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Employment and Economic Study Eastbourne and Wealden Update

Final Report

ICENI PROJECTS LIMITED
ON BEHALF OF
EASTBOURNE BOROUGH
AND WEALDEN DISTRICT
COUNCILS

Iceni Projects Limited on behalf of
Eastbourne Borough and Wealden
District Councils

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Employment and Economic Study
FINAL REPORT

This report was originally published in January 2026. This report has been revised in July 2026 to correct data errors within tables 4.2 and 4.3 regarding historical employment growth by sector and supporting paragraphs 4.17 to 4.19.

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0. EXECUTIVE SUMMARY

0.1 Eastbourne Borough Council and Wealden District Council have jointly commissioned Icen Projects to update their 2022 Employment and Economic Study. The update focuses on the employment land requirements for the 2025 to 2042 period. This work, conducted in 2025, specifically reviews the commercial market position post COVID-19, which influenced the outcomes of the previous 2022 study.

0.2 This report covers:

- A sense check on the Functional Economic Market Area (FEMA);
- A review of planning, economic, local, and national policy changes;
- An update on the socio-economic indicators post COVID-19;
- The latest commercial market assessment;
- Refreshed economic forecasts for the revised assessment period and an updated labour supply position based on the new Standard Method housing requirement;
- Employment land needs and supply balance for Wealden and Eastbourne; and
- Overall conclusions.

0.3 The main findings of this study are reported separately for each authority, other than for the FEMA review below.

Functional Economic Market Area (FEMA)

0.4 Updated analysis indicates that the FEMA remains unchanged from the 2022 Employment and Economic Study. There remains a complex set of economic relationships across Wealden, although there continues to be some alignment between the south of Wealden and Eastbourne. The determination that the FEMA aligns with the Housing Market Area (HMA) boundaries is maintained, which offers pragmatic benefits for aligning jobs and homes. It should still be recognised that Uckfield is in a zone of transition, and both Eastbourne Borough and Wealden District Councils should continue to liaise with surrounding authorities regarding FEMA geographies and unmet needs (whilst acknowledging that the Duty to Cooperate is not likely to be a requirement as per the Written

Ministerial Statement as of 27 November 2025¹). Local planning authorities should continue to collaborate across their boundaries, including on unmet development needs from neighbouring areas.

Wealden

Policy Drivers

- 0.5 The Wealden Economic Development Strategy 2023-33 emphasises supporting local land-based industries, boosting rural tourism, and encouraging small business growth. A key challenge highlighted in the strategy is the limited supply of commercial premises constraining business growth.

Economic Dynamics

- 0.6 Wealden maintains consistently low claimant count levels (2.2%). However, the economic activity rate (74.8%) is the lowest among comparators and saw a notable decline (of -9.4%) between 2020 and 2025, potentially affected by those not coming back to work post COVID-19. Workplace earnings are notably lower than resident earnings, suggesting significant levels of out-commuting. The district has a high business density and strong business survival rates. Over the longer term, agriculture and real estate sectors have seen gains, while construction and manufacturing saw slight declines.

Commercial Market Assessment

- 0.7 **Office:** Office stock has continued to decline. Negative net absorption (move outs) has been observed since 2021. While the vacancy rate sits at 4%, this figure is suppressed by continued loss of office stock to other uses. Demand is beginning to pick up, primarily for smaller, flexible spaces.
- 0.8 **Industrial:** Demand remains strong, with positive net absorption since 2019. The market is tight, with a vacancy rate of 5.2% and continued rental growth. There is a lack of flexibility for market churn and a shortage of grow-on/scale-up space. Agents specifically reported a need for further employment land in the north of the district, around Uckfield and Crowborough, whilst there are major proposals in the south.

Future Employment Land Needs

¹<https://questions-statements.parliament.uk/written-statements/detail/2025-11-27/hcws1104#:~:text=The%20new%20plan%2Dmaking%20system%20provided%20by%20the%20Levelling%2DUp,from%20the%20abolition%20of%20regional>

- 0.9 **Offices:** It is recommended that the authority plan for 3.2 ha or 16,100 sq.m of office floorspace derived by the Labour Demand Working from Home (WFH) adjusted model. Taking account of all existing supply there is a shortfall of 9,287 sq.m.
- 0.10 **Industrial and Warehousing:** The labour demand model has been discounted because it fails to capture demand driven by productivity improvements (mechanisation/automation) requiring modern premises. Based on strong market signals it is appropriate to plan for the net completions model. Under this assumption, it is recommended that Wealden plan for **44.6 ha or 178,300 sq.m of industrial and warehousing space**. This high requirement reflects the continued strong market demand and aims to tackle a lack of flexibility in the existing market.
- 0.11 Current supply figures suggest a substantial shortfall of 38.4 ha for industrial/warehousing needs after taking into account commitments. Progression of draft local plan allocations would significantly reduce this shortfall.

Table 0.1 Wealden demand / supply balance 2025-42 (sqm)

	Office	Industrial & Warehouse	Total
Recommended need 2025-42 (sqm)	16,100	178,300	194,400
Commitments (sqm)	6,813	24,731	24,731
Residual need 2025-42 (sqm)	-9,287	-153,569	-162,856
Residual need 2025-42 (ha)	-1.9	-38.4	-40.7
Potential Supply	127,120 sq.m		

Source: Iceni Analysis

Eastbourne

Policy Drivers

- 0.12 The Eastbourne Economic Growth Strategy 2025-30 outlines an ambition for a more productive, resilient, and inclusive economy. Key themes focus on developing sector diversity, nurturing enterprise, fostering a vibrant town centre, upskilling residents, and ensuring investment in sustainable infrastructure, including the necessary commercial floorspace.

Economic Dynamics

-
- 0.13 Eastbourne's claimant rate (4.7% in September 2025) sits slightly above both the national and regional rates. The economic activity rate (76.1%) is slightly below regional and national averages. Residents in full-time employment earn (£704.90/week) less on average than regional and national counterparts, and workplace earnings (£667.30/week) are lower than resident earnings, suggesting out-commuting to higher paid job. Employment recovered to pre-pandemic levels by 2021. The borough continues to see low business density, although five-year survival rates are high compared to regional and national averages.

Commercial Market Assessment

- 0.14 **Office:** Office floorspace continues to decline, driven by permitted development rights converting stock to residential. The current vacancy rate is low (1.4%), but this is an indicator of diminishing supply, not market demand. Rental growth has plateaued, and values are typically insufficient to support new build development. Flexible co-working spaces near the station have seen success.
- 0.15 **Industrial:** Industrial stock continues to decline, exacerbated by pressures from non-employment uses like self-storage facilities. Negative net absorption (move outs) since 2020 sees more space released on the market than occupied. However high rental growth indicates that there is some industrial market tightness caused by low vacancy rates. The lack of grow-on space is reportedly forcing businesses to neighbouring districts.

Future Employment Land Needs

- 0.16 **Offices:** The market still lacks demand following the shift to home and hybrid working. It is recommended that the authority plan for a lower need of 1.0 ha or 4,900 sq.m of office floorspace (derived from the Labour Demand WFH adjusted model). This is expected to be met through mixed-use opportunities in the town centre rather than standalone office developments.
- 0.17 **Industrial and Warehousing:** It is recommended that Eastbourne plan for a minimum of 4.1 ha or 16,400 sq.m of industrial and warehousing floorspace, derived from the net completions model, which includes a replacement demand provision which accounts for past losses. Current supply is heavily reliant on the intensification of existing industrial estates, which poses deliverability uncertainty, however excluding this supply consideration results in a small surplus of 2,800 sq.m. Supporting higher levels of economic growth would see the authority planning for the labour demand model of 7.7ha or 30,700 sqm. To achieve this would require additional sites such as the draft allocation at Former Gas Works.

Table 0.2 Eastbourne Demand / Supply balance 2025-42 (sqm)

	Office	Industrial & Warehouse	Total
Recommended need 2025-42 (sq.m)	4,900	16,400	21,300
Commitments (sq.m)	765	19,159	19,924
Residual need 2025-42 (sq.m)	-4,135	+2,759	+1,376
Town Centre Development Opportunity - EL3	3,750		
Sovereign Harbour	8,000		
Intensification of Industrial Estates		20,000	
Residual Need (sq.m)	+7,616	+22,759	+30,375
Residual Need (Ha)	+1.5	+5.7	+7.2
Potential Supply	1,000 sq.m	15,295 sq.m	18,925 sq.m

Source: Icen analysis, Authority Monitoring Data 2025

1. INTRODUCTION

1.1 Eastbourne Borough Council and Wealden District Council have jointly commissioned Icen Projects to update to their 2022 Employment and Economic Study². This update focuses on the employment land requirements for the 2025 to 2042 period separately for each authority. Specifically, it reviews the commercial market position post COVID-19 that influenced the 2022 outcomes. This study should be read in conjunction with the previous study, for further analysis on policy, economic indicators and methodology detail. This update report covers:

- A sense check on the Functional Economic Market Area (FEMA);
- A review of planning, economic, local and national policy changes in recent years;
- An update on the socio-economic indicators post COVID-19;
- The latest commercial market assessment;
- Refreshed economic forecasts for the revised assessment period;
- Employment land needs and supply balance for Wealden and Eastbourne; and
- Overall conclusions.

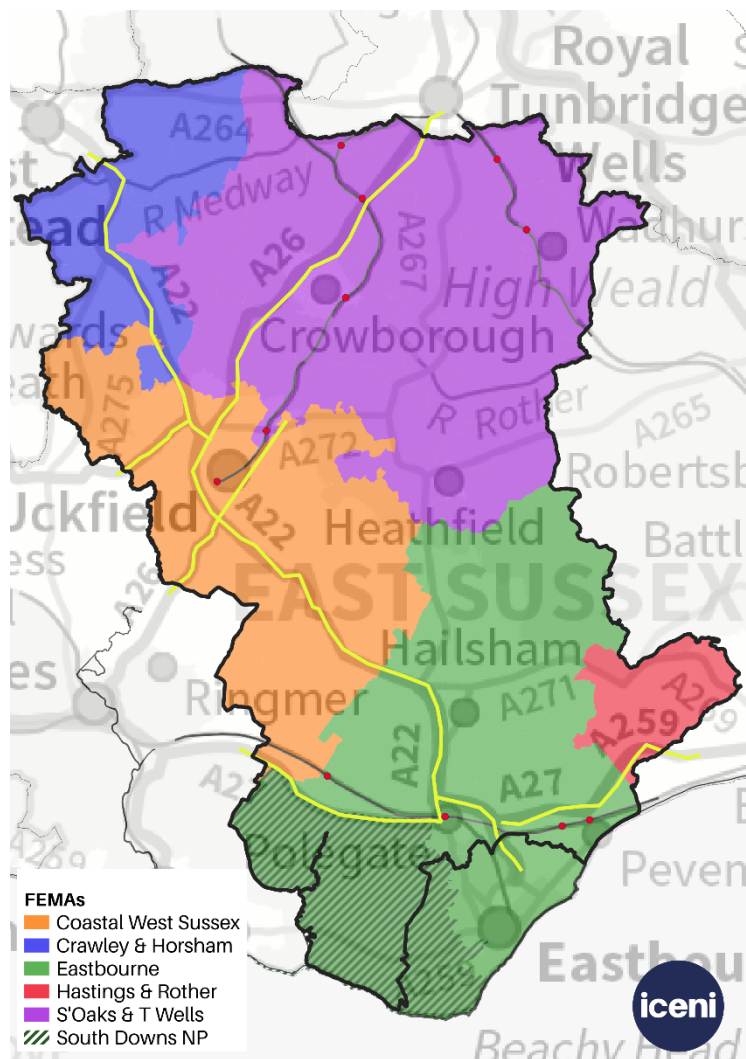
² [Employment and Economic Study Eastbourne and Wealden, April 2022](#)

2. FUNCTIONAL ECONOMIC MARKET AREA (FEMA)

- 2.1 One of the purposes of defining a Functional Economic Market Area (FEMA) is to identify the “appropriate functional geographical area to gather evidence and develop policies to address these (Strategic) matters, based on demonstrable cross-boundary relationships” (Planning Practice Guidance (PPG) Reference ID: 61-017-20190315).
- 2.2 This section of the report tests whether the previously defined FEMA for Eastbourne and Wealden has changed, considering new evidence published since the previous report in 2022.
- 2.3 The previous report concluded that there was a complex set of economic relationships across Wealden, although consistently, there appeared to be some alignment between the south of Wealden and Eastbourne and with Uckfield looking in a number of directions, including to Greater Brighton, as well as being influenced by Eastbourne. At the time, agents noted that those seeking to locate in Eastbourne would look no further north than Uckfield.
- 2.4 Ultimately, we concluded that the FEMA was in a reasonable level of alignment with the Housing Market Area (HMA) geographies. This was led by the evidence, but was also beneficial for pragmatic reasons, as it allowed for a better alignment of jobs and homes.
- 2.5 It is acknowledged that the Duty to Cooperate is not likely to be a requirement as per the Written Ministerial Statement (WMS) as of 27 November 2025³. However, local planning authorities should continue to collaborate across their boundaries, including on unmet development needs from neighbouring areas.

³<https://questions-statements.parliament.uk/written-statements/detail/2025-11-27/hcws1104#:~:text=The%20new%20plan%2Dmaking%20system%20provided%20by%20the%20Levelling%2DUp,from%20the%20abolition%20of%20regional>

Figure 2.1 – Previous Functional Economic Market Areas



Source: Icen Projects and Open Streetmap

Defining FEMA Geographies

- 2.6 The Planning Practice Guidance (PPG) relating to Plan Making⁴ provides guidance on how Functional Economic Market Areas (FEMAs) can be defined. It notes that no standard approach is possible as patterns of economic activity vary from place to place. However, it does suggest that when defining a FEMA, the following are relevant:

- **Extent of any Local Enterprise Partnership within the area** – Both Eastbourne and Wealden formed part of the South East Local Enterprise Partnership (LEP); however, LEPs were

⁴ Reference ID: 61-019-20190315

effectively abolished by having their funding withdrawn in April 2024 and the East Sussex County Council undertakes this function.

- **Travel to work areas (TTWAs)** – The ONS TTWAs have not been updated since 2011. Previously, the largest TTWA covering more than half of Wealden district was the Eastbourne TTWA. This included the southern part of Wealden, comprising Polegate, Hailsham, Uckfield, and the whole of Eastbourne. The north of Wealden, including Heathfield and Crowborough, fell within the Tunbridge Wells TTWA.
- **Housing Market Area (HMA)** - These have also been reviewed most recently in the Wealden Local Housing Needs Assessment (LHNA)⁵ (which is being updated concurrently with this study) and the Eastbourne Local Housing Needs Assessment (2023) and reported 2021 levels of self-containment. These show that Eastbourne and Wealden's combined migration self-containment rate exceeds the typical target of 70% demonstrating a strong relationship between the two. Both areas also have high commuting self-containment (+74%), although this is supported by significant increases in working from home during the pandemic. It was concluded that while some minor changes had occurred due to changing ward boundaries (see overleaf), the previous HMA boundaries remained broadly appropriate.
- **Flow of goods, services and information within the local economy** – The data for this has not changed significantly, with the lack of office market suggesting a reliance on major external centres for some services, most notably Brighton and Tunbridge Wells.
- **Service market for consumers** - The previous evidence highlighted the importance of Eastbourne as a retail centre within the study area, which ranked far higher than any centres in Wealden. Tunbridge Wells retail also influences the northern part of Wealden. Wealden has not updated its retail evidence since 2022 but has commissioned an update to that study. Eastbourne published a new study in December 2022. This also concluded that Eastbourne Town Centre is the principal focus for shopping, leisure and business activity within the Borough and wider sub-region.
- **Administrative geographies** – These have not changed in the intervening period. However, Local Government Reorganisation (LGR) is likely to occur in the short term, although there is still no consensus on what form that will take. Eastbourne supports a single Unitary Authority covering Lewes, Eastbourne, Rother, Wealden and Hastings. Wealden, however, has expressed an interest in a Brighton and Hove alternative, which would join the northern part of Wealden district with the rural part of Lewes and Mid Sussex, and the remaining area of the district with Eastbourne, Rother and Hastings. However, Wealden have also stated that there has been

⁵ [Wealden Local Housing Needs Assessment \(LHNA\), August 2021](#)

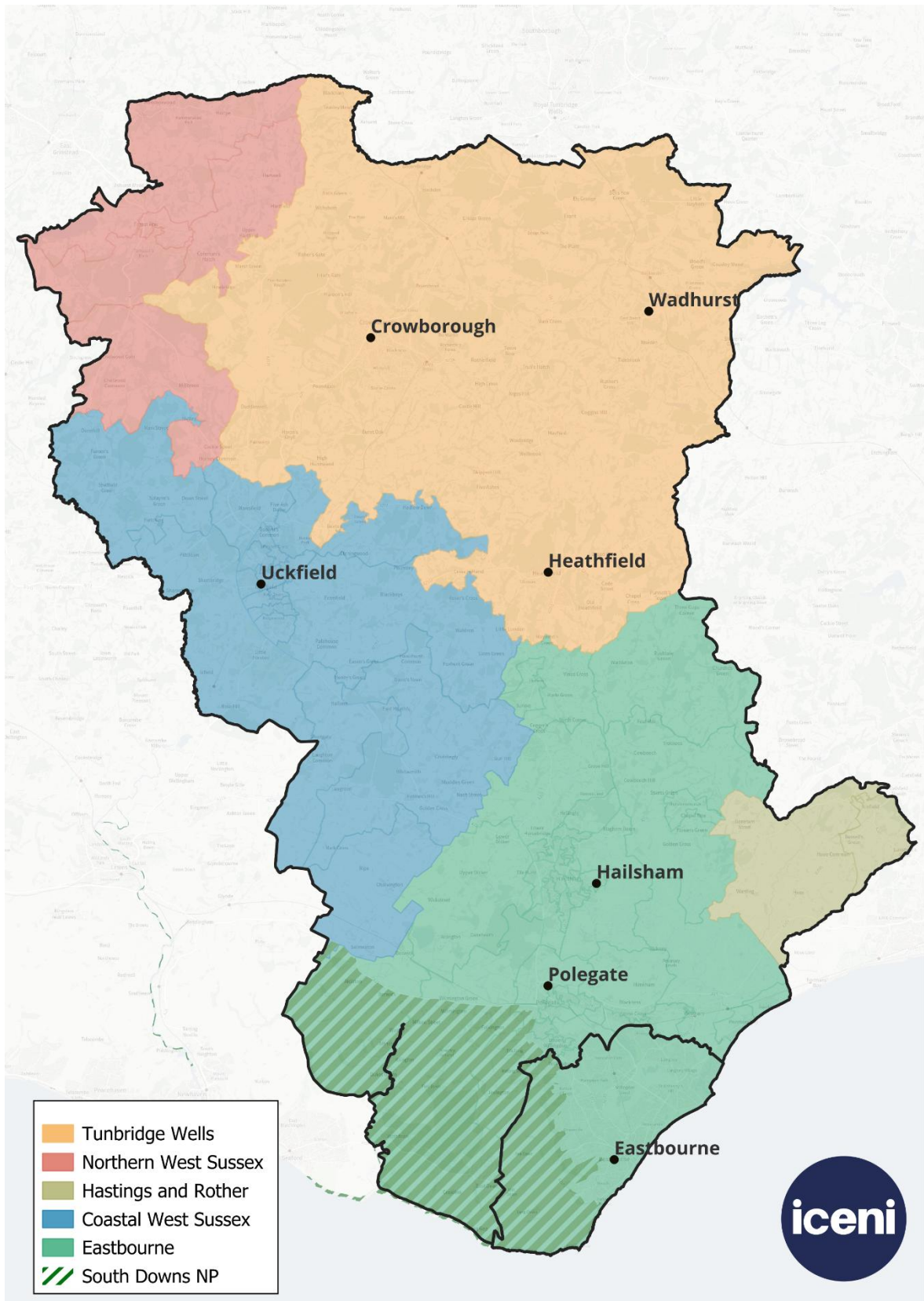
insufficient time to properly examine the detailed boundary and financial arrangements. There are also several other administrative geographies covering Wealden and Eastbourne, including East Sussex County Council, which has responsibility for education and highways, among others. The Fire and Rescue Service also cover the same area. Sussex Police cover both East and West Sussex. Ambulance services are provided by the South East Coast Ambulance Service, which covers Kent, Sussex, Surrey and parts of northern Hampshire.

- **Catchment areas of facilities providing cultural and social well-being** – This has not changed significantly, and there remains a cultural and social amenity cluster in Eastbourne, which also serves the south of Wealden. In addition, a broader range of facilities will be provided in Brighton and Tunbridge Wells.
- **Transport network** – No change with the County Council continuing to provide transport (specifically, highways and buses), while trains are provided by Southern Rail, and Gatwick Airport is the nearest major airport.

Drawing the Evidence Together

- 2.7 As demonstrated by the evidence set out above, there remains a complex set of economic relationships across Eastbourne and Wealden. However, consistently, there continues to be some alignment between the south of Wealden and Eastbourne. This is supported by evidence on HMAs, services, markets and commuting patterns, although the pandemic has impacted the last of these, and the combined area has independently increased their job self-containment.
- 2.8 The previous report concluded that there was an alignment between the FEMA and the HMA boundaries, and there are also benefits to aligning these. Given that very little of the evidence has changed since the previous report, including the HMA itself (bar a minor alteration), the FEMA is recommended to remain unchanged.
- 2.9 However, we should still recognise that Uckfield is in a zone of transition and that both Eastbourne Borough and Wealden District Council should continue to liaise with surrounding authorities, both in agreeing FEMA geographies and in discussing any issues associated with unmet needs (either from Wealden/Eastbourne or neighbouring areas as relevant).

Figure 2.2: HMA and Functional Economic Market Areas (2025)



Source: Icen Projects and Open Streetmap

3. POLICY DRIVERS

- 3.1 This section reviews the main policy and strategic documents relevant to the Eastbourne and Wealden economy that have been published since the 2022 Study.

National Planning Policy Framework – December 2024

- 3.2 The latest version of the National Planning Policy Framework (NPPF) was published by the Government in December 2024. The NPPF sets out the Government's planning policies for England and how these are expected to be applied.
- 3.3 Paragraph 7 of the NPPF states that the purpose of planning is to contribute to the achievement of sustainable development. Paragraph 9 of the NPPF sets out that planning policies and decisions should play an active role in guiding development towards sustainable solutions, but in doing so should take local circumstances into account, to reflect the character, needs and opportunities of each area.
- 3.4 Paragraph 17 of the NPPF states that development plans must include strategic policies to address each local planning authority's priorities for the development and use of land in its area. Plans should apply a presumption in favour of sustainable development and for plan-making. This means that plans should positively seek opportunities to meet the development needs of their area and be sufficiently flexible to adapt to rapid change.
- 3.5 Strategic policies should, as a minimum, provide for objectively assessed needs for housing and other uses, as well as any needs that cannot be met within neighbouring authorities, where it is sustainable to do so.
- 3.6 In relation to economic growth, Chapter 6 of the NPPF sets out how the framework seeks to achieve building a strong, competitive economy. In paragraph 85 of the NPPF, this is explained as "planning policies and decisions should help create the conditions in which businesses can invest, expand and adapt.", also adding that the "approach taken should allow each area to build on its strengths, counter any weaknesses and address the challenges of the future."
- 3.7 Paragraph 86 of the NPPF provides more specific advice stating that planning policies should:
- a) "set out a clear economic vision and strategy which positively and proactively encourages sustainable economic growth, having regard to the national industrial strategy and any relevant Local Industrial Strategies and other local policies for economic development and regeneration;

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- b) set criteria, and identify strategic sites, for local and inward investment to match the strategy and to meet anticipated needs over the plan period;
 - c) pay particular regard to facilitating development to meet the needs of a modern economy, including by identifying suitable locations for uses such as laboratories, gigafactories, data centres, digital infrastructure, freight and logistics;
 - d) seek to address potential barriers to investment, such as inadequate infrastructure, services or housing, or a poor environment; and
 - e) be flexible enough to accommodate needs not anticipated in the plan and allow for new and flexible working practices and spaces to enable a rapid response to changes in economic circumstances.”

Planning Practice Guidance – December 2024

3.8 The Government’s Planning Practice Guidance (PPG) includes several sections relevant to economic assessments. This sub-section summarises the relevant sectors.

3.9 For economic growth, the PPG states that local authorities are to determine the type of employment land that is needed by preparing (para 25):

“a robust evidence base to understand existing business needs, which will need to be kept under review to reflect local circumstances and market conditions. National economic trends may not automatically translate to particular areas with a distinct employment base. Where appropriate, local planning authorities can use their Authority Monitoring Report and the plan review process to ensure that their evidence base remains up to date.”

3.10 Policy-making authorities are to prepare and maintain evidence about business needs by gathering evidence to plan for business uses, adding that (para 26):

“strategic policy making authorities will need to liaise closely with the business community, taking account of the Local Industrial Strategy, to understand their current and potential future requirements. They will need to assess:

- the best fit functional economic market area;
- the existing stock of land for employment uses within the area;
- the recent pattern of employment land supply and loss – for example, based on extant planning permissions and planning applications (or losses to permitted development);

-
- evidence of market demand (including the locational and premises requirements of particular types of business) – sourced from local data and market intelligence, such as recent surveys of business needs, discussions with developers and property agents and engagement with business and economic forums;
 - wider market signals relating to economic growth, diversification and innovation; and
 - any evidence of market failure – such as physical or ownership constraints that prevent the employment site being used effectively.”

3.11 In relation to the Market Signals to be used to forecast need the PPG goes on to say that this should be based on a range of data which is current and robust such as (para 27):

- “sectoral and employment forecasts and projections which take account of likely changes in skills needed (labour demand);
- demographically derived assessments of current and future local labour supply (labour supply techniques);
- analysis based on the past take-up of employment land and property and/or future property market requirements; and
- consultation with relevant organisations, studies of business trends, an understanding of innovative and changing business models, particularly those which make use of online platforms to respond to consumer demand and monitoring of business, economic and employment statistics”.

3.12 The PPG goes on to advise that “authorities will need to take account of longer-term economic cycles in assessing this data and consider and plan for the implications of alternative economic scenarios”.

Policy Review: LEP / East Sussex wide

East Sussex Prosperity – The 2050 Economic Prosperity Strategy (June 2024)

3.13 The document sets out the vision for East Sussex to be a place where people live and work well, characterised by well-paid work and good opportunities and thriving businesses. There are two strategic themes:

- Theme 1: Focuses on nurturing existing, new and growing businesses. Supporting young people to have career options and fostering lifelong learning.
- Theme 2: Focuses on creativity and innovation, encouraging business networking, collaboration with institutions and new sources of investment.

-
- 3.14 The strategy recognises the importance of Prosperity for Business, Prosperity for People and Prosperity for Places.

Employment and Economic Study for Eastbourne and Wealden 2022

- 3.15 The study set out an evidence-based analysis to inform planning and local economic strategy by evaluating employment land, economic growth prospects and market need up to 2039.
- 3.16 Eastbourne's economy is focused on health, social work, tourism (accommodation and food), wholesale and retail sectors. It has seen office floorspace decline and industrial floorspace slightly decline but with strong industrial demand and low vacancy rates.
- 3.17 Wealden's economy is more diverse and growing, with strengths in agriculture, construction, professional services and tourism sectors. Industrial and office floorspace has grown, but industrial property remains in shortage.
- 3.18 Employment land needs to 2039 showed an undersupply of office space in Eastbourne and a shortfall of industrial land in both Wealden and Eastbourne.
- 3.19 Economic growth forecasts anticipated 2,300 jobs growth in Eastbourne and 6,600 in Wealden by 2039, with opportunities in green and digital sectors, construction innovation and skills development. East Sussex as a whole shows ongoing economic growth with a strong rural economy in Wealden.
- 3.20 Key challenges highlighted in the study include limited land availability for employment development, addressing skills gaps and balancing the environment with growth.

