Broxbourne Borough Council

Greater Brookfield Economic & Regeneration Impacts Analysis

July 2010

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Broxbourne Borough Council

Greater Brookfield Economic & Regeneration Impact Analysis

Final Report

July 2010

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1. INTRODUCTION

1.1 GVA Grimley in partnership with Scott Wilson have been commissioned by Broxbourne Borough Council to undertake a range of research studies to inform their Local Development Framework process to understand the potential impacts and effects of allocating land at Greater Brookfield for a mixed use retail, commercial leisure and residential scheme.

1.2 This paper considers the potential economic and regenerative impacts of development at Greater Brookfield and should be considered alongside work which explores the retail need and impact, and the transport and sustainability implications.

1.3 Development at Greater Brookfield is currently being promoted by Bayfordbury Estates and their advisors CBRE and TPP. The developer team have produced a draft Masterplan which sets out a potential proposal for the site which includes the redevelopment of the existing trading estate, Council depot, traveller's site, allotments and an area of Greenbelt.

1.4 Whilst this paper forms an independent piece of advice to the Council on the potential regenerative effect of development at Greater Brookfield in principle it is not set up to provide a full assessment of the specific Bayfordbury scheme.

1.5 That being said, references to site capacities and development quantum have been based on the Bayfordbury Masterplan to give the assessment a realistic baseline in capacity terms from which to build to the local economy and regeneration agenda.

1.6 The report does not analyse the suitability, need or retail impact of the scale of change proposed at Greater Brookfield (this is dealt with in a companion retail assessment study) but focuses on the benefits (and potential dis-benefits) change at Greater Brookfield could bring.

1.7 This Report is structured as follows:

- Section 2 sets out the broad policy context which directs economic development;
- Section 3 provides an economic baseline assessment of Broxbourne;
- Section 4 considers the potential redevelopment opportunity at Greater Brookfield;
- Section 5 assesses the economic impacts of development;
- Section 6 considers the wider regenerative benefits; and
- Section 7 draws together the key findings.

2. POLICY CONTEXT

2.1 This section considers the relevant policy framework within which the development of Greater Brookfield and its potential economic and regenerative impacts need to be considered.

2.2 The context focuses on bringing together the relevant elements of regional, sub-regional and local policy which sets the strategic economic direction and targets for Greater Brookfield and Broxbourne.

THE EAST OF ENGLAND PLAN

2.3 The **Regional Spatial Strategy for the East of England** (the East of England Plan, EERA, May 2008) seeks to achieve sustainable development and build sustainable communities, directing most strategically significant growth to the region's major urban areas to maximise use of the existing public transport network and existing physical and social infrastructure; and to maximise re-use of previously developed land (set against a regional target for 60% of development to be on PDL).

2.4 The East of England's vision is that by 2021 "*the region realises its economic potential and provides a high quality of life for its people, including by meeting their housing needs in sustainable inclusive communities. At the same time it will reduce its impact on climate change and the environment, including through savings in energy and water use and by strengthening its stock of environmental assets.*"

2.5 Policy **SS2** sets out the overall Spatial Strategy for the East of England and seeks to direct development towards existing urban areas which have existing strategic transport connections and offer the best opportunity to build on existing activity and social/physical infrastructure. Policy **SS3** highlights the key areas for development and change and does not include any of the Broxbourne centres or Greater Brookfield.

2.6 However policy **SS4** recognises the need for appropriate levels of growth to come forward in other urban centres to support renaissance and secure appropriate levels of employment growth.

2.7 The East of England Plan Section 4 provides specific guidance on the economic development of the region, Policy **E1** sets job growth targets for counties and sub-regions, with Hertfordshire set a target of 68,000 additional jobs over the plan period. This is not broken down further to set targets at a local level.

2.8 Policy **E5** deals directly with the structure of existing retail centres across the region, whilst Brookfield is not directly referenced within the policy its significance within the local area is highlighted within the supporting text.

2.9 Section 6 sets out the regional approach to leisure and culture development with Policy **C2** identifying the need to locate significant leisure provision within areas which already have a regional or national significance, or elsewhere following a sequential identification approach.

2.10 The adopted East of England Plan is currently under review although there are no plans to make substantive changes to policies relating to retail centres which would adversely affect the status of Greater Brookfield.

THE EAST OF ENGLAND REGIONAL ECONOMIC STRATEGY

2.11 The **Regional Economic Strategy** (RES) for the East of England (EEDA, September 2008) sets the vision for sustainable economic development and regeneration for the region through to 2031. The vision is that by 2031:

The east of England will be

- *Internationally competitive with a global reputation for innovation and business growth*
- *A region that harnesses and develops the talents and creativity of all*
- *At the forefront of the low-carbon and resource-efficient economy*

And known for:

- *Exceptional landscapes, vibrant places and quality of life*
- *Being a confident, outward looking region with strong leadership and where communities actively shape their future.*

2.12 The RES makes no specific reference to the role of Greater Brookfield within the local, sub-regional or regional context.

HERTFORDSHIRE LONDON ARC JOBS GROWTH AND EMPLOYMENT LAND

2.13 Undertaken by Roger Tym and Partners (2009) the report provides a sub-regional perspective of the future demand for employment land during the current plan period. The report recognises the relative weaknesses of the Broxbourne economy when compared to the rest of the London Arc.

2.14 Importantly the study notes that based on East of England Plan employment growth projections there is an oversupply of employment land within Broxbourne of some 82,000sqm suggesting there is potential within the Borough to surrender employment land to other uses. However this fails to take into account the full growth aspirations for Broxbourne and may restrict the flexibility to accommodate growth and supply a choice and range of sites within the Borough.

BROXBOURNE CORE STRATEGY PREFERRED OPTIONS

2.15 The Core Strategy Preferred Options draft provides the overarching spatial vision for the Borough through to 2026, setting the direction for growth and development across all sectors and use types.

2.16 Fundamentally for this Report the Core Strategy recognises there is a good supply of employment land within the Borough to accommodate RSS forecast growth. Indeed the Core Strategy recognises the ability of strategic sites at Park Plaza and North East Hoddesdon to accommodate this growth if fully developed.

2.17 However, the Core Strategy identifies the potential limitations on future economic growth of this approach given the priority placed on regenerating the Borough within the RSS. Therefore the Core Strategy argues for the identification and protection of a further 150,000sqm of employment land to provide the flexibility to accommodate higher levels of growth or relocations as part of the redevelopment of existing employment land for other uses.

2.18 Furthermore flexibility and choice is required (in line with PPS4) to accommodate a range of employment uses in the future. The Core Strategy recognises that future growth is forecast to largely be in the logistics and distribution sector, however regeneration priorities seek a wider range of employment uses (in particular higher value activities) and hence a greater choice of sites is likely to be required.

2.19 Policy CP3 identifies the potential for development within Broxbourne’s key retail centres, with Greater Brookfield identified as a suitable location provided the future development provide a sustainable and high quality centre which retains greater levels of retail expenditure within the Borough.

2.20 Policy CP18 provides more detail on the expected nature of development at Greater Brookfield as a strategic development site including the provision of appropriate replacement facilities for those businesses displaced by development.

BROXBOURNE EMPLOYMENT LAND STUDY (2008)

2.21 The Employment Land Study for Broxbourne considers the future employment growth projections for the Borough and the existing (and potential) employment sites available to accommodate this growth.

2.22 It recognises the relative weaknesses of the Broxbourne economy when compared to its neighbours and the limited potential to significantly alter the base of high value employment given the lack of recognition of the area as an 'office' location and the comparative strengths of other areas in the London Arc. The Report predicts that growth is more likely to be focussed on industrial and logistics activity given recent market performance and trends.

2.23 Given the predicted nature and scale of growth the report recommends the protection of the majority of allocated employment sites, but recognises that a number are not ideally located for industrial and logistics uses.

BROXBOURNE ECONOMIC DEVELOPMENT STRATEGY (DRAFT 2010-2013)

2.24 The draft EDS builds on previous versions and other local policy documents (most of which are summarised above) to set the framework for economic growth within Broxbourne to 2013. Within the strategy six strategic aims are set for the Borough:

- Broaden the economic base;
- Encourage investment in local infrastructure and provide support to existing and new businesses;
- Improve the skills and educational attainment of the local population and access to employment opportunities;
- Support town centres in their evolving role;
- Maximise opportunities and benefits arising from the London 2012 Olympic Games; and

- Provide support for residents and businesses affected by the recession.

2.25 Below these strategic aims the strategy identifies a range of interventions and actions to deliver improvements within the economy and recognises the importance of Greater Brookfield as an opportunity to introduce significant leisure and retail facilities within the Borough.

SUMMARY

2.26 In general the policy context recognises the challenges facing Broxbourne in terms of a relatively low value employment offer and low skilled workforce; it also recognises the level of out-commuting especially for higher skilled occupations.

2.27 Across the range of policy and strategy documents there is recognition of a need to undertake a ‘staged’ approach to raising the overall performance of the Broxbourne economy with near term developments and interventions needing to establish the basis for future growth by raising the quality of the offer in terms of employment, facilities and appearance.

2.28 There is also recognition of the key challenge placed on Broxbourne by estimates of future economic growth and modest predicted employment growth during the plan period, where growth is largely expected to be in lower value industrial and logistics sectors.

2.29 This has a significant impact for the requirement of new and additional employment land, whilst some protection is required to maintain flexibility the policy base highlights the poor match between existing locations and future demand.

