

West Northamptonshire Light

Industrial and Workshop Demand Study



West
Northamptonshire
Council



Funded by
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1. Introduction



Introduction to Report

Background and Context

West Northamptonshire Council (WNC) has commissioned Avison Young to produce a light industrial and workspace demand study to inform the upcoming Local Plan, and to steer inward investment activities across the area.

WNC has a hypothesis that there may be a failure within the market to provide light industrial and workspace units between 500 and 5,000 sq ft. This study tests this hypothesis.

Objectives and Approach

Based on the perceived potential market failure, and anecdotal demand, WNC has appointed Avison Young to undertake a study to evaluate the current market in West Northamptonshire for light industrial and workshop units between 500 and 5,000 sqft.

The study focuses on the four key towns of **Northampton, Daventry, Towcester** and **Brackley**, as well as the area around Silverstone. The key objectives of the study are to highlight:

- Anticipated level of **market demand** for such units;
- **Locations** where demand could be best served;
- An overview of **pricing and rental levels** for stock, with a high-level review of viability; and,
- Thoughts and recommendations to support **delivery of additional stock**, should demand be proved.

These objectives have been met by using Avison Young's tried and tested methodology to explore demand for commercial space. This has involved analysing drivers of demand at national, regional and local scales. This is because, while local trends are important, they are intimately linked to wider economic, social and cultural trends.

The approach has also involved undertaking objective economic, commercial and demographic analysis, and infusing this with qualitative insights from consultations, workshops and site visits.

This approach is captured in our report structure:

- **National Drivers** – An overview of national economic, commercial and policy trends influencing local-level business space demand.
- **Regional Drivers** – An overview of South East Midlands-wide economic and commercial trends influencing local-level business space demand.
- **Local Drivers** – A deep dive into different drivers of local demand, structured around nine questions:
 - A: What are the characteristics of West Northamptonshire's economy?
 - B: Which sectors are likely to drive West Northamptonshire's future economy?
 - C: What is the nature of West Northamptonshire's business space market?
 - D: How is West Northamptonshire's commercial market performing?
 - E: What do local stakeholders think about future business space demand in West Northamptonshire?
 - F: What do design experts think about future business space demand and relevant typologies in West Northamptonshire?
 - G: How much commercial space is in the pipeline in West Northamptonshire?
 - H: What other business space opportunities exist in West Northamptonshire?
- **Recommendations** – A set of general and place-specific recommendations to guide business space delivery in West Northamptonshire, with a specific focus on the four key towns of Northampton, Towcester, Brackley and Daventry.

Introduction to Geographies

The report focuses on several core areas. These include:

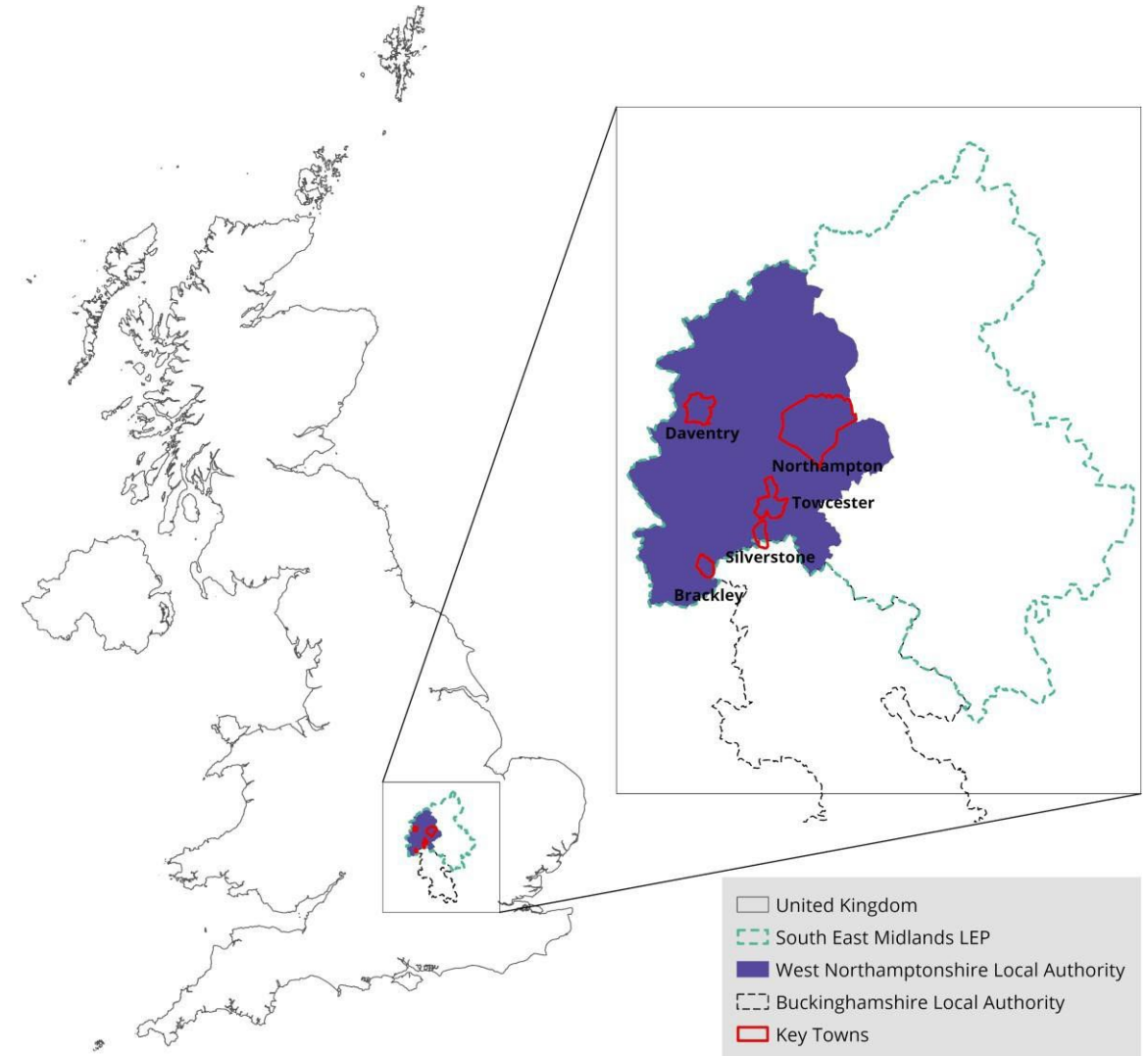
- **National Level:**
 - United Kingdom.
- **Regional Level:**
 - East Midlands.
- **Local Level:**
 - Council Area: West Northamptonshire
 - Key Towns: Northampton, Daventry, Towcester, Brackley.

Each of these areas is considered as part of the analysis to provide wider context, and to assess differences in demand across core locations.

In addition to this, Silverstone has been integrated into the analysis. This is because it represents a hub for the automotive and technology sectors, with provision of space within the broad typology and size parameters set out within the study.

Maps of each geography where data has been collected are provided on the page overleaf.

Demand Study Geography



*Please note a small portion of Silverstone sits within Buckinghamshire Local Authority

Introduction to Geographies

Northampton



Daventry



Towcester



Brackley



Silverstone



Introduction to Terminology

There are three broad commercial space categories – office, industrial and light industrial. These are ‘conventional’ typologies that cater to more established and/or corporate occupiers.

Most units in West Northamptonshire are conventional industrial or light industrial spaces. These spaces are generally suitable for most E class activities. Occupiers typically consider features such as floor loading, eaves height, loading doors, power, parking, unit sizes and flexibility when making premises choices.

There are also more specialised and alternative commercial space typologies that have emerged over the last two decades to meet the specific needs of micro and small enterprises (MSEs). These are typically referred to as specialist ‘workspaces’ which range from co-working spaces targeted at digital businesses through to makerspaces for creative production businesses. Examples in West Northamptonshire include:

- **Vulcan Works, Northampton** – Workspaces catering to clean digital and creative industries, including advertising, architecture, art, crafts, design, fashion, film, music, performing arts, publishing, and software businesses.
- **Icon Innovation Centre, Daventry** – Clean business units and meeting rooms targeted at social enterprises and emerging markets.

While the size, nature and diversity of the specialist workspace market has increased in recent years, it is still evolving and the role of the private sector is smaller than in the ‘conventional’ commercial market. Due to this, and the value of MSEs to local economies and communities, local authorities have become more involved in supporting the delivery of specialist workspace in recent years through both policy and practice.

This study considers demand for conventional light industrial space *and* specialist industrial workspace targeted at MSEs. This is because there are opportunities to provide both across West Northamptonshire. Due to this, the generic term ‘business space’ is used throughout the report when referring to both as a ‘catch all’. In some parts a clear distinction between the two is made depending on the nature of the discussion and the recommendations being made.

More detail on different specialist workspace typologies is provided in the table overleaf for context. This draws on accepted industry knowledge, as well as our direct experience working within this field. Typologies highlighted in blue are more industrial in nature.



Vulcan Works, Northampton (Specialist Workspace)



Icon Innovation Centre, Daventry (Specialist Workspace)



William Street, Northampton (Conventional light industrial)



Blackthorn Road, Northampton (Conventional light industrial)

‘Messy’ vs ‘Clean’ Activity

Production-type activities are referred to as either ‘messy’ or ‘clean’ in this report. This is to make a distinction between ‘cleaner’ service-based production activities (e.g. architecture, graphic design, web design) and ‘messier’ production activities that involve the production of physical goods and products (e.g. food production, art, making, chemicals).

While this is a helpful way to differentiate and describe these activities it is important to note that some ‘messy’ activities are not loud, dirty and/or incompatible with other types of uses. Some have very little impact on surrounding communities and areas and any ‘mess’ is retained within the asset. This is important to note, particularly when talking to developers and communities, as language such as this can have negative connotations and impact perceptions. This language has been used in this report given the primary audience is WNC, and because it is helpful in providing clarity on place-based propositions.

Introduction to Terminology

Workspace Typologies

Typology	Description	Site/Location Requirements	Relevant Broad Sectors	Example Workspaces
Creative Studios	<p>Creative studios offer small independent units for creative activities. They tend to be cellular and part of a community of likeminded businesses grouped in a single location. There are two prominent types of creative studio:</p> <ol style="list-style-type: none"> 1. Artist studios: These provide small spaces for art, craft and making activities. They are typically more affordable given the target market generally generates lower revenues than other types of economic activity; 2. Creative/digital studios: These provide small and open office type studios for service-based production activities such as architecture, graphic design and publishing. <p>There are also a range of other activity-specific creative studios (e.g. music, dance, theatre) that often operate independently. There are also hybrid studios that bring together different types of creative activity in one place. These spaces can be more industrial in nature and sit within industrial locations.</p>	<ul style="list-style-type: none"> Well-connected secondary locations where values are low are suitable to most artists and some creatives to reduce costs to creative occupiers Different types of contexts (e.g. town centres, mixed-used developments, industrial estates) can be suitable depending on the nature of activities being undertaken Studios of varying sizes are helpful so that occupiers can move studios to flex their practice if needed Places with an existing creative ecosystem and strong supporting amenity offer are most desirable though not essential given cost pressures 	Creative and Digital Activities	Deptford Foundry, Deptford (Second Floor Studios); Grafton Road, Croydon (Artist Studio Company), Set Woolwich, Woolwich (Set), Ardleigh Studios, Essex (ACAVA), Parkhall Business Centre, West Norwood (Workspace), Great Western Studios, Royal Oak, and Levern Road, Poplar (ACME); The Studios, Cheltenham; Vulcan Works, Northampton
Co-Working Spaces	<p>Co-working spaces provide a combination of workplace and supporting facilities with easy in-out contractual conditions. The renting of space is set up to attract users who require ad hoc and short-term access to workstations and supporting facilities such as meeting rooms. The format of space is primarily open plan and of an informal setting, aimed at facilitating an interactive and creative networking environment to form a sense of community among users.</p>	<ul style="list-style-type: none"> Proximity to residential areas and/or strong public transport connectivity desirable as many start-ups seek to locate close to where their founders live Can be located in mixed-used neighbourhoods as they are compatible with other uses and amenities (i.e. residential, retail and F&B uses) Large-open plan stock is preferred to support the required desk space; refurbished spaces can be suitable where done to a good standard Work best in established business locations for networking, collaboration and co-location reasons 	Professional, Finance and Technical Activities; Financial and Insurance Activities; information and Communication; Real Estate Activities; Administrative and Support Service Activities; Creative and Digital Activities	Platfo9m, Brighton (Platfo9m); Tripod, Brixton (Meanwhile Space); WeWork, Various; Workspace Group, Various; Bloom Space, Rugby (Bloom); The Old Granary, Northampton; Square Feet, Northampton; Regus, Northampton; Vulcan Works, Northampton
Maker Facilities	<p>Maker-type facilities offer a range of shared facilities, tools and equipment for small businesses to use.</p> <p>The most common type is more affordable space targeted at small creative production businesses undertaking light industrial craftwork. They tend to have an 'open workshop' format and are essentially co-working spaces for manual activities. A range of tools, work stations and supporting facilities are provided on a relatively affordable basis.</p> <p>A more niche type are commercial makerspaces targeting higher-value and more innovative business activities. These respond to the fact that production activities have become more sophisticated in recent years, and prototyping and experimental space is now in higher demand. These spaces provide more modern and expensive equipment (e.g. laser cutting, 3D printing, electronics, heavy tools etc).</p> <p>Maker type facilities tend to operate on membership-based models, however some small individual units sometimes provide anchor tenants and secured income streams. These spaces can be more industrial in nature and sit within industrial locations.</p>	<ul style="list-style-type: none"> Space needs to be able to accommodate the broad range of tools and equipment occupiers require as well as workbenches and stations Proximity to residential areas and/or strong public transport connectivity desirable as many business owners will look to work relatively close to where they live Proximity to education, business support, engineering and design services are critical to support making activities Industrial locations can be more suitable than mixed-used neighbourhoods for heavy production activities, but lighter activities can be suitable in more residential areas with careful mitigation Road access and proximity to suppliers is crucial for occupiers 	Creative and Digital Activities	Bloqs, Meridian Water (Building Bloqs); Central Research Lab, Hayes; South London Maker Space, Herne Hill; Plusx, Brighton; Makersversity, Westminster; Made in Hackney, Hackney

* Light blue colouring indicates an industrial / light industrial typology.

Introduction to Terminology

Workspace Typologies

Typology	Description	Site/Location Requirements	Relevant Broad Sectors	Example Workspaces
Meeting Space	Meeting spaces are formal or informal areas where people can come together to meet, collaborate, create, workshop and discuss ideas. Informal spaces include cafes, bars, libraries, parks, public squares etc, and formal spaces include meeting rooms, board rooms and function rooms. They are often found within or around existing workspaces or community facilities, but can sometimes be found independently.	<ul style="list-style-type: none"> • Space needs to be very close, or within, existing workspace to encourage usage • Proximity to good public transport essential to cater for clients/visitors • Range of space types required in an area to cater for different business needs 	All	Hideaway Workspace, Streatham; Start Up Croydon; Hire Space Peckham Library, Vulcan Works, Northampton.
Laboratory Space	Flexible laboratory spaces are targeted at advanced science and technology businesses and allow start-ups and established organisations to research, develop and experiment. There are two main types – wet labs and dry labs. Wet labs offer facilities for activities involving chemicals and potential ‘wet’ hazards. These spaces need to be carefully designed, constructed and controlled to avoid spillage and contamination and have high up-front investment costs. Dry labs are targeted to computer-based activities and are used for analytical purposes.	<ul style="list-style-type: none"> • Proximity to higher education institutions or venture capital businesses desirable to support innovation and fundraising • Require accessibility to city centres and business districts via public transport for networking and collaboration • Occupiers tend to demand a strong amenity offer, particularly where this supports networking, collaboration and innovation • Combination of wet and dry facilities are favoured to ensure a business can operate all aspects of its operations from a single site 	Professional, Scientific and Technical Activities	Open Cell, Shepherds Bush (SynbitCITE); Queen Mary Innovation Lab (Queen Mary University); London Biosciences Innovation Centre (Royal Veterinary College) BioHub, Birmingham.
Event Space	Event spaces are places where activities that would have traditionally happened in the village hall can take place. They support activities such as rehearsals, art exhibitions, community events, clubs and corporate / business events. They can be permanent facilities, meanwhile spaces or multi-functional spaces that are used for different types of activities.	<ul style="list-style-type: none"> • Space need to be large enough to cater for the activities local businesses/groups are looking to host • Proximity to public transport and commercial space preferable • Space needs to be adapted to accommodate different uses (e.g. related to sound, seating, lighting etc) 	Creative and Digital Activities	Anerley Town Hall, Crystal Palace Park Rusty Laptop, Streatham Space Project
Workshops	Workshops are purpose built clean or messy spaces, typically used by small businesses where activities such as repairs or manufacturing are carried out. These spaces are typically small in scale and sit within light industrial premises.	<ul style="list-style-type: none"> • Proximity to public transport and commercial space preferable • Space needs to be adapted to accommodate different uses (e.g. related to sound, seating, lighting etc) • Space needs to be able to accommodate the broad range of tools and equipment occupiers require as well as workbenches and stations 	Manufacturing, Creative and Digital Activities	Blackthorn Road, Northampton; William Street, Northampton; Vulcan Works, Northampton

* Light blue colouring indicates an industrial / light industrial typology.

Introduction to Terminology

Workspace Typologies

Typology	Description	Site/Location Requirements	Relevant Broad Sectors	Example Workspaces
Flexible Kitchens	<p>There are two broad types of flexible kitchens – community/independent kitchens and commercial kitchens.</p> <p>The former are targeted at start-up food businesses and private users, and are typically offered at hourly rates. Users have access to a fully equipped kitchen that they can access on a basis that suits them.</p> <p>The latter are targeted at established small food businesses that need flexible space on a regular basis. They are typically available to book by the day or on a monthly rolling subscription. They tend not to offer dining space as well, whereas community/independent kitchens sometimes provide these to support businesses to experiment and test new ideas.</p>	<ul style="list-style-type: none"> • Space needs to be accessible to users – well-connected industrial locations are suitable for commercial kitchens, but town centres close to where people live are more advantageous for community kitchens particularly where dining facilities are provided • Road access and proximity to suppliers is crucial for occupiers who need to access ingredients and equipment on a just in time basis • Space needs to be able to accommodate a fully serviced kitchen and all associated health and safety features (e.g. ventilation, fire escapes, temperature control etc) • Proximity to anchor institutions and employers can be beneficial for businesses looking to supply local organisations 	Accommodation and Food Service Activities	Maida Hill Place, Harrow Road (Westminster Artisans); The London Cooking Project, Battersea; Run the Box, Hackney; The Olive Grows, Acton, Blackthorn Road, Northampton
Incubators / Accelerators	<p>Incubator spaces are designed to actively support the growth of start-ups or businesses in their early stages of development. A distinguishing feature of an incubator is the provision of business support. Support offered includes services such as training in areas such as business management (including cash flow, marketing), business mentoring and help with access to funding.</p> <p>Accelerator spaces are similar in that they typically provide space to start-up businesses or existing businesses (which might have been operating for several years) with the potential for fast growth and good financial returns. A key differentiator is the competitive nature of the selection process and dedicated support provided by the space management and/or investors who working closely with the business to guide their growth. In return for access to space and business support an accelerator typically requires an equity stake. These spaces can be more industrial in nature and sit within industrial locations – Plus X in Brighton is a good example.</p>	<ul style="list-style-type: none"> • Proximity to higher education institutions or venture capital businesses desirable to support innovation and fundraising • Require accessibility to city centres and business districts via public transport for networking and collaboration • Occupiers tend to demand a strong amenity offer, particularly where this supports networking, collaboration and innovation • Can be located in mixed-used neighbourhoods as they are compatible with other uses and amenities (i.e. residential, retail and F&B uses) • Space needs to be tailored to the needs of the occupier market 	Professional, Finance and Technical Activities; Financial and Insurance Activities; information and Communication; Real Estate Activities; Creative and Digital Activities	Bathtub2Boardroom, Old Street; CEME Innovation Centre, Basildon; Maidstone Innovation Centre, Maidstone (Maidstone Borough Council); Hethel Innovation Centre, Norwich (Hethel Innovation); Tottenham Green Enterprise Centre, Tottenham; Silverstone Park, Northampton; Cargo Works, Bristol; Northampton University Innovation Centre

* Light blue colouring indicates an industrial / light industrial typology.

2. National Drivers



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Snapshot of Findings: National Drivers

The national economy is starting to recover



The UK's GDP grew by **+0.6%** in Q1 2024 bringing the country out of technical recession. Oxford Economics is currently predicting **+0.9%** full year UK GDP growth in 2024, then **+2%** in 2025 and **+2%** in 2026.

The UK has clear growth sectors that will drive future commercial space demand



Over the next two decades Experian project that employment growth will be highest in Professional Services, Public Services and Accommodation & Food Services. Industrial sectors projected to grow include Transport & Storage and Wholesale & Retail.

The new Labour Government back some priority high-growth sectors



The Government has identified Professional Services, Advanced Manufacturing, Creative Industries, Automotive, and Life Sciences as key sectors to support the growth of the economy. Many of these require industrial commercial typologies.

Implications for West Northamptonshire

- West Northamptonshire's business space offer should cater to the needs of high-growth national sectors that are relevant to the area (e.g. Creative, Automotive, Advanced Manufacturing, Transport & Storage, Wholesale & Retail).
- New workspace that comes forward should look to meet the needs of hybrid workers and provide the right mix of facilities, ancillary services and technology to meet changing employer and employee expectations.
- National demand is currently highest for spaces where businesses need to be in situ (i.e. industrious typologies) – this is particularly relevant in West Northamptonshire given its local industrial specialism and strategic location within the East Midlands, providing excellent accessibility around the country.

The national office market is showing positive signs of recovery



Avison Young's research shows that total office take-up is recovering in the Big Nine* cities, but vacancy rates are rising nationally with clear nuances in the nature of demand. The most attractive locations with the highest quality stock are performing the most strongly.

The nature of office demand is changing due to hybrid working



Changing working patterns are pushing businesses to look for more flexible space that suits these new trends, as well as the increasing importance of wellbeing/collaboration/interaction in an increasingly hybrid world.

Demand for commercial space where businesses need to be in situ remains strong



This is exemplified by the national industrial market, which is showing resilience in the context of economic headwinds. Whilst there has been tapering take-up, the sector continues to see robust rental value growth in the context of tight supply and low vacancies.

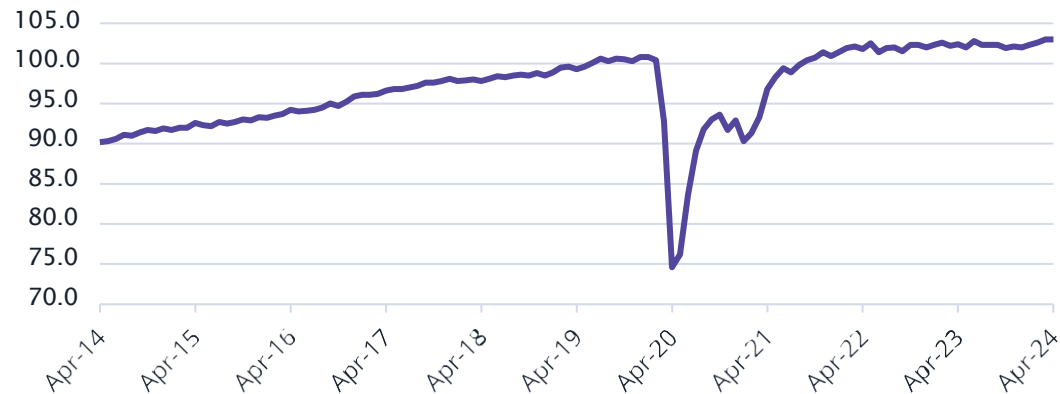


National Drivers: Economic Trends

The UK economy has experienced a series of significant challenges over the last decade. After a period of moderate growth following the 2008 Financial Crisis, the Brexit referendum in 2016 led to economic uncertainty, slowing investment and growth. The COVID-19 pandemic in 2020 exacerbated this, and created a recession prompting extensive government support. The recovery in 2021 was uneven, and by 2022 the economy faced a sharp rise in inflation driven by global supply chain disruptions and geopolitical tensions, leading to a cost-of-living crisis and higher interest rates.

Over the last few months global financial markets have been volatile, as expectations have seesawed on the outlook for interest rates. Quarter 1 (Q1) 2024 GDP figures showed the UK economy exited the technical recession seen in the second half of last year. GDP increased by **0.6%** in Q1 quarter-on-quarter. The monthly GDP figures show that after a rebound in January to March, the economy stalled in April, with growth of **0.0%** month-on-month (m-on-m).

Monthly UK GDP Index – 100 = 2019



Source: Macrobond, 2024

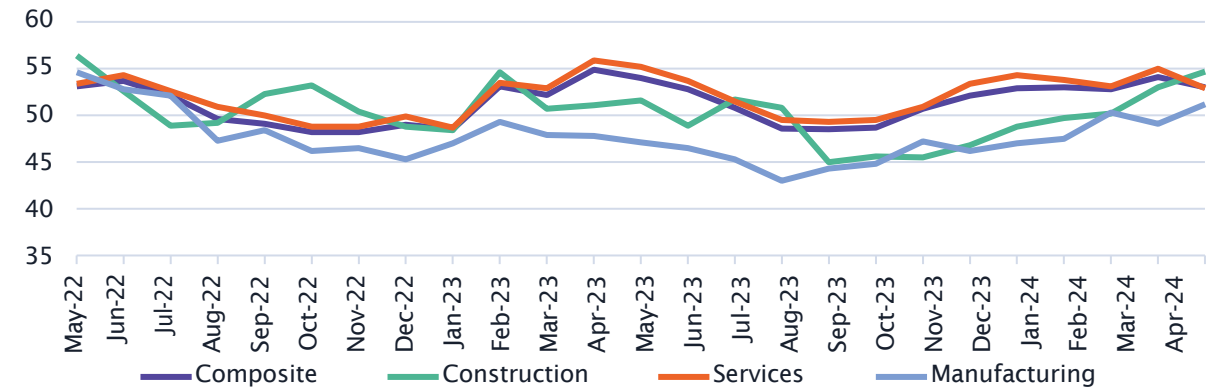
Services GDP grew by **0.2%** m-on-m in April, down from **0.5%** in March. The deceleration was mainly due to a contraction for consumer-facing services (**-0.7%**). In particular, the wholesale and retail sub-sector was hit by poor weather resulting in a decline of **-2.0%**.

The Production sector slowed from **0.2%** m-on-m in March to **-0.9%** in April, in part due to a fall in output of **-1.4%** for manufacturing. The worst hit manufacturing industries were pharmaceuticals and the manufacture of food products.

The Construction sector saw a contraction of **-1.4%** in April, compared to **-0.4%** in March. Poor weather in April hit output for the sector.

Public sector borrowing stood at **£20.5 billion** in April 2024, which was up by **£1.5 billion** on a year earlier. The national debt is currently the equivalent of **97.9%** of GDP. The UK composite Purchasing Managers' Index (PMI) slowed to **53.0** in May, compared to **54.1** in April. A reading of above **50.0** suggests the economy is growing, and the headline PMI figure was in positive territory for a seventh consecutive month.

UK PMI Indices



Source: Macrobond, 2024

The services sector PMI decreased from **55.0** in April to **52.9** in May. However, the manufacturing PMI returned to positive territory, rising from **49.1** in April to **51.2** in May.

Bank of England data reported that credit card debt saw net growth of **£192 million** in April, compared to **£662 million** in March. Mortgage debt increased by **£2.4 billion** in April, compared to a rise of **£462 million** in March.

GfK's UK consumer confidence index rose in May to **-17** from **-19** in April. The reading is low by historic standards – the 10-year average prior to Covid was **-12.8**.

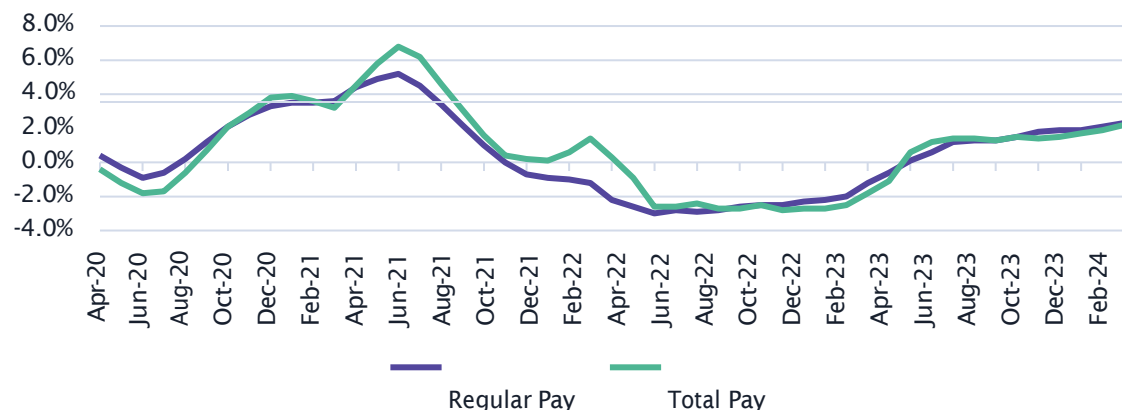
Retail sales volume contracted by **-2.3%** on a m-on-m basis in April, down from **-0.2%** in March. The April figures were impacted by poor weather for much of the country, plus most of Easter fell into March this year.

National Drivers: Economic Trends

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Turning to the labour market, the employment rate decreased to **74.3%** in the three months to April 2024, which is below the **76.6%** figure recorded in February 2020 before the COVID-19 pandemic. The unemployment rate increased to **4.4%**. This is, however, low by historic standards although the labour market appears to be gradually slowing.

Real Terms UK Pay Growth



Source: Macrobond, 2024

Recent indicators point to a moderate decline in demand for workers, such as the number of job vacancies gradually easing to **904,000** in May 2024, after peaking at **1.3 million** in June 2022.

Regular pay growth remained unchanged at **6%** in nominal terms in April, but rose to **2.3%** in real terms. Nominal pay growth peaked in July-August 2023 and has since declined, but in real terms it has increased due to lower inflation.

In terms of inflation, Consumer Price Inflation (CPI) slowed from **3.2%** in March to **2.3%** in April. This saw some further reductions in May and June dropping to **2.0%**.

Core inflation (which excludes volatile items like fuel and food) eased from **4.2%** in March to **3.9%** in April. While core inflation is declining, some commentators are concerned that it is only slowly decelerating.

At the August meeting of the Bank of England's Monetary Policy Committee (MPC), the committee responsible for making decisions on the UK base rate, the decision was taken to reduce the UK base rate to **5.0%**.

The European Central Bank and the Bank of Canada each cut their policy rate in early June. The Swiss National Bank did so earlier in the year. This suggests the global interest rate cycle is moving towards loosening, which is significant given the role overseas investors play in the UK property market.

Avison Young's Economic Outlook

Higher living costs in the UK have been weighing on the consumer side of the economy, in part due to fourteen interest rate hikes since December 2021.

Falling inflation would normally ease this pressure on incomes. However, because interest rates have increased in the last two years, consumers and firms are now spending more on debt repayments, counterbalancing much of the benefit from declining inflation.

The UK GDP and PMI figures show the economy may now be at a turning point, which Avison Young's Chief Economist believes is the start of a new economic cycle. Oxford Economics is currently predicting **0.9%** full year UK GDP growth in 2024, then **2%** in 2025 and **2%** in 2026.

The UK general election took place on the 4th July. The Labour Party won a significant majority, taking **412 seats** and bring a fresh mandate for the next five years. Significantly, this is also the first time in eight years that both the Government and the Mayor of London (plus the mayors of West Midlands, Greater Manchester, Liverpool and West Yorkshire) are from the same party. Whilst activity in the property market initially slowed to digest the implications of the result, Avison Young's Chief Economist expects this to grow in time with added certainty of a new Government.

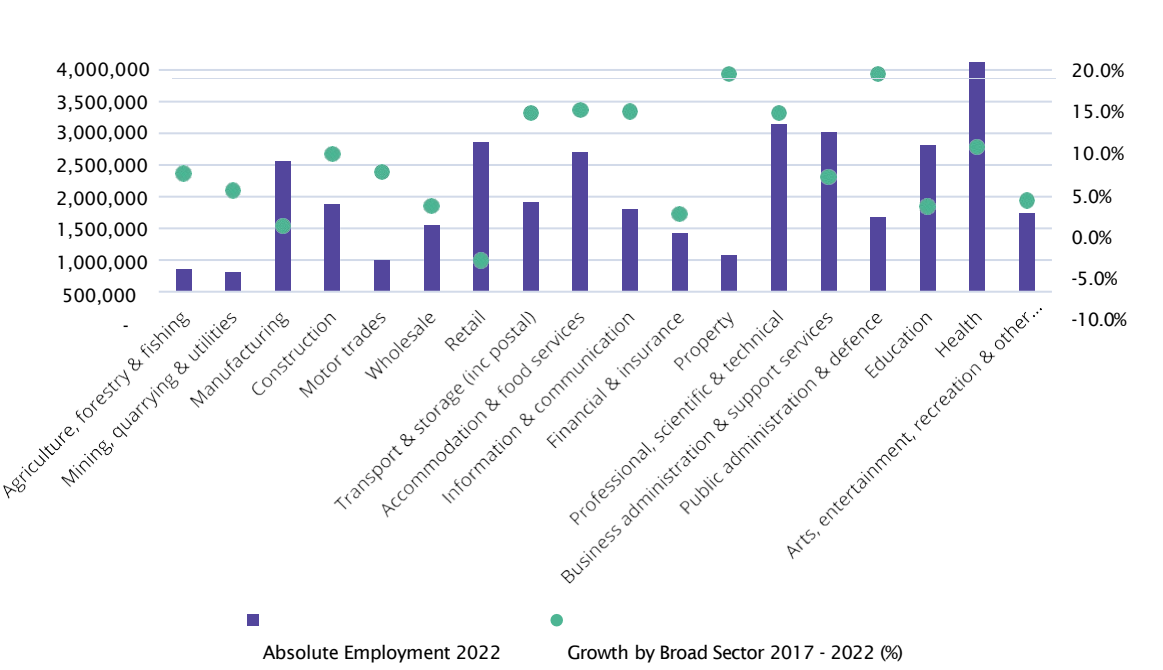
The UK economy is facing significant headwinds such as high government debt levels, volatile financial markets and heightened geo-political risks. A sharp escalation of one or more of these factors would increase the risk of a fresh slowdown for the economy. Consequently, Avison Young's Chief Economist views the risks as being on the downside but less so than at the start of this year.

National Drivers: Economic Trends

In terms of employment, there are currently around **28 million** jobs in England according to the Office for National Statistics (ONS). The largest broad sectors in terms of employment are Health (**3.6m**), Professional, Scientific & Technical Activities (**2.6m**), Business Administration (**2.5m**), Retail (**2.3m**), Education (**2.3m**) and Accommodation & Food Services (**2.2m**).

Over the last five years several broad sectors have experienced significant employment growth in both absolute and proportional terms. These include Property (**+16%**), Public Administration (**+16%**), Accommodation and Food Services (**+12%**), Information and Communication (**+11%**), Transport and Storage (**+11%**) and Professional Scientific and Technical (**+11%**). Some sectors, in contrast, have declined (e.g. Retail, Manufacturing and Financial & Insurance).

England’s Absolute Employment (2022) and Employment Growth By Broad Sector (2017-2022)

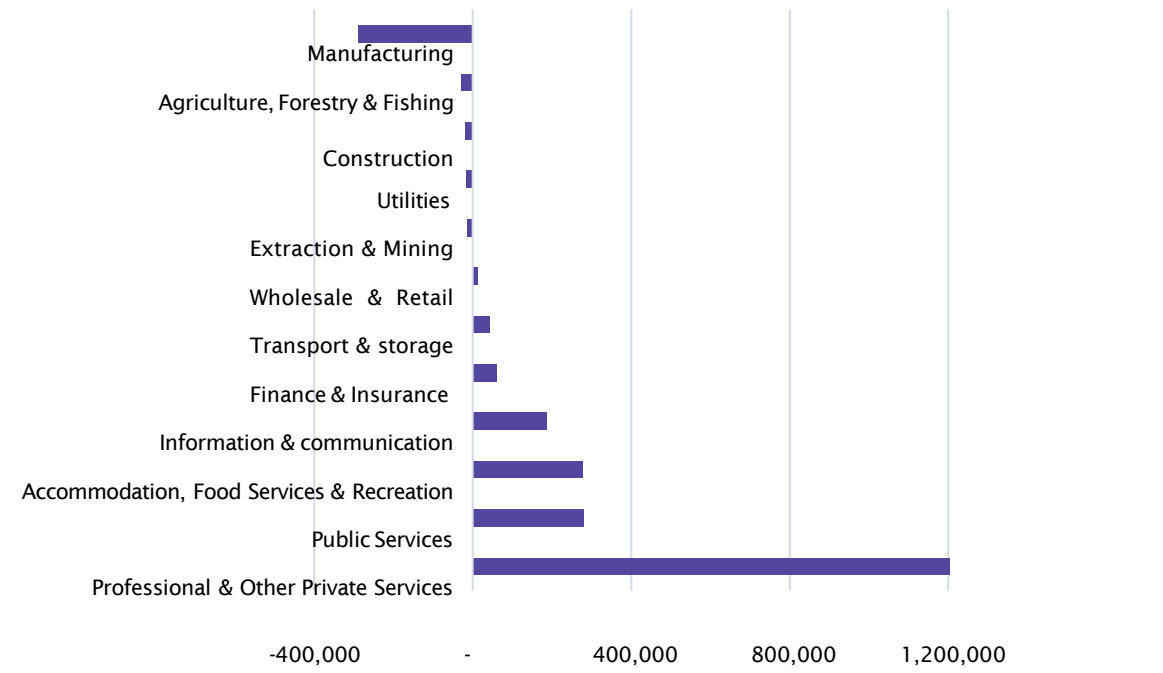


Source: ONS. BRES (2024)

Over the next two decades Experian project that employment growth will be highest in Professional Services (**+1.2m**), Public Services (**+280k**), Accommodation & Food Services (**+276k**), Information & Communication (**+187k**), Finance & Insurance (**+60k**), Transport & Storage (**+44k**) and Wholesale & Retail (**+14k**). Experian use slightly different broad sector categories to the ONS but there is overlap in how they are defined and grouped.

While these categories hide a range of sub-sectors, these industries represent the broad groups that will underpin the country’s future economic growth which, in turn, will drive demand for a broad spectrum of different commercial space and workspace typologies. It is important to note that Government have also identified a range of sub-sectors as national priorities based on more granular economic analysis as discussed overleaf.

United Kingdom’s Projected Absolute Employment Growth By Broad Sector, 2020-2044



Source: Experian. Regional Planning Service (2021)

National Drivers: Recent Economic Policy

The Conservative Government's Economic Development Strategy was *Build Back Better: Our Plan for Growth* (2021) which superseded the preceding *Industrial Strategy* (2017). This plan set out an approach to “*tackling long-term problems to deliver growth that creates high-quality jobs across the UK and makes the most of the strengths of the Union*”.

The plan was structured around three core pillars of growth (Infrastructure, Skills and Innovation) which are accompanied by a series of commitments as summarised below. Three cross-cutting themes, which respond to the former Government's political priorities, are also pervasive throughout the document: (1) levelling up the UK; (2) supporting a transition to net zero; and, (3) encouraging the Government's vision for a Global Britain.

Pillar	Government's Commitments
Infrastructure	<ul style="list-style-type: none"> Stimulate short-term economic activity and drive long-term productivity improvements via record investment in broadband, roads, rail and cities, as part of our capital spending plans worth £100 billion in 2021 - 2022. Connect people to opportunity via the UK-wide Levelling Up Fund and UK Shared Prosperity Fund, as well as the Towns Fund and High Street Fund, to invest in local areas. Help achieve net zero via £12 billion of funding for projects through the Ten Point Plan for a Green Industrial Revolution. Support investment through the new UK Infrastructure Bank which will ‘crowd-in’ private investment to accelerate our progress to net zero, helping to level up the UK. This will invest in local authority and private sector infrastructure projects, as well as providing an advisory function to help with the development and delivery of projects.
Skills	<ul style="list-style-type: none"> Support productivity growth through high-quality skills and training: transforming Further Education through additional investment and reforming technical education to align the post-16 technical education system with employer demand. Introduce the Lifetime Skills Guarantee to enable lifelong learning through free fully funded Level 3 courses, rolling out employer-led skills bootcamps, and introducing the Lifelong Loan Entitlement. Continue to focus on the quality of apprenticeships and take steps to improve the apprenticeship system for employers, through enabling the transfer of unspent levy funds and allowing employers to front load apprenticeship training.
Innovation	<ul style="list-style-type: none"> Support and incentivise the development of the creative ideas and technologies that will shape the UK's future high-growth, sustainable and secure economy. Support access to finance to help unleash innovation, including through reforms to address disincentives for pension funds to invest in high-growth companies, continued government support for start ups and scale ups through programmes such as British Patient Capital, and a new £375 million Future Fund: Breakthrough product to address the scale up gap for our most innovative businesses. Support our small and medium-sized enterprises (SMEs) to grow through two new schemes to boost productivity: Help to Grow: Management, a new management training offer, and Help to Grow: Digital, a new scheme to help 100,000 SMEs save time by adopting productivity-enhancing software, transforming the way they do business.

Under the ‘innovation’ pillar the previous Government identified five key sectors that they believed would shape the UK's future economy: Life Sciences, Creative & Digital, Clean Energy, Fintech and Defence.

- **Life Sciences:** “In life sciences we will build on our performance and leadership to date to create the most advanced genomic healthcare system in the world”.
- **Creative & Digital:** “These industries are a major success story for the UK and a critical driver of innovation and growth. We will work to ensure that these sectors can flourish by nurturing a safe, fair and open digital economy, growing more creative businesses around the country and building on our advantages in foundational technologies like AI, quantum computing and digital twins, including through the National Data Strategy and upcoming Digital Strategy”.
- **Clean Energy:** “In clean energy, we will bring about a green industrial revolution, targeting investment in technologies like carbon capture, hydrogen and offshore wind”.
- **Fintech:** “The fintech sector adds almost £11 billion to the UK economy and employs a workforce of almost 76,500. At Budget 2020, the Chancellor asked Ron Kalifa to lead an Independent Strategic Review of how government, regulators, and industry can maximise the future growth of the UK fintech sector. The Review published its final report *The Kalifa Review of UK Fintech* on 26 February 2021. It addressed a range of priorities for the sector and made recommendations on amendments to UK listing rules, improvements to tech visas, and a regulatory fintech ‘scalebox’. The government welcomes the report and is considering the Review's recommendations”.
- **Defence:** “The Ministry of Defence (MoD) spends more than £20 billion each year with UK industry, supporting a total of over 200,000 jobs across the UK, and serving as one of the largest providers of apprenticeships. The MOD's Defence and Security Accelerator has supported more than 750 innovations by finding and funding ideas. In the forthcoming Defence and Security Industrial Strategy, we will set out further actions we are taking to foster vibrant and innovative UK businesses”.

A range of commitments were made by the Conservative Government to support these priority sectors, which span from the provision of finance to creating the right regulatory environment. The three sectors that the previous Government identified as priority sectors also have specific sector strategies which set out detailed plans to support their evolution and growth. These include the [Creative Industries Sector Deal](#), [Digital Strategy](#), [Life Sciences Vision](#) and [Clean Growth Strategy](#).

Alongside the growth sectors identified earlier in the report these unique specialisms will help drive the country's future economy and therefore generate demand for different commercial space and workspace typologies.

The UK General Election took place on 4th July 2024, and the Labour Party won a significant majority, taking 412 seats and bringing a fresh mandate for the next five years. Significantly, this is also the first time in eight years that both the Government and the Mayor of London (plus the mayors of West Midlands, Greater Manchester, Liverpool and West Yorkshire) are from the same party.

The Labour Party manifesto provides some clear narrative and ambitions for economic policy. The detail on many of these areas is still pending, but the manifesto provides some clues around the types of economic activity that will be supported moving forward.

Strategic Partnership Through Industrial Strategy

- End short-term economic policy making with the establishment of an Industrial Strategy Council, on a statutory footing, to provide expert advice. This will ensure representation on the Council from all nations and regions, business and trade unions, to drive economic growth in all parts of the country.
- The approach will back **research institutions, professional services, advanced manufacturing, and creative industries**. This will ensure a pro-business environment, with a competition and regulatory framework, that supports innovation, investment, and high-quality jobs. Procurement and trade policy will also be aligned with industrial strategy priorities.
- It will also set out plans for the **automotive, life sciences, and creative sectors** and other vital sectors of the economy.

Boosting Investment

- Introduction of public investment, where it supports and de-risks private sector investment, to create jobs growth across the country and drive economic growth. To realise these opportunities Labour will establish a National Wealth Fund. This will include:
 - £1.8 billion to upgrade **ports** and build supply chains across the UK.
 - £1.5 billion to new **gigafactories** so UK **automotive industry** leads the world.
 - £2.5 billion to rebuild the UK **steel** industry.
 - £1 billion to accelerate the deployment of **carbon capture**.
 - £500 million to support the **manufacturing of green hydrogen**.

Driving Innovation

- Ensure the industrial strategy supports the development of the **Artificial Intelligence (AI)** sector and removes planning barriers to new datacentres. Target a National Data Library to bring together existing research programmes and help deliver data-driven public services, whilst maintaining strong safeguards.
- Introduce ten-year budgets for **R&D institutions** that allow meaningful partnerships with industry to support UK innovation.
- Work with **universities** to support spinouts; and work with industry to ensure start-ups have the access to finance they need to grow.
- Support diverse business models which bring innovation and new products to the market. This includes the **co-operative** and **mutuals** sector. Work with the sector to address the barriers they face, such as accessing finance.

Small Businesses and the Self-Employed

- Address challenges with late payments to ensure small businesses and the self-employed are paid on time.
- Reform of the British Business Bank, including a stronger mandate to support growth in the regions and nations to make it easier for small and medium sized enterprises to access capital.

Economic Growth Across the Country

- In England, deepen devolution settlements for existing Combined Authorities. Also widen devolution to more areas, encouraging local authorities to come together and take on new powers.
- Local leaders will work with major employers, universities, colleges, and industry bodies to produce long-term plans that identify growth sectors and put in place the programmes and infrastructure they need to thrive. These will align with the national industrial strategy.
- Provide greater stability through giving councils multi-year funding settlements, addressing challenges without competitive bidding.

National Drivers: Future Economic Policy

Delivery of housing

Labour has also made a commitment to deliver 1.5 million homes over the next parliament. This is to be underpinned by the restoration of mandatory housing targets. The new Government have committed to:

- Ensure that planning authorities have up-to-date Local Plans and reform and strengthen the presumption in favour of sustainable development.
- Support local authorities by funding additional planning officers by increasing the rate of the stamp duty surcharge paid by non-UK residents.
- Ensure local communities continue to shape housebuilding in their area. Where necessary, the Government will make use of intervention powers to build houses.

Labour will take a brownfield first approach, prioritising the development of previously used land wherever possible, and fast-tracking approval of urban brownfield sites. Without changing its purpose or general extent, Labour will take a more strategic approach to greenbelt land designation and release to build more homes in the right places. The release of lower quality 'grey belt' land will be prioritised and the Government will introduce 'golden rules' to ensure development benefits communities and nature. Such activity is likely to drive significant demand for **construction** workers and skills.

NPPF Consultation

In August 2024, the Government issued a consultation on proposed revisions to the National Planning Policy Framework (NPPF). Of most relevance to this study, Chapter 7 of that consultation addresses issues around building a modern economy.

The NPPF proposes changes to the planning system to drive greater commercial development in sectors which will be the engine of the UK's economy in the future. The consultation refers directly to **Laboratories, Gigafactories, Digital Infrastructure, Freight and Logistics**.

The consultation document proposes changes to paragraphs 86 b) and 87 of the existing NPPF. The proposed changes would create a positive expectation that suitable sites for these types of uses are identified in local plans. They give explicit recognition of the need to support proposals for new or upgraded facilities and infrastructure that are key to the growth of these industries.

New wording proposed in paragraph 87 c) aims to support the expansion or modernisation of other key growth industries by consulting on an expectation that additional commercial sites (outside of those identified in paragraphs 87 a) and 87 b)) are identified in plans and positively considered in planning decisions, when they are of local, regional or national importance, and to further support economic growth.



National Drivers: Office Trends

19

The economic downturn precipitated by the COVID-19 pandemic reduced demand for office space across the country in its immediate aftermath. While demand began to recover, this has faltered due to inflation, rising interest rates and the energy crisis. These factors have created a challenging investment market with investors taking a more stringent view of current and future opportunities.

Changing working patterns introduced during the pandemic have also had a significant impact on occupier activity. This is because hybrid working has become the 'new norm':

- Data from a business survey undertaken by the Chartered Institute of Personnel and Development in June 2022 shows that more than three quarters of businesses allow hybrid working through either formal or informal arrangements. Around half expect their employees to be in for at least two days or three days per week.
- Data from a worker survey undertaken by the ONS in January 2023 shows that over **40%** of workers now work at home either all the time or in a hybrid fashion – just under **30%** identified themselves specifically as 'hybrid workers'.

In response occupiers have started to consolidate their office portfolios, with many taking on less floorspace overall than in the past. Many are also looking for higher quality and more flexible commercial space that suits these new working patterns – they are focusing more on wellbeing, collaboration and experience to entice employees to visit offices regularly, rather than a traditional narrower focus on size and location.

This is captured in Avison Young's *Fit for the Future: The Impact of COVID-19 on Workplace and Portfolio Strategies* (2021) research which highlights that employee wellbeing is now at the forefront of occupiers' minds.

This shifting trend is summarised by New London Architecture:

"While businesses are very likely to retain some form of physical office as a base for their community, we should expect this to be combined with higher levels of remote working than ever before. Offices, as a result, will have to adapt, functioning more as data centres... that empower people working outside of the central office, while also maintaining a culture of collaboration that was so central to open-plan offices and co-working spaces".

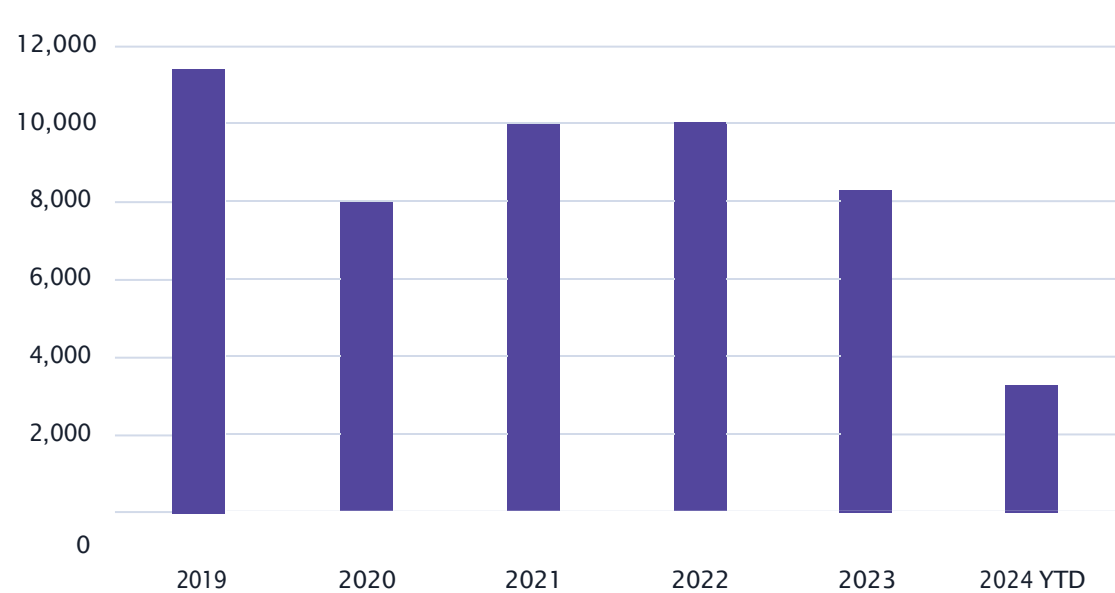


National Drivers: Office Trends

Recent data support these trends with evidence showing that office demand has recovered to an extent. Data from Rightmove and Estates Gazette indicate that enquiries for office space received by commercial agents were **9%** higher between January and April 2023 than in the same 4-month period in pre-pandemic 2019.

These trends are reflected in office take up figures – Avison Young’s most recent *Economic and Property Market Review* shows that total office take-up in Q1 2024 across the Big Nine cities (Birmingham, Bristol, Cardiff, Edinburgh, Glasgow, Leeds, Liverpool, Manchester and Newcastle) amounted to **1.9 million sq ft** which is in line with the ten-year Q1 average and up on the **1.7 million sq ft** in Q1 2023. Central London office take-up was **2.6 million sq ft** in Q1 2024, which matched the long-term average for a first quarter and exceeded the **2.0 million sq ft** figure for the equivalent period of 2023.

