

Broxbourne Borough Local Plan Employment Land Study

Final Report

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Broxbourne Borough Council***

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ABBREVIATIONS

CAGR	Compound annual growth rate
EEFM	East of England Forecasting Model
ELS	Employment Land Study
ELP	Emerging Local Plan
GVA	Gross Value Added
LEP	Local Enterprise Partnership
NPPF	National Planning Policy Framework
ODPM	Office of the Deputy Prime Minister
PPG	Planning Practice Guidance
SHLAA	Strategic Housing Land Availability Assessment
SHMA	Strategic Housing Market Assessment
VOA	Valuations Office Agency

EXECUTIVE SUMMARY

Context and Objectives

AECOM was commissioned by Broxbourne Borough Council in September 2015 to undertake this Employment Land Study (ELS). The ELS assesses the current quantity and quality of the Borough's employment land and the future requirements.

The study provides an evidence-based analysis and guidance for employment land policy in preparation for the Council's emerging Local Plan. The emerging Local Plan covers the period from 2016 to 2031 and will replace the set of saved policies from the existing Local Plan 2005.

This study is set within the context of the Council's clear vision to develop a strong local economy based on a set of priorities for economic growth as presented in the economic development strategy 'Ambition Broxbourne' (May 2014). This is an important document which sets out the opportunities the borough has to unlock the full potential of its location, create jobs in high value added industries by supporting new and existing local businesses and attracting inward investment.

The ELS illustrates how the existing supply and additional land could be used to meet demand for employment purposes arising over the Local Plan period, and provides an evidence base which will be used to inform the Council's approach to the future provision, protection, release and enhancement of employment land and premises.

The main objectives of the ELS are to:

- Assess the quantity and quality of the borough's current employment land supply provision and its suitability to continue to support B-use class employment activities.
- Assess the demand for B-use class employment space over the Local Plan period.
- Consider the potential demand for large scale office and R&D development
- Compare the scale and qualitative characteristics of supply against forecast demand over the plan period and
- Provide high level conclusions about employment land in the borough.

The methodology applied in this ELS complies with the National Planning Policy Framework (NPPF) and guidance set out in the Planning Practice Guidance (PPG).

Study Area

The ELS covers the complete area of Broxbourne and considers employment land within the context of the wider functional economic market area (FEMA), which includes the local authority areas of Epping Forest, Harlow, East Hertfordshire, Hertsmere, Welwyn Hatfield and Enfield.

The borough is located on the northern fringe of Greater London. The urban body of Broxbourne consists of one long spine that stretches from the northern to southern end of the borough. The spine is divided into the towns of Broxbourne, Cheshunt, Hoddesdon and Waltham Cross.

The one strategic road that passes through the borough is the A10 which runs parallel with the main urban spine. It connects into the M25 providing the borough with good motorway accessibility. Broxbourne has five railway stations that are all located directly on the West Anglia Main Line excluding Theobalds Grove which is situated on a spur that connects into the Main Line.

The largest areas of employment land are found in Hoddesdon and Waltham Cross, both of which are home to large industrial estates containing predominantly industrial and warehousing premises. Other employment land is scattered around the borough. In addition, other employment sites are coming forward as part of Ambition Broxbourne with the aim of shifting the local economic base towards higher value added jobs, such as knowledge based jobs, as part of a strategy to improve the standard of living and quality life of residents.

Policy and Literature Review

At regional strategic level Broxbourne is located in the Hertfordshire Local Enterprise Partnership (LEP). Through its Strategic Economic Plan (SEP), the LEP aims to deliver an additional 16,600 new homes, 38,600 jobs and a £3 billion GVA by 2030 in Hertfordshire. The borough is part of the London – Stansted – Cambridge Consortium (LSCC) which is recognised as a high growth area in the UK, especially in the life science and digital and ICT industries. LSCC expect an additional 11,000 life sciences jobs to be created within the next 10 years, generating the need for more employment floorspace¹; this has included the promotion and consideration of TwentyFive25 (formerly Park Plaza West) as a potential site to meet this growth requirement.

The current South East Hertfordshire Employment Land Study has highlighted the under supply in the area to meet current and future demand for commercial premises, especially in the office market; a position that adds weight to the proposed sites such as TwentyFive25 and Brookfield which are close enough to meet excess demand spilling over from the South East Hertfordshire area.

Broxbourne's growth is strongly influenced by the borough's close proximity to London, the LSCC corridor and strategic transport links such as to the A10 and M25. The borough's strategic transport links are likely to improve further in the future with resilience works being planned for the A10. The Budget announcement in March 2016 of Government financial support for the planning process of Crossrail 2 has provided significant weight to the scheme becoming a reality. Crossrail 2 would improve rail connectivity to Broxbourne stations which could see four tracking introduced in the 2020s.

The Council's 2005 Local Plan Review seeks to retain B class land uses from conversion to other land uses such as C3 and disallow development of local employment sites unless the developer can prove there is no demand. The Emerging Local Plan (2015) and Economic Development Strategy 'Ambition Broxbourne' (2014) outline the Council's continued aspirations to develop employment premises for high value industries at TwentyFive25 and also at Brookfield. Ambition Broxbourne programme includes strategic priorities to give certainty to investment, nurture employment and enterprise, enhance learning and skills amongst residents, support the development of quality places and drive the growth of high value added sectors. As part of this the strategy looks to bring forward the development of key strategic sites namely TwentyFive25, Brookfield and Hoddesdon Business Park.

¹ LSCC, (2015); 2015 Growth Spaces for Life Sciences: Land, Floorspace and Facilities.

Local Economy

A desktop study of demographic and economic information sources relating to Broxbourne identified a number of economic strengths of the borough, which have implications for the future demand of employment land and premises in the borough.

Broxbourne has a relatively well-educated resident population; although the average education attainment hides extremes in close proximity to each other with particular hot spots of skills poverty in Waltham Cross and Turnford and Wormley. The borough has a similar proportion of working age residents with degree equivalent qualifications to England, and has a higher proportion of residents with NVQ3 and NVQ2 qualifications. The borough also has a high proportion of residents who hold managerial level positions, which is a reflection of the high amount of out-commuting to central London and high resident wages.

The core of the Broxbourne economy is built upon sectors which require industrial and warehousing units. However, the borough has recently experienced an increase in employment associated with higher value industries which are commonly associated with office premises². The level of employment in high value sectors is significantly stronger than England as a whole. Given the Borough's location, there is significant potential to grow high value jobs even further with the right type of commercial premises to help grow local companies and attract inward investment.

The geographical area which Broxbourne is located in is economically strong, from which the borough can benefit from spinoffs and supply chain linkages. As well as being home to a number of manufacturing and distribution companies located in core industrial estates such as Hoddesdon, Broxbourne has foundations in the life sciences and technology sectors with MSD's large research campus and Volkerwessels Headquarters both of which are located in the north of the borough.

The borough is well connected by road and rail which means there is a strong in-out commuting pattern. This can mean that residents commute out of the borough to work in jobs elsewhere but also that there are possibilities for businesses located in the Broxbourne to access a significantly large, skilled and diverse labour market from wider Hertfordshire and London.

Employment Land Supply

AECOM undertook a desk-based research and field survey to identify the suitability of land and premises in Broxbourne for employment uses (office, B1a/b; industry, B1c/B2; and warehousing, B8). The survey methodology and criteria were based on factors and issues set out in the NPPF and PPG. The cluster assessed consisted of sites identified in the previous Employment Land Study (2008), Local Plan Review (2005), emerging Local Plan documents and sites identified from desk based research. The review identified 31 existing employment clusters and five employment land options – sites located in the green belt which could have the potential for employment land provision, subject to green belt tests. The sites for survey and assessment were agreed with the Council.

Of the 31 existing sites, the assessment identified two main reservoirs of employment land located at Hoddesdon Business Park, and the Britannia Road and Lea Road Industrial Estate. These clusters, along with their corresponding town centres, make Hoddesdon and Hertford

² Office of National Statistics (ONS), (2014); Business Register and Employment Survey.

Road and Waltham Cross / Lea Road the borough's most important employment sub-areas. Hoddesdon is home to the highest proportion of the borough's high growth sector companies including those located in Hoddesdon Business Park, the MSD research campus and the Volkerwessels Headquarters site.

Broadly most sites were considered to be fit for their purpose of supporting business activities which require B-use class land and premises. Although there is some vacancy / availability in some of the clusters, most are fully occupied with vacancy levels at sub-optimal levels (that is at levels which allow businesses to move between accommodation when needing to grow or contract in size). Some of these clusters are considered poor quality and may require investment to meet the needs of modern occupiers. Not all sites with lower quality land and premises will need to be regenerated or refurbished. Lower cost industrial accommodation is often the most suitable for start-up, small or lower-value industrial uses or other industrial related businesses which are considered important to the local economy in Broxbourne. As such there is good justification for retaining such land / premises where there is evidence of demand, as is currently shown in Broxbourne where there is low vacancy and good rates of take-up.

The Government's National Infrastructure Commission recently concluded that the strategic case for Crossrail 2 was well founded and recommended to be taken forward³. The Government also announced financial support for the planning of Crossrail 2 (Budget March 2016). Crossrail 2 is unlikely to be delivered before 2030 and the main impact of the scheme will therefore post-date Broxbourne's Local Plan period. However, should Crossrail 2 be consented, further work should be undertaken to understand the scheme's impact on the supply and demand of employment land and premises in the borough as part of longer term strategic planning.

Of the five employment land options, TwentyFive25 and Brookfield were identified as being the best locations for employment land development, particularly for a business park of office and R&D facilities. Both strategic sites have good strategic road access via the A10 and M25; however, to bring either forward the Council will have to release the sites from the greenbelt.

Commercial Property Market

A review of the commercial property market in Broxbourne and FEMA was completed by reviewing data from sources such as CoStar and VOA, and consulting local businesses, commercial property agents and other relevant stakeholders.

The amount of office stock in Broxbourne is comparatively small and little new stock has been developed recently. The eastern part of the FEMA where Broxbourne is located has historically attracted less interest than the western local authorities, as reflected in rental values. Given the limited stock of high quality offices, it is currently a challenge for Broxbourne to ensure that office occupiers consider the area for potential relocation. Although, the presence of the MSD research campus and relatively new VolkerWessels offices indicate there may be future potential to attract more office occupiers.

While the industrial market in the FEMA is in a strong position, Broxbourne's industrial market has out-performed it. The industrial market is strong as vacancy has declined and rents have increased across the FEMA. The amount of vacant and available space is now limited and, as

³ National Infrastructure Commission Report, 2016; Transport for a World City

demonstrated in South West Hertfordshire, the lack of supply to meet demand for land and premises is being displaced elsewhere. Data analysis and consultations with agents suggest that given, the borough's strategic location, Broxbourne has the potential to improve its offer for knowledge based businesses including life sciences, creative industries and business and finance.

Demand for Employment Land

An assessment of future demand included the following steps:

- Reviewing trends in floorspace and employment;
- Reviewing projections in office/R&D and industrial/storage employment and future floorspace demand projections;
- Based on a combination of trends and future projections, which take into account the macro-economic drivers such as globalisation and structural changes within the local and wider economy, forecasting employment floorspace and land across the FEMA;
- Identifying those factors which could support a step change in demand for employment land including reference to those Broxbourne-specific economic strengths which will drive future economic growth; and
- Producing a final forecast floorspace for office/R&D and industrial/storage.

The final forecast for local offices sets net demand for B1 floorspace at 17,500m² between 2016 and 2031, assuming that the current Tesco offices are not re-let; if the Tesco offices are re-let then the net additional demand requirement falls to 5,000 m²

Over the Local Plan period, 2016 to 2031, the net additional floorspace requirement for manufacturing space is estimated to be in the region of 41,500m². The forecast for warehousing puts net demand at 160,700m². When translated to land this floorspace demand is 9.2ha and 35.7ha respectively, giving a total demand of 44.9ha. Vacant industrial land measures only 5.9ha and there are limited opportunities for intensification on existing estates. To accommodate this demand would therefore require the allocation of new land for industrial employment purposes.

Prospects for a Step Change in Demand

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.
- 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.

These factors build on locational and competitive advantages that underpin the borough's ability to attract businesses including: its location within a dynamic sub-region; the strategic road and rail linkages; access to a large and diverse labour market (with wider Hertfordshire and much of London within one hour of travel) and a critical mass of skilled industrial activity; and a competitively priced commercial market with access to a range of market opportunities.

In addition the recently published National Infrastructure Commission Transport for a World City report recommends that Crossrail 2 should be prioritised over other transport projects and the UK Government announced in the March 2016 Budget a committed of £80 million to develop a Hybrid Bill for the scheme to be put through Parliament in 2019. Improved rail linkages in Broxbourne would widen the catchment of labour market and access to end markets, and improve the competitive position for businesses. Crossrail 2 would, it is anticipated, act as a significant draw for inward investment.

Case studies of three business parks in comparable locations suggest the place-based/supply driven attributes necessary for capturing demand in Broxbourne's target industries are apparent. We conclude that it is reasonable to assume that underlying demand exists in the national and global market place to meet any new supply of high quality employment space such as business parks with office and R&D facilities, designed to attract high value industries to the area. Broxbourne has the potential to support the growth of the north M25 market with sites such as TwentyFive25 (C32) and Brookfield (C33) that are well positioned and perform strongly in terms of their locations, scale and access to markets and labour.

Conclusions

The conclusions build upon findings from previous sections of the report.

Broxbourne has a local office market which is relatively small and generally orientated towards supporting local businesses which have a sub-regional / regional catchment area of market/customers/clients, though there are some exceptions. The majority of the Borough's office stock is situated within areas which are primarily industrial in character with relatively significant stock of older office buildings built in the 1970s and 1980s. Stock is often in need of renovation and is not necessarily meeting the current needs of potential office occupiers, though there are some exceptions to this with new purpose built developments. There is some demand for good quality office premises but the general pattern with regards to stock is of decline in floorspace. Decline has occurred mostly through redevelopment of older stock for other uses, and stock is in the danger of declining further as a result of permitted development rights (PDR) for office to residential development.

The market for manufacturing and warehousing is well established with core industrial estates well used by such uses, with demand strong and vacancy low. There is little evidence of the

structural decline in manufacturing activities and demand for warehousing is growing. Though some sites have poor quality environment and premises many are considered broadly fit for purpose.

The forecast in employment floorspace and land suggests the local office sector will grow and that the industrial sector, comprising manufacturing and warehousing, will continue to play an important role in the Broxbourne economy. The positive forecast of net additional demand across all B-use classes (office, manufacturing and warehousing uses) suggests the need to accommodate growth and plan positively. There is relatively little existing vacant developable land or available floorspace on the market however. The supply constrained nature of existing employment land indicates a need for retention of employment land, though there are some sites which are poor quality in terms of their environment and premises. These poor quality sites could provide an opportunity for de-designation and market intervention to allow redevelopment for alternative uses such as residential mixed-use schemes. Where suitable and appropriate, existing employment land should be utilised more effectively to support growth. This could involve bringing forward vacant and developable land for use, intensifying uses on site or supporting investment in estate and site regeneration, and refurbishment of premises. If the Council is to pursue a strategy for growth, the forecast of net additional demand suggests the need to allocate new land to support B-use class employment growth.

Evidence suggests that there is also the potential to realise a step change in growth with demand for office and R&D relating to knowledge based industries such as life sciences, and business services, including IT, digital and finance. Growth in these sectors would support Broxbourne's economic vision and growth ambitions set out in the economic development strategy 'Ambition Broxbourne'. This demand is likely to require purpose built high quality space in a format similar to a business park. New employment land would be required to accommodate this type of demand which suggests the need to allocate land from the employment land options, though this would require further consideration and evidencing the case for de-designation from the greenbelt.

Strategic Policy Choices

Our assessment of potential employment land needs in Broxbourne over the next 15 years has shown that there is strong potential demand for all three B-use class employment categories: office, manufacturing and warehousing.

Given the limited amount of vacant and developable land at existing employment clusters and that new employment land options are located in the green belt it is unlikely that the Council will meet the forecasted land requirements, without substantial release of green belt land.

The Council should therefore look to maximise the job potential of the new sites that it chooses to allocate for employment uses.

Sectors which will underpin this demand are likely to be those which have shown significant employment growth in recent years and which have the potential to make a step change in the local economy and meet the employment objectives of the Local Plan. Sectors which could meet these objectives include the professional, scientific & technical sector including life sciences; creative industries; information & communication; financial & insurance; and business administration & support services. These sectors will drive future growth in jobs and B-use class space.

A high level assessment of new employment land options suggests that a strategy to create a new business campus at Brookfield (C33) and/or TwentyFive25 (C32) could be a way forward in meeting this demand.

1 INTRODUCTION

1.1 Context

- 1.1.1 AECOM was commissioned by Broxbourne Borough Council in September 2015 to undertake this Employment Land Study (ELS). The ELS assesses the quantity and quality of the borough's employment land and the Borough's future requirements.
- 1.1.2 The study provides an evidence-based analysis and guidance for employment land policy in preparation for the Council's emerging Local Plan. The emerging Local Plan covers the period from 2016 to 2031 and will replace the set of saved policies from the existing Local Plan 2005.
- 1.1.3 This study is set within the context of the Council's clear vision to develop a strong local economy based on a set of priorities for economic growth as presented in the economic development strategy 'Ambition Broxbourne' (May 2014). This is an important document which sets out the real opportunities the borough has to unlock the full potential of its location, create jobs in high value added industries by supporting new and existing local businesses and attracting inward investment to serve both the Borough and the wider economic area. This vision and priorities are focused on improving the standard of living and quality of life of local people by increasing earnings across the local economy,
- 1.1.4 The ELS has an important role to play in demonstrating how the existing supply and potential additional supply could meet actual and latent demand for employment purposes arising over the Local Plan period. In this context the ELS provides an evidence base which will be used to inform the Council's approach to the future provision, protection, release and enhancement of employment land and premises.
- 1.1.5 The methodology applied complies with the National Planning Policy Framework (NPPF), which outlines the principles that local planning authorities should follow in preparing their evidence base to inform employment land policies, and guidance set out in the Planning Practice Guidance (PPG).

1.2 Definition of Employment Land

- 1.2.1 Employment land is defined as land with business activities which operate from premises with B1, B2 and B8 use classes. Throughout this report employment land is referred to as
- Offices comprising use classes B1a (office) and B1b (research and development or R&D) as these premises are often very similar in their operational requirements; and
 - Industry comprising use classes B1c (light industry), B2 (manufacturing) and B8 (warehousing).
- 1.2.2 As per the PPG, all employment land which measures 0.25ha or over is assessed.

1.3 Objectives

- 1.3.1 The key objectives of this study are to:
- Assess the quantity and quality of the borough's current employment land supply provision and its suitability to continue to support B-use class employment activities.
 - Assess the demand for B-use class employment space over the Local Plan period. This will draw upon an understanding of how the commercial market of Broxbourne

and the wider functional economic market area has performed historically. It will also highlight the opportunities for the borough to achieve higher levels of economic growth given its global locational and competitive advantages and associated ability to attract inward investment to key strategic sites.

- Consider the potential that additional sites have to meet demand and large scale inward investment requirements. Currently these sites are not designated as employment land but are identified in associated evidence based documents as having the potential to support employment uses in the future and provide new opportunities.
- Compare the scale and qualitative characteristics of supply against forecast demand over the plan period and draw conclusions about which sites could meet this demand.

1.4 Report Structure

- 1.4.1 Following this introduction, Section 2 considers the policy framework and relevant strategies which frame the evaluation of employment land in Broxbourne.
- 1.4.2 Section 3 presents the socio economic profile of Broxbourne in terms of economy and workforce and the implications this may have on employment land future provision or demand.
- 1.4.3 Section 4 evaluates the current provision of employment land and new employment land options. It assesses the extent to which existing or supply options are fit for purpose and could accommodate future growth.
- 1.4.4 Section 5 reviews the recent performance of the borough's property market for employment uses. This is set against the wider functional economic market area, in recognition that the borough operates within a wider area which may have similar economic characteristics and appeal for business looking to locate within the area.
- 1.4.5 Section 6 forecasts the demand for employment land over the Local Plan period. As part of this forecast we consider the past trends in floorspace and employment growth and the potential opportunities for a step change in the borough's economic growth trajectory. There is evidence to suggest that, going forward, the provision of new strategic development sites and, if delivered, Crossrail 2, the economy could achieve higher levels of economic growth focussed on higher value added activities.
- 1.4.6 Section 7 considers the potential for attracting large scale inward investment were one or more large sites which are currently located in the green belt to become designated for employment land.
- 1.4.7 Section 8 concludes by considering the assessment of existing supply conditions against the forecast demand arising over the local plan period.

2 PLANNING POLICY AND LITERATURE REVIEW

2.1 Introduction

2.1.1 Policy, strategy and other related documents pertaining to employment land in Broxbourne are summarised below. The key points which affect supply and demand conditions are drawn out and inform the methodology and associated analysis.

2.2 National Planning Policy

National Planning Policy Framework (2012)

2.2.1 At the national level, the National Planning Policy Framework (NPPF) replaced the Planning Policy Statements and Planning Policy Guidance with the aim to make the planning system less complex and to promote sustainable growth⁴.

2.2.2 The NPPF describes the Government's vision for building a strong and competitive economy. It sets out a presumption in favour of sustainable development in the absence of a local plan or where the plan is silent or indeterminate. This means that the ELS and Local Plan should present robust evidence to support clearly defined allocations of land for employment to avoid applications for alternative uses being granted on the basis they are sustainable.

2.2.3 The NPPF recognises that the planning system plays an important role in promoting economic growth and building a strong, competitive economy. The NPPF sets guidelines for the preparation of local plans which includes setting out a clear economic vision and strategy; identifying strategic sites for investment; supporting existing businesses; and planning positively for the location, promotion and expansion of economic clusters. Policies should be flexible enough to accommodate needs not anticipated in the plan and to allow a rapid response to changes in economic circumstances.

Planning Practice Guidance (2014)

2.2.4 In 2014 the Government published new Planning Practice Guidance (PPG) on 'Housing and Economic Development Needs Assessments' and 'Housing and Economic Land Availability Assessments' amongst others⁵. This guidance replaces the Office of the Deputy Prime Minister (ODPM) Employment Land Reviews: Guidance Note (2004)⁶.

2.2.5 In economic development terms 'need' relates to the amount of economic development floorspace required based on a quantitative assessment and an understanding of the qualitative requirements of market segments. The PPG requires that the assessment of need is based on an objective assessment and unbiased evidence, and should not be constrained by the supply of land for new development, historic under performance, viability, infrastructure or environmental constraints.

2.2.6 To provide an understanding of the underlying requirements for office, general business and warehousing sites the PPG emphasises the importance of considering projections (based on past trends) and forecasts (based on future scenarios). The PPG requires plan makers to consider sectoral and employment forecasts and projections, demographically derived

⁴ Department of Communities and Local Government, (2012); National Planning Policy Framework.

⁵ DCLG, (2014); National Planning Practice Guidance.

⁶ Office of the Deputy Prime Minister (ODPM), (2004); Employment Land Review: Guidance Note.

assessments of future employment needs, past take-up of employment land and property and/or future property market requirements, consultation and studies of business trends and statistics.

2.2.7 The guidance emphasises the following points for employment land reviews:

- A need to take account of the wider 'functional economic market area' (the FEMA) in which the local authority operates
- A greater emphasis on business engagement to help understand current and future requirements for employment land
- Consideration of the opportunities for providing employment space as part of mixed-use developments
- Increased integration of employment land studies and housing land assessments (SHLAA and SHMA scopes of work) to ensure that sites are allocated for the most appropriate use
- A more in-depth assessment of the 'achievability' and deliverability/viability of development of available or pipeline sites
- A supply side appraisal of all employment sites over an updated (lower) size threshold of 0.25ha; and
- Greater consideration of the legal or ownership problems that may affect the availability of sites, and the ways to overcome them.

2.2.8 The PPG states the requirement for a call for sites exercise to be undertaken, whereby landowners and developers are asked to submit sites with prospective employment and non-employment use for consideration.

2.2.9 This ELS follows the methodology set out in the PPG.

Permitted Development Rights (2013)

2.2.10 In May 2013 changes were made to permitted development rights. They permit change of use from:

- B1(a) offices to C3 residential use, subject to prior approval covering flooding, highways and transport issues and contamination (applies between 30 May 2013 and 30 May 2016)
- Premises in B1, C1, C2, C2A and D2 use classes can change use permanently to a state-funded school, subject to prior approval covering highways and transport impacts and noise
- Buildings with A1, A2, A3, A4, A5, B1, D1 and D2 use classes will be permitted to change use for a single period of up two years to A1, A2, A3 and B1 uses; and
- Thresholds for business change of use. Thresholds increased from 235 square metres to 500 square metres for permitted development for change of use from B1 or B2 to B8 and from B2 or B8 to B1.

- 2.2.11 In October 2015 the changes to the permitted development rights from B1(a) offices to C3 residential use were made permanent. In addition, development rights cover the demolition of an existing office building and construction of new residential uses in its place. Previously, development which had required a planning application (such as demolition of B1(a) to C3) had continued to need one. The implication is that B1a floorspace is now more vulnerable to being lost to residential uses, and there is evidence of this having occurred in Broxbourne.

Local Development Orders for Housing Development on Brownfield Land

- 2.2.12 Local Development Orders (LDOs) allow local planning authorities to grant permission for specific types of development without the need for developers to make a planning application. This process is intended to streamline the planning process⁷. The Department for Communities and Local Government (DCLG) has recently made available a grant programme that allows local authorities to bid for up to £50,000 in order to support the preparation of LDOs for housing on brownfield land. This grant supports the objective that LDOs grant planning permission for homes on over 90% of suitable brownfield land by 2020. This could increase the pressure on local authorities to release brownfield sites (potentially designated for employment uses) for housing.

2.3 Regional Planning Policy and Strategy

- 2.3.1 In 2010 the Government announced that National Planning Policy Statement 11: Regional Spatial Strategies would be abolished under the Localism Bill (introduced to Parliament in Dec 2010) 2011⁸. The East of England regional spatial strategy (the East of England Plan) was abolished in January 2013.
- 2.3.2 As part of the localism agenda and devolution of decision making to locally elected bodies, Local Enterprise Partnerships (LEP) were set up to provide vision, strategic leadership and drive sustainable, private sector-led growth and create jobs. The borough of Broxbourne falls under the Hertfordshire LEP area.

Hertfordshire Local Enterprise Partnership (LEP) Strategic Economic Plan (SEP) (2014)

- 2.3.3 The Hertfordshire LEP is a partnership between local authorities and businesses in Hertfordshire⁹. Through its Strategic Economic Plan (SEP) the LEP aims to deliver an additional 16,600 homes, 38,600 jobs and £3bn of Gross Value Added (GVA) uplift by 2030. To boost growth over the SEP period, the key priorities are to 'develop global economic excellence, harness relationships with London, reinvent key towns and develop the foundations of growth'. In Hertfordshire, life sciences and pharmaceuticals, film and digital media and advanced manufacturing have been identified as the key growth sectors. Broxbourne is located in the area of Hertfordshire designated as specialising in life sciences and but also has the potential to benefit from growth of sectors specialising in pharmaceuticals, film and digital media, and advanced manufacturing.
- 2.3.4 The SEP identifies three growth corridors based on the major strategic roads which run through Hertfordshire. Broxbourne is located within the M11/A10 growth corridor. To promote growth in the corridor the LEP intends to spend £4.7million on transport improvements,

⁷ DCLG, (2015); Local Development Orders for Housing Development on Brownfield Land.

⁸ UK Government, (2011); Localism Act.

⁹ Hertfordshire Local Enterprise Partnership (LEP), (2014); Strategic Economic Plan (SEP).

develop an enterprise centre in Broxbourne and has initiated a growth area forum. The LEP will also collaborate with Hertfordshire County Council, Broxbourne Borough Council and other stakeholders to bring forward major schemes such as TwentyFive25.

Hertfordshire LEP Growth Deal (2015)

- 2.3.5 In 2015 the LEP secured £221.5m of public sector funding to expand economic growth in Hertfordshire¹⁰. £1.8m of the funding will be spent on the Ambition Broxbourne Business Centre – ABBC – (formerly known as the Broxbourne Enterprise Centre) and a further £50.5m is committed by Central Government to improving transport infrastructure along the M11/A10 corridor, which will improve the A10's resilience. Station accessibility improvements will also be made along the corridor including the rail stations at Rye House (Hoddesdon) and Broxbourne.

London, Stansted, Cambridge Consortium (LSCC): An Agenda for Jobs, Growth and Improved Liveability (2014)

- 2.3.6 The London-Stansted-Cambridge Consortium is a partnership of local authorities and business interests in the corridor from London to Cambridge and Peterborough. It also includes the South East LEP, the Hertfordshire LEP, the London Enterprise Panel and the Greater Cambridgeshire and Greater Peterborough LEP.¹¹
- 2.3.7 In 2014 the LSCC published the Agenda for Jobs, Growth and Improved Liveability prospectus which outlines how the economy could be further developed. The prospectus highlights the area's potential for strong economic growth due to the existing transport infrastructure and innovative business clusters such as life sciences.
- 2.3.8 Over the next 20 years the area is forecasted to generate 176,000 new jobs. It is estimated that 5.6 million m² of new commercial space could be delivered, of which 640,000 m² could be located in Broxbourne, Harlow and around Stansted. TwentyFive25 is considered to be a key opportunity site.

LSCC Growth Spaces for Life Sciences: Future Growth and Demand (2015)

- 2.3.9 The LSCC commissioned The Growth in Life Sciences: Future Growth and Demand (2015) to review the life sciences sector in its area¹². The Broxbourne, East Herts, Harlow and Stansted sub-area has the highest number of life science jobs out of the three designated areas in the LSCC region, including Cambridgeshire.
- 2.3.10 Among the local authorities in the LSCC region, Broxbourne is well placed to see growth in jobs in life sciences. An indication of this is that between 2009 and 2013 Broxbourne experienced a 20% increase in the number of people employed in life sciences.
- 2.3.11 The LSCC report found that the majority of new life science jobs in Broxbourne are likely to be in the pharmaceuticals sector. This is because 92% of workers employed in the life science sectors in the borough are employed in the pharmaceuticals sub-sector. The report notes that

¹⁰ Hertfordshire LEP, (2015); Hertfordshire Growth Deal.

¹¹ London, Stansted, Cambridge Consortium (LSCC), (2014); An Agenda for Jobs, Growth and Improved Liveability.

¹² LSCC, (2015); Growth Spaces for Life Sciences: Future Growth and Demand.

pharmaceutical jobs generate around twice the GVA per employee of those in the other life science sub-sectors identified in the report such as natural sciences, medtech and biotech.

- 2.3.12 The report projects the number of workers in pharmaceuticals will increase by 3% and 7% between 2013 and 2018 in the LSCC area.

LSCC Growth Spaces for Life Sciences: Land, Floorspace and Facilities (2015)

- 2.3.13 The Growth Spaces for Life Sciences: Land, Floorspace and Facilities (2015) study was commissioned by the LSCC to examine the current and future need for space to accommodate life science enterprises¹³. New floorspace is required to meet the needs of the sector which is forecast to grow by 11,000 jobs in the next 10 years.

- 2.3.14 Comparative to the Cambridgeshire and London Cluster, which has a strong concentration of research based centre of excellence, Stansted-Harlow-Broxbourne has more of an entrepreneurial focus with more Life Sciences related businesses located there. The study finds that within the Stansted-Harlow-Broxbourne area there are a number of other high quality opportunities for accommodating life science businesses and highlights TwentyFive25 as a key site in helping develop life sciences in the LSCC area. The potential for business and mixed use development at TwentyFive25 and its strategic location close to the intersection of London's M25 orbital motorway and the A10 arterial highway are identified as important factors which see this site stand out for attracting inward investment in life sciences. The assessment sees TwentyFive25 to have potential for an all-inclusive HQ premises/ campus with office; R& D facility; operations and associated services.

South West Hertfordshire Economic Study (2015)

- 2.3.15 The South West Hertfordshire area includes five local authorities including Dacorum, St Albans, Watford, Three Rivers, and Hertsmere. While the area does not contain Broxbourne it does include Hertsmere which forms part of Broxbourne's functional economic market area. As with Broxbourne, the area has a strong link with London in terms of migration, commuting, and business investment.
- 2.3.16 Key sectors in the South West Hertfordshire area include creative industries; scientific research and development; niche pharmaceuticals; finance and business services; and wholesale and retail trade. A number of these sectors have been identified by Broxbourne as strongly performing existing sectors or sectors which present a significant opportunity. South West Hertfordshire has a considerable concentration of finance and business services firms. Among the largest employers are KPMG (Watford), Hilton Hotels (Watford) PWC (St Albans) and Canada Life (Hertsmere).
- 2.3.17 South West Hertfordshire has a large office market. Headline rents in St Albans range from £21.50 up to £25.00 per square foot. This is significantly above rents in Broxbourne. Levels of take up are also significantly greater than in Broxbourne. This suggests that Broxbourne comparatively has a price competitive market. Given that Broxbourne is highly accessible by road and rail and has a wide travel to work and labour market catchment, this suggests the potential for commercial market conditions to change significantly.

¹³ LSCC, (2015); 2015 Growth Spaces for Life Sciences: Land, Floorspace and Facilities.

