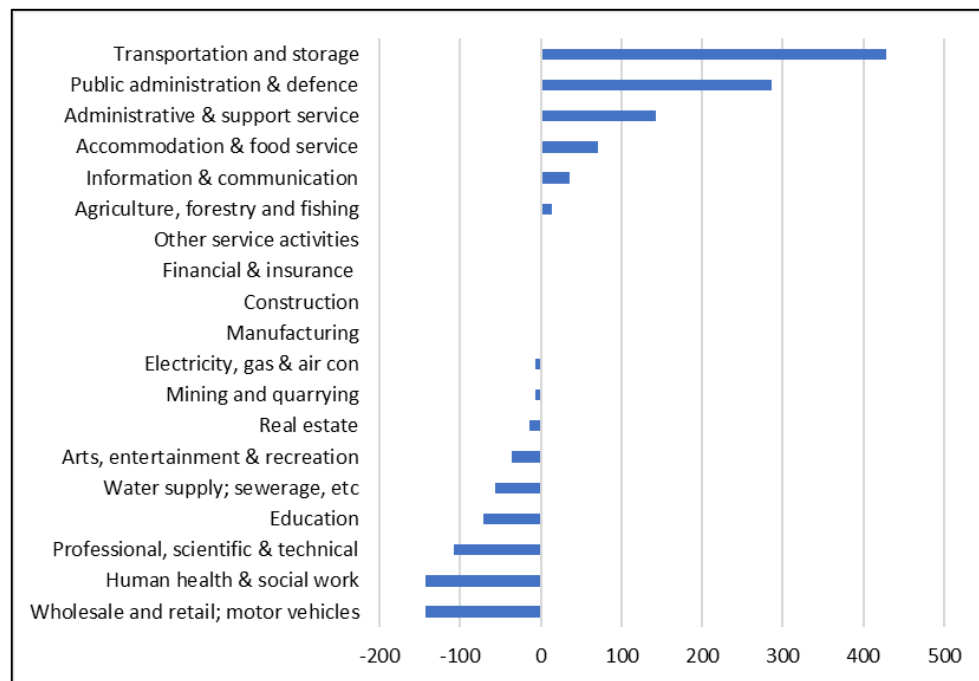


- 4.1.34. BRES data also allows us to look in more detail at at recent sectoral change. Reflecting the longer-term picture outlined above, manufacturing employment was stable between 2015 and 2022.
- 4.1.35. Within the rest of the economy, the period saw employment growth in transport and storage, public and business administration, accommodation and food service, and (from a smaller employment base) information and communications. This was partly offset by substantial losses in wholesale and retail activities, reflecting the general trend across Wales and the UK.
- 4.1.36. The data below also shows apparent declines in health and social work, professional, scientific and technical services and education. These are all somewhat surprising given recent investments and wider trends, although are explained by losses in single years, rather than a consistent trend.

*Figure 14: Average Annual Change in Job Numbers (2015-2022)*



*Source 11: ONS BRES (2022)*

### Business Stock

- 4.1.37. In 2023, there were around 4,000 businesses in NPT. These are measured as 'local units' (an individual unit of activity, such as a factory) that may be associated

with an enterprise, according to the UK Business Count, and include public as well as private sector organisations. As in the rest of the UK, the great majority of businesses were ‘micro’ enterprises, with around 80% of all businesses in the County Borough employing nine or fewer people. However, the business stock is slightly more skewed to larger firms than the UK or Wales averages.

*Table 5: Business Stock by Employee Size (2023)*

<b>Businesses by Size Band</b>	<b>NPT Number</b>	<b>NPT Percentage</b>	<b>South West Wales Percentage</b>	<b>Wales Percentage</b>
Micro (0 to 9)	3,190	80	84	83
Small (10-49)	655	16	14	14
Medium-sized (50 to 249)	140	3	2	3
Large (250+)	15	<1	<1	<1
Total	4,005	100	100	100

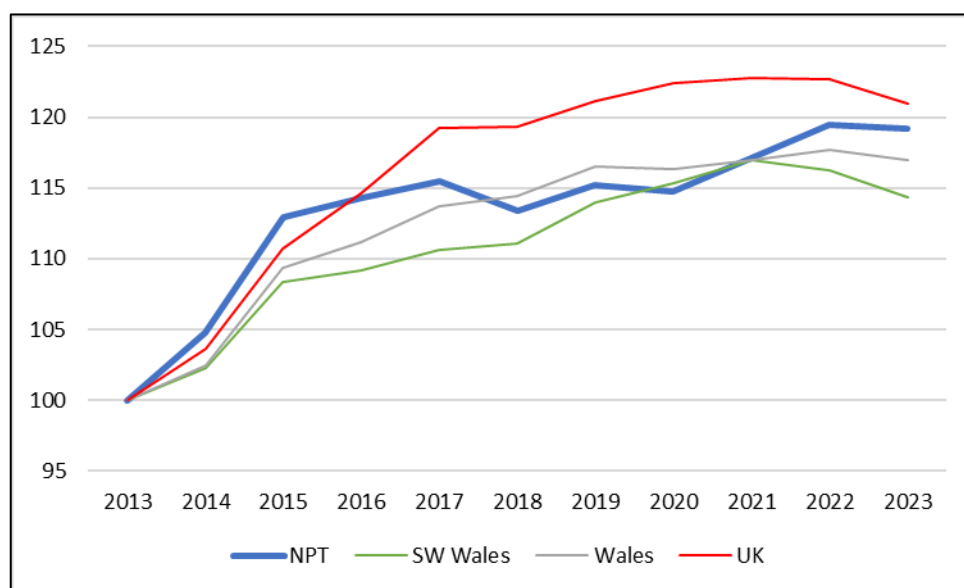
*Source 12: ONS Business Counts (2023)*

4.1.38. This slightly greater orientation to larger firms reflects NPT’s industrial profile and the greater tendency for manufacturing and public service activities to occupy larger units. In the manufacturing sector (for example), around 69% of businesses are ‘micro’ enterprises; and only 56% meet this definition in human health and social work.

#### Business Stock Growth and Density

4.1.39. The Graph below shows that business stock grew over the decade to 2023, albeit at a somewhat slower rate than the UK as a whole.

Figure 15: Index of Business Stock Growth (2013-2023) (2013 = 100)



Source 13: ONS Business Counts (2023)

4.1.40. Given the size structure of the overall business stock (in every geography), the Table below shows that most of the increase is accounted for by micro enterprises. However, there was somewhat stronger growth in medium-sized businesses in the decade to 2023 than elsewhere.

Table 6: Ten-Year Compound Annual Growth Rate of Enterprise Stock (2013-2023)

Business Size Band	NPT	South West Wales	Wales	UK
Micro (0 to 9)	2.0	1.4	1.7	2.1
Small (10-49)	0.6	1.0	0.9	1.0
Medium-sized (50-249)	2.0	0.4	0.4	0.8
Large (250+)	0.0	0.0	0.5	0.7
All businesses	1.8	1.3	1.6	1.9

Source 14: ONS Business Counts (2023)

4.1.41. Reflecting NPT's industrial structure with relatively more workers employed in sectors dominated by larger organisations, enterprise density is relatively low in

NPT. In 2021, there were 462 local enterprise units to every 10,000 people aged between 16 and 64 (compared with 753 in the UK, and 683 in both Wales and South West Wales).

#### New Businesses and Survival Rates

- 4.1.42. In the five years to 2022, the ONS Business Demography Dataset says that there was an average of 417 new business starts per year in NPT.
- 4.1.43. Historically, business start-up rates have been somewhat lower than the UK and Wales averages, although start-up numbers increased after 2020. Between 2018 and 2022, the number of business starts was equivalent to an average of 12.6% of the total business stock in NPT, compared with 11.9% in Wales and 12.1% in the UK.
- 4.1.44. Survival rates in NPT compare positively with the Wales and UK averages: of the 345 businesses started in NPT in 2017, 42% were still in existence five years later (compared with 37.3% in Wales and 39.6% in the UK).

#### Large Employers

- 4.1.45. NPT has a substantial stock of major firms, principally in the manufacturing sector. The Table below details the major private sector businesses in NPT based on Western Mail/ Business Live Wales 300 Companies and discussion SQW had with NPTC Economic Development team as part of the development of the NPT Economic Recovery Plan. Noteworthy, all apart from two have parent companies overseas. In addition to these private sector companies larger employers in NPT include public sector organisations providing local services such as Swansea Bay University Health board and NPTC.

*Table 7: Major Private Sector Businesses in NPT*

<b>Sector</b>	<b>Firm</b>	<b>Description</b>	<b>Location</b>
Manufacturing	British Rototherm	Manufacturer of precision instruments for the energy, healthcare, defence and other sectors	Margam
Manufacturing	Cultech	Manufacturer of nutritional supplements	Baglan Industrial Park
Manufacturing	Envases	Manufacturer of aluminium cans. Approx. 130 jobs	Baglan Industrial Park
Manufacturing	Freudenberg Oil & Gas Technologies	Producer of sealing products for the energy industry. Approx. 220 jobs	Baglan Industrial Park
Manufacturing	Hanson Cement	Cement manufacturer	Port Talbot
Manufacturing	Linde BOC	Industrial gas production (including UK's largest oxygen production plant)	Margam
Manufacturing	Sandvik Osprey	Manufacturers of specialist metal powders. Approx. 160 jobs	Neath
Manufacturing	Sofidel UK	Manufacturer of paper tissues and hygiene products. Approx. 670 jobs	Baglan Energy Park

Sector	Firm	Description	Location
Manufacturing	Tata Steel	UK's largest integrated steelworks, producing slab steel and finished steel products. Approx. 4,000 jobs	Margam
Other	Andrew Scott Ltd	Civil engineering and construction. Approx. 180 jobs	Margam
Other	Associated British Ports	Operator of the Port of Port Talbot (and currently promoting substantial investment at the Port)	Port Talbot
Other	Deloitte	Business software solutions, via Deloitte's acquisition of Keytree in 2021	Port Talbot
Other	Trade Centre Wales	Used car retailer, operating from several sites across Wales. Approx. 500 jobs	Neath

### High Growth and Innovation

- 4.1.46. ONS identify 'high growth' businesses as those that demonstrate average annualised growth greater than 20% per annum, over a three-year period, measured through employment.
- 4.1.47. In 2021 and 2022, 15 businesses in NPT were classed as 'high growth (i.e., around 0.5% of the total business stock). This rate of high growth businesses within the overall stock was slightly higher than the Wales and UK averages.
- 4.1.48. Separately, the business data service Beauhurst tracks businesses that meet a series of growth or innovation thresholds (for example, turnover growth, investment secured or public sector fundraising through Innovate UK or similar bodies). In 2021, Beauhurst tracked 27 firms in NPT. These included some of the businesses cited above (British Rototherm, Cultech, Andrew Scott and Trade Centre Wales), although sectorally, the list is quite diverse, with eight principally operating in the manufacturing sector and the remainder engaged in a wide range of activities [Beauhurst; SQW analysis 2021].

### Economically Active Population

- 4.1.49. The proportion of adult residents – aged 16 or above – who were economically active has reduced between 2011 and 2021, from 56% to 53%. This appears to have been driven by males, particularly in younger age cohorts, with their female counterparts also less likely to be economically active. Conversely, older people are implied to have become more economically active over this period.

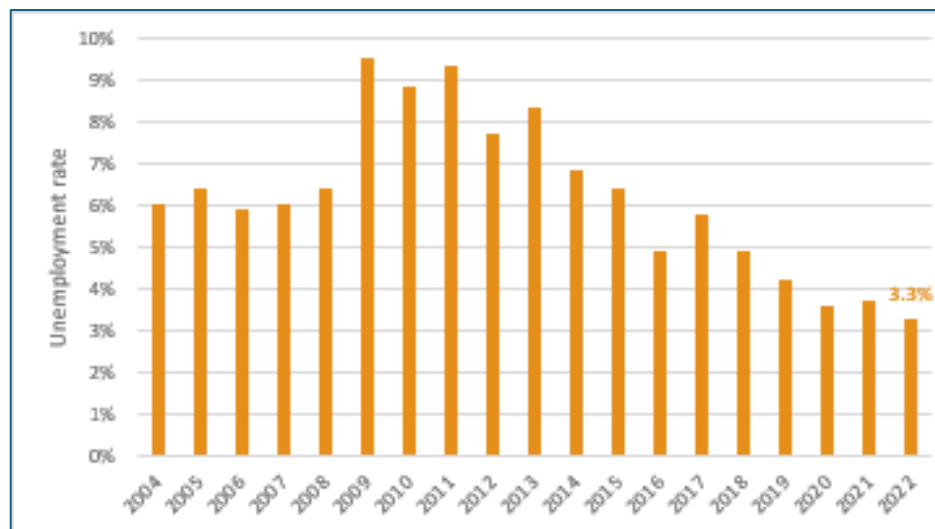
Table 8: Changes in Economic Activity Rates (2011-2021)

Age	Total Population 2011	Total Population 2021	Males 2011	Males 2021	Females 2011	Females 2021
16 to 24	64%	51%	66%	50%	61%	53%
25 to 34	82%	79%	89%	84%	76%	74%
35 to 49	80%	80%	84%	84%	75%	76%
50 to 64	58%	63%	64%	67%	52%	58%
65+	6%	8%	8%	10%	4%	6%
All ages	56%	53%	62%	57%	50%	50%

Source 15: Office for National Statistics (2011, 2021)

4.1.50. This reduced economic participation has not led to heightened unemployment, however, as the latter is reported to have stood at a historic low of only 3.3% as of 2022. This is around two thirds lower than the high of 9.5% recorded during the last recession, in 2009.