Total Number of Office Lease Deals (United Kingdom), 2019-2024 YTD



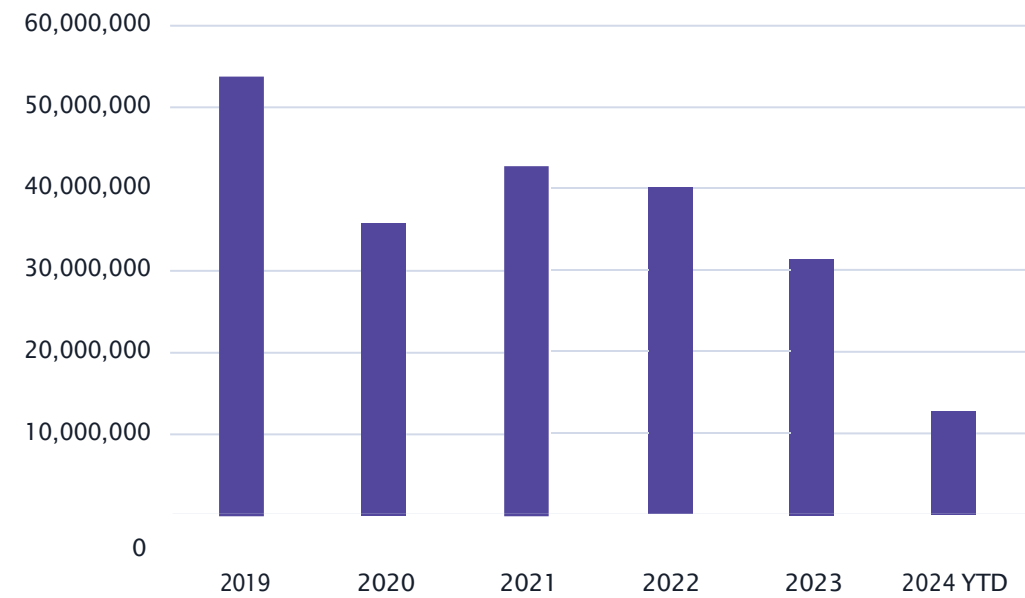
Source: Co-Star (2024)

When considered nationally (rather than for the Big Nine) the picture is, however, more mixed:

- In 2023, there were **8,291** office lease deals and c.**31m sq ft** of floorspace let.
- This sits 15% below the 5-year average (**9,532**) for deals, and 30% below the 5-year average (**c. 40m sq ft**) for floorspace.
- The greater disparity in floorspace relative to number of deals reflects the changing nature of occupier requirements. Since the pandemic demand has grown for smaller floorplate, more flexible office space and this is reflected within the data.

The disparity between UK wide trends and the ‘Big 9’ office markets show the shifting nature of occupier requirements, with an enhanced focus in recent years on urban centres with optimal access to amenities, and a focus on clustering with wider business activity.

Total Office Floorspace Leased (United Kingdom), 2019-2024, Sq Ft



Source: Co-Star (2024)

National Drivers: Office Trends

While demand for office space has started to bounce back, changing working patterns introduced during the pandemic have influenced the nature of office demand. This is because most employees and employers now recognise the personal and productivity benefits of remote working, but understand that it does not provide the community, collaboration and development opportunities offered by in-person interaction.

This is captured in Knight Frank and Cresa's 2024 (Y)OUR SPACE research, which investigates the future of work, workplace and corporate real estate. The publication surveyed 640 corporate real estate professionals.

The survey indicates that **55.7%** of respondents expected their organisation's workstyle in 2026 to be 'hybrid', which reflects a widespread move to this working pattern. This is driving many businesses to look for more flexible commercial space that suits this new working pattern. A further **23.2%** indicated 'office first', whilst just **9.5%** indicated 'fully flexible'.

These shifts are causing occupiers and investors to focus more on wellbeing, collaboration and experience when considering office space rather than a traditional narrower focus on size and location. In response to the question 'What services / amenities do you think your staff will demand from their workplace over the next three years?' the following answers were most popular: (1) Food and beverage offer; (2) Facilities supporting mental wellbeing; (3) Gym facilities; (4) Healthcare facilities; (5) Free / subsidised food and beverage; and, (6) Cycle storage and facilities.

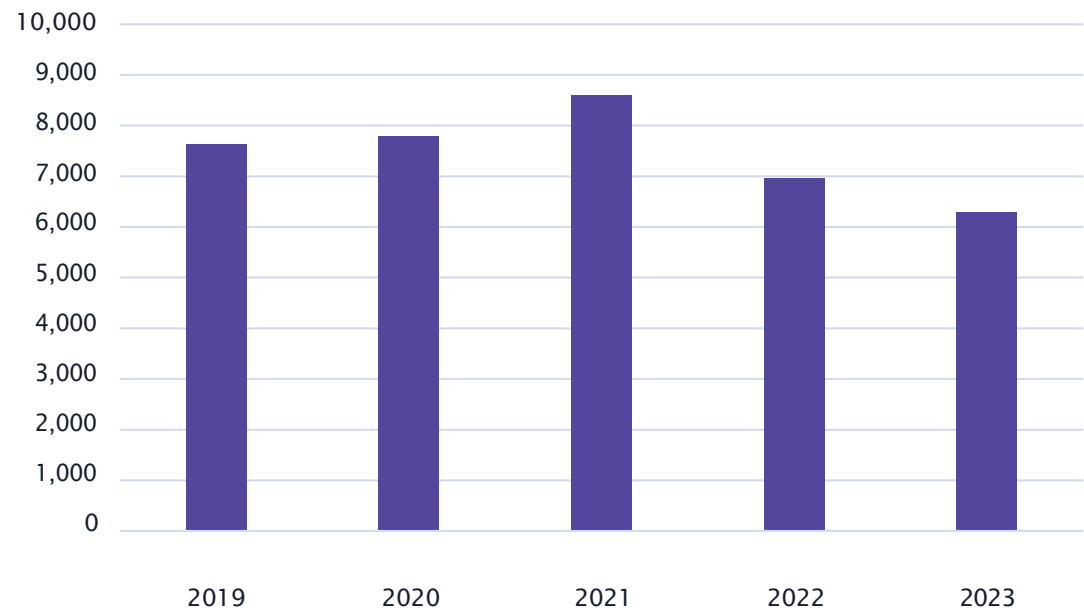
The upshot of this is that the nature of space requirements is starting to shift with occupiers increasingly looking for more flexible space that can respond rapidly to changing business needs, support employee wellbeing and enable collaboration. Rather than looking for large, fixed spaces it is therefore expected that many occupiers will seek space that meets their core needs but also allows them to hire more desks or collaboration space when required.



Demand for space where businesses need to be in situ, and where self-contained units are more common, has been resilient over the course of the COVID-19 pandemic and has remained in demand in the years afterwards. From makerspaces and creative studios to laboratories, logistics space and data centres, demand has remained strong and waiting lists have grown. These are all loosely categorised under industrial or light industrial uses.

The national industrial market saw very strong levels of take up in the immediate years following COVID-19, particularly in 2020 and 2021 where record levels of take-up were achieved. This has tapered in recent years reflecting changing economic conditions and the fact that industrial uses remain very well occupied. High interest rates have also reduced investment decisions inhibiting the growth of supply and therefore take-up. Avison Young’s research shows that in Q1 2024, take-up of big-box (100,000 sq ft+) grade A units totalled **4.7 m** sq ft, a 16% decrease year-on-year (YoY) and 33% lower than the 5-year (Q1) average. Despite this context, prime headline rental growth has remained robust.

Total Number of Industrial Lease Deals (United Kingdom), 2017-2024

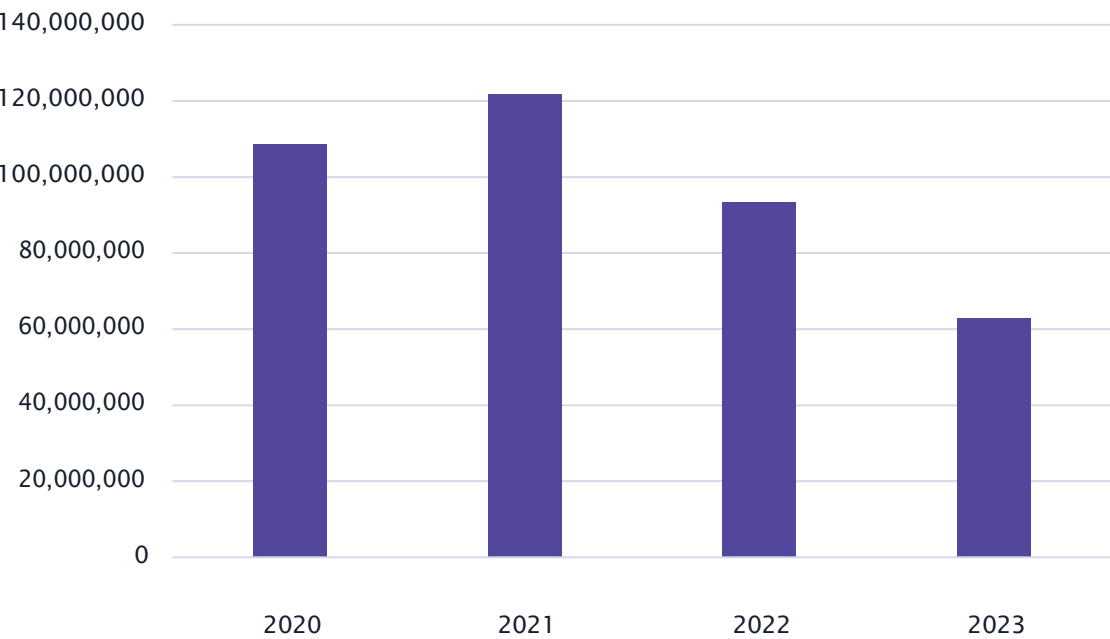


Source: Co-Star (2024)

These trends are reflected in the figures below which draw on data from Co-Star. This data shows that:

- Take-up has tapered off from record years in 2020 and 2021 but remains robust, even in the context of challenging economic headwinds.
- Larger floorplate activities such as logistics continue to form a large proportion of industrial demand. This is reflective of changing consumer spending habits, and growth in online shopping.
- National vacancy rates sit as 4.7% which suggests a lack of supply particularly given the diverse range of places and premises types captured.
- High line prime rents have remained steady over the past few years.

Total Industrial Floorspace Leased (England), 2015-2024, Sq Ft



Source: Co-Star (2024)

Whilst some of this activity may fade away as the impact of the pandemic recedes, many of the changes seen in consumer behaviour are likely to endure. PwC's Emerging Trends in Real Estate Report (2021), which is based on surveys and interviews with hundreds of real estate experts across Europe, predicts that **logistics**, **life science** and **data centre** activity is expected to continue to remain strong in the future driving demand for industrial space.

The COVID-19 pandemic has underlined that our industrial and logistics infrastructure are, alongside roads, rail, airports and ports, an integral part of the country's critical infrastructure, supporting supply chains and ensuring we can all meet our day-to-day needs.

While the pandemic did not necessarily create new dynamics in the industrial and logistics market, it accelerated trends that were already shifting business and consumer behaviour. Some of these include:

- **On-Shoring:** Linked to both Brexit and the COVID-19 pandemic, many occupiers have increased their stock holding and contingency capacity to increase resilience in supply chains. Geo-political conditions such as the war in Ukraine and the Suez Canal obstruction in 2021 have furthered this trend. Many are on-shoring storage activity that has traditionally been undertaken overseas to avoid any disruption resulting from border controls. Agents also expect to see some reshoring of manufacturing from Europe and the Far East to improve resilience in global supply chains.
- **Automation:** The development of new advanced technology is leading to an increase in automation across many industrial sectors. This is creating demand for industrial units with both greater building heights, particularly those in excess of 20m, and good levels of electrical power. Whilst automation is being increasingly adopted to improve efficiency this is usually in conjunction with a warehouse labour force rather than as a direct replacement. This is because there are tasks such as co-packing which required human processing.
- **E-Commerce:** The UK already had the highest penetration of online sales in the world and the various lockdowns accelerated this trend. E-commerce can be split into two main categories, food and non-food retail, and activity in both parts of the industry increased significantly during and after the pandemic. This rising consumer demand led to an immediate reaction across the e-commerce sector, focused on the largest multi-million sq ft buildings to last mile logistics facilities below 100,000 sq ft.

- **Technology:** Many industrial sectors are going through a technological revolution. This is particularly the case for the automotive industry which is seeing a transfer from the internal combustion engine to electric motors which requires major investment by the industry in new technology. The Government is supporting this changing environment with the establishment of the *West Midlands Gigafactory* adjacent to the Park, and it is expected that a number of other Gigafactories will come forward across the country in coming years to support battery production.

Future of Urban Logistics

Commentators also expect that the rise in experimentation with hyper-local delivery methods will impact future thinking on local supply chains. Consumer demand for competitive prices and short delivery times has increased during the pandemic and the last mile of delivery has become even more complicated and expensive. As a result, urban logistics, which focuses on short distance delivery based out of urban hubs, warehouses and transportation, is of growing interest.

Urban logistics hubs have an important role to play in promoting clean and efficient freight activity. This is because the use of hubs supports the rationalisation of goods and can utilise the use of low and zero emission vehicles. This reduces the number of delivery vehicle trips, can lead to better management of congestion at peak times and an overall reduction in emissions. According to Steer, some of the factors that are critical for a new urban logistic hub sites include good access to the strategic road network, security, sufficient height clearance and reasonable costs. If the conditions are right, this can encompass a wide range of sites including car parks, railway arches or other 'spare' available space.



DPD Urban Logistics Hub, Vandon Street Westminster (St James's Park)

- Fleet: 10 electric vans and eight micro-vehicles
- Operation: parcel distribution by electric vehicle
- Investment: £500k initially, £3m over next ten years
- Area: two square miles in central London

3. Regional Drivers



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The South-East Midlands location makes it attractive to businesses



The South-East Midlands is located in a strategic position due to its proximity to Oxford, Cambridge London and Birmingham. This presents opportunity and demand for commercial space in the region.

There are several sectors that are expected to drive the region’s future economy



Growth sectors include Professional Services, Public Services and Transport & Storage. These sectors are expected to drive the future regional economy. Motor Trades and Transport & Storage are local specialisms relative to the national economy.

The South-East Midland’s office market is facing supply pressures



South-East Midland’s office vacancies have consistently remained below 5%, with rental values growing +51% in the last decade.

Implications for South-East Midlands

- Demand for commercial space is strong in the South-East Midlands, particularly industrial space. This is driven in part by business specialisms in the region such as Motor Trades, Transport & Storage and Business Services.
- Limited supply, and tight vacancies for both office and industrial stock are driving rental value growth. Provision of more space, and affordable space options will be critical to support MSEs.
- Provision of space should target key growth sectors, including Professional Services, Public Services and Transport & Storage.

Demand for industrial space has remained strong



The South-East Midland’s industrial market has also seen positive trends over the last few years, with strong take-up, consistently low vacancies and strong rental value growth owing to rising demand and limited supply.

Local government and regional plans are key for economic development



The transition of Local Enterprise Partnership control to local authorities will be crucial for economic development. The current plans emphasise a need to grow places, people and businesses towards increasing productivity by 2050.

Affordability can be a major issue for Micro and Small Enterprises across the region



Constrained supply, coupled with high levels of demand, have increased commercial rents across the region in recent decades. This will likely be felt most within the MSE business community.



Regional Drivers: Economic Trends

The South-East Midlands is located in a strategic position in relatively close proximity to Oxford, Cambridge, London and Birmingham. It generated roughly **£56billion** in Gross Value Added (GVA) in 2022. It is home to clusters of business and has expertise in High Performance Technology, Precision Engineering, Digital and Creative, Agri-tech, Food & Drink and Logistics.

The region's economic trends roughly mirror those at the national level over the last few years, with marginally lower levels of growth observed. The economy experienced **+19%** growth in GVA over the last five years compared to **+21%** nationally.

The South-East Midlands has several sectors contributing to its economic output. Some of the key sectors include Wholesale and Retail Trade; Repair of Motor Vehicles (**£1.7 million**), Finance and Insurance Activities (**£1.6 million**), Real Estate Activities (**£1.4 million**), Manufacturing (**£1.4 million**) and Construction (**£1.4 million**).

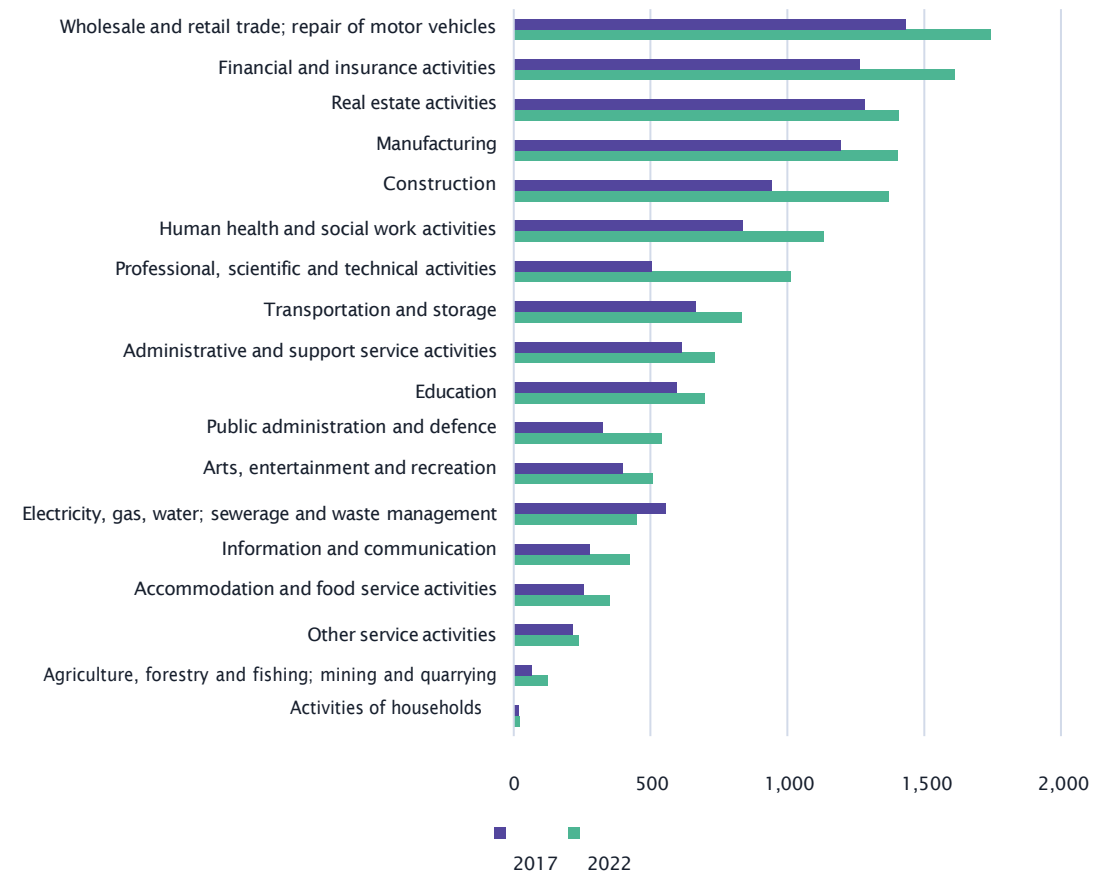
GVA Change (Index=100), 2017-2022



However, the sectors that have witnessed the most growth over the last five years have been: Professional, Scientific and Technical Activities (**+101%**), Agriculture, Forestry & Fishing (**+87%**), Public Administration & Defence (**+65%**), Information and Communication (**+53%**) and Construction (**+45%**).

All sectors have increased in GVA over the last five years with the exception of Electricity, Gas, Water and Sewerage which has decreased by **-19%**.

GVA by Sector (£million), 2017-2022



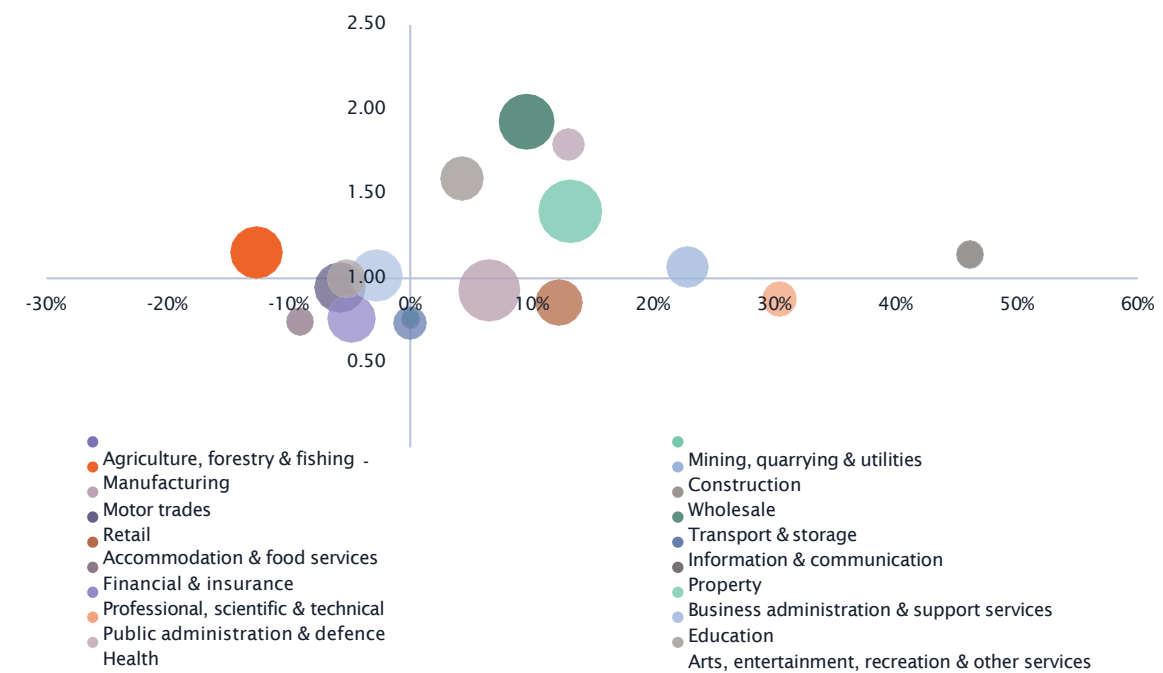
Source: ONS. Regional gross value added (balanced) by industry (2022)

Regional Drivers: Economic Trends

The South-East Midlands currently hosts around **854k** jobs according to the ONS. The largest broad sectors in terms of employment are Business Administration & Support Services (**103k**), Health (**98k**), Transport & Storage (**80k**), Manufacturing (**69k**), Education (**69k**) and Retail (**65k**). The region also has specialisms in Transport & Storage, Motor Trades, Wholesale and Business Administration & Support Services sectors versus the rest of the country.

Over the last five years, several broad sectors have experienced significant employment growth. This includes Property (**+46%**), Public Administration & Defence (**+30%**) and Construction (**23%**). Some sectors, in contrast have declined (e.g. Manufacturing, Finance and Insurance, Retail and Arts, Entertainment, Recreation and Other Services).

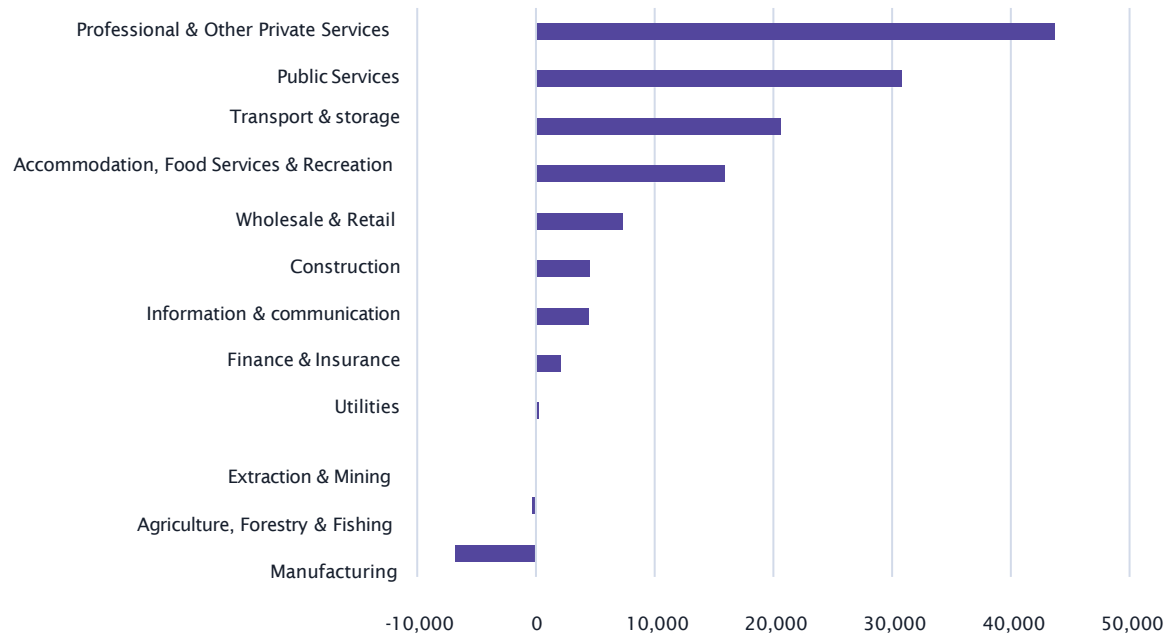
South-East Midlands Broad Sectors By Growth, Size and Specialism (2017-2022)



Over the next two decades, Experian project that employment growth will be the highest in Professional & Other Private Services (**+44k**), Public Services (**+31k**), Transport & Storage (**+21k**) and Accommodation, Food Services & Recreation (**+16k**).

Overall, projections show that there will be a **+13%** increase in employment growth. By focusing on skills development, infrastructure investment and collaborative initiatives, the region can ensure that its workforce is prepared to meet the demands of the evolving economic landscape.

South-East Midlands Projected Absolute Employment Growth By Broad Sector, 2024-2041



Note 1 : X Axis = Employment growth, 2015-2020; Y Axis = Concentration of sector employment vs national economy; Bubble = Size of sector.

Note 2: Y Axis = A figure (Location Quotient) above 1 indicates that London has a sector specialism versus England.

Regional Drivers: Current Economic Policy

In his 2023 Spring Budget statement to the House, the Chancellor at the time, Jeremy Hunt MP announced that Government will consult on transferring responsibilities for local economic development from Local Enterprise Partnerships to local authorities. These changes were implemented from April 2024. West Northamptonshire Council now oversee the regional teams delivering Growth Hub business support and investment services, the South East Midlands Careers Hub and economic evidence and strategy on behalf of the whole area.

Notwithstanding these changes, publications from SEMLEP provide useful economic context. The South-East Midlands *Strategic Economic Plan (2017)*, for example, sets out strategic investments and future actions aimed at boosting the region's economy and ensuring sustainable growth. The plan, which will shape future economic strategy in the area, is structured around three core themes: Growing Business, Growing People and Growing Places. The key objectives and priorities are summarised below:

Growing Business

This focuses on delivering economic growth through leveraging the region's strengths in high-performance technology, and other sectors to deliver commercialisation of innovation and driving growth within the Cambridge-MK-Oxford corridor. The plan seeks to deliver increased levels of private sector investment into the development of key businesses within the area to ensure sustainable employment. Growing businesses also includes delivering greater trading activity between companies and global markets.

Growing People

This theme focuses on developing a skilled workforce with key objectives to deliver an employer-led approach to skills attainment. This targets specific skills shortages to align educational outcomes with industry needs, thereby enhancing employability and productivity. The plan suggests the provision of 170,000 apprenticeships by 2025/26.

Growing Places

This theme is focused on creating physical and digital infrastructure to support growth. It emphasises the aim of local authorities to deliver sufficient new homes with 130,000 planned by 2025/26 to meet both projected household growth and housing need. Other objectives include delivering improved broadband and wireless connections to support the development of new technologies and connectivity, and reducing emissions and improve energy efficiency.



Regional Drivers: Current Economic Trends and Performance

The SEMLEP Business Survey 2023 completed 1,882 interviews via telephone between October and November 2023. Key findings indicate:

- **Business performance and confidence** remain **subdued** compared to 2019, albeit less so compared to 2021, due to impacts of general economic conditions (rather than specific issues related to the pandemic or Brexit).
- The impact of the UK leaving the European Union remains, but perhaps less so, with imports, exports and the cost of business the main issues, as well as labour availability for larger businesses.
- The SEMLEP area is a **positive business environment**, which represents a potential pull for **inward investment** (although there is demand for continued progress and investment in the region).
- The availability of skills remains an issue, especially amongst larger businesses, with hard-to-fill vacancies and **skills shortages** having implications for business growth, although skills gaps continue to reduce.
- After a fall in the proportion of businesses offering or considering apprenticeship programmes (including among levy payers), this is back at earlier, pre-COVID levels.
- Levels of **innovation** are back at 2019 levels, however the economic climate and financial issues are the main constraints.
- Whilst there is a lot of goodwill and good intentions towards **cutting carbon** and becoming more environmentally friendly, solid commitments to targets and deadlines are few and far between. There is perhaps subtle positive change.
- Only a minority of businesses are actively adopting **inclusive recruitment** practices, although this is more prevalent amongst larger businesses.
- There is an appetite for **tangible regional economic development activity**, centred around infrastructure and investment, as well as demand for business grants especially amongst smaller businesses.
- Support around **access to finance, managing cash flow and business grants** could help businesses through the current economic challenges and promote growth.
- Businesses looking to re-locate were most commonly **looking for premises under 5,000 sq ft**. The most common reason for considering re-location were to reduce cost, or to move to **larger premises**.
- Whilst there is some consistency in findings across different types of businesses, there are also variations based on business size, sector and geography (including urban and rurally located businesses). This demonstrates the importance of segmenting businesses and developing appropriate strategies and support packages based on those segments (including for scale-up and pre-scale-up businesses), within a wider regional economic development and business growth approach.

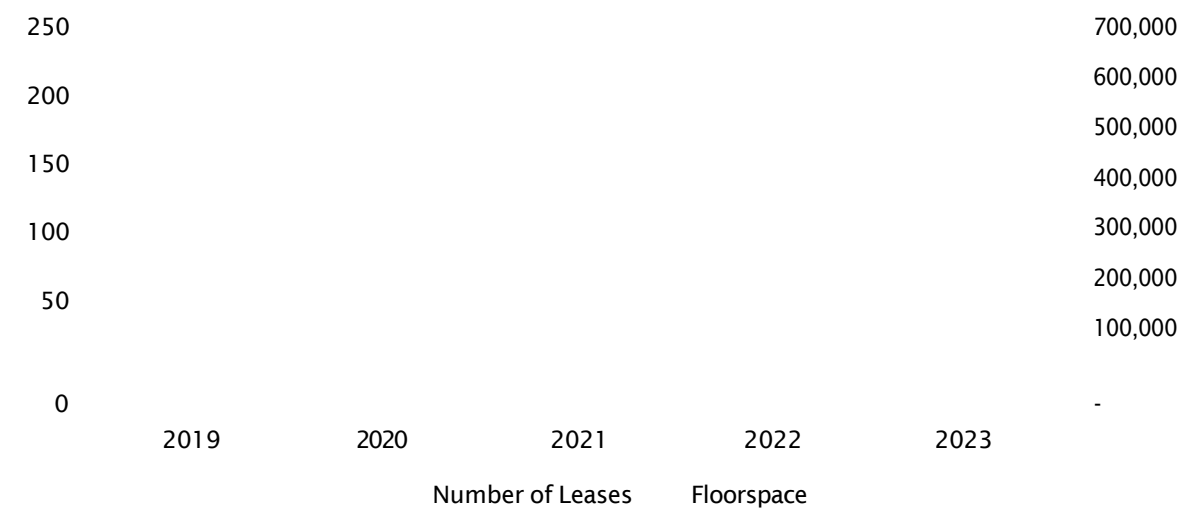


Demand for flexible office spaces, including co-working environments and serviced offices has increased across the South East Midlands and nationally. Businesses are increasingly seeking adaptable workspaces that can accommodate hybrid working models, reflecting a broader shift towards flexibility in the post pandemic era. Office rents and occupancy rates have also been on the rise. Office rent across the region have increased by up to 51% in the last 10 years, now commanding roughly £18/sqft.

These trends in the South-East Midlands office market are reflected in the figures below which draws on data from Co-Star:

- In 2023, 166 leases were signed, representing a c. **-7%** reduction on the five-year average (**178**). Notwithstanding this, there was a significant increase in floorspace leased (**+29%**) in 2023 against the five-year average.
- On the whole, this demonstrates resilient performance in the South-East Midlands office market in the context of challenging headwinds. Leases were largely for smaller stock, reflecting the shift in occupier space preferences. However, 2023 did see some larger deals, driving the overall floorspace increase against 5-year trends.
- Vacancy rates sit at **3.6%** showing a general imbalance between demand for office space and existing supply.

Total Number and Floorspace of Office Lease Deals (South-East Midlands), 2019-2024

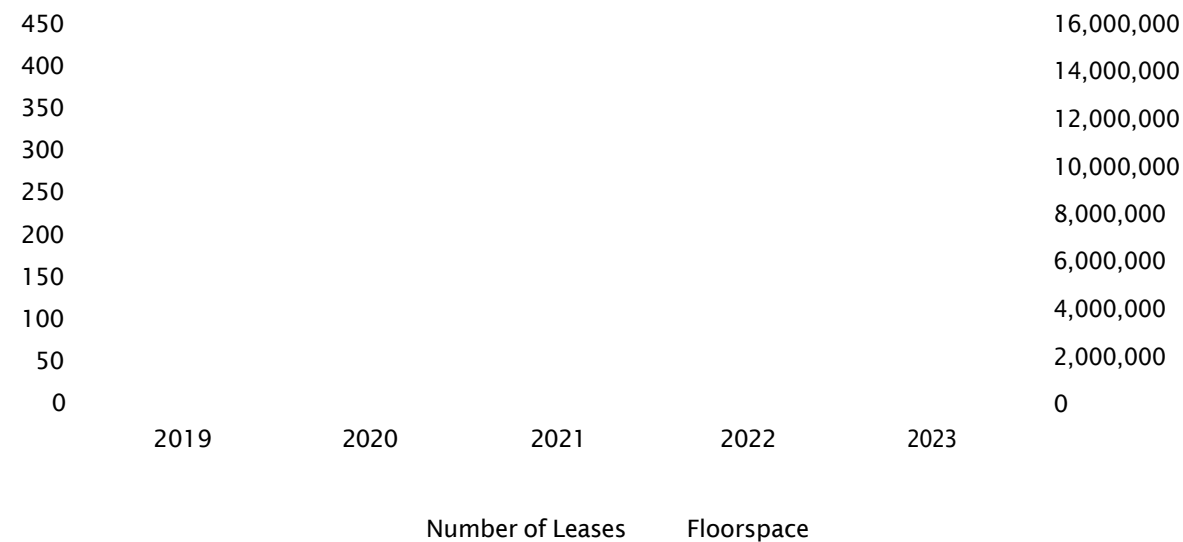


The rise of e-commerce has significantly influenced the industrial market, driving demand for warehousing and distribution centres. This trend has been particularly prominent since the COVID-19 pandemic accelerated the shift towards online shopping, necessitating greater logistics and storage capacities. In the South-East Midlands specifically, ongoing infrastructure improvements and business sectors such as engineering and manufacturing has influenced the demand for industrial space.

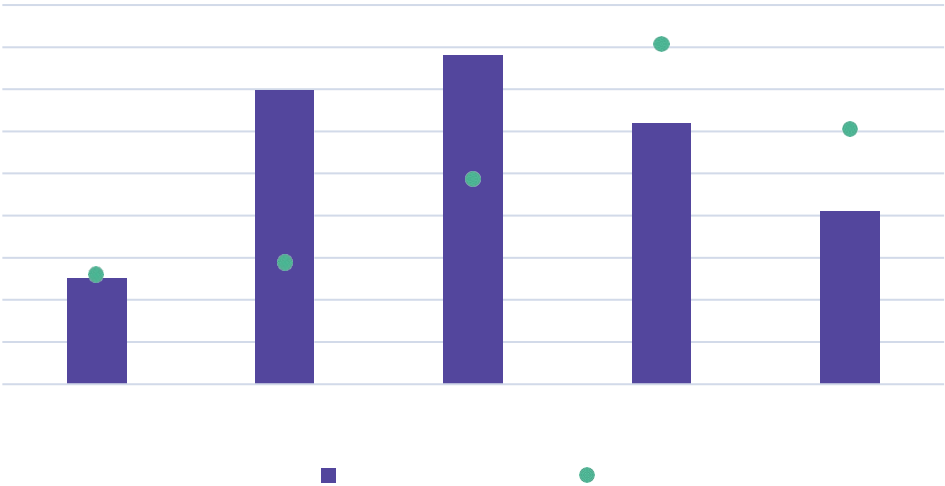
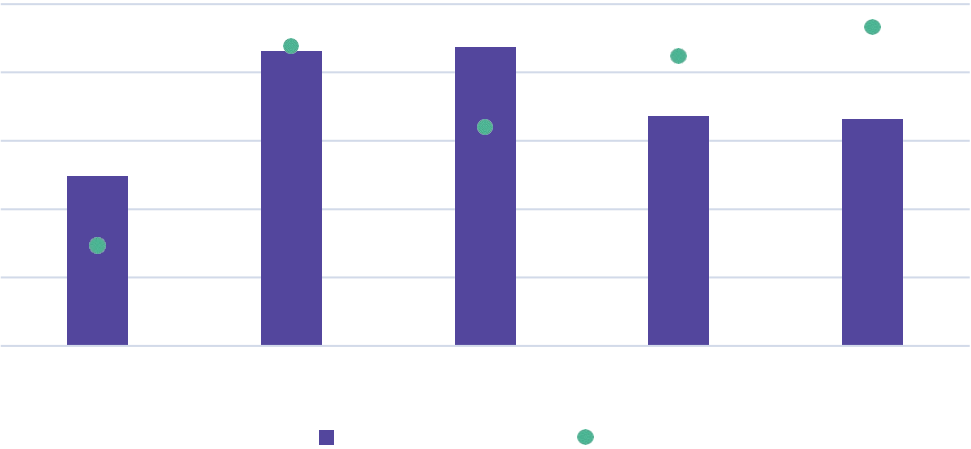
These trends are reflected in the figures below which draws on data from Co-Star:

- Throughout the 5 years, leasing activity in the South-East Midlands has remained high, indicating strong demand for industrial space, particularly in 2021 with **390** industrial leases and over **14 million sqft** of industrial leases. Vacancy rates are also relatively low at **3.8%**.
- In line with national trends, 2023 leasing activity shows a tapering of deals done. However, total floorspace leased indicates that there has been a shift in the size of industrial space needed to reflect larger e-commerce requirements.

Total Number and Floorspace of Industrial Lease Deals (South-East Midlands), 2019-2024



Source: Co-Star (2024)



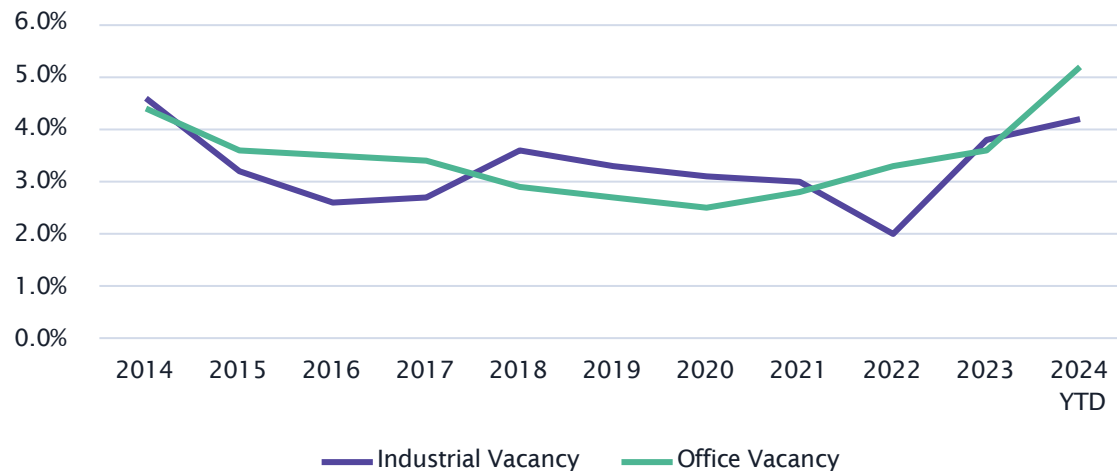
Regional Drivers: Commercial Pressures

The South-East Midlands has a diverse commercial property market made up of a wide range of sub-markets. Milton Keynes is one of the significant submarkets and is a centre for business and innovation, and Luton has a strong emphasis on aerospace given the presence of Luton Airport.

The region's commercial property market does, however, face a wide range of challenges that primarily link to high demand, constrained supply and ever-decreasing affordability. This is disproportionately impacting Micro and Small Enterprises (MSEs) which typically operate closer to the margins and are more sensitive to changes in rents and lease terms.

Warehousing and logistics is an important component of the region's economy. According to data from the *Warehousing and Logistics in the South-East Midlands Report (2022)*, warehouse specific employment accounted for **6%** of all employment. As a result, the amount of floorspace in logistics units has grown across all local authorities since 2012, particularly in Bedford. There is roughly **24million sqft** of logistics floorspace with planning permission or under construction in the area between 2022 and 2025. This presents numerous opportunities for the industrial ecosystem, driving demand through supply chains for smaller units and creating skills clusters. However, it also exerts pressure on the smaller industrial market by competing for land use and resources.

Change in Office and Industrial Vacancy Rates (South-East Midlands), 2014-2024



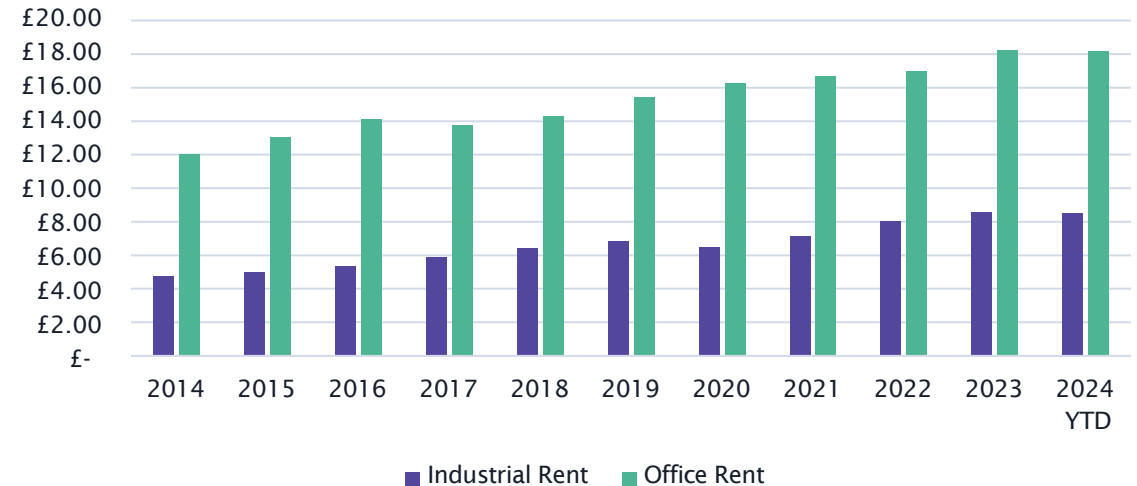
Constrained Supply

The issue of constrained supply is notable in relation to office and industrial space – over the last decade, vacancy rates have consistently remained below 6-8%, which would generally be regarded as a healthy rate that allows for churn.

Total industrial floorspace has increased by **32%** in the last decade, however, continued low vacancy rates indicate there is likely greater depth of demand in the market than space provision.

Tight supply against a strong basis of demand has led to growing rental values across the South-East Midlands over the last decade. Office rents have increased significantly, rising by an average of **+51%** from **£12.05/sqft** to **£18.16/sqft**. Similarly, industrial rents have increased by **+79%**, rising from **£4.73/sqft** to **£8.48/sqft**.

Change in Office and Industrial Rent (South-East Midlands), 2014-2024



Source: Costar (2024)

4. Local Drivers



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Snapshot of Findings: Local Drivers

West Northamptonshire has a growing and dynamic economy



West Northamptonshire hosts around **227,000** jobs in total which represents an increase of **+3%** or **+7,000** jobs over the past five years. Business numbers have declined over the same period, but this has not had a net negative impact on the area's employment count.

Northampton and Silverstone have driven recent economic growth



Over the past five years of available data most employment growth has been in and around Silverstone (**+25%** or **+1,000** jobs), Northampton (**+2%** or **+3,000** jobs), and Towcester (**+14%** or **+500** jobs).

West Northamptonshire's economy is dominated by Micro and Small Businesses



98% of businesses in West Northamptonshire are micro businesses, employing between 0 and 9 people, or small businesses employing between 10 and 49 businesses.

Business Start Up and Self Employment Rates are Declining



Over the past five years the business start up and self-employment rates have fallen marginally to **11%** and **9.1%** respectively. The proportion of high growth businesses is also lower than at the national and regional levels which suggests a limited innovation ecosystem.

Industrial sectors play an integral role in West Northamptonshire's economy



Some of the largest sectors by employment include Transport & Storage (**23,000** jobs), Manufacturing (**17,000** jobs), Wholesale (**12,000** jobs) and Construction (**12,000** jobs). Public Services and Health sectors are also prominent, as are Professional Services and Business Administration.

Each of West Northamptonshire's towns has unique economic strengths and opportunities



Bar Towcester, all towns have clear industrial specialisms. These include Manufacturing (Brackley and Daventry), Transport & Storage (Daventry and Northampton), Motor Trades (All), Construction (Brackley) and Wholesale (Brackley, Daventry and Northampton).

West Northamptonshire has several sectors that are specialised and growing



Key opportunity sectors include Transport & Storage, Motor Trades/Advanced Engineering, Construction, Wholesale and Food Manufacturing. These present opportunities for future growth across the county, with strengths in particular locations.

These specialised and growing sectors have a range of start and scale ups



An Innovation Study undertaken on behalf of the University of Northamptonshire shows that many of these opportunity sectors have concentrations of scale-up and start-up activity across the county.

Snapshot of Findings: Local Drivers

There is low supply of industrial stock below 5,000 sq ft



Industrial stock is the dominant space typology across West Northamptonshire. However, below 5,000 sqft there are just **483** industrial units relative to **831** office units, demonstrating a supply squeeze for small industrial and light industrial space.

There has been limited delivery of additional stock below 5,000 sqft



West Northamptonshire has seen minimal growth in industrial space below 5,000 sq ft between 2009 and 2024 (**c. 3%**). This sits against **+53%** for office space. These figures are low in all of the key towns.

Most industrial stock below 5,000 sqft is dated and in poor condition



Most conventional industrial space within West Northamptonshire is on traditional industrial estates on the outskirts of the key towns. Stock is generally dated and in poor condition. This is most evident in space below 5,000 sqft.

There are some strong examples of specialist workspace



These include, but are not limited to Vulcan Works, BizSpace and The Old Granary in Northampton, and the Icon Centre in Daventry. Most of these spaces are 'clean' in nature, with a lower provision of some of the more industrious typologies that this study seeks to explore.

There is also some science and innovation space across West Northamptonshire



There are examples of space provision catering to these sectors in the key towns. This is most pronounced in Northampton which hosts Northampton University Innovation Centre and Northampton Waterside Enterprise Zone, and in Silverstone with Silverstone Park and the Innovation Centre.

Industrial vacancy rates remain low



Industrial vacancy rates remain low across West Northamptonshire (**4.3%**), and each of the key towns. When isolated to industrial stock below 5,000 sqft, the vacancy rate drops to just **3.4%**, indicating an important requirement for delivery of additional space.

Both office and industrial sectors have experienced strong rental value growth



Office (**+15%**) and Industrial (**+19%**) rental value growth in West Northamptonshire between 2019 and 2024 is putting pressure on occupiers across the county, and in each of the key towns. We expect MSEs to experience the most acute affordability pressures.

There are viability challenges impeding delivery of space



Cost and value comparison indicates that there are significant viability challenges for the delivery of light industrial space below 5,000 sq ft. Conversations with agents within the market support this view.

Snapshot of Findings: Local Drivers

The existing portfolio of space does not cater to occupier demand



Engagement with stakeholders indicates that there is a requirement for higher quality space below 5,000 sq ft at affordable rents, and at range of sizes, to fully support occupiers with ambitions to grow.

There is limited additional space coming forward in the planning pipeline



Whilst there is some additional space coming forward within West Northamptonshire and each of the key towns, a large proportion of this reflects changes of use (most commonly within related use-classes), or extensions to existing business space. This suggests that the supply pipeline will struggle to keep up with demand from a quantitative and qualitative perspective.

There are opportunities to deliver development



The most suitable opportunities vary by key town but can be summarised into: A) Existing industrial sites; B) Within regeneration schemes; and C) In town centres where there are vacant or under-utilised buildings.

Given viability challenges, WNC will likely need to play an important role to support delivery.

Implications for West Northamptonshire

- West Northamptonshire has an important economy. Reflecting its strategic location and labour market, the area's economy is dominated by industrial sectors, with economic specialisms in Transport & Storage, Motor Trades, Advanced Engineering, Wholesale, Food Manufacturing and Construction. Future business space policy and practice should prioritise these industrial specialisms to ensure that business space opportunities create positive impact, respond to local demand and align with wider ambitions.
- Due to limited delivery of additional stock, vacancies are very tight, and rents are rising. This is driving affordability challenges, particularly for MSEs. There is a critical need for delivery of both traditional industrial and light industrial space, and more niche industrial workspace types such as workshops, maker spaces, creative studios and flexible kitchens to meet demand and help ease affordability pressures.
- There are geographical differences in economic activity with different towns having distinct specialisms. As economic growth is best achieved by building on existing economic strengths, rather than building from scratch, specific sectors should be prioritised spatially.
- Due to the nature of viability challenges for light industrial space below 5,000 sqft, it is unlikely that the market will deliver space without some form of public sector intervention. WNC will need to consider the range of tools available to support delivery. The most suitable sites are likely to be within existing industrial estates, in regeneration schemes, or in vacant or under-utilised town centre buildings.

4A: What are the characteristics of West Northamptonshire's economy



This sub-section sets out a deep dive into the size, nature, characteristics and trajectory of West Northamptonshire's local economy. It utilises statistical data from secondary sources, and information gathered through on-the-ground mapping and consultations. The purpose is to provide an overview of existing economic strengths, specialisms and clusters that future business space opportunities can build on.

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West
Northamptonshire
Council

AVISON
YOUNG

Local Drivers: Characteristics of Local Economy

West Northamptonshire hosts around **227,000** jobs in total which represents an increase of **+3%** or **+7,000** jobs over the past five years. The highest levels of employment are seen in Northampton (**146,000**), followed by Daventry (**15,000**), Brackley (**7,000**), Silverstone (**5,000**) and Towcester (**4,000**).

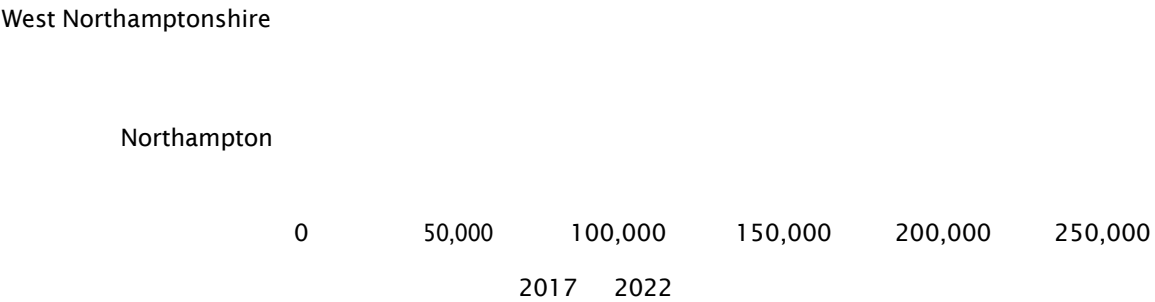
Most areas have seen modest employment growth between 2017 and 2022. Proportionally, the highest growth has been seen around Silverstone (**+25%** or **+1,000** jobs) which is likely to reflect the significant delivery of new employment space at Silverstone Park.

This is complemented by growth in Northampton (**+2%** or **+3,000** jobs) and Towcester (**+14%** or **+500** jobs):

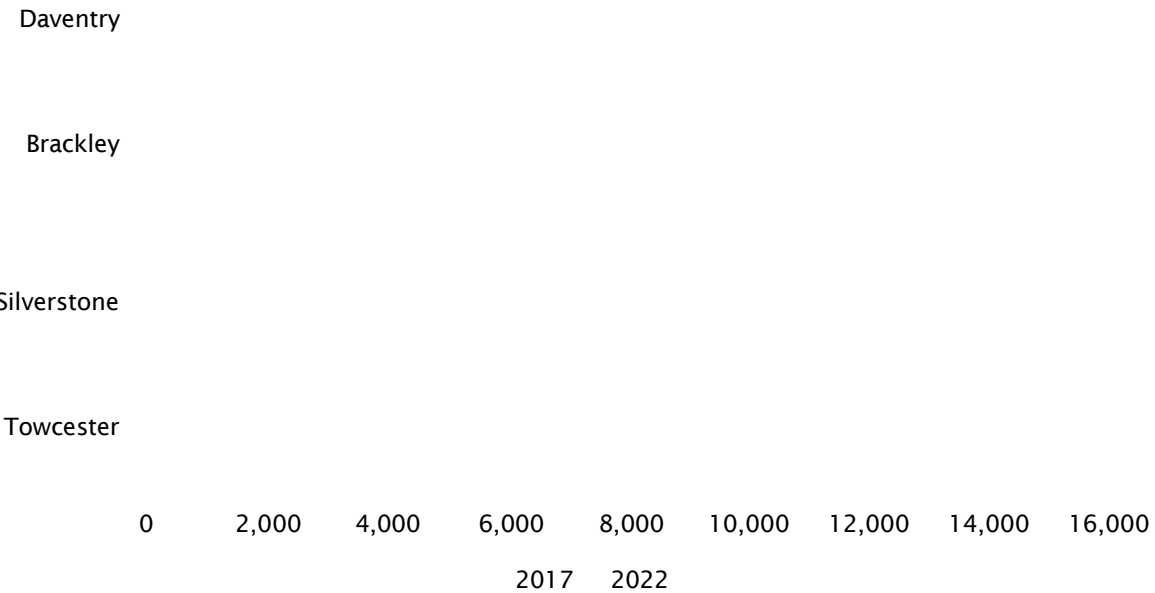
- Northampton’s growth is driven by growing **Public Administration, Health, Motor Trade, Wholesale** and **Transport & Logistics** sectors. This could link to extensions to Northampton General Hospital, the formation of West Northamptonshire Council and the opening of new units at the Brackmills Industrial Estate.
- Towcester’s growth is driven by the **Public Administration** and **Motor Trade** sectors. This could link to (a) the opening of the Forum followed by formation of West Northamptonshire Council; and (b) the attractiveness of the town for motor trade employers given its proximity to Silverstone.

