

# Broxbourne Borough Council BROXBOURNE EMPLOYMENT LAND STUDY



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Final Report  
March 2008

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- Appendix A - Employment Sites - Inventory, Appraisal and Map
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# 1 INTRODUCTION

- 1.1 This study was commissioned by Broxbourne Borough Council in May 2007, as part of the evidence base for the Council's Local Development Framework. The study brief states that the study should:

'Provide a comprehensive quantitative and qualitative assessment of employment sites and premises<sup>1</sup> in the Borough. This is to be undertaken together with an assessment of future demand and need locally, within the context of the Hertfordshire sub-region. This will assist the Borough Council and its partners in taking future investment decisions and in developing land use and spatial planning policy relating to economic development'.

- 1.2 The brief adds that 'such an assessment is timely, given:

- a) the need to inform the forthcoming Core Strategy, which will be a key document in the Council's Local Development Framework (LDF); and
- b) the recent adoption of the Borough of Broxbourne Local Plan Second Review (LP). Employment policies in the LP sought to protect most of the established employment sites whilst ensuring adequate availability of land for housing development.

It is important to ensure that employment land and premises are reassessed and that qualitative issues are introduced into future planning policies for employment development through the LDF.'

- 1.3 Following this Introduction, Chapters 2-5 below set out the baseline for the study, considering the current position in Broxbourne. Chapter 2 analyses the policy context, Chapter 3 the local economy and Chapter 4 the local property market. Chapter 5 analyses and assesses the Borough's stock of employment space and the development sites identified for employment. Chapter 6 forecasts future requirements for employment land and compares these requirements with the outstanding supply, both in terms of quantity and quality. Chapter 7 provides conclusions and recommendations.

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<sup>1</sup> Following normal planning practice, employment space is defined here as comprising factories, warehouses and offices, covered by Classes B1-B8 of the Use Classes Order, and similar sui generis land uses. The study does not cover the many other land uses that provide jobs, such as retail, leisure, education and health.



## 2 POLICY CONTEXT

- 2.1 In this chapter, we set out the background of current policy, showing the national and regional policies that Broxbourne needs to conform to and the objectives it needs to consider in framing its employment land policies.

### National Policy

- 2.2 The core statement of national planning policy is found in Planning Policy Guidance Note (PPG)4, Industrial and Commercial Development and Small Firms.

- 2.3 Key statements in PPG4 include:

‘One of the Government’s key aims is to encourage continued economic development in a way which is compatible with its stated environmental objectives.’

‘Policies should provide for choice, flexibility and competition. In allocating land for industry and commerce, planning authorities should be realistic in their assessment of the needs of business. They should aim to ensure that there is sufficient land available which is readily capable of development and well served by infrastructure. They should also ensure that there is a variety of sites available to meet differing needs. A choice of suitable sites will facilitate competition between developers; this will benefit end-users and stimulate economic activity.’

‘The locational demands of businesses are...a key input to the preparation of development plans. Development plan policies must take account of these needs and at the same time seek to achieve wider objectives in the public interest.’

- 2.4 PPG4 was published as long ago as 1992. The Planning White Paper, Planning for a Sustainable Future, published in May 2007, promises to replace it shortly with a new Planning Policy Statement (PPS), part of a reformed planning system that will more positively support economic development.

- 2.5 Meanwhile, in the 15 years since PPG4 was published, government planning policy has evolved and the delivery of new housing has become perhaps its main priority for planning. Reflecting this, Planning Policy Guidance (PPG) 3, Housing, was amended in January 2005 to place greater emphasis on the need to release redundant employment sites so that they can be redeveloped for housing. A new paragraph 42(a) stated that:

- ‘Local planning authorities should consider favourably planning applications for housing or mixed use developments which concern land allocated for industrial or commercial use.’
- However, employment sites should still be safeguarded for employment ‘if it can be demonstrated, preferably through an up-to-date review of employment land, ([see] Employment Land Reviews: Guidance Note’ ODPM 2004):
  - that there is a realistic prospect of the allocation being taken up for [employment] use in the plan period; or
  - that its development for housing would undermine regional and local strategies for economic development and regeneration.’

- 2.6 This guidance was cancelled when Planning Policy Statement (PPS)3, Housing, replaced PPG3 on 29 November 2006. The new PPS notes that:

- ‘Options for accommodating new housing growth...may include, for example, re-use of vacant and derelict sites or industrial and commercial sites for providing housing as part of mixed-use town centre development.’ (paragraph 38)
- Local Development Documents should aim to bring previously developed land into housing use, including by ‘considering whether sites that are currently allocated for

industrial or commercial use could be more appropriately re-allocated for housing development’.

- 2.7 This is similar to the guidance previously set out in PPG3 before addition of the now cancelled paragraph 42(a). Under current government policy, therefore, planning authorities when reviewing their development plans should consider whether some land hitherto allocated for employment might be better used for housing or mixed-use development. But there is no presumption in favour of housing over employment and no tests that sites have to pass in order to be safeguarded for employment.

## The Regional Spatial Strategy

- 2.8 A new Regional Spatial Strategy (RSS) for the East of England, known as the East of England Plan, is currently emerging. An initial draft was published in 2004 and was subject to an Examination in Public (EiP) in late 2005 and early 2006. The EiP Panel reported in June 2006. The Secretary of State, having considered the Panel’s recommendations, published Proposed Changes to the Plan in December 2006. Consultation on the Proposed Changes ended in early March 2007. Subsequent issues over the sustainability appraisal have delayed the final publication of the Plan. The publication date is currently unknown but is expected to be sometime in 2008.
- 2.9 The analysis below focuses on the Proposed Changes document, which at the time of writing is the latest version of the East of England Plan.

### *Broxbourne’s Regional Role*

- 2.10 As part of its core strategy, the 2004 Draft East of England Plan identified Key Centres in which new development would be concentrated. Among these centres were the Stansted/M11 Corridor towns, which include the Broxbourne urban areas east of the A10. However, the Panel felt that these towns were not capable of housing and other growth on a strategic scale, and recommended they be deleted from the list. The latest version of the Plan, the Secretary of State’s Proposed Changes, supports this recommendation and does not include Broxbourne among the Key Centres for Development and Change (Policy SS3).
- 2.11 Policy SS5 of the Proposed Changes identifies priority areas for economic regeneration, in two categories: areas with weak economic performance and significant areas of deprivation and areas that only have significant areas of deprivation. The Lee Valley, which includes the main urban areas in Broxbourne, comes into the latter category. Policy SS5 says that ‘Local development documents and relevant non-statutory plans should set out policies to tackle the problems of economic, social and environmental deprivation in these areas’.

### *Broxbourne’s Sub-Regional Role*

- 2.12 Between the Draft RSS and the Proposed Changes, Broxbourne’s sub-regional context has changed substantially.
- 2.13 In the Draft Plan, the Borough was part of the Stansted/M11 Corridor, which covered the Lee Valley towns, Harlow and Stansted and in turn was part of the wider London-Stansted-Cambridge-Peterborough corridor, one of the Government’s Sustainable Communities growth areas. As part of the Sustainable Communities growth agenda, Policy ST4 in the Draft Plan proposed development of urban extensions between Cheshunt and Hoddesdon, providing 2,500 dwellings to 2021.
- 2.14 As well as the Stansted/M11 Corridor sub-region, Broxbourne in the draft RSS was part of the London Arc, stretching around the Greater London boundary, which was described as a sub-area rather than a sub-region, though the distinction was unclear. Policies for the Stansted/M11 Corridor took precedence over policies for the London Arc. The Draft Plan aimed to accommodate more sustainable growth in the London



Arc, reducing its dependence on London, though it also proposed public transport improvements on radial routes into London.

2.15 In the latest version of the Plan, these spatial strategies are largely overturned. As recommended by the Panel, Harlow and Stansted are identified separately as growth points and the Stansted/M11 Corridor is no longer identified as a sub-region. The overlapping designations of sub-regions and sub-areas have been abandoned. Instead, the Plan identifies just four groups of authorities, to which particular policies apply. These groups, sometimes described as sub-areas and sometimes as sub-regions, do not cover the whole of the region. Broxbourne is part of one such sub-area, a redefined London Arc, which in addition to Broxbourne comprises Hertsmere, Watford, Three Rivers, Dacorum, St Albans and Welwyn Hatfield in Hertfordshire and Epping Forest and Brentwood in Essex.

2.16 The London Arc 'comprises the areas closest to and most strongly influenced by London<sup>2</sup>'. Policy LA1 sets out policies for the London Arc and reads:

'Within the London Arc Sub-Region the emphasis will be on:

- retention of long-standing Green Belt restraint, supported by more positive 'green infrastructure' use of neglected areas in accordance with Green Belt purposes; and
- urban regeneration, including the promotion of greater sustainability within the built-up areas, particularly measures to increase the use of non-car modes of transport.

Exceptions to the approach of restraint in the green belt are made at Hemel Hempstead, Welwyn Garden City and Hatfield, where strategic Green Belt reviews will be undertaken to permit these new towns to develop further as expanded Key Centres for Development and Change (as further provided for in the specific policies for these towns).

Other towns in the London Arc will retain and develop their existing individual roles within its polycentric settlement pattern, recognising and making as much provision for new development within the built-up area as is compatible with retention, and wherever possible enhancement of their distinctive characters and identities.

Across the London Arc the local authorities should work with those in Greater London, especially Outer London, and to the north, and those responsible for delivering the strategic transport networks, to ensure that:

- opportunities presented by the existing and developing public transport radial routes from London are exploited to the maximum effect to secure mutually-supporting poles of sustainable development at nodal points along these routes while ensuring that the strategic function of radial routes is not overwhelmed by local movements; and
- a network-wide approach, being particularly critical in the London Arc, is adopted towards increasing opportunities for inter-urban journeys by public transport, in line with the Regional Transport Strategy.'

2.17 Although Broxbourne is not one of the authorities required to undertake a strategic review of Green Belt boundaries, Policy SS7 states that it should undertake a 'more local review' and supporting text indicates that this is to 'support the regeneration of towns in the Lee Valley while avoiding their coalescing further'<sup>3</sup>.

2.18 The urban extensions between Cheshunt and Hoddesdon have been abandoned, to avoid coalescence of these urban areas.

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<sup>2</sup> Secretary of State's Proposed Changes, paragraph 13.41.

<sup>3</sup> Secretary of State's proposed Changes, paragraph 3.31.

### *Economic Development*

- 2.19 Section 4 of the draft East of England Plan (Proposed Changes) deals with economic development. Introductory text at paragraphs 4.1 to 4.2 sets out core principles:
- 'The regional economy should be supported and developed to ensure that the East of England fully contributes to national, regional and local prosperity and in order to improve the quality of life of all those who live and work in the region';
  - Government guidance states that RSS should assist the implementation of the Regional Economic Policy (RES) and that the RES should pursue complementary outcomes to the RSS.
- 2.20 The text goes on to state economic aspirations for the region, which the RSS and RES share:
- So far as possible, development should result in 'better, not worse balance' between homes and jobs.
  - 'While securing continued growth in prosperous areas, [policy seeks] also to redress spatial imbalances in prosperity and the quality of life, by increasing the economic strength of currently under-performing areas'.
  - 'Research... concluded that some economic growth could be achieved in the region through gains in productivity, promoting skills development and innovation, overcoming key transport bottlenecks and facilitating higher participation rates. However, to achieve the RES objectives, employment growth must be well above a 'business as usual' forecast.'
- 2.21 Paragraph 4.6 notes that
- 'Local Development Documents should take into account and facilitate the delivery of the 2004 RES and its subsequent reviews, putting in place complementary land use policies and proposals.'
- 2.22 Policy E1 of the Plan, Job Growth 2001-21, provides indicative targets for net growth in total employment, covering both the B-class uses and other sectors. The targets relate to sub-regional areas which generally cover more than one district. Both these sub-regional grouping and the targets themselves have changed since the 2004 Draft Plan, further to extensive amendments proposed both by the Panel and the Secretary of State.
- 2.23 In the Proposed Changes, Broxbourne is part of the London Arc, whose collective growth target is 50,000 net additional jobs in 2001-21. Like the targets for other sub-regional groupings, this figure is not broken down by district.

- 2.24 With regard to the status of the employment growth targets, Policy E1 says:  
‘[The targets] are adopted as reference values for monitoring purposes and guidance for regional and local authorities, EEDA and other delivery agencies... Local Development Documents should provide an enabling context to achieve these targets. They may be revised through the review of RSS in conjunction with review of the RES or, exceptionally, through testing as part of LDD preparation.’
- 2.25 Supporting text (paragraphs 4.7-4.8) points to the limitations of the figures:  
‘The evidence was not sufficiently robust to set any more than indicative targets. Job growth, its broad alignment with housing and how best to monitor changes in the labour market are all issues that should be reconsidered as part of the review of RSS.. to produce more robust and readily monitorable targets, and to express these at district level, albeit with a degree of flexibility..  
  
In much of the region local planning authorities may wish to undertake joint employment land studies to inform preparation of LDDs. The assumptions about job growth should in the first instance be guided by policy E1 but, reflecting national guidance on employment land reviews, may consider additional new evidence as part of the process of LDD preparation.’
- 2.26 This suggests that employment land reviews, which provide the evidence base for LDF policies, have an important role in analysing and testing the RSS employment targets. It also suggests that Broxbourne should consider its policies for economic land uses in the wider context of the London Arc. The policies of different authorities within the sub-region should be mutually supportive, or at least mutually consistent, otherwise they will be ineffective.
- 2.27 Policy E2, Provision of Land for Employment, reinforces this point:  
‘Local Development Documents should ensure that an adequate range of sites/premises is identified... to meet the indicative job growth targets of Policy E1 and the needs of the local economy as revealed by up-to-date Employment Land Reviews.  
  
Where development proposals and issues cross local authority boundaries, this approach should be developed and applied across the whole urban or development area.’
- 2.28 Many other parts of the Plan similarly encourage joint working across local authority boundaries, for example in identifying locations for new housing or reviewing the Green Belt.
- 2.29 Policy E2 also sets out criteria which employment locations should meet, including:
- ‘Minimise commuting and promote more sustainable communities by achieving a closer relationship between homes and jobs.
  - Maximise... use of public transport.
  - Minimise loss of, or damage to, environmental and social capital... often (by giving) precedence to re-use of previously developed land and the intensification of use at existing sites over release of greenfield land.
  - Meet the needs of the region’s significant sectors and clusters as set out in the Regional Economic Strategy or identified through LDDs’.
- 2.30 Policy E3 of the Plan says that Local Development Documents should identify ‘readily-serviceable strategic employment sites’. These should be provided ‘particularly, but not exclusively’ at specified ‘regionally strategic employment locations’ which are listed in the policy. The list makes three mentions of Hertfordshire, including two specific places, Stevenage and Hemel Hempstead, and a more general reference as follows:

‘Hertfordshire, at locations (other than those noted above) where this would support strong, continued growth of mature and emerging clusters and sectors or regeneration of the Lee Valley’.

2.31 Neither Policy E3 nor its supporting text provides a definition of a regionally strategic site.

2.32 Policy E4 states that Local Development Documents should particularly support the growth of regionally significant economic clusters. The policy provides a list of such clusters, including ‘a life-science regional super-cluster with concentrations in the Cambridge sub-region, Hertfordshire sub-region, Cranfield and Norwich’. The Hertfordshire sub-region in this context could be taken to include the pharmaceuticals company Merck Sharp Dohme in Broxbourne. However, the main part of the Hertfordshire sub-region to which the policy refers is in the north of Hertfordshire county, close to Cambridge, in places such as Royston. MSD is a free-standing operation, not part of a local cluster.

## The Regional Economic Strategy

2.33 The Regional Economic Strategy (RES) for the East of England, A Shared Vision, was published in 2004. An update is currently underway. The document sets out a broad vision for the region as follows:

‘... A leading economy, founded on our world-class knowledge base and the creativity and enterprise of our people, in order to improve the quality of life of all who live and work here.’

2.34 The RES goes on to discuss eight ‘strategic goals’ for the region, which reiterate the above aims and add several others, of which the most relevant to our present purpose are:

- ‘Growing competitiveness, productivity and entrepreneurship;
- Social exclusion (probably meaning *in*clusion) and broader participation in the regional economy’.

2.35 For the present study, we need to consider how spatial planning may contribute to the above vision and goals. On this question, the content of the RSS is a less detailed version of points also made in the 2004 draft RSS, which was written around the same time. Some of this content, such as the mention of Broxbourne as a Sustainable Communities growth area, is now superseded by the Proposed Changes version of the RSS. In one reference to Broxbourne which remains valid, the RES reminds us that the Upper Lee Valley is a priority area for regeneration and proposes two ‘areas for development’ (policy interventions) that bear on it:

- ‘Work with business and higher education institutions to put in place skills programmes and training to raise skills levels; and
- Secure more direct regeneration benefits from Stansted Airport for the priority regeneration areas at Harlow and Lee Valley Corridor through closer inter-agency working, skills and training programmes and enabling affordable and accessible public transport links to enable greater access for Harlow/ Lee Valley Corridor area workforce to higher level employment’.

## Local Economic Strategy

2.36 The Broxbourne Economic Development Strategy, 2006-2009, begins with an assessment of the Borough’s economy. It concludes that, on many measures of economic performance and well-being, including earnings, unemployment, entrepreneurship, growth prospects and residents’ skills, Broxbourne does better than the national average, but is relatively disadvantaged compared to other parts of Hertfordshire. Unemployment and long-term unemployment are particularly

concentrated in certain parts of the Borough, comprising Waltham Cross and Wormley and Turnford. The assessment also considers travel to work and concludes that Broxbourne has exceptionally high out-commuting (though this analysis is out of date, based on the 1991 Census<sup>4</sup>). It notes that the Borough is currently presented with major new opportunities, including major industrial and commercial development at the Park Plaza and Essex Road sites, which should greatly improve its economic prospects.

- 2.37 In terms of policy intervention, the Economic Development Strategy has three strategic aims:
- Encouraging investment and providing support to existing businesses.
  - Improving skills, educational attainment and access to employment opportunities.
  - Improving the quality of life and environment.
- 2.38 Among the actions proposed to deliver these aims, two are particularly relevant to employment land policy:
- Provision of Council accommodation for small and new businesses, with proposals for additional units at Pindar Road.
  - 'To require the local development plan to support the needs of local employers more fully than present planning policies'.
- 2.39 The document does not specify how current planning policies fail to support the needs of local employers.

## Key Points

- 2.40 National policy on planning for economic development contains two main themes. Firstly, planning authorities should provide land to meet the needs of business, though these should be balanced against other public interest objectives. Secondly, employment land which has become surplus to requirements should be considered for redevelopment for housing. With regard to the first theme, policy is shortly to be updated, aiming for a reformed planning system which more positively supports economic development.
- 2.41 Turning to regional policy, the core spatial strategy of the emerging RSS, the East of England Plan, has changed since the 2004 draft. In that draft, Broxbourne was part of the Sustainable Communities growth area, in which development and growth were to be concentrated. In the latest version of the Plan, Broxbourne no longer plays this regional role. Rather, as part of the London Arc sub-region, the Plan now suggests that the Borough's planning policies should be driven by local rather than strategic objectives, and in particular:
- Environmental quality, including safeguarding the identity of individual towns, partly through Green Belt restraint;
  - Urban regeneration;
  - Public transport improvements.
- 2.42 With regard to economic development, the regional spatial and economic strategies provide the same broad policy directions (though on some specific issues they are out of step, because they are being reviewed on different timetables). Region-wide, key objectives are:
- i) A higher-value, higher-productivity, higher-skilled economy;
  - ii) Greater prosperity in currently poorer areas;

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<sup>4</sup> We provide an updated analysis of travel to work, based on the 2001 Census, in Chapter 3 below.

- iii) Better alignment between homes and jobs, 'to minimise commuting and promote more sustainable communities'.
- 2.43 The first of these objectives, higher productivity, according to the RSS requires employment growth above a business-as-usual scenario (though this does not necessarily apply to every local authority area and Broxbourne, as we have seen, is not one of the areas in which growth is to be concentrated).
- 2.44 This employment growth is the only regional economic objective which is expressed in specific targets. Broxbourne shares with six other districts in the London Arc (Hertfordshire) sub-region a collective target of 50,000 net new jobs in the period 2001-21. This is an indicative target, which may be reconsidered as part of LDF preparation. The seven local planning authorities in the sub-region need to agree about the total employment growth they are aiming for and the distribution of this total between them. The RSS encourages such joint working, both on economic development and other topics.
- 2.45 Broxbourne's local economic development strategy assesses the local economy and concludes that it is under-performing with regard to all three regional objectives. This analysis suggests that the Borough's economy is relatively low-value and low-skilled, and its unemployment is relatively high, but only by comparison with the rest of Hertfordshire, not against national benchmarks. The analysis also considers that alignment between homes and jobs is poor, in that many people travel to work outside the Borough. The next chapter will look more closely at these and other aspects of economic performance.

## 3 THE LOCAL ECONOMY

### Introduction

- 3.1 In this chapter, we firstly analyse Broxbourne's workplace economy - the businesses and jobs located in the Borough - and secondly its workforce - the workers who live in the Borough. Broxbourne's workplace jobs and its resident workers are quite different things, because many people who work in the Borough live elsewhere and even more people who live in the Borough work elsewhere. In the third and final section of the chapter, we analyse these travel-to-work flows.
- 3.2 Throughout the analysis, we benchmark Broxbourne against neighbouring districts, the regional and national economies, and where relevant the London Arc<sup>5</sup>.

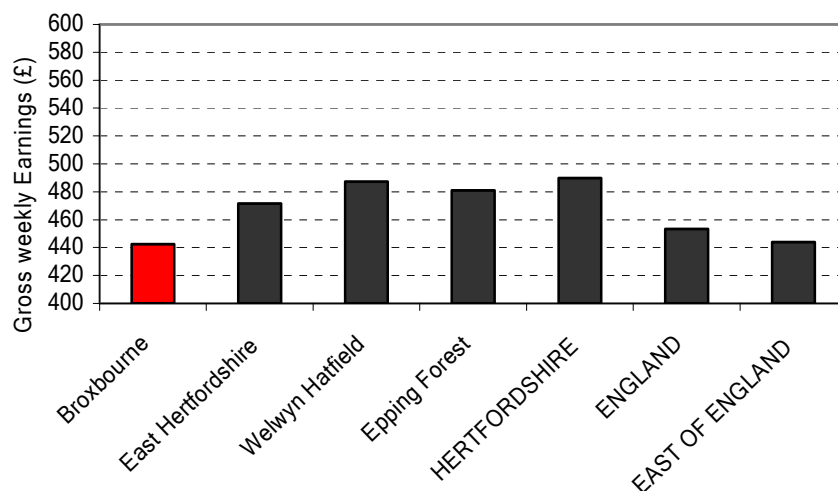
### The Workplace Economy

#### *Productivity and Competitiveness*

- 3.3 Our analysis starts from a simple question: how productive, or competitive, is Broxbourne's economy? Productivity measures the amount of wealth, or value, that the area's workers generate and so is a key question in assessing the performance of any economy. But it is an especially important question for Broxbourne, because a higher-value economy is a key target of regional strategies, and because earlier analysis concluded that Broxbourne is a lower-value economy.
- 3.4 The question is not simple to answer, partly because there are no data on productivity for local areas. Below, we analyse proxy (indirect) measures of productivity, such as earnings, and underlying factors that determine current and future productivity, such as industrial structure, knowledge-based industries and entrepreneurship.

#### *Earnings*

**Figure 3.1 Gross Weekly Workplace Earnings, Full-Time Workers, 2006**



Source: Annual Survey of Hours and Earnings

- 3.5 The average weekly earnings of people working in Broxbourne in 2006 were just over £440 (Figure 3.1). This is lower than any of the surrounding districts - the next

<sup>5</sup> The London Arc straddles Hertfordshire and Essex and comprises the districts of Broxbourne, Dacorum, Hertsmere, St Albans, Three Rivers, Watford, Welwyn Hatfield, Brentwood and Epping Forest.

lowest is East Herts, with earnings around £470 - and much lower than the Hertfordshire average of £490. But Broxbourne's workplace earnings are virtually equal to the regional average for the East of England, which in turn is a little lower than the national benchmark.

### *Industrial Structure*

- 3.6 In 2005, the latest year for which statistics are available, Broxbourne had a total of 33,470 employee jobs. Table 3.1 below breaks down this total into broad activity sectors, and compares the share of each sector in Broxbourne with Hertfordshire, the region and the national economy.

