Buckinghamshire Employment and Retail Evidence

Executive Summary

Buckinghamshire Council

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LICHFIELDS

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Executive Summary

Buckinghamshire Council ('the Council') commissioned Lichfields to prepare an Employment and Retail Evidence study, in addition to a study considering the needs of 'modern economy' uses, to inform the preparation of the new Local Plan for Buckinghamshire. These studies have been presented in the following parts:

- Part A Employment Evidence Study,
- Part B Retail Evidence Study, and
- Buckinghamshire's Modern Economy ('the Modern Economy study').

The purpose of these studies is to help frame the approach to meeting the economic and retail needs of Buckinghamshire over the period to 2045, while also considering the strategic vision of the Council. Together, they will help inform the production of a new Local Plan for Buckinghamshire by assessing the economic development and retail/town centre needs in Buckinghamshire in line with the latest National Planning Policy Framework (NPPF – December 2024) and Planning Practice Guidance (PPG).

It should be noted that the analysis contained in the Part A and Part B studies was prepared primarily in mid-2023, and it was partially updated in early 2025 to account for the NPPF and standard method for assessing housing needs published in December 2024, as well as to take account of the latest available economic and retail expenditure forecasts at the time of updating.

The key messages and policy implications identified through each study are summarised below.

Employment Evidence

1 Recent and long-term employment growth in Buckinghamshire has been strong, particularly in logistics and information & communication sectors that remained resilient during and after the Covid-19 pandemic. However, Buckinghamshire has an over-representation in the professional services and finance sectors, which have not yet fully rebounded. Buckinghamshire supports a larger share of micro firms (0 to 9 workers) in comparison to the South East and the UK. The focus of businesses is mainly concentrated within the main settlements of Aylesbury, High Wycombe, Amersham, Chesham, and Buckingham, alongside various firms located around the main transport network and notably the M25, M4 and M40.

2 Local workers in Buckinghamshire tend to have achieved a higher level of NVQ4 and above qualification attainment than the regional and national average. This aligns with a higher proportion of local residents employed in higher-skilled occupations compared to the regional and national average. Buckinghamshire's residents, and those who work in Buckinghamshire, have higher levels of earnings compared to the regional and national averages.

3 An analysis of the Functional Economic Market Area (FEMA) in and around Buckinghamshire across various market areas, including labour, housing, commercial property market, and transport and connectivity highlights that the FEMA relevant to Buckinghamshire extends across the former local authority area of Aylesbury Vale, Chiltern, South Bucks, and Wycombe covering the entirety of the Buckinghamshire Unitary Authority area. While there are also strong economic relationships between Buckinghamshire and Slough/Berkshire, Oxfordshire, Milton Keynes and London, these relationships are not generally strong in all aspects to be included in the Buckinghamshire FEMA.

4 Buckinghamshire's employment space comprises significantly more industrial than office space. The overall quantum of office employment stock has decreased by approximately 15.6% over the last decade according to Valuation Office Agency (VOA) data; meanwhile, industrial floorspace increased by 2.8%. Most of the industrial space is concentrated within industrial areas in designated employment locations such as Pitstone Green Industrial Estate and alongside the key road corridors. By contrast, office space tends to be clustered in and around main town centres of Aylesbury, High Wycombe, Marlow, and Gerrards Cross.

5 There have been modest amounts of new employment development over the past decade. At the same time, Buckinghamshire has been losing a significant amount of office floorspace, mainly due to the introduction of Permitted Development Rights, which led to the loss of over 58,000 sq.m of office space and a loss of 33,700 sq.m of R&D since 2012/13. Conversely, industrial floorspace recorded significant net completions over the same period, showcasing net gains of 149,900 sq.m for warehouse and distribution (B8) uses and 80,800 sq.m for general manufacturing (B2).

6 The market performance indicates that there is a perceived undersupply of high-specification, modern office space in Buckinghamshire. While a lot of outdated and poor office stock has been lost to residential uses through the Permitted Development Rights, there is still a lot of stock within town centres that would require refurbishment to meet the modern demands of occupiers. In addition, across Buckinghamshire, there is an overall demand for more flexible and smaller office spaces to meet the needs of new businesses and start-ups.

