

TAMWORTH BOROUGH**REFRESH OF
EMPLOYMENT LAND STUDY****FUTURE LAND ESTIMATION****TECHNICAL APPENDIX REPORT****2012**

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The Current Employment Land Supply Situation

Table 1. Employment land supply at end March 2010 (Hectares)

Completions 2006-2011	Under Construction at April 2011	Land Availability		Planning Status			Total Land Available
		Readily Available	Not Readily Available	With Planning Consent	Allocation in Local Development Document	Other Commitment	
1.55	0.89	14.86	0	14.86	0.00*	0	15.75

*Source; Tamworth Borough Council *Allocations were removed as consequence of a High Court challenge in November 2007*

- 1.1 As of the end of March 2011, a total of 15.75 hectares of employment land was committed by planning permission, identified in a local development document, or under construction in the Tamworth Borough Council area.
- 1.2 Of the total employment land supply in Tamworth Borough, some 14.86 hectares (97% of the total stock) is classed as being readily available. This 14.86 hectares of land has the benefit of planning consent. Table 1 shows substantially different quantities of available land when compared to previous years. This is largely as a result of planning permission lapsing for a 9.7 hectares site. Furthermore, it should be noted that 11.8 hectares of land identified as readily available is at Bonehill Road. A total of 0.1 hectares of this site is classified as being under construction.
- 1.3 The employment land stock in Tamworth Borough is classified as being suitable for a mixture of uses (B1/B2/B8 use).
- 1.4 If recent development trends in the local area and elsewhere are continued, it is possible that a significant element of the land supply which is classed as a mixture of uses will be developed as B8 type distribution and warehousing use, as businesses are keen to capitalise on the competitive transportation links offered in the district. However, employment forecasts which are examined in further detail later in this report will be important towards informing the future types of employment land required in the district.

