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Tendring Employment Land Review (ELR)

A Final Report by
Regeneris Consulting

Tendring District Council

Tendring Employment Land Review (ELR)

October 2013

Regeneris Consulting Ltd

www.regeneris.co.uk

Contents

Executive Summary

1. Regeneris Consulting and Montagu Evans were commissioned by Tendring District Council to carry out an Employment Land Review (ELR) for the district. Its purpose is to advise on job targets, current employment land supply, and future land requirements within the area up to 2029.

2. The document will be part of the evidence base for the emerging Local Plan and will contribute towards policy development. It is being prepared at the same time as an Economic Development Strategy for Tendring and as such, there are strong synergies between the two documents.

3. The study's approach follows Government guidance on undertaking employment land reviews[1] focusing on three stages:

- Assessing the current situation: which includes a review of relevant policy documents and associated research, a socio-economic baseline, property market research and an assessment of employment land supply;
- Assessing future requirements: using future forecasts to identify land requirements going forward; and,
- Recommendations and next steps: which includes bringing together the demand and supply assessment to make recommendations on a site strategy for Tendring.

Policy Context

4. At a **national level**, there have been significant changes to planning policy in recent years with a shift towards 'localism' providing local authorities with greater autonomy in planning for housing and setting local housing requirements in their development plans.

5. The Ministerial Statement on Planning for Growth (2011) states that "the Government's top priority in reforming the planning system is to promote sustainable economic growth and jobs [and that] the answer to development and growth should be yes, except where this would compromise the key sustainable principles set out in national planning policy".

6. Tendring forms part of the **South East LEP** area and this organisation is currently preparing a Growth Strategy and EU Investment Plan. Economic objectives for the county are set out in the **Essex** Integrated County Strategy and the Essex Economic Growth Strategy. The former aims to create a highly performing and competitive economy which makes a significant contribution to UK economic growth and recovery whilst providing for the successful regeneration of Essex communities and a high quality of life for its residents and employees.

7. At a local level, an **Economic Development Strategy** is being prepared for Tendring and this is designed to capitalise upon new opportunities as well as build upon existing economic assets. This response is underpinned by a need to support residents and businesses to become more competitive whilst also attracting more people to Tendring to live, work and visit.

[1] Employment Land Reviews Guidance Note – ODPM (2004)

Socio-Economic Context

8. Tendring's **GVA growth** over the period 2001-11 was 49%, which is relatively in line with the growth in Essex and England (48%). Between 2001 and 2011 Tendring experienced a 10% increase in total **employment** which compares to a 3% increase in employment at a national level. This is an increase of 3,100 jobs. Since 2008 however, Tendring has experienced a 1% decline in employment, which is less than most comparator areas and relatively in line with Essex and England. The socio-economic baseline paper also revealed that Tendring experienced a 2% decline in employment between 2003 and 2011 (a decline of 600 jobs).

9. Perhaps more importantly for this study, our research suggests that employment in **B use classes** has not grown between 2001 and 2011 and has in fact decreased by around 100 jobs (1%). Over this period, there has been some growth in B8 (9%) and B1 (5%) but a significant reduction in B2 activities (17%).

10. Tendring currently has a **population** of 138,050 residents. Since 2001, the population has not grown significantly while the national population growth rate for this period is equal to 8%.

11. There are a number of **socio-economic challenges** for the area which impacts on Tendring's ability to draw upon a readily available skilled workforce. For example, the area has a higher than average proportion of people aged over 65, particularly in the coastal towns. Tendring is also characterised by lower than average skills levels within the resident population. Finally, there are higher than average levels of economic inactivity and unemployment.

12. A Business Survey has been carried out speaking to 570 firms across Tendring. Firms were asked to identify the advantages and disadvantages of being located in the District and a high proportion cited the condition of premises (85%) as an advantage as well as availability of suitable premises (80%). Disadvantages included a perceived lack of grant aid (54%), energy costs (45%), and broadband and mobile connectivity (41%).

Commercial Market Performance

13. Tendring District is a somewhat **peripheral location**, with reasonable road and rail communications. The peripheral location limits its appeal to certain employers. The recent malaise in the UK economy has impacted on the general demand for employment floorspace. There are however some signs that increased activity may return during 2013 and thereafter.

14. **Clacton-on-Sea** and **Harwich** are the District's key urban areas, and have the most office and industrial property market activity. Harwich Port is a very important economic driver for the District. If the development of the container port proceeds, this would be expected to increase the town's economic importance.

15. According to 2009 figures there was a total of 555,000 sqft (51,561 sqm) of **office, industrial and warehouse floorspace** in Tendring. This is a fairly modest figure. In particular, the total office stock is very low albeit Tendring saw a 15% increase in office floorspace between 1998 - 2008.

16. **Industrial and distribution** activities are considered to be a stronger driver for the District's economy than offices. Clacton is the focus for the highest levels of industrial property market activity in Tendring. Demand for industrial accommodation is normally for requirements of between 1,000 sqft and 4,500 sqft. Much of Tendring's employment stock is second hand and poor quality and this is particularly the case for offices.

17. With limited demand, take-up for **office** accommodation in Tendring is low. Deals are normally from existing indigenous, small companies looking for alternative premises. Demand for office space is typically for small units of up to 1,500 sqft (139.35 sqm).

Supply Assessment

18. An assessment of the supply of employment sites has been carried out to inform this ELR. A number of sites have been visited, considered, and evaluated in more depth than others, drawing upon available information. The sites are listed below and they represent a mix of existing allocated sites, as well as those coming through the 'call for sites' process.

Table 1: List of Sites for Detailed Review			
Clacton	Land North of Telford Road, Clacton	Walton	Avants and Station Yard, Walton
	Ford Road, Clacton	Lawford	East of Cox's Hill, Lawford
	Land East of Thorpe Road, Clacton	Brightlingsea	Brightlingsea Shipyard
	North of Centenary Way, Clacton	Rural Sites	Lanswood Business Park
	Clacton Gateway, Clacton		Horsley Cross, A120
Harwich	Pond Hall Farm, Harwich		Land to the West of Tendring
	Stanton Euro Park, Harwich		Old Ipswich Road, Colchester
	Station Road, Parkeston		Clip Hedge Farm & Poplars Farm, A120
	Harwich International Port: Spare Capacity & Mercedes Site		Blue Barn, Elmstead Tendring Park Services
	Ramsey Hill (Mill Farm), Harwich		Crabtree Farm, Great Bentley

19. In addition, we have carried out 'light touch' reviews of the sites below. This has involved a review of background information regarding the site to inform our analysis. Site visits to these have not been carried out.

Table 2: Light touch review of sites			
Clacton	Gorse Lane Industrial Estate (including Oakwood, Crusader and Brunel), Clacton	Frinton and Walton	Harmers Foundry, Walton
	Valleybridge Road, Clacton		Kirby Cross Trading Estate, Kirby Cross
	Oxford Road, Clacton	Harwich	Europa Way, Parkeston, Harwich
	Comac Yard, Clacton		Delfords Site, Harwich
Lawford, Manningtree and Mistley	Lawford Industrial Estates		Bernard Uniforms, Harwich
	Edme Maltings	Rural Sites	Martells Pit
	Mistley Port		TBS Manheim, Elmstead
	Mistley Marine		Rice Bridge, Thorpe
Brightlingsea	Land at Morse Lane		Thorpe Station
			Timber Yard, Wix

Demand Assessment

20. Future employment trajectories have been assessed for Tendring using three approaches. The results are summarised below. This table illustrates possible employment change for B use classes in Tendring between 2014 and 2029. The results range from 200 jobs under the labour demand side low growth scenario to 1,800 jobs under the labour supply SHMA scenario.

Table 3 Employment Forecasts Scenarios, 2014-2029			
Approach	Scenario Name	Source	Potential B Use Class Jobs 2014-2029
Approach 1: Past Completions	Past Employment Land Completions	• Based on evidence from floorspace completions in Tendring, taken from Tendring LDF AMRs (2001-2010) and additional Tendring information (2010-2013)	• N/A
Approach 2: Labour Demand	Base Employment Scenario	• East of England Forecasting Model (EEFM), developed by Oxford Economics to 2029	• Up to 900 FTE Jobs
	High Growth Employment Scenario	• East of England Forecasting Model (EEFM), developed by Oxford Economics to 2029	• Up to 1,500 FTE Jobs
	Low Growth Employment Scenario	• East of England Forecasting Model (EEFM), developed by Oxford Economics to 2029	• Up to 200 FTE Jobs
Approach 3: Labour Supply	Local Plan Housing Targets	• Regeneris Consulting calculations based on Draft Local Plan targeted future growth in housing in Tendring	• Up to 800 FTE Jobs
	SHMA Housing Demand	• Regeneris Consulting calculations based on SHMA future housing demand in Tendring	• Up to 1,800 FTE Jobs
Source: Regeneris Consulting 2013			

21. The employment land requirements which relate to the above employment scenarios are summarised below.

Table 4: Summary of Employment Land Requirements						
			B1a/b (ha)	B1c & B2 (ha)	B8 (ha)	Total (ha)
Unadjusted Requirements	Approach 1: Past Trends	Employment Land Completions	0.2	1.7	1.1	3.0
	Approach 2: Labour Demand - Economic Forecasts	Base Scenario	1.3	-3.4	4.2	2.1
		Low Growth Scenario	0.8	-4.2	0.4	-2.9
		High Growth Scenario	1.7	-2.6	7.9	7.0
	Approach 3: Labour Supply	Local Plan Housing Targets	1.4	-3.9	2.6	0.1
		SHMA Housing Demand	2.1	-2.7	8.2	7.7
Adjusted Requirements	**Approach 1: Past Trends**	**Employment Land Completions**	**0.2**	**1.7**	**1.1**	**3.0**
	Approach 2: Labour Demand - Economic Forecasts	**Base Scenario**	**1.3**	**-3.3**	**4.3**	**2.3**
		Low Growth Scenario	**0.9**	**-4.1**	**0.5**	**-2.8**
		High Growth Scenario	**1.7**	**-2.5**	**7.9**	**7.1**
	Approach 3: Labour Supply	**Local Plan Housing Targets**	**1.4**	**-3.9**	**2.7**	**0.2**
		SHMA Housing Demand	**2.1**	**-2.6**	**8.3**	**7.8**

Source: Regeneris Consulting

22. Adjustments have been made to the forecasts to take account of the following two considerations:

- A flexibility or 'safety margin' factor – this is important in making provision to enhance choice and flexibility (particularly given uncertainty in relation to spatial demands linked to Bathside Bay and Offshore Energy expansion). We have made an allowance for an additional 2 years of gross completions. This assumption has been informed by the Tendring DC completions data used in the past-trends forecasting approach; and,

- A 'making losses good' (MLG) factor – this is important, in line with policy approach which aims to take account of the losses of older property within the area and ensuring that businesses in the area have accommodation stock to enable them to stay and grow within the area, in parallel to an approach to recycle previously developed land for new uses. The assumption on the making losses good (MLG) factor has been informed by analysis of gross losses by main use-classes from the Tendring DC data (gross completions minus net completions). We have adjusted the forecasts, with an additional 5 year supply of land to provide for making good these.

23. In summary the forecasting approaches show:

- Modest demand for B1a/b floorspace and land in Tendring, even after taking account of adjustments. This reflects the current and future nature of sectors and employment within the district;

- While adjustments have been made to the B1c/B2 land requirements, these have still shown, in overall terms, either a contraction in employment land needs across all scenarios. While there will be a requirement for land to meet future needs, this is likely to be delivered through the recycling of some existing provision, while some of this employment land may also be released for other uses; and,

- The forecasting approaches indicate that the largest requirement in the district will be for B8 floorspace and land – this largely reflects the greater land take of these types of activities.

Demand-Supply Balance

24. Consideration has been given to whether there is sufficient land to meet future demand. This draws upon the findings of the demand assessment together with the review of key sites. The results are summarised below.

Overall assessment (B1, B2, B8)

25. The demand assessment suggests that there is an overall requirement for between 2.3 ha (Base Scenario) and 7.1 ha (High Growth Scenario). In terms of supply, we have identified 30.75 ha of employment land which is made up of available land on existing sites and outstanding planning permissions. <u>In quantitative terms, there is a sufficient supply of land to meet future needs even if the most optimistic scenario is adopted</u>. However, the actual requirements for employment land vary when the needs of different use classes are taken into account. This is considered to be a more meaningful analysis of Tendring's future employment land needs and this is considered below.

Office and R&D Activities (B1a/b use class)

26. All of the scenarios suggest that there will be low demand for B1a/b floorspace and land in Tendring in the period to 2029. In our view between 1.3 ha and 1.7 ha will be required over that period. In terms of supply, we have identified approximately 8.07ha of land, which is made up of available land on existing sites and outstanding planning permissions. In quantitative terms therefore, at the district level there is an oversupply of land suitable for B1 a/b development.

Industrial (B1c and B2 use class)

27. The labour demand forecasts suggest that there will be contracting needs of between -2.5ha and -3.3 ha land in net terms. In terms of supply, we have identified approximately 30.27ha of land, which is made up of land available on existing sites and outstanding planning permissions. It is recognised that there is likely to be some loss of employment land on smaller, poorly located sites and that some land may be required to replace this loss. However, based on a qualitative assessment of sites, it is our view that at the district-wide level there is sufficient good quality land to make good these losses and that future demand in quantitative terms could be met through the re-use and recycling of existing provision.

Warehouse Activities (B8 use class)

28. The largest requirement in the district will be for B8 floorspace land. In our view, between 4.3 ha and 7.9 ha land will be required for B8 uses up to 2029. In terms of supply, we have identified approximately 30.55ha of available land. Our quantitative assessment therefore suggests that even taking a more ambitious approach (7.9ha), there is likely to be an oversupply of district-wide B8 land. Again, it is important to note that variations are likely to occur at the more local level and it is possible that modest levels of additional land might be necessary to meet identified more local needs or address qualitative issues regarding existing supply (most notably the development of Bathside Bay and issues around Harwich).

Other Policy Recommendations

Policy PRO14

29. The council has requested advice on the Council's new Employment Site Policy PRO14 to ensure it is NPPF compliant, fit for purpose and achieves the right level of flexibility to promote and harness economic development.

30. We have concluded that the proposed policy PR014 is fit for purpose. It seeks to safeguard employment sites, whilst allowing a degree of flexibility to meet changing market needs, and to enable wider improvement and enhancement of employment sites.

A133 / A120

31. Tendring District Council has also requested advice on the legitimacy and appropriateness of a strategy identifying new employment zones, either along the A133 and/or the A120. In our view, most demand is locally based, and therefore focused on the main urban areas. It is therefore unclear (based on current demand) what additional benefits would be gained by taking the approach of allocating further sites along the A120/A133, when there are already employment sites available at the edges of Harwich and Clacton on or close to these routes.

32. The only exception to this approach would be if a highly accessible site were available at the junction of the A120 / A133. However, at present access from the A133 going eastward along the A120 cannot be achieved. If this constraint could be overcome, then a centrally located industrial site in this vicinity could be a welcome addition to the employment land portfolio of the district.

Synergy with the Economic Development Strategy

33. Tendring's Economic Development Strategy is designed to capitalise upon new opportunities as well as build upon existing economic assets. This response is underpinned by a need to support residents and businesses to become more competitive whilst also attracting more people to Tendring to live, work and visit.

34. The Strategy was developed following detailed research and consultation in Summer 2013. It captures the commitment of Tendring District Council and its partners to create the conditions to stimulate economic growth and to deliver changes in Tendring's economy that will benefit businesses, residents, the workforce, and visitors over the next 10 years. Key growth sectors are predicted to include offshore wind and the care sector (which are outside of the scope of this study which focuses on B use classes). Nevertheless, if Tendring DC pursues a more active and targeted economic development plan, there may be potential to attract higher levels of growth beyond historic levels.

1. Introduction

1.1 Regeneris Consulting and Montagu Evans were commissioned by Tendring District Council to carry out an Employment Land Review (ELR) for the district. Its purpose is to advise on job targets, current employment land supply, and future land requirements within the area up to 2029.

1.2 The document will be part of the evidence base for the emerging Local Plan and will contribute towards policy development. It is being prepared at the same time as an Economic Development Strategy for Tendring and as such, there are strong synergies between the two documents.

Context

1.3 Tendring District is situated on the north east coast of Essex (as shown in Figure 1-1). The major towns in the District are Clacton-on-Sea and Harwich. Harwich Port is an important part of Tendring's and the UK's infrastructure, and is one of the UK's leading passenger and freight ferry terminals. Other smaller urban areas comprise Manningtree, Frinton-on-Sea, Brightlingsea and Walton-on-the-Naze. Villages are scattered throughout the District's rural areas. The District's location is somewhat peripheral, occupying a broad peninsula; it is bordered by the sea on its southern, eastern and northern edges.

Figure 1-1 Tendring – Geographical Context

Source: Regeneris Consulting

Study Aims

1.4 The principal aims of this assignment as set out in the brief are as follows:

- A light-touch review of the Council's 2010 Employment Study (GVA Grimley- April 2010), in particular the district's existing stock of Employment Sites;
- A commentary on the district's existing commercial centres and the peripheral development opportunities to support their economic stability;
- A commentary on the Council's new Employment Site Policy PRO14 to ensure it is NPPF compliant, fit for purpose, and achieves the right level of flexibility to promote and harness economic development;
- A commentary on the legitimacy and appropriateness of a strategy identifying new employment zones either along the A133 and/or the A120 – given the sub-regional significance of these routes and the wider connections to the Eastern Region and Europe;
- An assessment of potential employment sites along the full length of the A133 and the A120 both within Tendring District and up to the boundary of neighbouring Colchester;
- An evaluation of specific proposals that have been submitted to the Council for consideration as employment sites as part of the Local Plan process and a commentary on their suitability for development in the context of the assessment above.

Approach

1.5 The study's approach follows Government guidance on undertaking employment land reviews[2] focusing on the three stages set out in Figure 1-2 below. The work has been informed by research carried out to underpin the Economic Development Strategy for Tendring. Most notably, the policy and research review, economic baseline assessment, and consultations (including the stakeholder workshops). This has ensured strong alignment with the Strategy and Action Plan and the overall direction being pursued by the Council. The focus of this document in this context is to ensure that there is sufficient land of the right quality and type in order to realise this vision.

[2] Employment Land Reviews Guidance Note – ODPM (2004)

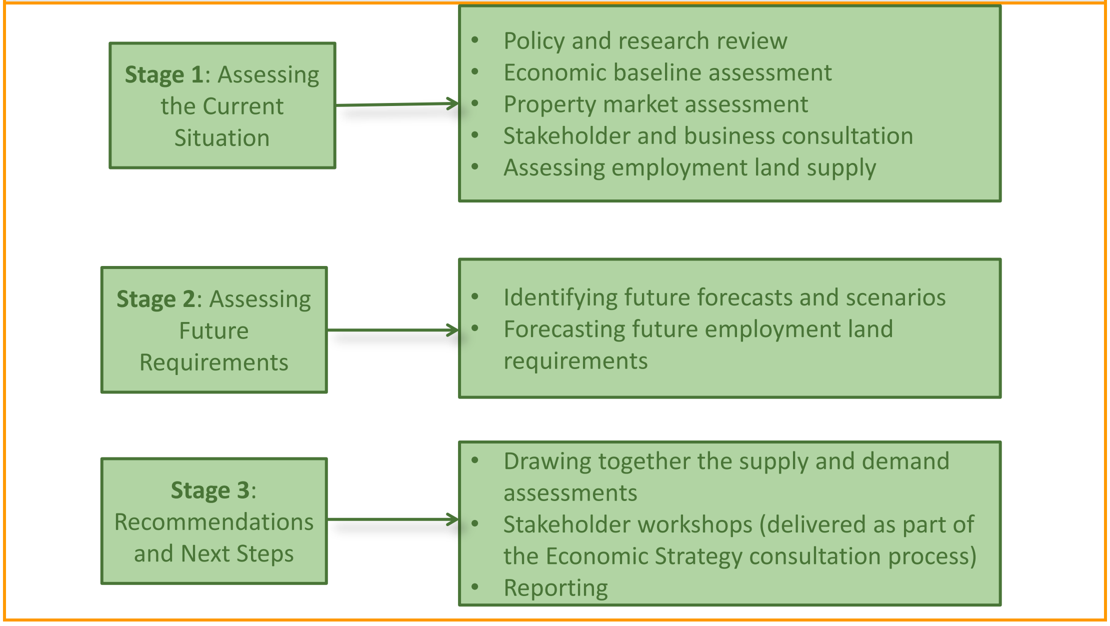


Figure 1-2: Our Approach

1.6 The primary focus of this study is on the requirements for B class uses, which include:

- B1 Business, which includes offices, research and development, and light industry;
- B2 General Industrial; and,
- B8 Storage or Distribution, which includes wholesale warehouses and distribution centres.

Report Structure

1.7 The remainder of this report is set out under the following headings:

- Section 2: Policy and research review
- Section 3: Economic context
- Section 4: Commercial property market performance
- Section 5: Existing supply
- Section 6: Demand assessment
- Section 7: Demand-supply balance

2. Policy and Research Review

2.1 This section provides a summary of the relevant policy documents relating to employment land within Tendring. The key points are described below:

National Policy

- There have been significant changes to planning policy in recent years with a shift towards 'localism' providing local authorities with greater autonomy in planning for housing and setting local housing requirements in their development plans.
- The Ministerial Statement on Planning for Growth (2011) states that "the Government's top priority in reforming the planning system is to promote sustainable economic growth and jobs [and that] the answer to development and growth should be yes, except where this would compromise the key sustainable principles set out in national planning policy".

Policy in Tendring: Employment

- Previous Employment Land Reviews for Tendring were undertaken in two parts in 2009 (Roger Tym and Partners) and 2010 (GVA Grimley). These studies cover the 20 year period to 2026. The Part One study concludes that the District should seek to deliver 10,000 jobs or 500 jobs annually. The growth will be focused in Clacton (especially office growth) and Harwich (especially Bathside Bay). The Part Two study confirms that there is an over-supply of land with 80.9ha of allocated supply across 31 sites.
- The Tendring Draft Local Plan was published in November 2012. The Plan aims to deliver around 4,000 new jobs up to 2021. This equates to 400 jobs annually and is significantly below the target identified in the Part One Employment Land Review.
- Tendring's Economic Development Strategy is designed to capitalise upon new opportunities as well as build upon existing economic assets. This response is underpinned by a need to support residents and businesses to become more competitive whilst also attracting more people to Tendring to live, work and visit.

Policy in Tendring: Housing

- The Draft Local Plan for Tendring proposes a 6% increase in housing stock which equates to 4,000 new homes or 400 homes annually up to 2021.
- The latest version of the SHMA concludes that there is a requirement for 10,000 homes up to 2029 or 685 homes per annum. This is above those currently set out in the Draft Local Plan.
- The SHLAA on the other hand suggests that between 2014 and 2024, it will only be realistic to deliver 4,000 homes (an average of 400 homes per year).
- Furthermore, the most recent position taken by Tendring DC is set out in a cabinet report (October 2013). This confirms an aspiration to deliver 5,625 homes over 15 years (approximately 375 homes per annum).

National

Localism Act

2.2 The Coalition Government's approach to planning has been focused on applying principles of 'localism' to give Local Planning Authorities greater autonomy in planning for housing. A key change has been to allow local authorities to set local housing targets in their development plans. The East of England Regional Spatial Strategy (RSS) was revoked on 3rd January 2013 and as such the RSS will no longer form part of the statutory development plan.

2.3 Local Planning Authorities will be responsible for setting employment land requirement figures for their Local Plan. Local land targets will be tested through the Local Plan process and local authorities will need to collect and use reliable information to justify employment land supply policies.

2.4 Section 110 of the Localism Act sets out a 'duty to cooperate' for all local planning authorities and county councils in England.

National Planning Policy Framework (NPPF)

2.5 The National Planning Policy Framework (March 2012), replaces the suite of national Planning Policy Statements, Planning Policy Guidance notes, and some circulars with a single document. At the heart of the plan is a presumption in favour of sustainable development and private sector led growth is encouraged.

2.6 The key points are:

- Development plans should identify a broad range of sites for economic development and avoid carrying forward existing allocations without evidence of need and a reasonable prospect of their take-up during the plan period;
- Development plans should provide a portfolio of land that supports existing business sectors and plans for new or emerging ones. Flexible policies are needed to respond to changing economic circumstances; and,
- The NPPF also highlights that allocated employment sites for which there is no reasonable prospect of development should not be protected in the long term. Proposals for alternative uses on such sites should be treated on their merits having regard to market signals and the relative need for different land uses to support sustainable local communities.

2.7 In order to help achieve economic growth, local plans should:

- Set out a clear economic vision and strategy for their area, which positively and proactively encourage sustainable economic growth. Local plans should set criteria, or identify strategic sites, for local and inward investment to match the strategy and to meet anticipated needs over the plan period;
- Support existing business sectors, taking account of whether they are expanding or contracting and where possible, identify and plan for new or emerging sectors likely to locate in their area. Plans should be flexible enough to allow a rapid response to changes in economic circumstances;
- Plan positively for the location, promotion, and expansion of clusters or networks of knowledge driven, creative or high technology industries;
- Identify priority areas for economic regeneration, infrastructure provision, and environmental enhancement; and,
- Facilitate flexible working practices such as the integration of residential and commercial uses within the same unit.

Plan for Growth

2.8 Against a backdrop of faltering economic growth, the Chancellor's 2011 Budget focused on the long-term rebuilding of Britain's economy. HM Treasury introduced 'The Plan for Growth' (March 2011), a strategy document outlining their ambitions to put the UK on a path to sustainable, long-term economic growth. The document affirmed the Budget's objectives of creating a stronger and more sustainable economy, with growth more evenly shared across the country and between different sectors.

2.9 The Ministerial Statement on Planning for Growth (March 2011), set out the steps the Government expects local planning authorities (LPAs) to take to help secure a swift return to economic growth: "the Government's top priority in reforming the planning system is to promote sustainable economic growth and jobs [and that] the answer to development and growth should be yes, except where this would compromise the key sustainable development principles set out in national planning policy".

Regional and Sub-Regional

2.10 At a sub-national level, the most significant strategic development in recent years has been the abolition of the Regional Development Agencies and the creation of Local Enterprise Partnerships (LEPs) as part of the localism agenda. Of particular relevance to Tendring is the South East LEP which covers Essex, Southend, Thurrock, Kent, Medway and East Sussex. The South East LEP has set a vision to be *"the most enterprising economy in England"* and to achieve this has set two core priorities of *"exploring and creating opportunities for enterprise"* and *"addressing the barriers to growth"*.

2.11 The South East LEP is currently preparing a Growth Strategy and EU Investment Plan. These plans will inform future negotiations on funding. The Single Local Growth Fund will provide LEPs and partners with a greater capacity to generate growth and furthermore, a significant proportion of England's share of EU funds will be notionally allocated to LEPs. Emerging priorities for the LEP are reported to include: enterprise; innovation and business growth; inward investment; business critical infrastructure; and, employment, skills and training.

2.12 The **Essex Integrated County Strategy** and the **Essex Economic Growth Strategy** set out overarching economic objectives for the county. The **Integrated County Strategy** aims to create a highly performing and competitive economy which makes a significant contribution to UK economic growth and recovery whilst providing for the successful regeneration of Essex communities and a high quality of life for its residents and employees. Similarly the **Economic Growth Strategy's** vision is to make Essex an economically vibrant and successful entrepreneurial county where businesses and residents can grow and fulfil their full potential.

2.13 In addition, the **Integrated County Strategy's** vision for the Essex portion of the Haven Gateway (which also includes parts of neighbouring coastal Suffolk) is to realise its potential for economic regeneration by creating an additional focus on growth and high-tech, knowledge-based employment, as well as significant growth of port and logistics activities, ICT and research and development. Low carbon energy is identified as a key area for strategic focus and partners will support the growth of renewable and low carbon energy as a key sector and promote the growth and location of these industries in Greater Essex.

2.14 The **Essex Economic Growth Strategy** indicates that with the County's excellent air, sea, road and rail transport links as well as its proximity to London, the Greater South East and the rest of Europe, Essex is very well placed to share in the overall growth of Europe's economy. Sectors identified as having significant potential for growth across the County include:

- advanced manufacturing and technology;
- transport, port activities and logistics;
- renewable energy and low carbon; and,
- health and care.

2.15 Furthermore, the **Integrated Country Strategy** identifies construction, wholesale and distribution, retailing, hotel and catering, personal services, as well as finance, public administration and education as having considerable growth potential in the Haven Gateway.

2.16 Both strategies, the **Economic Growth Strategy** and the **Integrated County Strategy,** identify skills gaps as a major issue throughout the whole of Essex. The former argues that within Essex there is a notable demand for school leavers and graduates with the appropriate attitude towards work. The **Integrated County Strategy** indicates that skills improvements in the Haven Gateway should be aligned with proposals for economic development in order to improve local skills in the renewables and ports and logistics sectors.

2.17 Despite the high levels of commuting throughout Essex, it is argued that growth in the London economy cannot be expected to change Essex's fortunes and particularly the more deprived coastal areas. Indeed, their peripheral location makes coastal communities the least well placed to benefit from job creation in London. Despite this, it is important to remember that within the sub-region (e.g. the Haven Gateway) local economies may be strongly inter-connected with each other (e.g. the local economies of Colchester and Tendring).

2.18 As suggested above, the Haven Gateway is an important growth area within the Essex and South East LEP context. The Haven Gateway Partnership has set a vision for the area to build upon its location as a key gateway and to deliver the potential for significant growth and regeneration in the area. In aiming to do so, the Partnership has placed a focus on ports (and associated transport and logistics industries), housing and employment growth in Ipswich and Colchester, regeneration in coastal towns, and development of improved links to the research and knowledge strengths of the University of Essex.

Local Policy

Previous Employment Land Reviews

2.19 The previous Tendring Employment Land Review was undertaken in two parts in 2009 (Roger Tym and Partners) and 2010 (GVA Grimley). The studies cover the period to 2026.

2.20 The **Tendring Employment Study Part One** (2009) focuses on the demand for employment land in the district, setting out a number of scenarios for future local economic performance and the implications of these in terms of employment land both at the district level and more locally:

- Mud Bound and Boggy – this scenario took Oxford Economics baseline employment forecasts, and constrained them to local RSS housing targets. Under this scenario, district wide employment growth of 3,800 jobs (+8%) is projected, with around 1,500 of these in B use class sectors (+11%). This was seen as a relatively low growth scenario, with the rate of growth below targets for the District set in the East of England RSS. The scenario suggests a requirement for 12.5 hectares of office space, but a decline in requirement of 10.5 hectares of industrial and warehousing space;

- A Better Backwater – this scenario took the Oxford Economics baseline forecasts, but factored in the proposed Bathside Bay development. The scenario projected total growth of 7,500 jobs (+16%), with around 1,900 of these in B use classes (+13%). The scenario suggests a requirement for 7.4 hectares of office space and 3.3 hectares of industrial and warehousing space; and,

- Shimmering Pond – the third scenario assumed that Tendring would close the gap between local and regional economic activity rates by 3 percentage points. The scenario projected growth of 12,800 jobs (+27%), with 3,900 of these in B use class sectors (+28%). The scenario suggests a requirement for 16.7 hectares of office space and 3.5 hectares of industrial and warehousing space.

2.21 The Part One Study concludes that the district should focus on an employment strategy that seeks to deliver the "Better Backwater" scenario, albeit with aspirations to deliver higher employment growth in excess of this – a target of 10,000 jobs is projected, with employment land requirements of 12.1 hectares of office and 3.4 hectares of industrial and warehousing. This scenario would provide a number of planning options spatially, with the majority of growth focused on Clacton (particularly office) and Harwich (especially relating to Bathside Bay). It would also include some growth in the office market in the west of the district (albeit within the context of Colchester's existing strengths and aspirations in the office market), potentially with a joint strategic approach from Tendring and Colchester Council's.

2.22 Reflecting this, the report makes a number of spatial recommendations to support the preferred growth scenario:

- Harwich Area – if the proposed Bathside Bay development comes forward, significant areas of employment land will also come forward. However, this alone will not be enough to meet growth requirements so additional development will be required. Harwich Old Town could contribute towards this with development linked to maritime connections and the visitor economy;

- West Tendring – potential for economic growth, reflecting the locational advantages that this area shares with the sub-regional centre of Colchester. This could also result in a ripple effect stimulating development activity elsewhere in Tendring. As such a shared strategic approach between Tendring and Colchester is likely to be necessary;

- Clacton Area – as the largest centre in Tendring, Clacton should continue to be the recipient of significant employment generating growth. A large amount of growth is likely to be via mixed housing and employment development;

- Other Coastal Towns –a policy of continued incremental growth recommended; and,

- Other Rural Areas – potential for several small scale developments, with important cumulative impacts. Extensions to existing buildings and small scale B1 office unit complexes (rural diversification) and small scale developments on the edge of villages seen as most likely form of growth.

2.23 The **Part Two Employment Study** (2010) focuses upon the current supply of employment land in Tendring and implications of the findings of Part One for future employment land supply. The analysis notes that the commercial market in Tendring currently serves relatively local demand, with limited inward investment. The main commercial centres are Clacton (mainly office and industrial) and Harwich (mainly industrial and warehousing). There are a number of smaller office and industrial centre spread throughout the district.

2.24 The study reveals of total of 80.9 hectares of allocated supply across 31 sites in the District. Additionally, there were over 380 hectares available at 10 'Call for Sites'. As highlighted by the table below, this suggests a strong over supply of employment land:

Table 2-1: Tendring Employment Demand and Supply

Ha	Demand	Allocated Supply	Balance	Available Call For Sites
Industrial	-5.1	16.29	21.39	6.9
Warehousing	8.5	43	34.5	295.4
Industrial and Warehousing	3.4	59.29	55.89	302.3
Offices	12.1	21.7	9.6	75.71
Total B Class Space	15.5	80.99	65.49	383.4

Source: Tendring Employment Study Part Two (2010)

2.25 The report comes to the following spatial conclusions:

- Brightlingsea – identified oversupply of employment land, specifically of industrial land. Limited growth aspirations / potential;

- Clacton – the supply of allocated employment land is geared towards the office market, reflecting the nature of demand. Industrial land is aligned to existing activities around the Gorse Lane industrial estate and the level of supply is considered appropriate. Future employment potential will be strongly linked to residential growth, so scale of employment land needs should be reassessed once residential growth aspirations are agreed. The report concludes that there is a potential undersupply of employment land to the north west of Clacton, with potential for a number of sites identified in the Call for Sites process to be supported if aligned to future residential aspirations;

- Frinton – currently a limited level of employment land supply, reflecting demand. It is recommended that existing allocations are taken forward;

- Harwich – an oversupply of employment land. However, a number of the prime employment sites are subject to flood risk assessments which may affect their viability as employment sites. If their potential for development continues to be restricted, they should be removed from the potential supply locally. Conversely should flood risk not be an issue, the secondary employment sites should be considered for de-allocation or alternative use;

- Manningtree – supply tends to be industrial in nature, serving a local demand. Industrial availability is largely confined to an existing location, the Lawford Industrial Estate. Restriction of supply here should be considered to try to encourage reinvestment in the existing stock to improve overall quality. The council could also look to wider uses including a supermarket, waste, and heavy use activities;

- Mid Tendring – there is only one identified location, the Plough Road Centre. Demand is limited, but the site should be retained as a local employment site; and,

- West Tendring – the majority of supply is general industrial in nature, with overall demand limited. Employment growth prospects in the longer term are likely to include the delivery of office accommodation, complementing development in Colchester. This should be seen as a 'later aspiration', balanced with local aspirations for growth in Clacton and Harwich.