- 2.3.18 The area's industrial market is large and demand for space is strong. Over recent years the stock of existing available floorspace has declined and rents are reaching a level where speculative development is viable. The report notes that it is more likely the loss of employment land, rather than a lack of demand, that has restricted development. This lack of supply could provide an opportunity for other areas like Broxbourne if new employment land can become available for development.
- 2.3.19 The report also notes that much of South West Hertfordshire is covered by the green belt and for certain areas bringing forward new sites, or extensions to existing employment areas has proven difficult. The green belt has also limited the development of employment sites along the strategic road corridors which would be popular locations for employment uses - particularly for larger scale warehouse and distribution uses.
- 2.3.20 The report considers a range of future growth scenarios. It uses employment floorspace and land forecasts based on historic employment growth in the area to develop its baseline forecast. The report also looks at higher growth scenarios based on how policy and planned investments could shape future employment growth and the need for economic land in South West Hertfordshire.
- 2.3.21 The higher growth scenarios forecast that additional land for offices and distribution uses will be required, while the net demand for land supporting manufacturing uses will decline for all five local authorities. Demand for office land ranges across the local authorities from 10.6ha in Three Rivers to 14.3ha in Watford. Three Rivers is forecast to have the lowest requirement for distribution land (1.9ha), while Dacorum is rated as having the highest (9.8ha.)
- 2.3.22 The report anticipates that the Hertfordshire LEP area will see the sharpest increase in the working age population across all LEP areas in the country with the exception of London. With regard to migration, there has been increasing net migration to the area from London. This is likely to be driven by working age people being priced out of London's housing market. The report is unable to conclude whether this migration will result in a greater demand for employment floorspace in the area. It is also not able to conclude whether investment in transport will result in greater levels of floorspace demand in the area, as improvements would mean that people are more easily able to commute to other areas as well as to the Herts LEP area.
- 2.3.23 The report concludes that there is an undersupply of employment sites in the area. It notes that even with the intensification and the use of vacant land in existing business parks the area is unlikely to deliver sufficient employment floorspace and will therefore need to expand into the green belt.

*Hertfordshire County Council and East of England Development Agency
Hertfordshire Strategic Employment Sites Study (2011)*

- 2.3.24 The Hertfordshire Strategic Employment Sites Study was published in 2011¹⁴. The Study was commissioned to address concerns that the Hertfordshire economy was losing its competitive edge over the Thames Valley, Oxfordshire and Cambridgeshire and understand whether and why this was the case. One issue that was identified was Hertfordshire's lack of a strongly developed office market and that the delivery of new space had been slow, meaning less space was available to support higher value jobs. The study noted that Hertfordshire had a

¹⁴ Hertfordshire County Council and East of England Development Agency, (2011); Hertfordshire Strategic Employment Sites Study.

stronger industrial and warehousing market. The study expressed concern that the county was moving towards a lower value economy.

- 2.3.25 The study says that Broxbourne is considered part of the East Hertfordshire sub-region and that the TwentyFive25 area is identified as the key strategic site for a high quality business park. The property development consultancies who authored the study (Regeneris, GL Hearn WSP Group, and John Rutherford Consulting) estimate that the site has a capacity for 93,000 m² (about 1 million square feet of office floorspace) but that there are obstacles to delivering development on the site (at the time) such as the need for transport improvements on the A10 which is currently under review with possible solutions being developed.

Hertfordshire London Arc Jobs Growth and Employment Land (2009)

- 2.3.26 The Hertfordshire London Arc Jobs Growth and Employment Land report was commissioned by seven of the ten Hertfordshire local authorities including Broxbourne. The purpose of the report was to provide evidence for the Local Development Frameworks that local authorities were developing when the report was published. It advised on the future provision of employment land for factories, warehouses and offices up to 2026 and beyond.
- 2.3.27 For Broxbourne the report recommended raising the target for the expansion of industrial and warehousing space due to the size of the News International development. The development caused an oversupply of industrial and warehousing in comparison to the borough target as of when the report was published. Broxbourne was not considered as a developed office market, but TwentyFive25 was identified as a potential major development site.

Transport for a World City (2016)

- 2.3.28 In 2016 the National Infrastructure Commission published the Transport for a World City report¹⁵. The Commission concludes that the strategic case for Crossrail 2 is well founded and recommends that it is taken forward. The report recommends that Crossrail 2 should be given priority over other transport planned for Greater London and that a hybrid bill should be submitted to Parliament by 2019.
- 2.3.29 The current proposed route runs from Broxbourne station in the north. Crossrail 2 trains are currently proposed to stop at three of the five railway stations (Broxbourne, Cheshunt and Waltham Cross) located in Broxbourne, providing the borough with enhanced public transport and increased capacity to carry commuters to and from Greater London and London Stansted Airport.
- 2.3.30 In addition to improving public transport within the borough, Crossrail 2 is expected to facilitate the development of 200,000 new homes, a proportion of which are expected to be developed within Broxbourne. This will likely stimulate the local construction industry, providing more jobs for residents of the borough. The recent budget announcement of Government financial support to progress the planning of Crossrail2 marks a significant step forward in realising the scheme.

¹⁵ National Infrastructure Commission, (2016); Transport for a World City.

Hertfordshire Transport Vision 2050 (2015)

- 2.3.31 Hertfordshire County Council is currently creating a new Transport Vision document which will supersede the 2011 version once adopted. Thus far a discussion document¹⁶ and technical report have been produced¹⁷. The discussion document outlines that the strategic economic goals for the Transport Vision include improving access to wider employment markets and increasing the efficiency of moving people and goods around the County. By improving access to wider employment markets the County Council hopes to build upon Hertfordshire's position within the Cambridge, Oxford and London 'Golden Triangle'.
- 2.3.32 The technical report appraises transport projects along the A10/M11 corridor. One of the projects is an upgrade to the M25 and A10 junction at Waltham Cross. The improvements will increase vehicle capacity at the junction. The report notes that expanding West Anglia Main Line from two tracks wide to four will improve access to Stansted through Broxbourne. Widening the railway will provide additional capacity for more trains to travel along it, and potentially speeding up journeys by allowing faster services to pass down tracks unhindered by local stopping trains.

2.4 Broxbourne Local Planning Policy and Evidence Based Studies

Local Plan: Vision, Objectives, Growth Targets and Key Allocations (2015)

- 2.4.1 The document was published on 20th October 2015. It outlines the Council's vision for the emerging Local Plan and includes seven objectives. The objective for employment is 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.'*
- 2.4.2 For employment the Council has already identified opportunities to deliver 7,500 new jobs between 2016 and 2031. To create the jobs the Council aims to promote new and existing employment locations to deliver the jobs and diversify its economy.
- 2.4.3 The Council identifies key sites for employment which it intends to promote in the Local Plan and which require green belt release:
- Park Plaza: The Council separates the area into west and north segments. Park Plaza North is currently proposed as an area for businesses to relocate from sites such as Delamare Road, where new housing is planned. Park Plaza West, or TwentyFive25, is anticipated to yield at least 60,000m² of offices by 2031 in a high quality business campus with maximum potential over the life of the scheme of 90,000 m².
 - Brookfield Riverside: The site is the largest allocation proposed. If the site were built upon the Council would like the development to compose of a mixed use scheme that includes 47,000m² of offices.

¹⁶ Hertfordshire County Council, (2015); Developing a Transport Vision for Hertfordshire: A review of the long-term challenges to 2050

¹⁷ Hertfordshire County Council, (2015); Hertfordshire 2050 Transport Vision Stage 2: Transport Report.

- High Leigh Garden Village: A development on the site was granted outline planning permission in April 2015 and includes office use..

Local Plan Second Review: 2001-2011 (2005)

2.4.4 In December 2005 the Broxbourne Local Plan Second Review was adopted¹⁸. The Plan sets out policy for how planning applications will be assessed and the spatial strategy for the borough between 2001 and 2011. Policies from the Plan have been saved and remain in place today. The following policies are relevant to employment land:

- SUS 1: 'Sustainable Development Principles' says that the Council expects planning applicants to take note of the sustainability checklist contained within the Plan, and developments over 500m² gross require a statement of intent.
- EMP 1: 'Employment Areas' says the Council will permit development or changing the use of B class land if it is changed from another B use class. The Council will not allow transfer of B class land to other uses such as C3 except under specific circumstances.
- EMP 5: 'Employment Uses in Town Centres' says that the Council will permit B1a and B1b use development in the allocated town centres on the Proposals Map. The floors above retail units may also be converted B1 office and research uses if the impact on the amenity of neighbouring uses is limited.
- EMP 6: 'Local Employment Sites' says that development of local employment sites will only be allowed if the developer can fulfil certain criteria and illustrate that there is no demand for a site.
- EMP 7: 'Incompatible Employment Uses ('Bad Neighbour Uses')' outlines that developments will be encouraged to mitigate the impact of incompatible development use. Development which intensifies an incompatible use will be discouraged unless mitigation is possible.
- EMP 8: 'Home Working' points to when an application is submitted that requires part use of a residential unit for commercial use. The Council will consider criteria including the size of the commercial use relative to the residential unit. Proposals that may lead to the loss of a residential unit due to commercial use will be resisted.
- EMP 9: 'Small Business Units' says that development of small business units of less than 235m² gross will be permitted within employment areas and town centres.

2.4.5 Policies specific to employment sites in Broxbourne include:

- EMP 2: 'Park Plaza Employment Site' outlines "*the Park Plaza employment site is allocated for a comprehensive high quality business development (B1a and B1b) to accommodate*".¹⁹
 - "*Companies in the high technology sector and/or;*
 - *(b) Companies or activities in the regional or national interest*".

¹⁸ Broxbourne Borough Council , (2005); Local Plan Second Review: 2001-2011.

¹⁹ In the Local Plan Second Review the 'Park Plaza' refers to the 'Park Plaza North' as termed in the 2016 Local Plan Vision, Objectives, Growth Targets and Key Allocations, and not Park Plaza West or TwentyFive25.

- “Ancillary uses to benefit on-site employees or complimentary development including hotel and training facilities will also be permitted”.
- EMP 3: ‘North East Hoddesdon Key Site’ says the Council will allow development of employment B use classes as long as development meets certain criteria such as reducing impacts upon the Lea Valley Park.
- BFC 4: ‘New River Trading Estate’ says the estate will not be developed during the Plan period as part of the wider Brookfield development. Changes of uses that are compatible with commercial and industrial uses which require a retail element may be permitted.
- Hertfordshire 2050 Transport Vision Stage 2: Technical Report

Local Development Framework: Submission Core Strategy (2010)

- 2.4.6 The Broxbourne Core Strategy was submitted by the Council in December 2010 for review by an independent inspector²⁰. The Inspector indicated that he could not find the Core Strategy sound as submitted, in particular because of the quantum of retail and leisure floorspace within the proposed Brookfield development. The Council decided to develop a new Local Plan the next stage of which is the production of a draft version for consultation in summer 2016. It is anticipated that the Plan will be submitted and examined in 2017.

Employment Land Study (2008)

- 2.4.7 The previous Broxbourne Employment Land Study (ELS) was published in 2008²¹. It included an assessment of sites and employment premises in the borough, using both quantitative and qualitative assessment techniques. It also considered a range of different scenarios based on employment densities of employment growth.
- 2.4.8 The ELS made recommendations to support the further development of the industrial and warehouse sectors. Park Plaza (which is distinct from TwentyFive25 and which was not considered in this study) is outlined as an exception to the broad conclusion and the study suggested that it could become a high quality business park in the event that market forces were favourable.
- 2.4.9 The ELS also concluded that current employment sites were proposed for protection as it was projected that demand for industrial floorspace was in excess of supply by 136,000m².
- 2.4.10 The ELS concluded that the gross requirement for office floorspace between 2007 and 2021 was about 36,000m². For industrial floorspace the gross requirement was in a range between 59,000m² and 234,000m².
- 2.4.11 It also recommended that the south-western part of Park Plaza should remain designated for offices but that the development of the site would depend on market conditions.

²⁰ The Planning Inspectorate, (2011); Report on the Examination into Broxbourne Core Strategy Development Plan Document.

²¹ Broxbourne Council, (2007); Broxbourne Employment Land Study.

Broxbourne Borough Council Employment Opportunity Report (2010)

- 2.4.12 The Employment Opportunity Report was published in 2010²². The report reviewed the economic development opportunities in Broxbourne and supports the ELS 2008 and London Arc Employment Study. The report found that due to the nature of the borough's geographic layout, the main towns are not large enough to support substantial local office bases. For the borough to develop a business park of regional and national importance, the report recommended that land around Theobalds Park Farm (later known as TwentyFive25) and Maxwells Farm had the capacity to deliver such space.
- 2.4.13 The report recommended that Park Plaza North *'could be successfully developed out, in the short/medium term, to provide a high quality environment for businesses across all 'B' classes including B8'*; and that Theobalds Park Farm (TwentyFive25) presents an *'opportunity for a Business Park on a truly regional/ national scale that could compete with similar sized and self-sustaining developments in other M25 locations'*.
- 2.4.14 The report also identified that there were some opportunities to intensify employment uses in Waltham Cross and Hoddesdon town centres to supplement large development elsewhere in the borough.

Broxbourne Borough Council Economic Development Strategy (2014)

- 2.4.15 This document is a critical part of the borough's economic vision and encapsulates the aims of the Ambition Broxbourne programme²³. By 2030 Broxbourne Council aspires to have a thriving economy that is 'underpinned by innovation, enterprise and entrepreneurship'. Specific goals include providing 6,300 new jobs, attracting more Blue Chip companies, upskilling the residential workforce, and supporting opportunities for knowledge-driven economic development (given its pivotal location for life sciences and technology sectors associated with the LSCC, finance and business services sector associated with the City of London and the creative sector associated with the M25 corridor). To fulfil these goals the document sets out the following strategic priorities:
- *"Creating certainty for investment: through strong leadership that will put in place critical infrastructure, a coherent and robust policy framework and a joined-up can-do approach to deliver the following work programmes;*
 - *Nurturing employment and enterprise: through providing tailored support, promoting exports, providing high quality fit for purpose accommodation, developing key sectors and driving effective networks;*
 - *Championing learning and skills: through working with employers and training providers;*
 - *Generating quality places: where businesses can prosper, residents can thrive and visitors can enjoy"; and*
 - *"Driving sector approach: to support all business sectors whilst having a particular focus on harnessing the life sciences, creative and finance and business services sectors".*

²² Broxbourne Borough Council, (2010); Employment Opportunity Report.

²³ Broxbourne Borough Council, (2014); Economic Development Strategy.

- 2.4.16 Key employment land based actions to address these priorities include: the development of the ABBC; driving the development of key strategic sites such as TwentyFive25, Brookfield and Hoddesdon Business Park; linking into the South Herts/ North London Creative Corridor; and providing quality accommodation for businesses. The Strategy outlines the following possible scenarios for inward investment :
- 2016: *“An Inward Investment Programme is established and the key strategic commercial sites are now well positioned in a global market place and there is a steady stream of investor interest”*;
 - 2020: *“The Inward Investment Programme is well established with investors and businesses secured for the key strategic sites”*; and
 - 2030: *“The Inward Investment Programme is embedded and the key strategic sites are developed and new sites are coming on line”*.
- 2.4.17 Alongside these activities, the Strategy expects improvements to the A10 to be complete and Crossrail 2 to be near completion by 2030 making the key strategic sites more attractive to developers. The Council will also lobby for the development of new railway stations to improve connectivity to the Park Plaza area and Brookfield
- Broxbourne Borough Council Strategic Housing Market Assessment (2013) and Review of Objectively Assessed Housing Needs (2016)*
- 2.4.18 The Strategic Housing Market Assessment (SHMA) was published in 2013²⁴. The aim of the document is to provide the Council with *“a robust and up-to-date understanding of housing need and demand within the borough in order to inform and support planning policy and housing strategy”*.
- 2.4.19 The Review of Objectively Assessed Housing Needs (2016) identifies that the borough will require 419 net additional dwellings between 2014 and 2031. Totalling 7,123 to meet its objectively assessed need.
- Broxbourne Borough Council Strategic Land Availability Assessment (2016)*
- 2.4.20 The Broxbourne Strategic Land Availability Assessment identifies the supply of housing sites in the borough²⁵. The report identifies sites in urban area and green belt site with potential development capacity. In total the report concludes that 1,632 dwellings together with 97029 square metres of employment land could be delivered on these sites up to 2026.
- Broxbourne Borough Council Retail and Leisure Study (2015)*
- 2.4.21 The Retail and Leisure Study 2015 reviews the viability and vitality of the borough’s town and local centres, and is informing the emerging Local Plan. The town centres were found to have limited opportunities for expansion of the borough’s retail offer due to the physical capacity of the designated centres. It is recommended that large future retail and/or leisure development should be concentrated in Brookfield, which has already established itself as a retail destination.

²⁴ Broxbourne Borough Council, (2013); Strategic Housing Market Assessment.

²⁵ Broxbourne Borough Council, (2010); Strategic Housing Land Availability Assessment.

2.5 Development Briefs

Essex Road Gateway Development Brief (2011)

- 2.5.1 The Essex Road Gateway consists of five land parcels located between Hoddesdon Town Centre and Hoddesdon Business Park. The vision is to develop an exemplar mixed use scheme which will serve as the entrance to Hoddesdon Business Park. It is expected that land parcel number two will consist of high quality B1 offices.

Park Plaza North Development Brief (2010)

- 2.5.2 The Development Brief outlines the Council's vision for Park Plaza North. Broxbourne aspires to develop a “*distinctive and high quality business development that provides a sustainable and diverse source of quality employment opportunities for the local community*”²⁶. Acceptable uses for the site are considered to be B1/B2 uses and a hotel. Warehousing, storage, retail and residential were considered unacceptable due to its strategic location. It should be noted that the Council has indicated a change in its stance since this document was published. This is set out in the 2015 Local Plan framework referred to above.

Hoddesdon Business Park Improvement Plan (2013)

- 2.5.3 The Business Park Improvement Plan sets out the Council's strategy for the future of the business park and identifies appropriate projects. The main strategy is to continue the success of the business park by limiting impediments and re-developing parts of the park to create more jobs when opportunities arise. The park will be extended by including the Essex Road Gateway within the boundary; however, further expansion will be limited as the Council views the park as having reached its natural limits. The ABBC (now renamed the Ambition Broxbourne Business Centre) is planned as part of future development in the business park.

Broxbourne Borough Council (2015) Waltham Cross Town Centre Strategy

- 2.5.4 Broxbourne Borough Council adopted the Waltham Cross Town Centre Strategy in March 2015. The Strategy is helping to guide the regeneration of the town centre over the next five to ten years. The Council's vision is to create a high quality town centre and raise its standing within the context of the nearby boroughs. This will be done through interventions such as the redevelopment of the northern High Street and improvements to the public realm

Broxbourne Borough Council Hoddesdon Town Centre Strategy (2010)

- 2.5.5 The Hoddesdon Town Centre Strategy set out the Council's vision of building upon the High Street offer to make the town centre more attractive²⁷. The strategy led to the redevelopment of the Tower Centre.

Nathaniel Lichfield & Partners TwentyFive25 Studies (2016)

- 2.5.6 Nathaniel Lichfield and Partners (NLP) are in the process of completing a number of studies for CEG in relation to the TwentyFive25 site. The studies are titled as follows: 'Economic Growth and Needs'²⁸; 'Assessment of Alternative Sites'²⁹; and 'Green Belt Analysis'³⁰.

²⁶ Broxbourne Borough Council, (2010); Park Plaza North Development Brief.

²⁷ Broxbourne Borough Council, (2010); Hoddesdon Town Centre Strategy.

²⁸ NLP, (2016); Park Plaza West: Economic Growth and Needs Assessment.

- 2.5.7 The 'Economic Growth and Needs' study examines the future requirements for economic growth of Broxbourne and sub-regional economy. It does so in the context of potentially developing a high quality business park at TwentyFive25. The study finds that Broxbourne is at the centre of a wider commercial property market and sits in a position where the borough could act as a natural extension to the main office supply concentration. It concludes that the development of TwentyFive25 would generate positive and indirect economic benefits, potentially delivering 8,000 new jobs by 2039.
- 2.5.8 The 'Assessment of Alternative Sites' study reviews alternatives sites north of the M25 that would be suitable for development of a high quality business park like the Council envisions being developed at TwentyFive25. Of the sixty sites reviewed only three including TwentyFive25 were found to be suitable for development of a high quality business park. The study concludes TwentyFive25 is the most suitable of the sites due to having a strong market presence.
- 2.5.9 The 'Green Belt Analysis' study sets out the case for allocating TwentyFive25 and why it could be freed from the greenbelt. The study compares TwentyFive25 against a number of other greenbelt sites and finds that TwentyFive25 is most suitable for release from the greenbelt, taking points from the 'Assessment of Alternative Sites' study.

2.6 Employment Land Policy of Neighbouring Local Authorities

- 2.6.1 Neighbouring Local Planning Authorities compete for businesses looking to locate in the area. As a consequence, the policy initiatives enacted by adjacent local authorities are likely to have some bearing on Broxbourne's industrial and employment property markets and can provide an indication of the wider potential for B-use class economic growth.
- 2.6.2 Table 2-1 presents the scale of growth and economic development of some neighbouring local authorities and sub-regions.
- 2.6.3 The South West Hertfordshire Economy Study (which appears in the last row of Table 2-1) considers a range of employment growth scenarios including several higher growth ones. The three baseline forecasts are derived from employment forecasts, past levels of floorspace take-up, and likely changes to the labour supply.
- 2.6.4 The baseline scenarios which are based on employment growth forecasts and labour force expansion show strong demand for offices (B1a/b), moderate demand for warehousing (B8), and negative demand for manufacturing floorspace (B1c/B2). However, the scenario based on historic floorspace take-up results in negative demand for offices and industry and positive demand for warehousing.
- 2.6.5 The report also considers the potential for higher levels of growth. These scenarios identify the additional jobs that could result from higher levels of planned investment or from policy interventions. The report identifies a number of sectors that could benefit from planned investment or policy such as pharmaceuticals; logistics/distribution; publishing and broadcasting; professional, business and financial services, leisure and hospitality, and retail. The cumulative effect of the impact resulted in even higher levels of demand for offices while warehousing remaining moderately possible and manufacturing was negative.

²⁹ NLP, (2016); Park Plaza West: Assessment of Alternative Sites.

³⁰ NLP, (2016); Park Plaza West: Green Belt Analysis.

2.6.6 The higher growth scenarios identify sectors which could also be an important driver for Broxbourne’s economy as it becomes increasingly oriented towards more high-value, office-based activities and supply in these neighbouring areas is restricted.

Table 2-1: Employment Policy of Neighbouring Local Authorities

Local Authority	Document	Policy and Description
East Hertfordshire	East Hertfordshire District Plan, Pre-submission Consultation 2014 ³¹	In 2014 East Hertfordshire Council submitted the Draft District Plan for consultation. The Draft Plan outlines the Council’s wish to create a minimum of 9,600 additional jobs in the district and provide 11-13ha of additional employment land up to the year 2031.
Enfield	Core Strategy 2010 ³²	The 2010 Core Strategy aims to deliver a minimum of 6,000 additional jobs between 2010 and 2025. 4,000 of the jobs will be concentrated in the Upper Lea Valley and 2,000 in other areas of the borough.
Epping Forest	Epping Forest District and Brentwood Borough Employment Land Review 2010 ³³	The 2010 Employment Land Review identifies that by 2031 an additional 66,000m ² of B-use floorspace will be required in Epping Forest.
Welwyn and Hatfield	Local Plan Consultation Document January 2015 ³⁴	In January 2015 Welwyn Hatfield Council published a consultation document containing some policies and site allocations from the emerging Local Plan. The consultation document says the Council aspires to create an additional 12,000 new jobs in the borough between 2013 and 2031, whilst maintaining the current employment land supply of 304ha.
Dacorum, St Albans, Watford, Three Rivers, and Hertsmere	South West Hertfordshire Economy Study 2015	Four out of the five authorities have explicit growth targets ranging from 2,400 to 10,000 new jobs over their plan periods. All these authorities prioritise growth in knowledge based and creative industries and target specific locations for investment that will generate new employment. The area requires 4.2ha per annum for offices and distribution while land release for manufacturing is forecast.

Source: AECOM analysis of Councils’ policy and evidence base documents

³¹ East Hertfordshire Council, (2014); Pre-Consultation District Plan.

³² Enfield Borough Council, (2010); Core Strategy.

³³ Epping Forest District Council and Brentwood Borough Council, (2010); Epping Forest District and Brentwood Borough Employment Land Review.

³⁴ Welwyn Hatfield Council, (2015); Local Plan Consultation Document January 2015.

3 LOCAL ECONOMY

3.1 Introduction

3.1.1 This section profiles Broxbourne's economy in terms of:

- Population, including the working population, and skill and occupational profiles of residents
- Commuting patterns and the location of work
- Borough GVA and business growth by sector; and
- Resident jobs and workplace employment by industry sector and location quotients.

3.1.2 The information helps to shed light on key questions, which are relevant to employment land policy making, such as: What are the characteristics of the local labour force? What are the commuting patterns in and out of the borough? What are the typical occupations held by people who work in the borough? In what activities does the borough have a competitive advantage?

3.1.3 The analysis draws upon the most recent statistics available at the time benchmarked against Hertfordshire and England to allow comparisons to be made.

3.2 Resident Population

Population

3.2.1 The strength of the local economy will be driven partly by its resident population. Between 2004 and 2014 the resident population of Broxbourne increased from 87,800 to 95,700 (9.0%)³⁵. ONS projects Broxbourne's population will increase to 113,700 by 2037, representing an 18.8% increase from 2014³⁶. The projected percentage increase is smaller than for Hertfordshire (21.3%), but is higher than England as a whole (14.5%). Population growth will lead to an increase in local labour, demand for jobs and employment space. It will also lead to demands for additional housing, leisure, retail and social and community facilities, which will have their own spatial requirements.

3.2.2 In the quarter leading to September 2015, 81.8%% of Broxbourne's working age population was economically active³⁷³⁸. At the same time Hertfordshire and England had lower rates of economically active working age residents (80.2% and 77.7% respectively).

Qualifications

3.2.3 The most recent data on qualifications is for 2014. In that year 6.7% of Broxbourne's residents held no formal education qualification, a lower proportion than England (8.6%) although it is still higher than Hertfordshire (5.7%).

³⁵ ONS, (2014); Mid-Year Population Estimates.

³⁶ ONS, (2012); Sub-National Population Projections.

³⁷ Working age population is defined by ONS as being 16 to 64 years.

³⁸ ONS, (2014); Annual Population Survey.

3.2.4 The proportion of residents with a National Vocation Qualification Level four or above (NVQ4+, equivalent to an Honours degree) was slightly lower than the England average (35.2% compared to 35.7%) and significantly less than Hertfordshire (43.5%). This has historically been the position for Broxbourne, but over recent years this position is changing. Between 2009 and 2014 the number of residents in Broxbourne with an NVQ4+ level qualifications increased by approximately 5,000 (30.8%). This rate of increase was faster than the County and the England average of 29.7% and 22.2%, respectively. The need to raise skill levels is recognised as a key driver of the Council’s economic strategy, Ambition Broxbourne, as this will be important for growing new and existing businesses, attracting inward investment and ensuring local people are able to access new higher paid jobs created thereby improving overall standard of living and quality of life

Table 3-1: Resident Workforce Qualification Proportions

Qualification Level	Broxbourne	Hertfordshire	England
NVQ4+ - aged 16-64	35.2%	43.5%	35.7%
NVQ3 - aged 16-64	23.1%	19.9%	20.8%
NVQ2 - aged 16-64	17.1%	15.3%	16.7%
NVQ1 - aged 16-64	10.5%	10.1%	11.9%
Other qualifications (NVQ) - aged 16-64	7.5%	5.5%	6.2%
No qualifications (NVQ) - aged 16-64	6.7%	5.7%	8.6%

Source: ONS, (2014); Annual Population Survey.

Occupational Structure

3.2.5 We can develop an understanding of the typical jobs taken up by residents of the borough by analysing the evidence of employment share by occupation.

3.2.6 Table 3-2 shows that over half of Broxbourne residents are employed in management or professional occupations (tiers one to three). These tiers are typically associated with employment in knowledge based, technology and finance/business activities, working out of office-based and research and development premises. This proportion is broadly in line with Hertfordshire (52.9%) but considerably higher than England as a whole (44.1%). However, as a reflection of rising education levels, the proportion of Broxbourne’s residents working in the management and professional occupations has increased significantly over the recent past.

Table 3-2: Occupational Structure of Broxbourne’s Residents 2014

Occupation Type	Broxbourne	Hertfordshire	England
1: managers, directors and senior officials	14.3%	11.6%	10.3%
2: professional occupations	20.1%	23.2%	19.7%
3: associate prof & tech occupations	16.3%	17.8%	14.1%
4: administrative and secretarial occupations	13.9%	10.7%	10.7%
5: skilled trades occupations	8.9% ¹	9.4%	10.6%
6: caring, leisure and other service occupations	5.4% ¹	6.6%	9.3%
7: sales and customer service occupations	9.4%	7.4%	7.7%
8: process, plant and machine operatives	5.2% ¹	4.1%	6.3%
9: elementary occupations	5.7% ¹	8.6%	10.8%

Source: ONS, (2015); Annual Population Survey.

- Note 1: Estimate and confidence interval unreliable since the group sample size is small (3-9).

Earnings

- 3.2.7 In 2015 the median weekly wage of Broxbourne residents was £615 which is in line with that of wider Hertfordshire³⁹. In comparison a resident in England earned £86 less per week.
- 3.2.8 Workplace-based wages in Broxbourne are on average higher than those in England but lower than those in Hertfordshire: Broxbourne workers earned £537 a week, while those in Hertfordshire and England earned £552 and £529 respectively.
- 3.2.9 The difference in workplace wages between areas will be a reflection of the relatively different educational and skill requirements of occupations and the value added generated by the business activities. Further details are presented in Table 3-3.
- 3.2.10 Broxbourne notably has a larger gap between the weekly earnings of residents or workplace based workers in the bottom 25% and top 25% of earners. This is as shown in Table 3-3. In Broxbourne the earnings gap between the bottom 25% and top 25% of earners of workplace based workers is equivalent to £459 per week, which is higher in comparison to Hertfordshire (£383) and England (£370). The equivalent wage gap for residents of Broxbourne (£442) is similar to Hertfordshire (£448) and higher than in England (£370). The range in earnings suggests a range in the levels of wealth and there are particular hot spots of skills poverty in Waltham Cross and Turnford and Wormley.

³⁹ ONS, (2015); Annual Survey of Hours Earnings.

Table 3-3: Resident and Workplace Weekly Wages

Location	Income Group	Resident (£ gross)	Workplace (£ gross)
Broxbourne		429	372
Hertfordshire	25 percentile (bottom 25% of earners)	430	391
England		383	382
Broxbourne		615	537
Hertfordshire	Median	614	551
England		533	532
Broxbourne		871	831
Hertfordshire	75 percentile (top 25% of earners)	878	774
England		752	752

Source: ONS, (2015); Annual Survey of Hours and Earnings.

3.2.11 In line with strong growth in the proportion of residents with NVQ4+ and holding management / professional occupations, there has been stronger growth in median wages of Broxbourne residents compared with the county and England averages. Between 2011 and 2015 Broxbourne experienced a 13.6% increase in the median wage of residents and a 10.0% increase in wages of residents in the top 25% of earners. The bottom 25% of earners in the Borough have also experienced strong growth in wages (10.5%) Table 3-4 includes details.

Table 3-4: Resident Wages % Change 2011-2015

	Broxbourne	Hertfordshire	England
25 th percentile (bottom 25% of earners)	10.5%	5.7%	6.9%
50 th percentile (median)	13.6%	3.7%	5.5%
75 th percentile (top 25% of earners)	10.0%	3.7%	4.6%

Source: ONS, (2015); Annual Survey of Hours and Earnings.

3.2.12 In terms of workplace wages, between 2011 and 2015 Broxbourne experienced an increase of 3.2% in the median wage. Comparatively the Hertfordshire and England median wages increased by 5.9% and 5.6%, which means that wages paid by businesses in Broxbourne, relative to these other areas, increased at a slower rate. This is typically indicative of a relatively weaker economy. The lowest paid 25% of the workforce experienced a decrease in wages of -4.0% over the same time period which is significantly lower than the county and England averages. Further details are presented in Table 3-5.

Table 3-5: Workplace Wages % Change 2011-2015

	Broxbourne	Hertfordshire	England
25 th percentile (bottom 25% of earners)	-4.0%	6.1%	7.1%
50 th percentile (median)	3.2%	5.9%	5.6%
75 th percentile (top 25% of earners)	18.9%	5.3%	4.7%

Source: ONS, (2015); Annual Survey of Hours and Earnings.

3.3 Travel to Work Area

3.3.1 Analysis of the 2011 Census reveals where residents work and where Broxbourne’s workforce resides⁴⁰. Table 3-6 provides a breakdown of the local authorities where most Broxbourne residents aged between 16 to 74 years work. Table 3-7 shows which local authorities the Broxbourne’s workforce aged 16-74 years old lives in. London is included in both tables because of its close proximity to Broxbourne.

