



Local Development Plan 2021 > 2036

Cardiff Council - May 2026

Cardiff Replacement LDP Examination

Hearing Session 6
Employment

CD13 Council Statement in
Response to Inspectors Questions
in ID08f



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Cardiff Council
Replacement Local Development Plan
Examination

Hearing Session 6 – 09.30-13.00, 16 June 2026

Virtual

Employment

Issue - Whether the target of 32,300 new jobs is supported by robust evidence and whether the plan provides sufficient, suitable and deliverable employment land to meet the needs of Cardiff to 2036.

1. Opening and introductions

2. Employment Land Need and Evidence

2.1 How was the figure of 32,300 jobs derived, and what datasets and forecasts underpin it?

Response:

The Council confirm that the 32,300 jobs figure was derived after considering the outputs of both the housing/demographic and economy/employment evidence workstreams. This approach ensured a rounded view of the evidence was taken, and a balance between the planned for level of growth in jobs and homes was made. This is in line with paragraph 5.25 of the Development Plans Manual which notes that *“While there is not always a direct correlation between jobs and homes, they need to be considered collectively when assessing growth levels and developing a sustainable strategy; the aim being to achieve a balance between homes and hobs thereby reducing the need for commuting”*.

Paragraph 5.3 of the Deposit Plan (RLDP07) sets out the three strategic growth options which were consulted upon. Option B, which formed the basis of the Preferred Strategy and Deposit Plan set out a policy led dwelling target of 1,600 dwellings per annum over the plan period to 2036, noting *“the Plan will provide for about 24,000 new homes and 32,300 new jobs”*.

This level of growth is taken directly from the scenarios set out paragraph 3.23 and Figure 32 of the Edge Analytics Demographic Study, October 2021 (RLDP35). This shows a Dwelling-led scenario which supports 2,151 jobs per year. This jobs figure when multiplied by the 15 years of the plan period and rounded up, equates to 32,300 jobs.

This level of jobs growth was reflective of the economic growth scenarios set out within chapters 7 and 8 of the Cardiff Employment Land and Premises Study (RLDP40).

Chapter 7 sets out the baseline (business as usual) economic forecasts. These were sourced from two different economic forecasting companies (Experian and Oxford Economics) to ensure the RLDP was not reliant on a single forecaster’s view. As is shown at Figures 7.1 and 7.2 this is important as the two forecasters project very different scales of economic and employment growth over the RLDP period. The two forecasters set out employment growth ranging from 21,100 jobs to 45,500 jobs across the RLDP period. These equate to 1,400 to 3,000 jobs per annum.

Chapter 8 sets out further detail on how the baseline (business as usual) forecasts, along with other evidence, were used to develop a range of scenarios. This aligns with paragraph 5.49 of the Development Plans Manual which is clear that “LPAs should *not* consider employment forecasts in isolation”, paragraph 5.51 that states that “the evidence base should consider a variety of options” and paragraph 5.52 which states that “the consideration of alternative scenarios will assist LPAs arrive at a more robust evidence base that aligns with, informs and delivers on the strategy and key issues”.

This other evidence includes:

- Comparison to historic employment growth trend data;
- Consideration of past performance against policy expectations as described in LDP Annual Monitoring Reports (AMRs);
- Consultation with key stakeholders and Cardiff Council’s Economic Development team;
- Liaison between Edge Analytics and the Cardiff Council Planning Policy team to ensure broad alignment between the housing/demographic and economy/employment workstreams; and
- Consideration of the sector-by-sector differences within the baseline (business as usual forecasts).

A total of seven employment growth scenarios were established. These are summarised in Figure 8.1 of RLDP40 and re-presented below. The colour coding was used to categorise the scenarios into low, medium, medium-high and high categories.

Figure 8.1: Headline Scenario Outputs

Scenario	Jobs Change (2021-36)	Jobs per Annum (2021-36)	Jobs per Annum (2019-36)	Average Annual GVA Growth
Minimum	19,600	1,300	900	1.5%
OE	21,100	1,400	1,100	1.7%
Mid-point	33,300	2,200	1,700	2.0%
Hybrid	35,200	2,300	1,800	2.1%
Med-high	40,200	2,700	2,100	2.2%
Experian	45,500	3,000	2,400	2.4%
Maximum	47,100	3,100	2,500	2.4%

Source: HJA based on Experian and Oxford Economics

After considering all the evidence in the round a range of 2,000 to 3,000 jobs per annum was established. Equivalent to 30,000 to 45,000 jobs over the RLDP period 2021-2036. 2,000 jobs per annum was deemed to be the minimum level of growth that should be planned for given the continued growth ambition for Cardiff's economy.

The strategy of the RLDP to deliver a minimum of 32,300 jobs (paragraph 6.5 of the RLDP), equivalent to approximately 2,150 jobs per annum is therefore broadly in line with these findings.

2.2 What methodology has been used to translate economic forecasts into employment need, and how does it align with national policy and guidance?

Response:

The Council confirm that the methodology used to translate economic forecasts into employment need is set out at Chapter 9 of the Cardiff Employment Land and Premises Study (RLDP40).

Two methods were used to establish employment need in line with *Practice Guidance – Building an Economic Development Evidence Base to Support a Local Development Plan (2015)*. This guidance is cited at paragraph 5.41 of the Development Plans Manual.

The first method is based on analysis of past building completions. This does not draw on economic forecasts, but is a method proposed in the guidance.

The second method uses the economic forecasts from the scenarios set out at Chapter 7 of RLDP40 as an input to the process. This approach utilises a number of steps:

- Step 1 translates the change in jobs by sector to change in jobs by Use Class. This uses a matrix which is set out at Appendix 4 to RLDP-40.
- Step 2 uses assumptions on the amount of floorspace required per worker to generate an estimate of changes in floorspace as a result of the changes in employment within each Use Class (from Step 1).
- Step 3 uses assumptions on the density of development (plot ratios) to estimate the amount of land required for each of the B Use Classes.
- Further adjustments are also made to allow for the need to facilitate the replacement and upgrading of employment property stocks and to ensure choice and flexibility.

This approach aligns to the 2015 Practice Guidance and the requirements of paragraphs 5.43 to 5.48, and Table 13 of the Development Plans Manual.

