

14 January 2026

Planning Policy Team
Colchester City Council
Rowan House
33 Sheepen Road
Colchester
Essex
CO3 3WG

Via email only: local.plan@colchester.gov.uk

Dear Sir/Madam,

Representations to Colchester City Council's Local Plan Review - Preferred Options Local Plan Regulation 18 Consultation 2025

We write on behalf of our client, Tarmac Trading Limited ('Tarmac'), to provide representations to Colchester City Council's ('CCC') Preferred Options Local Plan Regulation 18 Consultation. These representations are made in relation to Land east of Warren Lane, Colchester, CO3 0NN ('the Site'), as shown on the Site Location Plan included within **Appendix I**.

Supporting Information

In addition to this Letter, the representations are supported by the following:

- **Appendix I** – Site Location Plan;
- **Appendix II** – Employment Demand and Need Technical Note, prepared by Marrons;
- **Appendix III** – Transport Appraisal, prepared by Mode Transport Planning.

Introduction

These representations are submitted in relation to the Preferred Options Local Plan Regulation 18 Consultation 2025 to 1) promote the Site for employment uses; and 2) object to the extent of the proposed Strategic Biodiversity Area (Stanway Gravel Pits) that covers the entirety of the Site.

The representations set out details of the Site and surrounding context, the strategic planning context, the reasons why the Site is suitable for employment opportunity and should therefore be allocated for development within the Local Plan and the recent policy and legislative changes that have impacted the principle and quantum of development on the Site.

The representations then investigate the following elements related to the Site and its potential continued employment use: economic benefits, transport and accessibility, ecology, and residential potential.

Tarmac is the UK's leading sustainable building materials and construction solutions business, with over 100,000 acres of land within their control. Tarmac has significant land holdings to the south west of Colchester, including the Site to which these representations relates.

Tarmac is aware of the Call for Sites consultation which was undertaken between 20 October 2023 and 5 January 2024. At the time of the consultation, Tarmac was unable to submit a representation for the Site due to uncertainty around the timescales and use of the Site for mineral extraction in the medium to long term. Consequently, the Site has not been assessed within the Strategic Land Availability Assessment ('SLAA') published February 2025.

Subsequently, following the Call for Sites consultation, Tarmac has prepared a clear strategy and timeline for the Site, enabling representations to be made at this stage to promote the Site for employment use to assist with the Local Plan preparation and help CCC set a sound plan and vision for growth. Notably, recent national legislative and policy changes in planning, including the Planning and Infrastructure Act, the adoption of the National Industrial Strategy and the revised consultation National Planning Policy Framework ('NPPF'), further accelerate the need for employment activity and floorspace, and in particular, investment into the industrial and logistics sectors.

We welcome the opportunity to submit representations through the Local Plan Review process in relation to the Site and request a meeting with CCC to discuss this with you so that we can present our findings prior to the Preferred Options Local Plan Regulation 18 before progressing any further.

Site and Surrounding Context

The Site is located within the administrative boundary of CCC. The Site is approximately 5km to the south west of Colchester City Centre and circa 150m to the south of the settlement boundary of Colchester. Colchester Railway Station is circa 5.5km to the north east of the Site, with Marks Tey Railway Station Circa 4km to the north west.

The Site is bound by Maldon Road (B1022) to the south, with Colchester Zoo and the 'Roman Practice Camp and Late Iron Age and Roman remains east of Stanway Hall Farm' scheduled monument beyond. Warren Lane bounds the west of the Site with the Bellhouse Landfill beyond which is also in Tarmac ownership and subject to its own restoration plan. A public bridleway bounds the east of the Site, with the 'Gosbecks Iron Age and Romano-British Site' scheduled monument beyond. To the north there is some mineral extraction land currently being restored

and beyond is the Fiveways Fruit Farm which has part detailed, part outline permission (ref. 182220) for 420 homes within the settlement boundary of Colchester.

The Site extends to approximately 94ha and comprises gravel quarry works with associated plant and machinery set amongst lagoons and wooded areas across the Site. The southern boundary of the Site is lined with trees and shrubs. There is one Public Right of Way ('PRoW') through the Site that joins up to Maldon Road to the south of the Site to Warren Lane to the north of the Site.

The Site is ideally located circa 3km from London Road (A12), providing excellent connections to London and Freeport East as well as the wider road network beyond. The Colchester Zoo bus stop is located immediately adjacent to the south of the Site and is served by bus routes onwards to Colchester City Centre and beyond.

The scheduled monuments are not within the Site but do lie within 10m of the boundary to the east and within 10m of part of the boundary to the south. The Roman Practice Camp and Late Iron Age and Roman remains east of Stanway Hall Farm scheduled monument list entry number is 1490583. The Gosbecks Iron Age and Romano-British site list entry number is 1002180.

There are no listed buildings or conservation areas within the Site. Circa 150m south of the Site is the Grade II* listed Church of All Saints, this is currently set within Colchester Zoo. Circa 220m north east of the Site is the Grade II listed Wiseman's Farmhouse, a private residential property.

There are two areas of Ancient Woodland surrounding the Site; Gol Grove/Hanging Wood west of the Site and Butchers Wood south east of the Site.

Minerals and Waste Position

The Site is currently operated as a mineral extraction and processing facility with ancillary operations. Extraction has largely been completed on the Site with restoration activities progressing. Ongoing processing operations are utilising material being brought in from adjacent areas which will likely be exhausted in the short to medium term (as early as 2030). Recent planning activity (ref. ESS/13/25/COL) has aligned operational planning permissions with this potential end date with restoration (part acid grassland and part woodland) as part of the overall restoration scheme to follow on.

The existing mineral operations are of the utmost importance in providing vital foundation materials to infrastructure and other development projects in the local area, but there is the potential for the site to offer additional development opportunities, either in parallel with ongoing operations, or to follow on from them as they phase out over whatever timescale plays out.

The Site should therefore be considered for an alternative employment use for the medium/long term within the Local Plan.

Essex County Council's ('ECC') Mineral Local Plan ('MLP') was adopted in July 2014. ECC's Minerals and Waste Development Scheme was last updated in November 2019, with the last consultation being the Regulation 18 consultation on the Minerals Local Plan Review in April 2021. Tarmac is promoting an extension extraction site to the MLP to the south west which would continue their operations in the Colchester area and these await further progress on the MLP.

Adopted Local Plan

The adopted Colchester Local Plan up to 2033 is split into two sections, with Section 1 adopted in February 2021 and Section 2 adopted in July 2022.

Within the adopted Local Plan, the northern and western portions of the Site (as outlined in the Site Local Plan) are designated as Public Open Space and there are five Local Wildlife Sites dispersed throughout the Site. There is an area of undesignated land within the central southern portion of the Site.

Emerging Local Plan Preparation

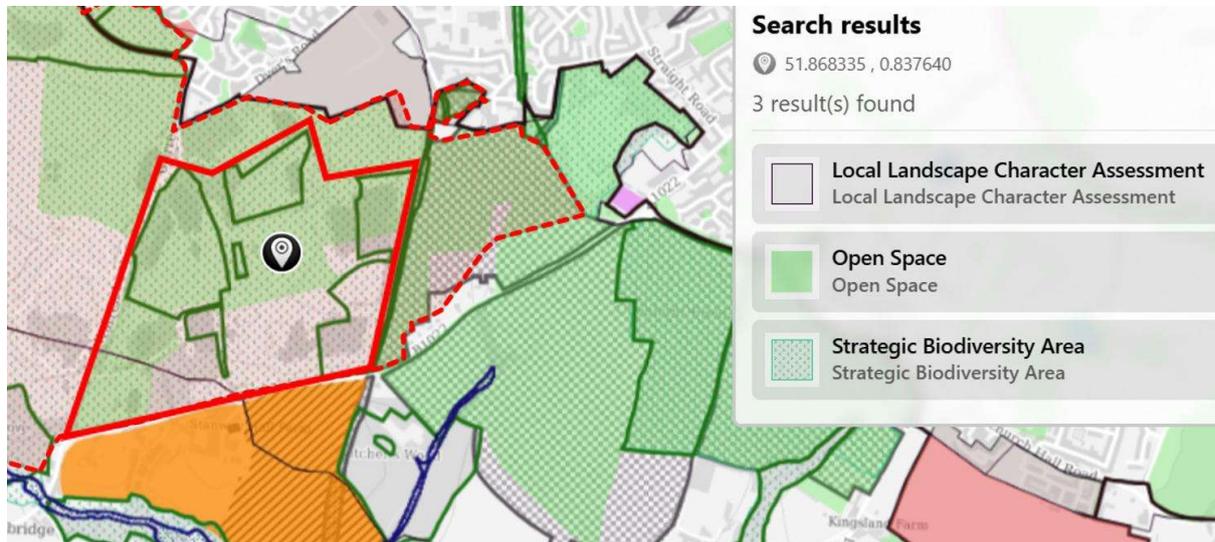
These representations are made to the current Preferred Options Local Plan (Regulation 18) consultation forming part of the preparation of a new Local Plan for Colchester. The Plan will set the strategy for growth in Colchester up to 2041 and once adopted, will replace existing Local Plan Policies. CCC's Local Development Scheme states that submission of the Regulation 19 Plan and Summary of comments will be made in August / September of 2026.

The Local Plan is supported by an evidence base and supporting documents of which the following are of particular relevance to the Site and its potential for employment use:

- Employment Study (February 2025);
- Strategic Biodiversity Assessment (January 2025);
- Strategic Land Availability Assessment (SLAA): Site Assessments Report Stage 2 (February 2025).

The CCC Preferred Options Local Plan consultation document, and interactive policies map, confirms that, in addition to the existing Open Space and Local Wildlife Site designations, it is proposed to designate the Site as a Local Landscape Character Assessment area and a Strategic Biodiversity Area (Stanway Gravel Pits). An extract of the interactive policy map for the Preferred Options Local Plan is shown in **Figure 1**.

Figure 1: Interactive Policy Map Extract taken from CCC website.



As set out within the Introduction, these representations seek to promote the Site for employment uses and object to the proposed extent of the Strategic Biodiversity Area (Stanway Gravel Pits) that covers the Site. This is guided by the strategic planning context and the identified need as set out below.

Strategic Planning Context

Planning and Infrastructure Act 2025

The Planning and Infrastructure Bill received Royal Assent on the 18th December 2025. The Act sets rules for infrastructure and planning, introduces a nature restoration levy for developers run by Natural England, updates powers for development corporations and compulsory land purchase, establishes environmental outcomes reports, and covers related matters. The Act is central to the Government’s plan to get Britain building again and deliver economic growth. It seeks to speed up and streamline the delivery of new homes and critical infrastructure, supporting the delivery of the Government’s Plan for Change milestones of building 1.5 million homes in England and fast tracking 150 planning decisions on major economic infrastructure projects by the end of this Parliament.

The Planning and Infrastructure Act requires the preparation of Spatial Development Strategies (‘SDS’). This follows the local government reorganisation driven from the English Devolution White Paper. The vision for Colchester includes three unitary authorities which will form Greater Essex. Greater Essex has already been announced as part of the Devolution Priority Programme and the Government is minded to establish a Mayoral Combined County Authority. CCC will then become part of the North Essex Unitary. The SDS puts a stronger emphasis on delivering housing,

employment space and infrastructure at a sub-regional scale. It is, therefore, anticipated that following the adoption of the current draft Local Plan, the next Development Plan for the Site will cover a different spatial areas and be in the form of a Local Plan and a SDS.

We note that housing delivery is directly linked to increased demand for logistics space, with each new home requiring an additional 69 square feet of warehouse space to support its distribution needs (*The British Property Federation's What Warehousing Where? Report*). Therefore, an additional 25.64 million square feet of warehouse space will be required each year if the Government meets its housing targets of 371,541 new homes annually, highlighting that the changes sought by the Planning and Infrastructure Act 2025 will result in fundamental changes to objectively assessed needs, including for industrial and logistics floorspace.

National Planning Policy Framework (2024)

On the 12th December 2024, the adopted NPPF was published, setting out the Government's planning policies, including provisions in respect to industrial capacity.

The NPPF seeks to build a strong and competitive economy. Paragraph 86 states that policies should proactively encourage sustainable economic growth, having regard to the national industrial strategy. Policies should identify strategic sites for local and inward investment to match the strategy and to meet anticipated needs over the plan period. The wording seeks to encourage policies to 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 and seek to address potential barriers to investment. Policies should be flexible enough to accommodate needs not anticipated in the plan, and allow for new and flexible working practices and spaces to enable a rapid response to changes in economic circumstances.

NPPF Paragraph 87 provides clear guidance on the different specific locational requirements of different sectors, including making provision for storage and distribution operations at a variety of scales and in suitably accessible locations that allow for the efficient and reliable handling of goods, especially when this is needed to support the supply chain, transport innovation and decarbonisation. It seeks to make provision for the expansion or modernisation of other industries of local, regional or national importance to support economic growth and resilience.

In addition, NPPF Paragraph 127 requires policies and decisions to reflect changes in the demand for land and be informed by regular reviews of both the land allocated for development in plans, and of land availability.

Revised National Planning Policy Framework (2025)

On 16th December 2025, a revised version of the NPPF, alongside National Development Management Policies, were published for consultation until 10th March 2026. The consultation is a full 're-write' or 'overhaul' of the way in which the planning system operates.

Of particular interest, are the new policies which state that substantial weight should be given by the decision-maker to the economic benefits of proposals for commercial development.

Draft NPPF Policy E1 (Providing the conditions for long term economic growth) seeks to support investment and employment through development plans. Part 1 c. addresses meeting existing and anticipated needs of a modern economy, it further signals that this should relate to locational requirements. In essence, this Policy strengthens the support for allocating additional employment land relating to industries prevalent in the area, such as freight and logistics given the location within the Freeport East area.

Draft NPPF Policy E2 (Meeting the need for business land and premises) gives substantial weight to the economic benefits of commercial development; especially where this is in line with the economic vision and strategy for the area, the implementation of the Industrial Strategy, support improvements in freight and logistics. This Policy also alludes to considerations when demonstrating an unmet need including the undersupply of land or premises in the market and whether locational requirements are met by existing allocations in the development plan.

Draft NPPF Policy E3 (Freight and Logistics) supports the effective and efficient movement of goods and decision making should ensure there is good access to transport networks. The Policy is therefore supporting logistics employment uses accessible locations, the Site is located within 3km of the strategic road network and has onwards connections to international freight transport connections at Felixstowe Port and Stansted Airport.

The UK's Modern Industrial Strategy (2025)

The Government published The UK's Modern Industrial Strategy on 23 June 2025 setting out a 10-year plan to significantly increase business investment in eight growth-driving sectors (the IS-8), all of which rely on the Industrial and Logistics sector.

The Modern Industrial Strategy is the UK Governments 10-year plan to deliver the certainty and stability businesses need to invest in high growth sectors. Proposed measures of particular relevance to employment opportunities, which are intended to tackle the 'blockers', will include:

- Tackling high industrial electricity costs and ensuring strategic investment projects (those creating high-quality jobs and bringing the greatest economic value) receive timely grid

connections. New powers in the Planning and Infrastructure Bill will assist with amending regulatory processes and accelerating connections.

- Removing planning barriers and providing backing to transformative infrastructure projects. This will include fast-tracking decisions on critical projects in the planning system and ensuring that the planning framework supports growth in the IS-8 (as reflected in the revised NPPF).

The Industrial Strategy sets out that investment and growth will be enabled through various measures including:

- Proactively bringing forward more investible sites across the UK by attracting investment into Industrial Strategy Zones including Freeports.
- Strengthening connections between and within city regions and clusters to ensure that more businesses are pulled into the orbit of the best UK talent, innovation, and academic collaboration, and more people have access to good jobs.

The Strategy also recognises the importance of the foundational industries to support the IS-8 sectors this includes the provision of industrial, freight and logistics, and notably the onwards connections to ports.

The Industrial Strategy describes itself as ‘unashamedly place-based’, recognising that stronger regional growth is critical for the competitiveness of the IS-8 and the resilience of the national economy. The Government therefore proposes to focus its efforts on the city regions and clusters with the highest potential to support the growth-driving sectors.

Freeport East

The UK Government designated Freeport East as a freeport through secondary legislation in December 2021. It was set up to catalyse economic growth in the Essex and Suffolk region through boosting international trade. Tax incentives and customs benefits are given to businesses operating in the area. Colchester sits within the area in close proximity to Ipswich, Felixstowe and Harwich Ports, with Felixstowe being the UK’s largest container port. The sectors that the freeport focuses on are logistics, advanced manufacturing, renewable energy, digital and tech.