**Table 3.1 Broad Sectors, 2005<sup>6</sup>**

Employee Jobs	Jobs		% of Total Jobs		
	Broxbourne	Broxbourne	HERTS	EAST OF ENGLAND	ENGLAND
Agriculture and fishing	110	0%	0%	1%	1%
Energy and water	89	0%	0%	0%	0%
Manufacturing	3,835	11%	9%	11%	11%
Construction	2,701	8%	6%	5%	4%
Distribution, hotels, rests	10,985	33%	27%	25%	24%
Transport and comms	2,562	8%	6%	7%	6%
Banking, finance, insurance	6,793	20%	26%	20%	21%
Public admin, education, health	5,179	15%	21%	25%	26%
Other services	1,216	4%	5%	5%	5%
All	33,470	100%	100%	100%	100%

Source: Annual Business Inquiry, 2005

- 3.7 The largest broad sector, Distribution, Hotels and Restaurants, is particularly over-represented in Broxbourne by comparison to the county, region and England. The sector accounts for one-third of all jobs in Broxbourne, against about one-quarter in the benchmark areas. A close look at this sector shows that the sub-sector responsible is Retail and Wholesale Distribution, whose share of total jobs is 29% in Broxbourne but only 21% in the benchmark areas. Broxbourne's 'surplus' of Retail and Wholesale jobs in turn is almost exactly equal to our estimate of jobs at the Brookfield shopping centre<sup>7</sup>.
- 3.8 A much smaller sector which slightly over-represented in Broxbourne is Construction, which provides 8% of jobs in the Borough against 4-6% in the benchmark areas. One of the Borough's main employers, Fitzpatrick, based in Hoddesdon, is a construction firm.
- 3.9 Public Administration, Education and Health is very under-represented in Broxbourne, where it provides just 15% of jobs, against more than 20% in the benchmark areas.
- 3.10 Financial and Business Services (FBS) is of particular interest because it is an especially high-productivity sector that generates high earnings. FBS accounts for most of the private sector activities that are based in offices, including banking, insurance and professional services. Of Broxbourne's total employee jobs, 20% are in Financial and Business Services. This is less than Hertfordshire (26%) and all the

<sup>6</sup>The County Council has advised that the official statistics (ABI) overestimates employment at the Merck Sharp Dohme establishment in Broxbourne by about 550, and furthermore it wrongly classifies the establishment to manufacturing, when in fact it is a head office and research centre. In our analysis, we have corrected for this error, reducing employment by 550 jobs and transferring 450 jobs from Manufacturing to Financial and Business Services.

<sup>7</sup> We estimate that Brookfield provides some 2,300 jobs, based on fine-grained analysis of the Annual Business Inquiry by Super Output Area.

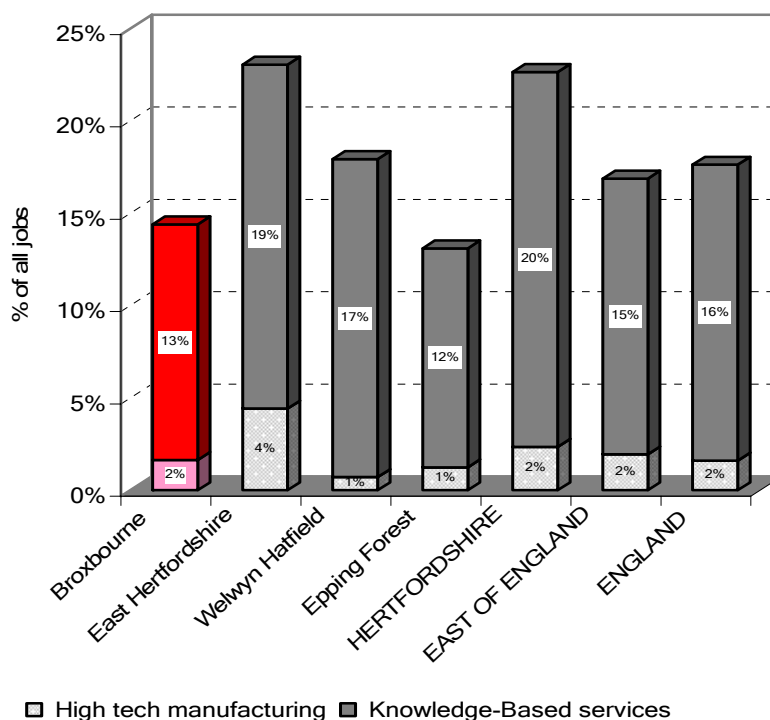


surrounding districts, but it is equal to the shares of FBS in the region and in England. Yet again, Broxbourne may be relatively disadvantaged compared to its immediate neighbours, but by regional and national standards it is not.

- 3.11 Figure 3.2 analyses industrial structure in a different way, considering the share of jobs provided by knowledge-based sectors, as defined by the OECD. Employment in knowledge-based sectors is recognised as a key driver of growing productivity and competitiveness, as argued for example in the Government White Paper, *Our Competitive Future: Building the Knowledge Economy* (DTI, 1999).

'In a knowledge-driven economy....the generation and exploitation of knowledge has come to play the predominant part in the creation of wealth. Companies in countries with higher labour costs, such as the UK, therefore have to innovate and adapt continuously to retain their competitive edge.'

**Figure 3.2 Proportion of Total Employment in Knowledge Based Sectors, 2005<sup>8</sup>**



□ High tech manufacturing ■ Knowledge-Based services

Source: Annual Business Inquiry, 2005

- 3.12 Knowledge-based activities, as defined by the OECD, may be split into two groups: The first group is high-technology manufacturing - including chemicals, scientific instruments, aircraft manufacture, computers and the like. The second and much larger group is knowledge-based services, which covers most of the FBS sector and a few other activities such as telecommunications.
- 3.13 The share of high-tech manufacturing in Broxbourne's employment is just 2%, similar to all the benchmarks (except for East Herts, which has a particularly high share due to its pharmaceutical campuses). The Borough's share of high-tech services is 13%, only fractionally below the national and regional averages, but considerably lower than Hertfordshire's (20%). In what is becoming a familiar pattern, Broxbourne only appears disadvantaged if we compare it with the rest of Hertfordshire, but not with wider benchmarks.
- 3.14 Table 3.2 looks uses a finer-grained definition of activity sectors, to identify those industries and services which are particularly over-represented in Broxbourne

<sup>8</sup> Data have been corrected as explained earlier.

against the national economy. The purpose of this analysis is to see if Broxbourne specialises in any particularly high-value sectors or clusters. The table lists those sectors which have more than 500 employees and have a location quotient greater than or equal to 1.3, indicating that the share of employment in the Borough is 30% or more above the national average.

**Table 3.2 Activities with Location Quotients over 1.3 and Employment over 800, Broxbourne, 2005**

Industry	Employees	% of Total Employment	LQ
63 : Supporting/auxiliary transport activities; travel agencies	1,574	5%	2.7
45 : Construction	2,701	8%	1.8
52 : Retail trade	6,694	20%	1.8
29 : Manufacture of machinery and equipment	591	2%	1.7
70 : Real estate activities	855	3%	1.4
51 : Wholesale trade and commission trade	1,986	6%	1.4
50 : Sale, maintenance & repair of motor vehicles/cycles	951	3%	1.4

Source: Annual Business Inquiry

- 3.15 Broxbourne's specialist sectors are relatively low-skilled activities. The largest of them are construction, retail and various activities related to transport, storage and warehousing. In addition, the list contains just one manufacturing activity, Manufacture of Machinery and Equipment (591 jobs) and one office-based service, Real Estate Activities (855 jobs).

#### *Entrepreneurship*

- 3.16 A widely used indicator of entrepreneurship is the number of VAT-registered businesses per 10,000 working-age population. As was already noted in the Broxbourne Economic Development Strategy, this indicator for Broxbourne is relatively low compared to those of its neighbours, Hertfordshire and the East of England region, though not compared to the national benchmark (Table 3.3).

**Table 3.3 Stock of VAT-Registered Businesses, 2005**

STOCK 2005	No. of VAT Registered Businesses	Per 10,000 Residents
Broxbourne	2,805	325
East Herts	5,820	442
Epping Forest	5,085	417
Welwyn Hatfield	3,260	324
HERTS	40,610	387
EAST OF ENGLAND	187,625	339
ENGLAND	1,581,355	314

Source: VAT registrations and stock, ONS, Mid-year population estimates, 2005

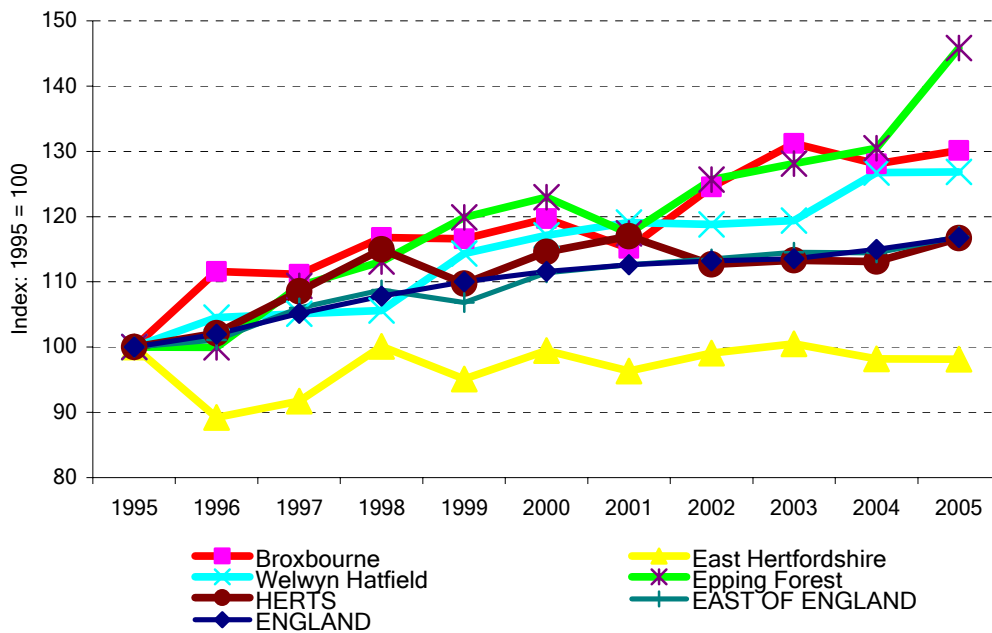
#### *Employment Growth*

- 3.17 Between 1995 and 2005, according to official statistics Broxbourne's total employment increased by just over 8,000 jobs, or 30% as shown in Figure 3.3. This is more growth than Hertfordshire, whose employment expanded by 17%, much more than the East of England region and England (8-9%) and similar to Welwyn Hatfield and Epping Forest.
- 3.18 The time profile of growth seems surprising. Between 2001 and 2005, employment change in Broxbourne followed much the same path as that in Hertfordshire as a whole and neighbouring districts. But in 2001-03 the different areas diverged, with much faster growth in Epping Forest, Broxbourne and Welwyn Hatfield. We find

these recent figures surprising, but to our knowledge there is no evidence that they are unreliable.

- 3.19 Unlike productivity, employment growth is not an unambiguous measure of economic performance. How much growth is desirable in any given area, depends largely on the balance of employment against population and housing. Between 1995 and 2005, employment in Broxbourne and surrounding areas grew much faster than population, following the national and regional trend.

**Figure 3.3 Total Employment Change, 1995-2005 (Index 1995=100).**



Source: Annual Business Inquiry and Annual Employment Survey Rescaled.

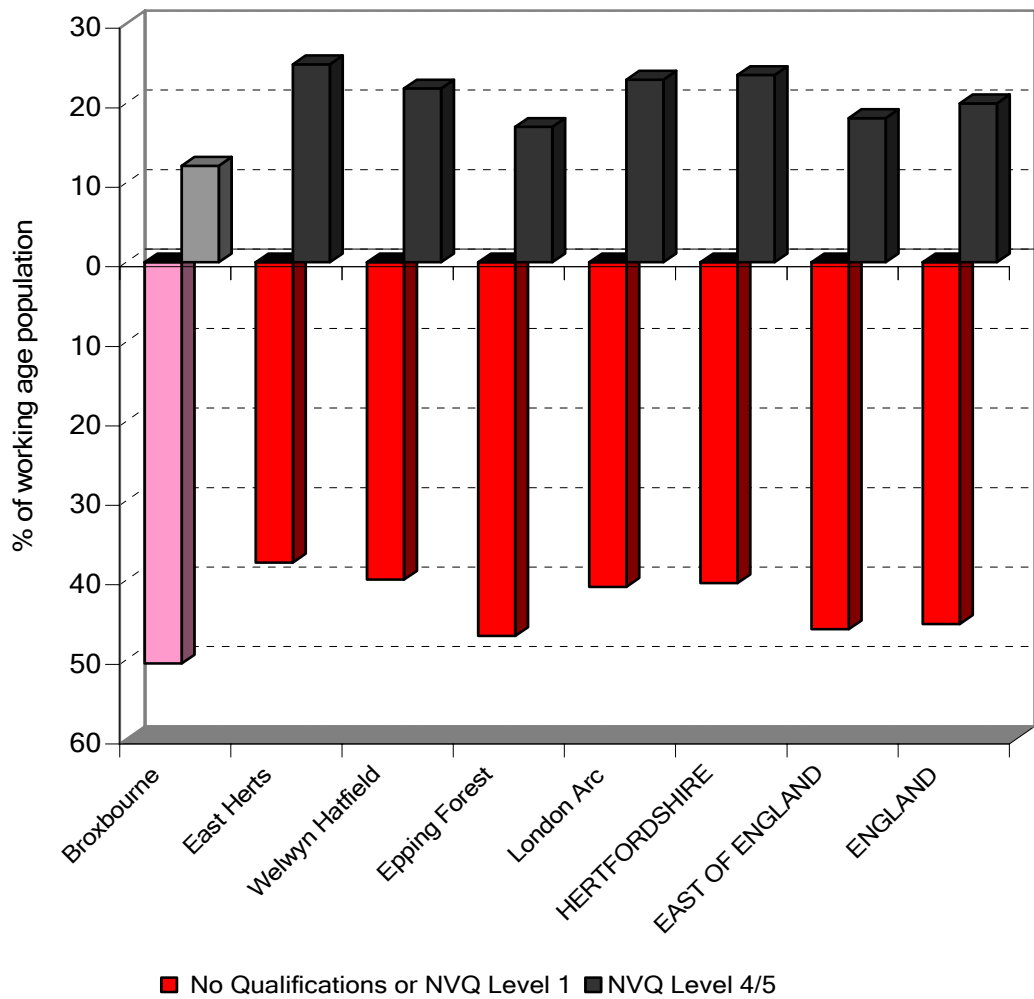
## The Residents

- 3.20 This section provides a brief assessment of the economic well-being of Broxbourne's resident workers, considering earnings, access to jobs and the incidence of deprivation. But first we consider the skills that these workers have to offer. Workforce skills are a major factor determining current and potential earnings and employment chances.

### Skills

- 3.21 Figure 3.4 shows the qualifications of Broxbourne residents compared with benchmark areas. Above the horizontal axis, the graph shows the proportion of working-age residents with the highest qualifications - NVQ4 or 5, corresponding to degree level or above. Below the horizontal axis, it shows proportions with the lowest qualifications, at NVQ Level 1, or none.
- 3.22 Just 12% of Broxbourne's residents have the highest level of qualifications, at NVQ level 4 or 5. This is less than the national and regional benchmarks (18-20%), considerably less than the London Arc and Hertfordshire (23-24%) and less than the neighbouring districts (the next lowest proportion, Epping Forest, is 17%).
- 3.23 With regard to the proportion of the least-qualified people, Broxbourne's relative position is reversed. 50% of the Borough's working-age residents have NVQ Level 1 qualifications or no qualifications. This is more than in England and the East of England region (45-46%), considerably more than in Hertfordshire and the London Arc (40-41%) and more than in neighbouring districts (the next highest proportion, 47%, is in Epping Forest).

Figure 3.4 Residents' Qualifications, 2001



Source: Census 2001

- 3.24 There is of course a section of the workforce not shown on the graph - the individuals with intermediate qualifications, at NVQ levels 2 and 3. The share of these individuals varies hardly at all across the geographical areas pictured, from a minimum of 28% to a maximum of 32%. Broxbourne sits at the centre of this narrow range, with 30% of its working residents in the intermediate category.
- 3.25 Thus, it seems that Broxbourne in relative terms has many low-skilled residents, few high-skilled ones and an average number of intermediate-skilled ones. This is confirmed by the analysis of occupations at Figure 3.5.

Figure 3.5 Residents' Occupations, 2006



Source: Annual Population Survey, 2006

- 3.26 Compared to Hertfordshire, Broxbourne's workforce comprises fewer managers/senior officials and associate professionals and many fewer professionals. But it has precisely the same proportion of clerical workers as Hertfordshire, 17% of the workforce.
- 3.27 In practice, the workforce available to an employer located in Broxbourne of course is not restricted to the Borough's residents. Therefore, to see what labour supply Broxbourne can offer, we have analysed the occupation structure of working residents within a 15-minute off-peak drivetime, ignoring local authority boundaries. To represent Broxbourne in this analysis, we have used Park Plaza, because it is the Borough's key development site proposed for employment uses. Table 3.4 compares Park Plaza with major office parks nearby, comprising the centre of St Albans, Hatfield Business Park and Imperial Place in Borehamwood.
- 3.28 In terms of total numbers, Park Plaza has a much larger labour catchment than any of the competing business parks. Some 166,000 workers live within 15 minutes' drive of the site, while the catchments of central St Albans and Imperial Park comprise around 95,000 workers, and that of Hatfield Business Park has 80,000 workers. The size of the Park Plaza catchment is due to its position adjoining a junction of the M25. Its 15-minute catchment extends east-west from Epping and the M11 to London Colney beyond the A1(M). North to south, it extends from Lower Edmonton to the outskirts of Hatfield. None of the competing business parks are nearly as close to a motorway junction and therefore all have much smaller catchments.
- 3.29 In terms of occupational mix, the Park Plaza catchment has lower proportions of workers in the three highest occupations, especially professionals, than the competing business parks. But these 'deficits' are much smaller than in the earlier analyses based on local authority areas. This is because Park Plaza's catchment takes in much more than the Borough of Broxbourne.

**Table 3.4 Occupations of Residents within 15-Minute Drive, 2001**

Occupation of Residents Aged 16-74 in Employment	Park Plaza, Broxbourne	Central St Albans	Hatfield Business Park	Imperial Place, Borehamwood
<b>Numbers</b>				
1. Managers & senior officials	28,320	20,077	14,969	19,292
2. Professional	17,418	15,562	11,610	14,188
3. Associate professional & technical	23,367	15,017	12,203	14,912
4. Administrative & secretarial	28,438	12,746	11,054	15,234
5. Skilled trades	18,710	7,904	7,255	7,911
6. Personal service	10,379	5,676	5,081	6,113
7. Sales & customer service	11,781	6,045	5,555	6,658
8. Process, plant & machine operatives	11,681	4,483	4,334	4,634
9. Elementary	15,821	7,901	7,973	7,473
<b>Total</b>	<b>165,915</b>	<b>95,411</b>	<b>80,034</b>	<b>96,415</b>
<b>%</b>				
1. Managers & senior officials	17%	21%	19%	20%
2. Professional	10%	16%	15%	15%
3. Associate professional & technical	14%	16%	15%	15%
4. Administrative & secretarial	17%	13%	14%	16%
5. Skilled trades	11%	8%	9%	8%
6. Personal service	6%	6%	6%	6%
7. Sales & customer service	7%	6%	7%	7%
8. Process, plant & machine operatives	7%	5%	5%	5%
9. Elementary	10%	8%	10%	8%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

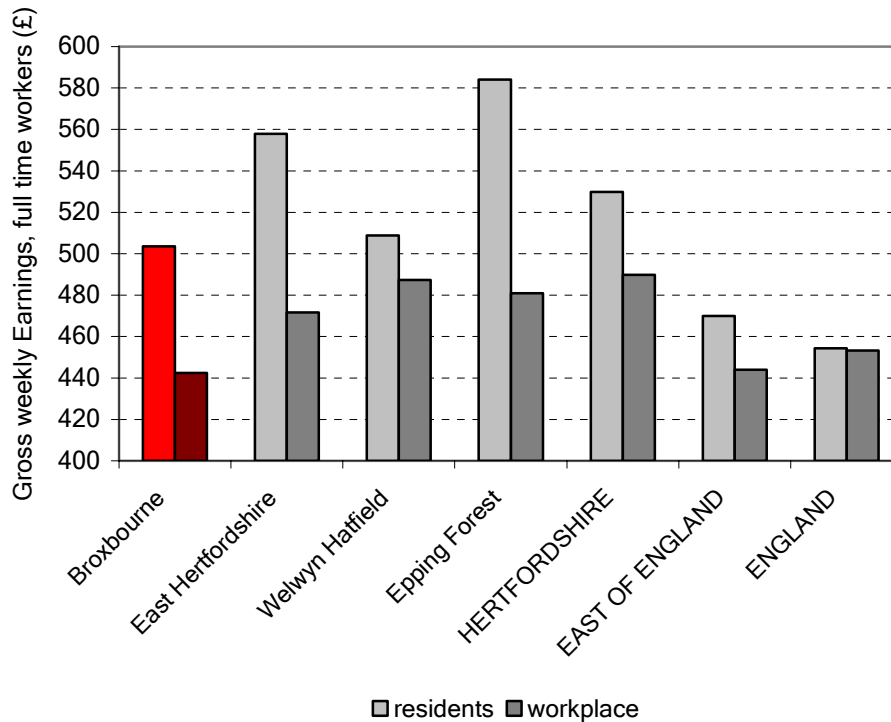
Source: Census 2001

- 3.30 Moreover, because Park Plaza's catchment is so large, its *absolute numbers* in the three highest occupations are considerably greater than for the competing business parks.

### *Earnings*

- 3.31 The working residents of Broxbourne on average earn £500 a week (Figure 3.6). This is much more than the £400 earned by people who work in Broxbourne, suggesting that the better-paid, higher-skilled of the Borough's residents tend to work outside the Borough. It is also well above the average residents' earnings for England and the East of England region, but less than the figures for Hertfordshire and neighbouring districts.

Figure 3.6 Gross Weekly Earnings, 2006



Source: Annual Survey of Hours and Earnings

### Unemployment

- 3.32 Unemployment in Broxbourne on the ILO measure in 2005 was 4.2% (Table 3.5). This is lower than the national average, but slightly higher than the regional average and higher than Hertfordshire and the London Arc,

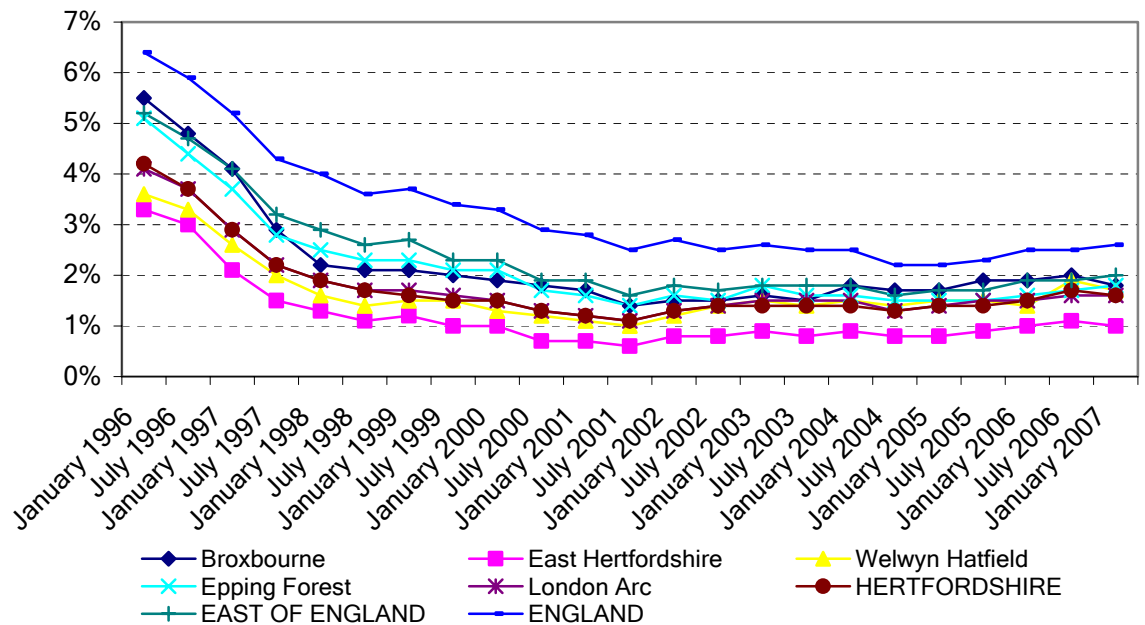
Table 3.5 ILO Unemployment Rate, 2005

Broxbourne	4.2%
East Herts	3.9%
Welwyn Hatfield	4.5%
Epping Forest	3.6%
London Arc	3.2%
HERTFORDSHIRE	3.5%
EAST OF ENGLAND	4.0%
ENGLAND	4.9%

Source: Annual Population Survey

- 3.33 Figure 3.7 shows unemployment over time compared with the benchmark areas, using a different indicator, the claimant count. Since 1996, unemployment everywhere has fallen and differences between areas have shrunk. Broxbourne's relative position has not changed.

