

Swansea Council

Swansea Local Development Plan 2023-2038

Employment Land Review for Pre-Deposit Plan (Preferred Strategy)

December 2024

This report takes into account the particular instructions and requirements of our client. It is not intended for and should not be relied upon by any third party and no responsibility is undertaken to any third party.

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Executive Summary

Ove Arup & Partners Ltd (Arup), in partnership with AspinallVerdi and RJ Chartered Surveyors, has been commissioned by Swansea Council to undertake an Employment Land Review (ELR). This will inform the preparation of the Council's new Local Development Plan for 2023-2038 (LDP2). The ELR's purpose is to further develop the evidence in the 2024 Economic and Housing Growth Assessment, to understand trends on employment land demand in more detail, and set out a quantitative and qualitative assessment of the extent of available employment land across Swansea.

This ELR document has three parts:

- Part 1: Policy Context Review
- Part 2: Employment Land Assessment, comprising a property market assessment (Part 2a) and a site assessment (Part 2b)
- Part 3: Policy Options and Future Monitoring

Part 1: Policy Context Review

National, regional and local policy all emphasise the importance of Swansea Bay (and Llanelli) as a National Growth Area, driving the economy of South West Wales. Policies highlight the particular importance of the Central Area of Swansea as a focus for economic growth, with a need for significant office accommodation to be directed towards the city centre, following a centres-first approach. Policies also highlight the importance of ensuring that economic development and employment locations are well-located and accessible via all modes of transport – in the interests of general sustainability, but particularly the need to support growth in the right sectors of the economy, and to drive regeneration. Mixed-use development is supported in particular, with key growth sectors in Swansea including professional services, knowledge-oriented activities in traditional manufacturing areas, healthcare and tourism.

There is a recognition in policy of the particular need for high-quality and flexible accommodation across the city and county, in order to attract the investment and sectors where Swansea has the greatest opportunity for economic growth. The need for industrial space is also recognised, in particular for the key sectors of renewable energy and the net zero economy.

Part 2a: Property Market Assessment

Historically a major industrial centre, significant restructuring in recent decades has seen Swansea transition towards a service-oriented economy – anchored by its important higher education sector, significant concentration of public sector activities (including public service headquarters functions), and its role as the principal regional centre for South West Wales. While productivity in Swansea is low relative to the rest of the UK, there has been a modest narrowing of the gap in recent years.

The economic analysis undertaken in the 2024 Economic and Housing Growth Assessment (EHGA) undertaken by Turley identified a particular concentration of micro enterprises in Swansea, and of larger companies. Among companies tracked for indicators of higher levels of innovation and growth activity, there is a relatively high proportion of information and communications businesses in Swansea, as well as those in professional, scientific and technical services. This suggests a strong foundation for future opportunities and growth in these areas. Future demand is also likely to be strong from the service sector, logistics businesses looking to use Swansea as an advantageous base for distribution across South Wales, and renewable energy – notably offshore wind and potential tidal energy generation.

The EHGA established that, accounting for updated economic forecasts and additional take-up, the future need for employment land in Swansea is likely to be in a range between 11.0ha and 25.2ha. This also factors standard assumptions and allowances for losses, market choice and flexibility. Provision towards the lower end of this range would enable a continuation of recent take-up trends

with some losses of employment land replaced, while the upper end would support higher levels of economic growth and allow all foreseeable forecast losses of employment land to be replaced.

The EHGA breaks down forecast future land needs by property type, with each of the scenarios suggesting a particular need for land suited to offices (8.9ha to 21.4ha), albeit the scale of this need would reduce to as little as 2.4ha if higher density offices were developed. Each scenario also suggests a positive, if markedly smaller, need for warehousing land (0.6 to 4.5ha). In contrast, only the past take-up scenario produces a positive requirement for industrial land, implying that up to 1.9ha could be needed, with the other scenarios suggesting that there could be an oversupply of industrial land across Swansea of 5.1ha.

It is considered that there is an undersupply of high quality, new and recently-refurbished premises across the market area. This is considered to reflect development economics rather than any particular lack of demand, with the viability position needed for investment often somewhat marginal (see Part 2b below). As such, established businesses are often staying in their existing premises and making do with what they have, rather than seeking to invest and grow.

Commentators such as Lambert Smith Hampton have identified Swansea as an under-developed market, with great potential for growth and a critical mass of demand as Wales' second largest city. However, it is recognised that there is likely to be a need for additional support from public sector partners in order for developers and investors to have greater confidence in investment, and to address viability challenges.

Part 2b: Site Assessment

There is nearly 2 million square metres of employment floorspace within Swansea's 18 key employment areas (set out in Section 4 of this report), across a land area of over 1,000 hectares.

Of the total floorspace in Swansea, excluding the Central Area (for which clear figures are not available), the overall level of vacancy of employment areas is 5%. This is considered to fall within a range indicative of a healthy employment market, given the need for there to always be some level of vacancy to allow for choice and variety in the market.

Across all 18 employment areas, a total of around 61 hectares of land currently appears to be vacant and suitable for development to provide employment uses in Class B. The majority of this land is subject to active marketing for employment uses, although some sites have only been *observed* to be vacant with actual availability to the market unknown. This overall amount of vacant land should therefore be taken to be indicative only.

Generally, across all areas considered, the ongoing role and function of Swansea's employment areas is considered to remain robust – and there is strong market demand from occupiers. As noted in the Part 2a property market assessment, the viability of investment is a challenge in some locations given low potential yields. In the longer term, a sustained lack of investment might make the continued attractiveness of some premises within Swansea's employment areas more challenging.

There are no employment areas for which wholesale redesignation or repurposing is considered to be appropriate, with all areas considered to clearly perform an ongoing role in supporting the local economy. However, for some key employment areas, specific recommendations are made in this report that LDP2 should consider, to help optimise the delivery of economic growth and regeneration opportunities. This includes in Swansea City Centre and the Waterfront, at the former 3M site in Garn Goch Industrial Estate, and in Felindre Business Park. Coordination between the planning system and wider public sector delivery efforts focussed on ensuring economic development and regeneration will be key in order to ensure success.

Part 3: Policy Options, Recommendations and Monitoring

The 2024 Economic and Housing Growth Assessment (EHGA) undertaken by Turley has established a need for between 11.0ha and 25.2ha of additional employment land in order to meet Swansea's future economic needs. The site assessment within Part 2b has established that there is around 61 hectares of vacant developable land within Swansea's employment areas. This means that sufficient

employment land already exists across Swansea, and that LDP2 does not need to allocate new sites in order to meet quantitative needs.

LDP2, along with wider economic development and regeneration efforts undertaken by the Council, do however need to ensure that employment land and sites across Swansea meet qualitative needs – both in terms of existing businesses as they adapt and grow, and of businesses looking to locate in the city. This is particularly the case for growth sectors identified as priorities in the policy context review in Part 1, and the property market assessment in Part 2a. The evidence assessed suggests that there may be an undersupply of sites appropriate for offices and high-tech industries, and an oversupply of sites currently configured for manufacturing and traditional industrial uses.

Public sector investment, the establishment of delivery vehicles, and masterplanning within individual employment areas are among a range of recommendations that could ensure the qualitative needs of businesses are being met, and that the repurposing of some employment land can be achieved in practice. This will need to be supplemented by policy approaches within LDP2 which continue to protect Swansea's employment land, given the key role it has been judged to play in the economic health of the city.

Ongoing monitoring on the extent of the employment land bank will also be crucial as LDP2 is implemented. This should include periodic re-assessment of the extent of the employment land bank across Swansea and taking action where needed – including being flexible around changes of use if data shows a need to do this in order to maintain a sufficient quantitative and qualitative supply of employment land and sites.

1. Introduction

Ove Arup & Partners Ltd (Arup), in partnership with AspinallVerdi and RJ Chartered Surveyors, has been commissioned by Swansea Council to undertake an Employment Land Review (ELR) across the administrative area of the City and County of Swansea. This evidence will inform the preparation of the Pre-Deposit Plan (Preferred Strategy) for the Council's Local Development Plan 2 (LDP2), which will be subject to consultation in early 2025. LDP2 will cover a plan period from 2023 to 2038.

The Economic and Housing Growth Assessment for Swansea (2024) has established that between 11.0 and 25.2ha of employment land could be needed in Swansea, broken down by different property types. That Assessment also noted that more employment land than this level of requirement could potentially be provided if desired, offering greater choice and flexibility to employers, and allowing more modern premises to replace older stock.

The purpose of this ELR is therefore to interrogate trends on employment land demand in more detail, and set out a quantitative and qualitative assessment of the extent of available employment land across Swansea. This evidence allows decisions to be made around whether any additional employment land could be allocated in LDP2, and provide further information on the nature and merits of key employment sites.

The ELR has been prepared reflecting Welsh Government guidance in 'Practice Guidance – Building and Economic Development Evidence Base to Support a Local Development Plan'¹. This indicates there are three main parts to an ELR:

- Part 1: Policy Context
- Part 2: Employment Land Assessment
- Part 3: Policy Options, Recommendations and Monitoring

Accordingly, this document has followed the structure set out above, with Part 1 providing an overview of relevant national and local policy, including work undertaken by neighbouring councils to Swansea. Part 2 is set out across two parts – Part 2a is a property market assessment and an audit of key employment sites and locations, with Part 2b being a quantitative and qualitative review of the existing employment land portfolio across Swansea. Part 2 incorporates and further develops the work already undertaken in the 2024 Economic and Housing Growth Assessment, to assess the future employment land requirements of Swansea.

Part 3 brings together the supply and demand analysis from Part 2, and sets out qualitative site appraisal conclusions and high-level recommendations with regards to the policy approach that could be followed in LDP2. In particular it explores whether additional employment land should be allocated, and site-specific considerations around the repurposing of employment land.

Conclusions reached in ELR reflect engagement with officers at Swansea Council, and builds upon their local knowledge and data. This includes engagement with officers in the Council's regeneration team, as well as in the planning team.

¹ [economic-development-evidence-base.pdf](#)

2. Part 1: Policy context

This section of the ELR considers the relevant national and local policy context within which employment land provision should be considered as part of the plan-making process. It highlights the national strategies and policies that Swansea's LDP2 should have regard to, as well as work undertaken by the Corporate Joint Committee (CJC) for South-West Wales with regards to employment growth and land, which provides the regional strategic context for Swansea. Employment land policies of the current Local Development Plan have also been considered, to understand whether these should be retained or replaced in LDP2.

The policy context is organised into key themes which set the context for employment policies and allocations for LDP2: the spatial context of the National Growth Area; key growth sectors; location criteria for employment growth; and the quality of employment sites. National, regional and local policy has been assessed against each of the key themes.

2.1 Spatial context of the National Growth Area and strategic employment opportunities

Future Wales: The National Plan 2040 (2021)² is the national development plan for Wales. This includes eleven 'outcomes', of which the following five are considered to be especially relevant in terms of employment land and policies:

- A Wales where people live and work in connected, inclusive and healthy places.
- A Wales where people live in vibrant rural places with access to homes, jobs and services.
- A Wales where people live in distinctive regions that tackle health and socio-economic inequality through sustainable growth.
- A Wales where people live and work in towns and cities which are a focus and springboard for sustainable growth.
- A Wales where people live in places where prosperity, innovation and culture are promoted.

To support these outcomes, Policy 1 of Future Wales identifies three National Growth Areas (NGA), including Swansea Bay and Llanelli (Figure 1). Within the NGAs, growth in employment and housing opportunities and investment in infrastructure will be focused in existing cities and large towns, avoiding adverse impacts on rural areas. Policy 5 also recognises however the need to support the rural economy ensuring LDP's plan positively to meet the employment needs of rural areas. Through this, sustainable urban growth will be concentrated to support thriving and cohesive communities. Policy 28 of Future Wales sets out further details of the Swansea Bay and Llanelli NGA, noting that this is the main focus of growth and investment in South West Wales due to its strong existing employment, population, services and infrastructure provision, and focuses on:

- Strategic and economic housing growth;
- Essential services and facilities;
- Advanced manufacturing; and
- Transport and digital infrastructure.

² [Future Wales - The National Plan 2040](#)

The **Economic Mission**³ was launched by the Welsh Government in 2021 and updated in 2023. It sets out the mission of a more prosperous economy, a greener economy and a more equal economy, using active industrial policy, rather than deregulation or lowering standards. Priority area three emphasises place-based economic development, with the integration of differing policy areas such as transport, health and housing, to support this, aligning with the NGA approach to bring coordinated growth.

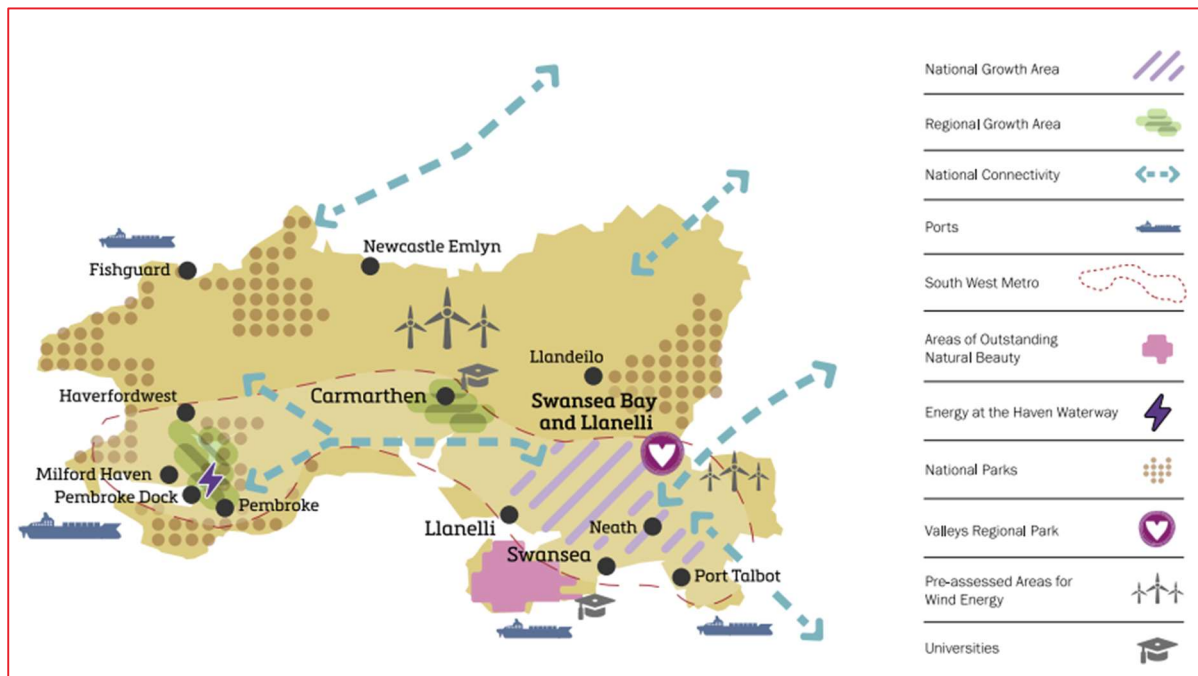


Figure 1 Extract from Future Wales showing the strategic direction for South West Wales, including the National Growth Area around Swansea Bay

Future Wales requires the preparation of **Strategic Development Plans (SDPs)**, which are the responsibility of the four Corporate Joint Committees (CJCs) in Wales. The aim of these plans is to deal more effectively with regional cross-boundary issues such as housing and transport and provide a strategic approach to planning at a greater scale than individual local development plans (LDPs). Policy 19 of **Future Wales** requires SDPs to establish a spatial strategy, including strategic approaches to employment provision, and specific spatial areas for employment growth across the region. It emphasises that decisions on where growth will be focused must be shaped by an understanding of cross-boundary issues, to ensure that job opportunities are accessible to people in other regions and to ensure that regions do not unintentionally or unnecessarily compete for certain types of development. There will be four SDP regions in Wales, of which the South West Wales CJC is relevant for Swansea. There are currently no adopted Strategic Development Plans SDPs in Wales – they are anticipated to be brought forward in the period from 2025-2030, meaning that they will be more relevant to future LDP reviews within Swansea. Any future employment allocations and policies contained within these will need to reflect any emerging strategy of a future SDP for the region.

Planning Policy Wales (PPW) (edition 12)⁴ also encourages planning authorities to work strategically to direct development to the most efficient and sustainable locations (5.4.9 – 12).

Locally, the **Swansea Local Development Plan (LDP) 2010 – 2025**⁵ (adopted 2019) sets out the local planning context for the Swansea area. The Swansea Central Area is described as the heart of the city region, acting as its primary economic hub and driver, with this reflected in the LDPs Strategic Objectives 10 and 12, and Policy SD J in particular is focused on the Swansea Central Area. Policy

³ [Economic mission: priorities for a stronger economy \[HTML\] | GOV.WALES.](#)

⁴ [Planning Policy Wales - Edition 12](#)

⁵ [Swansea Local Development Plan 2010-2025 \(LDP\) - Swansea](#)

PS4 details the basis of a Sustainable Employment Strategy. This includes allocated sites within Strategic Development Areas for mixed-use development, retaining land for employment which is currently in active and viable employment use, allowing small scale sustainable employment development within Key Villages and rural enterprises within the countryside, and a flexible approach to deliver proposals for significant numbers of high quality jobs. There are a number of strategic development allocations (SD A - L) which detail the allocations, placemaking principles and development requirements for these sites, which include areas for employment land.

Swansea Council's **Corporate Plan 2023 -2028**⁶ states the vision for Swansea to have “thriving mixed-use city centre and local economy”, with this reflected in one of the six overall well-being objectives of the Corporate Plan. The focus is on sustainable development to ensure that local economies are resilient and strong. There is specific focus on the development of office space, including at the innovation hub at 71-72 The Kingsway. One of the progress monitoring measures in the Corporate Plan will be the amount of commercial floorspace created as a result of the Transforming Towns programme, and the development of performance measures for jobs created / protected and impact on GVA / productivity.

The **Swansea Bay City Deal**⁷ further highlights the strategic economic importance of South West Wales (Carmarthenshire, Neath Port Talbot, Pembrokeshire and Swansea), with £1.3 billion of funding available for programmes and projects. These will be aligned around key themes including economic acceleration, life science and well-being, energy, smart manufacturing and digital. The **Swansea Destination Management Plan 2023 – 2026: Back on track**⁸ also emphasises economic growth in this area, with one of the outcomes being growth and prosperity for the local economy, noting the ongoing major development of Swansea City Centre. The **Swansea Central Area Regeneration Framework**⁹ (2016) sets out guidance for future development and investment in Swansea, but is in the process of being reviewed. The current document emphasises that the Central Area is a major focus for the local economy, and a driver of sustainable growth in the wider city region. The Council is in the process of preparing a replacement for the current regeneration framework with the emerging City Centre Placemaking Plan. Once approved this will provide supporting information to inform development proposals in the Central Area and City Waterfront.

In terms of strategic employment projects ongoing in the Swansea area, the **Swansea City and Waterfront Digital District**¹⁰ is one of the major projects which has received funding as part of the Swansea Bay City Deal, and in particular features the regionally significant indoor arena, a state-of-the-art office development aimed at tech and digital businesses, and an Innovation Matrix development at the University of Wales Trinity Saint David SA1 for start-up businesses. There is also an emerging potentially transformative strategic opportunity at the **Swansea Energy and Transport Hub**¹¹, located in the area of Swansea port, which would include a tidal lagoon, renewable energy transport hub on Fabian Way and oceanic and climate change research centre and data centre, and high tech battery manufacturing plant. Subject to full assessment through the planning process this project has the potential to create over 2,500+ permanent jobs and has the potential to support the creation of thousands more across Wales and the UK.

⁶ [Corporate plan 2023 / 2028 - Swansea](#)

⁷ [Swansea Bay City Deal - Swansea](#)

⁸ [Destination Management Plan \(DMP\) - Swansea](#)

⁹ <https://democracy.swansea.gov.uk/documents/s26590/11%20-%20Swansea%20Central%20Area%20Regeneration%20Framework.pdf>

¹⁰ [Swansea City and Waterfront Digital District | Swansea Bay City Deal](#)

¹¹ [New images showcase £6.25bn renewable energy scheme - Swansea](#)

2.2 Key growth sectors

Each of the four regions in Wales has published Regional Economic Frameworks (REF). These are strategic documents which promote collaborative planning and delivery across partners to achieve a set of common economic development objectives¹². The **South West Wales REF**¹³ aims to establish the region as a leader in renewable energy and the net zero economy; build a strong, resilient and embedded business base; and grow and sustain the ‘experience’ offer. As part of this, it sets out an ambition to invest in the commercial property stock, both for local businesses and new investors. The **South West Wales Regional Economic Delivery Plan**¹⁴ (RED) provides a further level of detail for the aims outlined in the REF, including attracting and driving forward new industrial development, which is noted as a key action. The Plan also outlines decarbonising the industrial base in order to ensure the region is resilient and can maintain industrial competitiveness, with work on industrial decarbonisation already underway in the South Wales Industrial Cluster.

Strategic Objectives 11 and 13 of the **adopted Swansea LDP** sets out the need for development to encourage growth across sectors, and to re-orientate the economy towards high quality, skilled and knowledge based sectors. Employment sites should provide for the needs of both small-scale local businesses and large-scale strategic occupiers in order to attract investment. Policy PS4 lists the key future growth sectors for jobs during the LDP plan period, which are:

- Professional services;
- Health (residential care and social work);
- Tourism in the form of accommodation, food services and recreation; and
- Knowledge orientated activities in both service and traditional manufacturing areas, including in architectural and engineering services, legal and accounting, IT, business services, construction and real estate.

