



MS04: Meeting Business and Industrial Needs

Hearing Statement
February 2026



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4. Meeting Business and Industrial Needs

Whether business and industrial needs are adequately catered for by the plan.

a) Existing commitments and whether the plan makes sufficient provision for business and industrial needs

- 4.1. As set out in **MS-TP3**, the Council commissioned a focussed update to the 2022 Economic Growth Assessment (EGA 2022) [ED2]. A summary of the update and its conclusions is provided below. The update has been added to the examination library [ED7].
- 4.2. The focussed EGA 2026 update concentrates on Chapter 4 'Growth Scenarios and Employment Land Requirements' of the EGA 2022 to take account of the latest economic outlook, specifically to reflect the most up to date forecast metrics and data to estimate future economic growth needs for the district. The update has been undertaken in accordance with Planning Practice Guidance and it utilises a methodology consistent with the EGA 2022 for consistency purposes.

Scenarios

- 4.3. The three economic growth scenarios in the existing EGA 2022 have been updated covering the Local Plan period 2021-2040 (as confirmed by the Inspector). The scenarios are as follows:
 - **Scenario 1** (labour demand) draws on projections of employment growth produced by Experian (using the latest available October 2025 release) to consider short- and long-term effects of macro-economic trends upon economic growth prospects for the district over the plan period.
 - **Scenario 2** (past development rates) considers past development trends in completion of employment space based on the latest available monitoring data provided by West Sussex County Council.
 - **Scenario 3** (labour supply) estimates of future growth in local labour supply based on the districts updated housing need (i.e. Standard Method) of 1,090 dwellings per annum and the estimated jobs supported by this, based on assumptions consistent with the Strategic Housing Market Assessment (SHMA) 2024 [[H6](#)].

Scenario 1-3 Conclusions

- 4.4. Scenario 1 (labour demand) generates planning requirement for 64,860 sq.m or **15.2 ha** of employment land over the period **2021-2040**, the majority of which relates to light industrial (E(g)(iii)) and distribution (B8) uses.

- 4.5. This is higher than was estimated in the EGA 2022 due to the macro-economic outlook being more positive when compared to September 2021, which is to be expected given that the impacts of Covid-19 have largely been recovered.
- 4.6. Scenario 2 (past development rates) identifies, based on monitoring data of completions of employment space between 2011/12 and 2024/25, that the average annual net completions of employment space amounted to c.6,850 sq.m. Net completions recorded between 2021/22 and 2024/25 (i.e. the first 4 years of the plan period) total around 41,090 sq.m. Projecting forward the average annual net completion rates for the remaining 2025 to 2040 period and adding the 2021/22 to 2024/25 completions, results in an employment floorspace requirement for the **2021 to 2040** period of approximately 161,210 sq.m, equivalent to **38.4 ha** of land.
- 4.7. This is higher than the EGA 2022 findings and is due to the increased level of development activity since 2021.
- 4.8. Scenario 3 (labour supply) identifies that the labour supply growth aligns with the findings of the SHMA 2024 regarding the jobs that could be supported by the demographic projections in relation to the housing need figure of 1,090 dpa to 2040. This implies a gross need of between 108,720 sq.m and 128,650 sq.m, or **25.5ha to 30.1 ha**.

Overall Conclusions

- 4.9. Combining the above conclusions, the updated analysis indicates that an economic development need between 64,860 sq.m and 161,210 sq.m (**15.2 ha to 38.4 ha**) is forecast in Mid Sussex for the plan period from **2021 to 2040**. Whilst this is higher than the EGA 2022 findings it is not significant. The update states that overall, the scale of requirement is proportionately higher than the EGA 2022 evidence and the difference relates to a more positive economic outlook, increased delivery rates and an increased plan period of 2 years.
- 4.10. The update notes that Scenario 2, which implies the highest requirements, is not considered to provide a reliable basis upon which to base future requirements for data availability reasons (set out in paragraph 2.18 of the update) and that Scenario 3, which implies **a need of up to 30.1 ha**, is considered to better match the plans strategy.

Updated supply position

- 4.11. In light of the update to the EGA and the updated employment requirements, the Council has set out below the updated employment floorspace supply position.
- 4.12. The table below shows the updated position of the employment site allocations in the Site Allocations DPD (policies SA2-SA9). Sites SA4: Land north of the A264 Junction 10 of M23, SA6: Marylands Nursery, Cowfold Road and SA7: Cedars, Brighton Road have been completed so are not included in the later supply calculations.