**Figure 3.7 Claimant Unemployment Rates 1996 - 2007**



Source: Labour Market Trends - Claimant Count

### Deprivation

- 3.34 So far, our analysis has dealt in averages, in effect considering the economic well-being of the average worker. Another way to look at economic well-being is to focus on the worst-off members of the community. For this, we use the government's Index of Multiple Deprivation.
- 3.35 The table and graph below show the rank of each local authority area based on the average Index of Deprivation 2004 (IoD04), where 1 is the most deprived and 354 the least. Broxbourne's ranking is low by national standards and similar to that of its neighbours.

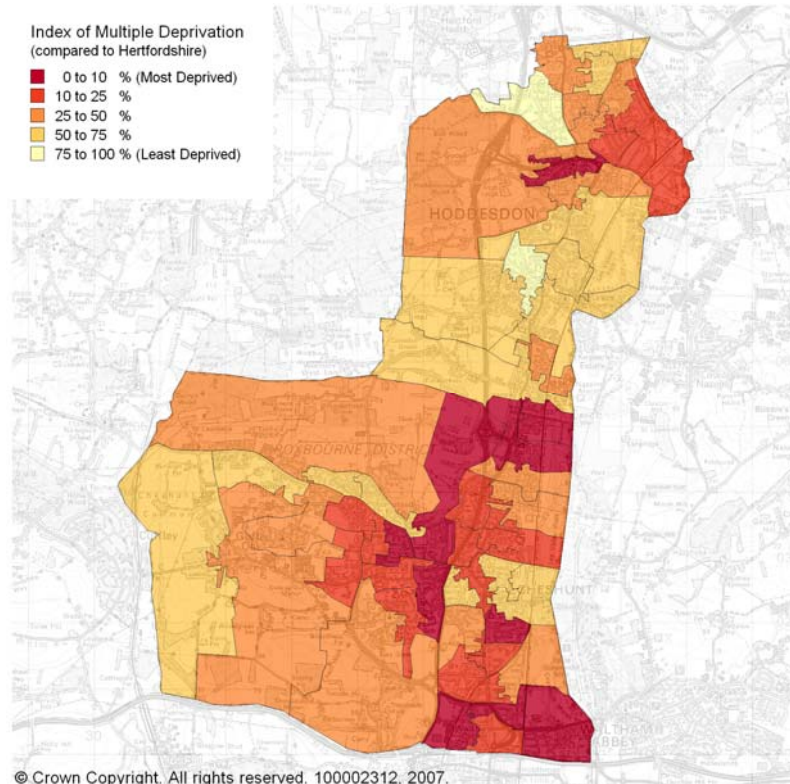
**Table 3.6 Index of Multiple Deprivation 2004 - Rank out of 354 English Local Authorities, most deprived = 1**

	Employment Scale	Income Scale	Multiple deprivation
Broxbourne	281	268	248
East Hertfordshire	277	273	344
Welwyn Hatfield	269	239	271
Epping Forest	206	203	245

Source: ONS, CLG



**Figure 3.8 Index of Multiple Deprivation on a Hertfordshire Scale<sup>9</sup>, Super Output Areas in Broxbourne, 2004**



Source: Index of Multiple Deprivation, ONS, 2004

- 3.36 The map shows the geography of deprivation within Broxbourne. The most deprived areas are concentrated in the south east corner of the Borough.

### Travel to Work

- 3.37 In this section we analyse the travel to work data based on the Census 2001, the latest information available. The statistics show for Broxbourne show 43,389 working residents and there 32,119 workplace jobs - a net commuting balance of 11,270.
- 3.38 As shown in the table below, 42% of Broxbourne's resident workers work in the Borough. This ratio, known as *self-containment*, is similar to Hertsmere and Watford, somewhat lower than Three Rivers and St Albans and much lower than for Dacorum and Welwyn Hatfield - which have very high self-containment, around 60%, as is typical of former new towns.

<sup>9 9</sup> In this analysis, the 'most deprived' wards are the most deprived in Hertfordshire and the 'least deprived' are the least deprived in Hertfordshire. Thus, for example, the wards shaded darkest on the map are among the 10% most deprived wards in Hertfordshire.

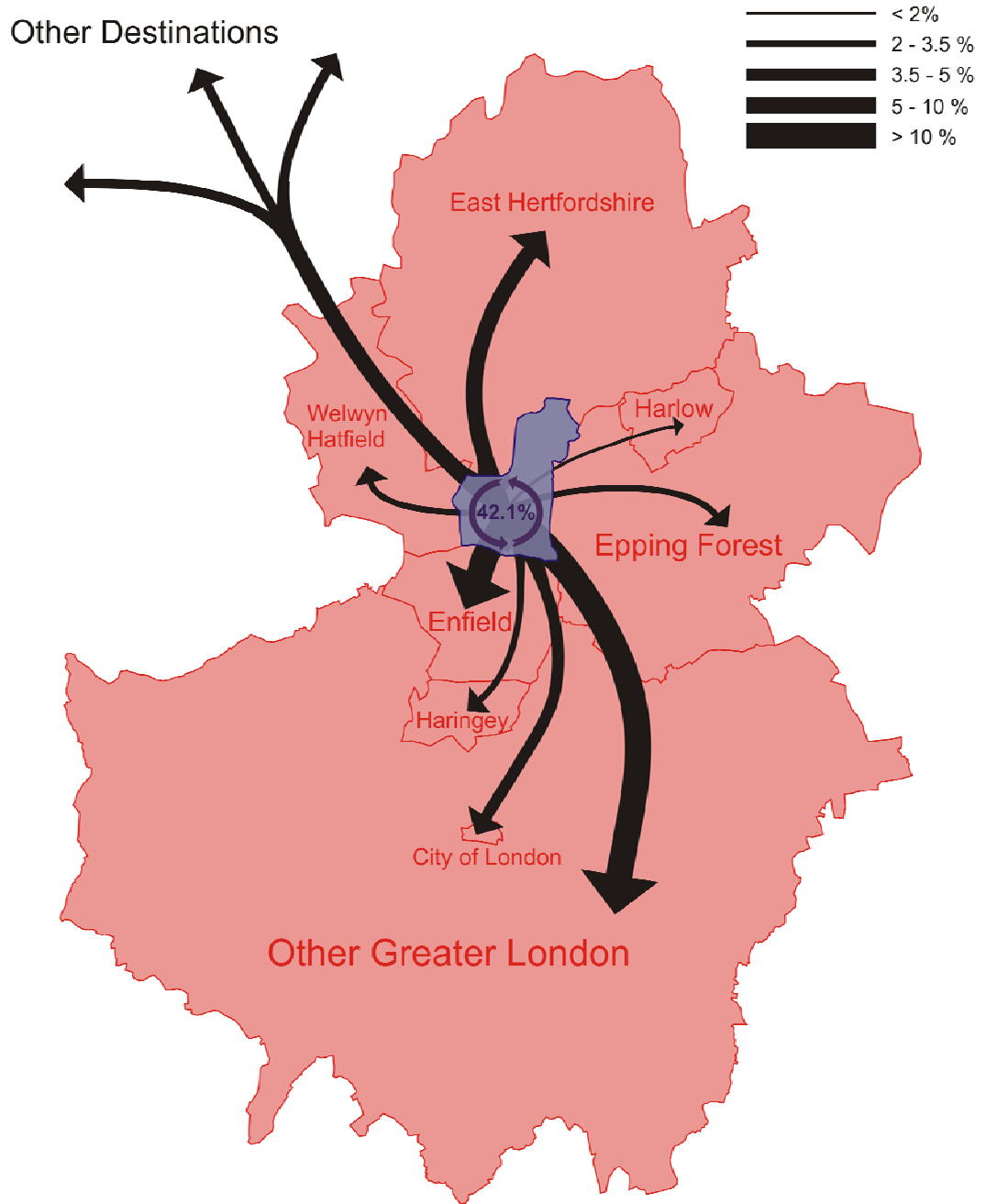
**Table 3.7 Self-Containment, London Arc, Hertfordshire , 2001**

Broxbourne	42%
Hertsmere	41%
St Albans	49%
Welwyn Hatfield	57%
Three Rivers	45%
Dacorum	61%
Watford	42%

Source: Census 2001

- 3.39 Compared to other London Arc districts Broxbourne residents do not commute far, nor do a high proportion commute to central London. The difference with St Albans, for example, is striking. The main destinations of out-commuters from St Albans are Westminster and the City. In contrast, for out-commuters from Broxbourne the single most important destination is the adjacent borough of Enfield. The City and Westminster are minor destinations, accounting for less than 5% of Broxbourne's working residents each. We expect that much of this commuting to central London is by train, which would make it relatively sustainable.

Figure 3.9 Workplaces of Broxbourne Residents 2001



Source: 2001 Census

3.40 Table 3.8 shows average distances travelled to work and Figure 3.10 shows mode of travel.

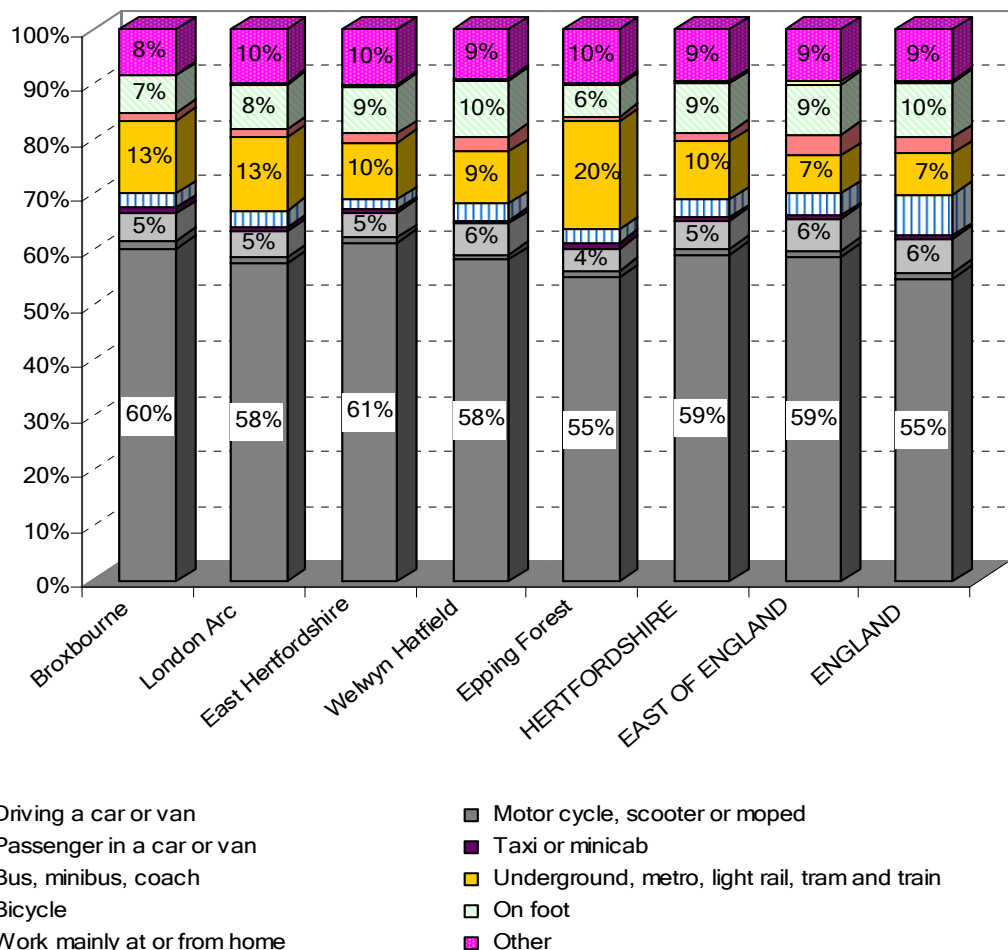
**Table 3.8 Residents' Average Journey to Work, 2001**

	km
Broxbourne	8.8
London Arc	11.2
East Hertfordshire	9.9
Welwyn Hatfield	12.6
Epping Forest	12
HERTFORDSHIRE	10.5
EAST OF ENGLAND	11.5
ENGLAND	9.5

Source: Census 2001

3.41 Broxbourne residents have the shortest journeys to work of all the surrounding areas and shorter journeys to work than the Hertfordshire, regional and national averages. It seems that the high proportion of residents commuting out of the Borough reflects the location of local authority boundaries, rather than particularly long trips to work.

**Figure 3.10 Travel to Work by Mode, 2001**



Source: Census 2001

3.42 Broxbourne is similar to neighbouring authorities and to the East of England in that some 60% of its working residents drive a car to work.

## Key Points

- 3.43 Compared to Hertfordshire and to neighbouring districts, Broxbourne's workplace economy is relatively poor in high-value and knowledge-based activities, and it generates relatively low earnings. But compared to the region and the nation, the Borough's value and knowledge profile and its workplace earnings are close to the average. The Borough specialises in activities related to storage, distribution and construction, often serving central London. If official statistics are to be trusted, its employment growth in recent years has been exceptionally fast.
- 3.44 The working residents of Broxbourne by any standards are relatively low-skilled, with low proportions of graduates and high proportions of residents with the lowest qualifications or none. But their earnings are relatively high and their unemployment low by national and regional standards, though not compared to the privileged position of much of Hertfordshire. More than half of working residents work outside the Borough, as is typical of authorities in the London Arc, and the higher-paid residents are particularly likely to commute to other local authority areas. But this high out-commuting does not translate into particularly long journeys to work. On the contrary, average journeys to work from Broxbourne are relatively short.



## 4 THE PROPERTY MARKET

### Background

- 4.1 Broxbourne is characterised by:
- Traditional small scale industries.
  - The majority of those working in the area are the resident population.
  - The majority of the companies in the area are smaller manufacturing companies, who moved out of north London historically or have created niche markets. These are mainly supplier companies servicing the north London market including food processing, printing, stationery, electrical and general B1 uses.
  - The Borough has a slightly higher proportion of production industries than other Hertfordshire towns, but the average size of the firms is less than 30 people.
  - There is little in-migration from London
- 4.2 Large employers in the area include Tesco, Sainsbury, Merck Sharp Dohme and Fitzpatrick. The presence of these companies in the area has been more accidental and historical rather than by design.
- Tesco is a key player in the market and has its ancillary services and market research operations in the area. The company has planning permission for a training centre in Cheshunt on their sport and recreational ground.
  - Sainsbury is also present in the Borough and has a major distribution operation in Hoddesdon including their non-perishable goods operation as well as their food operations in the neighbouring borough of Epping Forest.
  - Merck Sharp & Dohme has its European R&D sites on the edge of Hoddesdon. They have managed to survive the latest changes in the pharmaceutical industry and have recently expanded on the site.
  - Fitzpatrick Contractors has its head office and plant depot in Hoddesdon, with other offices around the UK including Birmingham, Cheshire, Brentwood, Derby, Fareham and High Wycombe.
- 4.3 With their existing sites rather constrained, the larger companies mentioned above appear to be satisfying any additional new requirements outside the Borough.

### Offices

#### *Demand*

- 4.4 The majority of office space is concentrated in and around Waltham Cross and Cheshunt and comprises smaller, self contained suites of less than 10,000 sq ft.
- 4.5 The area is not an established office location. The lack of critical mass means that the majority of take-up comes from local occupiers and those involved in back office activities. Low demand and a lack of strong covenant has in turn resulted in little institutional interest or ownership.
- 4.6 Among larger office developments is Turnford Place, Great Cambridge Road, Cheshunt, which totals just over 60,000 sq ft in two self-contained buildings of 35,000 sq ft and 25,000 sq ft. The scheme also includes the Courtyard Hotel, situated near junction 25 of the M25. Occupiers of the offices include Berryworld Ltd (fruit & vegetable wholesalers) who have 25 staff and Quality Locum Services (employment agency) with 200 staff. Recent activity includes 8,013 sq ft taken on a

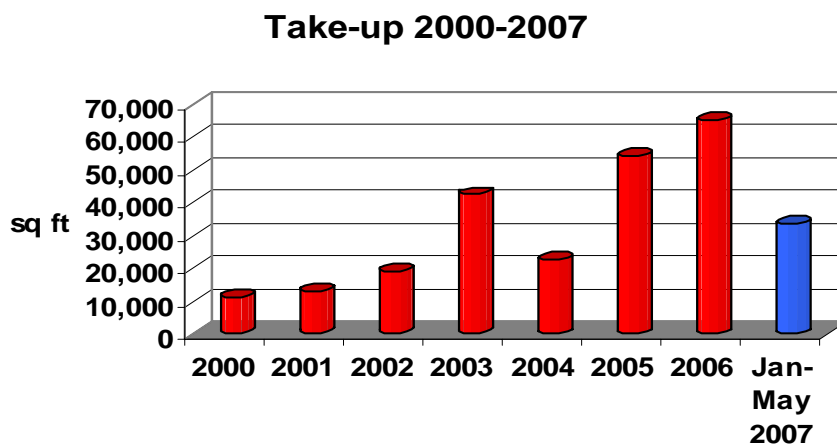
ten year lease by Trehaven Group Ltd and 8,013 sq ft taken on a ten-year lease, at rents equating to £18.50 per sq ft by L&N Frozen Foods Ltd.

4.7 Other relatively prominent office buildings in the area include:

- Britannia Road, Waltham Cross (59,000 sq ft)
- Grange , Brayford Wharf North, Waltham Cross (35,000 sq ft)
- Stuart House, Queensgate, Waltham Cross, an office accommodation arranged on the ground and first floors, where BMC took 6,250 sq ft in 2006 at a rent equating to £15.50 per sq ft. A further 7,650 sq ft was taken by MPG Ltd, also at £15.50 per sq ft.
- Hanover House, Queensgate, Waltham Cross, where ESAB Group UK took 2,890 sq ft of first floor office space on an 8-year lease, with a break in year three, at a rent equating to £15 per sq ft. Sectoguard plc also took 7,000 sq ft of part first-floor office space on confidential terms.
- Windsor House, Queensgate, Waltham Cross, where O12 Properties Ltd purchased the freehold interest for £14.025 million. Invista Real Estate Management acted for the investor. Other occupiers include Halcrow Water (civil engineers) with 40 staff and Iss Mediclean Ltd (facilities management) with 10 staff.
- Crown House, 25-25a Turners Hill, Cheshunt

4.8 Floorspace take-up over the past six years has averaged around 30,000 sq ft per annum. 2006 saw 65,000 sq ft of lettings - the highest level since 2000. A major part (73%) of the transactions was for units smaller than 5,000 sq ft. Cheshunt accounts for 85% of the total take-up.

**Figure 4.1 Office Floorspace Take-up, Broxbourne, 2000-2007**



Source: LSH

### *Supply and Market Balance*

4.9 Available office space stands at 85,000 sq ft, representing a vacancy rate of 11% and a supply of just under three years of stock. Two-thirds of the available space is second-hand.

4.10 The largest available property is located on 55-59 High Road in Hoddesdon where 16,000 sq ft is vacant over three floors. At Turnford Place, Cheshunt, two units around 13,000 sq ft are vacant. Besides this, only units ranging from 1,000 to 2,000 sq ft are available.

4.11 Recent development activity includes construction of a new science centre for Merck Sharp Dohme in Hoddesdon in spring 2006.



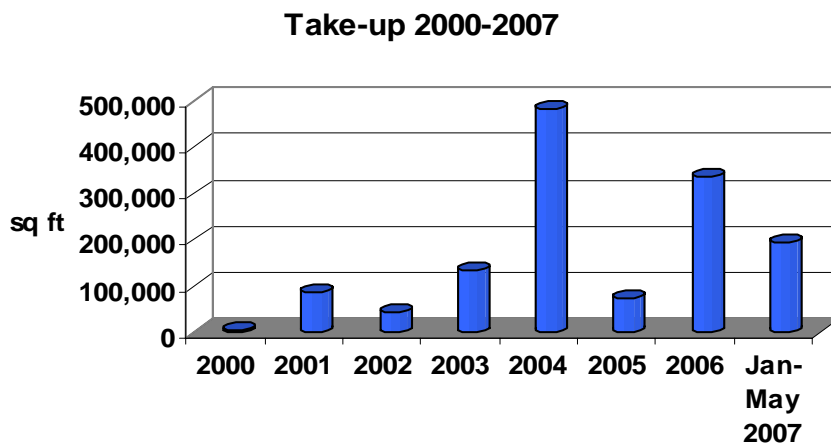
- 4.12 In June 2006, Tesco Stores Ltd submitted an application for the development of a world-class training academy at Theobalds Park in Cheshunt.
- 4.13 Prime office rents in Broxbourne are generally circa £14.40 per sq ft, although deals have been done at around £15.50 per sq ft. This compares with £24.50 in St Albans, £22 in Watford and £30 around Hammersmith in West London.

## Industry and Warehousing

### *Demand*

- 4.14 Industrial/warehousing take-up in Broxbourne has averaged around 165,000 sq ft per annum over the past six years. The total is however skewed due to the sale of ESAB's site in Waltham Cross totalling 400,000 sq ft, which took place in 2004, following the company's decision to consolidate its six European warehouses, including its base at Waltham Cross, into one regional centre. Production was transferred from Waltham Cross to Czech Republic to achieve greater cost efficiencies.
- 4.15 Take-up in 2006 was approximately 340,000 sq ft. The largest transaction during the year was JJ Fast Foods' purchase of 116,536 sq ft of industrial space from Standard Life at Monarch, Waltham Cross.
- 4.16 Another large letting took place on Delamare Road, Cheshunt, where MM Enterprises let a 47,000 sq ft industrial unit to Leaseway Vehicle Rental on a five-year lease at £100,000 per year.

**Figure 4.2 Industrial & Warehousing Floorspace Take-up, Broxbourne, 2000-2007**



Source: LSH

- 4.17 Companies in wholesaling and the sale, maintenance and repair of motor vehicles have been amongst the most active in the area in terms of take-up.
- 4.18 The majority of transactions (74%) were for units smaller than 10,000 sq ft. 42% of all transactions were for units smaller than 5,000 sq ft.
- 4.19 The small freehold market has continued to perform strongly due to the low interest rate climate.

**Table 4.1 Selected Transactions 2006-07**

Address	Tenant	Size ( sq ft)	Rent (£ psf)
Unit 39, Hoddesdon Industrial Centre	Buzz Distribution Ltd	710	12.04
10 Cartersfield Road, Waltham Abbey	Essex Training Centre Ltd	8,819	4.25
Monarch, Britannia Road, Waltham Cross	JJ Fast Foods Ltd	116,536	n/a
Delamare Road, Cheshunt	Leaseway Vehicle Rental	47,000	£100,000 per year
RD Park, Hoddesdon	Cert Group	191,500	7.50

Source: LSH

### *Supply and Market Balance*

- 4.20 The total amount of available space in the studied area is 286,000 sq ft. Of this, 277,000 sq ft is classified as new or refurbished. 178,000 sq ft of new space is available at Magnum 25, Waltham Cross and 49,000 sq ft, in two units, is available at the lo Centre in Cheshunt.
- 4.21 The vacancy rate is low at 4.8%.
- 4.22 The industrial parks with the highest number of units available are Hoddesdon Industrial Estate (4,910 sq ft), Impresa Park (4,495 sq ft), Spurling Works (16,318 sq ft) and New River Industrial Estate (1,490 sq ft).

**Table 4.2 Selected Industrial Units Available in May 2007**

Address	Size ( sq ft)	Rent (£ per annum)
Unit 4 Hoddesdon Industrial Estate	970	10,150
Unit 11, Hoddesdon Industrial Estate	850	9,350
Unit 8, Spurling Works	2,300	13,000

Source: LSH

- 4.23 Average industrial rent in the Borough of Broxbourne is £7.35 per sq ft.
- 4.24 Development activity has been relatively limited in recent years. However this will change with the completion of two major schemes currently under construction, North East Hoddesdon and Park Plaza.
- 4.25 North East Hoddesdon (Essex Road) is a 53-acre employment site currently under development. The site is being developed by Rosemound as a 50:50 joint venture with Scottish Widows Investment Partnership. It will comprise 964,350 sq ft of industrial and warehouse space, to be developed in three phases with units ranging from 1,250 up to 220,000 sq ft, subject to planning permission. This could mean the creation of 2,600 extra jobs based on standard employment projections.
- 4.26 The first phase is currently under construction. Octavian (part of Cert Group) is taking Unit J (192,000 sq ft) as a purpose-built distribution centre for fine wines on a 15 year lease at a rent of £7.50 per sq ft. The facility replaces their existing warehouse in Charlton Mead Lane. Phase 2 (Unit A comprising 210,000 sq ft) is likely to be forward-purchased by Innovate, Logistics for their Chilled Distribution Warehouse, for £22m. The remaining phase 3 land has also been earmarked for development (Units G, H, I and K).