The quantum of land identified as required for the preferred employment growth forecast in the adopted LDP is at least 19ha. The Plan identifies that a greater amount of growth could occur should other investment come forwards, and so this should not be viewed as a ceiling. The minimum B-class uses land requirement is broken down as follows:

- Industrial: 8ha
- Warehousing: 8ha
- Offices: 3ha

Site specific policies SD G – K in the LDP define the broad range of B-class uses allocated on specific sites.

The **Swansea Central Area Regeneration Framework** sets the development of existing and new sectors of the economy as a strategic objective, in particular the financial and knowledge economy.

2.3 Location criteria for employment growth

The national policy position on the location of employment growth focuses growth on existing urban areas, in line with Policy 1 of **Future Wales**. Policy 6 of Future Wales supports a ‘town centre first’ approach to development, in which significant new development for appropriate commercial uses (including offices) should be located within town and city centres where sites are available, with good

¹² [Written Statement: Regional Economic Frameworks - Publication \(22 December 2021\) | GOV.WALES.](#)

¹³ [South-west Wales regional economic framework \(gov.wales\).](#)

¹⁴ [South West Wales Regional Economic Delivery Plan - Swansea](#)

access via public transport and active travel. The policy recognises that development plan allocations are the best way to identify these locations, but in the absence of this a sequential approach must be used to determine applications. **PPW** outlines this sequential test as the first preference for new development to be within a retail and commercial centres defined in the development plan hierarchy of centres. If no suitable sites are available, edge of centre sites may be considered, and only if these are lacking should out of centre locations (which are accessible by different travel modes) be considered (4.3.18 – 20).

Building Better Places (2021)¹⁵ further emphasises the Welsh Government’s commitment to town centres, and also notes that, as a result of the shift to homeworking, employment allocations should be reviewed to ensure the best use of land for placemaking, in particular mixed-uses. Flexible workplaces for remote workers to come together may also need to be provided, and will work best in retail and town centres where they will reinforce the vibrancy of these areas and planning authorities should identify these sites. The **Town Centres: position statement** (2023)¹⁶ sets out the challenges faced by town centres and sets out steps to reinvigorate them. Some of these actions include working across government to plan for the (re)location of public services into town centres and empower local planners to refuse development which does not meet ‘town centre first’ policy. It notes that government could also support the adaptive reuse of out of town developments. Swansea Council became a signatory of the **Placemaking Charter Wales**¹⁷ in 2021, this sets out principles regarding active and public transport, as well as supporting mixed-use development. The **RED** seeks to bring forward development at key regional strategic sites, a wide range of smaller sites to support distributed growth across the region, and new city centre office accommodation in Swansea city centre.

PPW also emphasises that employment development should be planned in existing centres and to help reduce the need to travel, with land allocated for employment uses protected from inappropriate development. It encourages, for example, the:

- Alignment of jobs to housing and sustainable transport infrastructure;
- Promotion of previously developed vacant and underused land;
- Delivery of physical regeneration and employment opportunities to disadvantaged communities;
- Controlled and managed release of unwanted employment sites to other uses;
- Specific locations for industries which may be detrimental to amenity and polluting; and
- Mixed-used developments with flexible units and commercial premises (5.4.13 – 14).

Consideration should be given to ensure proximity and compatibility of uses to ensure residential amenity and economic development opportunities are not compromised. PPW notes the benefits of business clusters, stating that planning authorities should support the development of these, particularly in relation to innovative and technology based enterprise, with development plan policies identifying these and any necessary supporting infrastructure (5.4.16 – 5.4.18).

The **adopted Swansea LDP** notes that out of town development has reduced city centre investment over time, limiting regeneration opportunities. Policy PS1 therefore states that development should be directed to the most sustainable locations within defined settlement boundaries, avoiding the countryside. Policy PS4 aims to ensure that employment land is delivered in strategic locations with appropriate infrastructure and servicing, with sites allocated in mixed-use Strategic Development Areas (SDAs) for appropriate employment generating uses, including locations close to the M4, as

¹⁵ [Building Better Places: The Planning System delivering Resilient and Brighter Futures - placemaking and the Covid-19 recovery](#)

¹⁶ [Town centres: position statement \[HTML\] | GOV.WALES.](#)

¹⁷ [PlacemakingWales_A4Charter_ENG.jpg \(849×1200\)](#)

this is preferred by occupiers. The adopted LDP contains a suite of Regeneration and Commercial policies, of which the following are particularly relevant for the location of employment land:

- Policy RC 1 states that development must accord with the key strategic aims of delivering, amongst other goals, high quality office space in the Swansea Central Area;
- Policy RC 4 requires development to deliver high quality office accommodation as part of a new business district at the Kingsway and Orchard Street;
- Policy RC 9 states that business (B1) uses will not generally be supported at ground floor level;
- Policy RC 10 states that land which is in active, viable employment use is considered part of the County's employment land bank and will be protected for B Class employment generating use;
- Policy RC 11 outlines when established industrial and commercial land and premises for non-business uses will be permissible; and
- Policy RC 12 states that proposals for B1 office uses greater than 200sqm will only be permitted in SDAs outside of the Swansea Central Area if evidenced that there is no appropriate site within the city centre, development is linked to an existing use, there is no need to preserve the site, there would not be a significant adverse effect, and the site is accessible by public and active transport.

The **Swansea City Centre Repurposing Strategy** (2021) notes a number of locations for development interventions within Swansea city centre, including where office development would be appropriate. The **Swansea Central Area Regeneration Framework** emphasises that office accommodation should be directed to the city centre, and highlights the Kingsway area as a Working, Living and Learning Area, with indicative concept plans for the Kingsway/Orchard Street area and Mansel Street/Alexandra Road area as commercial areas. Drawing on the South West Wales Regional Economic Delivery Plan, Swansea has also produced a **Local Economic Delivery Plan**. Strategic Aim 5 "Creating connected, sustainable places" includes support for new commercial floorspace in the city centre, noting this is the key economic driver of the region, but also support for district and local centres to have co-working spaces.

2.4 Quality of employment sites

As well as the location of employment sites, there is policy guidance also which seeks to develop and maintain the quality of employment sites. Indeed, the **RED** emphasises that there has been a general market failure to deliver commercial property locally, which has restricted the growth of SMEs and the attraction of larger investors. Further, priority area four of the **Economic Mission** focuses on the improvement of industrial and commercial sites and premises in order to attract business growth and maximise competitiveness. Policy 2 of **Future Wales** states that development should positively contribute to sustainable placemaking, with walkable neighbourhoods around mixed-used centres and public transport, with green infrastructure. Development plans should establish a vision for towns and cities.

The **adopted Swansea LDP** sets out challenges that have been faced as a result of some allocated employment sites not being developed, including the Felindre strategic site. It points out that there is a lack of available, high quality office space to meet economic growth needs, and an oversupply of substandard office space at central and out of town locations. There is a large amount of industrial/warehousing floorspace of varying quality within the employment landbank, including strategic site provision at Westfield Industrial Park, Waunarlwydd. Policy PS2 states that development should enhance the quality of places and spaces. The **Swansea City Centre Repurposing Strategy** further notes the lack of high-quality office space, including space for larger organisations. The **Swansea Bay City Deal** also identifies the commercial property viability gap as a challenge for the local economy, with the provision of quality flexible adaptable office space as solution to this.

The **Swansea Economic Recovery Action Plan** (2021)¹⁸ notes the need to support the recovery of the Swansea economy in the wake of the Covid-19 pandemic, and, of relevance to this ELR, includes actions to explore the potential for repurposing indoor vacant space (including commercial) for meanwhile uses; the provision of low cost, flexible business premises on easy access terms; and to provide modern, flexible floorspace and co-working space to accommodate new and growing businesses. Within the **Local Economic Delivery Plan** is Strategic Objective 3.2 “Ensuring access to fit for purpose sites and premises” as part of Strategic Aim 3 “Growing productivity and resilience across the economy”. An action stemming from this is to bring forward a pipeline of new and refurbished commercial floorspace at a range of appropriate scales and locations to accommodate start-ups, growing businesses and inward investors. The **Swansea Central Area Regeneration Framework** also outlines the need for modern, flexible and affordable commercial floorspace, in particular for the higher value sectors Swansea is aiming to attract. In order to create competitive infrastructure to attract this investment, the priorities for Swansea Central are:

- Co-ordinate land, property and related infrastructure development;
- Improve transport and digital connectivity between key employment and living settlements and more widely;
- Create distinctive and competitive places and spaces; and
- Transform the retail, cultural, leisure and commercial offer.

2.5 Summary

The main policy direction from the available national, regional and local policy emphasises the importance of Swansea Bay (and Llanelli) in general as a National Growth Area, and the Central Area of Swansea in particular as the focus of growth. Significant office accommodation should be directed towards the city centre, following a town centre first approach, ensuring development is sustainable and accessible via differing modes of transport. Mixed-use development is supported in particular. There is a recognition of the need for high-quality and flexible accommodation, in order to attract the investment and sectors Swansea is targeting, namely the skilled and knowledge sectors, and a range of sizes of businesses. The need for industrial space is also recognised, in particular for the key sectors of renewable energy and the net zero economy. [OB]

¹⁸

<https://democracy.swansea.gov.uk/documents/s71628/15%201%20of%202%20Economic%20Recovery%20Action%20Plan%20Cabinet%20Report%20Appendix%20A.pdf>

3. Part 2a Employment Land Review: Property market assessment

3.1 Methodology

The property market assessment component of the ELR has been undertaken via a desk-based study. It has been undertaken using a combination of a review of published material, including the findings of the Stage One report; property journals such as Estates Gazette and Property Week, plus employment land monitoring reports produced by the council. This review of secondary research material was supplemented through the analysis of data produced by the subscription-based property databases Co-Star and EGi Radius. To corroborate our findings and seek additional insight, we also held a workshop with officers from Swansea Council's regeneration team.

3.2 Current property market operation and health

Situated in the middle of the South Wales coast, Swansea is the second largest city in Wales and the regional centre of South West Wales. Swansea's two neighbouring local authorities are Carmarthenshire to the west and Neath Port Talbot to the east. The City & County, which has a land area of 378 square kilometres, can be broadly divided into four geographic areas: the open moorlands of the Lliw Uplands in the north; the rural Gower Peninsula in the west, containing the UK's first Area of Outstanding Natural Beauty; the suburban area stretching from the edge of Swansea towards settlements in the west and around the M4 corridor; and the coastal strip around Swansea Bay, which includes the city centre and adjacent district centres including Uplands, Sketty and Mumbles.

In strategic infrastructure terms, Swansea is served by the M4 running east-west, the A4067 Swansea Valley Road linking to Pontardawe in NPT and, just outside the local authority, the A465 to the Heads of the Valleys via the Vale of Neath. Rail services link Swansea with Cardiff, London and West Wales via the South Wales Main Line, and with Shrewsbury via the Heart of Wales Line.

Given Swansea's mostly urban nature digital connectivity is good, with some 99% of premises in the county able to access superfast broadband and 87% able to access gigabit download speeds¹⁹.

Swansea is considered part of the South West Wales (often referred to as 'Swansea Bay') Property Market, which is itself diverse. The eastern part of the sub-region is strongly urbanised, including the city of Swansea, the Western Valleys and the industrial centres of Port Talbot and Llanelli, and contains most of the region's key industrial assets. To the west, Carmarthenshire and Pembrokeshire are largely rural, with (especially in Pembrokeshire) large visitor economies. It also includes two Enterprise Zones: at Port Talbot and in the Haven ports in Pembrokeshire.

As would be expected, Swansea and South West Wales competes with South East Wales (the Cardiff Capital Region), which is the largest of the Welsh regions in economic and population terms. South East Wales is diverse and has responded to significant economic restructuring over recent decades. Cardiff is the largest commercial, administrative and cultural centre within the region and within Wales, and an important destination for inbound commuting across a wide hinterland (including to some extent from Swansea). Newport has also experienced recent expansion and is itself an important location for technology-related employment. South East Wales also contains some of Wales' most important industrial assets (including the major industrial estates at Treforest, Oakdale and within the Ebbw Vale Enterprise Zone). The west of South East Wales covers Bridgend, Pencoed and the area around Llantrisant, spatially relatively close to Swansea. These remain major manufacturing centres.

¹⁹ Better broadband - Swansea

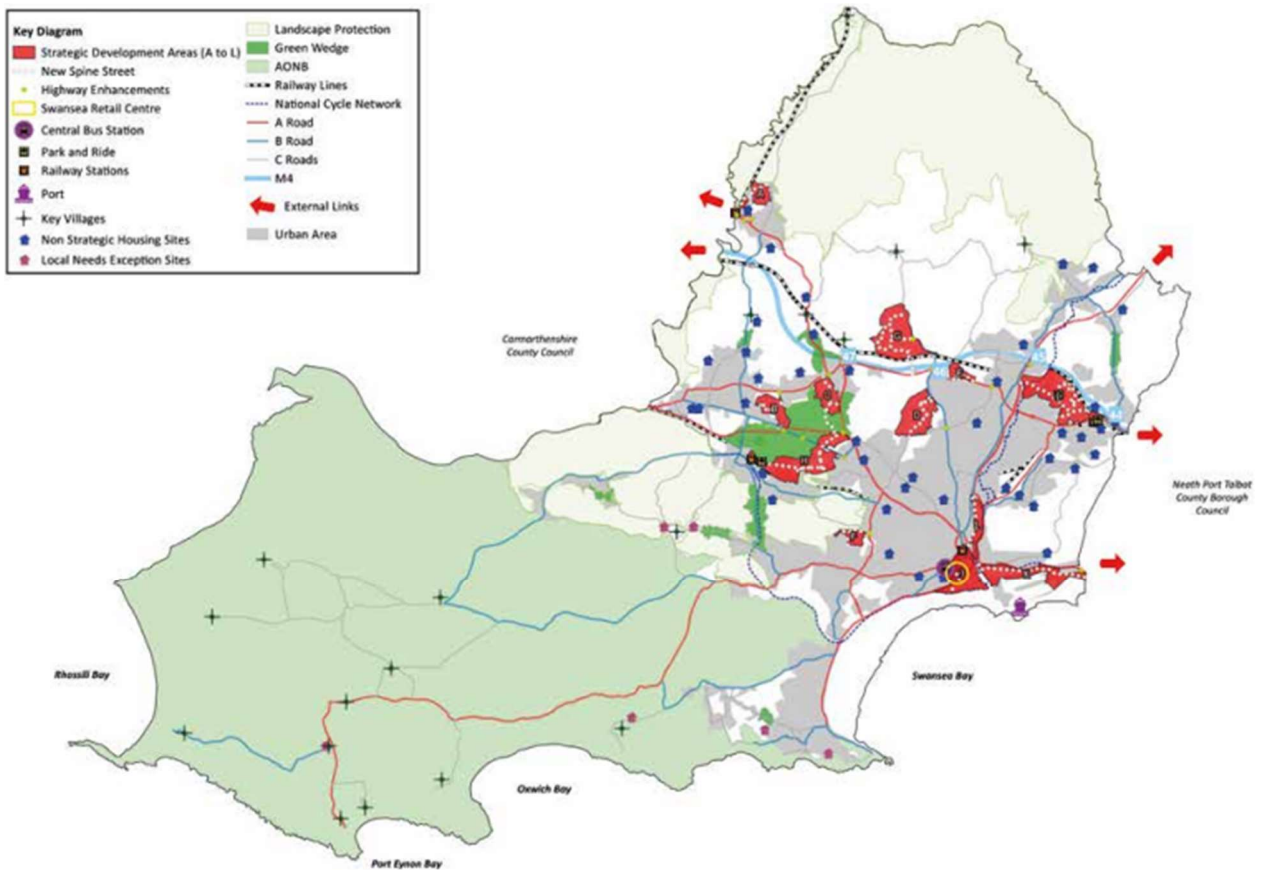


Figure 2 Swansea City Council Area (LDP Key Diagram)

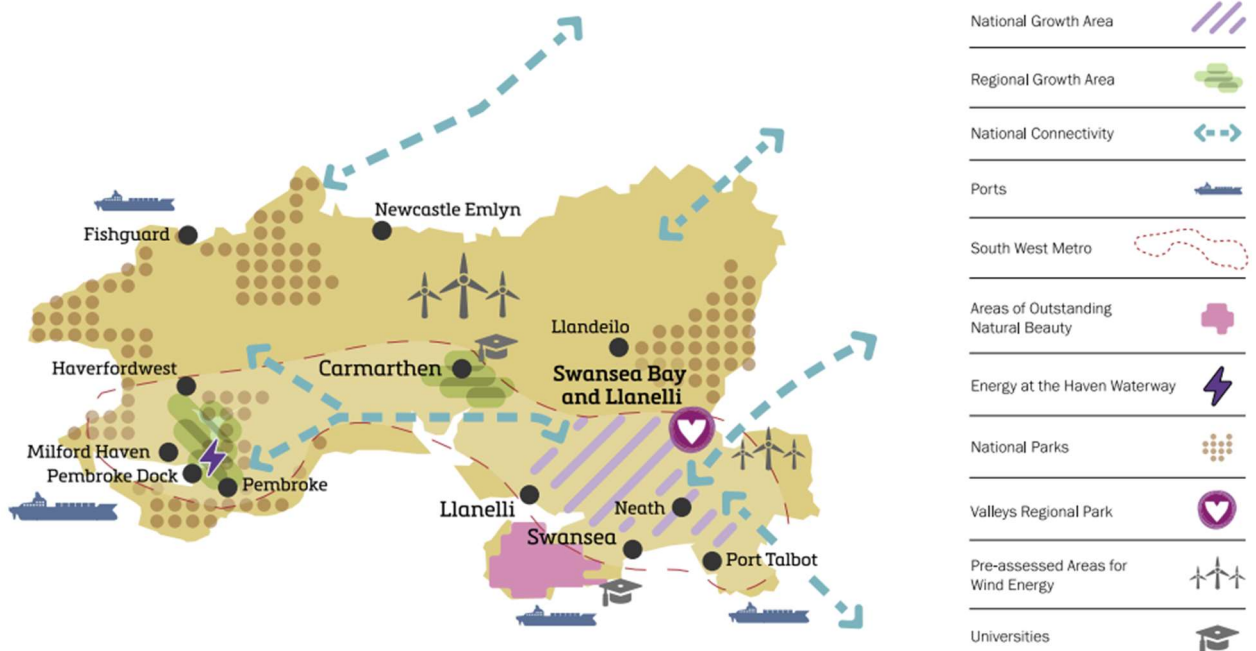


Figure 3 South West Wales Regional Strategic Diagram (Source: Future Wales)

3.3 Property Market

National (UK) Overview

Office

Occupier demand for high quality, core located offices remains robust. Pricing has started to stabilise in some UK markets, but not all. Moving forward, development completions are anticipated to be relatively strong throughout 2024/25, but construction starts are considered unlikely to continue at pace due to the costs of debt and the costs of construction remaining high. Once interest rates decrease and yields stabilise, the investment market is likely to pick up (particularly for core assets) as returns become more attractive.

In Wales, the office market is dominated by Cardiff, which accounts for over half of the region's floorspace. Central Cardiff has performed strongly in recent years, although there has been little new development beyond the city centre. In Newport, agents report strong demand for city centre offices, in the context of a lack of supply. Elsewhere in South East Wales, there has been very little office development in recent years.

Industrial

There is caution in the market, however occupier demand has improved since the start of 2024. The vacancy rate has grown, and in response to this the development pipeline has continued to moderate. Investors are selective in their acquisitions as investment has remained below the long-term average. There has been no change to pricing in the first half of 2024.

Take up in the second half of 2024 largely showed consistency with the first half, and further vacancy rate rises are anticipated, but this is likely to remain below the 10-year pre-pandemic average at the end of the year. There will be more stock to the market this year, but there will be a similar amount of interest from the investment market. Investment yields will remain on a par with 2023.

Demand remains robust from the 3 key occupier groups (manufacturing, retail, and 3PLs - third party logistics), These account for over 60% of the total demand. For the first time during 2024, availability increased to 64.2m sq ft, a modest increase of 1.64% driven predominantly by a rise in existing grade A space coming back to the market.

The sharp rise in construction costs and general economic uncertainty had led to the development pipeline continuing to contract, with new starts falling as demand becomes more uncertain.

South Wales Overview

Industrial property take up in Wales rose in the second quarter of the year, according to research from Knight Frank.²⁰ This identified take up of industrial property in excess of 50,000 sq ft in Wales reached more than 680,000 sq ft in the second quarter of 2024, This brought the total take up for the first half of 2024 to just over one million sq ft, which is in excess of 400,000 sq ft more than in the same period in 2023. A key driver for this was the sale of the 1.6 million sq ft Ford site at Bridgend, which will now become a data centre.

There have been several large lettings over 50,000 sq ft. which have set new headline rents for the region. These are all within Cardiff and Newport areas. This upturn in lettings is encouraging but much of the larger industrial stock released onto the market recently is in poorer condition in secondary locations. There are only two Grade A buildings in South Wales and there are none available in Swansea and the South West.

