



# Broxbourne Employment Study Review

## Final Report

INFORMING POSITIVE CHANGE

# Broxbourne Borough Council

Broxbourne Employment Study Review

Final Report

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## Executive Summary

### Study Brief

Broxbourne Borough Council commissioned CAG Consultants in association with Ramidus Consulting Ltd, to undertake an Employment Study Review to inform a partial review of the Local Plan. The partial review is focussed on provision of employment uses for the Park Plaza North site.

The study consists of three main elements:

- A review of the progress made on implementing the economic strategy and objectives of the Local Plan.
- Consideration of outstanding employment needs within the Borough, consistent with the economic strategy and objectives of the Local Plan.
- Consideration of the remaining opportunities for meeting that need, with particular reference to Park Plaza North.

### Planning Context

Broxbourne is a relatively small economy but is strategically well located, with the M25 as its southern boundary and the A10 running north-south through the borough. It lies at the heart of the Innovation Corridor, a highly connected economic ecosystem which contains some of the fastest growing parts of the UK economy.

The Local Plan, supported by the borough's Economic Development Strategy, seeks growth of between 5,000 and 6,000 net additional jobs by 2033. Both the Local Plan, and the Economic Development Action Plan which supports it, aim to facilitate sustainable growth in local employment for residents by encouraging the creation of high-skilled, high-value jobs in the borough. The Local Plan employment sites, including Park Plaza North, are key to delivering these employment opportunities.

The Council is currently consulting on an Employment and Skills SPD which seeks to promote improved access to jobs, apprenticeships and employment opportunities, both during the construction phase of development and through post-completion end-user agreements.

The 2016 Employment Land Study which informed the Local Plan highlighted the growth potential of the borough and was prepared at a time when the borough had been growing rapidly in terms of jobs and GVA. But there have been significant changes since the evidence base was compiled to support the current Local Plan.

### Economic Context

In 2021 there were 33,000 employees in employment in Broxbourne, in addition to which there were an estimated 8,000 self-employed people, bringing the total number of jobs to 41,000. The employment structure in Broxbourne is different from that of Hertfordshire as a whole or the national profile. It has relatively high proportions of employment in the construction and retail sectors and it has a higher proportion than Hertfordshire in manufacturing.

But it is under-represented in a number of other faster growing sectors such as information and communications; professional, scientific and technical services; and health. If the borough is seeking to grow and diversify its economy, it should be looking to attract businesses in these sectors. These sectors are also higher paying and higher value added generating than the sectors in which Broxbourne is currently well represented.

Whilst the Local Plan objective is for Broxbourne to grow by 5,000-6,000 jobs, recent years have instead seen a decline in employment, a trend that runs contrary to what has been happening in the wider economy and contrasts with that of all other neighbouring districts in its functional economic market area. The closure of the Tesco's HQ in 2015 accounts for some of this loss but is by no means the whole story. This suggests that there may be some local factors constraining growth, such as availability of suitable sites, rather than the strategic sub-regional location. Both office and industrial floorspace stock in Broxbourne has been declining in recent years, as it has in neighbouring districts.

This decline in employment has also adversely impacted Broxbourne's stated ambition to reduce its reliance on out-commuting, with net out-commuting levels instead rising.

## Development Opportunities

Broxbourne's allocated employment sites have functioned well, with relatively low vacancy and a number of examples of new investment to churn ageing stock. New development site opportunities are limited with Park Plaza North representing the best of these. The Council's vision for the site is that, *"Park Plaza North will be a distinctive and high quality business development that provides a substantial, sustainable and diverse source of quality employment opportunities for the local community. It will be a regionally significant development that is an integral element of the wider renaissance of Waltham Cross and the diversification of Broxbourne's economy. It will mark the southern entrance to the Borough with high quality buildings in a landscaped setting."*

Good progress has been made on bringing forward other sites identified for employment in the Local Plan.

- In July 2022, Broxbourne Council granted consent to Hollywood's Sunset Studios for a £700m investment at TwentyFive25. Site preparation is largely complete but as of summer 2023 the development is paused.
- Outline consent has been granted for development of a new town centre and linked Garden Village at Brookfield.
- The Theobalds Enterprise Centre within Maxwell's Farm West, led by Broxbourne Council and Hertfordshire Local Enterprise Partnership, is due to open in summer 2023.
- Cheshunt Lakeside is moving forward as a mixed-use development, with policy including provision for 20,000 square metres of business floorspace to accommodate some existing businesses, new business start-ups and additional business space.

## Future Property Demand

The past two decades have seen enormous change in the economy and the speed and ubiquity of change shows no signs of abating. In the early 'noughties', technology continued its spread as the internet, emails, social media and laptop technology all changed business structures, workstyles and high streets. In 2008 we saw the global financial crisis and its fallout and more recently we have had Brexit and the COVID-19 pandemic.

There has been rapid growth in the creative and media sector, life sciences, digital-technology, higher education and other sectors. In addition, there has been major growth in culture and entertainment, and in the tourist and leisure industry which generates many thousands of jobs in entertainment, shops, restaurants and hotels.

These dynamic service industries themselves draw upon a vast range of support activities. This activity is referred to here as 'servicing the services'. Broxbourne's property offer should not be thought of simply in terms of a declining 'industrial' sector or a short-term expanding sector; but rather in terms of the changing economy and its implications for premises requirements. It should be considered from the perspective of the nature of activities that need to be accommodated.

The key will be to identify those types of activities most in need of accommodation in Broxbourne, define their broad premises requirements and develop business models for appropriate provision, particularly to encourage SMEs and start-up businesses to set up or remain within the area. Affordability and flexibility are two of the key watch words in any approach.

## Growth Scenarios

Broxbourne stated aim is to see an increase of between 5,000-6,000 jobs over the plan period with an emphasis on diversifying the economy through the creation of high quality high value employment. Among the opportunity sectors identified as being critical to the Hertfordshire knowledge economy where we consider there are good prospects for Broxbourne are: advanced engineering and manufacturing; sustainable construction; and creative Industries.

We set out three scenarios under which Broxbourne might realistically achieve its jobs target in both quantitative and qualitative terms:

- **Enhanced Trends Scenario** – where Broxbourne performs slightly better in growth sectors than business as usual employment projections would suggest.
- **Cluster Scenario** - where Broxbourne attracts a particular type of activity to develop a local cluster. Subject to resumption of development and completion of this project, the film studios at Park Plaza West would form the nucleus of this type of cluster.
- **Servicing London Scenario** - based on the opportunities created by activity being displaced from London. Light industrial premises and servicing the services, is the type of activity which is being physically displaced from London but for which there is a high

level of demand, evidenced by the high rental levels for remaining industrial premises in London.

The three scenarios set out above are not necessarily mutually exclusive and the best chance for Broxbourne to achieve its jobs growth target is likely to be through some combination of all the above scenarios. The premises types to fulfil each of the scenarios would probably require a higher proportion of office type employment (E(g)(i)/B1a) for the Enhanced Trends Scenario, predominantly industrial (E(g)(iii)/B1c, B2) for the Cluster Scenario and mainly industrial (E(g)(iii)/B1c, B2) and warehousing (B8) for the Servicing London Scenario.

Overall it seems that the Borough should pursue a strategy that includes, but is not dependent upon, inward investment, and which majors on maximising opportunities both within the local office market (for professional services type jobs) and within the wider service economy for the types of businesses that occupy hybrid buildings.

A mixed-use light industrial/hybrid workspace development would typically have a plot ratio of between 0.4 - 0.65, so on a 10ha site we would expect between 40,000-65,000 of commercial floorspace.

There are many different configurations that would fit to this framework. This might include for example some combination of:

- Small to medium size warehouse units of between 5,000-10,000 sq m.
- Small light industrial/hybrid units of between 2,000-3,000 sq m.
- More traditional industrial units of a similar size around 2,000-3,000 sq m.
- Small office/R&D units of between 1,000-2,000 sq m.

Many different combinations of the above configurations could be accommodated on the Park Plaza North site. Then number of jobs generated from these different combinations would range between 800-1,500, with the higher figure coming from inclusion of some office units.

This is not intended to provide a blueprint, but to demonstrate how a range of mixed-use scenarios can contribute to meeting Broxbourne's employment growth targets.

A development mix of Park Plaza North of upwards of 40,000 sqm of flexible light industrial/hybrid workspace would deliver around 1,000 jobs across a range of sectors and occupations. This would make a major contribution to help Broxbourne achieve its jobs growth target and help to alleviate the need for further increases in out-commuting from the borough.



# 1 Introduction

## 1.1 Study Brief

Broxbourne Borough Council commissioned CAG Consultants in association with Ramidus Consulting Ltd, to undertake an Employment Study Review to inform a partial review of the Local Plan. The partial review is focussed on provision of employment uses for the Park Plaza North site.

The study consists of three main elements:

- A review of the progress made on implementing the economic strategy and objectives of the Local Plan.
- Consideration of outstanding employment needs within the Borough, consistent with the economic strategy and objectives of the Local Plan.
- Consideration of the remaining opportunities for meeting that need, with particular reference to Park Plaza North.

## 1.2 Report Outline

Chapter 2 of this report sets out the planning context covering relevant local, sub-regional and national policies.

Chapter 3 describes the economic context including employment structure, recent local economic trends and wider drivers of change. It concludes by summarising progress against the stated employment objectives.

Chapter 4 reviews the development opportunities in the borough covering the Park Plaza North site and other principal employment sites. It also review the local property market dynamics and concludes by summarising progress on employment sites since the 2016 Employment Land Study.

Chapter 5 analyses future property demand taking account of recent drivers of demand for commercial premises and assesses their implications for Broxbourne.

Chapter 6 concludes by setting out what needs to be achieved for Broxbourne to meet its employment growth target. It then develops scenarios for how the borough might achieve this objective and the role that the Park Plaza North site can play in enabling this.

## 2 Planning Context

### 2.1 Introduction

This chapter sets out the planning context for this study. It first reviews the local policy context including the current Local Plan and Economic Development Strategy. It then summarises relevant aspects of sub-regional and national policies that may help to inform the future demand context for Broxbourne.

### 2.2 Current Local Planning Context

#### Broxbourne Local Plan

Policy DS1 of the Broxbourne Local Plan states that provision will be made for between 5,000 and 6,000 net additional jobs by 2033, with the possibility of significantly more in the longer term.

The Vision for the Borough includes the following: *“Better access to high-value jobs, skills/training programmes and other regeneration projects will raise prosperity levels and encourage more people to live and work in the Borough through truly independent lifestyles.”* New employment land is proposed where it maximises the potential for job creation in well remunerated employment sectors, to diversify the Borough’s economic base and to provide the best opportunities to enhance Broxbourne’s environment.

The strategy is to meet those objectives through the development of new business campuses at Brookfield and Park Plaza. The latter occupies an accessible and prominent location next to the A10 and M25 and forms a key gateway into Broxbourne and Hertfordshire. The three key employment locations are as follows:

- Park Plaza West (TwentyFive25) will provide around 4,500 new office jobs by 2033, located in a well landscaped setting, separated from the M25 by a new public park;
- Park Plaza North will accommodate the relocation of businesses from regeneration sites including those in Waltham Cross, Brookfield, and Delamare Road; and
- Brookfield will provide for 2,000 new jobs by 2033 in a mix of sectors including retail and leisure at Brookfield Riverside, and local office provision.

The Local Plan states that, *“The key issues and challenges facing the Borough are a relatively low value and low knowledge economy, high rates of out-commuting, providing for a growing and ageing population with constrained development options.”*

The vision set out in the Local Plan is that the local economy *“will be strengthened by creating a range of job opportunities in business parks, town centres and elsewhere, with a focus on high-value jobs in new office space at Brookfield, a business campus at Park Plaza North and at Park Plaza West - all in exceptionally well landscaped environments.”*

And the objectives with regard to employment are to: *“Strengthen the local economy by providing a range of job opportunities in existing business parks and town centres, new high value jobs in business park environments and by securing investment in skills and training programmes.”*

### **Park Plaza North**

The current Local Plan policy for Park Plaza North is set out in full below:

#### **Policy PP2: Park Plaza North**

I. Park Plaza North is allocated for a mix of employment uses as follows:

1. Bulky goods retailers that need to be relocated as a result of regeneration developments proposed within Waltham Cross Town Centre; and

2. A mix of B1, B2 and B8 uses on the remainder of the site.

II. The site will be developed in general accordance with a master plan and design code which will be incorporated within an outline planning application for the development. The masterplan should include a visual landmark development at the corner of the A10 and Winston Churchill Way.

III. Development should preserve or enhance the setting of heritage assets, including the scheduled monument and listed buildings and structures, at Cedars Park.

### **Employment and Skills Supplementary Planning Document (SPD)**

The Council is currently consulting on an SPD related to Local Plan policy ED2, which seeks to maximise the employment potential of the local area and serve the needs of local workers. Building on existing good practice, the SPD seeks to promote improved access to jobs, apprenticeships and employment opportunities, but encouraging developers to work with the Broxbourne Strategic Partnership for Skills (BSPS) – the Council, Job Centres, the Hertford Regional College and others – to provide opportunities both during the construction phase of development and through post-completion end-user agreements.

### **Employment Land Study**

The most recent Employment Land Study (ELS) was prepared in 2016 to inform the current Broxbourne Local Plan. The outlook for Broxbourne at the time as set out in the report was quite promising.

The Functional Economic Market Area (FEMA) within which Broxbourne operates was defined to include the following local authority districts.

- LB Enfield
- Harlow Council
- Welwyn Hatfield Borough Council
- Epping Forest District Council
- East Hertfordshire (East Herts) District Council

- Hertsmere Borough Council

Amongst the local authority areas in the FEMA, Broxbourne has a relatively small office sector with approximately 76,000 sq m or 6.4% of the total office stock in the FEMA. Broxbourne's industrial stock comprises 14.1% of the total industrial stock in the FEMA<sup>1</sup>.

The report noted that there had been a big growth in manufacturing floorspace between 2000-2012 and that office employment increased from 4,900 to 14,000 over the period 2000-2014. Most of the office growth occurred after 2010 and was explained by two built-to-suit office developments and positive absorption of office floorspace within the borough's industrial clusters. However, the figures exclude the relocation of Tesco from its 13,000 sq m HQ, which was likely to have employed around 1,000 people.

The latest GVA data available at time of preparation of the ELS related to 2014, and the report noted that over the 15 years 1999-2014 both jobs and GVA had grown fairly rapidly in Broxbourne, with GVA increasing at an average of 3.0% p.a. and jobs increasing at an average of 0.9% p.a. over this period, both of which were higher than the comparator areas.

Another positive factor was that, at the time, Crossrail 2 was a project being given high priority and would potentially have given Broxbourne much greater accessibility to London's product markets. But that is now a more distant prospect as In October 2020, as part of the Transport for London Funding Agreement, a decision was made to pause further work on the design and development of Crossrail 2.

With regard to Broxbourne's potential the ELS stated that:

*"There is evidence to suggest real potential for the borough to achieve a step change in demand for office and R&D space. Our research identified a number of key drivers of growth which lead to demand over and above past rates of development.*

*Factors which could drive a step change in demand include:*

- *Broxbourne is located in the heart of one of the UK's most economically successful sub-regions, a geographical corridor stretching from London to Cambridge (LSCC), typified by high levels of GVA and economic growth.*
- *The borough and wider economic area is already home to life sciences activity and is geographically well-positioned to attract more.*
- *The rapid expansion of the creative sector including digital and IT, within the London-Cambridge and northern M25 corridors.*
- *The restricted supply of land across the north M25 office market and wider Hertfordshire area, which could accommodate new development. The potential which Broxbourne's employment land options sites have in meeting demand and addressing the shortage of high quality employment land and premises in the sub-region.*

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<sup>1</sup> The text states 14.1% but the corresponding Table shows 12.7%

- *The trend of out-migration of office and industrial activities from Greater London, which seems to be increasing given contractions in employment land provision and rising rental levels.*
- *The place making agenda of the Council which seeks to bring forward high quality residential-led mixed use development at Brookfield.”*

Projections of future demand by B-use class were based on employment forecasts prepared by Oxford Economics in 2014. These are set out in Table 2.1.

**Table 2.1 Employment Projections by Use Class Broxbourne 2015-31**

	2015	2031	2015-31	% pa
Office	13,500	16,500	3,000	1.3
Manufacturing	6,300	5,700	-600	-0.6
Warehouse	4,600	5,400	800	1.0

Source: Oxford Economics/Aecom

These employment projections translate into projections of floorspace by use class as follows:

- Net Demand for office floorspace 2015-31 of 5,000 sq m if ex-Tesco space let, 17,500 if not.
- Net Demand for manufacturing floorspace 2016-31 of 41,500 sq m.
- Net Demand for warehouse floorspace 2016-31 of 160,700 sq m, which translated into demand for 35.7 ha for warehouse land.

Five sites totalling 81.0ha with the potential to support employment land were assessed. The report stated that:

*“Of the five sites, four are located within the Park Plaza or Cheshunt sub-area and are in close proximity to the A10 and M25. In all instances improvements to direct site access would need to be undertaken. This could come into conflict with the County’s policy against the introduction of significant new junctions on the A10. However, solutions are likely to be found because these sites are recognised as having the potential to attract significant inward investment and support economic growth.”*

Most but not all of that land was subsequently carried forward through the Local Plan and removed from the Green Belt.