Figure 16: Unemployment Trends in NPT (2004 - 2022)



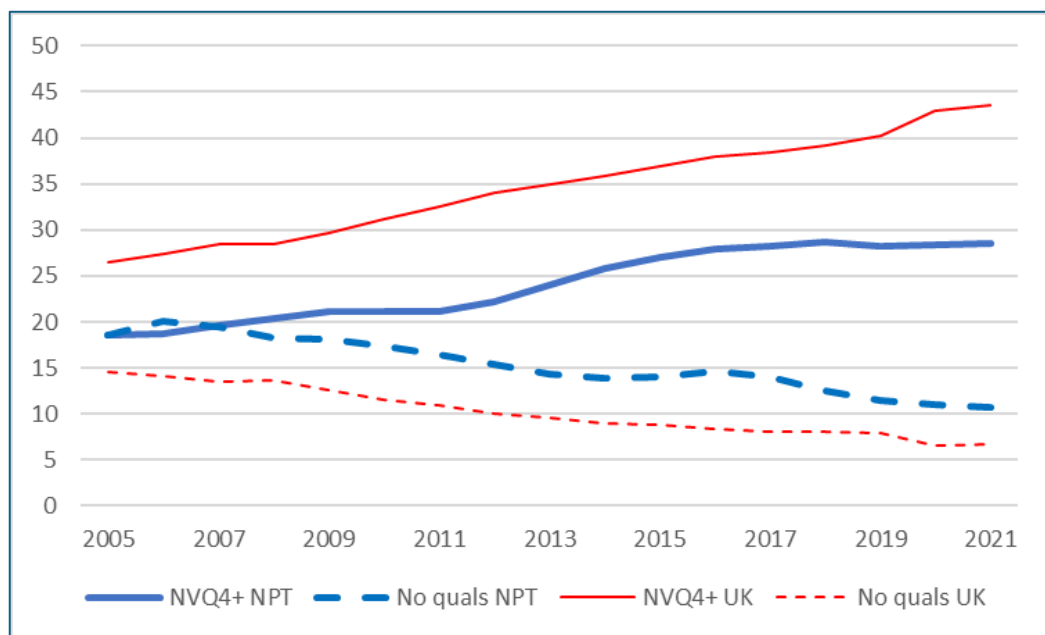
Source 16: Office for National Statistics (2023)



## Workforce Qualification

4.1.51. In general, workforce qualifications in NPT have improved over time, as workers with few formal qualifications reach retirement age and leave the labour market and demand for higher-level skills rises. However, the pace of transition has been somewhat slower in NPT than it has been in the rest of Wales and the UK, with proportions qualified to NVQ3+ and NVQ4+ substantially lower than the national and UK averages.

*Figure 17: NPT Workforce Qualifications Trend (2005-2021)*



Note: Data has been presented as three-year rolling averages to smooth out volatility in the data.

*Source 17: ONS Annual Population Survey*

## Workforce Occupational Profile

4.1.52. Reflecting the workforce skills profile, the occupational profile of NPT's workforce is more skewed to 'lower skilled' jobs than the UK or Wales averages. In general, there are fewer people working in managerial, professional and associate professional and technical occupations, and relatively more in administrative and secretarial roles and jobs referred to by the ONS as 'elementary occupations'. However, the trajectory over recent years has been towards increased

employment in managerial and professional roles, as well as caring and leisure occupations; with losses in manual and routine occupations, as well as in skilled trades.

*Table 9: Occupational Profile of NPT (Percentage of all in Employment)*

<b>Occupation</b>	<b>NPT</b>	<b>Wales</b>	<b>GB</b>	<b>Change in NPT (percentage Point), 2011-21</b>
Managers and senior officials	8.1	9.4	10.6	2.3
Professional occupations	19.0	20.4	23.8	4.4
Associate professional and technical	12.8	14.9	15.4	1.7
Admin and secretarial	14.8	10.1	10.2	1.6
Skilled trades	10.6	10.3	8.8	-2.8
Caring, leisure and other service occupations	11.8	10.5	9.2	2.1
Sales and customer service	6.5	7.5	7.0	-3.2
Process, plant and machine	7.2	6.5	5.5	-2.4
Elementary occupations	9.2	10.5	9.6	-3.6

*Source 18: IBID*

4.1.53. As part of the Housing and Economic Growth Assessment for NPT, Turleys note that analysis for the national Working Futures Labour Market Survey anticipates that this trend towards increased employment in managerial and professional occupations, as well as caring and personal service roles, will continue. The Table below sets out the forecast annual employment growth by occupation for Wales looking forward to 2027:

Table 10: Annual Change in Employment by Occupation, Wales

Occupation	Annual Percentage Change in Employment, 2022-27
Managers and senior officials	1.1
Professional occupations	1.3
Associate professional and technical	0.8
Admin and secretarial	-1.4
Skilled trades	-0.7
Caring, leisure and other service occupations	1.3
Sales and customer service	-0.3
Process, plant and machine	-0.6
Elementary occupations	0.0

Source 19: Working Futures: Labour Market and Skills Projections (2017-2027)

4.1.54. Turleys stress however that even in ‘declining’ occupations, there will be labour demand as existing staff are replaced. Working Futures anticipates annual replacement demand in all occupational groups, including in those experiencing a significant net contraction.

## 4.2. Step 2: Existing Employment Land

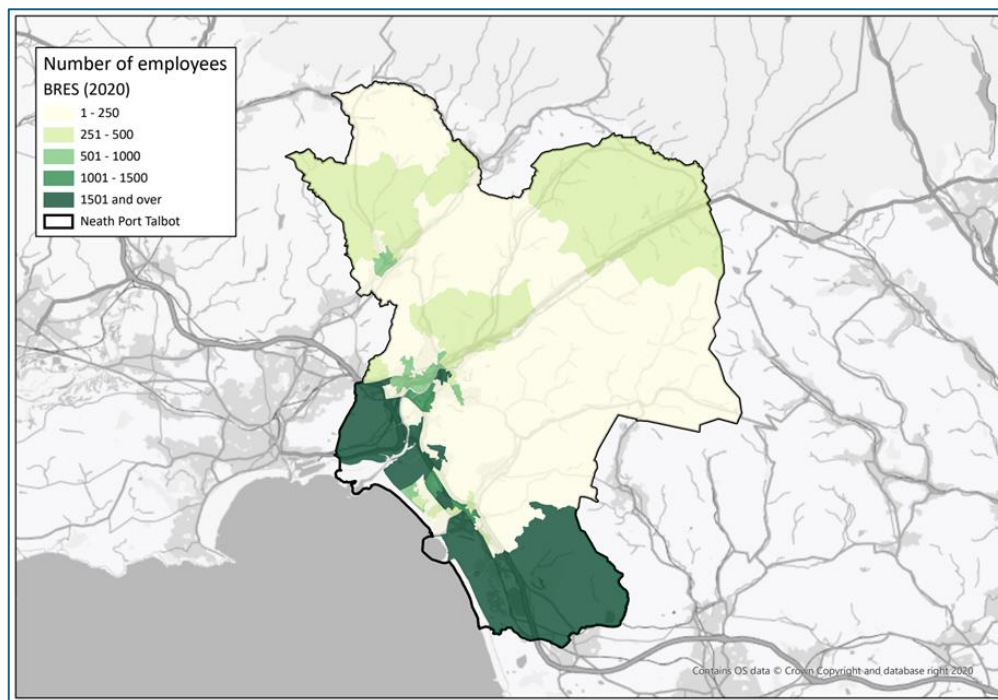
4.2.1. According to the WG guidance, the purpose of Step 2 is to establish where existing employment land is no longer in demand.

### Employment Stock

4.2.2. NPT's employment base is concentrated along the M4 Corridor and the chain of major industrial locations extending from Margam in the east, through Harbourside and Baglan to Fabian Way.

4.2.3. Employment concentrations are smaller and more dispersed in the post-industrial and rural parts of the county, including a number of smaller industrial estates, for example the Vale of Neath Supplier Park.

*Figure 18: Key Concentrations of Employment*



*Source 20: SQW (2024)*

4.2.4. The current LDP safeguards 19 existing employment areas for employment (LDP Policy EC2 'Existing Employment Areas').

Figure 19: NPT LDP Policy EC2 'Existing Employment Areas'

Policy EC 2	
Existing Employment Areas	
In order to protect the employment function of the County Borough's employment areas, uses on the following sites will be restricted in accordance with Policy EC3:	
Reference	Site
EC2/1*	Fabian Way
EC2/2	Lonlas Village Workshops, Neath
EC2/3	Neath Abbey Business Park, Neath
EC2/4	Neath Abbey Wharf, Neath
EC2/5*	Melincryddan CMB / Milland Road Industrial Estate, Neath
EC2/6*	Baglan Energy Park
EC2/7*	Baglan Industrial Estate, Port Talbot
EC2/8	Endeavour Close, Port Talbot
EC2/9+	Kenfig Industrial Estate, Port Talbot
EC2/10*	Llewellyn's Quay, Port Talbot
EC2/11*	Tata Steelworks, Margam
EC2/12	Croeserw Industrial Estate, Afan Valley
EC2/13*	Glyncorwg Workshops, Afan Valley
EC2/14*	Cwmgors Workshops and Industrial Estate, Amman Valley
EC2/15*	Crynant Business Park, Dulais Valley
EC2/16*	Vale of Neath Supplier Park, Neath Valley
EC2/17*	Glynneath Village Workshops, Neath Valley
EC2/18	Alloy Industrial Estate, Pontardawe
EC2/19*	Former Compair / GMF Factory, Ystalyfera, Swansea Valley

**Key:**  
 \* Sites which lie within areas of flood risk identified in TAN 15.  
 + Preferred Sites for In-Building Waste Treatment Facilities.

Source 21: NPT LDP (2016)

4.2.5. The current LDP also allocates some 32ha of land for employment uses over the Plan period (LDP Policy EC1 'Employment Allocations'):

Figure 20: NPT LDP Policy EC1 'Employment Allocations'

Policy EC 1			
Employment Allocations			
The following sites are allocated for employment uses:			
Reference	Site	Size	Use Class Permitted
EC1/1+	Baglan Bay	75 ha*, of which 15 ha is allocated for B Use	B1, B2 and B8 <sup>(14)</sup>
EC1/2+	Junction 38 (M4), Margam	6 ha	B1, B2 and B8
EC1/3	Land within Coed Darcy SRA	4 ha	B1
EC1/4	Land within Harbourside SRA	7 ha	B1
<b>Total</b>		<b>32 ha</b>	

**Key:**

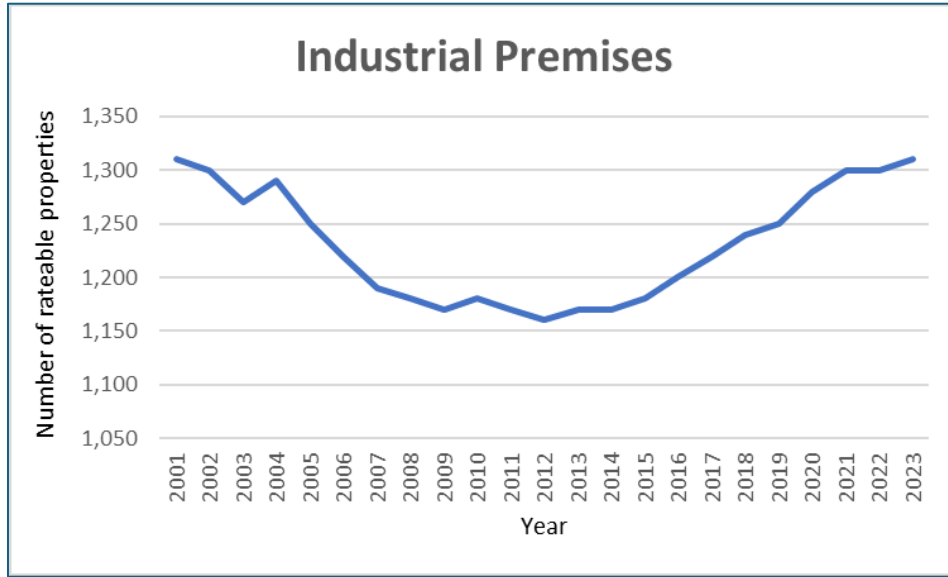
+ Preferred Sites for In-Building Waste Treatment Facilities.

\* Employment land to meet the needs of the energy sector and any ancillary facilities and services which support and complement the wider role and function of B Uses within and beyond the life of the LDP.