Table 1: Policy SA1: Sustainable Economic Development - Additional Site Allocations (SA2-9)

Settlement	Policy Ref.	Site Name	Employment Uses	Available Land (ha)	Status
Burgess Hill	SA2	Burnside Centre, Victoria Road	E(g)/B2	0.96	None
Burgess Hill	SA3	Site of former KDG, Victoria Road	E(g)/B2/B8	1.1	None
Copthorne	SA4	Land north of the A264 at junction 10 of M23	E(g)/B8	2.7	Complete
Bolney (and part Hurstpierpoint and Sayers Common)	SA5	Land at Bolney Grange Business Park	E(g)/B2/B8	7	Outline application (DM/23/3208) for erection of 10 x Class E(g), B2 and B8 flexible use commercial units approved 09/06/25.
Bolney (and part Hurstpierpoint and Sayers Common)	SA6	Marylands Nursery, Cowfold Road	B8	2.4	Complete
Pease Pottage	SA7	Cedars, Brighton Road	E(g)/B2/B8	2.3	Complete
Pease Pottage	SA8	Pease Pottage Nurseries, Brighton Road	E(g)/B2/B8	1	None
Burgess Hill	SA9	Science and Technology Park	E(g)/B2	48.75	None
Total (ha)				66.21	
Total Complete (ha)				7.4	
Total Remaining (ha)				58.8	

- 4.13. West Sussex County Council (WSSC) publish commercial completions and commitments monitoring data (CILLA). The latest WSSC CILLA data is based on commitments as at 31st March 2024. The 2025 data has not yet been finalised. The WSSC data includes commitments in E(g)(i) office use, E(g)(ii) research and development use, E(g)(iii) industrial processes use, B2 general industry use and B8 storage and distribution use which includes sites with outline planning permission, sites with full planning permission but where development has not yet started, and sites where development has started.
- 4.14. Table 2 below shows the gross land requirements by use class identified by the updated EGA against the total commitment by use class from the latest available commercial completions and commitments monitoring data (CILLA) from West Sussex County Council (WSSC).

Table 2: Gross land requirements (ha) against total commitments from WSSC CILLA monitoring data (ha)

Use Class	Gross Land Requirement (ha)	Total commitment (ha)
E(g)(i): Office	3.1	0.23
E(g)(ii): Research and Development		0.07
E(g)(iii): Industrial Processes	15.8	0
B2: General Industry	-1.3	2.9
B8: Storage and Distribution	12.9	0.94
TOTAL	30.1	4.14

- 4.15. Taking together the total commitment figure from the remaining employment site allocations (**58.8 ha**) and the commitments from planning permissions (**4.14 ha**) this totals **62.95 ha** against the updated requirement figure of up to **30.1 ha** identified in the updated EGA, Table 3 below shows there is an **oversupply of 32.85 ha** of employment land.

Table 3: Identified employment land requirements (ha) against committed supply (ha)

Identified Employment Land Requirement (ha)	30.1
Source	Available land (ha)
Remaining Employment Site Allocations (ha)	58.8
Employment commitments (ha)	4.14
Over-supply / deficit (ha)	+32.85

- 4.16. Due to the identified oversupply of committed employment land (+32.85 ha) against the identified employment land requirement (30.1 ha) the Council considers that the approach to

employment land as set out in Policy DPE3 within the submitted District Plan remains relevant and appropriate.

Proposed Modifications to Policy DPE3: Employment Allocations

- 4.17. [IDJB-02](#) requires the table in Policy DPE3: Employment Allocations and the background text to be revised to take account of the reality of Use Class E as a whole.

DPE3: Employment Allocations supporting text

- 4.18. The supporting text to Policy DPE3: Employment Allocations within the submitted district plan currently reads:

“The Economic Growth Assessment Update (March 2022) identifies employment need over the plan period. This is based on demographic data and employment growth projections aligned with forecast housing growth set out in policy DPH1: Housing. The latest growth projections identify no outstanding residual employment need, as there is sufficient committed supply (e.g. planning permissions and allocations) already planned for. Whilst there is potential for a deficit in Light/General industrial, this could be met by supply in Mixed B1 which includes Light/General Industrial uses.