Summary of Strategic Planning Context

The above recent changes are key to the context of these representations, demonstrating that, nationally, there is a greater identified need for the delivery of employment land in the form of industrial and logistics space to ensure the country’s economic growth remains strong, whilst also being diversified across different sectors, including logistics and manufacturing. The context

clearly highlights the importance of the role industrial uses play at the strategic national level to support the economy.

Further to emphasise, minerals and construction materials play a fundamental part in this ambition and Tarmac are keen to see the release of further reserves locally to support infrastructure and growth delivery, but this Site represents an opportunity to add to the growth agenda with additional employment provision, either in parallel with the current activities or as they phase out over time.

Representations

Economic and Employment Opportunity – Site Promotion

We fully support the objective of draft Policy ST6 to provide a range of sites for employment uses to ensure jobs are accessible to new and existing communities across Colchester and we put forward the Site for employment allocation to assist with delivery to meet projected demand. The Site presents an excellent opportunity for employment use and intensification where there is a significant existing and future need for additional floorspace in a location that is ideally located for industrial and logistics uses. The need for additional employment space and the accessibility of the Site is discussed in more detail below.

Whilst the current expectation is for the Site to be restored following existing extraction activities, there is an excellent opportunity for the currently undesignated central southern portion of the Site to be developed for employment uses. This area falls outside of the Open Space and Local Wildlife Site designations, and comprises limited ecological value due to the activities that have taken place in this location. There is, therefore, an ideal plot of land entirely suitable for redevelopment to meet CCC's needs and objectives over the plan period whilst safeguarding the wider Site for restoration and biodiversity enhancements. The Site and its location is suitable for a range of quanta and typologies of employment uses. This includes floorspace for SME businesses who require smaller units alongside larger logistics and distribution facilities, making use of the Freeport East designations and connections to London and Stanstead Airport and providing local jobs for local people.

We note that the Site is located within a wider area where available land for development is very limited. The adjacent Colchester Zoo, scheduled monuments / sites of archaeological importance, and ancient woodlands result in significant number of constraints on adjacent sites. Any land which is not constrained should therefore be optimised to protect sites of historic and natural interest whilst addressing identified needs. These wider constraints also benefit the developable area on the Site as they provide natural barriers to prevent the unconstrained sprawl of development from the built-up extent of Colchester. Part of the Site can therefore be developed without leading to unmanaged sprawl on land where there are no archaeological artifacts,

evidenced through the existing extraction activities taking place on the Site. Furthermore, there is potential to enhance the amenity and public realm focused restoration of land to the west of the Site (within Tarmac ownership) providing an equally strong new edge to the town.

Therefore, these representations consider that part of the Site presents an excellent opportunity for employment use which should be promoted through a site allocation within the new Local Plan, and we strongly recommend that the extent of the Strategic Biodiversity Area designation is reduced so that it does not limit the potential of the southern central area of the Site.

Economic and Employment Opportunity – Identified Need

In addition to the Site's potential to support employment uses, there is a clear identified need for additional employment floorspace over the plan period.

An Employment 'Demand' and 'Need' Technical Note, prepared by Marrons, is submitted in support of these Representations and included within **Appendix II**. The Note concludes that there is strong demand for industrial and logistics uses in Colchester and that the Colchester Employment Study (2025) and Preferred Options Local Plan are likely to underestimate the potential need.

The Note sets out that it is clear that there is limited supply in the area and that, of the supply that exists, there are few strategic sites suitable for large scale industrial and logistics occupiers. The Quarry is considered a suitable site for a broad range of industrial, and logistics uses and should therefore be viewed positively from an allocation perspective.

In addition, as set out above, an additional 25.64 million square feet of warehouse space will be required each year if the Government meets its housing target of 371,541 new homes annually, highlighting that the changes sought by the Planning and Infrastructure Act 2025 will result in fundamental changes to objectively assessed needs, including for industrial and logistics floorspace.

Therefore, whilst we support draft Policy ST6's ambition to plan, monitor and manage the delivery of employment land to meet the projected demand up to 2041, we are concerned that the requirement of at least 41.7 ha of employment land significantly underestimates the actual existing and future demand for floorspace in the area, particularly due to the strategic nature of the area located within Freeport East with excellent connections to London and terminals, including Stansted Airport. There is, therefore, a pressing need to identify additional sites for employment uses and the Site provides an excellent opportunity to be allocated for Industrial and Logistics floorspace. The entirety of the Site should therefore not be limited through a blanket Strategic Biodiversity Area designation.

Notwithstanding this, we support the aspirations of draft Policy E2 which states that sites currently used for employment purposes in rural parts of Colchester will be safeguarded for appropriate economic uses to ensure local residents have access to local job opportunities to reduce the need to travel. The potential for the Site or part of the Site, which currently provides employment purposes to local people, to continue to deliver local jobs once the existing mineral extraction comes to an end should not be dismissed and there is an excellent opportunity for alternative employment uses to deliver significant benefits whilst addressing an identified need.

Economic and Employment Opportunity - Transport and Accessibility

Mode Transport have prepared a Transport Technical Note to accompany this representation. This note provides an initial assessment of the transport and highways conditions in relation to the Site promotion. The Site currently benefits from direct access onto Warren Lane and given its location it can take advantage of the strategic links (of regional and national importance) to the A12.

Adopted Local Plan Policy WC5 (Transport in West Colchester) requires developments to contribute to a package of sustainable transport measures, such as active travel, public transport improvements and travel planning to promote sustainable travel. Policy WC5 specifically includes reference to improvements at the Maldon Road/Warren Lane junction, of which development on the Site could make contribution to. Essex highways has also identified the Warren Lane/Maldon Road junction and seeks to upgrade to a 3-arm roundabout to reduce congestion.

The Draft Local Plan supports a vision-led transport planning approach, Policies PC2 (Active and Sustainable Travel) and Policy ST7 (Infrastructure Delivery and Impact Mitigation) promote developments being planned around safe and accessible active travel routes and the provision of appropriate infrastructure that serves the needs of the development. This vision-led approach is in line with Draft NPPF Policy TR1 (Vision-led approach to planning for transport) whereby sustainable transport should be considered at the earliest stages of plan-making.

Overall, the proposed employment use on the Site conforms with the emerging Colchester Local Plan Regulation 18 transport strategy and is well located regarding the existing sustainable transport connections and connections to the surrounding highway network. In any case, going forward a full transport assessment would be undertaken and any application would be supported by a Travel Plan.

Ecology and Biodiversity Significance

Within the Draft Preferred Options Local Plan Policies Map, the Site, in its entirety, has been designated as a Strategic Biodiversity Area (Stanway Gravel Pits). Draft Policy ST2 states that strategic areas that present the best opportunities for habitat creation and enhancement aimed at improving biodiversity are shown on the policies maps as 'strategic biodiversity areas'. These

areas will be protected, and support will be given to strengthening and enhancing connections between habitats to improve their contribution to the biodiversity network.

The Strategic Biodiversity Assessment (January 2025) forms part of the evidence base and identifies Area 6 'Stanway Gravel Pits' as an existing area of biodiversity significance, within which the Site sits. The Assessment notes that the area consists primarily of land which is subject to aggregate extraction and that its features provide ideal conditions for a range of scarce plants and invertebrates. It notes that all of the land has the potential to be restored and managed to provide diverse mosaics of open mosaic habitats, integrated with older or more structured new scrub and woodland habitats, post-industrial.

Whilst we support the aim of improving biodiversity and protecting areas which present the best opportunities for habitat creation, strengthening and enhancing connections between habitats, we do not support a blanket designation across the entirety of the Site, particularly when no evidence base has been undertaken to establish the potential opportunities for habitat creation on different parts of the Site and when no consideration has been given to how the Site can be used to address different priorities and needs.

As such we consider that there is no basis for a blanket designation across the whole of the site, particularly when it is being made without direct landowner engagement or consent and based on a limited evidence base. In our experience elsewhere, this approach can call into question the soundness of the Local Plan preparation.

Paragraph 16 of the National Planning Policy Framework (2024) emphasises that plans should be prepared positively through being aspirational but deliverable (16a) and be shaped by effective engagement with all stakeholders (16b). The Strategic Biodiversity Area may not be deliverable - Tarmac as the landowners can agree or disagree to proposals on their land that are not legally required or that have not been effectively communicated with them in dialogue with Colchester City Council. Therefore, an Inspector may view this designation as wholly unsound.

It is important to note that Tarmac is not against the principle of their landholdings being environmentally enhanced. However, what would be much more effective is to work with the landowner to appropriately assess those areas which might be appropriate for additional protection and enhancement (which could extend beyond the Site and into the owners other retained land), whilst still providing much needed additional employment space within the subject site to support the Local Plan preparation and adoption.

We therefore request a meeting to discuss this with you further. As part of ongoing discussions, we would also request an opportunity to undertake ecological assessments to enable us to work with the LPA and develop a strategy for the Site and its allocation so that the Local Plan can define

a more appropriate Strategic Biodiversity Area to maximise enhancements and benefits whilst making efficient use of part of the Site that offers very little in terms of ecology.

We therefore object to the extent of the designation and recommend that the Strategic Biodiversity Area is reduced to match the extents of the Open Space and Local Wildlife Sites designations. This will enable biodiversity enhancements to be maximised on the northern portion of the Site whilst enabling a smaller portion to be allocated for employment use to address future employment space needs. The redevelopment of part of the Site would enable detailed analysis of the land to understand how biodiversity and connections can be protected and enhanced across the land as a whole without limiting the Site's potential and only securing moderate benefits through restoration of the land.

Residential Potential

Whilst we note that these representations seek to promote part of the Site for employment uses, it should be acknowledged that the Site could also play an important role in the future delivery of homes for Colchester. We note that draft Policy ST5 states that the Council will maintain a sufficient supply of deliverable and developable sites to provide for at least five years' worth of housing on a rolling basis, plus an appropriate buffer, and the Plan should also look ahead and plan for the long-term delivery of identified needs.

Whilst the Site is currently located outside of the Colchester settlement boundary, it lies in close proximity to the Fiveways Fruit Farm site where planning permission (ref. 182220) has been granted for 420 homes as part of the wider Stanway Growth Area. The Site could therefore form part of a natural extension to the built-up area of Colchester in the future which may be required to meet additional future demand and the Site's potential should not be limited through the proposed Strategic Biodiversity Area designation covering the entirety of the Site.

Summary

Based on the matters outlined in these representations, The Site offers a strong opportunity to meet employment needs not only within the borough, but also across the region and at a national level.

In light of recent shifts in national planning legislation and policy, and following the election of the Labour Government, there is a demonstrable need to allocate suitable land for industrial and logistics employment uses. Labour's commitment to rapidly advancing and prioritising the national industrial strategy provides a strong foundation for the promotion and allocation of high-quality development sites. Given its highly sustainable location and its potential to contribute meaningfully to the objectives of the industrial strategy, this Site should be allocated for employment use and the extent of the Strategic Biodiversity Area should be reduced to ensure the Site's potential contribution to identified needs is not inappropriately limited.

We welcome the opportunity to submit representations through the Local Plan Review process in relation to the Site and request a meeting with CCC to discuss this with you so that we can present our findings prior to the Preferred Options Local Plan Regulation 18 before progressing any further.

We would appreciate it if you could provide confirmation that these representations have been received. Please let us know if you have any questions.

Yours faithfully



Aisling O'Kane

Director

Aisling.okane@avisonyoung.com

For and on behalf of Avison Young (UK) Limited



Appendix I

Site Location Plan

Legend

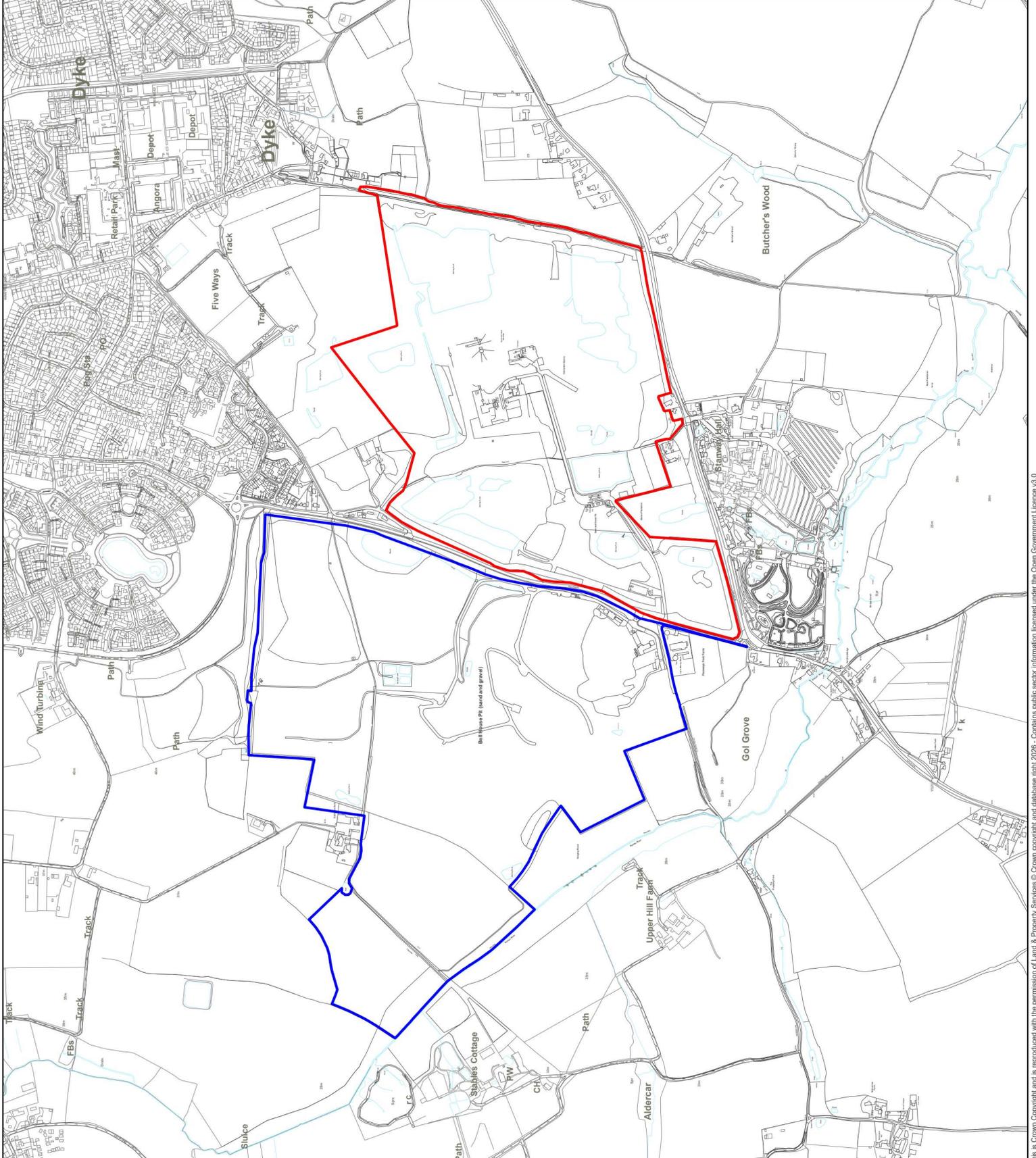
-  Subject Land (194.07 Ac / 78.54 Ha)
-  Other Land in Tarmac Ownership (248.50 Ac / 100.57 Ha)



Site Name:
B030 Colchester

Drawing Name:
Tarmac Land Ownership

Drawn By: S Halliday	Scale @ A3: 1:10,000
Date: 14/01/2026	Drawing No: B030-00735-2





Appendix II

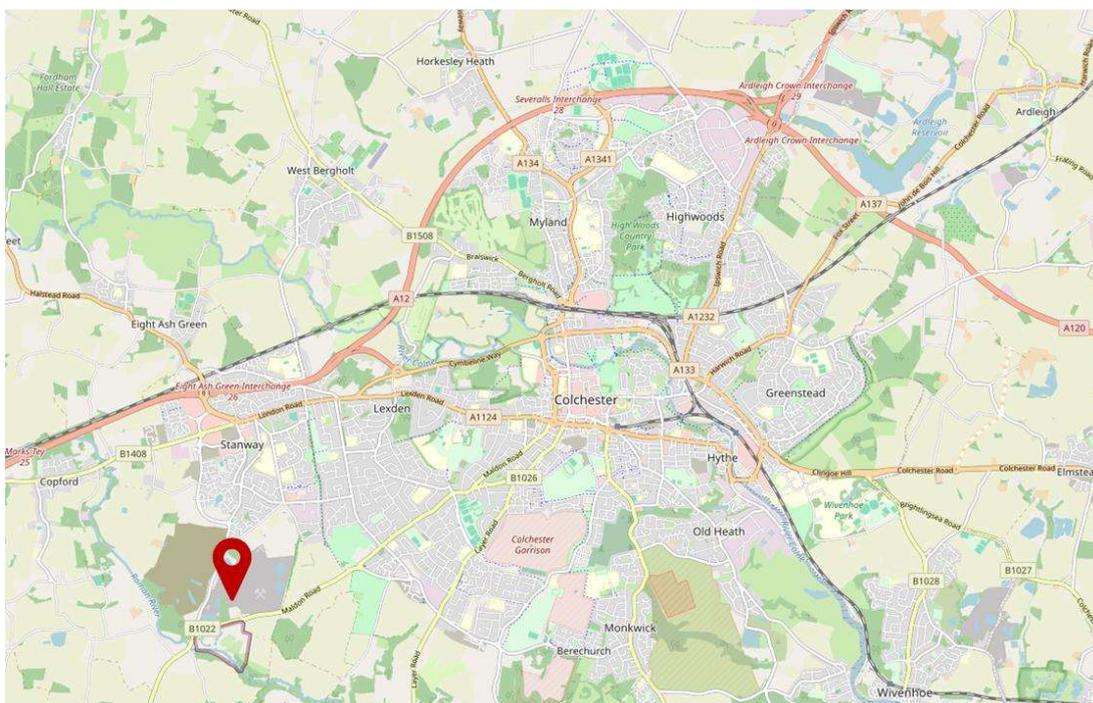
Employment Demand and Need Technical Note

Land east of Warren Lane – EMPLOYMENT DEMAND AND NEED TECHNICAL NOTE

1. INTRODUCTION

- 1.1 This Employment ‘Demand’ and ‘Need’ Technical Note has been prepared by Marrons (a trading name of Shakespeare Martineau LLP) on behalf of Avison Young UK Limited (‘Avison Young’) and Tarmac Holdings Limited (‘Tarmac’). It relates to Land east of Warren Lane (‘the Quarry’) which is located to the south west of Colchester as shown in Figure 1.1.

