Craig-Llwyn Road (a narrow rural road). Therefore, the allocation would not be attractive to the same type of occupiers (e.g. final-mile logistics) that are likely to occupy the proposed development Site which benefit from ease of access. Furthermore, HGV and other vehicle movements would present issues regarding traffic and safety which would be minimised at the proposed development Site.</p> <p>The site is covered by multiple residential led planning applications (with a small amount of B1 employment floorspace). About a quarter of the site is covered a permitted outline application (14/02891/MJR) for around 1000 dwellings. Around half of the homes have had reserved matters applications permitted (the rest are live) and work is well underway.</p> <p>The majority of the rest of the site is covered by a residential led mixed use application (19/02330/MJR) for up to 2500 homes which includes up to (28,500 sqm) B1 employment floorspace. The B1 elements of the scheme are due to be delivered in a phased manner between around 2027 and 2039.</p> <p>Therefore, the site is likely to become a new residential area (as planned) and is therefore not available as an alternative site for the proposed development.</p>
KP2 (G): East of Pontpennau Link Road	For a housing-based scheme of a minimum of 1,300 homes with	-	<p>No:</p> <ul style="list-style-type: none"> • Not allocated for employment.

	associated community uses		
KP2 (H): South of St Mellons Business Park	For a strategic employment site together with essential, enabling and necessary supporting infrastructure which will be delivered in a phased manner.	<p>Enabling infrastructure includes the provision of a transport hub including new rail station and a park and ride facility.</p> <p>To provide 44 ha of business land capable of accommodating up to 90,000 square metres campus style high quality development similar to existing business park at St Mellons [The site is subject of a target to provide 80,000-90,000 sqm B1b/c space].</p>	<p>No:</p> <ul style="list-style-type: none"> • Authority Monitoring target suggests that B1b/c space is preferred on the allocation (similar to the type of space at St Mellons Business Park). • Subject to an outline application (21/00076/MJR) for up to 90,000sqm of B1, B2, B8 which is to be determined. This would take up the full capacity of the allocation. Development of the allocation would be phased and would respond to market conditions but is indicated to take place between 2024 and 2028. The strength of demand and lack of supply in Cardiff's industrial market is such that both this and the proposed development are required. • Whilst the allocation is in a strategic location in the north-west of Cardiff, it does not provide direct motorway/A-road access. Access to the A48 would be via Cypress Drive which runs adjacent to a large residential area. Therefore, the allocation may not be attractive to the some occupiers (e.g. final-mile logistics) that are likely to occupy the proposed development Site which benefit from ease of access. Furthermore, HGV and other vehicle movements would present issues regarding traffic and safety which would be minimised at the proposed development Site. • More than one available site is necessary to provide choice and competition within the functioning market; and given critically low vacancy rates the market evidence does not suggest any impact on take-up at this site.

EC6: Non-Strategic Employment Site (at Maindy Road, Cathays)	For university related research and development uses	3.3ha	No: <ul style="list-style-type: none">• Developed/Under Development.• Allocated for research and development (B1b) uses only.
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8. CONCLUSIONS

- 8.1 The proposed development of the Site meets the criteria set out in Policy EC7. This has been proven through a review of alternative sites which shows that all other sites are not suitable and/or available.
- 8.2 A key reason for this is that most allocated sites are not allocated for B2/B8 use. Furthermore, most sites already have planning permission for employment floorspace or are subject to applications which align with allocation policy and masterplanning. The only site with potential for B2/B8 use is KP2 (H): South of St Mellons Business Park, However, this site does not have direct/ truck road motorway access and would therefore not be attractive to the type of occupiers which are likely to take space at the proposed development Site. The market evidence indicates that this site alone cannot meet the City's requirements for industrial development and will not alone address the lack of supply in Cardiff's industrial property market.
- 8.3 Cardiff's industrial property market is extremely undersupplied which has driven up inflation adjusted rents to an all-time high decreasing affordability and impacting on economic and business competitiveness. This is even more apparent in the A48 corridor. This is resulting in inability for businesses to get space and is hence preventing business formation, inward investment and business/ economic growth. The evidence clearly indicates an imbalance between supply and demand for industrial and logistics space; and an urgent need to bring forward additional supply at multiple locations to support the City's economy.
- 8.4 In addition to meeting the requirements of Policy EC7, the proposed development will contribute to meeting high levels of demand for industrial and logistics space in Cardiff in a sustainable and highly sought-after location. The proposed development will meet at least 1 years supply of industrial space needed in Cardiff which is much needed in the context of historic under delivery.
- 8.5 This will support the economic development of Cardiff – unemployment levels are relatively high and employment creation is a policy priority. The proposed development will particularly support the immediately surrounding area which has significant concentrations of deprivation, overall and in terms of income and employment. It will support the Council's ambition to create jobs in the East of the City.
- 8.6 As identified in the Environmental Statement this exemplar development can be expected to support around 291 FTE construction jobs per annum over the course of the construction period in direct terms, as well as a further 431 indirect jobs. Once operational, the development is expected to support around 1,000 FTE jobs and contribute an additional £57 million in annual GVA to the City's economy. As a highly sustainable scheme it will help to set new standards in the quality and sustainability of employment development in the City.