Source 22: NPT LDP (2016)

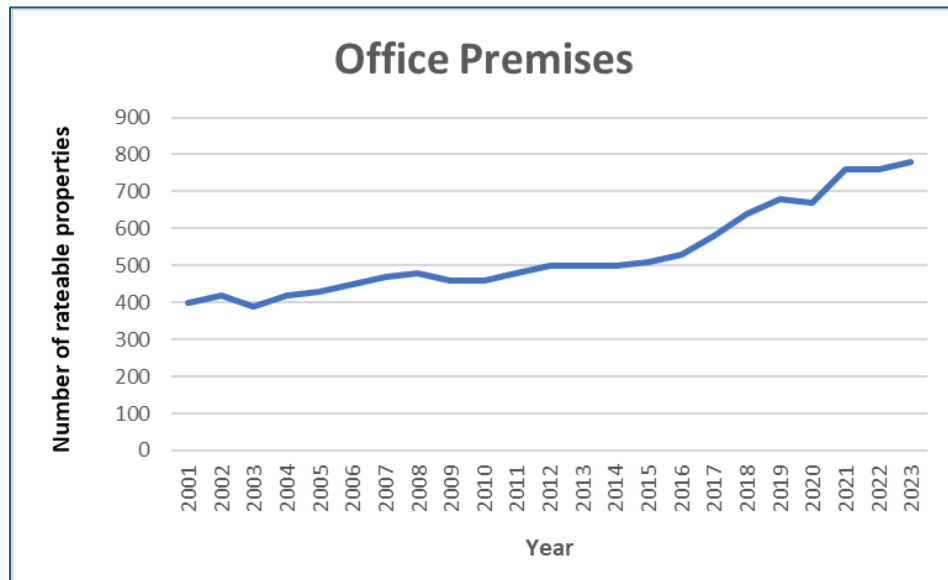
- 4.2.6. Outside of these areas there are a number of premises used for employment development.
- 4.2.7. The VOA Rateable Property data shows that on the 31<sup>st</sup> March 2023 the Council had 780 office premises and 1,310 industrial premises. The Graphs below show trends in the number of industrial and office premises.

Figure 21: Industrial Property Trend



Source 23: VOA Rateable Property Trend

Figure 22: Office Premise Trend

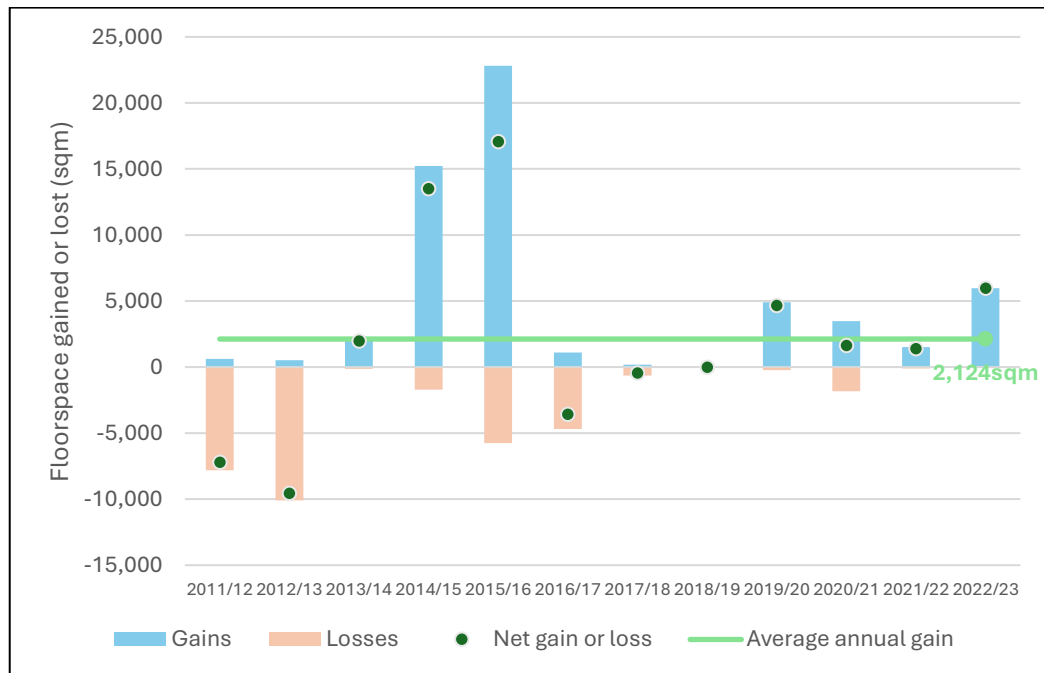


Source 24: IBID

### Employment Development

- 4.2.8. The Council's Monitoring Data shows that the overall supply of B1, B2 and B8 floorspace has increased by circa 25,490sqm since the beginning of the Plan period (2011-2023). This represents a net increase of circa 2,124sqm per annum on average, with the average loss of around 2,750sqm per annum more than offset by the provision of circa 4,874sqm each year.
- 4.2.9. The Diagram below shows that the rate of provision and loss has, however, varied throughout the decade. Some 22,824sqm of new space was developed in 2015/16, for example, this being largely attributable to the Energy Safety Research Institute on Fabian Way. While the loss of 5,753sqm also exceeded the long-term average in that year, the size of the gain meant that some 17,070sqm of net additional space was provided. This was some 26% more than even the relatively large gain recorded in the year before, but evidently was not sustained with none of the subsequent three years seeing a net increase in the supply of employment space. Net gains were though recorded in the following four years, the last for which data is currently available.

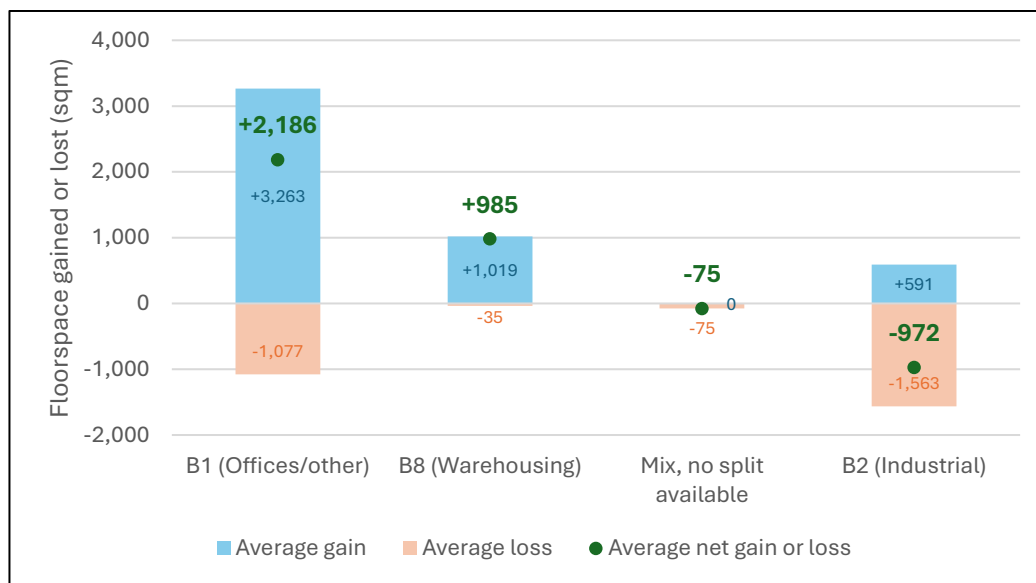
*Figure 23: Net Change in Employment Floorspace (2011-2023)*





4.2.10. When breaking this down by use class, the diagram below shows that when averaged there has been an overall net gain in the supply of offices and other B1 space in NPT since the start of the current plan period. There has also been a net increase in the supply of B8 space, little of which has been lost to other uses. In contrast, c.1,563sqm of B2 industrial space has been lost on average every year, almost three times the amount developed, meaning that there has been a net loss of such space over the plan period to date.

*Figure 24: Average Net Change in Employment Floorspace by Use Class (2011-2023)*



### Availability of Floorspace

4.2.11. As part of the Housing and Economic Growth Assessment Turleys looked at the amount of available employment floorspace on the market (note that this may include premises that are currently occupied and thus not vacant).

4.2.12. The Diagrams below shows a decline in the amount of available office floorspace to just 4%, a decline in industrial premises to 2% and a decline in warehousing accommodation to 3%. These are all below the average for Wales.

Figure 25: Availability of Office Accommodation

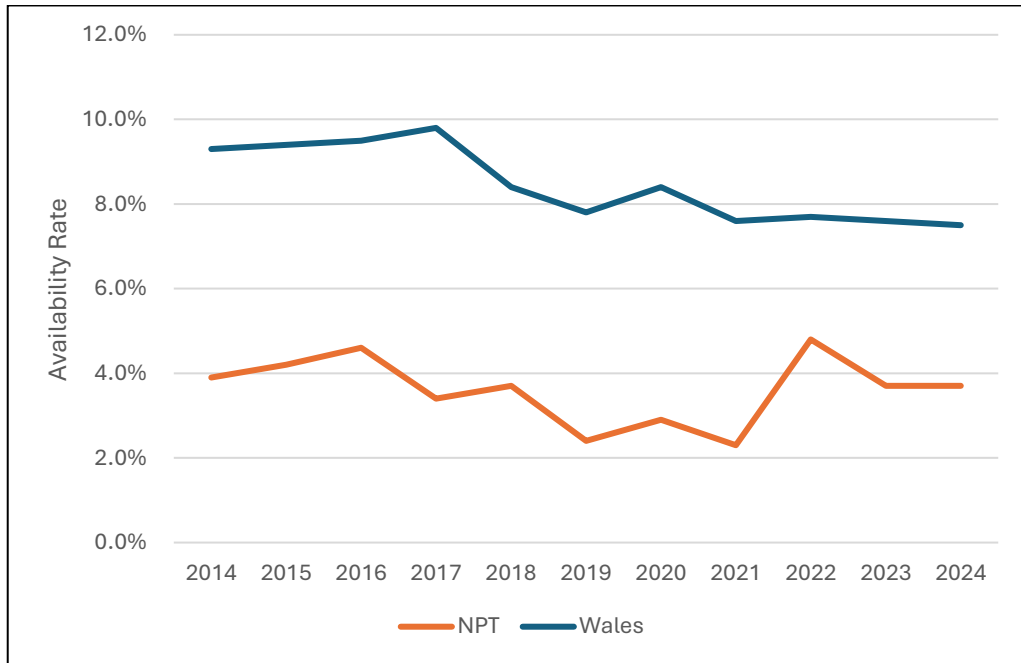


Figure 26: Availability of Industrial Premises

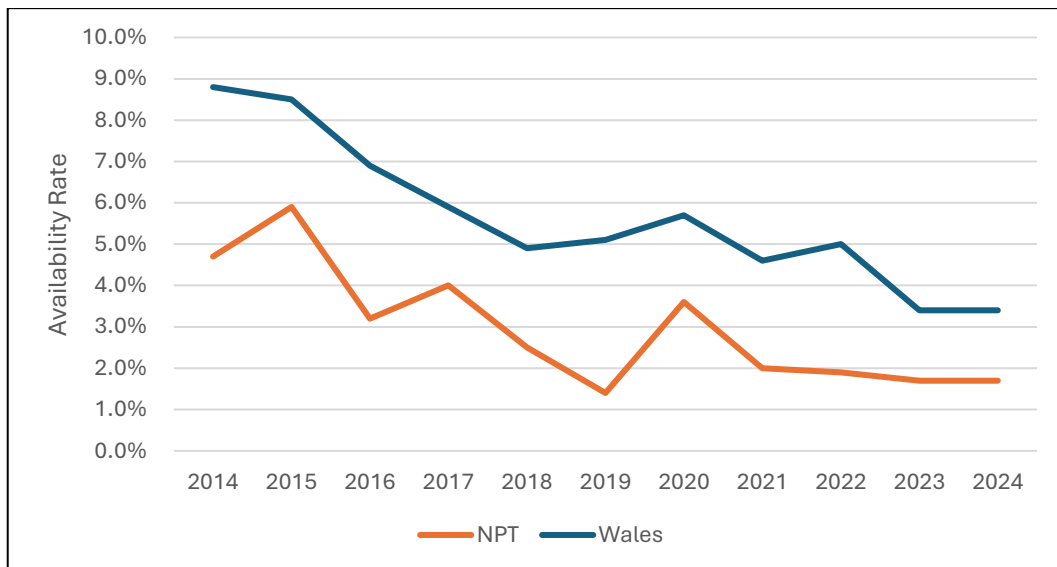
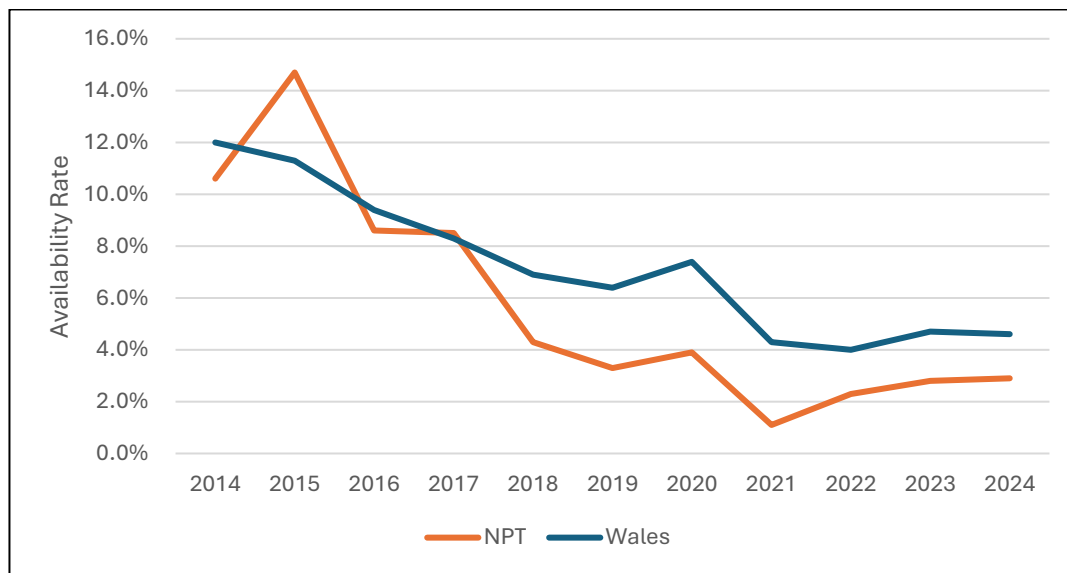


