

Bromsgrove District Council

**Bromsgrove's
Local Economic
Future**

Project ref 42928

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Introduction



Introduction

This report has been prepared by Peter Brett Associates. It was commissioned by North Worcestershire Economic Development & Regeneration (NWEDR) on behalf of Bromsgrove District Council.

The Council is investigating the merits of a more ambitious approach to economic development, and this study outlines what that might mean. In 2017, the Council agreed a new set of priorities, which puts economic growth at the heart of the Council's strategy. There is a desire to ensure that emerging economic opportunities are seized for the benefit of Bromsgrove's population, allowing Bromsgrove to be a better place to work, as well as an excellent place to live.

The rationale underpinning this shift is two-fold. On the positive side, new opportunities are opening up for Bromsgrove, due to the economic renaissance of Greater Birmingham, the pressure of population growth across the sub-region, Government funding programmes that support local growth, and new financial arrangements whereby the Council will retain more of its business rates. The negative factor is that Bromsgrove will no longer receive core financial support from central Government (in 2019-20 it will actually pay back a 'negative grant'). At the same time, the need for Council services will increase as the population ages. If it is to continue to provide high-quality services the Council will need to generate more income, both from local taxation and commercial activities.

In response to these pressures, the Council will aim to develop the District as an economic centre, with more and better jobs, more investment and a more balanced age profile. The purpose of the present study is to help guide this new strategy. Our study method is designed and focussed so it produces this practical guidance, not just interesting analysis – which is much easier to do, but would not help at the present juncture.

The main questions for the study as follows:

- What investment is required to help improve productivity and drive up average wage levels of residents and the workforce in the District?
- How does the District compete effectively against neighbouring areas?
- How does the District build on its sectoral strengths?
- How could the Council use its economic development functions to help stimulate growth?
- What are the implications of future economic policy on the District's future housing requirement and infrastructure planning?

None of this work represents an agreed political position or policy. The views presented here are those of the consultant team only. The report does not reflect the position of the Council. This work is intended to spark a debate, and so lead to better decisions for Bromsgrove's future.

How this evidence report has been prepared, and how it will bring about change

Whilst the brief does not ask for a finalised economic development strategy for Bromsgrove, this report provides important indicators to show what such a strategy might look like – and we have used a particular approach which will marshal these points into the fundamental elements of an economic developments strategy.

- Our diagnosis of the issues will bring together the facts that affect the strategic choices. We start by defining the nature of the challenge the District is facing, and the associated obstacles: the challenge must be defined, or it will be difficult or impossible to assess the quality of the report's outcomes. We then cover the social, economic and policy context we are working in, key facts and emerging ideas for change. The point here is avoid creating a dead baseline of facts: instead, we aim to understand what those facts are trying to tell us, to honestly acknowledge the challenges that we face, and then to marshal the facts into a plotline that directs us towards coherent, co-ordinated actions. To paraphrase Rumelt (2012), we need to replace the overwhelming complexity of the real world with a simpler story which identifies certain aspects of the situation as being the critical ones.
- The next stage is the 'guiding approach'. This will make suggestions about an overall approach for overcoming the obstacles highlighted in the diagnosis. There will be a high-level statement of methods by which Bromsgrove and its partners could deal with the situation. It will be the 'how' at the broad level. We focus energy and resources on very few, pivotal objectives. We look to focus resources on objectives which create a chain-reaction of positive consequences.
- The final stage is the route map. This will make suggestions around actions will bring the guiding policy down to earth. The actions will be co-ordinated over time, and seek to use the leverage that Bromsgrove has most effectively. Our route map will concentrate on a domain of action that can be addressed by the policy levers available to the Council and local stakeholders, rather than being one which local partners can do nothing about.

We wish to use this work as a stimulus to action. The report therefore concludes by setting out why action is required now.

These are big issues, and connect economics, public spending, transport infrastructure, land use planning and project delivery. Many within the Council will have their own views, and these may differ. We seek, but do not expect to hammer out a consensus view within this commission, nor do we expect to get these conclusions agreed, signed off and formally adopted as representing the views of the Council. Instead, we will offer these views to stimulate debate within the Council: as the brief points out, 'it will largely be up to the District Council to consider the next steps based on the evidence provided through this commission'.



Bromsgrove is in competition with other areas for footloose investment, and skilled workers. It must develop a competitive advantage. Does it need a new type of strategy to help it do that?

The term “competitive advantage” dates back to Michael Porter’s 1984 book of that title. The basic definition is straightforward: in business terms, a business has a competitive advantage if it can produce at a lower cost than competitors, or if it can deliver more perceived value than competitors, or a mix of the two, then you have a competitive advantage. To persist over time, that advantage must be reproduced.

Paul Krugman points out that areas ‘do not compete like Coke and Pepsi’, but it is fair to say that Bromsgrove is in competition with other areas for footloose investment and skilled workers which will be key to future prosperity. We must be very careful not to over-emphasise the role of price in this equation: price is only part of an investment equation, and other elements – amongst them, skills and access to the soft agglomeration benefits of being part of a large labour market – form a bigger part of the choice.

Much is outside the control of Bromsgrove. Even a much larger economic unit – say the UK – is hugely influenced by outside events. Mark Carney Governor of the Bank of England, says that one-third of economic shocks and 70% of the variation in UK financial conditions are a result of something happening overseas.

Even so, thinking hard about future positioning of infrastructure and growth in Bromsgrove is likely to be very worthwhile.

We suggest that Bromsgrove will need to develop a clear and possibly quite radical strategy to prosperity, in an environment which may be very difficult in future.

Richard Rumelt states that “at the heart of a good strategy is a diagnosis of the issues, a guiding policy and coherent action. The building blocks of a good strategy are reducing complexity, understanding the power of design, focus, using advantage, riding a wave of change, and understanding the inertia and disarray of rivals” (2011, 223).

This are a big issues, and connects economics, public spending, transport infrastructure, land use planning and project delivery. The questions are also highly political.

There is too much here to deal with in this short commission. But we have some pointers.

The geographical context

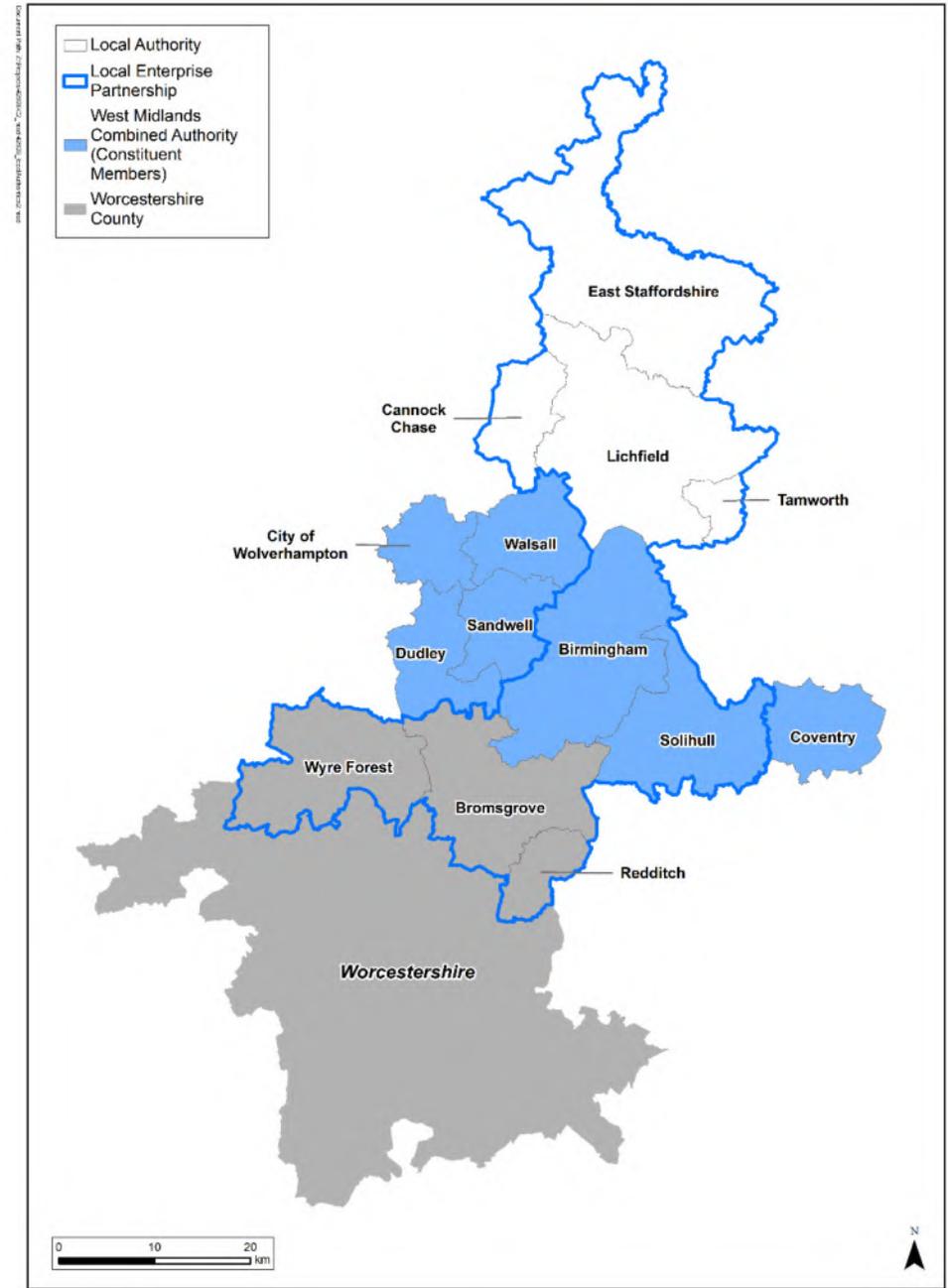
In this report we refer to a number of geographies as illustrated on the map.

Bromsgrove is neighboured by Redditch – where there is a strong history of cross boundary joint working – reflecting the fact that Redditch is largely built out within its administrative boundary.

Wyre Forest is to the west although links between this district and Bromsgrove are weaker.

To the north is Birmingham and the new grouping of Combined Authority Members. In this report we use 'CA' as shorthand for the Combined Authority.

Overlaying this administrative geography are the Local Enterprise Partnerships – although as the map shows Bromsgrove is a member of two. Bromsgrove is a member of the Greater Birmingham Local Enterprise Partnership (as shown), but also the County LEP (Worcestershire LEP).



Why act now?

Bromsgrove is a great place to live. Why not just keep it as it is?

In our view, Bromsgrove is running risks of slipping into what is known as “path decay”. The term comes from the work of Prof James Simmie. Simmie uses economic history to explain the present, and provide a guide to the future. The economic future of places rests to a certain extent on its historic economic “path” (Simmie 2008). According to Simmie, places become path dependent because

- there are (originally) profits to be made – which leads to firms and consumers being locked into repetitive patterns of production and consumption, and this limits the opportunity for new products and services to make it to the market.
- technological (and capital) lock-in occurs, tying an area to existing technologies.
- This is accompanied by institutional inertia, which includes Governmental, organisational or cultural systems that lag behind economic change. A process of path decay begins, as industries fail to reinvest and innovate.

Simmie’s work suggests that the challenge is to create a new growth path. As Simmie says, areas “must be able to escape their past to create new economic futures. Continual growth is never guaranteed. There is a continual need for constant change and innovation”.

In Bromsgrove there are at least two warning signs on the horizon; suggesting that a change in direction may be needed.

Part of the ‘path decay’ story concerns demography. Demography matters to economic outcomes. Other things being equal, rising populations tend to bring rises in economic output, but the profile of the population has an important influence on income per head. This is because economic behaviour and needs vary at different stages of life: young people require investment in health and education, prime-age adults supply labour and savings, and the elderly require health care and retirement income (Prskawetz 2007). Here the population is ageing and growth of the housing stock insufficient to accommodate a new wave of younger, more economically active residents. House price affordability has deteriorated to the extent that many young people cannot access the housing stock.

Secondly there are signs that the economy lacks any significant economic motor. Business growth is largely stagnant; with very limited growth in recent years. Unless something changes the economy runs the risk of getting left behind as the West Midlands economy continues its economic renaissance.

The two themes are clearly related and cannot be viewed in isolation. Without a supply of labour and land to expand onto, Bromsgrove is not an attractive place for businesses to grow. Without a growing workplace economy, and with an expensive housing stock with a constrained supply of new, Bromsgrove is not an attractive place for young people to live or migrate to. The cycle repeats – and only older people who can afford to access housing and commute to Birmingham in search of high wages can live in the District.

