

**Epsom & Ewell Local Plan Examination**  
**Matter 10:**  
**Employment and Horse Racing**

**12 September 2025**

**Issue 12: Is the approach to the provision for the employment and the needs of the horse racing industry justified, positively prepared and effective?**

**Policy S9 Economic Development**

**Q12.1 The Council have submitted a range of documents within the examination library regarding economic growth and employment (EV05, EV06, HB03). Please could the Council confirm which document they are relying upon in terms of identifying the economic needs for the Borough over the plan period?**

- 12.1 The HEDNA 2023 (document reference [HB03](#), chapter 17 'Employment Land Requirements, pp.326-344) identifies needs for office, R&D, light industrial, industrial and warehousing accommodation needs over the Local Plan period (2022-2040).
- 12.2 Retail and Commercial Leisure Needs are set out in the Retail and Commercial Leisure Needs Assessment 2020 (document reference [EV02](#)); the Retail and Commercial Leisure Needs Assessment Update 2021 (document reference [EV01](#)) and Retail Needs Update Letter 2025 (attached as Appendix M10a).

**Q12.2 Document EV07 considers the economic value of Longmead and Kiln Lane Industrial Estates. When was this report issued?**

- 12.3 This report was issued in September 2022 and subsequently published on the council's Local Plan evidence base webpage.

**Q12.3 Document TP01 sets out the background to employment needs over the plan period and defines these at paragraph 1.3.1. These are also set out within HB03 – should this requirement be specified within the policy wording? The supporting text refers to the evidence base at paragraph 6.26 and ‘to meet future needs for employment floorspace over the plan period’ however this reference is neither effective or positively prepared. The Council should prepare a modification accordingly to address this point.**

12.4 The Councils suggested modifications are detailed below in Table M10a to address this point.

**Table M10a: Suggested modifications to plan**

<b>Proposed Modification Reference</b>	<b>Policy or Paragraph reference</b>	<b>Page no.</b>	<b>Proposed Additional Modification. Deleted (strikethrough) and new / additional text (bold)</b>
MIQ12.3a	1.31	12	The number of people employed in the borough is forecast to increase by 6,069 jobs over the Local Plan period <b>which will generate a need for at least 41,464 sqm of additional employment floorspace</b> (HEDNA, 2023).
MIQ12.3b	3.13	19	The council has carried out a robust and objective assessment of its employment needs which is detailed in the HEDNA. This assessment takes account of economic and job growth forecasts over the Local Plan period, but also local intelligence on demand for employment floorspace to meet the needs of established businesses. The HEDNA shows that there is demand for <b>at least 41,464 sqm of additional employment floorspace</b> in the area to meet the needs of existing businesses and to cater for new businesses.
MIQ12.3c	<b>NEW PARA after 3.13</b>	19	<b>The HEDNA employment modelling based on the baseline jobs growth scenarios forecasts over the Local Plan period a need for approximately:</b> <ul style="list-style-type: none"> <li>• <b>13,000 sqm of office and R&amp;D (E(g)(i)(ii)) floorspace</b></li> <li>• <b>13,000 sqm of light and general industrial floorspace (E(g)(iii) and B2),</b></li> <li>• <b>15,500 sqm of warehousing floorspace (B8)</b></li> </ul> <p><b>In relation to supply, making use of vacant office floorspace in borough, specifically Epsom Town Centre is likely to satisfy forecast employment needs for office accommodation over the plan period.</b></p> <p><b>In terms of needs for light industrial, industrial and warehousing floorspace this will be met through the completion of planning permissions that have</b></p>

			<p>commenced (approx. 5,000sqm), some additional employment land at Site Allocation SA35, an expansion of Longmead Industrial Estate and the intensification of the Longmead and Kiln Lane Industrial Estates to meet the residual need for 23,000sqm of industrial and warehousing space over the plan period.</p>
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**Q12.4 I understand from the evidence base that the Plan relies on the intensification of these existing sites to meet employment needs over the plan period. The HEDNA (document HB03) identified this need to be in the region of 56,000sqm. However, the SoCG with National Highways (appendix 1 to COUD\_001a) states that no significant expansion of these sites are proposed. Which is correct?**

12.5 Appendix 1 to COUD\_001a is correct that no significant expansion to these sites is proposed. What is proposed is the allocation of these sites as Strategic Employment Sites to enable protection and promote intensification, as detailed in Policy DM7 of the Local Plan. However, we have contacted National Highways to clarify this matter with them and are awaiting a response.

