New Forest National Park Authority

Local Plan Review 2024 - 2043

Regulation 18 Part 2 consultation

Local Economy

Topic Paper

November 2025

Contents

1. Introduction and Context

1.1 The purpose of this topic paper is to set out the approach relating to the economic policies of the draft local plan in recognition of the area being a nationally protected landscape. Consequently, the National Park Authority will pursue its statutory purposes to conserve and enhance the natural beauty, wildlife and cultural heritage of the Park and to promote opportunities for the understanding and enjoyment of the Park's special qualities by the public. While pursuing these purposes, the Authority will seek to foster the economic well-being of local communities.

1.2 Given the variation in the local economy, this paper refers to both traditional employment uses, retail and tourism.

2. National Planning Policy

2.1 National planning policy in the NPPF (December 2024) confirms that National Parks have the highest status of protection in relation to landscape and natural beauty and conservation of wildlife and cultural heritage are important considerations. It outlines that both of these should be given great weight in planning policies and development management decisions. As well as reflecting these priorities, it states that planning policies should also support suitably located and designed development to facilitate the economic well-being of the area and its communities.

2.2 Indeed one of the strands of sustainable development, is the economic objective which states "*to help build a strong, responsive and competitive economy by ensuring that sufficient land of the right types is available in the right place and the right time to support growth, innovation and improved productivity; and by identifying and coordinating the provision of infrastructure*"

2.3 Chapter 6 'Building a strong, competitive economy', adds further detail in relation to 'supporting a prosperous rural economy', through policies and decisions that enable:

a) the sustainable growth and expansion of all types of business in rural areas, both through conversion of existing buildings and well-designed, new buildings;

b) the development and diversification of agricultural and other land-based rural businesses;

c) sustainable rural tourism and leisure developments which respect the character of the countryside; and

d) the retention and development of accessible local services and community facilities, such as local shops, meeting places, sports venues, open space, cultural buildings, public houses and places of worship

2.4 Also, given the nature of rural areas, that development is sensitive to its surroundings, utilises previously developed land and be physically related to existing settlement where suitable opportunities exist.

2.5 National policy on retail focusses on larger town centres and there are no towns in the New Forest National Park. However, Chapter 8 ‘Promoting healthy and safe communities’, refers to the creation of strong neighbourhood centres, provision of safe and accessible local shops to promote social interaction. Para 98 refers to “…*provide the social, recreational and cultural facilities and services the community needs, planning policies and decisions should:*

a) plan positively for the provision and use of shared spaces, community facilities (such as local shops, meeting places, sports venues, open space, cultural buildings, public houses and places of worship) and other local services to enhance the sustainability of communities and residential environments;

b) take into account and support the delivery of local strategies to improve health, social and cultural well-being for all sections of the community;

c) guard against the unnecessary loss of valued facilities and services, particularly where this would reduce the community’s ability to meet its day-to-day needs;

d) ensure that established shops, facilities and services are able to develop and modernise, and are retained for the benefit of the community; and

e) ensure an integrated approach to considering the location of housing, economic uses and community facilities and services “

3. General Local Economy Evidence

3.1 There are a number of data sources for the local economy, some of which is available specifically for the National Park, other data being for the wider New Forest District (70% of which is within the designated National Park).

3.2 The 2019 State of the Park Report, included the following headlines indicators:

Headline Indicators:

(1) There are over 2,500 businesses within the National Park	☑	Overall increase since 2011
(2) The National Park has an unemployment rate of 0.4% [71]	☑	Unemployment within the National Park continues to be very low

3.3 More recent data from 2021/22 reflects a similar picture and refers to over 2,500 businesses within the National Park. Data sourced from ONS Interdepartmental Business Register, specifically collated for the National Park, reveals the following main employment sectors for 2022 with 2021 data shown in brackets:

Broad Industry Group	Number of companies	Total employees	Turnover (£'000s)
Accommodation and food services	190 (140)	3692 (3142)	120,567 (136,488)
Health	115 (70)	2823 (1453)	61,343 (69,741)
Arts, entertainment, recreation and other services	140 (140)	1728 (842)	51,935 (91,688)
Agriculture, forestry and fishing	215 (185)	1598 (1,518)	61,234 (62,737)
Professional, scientific and technical	465 (445)	1508 (988)	100,806 (107,215)
Education	70 (45)	1348 (894)	27,440 (24,427)
Construction	275 (285)	1329 (1,055)	261,949 (273,486)
Retail	170 (130)	1032 (533)	54,899 (44,082)
Business, administration and support	205 (195)	985 (925)	90,728 (126,894)
Production	130 (120)	910 (1361)	* (461,503)
Public administration and defence	20 (15)	667 (*)	*(*)
Information and communication	170 (175)	501 (470)	55,472 (58,943)
Wholesale	75 (75)	537 (520)	*
Property	150 (150)	362 (*)	36,263
Motor Trades	85 (80)	351 (495)	133,842 (134,885)
Transport and storage	55 (50)	319 (618)	333,327 (467,857)
Finance and insurance	55 (40)	121 (91)	*(36,030)

Source: Inter Departmental Business Register (ONS March 2022) 2021 data presented in (). *Where the count rounds to zero or data deemed to be disclosive, employment or turnover is not stated.

3.4 The above paints a complex picture with some industrial groups having a substantial turnover when compared to the number of companies in the sector and total employees.

3.5 When comparing 2022 with 2021 data the following observations are noted:-

- Number employed in retail has significantly increased, whereas the number of companies and amount of turnover is not substantially different, likewise with education;
- For the agriculture, forestry and fishing sector the number of companies has increased, yet total number of employees and turnover remains similar, likewise for accommodation and food services;
- One of the key changes is the health sector where both the number of companies and employees has almost doubled, but turnover remains similar.

3.6 These variations may be due to the economy being in a state of flux coming out of the 2020/21 pandemic and companies either emerging or contracting as a result of the wider changing economic situation. Rural diversification opportunities in terms of conversion of premises and new small businesses being created may well account for the number of companies being initiated in both the agriculture, forestry and fishing and accommodation and food sectors.

