Brentwood Economic Futures 2013-2033
Final Report

Brentwood Borough Council

January 2018

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Executive Summary

This report has been prepared by Lichfields on behalf of Brentwood Borough Council to update the economic evidence for the Brentwood Local Development Plan (LDP). It follows the previous Economic Futures report prepared for the Council by Lichfields in 2014.

The study provides economic forecasts for Brentwood Borough Council for the new Local Plan period (2013-2033) over four alternative scenarios. The study assesses future space needs for B class employment uses (offices, industrial and warehousing) informed by the four growth scenarios, and considers the balance of demand and supply for employment land in the Borough. It also provides a high-level job capacity analysis of identified potential employment sites. The employment land forecasts and job capacity analysis are used to consider potential policy approaches in relation to employment space and land for Brentwood's emerging Local Plan. The study also considers what constitutes Brentwood's Functional Economic Market Area (FEMA). It should be noted that this study does not compromise a full employment land review as it excludes a detailed appraisal of existing and future employment land supply.

The overall findings of the study are as follows:

1. After reviewing factors recommended by the Planning Policy Guidance (PPG) for defining a FEMA such as administrative boundaries, commercial and housing market geographies, commuting flows and transport connections, it is assessed that Brentwood's existing FEMA is closely aligned to transport corridors and the local authorities it borders. The local authorities are Basildon, Chelmsford, Epping Forest, Havering and Thurrock.
2. In the longer-term, there is the potential for the Borough's FEMA to change due to drivers of change including the potential relocation of industrial businesses from London into the wider South East, delivery of major employment and housing sites (e.g. Brentwood Enterprise Park and Dunton Hills) and construction of new transport infrastructure (e.g. Lower Thames Crossing).
3. Brentwood has experienced a strong rate of growth in employment over the last two decades, between 1997 and 2016 the number of workers in the Borough increased from 30,900-43,200. Sectors driving employment growth include professional services, administration and support services and computing and information services. Sectors typically associated with B1c/B2 and B8 class jobs remained stagnant or experienced small decreases in job numbers (e.g. manufacturing).
4. Four different scenarios of future economic change have been considered for the emerging Local Plan period of 2013 to 2033. The scenarios are based on economic forecasts from Experian and East of England Forecasting Model (EEFM), the Borough's existing objectively assessed housing need of 380 dwellings per annum and past take-up of B class floorspace. These scenarios follow the labour demand, labour supply and past take-up approaches as recommended by the PPG for forecasting future employment land need.
5. In three of the four demand scenarios based on the Experian and EEFM forecasts and Brentwood's objectively assessed housing need, employment in Brentwood is expected to increase over the emerging Local Plan period. The majority of the jobs coming forward in these three scenarios are expected to be in B1a/b premises, with some B1c/B2 and B8 jobs coming forward under the Experian and objectively assessed housing need scenarios. In the past take-up scenario, an overall loss of jobs is forecast.
6. Based on the four scenarios Brentwood is estimated to require between 33,300 and 106,400sq.m of new employment floorspace between 2013 and 2033. In all scenarios except past take-up, the largest area of floorspace by use class is forecast as B1a/b. In the past take-up scenario, the largest floorspace requirement is for B8 class premises. The floorspace requirements convert over to a gross land requirement of between 8.1ha and 20.3ha for new employment land in Brentwood over the emerging Local Plan period.

7 Brentwood Borough Council at present in the emerging Local Plan is planning to allocate 47.4ha of new employment land, retain 41.0ha of existing allocations and allocate 22.9ha of employment land that was not previously. The allocations combined would give the Borough a gross employment land supply of up to 111.2ha from 2013-2033. This decreases to 105.6ha when taking into account the potential loss of -5.7ha of employment land due to extant permissions and prior approvals

8 The Borough's supply of pipeline of additional employment land incorporating the new Local Plan allocations and extant permissions equate to 41.7ha. Taking into account employment land requirements from the four scenarios and 29.0ha of employment land the Council plans to release, Brentwood has surpluses of industrial land in all scenarios ranging from 0.5ha to 12.7ha.

9 The 41.7ha of land in Brentwood's employment land pipeline is estimated to have the capacity for 6,320 jobs. This provides enough space for the total number of jobs forecast to come forward in all growth scenarios in total terms and for each use B class use.

10 A review of the Council's proposed site allocations and policies contained in the draft Local Plan, representations on the plan and consultation with property agents indicate that the Council should give consideration to:

a The deliverability of employment allocations and how long sites will take to build out to help reduce the risk of relying on delivering Brentwood Enterprise Park;

b How to provide floorspace for businesses displaced from existing employment clusters that may be released for housing;

c The quantum of industrial employment land allocations given the potential relocation of activities from London to the South East; and

d The potential to introduce an Article 4 Direction to protect against office to residential conversions through permitted development rights.

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1.0 Introduction

1.1 Brentwood Borough Council ('the Council') commissioned Lichfields to prepare updated technical evidence to support the emerging Local Plan ('the Local Plan'). The previous Economic Futures Study covered the period from 2015-2030 and therefore requires updating to align with the updated Local Plan period (2013-2033)[1].

Scope of the Study

1.2 The Council's requirements for this updated study include:

- Define Brentwood Borough's Functional Economic Market Area (FEMA);
- Prepare new baseline economic forecasts for the Borough from 2013 to 2033 based on the following:
  - i Experian employment forecasts as used in the latest Strategic Housing Market Assessment (SHMA);
  - ii East of England Forecasting Model (EEFM) employment forecasts[2];
  - iii Past B class development rates; and
  - iv An Objectively Assessed Need (OAN) for housing of 380 dwellings per annum.
- Assess future employment land and site requirements in the context of the updated economic forecasts; and
- Analyse the employment capacity of potential employment sites.

1.3 This report is written in the context of National Planning Policy Framework (NPPF) and Planning Practice Guidance (PPG) requirements about planning for future economic growth and business needs. The study focuses on B1-B8 employment uses but does not compromise a full Employment Land Review (ELR).

1.4 The study incorporates the latest data and evidence available at the time of preparation. Sources used in the study may change in the future, making it a point in time assessment. The accuracy of data derived from third-party sources has not been checked or verified by Lichfields.

1.5 In addition, to inform the study consultation was undertaken with local commercial agents regarding Brentwood's commercial property market geography and characteristics. A list of consultees and discussion questions are included in Appendix 1 and Appendix 2.

Background

1.6 The previous Economic Futures Study was commissioned by the Council to inform future economic and employment policy from 2015 to 2030. The 2014 study includes three scenarios for assessing B class employment space and land requirements based upon Experian employment forecasts and housing growth of 5,430 and 6,200 dwellings over the study period. The study concluded taking account of different factors the Borough's requirement for employment land was between 18ha and 23ha from 2015-2030.

1.7 Now that the Local Plan period is from 2013 to 2033 and new technical evidence (e.g. SHMA 2016) has been prepared, the Council requires updated employment land evidence to reflect the revised context.

[1] Brentwood Borough Council (BBC), (2014); Brentwood Economic Futures Study 2015-2030.
[2] Cambridge Econometrics, (2016); East of England Forecasting Model.

Structure of the Report

1.8 This study update is structured as follows:

- **Functional Economic Market Area (Section 2.0)** – reviews different factors outlined in the PPG to define Brentwood's Functional Economic Market Area (FEMA);
- **Future Economic Growth Needs (Section 3.0)** – analyses employment forecasts to calculate future demand for employment floorspace and land requirements;
- **Demand/ Supply Balance of Employment Land (Section 4.0)** – assesses the balance between forecast land requirements from Section 3.0 and Brentwood's current and proposed employment land supply; and
- **Implications and Conclusions (Section 5.0)** – considers the implications of Borough's overall employment need on future planning policy and site allocations.

1.9 All references to Brentwood refer to the Borough unless otherwise stated.

2.0 Functional Economic Market Area

2.1 This section identifies Brentwood's Functional Economic Market Area (FEMA). The assessment uses existing data sources and current evidence studies to identify Brentwood's relationship with other local authorities, and the wider region that could define the context for calculating future employment land need.

2.2 The PPG[3] outlines a range of factors to consider in identifying FEMA(s) including:

- Extent of any Local Enterprise Partnership within the sub-region;
- Travel to work areas;
- Housing market areas;
- Flow of goods, services and information;
- Service markets for consumers;
- Administrative areas; and
- Transport networks.

2.3 These factors are assessed individually below and then synthesised to give an overall view of Brentwood's economic linkages to help define the Borough's FEMA. In addition, future drivers are considered to examine how the existing FEMA could change in the future.

Administrative Geography

2.4 Brentwood sits on the Essex border with Greater London and is surrounded by the local authorities of Basildon, Chelmsford, Epping Forest, Havering and Thurrock. The nearest main towns include Chelmsford, Harlow and the north Thames Gateway conurbation of Basildon, Canvey Island and Southend-on-Sea.

2.5 Brentwood town and Shenfield form the main urban area of the Borough, which has good transport connections through the Greater Anglia Mainline and A12. The rest of Brentwood is mainly rural with some larger villages such as Ingatestone, Kelvedon Hatch and Doddinghurst set within the countryside.

2.6 Brentwood falls within the area of the South East Local Enterprise Partnership (SELEP). The LEP area stretches along the east England coast, incorporating the counties of East Sussex, Essex, and Kent. The Borough is connected to the parts of the LEP outside of Essex via the M25, but otherwise, has better direct connections with the county and Greater London.

Local Enterprise Partnership

2.7 At the SELEP and county level, there are a number of strategic documents that support the continued development of Brentwood's economy and further investment in it during the future. SELEP's Strategic Economic Plan (SEP) (2014) sets out the LEP's vision for developing the economies of East Sussex, Essex, and Kent[4]. The overarching objectives are to enable the creation of 200,000 sustainable private sector jobs, complete 100,000 new dwellings and catalyse £10bn of investment by 2021. Brentwood is located in the A12 and Great Eastern Mainline growth corridor, which runs along the A12 from Brentwood to Colchester. Through transport investments in the corridor, the LEP aims to accommodate 1,050 new jobs and 1,230

[3] PPG Paragraph 012 Reference ID: 2a-012-20140306
[4] South East Local Enterprise Partnership, (2014);Strategic Economic Plan.

new homes by 2021 and facilitate a further 17,200 jobs and 19,000 new dwellings. Some of this growth is expected to arise in Brentwood.

Travel to Work Areas and Commuting Patterns

ONS Travel to Work Areas

2.8 The Office for National Statistics (ONS) defines travel to work areas (TTWA) as the area where 75% of a local authority's residents work and at least 75% of people who work in the local authority resides. Based on 2011 Census data[5], Brentwood is situated in the Chelmsford TTWA as shown in Figure 2.1.

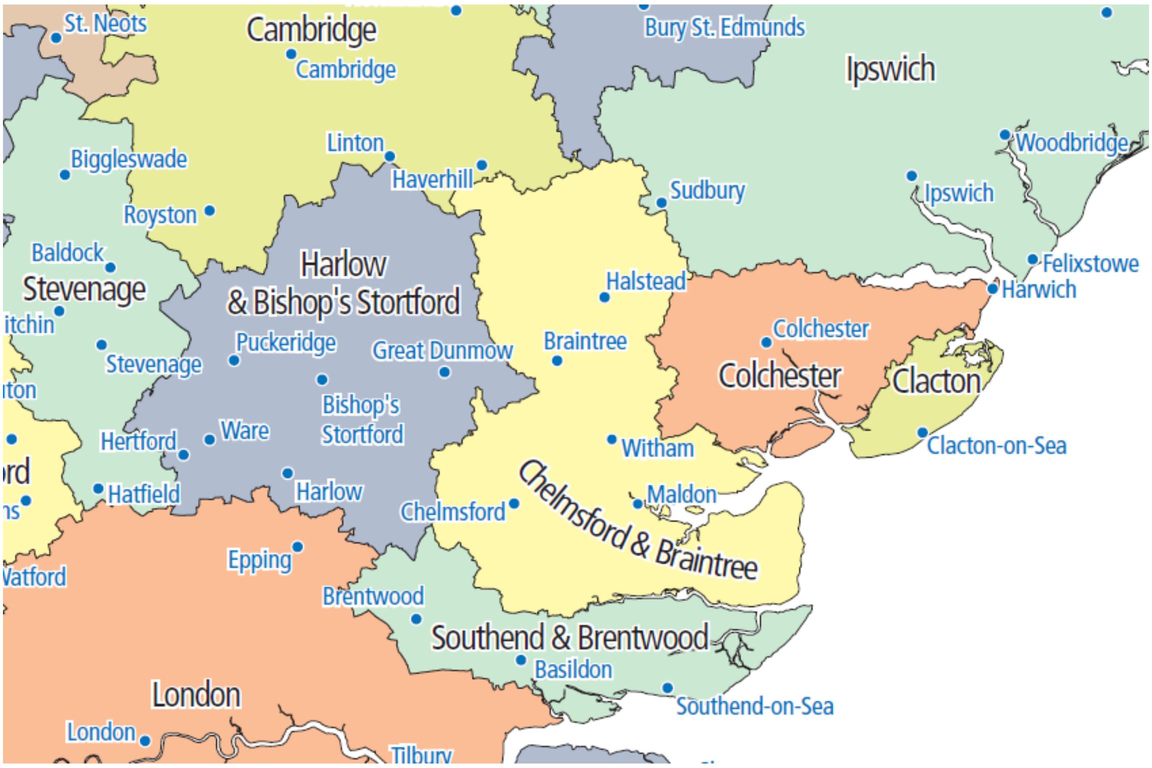
Figure 2.1 Census Travel to Work Areas 2011

Source: ONS (2011)

2.9 A comparison with the 2001 Census TTWAs shows that Brentwood moved from the Southend and Brentwood TTWA to Chelmsford in 2011 (Figure 2.2)[6]. The Chelmsford TTWA also expanded to include parts of Uttlesford and Colchester. Other notable changes in the region include the Harlow and Bishop's Stortford TTWA merging into Cambridge, and the Colchester TTWA absorbing part of the Ipswich TTWA.

[5] Office for National Statistics (ONS), (2011); Census.
[6] ONS, (2001); Census.

Figure 2.2 Census Travel to Work Areas 2001



Source: ONS (2011)

Brentwood Commuting Patterns

2.10 Data from the 2011 Census includes statistics that show how many people commute to and from Brentwood to other local authorities[7]; the data shows the Borough is a net exporter of labour. In 2011, 20,060 commuted out of Brentwood, while 17,750 commuted in from the surrounding local authorities, as shown in Table 2.1.

Table 2.1 Commuting Analysis of Brentwood Borough

Variable	Brentwood
Number of Working Residents	36,620
Number of Workplace Workers	26,620
Live and Work in Brentwood	16,560
Out Commuting Workers	20,060
Top Out Commuting Destinations	Westminster/City of London, Havering, Basildon, Chelmsford Tower Hamlets
In- Commuting Workers	17,750
Top In Commuting Destinations	Basildon, Havering, Chelmsford, Thurrock, Epping Forest
Net Outflow of Workers	2,310

Source: ONS (2011) / Lichfields Note: figures rounded

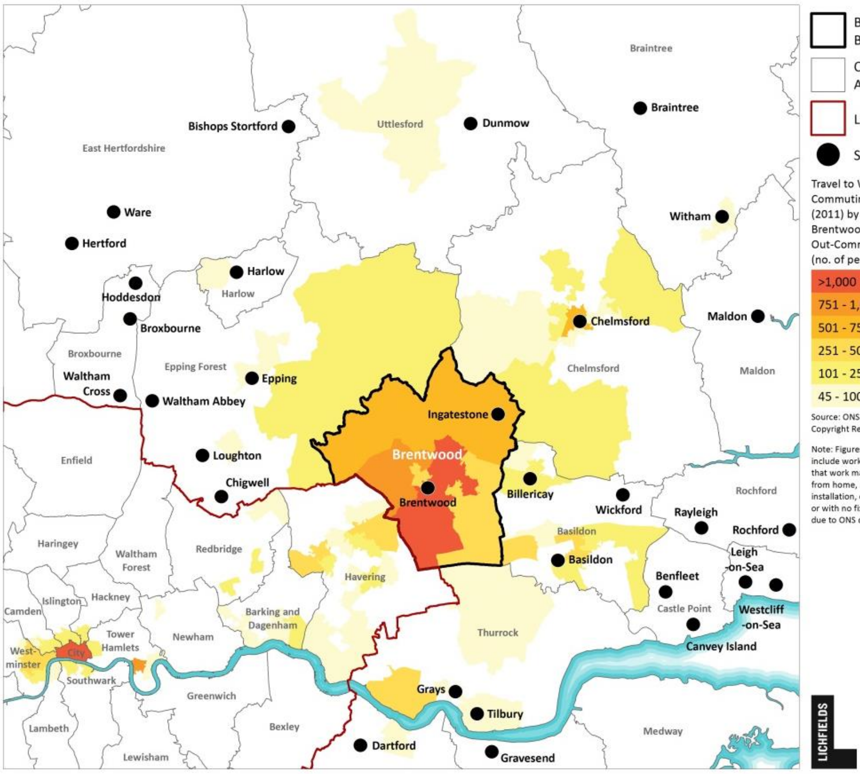
2.11 The main destinations for out-commuters include Westminster, the City of London, Chelmsford and Tower Hamlets, while in-commuters mainly came from Basildon, Havering, Chelmsford and Thurrock. The destinations show that Brentwood has strong outward commuting

[7] ONS, (2011); Census Origin and Destination.

connections with London and much of the Borough's in commuting workforce comes from the surrounding local authorities. There is little out commuting from central London to Brentwood, suggesting that the commuting relationship between Brentwood and London is not reciprocal.