2.30 The policy base also reflects the significant potential of Greater Brookfield to deliver employment and retail growth and assist in achieving greater levels of employment and expenditure within the Broxbourne economy.

3. BROXBOURNE ECONOMIC CONTEXT

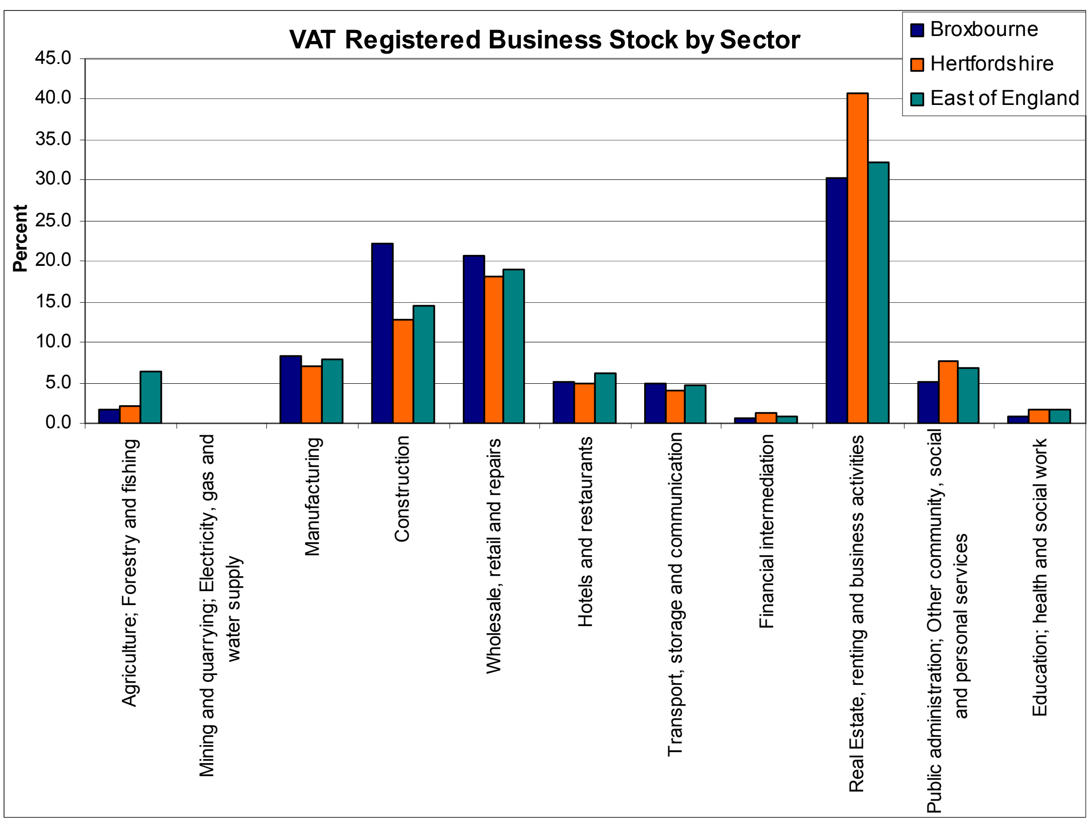
3.1 This section provides an overview of the socio-economic context against which the proposed redevelopment of Greater Brookfield will be considered, it considers key economic indicators with regard to the business base, economic activity, skills and the labour market.

BUSINESS BASE

3.2 The Borough of Broxbourne had a business stock of 3,689 businesses recorded by the 2007 Annual Business Inquiry; VAT registration data records a lower level of business activity with a stock of VAT registered businesses of 3,085. This is unsurprising given the different sampling methods undertaken and the effect of the VAT threshold level.

3.3 The figure below shows the make up of the VAT registered stock in Broxbourne by broad activity sector compared to County and Regional averages.

Figure 1 - Business Stock (VAT Registrations)



Source: VAT Registrations 2008, Nomis

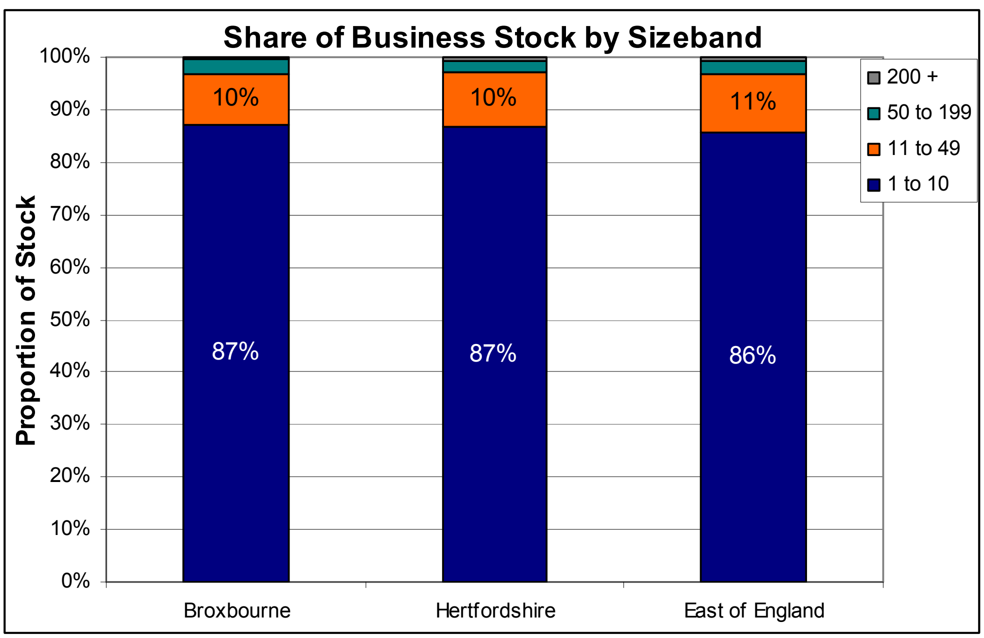
3.4 As shown in Figure 1 the dominant sectors in terms of proportion of business stock in Broxbourne are 'construction' (22% of all businesses), 'wholesale and retail' (21% of stock) and 'real estate and other business activities' (30%).

3.5 These are broadly in line with the dominant sectors at a County and Regional level, although Broxbourne has a higher share of 'construction' and 'retail' businesses than these comparators, and a lower share of 'real estate and other business activities'.

3.6 Broxbourne has a lower proportion of its business stock within the 'financial intermediation', 'public administration' and 'health' sectors than both the Region and the County. It also has a lower share of businesses in the 'hotel and restaurant' sector than the East of England Region, albeit with a marginally higher share than Hertfordshire.

3.7 As demonstrated in Figure 2 Broxbourne's business stock is dominated by small businesses with less than ten employees, this is broadly consistent with the whole of the UK economy.

Figure 2 - Business Stock by Sizeband



Source: Annual Business Inquiry, 2007, Nomis.

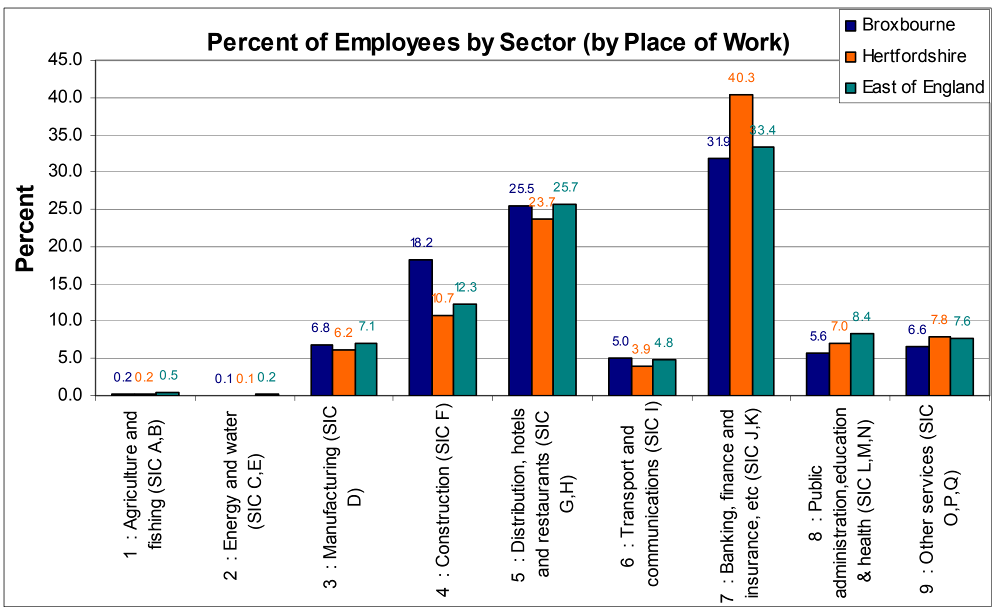
3.8 As the figure shows the proportion of the Broxbourne stock in each size band is consistent with the figures for Hertfordshire more widely, with a marginal over-representation of small businesses when compared to the East of England as a whole.

3.9 Below this broad headline analysis there is some variation between the make up of businesses within each sector. For example over 90% of businesses in the 'construction' and 'finance' sectors have less than 10 employees, whilst 75% of 'manufacturing' and 52% of 'public administration' organisations have less than 10 employees. In all sectors but 'public administration', 95% of businesses have less than 50 employees.

