Article 4 Supporting Evidence

Final Report

Iceni Projects Limited on behalf of
Cheshire West and Chester
Council

February 2026

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ICENI PROJECTS LIMITED ON BEHALF OF CHESHIRE WEST AND CHESTER COUNCIL

Article 4 Supporting Evidence
FINAL REPORT

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1. Introduction and Context

Introduction

1.1 Iceni Projects Ltd has been commissioned by Cheshire West and Chester (CW&C) Council to review the evidence and explore the justification for introducing Class MA Article 4 Directions in a number of specified out of town employment areas including (but not limited to) Chester Business Park and Gadbrook Park. Class MA permitted development allows for changes of use of commercial buildings falling within planning use class E, to be converted to residential use without the need for planning permission.

1.2 The Council is concerned that residential, alongside other non-office based development in key employment locations could lead to unacceptable adverse impacts for local businesses and the local economy as a whole. It could reduce the commercial/office floorspace available to support current and future business needs, including in sectors that CW&C has a competitive advantage, thus threatening the economic wellbeing of the authority economic as a whole. Unfettered Use Class change can also lead to the erosion of the qualities of a business area, leading to its demise.

1.3 Additional concerns have arisen following the changes relating to Class MA which came into effect in March 2024 meaning that permitted development rights can now be applied to larger commercial premises that were previously exempt, significantly broadening the scope of affected sites. This therefore has the potential to affect a range of out-of-town office locations across CW&C including Chester Business Park and Gadbrook Park amongst others.

1.4 Given these concerns, the Council are considering taking forward Article 4 directions (immediate or non-immediate) to protect key employment locations where necessary and justified. The Council have therefore commissioned Iceni to undertake a review of the evidence base and the justification for the purpose and extent of any potential Article 4 directions.

Policy Context

1.5 The Town and Country Planning (General Permitted Development) (England) Order 2015 sets out cases where changes of use are permitted to another specified use class without planning permission. Schedule 2, Part 3 of the legislation defines permitted development rights for Class MA: “Development consisting of a change of use of a building and any land within its curtilage from a use falling within Class E (commercial, business and service) of Schedule 2 of the Use Classes Order to a use falling within Class C3 (dwellinghouses) of Schedule 1 of that Order”.

1.6 Article 4 Directions can be imposed by a Local Authority or Secretary of State to withdraw permitted development rights in a specific geographical area, meaning that planning permission is required. This enables the local planning authority to consider a proposal more thoroughly before making a decision on whether permission should be granted.

1.7 The National Planning Policy Framework (NPPF) states that the use of Article 4 directions relating to change of use from non-residential to residential use should “be limited to situations where an Article 4 direction is necessary to avoid wholly unacceptable adverse impacts”. In other cases, they should be limited to situations where an Article 4 direction is necessary to protect local amenity or the well-being of an area.

1.8 In all instances, the NPPF is clear that Article 4 directions should be based on a robust evidence base and applied in a targeted and measured way, being applied to “the smallest geographical area possible”.

1.9 Planning Practise Guidance states that an Article 4 Direction must be justified both in terms of its purpose and its extent[1]. The potential harm that the Article 4 Direction is intended to address must be clearly identified[2].

1.10 Amendments to the Town and Country Planning (General Permitted Development) (England) (Amendment) Order 2015 came into effect on 5th March 2024. Prior to this, Class MA opportunities were subject to an upper floorspace limit of 1,500 sqm and the building was required to have been vacant for a minimum of 3 months. Both of these conditions were removed in March 2024, meaning that Class MA permitted development rights have become more permissive, with the potential to affect a broader range of commercial property.

1.11 Cheshire West and Chester’s Local Plan sets out a clear ambition to create a thriving and varied economy. Policy ECON1 (in the adopted Local Plan) emphasises the importance of supporting existing businesses, encouraging indigenous business growth and attracting new inward investment. The Plan highlights the importance of creating supportive conditions for businesses to operate and expand to retain competitiveness within the wider economy. An important aspect of this is the availability and quality of employment sites, with the Plan explicitly acknowledging the importance of existing business parks in this regard.

1.12 By helping to manage changes of use of employment premises, Article 4 Directions – where justified by robust evidence - may be necessary to

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[1] Paragraph 037, Reference ID: 13-037-20210820

[2] Paragraph 038, Reference ID: 13-038-20210820

help safeguard existing employment space within the borough and thus support the strategic ambitions of the Local Plan.

Report Structure

1.13 This report presents the research and analysis undertaken by Iceni to develop a robust evidence-base to justify the purpose and extent of any areas within CWaC to consider for Article 4 Directions.

1.14 The report is set out as follows:

- **Existing Evidence Base** – A summary of existing research which may offer relevant evidence for this study.
- **Baseline analysis –** Mapping of office stock and sectoral clusters to establish an understanding of key employment areas across the borough which may benefit from Article 4 Directions.
- **Economic Value of Business Parks –** Estimation of the economic value of key existing business parks as identified through the baseline analysis.
- **Strength of Office Demand –** A summary of the relevant findings from the 2025 Economic Development Needs Assessment in relation to the strength of the local office market.
- **Historic Loss of Floorspace –** Analysis of historic employment floorspace loss at the key sites identified through the baseline analysis.
- **Potential for Further Losses –** An assessment of the potential for further losses of employment floorspace for each key site. Analysis of market indicators alongside agent marketing and a consideration of pressures on employment land.
- **Impact of Further Losses –** Analysis to project the likely employment implications of the loss of employment space via permitted development rights.
- **Recommendations –** Provision of a clear and robust justification for any sites where the implementation of Article 4 Directions is considered necessary based on the evidence set out. GIS mapping to clearly define boundaries for any sites proposed to be covered by Article 4 Directions.

1.15 As set out in the policy context section, permitted development rights under Class MA apply to development within Use Class E (commercial, business and service). Article 4 Directions may therefore be used to withdraw permitted development rights relating to Class E premises.

1.16 The Employment Areas considered for Article 4 Directions within this study are predominantly office [E(g)(i)] locations; however, some areas may also comprise uses falling within the wider Class E(g) definition, including Class E(g)(ii) (research and development) and Class E(g)(iii) (industrial processes). While this report focuses on office uses for the purposes of analysis, any Article 4 Directions recommended would apply to the full range of Class E uses present at each site.

2. Existing Evidence Base

2.1 CW&C Council are in the process of preparing a new Local Plan for the borough. As part of this work, a series of evidence-base studies have been undertaken, many of which offer relevant information and evidence for this commission. A high-level summary of relevant studies is provided below. More detailed findings from the studies will be referenced throughout this report where relevant.

Cheshire West and Chester Economic and Development Needs Assessment (2025)

2.2 The Cheshire West and Chester Council Economic Development and Needs Assessment (EDNA) was commissioned by CWaC council to contribute to the evidence base for the update to the Local Plan.

2.3 This study included:

- Baseline analysis of the local economy – analysing key economic and socio-economic indicators, highlighting key strengths and challenges for the borough. Detailed spatial analysis of key sectors.

- Baseline analysis of the commercial property market – analysis of the borough's office and industrial markets using CoStar data including key indicators such as vacancy rates, average rents and leasing of space.

- Stakeholder engagement – engagement with local businesses via an online business survey, in addition to more in-depth 1:1 conversations with local businesses, agents, landowners, business representative organisations and regeneration managers. This provided qualitative evidence regarding commercial market dynamics, the local economy and future land and premises requirements.

- Future Employment Outlook – Analysis of forecasts for future employment in Cheshire West and Chester, including forecasted employment growth by sector.

- Employment Land Requirements – Modelling the requirement for office and industrial land and floorspace over the plan period (2024/25-2044/45).

2.4 The office evidence presented throughout the EDNA is highly relevant to this commission and will be referred to throughout this report.

Cheshire West and Chester Property Review (2025)

2.5 The Cheshire West and Chester Property Review 2025 provides a review of the local property market in 2024. Analysis is presented for the Retail & Leisure, Residential, Industrial, and Office markets.

2.6 The Office Market chapter is of particular relevance for this commission. The report analyses office transactions during 2024, including breakdowns by sub-area and a full schedule of transactions.

2.7 This data and the findings from the Review will be referenced in Chapter 8 alongside office market data sourced from CoStar to draw conclusions regarding the strength of the office market and potential for further losses of office space.

Employment Areas Survey (2024)

2.8 The Employment Areas Survey reviews the borough's established employment areas following a survey undertaken in 2023. The report provides supporting evidence for future updates to the Local Plan.

2.9 The Survey provides a qualitative assessment of the quality and type of established business parks and industrial estates in the borough, which cater specifically for office, industrial, warehousing or distribution needs or specialist sectors.

2.10 Each established Employment Area assessed within the study is rated against a set of criteria including:

- Accessibility (Strategic Transport by non-road, Strategic Road, Local, Public Transport)

- Prominence and Environmental Setting
- Proximity to urban areas, labour supply and skilled workforce
- Compatibility of uses within and adjacent to the employment area
- Market attractiveness
- Infrastructure and services availability
- Constraints and suitability

2.11 The Survey conclusions will be used to inform the baseline analysis in Chapter 2 of this report, by helping to identify Employment Areas which provide good quality office space and therefore may warrant further investigation with regards to potential Article 4 Directions.

Places Background Paper (2024)

2.12 The Places Background Paper provides evidence and information on the relative sustainability of settlements within the borough and identifies the availability of services and facilities within settlements at a point in time.

2.13 The Paper provides important local context, including socio-economic profiles and a map of Employment Areas for urban areas and key service centres across the borough.

Annual Monitoring Reports

2.14 An Annual Monitoring Report (AMR) is published each year which reviews the implementation of the policies within the Local Plan.

2.15 Regarding employment land and premises, the AMRs provide monitoring data regarding the loss of existing or allocated employment land to other uses. This data is relevant to this study and will be used within Chapter 7 to identify historic trends in the loss of office floorspace.

Mid Cheshire Plan – 'Cheshire Central' (2025)

2.16 The Mid Cheshire Plan is a strategy to guide the future economic regeneration of Mid Cheshire. The Plan aims to bring more economic investment and development opportunities to Northwich, Winsford and the surrounding rural areas.

2.17 The Plan has been developed primarily through extensive stakeholder engagement including consultation with CWaC Council, Business Improvement District and local businesses amongst others.

2.18 A number of key themes emerged from the consultation exercise, the most relevant of which is 'Property for Employment'. Key findings included:

- Structural changes to the economy and post-Covid working practices have changed demand for some commercial premises – notably, although not exclusively, in Mid Cheshire Baron's Quay and Gadbrook Park. This has led to some areas with high property voids.
- A potential need for greater levels of flexible business space for micro and small business occupiers linked to a reduced need for full-time offices.
- Potential need for space to deliver training within the area.

2.19 One of the actions identified to address these findings was to consider opportunities to repurpose space for training and flexible business centres to reduce under-utilised space.

2.20 The findings from this study will be considered alongside the evidence from the EDNA in Chapter 6.

3. Baseline Analysis

3.1 This chapter undertakes baseline analysis, seeking to answer the following key questions:

- Which areas of CWaC have the greatest concentrations of office stock and are most important for office-based businesses and sectors?
- Which areas may warrant further investigation to determine whether an Article 4 Direction would be appropriate?

3.2 By identifying specific areas to focus upon, this baseline analysis will help to meet NPPF requirements regarding the targeted application of Article 4 Directions.

3.3 In advance of this study, the Council had undertaken an initial review of the established employment areas, which provides the starting point for the baseline analysis. The Council's review is based on data from the Employment Areas Survey 2024 and looks to identify employment areas where an Article 4 direction could apply (i.e. areas with Class E(g) uses that are not within a hazard zone). It should be noted that city and town centres were not included within the scope of the review and are not under consideration for Article 4 Directions within this study at this stage. This review concluded that the following established employment areas have the potential to be most affected by the recent changes to permitted development rights:

- Chester Business Park
- Gadbrook Park

3.4 It further identified a number of smaller scale employment areas which may also be affected:

- Cheshire Oaks Business Park
- Lostock Triangle (Cheshire Business Park)

- Barbour Square Tattenhall
- Rossmore Business Village
- Portal Business Centre, Tarporley
- Chester Gates (Telford Court)
- Chowley Oak

3.5 Iceni subsequently reviewed a wider range of evidence to assess whether the shortlisted sites were justified and to determine whether any additional locations with concentrations of office-based businesses warranted inclusion.

3.6 Through this analysis, Iceni determined that Chester West/Sealand Industrial Estate should be included within this study in addition to the list of sites shortlisted by the council above. This Chapter sets out baseline analysis for the employment sites listed above, plus Chester West/Sealand Industrial Estate.

3.7 The baseline analysis comprises two steps:

1. Mapping and analysis of Office Stock – to sense-check the shortlist of employment areas and to estimate the quantum of office space at each of the shortlisted employment areas.

2. Mapping and analysis of Sectoral Clusters – to understand the importance of each employment area in regard to supporting employment, particularly within key office-based sectors.

3.8 As detailed further below, the analysis draws on a range of data sources, given that no single dataset provides a complete picture. For this reason, each employment area is ranked from *Very High* to *Very Low* score against each indictor source at the end of the chapter. This approach allows for triangulation of data, helping to identify the employment areas that consistently score highly and therefore warrant more detailed analysis in relation to a potential Article 4 Direction.

Mapping of Office Stock

3.9 This section of the Baseline analysis looks to estimate the relative quantum of office floorspace at each of the employment areas in question.

3.10 Two data sources have been used within the analysis:

- Valuation Office Agency (VOA)
- CoStar (property market database)

3.11 Each source has relative strengths and limitations which are set out within the table below.

Table 3.1 Data Sources and Respective Limitations

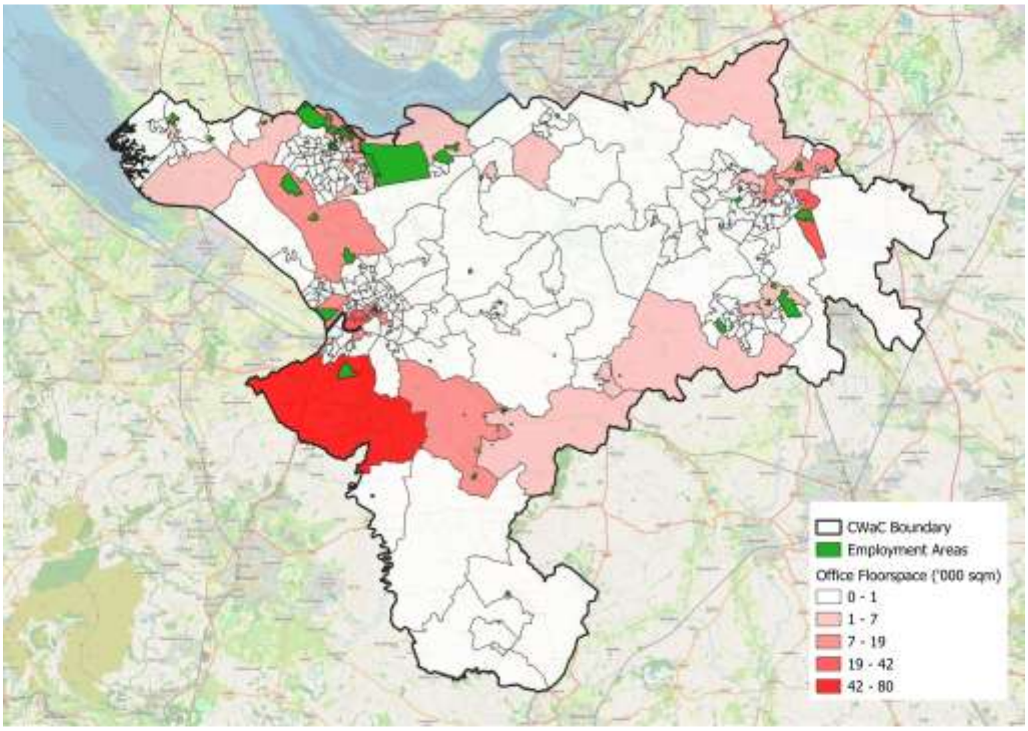
Source	Description	Limitations

VOA	The Valuation Office Agency publishes statistics relating to stock of properties including business floorspace for England and Wales.	The smallest geographical scale that data is available at is LSOA. An LSOA often covers a much wider geographical area than an individual employment area. However, in most instances there is likely to only be one employment area within a single LSOA and therefore it may be reasonable to assume that the majority of employment is concentrated within the employment area. Most recently published data is 2023.
CoStar	Data is available at the postcode level. Provides floorspace at the singular unit level. The database is updated regularly.	Data may be incomplete in places – may be especially weak in providing data for smaller premises.