2.12 More detailed analysis of commuting patterns at the Middle Super Output Area (MSOA) level indicates that out-commuting from Brentwood to London is focused mainly towards Central London and some parts of Havering (see Figure 2.3). In Essex, the most popular out-commuting destinations include Chelmsford, parts of Basildon and the Lakeside area of Thurrock.

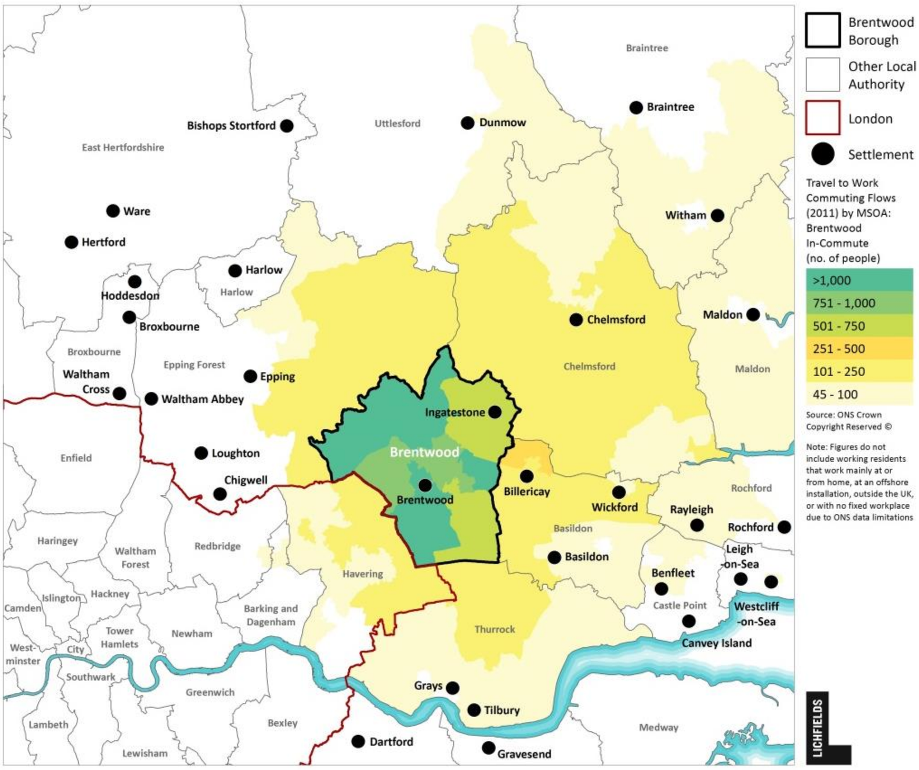
Figure 2.3 Out-Commuting Flows at MSOA Level for Brentwood (2011)



Source: ONS (2011) / Lichfields analysis

2.13 In terms of in commuting, Figure 2.4 shows that Brentwood's workforce typically comes from the surrounding local authorities in Essex and Havering. The MSOA that includes the northern half of Billericay generated the largest flow of in-commuters, with between 251 and 500 people travelling from the MSOA to work in Brentwood during 2011.

Figure 2.4 In-Commuting Flows at MSOA Level for Brentwood (2011)

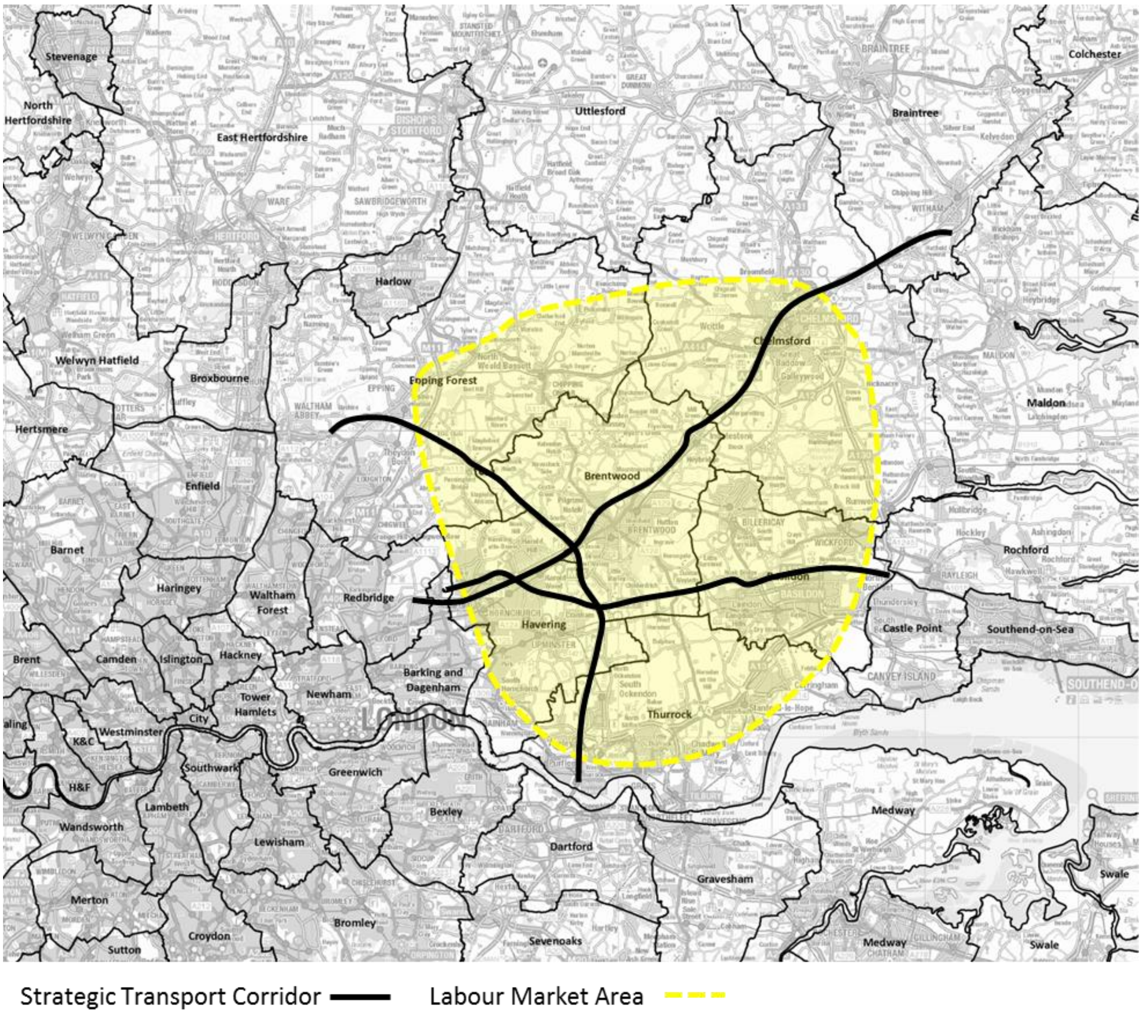


Source: ONS (2011) / Lichfields analysis

Brentwood Labour Market Area

2.14 Taking into account Brentwood's commuting relationships and the TTWA the Borough is located in. The labour market area is assessed to include the surrounding local authorities of Basildon, Chelmsford, Epping Forest, Havering and Thurrock. Figure 2.5 below provides a graphical representation of Brentwood's labour market area.

Figure 2.5 Brentwood Labour Market Area



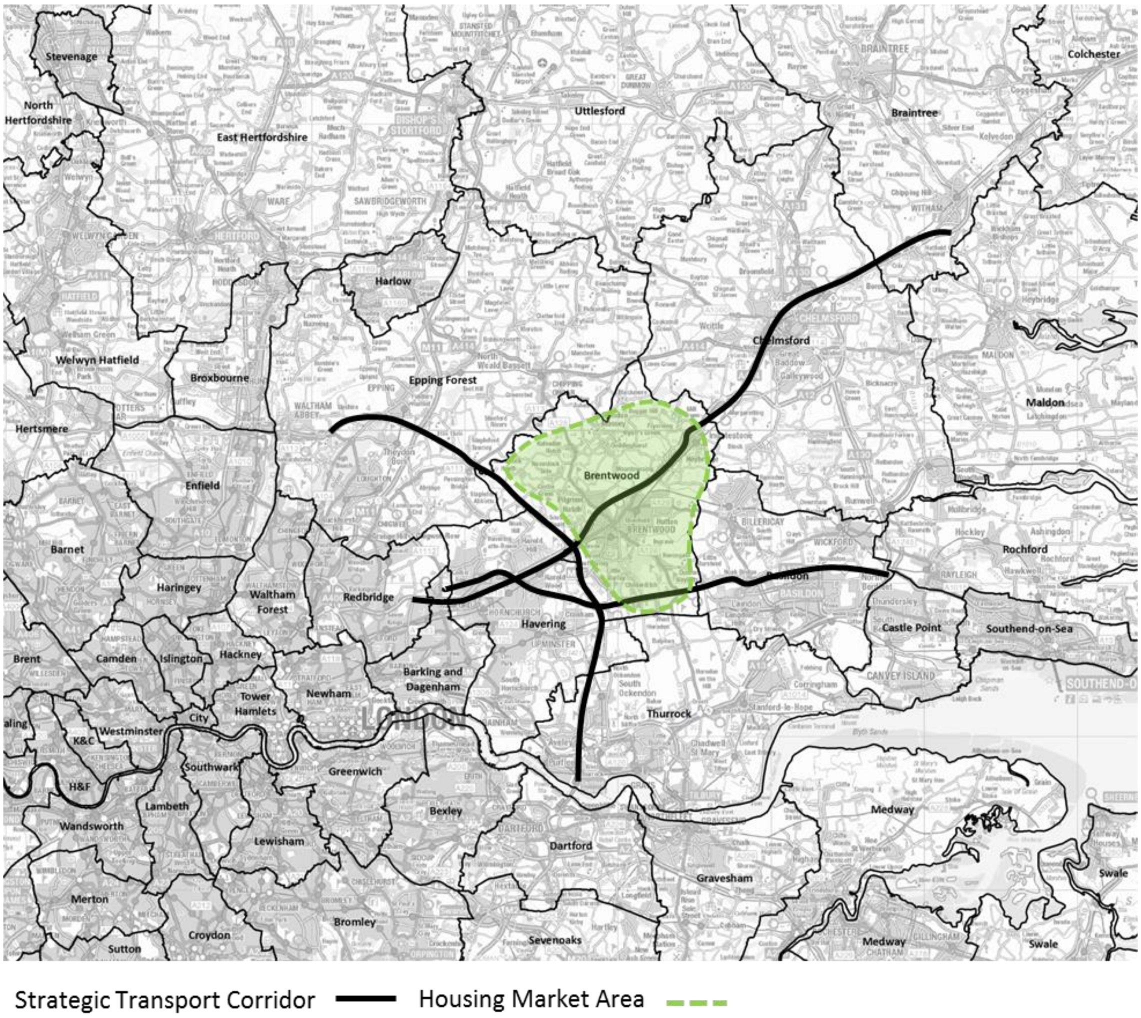
Source: Lichfields analysis

Housing Market Areas

2.15 Housing market areas (HMAs) are a key indicator in considering the spatial extent of a FEMA due to the influence they have on travel to work and labour market flows. The Council's 2014 SHMA outlines the Borough can be considered as a self-contained HMA[8]. The 2016 Objectively Assessed Housing Needs report notes that, while the 2014 SHMA defined Brentwood as a self-contained HMA, the Borough also has linkages with Chelmsford, Basildon, Epping Forest and parts of London. However, an indication of the strength of these linkages is not detailed and therefore Brentwood is considered a self-contained HMA (see Figure 2.6).

[8] BBC, (2014); Objectively Assessed Housing Needs for Brentwood – Moving towards a Housing Target.

Figure 2.6 Brentwood Housing Market Area



Source: Lichfields analysis

Flow of Goods, Services, and Information

2.16 The flow of goods, services, and information in an area depends upon a range of factors including digital connectivity, the location of employment floorspace, commercial property market geography, and consumer service market geography and transport network.

Digital Connectivity

2.17 The availability of broadband has significant positive economic, environmental and social impacts. Broadband is an enabler for trade and innovation, therefore, availability and quality of coverage are increasingly essential to the relative attractiveness of an area to do business. Essex County Council is currently delivering fibre optic broadband to the county through the Superfast Essex initiative. As of June 2017, the programme had enabled fibre optic connections to 85,000 homes and businesses, with a further rollout of connections planned in the future. The programme aimed to increase the coverage of superfast broadband in the Borough, from 68% to 85%, over the period between 2014 and 2016.

Stock of Employment Space

2.18 Valuation Office Agency (VOA) business floorspace statistics provide a summary of commercial floorspace stock in English local authorities[9]. Table 2.2 outlines how much office and industrial floorspace was located in Brentwood and the adjoining local authorities in 2015/16. Out of the local authorities, the largest office centre was Chelmsford followed by Basildon and Brentwood.

Table 2.2 Commercial Floorspace

Local Authority	Office Floorspace 2015/2016 (sq.m)	Industrial Floorspace 2015/2016 (sq.m)	% Change Office Floorspace (2000/01 – 2015/16)	% Change Industrial Floorspace (2000/01 – 2015/16)
Brentwood	145,000	205,000	-6%	-2%
Basildon	171,000	1,284,000	-16%	7%
Chelmsford	264,000	645,000	14%	-8%
Epping Forest	105,000	510,000	57%	22%
Havering	136,000	724,000	-8%	7%
Thurrock	79,000	1,321,000	49%	22%

Source: Valuation Office Agency (VOA) (2016) / Lichfields analysis

2.19 The most prominent industrial locations were Basildon and Thurrock (1,284,000sq.m and 1,321,000sq.m floorspace respectively). The two local authorities have large clusters of industrial premises located along the A127 in Basildon and around Tilbury dock and DP World in Thurrock.

2.20 There are a number of large planned developments of employment floorspace in Brentwood and adjoining local authorities. The major scheme in Brentwood currently is to develop a new multi B-use business park at M25 Junction 29. Additionally, Basildon Council is aiming to maintain and strengthen the Borough's key clusters along the A127.

Commercial Market Geography

2.21 As part of this study, consultation was undertaken with a range of commercial property agents to gain an understanding of Brentwood's commercial property market and geography. The consultations indicated that the Borough has good road and rail connections to the wider region, which makes it attractive to office and industrial occupiers. However, the availability of space is currently limited due to the Borough's small industrial stock and the recent trend of conversion of office premises to residential through permitted development rights (PDR).