Eastbourne

Eastbourne Economic Growth Strategy 2025-30

- 3.21 Eastbourne's economic ambition outlined by the strategy is to be a more productive, resilient, and inclusive economy that supports Eastbourne's citizens, celebrates its outstanding natural and built environment, and grows successful businesses. A distinctive and outstanding coastal Borough where people are proud to live, inspired to work, and drawn to visit — a place that encourages ambition, champions well-being, and strives to improve the quality of life for all of its residents
- 3.22 The growth strategy is centred around 5 key themes:
1. **Development and diversity Eastbourne's sectors and clusters for a prosperous economy** – includes supporting innovation in the health and care sector; developing a digital and creative hub; raising the profile of advanced engineering.

-
2. **Nurture community wealth building, enterprise and entrepreneurship** – includes providing good quality, accessible, flexible and affordable business accommodation.
 3. Develop a vibrant town centre and clusters of retail hubs that serve as great places to live, do business, invest and visit
 4. Upskill and empower residents to thrive in the modern Eastbourne economy
 5. Promote and ensure investment in sustainable and resilient infrastructure to deliver long-term economic, social and environmental benefits – includes developing the commercial floorspace needed to support businesses to grow and be retained locally.

Eastbourne Local Plan: Growth Strategy Consultation – Regulation 18 (November 2022)

- 3.23 This consultation document on the emerging local plan sets out early proposals for how Eastbourne should manage growth, regeneration and development up to 2039. The document identifies a balanced approach to economic development, housing growth and environmental resilience to support sustainable prosperity in the area. There is an emphasis on sustainable development aligned with infrastructure capacity.

Wealden

Wealden Economic Development Strategy 2023-33

- 3.24 The document sets out the council's vision and strategic priorities to foster a thriving, inclusive and sustainable local economy over the decade. The strategy emphasises supporting local land-based industries such as farming and food production, boosting rural tourism and small business growth.
- 3.25 The strategy notes the economy is diverse with many Small and Medium Enterprises (SMEs) and highly qualified workforce. However, Gross Value Added (GVA) and jobs growth have lagged behind the national average.
- 3.26 The strategy sets out five priority themes with opportunities and challenges:
- Vibrant Places;
 - Enterprising Wealden;
 - Skills and Employment;
 - Visitor Economy and Culture; and
 - Net Zero Wealden.

3.27 The challenges highlighted in the strategy are skills and labour shortages (especially low paid and hospitality sectors), limited supply of commercial premises constraining business growth, the need for new investment mechanisms and keeping town centres vibrant amid changing retail and consumer habits.

3.28 Strategic actions identified in the strategy, relevant to commercial premises and employment land provision include:

- Explore the case for employment sites and premises marketing document/strategy – business-investor engagement, consider potential of A22 Growth Corridor Infrastructure Improvements;
- Develop employment sites within the district, including Knights Farm employment and Farningham Road industrial estate (*which now has planning permission*).
- Improvements to existing industrial estates including signage, access, congestion, safety, place making, on-site facilities.

Wealden Draft Local Plan – Regulation 18 (March 2024)

3.29 The document sets out the council's draft spatial strategy for growth and development in Wealden up to 2040, along with proposed policies and site allocations for public consultation. The draft Local Plan provides a vision for the district's future, aiming for sustainable social, economic and environmental development to guide land use and growth. The Plan proposes to allocate 40,000 square metres (sqm) of new employment floorspace at Knights Farm West, Hailsham, 16,750sqm at Woodside Park, Land East of A22, Hailsham and 4,000sqm at Coxlow Farm, Horam Road, Horam.

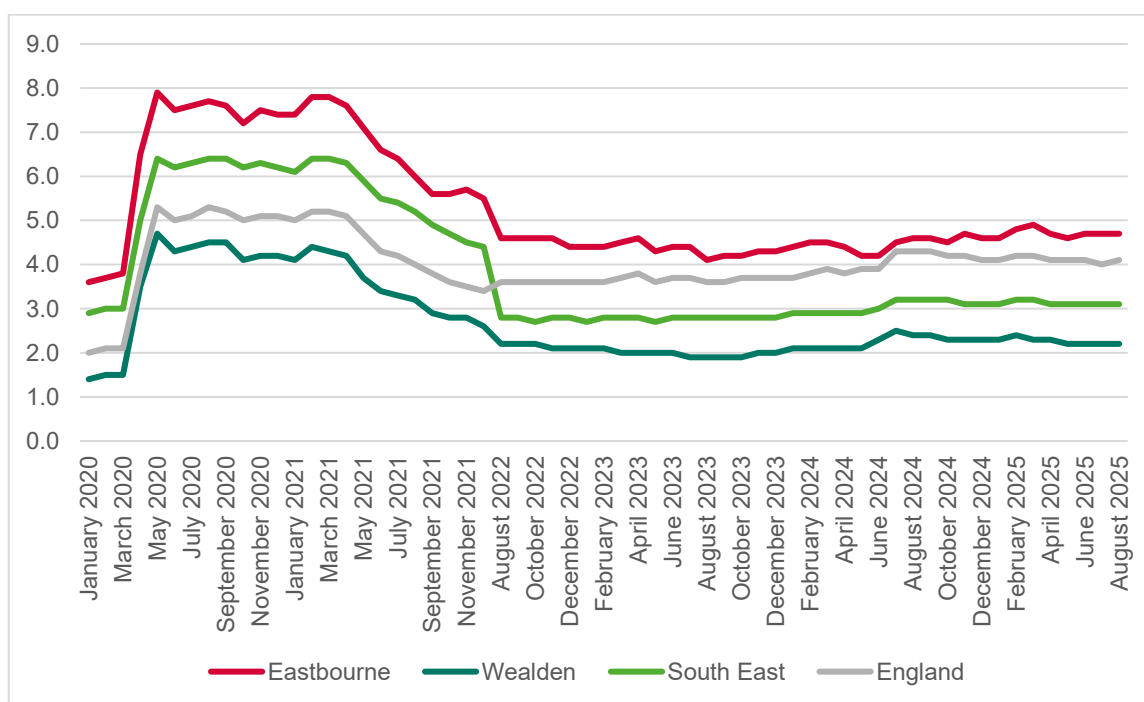
4. ECONOMIC DYNAMICS

- 4.1 This section provides an update to the overview of the Eastbourne and Wealden economic indicators including economic activity, wages, sectoral employment and business count and survival.

Claimant count

- 4.2 The claimant rate provides an indicator of unemployment levels.
- 4.3 **Wealden:** Since January 2020, Wealden has consistently recorded the lowest claimant rate among the benchmark areas shown below, ranging from 1.9% to just above 2.3%. A rise occurred in mid-2024 before stabilising again, but overall levels remain significantly below Eastbourne, as well as regional and national benchmarks.
- 4.4 **Eastbourne:** Eastbourne shows an increase in its claimant rate from 2% in January 2020 to a peak of over 7% by mid-2020, remaining above the comparator areas. After a decrease from 2021, the rate settled between 4.1% and 5% for most of the period. Eastbourne had a claimant rate of 4.7% in September 2025, above the national and regional rates. While there are some dips, levels recover with an upward trend through mid-2025.

Figure 4.1: Claimant count as a proportion of residents aged 16-64 (January 2020 – September 2025)



Source: ONS via NOMIS

Economic Participation

- 4.5 The figure below shows the economic activity rate, which describes the average percentage of working-age adults who were working or looking for work in 2025.
- 4.6 **Eastbourne:** The 2025 economic activity rate in Eastbourne (76.1%) was slightly below the regional rate (81.1%) and England (78.8%) averages but higher than the Wealden rate (74.8%). This indicates economic activity rates across Eastbourne are in line with the regional rate. Net change in economic activity between 2020 to 2025 is a small positive (0.4%), showing slight growth.
- 4.7 **Wealden:** The 2025 economic activity rate in Wealden (74.8%) is the lowest rate when compared to, Eastbourne, regional and national comparators, as shown in the table below. Net change from 2020 to 2025 is negative at -9.4%, indicating a notable decline in economic activity or employment over the period. Further analysis into economic inactivity by reason shows a significant increase in the student population from 2020 and 2025, with the 2020 data presumably suppressed by pandemic restrictions leading to students moving back home.
- 4.8 Both Eastbourne and Wealden have seen an increase in long-term sickness between 2020 and 2025 as a reason for economic inactivity.

Table 4.1 Economic Activity Rates (aged 16-64)

	Eastbourne	Wealden	South East	England
Economic Activity	76.1%	74.8%	81.1%	78.8%
Employment (%)	71.2%	72.0%	78.4%	75.7%
Unemployment	4.9%	2.9%	2.7%	3.2%
Net change - Economic Activity (2020-2025)	0.4%	-9.4%	0.8%	0.5%

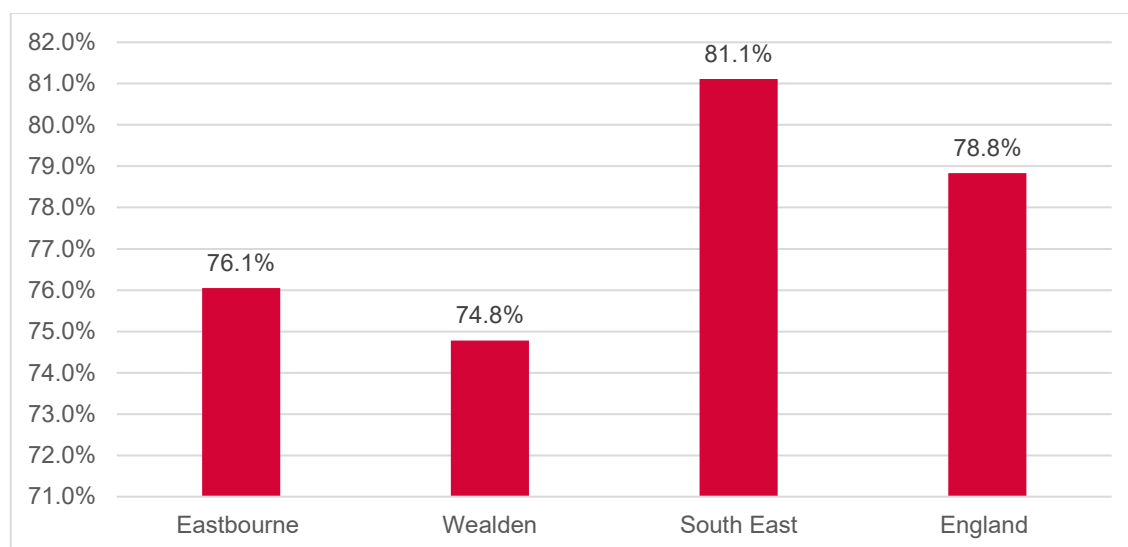
Source: Annual Population Survey via NOMIS (2025)

Employment Rate

- 4.9 The employment rate is the percentage of the working-age population in employment. The figure below shows the average employment rate in 2025.
- 4.10 **Eastbourne:** It can be seen that the employment rate in Eastbourne is lower than the national average and significantly lower than the South East average. This typically suggests that policy interventions are required to get more people into work.

-
- 4.11 **Wealden:** The employment rate in Wealden is lower than the national average and South East average. This suggests that more could be done to get people back into work, which is currently a national government priority.

Figure 4.2: Employment Rates (2025)

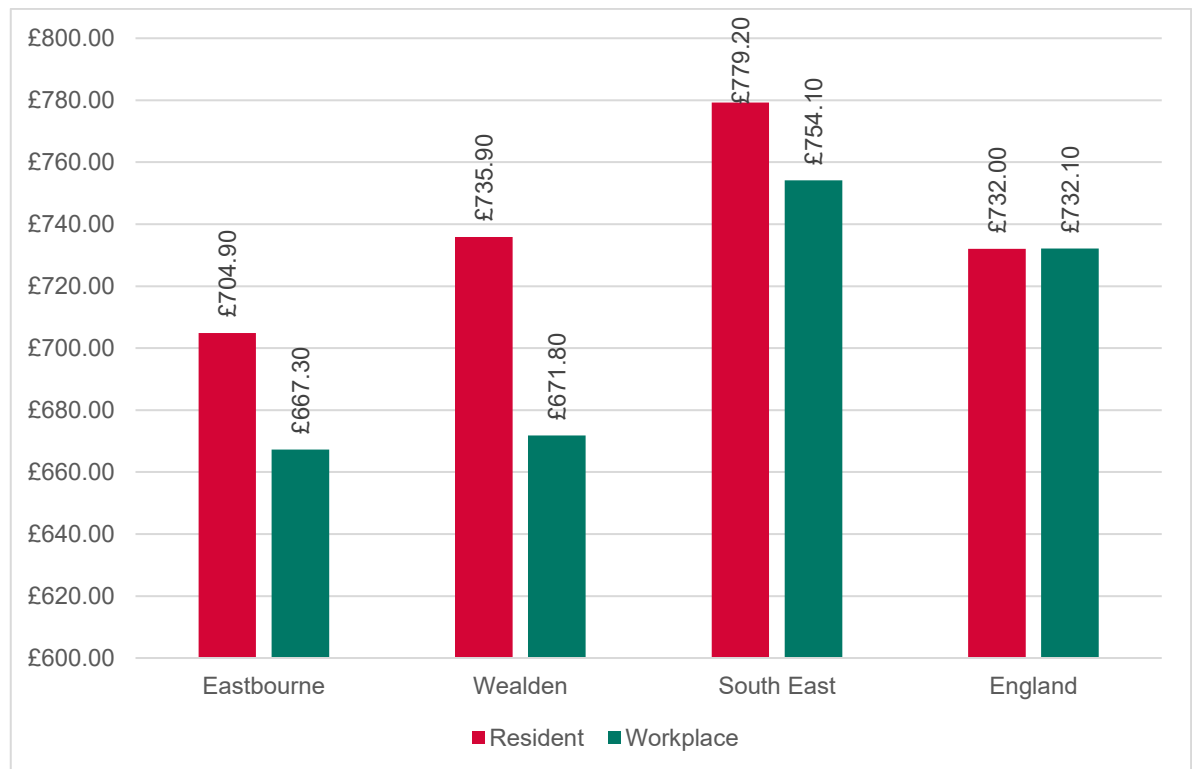


Source: Annual Population Survey via NOMIS (2025)

Earnings

- 4.12 **Eastbourne:** Eastbourne residents in full-time employment earn an average gross weekly pay of £704.90 – lower than the regional and national average. Workplace earnings are lower than resident earnings at £667.30, indicating commuting to higher paid jobs. Average wages are significantly lower than the regional and national averages.
- 4.13 **Wealden:** The average pay of Wealden's residents sits between the regional and national average at £735.90. However, workplace earnings in Wealden (£671.80) are lower than resident earnings, suggesting significant levels of out-commuting occurring. Workplace earnings in Wealden are lower than the regional and national average.

Figure 4.3: Earnings by Residents – Median Pay of Full-Time Workers (2024)

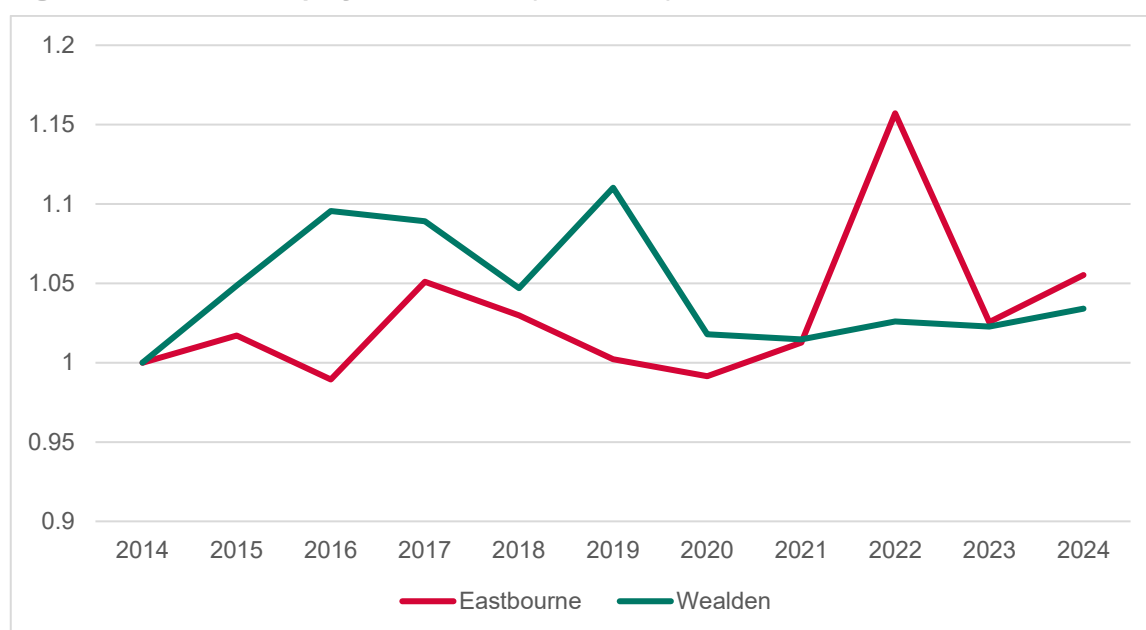


Source: Annual Survey of Hours and Earnings via NOMIS (2024)

Employment

- 4.14 The figure below sets out the growth in jobs over the period since 2014 to 2024 according to Cambridge Econometrics data.
- 4.15 **Eastbourne:** Between 2014 and 2024, the area experienced a slight dip in 2016 and again in 2020 but sharply increased in 2022, reflecting a temporary peak before returning to trend in 2024.
- 4.16 **Wealden:** Between the period shown below, the employment index remained above 1.0, showing steady but moderate growth. Its highest index value reached 1.11 in 2019 and ended at 1.03 in 2024.

Figure 4.4: Indexed Employment Growth (2014-2024)



Source: Cambridge Econometrics

Employment by Sector

- 4.17 The table below provides an analysis of the composition of employment by Standard Industrial Classification (SIC) sector based on Cambridge Econometrics data.
- 4.18 **Eastbourne:** The largest sectors are Health and social (11,500 jobs); wholesale and retail (7,700 jobs), accommodation and food (4,800 jobs) and education (4,700 jobs). Between 2020 and 2023 there was strong growth in health and social (+1,000 jobs) and accommodation and food (+800 jobs) – this is in line with long term historic growth seen across the 10- and 20-year periods. Eastbourne saw employment losses in wholesale and retail trade of -1,000 jobs between 2020 and 2023, in line with historic losses. Losses were also seen in transport and storage, construction and financial and insurance. Manufacturing has seen significant losses over the past 20 years however the rate of decline has slowed, seeing some growth over the recent 10-year period.
- 4.19 **Wealden:** The largest sectors are Wholesale and retail (9,200 jobs), health and social (7,800 jobs), construction (6,700 jobs) and education (6,000 jobs). Between 2020 and 2023 the greatest employment gains were seen in health and social (+1,100 jobs) and accommodation and food (+600 jobs) – growth in these sectors exceeds the scale seen over the past 10-years. The agricultural sector also saw strong growth over the 2020-23 period, equivalent to 25%. Employment losses were seen in the professional services sector (-700 jobs) and construction (-500 jobs), in line with the 10-year historical trend. Manufacturing has seen losses over the past 20 years however the rate of decline has slowed, seeing some growth over the recent 2020-23 and 10-year period.

Table 4.2 Employment Count and Trends by Sector, Eastbourne

	2020 Employment	2023 Employment	Difference (2020-23)	10-year change (2013-23)	20-year change (2003-23)
Agriculture, forestry & fishing	100	200	100	100	0
Mining & quarrying	0	0	0	0	0
Manufacturing	1,900	1,900	0	200	-4,200
Electricity, gas, steam...	0	0	0.0	0	0
Water supply; sewerage...	200	200	0	0	100
Construction	3,200	2,500	-700	-100	0
Wholesale & retail trade	8,700	7,700	-1,000	-1300	-2500
Transport & storage	1,400	900	-500	-300	-500
Accommodation & food	4,000	4,800	800	900	1600
Information & communications	1,000	1,300	300	400	400
Financial & insurance	800	700	-100	-400	-200
Real estate	600	700	100	0	300
Professional, scientific & technical	2,600	2,900	300	300	1,100
Administrative & support	2,500	2,700	200	100	0
Public admin & defence	1,900	2,100	200	0	-500
Education	4,400	4,700	300	200	700
Health & social work	10,500	11,500	1,000	1,200	3,800
Arts, entertainment & recreation	1,500	1,800	300	300	600
Other services	1,500	1,700	200	300	100
Total	46,800	48,300	1,500	1,900	800

Source: Cambridge Econometrics, Icen analysis. Note: Reds highlight low change and greens highlight high change

Table 4.3 Employment Trends by Sector, Wealden

	2020 Employment	2023 Employment	Difference (2020-23)	10-year change (2013-23)	20-year change (2003-23)
Agriculture, forestry & fishing	1200	1,500	300	600	300
Mining & quarrying	0	0	0	-100	0
Manufacturing	4,400	4,500	100	600	-800
Electricity, gas, steam...	100	100	0	100	0

Water supply; sewerage...	500	600	100	200	200
Construction	7,200	6,700	-500	-500	800
Wholesale & retail trade	9,100	9,200	100	-200	-100
Transport & storage	1,500	1,500	0	0	-500
Accommodation & food	4,900	5,500	600	400	2,100
Information & comms	2,500	2,200	-300	0	700
Financial & insurance	1,000	800	-200	-400	200
Real estate	1,200	1,100	-100	100	600
Professional, scientific & technical	5,700	5,000	-700	-200	1,500
Administrative & support	4,000	4,000	0	200	1,300
Public admin & defence	1,200	1,300	100	0	-500
Education	5,900	6,000	100	300	1,500
Health & social work	6,700	7,800	1,100	100	1,300
Arts, entertainment & recreation	2,600	2,900	300	0	800
Other services	2,800	2,600	-200	0	-100
Total	62,500	63,300	800	1,200	9,300

Source: Cambridge Econometrics, Icen analysis. Note: Reds highlight low concentrations / change and greens highlight high concentrations / change.

Business Profile Overview

- 4.20 Data from the Inter-Departmental Business Register (IDBR) indicated that there were 404,360 enterprises (of which 402,500 were private sector) operating across the South East in 2024. However, this data does not capture all businesses (namely, it does not include some businesses with a turnover below the VAT threshold). BEIS data⁶, which is not available at Local Authority level but provides a more accurate estimate of business numbers, shows that there were in fact around 907,000 private enterprises across the South East at the start of 2024. Within the last year, business numbers increased by 55,000 (6%) in the South East region.
- 4.21 **Eastbourne:** Data (IDBR) indicated that there were 3,085 enterprises (of which 3,075 were private sector) operating in Eastbourne in 2024. IDBR data suggests that Eastbourne has a low enterprise density of 50 per 1,000 working age people compared to 71 across the South East and 67 across

⁶ Department for Business, Energy and Industrial Strategy (2020), Business Population Estimates for the UK and Regions 2020

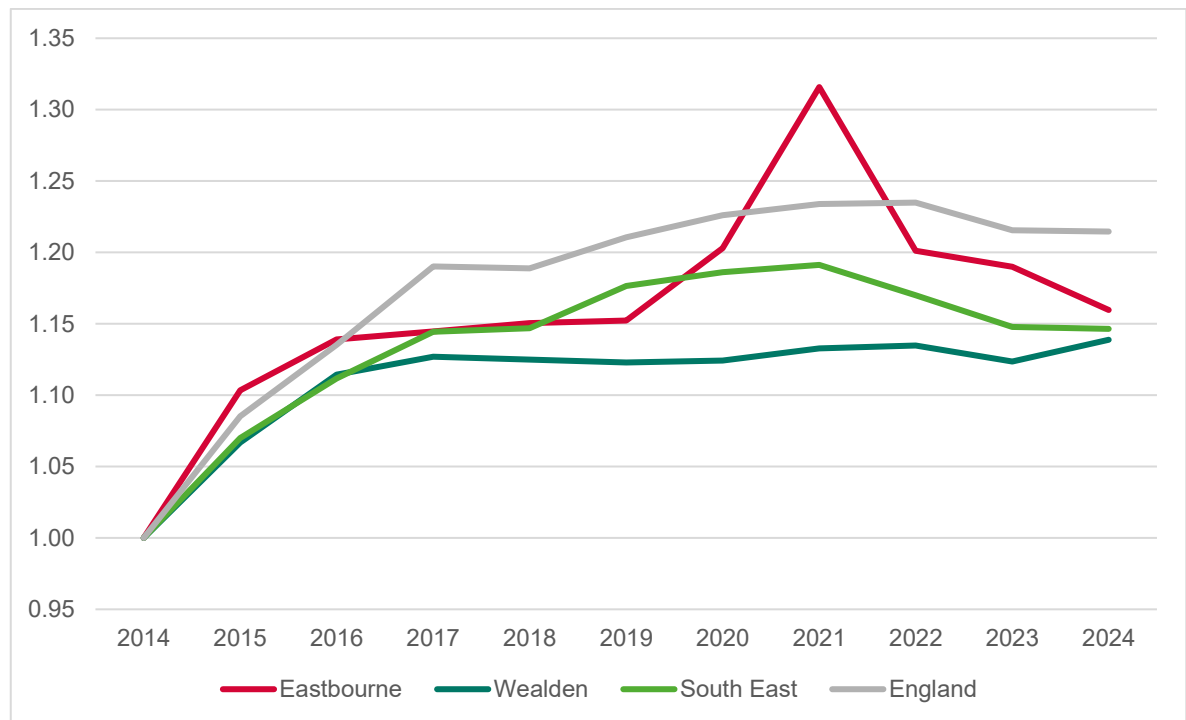
England as a whole. The lack of businesses in Eastbourne could contribute to the low levels of employment observed – a point which will be explored further later in this chapter.

- 4.22 **Wealden:** There were 8,615 enterprises (of which 8,575 were private sector) operating in Wealden as of March 2024. The density of enterprises in Wealden is high. According to the IDBR figure, Wealden had approximately 94 businesses per 1,000 population of working-age (16-64) people in 2024. This suggests that Wealden is relatively enterprising and has a strong business base.

Business Start-up and Survival

- 4.23 **Eastbourne:** According to IDBR data seen in the figure below, the number of enterprises experienced a sharp peak growth around 2021, reaching an index of 1.32 but declined thereafter to 1.16 by 2024. Despite the decline post-2021, it remains above its 2014 levels. Eastbourne's growth is less stable but has achieved a moderate net growth over the period. Growth fluctuates with a peak above all other areas but declines afterwards, ending slightly below the regional and national rates.
- 4.24 The five-year survival rate of businesses born in 2019 was 100.7, indicating a high five-year survival rate. This is higher than the average for the South East region (97.4) and slightly higher than England as a whole (100.3). The survival rate over one year in Eastbourne is 97.5, lower than the regional and national rates but still showing a strong new business survival rate.
- 4.25 **Wealden:** The number of enterprises in Wealden demonstrates a slower and more stable growth with a gradual rise from 1.07 to 1.14 in 2024. Steady growth indicates Wealden is more consistent but grows at a slower pace compared to Eastbourne. Growth is below the regional and national rates.
- 4.26 The five-year survival rate of businesses born in 2019 in Wealden, is the highest among all other comparators, suggesting a slightly better business longevity in this area. The survival rate over one year in Wealden is also the highest amongst all other comparators (101.4), indicating strong early survival of new businesses.