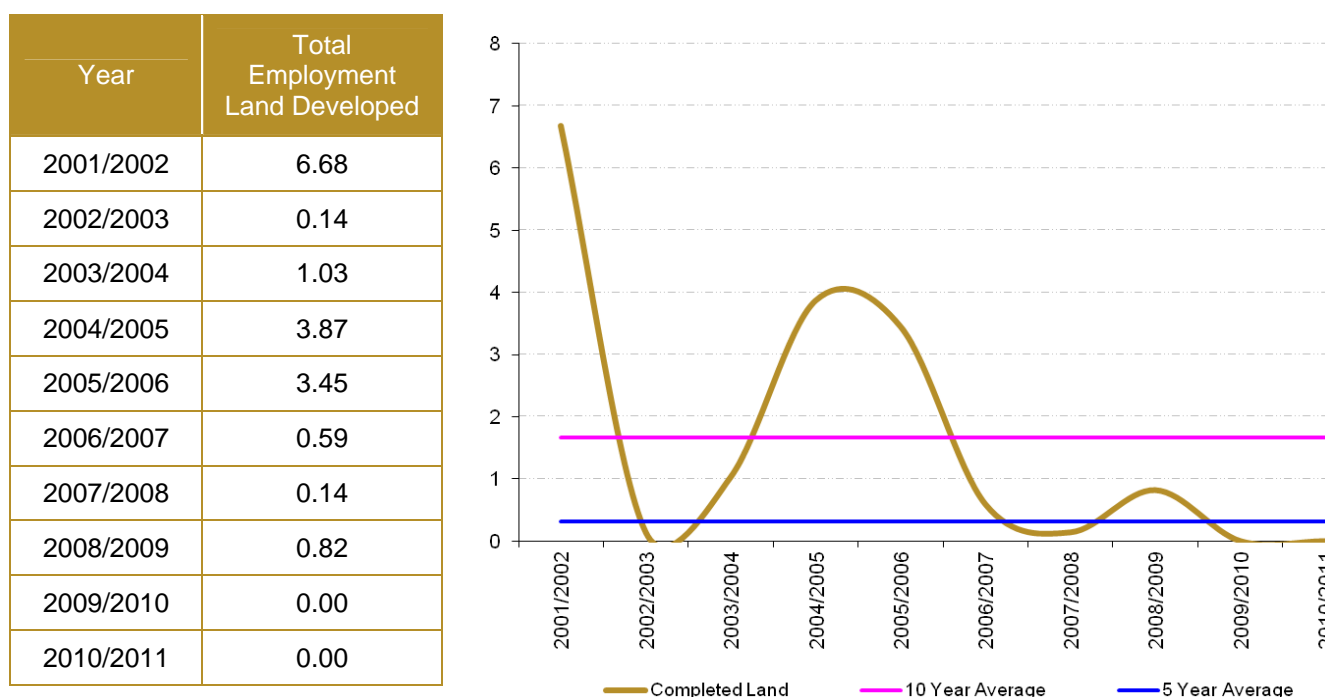


2 Continuation of Past Development Trends Approach

Step 1 - Previous levels of Employment Land Development

2.1 Using data from the Staffordshire Employment Land Survey over the past 10 years we can identify the total amount of employment land that has been completed in Tamworth Borough. This information will then form the basis of the Past Trends Approach.

Table 2. Employment Land Completions 2001/2002 to 2010/2011 (Hectares)



Source: Staffordshire Employment Land Survey 2009 and Tamworth Borough Council

Step 2 - Calculate the average levels of employment land completions

2.2 Having taken account of employment land completions for each of the past 10 years, mean average annual employment land completion rates are calculated for the periods of the past 10 years, and the past 5 years. These offer an average build rate which will go on to form the overall basis for the calculation of future requirements.



Table 3. Average Building Rates - past 5 year and past 10 year (Hectares)

Total Completions 2006/07 to 2010/11	Average Build Rate (5 years)	Total Completions 2001/2002 to 2010/11	Average Build Rate (10 years)
1.55	0.31	16.72	1.67

Source: Staffordshire Employment Land Survey 2010 and Tamworth Borough Council

Step 3 - Translating average employment land completions to future requirements

2.3 The average annual building rates for both the past 5 years, and the past 10 years are then translated into potential land requirements by multiplying the relevant average annual building rates by a factor of 22 – this provides a potential figure for the 22 year period between 2006-2028 based on build rates from the past 5 years and 10 years. The potential land requirements for the twenty two year period between 2006 and 2028 are set out in table 4 below.

Table 4 – Potential land required - based on past 5 year and past 10 year averages (Hectares)

Average Build Rate (5 years)	Land Supply 2006-26 (based on 5 year build rate)	Average Build Rate (10 years)	Land Supply 2006-26 (based on 10 year build rate)
0.31	6.82	1.67	36.74

Source: Staffordshire Employment Land Survey 2010 and Tamworth Borough Council

Step 4 – Taking Completed Development into consideration

2.4 The land supply requirements identified in step 3 cover a twenty two year period from 2006 to 2028. However there have already been 5 years worth of completions during the period 2006 to 2011 which need to be considered. The level of completions during 2006 to 2011 should be taken from the overall requirement identified in step 3. The potential land requirements for the remaining seventeen years of the period between 2006 and 2028 are set out in table 5 below.



Table 5 – Potential land required post April 2010

	Estimated Land Supply Requirement 2006-2028	Completions 2006 – 2011	Estimated Residual Land Required 2011- 2028	Estimated Annual Average Rate of Completions (2010-2026)
Based on 5 year average build rate	6.82	1.55	5.27	0.31
Based on 10 year average build rate	36.78	1.55	35.23	2.07