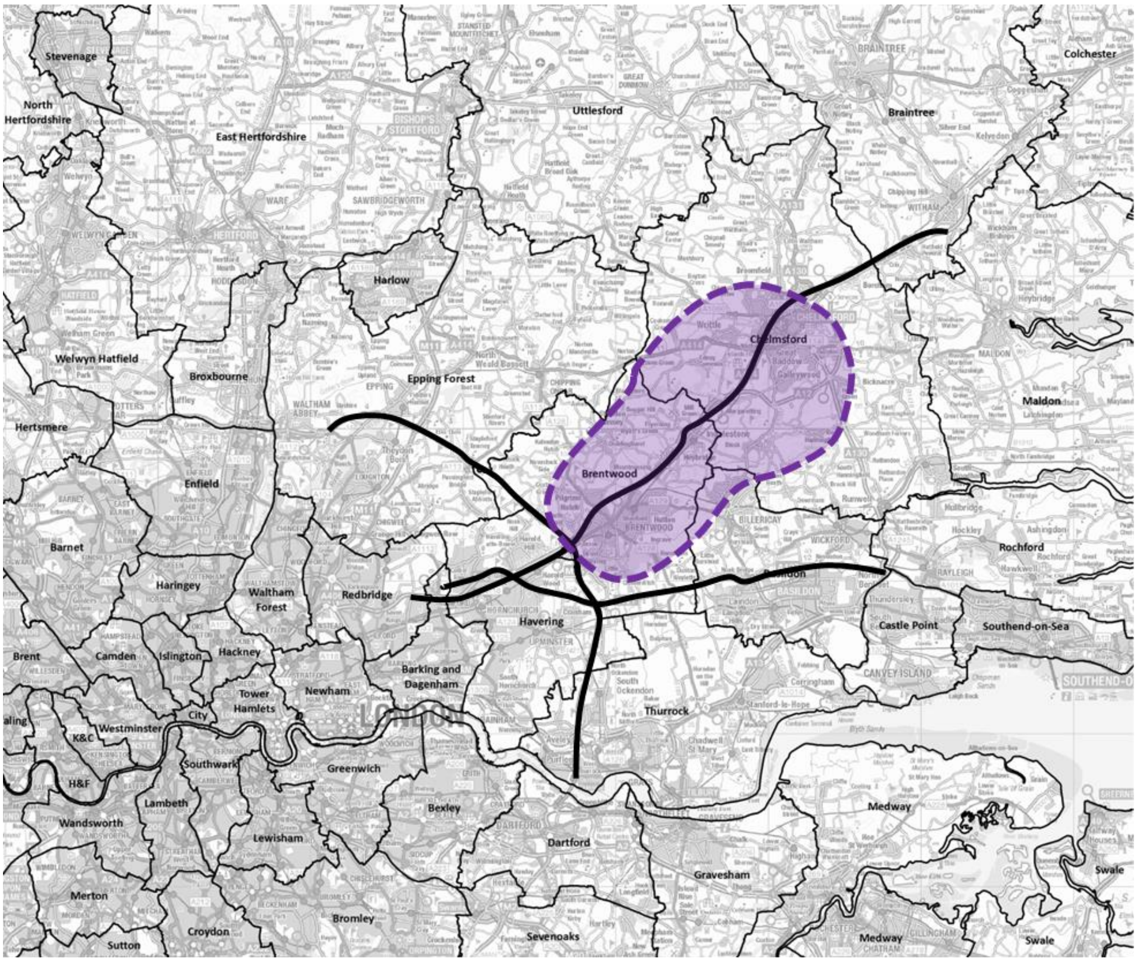
2.22 Brentwood's small stock of industrial space means that the Borough is not part of the wider industrial property market present in the surrounding local authorities. However, this could change in the future if larger sites along strategic roads such as the A127 and A12 were to be delivered.

2.23 In terms of Borough's office market, firms looking to move to Chelmsford from London are also likely to consider Brentwood. Office occupiers look for good public transport and road connections, which the Borough has and will only improve with the full Crossrail service starting in 2019. There is little evidence of Crossrail increasing the quantum of office development in the Borough to date, although the reduction of space due to PDR is reported to be preventing office inquiries within the Borough being met.

[9] Valuation Office Agency (VOA), (2016); Business Floorspace.

2.24 Based on the consultations, Brentwood shares some commercial property market relationship with Chelmsford, as firms may consider offices in both locations (see Figure 2.6). Brentwood does not share an industrial market with the surrounding region due to the Borough's relatively small industrial stock.

Figure 2.7 Brentwood Commercial Property Market



Strategic Transport Corridor ——— Commercial Property Market Area - - -

Source: Lichfields analysis

Service Market for Consumers

2.25 The Borough's main service location is Brentwood town centre. The Retail and Commercial Leisure Study (2014) outlines the centre has the largest quantum of convenience and comparison goods floorspace in the Borough and offers a number of other services including restaurants, banks and evening venues[10]. Shenfield, Ingatestone and Warley Hill district centres play a supporting role to Brentwood town centre, providing more localised services.

2.26 In terms of convenience shopping, the needs of Brentwood's residents are mainly met within the Borough. The large Sainsbury superstore in Brentwood town in particular commands a high share of the local market. However, in the parts of the Borough outside of Brentwood town and Shenfield, a reasonable proportion of residents do their convenience shopping in other local

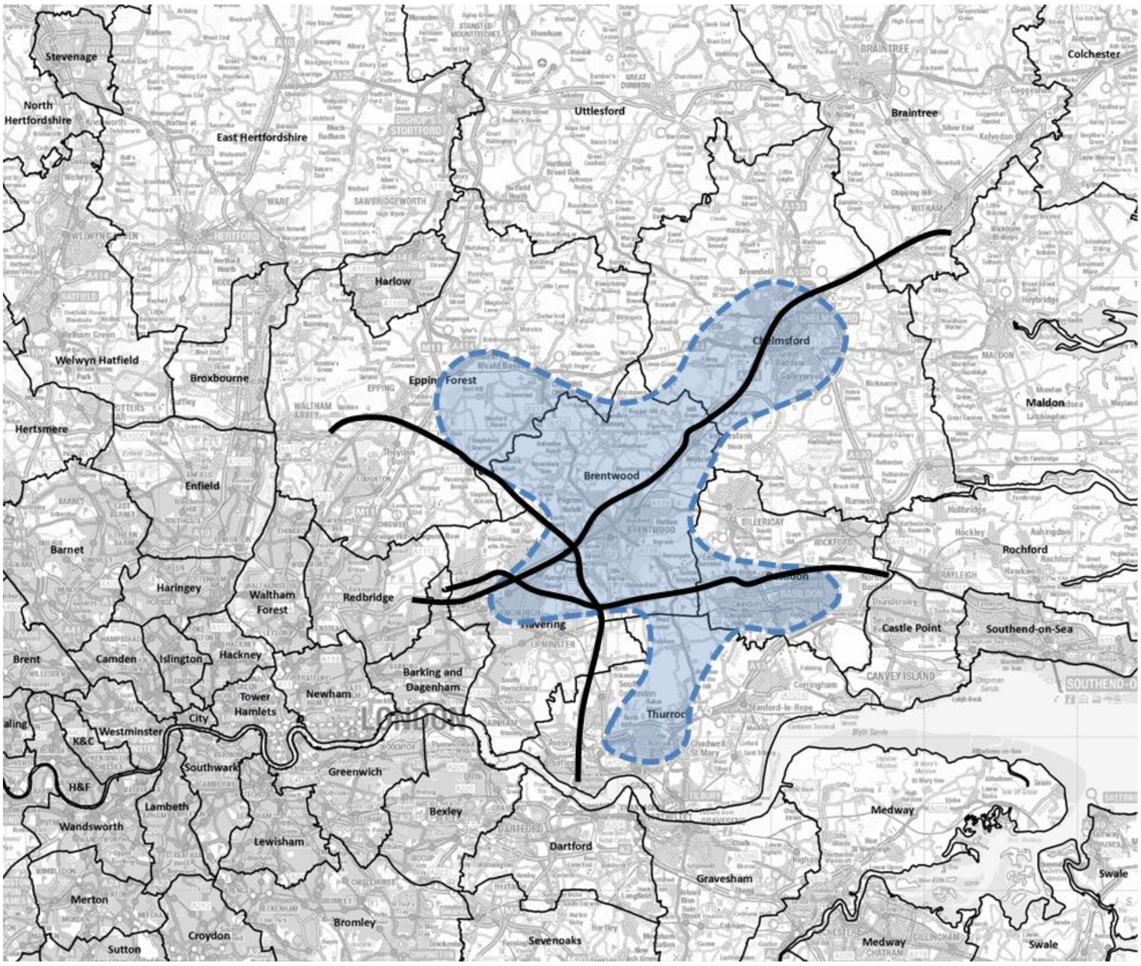
[10] BBC, (2014); Retail and Commercial Leisure Study.

authorities. Residents of Ingatestone are likely to shop in Chelmsford, convenience goods spend from Heronsgate/Ingrave spills over in Basildon, residents from Pilgrims Hatch sometimes shop in Havering's main centres and residents from the Borough's northern villages (e.g. Chipping Ongar and Kelvedon Hatch) may access services in Epping Forest (for example in Chipping Ongar).

2.27 The rate of comparison goods expenditure leakage is significantly higher than for convenience goods. This is due to Brentwood's location in between a number of regional retail centres including Basildon, Chelmsford, Intu Lakeside, and Romford. However, the Retail and Commercial Leisure Study (2014) does forecast that there is potential in the future to increase the Borough's convenience goods and comparison goods floorspace capacity.

2.28 Taking into account where current expenditure patterns and location of service floorspace, Brentwood's consumer service market is assumed to feed out across the Borough boundary to other service centres. This leads to the service market area going across from the Borough boundary and extending into the region highlighted below in Figure 2.8.

Figure 2.8 Brentwood Service Market Area



Strategic Transport Corridor — Service Market Area - - -

Source: Lichfields analysis

Transport Networks

2.29 Transport networks support productivity and success of local economies by facilitating the movement of goods and people and supporting business operations. The Borough's main road links are to the M25, A12 and A127. These routes give people and businesses quick road access into London, around the London periphery and into Essex and deeper Suffolk.

2.30 The Great Anglia Mainline is the Borough's main rail link, with services run by Abellio Greater Anglia. Trains travel between Liverpool Street and Norwich, stopping at Stratford to provide residents with international rail services and High Speed 1 (HS1) trains to Kent. Fast commuter services currently run from Shenfield station, which will be supplemented by the full introduction of a Crossrail service to Reading in 2019.

2.31 Census 2011 origin and destination statistics indicate that workers commuting to Brentwood from the surrounding local authorities mainly commute by car. The rate of commuting by car from the surrounding local authorities ranges from 74% to 88%. The Borough's good access to the strategic road network and its more rural character are likely to make travelling by car faster and more efficient than via public transport connections from the majority of locations.

Synthesis

2.32 Based upon the assessment of the various factors set out in the PPG used to identify FEMAs, it is possible to consider the spatial extent of the FEMA for Brentwood. The FEMA encompasses those areas that the evidence indicates consistently have an inter-relationship with Brentwood across a number of factors.

2.33 Brentwood is located in the SELEP area, which extends along the eastern coast of England, encompassing the counties of Essex, East Sussex, and Kent. Within this wider area, there is a more localised administrative relationship with Essex County, including the two unitary authorities (Southend-on-Sea and Thurrock). It is clear from the LEP's plans that Brentwood will act as one of the growth locations in the SEP Great Eastern Mainline and A12 corridor.

2.34 Analysis of ONS TTWAs and Census Origin and Destination data show Brentwood has strong commuting links with the surrounding local authorities (Basildon, Chelmsford, Epping Forest, Havering, and Thurrock). Residents of each authority come to work in the Brentwood and the Borough's residents out to commute to work in them. A number of Brentwood residents commute into central London, but the relationship is not reciprocal as the counter flow of commuters from central London is significantly smaller.

2.35 The 2014 SHMA outlines Brentwood is a self-contained HMA. The Borough has linkages to other locations such as Chelmsford, Epping Forest and parts of London. However, these linkages are not considered strong enough to connect Brentwood with the HMAs of surrounding local authorities.

2.36 Essex County Council through the Superfast Essex initiative has rolled out fibre optic broadband to 85,000 households and businesses in the county as of June 2017. Additional investment is planned for the future to improve fibre optic broadband provision in the county.

2.37 Brentwood has a small area of industrial floorspace in comparison to the adjoining local authorities, suggesting that in the wider market context it is not a major industrial location. This corresponds with the Borough's current lack of major industrial clusters. However, the Borough does have the third largest supply of office floorspace behind the regional centres of Basildon and Chelmsford.

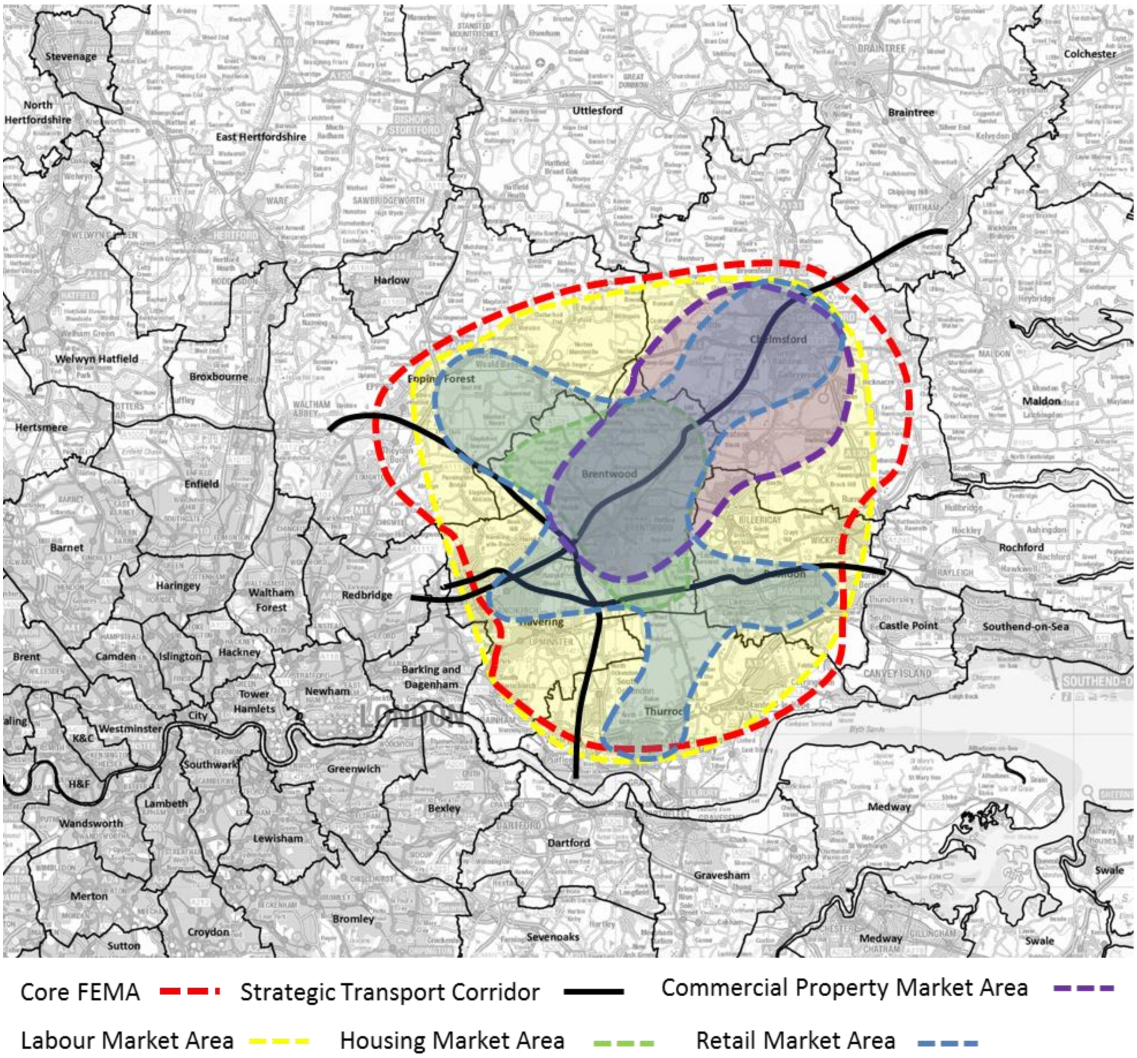
2.38 Based upon consultation with commercial property agents, Brentwood's commercial property market is geographically limited. The office market extends to Chelmsford, while the industrial market is self-contained due to the Borough's limited supply portfolio. Therefore, Brentwood's overall property market is considered to incorporate Brentwood and Chelmsford.

2.39 The service market in Brentwood is partly self-contained with a high level of convenience goods expenditure retention. However, comparison goods expenditure retention is lower due to other larger sub-regional centres such as Intu Lakeside in Thurrock and Chelmsford providing a larger service offer, expanding the Brentwood service market beyond the Borough boundary.