VOA Data

3.12 The map below presents VOA data on the quantum of office floorspace at the Lower Super Output Area (LSOA) level for Cheshire West and Chester. Employment Areas are overlaid in green (covering both industrial areas, such as Ellesmere Port, and office areas). It is evident that higher concentrations of office floorspace tend to be found within close proximity to more urban areas and towns including Chester, Northwich, Winsford and Ellesmere Port. Concentrations of office space are generally low across the rural areas of CWaC.

Figure 3.1 Office Floorspace by LSOA, Cheshire West and Chester



Source: VOA

3.13 For each of the employment areas studied, the table below provides the quantum of office floorspace located within the relevant LSOA according to VOA data.

3.14 According to VOA data, the LSOA including Chester Business Park has the greatest quantum of office floorspace at 80,000 sqm. LSOAs including Gadbrook Park and Chester Gates have the second and third largest quantum of office space at 34,000 sqm and 19,000 sqm respectively.

Table 3.2 Office Floorspace by Employment Area, VOA Data

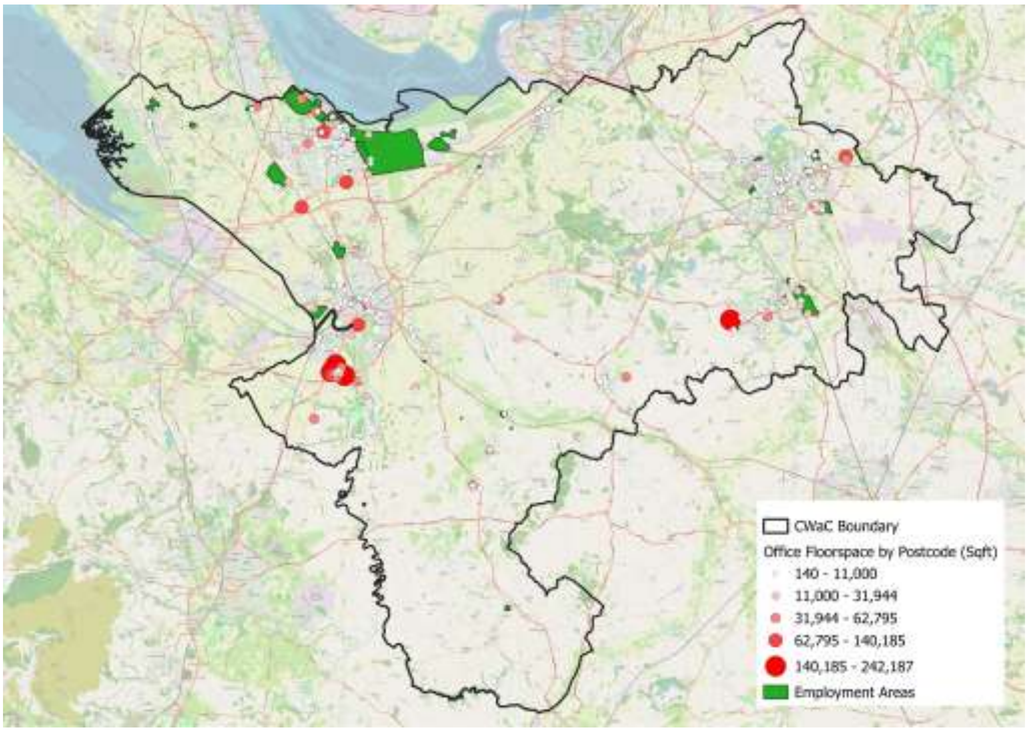
Employment Area	Office Floorspace within LSOA (Sqm)
Chester Business Park	80,000
Gadbrook Park	34,000
Cheshire Oaks Business Park	7,000
Lostock Triangle	8,000
Barbour Square, Tattenhall	3,000
Rossmore Business Village	14,000
Portal Business Park	4,000
Chester Gates	19,000
Chowley Oak	9,000
Chester West/Sealand Industrial Estate	12,000

Source: VOA, 2023

CoStar Data

3.15 The map below presents CoStar data on office floorspace by postcode. Employment Areas are overlaid in green (covering both industrial areas, such as Ellesmere Port, and office areas). Based on this mapping, key concentrations of office stock are located at Chester Business Park, Gadbrook Park, Chester West/Sealand Industrial Estate and Lostock Triangle.

Figure 3.2 Office Floorspace by Postcode, Cheshire West and Chester



Source: CoStar, 2025

3.16 The table below provides data on the number of buildings and the total office floorspace for each of the employment areas based on CoStar data. CoStar data has significant advantages over VOA data in that it provides data at the individual building level and enables analysis for bespoke areas using a polygon feature. However, CoStar data is sometimes incomplete, especially for smaller properties.

3.17 In addition, a brief overview is included, based on Iceni observation.

Table 3.3 Office Stock by Employment Area, CoStar Data

Employment Area	Number of Buildings	Office Floorspace (Sqm)	Summary

Chester Business Park	38	100,343	South of Chester. Large prestigious office park home to major companies including Bank of America, Lloyds Banking Group, M&S Bank. Most build 1990-2010
Gadbrook Park	35	34,261	South of Northwich. Large park, section of bespoke office and business space. Most build 1980-2000
Cheshire Oaks Business Park	6	7,803	Smaller Park on southern edge of Ellesmere Port adjacent to residential and retail uses. Located in close proximity to the M53.
Lostock Triangle (Cheshire Business Park)	13	11,963	Cheshire Business Park is located to the east of Northwich at Lostock Triangle. The site was master-planned to offer an unrivalled environment providing high quality bespoke office accommodation in a rural setting.
Barbour Square, Tattenhall	2	832	Small scale, rural office provision located within Tattenhall. Occupiers include Great Bear and RSK (logistics and engineering and environmental consultancy).

Rossmore Business Village	8	4,601	Rossmore Business Village is located adjacent to the M53 motorway and offers two-storey small and medium sized office accommodation within the wider Rossmore Business Park. The Business Village offers high tech office premises close to junction 8 of the M53. Units are available singly or combined, in a 'village' layout in a landscaped setting.
Portal Business Centre	1	3,956	A small rural business park consisting mostly of offices, located in the heart of Cheshire just outside the village of Tarporley. The Business Park offers a range of high quality two-storey self-contained accommodation from 1,694 sq ft (157 sq ms) to 35,323 sq ft (3,281 sq ms) in a landscaped environment.
Chester Gates	8	9,675	Offers a high quality environment for office, warehouse, distribution and storage units. Located between Chester and Ellesmere Port, the Park benefits from easy access to the M53 and has excellent links with port, airport, rail and freight facilities.

Chowley Oak	5	4,168	A rural design and build office development located near the village of Tattenhall and part of the Bolesworth Estate. Medium-sized units set within a high-quality environment.
Chester West/Sealand Industrial Estate[3]	9	12,208	An industrial estate with a mix of general industrial, trade counters, retail and some office provision.

Source: CoStar, 2025

Sectoral Analysis

3.18 Data from the Interdepartmental Business Register (IDBR) has been analysed to estimate the total employment at each Employment Area and the sectoral breakdown of employment. IDBR data provides information at an individual business level including the number of employees and the business' Standard Industrial Classification (SIC) code which enables sectoral analysis. This analysis further helps to identify particular Employment Areas that play a significant role in supporting a large share of the district's employment within key sectors.

3.19 The IDBR is a comprehensive list of UK businesses and includes data at an individual business level including business address, detailed Standard Industrial Classification (SIC) code and number of employees.

[3] Excluding Unit 1 -18 Evans Easyspace because this crosses English/Welsh border into Wales and is therefore not recorded as being within CWaC despite being located at Sealand Industrial Estate.

The two main sources of input to the register are Value Added Tax (VAT and Pay As You Earn (PAYE) records from HMRC.

3.20 It should be noted that IDBR does not always provide an accurate indication of the actual location of employment. In some instances, businesses may record all employment under a single office address, despite the work taking place elsewhere. This is particularly common for head office addresses, or temping / contract businesses, where the total workforce may be recorded despite only a small proportion being based on-site.

3.21 To address this, Iceni have undertaken a manual sense-check of the IDBR data for each Employment Area. Where a company has recorded employment of 50 or above at a given address, Iceni have taken a view on whether the employment is likely to be located at that site. Where this appears unlikely, the record has been excluded from the analysis. This issue most frequently arises with care providers or recruitment firms that register large numbers of employees at their head office locations.

3.22 It should also be noted that this analysis is based on 2023 IDBR data and therefore will not reflect any recent changes over the last two years.

3.23 The table below sets out the total employment at each Employment Area as recorded by IDBR data. According to this data source, Gadbrook Park and Chester Business Park support the most employment at 2,901 and 2,558 respectively. It should be noted that the IDBR estimate for Chester Business Park is considered to significantly underestimate the employment supported by the Park – this is explored further within Chapter 4 where a preferred estimate of 8,362 is set out.

Table 3.4 Total Employment by Employment Area, IDBR Data

	Total Employment

Chester Business Park	2,558
Gadbrook Park	2,901
Cheshire Oaks	440
Lostock Triangle	572
Barbour Square Tattenhall	110
Rossmore Business Village	575
Portal Tarporley	155
Chester Gates	669
Chowley oak	500
Chester West/Sealand IE	1,084

Source: IDBR

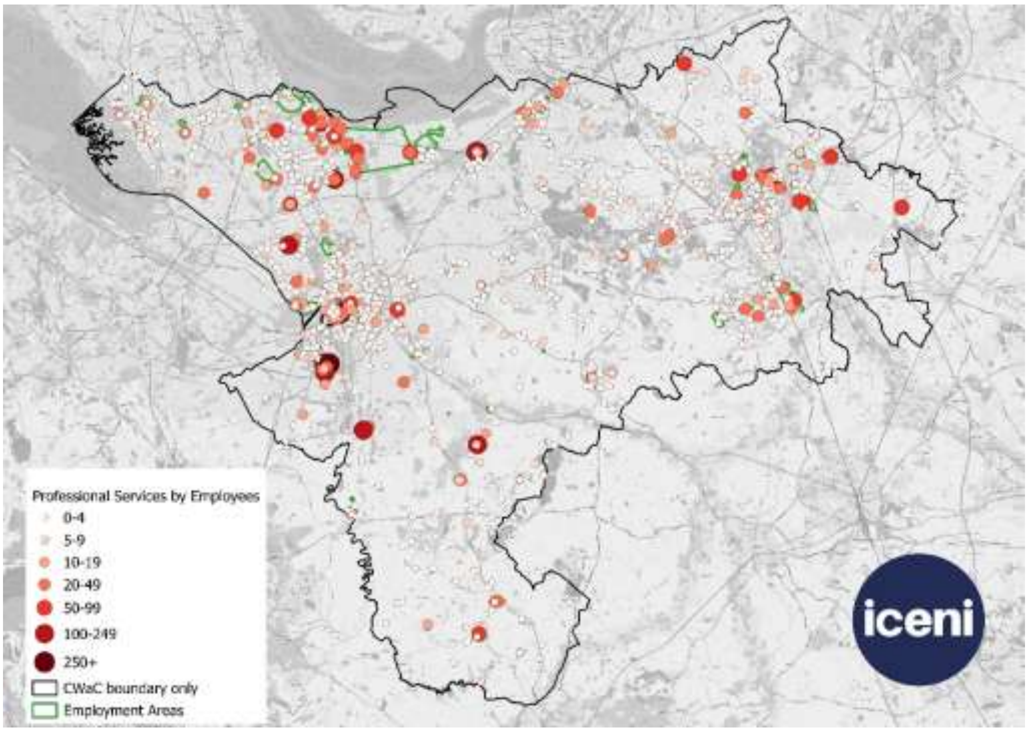
3.24 Next, IDBR data has been used to map employment by sector and assess the importance of different Employment Areas. The Finance and Insurance, Information and Communications, and Professional and Other Services sectors have been mapped, reflecting their largely office-based nature.

3.25 The sectors have been defined by 5 digit SIC 2007 codes and use ONS Inter-Departmental Business Register (IDBR) data to provide analysis of the size and spatial distribution of the sectors. It should be noted that maps produced are postcode-based and businesses under the same postcode will be shown under the same marker.

3.26 As would be expected, the majority of professional services firms (SIC Section M) are concentrated in and around the largest settlements – Chester, Ellesmere Port, Northwich and Winsford. Employment Areas with the greatest concentration of employment within professional services include Chester Business Park and Gadbrook Park.

3.27 Micro sized businesses (<4 employees) are more evenly spread across the Borough, with these businesses potentially being registered to domestic addresses rather than necessarily commercial accommodation. There are a number of larger firms located at Employment Areas in smaller towns and more rural areas, including for example at Barbour Square, Tattenhall and Chowley Oak.

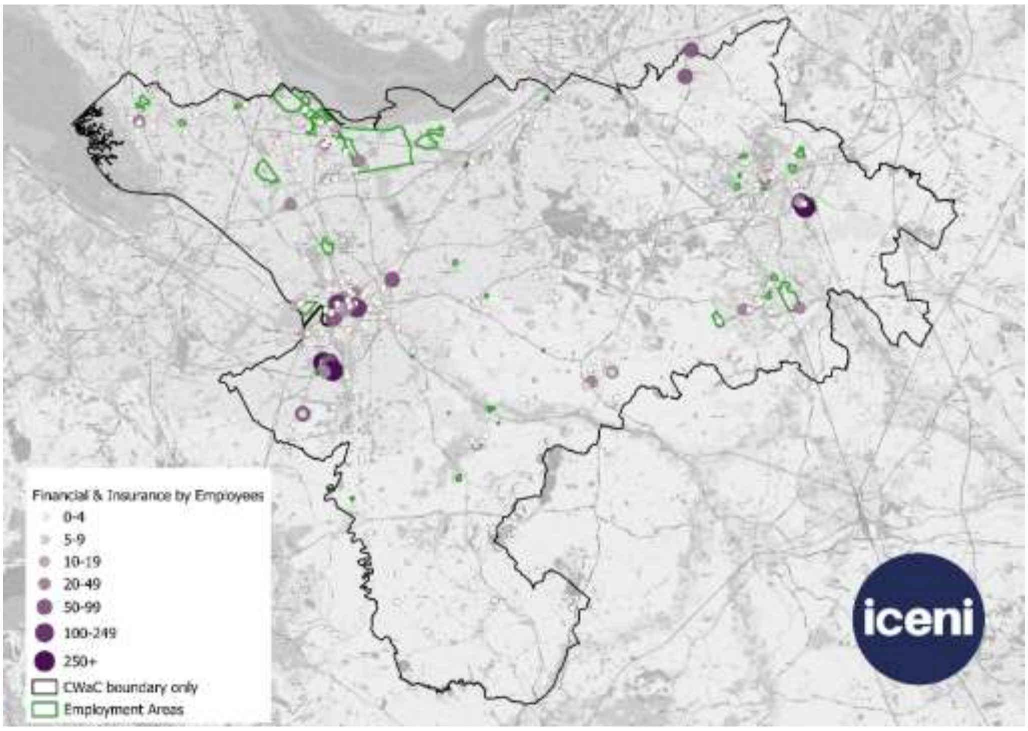
Figure 3.3 Map of Professional Services Businesses by Size (Employees), CWaC



Source: Iceni analysis of IDBR data (2023)

3.28 In comparison to Professional Services, Financial and Insurance firms tend to be larger and are more concentrated in urban areas and business parks. The two largest clusters are located in Chester city centre and at Chester Business Park. There also remains a number of large financial and insurance firms located at Gadbrook Park despite the recent closure of the Barclays offices.