EMPLOYMENT & ECONOMIC ACTIVITY

3.10 Employment within Broxbourne is concentrated within the 'construction', 'distribution/hotels/restaurants' (including retail) and 'banking/finance/insurance' broad sectors; this is broadly consistent with the largest sectors within the total business stock.

Figure 3 - Employment by Sector - Place of Work



Source: Annual Business Inquiry 2007, Nomis.

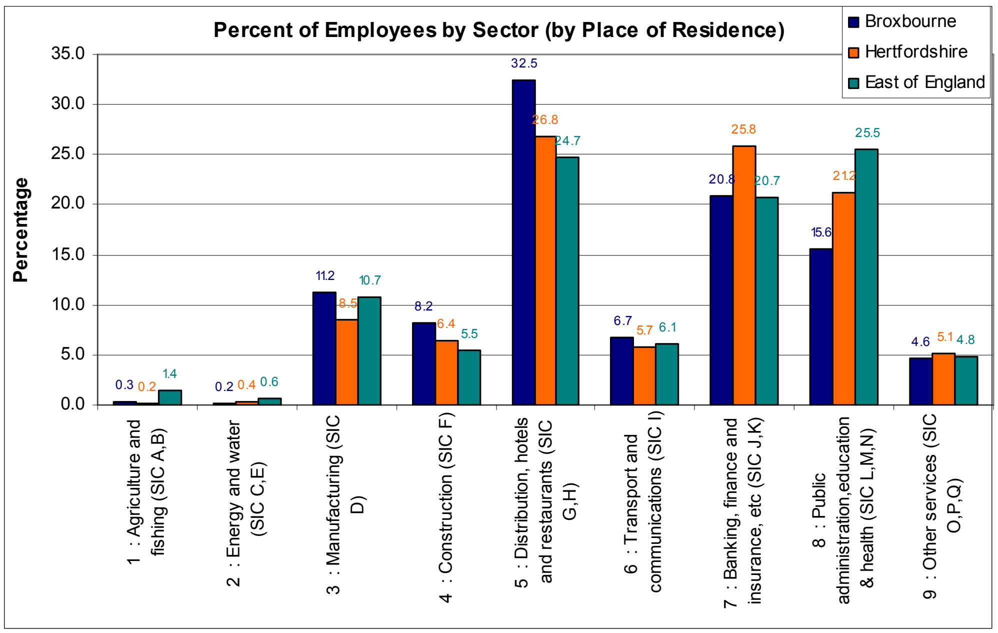
3.11 Whilst 'banking, finance and insurance' is the largest single sector within in Broxbourne it is smaller proportionally than in the County and Region; employment within the construction sector is significantly higher in Broxbourne than the comparators.

3.12 Also consistent with the underlying business base are the sectors which have a lower proportion of total employment in Broxbourne, most significantly 'public administration' and 'other services' are under-represented when compared to the County and the Region.

3.13 The information above analyses the provision of employment and jobs within Broxbourne (and subsequently Hertfordshire and the East of England), however it does not consider the pattern of employment of Broxbourne residents.

3.14 Figure 4 shows the proportion of employment based on the resident population of Broxbourne regardless of their place of work.

Figure 4 - Employment by Sector - Place of Residence



Source: Annual Business Inquiry 2007, Nomis.

3.15 Approximately two thirds of the resident population are employed within the 'distribution, hotels and restaurants', 'banking, finance and insurance and 'public administration' sectors, this is marginally higher than the proportion of employment in these sectors within Broxbourne.

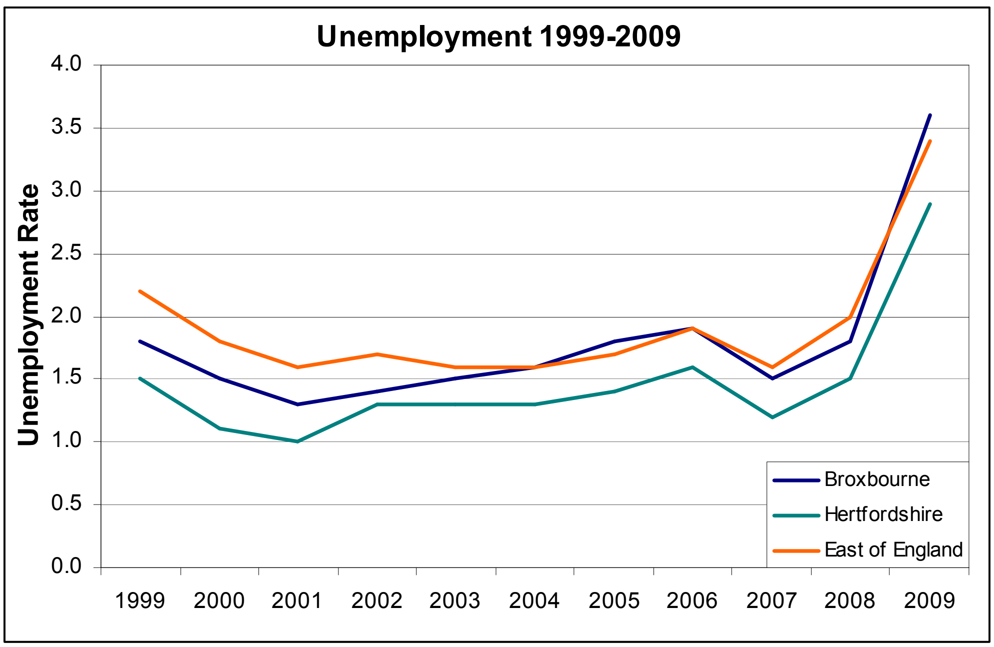
3.16 At an individual sector level there are significant differences in the resident and workplace proportions of employment, this is most stark within the 'public administration' sector where there are almost three times the proportion of employment within the resident population than employment within Broxbourne. This suggests significant levels of out-commuting by the resident population engaged in this sector, which is supported by the analysis of Census 2001 travel to work data which indicates only 20% of the population engaged in public administration work locally.

3.17 Employment within the 'distribution, hotels and restaurants' sector is also higher based on resident population than place of work. Whilst less significant than 'public administration' it does demonstrate potential to increase the retention of the local workforce within the Borough and a latent skill set which is not being maximised for local benefit.

3.18 Conversely both 'construction' and 'banking, finance and insurance' sectors employ a higher proportion of people within Broxbourne than the proportion of local residents working in the sectors. This suggests a potentially high level of in-commuting to service local need.

3.19 Broxbourne has benefited from reasonably low levels of unemployment since 1999, albeit with the unemployment rate being persistently higher than that for Hertfordshire. Unemployment over the past decade is shown in Figure 5 below.

Figure 5 - Unemployment Rate 1999 – 2009



Source: DWP Claimant Count, Oct 2009.

3.20 Unemployment is currently at its highest level this decade with a rate of approximately 3.6%, over double the lowest rate recorded in 2001 (1.4%), with a steady rise occurring from this low point to 2006 when (despite a dip to 2007) unemployment has risen sharply to its October 2009 level.

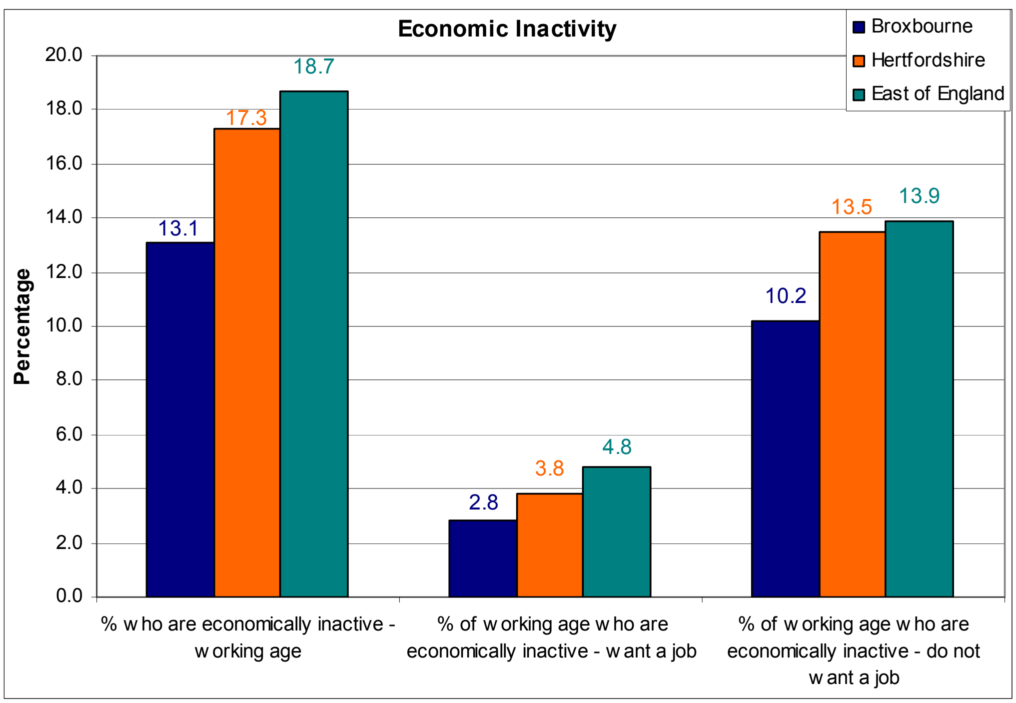
3.21 The fluctuation in the unemployment rate in Broxbourne has broadly reflected the pattern at a County and Regional level, with relatively stable unemployment levels for the majority of the decade.