Use	Requirement (ha)	Committed supply (ha)	Over-Supply / Deficit (ha)
Office - E(g)(i)/(iii)	3.4	4.9	+1.5
Light Industrial - E(g)(iii)	29.6	12.9	-9
General Industrial - B2	-7.7		
Storage and Distribution - B8	1.8	18.9	+17.1
Mixed B1	n/a	7.6	+7.6
TOTAL	27.1	44.3	+17.2

There is therefore no requirement to allocate additional employment land within this Plan. However, sustainable settlements DPSC2 and DPSC3 present an opportunity to provide a mix of uses on site to create sustainable communities. The provision of employment space on these sites will provide opportunities for residents to live and work locally, reducing the need to travel.”

DPE3: Employment Allocations proposed modifications to supporting text

- 4.19. It is proposed that the supporting text be modified slightly to refer to the updated evidence and updated figures to read as follows:

*“The Economic Growth Assessment Update (**February 2026**) identifies employment need over the plan period. This is based on demographic data and employment growth projections aligned with forecast housing growth set out in policy DPH1: Housing. The latest growth projections identify no outstanding residual employment need, as there is sufficient committed supply (e.g. planning permissions and allocations) already planned for”. **Whilst there is***

potential for a deficit in Light/General industrial, this could be met by supply in Mixed B1 which includes Light/General Industrial uses

<i>Identified Employment Land Requirement (ha)</i>	<i>30.1</i>
<i>Source</i>	<i>Available land (ha)</i>
<i>Remaining Employment Site Allocations (ha)</i>	<i>58.8</i>
<i>Employment commitments (ha)</i>	<i>4.14</i>
<i>Over-supply / deficit</i>	<i>+32.85</i>

4.20. *There is therefore no requirement to allocate additional employment land within this Plan. However, sustainable settlements DPSC2 and DPSC3 present an opportunity to provide a mix of uses on site to create sustainable communities. The provision of employment space on these sites will provide opportunities for residents to live and work locally, reducing the need to travel.*

b) The approach to distribution, including strategic distribution

- 4.21. As set out in [MS-TP3](#) the adopted District Plan [[BD1](#)] and Sites Allocations DPD [[BD2](#)] took a proactive approach to supporting economic growth by providing allocations in excess of employment need. This means that no new site allocations are proposed in the submitted District Plan.
- 4.22. With regards to the distribution of the existing site allocations, the majority are strategically located in close proximity to the A23 Strategic Road Network (SRN) corridor, which runs north to south through the district. This was the preferred spatial strategy due to the location of Mid Sussex within the Gatwick Diamond and the potential to enhance the economic prosperity of the area.
- 4.23. In addition, **Policy DPE2: Existing Employment Sites** seeks to protect existing employment sites, which are spread throughout the district and cover a wide range of employment generating uses.
- 4.24. The strategic distribution of site allocations close to the A23 SRN corridor combined with protection of the existing employment sites that are distributed throughout the district, ensures that there is sufficient coverage of employment sites of all types to help meet the aims of **Policy DPE1: Sustainable Economic Development**.

c) The existence of any growth sectors or clusters and the plan's approach to them

- 4.25. **Policy DPE1: Sustainable Economic Development**, criterion 4) sets out that sustainable economic development will be achieved through promoting inward investment opportunities as well as promotion and expansion of clusters or networks of knowledge and data-driven, creative or high technology industries.
- 4.26. The Sustainable Economy Strategy and Action Plan supports the delivery of Policy DPE1, attracting and promoting inward investment, and facilitating high value employment development, effective partnership working to secure key supporting infrastructure including rolling out full fibre and 5G infrastructure, the revitalisation of the town centres and development of centres of excellence and clusters of specialist industries.
- 4.27. This is supported by the West Sussex Economic Strategy 2025-2035 which identifies a strategic priority to “Grow high value sectors and distinctive clusters”. Across the county it identifies these as Biotech/Medtech, life sciences, photonics, sensors and computer hardware, advanced manufacturing, immersive technology, digital creative industries, artificial intelligence, professional and financial services and clean energy industries. As part of the West Sussex Economic area, Mid Sussex District Council is supporting the development of a high growth sectors and clusters study to identify strategies to support and grow these high value sectors.
- 4.28. Many of these high growth sectors already operate within Mid Sussex, with particular clusters being in advanced manufacturing, life sciences, quantum computing and professional & financial services, with a distinct cluster located at Burgess Hill. Companies are expanding in the area, moving into the area occupying newly completed industrial units (Panattoni Park) and are in discussions with developers for other sites including the Brookleigh Employment site. The new employment sites provide a range of unit sizes and are being brought forward for both leasehold and freehold supporting a wide range of businesses.

d) The plan's approach towards high tech operations, laboratories, R&D and data centres