Swansea Overview

This section provides an overview of current and, where possible, historical trends in the performance of the commercial property market in Swansea This overview is broken down across office and

²⁰ Logic: Wales, Industrial Take-up in South Wales, knight Frank 2024

industrial and warehousing premises, with summaries about their stock and relative performance in each area. The data and comment in this chapter has been sourced from a range of publications, including the industry standard databases, Promis, Co- Star and EGI, as well as property journals like Property Week and the Estates Gazette. We have also used research reports by several of the largest agents operating in the South Wales commercial market.²¹

Swansea as a Business Location

Historically a major industrial centre, significant restructuring in recent decades has seen Swansea transition towards a service-oriented economy, anchored by its important higher education sector, significant concentration of public sector activities (including public service headquarters functions) and its role as the principal regional centre for South West Wales. While productivity is low relative to the rest of the UK, there has been a modest narrowing of the gap in recent years.

The economic analysis undertaken by Turley in the 2024 Economic and Housing Growth Assessment (EHGA) identified that most businesses in Swansea are micro enterprises, although the overall business stock has more larger firms than elsewhere in Wales and the UK. Among firms tracked for indicators of higher levels of innovation and growth activity, there is a relatively high proportion of information and communications businesses and those in professional, scientific and technical services, suggesting scope for future opportunities in this area.

CoStar states that there is around 25 million sqft of industrial stock in Swansea, as it is one of the UK's smaller industrial markets, and about a quarter of the size of its neighbouring Cardiff. South Wales has gone from the world leading centre of copper mining and distribution to one of the leading centres for renewable energy. Collaboration between academia at Swansea University and industry have led to the emergence of engineering, science and tech industries, which have attracted investment and driven growth.

Swansea is towards the western end of the M4 motorway and the terminus for many long-distance services along the South Wales Main Line railway. Given this, and its role as the second-largest city in South Wales (and in Wales as a whole), it is an economic focal point and advantageously located. It serves as the focal point of the local and sub-regional economy, as a service centre for rural and coastal communities to the west.

Main Locations for Employment

Figure 4 shows that office spaces are generally situated in the urban area of Swansea and its environs, again with a cluster along the corridor towards the M4, but also in other established business parks across the city, and with a particular concentration in the City Centre. Figure 5 shows the concentration and clustering of industrial premises, which are also relatively widespread, but particularly concentrated in the inner suburbs of the urban areas as might be anticipated.

Further analysis of the employment areas within Swansea, and the provision of premises within them, is set out in the following chapter (Stage 2b).

²¹ Logic: Wales, Knight Frank 2024 Industrial and Logistics Report Box Clever, Lambert Smith Hampton 2024

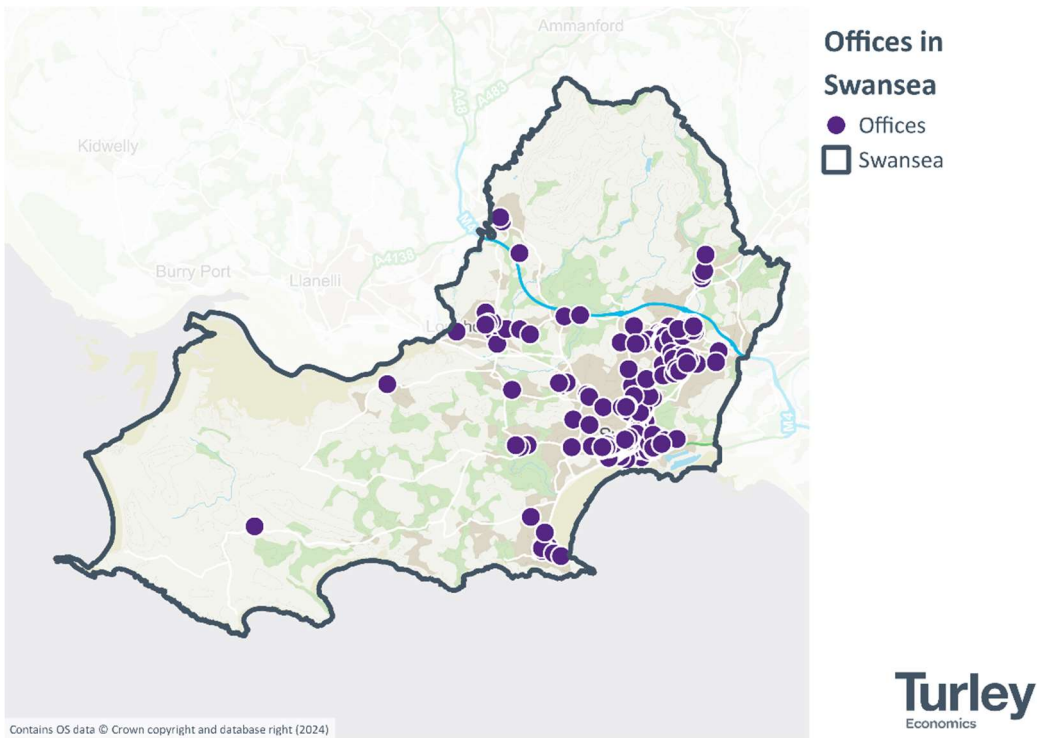


Figure 4 Location of Office Premises, Swansea (source: CoStar; Turley analysis)

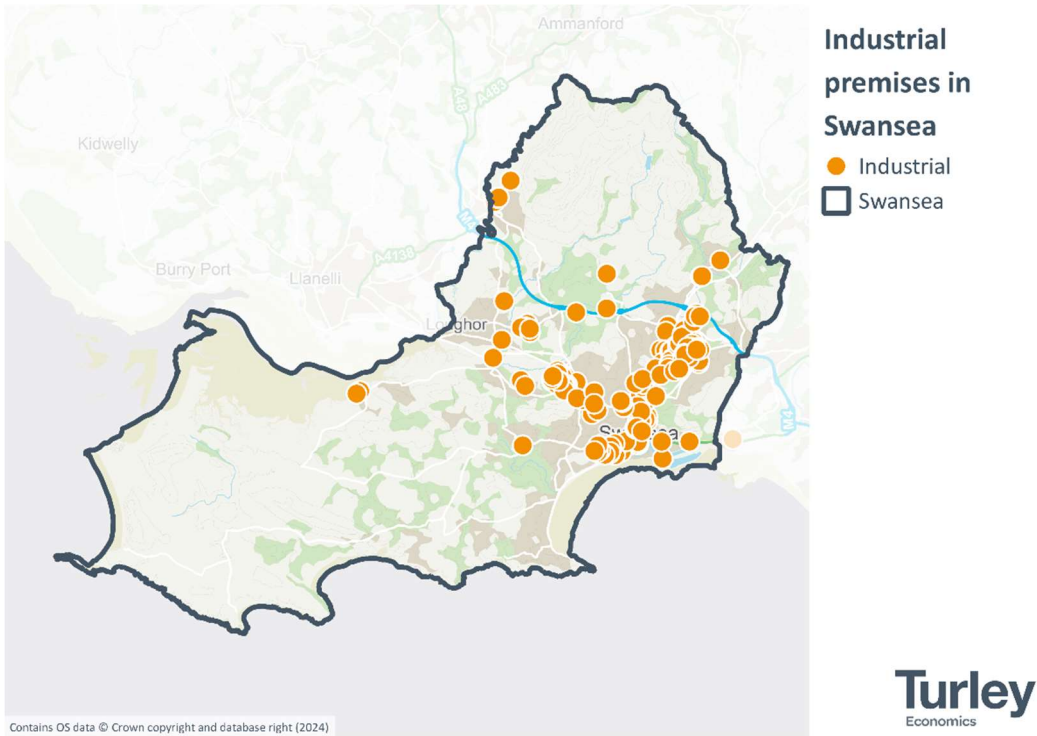


Figure 5 Location of Industrial Premises, Swansea (source: Turley)

Key Advantages and Drawbacks for each key sector

The analysis below sets out a SWOT (strengths, weaknesses, opportunities and threats) analysis of future office and industrial provision within the local Swansea context.

Offices

Strengths	Weaknesses
Demand for office space has exceeded supply	Scale of market is limited
Net absorption 27,000sq. ft	Rents and yields do not support viable development
Service centre/ Hub for South West Wales	Low volume leasing market
Research expertise at Swansea University	Suppressed demand subdues the market
Rail Link to London and M4	
Opportunities	Threats
Swansea University	Lack of suitable stock
Increasing importance of ESG (environmental, social and governance)	Lack of new stock for University Spin-off and spin-in
Gap in new stock pipeline, yet gaps in the market, particularly for research labs close to the university	Lack of developer confidence means investment stops at Cardiff
Growing energy sector/ tidal power	

Industrial

Strengths	Weaknesses
Manufacturing tradition of area	Outmoded stock
Growth sector of UK economy and likely to see continuing growth.	Stock quality is below the South Wales average
Available land for development	Suppressed demand subdues the market
	Away from the largest critical mass of the S Wales conurbation/market in the South East'
Opportunities	Threats
Unfulfilled demand for Logistics	If new stock cannot be delivered, then this may lead to local companies moving east to find more modern stock suited to their needs
Is there an opportunity to provide new stock in a location desired by logistics and manufacturing businesses.	If no grant/ intervention funding is available, then market likely to fall further behind.
Opportunity to repurpose existing stock on locations close to M4/	

3.4 Drivers of Change

There are several regeneration projects underway that should help boost demand for office space, the largest being the Swansea Central Area regeneration scheme, which is focused on rejuvenating the city centre to create a vibrant mixed-use district, at the core of which are extensive public realm

improvements. Indeed significant new office development is being delivered including the landmark 71/72 The Kingsway (see below), a 104,000 square foot scheme including some 47,000sq ft of Grade A Office space, and refurbished Princess House providing 16,170sqft of prime office space. Construction is expected to start in 2025 on a new 47,964 sqm Public Sector hub building on the former St Davids shopping centre.

The **Swansea Waterfront Innovation Quarter** focuses on transforming the city's waterfront into a hub for innovation, education, and enterprise. The project involves redeveloping former industrial sites to create modern office spaces, research facilities, and accommodation for knowledge-based industries. It aims to capitalise on Swansea's strengths in digital technology, life sciences, and renewable energy, fostering collaboration between businesses, academia, and the public sector.

The **Kingsway Digital District** initiative is focused on establishing Swansea as a tech and innovation hub by refurbishing existing stock and providing new workspaces tailored to digital and creative industries, such as incubator spaces.

The **Universities** are an important part of the Swansea economy and have a key role to play in creating positive change in the market. Swansea University is a major research institution with strengths in Life Sciences and Energy/ Sustainability. There has been considerable investment in these sectors in recent years as universities and cities collaborate to capitalise on this expertise and the availability of skilled labour. The University of Wales Trinity Saint David is committed to improving employment opportunities in the region and has a business innovation centre providing support to start-ups.

The **Renewable Energy Sector** could have a transformational impact on the demand for land and property. Plans include a new manufacturing facility to make high-tech batteries that would store renewable energy; a tidal lagoon, a floating solar facility, a hyper-scale data centre powered by renewable energy, an oceanic and climate change research centre, energy-efficient eco-homes anchored in the water, and a new district heating system using renewable energy. The development would also act as a catalyst for further innovation in renewable technology.

ESG (environmental, social and governance) is driving demand for new, sustainable offices and net zero industrial premises in the UK's office markets as businesses look to secure space that will comply with future ESG regulations and attract the best local talent.

3.5 Levels of Demand

Office

Swansea has experienced one of the strongest office rental growth rates in the UK with average rents increasing 2% over the past year. According to CoStar, demand has been driven by falling vacancy rates and a limited supply of new quality space – although a wave of new schemes is in the development pipeline.

In addition, it identifies the city as one of the few UK markets where demand for office space has exceeded the space vacated over the last year. Net absorption, a measure of occupied stock, has risen by around 27,000 square feet, meaning Swansea has outperformed most of the UK's office centres.

Despite these positive trends, office take-up has been weak this year. Swansea is not a high-volume leasing market; over the last 10 years, only three deals bigger than 50,000 square feet have been signed. There has been only one occupational deal above 10,000 square feet in the last 12 months, which was construction company Andrew Scott's purchase of a 10,700 sq ft office building at the Enterprise Business Park for its own occupation in November last year. The long leasehold was being marketed for £650,000.

The delivery of new space in Swansea's central business district this year is expected to release pent up demand as local businesses look to future-proof their presence in the city by taking offices that have the best-in-class space in the city.

Once this suppressed demand has been released, it would not be surprising if the take-up rate drops again; as there is currently no space in the development pipeline to be delivered beyond this year, limiting options for businesses with approaching lease expiries.

Take-up rates

The graph below shows the difference in vacancy rates across the different types of offices in Swansea (3 star and 4&5 star), Swansea as a whole and also the United Kingdom as a whole. It is clear from the graph that office vacancy rates have been low up until 2024, but they are forecasted to rise mid 2024 to mid 2025, especially 4- & 5-star offices. 3-star offices and the office market in Swansea and the UK will stay low and remain the same between 2024 and 2028.

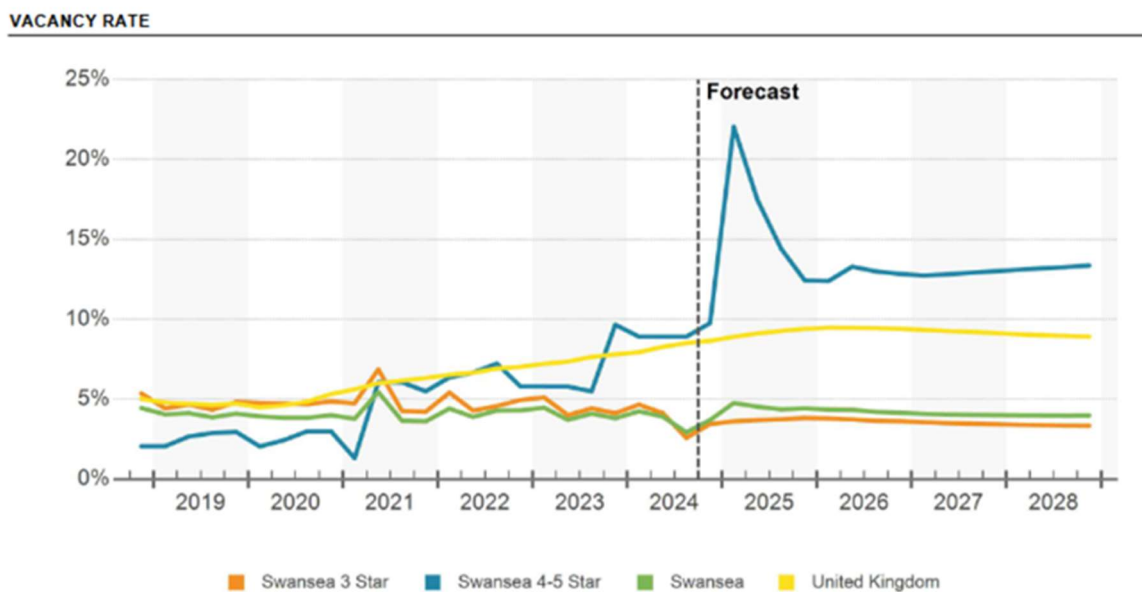
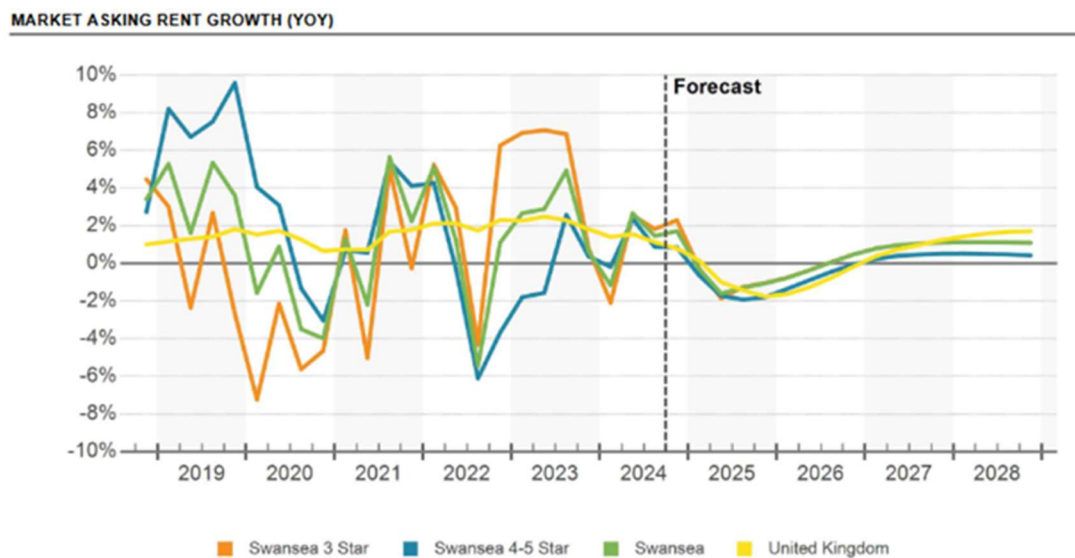


Figure 6 Offices – Vacancy Rates 2019 - 2024 (source: CoStar 2024)

As shown in the diagram below there has been lots of fluctuation in the market asking rent growth for all sectors shown on the graph (Swansea 3 star, 4&5 star, Swansea as a whole and UK). However, it is forecasted to balance out from 2024 and remain this way until 2028.



The diagram below shows the average rents received for the office sector within Swansea from 2014-2024. The average trend line shows the average rent received is £11.20 per sq ft across the decade. The maximum average rent was achieved in 2017 at £13.75 per sq ft and the lowest was in 2016 with an average of £9.84 per sq ft.

Rental analysis

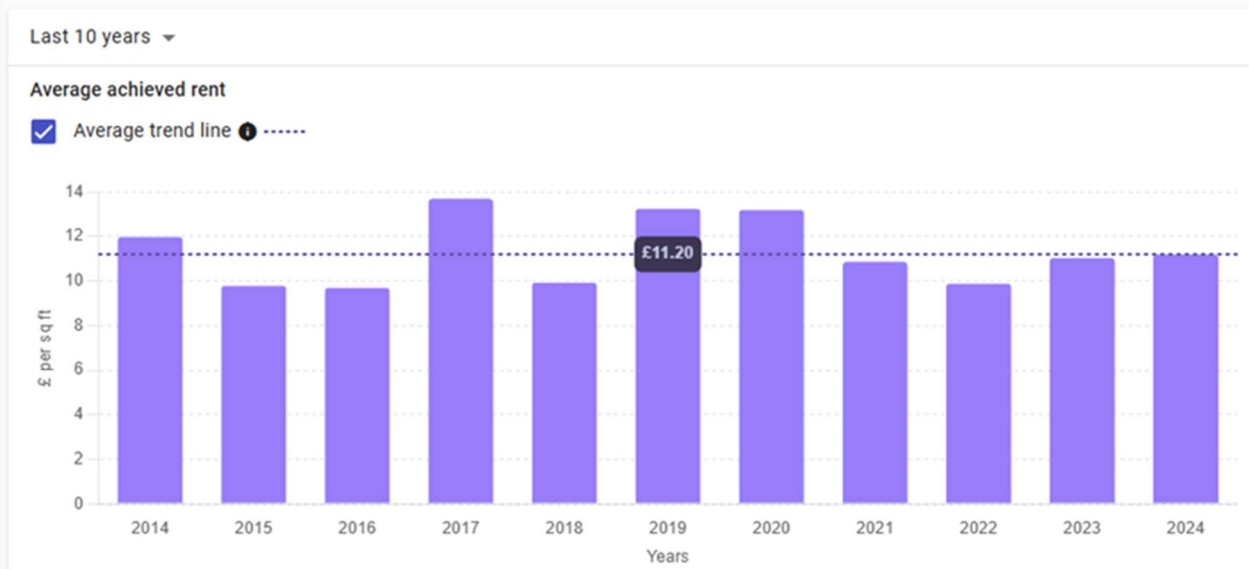


Figure 7 Office sector – Average rents received 2014-2024 (source: Egi October 2024)

The diagram below shows availability rates have been low from 2019 for all sectors until 2023 when 4- & 5-star offices in Swansea spiked in availability rates but all others remained low.

In summary, there is clear demand for new, well-appointed office space in the centre of Swansea. There are many local businesses that would like to move premises, but there is little availability. Much of the new demand is for less than 5,000 sq ft. Swansea has delivered new Grade A space, and more will come to the market this year. This has led to strong demand. As yet, there is no more in planning, and it is likely that take-up will drop again until new or refurbished stock comes forward.

The survey work has shown that there are several large office suites available in out-of-town locations, particularly on Swansea Enterprise Park. This stock is unrefurbished from the 1970's and 1980's and has been vacant for a considerable period. This reinforces the message that office demand is for high specification, suitable for multi-tenanted use and preferably in the city core.