7 In terms of industrial, there is buoyant demand and tight supply in the industrial and B8 market, which is reflected in the consistently low vacancy levels (c 4.2%). This is reflected by the strong take-up, which, against the current available supply, results in just one year of supply according to CoStar data. The increasing rents also indicate a strong market position.

8 Five alternative scenarios of future employment space requirements have been considered based on several approaches, which reflect economic growth, past development trends, and labour supply factors, and reflect the approaches defined in the PPG. The overall gross requirements related to these different scenarios range from 324,690 sq.m to 966,800 sq.m for all types of employment space to 2045, implying in broad terms a need for 62.9 ha and 219.4 ha of employment land. When reviewing the requirements for individual uses, the range of requirements for offices and R&D range from -126,110 sq.m to 223,420 sq.m, while the equivalent for industrial and distribution uses is from 141,490 to 816,620 sq.m.

9 Scenario 1B (Labour Demand Scenario based on Experian economic forecasts), which indicates a need for 206,510 sq.m of office and R&D floorspace and 684,370 sq.m of industrial and warehousing floorspace, is a reasonable starting point as the minimum employment space requirement that the Local Plan should seek to provide for to 2045. Scenario 3 (Labour Supply based on population growth) indicates the highest level of employment need. This results from planning for the full level of housing under the standard method, in line with the NPPF. This would increase the economically-active population which could sustain more economic activity within the local economy.

10 Beyond this minimum requirement, Scenario 2B (past trends based on commercial data) suggests that – for industrial and warehousing uses, at least – trends indicate market potential that could justify planning for a higher level of need over and above the minimum recommended, equating to 132,250 sq.m or 33 ha above the Experian forecast. The Council will also need to consider providing additional supply if it chooses to plan for Scenario 3 labour

supply which aligns with the full housing growth anticipated under the standard method, which would generate an increased economically-active population and associated employment land requirements. The effect of this is to increase the total employment land requirement to 219.4 ha, compared to 202.1 ha under Scenario 1B

11 The current supply of employment land totals 173.5 ha, comprising around 313,000 sq.m (or 59.4 ha) in relation to extant planning permissions (at March 2024) and c 457,000 sq.m estimated capacity within 114.1 ha of proposed employment allocations. A third of the emerging supply of employment space (30%) is concentrated around town centres and mostly around Aylesbury and High Wycombe town centres. The remaining 70% of the emerging supply comprises employment sites outside the town centres and is mainly attributed to Enterprise Zones (EZ) and their associated employment sites, specifically Silverstone Park EZ, Arla/Woodland EZ and Westcott EZ.

12 There is an undersupply of 28.6 ha against the recommended minimum requirement of 202.1 ha (Scenario 1B), and this deficit would increase to 42.4 ha and 45.9 ha under the Scenario 2B and Scenario 3 respectively. The position could be further exacerbated by any potential delays in site delivery, non-implementation of some extant planning permissions, or changes to currently assumed site trajectories. The Council will therefore need to identify additional land not only to meet the quantitative requirements arising under the scenarios, but also to ensure sufficient flexibility across different locations and to support delivery.

The Employment Study has identified a number of policy and strategy recommendations including:

a Seek to provide for a minimum of 206,510 sq.m of office/R&D floorspace and 684,370 sq.m of industrial/warehousing floorspace or 202.1 ha of employment space in Buckinghamshire between 2024 to 2045. However, as noted above, other scenarios indicate higher levels of employment land requirements over and above this and there is also a need for additional land to be made available for flexibility and to increase market choice.

b Create a hierarchy between the various types of employment sites, taking into account their scale and significance, and provide these sites with the necessary policy protection. For instance, Enterprise Zones, their associated employment sites and active economic clusters, such as Westcott, Silverstone and Pinewood Studios provide valuable employment space for specialist uses for key growth sectors. As such, these sites would benefit from having a specific designation, such as ‘strategic employment allocations’. In addition, as a second tier of safeguarding employment activity, the Local Plan should specifically designate the 35 key employment areas (included in Table 8.2 of the Part A study) to encourage no loss of employment space. For the remaining sites with employment activity, which could be falling under a tier three category called ‘local employment sites’, the conversion or redevelopment of land or buildings currently in Class E(g)/B to other uses should only be approved subject to a set criteria-based approach.