Source: Staffordshire Employment Land Survey 2010 and Tamworth Borough Council

- 2.5 There is a clear variation between the land requirements based on a 5 year build rate and 10 year build rate, with the 5 year build rate having a significantly lower requirement which may be skewed based on the economic recession which reduced the number of completions in the last 5 years, this figure is not considered appropriate in planning under ‘normal market conditions’. The 10 year build rate may provide a more accurate reflection of possible land requirements.
- 2.6 The 10 year requirement trends may be potentially skewed upwards by land taken in the B8 Distribution and Warehousing sector which tends to be a much more “land hungry” use than other use classes, however this may also reflect future requirements given Tamworth’s strategic central location at the heart of the motorway network.
- 2.7 The continuation of past trends method of forecasting future land requirements is one of the less sophisticated approaches of identifying future employment land. It does, however, provide a useful, at a glance indication of how requirements might be shaped into the future, if the economy follows the patterns of development that have been characteristic of recent years. It was also the basis on which indicative land requirements at a local level were calculated in the now abolished Phase 2 Policy Options consultation of the review of the West Midlands Regional Spatial Strategy¹.
- 2.8 An issue for consideration when using the continuation of past trends approach, is that future economic conditions will not necessarily mirror those that have taken place in the recent past. Employment forecasts (which will be examined in further detail in this report) suggest that the growth in the distribution and warehousing (B8) sector are likely to continue to grow into the future.

¹ Although Regional Spatial Strategies have now been revoked, the evidence bases as part of the preparation of such strategies should still be treated as material considerations.



3 Labour Demand Approach using Employment Forecasts

Step 1 – Identify employment forecasts for employment change

- 3.1 Table 6 below highlights the forecasted levels of employment in total terms, and by broad industrial sector over the period between 2006 and 2028. The employment forecast data has been sourced from Cambridge Econometrics Local Economy Forecasting Model – a well respected source of employment forecasting data nationally, and is used widely for both the purposes of economic forecasting and as one factor for employment land estimation.
- 3.2 The base year of the employment forecast is 2008, so any data beyond this year is forecast data, and should be treated with some element of caution accordingly. Indeed a forecast is only an indicative estimate of how the economy may change into the future and as such, any land requirements generated as a result of economic forecasts should only be classed as estimates, and as an initial starting point for the further analysis of land for employment requirements.
- 3.3 Table 6 highlights the forecasted number of jobs in each of the main employment sectors for 5 year periods between 2006 and 2028.
- 3.4 Table 7 highlights the LEFM **default** forecasted changes in employment between the 5 year periods, and for 2006-2028 (the period over which land requirement estimations will be required). The employment change figures will form one part of the basis for the calculation of land required through the labour demand approach.



Table 6 – Default Employment Forecasts 2006-28 (absolute jobs)

Industry	2006	2013	2018	2023	2028	Total Change 2006-28	Percentage Change 2006-28
Agriculture etc	0	0	0	0	0	0	0%
Mining and quarrying	0	0	0	0	0	0	0%
Manufacturing	4,900	3,600	3,400	3,300	3,300	-1,600	-33%
Electricity gas and water	0	0	0	0	0	0	0%
Construction	3,300	3,800	3,800	3,800	3,800	500	15%
Distribution hotels and catering	8,900	11,300	13,100	15,700	18,000	9,100	103%
Transport and communications	3,000	3,300	4,100	5,100	6,400	3,400	113%
Financial and business services	9,200	9,100	9,600	10,100	10,600	1,400	16%
Government and other services	6,600	7,700	8,800	9,800	11,000	4,400	66%
Total	35,900	38,800	43,200	47,800	53,100	17,200	47%

Source: Cambridge Econometrics

Table 7 – Default Employment Forecasts 2006-28 (change in absolute jobs)

Industry	2006-2013	2013-2018	2018-2023	2023-2028	Total Change 2006-28
Agriculture etc	0	0	0	0	0
Mining and quarrying	0	0	0	0	0
Manufacturing	-1,300	-200	-100	0	-1,600
Electricity gas and water	0	0	0	0	0
Construction	500	0	0	0	500
Distribution hotels and catering	2,400	2,200	2,200	2,400	9,100
Transport and communications	300	800	1,000	1,300	3,400
Financial and business services	-100	500	500	500	1,400
Government and other services	1,100	1,100	1,000	1,100	4,400
Total	2,900	4,400	4,600	5,400	17,200

Source: Cambridge Econometrics



Step 2 – Identify employment densities and relevant plot ratios for translation to land requirements