AVAILABILITY RATE

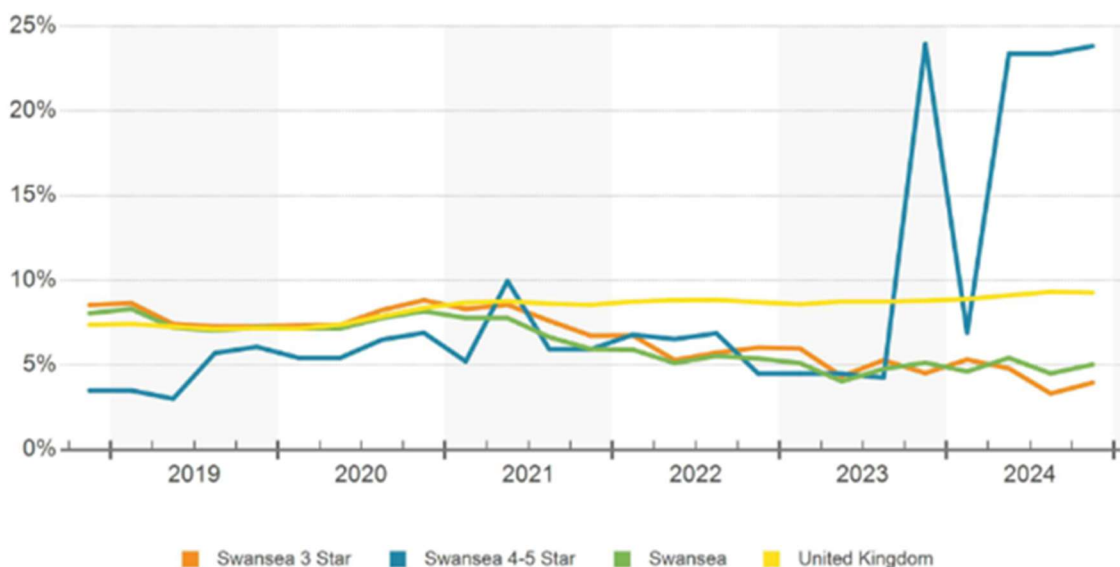


Figure 8 Office availability 2019 – 2024 (source: CoStar 2024)

Industrial

Wales

Wales was the best-performing area of the UK for take-up against trend in 2023, with total activity improving by 23% on 2022's total and standing only 7% below the five-year annual average. Notably, 70% of Wales's total annual take-up took place in H2 2023, with H1 devoid of any sizeable deals. Echoing the pattern from 2021 and 2022, Wales saw only one transaction in the XL segment in 2023, namely Jayplas' 255,000 sq ft lease of Toyoda Gosei's former unit in Swansea. Activity in the large box segment rebounded in 2023, nearly doubling from 2022's low to 910,000 sq ft. However, the mid box segment was the best performing segment against trend, with take-up of 730,000 sq ft standing 7% above the five-year annual average but down 4% year-on-year. Mid box saw a revival in grade A activity, with total take-up of 190,000 sq ft boosted by JLI Trading's lease of a 52,000 sq ft spec-built unit at St. Modwen Park, Newport.

Swansea

In the past 12 months, the vacancy rate for the industrial sector overall is 2.3%. Individually, the logistic sector vacancy rate is 3.0%, the light industrial vacancy rate is 11.8% and the specialised industrial vacancy rate is 0%.

There are reportedly 314 industrial spaces throughout Swansea, with an average NIA of 241 sqm that is some 15% smaller than the average for South West Wales (287 sqm). These totals unavoidably include warehouses, there being 113 such units in Swansea each offering an average of 280 sqm, slightly more than in South West Wales as a whole (252 sqm).

The average industrial space in Swansea was graded 2.4 stars out of five by CoStar, falling slightly below the average for South West Wales (2.5). This reflects a slightly higher share of premises in Swansea being given only two stars or fewer (42/37%) as well as fewer being given four stars (0.5/1.3%). As with offices, no industrial premises in Swansea or South West Wales were given a ranking of five stars by CoStar.

The graph below shows vacancy rates for all 3 industrial sub-sectors and the industrial sector overall within Swansea and the UK. Vacancy rates have stayed below 4% from 2019 up until 2024. From 2024, vacancy rates are forecasted to rise, but once risen are forecasted to stay the same until 2028. Specialised industrial has the lowest vacancy rate, dropping back to 0% vacancy.

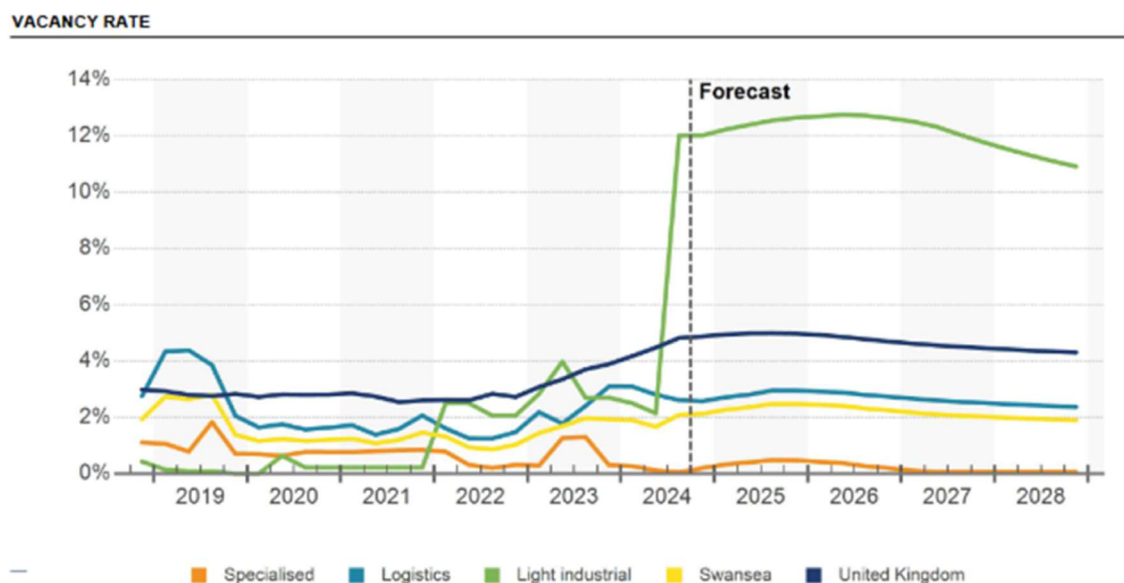


Figure 9 Q2 2026 after a slight rise from 2024 (source: CoStar 2024)

The below diagram shows that market asking rent growth dropped for the industrial sector in early 2019, however was rising again from 2020 to 2022, when it saw another slight decline. Forecasted from 2024 onwards, rates will stay steady but on a slight decline through to 2028.

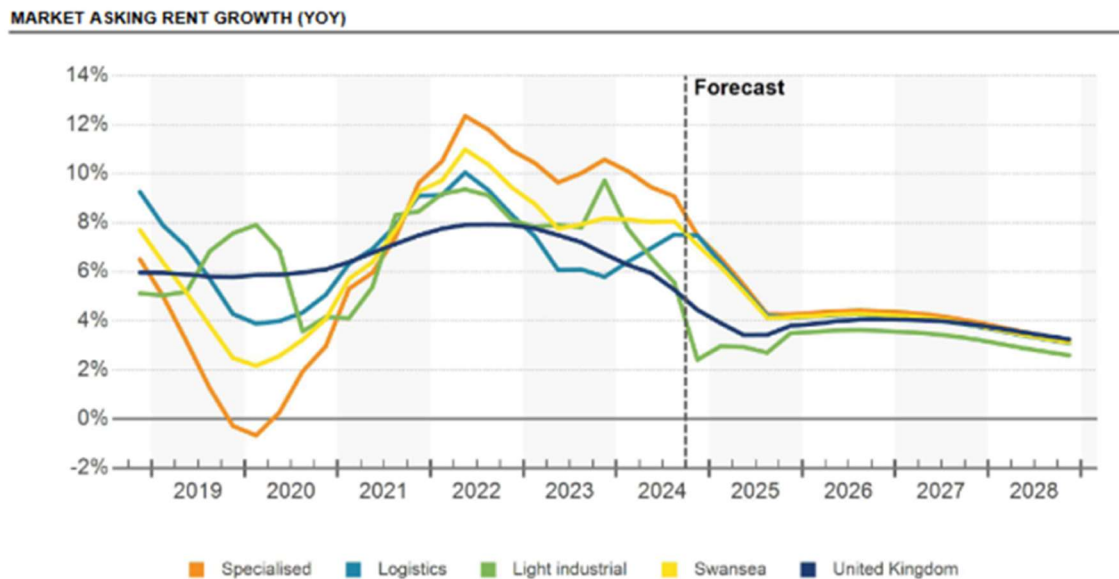


Figure 10 Market Asking 2019 onwards (source: CoStar 2024)

The below diagram shows the comparison in the market asking rent and vacancy rates, including sq ft for each year from 2012 forecasting to 2028 and the % growth for the market asking rent.

Table 1 - Market Asking Rent and Vacancy Rate (Source: CoStar 2024)

OVERALL RENT & VACANCY						
Year	Market Asking Rent			Vacancy		
	Per Sq ft	% Growth	Vs Hist Peak	Sq ft	Percent	Ppts Chg
2028	£7.18	3.1%	24.5%	478,321	1.9%	-0.1%
2027	£6.96	3.8%	20.7%	509,490	2.0%	-0.2%
2026	£6.70	4.2%	18.3%	565,543	2.2%	-0.2%
2025	£6.43	4.1%	11.5%	623,065	2.5%	0.3%
2024	£6.17	7.1%	7.1%	534,941	2.1%	0.2%
YTD	£6.13	7.7%	6.3%	577,434	2.3%	0.4%
2023	£5.76	8.2%	0%	484,412	1.9%	0.9%
2022	£5.33	9.4%	-7.6%	258,124	1.0%	-0.4%
2021	£4.87	9.3%	-15.5%	364,290	1.5%	0.3%
2020	£4.45	4.1%	-22.7%	299,053	1.2%	-0.2%
2019	£4.28	2.5%	-25.7%	344,579	1.4%	-0.6%
2018	£4.18	7.7%	-27.5%	484,820	1.9%	-0.4%
2017	£3.88	9.2%	-32.7%	594,018	2.4%	-1.0%
2016	£3.55	6.8%	-38.4%	845,885	3.4%	-1.9%
2015	£3.32	6.0%	-42.4%	1,304,114	5.3%	-2.4%
2014	£3.13	1.3%	-45.6%	1,913,352	7.7%	-2.3%
2013	£3.09	-8.4%	-48.3%	2,476,856	9.9%	-3.5%
2012	£3.30	2.7%	-42.7%	3,341,323	13.4%	1.9%

The diagram below shows the average rents received for the industrial sector within Swansea from 2014-2024. The average trend line shows the average rent received in £6.22 per sq ft across the decade. The maximum average rent was achieved in 2019 at £9.20 per sq ft and the lowest was in 2016 with an average of £4.28 per sq ft.

Rental analysis

Last 10 years ▾

Average achieved rent

Average trend line ⓘ -----

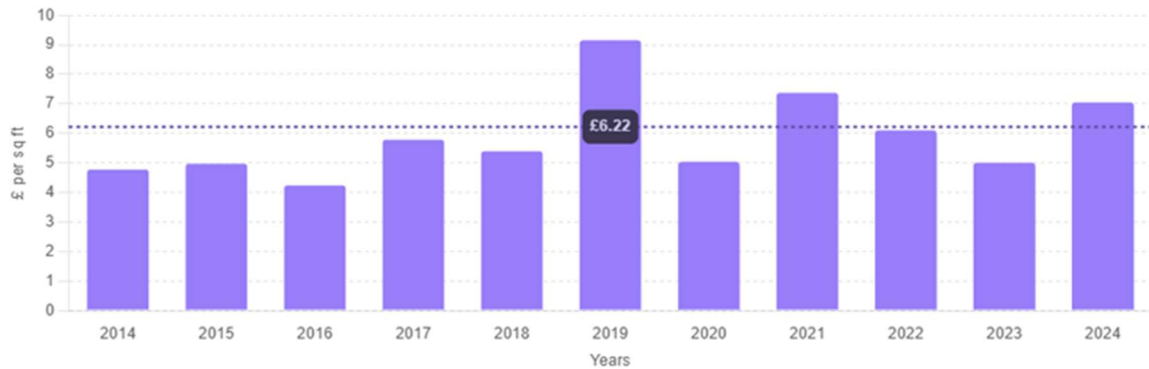


Figure 11 Industrial sector rents received 2014 – 2024 (source: Egi October 2024)

The table below shows supply and demand levels in terms of sq ft for the industrial sector dating back to 2012, forecasting through to 2028. It has included the growth % and also net absorption for each year.

Table 2 – Industrial Property, Supply and Demand Levels 2012 onwards (Source: CoStar 2024)

OVERALL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	Sq ft	Sq ft Growth	% Growth	Sq ft	% of Inv	Construction Ratio
2028	25,214,268	18,381	0.1%	49,397	0.2%	0.4
2027	25,195,887	17,878	0.1%	73,758	0.3%	0.2
2026	25,178,009	13,446	0.1%	70,846	0.3%	0.2
2025	25,164,563	18,109	0.1%	(70,040)	-0.3%	-
2024	25,146,454	0	0%	(50,529)	-0.2%	-
YTD	25,146,454	0	0%	(93,022)	-0.4%	-
2023	25,146,454	32,883	0.1%	(193,405)	-0.8%	-
2022	25,113,571	97,545	0.4%	203,711	0.8%	0.5
2021	25,016,026	29,548	0.1%	(35,689)	-0.1%	-
2020	24,986,478	14,408	0.1%	59,934	0.2%	0.2
2019	24,972,070	(64,249)	-0.3%	75,992	0.3%	-
2018	25,036,319	25,243	0.1%	134,441	0.5%	0.2
2017	25,011,076	17,913	0.1%	269,780	1.1%	0.1
2016	24,993,163	153,735	0.6%	611,964	2.4%	0.3
2015	24,839,428	(109,600)	-0.4%	499,638	2.0%	-
2014	24,949,028	0	0%	563,504	2.3%	0
2013	24,949,028	(360)	0%	864,107	3.5%	-
2012	24,949,388	14,470	0.1%	(466,768)	-1.0%	-

The diagram below shows availability rates were growing across all sectors from 2019 to 2021, then all decreased slightly through to 2024. Light industrial saw a spike in rising availability rates in 2020, then again in 2024.

AVAILABILITY RATE

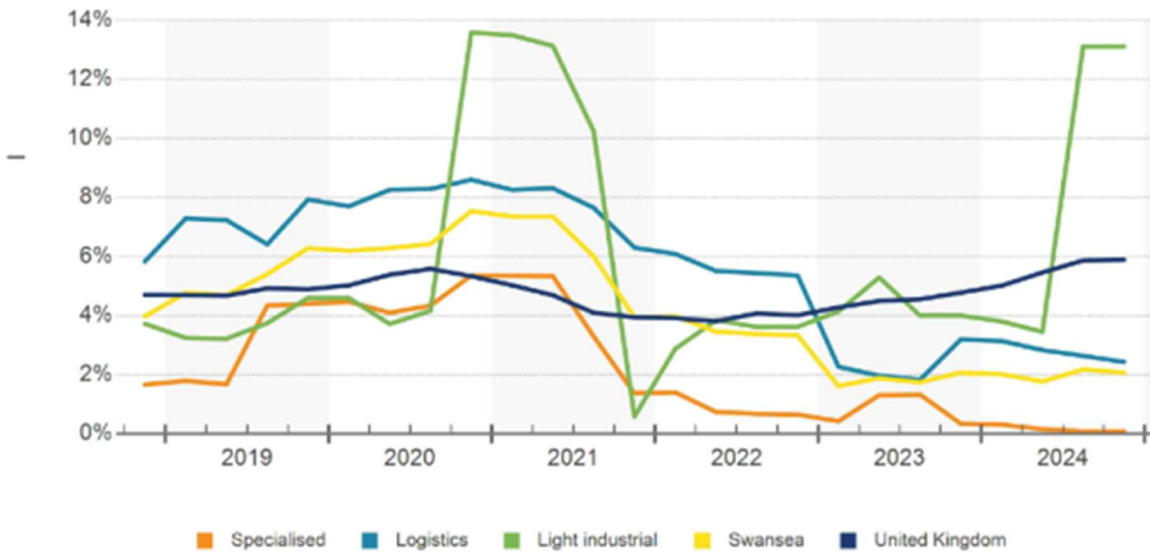


Figure 12 Availability Rates 2019 - 2024 (source: CoStar 2024)

Suppressed Demand

Pent up or “suppressed” demand that might have accrued over an extended period should be fully accounted for in any analysis of the requirement for employment land. It is often the case that employment land supply fails to keep up with demand, and economic growth, investment and job creation that would have taken place were this not the case is frustrated, delayed or lost. As such, there are real-world consequences in failing to grapple with the point. Where a shortfall arises and accrues it should be made good through planned provision.

Pent-up demand has been a common feature in many post-industrial economies in recent years. There are many viable and established companies trading in outmoded and inadequate space because there is no new stock available. As they typically have no intention of leaving the area they will continue to manage in their existing units, but as a result may not be well-equipped to grow and thrive.

Demand for industrial development

Viability is a critical issue behind this suppressed demand. For office and industrial space (plus hybrid accommodation), the demand and supply imbalances are starker and include a general shortage of modern, small-to-medium size industrial units, with little new supply coming and significant viability challenges. It would seem that there is significant pent-up or ‘suppressed demand’, as firms with the potential to expand are limited in their ability to do by the absence of supply.

This unmet demand leaves a supply of ageing stock, exacerbated by the fragmentation of some larger industrial estates and potentially presenting a ‘resilience’ challenge to future business retention, particularly as ESG increases in importance with occupiers. This has meant there has been little rental growth, which has led to weak development (and refurbishment) viability, impeding the ability to bring forward the development of new premises on strategic sites despite investment in infrastructure.

From the ‘supply side’, development activity will be limited when landowners and developers/ investors are reluctant to release land at less-than-optimal value. These factors will include relatively low rental levels, low rates of return, poor yields impacting on investment values, and the high risks linked to poor tenant covenants and the risk of void periods

Consequently, there is a preponderance of older, lower value premises, which creates a perception of what is market rental within a sector. This renders any new opportunities unviable without a significant step change in rental values, yields and demand.

Alongside these considerations, it is the other costs, such as relatively high infrastructure costs (including site preparation, accessibility and utilities), rising construction costs and required levels of developer profit (driven by competing development propositions elsewhere) which all impact on viability. Lack of funding, from both public and private sources, is also often an issue:

In the foreseeable future, it is unlikely that there are any developers who would speculatively build a small unit scheme - even offices – without some form of incentive.

3.6 Supply and Market Balance

The overall supply of offices, industrial and warehousing premises appears to have reduced during the current period, with losses offsetting new provision, although further interrogation suggests that this is primarily true of offices – and to a much lesser extent warehouses – with the supply of industrial space having slightly increased.

The Council has shared monitoring data which indicates that circa 19,876sqm of employment space – in Use Classes B1, B2 and B8 – has been completed throughout Swansea between 2011 and 2023. This has though been offset by the reported loss of some 26,734sqm of space, such that there appears to have been a net loss of circa 6,858sqm or 528sqm per annum. There have nonetheless been years within this period that have seen more completions than losses, including relatively recently in 2022.

Most of this data is also broken down by Use Class, revealing that office space has most often been lost particularly in the years up to and including 2021. The loss of warehousing space, in Use Class B8, has been much more modest while there has actually been a small net gain of industrial space in Use Class B2.

Offices

Swansea is one of the UK's smaller office markets, with around 7 million sq ft of stock, around a quarter of the size of neighbouring Cardiff. Most of the office stock is concentrated around the City Centre. Despite this, vacancies in the city are amongst the lowest across the UK at 3.5% – the lowest on record – and significantly less than Cardiff, where vacancies are currently approaching 8%.

Over the last ten years, the net delivery of office stock has been negative, indicating that more office stock has been demolished than built. In addition, the release of sublet space to the market has been relatively low. Less than 100,000 sq ft of new space has been completed in Swansea in the last five years. Looking forward, once the present wave of development has been delivered to the market, nothing of any substantial scale is currently planned in Swansea that will increase vacancies. Although this will ensure vacancies remain low, it will also significantly limit options for local occupiers seeking to move to more modern, sustainable space. (CoStar)

Swansea has around 356 office premises according to CoStar, which tend to be relatively large for South West Wales and are of comparable quality based on its proprietary rating system, although over half of the county's offices were rated at no more than two stars out of five. This is notable by way of contrast to Swansea's industrial spaces and warehouses, which the data suggests to be slightly smaller than the wider average, and generally of a lower quality than is typical elsewhere in South West Wales. Availability rates for offices have generally been above, or in line with, the national average.

However, the imminent delivery of new stock will likely place upward pressure on vacancy rates. Swansea Council's 71/72 Kingsway scheme, which is being built as part of a broader infrastructure project that includes demolishing two properties on Oxford Street to create a new link between the bus station and Kingsway, is expected to be completed soon. The 100,000sq ft scheme including some 47,000 Grade A office space will be the largest in the Swansea market for 15 years.

In addition, the renovation of Princess Quarter, which will deliver 16,000sq ft of sustainable office space in Swansea's prime city centre district, is expected to achieve rents higher than £20 per sq ft.

The acid test for Swansea's office market will be how successful its new office projects are in attracting new tenants from the private sector and the value of rental deals.

The headline rent for the city is around £15 per sq ft, but with the aspiration that the new grade A stock will push it towards the £20 per sq ft mark and beyond. The current average office rent for the city is around £12 per sq ft, compared with just over £14.50 for Cardiff where the headline rent is £25 per sq ft.