## 2.3 Economic Development Strategy

The Broxbourne Borough Council Economic Development Strategy and Action Plan 2021-2025, published in May 2021, is a means to deliver the Local Plan employment objectives. It sets out a number of aspirations.

- To increase the number of jobs in the borough so that it matches the number of residents of working age.
- To work with companies locally to enable growth, particularly in sectors that provide high paid employment to continue this positive trend.
- To reduce the claimant count by assisting the Department for Work and Pensions (DWP) and skills agencies to upskill local people to be ready for gainful employment.
- To ensure the delivery of employment space coming forward identified in the Local Plan is future proof, including high tech premises that are fit for purpose post COVID-19.
- To increase the number of businesses in Broxbourne and increase the inward investment from both existing and new businesses.
- To raise vocational, technical and academic skill levels in Broxbourne.
- To increase the number of people cycling, walking and using public transport to get to work.
- To ensure the Borough is the most digitally connected place of its type along with four other districts that make up the Digital Innovation Zone (DIZ).

The Action Plan details ten objectives each underpinned by a series of tasks aimed at delivering on that objective. Many of these objectives reflect the overarching aspiration to enable sustainable growth in local employment for residents by encouraging the creation of high-skilled, high-valued jobs at identified sites.

## 2.4 Sub Regional Economic Strategies

### Hertfordshire Enterprise and Innovation Strategy

The Hertfordshire Enterprise and Innovation Strategy 2021-2025 sets out five strategic goals:

- Enhancing the gateway to business support
- Supporting entrepreneurs across Hertfordshire
- Ensuring space is available for enterprise
- Driving our catalytic sectors
- Skills availability for Enterprise and Innovation

A series of actions are identified to support delivery of growth under each of these strategic goals.

### A Strategy for Clean Growth in Hertfordshire

The Hertfordshire LEP Clean Growth Strategy is a response to the necessity to work to a net zero economy that seeks to identify the economic opportunities. *“Cutting across these challenges, we should however recognise that improving resource use efficiency and tackling climate change offers opportunities for both economic growth and jobs creation.”*

The strategy is built on two pillars:

- Pillar One is concerned with accelerating enterprise and innovation, collaboration, and skills development to grow and attract the Low Carbon Environmental Goods and Services Sector.
- Pillar Two is focused on supporting a transition to clean growth across the economy as a whole.

### Innovation Corridor

Broxbourne is part of a high growth sub-region of the UK which labels itself the Innovation Corridor. This economic partnership describes the Innovation Corridor in the following terms on its website:

*“The Innovation Corridor is a dynamic ecosystem of international businesses, maverick academics, ambitious start-ups, City finance and law firms, all cross-pollinating to accelerate their success. It is a symbiotic network of supply chains that reaches out beyond the region, throughout the UK and around the globe, making The Innovation Corridor a highly advanced sci-tech superhighway.”*

*“The secret to the region's success is its connectivity. Location is everything. And the Innovation Corridor resides at a pivotal spot in the world, making it the chosen place for entrepreneurs, intellectuals and investors to congregate. The city axis of London and Cambridge – only 60 miles apart, hot-linked by the M11 motorway, and 1 hour by train – is networked with prized international rail and flight links. Stansted Airport – serving 180 destinations in 38 countries, sits at the heart, with London City Airport and St Pancras International, all connecting the region with the rest of the world.”<sup>2</sup>*

## 2.5 National Policies and Strategies

The most recent version of the National Planning Policy Framework (NPPF) was published in February 2021<sup>3</sup>. It states that a key purpose of the planning system is to contribute to the achievement of sustainable development. The NPPF states that achieving sustainable development means that the planning system has three overarching objectives:

*a) an economic objective – to help build a strong, responsive and competitive economy, by ensuring that sufficient land of the right types is available in the right places and at the right time to support growth, innovation and improved productivity; and by identifying and coordinating the provision of infrastructure;*

*b) a social objective – to support strong, vibrant and healthy communities, by ensuring that a sufficient number and range of homes can be provided to meet the needs of present and future generations; and by fostering a well-designed and safe built environment, with accessible services and open spaces that reflect current and future needs and support communities' health, social and cultural well-being; and*

<sup>2</sup> Innovation Corridor website <https://innovationcorridor.uk/about> - accessed 30-May-2023

<sup>3</sup> HM Government (2021) *National Planning Policy Framework* Ministry of Housing, Communities & Local Government February 2021

*c) an environmental objective – to contribute to protecting and enhancing our natural, built and historic environment; including making effective use of land, helping to improve biodiversity, using natural resources prudently, minimising waste and pollution, and mitigating and adapting to climate change, including moving to a low carbon economy.*

The planning system needs to ensure sufficient land is made available to meet housing needs and deliver a supply of housing, including meeting the need for affordable housing.

The NPPF sets out in the chapter on ‘Building a strong, competitive economy’ that planning policies should:

*a) set out a clear economic vision and strategy which positively and proactively encourages sustainable economic growth, having regard to Local Industrial Strategies and other local policies for economic development and regeneration;*

*b) set criteria, or identify strategic sites, for local and inward investment to match the strategy and to meet anticipated needs over the plan period;*

*c) seek to address potential barriers to investment, such as inadequate infrastructure, services or housing, or a poor environment; and*

*d) be flexible enough to accommodate needs not anticipated in the plan, allow for new and flexible working practices ... and to enable a rapid response to changes in economic circumstances.*

Planning policies and decisions should recognise and address the specific locational requirements of different sectors. This includes making provision for clusters or networks of knowledge and data-driven, creative or high technology industries; and for storage and distribution operations at a variety of scales and in suitably accessible locations.

### **Build Back Better: Our Plan for Growth**

Build Back Better: Our Plan for Growth<sup>4</sup> was published by the Prime Minister on 3rd March 2021 in response to economic (and other global) changes as a result of the Covid-19 pandemic. The impacts of the support measures outlined in the Build Back Better paper will be felt throughout the UK in the three core pillars of growth of infrastructure, skills and innovation. The paper outlines that growth will be sustained by levelling up, through a transition to net zero and with a vision for Global Britain. The net zero transition provides the greatest market incentive for the green economy under the build back better proposals and specifically references the Prime Minister’s 10 Point Plan outlining proposals to have 250,000 highly skilled jobs in the sector (including 60,000 in offshore wind, 50,000 in carbon capture and storage and 8,000 in hydrogen industrial clusters) and to ensure that the finance sector has a role to play in the economic boost.

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<sup>4</sup> HM Treasury (2021) *Build Back Better: Our Plan for Growth* March 2021



## Levelling Up White Paper

The Levelling up White Paper<sup>5</sup> published in February 2022 aims to tackle geographical inequality in the UK.

It sets a framework in which six drivers need to be developed in order to address spatial disparities.

- Physical capital – infrastructure, machines and housing.
- Human capital – the skills, health and experience of the workforce.
- Intangible capital – innovation, ideas and patents.
- Financial capital – resources supporting the financing of companies.
- Social capital – the strength of communities, relationships and trust.
- Institutional capital – local leadership, capacity and capability.

It sets out four levelling-up missions.

- Boost productivity, pay, jobs and living standards by growing the private sector, especially in those places where they are lagging.
- Spread opportunities and improve public services, especially in those places where they are weakest.
- Restore a sense of community, local pride and belonging, especially in those places where they have been lost.
- Empower local leaders and communities, especially in those places lacking local agency.

Each of these missions is underpinned by a series of targets to be achieved by 2030.

Broxbourne was awarded £14.3m under the Levelling Up Fund to fund the regeneration of Waltham Cross town centre. The money is targeted at three related and complementary projects:

- Improvements to the public realm of Waltham Cross town centre
- Enhancing the community hub and skills training centre
- Improvements to Waltham Cross playing fields

## Shared Prosperity Fund

The UK Shared Prosperity Fund is a Government allocated fund which is intended to reduce inequalities between communities, as part of the Government's wider "levelling up" agenda. It is intended as a replacement for the European Structural Funds. The Fund was launched with the publication of its full prospectus on 13th April 2022. The Fund will focus on three priorities:

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<sup>5</sup> HM Government (2022) *Levelling up the United Kingdom White Paper* February 2022

communities and place, local businesses, and people and skills. Broxbourne has been awarded £1.16m under this Fund.

## **2.6 Conclusions**

Broxbourne is a relatively small economy but is strategically well located, with the M25 as its southern boundary and the A10 running north-south through the borough. It lies at the heart of the Innovation Corridor, a highly connected economic ecosystem which contains some of the fastest growing parts of the UK economy.

The Local Plan, supported by the borough's Economic Development Strategy, seeks growth of between 5,000 and 6,000 net additional jobs by 2033. This is higher than the 3,200 jobs figure in the 2016 Employment Land Study which informed the Local Plan, but Employment Land Study figures are just for office, industrial and warehousing sectors.

The 2016 Employment Land Study highlighted the growth potential of the borough and was prepared at a time when the borough had been growing rapidly in terms of jobs and GVA. But as we will show in the next chapter there have been significant changes since the evidence base was compiled to support the current Local Plan.

Its poorer recent economic performance means that Broxbourne has qualified for funding under the Government's new 'Levelling-Up' agenda which aims to boost productivity and living standards in those areas of the country that are falling behind.

The Council's existing Economic Development Action Plan is recent, detailed and comprehensive and in our opinion remains a good basis from which to pursue its economic development objectives.

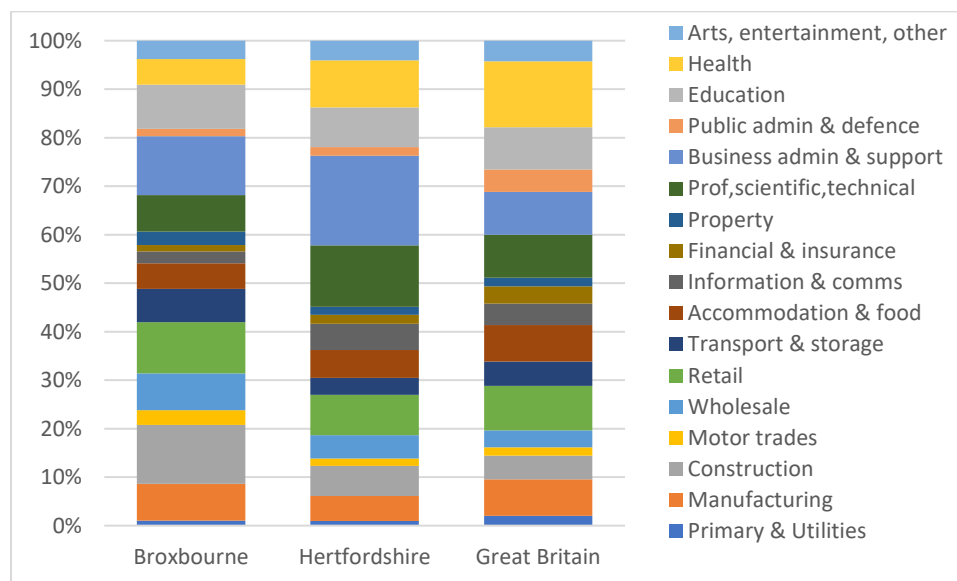
### 3 Economic Context

#### 3.1 Economic Structure

In 2021 there were 33,000 employees in employment in Broxbourne, in addition to which there were an estimated 8,000 self-employed people, bringing the total number of jobs to 41,000.

The employment structure in Broxbourne is different from that of Hertfordshire as a whole or the national profile. It has relatively high proportions of employment in the construction and retail sectors and it has a higher proportion than Hertfordshire in manufacturing. Conversely Broxbourne is under-represented in the health sector and has a much lower share of business services than Hertfordshire as a whole.

**Figure 3.1 Comparative Employment Structure of Broxbourne 2021**



Source: BRES

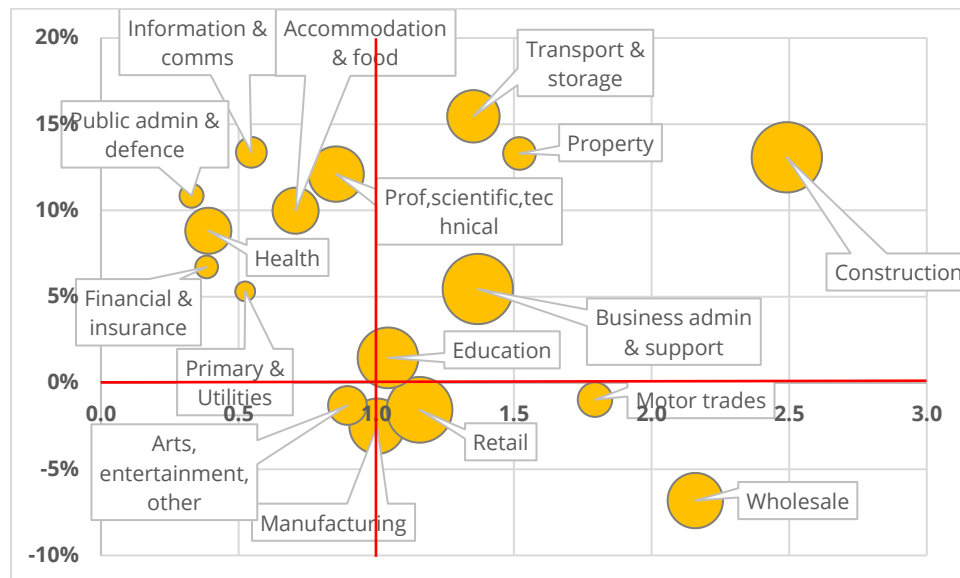
Figure 3.2 below illustrates recent employment growth in Broxbourne at a sectoral level.

- The vertical axis shows the percentage change in employment by sector nationally over the period 2015-21.
- The horizontal axis shows how well represented that sector is in Broxbourne compared to the national average using a Location Quotient (LQ). A LQ of greater than 1 shows the sector is over-represented compared to the national average. For example, an LQ of 2 would mean that Broxbourne has twice as many jobs compared to the national average.
- The size of the disc represents the number of jobs in Broxbourne. The larger the disc the higher the number of jobs in that sector in Broxbourne.

Broxbourne is well represented in some fast growing sectors such as transport and storage, construction and business administration and support services. (These are sectors in the top right-hand quadrant of the chart).

But it is under-represented in a number of other faster growing sectors such as information and communications, professional, scientific and technical services and health. (These are sectors located in the top left-hand quadrant.) If the borough is seeking to grow and diversify its economy, it should be looking to attract businesses in these sectors. These sectors are also higher paying and higher value added generating than the sectors in which Broxbourne is currently well represented.

**Figure 3.2 National Sector Employment Growth and Representation in Broxbourne**



Source: BRES/CAG

Hertfordshire's key employment sites were examined in a report by Markides Associates<sup>6</sup>. The research highlighted five key sectors in the county.

- **Life sciences** including a major focus on cell and gene therapy in and around Stevenage, Welwyn Garden City and Hatfield.
- **Advanced engineering and manufacturing** which has as its heritage the defence industry operations such as that of BAE (formerly in Hatfield) but has now substantially broadened out and frequently has a very strong IT and IA component.
- **Sustainable construction** (also referred to smart construction) involving partial or total prefabrication/pre-assembly of housing, offices and other building structures and with a major local, innovative presence in the form of BRE in Watford.
- **Enviro-Tech activities** (also referred to as Agri-Tech) involving the development of new technologies in agriculture, horticulture, and aquaculture with the aim of improving yield, efficiency, and profitability, where there are substantial crossover benefits and synergy to be derived from the proximity of Rothamsted Research; and

<sup>6</sup> Markides Associates (2020) Hertfordshire Key Employment Sites: Strategy and Action Plan 24th March 2020

- **Creative Industries**, particularly film and TV, with the presence of Leavesden Studios and Elstree Studios and the forthcoming Sky Studios also at Elstree.

In term of interventions to encourage clustering the Markides report states that,

*“Some of this clustering takes place naturally, but it can be encouraged through analysis of business needs, promotion of existing or redevelopment of sites to meet specific needs and marketing within the sector.*

*Clustering seems strong in the western and central parts of the county but could perhaps be strengthened in certain locations – the three North Herts Key Sites, the two in Broxbourne and in the Key Sites in Watford (Croxley/Watford Business Parks) and Hertsmere (Elstree Way).”*

At a more granular level Table 3.1 details the activity sectors in Broxbourne with the largest number of employees. All bar one are sectors with a comparatively high representation compared to the regional average; they cover retail, education, construction and distribution activities. They are not activities that would in general be expected to occupy traditional B-class premises.