In contrast both Daventry and Brackley have seen employment levels remain the same.

Employment Change, 2017-2022

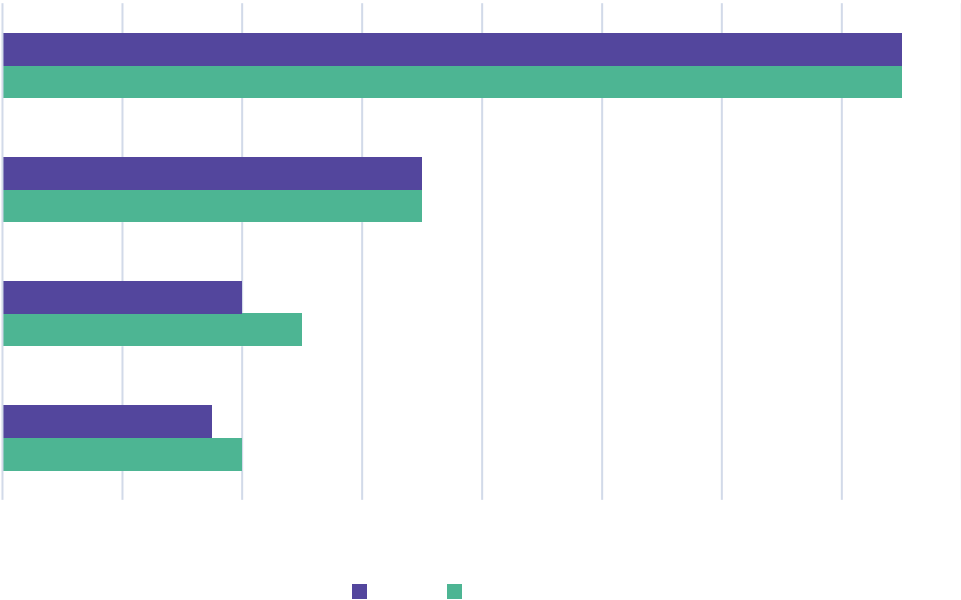


Employment Change, 2017-2022



Northampton General Hospital,
Recent Developments

One Angel Square Northampton,
New Headquarters of West



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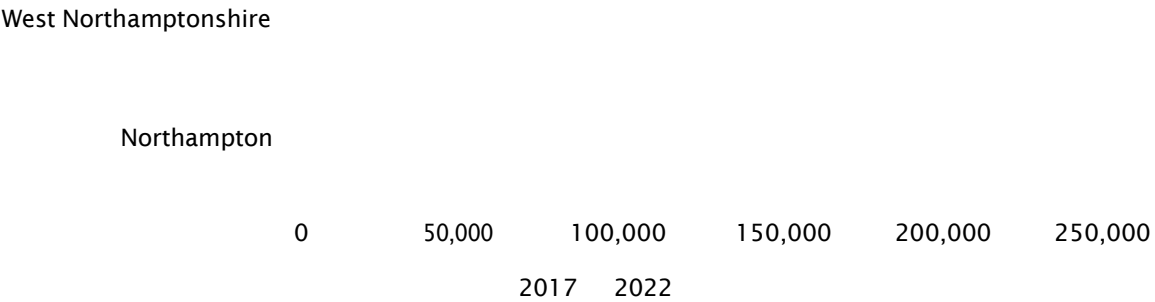
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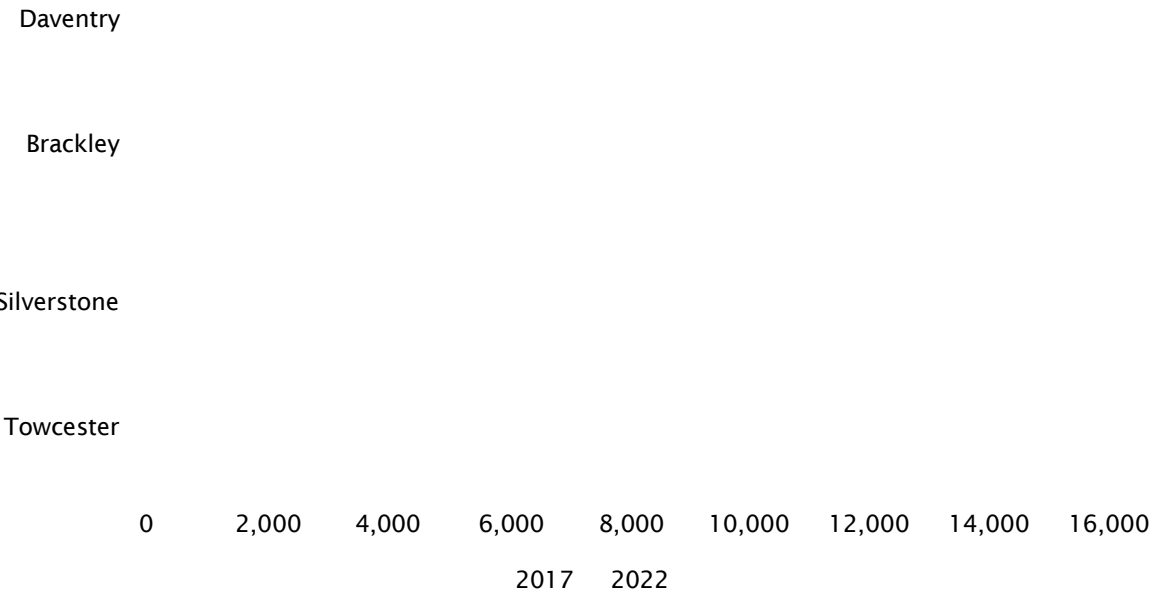
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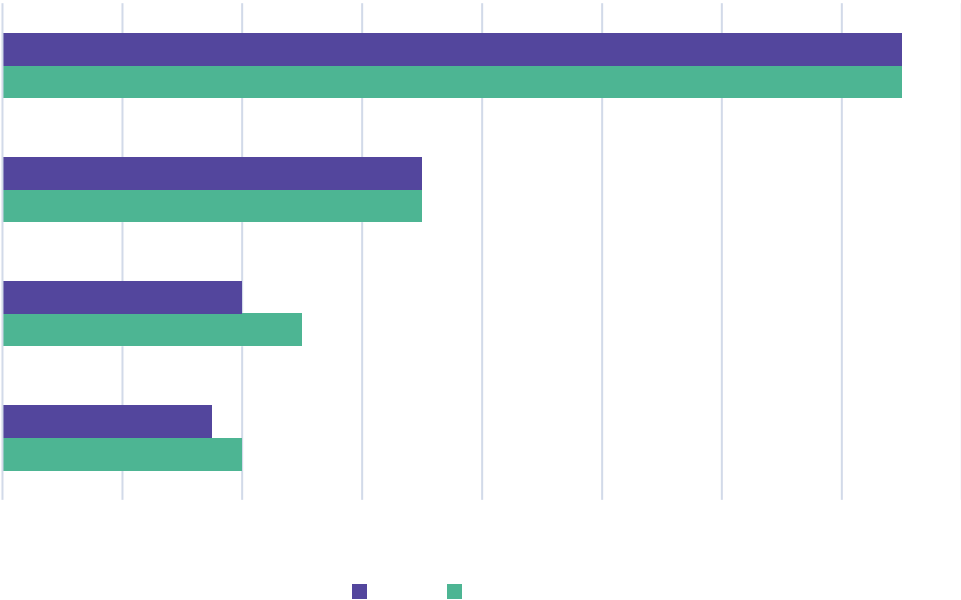


Employment Change, 2017-2022



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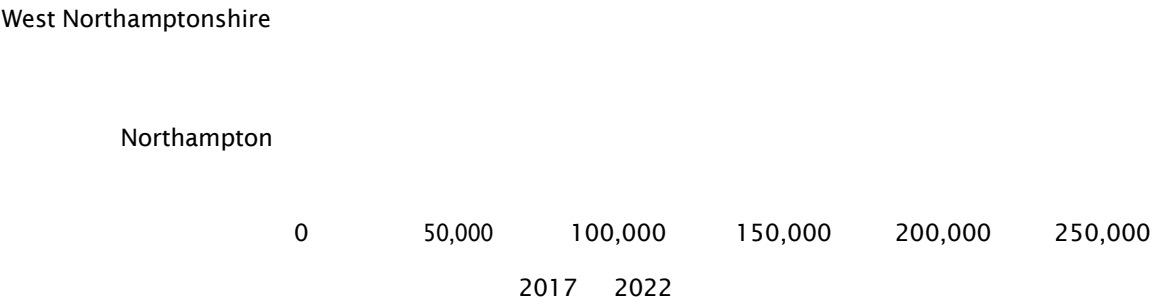
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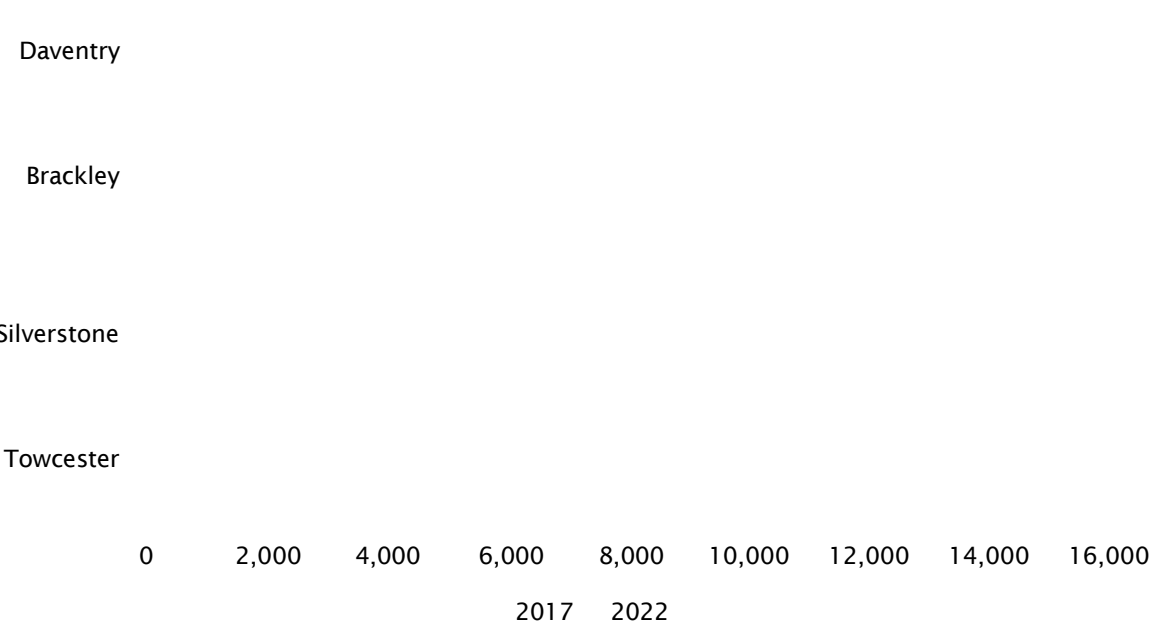
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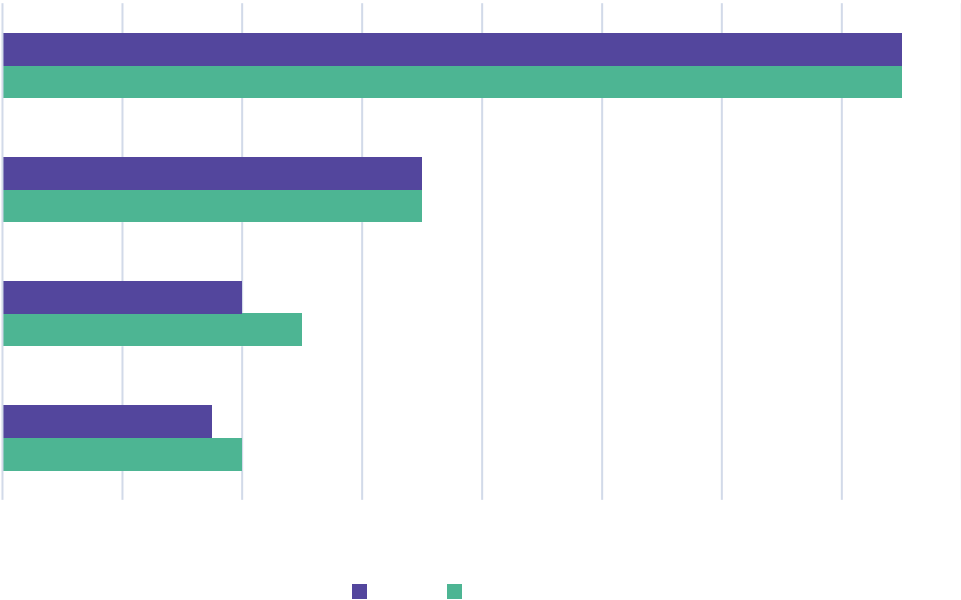


Employment Change, 2017-2022



Northampton General Hospital,
Recent Developments

One Angel Square Northampton,
New Headquarters of West



Local Drivers: Characteristics of Local Economy

West Northamptonshire is home to around **19,000** businesses, with the most significant hubs being Northampton (**10,065**), Silverstone (**1,170**) and Daventry (**1,105**), followed by Towcester (**1,085**) and Brackley (**630**).

Unlike employment, the number of businesses in West Northamptonshire decreased from **21,200** in 2018 to **19,000** in 2023 – a change of **-10%** or **-2,200** businesses. This was a challenging period for businesses due to the impacts of COVID-19.

Interestingly most of this decline has been driven by falls in Towcester (**-38%** or **-700** businesses) and Northampton (**-12%** or **-1400**) which are the areas that have seen the most employment growth:

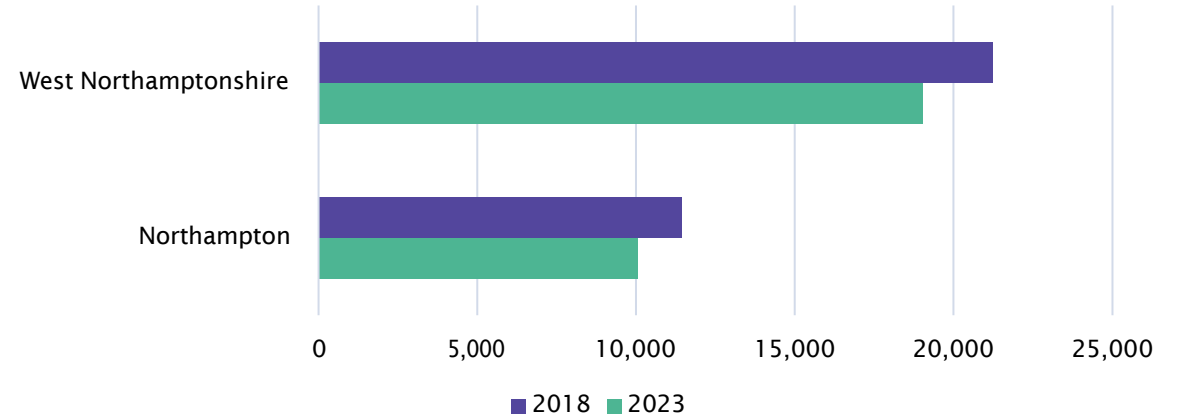
- Towcester's decline appears to link to a fall in businesses within the **Business, Administration & Support Service Sector**. This may reflect the closure or move out of a single or small number of accountancies or agencies that register businesses to a single address, rather than a large scale move out of businesses from the area. This assertion is backed up by the fact that the town has seen employment growth.
- Northampton's decline appears to link to a fall in businesses within the **Transport & Storage** and **Professional, Scientific & Technical Activity** sectors. These may reflect the re-development of employment sites (e.g. Liliput Road on the Brackmills Industrial Estate) or the displacement of businesses to facilities like Prologis DIRFT (Daventry International Rail Freight Terminal). A significant proportion of employment growth is also underpinned by public rather than private sectors inducing the Health and Public Administration sectors, which does not flow through to business numbers.

Silverstone and Brackley displayed greater resilience with marginal growth in businesses of **+3%** and **+5%** respectively.

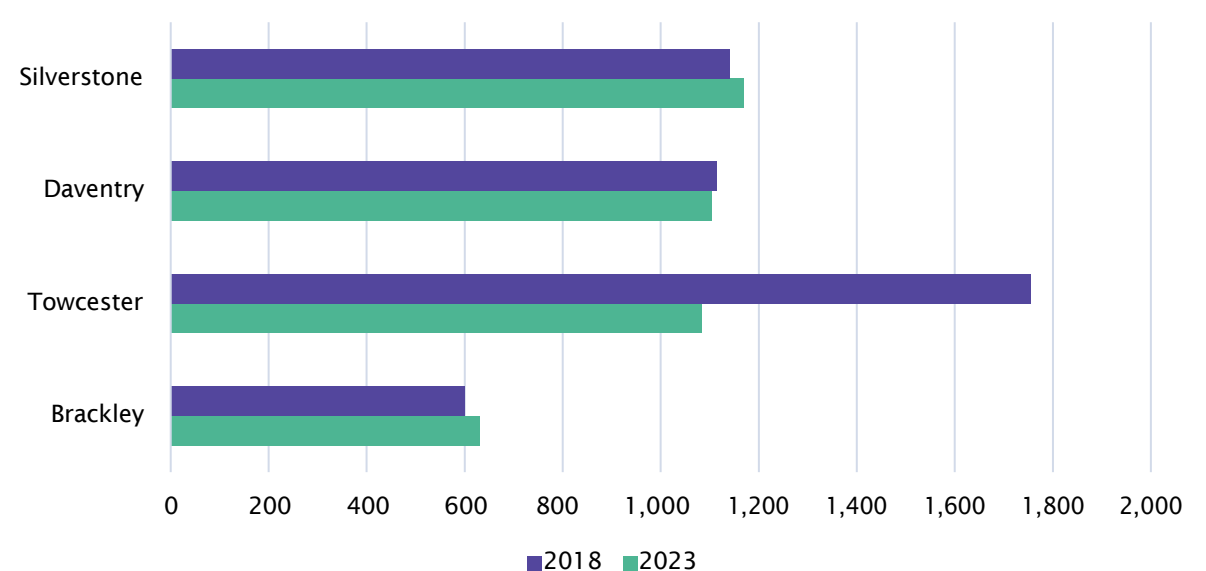
This dynamic of business decline and employment growth is not uncommon following economic shocks such as COVID-19. This is because businesses often fail during times of economic pressure, pushing some people find new jobs or set up as sole traders.

The fact that West Northamptonshire's economy has seen employment growth is, however, positive and points toward a buoyant economy. Employment growth is generally considered a better indicator of the 'health' of a local economy than business growth.

Business Change, 2018-2023



Business Change, 2018-2023



Source: ONS. *Business Register and Employment Survey* (2023)

Local Drivers: Characteristics of Local Economy

Analysis of employment by sector indicates some diversity across each of the core towns.

Brackley presents a strong focus on Manufacturing (**18%** of employment) and Arts, Entertainment & Recreation (**21%** of employment).

Daventry also holds a strong Manufacturing focus (**20%** of employment), with further strength in the Transport & Storage sector (**17%** of employment).

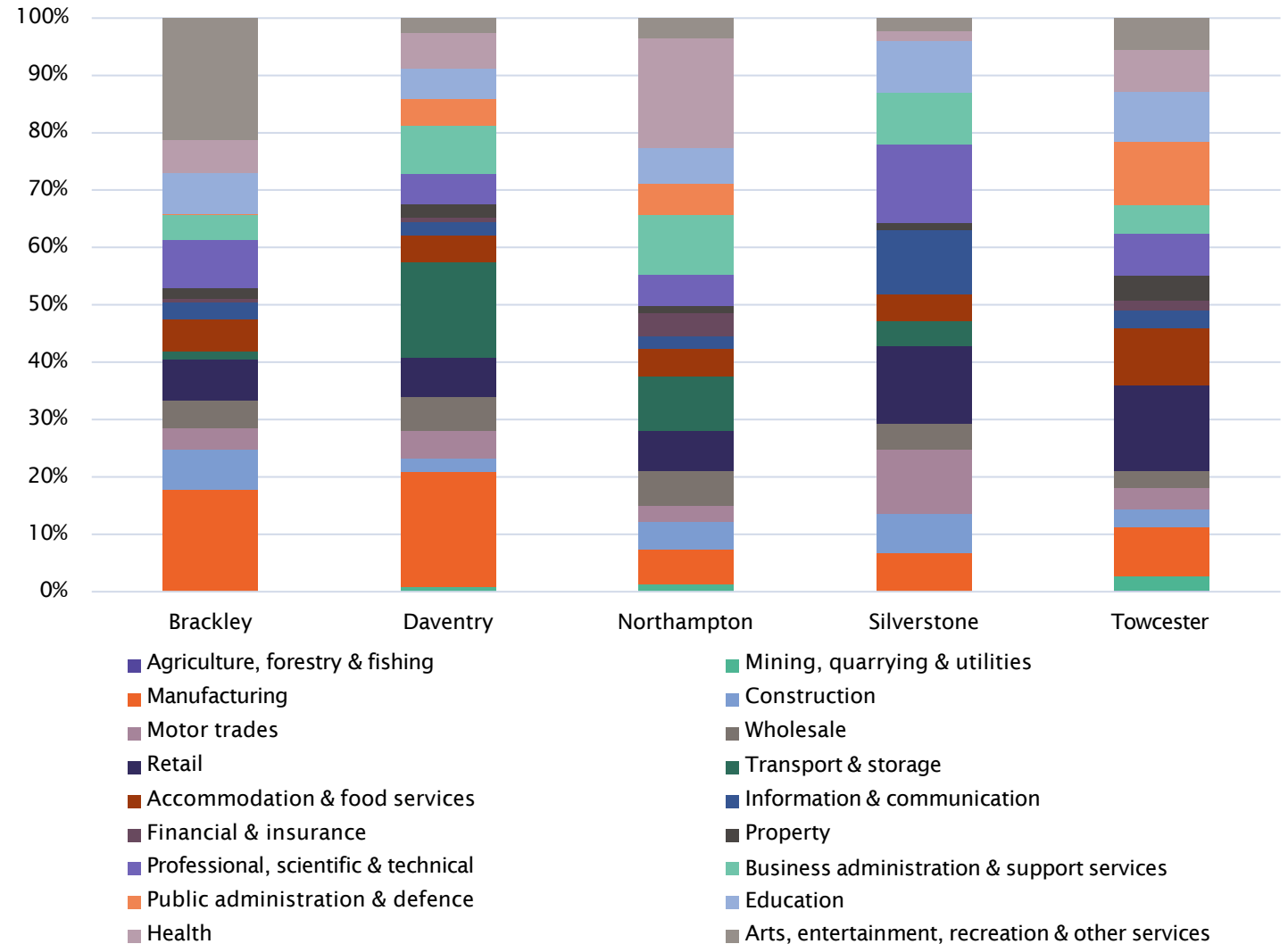
Northampton has a strong basis in Health (**19%** of employment), Transport & Storage (**10%** of employment), Business Administration & Support Services (**10%** of employment) and Manufacturing (**6%** of employment).

Silverstone presents a more balanced employment picture, with a number of prominent sectors. These include Professional, Scientific & Technical (**14%** of employment), Retail (**14%** of employment), Motor Trades (**11%** of employment), Information & Communication (**11%** of employment) and Business Administration & Support Services (**9%** of employment).

Towcester also has a fairly balanced employment make-up, including in Retail (**15%** of employment), Public Administration & Defence (**11%** of employment), Accommodation & Food Services (**10%** of employment), Education (**9%** of employment) and Manufacturing (**9%** of employment).

Taken together, employment across the area typically takes in a range of sectors with a diverse set of space requirements. It appears that in most locations industrial sectors such as Manufacturing, Transport & Storage and Motor Trades are prominent alongside the public sector (i.e. Health and Public Administration). Office-based sectors are more prominent in Northampton and Silverstone.

Employment by Broad Sector, 2022



Local Drivers: Characteristics of Local Economy

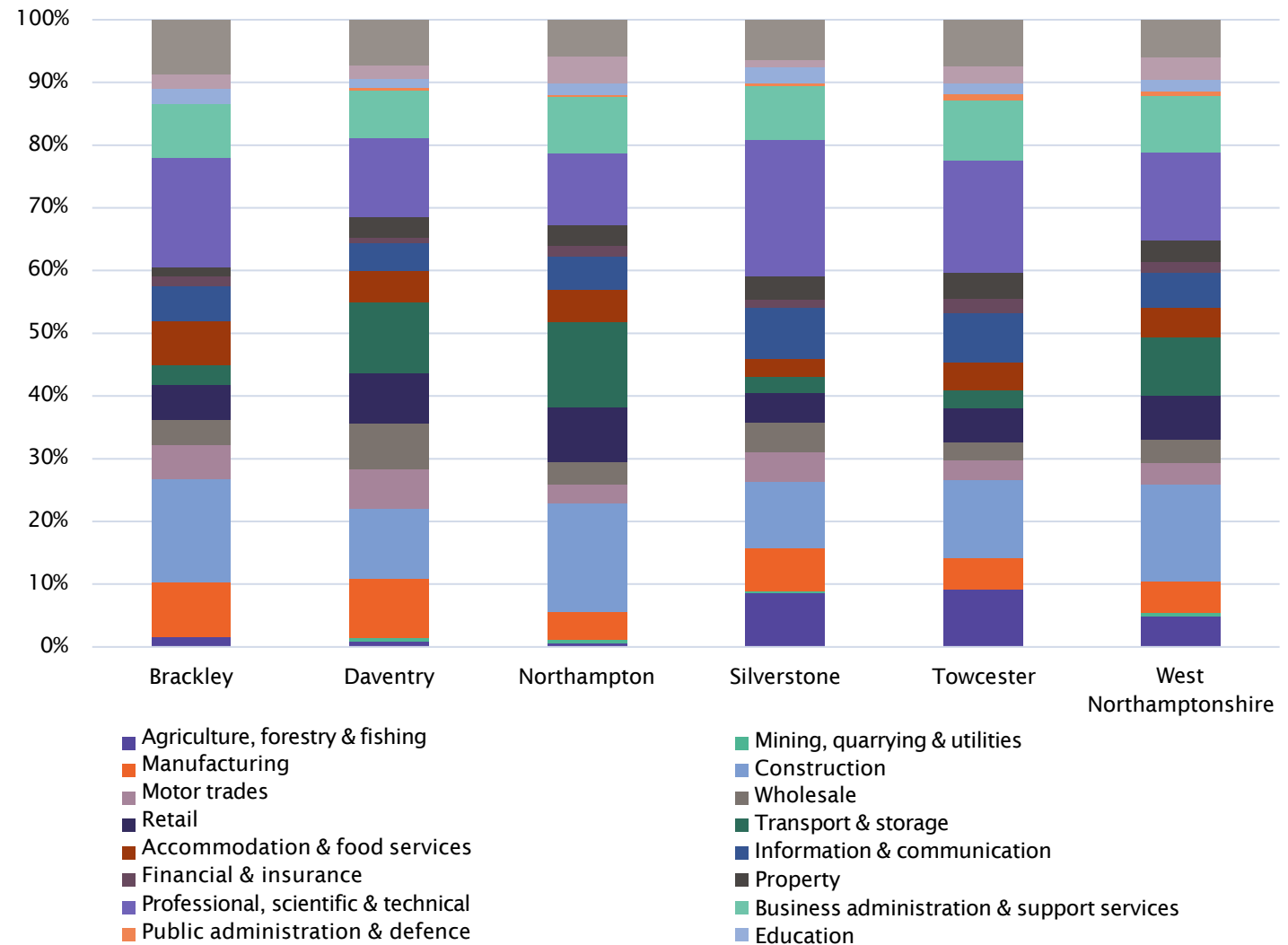
Business sector trends broadly align with employment trends.

Industrial sectors such as Manufacturing and Transport & Storage remain prominent, alongside Construction which has a more limited presence in employment terms. More office-based sectors such as Professional, Scientific & Technical Services and Business Administration & Support Services remain significant in Northampton and Silverstone, with the former more prominent on Daventry than in employment terms.

By area:

- Brackley has a strong business focus in Construction (**17%** of businesses) and Professional, Scientific and Technical Services (**17%** of businesses).
- Daventry presents a large proportion of businesses in Professional, Scientific and Technical Services (**13%** of businesses), Transport & Storage (**11%** of businesses) and Construction (**11%** of businesses).
- Northampton also has a strong basis of Construction activity (**17%** of businesses), Transport & Storage (**14%** of businesses) and Professional, Scientific and Technical Services (**11%** of businesses).
- Silverstone has a high proportion of businesses in Professional, Scientific and Technical Services (**22%** of businesses) and Construction (**11%** of businesses).
- Towcester also presents high proportions of businesses in Professional, Scientific and Technical Services (**18%** of businesses) and Construction (**12%** of businesses).

Business by Broad Sector, 2023



Local Drivers: Characteristics of Local Economy



Carlsberg, Northampton (Drink Manufacturing)



Church's Northampton (Fashion Manufacturing)



Nationwide Northampton (Financial & Insurance)



Opus Northampton (Mining, Quarries & Utilities)



Travis Perkins, Northampton (Construction)



Silverstone (Motor Trades)



Post Office, Daventry (Transport & Storage)



AMG Mercedes, Brackley (Motor Trades)



Dunelm, DIRFT (Transport & Storage)



Crockett & Jones, Northampton (Manufacturing)



Cummins, Daventry (Manufacturing)



Greencore Food, Northampton (Food Manufacturing)

Focus On: Cultural Anchors and Soft Infrastructure

Northampton

- University of Northampton
- Northampton Saints (Rugby Team)
- Tresham College, and Northampton College
- Moulton College, and Knuston Hall
- St James Retail Park
- Central Library
- Royal & Derngate (Theatre)
- Northampton Town Football Club
- Northampton General Hospital
- A4500, A508, and A5095 Roads
- St James Mill Business Park, Grafton Trade Park Rothersthorpe Trading Estate, Weedon Industrial Estate, and Westgate Industrial Estate.
- Premier Inn Northampton TC
- The Racecourse
- Delapre Abbey

Towcester

- Towcester Racecourse
- Tove Valley Business Park
- A5 & Towcester Bypass (A43) Roads
- Towcester Bypass Retail Park (Porsche car dealership, Aldi, B&M)
- Bell Plantation (Retail)
- Sponne School

Silverstone

- Silverstone Race Circuit
- Silverstone Park (New industrial development)
- Silverstone Technology Park
- A43 Road
- Silverstone Rally School

Daventry

- Drayton Fields Industrial Estate
- Royal Oak Industrial Estate (Ford Motor Company, Logicon Park Daventry)
- High March Industrial Estate
- Abbey Retail Park
- Bowen Square Shopping Centre
- A45, and A425 Roads
- Daventry Hospital

Brackley

- Buckingham Road Industrial Estate
- Arrow Park & Tungsten Trade Park
- Brackley Office Campus & Reynard Park
- Brackley Medical Centre and Hospital
- Brackley Leisure Centre
- A43 and 1422 Roads
- Brackley Town FC
- Magdalen College School
- Winchester House School
- AMG Mercedes, Brackley (Motor Trades)



University of Northampton



Northampton Saints Rugby Club



Towcester Racecourse

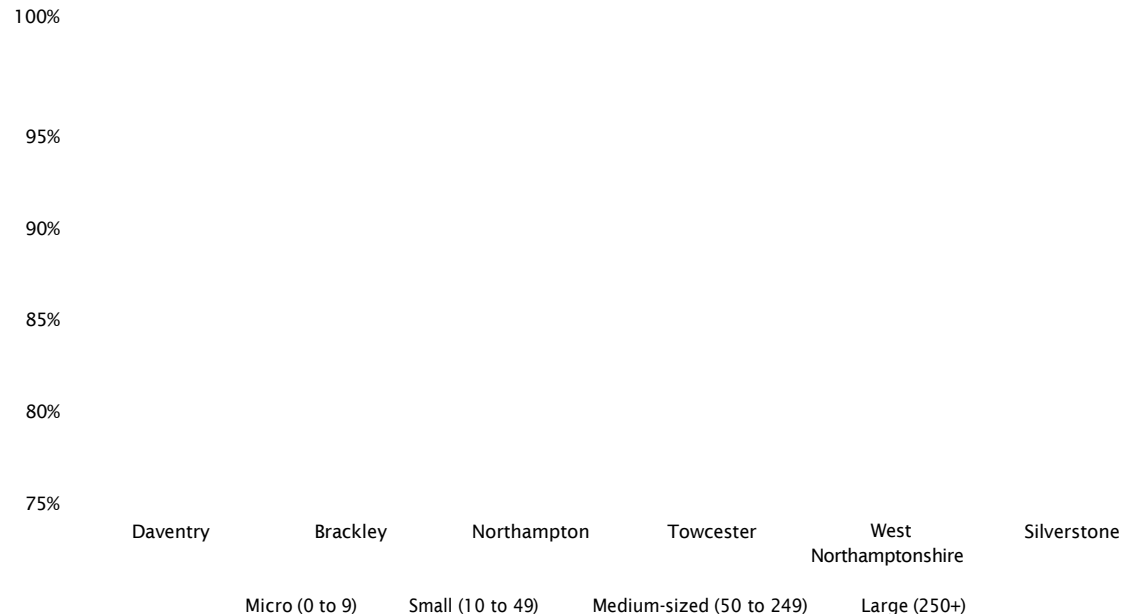
Local Drivers: Characteristics of Local Economy

As is the case nationally, micro-businesses feature prominently in West Northamptonshire and each of the areas under consideration – these are businesses that employ between 0 and 9 people. This characteristic does not align with or match the nature of the local commercial market as identified later in this report.

The highest proportion of microbusinesses are found within Silverstone (**92%**), followed by Northampton (**90%**), Towcester (**89%**), Brackley (**88%**), and Daventry (**86%**). Each of these contribute to a total proportion of micro businesses in West Northamptonshire of **90%**.

Provision of space to support micro businesses is therefore likely to be critical to support the functioning of the local economy in each of the key towns, and within West Northamptonshire moving forward. Interestingly both Silverstone and Northampton, which have the highest proportion of microbusinesses, have dedicated innovation spaces to support these types of businesses (i.e. Silverstone Innovation Centre and Northampton Innovation Centre).

Business Size Profile, 2022

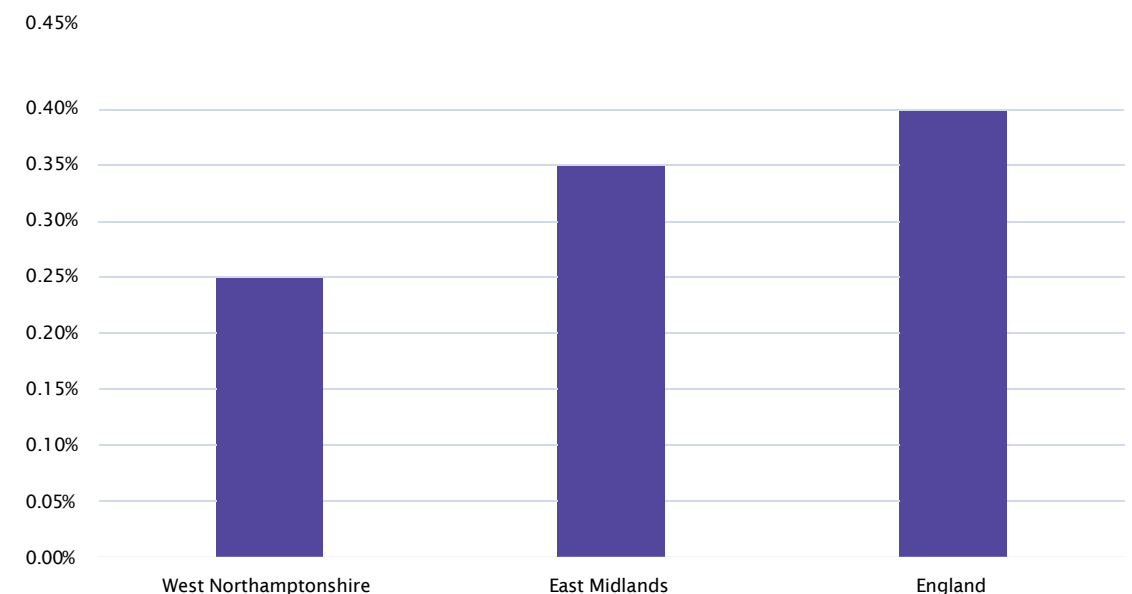


Small businesses employing between 10 and 49 people also play an important role in each location. They take up between **7%** (Silverstone) and **12%** (Daventry) of the business size profile. In total **98%** of businesses in the area are either micro or small enterprises (MSEs).

When set against the East Midlands (**0.34%**), and England (**0.39%**), West Northamptonshire (**0.25%**) presents a lower proportion of ‘high growth’ businesses. The ONS defines these as businesses that are exhibiting high growth in terms of employment and turnover.

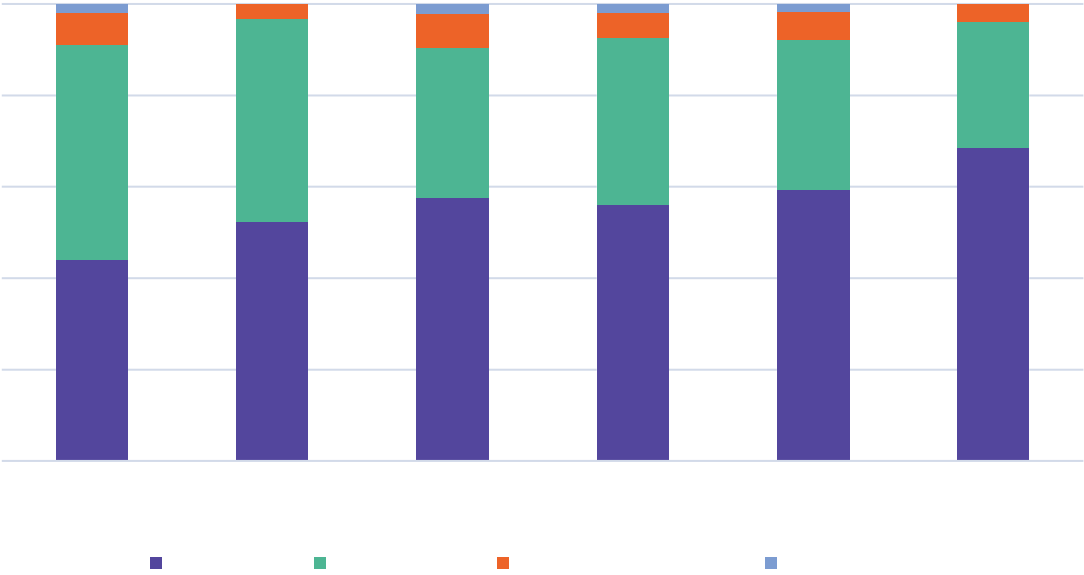
This may, in part, reflect a relatively limited innovation ecosystem within West Northamptonshire. As identified later in this report there are limited incubator and accelerator hubs in the area beyond those previously referenced. The recent *Northamptonshire Innovation Ecosystem Analysis* also indicates that “Northamptonshire lacks an integrated innovation funnel (starting from ideation, commercialisation, start ups to scales up) to attract investors”.

Proportion of High Growth Businesses by Borough, 2022



Source: ONS. *UK Business Count* (2021)

Source: ONS. *UK Business Demography* (2022)



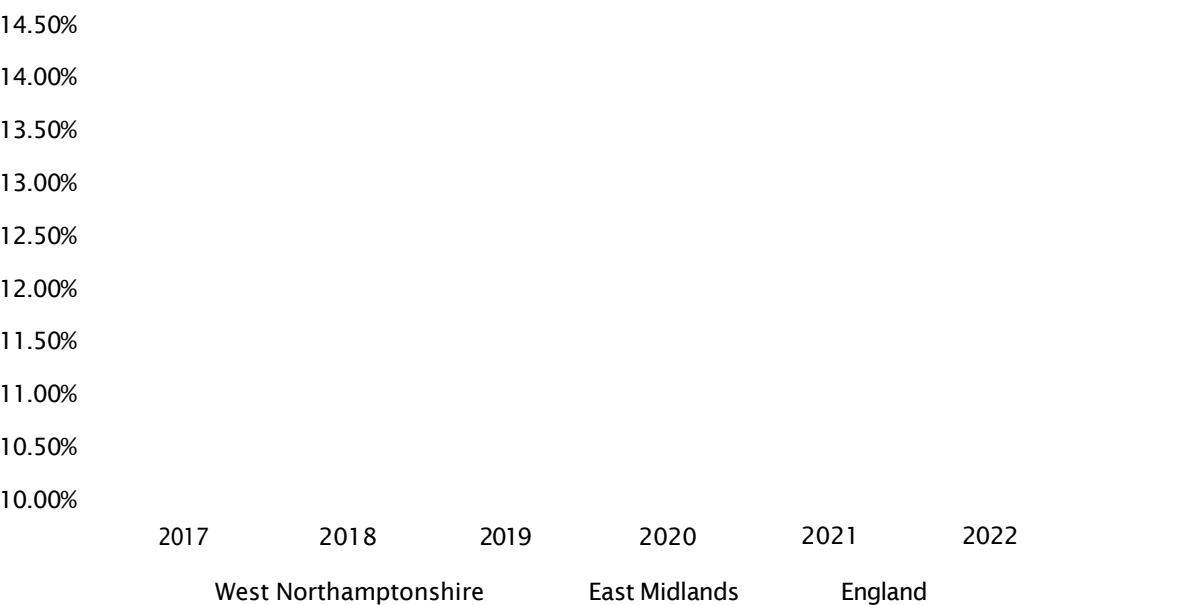
Local Drivers: Characteristics of Local Economy

As referenced on the previous page, West Northamptonshire has seen a strong drop-off in the business start-up rate over the last five years of available data.

In 2017 **c.13.3%** of active businesses were start-ups compared with **12.7%** in England and **11.6%** in the East Midlands. All areas saw a drop off in 2019, likely linked to the COVID-19 pandemic with rates remaining subdued since then. West Northamptonshire experienced a more significant decline with the business start-up rate staying at **11.0%**, relative to **11.5%** in the East Midlands, and **11.7%** in England.

The rate in West Northamptonshire is probably reflective of its size, status and urban/rural mix. The East Midlands figure is only marginally higher, and this will incorporate Leicester, Nottingham, Derby and Lincoln which are larger urban hubs. The national figure will be influenced by major cities such as London, Manchester, Newcastle, Bristol, Birmingham and Leeds which typically have the highest start up rates given the nature of their economies.

Business Start-up Rate 2017-2022

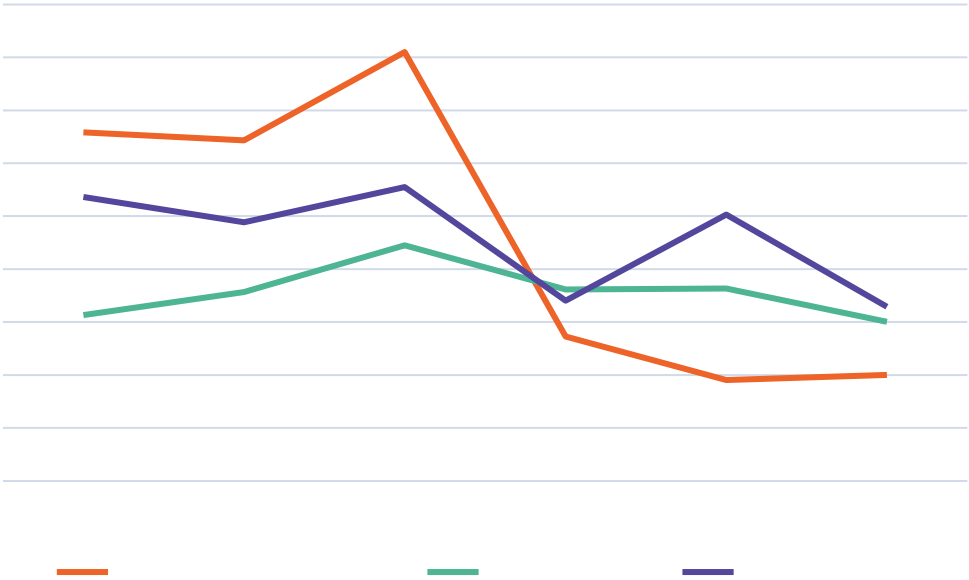


Perhaps more concerning is the area's five-year business survival rate (**36%**) which is marginally lower than the East Midlands (**41%**) and England (**39%**) average. Again, this may link to a relatively limited innovation and accelerator space offer in the area alongside other factors (e.g. related to business support, market saturation, labour market etc).

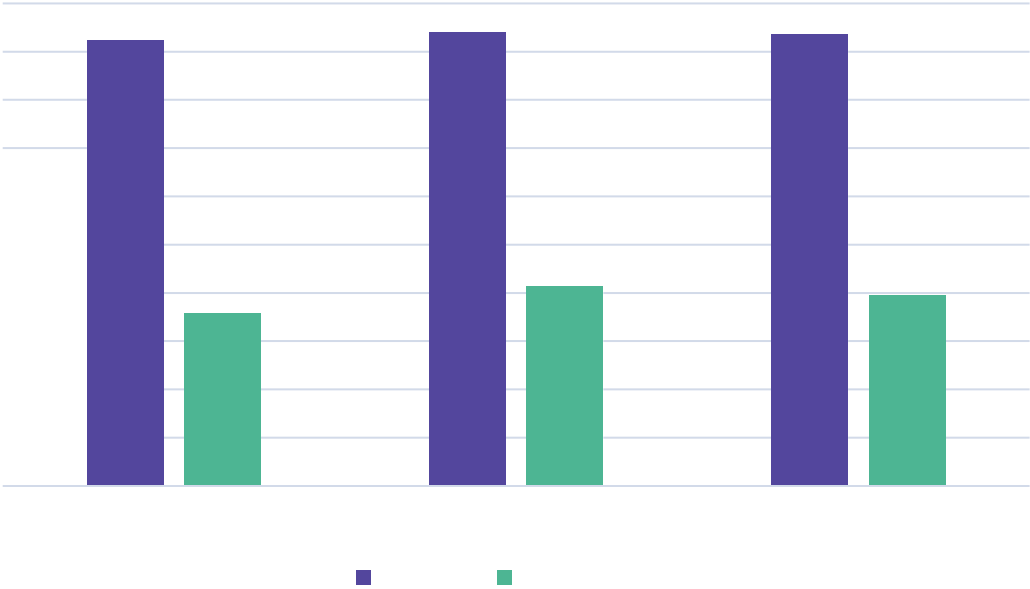
Business Survival Rate, 2017-2022



Source: ONS. *UK Business Count* (2021)



Source: ONS. *UK Business Count* (2021)



Local Drivers: Characteristics of Local Economy

In line with the previous page, the proportion of self-employed people in West Northamptonshire has fallen marginally year-on-year since 2019. While there has been some fluctuation, there has been an overall 2.0 percentage point drop from **11.1%** in 2019 to **9.1%**

in 2024. These trends are similar to those observed at the national (**11.1%** to **9.3%**) and regional levels (**10.0%** to **9.0%**).

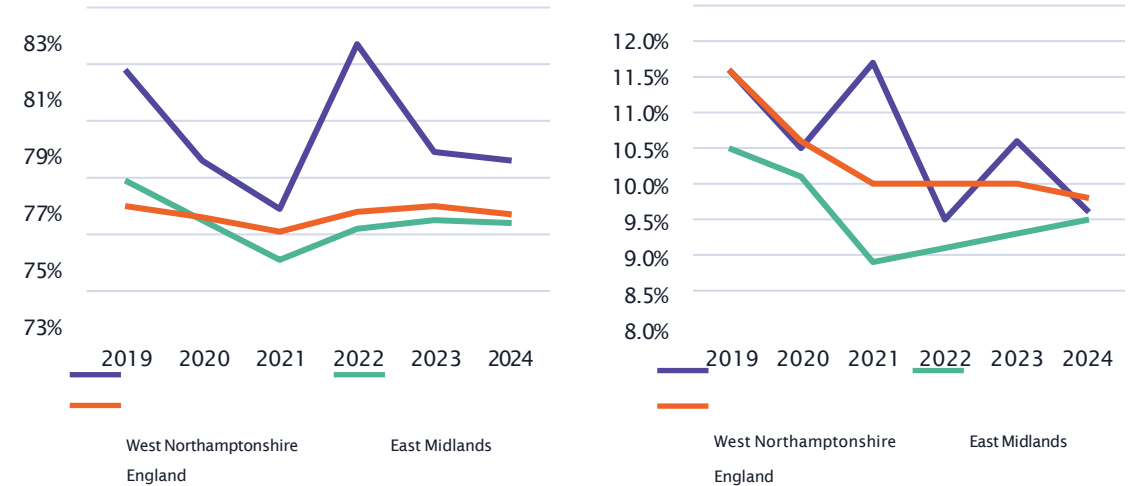
This has been accompanied by a fall in employment across the county from **81%** in 2019 to **78%** in 2024. There was a significant drop off after COVID-19 which was followed by a brief recovery in 2022 and subsequent decline in 2023 and 2024. In contrast, the East Midlands has seen **1.3%** growth in employment since 2021, whilst England's employment rate has increased by **0.6%**. Overall, despite a challenging 2023 and 2024, West Northamptonshire still sees higher employment rates than the East Midlands and England.

Performance on these indicators varies by sub-area. The Silverstone area, for example, has

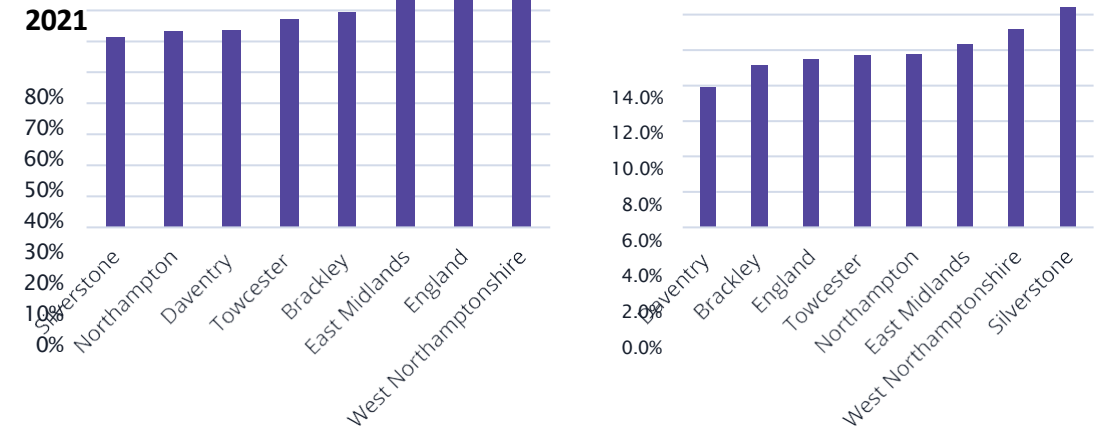
higher self-employment rates at **10%** compared than Northampton (**9.8%**), Towcester (**9.7%**), Brackley (**9.2%**) and Daventry (**7.9%**).

Highest employment rates are seen in Brackley (**70%**), followed by Towcester (**67%**), Daventry (**64%**) Northampton (**63%**) and Silverstone (**61%**).

West Northamptonshire Employment (Left) and Self-Employment Rates (Right), 2019-2024



West Northamptonshire Employment (Left) and Self-Employment Rates (Right), 2021



Source: ONS. UK Business Count (2021)

4B: Which sectors are likely to drive West Northamptonshire's future economy?

This sub-section marries analysis of West Northamptonshire's sector growth trends over the last five years with forward-looking sector projections to illustrate which economic activities present opportunities for the area's future economy.

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Local Drivers: Future Growth Sectors

West Northamptonshire has a diverse local economy. While there has been marginal growth in employment across the area over the last five years of available data, this masks fluctuations at the sector level with gains in some counterbalancing losses in others.

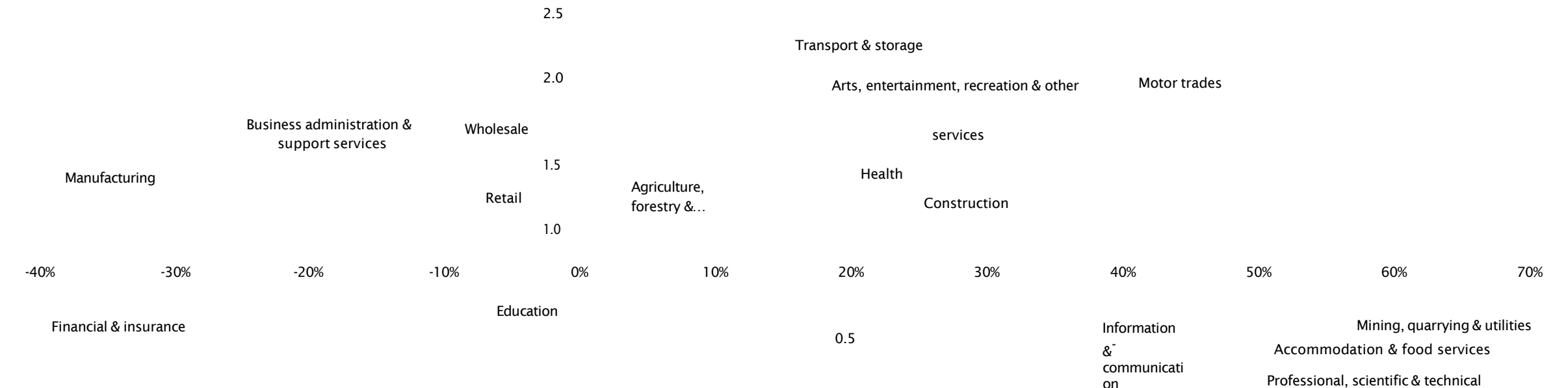
The broad sectors that have seen the biggest employment growth over the last five years are Public Administration & Defence (**+50%**), Motor Trades (**+40%**), Property (**+40%**), Construction (**+20%**), Health (**+19%**) and Transport & Storage (**+15%**).