Figure 1.1 Land east of Warren Lane Location



Source: Open Street Map

- 1.2 It is understood that the Quarry is currently being used but is in the process of being infilled and enclosed as it is coming towards the end of its operational life. After this process has been completed, Tarmac would like to re-develop part of the site to provide employment uses (including industrial and logistics) serving Colchester and the wider region.
- 1.3 At this stage, the development proposals are not yet fixed, however, it is the intention to redevelop the site to include the following:

- Employment / Commercial land uses (Use classes E, B2 and B8) which could compromise between 60,000 – 115,000 sqm.

1.4 Despite Tarmac's ambition, the Quarry is not identified as a potential allocated employment site in the *Colchester Preferred Options Local Plan (2025)*. It is instead identified as a potential Strategic Biodiversity Area and, in parts, a Local Wildlife Site. Avison Young are therefore preparing representations on Tarmac's behalf to promote the site for employment uses.

1.5 This Technical Note has been prepared to support these representations by providing a high-level assessment of whether there is 'demand' and 'need' for industrial and logistics uses in this location. The differences between 'demand' and 'need' are as follows:

- **Demand:** refers to the level of market appetite to occupy or invest in commercial floorspace within an area. There is no industry-accepted approach to reach a single objectively assessed figure, but a range of commercial 'signals' (e.g. rent, vacancy, take up, delivery) can be brought together to provide an indication.
- **Need:** refers to the minimum amount of employment floorspace or land 'needed' to meet expected economic growth in an area. Objectively assessed figures are reached by projecting forward past economic, commercial and/or demographic trends using a range of different tools and techniques. 'Need' can often be lower than 'demand' where a market or location is highly attractive to both investors and occupiers.

1.6 This is captured in the report structure which is set out below:

- DEMAND: Is there 'demand' for more industrial and logistics floorspace in Colchester?
- NEED: Is there an objective 'need' for more industrial and logistics floorspace in Colchester?
- SUPPLY: Is there sufficient and appropriate industrial and logistics supply in Colchester to meet identified 'demand' and 'need'?

1.7 Throughout this note, evidence is presented at the East of England and Colchester scales. The East of England covers Cambridgeshire, Essex, Hertfordshire, Norfolk and Suffolk.

2. DEMAND EVIDENCE

2.1 This chapter provides an overview of 'demand' trends for industrial, and logistics uses at national, regional and local scales. 'Demand' refers to the level of market appetite to occupy or invest in commercial floorspace within an area.

NATIONAL TRENDS

- 2.2 The national industrial and logistics sector has undergone a structural transformation over the past decade driven by a broad range of factors. It has seen record levels of investment, delivery and take up.
- 2.3 This is shown in Figure 2.1 below which illustrates that take up of 'big box' industrial and logistics units (over 100,000 sq ft) has increased progressively over time with significant peaks during the COVID-19 pandemic.
- 2.4 This activity has been driven by the following factors among others:
- **E-Commerce:** The growth of online retail continues to reshape consumer behaviour, increasing the need for distribution and fulfilment centres. Retailers require strategically located distribution facilities to enable fast delivery and manage returns efficiently.
 - **On-Shoring:** Global supply chain disruptions and geopolitical uncertainties have prompted some businesses to bring production closer to home creating demand for additional industrial space. On-shoring reduces reliance on overseas manufacturing and mitigates risks associated with long lead times.
 - **Stockpiling:** Some businesses are holding larger inventories to safeguard against supply chain disruptions and ensure continuity of supply. This approach requires additional warehouse capacity for bulk storage. Stockpiling strategies are particularly prevalent in sectors such as food, pharmaceuticals and essential goods.
 - **Robotics & Automation:** Advancements in robotics and automation are changing warehouse operations, enabling higher throughput and efficiency. These technologies often require purpose-built industrial facilities with greater floorspace, higher ceilings, and advanced infrastructure.
 - **Digital Services:** The expansion of streaming services, gaming and cloud-based platforms has driven demand for data storage and processing capacity. Data centres have become critical infrastructure, requiring large-scale, secure, and energy-efficient facilities.
 - **Housing Growth:** The expansion of residential developments creates a parallel need for construction materials, home goods, and local delivery infrastructure. As housing growth accelerates, so does the requirement for logistics hubs to serve these communities efficiently.
 - **Artificial Intelligence (AI):** AI adoption across sectors from finance to healthcare requires significant computing power and low-latency networks. This is driving demand for hyperscale data centres and edge computing facilities often located near major population hubs.

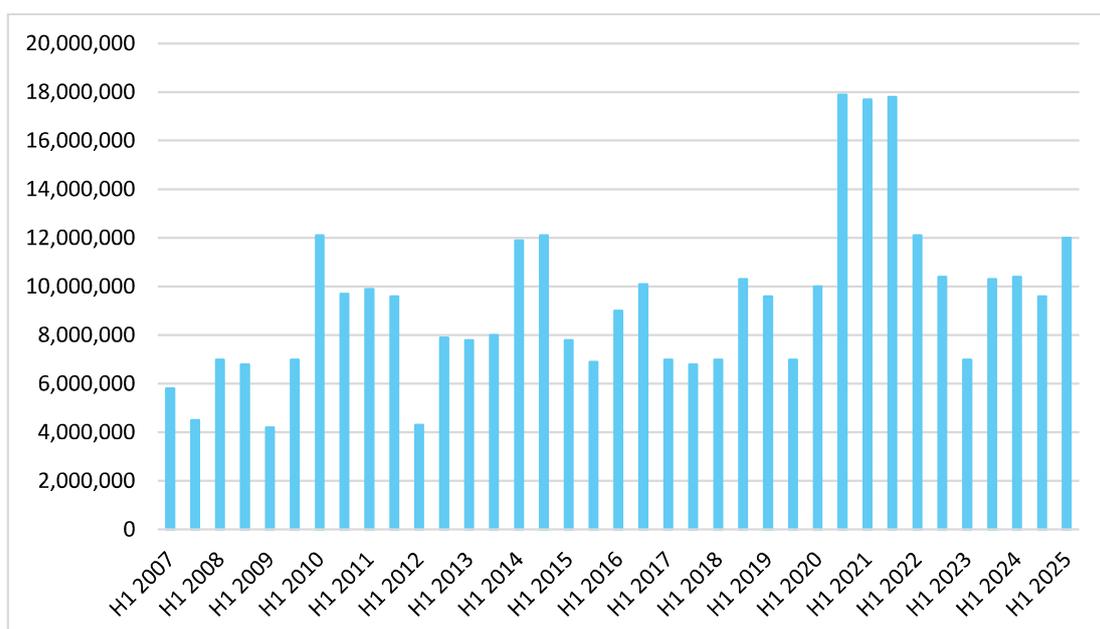
- **Urban Food Logistics:** The growth of online food delivery and evolving consumer preferences have increased demand for flexible kitchen and storage facilities. Delivery-only kitchens, often referred to as dark kitchens, require well-located industrial units with efficient layouts and proximity to urban markets.

2.5 While 'big box' take up has been more modest over the last few years, vacancy rates have remained below 8% - this is generally considered to be the 'market equilibrium level' where 'demand' and supply are broadly in balance and rents remain stable.

2.6 When vacancy rates fall below this 'equilibrium level', rents can rise and restricted supply can limit churn and movement within the market place. Markets with vacancy rates below 8% are therefore generally considered to be constrained.

2.7 The more modest take up levels observed in recent years reflect the tumultuous economic conditions the country is currently facing. These include the introduction of tariffs, warfare, inflation and changes brought about by the country leaving the European Union.

Figure 2.1 'Big Box' Industrial and Logistics Take Up (2007-2025)



Source: Savills (2025)

2.8 It is important to note that the sector trends set out above are not only influencing the scale of 'demand' but also the nature of 'demand'. For example:

- Automation has allowed goods to be stored vertically on taller racks which has enabled businesses to store and distribute goods more efficiently. Many occupiers now place more importance on building volume than floorspace and look for units where sufficient height is provided for internal stacking and installation of automated machinery.

- The rapid growth of e-commerce has shifted the traditional distribution network. Previously goods entered the supply chain via a national distribution centre before passing to a regional distribution centre to distribute to end users. E-commerce and the arrival of same/next day delivery has disrupted this approach and created demand for a range of new spaces including e-fulfilment, final mile, urban logistics and micro logistics hubs among others. The floorspace and locations requirements of these uses are set out below:
 - National Distribution Centres: 500,000 sq ft; Motorway location; Connection to ports.
 - Regional Distribution Centres: 250,000-500,000 sq ft; Motorway location; Access to urban area.
 - E-Fulfilment Centres: 100,000-250,000 sq ft; Motorway/trunk roads; Edge of urban area.
 - Final Mile Hubs: 50,000-150,000 sq ft; Trunk roads; Edge of urban area.
 - Urban Logistics Hubs: 5,000-10,000 sq ft; Main Road network; Periphery of urban area.
 - Micro Logistics Hubs: 1,000-2,000 sq ft; Local servicing routes; Within urban area.
- The introduction of new policies such as the Minimum Energy Performance Standards (MEES) alongside investor pressure is pushing larger occupiers to look for energy efficient buildings that meet policy and Environmental and Social Governance (ESG) standards. Developers are responding by integrating new forms of heating and power generation (e.g. solar to heat recovery) alongside a range of other adaptations.

REGIONAL TRENDS

2.9 These national trends have had significant implications for industrial and logistics 'demand' across the East of England and Colchester.

2.10 The East of England has an important industrial and logistics market made up of 14,727 units over 360m sq ft of floorspace¹. Some of its most important assets include:

- Port of Felixstowe & A14 Corridor (Felixstowe / Ipswich / Stowmarket, Suffolk).
- London Gateway & Thurrock Industrial Area (Thurrock, South Essex).
- Basildon Industrial Area (Basildon, South Essex).
- Harlow Industrial Area (Harlow, West Essex).

¹ CoStar (2025)

- Cambridge Science Park & North Cambridge (Cambridge, Cambridgeshire).
- Stevenage Industrial & Technology Area (Stevenage, Hertfordshire).
- Peterborough Gateway & East of England Showground Area (Peterborough, Cambridgeshire).
- Great Yarmouth & Lowestoft Energy and Port Zone (Norfolk / Suffolk).
- Ipswich Industrial Areas – Ransomes & Europark (Ipswich, Suffolk).
- Norwich Airport / Broadland Business Park (Norwich, Norfolk).

2.11 Colchester also has an important industrial and logistics market consisting of 508 buildings totalling 6.3m sq ft of floorspace². Some of its main assets include:

- Eastern Park (Axial Way).
- Colchester Business Park (Severalls Lane).
- Severalls Industrial Estate (Severalls Lane).
- Gunfleet Business Park (Brunel Way).
- Cowdray Trade Park (Colchester TC).
- Moorside Business Park (East Street).
- Dave Close Trade Park (Hythe).
- Port Lane Industrial Estate (Hythe).
- Grange Way Business Park (Whitehall Road).
- Whitehall Industrial Estate (Whitehall Road).
- Surya Trade Park (Layer Road).
- Angora Business Park (Peartree Road).
- Tollgate Business Park (Stanway).
- Interchange Park (Marks Tey).

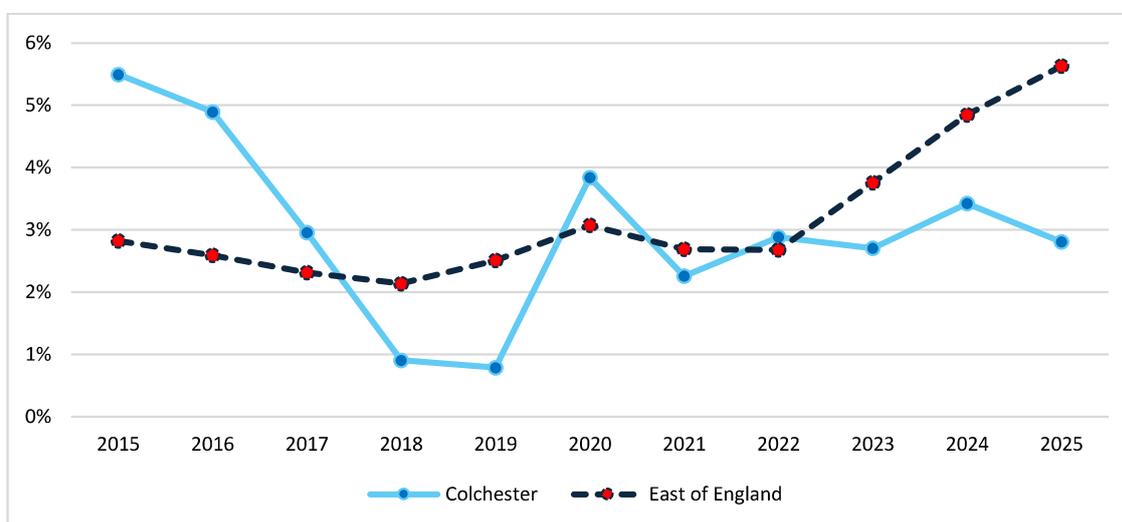
² ibid

- Grange Way Business Park (Rowhedge).

2.12 In line with national trends, industrial and logistics floorspace has grown significantly across the East of England over the last decade - it has seen +54m sq ft of additional floorspace delivered which translates to a +15% uplift. Colchester has seen a more modest increase of +160k sq ft or +3% over the same period.

2.13 Despite increasing supply, industrial and logistics vacancy rates across the East of England and Colchester are low. As shown in Figure 1.2, they have remained below 8% across both geographies across the last decade suggesting a 'constrained' or 'suppressed' market. They currently sit at <6% across the East of England and <3% in Colchester.

Figure 2.2 Industrial and Logistics Vacancy Rates (2015-2025)



Source: CoStar (2025)

2.14 These low vacancy rates have been supported by strong levels of take up. As shown in Table 2.1 below, there have been 3,471 deals across the East of England over the past five years with over 47m sq ft of floorspace let. Some of the most significant deals include:

- Flaxley Road (Peterborough): 736,000 sqft industrial distribution (Signed 2021) – Amazon.
- Orwell Logistics Park (Suffolk): 500,000 sqft industrial distribution (Signed 2024) – Sizewell C.
- Boundary Way (Hertfordshire): 465,000 sqft industrial distribution (Signed 2023) – Brakes.