3.7 Given the number of visitors to the New Forest National Park, it is not surprising that accommodation and food services employ the most people. A smaller proportion of employment is now found in traditional rural land-use activities such as farming, forestry and commoning, even though employment levels in these activities tend to be above the county, regional and national averages.

3.8 Other data sources such as that presented in the New Forest Economic Profile 2022, which covers both the New Forest District and the majority of the National Park, identifies the key employment sectors as being distribution, hotels and restaurants, followed by public administration, education and health, and then finance and business services.

3.9 The 2022 Partnership Plan for the period 2022 – 2027 includes the following shared ambition with reference to a living, working forest:

Thriving Forest – a living, working Forest is sustained through its rich cultural heritage, natural beauty and support for commoning. There is a vibrant local produce market, access to affordable homes and a growing green economy featuring sustainable tourism and green businesses.

- Protect cultural heritage assets and support commoning and local produce to sustain the unique natural beauty of the landscape and culture of the New Forest for future generations.
- Invest in green skills and jobs, creating a recognised reputation as a centre of excellence for a growing green economy.
- Provide more affordable housing.

3.10 This is in recognition that maintaining a high-quality natural environment can also contribute to substantial economic benefits by supporting the growing green economy, including sustainable tourism and helping to attract high value businesses and employees. Local produce and local businesses are also considered vital to the health and wellbeing of the rural environment and local economy. A particular feature of the New Forest is the presence of traditional commoning as a critical part of land management, through the use of ponies, cattle, donkeys, a few sheep and pigs to maintain its specific landscape. The grazing stock is owned by people known as Commoners who live in and around the Forest and occupy land to which certain common rights are attached. There are currently approximately 655 Commoners turning animals out onto the Forest, managed by the Verderers who are charged with regulating commoning on the Forest and its conservation.

3.11 The Employment Needs Assessment (Lichfields, 2025), commissioned jointly with New Forest District Council, recognises that employment is concentrated in the National Park's larger villages, particularly Lyndhurst, Brockenhurst, and Beaulieu, as well as in distinct business clusters visible in areas like the Sway/Hordle/Tiptoe vicinity and the Ashurst/Netley Marsh vicinity. The dominant sectors in terms of quantum of employment are Professional and Other Private Services, Manufacturing, and Administrative and Support Services, and these are distributed across these key employment locations, reflecting a mix of tourism, local services, administration, and specialised production.

3.12 Within short distances, the National Park is surrounded by local employment centres, such as Lymington, Ringwood and Totton, and larger urban areas that provide significant opportunities for employment development. Consequently, there is net out-commuting by Park residents to these larger centres, and, given their proximity, it is likely that some employment needs will continue to be met beyond its boundaries.

3.13 Analysis of Census 2021 National Park data reveals the following distances travelled to work and modes of travel:

Distance travelled to work	**%**
Less than 2km	4.9%
2km to less than 5km	3.8%
5km to less than 10km	5.1%
10km to less than 20km	5.3%
20km to less than 30km	2.6%
30km to less than 40km	0.8%
40km to less than 60km	0.4%
60km and over	0.8%
Works mainly from home	13.6%
Works mainly at an offshore installation, in no fixed place, or outside the UK	7.4%
Does not apply (not in employment or aged 15 and under)	55.2%

Source : Census 2021

Method used to travel to workplace	%
Work mainly at or from home	13.6%
Underground, metro, light rail, tram	0.0%
Train	0.3%
Bus, minibus or coach	0.4%
Taxi	0.1%
Motorcycle, scooter or moped	0.2%
Driving a car or van	24.4%
Passenger in a car or van	1.6%
Bicycle	1.0%
On foot	2.7%
Other method of travel to work	0.5%
Not in employment or aged 15 years and under	55.2%
	100.0%

Source : Census 2021

3.14 This indicates people commute using a car or van and travel generally less than 20km to workplaces, which could be either within or outside the national park boundary.

4. Employment Needs

4.1 The purpose of the Employment Needs Assessment 2025, is to consider economic development as defined by the NPPF, with a primary focus upon the typologies set out in the business use classes as outlined below:

- B2 general industrial: typically comprising factory and manufacturing space.
- B8 storage and distribution: warehouses, wholesale and distribution.
- Under the Use Classes Order, "B1 uses" have changed as follows:

(i) Former Class B1(a) to E(g)(i): office space;
(ii) Former Class B1(b) to E(g)(ii): research and development space; and
(iii) Former Class B1(c) to E(g)(iii): light industrial space

4.2 The study analyses current market signals, reviews economic conditions and recent trends and assesses the scale of future demand and growth potential to quantify the amount and type of floorspace needed to be expressed through the Local Plan for the period 2024 – 2043.

4.3 The study focuses on locally arising employment needs, rather than wider inward investment or strategic needs. The study does not take an in-depth assessment of future sectorial requirements, particularly with regard to the reference to planning for the growth of the modern economy as specified in the NPPF. A further consideration is that the National Park does not fit neatly into a functional economic market area. The 2021 Economic, Employment and Commercial Needs (including logistics) Study assesses the demand for employment space across the Partnership for South Hampshire (PfSH) Functional Economic Market Area (FEMA). As part of the analysis, the FEMA boundaries were reviewed having regard to commuting patterns, which concluded that only the eastern part of the New Forest District, specifically the area from Totton to Fawley, was functionally and economically integrated with South Hampshire. The New Forest National Park is reported to act as a natural barrier, separating this eastern zone from the western part of the district, which is more aligned with the Bournemouth/Christchurch area in terms of employment-related travel.