3.22 Whilst unemployment in Broxbourne has been consistently around 0.25% higher than the prevailing rate in Hertfordshire as a whole the relationship with the East of England has tended to vary, with rates tending to be lower in the middle of the decade but now marginally higher.

3.23 This suggests that Broxbourne's employment base is marginally less strong than that of the rest of Hertfordshire, with a consistently higher employment rate. Performance is much more closely related to the wider County, with similar levels of unemployment and a similar trend pattern since 1999.

3.24 Unemployment rates only depict one element of the employment profile, underlying the headline unemployment rate is the level of economic activity (and inactivity). To improve the employment rate and economic performance of Broxbourne it is important to understand the potential size of the workforce, how engaged they currently are in the economy, and what future potential to increase engagement exists.

Figure 6 - Economic Activity



Source: Annual Population Survey, 2008, Nomis.

3.25 As shown in Figure 6 the economic inactivity rate within the working age population of Broxbourne is 13%, this means that 13% of the population who are between 16 and 64 (59 for women) are currently not employed, undertaking training or otherwise engaged in economically productive activities. This rate is significantly lower than economic inactivity rates in Hertfordshire and the East of England.

3.26 Underlying the headline inactivity level Broxbourne has a lower proportion of its total working age population who are economically inactive and wanting a job than Hertfordshire and the East of England. It also has a lower proportion of the total working age population who are economically inactive and don't want a job.

3.27 This is somewhat paradoxical and reflects more the lower level of economic inactivity generally. When considering those wanting or not wanting a job as a proportion of the total level of economic inactivity the data shows that Broxbourne has a higher proportion of those who do not want a job (79%) than Hertfordshire (78%) and the East of England (74%). This suggests that it may prove difficult to raise the level of economic activity with a relative disinterest within the economically inactive population to actually seek work.

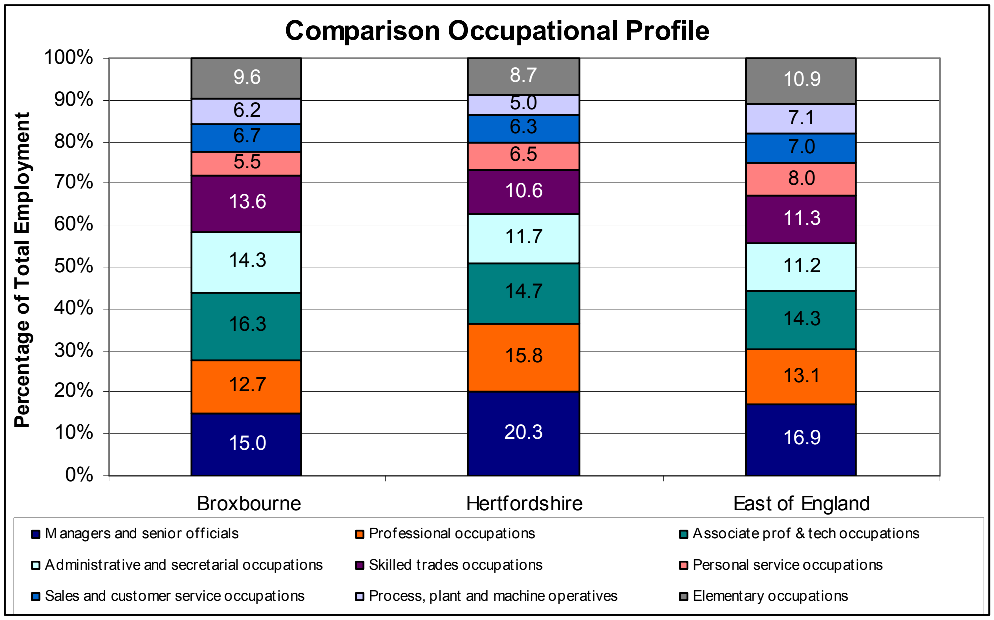
3.28 The Index of Deprivation (2007) ranks Broxbourne around the mid-point of all the Local Authorities across the UK, it is ranked at 193 out of 354 districts. This masks local level performance which is significantly lower within certain Super Output Areas, with four ranked in the bottom ten SOAs in Hertfordshire. This is the highest concentration of low ranking SOAs in the County, with other districts only having a maximum of one SOA in the bottom ten.

3.29 Below the headline measure of deprivation at an SOA level there are three main drivers of poor performance, these are deprivation as measured by skills and training, barriers to housing and income. Given the nature of these deprivation drivers regeneration and increasing employment opportunities locally has the potential to have a significant impact on deprivation measures.

OCCUPATIONAL & SKILLS

3.30 The occupational profile of Broxbourne shows a relatively low proportion of the workforce engaged in higher value managerial and professional occupations, as shown in Figure 7. This is broadly in line with the proportion at a regional level but almost 10% lower than in Hertfordshire.

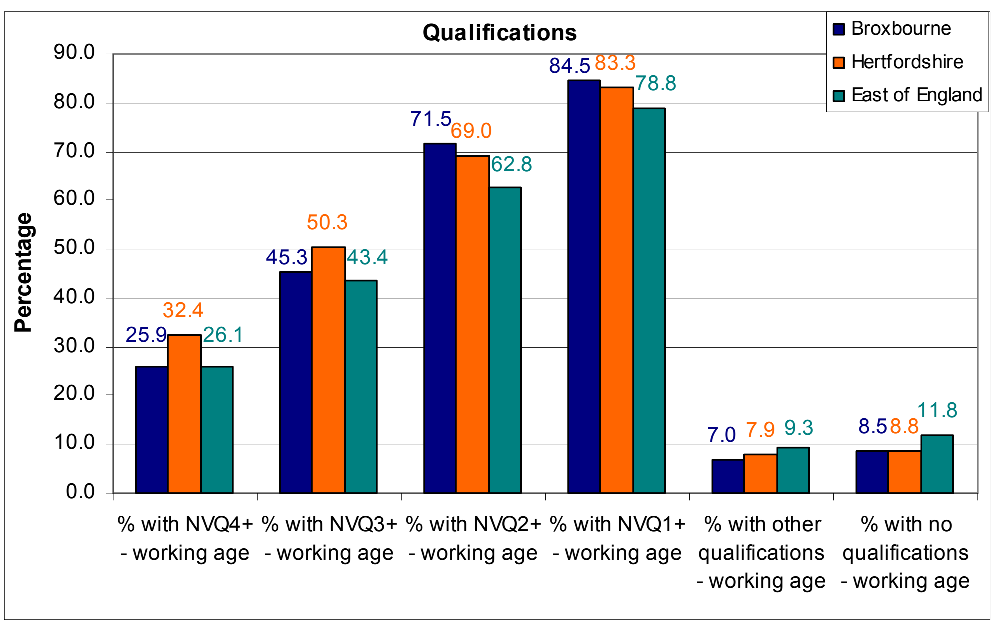
Figure 7 - Broxbourne Occupational Profile



Source: Annual Population Survey, 2008, Nomis.

3.31 Broxbourne has a marginally higher proportion of employment within lower skilled and elementary occupations than Hertfordshire, although it is broadly consistent with the regional average. It also has a higher proportion of employment in skilled trades and associate professional occupations than both the region and the county.

Figure 8 - Labour Force Skills (NVQ)



Source: Annual Population Survey, 2008, Nomis.

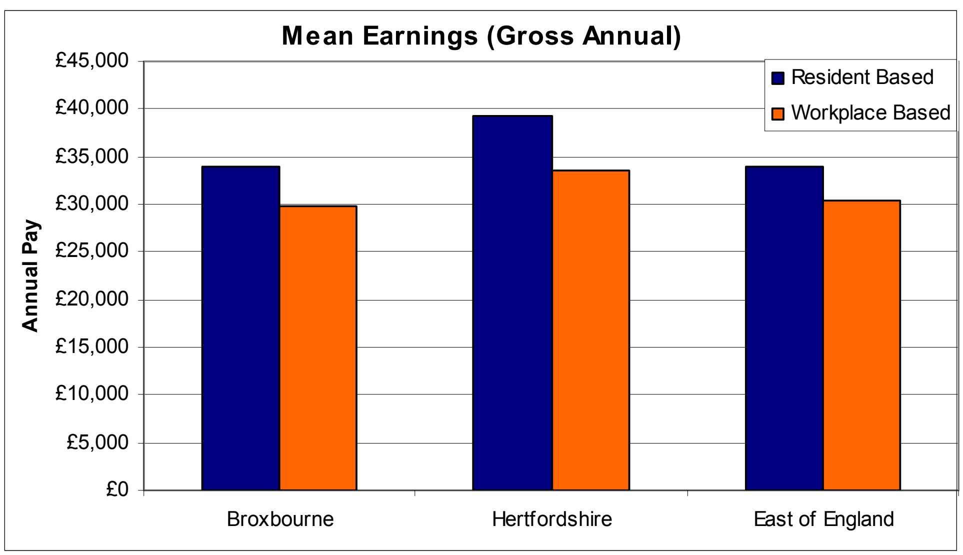
3.32 As shown in Figure 8 the qualifications profile of Broxbourne broadly reinforces the occupational profile with lower proportions of Broxbourne residents with higher level (NVQ level 3 and 4) than the region and county. The majority of residents have up to level 2 qualifications; however the figures suggest a trend within Broxbourne to not continue with education to a higher level.

