

# Executive Summary

## Scope and purpose of Study

In December 2009 Atkins Ltd were commissioned to undertake an Employment Land Review on behalf of Epping Forest District Council and Brentwood Borough Council in order to analyse the future demand for employment land in these administrative areas to 2031.

This study will provide a robust evidence base and associated policy recommendations to assist in the development of policies in each Council's planning policies and land allocations.

The study will assess the current provision for employment in the administrative areas. It will provide an assessment of future demand and market demands and evaluate current policies and research in neighbouring authorities and sub regions.

## Methodology

The study has involved a comprehensive assessment of the future demand for employment land that complies with the PPS4 Guidance Note on Employment Land Reviews, as well as the Employment Land Review Guidance Manual for the East of England

A review of existing policies and strategies was provided along with a summary of the prevailing socio-economic conditions in Epping Forest and Brentwood to set out the socio-economic context which shapes employment land demand and supply factors in the study area

An assessment of the future employment needs in Epping Forest District and Brentwood Borough for the period to 2031 was carried out based on projecting employment growth in the study area. This used the East of England Forecasting Model (EEFM), whilst an Atkins forecast was also produced. The EEFM model run from 2009 takes account for the potential effects of the current economic downturn, the EEFM forecasts have been used as the base for the Atkins forecasts from 2011 – 2031.

A robust assessment of 90 existing employment sites within the administrative areas was undertaken using a site appraisal pro-forma, which enabled a mixture of qualitative and quantitative data to be collated. The sites were assessed to identify the suitability of existing identified employment sites in Epping Forest District and Brentwood Borough to meet future business accommodation requirements to 2031.

In addition, a telephone survey of 250 businesses (125 in each authority) located in the study area was conducted with owners, managers and directors to gain an understanding of the needs and aspirations of businesses in the study area.

The study concluded with a SWOT analysis and provided policy recommendations for achieving a demand – supply balance and meeting demand for the period up to 2031.

A workshop was held with key stakeholders to present the draft findings of the study in March 2010. The workshop is summarised in Appendix H of the report.

## Key Findings

### Epping Forest District

Employment in Epping Forest District is dominated by three sectors: distribution, hotels and restaurants (25.5%); banking and finance (23.9%) and public services (20.7%). Growth in

employment has been strong in the construction industry (5.4% pa) and the transport and communications sectors (7.4% pa).

Business structure is dominated (90.7% of businesses) by micro businesses of 1 – 10 employees. Micro businesses and small businesses (11 - 49 employees) combined make up a total of 60.4% of employment.

### **Demand for employment land**

The Atkins employment forecast identifies a net growth of 1,000 jobs in Epping Forest District to 2031. Sectoral forecasts indicate that future demand for new floorspace would be for B1 premises, and that the requirement would be for an additional 43,700 sqm, this is equivalent to 5.83 hectares of employment land by 2031. The Atkins forecasts take an optimistic view of employment growth. When the EEFM forecasts are considered there is requirement for 32,000sqm or 4.31ha of land. This is a 27% difference in the amount of floorspace between the two forecasts.

The local business survey identifies that there is a high level of satisfaction with current business premises, with only 2% of businesses responding that current premises are unsuitable.

It also identifies that some 42% of local businesses are looking to expand. Medium and large businesses had the highest proportion of businesses wanting to expand, particularly those located in Epping, Ongar and North Weald. In order to expand 43% of these businesses stated that they would require additional floorspace and the majority were unable to accommodate their additional floorspace needs at their existing premises.

Combining the business survey data with the ABI data about the number of B-class businesses in the District, it is estimated that in Epping Forest District existing businesses would require an additional 45,125 sqm over the next 5 years.

### **Supply of employment land**

The survey includes 42 sites in Epping Forest District. Of this, 21 sites were identified as being located in a typically rural environment, whilst the remaining 21 sites were within the urban area.

The majority (67%) of sites within the District are of 'average' quality. Overall only 3% of sites were considered to be 'poor'.

Vacant and opportunity land together provides a theoretical capacity of around 46,000 sqm in Epping Forest District. Although this would contribute to meeting needs it is insufficient to meet all identified future needs on current sites.

## **Brentwood Borough**

Banking and finance is the dominant sector with 31.4% of employment, followed by distribution/hotels/restaurants (20.7%), and public services (20.6%). Growth in employment has been strong in the transport and communications sector (4.9% pa) public administration (3.8% pa) and banking and finance (2.8%).

Business structure is dominated (87.8% of businesses) by micro businesses of 1 – 10 employees. Micro businesses and small businesses (11 - 49 employees) combined make up a total of 53.1% of employment.

### **Demand for employment land**

The Atkins employment forecast identifies a net growth of 4,100 jobs in Brentwood Borough to 2031. The sectoral forecasts indicate that future demand for new floorspace would be for B1 premises, and that the requirement would be for an additional 47,500 sqm, this is equivalent to 6.33 hectares of employment land by 2031. The Atkins forecasts take an optimistic view of employment growth. When the EEFM forecasts are considered there is a slight variation in potential employment floorspace needs, with a requirement for 41,800sqm or 5.57 ha of land.

The local business survey identified that there is a high level of satisfaction with current business premises, with only 5% of businesses responding that their current premises are unsuitable. It identified that some 43% of local businesses are looking to expand. Medium and large businesses had the highest proportion of businesses wanting to expand, particularly those in transport and communications and manufacturing sectors. In order to expand, 50% of these businesses stated that they would require additional floorspace and the majority were unable to accommodate their additional floorspace needs at their existing premises.

Combining the business survey data with the ABI data about the number of B-class businesses in the Borough, it is estimated that in Brentwood Borough existing businesses would require an additional 41,833 sqm over the next 5 years.

### Supply of employment land

The survey included 48 sites in Brentwood Borough. Of these, 32 sites were within the urban area whilst the remaining 16 sites were identified as being located in a typically rural environment,

The majority (77%) of sites within the Borough are 'average' quality. Overall only 7% of sites were considered to be 'poor'.

Vacant and opportunity land together provides a theoretical capacity of around 20,000 sqm in Brentwood Borough. This is some 50,000 sqm short of what is estimated to be required over the lifetime of the plan, to meet the future needs.

### Demand – Supply Balance

The Study concluded that both Councils will need to identify additional sites to meet future requirements and to provide a sufficient range of sites to meet demand of different occupiers.

For the period up to 2031, it is estimated that provision should be made for a net additional increase in B use class floorspace of approximately **66,000 sqm** in Epping Forest District and **71,000 sqm** in Brentwood Borough for the period up to 2031.

The study indicates that consequences of not protecting existing employment sites from alternative development proposals are likely to result in:

- The study area assuming an increasing dormitory role with high and growing levels of (net) out-commuting;
- A reduction in available local job opportunities for local residents which is particularly important for those who are less well qualified to travel outside the area for employment; and
- Locally grown businesses being forced to locate and/or relocate outside the area as a result of lack of choice and availability of sites and premises.

The study recommends that improving the qualitative supply can be achieved through a combination of the following measures:

- Encouraging intensification of uses within some existing employment locations;
- Introducing complementary ancillary employment uses that fall outside the B use class;
- Redevelopment of some existing sites for continued employment use;
- Redevelopment of some existing employment sites for employment-led mixed use development;
- Redevelopment of windfall and/or other key sites with opportunities for mixed-use development with a significant employment component;
- Encouraging improvements to environmental and security conditions; and

- In addition, given the tightness in identified future supply relative to demand, it will be necessary for both Epping Forest District and Brentwood Borough to consider the allocation of potential new employment sites.