For both reasons, demographic and economic, there is some evidence that ‘business as usual’ may no longer be appropriate. We return to the evidence base to test this conclusion in the next sections.

Bromsgrove is a great place to live. Why not just keep it as it is?

Given that we can clearly see change on the horizon, it is better to make the right adjustments early and in a controlled way, rather than wait until graver difficulties force change. Charles Handy's Sigmoid curve is one way of thinking about this process of change. It has a base building/introduction phase, followed by a growth phase, then a maturing phase, and finally a declining phase. The curve represents the things and the ways in which you got to where you are, and illustrates that those are seldom the things that keep you there.

It implies change is continual, and best managed when things are good, not when they start to go bad. It is the story of a product's life cycle and of many an organisation's (or individual's) rise and decline.

The secret of constant growth is to start a new curve before the first one peters out. The right place to start is at point A – when things are going well, when there is time, as well as the resources and the energy, to get the new curve through its initial explorations and before the first curve begins to dip downwards.

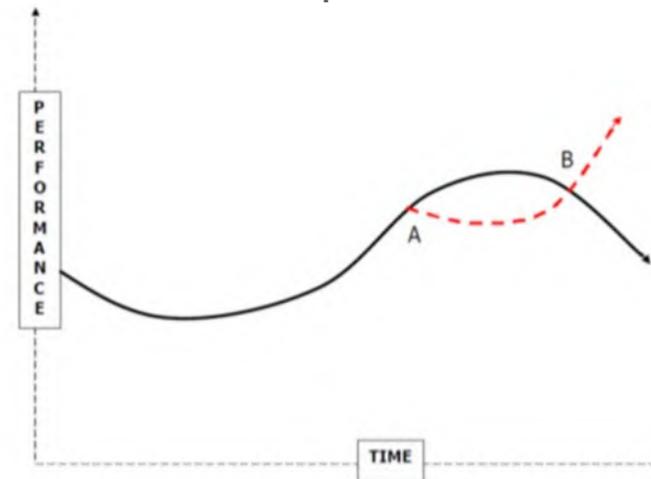
But at point B, all the signals suggest that everything is going well, that it would be folly to change when things are going so well. Often change only comes at point B, when it may be too late.

In Bromsgrove the path has been set, in part, by previous plans and strategies. In the past these plans and strategies were often a product of strategic planning at the national, regional or county level. These policies dictated how much growth and what type Bromsgrove should accommodate.

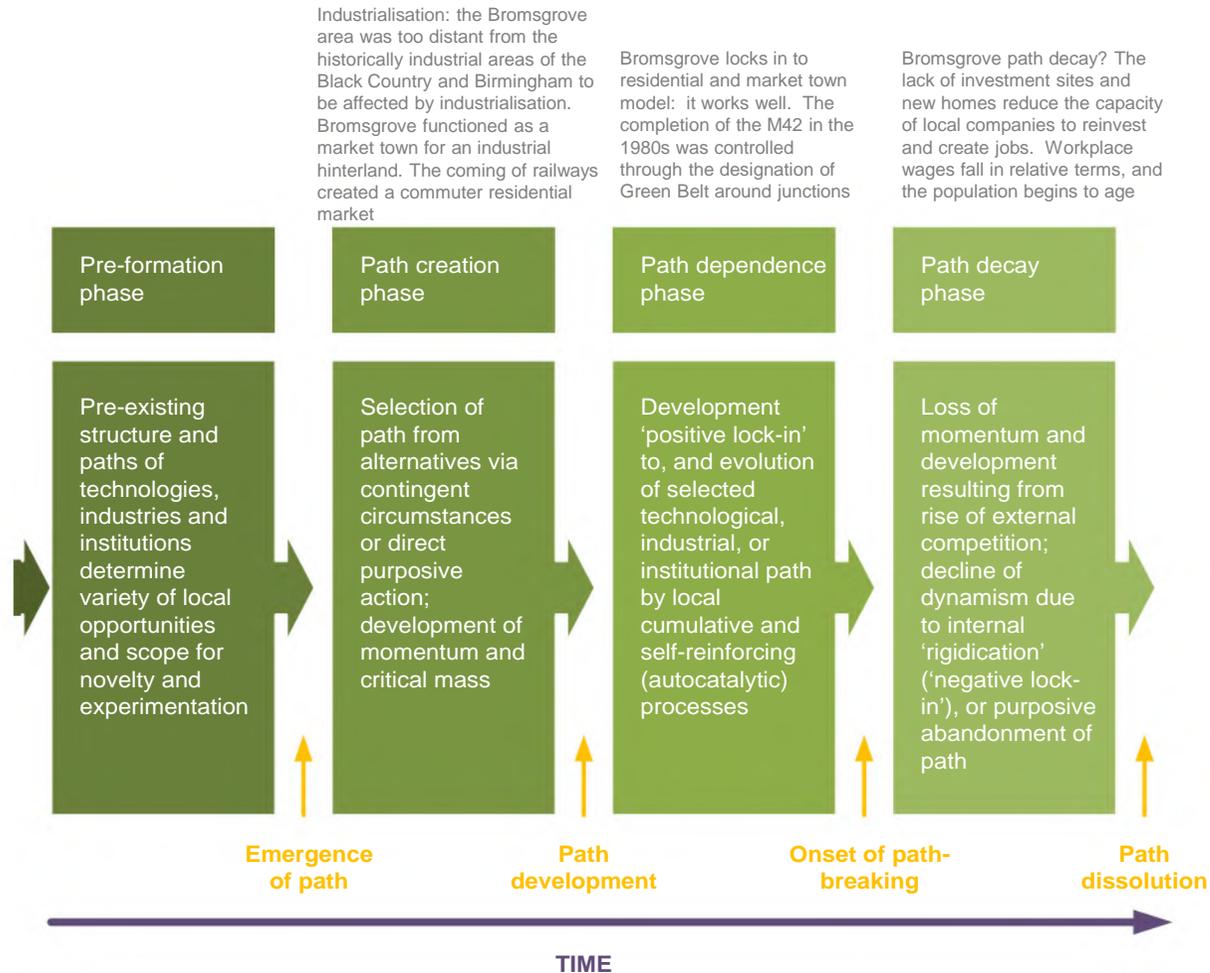
But now the Council has much greater control over its own plans and strategies. The regional level of government, and much of the county tier have been abolished. In the West Midlands the Combined Authority Mayor has no planning remit. So it falls firmly upon the District to cast the policy agenda.

Most of the recommendation in this report do not address immediate issues or problems which are critical today. The development plan review process will manage the immediate needs of the District.

Instead we look ahead and future proof the District so that sustainable options are available when they are needed. If they turn out not to be needed, then future plans can make alternative choices. But some of the required interventions may take a considerable time to deliver in a sustainable way, and if we don't start to think about what is needed in 20 years we may not be able to make the optimal choice when the time comes.



Avoiding 'path decay' in Bromsgrove



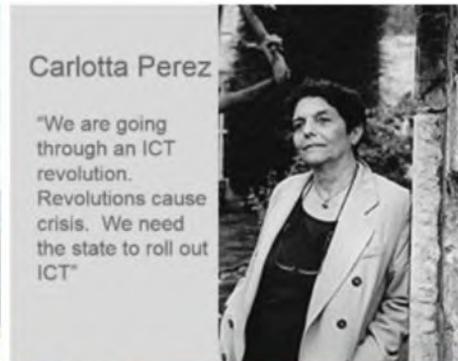
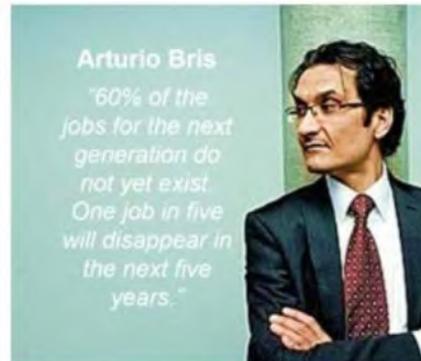
Diagnosis

In this section, we aim to understand the nature of the challenges and opportunities that we face, and then to marshal the facts into a plotline that directs us towards coherent, co-ordinated actions

The truth is that no-one can be sure of the long term future. It is driven by product and technological change, making future sources of success very hard to predict. Ideas of what the future holds vary widely.

Whilst their precise analyses vary, economists agree that we are likely to be entering a period of highly disruptive change. There are suggestions, variously, that labour markets will be upended by IT, causing major social dislocation; that there will be a shift away from acquisition of material goods towards spending on experiences; that growth will be low in future; and that a second great depression is in the offing. There is not a great deal of agreement from economists about what might happen, and a resulting lack of confidence in our ability to successfully predict change.

This uncertainty feeds through into the planning and economic development sector, because many of the forecasting methods available – particularly those traditionally employed by planning evidence bases - are quite ill-fitted to anticipating the types of off-trend, non-linear shifts that we may see.



Planning evidence bases are not especially adept at picking up disruptive change: they find it hard to see it coming, are locked into a rigid plan review cycle, and the consultants who write the evidence reports do not want to go out on limb. Investors can move capital in and out of sectors more quickly than the planning sector can respond.

Moving capital out...

Will the death of US retail be the next big short?

JULY 16, 2017 by Robin Wigglesworth

For a small band of [hedge funds](#) that slapped down prescient bets against the tottering US housing market, the [financial crisis](#) was the biggest money-spinner in generations. Some investors think they have now found the next “[big short](#)” in the retail industry.

The reshaping of how Americans shop by the internet is accelerating. [The US retail industry](#) faces a growing headache, with 10 companies pushed into bankruptcy already in 2017, according to Standard & Poor’s. Even [Sears](#), a once mighty department store chain founded in 1886, is now [tottering](#).

“We think the magnitude of this short could be bigger than subprime,” says Stephen Ketchum, the head of Sound Point Capital, a hedge fund that manages more than \$13bn in assets. “Go to the Amazon website and type in ‘batteries’. What you see is just the tip of the future iceberg. And retail is the Titanic.”

Moving capital in...

Renault-Nissan plan ride hailing

Car manufacturers Renault, Nissan and Mitsubishi have jointly announced a six-year plan that includes operating ‘robo-vehicle’ ride hailing services. The companies’ alliance aims to introduce 40 types of vehicle by 2022 with varying levels of autonomy, upto and including ‘fully autonomous capability’. It envisages that some vehicles will be competing with Uber and other ride-hailing specialists within that timeframe. **Becoming an operator of robo-vehicle ride hailing services is a major part of the new mobility services strategy, said the alliance.**

It is testing autonomous technologies in different regions of the world. “Field tests are continuing on robo-vehicles with partners DeNA (Japan) and Transdev (France), which will pave the way from a new era of mobility.” The alliance also said that its ride-hailing services would include further partnerships, and it aimed to become a **“major player and provider of vehicles for public transit use and car-sharing”**

It will develop an electric vehicle platform using its Common Module Family architecture, which has already enabled Renault and Nissan to build the same components into some of their vehicles. Last year the alliances’ members shared 14 engine types out of 38. The alliance predicts that they will share 22 out of 31 engines by 2022.

The six-year plan includes launching 12 new electric-only vehicle types by 2022, introducing a “new family of EV motor and batteries, and reducing battery costs by 22%...”

Local Transport Today 732, 29th September 2017

Innovation can be expected to hit a number of sectors - distribution, retail, offices and motor maintenance amongst them

Disruptive change: distribution

Amazon's Kiva robot – and similar – is likely to change employment patterns in logistics and distribution



Disruptive change: retail

Polarisation likely to continue – unless Chesterfield can develop USP (eg Hebden Bridge?) Workforce may shrink?



Disruptive change: office employment

Rising employment densities (=less demand for space); the loss of the back office; the loss of routine tasks to blockchain and automation



Disruptive change:

Motor vehicle maintenance and taxi, lorry driving business



To be prosperous in future, Bromsgrove will need to embed good quality companies and highly skilled labour in the local economy. Skilled workforces attract investment, and good environments attract skilled workforces

While we don't know exactly how the future will pan out. We have a reasonable idea how to make Bromsgrove as resilient to change as possible.

Continued long term prosperity requires that Bromsgrove is able to embed high quality economic activity and skilled workers as deeply as possible in the local economy.

If this effort is to be successful, Bromsgrove needs to continually upgrade its image as a place to live and work. The objective will be to get the local economy more fit to face the rigours of future competition. Prosperity is more 'sticky' to a place when a place can create a supporting 'ecosystem' of high quality labour market access, face-to-face communication, and a network of competing and collaborating firms.

Housing is a critical part of this picture. An excellent quality housing offer will be essential if a skilled population is going to be retained and attracted to Bromsgrove.

Skills are also an important determinant (some studies place it as *the* most important determinant) of employers' willingness to invest in a location.