2.3 What assumptions have informed the economic forecasts (including growth, sector-specific employment change, home-working and employment densities), and how sensitive is the jobs figure to those assumptions?

Response:

The Council confirm two sets of 'baseline' or 'business as usual' forecasts were obtained from Oxford Economics and Experian, two of the leading economic forecasting companies in the UK. These are described at Chapter 7 of the Cardiff Employment Land and Premises Study (RLDP40). These forecasts are the outputs of proprietary econometric models of the UK economy developed by the providers. They draw on a host of historic economic data (global, national and local) as well as forecaster expectations of future economic change globally and nationally. The historic period which informs these forecasts included economic development efforts from key stakeholders such as Cardiff Council, Welsh Government, the Cardiff capital Region, and others, so should not be considered entirely 'policy off'. However, they were not developed with any consideration of future economic development policies specific to Cardiff, the Cardiff Capital Region, or the wider Welsh economy.

Sectoral performance within the two baseline economic forecasts varies, which reflects the different econometric models and assumptions of Oxford Economics and Experian. Chapter 8 of RLDP40 therefore considers a range of alternative scenarios. This includes a sector-by-sector review of the forecasts in the context of historic change and future prospects in line with economic development policy aspiration.

A total of seven scenarios are set out at Figure 8.1 of RLDP40 which shows a range of potential outcomes ranging from 1,300 to 3,100 jobs per annum across the plan period. This helps to highlight the sensitivity to different outcomes. To help inform policy development the scenarios were grouped into four categories (low, medium, medium-high and high). It was agreed that the medium level of growth (2,000 jobs per annum) should be viewed as a minimum level of growth based on past trends and future ambition. Whilst lower growth may occur this was deemed an inappropriate level of growth for plan development.

Figure 9.11 of RLDP40 shows the resultant employment floorspace needs arising from the various scenarios and methods for calculating employment need. This is helpful to illustrate that the varying scenarios (in scale and sectoral mix) do not have particularly wide variations in overall need, in part because of the impact of replacement demand being relatively more important than the change in total employment.

Homeworking and hybrid working was not factored into the economic and employment forecasts directly, as homeworkers are included in the estimates of future employment change. However, this was considered when assessing future employment sites and premises needs. Appendix 6 to RLDP40 sets out a discussion of the impact of Covid-19 on working practices based on the evidence available at the time and how this might impact on employment densities. The conclusions were also summarised at section 9.5 of RLDP40. This concluded that the potential implications were predominantly on office-based activities, however, the scale of implications for office space in the long term were uncertain. Notwithstanding, the potential impact, if realised, would be to reduce the overall need for office space. However, it was unclear

if this would reduce the need for new office space or accelerate the loss of older and unsuitable office space from the stock.

2.4 How has the jobs target been translated into employment floorspace and land requirements?

Response:

The Council confirm that the methodology used to translate economic forecasts into employment need is set out at Chapter 9 of the Cardiff Employment Land and Premises Study (RLDP40). This is discussed above in response to Question 2.2. In particular, two methods were used to establish employment need in line with *Practice Guidance – Building an Economic Development Evidence Base to Support a Local Development Plan (2015)*. This guidance is cited at paragraph 5.41 of the Development Plans Manual. Whilst Method 1 considers past development trends, Method 2 uses future jobs growth as a direct input.

The Method 2 approach utilises a number of steps in line with the guidance:

- Step 1 translates the change in jobs by sector to change in jobs by Use Class. This uses a matrix which is set out at Appendix 4 to RLDP-40.
- Step 2 uses assumptions on the amount of floorspace required per worker to generate an estimate of changes in floorspace as a result of the changes in employment within each Use Class (from Step 1).
- Step 3 uses assumptions on the density of development (plot ratios) to estimate the amount of land required for each of the B Use Classes.
- Further adjustments are also made to allow for the need to facilitate the replacement and upgrading of employment property stocks and to ensure choice and flexibility.

Specifically in respect of the jobs target set out within the RLDP (minimum of 32,300 jobs, equivalent to approximately 2,150 jobs per annum), Chapter 9 of RLDP-40 considers each of the employment change scenarios in turn. The Mid-point scenario (2,200 jobs per annum, as considered in RLDP-40) is very closely aligned to the jobs target in the RLDP. This falls within the 'Medium' category, alongside the Hybrid scenario (2,300 jobs per annum). These two scenarios draw on slightly different mixes of sectoral growth.

The results of applying the Method 2 approach are set out within section 9.3 of RLDP-40. Figure 9.11 then sets out a comparison of the outputs resulting from each of the methods and scenarios. This is re-presented below for ease of reference. On this basis it was concluded that provision of $\pm 300,000$ sq. m of office and R&D floorspace would be appropriate, and also $\pm 300,000$ sq. m of industrial/warehouse (equating to ± 75 hectares of land). This would facilitate the 'Medium' category scenarios (at a 1% replacement rate) and aligns well with the past trends projections.

Further commentary is provided at section 9.6 of RLDP-40 to set these results in the context of stakeholder consultation responses and other commercial market evidence and drivers. In particular:

- It is noted at 9.6.5 that whilst there may be some downward pressure on the level of future office development, to plan for less than 300,000 sq. m carries a risk to the economy; and
- There are potential upward pressures on industrial and logistics development which may drive a higher requirement, and the 300,000 sq. m figure should be viewed as a minimum.

These pressures are not directly related to employment growth but to market drivers.

Figure 9.11 Forecast total floorspace requirements, sq m (2021–2036)

	Office	Industrial/Warehouse
Method 1 (Past Trends)	312,000	233,000 – 291,000
Method 2 (1% replacement)		
Medium	278,000 – 290,000	270,000 – 278,000
Medium High	299,000	303,000
High	306,000 – 320,000	333,000 – 337,000
Method 2 (2% replacement)		
Medium	447,000 – 460,000	512,000 – 519,000
Medium High	468,000	545,000
High	476,000 – 490,000	574,000 – 578,000

2.5 How does the figure of 32,300 jobs and the strategy reflect Cardiff’s identification as part of a National Growth Area in Future Wales at the national and wider regional level?

