Maximising Returns for Landowners

Commercial & Employment Development Land

A Practical Guide for Landowners

How planning policy, location, infrastructure, market demand and promotion routes can affect commercial development potential.

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What Is Commercial or Employment Development Land?

Commercial or employment development land is land that may support business, industrial, logistics, office, research, service or mixed commercial uses. It should be assessed against the needs and effects of the intended activity rather than treated as a single generic category.

A site does not need to be suitable for housing to have development potential. Land near strategic roads, established employment areas, towns, ports, rail freight facilities or major infrastructure may have a commercial role, but policy support, access, services, environmental effects and market demand must all align.

Land does not need to be suitable for housing to have development potential. Employment uses require their own planning, market and infrastructure assessment.

Why do councils plan for employment land?

Local Plans must consider economic growth and the land needed by businesses. Employment evidence helps councils understand existing supply, future demand, sector requirements, losses of business space and whether additional sites should be allocated or protected.

- Identify land for industrial, logistics, office, research and service uses
- Support business growth, investment and the expansion of existing employers
- Replace unsuitable or lost employment premises where evidence justifies it
- Coordinate jobs, homes, transport, infrastructure and sustainable travel
- Build a deliverable supply of sites for different occupiers and timescales

Where does it sit in the development process?

Employment evidence / Call for Sites → site assessment → Local Plan allocation or planning application → infrastructure delivery → marketing and occupation

Read the full online Commercial & Employment Development Guide

Why the Right Use and Location Matter

A field beside a motorway junction is not automatically suitable for warehousing, just as land beside an industrial estate is not automatically capable of extending it. The development plan may protect the countryside, direct growth elsewhere or require evidence that the proposed use belongs in that location.

The likely occupier market is equally important. A small local business estate, manufacturing plant, regional logistics building and research campus require different access, labour, power, building, yard, landscape and amenity conditions. The planning case should identify a credible use and delivery period rather than rely on a broad commercial label.

Planning policy support

Review the adopted and emerging Local Plan, employment land studies, economic strategy, allocations, protected sites, settlement pattern and countryside policies. A recognised economic need does not remove the requirement for a suitable and deliverable location.

Market demand must match the site

Evidence should address likely occupiers, building sizes, competing supply, rental or purchase demand, phasing and the geography from which businesses are expected to be drawn. Roadside visibility alone is not evidence that firms can or will occupy the scheme.

Infrastructure and environmental effects

HGV routing, staff travel, power, drainage, water, digital connectivity, building height, noise, lighting, landscape, ecology and neighbouring amenity can change both the net developable area and the uses that are acceptable. These matters should shape the concept before value expectations are fixed.

Commercial development is strongest where the policy case, occupier market, access, infrastructure and environmental capacity all support the same proposition.

Check England Local Plan Opportunities

What Commercial and Employment Uses Can Be Considered?

Commercial and employment development covers several distinct planning and market formats. The current Use Classes Order and the precise activity should be checked, but the practical starting point is to understand how the proposed occupiers would use the land, buildings, yards and infrastructure.

Small Workshops & Trade Units Flexible units can serve local firms and growing businesses, but still need practical access, parking, servicing, drainage and affordable estate infrastructure.	**General Industrial & Manufacturing** Manufacturing may require substantial power, water, process drainage, loading, ventilation and controls for noise, emissions, vibration or shift working.
Warehousing & Logistics Logistics land depends on HGV routing, junction capacity, yard depth, trailer parking, building height, surface-water storage and strategic-road access.	**Offices & Business Space** Office development commonly places greater weight on public transport, skilled labour, digital connectivity, amenity, services and a high-quality environment.
Research, Laboratories & Technology Specialist occupiers can require resilient power, cooling, security, controlled servicing, ventilation and proximity to skills, institutions or related businesses.	**Mixed Commercial & Employment** A mix of uses can broaden the market, but access, infrastructure, phasing and environmental effects must be tested across the complete scheme.

What will the council assess?

- Planning policy, economic evidence and the need for the proposed use
- Whether the location suits the likely occupier market and scale of scheme
- Safe access, junction capacity, HGV routes and staff travel options
- Electricity, water, foul drainage, surface water and digital connectivity
- Net developable area after roads, yards, drainage, landscape and buffers
- Noise, lighting, air quality, ecology, landscape and neighbouring amenity
- Availability, phasing, viability, infrastructure timing and deliverability

A use-class label does not establish that development is acceptable. The authority must still assess the location, operational effects, infrastructure and complete planning case.