In turn, skilled labour is attracted by:

- A high quality housing offer
- High quality labour market connections.
- The ability to provide locations and context for face-to-face contact – such as a strong retail offer
- Opportunities for social and cultural interaction – such as cafes and restaurants
- Environmental factors. As Richard Florida states, “Quality of place – particularly natural, recreational, and lifestyle amenities – is absolutely vital in attracting knowledge workers and in supporting leading-edge high technology firms and industries. Knowledge workers balance economic opportunity and lifestyle in selecting a place to live and work. Given that they have a wealth of job opportunities, knowledge workers have the ability to choose cities and regions that are attractive places to live as well as work”.

For Bromsgrove, this means that

- Bromsgrove must provide the right housing and local environments for prosperity to flourish
- Bromsgrove must provide a superb place to live and socialise for local workers
- That package will need to include strong town centres, leisure opportunities, high levels of social cohesion and trust, excellent education, childcare, great transport links into town
- Create the housing and commercial capacity to facilitate adaption, change, and growth.

If Bromsgrove gets these elements right, the rest is likely to follow – including inward investment.

Where are we now?

In this section, we look at some key statistics that outline where we are now. We also start to think about how we may have got here and so start working out what may need to change.

Contents:

Bromsgrove is a successful economy

But not for everyone

**Growth has been lagging behind
others**

And future growth potential is limited

Unless something changes...

Bromsgrove is a successful economy

Bromsgrove is a successful resident economy

There is no fixed way to measure a successful resident economy. Opinions will differ.

Looking at the key data from the Office of National Statistics we can see **that if you live in Bromsgrove your household is wealthier than the rest of the County**. You are also wealthier than those living in the Combined Authority:

- Bromsgrove household income is £809 per week compared to £705 in the rest of Worcestershire and £615 in the Combined Authority

But homes are more expensive in Bromsgrove. After housing costs are taken into account the gap narrows.

- Compared to the Rest of Worcestershire the gap narrows from £104 per week to £49
- Compared to the Combined Authority the gap falls from £194 to £122.

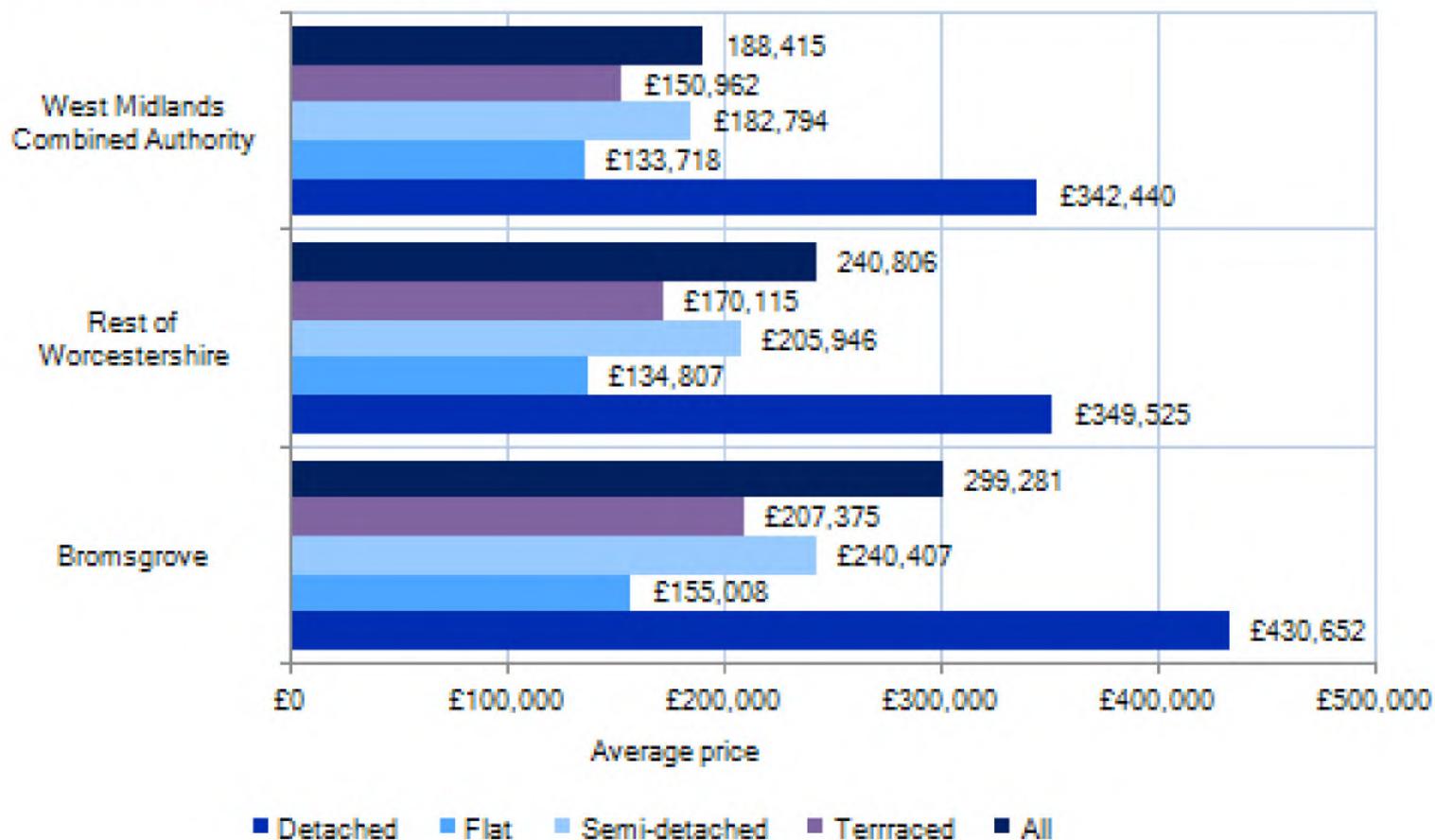
So higher housing costs in Bromsgrove roughly halves the Bromsgrove residents 'economic premium'. But Bromsgrove residents still, on average take home higher wages



Reflecting the high house prices and lack of affordability in the District the proposed Standardised Housing Needs method (November 2017) requires Bromsgrove to provide for around 40% more new homes than the demographic projections alone (364 homes per year). This is one of the highest uplifts in the West Midlands and similar in scale to many South East England Councils such as Maidstone and Test Valley. Together with 'unmet' housing needs from Birmingham this could mean Bromsgrove is required to provide more new homes – this may no longer be a policy choice?

Figure: Average property price by dwelling type

Source: Land registry Oct16-Sep17



Bromsgrove residents are better skilled than their Neighbours

30.5% of Bromsgrove residents have at least a degree qualification compared to 26.5% in the Rest of Worcestershire and 21% in the Combined Authority area.

Only 21% of Bromsgrove residents have no qualifications, similar to the Rest of Worcestershire but much better than the Combined Authority Area where nearly 1/3rd of residents have no qualifications.

Reflecting the skills base Bromsgrove residents are more likely to be in managerial or professional occupations, and less likely to be in elementary occupations.

Nearly 50% of Bromsgrove residents are in managerial, professional or associate professional occupations.

Figure: People with no qualifications and degree-level qualifications
Source: Census 2011



Where are we now? Jobs in the District - 2017

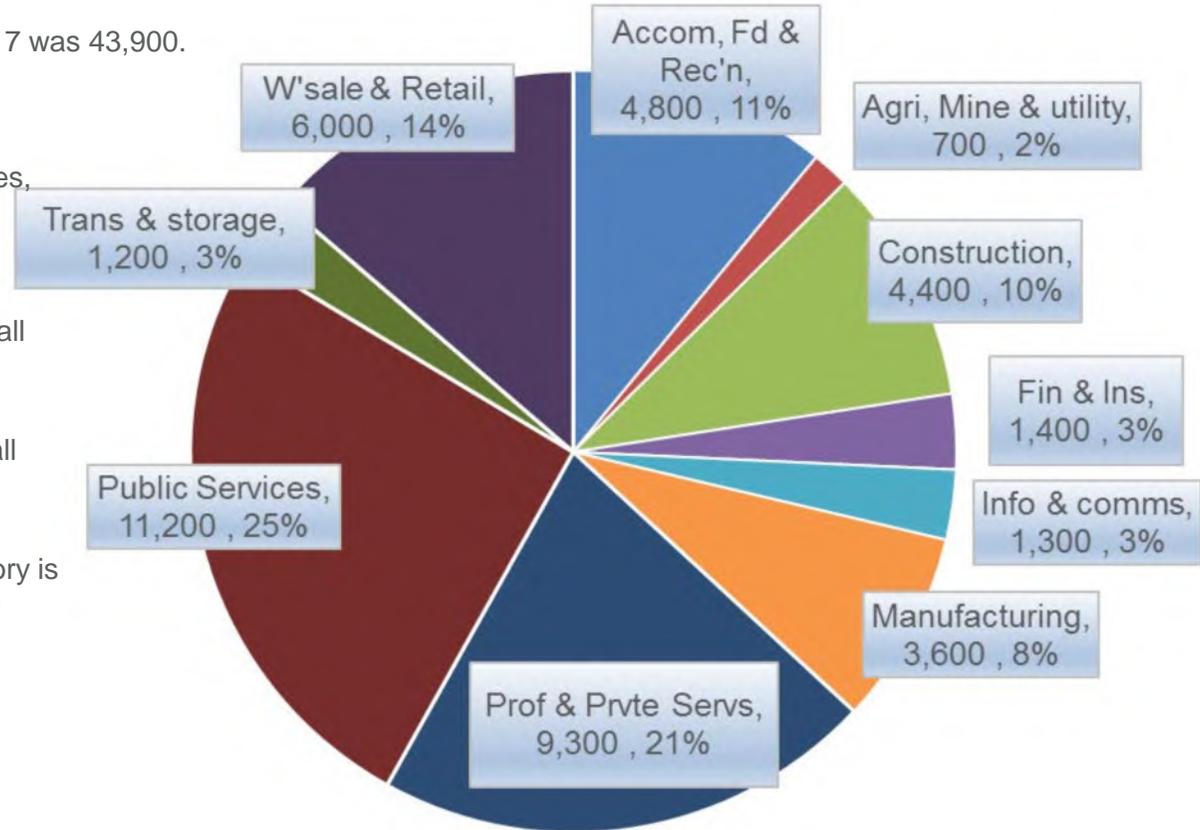
The total number of jobs in the District in 2017 was 43,900.

The biggest sector are jobs in public services, which account for a quarter of all jobs

The professional & private services jobs category is next, accounting for one fifth of all jobs.

Manufacturing accounts for a relatively small proportion of all jobs.

Understanding the spread of jobs by category is useful in considering forecast change in job numbers later on in this report.



The Workplace economy

Turning to the workplace economy, the jobs in Bromsgrove as opposed to residents, there are roughly enough jobs in the District for the working age residents.

The ONS measure 'job density' – the number of jobs in an economy compared to the number of working age residents.

In England the density is 0.85 jobs per working age resident [1]

The density for Bromsgrove is in line with England which suggests in quantitative terms the job market is roughly balanced. Bromsgrove actually has a higher density than many neighbours so, in quantitative terms, is doing very well compared to others in the local area. Most of those with higher densities accommodate large business parks which form part of neighbours economies – for example North Warwickshire/Birmingham or Warwick/Coventry.

For our work this illustrates that the choice to commute cross boundary, exercised by many of the Bromsgrove residents, is not one of necessity – but one of choice. I.e. other areas offer preferable jobs for Bromsgrove residents.

As we show over the page, the market is not balanced in *qualitative* terms. There is a disconnect between the resident wages discussed above, which were higher than neighbours, and the wages local Bromsgrove firms pay.

The average local Bromsgrove firm pays only £500 per week which is roughly average for the Region.

This has not improved in recent years and local wages are falling behind the Region. Wage growth over the last 10 years has been very low.

The explanation is that high residents' wages are a product of out commuting to higher (workplace) wage economies – most obviously Birmingham.

This is not necessarily a bad thing for the District if the key measure of success is how well off the residents are, and the commute is short and sustainable.

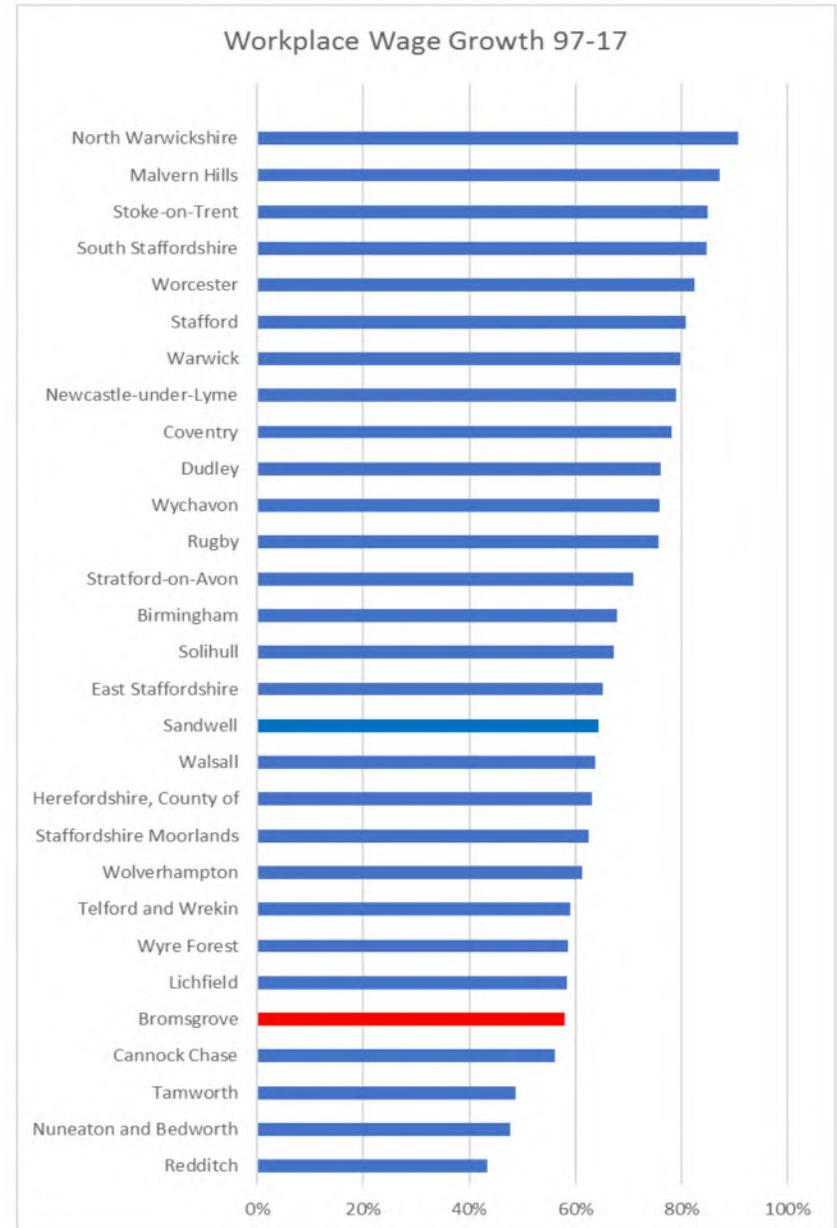
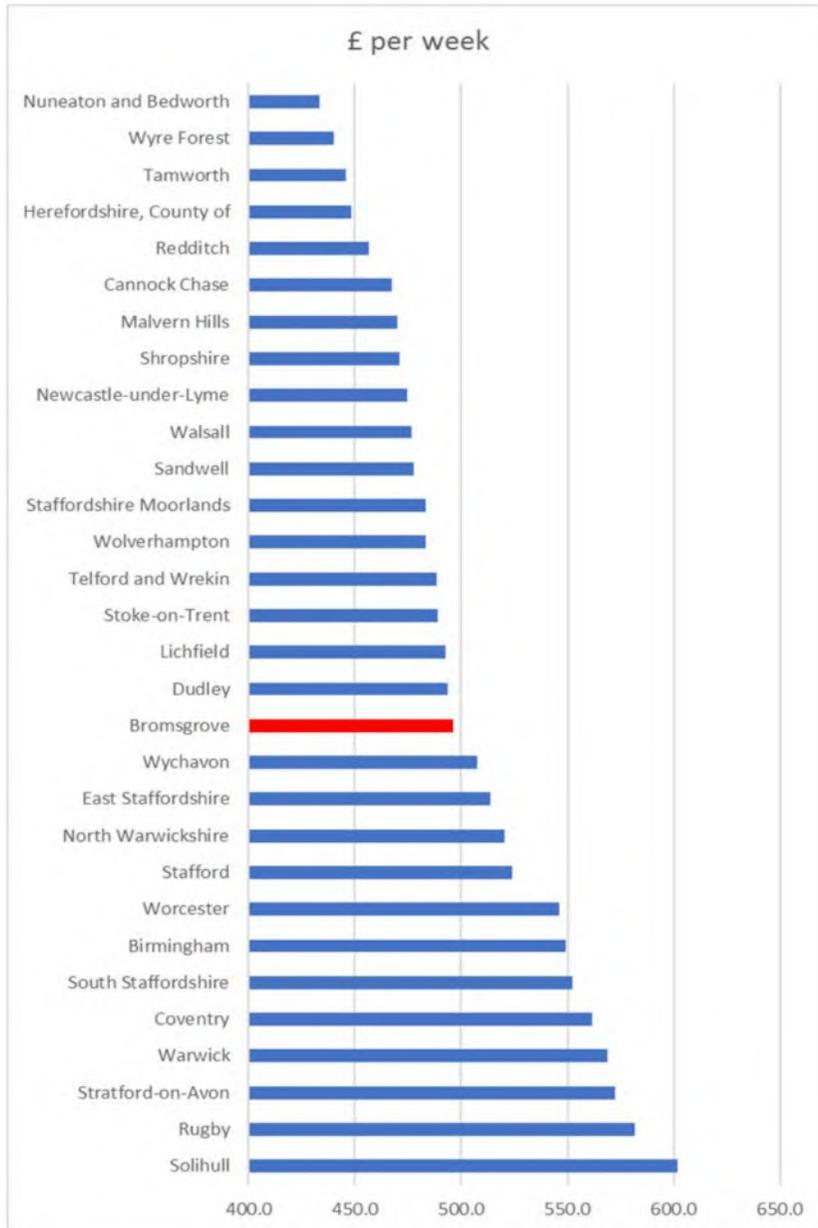
But, for those residents who are unable, or unwilling, to commute they receive low wages, limited wage growth and are also exposed to the high housing costs.

The data suggests the overall economy is healthy; but only for those who are able and willing to work outside the District.

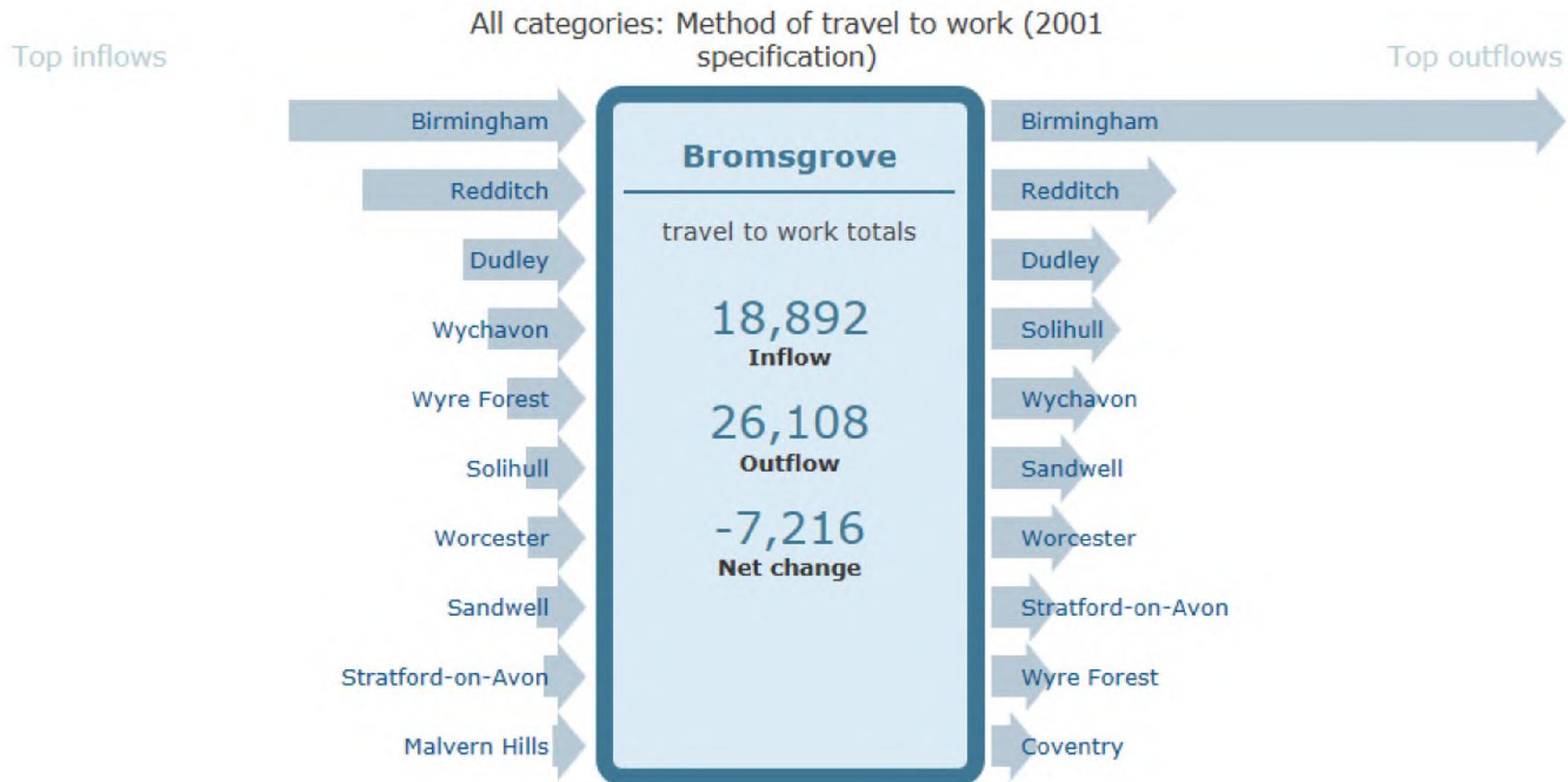


[1] it is a common misunderstanding that one job is needed for each 'working age' person. Not everyone is able or willing to work. Many people of 'working' age are still in education or looking after families for example.

Bromsgrove Workplace Wages



Bromsgrove Commuting Flows



The workplace economy has been lagging behind

Above we showed that workplace wage growth has been slow in Bromsgrove. There are other data sources that also show the District's workplace economy has been lagging behind others in the area.

Between 1997 – 2017 the UK gained 6.1m new jobs

- 21% growth

West Midlands gained 350,000 jobs

- 14% growth

Bromsgrove gained 3,300 jobs

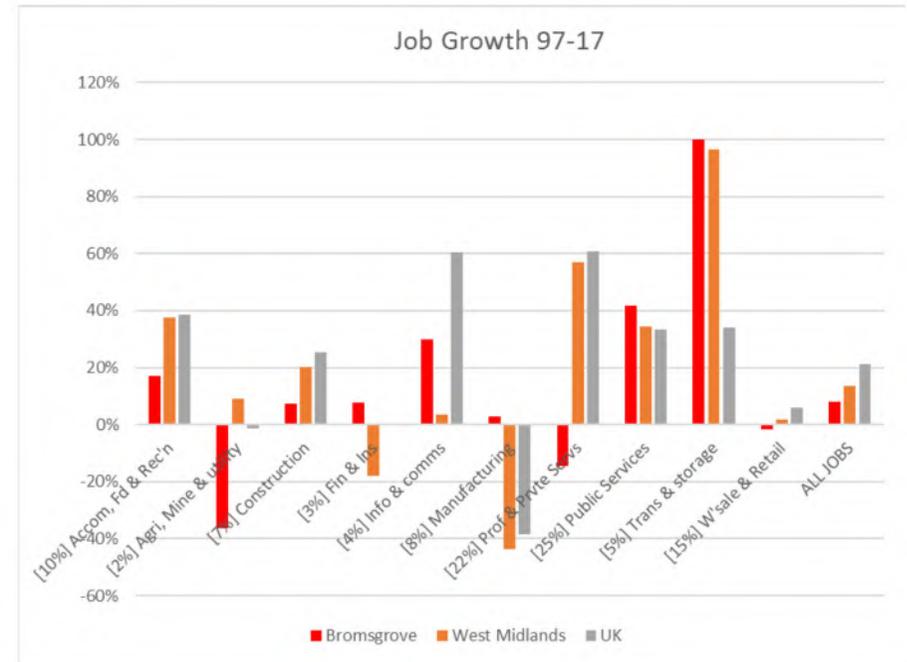
- 8% growth

In future economic forecasts (Experian 2017) show, without intervention:

- 8% growth for the UK (17-30)
- 6% West Midlands
- 5% Bromsgrove

So, in the past Bromsgrove job growth has been roughly 50% of the West Midlands average, and 1/3rd of the UK growth. In the future (without intervention) the gap narrows. But this is largely a product of the UK reaching 'full employment', which limits national job growth. Even so Bromsgrove lags behind.

Almost as concerning is that **Bromsgrove has missed out on the UK's 'star' growth sectors.** Between 1997 – 17 the West Midlands and UK grew jobs in Professional and Private Services by 60% [22% of all jobs nationally]. The sector declined in Bromsgrove. Accommodation, Food and Recreation [10% of national jobs] grew at half the national and regional rate. Construction [7% of national employment grew at only 25% of the national and 1.3rd the regional rate.



On the positive side, manufacturing [8% national jobs] declines in the UK and region – but remained stable here.

Information and communications has outperformed the region, but this is a very small sector [4% jobs nationally, 3% in Bromsgrove in 2017].

Later in this report we look in more detail at the individual job categories that group to these sectors to see where growth is forecast comparing change in Bromsgrove with that at the regional level.

Size and Structure of the economy

One very distinctive feature of the Bromsgrove workplace economy is the absence of larger firms. Firms employing more than 50 employees are underrepresented in Bromsgrove.

The chart shows the size structure of firms (Business units) excluding micro firms, which across all areas are 89% of all firms.

In Bromsgrove only 1.25% of firms employ more than 50 workers, around half the West Midlands average. Very large firms are also under-represented.

Although this is a small number of firms, from the employment perspective, the large firms are very important.

50% of all jobs in England are found in firms employing more than 250 workers, and a further 13% in firms with more than 50 workers.

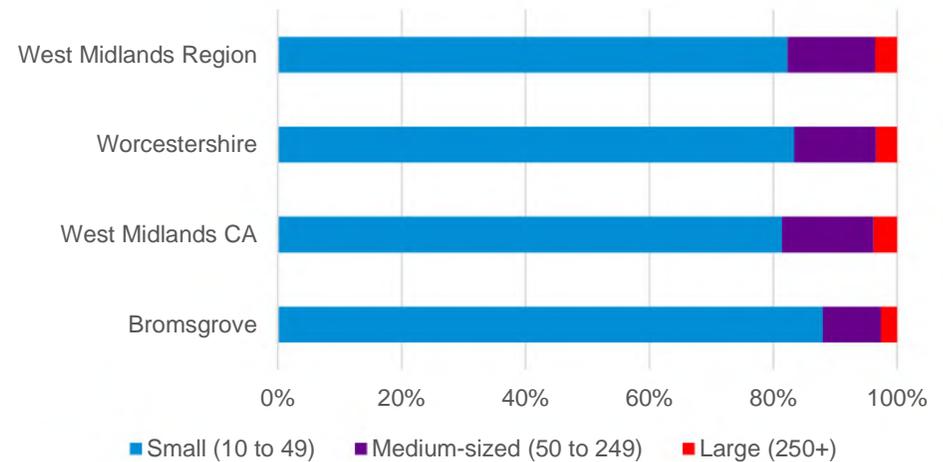
However, it would be wrong to conclude a cause and effect between Bromsgrove's sector structure with its poor performance.

But there is some evidence that larger firms have, on average, improved their turnover much faster than smaller firms, and medium sized firms have grown their employment faster. Also that both large and medium size firms generate higher turnover per worker than smaller companies.

But, the data cannot be interpreted with sufficient certainty to draw conclusions that the lack of larger firms here is why the workplace economy has under-performed.

But there is supporting evidence which suggests **one barrier to growth in Bromsgrove has been a failure for the SME economy to grow in the District. Once a firm reaches the 'medium' size there is a lack of available property and labour.** We now turn to those two factors.

Size of Firms 2016



A lack of labour?

Job growth has been slow, and one possible reason for this is that for a long time the District has seen very little growth in labour. Additional jobs in Bromsgrove were not needed, and quantitatively impossible to grow because the local labour supply was fully employed and earning higher wages than available locally.

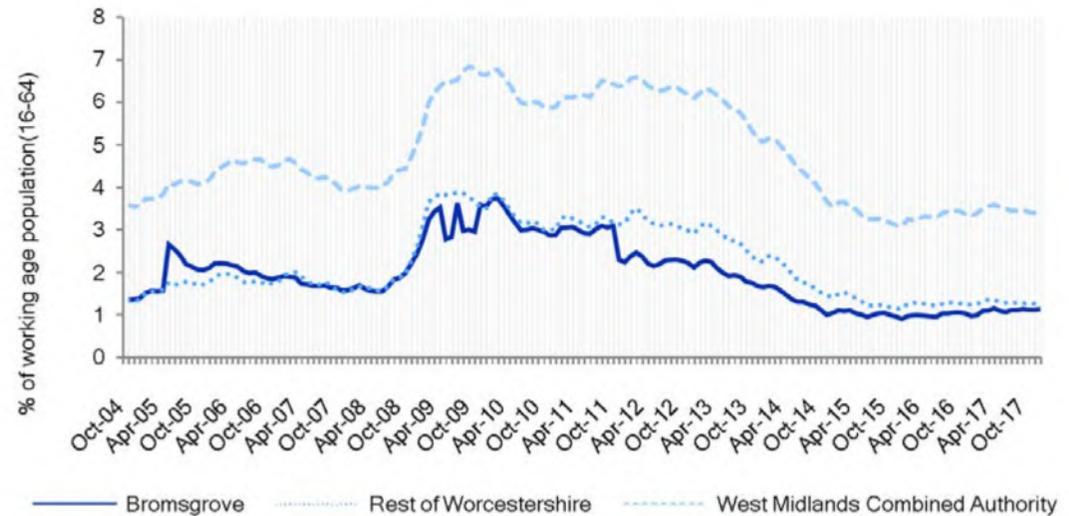
Elsewhere in the national and regional economy growing the stock of jobs was essential to tackle high levels of unemployment. But here unemployment has always been low.

As with many of the indicators we look at, this **very low unemployment rate is good for the resident economy.**

But very low unemployment is not good for the workplace economy.

An unemployment rate this low could be considered 'unhealthy'. It is significantly below the 5%-4.5% 'equilibrium' rate many economists, including the Governor of the Bank of England and the Monetary Policy Committee, consider is needed at the national level to allow the economy to function efficiently.

Unemployment



A lack of labour?

Looking forwards, should the Council seek to grow the workplace economy it needs to overcome both an aging population, but also mitigate the propensity for younger people to leave the District and only (if they do) return when they are middle aged, or at the older age groups.

For every 1,000 residents aged between 15-24 (the main university age group), 118 move out of the District and only 84 return.

This trend is not unusual because many young people choose to study in the main cities. But for the future of Bromsgrove, many do not return to live in the District.

If we compare the future age profile with the City, it is clear that should trends continue Bromsgrove will struggle to increase the size of the workforce and jobs may be attracted to the City – where the population is younger, homes more affordable, and labour available.

Note – National policy is seeking to deliver a significant boost in housing supply. Most obviously requiring Councils to deliver the Standardised Housing Need method. But Bromsgrove cannot simply rely on this higher target to overcome these obstacles for three reasons:

A) On a technical level the size of the population accommodated within the Standard Method, at the national level, remains the same as current targets. The new homes are not promoted to accommodate more people than current targets, but instead make homes more affordable and allow households to form more readily.

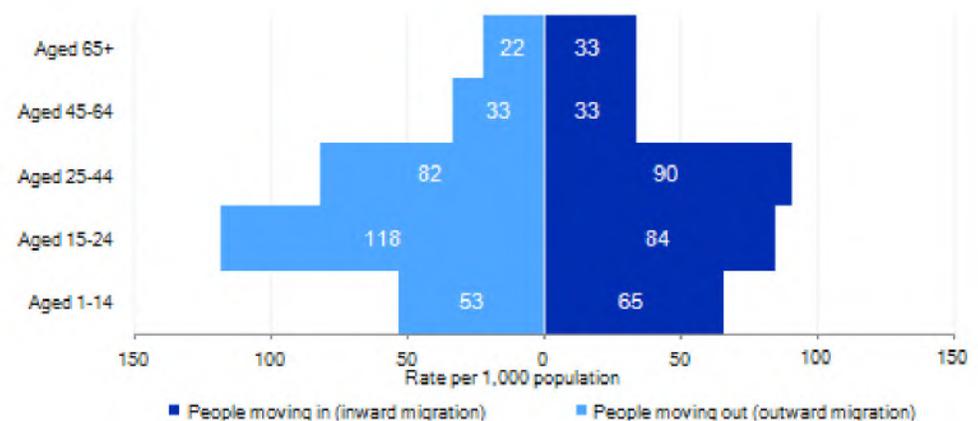
B) Many other similar Council areas will be required to adopt higher housing targets. So simply delivering the new homes may not change the Bromsgrove economy relative to competitors.

C) If the new homes are occupied by a similar profile of residents, generally older and less economically active as today, the economic impact of the new homes will be muted. Homes would need to be attractive, and affordable for younger people to access.

Much more technical work is needed to understand how the Standardised Method can be applied to the local population here.

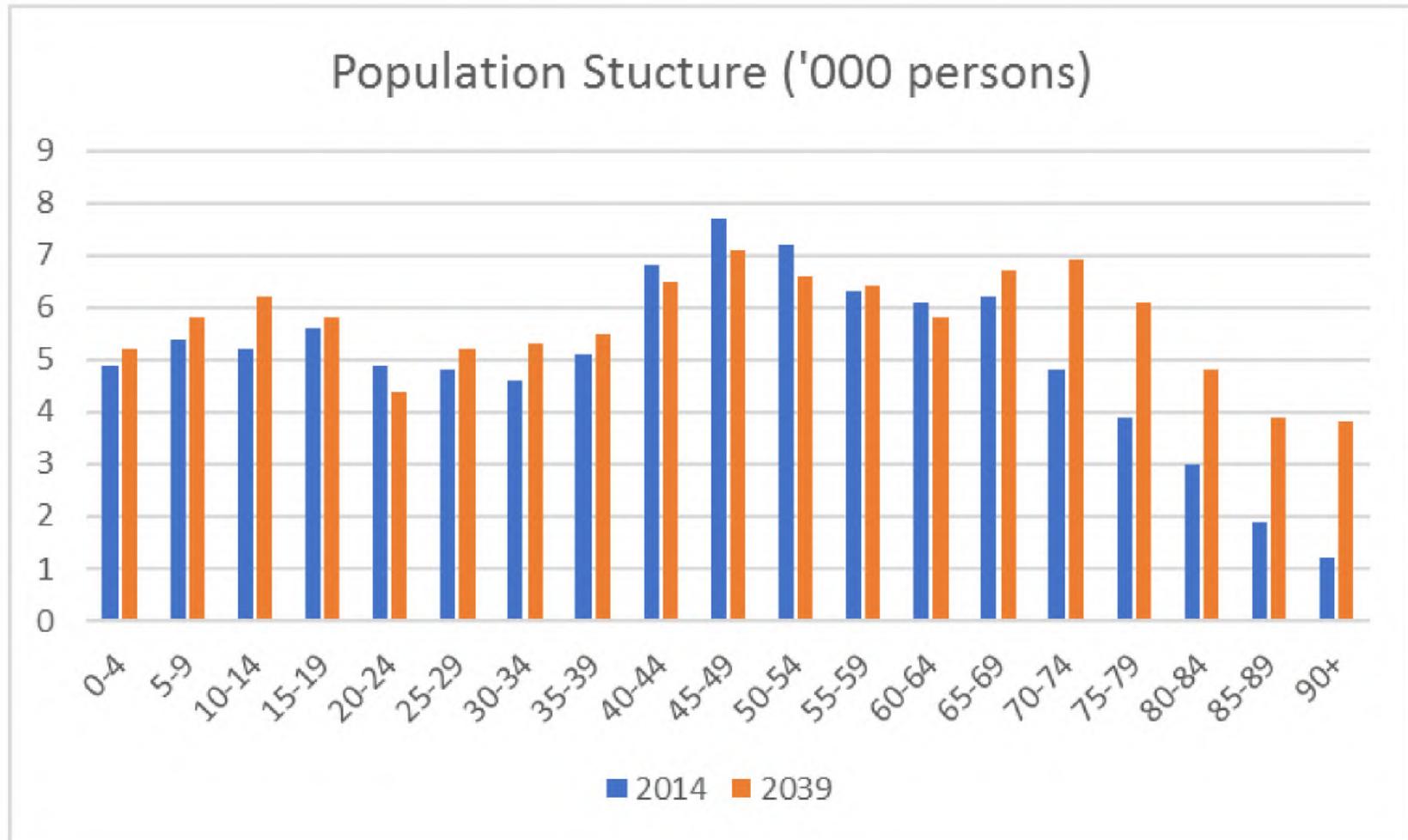
For this study, it is clear that in terms of quantum trend based housing delivery will not overcome the obstacles we have identified. Qualitatively the mix of housing needs to appeal to younger ages, but also there needs to be local jobs to attract them to live or stay in the District.

Migration

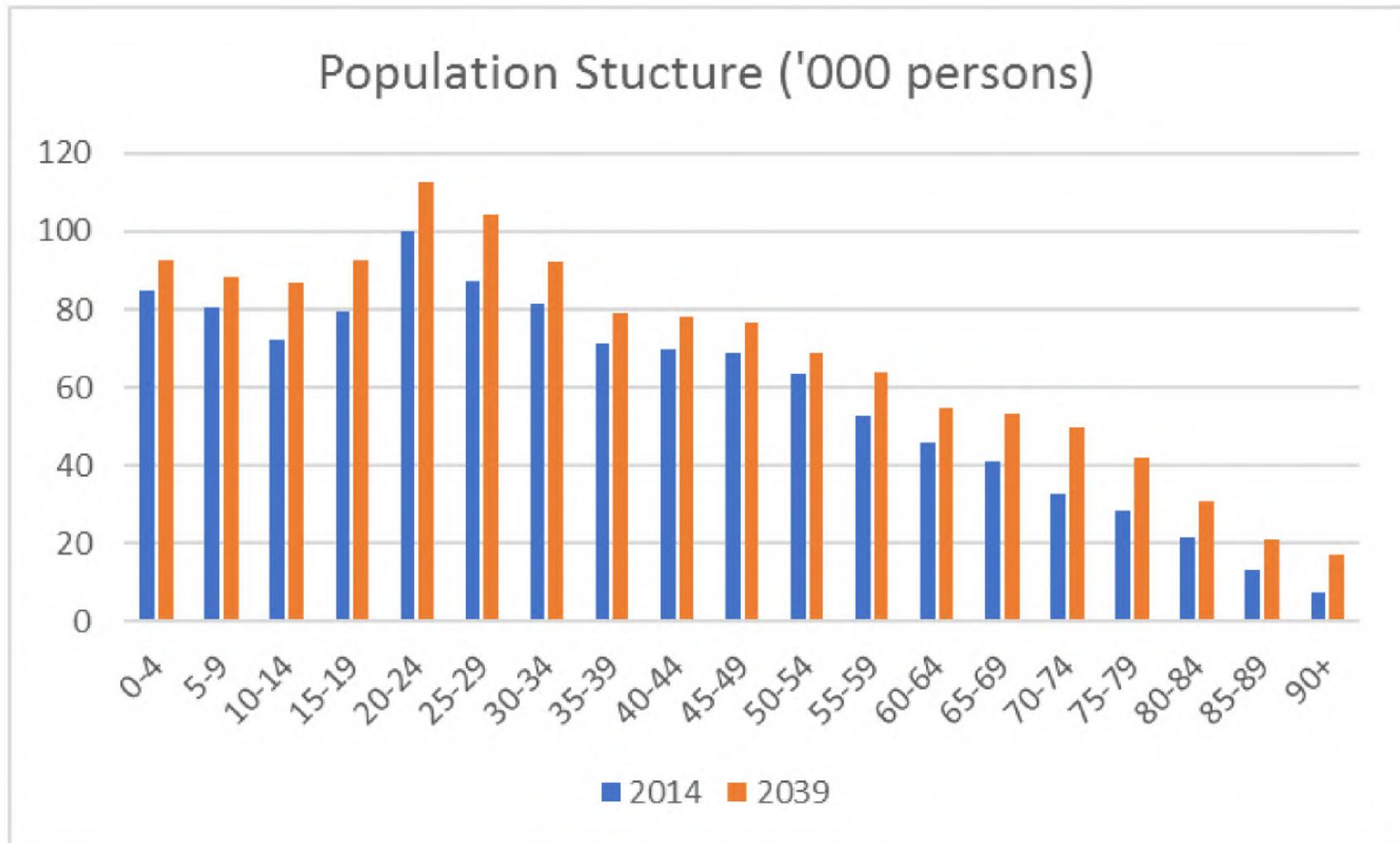


[The low unemployment rate would, according to economic theory, have resulted in local wage inflation. But as we have seen Bromsgrove workplace wages are only average, and have not grown in recent years. This confirms, as we discuss earlier, that something else is also holding back the local economy. This could include the structure of the economy, but also (as we discuss below) the lack of land / property making it quantitatively impossible from firms to grow in the District]

Bromsgrove – Population Structure (trend based – business as usual)



Birmingham – Population Structure (trend based – business as usual)



Resident and Workplace Economy - Summary

The data all point to a very successful resident economy. Residents are generally highly skilled and fully employed. In summary Bromsgrove has a resident workforce many other Councils aspire to attract or undertake expensive training or other interventions to improve skills and increase employment rates. Many areas need extensive policy intervention simply to achieve the profile of the population already in Bromsgrove.

But this is not universal; there are inevitably some local workers who are not highly skilled, and don't earn above average wages. But when prioritising interventions it would be wrong to identify the existing skill or labour profile as strategic barriers to future growth in Bromsgrove.

All data appears to suggest that the main barrier to future, higher growth, is not the quality of the existing residents, but the quantity. Younger age people tend to migrate away from Bromsgrove and don't return until later in life. This pattern is generally to be expected in rural areas because younger people move for university and 'bright lights'. But this is a migration trend the Council may need to shift because unless younger people can be encouraged to move back to Bromsgrove earlier, then the population profile will get increasingly old with an ever declining workforce. The 'business as usual' population profile in 2039 makes a clear case for some intervention in the labour supply market if the Council wishes to achieve a step change in the local economy. The only age groups that grow are outside the core working age.

The main barrier to bucking this trend would appear to be housing, but also coupled with a weak workplace economy. Average house prices are considerably higher than elsewhere, 50% above the Combined Authority (CA) area overall. A flat in Bromsgrove, a property type that may appeal to younger people, is £60,000 more expensive than in the Combined Authority area. So although Bromsgrove *may be* more attractive (as a residential location) than much of the CA, the additional £60,000 makes Bromsgrove less attractive to younger people at the start of their career and only accessible to older age migration flows who can afford the 'Bromsgrove premium'. This would suggest that one priority ought to be increasing the supply of affordable housing (not necessary within the planning definition of affordable) to boost the supply of starter homes that younger people can access.

Resident and Workplace Economy – Summary (2)

In addition to housing, or lack of, it is also the case that the local workplace economy is weak. Local workplace wages are lower than elsewhere and have not grown. But for the reasons set out above the 'blame' cannot be placed with the resident economy or their skills and qualifications. The evidence shows the resident workforce is able, and skilled, to earn much higher wages than on offer locally.

For the workplace economy the one critical issue would appear to be why firms, who pay higher wages, don't operate in the District? Later in this report we look in detail at the economic sectors and their relative performance between Bromsgrove and its neighbours. We also look at the lack of land which means it is currently almost impossible for firms to grow or locate in Bromsgrove.

But here it is also worth bearing in mind that the structural population issue is one of a lack of younger people in the local economy. Simply targeting or seeking to attract 'high quality', high paid or 'shiny sectors' may not help address this issue. The 'missing generation Bromsgrove needs to boost the workforce are those at the beginning of their careers. Younger people where it may not be expected that they are as highly qualified or experienced as they may be in the middle or later years. Benchmarking wage expectations with the generally older age and highly skilled local resident workforce would be misleading – we would not expect 20-30 year olds to be earning as much as the (generally) older age resident workforce in Bromsgrove today. We would expect them to earn less and not necessary in such highly skilled sectors.

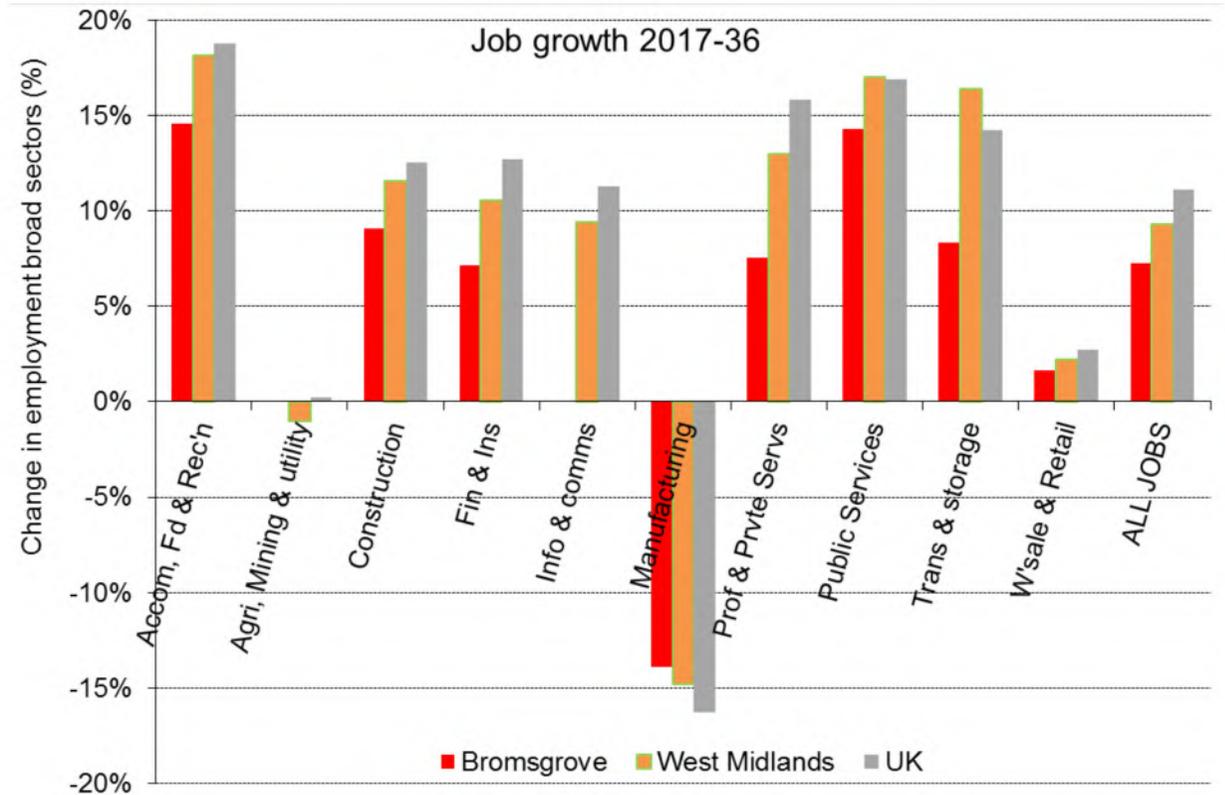
For those seeking to start a career, with a career structure in place and associated training, the lack of larger firms in the area may also be of concern. The SME and small business economy in Bromsgrove is strong (again a feature many other Councils have look at in envy), but the lack of larger firms may be part of the problem. Contrary to many strategies that purposely seek high value sectors, a scenario where many Councils chase a very small potential pool of employers, here there is merit in growing the more 'normal' economy. Targeting medium and larger firms who can rebalance the size profile of the local economy and provide more opportunities for younger people and ideally offer a career path within Bromsgrove District, and so limiting the attraction to commute elsewhere at the older ages.

In the next few sections we look at economic sectors and their growth potential in much more detail.

Forecast job growth – sector change

As discussed above, compared with the past, the forecast for the next 20 years is for much lower job growth.

As is shown in the chart the District is forecast to trail behind the region and national growth rates in all sectors, except for the small agriculture, mining and utilities where no change is forecast for the District, which is set against job losses in the region and minor increase nationally, and a marginally slower decline in manufacturing jobs.



Source: Experian Economics, Dec 2017

The availability of Industrial Property

Above we have looked at various economic statistics. As part of this work PBA has visited the District's main employment sites. We also held a consultation event with businesses operating in the District, agents and developers.