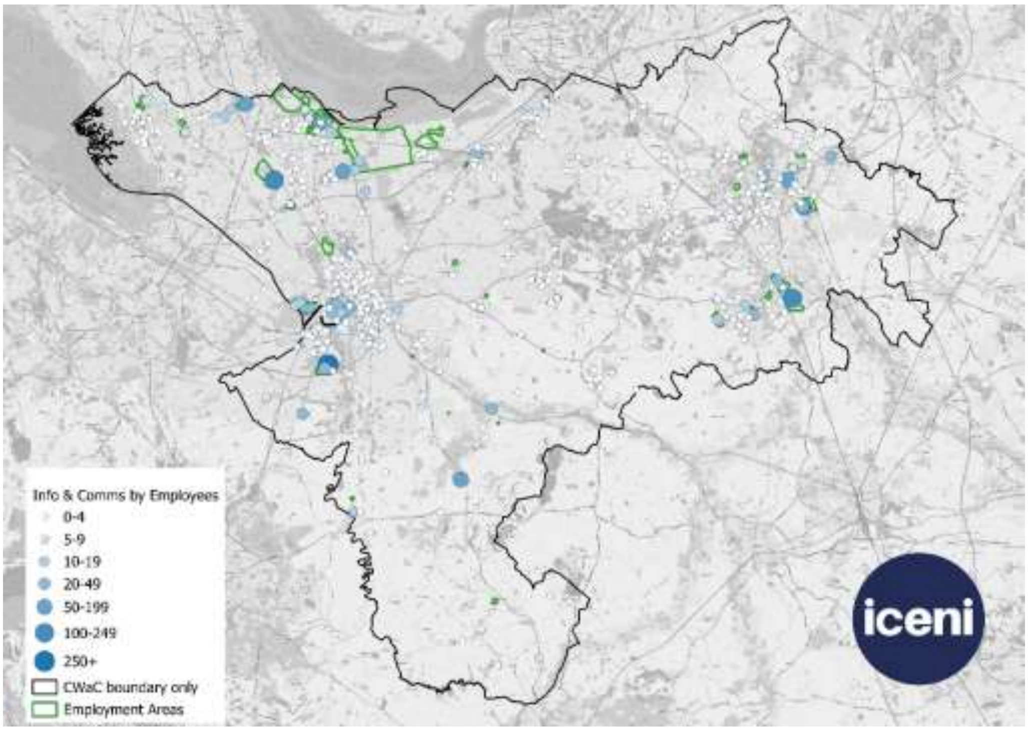
Figure 3.4 Map of Financial & Insurance Businesses by Size (Employees), CWaC



Source: Iceni analysis of IDBR data (2023)

3.29 Information and Communications employment also tends to be more concentrated in urban areas and business parks. In terms of Employment Areas, the greatest concentrations of employment within this sector are at Chester Business Park and Gadbrook Park. Chester West/Sealand Industrial Estate, Rossmore Business Village and Chowley Oak also see concentrations of employment within the sector.

Figure 3.5 Map of Info & Communications Businesses by Size (Employees), CWaC



Source: Iceni analysis of IDBR data (2023)

3.30 For key office-based sectors, the table below shows the proportion of total employment in CWaC that is supported by each Employment Area. This helps to identify whether particular employment areas play a significant role in supporting a large share of the district's employment within a sector.

Table 3.5 Proportion of total employment supported by each Employment Area (%)

	Chester Business Park	Gadbrook Park	Cheshire Oaks	Lostock Triangle	Barbour Square	Rossmore Business Village	Portal Tarporley	Chester Gates	Chowley Oak	Chester West/Sealand Industrial Estate
Finance and Insurance	1.9%	5.5%	0.0%	0.0%	0.0%	0.1%	0.6%	0.5%	0.0%	0.5%
Information and Comm's	17.4%	5.6%	0.1%	1.3%	0.0%	3.3%	0.2%	0.3%	3.3%	3.4%

Professional and Other Services	3.3%	2.4%	0.8%	0.9%	0.3%	0.9%	0.1%	1.4%	0.1%	1.0%
Other Sectors	0.5%	1.1%	0.1%	0.2%	0.0%	0.1%	0.1%	0.1%	0.3%	0.5%
Total Employment	1.5%	1.7%	0.3%	0.3%	0.1%	0.3%	0.1%	0.4%	0.3%	0.6%

Source: IDBR Data

Financial and Insurance

3.31 According to the latest BRES data (2024), the Financial and Insurance sector employs 8,000 people in Cheshire West and Chester, which equates to 4% of total employment. This sector is relatively specialised in CWaC in comparison to the North West and England, where it makes up 2% and 3% of employment respectively. This means that CWaC has almost double the concentration of employment within the Financial and Insurance sector compared to the wider region. It should be noted that Barclays vacated their office at Gadbrook park in 2022 and therefore employment within the sector would have been even greater prior to this release of IDBR data.

3.32 According to IDBR data, Gadbrook Park and Chester Business Park support 5.5% and 1.9% of CWaC's total employment within the Financial and Insurance sector. The remaining Employment Areas support a smaller amount of employment within the sector, all less than 0.6%.

Information and Communications

3.33 According to the latest BRES data (2024), the Information and Communications sector employs 4,000 people in Cheshire West and Chester which equates to 2% of total employment. This sector is less specialised in CWaC compared to the North West and England where it makes up 3% and 5% of total employment respectively.

3.34 Chester Business Park supports a large proportion of the Information and Communications Sector (17.4%), with GB Group PLC (an identity verification, location intelligence and fraud prevention company) recording 488 employees at the Park in IDBR data. Gadbrook Park also supports a relatively large proportion of this sector at 5.6%. Rossmore Business Village, Chowley Oak and Chester West/Sealand Industrial Estate support a similar level of Information & Communications employment at 3.3-3.4%.

Professional and Other Services

3.35 The Professional and Other Services sector employs 40,350 people within Cheshire West and Chester, equivalent to 22.2% of total employment. This sector is slightly more specialised within CWaC compared to the North West and England where employment within the sector makes up 20.1% and 20.6% of total employment respectively.

3.36 Chester Business Park and Gadbrook Park support 3.3% and 2.4% of employment within the sector respectively.

DSIT Innovation Cluster Mapping

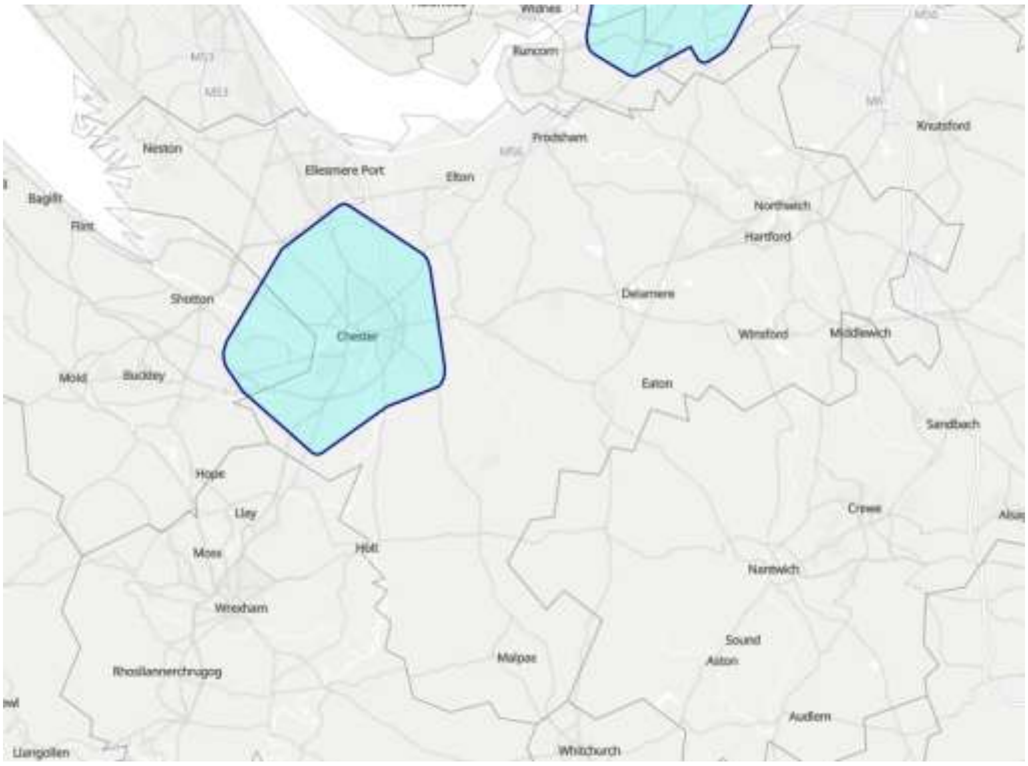
3.37 The Government's latest Industrial Strategy was published in June 2025 and identifies eight 'growth-driving' sectors for targeted support. The sectors were chosen to represent areas of existing UK strength or emerging potential and dedicated Sector Plans have been developed to drive their continued growth.

3.38 The DSIT Innovation Clusters Map provides mapping of clusters by Industrial Strategy sectors. Of the eight Industrial Strategy sectors, Creative, Digital and Technologies, Financial Services and Professional and Business Services are most likely to have a significant proportion of office-based working.

3.39 A Financial Services cluster[4] is identified within Cheshire West and Chester, comprising of Chester and surrounds (including Chester Business Park).

[4] Defined by the 2007 SIC code K, Financial and Insurance Activities.

Figure 3.6 Extract from DSIT Innovation Clusters Map, Financial Services Clusters



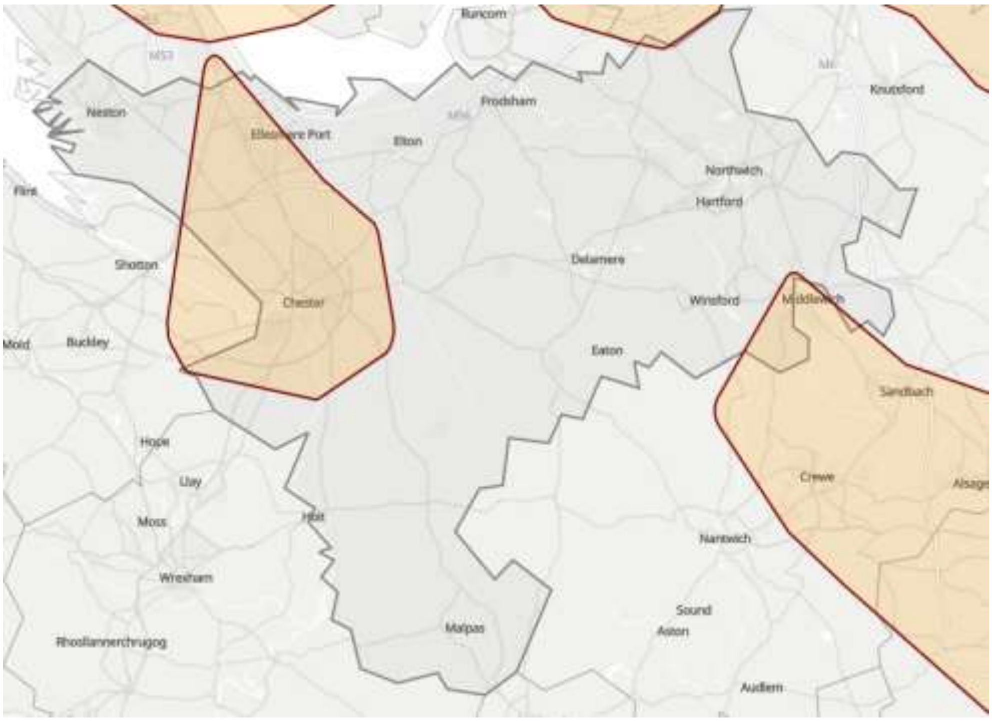
Source: DSIT, https://www.innovationclusters.dsit.gov.uk/

3.40 An area inclusive of Chester and extending towards the north west is identified as a 'Digital and Technologies' cluster. The definition of this sector includes a range of manufacturing activities but also includes a range of activities that are likely to be office based including for example publishing activities, computer programming, consultancy and related activities and repair of computers and communication equipment[5]. It is inclusive of the 'Information and Communications' sector as analysed within the previous section of this report.

[5] For full sector definition, see: https://www.gov.uk/government/publications/industrial-strategy/industrial-strategy-sector-definitions-list#digital-and-technologies

3.41 The DSIT cluster includes Chester Business Park, which aligns with the analysis in Table 3.6which identified that a large proportion of the Information and Communications sector in CWaC is supported at Chester Business Park.

Figure 3.7 Extract from DSIT Innovation Clusters Map, Digital and Technologies Clusters



Source: DSIT, https://www.innovationclusters.dsit.gov.uk/

3.42 There are no identified clusters within the Creative or Professional and Business Services sectors in Cheshire West and Chester.

3.43 Office space is important for both the Financial Services cluster, and the Information and Communications component of the 'Digital and Technologies' cluster. The government has set out that supporting these clusters is a priority at a national level and therefore it is important that there is adequate provision of office space to retain and attract investment within them.

Conclusions and Summary of Baseline Analysis

3.44 The baseline analysis has assessed the shortlisted Employment Areas using a range of office floorspace and employment indicators. The aim of this was to enable a further narrowing of the list to identify which areas should be taken forward for more detailed assessment on the potential need for an Article 4 Direction.

3.45 The Table below provides a summary of the findings of the baseline analysis, ranking each Employment Area from Very Low to Very High for each indicator.

3.46 The first three columns (VOA, CoStar, and Total Employment) are ranked relative to one another, with scores assigned by tier (top two employment areas = Very High, next two = High, next two = Medium, etc.).

3.47 The next three columns (sectoral employment) are ranked as follows:

- Very high – supports 10%+ of total sector employment
- High – supports 5-10% of total sector employment
- Medium – supports 1-5% of total sector employment
- Low – supports 0-1% of total sector employment
- Very low – no employment within the sector

3.48 The final column states whether the Employment Area will be taken forward for more detailed assessment within this report.

3.49 It is apparent that Chester Business Park and Gadbrook Park score very highly across most indicators, confirming that they are key office Employment Areas. Lostock Triangle, Chester Gates and Rossmore Business Village also score relatively well across the board.

3.50 Cheshire Oaks and Chowley Oak rank similarly, with a mix of medium, low and very low scores. It is concluded that Cheshire Oaks should be taken forwards for further investigation, given that its edge of settlement location in close proximity to existing residential uses.

3.51 Barbour Square (Tattenhall) and Portal Business Park (Tarporley) both score weakly across the range of indicators. They are both small scale Employment Areas located relatively rurally and it is therefore concluded that they do not warrant further investigation into whether an Article 4 Direction is justifiable.