3.33 Significantly for the future employment prospects Broxbourne has a lower level of residents with no qualifications than the county and region, suggesting the population is potentially equipped to access any new jobs created at Greater Brookfield.

EARNINGS

3.34 Wage levels within Broxbourne are lower than those for the whole of Hertfordshire and the East of England, with an average gross salary level of £29,811, this compares to £33,613 for Hertfordshire and £30,318 for the East of England as a whole (source: Annual Survey of Hours and Earnings, 2008).

Figure 9 - Average Annual Gross Pay (2008)



Source: Annual Survey of Hours & Earnings, 2009, Nomis.

3.35 More significant than the geographical disparity in earnings is the difference between the earnings of those that live in Broxbourne and those that work there. Workplace based earnings (i.e. the sum earned by those working in Broxbourne) is 12% lower than the earnings of Broxbourne's residents. This suggests a concentration of lower value employment within Broxbourne, with a significant proportion of residents seeking higher paid employment outside of the Borough.

3.36 This difference is more pronounced than at a regional level; however the workplace-resident based discrepancy is greater for Hertfordshire as a whole.

CONCLUSION

3.37 From the data analysis Broxbourne is characterised by a relatively low value economy which suffers from a number of comparative structural weaknesses which present a challenge to economic growth in the future.

3.38 Compared to the County and Region Broxbourne's weaknesses are particularly demonstrated by: below average representation of high value sectors in terms of businesses and employment; relatively low skill levels; and a low share of the population in higher level occupations.

3.39 These weaknesses provide a challenge for introducing higher value sectors in to the local economy, which is a key element of wider regeneration aims for the Borough, which will truly benefit the local workforce. The lack of a critical mass of businesses in these sectors coupled with a low skilled and low occupation workforce provides little incentive for high value businesses to locate in the area.

3.40 The analysis suggests a shift is required locally to encourage greater levels of high value activity, particularly in terms of increasing access to employment for the resident population through increasing skill levels. One route to achieving this is to encourage career progression and upskilling through work based learning, providing lower value jobs but supporting those employed within these sectors to develop their skills.

3.41 More positively economic activity levels are relatively high, albeit with a high proportion of the economically active not wanting a job, and long term low levels of unemployment despite a recent rise most likely linked to macro economic conditions.

3.42 The delivery of forecast growth in retail and logistics employment will support and reinforce the current pattern the Broxbourne economy enabling it to maintain its high levels of economic activity and employment. These sectors also provide employment at a range of occupation levels, offering the opportunity for career progression. However they will not achieve the wider aims of regeneration and introduce significant higher value employment opportunities.

4. GREATER BROOKFIELD

4.1 The Greater Brookfield area has been identified as a location for redevelopment and regeneration in both local and sub-regional policy. Proposals for the area would see the redevelopment of three key sites for retail and leisure uses alongside development on a designated portion of the Green Belt for residential accommodation.

EXISTING OFFER

4.2 The proposed redevelopment of the Greater Brookfield area will involve the removal of a number of existing uses; these include a Council run light industrial trading estate, the Council's own direct services depot, land currently used as allotments, and a gypsy/traveller site. The operations and employment related to these areas would be lost to the Greater Brookfield area.

4.3 Based on occupancy schedules provided by Broxbourne Borough Council we have estimated the existing employment within the two principal business centres. The Council do not hold records of employment numbers of the occupiers therefore these have been derived by applying accepted and appropriate employment densities for the uses to building floorspace areas (these have been taken from DCLG Employment Land Review Guidance, 2004).

Table 1 - Existing Business Floorspace & Employment

Location	Size (sq m)	Estimated Employment
New River Trading Estate	5,887	122
Broxbourne Business Centre	675	20
Total	**6,562**	**142**

Source: Broxbourne Borough Council/GVA Grimley

4.4 As shown in Table 1 we estimate that current employment within the New River Trading Estate is 122 employees, these are largely in a range of light industrial/warehousing uses albeit with some limited car repair activities.

4.5 This is further supplemented by approximately 20 employees within the Broxbourne Business Centre – again these are from across a range of sectors, but primarily focussed on light industrial activity.

4.6 There is existing retail provision including Tesco/Marks and Spencer, with other large retail warehousing at the existing Brookfield Centre. Development of Greater Brookfield would supplement this existing offer with provision of more 'high street' comparison retailing, therefore the current provision and employment would not be lost. This element is not, therefore, a focus of this Report.

4.7 Broxbourne Borough Council is actively seeking relocation of their services depot within the Borough, therefore whilst it may be lost to the Greater Brookfield area employment will be retained within the Borough.

THE BAYFORDBURY PROPOSALS

4.8 Having established the principle of development at Greater Brookfield through local policy aspiration Masterplan proposals are currently being refined by Bayfordbury Estates for their "Brookfield Riverside" scheme which seeks to deliver growth and change at Greater Brookfield which achieves policy ambitions.

4.9 Whilst the Masterplan is still in draft form an indicative land use schedule has been provided by Bayfordbury Estates with the quantum of development for the commercial elements of the mixed use scheme set out in Table 2.

Table 2 - Brookfield Riverside Masterplan Schedule of Development

Component	Size / Quantum
Retail (A1)	50,103 sq m
Catering	6,130 sq m
Leisure	6,392 sq m
Health Centre	573 sq m
Hotel (assume 3-star)	110 Rooms
Residential (Core Site)	101 units
Car Parking (Multi Storey)	c. 3,000 spaces
Residential (adjoining site)	350-370 units
Total	**63,200 sq m**

Source: CBRE, Lyons, Sleeman & Hoare, 2009.

4.10 Alongside the commercial elements of the Brookfield Riverside proposals the Masterplan also identifies capacity for the development of 101 residential units to the north of the proposed retail development within the Core Development Site. Further residential development outside of the Core Site (but still part of the wider Greater Brookfield proposals) will deliver another 350-370 dwellings.

4.11 The Masterplan also includes new transport and infrastructure provision to relieve existing congestion and accommodate additional trips generated by the development proposals.

These include new junctions on the strategic road network and improved public transport provision.

5. ECONOMIC IMPACT ASSESSMENT

5.1 The purpose of this section is to quantify the anticipated benefits of the redevelopment of Greater Brookfield. The Economic Impact Assessment considers both the direct and indirect/induced effects by quantifying the potential job creation, income generation and level of consumer spend of the completed scheme.

5.2 The floorspace/usage figures in the Report are based upon the indicative Masterplan put forward to the Council by Bayfordbury Estates as a proxy for the capacity Greater Brookfield offers for development and the GVA Grimley Retail Assessment (2009).

5.3 At this stage the Masterplan is not formally adopted by the Council; however the area of Greater Brookfield has been identified as a preferred location for growth and regeneration in a series of policy and strategy documents.

5.4 It should be noted that the Bayfordbury proposal incorporates a larger area than has been previously identified through policy and therefore is required to be considered as a new site in planning terms. Therefore this Report seeks to estimate the benefits of a development of this scale to the Borough 'in principle' but does not seek to justify the specifics of the Bayfordbury Estates scheme.

JOB CREATION

5.5 The creation of an expanded retail offer at Greater Brookfield will generate new jobs within Broxbourne, both those directly employed at Greater Brookfield and jobs created as a result of increased spend within the wider economy.

5.6 Based on proposed floorspaces put forward by Bayfordbury and employment densities[1] relevant for each use we estimate that growth of the commercial offer at Greater Brookfield has the potential to create **2,029** direct jobs.

5.7 However this gross job creation figure does not provide an accurate depiction of the full potential employment impact. To understand the full impact of Greater Brookfield and its consequent value to Broxbourne in job creation terms it is important to estimate the scale of full and part time employment, the leakage of jobs to people who live in other areas, and the induced or indirect job creation. A full explanation of the assumptions made within the model can be found in Appendix 1, the results of this assessment approach are set out in Table 3.

Table 3 – Greater Brookfield Job Creation

Use Type	Floorspace (sqm GIA except retail)	Employment Density	Gross Job Creation	Gross Job Creation (FTE)	Leakage	Net Local Jobs (FTE)	Local Multiplier	Induced / Indirect Jobs (FTE)	Total Jobs to Broxbourne Residents (FTE)
Retail (sales area)	35,000	20	1,750	1,225	0.48	588	1.21	123	711
Hotel	110	0.4	44	31	0.74	23	1.29	7	29
Leisure	6,392	65	98	68	0.52	35	1.38	13	49
Restaurant & Bar	6,130	45	136	101	0.52	52	1.38	20	72
Total			**2,029**	**1,424**		**698**		**163**	**862**

Source: GVA Grimley, 2009

5.8 The nature of employment within Greater Brookfield is likely to include a significant proportion of part time opportunities, which are of a relatively lower value to the Broxbourne economy than full time positions. To enable an estimation of full time equivalent (FTE) employment we have applied average full time : part time splits within each sector, these estimate 60% of employment to be part time in the retail elements, 52% in restaurants and bars, and 62% in leisure and hotel facilities.

5.9 By applying these assumptions the full time equivalent gross direct employment impact is **1,424** jobs once Greater Brookfield is fully developed.

5.10 These jobs will be created at a range of levels, and as such are likely to provide employment opportunities for the majority of Broxbourne residents. Research undertaken by the LSC in 2008 calculated the proportion of retail sector employees by qualification level (as NVQ Equivalent level) across the East of England; applying this to the gross retail jobs created (1,225) provides an estimate of the type of jobs likely to be created at Greater Brookfield.