Existing Employment Land

4.4 In terms of existing employment land in the National Park, this is distributed as follows:

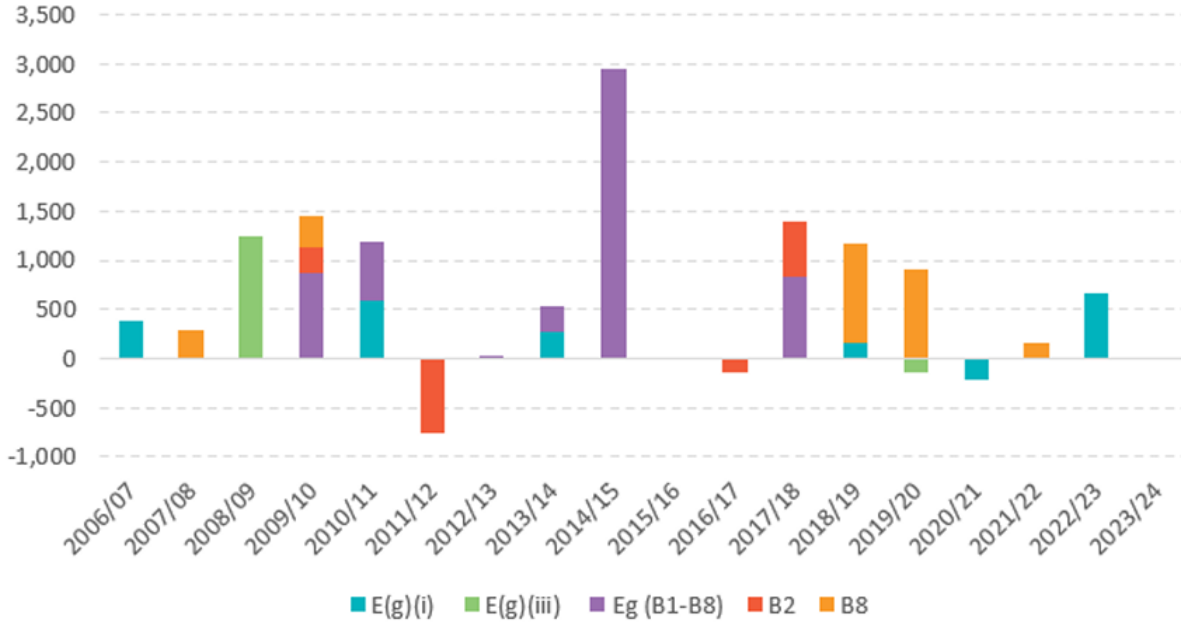
Use class	%
Office E(g) (i)/(ii)	35
Industrial E(g)(iii)/B2	56

Use class	%
Distribution B8	9
	100

Source: Fig 2.4 Employment Needs Assessment 2025

4.5 By way of comparison this equates to about 8.9% of the total floorspace within the study area which covers all of New Forest District. This is mainly comprised of industrial (40,630 sq.m) and office space (25,327 sq.m), with minimal distribution uses.

4.6 Over the last five years, net completions of employment uses have been limited, reflecting the wider economic climate, compared to previous years:



Source: Fig 2.8 Employment Needs Assessment 2025

4.7 With specific regard to office floorspace demand is limited, a notable trend being the conversion of agricultural buildings into office spaces, rather than new build schemes. There is about two years worth of current supply of office floorspace, when comparing average take up rates (source Table 2.3 Employment Needs Assessment 2025).

4.8 In terms of the industrial property market, this is characterised by modest, predominantly small-scale activity, but representing a limited but steady demand. The National Park has a vacancy rate of 3.0% and typically lower rents with a focus on a more constrained, locally driven industrial market, with between 0.7 and 1.2 years of supply, consistent with a low-activity but stable market. Recent monitoring of planning permissions granted but not implemented reveals about 1100sq.m of employment floorspace (B1- B8), comprising extensions to premises and changes of use, rather than new build.

4.9 Since 2013, Permitted Development Rights (PDR) have enabled conversion from office to residential uses without the need for planning permission. To date, about 13 conversions have been completed, collectively delivering approximately 49 new residential units.

4.10 Part of the Employment Needs Assessment is assessment of the existing stock in terms of their quality and ability to meet business needs. Of the forty sites assessed 84% were categorised as average or higher quality, 5 sites fell into the below-average category, and 1 site was classified as low quality. Those sites deemed as above-average and high-performing, share several key characteristics:

- they are typically well-located, either within or on the edge of village centres or along main roads;
- they offer strong accessibility via road networks and public transport;
- the sites often benefit from good visibility and prominence;
- the buildings are generally modern, well-maintained, or recently refurbished, with adequate parking provision;
- most sites have stable, long-standing occupiers, indicating consistent employment use, with signs of continued investment or growth; and
- these sites tend to, present potential for further intensification, expansion, or regeneration in ways that are compatible with their surrounding context.

4.11 With regard to the poorer performing sites, these are typically in poor physical condition with dilapidated buildings, minimal landscaping, and informal parking. Many are in remote rural locations with poor road access and limited connectivity. The sites are also frequently constrained by adjacent residential areas and being located within or near to conservation designations.

4.12 Out of the 40 sites surveyed, approximately 30 were found to have potential for some form of redevelopment, refurbishment, or on-site intensification. For many of these sites, future expansion depends on the level of business demand.

Labour Market

4.13 The National Park is characterised by a population that is significantly older and ageing at a faster rate compared to the average for Hampshire and the UK. In addition it has experienced a declining population, being driven by the ageing population with a higher number of deaths than births (i.e. negative natural change) (source, New Forest Strategic Housing Market Assessment 2025). Specifically, the New Forest (district and National Park) has a lower proportion of those aged 45 and younger and a particularly low number of people aged 20 to 29. The older population profile is more pronounced in the National Park area as it has a lower proportion of those aged between 20 and 39 years old and a much higher proportion of those aged 40+ than even the district. In addition, the National Park has a significantly higher proportion of residents aged 65 and over (33.8%) when compared to the South East (19.7%) and England (18.6%). The proportion of older residents has a consequential impact on the ability of local people to occupy local jobs, that said there is a need to enable those in younger cohorts to be able to work and live locally.

Future Labour Market

4.14 The Employment Needs Assessment only refers to labour growth in the wider New Forest, with a focus on the Solent Freeport sites within the Waterside sub area. It is projected that the Freeport could generate approximately 4,000 jobs in Research and Development (R&D) and technology, alongside 700 roles in advanced manufacturing and engineering. Given New Forest's existing maritime strengths, the Freeport will further boost opportunities in marine manufacturing and technology.