**Table 3.1 Large Employment Activity Sectors in Broxbourne 2021**

	Employees	LQ v East of England
Retail sale in non-specialised stores with food, beverages or tobacco predominating	1,750	1.3
Primary education	1,500	1.1
Operation of warehousing and storage facilities for land transport activities	1,250	2.4
Temporary employment agency activities	1,000	0.6
General secondary education	1,000	1.3
Other business support service activities nec	900	3.1
Construction of other civil engineering projects nec	800	4.5
Private security activities	800	4.8
Wholesale of fruit and vegetables	600	16.7
Development of building projects	500	3.8
Retail sale of clothing in specialised stores	500	1.9

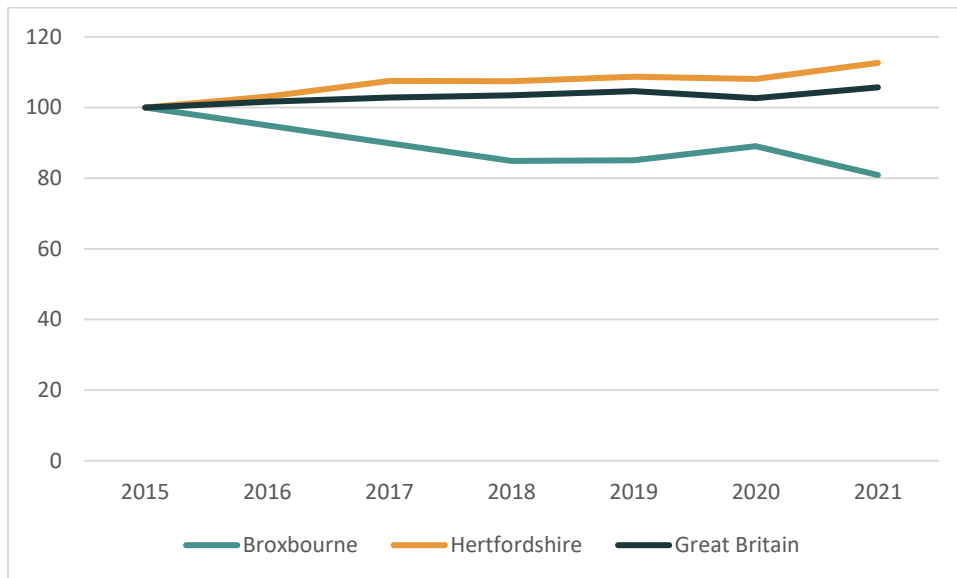
Source: BRES

### 3.2 Recent Economic Performance

Whilst the Local Plan objective set out in section 2.2 above is for Broxbourne to grow by 5,000-6,000 jobs, recent years have instead seen a decline in employment, a trend that also runs contrary to what has been happening in the wider economy. The target jobs growth is also higher than the latest East of England Forecasting Model (EEFM) projection for Broxbourne which forecasts an increase of 3,600 jobs over the Plan period 2018-33. Target growth modestly above trend projections seems a reasonable objective, but the recent employment performance means

that additional jobs will be required to make up for the loss if the original target is still to be achieved.

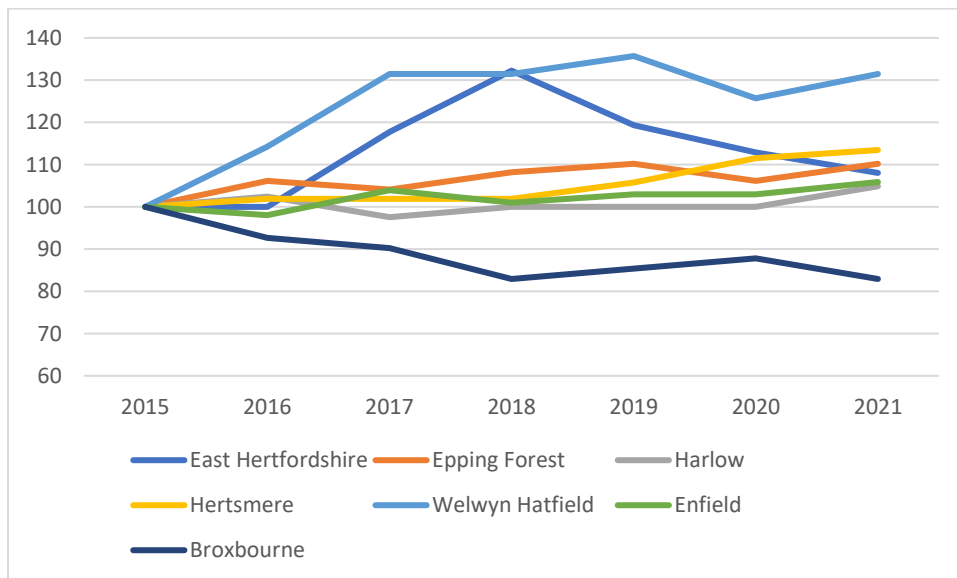
**Figure 3.3 Trend Change in Employment 2015-21 (Index 2015=100)**



Source: BRES

The employment performance of Broxbourne also contrasts with that of all other districts in the FEMA. This suggests that there may be some local factors constraining growth, such as availability of suitable sites, rather than the strategic sub-regional location.

**Figure 3.4 Employment Change FEMA Districts 2015-2021 (Index 2015=100)**



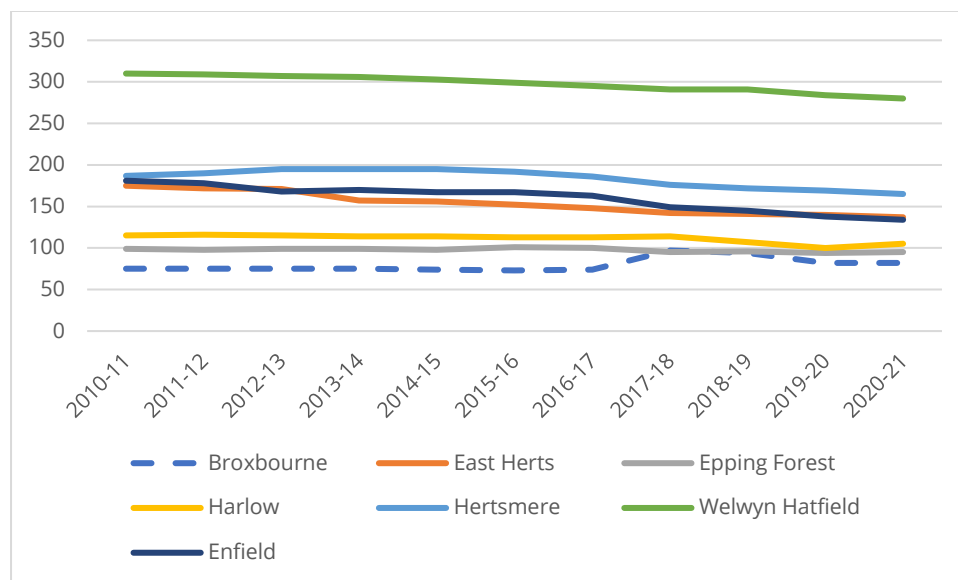
Source: BRES

The UK Competitiveness Index<sup>7</sup> combines a number of input, output and outcome indicators related to a local economy to provide a benchmarking of the competitiveness of the UK's localities. The latest, 2021 edition of the Index, ranks Broxbourne at 143<sup>rd</sup> out of 362 local authorities in Great Britain. This represents a drop from 120<sup>th</sup> in 2018. Its index score of 94.6 is below the UK average of 100, and is significantly below that of the Hertfordshire LEP area generally. Hertfordshire has a competitiveness index score of 109.1, making it the 4<sup>th</sup> ranked out of 47 LEP areas and city regions.

### Floorspace Trends

Broxbourne has the smallest stock of office floorspace of any of the comparator districts in the FEMA. But all other districts in the FEMA have seen a decline in office stock over the past ten years. In the cases of East Herts and Enfield this decline has exceeded 20%.

**Figure 3.5 Office Floorspace Stock 2011-21 ('000 sq m)**

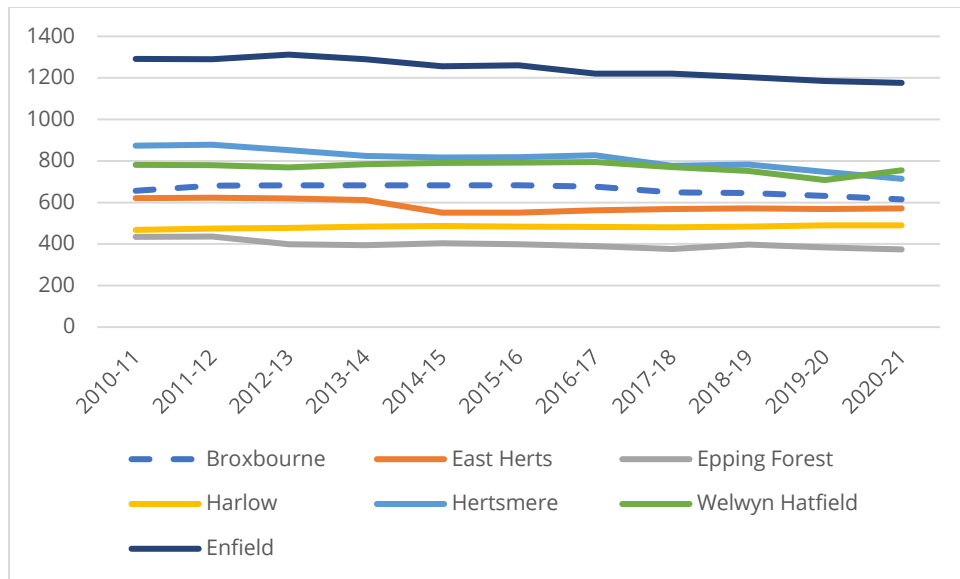


Source: VOA

In terms of industrial floorspace Broxbourne has 13.1% of the FEMA total. Over the period 2011-2021 the stock of industrial floorspace in Broxbourne has declined by -6.3% compared with a decline of -8.4% for the FEMA as a whole.

<sup>7</sup> UK Competitiveness Index 2021 – Robert Huggins, Daniel Prokop, Piers Thompson (November 2021)

**Figure 3.6 Industrial Floorspace Stock 2011-21 ('000 sq m)**

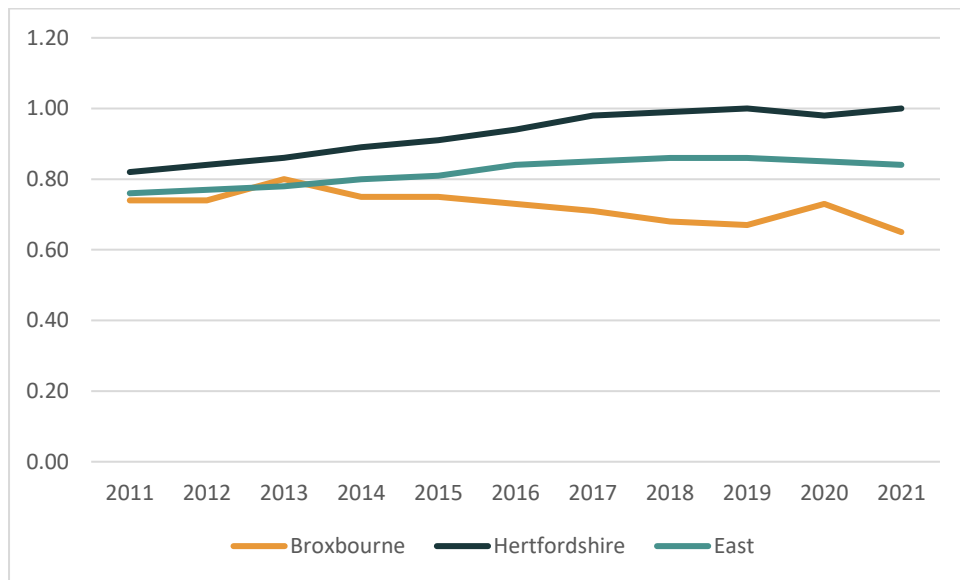


Source: VOA

### 3.3 Labour Market Balance

Broxbourne has just 65 jobs per 100 residents of working age. That is well below the regional average whereas ten years ago the jobs density figure was close to the regional average. The declining jobs density reflects a similar pattern to the decline in employment set out above.

**Figure 3.7 Jobs Density Ratio Broxbourne and Comparators**

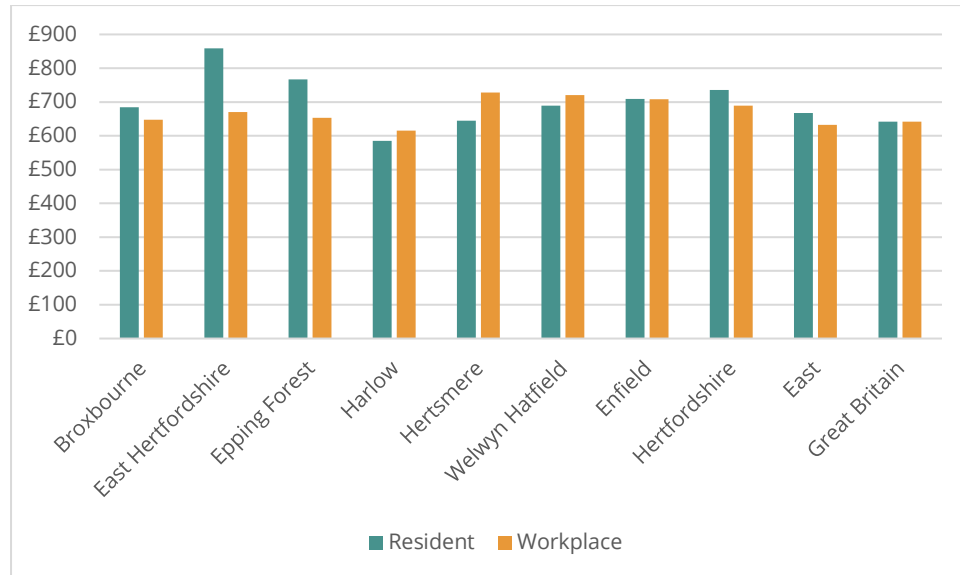


Source: ONS



Median weekly earnings in Broxbourne are 6.4% below the average for Hertfordshire as a whole. Of the comparator districts in the FEMA only Harlow has lower average workplace earnings. Workplace earnings are also 5.7% below resident earnings in the borough as residents commute out to higher paid jobs in Central London and surrounding districts.

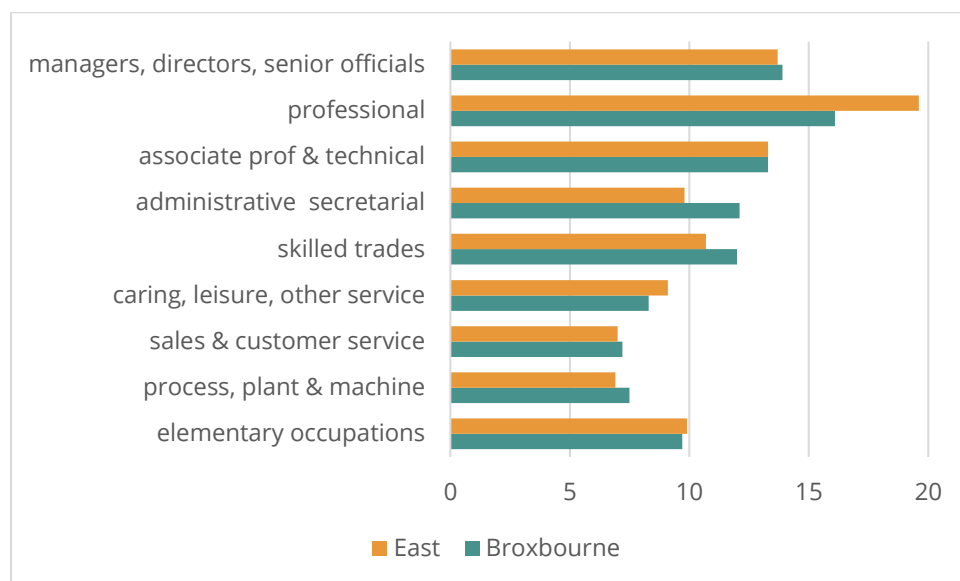
**Figure 3.8 Median Weekly Earnings 2022**



Source: Annual Survey of Hours and Earnings

The occupational structure of Broxbourne is fairly similar to the regional average. But Broxbourne has fewer residents in professional occupations and a larger proportion in administrative and secretarial occupations and in skilled trades.