3.52 The remainder of the report focuses on the eight Employment Areas considered most appropriate for further investigation into the potential need for an Article 4 Direction:

- Chester Business Park
- Gadbrook Park
- Cheshire Oaks
- Lostock Triangle
- Chester Gates
- Rossmore Business Village
- Chowley Oak
- Chester West/Sealand Industrial Estate

Table 3.6 Baseline Summary – Ranking of Employment Areas by Indicator

	Total Office Floorspace (VOA)	Total Office Floorspace (CoStar)	Total Employment (IDBR)	Employment in Finance and Insurance	Employment in Information and Communications	Employment in Professional and Other Services	Further Analysis Justified?
Chester Business Park	V HIGH	V HIGH	V HIGH	MEDIUM	V HIGH	MEDIUM	**Yes**
Gadbrook Park	V HIGH	V HIGH	V HIGH	HIGH	HIGH	MEDIUM	**Yes**
Cheshire Oaks	LOW	MEDIUM	LOW	V LOW	LOW	LOW	**Yes**
Lostock Triangle	LOW	HIGH	MEDIUM	V LOW	MEDIUM	LOW	**Yes**
Barbour Square Tattenhall	V LOW	V LOW	V LOW	V LOW	V LOW	LOW	**No**
Rossmore BP	HIGH	LOW	MEDIUM	LOW	MEDIUM	LOW	**Yes**
Portal Business Centre	V LOW	V LOW	V LOW	LOW	LOW	LOW	**No**
Chester Gates	HIGH	MEDIUM	HIGH	LOW	LOW	MEDIUM	**Yes**
Chowley Oak	MEDIUM	LOW	LOW	V LOW	MEDIUM	LOW	**Yes**
Chester West/Sealand Industrial Estate	MEDIUM	HIGH	HIGH	LOW	MEDIUM	LOW	**Yes**

4. Economic Value of Employment Areas

4.1 This Chapter seeks to answer the following questions:

- How valuable are the identified employment areas to Cheshire West and Chester's economy?
- What is potentially at risk if Article 4 Directions are not utilised?

4.2 Two methods have been used to estimate the economic value of the six identified employment areas. Each method has relative strengths and limitations and therefore the results from both methods are presented and compared to assess the consistency of the estimates.

4.3 For each individual employment area, the first method involves taking employment per sector (based on IDBR data) and multiplying this by the average GVA per sector (CWaC-specific, based on 2023 Experian data[6]). There are issues regarding the accuracy of IDBR data in some instances, as highlighted in Chapter 3. As per the previous Chapter, IDBR data has been manually adjusted to remove suspected outliers where possible, however some inaccuracies may still remain. In particular, the results for Chester Business Park appear low.

4.4 The results from this exercise are set out in the table below.

Table 4.1 Employment and Estimated GVA Contribution by Employment Area, IDBR-based Methodology

	Total Employment	Total GVA Contribution (£m)
Chester Business Park	2,558	191.9

[6] Published in September 2025

Gadbrook Park	2,901	263.4
Cheshire Oaks	440	25.7
Lostock Triangle	572	33.7
Chester Gates	669	50.1
Rossmore Business Village	575	36.5
Chowley Oak	500	63.5
Chester West/Sealand Industrial Estate[7]	1,084	69.3

Source: IDBR, Experian, Iceni

4.5 The second method uses the total estimated office floorspace at each employment area (based on CoStar data) as a starting point rather than the estimated total employment (IDBR based).

4.6 Employment density ratios are applied to the floorspace estimates to calculate an estimate of the employment that could be supported (at full occupancy). The estimated employment figures are then distributed by sector using the sectoral splits for each employment area based on IDBR data. Finally, the employment by sector estimates are multiplied by the average GVA per sector as per the first methodology.

4.7 The results from the second methodology are set out below. Overall the differences with the IDBR based approach are considered acceptable with the exception of Chester Business Park, where CoStar is preferred.

[7] IDBR data taken at the postcode level, selecting only postcodes with office premises included within them at Sealand Industrial Estate (thus excluding industrial uses).

Table 4.2 Estimated Employment and GVA Contribution by Employment Area, Floorspace-based Methodology

	Total Floorspace (sqm)	Total Estimated Employment	Total GVA Contribution (£m)
Chester Business Park	100,343	8,362	627.2
Gadbrook Park	34,261	2,855	259.2
Cheshire Oaks	7,803	650	38.0
Lostock Triangle	11,963	997	58.6
Chester Gates	9,675	806	60.4
Rossmore Business Village	4,601	383	24.3
Chowley Oak	4,168	347	44.1
Chester West/Sealand Industrial Estate	12,208	1,017	65.0

Source: Experian, CoStar

4.8 Table 4.3 compares the employment estimates derived from the two methodologies. It is apparent that there are differences in the results, with an especially significant variation for Chester Business Park. The IDBR-based methodology estimates employment of 2,558 compared to the floorspace-based methodology which estimates employment of 8,362.

4.9 Several factors may explain the differences between the results of the two methodologies:

- IDBR employment data inaccuracies – as explained in Chapter 3.
- CoStar data inaccuracies – as noted earlier in the Chapter, the accuracy of office floorspace data may be limited, especially with regard to smaller properties.
- Employment density assumptions – the second methodology uses a single assumption on employment density (how many sqm of

floorspace each employee requires). This assumption may not be reflective of the actual employment densities at each Business Park.

- Vacancy levels – the IDBR-based methodology uses data on actual employment which therefore takes into account the level of vacancy at the time of data collection. The second methodology is based on total floorspace and therefore may overestimate current levels of employment as this is assuming 100% occupancy. Nonetheless, this can be considered an upper-bound estimate, assuming a scenario of improved occupancy.

- Data collection date – The IDBR data was published in 2023, whereas the CoStar data is updated on an on-going basis and is therefore more up to date.

4.10 The Business Register and Employment Survey (BRES) provides employment estimates at LSOA level and has been used to sense-check the employment figures for Chester Business Park, given the significant variation in results derived from the two methods. As with IDBR data, BRES estimates may be affected by inaccuracies where businesses record all employment under a single office address. The 2024 BRES data records a total of 16,900 jobs within the LSOA containing Chester Business Park[8], of which 14,200 are in traditionally office-based sectors (information and communications, financial and insurance, professional, scientific and technical, administrative and support services, and public administration). This aligns more closely with the employment estimate derived using the floorspace-based methodology (Method 2) which is therefore considered the preferred estimate.

Table 4.3 Employment Estimates – Comparison of Results, IDBR and Floorspace-based methodologies

	Total Employment (Method 1: IDBR-based)	Total Employment (Method 2: Floorspace-based)

[8] E01018335: Cheshire West and Chester 046A

Chester Business Park	2,558	8,362
Gadbrook Park	2,901	2,855
Cheshire Oaks	440	650
Lostock Triangle	572	997
Chester Gates	669	806
Rossmore Business Village	575	383
Chowley Oak	500	347
Chester West/Sealand Industrial Estate	1,084	1,017

Source: IDBR, Experian, CoStar, Iceni

4.11 Under both methodologies, Chester Business Park, Gadbrook Park and Chester West/Sealand Industrial Estate are estimated to support the greatest levels of employment and generate the greatest GVA.

5. Strength of Office Demand

5.1 This Chapter looks to analyse the strength of office demand within Cheshire West and Chester to establish whether there is a need to protect the office space that exists within the borough.

5.2 The Cheshire West and Chester Economic Development Needs Assessment (2025) undertook a range of analysis which is relevant in assessing the strength of office demand across the borough.

5.3 Firstly, the study undertook analysis of historic and forecast employment growth trends. The Table below is an extract of Cambridge Econometrics data from Table 7.1 of the EDNA study, focussed on sectors likely to be predominantly office-based.

5.4 In the past 10 years, each of the sectors set out saw growth in employment besides 'Other Services'. Professional Services and Business Support activities saw the second and third greatest growth in employment out of all of the sectors in the borough between 2013-23. Collectively, the five predominantly office-based sectors made up over half (55%) of all employment growth within the borough over the last 10 years. These sectors have played an important role in the overall growth of CWaC's economy over the last decade.

5.5 Between 2024 and 2044 all of the sectors within the table below are expected to grow, besides Public Admin & Defence which is expected to remain stable.

5.6 Across all sectors, Cheshire West and Chester is expected to see an increase in employment of 13,600. The sectors within the table below make up 90% of this growth, with a combined forecast increase in employment of 12,300[9]. It is evident that CWaC's overall economic growth over the next 20 years is highly reliant on the success and growth of a range of office-based sectors.

5.7 More detailed sector analysis identifies that Legal and accounting, Real Estate and Business support services are forecast by Cambridge Econometrics to see the strongest growth in employment over the next 20 years. These sectors have all performed well historically.

Table 5.1 Historic and Future Forecast Employment Change by Sector - Extract from CWaC EDNA (2025)

Broad Sector	Employment				Change 2013-2023 (past 10 yrs)	Change 2024-2044 (future 20 years)
	2013	2023	2024	2044		
ICT	3.6	5.5	5.6	6.7	1.9	1.1
Professional Services	27.6	33.3	33.5	38.7	5.7	5.2
Business Support	11.4	16.0	15.9	17.2	4.6	1.3
Public Admin & Defence	6.6	6.9	6.9	6.9	0.3	0.0
Other Services	18.1	17.4	17.4	22.1	-0.7	4.7

Source: CWaC EDNA, 2025, based on Cambridge Econometrics data

5.8 The EDNA also undertook a commercial market review, analysing key metrics regarding office market demand.

5.9 Office vacancy rates have tended to be relatively low across Cheshire West and Chester, indicative of constrained supply. Vacancy rates did rise between 2020 and 2022 – likely a function of changing working patterns during and following the Covid-19 pandemic, however they have since fallen back to 4.1% in 2024. According to CoStar data, this

[9] It should be noted that some other sectors (e.g. manufacturing) are forecast to see a decline in employment. The total change in employment figure of 13,600 includes gains and losses across different sectors.

reduction in the vacancy rate was driven by a combination of significant positive net absorption of office space and negative net deliveries (losses) of office floorspace in 2023. Positive net absorption in 2023 and 2024 indicates a level of recovery in office space take-up since Covid-19, suggesting demand for office space recovering. The findings of the Chester West and Chester Property Review (2025) align with this data, stating that CWaC's office market demonstrated resilience in 2024 within the context of softer demand in some regions due to national economic uncertainty.

5.10 The maximum vacancy rate at the sub-area level was 7% (the level expected within a well-functioning market), indicating that none of the sub-areas appear to have an excess supply of office stock.

5.11 Analysis of lease deals in the five years to June 2024 indicated that the majority of office deals occurred within the City of Chester and at Chester Business Park. There were also smaller clusters of deals seen in and around Ellesmere Port and Northwich – in particular at Gadbrook Park.

5.12 Average office rental levels across CWaC are consistently significantly lower than the national average. Over the last five years, average office rents in CWaC have also been lower than the North West average. This relationship is to be expected with North West figures reflecting premium rents associated with the Manchester office market and national figures capturing the 'big six' cities where rents can achieve over £50 per sq.ft.

5.13 The EDNA also undertook engagement with a range of stakeholders including local businesses, agents, landowners, business representative organisations and regeneration managers.

5.14 Stakeholders were of the opinion that demand in the office market tends to be driven by existing firms expanding or contracting, rather than firms from outside of CW&C looking to establish within Chester.

5.15 A lack of Grade A space is believed to place a constraint on inward investment potential, and risks the loss of existing firms from the area. Occupier demand is focussed on Grade A space, especially since the COVID-19 pandemic, with a need to attract employees back into the workplace by offering modern workspaces with attractive amenity offers. Agents fear that without availability of attractive Grade A space, local firms may look beyond CW&C when relocating.

5.16 However, at the time that engagement was undertaken, stakeholders were of the view that it was not viable to build new office space given the balance between construction costs and achievable rents.

5.17 Stakeholders noted a reduction in demand for larger office blocks since the Covid-19 pandemic. This is likely a result of firms consolidating their office space as working patterns have changed, with a shift towards hybrid working. It was noted that there is a weak supply of flexible / small scale office space which there would be strong demand for. These findings align with the findings from the Mid Cheshire Plan (2025)[10], as summarised in Chapter 3. The Mid Cheshire Plan noted Gadbrook Park in particular as an Employment Area impacted by reduced demand, leading to high property voids. One of the actions identified to address these findings was to consider opportunities to repurpose space for flexible business centres to reduce under-utilised space.

5.18 The EDNA also presented a range of employment floorspace and land needs modelling. The labour demand range expected 3.4 - 9.9 ha and broadly aligned with the absorption data from CoStar at 4.3 ha (influenced by the negative effects of COVID-19). It was therefore concluded that long-term forecasts for the Plan expect demand for around 20,000 sqm / 4 ha of space to support employment growth, although this is a net gain that may not incorporate changes to existing

[10] Now known as Cheshire Central: www.cheshirecentral.uk

stock requirements. It was noted that the authority could plan for a higher need of around 9.9 ha given past delivery rate projections are closer to 19.1 ha and that the office market may improve over time. With considerable turmoil in recent years in office markets it is difficult to predict long term demand and viability, however recent agent feedback suggests a continued demand for Grade A supply, particularly in Chester city centre.

Summary: Strength of Office Demand

5.19 Overall, the study fundings suggest a need to protect the existing office stock within the borough.

5.20 Office-based sectors have historically played a key role in the local economy and are expected to remain important in the future. The office market has been supply constrained and whilst demand weakened during the COVID-19 pandemic, there has been some evidence of recovery since. Whilst demand has weakened for larger office spaces, there is demand for small/flexible workspace which is in short-supply.

5.21 In CWaC as well as the wider UK, a two-tier office market is emerging with a preference for higher quality space in environments with access to amenity and connectivity, whilst secondary stock and locations are finding demand challenging.

5.22 The EDNA recommended the council plan for around 4ha of office space, but up to 9.9 ha given recent uncertainty within the office market. Average rental levels in CWaC create viability challenges within the office market and therefore new build development may be unrealistic in most instances. This highlights the importance of protecting existing stock where appropriate, including the potential for existing under-utilised stock to be repurposed to provide more flexible space.

6. Historic Loss of Floorspace

6.1 This chapter looks to identify the extent to which office floorspace has already been lost historically at each of the identified employment areas across Cheshire West and Chester.

6.2 A range of data sources have been analysed and triangulated, including:

- VOA office floorspace data (longitudinal)
- CoStar floorspace data (longitudinal)
- Local Authority employment monitoring data – completed developments during the adopted Local Plan period to April 2025.

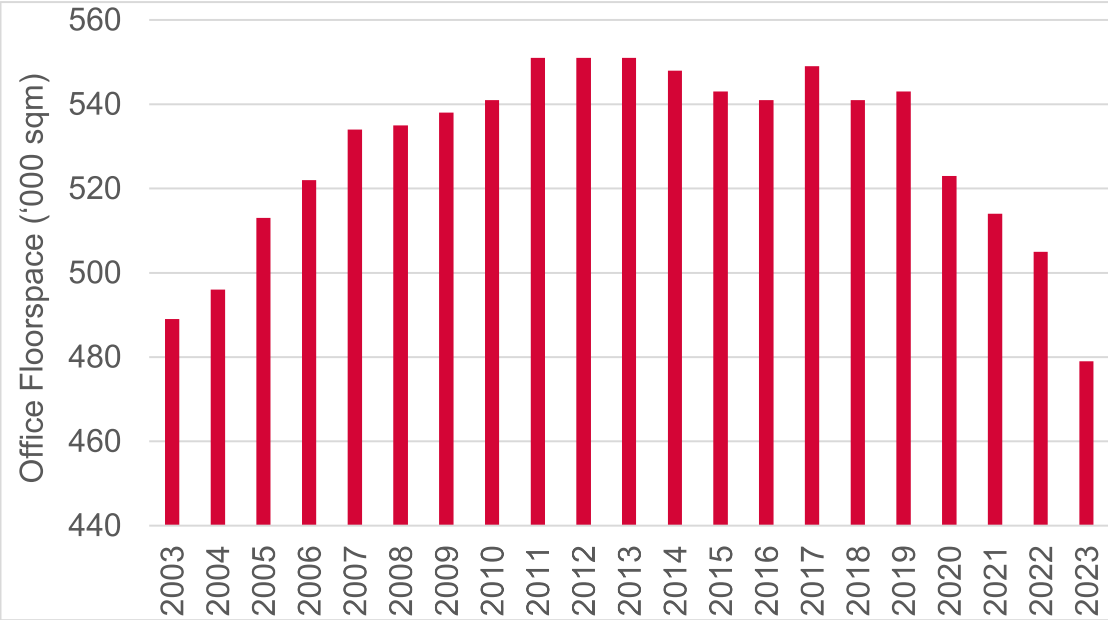
Analysis is firstly presented at the Borough level, followed by analysis for each employment area in turn. It should be emphasised that the analysis within this Chapter focusses solely on historic, completed losses of floorspace. Local Authority monitoring data is compiled on a financial year basis and, as a result, any development completed after April 2025 are not reflected in the most recent dataset. Pipeline losses, including sites with planning permission or prior approval that have not yet been implemented, are addressed separately in Chapter 7. It should also be noted that some completed developments may appear within pipeline losses solely because they were completed after April 2025 and will therefore only be captured as completed losses in the April 2026 monitoring data.