Figure 4.5: Indexed Ten-Year Growth in Business Numbers

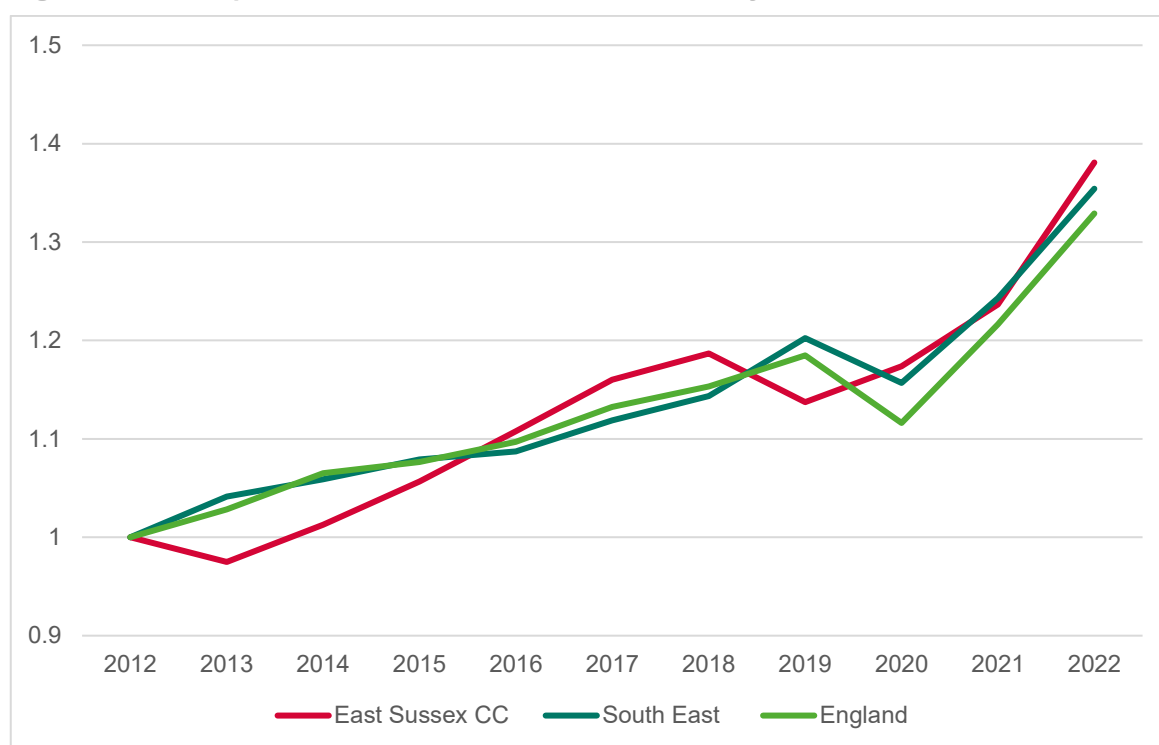


Source: IDBR

Productivity

- 4.27 Productivity data is not available at the local authority level. However, it is available at NUTS (Nomenclature of Territorial Units for Statistics) Level 3. Eastbourne and Wealden lie within the East Sussex CC NUTS Level 3 area, which also contains Lewes, Rother and Hastings.
- 4.28 The figure below shows that wages in East Sussex have increased faster than both the South East region and England averages over the decade, showing a slightly stronger relative growth rate. East Sussex wages dipped slightly in the early period but recovered steadily with growth after 2020, which may be due to a post-pandemic recovery.

Figure 4.61: GVA per hour worked indexed to 2012 value by area

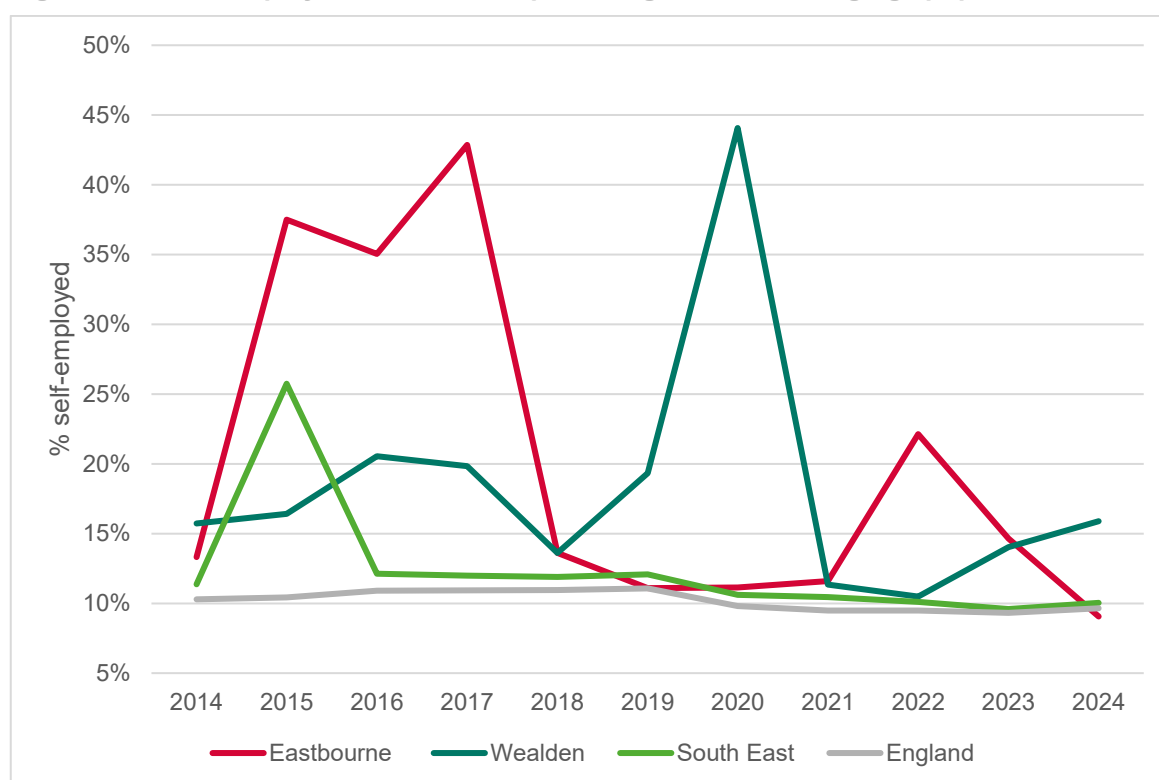


Source: Office for National Statistics, 2022, Annual Survey of Hours and Earnings, 2024

Self-employment

- 4.29 The figure below shows that levels of self-employment in Eastbourne and Wealden have varied over the last ten years, whereas levels of self-employment across the wider comparator areas have remained relatively constant.
- 4.30 **Eastbourne:** Between 2014 and 2017, self-employment in Eastbourne increased, with a slight dip in 2016. During 2018 to 2021, the rate stayed broadly stable until a sharp rise in 2021 and a decline thereafter in 2022. The rates in 2024 are broadly in line with the wider comparators.
- 4.31 **Wealden:** Between 2014 and 2018, the self-employment rate in Wealden steadily rose and then declined, with the rate not increasing above 21%. During the period 2018 to 2020, there was a sharp increase with rates more than doubling in 2020 – likely relating to the VAT and furlough matters during COVID-19. In 2021, the rates returned to trend and have remained below 16%. The rates in 2024 are higher than in all other comparators as shown in the figure below.

Figure 4.72: Self-employment levels as a percentage of the working-age population



Source: Annual Population Survey

Working-age Population

- 4.32 The table below shows the overall population of Eastbourne and Wealden and the proportion of the population of working age compared to the South East and England. It can be seen that both Eastbourne and Wealden have a smaller working age population base than both the South East and England as a whole.

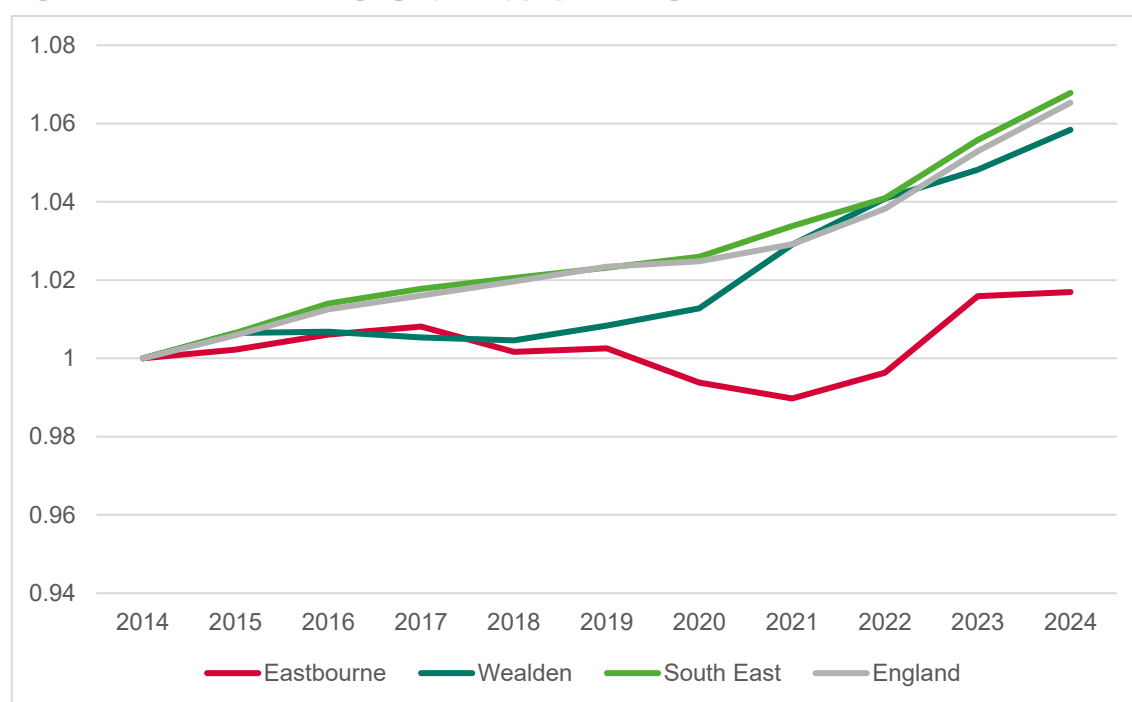
Table 4.4 Working age population

	Eastbourne		Wealden		South East	England
	Absolute	%	Absolute	%	%	%
All ages	101,685	-	160,146	-	-	-
16-64	59,659	58.7%	91,156	56.9%	63.0%	62.0%

Source: Nomis, 2021

- 4.33 **Eastbourne:** As can be seen in the figure below, the working-age population of Eastbourne has increased since 2014, with a decline shown between 2017 and 2022.
- 4.34 **Wealden:** The working-age population of Wealden has increased (5.8%) since 2014, but to a lesser extent than the South East (6.5%) and England (6.8%).

Figure 4.8: Indexed Working age (16-64) population growth



Source: ONS Population Estimates

5. COMMERCIAL MARKET ASSESSMENT

- 5.1 This section provides an assessment of the commercial property market in Eastbourne and Wealden focused particularly on office, research and development, industrial and warehouse/distribution space.
- 5.2 This assessment has been undertaken using a variety of sources, including take-up and availability data from CoStar, a national commercial property database, as well as discussions with several local agents and authority officers. It is of note that the CoStar data has limitations, particularly relating to smaller transactions or owner-occupier parks.

Office

National Context

- 5.3 The UK office market is facing a challenging period, with the national vacancy rate on an upward path and annual net absorption remaining negative. The increase in vacant space is attributed to weak economic conditions, structural changes in the office sector, and a wave of new building completions.
- 5.4 Despite the overall market challenges, some segments are performing well, driven by factors such as the demand for sustainable space, life science research, and strong regional city centres. Micro location and the quality of office space have become increasingly important in attracting tenants.
- 5.5 The investment market has been relatively quiet, with lower spending and falling prices. However, some investors are still interested in prime office properties in the best locations, especially those with redevelopment potential. The recent collapse of some big sales in London suggests that some sellers are expecting a near-term rebound in prices.
- 5.6 UK office demand losses are starting to stabilise after the steep contraction of recent years, with most of the decline concentrated in 2024. Vacancy has levelled off at 8.9%, the highest in a decade and is expected to peak in mid-2026 as new supply is absorbed and firms complete the process of rightsizing their office space.
- 5.7 Leasing activity has strengthened into 2025 with volumes up 7% year-on-year and the past three quarters marking the strongest period since the pandemic. Larger lettings are returning, led by London where demand is recovering fastest with several major pre-lets over 100,000 sq.ft. Important deals beyond the capital including in Manchester, Reading and Cambridge show a broader rebound especially in knowledge-focused markets such as Oxford and Cambridge.

-
- 5.8 Demand remains concentrated on modern, centrally located prime offices while older secondary stock continues to struggle. Sub-let availability has fallen by 30% from the 2021 peak now back at pre-pandemic levels as firms release excess space or move into new premises. The wider trend is one of easing conditions with rising business confidence and a stronger return-to-office drive supporting gradual recovery in occupier demand.

East Sussex

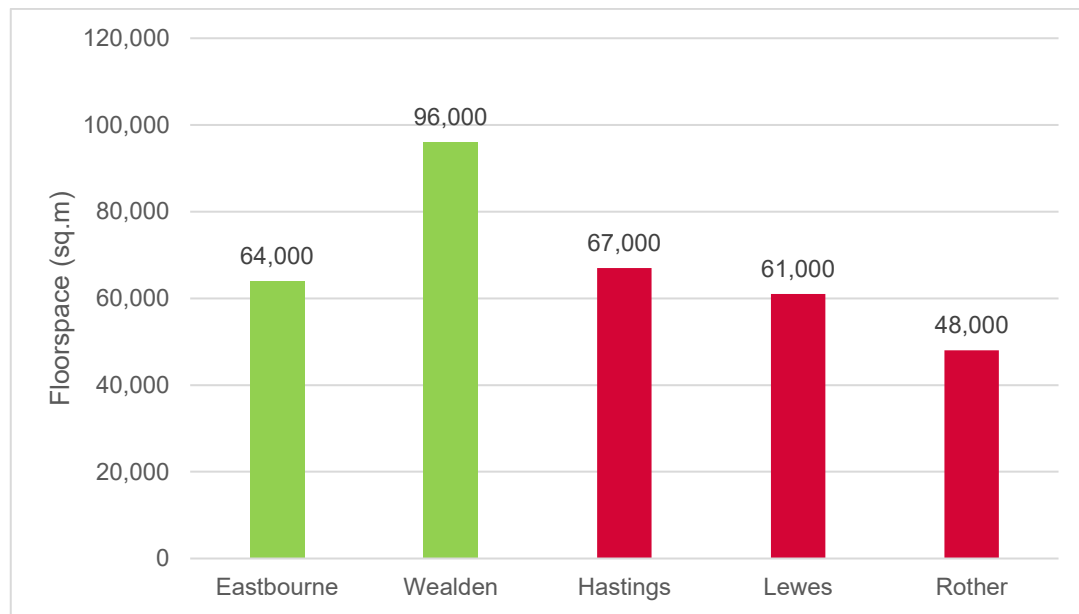
- 5.9 The East Sussex office market has a very low vacancy rate at 2.0%, down 0.3% from last year due to 13,000 sq. ft of positive absorption (lettings) and no new deliveries. Rents average £15.90/Sq. ft, up 2.4% year-on-year, with stronger growth in 3 Star buildings⁷.
- 5.10 Vacancy rates differ by building grade: 8.5% in 4 & 5 Star (with negative absorption), 1.9% in 3 Star (15,000 sq. ft absorbed) and 0.9% in 1 & 2 Star (2,800 sq. ft absorbed). Rents are highest at £17.80/Sq. ft in 4 & 5 Star with 3 Star rents growing fastest. Data suggests preference for cheaper space, which is contrary to wider market trends.
- 5.11 The market has contracted by around 220,000 sq. ft over three years (demolitions outweighing new supply) and current vacancy is below national trailing averages. These demolitions have exacerbated low vacancy rates. Over the past three years rents have risen 7.3% in line with the UK average.

Stock

- 5.12 The figure below compares the total office floorspace in Eastbourne and Wealden as well as other East Sussex local authorities for comparison purposes.
- 5.13 **Eastbourne:** As of 2023, Eastbourne had 64,000 sq.m of office floorspace. This represents 0.2% of the South East's office floorspace and 19% of East Sussex's total office floorspace.
- 5.14 **Wealden:** As of 2023, Wealden had 96,000 sq.m of office floorspace. This represents 29% of East Sussex's total office floorspace and 0.3% of the South East's total office floorspace.

⁷ Based on CoStar's Building Rating System which provides a national rating for commercial buildings based on building quality. Ratings range from 1-5 with 1 being the lowest quality building to 5 at the highest end.

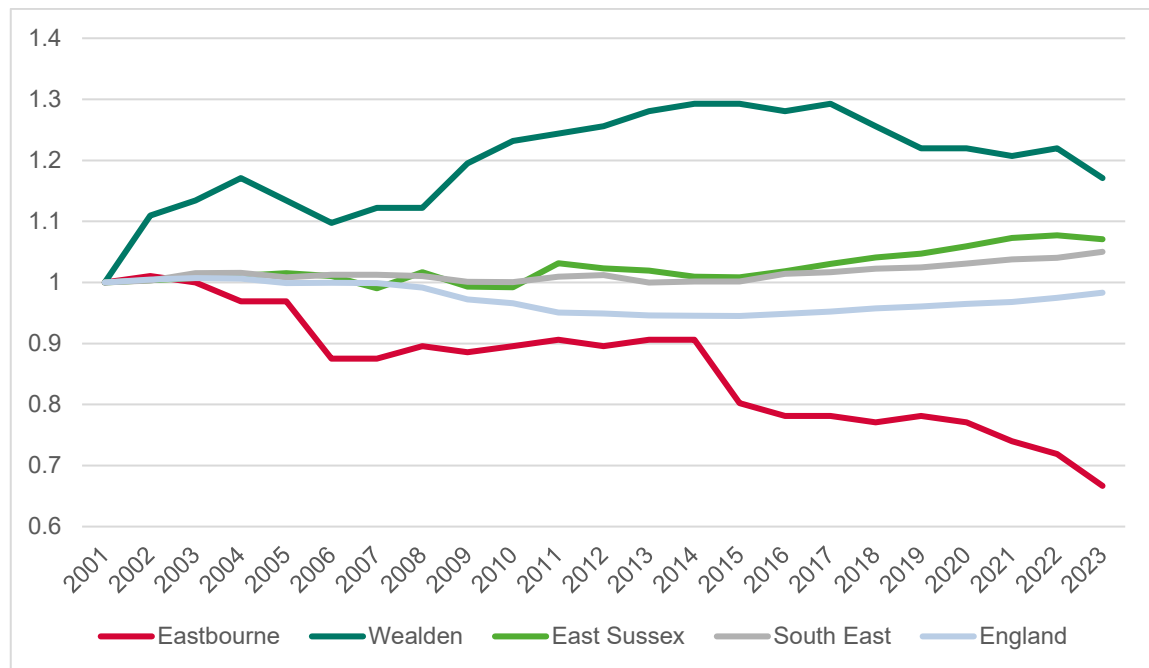
Figure 5.1 Office Floorspace by Local Authority, 2023



Source: VOA Data, 2023

- 5.15 The figure below shows the indexed change in floorspace of Eastbourne and Wealden, relative to the South East and England.
- 5.16 **Eastbourne:** Office units in the area show a long-term decline relative to the regional and national comparatives. From 2005 onwards, the office floorspace dropped consistently decreased, and at a faster rate since 2014, driven by permitted development rights. By 2023, Eastbourne shows the lowest office floorspace of all other comparators shown in the figure below.
- 5.17 **Wealden:** For Wealden's office units, floorspace increased until 2015, well above the Eastbourne, East Sussex and national averages. From 2018 onwards, there is a slight decline; however, Wealden remains above all other comparators shown over the entire period.

Figure 5.2 Indexed Office Floorspace Change by Local Authority, 2001-2023

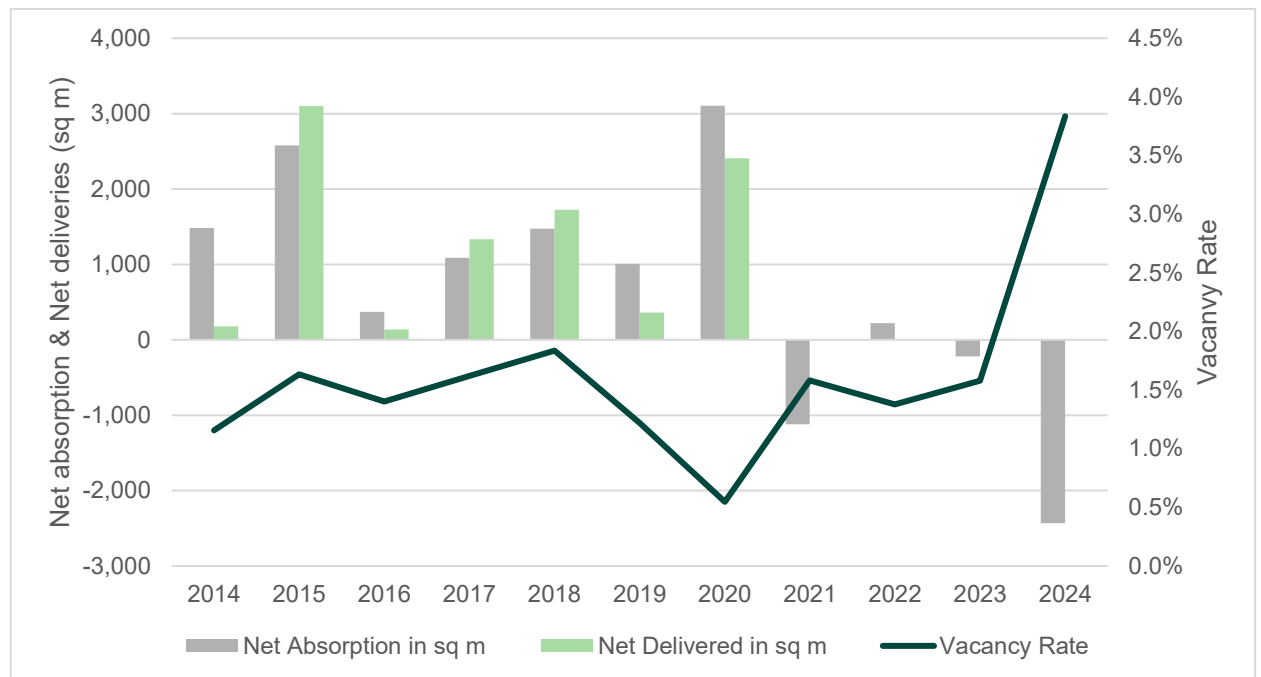


Source: VOA Data, 2023

Net Absorption, Deliveries and Vacancies

- 5.18 The vacancy rate is the amount of physically unoccupied space as a percentage of total floorspace. Take-up can be described as the amount of floorspace moved into in a given area (otherwise known as gross absorption). Net absorption is equal to occupier move-ins (plus demolitions) minus move-outs (and minus constructions). Net absorption is a measure of demand relative to the new supply of floorspace. Essentially, it reflects the change in occupied space.
- 5.19 **Wealden:** Between 2015 and 2020, net absorption was positive until 2021 where negative net absorption occurred, indicating a reduction in demand. Net deliveries peaked in 2016 and 2020, with significant new space entering the market. Vacancy rates generally remained low (below 2%) between 2014 and 2023. There is a sharp increase in vacancy rate to above 4% in 2024, coinciding with negative net absorption. This may be a single larger move out or several smaller vacated properties.

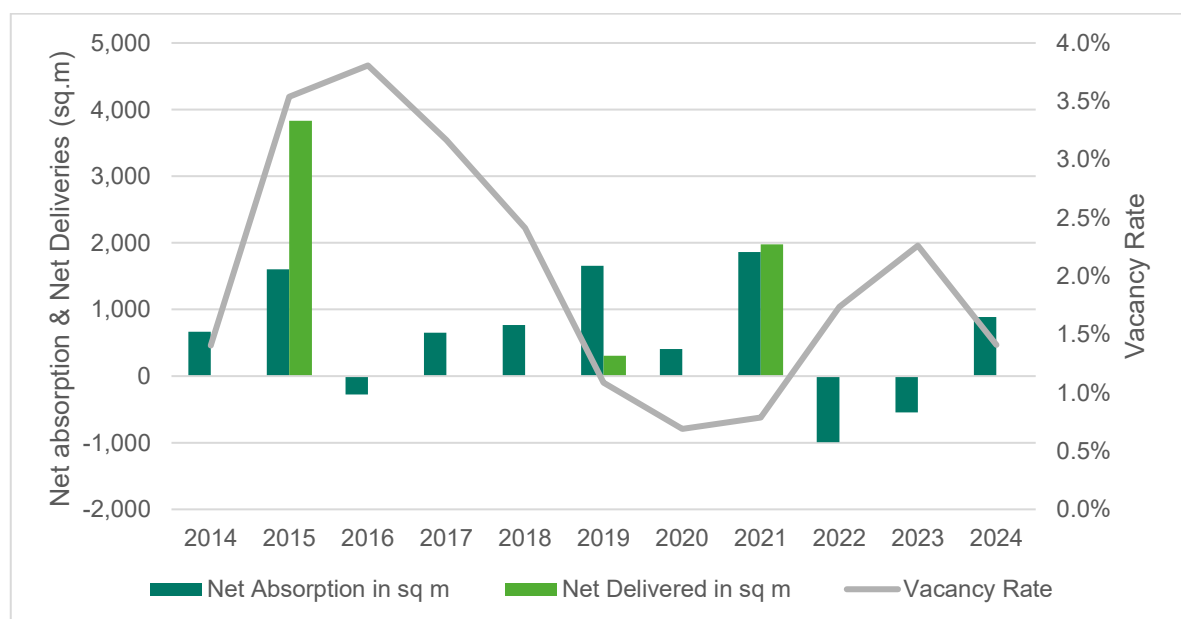
Figure 5.3: Net absorption, Deliveries and Vacancies - Wealden



Source: CoStar

5.20 **Eastbourne:** Net absorption was positive for most years to 2021, suggesting several years of (low level) demand and take-up. Negative net absorption is seen in 2022/23, affected by COVID-19. Vacancy rates started below 2% in 2014, increased to nearly 4% in 2016, then declined steadily reaching 1.4% in 2024.