Availability

Availability rates in office spaces across Swansea and Wales are also reported by CoStar and are shown in Figure 11. This suggests that there has been a period of increase in the availability rate from 2014 to 2016. Up to 2022, the availability rate declined (except for from 2019 to 2020). After 2022, the availability rate levelled out where only c. 7% of office space is available in 2024.

In comparison to the national level, the availability rate in Swansea is more volatile than the national rate, with the country experiencing a general reduction over the decade. The involvement of Swansea Council and Welsh Government has undoubtedly helped to overcome market volatility, by recognising the latent demand for new office space in Swansea and then using its influence to intervene in the market and reducing the risk profile for developers and investors.

Figure 13 below shows the take up in sq ft in the last decade (from 2014 – 2024), including the number of transactions.

Aside from providing an indication of the number of commercial properties in Swansea, CoStar also reports on leasing activity, thus providing insight into the scale and nature of market demand over time. This will, however, be naturally influenced by the amount of space available, which – if limited – could reduce the number of transactions and thus suppress take-up.

CoStar data suggests that c.300 office spaces have been leased throughout Swansea over the past decade, to January 2024. This equates to 30 deals per annum on average, albeit it can be seen from Figure 5.13 that some years have had significant numbers of leases such as 2018/19 (37 leases) and 2022/23 (33 leases). Other years have seen barely half as many spaces let, with 17 transactions recorded in 2014/15 and 20 transactions recorded in 2023/24.

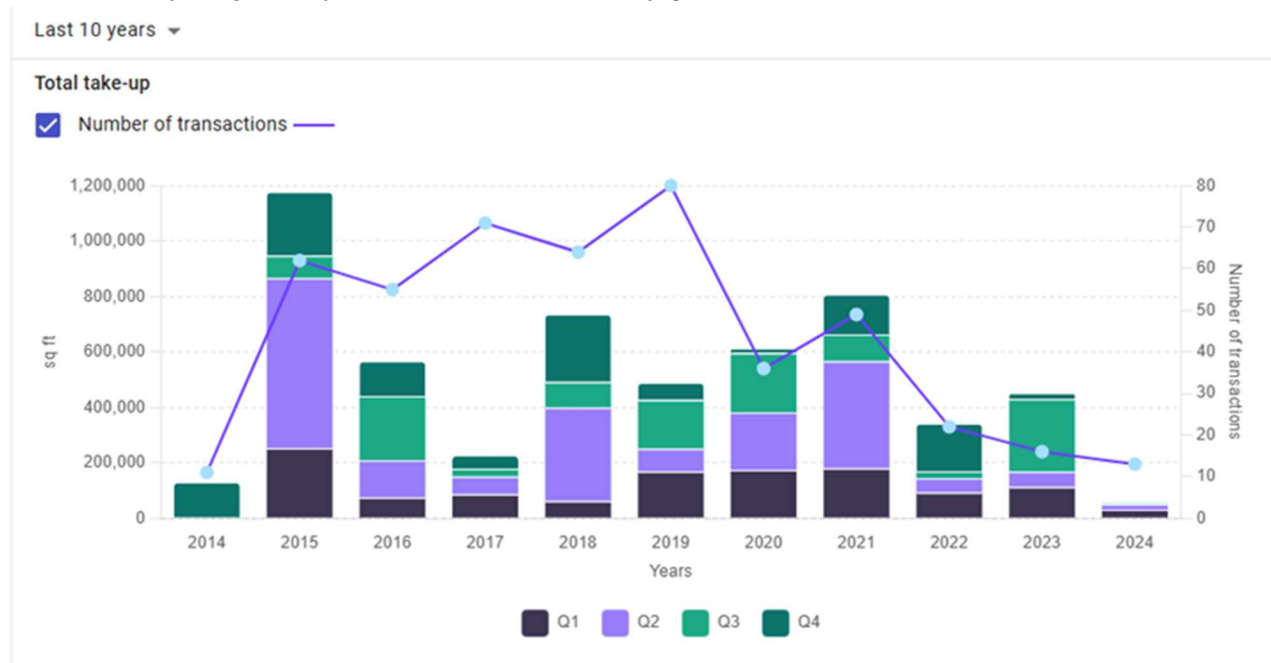


Figure 13 Office Floor Space take-up 2014-2024 (source Egi October 2024)

The greatest number of office spaces were leased in 2018/19 and this year also saw the most space taken up in each deal, at circa 639sqm per transaction. Over the decade, the average office space leased per annum exceeded c. 310 sqm.

Figure 14 shows the total amount of office space leased in Swansea over the decade up to January 2024. Perhaps as a result of having the highest number of leases in 2018/19, the highest total amount of office space (sqm) also occurred in the year standing at c. 24,000 sqm, far exceeding any other year over the decade. Most of the other years within the decade experienced a similar level of total office space leases, with the amount of total space taken up over the past three years generally rising.

Figure 14 below shows the take up in sq ft in the last decade (from 2014 – 2024), including the number of transactions.

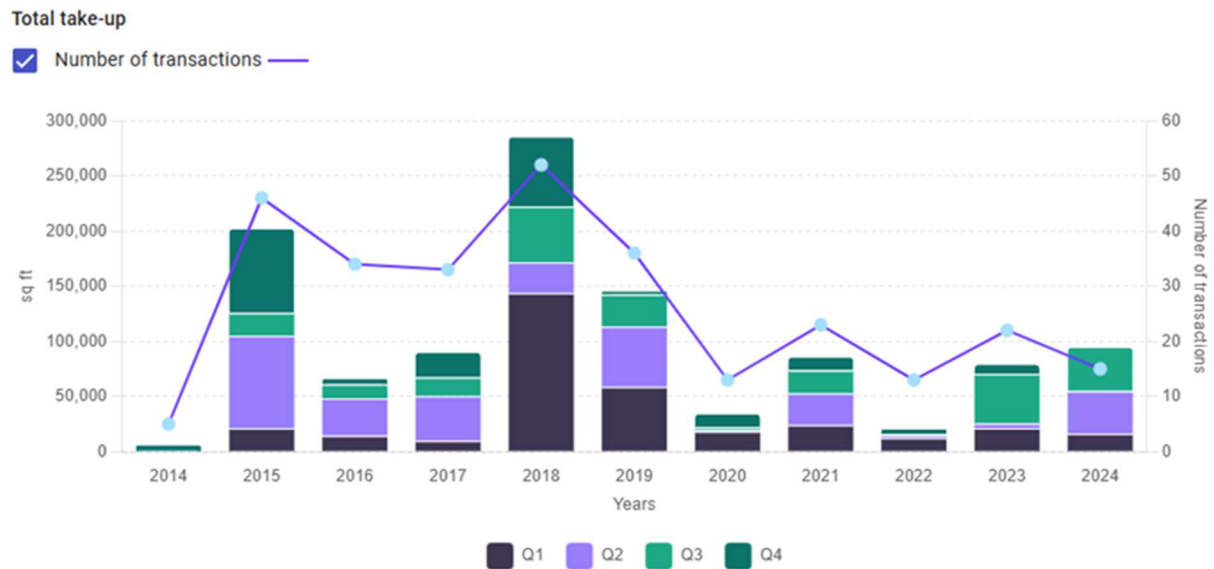


Figure 14 Offices take-up 2014 – 2024 (source Egi October 2024)

Industrial and Warehousing

There is around 25million sq ft of industrial stock in Swansea, as it is one of the UK’s smaller industrial markets, and about a quarter of the size of neighbouring Cardiff (CoStar).

Across South Wales as a whole, supply has recently increased by 27% year-on-year to stand at 2.5m sq ft, which is equivalent to 1.3 years of average annual take-up. This was largely driven by a 46% year-on-year rise in large segment supply, which now stands at 1.2m sq ft and includes several spec-built units, including two at St. Modwen Park, Newport. Mid box supply increased by 13% year-on-year and includes 170,000 sq ft of grade A space across three units. In contrast, the XL segment has remained devoid of any supply for two years. Speculative development continues to take place in South Wales, having made a long-awaited return in 2022. Two schemes currently under construction comprise Unit 10, St. Modwen Park, Newport (106,000 sq ft) and Cubex 67, Cardiff (67,000sq ft). Notably, South Wales also benefitted from new completions at the end of 2023, with three new units delivered at St. Modwen Park totalling 274,000 sq ft.

Within Swansea there is currently 16,500 sq ft of floorspace under construction – 14,500 sq ft for logistics and 2,000 sq ft for specialised industrial. This is a small quantum of space in a sector that has been the strongest performing asset class for several years. The ongoing growth of online retail and the need for businesses to improve their ESG rating has led to strong rental growth and strong investment demand in locations that had previously seen little demand.

In a turnaround from 2022’s relatively flat rental growth, prime rents for circa 50,000 sq ft units rose by an average of 11% across Wales’s key markets in 2023, slightly ahead of the UK average of 9%. Growth was led by Cardiff and Newport, where prime rents increased by 13% in both markets over the year to £8.50 per sq ft. Prime rents are paid for best-in-class properties. These are normally expected to be new build or at least a high-quality refurbishment. To be considered prime, it would

normally be expected that it will be zero carbon in a commercially attractive location close to a junction of a strategic road network with rapid access to markets.

Meanwhile, after having seen flat growth in 2022, secondary rents increased by an average of 7% across Wales’s key markets in 2023, led by Newport with double-digit growth of 11%. Secondary level rents are paid on older stock that needs refurbishment in a location that is not quite as attractive as prime property. It is still a decent quality, but tenants taking it have more flexibility in the type of property they occupy, and they do not need to pay a premium for the most accessible location. The constrained supply and continuing demand in Swansea saw similar levels of growth with headline rents potentially outpacing the two larger markets due to the scarcity of prime product in the market.

Swansea remains a great potential location waiting to be unlocked. However, as with South Wales generally, land supply is very scarce. The 3M site offers around 20 hectares, but does have several challenges for developers. Many local occupiers that are tied to the region are seeing their expansion plans stymied by a lack of suitable built stock. The success of developments in Bridgend and the impending sale of the former Ford site will hopefully give developers confidence to keep moving further west down the M4.

Swansea is on the western edge of the South Wales conurbation, but it is on the M4 and it is the main service area for the South West Wales area. There will also be a demand from logistics companies looking to service ‘last mile’ deliveries in and around Swansea and South West Wales. If the right sites can be developed, it is considered that there would be demand for logistics and manufacturing space.

The below diagrams show the overall supply and demand for the industrial sector, along with availability rates.

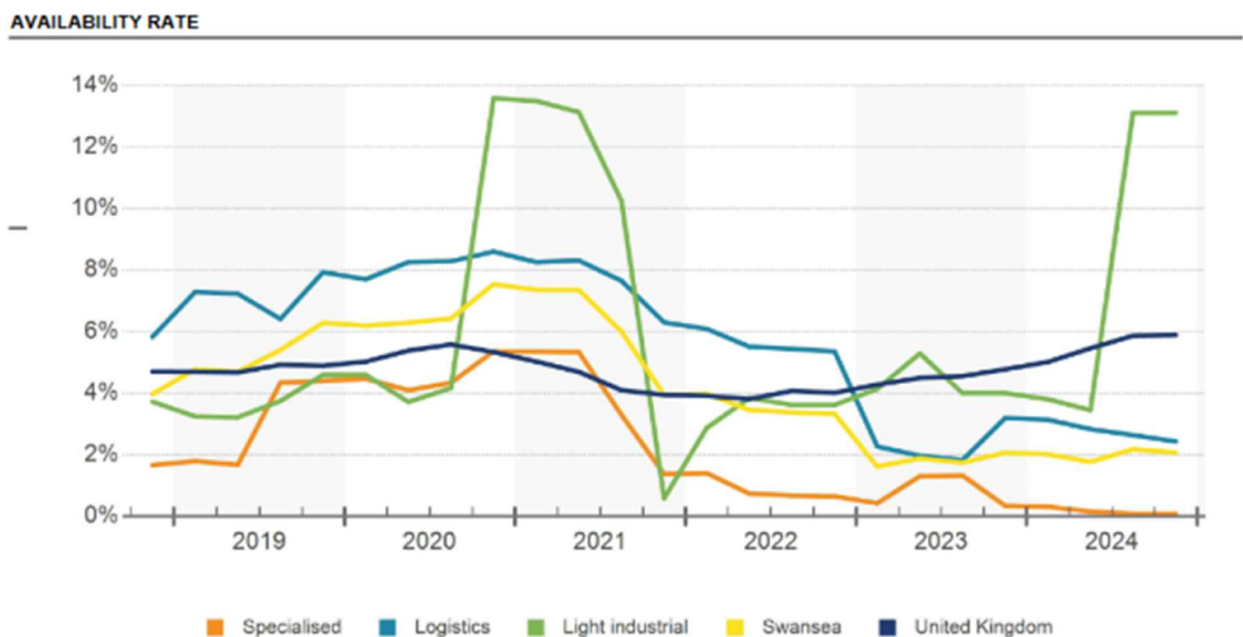


Figure 15 (source: CoStar 2024)

Table 3 – Net Absorption Rate 2012 onwards (Source: CoStar 2024)

OVERALL SUPPLY & DEMAND						
Year	Inventory			Net Absorption		
	Sq ft	Sq ft Growth	% Growth	Sq ft	% of Inv	Construction Ratio
2028	25,214,268	18,381	0.1%	49,397	0.2%	0.4
2027	25,195,887	17,878	0.1%	73,758	0.3%	0.2
2026	25,178,009	13,446	0.1%	70,846	0.3%	0.2
2025	25,164,563	18,109	0.1%	(70,040)	-0.3%	-
2024	25,148,454	0	0%	(50,529)	-0.2%	-
YTD	25,148,454	0	0%	(93,022)	-0.4%	-
2023	25,148,454	32,883	0.1%	(193,405)	-0.8%	-
2022	25,113,571	97,545	0.4%	203,711	0.8%	0.5
2021	25,016,026	29,548	0.1%	(35,689)	-0.1%	-
2020	24,986,478	14,408	0.1%	59,934	0.2%	0.2
2019	24,972,070	(64,249)	-0.3%	75,992	0.3%	-
2018	25,036,319	25,243	0.1%	134,441	0.5%	0.2
2017	25,011,076	17,913	0.1%	269,780	1.1%	0.1
2016	24,993,163	153,735	0.6%	611,964	2.4%	0.3
2015	24,839,428	(109,600)	-0.4%	499,638	2.0%	-
2014	24,949,028	0	0%	563,504	2.3%	0
2013	24,949,028	(360)	0%	864,107	3.5%	-
2012	24,949,388	14,470	0.1%	(466,768)	-1.9%	-

What can be done to boost demand and increase supply?

Demand for new, sustainable offices and net zero industrial premises is becoming increasingly prevalent in the UK's office markets as businesses look to secure space that will comply with future ESG (environmental, social and governance) regulations and attract the best local talent.

As the ESG agenda prevails in coming years, there will be a large volume of older and outdated stock that will become obsolete. That is a particular problem in Swansea (and across most of Wales), where many manufacturing companies have been established for a number of years and are occupying sub-par space. With supply of grade A space in decline, this increasing demand presents a significant opportunity for regional centres such as Swansea to restructure their property market, by providing high-quality space in strong out-of-town locations whilst freeing-up town centre sites for residential regeneration.

The Council is advised to use these scenarios as reference points in developing its approach to employment land provision, but it does have the option of providing more employment land than they suggest – based on a series of indicative assumptions – as this would simply provide greater choice and flexibility to businesses. It could also be viewed as a policy intervention to improve the quality of employment space available in Swansea, by enabling the delivery of more modern premises to replace older stock or meeting specific requirements.

Particular opportunities include:

- **Universities:** There are two universities in Swansea. Each of these has the potential to spin out research into commercial enterprises. They also attract high tech knowledge-intensive organisations to spin in and locate adjacent to a university to take advantage of research activity and also the availability of large numbers of highly skilled staff.
- **Swansea University - Natural Product BioHUB:** Natural Products BioHUB is a Swansea University collaboration with Swansea City Council to bring together academia, industry, and the community in supporting resilient business growth and greener futures for all. Wider use of Natural Products within the agricultural, pharmaceutical and manufacturing industries will contribute to a healthier environment and community. The goal is to maximise the benefits of natural resources while minimising disturbances to the environment. As one of five UK

Centres granted funding through UKRI's £25 million investment in green initiatives, the new Interdisciplinary Natural Products BioHUB Centre will be the first of its kind in Wales. An anticipated goal of the UKRI funding is to spin out 30 businesses. A key component to support the businesses will be the new Biophilic Living development (see below) in the City Centre (next to 71/72 Kingsway).

- **Biophilic Living:** Biophilic Living is a mixed-use development, providing affordable new homes and workspace alongside a community urban farm in the heart of Swansea City Centre. Its particular focus on human reconnection with nature has environmental and social objectives at heart, seeking to address the climate emergency as well as social exclusion and loneliness – but it also offers opportunities for economic diversification and growth. Similar opportunities elsewhere could play an important role in boosting employment land supply and economic opportunity.
- **University of Wales Trinity St David:** University of Wales Trinity St David (UWTSD) has undertaken large scale investment in Swansea by building a brand-new campus (SA1) and a new Innovation Matrix which brings digitally empowered research and collaboration between academia and industry.²² The Innovation Matrix is a state-of-the-art building focused on digital innovation, in the heart of Swansea's SA1 Innovation Quarter, which will enable businesses to co-locate in high quality space and to partner with UWTSD. It is the result of a strategic partnership between the University of Wales Trinity Saint David and the Swansea Bay City Deal and is expected to positively impact on the creation of new demand for commercial space in Swansea.

3.7 Conclusion

There are widespread challenges in bringing forward commercial property. Many of these are common throughout the UK, although are particularly acute in most of Wales. This demonstrates that there is a clear and ongoing need for public sector intervention.

The standard development appraisal will sit behind any decision to develop and identify the viability of a particular scheme. The basic premise is that receipts from selling all components of a development must exceed all the costs of undertaking the development plus a reasonable developer's profit; or the annual (net) income level from letting a completed scheme must provide a reasonable annual return on all costs. If a development appraisal doesn't stack up, then a developer will not build.

Historically a major industrial centre, significant restructuring in recent decades has seen Swansea transition towards a service-oriented economy, anchored by its important higher education sector, significant concentration of public sector activities (including public service headquarters functions) and its role as the principal regional centre for South West Wales. While productivity is low relative to the rest of the UK, there has been a modest narrowing of the gap in recent years.

The economic analysis undertaken in the 2024 Economic and Housing Growth Assessment (EHGA) produced by Turley identified that most businesses in Swansea are micro enterprises, although the overall business stock has more larger firms than elsewhere in Wales and the UK. Among firms tracked for indicators of higher levels of innovation and growth activity, there is a relatively high proportion of information and communications businesses and those in professional, scientific and technical services, suggesting scope for future opportunities in this area.

Gaps in provision

Specialist Labs and premises for the Life Sciences sector is of increasing importance to the UK commercial property market. Swansea University should be well placed to take advantage of this.

²² <https://www.uwtsd.ac.uk> & <https://www.uwtsd.ac.uk/innovation-matrix>

This is based on the importance of the campus in local and regional economic development and the growing importance of universities as centres of excellence for the ‘spin-off’ and ‘spin in’ of knowledge related industries taking advantage of on-campus research and the ready availability of a large, highly skilled workforce.

Such developments are often distinct from the local property market and operates in its own ‘bubble’ away from the norms of the Swansea property market. Its competitors for requirements for Life Sciences or Environmental research are other University Science Parks, rather than sites in Bridgend or Port Talbot town centres.

Future need for employment land

The market review of demand and the analysis of supply from a local and a regional perspective identifies that there has been strong take up of new office premises, albeit with a reduced total stock as obsolete stock has been released for alternative uses, such as residential. In contrast, there has been little movement in the industrial sector. Future demand will come from several areas, including the service sector, logistics businesses looking to distribute goods across the sub-region and from local businesses looking to expand and upgrade their facilities to be ESG compliant. The strength of the energy sector and the anticipated growth of renewable energy with offshore wind and potential tidal energy, is likely to be a considerable growth sector.

The 2024 Economic and Housing Growth Assessment advised that accounting for the updated economic forecast and additional take-up data, the need for employment land in Swansea appears to be between 11.0 and 25.2ha, based on standard assumptions with allowances for losses, market choice and flexibility. Provision towards the lower end of this range would enable a continuation of recent take-up, with some losses replaced, while the upper end would support the growth scenario and replace all losses.

The Turley report breaks this down by property type, with each of the scenarios suggesting a need for land suited to offices (8.9 – 21.4ha) albeit the scale of this need would reduce to as little as 2.4ha if higher density offices were developed. Each scenario also suggests a positive, if markedly smaller, need for warehousing land (0.6 – 4.5ha). In contrast, only the past take-up scenario produces a positive requirement for industrial space, implying that up to 1.9ha could be needed, with the other scenarios suggesting that there could be an oversupply of 5.1ha.

There is an under supply of new premises across the market area. This is as much down to development economics as a lack of demand. Developers are not building new stock as it costs more to build a new building than the value of the completed development. As such, established businesses are staying in their existing premises and making do with what they have, as nothing better is available.

Parc Felindre has been developed as a tier one strategic business park and would appear to be a logical place for advanced manufacturing and life science businesses to locate. Recent years has seen a move towards ‘innovation districts. These are based in central locations, adjacent to universities or research hubs and close to the cultural life of cities. The recent strong performance of the office sector reinforces that trend, but there is scope for further development and growth. This is an area that is seeing significant institutional investment and there is potential for future speculative development.