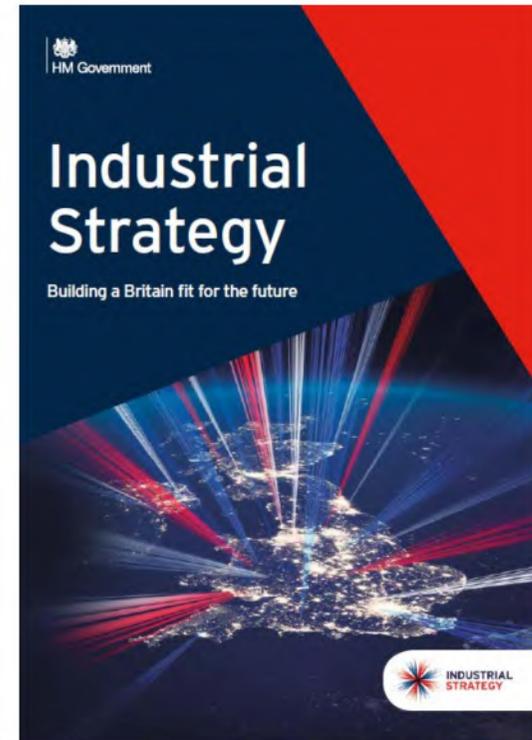
The main message is that, regardless of the statistics above, Bromsgrove does not offer a supply of property or development land to meet economic demand. The existing stock is well used and there is evidence of investment and renewal on most of the employment estates. The stock accommodates a booming small business economy.

But as regards growth both land and property have been under supplied. There has been no land or property for firms to grow into.

There are some statistics that suggest this opinion may be well grounded. Statistics provided to us by GJS Dillon shows that from a total industrial stock of 419,000 sq m there is less than 10,000 sq m of industrial stock on the market. There is effectively no vacant property for firms to either expand into, or move into from outside of the District.

This accords with our site visits where we observed that the bulk of the stock is found on a small number of estates clustered around Bromsgrove and Hanbury Road. There is evidence of recent investment with new units recently completed at the Technology Park (offices and industrial) and Hanbury Road (light industrial). This is despite the fact that none of the main sites have high quality strategic access with almost all the stock being to the south of Bromsgrove with access via the town and its associated congestion. In our experience the location of the main sites, compared to many other successful sites we assess for other clients, is reasonably poor. Our opinion is that they perform so well partly because there is extremely limited competing supply. A firm who needs (or wants) to stay in the town has very limited choice of estate of property.

For those seeking new land to develop new property, there is no freehold land supply and at present only two leasehold options. There remains land at the Technology Park and one small parcel around Bunsford Drive. Neither of which are currently coming forward. This may appear counter-intuitive given the tight supply. But, in such circumstances owners will naturally wait until they receive a highly competitive offer for their site.



The availability of office property

For offices there is slightly more availability compared to industrial availability. GJS Dillon estimate that there is around 7,000 sq m of space on the market from a stock of 123,000 sq m recorded by the VoA (2016). GLS Dillon notes this is less than 2 years take-up.

Expressed as a vacancy rate (5.5%) this is slightly low because the generally considered benchmark for a healthy vacancy rate is 7.5%.

The market is particularly unbalanced for:

- Small, flexible offices and start up units - reflecting the profile of the business structure today (units that can be offered flexibly from 50 sq m – 150 sq m)
- Small industrial units (up to 350 sq m) – again reflecting the profile of business today
- Larger / medium industrial units (up to 5,000 sq m)
 - Because there is no local stock in the size band any growing firm has to look outside the District
 - And no new large or medium firm can move into the District.

There is almost no freehold property available despite this being most small firms first preference. However, we note that this is a near universal concern across the UK. But if addressed, would give Bromsgrove a real advantage over many competing areas.

It is impossible for us to conclude that should more land have been made available in the past then it would have been taken up, and the economic statistics previously discussed would be different today.

It may have been the case that firms would always have preferred to expand elsewhere, and the Bromsgrove sites left undeveloped. But given the Government's new Industrial Strategy and the West Midlands economic development focus on manufacturing it is difficult to see how Bromsgrove can capitalise on these strategies with so little land and property.

[Note – the study has not considered the Redditch Gateway site as this allocation will meet the employment needs of Redditch and not Bromsgrove]

What do local firms tell us?

As part of our work we telephoned 20 local firms to better understand their property needs and issues.

Firms were selected because we knew from commercial data sources that they had either moved recently (within the past 2 years) or were engaging in the market because their lease was due to expire. One common problem with surveys is that many firms are not actively engaged in the property market and so cannot provide meaningful comments. This approach overcomes this issue, but does provide a much smaller sample.

While we cannot claim that such a sample is statistically significant, but it almost exactly mirrors our analysis discussed above.

The only exception is that the businesses don't comment on a lack of labour. Presumably because they cannot expand, due to a lack of property, and many already have a workforce.

What firms tell us:

Businesses are loyal to Bromsgrove – lots of advantages

They want to stay and grow because:

Central to the country

Good road access

Good local workforce

But they cannot find the land or property

They are saying that the office and industrial markets have tightened over recent years

Particularly industrial

They are asking for:

A wider range of units

- SME firms have no grow-on space (slightly larger units)

Freehold – (very common in the UK)

Would like serviced plots

And office property that is accessible to their workforce and clients

How are they responding:

Because there is no property in Bromsgrove

Some are taking more than one site / property

Less efficient

Some are taking poor quality space – inc. portacabins

BUT some are moving out

For Industrial – look to Redditch and South Birmingham

For offices – look to Birmingham City

Accessibility, for clients and workers (in a tight market) is important for office firms

Hence willing to pay for Birmingham City offices

Target Sectors

Here we look at what sectors Bromsgrove should target. We do this by benchmarking Bromsgrove with other districts that it could reasonably compete with

In the sections above we have established that the Bromsgrove economy is constrained. This is both by a lack of labour, which in turn makes the area less attractive for firms to locate in, but also a lack of commercial floor space or land. So even should firms want to grow in Bromsgrove there is little or no space to facilitate this.

Before looking at potential solutions we first look to see what sectors Bromsgrove could look at growing.

We do this in three ways. Firstly looking at a policy off 'baseline' forecast. This is provided by Experian and represents their independent view of how the Bromsgrove economy may change in the future; as well as the wider sub regional economy. This view of the future does not take into account planned or expected economic interventions.

To form a 'policy on' view we turn to the Combined Authority economic model. This model, used to inform the Combined Authority Strategic Economic Plan illustrates how the Combined Authority expect the core of the West Midlands economy to grow or change with their help. This shows a different view of how sectors may grow or contract when compared to the baseline.

Finally; because we know that Bromsgrove is largely constrained by a lack of labour – but experiences strong out

commuting we develop a set of scenarios which illustrate what growth the Borough could possibly achieve – should this commuting be reversed and the Bromsgrove economy becomes more self contained.

None of these scenarios should be taken as 'planning' scenarios for the purposes of developing the Development Plan. This is because these scenarios raise significant Duty to Co-operate issues – especially where Bromsgrove seeks to withdraw labour from neighbours or actively compete to a neighbour's detriment. But they are helpful scenarios to explore what may be possible and inform debate.

The amount of land and floor space we illustrate is 'net' and assumes no space is lost to other uses. This is not unreasonable given the current estates are almost fully occupied but would need testing through a full Employment Land Review.

Business As Usual

In this section we benchmark Bromsgrove with neighbours using a ‘business as usual’ economic forecast.

The forecast is prepared by using data supplied by Experian Economics, one of the three national forecasting houses in the UK. It is the same data source used to look at broad sector change, but here we look at the more detailed job categories.

Using standard employment and plot ratio assumptions the baseline forecast generates almost no demand for new land or floor space in Bromsgrove to 2036, as illustrated in the table.

We estimate that to meet trend based growth as little as 7.6 ha of new industrial land is needed (net additional), and approximately 10,000 sq m of office space (also net additional).

So, in order to grow the local economy we need to attract economic activity to Bromsgrove that would otherwise (following trend) locate in areas beyond.

In the datasets at Appendix A we first plot the future of the Bromsgrove economy with its northern Combined Authority neighbours. The following data sheet compares Bromsgrove with the nearby Worcestershire districts.

Cells shown in red represent expected decline in employment, and cells in green are expected to grow employment. Care is needed when interpreting the data as some sectors are very small in absolute terms.

JOB CHANGE 2016-36

	Office	Manufacturing & other Industrial	Warehousing	Total Industrial
Jobs change	691	166	291	
Floorspace density factor (sq m/job)	13.8	41.5	73.5	
Factor for frictional vacancy (%)	7.5	7.5	7.5	
Floorspace (sq m)	10,257	7,392	22,995	30,387
Plot ratio (floorspace to land area)				40:60
Hectarage				7.6

Source: for job numbers Experian Economics, Dec 2017

The job data has been corrected (from the draft report) to account for a spreadsheet error that led to underestimation of job growth in some categories across all three land use sectors. Future growth remains modest over the 20 year period – but 7.6 ha rather than 4.4 ha of industrial land and just over 10,000 sq m of office space.

Business As Usual – Manufacturing and Industrial

Manufacturing and logistics

Towards the top of the data tables (at Appendix A) are the Manufacturing sectors (SIC 'C'). For the CA authorities the forecast is one of continued job decline. Declines of 50% are not unusual.

Outside the CA area, looking at other Worcestershire councils, the manufacturing sectors appear more resilient – but they tend to be much smaller, so caution is needed interpreting the data. There is however a trend for both electrical manufacturing and transport equipment to grow.

Bromsgrove would appear to do slightly better than comparators, but this is largely a product of the small size of the sector today masking job change (note the ONS disclosure rules do not permit the publication of small sector data (>200 jobs, so some data is rounded to zero).

This finding may be at odds with the understanding that the West Midlands is experiencing a manufacturing 'renaissance'. But in practice some of the 'renaissance' is the fact that the very rapid industrial decline, seen over the past 20-30 years, is arrested, and the rate of decline slows - as opposed to whole sectors growing. It also masks the fact that manufacturing firms are increasingly engaged in assembling products manufactured elsewhere (including overseas). So many

'manufacturing' jobs are being replaced by jobs in the logistics sector.

Unlike core manufacturing employment this logistics related activity is expected to grow across the West Midlands and Worcestershire. In many districts the combined growth of logistics (including wholesale, land transport and some construction) goes a long way to offsetting the jobs losses in traditional manufacturing sectors. In Birmingham City for example these three logistics sectors offset two-thirds of the decline in manufacturing employment.

Business As Usual – Offices and Other Sectors

Office related employment

The data (Appendix A) shows reasonably strong growth across most of the sectors we may expect to be accommodated in offices.

The main driver of the sector across the area is ‘professional services’, ‘finance’ and ‘administrative support’.

The professional services broad sector (‘M’) includes most footloose office and research related sectors outside public administration, finance and insurance. Head office activities are found here along with legal, scientific and advertising activity.

Before the Credit Crunch ‘finance’ was a ‘star’ growth sector, but now generally tracks the broader office sector and is heavily focused in Birmingham City. In absolute terms growth outside the City is modest.

The administrative support sector (‘N’) includes business support services, but also employment agencies.

[The status of employment agencies is problematic in the SIC (Standard Industrial Classification) because agency workers are often grouped here – but may be working in factories or warehouses as well as other offices. So care is needed before jumping to an assumption that all these jobs are office jobs.]

Looking at the CA area there is strong growth in both these office sectors with growth above 25% not uncommon. In the

City the sectors grow around 14%.

From the data it is clear that Bromsgrove is lagging behind other areas.

Growth in professional services and administrative support is well behind the CA districts and behind (or at best on a par with) the nearby Worcestershire councils.

A number of councils are forecast to grow two or three times faster than Bromsgrove with the fastest growth in the Black County - an area not commonly associated with strong office sector growth. This is likely to be related to the fast population growth expected here. Many office jobs are ‘people servicing’ – i.e. more solicitors, accountants and administrative positions.

Other sectors

The B class ‘employment sectors’ (office, industrial warehousing) are only part of the economy. But for economic development they tend to be the most important because most of the remaining jobs are ‘people servicing’ – their growth (or decline) is directly related to the size and profile of the resident population. With the exception of some higher tier services, such as universities, education employment and health is directly related to the local population as is most ‘food service’ employment.

Where are the 'business as usual' opportunities?

To grow faster than the baseline we need to attract new firms to Bromsgrove and provide new opportunities for local residents. These are firms who otherwise, in a business as usual scenario, would look elsewhere.

Regarding the office market – Bromsgrove has lagged behind the region in general and there is no reason why growth should not be more in line with the average for the wider area. The data suggests that some locally derived office demand, including professional services and administration (part of which supports the operation of the district and its population) is met elsewhere.

But as far as a 'step change' goes even doubling growth rates across (providing for 20,000 sqm of net additional space as opposed to 10,000 shown in the table above) will deliver very little quantitative growth – because the starting position is so small.