2.40 Brentwood's major transport links provide residents and businesses with good access to London, the wider South East, Essex and into Suffolk. Overall, Brentwood has good interconnections with bordering local authorities and the wider region. In-commuting data to Brentwood indicates that the majority of people do so by road and are less reliant on public transport. This links to the Borough's workforce mainly commuting from the surrounding local authorities, which have high-quality road connections with Brentwood.

2.41 Taking into account the LEP and sub-regional administrative boundaries, TTWAs, commuting flows, HMA, commercial property market and flow of goods, services and information, it is possible to identify the broad FEMA. Analysis of these factors suggests that Brentwood has strongest interconnections with Basildon and Chelmsford, as well as linkages to Epping Forest, Havering and Thurrock. Therefore, Brentwood's FEMA based on the analysis in this section consists of Basildon, Chelmsford, Epping Forest, Havering and Thurrock. Figure 2.9 shows an outline of the FEMA and the different market geographies that have informed its extent

Figure 2.9 Brentwood FEMA



Source: Lichfields analysis based on review of evidence reports

Drivers of Change

2.42 Brentwood's FEMA currently consists of the local authorities that border the Borough. However, there is potential for the FEMA to change in the future due to a number of local and wider drivers, which could evolve the Borough's economic linkages. Example drivers include delivery of employment and housing sites, the wider commercial and housing market and new transport linkages.

Commercial Property Market

2.43 The Greater London Authority (GLA) Industrial Land Supply and Demand Study (2015) outlines that London has been losing a large quantum of its industrial land supply, between 2010 and 2015 the total area of industrial land in London decreased from 7,505ha to 6,976ha (106ha per annum)[11]. In comparison, the benchmark industrial land release rate for London at

[11] Greater London Authority (GLA), (2015); Industrial Land Supply and Economy Study

the time was 36.7ha per annum[12]; therefore, almost three times the benchmark area was released each year over the period.

2.44 The newest release benchmark of 9.3ha per annum for the period between 2016 and 2041 indicates that the potential for releasing industrial land in London is dwindling[13]. Some London Boroughs such as Brent and Enfield are tasked with actually increasing their supply of industrial land over the period (43.0ha and 41.7ha respectively). As industrial land supply is currently tight in London there may be a future need to relocate some industrial activities to the wider South East. The GLA's Industrial Land Demand (2017) report estimates that possible relocations could allow London to release an additional 279.6ha of industrial land, suggesting there could be opportunities for local authorities near to London to deliver additional employment sites and generate new jobs.

2.45 The major site in Brentwood that could benefit significantly from the outward movement of industrial businesses from London is Brentwood Enterprise Park. The site is proposed to accommodate a number of different B uses and covers 25.85ha of land, so has the potential accommodate a number of large businesses. Delivering the site would also potentially extend the A127 industrial property market closer to London, and therefore extend Brentwood's overall commercial property market along the road into Basildon.

2.46 It should also be noted that the commercial property market of Brentwood could change in the future due to the demand and supply of land in surrounding other local authorities other than Basildon. Chelmsford Council's Employment Land Review (2015) indicates that the local authority may face an undersupply of industrial and warehouse floorspace depending on whether certain allocations are delivered[14]. In addition, further evidence on employment land supply and demand for other surrounding Essex local authorities is currently being drafted and was not available at the time of publication. The new evidence when published will provide additional clarity on the wider Essex position, and could affect Brentwood's future commercial property market geography.

Housing Market

2.47 Brentwood's HMA is self-contained, with some external linkages with to other local authorities. Excluding changes in market forces that can be hard to predict in the long-term, the major driver of change in the Borough's HMA geography may be the delivery of Dunton Hills Garden Village. The proposed scheme will significantly increase the number of homes in the Borough and add an additional location that could draw in residents from surrounding local authorities. At the same time, there are also proposals for strategic housing growth in nearby local authorities including Basildon and Havering, and these are likely to affect the future shape of the HMA.

Transport Links

2.48 The transport links that could act as drivers of change to the Borough's FEMA include the introduction of the full Crossrail service to Reading in 2019 and eventual construction of the Lower Thames Crossing. Crossrail will improve Brentwood's already good commuter service to London; improving services to the City of London, West End and Isle of Dogs, which are currently popular out-commuting destinations for Brentwood residents (see Figure 2.3). The introduction of Crossrail could also lead to an increase in the number of people commuting from London to Brentwood. However, given the current scale of commuting movements, and that

[12] GLA, (2012); Land for Industry and Transport Supplementary Planning Guide (SPG)
[13] GLA, (2017); London Industrial Land Demand
[14] Chelmsford Borough Council, (2015); Employment Land Review

Brentwood would need to attract more businesses which have the gravity to bring in labour from further into London than Havering, it is unlikely the Borough's FEMA would expand due to Crossrail.

2.49 The Lower Thames Crossing will improve road access for Brentwood's residents and businesses to Gravesend and Medway. The crossing would open up the opportunity for goods and services to flow more easily between Brentwood and the area of Kent across the Thames, strengthening links to a market area that is currently less accessible from the Borough. This could extend the Borough's FEMA to the south into Kent. However, it should be noted the crossing would be most beneficial to distributors who may use it to avoid congestion at the Dartford Crossing. For Brentwood to take advantage of the distribution movements, it is likely Brentwood Enterprise Park will need to be delivered to provide premises that are of the scale required by distributors.

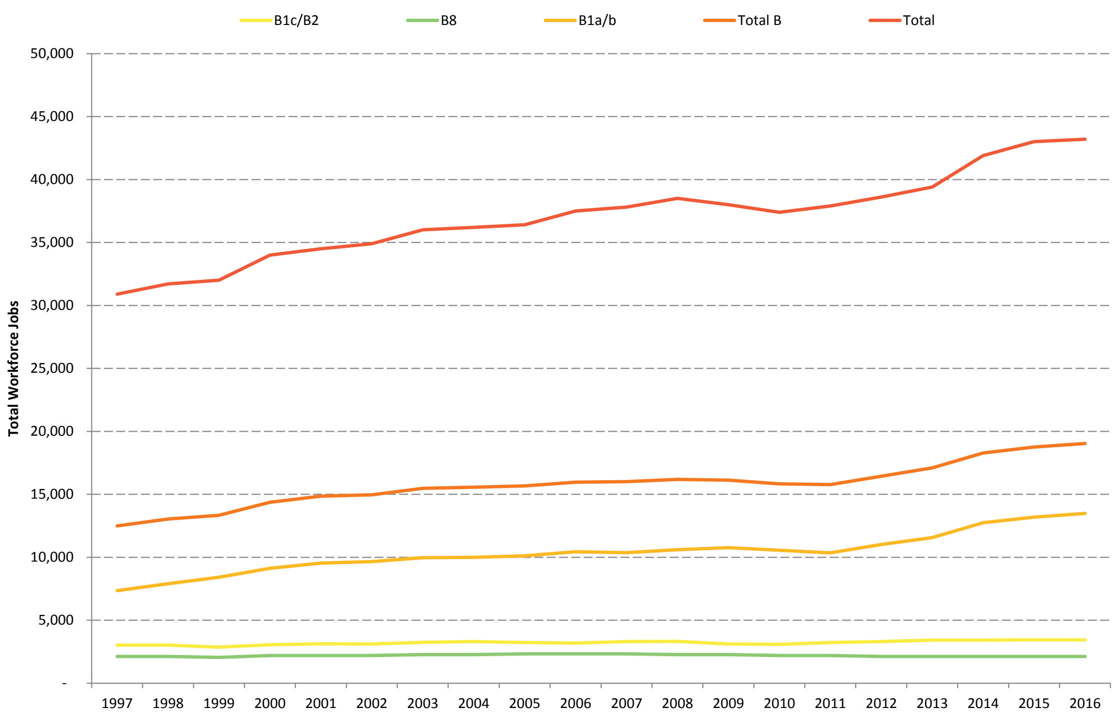
3.0 Future Economic Growth Needs

3.1 This section assesses future economic growth needs in Brentwood drawing on several methodologies that are contained in the PPG. These methodologies produce a range of scenarios that are used to inform the assessment of the potential scale and type of future growth in the Borough and the employment land requirements that flow from these. All forecasts in this section align with the emerging Local Plan period of 2013-2033.

Recent Employment Trends

3.2 Figure 3.1 shows growth in total jobs and employment by B class type in Brentwood from 2013 to 2033. Total employment has grown strongly over the time, increasing from 30,900 in 1997 to 43,200 in 2016. Total employment did slightly decrease during the recession, bottoming out in 2010 at 37,200 jobs. However, subsequent employment growth has recouped these job losses and has continued since.

Figure 3.1 Job Growth in Brentwood (1997-2016)

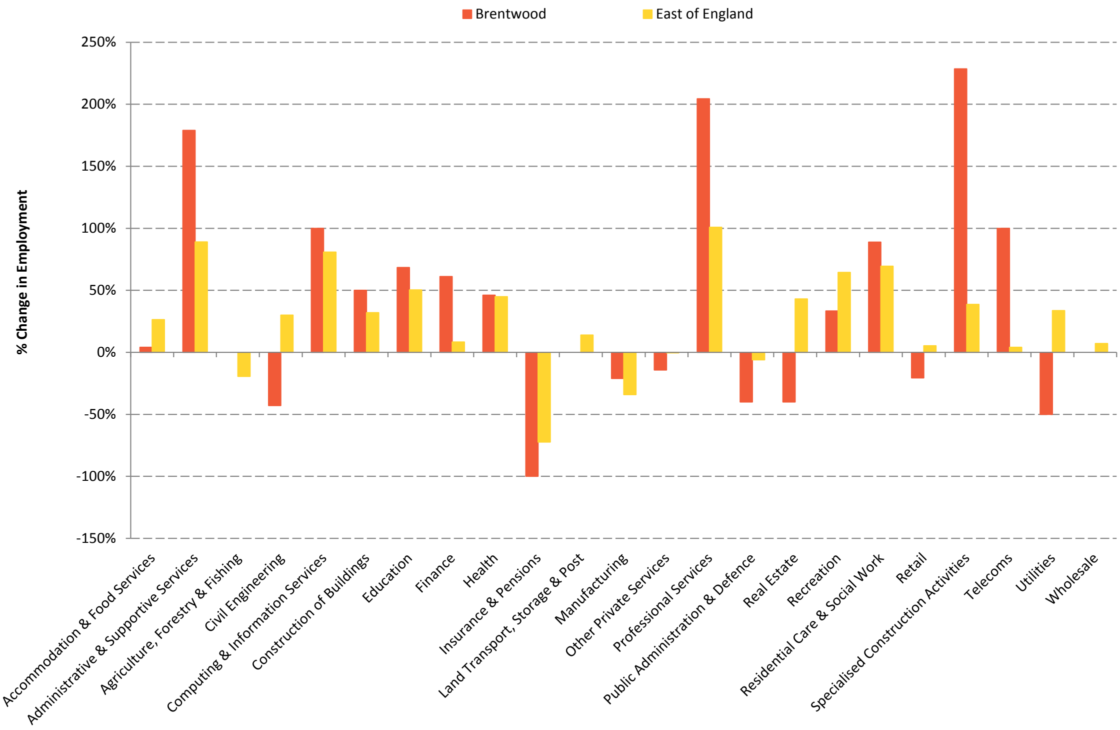


Source: Experian (2016) / Lichfields analysis

3.3 Job growth in office-based sectors (B1a/b) was the main driver of growth in B class employment, with the number jobs increasing by 6,100 between 1997 and 2016. Employment in sectors that typically occupy B1c/B2 or B8 space has remained relatively stable in overall terms, increasing by 400 jobs cumulatively. This lower level of growth in comparison to B1a/b jobs is as shown in Figure 3.1.

3.4 From 1997-2016 the sectors that performed the strongest were mainly service based, as highlighted in Figure 3.2. The sectors that doubled in size over the time include specialised construction activities (228.6%); professional services (204.5%); administrative and supportive services (178.9%); telecoms (100.0%) and computing and information services (100.0%). These sectors all significantly outperformed the East of England averages over the period (38.7%, 100.8%, 89.0%, 4.1% and 80.9% respectively). However, Brentwood underperformed in insurance and pensions, utilities, public administration and defence and real estate versus the East of England over the period. The Borough either experienced higher proportions of jobs losses in these sectors (insurance and pensions and public administration and defence), or lost jobs while the sectors grew in the wider region (utilities and real estate).

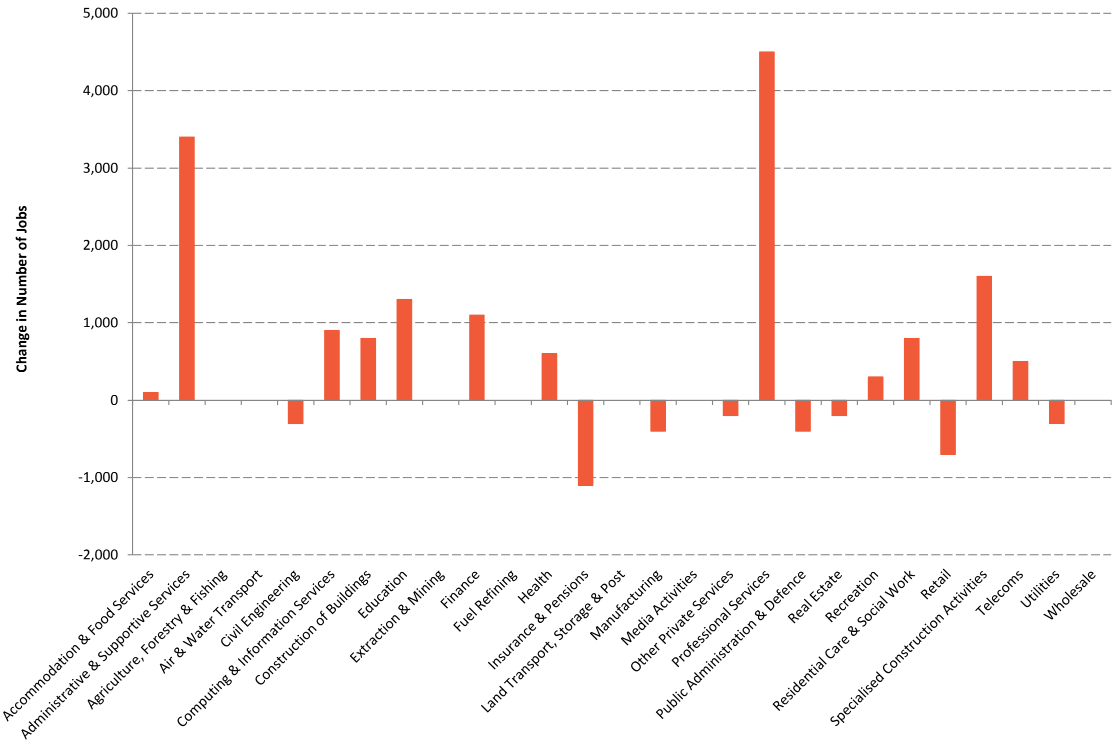
Figure 3.2 Proportional Change in Sector Employment (1997-2016)



Source: Experian (2016) / Lichfields analysis

3.5 In absolute terms, Brentwood gained the largest numbers jobs in professional services, administration and support services and specialised construction activities (+4,500, +3,400 and +1,600 jobs respectively) from 1997-2016 (Figure 3.3). The most jobs were lost in insurance and pensions, retail, public administration and defence and manufacturing (-1,100, -700, -400 and -400 jobs respectively).

Figure 3.3 Brentwood Absolute Change in Employment by Sector (1997-2016)



Source: Experian (2016) / Lichfields analysis

Potential Scale of Future Job Growth

3.6 A number of economic growth scenarios have been produced in line with the PPG as follows:

a **Scenario A: Experian** – prepared using Experian's economic forecasts (September 2016) which provide estimates of employment change in a range of sectors at the local authority level. The forecasts used are the same as in the most recent SHMA work done for the Council at the time this report was prepared;

b **Scenario B: EEFM –** this scenario draws upon the baseline sectoral forecast from the most recently published version of the East of England Forecasting Model (EEFM);

c **Scenario C: Housing Growth – 380 dwellings per annum** – models the economic implications of providing for 380 dwellings per annum (dpa) over the plan period; and

d **Scenario D: Past Development Rates –** drawing on past trends in completions of employment space based on monitoring data supplied by the Council to estimate how these might change in the future.