**Q12.5 Is the HEDNA justified in the assumptions it has made regarding the growth in employment floorspace requirements over the plan period or should an alternative higher or lower growth strategy be adopted, as outlined in the various options contained within the study?**

12.6 The Council considers that the HEDNA's approach to forecasting employment floorspace requirements is robust, justified, and consistent with the Government's Planning Practice Guidance (PPG). It is transparent, proportionate, and capable of informing a sound Local Plan.

12.7 The methodology is comprehensive in scope:

- a) **Scenario testing:** The HEDNA sets out a range of alternative trajectories for job growth, from contraction to strong growth, to ensure that reasonable alternatives have been considered. This includes a baseline growth projection from Oxford Economics, an independent and nationally recognised forecasting house, alongside a customised scenario reflecting local economic conditions and policy opportunities.<sup>1</sup>
- b) **Sensitivity analysis:** Trends in the VOA property market, including take-up rates and land availability, are treated as sensitivities rather than

<sup>1</sup> PPG (Housing and economic needs assessment). Ref ID: 2a-027

definitive forecasts. This ensures that projections are not determined solely by historic extrapolation but tested against market evidence.<sup>2</sup>

- c) **Translation of employment change into spatial needs:** Sectoral employment forecasts are explicitly converted into requirements for E(g), B2 and B8 floorspace and land, providing a robust, transparent, and policy-relevant evidence base.<sup>3</sup>

12.8 While the HEDNA was finalised in January 2023, when the long-term implications of post-Covid working practices and the wider macroeconomic context remained uncertain, more recent evidence offers greater clarity:

- a) **Authority Monitoring Reports (2023–2025):** Monitoring data indicates slow take-up of employment floorspace and continued net losses in Class E floorspace through permitted development to C3. Net additions to B-class floorspace have been marginal, with a recorded B2 loss in 2024/25.<sup>4</sup>
- b) **Market signals:** These trends confirm subdued demand, aligning with the baseline scenario set out in the HEDNA, rather than the higher growth alternatives.
- c) **Quantum of need:** The HEDNA (2023) baseline identified a total employment requirement of around 41,460 sqm (7.9 ha), of which 28,411 sqm is for industrial and warehousing uses. Updated analysis undertaken by WSP in August 2025, incorporating AMR data (2023–2025) and applying the 65% minimum plot ratio assumption established in the Economy Topic Paper (2024, document reference [TP01](#)), demonstrates that the remaining need of 23,478sqm, taking into account the commencement of the ‘Big Yellow’ site for 4,933sqm, could be met through intensification of the Kiln Lane & Longmead Industrial Estates, with an approx. 34,500sqm of employment floorspace potentially being delivered through intensification (see pages 18-26 of [TP01](#)). While the remaining need for office floorspace could be met through redevelopment & regeneration of town centre sites, which are expected to exceed the 65% minimum plot ratio.<sup>5</sup>

12.9 On this basis, the Council considers that the HEDNA baseline remains the most appropriate foundation for employment floorspace planning. It is consistent with up-to-date evidence, positively prepared to support employment growth, justified in relation to reasonable alternatives, effective in terms of deliverability, and aligned with the requirements of national policy.

12.10 The Council’s baseline growth scenario, which identifies a need of 41,464sqm of employment floorspace over the Plan period and is summarised in Table M10b overleaf:

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<sup>2</sup> Ibid.