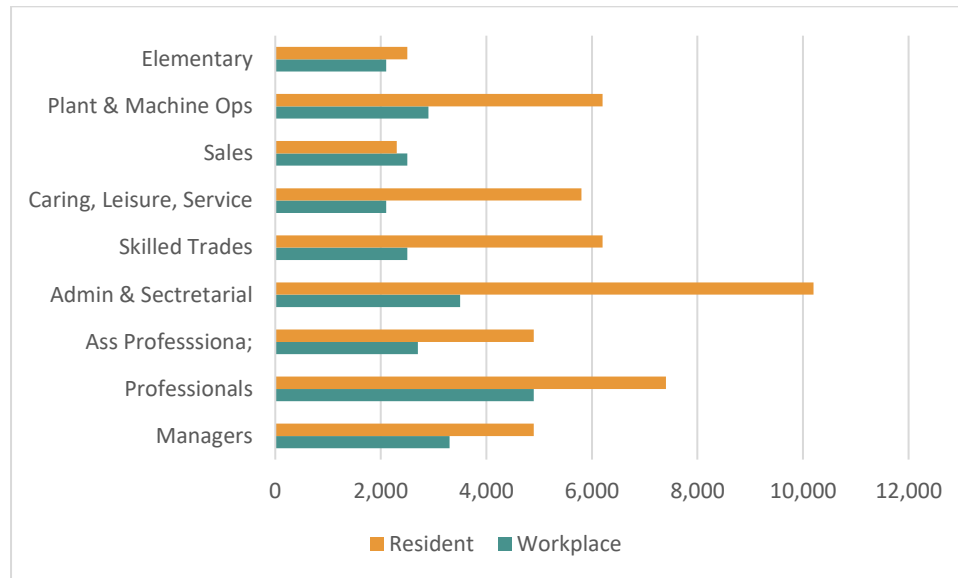
**Figure 3.9 Occupational Structure of Broxbourne Residents**



Source: Annual Population Survey

Net out-commuting occurs across all occupational categories with the exception of sales occupations. It is greatest for administrative and secretarial occupations and for skilled trades, the two occupations where Broxbourne has a high representation.

**Figure 3.10 Resident and Workplace Employment by Occupation<sup>8</sup>**



Source: Annual Population Survey

### 3.4 Employment Forecasts

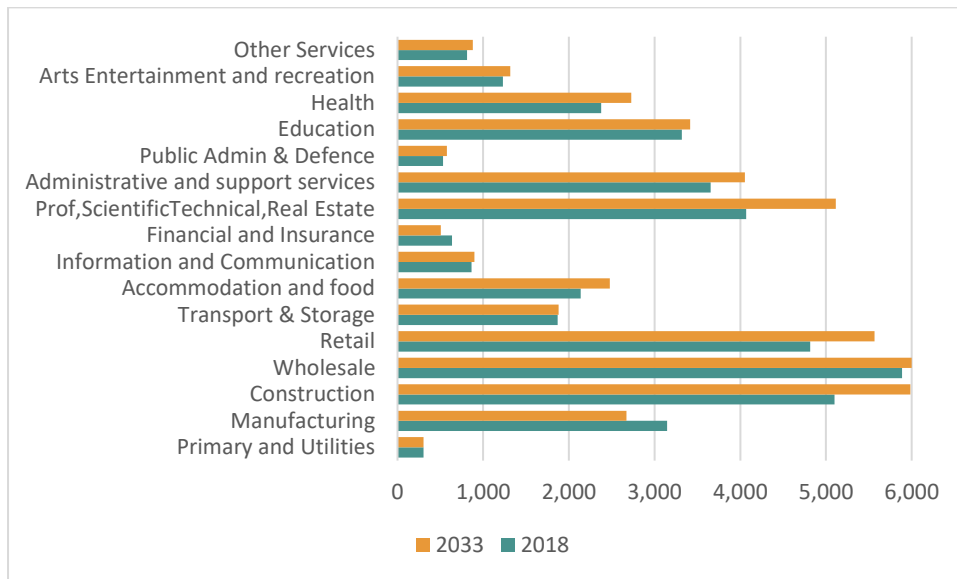
#### Sector Growth Projections

The East of England Forecasting Model (EEFM) projects that employment in Broxbourne will grow by 3,600 jobs over the period 2018-33, an increase of 8.9%, or an average of 0.6% p.a.. Projected growth by sector is illustrated in Figure 3.11.

The sector with the largest projected growth in employment is Professional, Scientific, Technical and Real Estate, with an increase of just over a thousand jobs. Other large growth sectors are projected to be construction, with just under 900 jobs, and retail, with 750. Administrative and support services, health and accommodation and food are each projected to grow by between 300-400 jobs.

<sup>8</sup> Whilst there is significant net out-commuting the extent of it may be exaggerated by the graph above as the level of workplace jobs is lower than other estimates.

**Figure 3.11 Projected Employment Change by Sector Broxbourne 2018-33**

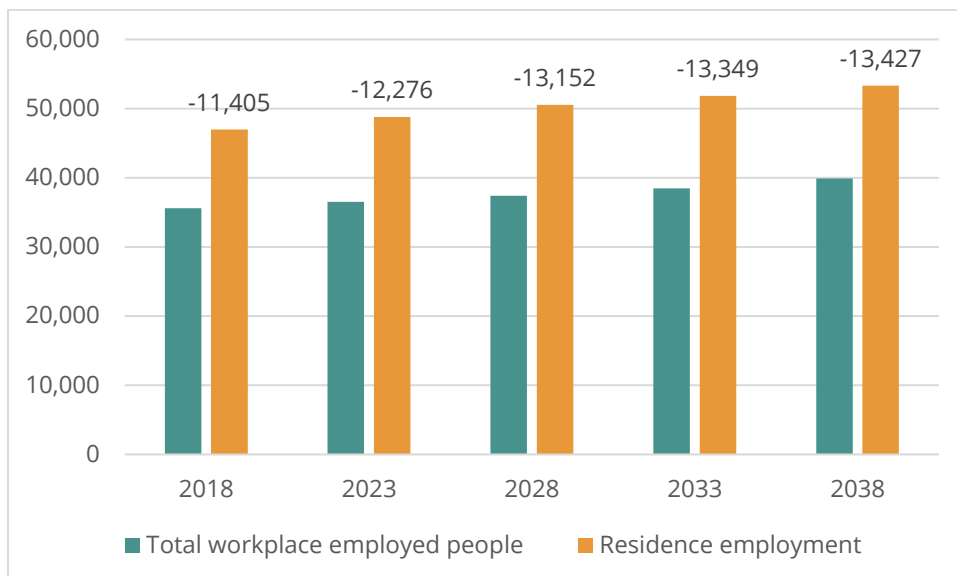


Source: EEFM

### Labour Market Balance

The projections from the East of England Forecasting Model (EEFM) show the number of residents in employment rising faster than the number of people employed in the Broxbourne workplace. This would have the effect of increasing the levels of net out-commuting. This net out-commuting balance is shown above the bars in Figure 3.12.

**Figure 3.12 Number of Workplace and Resident Employed People in Broxbourne**



Source: EEFM

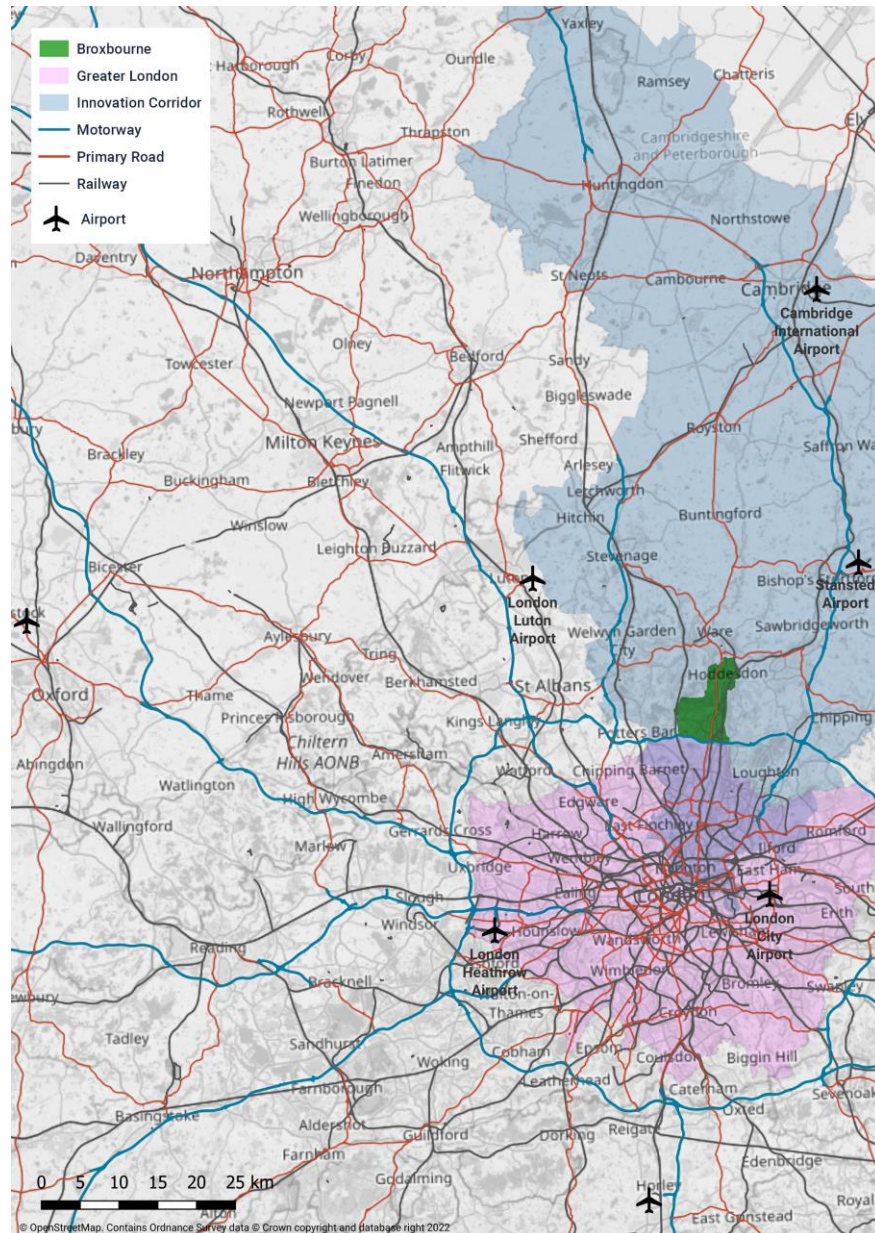
## 3.5 Assets and Opportunities

Broxbourne’s principal asset is its strategic location. Located on the edge of London with good transport links to the capital’s substantial business markets, it also lies at the heart of the

Innovation Corridor, which is the UK's fastest growing high-tech sub-region. With both London and the Innovation Corridor projected to continue their growth trajectory there are expanding opportunities for both Broxbourne businesses and Broxbourne workers.

The strategic economic location of Broxbourne is shown in Figure 3.13 below.

**Figure 3.13 Strategic Economic Location of Broxbourne**



### 3.6 Conclusions on Progress

If employment growth had been evenly distributed over the Local Plan period, then with a target of 6,000 jobs between 2018-33, there would have been growth of 2,000 jobs over the first five years. However, employment actually declined by 1,700 jobs between 2018-21 and by 7,700 jobs since 2015.

The closure of the Tesco's HQ in 2015 accounts for some of this loss but is by no means the whole story. And whilst employment in Broxbourne has declined, it has grown in the FEMA districts.

This decline in employment has also adversely impacted Broxbourne's stated ambition to reduce its reliance on out-commuting.

However, as we will review in the next chapter, there has been progress on some sites and there are developments in the pipeline; notably the Sunset Studios development is anticipated to bring forward 4,800 jobs. There has also been some recent growth in employment at the Pharmaron site (the 44,000 sq m facility at the former Merck Sharp and Dohme site at West Hill Innovation Park, Hoddesdon) which will not yet have shown up in the latest 2021 employment data.

## 4 Review of Development Opportunities

### 4.1 Introduction

This chapter sets out a review of the major employment development sites in Broxbourne. It first assesses the Park Plaza North sites and then reviews the other strategic employment sites in the borough.

### 4.2 Park Plaza North

Park Plaza North occupies a genuinely strategic commercial site on Junction 25 of the M25. The site is bounded by the A10 to the west, the A121 Winston Churchill Way to the north, and the Southbury Loop railway line to the east.

The area is dominated by the large News International print works to the south of the site; and Waltham Cross town centre sits around 500 metres to the east of the site. The 10ha Park Plaza North site is now being marketed for sale by its site owner, IKEA.

The site has proximity to residential properties in Waltham Cross, in particular on Park Road and Leven Drive. This may impact on the potential form and nature of development on the site. Cedars Park to the north is designated as an Area of Archaeological Interest and community open space. It contains a scheduled monument and listed buildings and structures. To the west of the A10, lies Theobalds Park Farm.

Waltham Cross Town Centre provides a range of local shops and services and is a hub for local bus services which link into North London. To the east of the town centre is Waltham Cross railway station and 800 metres further east is the Lee Valley White Water Centre. The Council is implementing a renaissance strategy for Waltham Cross.

#### Planning context

The Council wishes to work in consultation with potential developers to deliver a high quality development that will help to deliver the economic objectives of the Council and positively support the renaissance of Waltham Cross.

The Council's vision for the site is as follows:

*Park Plaza North will be a distinctive and high quality business development that provides a substantial, sustainable and diverse source of quality employment opportunities for the local community. It will be a regionally significant development that is an integral element of the*

Figure 4.1 Park Plaza North Site



*wider renaissance of Waltham Cross and the diversification of Broxbourne's economy. It will mark the southern entrance to the Borough with high quality buildings in a landscaped setting.*

A comprehensively planned scheme is sought which would include a mix of business, industrial and logistics uses set alongside the relocation of bulky goods retailers from Waltham Cross town centre and a new railway station.

The proposed development of the site should accord with policies in the adopted Broxbourne Local Plan 2020, and in particular the provisions relating directly to this site as follows:

*Park Plaza North is proposed to be developed for a variety of small and medium sized enterprises. It is therefore well placed to accommodate the relocation of businesses that may be necessitated by several regenerative developments being promoted by this Local Plan – notably Brookfield ... Cheshunt Lakeside ... and Waltham Cross Northern High Street Redevelopment. The Council is also supportive of the potential to develop the Fishpools business by relocating the High Street store to a state-of-the-art site that would help to anchor a flagship development at Park Plaza North. That would be enabled by a mixed-use redevelopment of the current town centre site which would need to ensure the continuation of a retail frontage along the High Street.*

*Policy PP2: Park Plaza North*

*I. Park Plaza North is allocated for a mix of employment uses as follows:*

- 1. Bulky goods retailers that need to be relocated as a result of developments proposed within Waltham Cross Town Centre; and*
- 2. A mix of B1, B2 and B8 uses on the remainder of the site.*

*II. The site will be developed in general accordance with a master plan and design code which will be incorporated within an outline planning application for the development. The masterplan should include a visual landmark development at the corner of the A10 and Winston Churchill Way.*

*III. Development should preserve or enhance the setting of heritage assets, including the scheduled monument and listed buildings and structures, at Cedars Park.*

The Council has produced a conceptual master plan for Park Plaza North and that is shown below. It includes several of the components set out in the foregoing section to the space specifications of those users at that time.

**Figure 4.2 Park Plaza North Conceptual Masterplan**



### 4.3 Other Principal Employment Sites

In this section we provide a brief overview of the other 'strategic sites' in the borough. The 2016 Employment Land Study by Aecom identified 31 employment clusters, but only ten of these are larger than 3ha – including the three town centres. In some cases proposed new strategic sites differ in respect of the Local Plan from the sites indicated, as explained further below.

#### Waltham Cross

The 3.6ha **Station Approach Industrial/Monro Industrial Estate cluster (C3)** is bordered by the A121 to the north and West Anglia Mainline to the east. The cluster shows good occupancy, mainly by B1c/B2 and B8 uses, occupying classic industrial sheds and warehouses, with some smaller, older buildings on the west side of the estate. The area appears to be in good order, with few signs of dilapidation.

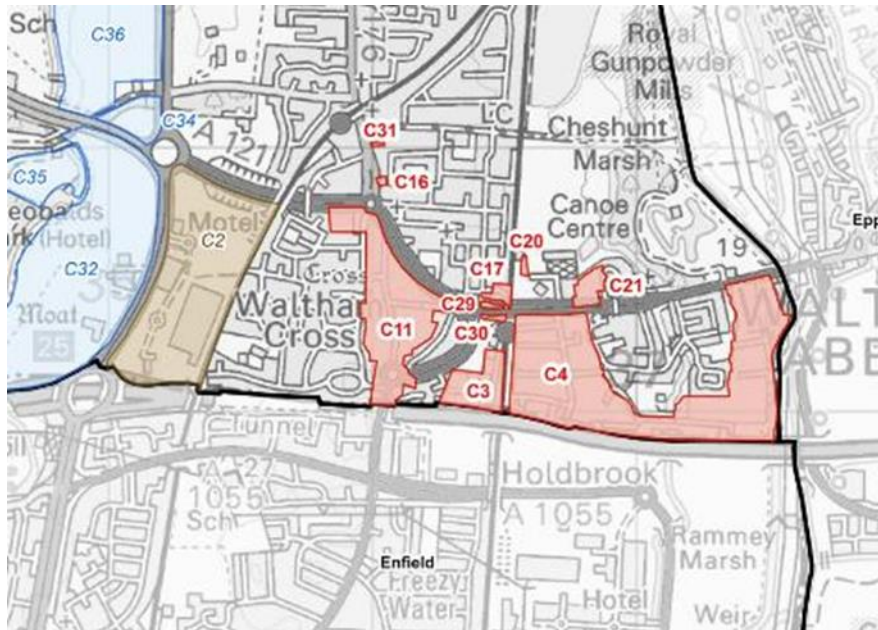
The primary concentration of employment land here is the **Britannia and Lea Road Industrial Estate (C4)**, sited to the east of Station Approach. This 30.7ha employment cluster, located between the M25, A121, the River Lea and West Anglia Mainline, provides a key reservoir of



industrial and warehousing employment land in the borough. It has reasonably good local road access, but access to the M25 is indirect.