3.7 It should be noted that there are limitations to using economic forecasts such as from Experian and EEFM. Limitations include the changing context of the economy, which is going through a period of uncertainty at this time (i.e. Brexit). National macroeconomic assumptions act as a basis for modelling down to the regional and local levels, taking a reference to the economic profile and sectoral composition of an area. These top-down forecasts do not take into account specific local factors, which can have an impact on localised economic growth. However, the forecasts are still important for indicating the scale and direction of change in different industries.

3.8 Population projections are one of the main inputs for producing economic forecasts. The projections can affect forecast results through changes in the scale of the total population and number of working-age residents. Updates to the projections occur frequently and therefore assumptions such as working age population size and economic activity are liable to change, affecting economic forecasts.

3.9 In addition, scenarios A and B use two different sets of economic forecasts, produced by different forecasting houses that have their own approaches. This includes how macro and microeconomic variables are interpreted and sectors of the economy are defined. This results in differing forecasts of employment change and future employment floorspace and land requirements, due to the differing sectoral classifications of each forecasting house.

3.10 Examples of differing sectoral classifications between Experian and the EEFM include the maximum number of sectors both forecasts include. Experian provides employment forecasts for 38 different sectors, while the EEFM provides a maximum of 31. The difference in the number of sectors both forecasting houses means certain sectors in the EEFM such as construction incorporate a number of standard industrial classification (SIC) divisions, which Experian splits out into three separate sectors rather than grouping all of the divisions into a single sector.

3.11 It should also be noted that while Brentwood currently has an OAN of 380 dwellings per annum, the Government has recently consulted on the introduction of a standardised method of calculating local authority housing requirements. Depending on the Government's response to the consultation, Brentwood's housing delivery target may change in the short-term future after the publishing of this study, which would affect the result of Scenario C.

3.12 In this section, job forecasts show total employment. The forecast period differs from the 2014 study as the base forecast year is now 2013 and end year 2033 to reflect the updated Local Plan period. This increases the overall forecast period from 15 to 20 years.

Scenario A: Experian Forecast

3.13 Table 3.1 presents employment change in Brentwood under the 2016 Experian forecast. The B class figures include an allowance for jobs in other non-B class sectors that can use industrial, office or warehouse space as a base of operations. These can include construction, vehicle repair, road transport and public administration. The forecast indicates Brentwood will gain an additional 4,130 B class jobs between 2013 and 2033. A full breakdown is given in Appendix 3.

Table 3.1 Scenario A Forecast Employment Change in Brentwood Borough (2013-2033)

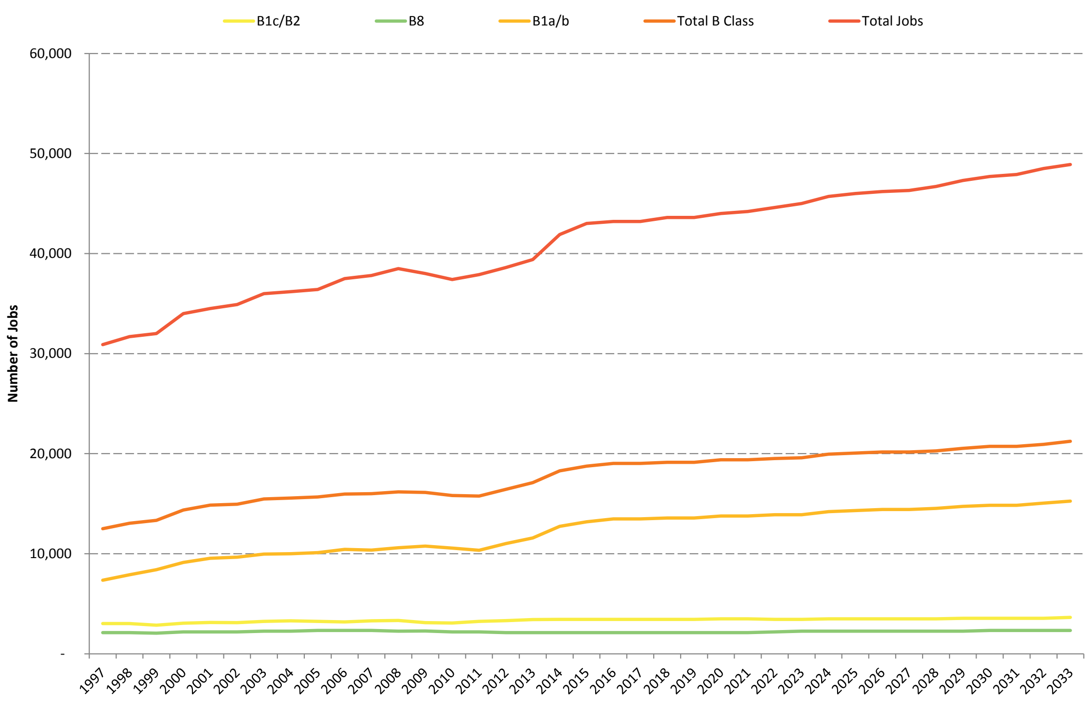
Use	No of Jobs		Change	
	2013	2033	Absolute	%
Manufacturing (B1c/B2)	3,420	3,640	+220	6.6%
Warehousing (B8)	2,120	2,340	+220	10.2%
Offices (B1a/b)	11,570	15,260	+3,690	31.9%
Total B Class Jobs	**17,100**	**21,230**	**+4,130**	**24.2%**
Jobs in All Sectors	**39,400**	**48,900**	**+9,500**	**24.1%**

Source: Experian (2016) / Lichfields Note figures may not sum due to rounding.

3.14 Forecasts indicate most of Brentwood's B class employment growth will come forward in office space. Employment projections indicate an increase of 3,690 jobs, equivalent to a 31.9% of total jobs growth. Employment in other B class floorspace is also forecast to grow but at a lower absolute quantum and rate than offices. In total, 440 new B1c/B2 and B8 jobs may come forward from 2013-2033, or 10.6% of all new B class jobs in the Borough. The other main forecast drivers of employment growth include accommodation and food services, residential care and social work and health.

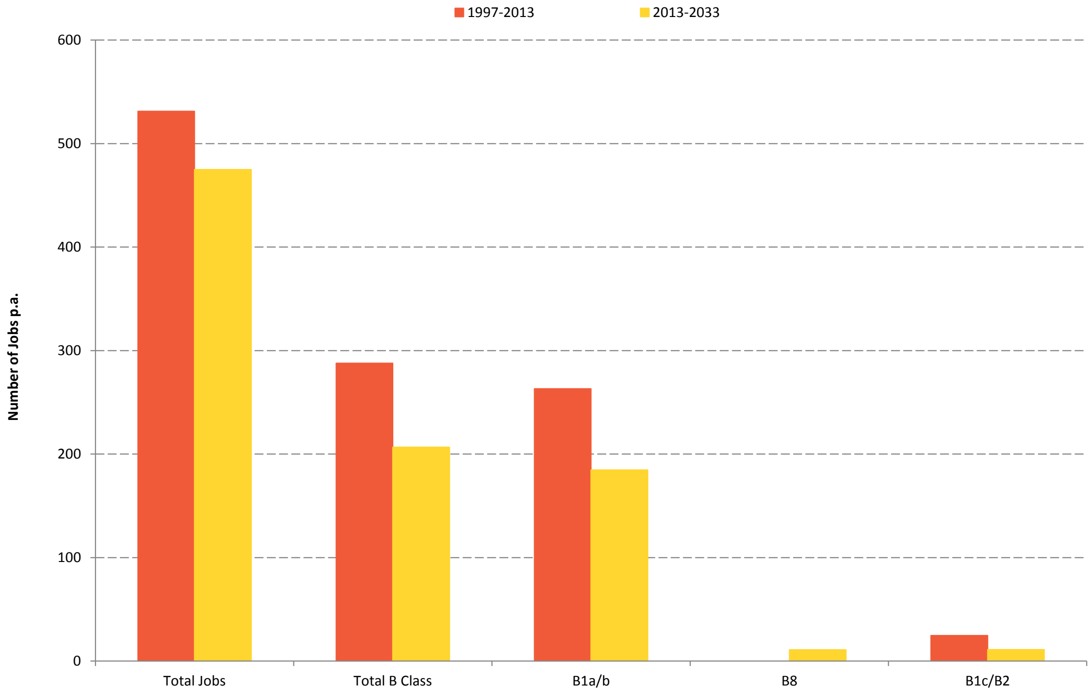
3.15 Figure 3.4 and Figure 3.5 compare past and forecast employment up to the end of the Local Plan and at annualised rates. The graphs highlight under scenario A employment may continue to grow at a slightly lower rate than from 1997 to 2013. Forecasts indicate average employment growth of 480 additional jobs per annum, 60 fewer jobs per annum than before 2014. B8 class jobs differ to this trend by increasing at an annual rate of 11 over the forecast period, when previously the number of jobs had remained flat. Overall, 43.5% of all new workforce jobs in the Borough up to 2033 are forecast in sectors that occupy B class space.

Figure 3.4 Past and Forecast Job Growth under Scenario A



Source: Experian (2016) / Lichfields analysis

Figure 3.5 Annualised Employment Change under Scenario A



Source: Experian (2016) / Lichfields analysis

Scenario B: EEFM Forecast

3.16 Scenario B uses the EEFM to forecast future B class employment over the Local Plan period. As with scenario A, the forecast includes an allowance for jobs in other non-B class sectors that may occupy office, industrial or warehouse spaces. Table 3.2 indicates between 2013 and 2033 that Brentwood will gain an additional 2,430 B Class jobs, lower than the Experian estimate above.

Table 3.2 Scenario B Employment Change in Brentwood (2013-2033)

Use	No of Jobs		Change	
	2013	2033	Absolute	%
Manufacturing (B1c/B2)	3,780	3,510	-270	-7.0%
Warehousing (B8)	2,070	1,920	-150	-7.1%
Offices (B1a/b)	16,260	19,010	+2,840	17.5%
Total B Class Jobs	**22,100**	**24,530**	**+2,430**	**11.0%**
Jobs in All Sectors	**40,640**	**45,760**	**+5,110**	**12.6%**

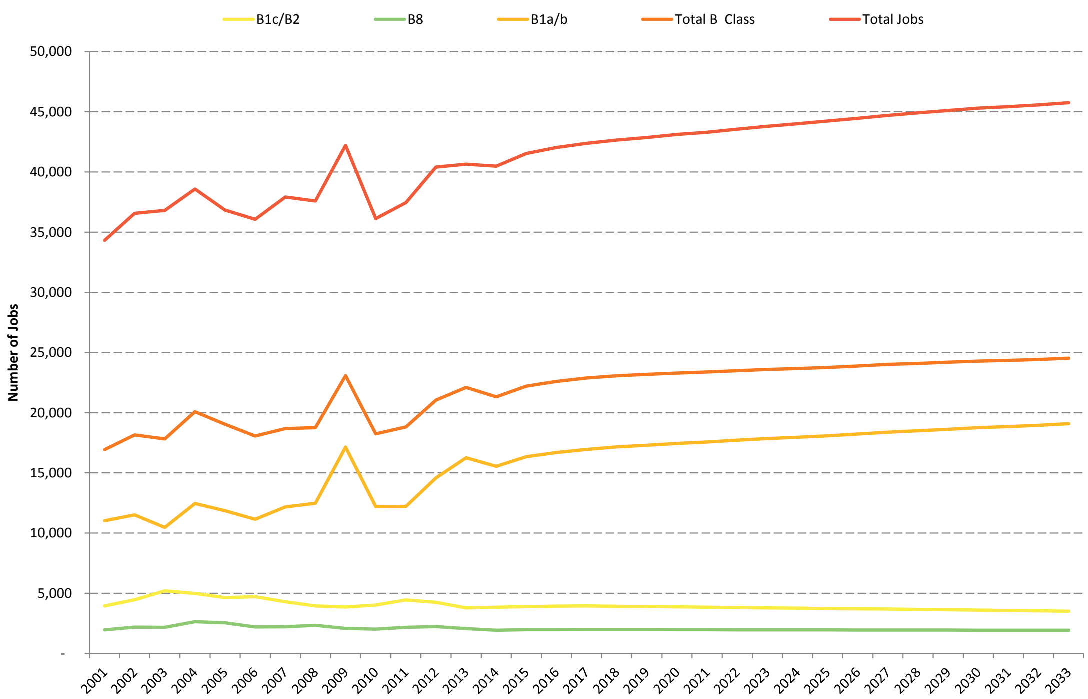
Source: Cambridge Econometrics (2016) / Lichfields Note figures may not sum due to rounding.

3.17 The forecast indicates new B class jobs will come forward in sectors that occupy offices (2,840 jobs)[15]. No additional jobs are expected in sectors that occupy industrial and warehouse space (-410 jobs). In addition to new B class jobs, Brentwood is forecast to add another 2,690 jobs in other sectors over the course of the Local Plan. The main non-B class sectors driving employment growth include accommodation and food services and health.

[15] Note the difference in the number of B1a/b jobs between the Experian and EEFM forecasts is due to how the forecasts define sectors. In this case, the EEFM includes one overall sector called business services, which Experian breaks out in two separate categories, creating inconsistencies when considering the number of B1a/b jobs.

3.18 Figure 3.6 presents employment change in Brentwood from 2001-2033. The shorter time series in comparison to Scenario A is due to the latest version of the EEFM only providing data back to 2001. The EEFM indicates that past employment in Brentwood fluctuated significantly in the years between 2001 and 2013, but may grow at a consistent rate up to 2033.

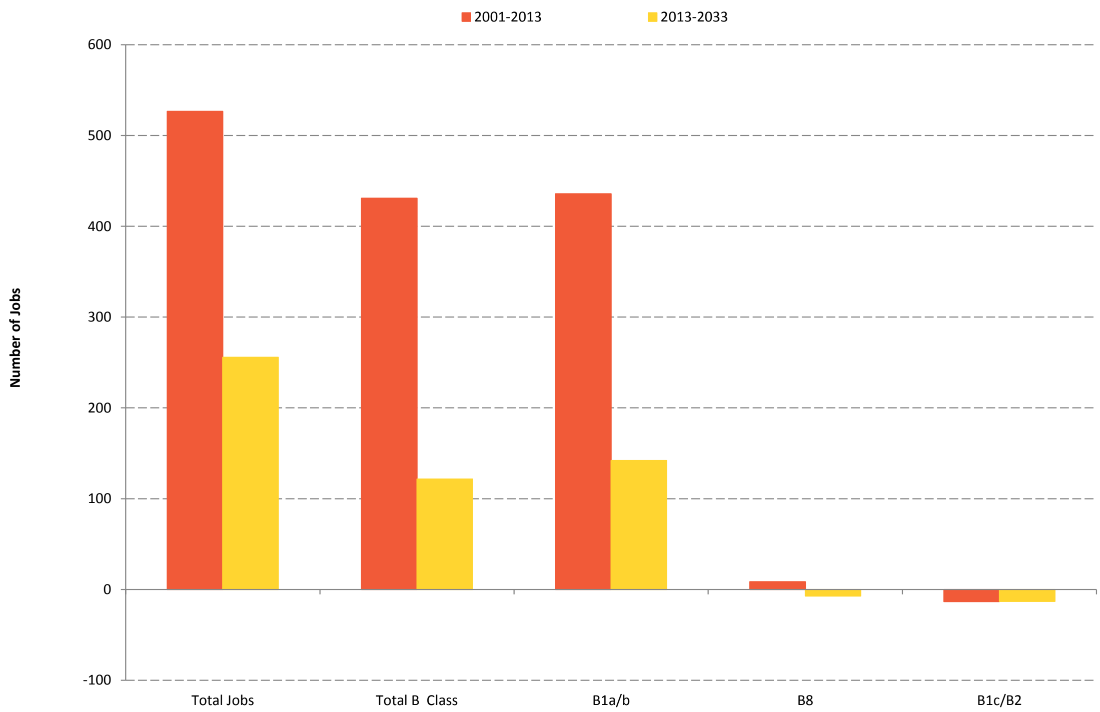
Figure 3.6 Past and Forecast Employment Change under Scenario B



Source: EEFM (2016) / Lichfields

3.19 From 2013 to 2033, Brentwood is forecast to gain 260 additional jobs per annum, a decrease of 270 jobs per annum in comparison to the previous 12 years. Figure 3.7 highlights that new B class jobs may be one of the key drivers of employment growth during the forecast period, accounting for 47.5% of the annual gain. This represents a move from the previous pattern of growth between 2001 and 2013 when new B class jobs accounted for 81.8% of total employment growth. However, the forecasts still show the important role B class jobs will have in driving future economic growth in Brentwood.