Table 3-6: Broxbourne Residents (16-74 years) by Place of Work

Local Authority	Number of Broxbourne residents employed	% of residents in Broxbourne employed
Broxbourne (workplaces)	11,623	25.0%
Enfield	5,002	10.8%
East Hertfordshire	3,553	7.6%
Westminster/ City of London	2,837	6.1%
Epping Forest	1,576	3.4%
Welwyn Hatfield	1,526	3.3%
Harlow	1,003	2.2%
Hertsmere	675	1.5%
St Albans	328	0.7%
London, excluding Westminster, City of London and Enfield (which are resented separately in this list)	6,597	14.2%
To other local authorities not listed above	2,366	5.1%
Work at or from home, offshore, in no fixed place or outside of the UK	9,395	20.2%

Source: ONS (2011); Census 2011

⁴⁰ ONS, (2011); Census 2011.

3.3.2 Table 3-6 shows that the majority (75.0%) of Broxbourne’s employed residents commute out of the borough to other areas. London has the strongest economic pull with 31.1% of residents commuting there (of which 10.8% commute to LB Enfield and 6.1% to Westminster and City of London).

3.3.3 However, the strong out-commuting pattern is balanced by a strong in-commuting flow. Table 3-7 shows the majority of Broxbourne’s workforce commutes from local authorities outside of the borough. This underlines the extent to which Broxbourne’s location allows it to draw skills and talent from across a wide area including London which represents a large labour market with significant diversity of skills, education, entrepreneurship and creativity, which underpins and provides opportunities for economic growth. This ability to draw from a large workforce makes Broxbourne an attractive place for businesses to locate and grow. The local authorities from which most employees come from are East Hertfordshire, Enfield and Epping Forest which all border Broxbourne. Harlow also contributes significantly to Broxbourne’s workforce and its close proximity suggests that it could be considered an adjacent local authority.

Table 3-7: Broxbourne Workforce (16-74 years) By Place of Residence

Local Authority	Workers in Broxbourne (count)	% of UK-based workers in Broxbourne
Broxbourne	11,623	39.0%
East Hertfordshire	3,601	12.1%
Enfield	2,203	7.4%
Epping Forest	1,781	6.0%
Harlow	1,398	4.7%
Welwyn Hatfield	722	2.4%
North Hertfordshire	442	1.5%
Stevenage	439	1.5%
St Albans	330	1.1%
Uttlesford	285	1.0%
London , excluding Enfield (listed separately)	2,901	9.7%
From other local authorities not listed above	3,715	12.5%

Source: ONS, (2011); Census 2011

3.4 Local Economy

Gross Value Added

3.4.1 The next table below presents total Gross Added Value (GVA) for Broxbourne and some of the adjacent authorities and relevant comparators from 1999 to 2014. In comparison to the other local authorities, Broxbourne has a relatively small GVA (£2.1 billion) equivalent to 7.4% of Hertfordshire’s total GVA.

3.4.2 Between 1999 and 2014 Broxbourne GVA's compound annual growth rate (CAGR) was 3.0%. This was a faster rate than both Hertfordshire and the UK. A rate of growth significantly greater than that of the county and the UK as a whole is unlikely to be sustained over the longer term but is a reflection of the local economy growing in size. In the short term the loss of the Tesco HQ may affect the Borough's total GVA, but the magnitude of impact at a borough level is not expected to be large.

Table 3-8 GVA Change 1999-2014

Area	GVA (£billions)				CAGR %
	1999	2004	2009	2014	1999-2014
Broxbourne	1.3	1.8	1.9	2.1	3.0%
East Hertfordshire	2.6	2.8	2.9	2.9	0.8%
Harlow	1.3	1.6	1.8	1.8	2.4%
Hertsmere	2.5	2.3	2.6	3.0	1.3%
Welwyn Hatfield	2.5	3.5	3.4	3.5	2.3%
Hertfordshire	22.9	26.3	26.2	28.2	1.4%
UK	1,050.9	1,228.4	1,281.3	1,397.5	1.9%

Source: Cambridgeshire Insight, (2014); East of England Forecasting Model (EEFM).

3.4.3 Table 3-9 illustrates GVA per workforce job between 1999 and 2014 in the local authorities, Hertfordshire and UK. In 2014 Broxbourne had a GVA per workforce job of £48,800 which is slightly greater than Hertfordshire and significantly greater than the UK. Broxbourne's relative performance against the county is a new development; prior to 2009 its GVA per workforce job was lower. This change points to an increase in productivity per worker. Amongst the other authorities in the table, East Hertfordshire had the highest (£60,800) and Harlow the lowest (£41,000).

Table 3-9 GVA Per Workforce Job Change 1999-2014

Area	GVA per Workplace Job (£000s)				CAGR %
	1999	2004	2009	2014	1999-2014
Broxbourne	42.7	49.8	49.7	48.8	0.9%
East Hertfordshire	57.0	58.3	59.7	60.8	0.4%
Harlow	37.0	45.2	45.8	41.0	0.7%
Hertsmere	54.6	53.7	60.4	55.3	0.1%
Welwyn Hatfield	47.9	60.0	49.1	50.6	0.4%
Hertfordshire	47.2	51.4	49.1	48.4	0.2%
UK	40.7	44.3	43.6	45.0	0.7%

Source: Cambridgeshire Insight, (2014); East of England Forecasting Model (EEFM).

- 3.4.4 When compared to the UK, Hertfordshire, and the other local authorities in the table above, Broxbourne's GVA per workplace job grew at the fastest rate. When comparing the change in total GVA of Broxbourne and the change in GVA per workforce in Broxbourne it is notable that total GVA has grown at a faster rate. This suggests that Broxbourne's economic growth is more the result of a larger workforce than of an increase in the productivity per worker.

Business Demographics

- 3.4.5 The latest available business registration data is from the ONS which records 3,740 VAT or PAYE-based enterprises in Broxbourne District in 2015⁴¹, up from 3,280 in 2010. This is an increase of 14.0%. Small enterprises (10-49 employees) and micro enterprises (0-9 employees) contribute significantly to employment within Broxbourne. Of the 3,740 enterprises, 91.0% were micro and a further 7.4% were small. This was roughly in line with the Hertfordshire average for 2015. The statistic highlights the importance of providing workspace for small and growing businesses.
- 3.4.6 There is a diverse set of large companies operating in Broxbourne who employ significant numbers of people. These include VolkerWessels (engineering), Cortland Cables (engineering), MSD (pharmaceuticals), Bidvest (distribution), News International (printing), ALM (metal products distributor), Xylem (water technology solutions), Culina (food and drinks logistics), Reynolds (food distributor) and The Delta Group (retail business communications technology solutions), amongst others. One of the largest businesses was Tesco who had their national office headquarters located in Broxbourne's Delamare Industrial Estate. However, Tesco has now vacated its Broxbourne's offices and moved their corporate offices and headquarters to Welwyn Garden City.

Location Quotient

- 3.4.7 Location quotients provide a comparison measure of the relative size of a sector. A location quotient greater than 1.0 means that the concentration of employment in the sector is above the national average, whereas a location quotient below 1.0 means it is below the national average. The higher the location quotient the greater the specialisation. Industry sectors with high location quotients often pinpoint those sectors where the local economy has a comparative advantage.
- 3.4.8

⁴¹ ONS, (2015); UK Business Count: Activity, Size and Location.

- 3.4.9 Table 3-10 presents the location quotient by broad sector in Broxbourne relative to England. The table also includes data on the percentage change in employment over the period from 2009 to 2014 and the relative share of total employment each industrial group has. This helps to identify those sectors in which Broxbourne is relatively well represented, growing and of importance to the local economy.

Table 3-10: Broxbourne Location Quotients (England = 1.0) (2014)

Broad Industry Group	Location Quotient	% Change in Employment 2009-2014	Employment Share
Professional, scientific & technical	2.2	100.0%	19.1%
Wholesale	2.0	29.6%	8.4%
Construction	1.9	12.1%	8.7%
Business administration & support services	1.7	42.3%	15.2%
Motor trades	1.2	50.2%	2.3%
Manufacturing	1.1	2.8%	8.6%
Property	1.0	-44.4%	2.0%
Retail	1.0	-55.0%	9.7%
Education	0.8	3.6%	6.8%
Information & communication	0.7	100.0%+	2.8%
Mining, quarrying & utilities	0.6	-31.6%	0.6%
Accommodation & food services	0.5	12.4%	3.6%
Transport & storage (inc postal)	0.5	-57.8%	2.3%
Financial & insurance	0.5	34.2%	1.7%
Arts, entertainment, recreation & other services	0.5	-13.8%	2.0%
Public administration & defence	0.4	-18.2%	1.6%
Health	0.4	12.2%	4.5%
Agriculture, forestry & fishing	0.1	-24.4%	0.1%

Source: ONS, (2014); Business Register and Employment Survey. Note: Shaded cells represent those sectors which:

- Have a LQ greater than 1.0 i.e. are well represented in Broxbourne relative to the England average
- Have seen employment growth greater than 25% between 2009 and 2014
- Currently represent more than 8.0% of Broxbourne’s workplace employment

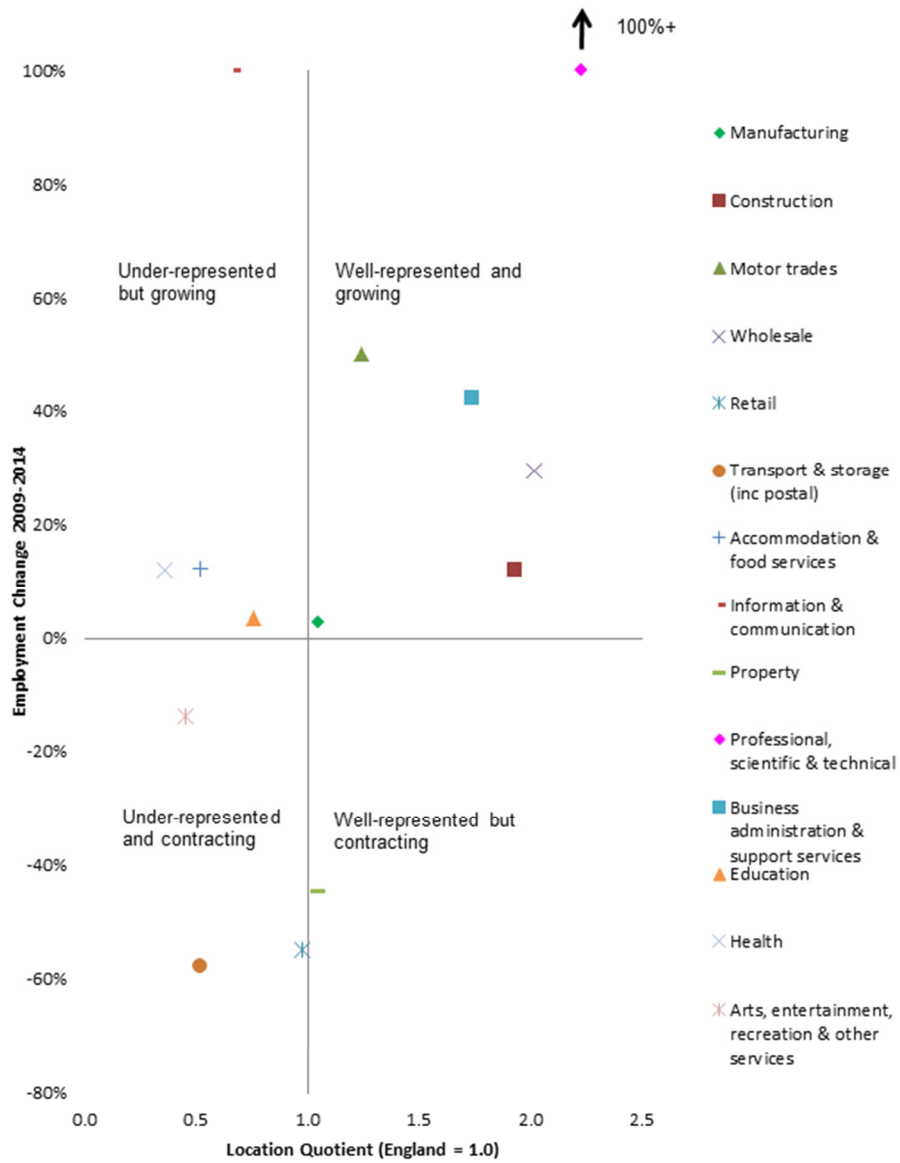
3.4.10

The table shows four sectors are well-represented (location quotient above 1.0) and have experienced growth rates of over 25% between 2010 and 2014. Of these industry groups office based sectors have performed strongly such as ‘professional scientific and technical’ (100.0%+) and ‘business administration and support services’ (42.3%). High value industry groups ‘information and communications’ and ‘financial and insurance’ are both relatively under-represented relatively to the England average but have experienced growth in employment rates of over 25% between 2009 and 2014. As such these industry groups could represent an emerging growth opportunity for Broxbourne. Other industry groups more closely aligned to skilled and lower skills activities such as motor trades and wholesale have performed well.

3.4.11 Figure 3-1 presents the location quotients and rates of employment growth associated with broad industrial groups listed in

3.4.12 Table 3-10. The figure is useful for identifying industrial groups which are growing and are either well or under represented within Broxbourne in comparison to England.

Figure 3-1 Industrial Groups in Broxbourne Location Quotients and Growth 2009-2014



Source: ONS, (2014); Business Register and Employment Survey.

3.4.13 The wider economic area, in which Broxbourne sits, has also seen growth in employment in higher value added industries. LSCC documents referenced in Section 2 suggest that within the LSCC corridor a number of high value sectors are particularly strong, including life sciences and ICT and digital. There are 43,200 life science jobs within the corridor, 19.6% of all those in the UK⁴². In addition, 213,000 IT and digital professionals are located within the corridor, 24.2% of the UK workforce. The following industries are also expected to contribute towards strong future economic growth within the corridor providing Broxbourne with opportunities to grow its higher value added employment base:

⁴² LSCC, (2014); An Agenda for Jobs, Growth and Improved Liveability.

- Life science and medical;
- IT, digital, and media
- Low carbon, clean tech and energy from waste;
- Food production,
- Business services; and
- Engineering, transport, logistics and distribution.

3.5 Summary

- 3.5.1 This section has considered the local economy drawing upon published data sources to draw out demographic and economic trends.
- 3.5.2 Broxbourne has a relatively well-educated resident population, although there are some pockets of skills poverty within the borough. The borough has a similar proportion of working age residents with degree equivalent qualifications to England but recent trends suggest that the borough is increasing its proportion of residents with higher education attainment. The borough also has a relatively high proportion of residents who occupy managerial level positions compared to the surrounding areas of Hertfordshire.
- 3.5.3 There are signs that Broxbourne is moving towards a higher value economy. There has been high growth in employment in industry groups which are associated with high value jobs including professional, scientific and technical, information and communication and financial and insurance. Broxbourne is also experiencing continued growth in industry groups which require industrial land such as wholesale and construction.
- 3.5.4 The wider region which Broxbourne is located in is economically strong. The borough has the potential to benefit via interlinks and spinoffs from it. Life sciences particularly within the LSCC corridor are particularly strong and expected to continue to grow. Broxbourne has the potential to tap into these opportunities and boost economic growth within the Borough.

4 EMPLOYMENT LAND SUPPLY

4.1 Introduction

4.1.1 This section presents an assessment of Borough of Broxbourne's employment land supply based on a field survey and desk-based research and identifies the suitability of land and premises for continued employment use.

4.2 Identifying Employment Land Clusters for Survey

4.2.1 Thirty-one clusters of employment land were identified by reviewing both the Council's existing and emerging employment and development site documents and maps; the Second Local Plan Review 2005 town centre boundaries; the 2008 ELS; and a desk based study to identify any additional clusters which were not included in the documents. Additional clusters identified from the desk top survey were audited to eliminate those which were inappropriate for survey e.g. where recent change of use to non-employment had occurred.

4.2.2 In addition, desk-based research and discussions with the Council identified five other sites, not currently designated for or in employment use, which could have the potential to support business land and premises requirements in the future. Some of these are referred to in the emerging Local Plan and others are considered in the Strategic Housing Land Availability Assessment. These sites are located in the green belt.

4.2.3 Clusters are defined as being:

- An employment area and/or development area, within a town centre boundary or a non-designated cluster, which represent all 31 clusters currently in B-use class employment use. The clusters comprise a total area of 264.7ha. Within these clusters there are other non-employment (B use class) uses, including, for example, retail uses within employment areas and retail, residential and community uses within town centres.
- An employment land option, representing the additional five sites which have the potential to provide new land and premises for development. These clusters are located in the green belt and as such comprise agricultural land, woodland or fields with no existing employment uses located on them.

4.2.4 Following the identification of clusters, field surveys and desk-based research was undertaken to gather information on site characteristics. Two sets of surveys were undertaken to reflect the two different sets of clusters: a comprehensive survey, agreed with the Council, of employment land and premises characteristics of the 31 existing clusters; and a more limited survey, capturing those characteristics which could make the cluster suitable or not for employment land, for the five potential employment clusters identified.

4.2.5 The 36 clusters identified for survey were agreed with the Council.

4.3 Overview of the Existing Employment Land Clusters

4.3.1 We first assessed the characteristics and suitability of 31 employment clusters currently designated or used for employment purposes. The list of clusters is set out in Table 4-1.

Table 4-1: Employment Land Clusters in the Borough of Broxbourne

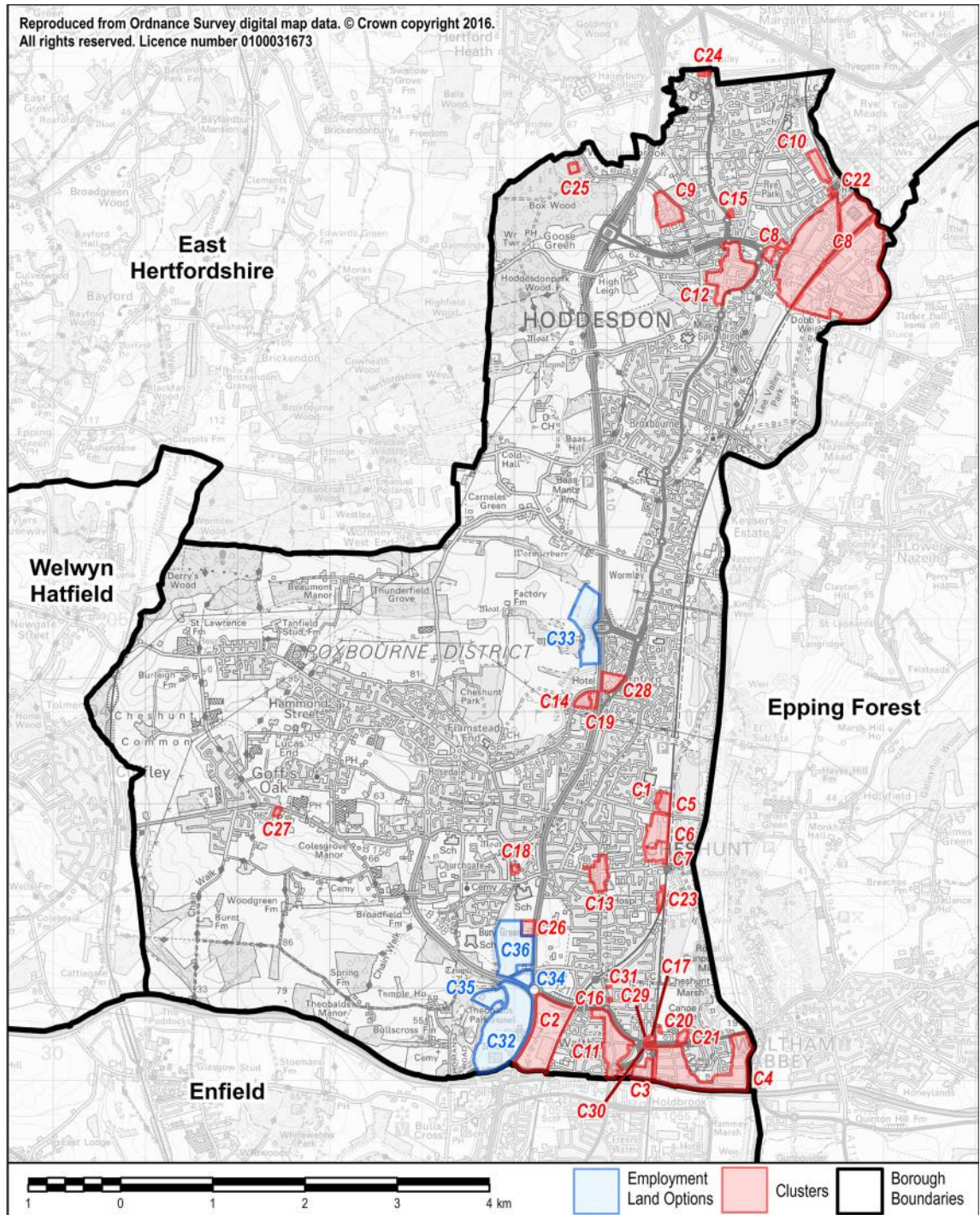
Cluster No.	Name	Current Designation	Sub-Area	Size (ha)
C1	Fieldings Road 2	Non-designated	Cheshunt	0.5
C2	Park Plaza / Park Plaza North	Employment Area / Development Area	Park Plaza	26.9
C3	Station Approach Ind / Monro Industrial Estate	Employment Area	Waltham Cross / Lea Road	3.6
C4	Britannia Road and Lea Road Industrial Estate	Employment Area / Development Area	Waltham Cross / Lea Road	30.7
C5	Fieldings Road	Employment Area	Cheshunt	2.5
C6	Delamare Road Industrial Estate North	Employment Area	Cheshunt	7.3
C7	Delamare Road Industrial Estate South	Employment Area / Development Area	Cheshunt	4.2
C8	Hoddesdon Business Park	Employment Area / Development Area	Hoddesdon and Hertford Road	124.9
C9	MSD Campus	Employment Area	Hoddesdon and Hertford Road	7.7
C10	Plumpton Road Industrial Estate	Employment Area / Development Area	Hoddesdon and Hertford Road	3.4
C11	Waltham Cross Town Centre	Town Centre	Town Centre	13.3
C12	Hoddesdon Town centre	Town Centre	Town Centre	17.4
C13	Cheshunt Town Centre	Town Centre	Town Centre	5.6
C14	New River Trading Estate	Employment Area / Development Area	Brookfield	2.2
C15	Fourways House, Ware Road	Employment Area / Development Area	Other	0.3
C16	Waltham Cross High Street North	Development Area	Waltham Cross / Lea Road	0.1
C17	Eleanor Trading Estate, Trust Road	Employment Area / Development Area	Waltham Cross / Lea Road	0.6
C18	Bishops College	Employment Area / Development Area	Cheshunt	0.7
C19	HCC Recycling Centre	Development Area	Brookfield	1.3

Cluster No.	Name	Current Designation	Sub-Area	Size (ha)
C20	Haulage Contractors Yard, Bryanstone Rd	Employment Area / Development Area	Waltham Cross / Lea Road	0.2
C21	Medlock Electrical Distribution	Employment Area / Development Area	Waltham Cross / Lea Road	1.3
C22	Salisbury Road	Employment Area	Hoddesdon and Hertford Road	0.3
C23	Coleman Brothers	Employment Area	Cheshunt	1.3
C24	Garage at 359 Ware Rd, Hoddesdon	Non-designated	Other	0.3
C25	VolkerWessels Offices	Employment Area	Other	1.0
C26	Maxwells Farm	Employment Area	Cheshunt	2.3
C27	Goffs Oak House	Employment Area	Other	0.6
C28	Turnford Place - Marriot Hotel	Employment Area	Brookfield	3.7
C29	Trust Road office blocks - Aro House/Wellington House	Employment Area	Waltham Cross / Lea Road	0.2
C30	Station Approach / North London Sawmill	Employment Area	Waltham Cross / Lea Road	0.2
C31	Waltham Cross High Street North 2	Development Area	Waltham Cross / Lea Road	0.1
Total				264.7

Source: AECOM

4.3.2 Figure 4-1 shows where the distribution of these clusters across the borough.

Figure 4-1 Broxbourne Employment Clusters



Source: AECOM

Waltham Cross / Lea Road Sub-Area

4.3.3 The sub-area defined as Waltham Cross / Lea Road comprises employment clusters of mostly industrial land lying to the east and north of Waltham Cross Town Centre. A number of clusters including the strategic Britannia and Lea Road industrial Estate (C4) feed onto the A121 dual carriage way, which runs parallel to the M25. Table 4.2 lists the employment clusters in the sub-area and which are shown as red sites in Figure 4-2.

4.3.4 Waltham Cross station is being considered as part of the proposed Crossrail 2 rail programme. If approved, rail accessibility, capacity and resilience to and from London would increase significantly. Public transport improvements can help to increase the catchment area of a labour force, customer or client base. Greater proximity to market can drive demand for land and raise land values. Were Crossrail 2 to be delivered there would be significant implications for this employment sub-area, with demand for office space increasing as well as demand for residential and non-employment uses such as retail and leisure. The rail improvements are unlikely to be delivered before 2030 – the end of Broxbourne’s Local Plan period.

Table 4-2: Clusters in the Waltham Cross / Lea Road Sub-Area

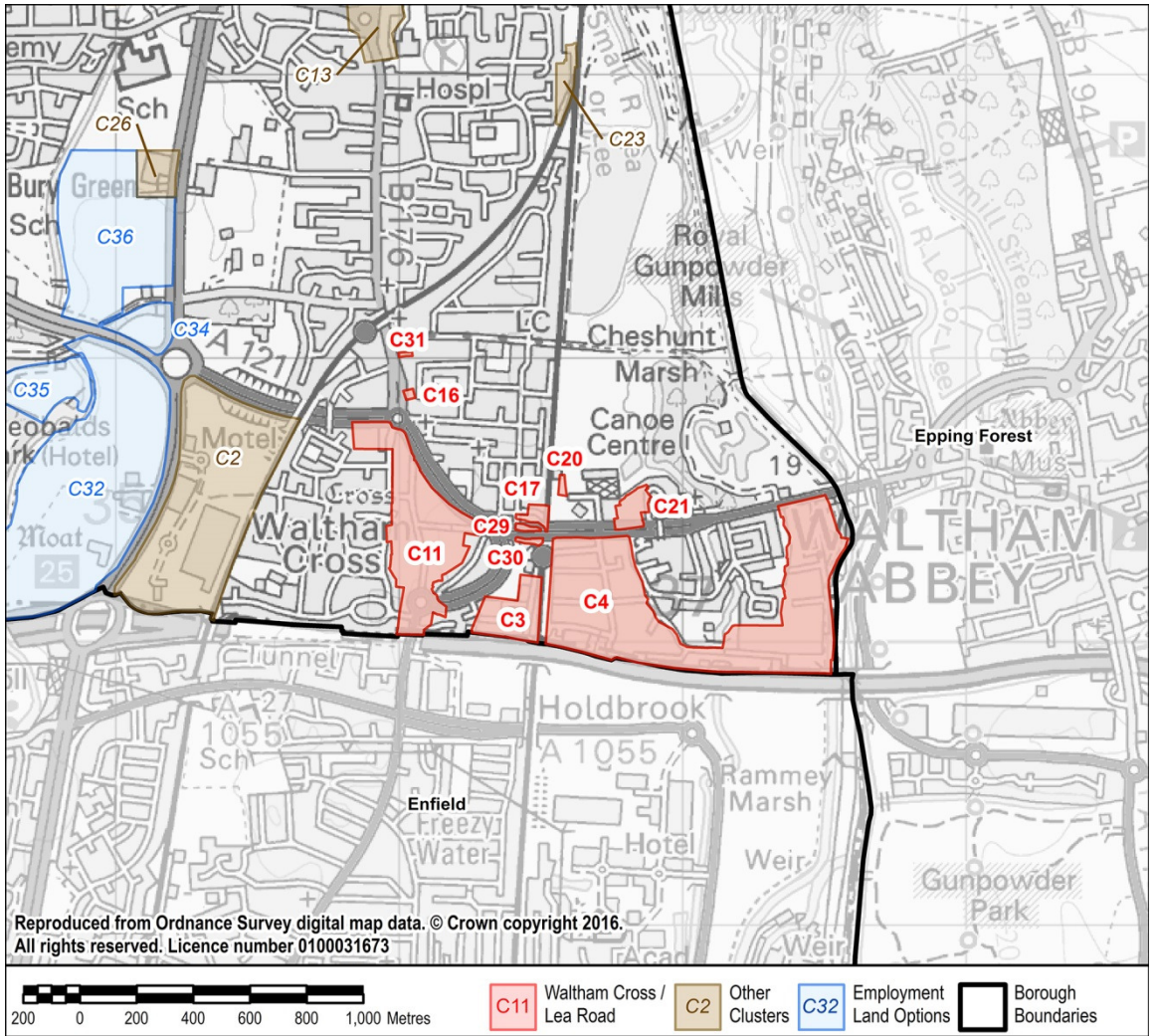
Cluster No.	Name	Designation	Employment/B-class Uses	Size (hectares)
C3	Station Approach Ind / Monro Industrial Estate	Employment Area	B1c/B2, B8	3.6
C4	Britannia Road and Lea Road Industrial Estate	Employment Area / Development Area	B1c/B2, B8	30.7
C16	Waltham Cross High Street North - Roofing Site	Development Area	B8	0.1
C17	Eleanor Trading Estate, Trust Road	Employment Area / Development Area	B8, A1	0.6
C20	Haulage Contractors Yard, Bryanstone Rd	Employment Area / Development Area	Sui-generis	0.2
C21	Medlock Electrical Distribution	Employment/ Development Area	B1c/B2, B8	1.3
C29	Trust Road office blocks - Aro House/Wellington House	Employment Area	B1a/b, C3	0.2
C30	Station Approach / North London Sawmill	Employment Area	B1c/B2	0.2
C31	Waltham Cross High Street North 2	Development Area	Sui-generis	0.1
Total				36.9

4.3.5 The primary concentration of employment land in the Waltham Cross / Lea Road area is the Britannia and Lea Road Industrial Estate (C4). Located east of Waltham Cross Town Centre, this employment cluster is located between the M25, A121, River Lea Navigation and West Anglia Mainline. It has reasonably good strategic road (although indirect access to the M25) and public transport access. The cluster borders residential property, open space and community uses, though there appears to be little evidence of nuisance or ‘bad neighbour’ issues. There is a range of active employment uses within the cluster including large scale

distribution / logistics, small scale manufacturing and some office based activities. The buildings are generally in good condition, with some very good quality premises being evident, such as the IO Centre. There is dedicated parking within the cluster, though spaces are limited in some areas. Overall, the cluster is considered to function well as a key reservoir of industrial and warehousing employment land in the Borough.

- 4.3.6 Lying adjacent to C4 on its western side is the Station Approach Industrial / Monro Industrial Estate cluster (C3), which is bordered by the A121 to the north and West Anglia Mainline to the east. The cluster is fully occupied by B1c/B2 and B8 type uses, which are housed in medium / large warehouse buildings. The buildings and environment are generally in good condition. HGV traffic is significant though the cluster is mostly segregated from sensitive uses, which allows the cluster to function well.
- 4.3.7 To the east of Waltham Cross Town Centre lie five small clusters of employment land (C17, C20, C21, C29 and C30). All are situated close to the A121 and form a corridor of clusters along the road with C3 and C4. The clusters have varying land uses including B1a/b, B1c/B2, B8 and sui-generis. Notable business examples include the Medlock Electrical Distributors in C21 and NLS Tools in C30. Buildings are generally in good or very good condition, although clusters C20 and C30 contain some poor quality stock. All of the clusters have dedicated parking and adequate servicing for the uses currently in them, and have good strategic road access, via the A121, and public transport via bus and nearby Waltham Cross rail station.
- 4.3.8 The two small clusters (C16 and C31) located north of Waltham Cross Town Centre are currently occupied by a roofing supplies dealer and a car workshop/MOT centre. Both these clusters have good public transport access due to being located near Theobalds Grove rail station and bus stops on Waltham Cross High Street.

Figure 4-2 Waltham Cross / Lea Road Sub-Area



Source: AECOM

Cheshunt Sub-Area

4.3.9 The Cheshunt sub-area comprises clusters east and west of Cheshunt Town Centre, including those along the A10 and West Anglia Mainline. The main agglomeration of clusters (C1, C5, C6, C7, and C23) is located north and south of Cheshunt rail station and runs adjacent to the West Anglia Mainline. The clusters are presented in Table 4-3 and Figure 4-3 (shown as red sites).