What Makes a Credible Commercial Development Opportunity?

Employment proposals often require substantial buildings, yards, roads and service infrastructure. A credible opportunity brings policy, market, transport, utilities, environmental evidence and commercial delivery together rather than presenting each matter in isolation.

1. Planning and policy case — Explain how the site responds to employment evidence, economic strategy, allocations, settlement pattern and the spatial strategy.

2. Realistic use and occupier market — Identify the activities, building formats, likely occupiers, demand area, delivery period and competing supply.

3. Commercial access and transport — Demonstrate a feasible junction, HGV route, internal circulation, parking, staff travel and sustainable transport strategy.

4. Power, drainage and utilities — Test capacity, reinforcement, connection routes, outfalls, lead times and the land required for infrastructure.

5. Net developable area — Allow for roads, yards, attenuation, landscape, ecology, easements, topography, ground conditions and amenity buffers.

6. Delivery, phasing and value — Coordinate planning, infrastructure, land control, funding, purchaser obligations and the route to a competitive sale.

A credible employment case explains why the use belongs in this location and how the complete scheme can be serviced, mitigated, occupied and delivered.

Is My Land Suitable for Development?

Technical Evidence That Can Strengthen an Employment Site

The level of technical work should reflect the proposed use, site scale and planning stage. The strongest evidence answers the questions that could materially alter the scheme: whether commercial vehicles can reach it, whether power and drainage can be delivered, how effects will be controlled and whether a viable occupier market exists.

Access & Transport

Test junction feasibility, HGV routes, capacity, visibility, internal circulation, staff travel, public transport and active-travel connections.

Power & Utilities

Identify electricity demand, substations, reinforcement, connection routes, water, foul drainage, telecommunications and delivery times.

Flood Risk & Drainage

Large roofs and yards create substantial runoff. Establish flood constraints, levels, outfalls, attenuation land and a credible surface-water strategy.

Market & Employment Need

Use appropriate commercial agency evidence to test occupier demand, building sizes, competing supply, rents, land requirements and phasing.

Landscape & Visual

Assess building height, massing, site edge, views, lighting, landscape structure and the land needed to integrate the scheme.

Noise, Lighting & Air Quality

Model operational effects, HGV activity, plant, external storage, hours and sensitive neighbours before fixing flexible use parameters.

Ecology & Biodiversity

Map habitats, trees, water features, seasonal survey needs, biodiversity net gain and mitigation that may reduce or reshape the developable area.

Ground & Contamination

Review former uses, made ground, archaeology, minerals, geotechnical risks, demolition and remediation costs that could affect delivery.

Technical evidence should define a deliverable employment proposition. It should not be commissioned simply to make the planning file look complete.

What Happens Through Planning and Promotion?

Commercial land can progress through a Local Plan allocation, a Call for Sites, pre-application engagement, a planning application or a combination of routes. The terminology varies, but the sequence normally moves from policy and market testing towards a defined scheme, infrastructure strategy and sale proposition.

1. Initial site review — The location, policy position, ownership, access, existing employment context and obvious constraints are screened.

2. Employment and market evidence — Likely uses, occupier demand, building sizes, competing supply and delivery timing are tested.

3. Local Plan or Call for Sites promotion — The land may be submitted and assessed against the council's economic strategy and alternative sites.

4. Technical evidence and concept plan — Access, power, utilities, drainage, landscape, ecology, amenity and net developable area are coordinated.

5. Pre-application or planning application — The use parameters, phasing, infrastructure and environmental effects are presented for determination.

6. Allocation or planning permission — Policy support or consent is secured, but conditions, obligations, reinforcement and servicing work may remain.

7. Competitive marketing and sale — Developers, funds or owner-occupiers compare the same planning and infrastructure information before bidding.

Planning permission is not the same as a serviced plot. Highway works, utility reinforcement, drainage, remediation and conditions can remain substantial after consent.

Read: Planning Policy and Development Land

Read: Utilities and Infrastructure Guide

What If the Council Does Not Support the Site?

A council may reject or defer an employment site because it considers the location unsustainable, the need unproven, access unsuitable, infrastructure uncertain, landscape or amenity effects excessive, or alternative allocations sufficient. The first task is to identify the precise reason rather than respond to a general conclusion.