Figure 3.7 Annualised Employment Change under Scenario B



Source: EEFM (2016) / Lichfields

Scenario C: Housing Growth (380 Dwellings per Annum)

3.20 Scenario C forecasts change in total and B class jobs in Brentwood by considering a change in the Borough's labour supply taking into account the current OAN (380 dwellings p.a.). The baseline level of jobs in 2013 is taken from Scenario A as the Experian data is used in the past trends analysis consistent with the Brentwood SHMA. The employment forecast for Scenario C is shown below in Table 3.3.

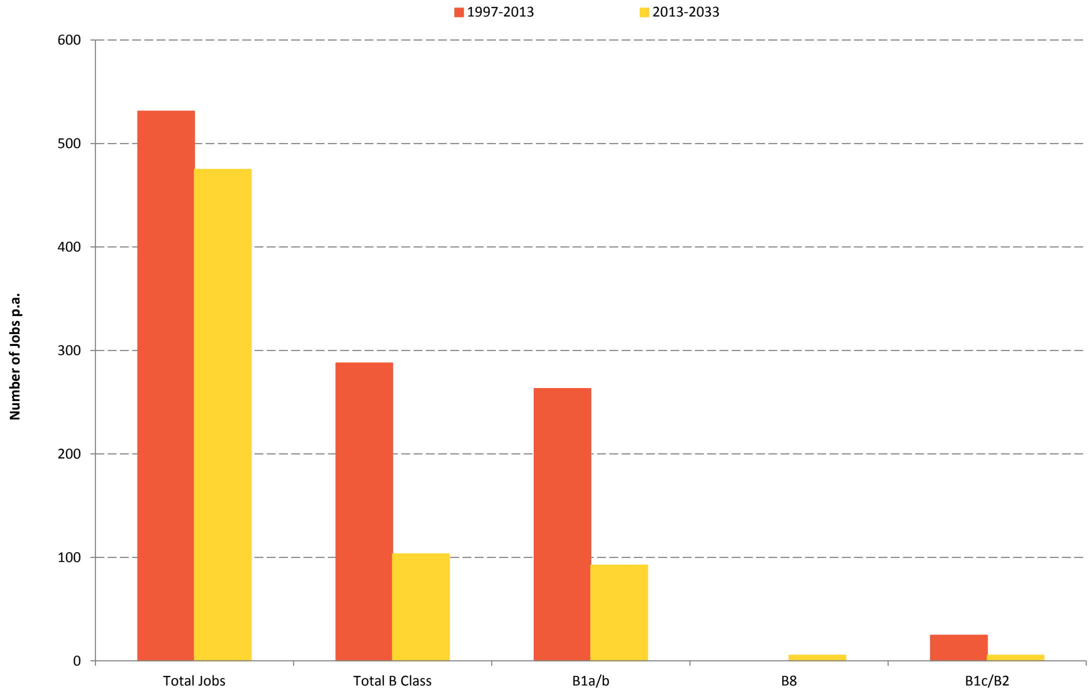
Table 3.3 Scenario C Employment Change in Brentwood (2013-2033)

Use	No of Jobs		Change (2013-2033)	
	2013	2033	Absolute	%
Manufacturing (B1c/B2)	3,420	3,530	110	3.2%
Warehousing (B8)	2,120	2,230	110	5.0%
Offices (B1a/b)	11,570	13,420	1,850	16.0%
Total B Class Jobs	**17,100**	**19,170**	**2,070**	**12.1%**
Jobs in All Sectors	**39,400**	**44,150**	**4,750**	**12.0%**

Source: Experian (2016) / Lichfields Note figures may not sum due to rounding.

3.21 Based on the projected change in labour supply, the number of B class jobs that could be supported in the local economy will increase by 2,070 over the Local Plan period. The growth is primarily driven by new office jobs, which make up 89.5% of the new B class jobs. B1c/B2 and B8 class are forecast to increase, albeit at a low rate in comparison to office-based employment. Under Scenario C, B class employment increases at a lower rate than over the previous 16 years, as highlighted in Figure 3.8.

Figure 3.8 Annualised Employment Change under Scenario C



Source: Experian (2016) / Lichfields

Scenario D: Past Development Rates

3.22 Scenario D forecasts future employment change by analysing past B class development rates and assuming these carry forward in the future. Monitoring data for the period between 2006 and 2016 was provided by the Council for calculating development rates. During the period annual net completions for B class space amounted to 220sq.m per annum.

3.23 Gross completions were higher at an average of 2,590sq.m per annum, although this masks losses of employment space that have occurred over this period. Table 3.4 presents the net and gross annual completions by use class. Where a mixed B1/B2/B8 class application was recorded in the Council's monitoring data a 30:30:30 split has been applied for assigning the mixed floorspace to singular B classes (B1a/b, B1c/B2 and B8). The same split was adopted in the 2014 Study.

Table 3.4 Brentwood Annual Completions (2006-2016)

Use	Annual Net Completions	Annual Gross Completions
Manufacturing (B1c/B2)	350	950
Warehousing (B8)	360	1,140
Offices (B1a/b)	-480	500
Total	**220**	**2,590**

Source: Brentwood Borough Council (BBC) / Lichfields Note figures may not sum due to rounding.

3.24 One view of future growth in Brentwood could be to assume that the past development rates carry on in the future at the long-term average. This would equate to increases in manufacturing and warehousing (6,880sq.m and 7,100sq.m respectively) floorspace and a decrease in office floorspace (-9,540sq.m) (Table 3.5).

Table 3.5 Net Employment Floorspace Requirements Based upon Past Completion Rates (2013-2033)

Use	Annual Net Completions	Annual Gross Completions
Manufacturing (B1c/B2)	340	6,880
Warehousing (B8)	360	7,100
Offices (B1a/b)	-480	-9,540
Total	**220**	**4,440**

Source: Lichfields Note figures may not sum due to rounding.

3.25 Using standard ratios of jobs to floorspace for the different B class uses (ratios outlined below in paragraph 3.26); it is possible to estimate that fewer than 500 jobs would be lost in the Borough if take-up trends were to continue. This would reflect the projected decrease in office floorspace, which has a higher associated jobs density than manufacturing and warehousing floorspace.

Net Employment Space Requirements

3.26 To calculate net employment space requirements in Brentwood, specific job densities have been applied to the employment forecasts for each scenario. The job densities are as follows:

- Manufacturing (B1c/B2) – 1 job per 43sq.m
- General Warehousing (smaller scale warehousing) (B8) – 1 job per 65sq.m[16]
- Strategic Warehousing (large scale warehousing) (B8) – 1 job per 74sq.m
- Offices (B1a/b) – 1 job per 12.5sq.m

3.27 These assumptions are based on the latest Homes and Communities Agency (HCA) Employment Densities Guide (2015), which accounts for recent trends in how the use of employment floorspace is changing[17]. Increasingly office space is being used more flexibly with higher levels of hot-desking and home working. This has led to a movement towards a situation in some offices where there are fewer desks than the number of workers, and less space is required per worker.

3.28 For all positive floorspace requirements, an allowance of 10% has been added to reflect a normal level of vacancy in the commercial market. Where a reduction in jobs is forecast the associated negative floorspace requirement has been reduced by 50%. This adjustment is made to reflect that there is not necessarily a direct correction between job and floorspace losses (i.e. a firm may use the same amount of space but employ less workers).

3.29 Taking these factors into account, Brentwood's net employment requirement for between 2013 and 2033 ranges between 4,440sq.m and 77,510sq.m as set out in Table 3.6.

Table 3.6 Brentwood Net Employment Floorspace Requirements (2013-2033)

Use	Floorspace (sq.m)			
	Scenario A	Scenario B	Scenario C	Scenario D
Manufacturing (B1c/B2)	10,590	-5,700	5,160	6,880
Warehousing (B8)	16,160	-4,940	7,970	7,100
Offices (B1a/b)	50,770	39,070	25,430	-9,540
Total	**77,510**	**28,430**	**38,560**	**4,440**

Source: Lichfields Note figures may not sum due to rounding.

[16] B8 floorspace is assumed to be split 70:30 between small and larger scale warehousing based upon the Borough's current stock of premises.
[17] Homes and Communities Agency (HCA), (2015); Employment Densities Guide.

3.30 All scenarios indicate Brentwood requires some additional B class floorspace in the future. The main differences between the scenarios are that Scenario D forecasts no future need for new B1a/b floorspace and Scenario B indicates no future need for additional B1c/B2 and B8 floorspace. All other floorspace requirements are positive.

Safety Margin

3.31 To estimate the overall requirement of employment floorspace that should be planned for when allocating sites, a safety margin has been applied. The safety margin adds an allowance for factors such as delayed site delivery, providing flexibility for supply.

3.32 The former South East England Partnership Board Guidance (SEEPB) ELR guidance recommends an allowance equivalent to the average time it takes for a site to gain planning permission, typically two years. The safety margin applied here is based upon the annual average gross gains of floorspace in Brentwood, using the Council's monitoring data to calculate the rate of gains. The same approach was used in the previous 2014 Study. The results are below in Table 3.7.

Table 3.7 Safety Margin Allowances

Use	Average Annual Take-Up (sq.m)	Safety Margin (sq.m)
Manufacturing (B1c/B2)	500	1,010
Warehousing (B8)	950	1,900
Offices (B1a/b)	1,140	2,280
Total	**2,590**	**5,180**

Source: Lichfields Note figures may not sum due to rounding.

Convert to Gross Floorspace Requirements

3.33 To transfer the net floorspace requirement to a gross requirement, an allowance has been made for replacing existing employment space which could be redeveloped for other purposes (e.g. residential).

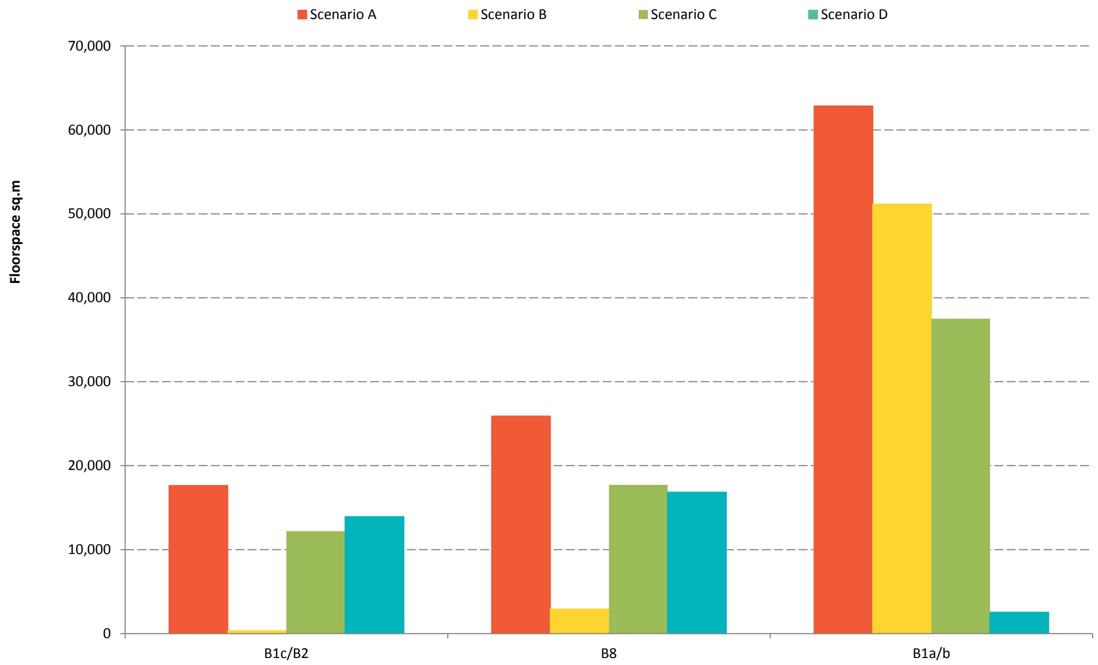
3.34 Judgments were made on the suitability and degree of the allowance for future losses, which it would be appropriate to apply here, based on past development trends, and losses recorded across the Borough since 2006. Some of the floorspace of each B class was lost from 2006-2016. Therefore, 50% of the annual gross rate of losses of each B class has been applied for a consistent approach. Half the rate of losses rather than the full amount has been used, as it is not realistic that losses would be replaced on a one for one basis. The resulting gross floorspace requirements are below in Table 3.8 and Figure 3.9.

Table 3.8 Gross Floorspace Requirements by Scenario (2013-2033)

Use	Floorspace (sq.m)			
	Scenario A	Scenario B	Scenario C	Scenario D
Manufacturing (B1c/B2)	17,640	340	12,200	13,930
Warehousing (B8)	25,890	2,900	17,710	16,840
Offices (B1a/b)	62,850	51,150	37,510	2,540
Total	**106,380**	**54,390**	**67,420**	**33,300**

Source: Lichfields Note figures may not sum due to rounding.

Figure 3.9 Gross Floorspace Requirements by Scenario (2013-2033)



Source: Lichfields

Estimated Land Requirement

3.35 The gross employment floorspace estimates are converted to land requirements using plot ratios (Table 3.9). As in the 2014 Study, 50% of offices are assumed to come forward in denser urban settings and the remaining 50% on lower density business parks.

Table 3.9 Assumed Plot Ratios

Use	Plot Ratio
Manufacturing (B1c/B2)	0.4
Warehousing (B8)	0.4
Offices (urban) (B1a/b)	2.0
Offices (business park) (B1a/b)	0.4

Source: Lichfields

3.36 Applying the plot ratios to the gross floorspace requirements results in the gross land requirements shown in Table 3.10. The total estimated requirements range from 8.1ha in Scenario D to 20.3ha in Scenario A, lower than the 2014 Study which forecasts requirements of 18.5-22.8ha.

Table 3.10 Gross Land Requirements (2013-2033)

Use	Employment Land (ha)			
	Scenario A	Scenario B	Scenario C	Scenario D
Manufacturing (B1c/B2)	4.4	0.1	3.1	3.5
Warehousing (B8)	6.5	0.7	4.4	4.2
Offices (B1a/b)	9.4	7.7	5.6	0.4
Total	**20.3**	**8.5**	**13.1**	**8.1**

Source: Lichfields Note figures may not sum due to rounding.

3.38 The difference between the gross employment land figures presented in Table 3.10 and the previous study are caused by a number of factors such as:

- Updated macroeconomic assumptions used in the employment forecasts (e.g. Brexit);
- Inclusion of a past take-up and EEFM based labour demand scenario;
- Different assessment time period; and
- Updated Council annual monitoring data.

Summary

3.39 The four scenarios indicate Brentwood has a total (i.e. across all B classes) net employment floorspace requirement of between 4,440sq.m and 77,510sq.m over the Local Plan. The range reflects the overall scale of employment growth implied by the different scenarios and more specifically the mix of B-class sectors and, in turn, their floorspace requirements.

3.40 Taking account of future market losses, a normal level of market vacancy and safety margin the range of floorspace increases to 33,310-106,380sqm. Applying appropriate plot ratios to the forecasts requirements results in gross employment land requirements of between 8.1 and 20.3ha.

4.0 Demand/ Supply Balance of Employment Land

4.1 This section analyses the Borough's employment land demand and supply balance. It combines the forecast land requirements, existing employment sites and potential new Local Plan sites to identify whether there is a surplus or need for additional land.

Quantitative Balance

4.2 The gross floorspace requirements forecast for the Borough are between 33,310sq.m and 106,380sq.m of additional B class floorspace over the Local Plan period. This is equivalent to a range of 8.1-20.3ha of employment land. The land areas take into account a safety margin, the future loss of employment floorspace due to market forces and a typical level of market vacancy. Overall, the highest levels of employment land demand are generated by Scenarios A and Scenario C (20.3ha and 13.1ha respectively), while Scenario B and Scenario D indicate lower and similar land requirement (8.5ha and 8.1ha respectively).

Pipeline Supply

4.3 The pipeline supply of employment space consists of the Council's latest employment site allocations at the time of reporting[18]. The overall pipeline of supply totals 111.2ha in area and includes 47.4ha of new employment allocations, 41.0ha of existing employment allocations and 22.9ha of existing employment sites that were previously unallocated. Appendix 4 includes a detailed list of the allocated site.