Table 4-3: Clusters in the Cheshunt Sub-Area

Cluster No.	Name	Designation	Employment/B-class Uses	Size (hectares)
C1	Fieldings Road 2	Non-designated	B1c/B2, Sui-generis	0.5
C5	Fieldings Road	Employment Area	B1c/B2, B8	2.5
C6	Delamare Road Industrial Estate	Employment Area	B1a/b, B1c/B2, B8, Sui-generis	7.3
C7	Delamare Road Industrial Estate North	Employment Area / Development Area	B1c/B2, B8	4.2
C18	Bishops College	Employment Area / Development Area	B1a/b	0.7
C23	Coleman Brothers	Employment Area	B1c/B2, B8	1.3
C26	Maxwells Farm	Employment Area	B8	2.3
Total				18.9

Source: AECOM

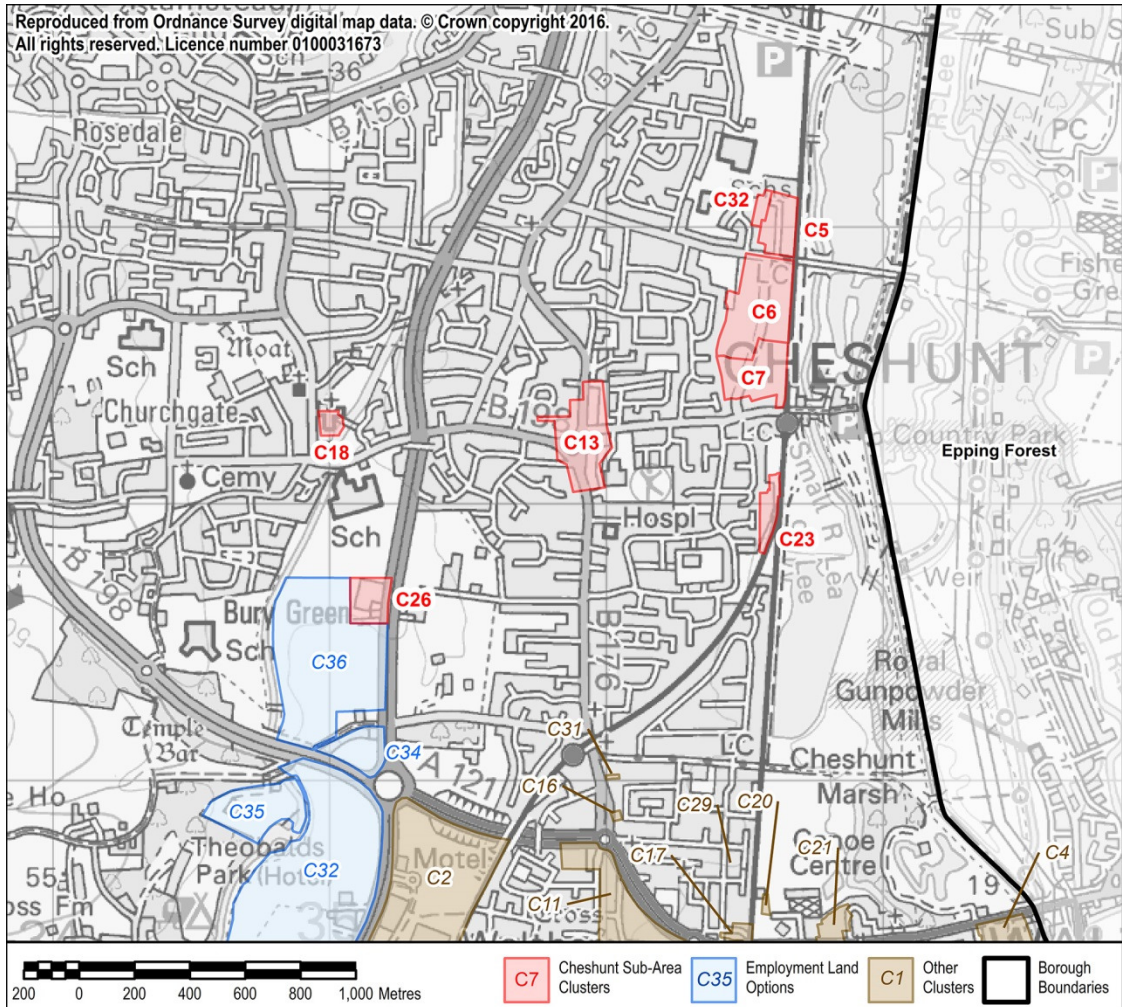
4.3.10 Clusters C6 and C7 combine to make up the Delamare Industrial Estate. The Estate is located north of Cheshunt rail station and is bordered by Cadmore Lane, residential properties and a large patch of allotments. The largest occupant of the estate was Tesco who had their national office headquarters located there. However, Tesco has vacated Delamare Road and has moved their corporate offices and headquarters to Welwyn Garden City. The land vacated by Tesco has been identified by the Council as the potential site for an urban village. Other uses in the estate include B1c/B2, B8 and sui-generis which are housed in a variety of differently sized warehouses and workshops, of which a small number are available in C6. The condition of the buildings differs between C6 and C7. Cluster 7 consists of buildings in mostly good condition, while C6 contains several buildings which are of poorer quality. Cluster 6 is prone to generate some ‘bad neighbour’ effects through high amounts of car and HGV traffic which egress the area via residential roads. As a result, road access is considered poor. However, being located near the Cheshunt rail station and bus stops, both clusters benefit from having good public transport links.

4.3.11 The Fieldings Road clusters (C1 and C5) are located adjacent to the Delamare industrial Estate across Cadmore Lane. The two clusters are linked together, forming a larger employment area. C1 contains workshops occupied by similar occupiers; C5 has active employment based in medium / large warehouse space and workshops which contain automotive businesses. The buildings in both clusters are generally in poor condition, though

some good quality stock was observed in C5. Public transport access is indirect as access points are located further away than for the nearby Delamare Industrial Estate.

- 4.3.12 Cluster 23 is located south of Cheshunt rail station and is accessed via the station car park. The cluster is bordered by the West Anglia Mainline to the east and residential property to the west. The current occupier is Coleman Brothers Interiors, who have showroom and warehouse facilities within an elongated single building, which is in good condition. Road access to the cluster is somewhat constrained as vehicles require passage through Cheshunt rail station car park. However, this does mean the cluster has excellent public transport access.
- 4.3.13 Strategic road access for all of the clusters (C1, C5, C6, C7, and C23) adjacent to the West Anglia Mainline is indirect. Traffic travelling to and from the clusters requires passage along either Windmill Lane or Cadmore Lane to reach Turners Hill and the A10. Windmill Lane and Cadmore Lane are both residential roads so the traffic from the clusters could cause noise pollution.
- 4.3.14 Bishops College (C18) is located west of the A10 on Churchgate and has good access to the A10 via College Road. The cluster is situated alongside the New River in an attractive parkland setting. The Council is the main occupier and uses the cluster as an office centre. Other users include the probation service, fertility clinic, several voluntary groups and a number of small businesses. The offices are housed in a partly historic building which is in very good condition. There is ample dedicated parking on site and access to public transport is good due to the bus stops located directly next to the car park exit on Churchgate.
- 4.3.15 Maxwells Farm (C26) is located south of Bishops College (C18) and exits directly onto the A10 via a hazardous T junction. The cluster is almost surrounded by agricultural land. (The surrounding agricultural land is a potential development site (C36) and its merits as an employment site are considered later in this section.) Active employment uses are B8 use housed in very good premises. There is dedicated parking in the cluster and no close public transport access points.

Figure 4-3 Cheshunt Sub-Area



Source: AECOM

Park Plaza Sub-Area

4.3.16 The location defined in this study as Park Plaza incorporates a single large employment site currently designated for employment use located to the east of the A10 immediately to the north of Junction 25 of the M25 (see Table 4-4 and Figure 4-4). The sub-area also contains several sites which are considered employment land options and which are discussed later in this section.

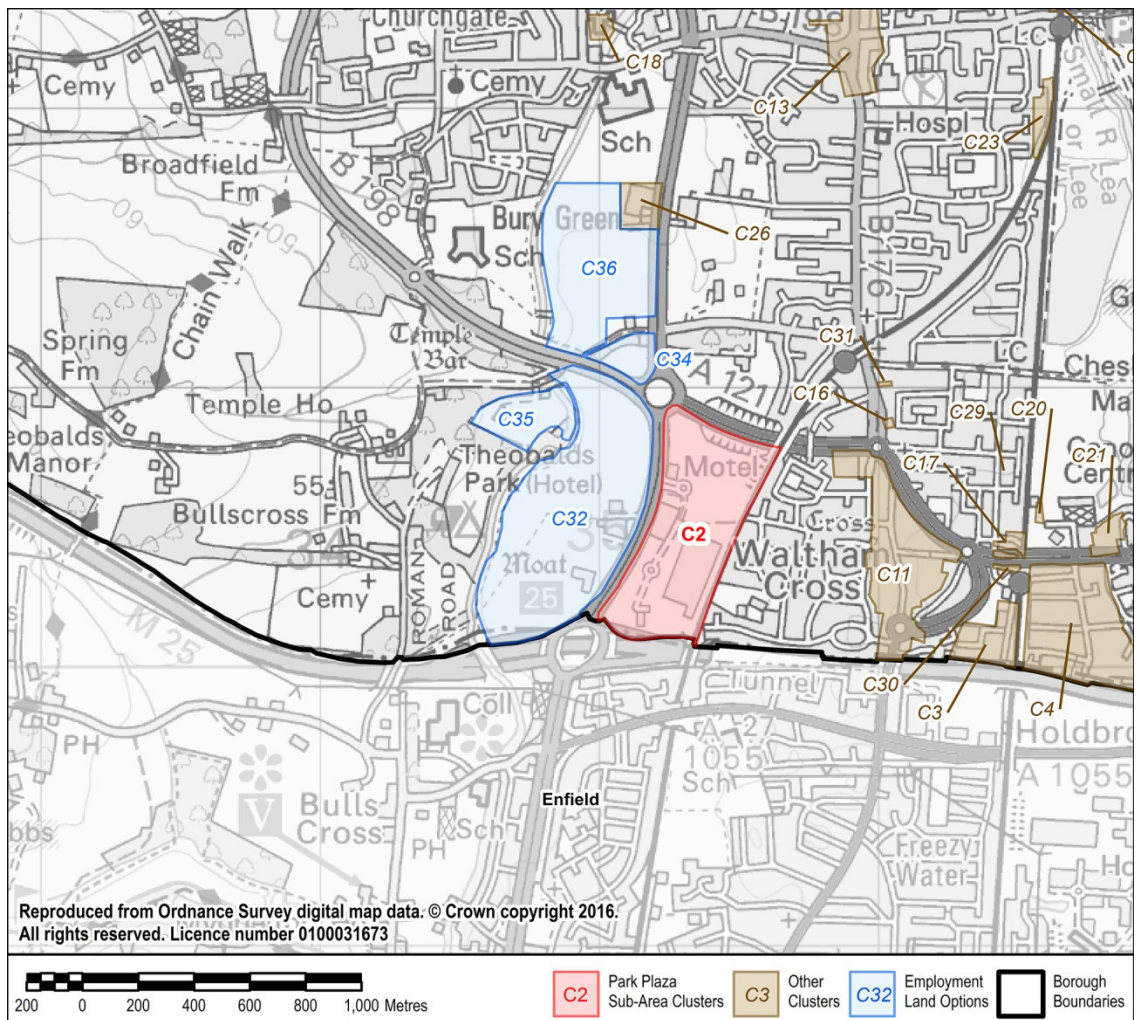
Table 4-4: Park Plaza

Cluster No.	Name	Designation	Employment/B-class Uses	Size (hectares)
C2	Park Plaza / Park Plaza North	Employment Area / Development Area	B1c/B2, B8, C1	26.9
Total				26.9

Source: AECOM

4.3.17 Park Plaza /Park Plaza North (C2) is formed of a large area of brownfield land which has been redeveloped in part with the remainder of the site lying vacant and cleared. Active employment uses are represented by the extensive News International print works and associated logistics control centre/workshop lying to the south and east of the access road. The buildings are new and of a high specification with the site appearing to be well-functioning and having appropriate parking and access. The print works is flanked to the north and south by vacant sites, measuring 9.9ha and 0.9ha hectares respectively, with the southern site having an extant planning permission for office use. The northern site has been actively marketed with no obvious environmental impediments to development. Road transport access is excellent, though congested at peak times, and links to public transport are accessible, though somewhat distant, via a footpath into Waltham Cross Town Centre.

Figure 4-4 Park Plaza Sub-Area



Source: AECOM

Brookfield Sub-Area

4.3.18 The area designated as Brookfield runs from the Brookfield retail park north along the A10 to the next junction. The clusters within Brookfield are shown in Table 4-5.

Table 4-5: Clusters in the Brookfield Sub-Area

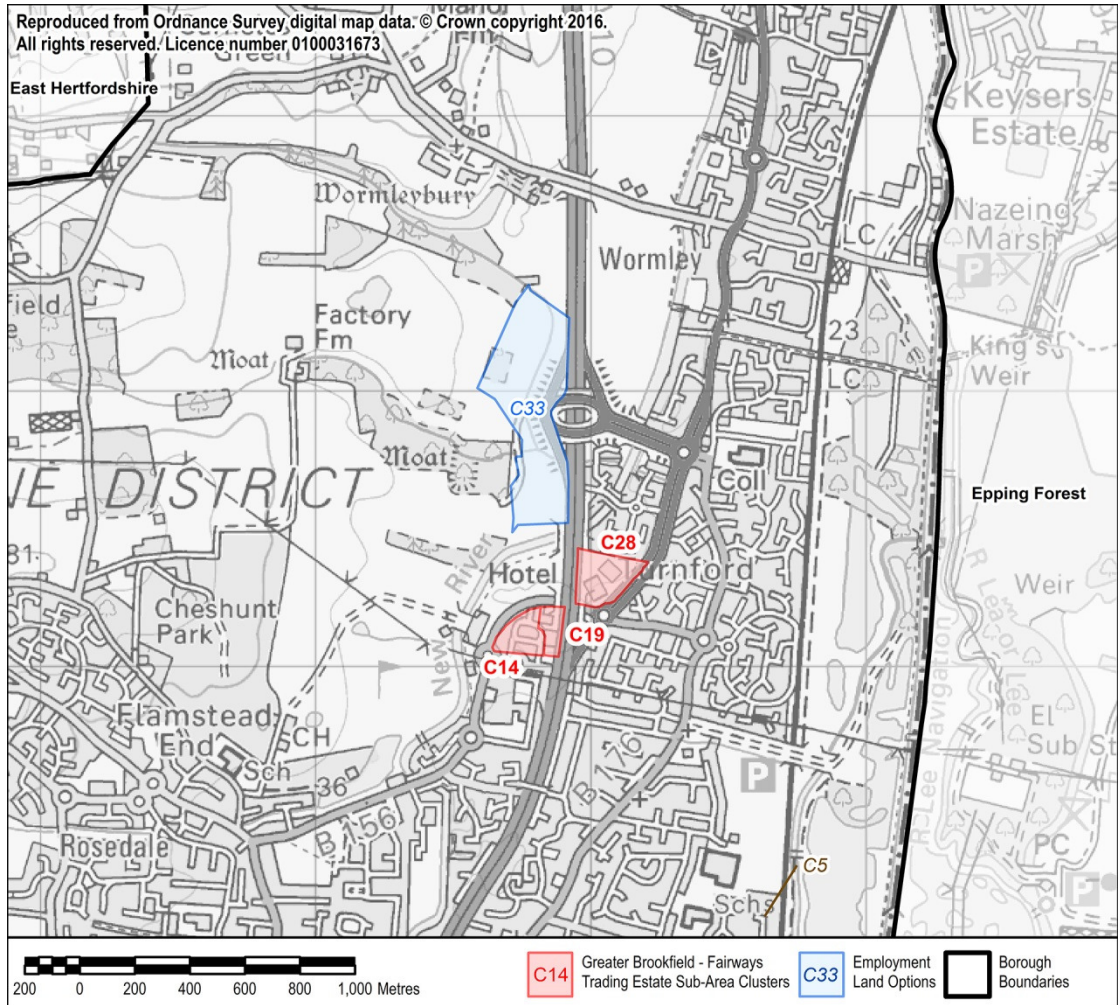
Cluster No.	Name	Designation	Employment/B-class Uses	Size (hectares)
C14	New Rover Trading Estate	Employment Area / Development Area	B1c/B2, B8	2.2
C19	HCC Recycling Centre	Development Area	B1a/b, Sui-generis	1.3
C28	Turnford Place - Marriot Hotel	Employment Area	B1a/b, C1	3.7
Total				7.2

Source: AECOM

4.3.19 New River Trading Estate (C14) and the HCC Recycling Centre (C19) are adjacent to each other, forming a single employment area. The clusters are situated on the northern border of Brookfield retail park with the A10 running along the eastern flank. C14 contains B1c/B2 and B8 uses. C19 consists of the Council’s household recycling facility and waste transfer centre. There is some vacant space within the waste transfer centre offices. The buildings in both clusters are in generally good condition and there is adequate designated parking. The A10 can be accessed easily via a slip road close to the clusters and public transport is available from bus stops located in the retail park to the south.

4.3.20 Turnford Place – Marriot Hotel (C28) is located to the northeast of C14 and C19 and is adjacent to the A10. Residential property borders the cluster to the north. The cluster consists of a hotel and large office block which houses a range of small companies. The buildings are in very good condition and sit within a large landscaped car park. Direct strategic road access is via the A1170 which feeds onto the A10. The cluster functions well for its current uses.

Figure 4-5 Brookfield Sub-Area



Source: AECOM

Hoddesdon and Hertford Road Sub-Area

4.3.21 The area designated as Hoddesdon and Hertford Road consists of the clusters within the Hoddesdon area but which are not in the town centre. The two main clusters are Hoddesdon Business Park (C8) and the MSD research campus on the Hertford Road (C9). The clusters within the Hoddesdon and Hertford Road sub-area are listed in Table 4-6.

Table 4-6: Clusters in Hoddesdon and Hertford Road Sub-area

Cluster No.	Name	Designation	Employment/B-class Uses	Size (hectares)
C8	Hoddesdon Business Park	Employment Area / Development Area	B1a/b, B1c/B2, B8, Sui-generis	124.9
C9	MSD Campus	Employment Area	B1a/b, B1c/B2	7.7
C10	Plumpton Road Industrial Estate	Employment Area / Development Area	B1a/b, B1c/B2	3.4
C22	Salisbury Road	Employment Area	B1c/B2	0.3
C25	VolkerWessels Offices	Employment Area	B1a/b	1.0
Total				137.2

Source: AECOM

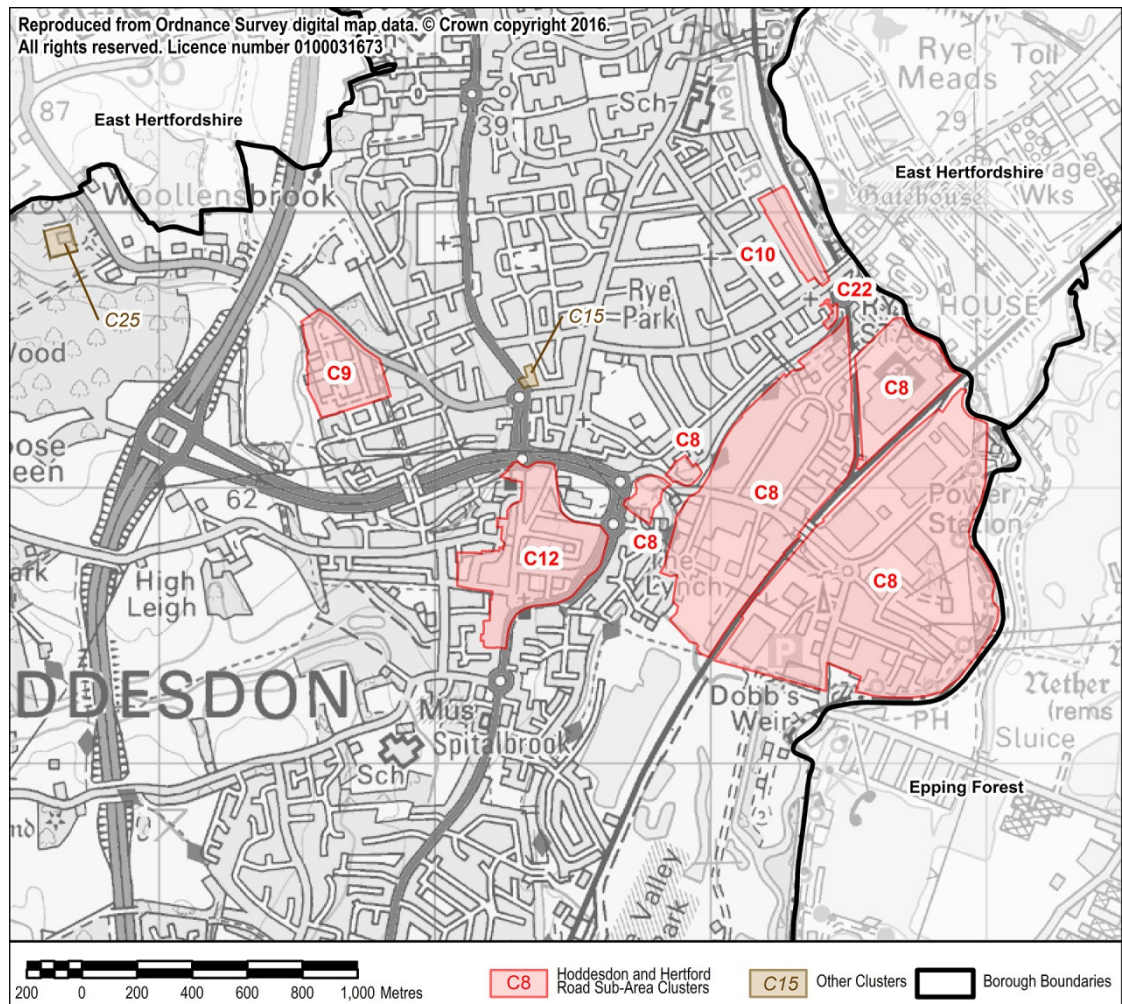
4.3.22 The five Hoddesdon and Hertford Road clusters (C8, C9, C10, C22, and C25) comprise 137.2ha and make up about 51.8% of Broxbourne’s employment land stock. The largest cluster is the Hoddesdon Business Park (C8) located northeast of Hoddesdon Town Centre and close to Rye House rail station. The 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.

4.3.23 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.

4.3.24 MSD Campus (C9) is located northwest of Hoddesdon Town Centre on the Hertford Road. The cluster is solely occupied by MSD which uses the site as its main headquarters and 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.

- 4.3.25 The VolkerWessels Offices (C25) is also on Hertford Road, northwest of Hoddesdon Town Centre and close to the borough boundary with East Hertfordshire. The sole tenant is VolkerWessels who occupies a large office block surrounded by woodland. The office block is in very good condition. The cluster has ample dedicated on-site parking and has indirect access to public transport via bus stops.
- 4.3.26 Plumpton Road Industrial Estate (C10) and Salisbury Road (C22) are both located to the northwest of Hoddesdon Business Park. C10 is a medium size industrial estate which contains a mix of small office, warehouse and workshop space. Cluster 22 is made up of a couple of small workshops; some of the units have recently been demolished and developed as flats. The buildings in C10 are in good condition, while C22 has a mix of good and poor quality premises. Both of the clusters are bordered by residences but have no 'bad neighbour' effects. 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.

Figure 4-6 Hoddesdon and Hertford Road Sub-Area



Source: AECOM

Town Centres

4.3.27 The three designated town centres are Waltham Cross (C11), Hoddesdon (C12) and Cheshunt (C13). Waltham Cross and Hoddesdon are the main retail centres in Broxbourne, while Cheshunt is a large district centre. The town centres are presented in Table 4-7.

Table 4-7: Town Centre Clusters

Cluster No.	Name	Designation	Employment/B-class Uses	Size (hectares)
C11	Waltham Cross Town Centre	Town Centre	B1a/b	13.3
C12	Hoddesdon Town centre	Town Centre	B1a/b, Sui-generis	17.4
C13	Cheshunt Town Centre	Town Centre	B1a/b, Sui-generis	5.6
Total				36.4

Source: AECOM

4.3.28 Waltham Cross Town Centre is located in the southern part of the borough on the border with Enfield. The cluster is flanked by the M25 to the south and the A121 and A1010 in the east. The main employment activities are B1a/b situated in small offices above retail premises and a Royal Mail sorting office; otherwise, retail, community and residential are the dominant land uses. The remaining office buildings in the cluster are mostly in average/poor condition and there was no noticeable good quality stock observed during the survey. Public transport access is direct via Waltham Cross bus station and there is designated parking. There is some vacancy within the remaining premises in the cluster and several recent office to residential PDR conversions have been undertaken.

4.3.29 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.

4.3.30 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 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.

Other Existing Employment Clusters

4.3.31 This part reviews employment clusters that have been designated as ‘other’ (C15, C24, and C27). These clusters are either not located within the other sub-areas or have unique characteristics. The clusters are shown in 4-8.

Table 4-8: Other Clusters

Cluster No.	Name	Designation	Employment/B-class Uses	Size (hectares)
C15	Fourways House, Ware Road	Employment Area / Development Area	B1a/b, B1c/B2	0.3
C24	Garage at 359 Ware Rd, Hoddesdon	Non-designated	Sui-generis	0.3
C27	Goffs Oak House	Employment Area	B1a/b	0.6
Total				1.2

Source: AECOM

4.3.32 Fourways House (C15) is located within the Hoddesdon and Hertford Road area. However, it has not been included within this area as the current employment premises are scheduled to be demolished and developed into a care home.⁴³ The cluster is currently vacant and is likely to remain so considering the planned development.

4.3.33 Garage at 359 Ware Rd, Hoddesdon (C24) is located in north Hoddesdon on the borough boundary with East Hertfordshire. The cluster borders residential property and there appear to be no ‘bad neighbour’ issues. The current employment use is sui-generis and the premises consist of some small workshops and open storage space. The buildings are in good condition and have dedicated parking. Public transport access is indirect and strategic road access is direct.

4.3.34 Goff’s Oak House (C27) is located in a village of the same name. The cluster is bordered by residential property and has direct access to the B156. It is occupied by small professional services firms including solicitors and accountants. The buildings in the cluster are in very good condition and are of historic nature. The cluster has dedicated parking and direct access to public transport. There are also well manicured gardens south of the main buildings where employees can enjoy recreation. The cluster functions well.

4.4 Quality of Existing Employment Clusters

Condition

4.4.1 To determine the condition of an employment cluster, clusters are rated on the condition of their buildings and environment. The condition of buildings and quality of the public realms in a cluster were separately rated as very good, good, poor or very poor.

⁴³ http://www.bmcare.co.uk/corporate/New_Homes/Hoddesdon,_Hertfordshire.html, accessed December 2015.

- 4.4.2 The following set of criteria used to designate the condition of buildings in a cluster:
- *Very good* – all of the characteristics of buildings in good condition are higher than typically expected.
 - *Good* – building in good conditions, small areas where paint might come off, etc., grounds in reasonable state.
 - *Poor* – paint coming off, some cracks, windows in poor state, surroundings are poorly kept.
 - *Very poor* – buildings are of a lower quality than what is expected of poor condition premises.
- 4.4.3 The following criteria were used to determine the condition of the environment inside a cluster:
- *Very good* – the public realm is in a better condition than an environment which is considered to be in a good state.
 - *Good* – the streets and public realm within and surrounding the business area are of good quality. Nothing in the local environment seems disturbing but it does not reach the 'very good' standard (some litter, street furniture shows signs of aging, etc.). There are no perceived safety issues.
 - *Average* - the streets and the public realm within and surrounding the cluster are of average quality. The environment in the cluster does not have enough negative characteristics to be rated as poor or enough positives to be rated as good (a limited number of potholes, some litter, aged and some damaged furniture etc.).
 - *Poor* – the streets and the public realm within and surrounding the cluster are of poor quality (some potholes, some litter, poorly maintained or damaged street furniture). There is not enough street lighting and some perceived safety issues. The business area might be polluted by some noise or air pollution from neighbouring uses and/or heavy street traffic.
 - *Very poor* – the public realm is in a worse condition than an environment which is classified as poor.
- 4.4.4 After rating the condition of the buildings and environment of each cluster, the two ratings were put into the matrix shown in Table 4-9.

Table 4-9: Employment Cluster Condition Matrix

Cluster Condition	Condition of Buildings	Condition of Environment
Good	50-100% Good/Very Good	Good/Very Good
Good	100% Good/Very Good	Average
Average	50-99% Good/Very Good or 50-99% Poor/Very Poor	Average
Average	50-100% Good/Very Good	Poor/Very Poor
Average	50-100% Poor/Very Poor	Good/Very Good
Poor	100% Poor/Very Poor	Average
Poor	100% Poor/Very Poor	Poor/Very Poor

Source: AECOM

- 4.4.5 If the majority of buildings in a cluster are in either good or poor condition, but the environment of the entire cluster is average quality, the cluster is considered to be in an overall average condition. The VolkerWessels Offices (C25) is the only cluster that is considered to be in very good condition. The relatively new, bespoke office development sets a high standard for such premises in the borough. The size of the site is 1.0 hectares and includes B1a/b uses.
- 4.4.6 Broadly industrial occupiers (involved in the manufacturing and/or distribution of goods) and office occupiers will place a different emphasis on the quality of premises or environment when choosing their location of business. Businesses operating out of office premises, by the nature of the activities they are involved with, may require relatively higher quality buildings and environments for their workers, whereas industrial may place a greater emphasis on other factors and require a building which is fit for purpose and/or is low cost. Lower cost industrial accommodation is often the most suitable for start-up, small or lower-value industrial uses or other industrial related businesses which are considered important to the local economy in Broxbourne. As such there is good justification for retaining such land / premises where there is evidence of demand, as is currently shown in Broxbourne where there is low vacancy and good rates of take-up.
- 4.4.7 The employment clusters that are in generally good condition are presented in Table 4-10. The clusters total 236.1ha representing, by area, 89.2% of Broxbourne's total land stock of existing employment land.

Table 4-10: Existing Employment Clusters in Good Condition

Cluster No.	Name	Employment/B-class Uses	Size (hectares)
C2	Park Plaza / Park Plaza North	B1c/B2, B8, C1	26.9
C4	Britannia Road and Lea Road Industrial Estate	B1c/B2, B8	30.7
C7	Delamare Road Industrial Estate North	B1c/B2, B8	4.2
C8	Hoddesdon Business Park	B1a/b, B1c/B2, B8, Sui-generis	124.9
C9	MSD Campus	B1a/b, B1c/B2	7.7
C10	Plumpton Road Industrial Estate	B1a/b, B1c/B2	3.4
C12	Hoddesdon Town centre	B1a/b, Sui-generis	17.4
C13	Cheshunt Town Centre	B1a/b, Sui-generis	5.6
C14	New River Trading Estate	B1c/B2, B8	2.2
C16	Waltham Cross High Street North - Roofing Site	B8	0.1
C17	Eleanor Trading Estate, Trust Road	B8, A1	0.6
C18	Bishops College	B1a/b	0.7
C19	HCC Recycling Centre	B1a/b, Sui-generis	1.3
C21	Medlock Electrical Distribution	B1c/B2, B8	1.3
C23	Coleman Brothers	B1c/B2, B8	1.3
C26	Maxwells Farm	B8	2.3
C27	Goffs Oak House	B1a/b	0.6
C28	Turnford Place - Marriot Hotel	B1a/b, C1	3.7
C29	Trust Road office blocks - Aro House/Wellington House	B1a/b, C3	0.2
Total			235.1

Source: AECOM

4.4.8 The largest clusters in good condition are Hoddesdon Business Park (C8), Britannia Road and Lea Road Industrial Estate (C4) and Park Plaza / Park Plaza North (C2). These three clusters combined make up 68.9% of the total land stock that is in good condition. The remainder of the clusters except from the MSD Campus (C9), Hoddesdon Town Centre (C12) and Cheshunt Town Centre (C13), amount to a maximum size of 4.2ha and a minimum of 0.2ha.

4.4.9 Table 4-11 shows that 7 of the 31 existing employment clusters surveyed are considered to be in average condition. The clusters total 27.4ha in size or 10.4% of total land stock of existing employment clusters.

Table 4-11: Existing Employment Clusters in Average Condition

Cluster No.	Name	Employment/B-class Uses	Size (hectares)
C3	Station Approach Ind / Monro Industrial Estate	B1c/B2, B8	3.6
C5	Fieldings Road	B1c/B2, B8	2.5
C6	Delamare Road Industrial Estate	B1a/b, B1c/B2, B8, Sui-generis	7.3
C11	Waltham Cross Town Centre	B1a/b	13.3
C15	Fourways House, Ware Road	B1a/b, B1c/B2	0.3
C24	Garage at 359 Ware Rd, Hoddesdon	Sui-generis	0.3
C31	Waltham Cross High Street North 2	Sui-generis	0.1
Total			27.4

Source: AECOM

4.4.10 Of the employment clusters considered to be of average condition Waltham Cross (C11) is the only town with this rating due to it having notably poorer quality buildings than the other two. The remaining average condition clusters consist of two in the Waltham Cross / Lea Road sub area (C3 and C31), the northern part of the Delamare Industrial Estate (C6), Fieldings Road (C5) Fourways House (C15) and Garage at 359 Ware Road (C24).

4.4.11 Four of the 31 clusters are considered as poor quality. They total 1.1ha in size or 0.4% of Broxbourne’s total employment land stock. These are presented in Table 4-12.

Table 4-12: Existing Employment Clusters in Poor Condition

Cluster No.	Name	Employment/B-class Uses	Size (hectares)
C1	Fieldings Road 2	B1c/B2, Sui-generis	0.5
C20	Haulage Contractors Yard, Bryanstone Rd	Sui-generis	0.2
C22	Salisbury Road	B1c/B2	0.3
C30	Station Approach / North London Sawmill	B1c/B2	0.2
Total			1.1

Source: AECOM

4.4.12 Overall, the land and premises and public realm quality assessment suggest that the majority of Broxbourne’s employment land is either in good or average condition and is fit for purpose.