Table 4 – Estimated Retail Employment by Qualification

Qualification Level (NVQ Equivalent)	Proportion of employment	Number of Jobs
Level 1 or Below	28%	343
Level 2	39%	478
Level 3 & Above	32%	392
Other	1%	12
Total	**100%**	**1,225**

Source: GVA Grimley/LSC, 2009

5.11 The table shows a reasonable spread of employment across a range of qualification levels, with the greatest quantity of jobs likely to be created at NVQ Level 2, which is consistent with the predominance of sales related roles likely to be created in the retail sector.

[1] Employment densities have been drawn from our own research into the spatial implications of non-B class employment growth.

5.12 Based on employment and commuting patterns it is unrealistic to assume that all of the jobs created at Greater Brookfield will be taken by Broxbourne residents, therefore it is important to apply an adjustment for 'leakage' of employment to other areas.

5.13 Leakage rates have been estimated from Census Travel to Work data (2001) for each projected employment use and result in the estimation that **698** full time equivalent new jobs will be taken up by Broxbourne residents, approximately 50% of all opportunities.

5.14 This provides a base level assessment of leakage, however there is significant potential to retain a higher proportion of jobs within the local area. By providing a greater range of employment opportunities and a better working environment at Greater Brookfield it is possible to encourage workers who currently commute out of the Borough for work to take positions at Greater Brookfield.

5.15 However, success in retaining jobs will be contingent on a number of factors which may be beyond the control of the Council, such as relative wages, costs of travel, match between skills and qualifications, and working conditions. It is also worth noting that the same factors which will encourage people to stay within Broxbourne may also attract a greater number of workers from other areas.

5.16 Given the range of unquantifiable influences on future job retention within Broxbourne's boundaries it is not possible at this point to accurately estimate any future deviation from the 2001 Census position.

5.17 Direct employment is only one element of the potential employment impact, with new jobs likely to create greater spending in the wider Broxbourne economy and therefore an additional demand for labour in other areas, creating indirect employment benefits.

5.18 By applying an employment multiplier[2] to the net full time equivalent job estimate it is possible to anticipate the indirect benefit accrued within Broxbourne. As shown in Table 3 the indirect job creation within Broxbourne is likely to be in the region of **163** full time equivalent jobs.

5.19 Therefore the total employment impact within Broxbourne of development at Greater Brookfield is estimated to be **862** full time equivalent jobs.

5.20 For the purposes of this assessment we have assumed that displacement of jobs from other areas within Broxbourne is likely to be zero. Whilst the types of jobs created are likely to replicate some of those in existing town centres we anticipate that there is sufficient 'slack' within the local labour pool to absorb the growth in jobs as a result of rising

[2] Employment Multipliers have been sourced for the English Partnerships Additionality Guide, 2005.

unemployment levels. This slack, coupled with the ability to retain more labour which currently out-commutes is likely to mean new employment opportunities and those created by movers within the local job market can (in theory) be accommodated from the local workforce.

INCOME GENERATION

5.21 As a result of job creation within Greater Brookfield significant additional income will be created within the Broxbourne economy, based on average wages per sector we estimate this to be in the region of **£15mn** per annum.

Table 5 - Greater Brookfield Income Generation

Use Type	Broxbourne Employment	Average Wage	Local Income Generation
Retail	711	£18,205	£12,952,493.40
Hotel	29	£14,397	£423,295.99
Leisure	49	£15,066	£733,589.14
Restaurant/Bar	72	£13,674	£989,139.82
Total	**862**		**£15,098,518.35**

Source: GVA Grimley & Annual Survey of Hours & Earnings, 2009.

5.22 As shown in Table 5 the single biggest contributor to this income generation is, unsurprisingly, retail employment based on the more significant scale of employment in this sector and the higher average wage jobs in this sector command.

5.23 This applies to full time equivalent employment created within Broxbourne as a direct and indirect result of development at Greater Brookfield. This has potentially wider benefits by increasing income across the wider region which can be estimated by applying a composite multiplier to the total figure of £15mn.

5.24 Based on English Partnership's "Additionality Guide" we anticipate the value of the Greater Brookfield redevelopment to be in the region of **£22mn** per annum to the East of England, through the creation of additional income beyond Broxbourne of £7mn.

VISITOR SPEND

5.25 Beyond the income generated through wages within a new development at Greater Brookfield, value will also be injected in to the Broxbourne economy through direct and indirect expenditure from visitors to the centre.

5.26 Table 6 shows the total value of direct expenditure at Greater Brookfield is estimated to be approximately **£175mn** from a total visitor level of over 2mn per annum, with an average spend of **£85** per visit.

Table 6 - Greater Brookfield Estimated Visitor Spend

	Value
Total Retail Spend	£175,000,000.00
Total Visitors	2,058,824
Av. Spend per Visitor	£85.00
Displacement	15%
New Visitors	1,750,000
Net Spend	£148,750,000.00

Source: GVA Grimley, 2009.

5.27 The retail impact assessment of development at Greater Brookfield estimates that the completed scheme will inevitably draw some level of trade from other retail centres within Broxbourne. Therefore not all of the retail spend will be new to the area and therefore this headline level needs to be adjusted to take account of this displacement effect.

5.28 The retail assessment estimates that approximately 15% of expenditure will be drawn from within other Broxbourne centres. Adjusting for this displacement the additional visitors to Greater Brookfield will be 1.75mn, creating a net additional spend within Broxbourne of **£149mn**.

5.29 Retail impact assessments undertaken by GVA Grimley (2009) have concluded that this level of trade draw from other Broxbourne centres will not adversely affect their vitality and viability. Impacts are likely to be further reduced as the development and regeneration proposals set out in the respective town centre strategies are delivered and enhance the offer of the existing town centres.

5.30 Beyond the direct expenditure at Greater Brookfield there is likely to be a level of additional spending within the Broxbourne economy by visitors. Visitor surveys undertaken by (and on behalf of) Visit Britain estimate broad levels of additional spend generated by trips to retail centres.

5.31 Table 7 sets out the anticipated additional spend within Broxbourne; this is estimated across three key components: additional retail spend outside of Greater Brookfield (such as service stations), spend on food and drink, and spend on travel fares or petrol.

Table 7 - Estimated Additional Spend Generated

	Amount	Visitors	Average Total Spend
Net Retail Spend per Visitor	£20.00	1,750,000	£35,000,000
Spend on Food/Drink	£3.00	1,750,000	£5,250,000
Spend on Travel/Petrol	£7.00	1,750,000	£12,250,000
Total	**£30.00**	**£1,750,000**	**£52,500,000**

Source: GVA Grimley, 2009.

5.32 As shown in the table above the estimated additional spend generated within Broxbourne would be approximately **£52.5mn**.

5.33 Taking into account both direct and indirect additional expenditure the total additional expenditure generated by development of Greater Brookfield would be in the region of **£201mn**.

SUBSTITUTION

5.34 It is important to note that the economic benefits outlined above will not come without creating some drawbacks for the existing users of the Greater Brookfield area. Most significant of the costs from an economic and employment perspective will be the loss of existing employment floorspace at the New River Trading Estate and Broxbourne Business Centre.

5.35 Essentially a proportion of the jobs created at Greater Brookfield will be substituted for the existing employment within the site. As set out in the previous section employment within the 'B class' elements of the Greater Brookfield site is estimated to be in the region of 150 jobs, these are largely focussed within light industrial and trade counter activities.

5.36 Whilst these will be lost to the Brookfield area it is unlikely that all of the jobs will be lost to Broxbourne more widely. A review of the current available industrial premises suggests there is capacity to absorb these businesses within existing provision (notwithstanding building condition, cost and willingness to relocate) therefore it is likely the majority of employment can be retained within the Borough.

5.37 However, it may be necessary for the Council to work with these businesses and developers at Greater Brookfield and other sites to identify appropriate premises and assist in reducing the disruption faced by the businesses. This may require some form of relocation strategy, financial support or business advice.

5.38 Furthermore it is important that premises offered are equally attractive in terms of space, location and, most importantly, cost. Therefore the Council and its partners may need to consider some form of direct delivery within other schemes.

5.39 Whilst retaining all of the existing employment within Broxbourne cannot be guaranteed the risk is relatively minimal provided appropriate mitigation measures are put in place prior to development occurring. It is therefore unlikely that any substitution will have a significantly detrimental effect on the net benefits created by the redevelopment of Greater Brookfield.

CONCLUSIONS

5.40 The regeneration of Greater Brookfield offers significant potential to increase both total employment and local-resident specific employment within the Borough once fully developed. This is in addition to opportunities created during the construction phase.

5.41 It also has the potential to draw significant additional expenditure in to the local economy both through increased employment levels and expenditure at or driven by Greater Brookfield.

5.42 However, the redevelopment will cause significant disruption for a number of existing businesses, therefore to ensure benefits generated by the scheme are truly additional these businesses should be supported through the expected transitional period.

6. WIDER REGENERATIVE IMPACT

6.1 The purpose of this section is to provide a qualitative analysis of the wider impacts of delivering physical regeneration at Greater Brookfield. It considers the nature of the jobs created and the match these provide to the predominant characteristics of the local labour supply, and the opportunities for upskilling of the workforce.

6.2 Beyond this the section also considers the ability of the redevelopment of Greater Brookfield to assist Broxbourne Borough Council and its partners to achieve the aims and objectives of local, sub-regional and regional policy.