c Consider the spatial distribution of employment supply to support the overall sustainability of future growth. Most emerging supply is located within North and Central Buckinghamshire and in out-of-town centres. As such, locally generated employment needs outside of North and Central Buckinghamshire should be accounted for by reviewing how smaller employment sites can be provided to meet local demand from businesses. This could include protecting and making best use of existing employment areas, and promoting their renewal and upgrading. In addition, this could also be aligned with the Council’s economic growth and regeneration plans for a number of the main centres.

d Seek to provide a supportive framework for the continued use and potential growth of rural employment sites across Buckinghamshire, subject to the usual planning factors, including a criteria-based approach to maintain the buoyant offer of rural sites across the Council and also safeguard affordable space for start-ups.

e The identified supply should be phased across the Plan period – i.e., over the short, medium and long-term (structured broadly in a five-year period) given the uncertainties and to allow for any delays associated with the larger employment allocations. This would allow sites to be assessed consistently to determine at what point in the Plan period they may become available to meet office/R&D and industrial/warehousing needs.

f Seek to support infrastructure improvements across the main employment locations and future allocations, including where these could facilitate the identified intensification opportunities on existing employment land. For example, a number of the Enterprise Zones are located in locations that are not easily accessible by public transportation and would benefit from a greater investment in infrastructure and a range of services and access to amenities.

Retail Evidence

1 In response to the growth of home shopping and other trends, town centres have changed and diversified. The role of food/beverage, leisure and non-retail service sectors have increased. However, the shop vacancy rate in Buckinghamshire remains relatively high. The recent decline in town centres is likely to be structural rather than cyclical and a more flexible approach to town centre uses is required. The implications of the cost-of-living crisis also endorse a cautious approach. Shopping behaviour will continue to change, and town centres will need to respond by providing a combined retail and leisure experience.

2 Buckinghamshire has a well-established network of centres that serve their respective areas, but the categorisation of centres is not consistent across the four previous development plans. High Wycombe and Aylesbury are by far the largest centres with a wide choice of retail outlets, food/beverage and service uses. These two centres have sub-regional catchment areas.

3 Other smaller centres vary significantly in size from around 50 units (Great Missenden) to over 200 units (Marlow) or between 3,000 sq.m to 35,000 sq.m in terms of total floorspace. The catchment area of centres overlap to a significant extent, particularly in the south of Buckinghamshire, and there is a degree of internal competition between centres.

4 Continuing to identify the hierarchy of centres in future development plans is important in ensuring the vitality and viability of centres is maintained and enhanced. The network of centres should continue to be protected and enhanced to ensure appropriate accessibility to important facilities for all sections of the community and to ensure sustainable shopping patterns.

5 The NPPF states that local planning authorities should assess the quantitative and qualitative needs for land or floorspace for retail and leisure development over the plan period. When planning for growth in their town centres, local planning authorities should allocate a range of suitable sites to meet the scale and type of retail development needed. It is important that the needs for retail and other main town centre uses are met in full and not compromised by limited site availability.

6 The combined floorspace projections (cumulative) for retail, food/beverage and commercial leisure/entertainment/cultural floorspace up to 2035 is 59,200 sq.m gross, growing to 93,000 sq.m gross by 2040, and increasing to 140,400 sq.m gross by 2045. These floorspace projections

should not be adopted as rigid targets or maximum or minimum requirements but viewed as broad guidance and a starting point for the review of site-specific allocations and development management policies.

7 Long term floorspace capacity forecasts beyond 10 years are susceptible to unforeseen circumstances. Growth forecasts for expenditure and turnover are particularly uncertain and need to be carefully monitored, including the continued growth in home/internet shopping. Long-term projections must be treated with caution and kept under review, particularly projections beyond 2035.