4.5 Strategic Transport Access of Existing Employment Clusters

4.5.1 Strategic transport access refers to the quality of access a cluster has to either a ‘strategic road’ or public transport access points.

4.5.2 A highway in Broxbourne is considered as ‘strategic’ if it is part of the primary route network or classed as a main distributor route in the Hertfordshire Local Transport Plan 2011-2031⁴⁴. A cluster is considered as having direct strategic road access if it exits out onto a primary network or main distributor route.

4.5.3 Public transport access points are places where a public transport service can be directly accessed from such as a bus stop or rail station. A cluster is considered as having direct access to points if the cluster is located adjacent or in close proximity of a point.

Road Transport

4.5.4 Out of the 31 employment clusters surveyed, 27 have direct access to strategic roads. These are shown in Table 4-13.

⁴⁴ Hertfordshire County Council, (2011); Local Transport Plan 2011-2031.

Table 4-13: Existing Employment Clusters with Direct Strategic Road Access

Cluster No.	Name	Employment/B-class Uses	Size (hectares)
C2	Park Plaza East / North	B1c/B2, B8	26.9
C3	Station Approach Ind / Monro Industrial Estate	B1c/B2, B8	3.6
C4	Britannia Road and Lea Road Industrial Estate	B1c/B2, B8	30.7
C8	Hoddesdon Business Park	B1a/b, B1c/B2, B8	124.9
C11	Waltham Cross Town Centre	B1a/b, Sui-generis	13.3
C12	Hoddesdon Town centre	B1a/b, Sui-generis	17.4
C14	New River Trading Estate	B1c/B2, B8	2.2
C15	Fourways House, Ware Road	B1a/b, B1c/B2	0.3
C16	Waltham Cross High Street North - Roofing Site	B8, A1	0.1
C17	Eleanor Trading Estate, Trust Road	B8	0.6
C19	HCC Recycling Centre	B1a/b	1.3
C21	Medlock Electrical Distribution	B1c/B2, B8	1.3
C24	Garage at 359 Ware Rd, Hoddesdon	Sui-generis	0.3
C26	Maxwells Farm	B8, C1	2.3
C28	Turnford Place - Marriot Hotel	B1a/b	3.7
C29	Trust Road office blocks - Aro House/Wellington House	B1a/b, Sui-generis	0.2
C30	Station Approach / North London Sawmill	B1c/B2, Sui-generis	0.2
Total			229.3

Source: AECOM

4.5.5 The clusters with strategic road access total 229.3ha in size or 86.6% of employment land stock in Broxbourne. The clusters with direct access include the two largest in size, Hoddesdon Business Park (C8) and Britannia Road and Lea Road Industrial Estate (C4) each

of which feed directly onto one of three A Roads (A10, A121 and A1170) that run along the urban spine of the borough.

Public Transport

4.5.6 Of the 31 clusters surveyed, 17 have direct access to public transport. The 15 clusters total 89.7ha in area and make up 33.9% of the overall employment land supply in Broxbourne. Table 4-14 provides further details:

Table 4-14: Existing Employment Clusters with Direct Public Transport Access

Cluster No.	Name	Employment/B-class Uses	Size (hectares)
C3	Station Approach Ind / Monro Industrial Estate	B1c/B2, B8	3.6
C4	Britannia Road and Lea Road Industrial Estate	B1c/B2, B8	30.7
C6	Delamare Road Industrial Estate	B1a/b, B1c/B2, B8, Sui-generis	7.3
C7	Delamare Road Industrial Estate Tesco	B1c/B2, B8	4.2
C10	Plumpton Road Industrial Estate	B1a/b, B1c/B2	3.4
C11	Waltham Cross Town Centre	B1a/b	13.3
C12	Hoddesdon Town centre	B1a/b, Sui-generis	17.4
C13	Cheshunt Town Centre	B1a/b, Sui-generis	5.6
C15	Fourways House, Ware Road	B1a/b, B1c/B2	0.3
C16	Waltham Cross High Street North - Roofing Site	B8	0.1
C17	Eleanor Trading Estate, Trust Road	B8, A1	0.6
C18	Bishops College	B1a/b	0.7
C23	Coleman Brothers	B1c/B2, B8	1.3
C27	Goffs Oak House	B1a/b	0.6
C29	Trust Road office blocks - Aro House/Wellington House	B1a/b, C3	0.2
C30	Station Approach / North London Sawmill	B1c/B2	0.2
C31	Waltham Cross High Street North 2	Sui-generis	0.1
Total			89.6

Source: AECOM

4.5.7 Seven of the clusters (C3, C6, C7, C10, C17, C23, C29, C30 and C31) are located next or near to either Rye House, Cheshunt, Theobalds Grove or Waltham Cross rail station. The other eight clusters (C4, C11, C12, C13, C15, C16, C18 and C27) which have direct access to public transport are located next to or near a bus terminal such as Waltham Cross town centre bus station. Two of the three largest clusters, Hoddesdon Business Park (C8) and Park Plaza / Park Plaza North (C2) do not have direct public transport access.

4.6 Vacant Land and Vacant Floorspace in Existing Employment Clusters

Vacant Land

4.6.1 The site survey identified a number of vacant areas of land that lie within the existing employment clusters. This land consists of either vacant cleared sites or sites that are manifestly no longer fit for purpose. This excludes premises that are currently unoccupied but are still suitable for employment uses, and any land observed to be cleared for new development. Table 4-15 provides further details:

Table 4-15: Clusters with Vacant and Derelict Land Suitable for Development

Cluster No.	Name	Approximate Area of Vacant Land (hectares)	Cluster Size (hectares)	Description of Vacant Site
C2	Park Plaza/ Park Plaza North – northern part	9.9	26.9	The area of the cluster vacant consists of a field. The field is not currently used for any purpose and is partly overgrown with scrub.
C2	Park Plaza / Park Plaza North– southern part of site	0.9	26.9	The site is located on the News International Printworks Campus. The site consists of grass land and some areas of bare soil.
C8	Hoddesdon Business Park	6.6	124.9	Two sites on the east and west corners of the Business Park. Together the two sites total 6.6ha in size.
Total	-	16.5	151.8	-

Source: AECOM

4.6.2 The largest areas of vacant land are located on Park Plaza/Park Plaza North (C2). The two areas of vacant land in the cluster total 10.8ha in size with one located at the north and the other at the south of the cluster. The southern site is located within the grounds of the main print work, while the other is separate. At Hoddesdon Business Park (C8) there is vacant land on two sites at the eastern and western corners of clusters, which totals 6.6ha.

4.6.3 Except for these three clusters the rest of the employment land clusters are well used and do not contain any vacant land or land with derelict buildings which could be redeveloped. With regard to the two parcels of land in Park Plaza/Park Plaza North, the Council’s preference is for this land not to be used for B8 uses which is perhaps why the sites remain vacant. (The northern site is currently being marketed.) The vacant land in Hoddesdon is considered as a gateway for the existing Hoddesdon industrial premises. The Council intends for this land to

be used for business uses. Overall, this suggests a tight commercial market where demand is strong relative to supply.

Vacant Floorspace

4.6.4 Table 4-16 presents vacancy and availability rates and the going rent for offices and industrial floorspace in the sub-areas and town centres. Vacancy rates refer to the share of stock that is unoccupied. Availability rates refer to the share of stock that is both vacant or occupied but being actively marketed for a new tenancy due to the existing lease being close to expiry.

Table 4-16: Vacancy and Availability in Sub Areas and Town Centres

Sub Area / Town Centre	Offices			Industrial		
	Vac.	Avail.	Rent (£/m ²)	Vac.	Avail.	Rent (£/m ²)
Cheshunt	1.1%	72.2%	£188.30	1.1%	1.1%	-
Brookfield	0.0%	0.0%	£193.68	3.4%	21.6%	£79.84
Hoddesdon and Hertford Road	0.0%	0.0%	-	2.8%	3.7%	£96.41
Waltham Cross / Lea Road	5.1%	5.1%	£173.10	0.0%	2.0%	£80.16
Cheshunt Town Centre	0.0%	0.0%	-	-	-	-
Hoddesdon Town Centre	0.0%	6.3%	£137.84	-	-	-
Waltham Cross Town Centre	1.7%	1.7%	£131.81	-	-	-
Total	-	-	-	-	-	-

Source: Costar, 2016; AECOM

4.6.5 In terms of office space, the area with the highest vacancy rate is the Waltham Cross / Lea Road (5.1%) sub-area followed by Waltham Cross Town Centre (1.7%) and Cheshunt (1.1%). The other sub-areas and town centres do not have any vacant office space.

4.6.6 Availability rates are similar, except for Cheshunt where 72.2% of all offices are available. This is due to Tesco’s recent decision to move their UK headquarters out of Broxbourne and the premises becoming available. Some office space is also available in Hoddesdon town centre (6.3%).

4.6.7 The overall level of office vacancy suggests a tight office market, which is operating at a level close to or above an optimal vacancy level (typically considered to be about 5% for the office sector), and suggests the need for additional office floorspace.

4.6.8 Asking rents are reflective of the interplay between supply and demand conditions and the quality of space. The sub-areas with the highest office rents are Brookfield (£193.68 per m²), Cheshunt (£188.30 per m²) and Waltham Cross / Lea Road (£173.10 per m²). Offices in Waltham Cross town centre which are located directly next to the Waltham Cross / Lea Road

sub-area have the lowest rent at £131.81 per m². The high rent for office space in Brookfield is likely to be due to the good quality office space within Cluster 28.

4.6.9 The sub-area with the highest industrial vacancy rate is Brookfield (3.4%), followed by Hoddesdon and Hertford Road (2.8%) and Cheshunt (1.1%). There is no vacant floorspace in Waltham Cross / Lea Road. Brookfield has the highest industrial availability rate (21.6%) followed again by Hoddesdon and Hertford Road (3.7%), Waltham Cross / Lea Road (2.0%) and Cheshunt (1.1%). .

4.6.10 The highest industrial rent is in the Hoddesdon and Hertford Road sub-area (£96.41 per m²). This is the borough’s premier industrial cluster which has benefited from large scale inward investment in the last decade. The Waltham Cross / Lea Road and Brookfield sub-areas both have similar industrial rental levels (£80.16 per m² and £79.84 per m² respectively). Waltham Cross/Lea Road’s proximity to the M25 ensures that demand in the area will remain strong. However because it lacks direct access to the M25 and there is only limited capacity to accommodate the large, modern distribution facilities observed in Hoddesdon means that rental levels are not as high.

4.7 Prospects for Intensification in Existing Employment Clusters

4.7.1 Based on the findings of the field survey and characteristics assessment above we have identified employment areas/clusters which have opportunity for intensification. Table 4-17 provides further details:

Table 4-17: Existing Employment Clusters with Prospects for Development

Cluster No.	Name	Area of Land with Opportunity for Development (hectares)	Cluster Size (hectares)	Description of Opportunity
C2	Park Plaza/ Park Plaza North	10.8	26.9	Two large vacant sites in prime location at 'gateway' to borough
C8	Hoddesdon Business Park	5.1	124.9	There is 5.1ha of vacant land on the eastern side of Hoddesdon Business Park. The area is unused and contains woodland with a number of clearings.
C12	Hoddesdon Town Centre	0.6	17.4	There are vacant offices adjacent to the Royal Mail Sorting Offices. Additionally, the Citroen dealer at the south of the Town Centre is low density, so employment uses on it could be intensified.
C21	Medlock Electrical Distribution	0.1	1.3	The vacant land is occupied by a small number of vacant poor quality garages/business units which could be redeveloped to support SMEs. However, it is also identified for housing in the most recent Strategic Housing Land Availability Assessment.
Total	-	16.7	170.5	-

Source: AECOM

4.8 Employment Land Options

4.8.1 There are five sites which we have called ‘employment land options’. These sites are not currently designated for employment use but may present significant opportunities for development including space for employment uses in the future. These sites were identified through discussions with the Council and are either included in the emerging Local Plan or the recent Strategic Land Availability Assessment.

4.8.2 In total the five sites measure 81.0ha. The five sites can be found in the corresponding sub-area maps in the earlier part of this section (Figure 4-1). The five sites can be identified in these maps by their light blue colour.

Table 4-18: Employment Land Options: Potential Sites

Cluster No.	Name	Current Designation	Sub-Area	Size (ha)
C32	TwentyFive25	Not designated	Park Plaza	36.4
C33	Brookfield	Not designated	Brookfield	17.5
C34	Rush Meadow	Not designated	Park Plaza	2.7
C35	Land west of TwentyFive25 (Tesco Sports Ground)	Not designated	Park Plaza	5.2
C36	Land west of Maxwells Farm (C26)	Not designated	Park Plaza	19.2
Total				81.0

Source: AECOM

4.8.3 Given the Council’s aspirations for economic growth that is communicated through Ambition Broxbourne, and in the context of a constraint of available developable land as indicated in Table 4-17, these sites could play a critical role in accommodating economic growth and attracting inward investment.

4.8.4 A brief review of each of these clusters is set out below.

4.8.5 It is important to note that these five sites are located in the green belt.

TwentyFive25

4.8.6 TwentyFive25 (C32) is a large site measuring 36.4ha comprising agricultural land and farm buildings, with some unused land within the southern end of the cluster. The site is located in the Park Plaza sub-area.

4.8.7 The site has a prominent location that fronts onto the M25 and is situated just north of Junction 25. As such it is a gateway site and could be considered a prime location for a headquarters location or high quality business park. The site’s scale lends itself to the creation of a critical mass of high quality employment provision.

- 4.8.8 The site is adjacent to another of the Council's employment land options (Land West of TwentyFive25, C35). Given the scale, locational advantages and prominence of the TwentyFive25 site it would be more favourable to bring forward this site prior to any development of the land west of TwentyFive25 (C35).
- 4.8.9 There are several economic sectors for which TwentyFive25 could be particularly attractive. This includes life sciences; the site sits within the corridor from London to Cambridge which has a high concentration of life sciences firms and activities. The suitability of the Park Plaza sub-area to accommodate life sciences is set out in the LSCC Growth Spaces for Life Sciences: Land, Floorspace and Facilities (2015).
- 4.8.10 More broadly, the potential for this site to play a major role in supporting economic growth in Broxbourne and the wider area has been identified in a number of documents including sub-regional documents such as the Hertfordshire LEP Strategic Economic Plan (SEP) (2014) and the LSCC An Agenda for Jobs, Growth and Improved Liveability (2014); and Council planning documents. Broxbourne's Local Plan: Vision, Objectives, Growth Targets and Key Allocations (2015) identify TwentyFive25 as having the potential to yield at least 60,000m² of offices in a high quality business campus. Broxbourne Borough Council Employment Opportunity Report (2010) also identifies this site as having the potential to develop a business park of regional and national importance.
- 4.8.11 A separate study which assessed the suitability of 60 sites north of the M25 suitable for development of a high quality business park identified TwentyFive25 as one of only three sites which were considered to be most suitable.⁴⁵
- 4.8.12 The site's owner has developed a masterplan which illustrates a potential layout for a high quality, large scale business park able to cater for headquarter companies. This is shown in Figure 4-7.
- 4.8.13 Despite its prominent location, the site currently has limited access. This is a reflection of its current usage and designation - as land within the green belt. Currently there is difficulty in accessing from the A10 and road access to the site is limited to the farm buildings. The site currently has a lack of public transport servicing it and access by foot and bicycle is restricted. However, any redevelopment of this site would be expected to deliver significant improvements in infrastructure to enable good access.

⁴⁵ NLP, 2016; 'Park Plaza West: Assessment of Alternative Sites'.

Figure 4-7: TwentyFive25 Masterplan



Source: Broxbourne Borough Council

Brookfield

- 4.8.14 Brookfield (C33) is located east of the A10 and consists of agricultural land and woods. The site measures 17.5ha and appears in the Brookfield sub-area.
- 4.8.15 The New River runs along the southern border of the cluster. Brookfield can be accessed directly off a junction on the A10 which is a key strategic road in the borough and connects Broxbourne to north London boroughs. The entrance to the area is currently blocked so the vehicular access is not possible at this time. To develop the cluster, access from the junction is likely to require restoration and improvement to handle higher traffic volumes.
- 4.8.16 The site sits both north and west of existing employment clusters in the Brookfield sub-area and the intention is for the site to accommodate a considerable level of employment land as well as new homes.
- 4.8.17 The Council has developed a masterplan for the site which includes new Council offices and additional office premises on the eastern part of the site, closest to the A10. The masterplan also includes a large quantum of residential development, accompanying amenities and infrastructure. An image of the masterplan is provided in the figure below.
- 4.8.18 The site could provide a sustainable location for development. It is located at the heart of the borough, has more potential for alternative modes of transport to the car, and would allow co-location with other uses.

Figure 4-8: Brookfield Masterplan



Source: Broxbourne Borough Council

Rush Meadow

- 4.8.19 Rush Meadow (C34) is an irregularly shaped site of 2.7ha that is currently used for agricultural purposes and was considered as part of the Council's Strategic Land Availability Assessment. The site is located within the wider Park Plaza sub-area. It is classified as very good quality agricultural land. The site is bordered by roads to the south and east and by agricultural land to the north. There are no known contamination issues. The site lies adjacent to Land West of Maxwells Farm and could therefore be part of a larger tract of land for redevelopment.
- 4.8.20 Since the site is situated at a junction with the A10 its development would impact this strategic road. The particular impact on the road system would depend upon whether the site is developed for commercial or residential use. A new wider access could be provided from the A10 but the impacts on junctions need to be considered and this could be contrary to the County Council's policy.
- 4.8.21 An outline masterplan has been developed for a high quality landmark office scheme.

Land West of Maxwells Farm

- 4.8.22 The Land West of Maxwells Farm (C36) measures 19.2ha. It abuts the existing employment cluster C26 and is used primarily for agricultural purposes. As agricultural land it is classified from moderate to very good quality. There are no known contamination issues and the site is flat and low-lying.
- 4.8.23 In February 2013 two commercial units were consented for two commercial units for office and storage. They have not been built.
- 4.8.24 The site is located in the green belt so the Council would need to consider the implications of formally designating it as employment land.
- 4.8.25 Access to the site is currently from the A10 but a separate access could be provided from the B198 on the site's southern border. This would be subject to level changes at the New River. A new major junction from the A10 would be contrary to the County Council's policy in terms of no additional junctions along the Great Cambridge Road. Furthermore major development at this site would have a detrimental impact on the Southern A10 Corridor highway network which already suffers from congestion and long waiting times at peak periods. This would be worsened if further development was brought forward at TwentyFive25 and Albury Farm.
- 4.8.26 The promoter of the site suggests that there are practical highway solutions to provide access to the site with a signalised junction or left-in, left-out priority junctions.

Land West of TwentyFive25 (Tesco Sports Ground)

- 4.8.27 The Land West of TwentyFive25 (C35) measures 5.2ha and is primary greenfield land with a small amount of brownfield. It is also within the green belt and greenfield land as well as the New River. The site is located in the Park Plaza sub-area.
- 4.8.28 As agricultural land, the site is classified as grade 3 which is good to moderate quality. It sits 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).
- 4.8.29 Our initial view is that its development would encroach on large areas of green belt and potentially lead to sprawl as it may be difficult to define a defensible boundary to the west.

4.8.30 Any significant commercial development would require considerable access improvements. It would appear that the development of TwentyFive25 should be realised prior to the development of this site. This is because C35 is less prominent, smaller, and access to the site is comparatively complex.

4.8.31 Redevelopment of existing sports and social club to provide a training academy with ancillary overnight accommodation and associated parking facilities was granted consent in July 2010. However, the site has also been promoted by the landowner for office, hotel and leisure uses.

Evaluation of Employment Land Options

4.8.32 The table below provides a high-level assessment of the five employment land options based on three key characteristics.

4.8.33 In the table below, ‘Location’ refers to the site’s spatial context including its prominence, proximity to important borough features (such as existing employment clusters or town centres) and the site’s relative marketability. ‘Access’ refers to the site’s connectivity to the strategic road network and to public transport. ‘Scale’ refers to the site’s capacity to meaningfully contribute towards the stock of the Council’s employment provision. ‘Overall suitability’ provides an overall assessment.

4.8.34 Each site in the table is given between one and three ticks. Those sites which receive three checks are considered the most suitable in supporting employment land and premises.

Table 4-19: Assessment of Employment Land Options

Cluster No.	Name	Location	Access	Scale	Overall Suitability
C32	TwentyFive25	✓✓✓	✓✓	✓✓✓	✓✓✓
C33	Brookfield	✓✓✓	✓✓✓	✓✓✓	✓✓✓
C36	Land west of Maxwells Farm (C26)	✓✓	✓✓	✓✓✓	✓✓
C34	Rush Meadow	✓✓	✓✓	✓	✓✓
C35	Land west of TwentyFive25 (Tesco Sports Ground)	✓	✓	✓✓	✓

4.8.35 From this high level assessment, TwentyFive25 and Brookfield rank as the best employment land options in terms of overall suitability.

4.9 Summary

4.9.1 A qualitative survey of employment land in Broxbourne was produced from field visits to 31 existing employment clusters and supporting desk-based analysis, including consultations with property market agents and GIS mapping. In addition 5 green belt sites were assessed for their suitability to accommodate large scale inward investment.

Clusters of Existing Employment Use

- 4.9.2 The assessment of the existing employment sites was carried out against site appraisal criteria set by AECOM and subsequently agreed with the Council. A comparative analysis of the quality and characteristics of the existing employment was undertaken on the basis of where the clusters are located within Broxbourne and the quantity of land within cluster boundaries.
- 4.9.3 The two main reservoirs of existing employment premises in Broxbourne are Hoddesdon Business Park (C8) and Britannia Road and Lea Road Industrial Estate (C4). These clusters, along with their corresponding town centres, make Hoddesdon and Hertford Road and Waltham Cross / Lea Road the borough's most important employment sub-areas. Hoddesdon and Hertford Road is also home to the primary concentration of life sciences and high technology businesses with companies such as MSD, Cortland and ADC Bioscientific located there.
- 4.9.4 Most sites were considered to be fit for their purpose of supporting business activities which require B-use class land and premises. Some of these clusters are considered poor quality. This is not to say that they are not suitable for ongoing use. Lower cost industrial accommodation is often the most suitable for start-up, small or lower-value industrial uses or other industrial related businesses which are considered important to the local economy in Broxbourne. As such there is good justification for retaining such land / premises where there is evidence of demand, as is currently shown in Broxbourne where there is low vacancy and good rates of take-up. However, if over time the market indicates that there is little demand for lower quality sites then there will need to be investment to refurbish premises and to attract demand. In sum, for 20 of the 31 existing employment clusters the combined quality of premises and public realm is either good or very good. For nine sites, the combined quality of premises and public realm is considered to be average. Only four small clusters are in poor condition (C20, C22, C30 and C32).
- 4.9.5 Although there is some vacancy / availability in some of the clusters, most are fully occupied. Direct strategic road access is available to 21 of the clusters. The largest set of clusters without strategic road access is in Cheshunt around Delamare Estate (C1, C5, C6, C7, and C23). Direct public transport access is available for 15 of the 31 clusters.

Employment Land Options

- 4.9.6 Five sites with the potential to support employment land were assessed. In total they measure 81.0ha, and therefore could add significantly to the total stock of employment land in the borough.
- 4.9.7 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.
- 4.9.8 Based on the analysis in Table 4-19: Assessment of Employment Land Options, TwentyFive25 (C32) and Brookfield (C33) are considered as the most suitable sites to be designated for employment land.

5 COMMERCIAL PROPERTY MARKET

5.1 Introduction

5.1.1 This section examines Broxbourne's commercial property market within the context of its wider functional economic market area (FEMA) and its performance over recent years.

5.1.2 Findings are based on analysis of the property market using CoStar and VOA data, and qualitative information from consultation with local property market agents working within the office and industrial property market. Consultation with agents focussed on the attractiveness of Broxbourne and the wider FEMA to business, the potential for growth and constraints to realising growth. We consulted:

- Cushman Wakefield
- Brasier Freeth
- Paul Wallace Commercial
- Derrick Wade Waters
- London Stanstead Cambridge Consortium
- South West Hertfordshire Consortium
- Hertfordshire LEP
- VolkerWessels; and
- Nathaniel Litchfield and Partners.

5.1.3 Wherever possible we have sought a view from agents on how the market could perform in the future were constraints to development removed.

5.1.4 The section considers the appropriate FEMA geographies for offices and industrial commercial property markets; provides analysis of key property market indicators to illustrate how the market has and is currently functioning; and then draws conclusions about the performance of the office and industrial markets.

5.2 The Functional Economic Market Area

5.2.1 The FEMA is defined by a range of characteristics which shape the local economy and decisions by business of where to locate. The FEMA will often be relatively cohesive with regard to labour market structure; access to market areas and suppliers; rental values; and size and grade of stock. Proximity to a suitably skilled labour force, transport links, customers, client and markets, and sites and premises availability are all key factors which shape decisions of where a business may locate.

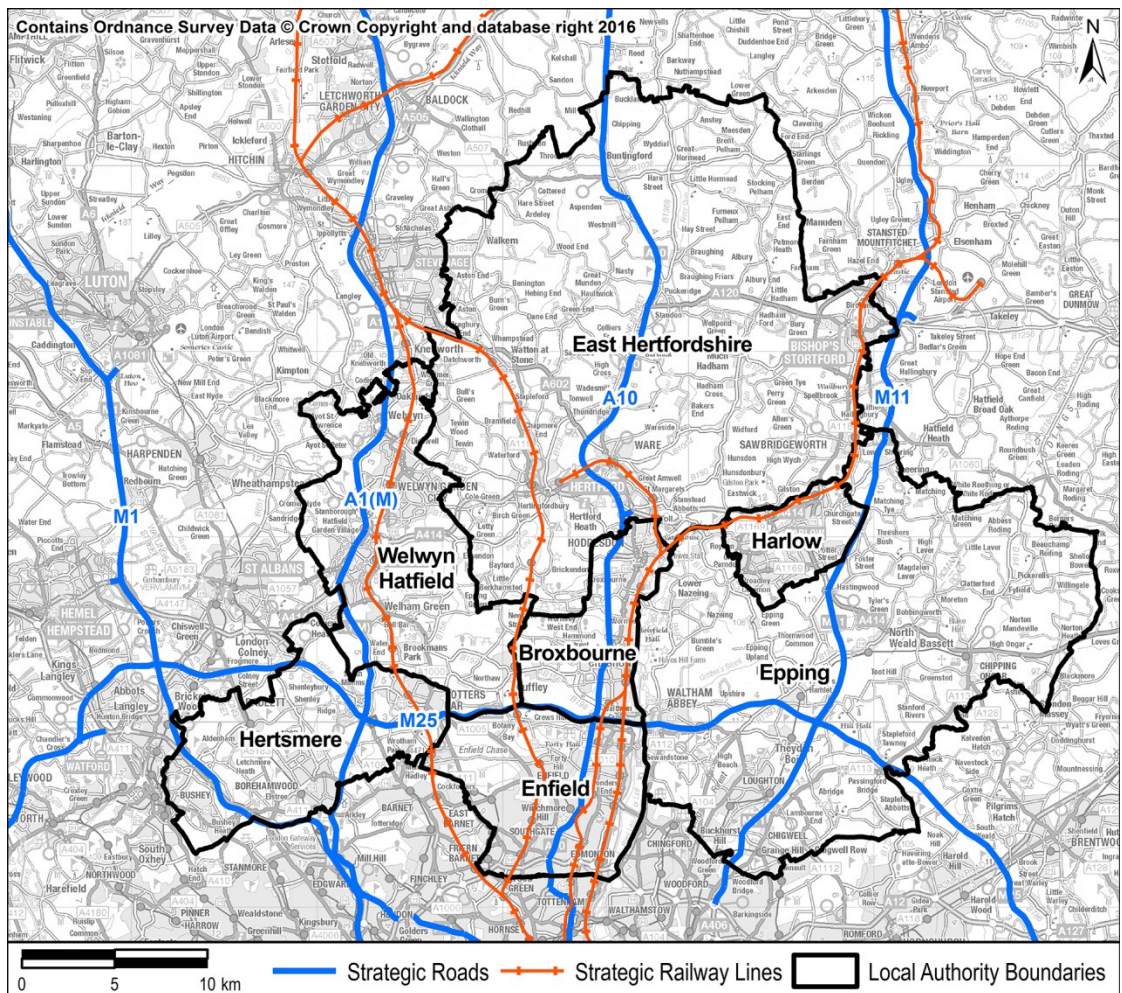
5.2.2 Our definition of the FEMA has been checked against employment land reviews published by authorities neighbouring Broxbourne to ensure a consistent perspective on the FEMA has been applied.

5.2.3 Our research suggests Broxbourne's FEMA for offices, as well as manufacturing and warehousing uses consists of:

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

5.2.4 The FEMA is shaped by the four strategic roads that run north-south through the area: the M1, A1(M), A10 and M11 as well as the M25 which runs east-west through its southern part . The map in Figure 5-1 shows the strategic road network. Stansted Airport and Cambridge are located north along the M11 corridor.

Figure 5-1: Map of the FEMA with Strategic Road and Rail Network



Source: AECOM

5.3 The Office Market

Existing Stock and Change in Stock

- 5.3.1 The office market incorporates areas which are highly urban in Greater London, as well as rural locations in Hertfordshire. To the south of Broxbourne, the Enfield office market is characterised by development patterns and higher densities associated with outer London locations. On the other hand, much of Hertfordshire is characterised by development patterns found in Welwyn Garden City, Hertford and Ware. The office stock in these areas is typically located in the town centres or in business parks on the edge of the urbanised area.
- 5.3.2 Within the FEMA, Welwyn Hatfield has the largest and most developed office market; about four times the size of Broxbourne’s market. Enfield and Hertsmere also have significant amounts of office space.
- 5.3.3 Amongst the local authority areas in the FEMA, Broxbourne has a relatively small office sector with approximately 76,000m² or 6.4% of all office stock in the FEMA (see Table 5-1)

Table 5-1: FEMA Office Floorspace

Location	Office Floorspace (m ²)	% of overall stock
Broxbourne	76,000	6.4%
East Hertfordshire	178,000	14.9%
Enfield	202,000	17.0%
Epping Forest	111,000	9.3%
Harlow	109,000	9.2%
Hertsmere	195,000	16.4%
Welwyn Hatfield	320,000	26.9%
FEMA	1,191,100	100.0%

Source: VOA Experimental Data (2012)

- 5.3.4 Office provision in Broxbourne is generally located in three types of locations: within industrial clusters; on the periphery of town centres; and in office parks. Much of the borough’s office stock is located in industrial employment clusters: C4, C7, and C8. There is also a small quantum of offices on the periphery of the borough’s main town centres of Waltham Cross, Cheshunt and Hoddesdon. While most of the office stock in the town centres has already or is in the process of being converted to residential due to permitted development rights, some limited stock remains. There are also two moderately sized out-of-town office parks completed in the past decade and built for specific occupiers. These are both on Hertford Road in the north of the borough.
- 5.3.5 Much of the borough’s office stock is located in its industrial areas and linked to industrial activities. They appear to play a vital role within their respective clusters. Offices that are in town centre locations tend to be smaller premises that are mostly multi-tenanted. They tend to be occupied by SME’s who service the local market. As stated above, there has been some relatively recent out-of-town development on Hertford Road in Hoddesdon. These are the

MSD Campus (C9) and VolkerWessels Offices (C25). They were built-to-suit to a high specification to meet the requirements of their occupants.

- 5.3.6 The stock of office floorspace has not changed significantly between years 2000 and 2012 (it declined by 2,000m²). During the same period, floorspace in the FEMA grew by about 7.7% or about 85,000m². While there has been some office development in recent years, the high-level data suggests that Broxbourne ability to attract office occupiers has been held back by the lack of land to develop new high quality office premises that occupants seek.
- 5.3.7 There is further evidence of a space constrained office market as set out in the analysis of vacancy rates below.

Vacancy and Net Absorption

- 5.3.8 CoStar records vacancy in terms of space which is unoccupied and marketed Table 5-2 shows that the amount of vacant office floorspace in the FEMA is 5.1% of total stock. Broxbourne’s vacancy rate is just 3.5% of total stock. This rate of vacancy is generally considered to be lower than the optimal level of vacancy to allow efficient market operation – a market with a 5% to 8% of stock vacant allows businesses to move to and from premises as they grow or contract.
- 5.3.9 Vacant space in the market is located in just four buildings. Moreover vacancy has dropped due to permitted development rights which continue to provide a threat to the ongoing provision of local office floorspace. Since 2013, the Council has received 29 prior notification applications for conversion of B1(a) to C3.