The cluster, which wraps around residential and educational uses, has a wide range of activities, including logistics, small scale manufacturing and some office-based activities. The buildings are generally in good condition, with some very good quality premises being evident. A good example of the latter is the modern 15 unit I.O. Centre, with good quality, flexible buildings.

**Figure 4.3 Waltham Cross Employment Sites**

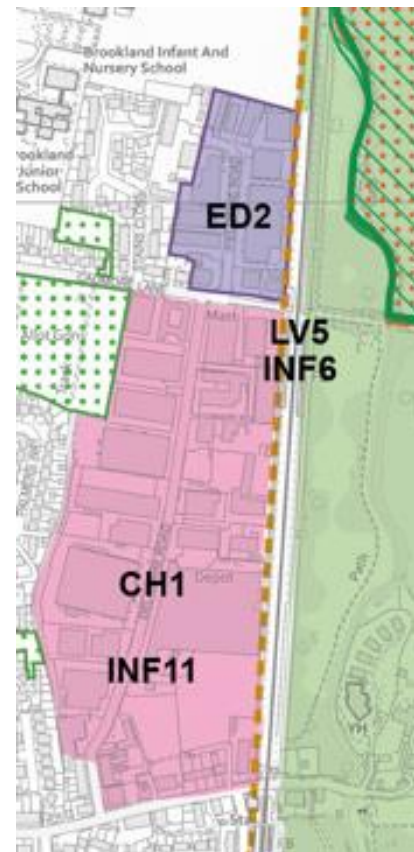
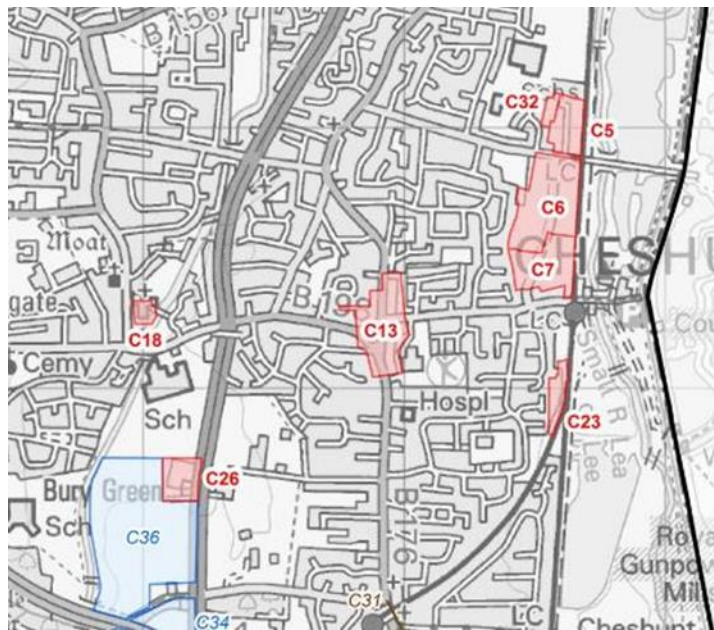


**Waltham Cross Town Centre (C11)** stretches from the M25 up to Winston Churchill Way and Monarchs Way. The low density 13.3ha cluster comprises typical high street functions with retail, service, community and residential being the dominant land uses. With regard to B-employment, the main activities include local B1a uses, largely over shops. There is a Royal Mail sorting office and other office buildings are typically of a low quality/condition.

### Cheshunt

Clusters C6 and C7 combine to make up the 11.5ha Delamare Industrial Estate. The Local Plan redesignated this land as a mixed-use development known as **Cheshunt Lakeside** (Local Plan Policy CH1). The policy includes provision of 20,000 square metres of business floorspace to accommodate some existing businesses, new business start-ups and additional business space. The Estate is located north of Cheshunt mainline rail station and is bordered by Cadmore Lane, residential properties and a large patch of allotments. The old Tesco headquarters and neighbouring land have been redeveloped as residential as the early phases of the Cheshunt Lakeside development.

**Figure 4.4 Cheshunt Employment Sites**



Land south of Cadmore Lane and Fieldings Road comprise low density, typically older, part brick built buildings housing a wide range of service activities. The main uses include B1c/B2, B8 and sui-generis, and vacancy appears to be low. Land south of Cadmore Lane is expected to be redeveloped in the latter phases of the Cheshunt Lakeside allocation.

The development of Cheshunt Lakeside will result in the loss of a significant number of small and medium sized employments units.

To the north of Cadmore Lane, the Fieldings Road Industrial Estate (clusters C5 and C32) remains a designated Employment Area within the Local Plan.

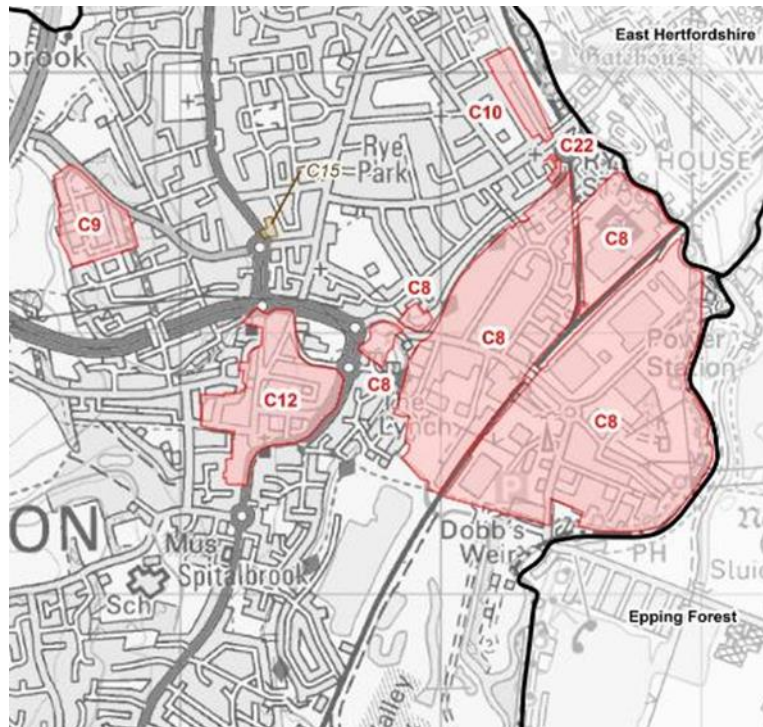
**Cheshunt Town Centre (C13)** is located west of Cheshunt rail station and is situated directly on Turners Hill. It functions as a large district centre between the other two town centres which are the retail nodes at the north and south of the Borough. The 5.6ha cluster mostly contains retail and residential premises, though there are some dedicated office blocks and offices above retail units. Some of the offices are vacant and others have been recently converted into residential use. The cluster benefits from having public transport access points within it and direct access onto a strategic road. However, despite these advantages the amount of office premises/floorspace in the cluster was never significant and appears to be in steady decline.

### Hoddesdon

The largest cluster is the **Hoddesdon Business Park (C8)** located northeast of Hoddesdon town centre and close to Rye House rail station. The 124.9ha area mainly consists of a range of B1c/B2, B8 and sui-generis activities and provides a range of differently scaled businesses. The eastern area of the cluster caters mostly for large scale distribution tenants including Cortland, Bidvest and Sainsbury's. In the western area some smaller high technology occupiers were

observed such as ADC Bioscientific, Allendale Electronics and LGC. There is some vacancy among the smaller premises but much of the cluster is fully occupied.

**Figure 4.5 Hoddesdon Employment Sites**



Premises within Hoddesdon Business Park are generally in good condition with some poorer quality buildings. Strategic road access is direct via the internal road to the A1170, while public transport access is indirect with Rye House station located near to the cluster. Though the cluster borders some residential property in places, there are no noticeable ‘bad neighbour’ uses. There is potential for further development within the boundary of the employment area as some land has not been built upon yet including portions at the east and west corners of the cluster. Overall, the cluster functions well for the current uses in it and forms a key employment location in the borough.

**MSD Campus (C9)** is located northwest of Hoddesdon Town Centre on the Hertford Road. The cluster is solely occupied by Pharmaron which uses the site for discovery and early development activities and the R&D laboratories in very good condition. There is ample dedicated parking including a multi-storey car park and direct strategic road access onto the Hertford Road. Public transport is available via bus stops which are situated within a 250m walking distance.

**Plumpton Road Industrial Estate (C10)** is located to the northwest of Hoddesdon Business Park. This 3.4ha site contains a mix of small office, warehouse and workshop space. The buildings here are generally in fair or good condition. Cluster 10 has inadequate parking facilities due to a high level of parking related to the nearby Rye House station. Neither has direct access to strategic roads, though there are close public transport links via the rail station and nearby bus stops. There is some vacancy in the B1 and B2 units within C10.

**Hoddesdon Town Centre (C12)** is located in the north of the borough. It is bordered by the A1170 to the north and east and some residential property to the west. The main uses within the cluster are retail and residential although there is a limited presence of B1a/b and sui generis employment uses including a Royal Mail sorting office. The employment activities are housed within medium sized offices which are mostly in good condition; a minority of the buildings are in poor condition. Dedicated parking is available at some of the employment premises and there is controlled parking at the four supermarkets. Public transport access is direct due to bus stops being located within the cluster. There is some limited potential for intensification by re-developing the offices of B3 Living and other buildings in the immediate vicinity.

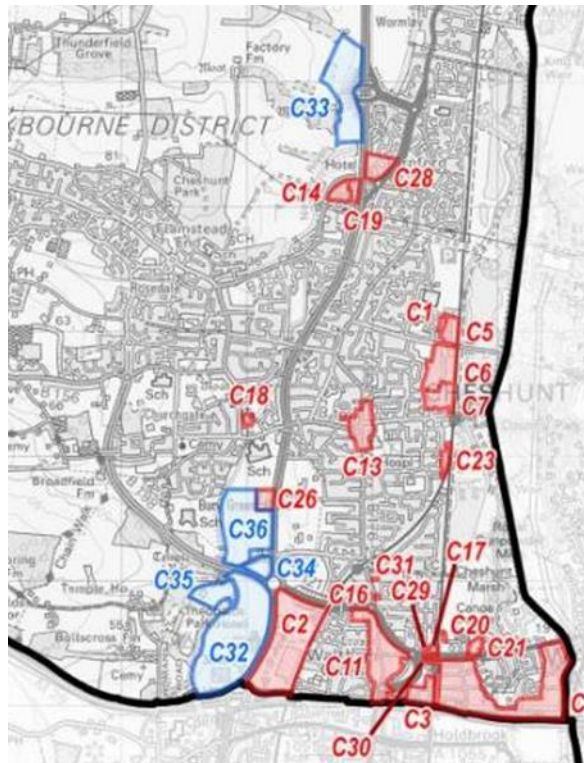
### Employment Land Options

The 2016 Employment Land Study identified five sites, or ‘employment land options’ which were not at the time designated for employment use but which were regarded as presenting significant opportunities for development including space for employment uses in the future. In total, the five sites measure 81.0ha, as follows.

**Table 4.1 Employment Land Options**

Cluster	Name	Sub-area	Hectares
<b>C32</b>	TwentyFive25	Park Plaza	36.4
<b>C33</b>	Brookfield	Brookfield	17.5
<b>C34</b>	Rush Meadow	Park Plaza	2.7
<b>C35</b>	Land west of TwentyFive25	Park Plaza	5.2
<b>C36</b>	Land west of Maxwell’s Farm	Park Plaza	19.2
<b>Total</b>			81.0

**Figure 4.6 Employment Land Options**



**C32 TwentyFive25**

In July 2022, Broxbourne Council granted planning consent to Hollywood’s Sunset Studios for a £700m investment that is expected to create over 4,800 jobs and contribute £300m annually to the local Hertfordshire economy. The 37ha complex will be one of the largest studios in Europe: it will provide 21 different sound stages spread across c42,000 sq m, plus supporting facilities including a seven-acre backlot to create outdoor sets.

The land to the west of Waltham Cross was purchased in August 2021 by funds managed by Blackstone and Hudson Pacific Properties for the partners’ first expansion of their Sunset Studios platform outside of the United States.

The Studio’s vision is to develop “a world class studio complex to draw globally recognised media and film brands to Broxbourne”.



The studios will rival Sky’s new studios in Borehamwood, the Elstree Studios and Warner Brothers’ complex in Leavesden, as Hertfordshire looks set to become a hub for the UK’s film industry.

### ***C33 Brookfield***

In June 2023 Development Partners, Borough of Broxbourne, Hertfordshire County Council and Sovereign Peveril Brookfield, received outline planning approval (subject to S106) for three linked proposals at Brookfield, including a new town centre, a linked Garden Village, and alterations to the adjacent golf course necessary to achieve suitable road access.

The £500m Brookfield Riverside development, which is centred around a brand new one million square foot town centre, set to include areas for retail, leisure, food and beverage, hotel, civic uses, workspace, assisted living, mixed residential and parking for 2,000 vehicles. The New River, which was built in 1613 to supply London with fresh drinking water and flows through the site, will form a focal point of attraction for the leisure and restaurant elements. The New River Trading Estate will be redeveloped to accommodate the new town centre uses.

The adjacent Brookfield Garden Village has 1,250 new homes, a primary school, neighbourhood centre and other council facilities needed in the area.

The overall development will see improved road and junction infrastructure, together with new cycling and pedestrian links to connect to Cheshunt.

### ***C34 Rush Meadow***

This currently vacant site forms part of the new Local Plan employment area PP4: Maxwells Farm West and Rush Meadow. There are no known proposals for the site and the intentions of the landowner are unknown at this stage.

### ***C35 Land West of TwentyFive 25***

This site lies within the Green Belt and was not progressed through the Local Plan. According to the 2016 Employment Land Study, the Land West of TwentyFive25 (C35) is primarily greenfield land with a small amount of brownfield spread across 5.2ha. As agricultural land, the site is classified as Grade 3 which is good to moderate quality.

The land sits within the Green Belt and greenfield land as well as the New River. It lies to the west of the northern end of TwentyFive25 although the two sites are separated by the New River. The site is currently accessible by a small lane off the B198 (which runs east-west and bisects the A10).

### ***C36 Land west of Maxwell's Farm***

An outline planning application for construction of a high tech employment development in a parkland setting together with associated infrastructure was submitted in 2019. The 19ha site is bounded by the A10 Great Cambridge Road to the east; Lieutenant Ellis Way (B198) and Theobalds Lane to the south and New River to the west. The northern boundary is formed by a line of trees and hedgerow abutting Maxwells West Industrial Estate and the playing fields of Goffs Churchgate Academy. The proposal comprises:

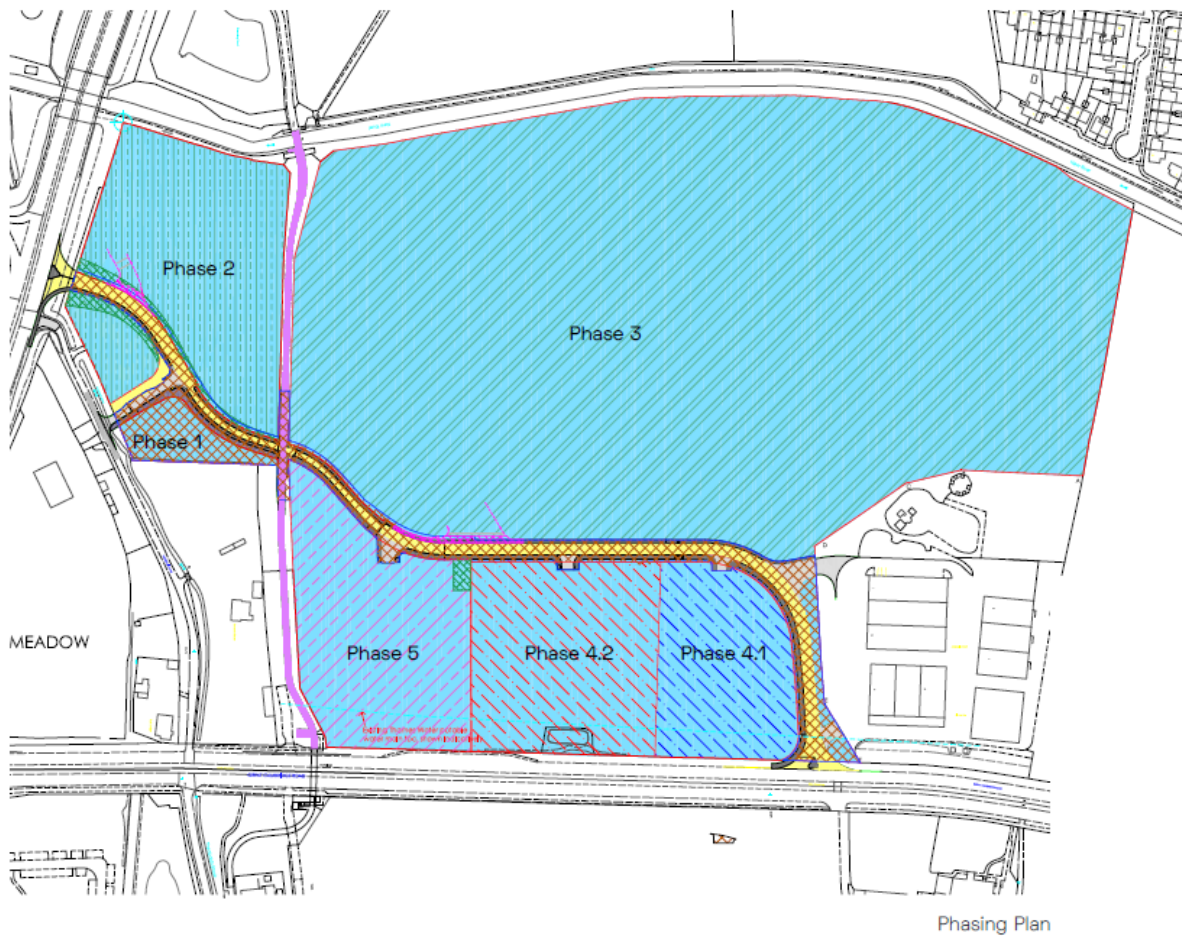
- A data centre facility (up to 62,000 sq m) and ancillary plant, storage and office space
- Business space (up to 22,800 sq m) reserved for B1/B2/B8 use
- Open space, landscaping and flood mitigation

- Vehicle access from the A10 (Great Cambridge Road) and Lieutenant Ellis Way
- Electricity sub-station.