6.3 As set out in Section Three Broxbourne is characterised by a low value economy, which regeneration priorities seek to address through the introduction of higher value businesses and employment opportunities over time.

6.4 To encourage growth in higher value sectors it is vital that the wider perception of Broxbourne as a business location is improved beyond the current pre-dominance of light industrial and logistics uses. This requires a shift in the skills of the local labour force and the provision of a range of ‘support’ services for residents and employees.

6.5 The analysis presented below highlights the role that the redevelopment of Greater Brookfield, and the subsequent employment offer, can play in achieving uplift within the Broxbourne economy and its important contribution to the phased regeneration of Broxbourne to attract higher value sectors.

EMPLOYENT TRENDS IN THE RETAIL SECTOR

6.6 Generally employment in the retail sector falls under two broad occupational classifications, management and sales/customer service, with over 70% of retail employment within Hertfordshire within the sales occupation.

6.7 This fits well with the resident population occupation profile of Broxbourne (as shown in Figure 7) which demonstrates a relative strength in sales occupations when compared to Hertfordshire. However, Broxbourne residents may be more challenged in filling managerial level occupations, with a relative under-representation compared to Hertfordshire and the East of England more broadly.

6.8 However, as is explored in more detail below, the opportunity for career progression within the retail sector is higher than a number of other sectors and it is likely a number of lower qualified employees would be able to access higher level occupations over time.

6.9 This division of occupation is reflected by the prevailing qualification trends within the sector in Hertfordshire. People employed within management occupations tend to be qualified to at least NVQ level 3 (with a significant proportion qualified to Level 4), with the trend for sales staff to be qualified to NVQ level 2 suggesting a requirement for a reasonably well skilled labour force to sustain a healthy retail sector.

6.10 That being said LSC research suggests there is within the East of England a relatively small but significant proportion (approximately 14%) of retail employment taken by people with no formal skills.

6.11 The skills profile of the retail sector provides a reasonable match to the existing skills provision within Broxbourne where (as shown in Figure 8) the majority of residents are skilled to NVQ levels 2 and 3.

6.12 Furthermore the willingness of the retail sector to employ people with no formal qualifications would provide opportunities for the 8% of the population without qualifications, helping Broxbourne tackle its rising unemployment and economic inactivity rates.

6.13 This analysis tends to under-value the strength of non-formal skills within the sector, which are of benefit not only to retail related occupations but can be transferred to other sectors and activities. Skills and competencies such as customer service, team working and personal presentation are fundamental to accessing employment in the retail sector and are equally important to access opportunities in other client facing industries.

6.14 The increased provision of retail job opportunities within Greater Brookfield will increase the development of these softer skills and broaden the potential labour pool for a range of other sectors. In the long run this would make Broxbourne a much more attractive location for a range of activities which rely on customer service skills.

CAREER PROGRESSION & TRAINING

6.15 Whilst the skills and occupational profile of the retail sector may be below that of other prevailing sectors within the economy it is important to balance this against the opportunities it presents for career progression and upskilling for people employed within the sector.

6.16 The sector as a whole recognises there is a significant skills gap between the level of qualifications employees hold and the level which is desirable to grow the sector, therefore retailers are beginning to recognise the value in investing in the training and education of their staff.

6.17 According to research undertaken by Business Link and the LSC (Action for Skills, 2004) 67% of retail businesses invest in relevant training for their staff, this focuses on both occupation specific training and more broad customer service skills. The research notes that under half of this training provision is focussed on formal qualifications, underlining the importance of softer skills within the sector.

6.18 Whilst not necessarily formal the development of softer customer service skills will be important for the long term health of the Broxbourne economy as these are increasingly important skills in a number of sectors.

6.19 Therefore what is more significant for Broxbourne than the progression towards formal qualifications is the ability for residents with low or no qualifications to progress within the sector to higher level occupations. This in time will allow a greater proportion of the population to play a more active role in the local economy.

6.20 Skillsmart (the sector skills council for the retail sector) research[3] indicates that the retail sector is one of the most favourably rated for developing transferable skills and providing a range of opportunities for employees of all ages and skill levels.

6.21 Therefore the growth of employment within the retail sector of Broxbourne has wider implications for the economy by giving a greater range of opportunities for local employment and skills development.

6.22 The pattern of employment within the retail sector (with a propensity to employ younger people) suggests that it is possible for employees to take on responsibility at a much earlier stage than other sectors. This reflects the focus within the sector to reward experience and competence rather than rely on age and qualifications as indicators of ability.

6.23 Often the retail sector is not seen as a long term career choice for those that enter the sector at a young age, but more a platform to develop skills which can be used to access employment in other sectors. Recent survey data (LSC, 2008) suggests that almost a third of all employees within the sector are between 16 and 24 years of age, with only 13% over the age of 55. This supports the notion that the sector is seen as a platform for younger people to gain skills and experience (potentially while studying) to access other employment opportunities. Given the forecast increase in population as a result of rising

[3] Source: Quantifying Perceptions of a Career in Retail – BMG, 2007.

birth rates development at Greater Brookfield will provide a wider choice of employment options for future generations.

6.24 Given the lower level of qualifications of Broxbourne residents than the rest of Hertfordshire this could be fundamental to the Borough's approach to increasing economic activity and developing a higher skilled workforce.

6.25 The ability for people to access the sector and develop transferable skills and take on responsibility will enable those with low formal skills to access a much wider range of employment opportunities both within and outside of the sector in the medium to long term by demonstrating competence in other ways.

6.26 This has the potential to create a series of positive benefits through the development of a mobile labour force which creates skilled labour but also maintains a provision of entry level positions which enable those with no formal skills to access employment.

ACHIEVING POLICY GOALS

6.27 The Economic Development Strategy and Community Plan set out the aims and objectives for regeneration more broadly within Broxbourne which the development of Greater Brookfield will make a contribution to beyond the creation of jobs/direct income.

6.28 The approach to regeneration in Broxbourne is one of creating a cumulative uplift which will over time enable higher value economic activity to be attracted to the Borough. Greater Brookfield can play a key role in this by broadening the range of jobs and facilities available within Broxbourne, which in turn will improve the perceptions of the Borough as a place to work and invest.

PERCEPTION & ATTRACTING INVESTMENT

6.29 Fundamentally both the EDS and Community Plan seek to address the areas economic weaknesses by capitalising on the growth potential offered by key development sites and the location of Broxbourne in relation to London.

6.30 The success of both strategies relies on creating a lift in the perceptions and attractiveness of Broxbourne for inward investment and new business creation. Despite recent success in attracting News International to the Borough inward investment appears to have been limited with Broxbourne's key employment centres overshadowed by their larger, more successful neighbours.

6.31 Whilst Park Plaza and the extension of Hoddesdon Industrial Centre offer significant opportunities to upgrade the commercial and business property offer within Broxbourne it is vital to develop the wider offer to provide an attractive location for investment.

6.32 The provision of high quality retail and leisure facilities are central to repositioning Broxbourne by addressing a key weakness in its marketing offer. High quality and large scale retail developments elsewhere in the East and South East of England have shifted the perceptions of the areas within which they sit and for a key element of marketing the area to businesses.

6.33 The development of the Lakeside shopping centre fundamentally changed the perception of the 'industrial' area of Thurrock, providing a much more modern and attractive use, encouraging greater levels of investment in the wider area.

6.34 Bluewater in Kent has had a similar catalytic effect on investment and business creation, creating a positive image and demonstrating the commitment to development and change within this part of the Thames Gateway.

6.35 Both have also helped to drive forward housing led regeneration agendas in both areas, attracting a high quality housing stock and providing suitable accommodation for attracting higher skilled individuals to the area.

6.36 They have also integrated job support and training facilities into the centres in partnership with local colleges, ensuring local residents are able to access jobs, but are also supported with training and other opportunities to ensure individuals can progress once employed to higher level positions.

6.37 Whilst the scale of development at Greater Brookfield is more limited when compared to these regional shopping centres the effect is likely to be similar in terms of repositioning the Borough's offer and attracting business and housing investment.

6.38 This positive benefit will further enhance the potential increase in skilled or trained employees within the Borough, providing a labour pool which is better equipped to meet the needs of a number of companies.

LEISURE & THE VISITOR ECONOMY

6.39 A key element of both the draft EDS and the Community Plan is for Broxbourne to capitalise on its position and relationship to the 2012 Olympics to develop greater levels of activity within the visitor economy.

6.40 The hosting of the White Water Canoe events and the access Broxbourne provides to the Lea Valley will both increase interest in the Borough as a place to visit and stay. The development of Greater Brookfield can build on this momentum and provide facilities to encourage day visits which (as demonstrated above) will have significant benefits for the local economy.

6.41 Beyond the 2012 Olympics it is vital to have in place a number of attractions which will continue to bring visitors to Broxbourne either for overnight or day visits, without these any momentum and interest gained from the Olympics could quickly be lost. Retail shopping visits are becoming an increasingly important element of the sector, underpinning a number of day trips.

6.42 Currently Broxbourne is not a significant attractor of visitors however improved provision at Greater Brookfield could provide a key element of future capacity as part of a linked leisure orientated offer. Many areas with retail, leisure and natural assets seek to combine these to create a weekend break offer and with Brookfield, the Lea Valley, connections to London and good quality hotels this may be a niche offer which can be developed.

