



**REPORT TO: PLANNING AND REGULATORY SERVICES COMMITTEE ON
15 AUGUST 2023**

SUBJECT: EMPLOYMENT LAND AUDIT 2023

**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 2023.
- 1.2 This report is submitted to Committee in terms of Section III (E) (2) of the Council's Scheme of Administration relating to the review and preparation of Local Development Plans.

2. RECOMMENDATION

2.1 It is recommended that the Committee;

- (i) note the employment land supply in Moray; and**
- (ii) approve the finalised Moray Employment Land Audit 2023, as set out in Appendix 1 of the report.**

3. BACKGROUND

- 3.1 NPF4 was adopted on 13 February 2023 and now forms part of local development plans. NPF4 requires LDP's to allocate sufficient land for business and industry to ensure that there is a suitable range of sites that meet current market demand, location, size, and quality in terms of accessibility and services and that it is reviewed regularly to ensure that there is a sufficient supply to meet national and regional targets. 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.
- 3.2 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.

3.3 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 Local Development Plan area; and
- provide an evidence base for the monitoring and review of policies and proposals within the LDP.

3.3 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.

3.4 A copy of the audit will be submitted to the Economic Development and Infrastructure Committee Services for their information due to their interest in industrial and commercial development.

3.5 A separate item is being reported to this committee on the Moray Business Property Needs Study. The study provides up to date information and analysis of the current and projected demand for commercial land and building. The findings of this study have informed this year's Employment Land Audit.

4. CONSULTATION

4.1 The draft audit was made available for consultation on the Council's website and sent to internal and external consultees, with comments invited by 19 June 2023.

4.2 Comments were received from Springfield Real Estate Management noting the limited availability of plots at 17 Barmuckity/Elgin Business Park with many of these now let or under offer and it was noted there continued to be demand including for larger sites. Sites that are let or under offer remain shown in the supply until construction commences. However, the level of interest and take up at 17 Barmuckity/ Elgin Business Park is reflected within Employment Land

Audit text with the need to bring forward and service sites to maintain supply identified.

5. AUDIT FINDINGS

- 5.1 The 2023 Audit is provided in full as **APPENDIX 1** to the report. The audit identifies that there is 297.92 hectares (ha) of Gross Established Employment Land Supply. This is a decrease of 0.63ha compared to 2022 due to development at I7 Barmuckity/Elgin Business Park. 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 5 of the Audit.
- 5.2 99.87 ha (net) of land, across 21 sites, is classed as Marketable/Effective. This is a decrease of 0.5 ha compared to 2022. The decrease is due to construction activity at I7 Barmuckity/Elgin Business Park. The distribution of Marketable/Effective sites reflects the settlement hierarchy within the MLDP, however there continues to be a shortage of Effective sites within Speyside.
- 5.3 The Marketable/Effective supply is split with 63.28ha suitable for general industrial and 36.59 ha suitable for proposals that require a higher amenity setting usually within the class 4 Business category. The Elgin and Buckie market areas have relatively healthy supplies of general industrial land providing at least the equivalent of 15 years supply. In Keith the general industrial supply is more limited however there is a LONG allocation that could be drawn down if there is shortage. There has historically been a significant shortage of general industrial land in Speyside. This means there is a reliance on windfall proposals to accommodate demand. In Forres there is a significant shortage of general industrial land with only 2.75ha of land available at BP1 Forres Enterprise Park. This shortage of general industrial land requires to be urgently addressed.
- 5.4 The amount of land Immediately Available is 33.63 ha (net), across 6 sites. This is a decrease of 0.22 ha since 2022. The decrease is due to construction activity at I7 Barmuckity/Elgin Business Park. Take up at I7 Elgin Business Park/Barmuckity has been very good as reflected in previous audits. There is now limited availability with many of these plots now developed, sold or under offer. It is therefore anticipated that the level of immediately available land in the Elgin Market Area will reduce significantly over the next few years.
- 5.5 There continues to be a restricted choice of sites in the Immediately Available Land Supply. This is a particular issue in Forres and Speyside. The availability of Immediately Available land is a Key Measure in the Moray Economic Strategy. To maintain a supply of serviced sites it is necessary to work towards bringing other sites forward. A draft Masterplan for Mosstodloch has been prepared by consultants appointed by Crown Estate Scotland. The draft Masterplan was approved on 30 May 2023 at a meeting of this Committee for a 12 week public consultation period (para.9 of the Minute refers). The masterplan will cover the current designations for employment and consider business requirements. A masterplan is also being prepared for Blackhillock

Keith which has seen considerable development interest associated with renewable energy infrastructure.

- 5.6 78.03ha (net) across 15 sites is classed as constrained. This means approximately a third of the Established Supply has some form of constraint that is likely to prevent the land being developed in the next five years. 48.06ha of land across 6 sites is classed as a LONG designation and would be capable of being bought forward should the need arise as set out within Policy DP3 Long Term Land Reserves within the MLDP 2020.
- 5.7 In the last year, 1.24 ha of land was developed - this includes completion or occupation of sites at I7 Barmuckity, OPP4 Ashgrove in Elgin, and an energy management facility at I3 in Keith.
- 5.8 3.65 ha of land is under construction which is an increase in construction activity compared to 2021 of 3ha and 2.22ha compared to 2020. These figures do not represent all building activity only that on designated sites or windfall sites that are not restricted to a single user.

6. 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 NPF4 to monitor the effectiveness of the LDP and ensure an effective supply of employment land is maintained.

(c) Financial implications

None identified at present.

(d) Risk Implications

Risk that insufficient provision of effective employment land limits inward investment and expansion opportunities and risks an unplanned approach being taken to development.

(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) Climate Change and Biodiversity Impacts

Moray Local Development Plan policies seek to ensure that biodiversity is enhanced and all new buildings reduce carbon emissions.

Development proposals are required to maximise connections and routes for pedestrians/cyclists including connections to active travel routes thereby reducing carbon emissions associated with vehicles, create green and blue infrastructure and incorporate and enhance biodiversity through planting and other mechanisms.

National Planning Framework 4 (NPF4) has introduced new national policies to bring significant changes to the planning system including reducing carbon emissions in new development, enhancing biodiversity and a much greater focus on brownfield redevelopment.

(i) Consultations

Depute Chief Executive (Economy, Environment and Finance), the Head of Economic Growth and Development, the Legal Services Manager, the Asset Manager (Commercial Buildings), the Equal Opportunities Officer, Deborah O'Shea (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 NPF4 requires LDP's to allocate sufficient land for business and industry and that it is reviewed regularly to ensure that there is a sufficient supply to meet national and regional targets. 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.

7.2 The Employment Land Audit 2023 identifies that there is 99.87ha (net) of Marketable/Effective Employment Land, of which 33.63 ha (net) is Immediately Available. Issues are identified with the restricted choice of sites across all settlements, a shortage of land in the Speyside market area, a shortage of general industrial land at Forres, and the likely impacts of high take up at Elgin Business Park/Barmuckity (I7) on future supplies of Immediately Available Land.

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Background Papers:
Ref: