



GL Hearn

Part of Capita plc

Bassetlaw Local Plan – Housing & Employment Note

Bassetlaw District Council

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Prepared by

GL Hearn
65 Gresham Street
London EC2V 7NQ

T +44 (0)20 7851 4900
glhearn.com

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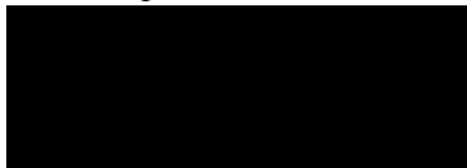
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ORIGINATORS
Paul McColgan
Planning Director

APPROVED
Matt Kinghan
Planning Director



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1 HOUSING AND EMPLOYMENT REVIEW

- 1.1 Bassetlaw District Council has asked GL Hearn to consider the housing implications of various levels of economic growth within Bassetlaw.
- 1.2 GL Hearn prepared the 2019 Bassetlaw Economic Development Needs Assessment (EDNA). This forecast employment growth of around 3,400 jobs to 2035 and a need of approximately 63 Ha of employment land and alongside an employment led housing need of 390 dwellings per annum.
- 1.3 A series of sites has been provided to GL Hearn as the proposed allocations. In addition, two further strategic sites have been identified and which are considered to meet the sub-regional need.
- 1.4 The proposed allocations cover some 137.4 Ha in area. The additional strategic sites total a further 199.6 Ha in area (see Appendix A).
- 1.5 To translate these sites into an employment capacity a series of assumptions were needed to be made including the split between different use classes. Where this information is known i.e. from an application we have used the information provided. Where it is unknown we have used the following assumption:
- Plot Ratios where unknown:
 - 0.3 on strategic sites
 - 0.4 on allocated sites
 - Employment Densities:
 - B1 – 35 sqm per FTE (assuming a B1 mix)
 - B2 – 38 sqm per FTE
 - B8 – 70 sqm per FTE
- 1.6 Using these assumptions GL Hearn estimated that the full-time equivalent employment arising from the proposed site allocations is 6,447 jobs. The additional strategic sites could support a further 8,515 FTE jobs.
- 1.7 As noted, the EDNA forecast was for 3,433 additional jobs or 3,023 FTE over the original Local Plan period to 2035. Of these, around 1,182 full-time equivalents are expected to take place on B-Class premises (offices, factories and warehouses).
- 1.8 These are rolled forward two years to 2037 responding to the new Local Plan period generating 3,837 jobs or 3,379 FTE. Of these 1,321 FTE take place on B-Class premises. These B-Class jobs are assumed to occur on the allocations as set out in the proposal and can, therefore, be discounted from the total jobs required.

1.9 It was estimated in the EDNA that around 2.0 Ha per annum of employment land is needed to replace losses of existing employment sites to other uses. In the case of replacement demand, it is assumed that the workforce is already present in the district and therefore these jobs are supported by the existing workforce. This is estimated to be around 3,357 FTE as set out below.

Table 1: Replacement Demand Absorption

Type	Density (sqm per FTE)	Plot Ratio	Ha (2018-35)	Ha (2018-37)	Employment (2018-37)
B2	38	0.4	17	19	2,000
B8	70	0.5	17	19	1,357
Total			34*	38	3,357

* Bassetlaw EDNA Part 1 pg 76

1.10 To calculate the total jobs growth per annum we take the baseline need minus b-class jobs as these are included within the site capacity. The full site capacity is then added to the non-b class jobs to determine full employment need. However in recognition that some of the capacity will be taken up by business moving from elsewhere in the district (replacement demand as above) this is removed to get to the total growth need. We have then divided this into the 19 year plan period.

1.11 The additional FTEs, therefore, resulting from the land allocation scenarios is around 5,147 jobs. This increases to 13,662 FTEs including the two additional strategic sites. As a final step, we translate the FTE figures back into a job growth figure using the whole economy FTE to Jobs ratio of 0.88.

Table 2: Employment Needs

Scenario	Baseline Need FTE	Baseline Need B Class FTEs	Site Capacity	Replacement Demand Component	Total FTE Growth	Total FTE Growth Per Annum	Total Jobs Growth Per Annum
Proposed Allocations	3,379	(1,321)	6,447	(3,357)	5,147	271	308
Allocations + Strategic Sites	3,379	(1,321)	6,447 +8,515= 14,962	(3,357)	13,662	719	817

1.12 Notably, the Bassetlaw EDNA 2019 included an employment land margin for choice and flexibility in the market over and above labour demand requirements. Given the level of proposed employment land allocations, this margin would be absorbed by the market.

Housing need requirements linked to employment growth

- 1.13 We next examined the housing implications of this level of growth. We present the approach adopted below which takes into account a range factors including the fact that not everyone will be in employment (Economic Activity Rates), those that are may have more than one job (double jobbing) and some of the jobs will be taken up by residents living elsewhere (commuting ratios).
- 1.14 Taking all of these factors into account the migration assumptions underlying the 2016-based sub-national population projections are adjusted to ensure that there is enough of a workforce to service these jobs.
- 1.15 We have used **Economic Activity Rates** based on the national rates set out in the Office of Budget Responsibility Fiscal Sustainability Report (Summer 2019). These rates take into account some key considerations including; changes to the pensionable age, the propensity for people to work longer, particularly woman and the changing age structure. Age and sex-specific assumptions are applied in the modelling rebased to reflect local conditions.
- 1.16 **Double jobbing** is the percentage of people with more than one job. We have used the Annual Population Survey which indicates the percentage of all in employment who have a second job. This rate is quite variable we have therefore used a long term average, which for Bassetlaw is around 4%. This means that for every 100 jobs created only 96 additional employees are created.
- 1.17 **Commuting ratios** are drawn from the 2011 Census ratio. These ratios are the only nationally consistent robust data set concerning commuting. The commuting ratio is the ratio between those who live in the area and are in employment and those that work in the area (and live anywhere).
- 1.18 In Bassetlaw, the commuting ratio is calculated as 1.018 which demonstrates a broadly even balance between in and out commuting with a small net out-commute. This means that for every 1,000 jobs created in the Borough 1,018 additional residents in employment will be required.
- 1.19 Finally, it should be noted that no changes to unemployment rates have been assumed from 2019 onwards.
- 1.20 The commuting ratio and the double jobbing rate are multiplied by each other to get to an adjustment factor of 0.977. This is then multiplied by the number of jobs to get to the number of additional employed residents or labour force.

Table 3: Increase in Employed Residents

Scenario	Total Job Growth	Total Job Growth	Adjustment Factor	Additional Employed Residents
Proposed Allocations	308	5,849	0.977	5,716
Allocations + Strategic Sites	817	15,525	0.977	15,171

- 1.21 As set out in the table above the number of employed residents required to support employment at Proposed Allocations (5,849) is 5715. This increases to 15,167 when the strategic sites are included within the calculation.
- 1.22 Following this analysis, the model has taken the demographic forecasts and adjusted the migration assumptions until the population growth provides the required increase in the resident workforce. The base population modelled from the 2016-based subnational population projections (SNPP). The projections run across the whole plan period (i.e. from 2018 to 2037). Population data for 2018 has been fixed by reference to 2018 mid-year population estimates (MYE).
- 1.23 Once the level of economically active population matches the job growth forecast, the population is modelled against bespoke Household Representative Rates (HRRs). These bespoke rates are based on a midway point between those in the 2008 and 2014-based subnational household projections (SNHP) within younger age groups (25-44). This approach allows younger age groups to form in greater number than the published versions would do.
- 1.24 The approach also allows for a level of 3% vacancy rate within the housing stock to translate households into dwellings. This allows the housing market to function properly.
- 1.25 Table 4 below shows estimates of housing need set against the economic growth scenario for the Local Plan period to 2037. The analysis shows an economic led housing need of between 402 and 846 dwellings per annum or a total need of 7,638-16,074 dwellings to 2037.

Table 4: Housing need linked to employment growth scenarios 2018-2037

	Jobs Growth		Housing Need	
	Per annum	Total	Per annum	Total
Baseline	200	3,800	402	7,638
Proposed Allocations	308	5,849	480	9,120
Allocations + Strategic Sites	817	15,525	846	16,074

- 1.26 In all three cases, the housing need is higher than the housing requirement of 390 dwellings per annum. In the case of the proposed allocation and the proposed allocations and strategic sites the housing need is significantly higher.

Job Growth Associated with Housing

- 1.27 To allow for a like for like comparison we have also calculated the number of jobs supported by the housing requirement and the housing supply. This calculation uses the same steps and assumptions as that above but in reverse.
- 1.28 As shown in the table below the housing requirement of 390 dpa would support approximately 183 additional jobs per annum. This increases to 449 jobs per annum if all of the identified housing supply is delivered.

Table 5: Jobs supported by Housing Growth 2018-2037

	Housing Need		Jobs Growth	
	Per annum	Total	Per annum	Total
Housing Requirement	390	7,410	183	3,477
Housing Supply	581	11,039	449	8,528

- 1.29 This suggests that the housing supply would be enough to meet the needs of both the baseline growth and employment allocations. However, if the Council wishes to deliver the strategic sites then an additional 265 dwellings per annum (846-581) or 5,035 homes over the plan period (265 dpa* 19 years) would need to be identified.
- 1.30 However, with a growth of this scale and the sub-regional nature of the strategic sites, other factors will likely need to be considered many of which will be through the duty to cooperate. Such considerations include reducing unemployment both locally and the wider area. It is also likely that such growth would change commuting patterns with more local residents retained and more in commuters.
- 1.31 These factors would in effect see the need for these sites met within the wider area. Although as stated above such changes do not necessarily mean the 5,035 units would have to be met elsewhere in full as there may well be a surplus labour supply already residing in the wider sub-area.

APPENDIX A: Site Information

Ref	Site Name	Total Available (Ha)	Employment Land Provision (Ha)	Use Class	Land - Ha				SQM				FTE			
					B1	B2	B8	Total	B1	B2	B8	Total	B1	B2	B8	Total
Sites under construction 2019-2020																
EM001	Manton Wood Extension	24.6	10.73	B1, B2, B8	1.0	2.0	7.0	10.0	1,000	18,000	70,000	89,000	29	474	1,000	1,502
Total of employment sites under construction																1,502
Sites with planning permission																
EM002	Shireoaks Common	26	15.4	B1, B2, B8	2.0	4.0	9.0	15.0	4,000	12,000	44,000	60,000	114	316	629	1,059
EM003	Symmetry Park	21.95	9.85	B8	1.0	2.0	7.0	10.0	5,000	2,000	2,000	9,000	143	53	29	224
EM004	Explore Steetley	46.5	16	B1, B2, B8					200	3,360	7,840	11,200		88	112	176
EM005	Welbeck Colliery	29.6	6	B1, B2, B8	1.0	2.0	3.0	6.0	4,000	8,000	12,000	24,000	114	211	171	496
EM006	Carlton Forest	10.6	10.6	B1, B2, B8	3.0		7.0	10.0	22,668		5,574	28,242	648		19	666
Total of employment sites with Planning Permission																2,621
Local Plan Allocations																
EM007	High Marnham Energy Hub	60	38.4	B1, B2, B8							3,660	3,660				5
EM008	Trinity Farm, Retford	8	8	B1, B2, B8	3.0	3.0	3.0	9.0	6,670	4,831	4,831	16,332				578
EM009	Bassetlaw Garden Village	15	15	B1, B2, B8	2.0	4.0	9.0	15.0	8,000	16,000	36,000	60,000	229	421	514	1,164
EM010	Cottam Priority Regen Area	14.4	7.4	B1, B2, B8	1.0	2.0	4.4	7.4	4,000	8,000	17,600	29,600	114	211	251	576
Total of Allocated employment sites																2,323
Strategic employment sites																
SEM1	Snape Lane, Harworth	80.9	80.9	B2, B8				80.9		128,082	86,975	215,057				3,475
SEM2	Apleyhead Junction	189	118.7	B1, B2, B8				119		71,220	284,880	356,100		1,874	3,165	5,040
Total of strategic employment sites																8,515