Response:

The Council note that *Future Wales* identifies the Cardiff, Newport and the Valleys region as a National Growth Area, and sets clear expectations that these areas should:

- accommodate the majority of Wales’s future growth,
- support economic development,
- focus development in sustainable, accessible urban locations,
- make best use of brownfield and existing strategic sites,
- deliver high-quality placemaking.

The Council considers that the figure of 32,300 jobs appropriately reflects Cardiff’s designation as a National Growth Area in *Future Wales*. The economic analysis set out in the Cardiff RLDP and its supporting evidence base [Cardiff Employment Land and Premises Study (RLDP40)] is predicated on Cardiff maintaining its role as a growth driver for the Cardiff Capital Region (South East Wales), without exacerbating commuting patterns.

The Regional Assessment of Future Growth and Migration for the Cardiff Capital Region (RLDP36) considered the wider regional balance in light of Future Wales identified National Growth Areas. The regional study found a similar overall pattern in terms of baseline economic forecasts falling below historic trend levels of employment growth. Adopting the baseline positions for both demographic and jobs growth (paragraph 7.6) was shown to *“potentially lack alignment with the ambitions associated with the designation of the CCR as a National Growth Area”*. It is noted though that the CCR in its entirety is not designated as a national growth area in this regard.

The study developed a higher growth scenario which broadly aligned to the historic growth trajectory as an alternative to the baseline, and notes *“a reasonable prospect of considerably stronger job growth being able to be supported within the CCR”* (para 7.7) and that *“this stronger level of job growth would potentially be more commensurate with the aspirations implied by the national growth area designation”* (para 7.7). The study found that the cumulative total of jobs growth across the emerging development plans in the region broadly aligned with the higher growth scenario. The higher growth scenario developed within the regional study (2,173 jobs per annum) is very closely aligned to the aspirations within the Cardiff RLDP (2,153 jobs per annum). The supporting text within Appendix 2 to RLDP-36 for Cardiff notes the following:

Triangulating these different sources of intelligence (referring to various sets of baseline forecasts, historic growth patterns, the Cardiff ELPS [RLDP40] and the analysis undertaken as part of the regional study) suggest that it would be reasonable to anticipate growth above the baseline. For a reasonable estimate, the mid-point between the ten-year historic trend and the average of the ELPS growth scenarios (which adjust for different sectoral assumptions) is 2,173, which essentially aligns with the Council’s jobs target.

“It should be noted that while around 2,173 jobs per annum is reasonable and there is a ‘pathway’ to achieving it, it is not an ‘upper limit’”.

(RLDP36, page 119)

In addition, the comments received from Welsh Government on the Deposit Plan noted that Welsh Government is of the opinion that the Cardiff RLDP is in general conformity with Future Wales (Annex 1) and Annex 2 notes *“no significant concerns on the level of job growth proposed in the plan”* and that *“the level of jobs proposed is realistic and is considered by the Council to be sufficiently aspirational to continue to meet the growing ambitions of the City’s economy and drive prosperity in the wider city-region”*.

3. Employment Land Supply and Deliverability

3.1 With the deletion of EC2 there are no new employment allocations. How many of the 32,300 jobs were to be provided at St Mellons, and in the absence of new allocations how will the plan now deliver that level of job growth?

Response:

The Council confirm that this has already been factored into the supply provision in relation to B1 supply over the plan period. This is detailed in Section 6.3 and Figure 6.3 of the Cardiff Employment Land and Premises Study (HJA) - March 2022 (RLDP40), whereby this document refers to the current LDP Allocation KP2(H): Land South of St Mellons.

In summary there are no implications in terms of supply, or job provision. The site now has planning permission and has progressed from an allocation in the Current Adopted LDP. and the Deposit LDP to a commitment and will be included in Policy EC3 as Protected Employment Land. The site remains in the supply of employment land to accommodate up to 6,000 jobs over the plan period.

3.2 What is the anticipated delivery timescale for the Land South of St Mellons Business Park, and how does this align with the plan period? If delivery is delayed, is the absence of new employment allocations justified, or is there a need to allocate additional employment land or adjust housing provision to maintain an appropriate balance between jobs and homes?

Response:

The Council consider that this site will be delivered within the Plan period. The site has been designated within one of the two chosen Investment Zones in Wales benefiting from significant Government funding to support delivery. In addition, in February this year the Government announced investment to deliver the new station at the site which will support the delivery of the site. There is considerable developer interest in taking forward the commercial development of the site and it is anticipated that planning applications will be submitted shortly.

Adjusting housing provision to maintain an appropriate balance between jobs and homes, is not an appropriate response.

The 32,300 jobs figure was derived after considering the outputs of both

- the housing/demographic
- and economy/employment evidence workstreams.

This level of jobs growth is also reflective of the economic growth scenarios set out within chapters 7 and 8 of the Cardiff Employment Land and Premises Study (RLDP-40). The findings of both methodologies closely align. Please refer to Question 2.1 for further details.

3.3 Does the supply provide an appropriate range of site types, sizes and locations to meet qualitative needs, including those of key growth sectors?

Response:

The Council consider that the evidence indicates that the supply provides an appropriate range of site types, sizes and locations to meet qualitative needs, when considered alongside the policy approach taken in the Plan.

The ELPS (RLDP40) identifies that Cardiff's employment land portfolio comprises a mix of sites accommodating industrial, warehousing/logistics and business uses, reflecting the functional requirements of the property market. It concludes that office provision is broadly sufficient in qualitative terms, while for industrial and warehousing uses it identifies both a quantitative shortfall and qualitative pressures, including limited availability of modern units and constrained choice in certain size ranges and locations (para 11.0.11).

At the same time, the ELPS (RLDP40) highlights the ongoing role of existing employment sites. Many remain well-located, accessible and capable of continued use, with the portfolio able to respond to changing requirements through redevelopment, refurbishment and intensification. A proportion of employment floorspace has historically been delivered through the renewal and reconfiguration of existing sites.

The spatial distribution of employment land also supports qualitative needs, with sites located in positions suited to their function, including accessible urban locations for business uses and well-connected areas appropriate for industrial and logistics activity, close to markets and well served by transport infrastructure.

The Economic Background Paper reinforces this position, emphasising the importance of maintaining a diverse and flexible portfolio and identifying additional pipeline supply. This includes the consented scheme at Eastern Avenue, which will provide new industrial and logistics floorspace aligned with identified qualitative needs.