Figure 27: Availability of Warehousing Premises

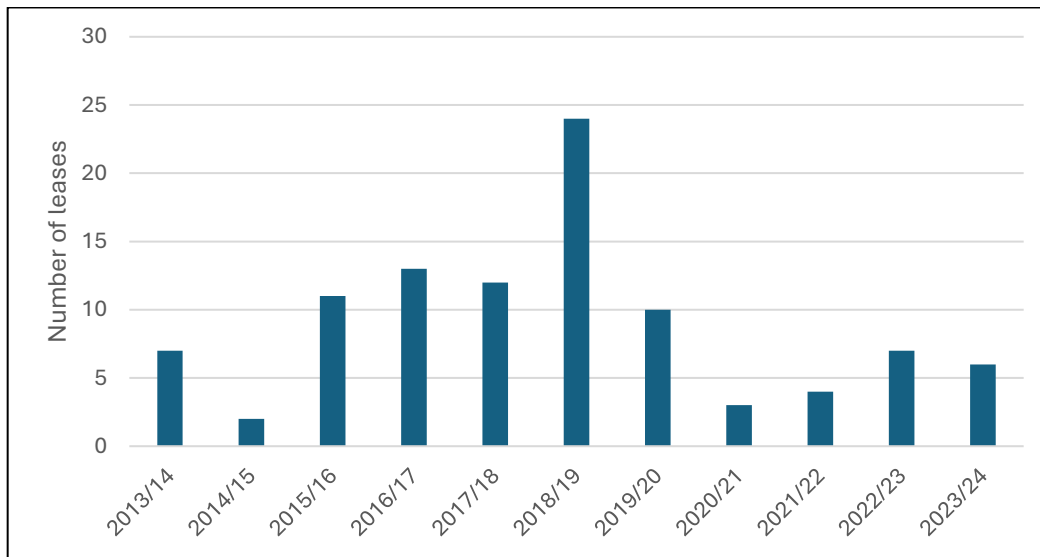


Source 25: Turleys Housing and Economic Growth Assessment (2024) Analysis of CoStar Data

#### Market Demand

- 4.2.13. As part of the Housing and Growth Assessment work, Turleys also used CoStar to provide a report on leasing activity, thus providing an insight into the scale and nature of market demand over time. This needs to be cautioned as it is influenced by the amount of space available, which – if limited – could reduce the number of transactions and thus suppress take-up.
- 4.2.14. CoStar data suggests that c.100 office spaces have been leased throughout NPT over the past decade, to January 2024. This equates to 10 deals per annum on average. The Diagram below shows however that there have generally been fewer outside of a concentrated period from 2015/16 to 2019/20, in which the average actually rose to 14 per annum, peaking at 24 leases in 2018/19.

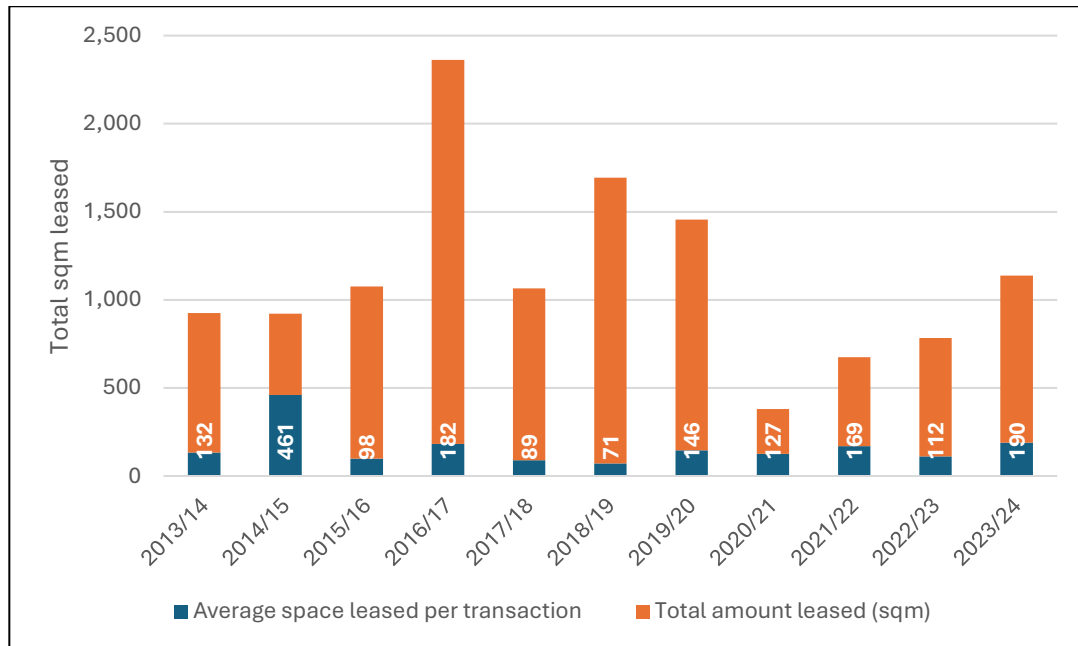
Figure 28: Number of office spaces leased in NPT (2013/14-2023/24)



Source 26: *Turleys Housing and Economic Growth Assessment (2024) Analysis of CoStar Data*

- 4.2.15. The Diagram below shows the amount of office space leased (total and per transaction). Unsurprisingly, the five years with the highest number of transactions saw the most office space taken up in total, more than doubling the average rate seen in the other years of the decade.
- 4.2.16. It is nonetheless of note that the average amount of space actually taken in each lease was relatively low in these years, falling as low as 71sqm per transaction in 2018/19 having been over six times larger only four years prior (2014/15). While fewer deals have been completed over the last four years, the amount of space taken up in each transaction has generally risen.

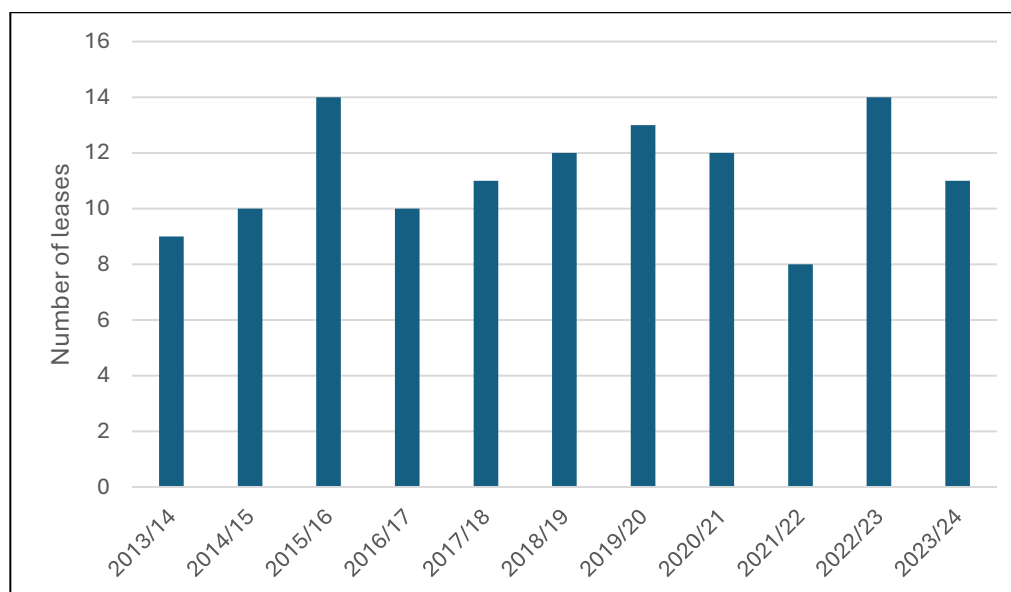
Figure 29: Number of office spaces leased in NPT (Total Floorspace and Floorspace per Transaction) (2013/14-2023/24)



Source 27: Turleys Housing and Economic Growth Assessment (2024) Analysis of CoStar Data

4.2.17. The Diagram below shows that leases involving industrial premises or warehouses have been more steady over the past decade, averaging c.11 per annum but notably dropping in 2021/22 but increasing again in 2022/23 .

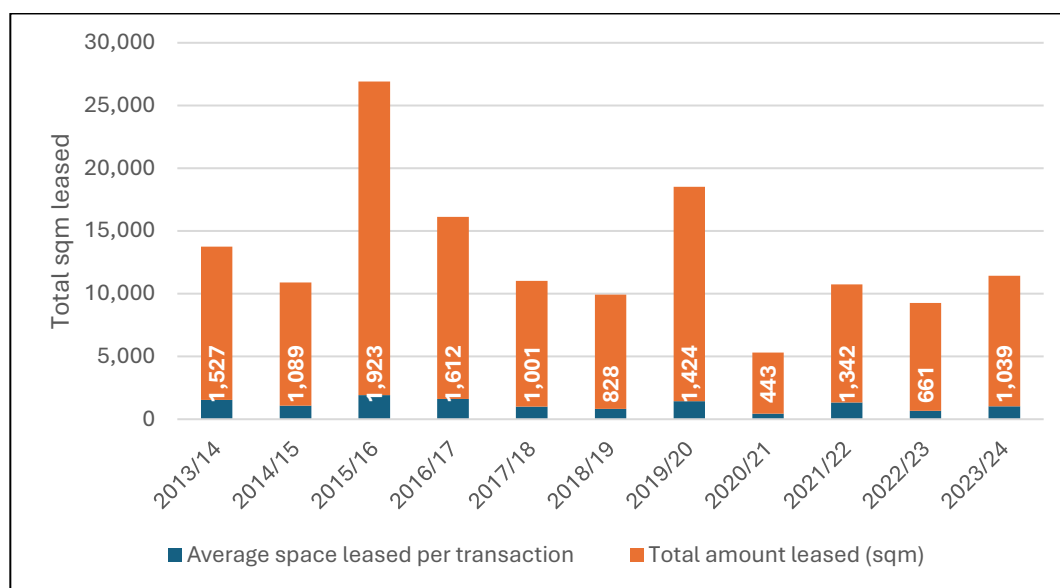
Figure 30: Number of industrial spaces or warehouses leased in NPT (2013/14-23/24)



Source 28: Turleys Housing and Economic Growth Assessment (2024) Analysis of CoStar Data

- 4.2.18. The Diagram below shows that amount of space leased per transaction has been more volatile over the decade, peaking at over 1,920sqm in 2015/16, with the amount of space leased per transaction being some 60% lower only three years later.
- 4.2.19. The average amount leased generally fluctuated, generally between 800sqm or 1,500sqm in all but one of the last six years. In overall terms, an average of circa 12,000sqm has been leased per annum, with this again varying considerably over the period shown.

Figure 31: Amount of industrial space leased in NPT (total and per transaction)



Source 29: Turleys Housing and Economic Growth Assessment (2024) Analysis of CoStar Data

- 4.2.20. Whilst CoStar represents a good level of information on property transactions, there does need to be some caution given that it is only one dataset and there may be private sales/ lettings.
- 4.2.21. Nonetheless the findings from the CoStar data reflect discussions that the Planning Policy Team have held with the Council’s Estates and Regeneration/ Economic Development teams in which it has been reported that there are very few vacancies in our employment stock, that there is very limited wider stock on the open market and that when stock becomes available it is occupied immediately. The Council’s Regeneration/ Economic Development team have especially noted that businesses have relocated/ been put off investing in NPT due to limited availability of suitable premises.
- 4.2.22. This all suggests a very tight employment market in NPT where there are no existing employment land that is no longer in demand.

### 4.3. Step 3: Property Market Profile

4.3.1. Taking into consideration the findings of Sections 4.1 and 4.2, the following property market profile has been developed.