Commentators such as Lambert Smith Hampton²³ have identified Swansea as an under developed location, but an area of great potential. It feels it has the critical mass of demand that can support a market, but it needs additional support from public sector partners to give developers and investors the confidence to invest.

One of the sectors that has driven industrial values in recent years, is the logistics market. This sector has room for growth in Swansea. Preferred sites are close to motorway junctions or strategic roads.

²³ Industrial and Logistics Big Box Market Review 2024, Lambert Smith Hampton

The council has the option of providing more employment land than is required and developers can build new high quality employment space on greenfield sites. The problem with this is that it would simply provide greater choice and flexibility to businesses and would mean more stock. Whilst there may be competition for the new stock, the increase in supply would mean that there would be no pressure for rises in rents.

As such, it would seem beneficial for the release of older, outmoded and vacant sites and stock for other uses such as residential. New, easier to develop sites, adjacent to existing employment areas, can be allocated and this reduction in supply will hopefully put upward pressure on rents/ sale values. This has happened in the office sector, which has over-performed in recent years as older/ vacant units were repurposed for other uses.

4. Part 2b: Audit of key employment areas

4.1 Introduction

Swansea needs to have a balanced portfolio of employment land in order to accommodate a sustainable and healthy local economy. It is important for choice to exist within the local employment market, with a sufficient quantity of supply to allow for dynamic market conditions, and accommodate changing business needs and working practices.

This section of the ELR focuses on the existing portfolio of employment land in the study area. It explores the quantum of employment land that exists, as well as more qualitative factors such as the type, suitability and overall quality of each employment area. Whilst there are some individual sites or very small groups of employment units distributed across Swansea, there are 18 main employment areas across Swansea.

The locations of the 18 employment areas across Swansea are shown on Figure 17 below. These are locations particularly focussed on the provision of Class B floorspace, in terms of offices, research and development and light industry (Class B1), general industrial uses (Class B2) and storage and distribution uses (Class B8). It includes the employment-focussed part of Swansea City Centre (Central Area and Waterfront, area 2), but excludes outlying District Centres given their small scale and less-employment focussed mix of uses. Similarly, single-user employment locations are not designated as employment areas given their generally specialist nature – for example, the DVLA headquarters in Morriston.

Employment areas are mostly distributed throughout Swansea's Urban Areas – the Swansea Contiguous Urban Area; Pontarddulais; Loughor, Gorseinon and Penllergaer; and Clydach. One employment area is also located within the smaller settlement of Crofty and Pen-clawdd in the Gower.

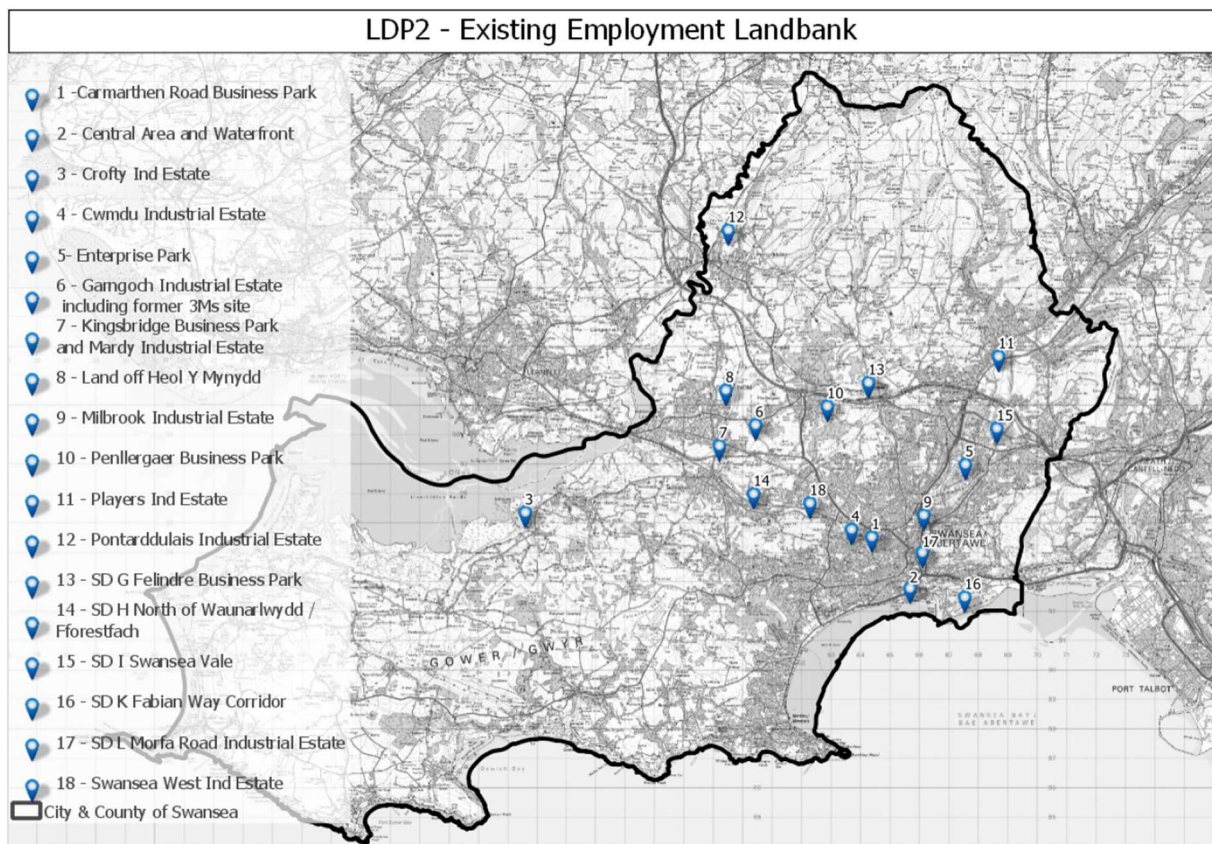


Figure 17: Locations of employment areas across Swansea

4.2 Employment area appraisal

The tables below set out a qualitative and quantitative appraisal of the current condition and performance of each of the 18 employment areas across Swansea. This is done on a consistent basis for each employment area, setting out in turn:

- The size of the employment area, in hectares;
- A summary of the employment area’s location, and its accessibility;
- A description of the employment area’s character and the quality of its internal environment;
- A description of the external environment surrounding the employment area;
- A summary of environmental constraints relevant to the employment area;
- Details of any known improvement and investment opportunities within the employment area;
- Details of total floorspace within the employment area in square metres and square feet, and the extent to which there are vacancies within the employment area;
- Details of vacant land parcels within the employment area with development potential;
- Recommendations around future use.

Surveys were undertaken by RJ Chartered Surveyors throughout each employment area during October and November 2024. The appraisal set out below reflects observations made on site, and the position at that point in time, and will be subject to change.

Table 4-1 Appraisal of Carmarthen Road Business Park

Area 1: Carmarthen Road Business Park, Swansea	
Criteria	Key Considerations
Size	23.7 hectares
Location and accessibility	Carmarthen Business Park in Swansea is strategically located near the southwestern edge of the city, with convenient access to the A483 and close proximity to the M4 motorway, ideal for industries needing regional connectivity. This position provides excellent connectivity to Swansea city centre, surrounding areas, and broader regional links across South Wales.
Site description / internal environment	Carmarthen Business Park features a mix of modern offices, light industrial and warehouse spaces, catering to both small and large businesses across sectors such as logistics, manufacturing, and services. Its organised layout, ample parking, and nearby amenities enhance convenience for employees and visitors. This combination of accessibility, diverse unit options, and proximity to services makes it a strong employment site with significant potential for local job creation. The majority of the units are secondary/tertiary in nature.
Surrounding external environment	Carmarthen Business Park sits in close proximity to similar commercial and industrial uses such as Cwmdy Industrial Estate (Area 4). Adjoining retail and service amenities enhance convenience for employees and clients alike.
Constraints	The area has a high risk of flooding from surface water and small watercourses on parts of this employment area. The Business Park has high concentrations of Japanese Knotweed, however the Council is understood to have a treatment plan in place.
Local opportunities	Planning permission has been granted for industrial units on the former BT site on Heol-Yr-Gors. Speedy Hire is developing a site next to Three Sisters Pub.
Floorspace	Total floorspace: 50,054 sqm (538,781 sqft) At time of survey, it was understood that no units were vacant within the employment area. However, there are some potentially vacant units in near vicinity opposite the Cwmdy Social Club.

Area 1: Carmarthen Road Business Park, Swansea	
Vacant parcels of land	None of note.
Future use recommendations	<p>The site should be retained for employment use, as it is an industrial park with good connections by road.</p> <p>There is limited scope for expansion due to the central location, however, there are repurposing opportunities in order to future proof the site.</p>

Table 4-2 Appraisal of Swansea Central Area & Waterfront

Area 2: Swansea Central Area & Waterfront	
Criteria	Key Considerations
Size	128.5 hectares
Location and accessibility	<p>Swansea City Centre has excellent connectivity, benefiting from a well-developed network of transportation options. Swansea is easily accessible via the M4 motorway, which links it to Cardiff, Bristol, London, and other cities across South Wales and the southwest of England. This makes it convenient for both private and commercial vehicles traveling to and from Swansea. Key A roads like the A483 and A4067 connect Swansea City Centre to nearby suburbs and coastal towns, improving accessibility for local travel.</p> <p>Swansea’s main railway station is on the South Wales Main Line and provides direct services to Cardiff, Newport, Bristol, and London Paddington (approx. three hours away). Future Plans to develop the South West Wales Metro could further improve rail links, providing increased accessibility around Swansea Bay and wider South West Wales.</p> <p>Local bus services provide comprehensive access across Swansea City Centre, and to surrounding districts and towns.</p> <p>Swansea promotes cycling, with dedicated cycle paths along Swansea Bay and through the city. National Cycle Route 4 (NCN4) runs through Swansea, connecting it to other Welsh coastal cities and offering scenic and sustainable travel options. Swansea has extensive pedestrianised zones, making it highly walkable for visitors.</p>
Site description / internal environment	<p>Swansea City Centre and the Waterfront are the main economic and leisure hubs of the city and wider sub-region, providing prime employment opportunities. The area contains a mix of commercial, retail, office, and leisure spaces, as well as increasing amounts of residential floorspace.</p> <p>The City Centre features a variety of office buildings of varying quality that cater to industries like finance, professional services, retail, and hospitality. The redeveloped waterfront, including the SA1 area, attracts new businesses with modern office spaces and leisure facilities which supports a high-quality environment capable of attracting high-value employment.</p> <p>Ongoing regeneration projects across Swansea City Centre and the Waterfront continue to drive growth, drawing investment and fostering job creation. The mixed-use development and flexible commercial offerings make this a critical employment area with potential for long-term economic impact.</p>
Surrounding external environment	Apart from the SA1 Waterfront development, the surrounding areas are mainly residential.
Constraints	<p>There is a large and complex range of land ownerships across the City Centre which can make intervention and investment more challenging.</p> <p>Swansea City Centre is not immune to general challenges around the repurposing of city and town centres, which are a challenge across Wales, the wider UK, and globally. This is particularly significant for retail, but also has implications for office provision, with post-Covid shifts in working patterns.</p> <p>Strong market interest in purpose-built student accommodation may limit the ability for Class B uses to come forward on opportunity sites without intervention.</p>
Local opportunities	<p>There is a need to repurpose buildings in order to support the evolution of the City Centre and future proof it as demands change. It is noted that new Grade A office space has recently been completed on the Kingsway, and the redevelopment of the St Davids Shopping Centre is underway, with other key future regeneration opportunities for the Civic Centre in the pipeline. Close proximity to the University is a significant asset.</p>

Area 2: Swansea Central Area & Waterfront	
Floorspace	Total floorspace: 403,860 sqm (4,347,108 sqft) Specific information on vacancy rates for Class B uses is challenging to obtain given the mix of land uses in the City Centre and ability for flexible reuse with retail. However, given the size of the City Centre, at an anecdotal level there will be vacancies and opportunities for reuse.
Vacant parcels of land	There is a development site currently on the market located off The Strand, with planning permission for purpose-built student accommodation. A further development site is currently on the market on Jockey Street, with planning permission for purpose-built student accommodation. Total vacant acreage with development potential comprises approx. 0.5 hectares, although this is not understood to be coming forward for Class B uses.
Future use recommendations	Viability remains the key challenge for regeneration efforts. Rental yields and demand can vary, and viability can be challenged by competition from higher-value residential development, and purpose-built student accommodation. The fragmented ownership across the City Centre complicates land assembly for larger developments, with some land held publicly and some privately, prolonging availability and negotiation timelines. The urban setting limits suitability for disruptive uses and heavy industry, which are typically directed outside the city centre to avoid conflicts with residential and retail areas. Physical expansion options remain limited by urban constraints, though redevelopment and vertical expansion are potential alternatives. Demand for residential accommodation places pressure on employment land, as this use can be more profitable., so maintaining commercial viability requires the balancing of these interests.

Table 4-3 Appraisal of Crofty Industrial Estate

Area 3: Crofty Industrial Estate	
Criteria	Key Considerations
Size	12.7 hectares
Location and accessibility	Crofty Industrial Estate is located in Crofty, on the Gower Peninsula, to the east of Swansea., close to the Loughor Estuary. The estate is accessible via local roads, with the A484 being the closest major road connecting it to Swansea and Llanelli. It is relatively distant from the strategic road network.
Site description / internal environment	The industrial estate primarily serves small businesses, reflecting its location in a relatively rural part of Swansea. The Estate comprises a range of industrial units. Most of the buildings are secondary and tertiary in nature. The site is generally flat, but of irregular shape, reflecting its position between residential areas and the coastline alongside the Loughor Estuary.
Surrounding external environment	The site is positioned in a village, in an otherwise rural area and the Gower National Landscape and adjacent to international designated ecological sites (SPA, SAC and RAMSAR). Local amenities exist in nearby Crofty and Pen-clawdd.
Constraints	There are relatively limited public transport connections, with Crofty being relatively distant from the main urban area population centres of Swansea.
Local opportunities	Despite the rural location, occupier demand in this location remains positive.
Floorspace	Total floorspace: 20,591 sqm (221,645 sqft) At time of survey two small units were available to rent, totalling 195sqm. The proportion vacant is therefore <1%.
Vacant parcels of land	A fenced area along New Road of approximately 0.5 hectares may have development potential subject to assessment. This land is owned on a freehold basis by Carling Construction.
Future use recommendations	The site has good connections by road when considering the rural location, and positive occupier demand. There is limited scope for expansion due to the area's proximity to residential areas and the Loughor Estuary.

Area 3: Crofty Industrial Estate	
	Whilst this site could attract residential redevelopment interest, it is the only employment area outside Swansea's main urban areas, and provides accommodation for a wide range of small local businesses.

Table 4-4 Appraisal of Cwmdu Industrial Estate

Area 4: Cwmdu Industrial Estate (Cwmdu Parc), Swansea	
Criteria	Key Considerations
Size	9 Hectares
Location and accessibility	Cwmdu Parc is located approximately 2 miles north-west of Swansea City Centre and benefits from good transport links to the M4 via the A483. The industrial estate is accessed from Carmarthen Road, which is a main thoroughfare to the city centre from the west.
Site description / internal environment	Cwmdu Parc is a trade park that has undergone substantial refurbishment in recent years with the site being acquired by the Swansea.com investment company. Recent development within the industrial estate has attracted a variety of well-established local and nationwide trade operators.
Surrounding external environment	The surrounding area is residential to the north side of Carmarthen Road and to the south and east, with an area of open space (Meadow Park) to the east. In close proximity is Carmarthen Road Business Park (Area 1) to the west.
Constraints	None of note.
Local opportunities	Market perception of this industrial park has been very positive due to the high demand of fit for purpose-built industrial units. This industrial park should be used as a case study when repurposing other employment sites, given the high quality of recent refurbishment, which has established a number of well-established local and national trade operators.
Floorspace	Total floorspace: 33,998sqm (365,954 sqft) At time of survey five units were available to rent, totalling 4,511sqm. The proportion vacant is therefore 13%.
Vacant parcels of land	None of note.
Future use recommendations	The site should be retained for employment use, as it is a fit-for-purpose industrial estate with good connectivity. The site has undergone extensive refurbishment in recent years and is experiencing good take up levels. Units that fall vacant are understood to be experiencing strong levels of market interest.

Table 4-5 Appraisal of Enterprise Park

Area 5: Enterprise Park, Swansea	
Criteria	Key Considerations
Size	271.8 hectares
Location and accessibility	<p>Swansea Enterprise Park is a large business park located in the Llansamlet area of Swansea, about 4 miles northeast of Swansea City Centre. It is the largest of Swansea's employment areas by some margin. Established as one of the first enterprise zones in the UK in the early 1980s, the Enterprise Park covers a significant area and hosts a mix of commercial, industrial and office spaces. It is also home to a range of retail and leisure uses, and supporting facilities such as hotels.</p> <p>Swansea Enterprise Park is located close to Junctions 44 and 45 of the M4, offering quick access to the motorway. The A48 and A4067 roads run through and near the park, connecting it directly to Swansea City Centre and other local areas, enhancing local accessibility.</p> <p>Several local bus routes connect Swansea Enterprise Park with the City Centre and surrounding neighbourhoods, providing public transport options for employees and visitors.</p>

Area 5: Enterprise Park, Swansea	
Site description / internal environment	<p>Swansea Enterprise Park is a large and well established employment area. It is notable for its strategic location, diversity of commercial premises, and appeal to a range of business occupiers and industries. As one of the first enterprise zones in the UK, it remains an important employment hub in the region.</p> <p>The Enterprise Park has seen steady investment over the years since its first establishment. This has resulted in a mix of older premises, refurbished buildings, and newer modern units. Major employers at the site include Morganite, Dr.Organic, The Land Registry and Welsh Water.</p> <p>As a planned employment area the Enterprise Park has a relatively high-quality environment, with a comprehensive network of wide roads in landscaped settings. Fendrod Lake sits at the centre of the Enterprise Park, providing a recreational facility for occupiers.</p>
Surrounding external environment	<p>Swansea Enterprise Park benefits from proximity to similar businesses, compatible adjoining uses, and supportive infrastructure, making it ideal for diverse industries. The availability of nearby convenience retail and other services enhances appeal for employees and businesses alike. These factors make the park a highly practical, well-connected, and attractive employment site in the region.</p> <p>The Enterprise Park is bounded to the west and east respectively by the River Tawe and the Swansea to Cardiff railway line. It is only adjoined by limited clusters of residential development to the north, meaning it is well suited to noisy and otherwise more disruptive economic uses.</p>
Constraints	None of note.
Local opportunities	Over the last 40 years, Swansea Enterprise Park has been the largest employment area, both within Swansea itself and the wider sub-region. There continues to be high demand for commercial space within the Enterprise Park. Whilst some vacancies do exist, particularly for offices, this is considered to be representative of national trends for employment areas of this type.
Floorspace	<p>Total floorspace: 469,593 sqm (5,054,699 sqft)</p> <p>At time of survey 26 units were available to rent, totalling 27,548sqm. The proportion vacant is therefore 6%.</p>
Vacant parcels of land	<p>The former ski slope site on Nantong Way is currently being actively marketed. This site is around 1.4 hectares, and has planning permission in place for redevelopment as seven light industrial units.</p> <p>Matrix Court, Siemens Way (former Virgin Media site) is currently being marketed. This 3.6 hectare site includes an existing warehouse with 13,000 sqm of floorspace, although could have redevelopment potential.</p> <p>A total area of 5.0 hectares has development potential.</p>
Future use recommendations	<p>The Enterprise Park is popular and well connected, as the largest employment area in Swansea. It would be appropriate to retain in an employment use.</p> <p>There is limited scope for expansion of the Enterprise Park due to its central location surrounded by other uses. However, there are repurposing and redevelopment opportunities in order to future proof the site and provide modern premises.</p>

Table 4-6 Appraisal of 6 Garn Goch Industrial Estate and Former 3M Site

Area 6: Garn Goch Industrial Estate and Former 3M Site, Penllergaer	
Criteria	Key Considerations
Size	47.3 hectares
Location and accessibility	Garn Goch and the 3M site are situated in Penllergaer, approximately 6 miles to the north west of Swansea City Centre. The employment area is principally accessed via Gorseinon Road (A4240) to the south, which provides direct access to the M4.