<sup>3</sup> PPG (Housing and economic needs assessment). Ref ID: 2a-030

<sup>4</sup> PPG (Housing and economic needs assessment). Ref ID: 2a-028

<sup>5</sup> PPG (Housing and economic needs assessment). Ref ID: 2a-030

**Table M10b: Baseline employment floorspace needs (sqm), 2022-2040, Epsom & Ewell**

Land use	Baseline	
Offices / R&D (E(g)(i)(ii))	13,052	
Light industrial (E(g)(iii))	5,634	28,411
General industrial (B2)	7,203	
Warehousing (B8)	15,574	
<b>Total</b>	<b>41,464</b>	

Source: GL Hearn calculation based on OE and VOA data (HEDNA, 2023, p. 337)

**Q12.6 Part 2 of the policy refers to safeguarding strategic employment sites and encouraging the regeneration and intensification of land to meet the needs of the economy. Is the policy as currently worded effective? Where is the evidence to support this approach?**

12.11 Policy S9 (Part 2) is considered effective and justified in its current form. It provides a clear and flexible framework for safeguarding the borough’s two Strategic Employment Sites (Longmead and Kiln Lane) while actively encouraging their regeneration and intensification to meet evolving economic needs over the Local Plan period.

Evidence to justify intensification:

12.12 The HEDNA (2023, document reference [HB03](#)) chapter 17, paras. 17.77 to 17.81 are supportive of safeguarding and intensification of these industrial estates. It is suggested that the estates are redeveloped to increase job density to absorb additional floorspace or land needs relevant to light industrial, general industrial and warehousing purposes.

12.13 This approach is supported by the evidence set out in the Economy Topic Paper (2024, document reference [TP01](#)), specifically paragraphs 6.4.6 to 6.4.26. These confirm that while both sites are largely built out, with limited vacant land and only relatively minor scope for strategic expansion (i.e. the site at Gibraltar Crescent) there is scope for intensification within both industrial estates.

- 12.14 The Topic Paper identifies that future employment land supply will need to come from the more efficient use of existing sites, through redevelopment and intensification. As stated in paragraph 6.4.19, there is potential for approximately 34,500 sqm of additional employment floorspace to be delivered through intensification within these two estates. When compared to the baseline employment land need for light industrial (E(g)(iii)), general industrial (B2), and warehousing (B8) uses (totalling 28,411 sqm over the plan period, but reduced to 23,478sqm when taking into account the 'Big Yellow' commencement of B8 use) it is reasonable to conclude that this need (excluding offices and R&D) could be met through the regeneration and intensification of Longmead and Kiln Lane alone.
- 12.15 In addition, the Council has commissioned work for a long-established firm of Chartered Surveyors that specialise in the business space property sector to prepare a site intensification feasibility report for Longmead and Kiln Lane. The findings of the report (attached as Appendix M10b) support the headline findings of the Economy Topic Paper, illustrating the potential for intensification of the two sites to deliver industrial and warehousing needs over the plan period.
- 12.16 Therefore, safeguarding existing employment land and enabling its modernisation is a proportionate and evidence-led response. The policy wording is positively framed to support investment, while ensuring that the borough's limited employment land resource is protected and optimised. It aligns with the Council choice of Baseline employment growth scenario and provides a realistic mechanism to deliver the required floorspace within a constrained land supply environment.
- 12.17 In addition, to the HEDNA the Longmead and Kiln Lane Industrial Estates Study (September 2022) (document reference [EV07](#)) concludes on page 23 that:
- “Where there is the prospect for redevelopment on Longmead and Kiln Lane is in the upgrading of facilities to enable an increasing of job density. Protecting and densifying the employment space currently available has the potential to support the jobs current on the sites and attract new companies to locate there, increasing jobs and the value to the local economy. With the noted supply issues of commercial property in our region, Coast to Capital would see such evolution of the industrial estates as positive for the regional economy. As this report has outlined Longmead and Kiln Lane already host some regionally significant companies. Protection and densification of employment space could boost this role further”*