8 The combined total projection to 2045 of 140,400 sq.m gross should be viewed in the context of the current amount of vacant shop floorspace in Buckinghamshire (about 43,000 sq.m gross). Based on a reasonable reduction in shop vacancy rates, reoccupied space could in theory accommodate just under a quarter of the projected need to 2035. However, there is likely to be a shift from retail space to food/ beverage and leisure/cultural uses, with vacant shop premises also converting to these uses. Not all vacant units will be suitable for conversion to leisure/ cultural uses, therefore new development may be required to accommodate some new uses.

9 Most (about 85%) of the projected capacity for new floorspace relates to population growth rather than growth in expenditure from the existing population. Major housing developments, potentially including urban extensions and/or new settlements, are like to be required to meet the standard method housing figures. The spatial distribution of planned housing growth may influence where any new floorspace needs to be provided.

10 Residents across Buckinghamshire have good access to a range and choice of food stores and there are no obvious areas of deficiency in food store provision. Although the discount food sector is not currently represented in the southeast of Buckinghamshire planning permission has been granted for a new store in Amersham. There is good accessibility to a range and choice of comparison goods shopping destinations and food/beverage facilities due to the distribution of town centres within and surrounding Buckinghamshire and many retail parks and large out of centre stores.

11 Residents in Buckinghamshire have a relatively good range of commercial leisure and entertainment uses within the authority area and within neighbouring settlements including Milton Keynes, Maidenhead and Slough and there is good rail access to facilities within Central London. The scope for some traditional leisure activities often found in town centres may be limited e.g. cinemas and theatres, but new emerging leisure activities such as escape rooms and virtual golf centres should provide more potential. Given the fragmented nature of these sectors it is difficult to precisely quantify the potential demand for these uses over the next 20 years.

12 There is capacity to accommodate an additional 25,400 sq.m gross of commercial leisure and cultural floorspace by 2045, which could include: 10 large or 20 medium sized health and fitness facilities (about 1,000 new fitness stations in total); small scale tourist attractions/ cultural facilities such as museums/ galleries; and a bingo facility and other new leisure innovations e.g. trampolines, indoor climbing, escape rooms, virtual sport activities.

13 The Council will need to be cognisant of competing demands for land within the town centres including for both employment and residential development, as well as wider administrative, health, and education needs to support a growing population when identifying sites for the emerging Local Plan. In practice the Council may wish to pursue a balanced mix of uses in order

to continue the diversification of the centres, albeit this will depend on the broader spatial strategy for housing development across the Local Plan.

The Retail Study has identified a number of policy and strategy recommendations including:

a Identifying the hierarchy of centres and the boundaries of centres in the Local Plan is important in terms of ensuring the vitality and viability of town and local centres is maintained and enhanced as important hubs for the community, through the application of the impact test; directing retail and main town centre uses to appropriate accessible and sustainable locations, through the application of the sequential approach to site selection; and identifying a viable role and strategy for each centre.

b Future planning policy should seek to ensure new mixed-use developments are flexible. The design and configuration of buildings should allow for the merger and sub-division of units, offering maximum flexibility to respond to changing operator requirements over the plan period.

c The floorspace capacity projections suggest there is a requirement to allocate sites for retail or leisure development to accommodate projected growth for the first ten years of the Plan period through to 2035. The priority in the short-term will be the reoccupation of vacant shop units. The future strategy should be flexible to respond to new investment that cannot be accommodated in vacant units. Some redevelopment, refurbishment and expansion may be required in addition to the reoccupation of vacant units, ideally within town centres to accommodate future investment opportunities.

d However, all the residual need for development is unlikely to be accommodated within the town centre boundaries. A significant element of the residual retail, food/beverage and leisure floorspace capacity is likely to be accommodated within urban extensions and/or new settlements in the form of new town, district or local centres. Future allocations (subsequent masterplans and/ or outline applications) would need to assess the specific need for a mix of retail, food/ beverage and leisure floorspace as well as the potential for the catchment population to utilise existing centres, depending on the respective locations of new major housing sites.

e Aylesbury and High Wycombe should be designated as Sub-Regional Town Centres at the top of hierarchy. However, these two town centres have the highest concentration of vacant floorspace, suggesting these centres could accommodate more growth than that suggested by existing shopping and leisure patterns. Their role should continue to provide the focus for major retail and leisure development in Buckinghamshire serving communities within the northern and southern halves of the authority area.