2.15 In Colchester there have been 76 lease deals over the past five years with over 590k sq ft let. Notable deals include:

- Interchange Park: 53,000 sq ft industrial warehouse (Signed 2021) – Woodland Group



Limited.

- Interchange Park: 32,000 sq ft industrial warehouse (signed 2021) – Cadent Gas Ltd.
- Mason Road: 30,000 sq ft industrial warehouse (signed 2023) – MKM Building Supplies.



Table 2.1: Total Lease Deals (2015-2025)

	Total Properties Leased	Total Floorspace Leased	Average Net Absorption P/A
Colchester	76	590,879	13,374
East of England	3,471	47,339,114	4,784,968

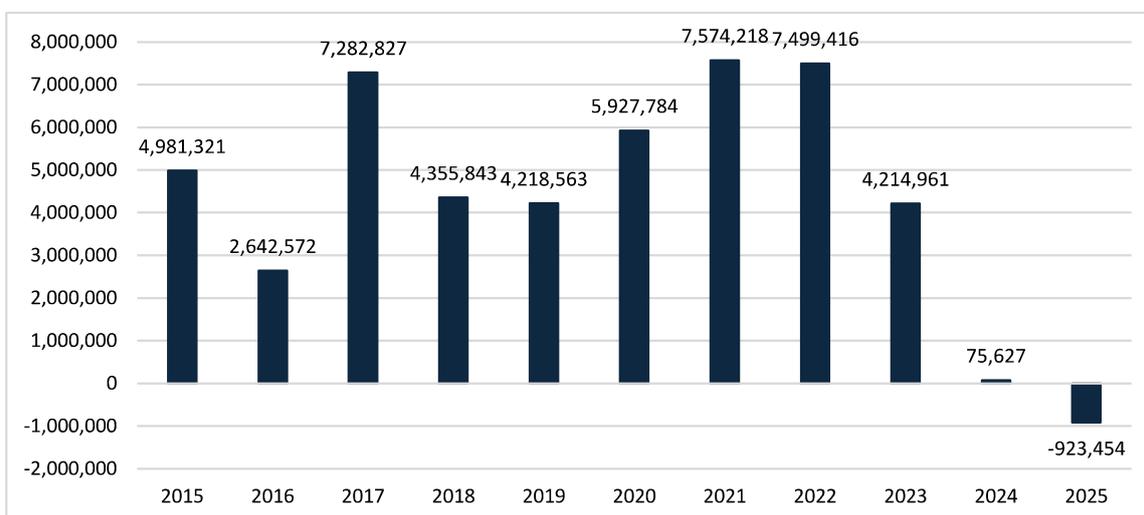
Source: CoStar (2025)

2.16 Net absorption, which is seen as a ‘truer’ indicator of ‘demand’, has also been positive:

- Net absorption refers to the net change in occupied space within a market over a given period, calculated as the amount of space leased minus the space vacated. It serves as a strong indicator of ‘demand’ because it reflects actual tenant activity and space utilisation rather than just availability, showing whether businesses are expanding, contracting, or holding steady in real terms.

2.17 As shown in Figure 2.3 below, the East of England has seen positive net absorption (+47m sq ft) over the past decade, with an average of +4.8m sq ft of floorspace absorbed each year. This reflects the East of England’s large market size and highlights the consistent level of stock delivered and taken up over the last ten years.

Figure 2.3: East of England Net Absorption (2015-2025)

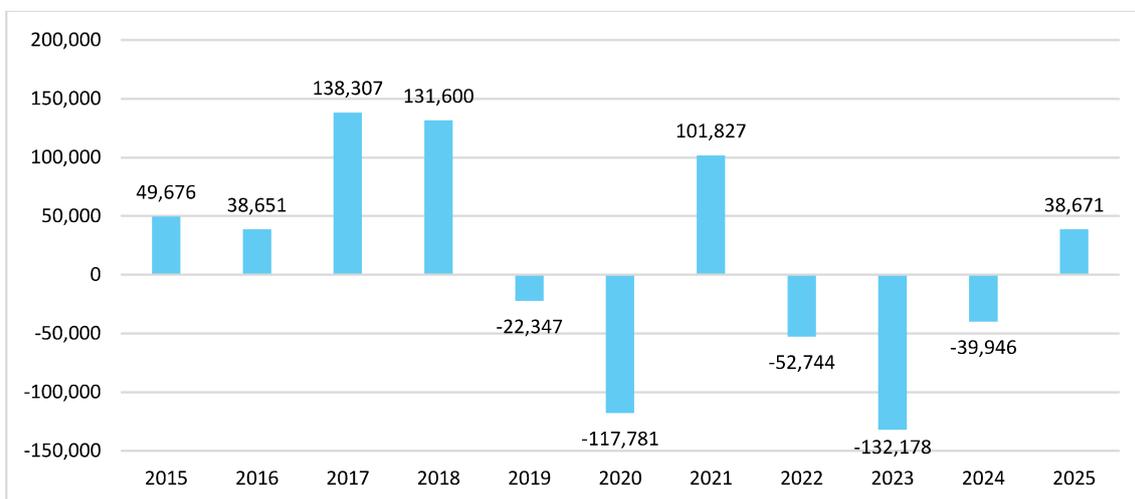


Source: CoStar (2025)

2.18 Similarly, Figure 2.4 below shows that Colchester has seen positive net absorption (+133k sqft) over the past decade with an average of +13,374 sq ft of floorspace absorbed each year. These figures are relatively low, but this is likely to reflect low vacancy rates and modest levels of delivery over the last decade.

2.19 Across both geographies there have been some years with negative levels of net absorption. This is likely to reflect new stock coming to the market such as those at Interchange Park (2022), Rowhedge Wharf (2023) and Hythe Hill (2023) in relation to Colchester.

Figure 2.4: Colchester Net Absorption (2015-2025)

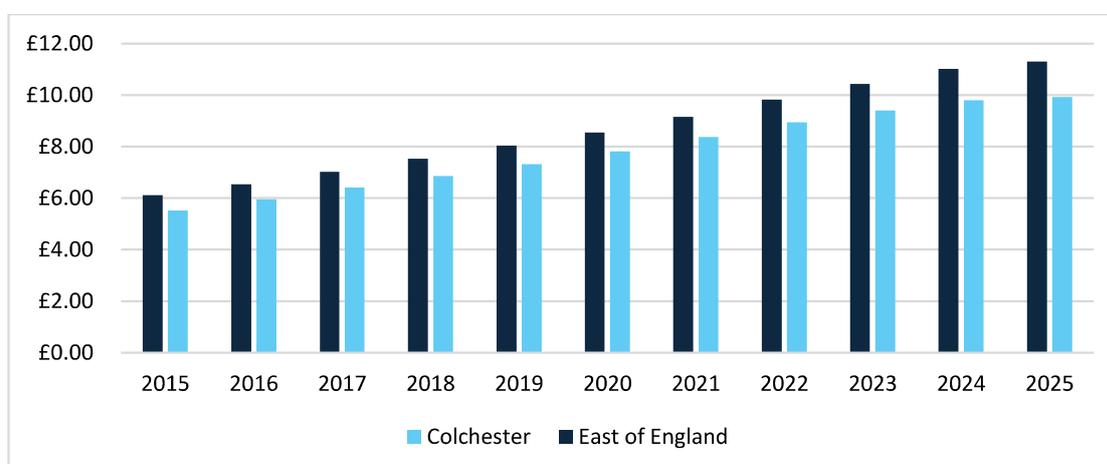


Source: CoStar (2025)

2.20 Together, this analysis indicates that both the East of England and Colchester have limited supply alongside positive 'demand' for industrial and logistics uses. In line with other markets displaying similar characteristics, this has meant that rents have risen significantly over time.

2.21 As shown in Figure 2.5, rents have increased year-on-year across the last decade for both geographies. Rents have increased by +46% across the East of England and now sit at £11.31 psf. In Colchester they have increased by +44% and are now £9.93 psf.

Figure 2.5: Rent Change (£ psf) (2015-2025)



Source: CoStar (2025)

2.22 These 'demand' trends broadly align with the those set out in the *Colchester Employment Study (2025)* which underpins the employment policies of the *Colchester Preferred Options Local Plan (2025)*. They have, however, strengthened since its publication as indicated by increases in floorspace delivery and rents achieved, alongside a minor fall in vacancy rates.

SUPPRESSED DEMAND

2.23 As the analysis above shows, the East of England and Colchester's industrial and logistics markets have experienced availability rates well below 8% over the last decade. This sustained shortage suggests the area has been subject to 'suppressed demand'- where businesses are willing to take space but cannot because suitable premises are unavailable. It means that recorded take-up and net absorption figures likely underestimate true 'demand', as companies have been unable to expand or relocate.

2.24 The implications of this are significant. When supply fails to keep pace with 'demand', competition for space intensifies, rents rise, and incentives narrow as seen across the East of England and Colchester. Businesses unable to secure premises may delay investment, accept suboptimal accommodation or relocate outside the area.

2.25 These local dynamics reflect a wider national issue as highlighted in the British Property Federation's report *Levelling Up – The Logic of Logistics (2022)*. This document demonstrates that 'suppressed demand' is a structural constraint that has shaped the country's industrial and logistics market for more than a decade.

2.26 It sets out that national vacancy rates have remained below 8% since 2011. This persistent undersupply means historic take-up figures significantly understate real occupier requirements. According to the report, true 'demand' is at least 29% higher than recorded as many deals have never materialised because space was unavailable.

2.27 The report notes that the consequences of this imbalance have been profound - it states that rents for logistics space have risen by +61% since 2011, more than twice the rate of inflation, as occupiers compete for scarce stock. Choice has diminished, and pre-let or build-to-suit arrangements have become the norm with around half of large-unit transactions occurring before completion.

2.28 Crucially, the report argues that calculations of 'need' do not truly reflect market requirements. It notes that traditional approaches based on econometric forecasts or historic completions fail to capture 'suppressed demand' and therefore underestimate future requirements.

2.29 Instead, the report advocates for methodologies that adjust historic trends to account for years of undersupply and incorporate structural growth drivers such as e-commerce. This recalibration is considered essential to ensure planning policy provides sufficient land in the right locations.

CONCLUDING STATEMENT

- 2.30 The analysis presented above illustrates that the East of England and Colchester have growing, well-occupied but highly constrained industrial and logistics markets characterised by low vacancy rates, rising rents and positive take up. This suggests that there is likely to be significant market 'demand' for additional industrial and logistics uses across these geographies.
- 2.31 The indicators analysed also indicate that the areas have been subject to 'suppressed demand' over the last decade - where businesses are willing to take space but cannot because suitable premises are unavailable. This means that recorded take-up and net absorption figures likely underestimate true 'demand'.
- 2.32 This is a major challenge across the national industrial and logistics market and has led to calls from the British Property Federation (2022) for calculations of employment land 'need' to take into account market signals and deficiencies recognising that traditional approaches are constrained by past trends and often underestimate how much floorspace an area requires.

3. NEED EVIDENCE

- 3.1 This chapter provides commentary on objectively assessed 'need' for industrial and logistics uses in Colchester. 'Need' refers to the minimum amount of employment land to plan for based on past economic, commercial and/or demographic trends.

COLCHESTER EMPLOYMENT STUDY RESULTS

- 3.2 The *Colchester Employment Study (2025) (CES)* was prepared by Aecom for Colchester City Council to inform the employment land policies of the *Colchester Preferred Options Local Plan (2025)*. It uses several approaches to assess future employment floorspace 'need':
- **Labour Demand:** This uses employment forecasts from Experian to estimate future employment growth in Colchester by sector over the Local Plan period (2023-2041). This is translated into future floorspace requirements by apportioning employment growth by sector to different use class categories and then applying employment density assumptions. Plot ratios are applied to estimate employment land 'need'.
 - **Labour Supply:** This uses housing targets and population projections to estimate how many additional people will live in Colchester by the end of the Local Plan period (2023-2041). These estimates are combined with data about unemployment, commuting and 'double jobbing'³ to determine how many additional jobs may be required within the borough to match the future working-age population. While the

³ This refers to where an individual holds two or more paid jobs.

exact methodology used is not clear, existing sector data is typically used to apportion this workforce by sector and then by use class. Employment density assumptions are applied to each use class to estimate future employment floorspace 'need' over time. Plot ratios are again used to understand future land 'need'.

- **Past Trends:** This uses historic net absorption data for each use class from CoStar and extrapolates this across the Local Plan period (2023-2041) to estimate future floorspace 'need'. Plot ratios are again used to understand future land 'need'.

3.3 These approaches yield different figures for employment floorspace 'need' over the Local Plan period (2023-2041) as shown in Tables 3.1 and 3.2 below:

- The Labour Supply scenario yields the highest 'need' figure of 203,047 sqm or 35.7 ha over the Local Plan Period (2023-2041). Industrial uses have the highest requirement of 123,128 sqm or 27.7 ha.
- The Past Take Up scenario yields the second highest 'need' figure of 143,802 sqm or 26.4 ha over the Local Plan Period (2023-2041). Industrial uses again have the highest requirement of 93,348 sqm or 21.4 ha.
- The Labour Demand scenario yields the lowest 'need' figure of 99,851 sqm or 16.1 ha over the Local Plan Period (2023-2041). Industrial uses again have the highest requirement of 50,865 sqm or 11.1 ha.

Table 3.1 Gross Employment Floorspace 'Need' by Use Type (2023-2041) (SQM)

	Labour Demand	Labour Supply	Past Take Up
Office	48,986	79,919	50,454
Industrial	50,865	123,128	93,348
Total	99,851	203,047	143,802

Source: Colchester Employment Study (Figures Rounded)

Table 3.2 Gross Employment Land 'Need' by Use Type (2023-2041) (SQM)

	Labour Demand	Labour Supply	Past Take Up
Office	4.9	8.0	5.0
Industrial	11.1	27.7	21.4
Total	16.1	35.7	26.4

Source: Colchester Employment Study (Figures Rounded)

3.4 A series of adjustments are then made to these figures to take into account the following factors:

- **Losses:** It is recognised that some re-development will take place on employment sites leading to the loss of commercial floorspace and land to other use types. An allowance for this has been made by determining the average annual demolition by use class from 2010 and extrapolating *half* of this across the Local Plan period (2023-2041) for each use class.
- **Churn:** It is recognised that businesses need sufficient premises to allow them to move, expand and/or contract within the local area. An allowance of 8% has been added to the 'need' figures *and* the existing supply of occupied floorspace to enable churn within the local market.
- **Vacant Space:** It is recognised that there is some vacant stock within the market across all use classes. This has been netted from the 'need' figures to take into account that these units are currently available to accommodate a portion of the future requirement.

3.5 The net 'need' figures by use class are set out in Tables 3.3 and 3.4 below:

- The Labour Supply scenario continues to yield the highest net 'need' figure of 236,760 sqm or 41.7 ha over the Local Plan Period (2023-2041). Industrial uses continue to have the highest requirement of 144,276 sqm or 32.2 ha.
- The Past Take Up scenario continues to yield the second highest net 'need' figure of 166,672 sqm 30.3 ha over the Local Plan Period (2023-2041). Industrial uses continue to have the highest requirement of 106,256 sqm or 24.3 ha.
- The Labour Demand scenario continues to yield the lowest net 'need' figure of 127,476 sqm or 20.9 ha over the Local Plan Period (2023-2041). Industrial uses continue to have the highest requirement of 68,401 sqm or 15 ha.

Table 3.3 Net Employment Floorspace 'Need' by Use Type (2023-2041) (SQM)

	Labour Demand	Labour Supply	Past Take Up
Office	59,075	92,484	60,416
Industrial	68,401	144,276	106,256
Total	127,476	236,760	166,672

Source: Colchester Employment Study (Figures Rounded)

Table 3.3 Net Employment Land ‘Need’ by Use Type (2023-2041) (SQM)

	Labour Demand	Labour Supply	Past Take Up
Office	5.9	9.2	6.0
Industrial	15.0	32.5	24.3
Total	20.9	41.7	30.3

Source: Colchester Employment Study (Figures Rounded)

- 3.6 The CES recognises that each approach has limitations but recommends taking forward the Labour Supply scenario as it is “...*the most ambitious scenario and supports the growth agenda being driven the Council and is also aligned with emerging economic strategies and the wider North Essex geography*” (p.92).
- 3.7 Figures from the Labour Supply scenario are indeed taken through to the *Colchester Preferred Options Local Plan (2025)* which sets out that the “...*Council will plan, monitor and manage the delivery of at least 41.7 ha of employment land in Colchester City to meet the projected demand up to 2041*” (Policy ST6: Colchester’s Employment Needs).