**Q12.7 TP01 identifies at 1.4.2 that there will be a shortfall in the supply of employment floorspace. It would appear from the topic paper that this shortfall will be 16,496sqm across the Plan period. What steps have the Council taken to address this shortfall? The SA states at page 16 that there is little or no case for allocating new employment land – is this correct?**

- 12.18 Yes, for the reasons outlined in response to Q12.6 we consider that there is little or no case for allocating new employment land in the borough.
- 12.19 The Council acknowledges the Economy Topic Paper (2024, document reference TP01, para. 1.4.2) identifies a shortfall of 16,496 sqm in employment floorspace over the Plan period. However, this figure was based on the mid-point between the Baseline and High Growth employment growth scenarios. Following further analysis and reflection, the Council has revised its position and now considers the Baseline scenario to be the most appropriate and justified basis for planning employment land provision, justified in the Council's response to Q12.5.
- 12.20 Under the Baseline scenario, the overall employment land requirement is lower, and the identified shortfall is significantly reduced. As demonstrated in paragraph 6.4.19 of the Economy Topic Paper (document reference TP01), there is potential for approximately 34,500 sqm of additional employment floorspace to be delivered through the intensification and regeneration of the borough's two Strategic Employment Sites (Longmead and Kiln Lane). This capacity exceeds the baseline need for industrial and warehousing uses (28,411 sqm), indicating that the majority of the borough's employment land needs (excluding offices and R&D) can be met within the existing employment land supply.
- 12.21 To address the remaining need for office and R&D floorspace (E(g)(i)(ii)), which equates to 13,052 sqm over the Plan period under the Baseline scenario, the Council is of the view that this can be met primarily through the re-use of vacant or underused floorspace within Epsom Town Centre and the Local Centres of Ewell Village and Stoneleigh, or windfall (speculative) development of office floorspace.
- 12.22 Evidence compiled by the Council identifies a range of available office premises currently being marketed in Epsom Town Centre (excluding those that are proposed to be allocated in the local plan for alternate uses) and one in Ewell Village, with a combined estimated floorspace of approximately 2,450 sqm. While this does not fully meet the identified need, it represents a substantial contribution toward the requirement and supports the Council's position that office needs can be met, at least in the short to medium term, through existing stock.

- 12.23 There remains significant uncertainty in relation to need for office floorspace with demand remaining constrained and more flexible working practices reducing the need for office floorspace with businesses using floorspace more efficiently. It is important to note that the HEDNA (Table 90) uses a 11 sqm employment density assumption for office related sectors which is based on HCA data from 2015. Increasingly, local authorities are using a lower density assumption to reflect that working practices have changes in the past 10 years and if a lower density assumption were to be used, the need for office floorspace over the plan period would reduce.
- 12.24 The site intensification feasibility report for Longmead and Kiln Lane (Appendix M10b) highlights that there are 5 available units within the Borough, and that there is currently 3,025sq m of industrial accommodation available on a letting basis.
- 12.25 The Council has also required the provision of business incubation space at the allocation at Horton Farm which will make a further contribution towards meeting employment land needs over the Local Plan period.
- 12.26 The statement in the Sustainability Appraisal (SA) Report (2024, document reference SD05a, p.16) that there is “little or no case for allocating new employment land” is therefore consistent with the Council’s evidence base and strategy. The SA recognises that the borough’s employment needs can be met through the efficient use of existing land and premises, rather than through new allocations. This reflects the borough’s constrained land supply and supports a sustainable approach that prioritises regeneration, intensification, and the reuse of underutilised space.