- 4.27 Park Plaza, Waltham Cross, is a 1.2m sq ft project which includes an 893,495 sq ft print facility for News International that will replace the company's existing printworks in Wapping. The new printworks is expected to open in early 2008.
- 4.28 Adjacent to the printworks is a new Travelodge hotel and neighbouring the hotel is land in the ownership of the Co-op. This Co-op land to the north comprises 351,444 sq ft (32,650 sq m) with outline consent for B1 use (high-tech research). This consent expires in November 2008 but could potentially accommodate mixed use development or provide high quality, modern managed industrial estates, offering accommodation to small to medium sized firms. As part of the S106 agreement, News International will help to improve local infrastructure such as a new bridge link over the railway line in Waltham Cross and other local transport improvements.

### Growing Demand for Distribution Space

- 4.29 The restructuring of the UK economy towards service industries and the growing importance of the consumer sector means that demand for distribution space is expected to grow nationally. Growth of internet shopping and diversification of supermarkets into white goods as well as a healthy consumer sector will drive demand.
- 4.30 From a policy perspective, provisions for future employment land will have to take account of the extent to which the Borough would like to, and will be able to, attract the larger strategic distribution requirements. The recent pre-lettings to Innovate Logistics and Octavian show that such requirements exist.
- 4.31 Demand for such space is growing across the UK. Retail distribution, driven by the likes of Tesco, Boots, Morrison and J Sainsbury, is fuelling activity in this sector and is continuing to be the main driver of demand. Due to increases in market share these retailers are continuing to expand their distribution function into fewer and larger centres. This current trend is backed up by the expansion of product lines away from traditional food retailing into other areas such as white goods and clothing. In addition, retailers are focused heavily on supply chain improvements, achieving greater efficiency and cost savings. This in turn means cheaper prices in stores for the customers. The resulting increase consumer demand has driven the need for larger buildings. Take-up levels are rising, particularly for large units of above 250,000 sq ft (23,225 sq m) - a considerable rise compared to unit sizes of ten years ago. 'Mega sheds' of 500,000 to 1 million sq ft (46,450 to 92,900 sq m) are becoming ever more popular.
- 4.32 Demand for flexible leases with break options has increased as has that for freehold properties. At the larger end of the market, while the trend towards Regional Distribution Centres (RDCs) by food retailers continues, more demand is also coming from non-food retailers such as GAP, Next and others.
- 4.33 Key determinants increasingly influencing occupiers' property decisions are:
- Access to major markets
  - Accessibility to major road networks
  - Existing distribution networks
  - Availability of property/sites
  - Presence of a skilled workforce
  - Property costs
  - Sympathetic planning regime
- 4.34 Availability of land and labour is becoming particularly important as distributors decide where to locate. With mega sheds operating 24 hours a day, seven days a

week distribution is labour intensive - unlike the more automated manufacturing sector where manpower requirements are much lower.

- 4.35 At the smaller end of the spectrum, demand for small and medium sized distribution units is also expected to grow. The Working Time Directive, which came into effect in March 2005, will restrict the hours that lorry drivers can spend at the wheel. The location, size and number of units that a distributor may need are likely to change, increasing demand for satellite and trans-shipment depots.
- 4.36 Whilst Broxbourne has the advantage of accessibility and lower land prices than some of the neighbouring locations in both Hertfordshire and Harlow, the decision to develop speculatively will depend on the extent to which development cost can be offset against the comparatively lower rental values currently characterising the market.

## 5 EMPLOYMENT SITES

- 5.1 This chapter comprises: an inventory and qualitative assessment of Broxbourne's employment sites, covering both existing, occupied sites and development sites identified for B-class uses. Before considering individual sites, in the next section we provide a brief overview of Broxbourne's stock of employment space, based on Government statistics.

### Floorspace Stock

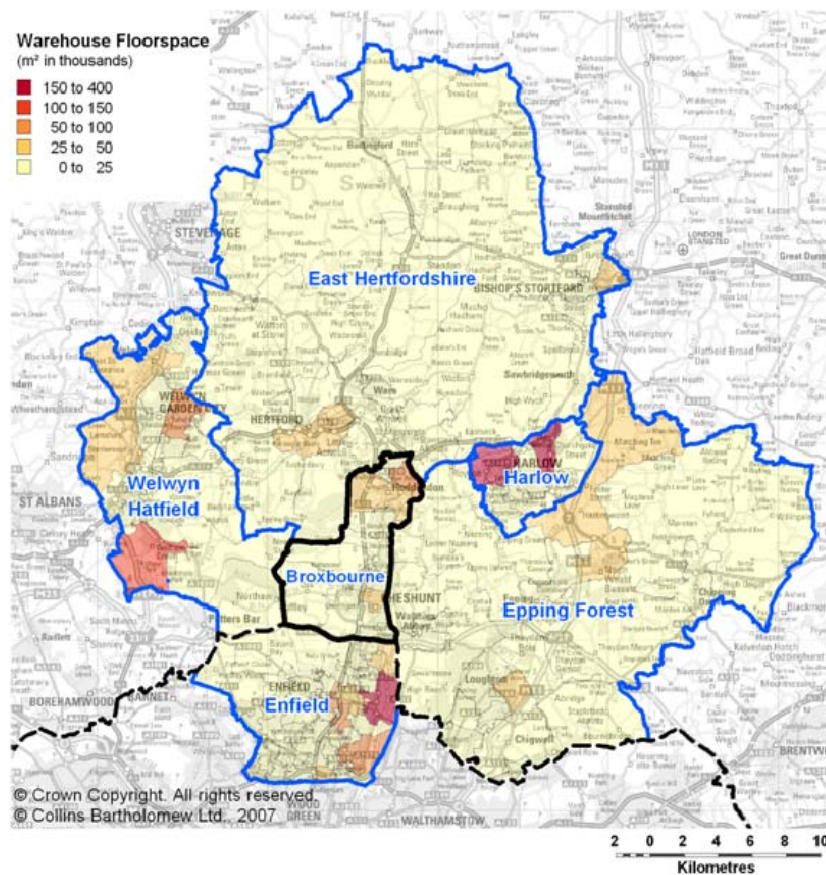
**Table 5.1 Employment Floorspace Stock, Broxbourne, 2006**

	Floorspace ( sq m)	No. of Units
Offices	91,000	351
Factories	197,000	386
Warehousing	355,000	311
<b>Total</b>	<b>643,000</b>	<b>1,048</b>

Source: CLG Commercial and Industrial Floorspace Statistics

- 5.2 According to CLG statistics, Broxbourne has 643,000 sq m of employment floorspace, of which just over half is in warehousing. Broxbourne's warehousing forms part of an A10 corridor extending northwards from Enfield to Hertford (Figure 5.1).

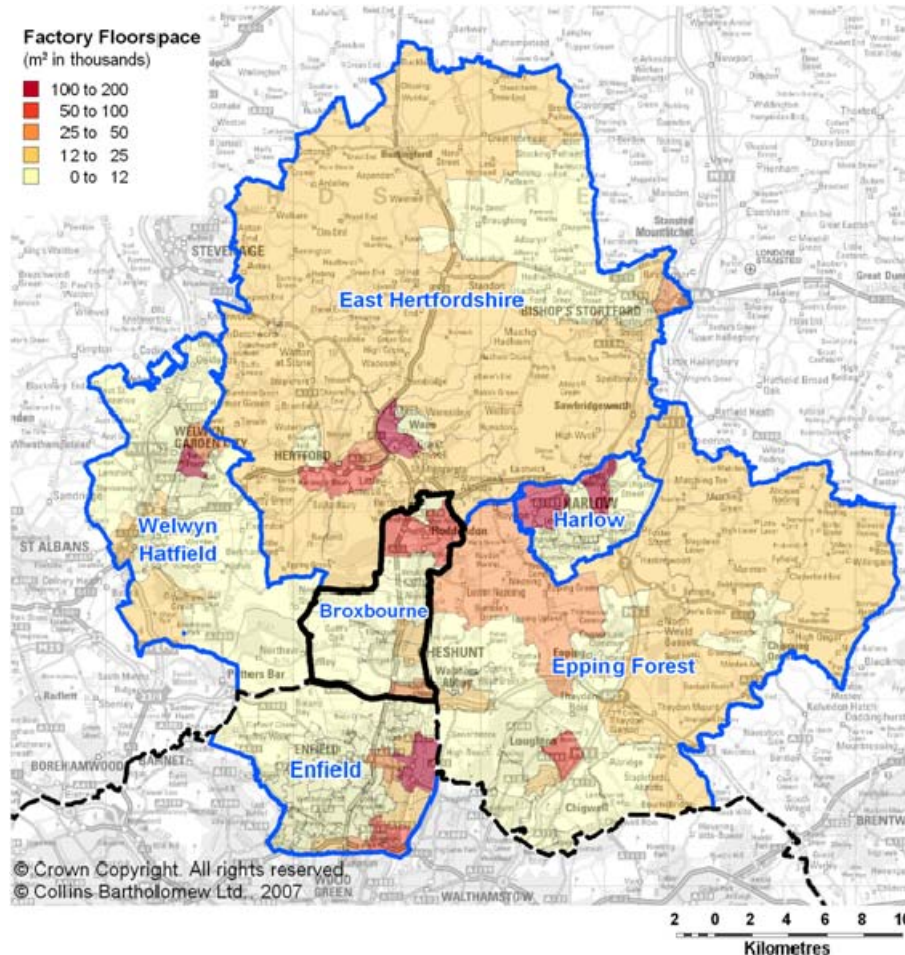
**Figure 5.1 Warehousing Floorspace, Broxbourne and Neighbouring Boroughs, 2006**



Source: CLG, RTP

- 5.3 Broxbourne's industrial floorspace totals 197,000 sq m. Like warehousing, the Borough's industrial space is concentrated in Hoddesdon, and specifically at the North East Hoddesdon estate. Smaller industrial centres are Cheshunt (especially Delamare Road) and Waltham Cross (especially Britannia Road) (Figure 5.2). Of the neighbouring Boroughs, Enfield and Harlow have much larger stocks of industrial space, at 542,000 sq m and 485,000 sq m respectively.

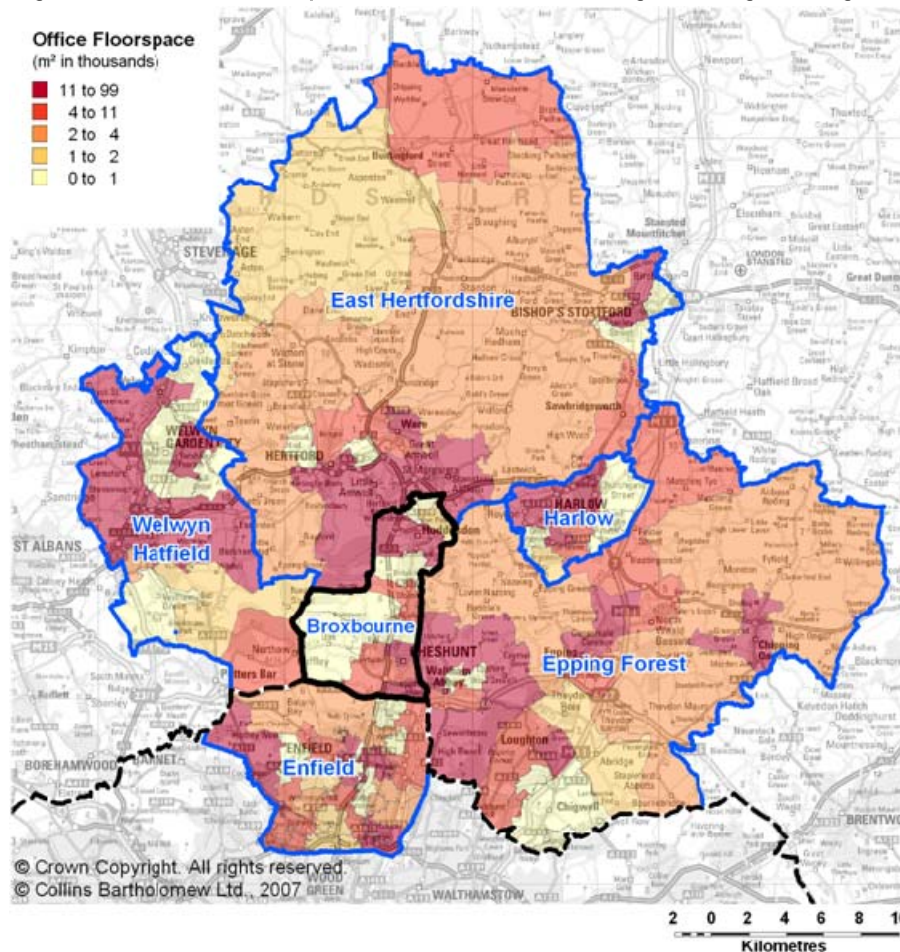
Figure 5.2 Industrial Floorspace, Broxbourne and Neighbouring Boroughs, 2006,



Source: CLG, RTP

- 5.4 Broxbourne has just 91,000 sq m of office floorspace, concentrated in Hoddesdon and Cheshunt and largely accounted for by two major occupiers, Merck Sharp Dohme and Tesco (Figure 5.3). Broxbourne is a minor office centre, greatly outweighed by its neighbours and other districts in the London Arc. Enfield, for example, has three times more office space than Broxbourne and St Albans two and a half times more.

Figure 5.3 Office Floorspace, Broxbourne and Neighbouring Boroughs, 2006



Source: CLG, RTP

- 5.5 Between 1998 and 2006, Broxbourne's total employment floorspace increased by 90,000 sq m. Virtually all of this - 87,000 sq m - was accounted for by warehousing. Much of this growth occurred in North Hoddesdon, both through expansion of the employment area and transfer of existing industrial sites to warehousing. Industrial and office space were virtually unchanged, with insignificant increases of 1,000 and 2,000 sq m respectively.

## Audit of Employment Sites

### Assessment Method

- 5.6 In the sections that follow, we provide qualitative assessments of Broxbourne's employment sites and areas. The assessment is made from a market perspective.
- 5.7 The list of sites to be audited was provided by the Borough Council. The purpose of the audit is to assess the market appeal, or marketability, of sites. The key question for the assessment is:
- If the site is offered for employment uses, and assuming that the wider market is reasonably in balance, is the site likely to be brought into employment use within the planning period?
- 5.8 With regard to *existing employment sites*, we are asking whether, in the event of the site falling vacant, it would be likely to be re-occupied for employment, either through re-occupation of existing buildings or redevelopment to provide new

buildings. With regard to *development sites*, we are asking about the likelihood of the site being taken up for employment.

5.9 Market appeal is scored on as scale of 1-5 as follows:

- 5 Very good
- 4 Good
- 3 Average
- 2 Poor
- 1 Very poor

5.10 For an existing, built-up employment site, marketability depends on two factors: firstly the inherent quality of the site (irrespective of any existing buildings) and secondly the fitness for purpose of any existing buildings. In relation to buildings, the assessment takes account both of characteristics, such as design and layout, and of current condition. As regards the inherent qualities of sites, it takes account of the following criteria:

- i) Accessibility by road
- ii) Accessibility by public transport
- iii) Internal environment
- iv) External environment
- v) Market evidence

The last criterion is different from the others. While the first four criteria relate to factors that influence market appeal, the fifth criterion assesses market appeal directly. Thus, a site which is well occupied, and where any units that become available re-let quickly, will rate highly.

The appraisal provides scores for the criteria above and a score for overall market appeal. The latter is calibrated as follows:

- Sites rated good or very good (1-2), if offered to the market for employment uses, under any reasonable likely market conditions are likely to be taken up during the plan period.
- Sites rated average (3) may or may not be taken up, depending on market conditions at the time, the availability of competing sites and other circumstances:
- Poor and very poor sites (4-5) are generally unsuitable for employment use, and if offered to the market would be unlikely to be taken up.

5.11 We have compared our proposed assessment criteria with those suggested in the 2004 Government Guidance Note on Employment: Land Reviews. Our method, as outlined above, covers the first seven of these criteria: comprising base information, quality of existing portfolio and internal environment, quality of the wider environment, strategic access, market conditions/perception and demand, site development constraints [undeveloped sites only] and accessibility. Thus, our market appeal criteria are consistent with the Guidance Note.

5.12 For each existing site, we have provided an initial recommendation on whether:

- the site *should be retained* in employment use;
- the site, should it come forward for redevelopment *may be considered for release* to other uses, depending on the overall supply-demand balance and on individual circumstances; or

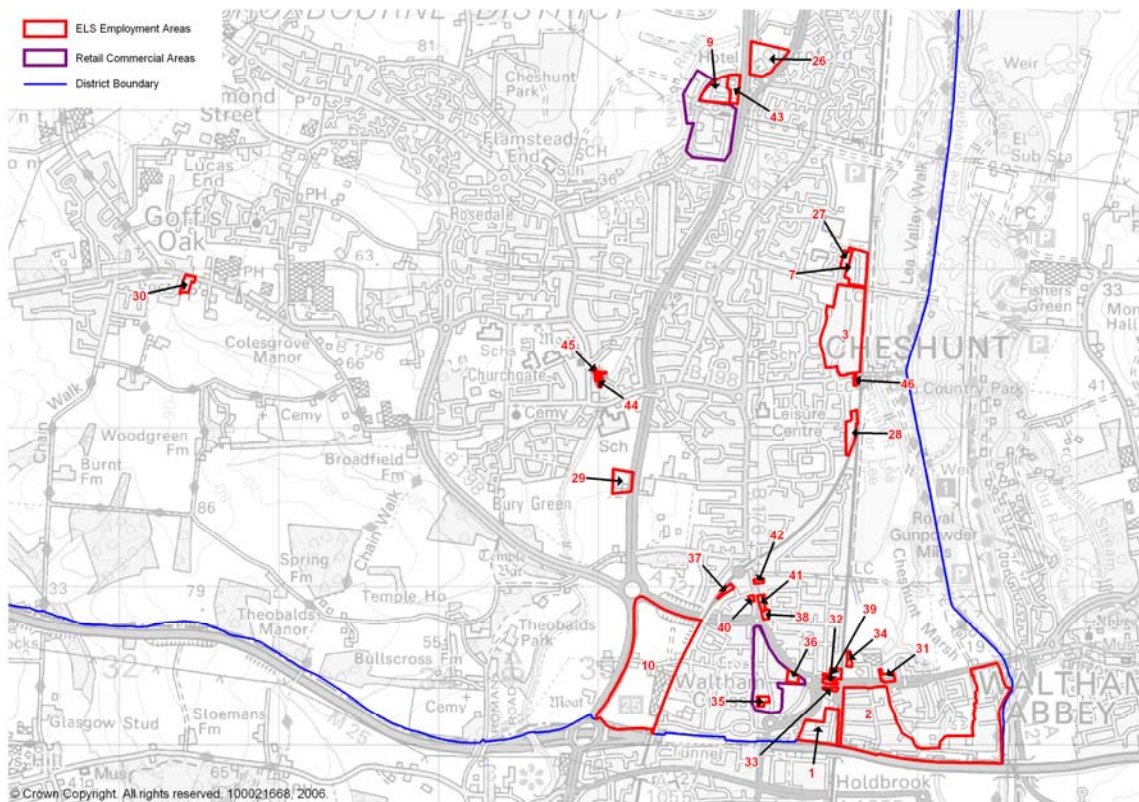


- the site should they come forward for redevelopment, *should be released* for other uses, because in the appraisers opinion it has very little or no relevance to current and foreseeable market requirements.

5.13 Detailed assessments of each site are shown in Appendix A, which uses the same site numbers as Figures 5.4 and 5.5 below.

### *Existing Employment Sites: the South of the Borough*

Figure 5.4 Sites Assessed in the South of the Borough



Source: Broxbourne Borough Council, RTP

### *Waltham Cross*

- 5.14 Waltham Cross and Waltham Abbey both have large industrial estates with small sites dotted around the urban area. To the east and west of the Cambridge-London railway line are the two main industrial estates - Britannia Road to the east and the Monro Industrial Estate to the west. Both have good access to the main road network. The quality and conditions of properties is mixed. Many of these are in quite a poor state yet this has served to keep rents down which has made the units popular. Britannia Road in particular could be seen to have significant potential for comprehensive redevelopment. But this would require relocation of the many existing occupiers, which would be extremely difficult, due to a lack of alternative sites that could offer such attractive conditions. It is unlikely that such users would be able to find alternative premises elsewhere, because their markets and workforce are very local to Broxbourne and the north London area.
- 5.15 Outside the two main industrial areas, there are a number of smaller sites that have grown up in a piecemeal fashion as land has become available. Many of these are small industrial/trading uses that have built up along the A121 to take advantage of the frontage and passing trade in one of the main residential areas in the Borough. They are often occupied by single users and if they came available, could be considered for release. However, to do so would lose the employment benefits of their location on one of the main east-west roads in the Borough that connects to

the A10. Also, the consolidation of such uses elsewhere in the Borough would almost certainly result in a less sustainable relationship between the existing residential areas and the employment uses that serve them. Their location is one of the principal reasons why these sites are successful as employment sites and why we mostly recommend them for retention.

- 5.16 There are other, smaller industrial sites located close to the major industrial areas in Waltham Cross. These are of varying quality but two sites in particular - Station Approach/North London Sawmills and the haulage contractors' site - are of particularly poor quality. These sites both have very poor quality buildings on them which require repair, so are unlikely to be reoccupied if vacated. Therefore we recommend them for release.
- 5.17 The sites in the northern part of Waltham Cross are situated on the High Street, close to the railway station. These are used either as offices or as quasi-retail commercial employment uses. The office uses provide an important function in housing the range of activities that make up a vibrant town centre. Also, they are better quality premises and are well occupied. We expect that they will continue to be well occupied and therefore recommend them for retention.
- 5.18 We recommend the quasi-retail commercial employment sites for release for two reasons. The first is that they are in poorer quality stock that is unlikely to be taken up if vacated. Secondly, the location of the sites close to the town centre offers an important opportunity to enhance the town centre retail offer. Therefore, release of these sites for retail uses will bring considerably greater benefits than their existing uses, which could easily be accommodated elsewhere.

**Table 5.2 Sites Assessed in Waltham Cross**

Ref	Site name	Area( ha)		Recommendation
		Office	Industrial warehousing	
1	Station Approach/Monro Industrial Estate		3.82	Retain
2	Britannia Road		32.10	Retain
31	Medlock Electrical Distribution	0.63		Retain
32	Trust Road office block/Aro House/Wellington House	0.20		Retain
33	Station Approach/North London Sawmills		0.18	Consider for release
34	Haulage contractors site		0.23	Consider for release
35	Royal Mail depot		0.22	Retain but consider for other uses if site becomes vacant
36	Eleanor House	0.43		Retain
37	London and Lancashire Rubber Co Ltd		0.22	Consider for release
38	Durkan Group Offices	0.23		Retain
39	Trust Road Industrial		0.52	Retain
40	Waltham Cross High Street 1	0.12		Retain
41	Waltham Cross High Street 2		0.36	Consider for release
42	Waltham Cross High Street 3		0.14	Consider for release

Source: LSH

### *Cheshunt*

- 5.19 The employment sites in Cheshunt are strung out along the main Cambridge-London railway line and the River Lea. Historically, they located there because of the access to the river. Whilst this is no longer a relevant requirement, the sites have continued to be occupied by a variety of industrial users. Whilst this location today provides good access to Cheshunt railway station, these are mostly industrial sites that have a greater need for road access. They struggle, because access to the main road network - the A10 - is slow, due to the only routes being through the urban area and Cheshunt district centre, on minor roads which are often congested.
- 5.20 As a result, these sites have seen little improvement in recent years, and are typified by 1960s and 1970s low-rise industrial units occupied by a range of users for whom low rents are the principal factor in choosing location. At Delamare Road, the largest industrial estate in the area, there is a 4-hectare office site occupied by Tesco, assessed as poor quality.
- 5.21 The Delamare Road site also includes a new two-storey small business unit scheme. This has likely located here to take advantage of the low cost, coupled with the good access to the railway station, which for modern, small, light industrial businesses is potentially of greater importance than to more traditional users.
- 5.22 Potentially parts of the Delamare Road site could be deemed suitable for release. But the site as a whole forms a substantial proportion of the Borough's industrial stock and plays a valuable economic role. It is well occupied and if it were released for other uses it would be difficult for many of the occupiers to find alternative premises in the Borough at costs they could afford. The site is particularly valuable as accommodation for small and new businesses. If any units become vacant then we think that they will be quickly filled again. Therefore, we are not recommending any of the sites for release. However, as discussed later, if new industrial sites were provided in more accessible locations along the A10, this could replace some of the worst sites at Delamare Road and similar estates, which could be redeveloped for housing.