Figure 5.4: Net absorption, Deliveries and Vacancies – Eastbourne

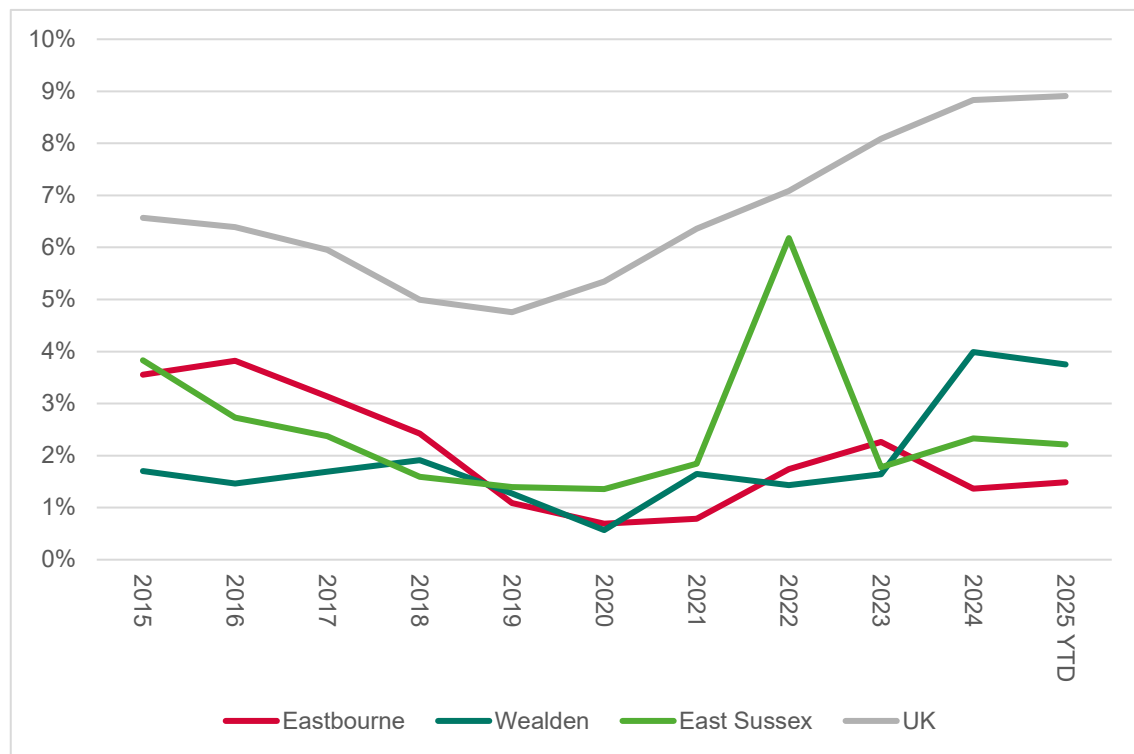


Source: CoStar

Vacancy Rate

- 5.21 The vacancy rate is the amount of physically unoccupied space as a percentage of total floorspace. The figure below shows the vacancy rates across Eastbourne, Wealden and wider benchmarks of East Sussex and the UK.
- 5.22 **Eastbourne:** The figure below shows that the latest vacancy rate in Eastbourne is 1.4%, which is lower than all other comparators shown. The rate is far below the value for East Sussex of 2.3% and significantly below the UK value of 8.8%. It is also below the average long-term vacancy rate for Eastbourne of 2.1% (calculated since 2015). Between 2015 and 2021, the vacancy rate has been declining, reflecting the positive net absorption, before an incline between 2021 and 2023. Between 2024 and 2025 Year to Date (YTD), the vacancy rate begins to increase.
- 5.23 **Wealden:** The latest vacancy rate shown in Wealden is 4%, higher than the East Sussex rate of 2.3% although lower than the national rate of 8.8%. Wealden's 2024 vacancy rate is higher than the average long-term (since 2005) rate of 1.7%. The vacancy rate has been relatively stable between 2015 and 2018 before a slight decline until 2020. From 2020 onwards, the vacancy rate has been steadily on the rise. Between 2024 and 2025 YTD, the vacancy rate has begun to decline once more.
- 5.24 Vacancy in both authority areas has been affected by losses of office to residential, most notably in Eastbourne. This compresses the market, reducing vacant space. Typically, vacancy would be at least 5% to allow for market movements. **Therefore, Eastbourne and Wealden's office markets appear technically undersupplied. However, market engagement suggests demand is weak in both Eastbourne and Wealden. This is discussed further below.**

Figure 5.5: Office Vacancy Rate in Eastbourne and Wealden, 2015 - 2024

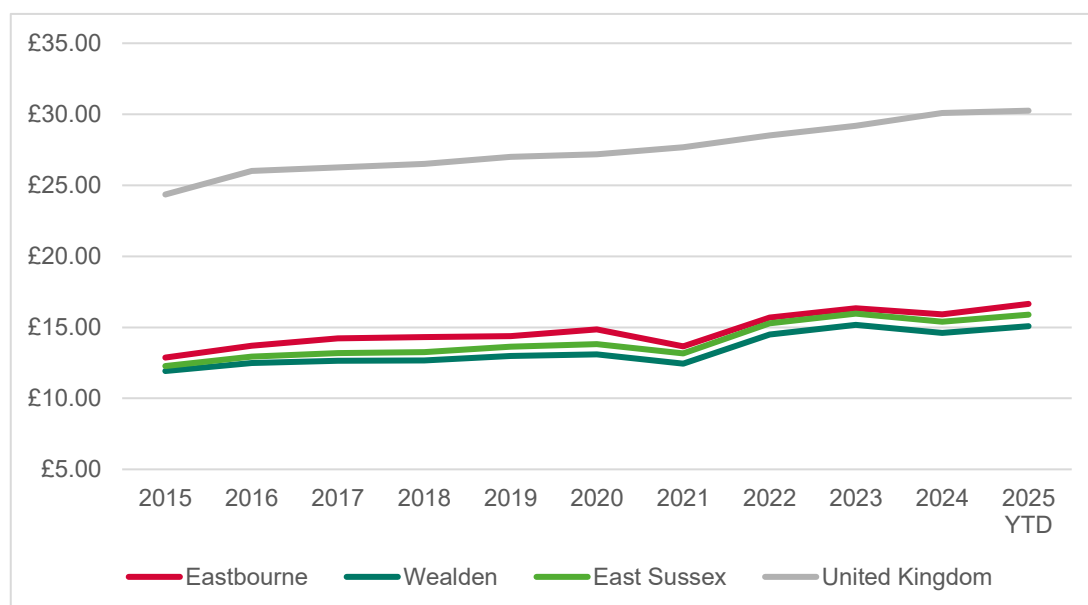


Source: CoStar

Rental Price

- 5.25 The figure below shows average rental prices in Eastbourne and Wealden between 2015 and 2024.
- 5.26 **Eastbourne:** CoStar suggests that the latest average office rental price in Eastbourne is £18.57 per sq. ft, higher than the rates for East Sussex as a whole. Overall, the average office rental prices across Eastbourne, Wealden and East Sussex are broadly in line, showing an overall increase between the period of 2015 to 2024.
- 5.27 **Wealden:** The latest office rental price in Wealden is £14.41 per sq. ft, a lower rate when compared to Eastbourne, East Sussex and the national rate. Between 2024 and 2025 YTD, the rental prices for Wealden have shown a slight increase.

Figure 5.6: Average Office Rental Price in Eastbourne and Wealden, 2015 - 2024



Source: CoStar

Office Lease Deals by Size and Location

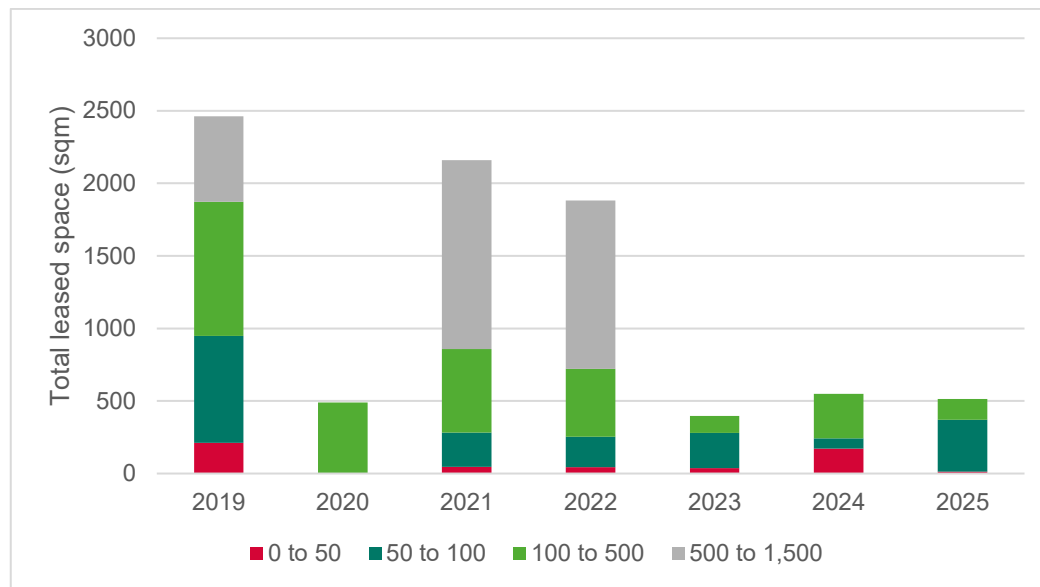
5.28 The figure below shows the number of office lease completions by size band in Eastbourne and Wealden since 2019. Not all transactions will be captured by the CoStar datasets as leasing data is reliant on commercial agents submitting data to the database.

5.29 **Eastbourne:** In 2019, the highest total leased space deals were completed, dominated by a high proportion of larger floorspace properties. From 2023 onwards, leased space remains at very low levels. Recent years show activity concentrated in smaller size deal completions, as shown in the figure below. The largest transactions were:

- 2019 - Bayham Rd, nr. Tunbridge Wells - 1,347 sqm – Tenant Unknown
- 2021 - 1 Grove Rd, Eastbourne – 1,301 sqm – Department for Work and Pensions

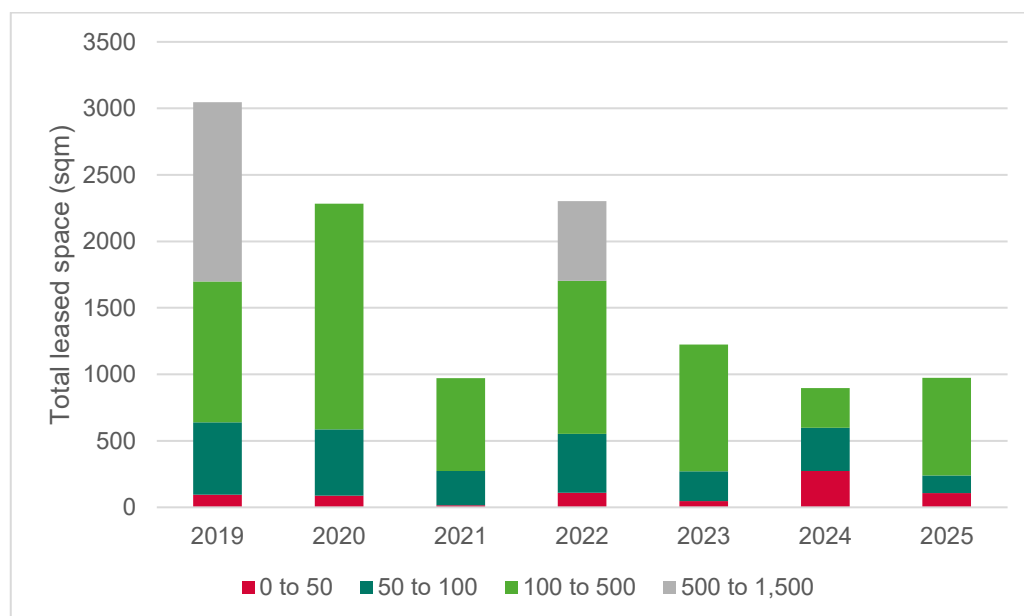
5.30 **Wealden:** In 2019, the highest total leased space deals were completed. The 500 to 1,500 sqm size category was prominent in 2019 and 2022, but is low in all other years, indicating a lack of consistent demand (or availability) for larger spaces. The 50 to 100 sqm and 100 to 500 sqm categories show relatively steady activity across all years, suggesting a market with smaller office space requirements.

Figure 5.7: Office Lease Deals in Eastbourne by Size, Since 2019 - Eastbourne



Source: CoStar

Figure 5.8: Office Lease completions in Wealden by Size, Since 2019 - Wealden



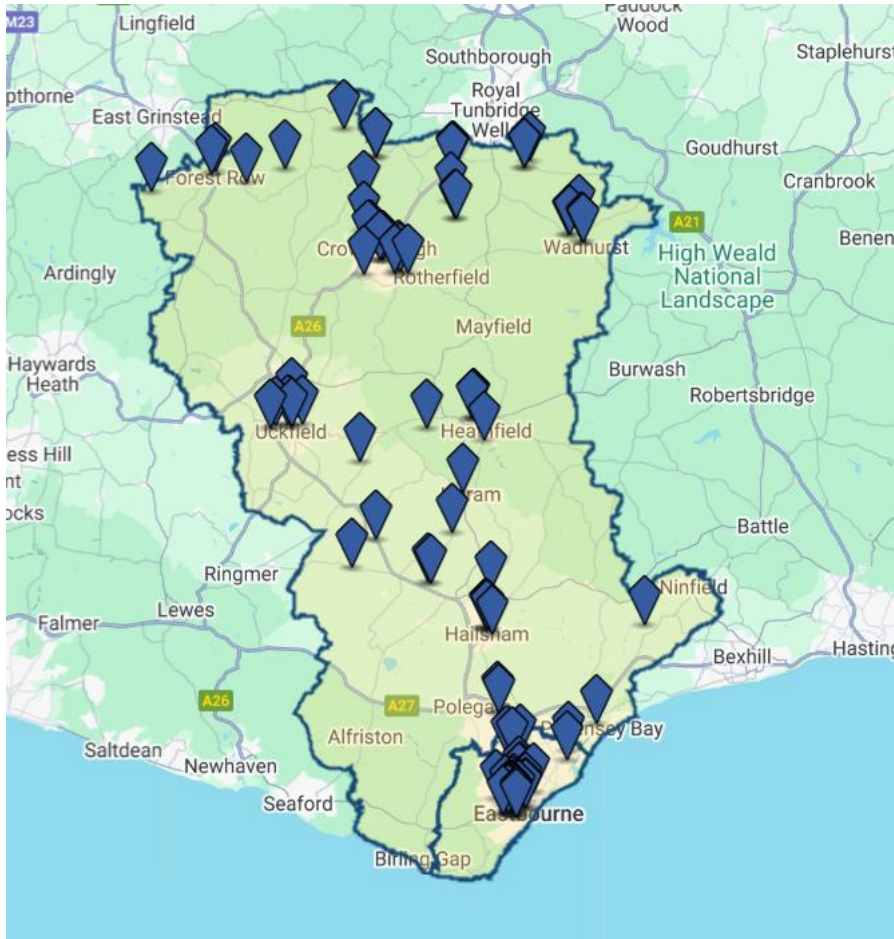
Source: CoStar

5.31 The map below shows office lease deals by location in Eastbourne and Wealden since 2019. The blue markers indicate the locations, which are spread throughout the local authority boundaries. Office lease activity seems to be focused on key towns and urban edges.

5.32 **Eastbourne:** There are clusters of lease completions in Eastbourne, with a concentration towards Eastbourne town centre.

- 5.33 **Wealden:** Office lease completions are more dispersed, with several clusters in the north of the district (specifically Crowborough) as well as clusters through Hailsham, Uckfield, Heathfield and other rural areas.

Figure 5.9: Office Lease Deals in Eastbourne and Wealden by Local, January 2019-September 2025



Source: CoStar

Office Availability by Size

- 5.34 The table below shows the number of available offices by size band in Eastbourne and Wealden at the time of writing (September 2025), where size is the total available net internal area of a property. For some properties, it may be possible to rent smaller floorplates.
- 5.35 **Eastbourne:** In Eastbourne, there are 15 available office properties, a majority smaller than 500 sq.m. Three larger properties over 500 sq.m include The Old Printworks, Commercial Road; and two properties on Wharf Road – The Workshop and The Printworks.

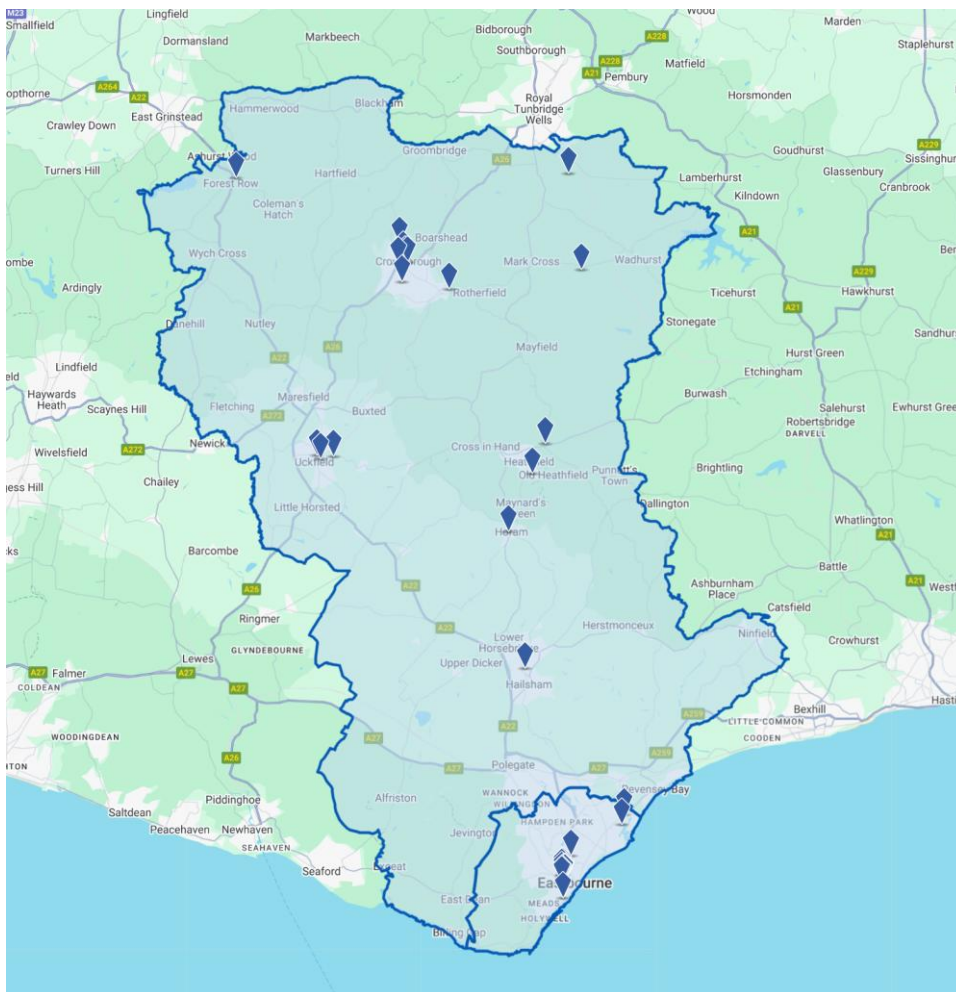
5.36 **Wealden:** In Wealden, the majority of available properties are smaller than 500 sq.m. There is one space larger than 1,000 sq.m available – 23 Pine Grove in Crowborough (1,434 sq.m). In total there are 16 properties available totalling 4,100 sq.m.

Table 5.1 Office Availability by Size Band (sq.m)

		<100 sq.m	100- 500 sq.m	500- 1000 sq.m	1,000 sq.m+	Total
Eastbourne	Floorspace (sq.m)	186	2,143	2,060	0	4,389
	No. properties	5	7	3	0	15
Wealden	Floorspace (sq.m)	524	1,216	913	1,434	4,087
	No. properties	8	6	1	1	16

Source: CoStar 2025

Figure 5.10: Office Availability locations: September 2025



Source: CoStar

Agent and Stakeholder Engagement

- 5.37 Iceni engaged with a number of commercial agents including Lawsons Commercial and Westcott Leach in September 2025, in addition to Eastbourne and Wealden's economic development teams, to gain a further understanding of commercial market dynamics across the two districts.

Eastbourne

- 5.38 There has been a significant loss of office space in the town centre, primarily as a result of conversions under permitted development rights.
- 5.39 Co-working space in the town has been successful; there are two located by Eastbourne Station – the Foundry and The Works Group. However, within more traditional office spaces, vacancy is high – such as Ivy House in the town centre.
- 5.40 There is limited demand for high-quality office space in the town centre. New build development will not be supported by rental levels.
- 5.41 Eastbourne sees some niche pockets of sector clustering including health, AI and health-tech, which require both office and R&D space.
- 5.42 Sovereign Harbour has been allocated for office use for a number of years; however, has not come forward due to viability issues. There has been some historic interest from occupiers wanting to develop the site for a HQ office; however, this has not progressed due to the site's poor accessibility and viability constraints. The site's proximity to residential development limits its scope of potential wider employment uses.

Wealden

- 5.43 The district does not have a significant office market in terms of larger HQ buildings. Co-working spaces have seen mixed success rates with the Cube in Uckfield providing co-working space. However, a co-working space in Crowborough has recently shut down.
- 5.44 Agents report that demand is starting to pick up as businesses are encouraging workers back into the office but more generally demand is weak due to the district's relatively small office market. Occupier demand is primarily driven by professional and financial services including solicitors and accountancy.
- 5.45 The market has also seen a pick-up in owner-occupier sales with a recent sale of a 3,000 sq. ft property in Uckfield to a professional services occupier.

Industrial

National Context

- 5.46 The UK industrial sector remains relatively strong, but conditions have softened. Consolidation by retailers and distribution occupiers has led to a sharp decline in net absorption over the past 12 months.
- 5.47 Vacancies have climbed to 5.5%, their highest level in more than a decade, while leasing activity has slowed markedly, with around 32 million sq. ft taken up in the first half of 2025 – more than 50% below the mid-pandemic peak and over 30% down on the five-year first-half average. Elevated operating costs, alongside ongoing economic and geopolitical uncertainty, are weighing on demand. Third-party logistic providers remain the single largest driver of leasing activity, accounting for nearly 40% of big box (100,000 square feet and above) take-up between January and June.
- 5.48 The small- to mid-box market, especially multi-let schemes, has been a key driver of rental growth. Sector-wide rental growth has moderated to 3.8% year-on-year, but units sized 10,000–50,000 square feet are still achieving growth above 5% annually. In London, however, softer conditions and high relative rents have limited growth to only 2.5%. Incentive packages have risen, with 12 months rent-free now common on 10-year leases, back in line with pre-pandemic norms.
- 5.49 Looking forward, sector-wide rents are forecast to average growth of around 4%, although high operating costs, business rates hikes, and still-elevated interest rates are likely to keep many occupiers cautious. Upside demand risks include tariff effects reshaping global trade.

East Sussex

- 5.50 Vacancy in the East Sussex industrial market is 3.8% and has risen by 0.7% over the year with negative net absorption of 83,000 square feet and total availability at 4.1%. Rents average £10.10 per square foot which is 4.3% higher than last year and above the national average of £9.30 per square foot, while 240,000 square feet is under construction equal to a 2.2% expansion of stock.
- 5.51 There have been 17 sales in the past year averaging £81 per square foot with the market valued at £94 per square foot and yielding 7.7%, which is above the three-year average of 7.2%. Over three years, 43 sales have reached around £51.5 million. Local employment rose 1.0% over the past year compared with 0.9% population growth.

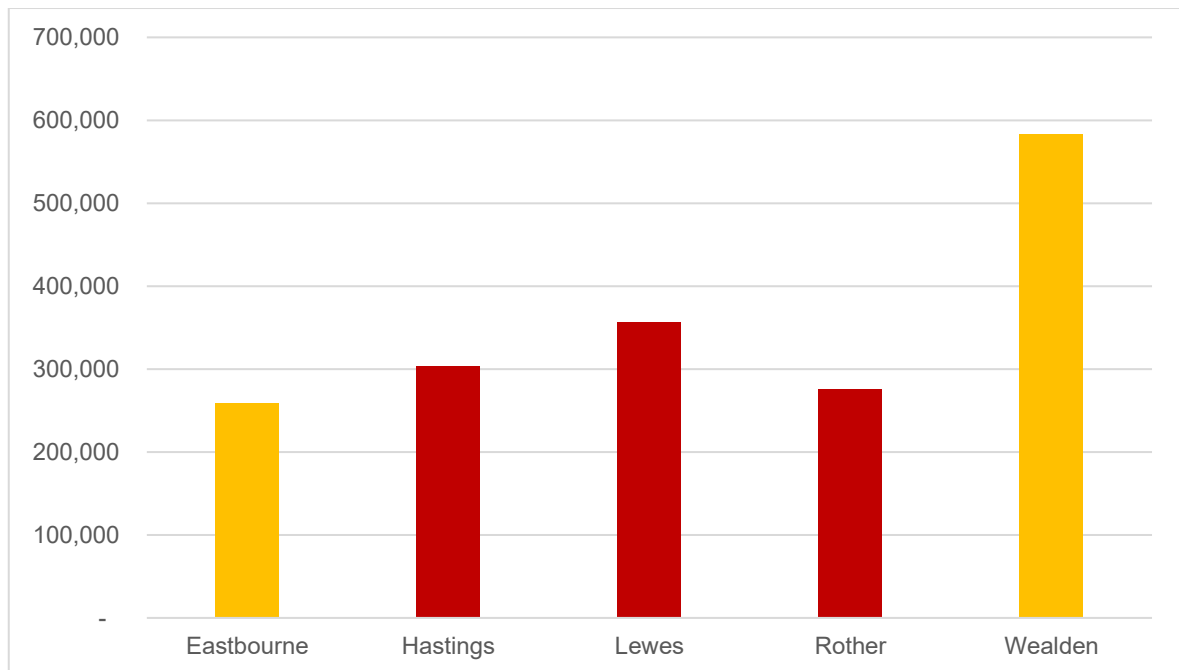
Stock

- 5.52 The figure below compares the total industrial floorspace in Eastbourne and Wealden, as well as other East Sussex local authorities for comparison purposes.

5.53 **Eastbourne:** As of 2023, Eastbourne has approximately 260,000 sq. ft of industrial floorspace, representing the smallest floorspace stock among East Sussex local authorities. This indicates a more limited industrial market or fewer large industrial buildings in Eastbourne.

5.54 **Wealden:** Wealden holds a significantly larger industrial floorspace of 585,000 sq.ft. This is more than double the floorspace in Eastbourne, highlighting Wealden as the district with the largest concentration of industrial space in the area.

Figure 5.11: Industrial Floorspace by Local Authority, 2023 (sq.m)

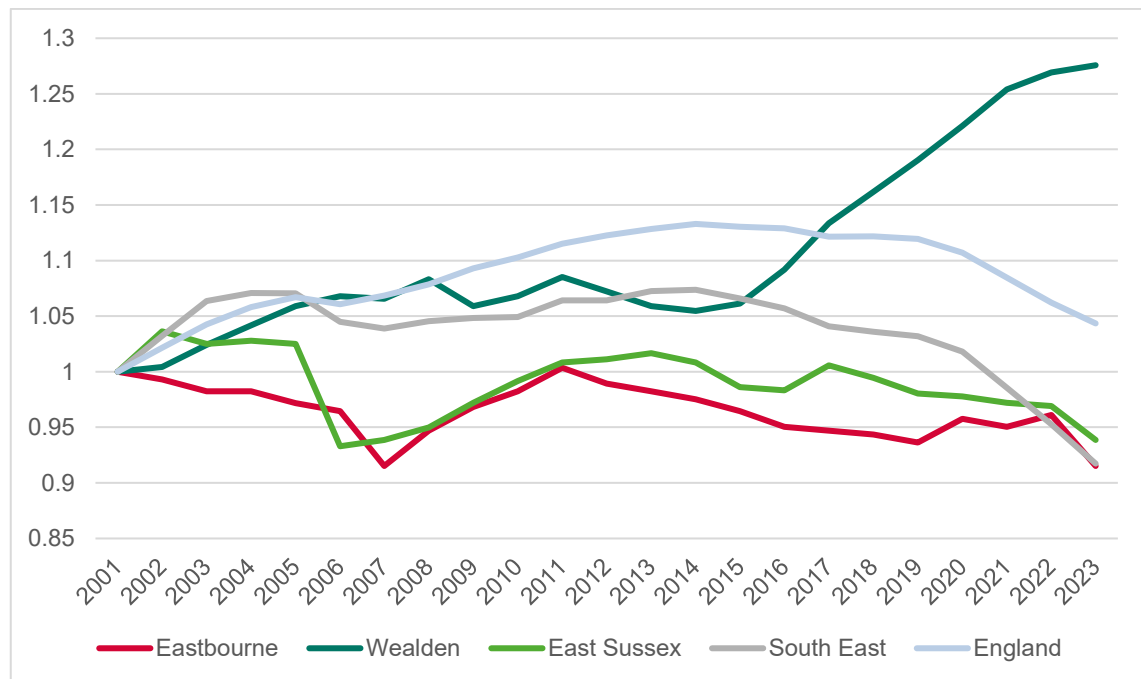


Source: VOA Data, 2023

5.55 **Wealden:** Over the period shown on the figure below, the net growth of industrial floorspace rose continuously across the whole period. Between 2002 and 2006, values edged consistently upward. From 2015 onwards, there is strong growth in industrial floorspace, with 2023 figures contrasting with Eastbourne's net decline.

5.56 **Eastbourne:** Between the period shown, floorspace declined from 2001 onwards until 2007 before an increase until 2011. From 2012 onwards, the net floorspace slowly declined. By 2023, the floorspace declined again to a lower rate than the 2001 baseline.

Figure 5.12: Indexed Industrial Floorspace Change, 2001-2023



Source: VOA Data, 2025

5.57 **Wealden:** In absolute terms, Wealden's industrial floorspace shows consistent growth over the whole period. Rising from 457,000 sq.m in 2001 to 583,000 sq.m in 2023 indicates a 126,000 sq. ft rise (a 28% increase).

5.58 **Eastbourne:** In absolute terms, Eastbourne's industrial floorspace shrank from 283,000 sq. ft in 2001 to 259,000 sq. ft in 2023 (8% decrease). The long-term decline shown across the period only shows short phases of recovery.

