North Warwickshire – Update to the Employment Land Review for the Period 2011-33

Introduction

1.1 This note has been prepared as an addendum to the Employment Land Review (GL Hearn, September 2013) and the Addendum to this (GL Hearn, April 2016).

1.2 The Addendum report considered the employment land needs for the Borough, taking into account of emerging evidence and discussions through the Duty to Cooperate on the overall scale of housing provision in the Borough; and seeks to consider the scale of employment land provision which might be necessary to delivered balanced growth in housing and employment in the Borough. The report considered the employment needs arising from a range of labour supply scenarios based on the latest evidence on housing needs including potential unmet housing needs from Coventry, Tamworth, and Birmingham:

- Scenario A - Meeting the Borough's own needs, together with its share of unmet needs from Coventry and Tamworth as agreed to date.
- Scenario B - Meeting housing needs identified in A above, together with 3.3% of the 37,900 unmet needs identified across the Birmingham HMA.
- Scenario C - Meeting housing needs identified in A above, together with 6.6% of the 37,900 unmet needs identified across the Birmingham HMA.
- Scenario D - Meeting housing needs identified in A above, together with 10% of the 37,900 unmet needs identified across the Birmingham HMA.

Jobs Growth to 2033

1.3 The four scenarios result in a range of jobs growth from 3,410 to 9,350 over the period 2014-31. As with the 2016 Addendum Report, we have considered jobs growth trend over the 2014-31 period as this avoids modelling forward discrepancies in the CE forecasts over the period 2011-14. The 2014-31 forecast was then extrapolated to cover the period 2011-31.

1.4 This note provides an update to the 2016 Addendum Report, extending the period to 2011-33. The methodology used in this note is consistent with the Addendum Report. To consider the jobs growth to 2033, we have rolled forward the forecast growth rates shown in the 2016 Addendum Report. This is done on a sectoral basis for each of the 45 sectors. The forecast jobs growth figures for each scenario to 2033 is shown in the table below.

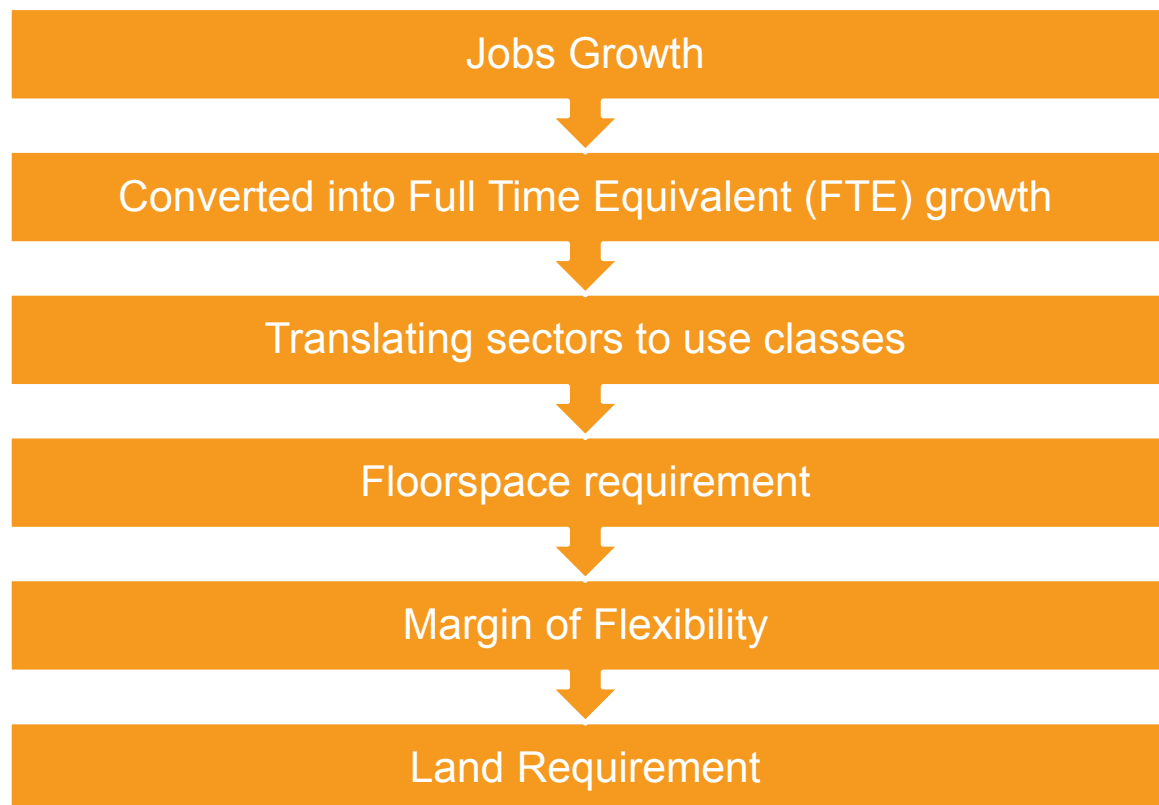GL Hearn   Page 1 of 4

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Table 1:   Scenarios for Housing Provision to 2031 and to 2033