4.15 The study acknowledges that in the National Park there is a dominance of micro-businesses, employing less than 9 people, with a focus on services and light industry in key settlements:

Size of enterprise	No of enterprises
0-9 micro	2200
10-49 small	325
50 – 249 medium	50
250+ large	10

Source: ONS 2022 Inter Departmental Business Register

4.16 Part of the Employment Needs Assessment explored a number of scenarios to establish an assessment of future employment space required over the plan period.

4.17 Part of which looked at future labour demand, which included a bespoke assessment for the National Park, to provide a forecast employment change over the plan period with regard to workforce jobs:

Use	**Number of Workforce Jobs**		**Change 2025 – 2043**
	2025	2043	
Office E(g)(i)/(ii)	2,914	3,163	+249
Light Industrial E(g)(iii)	855	859	+4

Use	Number of Workforce Jobs		Change 2025 – 2043
	2025	2043	
General Industrial B2	3,073	3,166	+93
Distribution B8	1,011	865	-145
Total Office, Industrial, and Distribution Jobs	7,852	8,053	+201
Total Workforce Jobs	**25,340**	**27,550**	**+2,210**

Source: Fig 5.1 Employment Needs Assessment 2025

4.18 Office-based sectors account for 11.3% of total employment growth, while employment in storage and distribution-related sectors is forecast to decline by 6.6% over the same period. The remaining 90.9% of forecast growth is attributable to employment sectors which do not require large amounts of office or industrial floorspace, such as accommodation and food services, agriculture, forestry and fishing, or health. When the above workforce data is converted to employment floorspace this equates to about an additional 3,070 sq.m over the plan period.

4.19 In contrast an alternative means is to focus on the future supply of labour rather than demand for labour. This method estimates the number of new jobs needed to match the future supply of working-age population, reflecting the population forecasts of the Strategic Housing Market Assessment. Unfortunately, there is only a combined New Forest District and National Park output for this scenario, which generates a need for a total of 153,860 sq.m of employment floorspace.

Employment Space

4.20 A further scenario explores commercial property market data in terms of space occupied vs vacant. This indicates a low net absorption rate for the National Park, with an average of 210 sq.m per year (annual floorspace change). If this is protected over the plan period this generates a need for about 3,870 sq.m of employment floorspace.

4.21 Past development rates which reflect market demand and actual development patterns, are also analysed in terms of informing future space needs. An analysis of monitoring data on past completions of employment space indicates that over a 10-year period between 2014/15 and 2023/24, net average annual net completions for the National Park equates to 680 sq.m per annum, broken down as follows:

Use	Sq.m completions
Office E(g)(i)/(ii)	140
Light Industrial E(g)(iii)	-30
General Industrial B2	40
Distribution B8	210
B1-B8	380
Total	**680**

Source: Fig 5.5 Employment Needs Assessment 2025

4.22 Utilising this level of development and projecting forward over the plan period creates a need for about an additional 12,160 sq m of employment floorspace:

Use	Annual change (sq.m)	Floorspace Requirement (sq.m)
Office E(g)(i)/(ii)	140	1,090
Light Industrial E(g)(iii)	-30	-240
General Industrial B2	40	760
Distribution B8	210	3,730
E(g), B2-B8	380	6,810
Total	**680**	**12,160**

Source: Fig 5.6 Employment Needs Assessment 2025

Employment Land Requirements

4.23 In summary, employment requirements for the National Park vary from 4,450 sq.m to 13,550 sq.m under the various scenarios tested. On the basis that the monitoring data is considered the most appropriate and accurate source of robust evidence for this specific geography, the Employment Needs Assessment recommends that future employment requirements based on past trends of 13,550 sq.m should be reflected in the local plan.

4.24 The study breaks this down into:

Use	Floorspace sq.m
office	1,220

Industrial	4,760
Mixed use Eg, B2, B8	7,570
Total	**13,550**

Source: Employment Needs Assessment 2025

4.25 Taking into account existing commitments, through extant planning permissions equating to a total of 1,140 sq.m, this then leaves a net requirement of 12,410 sq.m:

Use Class	**Requirement to 2043**		**With planning permission**		**Shortfall**	
	Sq.m	Ha	Sq.m	Ha	Sq. m	Ha
Offices E(g)(i)/(ii)	1220	0.2	580		640	
Industrial and distribution E(g)(iii)/B2/B8	4760	1.1	560		3990	
E(g)(B1-B8)	7570	3.3				
TOTAL	13,550 sq.m		1,140 sq.m		12,410 sq.m	

Source: Employment Needs Assessment 2025

4.26 The Employment Needs Assessment then advises with regard to the local plan position, that "*with a limited supply pipeline and statutory development constraints, the proposed policies should primarily focus on maximising opportunities through the redevelopment, refurbishment, and on-site intensification of existing sites. While traditionally relying on windfall development, the Authority has an opportunity to take a more proactive stance in identifying and potentially allocating new employment sites where future activity could be considered compatible with the Park's purposes.*"

4.27 In addition, policies should seek to manage future losses and enable a flexible approach to respond to market demand and economic need. The study also acknowledges that given the nature of the National Park there are a significant range of rural employment sites, which make an important contribution to meeting local employment needs. These sites typically comprise rural accommodations (e,g barn conversions) that are well suited to smaller local businesses and start-ups and suggests that future planning policy should seek to provide a supportive framework for the continued use and potential growth of rural and other small sites subject to the usual planning factors (for example through a criteria-based approach on redeveloping sites and premises currently in employment use).

5. Retail Needs

5.1 Given the nature of the National Park, retail provision is focused in the larger villages serving the local population. Consequently, there has not been an assessment of future retail needs in terms of quantum of provision. The local plan takes a local view to retain where possible existing provision and allow for appropriate changes as necessary, along the lines of para 88(d) of NPPF.

5.2 A key change has been the introduction of a revised Use Classes Order in 2020/21, which merged several use classes into one, this means that planning permission is not required to change between the two.