2.26 The report makes a number of recommendations to help achieve the preferred scenario:

- Adopt a phased approach to employment land development in the District;

- Support Development at Bathside Bay;

- Adopt a joint approach with Colchester Borough to develop the office market in West Tendring; and,

- Ensure Joint Working with the Highways Agency to ensure continued development and improvement of key road routes such as the A120 and A133.

Development Plan Documents

2.27 The current Tendring District Local Plan was adopted in 2007 with the intention of being replaced by a 'Local Development Framework' (LDF) within four years (2011). However, due to changes by central government in relation to the planning system at the local level, a new Draft Local Plan was prepared by Tendring Council and subsequently put out for public consultation from late 2012 to January 2013. It is anticipated that this new Local Plan will be adopted by Tendring District Council in 2014.

Tendring District Local Plan 2007

2.28 Housing and employment targets in the 2007 plan were largely a result of seeking conformity with the Essex and Southend-on-Sea Replacement Structure Plan (2001). With regard to previous housing completions, the plan set a target for the delivery of an additional 1,792 new homes between 2007-2011, the majority of which were to be concentrated in Clacton and Harwich. A preference to brownfield redevelopment as opposed to greenfield development is stated in the plan.

2.29 The plan requires that there be strategic employment sites located close to the port and along the A120 corridor to maximise the opportunities these infrastructures create. Approximately 59 hectares of development land is identified by the plan for employment purposes (B1, B2 and B8 class uses) primarily in the vicinity of Harwich International Port, including a 27 hectare strategic site at Pond Hall Farm. In addition, a proposed 122 hectare container port at Bathside Bay is also mentioned in the document (this has been granted planning permission but cannot proceed until upgrading works on the A120 are completed).

Tendring District Draft Local Plan 2011 -2021

2.30 The Tendring Draft Local Plan was put out for public consultation in November 2012. The plan aims to deliver around 4,000 new jobs, which is below the level of jobs growth recommended in the 2009 Employment Land Review. However, the Local Plan notes that other forecasts suggest that employment growth will be low or will stagnate.

2.31 The Plan proposes a 6% increase in housing stock (approximately 4,000 new homes) between 2011 and 2021. In its approach to housing growth it proposes that all settlements in the district will accommodate a standard 6% increase in their respective housing stock within the plan period.

2.32 The eastern edge of Colchester is identified by the Plan as offering an attractive location for concentrating Tendring's future economic and housing growth. However, due to the large scale of housing growth already planned within Colchester, the Plan does not consider it appropriate to add further development to Colchester until 2021 at the earliest. The Plan also recognises that as a result of previous policies, there is a limited supply of brownfield sites within the district and as a consequence the majority of new growth will need to be on greenfield land.

2.33 The draft Plan proposes that future housing and economic growth in Tendring will take place predominantly in Clacton and Harwich. Clacton is identified as the location for 1,700 new homes (6% of its existing housing stock) and 1,700 new jobs, primarily in service sectors. Harwich is expected to provide approximately 540 new homes (6% of its existing housing stock) and is the location of the majority of the district's employment land allocations, primarily carried over from the 2007 Plan. Upgrading works on the A120 are highlighted by the Plan as key towards delivering new jobs on employment land allocations in Harwich and facilitating future port expansion at Bathside Bay, which is anticipated to provide 1,700 jobs in addition to council targets.

2.34 Key planning policies within the Draft Local Plan relating to employment land allocations are summarised below:

- Policy PRO4: Priority Areas for Regeneration - The following areas are identified as 'Priority Areas for Regeneration': Clacton (Town Centre and Seafront), Jaywick (Brooklands, Grasslands and The Village), Harwich (Old Town), Dovercourt (Town Centre), and Walton-on-the-Naze. These areas will be the focus for investment in social, economic and physical infrastructure, and initiatives to improve vitality, environmental quality, social inclusion, economic prospects etc.

- Policy PRO11: Harwich International Port – Proposed developments in any part of the district that would jeopardise the Bathside Bay project will be refused.

- Policy PRO12: Freight, Transport and The Movement of Goods - Proposals for new freight, distribution and logistics facilities will primarily be directed to allocated 'employment sites'. If there are no suitable employment sites available, sites with good access to the rail network or the A120 will be considered.

- Policy PRO15: The Rural Economy – The proposed conversion/re-use of rural buildings in the countryside outside of defined 'Settlement Development Boundaries' to employment, leisure or tourism use will be granted permission subject to conformity with other policies within the plan.

2.35 Policy PRO14 sets out the Council's key policy on Employment Sites. It states the following:

Employment sites, (as identified on the Policies Map and Policies Map Insets), will be safeguarded and promoted for B1(b & c), B2 and B8 use in order to maintain a flexible supply of suitable employment land to attract inward investment in the industrial, storage and distribution sectors, provide appropriate locations for existing businesses to expand or relocate and safeguard local employment.
The change of use or redevelopment of land or buildings on these employment sites for purposes other than class B1(b & c), B2 or B8 uses (or their existing employment use) will not be permitted unless it can be demonstrated that the proposal would either create new permanent employment opportunities or support existing ones and would not conflict with any other policies contained in the Local Plan.

For sites or premises in B1 (b & c), B2 or B8 use (or last used for those purposes), but not specifically identified as an employment site in the Local Plan, the redevelopment or change of use to residential will only be permitted if the applicant can demonstrate, with evidence, that the site or premises are no longer economically viable; that they are inherently unsuitable for any form of alternative permanent employment use that might be permitted in accordance with the policies in this Local Plan; or that the employment activity will be relocated to one of the district's identified employment sites so it can expand.

Recent Policy on Housing

Strategic Housing Market Assessment Update (SHMA)

2.36 The Tendring SHMA Update (2013) concludes that the requirement for housing up to 2029 is likely to be around 685 homes per annum – equivalent to 10,275 units over the 15 year period (2014-2029). This is based upon the latest household projections published on 9th April 2013 by the Department of Communities and Local Government and other available data. The council has concluded that the likelihood of being able to deliver 10,000 new homes in the district over 15 years is extremely optimistic and the prospect of growth on this level would no doubt cause significant alarm amongst its communities, however in accordance with the National Planning Policy Framework, the Planning Inspector will expect the Council to allocate sufficient sites to meet this requirement, in full, unless it can demonstrate good planning reasons not to do so.

Strategic Housing Land Availability Assessment (SHLAA)

2.37 The 'SHLAA' assesses potential development sites across the district to determine how much housing development can realistically be achieved taking physical, environmental and infrastructure constraints into account and making sensible assumptions about the likely rate of housing development in a recovering economy. The draft SHLAA (2013) concludes that for the 10 year period between 2014 and 2024, it will only be realistic to expect 4,000 homes to be delivered in the district (an average of 400 a year) which represents 6% growth in the existing housing stock.

Emerging Policy

2.38 The council is currently proposing to amend (subject to Council approval) expected housing growth over the timeframe of the Local Plan from approximately 4,000 homes over 10 years (400 per annum) to a minimum of 5,625 homes over 15 years (375 per annum). This change relates to the findings of the SHLAA and not the SHMA. Whilst this appears to diverge from NPPFs focus on "objectively assessed needs", we have used these figures as the basis for our projections (see Section 6 of this report).

Tendring District Council Economic Development Strategy and Action Plan

2.39 Tendring's Economic Development Strategy is designed to capitalise upon new opportunities as well as build upon existing economic assets. This response is underpinned by a need to support residents and businesses to become more competitive whilst also attracting more people to Tendring to live, work and visit.

2.40 The Strategy was developed following detailed research and consultation in Summer 2013. It captures the commitment of Tendring District Council and its partners to create the conditions to stimulate economic growth and to deliver changes in Tendring's economy that will benefit businesses, residents, the workforce, and visitors over the next 10 years.

Companion Documents

2.41 This Strategy is part of a suite of three documents; it is accompanied by a Socio-Economic Baseline and an Action Plan:

- **The Socio-Economic Baseline** is highly detailed assessment of Tendring's economy, drawing together all available research on the District and its local areas. This not only provides the statistical base that has helped develop this strategy, but will also provide the evidence which will help make the case for intervention in the future.
- **The Action Plan** provides more detail on recommended projects and how partners can work together to deliver this strategy. It provides an outline of specific interventions as well as new delivery approaches that could be adopted to help support growth in Tendring.

Summary of the Strategy

2.42 The strategy is built around five agreed objectives which will help form the response to local economic issues over the next decade:

- Objective 1: Supporting Tendring's Growth Locations - this outlines the vision for target locations over the next 10 years. Based on the evidence available and consultation with stakeholders, initial target locations are Harwich, Clacton, and the West of Tendring.
- Objective 2: Targeting Growth Sectors - this section outlines the approach to supporting growth in target sectors in the District. Identified target growth sectors are Offshore Energy and Care.

- Objective 3: Ensure Residents Have the Skills and Information to Participate - this outlines the need to support residents so that they have the skills and aspiration to participate in the opportunities promoted within this strategy. This includes recommendations on education, skills provision, and employment.

- Objective 4: Support Modernisation, Diversification, and Growth within the Business Base – this outlines the approach to creating a more dynamic, diverse, and future facing business base in Tendring. Improvements in business liaison, innovation, and inward investment are the focus of this objective.

- Objective 5: Facilitate population growth where this supports economic objectives – this recognises the link between population and economic growth in Tendring and outlines how some housing development could stimulate economic growth in the future.

2.43 The Strategy and Action Plan are designed to support the iterative evolution of the Tendring economy over the next 10 years and beyond. In addition to specific actions to support growth and investment, the Action Plan also makes recommendations on how Tendring DC can use existing corporate functions to deliver strategy objectives. Of specific relevance to this Employment Land Review are the following recommendations:

- R8 - Embed Principles of growth and economic development within the planning system

- R16 - Ensure flexibility within the Tendring Local Plan to accommodate future growth

- R17 - Improved developer liaison

2.44 The Action Plan also proposes a number of areas for future investigation which could have implications for this Employment Land Review. Specifically, the development of a Prospectus for Harwich (and associated Marketing) and initial research into the capacity of land to the west of Tendring could influence both supply and demand at these locations.

Neighbouring Authorities

2.45 It is also important to consider the key priorities – both planning and economic development – being taken forward by neighbouring areas. The key points are described in more detail within Appendix A and this is based upon a brief review of available information and discussions with these local authorities. A summary of the key points and implications for Tendring is provided below.

2.46 **Colchester** borough borders Tendring to the west. The town of Colchester is a key sub-regional centre within the East of England economy and performs a role as an employment, leisure, and retail hub to neighbouring areas including Tendring. Colchester has performed relatively strongly in recent years despite the recession. Recent years have seen relatively robust performance in the local employment and business base. Aspirations for economic growth are outlined throughout local policy. The Colchester Core Strategy aims to create 14,200 jobs and at least 19,000 new homes over the period 2008-2021. The Colchester Employment Land Study (2007) estimates that 30ha of employment land is required in the Borough to support projected growth. Key areas for this include sites around the University (in the east of the borough), and a number of sites close to the A12. Plans for the development of employment land close to the University of Essex (e.g. the Knowledge Gateway) have direct relevance to Tendring given the close physical proximity and ambitions for closer working between Tendring and the University. Development of employment land on sites in proximity to the A12 is also of relevance given that the A12 is a key route within the sub-regional context. Reflecting this, development of these sites may influence levels of demand within Tendring.

2.47 The local authority of **Babergh** borders Tendring and lies to the west of the district. The Draft Babergh Core Strategy 2011-2031 is currently under examination and sets out the council's aim of creating 9,700 new jobs and delivering 5,975 (45% on brownfield sites) new homes during the plan period. It is likely that the jobs target will be met at a number of sites including an Economic Regeneration Area at Brantham. This site may have direct implications for Tendring, given its scale and position close to the district. The Brantham Economic Regeneration Area is a major industrial site formerly occupied by Wardle Storey. Policy CS6a allocates this as a major regeneration site. The policy seeks possible retention and enhancement of employment, an appropriate level of residential development, and community facilities. The strategy sets out potential for 1,050 dwellings in Brantham and other core and hinterland villages within the district of Babergh.

3. Economic Context

Introduction

3.1 This section provides an overview of the size and nature of the Tendring economy through analysis of the local economy, as well as characteristics of the local population and labour market. It has been informed by the Tendring Socio-Economic Baseline which has been prepared to underpin the Economic Development Strategy and Action Plan. This section focuses on those data sets and issues which are most relevant to assessing employment land supply and demand. Key messages arising from this section are summarised below.

Key Messages

- The growth rate of Tendring's GVA over the period 2001-11 was 49%, which is relatively in line with the growth in Essex and England (48%).
- There are a total of 35,400 jobs in Tendring, which is lower than most comparator areas except Babergh.
- In order to inform this ELR, we have examined employment change between 2001 and 2011. This shows that Tendring has experienced a 10% increase in total employment which compares to a 3% increase in employment at a national level. This is an increase of 3,100 jobs. Since 2008 however, Tendring has experienced a 1% decline in employment, which is less than most comparator areas and relatively in line with Essex and England. The socio-economic baseline paper also revealed that Tendring experienced a 2% decline in employment between 2003 and 2011 (a decline of 600 jobs).
- Applying the Use Class Model to employment data for Tendring for the purpose of this ELR highlights that during the period 2001-2011, employment in B use classes has not grown and has in fact decreased by around 100 jobs (1%). Over this period, there has been some growth in B8 (9%) and B1 (5%) but a significant reduction in B2 activities (17%).
- Tendring is characterised by a low business start-up rate and decreasing business base. The District has experienced a 7% decrease in the business base since 2008.
- Tendring currently has a population of 138,050 residents. Since 2001, the population has remained relatively stable while thenational population growth rate for this period is equal to 8%.
- The area has a higher than average proportion of people aged over 65, particularly in the coastal towns.
- Tendring is characterised by lower than average skills levels within the resident population. In 2011, a higher proportion had no qualifications (34%) compared to the wider areas of Essex (24%) and England (22%).
- There are also higher than average levels of economic inactivity and unemployment. The District employment rate in 2011 was 55% (53,290) which is below all other comparator areas including Essex (71%) and England (70%).
- A Business Survey has been carried out speaking to 570 firms across Tendring. Firms were asked to identify the advantages and disadvantages of being located in the District and 89% suggested that proximity to suppliers was a strong advantage. This was followed by condition of premises (85%), proximity to customers (82%), and availability of suitable premises (80%). Disadvantages included a perceived lack of grant aid (54%), energy costs (45%), and broadband and mobile connectivity (41%).
- 51 firms responded to a question on the most influential factor when choosing a location, half (49%) noted low costs and rates as a highly influential factor. One-third (34%) also suggested that modern appearance and plentiful parking were also important factors. Other important characteristics noted include good access to road motorway (17%); access to shops and restaurants (17%); and superfast broadband (21%).

Note that unless specified, the data and key points summarised here have been informed by the Tendring Socio-Economic Baseline prepared to underpin the Tendring Strategy and Action Plan.

3.2 In order to fully understand the performance and socio-economic conditions of Tendring, this section uses comparator geographies as a benchmark analysis. These geographies are at the district, regional, and national level and further contextualise the local performance of Tendring District.

	District Geographies	Wider Geographies
Comparator Geographies	• Tendring • Colchester • Thanet • Babergh • Braintree	• Essex • SE LEP • England

Local Economy

3.3 The overall size of the Tendring economy can be measured in proportion to the regional and national gross value added (GVA) that the area supports. The Tendring Socio-Economic Baseline showed that in 2011, the Tendring economy contributed GVA of around £2.1 billion to the national economy – around 7% of the overall GVA generated within Essex and around 0.2% of GVA nationally. We estimate that Tendring's GVA contribution is below that of neighbouring local authority areas such as Braintree (£2.2 billion) and Colchester (£3.1 billion).

3.4 Over the period 2001-11, the GVA generated in Tendring grew by 49%. This rate of growth was slightly above the growth rate average nationally and across the county Essex (48%).

Table 3-1 Headline GVA at current, basic prices (£million), 2001-11

		2001	2011	Change 2001-11	
				Number	%
Local Area	**Tendring District**	£1,380	**£ 2,050**	**£680**	**49%**
Comparator Areas	Colchester	£2,930	£ 4,290	£1,370	47%
	Braintree	£1,900	£ 2,780	£860	46%
Wider Areas	Essex	£20,270	£ 30,090	£9,820	48%
	England	£761,190	£ 1,124,880	£363,690	48%

Note: GVA estimates are only available down to NUTS3 Level. We have estimated Local Authority GVA by taking into account the density of employment in Essex and allocating GVA contribution accordingly

Source: ONS

Number of Jobs

3.5 Most recent data reported in the Tendring Socio-Economic Baseline indicates that there are 35,400 jobs within Tendring. This is a smaller number than in most of the comparator areas (with the exception of Babergh).

3.6 Between 2001 and 2011, employment in Tendring increased by 10% (3,000 jobs), compared to a national growth rate of 3%. During the same time period, comparator areas such as Colchester, Braintree, and Essex experienced significant growth above the national average (but below that of Tendring).

3.7 Since 2008, Tendring has experienced a 1% decline in employment (200 job losses). This trend is broadly in line with the rate of decline experienced nationally and across the county and LEP area, but less than the decline experienced in many of the district level comparator areas (with the exception of Colchester). Despite this, employment performance has been slightly stronger when a longer time period is taken into account.

Table 3-2 Overall Employment, 2001 – 11 (000s)

		2001	2011	Change 2001-11		Change 2008-11	
				No.	%	No.	%
Local Area	Tendring District	32.3	35.4	3.1	10%	-0.2	-1%
Comparator Areas	Colchester	68.5	74.0	5.5	8%	1.8	3%
	Thanet	37.8	39.0	1.3	3%	-1.0	-3%
	Babergh	29.3	29.3	0.0	0%	-1.1	-4%
	Braintree	44.5	47.8	3.3	7%	-0.9	-2%
Wider Areas	Essex	474.3	518.6	44.3	9%	-2.7	-1%
	SE LEP	1,316.3	1,385.9	69.5	5%	-13.2	-1%
	England	22,362.7	23,058.9	696.3	3%	-272.3	-1%

Source: ABI and BRES
Note: ABI data has been adjusted to be compatible with BRES data

3.8 Contrary to this, Tendring's Socio-Economic Baseline showed that between 2003 and 2011, employment in Tendring decreased by 2% (about 600 jobs). This compares to a national growth rate of 2%. During the same time period, comparator districts such as Colchester and Thanet experienced significant growth above the national average.

3.9 This does re-affirm that caution is necessary when assessing employment change over set time periods, given timescales chosen will always be arbitrary and analysis can be impacted by yearly / one off fluctuations in employment. In our experience, ELRs should be informed by an analysis of employment change over a longer time period (such as 10 years). Whilst this does provide a positive picture of past performance, a more pessimistic picture revealed through the baseline analysis should also be borne in mind.

Broad Sectoral Profile of the Tendring Economy

3.10 Analysis of the broad sectoral profile of the Tendring economy within the Tendring Socio-Economic Baseline highlights the types of activities which are taking place within the district, and areas of comparative strength and weakness in relation to comparator area.

3.11 Analysing Tendring's employment base by sector reveals that Health, Retail, and Education are the largest sectors in terms of number of jobs. Together these sectors represent 45% of the District's total employment (15,800 jobs) and all have a LQ greater than 1 at the county and national level. However, it is worth noting that since 2008 Health has declined by around 400 jobs while Education has increased by approximately 1,100.

3.12 Other notable sectors include Manufacturing (2,800 jobs), Accommodation and Food Services (2,800 jobs), and Transport and Storage (2,500 jobs). Whilst the former of these sectors is under represented relative to the national average, the latter two sectors are over-represented locally. Despite this, the Manufacturing sector has experienced some growth locally in recent years (around 200 jobs), whilst the Accommodation and Food Services and

Transport and Storage have both seen employment declines.

Table 3-3 Broad Sector Overview by employment, Tendring 2011

	Total Employees	% of Total	LQ vs. England	LQ vs. Essex	Change 2008-11	
					No.	%
Health	5,900	17%	1.3	1.4	-400	-7%
Retail	5,200	15%	1.4	1.3	<50	-1%
Education	4,700	13%	1.4	1.1	1,100	31%
Manufacturing	2,800	8%	0.9	0.9	200	9%
Accommodation and food services	2,800	8%	1.2	1.3	-400	-13%
Transport and Storage	2,500	7%	1.5	1.4	-200	-8%
Construction	1,800	5%	1.1	0.8	-200	-11%
Business administration	1,800	5%	0.6	0.7	100	7%
Public administration	1,500	4%	0.9	1.1	200	16%
Arts, entertainment, recreation	1,500	4%	0.9	0.9	-200	-14%
Professional, scientific, and technical	1,200	3%	0.5	0.6	<50	0%
Wholesale	1,100	3%	0.7	0.7	100	8%
Motor Trades	1,000	3%	1.6	1.4	-100	-9%
Financial and insurance	400	1%	0.3	0.4	-100	-22%
Mining	400	1%	1.0	1.2	-100	-22%
Property	300	1%	0.5	0.5	<50	-9%
Information and communication	300	1%	0.2	0.3	<50	-5%
Agriculture	See note below					
Total	35,300	100%			-300	-1%

Note: LQ (Location Quotient) is a measure of specialisation, with a measure greater than 1 indicating that the proportion of employment in a particular sector is more concentrated at the local level than the county or national level

Note: The BRES does not fully report employment in the agriculture sector. The Department for Environment, Food, and Rural Affairs (Defra) monitors agricultural employment and reported a total of 1,100 jobs in the agriculture sector in Tendring in 2010. This sector is analysed in depth in Chapter 4, Assessment of Key Sectors.

Source: BRES

3.13 The sectoral structure of Tendring's employment base can be analysed further by drilling down in more detail into the sector classification. The top five 2 digit SIC[3] sectors within Tendring are set out below and highlight the important role that retail, education, residential care, and human health play in the local economy. With the exception of education which has seen a significant increase in employment, these sectors have largely seen employment declines in recent years.

[3] 2 Digit SIC Sectors are more detailed than the Broad Industrial Sectors described above, splitting the economy down into around 100 sectors

Table 3-4 Top Five Detailed Employment Sectors in Tendring, 2011					
Sector		Employees		Change 2008-11	
		No.	% of Total	No.	%
1.	Retail	5,200	15%	<50	-1%
2.	Education	4,700	13%	1,100	31%
3.	Residential care	2,600	7%	-400	-14%
4.	Human health	1,900	5%	-300	-12%
5.	Food and Beverage	1,800	5%	-500	-23%
Source: BRES					

3.14 To assess the implications of this employment in terms of employment land it is necessary to estimate the proportion of growth which has related to B1, B2, and B8 employment land uses. Regeneris Consulting has developed a land-use model to assign individual SIC codes to land uses (e.g. B1 office, B2 industrial, B8 manufacturing, A1 retail etc.) and this has been used to inform this ELR.

3.15 Applying the Use Class Model to employment data for Tendring highlights that during the period 2001-11, employment in B use classes has not grown and has in fact decreased by approximately 100 jobs (1% decline). Over the same period employment in A1 and Other uses increased by 3,300 jobs (17% increase). Since 2008, employment has increased slightly in B use classes, equal to 500 jobs, while A1 and Other use classes have experienced a decline of 600 jobs.

Table 3-5 Tendring Employment Change by Use Class, 2001-11								
	2001	2011	Change 2001-08		Change 2008-11		Change 2001-11	
			No.	%	No.	%	No.	%
B1	5,700	6,000	200	3%	100	2%	300	5%
B2	4,100	3,400	-1000	-24%	300	10%	-700	-17%
B8	3,500	3,800	200	6%	100	3%	300	9%
All B uses	13,300	13,200	-600	-4%	500	4%	-100	-1%
A1 and Other	18,900	22,200	4,000	21%	-600	-3%	3,300	17%
Total	32,200	35,400	3,300	10%	-200	-1%	3,100	10%
Source: BRES and ABI Note: ABI data has been recalibrated to be made compatible with the BRES dataset.								

Business Base Performance

Number of Businesses

3.16 According to the Tendring Socio-Economic Baseline, there are approximately 3,900 businesses operating in Tendring, which is slightly more than the comparator areas of Babergh and Braintree but less than Colchester, which has 6,000 firms.

3.17 Since the economic downturn of 2008, Tendring's business base has decreased by 7%, equal to a loss of 275 firms. This decrease is significantly larger than that experienced by all other areas.

Table 3-6 Total Number of VAT and/or Paye Based Enterprises, 2008-12				
	2012		Change 08-12	
	Total	Businesses per 1,000 residents	No.	%
Tendring	**3,905**	28	**-275**	**-7%**
Colchester	5,970	34	-240	-4%
Thanet	3,045	23	-145	-5%
Babergh	3,835	44	-150	-4%
Braintree	5,865	40	-220	-4%
Essex	53,255	38	80	0%
SE LEP	123,630	32	-1,440	-1%
England	1,842,680	35	-8,525	0%
Source: UK Business Activity Size and Location, 2012				

Size of Businesses

3.18 Of the almost 4,000 businesses currently located in Tendring, 88% employ less than ten people (3,450 firms). Firms that employ between 10 – 99 people represent 11% of the business base, with the remainder having more than 100 employees. Tendring's profile of business by size is very much aligned with the national average. The decrease in 275 businesses experienced during 2008-12 largely occurred with those businesses with less than 10 employees.

Enterprise

3.19 Enterprise performance is another important factor in the economic vitality of a local area. Indicators of enterprise performance include the number of new business start-ups and closures per year, as well as the stock of active enterprises and survival rates. This section has been informed by the Tendring Socio-Economic Baseline.

Business Start-ups, Closures and Survival

3.20 The data for Tendring shows that in 2011, 28 businesses were created per 10,000 residents. This figure is lower than all comparator areas as well as that of Essex (45) and England (44).

3.21 Since 2008, Tendring has experienced a decline of 1 point in its business start-up rate, which is less than that experienced overall in Essex (4 point decline) and England (2 point decline). Over the longer period of 2004 – 11 the decline in Tendring's business start-up rate has been more severe (11 point decline), compared to an 8 point decline in Essex. Nevertheless, district level comparator areas have had similar experiences, with Thanet, and Babergh registering a 12 point decline in their start-up rate over the same period.

Table 3-7 Business start-ups, 2004-11						
	2011	Start-up rate	Change 04-11		Change 08-11	
			Number	Point change of rate	Number	Point change of rate
Tendring	**390**	**28**	**-160**	**-11**	**-35**	**-1**
Colchester	665	38	-95	-9	-25	-1
Thanet	400	30	-135	-12	-20	-3
Babergh	330	38	-95	-12	-10	-2
Braintree	585	40	-225	-19	-105	-9
Essex	6,280	45	-700	-8	-435	-4
SE LEP	14,465	38	0	-3	-1,390	-5
England	232,460	44	-15,990	-6	-3,885	-2
Source: ONS Business Demography Note: Start-up rate is equal to the number of businesses created per 10,000 resident						

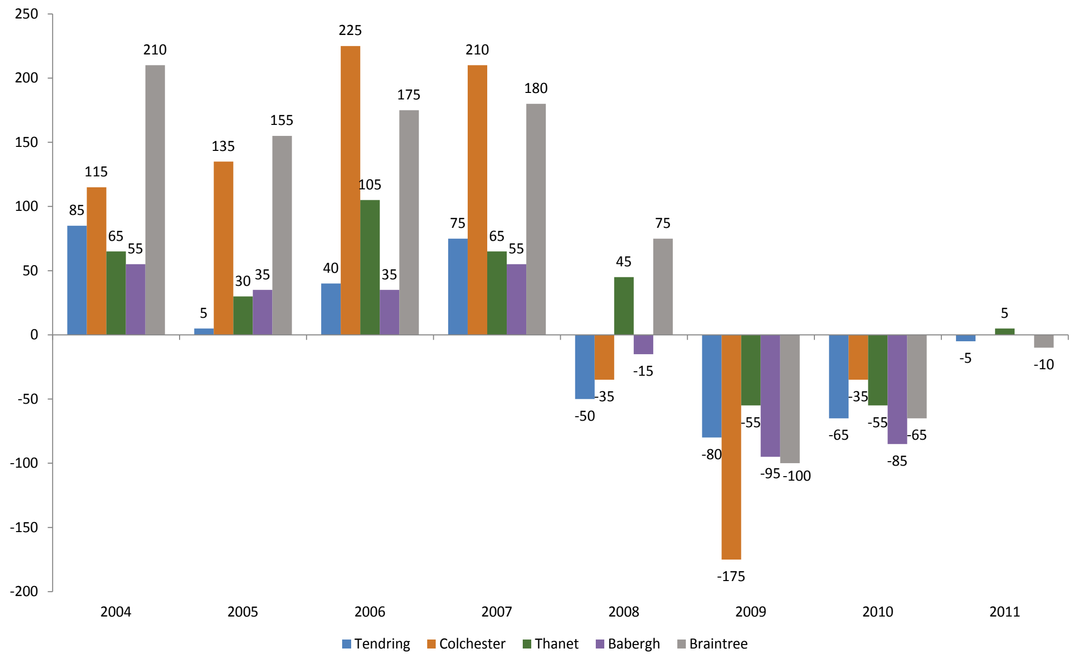
3.22 In addition to business start-ups, it is useful to understand the number of business closures per year, since these variables ultimately determine the net increase or decrease in Tendring's business base. In 2011 there were approximately 395 business closures in Tendring, equivalent to a closure rate of 29. This figure is surpassed by the closure rates of all comparator areas and is equivalent to that of Thanet. The closure rates of the wider geographies including Essex (40) and England (38) also surpass Tendring.

3.23 Since 2008 Tendring has experienced a 4 point decline in its closure rate, which is equal to that of Thanet. This positive finding out-performs all comparator areas and England, which did not experience a decrease in its business closure rate over the same period.

Table 3-8 Business closures, 2004-11						
	2011	Closure rate	Change 04-11		Change 08-11	
			Number	Point change of rate	Number	Point change of rate
Tendring	**395**	**29**	**-70**	**-4**	**-80**	**-4**
Colchester	665	38	20	-2	-60	-3
Thanet	395	29	-75	-7	20	0
Babergh	330	38	-40	-6	-25	-4
Braintree	595	40	-5	-3	-20	-3
Essex	5,535	40	-265	-4	-175	-2
SE LEP	13,305	35	-740	-4	205	-1
England	202,365	38	-13,630	-5	5,670	0
Source: ONS Business Demography Note: Closure rate is equal to the number of businesses closed per 10,000 resident						

3.24 Following on from the analysis of business start-ups and closures, it is useful to use this data to understand the net change in Tendring's stock of active enterprises. The diagram below, which presents the net change based on yearly start-ups and closures, illustrates varied performance in recent years. In the period to 2007, Tendring experience a net positive balance between business start-ups and closures, although lower levels than in comparator areas such as Colchester and Braintree. Since 2008 Tendring and its comparator areas have registered net losses, meaning that business closures have outnumbered business start-ups. These losses were most severe in 2009 when the net change was a loss of 80 businesses, but improved to a loss of only 5 in 2011.

Figure 3-1 Net change in business start-ups and closures, 2011



Source: ONS Business Demography, 2011

Self-Employment

3.25 Self-employment is another indicator of levels of enterprise in a local area. Currently approximately 10% of the District's residents aged 16 - 74 are self-employed (equivalent to 9,790 people). This proportion is in line with the national level (10%), and slightly below all comparator areas except Colchester (9%). Since the 2001 Census, the number of self-employed residents in Tendring has increased by 10% (890 people). This is significantly below the increase experienced at the national level (28%) and all other comparator areas.

Table 3-9 Population in self-employment, 2001-11

		2011		Change 01-11	
		No.	%	No.	%
Local Areas	**Tendring District**	**9,790**	**10%**	**890**	**10%**
Comparator areas	Colchester	12,150	9%	2,310	23%
	Thanet	9,560	10%	2,230	30%
	Babergh	8,020	13%	1,030	15%
	Braintree	12,410	12%	2,410	24%
Wider Areas	Essex	112,480	11%	20,270	22%
	SE LEP	307,080	11%	61,850	25%
	England	3,793,630	10%	838,640	28%

Source: Census 2001 and 2011
Note: Self-employment rates are calculated using population aged 16 – 74, as specified in the 2011 Census methodology.

Population and Demography

3.26 The Tendring Socio-Economic Baseline analysed key data sets which could inform our understanding of the characteristics of the population within Tendring and past trends. The key points are summarised here.

Size of Population

3.27 Whilst acknowledging the previously stated caveats regarding the use of Census data, this dataset provides the most up to data assessment of the size of the Tendring population. The Census suggests that in 2011 Tendring had a population of 138,050 people.

3.28 Since the 2001 Census Tendring's population has declined slightly (490 people less), contrary to national trends. While the national population growth rate for this period is equal to 8%, some comparator areas grew at a faster rate, including Colchester (11%) and Braintree (11%). **This finding is currently being queried by Tendring DC, given the expectation of a population increase over that time period.**

Table 3-10 Total population, 2001-11

<table>
<tr><th colspan="2" rowspan="2"></th><th rowspan="2">2011</th><th colspan="2">Change 2001-11</th></tr>
<tr><th>No.</th><th>%</th></tr>
<tr><td>Local Area</td><td>Tendring District</td><td>138,050</td><td>-0.49</td><td>0%</td></tr>
<tr><td rowspan="4">Comparator Areas</td><td>Colchester</td><td>173,070</td><td>17.3</td><td>11%</td></tr>
<tr><td>Thanet</td><td>134,190</td><td>7.5</td><td>6%</td></tr>
<tr><td>Babergh</td><td>87,740</td><td>4.3</td><td>5%</td></tr>
<tr><td>Braintree</td><td>147,080</td><td>14.9</td><td>11%</td></tr>
<tr><td rowspan="3">Wider Areas</td><td>Essex</td><td>1,393,590</td><td>82.8</td><td>6%</td></tr>
<tr><td>SE LEP</td><td>3,821,580</td><td>279.0</td><td>8%</td></tr>
<tr><td>England</td><td>53,012,460</td><td>3,873.6</td><td>8%</td></tr>
</table>

Source: Census 2001 and 2011

Age Structure

3.29 The working age population (WAP) of an area is an important indicator used to understand the potential pool of labour that Tendring has to support its economy. It is defined by the ONS as the population between the ages of 16 and 64.