<b>Wider Context</b>	<p>The County Borough is located on the coast between the City and County of Swansea to the west and the County Borough of Bridgend to the east. NPT also shares boundaries with Carmarthenshire, Powys, Rhondda Cynon Taf, and the Brecon Beacons National Park.</p> <p>The County Borough forms part of the South West Wales region, Swansea Bay City Region and Deal.</p> <p>The FEMA assessment identified strong linkages with Swansea, albeit noting linkages with other neighbouring authorities, in particular Bridgend.</p> <p>The economy as a whole has seen a number of tumultuous changes including Brexit, Covid, energy crisis, cost of living, inflation and rise in interest rates. The wider economy is however considered to be broadly healthy and recovering.</p> <p>Since 2001 the economy of NPT has been growing with an average job growth of 633-687 jobs per annum. There are approximately 4,000 businesses, 80% of which employ 9 or fewer employees. Business stock is slightly skewed more towards larger firms than the UK average.</p> <p>In 2023 Port Talbot and Milford Haven Ports were designated as part of the Celtic Freeport. This is anticipated to create 1,000s of new jobs.</p>
--------------------------	--



	<p>There are a number of renewable energy investments planned.</p> <p>The economy in NPT is however currently undergoing economic restructuring due to the recent announcement by Tata.</p>
<b>Land and Property</b>	<p>The latest VOA data indicates that there were 780 office premises within NPT and 1,310 industrial premises.</p> <p>Over the plan period (2011-2023) 25,490sqm of B1, B2 and B8 employment floorspace was developed.</p> <p>Specifically monitoring shows a net increase of 2,186sqm B1, 985sqm B8 and -972sqm B2 per annum over this period.</p> <p>Within the Authority there are 19 designated employment areas. Monitoring shows that these are all well occupied and that there are no long-term vacant units.</p> <p>Engagement with the Council's Estates team suggests that there is good demand for premises within the employment areas they manage. These areas are considered to be representative for all areas.</p> <p>Vacancy of employment stock more generally across the County Borough has declined significantly over the Plan period and now lies at 4% for offices, 2% for industrial and 3% for warehousing. These are below optimal vacancy rates (the rate which would allow for churn within employment areas and provide premises for businesses to easily move in).</p>

Engagement with businesses and the Council's Regeneration/ Economic Development team suggests that the availability of purpose built premises is a constraint to development.

It is noted that Baglan Bay Strategic Employment Area has not been developed to date, this is however understood to be in part due to contamination constraints and ownership constraints. WG have subsequently purchased the site, have promoted it for development, and are in the process of understanding the level of constraints in order to bring the site forward for development.

There are a range of businesses within the County Borough. Manufacturing accounts for approximately 20% of the output, greater than UK and Welsh averages. Correspondingly there are a number of major manufacturing firms within NPT.


Of all major private sector employers in NPT, all but 2 are located overseas.

NPT has a greater number of higher growth firms than the UK and Welsh averages.

The County Borough benefits from key strategic links with the M4 passing east – west. The A465 Heads of the Valleys road links the M4 to the Midlands. There is the London mainline railway line. There are a number of specialist freight lines. There is a deep water port, one of only three in the UK. All of these provide key strategic links for businesses in the Authority.

	<p>Within the Plan period the Port Talbot Peripheral Distributor Road has been constructed. This £107 million investment by the European Union and WG was the largest transport project to be supported by the European Regeneration Development Fund and provides a direct 4.8km link from Port Talbot to the M4.</p>
<p><b>Demand</b></p>	<p>As noted above, it is considered that there is a good demand for employment floorspace within the County Borough. Over the plan period (2011-2023) 25,490sqm of B1, B2 and B8 employment floorspace was developed. Specifically monitoring shows a net increase of 2,186sqm B1, 985sqm B8 and -972sqm B2 per annum over this period. Vacancy rates have fallen considerably for B1, B2 and B8 floorspace and are now very low, showing that there has been a considerable increase in the amount of floorspace in use for employment.</p> <p>As part of economic restructuring, and in order to maximise the benefits associated with the Freeport and green economic growth, opportunities will need to be provided to attract companies and enable start-up businesses.</p>
<p><b>Supply and Market Balance</b></p>	<p>Analysis above suggests that there is a strong demand for employment premises in the County Borough and that limited supply of purpose-built accommodation is limiting development opportunities.</p> <p>As part of economic restructuring there will be a number of direct jobs lost and a wider impact in the economy as indirect and induced jobs are lost. This may result in some premises becoming available, or it may result in businesses re-using existing premises differently, or businesses not expanding as envisaged. There is a considerable degree of uncertainty. It</p>

	<p>would also be assumed that there would be a time lag between business closure and availability on the market. This could be due to a number of reasons.</p> <p>Whilst this is happening on one hand, there is also demand from existing businesses in the County and for premises associated with the Freeport and green growth opportunities. It is considered too simplistic to assume that the latter could occupy the formers premises.</p> <p>It is considered that over the RLDP plan period as much employment land and premises should be developed as considered to be suitable from the Housing and Economic Growth Assessment in order to attract new companies, provide space for existing businesses and try to mitigate the impacts of the economic restructuring taking place associated with Tata.</p>
<b>Conclusions</b>	<p>Analysis presented in this Chapter suggests that there is a good demand for employment premises within NPT and that limited stock availability is seen as a constraint to development.</p> <p>The County Borough is located in a key strategic location with good transportation links. There are strong links with neighbouring authorities, in particular Swansea and Bridgend. The County Borough forms part of the South West Wales planning region and Swansea Bay City Region Deal.</p> <p>There are a number of investment opportunities and potential job creation associated with the Freeport and other green industries.</p>



Whilst there has been significant job creation since 2001 manufacturing still plays a dominant role in the economy. Following the announcement by Tata the economy is undergoing a process of economic restructuring.

## **5. Audit of Employment Sites**

5.0.1. In line with the methodology detailed in Chapter 2, the Council has:

- Prepared a quantitative site inventory (step 1);
- Prepared a qualitative appraisal (step 2); and
- Drafted policy recommendations (step 3).

### **5.1. Step 1 – Preparing a Quantitative Site Inventory**

5.1.1. Taking into consideration committed sites, potential sites and existing employment stock (developed employment premises), the Council has prepared a quantitative site inventory for the Authority of land that will or may be developed for B1, B2 and B8 uses in order to understand the authorities land supply and compare it with the predicted demand over the plan period.

## Committed Sites

5.1.2. The Table below details committed sites as of 31<sup>st</sup> March 2023:

<b>Planning Permission Reference</b>	<b>Site Name</b>	<b>Description</b>	<b>Use Class</b>	<b>Size of Site (Ha)</b>	<b>Floorspace (sqm)</b>
P2019/5134	Land at Victoria Road, Sandfields	Construction of a detached building for storage use (Use Class B8) plus erection of automatic gates and associated landscaping	B8	0.1ha	351sqm
P2019/5560	Land adjacent to Towers Hotel, Ashleigh Terrace, Jersey Marine	Outline application for industrial unit development (Use Class B1, B2, & B8) plus associated infrastructure.	B1/ B2/ B8	2.4ha	5,300sqm
P2020/0155	Unit 2 Ynysygerwn Avenue, Aberdulais	First floor extension to accommodate offices and ancillary floor space.	B1	0.02ha	150sqm
P2020/0429	Swansea University Bay Campus, Fabian Way	Development of new Centre for Integrative	B1	Not known	5,758sqm

Planning Permission Reference	Site Name	Description	Use Class	Size of Site (Ha)	Floorspace (sqm)
		Semiconductor Materials (CISM) building and gas store building			
P2020/0538	Land adjacent to Technium Centre, Central Avenue, Baglan Energy Park	Construction of Technology Centre, parking, landscaping and associated works.	B1	1.8ha	2,578sqm
P2020/0613	Margam Green Energy Plant, Longlands Lane, Margam	Erection of a new equipment storage building and associated works. (amended landscape and ecology management plan)	B8	0.1ha	400sqm
P2020/0685	Angel Farm, Pontneathvaughan Road, Glynneath	Construction of new agricultural building for the storage of machinery	B8	0.01ha	85sqm
P2020/0736	Rockfield, Glamorgan Services, Longford Road, Longford	Single Storey Extension to Industrial Unit	B2	0.5ha	480sqm



Planning Permission Reference	Site Name	Description	Use Class	Size of Site (Ha)	Floorspace (sqm)
P2020/0770	Unit 2 Christchurch Road, Aberavon	Single-storey side extension to existing unit	B8	0.01ha	106sqm
P2020/0825	Glynneath Laundry, Bethel Road, Glynneath	Refurbishment of ground floor and construction of first floor extension for use as builders store and offices	B1/ B8	0.01ha	67.3sqm
P2020/0904	Swansea Valley Business Park, Glan Yr Afon, Ystalyfera	Commercial development consisting of 7No. light industrial units (use class B1). The units will be incorporated into 2, two storey blocks with associated car parking, access, boundary treatments, landscaping and associated works.	B1	1.9ha	2,638sqm

Planning Permission Reference	Site Name	Description	Use Class	Size of Site (Ha)	Floorspace (sqm)
P2021/0144	Land Off Church Street Church Street Briton Ferry	Construction of 9 Lock Up Garages with new vehicular access	B8	0.1ha	195sqm
P2021/0328	Alloy Industrial Estate, Pontardawe	Single storey office extension	B1	0.1ha	251sqm
P2023/0707	Runtech Ltd. Harbour Way	Detached Store	B8	0.03ha	352sqm
P2023/0265	Land To The North Of Old Foundry Road, Pontardawe	Construction of 15 no. light industrial/commercial units (Use Class B1,B2, B8) with associated parking, servicing, hard and soft landscaping and drainage works	B1/ B2/ B8	0.8ha	129sqm
P2022/0926	Amman Valley Welders Park Howard Road Cwmgors	Construction of an industrial building (Use Class B2) (Additional / revised flooding	B2	0.4ha	248sqm

Planning Permission Reference	Site Name	Description	Use Class	Size of Site (Ha)	Floorspace (sqm)
		information received (06.03.2023)			
P2022/0795	Safe Gas Cylinders, Bay Studios, Fabian Way	Construction of new steel framed building for the refurbishment of gas cylinders	B2	0.8ha	958sqm
P2022/0470	Land At Baglan Way, Port Talbot	Erection of an industrial unit (use class B2) (GIA 25,545sqm) with associated works including sustainable drainage, car parking, cycle storage and landscaping.	B2	15.0ha	25,545sqm
P2022/0226	Groundhog Uk Ltd., Ynysygerwn Avenue, Aberdulais	Demolition of existing single storey structure and construction of two storey front extension to existing factory building	B2	0.1ha	555sqm

Planning Permission Reference	Site Name	Description	Use Class	Size of Site (Ha)	Floorspace (sqm)
		to incorporate ancillary office space, visitors' suite / showroom, reception area together with staff and visitor facilities			
P2022/0196	Chosen Park, Unit 1 Lane From Brunel Way To Sewage Pumping Station Baglan Energy Park	Office building for hire depot	B1	0.3ha	223sqm
P2022/0046	Margam Green Energy Plant Longlands Lane, Margam	Proposed Secondary Ash Store and retention of an existing Primary Ash Bay.(updated FCA submitted)	B8	0.01ha	117sqm
P2021/1255	Land West Of Junction 38 Of The M4 Port Talbot	Development of a metal processing facility	B1/ B2/ B8	7.9ha	28,500sqm
P2021/1224	The Yard, Efail Fach, Pontrhydyfen	Proposed workshop and porta cabins	B2	0.5ha	630sqm

Planning Permission Reference	Site Name	Description	Use Class	Size of Site (Ha)	Floorspace (sqm)
P2021/1223	Ggl Auto Repair and Maintenance, Cwmavon Road, Port Talbot	Proposed workshop extension	B1	0.01ha	75sqm
P2021/1165	Ynys-Y-Gwas Farm Afan Valley Road	Proposed construction of an agricultural barn for storage of machinery and small workshop	B8	0.004ha	40sqm
P2021/1087	Land Adjacent To Unit 19/20 Mardon Park Baglan Energy Park	Construction of four industrial units (Class B1, B8) with associated car parking drainage and landscaping	B1/ B8	0.2ha	574sqm
P2021/0977	Cornelius Electronics Unit 3 & 4 Purcell Avenue Sandfields	Construction of front extension to Units 3 & 4 with rebuilt office area including mezzanine	B1	0.03ha	362sqm
P2021/0956	Land At Mardon Park, Central Avenue, Baglan Energy Park	Detached Industrial Building (Use Class B8 - Storage and Distribution)	B8	1.0ha	2,228sqm

Planning Permission Reference	Site Name	Description	Use Class	Size of Site (Ha)	Floorspace (sqm)
		with associated parking, drainage and landscaping.			
P2021/0770	Land At Seaway Parade Industrial Estate, Baglan	Detached industrial building (class B8) with associated parking, drainage and landscaping.	B8	0.3ha	402sqm
P2021/0684	Chain Works, Fabian Way Crymlyn Burrows	Construction of 8 units for storage only (class B8) with associated parking.	B8	0.1ha	616sqm
P2021/0604 and P2021/0605	Gilbertson Court Unit 2 Alloy Industrial Estate Pontardawe	P2021/0604: Proposed construction of front and side extension to existing unit. P2021/0605: Proposed construction of a light industrial building	B1	0.4ha	559sqm

Planning Permission Reference	Site Name	Description	Use Class	Size of Site (Ha)	Floorspace (sqm)
P2021/0598	Mike Saunders Motors Ltd Milland Road, Neath	Proposed change of use of land for the siting of 28no self-storage containers	B8	0.2ha	403sqm

5.1.3. There are also a number of planning permissions which include some ancillary employment uses. These are detailed in the Table below:

Planning Permission Reference	Site Name	Description	Use Class	Size of Site (Ha)	Floorspace (sqm)
P2018/0493	Land At Pen Y Bryn Croeserw	proposed adventure resort comprising 600 no. lodges/apartments, 100-bed hotel with associated spa, central plaza containing restaurants, leisure activities and shops, adventure activities and associated buildings restaurants and associated	Mixed use	132.5ha	67,110sqm