4.4 The 47.4ha of new employment allocations contains seven sites. The largest is Brentwood Enterprise Park (site 101a), which has an area of 25.9ha, equating to 54.5% of all new employment land allocated. The other three large sites over 5ha in size are located at East Horndon (site 187), the planned Dunton Hills garden village (site 200) and the Childerditch Industrial Estate (sites 112D and 112E), which have a combined area of 16.9ha.

4.5 The other new allocations include an extension to the employment cluster at Codham Hall (Site 101C); Land north of A1023, Shenfield (site 158); and in Ingatestone, near to the A12 (079C). The three smaller sites total 4.7ha in the area and bring the total area of new allocations to 47.4ha. In addition to the site allocations, the Borough has a number of extant planning permissions and prior approvals that could come forward in the future alongside the allocations. If all of the extant permissions were completed -5.7ha of employment land could be lost.

4.6 Taking into account the new site allocations and potential loss of employment land due to extant planning permissions, Brentwood's new employment land supply equates to 41.7ha of land (see Table 4.1).

Table 4.1 New Employment Land Supply

	Area (ha)
New Allocations	47.4
Extant Permissions	-5.7
Total	**41.7**

Source: Lichfields Note figures may not sum due to rounding.

[18] BBC, (2018); Regulation 18 Local Plan

4.7 The 41.7ha of land will help meet gross employment land requirements forecast in section 3.0, which range from 8.1ha to 20.3ha. Subtracting the employment land requirements from the Council's new employment land supply results in a surplus of between +21.4ha and +33.7ha (Table 4.2).

Table 4.2 Demand / Supply of B Class Employment Land

	Employment Land (ha)			
	Scenario A	Scenario B	Scenario C	Scenario D
Estimated Land Requirement	20.3	8.5	13.1	8.1
New Employment Land Proposed	41.7			
Surplus /Deficit	**+21.4**	**+33.3**	**+28.6**	**+33.7**

Source: Lichfields Note figures may not sum due to rounding.

4.8 Converting the employment land requirements to floorspace shows that Brentwood would have a supply surplus when compared to the identified requirement in all scenarios (Table 4.3).

Table 4.3 Demand / Supply of B Class Employment Floorspace

	Employment Floorspace (sq.m)			
	Scenario A	Scenario B	Scenario C	Scenario D
Estimated Floorspace Requirement	106,380	54,390	67,420	33,310
New Employment Floorspace	160,470[19]			
Surplus /Deficit	**+54,090**	**+106,080**	**+93,050**	**+127,160**

Source: Lichfields Note figures may not sum due to rounding.

Needs of Different Uses

4.9 To identify the needs of different employment uses further, analysis of the floorspace capacity of each new allocation and extant permissions has been completed. The analysis follows the same approach from the 2014 Study, using a plot ratio 0.4ha and a 30:30:30 split between B1a/b, B1c/B2 and B8 classes. The exception to applying this method is when floorspace areas or a specific land use split is available for a site. If this is the case, the floorspace figures for a site are added to each B class total directly or the unique split is used in place of the 30:30:30 standard. In total, the new and carried over allocations are estimated to have a combined floorspace capacity of 160,470sq.m (Table 4.4).

Table 4.4 Available B Class Employment Floorspace

	Employment Floorspace (sq.m)			
	B1a/b	B1c/B2	B8	Total
New Allocations	61,020	61,020	61,020	183,070
Extant Permissions	-7,530	-7,530	-7,530	-22,600
Total	**53,490**	**53,490**	**53,490**	**160,470**

Source: Lichfields Note figures may not sum due to rounding.

4.10 It is necessary to provide a variety of sites and premises to meet the needs of different businesses and sectors, and not rely on having enough floorspace capacity in purely quantitative terms. Market demand can cause fluctuations in floorspace requirements, which differ at times to the capacities in Table 4.4. The need for providing the right balance of sites in Brentwood is

[19] Floorspace for proposed and existing allocations are calculated at a plot ratio of 0.4ha (i.e. 1 ha can accommodate 4,000 sq.m). Floorspace for extant permissions is copied directly from the Borough's monitoring data.

pertinent as the forecast increase in the working-age population will expand the Borough's workforce and generate the requirement for a variety of jobs at different skill levels.

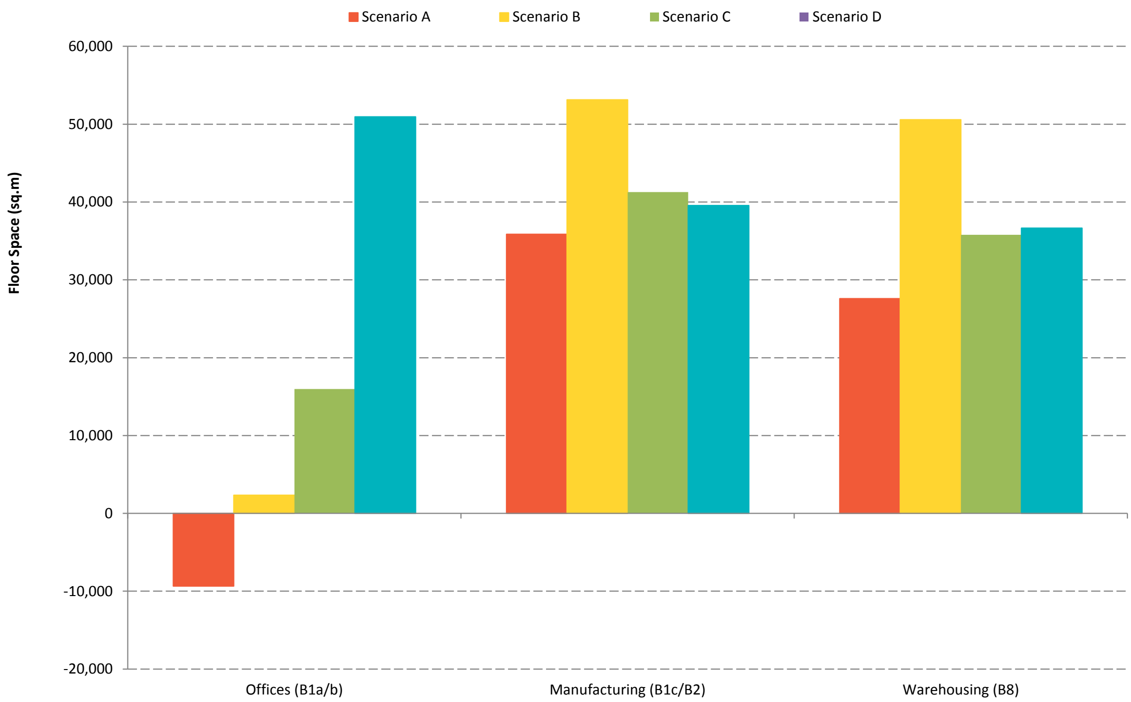
4.11 Table 4.5 and Figure 4.1 compare forecast B class requirements from each scenario and the site capacity figures from Table 4.4. Estimates indicate that Brentwood's new employment allocations have the capacity to meet future B1c/B2 and B8 floorspace demand under all forecast scenarios. However, under Scenario A the Borough has a deficit in office floorspace of -9,360sq.m

Table 4.5 Demand / Supply for B Class Floorspace (2013-2033)

	Scenario A	Scenario B	Scenario C	Scenario D
Offices (B1a/b) (sq.m)				
Forecast Requirement	62,850	51,150	37,510	2,540
Potential Supply	53,490			
Surplus / Deficit	**-9,360**	**+2,340**	**+15,980**	**+50,950**
Manufacturing (B1c/B2) (sq.m)				
Forecast Requirement	17,640	340	12,200	13,930
Potential Supply	53,490			
Surplus / Deficit	**+35,850**	**+53,150**	**+41,290**	**+39,560**
Warehousing (B8) (sq.m)				
Forecast Requirement	25,890	2,900	17,710	16,840
Potential Supply	53,490			
Surplus / Deficit	**+27,600**	**+50,590**	**+35,780**	**+36,650**

Source: Lichfields Note figures may not sum due to rounding.

Figure 4.1 Forecast Surplus / Deficit of B Class Employment Floorspace by Type and Scenario (2013-2033)



Source: Lichfields

4.12 This analysis suggests Brentwood's new employment allocations have the capacity to provide enough B1c/B2 and B8 floorspace to meet future need, but may not be able to meet future B1a/b requirements from 2013 to 2033 (i.e. Scenario A). B1c/B2 and B8 premises typically have similar characteristics and are usable by businesses normally associated with either B class. The two B classes are combinable into one overall industrial category. When combined the Borough has a surplus of industrial floorspace of between 63,450sq.m and 103,740sqm (Table 4.6).

Table 4.6 Demand / Supply Balance for Industrial Floorspace (2013-2033)

	Floorspace (sq.m)			
	Scenario A	Scenario B	Scenario C	Scenario D
Demand	43,530	3,230	29,910	30,770
Supply	106,980			
Surplus / Deficit	**+63,450**	**+103,740**	**+77,070**	**+76,210**

Source: Lichfields Note figures may not sum due to rounding.

4.13 The floorspace capacity estimates provide an indication of how much development may come forward on sites in the future. The mix of uses and quantum of floorspace that comes forward on each allocation may differ in reality. However, the estimates provide a reasonable insight into how the Borough may handle future employment floorspace need. Delivering Brentwood Enterprise Park is particularly important as the estimates indicate that the site has over 50% of the Borough's capacity for each land use.

Potential Losses Arising from the Local Plan

4.14 The Council expects to lose 21.0ha of employment land over the Local Plan period through reallocations and rationalisation of existing sites. If the 21.0ha of losses do occur, then employment land requirements increase to between 29.1ha and 41.3ha. The increase will likely affect Brentwood's supply and demand balance, and leaves the Borough will only a small surplus of land under Scenario A (Table 4.7).

Table 4.7 B Class Employment Land Demand / Supply Balance Incorporating Re-allocations

	Land (ha)			
	Scenario A	Scenario B	Scenario C	Scenario D
A. Requirement for B Class Uses	20.3	8.5	13.1	8.1
B. Employment Land Re-allocations	21.0			
C. Combined Requirement (A+B)	41.3	29.5	34.1	29.1
D. Land Available for B Class Uses	41.7			
Surplus / Deficit (D-C)	**+0.5**	**+12.3**	**+7.7**	**+12.7**

Source: Lichfields Note figures may not sum due to rounding.

4.15 The Council has not finalised the employment site allocations, so the supply surpluses shown in Table 4.7 are liable to future change. In addition, business needs may change in the future as occupiers begin to use employment premises in new ways, which could make it unnecessary to replace lost employment space on a quantitative like-for-like basis in the future.

Qualitative Factors

4.16 It is important to take into account qualitative factors as well as quantitative forecasts. The Borough may have sufficient new employment land to meet future requirements based upon the forecast. However, other qualitative factors introduce variables that require more bespoke solutions than just providing an adequate supply of land. Important qualitative factors can include:

- The locational needs of different occupiers and employment spaces;
- Gaps in supply of particular land uses;
- The quality of premises and land to attract more occupiers; and
- Improving and modernising existing premises to meet new business needs.

4.17 The Council based upon the PPG should take into account market signals and intelligence to analyse the needs of particular sectors. This will help ensure that new land supply is situated in appropriate locations for occupiers and businesses of different types.

Potential Job Capacity of Identified Sites

4.18 In addition to estimating the floorspace capacity of the employment allocations and extant permissions, the potential job capacity has also been estimated. The calculations assume that all employment allocations and extant permissions will come forward during the Local Plan period. The results are indicative and do not reflect the actual number of jobs that may come forward on the sites up to 2033.

4.1 To calculate the job capacity of each site, the job densities used to estimate net floorspace requirements were applied to the floorspace capacity estimates in Table 4.4. The job densities for small and large warehousing have been applied to the floorspace at a ratio of 70:30, as used in the sub-section for calculating net floorspace requirements.

4.2 In total, the employment allocations and extant permissions have an estimated job capacity of 6,320 jobs[20]. The majority of the jobs are office-based, equating to 59.1% of the total number (Table 4.8). The number of B8 jobs is significantly lower than the B1c/B2 figure due to the lower densities normally associated with these jobs.

Table 4.8 Potential Job Capacity Matrix

	Indicative Job Capacity			
	B1a/b	B1c/B2	B8	Total
Proposed New Allocations				
Brentwood Enterprise Park (M25 Junction 29 works site)	2,760	800	510	4,070
Land adjacent to Ingatestone by-pass (part bounded by Roman Road)	220	60	40	320
Childerditch Industrial Estate (extension 3 - southern growth to tree line)	630	180	120	920
Brentwood Enterprise Park (Codham Hall Extension)	70	19	10	100
Dunton Hills Garden Village	590	170	110	870
Land at East Horndon	410	120	80	610
Land north of A1023, Shenfield	210	60	40	320
Sub Total	**4,880**	**1,420**	**910**	**7,210**
Extant Permissions				
Extant Permissions	-600	-180	-110	-890
Sub-Total	**-600**	**-180**	**-112**	**-890**
Total	**4,280**	**1,240**	**790**	**6,320**

Source: Lichfields analysis Note figures may not sum due to rounding.

4.3 The largest site (Brentwood Enterprise Park) has an indicative capacity of 4,070 or 56.5% of the total new allocations. The extant permissions due the potential loss of office floorspace have a combined job capacity of -890 jobs, which takes out some of the expected additional job capacity brought forward by the new and rolled over allocations

4.4 Table 4.9 compares the level of job growth in each scenario against the indicative employment sites job capacity. The table indicates that Brentwood's future employment land pipeline has the capacity to provide space for all of the additional jobs expected to come forward in the four scenarios. The pipeline also has the capacity to meet the needs of each B class under the scenarios.

[20] Note the site job capacity estimates in this report are based on a standardised methodology, which is consistent with the previous Brentwood Economic Futures Study (2014). The estimates are based on current information and assumptions where available, and the actual type and number of jobs that will be delivered will depend on the exact scale and mix of development that is brought forward on each of the employment site allocations in due course.

Table 4.9 Comparison of Scenario Job growth and Job Capacity

Use	Indicative Number of Jobs				
	Scenario A	Scenario B	Scenario C	Scenario D	Identified Site Capacity
Manufacturing (B1c/B2)	220	-270	110	160	1,240
Warehousing (B8)	220	-160	110	110	790
Offices (B1a/b)	3,690	2,840	1,850	-760	4,280
Total	**4,130**	**2,430**	**2,070**	**-500**	**6,320**

Source: Lichfields Note figures may not sum due to rounding.

4.6 It should be noted that while jobs capacity could be lost due to extant permissions and prior approvals. Some of them may not be enacted and based on consultation with the Council and commercial agents, developers are not going through with some approvals due to the current uncertainty in the housing market.

Summary

4.7 In all growth scenarios, the 41.7ha of new employment land could meet future need. However, when taking into account the 21.0ha of employment land that could be lost over the Local Plan period, the Borough under Scenarios A has a potential deficit in B1a/b floorspace to meet futures needs. In reality, replacing employment land on a like-for-like basis is unlikely and it may be possible to develop land in a more efficient manner, which could lower or eliminate the deficits from Table 4.7.

4.8 The future employment land and floorspace pipeline are estimated to have enough capacity to provide space for the total increase in jobs forecast in all four scenarios. In reality, the level of jobs capacity could be even larger as some of the extant planning permissions and prior approvals in the pipeline may not be initiated in the future.

5.0 Implications and Conclusions

5.1 This section considers policy and other approaches in relation to employment space to inform the Local Plan and potential measures to bring forward employment sites. To inform this section a review of Local Plan policies and public representations on the Draft Local Plan consultation.

Policy Approach

5.2 The four scenarios reviewed in Section 3.0 indicate the Borough could grow in the future, as a result generating an additional need for employment land and floorspace. The Council's policy approach for future growth should be to meet future demand within the Borough boundary. All scenarios indicate a lower rate of growth than the years prior to 2013, but the Borough's economy is still likely to grow and generate demand for more employment land and floorspace.

5.3 Based on the results of the four scenarios and taking into account the methods used for each one, the Council may wish to consider planning for the gross quantum of land forecast in Scenario A (20.3ha). The scenario reflects a broad trend of growth across a number of sectors and more closely matches past trends. Scenario B closely matches Scenario A in the forecast need for office employment land but differs with the only negative forecast for B1c/B2 and B8 need out of the scenarios. Scenario C more closely matches Scenario A across each B class category but generates a lower office requirement reflecting that it assumes current out-commuting levels.