f The other smaller centres in Buckinghamshire could be re-categorised as either Town, District or Local Centres. Amersham on-the-Hill, Beaconsfield New Town, Buckingham, Chesham, Gerrards Cross, Marlow and Princes Risborough should be designated as second tier Town Centres. These centres are relatively freestanding and self-contained catchment area and have a reasonable selection of comparison goods shops and large food stores (over 1,000 sq.m net) suitable for main and bulk food shopping.

g Amersham Old Town, Beaconsfield Old Town, Burnham, Chalfont St. Peter, Great Missenden, Wendover and Winslow should be designated as District Centres. These centres have less self-contained catchment areas and are relatively close to a larger centre, falling within the primary catchment area of that more dominant centre. District Centres provide a more limited choice of comparison goods shopping than the larger Town Centres and tend to have smaller food stores (less than 1,000 sq.m net) suitable for basket and top up food and grocery shopping rather than main and bulk food shopping.

h Smaller Local Centres serve their respective settlement and a small rural hinterland. Local Centres have a small range and choice of comparison goods shops and have basket/top-up food and grocery shopping facilities rather than large stores suitable for main and bulk food shopping. These smaller centres are important in providing day-to-day facilities for residents, preventing the need travel longer distances (often by car) to meet these needs. The role of district and local centres should continue to be protected.

i Local Plan policy should set out the sequential and impact tests and which designated centres need to be considered. The NPPF minimum threshold of 2,500 sq.m gross is an inappropriate threshold. The lower retail capacity projections, relatively high vacancy rates in some centres and uncertainties about the cost-of-living crisis suggest town centres are now more vulnerable to out-of-centre developments. A lower impact threshold in line with the Sunday trading limit (around 400 sq.m gross or 280 sq.m net sales) is appropriate for all centres except Aylesbury and High Wycombe, to protect the vitality and viability of designated centres in Buckinghamshire. All retail and leisure developments over 1,000 sq.m gross (combined) in Aylesbury and High Wycombe 400 sq.m gross (combined) elsewhere, proposed outside or on the edge of designated town and local centres should be required to prepare a proportionate impact assessment, including retail and leisure uses included within mixed use allocations. The level of detail required in the impact assessment will vary case-by-case and it is for the applicant to provide robust justification that their impact assessment is robust, appropriate and proportionate.

j All main town centre uses regardless of scale are required to comply with the sequential test. However, the PPG suggests some certain main town centre uses have "particular market and locational requirements that mean they may only be accommodated in specific locations", but robust justification must be provided to satisfy the sequential test in this respect. This approach may allow local facilities to be provided in areas that may be poorly served and/or within mixed use development to provide facilities catering for the local needs of the development, without needing to consider the sequential test.

k Local plans should define clear boundaries for town and local shopping centres on the Policies Map, which is important when applying the sequential approach, to direct retail and other town centre uses to sustainable locations and determine whether a retail impact assessment is required.

l The retail floorspace capacity projections and the high number of vacant units in centres suggest there is no need to significantly extend the centre boundaries to accommodate future growth. The contraction of some centre boundaries could be considered where there is a concentration of non-town centre uses or vacant shop units. Boundary adjustments could be considered in Aylesbury, Buckingham, Gerrards Cross, Marlow, and Princes Risborough.

m The new Local Plan could continue to designate Primary Shopping Areas (PSA) within Aylesbury and High Wycombe to manage the mix of uses and protect the vitality and viability of the centre. The designation of a PSA in other smaller centres is unnecessary.

n Primary Shopping Frontages could be identified in Aylesbury, Chesham and High Wycombe. Within Primary Shopping Frontages the retail offer could still be protected and uses within

Class E could be retained whilst maintaining an active frontage. Within other parts of the Sub-Regional and Town Centre, and in District and Local Centres, a wider range of main town centre uses including Class E, Sui Generis and Class F should be protected and promoted, but it is not necessary to designate Secondary Shopping Frontages in this area.

o Within District and Local Centres the designation of centre boundaries only should be sufficient. Within these boundaries, main town centre uses should be protected adopting a similar approach to Secondary Shopping Frontages.