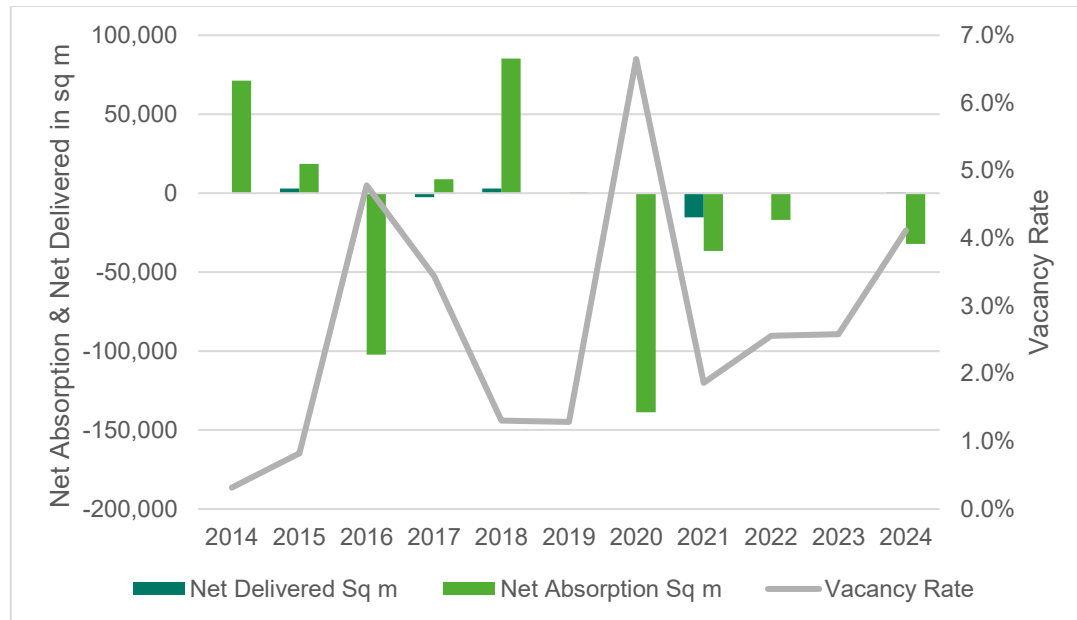
Net Absorption, Deliveries and Vacancy

5.59 The vacancy rate is the amount of physically unoccupied space as a percentage of total floorspace. Take-up can be described as the amount of floorspace moved into in a given area (otherwise known as gross absorption). Net absorption is equal to occupier move-ins (plus demolitions) minus move-outs (and minus constructions). Net absorption is a measure of demand relative to the new supply of floorspace. Essentially, it reflects the change in occupied space.

5.60 **Eastbourne:** As the figure below shows, net absorption (space occupied) fluctuated throughout the period, with strong years in 2014, 2015 and 2018. Negative net absorption is shown in 2016 and 2020 onwards indicating periods where more industrial space was vacated than occupied, this suggests that the industrial market has weakened in Eastbourne post-pandemic. Net delivered floorspace indicates limited new industrial development over the decade. Despite a lack of new stock entering the market, more space continues to be released than absorbed.

- 5.61 The vacancy rate saw a peak in 2020, reaching 6.6%, potentially linked to pandemic-era business contractions. Following the peak, vacancy rates began to increase, staying between 3% and 5% between 2021 and 2024. By 2024, the vacancy rate was 4.1%, indicating improved market flexibility.

Figure 5.13: Eastbourne Net Absorption, Deliveries and Vacancy, 2014 - 2024

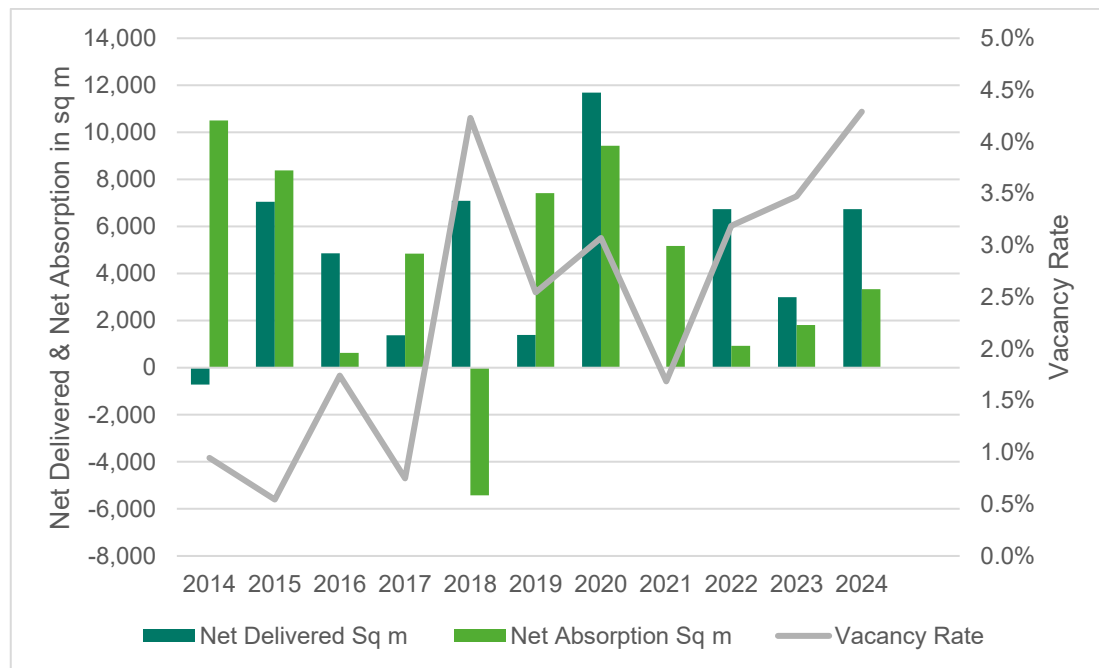


Source: CoStar

Wealden: Between 2014 and 2024 as shown in the figure below, net delivered floorspace was positive each year, except 2014. Net absorption was also positive in most years. A sharp decline in net absorption in 2018 indicates a year when more space was vacated than occupied, which may relate to a single occupier. Consistent absorption and deliveries of floorspace suggest a strongly performing market.

- 5.62 The vacancy rate has been rising since the pandemic as absorption is not quite keeping a pace with deliveries. Whilst this is trending upward, below 5% remains a relatively compressed market.

Figure 5.14: Wealden Net Absorption, Deliveries and Vacancy, 2014 - 2024

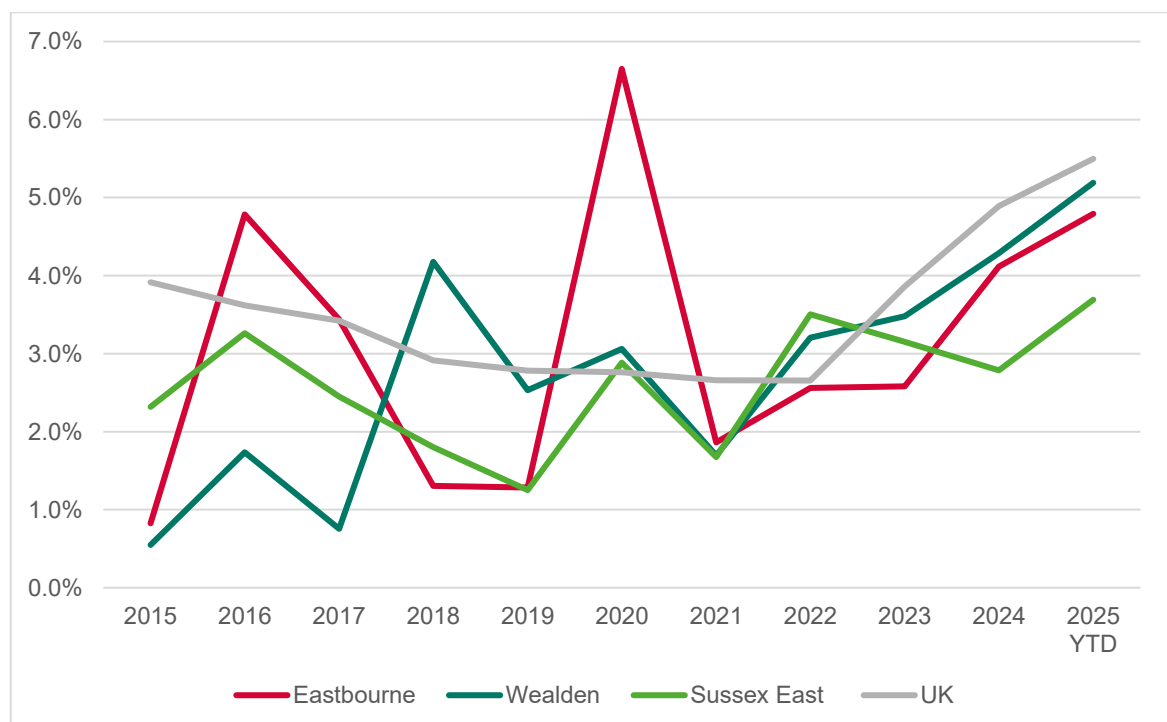


Source: CoStar

Vacancy Rate

- 5.63 The vacancy rate is the amount of physically unoccupied space as a percentage of total floorspace. Following fluctuations and generally low vacancy, there has been an upwards trend from 2021, with deliveries outweighing absorption in most areas.

Figure 5.15 Industrial Vacancy Rate in Eastbourne and Wealden, 2015-2025

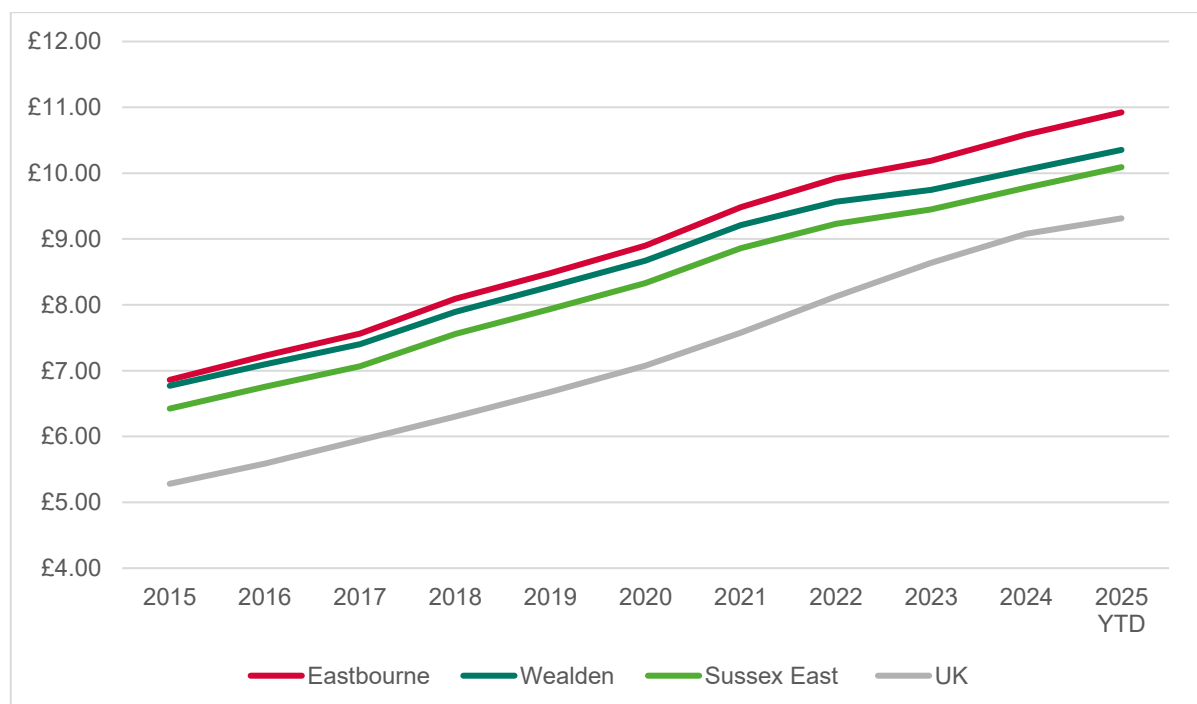


Source: CoStar

Rental Price

- 5.64 The figure below shows average industrial rental prices in Eastbourne and Wealden between 2015 and 2025 (year to date).
- 5.65 **Eastbourne:** Between 2015 and 2025 YTD, there have been steady year-on-year increases, representing an overall rise of 59%. The rent levels have been consistently higher than all other areas shown in the figure below. By 2025 YTD, Eastbourne's rental prices were the higher when compared to Wealden, East Sussex and the UK average, this is likely caused by the tight market in terms of vacant space.
- 5.66 **Wealden:** Between 2015 and 2025 YTD, steady growth has resulted in an overall rental price rise of 53%. Rental rates are consistently above East Sussex and UK averages, though typically slightly below Eastbourne across the series. The growth pattern follows a similar trajectory to Eastbourne. By 2025 YTD, Wealden sits above the East Sussex and the UK average, showing a rental rate of £10.35 per sq.ft.

Figure 5.16 Average Industrial Rental Price in Eastbourne and Wealden, 2015 - 2025



Source: CoStar

Industrial Lease Deals by Size and Location

- 5.67 The figure below shows the number of industrial space lease deals by size band in Eastbourne and Wealden since 2019.

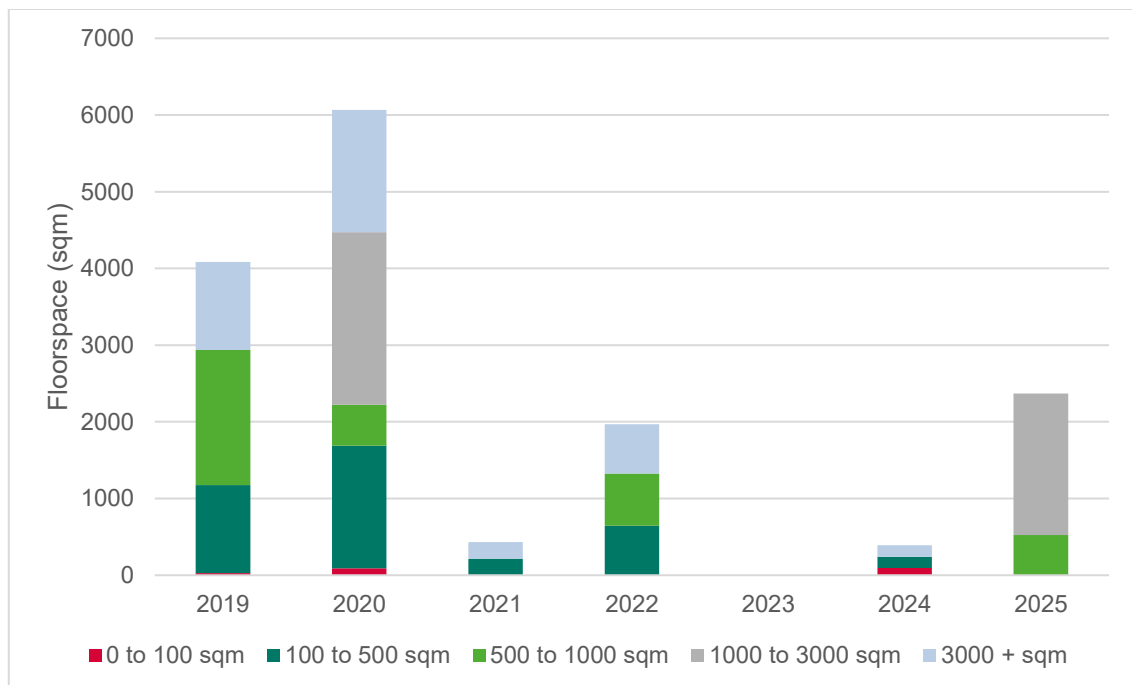
5.68 **Eastbourne:** Between 2020 and 2021, the lease deals show a peak with over 6,000 sqm total floorspace, followed by a sharp decline in 2021. Post 2021, there has been a gradual recovery as shown in the figure below. The largest deals in Eastbourne are detailed below but are an indication of industrial buildings being used for non-industrial uses:

- 4 Birch Close – 1,845 sqm – Gym Location (2025)
- 9 Faraday Close – 1,214 sq.m – Bonners Music (2020)
- Moy Avenue – 1,035 sq.m – Be Group (2020)

5.69 **Wealden:** In 2020, there was a peak in lease deals, close to double all the other years shown in the figure below. Across the period shown, there is a balanced mix of deals across most size categories except for smaller floorspaces (up to 100 sqm). The largest deals in Wealden are:

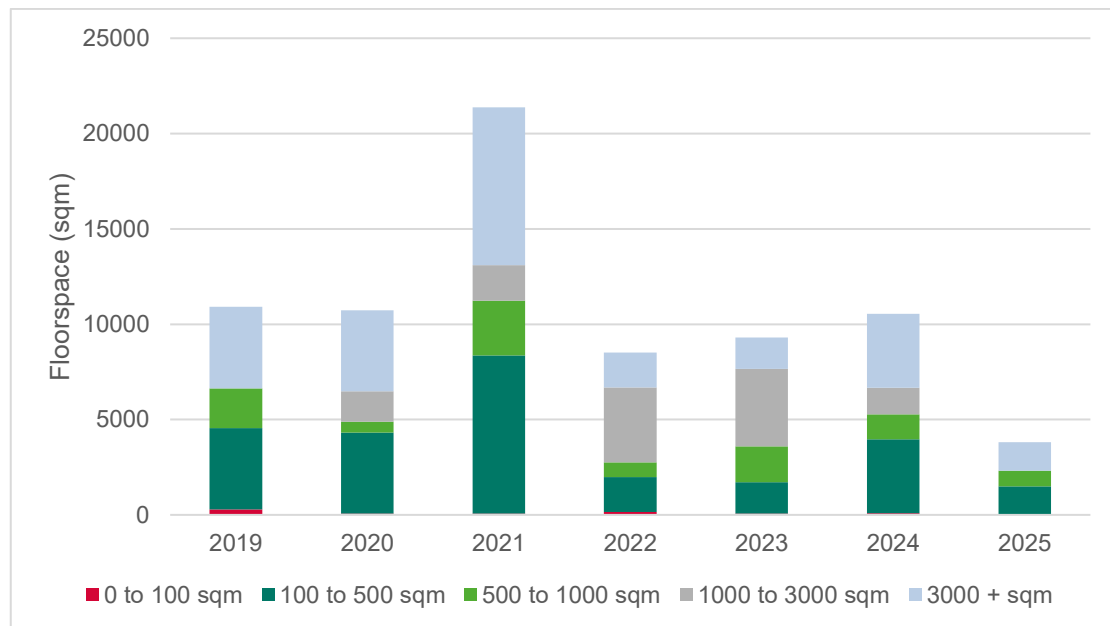
- A272 – 4,707 sqm – Nye Timber (2023)
- Diplocks Way – 3,242 sqm – Aspen Pumps Group (2024)
- Diamond Drive – 2,323 sqm – Nye Timber (2023)

Figure 5.17: Industrial Lease Deals in Eastbourne by Size, Since 2019



Source: CoStar

Figure 5.18: Industrial Lease Deals in Wealden by Size, Since 2019

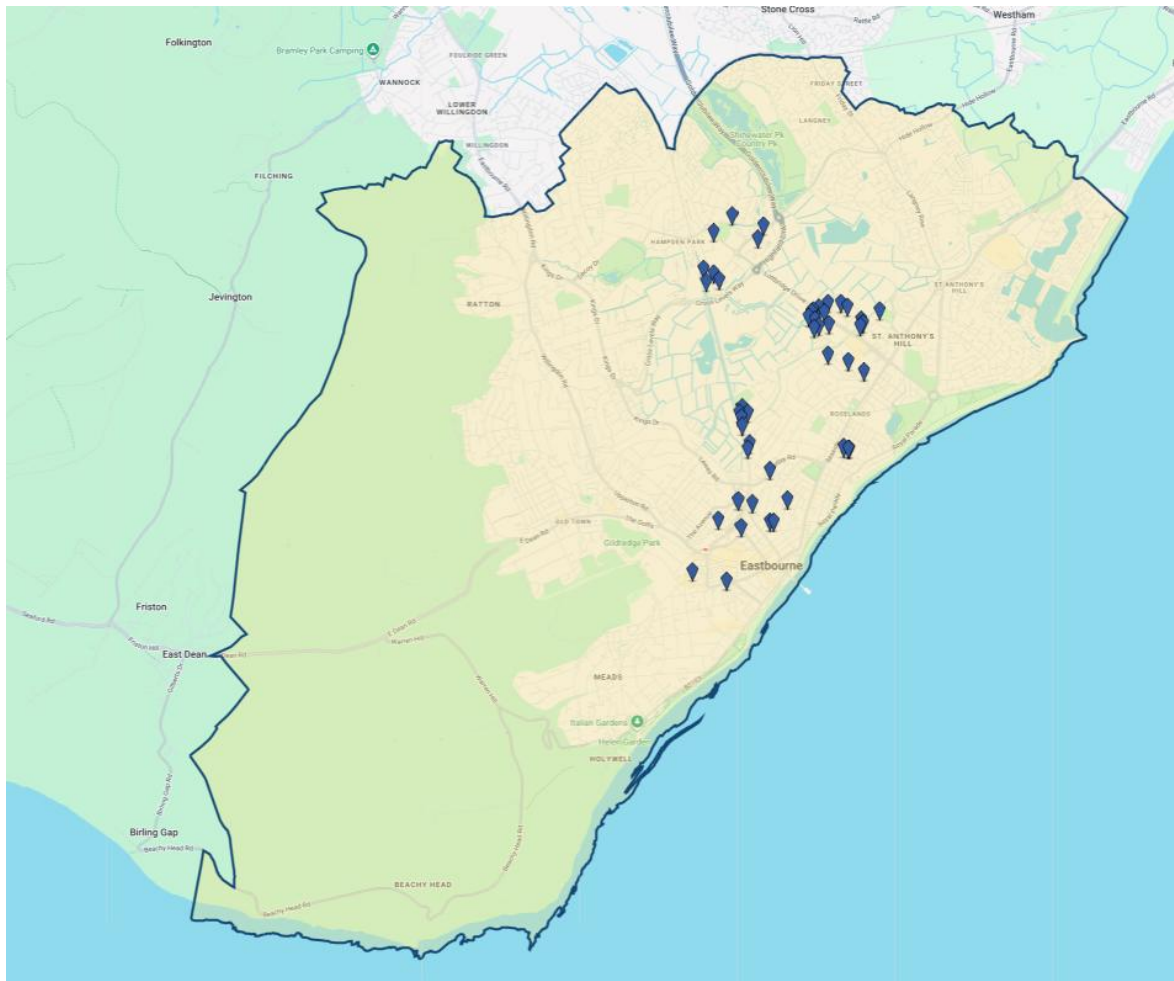


Source: CoStar

- 5.70 The figure below shows the number of industrial lease deals by location in Eastbourne and Wealden since 2015.
- 5.71 **Eastbourne:** The lease deals in Eastbourne are concentrated within the industrial areas at Lottbridge Drive, Courtlands Road and Hampden Park.
- 5.72 **Wealden:** The majority of lease deals appear to be in Wealden district, which are spread across numerous towns and villages. These towns include the Crowborough area, Uckfield, smaller settlements like Rotherfield, Cross in Hand and Mayfield. There are other various deals throughout the rural parts of Wealden, as well as on the Major Road Network/Strategic Road Network (A22, A26 and A27).

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Figure 5.20: Industrial Lease Completions in Eastbourne, Since 2015



Source: CoStar

Industrial Availability by Size

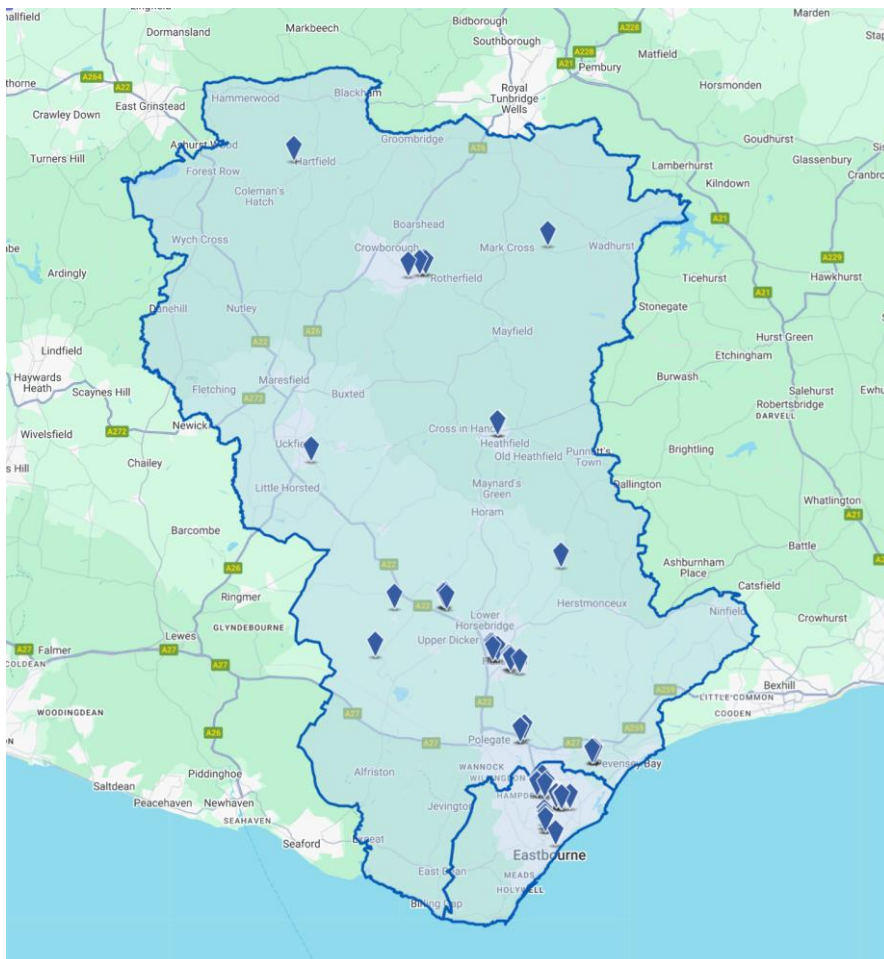
- 5.73 The table below shows the number of available industrial properties by size band in Eastbourne and Wealden, where size is the total available net internal area of a property. For some properties, it may be possible to rent smaller floorplates.
- 5.74 **Eastbourne:** In Eastbourne, there are 22 available industrial properties, of which a majority are smaller than 500 sq.m. There are just 3 properties larger than 1,000 sq.m.
- 5.75 **Wealden:** In Wealden, there are 44 available properties totalling 22,700 sq.m, of which just three are over 1,000 sq.m. There are no properties below 100 sq.m availability, indicating a lack of SME / starter unit space.

Table 5.2 Industrial Availability by Size Band (sq.m / count)

		<100 sq.m	100- 500 sq.m	500- 1000 sq.m	1,000 sq.m+	Total
Eastbourne	Floorspace (sq.m)	179	4,147	3,053	4,036	11,415
	No. properties	3	12	4	3	22
Wealden	Floorspace (sq.m)	0	7,828	9,125	5,729	22,682
	No. properties	0	28	13	3	44

Source: CoStar 2025

Figure 5.21: Industrial Availability locations: September 2025



Source: CoStar

Agent and Stakeholder Engagement

- 5.76 Iceni engaged with a number of commercial agents including Lawsons Commercial and Wescott Leach in September 2025, in addition to Eastbourne and Wealden's economic development teams, to gain a further understanding of commercial market dynamics across the two districts.