Area 6: Garn Goch Industrial Estate and Former 3M Site, Penllergaer

	<p>Further accesses into the site are obtained from Pleasant Road to the west. There are two bus stops located on Gorseinon Road to the south which provide frequent bus links into Swansea City Centre, as well as to Morriston, Gowerton, Llanyfelach and Gorseinon.</p>
Site description / internal environment	<p>The large 3M site is located north of Gorseinon Road. It was formerly in use as a large single-user manufacturing site. It extends to approximately 16.9 hectares, excluding a section of the site which has already been sold off. The site comprises a mix of manufacturing buildings, warehousing, offices, plant, boiler houses, diesel tanks and car parking, as well as some vacant and landscaped areas. The site is generally regular in shape, however the topography comprises a split level with two flat and level tiers on both the east and west part of the site. The site benefits from a high-capacity electricity connection of 2.2MVA.</p> <p>Garn Goch Industrial Estate is located to the south of Gorseinon Road. It comprises a mixture of medium-sized industrial units, built as part of a planned development served by Phoenix Way.</p>
Surrounding external environment	<p>The employment area connects the urban areas of Gorseinon and Penllergaer. It therefore adjoins some residential development to the east and west, although it is otherwise mostly surrounded by open countryside to the north and south.</p>
Constraints	<p>None considered significant for Garn Goch Industrial Estate.</p> <p>There is potential for contaminated land within the 3M site. Topographical constraints also need to be considered. The significant extent of buildings on the site will also be a factor within any redevelopment scheme on the site, and may have some viability implications.</p>
Local opportunities	<p>The majority of the accommodation within the employment area is in an industrial use, for which it is considered there will always be a good level of future tenant demand.</p> <p>Redevelopment of the 3M site would enhance the local area and address vacancy and dereliction. Whilst redevelopment of the site will need to address demolition and contamination, existing infrastructure will reduce some costs for developers (e.g. road connections and utilities). The area's proximity to nearby amenities such as other businesses and retail areas, as well as its public transport links, should make it an attractive location for occupiers.</p> <p>The 3M site is available freehold as a whole, or in plots of 10 acres (4 hectares) and is large enough to support multiple employment uses. This flexibility offers an opportunity for a mixed-use development that can create a balanced environment of workspaces and commercial facilities. The site can accommodate various layouts, enabling developers to tailor the space to current market demands.</p>
Floorspace	<p>Total: 126,206 sq m (1,258,466 sqft)</p> <p>At time of survey, eight units were available to rent within Garn Goch Industrial Estate, totalling 3,988sqm. The proportion vacant is therefore 3%.</p> <p>Whilst vacant, is considered unlikely that the 3M site will be converted, and that it will be redeveloped. It is therefore included below as vacant land.</p>
Vacant parcels of land	<p>3M site comprises 16.9 hectares of land for redevelopment, subject to active marketing.</p> <p>Vacant sites are currently being built on by Mark Hartley, creating 5x industrial units, with a site area of 0.4 hectares.</p> <p>The Sunnyblazers site is being actively marketed, with a site area of 0.3 hectares.</p> <p>At the site owned by Swansea Council at Phoenix way, plots 3 and 4 have recently sold and a further plot is under offer.</p> <p>A total area of 17.6 hectares has development potential.</p>
Future use recommendations	<p>The former 3M site remains one of the city's key strategic employment sites, and offers the opportunity for re-development across a range of industrial and commercial uses.</p> <p>The site offers significant space, supported by the right infrastructure for employment redevelopment – including significant power supply capacity, and proximity to major transport routes. The site is particularly suited for manufacturing, warehousing and logistics – and could support growth in renewable energy and other low-carbon manufacturing growth using the power supply capacity. These uses align well with regional employment and economic development goals.</p> <p>Redevelopment could take the form of a business park, potentially also offering office or mixed-use space, offering the ability to support scheme viability.</p> <p>Given proximity to the neighbouring residential settlement at Penllergaer and Gorseinon District Centre the site also offers potential for consideration of residential uses if the Council ultimately considers sufficient land is available to allow for this.</p>

Table 4-7 Appraisal of Kingsbridge Business Park & Mardy Industrial Estate

Area 7: Kingsbridge Business Park & Mardy Industrial Estate	
Criteria	Key Considerations
Size	7.8 hectares
Location and accessibility	Kingsbridge Business Park and Mardy Industrial Park are located within the Gorseinon urban area, north east of Swansea City Centre. Both Kingsbridge Business Park and Mardy Industrial Estate are accessed from Swansea Road. The two estates are located next door to each other and provide strong connectivity by road, specifically to Junctions 46 and 47 of the M4 motorway. Both estates are also connected by public transport, with bus routes connecting them to the wider Gorseinon area, into Swansea City Centre, and also to Llanelli. Gowerton Railway Station is also located within one mile of both estates.
Site description / internal environment	The two sites host a variety of businesses across a range of small and medium sized units, including manufacturing, warehousing, distribution, and local services. Both estates are generally flat. The quality of the buildings is generally secondary and tertiary in nature.
Surrounding external environment	The surrounding area includes a mix of uses – commercial, open space, and residential. Most amenities are available in nearby Gorseinon.
Constraints	According to Natural Resources Wales, the estates have a high risk of flooding from rivers and a medium risk of flooding from surface water and small watercourses.
Local opportunities	The majority of the accommodation is in an industrial use, for which it is considered there will always be a good level of future tenant demand.
Floorspace	Total: 134,491sqm (145,212 sqft) At time of survey, understood that no units were vacant within the employment area.
Vacant parcels of land	Towards the southern part of Kingswood Business Park there is a vacant area of land with a historic planning permission for car showroom. The area totals an approximate area of 0.5 hectares. This area of land is considered to remain suitable for employment focussed development.
Future use recommendations	The site should be retained for employment use. It is a well-occupied business and industrial area with good transport connections by road.

Table 4-8 Appraisal of Land off Heol Y Mynydd

Area 8: Land off Heol Y Mynydd, Gorseinon	
Criteria	Key Considerations
Size	9.7 hectares
Location and accessibility	Land off Heol Y Mynydd is occupied by Jayplas. It is in the Gorseinon area, north east of Swansea City Centre. The estate is accessed from Pontarddulais Road and the A4240, which both provide access to other areas of Swansea. The estate has good connectivity by road to Junctions 46 and 47 of the M4 motorway. The site has limited direct public transport connections, partly by virtue of its location on the edge of Gorseinon. Some bus routes serve the wider Gorseinon area, but the closest bus stops are located at some distance.
Site description / internal environment	The employment area is currently occupied by a single occupier, with a large plastic processing facility. It has benefitted from recent investment and refurbishment.
Surrounding external environment	The site is relatively detached from adjacent urban uses within Gorseinon, separated by open space and otherwise largely surrounded by open countryside.
Constraints	The site has a high risk of flooding from surface water and small watercourses.
Local opportunities	None considered to be significant.
Floorspace	Total: 26,769 sqm (288,140 sqft) At time of survey, it was understood that there is no vacancy within the employment area.

Area 8: Land off Heol Y Mynydd, Gorseinon	
Vacant parcels of land	The site is solely operated by Toyota, with no vacant parcels.
Future use recommendations	The site should be retained for employment use. The site has recently been refurbished, and has good transport connections by road.

Table 4-9 Appraisal of Millbrook Industrial Estate

Area 9: Millbrook Industrial Estate, Swansea	
Criteria	Key Considerations
Size	15.8 hectares
Location and accessibility	Millbrook Industrial Estate is situated within the Landore area, a short distance northeast of Swansea City Centre. The estate is close to the A4067 and the A48, which are important arterial routes connecting different parts of Swansea and facilitating movement towards the city centre and other neighbourhoods. Located near Junctions 44 and 45 of the M4 motorway, providing quick access to the UK's primary motorway network.
Site description / internal environment	The estate offers flexible unit sizes suitable for SMEs and larger operations, with a mix of older and newer, purpose-built industrial buildings. The estate's low-to-medium density layout supports manoeuvrability and operational efficiency.
Surrounding external environment	The industrial estate is bounded to the west by the River Tawe. The surrounding area is a mix of residential, industrial and community uses.
Constraints	Proximity to residential uses on opposite side of River Tawe. There is a high risk of flooding from surface water and small watercourses.
Local opportunities	None considered to be significant.
Floorspace	Total: 32,583 sqm (350,717 sqft) At time of survey five units were available to rent within Millbrook Industrial Estate – primarily office units within Riverside House – totalling 573sqm. The proportion vacant is therefore 2%.
Vacant parcels of land	A vacant parcel of land exists on Alamein Road, located adjacent to Bidfood Swansea. It is understood that this was sold in 2022, but has yet to be redeveloped. This site has an approximate area of 0.5 hectares.
Future use recommendations	The site should be retained for employment use. It is a well-occupied business and industrial area with good transport connections by road.

Table 4-10 Appraisal of Penllergaer Business Park

Area 10: Penllergaer Business Park	
Criteria	Key Considerations
Size	16.7 hectares
Location and accessibility	Penllergaer Business Park is situated just off the M4 motorway via the A48 and is easily accessible from Junction 46 and 47. This strategic location provides excellent transport connections by road. The Business Park is served by buses along the A47, although these operate relatively infrequently.
Site description / internal environment	Penllergaer Business Park comprises a range of industrial and office accommodation. Swansea Dragon 24 comprises an office building constructed in 2010 of steel frame construction over two floors. A range of national and local tenants occupy the business park, with the Welsh Government occupying a large detached modern office building. A generally level site of irregular shape, with a relatively spacious layout.

Area 10: Penllergaer Business Park	
Surrounding external environment	The site is relatively detached from urban areas – surrounded by woodland and open space to the east, south and west, and adjacent to A48 and M4 to the north.
Constraints	There are limited public transport connections and a high risk of flooding from surface water and small watercourses (risk greater than 3.3% chance each year).
Local opportunities	There is relatively low demand for office units, however, there is good demand for small to medium sized industrial units.
Floorspace	Total: 12,313 sqm (132,535 sqft) A medium-sized standalone manufacturing building is vacant in the western half of the Business Park, comprising 8,300sqm. The proportion vacant is therefore 68%.
Vacant parcels of land	Plot C3 comprises 0.5 hectares and is being marketed. This site has a lapsed planning consent for four two storey office buildings.
Future use recommendations	Whilst there are some vacant premises and land within the employment area at present, it hosts bespoke office buildings, including that occupied by the Welsh Government, and is well connected by road. The employment area boundary includes a sizeable area of woodland.

Table 4-11 Appraisal of Players Industrial Estate

Area 11: Players Industrial Estate, Clydach	
Criteria	Key Considerations
Size	13.5 hectares
Location and accessibility	Players Industrial Estate is located in the Clydach area, to the northeast of Swansea city centre. The estate is primarily a hub for various small to medium-sized businesses and is situated off the A4067 road, which connects Swansea in the south to Pontardawe to the north. The M4 motorway (Junction 45) is approximately 3 miles away, providing easy access to other parts of South Wales. Several bus routes operate in the Clydach area, with stops near the estate. These routes connect to Swansea City Centre, and to nearby towns.
Site description / internal environment	Players Industrial Estate comprises a range of office and industrial units. Welsh Water occupies a fit for purpose industrial unit, however, the remaining units are generally secondary and tertiary in nature. The area supports several small to medium sized local and regional businesses. The area is generally flat, of irregular shape and consists mainly B1, B2 and B8 use classes.
Surrounding external environment	The site is bounded by the River Tawe to the east and south, woodland to the west, and residential areas within Clydach to the north. Local amenities are located in nearby Clydach.
Constraints	High risk of flooding from surface water and small watercourses (risk greater than 3.3% chance each year).
Local opportunities	Good demand for industrial uses due to proximity of the M4 corridor, and limited demand for B1 use.
Floorspace	Total: 24,251 sqm (261,034 sqft) At time of survey, it was understood that no units were vacant within the employment area.
Vacant parcels of land	The former Clydach Market site is currently being marketed. This includes some trading businesses (Care & Repair, Freds and Ronnie S Evans) but also areas which appear to be vacant, totalling approximately 0.5 hectares.
Future use recommendations	The site should be retained for employment use due to its with good transport connections by road.

Table 4-12 Appraisal of Pontarddulais Industrial Estate

Area 12: Pontarddulais Industrial Estate	
Criteria	Key Considerations
Size	11.2 hectares
Location and accessibility	<p>Pontarddulais Industrial Estate is split over two sites. The first site is Pontarddulais Industrial Estate and is located just north of Pontarddulais Town Centre, accessed via Tyn Y Bonau Road. The second site is Lye Industrial Estate and is located 0.5 miles north of Pontarddulais Industrial Estate, accessed from Glanffrwd Road.</p> <p>The two sites lie approximately two miles northeast of J48 of the M4 motorway, accessed through the town of Pontarddulais.</p>
Site description / internal environment	Pontarddulais Industrial Estate comprises mainly industrial accommodation in addition to yard space. The site is of triangular shape and is mainly flat. All of the industrial buildings are secondary or tertiary in nature. The main occupier on the Lye Industrial estate is Macmillan which has a large distribution warehouse. There are a handful of smaller industrial units which are occupied by local businesses.
Surrounding external environment	The former Tata Steel works which is situated south of Pontarddulais Industrial Estate was sold in 2023, and has been proposed for residential redevelopment. It is noted that there is an opportunity to link from the site through the industrial estate as part of opportunities to improve transport infrastructure in the area. The remainder of both Pontarddulais and Lye Industrial Estates are primarily surrounded by open countryside, and adjoined to the west by the Heart of Wales railway line.
Constraints	<p>The Lye Industrial Estate has a high risk of flooding from rivers, surface water and small watercourses. Pontarddulais Industrial Estate has a low flooding risk.</p> <p>Access is via some more minor roads, which may limit potential for major expansion.</p>
Local opportunities	Good demand for industrial uses due to proximity of the M4 corridor, with limited demand for B1 use.
Floorspace	<p>Total: 41,503 sqm (446,736 sqft)</p> <p>At time of survey, it was understood that no units were vacant within the employment area.</p>
Vacant parcels of land	None of note.
Future use recommendations	<p>These industrial estates have relatively good connections by road when considering the small town location and positive occupier demand.</p> <p>Whilst there could be residential redevelopment interest, especially given plans to redevelop the former Tata Steel site to the south and the opportunity afforded by linking strategic transport infrastructure through the site into the industrial estate, these provide some of the only available industrial units in the town of Pontarddulais and in this part of Swansea more broadly, and it provides accommodation for a wide range of small local businesses.</p>

Table 4-13 Appraisal of Felindre Business Park

Area 13: Felindre Business Park, Swansea	
Criteria	Key Considerations
Size	68.7 hectares
Location and accessibility	<p>Felindre Business Park is situated north of the Swansea Urban Area, close to Junction 46 of the M4 motorway. This strategic location provides excellent transport connections by road.</p> <p>There is currently limited public transport provision in the vicinity of the Business Park. However, Felindre (in the vicinity of M4 Junction 46) is a proposed station location for the South West Wales Metro which would enhance the accessibility of the location, and the ongoing implementation of plans for the Business Park could enable significantly increased bus provision in the future.</p>
Site description / internal environment	Decommissioned in 1989, the former Felindre Tin Plate Works has been developed as a Strategic Business Park through a Joint Venture between Swansea Council and the Welsh Government. The site is allocated in the current LDP as site SD-G.

Area 13: Felindre Business Park, Swansea	
	<p>The Business Park has been masterplanned around a central area of landscaped open space, which has already been established. This is surrounded by radial roads, serving up to 20 plots depending on configuration.</p> <p>One unit has been completed to date (occupying plots 7B, 8 and 9B), a large distribution warehouse which has been occupied by DPD since 2019.</p>
Surrounding external environment	The Business Park is located outside of any settlement, a short distance north of the M4. With the exception of a large electricity substation and some isolated residential properties, the Business Park is surrounded by woodland and open countryside.
Constraints	There is a high risk of flooding from surface water and small watercourses (risk greater than 3.3% chance each year), and the site is currently inaccessible by public transport. There is also a current lack of amenities on site for employees and visitors.
Local opportunities	<p>As a strategic future employment location, the Business Park presents the largest site opportunities for major occupiers looking to locate within Swansea. There are also opportunities for future residential led development proposals for the greenfield land adjoining the site.</p> <p>Creation of a railway station to serve the Business Park will significantly increase attractiveness of the site to occupiers and investors.</p>
Floorspace	<p>Total: 5,676 sqm (59,070 sqft)</p> <p>The single building on the site (DPD) is currently occupied, with no vacancy.</p>
Vacant parcels of land	The majority of the Business Park remains as developable land. The 17 remaining unoccupied plots are estimated to have a capacity of 16 hectares.
Future use recommendations	The Business Park presents some of the largest site opportunities for major occupiers looking to locate within Swansea. Whilst initial uptake has been relatively slow, the site is well located from the M4 and is well suited to warehousing, distribution and manufacturing occupiers. In the event that a Metro station is built to serve the area, the Business Park would also be more attractive to investors.

Table 4-14 Appraisal of North of Waunarlwydd / Fforestfach

Area 14: North of Waunarlwydd / Fforestfach	
Criteria	Key Considerations
Size	61 hectares
Location and accessibility	<p>This is a relatively large employment area, around five miles north-west from Swansea City Centre. It is accessed via Titanium Road from alongside the Swansea West Industrial Estate (Area 18), near the A483 and in turn to Junction 47 of the M4. It offers excellent regional and national accessibility, making it appealing to occupiers.</p> <p>The employment area also has a gated access point via Bridge Road directly into Waunarlwydd, from which it is possible to access bus routes linking to Swansea City Centre, as well as to Pontarddulais.</p>
Site description / internal environment	<p>The employment area falls under a single ownership, allowing for comprehensive management. It has a relatively industrial character, with a number of large floorplate manufacturing and warehousing users. Most units within the employment area are secondary and tertiary in nature.</p> <p>The gated nature of the employment area may make it attractive to occupiers requiring higher levels of security.</p> <p>Due to the gated nature of the site, the assessment of its internal environment was undertaken from the perimeter only.</p>
Surrounding external environment	The area to the north of the industrial estate is mainly open countryside, whilst the area to the south is the residential area of Waunarlwydd.
Constraints	There is limited availability of amenities for occupiers and visitors.
Local opportunities	None of note.
Floorspace	Total: 114,777 sqm (1,235,450 sqft)

Area 14: North of Waunarlwydd / Fforestfach	
	At time of survey four units were available to rent within the employment area, totalling 20,234sqm. These units form part of the repurposed aluminium recycling plant. The proportion vacant is therefore 18%.
Vacant parcels of land	From a desktop review, there appears to be a large vacant plot of land towards the southeast corner of the employment area, comprising around 4.5 hectares. If available for development, this could make a significant contribution to the supply of employment land.
Future use recommendations	The site should be retained for an employment use. It is an industrial park with good transport connections by road, and has a number of fit for purpose buildings. It forms part of a current Strategic Development Area in the current LDP1. Opportunities to provide enhanced strategic infrastructure serving the employment and potential residential areas are important. If boundaries are delineated in LDP2 then consideration will need to be given to existing woodland areas in any proposed site boundary. It may be appropriate for the areas subject to significant constraints in this regard to be removed from the boundary in LDP2.

Table 4-15 Appraisal of Swansea Vale

Area 15: Swansea Vale	
Criteria	Key Considerations
Size	50.1 hectares
Location and accessibility	Swansea Vale is a large business park located in the Llansamlet area of Swansea, about 4 miles northeast of Swansea City Centre. It is adjacent to Swansea Enterprise Park to the south (Area 5). Swansea Enterprise Park is located close to Junctions 44 and 45 of the M4, offering quick access to the motorway. The A48 runs to the south of the employment area, connecting it directly to Swansea City Centre and other local areas, enhancing local accessibility. Bus routes through the employment area provide connections into Swansea City Centre.
Site description / internal environment	Swansea Vale is a large and growing employment area that hosts various companies, ranging from tech firms to manufacturing businesses. It provides significant employment opportunities and plays a central role in Swansea's local economy. As a planned employment area, Swansea Vale has a relatively high-quality environment, with a comprehensive network of wide roads in landscaped settings, linked by a network of off-road footpaths.
Surrounding external environment	To the south, the employment area is adjoined by further employment space within Swansea Enterprise Park (Area 5). To the west, north and east, the employment area is adjoined by areas of residential development and areas of open space.
Constraints	There is sloping topography in some areas of the site. Public transport only serves the area relatively peripherally.
Local opportunities	Some opportunities for residential and commercial development.
Floorspace	Total: 52,298 sqm (562,930 sqft) At time of survey five units were available to rent within the employment area, totalling 4,432sqm. The proportion vacant is therefore 8%.
Vacant parcels of land	There are three areas of vacant land across Swansea Vale which have potential for employment-related development for small and medium-sized occupiers: <ul style="list-style-type: none"> – Land to the south of Mallard Way, approximately 1.8 hectares. – Land to the south of Moorhen Close, approximately 0.6 hectares. – Land to the south of Olympus Court, approximately 1.1 hectares (subject to active current marketing). – Land to the east of Water Wheel Drive and Millbrook Drive, approximately 5.2 hectares.
Future use recommendations	The area should be retained for an employment use. It is a growing employment area, subject to active marketing, with modern premises, and good transport connections by road. However it is noted that specific vacant parcels on the wider industrial estate to the east may lend themselves for residential development noting Swansea Vale is currently a residential led mixed use area in the current LDP.

Area 15: Swansea Vale	
	The employment area includes a sizeable area of woodland. If employment boundaries are identified in LDP2 then it may be appropriate for this to be removed from the boundary.