### **Policy DM8 Racehorse Training Industry**

**Q12.8 Is the key diagram as currently drafted correct? Representors have states that it should be amended to include the area of South Hatch Stables in the Green Belt to the south west of Burgh Heath Road to reflect a recent planning permission granted for racehorse training facilities. Is this correct?**

- 12.27 Yes, the Key Diagram is correct. The Key Diagram identifies the broad locations covered by the Racehorse Protection Zone (RPZ) and racecourse defined in Policy S8 and the supporting Policies Map. The role to of the key diagram is to identify broad locations for development, and land use designations and allocations are to be identified on the policies map. The site in question is not an allocation in the local plan for development but is a planning consent under construction.



**Q12.9 Should the policy make explicit reference to both existing and new facilities in line with the representations received? If not why not?**

- 12.28 No, the council considers that the policy is sufficiently flexible having regard to the fact that the Racecourse and Racehorse Training Zone are all located in the Green Belt.
- 12.29 Criteria 1 does not rule out the provision of new facilities at the racecourse, although it emphasises that Green Belt considerations should be considered.
- 12.30 Criteria 2 (in relation to the racehorse training zone) does not rule out new provision, with criteria a stating (emphasis added) that at locations identified within the RTZ proposals which facilitate the long term or future use of the site as a racing stable and / or for the racehorse training industry will be supported.
- 12.31 We consider that the policy as written provides sufficient flexibility to enable new development related to the horse racing sector to be delivered in the borough, having regard to Green Belt policy.
- 12.32 The combination of DM8 and Green Belt policy therefore provides a clear, flexible and sound framework to support the nationally significant racehorse training industry over the plan period where very special circumstances for development exist.

**Q12.10 The Plan specifies that the objective of the Racehorse Training Zone is necessary given the nationally important racehorse training grounds which make a positive contribution to the economy and sporting heritage of the area (paragraph 6.31). In light of this, should the policy reference the need to support the delivery of key infrastructure to support the industry? If not why not?**

- 12.33 The Council does not consider it is necessary for the policy to make specific reference to infrastructure delivery, which would need to be clearly defined with stakeholders as this would capture a wide range of uses if it were, for example, to cover businesses in the equestrian supply chain (as set out in Section 4.5 of the Scoping Report on the Racecourse and Equestrian Sector (document reference EV09).
- 12.34 We consider that Policy DM8 Criteria 2a) already provides sufficient flexibility as it states (emphasis added) that '*Proposals which facilitate the long-term or future use of the site as a racing stable and/or for the racehorse training industry will be supported*'. The Council considers that this wording is sufficiently flexible to deliver a range of supporting infrastructure required by

the industry, including specialist worker housing, stabling, horse-walks, and other associated facilities where appropriate.

12.35 Importantly, the policy wording does not prejudice delivery of such schemes in the Green Belt. Proposals would continue to be assessed against national Green Belt policy, with very special circumstances being required. The consented South Hatch Stables scheme (see response to Q12.8) demonstrates that this approach can deliver essential industry infrastructure in practice, with officers stating that *'having regard to the favourable benefits of the proposal, it is considered that these outweigh the harm to the Green belt and any other harm so that very special circumstances exist to justify the proposal, in accordance with... the NPPF'*.

12.36 We consider that adding explicit references to infrastructure in the policy is unnecessary and risks duplicating provisions already secured through DM8 and wider national policy.

**Q12.11 What is the justification for the inclusion of Woodcote Stud Farm within the Racehorse Training Zone and where is the evidence base to support this?**

12.37 There is no justification, since the publication of the Reg 18 Local Plan the site has ceased to be a racecourse training establishment. During the submission of a retrospective planning application from the site owners (ref: 24/01439/FUL) in November 2024, it became clear that the use on the site had changed.