It also identifies Ipswich Road for reinstatement as a locally protected employment site. This is an established, employment-led location with a mix of industrial, business and related uses, low vacancy levels, and a continuing role in the supply of employment land. Its safeguarding contributes directly to the portfolio while enabling ongoing renewal within an active site.

In response, the RLDP focuses not only on new and committed provision, but on retaining and managing the existing portfolio, including safeguarding under Policy EC3, alongside supporting the intensification and refurbishment of employment areas. Committed schemes, including strategic locations such as St Mellons, provide further opportunity to deliver new employment space over the plan period. Consistent with national policy, any residual unmet need can also be considered at a wider city-region scale.

Overall, while the ELPS (RLDP40) identifies qualitative pressures, particularly in the industrial and logistics market, the combination of an established and adaptable portfolio, ongoing renewal within safeguarded sites, committed developments and

plan-led provision provides a clear and credible basis for meeting qualitative needs in practice.

3.4 Does the plan provide sufficient flexibility to respond to change?

Response:

The Council note that the EPLS (RLDP40) includes a 15% uplift within the requirements assessment for range and choice. This is applied to both Methods 1 and 2. This aligns to the Development Plans Manual (Table 13) which suggests the need for a buffer to act as a flexibility allowance.

This means there is a flexibility uplift included on the future requirements side, before any additional buffer (quantitative or qualitative) is added from the supply side.

The Council adopts a flexible policy approach to support employment proposals on land not identified for employment use, to support additional employment windfall sites coming forward over the plan period.

The Council is not able to fully predict all potential business and operator requirements over the Plan period. Therefore, it is important for the policy framework to allow an element of flexibility to enable businesses to locate within the County subject to the site's ability to meet the Plan's other objectives. Policy EC8: Employment Proposals on Land Not Identified for Employment Use facilitates this approach.

3.5 What evidence demonstrates that existing employment sites have the physical capacity, market attractiveness and viability to deliver additional employment development?

Response:

The Council consider that the EPLS (RLDP40) undertaken by HJA demonstrates that existing employment sites have capacity for further employment development through its Site Assessment & Supply Review.

This identifies that EC1 employment areas total 816.5 ha and contain varying vacancy levels, including 16% vacancy within office-focused areas and 7% within industrial areas, contributing to available space within the existing stock.

It also quantifies 60,200 sqm of additional B1 floorspace capacity and 14,500 sqm of further B2/B8 capacity within EC1 sites, alongside existing pipeline permissions.

Supply Analysis (Please refer to ELPS including Paras 10.2.1–10.2.4)

The Employment Land and Premises Study (ELPS) demonstrates that existing employment sites in Cardiff have the capacity and viability to accommodate a significant proportion of future employment growth, based on assessment of vacancy, remaining development potential and the committed development pipeline.

The review of existing employment sites considers vacancy levels, residual capacity and current pipeline development, providing a clear picture of the employment land and premises portfolio that can be utilised to meet future requirements. Existing employment sites are therefore treated as active and adaptable assets, rather than fixed or fully developed locations.

Analysis of historic completions confirms that redevelopment of previously occupied B-class land (“on-site redevelopment”) has been a consistent component of employment delivery, demonstrating both physical capacity and market viability. For office development, monitoring records indicate that around half of historic delivery has occurred through redevelopment, although this has been heavily concentrated in major city-centre schemes. When the Central and Bay areas are excluded, approximately 23,000 sqm (around 9%) of office floorspace has been delivered on existing employment sites elsewhere in the city. On this basis, the ELPS makes a forward allowance of 25,000 sqm of office floorspace to be delivered through redevelopment of existing employment sites outside the Central and Bay areas.

For industrial and warehousing uses, historic records show that around 15% of past delivery (approximately 25,000 sqm) has been achieved through on-site redevelopment. Applying this proportion to future requirements initially suggests a higher level of potential delivery; however, the ELPS applies a prudent adjustment and concludes that 37,500 sqm of future industrial and warehouse floorspace could realistically be delivered through redevelopment of existing employment sites. Even at this level, this represents a 50% uplift on past performance, reflecting increased demand and the need for focused regeneration and intensification of existing employment areas.

Figure 10.2 brings together all sources of identified supply and shows a significantly greater quantum of office/R&D floorspace compared to industrial and warehouse floorspace. While some flexibility between uses may exist within EC1 sites, the ELPS concludes that this would not materially alter the overall balance of supply. The figure also highlights the lack of further strategic supply for industrial and warehousing uses, alongside an existing tight market with no excess vacancy, reinforcing the strong viability of industrial and warehouse redevelopment within existing employment areas.

Figure 10.2 – Summary of Supply (all figures in sqm of floorspace)

Source (page 92 ELPS)

Category	Office / R&D	Industrial Warehouse /
On-site redevelopment	25,000	37,500

Excess vacancy (EC1 sites)	36,300	–
Existing pipeline (EC1 sites)	14,600	105,800
Further capacity (EC1 sites)	60,200	14,500
Cardiff Bay & Central Business Areas (pipeline)	116,600	–
Strategic sites (pipeline)	146,800	–
Total	399,500	157,800

Vacancy rates in EC1 sites vary significantly within and between sites. Office sites, particularly those located further from the city centre in out-of-town locations such as St Mellons Business Park (EC1.5) saw far higher vacancy rates than predominantly industrial EC1 sites. There is a trend of higher vacancy rates for office space outside of the city centre, particularly at sites with weaker public transport connections.

Industrial sites with more B2 and B8 floorspace largely have lower vacancy rates than office sites protected by the EC1 policy, with sites such as Cardiff Port having an estimated vacancy rate below 3%. The lower vacancy rates across a range of industrial EC1 sites indicate a high demand for all types of industrial units in Cardiff, from small workshop units to large distribution centres.

A more detailed site by site breakdown of capacity and vacancy rates are provided in the following tables:

Figure 6.1 Estimated vacant floorspace and vacancy rates of EC1 sites (See page 57 of the EPLS).

Figure 6.2 Sites with employment protections under policies EC1 and EC4 (See page 59 of the EPLS).