- 3.5 In order to translate forecasted employment change into a potential floor space requirement, account is taken of the amount of floor space that the differing employment sectors will need.
- 3.6 Primarily a best fit approach is used to estimate which use class is the most appropriate to each of the economic forecasting sectors (the best fit to use classes will be used later in the process, as this study will only take account of the need for B class use employment land).
- 3.7 Table 8 below highlights the potential floor space requirements of the different sectors identified by the employment forecasts above. Floor space requirements vary substantially from the lowest levels (and highest job densities), in the hotels and catering sector, up to the highest levels (and lowest job densities) such as those traditionally found in the distribution sector. For example 100 new jobs in the manufacturing industry would be calculated by multiplying 100 x 30 (the floor space per manufacturing job). This would yield a floor space requirement of 3000 sq m.
- 3.8 In addition to floor space, a “plot ratio” factor is also required. The plot ratio factor provides a basis on which to translate floor space into an overall area of employment land. For example a plot ratio of 0.4 suggests that floor space for jobs will only account for around 40% of the total employment land needed for a certain plot. The plot ratio factor allows this to be factored up accordingly. Further details on the floor space density and plot ratios will be examined later in the report.

Table 8 – Employment density and plot ratio factors

Industry	Use Class (Best fit)	Floorspace Density (sq.m.)	Plot Ratio
Agriculture etc	N/A	N/A	N/A
Mining and quarrying	N/A	N/A	N/A
Manufacturing	B2	30	0.4
Electricity gas and water	B2	30	0.4
Construction	B2	30	0.4
Distribution hotels and catering	A1, A3, B8, C1, Sui Generis	20 / 65	0.4 / 0.6
Transport and communications	B1, Sui Generis	20	0.6
Financial and business services	A2, B1	20	0.6
Government and other services	A2, B1, D1, D2	20	0.6



Source: Densities – English Partnerships, Plot Ratios – Atkins Staffordshire Moorlands Employment Land Study

Notes: Densities have been extracted and interpreted from the English Partnerships publication – “Employment Densities – A Simple Guide”. This publication identifies data generated for the average densities nationally.

Employment Densities calculated by the Research Business unit from surveys of local industrial estates and business parks developed by Staffordshire County Council suggest that local densities are lower than those reported nationally meaning that locally more land could be necessary.

Floorspace density is the amount of floorspace (sq.m.) required to accommodate a job. Plot Ratios is the factor of the additional land required to accommodate the floorspace.

Step 3 – Identify possible assumed levels of employment taken on B class land

- 3.9 Firstly a refinement of the employment forecasts in tables 6 and 7 is undertaken. This identifies those sectors that will require B class employment land being taken. The relevant sectors requiring B class employment land are highlighted in table 9 below.
- 3.10 For the purposes of this piece of work, a range of different scenarios have been taken into account in order to identify the employment land requirement using the labour demand modelling approach.
- 3.11 The different scenarios take account of the different ways in which the employment forecast information can be interpreted. The preferred approach, which is worked through in this methodology is to use a scenario where:
- Negative employment change is excluded
 - An assumption is made of the different proportions of the forecasted increase in employment that is likely to require B Class land (see table 9 below)
 - An assumption is made for potential relocation for manufacturing employment. A proportion of 10% of the manufacturing employment in each of the 5 year periods of the employment forecasts has been suggested for manufacturing employment relocation. For example in 2006, 490 jobs, in 2013, 360 jobs and so on.
- 3.12 The assumptions on the proportion of forecasted employment likely to require B class land has been taken from primary survey work undertaken by the Research Unit – the proportions have been calculated based on occupation of industrial estates in Staffordshire, local knowledge based on occupiers of recently completed development on B class land and an approximation relating to the split between the various use classes in the projections.