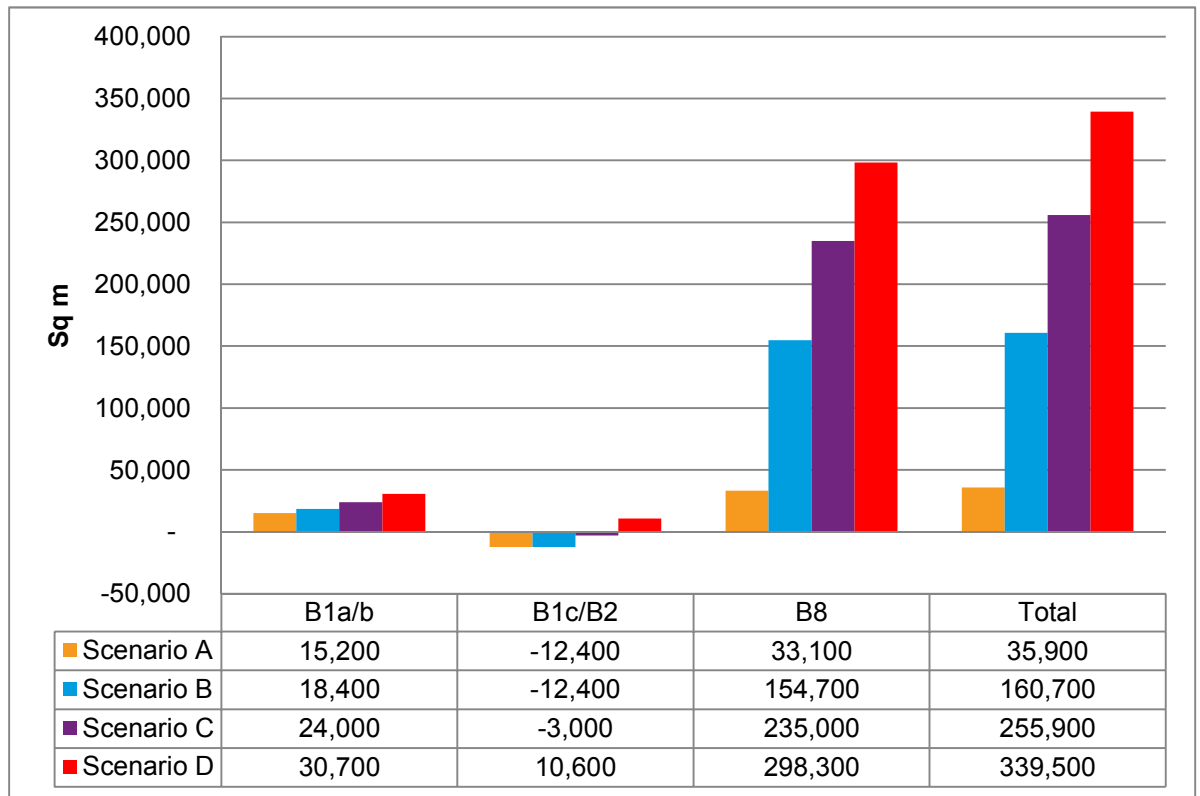| Scenario	Jobs Growth 2014-31	Annual Growth Rate	Jobs Growth 2014-33
A	3,410	0.5% pa	3,860
B	5,380	0.7% pa	6,120
C	7,360	1.0% pa	8,390
D	9,350	1.2% pa	10,690

Employment Floorspace and Land Requirements

1.5   The employment floorspace and land requirement is calculated using the methodology summarised below. This uses consistent modelling assumptions as were used in the 2016 Addendum Report (from paragraph 6.30 onwards). The first stage is to convert the total jobs growth into Full Time Equivalent (FTE) growth, which is done by considering the proportion of full-time and part-time jobs for each sector. This is then translated to use classes by considering the proportion of employment in each sector which is likely to take place on employment premises (B Class uses). The total floorspace required is then estimated using employment densities from the *HCA Employment Densities Guide: 3nd Edition.* Using plot ratios, the floorspace figures into a land requirement and a margin is added to allow for market flexibility.

Figure 1:   Converting Jobs Growth to Land Requirement

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![GL Hearn - Part of Capita Real Estate]

1.6   This approach results in an identified need ranging from 35,900 sq m (Scenario A) to 339,500 sq m (Scenario D). The employment floorspace requirements by B Class use are shown in the figure below. This updates figure 18 in the 2016 Addendum Report.

Figure 2:   Net Growth in Employment Floorspace (sq m) by Use Class, 2011-33

	B1a/b	B1c/B2	B8	Total
■ Scenario A	15,200	-12,400	33,100	35,900
■ Scenario B	18,400	-12,400	154,700	160,700
■ Scenario C	24,000	-3,000	235,000	255,900
■ Scenario D	30,700	10,600	298,300	339,500

1.7   As with the findings of the 2016 Addendum Report, the Warehouse and postal and Land transport sectors make up a large component of the higher job growth scenarios. Jobs in these sectors are predominantly focussed on B8 sites. This allied with the higher employment densities for such uses, means that the largest component of employment land requirement in the Borough – as well as the largest variance between the scenarios – is the requirement for B8 floorspace.

1.8   Converting to a land requirement – including margin for flexibility – results in the land requirement for each of the scenarios ranging from 36 ha (Scenario A) to 100 ha (Scenario D). The land requirement for each B Class use is shown in the figure below. This updates figure 20 in the 2016 Addendum Report.

Figure 3:   Forecast Net Land Requirements, 2011-33

	Scenario A	Scenario B	Scenario C	Scenario D
Total	36	61	82	100
■ B8	28	53	69	81
■ B1c/B2	-	-	2	6
■ B1a/b	7	9	10	13

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