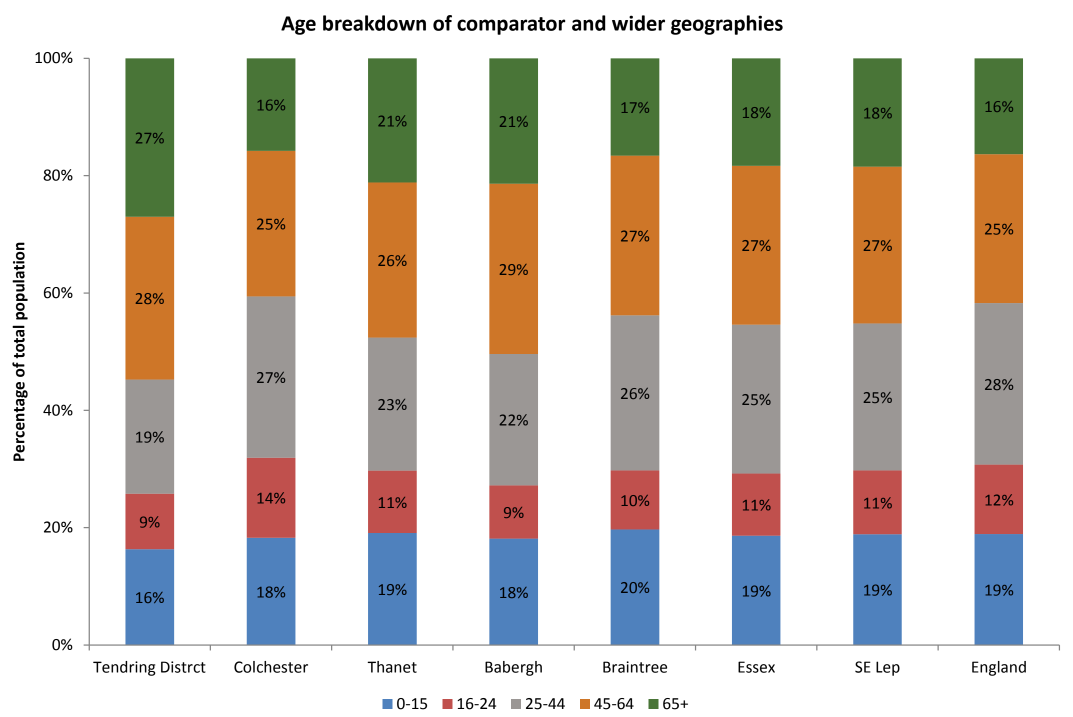
3.30 In 2011, 57% of Tendring's population was of working age (78,220 residents), that is aged between 16 and 64 years. This figure is the lowest proportion relative to all comparator areas, including Essex (63%) and England (65%). Since 2001, Tendring's WAP has not grown in absolute terms, but has increased its proportion in the total population due to a decrease in the number of those aged 65 and over. During the same period, the WAP grew in absolute terms in all other comparator areas, at rates as high as 12% and 11% in Colchester and Braintree and 6% in Essex.

Table 3-11 Total working age population (WAP), 2001-11						
		2011		Change 2001-11		
		No.	% of total	No.	% change	Point change
Local Area	**Tendring District**	78,220	**57%**	**-0.04**	**0%**	**1%**
Comparator Areas	Colchester	114,120	66%	12.2	12%	1%
	Thanet	80,140	60%	6.5	9%	2%
	Babergh	53,070	60%	1.2	2%	-2%
	Braintree	93,690	64%	8.9	11%	0%
Wider Areas	Essex	878,290	63%	48.1	6%	0%
	SE LEP	2,395,250	63%	188.5	9%	1%
	England	34,329,090	65%	2,899.8	9%	1%

Source: Census 2001 and 2011
Note: WAP defined as those aged 16 – 64

3.32 In addition to understanding the changes in Tendring's WAP, it is important to also consider the area's age profile for all residents. Overall, there is a significantly larger proportion of residents in the District who are aged 65 and older; in Tendring this figure is 27%, compared to 18% in Essex and 16% nationally. Conversely, Tendring has a smaller proportion of younger residents compared to these wider geographies. While 25% of the District's residents are below the age of 25, this proportion is equal to 30% for both Essex and England.

Figure 3-2 Age breakdown in Tendring and wider geographies, 2011



Source: Census 2011

Labour Market

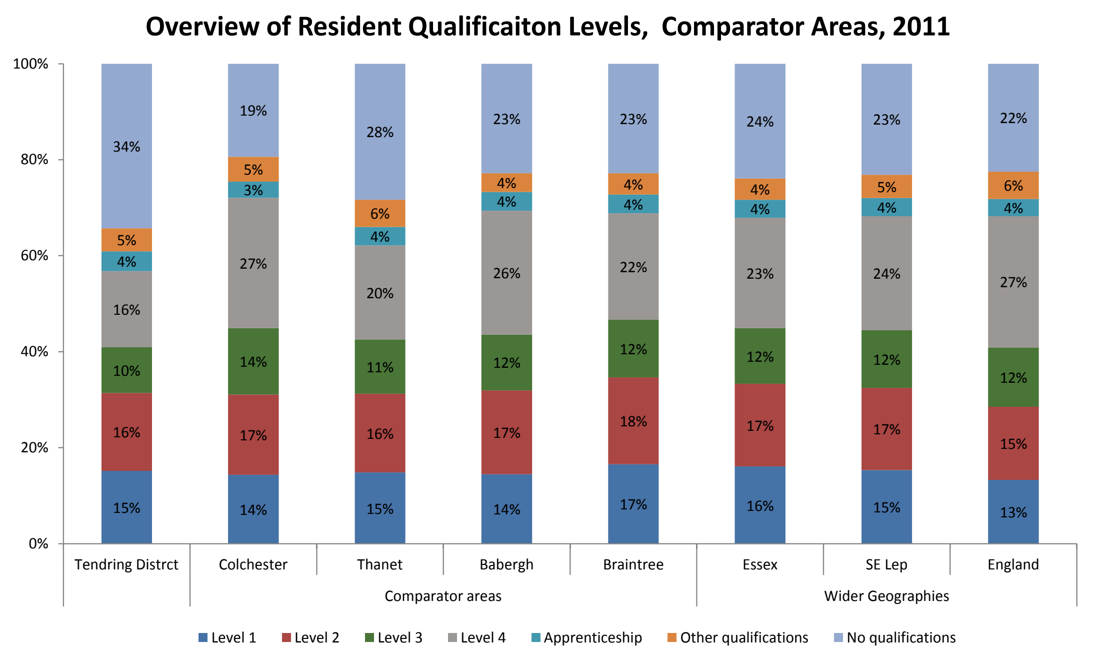
3.33 The Tendring socio-economic baseline paper analysed key data sets which could inform our understanding of the characteristics of the labour market in Tendring and past trends. The key points are summarised here.

Skills Supply and Demand

Qualification Levels

3.34 The level of resident qualifications is a strong indication of the local population's skills base. Since the time of the 2001 Census, all areas of analysis have seen an increase in the proportion of residents qualified to level 4 or above. However, Tendring has performed below average in this respect (with a 5 percentage point increase against this indicator since 2001, compared to a 7 point increase in both Essex and England).

Figure 3-3 Resident Qualification Levels- Comparator Areas 2011 (Top) and Point Change 2001-11 (Bottom)



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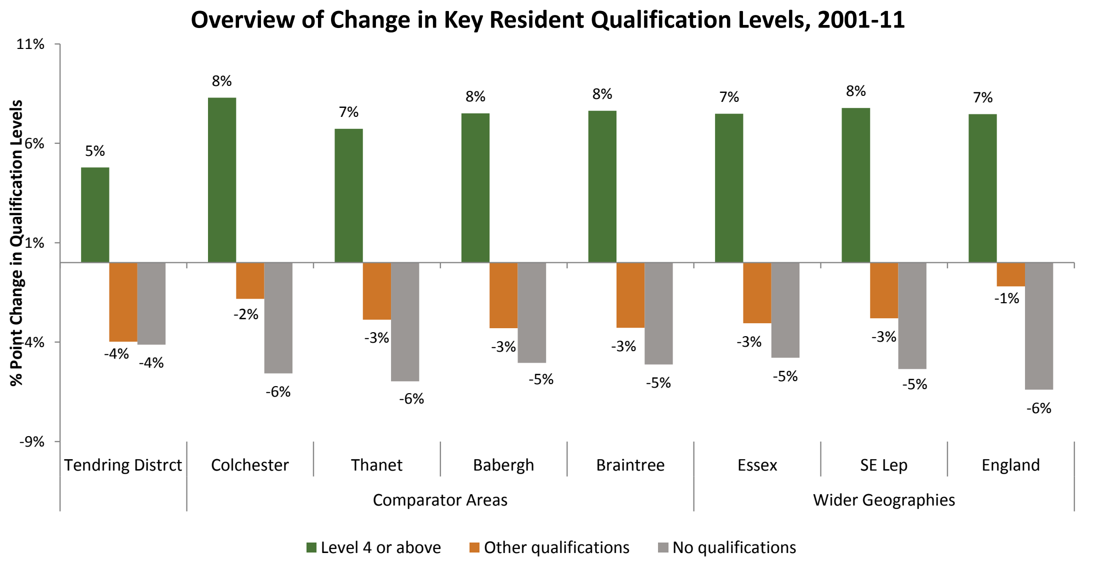
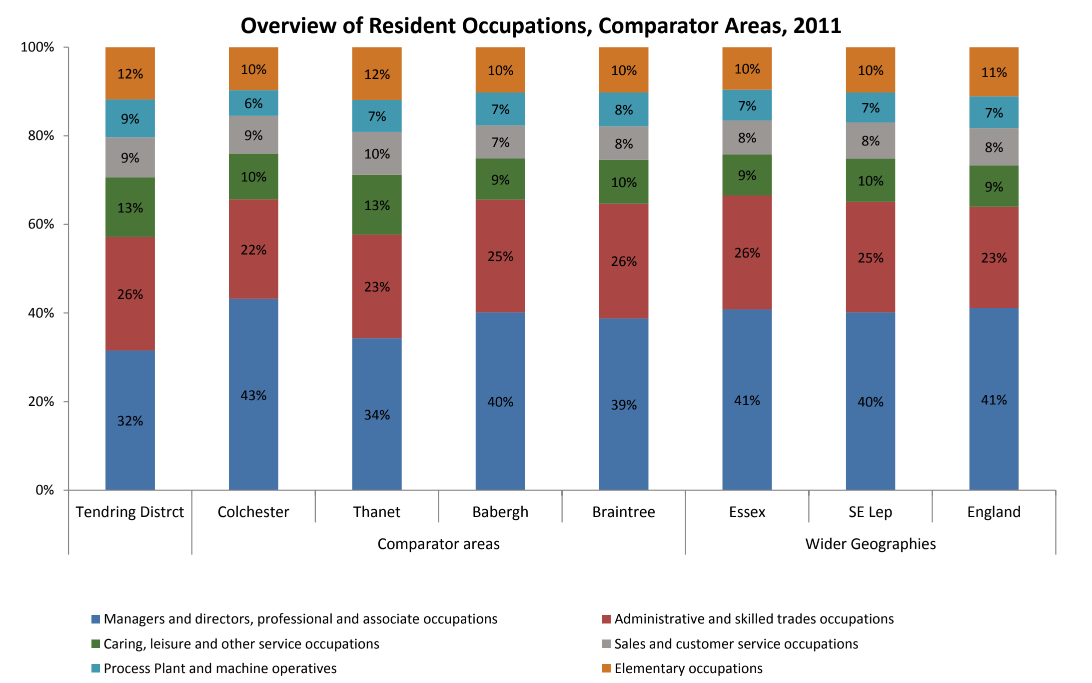


Source: Census 2001-11

Occupational Profile

3.35 The profile of resident occupations provides a further indication of the qualification levels of the local population. As there is a lower than average proportion of residents with higher qualifications in Tendring, it is unsurprising that there is also a smaller proportion of residents in manager, director, professional, and associate occupations (32%). This proportion is below those of Essex and England (41% each) as well as all comparator areas. Nevertheless, Tendring has a proportion of residents in the caring, leisure, and other service related occupation (26%), which is above the national level (23%) and all comparator areas with the exception of Braintree. This is likely to represent the high percentage of employment in the broad sectors of Retail and Health.

Figure 3-4 Resident Occupations- Comparator Areas 2011



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Source: Census 2001-11 and Annual Population Survey

Economic Participation

Economic Activity

3.36 Tendring currently has an economic activity rate of 62% (59,910 people), which is significantly below those of the wider areas including Essex (71%) and England (70%). All other comparator areas also have higher rates of economic activity, with Braintree having the highest of 74% (78,720 people).

3.37 During the period 2001 – 11 Tendring experienced a 6% increase in the number of residents who are economically active (3,270 additional people). However, this rate of increase is below those of all comparator areas, which averaged 15% growth over the same period (with the exception of Babergh).

Table 3-12 Economically active population, 2001-11

		2011		Change 01-11	
		No.	%	No.	%
Local Areas	**Tendring District**	**59,910**	**62%**	**3,270**	**6%**
Comparator areas	Colchester	91,390	71%	13,230	17%
	Thanet	61,270	65%	7,960	15%
	Babergh	44,350	70%	2,620	6%
	Braintree	78,720	74%	10,290	15%
Wider Areas	Essex	719,430	71%	68,900	11%
	SE LEP	1,938,570	70%	228,420	13%
	England	27,183,130	70%	3,426,420	14%

Source: Census 2001 and 2011
Note: Economic activity rates are calculated using population aged 16 – 74, as specified in the 2011 Census methodology.

Employment Rate

3.38 Tendring currently has an employment rate of 55%, meaning that slightly over half of all residents aged 16 – 74 are employed (equal to 53,290 people). Compared to other areas, this figure is relatively low; while the national rate is 62%, comparator areas reach rates as high as 67% in Braintree and 65% in Babergh. Thanet is the exception, which has an employment rate of 56%.

3.39 The change in Tendring's employment rate over the period 2001 – 11 is very similar to that of its economic activity rate and is lower than average; it has increased by 2% (1,100 people) compared to 12% in Thanet, Colchester, and England and 8% in Essex.

Table 3-13 Population in employment, 2001-11

		2011		Change 01-11	
		No.	%	No.	%
Local Areas	**Tendring District**	**53,290**	**55%**	**1,100**	**2%**
Comparator areas	Colchester	81,210	63%	8,960	12%
	Thanet	53,120	56%	5,510	12%

	Babergh	41,040	65%	1,850	5%
	Braintree	72,020	67%	7,700	12%
Wider Areas	Essex	653,610	65%	46,810	8%
	SE LEP	1,748,660	63%	164,520	10%
	England	24,143,460	62%	2,493,190	12%
Source: Census 2001 and 2011 Note: Employment rates are calculated using population aged 16 – 74, as specified in the 2011 Census methodology.					

Unemployment

3.40 Unemployment is a key indicator in assessing the relative vitality of a local labour market. There are two measures of unemployment that are commonly used:

- **International Labour Organisation Unemployment (ILO)** – This measures all those people who want to work, are available to work, and who are actively seeking employment. The ILO unemployment rate is based upon the Annual Population Survey / Census and includes a larger number of individuals than the claimant count;

- **The Claimant Count** – this only measures those people who are claiming unemployment related benefits. It does not include all unemployed people, as some of those unemployed may not be able to claim benefits or chose not to do so. The measure is based on records from Jobcentre Plus.

ILO Unemployment

3.41 There are currently around 6,200 unemployed working age people in Tendring – a rate of 10.4%. This rate is above county and national averages and above that seen in many of the local benchmark areas.

3.42 The unemployment rate has increased significantly in recent years. The number of unemployment has increase by 210%, with the unemployment rate increasing by 7 points. Again, performance has been weaker than in comparator areas, with the exception of Thanet.

Table 3-14 ILO Unemployment, 2004-2012

	2012		Absolute Change, 2004-2012		Point Change, 2004-2012
	Number	%	No	%	
Tendring	6,200	10.4	4,200	210%	7.0
Babergh	1,500	3.7	500	50%	1.3
Braintree	5,600	7.8	3,500	167%	4.8
Colchester	6,700	7.0	3,400	103%	3.0
Thanet	7,600	13.1	5,300	230%	9.0
Essex	51,300	7.2	26,000	103%	3.4
South East	140,000	7.3	65,400	88%	3.2
England	2,083,400	8.0	914,900	78%	3.2
Source: Annual Population Survey					

Total Claimant Count

3.43 Most recent data for this indicator reveals that as of April 2013 there were a total of 3,270 claimants in Tendring, equivalent to a claimant rate of 4.2%. This rate is higher than the average across Essex, the LEP Area and nationally.

Table 3-15 Total claimants and proportion aged 18 – 24, April 2013

		Total claimants		Claimants aged 18-24	
		No.	Rate	No.	% of total
Local Areas	**Tendring**	**3,270**	**4.2**	**960**	**29%**
Comparator Areas	Colchester	3,108	2.7	815	26%
	Thanet	4,863	6.1	1,405	29%
	Babergh	1,213	2.3	305	25%
	Braintree	2,596	2.8	715	28%
Wider Areas	Essex	25,980	3.0	7,135	27%
	SE LEP	74,562	3.1	20,325	27%
	England	1,258,069	3.7	327,115	26%

Source: Claimant Count Database

Travel to Work

3.44 At the time of the 2001 Census, Tendring had a net outflow of 12,170 commuters. Of those Tendring residents who worked outside the District, almost 9,000 worked in Colchester followed by almost 3,000, who worked in London. Of those who worked in Tendring but do not live in the District, around 3,000 came from Colchester. Others travelled from nearby areas including Babergh, Braintree, Ipswich, and Suffolk Coastal.

3.45 As noted previously, these trends are representative of a complex range of dynamics, including the quantum and type of jobs available locally, and the presence of adequate infrastructure to allow labour market movement. However, at a high level, these trends suggest that the quantum of jobs in Tendring is lower than the demand that exists for employment within Tendring's own internal labour pool.

Table 3-16 Travel to Work Patterns, 2001

Top Areas of Workplace for Tendring Residents		Top Areas of Residence for Workers in Tendring	
Tendring	36,050	Tendring	36,050
Colchester	8,770	Colchester	3,000
London	2,740	Babergh	580
Ipswich	960	Braintree	300
Braintree	850	Ipswich	200
Chelmsford	760	Suffolk Coastal	150
Babergh	750	London	140
Total Outflow	**53,170**	**Total Inflow**	**41,000**
Net **outflow** of 12,170 commuters			

Census: 2001; Note: The Census 2011 Travel to Work data will not be published until 2014. In the absence of this data, the 2001 data is the best source, but given its age must be treated with caution

Quality of Life and Environment

3.46 The Tendring Socio-Economic Baseline analyses key data sets which inform our understanding of the characteristics of the key quality of life and environmental considerations for Tendring. The key points are summarised here.

Quality of Life in Tendring

Earnings in Tendring

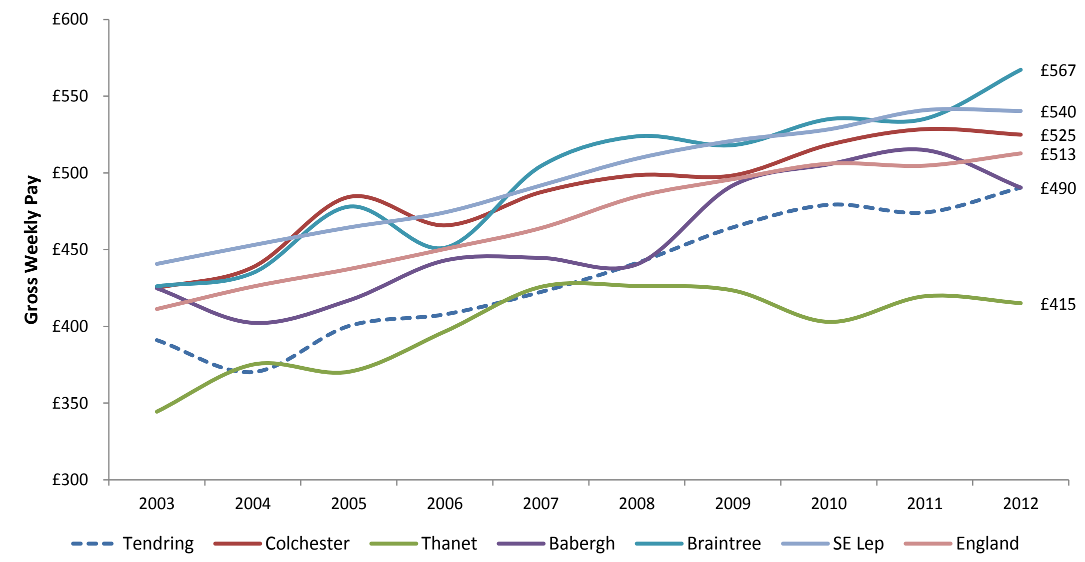
3.47 The data highlights that:

- **People living in Tendring** earn on average £35 per week less than those living in Colchester, £70 per week less than those living across Essex, and £22 per week less than those living across England;

- **People working in Tendring** earn on average £79 per week less than those working in Colchester, £94 per week less than those working across Essex, and £102 per week less than those working across England.

3.48 Overall, people living in Tendring earn less than is average in all comparator areas with the exception of Thanet. In 2012 the median gross weekly pay of a resident in Tendring was £490. Resident earnings in Tendring have risen steadily since 2003, as has been the case across the majority of comparator areas.

Figure 3-5 Median Gross Weekly Pay, Resident Analysis, 2003-12



Source: Annual Survey of Hours and Earnings

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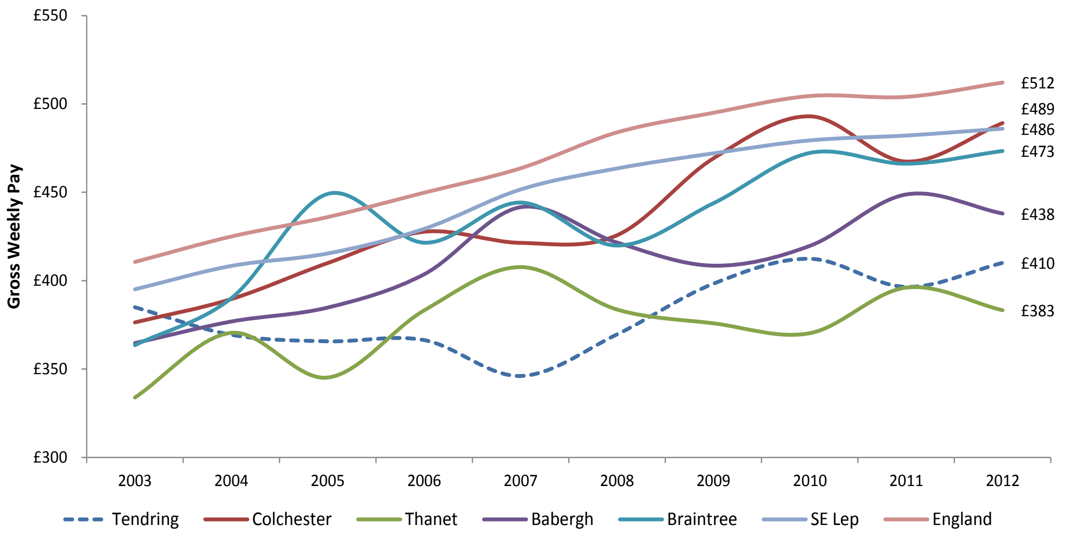
Figure 3-6 Median Gross Weekly Pay, Workforce Analysis, 2003-12



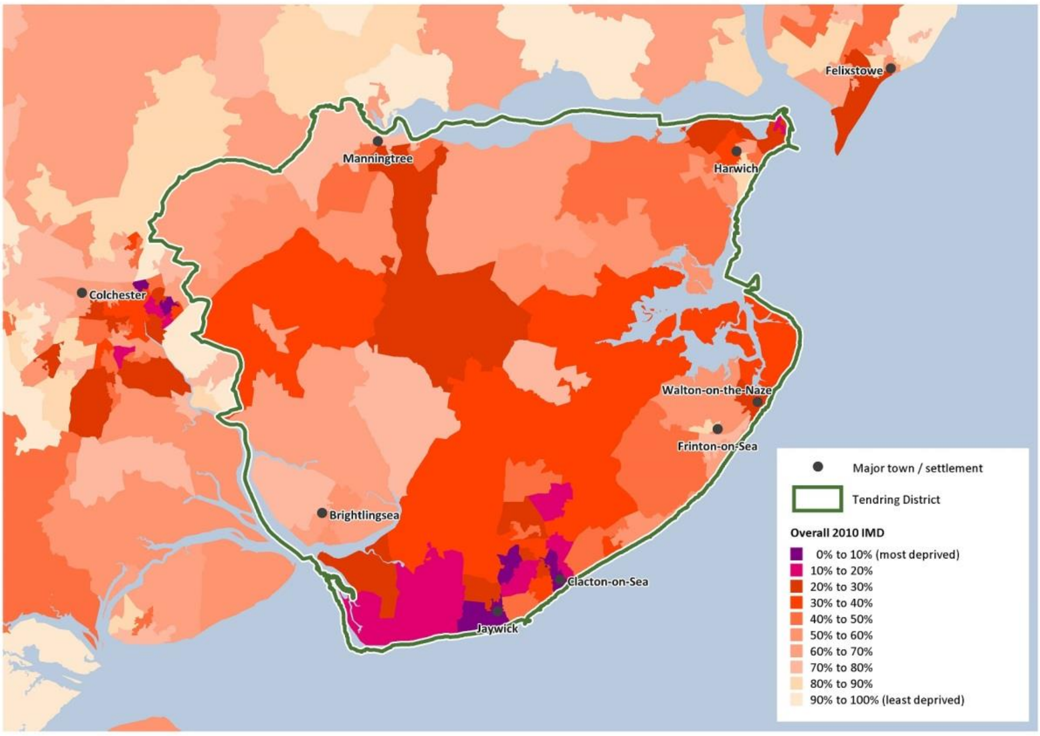
Source: Annual Survey of Hours and Earnings

Deprivation in Tendring

3.49 The index of multiple deprivation (IMD) is a composite indicator published by the ONS, which provides a relative level of deprivation at the small area level across England, ranked from most deprived to least deprived.

3.50 The figure below maps the overall deprivation across all local areas in Tendring, with the darker red shading representing a higher level of relative deprivation. This measure takes into account all seven deprivation domains. Pockets of severe relative multiple deprivation exist within Tendring. Overall, the highest levels of relative deprivation exist in and surrounding Jaywick (one of the most deprived localities nationally) and parts of Clacton. There is also a higher level of relative deprivation in the centre of Tendring extending north towards Manningtree. Conversely, the lowest levels of overall deprivation are found in the west of the District, surrounding Brightlingsea and on the border with Colchester.

Figure 3-7 Overall Deprivation, 2010



Source: Regeneris Consulting using Department for Communities and Local Government (2010)

Business and Stakeholder Perceptions

Business Survey

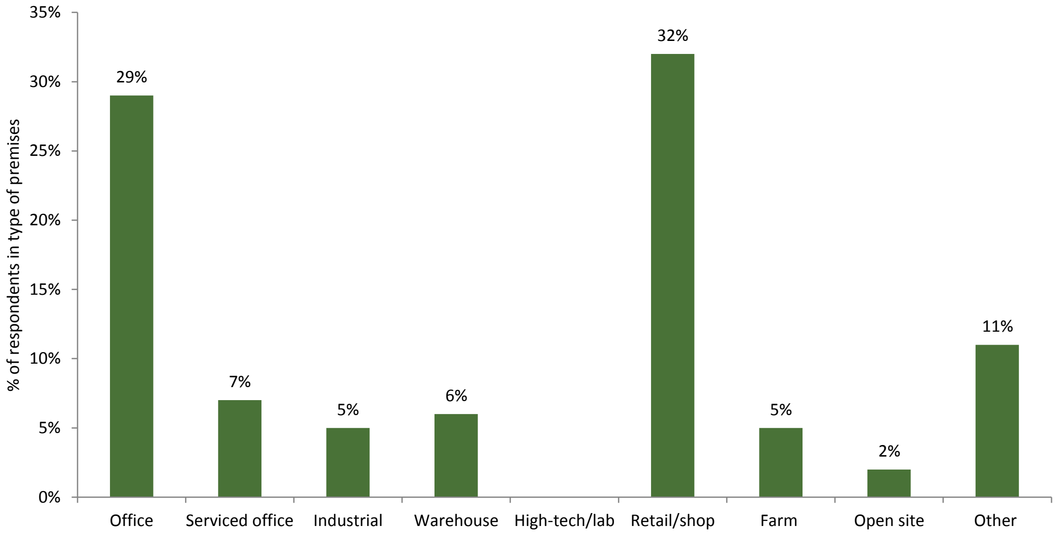
3.51 In June 2013 a business survey was carried out with firms operating in Tendring District. The purpose of which was to identify business trends and performance, which would allow for a greater understanding of opportunities for and barriers to business growth and creation in Tendring. The survey focused on a number of areas including business support, skills and recruitment, and information regarding business premises and accommodation, amongst others. For the purpose of this report, survey results related to business premise will be analysed.

3.52 Of the 570 businesses which participated in the telephone survey, 87% employed 1 to 10 employees, classifying as micro-businesses. Just under two thirds (65%) of all businesses have been in operation for at least 10 years.

3.53 Focusing on the survey findings relating to business premises, it was found that 86% of firms surveyed operated their business from one premise located in Tendring, while 9% occupied two premises within the district. Most of all businesses surveyed (90%) do not occupy premises outside the District, however the survey found that for those that do, the number of premises outside Tendring tends to be relatively high. This is in line with the fact that the majority are micro firms which occupy only one premises.

3.54 The survey also asked businesses specific questions to better understand the characteristics of their business premise. It found that the two most common types of accommodation occupied by Tendring businesses are offices (29%) and retail (32%). Serviced offices were used by 7% of firms, while no businesses reported using high-tech/lab space.

Figure 3-8 Business Premise Type



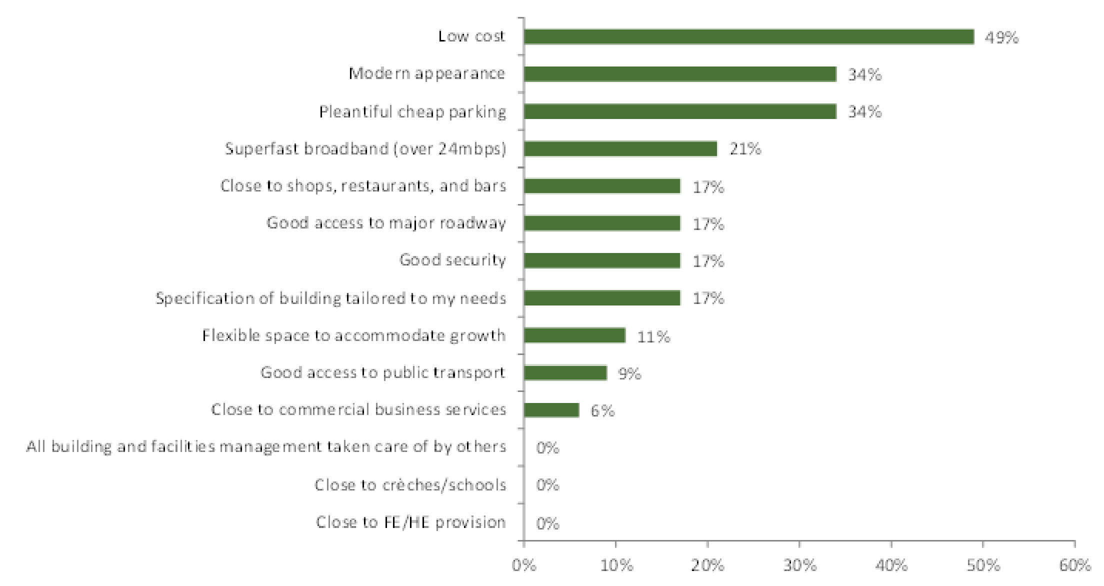
Source: Tendring Business Survey (2013)
Base: 570

3.55 Given that the majority of firms employ 1 to 10 employees and occupy office or retail premises, it is not surprising that 67% of all businesses surveyed reside in premises of up to 100 sqm in size. Nevertheless, there are a small number of firms (4%) which occupy premises greater than 5,000 sqm.

3.56 Given their current location, businesses were also surveyed on the time in which they have been operating out of their current premises. While over half of businesses surveyed (55%) had been located in the same premises in Tendring for at least 10 years, 26% reported being at their current location for less than 5 years. It is worth noting that a quarter of firms located at current premises have relocated to Tendring from other locations including Colchester and Ipswich.

3.57 Businesses were also asked about the most influential factors they consider when choosing a business location. Of the 51 firms, which responded to this question, half (49%) noted low costs and rates as a highly influential factor. One-third (34%) also suggested that modern appearance and plentiful parking were also important factors. Other important characteristics noted include good access to road motorway (17%); access to shops and restaurants (17%); and superfast broadband (21%).

Figure 3-9 Most Important Features Influencing Decisions on where Firms Move



Source: Tendring Business Survey (2013)
Base: 51

3.58 In order to understand the wider context of the business environment in Tendring, firms were asked to identify the advantages and disadvantages of being located in the District. Of the 570 firms surveyed, 89% suggested that proximity to suppliers was a strong advantage. This was followed by condition of premises (85%), proximity to customers (82%), and availability of suitable premises (80%).

Figure 3-10 Most Important Features Influencing Decisions on where Firms Move

	Advantage	Disadvantage
Proximity to suppliers	89%	11%
Condition of premises	85%	15%
Proximity to customers	82%	16%
Availability of suitable premises	80%	20%
Road links to Colchester/Essex	80%	20%
Road links across District	79%	21%
Cost of premises	77%	23%
Proximity to home of the manager/owner	76%	24%
Public transport	76%	24%
local amenities e.g. shops	74%	26%
Cost/availability of local housing	72%	28%
Availability of appropriately skilled workforce	66%	34%
Planning or other regulations	62%	38%
Broadband and mobile telecommunications availability	59%	41%
Parking	58%	42%
Energy costs	55%	45%
Grant aid	44%	54%

Source: Tendring Business Survey
Base: 570

3.59 The disadvantages of locating a business in Tendring varied significantly. Over half (54%) of firms cited grant aid as a key disadvantage in that they perceive that grant aid is not available.

This was followed by energy costs (45%), parking (42%), and broadband and mobile connectivity (41%).

Business and Stakeholder Consultations

3.60 In order to inform the Economic Development Strategy and this Employment Land Review, an extensive consultation programme has been carried out speaking to stakeholders and businesses. The key points in relation to sites and premises which are of most relevance to this ELR are summarised below:

- On the whole Tendring businesses are looking to expand significantly over the next decade;
- Despite some notable issues in relation to businesses' survival in the first few years after start-up (as reported in the Socio-Economic Baseline), much of the Tendring business base is quite settled. The Tendring Business Survey showed the one fifth of companies have been in the area for 31-50 years;
- There has been limited major inward investment into Tendring over the last decade. The last two business surveys (2008 and 2013) both show that where there has been investment into the district, this has been from neighbouring areas (Colchester, Ipswich, and Babergh);
- When businesses were asked in the Business Survey to identify their priorities for growth, new or improved facilities was the 5th most frequently chosen item (with 28% of companies selecting this response);
- When asked about the stock of employment land in the district, partners and businesses felt that there was a lack of modern, accessible space which could meet the need of new businesses who might locate in Tendring. Accessibility and getting goods to market was perceived as being an issue for a number of the district's larger industrial estates;
- Many consultees felt that in the past, too much emphasis had been put on Clacton as a location for business growth and that more emphasis should be placed marketing sites in other locations (particularly on the A120); and,
- A number of consultees recognised a need to think strategically about sites in Harwich, in particular, to ensure that opportunities linked to Bathside Bay and Offshore Energy are maximised, capturing local value and economic impacts.

4. Commercial Market Performance

4.1 This section reviews Tendring District Council's property market for employment – B Class (Business, General Industrial, Storage and Distribution) - Uses. It explores the dynamics of the District's employment space property market, and particularly where there is likely to be demand for those uses, or potential gaps in supply. It focuses on the key employment sectors: offices (B1) and industrial (B2) and storage and distribution (B8) market sectors.