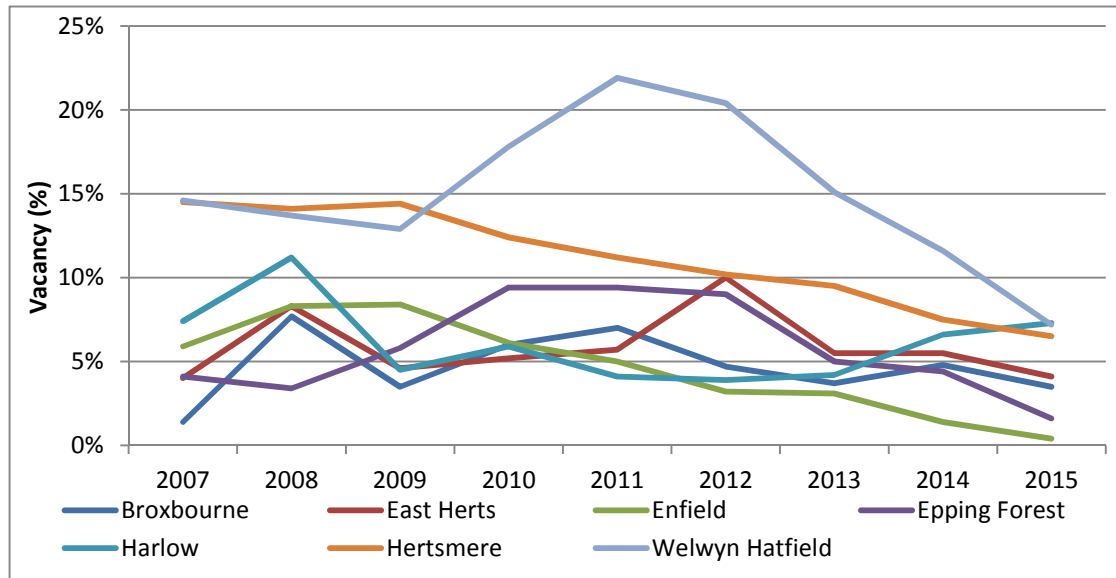
Table 5-2: Vacancy and Availability of Office Premises

Location	Vacancy (%)	Vacancy (m ²)	Availability (%)	Availability (m ²)
Broxbourne	3.5%	2,725	21.3%	16,944
East Hertfordshire	4.1%	5,940	6.1%	8,869
Enfield	0.4%	941	1.3%	2,803
Epping Forest	1.6%	1,447	4.3%	3,899
Harlow	7.3%	11,900	11.4%	18,574
Hertsmere	6.5%	17,580	9.3%	25,101
Welwyn Hatfield	8.0%	23,019	8.9%	25,620
FEMA	5.1%	63,552	8.1%	101,809

Source: CoStar; AECOM analysis

- 5.3.10 Vacancy rates in the FEMA have declined in recent years. The graph below shows that with the exception of Harlow, all areas within the FEMA have vacancy rates that are at the lowest level since 2008. This is likely to be the result of the recovery in the national economy from which the FEMA has benefitted.

Figure 5-2: Historic Vacancy Rates by Local Authority Area

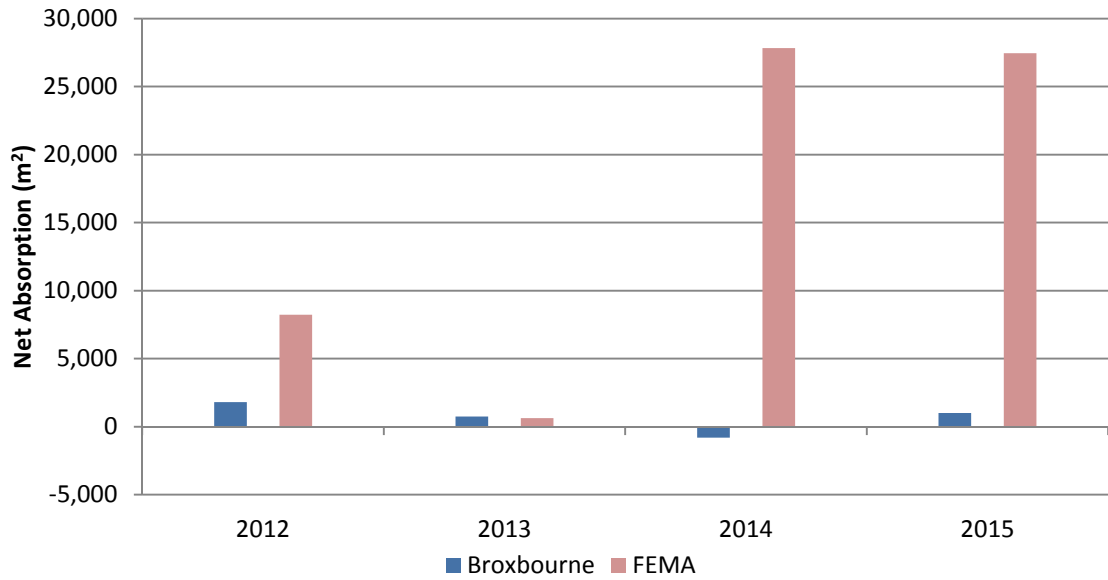


Source: CoStar; AECOM analysis

5.3.11 Across the FEMA the availability rate is 8.1% of total stock. Available space is space which is either vacant or occupied and available for re-let. Available space gives an indication of future vacancy. The bigger the gap between the vacancy rate and availability rate indicates that there may be a future risk of higher levels of vacancy. This is particularly apt for Broxbourne, which has seen a sudden change in the office market's availability rate. In the 2nd quarter of 2015 Broxbourne's availability rate increased from 5.0% to 21.4% as the result of 13,000m² of space previously occupied by Tesco coming onto the market. Tesco announced earlier this year that it would close its Cheshunt headquarters offices and move all remaining office employees to existing premises in Welwyn Garden City. The current lack of suitable land to provide grade A quality floorspace able to support headquarter businesses within Broxbourne highlights the inability of the borough to retain and attract large businesses which would want to locate there given the strong locational advantages afforded by its transport links and proximity to the London / Hertfordshire labour market.

5.3.12 Net absorption is the change in the overall quantum of occupied floorspace. Positive annual net absorption means that a greater amount of space is occupied from one year to the next. When vacancy rates decline it is an indication of the level of occupancy as a proportion of stock. However in office markets where existing overall stock may be in decline, due for example to conversion of offices to residential use, net absorption provides another perspective on the level of demand. The graph below portrays net absorption in the FEMA.

Figure 5-3: Historic Net Absorption, Office Floorspace



Source: CoStar; AECOM analysis

5.3.13 Net absorption across the FEMA has been positive for the past two years. During 2014 and 2015 the level of occupied office space in the FEMA has increased by approximately 53,300m². The amount of space absorbed in those two years is the equivalent of 4.4% of total stock. Approximately 68% of the increase in occupancy has been in Welwyn Hatfield.

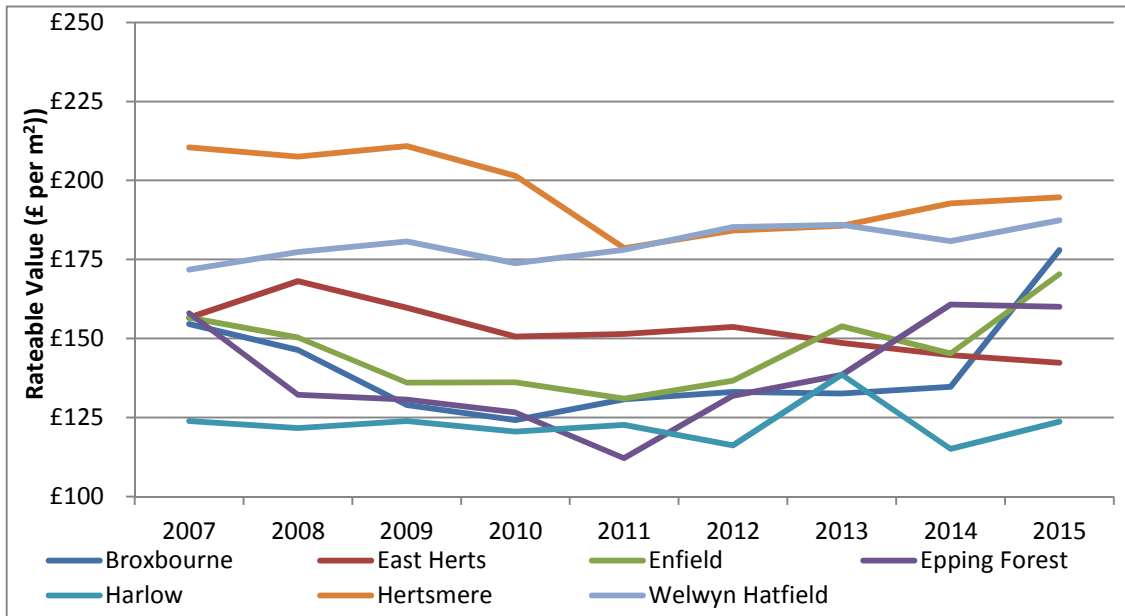
5.3.14 Outside of Welwyn Hatfield, changes in occupancy levels have been more muted. Broxbourne has seen the amount of occupied office space increase by about 2,800m² over the past four years. With the exception of Harlow (which has demonstrated considerable negative net absorption in recent years) Broxbourne has demonstrated the lowest level of absorption in the FEMA. In the main, agents felt that the low level of net absorption was associated with the lack of supply of attractive, high quality offices that would appeal to potential occupiers. Agents felt that the existence of well-located, modern offices would help to attract potential office tenants to the area. This view again points to the potential Broxbourne has in stepping up its economic growth, at rates over and above historic trends, were new sites and land to come forward to allow high quality office development.

Rents

5.3.15 The average asking rent for office floorspace in the FEMA are £170 per m² and Broxbourne £178 per m². Asking rents for available space in Broxbourne are predominately reflective of two buildings owned by Tesco. Prior to the Tesco space coming onto the market, asking rents in the borough were between £135 and £155 per m². These rates compare very favourably with the average across London where rents are in the region of £275 per m² and in central boroughs such as Westminster and the City of London are typically around £500 to £600 per m². This highlights the competitive rates offered and the potential the area has to attract London businesses looking for a more cost competitive location.

5.3.16 Rental levels have risen in some of the local authority areas over the past several years, particularly in Broxbourne relative to other areas of the FEMA and agents view on asking rents as being moderately positive across the FEMA but strong in Broxbourne. The table below shows the historic performance of average asking rents in the different local authority areas.

Figure 5-4: Asking Rents for Office Floorspace (£/m²) by Local Authority Area in FEMA



Source: CoStar; AECOM analysis

5.3.17 Consistent with property market agents, rents in the eastern part of the FEMA (consisting of Broxbourne and Harlow) have tended to be below other areas in the FEMA. The table below shows current asking rents in the FEMA.

Table 5-3: Asking Rents for Office Floorspace in the FEMA

Location	£ per m ²	£ per ft ²
Broxbourne	177.93	16.53
East Hertfordshire	142.30	13.22
Enfield	170.39	15.83
Epping Forest	160.06	14.87
Harlow	123.68	11.49
Hertsmere	194.72	18.09
Welwyn Hatfield	187.40	17.41
FEMA	170.02	15.80

Source: CoStar; AECOM analysis

5.3.18 Property agents indicated that rental levels for local offices floorspace are considered to be relatively low, which may limit speculative development. New development is likely to require pre-commitments from tenants to be built for identified occupiers. Discussions suggest that rental levels need to be higher than their current level to incentivise new construction. However, these rental levels reflect the current stock available which comprises, in the main, a local office market supporting local businesses with customers and clients located within the sub-region/region.

- 5.3.19 Given Broxbourne's locational advantages, in particular the proximity to London and the LSCC economy and labour market, the potential to attract significant inward investment by businesses seeking office space on the periphery of London or within the wider LSCC corridor is not reflected in property market data. For example, were new land in the right locations within the borough to become available for office or R&D development, then demand would be expected to be considerably stronger.

Office Market Summary

- 5.3.20 The amount of office stock in Broxbourne is comparatively small and there has been little new stock being developed. Through the office market survey it was observed that a number of office blocks have been or are in the midst of being converted for residential use.
- 5.3.21 Discussions with agents confirm that Broxbourne is not currently considered a prime office location. The eastern part of the FEMA (which consists of Broxbourne and Harlow) has historically attracted less interest from occupiers than markets in the western part. This is reflected in relatively low levels of net absorption and rental levels that are below the average in the FEMA.
- 5.3.22 Given the limited stock of high quality offices, it is currently a challenge for Broxbourne to ensure that office occupiers consider the area for potential relocation. There could be a case to be made that Broxbourne would benefit from making new development land available that will enable it to offer a high quality, modern environment which firms increasingly require. This premise is tested later in the study.
- 5.3.23 It is noteworthy that there have been several new stand-alone office developments in Broxbourne such as MSD Campus (C9) and VolkerWessels Offices (C25). This indicates that it does have the capacity to provide an attractive business setting for some occupiers.

5.4 The Industrial Market

- 5.4.1 The FEMA's industrial market is diverse and extensive. Much like the office market, the industrial corridors relate to the strategic road network, which provide excellent access to key markets across Greater London and markets to the north. The M25 also plays a critical role as a strategic route for the regional, national and international movement of goods (via south coast ports for example, in particular Channel Ports which cater for 67% of all goods vehicles crossing to Europe)⁴⁶. Products shipped to the Thames estuary as well as the ports of Felixstowe and Harwich typically move along the North M25. The M25 also provides firms located in the FEMA with strategic access to Greater London.
- 5.4.2 In addition to the FEMA's warehouse / distribution sector, the area has been historically linked to manufacturing and other industrial activities. The Lea Valley has been an important trade and manufacturing corridor for centuries. From East London through Enfield and further north, the Lea Valley continues to play a prominent role as a manufacturing base although the region has steadily transitioned away from traditional manufacturing.
- 5.4.3 Broxbourne plays an important and prominent role in the FEMA's industrial market. It accommodates a significant manufacturing sector although in recent years newly developed stock is associated with warehouse / distribution activity. The borough's two key industrial

⁴⁶ Department for Transport (2015) Statistical Release: Road goods vehicles travelling to mainland Europe: October to December 2014 (quarter 4)

clusters are in Waltham Cross just north of the M25 and then further north in Hoddesdon. There is another important cluster in Cheshunt. The table below shows that Broxbourne’s industrial stock comprises 14.1% of the stock in the FEMA.

Table 5-4: FEMA Industrial Floorspace

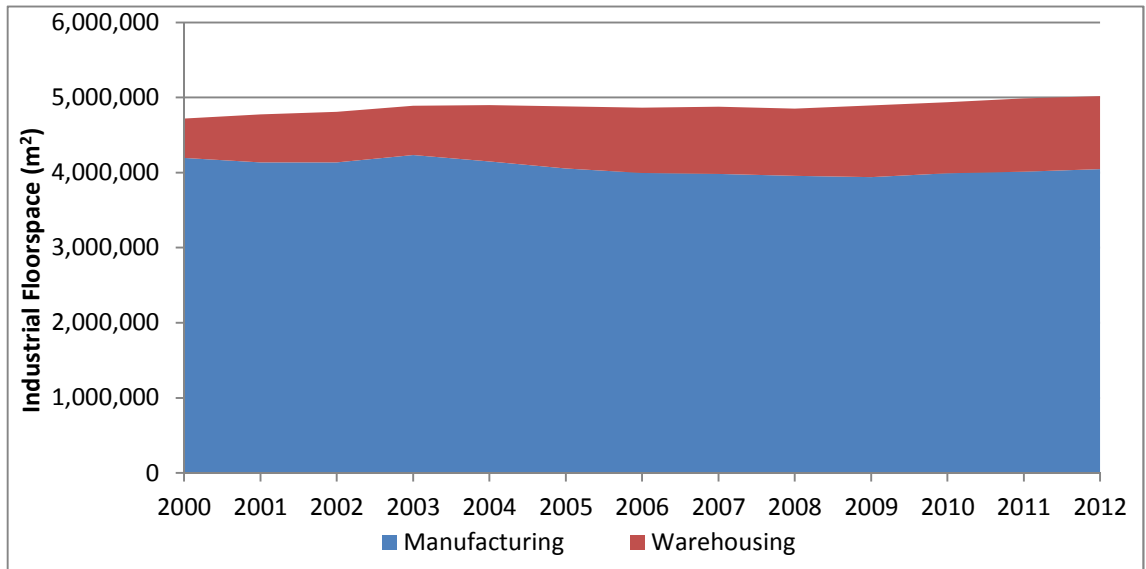
Location	Industrial Floorspace (m ²)	% of overall stock in FEMA
Broxbourne	637,000	12.7%
East Hertfordshire	667,000	13.3%
Enfield	1,264,000	25.2%
Epping Forest	498,000	9.9%
Harlow	845,000	16.8%
Hertsmere	433,000	8.6%
Welwyn Hatfield	674,000	13.4%
FEMA	5,018,000	100.0%

Source: VOA Experimental Data (2012); AECOM analysis

Existing Stock and Change in Stock

- 5.4.4 Between 2000 and 2012 (the most recent data provided by the VOA on floorspace), industrial floorspace in the FEMA grew by 296,000m², or 6.3%. During this same period the stock of Broxbourne industrial floorspace increased by 185,000m² or 40.9%. Broxbourne growth therefore represented over 62% of the increase in stock across the FEMA – an illustration of the prime importance of the borough’s location on the strategic transport corridors offering access to end markets and business supply chains. This trend has continued post 2012 to present.
- 5.4.5 However, there have been variations within the industrial uses whilst the amount of warehousing floorspace has increased steadily across the FEMA, manufacturing floorspace has broadly remained level (a minor contraction in fact). The next figure shows the change in industrial stock over time.
- 5.4.6 It is noteworthy that industrial stock has been lost from Enfield. As a London borough, it is experiencing pressure for residential development, often at the expense of a loss of industrial land. AECOM’s regional analysis of industrial land release in Greater London and the South East has identified dynamics in industrial land change between London boroughs and the adjacent property market areas outside of London. In areas of London where there have been higher levels of industrial land release, the release of industrial land in adjacent areas has been lower. Given Broxbourne’s location due north of Enfield, it may be the case that the robust growth in industrial floorspace in Broxbourne is a result of demand from those firms being pushed out of Enfield due to development pressure and higher occupancy costs.

Figure 5-5: Industrial Floorspace (m²) in the FEMA Between 2000 and 2012

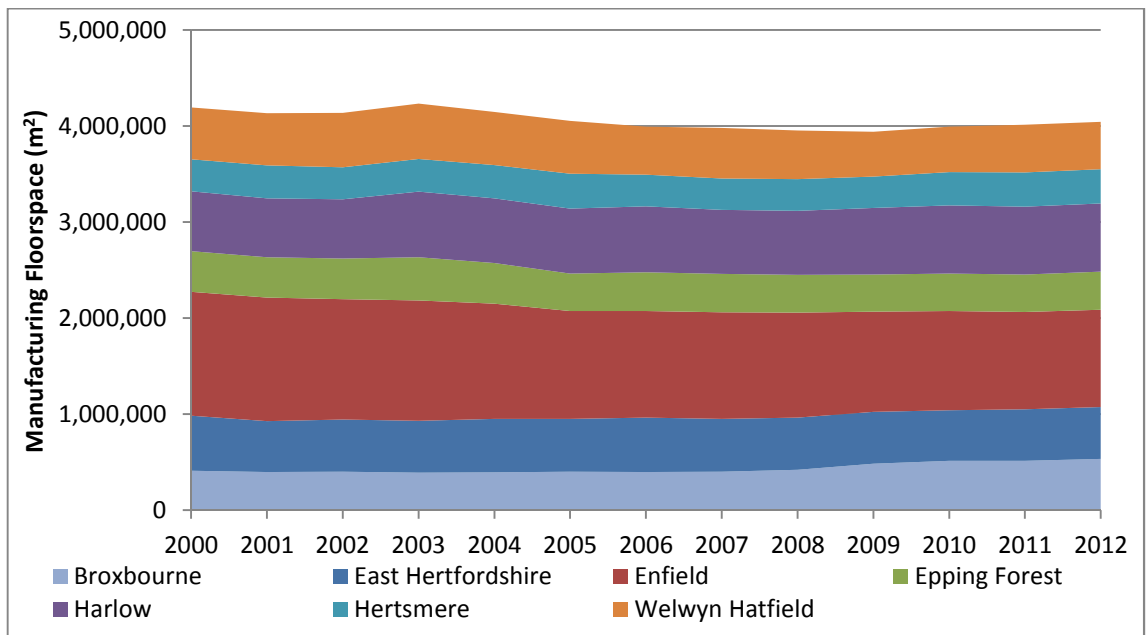


Source: CoStar; AECOM analysis

5.4.7

When the data on manufacturing stock is analysed by area within the FEMA, floorspace is found to have been redistributed from Enfield to Broxbourne and Harlow, primarily. Between 2000 and 2012 Enfield's industrial stock declined by about 277,000m² or about 2.0% per annum. During the same time period, the manufacturing floorspace in Broxbourne and Harlow increased 2.2% and 1.1% respectively. The graph below shows floorspace stock flows across the different areas within the FEMA. This trend illustrates the market's appetite for locating within established industrial areas with highly accessible locations.

Figure 5-6: Manufacturing Floorspace (m²) in different FEMA Areas Between 2000 and 2012



Source: CoStar; AECOM analysis

Vacancy and Net Absorption

5.4.8 The amount of vacant floorspace in the FEMA is 4% of total stock. Available space (which consists of both vacant and occupied space that is available for re-let) is 5.4% of total stock. While the amount of vacant and available space in the FEMA has declined over the past several years it has most dramatically declined in Broxbourne, East Hertfordshire, and Welwyn Hatfield. Broxbourne’s vacancy rate has fallen to 2%.

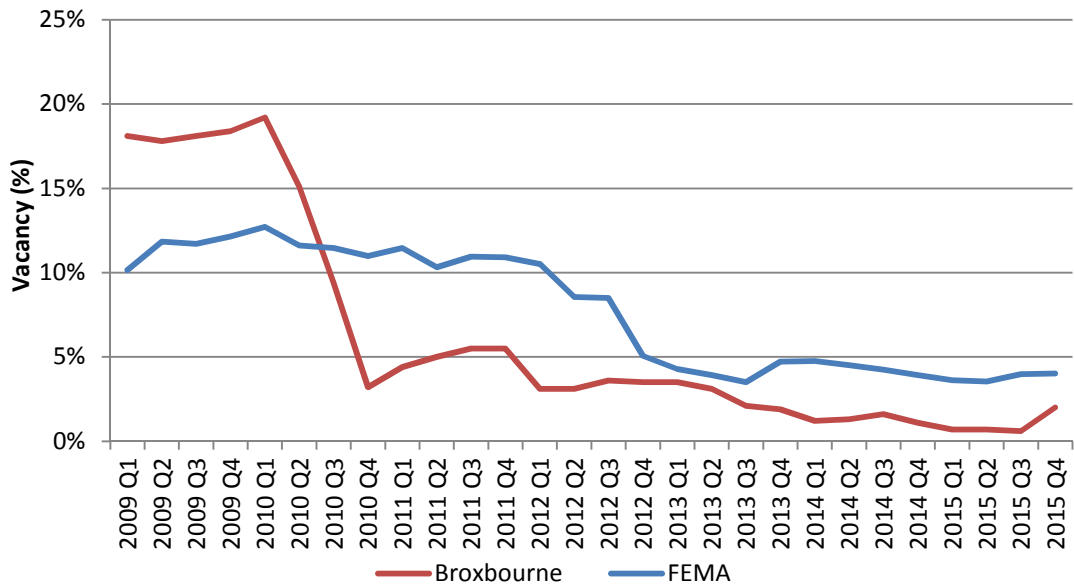
Table 5-5: Vacancy and Availability Rates of Industrial Premises

Location	Vacancy (%)	Vacancy (m ²)	Availability (%)	Availability (m ²)
Broxbourne	2.0%	7,938	3.1%	12,461
East Hertfordshire	0.9%	3,978	1.3%	5,377
Enfield	4.4%	56,561	6.7%	87,864
Epping Forest	0.5%	1,397	1.9%	5,025
Harlow	7.4%	47,586	8.3%	53,006
Hertsmere	4.4%	13,192	6.7%	20,263
Welwyn Hatfield	4.4%	29,622	4.7%	31,515
FEMA	4.0%	160,274	5.4%	215,512

Source: CoStar; AECOM analysis

5.4.9 The graph below shows the fall in vacancy both in the FEMA and in Broxbourne. For the FEMA, the decline was most precipitous between 2011 and 2012 and has since stabilised between 4% and 5%. Broxbourne’s decline in vacancy was earlier and more precipitous than that of the FEMA. The vacancy rate has been below 5% since 2012 and was as low as 0.6% earlier in 2015. As with the vacancy rate among office stock, this level of vacancy is sub-optimal and will impact upon the efficiency of market operations, for example preventing industrial businesses from moving and taking on new premises to grow or contract their operations.

Figure 5-7: Vacancy Rate of Industrial Premises

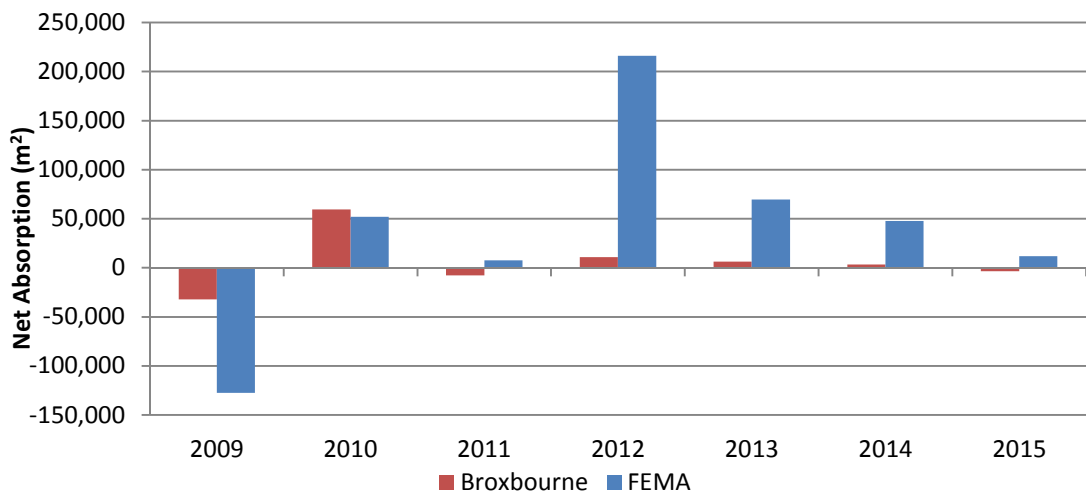


Source: CoStar; AECOM analysis

5.4.10 Within Broxbourne the provision of employment floorspace is now limited due to scarcity of available land for development and limits on the ability to intensify current employment clusters. The 12,000m² of floorspace available on the market is mostly located in older buildings.

5.4.11 Figure 5 8 portrays historic net absorption in the FEMA and Broxbourne. Net absorption in Broxbourne was strong in 2010 in which over 59,000m² was taken up, driving the vacancy rate down to 3%. As a result, net absorption since then has been limited given that lack of available space. The FEMA has continued to post strong net absorption figures given continued availability of space outside of Broxbourne. However, given the currently low vacancy rate across the FEMA, positive net absorption is likely to be restrained in the near term as suitable available space for new floorspace requirements has become increasingly limited.

Figure 5-8: Historic Net Absorption, Industrial Floorspace

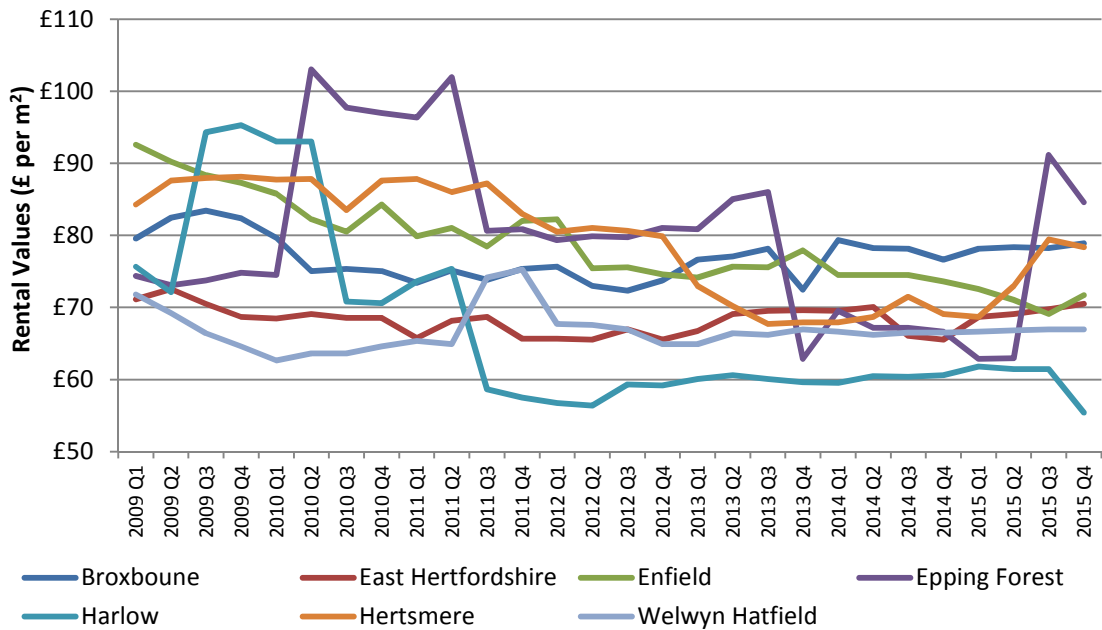


Source: CoStar; AECOM analysis

Rents

5.4.12 Average asking rents in the FEMA are about £81 per m2. These rental levels are favourable compared with London as a whole where values are typically over £100 per m2. Rental levels have been improving for the past several years as the quantum of available space has declined. Rental level increases have been most sustained in Enfield where occupiers have been willing to pay higher levels for greater proximity to London markets. The increase in occupancy costs in industrial premises in Enfield relative to Broxbourne (which has asking rents 14% below those in Enfield) presents an opportunity for Broxbourne to attract businesses seeking a lower cost location, whilst maintaining the same access to the same markets across London and the LSCC corridor.

Figure 5-9: Asking Rents for Industrial Floorspace (£/m²) in FEMA



Source: CoStar; AECOM analysis.

5.4.13 As the table below shows, average asking rents in Broxbourne are moderately below the FEMA’s average and about 14% below those in Enfield.

5.4.14 Harlow is also an alternative location to Enfield for industrial occupiers. The amount of existing stock is greater than Broxbourne’s and it provides access to Greater London which is broadly similar. However Harlow has not experienced the same decline in vacancy which is due to its slightly less advantageous location. This is also reflected in rental levels which are generally at a discount to Broxbourne.

Table 5-6: Asking Rents for Industrial Floorspace in the FEMA

Location	£ per m ²	£ per ft ²
Broxbourne	79.52	7.39
East Hertfordshire	71.15	6.61
Enfield	92.57	8.60
Epping Forest	74.38	6.91
Harlow	75.67	7.03
Hertsmere	84.28	7.83
Welwyn Hatfield	71.80	6.67
FEMA	80.97	7.52

Source: CoStar; AECOM analysis

Industrial Market Summary

- 5.4.15 Broxbourne’s industrial market has out-performed the overall FEMA. The industrial market is strong as vacancy has declined and rents have increased across the FEMA. The amount of vacant and available space is now limited and the lack of supply to meet demand for land and premises is being displaced elsewhere. This issue of constrained land supply was also identified in the South West Hertfordshire Economic Study (2015) indicating that the wider Hertfordshire area may suffer from a lack of suitable land for industrial use.
- 5.4.16 Broxbourne’s strategic location on the periphery of Greater London and just north of Enfield (where rental levels are considerably higher) provides the borough with a strategic advantage to capture out migration of businesses looking for lower rental costs.
- 5.4.17 The views of agents and stakeholders suggest that there are opportunities for Broxbourne to strengthen its warehousing (and manufacturing) land and premises offer, though this may not necessarily support Broxbourne’s wider economic development objectives of moving towards a higher value added economy, which tend to be associated with knowledge-based and professional business sectors working out of office locations.

6 DEMAND

6.1 Introduction and Methodology

6.1.1 This section forecasts the demand for offices, manufacturing, and warehousing space.

6.1.2 One approach to forecasting employment land requirements is to use employment predictions based on macro-economic forecasts. Macro-economic forecasts provide a top down logic to forecasting based on national or regional economic growth and the redistribution of that growth across an area. Typically these forecasts place less or no emphasis on local economic circumstances.

6.1.3 An alternative approach is to project forward the local historic rate of change in B-use class floorspace. However, future growth prospects may differ from past growth as the economy changes over time and new market opportunities arise.

6.1.4 To retain the strengths and overcome the weaknesses of these two approaches our forecasting method uses elements of macro-economic forecasts and historic trends. In summary our approach to estimating the future demand for B-use class floorspace is to:

- Review trends in floorspace and employment
- Review projections in office/R&D and industrial/storage employment and future floorspace demand projections
- Based on past trends, future projections and the potential for a step change in demand, forecast employment floorspace and land across the FEMA
- Produce a borough-wide floorspace forecast taking into account demand for land by users of industrial/storage land
- Produce a final forecast floorspace for office/R&D and industrial/storage.

6.1.5 Forecasting combines data and information on Broxbourne and the FEMA so that local and wider economic and property market drivers are captured. This includes findings from the previous sections of the report, including the views of commercial property agents.

6.1.6 The forecast captures projected changes to employment growth, which incorporate anticipated future trends and changes to the structure of the economy and its sectors, the redistribution of economic growth between Broxbourne and surrounding areas, and macro-economic drivers such as globalisation. As such the employment land forecast presented here represents how demand would change if the drivers of economic growth remained broadly similar to those seen recently and those anticipated.