Table 9 – Assumed levels of land to be taken on B Class land following changes to local economic base from employment projections

Industry	Use Class (Best fit)	Assumed level of employment which will be accommodated on B Class Land
Manufacturing	B2	10% ^(a)
Electricity gas and water	B2	100%
Construction	B2	10%
Distribution hotels and catering	B8, Sui Generis	30% ^(b)
Transport and communications	B1, Sui Generis	100%
Financial and business services	B1	70%
Government and other services	B1	10%

- Notes:
- (a) All manufacturing employment will be located on B class land, however, as the projection indicates negative growth in this sector, a 10% figure has been included as an allowance for the relocation of existing manufacturing employment through expected sectoral restructuring.
 - (b) Although only 30% of the total number of jobs in the Distribution, Hotel and Catering sector related solely to B8 & Sui Generis type uses, it is assumed that 100% of the B8 and Sui Generis uses in this sector will be located in B class land



Step 4 – Convert labour demand from assumed forecasted employment change into a floor space requirement

- 3.13 The conversion of labour demand into potential employment floor space is a relatively straightforward process.
- 3.14 Firstly, the employment change figures identified in table 7 are multiplied by the relevant density factors as set out in table 8 – these yield the floor space figures as set out in table 10 below. Although manufacturing employment is expected to generate a negative change throughout the period of interest, the incorporation of 10% of the annual employment in manufacturing for relocations, as highlighted above explains the generation of land requirements for that sector.
- 3.15 For the purposes of this method, any other employment change which yields a negative change is discounted from the calculations.

Table 10 – Potential floor space requirements using employment density above and assumed proportions of employment taking B class land (sq. m)

Industry	2006-2011	2011-2016	2016-2021	2021-2026	Total Change 2006-26
Manufacturing	2,058	1,080	1,020	990	5,148
Electricity gas and water	0	0	0	0	0
Construction	1,500	0	0	0	1,500
Distribution hotels and catering	46,800	42,900	42,313	46,219	178,231
Transport and communications	6,000	16,000	19,180	26,497	67,676
Financial and business services	Neg	6,500	6,581	6,913	19,994
Government and other services	2,200	2,200	2,054	2,283	8,737
Total	58,558	68,680	71,147	82,901	281,287

Source; Cambridge Econometrics and Research Unit



Step 5 – Use plot ratios to convert floor space requirement into employment land requirements

- 3.16 In order to translate forecasted floor space requirements into an overall employment land requirement “plot ratios” have been used and are specified alongside the relevant employment densities in table 8.
- 3.17 For example a plot ratio of 0.4 (as used when considering most B1 type development) suggests that floor space for jobs will only account for around 40% of the total employment land needed for a certain plot.
- 3.18 Table 11 applies the relevant B class plot ratio to floor space requirements set out in table 10 to calculate an overall land requirement. The land requirement in sq metres is divided by 10,000 to provide an overall requirement in hectares.

Table 11 – Potential land required (NET) excluding negative change (Hectares)

Industry	2006-2013	2013-2018	2018-2023	2023-2028	Total Change 2006-28
Manufacturing	0.5	0.3	0.3	0.3	1.3
Electricity gas and water	0.0	0.0	0.0	0.0	0.0
Construction	0.4	0.0	0.0	0.0	0.4
Distribution hotels and catering	7.8	7.2	7.1	7.7	29.7
Transport and communications	1.0	2.7	3.2	4.4	11.3
Financial and business services	Neg	1.1	1.1	1.2	3.3
Government and other services	0.4	0.4	0.3	0.4	1.5
Total	10.1	11.5	11.9	13.9	47.4

- 3.19 Using the above methodology and assumptions based on the **default** LFM forecasts, between 2006-28 a total of 47.4 Ha of B Class land would be required. The period 2006 to 2028 is the overall period of interest for the Tamworth Borough Council Employment Land Study and any residual requirement identified should therefore take into account local completions since April 2006.



Testing Against Other Scenarios

- 3.20 In addition to the preferred methodology outlined in steps 1 to 5 above, three alternative approaches based on **default** LEFM forecasts have been used to identify what impact they could have on estimated land requirements.
- 3.21 To test the different ways in which land could be required, labour demand based employment land requirements have been recalculated using the following range of alternative scenarios:
- **Scenario (A)** Not taking into account the assumptions related to the potential levels of employment likely to be accommodated on new B Class land (therefore all forecasted employment change in identified sectors will be going to B class land – the proportion factors in table 9 would be set to 100%), excluding negative change, and excluding relocations for manufacturing.