- 4.29. High tech operations, laboratories, R&D and data centres are part of the submitted District Plan's approach to achieving sustainable economic development.
- 4.30. As set out in [MS-TP3](#), Section 5, the Council's Sustainable Economic Strategy and Action Plan [\[ED6\]](#) support the delivery of Policy DPE1: Sustainable Economic Development, attracting and promoting inward investment, and facilitating high value employment development and development of centres of excellence and clusters of specialist industries.
- 4.31. Policy DPE1 sets out, in criteria 4), that sustainable economic development will be achieved by 'promoting inward investment opportunities, promotion and expansion of clusters or networks of knowledge and data-driven, creative or high technology industries.'
- 4.32. As set out in [MS-TP3](#), Section 3, the adopted District Plan [\[BD1\]](#) and Site Allocations DPD [\[BD2\]](#) took a proactive approach to supporting economic growth and both provided allocations significantly in excess of employment need, therefore the Council has a strong supply of employment land. For example, Policy SA39: Science and Technology Park which allocates 48.75 ha for a Science and Technology Park.
- 4.33. By definition, a Science and Technology Park is a business support environment that encourages and supports the start-up, incubation and development of innovation-led, high-growth, knowledge-based businesses. Initiatives called by other names such as Research Park, Innovation Centre, Technology Park, Technopole or technology-based Incubator – where they aspire to meet the essential criteria set out above - are also included within the definition.
- 4.34. The Council is in ongoing and continuous engagement with the landowners to move the allocation to a planning application. In addition, the Council is engaging with potential future occupiers, including a locally based company who are market leaders in the Quantum Sector.

e) The approach to, and provision of, retail need

- 4.35. The Mid Sussex Retail Study (2022) [ED3] considers the district's need for retail and leisure provision, including quantitative and qualitative assessments of capacity, taking account of population and spending growth across the plan period to 2038.
- 4.36. Whilst the Retail Study identified that there is capacity for additional convenience goods floorspace over the plan period, it identified that there is limited need for additional comparison goods and leisure floorspace over the same period. The convenience floorspace capacity was found to have largely resulted from the strong performance of larger out-of-centre stores and was not considered to justify new allocations.
- 4.37. With regards to convenience floorspace, the Retail Study identifies that additional spending generated by new and existing residents should be used to bolster existing or proposed stores within existing centres, as well as to support the planned locations of residential and employment allocations in the development strategy in the submitted district plan.
- 4.38. The submitted District Plan includes a suite of policies relating to retail need, which take a criteria-based approach to facilitating future retail needs. These are **Policy DPE4: Town and Village Centre Development; Policy DPE5: Within Town and Village Centres; DPE6: Development Within Primary Shopping Areas; and DPE7: Smaller Village and Neighbourhood Centres.**
- 4.39. Policy DPE4 defines a hierarchy of the district's town and larger villages to assist in supporting development which is proportionate to the status of the centre within the hierarchy and maintains the distinctive character of the centre. The policy also defines the boundary for each of the centres and requires sequential testing for main town centre uses that are not in an existing defined town or village centre and are not in accordance with the submitted district plan and the relevant neighbourhood plan; and retail impact assessments for the construction of 500m² or more gross floorspace for the sale of convenience or comparison goods outside a town centre.
- 4.40. Policy DPE5 supports the development of main town centre uses within defined Town and Village Centres with the primary focus of supporting development that will sustain and enhance the vitality and viability of the centre. This includes flexibility to amalgamate and subdivide existing units in a centre to ensure it can adapt to the changing needs of existing and future occupiers and create high quality premises. It also includes meanwhile uses for the short-term use of temporarily empty shops or spaces until they can be brought back into commercial use. In addition, it includes the installation of delivery lockers as they have the potential to assist in supporting linked trips to a centre.
- 4.41. Policy DPE6 seeks to retain Class E uses within the Primary Shopping Area whilst also supporting changes of use within the Primary Shopping Areas where they will sustain and enhance the vitality and viability of the centre. The policy also supports residential uses at upper storeys; new developments for retail, food and beverage, and services uses compatible

with the Primary Shopping Area (through MS08: Development Management Policies – Proposed Modifications); and resists the loss of Class E and/or main Town Centre Uses to alternative non-main town centre uses.