5.3 Successive local plans have sought to safeguard the role of the local shopping frontages in Ashurst, Brockenhurst, Lyndhurst and Sway, in meeting some of the day-to-day retail needs of local residents and visitors. This has typically been done by setting a proportion of the designated shopping/commercial frontages (as shown on the existing local plan policies map) that should be retained where possible for retail uses. The policy approach specifically states that the proportion of retail units in the shopping frontages of Lyndhurst and Brockenhurst should not be reduced to less than 50% and 40% for the frontages in Ashurst and Sway.

5.4 However, changes to the Use Classes Order has broadened the list of activities now categorised under Class E 'Commercial, Business and Service' and Class F1-2 Local Community Facilities, deemed to be suitable within a shopping/commercial centre:

Use Class	Activities
Class E Commercial, Business and Service	Use, or part use, for all or any of the following purposes: a) Shop other than for the sale of hot food b) Food and drink which is mostly consumed on the premises c) the following kinds of services principally to visiting members of the public i. financial services ii. professional services (other than medical services) iii. any other services which it is appropriate to provide in a commercial, business or service locality d) Indoor sport and recreation (not swimming pools, ice rinks or motorised vehicles or firearms)

Use Class	Activities
	e) Medical services not attached to the residence of the practitioner f) Non-residential creche, day centre or nursery g) i) office ii) the research and development of products or processes or iii) any industrial process, (which can be carried out in any residential area without causing detriment to the amenity of the area)
Class F1 Learning and non-residential institutions	Any use not including residential use – a) For the provision of education b) For the display of artwork (not for sale or hire) c) As a museum d) As a public library or public reading room e) As a public hall or exhibition hall f) For, or in connection with, public worship or religious instruction g) As a law court
Class F2 Local Community Uses	a) A shop of not more than 280 square metres, mostly selling essential goods, including food, where there is no other such facility within 1000 metre radius of the shop's location b) Community halls and meeting places c) Outdoor sport or recreation (not involving motorised vehicles or firearms) d) Swimming pool or ice skating rink

.Source: Use classes order

5.5 2025 monitoring of the defined retail frontages reveals the following:

Use Class	Ashurst 40% A1 minimum		Brockenhurst 50% A1 minimum		Lyndhurst 50% A1 minimum		Sway 40% A1 minimum	
	No of units	%	No of units	%	No of units	%	No of units	%
A1	3	23.1	17	56.7	43	53.8	3	25
A2	0	0	2	6.7	7	8.8	2	16.7
A3	6	46.2	6	20	20	25.0	1	8.3
A4	0	0	0	0	2	2.5	0	0
A5	0	0	0	0	1	1.3	0	0
C1	0	0	0	0	1	1.3	0	0
C3	0	0	3	10	0	0	5	41.7
D1	0	0	0	0	0	0	1	8.3
D2	0	0	0	0	1	1.3	0	0
B1(a)	0	0	2	6.7	0	0	0	0
Sui Generis	4	30.8	0	0	5	6.3	0	0
TOTAL	13	100	30	100	80	100	12	100
E	9	69	26	87	69	86	7	58
F2	0	0	0	0	1	1	0	0
C1	0	0	0	0	1	1	0	0
C3	0	0	3	10	0	0	5	42
Sui Generis	4	31	1	3	9	11	0	0
TOTAL	13	100	30	100	80	100	12	100

Source: NFNPA Monitoring 2025

5.6 So, whilst the retail frontages have been retained for the time being, these will be subject to monitoring, the results of which may impact on the policy approach in the future. The evidence above already indicates that the previous percentage retention of specifically A1 shops has not been achieved in two of the frontages (Ashurst and Sway).

5.7 The New Forest Partnership Plan 2022 – 2027 includes reference to local produce with the variety of food and other products produced and sold locally continues to increase, giving the opportunity for people to live healthily and sustainably and at the same time support the local economy. Furthermore, that local produce and local businesses are vital to the health and wellbeing of the rural environment and local economy and in turn deliver the socio-economic duty as required by National Park legislation. It is therefore necessary for the local plan to include a positive strategy towards the retention and protection of existing local shops.

6. Tourism Needs

6.1 Like retail there is no specific quantitative data as to the future needs of the tourism industry from a planning perspective. Again, the 2022 Partnership Plan references sustainable tourism and the fact that there are over 15 million day visits each year, which has been increasing year on year. It is estimated that tourism related activities generate over £528 million annually and provide nearly 20% of all local jobs.

6.2 The 2025 Employment Needs Assessment acknowledges that tourism and hospitality sectors have a strong representation in the National Park. Tourism data for the National Park is collated via Global Tourism Solutions, which operate the STEAM model, provides estimates of the annual value, volume and economic impact of tourism, broken down into multiple categories, for any defined geographic area. Data collated for the period 2012 – 2023, specifically for within the National Park boundary includes the following headline findings:

Types and quantum of accommodation:

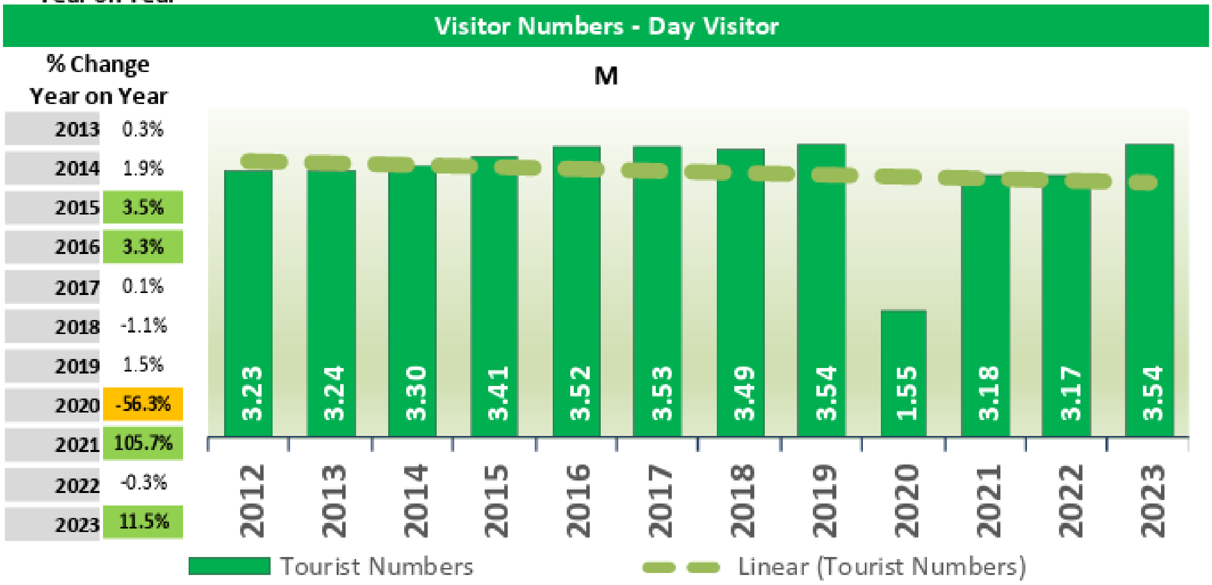
STEAM REPORT FOR 2012-2023 - FINAL
THE NEW FOREST NATIONAL PARK - WITHIN THE PARK BOUNDARY