4.2 The property market review relies on existing evidence supplied by the Council, supplemented by additional research and information drawn from a range of property data resources such as CoStar Focus, EGi and Promis. The analysis is also strengthened through discussions with local agents and property developers. Even allowing for extensive research, it is recognised that there is limited available market data for Tendring for these specific uses, and this is normally associated with a low level of market activity.

4.3 The key points from this analysis are summarised below:

- Tendring District is a somewhat peripheral location, with reasonable road and rail communications. The peripheral location limits its appeal to certain employers.
- The recent malaise in the UK economy has impacted on the general demand for employment floorspace. There are however some signs that increased activity may return during 2013 and thereafter.
- Clacton-on-Sea and Harwich are the District's key urban areas, and have the most office and industrial property market activity.
- Harwich Port is a very important economic driver for the District. If the development of the container port proceeds, this would be expected to increase the town's economic importance.
- Industrial and distribution activities are considered to be a stronger driver for the District's economy than offices. The highest levels of industrial property market activity in Tendring is at Clacton.
- According to 2009 figures there was a total of 555,000 sqft (51,561 sqm) of office, industrial and warehouse floorspace in Tendring. This is a fairly modest figure. In particular, the total office stock is very low albeit Tendring saw a 15% increase in office floorspace between 1998 - 2008.
- Much of Tendring's employment stock is second hand and poor quality. This is particularly the case for offices.
- With limited demand, take-up for office accommodation in Tendring is low. Deals are normally from existing indigenous, small companies looking for alternative premises.
- Demand for office space is typically for small units of c.0 sqft – 1,500 sqft (0 sqm – 139.35 sqm).
- Demand for industrial accommodation is normally for requirements of 1,000 sqft – 4,500 sqft.

4.4 The UK real estate market has fared poorly in recent years due to the effects of the recession which significantly affected the UK's economy. Forecasts now point toward the UK economy having a fragile and weak recovery, with 2013 anticipated to show stronger prospects. There are however risks which might suppress this recovery, such as higher interest rates or the lack of expansion amongst private sector UK businesses - thus muting tenant demand and rental growth.

Regional Trends

Office

4.5 As a general rule, office locations outside London have fared poorly in recent years. Investors presently consider such locations as much riskier propositions and have shied away from funding developments. In Tendring, there is no notable office development activity. Indeed, even with a stronger regional economy, Tendring would still be likely to be considered as a tertiary office location. For more peripheral locations like Tendring, low office development activity is largely linked to reasons of low demand and therefore viability. Across many parts of the UK, office values generally sit below build costs. Thus, there is little or no incentive for commercially driven office development to take place in Tendring, save, perhaps, for location specific reasons.

4.6 Tendring is part of Essex, a county which borders London and offers access to the main motorway network. Generally, the areas around the periphery of Greater London have seen office take-up fall in recent years. Take-up in Essex is estimated at 310,000 sqft in 2012 (Agents, 2013), a fall of around 10% on the preceding year. Office take up in Essex is mostly linked to several larger towns and cities in the County such as Colchester, Chelmsford and Basildon. In the second half of 2012, office lettings were mainly for premises below 10,000 sqft (929 sqm). While office availability has remained fairly steady in the County over the last five years, there is a much higher level of poorer, secondary space now on the market at around 15% of total available stock (Glenny 2013).

4.7 To provide some context to the Essex office market, prime office rents are outlined below. While the headline office rents are reasonably strong for Essex, this represents prime rents in Chelmsford. In Tendring office rental levels are far lower and this is to be subsequently addressed.

Figure 4-1 Grade A Prime Office Rents psf (Q1 2013)

Source: Various Agents, 2013

Industrial and Distribution

4.8 At a UK wide level, take-up for UK industrial and logistics floorspace totalled 75.3 million sqft in 2012, and represents a fall of 22% compared to 2011 figures. The fall has principally been put down to a shortage in good quality accommodation available, together with tough economic conditions. Demand for industrial and logistics space is expected in increase in 2013 in line with the economy gradually strengthening.

4.9 The South East recorded total take-up of industrial and logistics space at around 13.0 million sqft in 2012, down 31% on 2011 figures. Despite this, the Essex industrial market showed prominent signs of activity, with take-up being 11% above the long run average (Glenny, 2013). Much of the take up is focused on older stock, with a constrained supply of new, modern premises. There is also a growing trend of more, poorer second hand stock being available on the market.

4.10 In the South East market, take-up for units between 1,000 sqft (93 sqm) to 99,999 sqft (9,290 sqm) has increased on 2011 figures by 24%. The demand for very large units has decreased. Total availability of industrial and logistics stock is falling too. In part, this reflects the fact that there is little speculative development being rolled out nationally. By way of example, in February 2013 there was a mere 744,000 sqft (69,120 sqm) of speculative industrial accommodation under construction in the UK. To reduce risk, developers are bringing new stock to the market on a pre-let basis. This current trend of securing pre-lets affects almost all locations, including Tendring.

4.11 The South East and London attract most of the investor demand for multi-let estates. At the beginning of March 2013 prime yields for multi-let estates stood at 7.25% in some major regional markets. For Tendring however, yields will typically be much weaker as the stock is secondary in nature, and is not in a prime logistics location such as Lakeside / Dartford, Heathrow, or Central Midlands.

4.12 In relation to the regional context, the headline industrial rental levels for key areas in the South East are illustrated. There has been evidence of an increase in rents, including for Essex, which showed prime rents at £8.25psf (£88.80 psm). As with the office sector, these rates are headline, prime rents, and are achieved in those areas which offer very good and direct access to the motorway network, and particularly the M25 (in the case of Essex and Lakeside / Dartford). Tendring's more peripheral location means the District does not offer these key accessibility characteristics. Consequently, rents for industrial and logistics space in Tendring will be lower.

Figure 4-2 Prime Industrial Rents per sqft (Q1 2013)

Source: Various Agents, 2013

Tendring District

4.13 The geographic characteristics of the area, particularly its peripheral location, mean that Tendring does not lie in a particularly strategic location for employment purposes. There is perhaps one exception to this – Harwich Port, one of the UK's leading passenger and freight terminals. The proposed Bathside Bay development in Harwich is a multi-million pound port project which could see the town's marine related activity substantially increase. The major towns of Clacton-on-Sea and Harwich have a strong bearing on employment needs in Tendring.

4.14 Clacton-on-Sea is the largest urban area and town in Tendring. Clacton benefits from reasonable road communications, situated at the southern end of the A133. Its town centre and adjoining seafront combined are acknowledged to provide the largest cluster of economic activity within the District (Tendring District Local Plan, Proposed Submission Draft, Nov 2012). Clacton has - and continues to be - faced by economic challenges over a number of decades. These include lower than average incomes, higher than average unemployment, and concentration of deprived areas. B class employment sites are primarily located at the town's northern fringe or in a central, town centre location.

4.15 Harwich (including Dovercourt), is Tendring's second largest urban area. The centre benefits from good road communications being located at the eastern end of the A120. Harwich is considered to form an important 'Gateway to Europe', albeit the area is faced by environmental challenges, such as flood risk. Port related employment activities are strung out along the northern edge of the town.

4.16 The settlements of Frinton-on-Sea, Walton-on-the-Naze and Kirby Cross are smaller settlements largely hugging Tendring's southern coastline. These settlements have a limited number of established employment sites partly reflecting their lesser role in Tendring's economy. For example, in 2011, manufacturing within these areas represented only 5% of all jobs (Tendring District Local Plan, Proposed Submission Draft, Nov 2012).

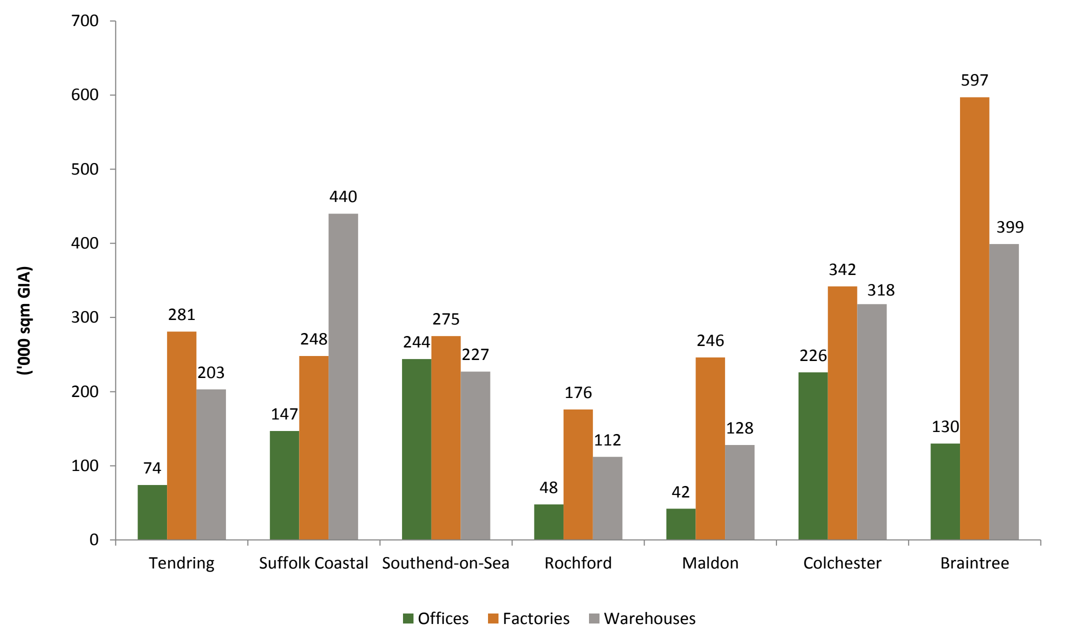
4.17 Manningtree, Lawford and Mistley are located in the north of the District. Historically, Manningtree and Mistley were developed as ports. The small coastal town of Brightlingsea lies in the west of the District. It suffers from poor road and public transport connections, with no railway links. Other key rural centres in the District include Elmstead, Alresford, Little Clacton, Great Bentley, St. Osyth/Point Clear, Weeley/Weeley Heath and Thorpe-le-Soken.

Employment Property Stock

4.18 Overall, there is a modest amount of commercial employment floorspace in Tendring District with a total supply of 555,000 sqm (5,97m sqft) of office, industrial and warehouse accommodation as of 2008. The table below breaks down the proportion of B-class employment floorspace in Tendring and compares this to a number of surrounding districts. This shows that there is 74,000 sqm office stock, 281,000 sqm of factories and 203,000 sqm warehouse stock.

4.19 Tendring's total supply is modest in comparison to neighbouring authorities such as Babergh (718,000 sqm / 7.7m sqft) and the Suffolk Coastal District (1,040,000 sqm / 11.1m sqft. [NB while these 2008 figures are slightly out of date, they are likely to be largely consistent with the figures today, given that there has been muted development activity since then]. The table also shows Tendring to have low levels of office space compared to other nearby authorities, with a stronger representation in factories and warehousing.

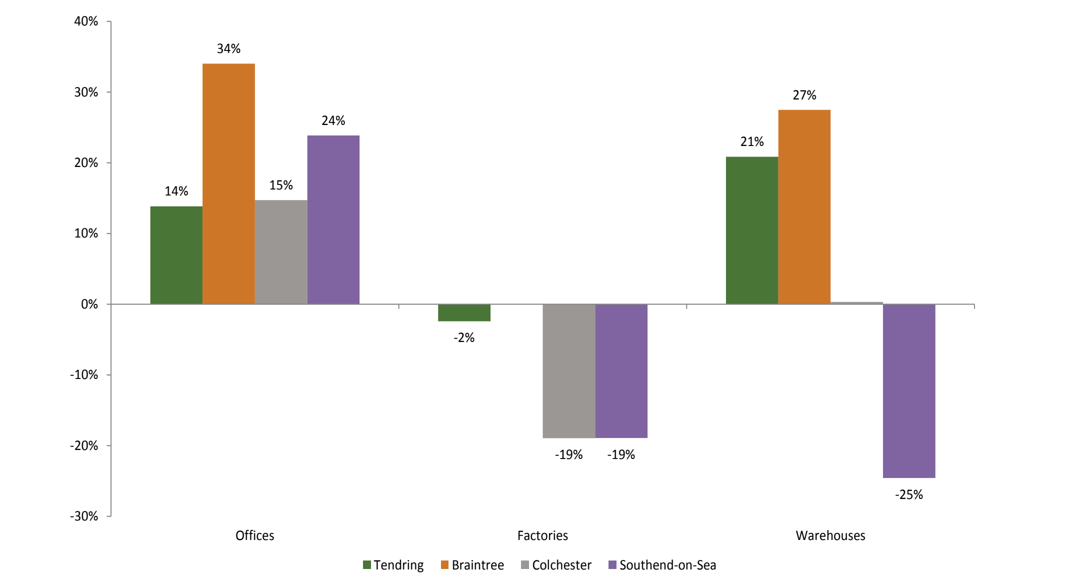
Figure 4-3 Composition of Commercial Floorspace Tendring



Source VOA: 2008 data.

4.20 An analysis of changes in employment floorspace over 1998-2008 is also considered for a number of key localities. Tendring saw an overall 15.63% increase in office floorspace between this period, albeit from a very modest base. Generally, the District saw growth in the office and warehousing sector, with a small decline in the manufacturing sector – a familiar trend across the UK.

Figure 4-4 Net Changes in Employment Floorspace (1998-2008)



Source VOA: 1998 - 2008

regeneris

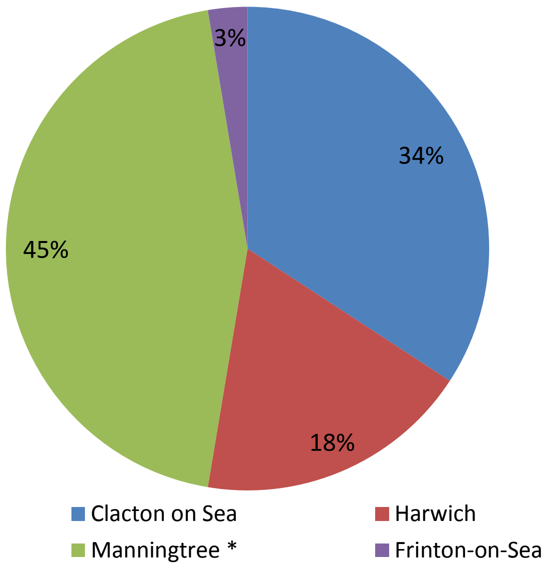
Office Market

4.21 Take-up for office accommodation in Tendring is low, with few deals being recorded annually. Transactions are normally as a result of small local companies looking for alternative premises. Demand is very much focused on local need. The nature of demand is consistent with the business profile; 75% of all companies within the district employ fewer than five staff.

4.22 Our discussions with local property agents and developers reaffirm the general view that the office market in Tendring is very limited in scope and demand. Many office properties lie vacant for a considerable period. We assume that deals are almost entirely for second hand stock, given that there is very little new office stock in the District. This view is echoed in the previous Employment Land Review (2009), which stated that the stock was generally low quality, poorly configured accommodation.

4.23 The number of deals for office space in Tendring in the past 5 years is summarised in the table below. Deals have been collated from CoStar Focus and EGi commercial databases. Recorded deals vary in type and include transactions, such as lettings, sales, and auction. Clearly, a cautionary note must be placed with this high level review as these databases may not record all transactions.

Figure 4-5 Office Deals 2008-2013



Source: CoStart Focus and EGi
Base: 27

4.24 Perhaps unsurprisingly, office deal activity is higher in Clacton, Manningtree and Harwich, the District's largest centres. There is almost no recorded office activity outside these core areas. The table below breaks down the number of office deals over the last five years for key centres in Tendring.

Figure 4-6 Office deals in Tendring						
Area	No. of Office Deals					
	2008	2009	2010	2011	2012	Jan 2013 – June 2013
Clacton-on-Sea	1	0	2	2	3	5
Harwich	1	2	-	1	3	-
Manningtree (incl Lawford)	1	3	2	-	-	-
Brightlingsea	-	-	-	-	-	-
Frinton-on-Sea	-	-	-	1	-	-
Walton-on-the-Naze	-	-	-	-	-	-
Source: EGi and CoStar Focus 2013						

4.25 As a broad rule, where there is office activity, rents generated are typically no more than £5.00 - £11.00 psf (£53.80 - £118.40 psm). In our opinion, were good quality stock to come forward in the District, a prime rent of £12 per sqft could be secured. This is a lower rent range than in other key office centres, such as Colchester (£13.50 per sqft) and Ipswich (£13 per sqft) (Promis 2013). Generally speaking, office development is only likely to be viable when rents are in excess of £15 per sqft for low grade accommodation. For Tendring, this makes delivering new office space financially challenging (though owner occupiers may still bring forward space to meet their needs).

4.26 In terms of size requirements, and again although there is limited transactional evidence, they are generally for properties of 0 sqft – 1,500 sqft (0 sqm – 139.35 sqm) range. These are small office suites, and suggest the higher office activity is coming from the small employers sector.

Office Take Up

4.27 We have sought to analyse the amount of space that has been taken up in Tendring over the period 2008 – 2013. This is based on information drawn from EGi and Focus. The data is challenging to interpret given that in many cases it is incomplete, or not readily disseminated for ease of comparison. Despite these caveats, we provide the following headline facts;

- During June 2008 – June 2013, 24,324 sqft of office space had been recorded as let. This equates to roughly 4,423 sqft per annum (albeit for one recorded deal the property size was not disclosed. Including this, it would increase the overall figure);
- Several other office freehold deals are also recorded in 2008 – 2013. This equates to around 41,805 sqft (albeit that for three recorded deals the property sizes are not disclosed. Including these would increase the overall figure);
- Only one office deal above 10,000 sqft is recorded; and,
- Clacton has the greatest quantum of office deals overall.

Office Supply

4.28 The table below outlines office availability in the Tendring District set against key urban settlements. It demonstrates that supply totals 5,897 sqm. This figure suggests that the vacancy rate in Tendring for offices is 8%, which reflects the small office stock locally.

Figure 4-7 Office Supply in Tendring		
Location	Number of Listings	Total Amount Available
Clacton-on-Sea	18	49,353 sqft (4,585 sqm)
Harwich	2	8,115 sqft (754 sqm)
Manningtree*	-	-
Lawford	-	-
Brightlingsea	-	-
Frinton-on-Sea	3	6,004 sqft (558 sqm)
Walton-on-the-Naze	-	-
Source: EGi and Focus 2013. Excludes properties under offer. *While there is no office space in Manningtree (Tendring District) being advertised as available, there is some stock in nearby Brantham Works.		

4.29 The data indicates that supply is largely concentrated in Clacton-on-Sea.

4.30 Available office stock also tends to be marketed flexibly, with the prospect of accepting letting or freehold sales for buildings. This is responsive to meeting the general needs of the occupier market in the area, and is also an approach common in lower activity areas where there are far less occupiers and investors.

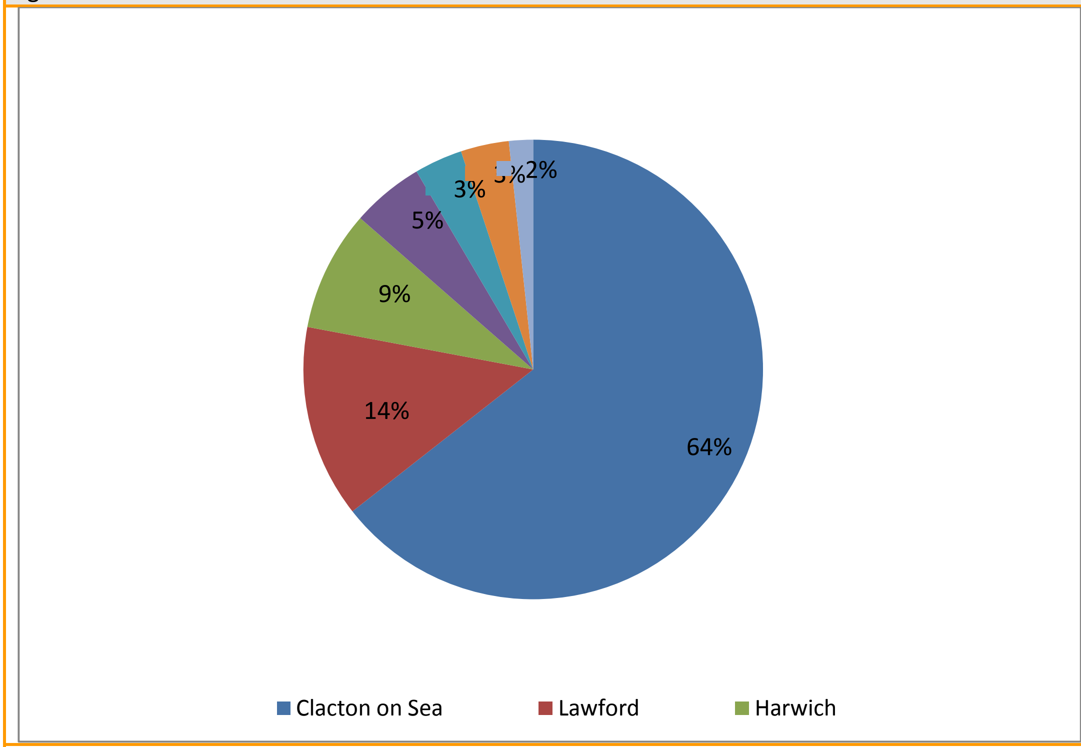
4.31 Overall, the available information highlights that Clacton and Harwich are Tendring's more active office markets. It is also notable that in the first six months of 2013, there has been an increase in office deals in Clacton.

Industrial Market

4.32 Tendring's industrial property sector is more active than its office counterpart. Agents within the Tendring area also agree that the industrial market is more active, albeit still limited, when compared to its office market. Demand requirements are normally for two key reasons: either from small companies looking for small premises or larger companies looking to downsize on their existing accommodation. Most of the demand is generated in Clacton, Harwich and Manningtree. Industrial demand in Harwich is more specifically related to requirements for storage, a reflection of the port activities.

4.33 The graph below summarises locational demand (in terms of the number of deals) for industrial space in Tendring in the past five years, as drawn from Egi and Focus. Again, a cautionary note must be placed with this high level review as these deal databases may not record all activity.

Figure 4-8 Industrial Deals 2008-2013



Source: CoStar Focus and EGi
Base: 59

4.34 Activity is highest in Clacton, although there is some notable activity in Harwich and Lawford. A finer grained analysis is set out in the table below.

Figure 4-9 Industrial deals in Tendring

Area	No. of Industrial Deals					
	2008	2009	2010	2011	2012	Jan 2013 – June 2013
Clacton-on-Sea	2	6	8	9	12	1
Harwich	1	1	-	1	2	-
Manningtree	1	1	-	1	-	-
Lawford	3	1	2	1	1	-
Brightlingsea	2	-	-	-	-	-
Frinton-on-Sea	-	-	-	-	-	1
Walton-on-the-Naze	1	-	-	1	-	-

Source: EGi and CoStar Focus 2013

4.35 Key industrial deals (in terms of size / value) within the past five years in Tendring include:

- Sale of 101 Oxford Road, Clacton-on-Sea in April 2012. The site area of 0.2913682 ha / 31,363 sqft (2,914 sqm) sold at an undisclosed sale price;

- Freehold investment sale of 8-10 Brunel Business Centre, Gorse Land, Clacton-on-Sea. The 32,500 sqft (3,019 sqm) of warehouse accommodation sold in December 2011 to an undisclosed purchaser at a quoted price of £0.13 million;

- Freehold sale of Brunel Business Centre, Units 15-20 Gorse Industrial Estate, Brunel Road, Clacton-on-Sea. The 1,880 sqft (175 sqm) industrial/warehouse space sold in

July 2011. The quoted price was £0.20 million;

- Sale of units 10-11 Gorse Lane Industrial Estate, Brunel Business Centre, Clacton-on-Sea. The 5,300 sqft (492 sqm) of B2 industrial space sold for £0.40 million in November 2010;

- Rosier, Crown Lane, Tendring, Clacton-on-Sea. 7,700 sqft (715 sqm) of B2 industrial space was sold for £0.58 million in April 2009;

- Sale at Foxash Growers Site, Harwich Road, Lawford. 45,839 sqft (4,259 sqm) in July 2011 for £0.70 million; and,

- Letting at 18-20 Dale Hall Estate, Riverside Avenue, West Lawford. Letting of 6,600 sqft (613 sqm) of light industrial accommodation in November 2008. The quoted rent of this deal was £0.03 million at £5.00 psf (53.82 psm).

4.36 As for offices in the District, the approach to marketing industrial stock is flexible too, with deals offered both on a leasehold and freehold basis. General property size requirements are largely between 1,000 sqft (930 sqm) – 5,000 sqft (465 sqm). This spread of sizes is reflective of our discussions with local commercial property agents, who point toward greatest activity for smaller units. We note from the earlier the Employment Land Study that a large proportion of take-up generated in the district is due to existence of the Port of Harwich. From our review of industrial deals recorded for Harwich, they have all recently been on a freehold basis.

Industrial Take Up

4.37 As per the office sector, we have sought to analyse the amount of industrial space that has been taken up in Tendring during the period 2008 – 2013. This is based on information drawn from EGi and Focus. Again, the data is challenging to interpret, given in many cases it is incomplete, or not readily disseminated for ease of comparison. Despite these caveats, we provide the following headline facts;

- During the period 2008 – 2013, 165,500 sqft of industrial space has been recorded as let. This equates to roughly 33,000 sqft per annum;

- Several industrial freehold deals are also recorded in 2008 – 2013. This equates to around 272,000 sqft (recognising that a considerable number of the recorded deals do not disclose the property size, and some may relate to land rather than premises. Including these would increase the overall figure;

- Clacton and Harwich has the greatest quantum of industrial deals overall.

Industrial Supply

4.38 The table below summarises industrial availability in Tendring within key locations. With 9,504 sqm industrial supply, this suggests that there is a vacancy rate of less than 2%, which is low.

Figure 4-10 Industrial Availability in Tendring

Location	Number of Listings	Total Amount Available
Clacton-on-Sea	18	48,768 (4,531 sqm)
Harwich	1	3,065 sqft (285 sqm)

Manningtree	8	48,338 sqft (4,491 sqm)
Lawford	-	-
Brightlingsea	-	-
Frinton-on-Sea	1	2,123 sqft (197 sqm)
Walton-on-the-Naze	-	-
Source: Focus and EGi 2013. Amount of available floorspace excludes properties under offer		

4.39 The industrial availability in Tendring suggests that available supply is largely concentrated within Clacton-on-Sea and Manningtree. A high proportion of available industrial floorspace in Clacton is clustered at Gorse Lane Industrial Estate, at the northern edge of the town. Available accommodation in Manningtree was focused at Dovehouse Farm.

4.40 Asking rents in Clacton generally range from c. £5.00 psf (£53.00 psm) - £6.25 psf (£67.25 psm). Industrial rents are broadly comparable to other nearby centres, such as Maldon, Ipswich (typically £4.50 per sqft) and Colchester (typically £5.50 per sqft).

4.41 There are few available industrial premises being marketed for the Harwich area. This suggests from a property perspective unit supply may be somewhat constrained. We note though that at least one large site is marketed as available for industrial development purposes at Stanton Euro-Park, although there are few unit vacancies generally.

Typical Business Space Occupier Requirements

4.42 In considering future need for employment space in the District, we conclude by providing views on the key property characteristics that occupiers typically seek. These are described under the sectors of offices and industrial / warehousing sectors.

Figure 4-11 Typical Occupier Requirements

Offices	Industrial / Warehousing
• Good parking ratio • Public transport links • Good quality accommodation – fit for purpose • Reliable Mechanical and Engineering (M&E) systems • Good quality external environment • Access to broadband • Tried and tested locations – clustering • Amenities – basic shopping / lunchtime needs to be met • Flexible lease arrangements	• Proximity to motorway / trunk roads • Ease of access – (to major roads / into site) • Mix of tenures being available • Acceptable plot ratios: designated parking & yards • Security • Amenities – basic shopping / lunchtime needs to be met • Logistics: high bays / eaves, sufficient loading bays

5. Existing Supply

Overview

5.1 Prior to examining supply in Tendring District in more detail, we set out the key property market characteristics for the District from our Commercial Property Review and combine these with overarching views of the general supply of employment land and premises in the District.

5.2 It is very clear that, almost exclusively, demand for employment land and premises is focused on **local requirements**, save perhaps for one area – that relating to demand from Harwich Port. Tendring's geographically peripheral location, distance to large populations / markets, and limited access to major road infrastructure means it will be very unlikely to be favoured by larger UK companies seeking regional locations. Other major settlements in the region are far better geographically placed to meet these needs including Chelmsford, Colchester, and Ipswich. Such locations also have much greater population concentrations. Thus, **supply in Tendring District needs to be in accessible and sustainable locations which principally meet local need**. This local need is most likely to be greatest where the population concentrations are higher – primarily **Clacton and Harwich**, and to a lesser degree Manningtree and Lawford. This is demonstrated though evidence of higher levels of market activity in these areas.

5.3 It must also be recognised that even where there is somewhat higher levels of market activity, this can be described, at the very best, as **modest demand**. Generally, demand for employment land and premises is weak, although one or two specific areas could perhaps capitalise to a small degree on their unique selling points, which include close proximity to Colchester (which has a higher level of market activity) and perhaps those offering the benefit of waterfront access. Even so, the message remains that it is very **unlikely that there will be any significant increase in demand for premises** (save as a result of major port expansion at Harwich) – and supply needs to be balanced to reflect this demand profile.

5.4 Before discussing individual sites, broader views are given on the general positioning and quality of employment land and premises in the District.

Clacton and Harwich

5.5 Generally, existing employment land is located in or adjacent to the main urban areas, with Clacton and Harwich representing Tendring's main employment locations. Clacton has a range of inner edge urban employment sites. While inner urban sites are typically poorer quality and sometimes suffer from accessibility issues, they are well let and meet local demand.

5.6 In Harwich, economic activity is strongly influenced by port operations. Thus, sites in and around the port area are more likely to meet occupier requirements (especially where they offer good access to the A120) – including sustainably meeting local needs, given the port's close proximity to Harwich town itself. This pattern of employment land and premises supply is already in place in the District and should continue to be safeguarded and supported as necessary.

5.7 The uncertainties surrounding the development of Bathside Bay make recommending significant changes to this employment land supply pattern challenging to endorse immediately. Indeed, even if Bathside Bay progresses, the implementation timescales for the project are still likely to be considerable. Adjustments to employment land supply (if deemed necessary) could be made at the time greater certainty could be placed on this development coming forward as part of an on-going monitoring process. Overall, available sites in the Harwich port area should be protected, and focus should be to maximise the potential of these sites where there is capacity to do so – rather than seeking alternative, more distant sites.

Rural Sites

5.8 Manningtree, Mistley and Lawford have a reasonable stock of employment land and premises, which appear to be well located and service local demand. Smaller centres such as Frinton / Kirby Cross, Walton Great Bentley and Brightlingsea have a much smaller, but fair range of employment land and premises. These broadly appear to match local requirements. There is of course a need to improve stock whenever possible – not just in smaller centres, but throughout the District. The relatively stronger waterside employment activities are noted at Brightlingsea, as well as more modern, small scale office activity on the western fringe of the District – close to Colchester- especially as, overall, existing office stock within the District is generally low quality.

5.9 A number of the sites which are being proposed are for mixed, typically residential - led uses. Employment land use apportionment associated with these sites is more commonly of a modest scale, and intended to meet new housing population needs. The delivery of new housing (or other more commercially valuable property uses) may offer the opportunity to renew employment stock through cross funding. This may be particularly important, especially as the generally low rents and high yields attainable in the District will make delivering viable new employment space challenging.

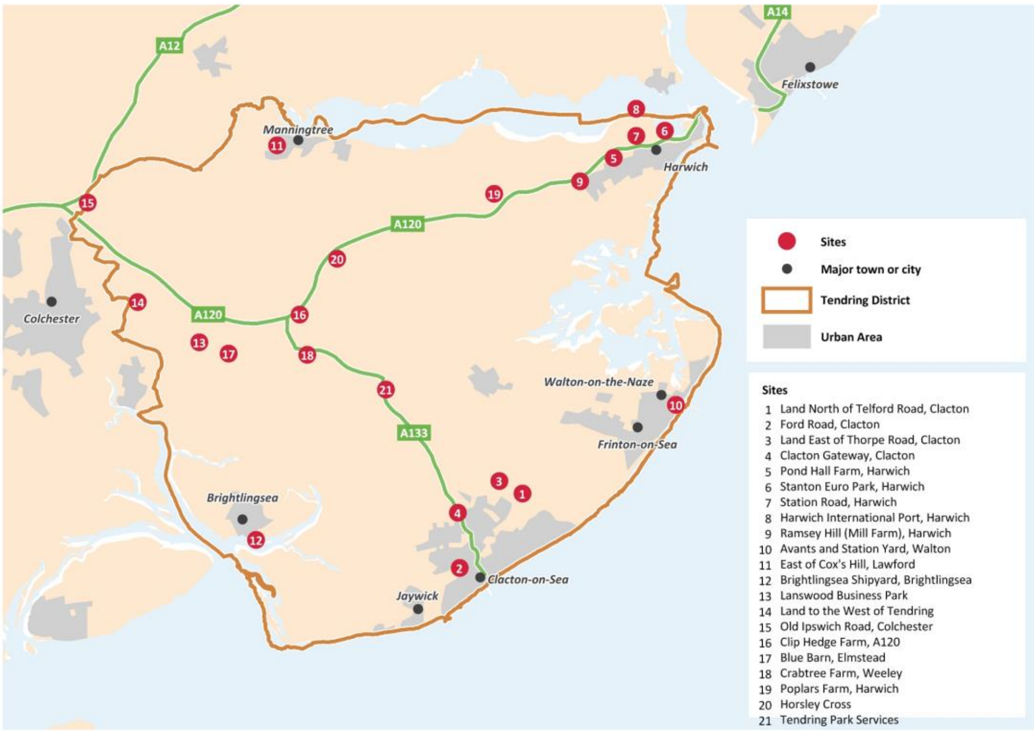
Site Assessment

5.10 A number of sites have been visited, considered, and evaluated in more depth than others, drawing upon available information. The sites are listed below and they represent a mix of existing allocated sites, as well as those coming through the 'call for sites' process. The key sites considered are as follows:

List of Sites for Detailed Review			
Clacton	Land North of Telford Road, Clacton	Walton	Avants and Station Yard, Walton
	Ford Road, Clacton	Lawford	East of Cox's Hill, Lawford
	Land East of Thorpe Road, Clacton	Brightlingsea	Brightlingsea Shipyard
	North of Centenary Way, Clacton	Rural Sites	Lanswood Business Park
	Clacton Gateway, Clacton		Horsley Cross, A120
Harwich	Pond Hall Farm, Harwich		Land to the West of Tendring
	Stanton Euro Park, Harwich		Old Ipswich Road, Colchester
	Station Road, Parkeston		Clip Hedge Farm & Poplars Farm, A120
	Harwich International Port: Spare Capacity & Mercedes Site		Blue Barn, Elmstead Tendring Park Services
	Ramsey Hill (Mill Farm), Harwich		Crabtree Farm, Great Bentley

5.11 The sites are also illustrated on the map below with more detailed site maps contained in Appendix B.

Figure 5-1 Sites for Detailed Review



Source: Regeneris Consulting

5.12 In undertaking the review, we have considered compatibility with planning policy, accessibility, location, potential delivery issues, constraints and market attractiveness, among other matters. Our comments on site suitability are also cognisant of the overarching commentary set out at the beginning of this section.