Planning Permission Reference	Site Name	Description	Use Class	Size of Site (Ha)	Floorspace (sqm)
		administration and maintenance buildings and parking			
P2021/0327	Land at and surrounding the Nant Helen Surface Mine site, Powys and Onllwyn Distribution Centre	Development of a Global Centre of Rail Excellence	Mixed use	82.4ha	18,710sqm
P2022/0972	Margam Green Energy Plant Longlands Lane	Development at the site entrance to the MGEP comprising a new modular building to provide a security hut; a smoking shelter; a security barrier system; hardstanding and gravel and changes to the kerb system; shallow retaining wall structures; and signage at the site entrance to MGEP.	Ancillary employment	0.02ha	32sqm



## Potential Sites

5.1.4. The following sites have been promoted for employment development:

Site Ref	Site Name	Use Class	Size of Site (Ha)	Floorspace (sqm)
RLDP/N/0008	Plot C4 Baglan Energy Park	B1/B2/B8	0.6ha	2,323sqm
RLDP/N/0021	Coed Darcy	Mixed uses including employment	385.7ha	Dependent on end use
RLDP/N/0025	Plot C2 Jersey Marine	B1/B2/B8	3.4ha	4,645sqm
RLDP/PT/0005	Former Burrows Yard	Promoted for retail and employment uses	1.2ha	Dependent on end use
RLDP/PT/0007	Plot C1 and C2, Baglan Industrial Estate	B2	15.0ha	25,545sqm
RLDP/PT/0008	Baglan Energy Park	B1, B2 & B8	20.0ha	20,000sqm
RLDP/PT/0043	Land at Tyn-y-Caeau, Margam	B1, B2 & B8	1.7ha	Not known
RLDP/PT/0046	Plots C1 and C4, Land West of J38, Margam	B1/B2/B8	1.2ha	Not known
RLDP/NV/0003	Former Glan yr Afon Caravan Park and Land Fronting Mill Terrace, Glynneath Submission 2	B1	1.4ha	2,000sqm
RLDP/NV/0009	Glynneath Business Park	B1, B2 & B8	18.1ha	17,651sqm

Site Ref	Site Name	Use Class	Size of Site (Ha)	Floorspace (sqm)
RLDP/DV/0001	Land adjoining Cefn Coed Colliery Museum	B1 or B8	2.9ha	4,072sqm
RLDP/DV/0005	Plots within Crynant Business Park	B1/B2/B8	0.4ha	1,500sqm
RLDP/DV/0006	Treforgan Colliery Site	B1/B2/B8	22.0ha	Dependent on end use.
RLDP/DV/0007	Land at Ynyswen, Crynant	B1/B2/B8	3.6ha	To be determined through further assessment.
RLDP/N/0027	Part of Beverley Gardens - Submission 2	B1/B2/B8	0.2ha	Small scale standalone facility.
RLDP/N/0029	Plot within Neath Abbey Business Park	B1	0.2ha	500sqm
RLDP/NV/0008	Plot within Glynneath Village Workshop	B1/B2/B8	0.1ha	100sqm

Site Ref	Site Name	Use Class	Size of Site (Ha)	Floorspace (sqm)
RLDP/AMV/0007	Former Gwaun Cae Gurwen Coal Distribution Centre	B1/B2/B8	13.0ha	5,904sqm
RLDP/PT/0029	Land off Riverside Road, Port Talbot	Mixed uses including employment, retail, residential and mixed uses.	3.0ha	Dependent on end use.
RLDP/PT/0035	Phoenix Wharf, Port Talbot	Mixed uses including employment and renewable energy.	9.3ha	
RLDP/PT/0040	Land west of J38, Margam	B1/B2/B8	6.2ha	19,000sqm
RLDP/PT/0041	Port Talbot Steelworks	Mixed uses including employment and renewable energy.	671.9ha	
RLDP/PT/0044	WBE Eco Park	Mixed uses including employment, community	8.1ha	63,700sqm

Site Ref	Site Name	Use Class	Size of Site (Ha)	Floorspace (sqm)
		facilities, renewable energy and transport infrastructure.		
RLDP/PT/0045	Land to the south-west of BOC, Margam	B1/B2/B8	21.4ha	4,200sqm
RLDP/PT/0049	Site A Harborside	B1	5.6ha	16,800sqm
RLDP/PT/0051	Site B at Harbourside - Option 2	B1 & B2	3.7ha	11,200sqm
RLDP/PT/0052	Site C Harbourside	B1 & B2	2.7ha	7,078sqm
RLDP/N/0031	Land at Milland Road	B1	0.5ha	1,600sqm

Site Ref	Site Name	Use Class	Size of Site (Ha)	Floorspace (sqm)
RLDP/N/0032	Land at Metal Box	B1	2.5ha	16,800sqm
RLDP/N/0035	Former Dairy Site and Tunnel Tavern, Neath	B1/B2/B8	0.4ha	More information required.
RLDP/DV/0014	Land off A4221, Onllwyn	B1/B2/B8	0.6ha	300-500sqm
RLDP/P/0013	Abernant	B1, B2 & B8	25.0ha	14,500sqm
RLDP/P/0015	Land South West Side of James Street (Submission 2)	B1/B2/B8	0.5ha	Further information required.
RLDP/P/0018	Land known as Glanrhyd Industrial Estate	B1	7.2ha	11,000sqm

Site Ref	Site Name	Use Class	Size of Site (Ha)	Floorspace (sqm)
RLDP/PT/0056	No 139 Station Road and Units 29, 30, 31, 32, 33, 34, 35, 36, 37, 38 and 39 Riverside.	Mixed use including employment, residential, and mixed use.	0.1ha	Dependent on the scale of mixed use development.
RLDP/NV/0017	Land South of Neath Road, Abergarwed	B1 & B8	1.1ha	1,260sqm
RLDP/NV/0020	Plot C2, Vale of Neath Business Park	B1/B2/B8	0.8ha	1,858sqm
RLDP/PT/0060	Former Gas Works Site	B1	0.6ha	1,000sqm
RLDP/PT/0061	Plot within Endeavour Close Industrial Estate	B1	0.2ha	500sqm

Site Ref	Site Name	Use Class	Size of Site (Ha)	Floorspace (sqm)
RLDP/DV/2002	Sites 5 & 6, Nant y Cafn Business Park	B2 and B8	1.8ha	5,575sqm
RLDP/PT/2009	The Port of Port Talbot	B1/B2/B8	389.6ha	Not known at this stage
RLDP/N/2026	Land adjoining JCG Building, Milland Road Industrial Estate	B2	1.1ha	1,360sqm

## Existing Allocations

5.1.5. The Current LDP allocates the following employment areas:

*Table 11: Existing Allocations*

Reference	Site	Size	Use Class Permitted
EC1/1	Baglan Bay	75ha of which 15ha allocated for B Use	B1, B2 and B8
EC1/2	Junction 38 (M4) Margam	6ha	B1, B2 and B8
EC1/3	Land within Coed Darcy Strategic Regeneration Area	4ha	B1
EC1/4	Land within Harbourside Strategic Regeneration Area	7ha	B1

## Existing stock

5.1.6. The VOA non-domestic rating business floorspace dataset details the floorspace as of 31<sup>st</sup> March 2023. This shows that there were 88,000sqm of office accommodation and 923,000sqm of industrial accommodation in NPT.

## **5.2. Step 2 – Preparing a Qualitative Appraisal**

5.2.1. The Council then undertook a qualitative appraisal of:

- Existing employment areas
- Existing allocated sites



- Candidate Sites
- Identified clusters

5.2.2. The qualitative appraisals and the assessment criteria are detailed in Appendices 1-4.

### **5.3. Step 3 – Draft Recommendations**

5.3.1. It is recommended that all existing employment areas remain as designated employment areas.

5.3.2. With regards to existing allocated employment areas, it is recommended that none of the existing allocations are rolled over into the RLDP. Different areas/ uses have been proposed as part of Candidate Sites assessments for Baglan Energy Park and Coed Darcy so these have been re-assessed in this context and findings detailed below. With regards to Harbourside, again separate parcels have been promoted for a variety of uses, these have been re-assessed in this context. Given that parts of the site have been developed, it is recommended that Harbourside is designated as an existing employment area in the Deposit RLDP. With regards to Junction 38, planning permission P2021/1255 has been granted.

5.3.3. It is recommended that the following clusters are designated as employment areas:

- Brunel Industrial Estate, Cwmavon Cluster Site;
- Edwards Works Llandarcy Cluster Site;
- Tank Farm, Llandarcy Cluster Site;
- D’Arcy Business Centre Cluster Site ;
- Abbey Road Industrial Estate Cluster Site;
- Milland Road Cluster Site;

- Tonmawr 2000 Cluster Site; and
- Port Talbot Business Units Cluster Site.

5.3.4. In terms of Candidate Sites, it is recommended that the following sites are allocated for employment development:

- RLDP/PT/0043 - Land at Tyn-y-Caeau, Margam;
- RLDP/DV/2002 – Sites 5 & 6 Nant y Cafn Business Park
- RLDP/NV/0009 - Glynneath Business Park;
- RLDP/PT/0046 - Plots C1 and C4, Land West of J38, Margam;
- RLDP/PT/0008 – Baglan Energy Park; and
- RLDP/PT/0048 – The Port of Port Talbot.

## **6. Future Land Requirements**

6.0.1. As noted previously in this document, alongside Swansea Council, NPTC commissioned Turleys, Edge and SQW to undertake an assessment of housing and economic growth for the administrative authorities, preparing two separate reports that follow the same methodology.

6.0.2. The assessment included:

- A consideration of strategic functional housing and economic relationships impacting on NPT. This includes a consideration of the geographical extent of strategic FEMA and Housing Market Area (HMA), with more localised HMAs separately defined in the Council's Local Housing Market Assessment (LHMA);
- An up-to-date baseline analysis of demographic, housing and economic datasets as well as review of commercial market evidence;
- The development of forecast scenarios of reasonable employment growth accounting for current economic conditions and identified planned and potential investment;
- A calculation of the amount and make-up of employment land likely to be required to accommodate business investment and forecast employment growth; and
- An assessment of future household growth and levels of housing need accounting for demographic trends and the scale of labour force change required to support the presented forecasts of job growth.

### **6.1. Employment Growth Forecasts**

6.1.1. WG guidance states that we need to take into consideration labour demand forecasting (based on econometric projections) and past trends.

### Starting Point – Econometric Forecasts

- 6.1.2. Given the uncertainty in the local economy due to the restructuring associated with Tata and the level of information available it has been difficult to establish economic growth forecasts for the County Borough.
- 6.1.3. As a starting point, as part of the Housing and Economic Growth Assessment, Turleys/ SQW obtained and reviewed econometric forecasts from the three main providers: Cambridge Econometrics, Experian and Oxford Economics in 2022. Given that the forecasts are nationally derived forecasts, they do not take into account local circumstances such as the Tata and Freeport announcements. Having reviewed these forecasts it was decided that Cambridge Economics was the most reflective of economic trends in the County Borough.
- 6.1.4. Subsequently in 2023 an updated econometric forecast was purchased from Cambridge Econometrics to account for more recent changes in the global and national economy such as the ongoing war in Ukraine, recovery from the post-Covid-19 pandemic and the energy crisis.
- 6.1.5. **The Cambridge Econometrics forecast estimated that there were currently 56,789 jobs in NPT and that over the Plan period there would be an additional 1,956 jobs created (equivalent to 130 per annum).** This is lower than the previous levels noted in Section 4.1 of 633 and 667 additional jobs per annum over the 18 years from 2001 to 2019.

### Taking into consideration Tata announcement

- 6.1.6. At the start of 2024, approximately 4,000 people were employed by Tata. Whilst the exact impact is unknown, it is understood that as part of the restructuring approximately 2,800 jobs will be lost. In addition to direct job losses, there will also be indirect and induced impacts. Further losses in the supply chain, including contractors working on site.
- 6.1.7. In order to take into consideration the impact of Tata, Turleys/ SQW adjusted the economic baseline above (the Cambridge Econometrics 2023 forecast). More information is provided within the Housing and Economic Growth Assessment.

**6.1.8. This adjusted scenario anticipates a net loss of 2,521 jobs over the plan period or 168 jobs per annum.**

[Accounting for investment and ambition and mitigating the impact of transition](#)

6.1.9. Whilst the adjusted scenario shows a decline in the number of jobs, opportunities for significant growth are being explored. The Council's Economic Recovery Plan and Corporate Plan focus upon growth in the local economy; the County Borough benefits regionally from the £1.3 billion Swansea Bay City Deal; the South West Wales Regional Economic Delivery Plan seeks to build a strong, resilient and embedded business base, and become a UK leader in renewable energy and the net zero economy. The South Wales Industrial Cluster programme incorporates two programmes, focused on deployment (specific projects that will reduce emissions) and cluster development (feasibility studies to support the development of a lower-carbon, circular economy). The Council's Decarbonisation and Renewable Energy Strategy highlights the opportunities associated with the adoption of low carbon technologies by industry and the potential for NPT to play a leading role. The South West Wales Energy Strategy also sets out net job opportunities that could be supported through a shift in energy mix and a Local Area Energy Plan is being developed.

6.1.10. There are a number of projects which are coming forward for development. These include:

- The Celtic Freeport
- GCRE
- Wildfox Adventure Resort
- Tourism proposals such as Vale of Neath Heritage Corridor, Afan Forest Park, Aberavon Seafront and Margam Castle and Country Park.