This shows a substantial supply of office and B1 supply. Whilst there is some flexibility with some supply on the strategic sites away from the CBA, the majority is office space. There is a much lower supply of B2/B8. This is limited to the EC1 sites. There is no contribution from vacant stock, given current tightness in the market.

Background Technical Paper No 2: Economic, Para 3.7/Table One reviews the former EC1 sites from the current LDP and demonstrates how they have been put forward in the new plan with revised boundaries and an explanation of the changes where relevant. New sites have also been added to policy EC3, with their justification, and explanation. Notably Ipswich Road, and Eastern Avenue.

Since the original employment study was carried out, the supply of business and industrial warehousing land has been reviewed by the Council, whereby a number of additional employment sites that relate to industrial and warehousing land have come forward on protected employment land. These newly identified sites emphasise, and evidence continued demand and will make an important contribution to the supply. Please see Appendix A of the Background Paper.

Taken together, this evidence demonstrates that existing employment sites in Cardiff have the physical capacity, market attractiveness and viability to deliver additional employment development, and form an essential and deliverable component of the city's future employment land strategy.

3.6 To what extent is the primary reliance on existing sites a robust and deliverable strategy, and what risks are associated with this approach?

Response:

The Council consider that the primary reliance on existing employment sites as a source of future supply is a robust and deliverable strategy in the context of Cardiff, supported by the evidence set out in the Employment Land and Premises Study (ELPS) (RLDP40) and by established patterns of delivery across the city.

The ELPS (RLDP 40) demonstrates that existing employment sites function as an active and adaptable portfolio, with the capacity to deliver additional employment floorspace through regeneration, redevelopment and intensification. Historic monitoring shows that a meaningful proportion of employment development has already been achieved through the redevelopment of existing sites, confirming that this approach is deliverable in practice. This is particularly relevant in a city where land supply is constrained and where employment demand is closely linked to accessibility and established locations.

The strategy is reinforced by current market conditions identified in the ELPS, including the tight industrial and warehousing market, the absence of excess vacancy and ongoing demand for employment land in accessible areas. In this context, reliance on the renewal and intensification of existing sites reflects how the market has operated historically and represents the most realistic source of ongoing supply. This approach is complemented by strategic provision, including the St Mellons allocation, and by continued redevelopment within the Central and Bay Business Areas, providing additional resilience without displacing the Plan's primary reliance on existing employment sites.

There are, however, risks associated with this approach. Delivery from existing sites can involve longer lead-in times, complex regeneration challenges and a reliance on landowner investment, alongside a risk that viable employment sites could be lost to higher-value alternative uses if not adequately safeguarded. These risks are

recognised within the Plan's evidence base and addressed through the policy framework, which prioritises the retention and renewal of viable employment sites, resists unjustified loss and provides flexibility to support redevelopment while maintaining employment use.

Overall, while reliance on existing sites is not without risk, the risks are understood and capable of being managed through the Plan's coordinated approach. Evidence demonstrates that it is an appropriate, realistic and deliverable strategy for Cardiff.

4. Safeguarding and Loss of Employment Land

4.1 What assessments have been undertaken to inform the safeguarding of sites under Policy EC3, and what do those assessments demonstrate about the likelihood of continued employment use at these sites in practice?

Response:

The safeguarding of sites under Policy EC3 is informed primarily by the Cardiff Employment Land and Premises Study (ELPS, March 2022) (RLDP40), supported by the Economic Background Paper and monitoring evidence from the Local Development Plan. Together, these assessments consider not only the current performance of employment sites, but how they operate and respond in practice over time, providing a robust basis for safeguarding.

The ELPS undertakes a systematic review of existing employment sites with policy status, assessing their current use, vacancy levels, remaining development potential and committed pipeline development. Chapter 6, is of particular relevance, including summary tables provided in 6.1 and 6.2. This establishes that the sites safeguarded under Policy EC3 form part of an active employment land portfolio, with ongoing capacity for renewal, reconfiguration, and continued occupation, rather than decline or redundancy.

The ELPS analysis of historic on-site redevelopment shows that a meaningful proportion of Cardiff's employment floorspace has been delivered through redevelopment and intensification of existing employment sites. This historic trend demonstrates that employment sites have adapted to changing market demand through renewal rather than abandonment, providing strong evidence that continued employment use is realistic in practice.

Vacancy within EC3 sites is assessed as market churn associated with refurbishment and changing occupier requirements, not as an indicator of failure or lack of demand. This reflects the normal operation of employment markets and underpins the rationale for safeguarding viable sites.

Importantly, the ELPS distinguishes between value-driven pressure for alternative uses and genuine lack of employment demand. It concludes that pressure on employment sites in Cardiff is largely driven by higher residential land values, rather than loss of employment viability. Safeguarding under Policy EC3 therefore responds to the risk of policy-led loss of viable sites, through market pressures. These findings are particularly strong for industrial and warehousing uses, where the ELPS identifies a tight market, no excess vacancy and limited alternative supply. This supports the conclusion that continued employment use at safeguarded sites is the most likely outcome in practice.

This technical evidence is reinforced by the Economic Background Paper, which highlights the continuing structural role of existing employment locations in supporting Cardiff's economy, including industrial, logistics, and business and research activities that rely on established, accessible sites. The Replacement Local Development Plan reflects this evidence through an emphasis on the retention and renewal of viable employment sites, resisting their loss where continued employment use remains realistic.

Taken together, these assessments demonstrate that the safeguarding of sites under Policy EC3 is evidence-led and proportionate. Safeguarded sites are locations where continued employment use is the most likely outcome in practice, supported by historic delivery, current market conditions, and capacity for ongoing renewal.

4.2 How realistically can the criteria in Policy EC5A be satisfied in practice if sites have been identified as suitable for ongoing employment use?

Response:

The Council consider the policy provides a strong employment protection focus, requiring robust evidence, before considering alternative use/mixed used residential development in the designated employment protection areas. This approach has been very successful over the current plan period. The new policy will largely build on this approach.

The existing employment sites have been reviewed from the Current LDP, amended, consolidated where appropriate, and added to, to form the new Protected Employment Land and Premises listed in EC3. This is evidenced in Background Technical Paper 2: Employment.

Given the predicted future employment land requirements, it is fundamental that the Strategy seeks to protect strategically and locally important existing business and industrial and warehousing land (B1a/b/c, B2 and B8 uses).