- 4.42. Policy DPE7 supports the protection of neighbourhood centres and parades of main town centre uses in smaller villages to assist in meeting the needs of their communities and countryside areas. It supports changes of use where it can be demonstrated in accordance with marketing guidance at Appendix 1 of the Plan that the existing use is no longer viable, and the proposed use is appropriate in scale and function, will not result in adverse amenity impacts, and/or is in accordance with a relevant Neighbourhood Plan.
- 4.43. In addition, the three Significant Sites **Policies DPSC1: Land to the West of Burgess Hill / North of Hurstpierpoint; DPSC2: Land at Crabbet Park; and DPSC3: Land South of Reeds Lane** will provide neighbourhood centres which will include provision of retail uses. This is to ensure these sites will deliver mixed use development supported by infrastructure to create sustainable communities which can meet the day-to-day retail needs and reduce the need to travel in line with the requirements of **Policy DPSC GEN: Significant Sites Requirements**.

f) Flexibility towards changes of use

- 4.44. When considering flexibility towards changes of use, it should be recognised that the Council has sought to balance protecting employment and retail uses against supporting the delivery of new homes.

Employment

- 4.45. In response to the Inspector's comments on development management policies [[IDJB-02](#)] relating to the protection of employment sites and Use Class, modifications are proposed to **Policy DPE2: Existing Employment Sites**. This includes ensuring that the policy provides sufficient flexibility towards change of use. The proposed modifications for Policy DPE2 focus on retaining and enhancing existing employment sites and premises for their existing authorised uses within Use Classes B2, B8, E or Sui Generis uses of an employment character. It also encourages redevelopment, intensification and extension of employment sites and premises for uses of an employment character and also complementary and supporting uses where appropriate. Where development proposals do not conform with the policy requirements, applicants will need to demonstrate through evidence that there is no longer a reasonable prospect of the site being used for the existing authorised employment use or alternative employment uses or Sui Generis uses of employment character.
- 4.46. The proposed modifications will ensure the right balance is achieved between protection and flexibility in accordance with the requirements of para 82 (d) of the NPPF which requires: policies to be flexible enough to accommodate needs not anticipated in the plan, allow for new and flexible working practices (such as live-work accommodation), and to enable a rapid response to changes in economic circumstances.

Retail

- 4.47. Flexibility towards changes of use away from retail uses is supported through **Policy DPE6: Development within Primary Shopping Areas** and **Policy DPE7: Smaller Village and Neighbourhood Centres**.
- 4.48. As set out in e) above, Policies DPE6 and DPE7 seek to retain Class E uses within the Primary Shopping Area and protect neighbourhood centres and parades of main town centre uses in smaller villages, respectively. Policy DPE6 supports changes of use within the Primary Shopping Areas where they will sustain and enhance the vitality and viability of the centre. The policy also supports residential uses at upper storeys; new developments for retail, food and beverage, and services uses compatible with the Primary Shopping Area (through MS08: Development Management Policies – Proposed Modifications); and resists the loss of Class E and/or main Town Centre Uses to alternative non-main town centre uses. Policy DPE7 supports changes of use where it can be demonstrated in accordance with marketing guidance at Appendix 1 of the Plan that the existing use is no longer viable, and the proposed use is

appropriate in scale and function, will not result in adverse amenity impacts, and/or is in accordance with a relevant Neighbourhood Plan.

g) Whether the plan sufficiently supports rural business

- 4.49. Rural business is sufficiently supported in the submitted District Plan through **Policy DPE8: Sustainable Rural Development and the Rural Economy** and **DPE9: Sustainable Tourism and the Visitor Economy**.
- 4.50. Policy DPE8 supports economic development in rural areas including new economic development and extensions to existing facilities including leisure and tourism related development; diversification of activities on existing farm units and other land-based rural businesses; and the re-use and adaptation of agricultural and forestry buildings for business or sustainable rural tourism and leisure use.
- 4.51. Policy DPE9 recognises the important contribution tourism makes to the economy of Mid Sussex and supports the retention, expansion and creation of new tourism accommodation and attractions including outside of the built-up area boundary.
- 4.52. The Council's Sustainable Economy Strategy and Action Plan [ED6] has been refreshed for 2025-2028, to build on the work completed under the previous strategy and continue towards achieving the long-term vision. The refreshed Strategy:
- supports business growth across sectors,
 - supports and promotes the transition to a circular economy and use of local supply chains (ref: objective 3) with many local producers and artisan businesses located in rural areas; and
 - supports businesses to start up, grow and thrive in the district (ref: objective 6);
 - supports delivery and use of sustainable infrastructure including digital, to drive growth, support residents and visitors and provide a well-connected district (ref: objective 7) as well as working with partners to promote access to training and raise awareness of career pathways into key sectors.