COLCHESTER EMPLOYMENT STUDY CRITIQUE

- 3.8 The evidence set out in the CES clearly illustrates that there is a significant ‘need’ for industrial and distribution uses in Colchester. The methodology used is broadly appropriate and follows normal industry practice. The rationale for pursuing the highest growth scenario (i.e. Labour Supply) is also well articulated.
- 3.9 Despite this, it is still highly likely that the CES underestimates future employment floorspace ‘need’ in Colchester. This is for the five main reasons:
- 1. Market:** The Labour Supply methodology does not consider market performance or signals. While the Past Take up approach does, it is limited by Colchester’s extremely low industrial and logistics vacancy rates across the past five years (see Figure 2.2) leading to relatively modest ‘need’ forecasts. In this context, a ‘suppressed demand’ calculation should have been used instead of the Past Take Up approach in line with the methodology set out in the British Property Foundation’s *Levelling Up – The Logic of Logistics* (2022) report. This takes into account market deficiencies and may have yielded a higher ‘need’ figure than both the Past Take Up and Labour Supply approaches used.
 - 2. Economy:** The Labour Supply approach typically uses existing sector data to apportion the future projected workforce by sector and then use class. While the exact methodology used in this study is not clear, such an approach does not take into account that sectors are likely

to grow and/or shrink at different rates across the Local Plan period (2023-2041). To illustrate – the UK’s Modern Industrial Strategy (2025) seeks to accelerate the growth of ‘Frontier Sectors’ such as Clean Energy, Advanced Manufacturing, Life Science and Technology among others. The Labour Supply scenario does not consider this uneven level of growth and the implications for employment floorspace ‘need’⁴.

- 3. Infrastructure:** The Labour Supply scenario was chosen to align with local and regional economic ambitions, but no adjustments have been made to take into account on-going or forthcoming investments in new rail, road, sea and energy infrastructure across the region – examples include Freeport East, Sizewell C, Sea Link and the Norwich to Tilbury Electricity Transmission connection among others. These types of investments are normally considered in these studies as they can have significant implications for employment land ‘need’. Priority sectors are identified in the CES (i.e. Green Energy, Transport & Storage, Advanced Manufacturing, Digital & Creative and Financial Services) but the Labour Demand Scenario simply apportions the future workforce by the current or projected sector distribution. In either case, the impacts of these investments on these sectors is not considered meaning ‘need’ figures are based on historic economic performance.
- 4. Assumptions:** While most assumptions used within the CES are considered appropriate, there are several that may lead to an underestimation of future employment ‘need’ in Colchester. Focusing on the Labour Supply scenario, for example, the allowance made for ‘double jobbing’ is relatively modest (3.1%) now that the national average has increased to 3.9%⁵ - even this figure is generally considered to underestimate the real picture given the rise of ‘side hustles’ and the ‘gig economy’. Similarly, the allowance made for losses only extrapolates *half* of the historic average annual losses by use class over the Local Plan period (2023-2041). Often *full* average is extrapolated in similar studies undertaken by other consultancies.
- 5. Ratios:** The plot ratios used in the CES are also considered to be high for industrial and logistics potentially underestimating future employment land ‘need’ in Colchester. A flat ratio of 40% is applied for light industrial (E(g)(iii)) and general industrial uses (B2) with a higher ratio of 45% applied to logistics uses (B8). It is not uncommon to see plot ratios of 30% and 35% used in these studies and best practice would be to apply a range (30-40%) and take these through into the Local Plan. This would reflect local conditions – for example:
 - The consented industrial and logistics application on Land Adjacent to Tyle Lane off Keelars Lane, Wivenhoe (222881) has a plot ratio of 23%.

⁴ It is important to note this limitation still applies even if the projected workforce is apportioned in line with the econometric forecasts used for the Labour Demand scenario. This is because these forecasts simply project forward past trends and have historically not accurately anticipated the growth of some high growth sectors over time (including logistics).

⁵ ONS, Employment in the UK, April 2025

- The consented industrial and logistics application on Land West of 194 and east of 202 Old London Road, Marks Tey (211788) has a plot ratio of 37%.

The plot ratio used for offices is also high at 100%. Again, it is not uncommon to see plot ratios of 70% used in urban areas and 30% in business park developments. Colchester's office stock is primarily located in business park settings as highlighted in the CES.

3.10 Table 3.4 below sets out the implications of changing the plot ratios to 30% and 35% for industrial and logistics uses for the Labour Supply scenario. This shows that employment land 'need' increases by +8.7 and +15.6 ha respectively by making this small change. Table 3.5 replicates this *and* changes the plot ratio for office to 70%. This shows that employment land 'need' increases by +12.7 and +19.6 ha respectively through these adjustments.

3.11 This additional analysis highlights the sensitivity of employment 'need' calculations to the factors set out above and the importance of employing a holistic and broad approach to calculating 'need'. A more rounded study would have considered:

- The implications of 'suppressed demand'.
- The potential economic impacts of technological advancements.
- The effects of infrastructure investments.
- The impacts of changing assumptions.
- The likely local plot ratios based on local precedents.

Table 3.4 Net Employment Land 'Need' by Use Type (2023-2041) (SQM) – Adjusted Industrial Plot Ratios

	Original	30% Industrial 100% Office	35% Industrial 100% Office
Office	9.2	9.2	9.2
Industrial	32.5	48.1	41.2
Total	41.7	57.3	50.4

Source: Colchester Employment Study (Figures Rounded)

Table 3.5 Net Employment Land 'Need' by Use Type (2023-2041) (SQM) – Adjusted Office and Industrial Plot Ratios

	Original	30% Industrial	35% Industrial
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		70% Office	70% Office
Office	9.2	13.2	13.2
Industrial	32.5	48.1	41.2
Total	41.7	61.3	54.4

Source: Colchester Employment Study (Figures Rounded)

CONCLUDING STATEMENT

- 3.12 The analysis set out in this chapter indicates that there is a clear ‘need’ for industrial and logistics uses in Colchester. The level of ‘need’ identified varies based on the forecasting approach used but the *Colchester Preferred Options Local Plan (2025)* draws on Labour Supply forecasts set out in the *Colchester Employment Study (2025)*. This sets out a ‘need’ for 236,760 sqm or 41.7 ha of employment floorspace over the Local Plan Period (2023-2041), of which industrial and logistics uses account for 144,276 sqm or 32.2 ha.
- 3.13 While the methodology used is broadly appropriate and follows normal industry practice, there are several limitations which means that employment floorspace ‘need’ is likely to be higher than estimated through this approach. These relate to how the study treats the market, economy and planned infrastructure among others. It also does not apply appropriate sensitivities to a number of assumptions used, in particular plot ratios.
- 3.14 Plot ratios have been adjusted to illustrate the sensitivity of the ‘need’ figures reached and to highlight the importance of using ranges and locally-specific data. Changing industrial and logistics ratios in line with standard industry assumptions increases the total employment land ‘need’ by +8.7 and +15.6 ha respectively. Changing office, industrial and logistics ratios in line with standard industry assumptions increases by +12.7 and +19.6 ha respectively.

4. SUPPLY EVIDENCE

- 4.1 This chapter provides commentary on the supply position for industrial and logistics uses in Colchester. Supply refers to the amount, type and quality of land and/or premises to meet identified ‘demand’ and ‘need’.

LOCAL PLAN ALLOCATIONS

- 4.2 This note shows that there is clear ‘demand’ and ‘need’ for additional industrial and logistics floorspace in Colchester.
- 4.3 From a ‘demand’ perspective, analysis indicates that the East of England and Colchester have highly constrained markets characterised by floorspace growth, low vacancy rates, positive take

up and rising rents.

4.4 From a ‘need’ perspective, the *Colchester Employment Study (CES) (2025)* sets out a requirement for 236,760 sqm or 41.7 ha of employment floorspace/land over the Local Plan Period (2023-2041). Industrial uses have a requirement for 144,276 sqm or 32.2 ha.

4.5 While Local Planning Authorities (LPAs) often introduce commitments above the ‘need’ position to accelerate economic growth, the *Colchester Preferred Options Local Plan (2025)* simply carries forward the figures from the CES. It sets out that the “...*Council will plan, monitor and manage the delivery of at least 41.7 ha of employment land in Colchester City to meet the projected demand up to 2041*”.

4.6 In terms of supply, the CES reviews allocated sites, vacant sites, underutilised sites and the planning pipeline to determine whether there is sufficient supply to meet identified ‘need’. As summarised in Table 4.1, it concludes that “...*there is **insufficient supply available** to meet projected demand in Colchester Borough over the Plan period*”. It also states that:

- “*The demand analysis... forecasts increased demand for office and industrial floorspace within the borough over the Local Plan period to 2041. Given the quantum of land available at designated sites, additional vacant sites and employment sites in the planning pipeline, this results in a position whereby **demand exceeds supply**, necessitating the **allocation of additional sites** in Colchester up to 2041*”.

A deficit of 10.6 ha of employment land is identified.

Table 4.1: CES Need vs Supply Balance

Need	41.7
Vacant Sites (Ha)	19.4
Pipeline (Ha)	11.7
Total Supply (Ha)	31.1
Balance (Ha)	-10.6

Source: Colchester Employment Study (Figures Rounded)

4.7 The *Colchester Preferred Options Local Plan (2025)* responds to this context by identifying 14 sites totalling 46.9 ha for allocation. Notwithstanding the fact that the CES likely underestimates true levels of ‘need’, this supply position exceeds the ‘need’ identified within the assessment. The sites identified are summarised in Table 4.2 below.

Table 4.2: Proposed Allocated Sites

Location	Land (Ha)
Land north of Axial Way, Northern Gateway, North Colchester	2.3
Colchester Business Park	2.4
Knowledge Gateway	4.5
Land South of Tollgate West	3.7
Maldon Road	0.7
Land south of A12 Marks Tey	16
Anderson's Site, Marks Tey	3.2
Highlands Nursery, Tiptree	1.1
Land South of Factory Hill, Tiptree	4.7
Bullbanks Farm, Eight Ash Green	0.8
Lodge Lane, Langham	1
Land at Pattens Yard, West Bergholt	2.1
Land at Wakes Hall Business Centre	0.9
Tendring Colchester Borders Garden Community	3.5
Total	46.9

4.8 The difference between the CES and supply position in the *Colchester Preferred Options Local Plan* ('the Plan') (2025) is as follows:

- The Plan proposes allocating Land at Wakes Hall Business Centre (0.9 ha) which the CES does not consider in the supply calculations as it is considered only 'moderately' attractive to the market.
- The Plan proposes allocating Land at Pattens Yard (2.1 ha) which the CES does not consider in the supply calculations as it is considered only 'moderately' attractive to the market.
- The Plan proposes allocating Land at Bullbanks Farm (0.8 ha) which the CES does not consider in the supply calculations as it is considered only 'moderately' attractive to the market.

- The Plan increases the amount of available supply at Land South of Factory Hill from 4 ha to 4.7 ha.
- The Plan increases the amount of available supply at Colchester Business Park from 1.1 ha to 2.4 ha.
- The Plan increases the amount of available supply at Land North of Axial Way from 1.7 ha to 2.3 ha.

4.9 If Wakes Hall Business Centre, Land at Pattens Yard and Land at Bullbanks Farm are excluded as per the CES, the supply position falls to 43.1 ha. If these are excluded and the original figures for Factory Hill, Colchester Business Park and Axial Way are used the supply position falls to just over 40 ha which is below the 'need' position identified by the CES.

SITE ANALYSIS

4.10 To explore this supply position in more detail, the sites in Table 4.2 have been assessed against a set of criteria to determine which are most suitable for industrial and logistics uses. The Quarry has been included in this analysis to consider its suitability compared to the other sites being put forward within the *Colchester Preferred Options Local Plan (2025)*.

4.11 The criteria used aligns with the CES following additions and adjustments related to the industrial and logistics market specifically. The criteria used reflect the requirements of investors and occupiers when considering sites and premises. Criteria related to the quality of existing buildings and public realm have been excluded as the assessment focuses on the attractiveness of the sites themselves.

Table 5.2 Site Assessment Criteria

	Description	Scale
Size	Larger sites are in short supply and can accommodate a wide range of business sizes and types. This allows colocation and agglomeration benefits to be realised. They should therefore be prioritised from an employment land perspective.	5 = Strategic site (> 20 ha) 4 = Large site (15-20 ha) 3 = Medium site (10-15 ha) 2 = Small site (5-10 ha) 1 = Local site (<5 ha)
Access to Strategic Road Network	Access to the Strategic Road Network (SRN) is important for the operation of industrial and logistics businesses. It also provides	5 = Immediately adjacent to SRN 4 = Proximate to SRN (1-5 mins drive)

	benefits from a labour market perspective.	<p>3 = Close to SEN (5-10 mins drive)</p> <p>2 = Accessible to SEN (10-15 mins drive)</p> <p>1 = Far from SEN (>15 mins drive)</p>
Distance to Train Station	Sites in close proximity to train stations are easily accessible to workers. They provide a more sustainable commuting modes compared to cars.	<p>5 = Adjacent to train station (1-5 mins walk/cycle)</p> <p>4 = Proximate to train station (5-10 mins walk/cycle)</p> <p>3 = Close to train station (10-20 mins walk/cycle)</p> <p>2 = Accessible to train station (20-30 mins walk/cycle)</p> <p>1 = Far from train station (>30 mins walk/cycle)</p>
Proximity to Labour Market	Proximity to a potential workforce is an important consideration for occupiers given the challenges involved in attracting the right talent.	<p>5 = Within major settlement</p> <p>4 = Adjacent to major settlement (1-5 mins drive)</p> <p>3 = Close to major settlement (5-15 mins drive)</p> <p>2 = Accessible to major settlement (15-20 mins drive)</p> <p>1 = Some distance from major settlement (>20 mins drive)</p>
Compatibility of Surrounding Uses	Industrial and logistics uses can be 'noisy neighbours' if not managed and mitigated appropriately. Close proximity to residential uses can therefore be problematic.	<p>5 = Significant distance or separation from residential clusters (>2km)</p> <p>4 = Good distance or separation from residential clusters (1-2km)</p> <p>3 = Reasonable distance or separation from residential clusters (0.5-1km)</p> <p>2 = Some distance or separation from residential clusters (0.25-0.5km)</p> <p>1 = Limited distance or separation from residential clusters (<0.25km)</p>

<p>Access to Services</p>	<p>Access to services is a factor in business decision making as the presence of these services enhances employee satisfaction and wellbeing.</p>	<p>3 = Within 5 mins walk/drive of services 2 = Within 5-10 mins walk/drive of services 1 = >10 mins walk/drive of services</p>
<p>Suitability for meeting needs of growth sectors</p>	<p>Suitability for meeting the needs of Colchester's industrial growth sectors (i.e. Advanced Manufacturing; Transport & Logistics; Green Energy)</p>	<p>3 = Highly suitable for a range of priority industrial activities 2 = Suitable for some priority industrial activities 1 = Not suitable for any priority industrial activities</p>

Source: Colchester Employment Study; Marrons.

- 4.12 As shown in Appendix 1, the highest scoring site from the assessment is Land South of A12 Marks Tey. This site scores well as it is highly accessible given its position immediately adjacent to the A12. It is also large and located away from residential uses meaning it is a suitable for a wide range of industrial and logistics activities. It is also within a relatively short drive of workers living in Colchester, the train station at Marks Tey and a range of local services. Significant investment in new road junctions and pedestrian connections will, however, be required to unlock the site as it is currently cut off from existing routes by the A12.
- 4.13 The second highest scoring site is the Quarry. The site scores well because of its large size and position away from conflicting residential uses. Similarly to the Marks Tey site, this means it can be used for a wide range of industrial and logistics uses. It is also within relatively short drive of strategic roads, public transport, services and workers living in Colchester. No strategic or major investments in road and pedestrian infrastructure would be required compared with the Marks Tey site given the Quarry is already in use.
- 4.14 The main differentiator for these two sites versus the others is that they are large sites that are able to accommodate a wide range of different unit types and sizes, including several 'big box' units over 100,000 sq ft. No other sites considered are big enough to accommodate such a mix. This is significant because, as previously discussed, occupiers are increasingly looking for large units to fulfil the following functions among others:
- National Distribution Centres: 500,000 sq ft; Motorway location; Connection to ports.
 - Regional Distribution Centres: 250,000-500,000 sq ft; Motorway location; Access to urban area.
 - E-Fulfilment Centres: 100,000-250,000 sq ft; Motorway/trunk roads; Edge of urban area.
 - Final Mile Hubs: 50,000-150,000 sq ft; Trunk roads; Edge of urban area.