The loss of employment land can be incremental with the loss of one site setting the precedent for the loss of a series of others in a similar location, leading to a gradual erosion of an employment area. Sometimes alternative uses can also fragment a larger business area or sever links between employment uses in an area. Over time pressure for alternative uses result in a cumulative loss of employment sites to the detriment of the local economy. In addition, many existing industrial areas are located within the 'southern arc' of deprivation in areas of greatest need for jobs and it is important to retain employment in these locations due to their accessibility.

Subsequently, it will be difficult to satisfy the criteria of Policy EC5A, in relation to the current reviewed employment protection sites. However, a distinction needs to be made between out of centre office/business park provision and industrial /warehouse provision. There is potential for reduced demand, or additional releases from the existing office stock over the plan period if high levels of hybrid working are retained in the medium-long term. In contrast, the industrial market has exceptionally low rates of vacancy at present, and there is strong levels of reported market demand. Stakeholders have stated that limited supply has constrained growth in this sector.

The policy approach allows for flexibility over the plan period, where market conditions may change. Each case will be assessed on its merits, on a case-by-case basis in relation to scale, impact and B use class.

It is not appropriate to protect all employment areas (B1/B2/B8) or B1 offices not identified in Policy EC3, and a flexible approach has been put forward with Policy EC8, to allow for brownfield residential windfall redevelopment.

4.3 The land-use benefits of mixed-use development, and the potential for new higher value development to cross-subsidise employment development, are understood. Where a site has no realistic prospect of continued employment use, is there an inherent tension in requiring new employment workspace within mixed-use redevelopment under Policy EC5B at that site?

Response:

The Council consider that the existing wording of Policy EC5B provides a clear and positive framework for guiding the mixed-use redevelopment of employment sites. It establishes an explicit expectation that alternative uses should, wherever possible, retain an employment function through the provision of new employment workspace as part of mixed-use schemes. In doing so, the policy supports effective use of land, promotes economic activity alongside residential development, and aligns with the plan's broader objective of safeguarding finite employment land resources while enabling regeneration.

The Council recognises the land-use benefits of mixed-use redevelopment, including the potential for higher-value uses to support the delivery of new employment workspace. However, it is acknowledged that this approach will not be effective in all

circumstances. Where robust evidence demonstrates that a site has no realistic prospect of continued or re-provided employment use, either because employment uses are unviable under prevailing market conditions or because a mixed-use scheme retaining a significant element of employment is not deliverable on a particular site, requiring new employment workspace may result in inherent tension.

In such cases, the loss of employment land nevertheless represents a depletion of a finite economic resource. Policy EC5B, read alongside paragraphs 7.116 to 7.118, therefore allows for residential development/alternative uses without the provision of employment use to be considered only where appropriate developer contributions are secured. This is to compensate for the economic harm arising from that loss, including through the delivery of compensatory employment opportunities elsewhere. This approach ensures that economic objectives are maintained while enabling effective, deliverable redevelopment to proceed.

To provide clarity the Council propose that Policy EC5B is revised as follows and these amendments be included in the forthcoming Matters Arising Changes consultation (see additional text in bold and underlined below):

'EC5B: NEW WORKSPACE WITHIN MIXED-USE DEVELOPMENT

Where the criteria of EC5A (i to iii) have been satisfied, and an alternative use is considered appropriate, provision should be made for new employment workspace and community facilities as part of a mixed-use residential redevelopment.

The new employment workspace provided should be in the form of accommodation for research and development, affordable workspace, light industrial, flexible office space, local distribution, or similar premises, and may include premises for professional services and medical or health services.

Applications must be supported by marketing and viability evidence.

Where it is demonstrated, through robust evidence, that there is no realistic prospect of delivering viable employment uses on the site (including through continued use, redevelopment or refurbishment, or as part of a mixed-use scheme retaining employment use), development will be permitted only where appropriate developer contributions are secured to compensate for the economic harm arising from the loss of the employment site, in accordance with Policy SP6 (Planning Obligations).'

4.4 What evidence, including in relation to viability, demonstrates that the delivery of mixed-use schemes incorporating new employment workspace is realistic and deliverable?

Response:

Evidence from recent regeneration schemes and redevelopment proposals in Cardiff demonstrates that mixed-use redevelopment incorporating new employment workspace is both realistic and deliverable in market terms, particularly on ageing, underutilised or lower-density employment sites.

Schemes such as Central Quay (former Brains Brewery site) demonstrate the successful use of mixed-use regeneration models incorporating residential development, modern office floorspace, and leisure and hospitality uses in a way that supports overall development viability. Knox Court (22/02604/FUL) provides an example of residential-led redevelopment incorporating the retention of ground floor offices, while Longcross Court (24/01238/FUL) for purpose-built student accommodation re-provides commercial uses at ground floor, including B1 office space.

More recently, redevelopment proposals for the former S.A. Brain Centre at Ty Glas (25/02192/FUL), comprising office, industrial, storage/distribution and leisure uses, further demonstrate market appetite for the intensification and diversification of older employment sites through mixed-use redevelopment, even where residential uses are not included.

Collectively, these examples demonstrate key viability and deliverability considerations. Modern occupier demand is increasingly focused on flexible, higher-quality workspace rather than older standalone premises. Mixed-use approaches improve viability by broadening revenue streams and enabling cross-subsidy between uses, particularly where higher value elements such as residential or student accommodation are present. Redevelopment also enables constrained or ageing sites to be brought forward more effectively, while complementary uses can support the delivery and retention of employment workspace that may not come forward through employment-only schemes.

The Council recognises that the viability of retaining or re-providing employment uses will vary between sites depending on factors such as site condition, location, market demand, remediation requirements and existing building quality. Policy EC5B addresses this by requiring robust marketing and viability evidence to demonstrate that all reasonable options for the retention, intensification or re-provision of employment workspace have been fully explored before loss is accepted.

There are currently limited examples of mixed-use redevelopment on safeguarded EC3 sites specifically. This reflects the successful historic approach to protecting these areas for employment use under Policy EC1. This is evidenced in the AMR Reports.