Many of these are also high-growth sectors at both the national and regional level.

Of these sectors the most specialised are:

- Transport & Storage: Employment is **2x** more concentrated in West Northamptonshire's economy than in the national economy.
- Motor Trades: Employment is **1.7x** more concentrated in West Northamptonshire's economy than in the national economy.

West Northamptonshire Employment Size, Growth and Specialism by Sector, 2017-2022



- Health: Employment is **1.1x** more concentrated in West Northamptonshire's economy than in the national economy.
- Construction: Employment is **1.1x** more concentrated in West Northamptonshire's economy than in the national economy.

Sector specialisms are important as businesses tend to be attracted to similar types of businesses. High concentrations of likeminded businesses can therefore drive inward investment and support clustering.

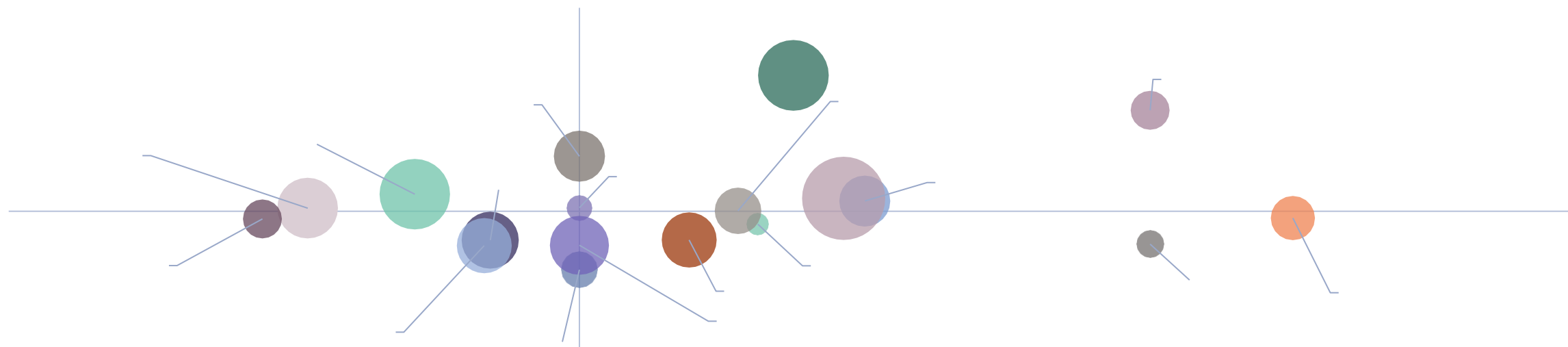
In contrast a wide range of other sectors have declined over the same period. These include Financial & Insurance (**-22%**), Manufacturing (**-19%**), Business Administration & Support Services (**-12%**), Education (**-7%**), and Retail (**-6%**). The fall in manufacturing is notable given the importance of this sector to several towns in the area.

Sectors that have not grown over this period include Wholesale, Professional, Scientific & Technical Activities, and Information & Communication. Of these Wholesale is specialised with employment **1.4x** more concentrated than in the national economy.

Property

Public
administr
ation &
defence

Source: ONS BRES, 2023. Note: X axis shows employment growth 2017-2022; Y axis shows level of specialism compared to the national average (i.e. 1.2 = 1.2 x more concentrated in local than national economy); size of bubble shows size of economy in terms of employment.



Local Drivers: Future Growth Sectors

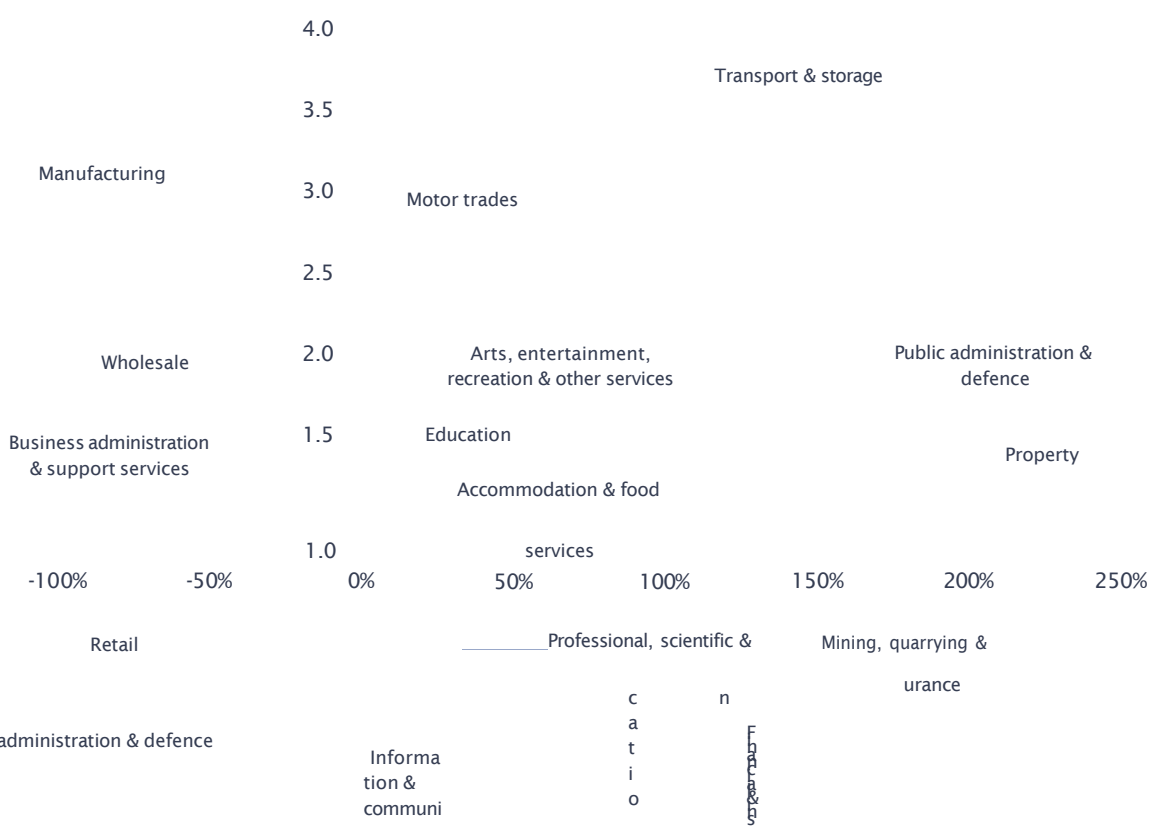
These broad sector trends vary by town. For Brackley, the most specialised sectors are Arts, Entertainment & Recreation (**4.8x**), Manufacturing (**2.4x**), Motor Trades (**2x**), Construction (**1.4x**) and Wholesale (**1.3x**) much of which is hosted on or by the Buckingham Road Industrial Estate. Of these Arts, Entertainment & Recreation (**+275%**), Motor Trades (**+67%**), Construction (**+43%**) and Wholesale (**+17%**) have grown significantly over the last five years of available data. Manufacturing has declined by almost **-50%** in employment terms, which may link to the shrinkage of firms like Avara Foods, but it remains both large and specialised (**1,250** employees).

Brackley Employment Size, Growth and Specialism by Sector, 2017- 2022



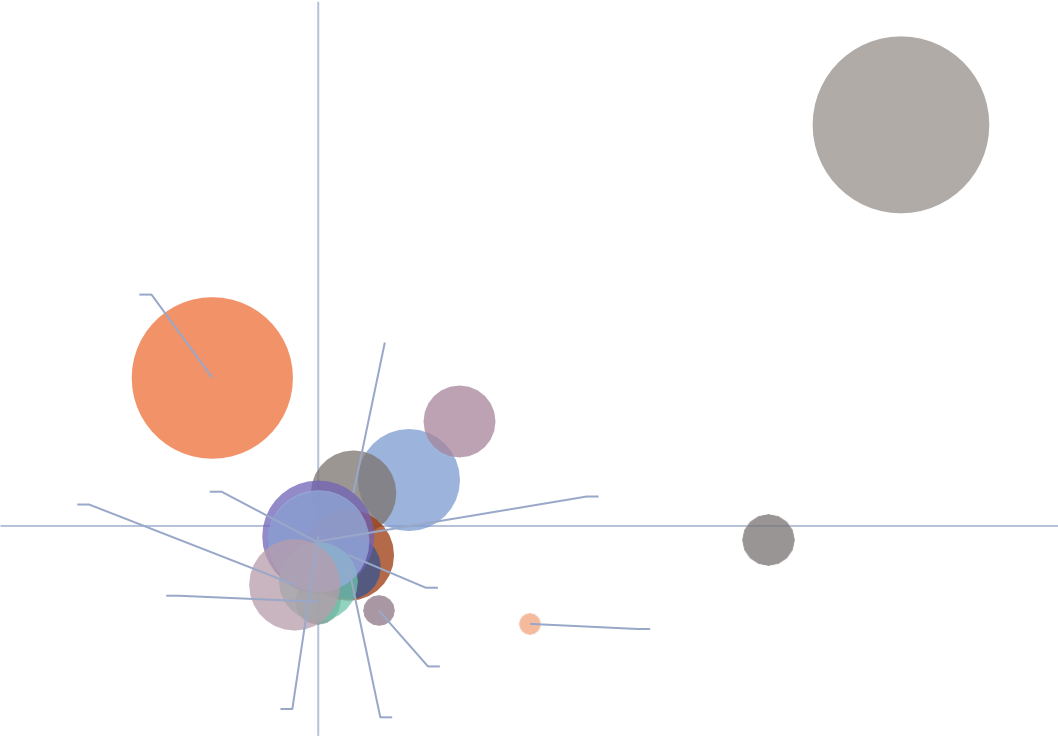
Daventry similarly has some significant industrial specialisms, including Transport & Storage (**3.3x**), Manufacturing (**2.7x**), Motor Trades (**2.6x**) and Wholesale (**1.6x**) – this links to anchors such as Cummins (Manufacturing), Foretech Motorsport (Motor Trades) and a range of Transport & Storage anchors on the Heartlands Business Park and Royal Oak Industrial Estate (e.g. DHL, CEVA, Hellman, Arcese etc). Of these Transport & Storage has grown by **+100%** since 2017 in terms of employment, with Motor Trades increasing by **+40%** over the same period. As with Brackley Manufacturing has declined (**-25%**) and Wholesale has seen a small change (**-10%**).

Daventry Employment Size, Growth and Specialism by Sector, 2017- 2022



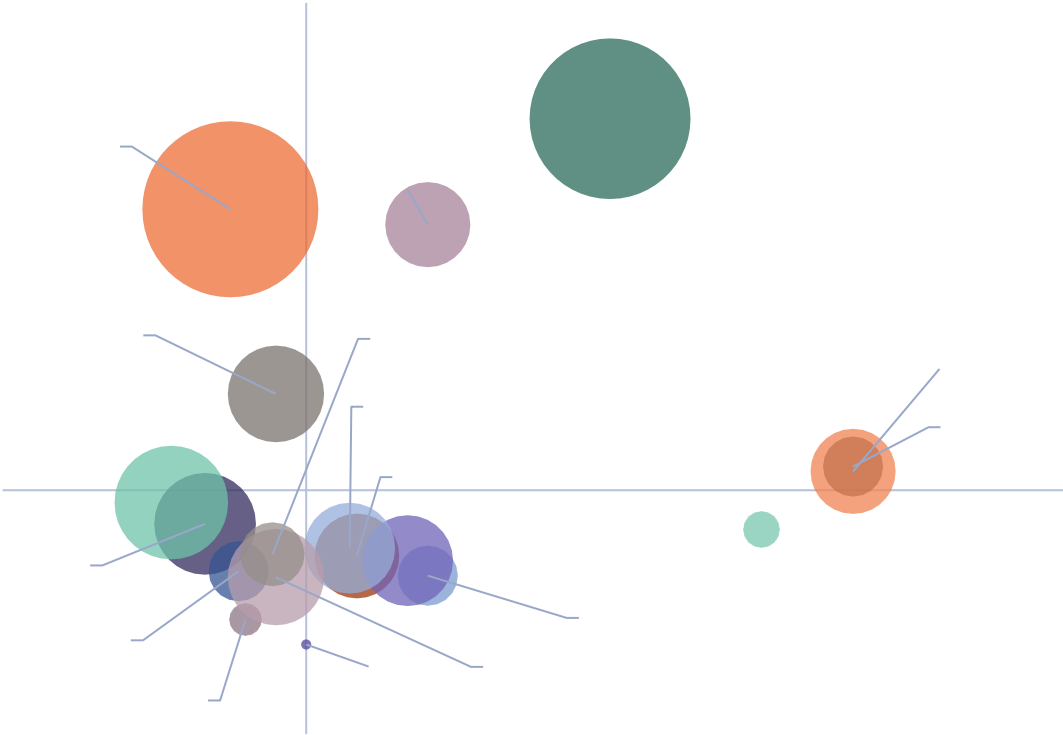
0.5
technical
Construction
-
Agriculture, forestry &
Health
technical -1.0 communication

Source: ONS BRES, 2023.



utilities
-0.5
fishing

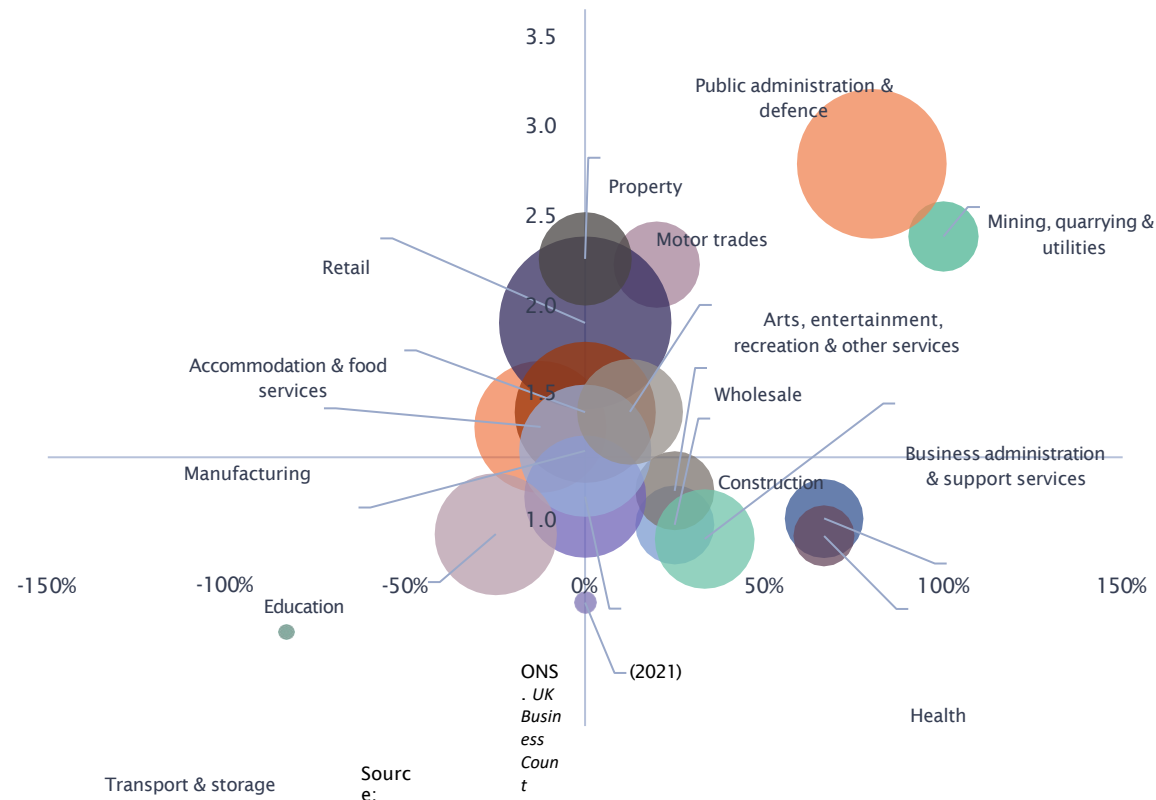
Source: ONS BRES, 2023.



Local Drivers: Future Growth Sectors

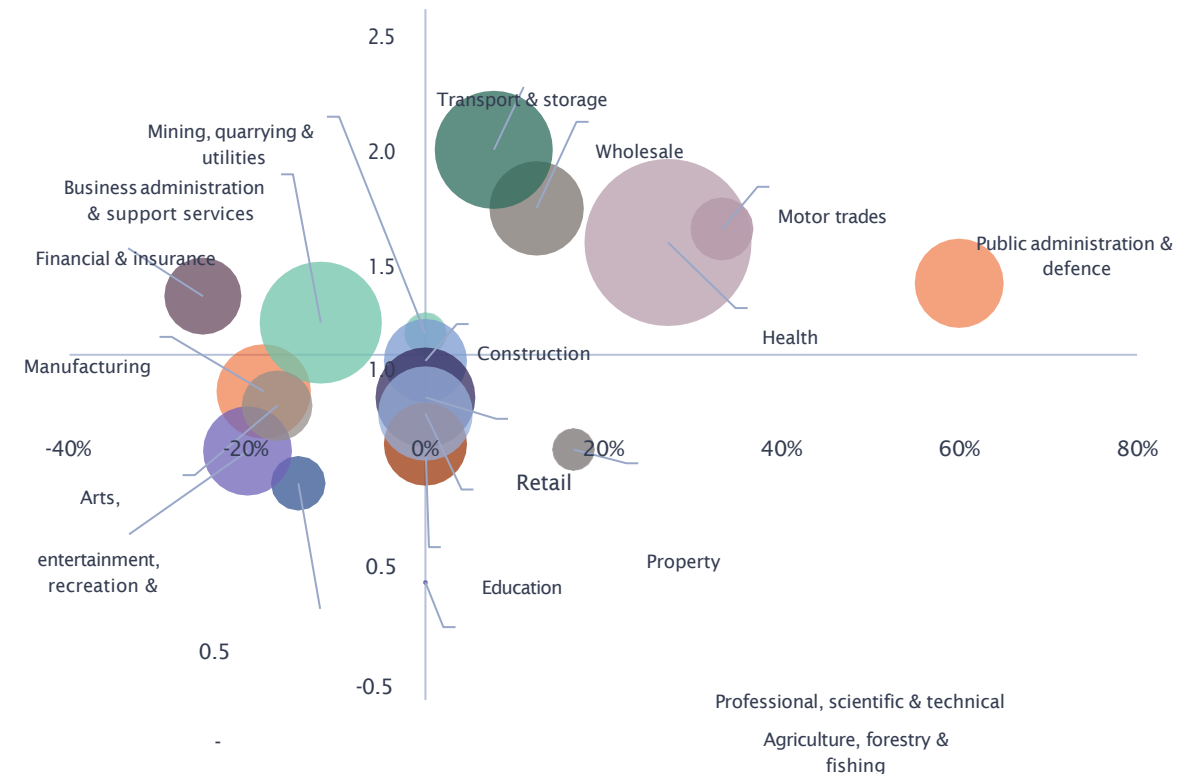
Towcester's economy is more mixed and static than Brackley and Daventry's with fewer obvious specialisms. Over the past five years of available data the only specialised and growing sectors have been Public Administration (**x2.6** and **+80%**) and Mining, Quarrying & Utilities (**2.2x** and **+100%**). Other specialisms include Motor Trades (**1.7x**), linked to Silverstone, Property (**2.1x**), Retail (**1.7x**) and Arts, Entertainment & Recreation (**1.3x**). The size of each sector is, however, small compared to the other towns and are likely to be linked to a small number of relevant businesses in the Town Centre and around the Old Tiffield Road – for example Retail, the biggest sector, has **600** employees and Wholesale has **225** employees.

Towcester Specialised Employment Sectors, 2017-2022



In contrast Northampton has some clear sector strengths and opportunities. Growing and specialised industrial sectors include Transport & Storage (**1.9x** and **+8%**), Wholesale (**1.6x** and **+13%**) and Motor Trades (**1.5x** and **33%**). This is unsurprising given the number of industrial estates in and around the town, most notably Brackmills Industrial Estate, Swan Valley Way and Moulton Park. The Health sector is also strong and growing (**1.5x** and **+27%**) which, in part, links to the expansion of the General Hospital. The prominence of historic specialisms such as Financial & Insurance, Business Administration and Manufacturing has weakened in recent years following employment declines. This is likely to link to macro-economic trends such as hybrid working and the offshoring of manufacturing.

Northampton Specialised Employment Sectors, 2017-2022



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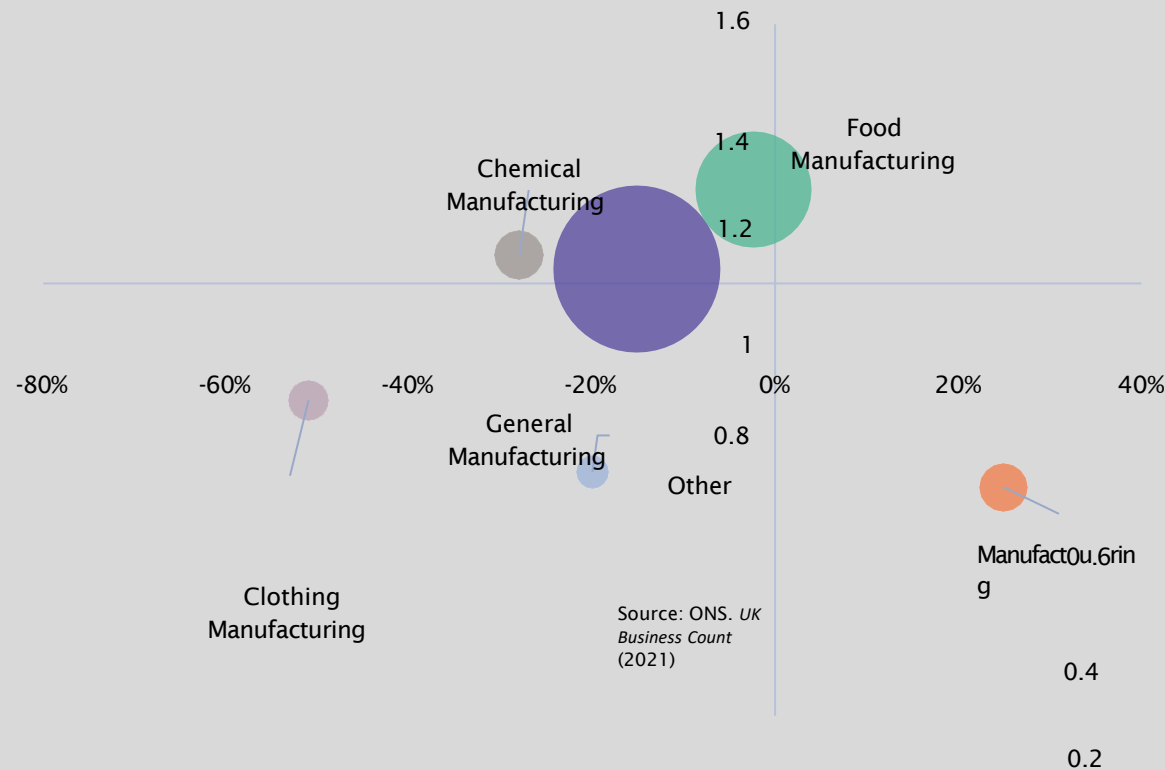
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Focus On: Manufacturing Sector

To provide a better understanding of the characteristics of West Northamptonshire's local economy, further analysis has been undertaken related to the area's Manufacturing sub-sectors which are hidden in broad sector data. This is to highlight which parts of the sector are driving local specialisms in Brackley, Daventry and Towcester in particular.

As shown in the figure below, West Northamptonshire's largest manufacturing sub-sectors are general manufacturing (**10,600 businesses**) and food manufacturing (**5,125 businesses**). There are two specialisms in chemical manufacturing (**1.06**) and food manufacturing (**1.2**). Electrical engineering has grown strongly (**25%**) between 2017 and 2022. However, there has been a notable decline in clothing manufacturing (**-51%**), general manufacturing (**-15%**) and chemical manufacturing (**-15%**) between 2017 and 2022.

West Northamptonshire Manufacturing Sub-Sectors, 2017-2022



Abaco Systems (Electrical Manufacturing)



Licharz (General Manufacturing)



BGM (General Manufacturing)



The British Pepper & Spice Company (Food Manufacturing)



Electrical Manufacturing

Crane Fluid
(Chemical
Manufacturing)

AMG
Petronas
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Local Drivers: Future Growth Sectors

Looking forward, Experian project that between 2024 and 2041, the strongest employment growth within West Northamptonshire will be experienced in the Professional, Scientific and Other Private Services sector (**+19%**). This is followed by strong growth in a mix of industrial and office-based sectors:

- Transport and Storage (**+18%**).
- Accommodation and Food Services Recreation (**+18%**).
- Finance and Insurance (**+13%**).
- Public Services (**+13%**).
- Utilities (**+6%**).
- Construction (**+5%**).
- Wholesale & Retail (**+3%**).
- Information & Communication (**+2%**).

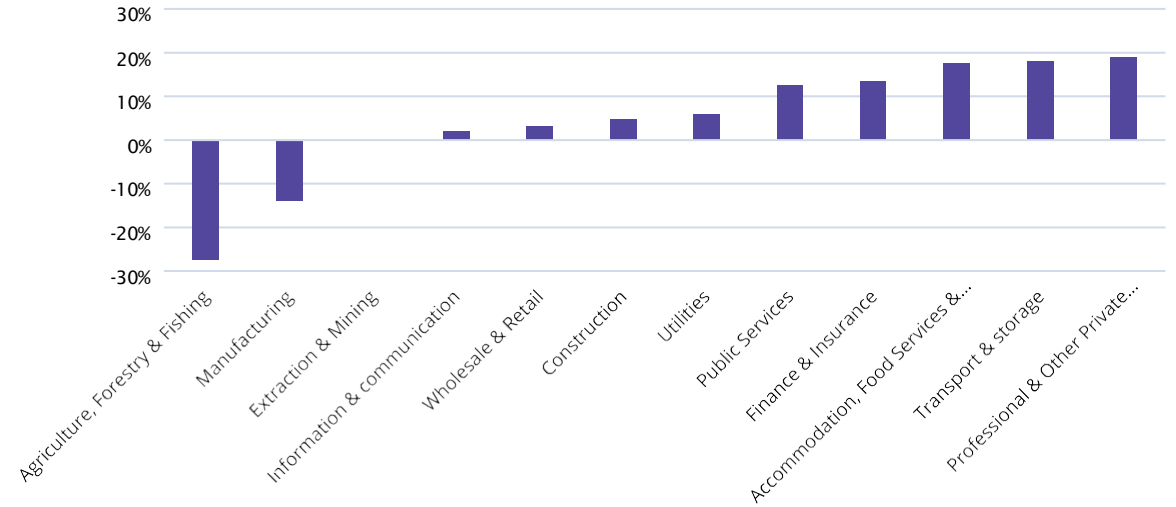
Extraction and mining is expected to remain static in its employment levels. Experian projects a significant contraction in employment in Manufacturing (**-14%**), and Agriculture, Forestry & Fishing (**-27%**).

It should be noted, however, that these forecasts are based on macro-economic trends and historic sector performance. With the right interventions and macro-economic conditions, the trajectory of the area's economy and sectors may differ. In West Northamptonshire this could potentially be the case for its manufacturing base, given how specialised the sector is locally and the area's economic identity.

Taken in the round, there is significant anticipated growth in employment sectors that require conventional office and industrial space. This will likely filter through into specialised and alternative commercial space typologies too. In this context, provision of the right space, within each geography, aligned with key sectors, will be critical to support the future functioning of West Northamptonshire's economy.

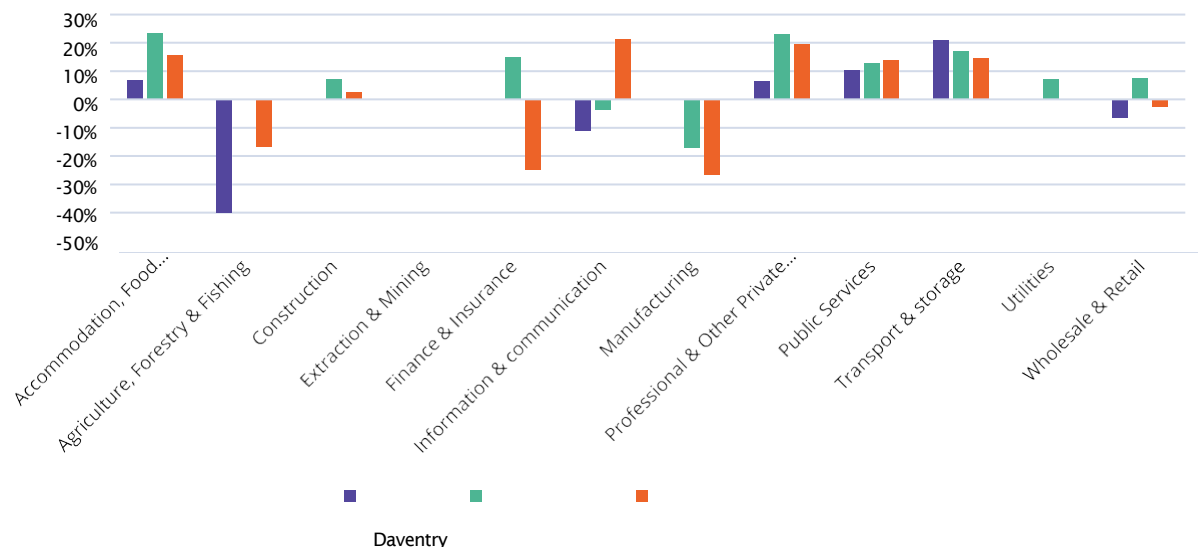
It has been possible to analyse projections for Daventry and Northampton specifically given their size and prominence. The trends in these areas broadly mirror those at the West Northamptonshire level with significant growth expected in Professional Services and Transport & Storage.

West Northamptonshire Employment Forecast by Sector 2024-2041



Source: Experian Employment Forecasts (2024)

Key Towns Employment Forecast by Sector 2024-2041



Source: Experian Employment Forecasts (2024)

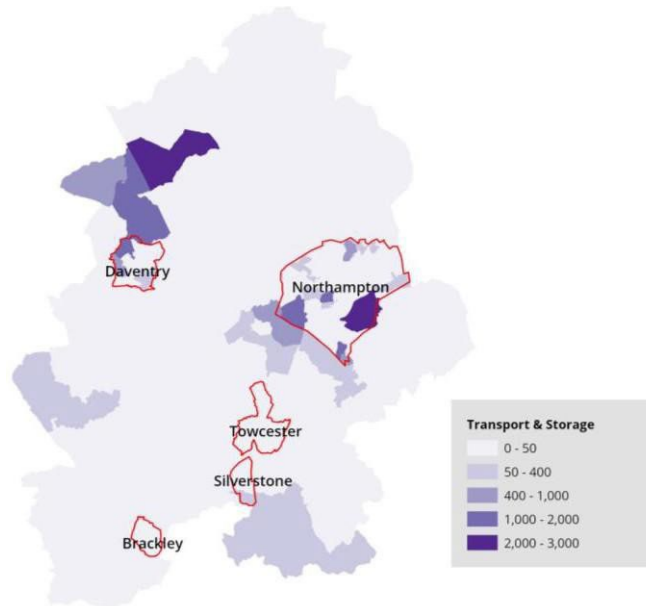
Northampton

South Northamptonshire

Local Drivers: Future Growth Sectors

The preceding analysis indicates that West Northamptonshire's most specialised industrial sectors are Transport & Storage, Motor Trades, Wholesale, Construction and Manufacturing. The maps below and overleaf shows the relative concentration of these sectors across West Northamptonshire. These clearly show that the spatial distribution of the sectors is influenced by the areas transport links such as the M1 motorway and A45 and logistics hubs located in near Daventry. Northampton and Daventry are the key employment areas within these sectors.

Transport & Storage Distribution, 2022

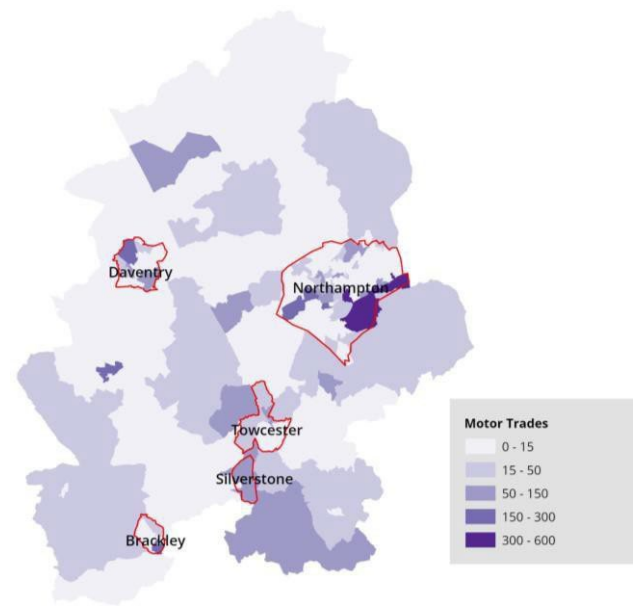


Source: ONS BRES, 2023

Employment for Transport and Storage Distribution is largely clustered in Northampton, near Brackmills Industrial Estate and North of Daventry, likely due to the industrial estate at Danes Way. Businesses in this area include DHL Supply Chain, Royal Mail National Distribution Centre and Daventry International Rail

Freight Terminal.

Motor Trades Distribution, 2022

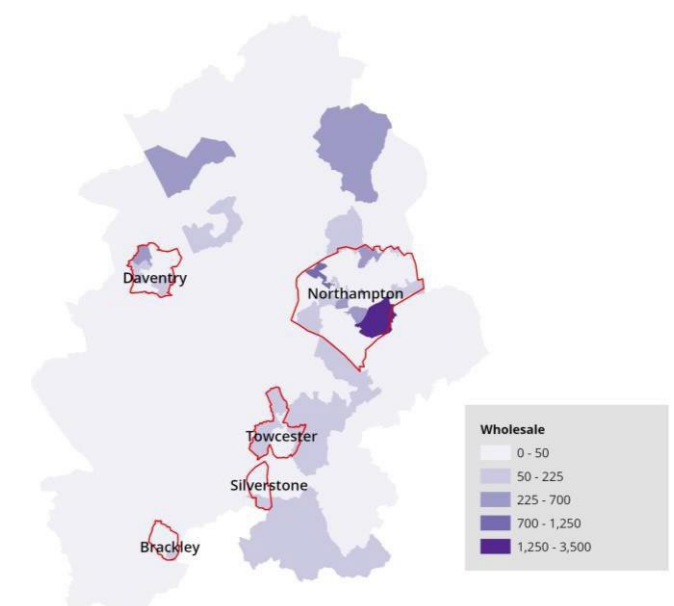


Source: ONS BRES, 2023

Motor Trades is fairly spread out around West Northamptonshire, with high density in areas such as Daventry and Northampton. Notably, there are also some clusters in Silverstone and south of Silverstone. The areas with the highest density are Brackmills Industrial Estate and Riverside Retail Park which has a

number of car dealerships. This includes Spirit Hyundai Northampton, Mercedes Benz of Northampton and Steven Eagell Toyota Northampton.

Wholesale Distribution, 2022

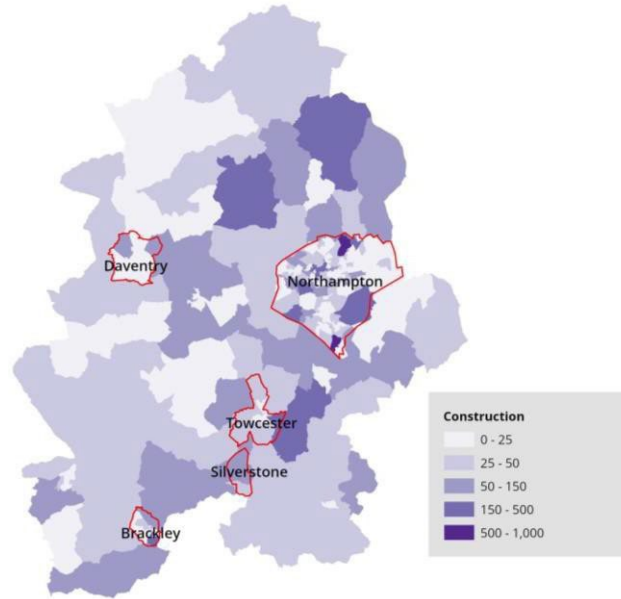


Source: ONS BRES, 2023

There are a few pockets of wholesale distribution employment in West Northamptonshire. Employment is limited in Brackley and Silverstone, there are some clusters in the north western and south eastern parts of Daventry and bigger clusters in Northampton.

Local Drivers: Future Growth Sectors

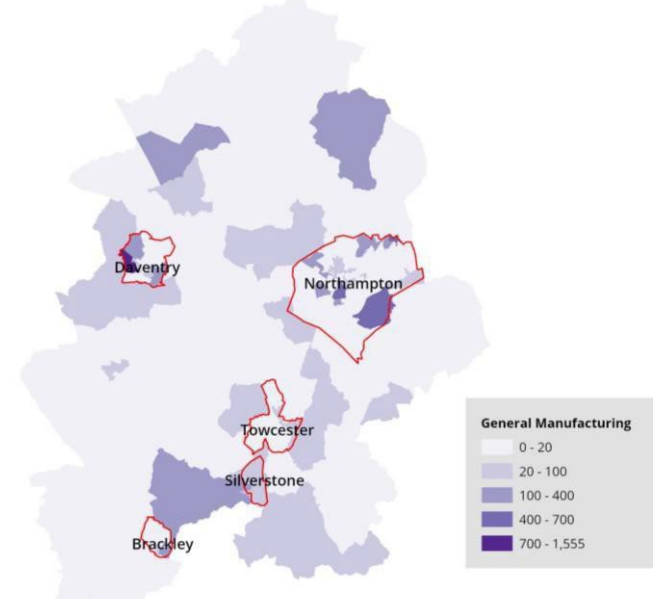
Construction Distribution, 2022



Source: ONS BRES, 2023

There is high density of employment in Construction all around West Northamptonshire. The highest employment areas are in Northampton, north of Northampton and Silverstone. The largest concentration is likely to be at Moulton Park and Cheaney Drive Grange Park Industrial Estate.

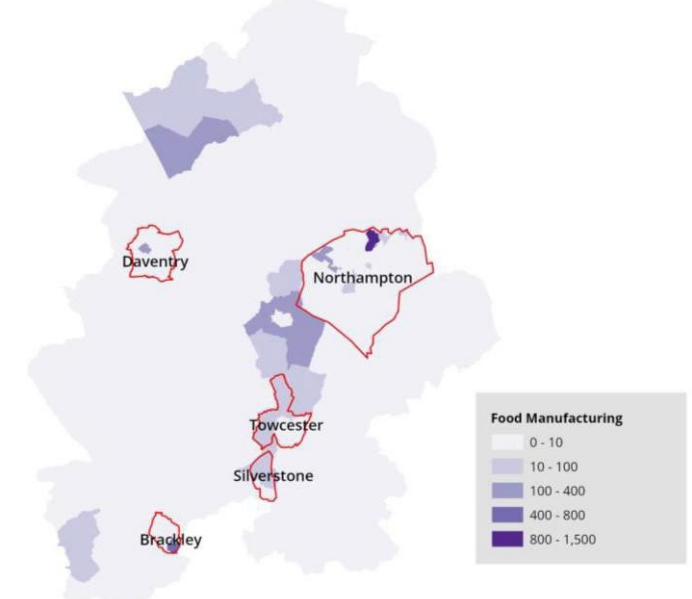
General Manufacturing Distribution, 2022



Source: ONS BRES, 2023

General Manufacturing is sparsely distributed in clusters in and around Daventry and Northampton and near Brackley and Silverstone. A high concentration of employment can be found at Royal Oak Industrial Estate and Heartlands Business Park with businesses such as Cummins and Ayshire Metal Products.

Food Manufacturing Distribution, 2022



Source: ONS BRES, 2023

Employment within Food Manufacturing is limited in the key towns, with most clustered north of Daventry and between Towcester and Northampton. However, there are a few people in employment in Towcester and Silverstone.

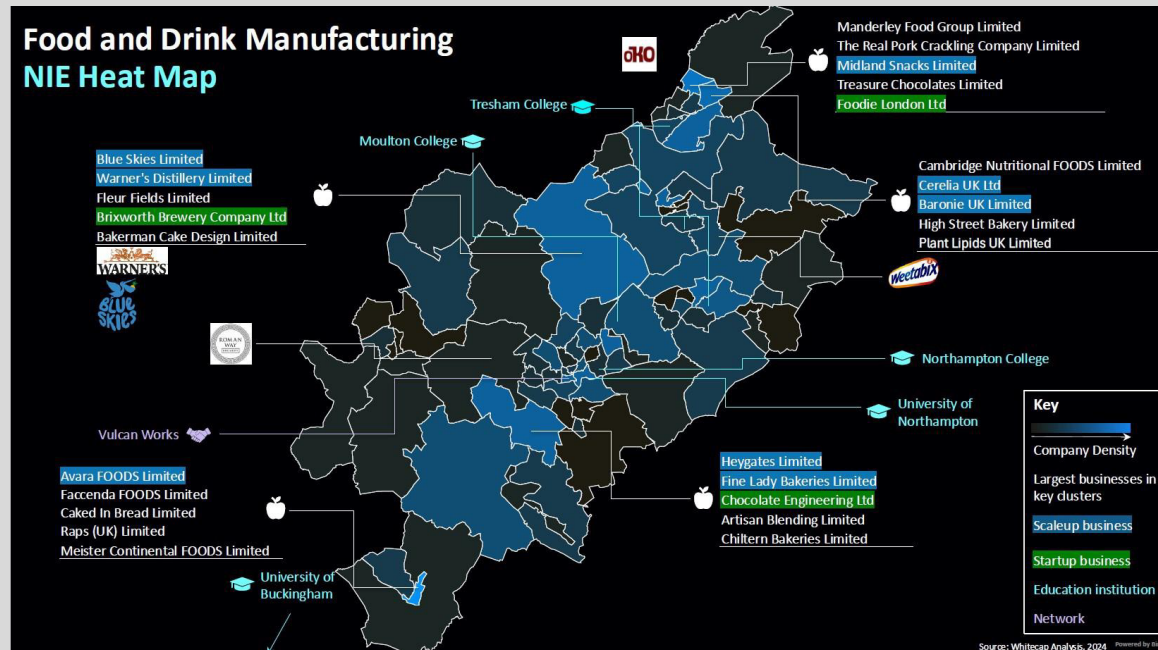
Focus On: Northamptonshire Innovation Ecosystem

In early 2024 the University of Northampton commissioned Whitecap Consulting to undertake analysis of Northamptonshire's Innovation Ecosystem – *Northampton Innovation Ecosystem Analysis*.

This work identified four sectors that are driving innovation in Northamptonshire. These are:

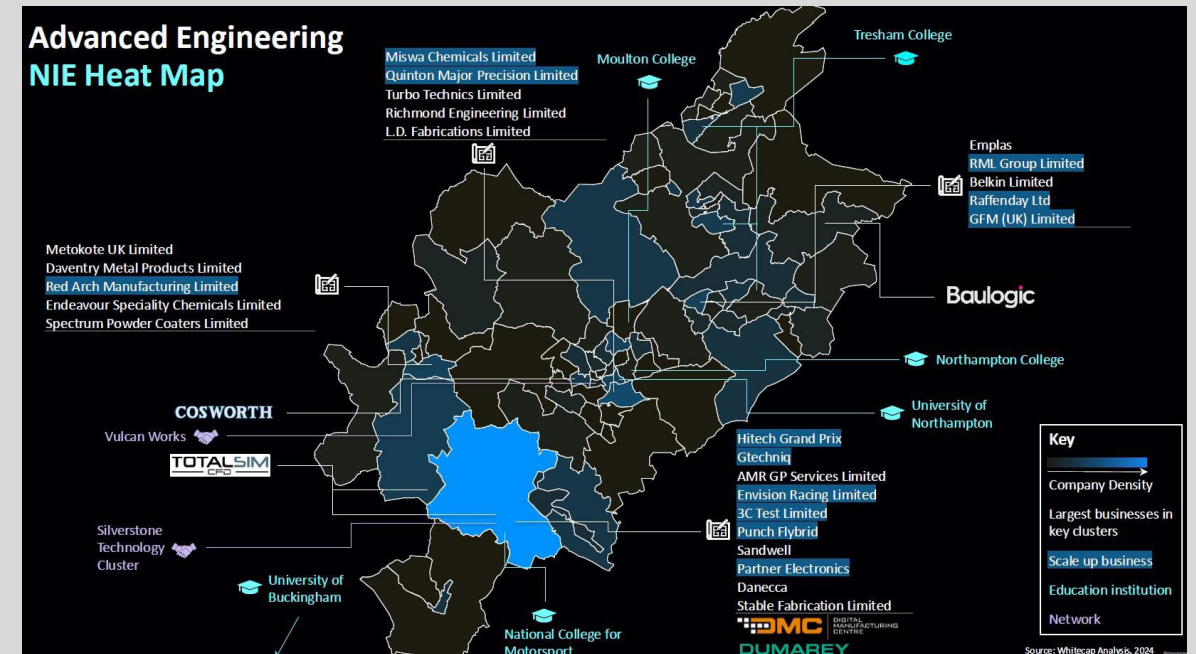
- **Food & Drink Manufacturing:** The report states that the region has a strong heritage in the sector and the county draws in firms establishing a base in the country. It notes that there are several innovators, particularly in sustainability, however there is a lack of networking or physical spaces for collaboration:
 - Number of Businesses: 155.
 - Example Businesses: Blueskies, Oko, Greencore, Roman Way, Warners, Carlsberg.
 - Innovation Assets: Food & Drink Innovation Centre, Landex, Weetabix Northamptonshire Food & Drink Awards.
 - Number of Start Ups: 74.
 - Example Start Ups: Bom & Bread Bakery (Daventry), Brixworth Brewing Company (Daventry), Chocolate Engineering (Daventry), Frog Island Brewery (Northampton), Highweald Wines Limited (Daventry), The Northampton Cheese Company (Northampton).
 - Number of Scale Ups: 16 High Growth Scaleups; 14 Scaleups.
- **Advanced Engineering:** The report shows that there is a strong cluster around Silverstone with some additional pockets of strength around the country. Most innovation is in the motorsport sector, but some other businesses in the sector are diversifying.
 - Number of Businesses: 250.
 - Example Businesses: Dumarey, Fablink, Cosworth, AMG Mercedes.
 - Innovation Assets: Motorsport Valley, Silverstone Park, Silverstone Tech Cluster.
 - Number of Start Ups: 43.
 - Example Start Ups: Bramble CFD Limited (Daventry), Alientech UK (Towcester), Electric Vehicles Outlook (Brackley), Applied EV UK Ltd (Brackley).
 - Number of Scale Ups: 28 High Growth Scale Ups; 16 Scale Ups.
- **Logistics:** The report sets out that the county's excellent location and transport network has drawn in some large logistics firms and resulted in strong pockets of innovation. It notes that more collaboration, events and physical spaces for the sector could create a more cohesive ecosystem.
 - Number of Businesses: 2,000.
 - Example Businesses: Wincanton, GXO, YUSEN, Huxlow, Gxo, Wincanton.
 - Innovation Assets: Golden Logistics Triangle, Segro Logistics Park Northampton, DIRFT, Northampton Logistics Awares, UKWA Roadshow.
 - Number of Start Ups: 1,682. Predominantly 'Freight Transport by Road'.
 - Example Start Ups: Route 44 Logistics (Northampton), Link Transport Limited (Northampton), L Spence Haluage (Daventry), John 96 (Daventry), Danny Trans Logistik Limited (Northampton).
 - Number of Scale Ups: 19 High Growth Scaleups; 12 Scaleups.
- **Construction:** The report notes that the Construction sector has many high growth startups and scale ups, but there is limited physical space or networking assets for entrepreneurs. It sets out that there are lots of highly innovative businesses increasingly focused on sustainability.
 - Number of Businesses: 3,600.
 - Example Businesses: Langley, CCF, Briggs & Forrester, TC, Winvic.
 - Innovation Assets: Northampton Construction Training Group, MK Property and Construction Network.
 - Number of Start Ups: 265.
 - Example Start Ups: Locke Passive House Consultants (Northampton), Aquaflow Plumbing & Heating (Northampton), Castle Climate Control Limited (Northampton), TR Enterprising Limited (Daventry).
 - Number of Scale Ups: 51 High Growth Scale Ups; 33 Scale Ups.

Focus On: Northamptonshire Innovation Ecosystem



Innovative Food and Drink manufacturing activity is pervasive across much of Northamptonshire with clusters around Kettering, Northampton and Brackley. The heat map shows a diverse spread of start-ups across the region with a series of scale ups in both Kettering and Brackley. These include:

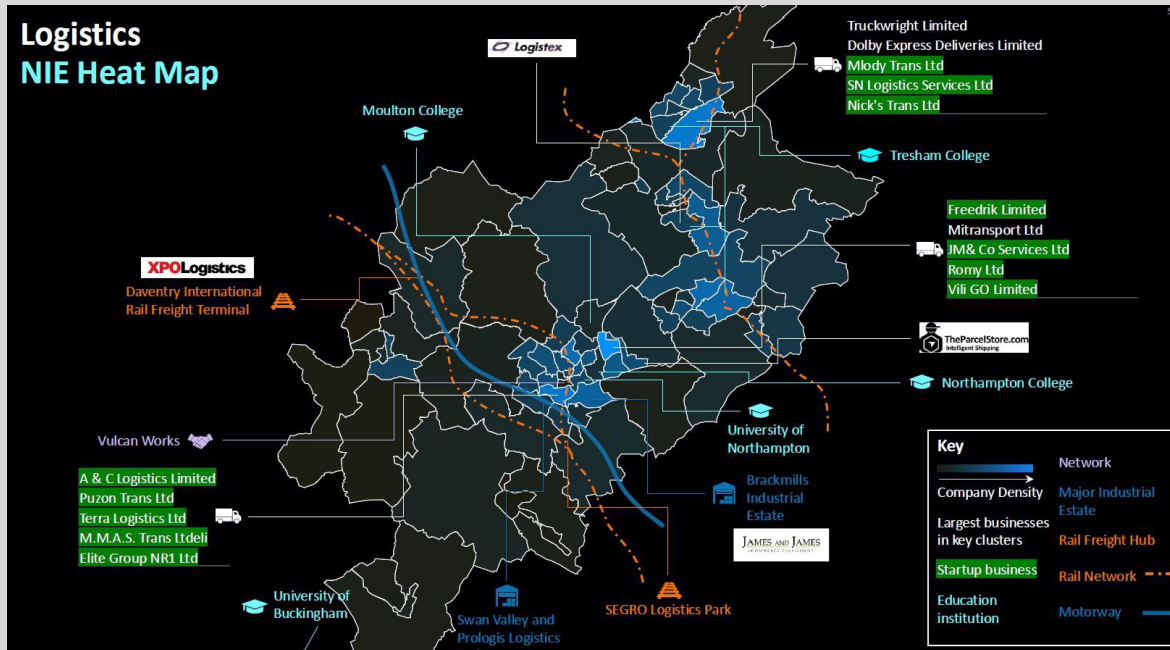
- Blue Skies Limited: Food and Beverage (Fresh cut Fruits) Manufacturing Company
- Warner's Distillery: Warner's Distillery is a global award-winning artisan gin distillery
- Heygates Limited: Heygates is one of the main flour supplies in the UK
- Fine Lady Bakeries Limited: One of the largest own-label bakery producers in the country



Innovative Advanced Engineering businesses are primarily clustered to the south of Northamptonshire in and around Silverstone, including in Towcester and Daventry. There is some diffuse activity elsewhere in the county but this is more incidental and less intense. Example scale ups include:

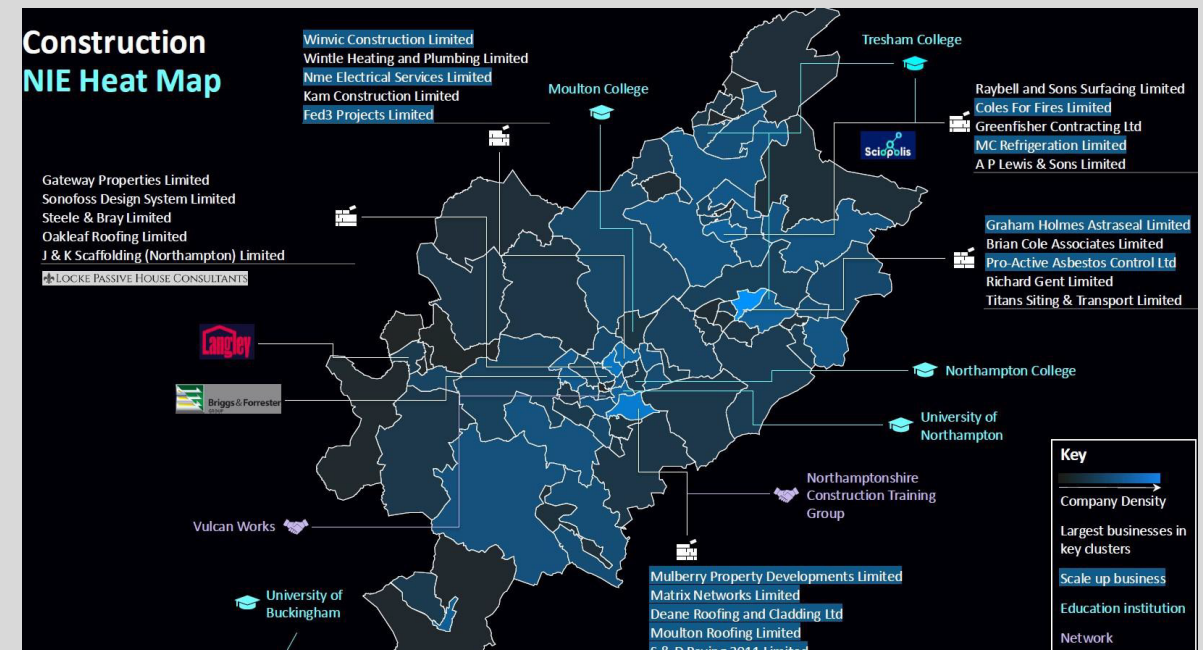
- Hitech Grand Prix: Hitech Grand Prix is a British motor racing team.
- Gtechniq: Produce specialised high-performance ceramic coating products, soaps, washes, shampoos, and more for cars, boats, and bikes.
- Envision Racing Limited: Formula E Team in British motor racing.
- Partner Electronics: Specialist engineering team who develop electronics and firmware.