Cheshire West and Chester – Borough Level

6.3 The chart below shows the total office stock across Cheshire West and Chester over the last 20 years. This data shows a general pattern of decline in office stock between 2013 and 2023, with a more rapid decline recorded since 2019.

6.4 Since 2019, 64,000 sqm of office floorspace has been lost, equivalent to 12% of total stock. At an LSOA level, the most significant losses have been in Chester town centre, Handbridge (Chester), Chester Gates Business Park and Chester Business Park.

Figure 6.1 Total Office Floorspace, Cheshire West and Chester, 2003-2023



Source: VOA

6.5 It should be noted that VOA data is only available to 2023 and is therefore approximately 2 years out of date.

6.6 According to local authority monitoring data based on permissions,the Borough lost 43,114 sqm of office space between 2013 and 2025, which equates to an average of 3,316 sqm per year.

6.7 The table below provides a breakdown of office losses between 2013 and 2025 by new use. Almost half of office floorspace lost (48%) was lost to residential housing (20,956sqm) over this time period. 8,133 sqm of office floorspace was lost to visitor accommodation (20% of all office losses).

Table 6.1 Office Losses between 2013 and 2025 by new use (planning application monitoring)

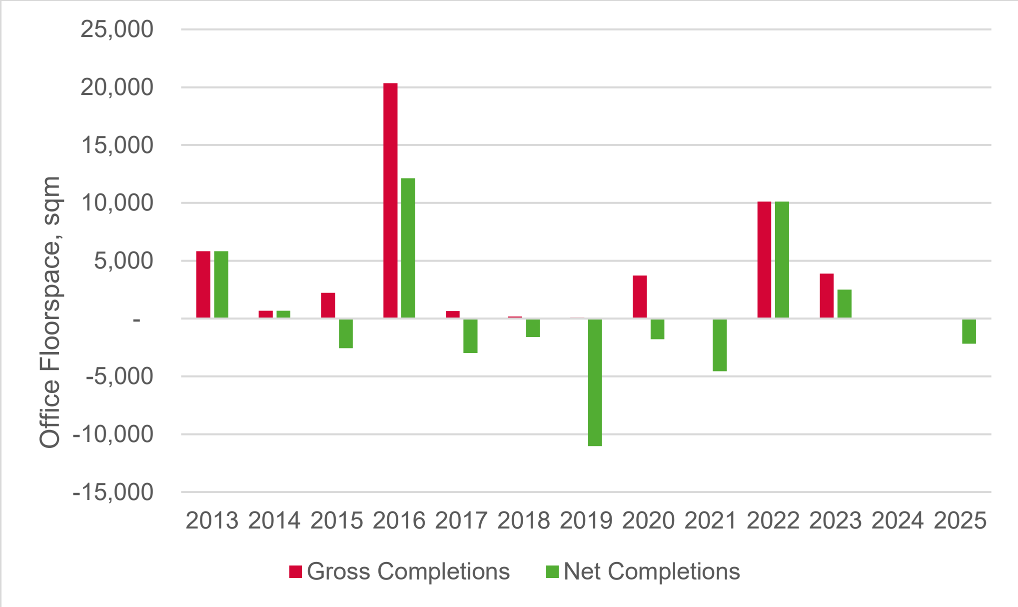
New Use	Office Floorspace Lost (Sqm)
Housing	20,956
Visitor Accommodation	8,133
Non-residential Institution	6,065
Retail/leisure	3,584
Education	2,252
Health	1,430
Car/Motor Sales	694
Total	43,114

Source: CWaC Completions Monitoring Data

6.8 It is important to also consider the overall net change in floorspace once losses are compared against completions. The chart below compares gross completions (office space completed, not taking into account any losses of office floorspace) and net completions (the total change in office floorspace after losses are considered) between 2013 and 2025. It can be seen that in seven of these years, net completions were negative, indicating that losses outweighed gains.

6.9 With the exception of 2016 and 2022, net completions have been modest, if not negative. The five-year average for net office completions is just 64 sqm, whilst the ten-year average is slightly higher yet still modest at 1,177sqm. It should be noted that this data only includes standalone office developments – it does not include completions of mixed-use sites where office may be ancillary to the main industrial or warehousing/storage (Use Classes B2/B8) use.

Figure 6.2 Gross and Net Office Completions, CWaC, 2013-2025



Source: CWaC Monitoring Data

Chester Business Park

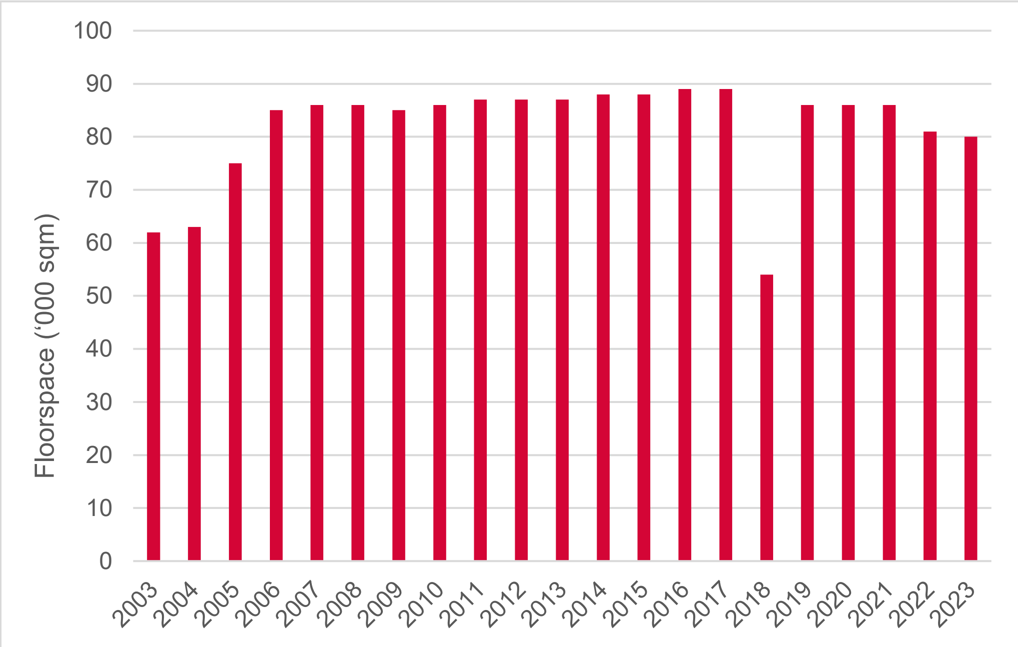
6.10 Chester Business Park saw an increase in office floorspace between 2013 and 2017 according to VOA data. In 2018, a significant decrease in floorspace is recorded – with stock falling from 89,000sqm in 2017 to 54,000sqm in 2018 (40% reduction). However, in the following year (2019), floorspace is recorded as 86,000 sqm – similar, albeit 3,000 sqm lower, than the 2017 record. It therefore seems highly probable that the 2018 data is erroneous and should be disregarded.

6.11 Between 2019 and 2023, floorspace at the Park declined by 6,000 sqm, or 7%. The office losses at Chester Business Park make up 9% of total losses across CWaC between 2019-23.

6.12 There have been no completed losses of employment space between April 2013 and April 2025 (based on CWaC Annual Monitoring data) at Chester Business Park. There are however three pipeline losses at Chester Business Park - these are set out within Chapter 7.

6.13 There is one retrospective planning application (set out in Chapter 7) which involves the loss of office space (approx. 4,000 sqm). This is likely to be included within the VOA data, but does not yet appear within monitoring as it is a pending retrospective application.

Figure 6.3 Office Floorspace – Chester Business Park



Source: VOA

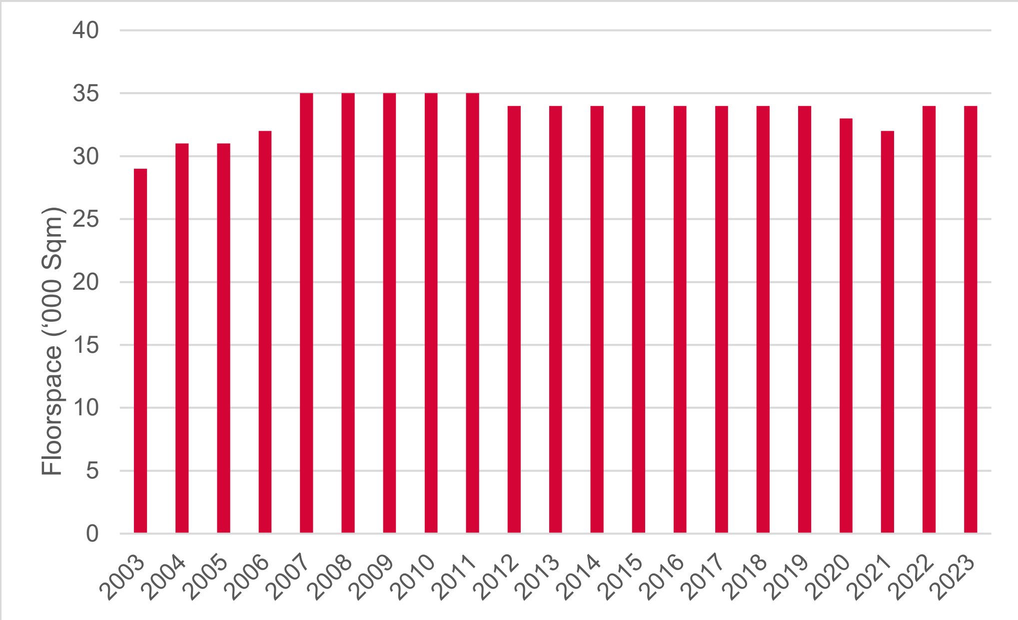
Gadbrook Park

6.14 VOA data suggests that office floorspace at Gadbrook Park remained constant at 34,000 sqm between 2013 and 2019 before declining by 2,000 sqm between 2019 and 2021. However, the data then suggests that floorspace increase back to its 2019 level of 34,000 sqm in 2022 and 2023.

6.15 There has been one completed loss of office space via planning permission since 2013: 24/00799/FUL – Sherwood House - Change of use of an office (Class E) to independent special school (Class F1). This involved the loss of 757 sqm of office space and was completed in 2025.

6.16 Further to this, there are two pipeline losses at Gadbrook Park - these are set out within Chapter 7

Figure 6.4 .Office Floorspace – Gadbrook Park



Source: VOA

Cheshire Oaks

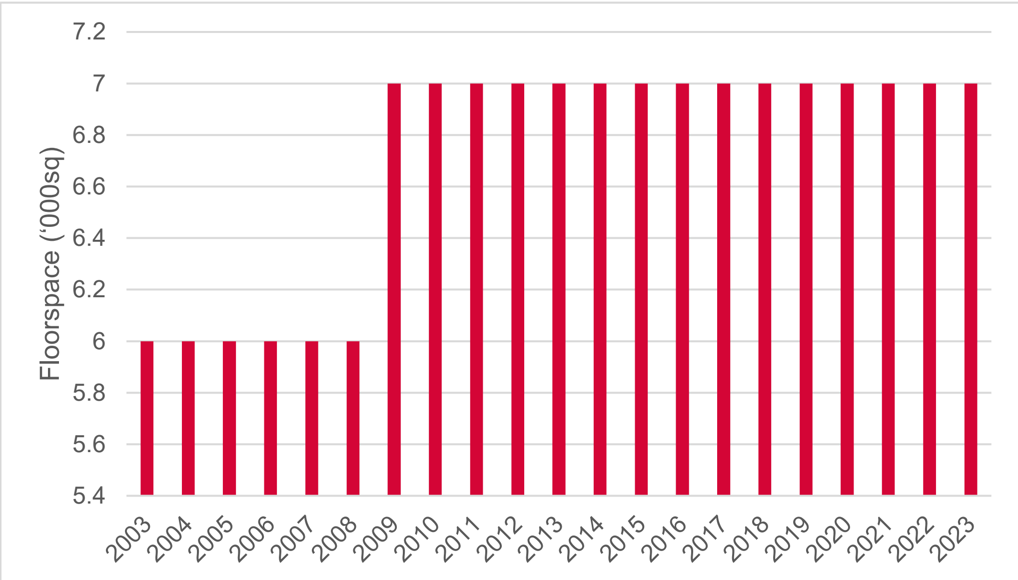
6.17 According to VOA data, Cheshire Oaks has not seen any loss of office floorspace over the last 10 years.

6.18 Whilst there have been no losses to existing floorspace within the Cheshire Oaks employment area boundary based on VOA and completions data, there have been losses of undeveloped land adjacent to the employment area which was allocated for employment:

- 11/05840 FUL: Land Adjacent to Audi Cheshire Oaks, from an undeveloped land allocation to car dealership
- 15/00013/FUL: Cheshire Oaks Area 5C (East) from an undeveloped land allocation to car dealership
- P/2008/101/WH/355: Cheshire Oaks 5B – from an undeveloped land allocation to retail.

6.19 Furthermore, there remains an undeveloped employment allocation (Use Class B1) on part of the Cheshire Oaks employment site in the adopted Local Plan. Part of this extant allocation has planning permission for the erection of a care home (Application Reference 24/00984/FUL, granted 28/02/2025) and part has a pending application for the construction of 12 small commercial units (Application Reference 24/01176/FUL).

Figure 6.5 Office Floorspace – Cheshire Oaks



Source: VOA

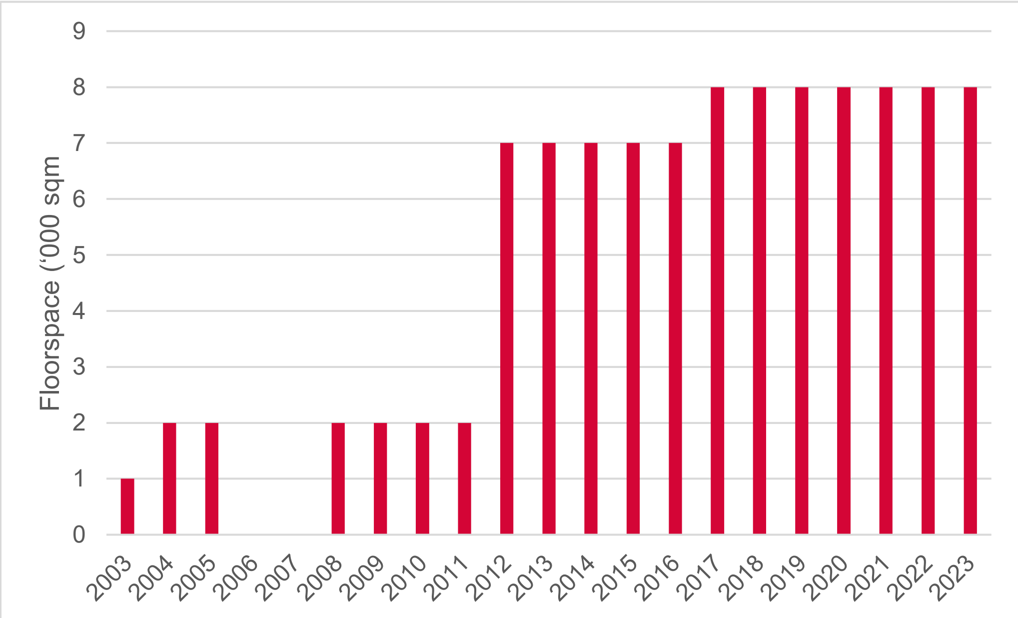
Lostock Triangle

6.20 According to VOA data, Lostock Triangle saw an increase in office stock in 2017 of around 1,000 sqm. This broadly aligns with CoStar data which records the construction of 1 Brimstone Place (c. 500 sqm) and Unit 4, Admiral Court (c. 500 sqm) in 2015 and 2016 respectively.