Eastbourne

- 5.77 Eastbourne's industrial market is limited by a lack of land supply. Intensification and redevelopment of sites is therefore relied on to bring new stock to market, as a number of industrial estates are coming to the end of their lifespan.
- 5.78 Despite the need for redevelopment, Eastbourne is not seeing a redevelopment of older stock. This is hindered by high occupancy rates which are not allowing for market churn and flexibility. If stock was to be redeveloped, existing businesses would be lost to neighbouring districts due to lack of nearby premises to move in to. Given the high occupancy rates, landowners are not incentivised to renew and redevelop their assets.
- 5.79 The borough has seen increasing pressure of non-employment uses on industrial stock. For example, the former TEVA site on Brampton Road has been redeveloped to provide a self-storage unit and the former Alfa Laval site on Birch Road also has planning permission for a Lock'n'Store self-storage.
- 5.80 With limited available stock in the borough, which sees little inward investment; growth of existing businesses is instead a priority, in order to retain the business base and prevent further losses to neighbouring districts.
- 5.81 A unit recently delivered on Brampton Road (Rosebury Business Centre – 1,800 sq.m) has remained vacant since completion in 2024, despite reported high demand.
- 5.82 There is a mismatch in skills required by local businesses and those being providing through educational institutions, as a result local labour training has become reliant on S106 agreements.
- 5.83 Given the borough's road network, occupiers are favouring being located in the north of the town towards Polegate rather than the town centre due to congestion.

Wealden

- 5.84 Vacancy across the district is reportedly low, with a majority of vacant stock being older, poor quality or units of undesirable layout. Agents report that the 'true' level of demand is not clear, as it continues to be suppressed by lack of availability.

-
- 5.85 However, the district has not seen an appetite to improve or refurbish stock due to many industrial estate's being fully let. Hackhurst Lane is the one of district's oldest estates but is fully let so has no capacity for renewal without losing businesses, however, the estate has seen an extension at Diamond Drive.
- 5.86 Wealden continues to see a shortage of industrial and warehousing space, despite recent deliveries of new stock. The recent extension of Swallow Business Park, which provides high quality space, is being rapidly occupied.
- 5.87 Flexibility of units is desirable within terraced units, allowing businesses to take on adjacent space as they grow.
- 5.88 Demand has not diminished despite tougher economic conditions. Agents report that businesses continue to move around, consolidating their operations and reconfiguring units in times of uncertainty.
- 5.89 Older stock plays an important role within the district in providing affordable workspace for start-ups and SMEs looking for lower rates. This demand is also being satisfied in rural barn units. Typically, these businesses require storage uses rather than manufacturing and are not therefore impacted by the heat loss seen in older units.
- 5.90 Shortage of grow-on and scale-up space is an issue across the whole district – many businesses are operating sub-optimally across multiple piecemeal units, unable to find a suitable larger unit to expand in to.
- 5.91 Manufacturing occupiers are experiencing some pressure from warehousing and distribution uses; however, manufacturing enquiries remain the key driver of demand, also driven by onshoring pressures following Brexit and supply chain interruptions in the pandemic and geopolitical uncertainty. The district also sees demand from the creative and viticultural sectors, which typically require flexible creative space.
- 5.92 An agent reported a key requirement from a high-tech business looking for 10,000 to 15,000 sq. ft in the Crowborough area to expand in to and viewed available space at Swallow Business Park as too far for their staff to travel.
- 5.93 Agents also reported a gap in the market for 2,000 to 5,000 sq. ft properties, with almost no availability across Wealden.
- 5.94 Agents noted that the area operates across two separate property market areas, the first consisting of Hailsham, Polegate and Eastbourne and the second consisting of Uckfield, Heathfield and
-

Crowborough. Spatially, agents identified a need for further employment land in the north of the district at Crowborough and Uckfield, as sites around Hailsham and Polegate are not within the catchment to satisfy demand in the north of Wealden.

- 5.95 The district has seen the recent relocation of key business, TR Fastenings, who relocated their HQ and national distribution to Walsall.
- 5.96 There is a proposed extension to Ashdown Business Park (a live planning application), which is pitched to support high-tech / science occupiers.

6. ECONOMIC FORECASTS

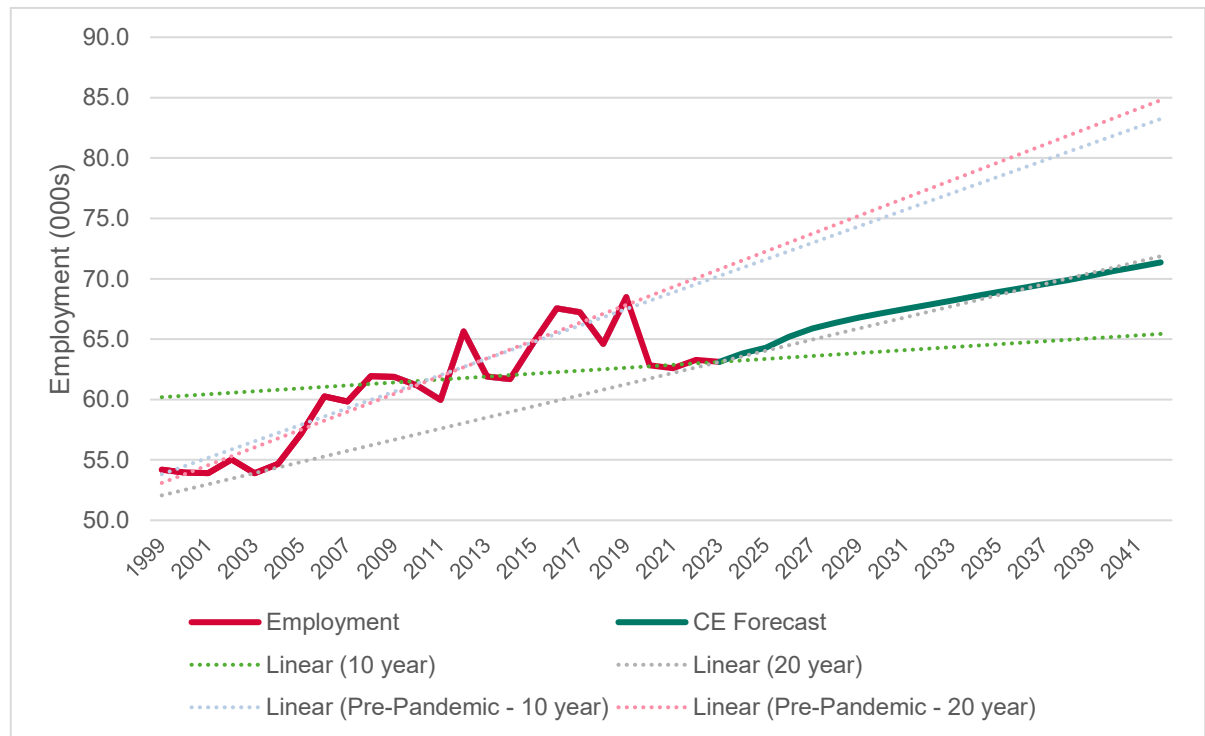
- 6.1 The previous 2022 Study relied on Cambridge Econometrics forecasts dated March 2021, to provide a baseline forecast for employment growth by sector looking to 2039. Within this chapter, updated employment forecasts were obtained from Cambridge Econometrics by Icen Projects dated April 2025. This chapter then goes on to provide an updated labour supply model for each District/Borough based on the new Standard Method.

Wealden

Baseline Forecast

- 6.2 In this section, we have provided the Cambridge Econometrics baseline forecast for the 2025-42 period. It should be noted that actual employment data is used up to 2023, with employment forecasted from then onwards.
- 6.3 The chart below reports the actual employment and baseline forecast for Wealden for the 1999-2042 period. This has been compared to the 10- and 20-year trends from 2013-23 and 2003-23 respectively, in addition to the pre-pandemic 10- and 20- year trends.
- 6.4 The Cambridge Econometrics forecasts indicate that for the 2025-42 plan period there will be a growth of 7,059 jobs. This is equivalent to an 11% increase over the plan period and 415 jobs per annum. The baseline forecasts are closely aligned with the 20-year trend projected forwards and above the 10-year trend. However, these historical trends 'bake-in' employment losses caused by the pandemic. Wealden saw strong employment growth before the pandemic, with the chart showing the 10 and 20-year pre-pandemic trends extrapolated to 2042.
- 6.5 Actual employment data up to 2023 indicates that there has only been a recovery of 281 jobs between 2020 and 2023 – so overall levels of employment still remain 7.8% lower than it was in 2019. This is driven by a lack of recovery in self-employment specifically.
- 6.6 Although forecasts suggest that the absolute number of jobs seen in 2019 will not be reached until around 2034, this should not be read as a delayed "return to normal". Evidence indicates that the pandemic catalysed a structural re-basing of the Wealden economy, with lower levels of economic participation. The post-2023 trajectory therefore represents a new phase of economic growth on a different footing, rather than a simple recovery to pre-pandemic conditions.
- 6.7 Conversely, the forecasts within the previous 2022 Economic and Employment study indicated that overall employment levels would return to 2019 levels by 2025.

Figure 6-1: 1991-2042 Employment Growth, Wealden



Source: Cambridge Econometrics, Iceni Projects analysis

6.8 The table below considers the change in employment and the compound annual growth rate (CAGR) by sector for the plan period and 10- and 20-year historical trends. The 10-year trend is more heavily influenced by employment losses caused by the pandemic and therefore the long term 20-year trend is a stronger comparator when looking over the proposed 17-year plan period.

6.9 The key findings for the 2025-2042 baseline employment forecasts are reported as follows:

- **Construction** sees strong growth in the future, much stronger than past trends.
- **Accommodation & food** sees strong growth of 1,700 jobs over the total plan period, with the growth rate sitting between the 10 and 20-year rate. Despite employment losses during COVID-19, the sector made a full recovery by 2024.
- The **Professional services** sector is forecasted to see a growth of 1,100 jobs. However, this will grow at a slower rate than the long-term historical trend. In particular, wider sector growth is driven by growth in the real estate sector (+600 jobs).
- Employment losses in **Manufacturing** of around 800 jobs, despite seeing growth over the past 10 years. In particular losses are forecasted in manufacture of electronics (-200 jobs); other manufacturing and repair (-120 jobs), metal (-110 jobs), non-metallic products (-110 jobs) and printing and recording (-100 jobs). It should be noted that baseline forecasts are typically

pessimistic about employment growth in the manufacturing sector, as they factor in productivity improvements driven by automation and mechanisation. As discussed later in this report, this does not necessarily mean the sector is shrinking, in terms of economic output, but that the sector is more productive and will provide higher skilled jobs that will require modern industrial premises suitable for machinery and automation.

- The **Agricultural, forestry and fishing** sector is forecasted to contract by 115 jobs, despite positive historical growth rates.
- **Transport and storage** will see negligible growth. However, **Wholesale and retail**, which is closely linked to the transport and storage sector, is forecasted to see some modest growth despite historical contraction.
- **Health** and **Residential and social care** see growth broadly in line with historical growth – these are population driven sectors and are likely influenced with the area's growing older population, although this will have no notable bearing on employment land requirements.
- **ICT** and **Business services** are forecasted to grow; however, at around half the rate of long term (20- year) historical trends.

Table 6.1 Employment Change and Rate of Change by Sector, Wealden ('000s)

Broad Sector	Change			Growth rate			
	2019	2025	2042	2025-42	2003-23	2013-23	2025-42
Agriculture, forestry & fishing	1,489	1,031	916	-115	1.0%	4.6%	-0.7%
Manufacturing	4,928	4,093	3,261	-832	-0.9%	1.3%	-1.3%
Utilities	602	678	723	45	2.3%	5.2%	0.4%
Construction	6,695	5,873	7,008	1,135	0.6%	-0.8%	1.0%
Wholesale and Retail	9,995	9,645	10,209	564	0.1%	-0.2%	0.3%
Transport and Storage	1,991	1,463	1,496	33	1.7%	-0.8%	0.1%
Accommodation and food services	5,550	5,886	7,627	1,741	2.4%	0.7%	1.5%
ICT	2,156	2,071	2,522	451	2.1%	0.2%	1.2%
Professional Services	8,718	7,696	8,790	1,094	2.0%	-0.6%	0.8%
Business support services	4,552	3,822	4,276	454	2.0%	0.6%	0.7%
Public Administration & Defence	1,306	1,433	1,435	2	1.6%	0.4%	0.0%
Education	6,384	6,253	6,774	521	1.4%	0.5%	0.5%
Health	3,469	4,170	4,777	607	0.6%	0.7%	0.8%

Residential & social	4,441	4,352	5,379	1,027	1.4%	-0.4%	1.3%
Arts and recreation	2,654	2,955	3,316	361	1.7%	0.4%	0.7%
Other services	3,502	2,871	2,844	-27	-0.1%	0.2%	-0.1%
Total	68,484	64,298	71,357	7,059	0.8%	0.2%	0.6%

Source: Cambridge Econometrics, Iceni analysis

Labour Supply

- 6.10 The previous 2022 Economic and Employment study developed a labour supply scenario which estimated the jobs growth supported by the 'Standard Method' for housing need. This has been updated reflecting the new 'Standard Method', drawing on the modelling undertaken in the Wealden Local Housing Needs Assessment (LHNA 2025), also undertaken by Iceni Projects.
- 6.11 The table below summarises the jobs supported by growth in the resident labour force. It is estimated that 18,900 to 28,300 additional jobs could be supported depending on assumptions made around commuting and economic activity.
- 6.12 For the purpose of this study, we have modelled a scenario based on 2011 commuting patterns (given the effects that the pandemic had on home working in 2021) and increasing economic activity rates, which indicates that **22,191 jobs** could be supported by the resident labour force over the 2025-42 period if the local housing needs were to be met. This is substantial compared to a baseline forecast of 7,059 jobs.

Table 6.2 Jobs supported by demographic projections (2025-42) – Wealden

		Total change in economic-ally active	Allowance for double jobbing	Allowance for net commuting (= jobs supported)
OBR EAR	2021 commuting	26,982	28,312	25,434
	2011 commuting	26,982	28,312	22,191
	1:1 commuting	26,982	28,312	28,312
EAR no change	2021 commuting	23,009	24,144	21,690
	2011 commuting	23,009	24,144	18,923
	1:1 commuting	23,009	24,144	24,144

Source: Iceni analysis

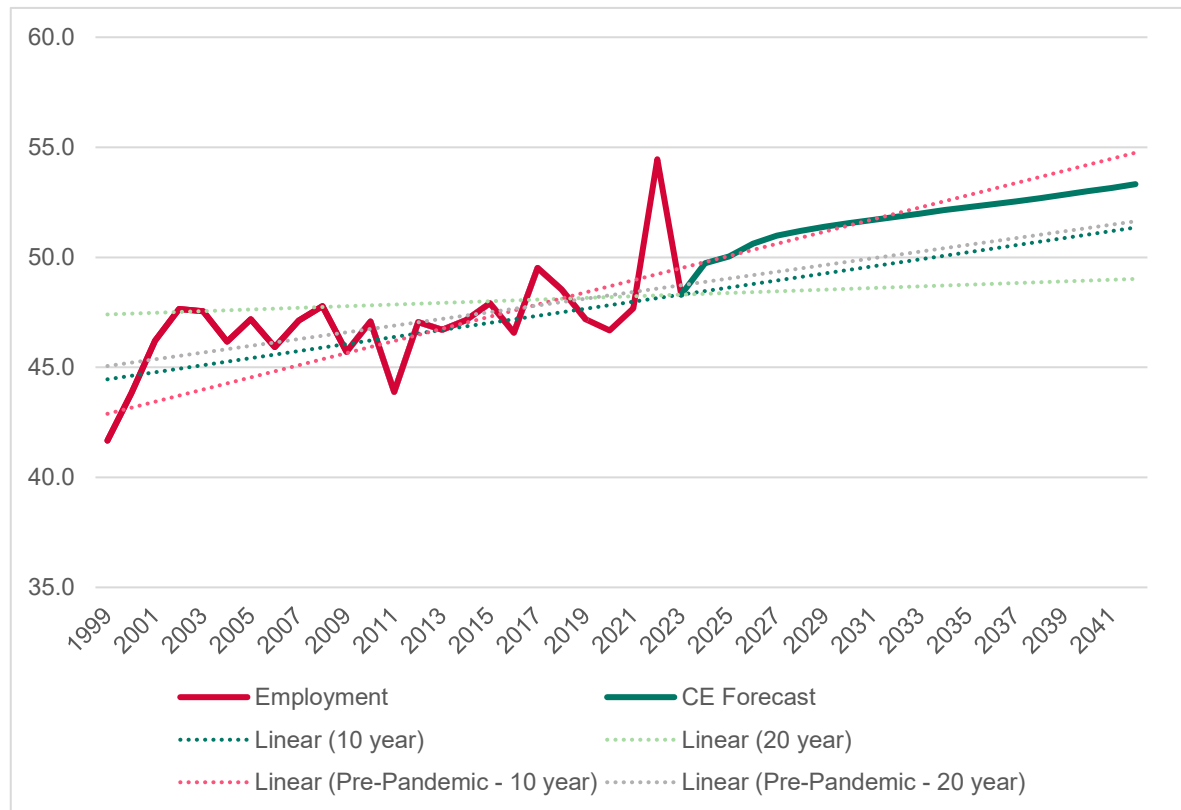
Eastbourne

Baseline Forecast

- 6.13 In this section, we have provided the Eastbourne Cambridge Econometrics baseline forecast for the 2025-42 period. It should be noted that actual employment data is used up to 2023, with employment forecasted from then onwards.

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- 6.14 The chart below reports the actual employment and baseline forecast for Eastbourne for the 1999-2042 period. This has been compared to the 10- and 20-year trends from 2013-23 and 2003-23 respectively, in addition to the pre-pandemic 10- and 20- year trends.
- 6.15 The spike in employment seen in 2022 was driven by a change in self-employment levels – Cambridge Econometrics uses Annual Population Survey data to estimate self-employment. Due to the survey nature of this dataset, this can sometimes cause fluctuations due to sampling variability.
- 6.16 The Cambridge Econometrics forecasts indicate that for the 2025-42 plan period there will be a growth of 3,293 jobs. This is equivalent to an 6.6% increase over the plan period and 194 jobs per annum. The baseline forecasts exceed the 10- and 20-year trend and are more closely aligned with the pre-pandemic trends, sitting in between the 10- and 20-year pre-pandemic trendlines. Employment in Eastbourne recovered to pre-pandemic levels by 2021 and the baseline forecasts indicate that there has been no permanent structural impact of the pandemic on employment levels.
- 6.17 The forecasts within the previous 2022 Economic and Employment study indicated that employment would return to 2019 levels by 2024, and so the updated data indicates that recovery was faster than previously anticipated.
- 6.18 Eastbourne and Wealden see contrasting recovery trends. Wealden saw a greater loss of jobs during the pandemic, with a decline of 8.9% between 2019 and 2021, whereas Eastbourne saw growth of 1.1% over the same period and therefore Wealden has experienced a steeper recovery curve. This is exacerbated by Wealden's greater prevalence of self-employment which is more susceptible to economic shocks.

Figure 6-2: 1991-2039 Employment Growth, Eastbourne



Source: Cambridge Econometrics, Icen Projects analysis

- 6.19 The table below considers the change in employment and the compound annual growth rate (CAGR) by sector for the plan period and 10- and 20-year historical trends. Given that employment has recovered to pre-pandemic levels, the pre-pandemic 10- and 20-year trends have been used as comparators.
- 6.20 The key findings for the 2025-2042 baseline employment forecasts are reported as follows:
- A decline in **Manufacturing** at a higher rate than the 10-year trend. Losses are forecasted in particular in manufacture of non-metallic; metal products; machinery; other manufacturing; and electronics.
 - Slight contraction of the **Transport and storage** sector despite stronger historical growth.
 - Growth in **Residential and social** care and **Education** but at a lower rate than historically.
 - Accommodation and food sector sees the greatest employment increase of 1,000 jobs over the plan period, which is comparable to longer term historical growth but half the rate of recent (10-year) growth.
 - Moderate growth in a number of sectors including ICT, Professional services, Business support.

- The outlook in 'other services' is much weaker than in the past.

Table 6.3 Employment Change and Rate of Change by Sector, Eastbourne ('000s)

Broad Sector	Change			Growth rate			
	2019	2025	2042	2025-42	1999-2019	2009-19	2025-42
Agriculture, forestry & fishing	286	68	55	-13	0.1%	7.2%	-1.2%
Manufacturing	2,018	1,864	1,520	-344	-2.6%	-0.6%	-1.2%
Utilities	125	194	194	-	-2.0%	-6.3%	0.0%
Construction	3,083	2,004	2,126	122	0.4%	-0.2%	0.3%
Wholesale and Retail	9,249	8,165	8,580	415	0.2%	-0.5%	0.3%
Transport and Storage	1,377	989	930	-59	1.4%	1.5%	-0.4%
Accommodation and food services	4,438	5,379	6,383	1,004	1.2%	2.7%	1.0%
ICT	898	1,161	1,405	244	2.2%	-0.4%	1.1%
Professional Services	4,539	4,671	4,847	176	0.8%	0.4%	0.2%
Business support services	2,575	2,523	2,822	299	-2.3%	0.9%	0.7%
Public Administration & Defence	1,532	2,273	2,289	16	-2.7%	-3.8%	0.0%
Education	4,458	5,016	5,607	591	1.3%	-0.1%	0.7%
Health	5,083	6,882	6,829	-53	3.6%	-0.2%	0.0%
Residential & social	4,650	5,225	6,058	833	4.4%	2.0%	0.9%
Arts and recreation	1,234	1,850	1,908	58	1.1%	1.6%	0.2%
Other services	1,625	1,761	1,771	10	1.0%	1.9%	0.0%
Total	47,187	50,030	53,323	3,293	0.6%	0.3%	0.4%

Source: Cambridge Econometrics, Iceni analysis

Labour Supply

- 6.21 The previous study developed a labour supply scenario which estimated the jobs growth supported by the 'Standard Method' for housing need. This has been updated reflecting the new 'Standard Method' and the headline findings are summarised in the table below.
- 6.22 The table below summarises the jobs supported by growth in the resident labour force. It is estimated that 6,400 to 8,800 additional jobs could be supported depending on assumptions made around commuting and economic activity.
- 6.23 For the purpose of this study, we have modelled a scenario based on 2011 commuting patterns (given the effect the pandemic had on increased home working in 2021) and increasing economic activity rates, which indicates that **8,577 jobs** could be supported by the resident labour force over

the 2025-42 period if the local housing needs were being met. This compares to a baseline forecast of 3,293 jobs.

Table 6.4 Jobs supported by demographic projections (2025-42) – Eastbourne

		Total change in economically active	Allowance for double jobbing	Allowance for net commuting (= jobs supported)
OBR EAR	2021 commuting	8,170	8,691	8,754
	2011 commuting	8,170	8,691	8,577
	1:1 commuting	8,170	8,691	8,691
EAR no change	2021 commuting	6,116	6,506	6,554
	2011 commuting	6,116	6,506	6,421
	1:1 commuting	6,116	6,506	6,506

Source: Icenl analysis

6.24 The above forecasts are translated into floorspace needs in section 7.

7. EMPLOYMENT LAND NEEDS: WEALDEN

7.1 In this section, we consider demand for employment land and floorspace over the period from 2025-42 for Wealden. The section considers requirements for employment land in offices (Class E(g)(i)); research and development premises (Class E(g)(ii)); light industrial (Class E(g)(iii)); general industrial (Class B2) and storage or distribution (Class B8).

7.2 When considering the scale of future needs, the Planning Practice Guidance (PPG, 2024) requires consideration of quantitative and qualitative need. This entails estimating the scale of future needs broken down by different market segments, such as different B use classes. The PPG recommends the use of a number of different techniques to estimate future employment land requirements, namely assessments based on:

- Labour Demand;
- Labour Supply; and
- Past Take-Up.

7.3 There are benefits for each approach. For Labour Demand and Labour Supply scenarios, econometric forecasts take account of differences in expected economic performance moving forward relative to the past, overall, with regard to the sectoral composition of growth. A detailed model is required to relate net forecasts to use classes and to estimate gross floorspace and land requirements.

7.4 In contrast, past take-up is based on actual delivery of employment development; but this does not take account of the implications of growth in labour supply associated with housing growth, nor any potential differences in economic performance relative to the past. It is also potentially influenced by past land supply policies.

7.5 The quantitative evidence here is also supplemented by the wider analysis of market and economic dynamics.

Labour Demand and Supply Scenarios

7.6 This section takes forward the economic growth forecasts set out in Chapter 6. The baseline scenario considers the quantum of employment land required to support the growth of 7,059 jobs from 2025-42 shown in the Cambridge Econometrics baseline forecast. The labour supply scenario indicates an employment growth of 22,191 jobs over the same period.

7.7 For labour demand, Cambridge Econometrics supply the sector make up of future change. For labour supply, only the number of future jobs is known. To generate a sector profile, IcenI has distributed jobs using the current sectoral make up, excluding manufacturing given this is forecast by Cambridge Econometrics to decline. The outcomes effectively reflect a magnified version of the baseline labour demand scenario.

7.8 IcenI Projects has converted the forecasts for total employment by sector into forecasts for Full-Time Equivalent (FTE) employment by sector through analysis of the proportion of full-time and part-time jobs in Wealden as of 2023 (BRES) on a 2 digit SIC sector by sector basis, aggregated up to the 45-sector forecast.

Table 7.1 Total Jobs and FTE Jobs Growth by Model, 2025-42 - Wealden

Model	Total Jobs	FTE Jobs
Labour Demand - CE - Baseline	7,059	5,406
Labour Supply	22,191	17,873

Source: IcenI analysis of CE

7.9 The next step translates FTE employment growth by sector into FTE employment growth by use class. Assumptions have been made around the proportion of sector employment that is likely to take place in each use class in line with the 2022 Economic and Employment Study. This derives the forecasts of net growth in FTE employment by use class over the plan period, relating to the district as a whole.

Table 7.2 FTE Jobs Growth by Model and Use Class, 2025-42

Model	FTE Jobs	FTE Jobs in E(G)(i-iii), B2 and B8 Premises
Labour Demand - CE - Baseline	5,406	929
Labour Supply	17,873	4,585

Source: IcenI analysis of Experian / BRES data

7.10 To these figures we have applied employment densities taking account of the HCA Employment Densities Guide: 3rd Edition (2015). We have converted figures to provide employment densities for gross external floor areas on the following basis in line with the 2022 Economic and Employment Study:

- Office: 14 sq m GEA per employee;
- Research and development: 48 sq m GEA per employee;
- Industrial: 44 sq m GEA per employee; and

-
- Warehouse/ Distribution: 70 sq m GEA per employee.

Home working

- 7.11 We have also undertaken a sensitivity analysis for office space with greater levels of working from home. This is informed by Icen Projects' review of information published by real estate agency Savills, Remit Consulting and RICS on the occupancy of in-use office floorspace pre- and post-pandemic.
- 7.12 The pandemic has seen an increase in home working – specifically for office-based sectors – as well as hybrid working, whereby workers spend part of the week in the office and part at home, with the emergence of 3/2 day and 2/3 day working patterns.
- 7.13 Office market trends are responding and will potentially reinforce around good quality space designed to facilitate interaction and collaboration between staff, and locations which support social and leisure activities.
- 7.14 Offices may contain specific spaces for teams/Zoom calls, and businesses may need to consider floorspace needs on the more popular, mid-week days.
- 7.15 ONS 2023 data showed that 40% of all UK working adults work from home at some point in the week with 16% solely working from home. Based on this information, Icen Projects have concluded that post-pandemic office occupancy is around 30% of pre-pandemic levels. Therefore, we have reduced levels of employment growth and replacement demand in the 'Post-Pandemic Working from Home' scenario by a 30% factor.
- 7.16 Data released by ONS⁸ in 2023 indicates that in 2022, around 44% of workers nationally were either working solely from home (16%) or on a hybrid basis (28%). When looking at the South East specifically, this figure is 47% with a slightly higher 19% only working from home and 28% hybrid.
- 7.17 More recent data from ONS⁹ covering the period from July and September 2025 indicates that this figure has reduced slightly across the UK, with 37% of workers across the UK working from home all or some of the time (11% only at home, 26% hybrid). There has been a slight decrease in the South East to 39% working from home all or some of the time, impacted by a decline in hybrid working to 26% and homeworking only to 13%.