**Table 5.3 Sites Assessed in Cheshunt**

Ref	Site name	Area(ha)		Recommendation
		Office	Industrial warehousing	
3	Delamare Road	4.35	13.85	Retain but not a good site
7	Delamare Road		2.52	Retain
27	Fielding Road 2		0.57	Retain
28	Coleman Brothers		1.35	Retain but monitor
46	Delamare Road		0.13	Retain

Source: LSH

### *Greater Brookfield*

- 5.23 Sites at Greater Brookfield benefit substantially from their immediate proximity to the A10. On the east site of the A10 is the office development at Turnford Place. The site is occupied by local office users. Despite its good access and quality of development coupled with good parking, the scheme has not attracted major inward investment. This shows how limited the scope of the present office market is. Only a development of regional importance, i.e. Park Plaza, could potentially change this situation. Nevertheless, Turnford Place still performs an important function in providing larger, modern units in an area where most office property consists of small units above shops.

- 5.24 The other sites are to the west of the A10 and are part of the Borough Council's plans for the development of an expanded retail offer at Greater Brookfield, along with residential development. The aim is an improved retail offer to reduce leakage of expenditure outside of the Borough. Both of the existing employment sites at Greater Brookfield, the Fairways Trading Estate and the Borough Depot and Recycling Centre, are likely to be brought forward for mixed uses (retail and residential).
- 5.25 The Fairways Trading Estate is a good industrial site. Both it and the Depot/Recycling Centre are adjacent to the A10 - a key advantage which is all too rare for Broxbourne's industrial sites. Our assessment of their merits for employment uses finds that they are good employment sites and provides no reason to release them for other uses. However, the Council may consider that its wider objectives for Greater Brookfield outweigh this advice.
- 5.26 If the Fairways Trading Estate is redeveloped for retail, its existing occupiers could be offered alternative premises either in high quality units at North East Hoddesdon or on lower quality units in Cheshunt and Waltham Cross, depending on their requirements. But, given the pressure of demand for industrial space in the Borough, this would likely displace other industrial occupiers.

**Table 5.4 Sites Assessed at Greater Brookfield**

Ref	Site name	Area(ha)		Recommendation
		Office	Industrial warehousing	
9	Fairways Trading Estate		2.17	Suitable for industrial use, but proposed for retail warehousing
26	Turnford Place	3.57		Retain
43	Borough Council Depot and HCC recycling centre		1.12	Suitable for industrial use, but proposed for retail warehousing

Source: LSH

### *Churchgate*

- 5.27 In Churchgate itself are two office sites which are both currently in use. They offer a high quality office offer and even if the Borough Council - one of the existing occupiers - decided to move out (although they have no plans to), there would be little problem in letting these properties.
- 5.28 To the south of Churchgate on the A10 is Maxwells Farm. This is a modern development of small units for storage and light industrial uses currently being marketed. This is a typical example of the emerging type of small B1c light industrial unit which is representing an increasingly significant element of the industrial premises market nationwide. This site is attractive because it is adjacent to the A10, although only has access from the northbound carriageway, which is a disadvantage. Nevertheless, this is the type of unit that could become more common in the near future so is recommended for retention.
- 5.29 Indeed, it may be advantageous to identify further such sites adjacent to the A10. At present, constraints such as Green Belt and existing planning permissions (for example, Tesco have been given permission for an international training centre for its staff on a site near Park Plaza known as Theobalds Park) render no particular site obviously available. However, if sites were released from the Green Belt then they could be considered for such uses.

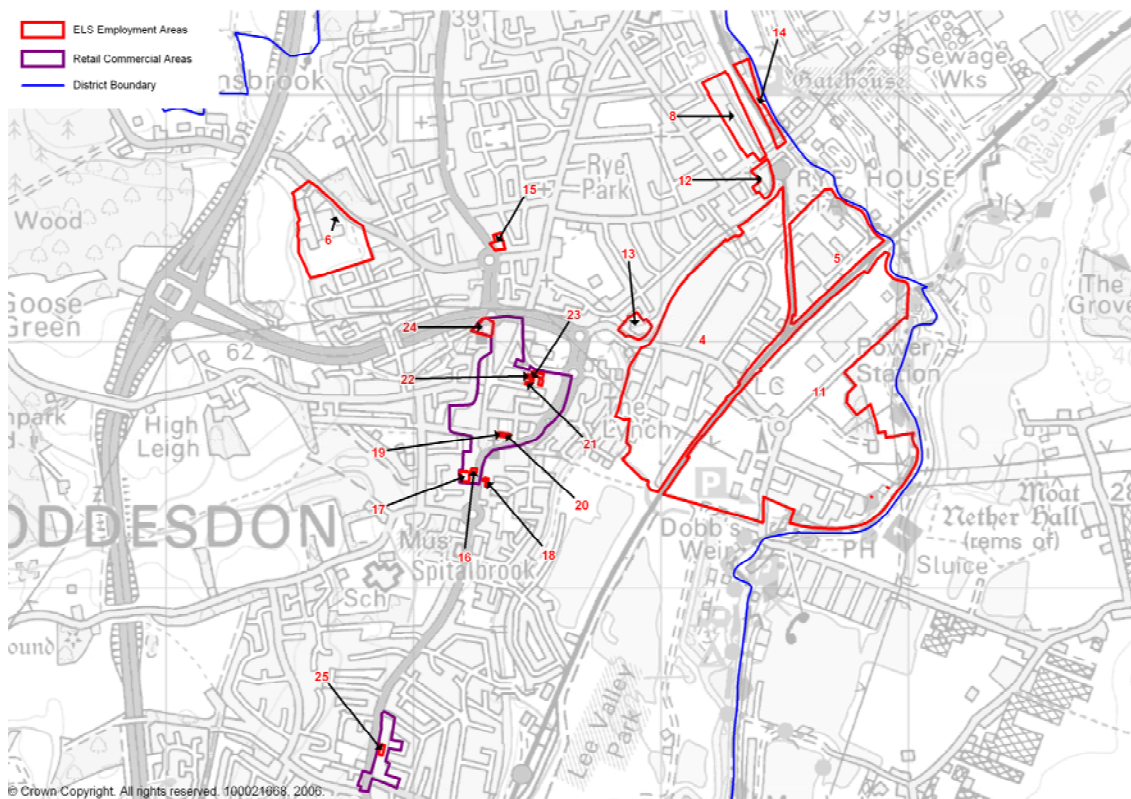
**Table 5.5 Sites Assessed at Churchgate**

Ref	Site name	Area(ha)		Recommendation
		Office	Industrial warehousing	
29	Maxwells Farm		1.26	Retain
44	Bishop's College	0.19		Retain
45	Bishop's College	0.14		Retain

Source: LSH

### *The North of the Borough*

**Figure 5.5 Sites Assessed in the North of the Borough**



Source: Broxbourne Borough Council, RTP

### *Hoddesdon*

- 5.30 Sites in Hoddesdon are mostly dotted around the edge of the town centre. They are mostly uses compatible with a town centre, typically being small office units. They are some of the more attractive employment buildings in the Borough, comprising a mix of modern stock or well maintained Victorian buildings. The modern buildings have been constructed to provide flexibility for different users, a good example being Limes Court at Legra Avenue. The Victorian buildings by contrast are relatively inflexible in their layout, but this is not necessarily a major problem for the small businesses who occupy them. A typical example of such a Victorian building is Rowdon House on Charlton Way. We consider that these sites will continue to perform an important function in anchoring Hoddesdon town centre and recommend them for retention.
- 5.31 One very small industrial site outside the town centre, on Ware Road, is recommended for release. Whilst it is an established industrial building currently in

use, it is a good example of a site of little obvious quality whose users could be served equally well by being relocated to a more established industrial area. This would free up a site still quite close to the town centre for more appropriate alternative uses, particularly housing.

- 5.32 On the edge of Hoddesdon are the offices and research facility of Merck Sharp Dohme, a global pharmaceutical company. The site is remote from other uses, which is probably a security advantage for the research centre. Also, it is a freehold site owned by the company, which gives them the flexibility to expand in situ if they wish, and it benefits its staff from being in an attractive location. Indeed, in 2005 and 2006 the company developed an additional 33,000 sq m of office and R&D floorspace on the site.
- 5.33 The site therefore should be retained. We do not know if MSD have any further plans to expand it.

**Table 5.6 Sites Assessed in Hoddesdon**

Ref	Site name	Area(ha)		Recommendation
		Office	Industrial warehousing	
6	Hertford Park		7.67	Retain
15	Ware Road		0.26	Consider for release
16	Bonjour Building		0.03	Retain
17	Mr Unique, car repairer		0.13	Retain
18	Rowdon House, Charlton Way	0.04		Retain
19/20	Legra Avenue, Lime Court	0.06		Retain
21	Brewery Road site 1		0.01	Retain
22	Brewery Road site 2	0.02		Retain
23	Brewery Road site 3		0.14	Retain
24	Scania House	0.39		Retain

Source: LSH

#### *North East Hoddesdon*

- 5.34 North East Hoddesdon is the premier industrial and warehousing site in the Borough. Its total site area is 48 hectares, comprising an existing industrial estate and a major extension to that estate. The new development has been made viable by the new Essex Road bridge across the railway line.
- 5.35 The existing industrial estate has older buildings on it and is generally of poorer quality than the emerging new development. However, it lets well and has some large users, including a major depot for Sainsbury's. It should therefore be retained.
- 5.36 The new site being developed totals 21 ha and has detailed planning permission for two large distribution warehouses, and a range of small and medium industrial units. One large warehouse, providing 18,000 sq m, is currently being fitted out as a distribution centre for fine wines. It has been let to Octavian, who are relocating from an existing warehouse in Charlton Mead Lane. The other large warehouse will be occupied by Innovate Logistics. We understand that the rest of the scheme will be provided speculatively, with some units already completed, though none are occupied as yet.
- 5.37 There is no remaining land at NE Hoddesdon beyond current planning permissions.

- 5.38 North East Hoddesdon demonstrates the attractiveness of Broxbourne to distribution occupiers, with good access to the M25. Indeed we consider that, provided quality development was delivered in accessible locations, there will be further demand for warehousing in the Borough. Currently there is only one site large enough to accommodate warehousing development - the part of Park Plaza owned by Co-op, at 10 ha. This is the largest single available site in the Borough, is adjacent to the M25, and would be especially attractive for warehousing. It could accommodate two or possibly three large distribution users. However, the Co-op site could accommodate most uses, which may generate higher commercial value and more benefit to the Borough.
- 5.39 All other remaining areas with development potential in NE Hoddesdon are protected by the Green Belt. Therefore, any new site could only be brought forward as part of a local Green Belt review.

**Table 5.7 Sites Assessed in NE Hoddesdon**

Ref	Site name	Area( ha)		Recommendation
		Office	Industrial warehousing	
4/5	NE Hoddesdon 1		27.00	Retain
13	Essex Road	0.87		Retain

Source: LSH

#### *Rye House*

- 5.40 The Rye House area, immediately to the north of the NE Hoddesdon site, has three sites characterised by local quality industrial uses. Like those in Cheshunt, these sites have developed in long slivers adjacent to the railway line. In many respects, it is this which makes these sites difficult to consider them for release to other uses. Whilst they are functioning industrial areas, their occupiers could potentially be relocated elsewhere if suitable space were available. Yet their shape and location makes them unattractive to all but the types of uses currently on them. Therefore to release them may result in the sites becoming derelict.

**Table 5.8 Sites Assessed at Rye House**

Ref	Site name	Area( ha)		Recommendation
		Office	Industrial warehousing	
8	Plumpton Road		3.31	Retain
12	Bosanquet Road		0.88	Consider for release
14	Ryehouse Station Ind.	1.28		Retain

Source: LSH

- 5.41 The exception is the Bosanquet Road site. This is adjacent to Rye House station, so is in a preferable location for uses such as housing. It abuts existing residential uses and its current occupiers, including joiners and printers, could be relocated onto other low rent sites in the immediate locality, such as the existing NE Hoddesdon estate. The site is therefore recommended for release.

#### *Other Sites*

- 5.42 Bridge House in Broxbourne town is a mid-1980s office development. We would normally expect a modern building of this quality to let well, yet Bridge House is partially vacant, perhaps because of its location outside a main town. We consider

that the site should be retained because it does provide small units suitable for start-ups and other small businesses. Nevertheless, if the site continue to market poorly, then it may be deemed suitable in the future to release it for alternative uses, particularly housing.

- 5.43 Goffs Oak House, in Goffs Oak, is in the west of the Borough. It is a large historic office building in the middle of a residential area. It is currently occupied by a firm of solicitors, a typical end user for such floorspace, taking advantage of an attractive location. We expect that, were the site to become available, it would be occupied by a similar type of user. The site is therefore recommended for retention.

**Table 5.9 Other Sites Assessed in the Borough**

Ref	Site name	Area( ha)		Recommendation
		Office	Industrial warehousing	
25	Bridge House	0.07		Retain, but reconsider if site stays unoccupied for too long
30	Goffs Oaks House	0.63		Retain

Source: LSH

### *Park Plaza*

#### *The Site*

- 5.44 Park Plaza, situated to the west of Waltham Cross, at the junction at the A10 and M25, measures 25.5 ha in total. Much of it is currently being developed for News International's printworks and associated batching plant. To the south and west of the printworks, fronting the A10, is a site earmarked by the Council for a landmark office development, with planning permission for 25,000 sq m in two office buildings. We refer to this as the south west section. To the north of the printworks, separated from the office site by the batching plant and new Travelodge hotel, is land owned by the Co-op, with outline consent for 32,650 sq m of open B-class (B1/B2/B8) use. The current consent gives until March 2008 for submission of reserved matters.
- 5.45 The south west section and the Co-op land provide the only development sites in Broxbourne that are allocated for employment but for which there are no active development proposals at present. This remaining land is the major opportunity for strategic employment development in the Borough. The Council needs to consider how it should make the most of its potential. We discuss this question below, first with regard to offices and then to industrial/warehousing uses.

#### *Market Potential - Offices*

- 5.46 As suggested by the earlier market overview and confirmed by the quantitative analysis in the next chapter, demand indigenous to the Borough will not support major office development at Park Plaza. The scheme would have to draw on regional demand, attracting occupiers from a wide area of search. It may be attractive to companies relocating from central London and other high-value locations, taking advantage of the much lower property costs and a ready pool of available labour from London. There is potential for the site to attract occupiers who are looking to move their back office functions out of London and the more expensive locations in the South East.
- 5.47 Considered in relation to this wider market, the advantages of Park Plaza include visibility from and immediate access to the M25 as well as the A10. The site as we have seen has a very large labour catchment. It is planned to provide generous



parking and also has two railway stations nearby, although pedestrian access from Park Plaza to these stations is not good and the nearest one, Theobalds Road, is on a branch line and offers a relatively poor service into London, with only two trains per hour.

- 5.48 On the negative side, Broxbourne is in a relatively low-value section of the M25, far from West London, Heathrow and the Thames Valley, and it is not recognised as a quality office location. If Park Plaza is to be developed successfully as an office park, it needs to create a high-quality environment, along the lines of, say, Hatfield Business Park or Centennial Business Park in Aldenham. This may be difficult to achieve given the dominant presence of the printworks and the limited size of the office site fronting the A10. The Co-op land to the north of the printworks may be more suitable in terms of creating the correct environment.
- 5.49 Regardless of which section of the site is considered, the key to the success of Park Plaza as a high-quality office scheme is to create a business park environment to attract office occupiers who may have misgivings about the Borough as a suitable location. Even without speculative development, the upfront costs of creating such an environment to give the necessary occupier confidence can be high. Developers such as Arlington, recently renamed Goodman, have been very successful, amongst others, in achieving this, and in 'unfashionable' office locations such as Hatfield.
- 5.50 Success in attracting a first high-profile occupier could act as a catalyst for building a critical mass at Park Plaza. A potential scenario is perhaps illustrated by the example of Borehamwood. The office market there is also small and mainly localised, with the exception of Imperial Place, which came on the market a few years ago. The building comprises 225,000 sq ft of space and had remained vacant since T-Mobile vacated it to consolidate its operations at Hatfield Business Park. However, proactive marketing by Europa Borehamwood IP Sarle, the owners, resulted in a number of lettings in 2005 and 2006. Amongst companies to take space initially were Signet (37,000 sq ft) and Groupama (9,400 sq ft). This was followed by a number of further lettings, to Pizza Hut (19,500 sq ft), Bradford & Bingley (34,000 sq ft), Wimpey (10,600 sq ft) and JLS, (9,650 sq ft). The building was then sold to Schroder Investment Management for £47m.
- 5.51 However, given the current market conditions in Broxbourne, new development is likely to be quite risky and therefore it is unlikely that any development would go ahead without the developer securing a pre-let. Furthermore, given that the area is not currently a well-established office location, it is unlikely that it could support a large development of the size of Imperial Place for example. It is therefore likely that any new development will be phased, with new construction taking place off the back of successful letting of the initial phase.
- 5.52 The current low rental values could also be a deterrent to developers, given what new developments could potentially achieve elsewhere in the region. Prime headline rents in Broxbourne currently stand at around £14-£15 per sq ft. This compares with Hemel Hempstead for example at around £17 per sq ft, Borehamwood it is £18 per sq ft, St Albans £24 per sq ft and Watford £22 per sq ft. For new office development to be viable, rental values may have to rise to £16-£17 per sq ft.
- 5.53 The chances that Park Plaza will overcome these obstacles are not only a function of the site's quality. They also depend on the balance of demand and supply in the wider market and on the quality of competing opportunities in that wider market.
- 5.54 The market area in which Park Plaza competes is the North M25, approximated by the London Arc (Hertfordshire). This market, along with the rest of the M25 corridor, peaked around 2000. There followed a steep downturn, with falling rents and take-up and rising availability. Average rental values for Hertfordshire, for example, were

£20 per sq ft in the first half of 2006<sup>10</sup>, against £30 in 2000. 2006 marked the beginning of an upturn, which is generally expected to continue. Savills Research reports rental growth of 6% in that year in the Northern M25, and forecasts continuing growth of 6% per year for the following two years. Office development opportunities that will compete with Park Plaza include Hatfield, Leavesden and Hemel Hempstead, where existing out-of-town schemes still have substantial land available.

- 5.55 To say more about the market prospects for Park Plaza, we would have to refer to a sub-regional assessment of demand and supply in the north M25 office market. Such an assessment does not exist at present. But the planning authorities in the Hertfordshire London Arc are considering a sub-regional employment land study to update and bring together the individual studies which they carried out in recent years. This sub-regional study would be undertaken after the Regional Spatial Strategy is finalised. One of its outputs should be a strategic assessment of the market potential of Park Plaza and other major office sites in the sub-region.
- 5.56 If the sub-regional study finds a major oversupply of office sites against likely future demand, the authorities may decide collectively to re-allocate some sites to other uses, retaining for office use those which are most attractive in terms of market prospects and policy contribution.

#### *Market Potential - Industry and Warehousing*

- 5.57 In current market conditions, demand from the warehouse/distribution sector heavily outweighs that from industrial occupiers, especially for larger buildings of more than 5,000 sq m (50,000 sq ft). To meet the requirement of that sector, major sites need to have good road communications.
- 5.58 The success of the new development at North East Hoddesdon illustrates the market potential for strategic warehousing development in Broxbourne. However, despite recent infrastructure improvements Hoddesdon remains a less than ideal location for distribution use, because of its distance from the primary road network. It is popular partly because there are no alternatives.
- 5.59 In contrast, Park Plaza is an ideal location for warehousing development, being adjacent to the M25/A10 junction. We consider that, if the Co-op land in the northern section of the site is made available for industrial/warehouse use, in the current market conditions it will attract speculative development for that use. At around 10 hectares, the site is too small for a major distribution park, but it could accommodate two to three large warehouses.

#### *Summary*

##### *Existing Employment Sites*

- 5.60 Of the Borough's stock of employment land, virtually all is fit for purpose and matches market requirements. Therefore, on qualitative grounds we have recommended only eight sites for release to other uses. These sites are all industrial and warehousing sites and they total 2.5 ha. They are shown in Table 5.10 overleaf:

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<sup>10</sup> Estates Gazette, 15 July 2006

**Table 5.10 Sites Recommended for Release**

Area	Ref	Site name	Area( ha)
Rye House	12	Bosanquet Road	0.88
Waltham Cross	41	Waltham Cross High street 2	0.36
Hoddesdon	15	Ware Road	0.26
Waltham Cross	34	Haulage contractors site	0.23
Waltham Cross	35	Royal Mail depot	0.22
Waltham Cross	37	London and Lancashire Rubber Co Ltd	0.22
Waltham Cross	33	Station Approach/North London Sawmills	0.18
Waltham Cross	42	Waltham Cross High street 3	0.14
<b>TOTAL</b>			<b>2.49</b>

Source: LSH

- 5.61 Of these sites, six are in Waltham Cross, totalling 1.35 ha. The largest site, Bosanquet Road, is only 0.88 ha.
- 5.62 In addition, we have recommended that a few further sites be considered for release, or should be monitored and reconsidered in the future.
- 5.63 It must also be remembered that, if the Council's aspirations for Greater Brookfield are delivered, then the Fairways Trading Estate and the Borough Council Depot and HCC Recycling Centre will be lost to employment uses. Together, these total a further 3.29 ha.
- 5.64 While the existing industrial/warehouse stock is fit for purpose and remains in demand, it does not provide to the full range of market requirements. In the industrial/warehouse sector, except at North East Hoddesdon (where there is no land left) and Park Plaza (which will be too expensive for all but strategic warehousing), there is a lack of higher-quality sites. Other than Park Plaza and north east Hoddesdon the only development sites in the short to medium term are likely to arise from infill development on sites currently housing redundant industrial buildings. The three predominant industrial areas within the Borough, are the Hoddesdon industrial area to the east of the town centre, Delamare Road in Cheshunt and Britannia Road and Lea Road in Waltham Abbey/Waltham Cross. All are situated on the 'wrong' side of the town centres for the main road network and local infrastructure is, to varying degrees, poor.
- 5.65 Ideally, Broxbourne's industrial and warehousing stock would be adjacent to the A10. Currently only two relatively minor developments, being those at Maxwell's Farm and Fairways Trading Estate meet this criteria.
- 5.66 For offices, Broxbourne is not a major location. The two main office developments in the Borough are Turnford Place, off the A10 to the north of Cheshunt and Queensgate in Waltham Abbey. These are two multi-unit planned office environments although relatively small scale in a regional context. The remaining office stock tends to be piecemeal development, mainly in town centres dating from the late 1980s or earlier. Park Plaza, discussed below, is the only potential opportunity for moving Broxbourne up the office hierarchy.

#### *Park Plaza*

- 5.67 The remaining land at Park Plaza, outside the News International and Travelodge developments, at present are not the subject of any active proposals, and may be considered for either offices or industrial/warehouse uses.
- 5.68 For offices, the south-west section, fronting the A10, may have the market potential to attract high-quality business park development. But the prospects for this are

uncertain, and depend on the wider regional and sub-regional market. It is most unlikely that local demand would support office development at Park Plaza.

- 5.69 As regards industrial/warehousing development, the Co-op land at Park Plaza is an ideal location for strategic warehousing development. If it is made available for industrial/warehouse use, in the current market conditions we expect that it will attract speculative development, providing two or three large units.

## 6 EMPLOYMENT LAND: FUTURE DEMAND AND SUPPLY

### Introduction

- 6.1 In this chapter, we forecast the *market requirement* for industrial/warehousing and office space, based on existing business needs and employment forecasts, and compare it with *planned supply* - comprising the land currently identified by the planning system for B-class development (including redevelopment), together with any existing vacant space surplus to requirements.
- 6.2 The analysis is in four stages. First, we forecast employment change. Second, we translate employment change into a space requirement. Third, we calculate the planned supply of employment land, and finally we assess market balance - the relationship between forecast demand and planned supply. The analysis in this chapter focuses on a 20 year planning horizon, from 2001 to 2021.