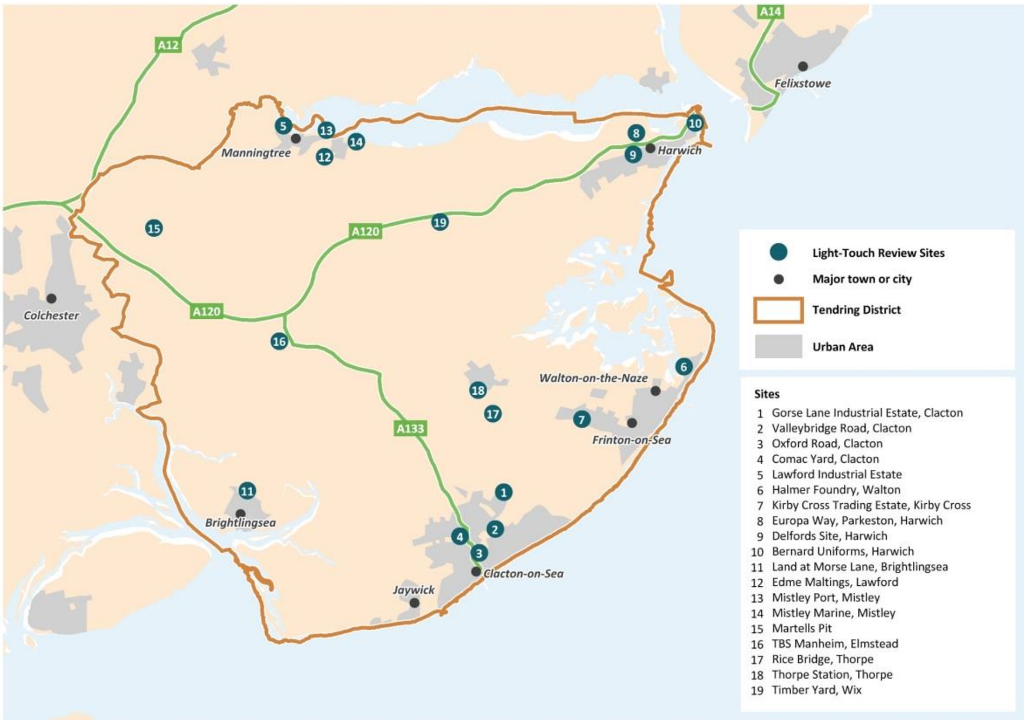
5.13 In addition, we have carried out 'light touch' reviews of the sites below. This has involved a review of background information regarding the site to inform our analysis. Site visits to these have not been carried out.

Light touch review of sites			
Clacton	Gorse Lane Industrial Estate (including Oakwood, Crusader and Brunel), Clacton	Frinton and Walton	Harmers Foundry, Walton
	Valleybridge Road, Clacton		Kirby Cross Trading Estate, Kirby Cross
	Oxford Road, Clacton	Harwich	Europa Way, Parkeston, Harwich
	Comac Yard, Clacton		Delfords Site, Harwich
Lawford, Manningtree and Mistley	Lawford Industrial Estates		Bernard Uniforms, Harwich
	Edme Maltings	Rural Sites	Martells Pit
	Mistley Port		TBS Manheim, Elmstead
	Mistley Marine		Rice Bridge, Thorpe
Brightlingsea			Thorpe Station

	Land at Morse Lane		Timber Yard, Wix

5.14 The sites are also illustrated on the map below with more detailed site maps contained in Appendix B:

Figure 5-2 Sites for light-touch review



Source: Regeneris Consulting

Clacton

Land North of Telford Road, Clacton

5.15 This site of 6.91 hectares gross is currently a large strip of agricultural land located at the northern edge of Clacton’s urban area. Access is taken from the B1442 which connects to the A133 and then through an existing industrial area. These routes are generally modern and wide. The site is not known to have any significant constraints and is considered to be compatible with adjoining uses, which is the largest employment area in Clacton - Gorse Lane. While ownership is not fully confirmed, it is likely to be in a single ownership. As of July 2013 the site is allocated within the emerging Tendring Local Plan.

5.16 Outline Planning Permission was granted on 13 June 2012 for an extension to the existing industrial estate which comprises approximately 7,700 sqm of industrial floorspace. A planning application was submitted on 31 May for part of the site (2.59 ha). This application is pending consideration and relates to phase 1. The fairly well occupied adjacent estate suggests reasonable demand for employment uses in this area. The site is also being actively marketed.

5.17 Overall, the site is in a location which could provide good scope to expand the existing industrial cluster in the vicinity. It is well located for modern occupier needs and has the potential to be flexible. However, the site needs to be primed for development; principally through providing a site access (routed through the existing industrial estate). This area is dominated by manufacturing and distribution uses, and it is envisaged that a broad mix of B class uses would be best suited to this location, with less emphasis on B1 (a).

5.18 The landowner has stated that there has been a lot of interest from local businesses looking to relocate or expand, with occasional interest from outside the area. The landowner is in the processes of discharging conditions and anticipates starting construction of phase 1 relatively soon.

Recommendation: *Protect as employment site. It is well related to existing employment areas in a sustainable location, with an active landowner seeking progress the planning application.*

Ford Road, Clacton

5.19 Ford Road is a well-established, but dated multi occupied industrial estate which lies close to Clacton town centre and is set within a residential area. Occupiers are generally small scale local firms, with an emphasis on car related businesses. The quality of the buildings is mixed, although generally are less modern premises. Unit sizes are typically between 1,000 sqft – 5,000 sqft. The site is fairly small at 2.1 hectares, but is of importance to the local employment market. Access to the site is fairly challenging, principally through neighbouring residential streets. There is little room for expansion given the surrounding neighbouring residential properties and no land available at present. Perhaps less intensively used areas of the estate could be developed out (although such land does not appear to be actively marketed).

5.20 Despite the site's challenging location it is an established and well used employment location which meets local business needs, providing affordable accommodation at fairly low rents.

5.21 We understand that part of the Ford Road Industrial site is owned by Dalau Ltd who are an engineering company. They own a 6 acre site on land north of Centenary Way.

Recommendation: *At present protect for employment use.*

Land East of Thorpe Road, Clacton

5.22 This is a large site totalling 43.55 hectares (including proposed residential uses) at the northern edge of Clacton. It is allocated for a mix of residential and employment related development as well as community facilities and open space. The site is presently greenfield / agricultural. Wider access to the site is via well maintained and modern, wide roads. There appears to be no immediate constraints, save that the site would need to be serviced and provided with a dedicated site access point. Employment uses would be compatible with the adjacent Gorse Lane Industrial Estate, and occupancy levels here suggest that there is demand for these types of uses in this area. If delivered, the site would be likely to appeal to a broad range of occupiers and sizes, particularly B2/B8 and B1(c) uses. The size of employment land extends to 0.227ha.

Recommendation: *Safeguard proposed employment uses as part of mixed use scheme.*

Land North of Centenary Way, Clacton

5.23 A large greenfield site at the northern edge of Clacton comprising around 15.5 hectares of level, agricultural land used mostly as grazing/paddock land, with surrounding land uses also agricultural. This site however, lies within a strategic green gap. The site would need to be serviced/ primed with an appropriate site access before development could take place. This could involve some modest up-front costs, especially in providing an adequate access to the site.

5.24 Given the policy position (strategic green gap), there may be other sites in the vicinity that are better placed to provide employment space expansion were additional land is required in this area. Other sites are more likely to be better integrated with surrounding uses, and more readily accessed and better aligned with planning policy.

Recommendation: *Retain as strategic green gap.*

Clacton Gateway, Clacton

5.25 This is a well located site at the northern urban edge of Clacton and could allow immediate access on to the A133. It is presently a greenfield/ agricultural site totalling 8.37 hectares. It is located adjacent to Brook Retail Park (anchored by a large Tesco foodstore). Potentially, there is some synergy with wider employment related uses at the Brook Retail Park (i.e. retail uses). However, it lies some distance from the main B Class industrial/employment areas of Clacton which lie to the east at Gorse Lane. Uses to the south are also residential. The site has no specific land use designation. Part of the site is in the flood zone. A dedicated site access point would need to be found, and the site itself would need to be serviced.

5.26 Overall, while this is a well located site and might be an attractive location for businesses, it is contrary to current and emerging planning policy. There may also be sufficient supply in other fringe industrial areas around Gorse Lane without the need to use this more isolated land to deliver B Class uses.

5.27 We understand from the site promoter's agent that they are currently developing proposals for additional retail led development. Proposals include a large food store which would act as an anchor for a large leisure development including cinema, restaurants and bars. Pre-application discussions have been held with the Council and there is interest from end users.

Recommendation: *Retain as greenfield/ agricultural site.*

Additional Sites Reviewed

5.28 In addition, our review of the sites has included a 'light touch' review of four sites in Clacton.

Light-touch Review of Sites		
Site	Size (ha)	Comment
Gorse Lane Industrial Estate (including Oakwood, Crusader and Brunel), Clacton	38.07	Clacton's largest industrial area comprising a mix of prominently B2 and B8 use classes, with a smaller office park area (Oakwood Business Park) located at the south western end of the park. Properties of mixed quality, with a wide range of unit sizes (say up to 50,000 sqft) and generally well let. Located at the northern fringe of Clacton's urban area offering good access to the key road network. Some capacity for new development with sites being marketed, expansion

		areas and possibly redevelopment of vacant units. Recommendation: *Protect and retain for employment uses.*
Valleybridge Road, Clacton	7.45	An established employment area for B1, B2 and B8 uses, located to the north of Clacton town centre just off Valleybridge Road. Premises generally medium sized in a reasonably well laid out estate. Parts of the area are less intensively used such as for storage and car parking, with one site currently being marketed with the prospect of redevelopment. Mixed quality of properties available. Recommendation: *Meets local needs for larger occupiers. Retain for employment uses.*
Oxford Road, Clacton	9.61	Strip of employment uses running along the railway line to the north of Clacton town centre. Northern part of site is wider, allowing larger building formats, with smaller units to the south. A mix of mostly, B1(c), B2 and B8 uses, including trade counter operations. A well let central location indicating good demand from occupiers. Accessibility is reasonable, albeit some parts of Oxford Road are fairly narrow especially due to parking along the thoroughfare. Recommendation: *Site should be retained for employment uses.*
Comac Yard, Clacton	0.34	Located off Old Road in a fairly central location in Clacton. Abuts residential area, with narrow access to the site. Collection of largely smaller premises in an irregular layout but reasonably well occupied. Recommendation: *Retain for employment use.*

Harwich

Pond Hall Farm, Harwich

5.29 This very large site of 26.5 hectares is allocated in the Tendring District adopted Local Plan. The proposition is for a housing and commercial development with community facilities. A minimum of 5 hectares is intended for employment related uses – B1, B2 and B8 classes. The site is presently in use for agricultural purposes. Although it lies adjacent to the A120, it would require at least one new junction onto this road to be serviced. This may incur considerable infrastructure costs; although we understand that access on to the A120 has been accepted from the relevant highways agency (the preferred approach is to access the A120 by a new roundabout). The land slopes and suffers from flood risk especially in the northern part. This again, may have increased development cost implications. No development has taken place here since the site was allocated, and it is not clear whether there is demand for this location.

5.30 The landowner's agent has advised that preparatory works are well underway with an Environmental Impact Assessment screened for. An application is expected to be submitted in October which would include a food store, residential (up to 300 units), commercial and B1 and B8 uses. If planning is approved then they would expect to start on site in 2015.

5.31 Overall, while this site is reasonably well located to the A120, it is some distance from the main economic driver of Harwich Port. The potential costs associated with delivering this site may be a constraint on its release for employment uses. There may be better placed sites which are less constrained and more readily deliverable. The large scale, residential development proposed for this land would however be anticipated to provide some employment space to meet local demand from the development generally, which would create a more sustainable development.

Recommendation: *Safeguard proposed employment uses as part of mixed use scheme, given the planning permission is being progressed and there may be the ability to cross fund the delivery of employment uses with other more lucrative development.*

Stanton Euro Park, Harwich

5.32 This vacant, brownfield site in single ownership is well located and in close proximity to Harwich Port. It lies adjacent to the strategic road network – A120 – with easy access on to this road possible. A spur is already available from an adjacent roundabout making site access less challenging were development to occur. The area generally has a concentration of employment uses, and lies close to Harwich Port. The site has outline planning permission for B2 and/or B8 uses, granted recently in March 2012. This provides for [15,866 sqm of B2 or B8 uses] of employment development. It is allocated in the adopted Local Plan and is a safeguarded site for employment uses in the emerging Local Plan. The site lies adjacent to the flood risk zone.

5.33 The site is actively being marketed at present, and with a surrounding cluster of industrial uses in the area suggests this is a good location for employment related development, set in a sustainable location. Promoting development here would also provide for sustainable reuse of land rather than developing greenfield sites.

5.34 Overall – and assuming that any flood risk can be ameliorated – this is a well located prime employment site in Harwich with the propensity to align well with business needs.

Recommendation: *Protect for future employment needs.*

Station Road, Parkeston

5.35 This modest sized greenfield site of 5.9 hectares lies reasonably close to Harwich Port. The site is close to the A120 and strategic road network, but Station Road itself is fairly narrow and less suited to heavier traffic flows. There are other constraints too. The site is partly designated as a local nature reserve; this would reduce the scope for development, as well as potentially incurring increased costs as part of a package of mitigation measures. The site is also subject in part to Zone 3B flood risk. The site is understood to be in the hands of a privately owned trust. If the site were to come forward, future occupiers are likely to be within the industrial or distribution sectors and linked to Harwich Port, or perhaps light industrial uses.

5.36 Overall, there are arguably better, more readily deliverable sites in Harwich than this, especially as there may be on-costs in relation to dealing with constraints and access. The landowner has confirmed that there has been interest in the site previously. The site is available but has issues regarding flooding, impact on a nature reserve and no end user to date.

Recommendation: *Other sites have potential to offer a better solution for future expansion of employment areas, and there no longer appears to be strong evidence that occupiers would favour this location. Site should be released.*

Harwich International Port (incorporating the Mercedes Site)

5.37 A broad review of this area has been undertaken with particular reference to the Mercedes site. The Mercedes site appears to offer room for intensification (the site comprises open storage ground and a large modern industrial warehouse of around 50,000 sqft). Were the Mercedes site capable - and available - for re-use then the total size area would amount to some 7.4 hectares.

5.38 Some development constraints exist. The local plan indicates that part of the site is within the flood zone. Possibly, there may be contamination issues, and this could require further investigation. Even so, re-use of the site for employment uses would be in accordance with the adjoining uses, and be very well located to port activities. The site is designated as an employment land site for business, industrial, storage and distribution and port related activities. We understand that the Mercedes site is in a single ownership. Perhaps, access to the site could be improved, albeit there is still a reasonable access point to the east.

5.39 Overall, this is a good, well located site close to Harwich Port which is likely to be attractive to the market land available here. Were the proposal for Bathside Bay to come forward, then it would be expected to increase further its attractiveness. There is approximately 69.4ha of development land available at Harwich port.

5.40 The Port is currently targeting offshore wind and potential manufacturing and assembly which will be land intensive. We are advised that in the longer term, if the offshore opportunity is not realised, then they may move into other markets (potential automotive).

Recommendation: *Protect this important site of employment uses, given its good location close to the port, waterfront, Harwich town and good accessibility offered to the main road network.*

Poplar’s Farm (A120), Harwich

5.41 This large, level agricultural site of in excess of 100 hectares lies some 5km due west of Harwich International Port. At its southernmost boundary it borders the A120. We understand that an ‘in principle’ agreement has been reached with the Highways Agency for a new access off the A120. This access would support the development of 12.75 hectares of employment land.

5.42 This site is in a single ownership, and has no obvious constraints such as flood risk. Development here though would not be contiguous with any adjacent urban area (save for some existing farm buildings). The scale of the potential opportunity suggests that it is more suited to strategic requirements, were they to arise – say being stimulated through demand generated by the Bathside Bay proposal. The site’s location and scale suggests its role would be of strategic rather than local in nature, and most suited to (port related/port-centric) logistics uses.

5.43 Discussions have been undertaken with the landowner, who has have invested significant resource in undertaking research and benchmarking related to their site. This research asserts that the site is the nearest, viable site to the Harwich for port centric activities. The proposals are understood to be directly linked to the delivery of a Container Port at Bathside Bay.

Recommendation: *Retain as agricultural land, but review position if Bathside Bay proposal progresses.*

Ramsey Hill (Mill Farm), Harwich

5.44 This site (61ha) is located adjacent to the A120 to the south of Ramsey Village, and some 5km west of Harwich. Access is taken off the B135 to Churchill Road. The current access into the site is constrained and may well raise highway issue were employment land uses intensified here. Presently, there is one industrial unit – Ramsey Hill Garage – located adjacent to the site, with fields adjacent currently used as paddock land. Key constraints are that the land rises steeply to the south, and the current access point presents risks. There is a difficult and perhaps unacceptable right hand turn off the A120 exists. The site is also designated as a strategic green gap in the emerging Tendring District draft local plan. Development of the site would present coalescence between Ramsey and Little Oakley. This would be contrary to Policy SD6. The land is owned and farmed by the Stock and McNair families and is currently in agricultural use.

5.45 The proposal is primarily residential (1,000+ units) but also includes a commercial centre and business park. The landowner has advised that there are no physical or environmental constraints.

5.46 Overall, this site has considerable constraints and is likely to prove challenging from a viability or delivery perspective, even though it is located adjacent to the A120. There are potentially less challenging and better policy aligned sites which are closer to Harwich than this location.

Recommendation: *Other better placed sites may be available, and be less constrained. Retain as Strategic Green Gap.*

Additional Sites Reviewed

5.47 In addition, our review of the sites has included a 'light touch' review of three sites in Harwich.

Light-touch Review of Sites		
Site	Size (ha)	Comment
Europa Way, Parkeston, Harwich	4.98	A very well located site close to Harwich International Port. Offers accommodation of units typically 10,000 sqft – 20,000 sqft. Currently new unit under construction, indicating it is an attractive location for employment uses. Good and direct access to the A120. Exclusively B2 and B8 occupiers. *Recommendation: Protect for employment uses.*
Delfords Site, Harwich	1.66	A vacant industrial site. Poor access, with some parts of the site abutting residential areas. Existing, obsolete buildings detract from this location, and there may be other constraints associated with the site, such as contamination. Unlikely to appeal strongly to the occupier market. Surrounding uses are residential in nature. *Recommendation: Release for alternative uses; potentially residential.*
Bernard Uniforms, Harwich	0.59	A fairly small and tightly configured site within central Harwich occupied by office and manufacturing operations for a single user. Office part of development appears vacant. The site is located close to the seafront with surrounding uses

		residential in nature. Difficult accessibility and falls within a conservation area. *Recommendation: release part of all of site for residential development, in alignment with current planning permission for the site.*

Frinton and Walton

Avants and Station Yard, Walton

5.48 This site lies within the urban area of Walton. It is a small site of around 0.5 hectares in total, with fairly poor access through residential streets and close to Walton town centre. Part of the vacant site is being marketed by Fenn Wright. Some of the site is currently occupied by Walton-on-Naze Sea Cadets. There are also communication facilities close to the site. The site does however sit adjacent to a number of small industrial units. The local emerging plan identifies the site as capable of accommodating mixed use development for commercial 2,000 sqm and residential. Demand for space at this location is likely to be modest at best.

5.49 Overall, while the site is immediately adjacent to Walton train station, poor accessibility is a key consideration here. The scale of the site also means that it is only likely to suit small scale providers, although this would align with likely local needs. There are also concerns whether such a location could attract sufficient demand to take up around 2,000 sqm of commercial space here.

Recommendation: *Where land assumed to be allocated for B class uses, this should be reallocated given the poor quality access and potentially weak demand for premises at this location.*

Additional Sites Reviewed

5.50 In addition, our review of the sites has included a 'light touch' review of the following sites.

Light-touch Review of Sites		
Site	Size (ha)	Comment
Harmers Foundry, Walton	1.12	A mixed occupancy site, including non B class uses. Generally poor quality buildings and layout with a fairly narrow access off Hall Lane, albeit the site is popular and well let. Of local importance. *Recommendation: Protect for employment uses.*
Kirby Cross Trading Estate, Kirby Cross	1.61	Multi-let, small trading estate of local importance. Occupied by a mix of B1(c), B2 and B8 enterprises. Generally well configured with good accessibility to main road network. Properties and environment of mixed quality. Room for expansion at the eastern end of estate. *Recommendation: Protect, with some scope for future expansion.*

Manningtree, Mistley and Lawford

East of Cox's Hill, Lawford

5.51 This large greenfield site on the edge of Lawford Village is designated in the emerging Tendring District Local Plan as a mixed use site to include residential development, business uses, public open space and community facilities. Currently the development proposes around 0.2 hectares of B1 (a) office use. The intention would be that the existing buildings at Dale Hall would be converted or re-used for this purpose. The site is currently used for agricultural purposes.

5.52 While there is likely to be good demand for housing in this area, developing offices would be a much more risky proposition. Overall, we consider that the limited amount of office space proposed for this location is fair, especially as this is essentially an untested location for office uses. Any potential demand for other types of employment uses could potentially be sated by available space in the Lawford industrial estates to the north, some 2km away. In addition, B1(c), B2 or B8 uses may not be particularly compatible with this location and nearby existing or proposed residential uses.

Recommendation: Safeguard proposed employment uses as part of mixed use scheme.

Additional Sites Reviewed

5.53 In addition, our review of the sites has included a 'light touch' review of the following sites.

Light-touch Review of Sites		
Site	Size (ha)	Comment
Lawford Industrial Estates	18.77	The largest industrial area in the Manningtree / Lawford district comprising a mix of predominantly B2 and B8 occupiers. A multi-let area with a range of unit sizes available, together with considerable storage areas. Some vacancies and some less intensified use areas, including possible scope for expansion. Environmental quality variable. Separate roads lead into different parts of the estate and circulation through the area is not possible. Offers good access to the main road network. A site of key local importance. *Recommendation: Scope for expansion and intensification. Protect.*
Edme Maltings	1.68	Single user site in operation, but with spare capacity. *Recommendation: Possible scope to release unused space for alternative uses with the remainder protected.*
Mistley Port	4.4	An important waterside employment site. Recommendation: should be protected.
Mistley Marine	1.41	An important waterside site. Recommendation: *Should be protected.*

Brightlingsea

Brightlingsea Shipyard

5.54 This port and boat yard serves the needs of local marine enterprises generally. While the site is poorly configured and somewhat challenging to reach (through the edge of the town centre), it is well occupied and actively used. There is a mixed range of buildings with some more modern premises, predominantly sheds plus open storage. In total the site extends to around 7.1 hectares. The site lies within a flood zone.

5.55 The local plan safeguards it for employment uses. There is some land available for expansion (albeit not actively marketed), as well as possible more intensified use of the wharfside area - an area used for open storage.

5.56 Overall the estate appears to have a low vacancy level; this suggests there is reasonably good local demand especially from more specialised marine related employment uses who have a high representation here. Few sites in Tendring offer such a great concentration of boat related services. Thus, while there are weaknesses in relation to its accessibility and somewhat awkward configuration, it meets local business needs and Brightlingsea Port is an important part of the marine economy for boating activities in Tendring and one of few employment sites in the District which offers access to the waterside.

Recommendation: Protect for port related uses, particularly given that few sites have such a high concentration of marine related activities and offer good access to the waterfront.

Additional Sites Reviewed

5.57 In addition, our review of the sites has included a 'light touch' review of the following sites:

Light-touch Review of Sites		
Morses Lane	8.42	A good, fairly well let local estate which is important to Brightlingsea's local economy. *Offers some scope for expansion and should be protected.*

Rural Sites

Lanswood Park Business Centre

5.58 This new small sale office development is situated approximately 5 miles west of Colchester, located on the A133. Access is good, and it lies in a visible, prominent position. New development here offers an attractive rural business centre environment, with accommodation ranging from around 1,000 sqft – 3,000 sqft. Phase 1 was completed in March 2012. A second phase is proposed. This will include further commercial/employment space as well as retail and restaurant areas which will be complimentary to the existing office uses. The site is well branded and has a modern feel. In total, planning permission has been granted for 60,000 sqft of office and commercial use. The total area of the site is 2.2 hectares.

5.59 There has already been some take-up of office units at this site, indicating that there is a modest sustainable market for this type of product. Potentially, demand for units is being driven by its proximity to the larger market of Colchester. Generally, this is a good site that offers modern rural business premises in a good quality environment, with planning permission in place to extend the offer here in a sustainable manner.

Recommendation: Safeguard for employment uses in light of the modern new build premises, its close proximity to Colchester and room for expansion.

Horsley Cross, A120

5.60 This site comprises two level, separate sites to the north and south of the A120 at a roundabout which intersects with the B1035 Clacton Road. In total the sites comprise 26.11

hectares of greenfield /agricultural land, with the southern part used for regular car boot sales. The site is in a fairly rural location with no nearby major settlements, though at a fairly strategic location more or less in the middle of Tendring District. This position allows road access in north/south and east/west directions in the District, albeit that the route leading north / south (B1035) does not appear well suited to larger, commercial vehicles.

5.61 Constraints are likely to include pylons being present on part of the northern site as well as possibly providing a specific – and improved – site access, as well as general servicing of the site overall. A planning application has been submitted for the southern part of the site. This would comprise mainly B2 and B8 uses, together with a bus depot. It is however uncertain if sufficient demand exists for employment premises of this scale in this location. The scale of development proposed here may also impact considerably on the rural landscape, albeit a prominent water tower is evident to the north and large agricultural buildings lie immediately to the south of the site.

5.62 Overall while the site is in a fairly strategic location – at a crossroads in central Tendring – it is a considerable distance from the key urban areas of the district and does not relate especially well to the rural nature of land uses in the area.

5.63 The Horsley Cross proposals have been submitted for planning determination. Discussions with the owners suggest that the site can come forward with the first phase fully let (albeit the landowner is only willing to publically state a single occupiers being committed: a local bus company). Other companies suggested as being committed are 'multinational' and include engineering and manufacturing companies. The intention would be for the site to be complimentary to the evolution of Harwich port.

Recommendation: *Retain in current use. Focus for employment uses ideally oriented toward locations closer to Harwich and the port, which can offer more sustainable employment destinations with better synergies with existing urban areas.*

Land West of Tendring

5.64 This site has been promoted as a major new residential-led, mixed use settlement since 2005 by Mersea Homes. The land is presently agricultural, extending to some 189 hectares. The site falls into both Tendring District and Colchester Borough Council's administrative areas, and lies close to the major settlement of Colchester. The employment proposals are for a university based research park, a business park, together with a strategic link road between the A120 and A133 and new mixed residential neighbourhood areas. While the layout of the scheme is not yet known, its location – situated immediately to the south of the A120 and A133 to the north - means it could potentially offer a very visible site. The proposals do not however comply with the current development plan policy.

5.65 Overall, were this site to come forward it could generate significant new employment uses in this area with a proposition oriented toward the knowledge, research and higher education sector. For this to be achieved, there would need to be more considered evaluation and certainty that the employment uses being proposed could be delivered. This is particularly the case for the more specialist research park and university related enterprises. Nor is it clear if the land is assembled and available, or the phasing proposition for this very large site. In all likelihood this would be a much longer term proposal with its deliverability requiring more detail. The site also straddles two planning authorities and co-operation between authorities would be necessary. Despite these considerable uncertainties, the site could offer a major strategic addition to the District's employment land portfolio, and provide significant diversification of employment opportunities.

5.66 We understand from Mersea Homes that they are at the early stages of progressing plans for the site, which would be a housing led development. This would include a significant amount of employment and education uses. They envisage some form of 'low carbon' industrial park at the intersection of the A120 and new link road (to A133). They are in discussions with University of Essex about the expansion of the Knowledge Gateway onto the site. They are looking to work with Colchester Borough Council and Tendring District Council to develop a growth area concept which would more closely define the employment uses.

Recommendation*: In line with the Tendring Economic Development Strategy, longer term proposal with further details on deliverability required before employment land allocation could be justified.*

Old Ipswich Road

5.67 Old Ipswich Road is located between the A12 and A120 interchange, immediately to the north west of Colchester. The specific sites, which comprise 3.7 hectares, are located to the north of the driving range and a further site on Old Ipswich Road. One site is currently occupied by small business units and a golf driving range and greenfield site adjacent to the Ramada Hotel. While the site is in potentially a good location – near to the strategic road network – accessibility is somewhat constrained, in particular to the golf driving range site (a narrow unregistered road). The site is also located within the catchment of the Ardleigh reservoir. Notably, Apex 12 is a new office campus development immediately to the south of the driving range and sets a good precedent for higher quality modern office space in a semi-rural location. The Apex 12 site also has potential to be expanded given that there is a considerable amount of open ground associated with the site, and which appears readily available for such a purpose. It should be noted that part of the site is located in Colchester and demand for premises here is likely to be driven by the large population of Colchester rather than Tendring.

5.68 Overall the Old Ipswich Road area does provide a strategic location lying immediately to the north west of Colchester. Perhaps a key detractor is the potential need to improve access to the sites. Despite this, it is clear that better quality office development is attractive to the market in this location, particularly if the environment is good. While the Apex 12 site may sate immediate demand in this vicinity (and appears to have scope for expansion), over time there could be prospects of increasing the employment land availability here to meet possible demand.

Recommendation: *Suitable for employment uses, given the potential for demand arising from Colchester and close proximity to A120 and A12.*

Clip Hedge Farm, Hare Green Interchange

5.69 This brownfield site extends to 1.41ha and is located adjacent to the A120 and Hare Green Interchange, and forms a strip alongside the A120. Some employment areas are located a little distance to the south – Manheim Auctions. Presently, development in this area would be contrary to planning policy and it is not designated in the Local Plan.

5.70 The landowner has presented three alternative schemes (office and warehouse) ranging from 5,000 sq.ft – 10,000 sq.ft. The landowner (Oliver Barber – Cargo Stop) has advised that his ideal would be a separate office and warehouse with two different access points. He would look to relocate his long standing business from Colchester to the site. Discussions are ongoing with his planning consultant about bringing the site forward and would like to undertake pre-application discussions with the Council.

Recommendation: The site is brownfield and could be utilised for employment uses.

Blue Barns, A133 (Elmstead)

5.71 This visible site is located on the A133 Clacton Road to the south of Elmstead Market. Part of the site is vacant with an existing building having been demolished. A small business unit is present which sells pet supplies. The total site area amounts to around 0.37 hectares. Access off the A133 is good, with parking capable of being provided. There is no specific land use designation for this site. Planning permission was however granted in 2008 for the erection of replacement buildings to accommodate business units within use classes B1, B2 and B8 and conversion of the farm shop to storage. Overall the development would entail a two story office, workshop building of 722 sqm, conversion of the farm shop of 180 sqm, and 24 car spaces.

5.72 The site lends itself to small scale development. Nearby Lanswood Park Business Centre suggests that there is reasonable demand for good quality office premises in the area if a good quality environment can be achieved. Lanswood Business Park – and its capacity for extension into a Phase 2 – may already be sufficient to meet foreseeable demand in the area. In that respect, the site could potentially be released for alternative uses.

Recommendation: *If current permission does not progress, then residential might be considered a suitable alternative use.*

Tendring Park Services (land south of Colchester Road)

5.73 Tendring Park Services is located to the west of the village of Weeley, and currently comprises a petrol station, hotel, pub/restaurant and fast food chain. The large adjoining area of greenfield land has been put forward by the landowner as a potential location for future development. This land extends to almost 50 hectares to the south and west of these existing facilities and the A133 and the B1033 Colchester Road. An initial concept is a major mixed-use development where B class uses would form part of a residential led scheme that could include retail and leisure facilities. An indicative concept has identified land for a 3.3 hectare Business Centre and Business Incubation Centre site. It is presently a level greenfield, agricultural site. It is not designated in the local plan. However, delivery costs may be low as the site appears to potentially be readily accessible from the surrounding road network. Even so, it is questionable whether this site is well suited for a B Class employment uses, save though that if the housing proposals were considered favourably, there would be an expectation it would be complimented by employment uses.

Recommendation: *Site needs to be considered in the context of a residential led, mixed use proposal. If the B class uses were to be delivered in isolation, it would be challenging to* *recommend this as a viable location for such uses.*

Crabtree Farm, Great Bentley

5.74 The site currently comprises a mix of farm buildings on the site, located immediately adjacent to the A133. At this location however, the A133 is a busy single carriageway. While the site is very visible it lacks good accessibility. In total the site extends to almost 2 hectares.

5.75 From the information provided, it is not clear what the B Class employment uses proposed are or the extent of the B class uses. Nor is it clear whether the existing farm buildings (some of which are of better quality than others) would be redeveloped or capable of reuse. Demand for employment uses at this location remains to be proven. Ultimately, the existing agricultural use is better placed for this location or possibly residential if the buildings are redundant in their current format.

5.76 Discussion with the landowner's agent indicates that a site of approximately 140 acres is being promoted, as a mixed use scheme (and in all likelihood, residential led). The landowner is keen to come forward with a masterplan for the site.

Recommendation: *Retain for agricultural uses, unless there is a clear case for housing in this location with supporting, complimentary B Class uses which are intended to meet the needs of a new residential population.*

Additional Sites Reviewed

5.77 In addition, our review of the sites has included a 'light touch' review of the following sites.

Light-touch Review of Sites		
Site	Size	Comment
Martells Pit	8.03	A site in use for mineral extraction and scope to accommodate other un-neighbourly uses and should be protected.
TBS/Manheim	43.4	A site that is well used for specialist operations including Manheim Car Auction and The Book Service. *Recommendation to protect.*
Rice Bridge	1.47	A small site of local importance which should be safeguarded.
Thorpe Station	0.69	Planning permission granted in 2003 for mixed use office and light industrial uses. Now complete.
Timber Yard	4.12	A single use site, which has some capacity for expansion if required. *Protect*.

Summary on Supply

5.78 In this section, we quantify the overall supply of employment land in Tendring DC.

Extant Planning Permissions

5.79 As at July 2013, there was planning consent for 24,493sqm of development as detailed below.

Table 5-1 Extant Planning Permissions				
B1a	B1b	B1c	B2	B8
2,904	0	3,077	11,561	6,951
NB – Figures provided by Tendring Council. Stanton Europark included in table 'Scope for development in Existing Employment Sites'. Figures included allocated and non-allocated employment sites. All figures sqm. Note: Lanswood Business Park phase 2: 6,000 sqft (700 sqm B1) not included in figures.				