A recent example to highlight, is the redevelopment of vacant offices at the former S A Brain Centre, Parc Ty Glas. This new scheme currently under construction will provide a mixed-use scheme comprising of B1, B2, B8 and D2 uses with associated landscaping, car park and yard space

In summary, regeneration schemes across Cardiff demonstrate that mixed-use redevelopment incorporating employment workspace is a realistic and deliverable model that is already being achieved in practice and capable of supporting both economic and regeneration objectives.

In response to the issues raised, The Council propose that Policy EC5B and related paragraph's 7.111, 7.112, 7.113, 7.116 and 7.117 are revised so they place the onus on developers to demonstrate viability for mixed use. This change in policy wording should be made read in conjunction with the response to Question 4.3. It is proposed that these changes be included in the forthcoming Matters Arising Changes consultation (additional text shown in bold and underlined and deleted text shown with strikethrough below).

'EC5B: NEW WORKSPACE WITHIN MIXED-USE DEVELOPMENT

Where the criteria of EC5A (i to iii) have been satisfied, and an alternative use is considered appropriate, provision should be made for new employment workspace and community facilities as part of a mixed-use residential redevelopment.

The new employment workspace provided should be in the form of accommodation for research and development, affordable workspace, light industrial, flexible office space, local distribution, or similar premises, and may include premises for professional services and medical or health services.

Applications must be supported by marketing and viability evidence.

Where it is demonstrated, through robust evidence, that there is no realistic prospect of delivering viable employment uses on the site (including through continued use, redevelopment or refurbishment, or as part of a mixed-use scheme retaining employment use), development will be permitted only where appropriate developer contributions are secured to compensate for the economic harm arising from the loss of the employment site, in accordance with Policy SP6 (Planning Obligations).'

'7.111 Consideration will only be given to alternative uses where an applicant is able to clearly demonstrate, through robust marketing and viability evidence, that there is no demand for the site and that it is viable to retain the site in employment uses, including the prospects of refurbishment of the existing premises or the redevelopment

~~of the site for new employment uses~~ **reasonable prospect of the site remaining viable in employment use, including through refurbishment of the existing premises, redevelopment for modern employment uses, or mixed-use redevelopment incorporating new employment workspace.**

7.112 The 'robust evidence' for assessing the need to retain land and premises for business, industrial and warehousing use include the following criteria:

- Whether and for how long land or premises have been vacant and actively marketed and the expressions of interest during this period;
- Whether the site offers particular benefits not generally available within the overall land bank;
- Whether the site is within an area of high unemployment and offers realistic prospects of use for appropriate employment purposes;
- Whether the relocation of existing occupiers to other suitable accommodation will be facilitated;
- Whether the proposed development would retain or provide an element of industrial, office or warehousing floorspace **employment workspace or employment-generating uses**"; and
- Whether the proposed use needs to be accommodated on business, industrial or warehousing land (e.g. transport depots).
- Other priorities, such as housing need, override more narrowly focused economic considerations.

7.113 Where the alternative use of land is considered appropriate, priority will be given to mixed-use development ~~comprising employment~~ **incorporating employment workspace**, housing and community facilities. Such developments will be required to maximise the delivery of affordable housing in line with Policy H3 Affordable Housing.

7.116 The constraints on some existing employment sites may be of such a scale that the provision of any new employment uses on the site may be proven to be unviable at that point in time. Irrespective of this, the County's employment land is a finite resource and once it is lost it is highly unlikely to ever return to that use. ~~In addition, the economics of development can change over time and although the retention of employment uses on the site may not be economically viable at that time, this is not to say that it would not become a viable proposition in the future. As such the loss of the site would still represent a depletion of the County's economic resource in a location that is considered to be acceptable for economic development uses.~~ **The Council recognises that the viability of employment uses can change over time depending on market conditions, build costs and occupier demand. For this reason, applicants will be expected to demonstrate through proportionate viability evidence that all reasonable options for the retention, intensification or**

reprovision of employment uses have been fully assessed before the loss of employment land is accepted.

7.117 Where a developer is able to demonstrate that a current employment site that is considered suitable in land use terms has no prospects for continued use, or for a mixed use development that retains a significant element of Class B uses on site, under the prevailing economic conditions, the Council will give consideration to other uses (subject to other LDP policies) on the condition that developer provides compensation for the economic harm arising from the loss of the site to housing or another alternative use. Each case will be assessed on its merits and consideration will be given to the likelihood of development resulting in 'islands' of other uses in employment areas, and whether a better environment would be created through a more comprehensive development.'

4.5 Taken as a whole, are Policies EC3, EC5A, EC5B and EC6 sufficiently robust and coherent to safeguard protected employment land effectively in the face of pressure for alternative uses?

Response:

The Council consider that taken as a whole, Policies EC3, EC5A, EC5B and EC6 provide a coherent and robust framework for safeguarding protected employment land in the face of pressure for alternative uses.

The policies each perform a distinct but complementary role. Policy EC3 establishes the overarching principle of safeguarding viable employment sites. Policies EC5A and EC5B provide a structured approach to managing different types of employment areas, allowing for renewal and appropriate flexibility while maintaining their primary employment function. Policy EC6 focuses specifically on the protection of office uses within the Central Business Area and Bay Business Area, applying clear, evidence-based criteria to proposals involving the loss of office floorspace in locations subject to particularly strong development pressure. Together, the policies ensure that competing pressures are addressed through consistent and clearly defined decision-making, rather than through incremental or unjustified loss.

The policies are aligned in their treatment of viability, demand, and market behavior, including a shared recognition of the distinction between value-driven development pressure and a genuine lack of employment need. While flexibility is built into the framework, it is applied in a controlled and proportionate way, ensuring that employment land and premises are not lost without clear justification.

This approach reflects the Replacement Local Development Plan's emphasis on retaining and renewing viable employment sites and on resisting their loss unless supported by robust, evidence-based reasoning. Taken together, the policies work

clearly as a single framework, with each playing a distinct role in safeguarding employment land.

4.6 The importance of protecting office uses in the Central and Bay Business Areas is understood. Does Policy EC6 contain an internal inconsistency between demonstrating no ongoing need for an office site for office use, and requiring alternative proposals to retain office or commercial floorspace, and if so how should that be resolved?