Table 12 – Scenario A

Industry	2006-2013	2013-2018	2018-2023	2023-2028	Total Change 2006-2028
Manufacturing	0.0	0.0	0.0	0.0	0.0
Electricity gas and water	0.0	0.0	0.0	0.0	0.0
Construction	3.8	0.0	0.0	0.0	3.8
Distribution hotels and catering	26.0	23.8	23.5	25.7	99.0
Transport and communications	1.0	2.7	3.2	4.4	11.3
Financial and business services	Neg	1.7	1.7	1.8	5.1
Government and other services	3.7	3.7	3.4	3.8	14.6
Total	34.4	31.8	31.8	35.7	133.7

- **Scenario (B)** Not taking into account the assumptions related to the potential levels of employment likely to be accommodated on new B Class land (therefore all forecasted employment change in identified sectors will be going to B class land – the proportion factors in table 9 would be set to 100%), excluding negative change, including relocations for manufacturing.



Table 13 – Scenario B

Industry	2006-2013	2013-2018	2018-2023	2023-2028	Total Change 2006-2028
Manufacturing	5.2	2.7	2.6	2.5	12.9
Electricity gas and water	0.0	0.0	0.0	0.0	0.0
Construction	3.8	0.0	0.0	0.0	3.8
Distribution hotels and catering	26.0	23.8	23.5	25.7	99.0
Transport and communications	1.0	2.7	3.2	4.4	11.3
Financial and business services	Neg	1.7	1.7	1.8	5.1
Government and other services	3.7	3.7	3.4	3.8	14.6
Total	39.6	34.5	34.4	38.2	146.6

- **Scenario (C)** Not taking into account the assumptions related to the potential levels of employment likely to be accommodated on new B Class land (therefore all forecasted employment change in identified sectors will be going to B class land), including negative change, and without relocations for manufacturing (this is sometimes considered as the most unrealistic approach as the negative employment change in some sectors included under the approach, can yield negative land requirements).

Table 14 –Scenario C

Industry	2006-2013	2013-2018	2018-2023	2023-2028	Total Change 2006-2028
Manufacturing	-9.8	-1.5	-0.8	0.0	-12.0
Electricity gas and water	0.0	0.0	0.0	0.0	0.0
Construction	0.4	0.0	0.0	0.0	0.4
Distribution hotels and catering	7.8	7.2	7.1	7.7	29.7
Transport and communications	1.0	2.7	3.2	4.4	11.3
Financial and business services	-0.1	1.1	1.1	1.2	3.3
Government and other services	0.4	0.4	0.3	0.4	1.5
Total	-0.3	9.8	10.9	13.7	34.1



3.22 Scenarios A and B appear to have yielded an unrealistic level of employment land required, which is likely to be primarily related to the large forecasted increases in employment in the “Distribution, Hotels and Catering” sector from the **default** projections from the LEFM model. An alternative approach which tailors these forecasts using a scenario with lower levels of growth is considered below. Scenario C is also likely to be unrealistic as the majority of the land requirement that it presents is in the aforementioned “Distribution, Hotels and Catering” sector. It also includes a significant “loss” of land as a result of the projected decline in the number of manufacturing jobs in the Borough.



4 - Considering alternative time periods and employment forecast scenarios

- 4.1 In addition to the analysis set out above, a further analysis has been undertaken to consider the likely employment land requirement needs over the period of 2006 to 2020 based against the **default** LEFM forecasts for employment growth, and against an **adjusted** forecast scenario (for both periods 2006 to 2020 and 2006 to 2026) which attempts to reduce the extent to which growth in the “Distribution, Hotels and Catering” sector may be skewing land requirement figures.
- 4.2 Adjusting the time horizon of the analysis and using the same preferred methodology as used in table 11 (i.e including an element of manufacturing relocation and excluding negative change) yields a proportionally similar pattern of land requirement as that set out in table 11, although it should be noted that in table 15 the first column relates only to a 4 year period.