6.43 Furthermore development at Greater Brookfield will help to reverse the current loss of expenditure to other retail centres and begin to draw people from outside of the immediate area. This will have significant impacts on the local economy, driving trade for those at Greater Brookfield as well as service industries and businesses such as petrol stations and travel companies.

SUMMARY

6.44 Beyond direct employment and income generation development of Greater Brookfield offers the potential to deliver wider aims of local and regional policy in terms of increasing employment opportunities for all, upskilling the resident population and attracting greater levels of investment and visitors to the area.

6.45 However employment opportunities need to be closely monitored and managed to ensure the maximum benefits are felt and are kept within the local economy rather than lost to elsewhere. To maximise the employment benefits it is vital local residents are given the opportunity to access jobs at Greater Brookfield rather than driving in-commuting to fill vacancies

6.46 Greater Brookfield can provide a drive for regeneration by complementing the offer within Broxbourne at key traditional employment sites, aligning to town centre regeneration and the maintaining momentum gained from the London Olympics.

7. SUMMARY & CONCLUSIONS

7.1 It is clear from the analysis presented that there are significant opportunities for economic change and growth associated with the proposed regeneration of Greater Brookfield. The proposed development provides a viable option for a site where very few other regeneration scenarios have come forward and, in its current form, is not maximising its contribution to the Borough's regeneration.

7.2 Whilst the redevelopment of Greater Brookfield will not in its own right address the low value nature of the local economy, it will (in the long term) assist in addressing some of the weaknesses of the area to encourage higher value activity in the future. It can therefore play an important role in laying the foundations for future higher levels (and value) of employment growth.

7.3 The development offers the potential for Broxbourne to tackle a number of the key themes identified within the Community Plan and Economic Development Strategy, focusing on addressing the relative weaknesses within the local labour market and the range of employment opportunities on offer. It will also help deliver wider County and Regional objectives by providing high quality employment opportunities which encourage greater participation in the labour market by residents. It will also deliver greater levels of choice for residents, increasing local provision and creating a destination to attract visitors to the sub-region.

7.4 Not only will Greater Brookfield provide a net increase in local employment, but will also offer opportunities for those with few or no formal skills to enter the labour market and increase levels of economic participation within the Borough.

7.5 Significantly it will also increase the opportunity for work related training, equipping residents with greater transferable skills which can be deployed in other sectors of the economy.

7.6 These factors will be vital for increasing the skill base of the local economy and providing a more highly skilled workforce which, in turn, will help to attract higher value activities in the long term.

7.7 In wider regeneration terms Greater Brookfield will help create a more complete offer within Broxbourne, reducing the loss of trade to other areas and providing an impetus for shifting the perception of the area both for visitors, residents and businesses.

7.8 However, the development isn't all positive with a realistic risk of losing existing businesses from the area as their premises are redeveloped. Whilst alternative premises are likely to be available elsewhere in the Borough it is important that small businesses are supported through the transition to ensure they are not disadvantaged by the redevelopment proposals.

7.9 It should be noted however that the predominant nature of employment within the existing industrial area is not highly skilled and therefore jobs lost are likely to be replaced with opportunities at similar or higher skills levels.

7.10 Furthermore to ensure maximum benefit of employment growth efforts will need to focus some employment support in enabling local residents to access employment and training linked to the Greater Brookfield development. Without this there are potential benefits which would be lost, with local residents not able to access significant proportions of the employment, limiting the ability for them to subsequently upskill and progress their careers.

7.11 Employment support and job brokerage schemes are common where major regeneration or development schemes create a significant amount of new jobs and local partners (such as the Local Authority, Job Centre Plus, education institutions etc) wish to maximise the benefits for local employment. These brokerage schemes provide a match for local skills and job opportunities during both the construction and operational phases of the developments.

7.12 Successful development specific schemes have been implemented at Paddington Basin, Bluewater and Lakeside Shopping Centres, across the Olympic Host Borough's, Canary Wharf and Heathrow Terminal 5. More broadly focussed jobs match and employment support projects operate within and across a number of regeneration areas and boroughs including Hammersmith and Fulham, Newham and Thames Gateway Kent

7.13 In conclusion, the positive benefits which can be achieved at Greater Brookfield give significant reason to promote it as a key development site within Broxbourne with the capacity to accommodate growth and change which may be out of scale with existing centres.

7.14 Providing the growth is proactively managed to ensure it fits with wider economic objectives and sufficient interventions are put in place to ensure growth benefits local residents and does not negatively impact on existing businesses it should provide significant net gains for the Broxbourne economy.

CONCLUSION

7.15 In conclusion the development of a mixed use, retail led scheme is likely to be of considerable net benefit to the local economy over and above the maintenance of the 'status quo'.

7.16 Directly the completion of the scheme will deliver a significant number of new jobs to the area and generate additional income within the local economy which will sustain greater levels of economic growth in the future.

7.17 Development would also provide greater employment opportunities for residents with low or no formal skills or qualifications, and the chance for work based training to enhance their future employment choices. This will make a significant contribution to addressing the relative poverty, deprivation and skills issues in the local labour pool.

7.18 In the long run the potential broadening of services and facilities provided and any subsequent improved perception of the area will assist in attracting inward investment to other employment sites within the Borough.

7.19 Overall, development at Greater Brookfield can provide a key component of the wider improvements required to create an uplift of quality and perception in the area, providing a strong foundation from which to encourage higher value growth in the future.

APPENDIX 1 – JOB CREATION ASSESSMENT MODEL ASSUMPTIONS

The Economic Impact Assessment model employed is consistent with best practice established through the English Partnerships guide to assessing additionality and seeks to estimate the benefits of development based on simulating likely employment patterns, which are based on existing employment trends. This section sets out the key assumptions for each component of the assessment model.

Employment densities will vary across uses and therefore employment estimations have been calculated to reflect different densities:

- Retail-related employment is based on sales area floorspace (in square metres) and is estimated at a density of 1 job per 20sqm;
- Hotel-related employment is based on the relationship between the number of rooms and staff required to service these. To ensure consistency with Bayfordbury's Masterplan it has been assumed the hotel would be 3* and therefore employ approximately 1 member of staff per two bedrooms;
- Leisure-related employment is based on Gross Internal Area floorspace (in square metres) and is estimated at a density of 1 job per 65sqm;
- Restaurant & Bar-related employment is based on Gross Internal Area floorspace (in square metres) and is estimated at a density of 1 job per 45sqm.

Gross job creation will result from the creation of full and part time employment within the development, with retail and leisure activities having a higher propensity to create part time employment than traditional 'B class' employment sectors. This is an important consideration when estimating impact. To allow for comparison across sectors the job creation estimates are recalibrated to provide estimates as Full Time Equivalents.

The model disaggregates total employment in to full and part time estimates based on actual trends within Broxbourne, based on the Annual Business Inquiry data;

- Retail-related employment assumes 60% of retail jobs will be part time;
- Hotel-related employment assumes 60% of hotel jobs will be part time;
- Leisure-related employment assumes 62% of employment will be part time;
- Restaurant/bar-related employment assumes 52% of employment will be part time.

The model assumes that each part time position is worth half a full time position and, therefore, reduces the estimation of the gross number of jobs created.

Leakage measures the proportion of employment created which will be taken by residents of areas outside of Broxbourne Borough. Estimating employment leakage of a proposed scheme is not straightforward as there are a range of factors which can affect actual rates once the scheme is delivered, such as increased travel costs, the ability for the scheme to capture more local residents who currently commute out of Broxbourne for work, or the increased attractiveness of working in the new development which draws more labour from elsewhere.

The approach used provides a base case scenario and is developed from the Travel to Work patterns established through the 2001 Census for each employment sector within Broxbourne, relevant in-commuting rates are:

- 48% for retail employment;
- 74% for hotel employment;
- 52% for leisure employment;
- 52% for restaurant/bar employment.

On average it is estimated that as much as 57% of employment created within Greater Brookfield could be lost to residents of other areas outside of Broxbourne. These commuting patterns have been applied to the Gross FTE Job Creation figure to estimate the job creation which will directly benefit Broxbourne residents (i.e. the **Net Local Jobs**).

The final component of the approach employed estimates the **induced or indirect job creation** of development at Greater Brookfield. Supply chain linkages from Greater Brookfield Shopping Centre itself and the shops within it will create additional jobs within the local economy. Whilst a number of retailers will be part of national chains they are still likely to use local suppliers for shopfitting, maintenance, cleaning etc, who in turn will employ more staff to meet new contractual commitments.

The impact on the wider local supply chain is likely to vary by use as a reflection of the relative scale operators in each sector and their need for centralised or local suppliers. Based on multipliers identified by the Additionality Guide (English Partnerships, 2005) the approach applies the following employment multipliers:

- 1.21 for retail employment, estimating that for every full time equivalent job created within the retail sector 0.21 of a full time equivalent job will be created within the wider economy;

- 1.29 for hotel employment, estimating that for every full time equivalent job created within the hotel sector 0.29 of a full time equivalent job will be created within the wider economy;
- 1.38 for leisure and restaurant/bar employment, estimating that for every full time equivalent job created within these sectors 0.38 of a full time equivalent job will be created within the wider economy.

Therefore, it can be estimated that leisure and restaurant/bar uses will have a relatively bigger impact on employment beyond Greater Brookfield.

Total Jobs to Broxbourne Residents (as full time equivalents) is then calculated by summing the direct and indirect job creation figures, it is this figure which provides the most accurate estimation of the 'actual' employment benefits generated by development at Greater Brookfield.