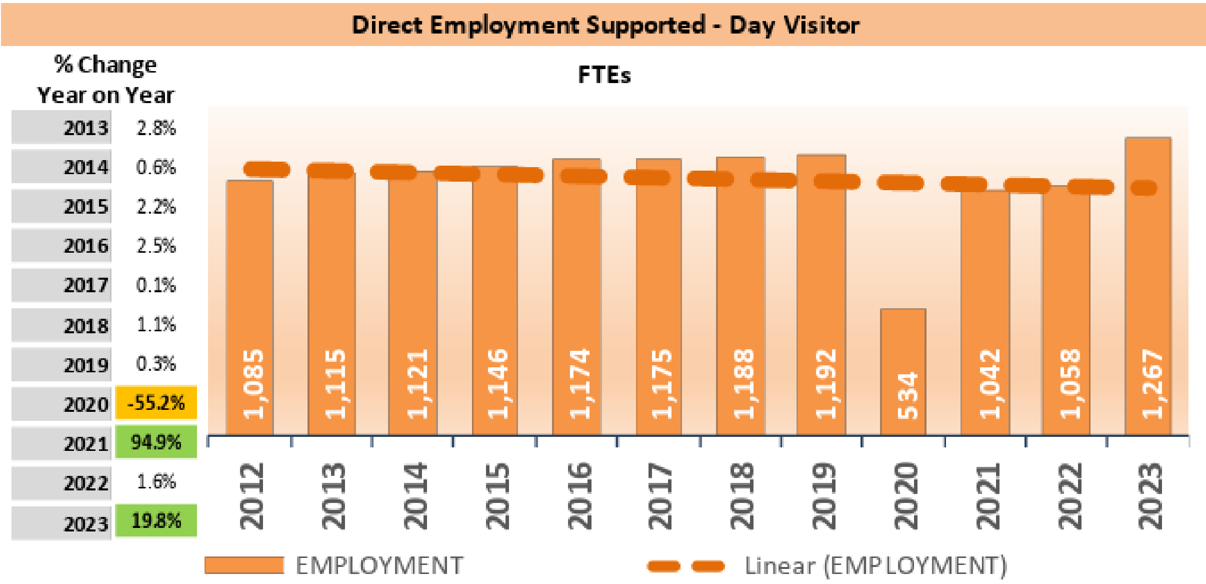
SERVICED ACCOMMODATION 2023	2023		Change on 2022		Change on 2012	
	Est.	Beds	Est.	Beds	Est.	Beds
Serviced Accommodation Total	72	2,225	-9	-47	-27	-291
+50 room hotels	2	266	0	0	-1	-143
10-50 room hotels	30	1,621	+1	+21	-0	+12
<10 room hotels/others	40	338	-10	-68	-26	-160

NON-SERVICED ACCOMMODATION 2023	2023		Change on 2022		Change on 2012	
	Est.	Beds	Est.	Beds	Est.	Beds
Non-Serviced Accommodation Total	161	18,052	0	+2,145	+81	+6,415
Self catering	103	649	-17	-93	+40	+297
Static caravans/chalets	0	2,079	0	+72	0	+1,975
Touring caravans/camping	58	15,324	+17	+2,166	+42	+4,179
Youth Hostels	0	0	0	0	-1	-36

6.3 The above data clearly shows a significant increase in the provision of non-serviced accommodation in terms of general self-catering provision (cottages to rent/Airbnb), static caravans/chalets and touring caravans/camping. In comparison hotel accommodation has not seen such dramatic increases, with both the number of small (less than 10 rooms) and large (greater than 50 rooms) declining in numbers, whereas there has been an increase in mid-range 10-15 bedroom hotels. Data also indicates to the number of people directly employed in serviced accommodation, declining:

6.4 In comparison to the numbers employed in non-service accommodation:





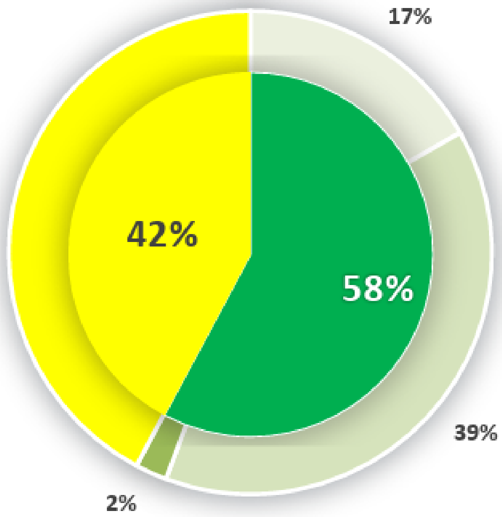
6.5 Day visitor numbers have been increasing in recent years as have the numbers employed supporting the day visitor industry:

6.6 Both day and staying visitors make a significant contribution to the local economy, the chart below indicates staying visitors contribute more, with those using non-serviced accommodation making the greater contribution:

Economic Impact - Historic Prices - £M - Share of Total

TOTAL
£415.74m

	£M
Serviced	69.60
Non-Serviced	161.92
SFR	8.87
Staying Visitor	240.39
Day Visitor	175.34
Total	415.74