6.1.11. Business engagement suggested that in general businesses were positive about their prospects for growth but that there was a widespread perception that access to premises is challenging. It should however be noted that this was undertaken before the Tata announcement.

6.1.12. In order to mitigate the impact of Tata, £100 million has been made available to mitigate the impacts of jobs losses. A Local Economic Action Plan is being developed to guide this investment which is understood will contain opportunities for new businesses.

6.1.13. Taking into consideration this investment and ambition, two adjusted scenarios were developed:

- Core Adjusted Scenario
- Supplementary Adjusted Scenario

#### Core Adjusted Scenario

6.1.14. This scenario is the main alternative to the baseline, taking into account reasonable expectations of growth which will not have been 'known' in the independent econometric forecast. This scenario is closely linked with the employment expectations understood to be anticipated with the Celtic Freeport. Adjustments are also made for GCRE and Wildfox investments.

**6.1.15. This scenario therefore shows a slow recovery from the contraction included in the baseline with 121 net additional jobs per annum over the plan period.**

#### Supplementary Adjusted Scenario

6.1.16. An additional supplementary adjusted scenario was developed to take into account additional jobs that could come forward associated with the development of the Freeport. For this scenario it has been assumed that 50% of these jobs would be delivered and 75% of the indirect/ induced jobs would be in NPT, as per the Core Adjusted Scenario.

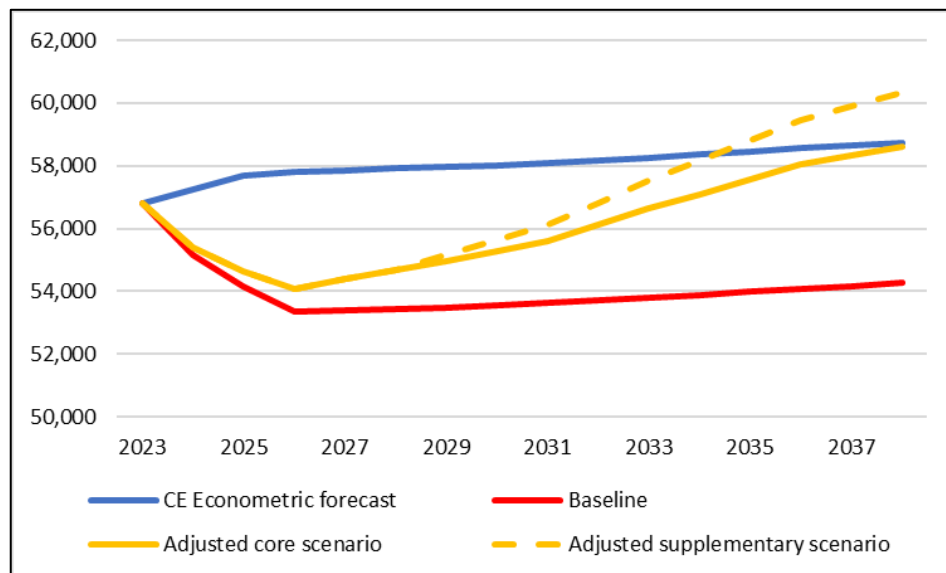
**6.1.17. This scenario therefore shows a 237 net additional jobs per annum over the plan period.** Turleys/ SQW stress that this is very uncertain and is just an illustration.

6.1.18. The following scenarios have therefore been developed:

Table 12: Summary of Employment Growth Forecasts

Scenario	Jobs per annum
CE independent baseline economic forecast	130
Revised baseline scenario	-168
Core adjusted scenario	121
Supplementary adjusted scenario	237

Figure 32: Comparison of Employment Growth Forecasts



Source 30: NPT Housing and Economic Growth Assessment (2024)

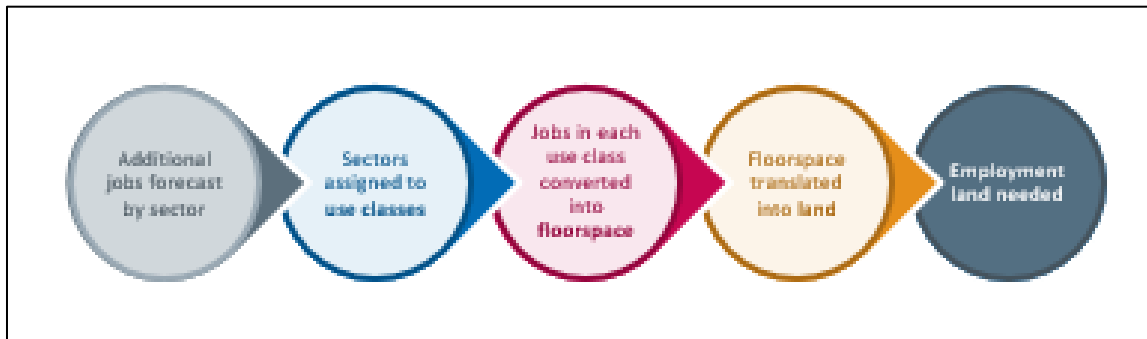
## 6.2. Employment Land Calculation

6.2.1. Having introduced a range of economic forecasts in the previous section, consideration is needed to be given to the amount of employment land that could be needed to accommodate newly created jobs over the Plan period.

6.2.2. In order to do this, the following process has been undertaken:

- Step 1: Converting jobs by sector by land use
- Step 2: Translating jobs into floorspace

- Step 3: Translating floorspace into land requirements



#### Step 1: Converting jobs by sector by land use

- 6.2.3. Whilst Section 6.1 has considered employment growth across all sectors, WG guidance states that consideration is only needed to be given to B Use Classes as part of the Employment Land Review as these are the only ones which generate a need for employment land.
- 6.2.4. In order to do this, Turleys/ SQW translated the economic projections which had been classified according to Standard Industrial Classifications (SIC) economic sectors into planning use classes.
- 6.2.5. Applying these assumptions gives the following job growth:



Table 13: Total job growth when assigning sectors to use classes (2023-2038)

Scenario	Additional jobs	Offices (B1)	Industrial (B2)	Warehouses (B8)	Total B uses	Non-B
CE Baseline	1,957	710	-725	147	132	1,825
Revised baseline	-2,521	258	-2,925	-407	-3,074	554
Core adjusted	1,813	1,043	-2,110	22	-1,045	2,858
Supplementary adjusted	3,560	1,382	-1,751	189	-180	3,740

Source 31: NPT Housing and Economic Growth Assessment (2024)

Step 2: Translating jobs into floorspace

6.2.6. The next step is to translate the anticipated level of job growth within B Use Class into need for additional employment space. This step therefore considers the amount of floorspace needed to accommodate each additional employee, known as the employment density. The key factor here is the density at which different types of employment space are considered by workers. This varies depending on the type of space, quality of space, location and even varies within business sectors.

6.2.7. Turleys/ SQW note in the Housing and Economic Growth Assessment that whilst the WG guidance references a study carried out in 2010 for Yorkshire and the Humber, this has arguably been superseded by a 2015 update to the Employment Density Guide that is widely used in England and is understood to have actually been based on research into commercial properties throughout the whole of the

UK [Homes and Communities Agency, 2015 Employment Density Guide, Third Edition). They note that whilst there has undoubtedly been a further evolution, accelerated in places by the pandemic, there is as yet no similarly comprehensive or reliable analysis of how this has affected employment density.

6.2.8. Turleys/ SQW have used the following densities to convert the job growth into floorspace requirements:

- Offices: 13.3sqm GEA per full time equivalent employee
- Industrial: 44.8sqm per full time equivalent employee
- Warehouses: 73.5sqm per full time equivalent employee

6.2.9. Given that these apply to all full-time equivalent employees rather than job number in total, Turleys/ SQW had to convert all jobs into full and part time. They assumed that two part time jobs are equivalent to one full time job. The Tables below summarises the findings:

*Table 14: Employment space needed to accommodate forecast growth (2023 to 2038)*

<b>Scenario</b>	<b>Offices (B1)</b>	<b>Industrial (B2)</b>	<b>Warehouses (B8)</b>	<b>Total B uses</b>
CE Baseline	7,715sqm	-31,600sqm	8,601sqm	-15,284sqm
Revised baseline	2,558sqm	-127,569sqm	-28,706sqm	-153,716sqm
Core adjusted	11,234sqm	-92,030sqm	-121sqm	-80,916sqm
Supplementary adjusted	14,986sqm	-76,355sqm	11,008sqm	-50,361sqm

*Source 32: NPT Housing and Economic Growth Assessment (2024)*

Past Trends

- 6.1.19. In addition to the labour demand econometric projections above, WG guidance is clear that Council's should assess past trends. As noted in Chapter 4, the Council's motoring data indicates that – before accounting for losses – an average of 4,874sqm of employment space has been completed throughout NPT since the start of the current plan period, capturing the recovery from the last recession and the pandemic (2011-23). Around two thirds of this was office space, with less warehousing and industrial space developed over this period.
- 6.1.20. The Table below shows that some 73,095sqm of space could be needed in total over the new plan period if delivery continues at this long-term rate.
- 6.1.21. It is important to recognise that an approach based on past take-up is necessarily backward-looking and will have also been affected by the increasingly limited availability

*Table 15: Past Take-Up Scenario*

<b>Scenario</b>	<b>Offices (B1)</b>	<b>Industrial (B2)</b>	<b>Warehouses (B8)</b>	<b>Total (B)</b>
Past take-up (2011-23)	48,945	8,865	15,285	73,095

*Source 33: NPT Housing and Economic Growth Assessment (2024)*

- 6.2.10. The Table below summarises both the past trends and labour demand driven forecasts:

Table 16: Floorspace Requirement Scenarios Summary

Scenario	Offices (B1)	Industrial (B2)	Warehouses (B8)	Total (B)
Past take-up (2011-23)	48,945	8,865	15,285	73,095
CE Baseline	7,715sqm	-31,600sqm	8,601sqm	-15,284sqm
Revised baseline	2,558sqm	-127,569sqm	-28,706sqm	-153,716sqm
Core adjusted	11,234sqm	-92,030sqm	-121sqm	-80,916sqm
Supplementary adjusted	14,986sqm	-76,355sqm	11,008sqm	-50,361sqm

Source 34: NPT Housing and Economic Growth Assessment (2024)

Improved Availability

- 6.2.11. Given the tight availability of floorspace noted Chapter 4, an allowance was then made to increase the availability of floorspace within the Authorities designated employment areas to a healthier rate.
- 6.2.12. While there is no official guidance on how this can be done, Turleys/ SQW advised that one approach could be to calculate how much additional space would have been needed in 2023 to move towards the healthier rates recorded in NPT over the previous decade.
- 6.2.13. It was considered that benchmarks could reasonably be based on the upper quartile rates recorded in this time for offices (4.1%), industrial premises (3.9%) and warehouses (8.9%) and that reaching these benchmarks would represent an improvement from the current position, in which 3.7% of office space, 1.7% of industrial space and 2.8% of warehousing space is available.
- 6.2.14. The rates were applied to the inventory recorded by CoStar in 2023, with the differential between existing and targeted availability added on to the projection

of past take-up to allow for space that could have been taken up had it been available.

*Table 17: Allowing for improved availability*

<b>Scenario</b>	<b>Offices (B1)</b>	<b>Industrial (B2)</b>	<b>Warehouses (B8)</b>	<b>Total (B)</b>
Improved availability	49,318	28,214	28,256	105,788

*Source 35: NPT Housing and Economic Growth Assessment (2024)*

*Allowance for Loss*

6.2.15. Using the Council’s monitoring data, Turleys/ SQW estimated that 40,125sqm of employment floorspace could be lost over the Plan period if losses continued at the same pace. Noting that a judgement needed to be made with regards to the extent to which losses would be considered appropriate, Turleys re-modelled all scenarios to reflect the replacement of all losses and the replacement of half losses.