Both sites are located close to important urban areas (i.e. Colchester, Chelmsford and Ipswich) and have the ability to accommodate several of these types of larger units.

- 4.15 This is significant as the CES identifies Transport & Storage as one of Colchester's priority growth sectors. It sets out the following in relation to the sector:

*"The Essex Sector Development Strategy (2023) identifies logistics as a key strength and significant employer across Essex, **requiring continued support** to sustain its contribution to the regional economy.*

*Colchester benefits from strong transport links, including the A12 and A120, which connect the area to major urban centres such as **London, Chelmsford, Braintree, and Ipswich**. These strategic roads afford Colchester a position in Essex's logistics network. The region's broader transportation infrastructure, including the M25, supports the efficient movement of goods to and from the capital and across the UK.*

*As stated in Section 6, over the past decade, Colchester has seen **consistently positive net absorption of storage and distribution floorspace**, reflecting growth in the transport and logistics sector. This expansion is likely driven by factors such as population growth, increased online shopping, higher freight flows, and Brexit-related changes. Nationally, the sector generates £232 billion in GVA, with forecasts predicting a 29% increase in output between 2025 and 2039".*

- 4.16 It also notes the following, further underlining the importance of the sector to the area:

*"The logistics sector is **growing in importance**, driven by shifts in consumer behaviour, including rising online shopping and demand for rapid delivery services. Increased home working, global trade agreements, and evolving international business relationships further shape the sector. These trends necessitate a robust, agile logistics network to manage international shipments, regulatory compliance, and evolving trade policies.*

*The UK logistics industry has **witnessed significant growth** due to the rapid technological advancements taking place in the sector. Automation, artificial intelligence, and data analytics have become critical components in optimising the supply chain and transportation networks. Additionally, the focus on sustainability is driving innovations in packaging, route optimisation, and collaborative logistics models to minimise waste and emissions are factors that are together driving growth and transformation in the UK logistics industry, enabling it to adapt to the changing demands of the global market.*

*Logistics operations require premises with desirable attributes: access to the **strategic road network, proximity to markets, labour and amenities, suitably proportioned sites, potential for unimpeded 24-hour working**, good availability of services including broadband connectivity, and inter-modal facilities.*

Occupiers are also increasingly demanding high quality (Grade A) industrial and warehousing floorspace, with the availability of expansion space, public realm and access to amenities on or in proximity to sites also a key consideration. Drivers around ESG and decarbonisation have also raised demand for Electric Vehicle charging and green refuelling, which are driving demand for land and require sufficient supporting infrastructure”.

4.17 A number of remaining sites performed well – primarily due to their accessibility and proximity to services, workforce and public transport nodes. Those in and around Colchester performed best – including:

- Land north of Axial Way, Northern Gateway, North Colchester.
- Knowledge Gateway.
- Anderson's Site, Marks Tey.
- Bullbanks Farm, Eight Ash Green.
- Tendring Colchester Borders Garden Community.

Most of these sites are suitable for smaller and more local industrial and logistics occupiers rather than strategic and national occupiers. These types of sites play an important role in local economic development but are generally not as impactful as larger sites. The only exception perhaps is Knowledge Gateway which could be developed for highly productive occupiers (e.g. in Advanced Manufacturing) looking to locate close to the University of Essex.

4.18 The remaining sites performed more poorly. These include Wakes Hall Business Centre and Land at Pattens Yard which were originally discounted in the CES following an analysis of potential supply.

CONCLUDING STATEMENT

4.19 The analysis set out in this chapter illustrates that there is strong ‘demand’ and ‘need’ for industrial and logistics uses in Colchester, but the CES identifies that there is insufficient supply to meet these requirements. It states that the Local Plan will need to allocate additional sites to address this shortfall.

4.20 The *Colchester Preferred Options Local Plan (2025)* responds to this context by identifying 14 sites totalling 46.9 ha for allocation - including some sites that were excluded by the CES as they are only considered ‘moderately’ attractive to the market. This addresses the shortfall and ensures “...[t]he Council will plan, monitor and manage the delivery of at least 41.7 ha of employment land in Colchester City to meet the projected demand up to 2041”.

4.21 An assessment of the sites included in the *Preferred Options Local Plan (2025)* does, however,

illustrate that some sites are more suitable than others for industrial and logistics uses. The highest scoring site from the assessment is Land South of A12 Marks Tey followed by the Quarry which is not currently included as a potential site allocation in the *Preferred Options Local Plan (2025)*.

4.22 The main differentiator for these two sites versus the others is that they are large sites that are able to accommodate a wide range of different unit types and sizes, including several ‘big box’ units over 100,000 sq ft. No other sites considered are big enough to accommodate such a mix.

4.23 Other sites are suitable for smaller and more local industrial and logistics occupiers rather than strategic and national occupiers. These types of sites play an important role in local economic development but are generally not as impactful as larger sites.

5. CONCLUSION

5.1 The purpose of this note is to assess whether there is ‘demand’ and ‘need’ for the industrial and logistics uses associated with the Quarry and, if so, whether there is sufficient supply available. The differences between ‘demand’ and ‘need’ are as follows:

- **Demand:** refers to the level of market appetite to occupy or invest in commercial floorspace within an area. There is no industry-accepted approach to reach a single objectively assessed figure, but a range of commercial ‘signals’ (e.g. rent, vacancy, take up, delivery) can be brought together to provide an indication.
- **Need:** refers to the minimum amount of employment floorspace or land ‘needed’ to meet expected economic growth in an area. Objectively assessed figures are reached by projecting forward past economic, commercial and/or demographic trends using a range of different tools and techniques. ‘Need’ can often be lower than ‘demand’ where a market or location is highly attractive to both investors and occupiers.

DEMAND: Is there ‘demand’ for more industrial and logistics floorspace in Colchester?

5.2 From a ‘demand’ perspective, the evidence illustrates that the East of England and Colchester have growing, well-occupied but highly constrained industrial and logistics markets characterised by low vacancy rates, rising rents and positive take up as set out below:

- The East of England has seen industrial and logistics floorspace increase by +54m sq ft over the last decade (+15%). Colchester has seen a more modest increase of +160k sq ft or +3% over the same period.
- Vacancy rates have remained below 8% across both geographies across the last decade. They

currently sit at <6% across the East of England and < 3% in Colchester. This has been sustained by positive take up – 47m sq ft in the East of England and 590k sq ft in Colchester over the last five years.

- Net absorption has been positive across both geographies over the last decade. They have averaged +4.8m sq ft each year across the East of England and +13,464 sq ft in Colchester. The comparatively low figures in Colchester likely reflect limited delivery and very low vacancy rates across the area.
- Rents have increased year-on-year across both geographies over the last decade indicating strong 'demand'. Rents have increased by +46% across the East of England and now sit at £11.31 psf. In Colchester they have increased by +44% and are now £9.93 psf.

5.3 This evidence suggests that there is likely to be significant market 'demand' for additional industrial and logistics uses across these geographies.

5.4 The indicators analysed also suggest that the areas have been subject to 'suppressed demand' over the last decade - where businesses are willing to take space but cannot because suitable premises are unavailable. This means that recorded take-up and net absorption figures likely underestimate true 'demand'.

5.5 This is a major challenge across the national industrial and logistics market and has led to calls from the British Property Federation (2022) for calculations of employment land 'need' to take into account market signals and deficiencies recognising that traditional approaches are constrained by past trends and often underestimate how much floorspace an area requires.

NEED: Is there an objective 'need' for more industrial and logistics floorspace in Colchester?

5.6 From a 'need' perspective, the analysis indicates that there is a clear 'need' for industrial and logistics uses in Colchester. The level of 'need' identified varies based on the forecasting approach used but the *Colchester Preferred Options Local Plan (2025)* draws on Labour Supply forecasts set out in the *Colchester Employment Study (2025)*. This sets out a 'need' for 236,760 sqm or 41.7 ha of employment floorspace over the Local Plan Period (2023-2041), of which industrial and logistics uses account for 144,276 sqm or 32.2 ha.

5.7 While the methodology used is broadly appropriate and follows normal industry practice, there are several limitations which means that employment floorspace 'need' is likely to be higher than estimated through this approach. These include the following:

1. **Market:** The Labour Supply methodology does not consider market performance or signals. While a Past Take Up approach is considered, it is limited by Colchester's extremely low

industrial and logistics vacancy rates across the past five years, leading to relatively modest 'need' forecasts. In this context a 'suppressed demand' calculation would have been appropriate instead of the Past Take Up approach in line with the methodology set out in the British Property Foundation's *Levelling Up – The Logic of Logistics* (2022) report. This takes into account market deficiencies and may have yielded a higher 'need' figure than the Labour Supply and Past Take Up approaches used.

2. **Economy:** The Labour Supply approach typically uses existing sector data to apportion the future projected workforce by sector and then use class. While the exact methodology used in this study is not clear, such an approach does not take into account that sectors are likely to grow and/or shrink at different rates across the Local Plan period (2023-2041). To illustrate – the UK's Modern Industrial Strategy (2025) seeks to accelerate the growth of 'Frontier Sectors' such as Clean Energy, Advanced Manufacturing, Life Science and Technology among others. The Labour Supply scenario does not consider this uneven level of growth and the implications for employment floorspace 'need'⁶.
3. **Infrastructure:** The Labour Supply scenario was chosen to align with local and regional economic ambitions, but no adjustments have been made to take into account on-going or forthcoming investments in new rail, road, sea and energy infrastructure across the region – examples include Freeport East, Sizewell C, Sea Link and the Norwich to Tilbury Electricity Transmission connection among others. These types of investments are normally considered in these studies as they can have significant implications for employment land 'need'.
4. **Assumptions:** While most assumptions used within the CES are considered appropriate, there are several that may underplay future employment 'need' in Colchester. Focusing on the Labour Supply scenario, for example, the allowance made for 'double jobbing' is relatively modest (3.1%) now that the national average has increased to 3.9%⁷ - even this figure is generally considered to underestimate the real picture given the rise of 'side hustles' and the 'gig economy'.
5. **Ratios:** The plot ratios used in the CES are also considered to be high for industrial and logistics potentially underestimating future employment floorspace 'need'. A flat ratio of 40% is applied for light industrial (E(g)(iii)) and general industrial uses (B2) with a higher ratio of 45% applied to logistics uses (B8). It is not uncommon to see plot ratios of 30% and 35% used in these studies so best practice would be to apply a range (30-40%) and take these through into the Local Plan. The plot ratio used for offices is also high at 100%. Again, it is not uncommon to see plot ratios of 70% used in urban areas and 30% in business park developments.

⁶ It is important to note this limitation still applies even if the projected workforce is apportioned in line with the econometric forecasts used for the Labour Demand scenario. This is because these forecasts simply project forward past trends and have historically not accurately anticipated the growth of some high growth sectors over time (including logistics).

⁷ ONS, Employment in the UK, April 2025

- 5.8 Plot ratios have been adjusted to illustrate the sensitivity of the 'need' figures reached and to highlight the importance of using ranges and locally-specific data. Changing industrial and logistics ratios in line with standard industry assumptions increases the total employment land 'need' by +8.7 and +15.6 ha respectively. Changing office, industrial and logistics ratios in line with standard industry assumptions increases by +12.7 and +19.6 ha respectively.

SUPPLY: Is there sufficient and appropriate industrial and logistics floorspace supply in Colchester to meet identified 'need' and 'demand'?

- 5.9 This note illustrates that there is strong 'demand' and 'need' for industrial and logistics uses in Colchester, but the CES identifies that there is insufficient supply to meet these requirements. It states that the Local Plan will need to allocate additional sites to address this shortfall.
- 5.10 The *Colchester Preferred Options Local Plan (2025)* responds to this context by identifying 14 sites totalling 46.9 ha for allocation including some sites that were excluded by the CES as they are only considered 'moderately' attractive to the market. This is considered to address the shortfall and ensure "The Council will plan, monitor and manage the delivery of at least 41.7 ha of employment land in Colchester City to meet the projected demand up to 2041".
- 5.11 An assessment of the sites included in the *Preferred Options Local Plan (2025)* does, however, illustrate that some sites are more suitable than others for industrial and logistics uses. The highest scoring site from the assessment is Land South of A12 Marks Tey followed by the Quarry which is not currently included as a potential site allocation in the *Preferred Options Local Plan (2025)*.
- 5.12 The main differentiator for these two sites versus the others is that they are large sites that are able to accommodate a wide range of different unit types and sizes, including several 'big box' units over 100,000 sq ft. No other sites considered are big enough to accommodate such a mix.
- 5.13 Other sites are suitable for smaller and more local industrial and logistics occupiers rather than strategic and national occupiers. These types of sites play an important role in local economic development but are generally not as impactful as larger sites.

CONCLUDING REMARKS

- 5.14 The analysis presented in this note illustrates that there is strong 'demand' for industrial and logistics uses in Colchester and that the *Colchester Preferred Options Local Plan (2025)* and *Colchester Employment Study (2025)* are likely to underestimate potential 'need'. It is also clear that there is limited supply in the area and that, of the supply that exists, there are few strategic sites suitable for larger scale industrial and logistics occupiers. The Quarry is considered a suitable site for a broad range of industrial and logistics uses and should therefore be viewed positively from an allocation



perspective.

Produced By: Patrick Ransom - Economics Director, Marrons.

Produced For: Avison Young UK Limited and Tarmac Holdings Limited.

Produced When: January 2026.

Note: This report has been prepared exclusively for the clients for the purpose agreed in our engagement. It is based on information provided by the client and other sources believed to be reliable at the time of preparation.

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The findings and recommendations herein are specific to the scope and context defined in our agreement and may not be applicable in other circumstances.

Appendix 1 Site Assessment

Site	Land (Ha)	Size	Road Network	Train Station	Labour Market	Compatibility	Access to Services	Sectors	Total	Comment
The Quarry, Land east of Warren Lane	15-30	5	3	3	4	3	2	3	23	Strategic site located on the edge of a densely populated urban area with strong labour market. Has reasonable accessibility to road network, public transport and services and could suit several priority industrial sectors.
Land north of Axial Way, Northern Gateway, North Colchester	2.3	1	5	3	4	3	3	3	21	Highly accessible site located adjacent to the A12 and other compatible industrial uses. Relatively small size limits scale of development that can come forward but would be suitable for several priority industrial sectors. Well located for labour market and has reasonable accessibility to public transport and other services.
Colchester Business Park	2.4	1	4	3	4	2	3	1	18	Accessible office location within close proximity of the A12. Appropriate for office development given proximity of other uses but less suited to priority industrial sector for the same reason. Well located for labour market and offers reasonable access to public transport and other on-site services (inc restaurant, coffee shop, dentist, hairdresser and off licence).
Knowledge Gateway	4.5	1	5	4	5	1	3	2	21	Highly accessible site located on the A133 and adjacent to the University of Essex. Well located for services, labour market

																			and public transport but has been partly development for student accommodation limiting industrial opportunities. Relatively small limiting potential for large scale development.
Land South of Tollgate West	3.7	1	4	3	5	1	3	2	19									Reasonably accessible site adjacent to Tollgate Centre shopping park. Small size and immediate proximity to large residential estate limits potential industrial activities that can take place on site. Likely to be most suitable for retail park type uses given adjacency of such uses locally and proximity to residential estates.	
Maldon Road	0.7	1	3	3	5	2	3	2	19									Small site adjacent to industrial and open storage units on Maldon Road. Suitable for industrial uses given neighbouring uses, but activity will be limited by site size and proximity of residential areas. Well located from a labour market and services perspective.	
Land south of A12 Marks Tey	16	4	4	4	4	5	3	3	27									Highly accessible and large site located immediately adjacent to the A12. Suitable for a range of industrial uses given location, size and neighbouring uses as well as proximity to labour market and services. Score has been moderated and is entirely contingent on significant investment in road junctions and pedestrian bridges to unlock the site.	
Anderson's Site, Marks Tey	3.2	1	5	5	4	5	1	2	23									Highly accessible site located adjacent to the A12 and neighbouring Interchange Park. It is separated from residential uses by the railway, and is located within easy reach of public transport and a strong labour market making it suitable for	

																			industrial uses. Its relatively small size limits the range and diversity of activities that can take place on site.
Highlands Nursery, Tiptree	1.1	1	3	3	5	1	3	2	18										Small site to come forward as part of 11ha residential allocation within the Tiptree Neighbourhood Plan. Does not appear to be put forward as a potential residential allocation in <i>Colchester Preferred Options Local Plan (2025)</i> so deliverability is questionable. Does not score highly due to size and proximity of residential uses which would limit diversity of activity that could be brought forward.
Land South of Factory Hill, Tiptree	4.7	1	2	1	5	2	3	2	16										Relatively small site located on Factory Hill adjacent to the Tiptree Jam Factory and museum. Suitable for some related industrial activities but small size and poor accessibility limit the types of industrial activity that can take place on site.
Bullbanks Farm, Eight Ash Green	0.8	1	5	3	4	4	2	2	21										Very small site adjacent to agricultural uses. Small size and proximity to residential uses limit diversity of industrial activity that could take place on site with agricultural and storage uses likely to be most appropriate.
Lodge Lane, Langham	1	1	4	2	4	3	2	2	18										Small site adjacent to Lodge Park Business Centre. Well-located close to A12 but limited accessibility from a public transport and services perspective. Small site limits diversity of industrial activities that can take place on site and adjacency off office units may make it more suitable for this type of use.
Land at Pattens Yard,	2.1	1	3	3	3	4	3	2	19										Small rural site adjacent to Patten Yard business centre which is home to a range

West Bergholt																			of light industrial and showroom type uses. Relatively accessible by car and bicycle within relatively easy reach of services and labour market. Small size limits diversity of activities that could take place on site.
Land at Wakes Hall Business Centre	0.9	1	5	4	2	1	3	2	18										Small rural site adjacent to Wakes Hall Business Centre which is home to a mix of office, light industrial and leisure uses. Well located for public transport and the strategic road network, but small size and adjacent uses limit the range of industrial activities that can take place on site.
Tendring Colchester Borders Garden Community	3.5	1	5	4	5	1	3	2	21										Small employment site allocation split across the south and north east of the Tendring Colchester Borders Garden Community. Both sites are small but highly accessible. Their size and proximity to existing and planned residential uses limit the diversity of industrial activities that could take place.