5.80 We have also provisionally identified 30.9ha of land on existing employment sites as summarised below.

Table 5-2 Available Land at Existing Employment Sites			
Site	Comment	Potential Development Area	Potential Use
Gorse Lane Industrial Area, Clacton	Based on currently marketed sites	0.49 ha	B2, B8
Valley Bridge Road, Clacton (1)	Storage site with redevelopment potential. Actively being marketed.	0.48 ha	B1, B8
Land East of Thorpe Road, Clacton	Mixed use residential/ employment site	0.227 ha gross	B1, B2, B8, C3
Stanton Euro Park, Harwich	Planning permission in place	11 ha (7,200 sqm – B2) (15,866 sqm - B8)	B2, B8
Harwich International Park & Mercedes Site, Harwich	[clarification from Council required on extent of available land]	2.77 ha maximum (only Mercedes site and excludes existing building)	B2, B8
Station Road, Harwich	Allocation	5.93 ha gross	B2, B8
Pond Hall Farm, Harwich	Allocation	5 ha employment land (minimum)	B1, B2, B8
Station/ Avants Yard, Walton	Part vacant, part occupied land	0.2 ha 2,000 sqm commercial	B1(a), B1(c)
Morse Lane, Brightlingsea	Expansion land to east and west. Not actively being marketed.	1.4 ha	B1(c), B2, B8
Lawford Industrial Estate	Infill area. Not actively being marketed	0.75 ha	B1(c), B2, B8
Brightlingsea Port	Available land not actively being marketed	0.46 ha	B1, B2, B8
Kirby Cross Estate	Vacant land. Land not actively being marketed	0.34 ha	B1(c), B2, B8
Martells Pit (2)	Industrial	1.72 ha	B1, B2, B8
Notes: 1. Excludes vacant Lookers Garage fronting Valley Bridge Road. Former use is not 'B' Class 2. Figure from 2007 ELR for full site			

5.81 In addition, 299.19ha of land at unallocated sites has been reviewed as part of this study.

Table 5-3 Land Supply at Unallocated Sites			
Site	Comment	Potential Development Area	Potential Use
Land north of Centenary Way, Clacton	Agricultural land	15.52 ha	B1, B2, B8, C3
Clacton Gateway, Clacton	Agricultural land	8.37 ha	B1, B2, B8. Alternative use: C3. [NB: PROMOTED FOR A1/D2]
Land North of Telford Road	Agricultural land. Not allocated in 2007 Adopted plan, but has outline planning permission	6.47 ha	B2, B8
Poplars Farm, Harwich	Agricultural land	105.5 ha (of which 12.75 ha capable for employment)	B2, B8
Horsley Cross, Harwich (2)	Agricultural land	14.92 ha + 11.1 ha	B2, B8
Ramsey Roundabout, Harwich (3)	Agricultural land	No site size provided	B1(c)
Old Ipswich Road (A120/A133)	Agricultural land	0.45 ha + 3.26 ha	B1(a)
Tendring Park Services (A133)	Agricultural land	3.67 ha	B1, B2, B8, C3, A1, D1: Major new settlement
Land West of Tendring	Agricultural land	189.12 ha	B1, B2, B8, C3: Major new settlement
Poplars Farm (A120/A133) (6)	Agricultural	14.0 ha	B2, B8
Crabtree Farm (A133)	Agricultural buildings	1.99 ha	Part of Wider Mixed Use Site. Uses not known
Lawford Dale, Lawford (4)	Agricultural land and buildings	16 ha (office development via reuse of Dale House)	C3, B1(a)
Delfords Site, Harwich	Vacant industrial	1.66 ha	B1, B2, B8 Alternative Use: C3

6. Demand Assessment

6.1 This section of the employment land review assesses possible future employment trajectories for Tendring. Using a specific methodology (outlined below), the section outlines implications of these trajectories for the district in terms of future employment land requirements for B use classes (B1, B2 and B8).

6.2 Central Government's 2004 Employment Land Review Guidance Note (p. 42) recommends that three approaches should be utilised in estimating future employment land demand in local areas:

- Past Completion Approach – analysis based on the past take-up of employment land and property;
- Labour Demand Approach – regional and sub-regional sectoral economic and employment forecasts and projections; and,
- Labour Supply Approach – assessments of future employment needs derived from projections of future demographic change.

6.3 This chapter has been structured according to this guidance.

Introduction to Forecasting

Overview of Approaches and Scenarios

Past Completion Approach

6.4 One approach to forecasting future employment land requirements is to assess average levels of past completion of floorspace within an area over a set period, and project forward these trends over a future time period (e.g. 10, 15, 20 years). This approach assumes that past trends will continue unaltered into the future.

6.5 Floorspace completions data is available for the period 2001/02 to 2009/10, from Tendring District Council's Local Development Framework Annual Monitoring Reports. Data for the past three years (2010-2013) has been provided separately by Tendring District Council for the purposes of this report.

6.6 The data provides a summary of annual floorspace completions by use class. We have taken the data for the past 10 years (2003/4 to 20012/13) to estimate the average change per annum for B Use Class floorspace. Using this analysis, we have projected forward potential floorspace demand estimates to 2029. By applying a series of assumptions to the floorspace estimates, in particular around plot ratios, we have estimated total future employment land requirements. These assumptions are summarised later in this chapter and are consistent with the assumptions made under the Labour Supply and Labour Demand approaches covered elsewhere in this chapter.

Labour Demand Model

6.7 The labour demand model is based upon the East of England Forecasting Model (EEFM). The EEFM is an econometric forecasting model developed by Oxford Economics for Insight East, the East of England region's intelligence centre. The model looks specifically at the inter-relationships between the economy, housing, and population in a consistent fashion and projects the total number of jobs across a range of geographical areas in the Eastern region, including Tendring, to the period to 2029.

6.8 A number of assumptions and adjustments have been made to the raw forecasts from the EEFM. Most significantly, EEFM data has been adjusted to exclude self-employment and has also been adjusted to assume a figure for full-time equivalent (FTE) employment rather than the total number of jobs (to ensure compatibility with standard employment densities)[4]. The result of these adjustments is the labour demand model Base Scenario.

6.9 As well as a Base Scenario the EEFM sets out two alternative scenarios. These are:

- Lost Decade Scenario: This is the EEFM's lower growth forecasting scenario. This scenario is based on the assumption of five more years of sluggish economic growth
- High Migration Scenario: This is the EEFM's higher growth forecasting scenario. This scenario is based on assuming the official ONS migrations levels for Tendring (which are higher than those assumed in the base scenario) for the forecasting period.

The Labour Supply Model

6.10 The labour supply model assesses the likely future employment implication of projected changes in population. Projections for the future number of economically active residents aged 16+ in Tendring have been estimated by Regeneris Consulting based upon possible trajectories of housing growth to 2029. We have used two theoretical trajectories of housing growth to model this –

- A trajectory based upon the Draft Local Plan target of 5,625 units (375 per annum) for 2014-2029;
- A higher growth trajectory based upon the level of housing demand set out in the Tendring SHMA. This suggests a target of 10,300 units from 2014 to 2029 (687 per annum).

6.11 These are considered 'policy-on' scenarios, as opposed to using the ONS Sub-National Population Projections (SNPP) which is unconstrained, with no regard for local housing policy considerations.

6.12 Again, adjustments have been made to these projections to exclude self-employment and to assume a figure for FTE employment (rather than the total number of jobs). The result of these assumptions and adjustments is the labour supply model Supply Scenario.

[4] The EEFM also provides forecasts of self-employment in total and by sector. These forecasts of self-employment have been used to estimate total employees in employment by EEFM sectors. FTE conversion ratios have been estimated, by sector, using data from the Business Register of Employment Survey (BRES) and matched to EEFM sectors.

Summary of Scenarios

6.13 The following table provides a summary of the forecasting scenarios.

Table 6-1: Tendring Employment Land Review – Summary of Employment Scenarios 2014-2029			
Method	Scenario Name	Source	Description
Past Completions	Past Employment Land Completions	• Based on evidence from floorspace completions in Tendring, taken from Tendring LDF AMRs (2001-2010) and additional Tendring information (2010-2013)	• Analysis of past completion rates for B-use classes in Tendring. These rates are extrapolated to model future demand for floorspace and land over the period to 2029
Labour Demand	Base Employment Scenario	• East of England Forecasting Model (EEFM), developed by Oxford Economics to 2029	• Base Case EEFM forecasts for Tendring over the period 2011-2029.
	High Growth Employment Scenario	• East of England Forecasting Model (EEFM), developed by Oxford Economics to 2029	• Low Growth EEFM forecasts for Tendring over the period 2011-2029
	Low Growth Employment Scenario	• East of England Forecasting Model (EEFM), developed by Oxford Economics to 2029	• High Migration EEFM forecasts for Tendring over the period 2011-2029
Labour Supply	Local Plan Housing Targets	• Regeneris Consulting calculations based on Draft Local Plan targeted future growth in housing in Tendring	• Analysis of future employment likely to arise from projected housing change and associated population change
	SHMA Housing Demand	• Regeneris Consulting calculations based on SHMA future housing demand in Tendring	• Analysis of future employment likely to arise from projected housing change and associated population change
Source: Regeneris Consulting 2013			

Converting Employment Projections into Floorspace Requirements

6.14 Future employment projections for Tendring have been converted into future employment floorspace requirements using Regeneris Consulting's bespoke employment floorspace model. This model assesses average levels of activity across each employment use class for each employment sector. It then allocates employment to each use class accordingly.

6.15 Our model has underpinned the evidence base within a number of Core Strategies which have been found sound. This includes the St Helen's Employment Land Review. It has also been used at public inquiries such as for Glenfield Park, a major employment site in Blaby, where Wilson Bowden won an appeal against the planning authority.

6.16 Based upon this split of employment across different B Use Classes, we then calculate employment floorspace requirements using the standard employment densities[5] set out in the table below. To ensure consistency between employment estimates and assumed employment densities, we first convert the projections for total employment provided into Full Time Equivalent (FTE) jobs.

Table 6-2: Employment Density Assumptions		
Use Class	Description	Employment Density (Area (sq.m) per FTE)
B1 a/b (exc. B1c)	General Office	12
	Call Centre	8
	IT/Data Centre	47
	Business Park	10
	Serviced Office	10
	Average - B1	17.4
B1c and B2	Light Industry (Business Park)	47
	General Industry	36
	Average B1c and B2	41.5
B8	General Warehouse and Distribution	70
	Large Scale and High Bay Warehousing	80
	Average	75
Employment Densities Guide (2010), OffPat and HCA, accessed at http://www.homesandcommunities.co.uk/sites/default/files/our-work/employ-den.pdf		

6.17 Gross floorspace requirement are then converted into gross employment land requirements through the application of standard plot ratios. We also make assumptions around the number of building stories (for B1a/b space we have assumed 2 storeys) and location of B1a/b floorspace (we assume 50% is in Business Parks and 50% is in town centres). Our assumptions reflect our understanding of the locational characteristics of Tendring and our wider experience in undertaking Employment Land Reviews.

Table 6-3: Tendring Employment Land Review – Summary of Assumptions for Conversion of Employment Floorspace (m2) into Employment Land (hectares)				
	B1 a & b		B1c and B2	B8
	Business Park	Town Centre		
Assumed Location of Floorspace	50%	50%	No split	No split
Assumed average number of Storeys	2	2	1	1
Assumed Plot Ratio	0.5	0.9	0.4	0.5
Conversion of m2 into HA	1 hectare is equal to 10,000 m2			
Source: Regeneris Consulting, 2013				

Caveats to Methodology

6.18 It is important to note that there are numerous caveats associated with the use of

[5] Employment Densities Guide (2010), OffPat and HCA, accessed at: http://www.homesandcommunities.co.uk/sites/default/files/our-work/employ-den.pdf

employment forecasts. Some of the key considerations in this respect are set out in the box below.

A cautionary note on forecasting

It is difficult to predict with any certainty the levels of future employment growth in a particular area and therefore care should be taken when interpreting employment forecasts. Forecasts can vary depending on their source – Cambridge Econometrics, Oxford Economics and Experian are some of the firms which produce employment forecasts and each of these adopt varying approaches and will produce slightly different results.

It is difficult to predict future trends at any time but when there have been significant economic (e.g. recession) and political changes, it is even more difficult to produce forecasts which are reliable. Forecasts for individual districts and sectors are usually extrapolated from regional growth forecasts and there are difficulties in preparing forecasts to this level of detail.

Forecasts can provide an indication of what might happen in terms of future employment growth but are not definitive.

Approach 1: Past Trends Completions Approach

6.19 Floorspace completions data has been collated from Tendring District Council highlighting net employment floorspace completions in Tendring from 2005/06-2012/13 (the past eight years). This time period was chosen as completions data prior to 2005 is relatively patchy and is hence deemed unreliable for projecting future trends.

6.20 The take-up data is a mix of data provided directly by Council officers (the last five years), and Tendring DC Annual Monitoring Reports (AMR's) for the preceding years. Using this, Regeneris Consulting has developed a past-trends forecast of employment floorspace and land requirements for the 2014-2029 period. This can be used in comparison with the outputs from the Labour Demand and Labour Supply forecasting approaches.

6.21 The following table provides an overview of the total gross and net floorspace completions in Tendring over the last eight years, and average annual gross and net completions. The classification is by the main categories of B1a/b, B1c/B2, and B8.

6.22 Prior to 2007, B1 floorspace completions were not disaggregated to the B1a, b, and c sub classes. As such, for the years 2003-2007, we have assumed that the distribution of completions between the B1 sub classes is the same as the average distribution seen during 2007-2013 (B1a – 10%, B1b – 3%, and B1c – 87%).

Table 6-4: Gross and Net Completions in Tendring, 2005/06-2012/13 (total and annual average)

Use Class	Total Gross Completions 2005/06 to 2012/13 (sqm)	Total Net Completions 2005/06 to 2012/13 (sqm)	Annual Average Gross Completions (sqm)	Annual Average Net Completions (sqm)
B1a & b	4,300	1,500	500	200
B1c & B2	22,200	19,800	2,800	2,500
B8	12,100	10,000	1,500	1,200
Total	38,600	31,400	4,800	3,900

Source: Tendring DC, Regeneris Consulting

6.23 Table 6-5 shows average annual gross and net floorspace completions converted into land requirements (hectares). This past-trends data has then been used to forecast future land requirements for 2014-2029 (a period of 15 years). The land requirement forecasts are based on the same assumptions (e.g. plot ratios and storeys) as in the labour demand and supply approach forecasts (see earlier methodology section).

6.24 In overall terms, the past-trends forecasting approach demonstrates that there is limited demand for employment land in Tendring. Past trends suggest future demand for around 1.7 hectares gross or 1.5 hectares net of B1c/B2 land, around 1.1 hectares gross or 0.9 hectares net of B8 land, and negligible demand for B1a/b land.

6.25 However, given that this approach is based upon trends over the recent past, and our knowledge about the recession and aspirations for future economic growth in the Tendring area, it is important to consider these messages against the results of other forecasting methods.

Table 6-5: Future Land Requirements in Tendring, 2014-2029

	Based on Gross Completions		Based on Net Completions	
	Total Floorspace Requirements	Forecast Land Requirements, 2014-2029 (Ha)	Total Floorspace Requirements	Forecast Land Requirements, 2014-2029 (Ha)
B1a/b	8,000	0.2	2,900	0.1
B1c/B2	41,600	1.7	37,200	1.5
B8	22,800	1.1	18,700	0.9
Total	72,300	3.0	58,800	2.5

Source: Regeneris Consulting

Approach 2: Labour Demand

East of England Forecast Model: Summary of Employment Projections

6.26 The EEFM provides an overview of employment change over the past decade, as well as a forecast of potential employment change up to 2029.

6.27 The EEFM Base Forecast for 2013 was released in July 2013. The 2013 EEFM Lower Growth and Higher Growth Scenarios are not due to be released until later in 2013. Reflecting this, the forecasts that we have used are as follows:

- EEFM Base Forecast – the 2013 Base forecast as published in July 2013;
- EEFM Lower Growth Forecast – we have constructed a composite forecast. To do this we analysed the relationship between the 2012 EEFM Base and Lower Growth Forecasts for 2011-2029, and then applied this relationship to the 2013 EEFM Base Forecasts; and,
- EEFM Higher Growth Forecast – again, we have constructed a composite forecast. To do this we analysed the relationship between the 2012 EEFM Base and Higher Growth

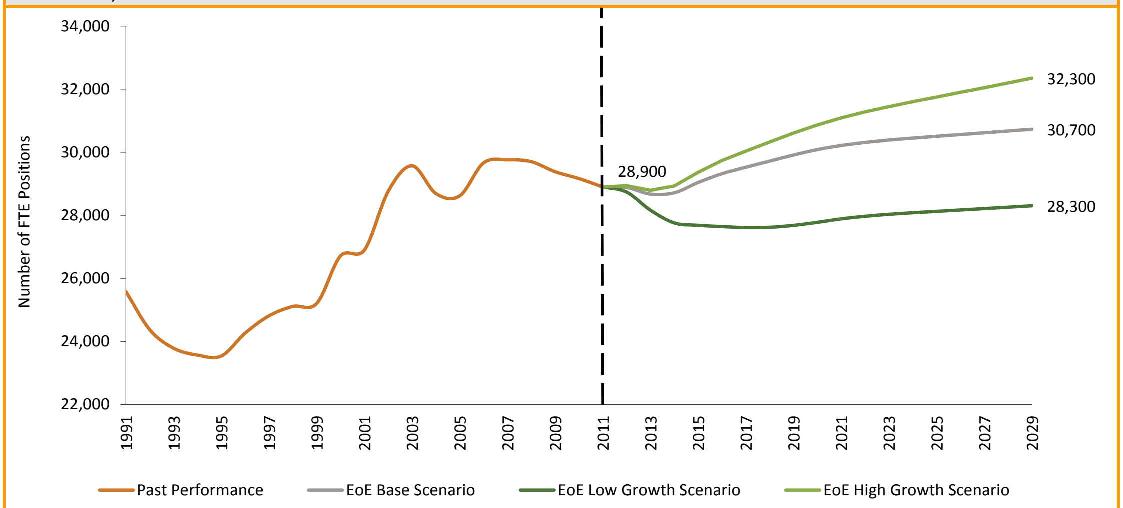
Forecasts for 2011-2029, and then applied this relationship to the 2013 EEFM Base Forecasts.

6.28 The key headlines from the East of England model are set out in the chart below. This summarises performance across the whole economy (i.e. all sectors rather than just B Use Class sectors) and highlights that:

- Tendring experienced strong employment growth in the decade from 1993 to 2003. Since 2003, however, performance has been more varied with a decline in the number of jobs overall; and,

- Current FTE employment (excluding self-employment) in Tendring stands at around 28,900 FTE positions. The forecasting model suggests that employment will increase to 28,300 FTE jobs by 2029 under the Lower Growth Scenario, to 30,700 FTE jobs by 2029 under the Base Scenario and to 32,300 FTE jobs by 2029 under the Higher Growth Scenario.

Figure 6-1: Tendring Employment Change (observed 1996-2011), and Employment Forecasts, by Scenarios, 2011-2029



Source: Regeneris Consulting based upon EEFM, by Oxford Economics Economic Forecasts, 2012

6.29 The results of the East of England model in terms of the total projected quantum of FTE jobs (all sectors) in Tendring for 2011-2029 are summarised in the table below.

Table 6-6: FTE Employment Summary, All Scenario's – 2011-2029

	2011	2014	2019	2024	2029
Base Scenario	28,900	28,700	29,900	30,400	30,700
Lower Growth Scenario	28,900	27,800	27,700	28,100	28,300
Higher Growth Scenario	28,900	28,900	30,600	31,600	32,300

Source: Regeneris Consulting based upon EEFM, by Oxford Economics Economic Forecasts, 2013

6.30 The table below sets out the results of the East of England model for Tendring in more detail. The table shows that:

- Over the past decade, employment across all sectors in Tendring increased by around 2,500 FTE jobs or 10% (200 FTE jobs per annum). However, as previously discussed, the

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majority of growth took place early on in that decade, with slight employment decline since 2003;

- Under the Baseline Scenario, employment across all sectors is projected to increase by 2,000 FTE jobs from 2014-2029 – growth of around 7% (or 100 jobs per annum);

- Under the Lower Growth Scenario, employment across all sectors is projected to increase by around 500 FTE jobs from 2014-2029 – growth of around 2% (or growth of less than 50 jobs per annum); and,

- Under the Higher Growth Scenario, employment across all sectors is projected to increase by 3,400 FTE jobs from 2014-2029 – growth of around 12% (or around 200 jobs per annum).

Table 6-7: Employment Change (FTE jobs) across all sectors in Tendring – Observed (2001-2011) and Forecast Scenarios (2011-2029)

		Total Change		Annual Change	
		Number	%	Number	%
Observed - Average Employment Change Per Annum	2001-2006	2,800	600	10.9%	2.2%
	2006-2001	-300	-100	-1.1%	-0.2%
	2001-2011	2,500	200	9.7%	1.0%
Baseline Scenario: Average Employment Change Per Annum	2011-2014	-200	-100	-0.6%	-0.2%
	2014-2019	1,200	200	4.2%	0.8%
	2019-2024	500	100	1.8%	0.4%
	2024-2029	300	100	0.9%	0.2%
	2014-2029	2,000	100	7.0%	0.5%
Lower Growth Scenario: Average Employment Change Per Annum	2011-2014	-1,100	-400	-3.9%	-1.3%
	2014-2019	-100	<-50	-0.3%	-0.1%
	2019-2024	400	100	1.4%	0.3%
	2024-2029	200	<50	0.8%	0.2%
	2014-2029	500	<50	2.0%	0.1%
Higher Growth Migration Scenario: Average Employment Change Per Annum	2011-2014	<50	<50	0.1%	0.0%
	2014-2019	1,700	300	5.8%	1.2%
	2019-2024	1,000	200	3.3%	0.7%
	2024-2029	700	100	2.4%	0.5%
	2014-2029	3,400	200	11.8%	0.8%

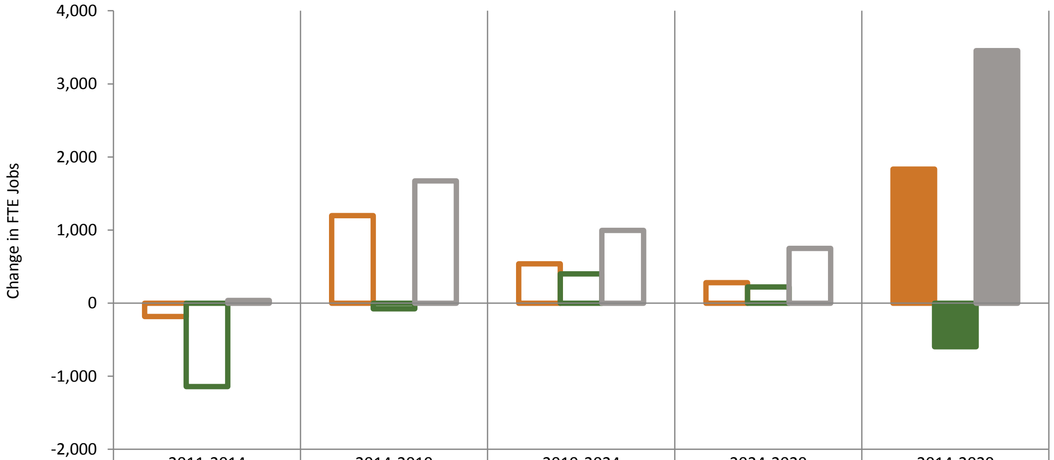
Source: BRES/ABI, Regeneris Consulting Assumptions and Calculations; East of England Forecasting Model

6.31 These growth rates are illustrated in the chart below, with a focus on the likely timescales of future employment growth across all sectors:

- The chart highlights that limited or negative employment growth is projected for the 2011-2014 period;

- For the Base and Higher Growth Scenarios, the highest growth rates are projected to take place in the 2014-2019 time period. Conversely, the Lower Growth Scenario projects a slight employment decline during this period.

Figure 6-2: Forecast FTE Employment Growth Rates by Scenario, 2011-2029



	2011-2014	2014-2019	2019-2024	2024-2029	2014-2029
Base	-184	1,198	538	281	1,833
Lower	-1,141	-77	400	222	-596
Higher	37	1,672	996	749	3,453

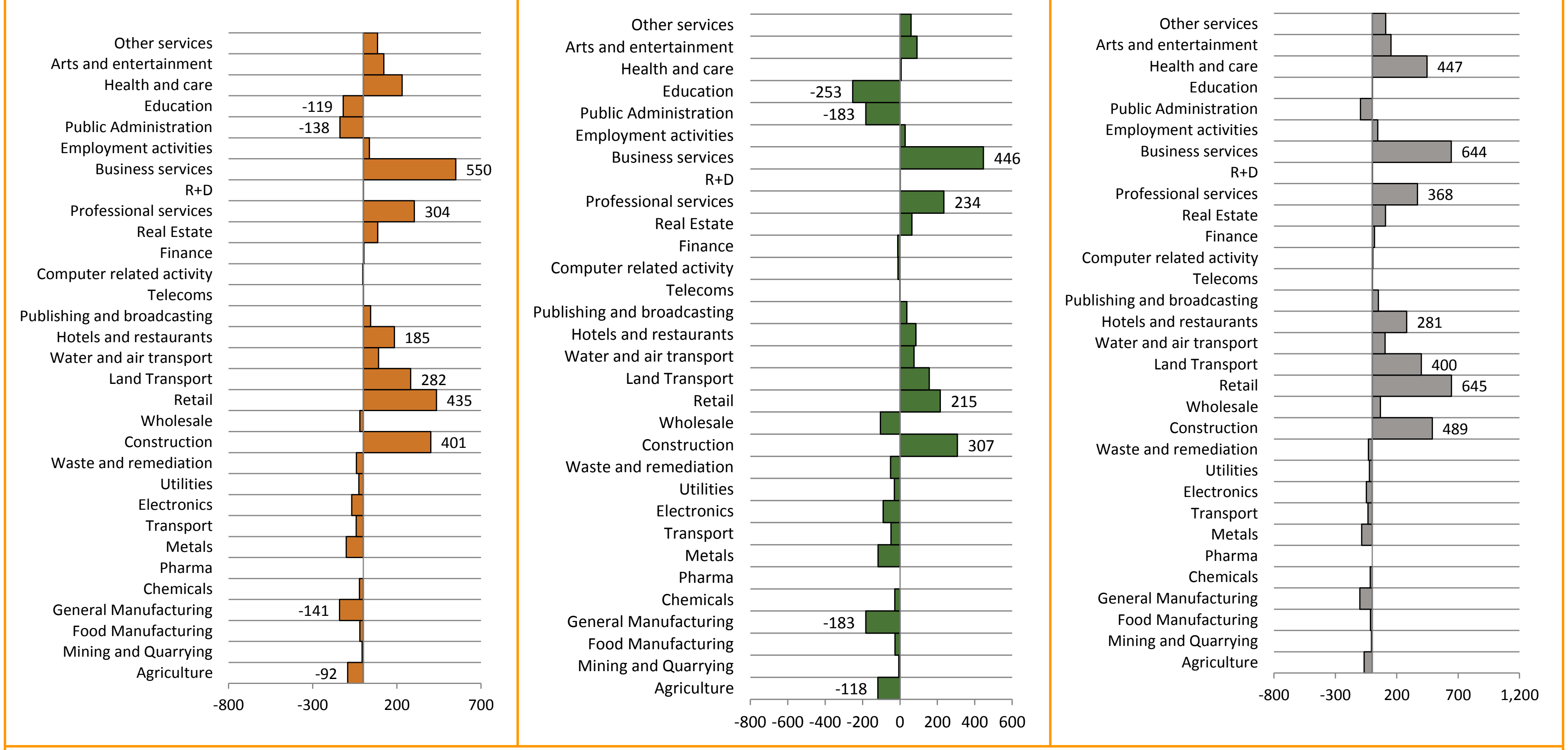
Source: Regeneris Consulting based upon EEFM, by Oxford Economics Economic Forecasts, 2012

6.32 The following charts highlight how the employment change under each scenario is distributed across sectors. The chart illustrates that:

- Under the Base Scenario employment growth is driven by business services (+600 FTE jobs), Retail (+400 FTE jobs), and Construction (+400 FTE jobs). Conversely, employment decline is projected for General Manufacturing (-100 jobs), Public Administration (-100 jobs) and Education (-100 jobs);
- Under the Lower Growth Scenario employment growth is driven by business services (+500 FTE jobs), Construction (+300 FTE jobs), Professional Services (+200 jobs) and Retail (+200 FTE jobs). Conversely, employment decline is projected for Education (-300 FTE jobs), Public Admin (-200 FTE jobs), General Manufacturing (-200 jobs), and Agriculture (-100 jobs); and,
- Under the Higher Growth Scenario employment growth is driven by Business Services (+600 FTE jobs), Retail (+600 FTE jobs), Construction (+500 FTE jobs), Health and Care (+500 FTE jobs) and Professional Services (+400 FTE jobs).

Figure 6-3: Forecast FTE Employment Change by Sector. 2011-2029

Base Growth Scenario	Lower Growth Scenario	Higher Growth Scenario



Source: Regeneris Consulting based upon EEFM, by Oxford Economics Economic Forecasts, 2012

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Employment Floorspace Implications

6.33 Using the Regeneris Consulting employment floorspace model, the above employment projections have been assessed in relation to various employment use classes.

6.34 The key messages for B-use class employment change are:

- In the period 2014-2029, 900 additional B Use Class FTE jobs are projected under the Base Scenario, 200 FTE jobs under the Lower Growth Scenario, and 1,500 under the Higher Growth Scenario;
- Within this, the majority of employment growth is anticipated in sectors which require B1a&b employment space – 900 FTE jobs for the Baseline Scenario, 600 FTE jobs for the Lower Growth Scenario and 1,300 FTE jobs for the Higher Growth Scenario; and,
- Conversely, employment decline is projected across all three scenarios in sectors which require B1c and B2 employment space. This varies from -200 FTE jobs for the Higher Growth Scenario and -400 FTE jobs for the Lower Growth Scenario.

Table 6-8: Forecast Change in Number of FTE Jobs by Use Class, 2011-2029

		B1a and B1b	B1c & B2	B8	**Total B Use Classes**	Other Use Classes	**All Jobs**
2011-2014	Base Scenario	100	<-50	200	**200**	-400	**-200**
	Lower Growth	-100	-100	<-50	**-200**	-1,000	**-1,100**
	Higher Growth	100	<-50	200	**300**	-300	**<50**
2014-2019	Base Scenario	400	-100	300	**600**	600	**1,200**
	Lower Growth	100	-100	100	**100**	-100	**-100**
	Higher Growth	500	-100	400	**800**	800	**1,700**
2019-2024	Base Scenario	300	-100	<50	**200**	300	**500**
	Lower Growth	300	-100	<-50	**100**	300	**400**
	Higher Growth	400	-100	100	**400**	600	**1,000**
2024-2029	Base Scenario	300	-100	-100	**100**	200	**300**
	Lower Growth	200	-100	-100	**<50**	200	**200**
	Higher Growth	400	-100	<50	**300**	500	**700**
2014-2029	**Base Scenario**	**900**	**-300**	**300**	**900**	**1,100**	**2,000**
	Lower Growth	**600**	**-400**	**<50**	**200**	**300**	**500**
	Higher Growth	**1,300**	**-200**	**500**	**1,500**	**1,900**	**3,400**

6.35 The implications of the above employment forecasts in terms of future employment floorspace requirements are set out in the following table:

- All scenarios forecast additional need for B1a/b employment floorspace in the period 2014-2029. In gross terms, this ranges from 10,800 sqm under the Lower Growth Scenario, up to 16,500 sqm under the Base Scenario, and 21,900 sqm under the Higher Growth Scenario;
- All scenarios forecast overall declines in demand for B1c & B2 employment floorspace in

the period 2014 to 2029. The decline in requirements for B1c and B2 range from -16,800 sqm under the Lower Growth Scenario, to -13,500 sqm under the Base Scenario and -10,300 sqm under the Higher Growth Scenario; and,

- All scenarios forecast an increase in demand for B8 floorspace, although the demand is relatively modest under the Lower Growth Scenario (+2,100 sqm). The Base Scenario forecasts demand for 21,000 sqm of B8 space, while the Higher Growth Scenario forecasts demand for 39,300 sqm.

Table 6-9: Forecast Floorspace Requirements by Use Class, 2011-2029

		B1a/b (sqm)	B1c and B2 (sqm)	B8 (sqm)	**Total (sqm)**
2011-2014	Base Scenario	1,600	-800	12,300	**13,100**
	Lower Growth	-2,100	-2,600	-100	**-4,800**
	Higher Growth	2,400	-400	15,300	**17,300**
2014-2019	Base Scenario	6,900	-3,600	24,000	**27,200**
	Lower Growth	2,000	-6,200	7,200	**3,000**
	Higher Growth	8,700	-2,600	30,300	**36,300**
2019-2024	Base Scenario	5,200	-4,600	1,500	**2,100**
	Lower Growth	4,600	-5,100	-100	**-500**
	Higher Growth	6,900	-3,600	7,600	**10,900**
2024-2029	Base Scenario	4,500	-5,300	-4,500	**-5,300**
	Lower Growth	4,200	-5,500	-4,900	**-6,300**
	Higher Growth	6,300	-4,100	1,500	**3,600**
2014-2029	**Base Scenario**	**16,500**	**-13,500**	**21,000**	**24,000**
	Lower Growth	**10,800**	**-16,800**	**2,100**	**-3,900**
	Higher Growth	**21,900**	**-10,300**	**39,300**	**50,800**

Source: Regeneris Consulting based upon EEFM, by Oxford Economics Economic Forecasts, 2012; and HCA Employment Densities Guidance

6.36 The gross floorspace figures set out in the preceding table have been converted into estimated employment land requirements by applying standard plot ratios and converting floorspace (sqm) into hectares. The headline employment land requirements for 2014 to 2029 are set out in the proceeding table:

- All scenarios forecast additional need for B1a/b employment land in the period 2014 to 2029. In gross terms, this ranges from 0.8 hectares under the Lower Growth Scenario, up to 1.3 hectares under the Base Scenario and 1.7 hectares under the Higher Growth Scenario;

- All scenarios forecast overall declines in demand for B1c & B2 employment land in the period 2014 to 2029. The decline in requirements for B1c and B2 range from -4.2 hectares under the Lower Growth Scenario, to -3.4 hectares under the Base Scenario and -2.6 hectares under the Higher Growth Scenario;

- The Base Scenario and Higher Growth Scenarios forecast an increase in demand for B8 floorspace of 4.2 hectares and 7.9 hectares respectively. Under the Lower Growth Scenario, demand for B8 is projected to increase by only 0.4 hectares; and,

- In overall terms, given the decline in demand for B1c and B2 floorspace under all scenarios, the Lower Growth Scenarios identifies a fall in total employment land requirements (-2.9 hectares). The Base and Higher Growth Scenarios, suggest an overall land requirement of 2.1 hectares and 7 hectares respectively.

Table 6-10: Forecast Change in Employment Land Requirements, 2011-2029 (hectares)

		B1a and B1b	B1c & B2	B8	**Total B Use Classes**
2011-2014	Base Scenario	0.2	-0.2	2.5	**2.5**
	Lower Growth Scenario	-0.3	-0.6	0.0	**-0.9**
	Higher Growth Scenario	0.3	-0.1	3.1	**3.3**
2014-2019	Base Scenario	0.5	-0.9	4.8	**4.4**
	Lower Growth Scenario	0.2	-1.6	1.4	**0.0**
	Higher Growth Scenario	0.7	-0.7	6.1	**6.1**
2019-2024	Base Scenario	0.4	-1.2	0.3	**-0.4**
	Lower Growth Scenario	0.4	-1.3	0.0	**-0.9**
	Higher Growth Scenario	0.5	-0.9	1.5	**1.2**
2024-2029	Base Scenario	0.3	-1.3	-0.9	**-1.9**
	Lower Growth Scenario	0.3	-1.4	-1.0	**-2.0**
	Higher Growth Scenario	0.5	-1.0	0.3	**-0.2**
2014-2029	**Base Scenario**	**1.3**	**-3.4**	**4.2**	**2.1**
	Lower Growth Scenario	**0.8**	**-4.2**	**0.4**	**-2.9**
	Higher Growth Scenario	**1.7**	**-2.6**	**7.9**	**7.0**

Note: Please refer to section on Methodology for assumptions made regarding plot densities.
Source: Regeneris Consulting based upon EEFM, by Oxford Economics Economic Forecasts, 2013; and HCA Employment Densities Guidance

Approach 3: Labour Supply

6.37 This scenario has been developed by Regeneris Consulting to understand possible changes in the supply of labour within Tendring to 2029 and the implications of this in terms of employment land requirements.