Response:

The Council consider that Policy EC6 is not internally inconsistent, for the reasons stated below:

The first part of the policy criterion (i) requires that the applicant demonstrates that a site is no longer needed for office use in its current format. This sets a clear and deliberately demanding test, reflecting the importance of protecting office uses in the Central and Bay Business Areas.

Where evidence is considered satisfactory, criterion (ii) also needs to be addressed.

Here, there is an expectation that alternative use residential proposals should retain some office or commercial floorspace, even when criterion (ii) is satisfied. It recognises that, even where a site is no longer viable in its existing form, these locations remain the most important office locations in the city, and it is generally appropriate for some level of employment use to continue. Office provision in the CBA and BBA is a finite resource. From a locational perspective the city centre and bay area will always have demand as they are the most sought-after areas for inward investment and growth businesses.

The current trend in the office market is seeing a 'flight' to high quality, with demand for prime Grade A space to attract and retain workforces in the office, whilst there are low levels of demand in the tertiary office market. The demand for grade A space is focused in the heart of the City Centre, such as Central Square, Callaghan Square and Capital Quarter. The consented development in Atlantic Wharf, within the Bay Business Area, will also contribute to the range and choice of new office accommodation in the city

Para 7.127 states that 'The mixed-use redevelopment of premises within the Central and Bay Business Areas can create opportunities to provide a greater range and choice of new and upgraded office facilities, particularly with regard to smaller scale floorspace'

In practice, redevelopment can still provide an opportunity to deliver modern, higher-quality office space, even where this is at a smaller overall scale.

This approach is also consistent with the way policy has been applied under the current LDP, where mixed use residential schemes have come forward that reduce or reconfigure office provision while retaining an element of employment floorspace, rather than resulting in its complete loss.

The workspace element should be proportionate to the proposal's scale, however, 'non-employment (residential) proposals will be expected to retain office floorspace at the ground floor street frontage as part of a mixed-use development'.

This can be seen in practice at Knox Court, 10 Fitzalan Place Adamsdown, where over 7,000 sqm of office floorspace has been lost, but approximately 770 sqm has been retained as part of the C3 redevelopment. The proposal comprised the retention of office space at ground floor level, which includes an upgrade of the existing facilities to offer Grade A office. The opportunity existed as part of the mixed-use redevelopment and reconfiguration to diversify the offer and create additional new replacement job opportunities on site thereby retaining a significant element of B1 use at ground floor level and providing a greater economic, social and regeneration benefit

(22/02604/FUL -Retention of Office Space (B1/A2 Use Class) at ground floor level, 2-3 storey upward extension and change of use of Floor One - Floor Eight to create 203 units of Co-Living Accommodation (C3 Use Class) with the provision of indoor and outdoor amenity space, car/cycle parking and associated works).

The policy aims to promote new or refurbished office stock coming to the market, when existing office floorspace is lost. The policy is fundamental in terms of focussing on the delivery of the projected jobs growth for the city. By requiring a significant element of office floorspace within mixed-use schemes therefore safeguards the long-term role and competitiveness of the Central and Bay Business Areas, even where the previous office format in its entirety on a specific site is no longer viable.

In response to the issues raised the following policy word amendment is proposed in relation to criterion (ii) (see deleted text in bold). A mixed-use residential led scheme will need to provide a reasonable provision of office floorspace, whereby requirements will be determined on a case-by-case basis.

'EC6: PROTECTING OFFICES IN THE CENTRAL AND BAY BUSINESS AREAS

The alternative use of offices within the Central and Bay Business Areas will only be permitted where:

- i. It can be demonstrated that there is no need to retain the site or premises for office use in its current format having regard to the demand for offices and the requirement to provide a range and choice of sites available for such use.*
- ii. Proposals for the alternative use of offices to non-employment (residential) uses retain ~~a significant element~~ office and/or commercial floorspace as part of a mixed use development.'*

5. Specific Sites

5.1 In a working port environment, how sustainable and appropriate are the mixed-use proposals envisaged by Policy SP9?

Response:

The Council propose to remove the reference to 'leisure, residential and mixed uses', from Policy SP9: Supporting the role of Cardiff Port.

Please refer to para 1.11 of The Statement of Common Ground with ABP for further details. It is proposed that these changes will be included in the forthcoming Matters Arising Changes (MAC) consultation.

5.2 Considering representations from NRW, is site EC3.4 an appropriate location for further employment development, having regard to environmental constraints and mitigation?

Response:

The Council note that Wentloog Road is a predominantly developed industrial employment area that contains Capital Business Park, Lamby Way Industrial Estate, Wentloog Corporate Park, Waterside Business Park, Laurels Business Park, Spring Meadow Trading Estate and the Rail Freight Terminal. The centre of the site contains the Aldi Regional Office and Distribution Centre which occupies 46,140 sqm.

It is recognised that The Wentloog Levels (Archaeologically Sensitive Area) covers the site. Gwent Levels - Rumney and Peterstone (Site of Special Scientific Interest) covers the majority of the site.

There are a small number of Tree Preservation Orders near the site Western Boundary, adjacent to Great Point Seren Studio. Wentloog Industrial Park (Site of Importance for Nature Conservation) is located at the centre of the site.

The policy covers this area to protect the existing employment uses from alternative uses. Since the ELPS, there have been recent development areas which have come forward from new planning consents. Applications 22/01467/MNR and 22/03006/FUL have been approved for new studio buildings, at Great Seren Studios. Both schemes have had environmental mitigation measures agreed. These are documented in Appendix A of the Employment Background Paper.

This most recent application proposes the introduction of a backlot for film production associated with Great Point Seren Studios and supports the expansion of the site and earlier Phases (Application 23/01397/FUL). This development has been recommended for approval subject to a Section 106 agreement.

The area of grassland that is lost due to the backlot is to be mitigated through the creation of species-rich grassland, including the breaking out of hardstanding within the Turbine Area for grassland creation.

A nature trail is also proposed within the main site as a walking / running loop that begins and ends by the approved Studio 3 on the Great Point Studios site to the east.

The remaining future development area is largely limited to Newlands Road. It is considered that future development proposals over the plan period can be managed through the development management process.

In summary, the current boundary for EC3.4 Wentloog Road (Capital Business Park, Lamby Way Industrial Estate, Wentloog Corporate Park, Rail Freight Terminal) should be retained.

6. Action Points