



REPORT TO: ECONOMIC GROWTH, HOUSING AND ENVIRONMENTAL SUSTAINABILITY COMMITTEE ON 16 FEBRUARY 2021

SUBJECT: INFORMATION REPORT - EMPLOYMENT LAND AUDIT 2020

BY: DEPUTE CHIEF EXECUTIVE (ECONOMY, ENVIRONMENT AND FINANCE)

1. REASON FOR REPORT

1.1 This report summarises the employment land supply in Moray and asks the Committee to agree the final version of the Moray Employment Land Audit 2020.

1.1 This report is submitted to the Economic Growth, Housing and Environmental Sustainability Committee following a decision of Moray Council on 17 June 2020 to agree a simplified Committee structure as a result of the COVID-19 pandemic. In the case of this Committee, the combining of the delegated responsibilities of Economic Development and Infrastructure, Community Services (Housing and Property) and Finance (budget, capital and revenue monitoring) (paragraph 9 of the Minute refers).

2. BACKGROUND

2.1 Scottish Planning Policy (SPP) requires that the supply of marketable employment sites be regularly reviewed. The aim is to ensure that there is a sufficient supply of land to meet current and anticipated market requirements. Planning Authorities are required by SPP to ensure that there is a range and choice of marketable sites and locations for businesses allocated in the Local Development Plan (LDP). The levels of effective/marketable employment land and take-up of land are National Headline Indicators returned annually in the Planning Performance Framework (PPF) to the Scottish Government.

2.2 The Moray LDP 2020 Main Issues Report, published in January 2018, identified 9 main land use issues to be addressed by the new LDP, including “providing a generous employment land supply”. This has been a long-standing issue and the MLDP 2020 provides a long term, strategic approach to the provision of employment land to meet demand ranging from small start-up units to much larger sites for inward investment.

2.3 The Moray Employment Land Audit has three key functions:-

- demonstrate the availability of a range and choice of marketable employment sites;
- provide an overview of the supply and availability of employment land across the Moray Council area; and
- provide an evidence base for the monitoring and review of policies and proposals within the LDP.

2.4 The audit includes four categories of land supply:-

Established – This includes all undeveloped land allocated for industrial/business/employment use in the adopted LDP or land that has a valid planning approval for these uses.

Marketable/Effective – Land that as well as meeting business requirements, has a secure planning status, can be serviced within 5 years and is accessible by walking, cycling and public transport as defined in SPP.

Constrained – Land that is not considered developable within 5 years due to issues such as planning difficulties, ownership issues, infrastructure provision and physical constraints.

Immediately Available – Land that has planning permission, is serviced and has no major constraints to immediate development.

2.5 A copy of the audit will be submitted to the Economic Growth, Housing and Environmental Sustainability Committee for their information due to their interest in industrial and commercial development.

3. CONSULTATION

3.1 The draft audit was made available for consultation on the Council's website and sent to internal and external consultees, with comments invited by 28 October 2020.

3.2 Comments were received from Highland & Islands Enterprise (HIE) and are summarised below, along with the Council's proposed responses:-

HIE Comment	Proposed Response
Looking to provide development opportunities around the proposed Moray Aerospace Campus.	This land is not designated within the MLDP nor has a live planning consent and therefore does not fall within the criteria for inclusion within the audit. If planning consent is granted for this proposal in the future, then the site will be included in future audits. The Moray Aerospace, Advanced Technology and Innovation Campus is referenced within the audit report as it is linked to a potential increase in

	<p>demand resulting from the Moray Growth Deal.</p> <p>No change proposed.</p>
<p>Agree that the demand for smaller units is greatest and are currently involved in developments at the Enterprise Park for such units</p>	<p>Noted.</p> <p>No change proposed.</p>
<p>Consideration given to an audit on the increased demand, in response to the Covid crisis, for small self-contained office units</p>	<p>The purpose of the audit is to provide an overview of the supply and availability of undeveloped employment land. Commentary is provided within the audit report on demand to give context to the supply figures. Further discussion on widening the audit or undertaking a separate study into demand will take place ahead of the next audit in 2021.</p> <p>No change proposed.</p>
<p>Include reference to grants provided to enable Elgin Business Park to proceed</p>	<p>HIE's support in enabling the development of Elgin Business Park has been recognised in previous audits and press releases.</p> <p>No change proposed.</p>

4. AUDIT FINDINGS

- 4.1 The 2020 Audit is provided in full as **APPENDIX 1** to the report. The audit identifies that there is a net 218.23 hectares (ha) of Established Employment Land Supply. This is an increase of 64.83ha compared to 2019 due to the adoption of the MLDP 2020 which designated a number of new employment land sites that have been included in the 2020 Audit. The main supply of employment land continues to be within the Elgin, Forres and Buckie Market Areas, with a more limited supply in Keith and a very limited supply in Speyside. A summary for each Market Area can be found on page 9 of the Audit.
- 4.2 127.03ha (net) of land, across 23 sites, is classed as Marketable/Effective. This is an increase of 47.19ha and 8 sites compared to 2019. Again, this is a result of the adoption of MLDP 2020 and the new designated sites. Large sites have been designated at Burnside of Birnie (Elgin I16), Easter Newforres (Forres I4) and West of Mosstodloch (Mosstodloch I3). Officers are currently exploring how these sites will be delivered. The distribution of Marketable/Effective sites reflects the settlement hierarchy within the MLDP, however there continues to be a shortage of serviced (Immediately Available) sites.