Focus On: Northamptonshire Innovation Ecosystem



Innovative Logistics activity is clustered along the M1 particularly in and around Northampton, as well as along the rail corridor in Kettering. Start up and scale up activity is also concentrated in these areas. Example scale up businesses include:

- A&C Logistics Limited: Logistics company that offers customised cargo transport solutions.
- Puzon Trans Ltd:
- Terra Logistics Ltd: Logistics company that offers cargo transport solutions.
- Elite Group NR1 Ltd: Specialists in decorating services in wall coverings and papers.



Innovative Construction activity is dispersed across the region with clusters around most main towns in the county. Example scale ups include:

- Mulberry Property Developments Limited: Experience and expertise in promoting strategic land, for both residential, commercial and mixed-use schemes.
- Matrix Networks Limited: Specialist multi-utility infrastructure provider.
- Dean Roofing and Cladding Limited: The business are a leading roofing, cladding & total envelope contracting business.
- Moulton Roofing Limited: Roofing specialists in domestic, commercial and industrial roofing.

Focus On: Northamptonshire Innovation Ecosystem

The report also identifies that the county has two opportunity sectors – Life Sciences and Professional Services.

In relation to the former, it states that the region has the potential to leverage available land to provide infrastructure to complement Life Science hubs in Oxford, Cambridge and London – but notes that a detailed strategy is required to realise this. It notes the area is well-located for the sector but at present only accounts for 12% of the East Midland's businesses in the sector.

In relation to the latter, it states that there are a large number of professional services firms in the county, many of which are specialised or are actively engaged in the county's key sectors. The main areas of professional services are management consulting, computer programming and accounting.

A summary of Northamptonshire's innovation strengths, weaknesses, opportunities and threats is provided below.

Strengths

- Northamptonshire's has notable clusters in advanced engineering and logistics that leverage the existing skills, infrastructure and strengths of anchor tenants.
- The Silverstone brand is a critical advanced engineering asset for the county.
- There is a high volume of startups in most key sectors examined, but transitioning these businesses to become scaleups is challenging (e.g., due to a lack of funding and access to resources to support firm growth).
- Vulcan Works and Digital Northants are key assets to support ideation and collaboration, but more physical spaces and networking events are required.
- The county has significant commercial real estate in key sectors, with good land supply that can support sustainable future economic development opportunities.

Opportunities

- Net zero, energy security, building sustainable and resilient supply chains, and applying technology to sustainability are important opportunity areas.
- Automation and digital technologies offer significant opportunities for local businesses to raise productivity levels and develop new value propositions.

- The life sciences and biotech sector could present an opportunity for Northamptonshire based on its central location within the Ox-Cam geography. However, a vision and strategic plan for life sciences for the county would need to be developed.
- Recent UK government plans to raise the target for house building that will involve an overhaul of the planning system presents a major opportunity, given good land supply in Northamptonshire.

Weaknesses:

- The county lacks a clear vision and unique identity / brand to build consensus and buy-in with key stakeholder groups.
- There isn't a deliberate cluster and partner strategy involving local leaders to encourage more local cross-sector collaboration.
- The University of Northampton does not have an anchor role in key sectors.
- Northamptonshire lacks an integrated innovation funnel (starting from ideation, commercialisation, startups, to scaleups) to attract more investors.
- There are no towns/cities in Northamptonshire that incorporate innovation districts with a high agglomeration of diverse range of businesses and mixed-use real estate to enable walkability – thus encouraging greater collaboration activity.

Threats:

- There is competition for funding to support sustainability projects. The region will need to showcase its value proposition – e.g., through branding and storytelling / messaging at a national UK level.
- Access to finance and key resources (local knowledge and digital skills) to support investment in R&D projects are potential threats to exploiting automation and digital technology opportunities.
- Northamptonshire faces competition from other regions that also aspire to develop their life sciences sector.
- The UK is facing significant skills shortages across several industries and there is significant competition between industries for skilled workers.

4C: What is the nature of West Northamptonshire's business space market?



This sub-section provides an overview of the scale, nature and distribution of West Northamptonshire's business space market. It includes a high-level overview of the conventional commercial space market as well as a deep dive into the specialist workspace offer. This is to provide insights into current local specialisms and opportunities that can be built upon, and an indication of where any gaps may exist.

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Local Drivers: Nature of Commercial Property Market

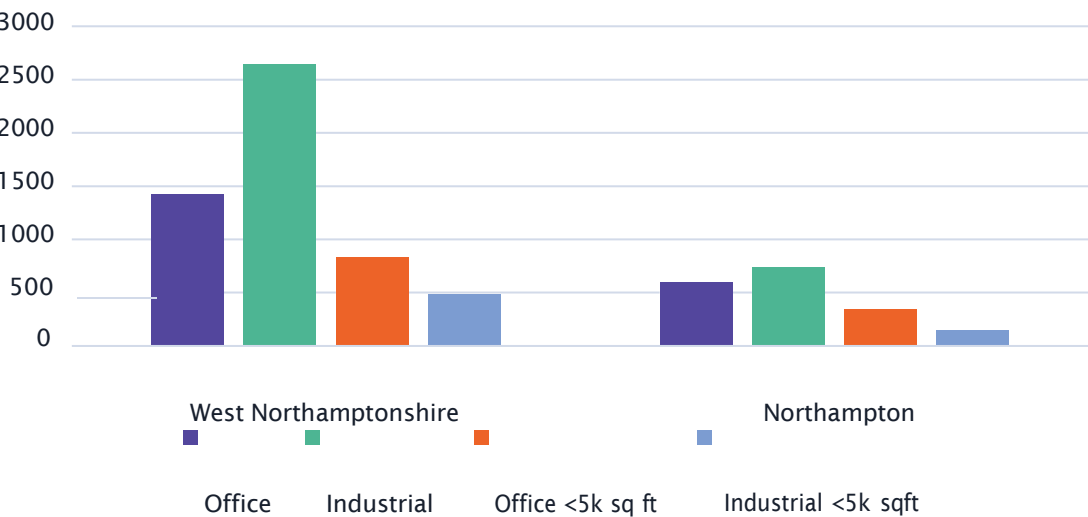
The conventional property market in West Northamptonshire has a mix of office and industrial stock. CoStar indicates that industrial is the dominant property type across the area with **2,646** units. This sits against **1,423** office units.

When considering stock below 5,000 sq ft, the trend is reversed, with **831** office units relative to **483** industrial units. This demonstrates that whilst industrial stock is the dominant space typology, stock is generally larger.

Looking at each of the key towns, industrial is the dominant property type in all towns except for Towcester. The disparity between each property type is most pronounced in Daventry where there are **241** industrial units relative to **74** office units.

As is the case across West Northamptonshire more widely, there is a much closer balance between office and industrial uses in each of the towns for stock below 5,000 sq ft. Towcester (**37%**) and Silverstone (**48%**) present a more significant proportion of office and industrial units under 5,000 sq ft. In Northampton (**27%**), Brackley (**20%**) and Daventry (**17%**) this proportion is smaller.

Number of Units by Commercial Space Typology - West Northamptonshire + Northampton (2024)



CoStar Data

Commercial market data has been sourced from CoStar, an industry standard property database which includes records and deals reported by major commercial real estate agents. This is the most reliable data source available, but it sometimes omits specialist workspaces and properties managed by independent agents. To overcome these limitations, data and information about about specialist workspaces in West Northamptonshire has been sourced directly from local workspace operators, and qualitative engagement has been undertaken with agents operating locally. Commercial property market trends, which are set out in the next chapter, have also been analysed utilising CoStar data.

CoStar Definitions

- **Industrial:** Single unit warehouses that can accommodate storage or small manufacturing activities.
- **Light Industrial:** Single unit or subdivided warehouses that accommodate a wide range of light industrial or manufacturing activity.
- **Office:** Retrofitted period properties, office units ancillary to Industrial or Light Industrial properties, units above high street retail ground floors or purpose built office blocks.

Number of Units by Commercial Space – Towcester, Daventry, Brackley, Silverstone (2024)

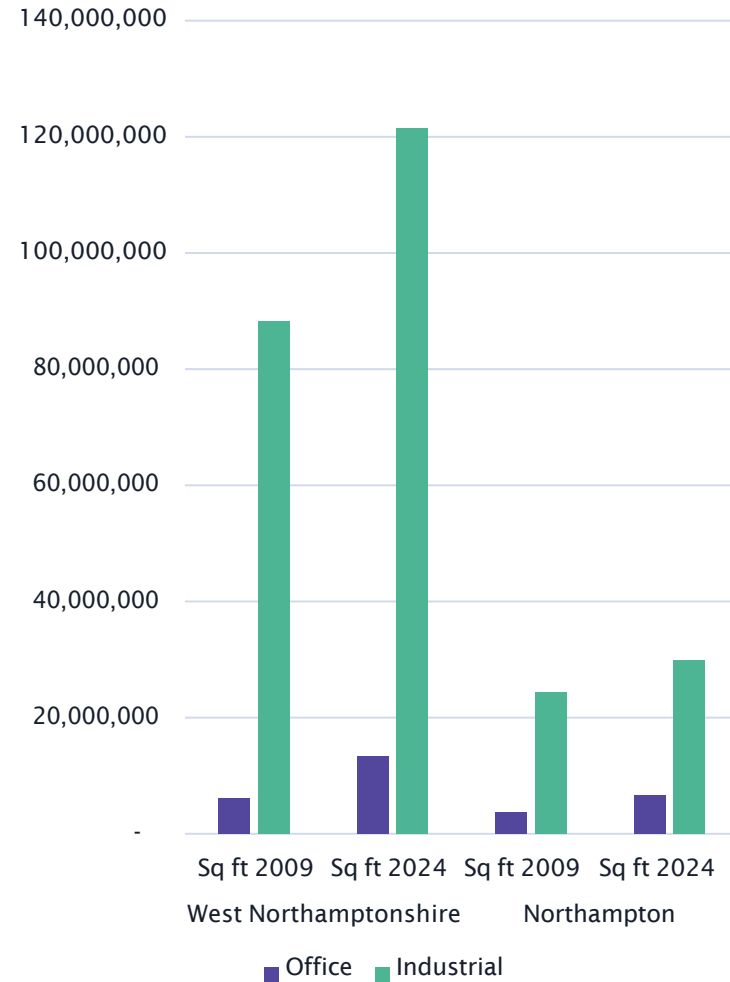


Source: CoStar, 2024

Source: CoStar, 2024

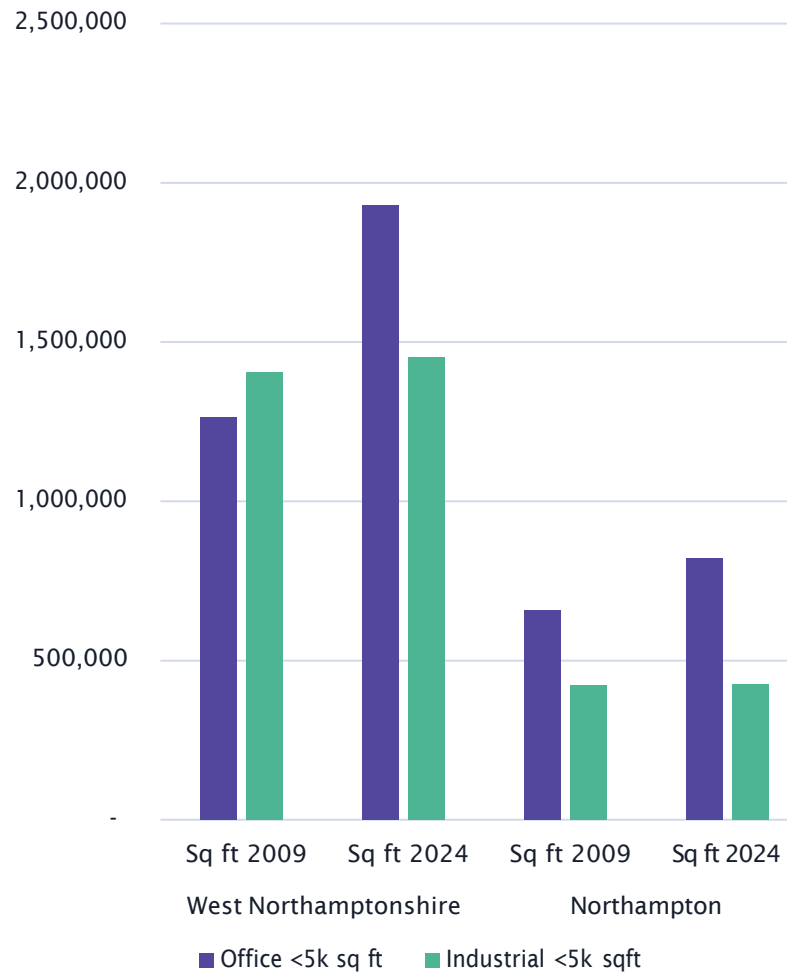
Local Drivers: Nature of Commercial Property Market

West Northamptonshire & Northampton – Change in Floorspace by Space Typology – All Sizes (2009 - 2024)



Source: CoStar, 2024

West Northamptonshire & Northampton – Change in Floorspace by Space Typology – All Sizes (2009 - 2024)



Source: CoStar, 2024

Overall, there is **c.135m sq ft** of office and industrial floorspace within West Northamptonshire. Northampton provides the largest quantum of space (**c.37m sq ft**) when considered against each of the remaining key towns which are considered overleaf.

The conventional property market in West Northamptonshire has seen strong growth in both office and industrial floorspace between 2009 and 2024. Office space has seen **+118%** growth from **c.6m** sq ft to **c.13m** sq ft. Growth in industrial floorspace has also been significant, increasing by **+38%** from **c.88m** sqft to **c.121m** sq ft.

Northampton has also seen strong floorspace growth, though this has been less pronounced than in West Northamptonshire as a whole. Between 2009 and 2024, office space has seen **+80%** growth from **c.3.6m** sqft to **6.6m** sq ft. Industrial space has seen **+23%** growth from **c.24m** sqft to **c.30m** sq ft.

Reviewing these figures against space under 5,000 sq ft, there have been more modest increases in floorspace.

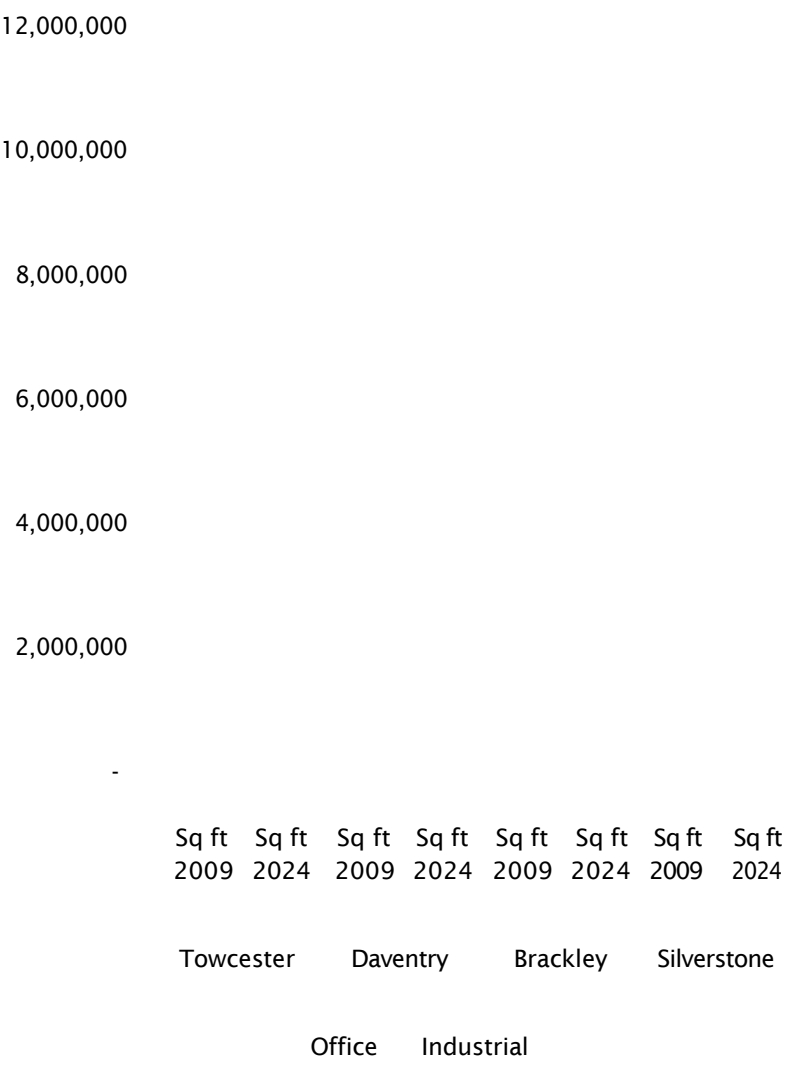
In West Northamptonshire, office space under 5,000 sq ft has seen **+53%** growth between 2009 and 2024. Industrial space has seen just **+3%** growth.

In Northampton, office space under 5,000 sq ft has seen **+25%** growth between 2009 and 2024. Industrial space has seen just **+1%** growth.

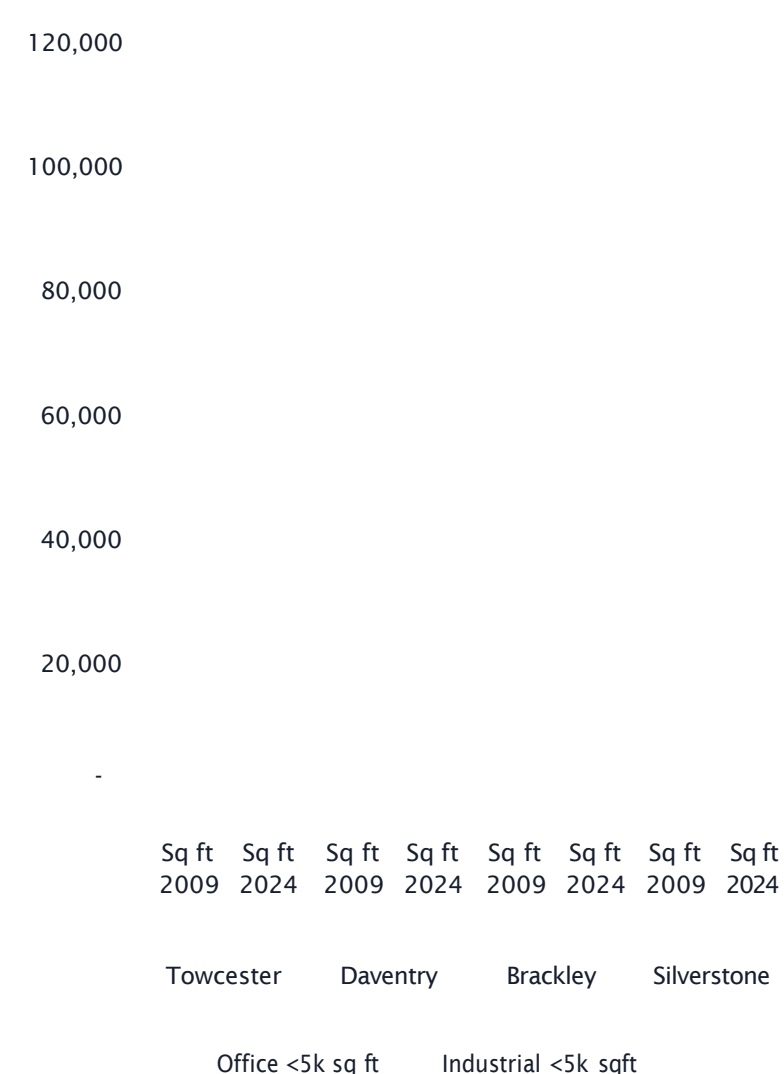
The modest provision below 5,000 sqft and limited floorspace growth aligns with the study hypothesis.

Local Drivers: Nature of Commercial Property Market

Towcester, Daventry, Brackley, Silverstone - Change in Floorspace by Space Typology – All Sizes (2009 - 2024)



Towcester, Daventry, Brackley. Silverstone – Change in Floorspace by Space Typology – All Sizes (2009 - 2024)



Reviewing the remaining key towns, Daventry has a far greater provision of conventional space (c.**11m sq ft**) than Brackley (c.**1.5m sq ft**), Silverstone (c.**1.2m sq ft**) and Towcester (c.**600k sq ft**).

Each of the towns has seen significant growth in office floorspace between 2009 and 2024. Proportionally, this growth outstrips growth within West Northamptonshire as a whole, and Northampton specifically.

Some of greatest growth in office floorspace has been seen in Daventry with delivery of c.**+780k** sq ft. Strong growth from a low base has also been experienced in Brackley with delivery of c.**+316k** sqft, Silverstone with delivery of **+185k sq ft**, and Towcester with delivery of c.**+164k** sq ft of space.

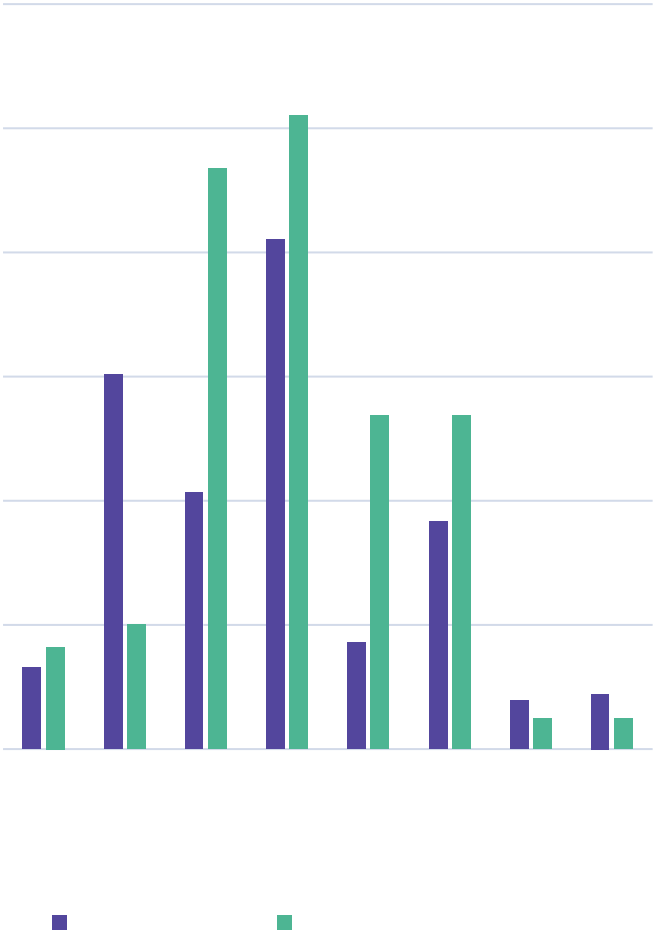
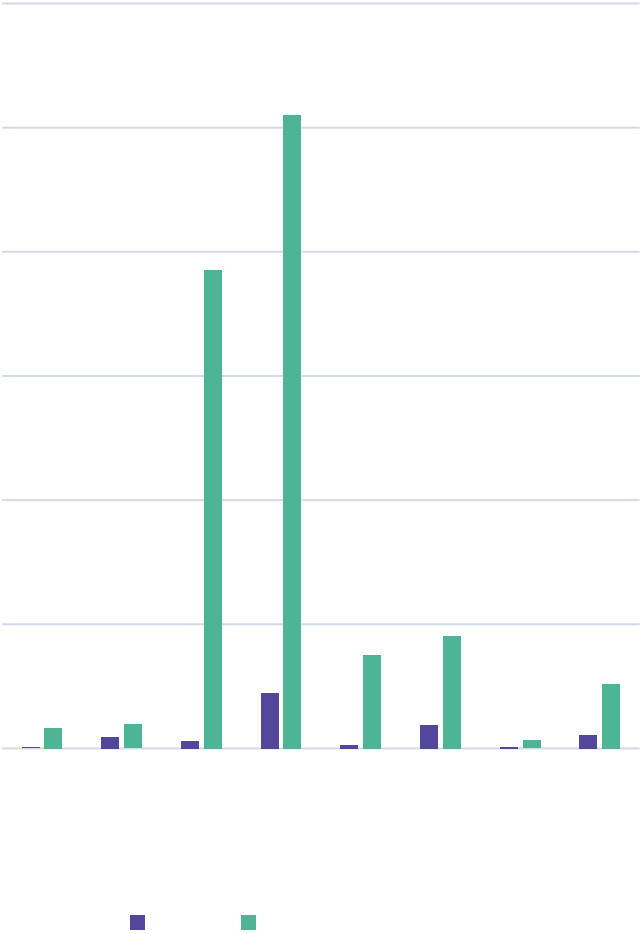
Industrial space growth has also been significant in Daventry (**+2m** sq ft), Silverstone (**+900k** sq ft) and Brackley (**+300** sq ft).

As with West Northamptonshire and Northampton, there have been much more modest increases in floorspace below 5,000 sq ft.

Silverstone and Brackley have not seen any delivery of industrial stock below 5,000 sqft, with marginal growth in office space. Towcester has seen **c.+22%**

growth in industrial floorspace below 5,000 sq ft, and Brackley has seen **c.+9%** growth. Both towns have

also seen **c.+40,000 sqft** of office space under 5,000 sq ft delivered.



Local Drivers: Nature of the Commercial Market

The analysis on the following pages provides an overview of industrial areas within the key towns, focusing on specific commercial spaces. This selection is intended to give a representative sample rather than an exhaustive review of employment areas in the key towns.

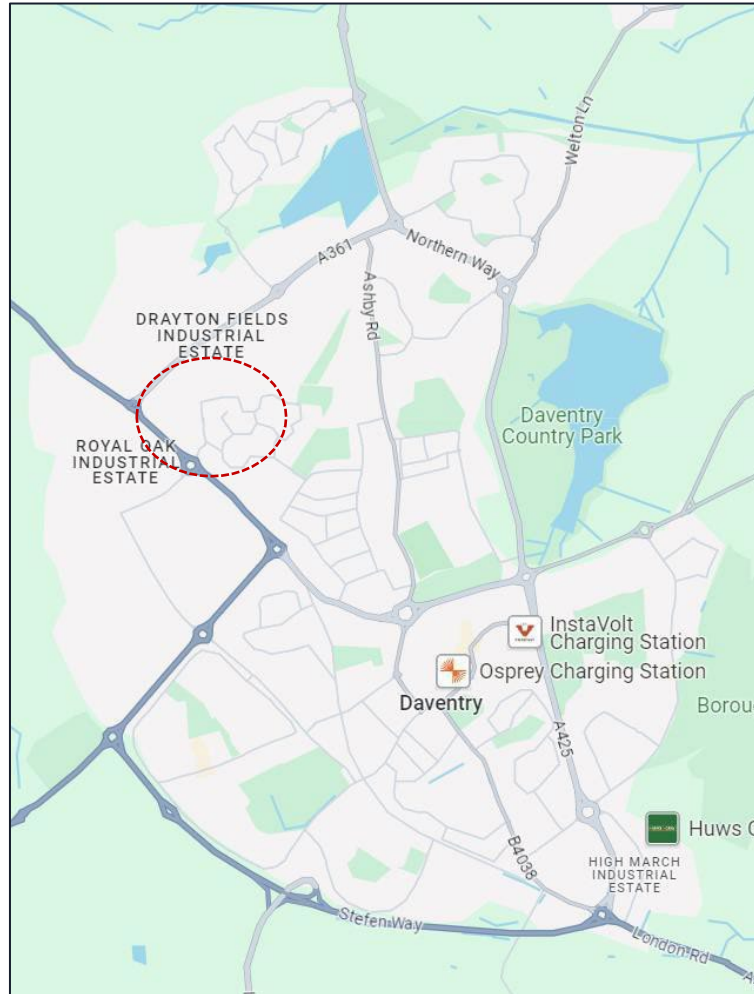
The commercial spaces chosen for this study were based on the following criteria:

- **Relevance to the Project Scope** – Sites were filtered to include units between 500-5,000 sqft, aligning with the requirements outlined in the project scope of small-scale light industrial and workshop uses. As a result, industrial estates that predominantly host large scale logistics space have been omitted from the analysis.
- **Geographical Focus** – We have focussed on commercial spaces within the key towns of Brackley, Daventry, Northampton and Towcester, as these locations are critical to the study.
- **Small Sites** – To provide a comprehensive view, we also included analysis of smaller sites outside the main employment areas in Northampton, specifically focusing on council-owned locations offering light industrial spaces below 5,000sqft as per the project scope.
- **Scale** – Sites were selected based on their scale, with employment areas that present significant clusters of light industrial and workshop space below 5,000 sqft being the key priorities for the analysis.



Local Drivers: Nature of Daventry's Commercial Market

Daventry presents one of the larger industrial markets within West Northamptonshire. Most of the space is split between Drayton Fields Industrial Estate, Royal Oak Industrial Estate and High March Industrial Estate, which present a broad range of space typologies including larger logistics stock and smaller scale light industrial. Detail is provided below and on subsequent pages on these three industrial locations.



Heartlands Business Park / Drayton Fields Industrial Estate

Estimated Floorspace: 4,776,468 sq ft

Dominant Typology: Industrial (77%)

Space Quality: 1 star (2%), 2 stars (27%), 3 stars (63%) and 4 stars (8%)*

Reported Vacancy: 1.3%

Mix of Uses: There is a good mix of businesses in the industrial estate including a Food and Beverage cluster on Egerton Road and MOT and Motor Trades near Sopwith Way. Prologis Apex Park presents some large-scale logistics units on the estate. Other units belong to metal works, engineering, manufacturing and home showroom businesses. Heartlands Business Park provides office units.

Example Businesses: Euro Catering (Food and services), VRC (Cars and automobiles), James Hargreaves (Plumbing) and RAD Garage (MOT station)

Supporting Offer: Limited supporting offer

Public Realm: Lack of proper public realm within the industrial estate. There is also very little on-street parking, though many units have dedicated spaces.

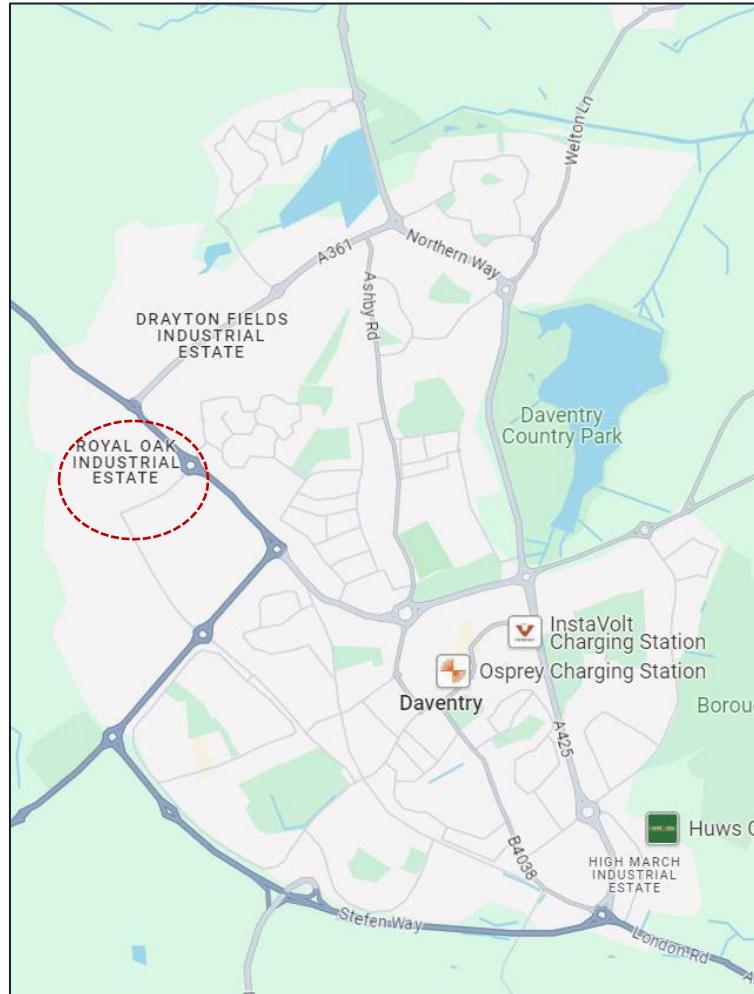
Development Potential: The sites in the industrial estate are fairly spread out and do not fully occupy the available space. As a result, there is a lot of land that is not intensely used that could potentially present opportunity for re-configuration and development. Potential to consider re-purposing of office stock subject to where there appear to be some higher vacancies.



*The CoStar Building Rating System is a national rating for commercial buildings on a universally recognized 5 Star scale. The Building Rating System focuses on aspects of the building itself, using a set of definitions established to describe expected levels of quality for each rating, within each property type. Industrial properties are ranked based on the following key criteria: Architectural design, structure / systems (such as loading, clear heights), amenities, site/landscaping/exterior spaces and certifications.

Local Drivers: Nature of Daventry's Commercial Market

Daventry presents one of the larger industrial markets within West Northamptonshire. Most of the space is split between Drayton Fields Industrial Estate, Royal Oak Industrial Estate and High March Industrial Estate, which present a broad range of space typologies including larger logistics stock and smaller scale light industrial. Detail is provided below and on subsequent pages on these three industrial locations.



Royal Oak Industrial Estate

Estimated Floorspace: 4,272,864 sq ft

Dominant Typology: Industrial (83%)

Space Quality: 1 star (1%), 2 stars (25%), 3 stars (69%), 4 stars (4%) and 5 stars (1%)*

Reported Vacancy: 0.2%

Mix of Uses: The estate has a mix of industrial units, warehouses and office spaces supporting businesses in manufacturing and engineering, logistics, warehousing and distribution.

Relevant Workspaces: Square Feet Daventry is a co working space offering meeting rooms, virtual offices and studio space. Collection of small-scale light industrial space dispersed around Lanchester Way.

Example Businesses: Electrostart (Car and Motors), Fortec Motorsport (Car and Motors), Steam Traction World (Manufacturing), Amazon (Retailer) and Moirai Rooms (Professional Services).

Supporting Offer: Limited supporting offer.

Public Realm: Reasonable landscaping and public realm offer.

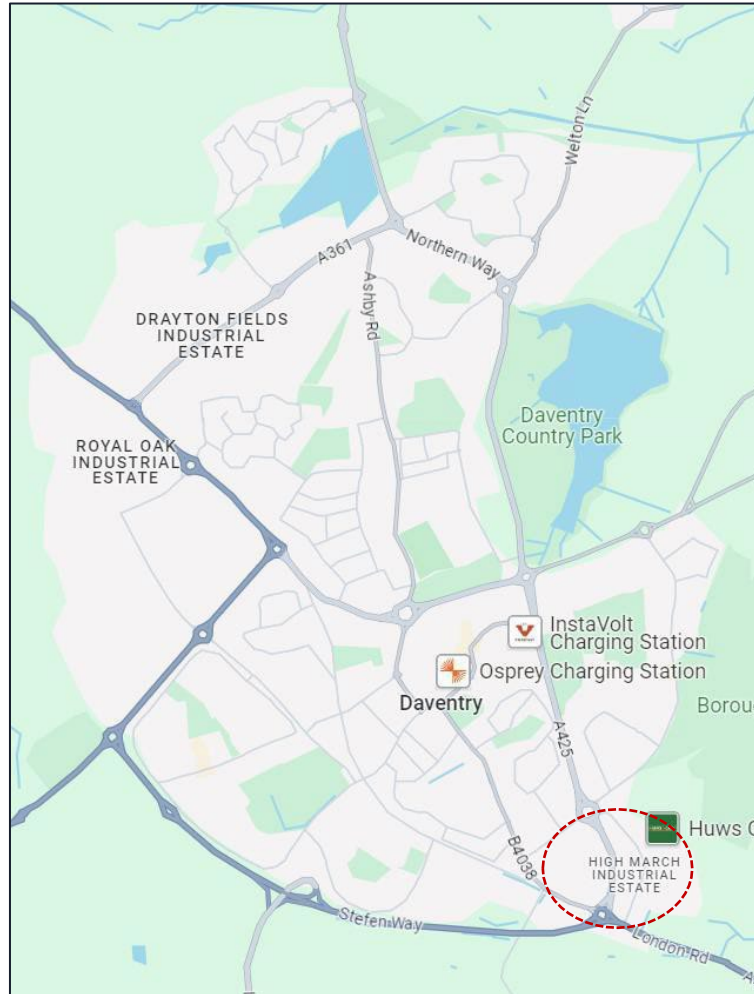
Development Potential: The site is well developed and has limited development opportunities. Potentially one plot available on the corner of Alvis Way / Royal Oak Way North.



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Local Drivers: Nature of Daventry's Commercial Market

Daventry presents one of the larger industrial markets within West Northamptonshire. Most of the space is split between Drayton Fields Industrial Estate, Royal Oak Industrial Estate and High March Industrial Estate, which present a broad range of space typologies including larger logistics stock and smaller scale light industrial. Detail is provided below and on preceding pages on these three industrial locations.



High March Industrial Estate

Estimated Floorspace: 1,713,141 sq ft

Dominant Typology: Industrial (87%)

Space Quality: 2 stars (25%) and 3 stars (75%)*

Reported Vacancy: 4.9%. There are some units on West March Road which are on the market to let.

Mix of Uses: A range of units, predominantly made up of small and mid-box. However, some presence of big-box logistics. Most units on the industrial estate are dated, but functional. Signal Park presents newer stock at a range of scales.

Relevant Workspaces: Signal Park presents some newer units, under 5,000 sq ft with very low vacancy which suggests these kinds of spaces have high demand.

Example Businesses: Travis Perkins, Swiftshore (logistics), City Plumbing, Howdens (trade retailers).

Supporting Offer: Limited supporting offer.

Public Realm: There is a fairly limited, but sufficient offering of landscaping and public realm.

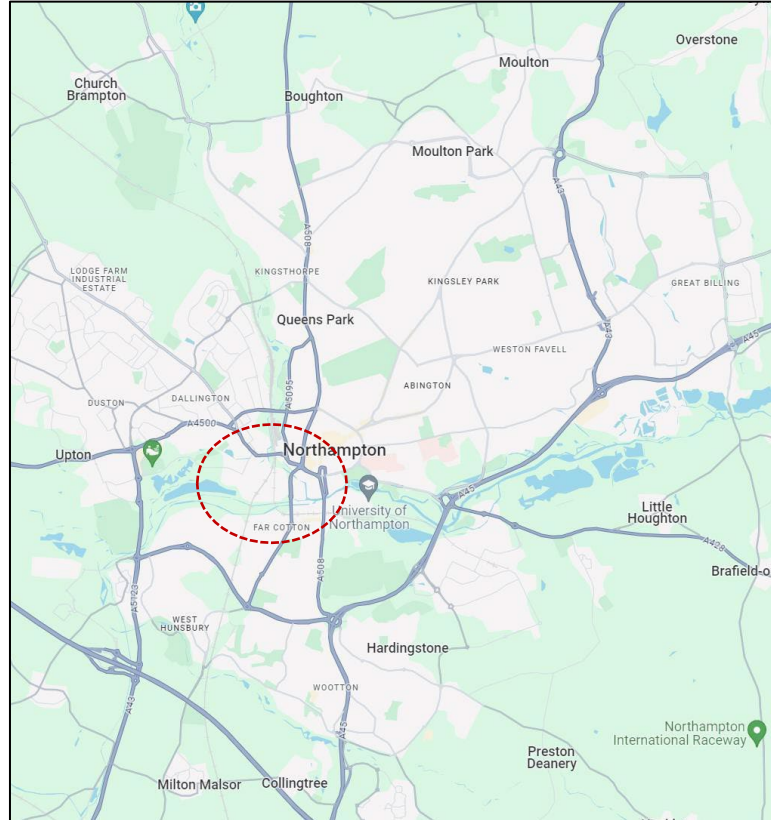
Development Potential: All the sites are very well occupied, therefore there are limited gaps for development. There are some vacant plots on York Way / Churchill Way which are underutilised and may present opportunities for development.



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Local Drivers: Nature of Northampton's Commercial Market

Northampton presents the largest commercial market of each of the towns, comprising a large quantum of office and industrial space. The highest space provision is found in established employment areas such as Brackmills, St James' Mill Business Park, Moulton Park and Round Spinney Industrial Estate. Each of these present pockets of smaller-scale light industrial stock. There are also a number of Council owned sites such as Bondfield Avenue, Blackthorn Workshops, Lyttleton Road and William Street workshops that present clusters of light industrial space below 5,000 sq ft. Detail is provided below and on subsequent pages on these three industrial assets.



St James Mill Business Park / Weedon Road Industrial Estate

Estimated Floorspace: 2,468,717 sq ft

Dominant Typology: Industrial (70%)

Space Quality: 2 stars (33%) and 3 stars (67%)*

Reported Vacancy: 0.4%

Mix of Uses: Broad mix of uses, including retail park, large trade businesses, mid-box and a small collection of smaller light industrial stock. Out of town offices.

Relevant Workspaces: Collection of small units at Milbrook Close. Lower quality, but functional stock.

Example Businesses: Wheel Clinic (Motor trades), Smarter Components (Plumbing supplies), Wheel Paints (Motor Trades).

Supporting Offer: Limited – a number of small cafes.

Public Realm: Fairly poor public realm offer.

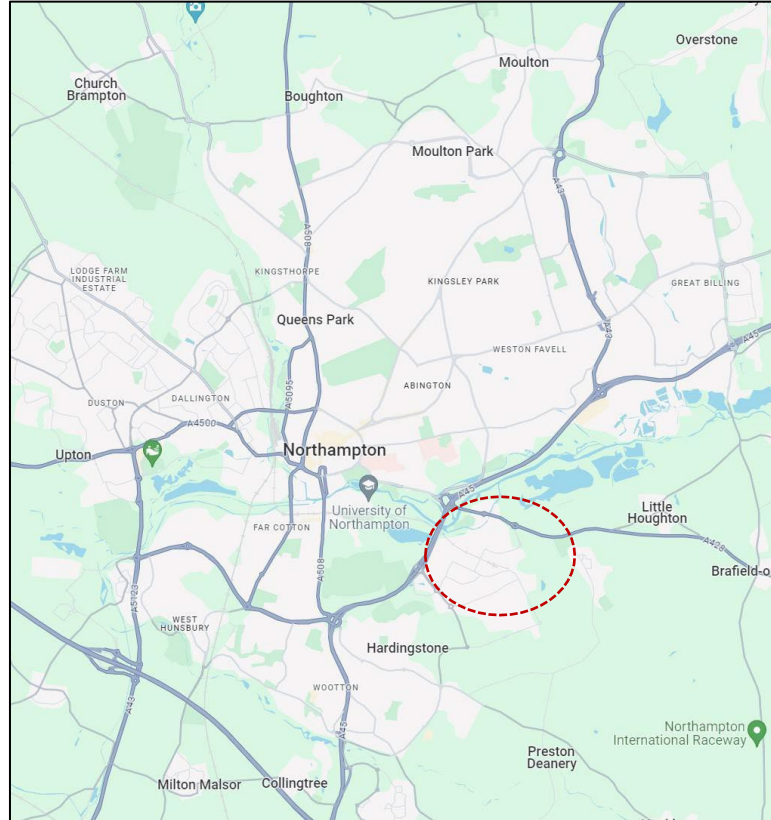
Development Potential: Large area of surface parking to the east of the site along Edgar Mobbs Way with potential for some development, subject to further investigation.



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Local Drivers: Nature of Northampton's Commercial Market

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Brackmills Industrial Estate

Estimated Floorspace: 11,613,918 sqft

Dominant Typology: Industrial (63%)

Space Quality: 1 star (1%), 2 stars (16%), 3 stars (76%) and 4 stars (8%)*

Reported Vacancy: 10%. Higher vacancies are driven largely by the significant provision of office uses on site at Pavillion Drive and Queensbridge.

Mix of Uses: Broad mix of units, including many big box logistics units, mid-box and a very small provision of small-scale light industrial uses. Large number of out-of-town office units at a range of scales.

Example Businesses: Businesses include Howdens, Screwfix, John Lewis, British Pepper & Spice and Yodel.

Supporting Offer: Limited supporting offer, with some provision of cafés across the industrial estate.

Public Realm: Good public realm.

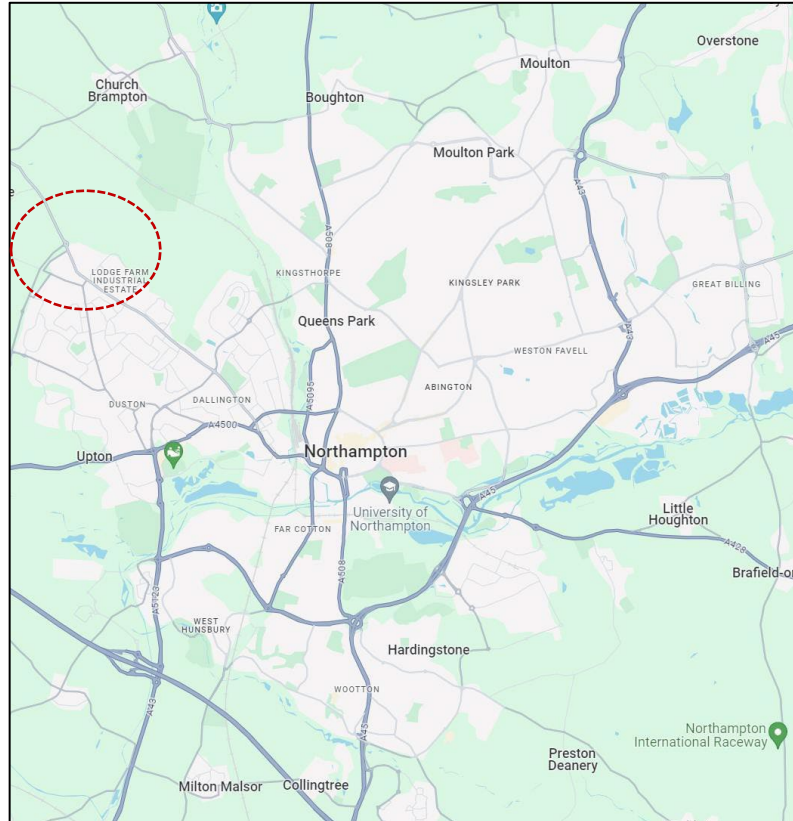
Development Potential: The area is low density and very spread out. There may be an opportunity to reconfigure to intensify uses. There is also some vacancy, particularly within office stock, with a high proportion situated along Pavillion Drive and Queensbridge where To Let signs were commonplace. Coca-Cola have also recently closed their site presenting opportunities for a new let or re-development schemes.



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Local Drivers: Nature of Northampton's Commercial Market

Northampton presents the largest commercial market of each of the towns, comprising a large quantum of office and industrial space. The highest space provision is found in established employment areas such as Brackmills, St James' Mill Business Park, Moulton Park and Round Spinney Industrial Estate. Each of these present pockets of smaller-scale light industrial stock. There are also a number of Council owned sites such as Bondfield Avenue, Blackthorn Workshops, Lyttleton Road and William Street workshops that present clusters of light industrial space below 5,000 sq ft. Detail is provided below and on subsequent pages on these three industrial assets.



Lodge Farm Industrial Estate

Estimated Floorspace: 1,534,124 sqft

Dominant Typology: Industrial (84%)

Space Quality: 2 stars (31%) and 3 stars (69%)*

Reported Vacancy: 2%

Mix of Uses: The estate is well occupied with a range of units, including big-box logistics, mid-box industrial, offices and some provision of dispersed small-scale light industrial stock. Stock is generally dated, but functional.

Example Businesses: TMI Foods, CET Glass Processors, Travis Perkins

Supporting Offer: Very limited supporting offer.

Public Realm: Limited public realm and a significant amount of on-street parking, hindering movement.

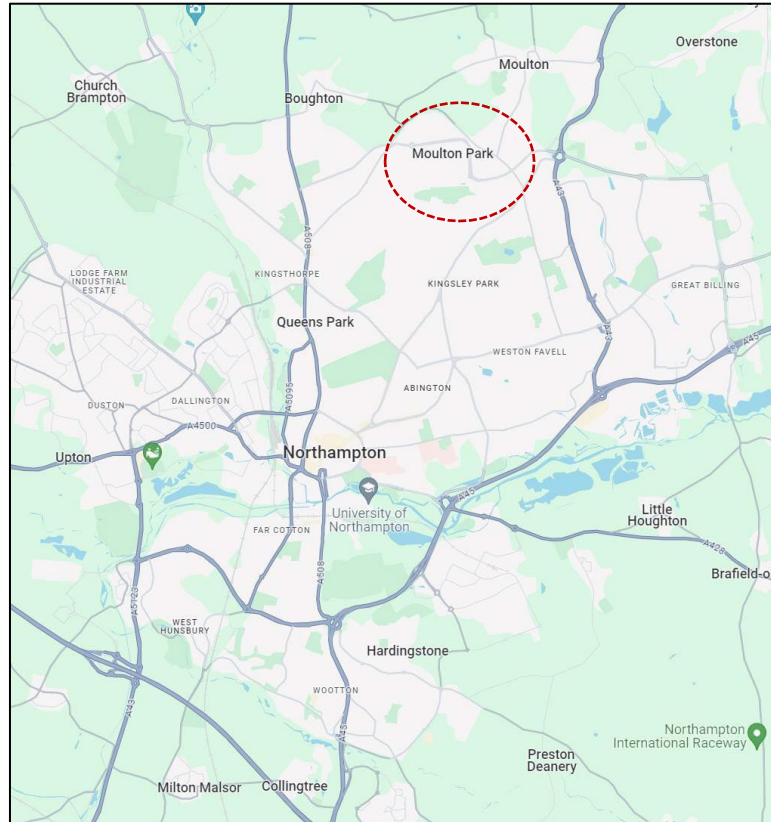
Development Potential: There is limited development potential, as stock is well occupied, and space is quite intensively used. There is a large plot of surface car parking on Lodge Way that could be considered, subject to further investigation.



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Local Drivers: Nature of Northampton's Commercial Market

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Moulton Park / Round Spinney Industrial Estate

Estimated Floorspace: 6,835,974 sq ft

Dominant Typology: Industrial (65%)

Space Quality: 1 star (1%), 2 stars (33%), 3 stars (63%) and 4 stars (3%)*

Reported Vacancy: 4.3%

Mix of Uses: Quarry Park Road has a cluster of relevant business spaces, with a mix of office and light industrial space, and big box trades. The area is product design and business oriented.

Example Businesses: Network Solutions, Red Cross

Supporting Offer: There are a few café's and F&B options in the local area, including a Gregg's.

Public Realm: There is significant on street parking, limiting ease of movement, and the public realm is limited.

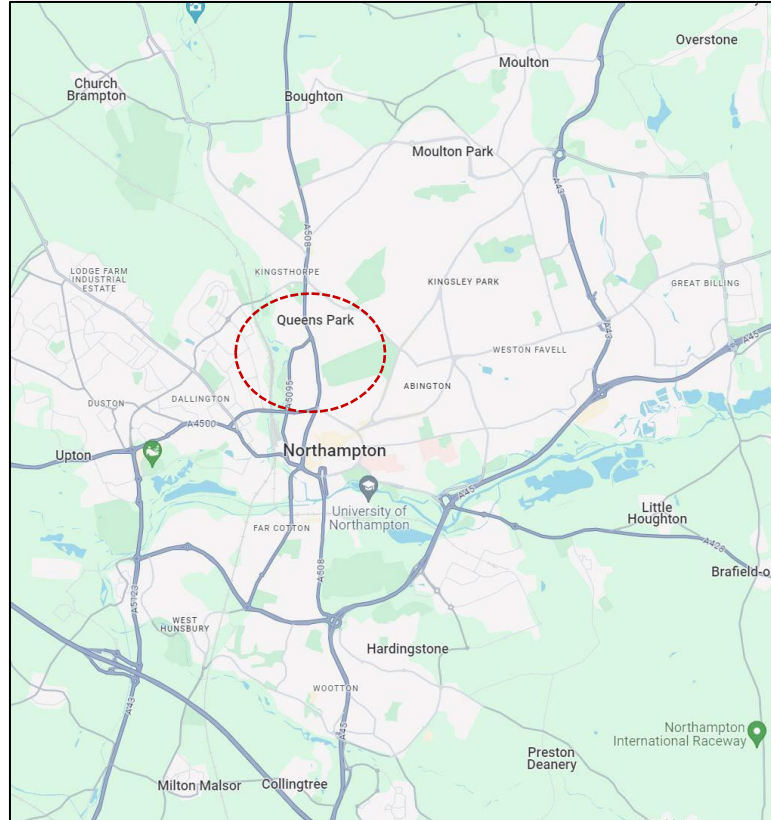
Development Potential: There is some car parking that is not well-utilised at the Nationwide building and less compact office space which presents some room for development. Industrial units have less vacancy than the office units, particularly on Owl Close and Lower Farm Road.



