

UTTLESFORD DISTRICT COUNCIL

Employment Land Topic Paper - Update

May 2017

1. Introduction

1.1. This paper sets out the current position on future employment growth in the district as of May 2017. In planning terms, employment land usually refers to 'B Class' uses and includes:

- B1(a) – Offices
- B1(b) – Research and Development
- B1(c) – Light Industry
- B2 – General Industry; and
- B8 – Storage and Distribution.

1.2. This topic paper focuses upon these use classes and the future growth (or decline) of these sectors over the period of the Local Plan.

1.3. Other employment generating uses in Uttlesford District (retail, health, education etc) are not covered in this paper.

Key Evidence Studies

1.4. The following studies should be read alongside this topic paper:

- Commercial Workspace Study (BE Group, June 2015);
- Employment Land Review (UDC, 2011);
- Employment Land Review Update (AECOM, August 2016);
- Assessment of Land North East of Bury Lodge Lane (Carter Jonas, November 2012);
- Employment Land Monitoring (UDC, October 2014); and
- Employment Land Topic Paper (UDC, January 2017)

Key Issues

1.5. This Topic paper sets out:

- Current Land Requirements;
- Current employment evidence base updates and preliminary findings; and
- Next Steps.

2. Current Identified Land Requirements

- 2.1. The Latest employment land study for Uttlesford District is the AECOM Employment Land Review dated August 2016.
- 2.2. The ELR has calculated that between 2016 and 2031 there is a requirement to provide **16,600sqm** office space and **18Ha** of 'industrial' land. For industrial land, the ELR has calculated that **18 Hectares (Ha)** is required over the plan period.
- 2.3. A number of issues were however identified with the update report which is discussed later in this paper.

3. Current Employment Work being undertaken

- 3.1. There are currently two studies being undertaken to inform the Local Plan employment requirements. These are the corrections to the ELR addendum report (undertaken by AECOM) and a joint study undertaken by FEMA (Functional Economic Market Area) authorities (East Hertfordshire, Epping Forest, Harlow and Uttlesford).

AECOM Addendum Report

- 3.2. A number of issues were identified in the AECOM Update Report dated August 2016. Following further discussions with AECOM, amendments are currently being made to the existing update to resolve these issues, including.
 - Providing a clearer analysis of the completions in the period 2011-16 and the effect this has on the employment need figures for the remaining plan period;
 - To extend the current period of ELR study from 2031 to 2033 to cover the whole plan period;
 - Adjust the existing employment supply figures – There had been an overestimation of the total quantum of active employment land (particularly at Stansted) which could have a bearing on overall employment growth requirements.
 - Further clarification of the differences between 'land allocation' and 'floorspace allocation' and the plot ratios for land to floorspace requirements B1, B2 and B8 uses; and
 - Grammatical corrections and providing further clarity on more minor points contained in the report.
- 3.3. AECOM will report their findings to the Council by Friday 12th May.

Hardisty Jones FEMA Report

- 3.4. Since the publication of the AECOM Update Report in August 2016, a more up to date East of England Forecast Model has been published (EEFM 2016). The AECOM report is based on the 2014 EEFM
- 3.5. The 2014 EEFM was produced by Oxford econometrics, whereas the 2016 EEFM was prepared by Cambridge Econometrics. Different assumption regarding the future growth in the district has been made by the two organisations.

3.6. Hardisty Jones Associates (HJA) has been appointed by the FEMA authorities to undertake an update of the Employment Land needs, which has been split into two phases:

Phase 1 – Employment Scenarios (Jobs Growth)

- Review existing and emerging Local Plans and accompanying employment evidence base;
- Critical review of 2016 EEFM due to variances between the 2014 and 2016 projections and their appropriateness as a baseline scenario (as highlighted under Para 3.5);
- Consultation with officers of the four authorities and other stakeholders including the County Council, LSCC, LEP's and Cambridge Econometrics;

3.7. HJA presented their preliminary findings to FEMA authorities at Epping Forest on the 30th March. It was identified that there were some anomalies with the 2016 EEFM and HJA would look at these anomalies and liaise with Cambridge Econometrics to resolve, alongside other changes and amendments made by FEMA authorities.

Phase 2 – Employment Land Implications (Land and Floorspace Requirements)

3.8. Following the completion of the Phase 1 work, Phase 2 commenced with further technical work to understand the associated employment land requirements arising from the preferred employment growth scenarios. These have been developed into a headline employment land strategy.

3.9. HJA presented their findings at an additional workshop on the 26th April at Epping Forest.

HJA Preliminary Findings

3.10. The meetings held on the 30th March and 26th April has provided each of the four local authorities with an indicative jobs growth and indicative land requirement. The results for Uttlesford are as follows. It should be noted that these are NOT the final figures and are only indicative at this stage. Please note that the 'moderated' baseline growth figure is HJA own assumptions on jobs growth based on the 2016 EEFM. The variance in B1 office figures is dependent on where the office growth is located i.e. in an urban or rural location:

District	Stansted Scenario jobs growth (HJA 2015)	Moderated Baseline jobs growth	Uplift Scenario Growth 2011-33	Land Requirement Offices (B1)	Land Requirement Industrial (B8)
Uttlesford	14,600-14,900	7,100	14,900	5-13Ha	46Ha

3.11. It should be noted that whilst this figure is considerably higher than that contained in the current AECOM report, there are a number of reasons for this:

- The AECOM report only covers a period 2016-2031. The Hardisty Jones figure covers the whole plan period 2011-2033;
- Completions, losses and commitments for the period 2011-2016 have not yet been taken into account in the HJA figures; this will lead to a decrease in the need over the plan period;

- There are some concerns that the Harlow Enterprise Zone has not been taken into account in the overall jobs split between the districts; and
- Potential changes to the Stansted Growth split between the districts.

3.12. This figure is therefore highly likely to decrease when HJA report their final figures to the final FEMA workshop. This meeting is being held on Thursday 18th May at Epping Forest.

4. Next Steps

4.1. Officers are currently in the process of determining the preferred sites to recommend for allocation for employment purposes in the emerging Local Plan.

4.2. The likelihood is that both figures will be considerably higher than those found in the current AECOM Update report.

4.3. A decision will therefore need to be made as to which figure to use in the emerging Local Plan. The Hardisty Jones FEMA report is based on a more robust and tested methodology and is based on a more up to date dataset. It is likely that the emerging Local Plan will base its employment needs on the findings contained in the Hardisty Jones report, although no final recommendation to Members will be made until the findings from both reports are presented to officers.

4.4. The FEMA authorities have also agreed to complete an Employment MOU. Work on the MOU will commence once Hardisty Jones have presented their final employment need figures at the 18th May meeting and an agreement is reached between the FEMA authorities.

4.5. Once a final figure has been agreed, officers will identify which sites are best suited to meet this Employment Need for inclusion in the emerging Local Plan.

4.6. This Topic Paper will be updated with the figures from both studies and presented to members at the next PPWG on the 22nd June, alongside the recommended sites to be allocated for employment purposes.