Modern Economy Study

1 The Modern Economy Study responds to the introduction of the concept of planning for a 'modern economy' within the December 2024 update to the NPPF. Paragraph 86c states that planning policies should *"pay particular regard to facilitating development to meet the needs of a modern economy, including by identifying suitable locations for uses such as laboratories, gigafactories, data centres, digital infrastructure, freight and logistics."* The NPPF definition of the modern economy is linked to, but not equivalent to, the eight growth-driving sectors identified within the June 2025 UK Modern Industrial Strategy.

2 The study has been scoped to consider the development potential of four specific land uses, namely laboratories, gigafactories, data centres, and freight and logistics, based on their existing footprint within Buckinghamshire, comparative advantages and growth potential.

3 A review of the extent of, and demand for, the modern economy sectors at the national and local levels has been based on a range of data sources, including the Valuation Office Agency (VOA) and the Office for National Statistics (ONS).

a For laboratories, this revealed a spread of established businesses related to laboratory activities across Buckinghamshire, primarily within office-based spaces related to Medical Technology (MedTech) and the pharmaceuticals industry.

b Gigafactories, conversely, are an emerging sector at the national level, and as such there is no existing presence within Buckinghamshire. However, the Silverstone cluster hosts a range of businesses within the wider automotive sector.

c There has been rapid growth in data centre development across London and the South East in recent years, with particular focus on the Slough-Hayes corridor as cloud service providers seek to locate within the 'Slough Availability Zone'. This makes the south-eastern extent of Buckinghamshire an attractive location for data centres, however, this will also be influenced by the strength of infrastructure connections, particularly power supply.

d Buckinghamshire has an existing concentration of freight and logistics businesses in and around its key towns, owing to its positioning on the western border of London with strategic road connections via the M25, M4 and M40. However, as shown in the Part A Employment Evidence Study, much of the stock of storage and distribution floorspace within Buckinghamshire pre-dates 2000, implying the existing stock may not reflect the needs of the modern economy.

4 A review of the locations of firms operating within the core modern economy sectors in Buckinghamshire, in addition to their supply chains, demonstrates notable supply chain clusters within the laboratory-related sector. This also applies but to a lesser extent within the digital infrastructure and freight and logistics sector. There are a number of businesses within the wider engineering and automotive sectors across Buckinghamshire, particularly in and around

Aylesbury and High Wycombe, demonstrating that the potential for growing this sector within Buckinghamshire is not confined to the Silverstone area.

5 Growth in employment in the modern economy sectors in Buckinghamshire has outstripped overall employment growth over the past decade, with significant increases seen in the digital infrastructure sector in particular. A review of occupations data shows that the comparative advantage of Buckinghamshire's residents lies within higher-skilled roles, with a relative underrepresentation of manual occupations compared to both the national average and within the modern economy sectors.

6 In terms of future trends, the national outlook for the laboratories sector is strong, with high and rising demand outstripping the available supply of premises in key locations. Despite a high level of activity within the Oxford to Cambridge Growth Corridor, there has been limited evidence of current interest from laboratory occupiers specifically taking space in Buckinghamshire. However, there are opportunities for laboratory and related R&D floorspace within the established Enterprise Zones at Westcott Venture Park and Silverstone as new growth opportunities arise.

7 The locational needs and requirements for gigafactories are intrinsically linked to the electric vehicle (EV) market. Buckinghamshire already hosts part of the wider EV and automotive supply chain through activities at Silverstone, including businesses that are involved in innovating new electric motor and battery technology. Nationally, significant additional gigafactory capacity is required to meet forecast demand by 2030. In general, planned capacity tends to be located in proximity to existing EV manufacturing plants (e.g. Sunderland and Coventry) but due to the physical scale requirements, they can also be located in a wider catchment of the car manufacturers (e.g the Tata Group Agratas facility, supplying Jaguar Land Rover (in Birmingham), is to be located at the Gravity Smart Campus in Somerset). Considering the above, it would appear less likely that any new gigafactories would be located in Buckinghamshire, given the absence of large scale EV manufacturing facilities as well as the prevalence of existing planning constraints and higher land values. ,