### The Demand for Employment Land

#### *Employment Forecasts*

- 6.3 In forecasting employment and the demand for space in Broxbourne, our purpose is to comply with the employment growth targets at Policy E1 of the Regional Spatial Strategy in its latest version, the Secretary of State's Proposed Changes. As mentioned earlier, Policy E1 does not provide a separate target for Broxbourne. The Borough is subsumed in the wider figure of 50,000 net additional jobs in 2001-21 for the Hertfordshire part of the London Arc. Nor does the policy break down total employment growth by activity sector.
- 6.4 To break down the total growth target into districts, we go back to the more detailed forecasts from which the E1 figure was derived, which did provide figures by district and sectors. These were provided by Experian Business Strategies as part of a suite of forecasts that fed into the original draft of the East of England Plan and comprised several scenarios. The scenario underlying Policy E1 is known as EG21(02)<sup>11</sup>. In this report, we call it 'the RSS scenario'.
- 6.5 Table 6.1 shows total employment change as forecast by EG21 and translates it into estimates of jobs by land use (type of space). To identify 'B-space jobs' - those that occupy factories, warehouses and offices - we use a sector-to-land-use mapping based on the Standard Industrial Classification (SIC) 2003, shown in Appendix B. Broadly, our analysis assumes that offices (which in our definition include R&D) are occupied by financial and business services, parts of the public administration sector, and publishing. Industrial space is occupied by manufacturing, sewage and refuse disposal, some parts of the construction industry, and the repair and maintenance of motor cars. Warehousing is occupied by a variety of transport and distribution activities. Jobs in Labour Recruitment - which cover workers employed through agencies - are distributed throughout the economy.
- 6.6 The 'goodness of fit' between sectors and types of space is not perfect; hence our definitions of office and industrial/warehousing jobs are no more than approximations. However, these are the best available approximations, which we have developed through a succession of employment space studies, and they are endorsed by Government Guidance on Employment Land Reviews (ODPM, December 2004).

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<sup>11</sup> East of England Plan, Secretary of State's Proposed Changes, Annex A

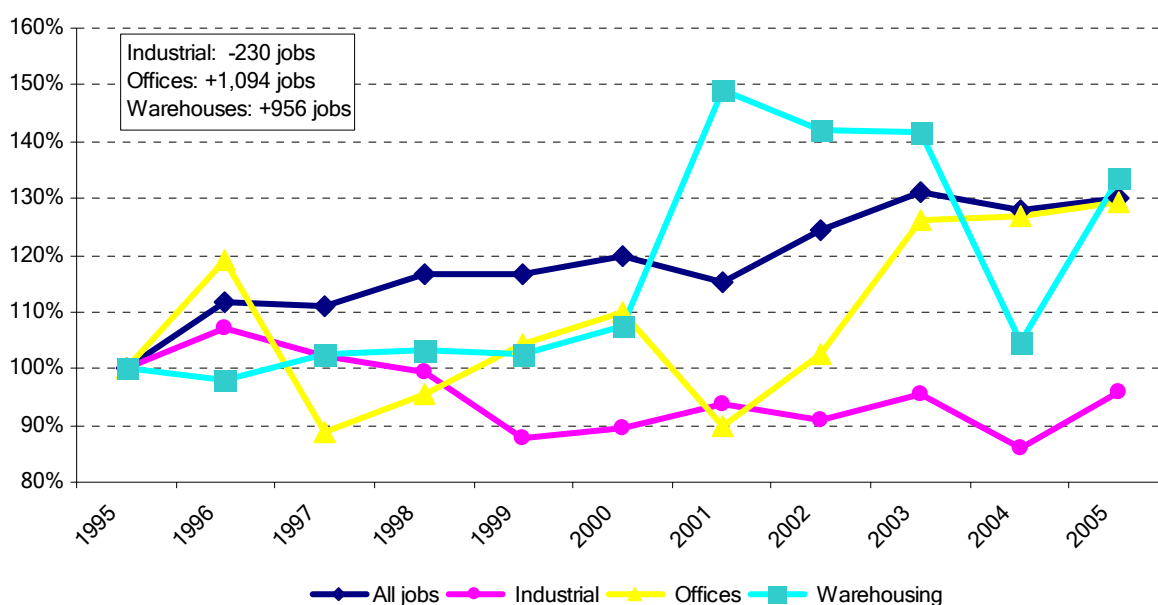
**Table 6.1 Net Employment Change, Broxbourne, 2001-2021, RSS Scenario**

Jobs	2001 Jobs	2021 Jobs	Change Jobs	Change %	Change Jobs pa
Total Manufacturing	4,218	2,730	-1,488	-35%	-74
Total Other Industrial	2,013	2,214	201	10%	10
TOTAL INDUSTRIAL	6,230	4,944	-1,287	-21%	-64
TOTAL WAREHOUSING	4,253	4,386	133	3%	7
TOTAL INDUSTRIAL/WHSG	10,484	9,330	-1,154	-11%	-58
TOTAL OFFICES	4,321	5,759	1,438	33%	72
TOTAL B-SPACE JOBS	14,805	15,089	284	2%	14
ALL JOBS	34,346	36,842	2,496	7%	125
B-space jobs as % of total	43%	41%			

Source: Experian Business Strategies, RTP

- 6.7 Office employment in the forecast grows by 1,400 jobs, or 33% - a steep increase in proportional terms<sup>12</sup>. Industrial jobs fall steeply, by 1,300 jobs (21%). Warehousing jobs grow by just 130 jobs (3%). Overall, B-space employment is virtually unchanged. Broxbourne's 2,500 net new jobs are nearly all in 'non-B' sectors such as retail, leisure, education and health.
- 6.8 These forecasts generally show much slower growth than Broxbourne experienced in the past (Figure 6.1)<sup>13</sup>.

**Figure 6.1 B-Space Employment Change, Broxbourne, 1995 -2005**



Source: ABI, RTP

- 6.9 Thus, in 1995-2005<sup>14</sup>, the Borough's growth in total employment was 775 jobs per year, whereas the forecast shows just 125 jobs per year. For warehousing, past annual growth was 96 jobs and forecast growth is 7 jobs. Industrial employment

<sup>12</sup> Numbers mentioned in the text are rounded.

<sup>13</sup> To analyse past employment change, we have corrected for errors in the historical data provided by the Annual Business Inquiry.

<sup>14</sup> The historical and forecast figures are not strictly comparable, because the former excludes the self-employed and the forecasts include them. But this discrepancy is too small to affect the substance of our analysis.

falls in both sets of figures, but the past annual job loss is 64 jobs, while the forecast loss is 230 jobs. For office jobs, the past record and the forecast are closer, at 110 and 72 jobs per year respectively.

- 6.10 It seems surprising that Broxbourne's forecast growth in the RSS scenario is so far below its past growth. To look at the discrepancy more closely, we have created an alternative employment scenario in which employment growth in 2001-21 continues the trend established in 1995-2005. This scenario is shown at Table 6.2. We refer to it as 'trend scenario 1' (later we will construct a trend scenario 2, based on past floorspace change). To build trend scenario 1, we calculated a linear trend for employment change in 1995-2005 for each B-class land use (offices, industrial, warehousing). We then projected these trends forwards to 2021.

**Table 6.2 Net Employment Change 2001-21, Broxbourne, Trend Scenario 1**

Sectors	Actual		Trend Scenario 1		Change 01-21 Jobs
	2001 Jobs	2005 Jobs	2006 Jobs	2021 Jobs	
<i>Manufacturing</i>	3,758	3,782	3,227	1,214	-3,097
<i>Other Industrial</i>	1,548	1,892	2,055	3,720	2,279
Total Industrial	5,306	5,674	5,282	4,934	-818
Warehousing	4,689	4,475	4,472	6,542	3,184
Offices	3,667	4,690	4,783	7,147	3,152
<b>Total B Jobs</b>	<b>13,662</b>	<b>14,840</b>	<b>14,538</b>	<b>18,622</b>	<b>5,518</b>
Non B Jobs	17,740	18,632	20,312	26,678	8,416
<b>Total Jobs</b>	<b>31,403</b>	<b>33,472</b>	<b>34,850</b>	<b>45,300</b>	<b>13,934</b>

Source Annual Business Inquiry 1998 -2005, Annual Employment Rescaled Survey 1995-1997

- 6.11 Table 6.2 compares trend scenario 1 with the RSS scenario for B-space employment. Office employment in trend scenario 1 grows by approximately 160 jobs per annum, double the growth of the RSS forecast. Similarly, for warehousing activities, trend scenario 1 shows growth of 160 jobs per annum, much higher than the 7 jobs per annum in the RSS scenario. For industrial jobs, the two scenarios are closer, showing 40 jobs per annum in trend scenario 1 and 60 jobs per annum in the RSS forecasts.

### *The Net Demand for Space*

- 6.12 To translate the above employment forecasts into demand for space, we use standard employment densities as follows:
- Offices - 18 sq m per worker
  - Industrial - 31 sq m per worker
  - Warehousing - traditional warehousing 40 sq m per worker; strategic warehousing 88 sq m per worker.
- 6.13 Densities for offices, industry and traditional warehousing are taken from a 1997 survey by Roger Tym & Partners for SERPLAN and are broadly confirmed by a similar 2004 survey by DTZ Pieda for SEERA<sup>15</sup>. The strategic warehousing density of 88 sq m is derived from a range of studies, including most recently the study of Strategic Warehousing in the East Midlands produced by MDS Transmodal for the East Midlands Development Agency.
- 6.14 We know that strategic warehousing - comprising modern purpose-built distribution units, generally of some 10,000 sq m or more, generally uses much more floorspace per worker than traditional warehousing - comprising older, smaller units, which may interchangeably be used for industry. In Broxbourne, most existing

<sup>15</sup> DTZ Pieda Consulting, *Use of Business Space and Changing Working Practices in the South East*, 2004

warehousing is of the traditional variety. But we cannot be sure about either the mix of new warehousing to be developed in future or exact densities in different types of warehousing. Therefore, we explore two alternatives, trend scenario 1a and trend scenario 1b, using alternative warehousing densities.

- 6.15 With regard to offices, it is often asserted that employment densities are rising, because of changing working practices such as hot-desking, teleworking and homeworking, and increasing competitive pressure on corporate occupiers to use space cost-effectively. There is some evidence to support these views, with examples such as IBM and BP seeking ratios of 10-11 sq m per person, and the HM Treasury building refurbishment, which aims for a good, modern standard for use by the public sector, has around 8 sq m of space per job through use of flexible working patterns.
- 6.16 However, the view that office employment densities are rising overall - as opposed to rising in particular businesses or groups of businesses - is not supported by research. As stated above, the DTZ study for SEERA supported the findings of the earlier SERPLAN study.
- 6.17 Certainly it is possible that the average office density will increase substantially in the future. But, on the evidence available to date, it would not be right to incorporate such an increase into our forecasts at this stage.
- 6.18 Table 6.3 below shows forecast demand for employment floorspace in 2001-21. These floorspace figures, like the employment forecasts from which they are derived, relate to net change. Net change in employment (the stock of jobs) is the difference between jobs lost and jobs gained. The corresponding net change in the floorspace stock is the difference between floorspace gained, mostly from new development, and floorspace lost (for example where industrial sites are cleared and redeveloped for housing and other uses).

**Table 6.3 Forecast Net Demand for Employment Space, Broxbourne, 2001-2021**

<b>Net Floorspace Change, sq m, 2001-21</b>	<b>RSS Scenario</b>	<b>Trend Scenario 1a</b>	<b>Trend Scenario 1b</b>
Industrial	-39,897	-25,368	-25,368
Warehousing	11,704	280,223	127,374
<b>Total Industrial &amp; Warehousing</b>	<b>-28,193</b>	<b>254,855</b>	<b>102,006</b>
Offices	25,884	56,728	56,728
<b>Total B Space</b>	<b>-2,309</b>	<b>311,583</b>	<b>158,734</b>

Source: Experian, RTP

- 6.19 In the RSS scenario, total employment floorspace is virtually unchanged. A fall of 40,000 sq m in the industrial sector is almost entirely offset by growth in offices (26,000 sq m) and warehousing (12,000 sq m).
- 6.20 In contrast, trend scenario 1a -- where the net warehousing growth is accommodated in strategic warehousing - shows total employment space growing by 312,000 sq m. In part, this is because industrial floorspace declines less, and office floorspace grows more, than in the RSS scenario. But the main factor is the major growth in warehousing space, of 280,000 sq m, reflecting the space-hungry nature of strategic warehousing, with a density of 88 sq m per worker.
- 6.21 Finally, scenario 1b - where net warehousing growth is accommodated in traditional warehousing - total employment space increases by 159,000 sq m. Office space grows and industrial space contracts as in scenario 1a. Warehouse space grows by 127,000 sq m.



6.22 Before taking these forecasts forward, we consider the floorspace change which has already occurred since 2001- the base year of the RSS and hence of our forecasts.

**Table 6.4 Net Change in Industrial and Warehousing Space (Completions), 2001-2007**

Site	Gains		Losses		Net change
	Use Class	Sq m	Use Class	Sq m	
<b>Waltham Cross</b>					
Trust Road			B8	696	-696
Munro Industrial Estate	B8	700			700
Munro Industrial Estate	B8		B8	4,500	-4,500
Munro Industrial Estate	B8	5,325	B8		5,325
Britannia Road and Lea Road	B8	262			262
Britannia Road and Lea Road	B8	474			474
Britannia Road and Lea Road	B8	539			539
Britannia Road and Lea Road	B2	784	B8	784	
Britannia Road and Lea Road	B2	664	B8	664	
Britannia Road and Lea Road	B8	793	B2	793	
Britannia Road and Lea Road	B8	1,320			1,320
Britannia Road and Lea Road	B8	3,146			3,146
Britannia Road and Lea Road	B8	7,626	B2	7,626	
Britannia Road and Lea Road	B1	13,917	B1	8,528	5,389
Britannia Road and Lea Road	B8	16,736	B8		16,736
Britannia Road and Lea Road	B1		B8	89	-89
<b>Rye House</b>					
Rye Road			B0	461	-461
<b>NE Hoddesdon</b>					
1	B2	351			351
2	B2	400			400
3	B2	750	B8	750	
4	B8		B1c	655	-655
5	B8	1,012	B1c		1,012
6	B8	17,795			17,795
7	B8	15,474	B2		15,474
8			B8		
9	B8		B2	6,170	-6,170
10	B8		B8	6,600	-6,600
11	B2	372	B0	372	
12	B1	243			243
13			B8	1,554	-1,554
14	B8	1,897	B2	1,897	
15	B1c	1,490			1,490
16	B1c	662			662
17	B8	2,606	B1	2,606	
18			B8	1,015	-1,015
19	B1c	1,704			1,704
20	B1c	1,904			1,904
21	B1	2,720	B2	3,000	-280
22	B2	2,516			2,516
23	B1c	1,161			1,161
24	B2	3,712	B8	3,712	
25	B2	4,420	B8	4,387	33

Continued Site	Gains Use Class	Sq m	Losses Use Class	Sq m	Net change Sq m
<b>Churchgate</b>					
Maxwells Farm	B2	3,612			3,612
<b>Cheshunt</b>					
Delamare Road	B8	491	B2	491	
Delamare Road	B1c	525	B1c	267	258
Delamare Road			B2	685	-685
Delamare Road			B2	1,092	-1,092
53-55 High Street			B2	573	-573
<b>Hoddesdon</b>					
Marston Road			B2	88	-88
<b>Other</b>					
Goffs Oak	B1c	1,240			1,240
Wormley	B1c	300			300
Wormley	B8	300			300
Baas Manor Farm	B1c	958			958
<b>TOTAL</b>		<b>120,901</b>		<b>60,055</b>	<b>60,846</b>

Source: Broxbourne Borough Council, Hertfordshire County Council

6.23 Industrial and warehouses space in 2001-07 increased by 61,000 sq m, the net outcome of 121,900 sq m gained and 60,100 sq m lost. Much of the new space developed was at North East Hoddesdon, but other estates also saw substantial activity, including replacement of industry by warehousing.

**Table 6.5 Change in Office Space (Completions), 2001-2007**

Site	Gains Use Class	Sq m	Losses Use Class	Sq m	Net change sq m
<b>Waltham Cross</b>					
Trust Road	B1a	696			696
Britannia Road and Lea Road	B1b	371			371
Britannia Road and Lea Road	B1b	547			547
Britannia Road and Lea Road			B1a	6,492	-6,492
<b>Hoddesdon</b>					
Hertford Road - MSD	B1b	10,180			10,180
Hertford Road - MSD	B1b	22,782			22,782
0321 Building			B1a	1,200	-1,200
The Grange			B1a	736	-736
The Grange	B1a	388			
<b>Cheshunt</b>					
Delamare Road			B1a	335	-335
Cadmore Lane			B1a	372	-372
<b>TOTAL</b>		<b>34,964</b>		<b>9,135</b>	<b>25,829</b>

Source: Broxbourne Borough Council/Hertfordshire County Council

6.24 Office space in 2001-2007 increased by 25,800 sq m, the net outcome of 35,000 sq m gained - virtually all at Merck Sharp Dohme (MSD) - and 9,000 sq m of space lost, at a handful of small sites. Outside the MSD site, there has been no significant office development in Broxbourne since 2001.

- 6.25 Yet again, recent history points to considerably higher demand than indicated by the RSS forecast. In Table 6.6 below, we project forward to 2021 the average floorspace change observed in 2001-07. This produces a further 'what-if' scenario, which shows what will happen in future if floorspace change follows the trend of the period 2001-07. We call this scenario trend-based scenario 2 and in Table 6.7 we compare it with trend scenario 1, which as explained earlier shows what would happen in future if *employment* change follows its past trend.

**Table 6.6 Forecast Net Demand for Employment Space, Trend Scenario 2**

Net Floorspace Change, sq m	2001-07	Per annum	Change 07-21
Industrial & Warehousing	60,846	10,141	141,974
Offices	25,829	4,305	60,268
<b>Total B Space</b>	<b>86,675</b>	<b>14,446</b>	<b>202,242 0</b>

Source: Broxbourne Borough Council, Hertfordshire County Council, RTP

**Table 6.7 Comparison of Trend-Based Demand Scenarios**

Net Floorspace Change, sq m per annum	Industrial and Warehousing	Office	Total B Space
Scenario 1a (net new warehousing 88 sq m/worker)	12,743	2,836	15,579
Scenario 1b (net new warehousing 40 sq m per worker)	5,100	2,836	7,937
Scenario 2 (past floorspace change)	10,141	4,305	14,446

Source: Broxbourne Borough Council, Hertfordshire County Council, RTP

- 6.26 The three trend-based scenarios are more similar to each other than to the RSS scenario. All three show significant growth in total employment space, while as shown earlier in the RSS scenario there is virtually no change. The main reason for this is that in the trend-based scenario warehousing employment grows significantly, more than offsetting the decline in industrial space, while in the RSS scenario warehousing employment is almost unchanged.
- 6.27 Scenario 1a, based on past employment change and high floorspace per head in warehousing, is very close to scenario 2, which is based on actual floorspace change. This suggests that the employment density associated with net new warehousing space is close to 88 sq m per worker.
- 6.28 In the final section of chapter 6, scenarios 1a and 1b will be used in the comparison of future demand and future supply. But first, in the next section we analyse the planned supply of employment land.

## Land Supply

- 6.29 In this section, we estimate the planned supply of employment land, which is the land provided by the planning system for change in employment uses. The main component of planned supply is outstanding planning commitments (permissions and allocations) for industry, warehousing and offices. The tables overleaf list these commitments.

**Table 6.8 Outstanding Commitments, Industrial and Warehousing, 2007<sup>16</sup>**

Site	Gains		Losses		Net change Sq m
	Use Class	Sq m	Use Class	Sq m	
<b>Waltham Cross</b>					
Britannia Road and Lea Road	B8	984			984
<b>NE Hoddesdon</b>					
1	B2	430			430
2	B1c - 50% B8 - 50%	1,440			1,440
3	B1c - 50% B8 - 50%	1,910			1,910
4	B8	3,808			3,808
6	B8	281			281
7	B2 - 50% B8 - 50%	595			595
8	B2 - 50% B8 - 50%	798			798
9	B8	870			870
10	B2 - 50% B8 - 50%	988	B2 - 50% B8 - 50%	607	381
11	B2	1,784			1,784
12	B2 - 50% B8 - 50%	1,951			1,951
13	B2	2,490			2,490
14	B8	2,922			2,922
15	B2 - 50% B8 - 50%	3,234			3,234
16	B8	3,252			3,252
17	B8	6,448			6,448
18	B8	8,682			8,682
19	B8	13,941			13,941
20	B8	19,509			19,509
<b>Park Plaza</b>					
Batching Plant	B2	2,826			2,826
Printworks	B2	83,164			83,164
<b>Other</b>					
2 St Michaels Road			B2	69	-69
R/O 61-71 High Street	B2	558	B2	122	436
<b>TOTAL</b>		<b>162,865</b>		<b>798</b>	<b>162,067</b>

Source: Broxbourne Borough Council, Hertfordshire County Council

6.30 Industrial and warehousing commitments total 162,100 sq m of net additional space. Just over half of this space is accounted for by the News International printworks and batching plant at Park Plaza, currently under construction. Virtually all of the remainder is at North East Hoddesdon.

<sup>16</sup> Data relate to 31 March 2007. Commitments include space under construction.

**Table 6.9 Outstanding Commitments, Offices, 2007**

Site	Gains Use Class	Sq m	Losses Use Class	Sq m	Net change Sq m
<b>Waltham Cross</b>					
Aro House/Wellington House	B1a	285	B1a		285
Hertford Road - MSD	B1b	14,849	B1b	155	14,694
<b>Park Plaza</b>					
Park Plaza Office	B1	21,535			21,535
Park Plaza Office	B1	3,465			3,465
<b>Other</b>					
2 St Michaels Road	B1	100			100
Fitzpatrick Contractors Ltd	B1a	2,136	B1a	786	1,350
<b>TOTAL</b>		<b>40,134</b>		<b>941</b>	<b>39,193</b>

Source: Broxbourne Borough Council, Hertfordshire County Council

- 6.31 Office commitments provide 39,200 sq m of additional space. 25,000 sq m of this total is accounted for by the outstanding permissions at Park Plaza and a further 14,900sq m is at Merck Sharp Dohme. Outside these major sites, there are no significant office commitments.
- 6.32 The analysis above excludes the Co-op land at Park Plaza. As noted earlier, this land has outline permission for 32,650sq m of employment space. We have excluded it because it may be either offices or industrial/warehouse space. In considering the demand-supply balance below, we will discuss the Co-op land separately.
- 6.33 In addition to outstanding planning commitments, supply includes vacant floorspace over and above the frictional vacancy which is necessary for the smooth operation of the market. We assume that this 'natural' vacancy is 7.5%.

**Table 6.10 Vacant Floorspace, 2007<sup>17</sup>**

Sq m	Offices	Industrial and warehousing
Stock (sq ft)	764,244	5,900,000
Stock (sq m)	71,000	548,123
'Natural' vacancy ( 7.5% vacancy rate)	5,325	41,109
Available stock	7,897	26,570
<b>Surplus space (sq m)</b>	<b>2,572</b>	<b>-14,539</b>
Surplus space (%)	3.6%	-2.7%

Source: LSH, RTP

- 6.34 On this basis, there is 2,600 sq m of surplus vacant office floorspace (Table 6.10). For industrial and warehouse space, vacancy is below the 'natural' rate, indicating that there is a shortfall of supply against demand, estimated at 14,600 sq m.

<sup>17</sup> Vacant floorspace should be measure at the base date, 2001. NO data are available for 2001, therefore se use vacancy at 2007 as a proxy.

## Market Balance

### *The Calculation*

- 6.35 The tables later in this section compare the demand and supply calculated earlier to estimate the balance of the market for the plan period to 2001-21.
- 6.36 To arrive at the requirement for gross supply (development sites) in the plan period, 2007-21:
- We first deduct from the forecast demand for 2001-21 the floorspace change which has already occurred since 2001 (Rows 1-2). Row 3 shows the resulting demand for 2007-21, expressed as net floorspace change.
  - To this net demand, we add the land which will be required to replace future losses of employment land.
    - These expected losses are insignificant; they comprise losses included in outstanding planning commitments (Row 4) and the further 2.5 hectares of employment land we have recommended for release, assuming a plot ratio of 40% (Row 5).
    - The table does not take account of the further 3 ha that may be lost at Greater Brookfield; in quantitative terms these losses do not make a significant difference.
  - This produces an estimate of gross land demanded (Row 6), to which we add an allowance for the planning and development pipeline (the frictional margin) equal to two year's demand. This margin only applies to offices, because for industry and warehousing the gross demand is negative.
- 6.37 Most of these adjustments in practice are insignificant.