Table 15 – Potential land required (NET) excluding negative change based on default LEFM forecasts – 2006 to 2020

Industry	2006-2010	2010-2015	2015-2020	Total Change 2006-20
Manufacturing	2.8	2.5	2.6	7.9
Electricity gas and water	0.0	0.0	0.0	0.0
Construction	0.4	0.0	0.0	0.4
Distribution hotels and catering	4.6	6.2	7.2	17.9
Transport and communications	Neg	2.3	2.7	5.0
Financial and business services	Neg	0.9	1.1	2.0
Government and other services	0.2	0.4	0.3	0.9
Total	7.9	12.2	13.9	33.9

- 4.3 One of the main criticisms of the LEFM model at a local level is that it is “trend based” rather than “policy based” and tends to take a greater account of the historical growth in a sector at the local level, than projected future changes. For this reason, the LEFM default growth in the “Distribution, hotels and catering sector” which has experienced significant growth over the past decade in Tamworth (as elsewhere) is predicted to increase by an unrealistically large 5,500 jobs in Tamworth over the period 2006 to 2020, and by more than 9,100 jobs when rolled forwards to 2028. The broad definition of this sector also incorporates retail employment, as well as businesses in hotels and catering. A large proportion of



employment growth in Tamworth has been in the retail and hotels/catering sector and there may be some modest growth of this in the future.

- 4.4 Given the expected cuts in public sector employment as part of austerity measures to reduce the national deficit and to rebalance the economy towards greater private sector growth, the default forecast growth in this sector of 2,600 jobs in the period 2006 to 2020, and by some 4,400 jobs in the period 2006 to 2028 is also felt to be optimistic.
- 4.5 A further analysis has therefore been undertaken using a locally adjusted employment forecast scenario which assumes the following:
- **TREND** based growth in the “Distribution, hotels and catering” sector beyond 2010, rather than the accelerated levels of growth predicted by the default forecast
 - **A cut of 10% in employment** in “Government and Other Services” between 2010 to 2015 followed by trend growth based on a 1% employment increase between 2015 and 2016.
- 4.6 Analysis based on these adjusted forecasts is set out in tables 16 and 17 below.

Table 16 – Potential land required (NET) e

Industry
Manufacturing
Electricity gas and water
Construction
Distribution hotels and catering
Transport and communications
Financial and business services
Government and other services
Total

**Table 1
cluding negative change based on adjusted LEFM forecasts – 2006 to 2020**

2006-2010	2010-2015	2015-2020	Total Change 2006-20
2.8	2.5	2.6	7.9



0.0	0.0	0.0	0.0
0.4	0.0	0.0	0.4
4.6	1.6	1.6	7.8
Neg	2.3	2.7	5.0
Neg	0.9	1.1	2.0
0.2	Neg	0.1	0.3
7.9	7.3	8.1	23.3

- 4.7 Over the period 2006 to 2020 set out in table 16, the adjusted forecasts generate a more realistic level of employment land required in the order of 23 hectares. The majority of this requirement comes from the (reduced) distribution, hotels and catering sector and as a consequence of relocations for manufacturing modernisation. There is a slight reduction in the amount of land for government and other services as a result of the reduced growth scenario.
- 4.8 For the longer period of 2006 to 2028, the adjusted forecasts generate an employment land requirement of around 37 hectares, with the greatest requirements being seen in the relocations from manufacturing, distribution, hotels and catering and the transport and communications sectors.