Outline planning permission was granted in June 2020 (planning reference) 07/18/1181/O).

Reserved matters applications have been progressed in accordance with the phasing plan shown below. Construction of the spine road is complete.

**Figure 4.7 Phasing plan at Maxwells Farm West**



The relationship between the proposals within the different parts of the site is shown in Figure 4.8 below:

**Figure 4.8 Maxwells Farm West, phases 4.1, 4.2 and 5.**



Part of the West of Maxwells Farm site fronting onto the A10 (phase 4.1) has been developed as Theobalds Enterprise Centre (planning reference 07/21/0486/RM). The development of a business and technology centre at Maxwell's Farm, aimed at providing a hub for tech firms and SMEs, was led by Broxbourne Borough Council and Hertfordshire Local Enterprise Partnership (LEP), following a similar venture in Hoddesdon – the Ambition Broxbourne Business Centre. The business and technology centre is adjacent to the proposed Park Plaza commercial development.



**Figure 4.9 Business and Technology Centre**



The business and technology centre is one of five key projects selected by Hertfordshire LEP to receive a share of its £16.8m allocation from the Government's Getting Building Fund, which aims to kickstart local economic recovery amidst the Coronavirus pandemic. Together, the five Hertfordshire projects are set to deliver over 1,500 high value jobs across high-tech sectors including smart construction, film and TV, cell and gene therapies, and advanced therapeutics. The business centre will be backed by a £5m Getting Building Fund and Growing Places Fund investment from the LEP.

The building comprises around 30,000 sq ft of flexible space across a mix of offices, studios and training facilities. The centre offers self-contained, air-conditioned offices ranging from 14 sq m to 45 sq m as well as the option for hot-desking and virtual offices. The centre's high-spec design aims for a BREEAM rating of Very Good, which reflects the sustainability of the construction; a Wired Score Platinum mark, which indicates an exceptional standard of wired infrastructure and wireless network to boost connectivity for tenants; and a FitWel accreditation, which looks at the measures put in place to safeguard and improve the health and wellbeing of the building's occupiers. Further to the provision of workspaces, plans to ensure the success of future tenant businesses also include the provision of digital technology training and support services.

Phase 4.2, also known as Theobalds Business Park Phase 2, was submitted in June 2023 (planning reference 07/23/0508/RM) by STX-A10 and the Borough of Broxbourne, proposes a B8 storage and distribution with refuse storage, vehicle parking, associated landscaping, works and infrastructure.

Phase 5 has received planning permission for 3,908 sq m warehouse and 689sqm ancillary uses (planning reference 07/22/1011/RM) granted in May 2023.

## 4.4 Market dynamics

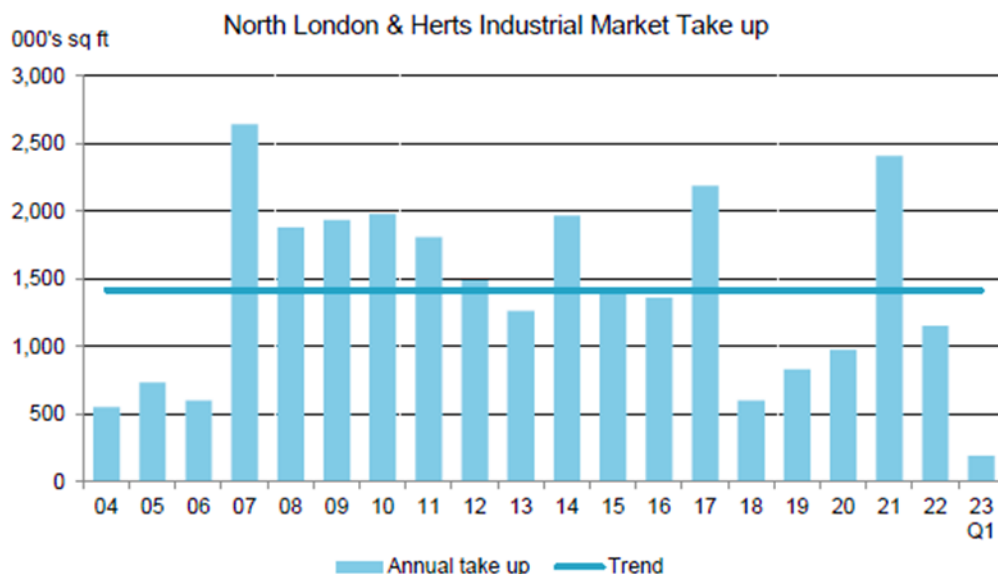
Property agent Glenny produces a quarterly digest of market data for the North London and Herts industrial market. The following data are extracted from the latest edition – Databook Q1 2023.

Take-up in the North London & Herts industrial market since 2018 has been lower than over the previous decade (see Figure 4.10). While 2021 saw an exceptional 2.4m sq ft of take-up, 2018-2022 ranged between 500,000 sq ft and 1,100,000 sq ft. The 2022 figure was underpinned by a number of large deals including Sky leasing of 287,626 sq ft at Panattoni Park in Borehamwood in Q3 and the 52,070 sq ft confidential letting at Unit 8 SEGRO Park in Tottenham in the final quarter of the year. Glenny state that leasing activity in the first quarter of 2023 has seen a continuation of lettings at below trend levels, with just under 200,000 sq ft of space.

Availability of industrial space fell, year-on-year, from 2011 to 2018, since when it has crept upwards. From a low of around 1.1m sq ft in 2018, availability in Q1 23 stands at around 1.9m sq ft. As a proportion of stock, this represents a rise from around 1.5% to around 2.5% - levels that are not high by historic standards.

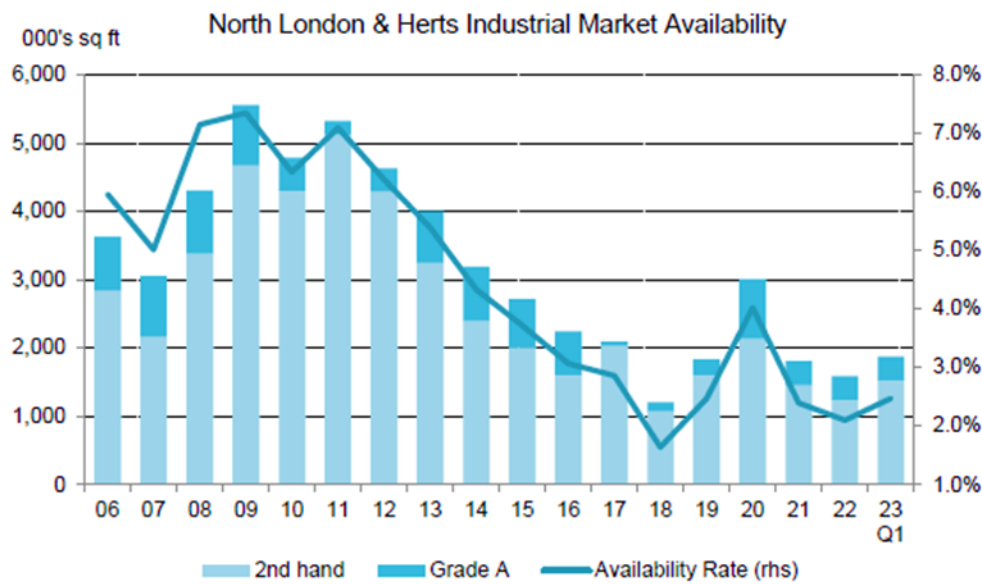
Despite overall lower levels of take-up and rising availability, Glenny record that prime industrial rents have continued to rise in the six months to the end of Q1 23, moving to £28.50 per sq ft. Glenny also note that prime rents have risen by 67.6% over the past three years. Secondary rents remained stable at £22.00 per sq ft in Q1 23 as supply increased. Secondary rents have increased by 54.4% over the past three years, an annualised growth of 16.3% per annum.

**Figure 4.10 Industrial Market Take-Up**



Source: Glenny

**Figure 4.11 Industrial Market Availability**



Source: Glenny

The development opportunities outlined here will need to respond to the evolving profile of demand if they are to succeed commercially. They will need to provide the kinds of buildings that most closely match the demands of those businesses seeking to locate in the area.

One of the more important dynamics is the current level of demand is for logistics facilities. There is no question that demand for such units is rising in response to changes in consumption and the retail sector generally. However, logistics involves units from 10,000 sq m to ten times this size and more. It is a variegated sector responding to different sources of demand.

Another major force in the current profile of demand is the 'out-of-London' drift. This comprises firms which are being forced northwards from highly-priced London boroughs in search of cheaper premises. Industrial rents in some London boroughs now exceed £30 sq ft. This is becoming unsustainable for growing numbers of firms. Consequently, sites north of the M25 which afford good access into London are being sought in growing numbers.

Discussions with commercial property agents active in the area highlight the strategic importance of the Park Plaza North site. It is regarded as a critical site in terms of its ability to provide a large amount of employment space to satisfy a range of requirements – large and small, industrial and distribution, service and manufacturing. Precedents for such mixed activity schemes are cited at Hatfield Business Park; Monro Industrial estate in Waltham Cross; Britannia Road and Bingley Road in Hoddesdon. The general view is that a mix of service-based industrial (sales, showroom, printing), light industrial (engineering, maintenance, production) and distribution would be appropriate.

The feedback from property agents does not suggest a pressing demand for high quality, corporate office space. There is very little evidence of local demand being constrained by lack of

supply that could be satisfied at Park Plaza, and there are low expectations in terms of major inward investment.

The tone of feedback from property agents suggests that Park Plaza could play an important role in absorbing a strong demand for a range of occupier activities in a similar range of unit sizes. While recognising that a developers/owners will seek to provide fewer and larger units in order to reduce costs and development complexity, feedback from local agents suggest that such an approach might be a lost opportunity on the Park Plaza site.

Furthermore, the loss of significant stock of small and medium sized units at Delamare Road through the development of Cheshunt Lakeside and the New River Trading Estate through the development of Brookfield Riverside is likely to add to demand for such units.

Whether seeking a mix of activities and buildings or whether seeking fewer, larger logistics facilities, it must be recognised that development viability has changed in recent times. Land values have fallen, rental growth is negligible, and the cost of borrowing is now relatively high.

#### **4.5 Conclusions on Progress**

As noted above, Broxbourne's allocated employment sites have continued to function well, with relatively low vacancy and a number of examples of new investment to churn ageing stock. In terms of the stock of strategic land holdings, the 2016 Employment Land Study identified five sites, or 'employment land options' which were not at the time designated for employment use but which were regarded as having potential. Progress has been made on most of these.

- In July 2022, Broxbourne Council granted consent to Hollywood's Sunset Studios for a £700m investment at TwentyFive25. Site preparation is largely complete but as of summer 2023 the development is paused.
- Outlined consent has been granted for development of a new town centre and linked Garden Village at Brookfield.
- The Theobalds Enterprise Centre within Maxwell's Farm West, led by Broxbourne Council and Hertfordshire Local Enterprise Partnership, is due to open in summer 2023 .

Thus good progress has been made on bringing forward the sites identified for employment in the Local Plan, despite the pause at Sunset Studios. The Employment and Skills SPD referred to in section 2.2 above should also provide a solid basis for maximising the opportunities for local employment during both the construction and post-completion phases of development.

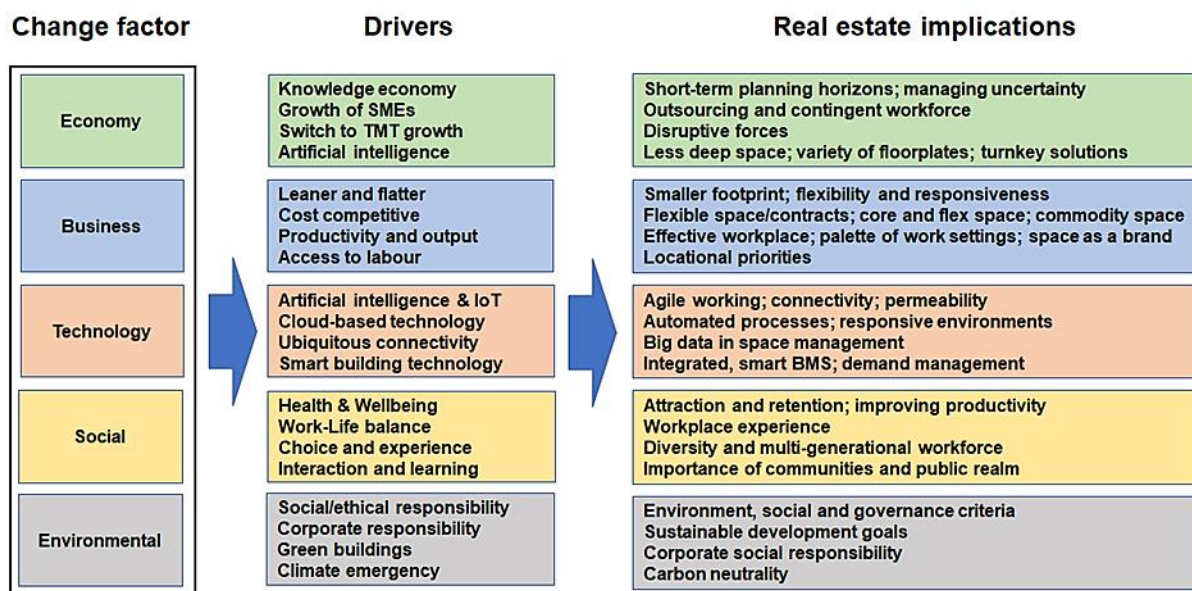
## 5 Future Property Demand

### 5.1 Introduction

The past two decades have seen enormous change in the economy; and the speed and ubiquity of change shows no signs of abating. In the early 'noughties', technology continued its spread as the internet, emails, social media and laptop technology all changed business structures, workstyles and high streets. In 2008 we saw the global financial crisis and its fallout; and more recently we have had Brexit and the COVID-19 pandemic.

Change seems to have become the norm, rather than an occasional event. We now have to live with change, and this means planning for change. The following chart provides a framework for planning in uncertainty. It identifies five key change factors, including economy, business, technology, social and environmental. And within each of these, there are a number of drivers, and these are expressed in real estate implications.

**Figure 5.1 Drivers of Property Market Demand**



© Ramidus Consulting

In this section we set out how these macro drivers of change are likely to affect demand for employment space in Broxbourne over the coming decade or so.

### 5.2 Changing economy, changing premises

#### Context

Over the past three decades the economy has become dominated by the service sector; amply demonstrated by the fact that manufacturing (industrial) employment shrank by almost four-fifths between 1984 and 2014, while financial and business services jobs more than doubled. We have also seen rapid growth in the creative and media sector, life sciences, digital-technology, higher education and other sectors. In addition, there has been major growth in culture and entertainment, and in the tourist and leisure industry which generates many thousands of jobs in entertainment, shops, restaurants and hotels.

These dynamic service industries themselves draw upon a vast range of support activities. To take one small example, consider the diversity of services and products consumed by the average office building each day: catering; cleaning; furniture; maintenance and fit out; office equipment and supplies; print and copy; security; waste disposal, and many others. Multiplied across the economy, the sheer scale of demand for supporting activities becomes evident. This activity is referred to here as 'servicing the services'.

The key point here is that much of this activity is situated on land designated in planning policy as 'industrial' or 'employment' land, even though most of the activities are clearly not 'industrial' in the commonly understood sense of firms making goods. For example, a 2015 study by Aecom<sup>9</sup> found that almost half of all employment on designated industrial land in London is in fact of a non-industrial nature: 129,400 (or 43%) of a total 301,000 jobs. In many cases, buildings have been adapted and re-used by businesses that are not 'making things', but rather are involved in servicing the services.

As elsewhere, industrial activities in Broxbourne have been in sharp decline; with traditional manufacturing showing particularly pronounced decline. However, the terms 'industrial' and 'manufacturing', when applied to property, are broad and the outlook is not the same for all activities classed within them by official statistics. Indeed many so-called industrial buildings are occupied by support, or service, activities, with a high proportion of the activities taking place therein being 'clean', often employing a high proportion of professional, skilled and technical workers. Many do not involve 'making things', but rather assembly, customisation, design, maintenance, repair, storage and value-adding. Further, many do not involve 'things' at all, but are trading services: customer support, graphic design, sales, software and training.

The result of these changes is that whereas in the past, forecasts for employment could be neatly translated into demand for 'offices', 'factories', 'warehouses', and so on, today that translation is more complex. Many of the activities in today's industrial premises involve a blend of production, storage, office, creative and sales space. In other words, they do not fit neatly into one of the traditional Use Classes. Certainly, the Use Classes definitions fail to recognise the breadth of activities taking place. This causes problems when, for example, policies seek to release 'industrial' land that is, in fact, meeting the demands of a much richer, and economically critical, demand profile.

As the economy evolves, so too does the nature of companies, of workstyles and of premises needs. It is therefore important, in considering Broxbourne's potential property market, not to be constrained by outdated concepts.

### Activities

A brief survey of the main concentrations of employment in Hoddesdon and around the M25 area of Broxbourne reveals a rich mixture of activities. It is typical of most large concentrations of industrial activity across and around London. Many of the businesses will be serving local,

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<sup>9</sup> London Industrial Land and Economy Study – Aecom (2015)

national and London markets. It might also be surmised that rising property costs in London could be forcing some business to relocate from London to beyond the M25.

Figure 5.2 illustrates the breadth of company types undertaking non-industrial activities in industrial buildings. The list is partial, and intended only for illustrative purposes, but it is quite clear that many of the occupier types and their activities cannot be described as ‘industrial’ in the traditional sense of the term.

**Figure 5.2 Occupier types in industrial buildings**

Occupier Types	
Art production and sale	Graphic design
Audio-visual equipment	Hospitality
Building materials & services	ICT support & infrastructure
Business services	Import & export
Cash and carry	Interior design
Clothing and fashion	Joinery
Computers & peripherals	Landscape services
Craftwork	Mail management
Data services	Maintenance contracting
Design	Marketing & media
Dry cleaning	Packaging supplies
E-commerce	Photography
Electrical services	Printing
Engineering	Publishing
Event management	Recording equipment repair
Film & sound production	Retail & wholesale sales
Food and drink production	Security
Freight forwarding	Sign making
Furniture & equipment	Software support
Graphic design	Training

Source: Ramidus

Figure 5.3 then describes the range of activities taking place in the buildings occupied by the business types listed in Figure 5.2. Many do not involve ‘things’ at all, for example, customer support, design, sales, software and training. The key point here is that the diversity of activities listed implies a demand for a range of working environments, from office space, to production space, to warehousing, to customer interface space.

Furthermore, the range of activities implies something about the nature of the workers employed within the buildings. For example, many are professional, skilled and technical staff. Such workers have higher expectations of their workplace and its locale than perhaps is the case with the generally perceived staff profile of a traditional industrial estate. Many are not involved in 'making things traditionally', but rather in assembly, customisation, customer relations, design, maintenance, repair, storage and value-adding.

**Figure 5.3 Activities in multi-use buildings**

Activities	
Production	Support
Assembly	Customer support
Customisation & repair	Demonstration & showroom
Design	Goods despatch/receipt
Engineering	Management & administration
Graphic design	Renting & leasing
Maintenance	Sales & marketing
Packaging & printing	Software development
Production	Storage & consolidation
Repair	Wholesale & retail

Source: Ramidus

Also hinted at in Figures 5.2 and 5.3 is a mix of traditional (e.g. manufacture, assembly, maintenance and storage) and modern businesses and activities (e.g. e-commerce and software). This is an important point, suggesting that industrial and employment land and buildings continue to evolve and cater for both traditional and emerging employment uses.

Some activities that might be considered as traditional activities have themselves undergone dramatic change – often involving a switch from mass production to niche production. For example, printing no longer implies vats of ink and large mechanical printing presses: it is now digitised.

Indeed, much advanced manufacturing is based not on large scale, linear production of mass market goods, but much shorter run production of specialist, fast-changing products. The growth of 3D printing is a case in point. Many workers in such tech-based manufacturing firms will not work in manual occupations, but in jobs such as research and customer support, which are more like service sector jobs. Such firms want to bring together design, workshop, product development and customer service space – lab, studio, factory floor and shopfront. The same dynamics hold in the clothing, food and furniture sectors, where 'artisan' and small-scale manufacturers are increasingly common.

The very wide variety of businesses and activities described here suggests that the conventional understanding of 'industrial' property needs to be developed in order that spatial policy can be



more sensitive to the dynamics of demand on industrial and employment land, which is under intense pressure for conversion to residential uses, potentially undermining the viability of activities that are vitally important to larger urban economies. One example of such thinking is hybrid buildings.

## Buildings

Servicing the services involves occupiers combining aspects of light industrial, office, storage and distribution space, with a mix of activities within the single building envelope. Clearly, neither pure office nor light industrial space is appropriate for many of these activities. Such a diverse range of activities confounds the premises description of industrial and introduces the concept of hybrid office/industrial activities.

The accommodation is of a higher quality than traditional sheds and has a greater functionality. Figure 5.4 illustrates four generic demand functions, each reflecting a slightly different use profile and specification requirements, although the management regime is likely to be common to all – more intensive than normal for sheds, with greater emphasis on customer services.

**Figure 5.4 Four categories of use and their specification priorities**

Occupier priorities			
Production	Client-facing	Workshop	Goods handling
Power supply	Quality image	Natural light	Eaves height
Fire protection	Comfort	Comfort	Loading bays
24-hour operation	Accessibility	Security	Column free
Security	Security	Car parking	Secure yard
Retail trade	Car parking	Local amenities	Turning space
Parking & access	Local amenities	Power supply	Parking
<b>Management regime:</b>			
short leases; flexible terms (easy-in, easy-out); customer focus; support with change; support services; focus on public realm			

Source: Ramidus

The four generic use types are not exhaustive, but illustrative of a principle, and can overlap within a single occupation. The proportions of each type of space will vary according to the occupier, emphasising the need for building flexibility, and for a sympathetic ownership/management approach. All four uses shown require space that is flexible and easy to adapt.

Figure 5.5 summarises the main features of a hybrid building. The buildings should be simple and functional in design, and available in a range of sizes. Ideally, they should be provided on integrated estates with on-site facilities, intensive management and flexible terms. Accessibility is paramount both in terms of getting to clients efficiently and in terms of access and turning space for delivery vehicles.

**Figure 5.5 Basic features of a hybrid building**

Space that combines economy and quality
A basic, low specification that can be upgraded
A fit out that allows adaptation to specific needs
The ability to erect and dismantle partitions to suit changing needs
Better designed environmental control systems
A menu of options available over fit out
A management regime sensitive to business dynamics
Flexible terms and support services

Source: Ramidus

Because the spectrum of companies occupying hybrid buildings is very wide, there is no typical premises size requirement. However, it is possible to narrow down options. Thus, there are very small units of, say, less than 100 sq m, suitable for micro businesses and in multi-let buildings and business centres. At the other end of the scale, a large building might be described as one larger than 3,000 sq m. There will be requirements for space much larger than this; but in terms of typical market activity, anything over 3,000 sq m would be considered a large unit. Between these two extremes, two size bands, 100-1,000 sq m and 1,000-3,000 sq m, are helpful to distinguish smaller and larger requirements.

The number of floors in hybrid buildings normally varies between one and three, with two being typical. Many purpose-built buildings are constructed as single-storey, double height space with the capability of accommodating a mezzanine floor. Ideally, a mix of single and double height space also permits different kinds of uses. Proportions will vary, but for generic guidance, perhaps, two-thirds of the space at 4.5m high, and a third at 6-8m for storage, studios, production, and so on. The higher dimensions allow pallets to be racked six high.



A depth of 13-18m is adequate to cater for most needs, allowing reasonably deep open plan areas, while also giving sufficient depth to allow different configurations of sub-division. The ability to erect and dismantle partitions to suit changing needs as product lines and volumes change is important.

Temperature control systems and energy management are important factors. While partitions and temperature control systems are often in conflict, the key is a creative solution to the

configuration of single and double height space. Lighting is generally less of an issue, so long as natural lighting is good: a basic lighting system can be inexpensively supplemented by the occupier to suit specific needs. Secure power supply and data linkages are increasingly important to occupiers.

The need for 'white van' access for goods and materials has led to a market norm whereby occupiers are not normally 'stacked' across multiple floors, although there are many examples of business centres where occupiers with minimal such need occupy two and three level developments, with access to a shared goods lift.

An overriding concern of occupiers is to find space that combines economy and quality. A basic (low specification) fit out that allows occupiers to adapt to their specific requirements is the core need.

The key to a more appropriate fit out solution would appear to be a menu of options available over the shell and core provision, allowing occupiers to meet budgetary constraints, whilst securing a solution that suits their needs.



### 5.3 Implications for Broxbourne

A key message here is that Broxbourne's property offer should not be thought of simply in terms of a declining 'industrial' sector' or a short-term expanding sector; but rather in terms of the changing economy and its implications for premises requirements. It should be considered from the perspective of the nature of activities that need to be accommodated.

In practice, traditional demarcations between offices, factories and warehouses have given way to a far more complex profile of demand for different kinds of space. Even within a long-established sector such as food production, new products and processes, and new companies, are generating new ways of delivering.

The key will be to identify those types of activities most in need of accommodation in Broxbourne, define their broad premises requirements and develop business models for appropriate provision, particularly to encourage SMEs and start-up businesses to set up or remain within the area. Affordability and flexibility are two of the key watch words in any approach. Specific actions that could be taken are listed below.

- Identify the range of different sectors and workspaces required to meet the evolving economy. This should include generic workspace types.

- Identify suitable locations, sites and buildings which could be considered as part of an initiative and the potential for creating clusters of activity.
- Review the potential range of business models within which different forms of space could be provided. This could set out how the local authority might invest in workspace provision to provide an income/return which can be reinvested to support other economic development initiatives.
- Devise a workspace provision partnership model, with which to engage with providers; and identify workspace providers and potential partners.
- Provide guidance on new developments for the provision of workspace. This should include guidance on mixed use development; the type of premises in demand and the rents likely to be achieved.
- Prepare guidance on off-site provision where a particular new development is not appropriate for workspace provision.

Diversifying the economy and creating additional jobs requires the right types of premises being available to accommodate those jobs. There are a number of different ways in which Broxbourne might seek to ensure the provision of appropriate space.

### **Start-ups and micro businesses**

Changing corporate structures and the impact of almost ubiquitous technology are contributing to major changes in working practices. One of the outcomes is that increasing numbers of workers in many sectors are likely to be self-employed or employed under project based contracts. As previously noted, there has been a steady rise in the number of people who work mainly at or from home. Since 2001 for the UK as a whole there has been an increase of 1.25m in the number of people working mainly at or from home, an increase of over 40%. There are now over 4m workers who work mainly at or from home. These workers work in a range of sectors and occupations, and many can.

The start-up and micro-business economy is increasingly being recognised by the commercial property sector, and new products are emerging as a result. The flexible space market provides 'easy in, easy out' terms, which makes the procurement of space so much easier for small businesses. While the office sub-sector has led the way in this respect (see, for example, serviced offices), there is growing evidence of demand for industrial workspaces for start-up and small businesses which allow the sharing of capital-intensive assets, processes and ancillary functions (receptions, kitchens, etc.).

### **Managed space**

Organisations are adopting leaner and flatter structures, and experiencing an almost continuous level of change as they respond to market opportunities and pressures. And the evolving pattern of work to reflect these traits is one that is increasingly mobile, collaborative and technology enabled. As a result of these trends, workplaces are being designed and managed so that they can react to new and sometimes unpredictable operational priorities. Whether responding to a

merger, to changing markets or to new technology, organisations need to respond quickly; and this means workplaces that can be reconfigured with ease.

The managed space market provides accommodation that is flexible (easy-in, easy-out), but in typically larger units than are in demand from start-ups and micro businesses. The customer base often comprises long-established, albeit stable (in terms of growth) firms. Both serviced and managed space offer flexible space solutions that can be convenient for companies who do not want or cannot commit to long-term leases. Serviced space tends to cater for office occupiers, is generally of a high specification and the costs are fully inclusive. Managed space often consists of, typically, larger units in which the occupier is responsible for things like office furniture and telecommunications. Most managed offices are fitted with basic amenities like workstation partitions and cabling, and their fees may include office cleaning, but they do not offer clerical support, dedicated meeting rooms, reception services, and the full range of facilities offered by serviced space.

### **Re-use of industrial stock**

Manufacturing closures or relocations leave redundant buildings, which often fall quickly into disrepair. However, given the changes to work and workstyles, many are now capable of being re-purposed. They can provide an opportunity to accommodate local SMEs and start-ups which require relatively low-cost accommodation. New build commercial premises may not be viable for developers or affordable for occupiers, but existing industrial buildings can provide lower cost opportunities.

The physical and management factors discussed above are as relevant as the quantitative assessment of commercial floorspace needs set out in the next chapter.

## 6 Conclusions

### 6.1 Employment Growth Target

This chapter sets out to assess what needs to be achieved for Broxbourne to meet its growth target, as well as achieving a better balance of high skilled and higher wage jobs to contribute to the aims of the Borough's economic development strategy and Local Plan. The Council is seeking to achieve that in part through better co-ordination with the Broxbourne Strategic Partnership for Skills (BSPS) as described in the Employment and Skills Supplementary Planning Document (SPD) set out in section 2.2 above. It analyses the most likely mix of jobs, sectors or activities to meet this target and sets out what this means in land use terms. It also assesses what this means in terms of the labour market balance and the corresponding commuting implications.

We assume that the ambitions of the existing Local Plan still remain with the aim of increasing the net number of jobs by 5,000-6,000 over the period 2018-33, with a substantial proportion of these being 'high-skilled, high quality' jobs. From where Broxbourne stands now this would mean the total number of net additional jobs would have to increase by more than that as employment in Broxbourne has declined since 2018.

For illustrative purposes we have assumed the target is an increase of 5,500 jobs over the period 2018-33. Over this same period the EEFM projections are for jobs in Broxbourne to grow by 3,600. So this would require a performance that is better than the business as usual case, but a not unrealistic ambition.

To consider how Broxbourne might go about achieving this level and type of growth we first review the opportunity sectors identified as being critical to the Hertfordshire knowledge economy. We review the potential for Broxbourne to attract activity from these sectors to its employment sites in general and to Park Plaza North in particular.

### 6.2 Opportunity Sectors

#### Creative Industries

Film and TV Production in particular has an existing strong presence in Hertfordshire. The Herts LEP report Film and TV Production Sector Action Plan<sup>10</sup> notes that, *"Film and TV Production has a long history in Hertfordshire – through Elstree Studios, BBC Elstree and Leavesden Studios. The UK is seeing huge levels of interest in new Studio (and stage) space and Hertfordshire is a major focus."*

It goes on to state that, *"With a long history of film and TV production and an internationally favourable tax regime, the UK is capturing a significant share of global growth. The major streamers – such as Apple, Amazon and Netflix – are investing substantially to secure additional production capacity in the UK. US Film Studios are also recognising the benefits of producing in the UK."*

It notes that of the 13 major Film Studios currently in and around London all bar two are either in South West Herts or West London. It also notes that a further 16 are planned, seven of which are in Hertfordshire.

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<sup>10</sup> Herts LEP (2022) *Film and TV Production Sector Action Plan*

The report estimates that there are currently over 7,000 jobs in the film and TV sector in Hertfordshire with the potential for this to double.

The LEP vision is that:

*by 2027, Hertfordshire will be home to a Film and TV Production 'ecosystem' which is operating at even greater scale. It will be recognised around the world for its excellence and creativity. It will be characterised by:*

- *a vibrant set of Studios and a constant flow of high quality productions*
- *a strong pipeline of talent across all key roles and functions*
- *innovative small businesses that help to boost productivity and act as a catalyst to accelerate growth across the Film and TV Production supply chain*
- *exemplary environmental performance with the extensive re-use of materials and Net Zero outcomes*
- *a supply of commercial property, and effective levers through the development process*

### **Sunset Studios, Waltham Cross**

Plans for the vast Sunset Studios facility near Waltham Cross are potentially another sign of the production industry booming both in this stretch of southeast England and nationwide. Rapid growth among content players like Netflix, alongside surging demand for filming space due to pandemic-related delays, has seen British film sets, crews and locations swamped this summer - with Hertfordshire increasingly a hub, industry figures say.

Hudson Pacific, the Los Angeles-based studio owner behind hits such as Oscar-winning 'La La Land', says record demand for UK stage production space and the "*voracious appetite for content*" globally are spurring the £700m investment.

The new campus, which would take two-and-a-half years to build, could hold as many as 25 stages to accommodate all types of filming, but will cater particularly to the likes of Amazon and Apple. To be built beside Britain's busiest motorway 17 miles (27 kilometres) north of central London, the site covers an area the size of 51 Wembley Stadium football pitches. The project is expected to create over 4,500 permanent jobs and contribute £300m annually to Hertfordshire's economy.

Hertfordshire also hosts several major studios -- including Warner Brothers' Leavesden site, where the "Harry Potter" franchise and numerous other blockbusters were made - and is increasingly used for location filming.

### **Prospects for Broxbourne**

Subject to resumption of construction work and successful implementation of the film studios project, the opportunity for Park Plaza North is to accommodate 'pilot fish' businesses, i.e., those in the studio supply chain who are independent of the studios and need to locate nearby.

## Life Sciences

Pharmaceutical giant GSK has a major presence at both Stevenage and Ware, employing several thousand people in Hertfordshire, many of them highly qualified scientists. The firm has anchored a cluster of smaller advanced Cell & Gene medicinal therapeutic products companies on and around the GSK campus. The area has now been identified as a High Potential Opportunity Area by the Department for International Trade (DIT), significantly increasing demand for both higher level and technical level skills in life sciences.

The cluster is nurtured via the Stevenage Bioscience Catalyst (SBC). GSK played a key role in the creation of the SBC in 2012. The incubator and accelerator brings together academia and biotech and pharmaceutical companies to drive advances in healthcare research. Both Cambridge University and University College London have labs within SBC, and blue chip companies (including GE Healthcare, Johnson & Johnson, Eli Lilly and Sanofi) have a physical presence there. MRC Technologies relocated all of its drug discovery operations from London to SBC.

The GSK campus has also been selected by the UK Cell and Gene Therapy Catapult as the site for its Cell and Gene Therapy Manufacturing Centre. Hertfordshire has a number of specialist institutions with links to life sciences – the UK Stem Cell Bank (Potters Bar) and the Royal Veterinary College (Hatfield) are two examples.

According to the Herts LEP (2017), there are around 200 life science firms in the county. Some of these are well known (e.g. Easi Europe and Roche Products), but the majority are small businesses. Hertfordshire has some specialist provision, notably BioPark at Welwyn Garden City.

### **Prospects for Broxbourne**

Broxbourne does have some representation in this sector with Pharmaron at the former Merck Sharp and Dohme site. This is a 44,000 sq m (473,000 sq ft) facility at West Hill Innovation Park, Hoddesdon engaged in discovery & early development activities of the pharmaceutical industry.

But there are not deep clusters as elsewhere in the Innovation Corridor and we would not expect strong demand from this sector for the Park Plaza North site.

### **Advanced engineering and manufacturing**

Hertfordshire's specialism in advanced engineering and manufacturing dates back many decades, and particularly to WW2 via the defence industries. In civilian applications, British Aerospace has had a long association with Hatfield. The British Aerospace heritage has also given the area world class expertise in space science, satellites and defence systems. The big players in this sector currently are the likes of Airbus (which acquired EADS-Astrium) and MBDA.

In more recent times telecoms and digital technologies have also grown sharply. According to the Herts LEP (2017), the sector contributed £3.5bn to the Hertfordshire economy in 2015 and grew annually by 2.1% between 2005 and 2015, compared with a national rate of 1.6%.

In relation to advanced engineering/manufacturing, the role and contribution of the University of Hertfordshire is also pivotal. As an institution, its roots are in aeronautical engineering and this continues to have a significant influence; a recent examination of the high performance



technology and motorsport cluster in and around Silverstone for example unearthed examples of collaborative relationships with the University of Hertfordshire, many of them rooted in mechanical engineering. However, it has also developed significant depth of expertise in, for example, robotics, astronomy and computer science, as well as disciplines which are crucial for the creative sectors (e.g. digital animation and music – see below).

Hertfordshire has developed a strong skills base and heritage across competencies which will continue to have substantial application. As with life sciences, however, it is important to acknowledge that Hertfordshire's strengths really need to be recognised as part of a cluster that exists across a wider geography – in this case extending into southern Cambridgeshire, Essex, Luton and the former county of Bedfordshire. And in this context, the complementary role of Cranfield University – some 20 miles from north west Hertfordshire – should be acknowledged.

### ***Prospects for Broxbourne***

We would see some opportunities for attracting activities from this sector. There are no factors that should inhibit companies in the sector from locating at Park Plaza North, though equally no compelling factors to attract them.

### **Agri-science and agri-tech**

Located in west Hertfordshire, Rothamsted Research is of international significance with regard to crop-based agri-science and agri-tech. With over 600 staff, its focus is on crop productivity and quality, with the aim of developing environmentally sustainable solutions for food and energy production. Long a focus for outstanding R&D – and attracting substantial research funding – Rothamsted Research is increasingly looking at commercial applications and collaborations. In this regard, its Centre for Research and Enterprise is particularly important. It has four main elements. One of these is concerned with new and repurposed buildings (including an innovation centre where micro and small agri-science companies can grow, a brand new 300 seat conference centre where interaction and knowledge exchange takes place and a shared facilities hub where academic science works side by side with commercial organisations on specific R&D projects).

The Rothamsted Agritech Business Centre hosts start-ups, SMEs, businesses looking for grow-on space and larger organisations, with office space and services to support growth. The Centre has high quality office, lab and collaboration space, including the recently refurbished Russell Building.

As part of the Rothamsted Research community, businesses have access to an extensive network of corporate and international collaborative partners, including agri-tech multinational agri-tech companies. Rothamsted Research also has strong connections with research institutes in London, Oxford and Cambridge. There is also a close working relationship between BRE Group and Rothamsted Research, helping to broaden the commercial application of products in both the building and agri-tech markets. As a Biotechnology and Biological Sciences Research Council (BBSRC) funded research campus there are also strong links with the biotech research communities at the Norwich Research Park and Babraham Research Campus in Cambridge.

### **Prospects for Broxbourne**

Whilst the sector growth prospects are strong there is no immediate link between the sector and the available sites in Broxbourne.

### **Sustainable Construction**

The construction sector employs around 9% of the UK workforce and is well represented in Broxbourne. The construction sector is also responsible for 37% of total global energy-related CO2 emissions<sup>11</sup>. As such there is recognition by the industry of the need to adopt new methods and introduce the circular economy into the construction process. But as a McKinsey report noted with regard to materials, *“This is not only a supply-side challenge. Demand for low-CO2—or “green”—products is ramping up as end customers, manufacturers, and governments push for increased sustainability and circularity”*.<sup>12</sup> Sustainable construction is a major business opportunity.

According to a 2021 Global Construction Survey the green construction industry in United Kingdom was expected to grow by 19.7% to reach £54,558m in 2021. The green construction industry in United Kingdom is expected to record an annual growth rate of 9.8% during 2021-2025. Overall green construction output in the country will increase from £54,558m in 2021 to £79,312m by 2025<sup>13</sup>.

The Hertfordshire LEP Clean Growth Strategy recognises that, *“Buildings are a major source of carbon emissions and a transition to green buildings is a priority of UK government.”* It also notes that Hertfordshire has major assets in the sector on which to build and that with 100,000 new homes to be built in the county this represents a major opportunity for the county to place itself at the forefront of developments in the sector.

Herts IQ, The Hertfordshire Innovation Quarter Enterprise Zone, is developing Modern Methods of Construction, including the Hertfordshire Offsite Manufacturing Programme, through its collaboration with BRE. BRE is a leader in the field of sustainable construction and as such represents a major asset to the county in the development of the sector.

The opportunities are also exportable beyond the county borders with the London Plan set to deliver over half a million new homes over ten years along with supporting commercial development and infrastructure.

### **Prospects for Broxbourne**

The strategic location of the Park Plaza North site on the edge of London is ideally suited to servicing the very large scale growth planned in the capital as well as within Hertfordshire and other places in the wider South East.

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<sup>11</sup> <https://www.weforum.org/agenda/2022/05/3-ways-we-can-collaborate-better-for-a-circular-economy/> accessed 12-Jun2023

<sup>12</sup> Capturing the green-premium value from sustainable materials - McKinsey

<sup>13</sup> United Kingdom Green Construction Industry Databook Series Q2 2021

### 6.3 Growth Scenarios

Given that Broxbourne’s ambition is both to increase the overall number of jobs and also diversify into some higher value added sectors we have set out three alternative scenarios which we think provide the best opportunities for growth and have set out the requirements for achieving growth under each of those scenarios.

#### Enhanced Trends Scenario

One approach to give a sectoral indication of where jobs growth is most likely to come from is to adjust the business as usual EEFM forecasts to enhance existing trends. The business as usual projections were set out in Section 3.4.

To enhance the existing trends to increase the number of jobs from the baseline projections of 3,600 to the target figure of 5,500 we have amended the sectoral projections shown in Figure 3.11 as follows.

- For the sectors where a decline in employment is projected we have assumed that the level of decline is halved. Projected losses are assumed mitigated to some extent.
- For the remaining sectors we have scaled up the level of growth proportionately to achieve the target growth figure of 5,500 jobs. All other sectors receive the same percentage uplift but those sectors with the highest projected job growth will see the highest numeric uplift.

The table below sets out what forecast growth by sector would be to achieve the target.

**Table 6.1 Enhanced Trends Employment Projections Broxbourne 2018-33**

Sector	Jobs Growth 2018-33
Primary and Utilities	0
Manufacturing	-240
Construction	1,220
Wholesale	150
Retail	1,030
Transport & Storage	10
Accommodation and Food	470
Information and Communication	50
Financial and Insurance	-70
Prof, Scientific, Technical, Real Estate	1,440
Administrative and Support Services	550
Public Admin & Defence	60
Education	130

Health	480
Arts Entertainment and Recreation	120
Other Services	90
<b>All Sectors</b>	<b>5,500<sup>14</sup></b>

Source: EEFM/CAG

Fewer than half of these jobs, around 2,500, are likely to be in sectors that occupy B-class business premises.

Public sector services such as health and education will account for some of the increase as will consumer services sectors like Retail, Accommodation and Food and Arts Entertainment and Recreation.

**Figure 6.1 Modern Commercial Workspace High Wycombe**

The big driver of growth for B-class employment under this scenario would be Professional, Scientific and Technical services, which would traditionally imply office type accommodation. But there is not strong demand for traditional offices and, as set out in the previous chapter, we would anticipate demand to be for start-ups and micro business and for managed space uses.



Given the structure of the Broxbourne economy we would also anticipate a higher proportion of jobs would come from the Administrative and Support services sector rather than the Professional, Scientific and Technical services sector.

### Cluster Scenario

An alternative approach is to plan to attract a particular type of activity to develop a local cluster. Subject to resumption of development and completion of this project, the film studios at Park Plaza West would form the nucleus of this type of cluster. It would be likely to create a large number of jobs in the supply chain and ancillary activity to support that site. This would be likely

<sup>14</sup> Figure may not sum due to rounding.

to include creative industries activity but also support services of the type discussed in Chapter 5 such as design, publishing, catering and storage facilities.

As seen above the Herts LEP has noted, that there are 16 new studio developments in Greater London currently being planned or built, totalling some 3.8m sq. ft. of space. Seven of the 16 are in Hertfordshire, and one involves the largest single new proposal in the UK (the 608,000 sq. ft. Hertswood Studios in Borehamwood). This could lead to a cluster of 7,200 jobs, in addition to which there will be jobs in the wider supply chain<sup>15</sup>. This would most likely be accommodated in the type of multi-use hybrid buildings described in Chapter 5.

**Figure 6.2 New Industrial Development in Barking**



### **Servicing London Scenario**

A third plausible scenario is based on the opportunities created by activity being displaced from London. Around 1,500 hectares of industrial land has been lost in London since 2001 and the rate of release continues to run well above the benchmark figures set out in the London Plan.

Yet London's economy continues to grow and requires servicing, Light industrial premises and servicing the services, is the type of activity which is being physically displaced from London but for which there is a high level of demand, which is confirmed by the high rental levels for remaining industrial premises in London.

**Figure 6.3 Commercial Industrial Units at Centennial Park**



With a site just adjacent to the London border, Broxbourne in general and Park Plaza North in particular is well placed to meet this demand. Indeed, our consultations with locally active agents confirmed rising demand from firms being displaced from London.

<sup>15</sup> Herts LEP (2022) *Film and TV Production Sector Action Plan*

Sustainable construction discussed as an opportunity sector would be another activity where there are substantial opportunities to service London's growth.

## 6.4 Conclusions

The three scenarios set out above are not necessarily mutually exclusive and the best chance for Broxbourne to achieve its jobs growth target is likely to be through some combination of all the above scenarios. The premises types to fulfil each of the scenarios would probably require a higher proportion of office type employment (E(g)(i)/B1a) for the Enhanced Trends Scenario, predominantly industrial (E(g)(iii)/B1c, B2) for the Cluster Scenario and mainly industrial (E(g)(iii)/B1c, B2) and warehousing (B8) for the Servicing London Scenario.

Reference was made in Section 2.2 (Local Planning Context) to Broxbourne's most recent ELS (now seven years old) which stated that there was evidence to suggest real potential for the borough to achieve a step change in demand for office and R&D space. Section 2.3 (Local Economic Development) also mentioned the Borough's ambition to grow inward investment of high quality, well-paid jobs. However, the office market (the smallest in the FEMA) has been stagnant in the area for several years and office stock has not grown. The indigenous office sector is not a growing one. To add to this situation, recent events including Covid-19 are leading to a widespread re-appraisal of office needs by larger occupiers, which is likely to lead, overall, to shrinking footprints.

Under these circumstances, the Borough will be reliant upon large-scale inward investment for any 'step change' in office jobs growth, and will need to compete with other M25 sites for any large-scale inward investment. If successful the effect will be substantial, but such an outcome is unpredictable. The recent decision by Sunset Studios to place their signature project on hold demonstrates how unpredictable the market can be.

Section 3.1, 'Economic Structure', referenced the fact that the Borough is under-represented in a number of faster growing sectors (e.g. information and communications, professional, scientific and technical services) and that if the borough is seeking to grow and diversify its economy, it should be looking to attract businesses in these sectors. These sectors are also higher paying and higher value added generating than the sectors. The Borough should pursue the growth of such demand, from within the local economy, particularly on Park Plaza North.

Section 5.2, 'Changing Economy, Changing Premises' discussed demand from companies requiring 'hybrid buildings', which involve a mix of activities within a simple shell. It is likely to be in such buildings that, with the national economy's growing service sector, demand is likely to be strongest in the short- to medium-term. Such buildings involve a wide range of job opportunities, including skilled and semi-skilled jobs. Park Plaza North is well placed to accommodate such business and employment.

Overall it seems that the Borough should pursue a strategy that includes, but is not dependent upon, inward investment, and which majors on maximising opportunities both within the local office market (for professional services type jobs) and within the wider service economy for the types of businesses that occupy hybrid buildings.

The key will be to identify those types of activities most in need of accommodation in Broxbourne, define their broad premises requirements and develop business models for appropriate provision, particularly to encourage SMEs and start-up businesses to set up or remain within the area. Affordability and flexibility are two of the key watch words in any approach. Section 5.3 set out some specific actions that could be taken, including the following.

- Identify the range of different sectors and workspaces required to meet the evolving economy. This should include generic workspace types.
- Review the potential range of business models within which different forms of space could be provided.
- Devise a workspace provision partnership model, with which to engage with providers; and identify workspace providers and potential partners.
- Provide guidance on new developments for the provision of workspace. This should include guidance on mixed use development; the type of premises in demand and the rents likely to be achieved.

A mixed-use light industrial/hybrid workspace development would typically have a plot ratio of between 0.4 - 0.65, so on a 10ha site we would expect between 40,000-65,000 of commercial floorspace.

There are many different configurations that would fit to this framework. This might include for example some combination of:

- Small to medium size warehouse units of between 5,000-10,000 sq m.
- Small light industrial/hybrid units of between 2,000-3,000 sq m.
- More traditional industrial units of a similar size around 2,000-3,000 sq m.
- Small office/R&D units of between 1,000-2,000 sq m.

Many different combinations of the above configurations could be accommodated on the Park Plaza North site. Then number of jobs generated from these different combinations would range between 800-1,500, with the higher figure coming from inclusion of some office units.

This is not intended to provide a blueprint, but to demonstrate how a range of mixed-use scenarios can contribute to meeting Broxbourne's employment growth targets in terms of both quantity and quality of jobs. (We have not considered in these scenarios any space that may be required for re-locations).

A development mix on Park Plaza North of upwards of 40,000 sqm of flexible light industrial/hybrid workspace would deliver around 1,000 jobs across a range of sectors and occupations. This would make a major contribution to help Broxbourne achieve its jobs growth ambitions and help to alleviate the need for further increases in out-commuting from the borough.

**Figure 6.4 Kapp Nord**

Kapp Nord Amsterdam is an example of Dense Urban Mixed Employment Premises Kapp Nord, Amsterdam Combining small scale industrial units with office space, studios and roof level parking, the business centre aims to attract small businesses with mixed use and flexible spaces.



Source: Industrial Intensification Primer – GLA (2017)





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