### *The RSS Demand Scenario*

- 6.38 Table 6.11 shows the result of these calculations for the RSS scenario. For industry and warehousing:
- The forecast for 2001-21 predicts a negative requirement - a steep fall in floorspace of 28,200 sq m.
  - But between 2001 and 2007 the amount of floorspace has in fact increased by 60,800 sq m, almost equally split between NE Hoddesdon and other sites.
  - Therefore, if the demand forecast is correct, the industrial market to 2021 is already oversupplied as a result of past completions.
  - Moreover, there is a larger positive pipeline of planning commitments, which would add dramatically to that oversupply.
  - The total surplus of actual and committed supply over forecast requirements amounts to 227,000 sq m
  - If the Co-op land at Park Plaza, which is excluded from our supply schedules, were made available for industry/warehousing, the oversupply increases to 259,000 sq m.
- 6.39 One possible variation on the figures is to exclude from our calculations the News International printworks and batching plant at Park Plaza, on of two grounds:
- We understand that it will be occupied at very low density, providing just 400 jobs in around 86,000 sq m of space; therefore it might be largely excluded from the industrial supply
  - As a one-off inward investment, it might be considered as 'outside' the employment forecasts, and thus added to the RSS industrial demand.

- 6.40 If News International is added to the forecast demand (or subtracted from the estimated land supply, which comes to the same thing), the oversupply of industrial land to 2021 would fall to some 141,000 sq m. This is still a significant oversupply, about a quarter of the Borough's industrial and warehousing stock.

**Table 6.11 Market Balance, RSS Scenario, Broxbourne, 2007-21**

Row	Floorspace Change, sq m	Industry & Warehousing	Offices
<b>FORECAST DEMAND</b>			
1	Forecast net change, 2001-2021	-28,193	25,884
2	Actual net change 2001-07	60,846	25,829
3	<b>Forecast net change, 2007-21</b>	<b>-89,039</b>	<b>55</b>
4	Committed losses	798	941
5	Potential losses - sites recommended for release	10,000	
6	<b>Gross change 2007-21</b>	<b>-78,241</b>	<b>996</b>
7	Gross margin (pipeline)		142
8	<b>Total gross requirement 2007-21</b>	<b>-78,241</b>	<b>1,138</b>
<b>PLANNED SUPPLY excluding PP Co-op land</b>			
9	Surplus vacant floorspace	-14,539	2,572
10	Outstanding commitments (gross gains)	162,865	40,134
11	<b>Total gross planned supply</b>	<b>148,326</b>	<b>42,706</b>
<b>FORECAST MARKET BALANCE (supply less demand)</b>			
12	Excluding Park Plaza Co-op land	226,567	41,710
13	Co-op land identified for industry/warehousing	259,217	41,710
14	Co-op land identified for offices	226,567	74,360

Source: RTP

- 6.41 For offices, Table 6.11 implies that
- Development between 2001 and 2007 has already met the whole of the demand for space to 2021, so there is no need for further land to 2021.
  - As an alternative interpretation, we may partly discount the MSD developments, which account for virtually all of the new supply since 2001, on the grounds that their research and development activity fits awkwardly into our definition of offices.
  - On this alternative interpretation, there may be a requirement for office sites to provide up to 26,000 sq m of offices in 2007-21.
- 6.42 On strictly quantitative grounds, the above suggests that, on the most optimistic expectations, Broxbourne's indigenous office demand to 2021 could support implementation of the 25,000 sq m of offices permitted at Park Plaza. But in qualitative terms this is probably misleading, because indigenous demand is for smaller-scale, lower-cost office development. Moreover, major office development at Park Plaza, as discussed earlier, would require one or several large anchor tenants; it would not be feasible to develop either of the remaining Park Plaza sites in small increments over 14 years. Therefore, as discussed earlier, successful development of Park Plaza as a major office location requires it to attract footloose demand from beyond the Borough, unless perhaps one of the handful of large local occupiers, such as Tesco or MSD, decides to consolidate there.

### *The Trend Demand Scenarios*

- 6.43 As mentioned earlier, our analysis suggests that the RSS demand forecasts for industrial/warehousing demand for Broxbourne are not robust. Not only do the forecasts show a dramatic slowdown of employment growth and development compared to recent trends. They also suggest that recent and current development,

especially at North East Hoddesdon, is oversupplying the market, while market signals indicate the contrary, pointing to healthy demand for the new space at NE Hoddesdon and elsewhere.

- 6.44 Below, we provide alternative versions of the demand-supply calculation, based on the trend-based demand scenarios developed earlier. Table 6.12 shows scenario 1a - where the growth of warehousing occurs in low-density strategic warehouses- and Table 6.13 shows scenario 1b, in which new warehousing is in traditional space, at higher densities. In both these tables, the News International printworks and batching plant are excluded from land supply, for the reasons set out earlier (paragraph 6.39).

**Table 6.12 Market Balance, Trend Scenario 1a, Broxbourne, 2007-21**

Row	Floorspace Change, sq m	Industry & Warehousing	Offices
<b>FORECAST DEMAND</b>			
1	Forecast net change, 2001-2021	254,855	56,728
2	Actual net change 2001-07	60,846	25,829
3	<b>Forecast net change, 2007-21</b>	<b>194,009</b>	<b>30,899</b>
4	Committed losses	798	941
5	Potential losses - sites recommended for release	10,000	
6	<b>Gross change 2007-21</b>	<b>204,807</b>	<b>31,840</b>
7	Gross margin (pipeline)	29,258	4,549
8	<b>Total gross requirement 2007-21</b>	<b>234,065</b>	<b>36,388</b>
<b>PLANNED SUPPLY excluding PP Co-op land</b>			
9	Surplus vacant floorspace	-14,539	2,572
10	Outstanding commitments (gross gains)	79,701	40,134
11	<b>Total gross planned supply</b>	<b>65,162</b>	<b>42,706</b>
<b>FORECAST MARKET BALANCE (supply less demand)</b>			
12	Excluding Park Plaza Co-op land	-168,903	10,866
13	PP Co-op land identified for industry/warehousing	-136,253	10,866
14	PP Co-op land identified for offices	-168,903	43,516

Source: RTP



**Table 6.13 Market Balance, Trend Scenario 1b, Broxbourne, 2007-21**

Row	Floorspace Change, sq m	Industry & Warehousing	Offices
<b>FORECAST DEMAND</b>			
1	Forecast net change, 2001-2021	102,006	56,728
2	Actual net change 2001-07	60,846	25,829
3	<b>Forecast net change, 2007-21</b>	<b>41,160</b>	<b>30,899</b>
4	Committed losses	798	941
5	Potential losses - sites recommended for release	10,000	
6	<b>Gross change 2007-21</b>	<b>51,958</b>	<b>31,840</b>
7	Gross margin (pipeline)	7,423	4,549
8	<b>Total gross requirement 2007-21</b>	<b>59,381</b>	<b>36,388</b>
<b>PLANNED SUPPLY excluding PP Co-op land</b>			
9	Surplus vacant floorspace	-14,539	2,572
10	Outstanding commitments (gross gains)	79,701	40,134
11	<b>Total gross planned supply</b>	<b>65,162</b>	<b>42,706</b>
<b>FORECAST MARKET BALANCE (supply less demand)</b>			
12	Excluding Park Plaza Co-op land	5,781	10,866
13	PP Co-op land identified for industry/warehousing	38,431	10,866
14	PP Co-op land identified for offices	5,781	43,516

Source: RTP

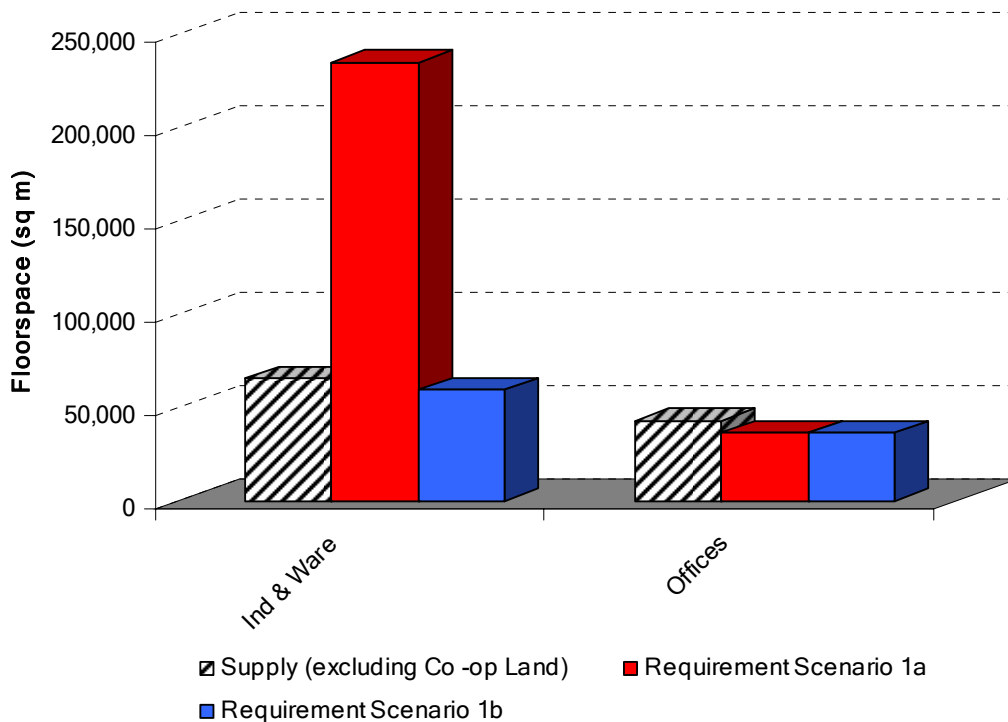
6.45 For industry and warehousing:

- Scenario 1a - based on low-density, strategic warehousing - if the Co-op site is excluded shows a planned undersupply of 169,000 sq m. The undersupply falls to 132,000 sq m if we assume that the Co-op land comes forward for industry/warehousing. Thus, in this scenario, the market will require both the Co-op site and, later in the plan period to 2021, further land to be identified for development.
- In scenario 1b - based on traditional, higher-density warehousing - the market is almost exactly in balance without the Co-op land. If the Co-op land comes forward for industry/warehousing, then supply exceeds the market requirement by some 38,000 sq m. In quantitative terms this is a small undersupply, not enough to be considered wasteful or to disrupt the market. Qualitatively, the Co-op site would contribute positively to supply, because as discussed earlier its location makes it exceptionally attractive for distribution.

6.46 For offices, trend scenarios 1a and 1b are the same and without the Co-op site show an insignificant oversupply of 10,000 sq m. In effect, in these scenarios the market is in balance. Adding the Co-op site increases the oversupply to around 44,000 sq m.

6.47 Figure 6.2 overleaf shows the market balance for trend scenarios 1a and 1b. The diagonally striped bars represent the district's supply and the red and blue bars show the floorspace demand over the 14-year period 2007-21 for trend scenarios 1a and 1b respectively.

Figure 6.2 Market Balance, Trend Scenarios, Broxbourne, 2007-21



Source: RTP

### *The Sub-Regional Context*

- 6.48 As we have seen, the emerging RSS does not provide a robust prediction of future employment land demand in Broxbourne, particularly with regard to industry and warehousing. The trend-based demand scenarios we have developed provide better answers, but these are interim answers, awaiting a more rigorous forecasting exercise.
- 6.49 Any new forecasts/targets should cover the Hertfordshire London Arc as a whole, rather than Broxbourne in isolation. The proposed sub-regional review of demand and supply should indicate where take-up could be shifted within the sub-region - for example to direct to Broxbourne overspill industrial/warehouse demand, crowded out from western sections of the Arc or perhaps from North London. It would also consider the relationships between resident workers and workplace jobs at strategic level, rather than for each authority in isolation. To arrive at a sustainable spatial strategy that minimises commuting, we need this strategic overview.
- 6.50 A new sub-regional study should also consider the balance of the sub-regional office market and hence the potential for strategic office development at Park Plaza, and it should use the new forecasting model produced by OEF for the regional agencies to provide better base forecasts.

## 7 CONCLUSIONS

- 7.1 In this chapter, we draw the practical conclusions from our analysis. We first consider the wider economic objectives that employment land policies should serve and go on to specific recommendations about these policies.

### Objectives of Employment Land Policy

#### *The Mix of Economic Activity*

- 7.2 As we have seen, Broxbourne in comparison with its neighbours - though not by wider national and regional standards - is a relatively low-value, low-knowledge economy, specialising in industry and the kinds of services that tend to operate in industrial areas, including logistics and construction. In contrast, national and regional policy suggest that planning authorities should encourage the growth of higher-value, higher-knowledge sectors such as professional and business services - which mostly operate in offices. Should Broxbourne, aim for a radical restructuring of its economy by providing more office sites, and less land for industry and warehousing, than it has in the past?
- 7.3 In considering the mix of jobs it should aim for, the Council might bear in mind the profile of its resident workforce. As demonstrated in Chapter 2, the Borough compared to its neighbours has higher proportions of lower-skilled workers and some of its area is economically deprived. On the other hand, we have also shown that higher-skilled, higher-earning residents are especially likely to work outside the Borough, because of the lack of suitable local jobs.
- 7.4 Thus, from a labour market perspective, which kinds of jobs the Council encourages will depend on its priorities. Growth in lower-skilled jobs will create immediate benefits for the less advantaged local residents. Growth in higher-skilled jobs may help upskill the local workforce and it may reduce out-commuting - though, as we have seen, this out-commuting is not necessarily a problem, because much of it is either short-distance or by train.
- 7.5 However, this analysis is rather academic, because in practice the opportunities to attract higher-value jobs are limited. The market analysis in Chapters 4 and 5 above suggests that Broxbourne for the foreseeable future does not have the potential to become a major office location, especially considering the strength of the competition elsewhere in the London Arc and beyond. The only possible exception is Park Plaza, which could perhaps attract a high-quality business park development, depending on wider market conditions.
- 7.6 Leaving aside Park Plaza - which we discuss further below - Broxbourne's main market opportunities lie in the industrial and warehouse sectors, where demand is buoyant and land is in short supply, partly because throughout the sub-region and beyond, industrial land is being lost to higher-value uses, including housing. By providing land for industry, distribution and related services, Broxbourne would be playing to its strengths. It might also be contributing to wider economic growth and competitiveness, by providing space for activities which are essential to the efficient working of the economy, yet are being constrained by shortages of suitable sites.
- 7.7 We conclude that, if the Council wishes to encourage employment growth, it should aim to meet the demand for industrial and distribution sites, and it should not make major land allocations for office development. The one exception to this is the south west section of Park Plaza. As discussed in a later section, if it is allocated for offices this site has chances of attracting a high-quality development, though in our opinion its prospects are uncertain.
- 7.8 Another opportunity to encourage higher-value jobs may be through the Borough's existing large employers, particularly Tesco and Merck Sharp Dohme. It is often

said that these employers are in Broxbourne 'only' for historical reasons and may have only limited links to the Borough. This may be so, but it is likely that Tesco and MSD, like most companies, have at least one strong tie to their existing location: it is readily accessible to their existing workforce. Therefore, we would expect Tesco and MSD to stay and expand in the Borough, with further investments to follow Tesco's new training facility. However, this will only happen if Broxbourne provides the right sites at the right time.

- 7.9 We suggest that the Council open up and maintain a dialogue with its major employers. It should make sure that it knows how happy these companies are in Broxbourne, what their plans are, what space they need and what obstacles they meet. Insofar as is possible, it should help overcome these obstacles.

### *Employment Growth and the Quantity of Land*

- 7.10 As well as the quality and value of jobs, the Council should consider their quantity - how much employment growth it should aim for. For many authorities, this question is answered strategically, in the Regional Spatial Strategy (RSS). But the emerging RSS in this case does not provide a separate employment growth target for Broxbourne, only a collective target of 50,000 net new jobs (2001-21) for the many districts that comprise the London Arc (Hertfordshire).
- 7.11 We have argued in paragraphs 6.48-6.50 that the distribution of this total between authorities is best determined through a wider, sub-regional overview of demand and supply, rather than for each district in isolation.
- 7.12 Pending this sub-regional overview, we suggest that a suitable policy objective for Broxbourne is to meet the market demand for employment land fully within its own boundaries. If it accepts this objective, the Council as a planning authority will aim to encourage as much employment growth as it can, providing the closest possible match to demand in terms of both the quantity and quality of land.
- 7.13 Theoretically, from a sub-regional perspective, the result may be that employment growth takes too high or too low a share of the sub-regional total. For example, it might displace growth from neighbouring and competing areas or cause misalignment of jobs and housing. But any such problems cannot be resolved by a single local authority in isolation.
- 7.14 In summary, we suggest that a suitable target at the present stage is that Broxbourne should aim to meet future market demand for employment land within its boundaries. To assess this future market demand is the purpose of the next section.

### **Employment Growth and Land Provision**

- 7.15 In forecasting the market demand for employment land, our starting point is the EG(21) economic scenario that underlies Policy E1 of the emerging RSS. However, reality-checking against historical experience and current market evidence suggests that this scenario is not robust:
- For industry and warehousing, market demand for the foreseeable future is likely to be considerably above the EG21 forecast. This may be because demand is spilling over from neighbouring areas, where it is being crowded out by higher-value uses.
  - For offices, the forecast may be a correct view of likely indigenous demand. But the Borough may attract major office development and higher-value activities, drawing on footloose demand from a wider market. The potential for this would have to be assessed by a wider analysis of the London Arc, forecasting likely demand and assessing competing supply at sub-regional level.

- 7.16 We have explored alternative, trend-based scenarios which we feel represent a more realistic view of future demand. In our opinion, the trend-based are better targets because they reflect the Borough's strength as a warehousing and distribution location. The recent development at North Hoddesdon for example, demonstrates the confidence in the area of property investors and developers, which has been vindicated by occupier demand.
- 7.17 If Broxbourne was to accept the Policy E1 RSS targets, it would imply virtually no employment growth in the district between 2007 and 2021. Yet recent history and market signals suggest that there is potential for significant growth. So, in the absence of a wider strategic plans that say otherwise, it is right in our view that Broxbourne should not constrain economic growth in its area, but should aim to meet demand within its own administrative boundaries.
- 7.18 This was why in Chapter 6 we developed two trend-based scenarios, 1a (with strategic distribution) and 1b (with traditional warehousing). A trend-based forecast based on past floorspace change produced similar results. We recommend that the Borough Council use the figures in Scenarios 1a and 1b as 'bookends' framing its employment land requirement.
- 7.19 Table 7.1 below summarises the future employment land requirements derived from these scenarios.

**Table 7.1 Summary of Proposed Requirements, 2007-21**

Net floorspace change sq m	Scenario 1a with strategic warehousing	Scenario 1b with traditional warehousing
Office	36,388	36,388
Industrial/warehousing	234,065	59,381

Source: RTP

- 7.20 In trend scenario 1a, the new warehousing would provide largely for strategic distribution, which requires far more space per worker than more traditional warehousing uses. Examples of this are the two largest warehouses being provided at North East Hoddesdon - one of 17,850 sq m for the distribution of fine wines and one of 19,509 sq m likely to be taken by a major logistics company. It is important to remember that, as shown in Table 6.10, there is definitely a current undersupply of industrial/warehousing floorspace available to deliver the requirement.
- 7.21 In trend scenario 1b, new warehousing would cater to more traditional distribution, operating from smaller units. This type of distribution is important in the North (of) London market and much of the offer at North East Hoddesdon is of this type, with units of varying sizes up to 7,000 sq m. As shown in Table 6.11, in this scenario forecast demand and land supply are in balance without the Co-op land at Park Plaza. In strictly quantitative terms, therefore, the Co-op site in this scenario would not be required, but qualitatively it would still make a positive contribution.
- 7.22 We consider that both the strategic and traditional distribution markets will continue to have good prospects in Broxbourne. In reality, and depending on the nature of the sites provided, the future is likely to lie between 1a and 1b. We recommend that the Council plan for land provision between the 1a and 1b requirements. In practice, this means that additional industrial/warehousing sites should be provided in the plan period, including the Co-op site at Park Plaza (or a similar quantity of land elsewhere) and possibly, later in the period, further land to be identified for industry and warehousing. The LDF at this stage could set out a minimum and a maximum requirement, using the plan monitor and manage approach to match supply to demand more closely in future.
- 7.23 For offices, the analysis suggests that in a business-as-usual market there is no requirement for additional land, and the existing allocation on the south-west

section of Park Plaza is unlikely to be taken up. As discussed in the final section below, the site's prospects for high-quality office development depend on its ability to attract footloose demand from a wider market.

## Employment Sites

### *Existing Employment Areas*

- 7.24 For industry and warehousing, we recommend that nearly all existing employment areas should be safeguarded for continuing employment use, although most are far from ideally located. The main reasons for this recommendation is that, in the absence of better alternatives, these areas are well occupied and commercially viable and are likely to remain so. This is supported by the quantitative analysis, irrespective of which scenario is pursued. Both Scenario 1a (with strategic distribution) and 1b (with traditional warehousing) show, in the worst case, a small surplus of floorspace, and that is only if the Co-op land at Park Plaza is used for traditional warehousing. As shown in Table 6.13, this would total some 38,400 sq m which would be needed to provide some slack in the market balance equation.
- 7.25 In reality, it is likely that there may be a shortage of industrial/warehousing land if an approach somewhere between Scenarios 1a and 1b is adopted. Even with the Co-op land and Park Plaza given over to distribution, be it strategic or traditional, there is likely to be insufficient supply to match demand. Indeed, if Scenario 1a (with strategic distribution) is followed then, as shown in Table 6.12, there would be a shortage of some 136,300 sq m of floorspace.
- 7.26 So, existing sites must be retained otherwise the Borough will be in danger of constraining the development of its local economy. Moreover, the most likely situation is that this constraint will still occur unless new sites are found. This is exacerbated by the fact that the major contribution that Park Plaza could provide is uncertain. The Co-op site, as discussed below, does not offer a watertight solution because qualitatively it is most suitable for strategic distribution. It is also not a realistic place for the SME market, currently located in the urban area, to relocate to. This is because it is not well connected to the urban area, nor to the wider sub-region or London via public transport.
- 7.27 An alternative policy stance would be to identify new industrial/warehousing sites close to the A10, to replace the least attractive existing industrial sites in the urban areas, which could be released for housing. This option would raise the quality and probably the quantity of local jobs and improve the environment both for businesses and housing, but at the cost of encroaching on the Green Belt.

### *Park Plaza*

- 7.28 We have shown in the presentation of our alternative scenarios, 1a (with strategic distribution) and 1b (with traditional warehousing), the effect of providing all of the available space at Park Plaza for office use or for industrial/warehousing use. Before considering which should be the preferred approach, it is important to understand the potential of the two main parts to the site - the site in the south west corner, currently identified for office use, and the Co-op land in the north, currently with an open B1/B2/B8 planning consent.
- 7.29 In policy terms, office development at Park Plaza would be advantageous. The regional and the local economic strategies seek to raise the value of the economy through encouraging investment by those operating in higher value sectors, and to raise skill levels. Development of this type would certainly provide the commercial infrastructure to deliver this.
- 7.30 However, market evidence suggests that, even with the infrastructure provided, attracting the businesses in will be difficult. There is presently no market for such businesses in Broxbourne and so achievable rents are much lower than in other

areas across the London Arc. Moreover, these other areas benefit from being able to market successful, well serviced existing business parks that are already home to many major companies. To investors this is important and merely serves to further restrict the ability of places such as Broxbourne to grow an embryonic offer for such businesses.

- 7.31 At present, the future of Park Plaza as a high-quality office park is uncertain. If the south-west site is reserved for such a scheme it may or may not deliver a prestige development and high-quality jobs. A sub-regional study of the London Arc office market would provide a more accurate assessment of market prospects, but not a guarantee of success.
- 7.32 So, for the time being, there is a strong case for reserving office development for the south west section of Park Plaza, fronting the A10. Because the site is quite narrow in shape, it does not have an obvious alternative use, so, even if it were not to be taken up for some time no damage would be caused - the opportunity cost is zero.
- 7.33 **We suggest that the south-western part of Park Plaza is retained for office use and that the Council work with News International to promote the site.**
- 7.34 The decision regarding the Co-op land to the north of News International presents more options. If this land was offered to the market with its existing permission, it would likely attract development of two or possibly three strategic warehouses. It may also be taken up for traditional warehousing uses but, whilst this would provide more jobs than strategic warehousing, its attractiveness to the market would appear to be less certain. This perhaps more reflects how attractive a prestige site that is so well located would be to the strategic distribution market.
- 7.35 If on the other hand, the Co-op land is reserved for possible office development, it may be many years before it is taken up, if ever. A further complication is that the owner's aspirations are unknown, so the site may not come forward for development in any case.
- 7.36 Scenarios 1a (with strategic distribution) and 1b (with traditional warehousing) show that using the Co-op land for industrial/warehousing use will help to bring the market for this floorspace more into balance than if it is given over to office use. Therefore, it appears that this land would be best used for industrial/warehousing activities. Moreover, if the site is given over to strategic distribution, then it would minimise the amount of new land that would possibly need to be found on greenfield sites.
- 7.37 We recommend that, under the present market conditions, the Co-op land at Park Plaza be allocated for industrial/warehousing use. Whilst there is an existing open permission on the site it could still come forward for a mix of B-class uses. However, this permission is shortly to expire (March 2008) and if it does, then the Council should consider carefully, in light of these recommendations and the ongoing LDF process, the merits of granting any application to extend that existing permission.