6.21 There have not been any recorded losses of existing office space within VOA data or completions monitoring data. However, there have been four completed losses of land allocated for employment adjacent to the current employment area:

- 14/04365/FUL – 2 Cheshire Business Park – The Erection of one office unit, three retail units and associated car parking. Undeveloped employment land allocation to retail (and some office)
- 14/00410/REM - V/10/01794/OUT /12/00982/REM - Proposed Construction Of Up To 146 New Dwellings (Use Class C3), With Open Space, Associated Car Parking And Infrastructure And Access From Cheshire Avenue. Undeveloped employment land allocation (to residential)
- 20/01296/FUL – Land at Cheshire Avenue - Erection of a drive thru costa. Undeveloped employment land allocation (to retail)
- 14/00468/FUL / 15/01705/FUL - Erection of a three storey 66 bed residential care home. Undeveloped employment land allocation (to residential)

Figure 6.6 Office Floorspace – Lostock Triangle



Source: VOA

Chester Gates

6.22 Recorded office floorspace at Chester Gates fluctuated between 26,000 and 27,000 between 2013 and 2020. It is likely that these fluctuations are data-collection related rather than genuine increases and decreases. The data further suggests that Chester Gates experienced a significant decline in office floorspace between 2020 and 2021 of

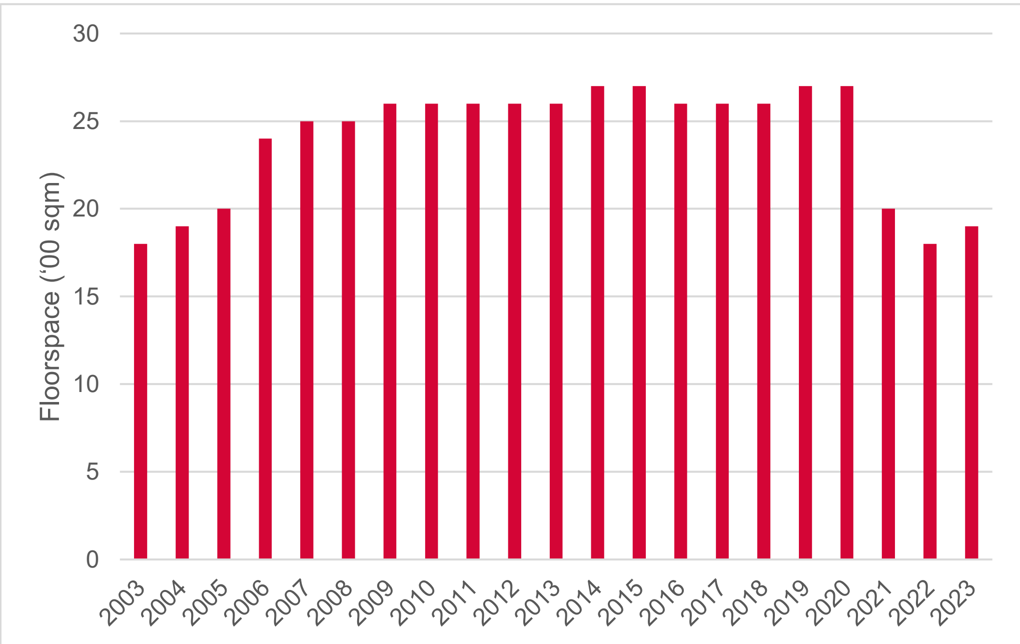
7,000sqm (26%). In 2022, total floorspace declined by a further 2,000 sqm, followed by a 1,000 sqm increase the following year. Over the last five years (2019-2023) the VOA data therefore suggests a loss of 8,000 sqm of space.

6.23 There are no recorded losses of office space within monitoring data since 2010 at Chester Gates (which only monitors large sites >0.25 ha/500 sqm). However, there have been a number of smaller applications for loss of office space:

- 16/03407/FUL – Granted 05/10/2016 – Change of use form existing office (B1 use) to a driving test centre (Sui generis use).
- 18/00545/FUL – Granted 14/03/2018 – Change use from office to D1 (Chiropractic Clinic)
- 19/01557/FUL – Granted 05/11/2019 – Change of use for existing two storey vacant office building (B1) to a new non-residential institution (D1) use.

6.24 These permissions only sum 641 sqm, suggesting potential data issues related to the VOA records for Chester Gates. There is no evidence to verify the loss of 8,000 sqm of office floorspace at Chester Gates within the last five years, as recorded by the VOA.

Figure 6.7 Office Floorspace – Chester Gates



Source: VOA

Rossmore Business Village

6.25 According to VOA data, Rossmore Business Village has seen office floorspace fluctuate between 14,000 sqm and 15,000 sqm since 2007. It is likely that these fluctuations are data-collection related rather than genuine increases and decreases.

6.26 There have been no losses of office space recorded within the Council's monitoring data within the Rossmore Business Village employment area.

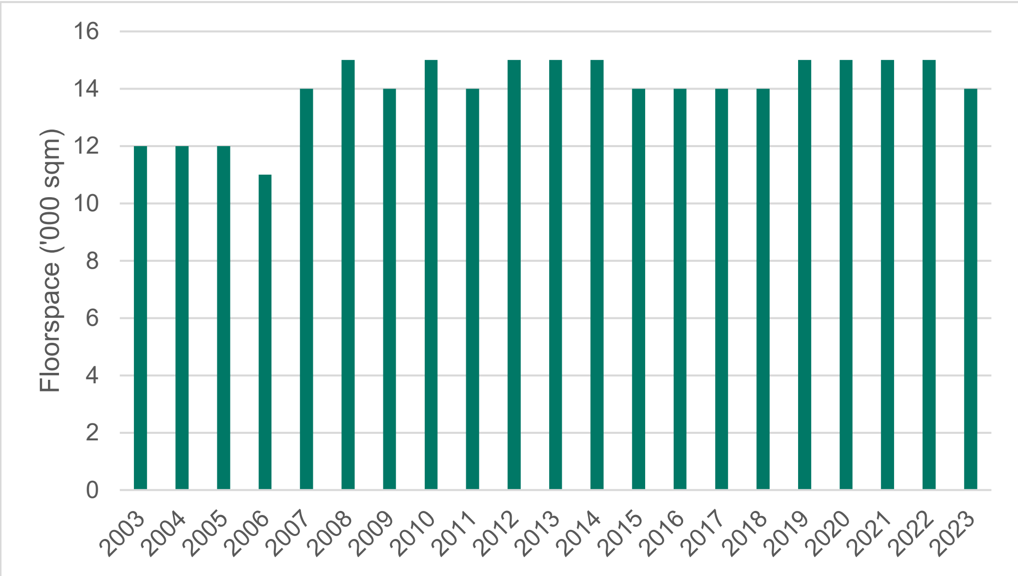
6.27 There has however been mixed use development on neighbouring plots of land allocated for employment use in the Local Plan. The following are reserved matters applications relating to the outline application for the mixed-use development in 2012 (12/04369/OUT):

- 16/04805/REM – Rossmore 4 - Mixed Use Development - Petrol Filling Station (Sui Generis) Including Local Convenience Store (A1), Drive Through Cafe/Restaurant (A3/A5) part. Former use: Land
- 17/01399/REM – Rossmore 4 – Mixed-use development (pub/restaurant). Former use: Land

6.28 Office floorspace has been lost to residential uses on neighbouring land on Rossmore Road (17/02854/OUT – Former ABB Capacitators Ltd).

6.29 More recently, there has also been an approval for a drive-thru restaurant on land to the east of Rossmore Business Park (23/01675/FUL, granted 22/04/2024).

Figure 6.8 Office Floorspace – Rossmore Business Village

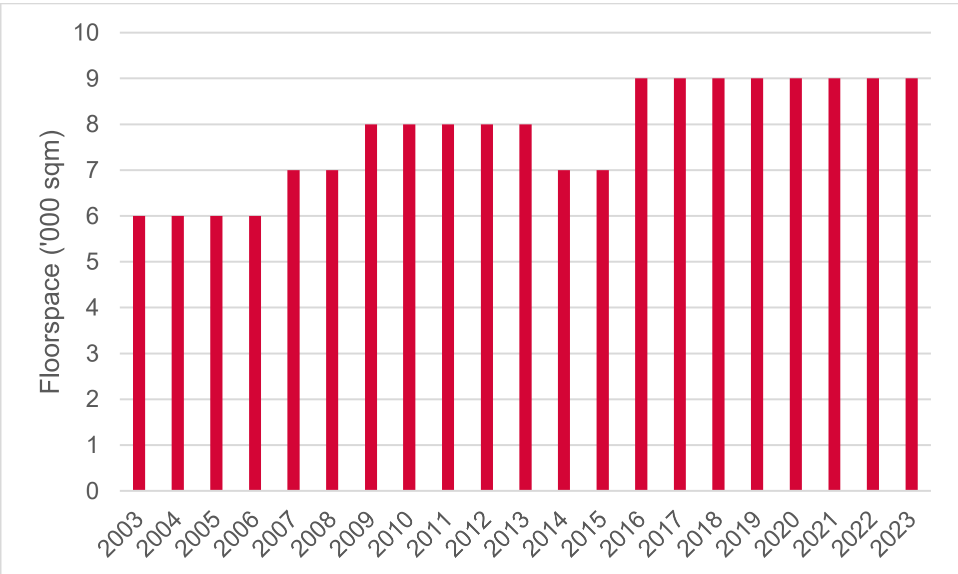


Source: VOA

Chowley Oak

6.30 According to VOA data, office floorspace has remained constant over the last eight years at 9,000 sqm.

6.31 There have been no losses of office space recorded within the Council's monitoring data.



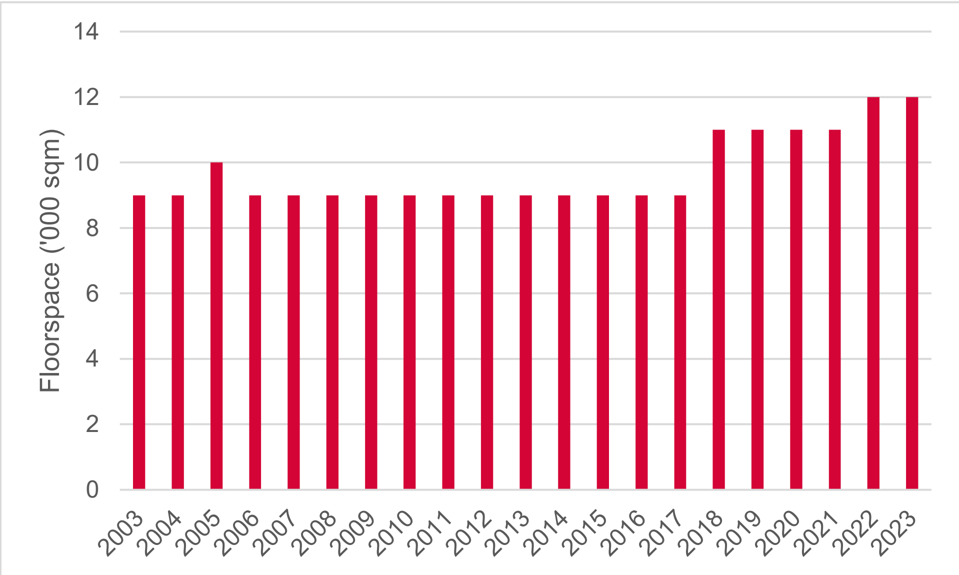
Chester West/Sealand Industrial Estate

6.32 According to VOA data, office floorspace at Chester West/Sealand Industrial Estate remained broadly constant at 9,000 sqm between 2003 to 2017 before increasing to 12,000 sqm in 2023.

6.33 There have been no losses (or completions) of office space recorded within the Council's monitoring data (which only monitors large sites <0.25 ha/500 sqm). A smaller application (16/04422/FUL) was granted in 2016 relating to Unit D1C of Mercury Court for the change of use of the office from B1 use to D1 use for physiotherapy and orthotic treatments.

6.34 It should be noted that there have also been completions relating to mixed employment uses which may include ancillary offices – this may be picked up within the VOA data.

Figure 6.9 Office Floorspace – Chester West/Sealand Industrial Estate



Source: VOA

Summary – Historic Loss of Office Floorspace

6.35 According to the latest available VOA data, Cheshire West and Chester has seen a general pattern of decline in office stock between 2013 and 2023, with a more rapid decline since 2019. According to this data source, the most significant losses have been in Chester town centre, Handbridge (Chester), Chester Gates Business Park and Chester Business Park.

6.36 Residential development is the most significant pressure on office stock, with almost half of office floorspace lost via planning applications between 2013 and 2025 lost to residential housing.

6.37 .

6.38 At the individual site level:

- **Chester Gates** has seen a number of small permissions for office loss, but no recorded completions >500 sqm. VOA data suggests a significant decline in office space between 2019-2023, however this is likely attributable to data issues rather than a genuine decrease.
- **Chester Business Park** has seen the greatest loss of office space between 2019-2023 (6,000 sqm) according to VOA data, making up 9% of total losses at the borough level.
- **Gadbrook Park** – has seen one loss of 757 sqm completed as of April 2025. VOA data shows floorspace fluctuating but no overall change between 2019 and 2023.
- **Cheshire Oaks, Lostock Triangle and Rossmore Business Village** – Have no recorded losses of office floorspace in VOA data between 2019-23, nor in completions data. However, in each of these areas, allocated employment land adjacent to the sites has been lost to alternative uses within completions data.
- **Chowley Oak and Chester West/Sealand Industrial Estate –** have no recorded losses of office floorspace in VOA records, nor any completions in monitoring data (>500 sqm). Chester West/Sealand Industrial Estate saw one application for a small loss of office space.

6.39 Overall, the data suggests that Chester Business Park ,Gadbrook Park and (to a lesser extent) Chester West/Sealand Industrial Estate have experienced losses in office floorspace in recent years.

6.40 Whilst these losses have been to uses other than residential, they nevertheless provide an indicator of weakening demand for office space and the vulnerability of the remaining stock. The evidence of office losses demonstrates the changing nature of business parks, particularly in challenging post-Covid-19 market conditions. It also indicates an inclination towards change of use and a desire from landowners/freeholders to diversify away from traditional office provision.

6.41 The identified areas perform an important role within the borough's employment land portfolio, and the remaining office stock is increasingly important to maintaining economic flexibility and supporting business growth.

6.42 In this context, there is a clear risk that areas already experiencing office losses may be susceptible to further unmanaged change to residential use through permitted development rights, particularly following the removal of the 1,500 sqm upper floorspace limit. While permitted development has not historically been the principal driver of losses, the cumulative decline in office floorspace demonstrates that these locations are vulnerable to further erosion.