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Local Drivers: Nature of Northampton's Commercial Market

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Queens Park

Estimated Floorspace: 723,076 sqft

Dominant Typology: Industrial (69%)

Space Quality: 2 stars (39%) and 3 stars (61%)*

Reported Vacancy: 1.6%

Mix of Uses: Queen's Park presents a number of industrial estates across the area including Queen's Park industrial estate and Bunting Road. The stock is old but still functional.

Example Businesses: RAD Motorcycles (Car and Motors), CMC (Car and Motors), Technicool, J A Flooring (Showroom)

Supporting Offer: Good supporting offer located near the industrial estates such as supermarkets (ALDI and ASDA) and a café.

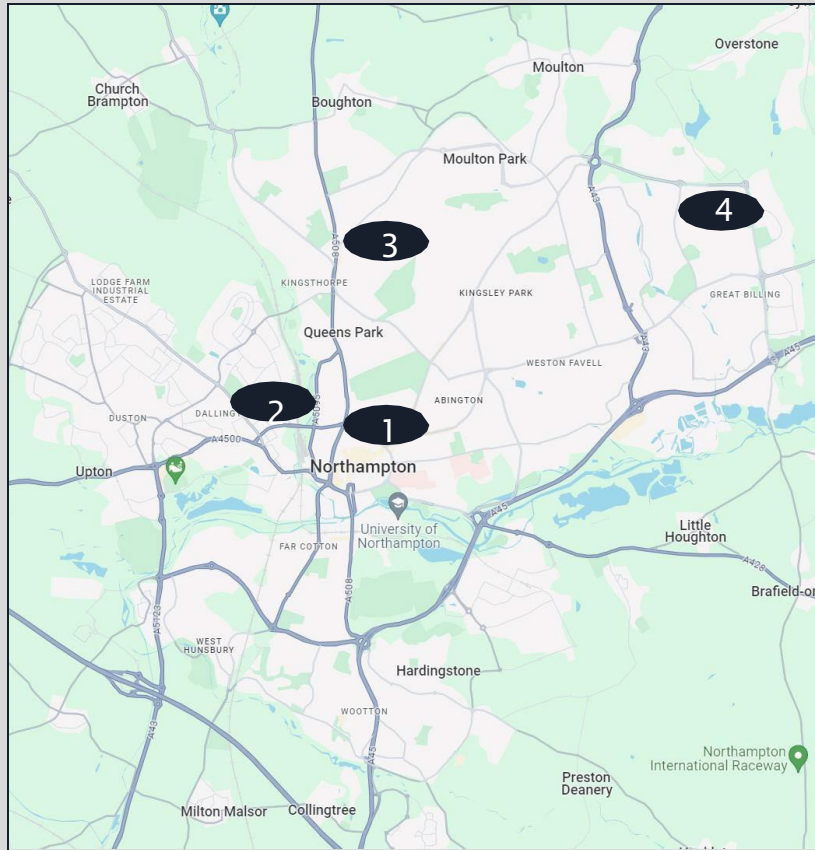
Public Realm: Limited

Development Potential: Existing sites are compact in nature and have very low vacancy. Given high levels of utilisation, there is limited opportunity for development.



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Focus On: Northampton Small Sites



Outside of the main employment sites within Northampton, there are a number of small council owned sites providing light industrial space below 5,000 sqft.

Businesses are varied across these estates, with no real pattern of occupancy. Example sectors include Print, Digital, Motor Trades, Window Traders and Fabricators.

The estates are generally very well occupied. Any vacancies that are present across these sites are generally driven by quality and compliance issues, rather than demand.

Engagement with the Property and Estates team at WNC indicates that many units (particularly at Bondfield Avenue and Blackthorn Road) present EPCs with ratings F and G, and present significant costs to bring back up to standard.

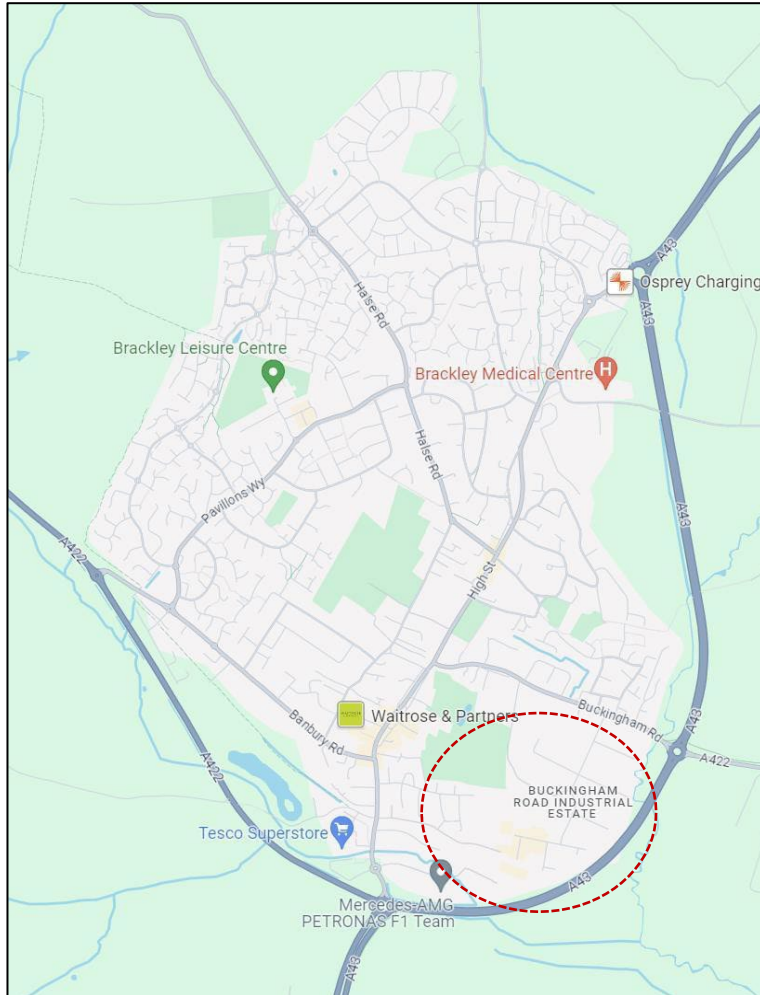
Location is a challenge for a number of these estates, with poor access and egress, convoluted access to the strategic road network, and siting in residential context.

Many of these sites are also relatively low density characterised by single storeys with expansive parking areas.

Number	Site
1	William Street Workshops
2	Lyttleton Road
3	Bondfield Avenue
4	Blackthorn Road

Local Drivers: Nature of Brackley's Property Market

Brackley presents a smaller offer of traditional commercial space, with the majority of stock sitting within Buckingham Road Industrial Estate. This caters to a range of businesses in sectors such as motor trades, construction, manufacturing and engineering, and logistics. Stock is varied, including more dated units, and new stock at Boundary Park. Sizes range from light industrial stock below 5,000 sqft up to large-scale logistics units. More detail is provided below.



Buckingham Road Industrial Estate

Estimated Floorspace: 1,142,526 sq ft

Dominant Typology: Industrial (87%)

Space Quality: 1 star (3%), 2 stars (28%) and 3 stars (70%)*

Reported Vacancy: 7.6%

Mix of Uses: The estate has a mix of industrial units, warehouses and office spaces supporting businesses in sectors such as motor trades, construction, manufacturing and engineering, and logistics. Stock is varied, including more dated units, and new stock at Boundary Park.

Relevant Workspaces: Collection of light industrial units below 5,000 sq ft on Boundary Road, and at Riding Court. Some new development of light industrial space at Boundary Park.

Example Businesses: JPRace Shop (Motor trades), 4U2 Store (Self-storage), Newport CNC (Precision Engineering).

Supporting Offer: Very limited supporting offer.

Public Realm: Limited public realm offering. On-street parking throughout the industrial estate limits moveability.

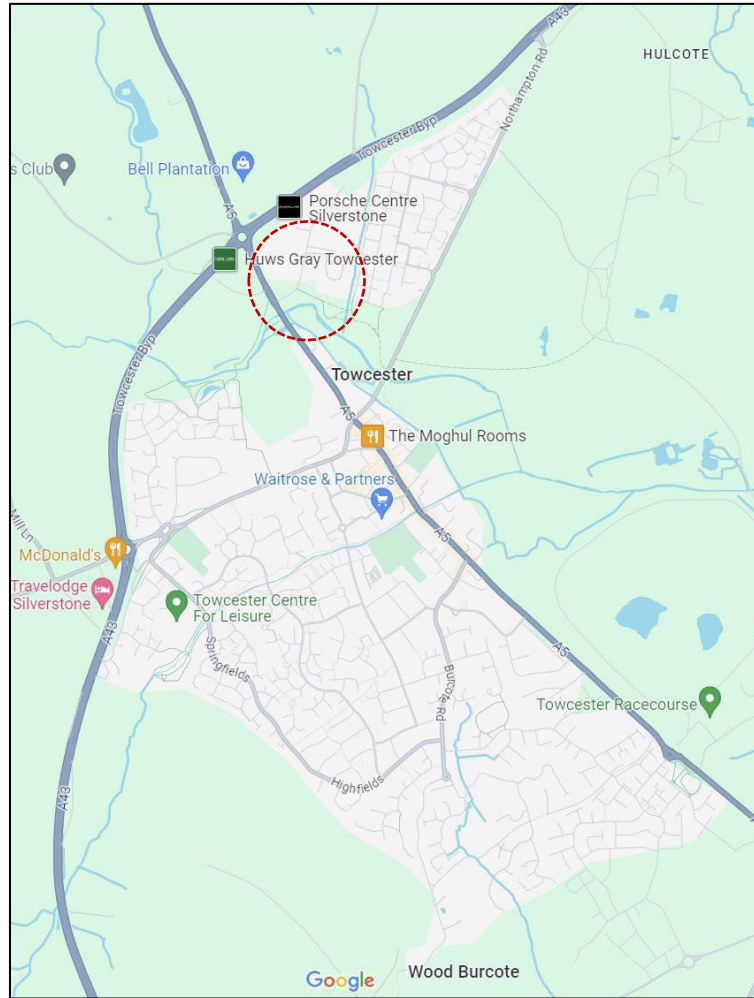
Development Potential: Limited development potential with well utilised plots. Potential to consider clustering of surface parking along Lauda Drive for re-development. Some land adjoining Herrieffs Farm Road appears vacant, but difficult to assess development potential without gaining access.



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Local Drivers: Nature of Towcester's Property Market

Towcester presents a small employment market. The majority of space is situated at Old Tiffield Road to the north of the town. This provides a mix of light industrial, and office space at a range of scales. Stock includes some more dated, but functional units and more modern light industrial and warehousing space. More detail is provided below.



Old Tiffield Road

Estimated Floorspace: 384,537 sqft

Dominant Typology: Industrial (46%)

Space Quality: 3 stars (92%) and 4 stars (8%)*

Reported Vacancy: 0%

Mix of Uses: Small scale employment area, providing a mix of light industrial and office space at a range of scales. Stock includes some more dated, but functional units and more modern light industrial and warehousing space.

Relevant Workspaces: Foundry Place provides some smaller-scale more modern light industrial space with roller shutter doors.

Example Businesses: JMB Builders Ltd (building supplies) EKA (military recovery and logistics).

Supporting Offer: Tesco Superstore and B&M on the estate, with Aldi and Shell in close proximity.

Public Realm: Good quality public realm including footpaths and cycleways and landscaping.

Development Potential: Large plot (4.5 acres) to the rear of the Tesco Superstore adjoining the Bypass.



*The CoStar Building Rating System is a national rating for commercial buildings on a universally recognized 5 Star scale. The Building Rating System focuses on aspects of the building itself, using a set of definitions established to describe expected levels of quality for each rating, within each property type. Industrial properties are ranked based on the following key criteria: Architectural design, structure / systems (such as loading, clear heights), amenities, site/landscaping/ exterior spaces and certifications.

Focus On: West Northamptonshire's Workspaces



Name: Vulcan Works

Location: Guildhall Road, Northampton

Sector Focus: 'Clean' digital and creative industries, including advertising, architecture, art, crafts, design, fashion, film, music, performing arts, publishing, and software.

Space Provided: 51,000 sq ft of higher-quality office space, co-working space and light industrial workshops. It is at full capacity.

Business Examples: Churches Conservation Trust (Charity), S-SA Digital (Recruitment company) NN Contemporary Art, Catherine Wise Print Design, Auction Marketer, HAI Robotics, Goddard Design Consultancy Ltd, Infrface, Pheonix Turnkey, Cantrip Creative, Northampton Bid, Lucienne Coaching, Northampton Theatre Trust, Revolution Radio, Stone Hardy, and New Edge Media Ltd.

Ownership and Lease Structure: West Northamptonshire Council own the site. The space is managed by Oxford Innovation.

Fit Out and Specification: Fit out includes signage, furniture, carpets, kitchen white goods, fire safety equipment and a bespoke printing lab with 3D printers and a laser cutter, all funded with monies already ringfenced in the project development pool budget.

Success Stories: S-SA Digital – Moved into Vulcan Works in January 2024. Darren Sharp (founder of S-SA Digital) stated *"We wanted to build a culture purely embedded in the tech and digital environment and what Vulcan Works has achieved as an innovation and business hub cannot be overlooked. It made perfect sense to move here"*.

Intelligence from engagement with West Northamptonshire Council suggests:

- Vulcan Works has seen greatest demand for smaller units (targeted between 150 – 300 sq ft).
- Larger units tends to see greater levels of vacancy.
- Workshops sized between 800 and 1,000 sq ft have seen very little demand as they do not have any dedicated loading or parking.
- Price points at Vulcan Works are generally considered high around £35 psf.



Name: Icon Innovation Centre

Location: Welton Way, Daventry

Sector Focus: 'Clean' space targeted at social enterprise and emerging markets.

Space Provided: 40,000 sqft with 55 business units, meeting rooms and an auditorium to host events. It is at full capacity.

Business Examples: EGD Solutions Ltd, SAPFIX LTD, Sustainable Leather Foundation, Comhar Technology Group, FORBES HR Ltd, Acorn Training, Draft Structural Detailing Ltd, Remedy Geotechnics Ltd, GP Planning Limited, V12 Project & Cost Management, AquaCert Ltd, Executive Security Solutions Ltd, MRJ Consulting Services Ltd, and The Child Protection Company. The Lease comps show Creating Tomorrow College (CTC) occupy around 16,000 sqft, and the latest business to move on site is Kelly Services (500 sqft – in 2023). There is around 16,200 sqft of available space across the workspace.

Ownership and Lease Structure: The site is owned by Icon Operations Limited. The Lease team is 20 years (Started 01/05/2011 and ends 30/04/2031).

Rental Structure and Rates: £11 - £12 psf

Fit Out and Specification: The site has the capacity to provide offices for 55 companies, as well as a 300-seat auditorium and café. The size of offices ranges from 162 sqft to 836 sqft which includes kitchen space, reception services, and free car parking.

Success Stories: Within the Innovation Centre, CTC offer an education facility that aims to help students with special needs prepare for working life. Students can learn about independent living and being part of the community, as well as employment skills. CTC have a "pathway to employment" programme that aims to provide practical skills and knowledge for living and working, as well as a sense of community involvement.

Focus On: West Northamptonshire's Workspaces



Name: BizSpace

Location: Kingsfield Way, Northampton

Sector Focus: **Mixed space from** Multi-purpose business centre which provides flexible offices with 'dirtier' space for industrial uses and workshops.

Space Provided: 141,630 sq ft of flexible offices, workshops, and industrial & storage units. Occupancy levels are at 90%.

Ownership and Lease Structure: The site is owned BizSpace Limited. The lease term is 25 years (Started 02/11/2007 and ends 02/11/2032).

Rental Structure and Rates: £10 - £12 psf. Or a minimum of £240 per month (Size depending)

Fit Out and Specification: The offices includes 24/7 Access, Breakout Areas, Communal Kitchen, On-site Parking, Heating, Manned Reception, Onsite Maintenance Team, Onsite Manager, Person Lift, Pet Friendly, and Security / CCTV.

Light Industrial: Units cater to diverse businesses – Manufacturing, retailers, wholesalers, and logistics companies. Smaller units range in size from 180-250 sqft, and Medium sized units from 250-750 sqft.



Name: The Artists Sanctuary

Location: Royal Ordnance Depot, Cavalry Hill, Northampton

Sector Focus: 'Clean' creative industries, including art, crafts, design, and fashion.

Space Provided: 8 Artist studios.

Ownership and Lease Structure: The Ordnance Depot Ltd own the site.

Fit Out and Specification: There are eight dedicated artist studio units fostering creativity and facilitating the growth of different resident artists.



Name: The Old Granary Cowork

Location: Cotton End, Northampton

Sector Focus: 'Clean' space targeted at Health industries

Space Provided: 55 business units, meeting rooms and an auditorium to host events. The workspace is 70-90% occupied.

Business Examples: Global Health Tests and Others, GB Gas Holdings Ltd, Norac Foods.

Ownership and Lease Structure: The site is owned by a private owner. The lease term data is unavailable, although according to CoStar all the tenants' terms expire in 2026/27.

Rental Structure and Rates: £16 psf or from £185 per person per month

Fit Out and Specification: The offices includes Self Contained Shared Office Space, and Private Workspace. Services included Flexible terms, Fixed costs, Fast move in, Furnished, Shared Internet, Meeting rooms, 24-hour access, Parking, Breakout/Lounge Space etc



Name: NN Contemporary Art

Location: 24 Guildhall Road, Northampton

Sector Focus: 'Clean' creative industries, including art, crafts, design, and fashion.

Space Provided: The art facility will provide 26 artist studios, a Contemporary Art Gallery, a new Project Space, an Artists Research Lounge, Multimedia Room, Civic Reading Room & Arts Library and shop.

Business Examples: Workspace is yet to open.

Ownership and Lease Structure: The site is owned by West Northamptonshire Council

Focus On: Science and Innovation Parks



Name: Northampton University Innovation Centre

Location: Green St, Northampton

Sector Focus: **Mixed space from** Multi-purpose business centre which and is a flagship for the social enterprise sector.

Space Provided: The building is over 47,000 sqft and provides 42 flexible office units, a cafe and conference space

Ownership and Lease Structure: The site is owned by The University of Northampton.

Rental Structure and Rates: £14 - £17 psf.

Fit Out and Specification: The offices includes reception services, bike parking, IT infrastructure, and modern business units ranging in size from 136 sqft to over 2,000 sqft.



Name: Northampton Waterside Enterprise Zone

Location: River Nene, Northampton

Sector Focus: Multi-purpose Enterprise Zone focusing on advanced technologies, precision engineering, low carbon technology, sustainable construction and high performance engineering.

Space Provided: 420,000 sqm of high value commercial and industrial floorspace

Ownership and Lease Structure: The site is owned by The University of Northampton.

Fit Out and Specification: The site offers opportunities for professional, financial, leisure and business services to support businesses in the Enterprise Zone.



Name: Innovation Centre Silverstone

Location: Dadford Road, Towcester

Sector Focus: Silverstone Innovation Centre is part of a technology and advanced engineering campus.

Space Provided: The specialist facilities provide ambitious SMEs and start-ups to vital engineering equipment and R&D capabilities.

Business Examples (Innovation Centre): Room44 Ltd & Gulf

Ownership and Lease Structure: The Innovation Centre is owned by MEPC Silverstone.

Rental Structure and Rates: £13 - £16 psf.

Fit Out and Specification: The innovation centre provides three floors of serviced offices which are located within the Silverstone Park. The centre is designed to accommodate businesses of between 1 and 20 people.



Name: Silverstone Park

Location: 24 Guildhall Road, Northampton

Sector Focus: Automotive and engineering specialism

Space Provided: General R&D and industrial spaces

Business Examples: (The Campus): AF Corse UK, AlienTech, Ami-con, Applus Test Ltd, BikeTrac Ltd, Black 'n' Rounds, Blaser Mills Law, Bspoke Global Networks Ltd (BGN), Cars on Demand, CMA Marketing, CoFiGi Performance, Competition Supplies Ltd, and Core Equipment Ltd.

Ownership and Lease Structure: The racecourse is owned by The British Racing Drivers Club, and the Silverstone Park is owned by MEPC Silverstone.

Focus On: Science and Innovation Parks



Name: Catesby Innovation Centre

Location: Charwelton Road,
Northamptonshire

Sector Focus: Automotive sector focused and testing tunnel.

Space Provided: The Centre is designed to provide flexible office space from 200 – 15,000 sqft for automotive and associated companies – Some limited accommodation.

Ownership and Lease Structure: The site is owned by Catesby IC Property LTD

Rental Structure and Rates: The rents range between £11 - 13 psf.

Fit Out and Specification: A variety of offices sizes, with an attractive entrance with reception areas, open plan collaborative breakout spaces, meeting, seminar and conference rooms, ground Floor Vehicle workshop (1,076 sqft), and an open plan café/waiting area.



Name: Caswell Science and technology park

Location: Banbury Lane, Towcester

Sector Focus: There are more general tenants, but the business park has more science / research sectors.

Space Provided: The park offers 43,000 sqft of mixed office, manufacturing, workshop and laboratory space.


Business Examples: DiamondHardSurfaces, J Motion, MWE Media, Harbury Consulting, Zollin Immersive Branding, Focus Magazine Group, Solutions Research, Claymore Group, PTP Limited, Sistem Technology, Cleanrooms, SR Stone Ram, and Pinnacle Creative.

Ownership and Lease Structure: The science and technology park is owned by Lumentum Technology UK Limited.

Rental Structure and Rates: The current rents range from £14 - £18 psf or £150 per person per month.

Fit Out and Specification: Furnished office space and multi-use space, free broadband (high speed fibre optional), flexible terms, and fixed monthly fee for cost certainty.

4D: How is West Northamptonshire's commercial market performing?



This sub-section provides an overview of how West Northamptonshire's conventional commercial property market is performing. It includes a high-level overview of deals, vacancies, rents and yields for office and industrial space. This is to provide insights into historic trends and levels of demand for different types of space.

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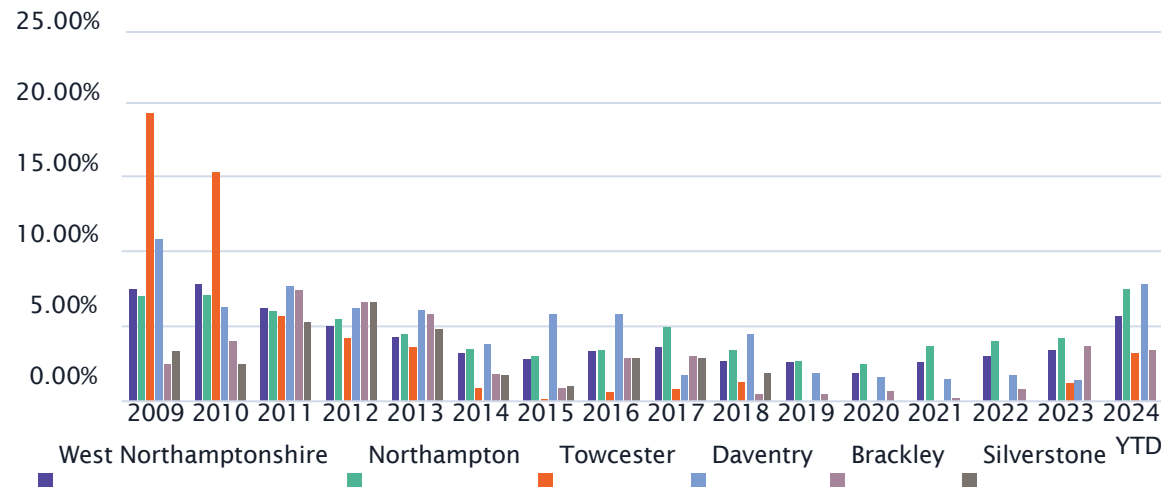
Local Drivers: Performance of Commercial Property Market

Vacancy rates for conventional property types are relatively low (**below 10%**) across West Northamptonshire, and within each of the key towns being considered. This demonstrates positive levels of demand relative to the existing base of supply in all areas.

Whilst there has been some fluctuation between 2009 and 2024, office vacancy rates have remained particularly low over the last ten years with very few instances of vacancy rates rising above **5%**. This indicates strong performance despite some challenging headwinds within the office sector over this period. Given some significant increases in office supply over this period (**118%** growth in West Northamptonshire), take-up levels have clearly been strong.

There are currently some small spikes in office vacancy in Northampton (**7.5%**), Daventry (**7.8%**) and West Northamptonshire (**5.7%**) though these rates are not yet concerning. However, both Northampton and West Northamptonshire have seen a strong increase in office stock in the last 12 months so this may taper off if and when space is taken up. It is also important to be cautious in relation to office space demand outside of major cities given vacancy challenges being faced in other parts of the country.

Office Vacancy Rates, 2009 – 2024 – All Sizes

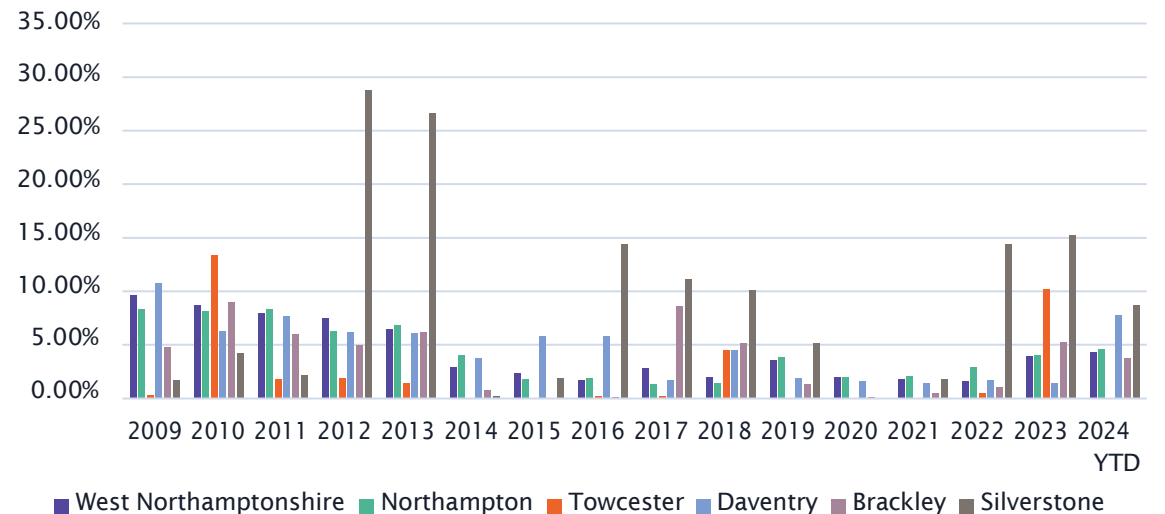


Source: CoStar, 2024

Industrial vacancy rates have fluctuated more over the last decade, however, these tend to be driven by trends in Silverstone where there has been continued delivery of new stock. These vacancy spikes have consistently tapered off as space has been taken up.

Currently, there is very low industrial vacancy within Towcester (**0%**), Brackley (**3.8%**), and Northampton (**4.6%**) for industrial uses – each contributing to an overall low industrial vacancy rate across West Northamptonshire as a whole (**4.3%**). Whilst vacancy is currently slightly higher in Silverstone (**8.7%**) and Daventry (**7.8%**), both of these locations have seen strong delivery in the last 12 months and it is likely that this will fall as space is taken up. Some of this vacancy may, in reality, reflect space that is on the market but not yet ready for occupation.

Industrial Vacancy Rates, 2009 – 2024 – All Sizes



Source: CoStar, 2024

Local Drivers: Performance of Commercial Property Market

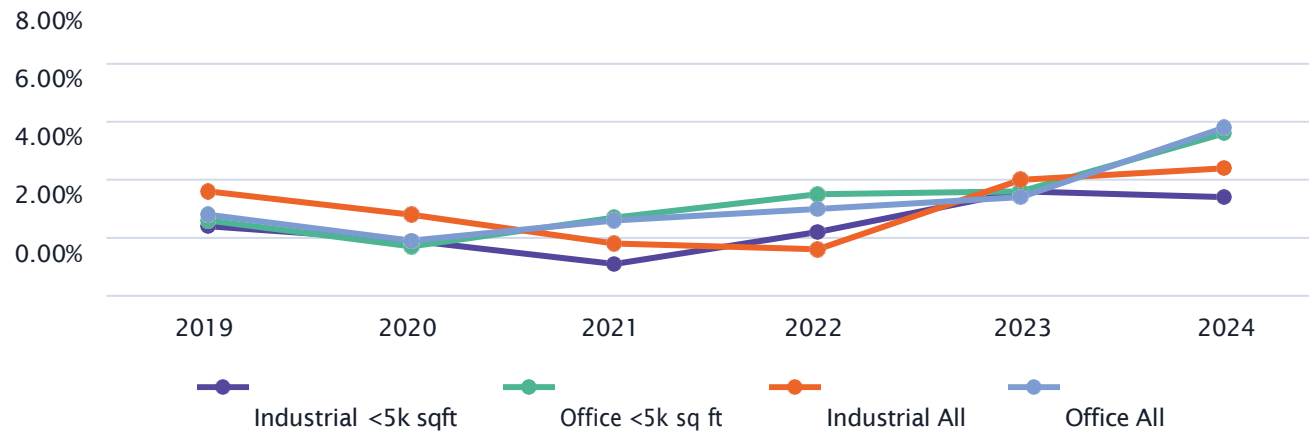
Due to a low supply of stock for units below 5,000 sq ft in West Northamptonshire, there is only a small pool of data available on vacancies in some of the towns considered. This means that there are data gaps, and in some cases, high degrees of fluctuation. Data on vacancy rates is therefore only provided for stock under 5,000 sq ft in West Northamptonshire as whole, which presents a large enough pool of data to provide clear and accurate trends.

As the figure shows, vacancies for office space below 5,000 sqft have tracked quite closely with vacancies for all office space. Currently, they are marginally lower (**5.6%**) than vacancies for space above 5,000 sqft (**5.8%**). Both figures are low, indicating a constrained market.

Vacancies for industrial space below 5,000 sqft have remained below vacancies for all industrial space in five of the last six years, with 2022 being the only year where this was not the case. This indicates that industrial space at a smaller scale has fairly consistently experienced a more constrained market than stock within the wider space categorisations across West Northamptonshire.

In 2024, the industrial vacancy rate for space below 5,000 sq ft is **3.4%**. This sits against **4.4%** for all industrial stock. Whilst both figures are low, the data suggests a need for delivery of additional space below 5,000 sq ft.

Office and Industrial Vacancy Rates, West Northamptonshire – All Stock and Stock Below 5,000 sq ft



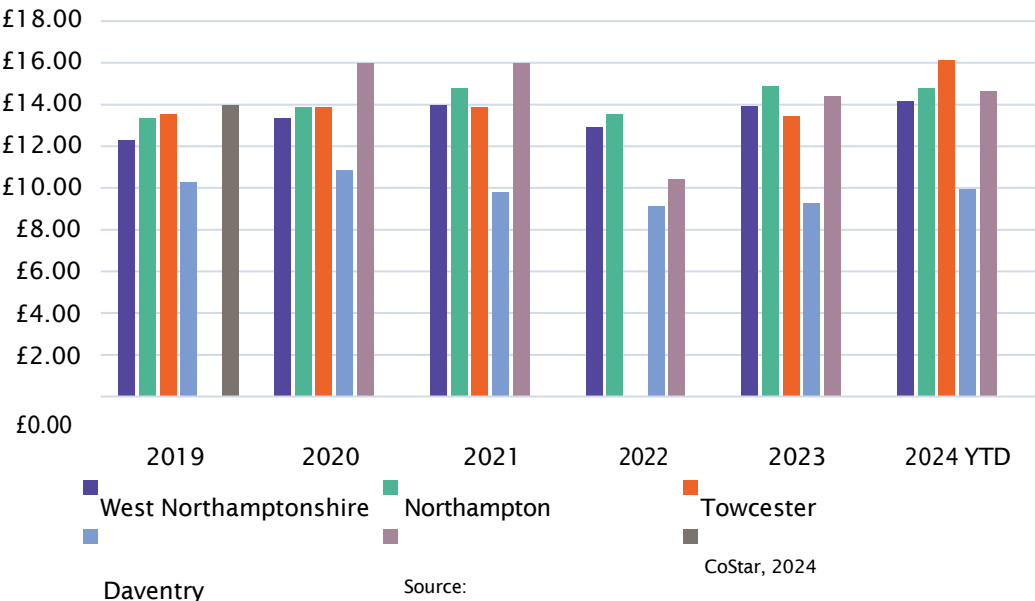
Local Drivers: Performance of Commercial Property Market

As would be expected within a market with tight vacancy, average office rental values have seen a steady increase over the last five years in most of the areas under consideration. Rents are currently highest in Towcester (£16 psf), followed by Northampton (£15 psf), Brackley (£15psf), West Northamptonshire as a whole (£14 psf), and Daventry (£10psf).

The greatest office rental value growth between 2019 and 2024 has been experienced in Towcester (+19%). This is followed by Northampton, which has seen +11% growth. Both of these towns have seen delivery of some new office stock come forward over the last five years supporting rental value growth. Both contribute to an overall increase in office rental values of 15% across West Northamptonshire.

There have been some exceptions to this. Brackley has experienced an -8% reduction in office rents, whilst Daventry has seen a -3% fall. It should be noted that these both present relatively small office markets and, therefore, the pool of data of lease transactions is smaller meaning average rents are more sensitive to change in this context.

Office Rental Values Per Sq Ft – 2019 – 2024 – All Sizes

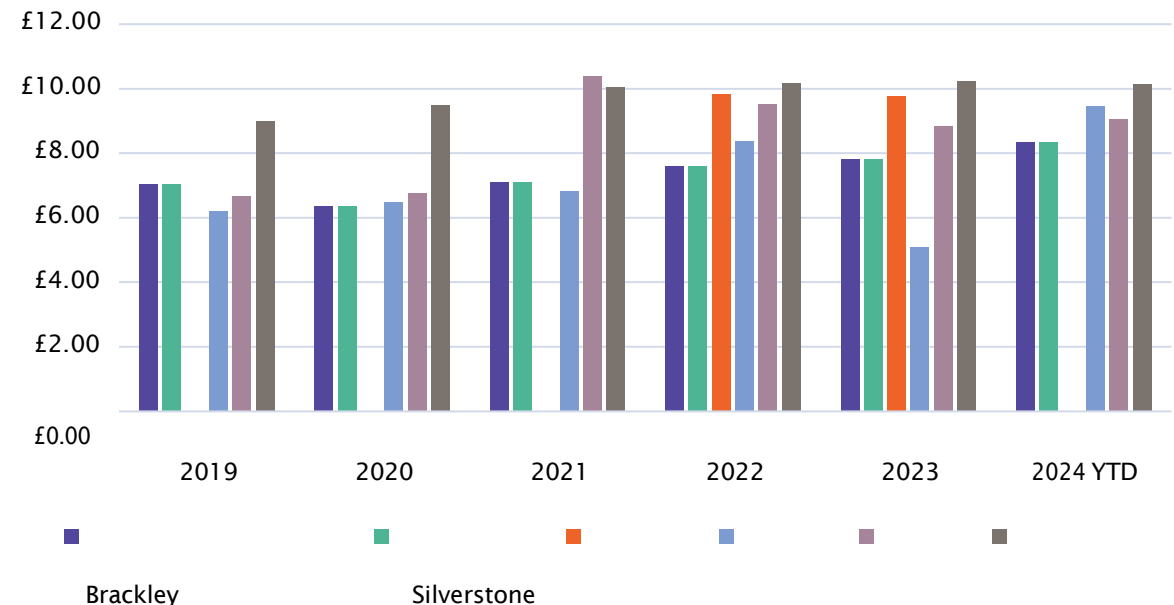


Industrial rents have also increased over the last five years in all markets where there is sufficient data on transactions available. Rents are currently highest in Silverstone (£10 psf), followed by Daventry (£9 psf), Brackley (£9 psf), Northampton (£8 psf) and West Northamptonshire as a whole (£8 psf).

The greatest rental value increase between 2019 and 2024 has been experienced in Daventry (+52%), followed by Brackley (+35%), Northampton (+19%) and Silverstone (+13%). Each of these contribute to overall rental value growth in West Northamptonshire of +19%.

Rental value increase in conventional property types is fundamentally linked to rents within specialised and alternative commercial space typologies. We would expect the general trend of rental value increase to trickle down, squeezing affordability for SMEs seeking small-scale space. Agents note that light industrial rents are typically anywhere between £8 and £10psf where between 500 and 5,000 sq ft depending on the specification and location of the property. They note that there may be a premium over and above this for high-quality new development.

Industrial Rental Values Per Sq Ft – 2019 - 2024– All Sizes



West
Northamptonshire

Source: CoStar, 2024

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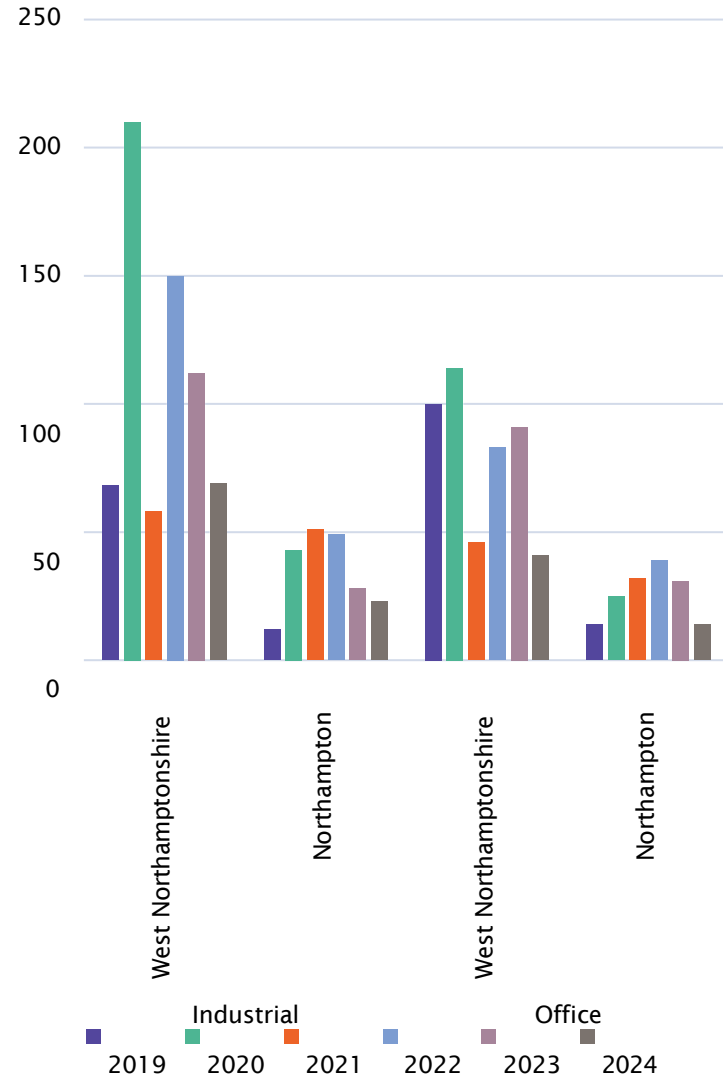
Daventry

Brackley

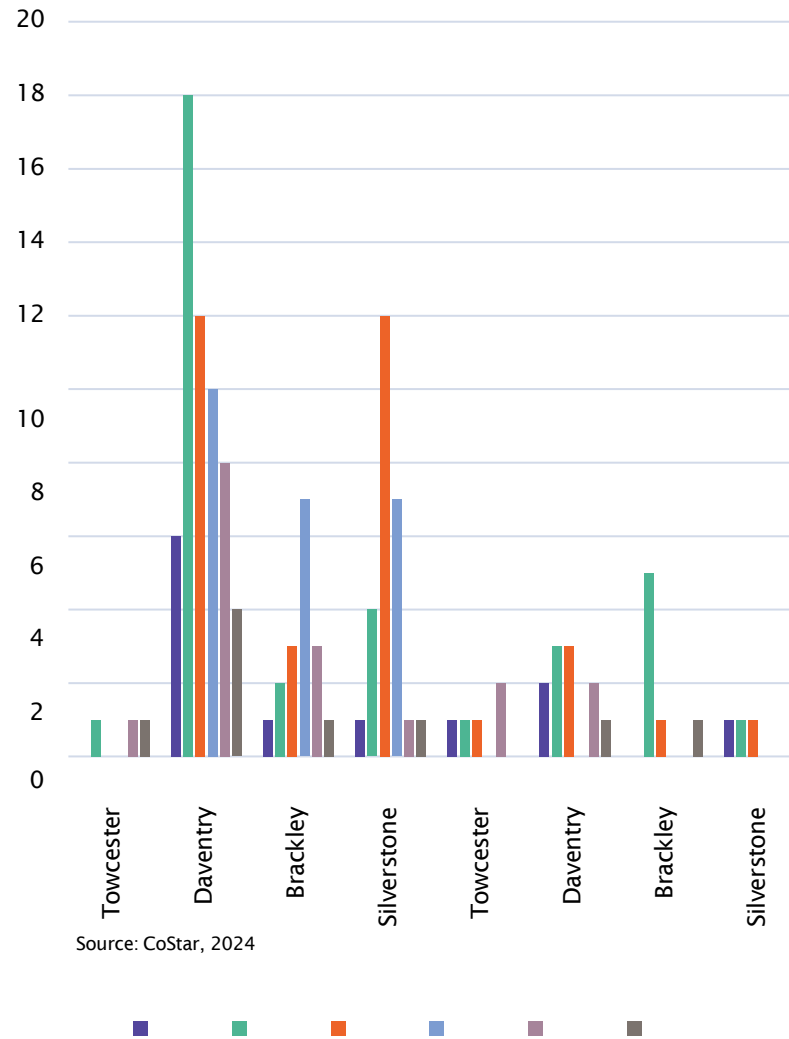
Silverston
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Local Drivers: Performance of Commercial Property Market

Office and Industrial Leases – West Northamptonshire & Northampton, All, 2019 - 2024



Office and Industrial Leases – Towcester, Daventry, Brackley, Silverstone, All, 2019 - 2024



Source: CoStar, 2024

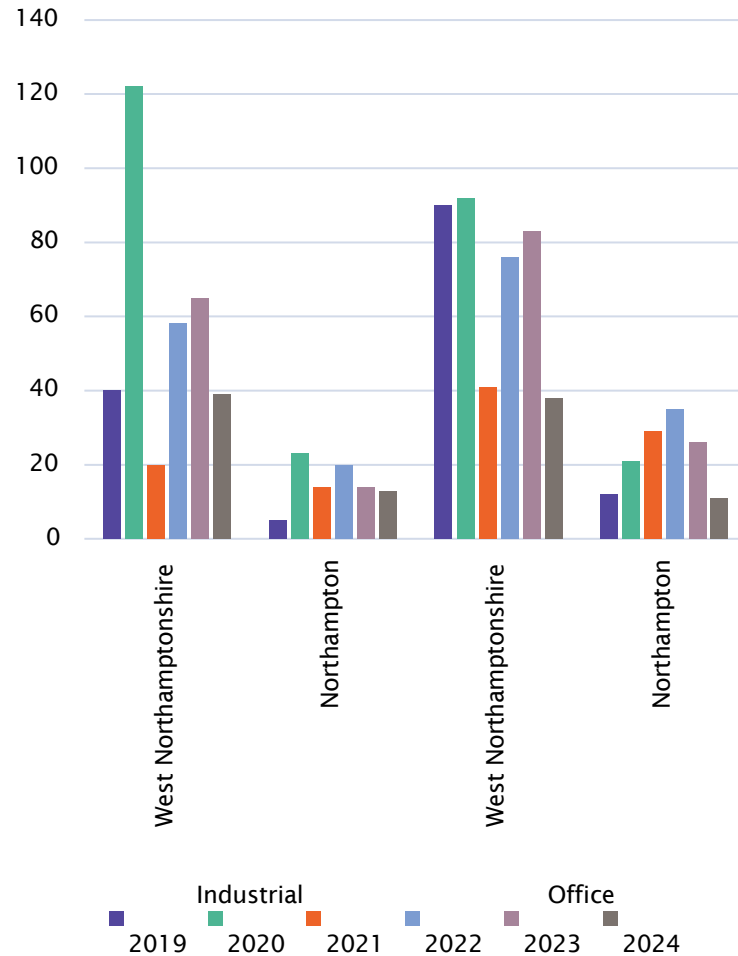
In most areas, the industrial market has been more active in terms of leases signed between 2019 and 2024 than the office market reflecting its larger size.

As would be expected, the larger markets of West Northamptonshire (**667** industrial deals, **475** office deals), Northampton (**206** industrial deals, **155** office deals) and Daventry (**58** industrial deals, **11** office deals) have seen greater numbers of transactions than smaller markets. Silverstone has been particularly active for industrial, with **26** leases signed, reflecting the quantum of new space coming forward between 2019 and 2024.

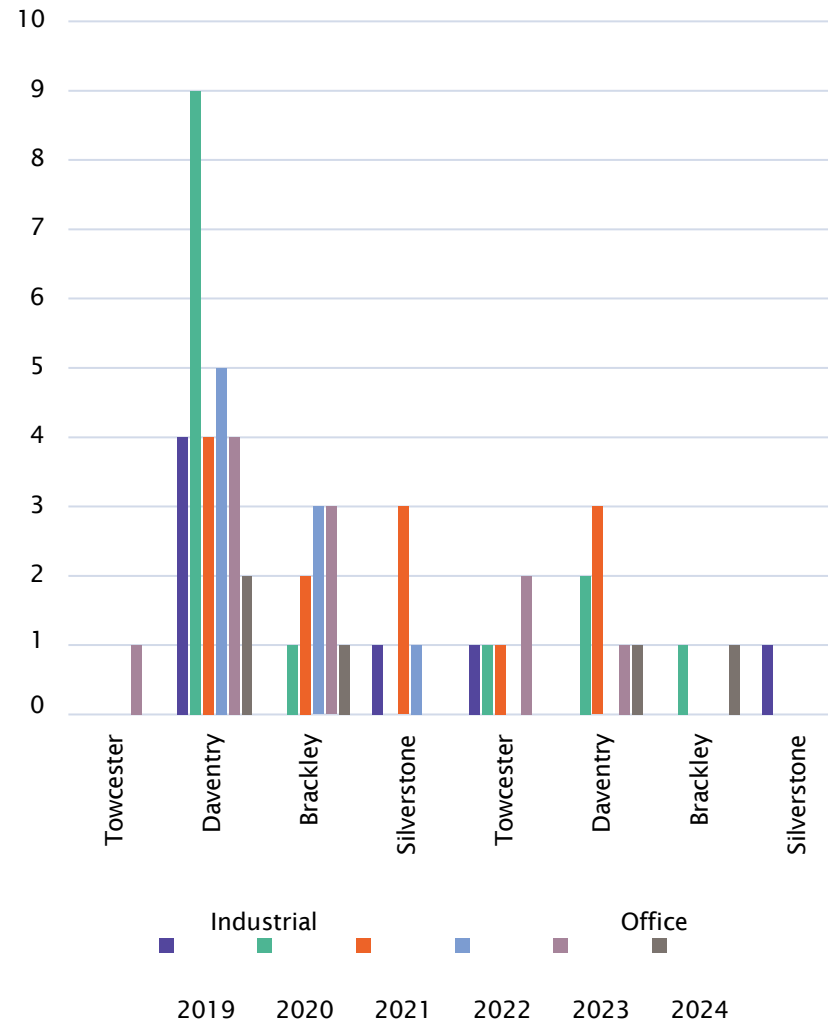
Source: CoStar, 2024

Local Drivers: Performance of Commercial Property Market

Office and Industrial Leases – West Northamptonshire & Northampton, Sub 5k sq ft 2019 - 2024



Office and Industrial Leases – Towcester, Daventry, Brackley, Silverstone, Sub 5k sq ft 2019 - 2024



There have been far fewer deals for space under 5,000 sq ft between 2019 and 2024 reflecting that it is a much smaller market with fewer units. It also likely reflects less availability of space.

As would be expected, the larger markets of West Northamptonshire (**344** industrial deals, **420** office deals), Northampton (**89** industrial deals, **134** office deals) and Daventry (**28** industrial deals, **7** office deals) have seen greater numbers of transactions than smaller markets.

Local Drivers: Performance of Commercial Property Market

Focusing on the amount of floorspace leased, rather than the number of deals, the larger markets have also seen the most significant quantum of floorspace under 5,000 sq ft leased between 2019 and 2024.

Across West Northamptonshire as a whole, there was **563,442 sq ft** of office floorspace below 5,000 sq ft leased. This reflects **48%** of all office floorspace leased over that period, indicating the importance of small-scale property to the overall office market in West Northamptonshire.

Reviewing each town, office space under 5,000 sq ft was most important to the local office market in Towcester, representing **100%** of total floorspace leased. However, there was only **4,234 sq ft** transacted, indicating a very small market. Office space under 5,000 sq ft was also important within Northampton, reflecting **48%** of total office floorspace leased, and in Daventry, reflecting **32%**. Office space under 5,000 sq ft was less important in Silverstone and Brackley.

In comparison, there was **792,022 sq ft** of industrial floorspace below 5,000 sq ft leased in West Northamptonshire between 2019 and 2024. This reflects **3%** of all industrial floorspace leased, indicating a much less significant role within the wider market. This trend is generally reflected across each of the towns, with all towns presenting **4%** or less industrial floorspace leased below 5,000 sq ft. The exception is Brackley.

Office and Industrial Floorspace Leased, 2019 - 2024

	Office Sub 5k sq ft Leased	% of Total Office Floorspace Leased	Industrial Sub 5k sq ft Leased	% of Total Industrial Floorspace Leased
West Northamptonshire	563,442	48%	792,022	3%
Northampton	221,527	48%	195,851	3%
Towcester	4,234	100%	-	0%
Daventry	16,712	32%	69,002	3%
Brackley	1,614	3%	31,706	24%
Silverstone	998	6%	18,416	4%

Source: CoStar, 2024

It should be noted, however, that figures across these locations are skewed by big-box units.

The proportional levels of activity within markets, measuring the number of lease transactions in each market against the total number of units, has therefore been analysed. As a general principle, markets were more active for space under 5,000 sq ft. Typically, industrial stock at this scale saw greater levels of market activity (relative to total number of units) than office stock.

West Northamptonshire achieved activity scores of **71%** for industrial space below 5,000 sq ft, and **51%** for office space below 5,000 sq ft. Considering each of the main towns, the most active industrial (sub 5,000 sq ft) market was Daventry, scoring **93%**. This is followed by Brackley (**63%**), Northampton (**61%**). Towcester and Silverstone were far less active (**14%** in each).

The most active office (sub 5,000 sq ft) market was Northampton (**39%**). This was followed by Silverstone (**33%**), Daventry (**21%**), Towcester (**20%**) and Brackley (**12%**).

These figures should be reviewed against total number of deals on the preceding slide to gain a fuller understanding of their context.

Number of Deals as a Proportion of Total Units, 2019 - 2024

Space Typology	Geography					
	West Northamptonshire	Northampton	Towcester	Daventry	Brackley	Silverstone
Office	33%	26%	15%	15%	19%	50%
Industrial	25%	28%	14%	24%	18%	74%
Office <5k sq ft	51%	39%	20%	21%	12%	33%
Industrial <5k sqft	71%	61%	14%	93%	63%	14%

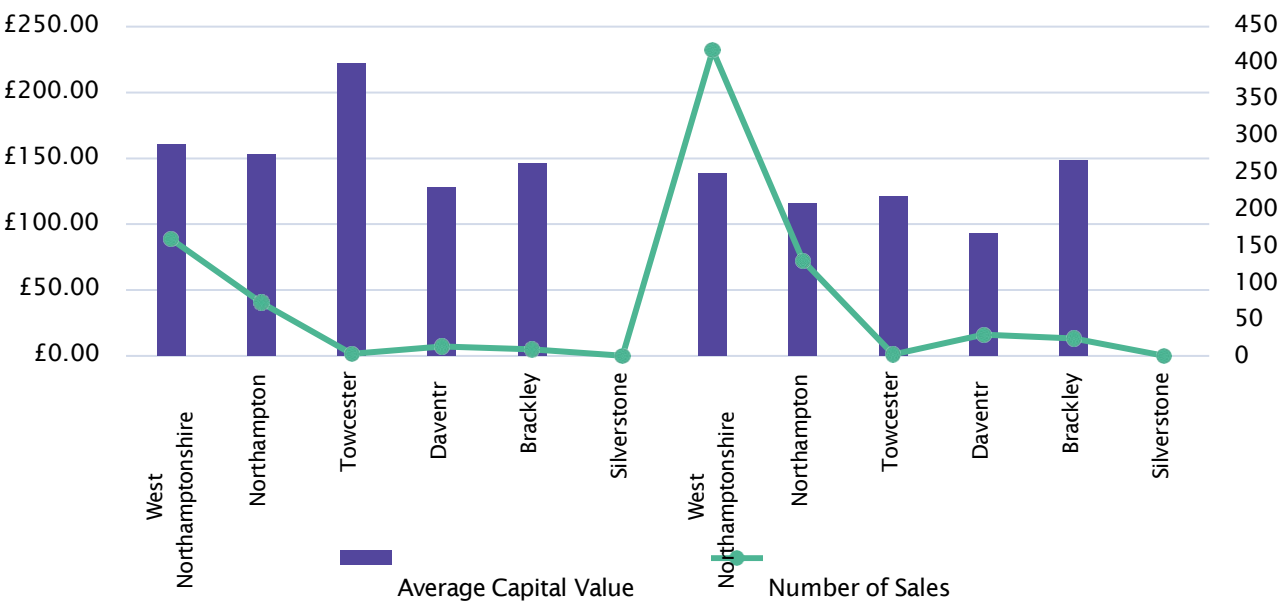
Source: CoStar, 2024

Local Drivers: Performance of Commercial Property Market

Capital values for achieved sales in West Northamptonshire between 2019 and 2024 averaged **£160 psf** for office stock and **£138 psf** for industrial stock.