Table 4-16 Appraisal of Fabian Way Corridor

Site 16 Fabian Way Corridor, Swansea	
Criteria	Key Considerations
Size	162.5 hectares
Location and accessibility	<p>The Fabian Way Corridor is located along the eastern approach to Swansea, adjacent to the A483. The Corridor benefits from proximity to both Swansea City Centre a short distance to the west, and Junction 42 of the M4 motorway to the east. The employment area offers excellent access for logistics, distribution, and other industrial activities.</p> <p>The Corridor is served by a wide range of bus services running along the A483 between Swansea to the west, and Neath and beyond to the east.</p>
Site description / internal environment	<p>Fabian Way is one of Swansea’s largest areas of employment land, and is a strategic location for economic growth and job creation. Fabian Way provides a link between Swansea and Neath Port Talbot, making it easily accessible for occupiers relying on regional and national transport links.</p> <p>The Port of Swansea makes up a key part of the Fabian Way Corridor, which is owned and operated by ABP. This is a key employer, and supports a number of heavy industries. Employment density varies across the corridor – the port area to the east is lower density, suited to larger industrial and logistics operations (B2 & B8). Areas closer to the City Centre and University have a greater concentration of higher-density occupiers, with more office (B1) and tech-oriented spaces.</p>
Surrounding external environment	Adjoined to the south by dock infrastructure and Swansea Bay. To the north, adjoined by the residential area of Port Tennant, quarrying land, and open countryside. A short distance to the east, within Neath Port Talbot, is located Swansea University’s Bay Campus and other industrial areas.
Constraints	<p>Some areas have a high risk of flooding from surface water and small watercourses.</p> <p>Contamination likely to be an issue in some areas, given historic dock uses.</p>
Local opportunities	<p>Newer builds in the corridor are of high quality, with modern infrastructure and design. However, older structures may vary in condition, which could impact their attractiveness. Redevelopment could address this by updating older buildings to meet current standards.</p> <p>ABP owned Port of Swansea Port will play a key role in supporting the supply chain for the floating offshore wind facility proposed at Port Talbot. The Port also offer vast areas of land for development for distribution, Data Centre and Battery Storage facilities. The Port and Docks offer a key opportunity to take advantage of significant regeneration opportunities including zero carbon energy and employment uses.</p>
Floorspace	<p>Total: 143,209 sqm (1,541,502 sqft)</p> <p>At time of survey seven units were available to rent within the employment area, totalling 1,111sqm. The proportion vacant is therefore 1%.</p>
Vacant parcels of land	Land south of Langdon Road adjacent to Hancock and Brown is vacant, and held by Swansea Council as Plot SV05. This has an area of around 8 hectares.
Future use recommendations	Significant areas south of Fabian Way should be retained for employment use due to good transport connections. It is noted that there is strong demand for high quality commercial space in this location.

Table 4-17 Appraisal of Morfa Road Industrial Estate

Area 17: Morfa Road Industrial Estate, Swansea	
Criteria	Key Considerations
Size	8.5 hectares

Area 17: Morfa Road Industrial Estate, Swansea	
Location and accessibility	<p>Morfa Road Industrial Estate is located a short distance to the north of Swansea City Centre. It benefits from a strategic location with easy access to main transport routes, including Junction 45 M4 motorway which is 3.8 miles north.</p> <p>The southernmost part of the Industrial Estate is within a 10-minute walk of Swansea Railway Station, providing excellent onward connectivity. There are also local bus routes connecting to Swansea City Centre and surrounding areas.</p>
Site description / internal environment	Tenants and specific uses within the Morfa Industrial area vary, but the estate generally attracts a mix of industrial and light manufacturing businesses such as SIC and Zeta Alarm Systems. It also houses businesses related to warehousing and general trade services due to its adaptable unit layouts and strategic location between Swansea City Centre and the M4 motorway.
Surrounding external environment	The site is adjoined by the River Tawe to the east. To the west, it is adjacent to a railway corridor and rail depot. It is adjoined by residential development to the north and south, including some new purpose built student accommodation.
Constraints	Potential risk of flooding due to location alongside River Tawe. Japanese Knotweed is located along parts of the riverbank.
Local opportunities	<p>Location on the edge of the city centre, and particularly proximity to the railway station, may make the area suitable for repurposing – including employment occupiers for which such a location would be attractive, such as offices and high-tech light manufacturing.</p> <p>The area includes Swansea Council Central Depot, meaning some land is in public sector control.</p>
Floorspace	<p>Total: 19,135 sqm. (205,969 sqft.)</p> <p>At time of survey two units were available to rent within the employment area, totalling 848sqm. The proportion vacant is therefore 4%.</p>
Vacant parcels of land	None of note.
Future use recommendations	There is considered to be strong demand for high quality commercial space in this location, with high levels of occupancy. However, the location of the Industrial Estate close to the City Centre and Railway Station means that it may also be well-suited to redevelopment and repurposing, if desired to as a location for high-value growth sectors.

Table 4-18 Appraisal of Swansea West Industrial Estate

Area 18: Swansea West Industrial Estate	
Criteria	Key Considerations
Size	89.4 Hectares
Location and accessibility	<p>Swansea West Industrial Estate is located in Fforestfach, approximately 4 miles northwest of Swansea City Centre. It benefits from good connectivity to major roads, particularly the A483 (Carmarthen Road) and the M4 motorway, which are critical for logistics and regional access. M4 junctions 47 and 46 are nearby, facilitating connections to South Wales and further afield.</p> <p>The employment area is served by bus routes linking to Swansea City Centre, as well as to Pontarddulais and Llanelli.</p>
Site description / internal environment	<p>Swansea West Industrial Estate is a key commercial hub and houses a mix of local, national, and international businesses across manufacturing, logistics, and service sectors.</p> <p>The estate is varied and offers a range of premise types and sizes, from large warehouses to specialised manufacturing units, meeting varied business needs. The estate provides essential infrastructure, including reliable utilities and high-speed internet, and is a major employment centre.</p>
Surrounding external environment	The Industrial Estate adjoins some residential areas to the east and north. To the south it is bordered by the Swansea to Llanelli railway line, and to the west primarily by open countryside. A short distance further to the west is employment Area 14, north of Waunarlwydd.

Area 18: Swansea West Industrial Estate	
Constraints	There is the risk of surface level flooding to the south of Swansea West Industrial Estate and Japanese Knotweed is present on vacant land. There are electricity pylons throughout the area.
Local opportunities	None of note.
Floorspace	Total: 228,851 sqm (2,463,352 sqft) At time of survey four units were available to rent within the employment area, totalling 3,740sqm. The proportion vacant is therefore 2%.
Vacant parcels of land	Two vacant parcels of land are currently being marketed – plots J and V on Bruce Road. These have a combined area of 2.1 hectares.
Future use recommendations	The site should be retained for employment use. Industrial Park with good transport connections by road and mainly fit for purpose buildings.

4.3 Overall summary

The table below provides an overview of the quantitative outcomes for each of the 18 employment areas across Swansea.

Table 4-19 Extent of floorspace, land and vacancies across Swansea employment areas

Employment area	Floorspace (square metres)			Land (hectares)	
	Total	Vacant	Proportion vacant	Total	Vacant for B Use
1: Carmarthen Road Business Park	50,054sqm	Nil	0%	23.7ha	Nil
2: Central Area and Waterfront	403,860sqm	Unclear	N/A	128.5ha	Nil
3: Crofty Industrial Estate	20,591sqm	195sqm	1%	12.7ha	0.5ha
4: Cwmdy Industrial Estate	33,998sqm	4,511sqm	13%	9.0ha	Nil
5: Swansea Enterprise Park	469,593sqm	27,548sqm	6%	278.1ha	5.0ha
6: Garn Goch Industrial Estate	126,206sqm	3,988sqm	3%	47.3ha	17.6ha
7: Kingsbridge Business Park	134,491sqm	Nil	0%	7.8ha	0.5ha
8: Land off Heol Y Mynydd	26,769sqm	Nil	0%	9.7ha	Nil
9: Millbrook Industrial Estate	32,583sqm	573sqm	2%	15.8ha	0.5ha
10: Penllergaer Business Park	12,313sqm	8,300sqm	68%	16.7ha	0.5ha
11: Players Industrial Estate	24,251sqm	Nil	0%	13.5ha	0.5ha
12: Pontarddulais Industrial Estate	41,503sqm	Nil	0%	11.2ha	Nil
13: Felindre Business Park	5,676sqm	Nil	0%	68.7ha	16.0ha
14: North of Waunarlwydd	114,777sqm	20,234sqm	18%	61.0ha	4.5ha
15: Swansea Vale	52,298sqm	4,432sqm	8%	50.1ha	5.2ha
16: Fabian Way Corridor	143,209sqm	1,111sqm	1%	162.5ha	8.0ha
17: Morfa Road Industrial Estate	19,135sqm	848sqm	4%	8.5ha	Nil
18: Swansea West Industrial Estate	228,851sqm	3,740sqm	2%	89.4ha	2.1ha
Swansea total	1.537 million sqm (plus 404,860sqm Central Area)	75,480sqm	5%	1,014,7ha	60.9ha

It can be seen that there is nearly 2 million square metres of employment floorspace within Swansea's 18 employment areas, across a land area of over 1,000 hectares (more than 10 square kilometres).

Of the total floorspace in Swansea, excluding the Central Area (for which clear figures are not available), the overall level of vacancy of employment areas is 5%. This level of vacancy is considered to be within a range indicative of a healthy employment market, given that a very low

vacancy rate is potentially unhealthy – some level of vacancy is necessary to allow for choice and variety in the market, and allow businesses to find and relocate to new premises as they grow and adapt. Six employment areas had no vacancies at all at the time of survey.

There were three employment areas with a double-digit proportion of vacant floorspace – Cwmdy Industrial Estate, Penllergaer Business Park, and land north of Waunarlwydd. However, this is not considered to represent any particular issues with the attractiveness or viability of these employment areas – indeed by contrast, Cwmdy Industrial Estate is considered to be a best practice exemplar of recent growth and improvement of employment areas across Swansea. In the case of Penllergaer Business Park, which has the highest vacancy rate overall, this is reflective of a single large-floorplate site currently being vacant.

Across all 18 employment areas, a total of around 61 hectares of land appears to be vacant and suitable for development (or redevelopment) to provide employment uses in Class B. The majority of this land is subject to active marketing for employment uses, although some sites have only been observed to be vacant with actual availability to the market therefore unknown. The amount of land currently vacant across Swansea’s employment areas should therefore be taken to be indicative only. Furthermore, it is clear that the sites and premises vary in terms of quality, quantum, location, availability and type of suitable/permitted uses e.g. primary, good secondary, secondary and tertiary (grading). Clearly the sites are not all equal and consideration needs to be given to what sites satisfy each user requirement. For example, Parc Felindre (as stated) presents the largest site opportunities for major occupiers looking to locate within Swansea. Being an investment ready high quality site located off J46 of the M4 and large development plots/plateaus, it provides an unique offer for the SW region. In contrast, land at Garn Goch offer small plots or in some cases premises that require significant remediation and redevelopment for future use. This aspect needs to be considered when determining what quantum of development land is to be included in LDP2.

Generally, across all areas considered, the ongoing role and function of Swansea’s employment areas is considered to remain robust. There is strong market demand from occupiers – linked, as noted above, to generally low vacancy rates. Many of the employment areas do however have a relatively established character, with viability and investment a challenge in some locations given low potential yields – in the longer term, this may make the continued attractiveness of premises more challenging.

There are no employment areas for which wholesale redesignation or repurposing is considered to be appropriate, with all clearly performing an ongoing role in continuing to support the local economy. For some employment areas, specific recommendations have however been made in order to best secure delivery of economic growth and regeneration:

- For the **Central Area and Waterfront (Area 2)**, ongoing economic health and performance needs to be ensured as part of wider City Centre regeneration efforts, with care around maintaining a sufficient stock of office floorspace given competing demands for other uses (particularly residential).
- The strategic former 3M site in **Garn Goch Industrial Estate (Area 6)** is the largest single vacant site across Swansea, and retains strong assets (e.g. its high-capacity electricity connection, which would be well-suited to green manufacturing and similar growth sectors). In order to facilitate its redevelopment a flexible approach may be required, potentially with a mix of uses. Redevelopment would also benefit from public sector support.
- It is recognised that **Felindre Business Park (Area 13)** has taken a number of years to progress, with the majority of plots still vacant. The delivery of public transport infrastructure to further boost the attractiveness of the site to investors would be welcome, particularly the potential adjacent railway station as part of the South West Wales Metro. These factors will need to be considered to determine the most optimal way of securing investment and to fulfil the potential of the site in terms of employment generation.

- Given its location close to the City Centre and Railway Station, and the extent to which recent residential development has taken place around it, **Morfa Road Industrial Estate (Area 17)** presents a potential opportunity for repurposing. This could facilitate a gradual transition away from light industry to offices and high-tech uses, supporting growth sectors in the economy.

It would be appropriate for LDP2 to set out how the recommendations above would be achieved, and for this to form part of the Council's wider planning and delivery efforts focussed on ensuring economic development and regeneration across Swansea.

These measures are also only part of wider efforts to secure investment in economic development across the city outside of the planning system. The Council should ensure that funding bids are aligned with these priorities – for example, as a means to address viability gaps in the construction of new employment floorspace, or the refurbishment of spaces that exist.

5. Part 3: Policy Options and Future Monitoring

5.1 Summary of conclusions from Parts 1 and 2

The 2024 Economic and Housing Growth Assessment (EHGA) undertaken by Turley has established a need for between 11.0ha and 25.2ha of additional Class B employment land over the period of the new Swansea LDP2 (i.e. up to 2038) in order to meet Swansea's future economic needs. This is broken down by use as follows:

- Class B1, offices and light manufacturing – Between 8.9ha and 21.4ha of additional employment land, depending on scenario.
- Class B2, general manufacturing – Up to 1.9ha of additional employment land under a scenario based on the maintenance of past take-up rates, but a potential loss of 5.1ha of employment land under other scenarios.
- Class B8, warehouse and distribution – Between 0.6ha and 4.5ha of additional employment land, depending on scenario.

This is reflective of the conclusions from the Part 1 Policy Context Review and Part 2a Property Market Assessment, which have both noted the particular future economic importance in Swansea of professional services, knowledge-oriented activities, and renewable energy/net zero manufacturing. Whilst general manufacturing will remain an important part of Swansea's economy in the future, it is not anticipated to be a driver of demand for increased employment land and floorspace provision.

The site assessment process within Part 2b has established that there is around 61 hectares of vacant developable land within Swansea's employment areas. At a purely quantitative level, this is more than sufficient to provide for the levels of future land need forecast within the EHGA. Part 2b has established that there is additionally a bank of vacant existing premises across Swansea's employment areas, however these levels of vacancy are considered to be relatively low, and within the range necessary for a dynamic and vibrant market.

The challenge that LDP2 needs to address is therefore how best to manage Swansea's apparent significant available supply of employment land, and ensure that the right blend of site types exist to meet the needs of businesses seeking to locate within the city.

5.2 Policy options for LDP2

There are considered to be two main options for LDP2's response to the summary of conclusions set out above, in order to meet Swansea's future employment land needs which should be considered by the Council in the preparation of the Deposit Plan (one or both of these could be taken forward):

1. Facilitate redevelopment/refurbishment of some of the existing stock of employment land for future 'B Uses', including at the identified vacant sites. This would ensure that these sites provide attractive conditions and the right facilities for the types of occupiers for which there are forecast to be the greatest levels of need, and which are also supported in wider economic policy for the sub-region, Wales and the wider UK.
2. Allocate new bespoke employment sites, potentially on greenfield land, allowing for the redevelopment of some employment areas for other uses (such as residential). Such an approach would be mean that sites could be designed from the outset to provide the attractive facilities and the right conditions for the types of occupiers for which there are forecast to be the greatest levels of need. The existing employment areas subject to redevelopment would likely be those least well optimised to future occupiers in growth sectors, although these could also be selected for other reasons (e.g. because an employment area would be particularly well suited as a new residential neighbourhood).

The benefits of a refurbishment approach would broadly be the drawbacks of an allocation and redevelopment approach. These are considered to be:

- The ability to meet employment needs without undertaking further greenfield development, with associated sustainability benefits.
- Occupiers within growth sectors, and of offices, are likely to have locational preferences towards city centres – particularly within and close to knowledge clusters, such as around the University and Waterside. These are generally not locations with significant site availability – greenfield sites on the edge of urban areas are likely to be less attractive for these occupiers, which has been part of the historic challenge in delivering development in locations. Refurbishment within existing employment areas, particularly within and close to the City Centre, will better provide for these important growth sectors.
- The allocation of new greenfield employment sites would likely make it more difficult to deliver the development and regeneration of existing vacant land parcels within employment areas, given the additional complexities associated with these. The location of these parcels of land within established employment areas means that the delivery of other uses on them (such as residential) is unlikely to be appropriate – an allocation approach is likely to result in many of the vacant land parcels within employment areas remaining derelict, with associated blight issues.
- An allocation and redevelopment approach would result in a need to relocate occupiers from any employment areas which were redeveloped, which would be costly and disruptive, and potentially result in the loss of those businesses from Swansea. This is particularly an issue given that no employment areas have been identified as fundamentally unsuitable for continued use – all employment areas are well occupied, generally with low or zero vacancy rates, and are therefore considered to have a viable ongoing use as employment areas.

The drawbacks of a refurbishment approach would broadly be the benefits of allocation and redevelopment approach. These are considered to be:

- The likely need for some form of public sector intervention to manage the process of refurbishment and adaptation within individual employment areas, which may otherwise be challenging to deliver – particularly in employment areas with a large number of land owners.
- Potentially challenging development economics and viability for some sites, which may limit the capacity and enthusiasm of the private sector to deliver refurbishment. This is less likely to be a challenge for the development of new greenfield sites where demolition and remediation costs will be much less, and potentially zero.
- The potential loss of opportunities to create residential places in the employment areas closest to Swansea City Centre, which could be sustainable locations for such development by virtue of their existing transport links.

Whilst it is a matter for the LDP2 process to resolve (having regard to other land use considerations) and not this piece of evidence in isolation, it is considered that the benefits of a refurbishment approach (Option 1) broadly outweigh the benefits of an allocation and redevelopment approach (Option 2). This is particularly the case if interventions can be put in place to overcome some of the drawbacks of Option 1. It is recommended that the following interventions are considered:

Across Swansea as a whole:

- Maximisation of opportunities to secure external public funding, to support with development viability, site assembly and infrastructure investment. This would enable the delivery of employment development within target sectors, and create conditions that stimulate further private sector investment.

- Exploration of the potential for a delivery body for certain potential development areas, such as a development corporation, to fulfil a guiding hand role that would help to deliver and promote employment development within target sectors as part of wider public sector economic development activities.
- Integration of policy approaches within LDP2 which continue to protect Swansea's existing stock of employment land but to facilitate appropriate re use of redundant premises where that is demonstrated to be appropriate, given the key ongoing role that the 18 assessed employment areas have been judged to play in the economic health of the city.
- Take a placemaking/concept planning approach for employment areas considered most capable of refurbishment and change, alongside the implementation of LDP2 and other public sector economic development activities. This could identify how the recommendations above could be delivered, with a particular focus on the employment areas below.

For individual employment areas across Swansea:

- For the **Central Area and Waterfront (Area 2)**, ongoing economic health and performance needs to be ensured as part of wider City Centre regeneration efforts, with care around maintaining a sufficient stock of office floorspace given competing demands for other uses (particularly residential).
- The strategic former 3M site in **Garn Goch Industrial Estate (Area 6)** is the largest single vacant site across Swansea and retains strong assets (e.g. its high-capacity electricity connection, which would be well-suited to green manufacturing and similar growth sectors). In order to facilitate its redevelopment a flexible approach may be required, potentially with a mix of uses including residential. Redevelopment would also benefit from public sector support.
- It is recognised that **Felindre Business Park (Area 13)** has taken a number of years to progress, with the majority of plots still vacant. However the site continues to present a major strategic development opportunity. The delivery of infrastructure to further boost the attractiveness of the site to investors would help to ensure the success of this site and its attractiveness for future occupiers, particularly through the potential adjacent railway station as part of the South West Wales Metro.
- Given its location close to the City Centre and Railway Station, and the extent to which recent residential development has taken place around it, **Morfa Road Industrial Estate (Area 17)** presents a strong opportunity for repurposing within Class B. This would facilitate a gradual transition away from light industry to offices and high-tech uses, supporting growth sectors in the economy.

It will also be important for future policy options within LDP2 to consider wider cross-boundary and sub-regional issues across Swansea Bay and South West Wales. Employment land provision in Swansea does not exist in a vacuum, but as part of a wider economic market area. The progress and outcomes of Local Development Plans in Carmarthenshire (currently undergoing examination) and in Neath Port Talbot (where consultation has recently been undertaken on a Preferred Strategy) will be particularly relevant.

5.3 Recommended future monitoring

Based on the evidence and analysis undertaken, it is not considered necessary for additional employment land to be allocated across Swansea within LDP2. However, this requires a degree of change and transformation in the employment land supply, in order to meet the specific sectoral needs for different types of Class B uses identified within the EHGA. The ability to deliver this change may be finely balanced.

Ongoing monitoring as part of the implementation of LDP2 will therefore be important in order to ensure delivery. This could include periodic re-assessment of the extent of the employment land bank across Swansea, potentially refreshing the assessment criteria followed as part of Part 2b of this report, to allow intervention action to be taken if needed. Given the points noted above around cross-boundary and sub-regional issues within Swansea's wider employment market area across Swansea Bay and South West Wales, monitoring should also have regard to the extent and take-up of employment land in adjoining local authority areas.

Potential interventions pursued by the Council in response to monitoring could include:

- Adopting a flexible approach within the development management process around changes of use, in the event that data shows a need to manage land in a different manner in order to achieve overall economic objectives.
- Adjusting, strengthening or supplementing the recommended interventions set out above, in the event that any additional action is found to be necessary.
- Incorporating any more significant changes of approach that may be required into the future review of LDP2, including any future decisions that may need to be made around site allocations.