6.43 It is important to consider the compatibility of residential uses within primarily employment areas, as well as the wider economic impacts. Having the ability to fully assess such proposals through the planning applications process will ensure that potential amenity, servicing, viability, and long-term economic impacts can be carefully considered – this is discussed further in Chapter 8.

6.44 Whilst town and city centres fall outside the scope of this study, it is relevant to note that the VOA data indicates that Chester city centre and Handbridge experienced the most significant losses of office floorspace between 2013 and 2023. This evidence supports the case for retaining purpose-built office space at Chester Business Park to maintain office provision for Chester as a whole.

7. Potential for Further Losses

7.1 This Chapter looks to answer the following key questions:

- How vulnerable is existing office floorspace to further losses?
- What are the key pressures affecting existing office stock?

7.2 To answer these questions, the potential for further losses of employment floorspace will be assessed by examining current market indicators and development pressures at the Employment Areas identified through the Baseline Analysis.

Pressures on office stock

7.3 Demand for other uses, notably residential, continues to put pressure on office stock. As set out in Chapter 7, almost half of office floorspace lost between 2013 and 2025 in CWaC was lost to residential housing according to Local authority monitoring data, based on permissions only (not prior approvals).

7.4 In December 2024 the Government revised the standard method for calculating housing need through revisions to the National Planning Policy Framework. The Revised Standard Method has resulted in a substantial uplift in housing targets across a large number of local authorities including Cheshire West and Chester. CWaC's current Local Plan, adopted in 2015, set an average net requirement of 1,100 dpa to the end of the plan period in 2030. The standard method figure has now increased to 1,928 dpa, an increase of 75%.

7.5 This increased housing need is likely to intensify pressure on employment land, particularly in locations where there is strong demand for residential development.

7.6 Demand for residential development is likely to be strong near existing larger settlements such as Chester, Ellesmere Port and Northwich and therefore is most likely to affect Chester Business Park, Gadbrook Park, Lostock Triangle and Cheshire Oaks.

7.7 Pressures from residential development are already evident at Lostock Triangle, with two plots of allocated employment land having been developed for residential housing within completions data as set out in Chapter 7. Octagon House at Gadbrook Park is also subject to a prior approval (approved July 2025) for the conversion of the office space to residential, highlighting market demand in this location.

7.8 In reality, residential values exceed commercial capital values in almost all instances, certainly in CWaC. This inherently incentivises land owners and investors to look for opportunities for residential conversion or development on single units or plots, without taking into consideration wider external implications of redevelopment.

7.9 Based on data for 2025, average capital residential values[11] in Cheshire West and Chester are approximately £237–£238 per sq ft. While the broader, median value in the area is estimated around approx. £270/sqft (£2,900 per square metre), high-demand areas in Chester, can command higher, ranging from £299 to £380 per sq ft.

7.10 Based on 2025 market data, office space with a rental value of c.£18-20 per sq ft in the Cheshire West and Chester area is considered high-quality (Grade A space). At this rental level, capital values are likely to be in the range of £200 to over £300 per sq ft, depending on the yield, building quality, and exact location. Premium performing office space can therefore outperform residential capital value. Investment also needs to be made to convert premises.

[11] Cheshire West and Chester House Prices & Property Market Analysis

7.11 Secondary non-prime space in slightly older or business park offices, sees capital values falls between £150 and £220 per sq ft, below typical residential value. Rents performing more poorly at approximately £11 per sq ft generally corresponds to a capital value of roughly £120 to £160 per sq ft, depending on asset quality and location.

7.12 Office space that sees long term vacancy becomes a weaker capital asset and can become a liability due to maintenance costs. Alternative economic uses are then sought.

7.13 Increasingly stringent occupier expectations regarding energy efficiency, coupled with planned future increases to Minimum Energy Efficiency Standards (MEES) are also likely to place additional pressure on the existing office stock - particularly older buildings which no longer meet modern efficiency requirements. One stakeholder interviewed as part of the CWaC 2025 EDNA stated that it is generally not considered financially viable to retrofit their office stock, although this varies depending on the individual building characteristics. Where this is the case, owners are likely to seek to convert commercial property to alternative uses including residential.

Office Market Conditions

7.14 The table below presents the current vacancy rate and average rents (as of November 2025) for each of the Employment Areas, alongside their 5-year average vacancy rate. It also presents average office rents as of November 2024. All data is sourced from CoStar.

7.15 A vacancy rate of between 7-8% is generally indicative of a well-functioning market. The current and five-year average vacancy rates at Gadbrook Park, Rossmore Business Village and Chester West/Sealand Industrial Estate exceed this range significantly. These Employment Areas have a current vacancy rate of between approx. 20-25% which is indicative of weak demand for current stock and suggests that they may be vulnerable to losses of floorspace. As this is a floorspace-based measure, the vacancy of one large unit may have a significant impact on the overall vacancy rate.

7.16 The average office rent across Cheshire West and Chester is currently £15.49. By Employment Area, average rents range from £11.73 at Chester West/Sealand Industrial Estate to a maximum of £18.67 at Lostock Triangle. It is unlikely that new office development would be viable at these rental levels (which would need to exceed £35/sqft at current costs) without significant gap funding or public sector intervention.

7.17 The higher vacancy and lower rent is likely to increase potential for change of use as owners want to maximise use value. On these measures, Gadbrook Park, Rossmore Business Village and Chester West/Sealand Industrial Estate appear vulnerable. Whilst change of use to residential can increase use value, particularly for redundant stock, it can also have adverse neighbourly effects on other stock. This is discussed further in Chapter 9.

Table 7.1 Vacancy and Rent, Employment Areas

	Vacancy Rate (Nov 2025)	5-year average vacancy rate	Average Rent per sqft (Nov 2025)
Chester Business Park	2.2%	8.5%	£16.04
Gadbrook Park	19.1%	10.4%	£14.83
Cheshire Oaks	0	10.7%	£15.07
Lostock Triangle	4.8%	4.3%	£18.67
Chester Gates	2.3%	3.3%	£14.51

Rossmore Business Village	21.2%	14.2%	£13.88
Chowley Oak	11.7%	12.3%	£14.75
Chester West/Sealand Industrial Estate	25.7%	18.5%	£11.73

Source: CoStar, 2025

7.18 CoStar provides data on net absorption which is the balance between the amount of space moved into and moved out of (i.e. Net absorption = Move Ins – Move outs). It provides an indicator of the strength of demand. This differs from net deliveries which is the difference between floorspace delivered (i.e. constructed and brought onto the market) and demolished (or otherwise taken out of use and removed from the market).

7.19 A positive net absorption figure indicates strong demand and leads to a falling vacancy rate (unless it is outweighed by net deliveries). On the other hand, a negative net absorption figure indicates weaker demand and leads to a rising vacancy rate (unless it is outweighed by negative net deliveries).

7.20 The table below provides five-year average net absorption figures for each of the Employment Areas. Six of the areas have a negative average net absorption figure – indicative of weaker demand. Gadbrook Park has the strongest negative net absorption, followed by Chowley Oak and Chester West/Sealand Industrial Estate.. Based on this indicator, these Employment Areas may be more vulnerable to office losses, with move-outs exceeding move-ins on average over the last five years, although this will be influenced by the pandemic.

7.21 Chester Business Park and Cheshire Oaks saw positive net absorption over the last 5-years (2020-2024), indicating positive demand for space within the context of wider challenging market conditions. The CWaC Property Review (2025) noted that Chester Business Park recorded four separate deals totalling 1,373 sqm in 2024, reinforcing its continued appeal to occupiers.

Table 7.2 Average net absorption by Employment Area

	5-year Average Annual Net Absorption (Sqm)
Chester Business Park	369
Gadbrook Park	-912
Cheshire Oaks	929
Lostock Triangle	-143
Chester Gates	-3
Rossmore Business Village	-139
Chowley Oak	-507
Chester West/Sealand Industrial Estate	-182

Source: CoStar, 2025

7.22 As set out earlier within this report, The Town and Country Planning (General Permitted Development) (England) (Amendment) Order 2024 came into effect on 5th March 2024 removing the upper floorspace limit of 1,500 sqm, meaning that Permitted Development Rights can now be applied to larger premises that would have previously been exempt. To identify which Employment Areas may be most vulnerable following this change of policy, the table below sets out the number of office premises 1,500 sqm or above for each Employment Area.

7.23 Chester Business Park has the greatest number of office buildings above 1,500 sqm (13 buildings), followed by Sealand Industrial Estate (4 buildings) and Gadbrook Park and Chester Gates (both with 3 buildings). All Employment Areas have at least one building exceeding

1,500 sqm. With permitted development now applying to larger floorspace properties, there is a heightened risk that these Employment Areas could experience significant and uncontrolled losses of office space, even if only one unit is converted.

Table 7.3 Office Stock by Business Park

	Total number of office premises	Number of office premises >1,500 sqm	Total floorspace within units >1,500 sqm
Chester Business Park	38	13	875,503
Gadbrook Park	35	3	125,741
Cheshire Oaks	6	1	30,000
Lostock Triangle	13	2	55,000
Chester Gates	8	3	70,741
Rossmore Business Village	8	1	19,187
Chowley Oak	5	1	19,010
Chester West/Sealand Industrial Estate	9	4	86,717

Source: CoStar, November 2025

Pipeline losses

7.24 This section analyses planning permissions and prior approvals that have not yet been implemented to summarise office losses currently within the pipeline (as of September 2025) at each of the eight shortlisted Employment Areas. This provides evidence of planned losses that are likely to take place.

7.25 As noted in Chapter 6, it should be reiterated that some completed developments may appear within pipeline losses solely because they were completed after April 2025 and will therefore only be captured as completed losses in the April 2026 monitoring data.

7.26 Table 7.4 sets out the permitted and pending office losses (planning applications and prior approvals) for each Employment Area.

7.27 Chester Business Park, Gadbrook Park and Chester West/Sealand Industrial Estate are the only employment areas with further office losses in the pipeline.

7.28 Chester Business Park has three pending applications for loss of office space totalling 17,284 sqm, including one large office loss of 12,701 sqm, however these are not yet permitted at the time of writing (November 2025).

7.29 Gadbrook Park has two permissions (one full planning and one prior approval) totalling 7,754 sqm. 25/01423/PMA would have required a full planning application prior to The Town and Country Planning (General Permitted Development) (England) (Amendment) Order 2024 coming into effect and removing the upper floorspace limit of 1,500 sqm.

7.30 Chester West/Sealand Industrial Estate has one pending Prior Approval for the loss of the first and second floors of Beech House (557 sqm).

7.31 It is likely that these permissions will be implemented. This data also provides a market signal that more space is likely to come forward at Chester Business Park and Gadbrook Park for change of use from office.

7.32 Whilst a number of the permissions are for conversion to non-residential uses, they nonetheless signal weakening demand for office space and highlight the vulnerability of remaining stock, particularly in the post-Covid market. This reflects a shift in business park dynamics and growing landowner interest in diversifying away from traditional office uses. There is a clear risk of further unmanaged losses to residential use through permitted development rights, especially following the removal of the 1,500 sqm cap.[

Table 7.4 Pipeline losses

Employment Area	Pipeline Permissions (Planning applications)	Pipeline Permissions (Prior Approval)
Chester Business Park	• 24/00096/FUL – 1 Lakeside Chester Business Park, 12,701 sqm, Part change of use to accommodate a mental health care facility. [Awaiting decision November 2025] • 24/02578/FUL – Part First Floor, The Foundation, 4,138 sqm, Retrospective Planning Application for Use of Office (Use Class E(g)(i)) as an Eye Clinic (Use Class E(e)) [Awaiting decision November 2025]. • 25/02609/FUL – Heronbridge House Ground Floor, 445 sqm, Change of use from Class E(g)(i) (Offices to carry out operational or administrative functions) to Class E(e) (Provision of Medical or Health Services). [Awaiting decision November 2025]	• None

Gadbrook Park	• 24/03256/FUL – Osbourne Court, 3,000 sqm, change of use from office to Independent School	• 25/01423/PMA - Octagon House, 4,754 sqm, Conversion of offices to 66 apartments.
Chester West/Sealand Industrial Estate	• None	• 25/02996/PMA – Change of use of the first and second floors into 10 apartments [Awaiting decision January 2026]
Cheshire Oaks	• None	• None
Lostock Triangle	• None	• None
Chester Gates	• None	• None
Rossmore Business Village	• None	• None
Chowley Oak	• None	• None

Source: CWaC

Summary – Potential for Further Losses

7.33 Demand for other uses, notably residential, continues to put pressure on office stock. Revised Standard Method Figures have resulted in a substantial uplift in housing targets for CW&C – likely to intensify pressure on employment land. Residential values exceed commercial values in almost all instances, other than for best performing prime locations, incentivising land owners and investors to look for opportunities for residential conversion or development without consideration of wider external implications. In CW&C, 2025 data suggests that the majority of secondary and non-prime office accommodation underperforms residential benchmarks, with weaker rental growth and lower capital values. However, prolonged vacancy diminishes office asset performance, regardless of the quality of stock, strengthening incentives to pursue alternative uses.

7.34 Increasingly stringent occupier expectations regarding energy efficiency, coupled with planned future increases to Minimum Energy Efficiency Standards (MEES) are also likely to place additional pressure on the existing office stock.

7.35 Gadbrook Park, Rossmore Business Village and Chester West/Sealand Industrial Estate have very high vacancy rates of between approx. 20-25% - this may make them particularly vulnerable to losses of floorspace.

7.36 Six of the Employment Areas have seen negative net absorption on average over the past five years, indicating weak demand. Gadbrook Park has the greatest negative net absorption, followed by Chowley Oak and Chester West/Sealand Industrial Estate - these areas may be more vulnerable to office losses.

7.37 Changes to the GPDO in March 2024 mean larger offices (above 1,500 sqm) are now eligible under PDRs. All of the Employment Areas have at least one building of this size, and Chester Business Park has a significant number of buildings above 1,500 sqm. This change to legislation means that all Employment Areas are now more vulnerable to losses of floorspace, but Chester Business Park in particular could see significantly increased losses.

7.38 Chester Business Park, Gadbrook Park and Chester West/Sealand Industrial Estate are the only employment areas with further office losses in the pipeline. Chester Business Park has three pending applications for loss of office space totalling 17,284 sqm, Gadbrook Park has two permissions (one full planning and one prior approval) totalling 7,754 sqm and Chester West/Sealand Industrial Estate has one pending prior approval.

7.39 It is likely that these permissions will be implemented. This data also provides a market signal that more space is likely to come forward at Chester Business Park, Gadbrook Park and Chester West/Sealand IE for change of use from office. Whilst a number of the permissions are for conversion to non-residential uses, they nonetheless signal weakening demand for office space and highlight the vulnerability of remaining stock. There is a clear risk of further unmanaged losses to residential use through permitted development rights, especially following the removal of the 1,500 sqm cap.

8. Impact of Further Losses

8.1 This Chapter looks to estimate the likely economic implications of the loss of office space via Permitted Development Rights. It looks to estimate the potential loss of employment capacity as well as the potential loss of GVA capacity.

8.2 This exercise is illustrative and uses two scenarios:

- A ‘low ‘scenario’ that only reflects the implementation of current permissions
- A ‘high’ scenario that is theoretical and assumes a certain estimated volume of stock being lost on the office park areas

8.3 Trend-based methods are not used as they are considered unlikely to provide a reliable forecast of future losses, given The Town and Country Planning (General Permitted Development) (England) (Amendment) Order 2024 coming into effect in March 2024 which removed the upper floorspace limit of 1,500 sqm, thus meaning that Class MA PD rights are more permissive, with the potential to affect a broader range of commercial property.

‘Low’ scenario of loss and impact

8.4 This section projects the potential quantum of future losses based on current permissions (including pending) / approvals. These are derived from Section 7.

8.5 GVA per worker is calculated from a blended GVA per head from the Finance, Professional Services and ICT sectors for CW&C (Experian data). The Finance sector drives a high average compared with the other two sectors that are around £65k.