Whilst there is data available at the town level, caution should be exercised when drawing conclusions on capital values due to activity levels. There are, however, enough industrial transactions within Brackley, Daventry and Northampton to draw some the conclusion that Brackley (**£148 psf**) tends to achieve a capital value premium over Northampton (**£116 psf**) and Daventry (**£92 psf**).

Average Capital Values Achieved and Number of Sales, 2019 - 2024



Source: CoStar, 2024



Focus On: Viability Indicators

To assess the potential viability of delivering new light industrial / workshop space, it is possible to develop a high-level understanding of the relationship between values and costs across West Northamptonshire. In simplistic terms, the capital value (or capitalised rent) can be compared to the base build costs.

Please note, this approach does not constitute a Royal Institution of Chartered Surveyors (RICS) Valuation Standards (Red Book) Valuation and should not be treated as such. Costs and values have been considered purely to illustrate some of the core influences of viability, and more detailed appraisals should be undertaken to reach a firm position on the viability of light industrial / workshop development.

Development Costs

To ascertain the costs of new build light industrial / workshop accommodation, we have relied on the survey information from Building Cost Information Service (BCIS). This provides a high-level estimate of construction costs based on a sample of recently completed schemes.

It is important to note that BCIS does have limitations. Most notably that it does not provide a site-specific assessment of costs and therefore does not account for any abnormal costs that may be incurred through redevelopment. However, BCIS provides a useful benchmark to establish a high-level view on the potential viability of delivery.

Typology	Average Cost (£ PSF)	Lower Quartile (£ PSF)	Upper Quartile (£ PSF)	Sample
Warehouses/stores	£200	£111	£236	8
Artist's studios	£174	N/A	N/A	3
Offices	£217	£181	£267	128

Source: BCIS, 2024

BCIS does not account for additional costs for external works, contingency or professional fees, all of which would need to be considered in addition to the base construction cost shown. In terms of other costs associated with development, this will include any planning obligation costs (£106 for example), CIL levies, finance charges as well as some indication of return to the developer. There is additionally the cost of the land / site which we have not included at this point in time.

Development Value

Analysis earlier within this section indicates 2024 office rents in West Northamptonshire average c. **£14 per sq ft**. Industrial rents within West Northamptonshire average c. **£8 per sq ft**. Importantly, this is for all space. New build development would likely see a premium over and above these figures. Moreover, as a general principle, smaller space tends to achieve higher values per sq ft. For example, we are aware of rental values for office space at Vulcan Works attracting c. **£35 per sq ft**.

Our engagement with agents indicates the highest quality office space could achieve **£ 35 per sq ft**. Light industrial space would be in the order of **£ 8 - 10 per sq ft** and **yields of 6.5%**.

We would envisage variance around these values depending on which of the key towns under consideration is being assessed. For the purposes of this high-level viability assessment, we have taken the most optimistic view of value that we believe could be achievable within West Northamptonshire to illustrate the viability gap. It is important to note that in reality, the gap is likely to be even greater in lower value locations.

Light Industrial / Workshop Scenario Test

Gross Rent: £15 per sq ft
Yield: 6.5%

Total Capital Value based on rents and yield: **£230 per sq ft**

Base Build Cost: **£200 per sq ft**

Additional costs not factored into the base build costs	
Contingency	5-10% on Cost
Professional Fees	7-10% on Cost
Abnormals	5% on Cost
Finance	8% on Cost
Sales, Legal, Marketing	Letting Agent: 15% on Annual Rent, Sales Agent & Legal: 2.75% on GDV
Planning Obligations & CIL	Scheme specific
Profit	This will vary based on risk appetite - 15% on GDV is a standard assumption for commercial delivery.

Based on the values and costs considered above, it is highly unlikely that there is enough value (even with the most optimistic view of rents) to offset the costs of delivery.

Reducing rental values to a more realistic **£10 per sq ft** (which still sits a significant amount above average industrial rents in each of the towns) would reduce the anticipated capital value to **£155 per sq ft**, bringing the capital value below base build costs, before accounting for any additional cost items.

By comparison, a large- scale logistics scheme would likely achieve a capital value of **£216 per sq ft** (rent of £10.25 per sq ft, yield of 4.75%). Build costs here are significantly reduced at c. **£79 per sq ft** (BCIS mean rate), presenting a much more viable proposition.

In this context, it is unsurprising that there has been limited delivery of additional light industrial space across the area. Further analysis on approaches to delivery in areas with viability challenges is provided within the recommendations section of the report.

4E: What do local stakeholders think about future business space demand in West Northamptonshire?

This sub-section provides a summary of the key messages emerging from stakeholder consultations focused on the future of business space in West Northamptonshire. Insights related to the quantum and nature of demand for different types of business space, as well as about the types of businesses that could be attracted to West Northamptonshire, are provided. This intelligence complements and adds detail to the quantitative analysis set out earlier in the report.

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Local Drivers: Stakeholder Perceptions On Scale and Nature of Demand

Overview of Sessions with key stakeholders

A roundtable discussion was held with business owners, workspace operators, developers, and members of Business Improvement Districts in August 2024. The list of attendees include team members from:

- Brackmills BID (Focussed at Brackmills Industrial Estate, Northampton).
- Vulcan Works (Based within Northampton town centre).
- Northampton University.
- Newlands Developments.
- MEPC Silverstone.
- OxCam PRP.

In addition, we have engaged with various West Northamptonshire Council officer including those within the Regeneration, Property and Environment Teams. We have also engaged with local agents to understand their views on demand.

The focus of discussions has been around the following core questions:

- *What types of business activity drives West Northamptonshire's local economy?;*
- *What types of businesses are looking for space in West Northamptonshire?;*
- *How much more commercial space do you think West Northamptonshire needs and what type of space is most suitable?;*
- *Are you aware of waiting lists for space in West Northamptonshire?;*
- *What are occupiers looking for from their commercial space?;*
- *How attractive is West Northamptonshire to businesses in different sectors (e.g. creative, Green Economy, life sciences, advanced manufacturing, manufacturing, logistics etc)?;*
- *What else does West Northamptonshire need to attract more businesses to the area?;*
- *What support do businesses need to survive, prosper and grow in West Northamptonshire?;*
- *Are there any barriers or challenges to accessing workspace from an Equalities, Diversity and Inclusion context?; and,*
- *Are there any other things that the consultant team should take into consideration to complete the study such as specific engagements with external or internal stakeholders, alignment with other studies etc?*



Local Drivers: Stakeholder Perceptions On Scale and Nature of Demand

Stakeholder Responses

Some key conclusions from these discussions include:



There is a strong basis of SME demand amongst a number of key sectors. These tend to have geographical focuses...

In particular, stakeholders highlighted demand from food and drink manufacturing, logistics, technology, construction and advanced engineering.

- Food and drink manufacturing businesses are quite evenly dispersed throughout the region with slightly more activity in Corby and Daventry.
- Advanced engineering has a particular focus around Silverstone, with other firms quite evenly spread across the region.
- Logistics and construction are spread across the region, but with a greater focus in Northampton than other key towns.



Occupiers have some distinct requirements, and the current provision of space does not fully cater to these...

Many occupiers are seeking workshop space over 1,000 sqft with key requirements such as loading bays, roller shutter doors, parking, good water and power supply. Spaces like Vulcan Works have had to turn occupiers away due to a lack of suitable premises. There is very little alternative within the existing supply that provides this space at the right quality. There has been limited delivery of new, small-scale stock, and the existing portfolio is largely dated and not truly appropriate for modern SMEs.



Some local operators and occupiers are looking for space to grow...

Given the high levels of demand some operators are interested in expanding locally. This is to provide more of the same types of spaces to house new and growing businesses. There was a view that grow-on space is less well catered for in West Northamptonshire than across the OxCam Arc more widely.



Affordability is a key issue for prospective occupiers...

Affordability remains a key challenge for occupiers, with limited space provided at genuinely affordable rents. Vulcan Works cited challenges, with their workshop space pitched at c. £35psf. This is far beyond the reach of many SMEs who seek low-cost space, particularly those in the creative industries.



There is need for large- and small-scale space. However, these should be planned for and delivered with bespoke strategies...

There was wide recognition amongst stakeholders that there is ubiquitous demand for industrial space, extending across all scales. Consultees set out a preference for the Local Planning Authority to identify discrete sites for either smaller or larger spaces. They commented that mixing big box logistics and small-scale light industrial on single sites can be challenging from a financial, management and operational perspective. Several noted that smaller space requires a bespoke strategy that is viewed as separate to logistics delivery.



Strong leadership and clear thought is required to drive further demand...

Consultees noted that clear thought needs to be given to stimulating demand. There is a distinction between inward investment and capitalising on indigenous demand. From an inward investment perspective, lack of vision and identity is a key challenge that needs to be addressed. To capitalise on indigenous demand, West Northamptonshire would benefit from some bespoke business support programmes. Additional thoughts were provided around investment in 5G infrastructure, financial mechanisms such as grants/loans, or business rates exemptions to stimulate activity.

Local Drivers: Stakeholder Perceptions On Scale and Nature of Demand

There is a clear requirement for delivery of **small-scale light industrial space**. It is critical that thought is given to the **quality** of space, rather than quantity alone. This requires clear thought on **fit-out**, and where appropriate, custom build space to suit occupier requirements. In addition, one of the key areas West Northamptonshire falls behind the wider OXCAM area is provision of scale-up space.

Source: Oxford to Cambridge PRP

There is lots of new development coming forward, providing sheds at scale. However, there has been very **limited development of new stock under 5,000 sq ft**. The existing portfolio of space is dated and not fit-for-purpose. The region **requires delivery of smaller pods** to capitalise on entrepreneurialism from SMEs and support the local economy.

Source: Brackmills BID

There is a strong basis of SME demand in sectors such as **food and drink manufacturing, logistics, tech, construction, advanced engineering and professional services**.

Source: Northampton University

Affordability of space is a key issue within the existing supply. There is very **limited availability of high-quality, smaller scale workshop space** at affordable rents.

Source: Vulcan Works

There is a need for delivery of smaller units. However, there is a **financial, and a management challenge bringing these forward as part of large-scale logistics schemes**. The LPA needs to plan for delivery of large and small space separately.

Source: Newlands

Vulcan works has had to **turn away many prospective occupiers** seeking workshop space over 1,000 sq ft with requirements for **loading bays, roller shutter doors, parking, good water and power supply**. These have been from sectors such as logistics, manufacturing, engineering, commercial furniture, leather conservation, photography, recruitment and tech. There is limited space nearby to support these requirements, so the region loses out.

Source: Vulcan Works

Some clear thought needs to be given to **stimulating demand**. We need to do more than take a 'build it and they will come' approach. We need to foster our brand and business innovation ecosystem.

Source: Northampton University

Viability is likely to be a challenge. There has been limited delivery of space beyond Vulcan Works. This was supported by LEP funding, which indicates some form of intervention is often required to support delivery of these spaces.

Source: Oxford to Cambridge PRP

Local Drivers: Agent Perceptions On Scale and Nature of Demand

Demand is booming for **smaller units** across the West Northamptonshire commercial market. On average there are around **30-40 offers** over the market period (Over the past year) for units between 500-5,000 sqft.

Source: Underwoods LLP, 2024

There is high demand for smaller units across Northampton and **a lack of supply** across the board. Northampton is the **primary market** in terms of smaller commercial stock in West Northamptonshire. Towcester has shown there are **viability issues** across the market.

Source: Prop-search.com, 2024

The commercial stock across West Northamptonshire is becoming extremely dated and there are **concerns about build costs** for new delivery.

Source: Chown Commercial, 2024

Agents report that there is **high demand** for smaller units between 1,000 – 2,000 sqft. New commercial stock for smaller size units are showing **expensive rents (£10-12 per sqft)** which is being influenced by limited supply.

Source: Chown Commercial, 2024

Rents for second-hand commercial properties have nearly **doubled over the past 5 years** in Northamptonshire. Take up of **larger units (20,000 +)** seem to be extremely popular across the commercial market in Northamptonshire – For example, the Segro Logistics Park Northampton. Across the wider market the **existing stock is too old** and there are concerns that smaller stock will not be able to meet the expected EPC ratings. There are **supply issues for units of all sizes** in Northamptonshire.

Source: TDB Real Estate, 2024

In terms of new developments, **Signal Park** in Daventry offers 15 commercial units (between 2,000-20,000 sqft). Agents said over **50%** of the stock is now occupied (notably this is mostly taken up by smaller units below 5,000 sqft). The remaining units vacant are mostly **above 6,000 sqft** (such as units 2, 4, 5, and 6.)

Source: Drake & Partners, 2024

Agents stated there is a lack of confidence in developments which offer units smaller than **500 sqft**. It was also said that certain occupiers are incentivised by smaller commercial spaces due to the **small business rates relief**, again showing appetite for smaller stock.

Source: Chown Commercial, 2024

Across West Northamptonshire there is **not enough supply** for smaller sized commercial units. Agents commented that rents are typically anywhere between **£8-£10 per sqft** depending on the specification of the property. However, properties that are dated and in poor condition are still showing extremely high levels of demand.

Source: Underwoods LLP, 2024

Focus On: Horizon House - Soft Market Testing

Background

In December 2023, Savills was instructed by West Northamptonshire Council to undertake a Soft Market Testing (SMT) exercise in relation to a 'Creative Gateway' targeting creative / maker industries at Horizon House, Northampton.

Our understanding through conversations with the Regeneration team is that the proposals at Horizon House would provide an opportunity to consolidate some of the more dated live/work industrial units spread across Northampton, and free up sites for delivery of infill housing.

The purpose of the SMT exercise was to inform the masterplan development/proposals and shape the strategic case for the project, demonstrating interest and potential demand in the market for the proposed use.

Savills engaged with end-users, including a range of local businesses, covering uses such as breweries/tap rooms, print, digital and media sectors, manufacturing and makers. The SMT exercise also engaged charities and social enterprises.

Since the soft market testing exercise was undertaken, we understand that the scheme is now stalled, due to a separate inward investment inquiry that is ongoing on the site. However, conclusions from the exercise provide a helpful basis to inform this study and its conclusions.

Summary of Responses

A total of 40 survey responses were received from end users. Virtual Teams meetings were also held with The Leather Conservation Centre, Northampton Film Festival and Northants Open Studios.

Some key points from the Savills analysis are set out below:

*'All respondents felt there would be **appetite** for a Creative Gateway in Northampton, however a key theme across a number of responses was that the **price point would need to be below commercial rent levels** in order to be affordable for the target market.'*

'The majority of respondents felt that Northampton would benefit from a central cluster of maker businesses, with only 1 participant responding as "unsure" due to the presence of the existing offering of the Vulcan Works and the perception that the Cultural Quarter is being promoted for this purpose.'

'A central hub would be hugely beneficial for local creatives. There was emphasis on ensuring it is suitable for a wide range of creatives to include ceramics, glass and wood, for example, as well as jewellers and painters.'

*'Respondents primarily **identified 'small to medium' sized units as being most suitable** for potential users.'*

*'A key theme across the majority of responses was **the need for flexible and adaptable space** which gives occupiers opportunity to 'scale up' but also to retrogress as needed.'*

*'A number of respondents identified there is a high amount of **single person organisations** within this sector and therefore space would need to be able to respond to this demand as well as providing space for larger **more established maker organisations**.'*

*'Several respondents identified the need for a **larger shared exhibition / education / training space** within the scheme. Two respondents identified the need for a studio space for film / tv.'*

*'There were varying responses to what participants considered an **affordable rental basis**. On a per sq. ft. per annum basis this ranged from **£12 - £20 per sq. ft.** The overwhelming response was that an affordable rental basis is what will be key to the success of the scheme.'*

*'Participants identified several requirements around accessibility and connectivity. A large number of respondents identified **car parking for occupiers and visitors an essential requirement**. Several respondents also would require an entrance large enough to accommodate installations / equipment and sufficient space for loading / unloading.'*

A number of responses across the questionnaire referenced the **Vulcan Works**. Feedback predominantly was that the **price point is too high**, but also mentioned that there are not enough small units at the scheme. The space is too sophisticated for the creative/maker industries.

Focus On: Affordable Workspace

It is very challenging to define ‘affordability’ as requirements vary on a business-to-business and sector-to-sector basis. Not all businesses and sectors require ‘cheap’ space. Some have other barriers to entering or growing within the market related to things like tools, fit out, upfront investment etc. More detail on this can be found within the articles and webinar on our Affordable Workspace webpage ([here](#)).

Avison Young’s view is that affordable workspace policies should be more holistic than those currently in circulation. They should align strongly with an area’s economic strategy and should look to support economic activity that aligns with the objectives set out in such a document. For example:

- If West Northampton’s Economic Strategy says Silverstone should focus on Advanced Manufacturing then an Affordable Workspace Policy should seek to deliver space catering to relevant businesses in this location (i.e. Light Industrial and Innovation Space). Given the nature of businesses in the sector, access to equipment, expertise and an ‘all in rent’ might be more important than ‘cheap’ rent as these are often the main barriers to these businesses entering and growing within the market. See [Plus X Brighton](#) as a comparable example.
- If the Economic Strategy says Northampton should focus on ‘Messy’ Creative activities then an Affordable Workspace Policy should seek to deliver space that again caters to relevant businesses such as artist studios or maker spaces. Given most businesses in the space have relatively low turnover ‘cheap’ or ‘all in rents’ might be important in this context. These discounted rents could be cross-subsidised by commercial rented space within the same building for ‘cleaner’ creative businesses that achieve stronger returns as per [Deptford Foundry](#).

Any policy that comes forward will need to take viability into account – this is often why policies in London have a threshold where they kick in (e.g. commercial developments over 10,000 sq ft). Given there are already viability challenges for commercial schemes in West Northamptonshire it might be difficult to have a policy that requires on-site provision.

Perhaps a better approach would therefore be to seek financial contributions as per normal Section 106 agreements. Monies could be used by the Council to bring forward their own affordable schemes. The contribution amount could flex based on the viability of proposals coming forward. It also gives the Council’s regeneration team funding to use for affordable schemes that best align with their aspirations. We have found that several local authorities are starting to go down this route in London given the operational challenges that exist in bringing forward on-site schemes.

As a starting point, we would always recommend doing an Affordable Workspace study or paper that looks at the ‘What’, ‘Where’, ‘Why’ and ‘How’ for Affordable Workspace in a location.



about 4F: What do design experts think future business space demand and relevant typologies in West Northamptonshire?

This sub-section provides design guidance for a series of scenarios that are relevant to West Northamptonshire to inform future decisions and planning applications related to workspace delivery locally. This guidance responds to and directly links to the priority sectors and business space typologies identified.

Local Drivers: Design Experts Views On Future Business Space Demand And Relevant Typologies

Introduction

This sub-section provides design guidance for a series of development scenarios that are relevant to West Northamptonshire. This guidance can be used to inform future decisions and planning applications related to workspace delivery locally. The guidance responds to and directly links to the priority sectors and business space typologies that are most prominent and suitable based on the emerging findings through the local analysis. These include:

- Conventional industrial and light industrial space.
- Makerspaces.
- Creative studios.
- Flexible kitchens.
- Innovation / accelerator space.

More detail is provided on these uses within the table on the right. At a high-level, the five typologies can be split into: 1) **Industrial-type workspaces**, and 2) **Office-type workspaces**.

Whilst the lines between the two typologies can be blurred, as a general principle, industrial-type spaces tend to be more workshop focussed, whilst office-type spaces generally provide desk space.

A predominant space type for each typology has been identified in the table on the right. Within the table, blue colouring indicates that the space typology is predominantly industrial in nature, green colouring indicates that the space typology is office-based in nature, and orange colouring indicates that it could operate as either.

The following slides provides some overarching design guidance produced by **5th Studio** for industrial-type and office-type space. Some more detailed design guidance is then provided for under-lying uses, providing narrative on some of the design nuances you may see for each sub-typology.

As the analysis within this document progresses, we identify specific locations for provision of each of these uses across the key towns.

Typology	Description
Conventional industrial and light industrial space	Standard industrial and light industrial units, typically provided on industrial estates to support a range of industrial based activities. Relevant typologies include workshops used by small business where activities such as repairs, or manufacturing are carried out.
Makerspaces	Maker-type facilities offer a range of shared facilities, tools and equipment for small businesses to use. The most common type is more affordable space targeted at small creative production businesses undertaking light industrial craftwork. They tend to have an ‘open workshop’ format and are essentially co-working spaces for manual activities. A range of tools, work stations and supporting facilities are provided on a relatively affordable basis. A more niche type are commercial makerspaces targeting higher-value and more innovative business activities. These respond to the fact that production activities have become more sophisticated in recent years, and prototyping and experimental space is now in higher demand. These spaces provide more modern and expensive equipment (e.g. laser cutting, 3D printing, electronics, heavy tools etc). Maker type facilities tend to operate on membership-based models, however some small individual units sometimes provide anchor tenants and secured income streams. These spaces can be more industrial in nature and sit within industrial locations.
Creative studios	Creative studios offer small independent units for creative activities. They tend to be cellular and part of a community of likeminded businesses grouped in a single location. There are two prominent types of creative studio: <ol style="list-style-type: none">1. Artist studios: These provide small spaces for art, craft and making activities. They are typically more affordable given the target market generally generates lower revenues than other types of economic activity;2. Creative/digital studios: These provide small and open office type studios for service-based production activities such as architecture, graphic design and publishing. There are also a range of other activity-specific creative studios (e.g. music, dance, theatre) that often operate independently. There are also hybrid studios that bring together different types of creative activity in one place. These spaces can be more industrial in nature and sit within industrial locations.
Flexible kitchens	There are two broad types of flexible kitchens – community/independent kitchens and commercial kitchens. The former are targeted at start-up food businesses and private users, and are typically offered at hourly rates. Users have access to a fully equipped kitchen that they can access on a basis that suits them. The latter are targeted at established small food businesses that need flexible space on a regular basis. They are typically available to book by the day or on a monthly rolling subscription. They tend not to offer dining space as well, whereas community/independent kitchens sometimes provide these to support businesses to experiment and test new ideas.
Innovation accelerator space	Incubator spaces are designed to actively support the growth of start-ups or businesses in their early stages of development. A distinguishing feature of an incubator is the provision of business support. Support offered includes services such as training in areas such as business management (including cash flow, marketing), business mentoring and help with access to funding. Accelerator spaces are similar in that they typically provide space to start-up businesses or existing businesses (which might have been operating for several years) with the potential for fast growth and good financial returns. A key differentiator is the competitive nature of the selection process and dedicated support provided by the space management and/or investors who working closely with the business to guide their growth. In return for access to space and business support an accelerator typically requires an equity stake. These spaces can be more industrial in nature and sit within industrial locations – Plus X in Brighton is a good example.

**Within this table, blue colouring indicates that the space typology is predominantly industrial in nature, green colouring indicates that the space typology is office-based in nature, and orange colouring indicates that it could operate as either.*

Industrial-type Workspaces

Of Relevance to conventional industrial and light industrial space, makerspaces, flexible kitchens and artist studios.

Access and Neighbourhood

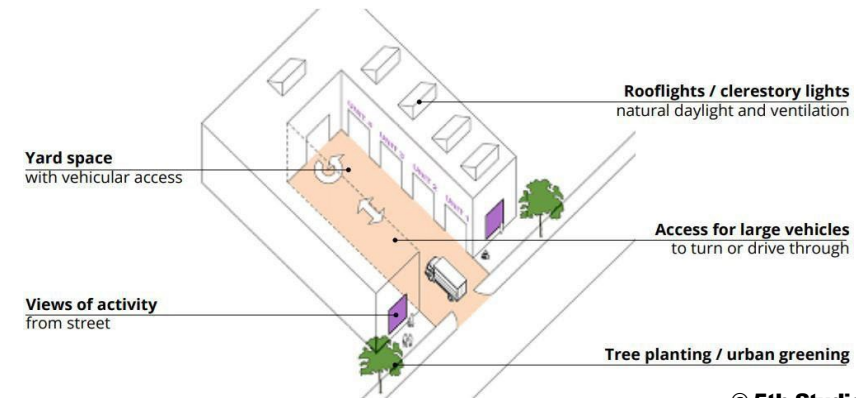
- These often have an **industrial estate** identity, with access to a collection of similar building types along a road or around a yard.
- They host **signs** that provide the name of the 'estate', and sometimes business names and location of the buildings. Signs for individual businesses, sometimes accompanied by unit or street number, on the entrance elevation of units.
- This type of workspace typically has a large footprint on the **ground floor**, with mezzanine floors providing additional space in units and/or buildings with desk-based activities in a separate multistorey buildings. This allows for easy access to the outdoor yard space for deliveries, but requires careful space planning at an early stage when integrated into mixed-use developments.
- These often have a **yard space** to provide access for delivery and loading / unloading from large vehicles, of potentially large items (i.e. on pallets) directly to units. This often requires clear areas to allow for turning for large vehicles to safely enter and leave the yard. Some industrial estates have front yards, structured around a road, allowing vehicles to drive through without needing to turn.

In some cases the yard can provide space for activities outside of daytime working hours (such as music events, food courts, and bars - subject to licensing constraints) that support a 24 hour economy.

To support these uses, and other uses, yards usually have weather-safe external power sockets and drainage systems which can filter out pollutants. Some yard spaces have a perimeter security fence and locked gates at night, depending on their context (in terms of crime rate / level of natural surveillance) and whether materials are stored unsecured in the yard whilst the site is unoccupied. Perimeter security is often supplemented by security lighting, CCTV and/or security patrols - depending on the level of risk.

- The **character** of this type of building is often defined by light weight cladding, with minimal detailing. In this instance the cladding colour, texture, and reflectivity (alongside embodied carbon and thermal properties) should be carefully considered in terms of character and identity.
- The opportunity for **planting** and **urban greening** should be considered to enhance biodiversity and the character of the area.
- Consideration should be given to how **activities** in the building / estate can be **seen from the street**, this can benefit businesses in terms of letting passers by know what they do and can give character to a place.
- **Pedestrian** areas should be clearly defined, adequately sized and attractive, so that outdoor spaces feel safe and comfortable for pedestrian uses alongside vehicle movements.
- Good **external lighting** should be provided around the entrances and the location of street lighting should be integrated into the design. This will help improve feelings of safety for people who use the building and the surrounding area.
- In locations where workspace is in a neighbourhood with residential accommodation careful consideration should be given to mitigating **sound transmission** from internal uses and to the location of **extract ventilation** that may affect air quality or have an odour.

Access and Neighbourhood- Design Principles



Vertical Distribution

- This type of workspace can be stacked. In this situation large **goods lifts** should be provided for distribution of goods and installation of equipment to upper floors. The **structural design of floors** needs to be carefully considered. This can result in enhanced floor-to-floor dimensions. The need for separate yard space can be avoided, through having delivery access on the ground floor inside the building envelope. This requires floor to ceiling heights that are adequate for access by tall vehicles.

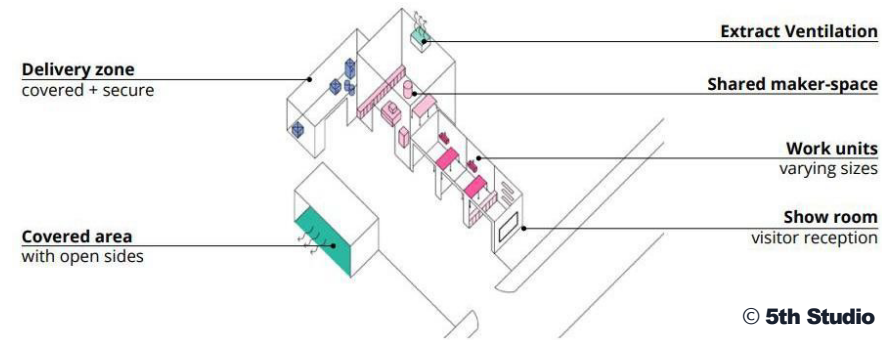
Facilities and Work Units

- **Work units** in a variety of sizes. When designed as single storey these usually have floor to ceiling heights of around 3.5m - 4.5m. Units where mezzanines are likely to be added, providing an additional floor, should have minimum ceiling heights of 5m. They often have large loading doors, with roller shutters or similar, to facilitate delivery and

loading of large items. **Natural daylight** is often provided via rooflights and/or at clerestory level. Large clear spans are required for flexibility to adapt to changing requirements for layout including equipment location. **Lighting, electrical wiring and ventilation** all need to be installed in a way that makes them easy to adapt to changing needs. **Cladding materials** are often light-weight and low-cost, making it easy to form new openings for ventilation or other equipment. **Heating** in work units is usually provided at lower temperatures than would be provided for desk-based activities. Units often have low levels of thermal insulation and **air tightness**. Improvements to the building envelope and space heating should be considered to reduce carbon emissions.

- **Shared work units** can be beneficial in terms of providing specialist equipment shared by multiple businesses, reducing start-up costs. Requirements for these units are similar to work units outlined above. **Space for desk-based** working for administrative tasks, such as accounting, processing orders and / or visitor reception. This should be insulated, heated and ventilated to provide comfort for desk-based activities, and preferably have a window or clerestory glazing. Good lighting levels, power and internet access are required.
- Units often include **Show room / exhibition space** for businesses to display their products. This could be in a reception area or a separate street facing unit.

Facilities and Work Units – Design Principles



Other Considerations

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- A **water supply** should be provided in the units for a hand wash basin / eyewash station or similar (depending on the nature of the work).
- Electrical supplies need careful consideration, as equipment may put a high load on the **electrical supply** and **3 phase power** is preferable to allow flexibility for different types of equipment.
- Co-working and **meeting room spaces** should be fully furnished and fitted out with equipment. It may be preferable to have a lower level of fit-out in individual works units, allowing tenants to adapt to their own needs - as a minimum power and lighting should be provided. The fit-out should allow for flexibility, be designed with input from the occupant and/or have a lower level of fit-out that allows the occupant to complete to their needs.

Small industrial type / maker space workspace - Typical Characteristics	
Size	Under 500m2 (5,832 sq.ft). Individual units 150-200m2 (1,615-2,153 sq. ft.)
Ceiling Heights	4.5-8.0m, 5.8m if mezzanines are proposed
Loading Bay Sizes	Min opening 3.7m high x 2.4m wide. Ideally 5m high
Vehicle Access	Light / medium vehicle access up to 7.5 ton, with occasional HGV access.

Source: LLDC Employment Space Study – pages 58 - 67

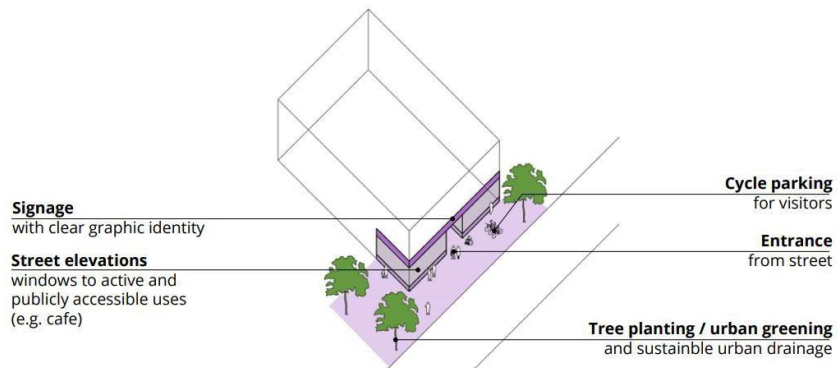
Office-Type Workspaces

Of relevance to *innovation / accelerator space, and creative / digital studios.*

Access and Neighbourhood

- The **character** and **identity** of the building in relation to surroundings should be considered. This could be about the building being designed to be clearly identifiable as a workspace building in relation to the setting, or to be in-keeping with the character of the area with subtle features that identify it as a workspace. The opportunity for **planting** and **urban greening** should be considered to enhance biodiversity and the character of the area.
- **Windows** on the **ground floor**, onto parts of the workspace that are well used, can help to provide natural surveillance and improve feelings of safety in the street. They also provide insight for passers-by into what the building is used for. This can enhance the street and add character to a place. It is worth noting that using windows to frame views, from both inside and outside, is often more successful than full height glazing which can provide unattractive views of under-utilised spaces.

Access and Neighbourhood- Design Principles



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Other Considerations

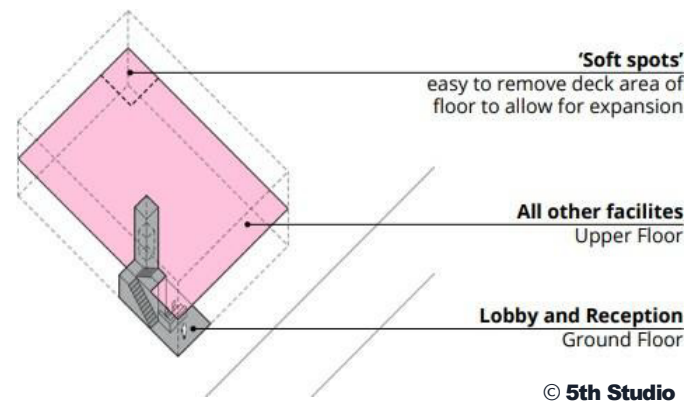
- These spaces typically have a **Cat B fit out**, including partitions, floor finishes, brand identity, kitchen facilities, breakout and reception areas, office furniture, IT and audio equipment, lighting and meeting rooms. Co-working and meeting room spaces should be fully furnished and fitted out with equipment. It may be preferable to have a lower level of fit-out in individual works units, allowing tenants to adapt their own needs and provide furniture and fittings that reflect their brand identity. For sectors with specialist technical needs (e.g. acoustic requirements) the fit-out should allow for flexibility, be designed with input from the occupant or have a lower level of fit-out that allows the occupant to complete to their needs.
- Provision of **natural daylight**, artificial lighting, **space conditioning** (heating / cooling) and **ventilation** to provide an environment that is comfortable and attractive. It may be beneficial to refer to the International WELL Building Institute guidance for daylight standards in this type of building.
- Rooms with windows, or glazed openings in the external envelope, will benefit from solar shading (internal blinds/curtains, external shading or in-glazing systems) to mitigate against the risks of glare and over-heating.
- In deep plan buildings meeting rooms are sometimes located in the darkest area of the plan, separated with glazed partitions. This is not ideal in terms of comfort and would likely be less appealing than meeting rooms with visual connections to the outside.

Local Drivers: Office Type Workspaces – Design Guidance

Vertical Distribution

- In terms of distribution across floors it is possible, in restricted settings, for this type of workspace to have only limited space on the ground floor to incorporate; lobby, reception, access to stairs and lift and parking/cycle parking - with all other facilities on the upper floors.

Vertical Distribution - Design Principles



Small Office type workspace - Typical Characteristics	
Size	Under 500m2 (5,832 sq.ft). General rule: less than 10 employees per 200m2 (2,153 sq ft.)
Ceiling Heights	2.9-4.4m, min 5.5m if mezzanines are proposed
Vehicle access	Intermittent servicing with small (transit-sized) vehicles Vehicle and cycle parking provided in line with The London Plan

Source: LLDC Employment Space Study – pages 26-31



Typology	Location and Size	Technical Design Considerations	Building Typologies
Makerspaces	<ul style="list-style-type: none"> Small start-up studios (under 1,000 sq ft) through to larger more established manufacturing (up to 5,000 sq ft) for a range of goods. Typically located in warehouse or old factory buildings with varied levels of renovation. 	<ul style="list-style-type: none"> Good natural daylight from windows, rooflights or clerestory glazing is preferred. Often requires delivery access for large delivery vehicles, and delivery access for distribution by vans and sometimes larger delivery vehicles. In workspaces where larger manufacturing is taking place, access is required to install large pieces of equipment (looms etc.) and adequate space is needed inside to locate and move these as manufacturing processes change. Smaller maker-spaces may only require space for desk and bench mounted machinery, mannequins and pattern cutting tables. Flexible space is beneficial, to allow for expansion, for example, for new equipment due to growth in manufacturing. The machinery in maker-spaces can be noisy and consideration should be given to the impact of this on neighbouring users. 	<ul style="list-style-type: none"> Refurbish / retrofit industrial unit and estate
Creative studios	<ul style="list-style-type: none"> Artist studio's provide small spaces for art, craft and making activities. Creative/digital studios provide small and open office type studios for service-based production activities such as architecture, graphic design and publishing. Some types of workspaces for music production and visual arts can be integrated into mixed use developments given their relatively small footprint and often cellular typology. Conversely some creative studios could operate on industrial estates. 	<ul style="list-style-type: none"> These are driven by the end-use. But in most instances, a clear identity that promotes and represents artists, or creatives and digital business is important. An event space, for sharing work with collaborators on screen, with adjustable lighting and good access for visitors. Reliable internet access, AV equipment and power sockets are essential. Informal meeting spaces, alongside more formal shared meeting rooms. A hybrid of well ventilated workshop space is beneficial for prototyping - with good lighting and shared equipment, alongside individual offices for desk-based work. Special clean rooms and ventilated spaces / equipment may be required for some types of workshop. Reliable, good broadband connection is necessary to all spaces. Particular types of building fabric (dense reinforced concrete and metal backed insulation) can make it necessary to install more wired internet hubs to allow for wireless connection throughout a building. Specialist design advice should be sought to avoid connectivity issues. 	<ul style="list-style-type: none"> Refurbish / retrofit, existing retail including high street location. Refurbish / retrofit office Refurbish / retrofit industrial unit and estate.
Flexible kitchens	<ul style="list-style-type: none"> Range of scales from small shop-type premises to medium-sized industrial units. Require locations with good transport connections, in industrial or ex-industrial locations, or in neighbourhood centres / high streets with good active travel connections and street frontages. Generally found in re-purposed industrial units or re-purposed retail units. 	<ul style="list-style-type: none"> Food production spaces need mechanical extract ventilation to limit the impact of noise and odours on neighbouring users. This is simpler in industrial locations and more complicated to design in more dense mixed-use settings. Waste management, including waste water drainage and storage, need to be designed to make sure there is no negative impact to neighbours in terms of odour, blocked drains or vermin. Flexible kitchens can need access for frequent small delivery vehicles, including mopeds, bikes and scooters. Consideration should be given to the impact this can have on the public realm and infrastructure required to create spaces where all users feel safe. Publicly accessible areas for food consumption linked to flexible kitchens can have a positive impact and create active streets, if they are well planned. The impact on neighbours in terms of people visiting to consume food in the evening, and noise from any outdoor eating space needs to be considered. Good pedestrian, cycle and public transport connections are preferable to support on-site sales. 	<ul style="list-style-type: none"> Refurbish / retrofit, existing retail including high street locations. Refurbish / retrofit industrial unit and estate.
Innovation / accelerator space	<ul style="list-style-type: none"> Usually housed in buildings that have good natural daylighting into the depth of the plan and good thermal comfort. The history of a building can contribute to the success of the space, providing a robust yet characterful backdrop for businesses, without needing to make enhancements to the interior to provide brand identity. The robust backdrop of warehouse buildings provides this character and also a large open span framework that makes it easy to adapt the spaces through the addition of lightweight partitions constructed by tenants. 	<ul style="list-style-type: none"> Good natural daylight to all workspaces. Easy to maintain and adjust internal conditions to provide thermal comfort for desk-based working. Robust structure and open spaces that allow for flexibility through the addition or removal of lightweight internal partitions. Architectural character that provides an interesting backdrop without having to decorate or add to the space. 	<ul style="list-style-type: none"> Refurbish / retrofit office. Refurbish / retrofit industrial unit (warehouse) and estate Purpose built

4G: How much commercial space is in the pipeline in West Northamptonshire?



This sub-section provides an overview of business space that is expected to come forward in West Northamptonshire based on planning data. Detail is included about the nature, floorspace, status and use class of each to provide an understanding of the future local business space landscape. This information has been used to inform recommendations about the nature and distribution of future business space as set out later in this report.

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Local Drivers: Commercial Space in the Pipeline

The tables overleaf provide an overview of business space that is consented to come forward in each of the key towns within West Northamptonshire based on planning data. Detail is included about the nature, floorspace, status, and use class of each to provide an understanding of the future local business space landscape. Whilst floorspace figures are provided, the purpose of this exercise is not to provide an evidenced quantitative supply assessment as might be provided within an employment land review, but simply to give a flavour of the extent and type of space coming forward.

The selection of commercial space in the pipeline for this study was conducted based on the following criteria:

- **Permission Type and Date** – We have considered all planning permissions granted within the last 5 years that include new developments, extensions, or changes of use.
- **Relevance to the Project Scope** – Sites were filtered to include only those offering units between 500-5,000 sqft, aligning with the site-specific requirements outlined in the project scope. We have manually worked through any permissions with floorspace greater than 5,000 sqft to understand whether larger space will be sub-divided to meet project criteria.
- **Geographical Focus** – We have focussed on developments within the key towns of Brackley, Daventry, Northampton and Towcester, as these locations are critical to the study. We have also considered Silverstone for completeness.
- **Primary Use Type** – Sites were selected based on their intended primary use, ensuring consistency with the project scope. This included developments designated for industrial, light industrial and office uses.

Utilising this filtering process, we have worked through permissions and provided a summary of the most relevant business space permissions in each of the towns on the slides overleaf.

It should be noted that whilst planning permission is in place, given the 5-year trajectory, there will be examples where space has already been delivered (e.g. Signal Park, Daventry). Conversely, a consent does not provide certainty around delivery, and there will likely be circumstances where some of the examples listed do not come forward. Both points should be considered when weighing up the implications of the listed planning consents for the overall supply of business space.

Moreover, in many instances, planning permissions are for change of use. When reviewing the data, it should be noted that a permission for change of use may not have a significant net impact on total floorspace for units between 500 and 5,000 sq ft.



Local Drivers: Commercial Space in the Pipeline

Name/Address	Key Town	Description	Primary Use Type	Planning Approval Date	Size (sqft)
Unit 1, Cirrus Park, Lower Farm Road, Northampton, Northamptonshire, NN3 6UR	Northampton	Scheme comprises part Change of Use class B2 (storage/warehouse) currently Catering to form MOT Station (Use Class B2 General/Industrial) & alterations to form 2No separate units	Garage / Workshop (B1 c)	09/04/2024	13,993
4 & 5, 2 Pennard Close, Brackmills Industrial Estate, Northampton, Northamptonshire, NN4 7BE	Northampton	Scheme comprises change of use from B1/B8 to B1/B8/ sui generis (for mot testing) for service and, repair of vehicles - addition of portable cabin on hardstanding.	Garage / Workshop (B1 c)	04/03/2024	3,229
19 Stafford Place, Moulton Park Industrial Estate, Northampton, Northamptonshire, NN3 6NN	Northampton	Scheme comprises change of use from hungry penguin hot food takeaway and school (sui generis) to use for purposes within class e of the town and country planning (use classes)(england) order 1987 (as amended).	Office (B1 a)	20/06/2023	786
Concept House, Upton Valley Way East, Swan Valley, Northampton, Northamptonshire, NN4 9EF	Northampton	Scheme comprises construction of an industrial storage building anchored to existing hardstanding.	Storage and Distribution (B8)	07/06/2023	1,615
Amd Motors, 92 - 100 Earl Street, Northampton, Northamptonshire, NN1 3AX	Northampton	Scheme comprises new Commercial Unit for Vehicle Repairs	Garage / Workshop (B1 c)	03/05/2023	947
Drop In Youth Centre, 3 Kingswell Street, Northampton, Northamptonshire, NN1 1PP	Northampton	Scheme comprises listed Building Consent Application for two storey side extension to original main building and associated internal alterations to existing building to suit extension and new arrangement	Office (B1 a)	03/05/2023	1,055
5 Reynoldston Close, Brackmills Industrial Estate, Northampton, Northamptonshire, NN4 7BX	Northampton	Scheme comprises single storey extension with roof top plant to existing data and telecommunications centre. This project also includes associated infrastructure works.	Office - R&D/High Tech (B1 b)	29/03/2023	3,692
Whites Yard, Horsley Road, Northampton, Northamptonshire, NN2 6LJ	Northampton	Scheme comprises extension and provision of welfare facilities.	Light Industrial / Business Units (B1 c)	13/02/2023	1,098
The Priory, 1 Orchard Hill, Northampton, Northamptonshire, NN3 9AG	Northampton	Scheme comprises listed building consent application for single storey office extension	Office (B1 a)	13/01/2023	1,798
4 Lumbertubs Lane, Northampton, Northamptonshire, NN3 6AH	Northampton	Scheme comprises new metal fabrication workshop	Light Industrial / Business Units (B1 c)	12/01/2023	-
Dallington Fields Bakery, Gladstone Road, Kings Heath Industrial Estate, Northampton, Northamptonshire, NN5 7QA	Northampton	Scheme comprises construction of trade counter in a portable building, to include office space, toilet and kitchen and construction of warehouse.	Storage and Distribution (B8)	22/11/2022	-
26 - 28 Harlestone Road, Northampton, Northamptonshire, NN5 7AE	Northampton	Scheme comprises construction of single storey side and rear extension for storage use.	Storage and Distribution (B8)	18/11/2022	2,476
Albion Stables, Foundry Street, Northampton, Northamptonshire, NN1 1PN	Northampton	Scheme comprises change of use from stables (sui generis) to office/studio space (use class E).	Office (B1 a)	15/11/2022	1,292
53 St. James Mill Road, Northampton, Northamptonshire, NN5 5JP	Northampton	Scheme comprises change of Use from Warehouse (Use Class B8) to Car Repair Centre (Use Class B2) with associated minor external alterations	Garage / Workshop (B1 c)	28/10/2022	7,212
3 Kilvey Road, Brackmills Industrial Estate, Northampton, Northamptonshire, NN4 7BQ	Northampton	Scheme comprises extensions and alterations to existing vehicle maintenance depot.	Garage / Workshop (B1 c)	21/09/2022	1,356

Local Drivers: Commercial Space in the Pipeline

Name/Address	Key Town	Description	Primary Use Type	Planning Approval Date	Size (sqft)
Land Rear Of, 84 - 86 Lower Thrift Street, Northampton, Northamptonshire, NN1 5	Northampton	Scheme comprises construction of a pair of semi-detached offices (use class e) and associated parking area.	Office (B1a)	07/09/2022	861
Anglian Water Authority Sewer, 23 Crow Lane, Little Billing, Northampton, Northamptonshire, NN3 9BX	Northampton	Scheme comprises change of use of land to lorry/storage yard including ancillary office (use class B8).	Storage and Distribution (B8)	02/09/2022	2,799
9 - 10 Norman-D-Gate Industrial Estat, Northampton, Northamptonshire, NN1 5NT	Northampton	Scheme comprises construction of new mot building and demolition of units 9, 10, and 11 to create new area for parking.	Garage / Workshop (B1c)	25/08/2022	-
35 Quarry Park Close, Moulton Park Industrial Estate, Northampton, Northamptonshire, NN3 6QB	Northampton	Scheme comprises two storey infill front extension.	Light Industrial / Business Units (B1c)	22/08/2022	140
71 - 73 Tenter Road, Moulton Park Industrial Estate, Northampton, Northamptonshire, NN3 6AX	Northampton	Scheme comprises extension to existing warehouse and new storage building	Storage and Distribution (B8)	17/05/2022	-
1 Fairground Way, Riverside Business Park, Northampton, Northamptonshire, NN3 9HU	Northampton	Scheme comprises change of use from indoor trampoline and community resource centre (use class e(d)) to flexible use for storage and distribution (use class B8) or general industry / storage and distribution (use class B2 / B8).	Storage and Distribution (B8)	06/04/2022	-
279 Wellingborough Road, Northampton, Northamptonshire, NN1 4EW	Northampton	Scheme comprises shop front alteration and conversion of upper floor to office use (use class e) (part retrospective).	Office (B1a)	29/10/2021	700
My Fab Lodge Way, Barn Way, Lodge Farm Industrial Estate, Northampton, Northamptonshire, NN5 7UW	Northampton	Scheme comprises internal reconfiguration of unit and construction of second floor extension above existing building on northern (side) elevation.	Light Industrial / Business Units (B1c)	28/05/2021	-
Unit 9, St James Trade Park, St. James Mill Road, Northampton, Northamptonshire, NN5 5JW	Northampton	Scheme comprises change of use from motorcycle dealership (sui generis) to storage and distribution (use class B8).	Storage and Distribution (B8)	26/02/2021	2,422
12 Kilvey Road, Brackmills Industrial Estate, Northampton, Northamptonshire, NN4 7BQ	Northampton	Scheme comprises new aluminium framed warehouse.	Storage and Distribution (B8)	12/02/2021	3,229
64 Clinton Road, Northampton, Northamptonshire, NN4 8LF	Northampton	Scheme comprises change of use from storage (use class B8) to motorcycle repair/service (use class B2).	Garage / Workshop (B1c)	05/02/2021	1,313
Unit 6, Sandy Hill Lane, Moulton, Northampton, Northamptonshire, NN3 7JB	Northampton	Scheme comprises construction of replacement commercial unit for motor repair and servicing use (sui generis).	Garage / Workshop (B1c)	30/11/2020	1,615
37 Tenter Road, Moulton Park Industrial Estate, Northampton, Northamptonshire, NN3 6AX	Northampton	Scheme comprises partial change of use of existing unit from classes B1 / B2 / B8 to use within class B8 with associated trade counter and installation of new doors.	Storage and Distribution (B8)	05/05/2020	3,305
7 Letts Road, Northampton, Northamptonshire, NN4 8HQ	Northampton	Scheme comprises workshop extension to existing building to provide a new car body repair workshop	Garage / Workshop (B1c)	12/03/2020	1,959
Council Offices, Guildhall Road, Northampton, Northamptonshire, NN1 1DP	Northampton	Scheme comprises change of use of part ground floor from offices (use class B1a) to artist studios (use class D1).	Garage / Workshop (B1c)	22/01/2020	4,951
14 Kingsley Park Terrace, Northampton, Northamptonshire, NN2 7HG	Northampton	Scheme comprises change of use from vacant ground floor and basement unit to offices (use class B1).	Office (B1a)	18/12/2019	710

Local Drivers: Commercial Space in the Pipeline

Name/Address	Key Town	Description	Primary Use Type	Planning Approval Date	Size (sqft)
Donkey Field, Tiffield Road, Towcester, Northamptonshire, NN12 6HP	Towcester	Scheme comprises replacement of existing derelict structures and replacement of proposed new build, for general storage use.	Storage and Distribution (B8)	02/11/2023	506
Wood Burcote Court, Wood Burcote Road, Wood Burcote, Towcester, Northamptonshire, NN12 6JP	Towcester	Scheme comprises extension to existing garage to create additional parking space and workshop. Proposed change to roof form from hipped to gabled (to support new residential unit under application number wns/2021/1183/ful).	Garage / Workshop (B1c)	26/01/2023	-
Land To The East Of, Tiffield Road, North west of the A43 Towcester, Towcester, Northamptonshire, NN12 6HP	Towcester	Scheme comprises hybrid planning application comprising outline application with all matters reserved for an employment park comprising B1a, B1b, B1c, B2 and/or B8 uses, including ancillary offices (B1a), sui generis (selling and/or displaying motor vehicles, showrooms and petrol filling station), and/or A1 and A3 uses, service yards and hgv parking, plant, vehicular and cycle parking, earthworks and landscaping. Full planning application for a new roundabout access from the A43, internal spine road, substation, lighting infrastructure, engineering operations including foul pumping station, earthworks (including creation of development plot plateaus), pedestrian and cycle infrastructure and strategic landscaping including drainage infrastructure. (application accompanied by an environmental statement) . This project also includes associated infrastructure works and access roads. Scheme also includes polycarbonate.	Office (B1a)	23/06/2022	1,102,223
Buddies USA, Brackley Road, Towcester, Northamptonshire, NN12 6TQ	Towcester	Scheme comprises proposed change of use of existing restaurant (A3 use class) to mixed use including food preparation (B1 use class) including ancillary distribution, and ancillary takeaway (A5 use class).	Office (B1a)	02/08/2021	3,014
Land North of Bell Plantation	Towcester	Scheme comprises the provision of up to 1 million sq ft of state-of-the-art warehousing facilities within a landscaped setting, alongside 6ha of land for Towcester Town FC. The detailed element of the application covers Plot 1, which will deliver a 270,000 sq ft warehouse. It also provides full details for the proposed site access, internal access road and other associated infrastructure, including landscaping and enabling access to the Towcester Town FC land. The outline element covers the remaining areas of the site, which have been split into development zones (Zones 2 – 6). This means that the exact details of the development on these zones is not yet determined, however the principles will be established. This allows flexibility for development of these zones to be tailored to the specific needs of business and the football club.	Storage and Distribution (B8) General Industrial (B2)	Appeal pending (Against refusal)	342,292
Towcester Park AL3: Tiffield Lane, Towcester Towcester NN12 6PG	Towcester	Scheme comprises the erection of a building for industrial and/or storage and distribution purposes (Use Classes B2 and/or B8 respectively) including ancillary office at Plot 1 within Zone C.	Storage and Distribution (B8) General Industrial (B2)	Pending	-

Local Drivers: Commercial Space in the Pipeline

Name/Address	Key Town	Description	Primary Use Type	Planning Approval Date	Size (sqft)
Doepke UK Ltd, Bentley Way, Daventry, Northamptonshire, NN11 8QH	Daventry	Scheme comprises construction of a two storey side extension	Light Industrial / Business Units (B1 c)	08/03/2024	1,163
7 Signal Park, Daventry, Northamptonshire, NN11 4RU	Daventry	Scheme comprises change of use from Class B2 (general industrial) and/or Class B8 (storage and distribution) to Class B2 B8 and Class E (c) (iii) - building to be used as a training facility	Storage and Distribution (B8)	02/03/2023	-
Unit 1, 2A Daimler Close, Daventry, Northamptonshire, NN11 8QJ	Daventry	Scheme comprises siting of additional B8 storage accommodation in the form of shipping containers placed within curtilage of property, improvements to external facade of reception area, construction of delivery bay canopies and landscaping works.	Storage and Distribution (B8)	29/04/2022	4,004
38 High March, High March Industrial Estate, Daventry, Northamptonshire, NN11 4HB	Daventry	Scheme comprises change of use to a dog daycare facility (sui generis).	General Industrial (B2)	15/11/2021	3,014
Jubilee Barn, Long Buckby Road, Daventry, Northamptonshire, NN11 2LT	Daventry	Scheme comprises change of use of studio/annexe to workshop/showroom and training space for furniture reclamation and ancillary sales.	Garage / Workshop (B1 c)	23/04/2020	-
Cummins Engine Company Ltd, Royal Oak Way South, Royal Oak Industrial Estate, Daventry, Northamptonshire, NN11 8NU	Daventry	Scheme comprises construction of new despatch building on south west side of main building with associated storage and plant room on mezzanine floor.	Light Industrial / Business Units (B1 c)	16/03/2020	3,531
Unit 2, Top Station Road, Brackley, Northamptonshire, NN13 7UG	Brackley	Scheme comprises proposed Rear Extension with Associated Internal and External Works	Light Industrial / Business Units (B1 c)	22/02/2023	-
4 Green Lane, Silverstone, Towcester, Northamptonshire, NN12 8ES	Silverstone	Scheme comprises extension to existing commercial premises used to produce premium artisanal spirits.	Storage and Distribution (B8)	17/08/2023	1,130
MEPC Silverstone Park Land sou, Silverstone, Silverstone, Towcester, Northamptonshire, NN12 8GX	Silverstone	Scheme comprises reserved matters application pursuant to outline permission 19/03160/aop for access, appearance, landscaping, layout and scale for a commercial development on land south of the Silverstone Park innovation centre (Phase 4). This project also includes associated infrastructure works and access roads. Sustainable information this development has been designed to achieve BREEAM Excellent rating. Scheme also includes translucent.	Office (B1 a)	17/02/2022	100,998
MEPC Land South Of Silverstone, Dadford Road, Silverstone, Towcester, Northamptonshire, NN12 8GX	Silverstone	Scheme comprises outline application for a mixed use development comprising use classes B1 a / B1 b / B1 c / B8 / C1 / C2 / D1 / non-retail promotional automotive display (sui generis) / social hub (sui generis) (25,500 sqm) including Sustainable Urban Drainage System, parking and access arrangements, associated landscaping, supporting infrastructure and ancillary works, and demolition of existing structures. This project also includes associated infrastructure works and access roads.	Office (B1 a)	09/04/2021	-
Unit 10, Shacks Barn Farm, Silverstone, Towcester, Northamptonshire, NN12 8TB	Silverstone	Scheme comprises change of use and subdivision of existing building to purposes within B1, B2 and B8 of the town and country planning (use classes) (england) order 1987 (as amended) and installation of 2 roller shutters doors.	Office (B1 a)	14/10/2020	2,293

Local Drivers: Commercial Space in the Pipeline

Key Findings

There is a strong focus within the planning consents on delivery of small-scale storage and distribution space, and space to support MOT / motor trades. This is true across all towns and is largely reflective of the existing stock profile which already focusses strongly on these types of uses.