6.1.7 The demand forecast does not therefore capture the impact of a unique large scale inward investment. For instance if released from the green belt and designated for employment land, and with the right market conditions and investment backing, one or more of the five green belt sites (assessed in Section 5 for their supply quality characteristics) could potentially attract major inward investment looking to deliver a large scale high development such as a business park. A unique event such as that is not possible to forecast and as such we do not try to quantify an event of that nature in this Section's forecasting. We instead consider the potential for the borough to attract large scale inward investment in Section 7.

6.1.8 The Government’s National Infrastructure Commission recently concluded that the strategic case for Crossrail 2 was well founded and recommended to be taken forward⁴⁷. Crossrail 2 is unlikely to be delivered before 2030 and the main impact of the scheme will therefore post-date Broxbourne’s Local Plan period. This forecast does not capture the potential impact of Crossrail 2. Were Crossrail 2 to be granted consent then the assessment of employment land demand should be revisited, particularly for office floorspace given the public transport accessibility improvements and business relocation requirements arising from regenerated centres at Waltham Cross, and Cheshunt.

6.2 Historic Floorspace

6.2.1 Data from the VOA is used to analyse the change in stock in Broxbourne and across the FEMA, and is summarised in Table 6-1. This shows that the quantum of manufacturing and warehousing floorspace in Broxbourne has grown significantly between 2000 and 2012 (the latest known data from VOA) and at a faster rate than the FEMA. Comparatively, over the same period, the amount of office floorspace in Broxbourne has contracted slightly and across the FEMA seen weak growth.

6.2.2 The historical compound annual growth rate (CAGR) for manufacturing/storage and office/R&D trends for the FEMA feed into the future floorspace demand forecast in Section 6.5.

Table 6-1: Change in Industrial and Office Floorspace (m²) 2000 to 2012

	B use class	2000	2012	Difference 2000- 2012 (%)	CAGR (%)
Broxbourne	Office/R&D (B1a/b)	78,000	76,000	-2.6%	-0.2%
	Manufacturing (B1c/B2)	452,000	637,000	40.9%	2.3%
	Warehousing (B8)	42,000	101,000	140.5%	7.6%
FEMA	Office/R&D (B1a/b)	1,106,000	1,191,000	7.7%	0.6%
	Manufacturing (B1c/B2)	4,722,000	5,018,000	6.3%	-0.3%
	Warehousing (B8)	527,000	972,000	84.4%	5.2%

Source: VOA; AECOM analysis

6.3 Historic Employment

Historic employment data is drawn from the Annual Business Inquiry (ABI) between 2000 and 2008 and the Business Register and Employment Survey between 2008 and 2014. Both ABI and BRES datasets are compiled by the Office for National Statistics (ONS). Our analysis

⁴⁷ National Infrastructure Commission report, 2016; Transport for a world city

converts SIC-level data into use classes drawing upon prior work that AECOM has done for other employment land studies. Using this approach we present our estimate of employment by B-use classes. Table 6-2 summarises historic employment growth in Broxbourne and the FEMA. Note that the figures do not include the relocation of Tesco, which is recognised as a one off event. Incorporating this singular large loss of employment in figures would not be appropriate as it is not representative of how the local economy has generally performed to date.

Table 6-2: Historic Employment 2000 to 2014

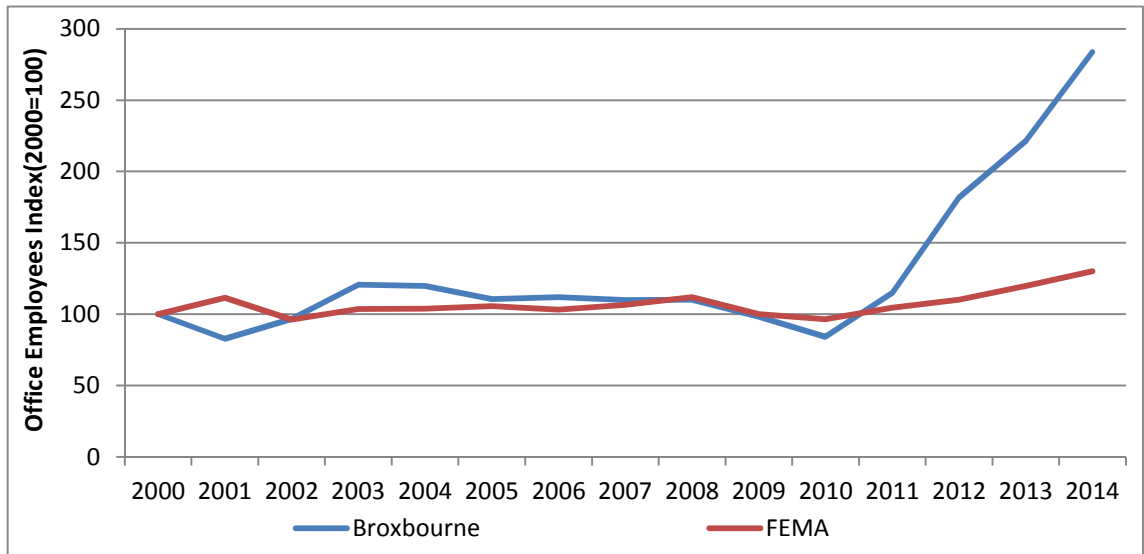
	B use class	2000	2014	Difference 2000-2014 (%)	CAGR (%)
Broxbourne	Office/R&D (B1a/b)	4,900	14,000	185.7%	7.7%
	Manufacturing (B1c/B2)	3,800	3,700	-2.6%	-0.2%
	Warehousing (B8)	3,400	4,600	35.3%	2.3%
FEMA	Office/R&D (B1a/b)	66,500	86,500	30.1%	1.9%
	Manufacturing (B1c/B2)	44,900	27,400	-39.0%	-3.4%
	Warehousing (B8)	37,800	40,600	7.4%	0.5%

Source: ONS; AECOM analysis

6.3.1

For office/R&D employment, Broxbourne has outperformed the wider FEMA with office employment rising by 7.7% per annum on average since 2000 compared to 1.9% per annum within the FEMA. The relative rates of growth can be seen in Figure 6.1. Most of this growth occurred after 2010 explained by two recent built-to-suit office developments and positive absorption (take up) of office floorspace within the borough’s industrial clusters. Floorspace gain however has been somewhat offset by loss of office floorspace due to conversions to residential use.

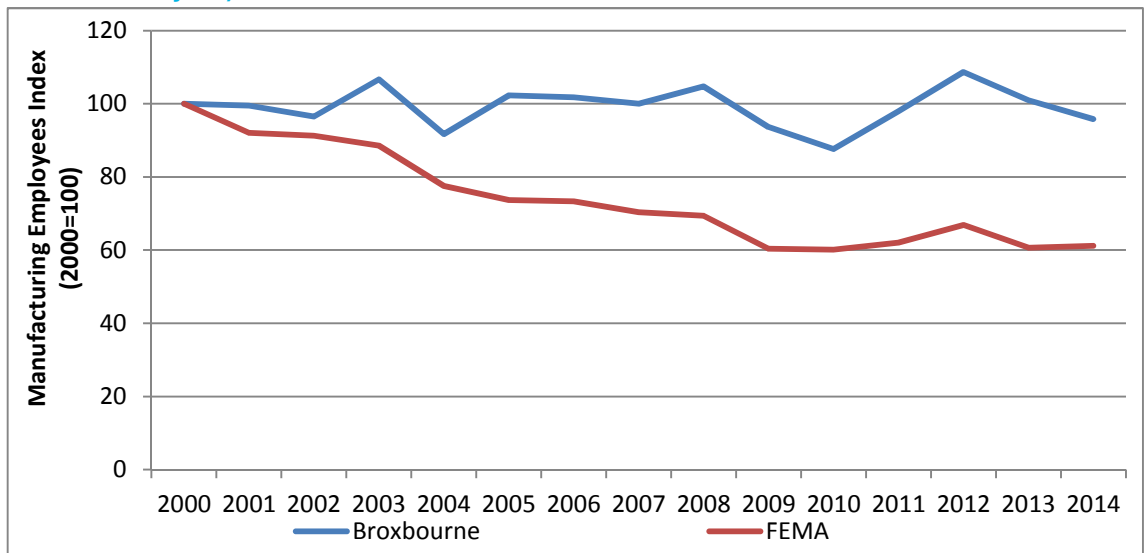
Figure 6-1: Office/R&D-Based Employment Growth (2000=100)



Source: ONS; AECOM analysis

6.3.2 For manufacturing, between 2000 and 2014, employment in Broxbourne contracted by 0.2% per annum on average compared to 3.4% across the wider FEMA. The decline in employment is set out in Figure 6.2 which shows that the loss of manufacturing employment in Broxbourne has been less profound than the FEMA since 2004. Broxbourne’s relative performance points to the resilience of its key employment areas in its core areas such as Waltham Cross and Hoddesdon.

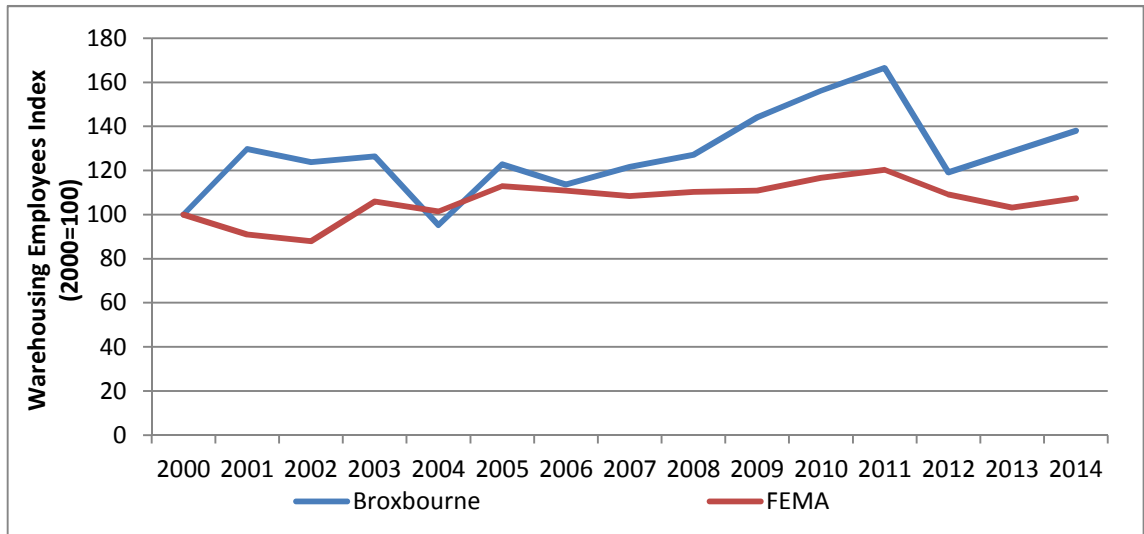
Figure 6-2 Manufacturing-based Employment Change in Broxbourne and FEMA (year 2000 is base year)



Source: ONS; AECOM analysis

6.3.3 Warehouse and distribution employment in Broxbourne and more widely across the FEMA has been positive: the former growing at 2.3% pa, the latter 0.5% pa. The growth is associated with the growth in freight and logistics reflecting increasing volumes of trade and the changes in consumption habits such as the impact of online shopping. The strategic road network provides excellent access to and around Greater London and markets northwards, and this is reflected in the employment growth in distribution companies.

Figure 6-3: Warehousing-based Employment Change in Broxbourne and other FEMA Areas (year 2000 is base year)



Source: ONS; AECOM analysis

6.3.4 The historical CAGR change for manufacturing, warehousing and office/R&D employment for the FEMA and Broxbourne feed into the future floorspace demand forecast presented in Section 6.6 and Section 6.7.

6.4 Employment Projections

6.4.1 Workplace employment projections are one of the inputs used to forecast demand for employment land across the plan period. Employment forecasts for all the local authorities in Broxbourne’s FEMA, with the exception of LB Enfield, are taken from the East of England Forecasting Model (EEFM) which was produced by Oxford Economics in autumn 2014. The forecast for Enfield was produced by GLA Economics in autumn 2015.

6.4.2 While Oxford Economics and GLA Economics apply a different method to project future workplace employment, from a review of their approach, and based on our professional experience, we believe that these forecasts are robust and suitable for projecting change over the long term in Broxbourne.

6.4.3 The table below shows forecasted growth in Broxbourne and the FEMA over the plan period.

6.4.4 Table 6-3 shows that across the plan period both office and warehousing employment is forecast to grow across both Broxbourne and the wider FEMA. Manufacturing employment is forecast to contract however.

Table 6-3: Employment Forecast 2015 to 2031

	B use class	2015	2031	Diff 2015- 2031 (%)	CAGR
Broxbourne	Office/R&D (B1a/b)	13,500	16,500	22.2%	1.3%
	Manufacturing (B1c/B2)	6,300	5,700	-9.5%	-0.6%
	Warehousing (B8)	4,600	5,400	17.4%	1.0%
FEMA	Office/R&D (B1a/b)	136,500	153,900	12.7%	0.8%
	Manufacturing (B1c/B2)	41,000	37,000	-9.8%	-0.7%
	Warehousing (B8)	39,200	41,500	5.9%	0.4%

Source: AECOM; GLA Employment Projects; East of England Forecasting Model

6.5 Forecasting the Rate of Change in Floorspace

Calculating a Potential Rate of Change

- 6.5.1 To project employment land requirements we look at how floorspace and employment rates have changed over the recent past and assume a continuation of their relationship over the forecast period. We use future employment as the known variable and floorspace as the unknown. We look at these variables across the property market area because this is best representative of the dynamics of the wider property market which acts upon Broxbourne.
- 6.5.2 The ratio of the historic floorspace CAGR to the historic employment CAGR is applied to the future employment variable to estimate future floorspace demand. (This is the ‘adjustment factor’ in the table below.) For instance, if employment has historically grown faster than floorspace (i.e. density has increased), we would expect future employment to grow faster than future floorspace.
- 6.5.3 The results of this process are shown in Table 6-4.
- 6.5.4 The synthesised rates of change are calculated from the rates of change for historic floorspace, historic employment and future employment growth, and provide a starting point for considering the future strength of demand for B-use class employment space. We give further consideration to these calculated rates of change and how we feel, based on the information collected in proceeding sections, whether they could be representative of the future change.

Table 6-4: Synthesis Forecast for Employment Floorspace 2015 to 2031

		Employment CAGR				
	B use class	Historic Floorspace CAGR	Historic CAGR	Projected CAGR	Adjustment Factor	Average Annual Floorspace Demand (%)
Broxbourne	Office/R&D (B1a/b)	-0.2%	7.7%	1.4%	-0.03	0.0%
	Manufacturing (B1c/B2)	2.3%	-0.3%	-0.6%	-7.49	4.5%
	Warehousing (B8)	7.6%	2.3%	1.0%	3.26	3.1%
FEMA	Office/R&D (B1a/b)	0.6%	1.9%	0.8%	0.33	0.3%
	Manufacturing (B1c/B2)	-0.3%	-3.4%	-0.7%	0.09	-0.1%
	Warehousing (B8)	5.2%	0.5%	0.4%	10.18	3.9%

Source: AECOM; VOA; ONS; GLA Economics; Oxford Economics

Note: Adjustment is the ratio of historic floorspace CAGR to historic employment CAGR; the average annual floorspace is estimated by adjustment multiplied by projected CAGR.

Forecast Rates of Change for Office, Manufacturing and Warehousing

6.5.5 Table 6-4 provides an indication of how B-use class floorspace in Broxbourne and the wider FEMA are forecast to grow. Taking office, manufacturing and warehousing uses in turn we reflect on the calculated rates of change and identify an appropriate rate to apply for our floorspace forecast over the plan period. These judgements take into account findings from preceding sections. In addition they are guided by consideration of the strengths and weaknesses of the local economy relative to the wider area.

Local Offices

6.5.6 The borough-level and FEMA-level CAGR forecasts for floorspace demand are comparable. This forecast rate of change is, we believe, reflective of a local office market serving local businesses operating with clients and customers within Broxbourne/FEMA area and region. This is consistent with the view of property market agents who commented that the current office market stock in Broxbourne is reflective of one which largely serves the local market. This is not to say the area cannot begin attracting larger occupiers but it requires the right amount of land and suitably high quality premises. The forecast change in floorspace demand is therefore more reflective of a supply position which is relatively constrained with few sites able to attract or cater for businesses seeking sites to build out large, high quality office space.

6.5.7 At a local office market level office-based employment will continue to play a role in supporting small and medium sized businesses in Broxbourne. Council efforts to up-skill local residents and increase entrepreneurial activity will provide support to the office sector and help provide

the right message and marketing that the area is growth focussed. As has been shown in recent years, significant development of office floorspace by existing occupiers (such as VolkerWessels or MSD) could lead to further expansion of the office market and offices located in the borough's industrial clusters and / or associated with industrial firms could generate further demand.

- 6.5.8 Across the FEMA the calculated forecast rate of change in local office floorspace is 0.3% pa. There is expected to be some churn within the office stock too with refurbishment or redevelopment of older premises to new stock. This figure is lower than the historic floorspace change across the FEMA of 0.6% pa.
- 6.5.9 This rate of growth contrasts with the ONS employment data which suggests that employment associated with Broxbourne's office economy grew at a strong rate between 2000 and 2014 (7.7% pa). This rate of growth does not seem to align with the commercial agents view on the strength of the local office economy. Across Broxbourne, whilst office related employment increased by 7.7% pa, floorspace contracted slightly by -0.2% pa. This combination suggests growth occurring and existing stock being used in an increasingly efficient way, such as utilising office space more efficiently (increasing employment densities) and using previously vacant floorspace. This trend has been observed and the vacancy level is low – lower than what is considered to be an optimal vacancy rate to allow efficient market operation.
- 6.5.10 However, while densities have increased historically, this trend will not be able to continue indefinitely. At some point densities may approach a critical mass where spatial efficiencies are exhausted. The historic increase in density, coupled with low levels of vacancy, imply that the increasing employment densities may be as a result of the inability of firms to expand into larger premises. This evidence suggests that the local office market may be reaching a point of saturation, where firms can no longer expand their employment base. It would therefore be more appropriate to plan more positively for growth in the local office market, and the FEMA's calculated employment growth rate of 0.8% pa would be a more suitable rate to apply.
- 6.5.11 Documents such as Ambition Broxbourne clearly set out the aspiration to realise the potential for positive change, and related documents by the LSCC point to potential to opportunities for development which would see office-base growth beyond these rate of change. The five potential employment sites in Broxbourne's green belt (PPW, Maxwell's Farm, Brookfield, Rush Meadow, Land to the West of PPW and Land West of Maxwells Farm), were they to be designated for employment purposes, could attract inward investment from companies looking for new sites for expansion or headquarter locations to support office-based and R&D functions. The designation of one or more of these sites could act as a driver of demand, attract investment from a much wider catchment area and deliver a step change in the provision and quality of office stock, as well as other B-use classes (R&D, manufacturing and warehousing). We consider the merits of those sites in relation to attracting demand further in Section 7.

Manufacturing

- 6.5.12 Broxbourne's data suggests a strong forecast rate of change in manufacturing floorspace over the Local Plan period, whereas data from the FEMA suggests a little net change. The industrial property market (consisting of both manufacturing and warehousing premises) has performed well in Broxbourne in recent years. The borough has a significant manufacturing sector and some of the older stock of smaller scale manufacturing premises has been recently refurbished. Certainly the manufacturing base in Broxbourne is consolidated and performs well with clear evidence from the supply assessment that the stock within core clusters such as

Hoddesdon is fit for purpose, being renewed to support modern occupiers and is intensively used. Given the continuing out-migration of manufacturing activities from Greater London, this is a likely source of future demand for the borough. Given the divergent historic trends in manufacturing floorspace between Broxbourne and the FEMA, we consider the Broxbourne rates of manufacturing change to be more suitable indicators of future need.

- 6.5.13 In our opinion a forecast rate of 4.5% pa is not sustainable or reflective of the long term future trend, particularly in light of the projected decline in the absolute level of employment (of -0.6% pa), which is indicative of a continuation of the manufacturing sector becoming more capital-intensive. However there is evidence of increasing demand from the outward migration of manufacturing businesses from Greater London displaced by contracting land and rising rental values, as well as indications of limitations on industrial land across the wider Hertfordshire area. This is supported by the positive historic growth in floorspace (2.3% pa). In order to capture these contrasting trends, in our professional judgement it would be more suitable to plan for a rate of growth broadly between these two positions. On this basis we put forward a growth rate of 0.8% pa, reflecting the average growth rate between the historic growth in stock and future employment change.

Warehousing

- 6.5.14 The calculated forecast rates of warehousing floorspace are exceptionally high for both the borough (3.1% pa) and the FEMA (3.9% pa). Historic floorspace growth has been strong across both Broxbourne and the FEMA even though employment has grown at a moderate pace at 0.5% pa. This is a direct reflection of an industry which is becoming increasingly large scale, automated and employing, relative to the land/floorspace take, fewer employees.
- 6.5.15 Take-up of the new warehousing floorspace provided at Hoddesdon in the last decade was strong and there is currently little available warehousing space in the borough. Employment in the sector is expected to grow above roughly its historic rate and requirements for floorspace in the broader region are strong as indicated by discussions with agents. One key source of demand for warehousing is the migration of warehousing activities from Greater London as well as growth associated with population growth, consumption growth and the increase in trade and supply chain distribution.
- 6.5.16 The historic growth rate of warehousing floorspace is unlikely to be sustained over the Local Plan period for both Broxbourne and the FEMA. Across the FEMA the rate of growth for warehouse employment is 0.7% pa. Based on the historic trend we would anticipate some continuation of the fall in employment densities for warehousing uses, although it is unlikely to be of the same magnitude as has been historically observed. In our professional judgement it would be more suitable to forecast using a rate between the FEMA's projected employment growth rate (0.4% pa) and the calculated forecast rate (3.9% pa), which would suggest a rate of 2.1% pa.

Summary of Forecast Floorspace Growth Rates

- 6.5.17 The table below summarises the floorspace growth projections for office, manufacturing and warehousing employment space.

Table 6-5: Forecast Floorspace Growth Rates

B use class	CAGR
Local Office (B1a/b)	0.8% pa
Manufacturing (B1c/B2)	0.8% pa
Warehousing (B8)	2.1% pa

Source: AECOM

6.5.1 As discussed above, demand over and above the forecast rates set out above could be driven by the potential that new development sites could have in attracting inward investment.

6.6 Forecast for Local Office Floorspace to 2031

6.6.1 The table below shows calculation of net additional demand in Broxbourne up to 2031. Broxbourne’s current office floorspace vacancy rate is 3.5% (2,660m²); however this will increase to 21.5% (16,340m²) with Tesco moving out of Cheshunt to Welwyn Garden City in 2016. As a result, the positive demand for office stock over the Local Plan period is forecast to be 5,000m².

6.6.2 However, it is questionable whether the office stock which Tesco has vacated is suitable for modern occupiers, given its location, scale and quality. It is now understood that this stock is being acquired for housing redevelopment. Should this be the case the net additional demand for local office stock would be 17,500m².

Table 6-6: Forecast for Local Office Floorspace

Demand for Office Floorspace	Forecast assuming ex-Tesco office space is let (m ²)	Forecast assuming ex-Tesco office space is <u>not</u> let (m ²)
A. Actual occupied (Gross) B1 Floorspace (C - B)	59,700	59,700
B. Estimated Vacant / Available Floorspace Assuming Loss of Tesco	16,300	2,700
C. Total B1 Floorspace (A+B)	76,000	62,300
D. Demand for B1 floorspace to 2031	7,600	7,600
E. Optimum frictional vacancy in 2031 (8% of C + D) ⁴⁸	13,700	12,600
F. Undersupply of vacant floorspace (E – B)	-2,600	9,900
G. Gross demand for B1 floorspace 2015-2031 (C+D+F)	81,000	79,800
H. Net demand for B1 floorspace 2015-2031 (G – C)	5,000	17,500

Source: AECOM

Note:

- B. 3.5% vacancy rate (2,660m², based the total stock of 76,000m² identified from VOA data) plus Tesco office floorspace of 13,680m² identified from CoStar.

- D. Forecast of 0.2% CAGR applied to total floorspace of 76,000m² for period of 2016-2031

6.6.3 Due to the wide range of densities of offices that have been developed in Broxbourne and similar locations it is not meaningful to translate the floorspace demand figures (in square metres) into land requirements (hectares). The stock for offices is therefore represented in terms of floorspace (m²).

6.6.4 In addition to the local office floorspace forecast presented above, there is potential for more substantial growth to come about were the sites considered to be employment land options designated for employment use. These sites have highly advantageous characteristics in terms of size and location, particularly access to the strategic road network, markets and the labour market. Were these sites to be designated for employment use then their scope to accommodate large scale investment could be expected to drive demand for all employment uses including office and R&D related activities. We consider the opportunities linked to potential development under Section 7.

6.7 Forecast for Manufacturing Floorspace to 2031

6.7.1 The next table calculates the net floorspace demand for manufacturing floorspace.

⁴⁸ Frictional vacancy is the optimal level of surplus floorspace (as a % of overall stock) which allows for the efficient churn of occupiers. The frictional vacancy rate for floorspace is 8% according to the Mayor of London’s Land for Industry and Transport Supplementary Planning Guidance. This rate of frictional vacancy is considered suitable to apply to Broxbourne.

6.7.2 VOA experimental floorspace statistics record a figure of 536,000m² of manufacturing floorspace and 101,000m² of warehousing floorspace across Broxbourne. Taking into account any redevelopment and new development of existing stock between end March 2012 and end March 2016, the figure of 637,000m² of industrial floorspace is considered to be an accurate reflection of total stock in the borough. However, the split between manufacturing and warehousing floorspace does not seem correct as our own analysis from our supply side assessment, the 2008 employment land report and the EEFM projections data all suggest a much higher proportion of warehousing floorspace relative to manufacturing. From our supply assessment of all industrial employment land over 0.25ha across the borough we estimate that the split of land occupied is approximately 39% manufacturing and 61% warehousing. Assuming that manufacturing and warehousing space has similar plot ratios and development densities, we have applied these percentages to re-estimate the stock of manufacturing and warehousing floorspace in the borough to be 251,000m² and 386,000m² respectively.

Table 6-7: Forecast for Manufacturing Floorspace to 2031

Demand for Manufacturing Floorspace	m ²
A. Supply of occupied manufacturing floorspace	246,000
B. Current vacant manufacturing floorspace	5,000
C. Total manufacturing floorspace (A+B)	251,000
D. Floorspace demand 2016-2031	32,300
E. Optimum frictional vacant floorspace 2016-2031 (5% of C+D) ⁴⁹	14,200
F. Undersupply of vacant manufacturing floorspace (E - B)	9,200
G. Gross floorspace demand for manufacturing uses 2016-31 (C+D+F)	292,500
H. Net demand for manufacturing employment floorspace 2016-2031 (G-C)	41,500

Source: AECOM

Note:

- B. 2.0% vacancy rate (10,720m², based the total stock of 251,000m² identified from VOA data)

- D. Forecast of 1.0% CAGR applied to total floorspace of 251,000m² for period of 2016-2031

6.7.3 The PPG states that where possible employment floorspace should be converted to employment land using plot ratios. As stated above, office development can vary considerably so therefore it is not suitable to convert the demand projections from floorspace into office land requirements. By comparison development density (plot ratio and storeys) tends to be static for manufacturing and warehousing premises and a plot ratio of 1:0.45 (land to premises, over one storey) can be applied. This ratio means that over one hectare of land one can typically expect the footprint of an industrial or warehouse building to take up 0.45 hectares. Using this ratio we calculate that the additional demand for manufacturing floorspace set out in the table above is the equivalent of 9.2 hectares.

⁴⁹ The Land for Industry and Transport SPG (2012) paragraph 3.7 from the London Plan identifies 5% as the optimal frictional vacancy rate for industrial land in Greater London. We have applied that figure to the analysis for Broxbourne.

6.8 Forecast for Warehousing Floorspace to 2031

6.8.1 The table below calculates the net floorspace demand for warehousing.

Table 6-8: Forecast for Warehousing Floorspace to 2031

Demand for Warehousing Floorspace	m ²
A. Supply of occupied warehousing floorspace	378,300
B. Current vacant warehousing floorspace	7,700
C. Total warehousing floorspace (A+B)	386,000
D. Floorspace demand 2016-2031	142,000
E. Optimum frictional vacant floorspace 2016-2031 (5% of C+D) ⁵⁰	26,400
F. Undersupply of vacant warehousing floorspace (E - B)	18,700
G. Gross floorspace demand for warehousing 2016-31 (C+D+F)	546,700
H. Net demand for warehousing employment floorspace 2016-31 (G-C)	160,700

Source: AECOM

Note:

- B. 2.0% vacancy rate (2,020m², based the total stock of 386,000m² identified from VOA data)
- D. Forecast of 3.5% CAGR applied to total floorspace of 386,000m² for period of 2016-2031

6.8.2 Using this ratio discussed in paragraph 6.7.1 we calculate that the additional demand for warehousing floorspace set out in the table above is the equivalent of 35.7 hectares.

6.9 Net Demand for Industrial Land Taking into Account Vacant Land

6.9.1 Information on vacant land and land with vacant buildings within employment areas was collected during the field survey and was discussed in section 4 of this report. It was then measured using Geographic Information Systems (GIS) software. Vacant land is estimated to account for 16.7 hectares, however 10.8 ha of this land is located at Park Plaza which is promoted for B1a/b uses. Vacant industrial land could contribute significantly towards the net additional land requirement for manufacturing and warehousing land over the Local Plan period. On the basis that all of this vacant industrial land could meet a proportion of demand arising from manufacturing and warehousing (44.9ha), and the net additional demand for industrial land over the Local Plan period would be 34.1ha.

6.10 Development Pipeline and PDR

6.10.1 Planning applications with consent (yet to be implemented) would meet the net additional demand arising over the Local Plan period. However, there is a possibility that some developments may not come forward at all, or be developed in different quantities than that consented, for example if amendments to the planning applications are made.

⁵⁰ The Land for Industry and Transport SPG (2012) paragraph 3.7 from the London Plan identifies 5% as the optimal frictional vacancy rate for industrial land in Greater London. We have applied that figure to the analysis for Broxbourne.

6.10.2 The scale of known permissions and prior approvals is:

- For office use classes, analysis of planning applications data indicates that there is 2,500m² of newly proposed office floorspace. The demand for this floorspace should be considered in the context of growing demand but also contractions in office floorspace as a consequence of permitted development rights. This development could therefore be to cater for new demand as well as address the loss of office floorspace to residential uses.
- For manufacturing data indicates that there is 874m² of newly proposed manufacturing floorspace; and
- Analysis of planning applications data indicates that there is 3,532m² of newly proposed warehousing floorspace.

6.10.3 In addition prior approvals could impact on the supply of office floorspace. There have been 29 prior approvals applications from 2013 for office to residential conversion. We have not, however, been able to identify a figure for the potential scale of floorspace loss associated with prior approvals.

7 DEMAND FOR MAJOR STRATEGIC SITES

7.1 Introduction

7.1.1 The floorspace forecasts presented in Section 6 are driven primarily by trend-based rates of change. The forecast is based on historic performance over several past business cycles and therefore captures the way in which the structure of the economy has and is changing. This includes macro-economic influences such as globalisation. However, there are a number of economic growth drivers which could lead to higher rates of growth than those seen historically to date and could support a step change in demand such that Broxbourne's growth trajectory would be greater than that suggested by the historic performance presented in Section 6.

7.1.2 This section considers those drivers of demand which could result in increases of demand over and above those quantified in Section 6.

7.2 Drivers of Growth

Factors which could Support a Step Change in Demand

7.2.1 There are a number of key drivers of growth which could support a step change in demand over and above past rates of development. Factors which could drive a step change in demand include:

- Demand arising from the business activity in the 'life sciences corridor': 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 is already home to life sciences activity and could be well-positioned to attract more. The report 'LSCC Growth Spaces for Life Sciences: Future Growth and Demand' identified that 640,000m², equivalent to 20,000 jobs, for the sector could be accommodated in the Broxbourne, Harlow, and around Stansted Airport area. There is strong employment growth forecast for the region's life sciences sector, which is expected to increase by 11,000 in the next 10 years, up from its current base of 40,400 jobs⁵¹. This industry tends to have specific land-use demands, such as a requirement for both office based and active research-type employment sites within close vicinity of each other, and future land-use policies in the area would need to take this into account. Broxbourne is well placed to capture a significant proportion of this demand / growth in jobs which would trigger a requirement for additional office and R&D commercial space over and above that forecast in Section 6. The Economic Development Strategy for Broxbourne, 'Ambition Broxbourne' highlights the life science sector, along with creative industries, as key high-value sectors which could support delivery of the vision for 'a thriving, vibrant and prosperous economy that is underpinned by innovation, enterprise and entrepreneurship'.
- Broxbourne, due to its location just north of the M25, links into a wider sub-regional commercial property market which has a substantial stock of office premises. Work undertaken by NLP illustrates the central location Broxbourne has in the M25 North

⁵¹ London Stansted Cambridge Consortium, Growth Spaces for Life Sciences (April 2015)

commercial property market.⁵² Growth of the north M25 office market has been hindered by a lack of available sites, and comparatively the competing Thames Valley and south M25 commercial property markets have both experienced higher office supply growth. Broxbourne has the potential to help support the growth of the north M25 market with sites such as TwentyFive25 (C32) and Brookfield (C33) that are well positioned and perform strongly in terms of their locations, scale and access to markets and labour. TwentyFive25 is especially well positioned to take advantage of this strategic location⁵³. The site has good transport links onto the A10 and M25, and is located within walking distance of Theobalds Grove station. It has a strong market profile due to being located near to the News International Print Works. There is also a large local labour pool available locally in Theobalds Grove and Waltham Cross. These strengths, among others, led NLP to conclude that TwentyFive25 was the most suitable of over 60 sites reviewed, north of the M25, for a high quality business park.