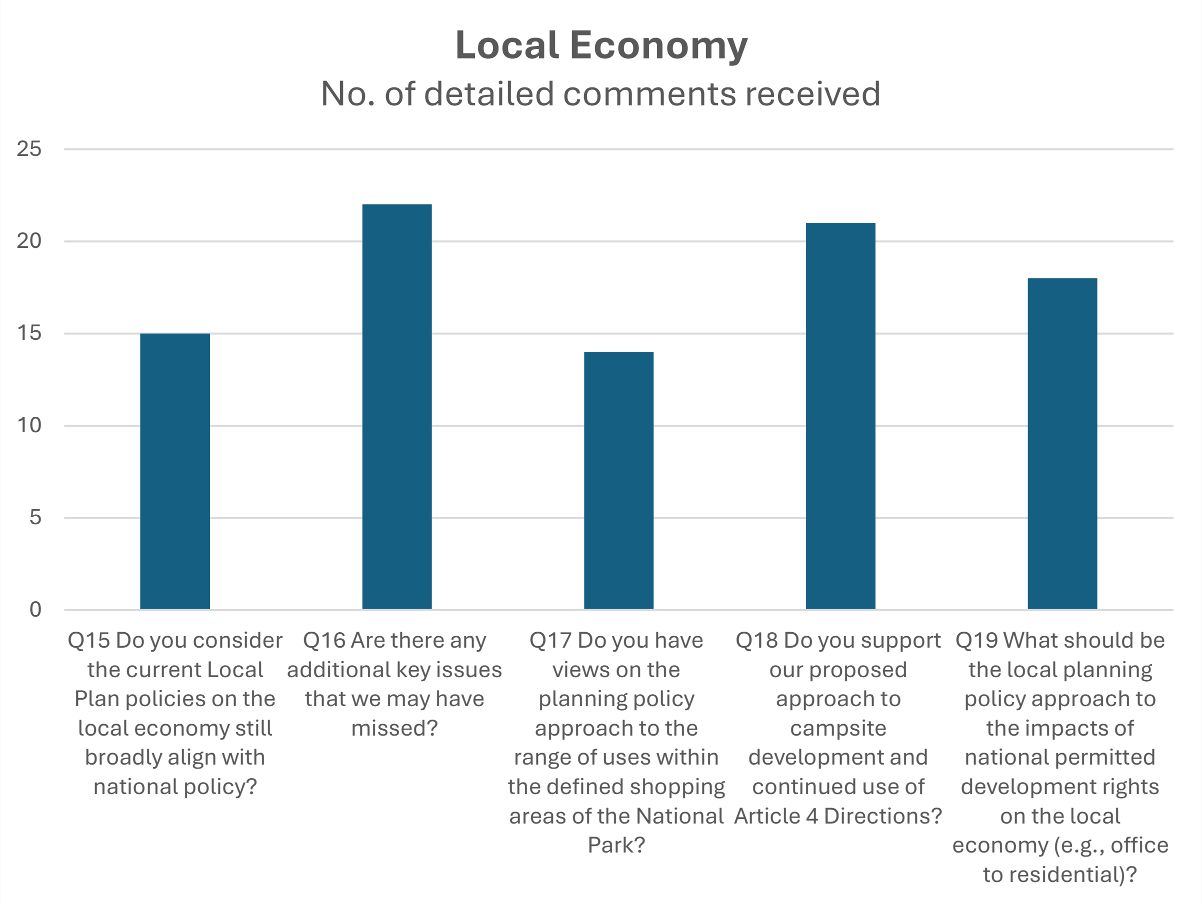


6.7 From a local plan perspective, whilst the value of the tourism industry is acknowledged in terms of the wider economy, there is also the need to balance impacts on the protected landscape and the villages within the National Park. To this extent the Authority introduced an Article 4 Direction in 2022 to limit the amount of 28 day ‘pop up’ campsites and a further Article 4 in 2024 in response to the Government's relaxation of permitted development rights in respect of temporary campsites. As a result the Authority has published guidance on this matter, which explains in more detail the implications of both Article 4 Directions and the need for temporary camping uses to address their recreational impacts on designated nature conservation sites and the need to meet requirements of the Habitat Regulations.

6.8 In addition, the New Forest has a number of large key tourist attractions such as Beaulieu Motor Museum, Paultons Park (Peppa Pig World) and Exbury Gardens to name just a few. These typically occupy large areas of land and have a range of associated buildings and infrastructure, which can pose challenges for a positive plan led response, to ensure the benefits of such facilities in terms of the wider economy are not outweighed by the potential adverse impacts.

7. Feedback from Regulation 18 (part 1) consultation

7.1 The Strategic Direct of Travel Document published for consultation in February – March 2025, specifically asked five questions in relation to the local economy, the number of responses to each are:



<u>Summary of Representations:</u>

7.2 Question 15 "Do you consider the current Local Plan policies on the local economy still broadly align with national policy?" comments received:

- A national park should have only a notional economy, local people/workers, local support for visitors and recreation facilities. The 'economy' is for the 99% of the land that is not national park;
- Plan should refer to the opportunities presented by the Solent Freeport designation;
- Should utilise opportunities to exploiting its natural assets to create business opportunities;
- Businesses to be climate friendly, provision of goods, services should be done with a minimum impact to the environment;
- Recognises commoning as being *'integral to the maintenance of the essential landscape character and cultural heritage of the area*", agricultural land should be retained and not developed or lost to other uses;

- protection of the character of rural areas and the maintenance of a thriving rural community can go hand-in-hand, through support for rural diversification recognise key sectors of the rural economy, provide for small/micro businesses, promote green businesses linked to natural capital;
- policies need updating to reflect changing habits and visitor expectations;
- strengthen policy controls on sustainable tourism to ensure that tourism development is only supported where it will not increase pressures on the National Park, considering both environmental impacts and impacts on communities;
- greater emphasis on flexible rural employment opportunities;