⁸ [Characteristics of homeworkers, Great Britain - Office for National Statistics](#)

⁹ [Public opinions and social trends, Great Britain: working arrangements by personal characteristics - Office for National Statistics](#)

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- 7.18 Further data on days worked from home¹⁰ indicates that of hybrid workers across Great Britain, approximately 60% of working days are spent working from home. If this is applied to the hybrid statistics mentioned above it results in an overall home working rate of 30%.

Margin for Flexibility

- 7.19 The need calculations also take into account a margin for flexibility. This allows for the allocation of sufficient land to cover inaccuracies in forecasting, helps to provide a choice of sites to facilitate competition and allows for delays in any sites coming forward.
- 7.20 In line with the 2022 Economic and Employment Study, a margin equivalent to 2 years average gross completions has been applied. This is equivalent to 3,106 sq.m for office, 492 sq.m for R&D, 12,912 sq.m for industrial and 8,944 sq.m for warehousing.

Future Vacancy

- 7.21 It is widely accepted in the property industry that 5-10% vacancy is required at all times in commercial markets. A level of vacant floorspace is necessary to ensure churn and choice, allowing innovation, inward investment, resizing of existing business requirements and refurbishments.
- 7.22 Given that historically, the vacancy rate has been below the optimal 5-10% in Wealden, a further adjustment to ensure sufficient vacancy levels is applied. This is equivalent to an uplift of 7.5% of additional floorspace on top of the baseline need. This adjustment was applied in the 2022 Economic and Employment Study.

Replacement Demand

- 7.23 The modelled labour forecasts are net changes and do not take account of replacement demand such as from existing companies requiring upgraded floorspace or existing sites being lost to other uses such as residential. It is therefore appropriate to consider an additional influence.
- 7.24 For industrial and warehousing, an adjustment equivalent to a 50% rate of historical losses is applied, essentially the mid-point between the net and gross completions models¹¹. This is equivalent to 23,192 sq.m industrial and for 14,444 sq.m for warehousing.

¹⁰ [Home and hybrid working, Great Britain - Office for National Statistics](#)

¹¹ This mechanism was acknowledged but not applied in 2022 Economic and Employment Study as the preferred level to plan for was the mid-point of the net and gross completions model.

- 7.25 No adjustment has been made to the office / R&D models given the evidenced lower levels of market demand and consequently no requirement to replace lost floorspace.
- 7.26 The table below shows the net employment floorspace requirements by use class to the labour demand and labour supply models, applying the employment densities and home working sensitivity as described above. The margin, future vacancy and replacement demand adjustments are also applied.
- 7.27 Whilst floorspace requirements for industrial space are negative, due to a forecasted decline in employment, this does not necessarily mean that the sector is shrinking in terms of economic output or demand for industrial premises. Employment forecasts take account of increased productivity, driven by automation and mechanisation of both manufacturing and logistics operations.
- 7.28 Adoption of automation requires modern industrial and warehousing premises with sufficient building heights and sustainability credentials including ESG (environmental, social, governance) requirements to meet occupier requirements and thus new commercial premises will still be required over the plan period. For the reasons stated above, there is a declining relationship between employment forecasts and floorspace densities and therefore alternative trend-based models are more appropriate when considering future needs. These are considered further on in this section.

Table 7.3 Floorspace (sqm) requirements by Use Class 2025-42 – Labour Demand and Labour Supply - Wealden

Area	Labour Demand – CE Baseline	Labour Supply
Office	17,198	45,935
Offices – WFH (70%)	12,039	32,154
R&D	130	820
Industrial	-24,350	-1,078
Warehousing	18,016	91,815
Including Margin for Flexibility – 2-year average gross completions		
Office	20,358	49,095
Offices – WFH (70%)	15,199	35,314
R&D	622	1,312
Industrial	-11,438	11,833
Warehousing	26,960	100,760
Including Future Vacancy – 7.5%		
Office	21,648	52,540
Offices – WFH (70%)	16,102	37,726
R&D	632	1,374

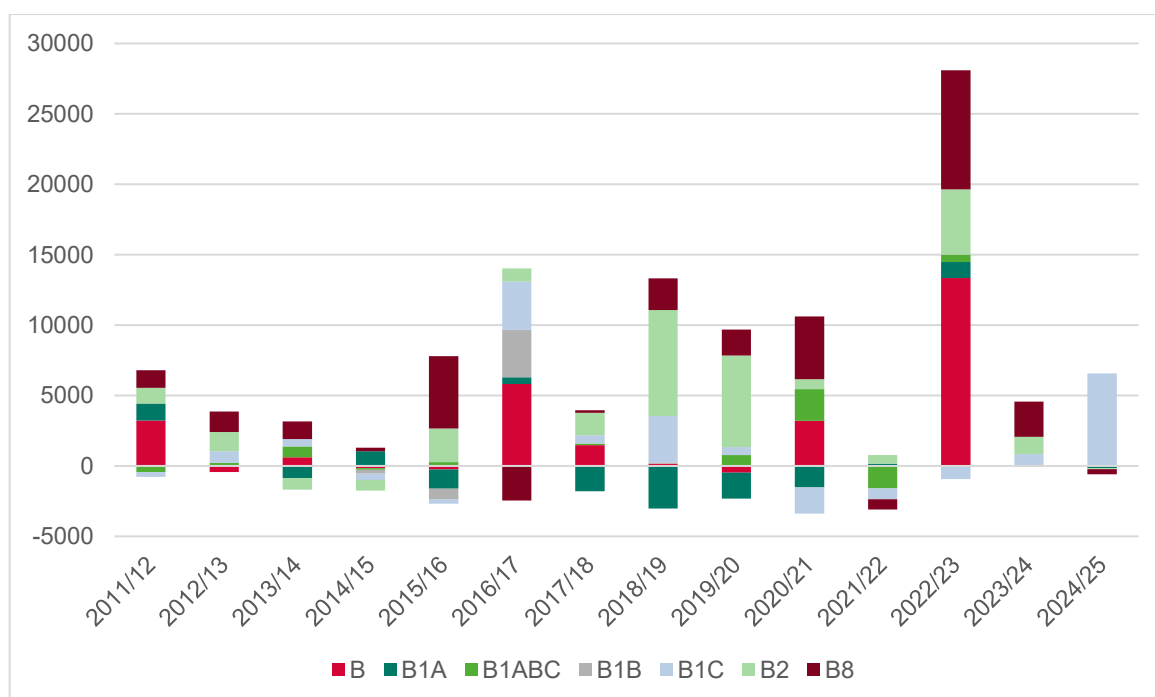
Industrial	-11,438	11,833
Warehousing	28,312	107,646
Including Replacement Demand (50% historical losses for industrial and warehousing)		
Office	21,648	52,540
Offices – WFH (70%)	16,102	37,726
R&D	632	1,374
Industrial	11,754	35,025
Warehousing	42,756	122,090

Source: Icen analysis of Cambridge Econometrics

Completions Trend

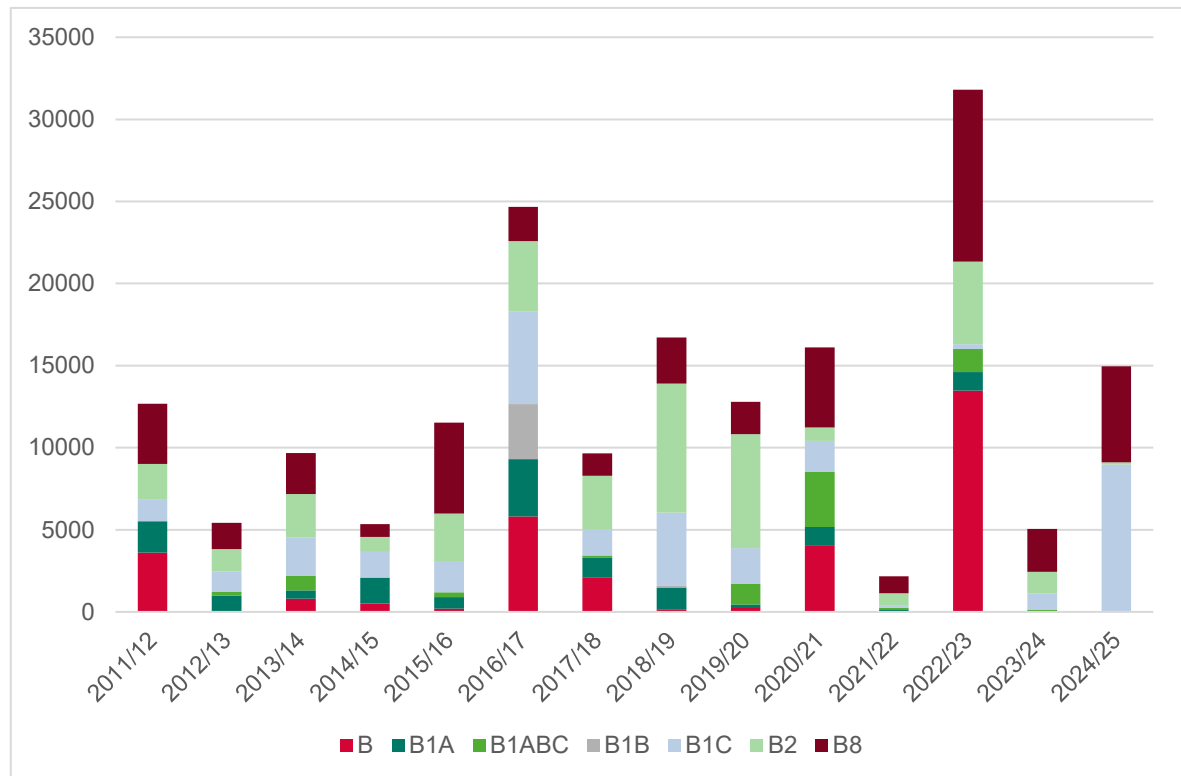
- 7.29 The following section updates the net and gross completions trend modelling, using data up to 2024/25. This data is set out in the figure below.

Figure 7.1: Wealden net completions 2011/12-2024/25 (sqm)



Source: Icen analysis of Wealden District Council Monitoring

Figure 7.2: Wealden Gross Completions 2011/12-2024/25 (sqm)



Source: Icení analysis of Wealden District Council Monitoring

7.30 The table below shows the annual average net and gross completions for each use class.

Table 7.4 Annual Wealden Average Employment Completions (sqm)

	Average Gross Completions (2011/12 to 2024/25)	Average Net Completions (2011/12 to 2024/25)
Office and R&D (Class B1A; B1ABC; B1B)	1,826	-102
Industrial (B1C; B2; 50% of Mixed B)	6,456	3,727
Warehousing (B8; 50% of Mixed B)	3,983	2,773

Source: Icení analysis of Wealden District Council Monitoring

7.31 These datasets have been annualised and projected forward to provide a floorspace requirement for the 2025-42 period.

7.32 A margin for flexibility, 7.5% future vacancy and replacement demand adjustment has also been applied. No adjustment for replacement demand is applied to the gross completions model since replacement demand is de facto included since losses are ignored.

Table 7.5 Wealden Completions Trend Models 2025-42 (sq.m)

Area	Gross Completions	Net Completions
------	-------------------	-----------------

Office and R&D	31,044	-1,733
Industrial	109,748	63,363
Warehousing	67,710	47,138
Including Margin for Flexibility – 2-year average gross completions		
Office and R&D	34,697	1,920
Industrial	122,659	76,275
Warehousing	76,655	56,082
Including Future Vacancy – 7.5%		
Office and R&D	37,025	1,920
Industrial	130,890	81,027
Warehousing	81,733	59,618
Including Replacement Demand (50% historical losses for industrial and warehousing) – net completions only		
Office and R&D	37,025	1,920
Industrial	130,890	104,219
Warehousing	81,733	74,061

Source: Icení analysis of Wealden District Council Monitoring

Net Absorption Model

- 7.33 An additional employment needs model, not considered previously in the 2022 Economic and Employment study but now widely accepted, considers the past take-up of space occupied (rather than floorspace delivered) measured by net absorption using CoStar data. This is the balance between the amount of space moved into and moved out of (i.e. Net absorption = Move-ins – Move outs) equating to the change in occupied space.
- 7.34 This differs from the net completions-based projections in that it predicts future floorspace requirements directly based on demand for floorspace rather than past completions of floorspace (which is a proxy for floorspace demand). The table below shows the average rate of take-up since 2011, in line with the completions trend.

Table 7.6 Wealden Average Net Absorption per annum (sq.m)

Time Period	2011-2024
Office	651
Industrial and Warehousing	3,088

Source: Icení analysis of CoStar data

- 7.35 The historic net absorption rates have then been projected forward to estimate employment floorspace requirements for 2025-42. These estimated floorspace requirements also include a margin for flexibility and allowance for future vacancy. An allowance for replacement demand has not been applied as the net absorption-based projection inherently captures this.

Table 7.7 Employment Floorspace Requirement by Net Absorption Projection 2025-42 (sq.m)

Time Period	Net Absorption – 10-year trend
Office	11,069
Industrial and Warehousing	52,492
Including Margin for Flexibility – 2-year average gross completions	
Office	14,722
Industrial and Warehousing	74,348
Including Future Vacancy – 7.5%	
Office	15,552
Industrial and Warehousing	78,285

Source: Icen analysis of CoStar data

Summary of Wealden Employment Needs

- 7.36 This above section of this report has undertaken a range of detailed forecast modelling to consider the future employment land needs of the district. The findings are summarised in the table below. Floorspace requirements have been converted to land requirements using a plot ratio of 0.5 for office and R&D and 0.4 for industrial and warehousing.

Table 7.8 Wealden Employment Floorspace Requirements 2025-42 (sq.m)

Type	Labour Demand	Labour Supply	Gross Completions	Net Completions	Net Absorption
Office	21,600	52,500	37,000	1,900	15,600
Office – WFH	16,100	37,700			
R&D	600	1,400			
Industrial	11,800	35,000	130,900	104,200	78,300
Warehouse	42,800	122,100	81,700	74,100	
Industrial & Warehousing Subtotal	54,500	157,100	212,600	178,300	93,800
Total*	71,200	196,200	249,600	180,200	105,700

Source: Icen analysis of Council Monitoring

*Total uses WFH sensitivity for labour demand/supply models

NB: Rounded to nearest 100 sq.m

Table 7.9 Wealden Employment Land Requirements 2025-42 (Ha)

Type	Labour Demand	Labour Supply	Gross Completions	Net Completions	Net Absorption
Office	4.3	10.5	7.4	0.4	3.1
Office – WFH	3.2	7.5			
R&D	0.1	0.3			

Industrial	3.0	8.8	32.7	26.1	19.6
Warehouse	10.7	30.5	20.4	18.5	
Industrial & Warehousing Subtotal	13.6	39.3	53.2	44.6	19.6
Total*	17.0	47.1	60.6	45.0	22.7

Source: Iceni analysis of Council Monitoring

- 7.37 Overall, the results report a range of 71,200 to 249,600 sq.m of employment floorspace needed over the 17-year plan period (2025-2042), equivalent to 17 to 61ha. This compares to the 2022 Economic and Employment Study which saw employment floorspace needs range from 48,100 sq.m to 312,300 sq.m or 9.7ha to 70.9ha over a 20-year plan period (2019-2039).

Recommendations

- 7.38 For reference, the 2022 Economic and Employment Study recommended a need of 3.1 to 6.8ha for office (based on the labour demand sensitivity and labour demand models) and 48.3ha for industrial and warehousing, derived from the mid-point of the net and gross completions models.

Offices

- 7.39 The employment needs modelling indicates a requirement ranging from 1,900 sq.m to 53,900 sq.m (office + R&D) with the lower bound derived by the net absorption model and the labour supply model forming the upper end of the range.
- 7.40 The office market continues to see a lack of demand for floorspace following the pandemic and there is a continuation of home and hybrid working. Looking to 2042, it is reasonable to expect some future demand, particular for modern premises, as older floorspace is lost to other uses and businesses encourage workers back into the office.
- 7.41 Iceni deem it appropriate to plan for **3.2ha or 16,100 sq.m** of office floorspace, derived from the labour demand model (that includes Working From Home (WFH) sensitivity modelling). This closely aligns with the net absorption model and is in line with the lower end of the recommended need of the 2022 Economic and Employment Study.

Industrial and warehousing

- 7.42 The above modelling indicates an industrial and warehousing requirement ranging from 13.6 ha to 53.2ha with the labour demand at the lower bound and the gross completions at the upper end of the range.

- 7.43** As discussed earlier in this chapter, there is a declining relationship between employment forecasts and floorspace densities due to productivity improvements through increased automation and mechanisation. Throughout the plan period businesses adopting technological improvements will see lower employment growth but increased economic output and also an increase in the skill-level of jobs provided, albeit fewer overall jobs. Modern industrial premises are required to facilitate these improvements, which is not captured within the labour demand model. Therefore, in our view, this model should not be pursued.
- 7.44** Market signals and stakeholder engagement indicate that there is strong, ongoing demand for industrial and warehousing premises. There is a reported lack of flexibility in the market to allow for business expansion and market churn.
- 7.45** It is recommended to plan for the net completions model which is equivalent to **44.6ha or 178,300sq.m**. This differs slightly from the 2022 recommendation approach which was for the mid-point of the gross and net completions. However, the net trend now includes an allowance for replacement demand at 50% of losses, which is in itself effectively the mid-point between the base net and gross completions. The inclusion of replacement space is considered essential, considering the rate of past losses and the demand for new space. It also important to plan above the net trend, given that this level of delivery has not met market needs historically.
- 7.46** This requirement is slightly below the 2022 Economic and Employment Study (48.3); however, over a shorter 17-year plan period, results in a marginally higher per annum requirement. This reflects the levels of heightened market demand across Wealden. It is of note that this figure is now close to (but slightly higher than) the labour supply model, which has increased with higher housing numbers in the district. Increased employment space would allow for more local employment and potentially reduce out commuting.

Supply

- 7.47** The Council has provided its most recent commitments data, as of the start of the 2025/26 monitoring year (April 2025). There is a total of 6813 sq.m or 1.4ha of office supply and a total industrial and warehousing supply of 24,731 sq.m, equivalent to 6.2ha.

Table 7.10 Wealden Commitments (April 2025)

	Office - E(g)(i)	Light Industrial E(g)(iii)	B2/B8	Industrial and Warehousing Subtotal (E(g)(iii)/B2/B8)
Floorspace (sq.m)	6,813	907	23,825	24,731
Ha*	1.4	0.2	6.0	6.2

Source: Council Monitoring

*converted using 0.5 plot ratio office and 0.4 industrial and warehousing

Potential Supply

7.48 The supply above does not include the draft allocations within the draft Wealden Local Plan (Regulation 18), March 2024, which provide an additional 'potential' supply of:

- Coxlow Farm, Horam (HOR6) – 4,000 sq.m of E(g) /, B2/ B8 (equivalent to 1ha at 0.4 plot ratio)
- Knights Farm West, Hailsham (HEL4) – E(g) /, B2/ B8 40,000 sq.m / 17.3ha
- Woodside Park, Land East of A22, Hailsham (HA16) – E(g) /, B2/ B8 16,750 sq.m / 5.58ha

7.49 In addition, there is a further major planning application that remains undetermined in Wealden District, which is not included in supply:

- Land North of Polegate (WD/2023/0260/MEA) – outline planning application for up to 66,370 sq.m of B8 warehousing space on the 46.6ha site; and

Summary of Wealden Demand Supply Balance

7.50 The table below reports on the balance of needs taking into account the commitments as of 1 April 2025.

7.51 Based on the recommended employment needs, there is a limited shortfall in office requirements of -1.9ha (or 9,287 sqm) but a substantial shortfall in industrial and warehousing needs of -38.4ha (or c.153,600sqm).

Table 7.11 Wealden demand / supply balance 2025-42 (sqm)

	Office	Industrial & Warehouse	Total
Recommended need 2025-42 (sqm)	16,100	178,300	194,400
Commitments (sqm)	6,813	24,731	24,731
Residual need 2025-42 (sqm)	-9,287	-153,569	-162,856
Residual need 2025-42 (ha)	-1.9	-38.4	-40.7
Potential Supply	127,120 sq.m		

Source: Iceni Analysis

8. EMPLOYMENT LAND NEEDS: EASTBOURNE

- 8.1 In this section, we consider demand for employment land and floorspace over the period from 2025-42 for Eastbourne. The section considers requirements for employment land in offices (Class E(g)(i)); research and development premises (Class E(g)(ii)); light industrial (Class E(g)(iii)); general industrial (Class B2) and storage or distribution (Class B8).
- 8.2 When considering the scale of future needs, the Planning Practice Guidance (PPG, 2024) requires consideration of quantitative and qualitative need. This entails estimating the scale of future needs broken down by different market segments, such as different B use classes. The PPG recommends the use of a number of different techniques to estimate future employment land requirements, namely assessments based on:
- Labour Demand;
 - Labour Supply; and
 - Past Take-Up.
- 8.3 There are benefits for each approach. For Labour Demand and Labour Supply scenarios, econometric forecasts take account of differences in expected economic performance moving forward relative to the past, overall, with regard to the sectoral composition of growth. A detailed model is required to relate net forecasts to use classes and to estimate gross floorspace and land requirements.
- 8.4 In contrast, past take-up is based on actual delivery of employment development; but this does not take account of the implications of growth in labour supply associated with housing growth, nor any potential differences in economic performance relative to the past. It is also potentially influenced by past land supply policies.
- 8.5 The quantitative evidence here is also supplemented by the wider analysis of market and economic dynamics.

Labour Demand and Supply Scenarios

- 8.6 This section takes forward the economic growth forecasts set out in Chapter 6. The baseline scenario considers the quantum of employment land required to support the growth of 3,299 jobs from 2025-42 shown in the Cambridge Econometrics baseline forecast. The labour supply scenario indicates an employment growth of 8,577 jobs.

- 8.7 For labour demand, Cambridge Econometrics supply the sector make up of future change. For labour supply, only the number of future jobs is known. To generate a sector profile, IcenI has distributed jobs using the current sectoral make up, excluding manufacturing given this is forecast by Cambridge Econometrics to decline. The outcomes effectively reflect a magnified version of the baseline labour demand scenario.
- 8.8 IcenI Projects has converted the forecasts for total employment by sector into forecasts for Full-Time Equivalent (FTE) employment by sector through analysis of the proportion of full-time and part-time jobs in Eastbourne as of 2023 (BRES) on a 2 digit SIC sector by sector basis, aggregated up to the 45-sector forecast.

Table 8.1 Total Jobs and FTE Jobs Growth by Model, 2025-42 - Eastbourne

Model	Total Jobs	FTE Jobs
CE - Baseline	3,299	2,475
Labour Supply	8,577	6,788

Source: IcenI analysis of CE

- 8.9 The next step translates FTE employment growth by sector into FTE employment growth by use class. Assumptions have been made around the proportion of sector employment that is likely to take place in each use class in line with the 2022 Economic and Employment Study. This derives the forecasts of net growth in FTE employment by use class over the plan period, relating to the borough as a whole.

Table 8.2 FTE Jobs Growth by Model and Use Class, 2025-42

Model	FTE Jobs	FTE Jobs in E(G)(i-iii), B2 and B8 Premises
CE - Baseline	2,475	249
Labour Supply	6,788	1,263

Source: IcenI analysis of Experian / BRES data

- 8.10 To these figures we have applied employment densities taking account of the HCA Employment Densities Guide: 3rd Edition (2015). We have converted figures to provide employment densities for gross external floor areas on the following basis in line with the 2022 Economic and Employment Study:
- Office: 14 sq m GEA per employee;
 - Research and development: 48 sq m GEA per employee;
 - Industrial: 44 sq m GEA per employee; and

-
- Warehouse/ Distribution: 70 sq m GEA per employee.

Home working

- 8.11 We have also undertaken a sensitivity analysis for office space with greater levels of working from home. This is informed by Icen Projects' review of information published by real estate agency Savills, Remit Consulting and RICS on the occupancy of in-use office floorspace pre- and post-pandemic.
- 8.12 The pandemic has seen an increase in home working – specifically in office-based sectors – as well as hybrid working, whereby workers spend part of the week in the office and part at home, with the emergence of 3/2 and 2/3 working patterns.
- 8.13 Office market trends are responding and will potentially reinforce around good quality space designed to facilitate interaction and collaboration between staff, and locations which support social and leisure activities.
- 8.14 Offices may contain specific spaces for teams/Zoom calls, and businesses may need to consider floorspace needs on the more popular, mid-week days.
- 8.15 ONS 2023 data showed that 40% of all UK working adults work from home at some point in the week with 16% solely working from home. Based on this information, Icen Projects have concluded that post-pandemic office occupancy is around 30% of pre-pandemic levels. Therefore, we have reduced levels of employment growth and replacement demand in the 'Post-Pandemic Working from Home' scenario by a 30% factor.
- 8.16 Data released by ONS¹² in 2023 indicates that in 2022, around 44% of workers nationally were either working solely from home (16%) or on a hybrid basis (28%). When looking at the South East specifically, this figure is 47% with a slightly higher 19% only working from home and 28% hybrid.
- 8.17 More recent data from ONS¹³ covering the period from July and September 2025 indicates that this figure has reduced slightly across the UK, with 37% of workers across the UK working from home all or some of the time (11% only at home, 26% hybrid). There has been a slight decrease in the South East to 39% working from home all or some of the time, impacted by a decline in hybrid working to 26% and homeworking only to 13%.

¹² [Characteristics of homeworkers, Great Britain - Office for National Statistics](#)

¹³ [Public opinions and social trends, Great Britain: working arrangements by personal characteristics - Office for National Statistics](#)

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- 8.18 Further data on days worked from home¹⁴ indicates that of hybrid workers across Great Britain, approximately 60% of working days are spent working from home. If this is applied to the hybrid statistics mentioned above it results in an overall home working rate of 30%.

Margin for Flexibility

- 8.19 The need calculations also take into account a margin for flexibility. This allows for the allocation of sufficient land to cover inaccuracies in forecasting, helps to provide a choice of sites to facilitate competition and allows for delays in any sites coming forward.
- 8.20 In line with the 2022 Economic and Employment Study, a margin equivalent to 2 years average gross completions has been applied. This is equivalent to 1,099 sq.m for office, 8 sq.m for R&D, 2,125 sq.m for industrial and 2,810 sq.m for warehousing.

Future Vacancy

- 8.21 Given that historically vacancy has been below the optimal 5-10% in Eastbourne a further adjustment to ensure sufficient vacancy levels is applied. This is equivalent to an uplift of 7.5% of additional floorspace on top of the baseline need. This adjustment was applied in the 2022 Economic and Employment Study.

Replacement Demand

- 8.22 The modelled labour forecasts are net changes and do not take account of replacement demand such as from existing companies requiring upgraded floorspace or existing sites being lost to other uses such as residential. It is therefore appropriate to consider an additional influence.
- 8.23 For industrial and warehousing, an adjustment equivalent to a 50% rate of historical losses is applied, essentially the mid-point between the net and gross completions models¹⁵. This is equivalent to 20,429 sq.m industrial and 6,880 sq.m for warehousing.
- 8.24 No adjustment has been made to the office / R&D models given the evidenced lower levels of market demand and consequently no requirement to replace lost floorspace.
- 8.25 The table below shows the net employment floorspace requirements by use class to the labour demand and labour supply models, applying the employment densities and home working sensitivity

¹⁴ [Home and hybrid working, Great Britain - Office for National Statistics](#)

¹⁵ This mechanism was acknowledged by but not applied in 2022 Economic and Employment Study as the preferred level to plan for was the mid-point of the net and gross completions model.

as described above. The margin, future vacancy and replacement demand adjustments are also applied.