12.38 We therefore recommend that the policies map is amended to remove Woodcote Stud from the Racehorse Training Zone.

**Q12.12 In what way does policy DM8 reflect the conclusions of the evidence base, in particular Section 8 of EV09? Is it clear how the Council have utilised this evidence base to formulate the policy as currently drafted?**

12.39 The Council have utilised a wide range of evidence when determining policy wording including the:

- HEDNA 2023 (document reference [HB03](#), notably Chapters 9 & 16) <sup>6</sup>
- Scoping Report on the Racecourse & Equestrian Sector in Epsom & Ewell Borough 2020 (document reference [EV09](#) – Chapter 9)

12.40 Turning to the specific recommendations of the Scoping Report (Document [EV09](#)) the Table M10c below summarises how the recommendations relevant to the Local Plan have been addressed:

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<sup>6</sup> Housing and Economic Development Need Assessment (2023). Paragraph 9.61 to 9.66 and 16.248 to 16.266.

**Table M10c: Recommendation of the Scoping Report on the Racecourse & Equestrian Sector**

Recommendation	Council Commentary
<p>8.1 Equine Training and Racing Zone:</p> <p>Formal recognition of the wider equestrian and specific racing training sector within a designated 'Equine Training and Racing Zone' or contained within supplementary planning guidance, policies or area delivery plan should be considered.</p>	<p>Policy DM8 clearly sets out the types of development that will be supported at the Racecourse and in the Racehorse Protection Zone defined on the Policies Map.</p> <p>The Policy and its geographical coverage has been developed with input from the Jockey Club and having regard to the policy in Mole Valley Borough Council's adopted Local Plan (the establishment of a cross-borough Racehorse Protection Zone was a key duty to cooperate matter; see the SoCG, document reference <a href="#">SCG02</a>).</p>
<p>8.2 The Racecourse:</p> <p>Epsom racecourse itself should be supported to remain viable and profitable to enable capital investment in current and future infrastructure. Although horseracing should remain its core baseline activity, recognition should be given to the need for the racecourse as a venue to be fully utilised outside racing fixtures.</p>	<p>Policy DM8 clearly sets out the types of development that will be supported at the Racecourse as defined on the Policies Map. The Policy has had to have regard to the fact that the Racecourse lies within the Metropolitan Green Belt.</p> <p>The policy does not prohibit the utilisation of the racecourse site outside of racing fixtures.</p>
<p>8.3 Employee Accommodation:</p> <p>The housing and accommodation needs of employees, stable staff, trainees and key workers within the wider equestrian sector should be considered in-light of unaffordable local house prices / rental levels.</p>	<p>We consider that DM8 Criteria 2a) provides sufficient flexibility for the provision of Employee Accommodation as it states (emphasis added) that <i>'Proposals which facilitate the long-term or future use of the site as a racing stable and/or <u>for the racehorse training industry</u> will be supported'</i>.</p>
<p>8.4 Visiting Accommodation:</p> <p>Visiting stables competing at the racecourse also require affordable adjacent accommodation, which could</p>	<p>We consider that DM8 Criteria 2a) provides sufficient flexibility for the provision of Visiting Accommodation as it states (emphasis added) that</p>

Recommendation	Council Commentary
be utilised as touristic accommodation outside race meetings.	<i>'Proposals which facilitate the long-term or future use of the site as a racing stable and/or <u>for the racehorse training industry</u> will be supported'</i>
<p>8.5 Capital Investment:</p> <p>The requirement for enabling residential development to release capital should be considered, yet ensuring via mechanisms such as S106 agreements, that capital released is ring-fenced for direct investment in the sector</p>	<p>The policy does not prevent the provision of enabling development, such as the scheme currently under construction at South Hatch Stables.</p>
<p>8.6 Inward Investment:</p> <p>Policies should acknowledge the current and potential future needs of the wider rather than narrow sector through supporting specialist industries.</p>	<p>The policy does not prevent inward investment and the delivery of supporting industries.</p>
<p>8.7 Visitor Economy:</p> <p>Opportunities for restricted use visitor accommodation, bunk houses, camping and glamping sites</p>	<p>The Local Plan includes Policy DM9 Visitor Accommodation which will enable the provision of new visitor accommodation in the borough.</p> <p>Camping and glamping sites will be considered against Green Belt policy.</p>