Whilst there is no clear distinction in the type of consents between towns, as might be expected given its size, there are a much larger number of permissions within Northampton than elsewhere.

Many permissions are for changes of use (most commonly within related use-classes), or for extensions to existing business space units to provide additional space. Whilst these consents may provide some assistance with easing supply pressure, they do not necessarily indicate a significant net positive impact on total supply. Moreover, there are limited examples of new space coming to the market. This will likely present continued challenges for businesses seeking small to medium space in the key towns. Challenges are likely to persist from:

- **A quantitative angle** - Not enough new space is being delivered, which will continue to drive supply-side pressures.
- **A qualitative angle** - As most of the space coming forward reflects minor works or change of use within the existing stock profile, there is limited high-quality space coming forward that is genuinely fit-for-purpose.

Both points suggest that the supply pipeline will struggle to keep up with demand, and that there will be a requirement for WNC to consider wider opportunities to support delivery of space.



4H: What other business space opportunities exist in West Northamptonshire?

This sub-section provides an overview of potential opportunities that could be leveraged to deliver additional space within West Northamptonshire. Detail is included on existing employment sites, town centre locations and regeneration schemes.

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Local Drivers: Business Space Opportunities - Occupier Requirements

Occupiers of conventional and specialised property sectors tend to have a clear set of requirements. These requirements have changed significantly in recent years, driven by macro-economic forces such as BREXIT, COVID-19 and the on-going Cost of Living crisis as discussed earlier in this report. This has influenced the scale and nature of demand for office, industrial and specialised / alternative uses as set out below.

Conventional Industrial

- From a location perspective, conventional industrial occupiers typically require a building that:
 - Is well located to service their customers (businesses or end consumers).
 - Has good access to the national motorway network (relating to the above).
 - Benefits from good access to an appropriate supply of labour, power and water.
 - Balances well with adjoining land uses. Particular sensitivity exists where there are residential uses.
- From a building specification perspective, occupiers are increasingly looking for facilities that support secure and efficient operations as well as incorporating ESG objectives. These typically translate to:
 - A secure site.
 - A good external yard area.
 - Sufficient loading provision.
 - Clear and open floorspace support flexible and efficient operations, and clear internal height.

Conventional Office

- Conventional office occupiers are typically looking for:
 - A location that provides access to highly-skilled labour.
 - Clustering with other businesses, particularly within related sectors to support agglomeration benefits.
 - Strong ESG credentials and enhanced working environment for employees.
 - Access to good technology and high-speed broadband connectivity.
 - Proximity to public transport and amenities (e.g. shops, cafes, gyms etc).

Specialist Workspace

- Key requirements of occupiers of specialist workspace are summarised in the table overleaf.



Local Driver: Business Space Opportunities - Occupier Requirements

Typology	Site/Location Requirements
Creative Studios	<ul style="list-style-type: none"> Well-connected secondary locations where values are low are suitable to most artists and some creatives to reduce costs to creative occupiers Different types of contexts (e.g. town centres, mixed-used developments, industrial estates) can be suitable depending on the nature of activities being undertaken Studios of varying sizes are helpful so that occupiers can move studios to flex their practice if needed Places with an existing creative ecosystem and strong supporting amenity offer are most desirable though not essential given cost pressures Proximity to residential areas and/or strong public transport connectivity desirable as many start-ups seek to locate close to where their founders live.
Co-Working Spaces	<ul style="list-style-type: none"> Can be located in mixed-used neighbourhoods as they are compatible with other uses and amenities (i.e. residential, retail and F&B uses). Large-open plan stock is preferred to support the required desk space; refurbished spaces can be suitable where done to a good standard. Work best in established business locations for networking, collaboration and co-location reasons.
Maker Facilities	<ul style="list-style-type: none"> Space needs to be able to accommodate the broad range of tools and equipment occupiers require as well as workbenches and stations Proximity to residential areas and/or strong public transport connectivity desirable as many businessowners will look to work relatively close to where they live Proximity to education, business support, engineering and design services are critical to support making activities Industrial locations can be more suitable than mixed-used neighbourhoods for heavy production activities, but lighter activities can be suitable in more residential areas with careful mitigation Road access and proximity to suppliers is crucial for occupiers Proximity to higher education institutions or venture capital businesses desirable to support innovation and fundraising
Laboratory Space	<ul style="list-style-type: none"> Require accessibility to city centres and business districts via public transport for networking and collaboration Occupiers tend to demand a strong amenity offer, particularly where this supports networking, collaboration and innovation Combination of wet and dry facilities are favoured to ensure a business can operate all aspects of its operations from a single site Space need to be large enough to cater for the activities local businesses/groups are looking to host
Event Space	<ul style="list-style-type: none"> Proximity to public transport and commercial space preferable Space needs to be adapted to accommodate different uses (e.g. related to sound, seating, lighting etc)
Workshops	<ul style="list-style-type: none"> Proximity to public transport and commercial space preferable Space needs to be adapted to accommodate different uses (e.g. related to sound, seating, lighting etc) Space needs to be able to accommodate the broad range of tools and equipment occupiers require as well as workbenches and stations Space needs to be accessible to users – well-connected industrial locations are suitable for commercial kitchens, but town centres close to where people live are more advantageous for community kitchens particularly where dining facilities are provided
Flexible Kitchens	<ul style="list-style-type: none"> Road access and proximity to suppliers is crucial for occupiers who need to access ingredients and equipment on a just in time basis Space needs to be able to accommodate a fully serviced kitchen and all associated health and safety features (e.g. ventilation, fire escapes, temperature control etc) Proximity to anchor institutions and employers can be beneficial for businesses looking to supply local organisations
Incubators / Accelerators	<ul style="list-style-type: none"> Proximity to higher education institutions or venture capital businesses desirable to support innovation and fundraising Require accessibility to city centres and business districts via public transport for networking and collaboration Occupiers tend to demand a strong amenity offer, particularly where this supports networking, collaboration and innovation Can be located in mixed-used neighbourhoods as they are compatible with other uses and amenities (i.e. residential, retail and F&B uses) Space needs to be tailored to the needs of the occupier market

* Light blue colouring indicates an industrial / light industrial typology.

Local Drivers: Other Commercial Opportunities – Existing Land Portfolio

Existing Land Portfolio

Through site visits, on the ground research, data analysis and engagement with key stakeholders, potential sites / areas where additional space could potentially be delivered within West Northamptonshire have been identified as set out in the table below. Notes about the potential of each site are provided drawing on the occupier requirements set out on the preceding slides. Please note, these suggestions are purely exploratory at this stage and are made without detailed investigation of planning context or site-specific circumstances. A more detailed analysis should be undertaken in due course with an accompanying delivery strategy if stakeholders would like to pursue any of these opportunities. This would likely need to be part of a standalone study separate to this commission focused on industrial intensification and site maximisation.

Town	Employment Area	Development Opportunity	Potential For...
Daventry	Heartlands Business Park / Drayton Fields Industrial Estate	The sites in the industrial estate are fairly spread out and do not fully occupy the available space. As a result, there is a lot of land that is not intensely used that could potentially present opportunity for re-configuration and development. There is potential to consider re-purposing of office stock where there appear to be some higher vacancies. This is most evident around Newnham Drive.	<ul style="list-style-type: none"> Intensification of the site could free up land capacity to deliver conventional industrial and light industrial space. This could target sectors such as smaller transport, storage and wholesale businesses where there is strength in Daventry. Wholesale demolition of office space would likely be required to support delivery of conventional industrial and light industrial space. Specialist business space that offices could conceivably be converted to (co-working, incubators / accelerators) is less appropriate in this location.
	Royal Oak Industrial Estate	There are some vacant plots on York Way / Churchill Way which are underutilised and may present opportunities for development, subject to further investigation.	<ul style="list-style-type: none"> Conventional industrial and light industrial space. This could target sectors such as smaller transport, storage and wholesale businesses where there is strength in Daventry.
Brackley	Buckingham Road Industrial Estate	There is potential to consider clustering of surface parking along Lauda Drive for re-development. There is some land adjoining Herriefts Farm Road, but it is difficult to assess development potential without gaining access. This should be considered as a potential opportunity at this stage, but subject to more detailed investigation.	<ul style="list-style-type: none"> Conventional industrial and light industrial space. This could target sectors such as Manufacturing and Motor Trades where there is strength in Brackley. Specialist business space such as creative studios, workshops and makerspace.
Towcester	Old Tiffeld Road	There is a large plot (4.5 acres) to the rear of the Tesco Superstore adjoining the Bypass which may present opportunity for development, subject to more detailed investigation.	<ul style="list-style-type: none"> Conventional industrial and light industrial space. This could target sectors such as Motor Trades and Advanced Engineering where there is strength in Towcester. Specialist business space such as workshops and innovation / accelerator space.
Silverstone	Silverstone Park	There are a number of development plots within the Silverstone Park area, with a significant quantum of development coming forward in recent years, and further space proposed. This is coming forward both on a 'build to suit' and a speculative basis.	<ul style="list-style-type: none"> Conventional industrial and light industrial space, and specialist innovation / accelerator space, targeted at the automotive and advanced engineering industry.

Local Drivers: Other Commercial Opportunities – Existing Land Portfolio

Town	Employment Area	Development Opportunity	Potential For...
Northampton	St James Mill Business Park / Weedon Road Industrial Estate	There is a large area of surface parking to the east of the site along Edgar Mobbs Way with potential for some development, subject to further investigation.	<ul style="list-style-type: none"> Conventional industrial and light industrial space owing to the strong industrial location. Key sectors to target include Transport & Storage, Motor Trades, Wholesale, Food Manufacturing. Specialist business space such as workshops, maker facilities and flexible kitchens - which could operate well given proximity to a residential population.
	Brackmills Industrial Estate	The area is low density and very spread out. There may be an opportunity to reconfigure to intensify uses. There is also some vacancy, particularly within office stock, with a high proportion situated along Pavilion Drive and Queensbridge. Surface parking is not well utilised and may also present some development opportunity.	<ul style="list-style-type: none"> Intensification of the site could free up land capacity to deliver conventional industrial and light industrial space, owing to the strong industrial location. Key sectors to target include Transport & Storage, Motor Trades, Wholesale, Food Manufacturing. Specialist business space such as workshops, maker facilities and flexible kitchens - which could operate well given proximity to a residential population. Wholesale demolition of office space would likely be required to support delivery of these types of spaces.
	Lodge Farm Industrial Estate	There is limited development potential, as stock is well occupied, and space is quite intensively used. There is a large plot of surface car parking on Lodge Way that could be considered, subject to further investigation.	<ul style="list-style-type: none"> Surface car parking could be utilised to support delivery of conventional industrial and light industrial space. However, the location is less favourable than other industrial estates surrounding Northampton. Potential opportunity for specialist business space such as workshops and maker facilities. Flexible kitchens are less feasible in this location than alternative sites in Northampton.
	Moulton Park / Round Spinney Industrial Estate	There is some surface car parking that is not well-utilised at the Nationwide building and less compact office space which may present some opportunity for development, particularly on Owl Close and Lower Farm Road.	<ul style="list-style-type: none"> Surface car parking could be utilised to support delivery of conventional industrial and light industrial space, owing to the strong industrial location. Key sectors to target include Transport & Storage, Motor Trades, Wholesale, Food Manufacturing. Specialist business space such as workshops, maker facilities and flexible kitchens - which could operate well given proximity to a residential population. Wholesale demolition of office space would likely be required to support delivery of these types of spaces.
	William Street Workshops	Outside of the larger and more traditional industrial estates, William Street Workshops is the only smaller industrial site that may present development opportunity. Whilst stock is very well occupied and there is limited land availability, surrounding building heights are arranged over multiple storeys and there may be scope to consider intensification. The site sits in Council freehold ownership which helps support re-development from an ease of delivery perspective.	<ul style="list-style-type: none"> Given the more central location, this site lends itself to specialist business space such as workshops, makerspace, creative studios and flexible kitchens. Conventional industrial and light industrial space is better orientated towards the more traditional industrial estates with access to the strategic road network.

Local Drivers: Other Commercial Opportunities - Allocated Employment Sites

The West Northamptonshire Joint Core Strategy requires the creation of around 28,500 jobs over the plan period to 2029. To ensure that we provide a comprehensive analysis of the potential employment opportunities, we have analysed both the West Northamptonshire Joint Core Strategy and the Part 2 Local Plans. These documents outline the sites that have been allocated to facilitate some additional employment opportunities.

We have, however, only considered sites that are within the boundary of the key towns: Northampton, Daventry, Towcester and Brackley in line with our project scope. Northampton is expected to deliver the majority of new jobs in West Northamptonshire, with approximately 29.01ha of land allocated for employment use. The allocated sites that are most appropriate to this commission are set out below:

Car Park, Victoria Street, Northampton

The car park at Victoria Street is a 0.63ha site surrounded by retail and residential uses. There is an opportunity to provide employment uses that are compatible with the surrounding uses. Given the town centre location, the site is most likely to be suitable for typologies such as co-working spaces, innovation/accelerator space, creative studios and community kitchens.

Crow Lane, Northampton

Crow Lane is located in the eastern part of Northampton and is part of the Crow Lane Industrial Estate. The site is 2.92ha and offers the opportunity for the development of a variety of suitable uses in the industrial estate. These could include traditional industrial / light industrial space, creative studios, maker facilities and workshops.

St Peter's Way, Northampton

Located opposite St James' Retail Park in the town centre, the area at St Peter's Way has good transport connections and accessibility. The Local Plan indicates that the site is suitable for commercial development of medium capacity. Given the town centre location, it is most likely to be suitable for typologies such as co-working spaces, innovation/accelerator space, creative studios and community kitchens.

North of Martins Yard, Northampton

The site is a 1.4ha employment site occupied by a waste management service and care breaker. It is narrow and well occupied by crates and cars. There is some opportunity for intensification, but the site has limitations due to how narrow it is and a limited access route. It is also surrounded by Millers Meadow, a greenspace which may make extension complicated. Subject to alignment with planning policy on these points, the site's industrial nature would likely make it well orientated towards traditional industrial / light industrial space, creative studios, maker facilities and workshops.

Bell Plantation, Towcester

The site provides circa 35 hectares (ha) for a mix of employment uses. A further 6 ha is identified for the creation of a home ground for Towcester Town Football Club. This site is currently subject to planning applications for a roundabout access from the A5 and the delivery of warehouse and ancillary offices as described in the previous planning pipeline section of the report (4G).

Woolgrowers, Towcester

Located north of Towcester, this development site provides for 4.5 hectares of mixed employment generating development. The Local Plan suggests that a variety of employment types should be sought for the site to diversify and ensure resilience in the local economy. Uses cited include a mix of E(g), (Uses which can be carried out in a residential area without detriment to its amenity), B2 (general industrial) and B8 (storage and distribution) with supporting uses that are demonstrably subservient and complementary in both scale and nature to an existing or proposed B class use. This could include traditional industrial / light industrial uses, creative studios, maker facilities and workshops.

Tiffield Lane Towcester

Located to the north of Towcester, the allocated site provides for 21ha of new mixed employment generating development. The uses on the site will be a mix of E(g) (Uses which can be carried out in a residential area without detriment to its amenity), B2 (general industrial) and B8 (storage and distribution) with supporting uses that are demonstrably subservient and complementary in both scale and nature to an existing or proposed B class use. This could include traditional industrial / light industrial uses, creative studios, maker facilities and workshops.

Local Drivers: Other Commercial Opportunities

- Allocated Employment Sites

Land off Newnham Drive, Daventry

This is a 2ha site lying within the Heartlands Industrial Estate. It provides an opportunity for further economic development, allocated for B1, B2 and B8 uses. This could include traditional industrial / light industrial uses, creative studios, maker facilities and workshops.

The Knoll, Daventry

The Knoll is a 3.3ha site and lies in the High March Industrial Estate area. It has been allocated for B1, B2 or B8 uses. This could include traditional industrial / light industrial uses, creative studios, maker facilities and workshops.

Land off Nasmyth Road, Daventry

The site is on greenfield land and would form an extension to Apex Park at Drayton Fields Industrial Estate. The site is 14.8ha and would be suitable for delivering small to medium sized units in line with demand signals. This could include traditional industrial / light industrial uses, creative studios, maker facilities and workshops.

Daventry South East Gateway, Daventry

The South East Gateway provides an opportunity for regeneration and the enhancement of employment opportunities for Daventry. The Local Plan states that development should be informed by a masterplan, provide B1, B2 and B8 uses and a mix of unit sizes not exceeding 10,000 sqm. There may be scope to consider some smaller scale industrial uses as part of the masterplan, including traditional industrial / light industrial uses, creative studios, maker facilities or workshops.



Local Drivers: Other Commercial Opportunities – Regeneration Scheme Pipeline

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Through consultation with West Northamptonshire Council, a range of other opportunities to support the delivery of light industrial and workshop units have been identified. These are focussed within Northampton town centre.

The schemes that are most appropriate are set out below drawing on an understanding of the regeneration pipeline. These would likely be well orientated towards uses such as creative studios, co-working spaces, maker facilities (provided light in nature), meeting spaces, lab spaces, incubators / accelerators, and workshops.

Four Waterside

Four Waterside offers the opportunity to create a new, high quality business destination in the East Midlands which will stimulate economic growth and bring more visitors to the town. West Northamptonshire Council has procured national regeneration developer, Cityheart, as their preferred development partner to bring forward the Four Waterside and Marefair sites via a Joint Venture Partnership. The development will provide a new 4* hotel, grade A office space for new and existing businesses, high-quality homes, Extra Care facilities and improved paving and planting to elevate the area. It is evident that there is some consideration of some small workshop style units at ground floor level.

Greyfriars

Greyfriars is the largest brownfield opportunity within West Northamptonshire and sits within the heart of Northampton Town Centre with connectivity straight into the revitalised Market Square and Cultural Quarter.

The scheme will provide housing with crafts and entertainment venues. It Includes co-working space for the makers and doers of Northampton, giving established businesses space to collaborate and grow whilst being an incubator for start-ups. Recommendations from this study will inform the type of commercial uses provided.

24 Guildhall Road

24 Guildhall Road presents the opportunity to transform a previously derelict heritage asset into an innovative and creative cultural space for the arts community in Northampton's Cultural Quarter. The project is a partnership between West Northamptonshire Council and NN Contemporary Art and will enhance the current space with new artist studios, a contemporary art gallery space and facilities for visitors.



L-R: Four Waterside; 24 Guidhall Road; Greyfriars.

Outside of the existing land portfolio and regeneration opportunities, there may be opportunity to consider the development potential of existing properties within key town centres. This opportunity is greatest within Northampton town centre where we consider there to be a number of potential sites to consider.

In line with preceding slides on occupier requirements, town centre sites are generally better orientated towards specialist business space or conventional office space, rather than conventional industrial / light industrial space. The most suitable space typologies are likely to be co-working spaces, incubators / accelerators, creative studios, and event space. These spaces lend themselves well to supporting key sectors such as Professional Services and Creative Production, both of which are important to Northampton's economy.

Due to a more intense urban grain than more peripheral locations, the best opportunities for re-development within town centre locations are often underutilised or vacant properties. Whilst we have not undertaken a comprehensive review of town centre vacancies, we have put forward some initial thoughts on potential opportunities within Northampton town centre that WNC could consider to support delivery of specialist business space.

There may be specific opportunities for WNC to deliver specialist business space within its own portfolio of space. This would, of course, be subject to the councils own occupational requirements and extent of utilisation space. We are aware that WNC owns The Guildhall (c. 70,000 sq ft), County Hall (c. 74,000 sq ft) and the newly developed One Angel Square (c. 150,000). WNC could review utilisation of these spaces, in conjunction with any other council owned sites within the town centre and develop a strategy to support release of some space for delivery of specialist business space. The most appropriate space typologies in Northampton town centre are typically clean in nature and would lend themselves well to co-location with other uses.

Other opportunities we tend to see being utilised to support development delivery elsewhere include under-utilised car park sites. We are aware of a number of multi-storey car parks within Northampton town centre, including Mayorhold and St John's car park. These sites sit within WNC freehold ownership, which supports ease of delivery. Rationalisation of these sites may free up some land to support re-development.



L-R: One Angel Square, County Hall, Mayorhold Multi-Storey Car Park

5. Recommendations



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Recommendations: Overarching Conclusions

This study illustrates that West Northamptonshire has an important economy made up of **19,000** businesses employing **227,000** people. While this economy has been impacted by BREXIT, COVID-19 and the on-going cost-of-living crisis, employment count has increased by over **+7,000 (+3%)** over the last five years and forecasts indicate that at least **+27,000** additional jobs will be created over the next two decades driving future demand for business space.

Reflecting its strategic location and labour market, **the area's economy is dominated by industrial sectors** that rely on the area's position on the Strategic Road Network (SRN), as well as foundational sectors that meet the day-to-day needs of local residents.

Some of the area's industrial sectors are **economic specialisms** that differentiate it from other parts of the country – specialisms include **Transport & Storage, Motor Trades, Advanced Engineering, Wholesale, Food Manufacturing** and **Construction**. Most of these sectors have experienced employment growth in recent years and, bar Food Manufacturing, are expected to expand in the coming years driving future demand for business space locally. Some of these, notably Transport & Storage, Advanced Engineering and Construction, are also national priorities that are likely to receive continued support from the new Government.

Owing to this, it is **recommended that future business space policy and practice prioritises these industrial specialisms**. Focusing on these will ensure that business space opportunities create positive impact, respond to local demand and align with wider ambitions.

The Savills *Creative Gateway Soft Market Testing Report* also highlights **opportunities around West Northamptonshire's creative sector**, particularly in Northampton. While Avison Young's analysis does not identify the sector as a local specialism, it has grown in recent years and has prospered within Vulcan Works. It may therefore be sensible to prioritise this sector moving forward, particularly the 'production' side given the county's tradition in manufacturing.

Given the size of the West Northamptonshire area there are, however, geographical differences in economic activity with different towns having distinct specialisms. As economic growth is best achieved by building on existing economic strengths, rather than building from scratch, it is recommended that specific sectors are prioritised spatially as set out overleaf. Building on this, place-specific propositions are set out later in this chapter to help build and nurture local clusters.

Life Sciences Sector

The area has economic opportunities in Professional Services and Life Sciences. Our reference to life sciences is based on the findings of the Northampton Innovation Ecosystem Analysis (2024). We indicate that this represents a largely new sector for West Northamptonshire. Building a stronger life sciences sector would therefore likely require significant investment in 'market making' or 'pump priming' activities to generate commercial demand. Our place-specific propositions target West Northamptonshire's existing specialisms and growth sectors. Life sciences may present opportunity, but this would require a significant degree of upfront work and consideration.

Anchor organisations like the University, hospitals and the NHS and large businesses will be important for growth of the sector, as will taking advantage of the established life sciences clusters in the surrounding Ox-Cam region. Where organisations want to create new innovation infrastructure and research centres there would be potential for incubator lab schemes to support spin out and start-up businesses. This model works well elsewhere with small labs benefiting from being part of the anchor organisation's research ecosystem.



Recommendations: Overarching Conclusions

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Priority Sectors by Area

- **Brackley:** Creative, Manufacturing, Motor Trades, Construction.
- **Daventry:** Transport & Storage, Manufacturing, Motor Trades, Wholesale.
- **Northampton:** Transport & Storage, Motor Trades, Wholesale, Creative, Professional Services.
- **Towcester:** Motor Trades, Advanced Engineering.
- **Silverstone:** Advanced Engineering, Motor Trades, Manufacturing.

In line with the priority sectors identified, West Northamptonshire's **commercial market is dominated by industrial uses** – there are **2,646** units (**c121m** sq ft) compared to **1,423** office units (**c12m** sq ft). This pattern is reflected in all the towns analysed, bar Towcester which has more office than industrial units. The county's total amount of industrial floorspace has increased by **+38%** or **+33m** sq ft over the past 15 years suggesting **strong demand for industrial uses**.

Industrial vacancy rates have also reduced progressively over this period and now sit at **4.3%** indicating strong levels of occupancy. This trend is pervasive across the area with Towcester, Brackley and Northampton having similarly low vacancy rates (**0%**, **3.8%** and **4.6%** respectively). Whilst vacancy rates are currently slightly higher in Silverstone (**8.7%**) and Daventry (**7.8%**), both of these locations have seen strong floorspace delivery in the last 12 months and vacancy is likely to fall as space is taken up.

Industrial rents are also strong across the county at around **£8 psf** – they are highest in Silverstone (**£10 psf**), followed by Daventry (**£9 psf**), Brackley (**£9 psf**), Northampton (**£8 psf**). Over the past five years they have increased by **+19%** across the area with the greatest rises seen in Daventry (**+52%**), followed by Brackley (**+35%**), Northampton (**+19%**) and Silverstone (**+13%**).

Taken alongside the economic analysis, this suggests that the **delivery of industrial type space should be prioritised** as part of business space policy and practice moving forward. This includes **'traditional' industrial and light industrial type spaces**, but also more 'niche' industrial workspace types such as **workshops, maker spaces, creative studios and flexible kitchens**. Specific data on these 'niche' uses is not available but it is likely that the wider economic and commercial trends discussed represent a good proxy for demand for these types of spaces.

These typologies could be accommodated through the development of **traditional industrial estates**, with a focus on conventional light industrial space, workshops, maker spaces, creative studios and flexible kitchens in these locations. Other options include (a) **town centre development sites** which are more suitable for workshops, creative studios and incubator type facilities, and (b) **'clean' greenfield sites** given recent changes to the NPPF.



Recommendations: Overarching Conclusions

It should be noted, however, that the analysis in this report also highlights the **importance of micro business** (those employing between 0-9 people) and **small businesses** (those employing 10-49 people) to West Northamptonshire's economy – they account for **98%** of enterprises across the county. These trends are seen across the towns with these businesses accounting for **99%** of enterprises in Brackley, Towcester and Silverstone and **97%** of enterprises in Daventry and Northampton.

The analysis also shows that the **county underperforms in relation to enterprise**. To illustrate:

- The business survival rate in West Northamptonshire (1 year: **92%**, 5 year: **36%**) is lower than for the East Midlands (1 year: **94%**, 5 year: **41%**) and England (1 year: **94%**, 5 year: **39%**).
- In 2017 **13.3%** of active businesses were start-ups compared with **12.7%** in England and **11.6%** in the East Midlands.
- The county has seen a falling proportion of people who are self-employed down from a peak of **11.2%** in 2021 to **9.1%** in 2024.
- West Northamptonshire presents **lower proportions of high-growth businesses** than the East Midlands and England.

Part of this challenge links to the existing profile of property that typically supports micro and small enterprises (MSE). Commercial market analysis of smaller stock under 5,000 sq ft shows that, unlike for the commercial market as a whole, there are more office than industrial units at this size bracket – **831** offices versus **483** industrial units. There has also been limited change in the total amount floorspace at the scale with only a **+3%** growth between 2009 and 2024 compared to **+38%** for the industrial market as a whole.

This is driving **very low vacancies** - the total industrial vacancy rate is currently **4.6%** but vacancies for industrial space below 5,000 sq ft is just **3.4%**. There has also been strong rental value growth for smaller and larger units over this period. These trends are occurring despite existing stock being dated, in poor condition, and not well aligned to adequately meet the needs of modern MSEs across a range of sectors.

All of this confirms West Northamptonshire's hypothesis that there is a **failure within the market to provide adequate light industrial and workspace units between 500 and 5,000 sq ft**. One of the key reasons for the lack of delivery of new stock relates to viability. The analysis of rents and yields against build costs set out in this report, alongside engagement with key stakeholders and local agents, indicates significant viability challenges for delivery of light industrial and workshop space of this scale.

This suggests that public sector intervention may be required to address the market failure and viability gap in order to support economic growth and diversification, particularly of the county's MSE economy. This should be considered alongside a range of 'softer' interventions focused on business support and inward investment.



Recommendations: Overarching Principles

The conclusions from this report demonstrate that while West Northamptonshire has an important local economy, there is scope for it to become an **even stronger and more important business location**. MSEs are critical to the functioning of the local economy, and provision of appropriate business space opportunities in the right locations will be critical to help the **local economy grow**, generate greater **economic output** and **attract a broader range of organisations** to locate in the area.

Focusing on West Northamptonshire's existing specialisms and growth sectors will help to **support existing businesses** and **maintain the area's local economic identity**, while also opening up a **broader set of opportunities** for local people and businesses to access.

To realise this opportunity a set of 'principles' have been identified to guide discussions, decisions, policies and planning negotiations related to business space. It is recommended that future commercial interventions should align with these principles to ensure that the area achieves its economic potential.



1. Use business space opportunities to **retain and support existing local industrial specialisms** that create economic, social and/or cultural value for the area.



2. Evolve the business space offer to better cater for **industrial growth sectors** that will help **diversify and increase the value** of the local economy.



3. Prioritise the provision of new **conventional industrial and light industrial space, workshops, creative studio space, makerspace, and flexible kitchens**. A wide range of typologies will support economic diversification and ensure space is available for businesses of different sizes.



4. Use business space opportunities to **build and enhance existing clusters** of local economic activity.



5. Utilise **design guidance** to shape proposals and planning applications for priority business space typologies.



6. Make optimal use of levers available to the public sector to **address challenges around viability** (More detail on this is provided later in this chapter).



The overarching principles set out on the preceding pages illustrate **‘What?’** should happen in relation to business space across West Northamptonshire, but are relatively high level and do not provide insights into **‘Where?’** or **‘How?’**. They are also not tailored to the unique characteristics and economic specialisms of each of the key towns.

To address this **place-specific propositions** have been developed that could be used to guide future business space provision in each of the key towns. These propositions, which are set out on the right, build on existing **local assets** and **economic characteristics**, and respond to the nature of **business space opportunities** in each place. They provide a clear focus to guide action which should help strengthen each individual town, while also helping the county to realise its potential.

Deep dives for each sub-area are also provided on subsequent pages - these provide more detail on each proposition by setting out which types of **business activity** should be prioritised and the types of **business space** to focus on, including precedent examples to illustrate the opportunity. These align strongly with the overarching principles previously set out.

The main **opportunity sites** for each area are also identified to illustrate where new business space could be considered. This is accompanied by some high-level delivery steer to illustrate the next steps officers could consider to explore them further and potential delivery routes.

Place Based Propositions

Northampton

Proposition: Introduce ‘niche’ industrial workspace (i.e. workshops, maker space, creative studios) as part of town centre regeneration initiatives, as well as smaller high-quality light industrial units within or close to existing employment estates (including those owned by West Northamptonshire Council)
Purpose: To diversify the town’s economy and to reestablish and reinforce its ‘traditional’ industrial identity

Daventry

Proposition: Provide light industrial space that is attractive to smaller transport, storage and wholesale businesses
Purpose: To reinforce the area’s emerging identity as a small scale, more locally oriented industrial logistics hub and encourage smaller businesses to capitalise on the opportunities this identity provides

Towcester

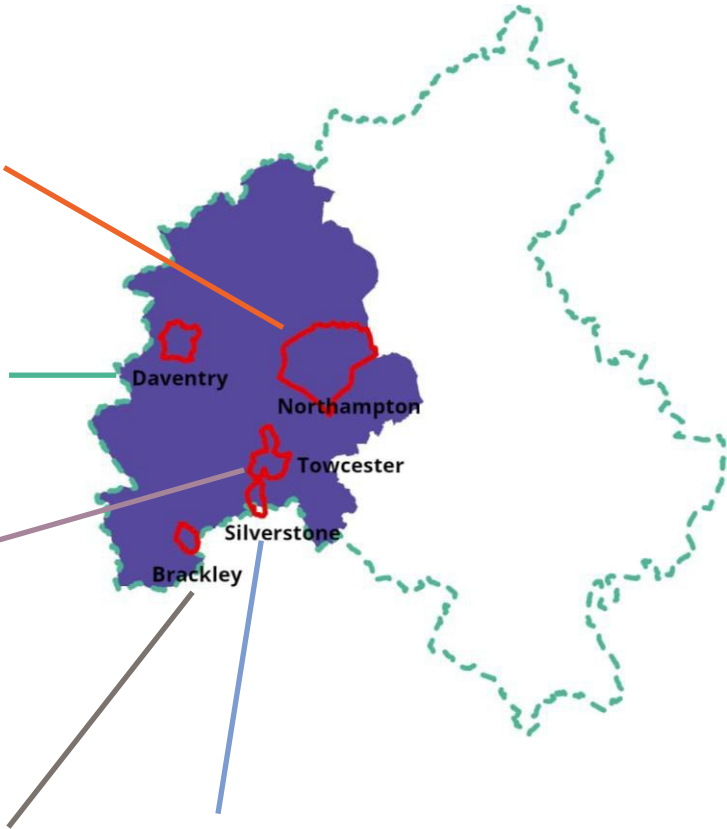
Proposition: Deliver small business space that caters to occupiers that want to be close to Silverstone but do not need to be located on-site
Purpose: To capitalise on the opportunity presented by Silverstone and ensure that there is a lower cost alternative location for its supply chain businesses

Brackley

Proposition: Introduce new conventional and ‘niche’ industrial typologies that build on the area’s creative production and manufacturing identity
Purpose: To curate, shape and promote a local economy focused on small-scale making and production

Silverstone

Proposition: Provide industrial, light industrial and niche workspace uses that cater to the area’s growing automotive and advanced engineering specialisms
Purpose: To build an even stronger cluster of high-value economic activity for businesses at different stages of their development



Place Specific Proposition: Northampton

Proposition	Introduce 'niche' industrial workspace (i.e. workshops, maker space, creative studios) as part of town centre regeneration initiatives, as well as smaller high-quality light industrial units within or close to existing employment estates (including those owned by West Northamptonshire Council)
Purpose	To diversify the town's economy and re-establish and reinforce its 'traditional' industrial identity
Rationale	<ul style="list-style-type: none"> The Town Centre has several major mixed-used regeneration schemes coming forward which will require employment uses to activate them and maximise their positive economic impacts (i.e. Four Waterside, Greyfriars and 24 Guildhall Road). There are opportunities for industrial development or intensification on a range of employment sites including St James Mill Business Park, Brackmills Industrial Estate, Lodge Farm Industrial Estate and Moulton Park / Round Spinney Industrial Estate. There are several council-owned light industrial sites that are (a) home to low quality space with energy efficiency challenges, and (b) have re-development potential. This is most true of William Street Studios. The area has historically been associated with industrial activities, particularly making and production of food and fashion products. The town has growing and specialised industrial sectors including Transport & Storage, Wholesale and Motor Trades.
Priority sectors	Transport & Storage, Motor Trades, Wholesale, Creative Production, Professional Services, Food Manufacturing
Relevant typologies	Light industrial, industrial, workshops, maker space, creative studios, flexible kitchens
Relevant precedents	<ul style="list-style-type: none"> Work Stack, Greenwich: High density stacked light industrial space on constrained site in Greenwich home to a range of creative occupiers from furniture makers to architects. Second Floor Studios, Deptford: Artist studio on the ground floors of a new build residential scheme in Deptford Town Centre run and owned by Second Floor Studios. Crate, Loughton: Light industrial amenity rich modular scheme on Loughton Industrial Estate that provides space for occupiers to both make and sell products. Midleton Enterprise Park, Guildford: Light industrial enterprise park delivered by Guildford Council following re-development of low density and ageing industrial estate.
Main opportunities	<ul style="list-style-type: none"> Introducing light industrial uses as part of Town Centre regeneration schemes. Re-developing or renovating council-owned industrial sites to use them more efficiently and enhance stock quality. Supporting the intensification and infilling of major industrial estates around the town.
Delivery considerations	<ul style="list-style-type: none"> Inclusion of light industrial uses as part of mixed-use development schemes will require feasibility studies to be undertaken that set out clear operating models, business plans and delivery models. Potential occupiers should be engaged as part of these processes to ensure the offer is attractive to the market. Re-development of Council-owned sites will require careful masterplanning and design work alongside viability and feasibility testing where looking to intensify the offer. Where there are viability gaps applications may need to be made to public sector regeneration funding pots and/or the Public Loan Works Board. Intensification and re-development of existing industrial sites will require a detailed industrial intensification study as a starting point, which identifies opportunities, capacity and potential delivery routes. A prioritisation exercise should be undertaken to select sites that are likely to be most practical and impactful to develop.



Workstack, Greenwich



Second Floor Studios, Deptford



Crate, Loughton



Crate, Loughton



Midleton Industrial Park, Guildford



Midleton Industrial Park, Guildford

Place Specific Proposition: Daventry

Proposition	Provide light industrial space that is attractive to smaller transport, storage and wholesale businesses
Purpose	To reinforce the area's emerging identity as a small scale, more locally oriented industrial logistics hub and encourage smaller businesses to capitalise on the opportunities this identity provides
Rationale	<ul style="list-style-type: none"> The town's Transport & Storage sector has grown by +100% in employment terms over the last five years and is 3.3x more concentrated in the local than national economy. The town has a range of large logistics occupiers (e.g. CEVA, DHL, Amazon) but this is complemented by a collection of smaller operators (e.g. Optima Logistics and The Archbold Logistics Limited) that are drawing on the area's competitive advantaged in this area. Transport & Storage is likely to overtake Manufacturing as the town's most important employer based on recent and forecast trends. There are opportunities for wholesalers and supply chain businesses that cater to the local logistics sector, as well as residents and other important sectors such as Construction.
Priority sectors	Transport & Storage, Manufacturing, Motor Trades, Wholesale
Relevant typologies	Industrial, light industrial, workshops
Relevant precedents	<ul style="list-style-type: none"> Halo Business Park, Bromley: New high-quality light industrial estate with fitted units mostly between 4,000 and 11,000 sq ft. Occupied by a range of trade counter, transport, automotive, storage and manufacturing business. Klinger Industrial Park, Sidcup: New light industrial estate adjacent to the M20 offering units from 4,000 to over 20,000 sq ft. Units are available to either lease or purchase depending on the interests of the occupier. Home to a mix of storage, distribution and trade counter occupiers.
Main opportunities	<ul style="list-style-type: none"> Utilisation of vacant plots on major industrial estates. Rationalisations and re-development of office blocks with higher vacancy rates. Intensification of existing industrial estates.
Delivery considerations	<ul style="list-style-type: none"> Officers should engage with landowners to understand why vacant plots have not come forward and explore whether any policy, funding or infrastructure interventions could be considered to catalyse development. Based on findings of this study, viability may be a blocker suggesting support with enabling infrastructure and/or gap funding may be required. Intensification and re-development of existing industrial sites will require a detailed industrial intensification study as a starting point, which identifies opportunities, capacity and potential delivery routes. A prioritisation exercise should be undertaken to select sites that are likely to be most practical and impactful to develop. Planning policies that encourage the re-development of office uses for industrial / light industrial space could be introduced for relevant sites and areas.



Halo Business Park, Bromley



Halo Business Park, Bromley



Klinger Industrial Park, Sidcup



Klinger Industrial Park, Sidcup

Place Specific Proposition: Silverstone

Proposition	Provide industrial, light industrial and niche workspace uses that cater to the area's growing automotive and advanced engineering specialisms
Purpose	To build an even stronger cluster of high-value economic activity for businesses at different stages of their development
Rationale	<ul style="list-style-type: none"> Silverstone is a major attractor for automotive and advanced engineering businesses that (a) have a direct relationship with the circuit, (b) provide supply chain services or (c) leverage the location from a marketing, sales and labour market perspective. There is already a strong collection of automotive and advanced engineering businesses on Silverstone Park to build on, including NIO 333 Racing, Lotus, Lunaz, DTO, Envision Racing, Mercedes Benz, Silverstone Sports Engineering, Digital Manufacturing Centre, Applus+ Laboratories and others. There are also a range of technology and telecoms businesses on-site including Dannecca Limited, Livewire Telecom Limited and MLL Telecom. Some of these sit in West Northamptonshire and some sit in Buckinghamshire. There is an innovation centre on site to support 'clean' more office-based start-ups but there is limited start-up industrial space.
Priority sectors	Advanced Engineering, Motor Trades, Manufacturing, Technology
Relevant typologies	Industrial, light industrial, workshop, innovation/accelerator centre
Relevant precedents	<ul style="list-style-type: none"> Hethel Engineering Centre, Norwich: Advanced engineering centre adjacent to the Lotus Headquarters and track in Hethel near Norwich. Offers both 'clean' office and co-working space, alongside workshops for light industrial type activity – the latter range from 500-2,000 sq ft. Dedicated business support and scale up programmes are provided on-site by Hethel Innovation Limited to help tenants succeed. iAero, Yeovil: An incubator and innovation hub for small and medium sized enterprises (SMEs) in the aerospace sector, which also facilitates links between tenants and larger businesses, academia and funding organisations. The centre offers workshops, private offices, conference rooms, co-working spaces, kitchens, storage spaces and parking to attract businesses and encourage collaboration. It is located next to the Yeovil/Westland Airport.
Main opportunities	<ul style="list-style-type: none"> Several new speculatively built industrial units available to let from later this year. Development plots available for additional uses as part of 'Phase 4 and Phase 5' of the Silverstone Park's development. Plots available for 'build to suit' units.
Delivery considerations	<ul style="list-style-type: none"> The Council can use its planning powers to support and encourage further commercial development in areas around Silverstone that are within their boundary, particularly where catering to priority sectors. There may be an opportunity and need to reach a joint planning position with Buckinghamshire Council to help deliver the best outcomes for both. Officers could engage with landowners to consider appetite and potential for a light industrial type innovation/accelerator on-site similar to Hethel Engineering Centre or iAero. Such a facility is likely to require public funding given the commercial challenges associated with such facilities. This could be a joint project with Buckinghamshire Council. Officers could explore future development plans for Silverstone with landowners and discuss whether there are any barriers or blockers to future development. Further consideration can be given to the public sector's role in overcoming these. Again this could be done in collaboration with Buckinghamshire Council.



Hethel Engineering Centre, Norwich



Hethel Engineering Centre, Norwich



Hethel Engineering Centre, Norwich



iAero, Yeovil



iAero, Yeovil



iAero, Yeovil

Place Specific Proposition: Towcester and Brackley

Towcester Proposition	Deliver small business space that caters to occupiers that want to be close to Silverstone but do not need to be located on-site
Purpose	To capitalise on the opportunity presented by Silverstone and ensure that there is a lower cost alternative location for its supply chain businesses
Rationale	<ul style="list-style-type: none"> As previously discussed, Silverstone is a major attractor for businesses that (a) have a direct relationship with the circuit, (b) provide supply chain services or (c) leverage the location from a marketing, sales and labour market perspective. Only those that have a direct relationship with the circuit need to be located on-site, with the other groups able to slightly further afield in places like Towcester. Given it is just over five minutes away by car there is an opportunity for Towcester to better leverage this opportunity and develop a stronger local economy.
Priority sectors	Motor Trades, Advanced Engineering, Professional Services.
Relevant typologies	Industrial, light industrial, workshop, innovation/accelerator space
Precedents	Shell Store, Hereford : Mix of sector agnostic office, co-working and light industrial space targeted at freelancers, start ups and small businesses. Accompanied by a bespoke business support service to help businesses leverage local markets and opportunities and maximise the chances of their success.
Main Opportunities	<ul style="list-style-type: none"> Fresh greenfield sites close to existing employment sites.
Delivery Considerations	<ul style="list-style-type: none"> Officers should engage with landowners to understand why vacant plots have not come forward and explore whether any policy, funding or infrastructure interventions could be considered to catalyse development. Based on findings of this study, viability may be a blocker suggesting support with enabling infrastructure and/or gap funding may be required.
Brackley Proposition	Introduce new conventional and 'niche' industrial typologies that build on the area's creative production and manufacturing identity
Purpose	To curate, shape and promote a local economy focused on small-scale making and production
Rationale	<ul style="list-style-type: none"> Brackley's economy is dominated by Arts, Entertainment & Recreation and Manufacturing activities. While the former has grown in recent years the latter has shrunk significantly presenting an opportunity to prioritise the production and making (i.e. manufacturing) side of the creative industry. This is commonly referred to as creative production activities and can range from fashion manufacturing to ceramics and set design.
Priority sectors	Creative, Manufacturing, Motor Trades, Construction.
Relevant typologies	Light industrial, workshop, creative studio, maker space
Precedents	Tannery Studios, Guildford : A vibrant create hub in a rural area outside Guildford that offers office, studio, filming and light industrial space for a range of creative occupiers at different stages of their development.
Main Opportunities	<ul style="list-style-type: none"> Underutilised car parking. Fresh sites adjacent to existing employment locations.
Delivery Considerations	<ul style="list-style-type: none"> Intensification and re-development of existing industrial sites will require a detailed industrial intensification study as a starting point, which identifies opportunities, capacity and potential delivery routes. A prioritisation exercise should be undertaken to select sites that are likely to be most practical and impactful to develop. Officers should engage with landowners to understand why vacant plots have not come forward and explore whether any policy, funding or infrastructure interventions could be considered to catalyse development. Based on findings of this study, viability may be a blocker suggesting support with enabling infrastructure and/or gap funding may be required.

Focus On: Public Sector Delivery Approaches

Due to the nature of viability challenges for light industrial and workshop space between 500 and 5,000 sq ft, it is likely that WNC will need to play a key role to support delivery of additional space, as proposed within the Place Specific Propositions.

There are a number of levers available to the public sector which could be considered:

- WNC could utilise regeneration schemes where there are higher value uses that can cross-subsidise provision of space. This is likely to be a particularly important tool to support the propositions within Northampton Town Centre.
- There are a small number of small-scale industrial estates within Council ownership that are in poor condition and in need of refurbishment. These could be re-developed and intensified to deliver better quality floorspace that addresses the market failure. Some estates, such as Bondfield Avenue and Blackthorn Road, do not present strong industrial locations so could be sold to fund re-development of other sites. They could instead be used for residential development with capital receipts retained to invest in development of light industrial and workshop units in more optimal locations. Conducting a more detailed, separate feasibility study focused on delivery would be essential to support decision making on the most appropriate forms of intervention. This study should examine the impact of loss of employment land on the local community and ensure alignment with planning policies.
- There are a number of Government regeneration and innovation funding support programmes available. These could be utilised to support self-delivery of space, or to gap fund private sector developers. This would need to be selective and subsidy compliant. Revenue funding should also be supported to meet small business growth, sector growth and /or regeneration objectives. There needs to be a wider strategic rationale in place to support this.
- Officers could play an awareness raising and knowledge exchange role with landowners and developers about demand for smaller industrial space – using this report as a basis. Where units can be delivered as part of wider schemes (e.g. at Silverstone) they are more likely to be feasible and viable. Where landlords are interested in exploring opportunities, the Council could support them by undertaking or funding feasibility and viability studies.
- To achieve intensification and co-location, a detailed industrial intensification study is required as a starting point - identifying opportunities, capacity and potential delivery routes. A prioritisation exercise should be undertaken as part of this to select sites that are likely to be most practical and impactful to develop. A deep dive into delivery models is also needed (e.g. disposal, contractual, joint ventures, self-delivery etc) to identify the most appropriate routes forward.



Based on the study recommendations the table below proposes a series of short- and medium-term actions the Council and partners could consider to support the small workspace market.

Actions – short term	Rationale and benefits for small workspace market
WNC Economic Growth Strategy Prepare a growth strategy to provide a foundation for sector growth and specialist workspace infrastructure.	<ul style="list-style-type: none">• Assess and prioritise sectors for economic growth and focus for investment• Highlight where there is market failure in delivering workspace.• Provide strategic context for priority workspace locations and types of workspace.• Raise awareness with government on the need for intervention and funding.
WNC Inward Investment Marketing Raise awareness for investors and occupiers of the sector, including growth and workspace development opportunities – regeneration sites, industrial estates, innovation areas.	<ul style="list-style-type: none">• Attract more investor/developer interest and funding in private sector and public-private workspace projects. Stimulate demand and improve viability.
Preparation of a regeneration strategy for Council industrial estates Prepare a regeneration strategy to support wider small workspace policy aims with options to refurbish or redevelop, for disposal /change of use. Commission masterplanning /design work and viability and feasibility testing to develop a holistic strategy.	<ul style="list-style-type: none">• Direct delivery by Council can create a catalyst for market led delivery. Provides direct control of workspace policy objectives.• Improves Council’s asset base/financial return.
Preparation of an industrial intensification study Prepare a detailed industrial intensification study which identifies opportunities, capacity and potential delivery routes. A prioritisation exercise to select sites that are most practical and impactful to develop would be important.	<ul style="list-style-type: none">• Proactive approach to engage private sector owners and show benefits of intensification schemes.• Scopes potential public interventions to support private sector owners.• Prioritise strategic sites and align with economic strategy and inward investment campaign.
Bringing forward vacant industrial sites Engage with landowners to understand development barriers and the policy, funding or infrastructure interventions to unlock sites.	<ul style="list-style-type: none">• Focus on smaller estates with underused and vacant sites.• Engage landowners in potential workspace programme (see medium term actions overleaf).

Small Workspace programme – Public Sector Soft Interventions

Actions – medium term	Rationale and benefits for small workspace market
<p>Silverstone small industrial space and accelerator</p> <p>Identify growth potential and gaps in the innovation infrastructure and investigate scope for public-private partnership to enable this to be delivered.</p>	<ul style="list-style-type: none"> • Strengthen the Silverstone cluster and maximise opportunities and inclusion for startups and growth businesses.
<p>Implementing workspace elements into major regeneration and innovation schemes</p> <p>Scope affordable and specialist workspace elements in mixed use regeneration projects. Incorporate in masterplans and assess delivery and operating models.</p>	<ul style="list-style-type: none"> • Increase vibrancy and economic strength and diversity of mixed-use sites. • Use commercial and residential developments to cross subsidise workspace delivery and operation.
<p>Policies in favour of small and specialist workspace types</p> <p>Prepare policy in new local plan to secure small workspace allocations and specialist workspace types on town centre sites and industrial estates.</p>	<ul style="list-style-type: none"> • To ensure robust and sustainable mix of businesses uses on priority employment sites and a supply pipeline.
<p>Small workspace infrastructure programme</p> <p>WNC can consider a programme of interventions with several levels of support, including:</p> <ul style="list-style-type: none"> • Affordable and accessible workspace guidance for developers/operators including design, sustainability and social value aspect. • Workspace gap funding/loan fund to address viability gap on prioritised third-party sites. • Direct delivery of Council owned industrial estates based on regeneration strategy. • Soft interventions. Business support package for growth companies- tailored to place (industrial estates like Brackmills BID and county-wide) and by sector - mentoring, skills and training, access to finance, innovation, events and networks. • Secure funding from government to support sector/workspace projects. 	<ul style="list-style-type: none"> • Medium term programme to correct market failure in small workspace supply. • Provide physical infrastructure and soft support for the small business economy and to meet business growth objectives in the County's economic strategy.

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