- 4.3 The amount of land Immediately Available is 37.45ha (net), across 5 sites. This is a decrease of 1.7ha and 1 site since 2019. This is due to the build-out of March Road NW (Buckie I1) and the commencement of construction on Barmuckity (Elgin I7). However, there continues to be a shortage in the amount of Immediately Available Land Supply, which equates to 30% of the Marketable/Effective Land Supply. This is a particular issue in Forres and Speyside. As part of the Moray Economic Partnership (MEP)'s Economic Recovery Plan, the Council has allocated capital funding to bring forward employment land in Forres and Speyside. The availability of Immediately Available land is a Key Measure in the Moray Economic Strategy.
- 4.4 91.27ha (net) across 15 sites is classed as constrained. This means approximately 42% of the Established Supply has some form of constraint that is likely to prevent the land being developed in the next five years. This is a decrease from 47% in 2019, primarily as a result of the adoption of the MLDP 2020. A large portion of this land (71.97ha) is constrained as the sites are LONG designations and infrastructure delivery is therefore unlikely in the short term. Sites affected include Burnside of Birnie (Elgin LONG3), Westerton Road (Keith LONG2), South of A96 (Mosstodloch MU LONG1) and West of Mosstodloch (Mosstodloch LONG2).
- 4.5 In the last year, 0.85ha of land was developed - a decrease of 0.44ha since 2019. This includes the completion or occupation of sites at Glen Moray Distillery (Elgin I12), Linkwood East (Elgin I6) and Waterford (Forres I2). 8.22ha of land is under construction, an increase of 5.67ha since 2019. Sites under construction include Barmuckity (Elgin I7), Glen Moray Distillery (Elgin I12), Chanonry Industrial Estate (Elgin I2), Linkwood East (Elgin I6), Benromach Distillery (Forres I3) and Troves Industrial Estate (Troves I1). It should be noted that the development at Benromach Distillery accounts for 4.7ha of this and that these figures do not represent all building activity and only that on designated sites or windfall sites that are not restricted to a single user.
- 4.6 9 sites in the Established Supply are in the medium size category (1-5ha) with a further 9 sites in the lowest size category (0-1ha). 17 sites are in the higher category (over 5ha). Given the limited number of sites across Moray, this is a reasonable distribution of sizes.

5. SUMMARY OF IMPLICATIONS

(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))

The Employment Land Audit is a key part of monitoring the implementation and effectiveness of the LDP, which delivers Corporate and Community Planning objectives. Ensuring sufficient provision of effective employment land supports a growing and diverse economy which will provide a stable, sustainable employment base.

(b) Policy and Legal

The preparation of the annual Employment Land Audit is a requirement of SPP to monitor the effectiveness of the LDP and ensure an effective supply of employment land is maintained.

(c) Financial implications

None.

(d) Risk Implications

None.

(e) Staffing Implications

Preparation of the annual Employment Land Audit is part of the workload of the Strategic Planning & Development section.

(f) Property

The Employment Land Audit includes industrial estates and sites owned by the Council. The Council's Estates section were consulted on the draft audit.

(g) Equalities/Socio Economic Impact

There are no equalities issues arising from this report as it is to inform the Committee on monitoring of land supply.

(h) Consultations

Depute Chief Executive (Economy, Environment and Finance), the Head of Economic Growth and Development, the Legal Services Manager, the Estates Manager, the Equal Opportunities Officer, Paul Connor (Principal Accountant) and Lissa Rowan (Committee Services Officer) have been consulted and are in agreement with the contents of the report/comments received have been incorporated into the report.

7. CONCLUSION

- 7.1 SPP requires that the supply of marketable employment sites be regularly reviewed to ensure there is sufficient supply of land to meet current and anticipated market requirements. Levels of employment land and take up are National Headline Indicators submitted within the PPF.**
- 7.2 The Employment Land Audit 2020 identifies that there is 127.03ha (net) of Marketable/Effective Employment Land, of which 37.45ha (net) is Immediately Available. Issues are identified with the restricted choice of sites across settlements and a shortage of serviced sites in Forres and Speyside.**
- 7.3 Committee is asked to note the employment land supply in Moray, agree the responses to the consultation (Section 4) and agree the final Employment Land Audit 2020 (Appendix 1).**

Author of Report:

Darren Westmacott, Planning Officer (Strategic Planning & Development)

Background Papers:
Ref:

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