8.6 This assumes that existing space is occupied or could be occupied, at a typical 12 sqm net or 14sqm gross per worker.

8.7 Current approvals / applications (including pending) could lose capacity for around 2,100 workers and £250m in GVA.

Table 8.1 Low scenario floorspace and GVA impact

Employment Area	Pipeline Permissions (Planning applications & Prior Approvals)	Total SQM lost	Employment capacity lost (12sqm/FTE)	Assumed GVA / worker*	GVA lost
Chester Business Park	24/00096/FUL 24/02578/FUL 25/02609/FUL	17,284	1,440	£117k	£169m
Gadbrook Park	24/03256/FUL 25/014/23/PMA	7,754	646	£117k	£76m
Chester West/Seal and IE	25/02996/PMA	557	46	£117k	£5m
Total		25,595	2,133		£250m

Source: CW&C / Experian / Iceni

* Average from Finance, ICT, Professional services

'High' scenario of loss and impact

8.8 This section projects the potential quantum of future losses based on estimated changes in future capacity of 20-50%, based on market indicators in section 8. This assumes that in stronger performing office areas, 20% of space could be lost but in poorer performing areas, 50%. This is indicative.

8.9 The high scenario, whilst theoretical, could see space for over 52,000 sqm of office floorspace lost, the majority at Chester Business Park and Gadbrook Park, and around £340m in GVA lost. This assumes that current capacity is occupied, which is not necessarily the case at Gadbrook in particular.

Table 8.2 High scenario floorspace and GVA impact

Employment Area	Total floorspace	Estimated loss %	Estimated loss (sqm)	Employment capacity lost (12sqm/FTE)	GVA lost (based on % of total GVA, see Table 4.2)
Chester Business Park	100,343	20	20,069	1,672	£125.4m
Gadbrook Park	34,261	50	17,131	1,428	£129.6m
Cheshire Oaks	7,803	20	1,561	130	£7.6m
Lostock Triangle	11,963	20	2,393	199	£11.7m
Chester Gates	9,675	20	1,935	161	£12.1m
Rossmore Business Village	4,601	50	2,301	192	£12.2m

Chowley Oak	4,168	20	834	69	£8.8m
Chester West/Seal and IE	12,208	50	6,104	509	£32.5m
Total	185,022		52,325	4,360	£339.9m

Source: CW&C / Experian / Iceni

Other Potential Impacts

8.10 In addition to the economic impacts estimated above, there are a range of other risks associated with the loss of commercial space through Permitted Development Rights.

8.11 Paragraph 54 of the NPPF states that "The use of Article 4 directions to remove national permitted development rights should: a) where they relate to change from non-residential use to residential use, be limited to situations where an Article 4 direction is necessary to avoid wholly unacceptable adverse impacts". The impacts set out below demonstrate the potential for such wholly unacceptable impacts to arise.

8.12 **Impact on Housing Mix -** By bypassing the full planning process, local planning authorities have limited influence over the mix of dwelling types delivered. In the case of office-to-residential conversions, this can often lead to an over-concentration of small studio or one-bed units and a lack of family-sized homes, or specialist accommodation. There is a greater risk that developments will not respond to identified local housing needs and will undermine local plan strategies and housing market balance.

8.13 **Implications for Affordable Housing Delivery -** Developers are generally not required to provide Section 106 affordable housing which means that schemes may deliver no affordable housing (or significantly reduced quantums) compared to policy-compliant schemes. This may lead to increased pressures to meet affordable housing demand elsewhere which may not be viable. Ultimately, this is likely to widen the gap between objectively assessed needs and delivery.

8.14 **Loss of Developer Contributions -** Other implications of a lack of Section 106 agreements means that developments will not be required to contribute to local infrastructure, facilities or mitigation measures. This leads to an increased financial burden for the local authority in meeting these needs.

8.15 **Design Quality Impacts -** Permitted Development Rights weaken the control that the authority has over design quality. Developments may be lower quality and fail to contribute positively to place-making or local character. Furthermore, poor quality design may lead to an increased risk of substandard living conditions, for example low levels of natural light, lack of outdoor space or limited ventilation.

8.16 **Threats to Employment Area Function -** A lack of planning control means that unintended effects or cumulative impacts to Employment Areas can occur, whereby uncontrolled loss of employment floorspace threatens the overall vitality of the Employment Area by fragmenting uses and diluting the commercial element and overall attractiveness to occupiers. Occupiers typically seek an integrated offer that attracts employees, which includes both the specific building but also the wider environment.

8.17 **Effects on Business Improvement Districts (BIDs) –** Loss of employment space within BID areas has the potential to reduce business density and therefore reduce the level of financial contributions towards the levy. Reductions in bid funding will limit the BID’s ability to deliver improvements and long-term investment in the area.

8.18 **Conflict with the Agent of Change Principle -** Permitted Development Rights allowing the conversion of commercial premises to residential use can also give rise to conflicts with the agent of change principle set out in the NPPF (Paragraph 200). This sets out that "Existing businesses and facilities should not have unreasonable restrictions placed on them as a result of development permitted after they were established. Where the operation of an existing business or community facility could have a significant adverse effect on new development (including changes of use) in its vicinity, the applicant (or 'agent of change') should be required to provide suitable mitigation before the development has been completed". The introduction of new residential uses into established employment areas risks placing unreasonable constraints on existing businesses through amenity-based complaints relating to noise, servicing, hours of operation. Conflicts may also arise relating to transport impacts, car parking and community safety. In the absence of full planning control, there is limited ability to secure appropriate mitigation at the point of conversion, increasing the likelihood of pressure on established uses and undermining the long-term function of employment areas.

9. Recommendations

9.1 Based on the analysis undertaken throughout this report, on balance we recommend that the following locations would be suitable for Article 4 Directions:

Chester Business Park

9.2 Chester Business Park performs a strategically important role within the borough’s office market, particularly in supporting the Information and Communications sector, alongside other key office-based industries. It supports (up to) an estimated 8,360 jobs - the highest of all business areas analysed - and is associated with the largest estimated GVA contribution (£627.2 million per annum). The scale and concentration of higher-value, office-based employment, demonstrates that the Business Park plays an important role within Cheshire West and Chester’s local economy.

9.3 Evidence of recent and ongoing losses indicates that the continued application of Permitted Development Rights would be likely to give rise to wholly unacceptable adverse impacts. VOA data shows that approximately 7% of office floorspace at the Business Park was lost between 2019 and 2023, accounting for around 9% of total office losses across Cheshire West and Chester over this period, with a further three losses identified in the current development pipeline.

9.4 Whilst these historic and pipeline losses have not arisen through office-to-residential permitted development, they provide clear evidence of reduced demand and ongoing market pressure for change at the Business Park. The cumulative scale of losses - together with further schemes in the pipeline - demonstrates that the remaining office stock is increasingly vulnerable. Within this context, the continued application of permitted development rights for residential change of use would increase the risk of further unmanaged erosion of the site’s employment function.

9.5 Furthermore, Chester Business Park has the greatest number of office buildings exceeding 1,500 sqm of the Employment Areas analysed, making it more vulnerable since the upper floorspace limit of 1,500 sqm was removed from Class MA PD rights in 2024.

9.6 While town and city centres fall outside the scope of this study, it is notable that VOA data indicates that Chester city centre and Handbridge experienced the most significant losses of office floorspace between 2013 and 2023. In this context, the further loss of purpose-built office accommodation at Chester Business Park would materially undermine the borough’s remaining office stock, weaken its capacity to accommodate key office-based sectors, and erode its economic function, giving rise to wholly unacceptable adverse impacts.

Gadbrook Park

9.7 Gadbrook Park plays an important role in supporting office-based employment, particularly within the Financial and Insurance sector, alongside Information and Communications and Professional Services. It accommodates up to an estimated 2,855 jobs - the second highest of all areas analysed - and generates the second greatest estimated GVA contribution (£259.2 million). This evidences the Park’s economic significance and its role in accommodating higher-value office-based activity within the borough.

9.8 However, signals indicate that the continued application of Permitted Development Rights would give rise to unacceptable adverse impacts. One completed loss of office floorspace (757 sqm) occurred in 2025 through conversion to a school, with a further two losses identified in the development pipeline, including one via permitted development for residential use. Whilst the majority of recent losses have not been to residential use, they nevertheless indicate continued market pressure and diminishing office stock at the site. The erosion of floorspace, coupled with the introduction of residential permitted development in the pipeline, demonstrates a credible risk of further unmanaged change.

9.9 High vacancy rates, persistently low rental values and strong net negative absorption indicate vulnerability, increasing the likelihood of further conversions to residential uses in pursuit of higher land values. In this context, an Article 4 Direction is recommended to prevent the further erosion of strategically important office floorspace and to safeguard the Gadbrook Park's economic function.

9.10 Whist some change of use at Gadbrook may be beneficial in a changed office market, unfettered Permitted Development Rights is anticipated to undermine and erode the overall Park offer, which the application route can appropriately manage.

9.11 Given the recent loss of Sherwood House, and two recent prior approvals, there is a reasonable likelihood of further imminent change. This may warrant considering an immediate Article 4 Direction to avoid further unmanaged change at Gadbrook Park.

Chester West/Sealand Industrial Estate

9.12 Despite its industrial focus, Chester West/Sealand Industrial Estate supports a substantial level of office-based employment, with an estimated 1,020 jobs - the third highest of the areas analysed - and an associated GVA contribution of £65.0 million.

9.13 Market evidence indicates a heightened vulnerability to further losses if Permitted Development Rights continue to apply. High vacancy rates, low rental values and strong net negative absorption point to structural weakness at Chester West/Sealand IE, increasing the attractiveness of residential conversion as a means of achieving higher land values. This risk is compounded by the removal of the size threshold under the GDPO for buildings above 1,500 sqm, increasing the proportion of total floorspace exposed to conversion. One loss has already been identified in the development pipeline via permitted development, and a previous change of use from office to D1 use was approved in 2016.

9.14 Chester West/Sealand Industrial Estate accommodates a mix of office and industrial uses, which are sensitive to the introduction of residential development. The loss of permitted development control could therefore give rise to agent of change issues, whereby new residential occupiers may place constraints on the continued operation and viability of established employment uses.

9.15 In this context, the continued loss of office floorspace would give rise to wholly unacceptable adverse impacts, and an Article 4 Direction is recommended to prevent further erosion of Chester West/Sealand Industrial Estate's office employment function, which would be better managed through the application process.

Suggested Article 4 Boundaries

9.16 Suggested boundaries for the recommended Article 4 Directions are mapped in Appendix A1,A2 and A3. As set out in Chapter 1, the NPPF states that the use of Article 4 directions to remove national permitted development rights should "apply to the smallest geographical area possible" (paragraph 54(c)).

9.17 For Chester Business Park and Gadbrook Park, the relevant Local Plan policy boundaries (GBC1.D and N5) have been used as a starting point for defining Article 4 Direction boundaries. These boundaries have then been refined using National Land Use and Property Gazetteer (NLPG) data to more tightly define the extent of the Article 4 Directions, ensuring that areas containing significant non-E(g) uses are excluded.

9.18 For Chester West/Sealand Industrial Estate, a suggested boundary has been drawn based on the location of office buildings within the Employment Area, as identified through CoStar records. Whilst this boundary includes some non-E(g) uses, it avoids an overly fragmented or irregular boundary, whilst still only encompassing a relatively small and specific proportion of the whole site. It should be noted that the boundary has been drawn to align with the administrative boundary between Cheshire West and Chester and Flintshire and therefore does not extend to include those parts of Chester West/Sealand Industrial Estate that fall outside of the CW&C area. In instances where office buildings straddle the authority boundary (partly within Flintshire and partly within CW&C), the Council will need to consider how any Article 4 Direction would be applied in practice, having regard to the split jurisdiction.

9.19 The Employment Areas considered for Article 4 Directions within this study are predominantly office locations; however, some areas may also comprise uses falling within the wider Class E definition, including Class E(g)(ii) (research and development) and Class E(g)(iii) (industrial processes). Any Article 4 Directions taken forward would apply to the full range of Class E uses present at each site.

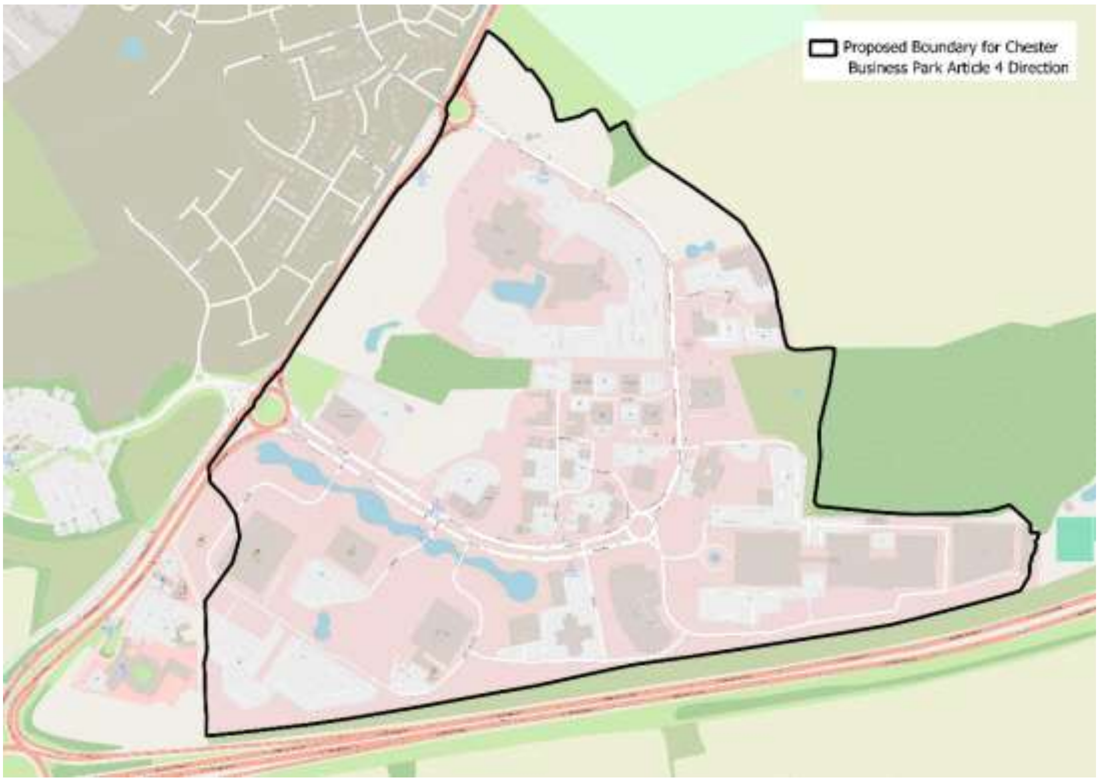
Employment areas where an Article 4 Direction is not considered to be justified

9.20 Whilst losses at other business park locations would be a concern, the evidence does not indicate that the loss of office floorspace would result in wholly unacceptable adverse impacts.

9.21 While these sites continue to play a role within the borough's employment land portfolio, in comparison with other locations assessed, these sites support lower levels of employment and GVA, meaning that any potential loss of floorspace would have a more limited and largely non-strategic economic impact. There is also no evidence of historic office losses, nor are there any losses identified within the current development pipeline, indicating an absence of a tangible or immediate threat. Given their smaller scale, any future losses would be more limited in scope and consequence. On this basis, the overriding case for Article 4 Direction as set out by the NPPF has not considered to be met.

Appendices

A1. Map of Suggested Article 4 Direction Boundary: Chester Business Park



A2. Map of Suggested Article 4 Direction Boundary: Gadbrook Park

A3. Map of Suggested Article 4 Direction Boundary: Chester West/Sealand Industrial Estate