Appendix III

Transport Appraisal

Land East of Warren Lane, Colchester

Transport Technical Note

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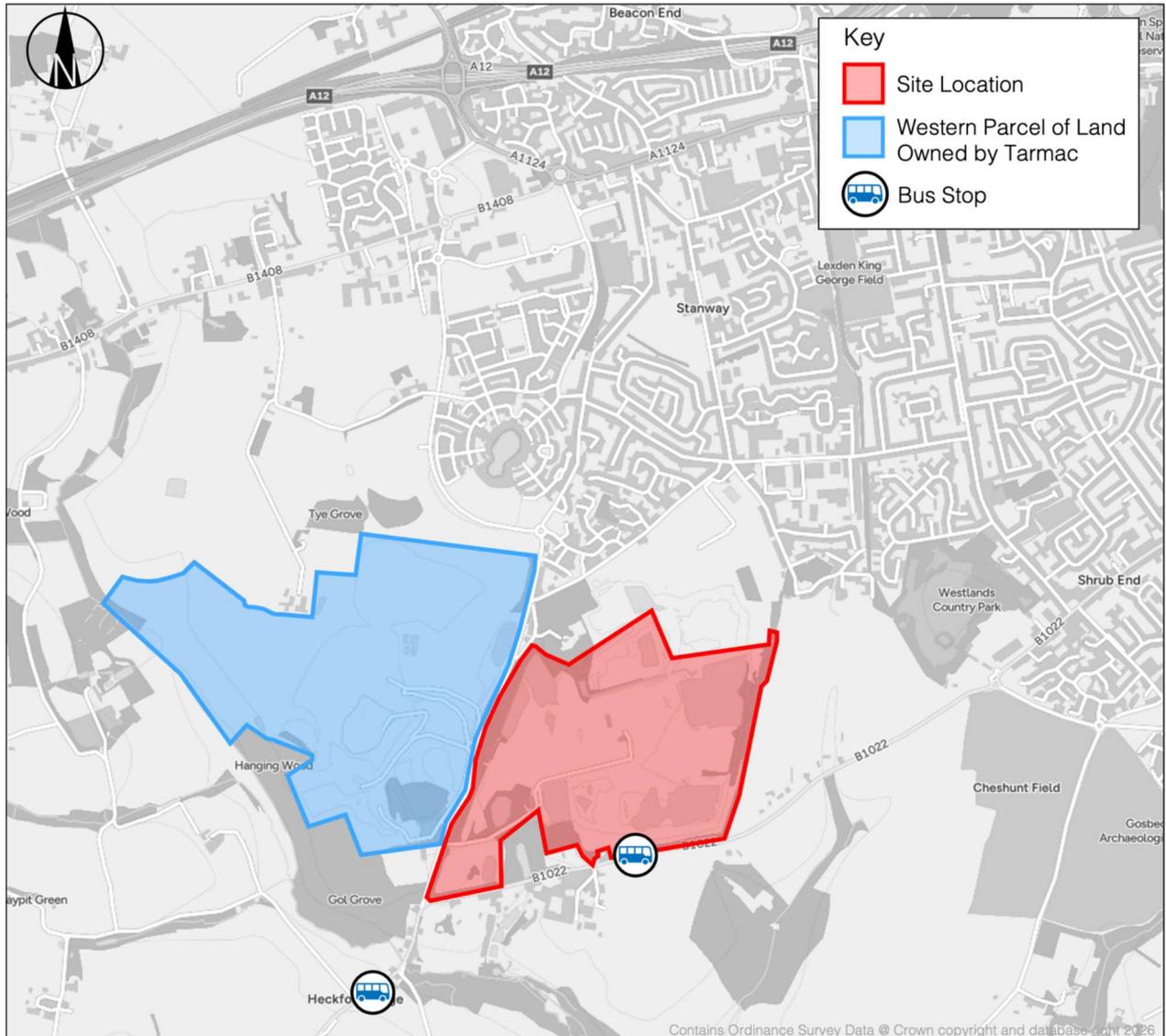
Client:	Tarmac Trading Limited	Job No	J329376
Date:	09 January 2026	Approved by:	JW
Prepared by:	BB		

1. Introduction

1.1 Overview

- 1.1.1 This Transport Technical Note (TTN) has been prepared by mode transport planning (mode) on behalf of Tarmac Trading Limited to support the Regulation 18 representation as part of Colchester City Council's (CCC) Local Plan Review in relation to land east of Warren Lane, Colchester.
- 1.1.2 The site is located between Heckfordbridge (to the south of the site) and Stanway Green (to the north of the site). The site is bound by Warren Lane and additional land owned by Tarmac to the west, the B1022 Maldon Road and Colchester Zoo to the south, and agricultural land to the east and north. The land to the west of the site, owned by Tarmac, is occupied by Tarmac's Colchester Office and its Colchester Dry Silo Mortar Plant. Colchester City Centre is approximately 9km north of the site.
- 1.1.3 The location of the site in its local context is provided in [Figure 1.1](#).

Figure 1.1 Site Location Plan



1.1.4 The site is currently occupied by Tarmac Colchester Sand and Gravel Quarry, which is an active sand and gravel extraction site, with ongoing production for construction materials that are used for both local and regional construction projects. The site benefits from an existing access via Warren Lane on the western boundary of the site and is noted to currently accommodate HGV traffic.

1.1.5 At this stage, the development proposals are not yet fixed, however, it is the intention to redevelop the site to include employment/commercial land uses (under use classes E, B2 and B8) as well as additional retail uses comprising a total floor area of between 75,000 – 115,000sqm.

1.1.6 As such, this note has been prepared to provide an initial assessment of the transport and highways conditions in relation to potential development proposals at the site and provides a high-level overview of the planning context for the site, the baseline transport and highways conditions, the initial development proposals, and the potential highways impact of the proposals.

2. Planning Context

2.1 Colchester Local Plan

2.1.1 The current Colchester City Local Plan is split into two sections, the first being adopted in 2021 and the second being adopted in 2022, and guides growth and development across Colchester up to 2033. Both sections of the plan have policies in favour of sustainable development, including the promotion of sustainable transport and sustainable access to new development.

2.1.2 Within the policies for West Colchester (Section 2 of the Colchester City Local Plan), improvements to the A12 J26 (under Policy WC5) are noted to support development within the Stanway Strategic Economic Area designation.

2.1.3 Furthermore, *Policy WC5 Transport in West Colchester* states that developments within the area will be expected to contribute to a package of sustainable transport measures, such as active travel, public transport improvements and travel planning to promote sustainable travel to developments. Where development proposals impact the highway network, contributions will be sought towards mitigation and improvements to the network and schemes, including the improvements to the Maldon Road/Warren Lane junction and improvements to existing public transport and active travel services/infrastructure.

2.2 Colchester City Council Preferred Options Local Plan – Reg 18

2.2.1 CCC are currently undergoing a Regulation 18 consultation as part of their Local Plan Review to gather further feedback on the Colchester New Local Plan.

2.2.2 The draft of the Colchester New Local Plan being consulted on under Regulation 18 supports a vision-led transport planning approach, with key themes of sustainability and connectivity supporting its overarching vision to enhance growth and opportunities within Colchester. This is demonstrated through policies such as *PC2 Active and Sustainable Travel* and *Policy ST7: Infrastructure Delivery and Impact Mitigation*, which promote developments being planned around safe and accessible active travel routes and the provision of appropriate infrastructure that serves the needs of the development.

2.3 Other Considerations

- 2.3.1 Within supporting evidence of the CCC New Local Plan, Essex Highways has identified a series of highway schemes to improve travel within the county. One of these schemes is the Warren Lane/Maldon Road junction improvement scheme, which aims to upgrade the existing priority T-junction to a 3-arm roundabout to reduce congestion at this identified pinch point. Further information on the mitigation scheme is provided later within this note.
- 2.3.2 It is also recognised within supporting transport evidence that the A12 is identified as a strategic corridor of regional and national importance, critical for freight movements, economic growth and employment land connectivity. As such, the site is well located to take advantage of its strategic links to the A12.

3. Baseline Conditions

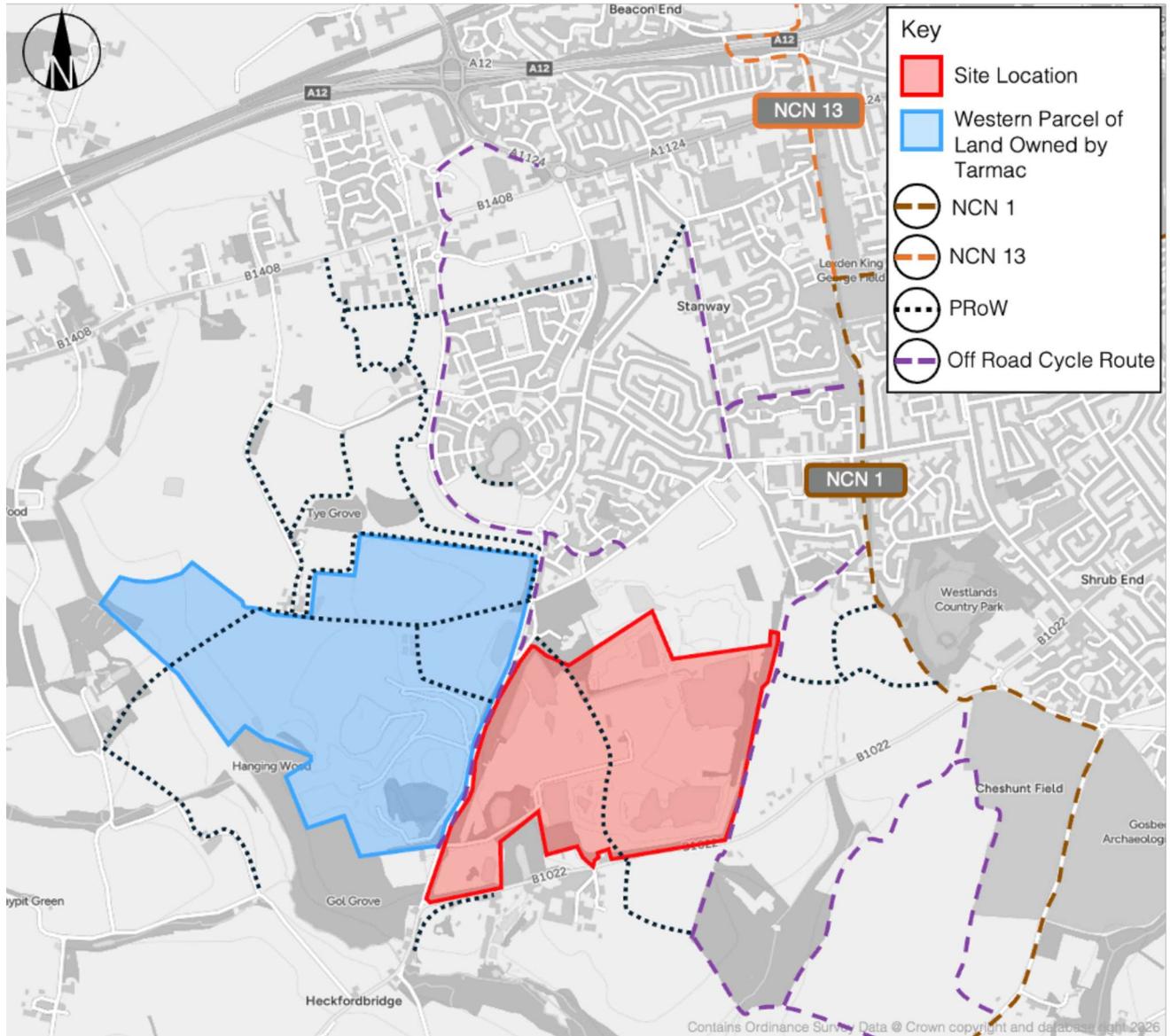
3.1 Overview

- 3.1.1 This section provides a review of the baseline transport and highways conditions within the vicinity of the site, including active travel, public transport and the local highway network conditions.

3.2 Active Travel

- 3.2.1 There is both pedestrian and cycle infrastructure within the vicinity of the site. A shared use path is located on the western side of Warren Lane, which terminates opposite the existing site access. However, it continues south in the form of an on-road cycle route towards Birch. To the north, the shared use path provides a connection towards the built area of Stanway.
- 3.2.2 There is a broad Public Right of Way (PRoW) network within the vicinity of the site. A footpath (Footpath 39 Stanway) runs north-south through the site, providing a connection between B1022 Maldon Road and Warren Lane. The shared use path on Warren Lane also connects to Footpath 16 Stanway, to the west of the site.
- 3.2.3 National Cycle Network (NCN) Route 1 is located to the east and northeast of the site, providing access into Stanway and central Colchester. It is formed of both on and off-road sections and provides connectivity to NCN 13 between Wheatfield Park Playground and Lexden King George Field, which continues north towards Sudbury and Bury St Edmunds.
- 3.2.4 The existing pedestrian and cycle infrastructure in the vicinity of the site is shown in **Figure 3.1**.

Figure 3.1 Active Travel Network



3.3 Public Transport

- 3.3.1 Colchester Zoo bus stops are also located on the southern boundary of the site on Maldon Road, circa 1km from the existing site access on Warren Lane. Both bus stops benefit from sheltered seating and a marked bus lay-by.
- 3.3.2 The Angel bus stops are located approximately 600m south of the Warren Lane access, on the B1022 Maldon in Heckfordbridge.

- 3.3.3 Both stops are served by the Konectbus 92 service and First Bus 75 and 79 services. The Konectbus Service 92 operates six services a day from the stops, Mondays to Fridays and three services on a Saturday. The First Bus Service 75 operates one to two services an hour between 07:00-20:00 on Mondays to Fridays and one service per hour on Saturdays. On Sundays and public holidays, there are six services operated at these stops. First Bus Service 79 operates two services on Fridays.
- 3.3.4 The bus services provide access to a range of destinations including Colchester, Tiptree, Heybridge, Maldon, Birch and Tollesbury.
- 3.3.5 Colchester Railway Station is approximately 7.5km north of the site, accessible by private vehicles within 15-minutes or 30 minutes by cycle. The railway station provides connectivity to Chelmsford and London Liverpool Street. A secondary railway station (Colchester Town) is located within the town centre, approximately 6.5km northeast of the site, and provides connectivity to Hythe, Great Bentley and Thorpe-le-Soken.
- 3.3.6 Marks Tey Railway Station is located approximately 6km west of the site. It can be accessed within a 10-minute car journey or 21-minute cycle. The station is a stop on the Great Eastern Main Line and provides services to London Liverpool Street, Ipswich, Sudbury and Clacton-on-Sea.