6.38 Labour supply can be affected by a number of factors, including supply of housing, migration, levels of economic activity amongst working age residents, levels of self-containment, as well as levels of economic activity amongst residents over 65 years. This latter point is one which, in policy terms is gaining some traction.

6.39 There are different approaches which can be used to establishing a forecast for future labour supply. However, the following points set out the key elements of our approach.

- We have based this modelling approach upon possible future housing growth in Tendring. To do this, we have used two possible scenarios for future housing growth:
    - ➢ A trajectory based upon the Draft Local Plan target of 5,625 units (375 per annum) for 2014-2029;

  - A higher growth trajectory based upon the level of housing demand set out in the Tendring SHMA. This suggests a target of 10,300 units from 2014 to 2029 (687 per annum).

- These are considered 'policy-on' scenarios, as opposed to using the ONS Sub-National Population Projections (SNPP) which is unconstrained, with no regard for local housing policy considerations. The use of a 'policy-off' scenario was discounted. This would have used the ONS 2011-based sub national population projections. These are unconstrained and do not take into consideration local factors such as land availability and housing targets;

- As we do not know the phasing of the additional dwellings, it is assumed that these dwellings will be developed at a constant rate of 375 dwellings per annum for the Local Plan scenario and 687 dwellings per annum for the SHMA scenario;

- We have used the 2011-based CLG household estimates and the 2011 based ONS SNPP to estimate headship rates for 2011-2029. These headship rates have been used to estimate total annual population increase in Tendring for 2011-2029;

- We have applied further assumptions to convert our forecasts of total population increase into forecasts of population increase for people aged 16+. We have focused upon age 16+ rather than working age population given the existing population profile of Tendring (there is evidence that there is a relatively large pool of residents working over the age of 65 locally) and anticipated future changes in working age patterns. We have therefore taken the age 16+ population profile for the years 2011-2029 as suggested by the ONS 2011-based SNPP and applied this to projected total population increase. This assumes that the proportion of 16+ residents in Tendring falls from 84% in 2011 to 83% in 2029;

- Assumptions on the 16+ economic activity rate are then applied to the age 16+ population. The rate has been taken from the Annual Population Survey (APS), by applying the 2008-2012 average for Tendring (c.54%). We assume that this rate stays constant over the forecasting period. This rate includes all Tendring residents in employment (whether in the district or outside and including self-employed people) plus those who are unemployed but looking for work;

- Further assumptions are then applied to exclude self-employed people. Again the rate has been taken from the Annual Population Survey (APS), by applying the 2008-2012 average for the proportion of Tendring economically active residents aged 16+ who are self-employed (c.15%). Again we assume that this rate stays constant over the forecasting period; and,

- Adjustments have then been made to take account of any potential changes in commuting levels (i.e. levels of self-containment). In the absence of more up to date information, travel to work patterns from the 2001 Census suggest that there is a net daily outflow of 12,170 commuters, and that the total number of people who work in Tendring is only 77% of the number of working people who live in the district. The forecasts have been adjusted accordingly to ensure that future employment land requirements only taken into account those working in the district.

6.40 The following table provides an overview of total labour supply (total jobs) and how this changes over the period to 2029.

6.41 The key points are:

- Population estimates under the policy-on approach are driven by the delivery of between 5,625 and 10,300 new dwellings and a falling headship rate over the period to 2029. This could deliver between 7,100 and 17,100 additional residents. These levels of growth are constrained by the level of new housing provision, unlike the SNPP projections which provide unconstrained (and thus less relevant projections);

- However, once assumed rates for the age 16+ population and economic activity are applied, the overall labour supply increase from new housing development for Tendring is rather modest – at between 2,300 and 5,300 residents working in the district (this is a figure for total jobs rather than FTE jobs); and,

- Key to raising this level of labour supply in Tendring and in contributing to wider economic growth job targets will be:

  - Increasing the proportion of residents of working age in Tendring
  - Increasing employment rates
  - Increasing the number of people over 65 at work in /returning to the labour market in Tendring
  - Reducing levels of out-commuting from the district.

Table 6-11: Labour Supply - Estimates of FTE jobs, 2011-2029

		2011	2014	2019	2024	2029	**Change (2014-2029)**
Households	Local Plan	62,100	63,200	65,100	66,900	68,800	5,600
	SHMA	62,100	64,100	67,600	71,000	74,400	10,300
Headship		2.2	2.2	2.2	2.2	2.2	2.1
Total Population	Local Plan	138,100	139,500	141,900	144,400	146,700	7,100
	SHMA	138,100	141,600	147,400	153,200	158,700	17,100
16+ Population	Local Plan	116,000	117,200	118,800	121,000	123,900	6,600
	SHMA	116,000	119,000	123,400	128,300	134,000	15,000
16+ Pop in Employment	Local Plan	62,200	62,900	63,700	64,900	66,400	3,600
	SHMA	62,200	63,800	66,200	68,800	71,900	8,100
Adjusted for self-emp	Local Plan	52,600	53,200	53,900	54,900	56,200	3,000
	SHMA	52,600	54,000	56,000	58,300	60,800	6,800
Adjusted for commuting (total jobs)	Local Plan	40,600	41,000	41,600	42,400	43,400	2,300
	SHMA	40,600	41,700	43,200	44,900	46,900	5,300

Source: Regeneris Consulting

6.42 To estimate the employment land implications of these figures, we have made a number of assumptions and adjustments:

- We have converted these overall figures for employment change into figures for employment change by sector. To do this, we have applied the sectoral split for 2011-

2029 as set out in the East of England forecasting model Base Scenario;

- Adjustments are then made to convert jobs into FTE jobs using analysis from the BRES dataset. We assume that the FTE ratios we use remain constant throughout the forecasting period; and,

- We have then used a similar approach to the labour demand forecasting, to estimate employment change by B use class.

6.43 The following table highlights how jobs growth estimated under the labour supply approach could be distributed across the main employment use classes. Taking B-use classes alone, overall employment is forecasted to increase by around 800 FTE jobs under the Local Plan Housing Growth scenario and by around 1,800 FTE jobs under the SHMA Housing Growth scenario. Highest levels of growth are projected for the B1a/b Use Classes, with lower growth projected for B8. Employment decline is projected for B1c and B2 use classes.

Table 6-12: Forecast Change in FTE Jobs by Use Class, 2011-2029

Year	Scenario	B1a and B1b	B1c and B2	B8	***Total B-use classes***	Other	**Total**
2011-2014	Local Plan Scenario	300	100	300	600	-300	400
	SHMA Scenario	400	100	400	900	<-50	800
2014-2019	Local Plan Scenario	300	-200	200	300	200	500
	SHMA Scenario	500	-100	300	600	600	1,300
2019-2024	Local Plan Scenario	300	-100	<50	200	400	600
	SHMA Scenario	500	-100	100	600	800	1,400
2024-2029	Local Plan Scenario	400	-100	<50	300	500	800
	SHMA Scenario	600	-100	100	600	900	1,600
2014-2029	**Local Plan Scenario**	1,000	-400	200	800	1,000	1,900
	SHMA Scenario	1,600	-300	500	1,800	2,400	4,300

Source: Regeneris Consulting

6.44 The following table highlights how jobs growth translates into floorspace requirements across the main employment use classes. The Labour Supply Approach suggests that:

- Under the Local Plan Housing Growth scenario, there is a total requirement for around 15,000 m2 of employment floorspace between 2014 and 2029. This comprises a net decline in requirement for B1c & B2 (-15,600 m2), and net increases in requirements for B1a&b (17,700 m2) and B8 (12,900 m2); and,

- Under the SHMA Housing Growth scenario, there is a larger total requirement for employment floorspace of around 57,600 m2 between 2014 and 2029. This comprises a net decline in requirement for B1c & B2 (-10,700 m2), and net increases in requirements for B1a&b (27,100 m2) and B8 (41,200 m2).

Table 6-13: Forecast Change in Employment Floorspace, 2011-2029					
		B1a and B1b	B1c and B2	B8	**Total B-use classes**
2011-2014	Local Plan Scenario	5,500	2,200	20,600	28,300
	SHMA Scenario	7,200	3,600	26,700	37,500
2014-2019	Local Plan Scenario	5,000	-6,600	11,500	9,900
	SHMA Scenario	8,000	-4,700	21,600	24,900
2019-2024	Local Plan Scenario	5,900	-4,700	900	2,100
	SHMA Scenario	9,000	-3,100	10,300	16,200
2024-2029	Local Plan Scenario	6,800	-4,300	500	3,000
	SHMA Scenario	10,100	-2,900	9,400	16,600
2014-2029	**Local Plan Scenario**	**17,700**	**-15,600**	**12,900**	**15,000**
	SHMA Scenario	**27,100**	**-10,700**	**41,200**	**57,600**
Compared to Labour Demand Forecasts (2014-2029)					
Base Scenario		16,500	-13,500	21,000	**24,000**
Lower Growth Scenario		10,800	-16,800	2,100	**-3,900**
Higher Growth Scenario		21,900	-10,300	39,300	**50,800**
Source: Regeneris Consulting					

6.45 Again, using a similar approach to the labour demand forecasting, the following table highlights how floorspace requirements translate into land requirements across main employment use classes. The Labour Supply Approach suggests that:

- Under the Local Plan Housing Growth scenario, there is an overall negligible requirement of around 0.1 hectares of employment land between 2014 and 2029. This comprises a net decline in requirement for B1c & B2 (-3.9 ha), and net increases in requirements for B1a&b (1.4 ha) and B8 (2.6 ha);

- Under the SHMA Housing Growth scenario, there is a total requirement for employment land of around 7.7 hectares between 2014 and 2029. This comprises a net decline in requirement for B1c & B2 (-2.7 ha), and net increases in requirements for B1a&b (2.1 ha) and B8 (8.2 ha); and,

- The table also highlights that the employment land requirements for the Labour Supply SHMA Scenario are similar those suggested by the Labour Demand Higher Growth Scenario. Conversely, the requirements of the Labour Supply Local Plan Scenario fall between those of the Labour Demand Lower Growth and Base scenarios.

Table 6-14: Forecast Change in Employment Land Requirements, 2011-2029 (hectares)					
		B1a/b (ha)	B1c and B2 (ha)	B8 (ha)	**Total**
2011-2014	Local Plan Scenario	0.7	0.5	4.1	5.4
	SHMA Scenario	0.9	0.9	5.3	7.1
2014-2019	Local Plan Scenario	0.4	-1.7	2.3	1.0
	SHMA Scenario	0.6	-1.2	4.3	3.8
2019-2024	Local Plan Scenario	0.5	-1.2	0.2	-0.5
	SHMA Scenario	0.7	-0.8	2.1	2.0
2024-2029	Local Plan Scenario	0.5	-1.1	0.1	-0.4
	SHMA Scenario	0.8	-0.7	1.9	1.9
2014-2029	**Local Plan Scenario**	**1.4**	**-3.9**	**2.6**	**0.1**
	SHMA Scenario	**2.1**	**-2.7**	**8.2**	**7.7**
Compared to Labour Demand Forecasts (2014-2029)					
Base Scenario		1.3	-3.4	4.2	**2.1**
Lower Growth Scenario		0.8	-4.2	0.4	**-2.9**
Higher Growth Scenario		1.7	-2.6	7.9	**7.0**
Source: Regeneris Consulting					

Summary and Conclusions

Employment Forecasts

6.46 A summary of the potential scenarios for employment change for B Use Classes in Tendring for 2014-2029 is set out in the proceeding table. This ranges from 450 jobs under the labour demand side base scenario to 6,100 under the labour demand side higher growth scenario.

Table 6-15 Employment Forecasts Scenarios, 2014-2029			
Approach	Scenario Name	Source	Potential B Use Class Jobs 2014-2029
Approach 1: Past Completions	Past Employment Land Completions	• Based on evidence from floorspace completions in Tendring, taken from Tendring LDF AMRs (2001-2010) and additional Tendring information (2010-2013)	• N/A
Approach 2: Labour Demand	Base Employment Scenario	• East of England Forecasting Model (EEFM), developed by Oxford Economics to 2029	• Up to 900 FTE Jobs
	High Growth Employment Scenario	• East of England Forecasting Model (EEFM), developed by Oxford Economics to 2029	• Up to 1,500 FTE Jobs
	Low Growth Employment Scenario	• East of England Forecasting Model (EEFM), developed by Oxford Economics to 2029	• Up to 200 FTE Jobs
Approach 3: Labour Supply	Local Plan Housing Targets	• Regeneris Consulting calculations based on Draft Local Plan targeted future growth in housing in Tendring	• Up to 800 FTE Jobs
	SHMA Housing Demand	• Regeneris Consulting calculations based on SHMA future housing demand in Tendring	• Up to 1,800 FTE Jobs

Source: Regeneris Consulting 2013

Employment Land Requirements

6.47 The employment land requirements which relate to the above employment scenarios are summarised below. It is also important to make adjustments to the forecasts to take account of the following two considerations:

- A flexibility or 'safety margin' factor – this is important in making provision to enhance choice and flexibility (particularly given uncertainty in relation to spatial demands linked to Bathside Bay and Offshore Energy expansion). While there is nothing in official guidance to say it is compulsory, it can compensate for the uncertainties in the forecasting process. To estimate a flexibility factor for our forecasts we have made an allowance for an additional 2 years of gross completions. This assumption has been informed by the Tendring DC completions data used in the past-trends forecasting approach; and,

- A 'making losses good' (MLG) factor – this is important, in line with policy approach which aims to take account of the losses of older property within the area and ensuring that businesses in the area have accommodation stock to enable them to stay and grow within the area, in parallel to an approach to recycle previously developed land for new uses. The assumption on the making losses good (MLG) factor has been informed by analysis of gross losses by main use-classes from the Tendring DC data (gross completions minus net completions). We have adjusted the forecasts, with an additional 5 year supply of land to provide for making good these losses.

Table 6-16: Applying Adjustment Factors to the Forecasts

		B1a/b (ha)	B1c and B2 (ha)	B8 (ha)
Approach 1: Past Trends	Past Employment Land Completions	N/A	N/A	N/A
Approach 2: Labour Demand - Economic Forecasts	Base Employment Scenario	FF	MLG	FF MLG
	High Growth Employment Scenario	FF	MLG	FF MLG
	Low Growth Employment Scenario	FF	MLG	FF MLG
Approach 3: Labour Supply	Local Plan Housing Targets	FF	MLG	FF MLG
	SHMA Housing Demand	FF	MLG	FF MLG

FF – Flexibility Factor; MLG – Making Losses Good Factor, N/A – Not applicable

Source: Regeneris Consulting

6.48 The proceeding table sets out the unadjusted employment land requirements and the final employment land requirements following adjustment.

Table 6-17: Summary of Employment Land Requirements						
			B1a/b (ha)	B1c & B2 (ha)	B8 (ha)	Total (ha)
Unadjusted Requirements	Approach 1: Past Trends	Employment Land Completions	0.2	1.7	1.1	3.0
	Approach 2: Labour Demand - Economic Forecasts	Base Scenario	1.3	-3.4	4.2	2.1
		Low Growth Scenario	0.8	-4.2	0.4	-2.9
		High Growth Scenario	1.7	-2.6	7.9	7.0
	Approach 3: Labour Supply	Local Plan Housing Targets	1.4	-3.9	2.6	0.1
		SHMA Housing Demand	2.1	-2.7	8.2	7.7
Adjusted Requirements	**Approach 1: Past Trends**	**Employment Land Completions**	**0.2**	**1.7**	**1.1**	**3.0**
	Approach 2: Labour Demand - Economic Forecasts	**Base Scenario**	**1.3**	**-3.3**	**4.3**	**2.3**
		Low Growth Scenario	**0.9**	**-4.1**	**0.5**	**-2.8**
		High Growth Scenario	**1.7**	**-2.5**	**7.9**	**7.1**
	Approach 3: Labour Supply	**Local Plan Housing Targets**	**1.4**	**-3.9**	**2.7**	**0.2**
		SHMA Housing Demand	**2.1**	**-2.6**	**8.3**	**7.8**
Source: Regeneris Consulting						

6.49 In summary:

- The forecasting approaches show modest demand for B1a/b floorspace and land in Tendring, even after taking account of adjustments. This reflects the current and future nature of sectors and employment within the district;
- While adjustments have been made to the B1c/B2 land requirements, these have still shown, in overall terms, either a contraction in employment land needs across all scenarios. While there will be a requirement for land to meet future needs, this is likely to be delivered through the recycling of some existing provision, while some of this employment land may also be released for other uses; and,
- The forecasting approaches indicate that the largest requirement in the district will be for B8 floorspace and land – this largely reflects the greater land take of these types of activities.

6.50 Based on our understanding of the local area, aspirations for the Tendring Economic Development Strategy and experience undertaking employment land reviews throughout the UK, we make the following conclusions about the validity of the various scenarios:

6.51 The findings of the Past Completions Scenarios must be treated with caution due to patchy / incomplete data. As such, the finding of this scenario have been discounted;

- Given that between 2001 and 2011, employment in B class uses declined by 1% (or 100 jobs), the Labour Demand Low Growth scenario should not be ruled out as a possible trajectory; and,
- Nevertheless, in our view Tendring should as a minimum plan for a target which is similar to the Labour Demand Base scenario. However, we would recommend that Tendring

needs to consider a more ambitious target which is in line with the aspirations set out in the Economic Development Strategy. We feel that the high growth scenario (which correlates with the results of the demand based Labour Supply SHMA scenario) would provide a good basis for an aspirational target.

6.52 On this basis, we identify the following employment land requirements for the B use classes for the period 2014-2029 (and per annum):

- B1a/b: 1.3 to 1.7 hectares (around 0.09-0.12 hectares per annum) – the adjustment factors here make very little impact on overall requirements, given the past performance of the B1a/b market in Tendring;
- B1c/B2: -3.3 to -2.5 hectares (-0.22 to -0.17 hectares per annum). Again, the adjustment factors here make very little impact on overall requirements, given the past performance of the B1c/ B2 market in Tendring; and,
- B8: 4.3-7.9 hectares (0.28-0.53 hectares per annum). Once again, the adjustment factors make very little impact on overall requirements, given the past performance of the B8 market in Tendring.

7. Demand-Supply Balance

Comparison of Supply and Demand

Overall Assessment (All B Use Classes)

7.1 The demand assessment suggests that there is an overall requirement for between 2.3 ha (Base Scenario) and 7.1 ha (High Growth Scenario).

7.2 In terms of supply, we have identified 33.25 ha of employment land which is made up of the following:

- Available land on existing sites: an estimated 30.75ha land is available overall consisting of vacant sites and under-utilised land which has the potential for intensification. These are sites without planning permission; and,

- Permissions: in March 2012, there was planning consent to develop 2.5ha land overall.

7.3 The supply assessment has also identified that available space in Tendring currently comprises around 5,897m2 office and 9,504m2 industrial and warehouse space. Based on these figures, the overall vacancy level for office space is 8%, whilst the vacancy level for industrial and warehouse space is relatively low at less than 2%. In our view, these can be considered natural levels of vacancy since a reasonable level of vacant stock is required to address issues of market churn and therefore we do not feel that this needs to be added to overall future levels of supply. For the remainder of this section we do not take these into account.

Table 7-1: Summary of Employment Land Demand / Supply Balance – All B Use Classes (ha)

	Demand		Supply	
	Base Scenario	High Growth Scenario	Existing Employment Sites – no planning	Sites with Planning
All B Use Classes	2.3	7.1	30.75	2.5

Source: Regeneris Consulting, 2013

7.4 **<u>In quantitative terms, there is a sufficient supply of land to meet future needs even if the most optimistic scenario is adopted</u>.** However, the actual requirements for employment land vary when the needs of different use classes are taken into account. This is considered to be a more meaningful analysis of Tendring's future employment land needs and this is considered below.

Taking account of different use classes

Office and R&D Activities (B1a/b use class)

7.5 All of the scenarios suggest that there will be low demand for B1a/b floorspace and land in Tendring in the period to 2029. In our view between 1.3 ha and 1.7 ha will be required over that period. With regards to supply:

- Approximately 0.3ha B1 land is in the pipeline with consent for employment development.

- There is a further 30.75 ha of land identified on existing employment sites as being vacant or having the potential for redevelopment or intensification – of this, around 8.07 ha is considered suitable for B1 a/b uses.

Table 7-2: Summary of Employment Land Demand / Supply Balance – All B Use Classes (ha)				
	Demand		Supply	
	Base Scenario	High Growth Scenario	Existing Employment Sites – no planning	Sites with Planning permission
B1a/b (ha)	1.3	1.7	8.07	0.3
Source: Regeneris Consulting, 2013				

7.6 In quantitative terms therefore, at the district level there is an oversupply of land suitable for B1 a/b development. However, it is important to note that variations are likely to occur at the more local level and it is possible that modest levels of additional land might be necessary to meet identified local needs or address qualitative issues regarding existing supply.

7.7 This caveat aside, our quantitative assessment suggests that there will be sufficient supply of B1a / B1B land to meet future demand.

Industrial (B1c and B2 use class)

7.8 The labour demand forecasts suggest that there will be contracting needs of between -2.5ha and -3.3 ha land in net terms. With regards to supply:

- Approximately 1.5ha of B2 space is in the pipeline with consent for employment development; and,

- Further land has been identified on existing employment sites as being vacant or having the potential for redevelopment or intensification with up to 30.27 ha considered suitable for B2 space (as well as B1 and B2 uses).

Table 7-3: Summary of Employment Land Demand / Supply Balance – All B Use Classes (ha)				
	Demand		Supply	
	Base Scenario	High Growth Scenario	Existing Employment Sites – no planning	Sites with Planning permission
B1c/B2	-3.3	-2.5	30.27	1.5
Source: Regeneris Consulting, 2013				

7.9 In light of a forecast surplus or reduction of B1c/B2 space, it is viewed as sensible to make some additional land available recognising that there is likely to be some loss of employment land on smaller, poorly located sites.

7.10 However, based on a qualitative assessment of sites, it is our view that at the district-wide level there is sufficient good quality land to make good these losses and that future demand in quantitative terms could be met through the re-use and recycling of existing provision.

Warehouse Activities (B8 use class)

7.11 The largest requirement in the district will be for B8 floorspace land. In our view, between 4.3 ha and 7.9 ha land will be required for B8 uses up to 2029. With regards to supply:

- Approximately 0.7 ha of B8 space is in the pipeline with consent for employment development; and,
- Some of the forecast requirement for B8 land could potentially be met through development of land identified on existing employment sites as being vacant or having the potential for redevelopment or intensification. Of the total of 30.55 hectares of land identified, the majority would be suitable for B8 uses (as well as B1 and B2 uses).

Table 7-4: Summary of Employment Land Demand / Supply Balance – All B Use Classes (ha)

	Demand		Supply	
	Base Scenario	High Growth Scenario	Existing Employment Sites – no planning	Sites with Planning permission
B8	4.3	7.9	30.55	0.7

Source: Regeneris Consulting, 2013

7.12 Our quantitative assessment suggests that even taking a more ambitious approach (7.9ha), there is likely to be an oversupply of district-wide B8 land. Again, it is important to note that variations are likely to occur at the more local level and it is possible that modest levels of additional land might be necessary to meet identified more local needs or address qualitative issues regarding existing supply (most notably the development of Bathside Bay and issues around Harwich).

7.13 This caveat aside, our quantitative assessment suggests that there will be sufficient supply of B8 land to meet future demand.

Qualitative Assessment and Recommendations

7.14 The quantitative assessment relates to the overall supply of employment land and floorspace for the District. Through the site assessments, a detailed assessment of the quality of the existing main employment sites and premises has been undertaken, which allows us to take account of more qualitative issues which are relevant for Tendring.

7.15 The site assessments have been used to derive qualitative conclusions regarding the portfolio of employment sites in the District and towns, and to make recommendations for limited future allocations of land to support economic development. A number of existing employment areas have also been identified as possibly being appropriate for redevelopment to other uses.

7.16 Even where no quantitative shortfall of space is identified at the district level – such as for B1a/b - additional land may be needed for qualitative reasons, for example to:

- Provide a choice of good quality sites and floorspace provision to meet occupier demand;
- Meet gaps in the supply of particular types of premises either at the district-wide level or more locally; or

- Improve or modernise the quality of current sites and premises and so help attract more or better quality occupiers.

7.17 Based on our overall assessment of sites, there are a number of over-arching comments to make:

- Generally, the distribution of employment space in the district is reasonable and located in or on the edge of the main settlements;
- Clacton and Harwich offer the greatest range and diversity of employment space – a reflection of their size and scale. As a result, these towns are likely to remain important over the Local Plan period;
- As with other similar areas, there is a need to continue to renew and modernise employment stock, while recognising that there will always be a range of quality premises to meet occupier budgets;
- Our view is that, save for Harwich, demand is almost exclusively likely to be focused upon local needs;
- Modest levels of demand results in lower rents and weak yields for employment space. This makes it challenging to invest in viable schemes and the private sector may be unwilling to take the risk – unless pre-lets are in place. The council will therefore need to be realistic about the level of demand which is likely to happen over the timeframe of the Local Plan and potentially intervene to encourage investment (see comments below);
- Office stock in the district is generally of low quality. The exception to this is the western side of Tendring which lies close to Colchester. Here, there may be the opportunity to tap into demand if premises are delivered in accessible locations: and set in a good quality environment;
- For offices elsewhere in the district, were the Council minded to intervene then there might be scope to deliver smaller scale suites, offering flexible terms and business support through an innovation style centre. These can be more viable products, subject to the way they are managed. Alternatively, the delivery of more modern premises would need to be cross funded through the delivery of other uses - say residential;
- The Economic Development Strategy proposes a period of concerted marketing of Harwich as a location for the Offshore Energy sector. This obviously has the potential to generate additional demand and (given the timing of the sector opportunity) could require delivery relatively quickly. Some flexibility in relation to this opportunity is certainly advisable in the first 3-5 years of the Local Plan;
- A longer term aspiration for the Economic Development Strategy is to establish a clear strategic plan for Land to the West of Tendring. In addition to new housing and associated social infrastructure, this site also has the potential to support new employment uses (with sustainable industries and clean-tech uses discussed in the strategy document).

7.18 Our remaining conclusions are structured below around the key settlements of Tendring. They take account of the location, economic characteristics, current employment provision, and emerging strategic planning policies for the key settlements in the District.

Clacton

7.19 The previous Employment Land Review (2010) identifies Clacton as primarily servicing local demand. In this respect, little has changed in the intervening period, with no significant market activity or sector diversification. The Economic Development Strategy sets out an aspiration for Clacton to remain an important service centre and as such it is important that key employment sites are retained and (where necessary) improved.

Tendring Economic Strategy (2013): Vision for Clacton

Clacton will remain Tendring's most important and busiest service centre. **The town will evolve with an emphasis on quality, providing excellent, cultural, retail, educational and public services**. The quality of the town will be a key attractor for new residents and businesses to locate in the area. New cultural infrastructure will support increasing regional demand from Essex's growing populations and will act as a stimulus for increased year round use of Clacton town centre.

The role of Clacton's coastal location and visitor economy should not be overlooked. Indeed, the proposed £30m in coastal works and beach creation (between Clacton and Holland Haven) provides a once in a generation opportunity to re-think a significant proportion of Tendring's coastline and provide a significant uplift in visitor experience. This investment needs to be complemented by a higher quality visitor offer, serving Essex and the wider South East. In 10 years' time, Clacton should aspire to be recognised as a distinctive, quality destination by a broad range of visitor groups.

Given the importance of the local service economy to Clacton, sensible planned housing development and population growth should be seen as a core component of the town's growth and evolution. Not only will this support improvement, diversification and quality in the town, it will drive business creation, satisfying demand for local people to establish and grow their businesses.

7.20 Gorse Lane Industrial Estate remains the most popular and well used location and, as such, the case remains to consider options to expand this location in line with the demands of existing tenants and local businesses.

7.21 Whilst there is perhaps scope for some local growth in Business Services, given market drivers, it is highly unlikely that Clacton will attract significant office development over the Local Plan period. Any demand could be accommodated through recycling of existing office stock within the town centre. Speculative office development is highly unlikely. This situation could change with significant residential growth in Clacton and surrounding areas, with this providing greater scope for business start-ups and potentially inward investment as an induced impact of population growth. This should be considered when future residential allocations are better understood.

7.22 In some cases Clacton's B class stock (most notably around Ford Road, parts of Gorse Lane and Comac Yard) is of limited or poor quality and may struggle to be re-let should existing tenants relocate. Where quality is identified as an issue, on-going monitoring is important as alternative uses may become more appropriate in the medium term.

7.23 Arguably there is a shortage of smaller light industrial uses in Clacton and this is where development has been greatest in recent years. The council could take the initiative to encourage more of this type of stock locally.

Figure 7-1 Clacton					
Site	Size (ha)	Protection	Potential for Development	Potential for Release	Recommendations
Land North of Telford Road	6.91	✓	✓		Allows for natural extension of Clacton's main employment area. *Protect for future employment expansion.*
Land East of Thorpe Road	0.227	✓	✓		Potential to provide a greater concentration of employment uses in the main employment area for Clacton, coming forward as part of a mixed use scheme. *Retain for future employment uses.*
Gorse Lane Industrial Estate	38.07	✓	✓		Clacton's main employment area. Well located and good accessibility and evidence of recent employment growth. Some land available for development and perhaps redevelopment of existing stock. *Protect and retain.*
Valleybridge Road	7.45	✓	✓		A fairly well occupied site, with some scope for intensification and reuse. Meets local needs for larger occupiers. *Protect.*
Oxford Road	9.61	✓			A very well occupied multi tenanted site for a range of B class uses. While access and scope for expansion/redevelopment is limited, this *site should be retained for employment uses.*
Ford Road	2.14	✓			Although the site does not offer good accessibility, and abuts residential areas it is a well occupied central location with a cluster of car services and specialist enterprises present. Longer term, if vacancies increase, then consider for alternative use. *Presently though, protect for employment use.*
Comac Yard	0.34	✓			A reasonably centrally located site, with a range of small scale local occupiers. Provides however a poor quality environment and lies adjacent to residential uses. *Retain at present with potential for potential for release if occupancy falls considerably.*
North of Centenary Way	15.5				A large greenfield site. Given the policy position (strategic green gap), there may be other sites in the vicinity that are better placed to provide employment space expansion were additional land is required in this area. Other sites are more likely to be better integrated with surrounding uses, and more readily accessed and

					better aligned with planning policy. *Recommendation: Retain as strategic green gap.*
Clacton Gateway	8.37				Presently a greenfield site located adjacent to Brook Retail Park. Overall, while this is a well located site and might be an attractive location for businesses, it is contrary to current and emerging planning policy. There may also be sufficient supply in other fringe industrial areas around Gorse Lane without the need to use this more isolated land to deliver B Class uses. *Recommendation: retain as greenfield/ agricultural site.*

Harwich

7.24 Despite declining employment in this area over the last 20 years, Harwich is identified within the Economic Development Strategy as perhaps the most important economic location within the Tendring economy.

Tendring Economic Development Strategy (2013): Vision for Harwich

Harwich should aim to build upon its existing strengths to become the UK's most important Offshore Energy Port. This is arguably Tendring's biggest opportunity; one that could create thousands of jobs in Tendring over the next two decades.

To realise its potential, the town will need to attract a broad range of companies across the energy and maritime supply chain and ensure that space exists to accommodate their activities. Harwich will need to become a hub for new start-ups, globally significant Research and Development activity and new education and training facilities.

To accommodate and capitalise upon this increase in commercial activity, both Harwich and neighbouring Dovercourt will need to evolve as a more effective location, catering for an increase in both permanent and temporary workforces. New housing, shops and services will be required, all of which will need to be developed in a way which builds upon Harwich's heritage and maintains the town's identity.

In addition to activity in the town, the Harwich opportunity has the potential to stimulate demand along the A120 and, perhaps most importantly, at Bathside Bay. Related activity across the district will not only be in offshore and port related activity, but also other business activities, housing and infrastructure.

7.25 This is clearly primarily related to the Port, its potential expansion and its diversification into new markets. Given the uncertainty and potential of Harwich in this respect, it is important that key sites within the Port hinterland (Stanton Europark, Europa Way and The Port/Mercedes site) are protected.

7.26 The timescale for the delivery of Bathside Bay remains uncertain and could potentially impact upon demand for space and premises in Harwich and on the A120 in the future. Given some of the constraints (in particular flood risk and access) impacting upon existing 'prime' sites (see below) the allocation of alternative sites such as Poplar's Farm (12.73 ha site on the A120) may be necessary. Pond Hall Farm has previously been identified as a site which could accommodate significant employment uses (c 27ha). Given demand, constraints and uncertainty, reallocation of the majority of this site for residential is recommended. However, to support demand arising from population growth and potential port related uses it is recommended that around 5ha of the site is retained for B Class uses.

Figure 7-2 Harwich

Site	Size (ha)	Protection	Potential for Development	Potential for Release	Recommendations
Stanton Europark	11.0	✓	✓		A very well located site that offers good scope for development to meet future employment needs. *Protect.*
Harwich International Port (incorporating the Mercedes site)	7.44ha (Mercedes)	✓	✓		A key, strategic employment site. Some possible opportunities to intensify development, subject to landowner aspirations. May also serve future expansion of port activities if Bathside Bay is delivered. *Protection is important.*
Station Road	5.93			✓	Although has some constraints, the site is reasonably well located to the main road network. However, other sites have the potential to offer a better solution to future expansion of employment areas if needed. *Recommended that this site should be released.*
Pond Hall Farm	5	✓			While adjacent to A120, suffers from a number of constraints. However, some employment uses (5 hectares) would be expected to contribute to a large new residential neighbourhood, were that to come forward. *Recommendation to retain.*
Europa Way	4.98	✓			A very well let site in a very good location. *Protect.*
Delfords Site	1.66		✓	✓	A constrained former industrial site. Unlikely to prove popular with new employment occupiers. *Recommended release for alternatives uses and potentially residential.*
Bernard Uniforms	0.59		✓	✓	Only part of the premises appears occupied. The site has planning permission for residential development. *Recommend to release, in part or whole.*
Poplars Farm	17.4				This greenfield site is located adjacent to the A120 and Hare Green Interchange. Presently, development in this area would be contrary to planning policy and it is not designated in the local plan. Overall, this is an untested location for employment uses. *Recommendation: Retain as greenfield site.*

Ramsey Hill (Mill Farm)	5.7				This small site is located adjacent to the A120 to the south of Ramsey Village, and some 5km west of Harwich. Overall, this site has considerable constraints and is likely to prove challenging from a viability or delivery perspective, even though it is located adjacent to the A120. Recommendation: *Other better placed sites may be available, and be less constrained. Retain as strategic Green Gap.*

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Frinton and Walton

7.27 There is limited evidence to support increased demand or a change of scope in the business base within Frinton and Walton. Existing spaces support local demand, something which happens relatively successfully at the Kirby Cross Industrial Estate and Harmers Foundry. Given the relatively strong occupancy at these locations, it is recommended that these sites are protected.