7.3 Question 16" Are there any additional key issues that we may have missed?", comments received:

- encourage those companies that associated with green economy and are producing goods or services that have a minimum impact on climate change;
- cycling and walking into and out of development locations should be given significant emphasis;
- land based economy should be strengthened to emphasise the importance of commoning;
- The Government's support for sustainable development should be reflected in the Authority's position in respect to meeting employment needs - in an assessment of how the local economy is supported by the working population, sustainability issues and the extent of the environmental impact of in/out commuting patterns compared to the effectiveness of the public transport system, should be taken into consideration;
- consideration of digital skills strategy, apprenticeship schemes and looking at suitable sites for developing a collection of local businesses that can support the wider New Forest economy and have links to a settlement such as a small business park;
- Given the role of large estates in supporting the local economy and communities within the New Forest, need to consider the use of Whole Estate Plans;
- Lack of detail with regard to Solent Freeport;
- need to ensure that tourism development is sustainable, short-term holiday lets are not explicitly addressed and can be detrimental to life in the forest and impact of second homes.

7.4 Question 17 "Do you have views on the planning policy approach to the range of uses within the defined shopping areas of the National Park?", comments received:

- lack of affordable housing in the National park presents a case for small surplus retail space to be used as housing;

- concerned with current policies that have enabled the loss of retail units within defined shopping areas to conversion into large residential buildings;
- Local shops and facilities should be encouraged by all means. The aim should be that local people should be able to easily access essential services by Active Travel or public transport wherever possible;
- Need to re-assess the need for shopping frontages;
- Local shopping supports resilient communities;
- Need balance between preserving retail uses and allowing flexibility to adapt to changing economic conditions.

7.5 Question 18 "Do you support our proposed approach to campsite development and continued use of Article 4 Directions?", comments received:

- Should be moving camping pitches off the sensitive sites and to areas outside;
- Campsites are needed in the National Park and this is a reasonable way of controlling them;
- This has been seen to be very effective and should continue;
- concerned about the environmental impact, particularly traffic impacts and light pollution arising from the intensification of existing campsite development through the development of lodges and permanent built development on these sites;
- Extensions of existing campsites reduces risk of impact of the forest and its wildlife - accepting tourism continues to be a key economic driver, and should welcome visitors to the park;
- Campsite and holiday park development should be absolutely focused on respectful and unobtrusive enjoyment of the natural environment. Campsites themselves should be exemplary in ecologically sound design and low impact recreation. Cycle paths and public transport should be readily available. Information and engagement about the natural and local environment are also key;

7.6 Question 19 "What should be the local planning policy approach to the impacts of national permitted development rights on the local economy (e.g., office to residential)?" comments received:

- As it's accepted that there is limited scope for new housing developments in the National Park - support a more flexible approach to the change of use of properties;
- More concerned with impacts of Airbnb;
- Further research would be needed to identify the specific types of loss occurring and their locations to determine whether a stronger policy approach and use of Article 4 could be initiated;

- Support the permitted rights as they provide greater flexibility to adapt office/business properties to residential where a building may otherwise be redundant;
- Depends upon the trend in terms of loss of employment floorspace and the scale of such;
- The NPA should seek to minimise these rights, especially in the most rural areas that have distinct characteristics;
- The loss of employment sites to residential conversion under permitted development rights is a concern. The Local Plan should explore how Article 4 Directions could be used to mitigate this issue in key employment areas.

8. How the Local Plan responds to the evidence

8.1 Taking into consideration both technical evidence and feedback from the initial 'Direction of Travel' Regulation 18 consultation, the local plan policies have been amended in accordance with the following schedule:

2019 Local Plan Policy	Local Plan Review Policy	Comment
SP3 Major development in the National Park	SP4 Major development in the National Park	The policy is expanded to specifically refer to Whole Estate Plans, as raised through comments to the Reg 18 (part 1) consultation and in recognition of the number of large estates within the Park offering various types of activities. In the context of the benefit of having comprehensive plans identifying constraints and opportunities for such sites.
	New policy SP5 Land to north of Fawley Waterside	In response to the 2025 Employment Needs Assessment which identifies the need for about 13,000 sq m of new employment floorspace over the plan period. Strategic site allocation for land to north of Fawley Waterside which lies within the Solent Freeport.
SP42 Business and Employment Development	SP53 Maintaining and Improving Business Floorspace	This policy has been clarified to express the approach for employment land and buildings both within and outside of the defined settlement boundaries. The policy expresses employment uses in terms of the revised Use Classes Order - Class E (g) and B2. Changes also refer to support for the land based economy and cultural heritage and special qualities of the National Park.

2019 Local Plan Policy	Local Plan Review Policy	Comment
SP43 Existing employment sites DP44 Redevelopment of existing employment sites DP45 extensions to non-residential buildings and uses	DP54 Redevelopment and extension to existing employment buildings	The policy has brought together three similar policies to clarify the policy approach to changes to existing employment buildings with the National Park. The policy covers all changes to existing employment sites, whether expansion or intensification
SP48 Land Based Economy	SP55 Land Based Economy	The policy has been retained with minor edits for clarity.
DP50 Agricultural and forestry buildings	DP56 New Agricultural and forestry buildings	The policy has been retained with minor edits for clarity.
DP40 Change of use from retail in the Defined Villages	DP58 Loss of local retail facilities	Policy updated to reflect the revised Use Classes Order and to remove references to achieving certain percentages of retail representation in the existing defined frontages. No changes are made to the defined retail frontages at this time, this will be subject to monitoring.
DP41 Retail development outside the Defined Villages	DP59 Retail development outside of the defined settlement boundaries	Policy carried forward.
SP46 Sustainable tourism development	SP60 Sustainable tourism development	Policy retained and edited for clarity and includes reference to Whole estate Plans.
DP47 Extensions to holiday parks and camp sites	DP61 Holiday parks and campsites	Policy carried forward.

2019 Local Plan Policy	Local Plan Review Policy	Comment
	New Policy SP62 Telecommunications and digital infrastructure	New policy to reflect requirements of NPPF not only in respect of the provision of broadband, but to reflect the emerging modern economy sector with regards to digital infrastructure and data centres.