3.4 Local Highway Network

- 3.4.1 Warren Lane bounds the site to the west and is a single carriageway road that is subject to the national speed limit (60mph) on the section adjacent to the site, though the speed limit reduces to 30/40mph on the northern section between Dyers Road and Villa Road. Warren Lane provides connections to Stanway to the north, as well as the A12, via the Stanway Western Bypass and other local routes. It is noted that Warren Lane to the north is subject to a vehicle weight restriction of 7.5t.
- 3.4.2 The B1022 Maldon Road is a single carriageway road to the south of the site that is subject to varying speed limits. The section to the south of the site is subject to a 30mph speed limit on approach to the B1022 Maldon Road/Warren Lane priority junction. To the east, Maldon Road provides connections towards Colchester.
- 3.4.3 The A12, located to the north of the site, forms part of the Strategic Road Network (SRN). It is largely subject to a 70mph speed limit along the dual carriageway sections, but reduces to 30/40mph in more built-up areas. As noted, the A12 is considered to be an important strategic freight corridor in the area.
- 3.4.4 When considering the roads in the vicinity of the site, it is important to note that the existing use of the site, i.e. quarry/mineral extraction, comprises larger goods vehicles.

4. Development Proposals

- 4.1.1 As noted, the site is currently occupied by a quarry site, which is an active sand and gravel extraction site, with ongoing production for construction materials.
- 4.1.2 As part of this Regulation 18 representation, the site could be redeveloped for employment / commercial land uses (under use classes E, B2 and B8) as well as additional retail uses.
- 4.1.3 Whilst the quantum of development is not fixed at this stage, initial feasibility suggests that the employment / commercial proposals could comprise between 60,000 – 115,000 sqm and the retail element is likely to comprise between 10,000 – 15,000sqm.
- 4.1.4 Given the existing operations at the site, it is likely that any future development may be phased to ensure that the quarry and mineral operations are in use as required up until a period where these are no longer required.

4.2 Sustainable Transport Access

- 4.2.1 As noted within relevant national and local policy, an emphasis should be placed on sustainable transport for future development. As such, the development proposals will seek to tie into existing sustainable transport infrastructure as far as possible, with potential improvements explored as appropriate.
- 4.2.2 Potential sustainable transport considerations are provided below. It should be noted that the scale of sustainable transport interventions will ultimately depend on the nature of the future development sought at the site.
- Appropriate crossing facilities from the site to the existing shared use path on Warren Lane.
 - Active travel infrastructure to be provided within the site to connect to the Colchester Zoo bus stops on the B1022 Maldon Road to the south.
 - Enhancements to existing PRowS in the vicinity of the site, noting that a footpath currently runs through the site on a general north-south alignment.
 - Explore opportunities for shuttle buses between the site and Colchester Railway Station to encourage the use of sustainable transport to/from the site.
 - Explore potential improvements to existing bus services.

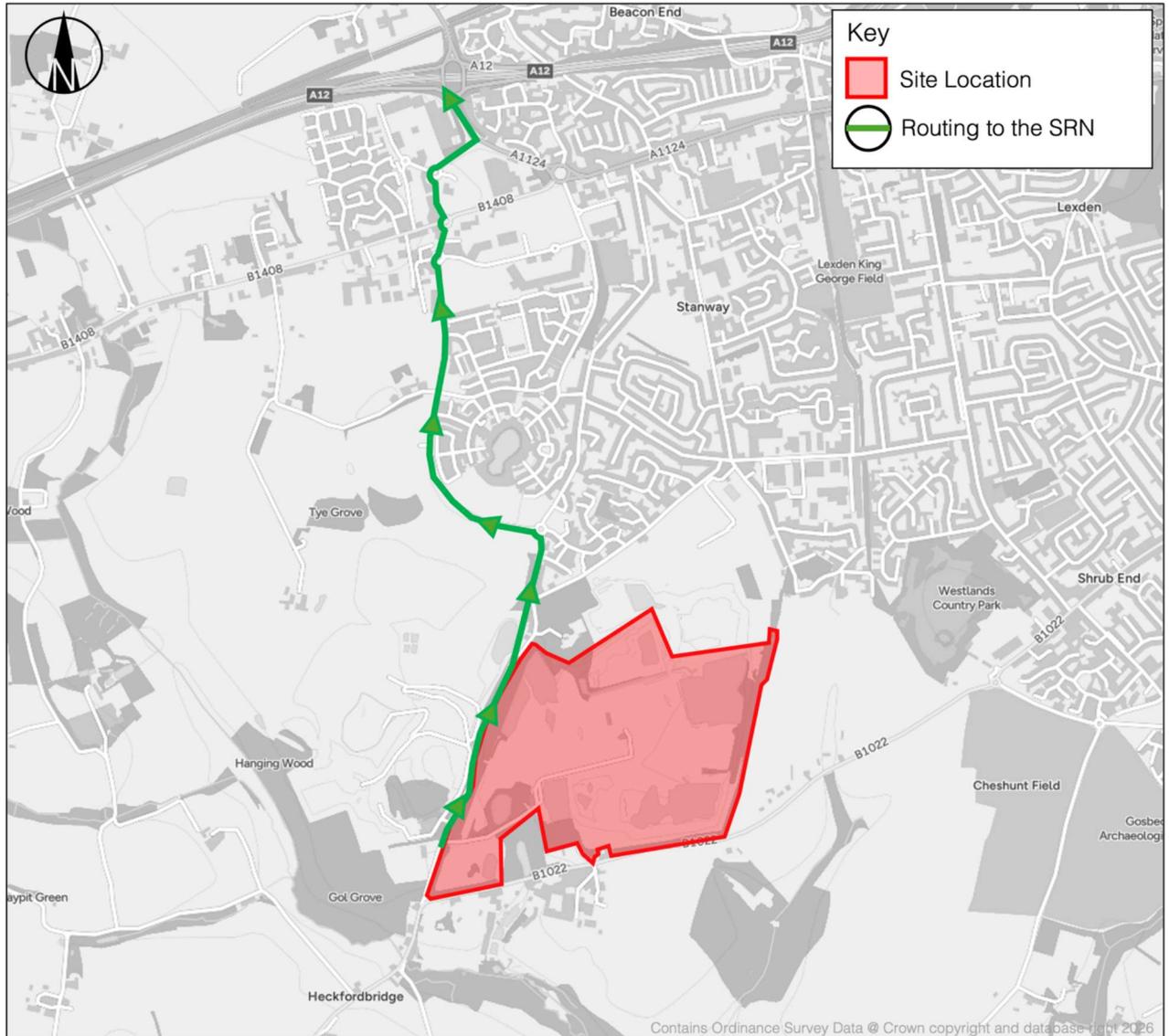
4.3 Vehicular Access

- 4.3.1 Vehicular access has historically been taken from Warren Lane via an existing priority junction. The principle of access would be reviewed, but it is noted to already accommodate vehicle movements to/from the quarry, including HGVs. The existing access could be enhanced through the provision of a ghost right turn lane to ensure free flow of traffic travelling south to north on Warren Lane. This would be subject to a detailed review of carriageway widths and land ownerships.
- 4.3.2 There could also be an opportunity to provide a roundabout on Warren Lane to connect the site with the parcel of land also owned by Tarmac to the west. This could be accompanied by active travel infrastructure that ties in with existing infrastructure to support sustainable transport movements between the sites.
- 4.3.3 Alternative or additional access could also be provided to the south of the site on the B1022 Maldon Road, providing direct access from the site to the Colchester Zoo bus stops and the existing PRow (Footpath 39 Stanway).
- 4.3.4 Further assessment would be required to understand the feasibility of potential access options to the site.

4.4 Vehicle Routing

- 4.4.1 Given the nature of potential future development proposals at the site, vehicle routing, particularly for HGVs, will be an important consideration.
- 4.4.2 As noted, the site benefits from being in close proximity to the SRN, with the A12 located to the north of the site. In addition, the site already operates as an existing quarry subject to HGV movements.
- 4.4.3 On this basis, HGVs are likely to enter/egress the site via Warren Lane and travel towards the A12 via the Stanway Western Bypass, Western Approach and the A1124 Essex Yeomanry Way. This routing strategy would avoid existing vehicle weight restrictions on roads to the north.
- 4.4.4 The indicative HGV vehicle routing strategy is shown in [Figure 4.1](#).

Figure 4.1 Indicative HGV Routing Towards A12



4.4.5 In addition to HGV movements, future development will also result in commuter/visitor traffic. The site is well located to a number of nearby settlements including, Colchester, Braintree, Stanway Tiptree and Witham. Future employees/visitors could also travel from settlements further afield due to the sustainable transport network within the vicinity of the site.

5. Potential Highway Impacts

5.1 Overview

5.1.1 A high-level review of the capacity of the surrounding road network has been undertaken, including a review of submitted transport evidence in support of the New Colchester Local Plan.

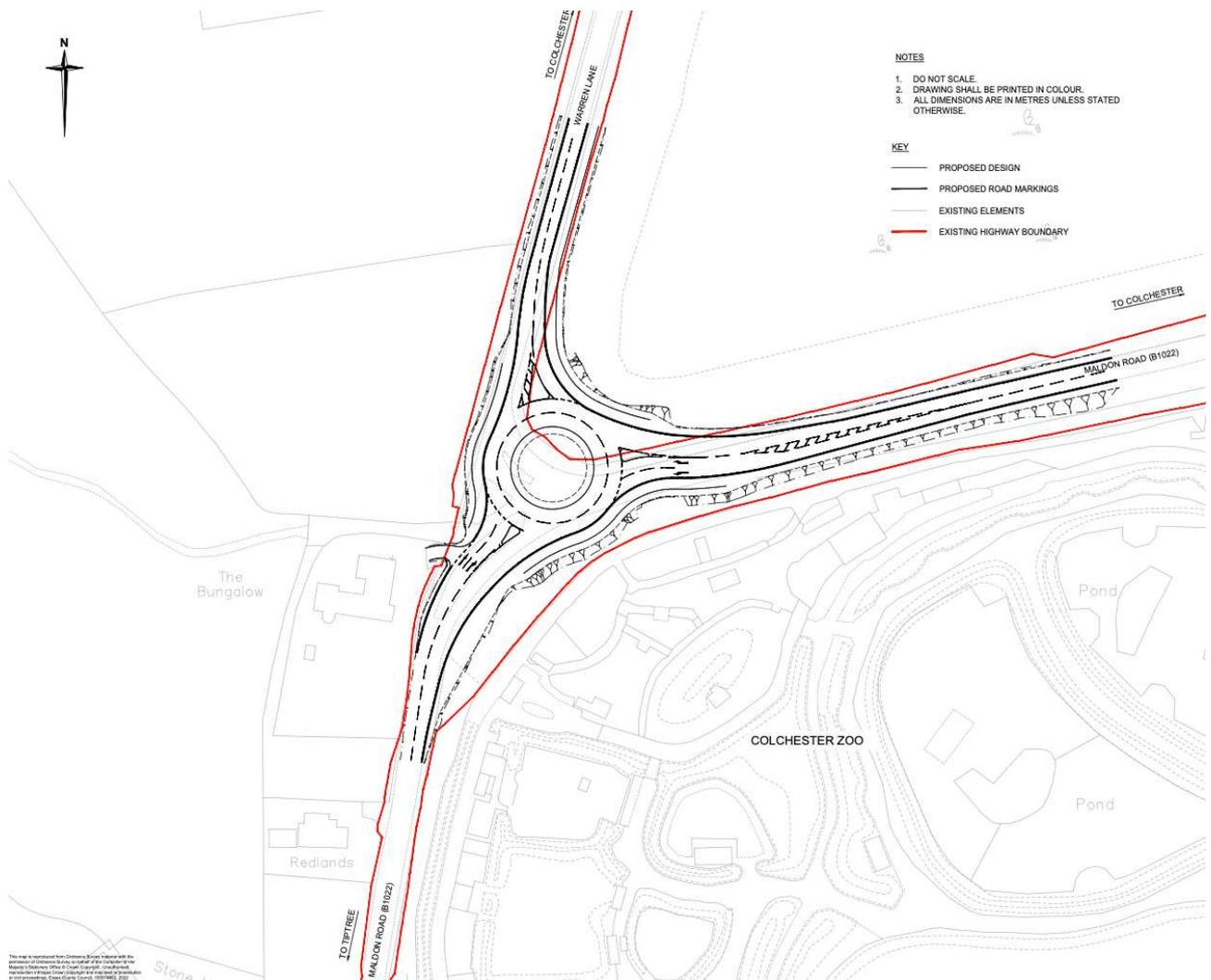
5.1.2 When considering the below, it is noted that, given the current undetermined or fixed nature of the proposals, the trip generation associated with potential future uses at the site has not been undertaken. However, as the proposals progress, a trip generation assessment will be undertaken to reflect the land uses proposed, and a comparison of the existing use (i.e. quarry/mineral extraction uses) will be included.

5.2 Surrounding Highway Network Capacity

5.2.1 Following a review of the submitted Transport Evidence in support of the New Local Plan, the Warren Lane / B1022 Maldon Road junction is noted to be subject to congestion, as well as safety concerns with a lack of pedestrian and cycle provision at the existing junction.

5.2.2 As such, ECC highways has prepared initial mitigation drawings at the junction, which include the provision of a new roundabout junction, as shown in **Figure 5.1**.

Figure 5.1 Indicative Warren Lane / B1022 Maldon Road Priority Junction Upgrades



- 5.2.3 The initial designs include implementing a new roundabout, with a 3m-wide shared-use path with designated crossing points, designated uncontrolled pedestrian crossings at traffic islands for safe movement across Warren Lane and Maldon Road and a single-lane approach from Warren Lane and two-lane flared approaches from both arms of B1022 Maldon Road.
- 5.2.4 When considering the initial concept design prepared by ECC at this location, it is noted to require land within the Applicant's control (southwest corner of the site). As such, discussions and future development of a scheme would have regard to potential improvements at this location, given initial concept material indicates that third-party land interests may be relevant to any future scheme.
- 5.2.5 In addition to the above, given the importance of the A12, which is noted for improvement within the current CCC Local Plan, a detailed review would be undertaken at this junction. It is also noted that, within supporting transport evidence for the New Local Plan, the A12 has been identified for improvement alongside a suite of sustainable transport measures to encourage non-vehicle trips in the area.
- 5.2.6 Based on the above review, a more detailed assessment of the local highway network would be undertaken as the proposal develops to determine the extent of traffic impacts on the local highway network.
- 5.2.7 Whilst exploring highway improvements would be beneficial for vehicular access to the site, it will also be important to explore a suite of comprehensive sustainable transport improvements to encourage future users of the site to travel by sustainable modes.

6. Summary

- 6.1.1 A summary of the contents of this TTN is provided below.
- This note has been prepared to support a Regulation 18 submission for the redevelopment of land to the east of Warren Lane, southwest of Colchester, that is currently owned by Tarmac.
 - The quantum of development has not been defined at this stage, though initial feasibility suggests that the employment/commercial proposals could comprise between 60,000 – 115,000 sqm, and the retail element could comprise between 10,000 – 15,000sqm.
 - Due to the existing use of the site, HGVs are already using the local network to access the site.
 - Vehicle access is currently provided in the form of a priority junction on Warren Lane, which could be suitable for future development. However, other access options could be explored, including upgrading the existing access or the provision of a new roundabout on Warren Lane.

- There are sustainable transport provisions within the vicinity of the site, including a good active travel network and the provision of public transport services. Any future development at the site would take advantage of these and seek to enhance where practicable.
- Warren Lane experiences congestion during the peak periods towards its junction with Maldon Road. However, it is noted that initial concept mitigation drawings have already been prepared by ECC, which seeks to upgrade the existing junction to a roundabout with new pedestrian and cycle facilities.

6.1.2 Based on the above review, the proposed redevelopment of the site for employment/commercial/retail uses is noted to conform with the emerging Colchester Local Plan Regulation 18 transport strategy.

6.1.3 The site benefits from direct access to Warren Lane and onward connectivity to the A12 strategic highway network, which the Transport Evidence identifies as critical for freight and employment-related movements.

6.1.4 Potentially identified local highway improvements, including at the Warren Lane/Maldon Road junction, would benefit the proposals, while sustainable transport measures could be explored in accordance with Policy PC2. In this regard, a comprehensive sustainable transport package would form an important part of any future development at the site.

6.1.5 Overall, the site is noted to be well located with regard to the existing sustainable transport connections and connections to the surrounding highway network, and as such is well placed to provide employment/commercial/retail development at the site.