5.4 For Scenario D, while office employment increased before 2013, past completions rates of office floorspace indicate the Borough has actually lost stock. This may reflect structural changes in office supply as the older stock has been redeveloped, but looking ahead aligns less well with how Brentwood's economy is projected to change in the future. However, it does highlight the Borough's past challenges to deliver new office floorspace when planning its future supply. This scenario also emphasises that recent industrial completions have been positive in net terms.

5.5 Quantitative demand forecasts may change in the future due to new data and forecasts coming forward that update those used in this report. Therefore, the Council will need to take a flexible approach for when planning for future economic growth. In accordance with the NPPF, the Borough should seek to plan for a choice of sites and locations to meet the needs of particular sectors and occupiers needs.

Choice of Sites

5.6 Taking into account new and existing site allocations and extant permissions Brentwood has a quantitative surplus of employment land under all scenarios, meeting the Borough's future needs over the Local Plan period. However, the PPG outlines local authorities should into account market signals alongside quantitative forecasts. The purpose is to make sure the Council provides a portfolio of sites that are available and deliverable to meet future needs.

5.7 The Council's current new employment allocations include eight sites mainly along the A127. Brentwood Enterprise Park is the largest single allocation, making up over 50% of the total new allocations included in the Local Plan. Without Brentwood Enterprise Park coming forward, the Council's future employment land supply would be significantly diminished.

5.8 Consultations with commercial property agents indicate that there is likely demand for new commercial floorspace at Brentwood Enterprise Park. Recent developments along the A127 have been successful in drawing in occupiers and the close proximity of Brentwood Enterprise Park to London could make it an attractive location for firms requiring B1c/B2 and B8 floorspace to locate. As evidenced in section 2.0, London currently has an industrial land supply and demand imbalance and the potential relocation of certain industrial activities to the wider South East is one option to help reach market equilibrium. As an office location though, the site is less accessible by public transport services and workers would mostly commute by car.

5.9 Delivering Brentwood Enterprise Park will also take time. Highway modifications will be required to unlock the site and under current market conditions, pre-leasing B1c/B2 and B8 units are unlikely, therefore, some units may need to be completed on a speculative basis before occupiers take up leases. The Council may need to bring forward other allocated employment sites to fill the supply gap that could arise if Brentwood Enterprise Park does take time to deliver.

5.10 The Council may also need to be cautious when considering future office locations. The current allocations have poorer public transport connections than other parts of the Borough and lack access to the Borough's existing high-quality amenities (e.g. Brentwood town high street). The allocations are also located away from the Borough's two Crossrail stations, which could significantly help drive growth in the future.

Re-provision of Employment Choice of Sites

5.11 The Council through reallocations expects to lose 21.0ha of employment land over the Local Plan period including some of its largest clusters such as West Horndon Industrial Estate. West Horndon Industrial Estate is the largest in the Borough, so a significant number of businesses may require new premises if they are to be retained locally.

5.12 Representations on the January 2016 draft Local Plan indicated there are concerns over the potential need for businesses to move due to site reallocations. The focus of concerns was on the reallocation of West Horndon Industrial Estate, as found in the 2014 Economic Futures Study. The Council's updated allocations go some way to mitigate the reallocation by including a 5.5ha site at East Horndon, near to the existing West Horndon Industrial Estate. However, the East Horndon site is smaller than the current West Horndon Industrial Estate and development on it could not provide enough floorspace for all displaced businesses.

5.13 This does not mean that the Council will have to provide new employment land on a like for like basis, as multiple other factors including using new employment land more intensively, rationalising existing sites and how businesses use premises can have an effect on how much land is actually required to support economic growth. These factors mean that the Council will need to plan for a flexible employment land supply.

5.14 The Council should also consider how quickly new employment sites could come forward as businesses displaced by housing development will need new premises at the same time. Otherwise, businesses could relocate from the Borough and shift the centre of economic growth away from Brentwood to neighbouring local authorities. As a high proportion of the new employment land is located at Brentwood Enterprise Park, the Council could consider how it might coordinate delivering the site alongside the redevelopment of existing employment clusters. A coordinated approach could help mitigate the potential impacts on the Borough's future economic growth that might arise through the redevelopment of existing employment areas.

Office Uses

5.15 A shown in Table 2.2, the Borough's office stock has declined slightly. However, forecasts indicate Brentwood will require more office space in the future for housing new jobs and accounting for the loss of office floorspace through market processes. Scenarios A to D indicate the Borough will require between 2,540sq.m and 62,850sq.m of new office floorspace over the Local Plan period.

5.16 The Council's new employment allocations have land set aside for office development, especially at Brentwood Enterprise Park, which has an estimated capacity for 2,760 B1a/b jobs. However, the allocations are not ideally located for future office development. Other parts of the Borough have better public transport access and high-quality amenities within easy reach. The Council may wish to consider allocating dedicated B1a/b sites, which are better located for the needs of office occupiers.

5.17 The Council should also consider its approach to mitigating the potential future loss of office floorspace due to PDR. Extant permissions indicate the Borough could lose a significant quantum office floorspace to PDR in the near future. This trend could continue beyond the current pipeline of losses and place additional pressure on the new employment allocations. To mitigate the potential impact of PDR in the future the Council may wish to explore an Article 4 direction, which would remove the ability to use PDR to convert B1a/b class space automatically to C3.

Industrial Uses

5.18 All scenarios indicate the majority of B class job growth in Brentwood may come forward in industries typically associated with occupying offices. However, due to the lower job densities of B1c/B2 and B8 class space, the Borough is forecast to require between 3,230sq.m and 43,530sq.m of new industrial floorspace. The new employment land allocations are estimated to have enough capacity to provide space to meet future job growth, though this does not take into account the displacement of industrial businesses through the reallocation of existing employment sites.

5.19 In addition to the forecast requirements, the Council may wish to consider how the Borough is positioned in the future industrial market and whether more land could be allocated. The potential relocation of industrial activities from London could create additional demand for B1c/B2 and B8 premises in wider South East local authorities. Brentwood is well located to take advantage if firms do relocate outside of London. New B1c/B2 and B8 premises would be required to take advantage of relocation, given the Borough's existing small stock. Delivery of Brentwood Enterprise Park could provide a significant area of the floorspace that meets the needs of relocating businesses. However, if demand is particularly strong additional sites may be required to absorb the demand and still provide space for businesses requiring new premises due to the release of existing employment sites for housing.

Conclusions

5.20 The new employment allocations are estimated to provide enough land to meet additional growth needs under all scenarios considered. It is worth noting that the future supply position is considerably reliant on delivery of Brentwood Enterprise Park, which accounts for around half of the Borough's supply. Therefore, the Council will need to consider carefully the phasing and delivery of the site in order to ensure a readily available supply of employment land across the short, medium and long-term.

5.21 When taking into account the 21.0ha of existing employment land reallocated for residential development, the Borough retains a surplus of employment land in all growth scenarios. This assumes that lost employment land is replaced on a like-for-like basis, which is unlikely to occur. Factors such as intensifying employment land development, using premises more efficiently and released sites remaining undeveloped could all affect the Borough's actual supply position, and as such the Council should therefore plan its future land supply flexibly.

Appendix 1: Consultees

Bell and Co Estate Agents

Kemsley

Lambert Smith Hampton

Mass and Co

Whirledge and Nott

Appendix 2: Consultation Questions

- What is the market area in which Brentwood operates in? Are there differences between industrial and office market areas?
- What are the key factors attracting/ deterring businesses to Brentwood, and its general attractiveness for business?
- Have there been many business relocations to the Borough in recent years? What types of firms has the area attracted and from where? Are there any particular inquiries that cannot be met?
- What are the general levels of market demand for offices and industrial premises? Are there any particular sectors driving demand in normal market conditions?
- What are the rental levels for B1 office, B1 industrial and B2 / B8 in Brentwood? Is there any variation locally and how does Brentwood compare to competing centres?
- Current vacancy levels for office and industrial space?
- Is there much pressure for residential or non-B) uses on employment sites? Are you seeing an increase in mixed-use schemes being granted approval on employment sites?
- Are there any specific barriers or locational constraints that are preventing take-up of undeveloped/vacant employment allocations in the Borough?
- What types of new employment sites are needed?
- What effect could the development of major proposals such as Dunton Hills Garden Village and Brentwood Enterprise Park have on the local market?
- What is the scale of demand for start-up/managed workspace?

Appendix 3: Employment Sector Forecasts by Scenario

Scenario A Employment Forecast

Sector	Number of Jobs (2013)	Number of Jobs (2033)	Absolute Change	% Change
Agriculture, Forestry & Fishing	200	300	100	50.0%
Printing and Recorded Media	200	200	-	0.0%
Pharmaceuticals	300	300	-	0.0%
Metal Products	300	200	-100	-33.3%
Transport Equipment	900	800	-100	-11.1%
Utilities	300	300	-	0.0%
Construction of Buildings	2,000	2,600	600	30.0%
Civil Engineering	400	400	-	0.0%
Specialised Construction Activities	1,900	2,600	700	36.8%
Wholesale	1,800	1,900	100	5.6%
Retail	2,700	2,900	200	7.4%
Land Transport, Storage & Post	1,200	1,400	200	16.7%
Accommodation & Food Services	2,200	3,200	1,000	45.5%
Recreation	1,000	1,400	400	40.0%
Telecoms	800	1,000	200	25.0%
Computing & Information Services	1,100	2,000	900	81.8%
Finance	2,900	3,400	500	17.2%
Real Estate	400	300	-100	-25.0%
Professional Services	5,700	7,700	2,000	35.1%
Administrative & Supportive Services	4,500	6,000	1,500	33.3%
Other Private Services	1,200	1,300	100	8.3%
Public Administration & Defence	600	500	-100	-16.7%
Education	3,200	3,700	500	15.6%
Health	1,900	2,200	300	15.8%
Residential Care & Social Work	1,700	2,300	600	35.3%
Total	**39,400**	**48,900**	**9,500**	**24.1%**

Source: Experian (2016)

Note figures may not sum due to rounding.

Scenario B Employment Forecast

Sector	Number of Jobs (2013)	Number of Jobs (2033)	Absolute Change	% Change
Agriculture	280	28-	10	2.3%
Mining & quarrying	1	1	-	36.4%
Manufacturing - food	120	100	-20	-18.1%
Manufacturing - general	550	500	-60	-10.7%
Manufacturing - chemicals only	130	80	-50	-37.2%
Manufacturing - pharmaceuticals	120	-	-120	-100.0%
Manufacturing - metals	250	230	-20	-9.7%
Manufacturing - transport equipment	970	730	-240	-25.1%
Manufacturing - electronics	30	20	-10	-25.8%
Utilities	30	30	-	1.1%
Waste & remediation	240	270	30	13.3%
Construction	3,730	5,050	1,330	35.6%
Wholesale	1,750	1,460	-300	-16.9%
Retail	2,780	2,880	100	3.4%
Land transport	1,180	1,250	80	6.4%
Water & air transport	10	20	10	120.3%
Accommodation & food services	2,480	3,360	870	35.1%
Publishing & broadcasting	80	70	-20	-20.1%
Telecoms	780	570	-210	-26.4%
Computer related activity	1,510	1,890	380	24.9%
Finance	3,040	2,240	-800	-26.3%
Real estate	420	560	140	33.6%
Professional services	6,000	7,880	1,880	31.4%
Research & development	4	10	1	31.3%
Business services	4,250	5,670	1,430	33.6%
Employment activities	800	1,080	280	34.6%
Public administration	650	630	-20	-2.6%
Education	2,920	2,390	-530	-18.1%
Health & care	3,420	4,280	850	24.8%
Arts & entertainment	1,050	1,110	60	5.6%
Other services	1,080	1,150	70	6.8%
Total	**40,650**	**45,760**	**5,110**	**12.6%**

Source: Cambridge Econometrics (2016)

Note figures may not sum due to rounding.

Appendix 4: Proposed Employment Allocations

Brentwood local Plan (2013-2033) Proposed Employment Land Allocations

Reference	Site Name	Area (ha)
New Employment Land Allocations		
101A	Brentwood Enterprise Park (M25 Junction 29 works site)	25.9
079C	Land adjacent to Ingatestone by-pass (part bounded by Roman Road)	2.1
112D and 112E (a)	Childerditch Industrial Estate (extension 3 - southern growth to tree line)	5.9
101C	Brentwood Enterprise Park (Codham Hall Extension)	0.6
200	Dunton Hills Garden Village	5.5
109 and 187	Land at East Horndon	5.5
158	Land north of A1023, Shenfield	2.0
Existing Employment Sites not Previously Allocated		
101B	Brentwood Enterprise Park (Codham Hall)	9.0
108	The Old Pump Works, Great Warley Street	0.8
111	Upminster Trading Estate	2.6
228	PERI site, Warley Street, Great Warley	5.4
112E	Childerditch Industrial Estate (extension 2 - farm area)	3.5
321	McColls Headquarters	1.6
Existing Allocated Employment Land		
112A, 112B & 112C	Childerditch Industrial Estate	11.3
113A & 113B	Hallsford Bridge Industrial Estate	3.4
114	Hubert Road Industrial Estate	3.8
45	Hutton Industrial Estate	10.5
115	Brook Street Employment Area	1.3
118	BT Offices, London Road	3.5
119	Canon Offices. Chatham Way, Brentwood	0.5
117	Ford Offices	2.0
020, 021 & 152	West Horndon Industrial Estate	2.0
121	Mellon House, Berkley House and 1-28 Moores Place, Brentwood	0.4
116	Warley Business Park (ex. Regus)	2.5
Total	-	**111.2**

Source: BBC

Note figures may not sum due to rounding.

Appendix 5: Duty to Co-operate

Industrial Market Feedback

ML– Questioned the link between housing growth and low demand for industrial premises, and questioned whether there is no evidence showing that Crossrail is having an impact on Brentwood's industrial market.

Lichfields– The industrial market will change and evolve; however, this is a case of chicken and egg. Brentwood currently has limited attractive vacant units available to let, which could change through site allocations in the emerging Local Plan. At face value Crossrail could be useful for Brentwood's industrial market. However, at present the availability and quality of floorspace are more important.

Office Market Feedback

ML– Queried the rental costs of good quality office stock in the Borough. ML felt a rent of £20-28 per sq.ft was too high an estimate.

Lichfields- It was explained that the rates were provided by commercial agents and considered to be for Grade A office stock. It is recognised that there would be variation in the rental rates dependent upon the quality of the stock.

Neighbouring Local Authorities

RH– Informed that the South Essex Strategic Employment Development Needs Assessment (EDNA) would be available to share shortly. The EDNA will update the economic evidence bases of the involved local authorities and includes some significant changes over existing evidence documents. It is anticipated the EDNA would be published in late autumn 2017. The assessment looks at how neighbouring local authorities can complement each other rather than be in competition.

CG– Basildon are looking at potentially allocating a 5ha site at the Dunton Ford Technical Centre. There is scope to look into potential relationship between this site and the Dunton Hills Garden Village employment allocation. It may be worth exploring if these sites would work better together as one larger site or two separate sites.

London Industrial Land Supply and Demand

RP– Explained another phase of the GLA's industrial evidence base would follow the supply study shortly. The GLA and TFL are nervous about the transport impacts of moving businesses that service London out of the capital.

Employment Land Forecast

ML– Questioned whether employment land lost due to residential allocations will be replaced on a like-for-like basis.

Lichfields– This is something the study will be identifying.

ML– Outlined rentable values on new commercial units will be too high to attract back businesses displaced from released employment clusters. Therefore, it may be difficult for the Council to resupply these companies with appropriate floorspace for them in the Borough.

SH– Agreed, there is currently an issue with affordable workspace in the Borough and the Council needs to consider what support package it could offer. There is also a need to work closely with developers and landowners to tackle these sorts of issues.

RP– The soon to be published London Office Policy Review identifies a significant level of oversupply in Central London. RP questions what effect the oversupply will have and what the implications are for office demand and viability outside of London.

Next Steps

ML– Would like to see more joint work with Basildon and Thurrock on the FEMA relationship.

Lichfields– Brentwood's FEMA is currently in a state of flux and may change in the future once the planning policy position of the Borough and neighbouring local authorities has stabilised.

Participants

CG: Carl Glossop – Basildon Borough Council

ML: Michael Large – East of England Business Group

RH: Richard Hatter – Thurrock Borough Council

RP: Richard Pestell – Peter Brett Associates

SH: Stephen Hay – Brentwood Borough Council

Lichfields: Ciaran Gunne-Jones and James Tindale