- Expansion of the creative sector: The creative industries covers a broad range of industries, including: publishing; IT; architecture; motion picture, video and TV production; advertising; and creative, arts and entertainment. Creative industries, including digital and IT, within the London-Cambridge corridor have been growing at high rates, with the sub-region now accounting for 20% of companies in this sector across the whole of England (LSCC, 'Sector Profiles: Digital and IT', March 2014). Research by a consortium of local authorities in south west Herefordshire has shown that the creative sector is already an important driver for growth in the region, especially along the M25 corridor. Given Broxbourne's proximity to the creative sector hotspots in Hertfordshire such as Watford and Hertsmere, the borough could look to capture a larger share of this sector.
- Provision of new employment sites: It is important to consider whether the existing supply conditions in terms of quantity and quality are acting as a constraint on demand. The PPG states that the demand assessment should not be constrained by the supply of land for new development, historic under performance, viability, infrastructure or environmental constraints. Our analysis of the commercial market found from both policy and consultation with market agents found that there is broad concern across the sub-region regarding a shortage of high quality employment land and premises, and an acknowledged limited number of well-located and prominent sites to attract and support inward investment. The limited supply of developable land in strategic locations is likely to have acted as a constraint on demand. The provision of new employment land which is well located could unlock latent demand, attract investment and drive local economic growth. Given the limited supply of vacant and developable land in existing employment clusters, new sites would need to be found. One or more of the five employment land options which currently lie in the green belt could provide that supply. Before any de-designation from green belt the Council would need to give careful consideration of how each site performs against the five green belt purposes set out in PPG, balanced against the ambition it has for growth, the suitability of each site's characteristics for support development and the prospects of attracting the right forms of economic investment. Careful masterplanning would be needed to ensure that land is used efficiently and effectively (the right forms of density

⁵² NLP, (2016); Park Plaza West: Economic Growth and Needs Assessment.

⁵³ NLP, (2016); Park Plaza West: Assessment of Alternative Sites.

set in the right locations within the site to maximise its usage and attractiveness) and contribute significantly towards local and regional economic growth objectives.

- Increased out-migration of industrial and office based activities from Greater London: Broxbourne has traditionally performed strongly in the manufacturing and warehousing sectors, which make up a large proportion of its employment activities. These sectors are central to the local economy and include skilled occupations as well as lower skilled and manual jobs. AECOM's research on industrial property markets located outside Greater London found that Broxbourne plays a particularly important role in the industrial market north of London. There is also evidence from enquiries received by agents and the council that there is increased demand from office based businesses located in London seeking locations outside the capital due to rising rental prices. The area has benefited from the out-migration of industrial activity from Greater London but this trend is expected to strengthen as industrial land in Greater London continues to contract and rents rise in response to the falling supply.
- Place making: Plans: The Council has developed a masterplan at Brookfield to deliver a large quantum of residential development, amenities and infrastructure, and office premises. New housing could leverage new employment opportunities by population gain and, by the creation of a high quality living and working environment, well connected to urban locations, would help attract employees working in higher value added industries such as knowledge based and professional business sectors. A high quality housing scheme at Brookfield could therefore support wider economic development aspirations and attract business investment.

Strengths Supporting the Continuation of Economic Growth

7.2.2 In addition to those factors which could drive a step change in demand, Broxbourne is well placed to continue to grow due to its underlying economic strengths. These factors include:

- A dynamic economic sub-region: Broxbourne is well-located within a relatively dynamic economic area. Its location on the edge of Greater London means that it can both service the metropolis and benefit from the wider regional growth that it generates. The borough also benefits from the strategic road network which allows for good north-south movement and excellent access to the M25. There is also a cluster of sites along the M25 which cater to creative industries. Broxbourne could be well-located to benefit from this trend.
- Strategic transport linkages: The borough has excellent access due to its proximity to the M1, A1(M), A10 and M11 as well as the M25. These roads provide a strategic advantage to access markets, customer and clients. Improvements to the A10 will see the resilience of that route further enhanced. There are good rail links too but the actual proportion of rail in-commuting is relatively low. This could change were four tracking and/or Crossrail 2 to come forward. This facilitates Broxbourne's ability to draw from the London-based labour pool as well as providing Greater London with a readily accessible labour market. There are already nearly 27,000 workers who are crossing the Greater London border from Broxbourne to London or vice versa and this is likely to increase with improvements to the rail lines. Broxbourne's rail links could improve in the early 2020's as greater capacity (four tracking) is introduced in preparation for Crossrail 2. The recently published National Infrastructure Commission Transport for a World City report recommends that Crossrail 2 should be prioritised over other transport projects and the UK Government announced in the March 2016

Budget a commitment of £80 million to develop a Hybrid Bill for the scheme to be put through Parliament in 2019. Improved rail linkages in Broxbourne would widen the catchment of labour market and access to end markets, and improve the competitive position for businesses. Crossrail 2 would, it is anticipated, act as a significant draw for inward investment.

- The strategic location allows quick access via road to London as well as to Stansted Airport and further north to Cambridge. Whilst these locational assets have traditionally been of benefit to logistics-focused firms in the warehousing and manufacturing sectors which have need for ready access to the strategic roads network, it would also be a significant advantage to firms in high-value office based industries. Employers in these industries would have good access to a large, well-educated, high-skilled labour force as well as to extensive supply chains and markets.
- Linkages across a large and diverse labour market: Broxbourne is located in a region with a large and diverse labour market. While the skills level amongst residents in the borough are below that of the wider region, firms which are located in the borough can draw from a highly-skilled workforce from across Hertfordshire, large parts of Essex, and Greater London. Transport improvements on the A10 will further enhance firms' ability to access this labour market, as would rail investment for four tracking and Crossrail 2 were that investment to come forward.
- Critical mass of skilled industrial activity: Broxbourne is home to large, well-performing employment clusters in Waltham Cross and Hoddesdon with a wide variety of services and products which rely on high-skilled activity. This includes manufacturing and warehouse-related activities but also office-based activities. Take up of floorspace in these areas has been strong and there is currently little available space. Given the strong level of demand for floorspace and the borough's relatively robust employment growth, it is likely that if the areas were able to be expanded that demand from industrial occupiers would be positive and the borough's employment base could expand locally. The demand for industrial land and premises was evidenced to us by a number of agents.
- Improvement to local skill base / support for local enterprise: In recent years there has been a notable improvement in the skills base of local residents. The proportion of residents with NVQ4+ qualifications has grown faster in Broxbourne than both Hertfordshire and England. In addition, the establishment of the Ambition Broxbourne Business Centre (ABBC), the Skills Group, and other economic development initiatives could serve as a springboard for creating a more dynamic, high-skilled, enterprising and economic environment.
- Lower occupancy costs: Asking rents for Broxbourne's offices and industrial premises are below those for other locations in the FEMA. In recent years it has been Broxbourne's office market which has typically provided space that is below the asking rents of other parts of the FEMA. With regard to the industrial market, Broxbourne's rental discount is not as great compared to other locations in the FEMA. However, most critically it is below significantly below that of Enfield. This enables Broxbourne to make a compelling business case to industrial occupiers in the London borough.
- Broxbourne could capture an increasing share of the FEMA's growth: The borough has an ambitious growth agenda encapsulated by the Ambition Broxbourne programme work streams. The aspiration is to drive a step-change in its labour

market's skills offering and a broadening of its support for entrepreneurial activity and business growth. A focussed, positive planning framework could help Broxbourne to capture a larger share of regional growth.

7.3 The Potential for Large Scale Investment

7.3.1 Sites at TwentyFive25 (C32) and Brookfield (C33) have been identified as having strongest characteristics of the five employment land options, which could potentially support large scale inward investment for business activities. Below we provide a high level review of three case study examples of business parks in comparable locations to illustrate the opportunities which could arise were market, investment and planning conditions right, and to identify the key factors that produce successful business parks within this wider-region.

Overview

7.3.2 In Appendix A we analyse the main attributes of three successful business parks in South East England that could be seen as comparators to any potential new development of employment space in Broxbourne. The business parks are Green Park on the outskirts of Reading, Granta Park near Cambridge, and Stockley Park in Hillingdon, West London.

7.3.3 Each of these three business parks display critical characteristics from which we can draw conclusions about how success has been delivered.

Transport and Geographic Context

7.3.4 Green Park is situated outside Reading town centre, between London and Oxford within the M4-road and Great Western Main Line-rail corridor that runs on to Bristol and South Wales. It has been successful in attracting major firms to set up important functions at the site, especially in the digital industry. Comparatively, Broxbourne is located at a similar mid-point position within its own A10/M11 and West Anglia Main Line London-Cambridge corridor. Although Broxbourne has a smaller, less dense population centre than Reading, it has the opportunity to attract firms that require access to these two economic hubs but seeking lower floorspace costs.

7.3.5 Additionally, both Green Park and Stockley Park are located with quick road access of Heathrow Airport. This is a strong attraction to firms which operate in a multi-national environment and have the need for high levels of labour and knowledge connectivity. Broxbourne meanwhile is well located in terms of proximity to Stanstead Airport via the road and rail network which offers significant global connectivity.

Sectors Supported

7.3.6 Granta Park exemplifies the high demand for life science employment space in the vicinity of Cambridge whilst Green Park in Reading exhibits a high degree of clustering for digital technologies. Both these industries are target industries for Broxbourne and appropriate designation and development of local land could capture industry demand. As mentioned above, both these industries and their labour and physical inputs have specific land-use requirements which Broxbourne could potentially cater for with proactive planning policies.

7.3.7 Firms within these industries may well desire local clustering of similar firms to benefit from agglomeration economies and knowledge spill-over, which favours the business park model. Nevertheless, and especially for digital-creative industries, good access to high quality urban

environments is also prized by employees, and these factors would need to be taken into consideration when comparing the various potential land-use options in Broxbourne.

- 7.3.8 Additionally, Green Park, Stockley Park and Granta Park all benefit from being located within local labour markets that have higher than national-average levels of skills and education. While the Broxbourne local economy does not exhibit this asset to the same extent as Reading, London and Cambridge, the strength of its position in terms of access to the strategic road and rail network works in its favour in terms of increasing the effective local labour force.

7.4 Conclusion

- 7.4.1 The factors outlined in this section shows that it is reasonable to assume that underlying demand exists in the sub-region to meet any new supply of high quality employment space designed to attract high value industries to the area, providing that specific land-use requirements are taken into consideration. The case studies of business parks in comparable locations also provide us with insight into the place-based attributes necessary for capturing demand in Broxbourne's target industries.
- 7.4.2 We will consider how any potential demand over and above that forecast in Section 6 could be accommodated in Broxbourne further in our overall conclusions in Section 8.

8 CONCLUSIONS

8.1 Introduction

- 8.1.1 This section sets out our conclusions building upon findings from previous sections of the report. It does not include recommendations for employment land policies, which Broxbourne Borough Council will develop based on the evidence presented in this report.
- 8.1.2 Broxbourne's economic development strategy 'Ambition Broxbourne' sets out an economic vision for the borough⁵⁴. By 2030 Broxbourne Council aspires to have a thriving economy that is *'underpinned by innovation, enterprise and entrepreneurship'*. Specific goals include providing 6,300 new jobs, attracting more Blue Chip companies, upskilling the residential workforce, and supporting more knowledge-driven economic development. To fulfil these goals the document sets out the strategic priorities which involve creating certainty for investment, nurturing employment and enterprise, championing learning and skills, generating quality places, and driving sector with a particular focus on harnessing the life sciences, creative and finance and business services sectors. This vision sets the direction for how employment land policies should be drawn up, if supply and demand conditions allow.
- 8.1.3 Below we provide a short discussion on the key findings regarding the local office market; the potential to attract large scale inward investment to support office and R&D business parks, which is of particular interest to the Council given the aspirations set out in Council policy and strategy documents; and manufacturing and warehousing space.

Local Offices

- 8.1.4 The Broxbourne office market is relatively small and generally orientated towards supporting local businesses which have a sub-regional / regional catchment area of market/customers/clients, though there are some exceptions.
- 8.1.5 The majority of the Borough's office stock is situated within areas which are primarily industrial in character. The field survey and consultation with market agents and stakeholders revealed that there is a relatively significant stock of older office buildings in Broxbourne built in the 1970s and 1980s. Stock is often in need of renovation and is not necessarily meeting the current needs of potential office occupiers, many of whom require more flexible, modern office space than that provided in buildings built in the 1970s and 1980s. The exceptions to this are purpose built developments such as that observed at C9 (MSD Campus) and C25 (VolkerWessels Offices).
- 8.1.6 Although as discussed in Section 5 there may be some demand for good quality office premises for such occupier activities, the general pattern with regards to stock is of decline in floorspace catering for the local office market. This decline has occurred mostly through redevelopment of older stock for other uses which is not offset by new office developments, given limited viability and demand from competing higher value uses (particularly residential). Stock is in danger of declining further as a result of permitted development rights (PDR) for office to residential development.
- 8.1.7 It was observed in Section 3 that office-based employment growth has been strong in recent years (since 2010) though only relatively speaking given growth is from a small existing base.

⁵⁴ Broxbourne Borough Council, (2014); Economic Development Strategy.

However this growth has not translated into a proportionate increase in new office floorspace, which suggests that much of the office-related employment growth is taking place within existing stock (often located within the Borough's well-performing industrial clusters) by increasing employment densities (making more of existing space) or taking up vacant / available floorspace. The proportion of vacant floorspace has fallen to 3.5% which is considered a sub-optimal rate for an efficient property market, which requires a proportion of stock to be available to help businesses to expand and contract their space requirements and remain local.

- 8.1.8 Whilst property market agents were not particularly optimistic about the strength of future office demand in the borough, their views focus primarily on the short term and local demand and are not generally representative of longer term demand. The demand forecasting exercise takes a longer term perspective of demand and takes account of past and recent trends and anticipate changes. The forecast estimated net additional demand for 17,500m² of office floorspace over the Local Plan period to 2031 is higher than past rates of office floorspace growth. Broxbourne has good opportunities to grow faster than seen historically as it is situated in a sub-region with a diverse and expanding economy and a range of growing sectors and highly skilled workers. The Council is focussed on supporting enterprises, improving entrepreneurship in the area and enhancing the skills of local residents, and there are recent positive socio-economic trends such as improvements in the proportion of residents with higher level education attainment. There are opportunities to promote mixed-use growth and provide an environment right for attracting new businesses at Brookfield.
- 8.1.9 This figure of net additional demand assumes that the office premises at Delamare Road Industrial Estate North (C6) being vacated by Tesco are not taken up as consultation with market agents and the profile of the local office market suggest they are do not reflect the type of stock modern occupiers operating in the local office market require, and it is now understood that this stock is being acquired for housing redevelopment. However, were this office stock to be retained and prove to be suitable for local office-based businesses and taken up then the net additional demand for office floorspace is forecast to be 5,000m².
- 8.1.10 There are limited opportunities for the development of new additional office space. Vacant and developable land within employment clusters surveyed totals 16.7ha, of which the majority lies on Park Plaza (C2) (10.8ha)). There will be a range of other uses competing for this land. The limited vacant developable land which could support new office premises implies a need to retain and renewal existing office stock (especially because a large proportion of stock is dated to 1970/1980s and less suitable for modern occupiers), and incorporate offices in new development where possible.

The Potential for an Office and R&D Business Park

- 8.1.11 There is evidence to suggest that there is real potential for the borough to achieve a step change in demand for office and R&D space.
- 8.1.12 Our research has identified a number of key drivers of growth which lead to demand over and above past rates of development.
- 8.1.13 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 is already home to life sciences activity and could be well-positioned to attract more; the rapid expansion of the creative sector including digital and IT, within the London-Cambridge corridor; the potential which Broxbourne's five employment land options

sites have in unlocking demand and addressing the shortage of high quality employment land and premises in the sub-region; the under supply for office use in south west Herts; the trend of out-migration of office and industrial activities from Greater London which is increasing as a result of contractions in employment land and rising rental levels; and the place making agenda of the Council which seeks to bring forward high quality residential-led mixed use development at Brookfield.

- 8.1.14 Importantly, Broxbourne is located at the centre of the M25 Northern commercial property market. Growth of this market has been hindered by a lack of available sites. The potential for the Northern M25 market to grow can be seen when comparisons are made with other competing locations such as Thames Valley and south M25 commercial property markets, which have both experienced higher office supply growth.
- 8.1.15 These factors build on locational and competitive advantages that underpin the borough's ability to attract businesses including: its location within a dynamic sub-region; the strategic road and rail linkages, in particular the M1, A1(M), A10 and M11 as well as the M25; access to a large and diverse labour market and a critical mass of skilled industrial activity; and a competitively priced commercial market with access to a range of market opportunities (end markets and supply chains, of local and national/international importance).
- 8.1.16 Although the survey found some potential for existing Employment Areas to meet some additional employment land demand through vacant land, redevelopment and intensification, there are relatively limited opportunities and none which could support the potential for large scale development. Of those existing employment clusters Park Plaza (C2) which has 10.8ha of vacant land provides the best opportunity in terms of land area available. However, the amount of land is relatively small compared to the needs of a new business park and the emerging Local Plan: Vision, Objectives Growth Targets and Key Allocations (2015) indicates that the vacant land at Park Plaza (C2) could be used to support the relocation of businesses elsewhere in the borough, such as Delamare Road where new housing is planned, as part of a borough-wide regeneration strategy.
- 8.1.17 TwentyFive25 (C32) and Brookfield (C33) were identified, from a high level assessment of key characteristics (scale, location and access) as being, potentially, the most suitable of employment land option (located in the green belt) which could support large-scale provision of higher value added employment uses, such as a business park with office and R&D facilities. The provision of sites positioned towards attracting such investment would align well with the borough's economic vision and growth agenda as set out in the Council's Ambition Broxbourne document, and provide the opportunity for sectors such as life sciences given the borough's positioning with the London-Stansted-Cambridge-Peterborough growth corridor.
- 8.1.18 Case studies of business parks in comparable locations suggest the place-based attributes necessary for capturing demand in Broxbourne's target industries are apparent. We conclude that it is reasonable to assume that underlying demand exists in the national and global market place to meet any new supply of high quality employment space such as a business park with office and R&D facilities, designed to attract high value industries to the area. Broxbourne has the potential to support the growth of the north M25 market with sites such as TwentyFive25 (C32) and Brookfield (C33) that are well positioned and perform strongly in terms of their locations, scale and access to markets and labour.

8.2 *Manufacturing and Warehousing*

- 8.2.1 Manufacturing and warehousing uses are typically found within the same industrial estates, having broadly the same locational and operational requirements / constraints. As such they are considered together here.
- 8.2.2 There is currently in the region of 637,000m² of industrial (manufacturing and warehousing) floorspace in the borough, of which the manufacturing sector occupies 251,000m² and warehousing uses 386,000m².
- 8.2.3 Our survey work found that a number of the existing designated Employment Areas were performing well with no suggestion that the manufacturing sector, which has seen long term structural decline in the wider south east and more broadly the UK economy, is in decline.
- 8.2.4 Those clusters which performed well included the Waltham Cross/ Lea Road Employment Areas (Clusters 3 and 4), which is primarily occupied by light manufacturing/processing and small-medium scale storage, distribution and logistics operators. New premises have recently been built, for example at the IO Centre, and vacancy is generally low. The area is bordered by roads to the south and in part to the north and although some sensitive uses lie adjacent such as residential around Lea Road (C4) and open space (C3), there is a good degree of separation and good direct access to strategic roads. The Employment Areas at Fieldings Road and Delamare Road (Cluster 5, 6 and 7) are similarly well functioning containing a variety of premises and occupiers, from smaller light industrial and storage/distribution firms at Fieldings Road to medium-sized manufacturing and warehousing occupiers on Delamare Road, and a large office building formerly occupied by Tesco. Some sui generis use, principally a gym, car servicing and parking areas, is to be found along Delamare Road (Cluster 6 and 7), demonstrating that a mix of occupiers are in the area. Generally vacancy is low and quality of sites and environment is good. Access to strategic roads, though not as good as at Waltham Cross/ Lea Road or Hoddesdon, is considered adequate for the generally small-medium sized occupiers found in the area.
- 8.2.5 Hoddesdon Business Park (C8) forms a large and coherent tract of industrial land serving the north of the borough, which also contains wider industrial uses such as waste management, utilities/power generation and railway depot and servicing areas – all being strategically important uses of industrial land. Although premises range in size, the cluster accommodates regionally significant large distribution and logistics including Cortland, Bidvest and Sainsbury's, and some smaller high technology occupiers, demonstrating its importance as an employment base in the borough. Premises quality is mostly good or very good, vacancy levels are low, except among smaller units, and there is direct strategic road access.
- 8.2.6 Park Plaza / Park Plaza North (C2) is well situated at the southern gateway to the borough and accommodates a large printworks (News International) and sizable areas of vacant land at the north and south of the cluster. There is non-employment use present in the form of a hotel. Although the vacant portions of the cluster have been empty for some years, there is good demand from employment land occupiers generally to locate here. Council policy permits only higher value added (ostensibly B1a/b) uses at this location given the sites' prominence which is deemed a sensible approach. As set out in the Local Plan: Vision, Objectives, Growth Targets and Key Allocations (2015) the north of the site could be support business relocations from other parts of the borough, which would result in some reduction in the land available for B-use class employment uses.
- 8.2.7 In addition to the above key manufacturing and warehousing clusters, the borough contains several smaller clusters which were generally well-functioning and fit for purpose.

- 8.2.8 A number of clusters surveyed were found to be either in poor condition, contain large areas of vacant floorspace or underused land, or were in the process of being redeveloped for non-industrial use or contain no B-use class floorspace. These include Fielding Road 2 (C1); Haulage Contractors Yard, Bryanstone Rd (C20); Salisbury Road (C22); and Station Approach / North London Sawmill (C30).
- 8.2.9 In addition, Fourways House, Ware Road (C15) contains a vacant former light industrial building which is set for redevelopment into a residential institution with no active employment uses remaining, and the Garage at 39 Ware Road, Hoddesdon (C24), though reasonably well functioning, is occupied solely by sui generis and thus non B-use class employment use, i.e. car servicing and repair.
- 8.2.10 The forecast suggests the industrial sector will continue to play an important role in the Broxbourne economy. In Broxbourne, over the Local Plan period to 2031, there is projected to be net additional demand of 160,700m² or 35.7ha of additional land to support warehousing businesses (B8 use classes) and 41,500m² or 9.2ha of additional land to support manufacturing businesses (B1c and B2 use classes) (see Table 6-7, 6-8).
- 8.2.11 Demand is being driven by a growing warehousing and distribution sector taking advantage of the east of the borough's excellent strategic transport access. The warehousing market has grown dramatically in the past decade and take-up has been strong. As a result there is little availability in the market. Manufacturing which has seen (and will continue to) demand from the outward migration of businesses from Greater London, displaced by contracting land and rising rental values, and supply constraints elsewhere in Hertfordshire.
- 8.2.12 However, our supply side assessment indicates that available land falls well short of the scale of net additional demand. Intensification of existing clusters will only go a short way to supporting the total net additional demand, and the supply of vacant land in the borough appropriate for industrial activities is fairly limited, at around 5.9ha (excluding land at Park Plaza promoted for B1a/b uses, which measures 10.8ha). This indicates the needs either designated more employment land or cater for a proportion of this demand.

Strategic Policy Choices

- 8.2.13 Our assessment of potential employment land needs in Broxbourne over the next 15 years has shown that there is strong potential demand for all three B-use class employment categories: office, manufacturing and warehousing.
- 8.2.14 Given the limited amount of vacant and developable land at existing employment clusters and that new employment land options are located in the green belt it is unlikely that the Council will meet the forecasted land requirements, without substantial release of green belt land.
- 8.2.15 The Council should therefore look to maximise the job potential of the new sites that it chooses to allocate for employment uses.
- 8.2.16 Sectors which will underpin this demand are likely to be those which have shown significant employment growth in recent years and which have the potential to make a step change in the local economy and meet the employment objectives of the Local Plan. Sectors which could meet these objectives include the professional, scientific & technical sector including life sciences; creative industries; information & communication; financial & insurance; and business administration & support services. These sectors will drive future growth in jobs and B-use class space.

- 8.2.17 A high level assessment of new employment land options suggests that a strategy to create a new business campus at Brookfield (C33) and/or TwentyFive25 (C32) could be a way forward in meeting this demand.

APPENDIX A: BUSINESS PARK CASE STUDIES

Green Park (Reading)

Overview

Green Park is located in the southern part of Reading and is 79 hectares in size⁵⁵. Development of the previously agricultural land holding first began in 1996.⁵⁶ Its Thames Valley location situates it at the heart of a high technology corridor stretching from west London to Oxford. It is one of the most vibrant areas of the UK and is characterised by a wealthy, highly skilled workforce and good access to London and Heathrow. The park is occupied by a wide range of firms including Huawei, Cisco Systems, HSBC, Pepsico, Nvidia and Synopsis. The figure below presents a map of the park.

Figure 0-1: Green Park



Source: <http://www.greenpark.co.uk/about-us/park>, accessed 2015.

Local Economy and Historic Drivers

The park has attracted a number of high technology tenants. Amongst local authorities in England, Reading has the largest digital technology cluster. One in five enterprises located in Reading is a digital technology firms⁵⁷. Reading forms part of a larger county-level digital technologies cluster. Nearly 55,000 people are employed in the industry in Berkshire. Digital

⁵⁵ <http://www.greenpark.co.uk/>, accessed December 2015.

⁵⁶ <http://www.rudi.net/node/12694>, accessed December 2015.

⁵⁷ Tech City, (2015); Tech Nation: Powering the Digital Economy.

technology firms located close to but outside of Reading include Vodafone in Newbury and Adobe in Maidenhead.

The development of this cluster is linked to a range of historic factors including the development of Heathrow; military contracts and the location of defence and government research facilities; and the de-regulation of the telecommunications market⁵⁸.

Transport

Transport connections to the park are good. It is adjacent to the M4 and Heathrow Airport about a 50-minute drive. Dedicated bus services run between the park and Reading station which is 4 kilometres away and is undergoing a £400 million upgrade⁵⁹. The station offers non-stop services into London Paddington and will be the western terminus of Crossrail when it opens in 2019⁶⁰. A dedicated railway station for the park has planning permission and is expected to open in 2017.⁶¹

Local Characteristics

The park is located near to other business clusters such as the Thames Valley Business Park and Winnersh Triangle. Thames Valley's tenants include Microsoft, Oracle and Fujitsu⁶²; Winnersh Triangle's tenants include Intel, Jacobs and Virgin Media⁶³.

Reading University is two kilometres away. The university is ranked among the top 30 in the UK.⁶⁴

The population in the region is highly skilled Reading and Berkshire is highly skilled. Amongst the working age population, (45.7% of Reading residents and 45.1% of Berkshire residents have a NVQ4+ qualification. The England average is 35.7%.⁶⁵

⁵⁸ Organisation for Economic Co-operation and Development (OECD), (2001); Innovative Clusters Drivers of National Innovation Systems.

⁵⁹ <http://news.bbc.co.uk/1/hi/england/berkshire/7607861.stm>, accessed December 2015.

⁶⁰ <http://www.crossrail.co.uk/route/western-section/reading-station>, accessed December 2015.

⁶¹ <http://www.getreading.co.uk/news/reading-berkshire-news/green-park-station-open-without-10243662>, accessed December 2015.

⁶² <http://thamesvalleypark.com/>, accessed December 2015.

⁶³ <http://www.winnershtriangle.co.uk/existing-occupiers/>, accessed December 2015.

⁶⁴ <http://www.thecompleteuniversityguide.co.uk/league-tables/rankings>, accessed December 2015.

⁶⁵ ONS, (2014); Annual Population Survey.

Granta Park (Cambridge)

Overview

Granta Park is located in the village of Abington in the South Cambridgeshire District. The park is about 35 hectares and accommodates both office and research facilities.⁶⁶ Outline planning permission was secured in 1996 and development began in 1997. The park is occupied by a range of life sciences firms that include Pfizer, Lonza Biologics, PPD and Neusentis. Figure A.2 shows the master plan for phase 2.

Figure A-2 Granta Park



Source: http://www.nicholashare.co.uk/data/projects/0517/img_0.jpg, accessed December 2015.

Local Economy and Historic Drivers

The park is located near the City of Cambridge and forms part of the region's multi-industry cluster⁶⁷. Cambridge is famous for biosciences and is also home to other successful companies such as ARM, Microsoft and Marshalls. Cambridge is expected to see the continued growth of professional services and R&D. The biosciences sector will also be boosted by Astra Zeneca moving its global HQ and R&D facilities to a purpose-built campus in south Cambridge.

There are several drivers behind the strength of Cambridge's regional economic cluster. Cambridge University plays an important role by providing both the workforce and spin-off

⁶⁶ <http://www.grantapark.co.uk/main.cfm?sid=gpark&pid=history>, accessed December 2015.

⁶⁷ SQW, (2014); Cambridge Northern Fringe East - Employment guidance for the Area Action Plan – sector profile.

companies necessary to grow high technology industries.⁶⁸ Also national science policy has favoured the development of research activities and facilities in Cambridge. This has resulted in Cambridge establishing itself as a prestige location.

Transport

The park is located close to the M11 which provides good access to London and Cambridge. Stansted Airport is a 20-minute car ride away. Whittlesford Parkway is the nearest rail station (2 kilometres away) from which services run to both Cambridge and London. Services take a little over an hour to reach central London and under 15 minutes to Cambridge.

Local Characteristics

As part of the wider Cambridge cluster Granta Park is located near to a number of other science parks such as Cambridge Science Park and Cambridge Biomedical Campus. Tenants of Cambridge Science Park include Phillips, Qualcomm, Domainex and Sigma-Aldrich. Cambridge Biomedical Campus is occupied by Addenbrooke's Hospital and GSK. Astra Zeneca will move to the park in 2016.

The park is closely linked to Cambridge University and Anglia Ruskin University.

The population of the Cambridge and South Cambridgeshire local authority areas is highly skilled. The work age population in both has a higher proportion of NVQ4+ qualifications (61.4% and 49.6%, respectively) than the England average (35.7%).⁶⁹

⁶⁸ Organisation for Economic Co-operation and Development (OECD), (2001); Innovative Clusters Drivers of National Innovation Systems.

⁶⁹ ONS, (2014); Annual Population Survey.

Stockley Park (Hillingdon)

Overview

Stockley Park is located between Hayes and West Drayton in the London borough of Hillingdon on the western side of Greater London. Development of the park began in the 1980s as part of the wider redevelopment of a 142 hectare site⁷⁰. Today the park is occupied by tenants such as Apple, GSK, Gilead Sciences, and Hasbro.

Figure 0-3 Stockley Park



Source: https://stockleypark.s3.amazonaws.com/2012/11/22/11/11/26/647/StockleyPark_PathsMap.pdf, accessed December 2015.

Local Economy and Historic Drivers

A significant part of the economy in the area around Stockley Park is linked to Heathrow Airport. Firms around the airport act as suppliers of goods and services to it. Additionally, some firms that directly use the airport such as British Airways have headquarters and offices near to it. Heathrow is estimated to employ 9,000 Hillingdon residents on site and likely to indirectly support more due to the local suppliers who are reliant on the airport for business. Hillingdon excluding Heathrow also has numerous industrial estates which contain businesses such as a nestle coffee bean roasting facility,

⁷⁰ <http://hidden-london.com/gazetteer/stockley-park/>, accessed December 2015.

Transport

The park is located on the A408 which is close to the M4. The park is located between West Drayton and Hayes & Harlington train stations. Both provide direct services into London Paddington and Heathrow, and will also be linked into Crossrail when the service opens in 2019.

Air travel is available through Heathrow to short and long haul destinations. There are plans to expand Heathrow by either building a third runway or extending the north runway in the future, which could increase travel options to and from the airport.

Local Characteristics

Stockley park is located in in close proximity to a number of industrial estates that form part of an industrial corridor that runs from Slough to Southall. Stockley Park is linked into the inner London economy by good public transport and road connections which mean journey times to reach the inner London economic core are low.

The population of Hillingdon has a middling proportion of residents with high level qualifications. Nearly 40% of the resident population has an NVQ4+ qualification which is lower than the Greater London average of 49.1%, but higher England (35.7%)⁷¹. Nearly 68% of Hillingdon's work force commutes from outside of the borough which suggests that a high proportion of Stockley Park's workforce could come from outside of Hillingdon⁷². Hillingdon is home to Brunel University.

⁷¹ ONS, (2014); Annual Population Survey.

⁷² ONS, (2011); Census 2011.