### *New Employment Allocations*

- 7.38 It is likely that additional land will be required for industry and warehousing, depending on the split of strategic and traditional warehousing space provided. There are two possible approaches to this. The first would be to simply allocate new land for this space. The second would be to rationalise existing estates on new sites and use the land being freed up for the warehousing uses.
- 7.39 The most sustainable option for providing sufficient new employment land would be to identify greenfield sites alongside the A10, as part of the forthcoming Green Belt review. Such sites would provide much better quality employment sites than the Borough does at present and would likely attract higher-value, 'clean' uses for which Broxbourne at present does not provide attractive opportunities. This would

encourage higher-quality activities to locate, stay and grow in the Borough. It would also provide sites to which existing occupiers from the older estates could relocate, so that some of the less commercially attractive sites in the urban area could be released for other uses, be they new employment or housing.

- 7.40 However, not all existing occupiers would wish to relocate to new greenfield sites; many thrive because of the low rents offered by relatively low-quality sites. It will be important to retain enough industrial/warehousing space in the built-up areas to cater to this 'value-for-money' demand.



## APPENDIX A

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### EMPLOYMENT SITES Inventory, Appraisal and Map



Ref No.	Name	Site Status	Market Sector	Planning Status	Size - ha	Score	Score Comments	Buildings	Buildings Comments	Site	Site Comments	
1	Station Approach Ind / Monro Industrial Estate	Currently in use	Gen.Ind.	Adopted Employment Area	3.82 ha	2-Good	Provides a useful mix of secondhand industrial accomodation on an estate, limited access, useable.	Average	There is a mixture of buildings on the site ranging from dated and dilapidated to modern, high eaved warehouses.	Average	Established industrial area away from residential areas, alongside railway line, close to other industrial uses.	Retain
2	Britannia Road and Lea Road.	Currently in use	Gen. Ind.	Adopted Employment Area	32.1 ha	2-Good	A large mix of industrial uses with market appeal for units seperately not as a whole.	Average	Different buildings but largely dated, useful to supply cheap accomodation.	Good	Useful site surrounded by railway line, main road and residential. Has potential for development on large scale.	Retain
3	Delamare Road	Currently in use	Industrial warehouse and office	Adopted Employment Area	12.08 ha	3-Average	Older style generally low rise industrial buildings dating from the late 1960s and 1970s. Tesco the main occupier with two office buildings, not in keeping with the general uses in the area and an industrial building. Otherwise general industrial and some car-related. There is a new two-storey business unit scheme towards the southern end, part occupied and currently being marketed by South Orfeux.	Average	Area characterised mainly by older style industrial warehouse and office buildings. Whilst the buildings will probably not meet modern design criteria, occupancy rates are good.	Poor	Local infrastructure is poor with access via residential accomodation at either end of the estate. This would cause a problem for larger industrial occupiers, although there are few present on the estate. Predominant occupier is Tesco's offices. Occupancy rates indicate good level of demand for older style accomodation	Retain
4	NE Hoddesdon 1	Currently in use	Gen. Ind.	Adopted Employment Area		2-Good	Good location of mixed industrial properties, producing high levels of units to the market. Occupiers include major companies including Sainburys and Travis Perkins	Average	Varied sizes and ages of buildings but useable and good supply of mixed rental level properties.	Good	Good access and location and close to Hoddesdon town.	Retain
5	NE Hoddesdon 2	Currently in use	Distribution	Adopted Employment Area		2-Good	Reasonable location although local infrastructure is poor for the size of development - access via Pinder Road one-way system.	Good	Purpose-built Sainsbury distribution depot	Good	Towards the rear of the Hoddesdon employment area and therefore possibly would be considered the least accessible. New residential development in the vicinity.	Retain
6	Hertford Road	Currently in use	Gen. Ind. / Research & Development	Adopted Employment Area	7.67 ha	2-Good	Would provide modern industrial space to the market. Ultimately redevelopment would be possible due to the surroundings of residential, including new residential developments, and greenbelt.	Good	Some buildings provide reasonable quality accomodation, majority are modern inc. road fronting.	Average	Not within an established industrial area, general close to residential. No traffic flow problems.	Retain

Ref No.	Name	Site Status	Market Sector	Planning Status	Size - ha	Score	Score Comments	Buildings	Buildings Comments	Site	Site Comments	
7	Delamare Road	Currently in use	Gen. Ind. & office	Adopted Employment Area	2.52 ha	3-Average	Generally small unit, older style low-rise buildings dating from the 1960s and 1970s. Although buildings do not meet modern design criteria, occupancy rates are very good.	Poor	Older low-rise buildings do limit potential market, but occupancy rates are very good.	Average	Local infrastructure is poor with access via residential development. Less importance for smaller units like this.	Retain
8	Plumpton Road	Currently in use	Gen. Ind. & office	Adopted Employment Area	3.31 ha	3-Average	A variety of 8 industrial buildings of varying ages.	Average	Some buildings provide reasonable quality accommodation, however, most do provide cheaper accommodation to modern buildings elsewhere.	Average	Site location is accessible, but does increase traffic through neighbouring residential areas.	Retain
9	Fairways Trading Estate	Currently in use	Gen. Ind.	Adopted Employment Area	2.17 ha	3-Average	A variety of mixed industrial buildings, in close proximity to Brookfields Centre. Fair market appeal.	Good	Good modern industrial buildings layed out in small industrial estates. One way access leads to poor access to buildings.	Average	General poor access to site, could be used to extend Brookfields Centre or access to further developments surrounding	Retain but consider other commercial uses.
10	Park Plaza	Under construction	Gen. Ind	Adopted Key Employment Site		2-Good	High market appeal due to location directly adjacent to Junction 25 of the M25. The printworks is around 900,000 sq ft and would prove difficult to maket as a whole.	Good	Under construction but appears to be high quality building due to be operational by early 2008.	Good	Ideal site for warehousing and distribution being so close in proximity to the junction of the motorway.	Retain
11	NE Hoddesdon 3 / Rosemound Development		Gen. Ind.	Adopted Employment Area		2-Good	Strong appeal on the market for these industrial properties as is demonstrated by full lets and sales at this early stage of development.	Good	Modern, high eaved, good quality warehouse units built to high specification.	Good	Since the opening of the railway bridge near Essex Road this site has become fully useable and of high appeal.	Retain
12	Bosanquet Road	Currently in use	Gen. Ind.	None - Urban Capacity Site	0.88 ha	3-Average	Small industrial area close to the river and abutting residential neighbourhood.	Poor	A mixture of buildings on the site, variety of occupiers, generally to a poor standard. Joiners, Printers etc	Average	Some of adjoining site has been developed into flats, and with only residential and the river surrounding the site, it would seem prime for resi. conversion.	Consider for release
13	Essex Road Site	Currently in use	Gen. Ind.	None - Urban Capacity Site	0.87 ha	3-Average	Located away from industrial areas, has good loading and parking facilities, and turning circle outside buildings.	Poor	Main building rather dilapidated, poor roof, lots of work for modernisation. Separate front office building.	Average	Close to junction with Essex Rd, appears to cause no traffic flow problems.	Retain

Ref No.	Name	Site Status	Market Sector	Planning Status	Size - ha	Score	Score Comments	Buildings	Buildings Comments	Site	Site Comments	
14	Ryehouse Station Ind.	Unknown, possibly occupied	Gen. Ind.	None - Urban Capacity Site	1.28 ha	4-Poor	Main development concentrates on Plumpton Rd across the railway line. Units seem dilapidated and unused.	Poor	Cheaper alternative to across the railway line, generally in need of modernisation.	Average	Established ind. Area, close to Ryehouse Station.	Retain
15	Ware Road	Currently in use	Gen. Ind.	None	0.26 ha	3-Average	Established industrial used buildings but located in close proximity to residential.	Average	Mix of front office building with commercial industrial use on ground floor, and low eave industrial building to the rear.	Average	Positioned immediately by Hertford Road and residential uses.	Consider for release
16	Bonjour Building	Currently in use	Retail	None	0.03 ha	2-Good	Provides useful retail to compliment petrol station adjacent.	Average	The buildings is appropriate for it's purpose but would be only average for any other purpose.	Good	On main road close to residential and high street, thus will always be in high demand.	Retain
17	Mr Unique, Citroen Authorised Repairer	Currently in use	Gen. Ind. / car repairs	None	0.13 ha	2-Good	Useful car mechanic accomodation, in good location by petrol station.	Good	Premises are of modern construction with good aesthetics to the main road, part glazed / part clad. Car slaes infront.	Good	Positioned immediately off main road, easy access, always high demand, possibly as residential conversion	Retain
18	Rowdon House, Charlton Way	Currently in use	Offices	None	0.04 ha	2-Good	Providing useful upmarket Victorian office accomodation close to the main road.	Good	Highly attractive Victorian building used as offices, known by locals as the Cyber Building.	Good	Good position off main road. Could lead to residential conversion, perhaps alongside Areas 16 & 17.	Retain
19 & 20	Legra Avenue, Limes Court	Currently in use	Offices	None	0.06 ha	2-Good	Provides useful office accomodation for South East Herts Trust, close to mixed uses. Might be difficult to let as a whole to a new occupier.	Good	Modern office buildings, providing good quality accomodation.	Good	For current purpose, site is nicely hidden away from main road and general public.	Retain
21	Brewery Road Site 1	Currently in use	Function Hall	None	0.01 ha	2-Good	There is generally a high demand for function halls in most areas particularly close to town centres.	Average	Building appears industrial from exterior and is not appealing to the eye as a function hall.	Good	Positioned adjacent to supermarket and main town centre, along with surrounding office and industrial uses.	Retain
22	Brewery Road Site 2	Currently in use	Office Use	None	0.02 ha	2-Good	Provides useful accomodation close to town centre for theatrical projects.	Good	The building appears to be modern refurbished office space, and theatrical space, highly desirable so close to town centre.	Good	Positioned adjacent to supermarket and main town centre, easy to find alternative occupiers.	Retain

Ref No.	Name	Site Status	Market Sector	Planning Status	Size - ha	Score	Score Comments	Buildings	Buildings Comments	Site	Site Comments	
23	Brewery Road Site 3	Currently in use	Gen. Ind.	None	0.14 ha	3-Average	Industrial use is very tight on the plot, loading & access.	Average	The buildings are useful and provide good local space, cheaper than modern.	Good	Close proximity to main town centre, industrial properties will always be in high demand.	Retain
24	Scania House	Currently in use	Offices	None	0.39 ha	3-Average	Located close to a main junction and the town centre, currently occupied by Broxbourne Housing Association.	Average	Mix of relatively dated office accomodation, large premises to find one occupier to replace.	Good	Positioned immediately next to access road to the A10 and town centre making the site high interest.	Retain
25	Bridge House	Either part or fully vacant	Offices	None	0.07 ha	3-Average	Located on main road close to Broxbourne shopping area	Average	Red brick mid- to late-80s office building. Not possible to say whether upgrading in terms of specification. Floorspace currently available via local agent.	Good	Necessary prominence for office building	Retain but monitor potential for residential development if space remains vacant for a prolonged period
26	Turnford Place - Marriot Hotel	Currently in use	Offices / Hotel	None	3.57 ha	3-Average	Hotel site is attractive with large amount of parking and would have high appeal to maket. Turnford Place historically has low appeal as large high quality offices do not fit in this market place.	Good	High quality buildings both for the Marriot Hotel and for Turnford Place offices.	Good	Prime site along corner of A10 & Great Cambridge Road.	Retain
27	Fieldings Road 2	Currently in use	Industrial - mainly motor related	None - Urban Capacity Site	0.57 ha	3-Average	Concentration of varying size motor repair workshops not favoured by institutional landlords and therefore satisfying good demand.	Average	Older style workshop buildings suitable for use. Possibly unattractive for others.	Poor	Situated at the rear of industrial estate which is often congested. As car repairers etc are often bad neighbours to other industrial occupiers, the location is suitable	Retain
28	Coleman Brothers	Currently in use	Warehouse, industrial and offices	None	1.35 ha	4-Poor	Large building under single occupation by Colemans Home Furnishing. Building dates probably from late-1970s/early 1980s and would be difficult to market for single occupancy if it became vacant. Good proximity to Cheshunt station.	Average	Whilst the buildings probably provide good functional space for the current occupier in general market terms, this may be too large a building for the location, whilst road infrastructure is poor, rail link is very good.	Average	Whilst the site is probably poor for single occupation, if it became vacant it would suit small unit redevelopment where local infrastructure is less important.	Retain but monitor

Ref No.	Name	Site Status	Market Sector	Planning Status	Size - ha	Score	Score Comments	Buildings	Buildings Comments	Site	Site Comments	
29	Maxwells Farm	Being marketed	Light industrial and storage	Greenbelt	1.26 ha	2-Good	Small unit industrial development known as Maxwells West. 3 storage units of 7440 sq ft. 3 light industrial B1 units 4,950 sq ft and 1 unit for business light industrial use of 1700 sq ft. Building good. Currently being marketed.	Good	Modern, possibly refurbished units which lok to be functional in design	Good	Very prominent from A10, although due to A10 dual carriageway access only from northbound carriageway and egree also onto northbound.	Retain
30	Goffs Oak House	Currently in use	Offices	None	0.63 ha	3-Average	Large historic building, currently used by solicitors as offices located in the middle of a residential location. Could prove difficult to relet as a whole.	Good	Visually appealing historic, possibly Georgian, building.	Average	Site located by residential, not particulalry an office location.	Retain
31	Medlock Electrical Distribution	Currently in use	Storage, Distribution & Sales	None - Urban Capacity Site	0.47 ha	2-Good	Large 1980s built warehouse with small ancillary warehouse, access can be difficult.	Good	Modern building, aesthetically pleasing, would let or sell well, with high demand on market if possible to find one occupier to replace existing.	Good	Located on main road of Eleanor Cross Rd, surrounded by high density residential developments, potential for redevelopment.	Retain
32	Trust Road office blocks - Aro House/Wellington House	Currently in use	Offices	None	0.20 ha	2-Good	Sound small office area, close to mainline railway station, neighbouring residential areas.	Good	2 modern brick built office buildings, 3 storey, high market appeal and visual appeal.	Average	Close to residential and industrial, along main flyover, unlikely to be redeveloped.	Retain
33	Station Approach / North London Sawmill	Currently in use	Gen.Ind.	None	0.18 ha	4-Poor	Standalone industrial use within what appears to be an early 19th century building, close to railway station.	Poor	Relatively dated accomodation however supplying cheaper accomodation to elsewhere in Trust Road.	Average	The site is ripe for conversion to residential, located close to station and opposite park.	Consider for release
34	Haulage Contractors Site	Currently in use	Gen. Ind.	None	0.23 ha	3-Average	Provides useful cheap second hand accomodation, with redevelopment inevitable as demonsatrated by it's surrounds, George Wimpey etc	Poor	Majority of structures require repair and modernisation. External storage space too.	Average	Close to railway line, within established industrial area.	Consider for release
35	Royal Mail Depot	Currently in use	Offices/industrial	None	0.22 ha	3-Average	Unit slightly hidden behind bus depot but proximity to town centre may be more suitable for quasi-retail occupiers	Average	Likely to bge specialist fit-out for current use, but building would appear to have refurbishment potential. Unlikely to attract usual warehouse/industrial occupier, but trade counter retail, etc	Average	Access reasonable and close to town centre therefore potetnlal for other uses.	Retain but give considerati on to alternative uses if site becomes available

Ref No.	Name	Site Status	Market Sector	Planning Status	Size - ha	Score	Score Comments	Buildings	Buildings Comments	Site	Site Comments	
36	Eleanor House	Currently in use	Offices	None	0.43 ha	2-Good	Provides modern useful office accommodation close to town centre, visually appealing to general market.	Good	This 5 storey red brick modern building is of high calibre for the area, difficult to find one replacement occupier but could be split.	Good	The site occupies a plot very close to the town centre opposite the bus station.	Retain
37	London & Lancashire Rubber Co Ltd	Currently in use	Warehouse	None - Urban Capacity Site	0.22 ha	3-Average	Mid- to late-80s detached warehouse building on self-contained site, with access via Station Road. Railway arches in industrial use close-by.	Good	Reasonable modern building in secure location. Marketable if vacant.	Average	Secure site bounded by railway on one side and gardens to a neighbouring residential on other. Access via Station Approach but sufficient for the size of building.	Retain but consider for release if vacant
38	Durkan Group Offices	Currently in use	Offices	None	0.23 ha	3-Average	Would prove difficult to find one occupier to replace present occupiers.	Average	Unappealing brick rectangular office building.	Good	Useful site fronting the main road, could be developed into a variety of uses.	Retain
39	Trust Road Industrial	Currently in use	Gen. Ind.	None	0.52 ha	2-Good	Eleanor Trading Estate occupied by Topps Tiles, Plumbcenter & Magnet.	Good	These modern industrial buildings are likely to be in high demand, good loading and access, close to railway station.	Average	Standalone industrial estate with potential for redevelopment in the future.	Retain
40	Waltham Cross, High Street 1	Currently in use	Offices	None	0.12 ha	2-Good	Modern office block occupied by JobCentre, on a main road position. Might be difficult to find one new occupier if marketed and may need to be split.	Good	A nice modern visually appealing red brick building that is neutral enough to be mutually desirable by other users.	Good	Useful site fronting the main road, could be developed into a variety of uses.	Retain
41	Waltham Cross, High Street 2	Currently in use	Retail, commercial mix	None	0.36 ha	3-Average	Mix of retail premises and yards with modern residential development in the middle. High market appeal as there is always demand for small shops fronting main roads at reasonable rents.	Poor	Poor quality buildings, mix of styles and ages, largely in need of modernisation.	Good	Useful site fronting the main road, could be developed into a variety of uses.	Consider for release
42	Waltham Cross, High Street 3	Currently in use	Retails	None	0.14 ha	3-Average	High market appeal as there is always demand for small retail units fronting main roads at reasonable rental levels.	Poor	Poor quality buildings, largely in need of modernisation.	Good	Useful site fronting the main road, could be developed into a variety of uses.	Consider for release
43	Borough Depot and HCC recycling centre	Currently in use	Gen. Ind.	None	1.12 ha	3-Average	Likely to be difficult to let in its current use, but could be split and made into individual industrial units.	Average	Difficult to visually inspect buildings from street.	Average	General poor access to site, could be used to extend Brookfields Centre or access to further developments surrounding	Retain but consider for commercial uses.



Ref No.	Name	Site Status	Market Sector	Planning Status	Size - ha	Score	Score Comments	Buildings	Buildings Comments	Site	Site Comments	
44	Bishop's College 1	Currently in use	Offices	None	0.19 ha	2-Good	Modern offices likely to be sought after on the market, likely to be split	Good	Modern office building in the style of the adjacent historic buildings of Bishop's College.	Average	Located close to railway station, in the middle of residential area which could be appealing to some.	Retain
45	Bishops College 2	Currently in use	Offices	None	0.14 ha	2-Good	Aesthetically pleasing building with good market appeal although likely could only be let as a whole.	Good	Historic building used as offices for Broxbourne Council.	Average	Located close to railway station, in the middle of residential area which could be appealing to some.	Retain
46	Delamere Road	Currently in use	Industrial, warehouse and office	None	0.13 ha	2 - Good	Older style generally low rise industrial buildings dating from the late 1960s and 1970s.	Average	Area characterised mainly by older style industrial warehouse and office buildings. Whilst the buildings will probably not meet modern design criteria, occupancy rates are good.	Average	Local infrastructure is poor with access via residential accommodation at either end of the estate. This would cause a problem for larger industrial occupiers, although there are few present on the site and unlikely to be so because of its size.	Retain



## APPENDIX B

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### DEFINITION OF EMPLOYMENT LAND USES Based on SIC (2003)



## DEFINITION OF EMPLOYMENT LAND USES

<b>Industrial Sectors</b>	<b>SIC 2003</b>	<b>Activities</b>
Manufacturing	15.11-37.20 (ex publishing, 22.11-22.15)	<ul style="list-style-type: none"> <li>▪ Includes all manufacturing, including recycling, but excluding publishing)</li> </ul>
Some Construction	45.3-45.4	<ul style="list-style-type: none"> <li>▪ Electricians</li> <li>▪ Plumbing</li> <li>▪ Other building installation</li> <li>▪ Plastering</li> <li>▪ Joinery installation</li> <li>▪ Floor and wall covering</li> <li>▪ Painting and glazing</li> <li>▪ Other building completion</li> </ul>
Motor Vehicle Activities	50.20, 50.40	<ul style="list-style-type: none"> <li>▪ Maintenance and repair of motor vehicles</li> <li>▪ Sale, maintenance and repair of motor cycles and related parts and accessories</li> </ul>
Sewage and Refuse Disposal	90.00	<ul style="list-style-type: none"> <li>▪ Sewage and refuse disposal,</li> <li>▪ Sanitation and similar activities</li> </ul>
Labour Recruitment and Provision of Personnel (part) <sup>18</sup>	74.5	<ul style="list-style-type: none"> <li>▪ Labour recruitment and provision of personnel</li> </ul>
<b>Warehousing Sectors</b>	<b>SIC 2003</b>	<b>Activities</b>
Wholesale	51.11-51.70	<ul style="list-style-type: none"> <li>▪ Wholesale on a fee contract basis</li> <li>▪ Wholesale of goods</li> </ul>
Freight Transport by Road	60.24	
Cargo Handling	63.11	
Storage and Warehousing	63.12	
Other Supporting Land Transport Activities	63.21	
Post and Courier Activities	64.11-64.12	
Packaging Activities	74.82	<ul style="list-style-type: none"> <li>▪ Packaging activities</li> </ul>
Labour Recruitment and Provision of Personnel (part)	74.5	
<b>Office Sectors (including R&amp;D)</b>	<b>SIC 2003</b>	<b>Activities</b>
Publishing	22.1	
Financial intermediation	65, 66, 67	<ul style="list-style-type: none"> <li>▪ Financial intermediation, except insurance and pension funding</li> <li>▪ Insurance and pension funding, except compulsory social security</li> <li>▪ Activities auxiliary to financial intermediation</li> </ul>
Real Estate and Business activities	70, 72, 73	<ul style="list-style-type: none"> <li>▪ Real estate activities</li> <li>▪ Computer and related activities</li> <li>▪ Research and development</li> </ul>
Labour Recruitment and Provision of Personnel (part)	74.5	

<sup>18</sup> Labour Recruitment and Provision of Personnel covers all the workers employed through agencies. These workers operate in a wide range of activities throughout the economy. Therefore, we allocate them to industrial, warehouse, office and non-B sectors in proportion to their shares of total employment.

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**Office Sectors (continued)**

Some Other Business Activities	74.60, 74.83, 74.84, 74.1, 74.2, 74.3, 74.4	<ul style="list-style-type: none"><li>▪ Investigation and security activities</li><li>▪ Secretarial and translation activities</li><li>▪ Other business activities nec</li><li>▪ Accounting/bookkeeping activities etc</li><li>▪ Architectural/engineering activities etc</li><li>▪ Technical testing and analysis</li><li>▪ Advertising</li></ul>
Administration of the State	75.1, 75.3	<ul style="list-style-type: none"><li>▪ Administration of the State and the economic and social policy of the community</li><li>▪ Compulsory social services activities</li></ul>
Some Social and Personal Service Activities	91.11, 91.12, 91.20, 91.32, 91.33, 92.11, 92.12, 91.20, 91.32, 91.33, 92.11, 92.12, 92.20, 92.40	<ul style="list-style-type: none"><li>▪ Activities: business/employers orgs</li><li>▪ Activities of professional orgs</li><li>▪ Activities of trade unions</li><li>▪ Activities of political orgs</li><li>▪ Activities other membership orgs</li><li>▪ Motion picture and video production</li><li>▪ Motion picture and video distribution</li><li>▪ Radio and television activities</li><li>▪ News agency activities</li></ul>

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