Table 18: Impact of replacing all losses or half

Scenario	Offices (B1)	Industrial (B2)	Warehouses (B8)	Total (B)
<b>Replacing all losses</b>	<b>+16,155</b>	<b>+23,445</b>	<b>+525</b>	<b>+40,125</b>
Improved availability	65,473	51,659	28,781	145,913
Past take-up	65,100	32,310	15,810	113,220
CE Baseline	23,870	-8,155	9,126	24,841
Supplementary adjusted	31,141	-52,910	11,533	-10,236
Core adjusted	27,389	-68,585	404	-40,791
Revised baseline	18,713	-104,124	-28,181	-113,591
<b>Replacing half of all losses</b>	<b>+8,076</b>	<b>+11,723</b>	<b>+263</b>	<b>+20,063</b>
Improved availability	57,396	39,937	28,519	125,851
Past take-up	57,023	20,588	15,548	93,158
CE Baseline	15,792	-19,877	8,863	4,778
Supplementary adjusted	23,064	-64,633	11,270	-30,299
Core adjusted	19,312	-80,308	142	-60,854
Revised baseline	10,636	-115,846	-28,443	-133,654

Source 36: NPT Housing and Economic Growth Assessment (2024)

Allowing for Choice and Flexibility

6.2.16. Turleys/ SQW then applied an assumption to enable choice and flexibility. They noted that this is considered best practice as it provides businesses and developers with a reasonable choice of sites and allows for delays in sites coming forward. Without this there is a risk that job growth is constrained due to a shortage in available space, particularly in areas such as NPT where vacancy

rates are low. They considered that an allowance of 7.5 years would be appropriate. The following employment land calculations were then calculated:

*Table 19: Allowing for choice and flexibility*

<b>Scenario</b>	<b>Offices (B1)</b>	<b>Industrial (B2)</b>	<b>Warehouses (B8)</b>	<b>Total (B)</b>
<b>Replacing all losses</b>	<b>+24,473</b>	<b>+4,433</b>	<b>+7,643</b>	<b>+36,548</b>
Improved availability	89,946	56,092	36,424	182,461
Past take-up	89,573	36,743	23,453	149,768
CE Baseline	48,342	-3,722	16,768	61,388
Supplementary adjusted	55,614	-48,478	19,175	26,311
Core adjusted	51,862	-64,153	8,047	-4,244
Revised baseline	43,186	-99,691	-20,538	-77,044
<b>Replacing half of all losses</b>	<b>+24,473</b>	<b>+4,433</b>	<b>+7,643</b>	<b>+36,548</b>
Improved availability	81,868	44,369	36,161	162,398
Past take-up	81,495	25,020	23,190	129,705
CE Baseline	40,265	-15,445	16,506	41,326
Supplementary adjusted	47,536	-60,200	18,913	6,249
Core adjusted	43,784	-75,875	7,784	-24,306
Revised baseline	35,108	-111,414	-20,801	-97,106

*Source 37: NPT Housing and Economic Growth Assessment (2024)*

Step 3: Translating floorspace into land requirements

6.2.17. Having devised a series of floorspace scenarios, Turleys/ SQW converted the floorspace above into land requirements. To do this, it is necessary to estimate the amount of land that could be needed to accommodate the required floorspace using plot ratios. Plot ratios are heavily influenced by where and in what form the employment needs are delivered and driven by a combination of land availability and the type of space best matched to the needs of individual sectors. Turleys note that whilst the WG guidance recognises that plot ratios can vary widely, they suggest a plot ratio of 40% for industry, warehousing and out-of-town offices. The Council's own monitoring of work undertaken for the current LDP however identified that a plot ratio of 25% was more in common in NPT.

6.2.18. The Table below applies a 40% plot ratio:

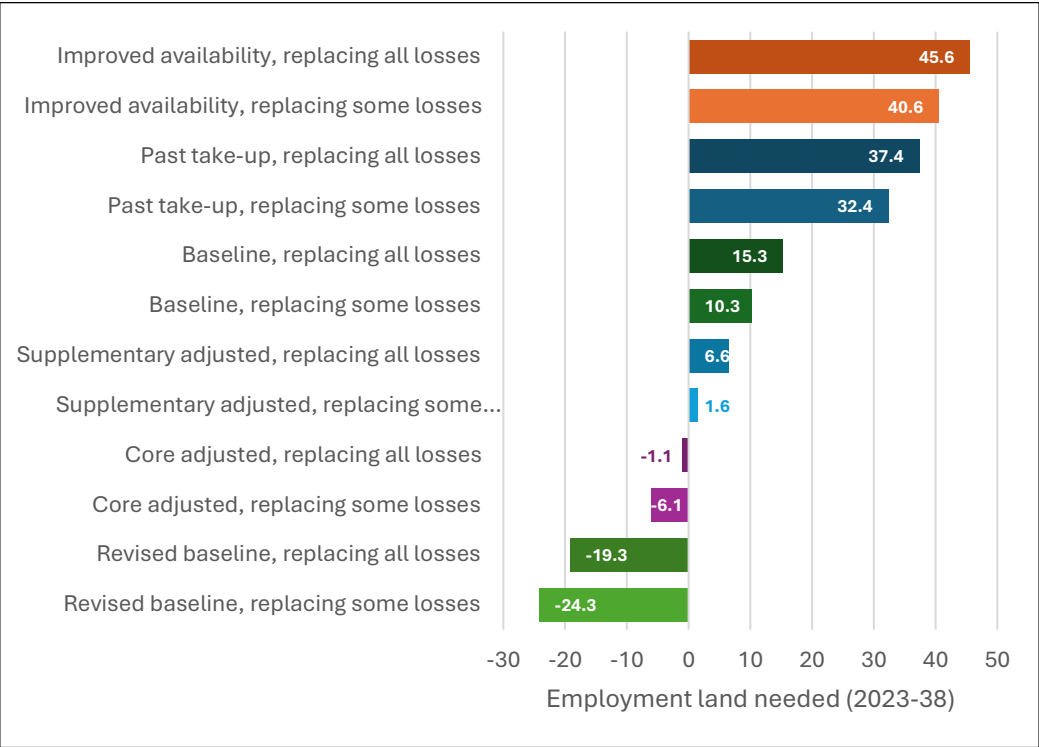


Table 20: Land requirements

Scenario	Offices (B1)	Industrial (B2)	Warehouses (B8)	Total (B)
<b>Replacing all losses, with buffer</b>	10.8-22.5ha	-24.9 – 14.0ha	-5.1 – 9.1ha	-19.3 – 45.6ha
Improved availability	22.5ha	14.0ha	9.1ha	45.6ha
Past take-up	22.4ha	9.2ha	5.9ha	37.4ha
CE Baseline	12.1ha	-0.9ha	4.2ha	15.3ha
Supplementary adjusted	13.9ha	-12.1ha	4.8ha	6.6ha
Core adjusted	13.0ha	-16.0ha	2.0ha	-1.1ha
Revised baseline	10.8ha	-24.9ha	-5.1ha	-19.3ha
<b>Replacing half of all losses, with buffer</b>	8.8 – 20.5ha	-27.9 – 11.1ha	-5.2 – 9.0ha	-24.3 – 40.6ha
Improved availability	20.5ha	11.1ha	9.0ha	40.6ha
Past take-up	20.4ha	6.3ha	5.8ha	32.4ha
CE Baseline	10.1ha	-3.9ha	4.1ha	10.3ha
Supplementary adjusted	11.9ha	-15.1ha	4.7ha	1.6ha
Core adjusted	10.9ha	-19.0ha	1.9ha	-6.1ha
Revised baseline	8.8ha	-27.9ha	-5.2ha	-24.3ha

Source 38: NPT Housing and Economic Growth Assessment (2024)

Figure 33: Land requirements



Source 39: NPT Housing and Economic Growth Assessment (2024)

- 6.2.19. Turleys/ SQW note the town centre first approach in Future Wales and that WG Guidance says that less land would likely be required for town centre offices. Applying a plot ratio of 150% they note that as little as 2.3ha of office accommodation could be required. The Council however considers that caution is needed with regards to this scenario as the Authority does not have town centre office developments and no town centre purpose-built candidate sites.
- 6.2.20. Drawing upon the evidence that the Council produced for the current LDP which suggested 25% plot ratios, the Council reviewed a sample of schemes recently granted planning permission for which the median plot ratio was 32%. These were seen to be reflective of local circumstances. Applying this, Turleys estimated that the following land requirements would be required:

Figure 34: Land requirement (32% plot ratio)

Scenario	Offices (B1)	Industrial (B2)	Warehouses (B8)	Total (B)
Improved availability, replacing all losses	28.1	17.5	11.4	57.0
Improved availability, replacing some losses	25.6	13.9	11.3	50.7
Past take-up, replacing all losses	28.0	11.5	7.3	46.8
Past take-up, replacing some losses	25.5	7.8	7.2	40.5
CE Baseline, replacing all losses	15.1	-1.2	5.2	19.2
CE Baseline, replacing some losses	12.6	-4.8	5.2	12.9
Supplementary adjusted, replacing all losses	17.4	-15.1	6.0	8.2
Supplementary adjusted, replacing some losses	14.9	-18.8	5.9	2.0
Core adjusted, replacing all losses	16.2	-20.0	2.5	-1.3
Core adjusted, replacing some losses	13.7	-23.7	2.4	-7.6
Revised baseline, replacing all losses	13.5	-31.2	-6.4	-24.1
Revised baseline, replacing some losses	11.0	-34.8	-6.5	-30.3

*Source 40: NPT Housing and Economic Growth Assessment (2024)*

### **6.3. Employment Land and Housing Relationship**

- 6.3.1. Having identified employment forecasts, Turleys/ SQW/ Edge considered the relationship between housing and jobs. This is detailed in the Housing and Economic Growth Assessment Report.

## **7. Policy Options and Recommendations**

7.1. This Employment Land Review recommends that:

- All of the existing employment areas designed under Policy EC2 of the current LDP should be designated for employment uses in the RLDP.
- Harbourside should be included as a designated employment area in the RLDP.
- The following clusters should also be designated as employment areas:
  - Brunel Industrial Estate, Cwmavon Cluster Site;
  - Edwards Works Llandarcy Cluster Site;
  - Tank Farm, Llandarcy Cluster Site;
  - D'Arcy Business Centre Cluster Site;
  - Abbey Road Industrial Estate Cluster Site;
  - Milland Road Cluster Site;
  - Tonmawr 2000 Cluster Site; and
  - Port Talbot Business Units Cluster Site.
- The following Candidate Sites should be allocated for employment development:
  - RLDP/PT/0043 - Land at Tyn-y-Caeau, Margam;
  - RLDP/DV/2002 – Sites 5 & 6 Nant y Cafn Business Park
  - RLDP/NV/0009 - Glynneath Business Park;
  - RLDP/PT/0046 - Plots C1 and C4, Land West of J38, Margam;
  - RLDP/PT/0008 – Baglan Energy Park; and
  - RLDP/PT/2009 – The Port of Port Talbot.

- 7.2. Given the limited amount of employment land available to let/ for sale in the Authority, the importance of providing space to enable economic recovery, allowing businesses to innovate and attract businesses. It is recommended that 57ha of employment land is allocated for development. This will enable the Council to plan to replace all losses, represents employment floorspace ratios on the ground and reflects the past delivery and demand for employment premises.
- 7.3. Whilst it is recognised that the County Borough is undergoing significant economic restructuring and that growth is unlikely to be as positive as previously, it is considered that the land associated with the adjusted core scenario is not reflective of the demand that is being experienced. Whilst it is unfortunately expected that businesses close/ reduce their operations, it is not expected that all floorspace currently in operation will come forward straight away. Providing a greater amount of land enables more choice and allows for a time lag between closure/ reduced scale of operations and availability of floorspace. Some land and premises may for example have contamination constraints, others may be owned outright by companies. It is considered that in order to benefit from green growth and recover, availability of good quality premises/ land will be key. Policies should therefore seek to support economic recovery as much as possible and provide flexibility to enable economic growth, including the maximisation of green growth.
- 7.4. In a similar vein, it is recommended that policies should seek to resist the loss of employment land for other uses inside and outside of designated areas. Policies should seek to provide as much employment floorspace for a variety of business scales and types. Complementary uses should be encouraged within employment areas (for example training facilities).
- 7.5. It is recognised that there may be cases outside of designated employment areas where it is no longer suitable or desirable to safeguard for employment uses. For such circumstances detailed development management policies should be developed for the Deposit Plan.

- 7.6. Following proposals for electric arc furnace at Tata, FLOW, Lanzatech, Celtic Freeport and discussions regarding Baglan Bay Energy Park; reflecting the Corporate Plan and developing upon NPT's reputation for industrial and manufacturing development, it is considered that policies should be developed to encourage and enable the establishment and growth of new clean green technologies and industries to promote and maintain a leading role for NPT in the national and international renewables and industrial economies. This will help in the economic restructuring and economic recovery of the Authority.
- 7.7. It is recommended that policies should be developed to be as positive as possible to enable such development and that all opportunities should be explored to help to realise the full benefits of green economic growth across the county borough. The current LDP has a flexible approach for employment development within the Valley Communities and further work will be undertaken to explore this ahead of the Deposit Plan This will help to support the economy following the restructuring associated with Tata, help to provide employment opportunities across the County Borough, and help to provide fully sustainable communities in all localities whilst conserving the Authority's environment.
- 7.8. It is also recognised that there are areas of NPT where there is limited access to jobs. Policies should therefore be developed to seek to ensure that all areas of NPT are able to benefit from economic growth and from modern economic infrastructure appropriate to meet their economic needs and aspirations. Whilst there has been a significant increase in jobs since 2001, economic activity has fallen, economic restructuring will continue to take pace, and there are areas of the authority with high unemployment.
- 7.9. The following objectives are therefore proposed:
- Realise the full benefits of green economic growth across the County Borough to provide fully sustainable communities in all localities while conserving NPT's environment.

- Encourage and enable the establishment and growth of new clean green technologies and industries to promote and maintain a leading role for NPT in the national and international renewables and industrial economies.
- Ensure that all areas of NPT are able to benefit from economic growth and from modern economic infrastructure appropriate to meet their economic, social, environmental and cultural needs and aspirations.

7.10. The following draft policy is therefore proposed:

Economic recovery will be supported through:

1. The allocation of 57Ha of employment land;
2. Safeguarding existing employment areas;
3. Resisting the loss of employment uses both within and outside of designated areas;
4. Fostering development of key economic opportunities including the Celtic Freeport;
5. Facilitating new opportunities arising from industrial decarbonisation including growth in the green economy;
6. Embracing rural regeneration opportunities and taking a flexible approach to employment opportunities in the Valleys; and
7. Supporting employment opportunities and complementary facilities including training and working hubs.





Click on the QR code below  
for further information



Cyngor Castell-nedd Port Talbot  
Neath Port Talbot Council