Table 17 – Potential land required (NET) excluding negative change based on adjusted LEFM forecasts – 2006 to 2026

Industry	2006-2013	2013-2018	2018-2023	2023-2028	Total Change 2006-2028
Manufacturing	5.2	2.7	2.6	2.5	12.9
Electricity gas and water	0.0	0.0	0.0	0.0	0.0
Construction	0.1	0.0	0.0	0.0	0.0
Distribution hotels and catering	5.5	1.6	1.6	1.0	9.8
Transport and communications	1.0	2.7	3.3	4.3	11.3
Financial and business services	Neg	1.1	1.1	1.1	3.3
Government and other services	0.0	Neg	0.1	0.1	0.2
Total	11.8	8.1	8.7	8.9	37.4



- 4.9 It is important to remember that employment forecasts should only ever be considered as a “direction of travel” of the possible future movement of a local economy, rather than a statement of fact. The aspirations of Tamworth Borough Council in developing the local economy is ultimately the most important factor in establishing the quantum of future employment land, as a “pro growth” agenda will usually require significantly greater amounts of employment land and premises.



5 - Conclusions

The two different approaches of future employment land estimation in Tamworth Borough have yielded a range of results for the potential levels of employment land required over the next 20 years. The resultant land requirements from the two approaches and for the different scenarios should be treated as an indicative level of land, rather than a prescriptive level of land to be identified.

Past Trends Approach

- The continuation of past development trends approach yields land requirements of around 36 hectares between 2006–2026.
- Using average development levels taken from the last 10 years, around 37 hectares of employment land would be required, while taking into account development levels from the past 5 years, around 6 hectares of employment land would be required.
- The land requirements based on a 5 year build rate are considered to be skewed towards the lower end of the “expected” levels of land requirement as a result of the impact of the recession and is not considered appropriate in forecasting for ‘normal market conditions’.
- Past trends development in Tamworth Borough has been relatively buoyant over a 10 year period in the B8, distribution and warehousing sector. Employment forecasts suggest that there will continue to be some demand for such development in the future over the medium to longer term, suggesting that past trends development offers a fairly accurate indication of the area’s employment land requirements.

Labour Demand Approach

- The labour demand approach uses forecasted employment change to identify potential future land requirements in the district.
- The default labour demand forecasts identify general employment growth in the Borough between 2006 and 2028, particularly in the “distribution, hotels and catering” sector.
- Under the different scenarios and assumptions tested in the labour demand approach, the preferred approach based on the default forecasts yields an employment land requirement of 47.4 hectares in the period 2006 to 2028. The other scenarios based on the default forecast tend to provide unrealistically high



levels of land requirements, primarily as a result of the aforementioned growth in the “distribution, hotels and catering” sector.

- An alternative adjusted forecast which controls the levels of employment growth in the “distribution, hotels and catering” sector and for “government and other services” yields a more realistic land requirement of around 23 hectares between 2006 and 2020, and 37 hectares between 2006 and 2028.
- Labour demand approaches are useful for identifying the land requirements of expected, trend based employment change.
- The labour demand approach should be seen as a prediction of land requirements under expected economic growth conditions. It does not offer a prediction of the land requirements that may be driven through planning policy led growth. In addition, a step change to the nature of the local economy (for example the introduction of a major new firm intensifying local supply chains, or a major firm closing down) can have significant impacts on the local economy, and subsequently potential employment land levels.

Labour Supply Approach

- Previous employment land review work has included an analysis of land requirements which might be generated due to an increase in Labour Supply (for example through increased amounts of housing locally). In most cases the additional population generated in such analyses has been seen to be minimal and therefore in this refresh of the employment land technical appendix an update of this methodology is not being considered.



6 - Summary

- Over the period 2006 to 2028, new employment land requirements in Tamworth Borough are likely to be at the very minimum around 6 hectares, and as a maximum, around 47 hectares. Furthermore there is a degree of correlation between the 10 year past trends approach, a requirement of 36 hectares and an adjusted labour demand approach, which yields a requirement of 37 hectares, both of which have respective merits in determining the amount of land required.
- However It is very difficult to prescribe with any confidence a suggested amount of land for the employment development needs of the area. Given the uncertainty in the economy, it is likely that developments will take place according to market conditions, and where the market dictates. Tamworth's strategic position adjacent to the M42 is a key asset, however there is likely to be intense competition to attract development with other areas, so both quality and deliverability of sites will be important looking into the future.