8 The data centre market is projected to experience high growth over the medium term, with increasing pressure on capacity arising from the computational demands of Artificial Intelligence (AI). This is likely to increase demand for data centres capable of hosting advanced AI systems, including 'hyperscale' data centres. The Slough-Hayes Corridors (Slough Availability Zone) and East London data corridor have seen significant growth in recent years, and this is forecast to continue. The southern parts of Buckinghamshire fall within the Slough Availability Zone, and locations such as the area around Iver are expected to continue attracting interest from data centre developers. The additional need for data centres is not quantified in conventional 'floorspace' terms but instead in terms of megawatt (MW) capacity and requirements within specific Availability Zones, as appraised in a number of recent appeal and Secretary of State decisions related to proposals in Buckinghamshire. On this basis, each application should be considered on an individual basis including how the site links to the existing network and adds to the required capacity of the established corridors/availability zones. This could be reflected in the Local Plan data centre guidance recommended in (d) below.

9 The freight and logistics sector is identified as a key enabler to the growth-driving sectors identified within the UK's Modern Industrial Strategy. The sector has a large footprint within the national economy, and the nature of activity within the sector is evolving with increased integration of AI, digital and cybersecurity technologies. Nationally, over the medium-term

there is likely to be increased demand for micro-fulfilment centres to facilitate faster deliveries for the e-commerce sector, while demand for larger-scale premises is likely to continue to make use of the latest smart warehousing technology. Changes in the nature of demand at both scales are likely to influence future development within Buckinghamshire.

The Modern Economy study identifies a number of potential implications for planning and economic development policy within Buckinghamshire:

a Planning policy should seek to reflect the spatial and location requirements of both established and emerging industries within Buckinghamshire. This may include consideration of supporting laboratory-based and laboratory-related industries – including life sciences, MedTech, pharmaceuticals, space research and high-performance technology – to reflect Buckinghamshire's established clusters and strengths in relation to both the NPPF requirement to plan for the modern economy, and the eight sectors set out in the UK Industrial Strategy.

b It should be highlighted that the need for **laboratories** (and related R&D space) is captured and quantified within the Part A Employment Land Evidence study and the sector is considered to have potential for further development within the Plan period, but no more additional land than what is identified in the Part A study is estimated to be required.

c Whilst it is not anticipated that Buckinghamshire would specifically plan to host a **gigafactory**, the Council may wish to consider how best to support the existing automotive industry within Buckinghamshire, in particular at Silverstone, to leverage the opportunities afforded by supporting the net zero transition in the industry.

d Buckinghamshire has significant potential to host **data centres**, particularly within the Iver area, owing to the high and growing demand for locations along the strategic Slough-Hayes data centres corridor. There have been a number of planning applications for data centres, several of which have recently been allowed by the Secretary of State on appeal. These needs are likely to be additional to the general employment land needs as set out in the Part A study, measured in MW capacity terms within the relevant Availability Zone rather than in conventional floorspace terms. In future, the Council may consider allocating suitable sites for data centre development to ensure that locations strike a balance between meeting the needs of industry and minimising harm to the Green Belt. In particular, provisions for 'grey belt' in the December 2024 NPPF may help to facilitate data centre development. A proactive policy approach with clear guidance and/or allocations would give greater certainty to the market, and help realise what is clearly strong market demand but in a way which means the Council can give greater policy direction as opposed to responding to 'ad hoc' planning applications and/or appeals.

e In terms of **freight and logistics**, building on the distribution floorspace requirements and recommendations set out in the Part A Employment Evidence Study, policy may seek to encourage retrofitting older elements of the existing stock, improving sustainability and increasing its lifespan – while also ensuring any new additions to the stock are capable of utilising the latest technology and adapting to future innovations.

f It is considered that the existing Buckinghamshire FEMA is not altered by the findings of the Modern Economy study. While some activity – for example, automotive-related engineering at Silverstone or the southern part of Buckinghamshire falling within the Slough Activity Zone for data centres – may extend the existing FEMA boundary to some degree, it is not considered that future growth of these clusters would fundamentally influence Buckinghamshire's overall economic geography as assessed in the Part A study.