Table 8.3 Floorspace (sqm) requirements by Use Class 2025-42 – Labour Demand and Labour Supply - Eastbourne

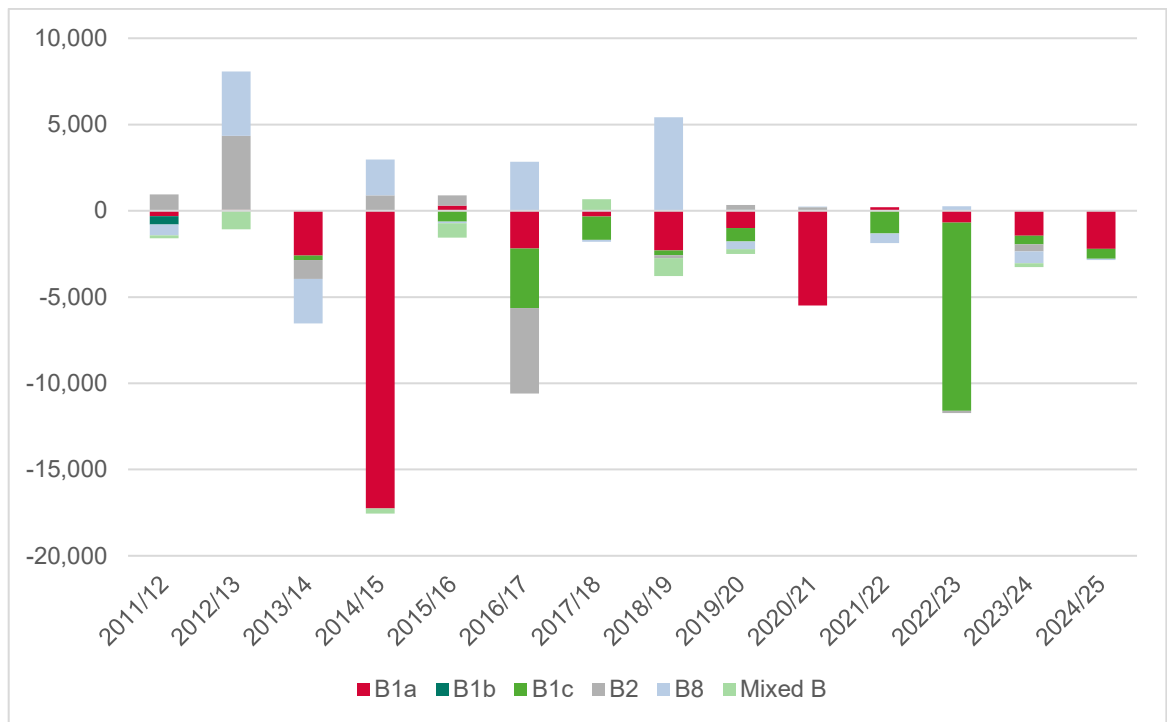
Area	Labour Demand – CE	
	Baseline	Labour Supply
Office	5,116	14,740
Offices – WFH (70%)	3,581	10,318
R&D	555	153
Industrial	-11,050	-6,239
Warehousing	8,806	24,496
Including Margin for Flexibility – 2-year average gross completions		
Office	6,215	15,840
Offices – WFH (70%)	4,680	11,418
R&D	563	161
Industrial	-8,926	-4,115
Warehousing	11,615	27,306
Including Future Vacancy – 7.5%		
Office	6,599	16,945
Offices – WFH (70%)	4,949	12,191
R&D	605	173
Industrial	-8,926	-4,115
Warehousing	12,276	29,143
Including Replacement Demand (50% historical losses for industrial and warehousing)		
Office	6,599	16,945
Offices – WFH (70%)	4,949	12,191
R&D	605	173
Industrial	11,503	16,314
Warehousing	19,155	36,023

Source: Icení analysis of Cambridge Econometrics

Completions Trend

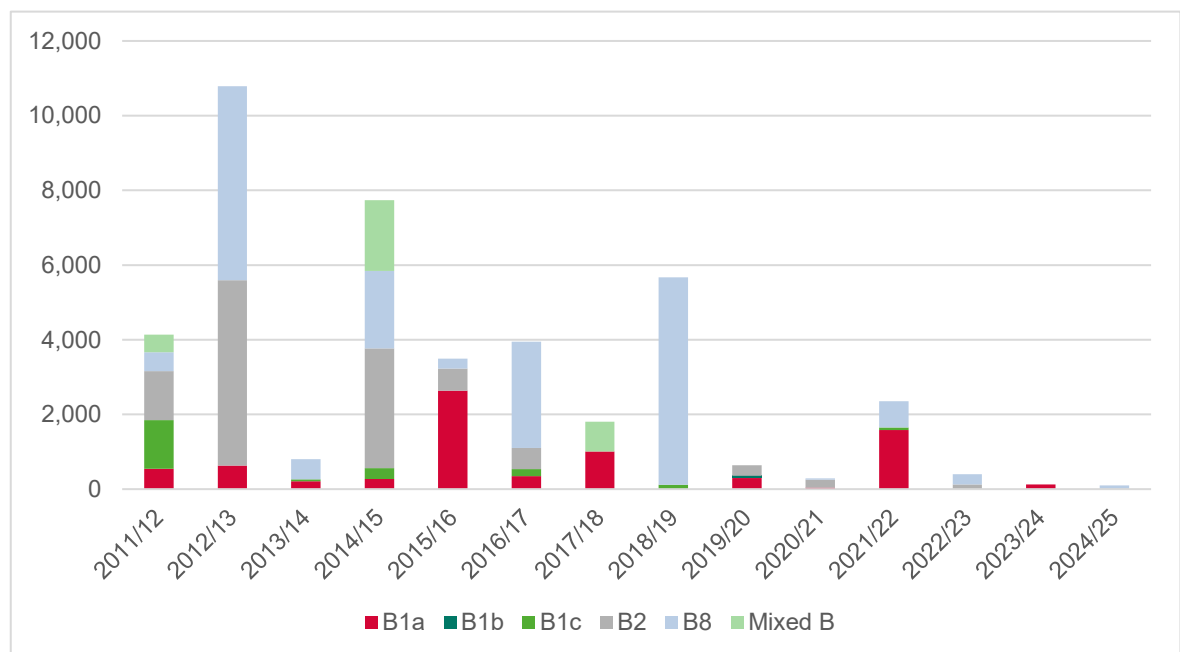
- 8.26 The following section updates the net and gross completions trend modelling, using data up to 2024/25. This data is set out in the figure below.

Figure 8.1: Eastbourne Net Completions 2011/12-2024/25



Source: IcenI analysis of Eastbourne Council Monitoring

Figure 8.2: Eastbourne Gross Completions 2011/12-2024/25



Source: IcenI analysis of Eastbourne Council Monitoring

8.27 The table below shows the annual average net and gross completions for each use class.

Table 8.4 Annual Average Employment Completions (sq.m)

	Average Gross Completions (2011/12-2024/25)	Average Net Completions (2011/12-2024/25)
Office and R&D (Class B1A; B1ABC; B1B)	554	-2,549
Industrial (B1C; B2; 50% of Mixed B)	1,062	-1,513
Warehousing (B8; 50% of Mixed B)	1,405	538

Source: Icení analysis of Eastbourne Council Monitoring

- 8.28 These datasets have been annualised and projected forward to provide a floorspace requirement for the 2025-42 period.
- 8.29 A margin for flexibility, 7.5% future vacancy and replacement demand adjustment has also been applied. No adjustment for replacement demand is applied to the gross completions model.

Table 8.5 Eastbourne Completions Trend Models 2025-42 (sq.m)

Area	Gross Completions	Net Completions
Office and R&D	9,414	-43,331
Industrial	18,058	-25,717
Warehousing	23,883	9,141
Including Margin for Flexibility – 2-year average gross completions		
Office and R&D	10,522	-42,223
Industrial	20,183	-23,593
Warehousing	26,693	11,951
Including Future Vacancy – 7.5%		
Office and R&D	11,228	-42,223
Industrial	21,537	-23,593
Warehousing	28,484	12,637
Including Replacement Demand (50% historical losses for industrial and warehousing)		
Office and R&D	11,228	-42,223
Industrial	21,537	-3,164
Warehousing	28,484	19,516

Source: Icení analysis of Eastbourne Council Monitoring

Net Absorption Model

- 8.30 An additional employment needs model, not considered previously in the 2022 Economic and Employment study but widely accepted, looks at the past take-up of space occupied (rather than floorspace delivered) measured by net absorption using CoStar data. This is the balance between the amount of space moved into and moved out of (i.e. Net absorption = Move-ins – Move outs) equating to the change in occupied space.

- 8.31 This differs from the net completions-based projections in that it predicts future floorspace requirements directly based on demand for floorspace rather than past completions of floorspace (which is a proxy for floorspace demand). The table below shows the average rate of take-up since 2011, in line with the completions trend.

Table 8.6 Eastbourne Average Net Absorption per annum (sq.m)

Time Period	2011-24
Office	410
Industrial and Warehousing	205

Source: Icen analysis of CoStar data

- 8.32 The historic net absorption rates have then been projected forward to estimate employment floorspace requirements for 2025-42. These estimated floorspace requirements also include a margin for flexibility and allowance for future vacancy. An allowance for replacement demand has not been applied as the net absorption-based projection inherently captures this.

Table 8.7 Employment Floorspace Requirement by Net Absorption Projection 2025-42 (sq.m)

Time Period	Net Absorption – 10-year trend
Office	6,965
Industrial and Warehousing	3,477
Including Margin for Flexibility – 2-year average gross completions	
Office	8,073
Industrial and Warehousing	8,412
Including Future Vacancy – 7.5%	
Office	8,595
Industrial and Warehousing	8,672

Source: Icen analysis of CoStar data

Summary of Eastbourne Employment Needs

- 8.33 This above section of this report has undertaken a range of detailed forecast modelling to consider the future employment land needs of the district. The findings are summarised in the table below. Floorspace requirements have been converted to land requirements using a plot ratio of 0.5 for office and R&D and 0.4 for industrial and warehousing.

Table 8.8 Eastbourne Employment Floorspace Requirements 2025-42 (sq.m)

Type	Labour Demand	Labour Supply	Gross Completions	Net Completions	Net Absorption
Office	6,600	16,900	11,200	-42,200	8,600
Office – WFH	4,900	12,200			
R&D	600	200			
Industrial	11,500	16,300	21,500	-3,200	8,700
Warehouse	19,200	36,00	28,500	19,500	
Industrial & Warehousing Subtotal	30,700	52,300	50,000	16,400	8,700
Total*	36,200	64,700	61,200	-25,900	17,300

Source: Iceni analysis of Council Monitoring

*Total uses WFH sensitivity for labour demand/supply models

NB: Rounded to nearest 100 sq.m

Table 8.9 Eastbourne Employment Land Requirements 2025-42 (Ha)

Type	Labour Demand	Labour Supply	Gross Completions	Net Completions	Net Absorption
Office	1.3	3.4	2.2	-8.4	1.7
Office – WFH	1.0	2.4			
R&D	0.1	0.0			
Industrial	2.9	4.1	5.4	-0.8	2.2
Warehouse	4.8	9.0	7.1	4.9	
Industrial & Warehousing Subtotal	7.7	13.1	12.5	4.1	2.2
Total*	8.8	15.6	14.7	-4.4	3.9

Source: Iceni analysis of Council Monitoring

- 8.34 Overall, the results report a range of -25,900 to 64,700 sq.m of employment floorspace need over the 17-year plan period, equivalent to -4.4 to 15.6ha. This compares to the 2022 Economic and Employment Study which saw a needs range of -39,600 to 92,300 sq.m or -8.3ha to 20.3ha over a 20-year plan period.

Recommendations

- 8.35 For reference, the 2022 Economic and Employment Study recommended a need of 3.1 or 15,500 sq.m for office (based on the labour supply model) and 11.4ha for industrial and warehousing, derived from the mid-point of the net and gross completions models. However, the net completions for industrial has been falling in recent years in Eastbourne.

Offices

- 8.36 The office market continues to face a lack of demand following the pandemic as home and hybrid working continues. Eastbourne continues to see a loss of office space within the town centre. Whilst it seems reasonable to expect some level of future demand for flexible or managed workspaces, the previous recommendation of 3.1ha in the 2022 Economic and Employment Study is excessive in the current market. A lower need of **1ha or 4,900 sq.m**, as per the labour demand WFH model, should be planned for.

Industrial and warehousing

- 8.37 As discussed earlier in this chapter, there is a declining relationship between employment forecasts and floorspace densities due to productivity improvements through increased automation and mechanisation. Throughout the plan period businesses adopting technological improvements will see lower employment growth but increased economic output and also an increase in the skill-level of jobs provided, albeit fewer overall jobs. Modern industrial premises are required to facilitate these improvements, which is not captured within the labour demand model. Therefore, this model should be viewed with caution.
- 8.38 Low vacancy rates and stakeholder feedback indicate continued demand for industrial and warehousing space. It is recommended that **as a minimum** Eastbourne should plan for the net completions trend of **4.1 ha or 16,400 sqm**, which includes an allowance for replacement demand. However, as this falls below the labour demand and supply models, this should be considered as a minimum and the labour demand model of **7.7ha or 30,700 sqm** should be considered as a more positive position, to aid a better alignment between future employment needs and commercial space, albeit uncertain at this time. The latter figure also better aligns to previous 2022 recommendations. This still falls behind the labour supply position, which in itself assumes that Eastbourne is able to meet its standard method housing need.

Supply

- 8.39 The Council has provided its most recent commitments data, as of the start of the 2025/26 monitoring year (April 2025). There is a total of 765 sq.m or 0.2ha of office supply and a total industrial and warehousing supply of 19,200 sq.m, equivalent to 4.8ha.

Table 8.10 Eastbourne Commitments (April 2025)

	Office - E(g)(i)	R&D – E(g)(ii)	B Mix	Light Industrial E(g)(iii)	B2	B8	Industrial and Warehousing Subtotal
Floorspace (sq.m)	765	0	10,625	0	442	8,092	19,159
Ha*	0.2	0	2.7	0	0.1	2.0	4.8

Source: Council Monitoring

**converted using 0.5 plot ratio office and 0.4 industrial and warehousing*

- 8.40 The table below summarises the extant allocations from the existing Local Plan. It is of note that whilst Sovereign Harbour contributes a significantly to office supply, there have been historic delivery challenges in the site coming forward.
- 8.41 Additionally, Policy EL2 from the Eastbourne Employment Land Local Plan (2016) is based on the intensification of existing designated industrial estates. However no specific sites have been identified; given the tight market reported within the district, the likelihood of sites coming forward for redevelopment and intensification could be questioned.

Table 8.11 Eastbourne Existing Allocations

	Office	Industrial & Warehousing
Town Centre Development Opportunity Site 2: Land adjoining the Railway Station and Enterprise Centre – EL3	3,750	
Sovereign Harbour Site 6 – EL4	8,000	
Designated Industrial Estates – EL2	1,875	20,000

Source: Council Monitoring

**converted using 0.5 plot ratio office and 0.4 industrial and warehousing*

Potential Supply

- 8.42 The supply does not include other sites being considered for allocation, which provide an additional potential supply:
- Former Gas Works, Finemere Road (RO31) – 15,925 sq.m of Mixed B
 - Post Office depot between Southfields Road and Upperton Road (TO02) – 1,000 sq.m of E(g)(i)

Summary of Eastbourne Demand Supply Balance

- 8.43 The table below reports on the balance of needs taking into account the commitments and then existing allocations.
- 8.44 Based on the recommended needs, there is a surplus of office space of 7,600 sq.m. However, assuming that Sovereign Harbour does not come forward for office development, which it is not likely to do, results in a small shortfall of 385 sq.m. Taking into account draft allocations of 1,000 sq.m, the shortfall can be met.
- 8.45 Assuming the minimum industrial requirement of 16,400 sq.m is met, there is a surplus of industrial and warehousing supply equivalent to 22,800 sq.m or 5.7ha. However, this is heavily reliant on the intensification of existing industrial estates, the deliverability of which is uncertain. Excluding this supply results in a smaller surplus of 2,800 sq.m.
- 8.46 If Eastbourne was to plan for the upper recommendation of 30,700 sq.m, there would be a shortfall of industrial floorspace. The draft allocation at Former Gas Works of 15,295 sq.m may therefore be required to ensure industrial and warehousing requirements are met in the absence of intensification of existing sites, to help meet the higher level of need in Eastbourne and achieve economic growth.
- 8.47 Advice on the composition and potential locations of need is provided in the conclusions section.

Table 8.12 Eastbourne Demand / Supply balance 2025-42 (sqm)

	Office	Industrial & Warehouse	Total
Recommended need 2025-42 (sq.m)	4,900	16,400	21,300
Commitments (sq.m)	765	19,159	19,924
Residual need 2025-42 (sq.m)	-4,135	+2,759	+1,376
Town Centre Development Opportunity - EL3	3,750		
Sovereign Harbour	8,000		
Intensification of Industrial Estates		20,000	
Residual Need (sq.m)	+7,616	+22,759	+30,375
Residual Need (Ha)	+1.5	+5.7	+7.2
Potential Supply	1,000 sq.m	15,295 sq.m	18,925 sq.m

Source: Iceni analysis, Authority Monitoring Data 2025

9. CONCLUSIONS – WEALDEN

FEMA

- 9.1 Updated analysis indicates that the FEMA remains unchanged from the 2022 Economic and Employment Study and there remains an alignment between the FEMA and the HMA boundaries for Wealden. It should still be recognised that Uckfield is in a zone of transition and that both Eastbourne Borough and Wealden District Councils should continue to liaise with surrounding authorities, both in agreeing FEMA geographies and in discussing any issues associated with unmet needs (either from Wealden/Eastbourne or neighbouring areas as relevant).

Policy Matters

- 9.2 The NPPF (December 2024) introduces emphasis under 'Building a strong, competitive economy' on the need for planning policies to:
- set criteria, and identify strategic sites, for local and inward investment to match the strategy and to meet anticipated needs over the plan period; and
 - pay particular regard to facilitating development to meet the needs of a modern economy, including by identifying suitable locations for uses such as laboratories, gigafactories, data centres, digital infrastructure, freight and logistics.
- 9.3 The Wealden Economic Development Strategy 2023-33 emphasises supporting local land-based industries such as farming and food production, boosting rural tourism and small business growth. The challenges highlighted in the strategy are skills and labour shortages, limited supply of commercial premises constraining business growth, the need for new investment mechanisms and keeping town centres vibrant amid changing retail and consumer habits.

Local Economy

- 9.4 Wealden continues to see low claimant count levels at 2.2% compared to the wider South East rate of 3.1%. Wealden sees low levels of economic activity at 74.8%, compared to 81.1% in the South East. Average wages in Wealden sit between the regional and national average at £735.90. However, workplace earnings in Wealden (£671.80) are lower than resident earnings, suggesting that significant out-commuting is occurring.
- 9.5 In terms of sector employment, between 2020 and 2023, the sharpest declines occurred in Financial services, Public admin & defence and Education. Over the longer term, Agriculture and Real estate sectors have seen sector gains, while construction and manufacturing declined slightly.

-
- 9.6 Wealden continues to have a high business density and steady business growth, supported by high business survival rates compared to comparator areas.

Commercial Market

Office

- 9.7 Wealden's office stock has continued to decline in recent years. Since 2021, Wealden has seen consistently negative net absorption of office space, with occupiers continuing to release space onto the market. The vacancy rate is 4% as of September 2025; however, this is suppressed by continued loss of office stock to other uses. Office leasing activity has declined year on year since 2019, with limited activity focused within smaller properties of less than 500 sqm. Market feedback indicates that demand is starting to pick back up for office floorspace although demand is for smaller, flexible spaces.

Industrial

- 9.8 Demand for industrial space has remained strong, with positive net absorption each year since 2019. Although the vacancy rate has been rising in recent years, it remains relatively low at 5.2% and rental growth has continued. There is limited availability of all types of units, in particular quality units and smaller starter units (<100 sqm). Market feedback suggests that vacancy is actually around 2% and available stock consists of older aged units. There is little flexibility in the market, which has hindered renewal and refurbishment of stock. There is a shortage of small and medium grow-on space, with a number of businesses across multiple units looking to consolidate. Agents reported a need for further employment land in the north of the district around Uckfield and Crowborough.

Future Employment Land Needs

- 9.9 **Offices:** The office market continues to see a lack of demand for space following the pandemic and businesses continue with home and hybrid working. Looking to 2042, it is reasonable to expect some future demand, particular for modern premises, as older floorspace is lost to other uses and businesses encourage workers back into the office. We deem it appropriate to plan for **3.2ha or 16,100 sqm** of office floorspace, derived from the labour demand Working From Home (WFH) sensitivity model. This closely aligns with the net absorption model and is in line with the lower end of the recommended need of the 2022 Economic and Employment Study.
- 9.10 **Industrial and warehousing:** The labour demand model has not been pursued due to the declining relationship between employment forecasts and floorspace densities due to mechanisation and automation driven productivity improvement. Market signals and stakeholder engagement indicate that there is strong, ongoing demand for industrial and warehousing premises. There is a reported lack of flexibility in the market to allow for business expansion and market churn. It is appropriate to plan for the net completions model, which is equivalent to **44.6ha or 178,300 sqm**. This reflects that not all future supply will be provided for on greenfield sites and a level of recycling of existing stock

is expected to yield supply within the plan period. This requirement is closely in line with the 2022 Economic and Employment Study; however, over a shorter 17-year plan period, resulting in a slightly higher per annum requirement, reflecting the levels of heightened market activity and demand across Wealden. It is of note that this figure is close to (but slightly higher than) the labour supply model, which has increased with higher housing numbers in the district. Increased employment floorspace would allow for more local employment and potentially reduce out commuting.

- 9.11 Current supply figures suggest that after taking into account commitments, a residual need of 9,287 sqm / 1.9 ha of office exists. It is not recommended that office specific designations are made; however, conversions or developments in town centres should be encouraged.
- 9.12 For **industrial premises, the residual need is 38.4 ha / 153,600 sqm**, albeit this would be dependent on all commitments coming forward. However, this does not take account of potential draft allocations (60,750 sqm) in the draft Wealden Local Plan (Regulation 18) published in March 2024. There is also a potential 66,370 sqm of industrial/warehouse floorspace contained within a planning application at Polegate. Should the draft allocations remain in the next Plan iteration, there would be a modest shortfall in employment floorspace.

Policy Considerations

- 9.13 Employment forecasts indicate a good employment growth outlook, despite the pandemic related setback rebasing employment levels. As noted in the previous Economic and Employment study, the tourism economy will continue to be a driver and niche sectors such as viticulture are reportedly promising in developing rural diversification. Housing growth is also likely to support employment in sectors such as construction. Professional services are expected to grow which may in part be facilitated by remote working practices.
- 9.14 Whilst there is forecasted growth in office-based sectors, in reality, there are no signals for substantial new build office requirements. Development may be owner occupier, ad hoc or delivered through refurbishment of existing buildings – including for flexible workspace, including co-working space.
- 9.15 There is continued strong demand for a range of industrial units to support businesses throughout all stages of their lifecycle from start-up to grow-on space. Supply injections will be critical to providing flexibility within the market to allow for intensification and redevelopment to come forward without businesses losses. The draft allocations and the pending site that has a planning application would get closer to meeting the quantitative employment land needs in Wealden.
- 9.16 However, it is recommended that development in the north of the district, particularly around Crowborough, Uckfield and along the A22, should be explored, to support the expansion of businesses located in these towns. The expansion of the Ashdown Business Park should be further

explored as an option to satisfying this demand in this regard. Other locations further north in the district are likely to fall within the High Weald National Landscape

10. CONCLUSIONS – EASTBOURNE

FEMA

- 10.1 Updated analysis indicates that the FEMA remains unchanged from the 2022 Economic and Employment Study and there remains an alignment between the FEMA and the HMA boundaries.

Local Economy

- 10.2 Eastbourne's claimant count sits above the national and regional rate at 4.7%, in addition to having a lower employment rate of 76.1% compared to the region and national rates. However, this has been increasing since 2020.
- 10.3 Between 2020 and 2023, Eastbourne experienced limited employment growth in Professional services, Health and Social, Manufacturing and Agriculture, whilst seeing losses in Transport and Financial Services.
- 10.4 Eastbourne sees a relatively lower business density compared to the region, exacerbated by business count decline since 2021. Despite this, 5-year business survival rates are higher than the regional and national average.
- 10.5 Eastbourne residents in full-time employment earn an average gross weekly pay of £704.90 – lower than the regional and national average. Workplace earnings are lower than resident earnings at £667.30, indicating commuting to higher paid jobs.

Commercial Market

Office

- 10.6 Eastbourne has seen a continued decline of office floorspace, due to permitted development rights. Since 2022, net absorption of office space has been negative, as businesses continue to vacate space or downsize following the pandemic. Vacancy rates are low at 1.4%; however, this is not an indicator of demand taking space, rather diminishing supply. Rental growth for office space has plateaued and rental levels are not viable to support new build development, such as the Sovereign Harbour scheme. Given the market climate, flexible co-working space has been successful, with two operators both located by Eastbourne station, benefiting from strong accessibility.

Industrial

- 10.7 Eastbourne's industrial stock continues to decline, with pressure from non-employment uses, such as self-storage facilities and leisure. Whilst net absorption has been negative since 2020, this is considered to be a product of lack of supply and a tight industrial market rather than a lack of demand,

further supported by strong rental growth. The vacancy rate remains at sub-5% levels at 4.8%, which has restricted market churn and hindered intensification and redevelopment of space. Market feedback reinforces the messaging around strong demand and highlights that there has been a loss of businesses to neighbouring districts, due to a lack of grow-on space within Eastbourne. Despite reported demand, a recently delivered high-spec unit at Brampton Road has remained vacant since completion in 2024.

Future Employment Land Needs

- 10.8 **Offices:** the office market continues to face a lack of demand following the pandemic, as home and hybrid working continues. Eastbourne continues to see loss of office space within the town centre. Whilst it seems reasonable to expect some level of future demand for flexible or managed workspaces, the previous recommendation of 3.1ha in the 2022 Economic and Employment Study is considered excessive in the current market. A lower need of **1ha or 4,900 sqm**, as per the labour demand WFH model, should be planned for, although this would be expected through windfall or mixed-use development, not standalone allocations. Despite the current lack of demand, the most realistic location for providing office space in the long term to meet arising need remains the town centre as part of wider mixed-use development, or as part of ancillary offices developed within industrial areas. In this context, it is not considered that the local authority should specifically allocate for office space through the Local Plan.
- 10.9 **Industrial and warehousing:** Low vacancy rates and stakeholder feedback indicate continued demand for industrial and warehousing space, although there are some mixed messages on market requirements. It is recommended that as a minimum Eastbourne should plan for the net completions trend of 4.1 ha or 16,400 sqm, which includes an allowance for replacement demand. However, as this falls below the labour demand and supply models, this should be considered as a minimum and the labour demand model of 7.7ha or 30,700 sqm should be considered as a more positive position, to aid a better alignment between future employment needs and commercial space, albeit uncertain at this time. The latter figure also better aligns to previous 2022 recommendations. This still falls behind the labour supply position, which in itself assumes that Eastbourne is able to meet its standard method housing need.
- 10.10 Assuming the minimum industrial requirement of 16,400 sq.m is to be met, there is a surplus of industrial and warehousing supply equivalent to 22,800 sq.m or 5.7ha. However, this is heavily reliant on the intensification of existing industrial estates, the deliverability of which is uncertain. Excluding this supply results in a smaller surplus of 2,800 sq.m. If Eastbourne was to plan for the upper recommendation of 30,700 sq.m, there would be a shortfall of industrial floorspace. The draft allocation at Former Gas Works of 15,295 sq.m may therefore be required to ensure industrial and warehousing requirements are met in the absence of intensification of existing sites, to help meet the higher level of need in Eastbourne and achieve economic growth.

Policy Considerations

- 10.11 Whilst there is sufficient supply to meet Eastbourne's employment land requirements, this is heavily reliant on the intensification of existing sites. It is reasonable to expect that some industrial sites will come forward for redevelopment through the Plan period; however, policy mechanisms should encourage this. Where possible existing industrial areas should be protected and intensification encouraged.
- 10.12 Conditions within the office market do not support the development of new build office development, such as the Sovereign Harbour site which has seen historical delivery challenges. Bringing new office space to market is likely to need public sector support to be brought forward or cross-subsidising within a mixed-use scheme.