Tendring Economic Development Strategy (2013): Vision for Frinton and Walton

Frinton and Walton should be supported to be as successful as they can be in providing a positive visitor experience. In Walton, objectives to regenerate the town centre (outlined in the previous Walton Regeneration Framework[6], 2010) remain relevant, whilst it is also important to be proactive in discussions with land owners and developers in relation to potential developments on the Walton Mere and Estuary.

[6] http://www.tendringdc.gov.uk/sites/default/files/documents/business/regeneration/walton/Walton%20Regen%20F'work%20-%20Exec%20Summary%20Final%20(Low%20Res).pdf

Figure 7-3 Frinton and Walton					
Site	Size (ha)	Protection	Potential for Development	Potential for Release	Recommendations
Avants and Station Yard	0.5		✓	✓	A site which is poorly located and unlikely to be attractive to the market. *Existing vacant land should be reallocated if proposed for B class uses.*
Kirby Cross Trading Estate	1.61	✓			A reasonable multi-tenant estate which meets local needs. *Offers some scope for expansion and should be protected.*
Harmers Foundry	1.12	✓			While poorly configured and would benefit from environmental improvement, occupancy is high and space serves a local need. *Protect.*

Manningtree, Mistley and Lawford

7.28 The Manningtree, Mistley and Lawford area has strong transport links to London and waterside locations; as such, this is a popular and increasingly affluent location in the district context.

Tendring Economic Development Strategy 2013: Vision for Manningtree and Neighbouring Areas
Partners should ensure that Manningtree continues to function as a pleasant and prosperous location with a strong service offer for its local community. More specifically, it is important to continue to monitor the performance of businesses on the Lawford Industrial Estate as well as ensuring that any future opportunities to service the Offshore Energy and Low Carbon markets at Mistley Quay are realised.

7.29 The existing stock is predominantly focused on industrial and specific waterside uses. The Marine uses at Mistley in particular, are important for small scale port activities and remain a distinctive component part of the local economy.

7.30 Lawford Industrial Estate is the dominant employment site within the area. Despite some issues relating to circulation around the site, and quality of stock, it remains an important site for local employment which should be retained albeit with the caveat that visual and transport improvements as well as some complementary uses would be desirable. The significant residential development in nearby Brantham (Babergh) could stimulate demand in the longer term, as well as potentially impacting upon transport flows. With this in mind, dialogue with Babergh DC is recommended.

Figure 7-4 Manningtree, Mistley and Lawford					
Site	Size (Ha)	Protection	Potential for Development	Potential for Release	Recommendations
Lawford Industrial Estate	18.77	✓	✓		Lawford and Manningtree's main industrial area and of key local importance**.** *Some scope for expansion and intensification and should be protected.*
Edme Maltings	1.68	✓	✓	✓	Single user site in operation, but with spare capacity. *Possible scope to release unused space for alternative uses with the remainder protected.*
Mistley Port	4.4	✓			An important waterside employment site. *We recommend that this site should be protected.*
Mistley Marine	1.41	✓			An important waterside site. *We recommend that this site should be protected.*
East of Cox's Hill, Lawford	0.2	✓	✓		Overall the site is 16.0ha in size and there are proposals for a mixed use development with housing. *We recommend that Tendring should safeguard proposed employment uses as part of a mixed use scheme.*

Brightlingsea

7.31 Market demand and spatial constraints make future diversification and investment unlikely. Nevertheless, Brightlingsea Shipyard remains an important location, particularly in light of its role in the operations and maintenance of the Gunfleet Sands wind farm.

Tendring Economic Development Strategy 2013: Vision for Brightlingsea
Brightlingsea should also be supported to maintain its position as a small but successful local centre. In addition to its role as a strong residential location, attention should be paid to ensuring that it remains an attractive location for research and development and operations and maintenance as part of Tendring's wider Offshore Energy offer. The opportunities to reinforce the town's reputation as a leisure port should also be monitored.

7.32 Like many other locations within the district, Morse Lane is a small local industrial area primarily serving a local market. Again, this is worthy of retention although, in the medium to long term, usage should be monitored in light of potential competing demands (although it should be noted, that it is also unlikely that Brightlingsea will see significant housing development in the period to 2029).

Figure 7-5 Brightlingsea					
Site	Size (ha)	Protection	Potential for Development	Potential for Release	Recommendations
Morses Lane	8.42	✓			A good, fairly well let local estate which is important to Brightlingsea's local economy. *Offers some scope for expansion and should be protected.*
Brightlingsea Shipyard	7.09	✓			A more specialised port related employment area with access to the waterside, *with some small scope for development and should be protected.*

Rural Sites

7.33 Sites in rural and mid Tendring tend to be isolated single use sites, serving a single business or sector. These are generally established and well used and as such, should be retained. Martell's Pit is a slight exception, given that it could accommodate further un-neighbourly activities, should there be demand or necessity to locate these in the area in the future.

Tendring Economic Development Strategy (2013): Vision for Rural Locations
Whilst the rural part of the district (taken as a whole) is an important business and employment location, it is not envisaged that there will be significant economic growth over the next decade. Maintaining a dialogue with agricultural businesses will ensure that they are connected to the best sector and business support available. More generally it will be important to ensure that rural residents are not prevented from accessing economic opportunities as a result of a lack of physical or IT connectivity.

7.34 Lanswood Business Centre is unique in Tendring as a contemporary B1 office location. This development is worthy of monitoring as it may provide a barometer for any future B1 development in the district.

West of Tendring

7.35 Land in the west of Tendring, adjacent to Colchester is identified for potential significant housing development. This land spans the District/Borough boundary and is in close proximity to University of Essex.

Tendring Economic Development Strategy (2013): Vision for West of Tendring

In the next ten years **there is an opportunity to deliver a significant new growth node in the West of Tendring**. Based on growing demand and strong strategic transport links; and responding to issues of demographic balance and deficits in infrastructure, there is potential to create a location which brings together high quality housing development with unique employment spaces and new education infrastructure.

The delivery of any potential development at this location is clearly at an early stage. However, (in line with the principles set out in Section 3) an opportunity exists to undertake pro-active planning to deliver a significant driver for growth and employment in the district.

To ensure that any future development is unique and impactful, options to exploit new techniques in low carbon construction should be explored (potentially driving demand within Tendring's Construction sector). It will be important to define desirable options for employment space which could complement the evolution of target sectors, but which may also provide an opportunity to bring new types of business into the district. Proximity to the University of Essex will also provide opportunities to accommodate education activities, high technology spin out companies and new start-up businesses. Excellent transport links will attract businesses and residents alike.

Development in the West of Tendring will also help to generate demand for new infrastructure, strengthening the case for improvements to the A120 and A133, improved public transport (into Tendring) and the delivery of a more varied education offer. Achieving this strong new infrastructure should be seen as an imperative part of the West of Tendring strategy.

7.36 Should residential development (and associated infrastructure) come forward before 2029, some employment uses (B1, B2 and B8) should be encouraged within Tendring. It is clearly important that Tendring DC cooperates with Colchester Council and other partners to ensure that relevant and aspirational employment uses are included within the mix of uses.

Figure 7-6 Rural Sites					
Site	Size (ha)	Protection	Potential for Development	Potential for Release	Recommendations
Martells Pit	8.03	✓			A site in use for mineral extraction and scope to accommodate other un-neighbourly uses and *should be protected.*
TBS Manheim, Frating	43.4	✓			A site that is well used for specialist operations including Manheim Car Auction and The Book Service. *Recommendation to protect.*
Rice Bridge, Thorpe	1.47	✓			A small site of local importance which *should be safeguarded*.
Thorpe Station	0.69	✓			Planning permission granted in 2003 for mixed use office and light industrial uses. Now complete.
Timber Yard, Wix	4.12	✓			A single use site, which has some capacity for expansion if required. *Protect.*
Lanswood Business Park	2.2	✓	✓		Offers attractive rural business environment and phase 1 is already complete. *Safeguard for employment uses in light of the modern new build premises, its close proximity to Colchester and room for expansion.*
Horsely Cross, A120	26.11*	✓	✓		Retain in current use. Focus for employment uses ideally oriented toward locations closer to Harwich and the port, which can offer more sustainable employment destinations with better synergies with existing urban areas.
Land to the west of Tendring	189.12*				Longer term proposal with further details on deliverability required before employment land allocation could be justified.
Old Ipswich Road, Colchester	3.7	✓	✓		Suitable for employment uses, given the potential for demand arising from Colchester and close proximity to A120 and A12. Potential longer-term opportunity.
Clip Hedge Farm and Poplars Farm	17.4				Little details on the site and contrary to planning policy and as such we recommended that this is retained as a greenfield site.

Blue Barn, Elmstead	0.37			✓	If current permission does not progress, then residential might be considered a suitable alternative use.
Tendring Park Services	50.0*		✓		Site needs to be considered in the context of a residential led, mixed use proposal. If the B class uses were to be delivered in isolation, it would be challenging to recommend this as a viable location for such uses. dedicated to employment uses.
Crabtree Farm, Weeley	2.0	✓			Retain for agricultural uses, unless there is a clear case for housing in this location with supporting, complimentary B Class uses which are intended to meet the needs of a new residential population.
Crabtree Farm, Great Bentley	n/a		✓		Retain for agricultural uses, unless there is a clear case for housing in this location with supporting, complimentary B Class uses which are intended to meet the needs of a new residential population.
* Note that this figure refers to the total area for the site, a smaller (unknown) proportion would be dedicated to employment uses.					

Other Policy Recommendations

7.37 Within the brief for this work, the council has requested recommendations on two specific points which are addressed here.

Policy PRO14

7.38 The council would like advice on the Council's new Employment Site Policy PRO14 to ensure it is NPPF compliant, fit for purpose and achieves the right level of flexibility to promote and harness economic development.

7.39 Our key observations based on the research carried out to inform this ELR together with Economic Development Strategy are as follows;

7.40 NPPF states: "*Planning policies should avoid the long term protection of sites allocated for employment uses where there is no reasonable prospect of a site being used for that purpose*".

7.41 Policy PR014 offers flexibility to avoid continuing long term protection of employment sites, for example: "*changes of use will not be permitted unless it can be demonstrated that the proposal would either create new permanent employment opportunities or support existing ones and would not conflict with any other policies contained in this Local Plan*".

7.42 Thus, while the employment site policy recognises the primary need is to protect the supply land for the purposes of most B class uses (and is broad in its application of B class uses), it also allows for possible changes if it can be supported by evidence - and is seen to be supportive of the existing employment opportunities.

7.43 NPPF also seeks sites to be deliverable. While we cannot comment on the viability of individual sites, most currently allocated sites are in locations where similar employment development has occurred in the past, or are part of wider mixed use schemes which may have the ability to cross fund the delivery of new employment uses.

7.44 We therefore conclude that the proposed policy PR014 seems fit for purpose. It seeks to safeguard employment sites, whilst allowing a degree of flexibility to meet changing market needs, and to enable wider improvement and enhancement of employment sites.

A133 / A120

7.45 Tendring District Council has also requested advice on the legitimacy and appropriateness of a strategy identifying new employment zones, either along the A133 and/or the A120. This is in the light of the sub-regional significance of these routes and the wider connections to the Eastern Region and Europe.

7.46 Our key observations based on the research carried out to inform this ELR together with Economic Development Strategy are set out below.

7.47 In our view, most demand is locally based, and therefore focused on the main urban areas. Sites which are at the edge of these urban areas are arguably more sustainable, have less environmental impact, and are better placed to meet local needs. This does not preclude them having good access to the A120 / A133 - Gorse Lane, Clacton and sites around Harwich Port already offer this attribute without needing to extend further into the surrounding rural countryside. We have also stated that Poplars Farm (A120) might become an important strategic site if there is justified demand should development at Bathside Bay come forward.

7.48 It is therefore unclear (based on current demand) what additional benefits would be gained by taking the approach of allocating further sites along the A120/A133, when there are already employment sites available at the edges of Harwich and Clacton on or close to these routes.

7.49 The only exception to this approach would be if a highly accessible site were available at the junction of the A120 / A133. However at present access from the A133 going eastward along the A120 cannot be achieved. If this constraint could be overcome, then a centrally located industrial site in this vicinity could be a welcome addition to the employment land portfolio of the district.

Monitoring and Review

7.50 Whilst this study sets out a range of forecasts for potential employment land demand in Tendring and recommendations on requirements for land to meet these needs, it is worth recognising that this review is being carried out during a time of political and economic change.

7.51 There is therefore an on-going role for monitoring and review, considering the quality and quantity of available land and premises, trends in take-up and availability, and rental trends; as well as economic indicators linked to growth, sectoral performance and skills. These should be considered alongside recording of completions and losses of employment land and floorspace. Decision-making on future employment provision and losses of sites should be informed by a 'plan, monitor and manage' approach.

7.52 Finally, the preparation of an up to date Economic Development Strategy for Tendring provides a distinct opportunity for collaboration with the planning department at the Council to ensure that the Local Plan reflects the economic and social challenges and opportunities for the area.

Appendix A Planning and Economic Development Policy: Neighbouring Areas

	Planning	Economic Development
Colchester	Colchester plays an important role as a sub-regional hub and has set out strong ambitions for housing and employment growth. This is reflected in the Borough's strategic documentation: • The **Colchester Employment Land Study (2007)** informed the core strategy and is based on the RSS and Haven Gateway Framework target of 14,200 new jobs in Colchester by 2021. It estimates that 30ha of employment land is required in the Borough to support projected growth and that there is currently 67.89ha of land suitable to come forward by 2021 – key areas for this include around the University, the town, Tiptree and a number of sites close to the A12. The employment land study is due for update in late 2013 or early 2014 • The **Colchester Core Strategy 2008-2021** aims to create 14,200 jobs and at least 19,000 new homes, focusing on 6 areas: ○ Town Centre; 2,000 new homes, 67,000 m² retail floorspace and 40,000m² office floorspace ○ North Growth Area; 6,200 new homes and Strategic Employment Zone with 19.8ha employment land ○ East Growth Area; over 2,600 new homes and 36,000m² office/business floorspace in University research park ○ South Growth Area; 3,000 new homes and 5,000 man army garrison	• The city of Colchester is a key sub-regional centre within the East of England economy and performs a role as an employment, leisure and retail hub to neighbouring areas. • Colchester has performed relatively strongly in recent years despite the recession and recent years have seen relatively robust performance in the local employment and business base. • Reflecting its role as a sub-regional hub, the town has a mixed economy, with strong service, retail and professional services sectors. The area also has particular strengths in Advanced Manufacturing, Creative Industries. • Aspirations for economic growth are outlined throughout local policy, including in the Core Strategy (see left) and the **Colchester Economic Development Strategy 2010-2015.** This identifies six strategic drivers of economic growth which are: ○ Improving business performance; increase total floorspace developed for employment which meets flexibility and affordability criteria by 5% ○ Supporting priority sectors; increase the supply of creative industry workspace by 9,000ft² ○ Raising skills and reducing worklessness; new programme of coordinated initiatives pooling resources ○ Maximising Connectivity; achieve 30-40Mbps broadband network across the Borough

	○ Stanway Growth Area; 1,800 new homes and Strategic Employment Zone with 16ha employment land ○ Elsewhere; 1,595 new homes and 544m² retail floorspace • CBC report strong delivery to date, with residential completions largely on track despite the challenging economic context. • The **Colchester Site Allocations 2010 d**ocument identifies area specific sites to forward the aims of the core strategy. The majority of the land allocated for employment is located in Colchester town, primarily in the vicinity of the A12. Further to this there are a large number of smaller sites located in more rural areas of the Borough in. In the current strategy period, plans for the development of employment land close to the University of Essex (e.g. the Knowledge Gateway) have direct relevance to Tendring given close physical proximity and ambitions for closer working between Tendring and the University. Development of employment land on sites in proximity to the A12 are also of relevance given that the A12 is a key route within the sub-regional context. Reflecting this, development of these sites may influence levels of demand within Tendring In the longer term, Colchester BC will need to identify sites which are suitable for development over the next strategic period. Whilst this is some way off, the potential for additional residential / employment development to the east of Colchester (around the university) is seen as one option. However, under this scenario, it is likely that a joint planning / strategic approach with Tendring DC would be required.	○ Enhancing quality of life; convert 30 redundant rural buildings into commercial use ○ Stimulating investment; development of key sites to attract high quality, high growth businesses. • The performance of the Colchester economy is highly relevant to economic development in Tendring. Tendring shares a number of interdependencies with Colchester – particularly in the labour market (there is a large out flow of residents from Tendring to Colchester but also in terms of education, leisure and retail. • Aspirations for employment growth focused around the University of Essex (to the east of Colchester / west of Tendring) are particularly relevant and are likely to influence the extent to which future development activity is viable in the west of Tendring

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<td>Babergh</td>
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The Draft Barbegh Core Strategy 2011-2031 is currently under examination. It sets out the council's aim of creating 9,700 new jobs and delivering 5,975 (45% on brownfield sites) new homes during the plan period. While it recognises that the district has had a low supply of employment land and fast uptake, the strategy states that specific site allocations for employment land will be set out in a separate document. The importance of a symbiotic economic relationship with neighbouring districts, specifically those that comprise the New Haven Gateway Partnership, is also highlighted by the strategy; 43% of employed Babergh residents commute out of the district for work.
Babergh council issued a 'call for sites' in 2010 but has yet to produce a Site Allocations document.
It is likely that the jobs target will be met at strategic employment allocations at: Ipswich Fringe; Chilton Woods (Sudbury), Sudbury/Great Cornard (East) and Hadleigh. There will also be Strategic Employment Allocations at Sproughton and Wherstead and an Economic Regeneration area at Brantham.
The Regeneration Area at Brantham may have direct implications for Tendring. This is a major industrial site formerly occupied by Wardle Storey. The current policy position for the site is the subject of a Modification to the Core Strategy. Policy CS6a allocates this as a major regeneration site which, when delivered may influence the role of Brantham. Given, the sites scale and position near Tendring, cross border working is considered to be important. The policy seeks possible retention and enhancement of employment, an appropriate level of residential development and community facilities. The strategy sets out potential for 1,050 dwellings at Brantham as well as at core and hinterland villages.

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The Babergh Strategic Plan 2008-2018 contains the council's ambitions for a strong and sustainable local economy:

Targeting small and medium sized businesses for growth
Concentrating on the creation of skilled and higher paid jobs
Increasing local skill levels
Improving infrastructure in market towns to contribute to local economic vitality and viability.

There is a diverse economy in Babergh. Growth sectors are likely to include advanced manufacturing, biotech, creative industries, energy, food, drink and agriculture, ICT, ports and logistics (Felixstowe is a key influencer) and tourism.
The area is moving closer to the integration of services with Mid Suffolk District Council and Babergh intend to prepare an updated Joint Economic Strategy for the two districts. This will be closely linked to the Suffolk Growth Strategy (SGS).

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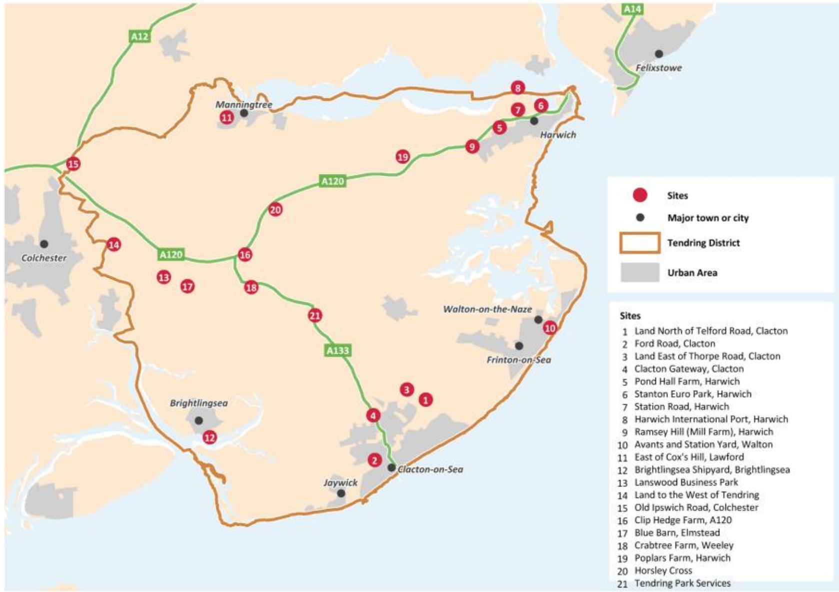
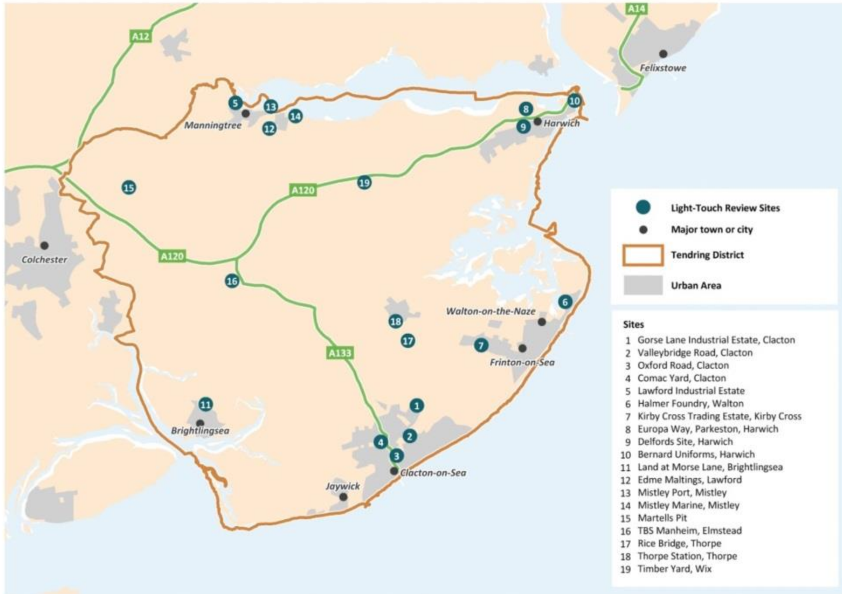
	• The **Safeguarding Employment Land SPD (2008)** was produced as a result of increasing pressure on employment land for development as housing which would reduce local employment opportunities while exacerbating already unsustainable levels of out-commuting. Employment land in Babergh is suitable for B1, B2 and B8 uses, and other land uses that are significant for providing jobs, accommodating business/commercial needs and benefiting the wider economy. To maintain a supply of available employment land the council aims to: ○ Retain viable sites in employment use as a first preference in all cases ○ Seek mixed-use development to cross-subsidise new employment uses as part of sites when necessary.	

Appendix B Maps

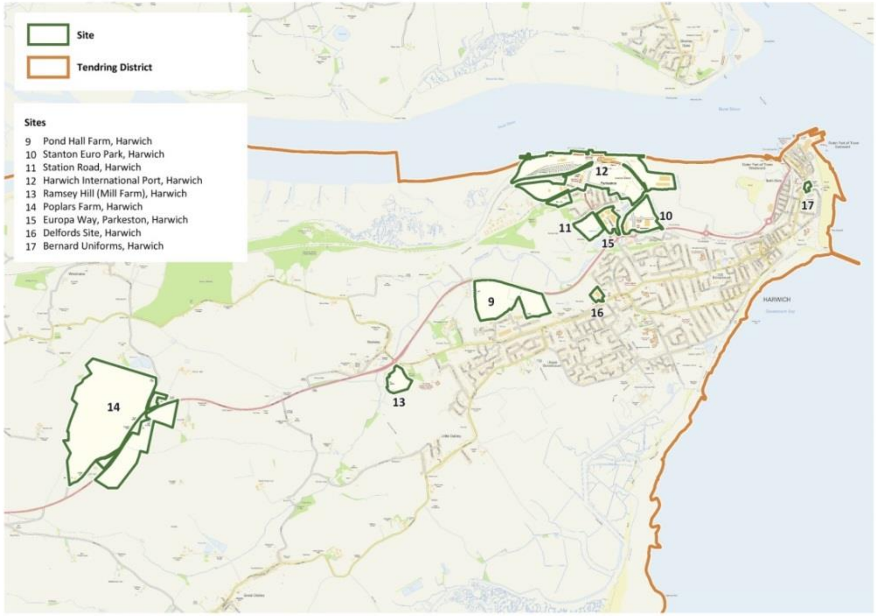
35. The following maps demonstrate the location and site areas for key sites which have been reviewed within this study. They include those sites which have been subject to a detailed review and those which have received a light-touch review.

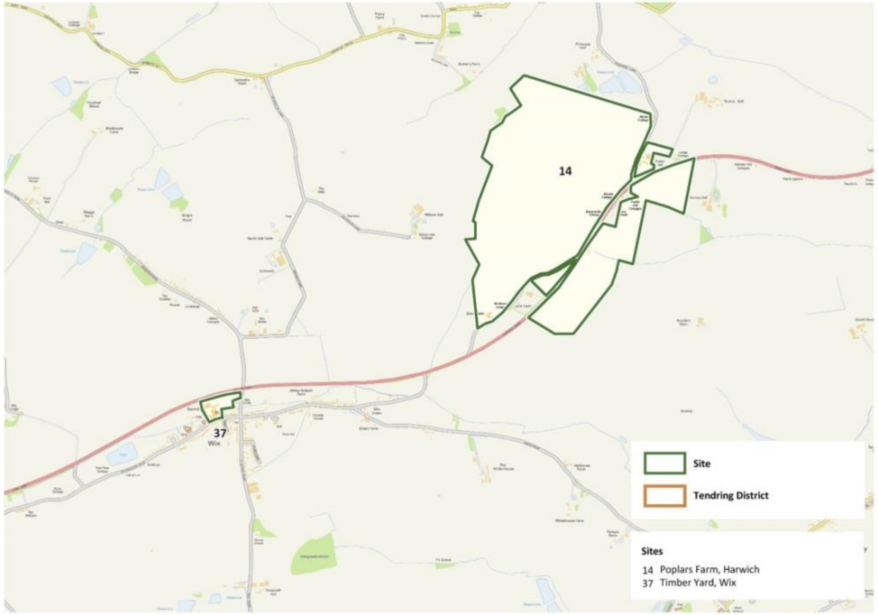
Sites Reviewed – detailed review (left) and light-touch review (right)





Sites Reviewed – Harwich (left and right)





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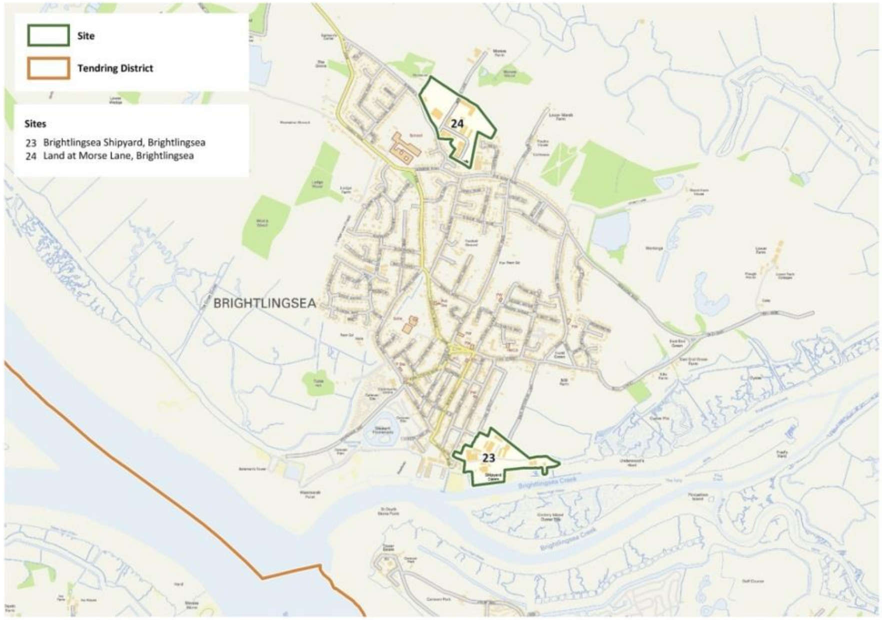
Sites Reviewed – Clacton (left) and Brightlingsea (right)



Sites Reviewed – Walton (left) and Rural Sites (right)

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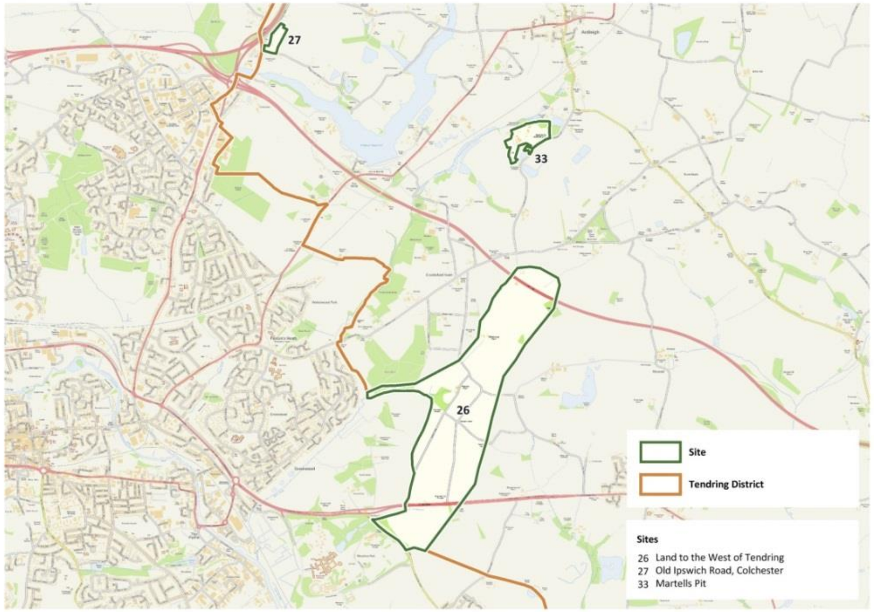
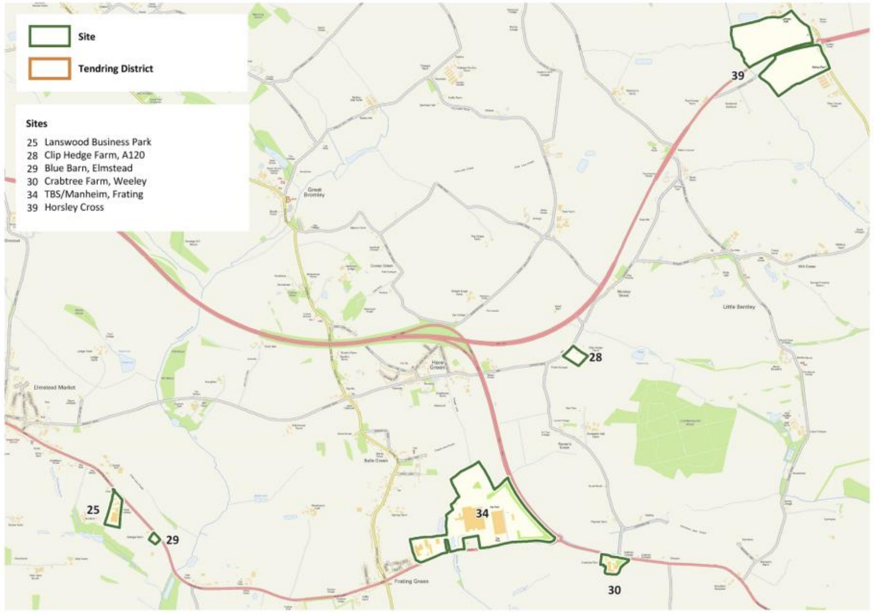
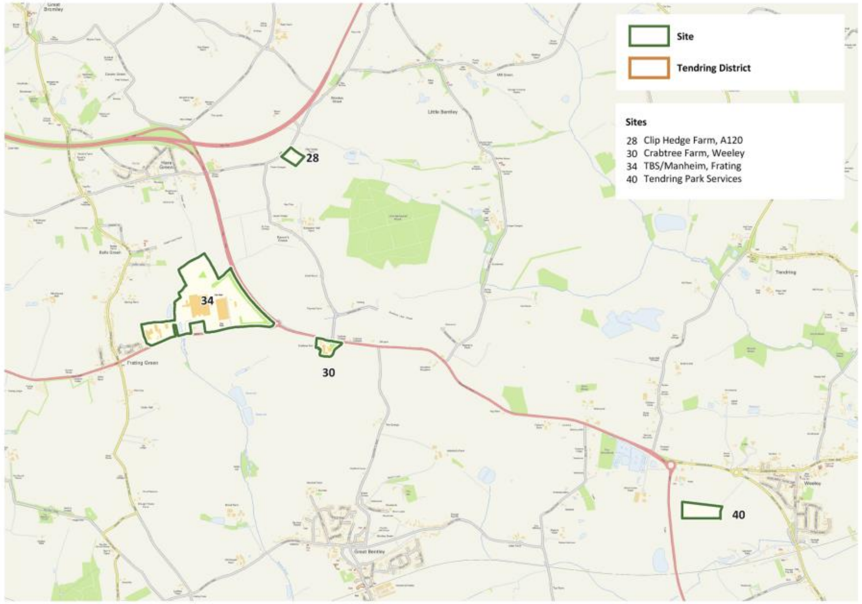
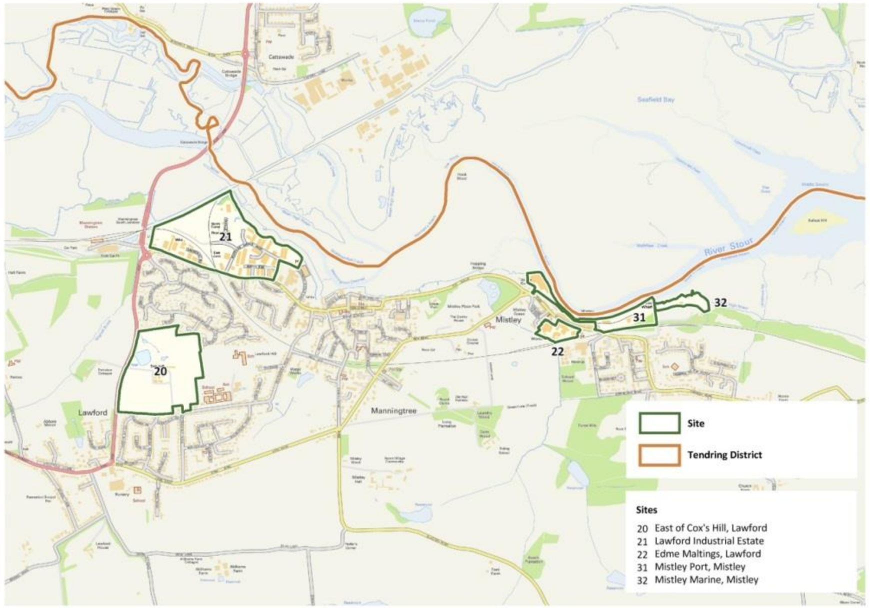
Sites Reviewed – Rural sites and A120 (left and right)





Sites Reviewed – A120 (left) and Mistley and Lawford (right)





Regeneris Consulting Ltd

Manchester Office
4th Floor Faulkner House
Faulkner Street, Manchester M1 4DY
Tel: 0161 234 9910
Email: manchester@regeneris.co.uk

London Office
70 Cowcross Street
London, EC1M 6EJ
Tel: 0207 608 7200
Email: london@regeneris.co.uk

www.regeneris.co.uk