Some concerns can be addressed through revised use parameters, targeted market evidence, access work, power or drainage enquiries, environmental assessment, a smaller developable envelope or a different planning route. Other constraints may show that the land should be promoted for another use or retained for a later plan review.

A focused response can include:

- **Reviewing the council's assessment and the employment evidence it relied upon**
- **Testing whether the proposed use and scale match a genuine occupier market**
- **Commissioning targeted access, power, drainage or environmental evidence**
- **Revising building height, yard position, buffers, phasing or infrastructure**
- **Submitting representations at the appropriate Local Plan consultation stage**
- **Demonstrating availability, viability and a realistic route to occupation**

Continued promotion and market evidence matter

Employment needs, infrastructure investment, occupier enquiries and competing site delivery can change over time. A site that is not selected at one stage may become more relevant if allocated land is delayed, a major employer requires expansion space or the council updates its economic strategy.

A negative assessment should be understood and tested against the evidence. It is not automatically the end of a credible long-term employment opportunity.

How Can Commercial Planning Progress Affect Land Value?

Planning progress can increase certainty, widen the purchaser market and reduce the risk allowance in a commercial land appraisal. However, commercial value depends on more than permission: the net serviced area, infrastructure cost, abnormal works, delivery programme and completed property market all influence what a developer can pay.

Gross acreage is therefore a poor valuation shortcut. Roads, HGV yards, parking, drainage, landscape, biodiversity, substations and service corridors can consume a substantial part of the site. A purchaser will also deduct the cost and timing of highway works, utility reinforcement, remediation and planning obligations.

Net serviced area matters

A residual appraisal may consider rents, yields, build costs, finance, incentives, void periods, developer return and infrastructure. The assumptions should match the proposed commercial format and be stress-tested. A small trade park and a regional logistics scheme cannot be valued from the same generic rate.

Understand the planning position before agreeing terms

Selling or granting control before the policy, market and infrastructure position is understood can transfer future uplift to the other party. Before agreeing an option, conditional contract, promotion agreement or immediate sale, the landowner should compare the likely net outcome, timescale, cost deductions and control provisions.

For employment land, the key valuation question is not simply the gross acreage: it is the net serviced area, the infrastructure cost and the strength of occupier demand.

Find Out What Your Land May Be Worth

How Value My Land Can Help

Value My Land can assess commercial, employment and mixed-use potential where it is relevant to the location and planning context. We review Local Plan policy, employment evidence, settlement and transport relationships, existing business areas, access, utilities, principal constraints and the work needed to test a credible role for the land.

Initial Policy & Location Review We screen the Local Plan, employment evidence, transport relationships, existing business areas and the site's strategic context.	**Use & Market Strategy** We consider which commercial formats merit testing and what occupier, agent or economic evidence is needed to support them.
Access & Infrastructure Review We identify the principal HGV, staff-travel, power, utilities, drainage and off-site infrastructure workstreams.	**Technical Team Management** Where proportionate evidence is needed, we can coordinate transport, engineering, landscape, ecology, ground and other specialists.
Planning & Local Plan Promotion We can prepare and manage Calls for Sites, Local Plan representations, pre-application work and planning submissions under agreed terms.	**Competitive Disposal Strategy** After planning progress, we can prepare the information package and market the land to suitable developers, investors or owner-occupiers.

Promotion Agreements

Where a suitable opportunity is accepted under a Promotion Agreement, Value My Land can fund and manage the agreed planning and technical work at its own cost and risk. This can include the consultant team, Local Plan submissions, planning applications and the evidence needed to define a market-ready commercial proposition.

The landowner retains ownership throughout the promotion process. Following the agreed planning outcome, the land can be marketed competitively to appropriate developers, investors or owner-occupiers. Our agreed fee and recoverable promotion costs are paid from the sale proceeds in accordance with the agreement.

Request a Free Commercial Development Potential Review

Could Your Land Support Commercial or Employment Development?

If you own land near a town, employment area, strategic road or major infrastructure and would like to understand whether commercial, industrial, logistics, office, research or mixed development merits investigation, contact Value My Land for a free, no-obligation initial review.

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Value My Land

Planning, Infrastructure and Market Evidence Working Together

Further reading: Planning Policy | Access & Highways | Utilities & Infrastructure | Land Promotion Agreements

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