To achieve a step change in office demand the District would need to aggressively target inward investment. But it is questionable whether Bromsgrove can offer a strategically significant supply of land to do this. The competing areas for large scale office demand, most obviously Birmingham, Solihull and the Black Country all have a large potential supply of space already in the planning pipeline. The Black County Core Strategy sought to provide nearly 1 million sq m of new office space (880,000 sq m 11-31) which if delivered would accommodate 80,000 new jobs (@1;12 sq m per worker). The Birmingham City 2017 Annual Monitoring report noted a pipeline of 450,000 sq m metres (37,500 new jobs @1:12sq m).

So the data would suggest that while expectations for future office provision to deliver any form of step change is limited the District could do more to meet its own needs.

However for industrial activities the market reports that firms have been displaced from Bromsgrove because of a lack of space. So the forecast, which is partly trend based, will simply assume this pattern

continues. Should land be provided there is no reason by the trend 'cycle' cannot be broken.

But more widely the data shows continued disruptive change across the area. Manufacturing continues to decline but this disruptive change represents an opportunity for Bromsgrove. This is partly because stronger firms may need to reconfigure their space to adapt to change and remain competitive; seeking modern and more efficient space to reduce costs.

It may also be the case that housing pressure in Birmingham and surrounding urban areas means that there will be continued pressure not to redevelop or renew some older industrial property – but instead seek housing. This could be part of plan strategy or through market pressure ('hope value' for other uses) This could displace industrial users who may consider new sites in Bromsgrove.

So in summary the first priority ought to be making positive provision for local firms to remain in the District – for both office and industrial activities. Because the local market is small such uplift in provision would be small and unlikely to achieve any 'step change'.

There is also scope to capture more the sub regional industrial and logistics activity where the District can offer modern, efficient property and sites free of residential hope value.

Policy On Growth

In the next few pages we look at 'policy on' growth across the same area. The West Midlands Combined Authority, via the Strategic Economic Plan (SEP), intends to try to break out of trend based growth and so break away from the economic forecast discussed above.

To what extent policy interventions will be successful is debatable. Documents such as the SEP tend to focus on *aspiration* as opposed to deliverable reality. But the SEP still shows where the policy based direction of travel is moving.

The tables at Appendix B are slightly different to the Policy off tables shown at Appendix A. The SEP does not cover Wychavon or Worcester. The data extends only to 2030 and comes from a different forecasting house (Oxford Economics – or OE). The OE data is available at a finer grain of detail than Experian. On one hand this is helpful, but on the other makes spotting trends or patterns more difficult because the office sector especially is spread across more (small) sectors).

In the tables at Appendix B we show the difference in job growth between the baseline data used by OE at the time the D2 scenario was developed (2014), and the output of the D2 scenario. The analysis therefore shows where the application of SEP policy has the greatest impact.

In percentage terms the scale of the uplift is similar across council areas by sector. So for example the uplift for food manufacturing is around 30% across the area. But in absolute terms the number of jobs differs depending on the size of the sector in each council area.

We also have, from the D2 model, an estimate of GVA growth in addition to job change (also shown in tables at Appendix B).

Manufacturing and logistics - Jobs

The Economic Modelling underpinning the SEP shows a reversal of fortunes for the manufacturing sector, but not quite enough to move the sectors into growth. In 2014 (the base date of the forecast) the West Midlands accommodated around 1.6 million manufacturing jobs. Without intervention these fall to 1.35 and the application of policy brings this back to 1.5 million.

Automotive engineering is not the largest benefactor of the sector growth and instead food and pharmaceutical sectors improve their performance the most. In both cases the sector grows very slightly. These two sectors are around 1/3rd larger in 2030 under the policy on 'D2' scenario compared to the baseline.

Manufacturing and logistics – GVA

As noted the SEP model also shows the increase in sector specific GVA. In terms of GVA increase the policy boost is much more significant. For example in terms of jobs the policy boost provides only 7% more jobs than the baseline for automotive engineering sector, but a 20% boost in GVA compared to the baseline in 2030. The manufacturing of electrical goods gains around 17% more jobs, but 50% increase in GVA.

Manufacturing and logistics – demand for land

The fact GVA increases faster than jobs provides some evidence to support our previous assertion that the decline in manufacturing employment (Experian) may mask increased automation, and may not fully reflect the demand for new (more efficient space).

It is not beyond reason to assume that in order to deliver such GVA gains land and property (as well as workers) need to be used much more efficiently. The value of goods flowing through the manufacturing economy must increase, but it is also likely that the volume of goods also increases.

Policy On Growth

Office Sector Growth – Jobs and GVA

As noted above the OE forecast is much more detailed than the Experian which is a mixed blessing. It is much more difficult to read and understand trends where the data is finely filleted.

It is clear that the application of SEP policy fuels growth in office sectors as well as industrial.

Across all sectors the SEP aims for 16% more jobs than the baseline. Scientific, professional and finance sectors all grow at least 20% faster under the policy on scenario compared to the baseline; so faster than average. But other office sectors grow more slowly than the 16% average. Office administration by only 12% and employment actives (inc. agency work) by 14%. Head office activities grow by 17%. The fastest percentage increase in in Science and Technology.

In terms of GVA growth, as with industrial sectors, the application of policy has a much more significant boost to GVA than employment.

Office Sector – Demand for Land

The application of policy increases the number of jobs compared to the baseline. It also increases GVA. But this is likely to have a much weaker effect on the demand for office sites and office land. This is for two reasons.

Firstly; as with the baseline, competition for any uplift will be strong with most councils seeking the same investment in their town centres, regeneration areas or development sites.

So it is very unlikely even this policy on scenario will displace demand from other areas.

Even if the market tightened in the future identifying new office sites, or increasing the development density of allocated or proposed sites is much easier for office uses than industrial. In tight markets office buildings can get larger and higher to accommodate demand. An option not open to industrial land uses.

Secondly; it is questionable whether the increased GVA will trigger a demand for significant amounts of new space. For industrial uses it is reasonable to assume an increase in GVA is related to a increase flow of goods through property and so a demand for space to efficiently handle this increased throughput. But this is unlikely to hold true for offices. Market trends would even suggest the opposite – as the office economy has become more efficient and productive in recent years the demand for space has actually fallen. Technology allows people to work in less office space per head and at the extreme frees workers to work out of the office – at home or on the move.

Where are the 'policy on' sector opportunities for Bromsgrove

Looking for opportunities in the data would appear to strengthen our policy off conclusions.

The data shows that manufacturing employment will continue to experience 'disruptive change' across the region and the switch from pure manufacturing to logistics continuing. The application of policy, and the rapid increases in GVA the model suggests may result, suggests that there may be much stronger demand for modern, high quality and efficient industrial units in the future.

As with the policy off conclusions it is questionable whether all the urban land supply in Greater Birmingham can be reconfigured to meet future business needs. Even if it could then it is reasonable to expect any firm looking at significant investment in their old property may also consider a new site elsewhere; releasing their old property for housing or simply preferring new.

An added factor is that, should this scenario be delivered, and manufacturing decline be arrested, then this has a very significant implication for those Councils housing land supply. The Greater Birmingham Councils cannot both maintain their stock of manufacturing land AND also recycle land into a brownfield supply of housing land. The most likely scenario is that demand for employment space continues to be displaced from the urban area and represents an opportunity for Bromsgrove.

The data also shows strong demand from logistics – partly to

support the wider manufacturing sector. Logistics is much more 'land hungry' compared to manufacturing (or office) employment. To accommodate the 4,400 (net) job grow in Birmingham's wholesale sector requires around 100ha of new land using standard assumptions (1:88 sq m job density and 40% plot ratio). So

The sector data (Appendix B) shows this opportunity is across the range of industrial sectors, and contrary to what may be expected often outside the traditional West Midlands manufacturing sectors. Some of the fastest growing (policy on) or slowest declining sectors are food and pharmaceutical engineering / manufacturing. In addition, logistics shows strong growth along with related industrial sectors such as construction engineering.

This would suggest the best focus for Bromsgrove is not to target or chase traditional West Midlands engineering sectors (such as automotive or metal related), but instead pursue their logistics and secondary manufacturing supply chains as well as lighter industrial (food, construction and 'trade' related manufacturing/logistics).

Balancing the Labour Market in Bromsgrove

But where will the workforce come from?

We have seen that the policy off forecast a modest increase in the net demand for jobs in Bromsgrove. Only 690 office based and 460 industrial jobs by 2036. This is partly so low because of the limited labour supply growth.

However as shown earlier in this report there are comparatively high levels of out commuting from Bromsgrove. 26,000 Bromsgrove residents commute out. Bromsgrove attracts some inward commuting but the overall balance is a comparatively high net outflow of 7,200 workers.

It is therefore reasonable to test how much additional employment land may be needed to balance the local labour market.

The first scenario calculates the land required to support a total rebalancing of commuting, where in-flows match out-flows ie clawing back 7,200 workers, which we assume to be 7,200 jobs.

The second scenario calculates the land take based on clawing back just 20% of all out-commuters – 5,200 workers/jobs of the total 26,000. So the net commuting deficit falls by 5,200 with a small number (net) still commuting out.

SCENARIO: BALANCING COMMUTING FLOWS

	Office	Manufacturing & other Industrial	Warehousing	Total Industrial
Jobs change	3,185	2,521	1,510	
Floorspace density factor (sq m/job)	13.8	41.5	73.5	
Factor for frictional vacancy (%)	7.5	7.5	7.5	
Floorspace (sq m)	47,243	112,488	119,307	231,794
Plot ratio (floorspace to land area)				40:60
Hectarage				57.9

SCENARIO: 20% CLAWBACK OF COMMUTING FLOWS

	Office	Manufacturing & other Industrial	Warehousing	Total Industrial
Jobs change	2,304	1,825	1,093	
Floorspace density factor (sq m/job)	13.8	41.5	73.5	
Factor for frictional vacancy (%)	7.5	7.5	7.5	
Floorspace (sq m)	34,186	81,398	86,332	167,730
Plot ratio (floorspace to land area)				40:60
Hectarage				41.9

Balancing the Labour Market in Bromsgrove

To inform the scenarios we have used the baseline forecast. We have also assumed that all jobs are 'B' class and that the 'non B' class sectors remain the same as today.

This has some merit because this scenario does not change the size of the resident population and so the non b class jobs needed to service this population.

For this work these two scenarios help set what could realistically be a 'upper bound' of additional land for economic uses – because above this quantum there are no working Bromsgrove residents to fill any additional jobs.

It shows that, should the new jobs be taken up broadly as per the baseline forecast would expect, then the maximum amount of new land the District could provide would be around 58ha. That is on the assumption that 3,185 of the net outflow is attracted to Bromsgrove to work in new offices with the balance in industrial or warehousing property.

On the lower scenario, where one in 5 (20%) of all workers who currently commute out instead work in Bromsgrove 42ha of new land is needed to accommodate them within the district.

This could only ever be a very rough estimate because if new land is provided for industrial uses the Council cannot control which sectors take this land up – it could be 100% logistics or 100% manufacturing and if logistics, because employment

densities are lower more land may be needed. Once land is allocated it is very difficult to refuse planning for a warehouse simply because the Council prefers factories.

It is important to note that these numbers (amount of land) is net additional. It assumes that no employment space is lost and needs to be replaced. Where property is lost from the supply then it needs to be replaced and added to the above sums.

Tying the story back into the resident and workplace economy

When we summarised the residential and workplace economy we suggested that one strategy may be to focus any intervention or strategy on attracting more medium and larger firms. Also, remembering that the 'gap' in the local population profile is at the younger workforce ages, and so any strategy should not be distracted by targeting a narrow range of high value (high wage) sectors.

This analysis would support this approach. The greatest potential open to Bromsgrove is likely to be in the industrial and logistics sectors. To generate significant uplifts in GVA in the policy on scenario is likely to generate a strong demand for efficient commercial space. Even under the baseline scenario the continued switch from manufacturing to logistics generates a demand for new space and continued pressure to reuse brownfield land for housing may also displace firms from the Birmingham urban area – in search of new property.

For offices, we think the strategic office market has less potential; partly because of high competition elsewhere.

But some office focus should not be overlooked. Without some intervention the office market will continue to fall behind others. There is no rationale why forecast growth should be half that elsewhere – beyond a lack of sites and labour.

The concerning 'gap' for Bromsgrove is that it has a robust SME economy that does not mature in the area. Instead firms move elsewhere.

So unlike manufacturing and logistics, where Bromsgrove can compete on the regional level by providing a type of property on a type of greenfield site others struggle to offer, for the office market the challenge is encouraging SMEs to mature in the area. So helping them grow from small into medium firms and again providing a wider range of local employment opportunities across the whole spectrum of skills.

This is not so much an office versus industrial space debate because small firms are difficult to pigeon hole. From the lack of available property on the market, it is difficult to read which unit sizes are in greatest demand for new space.

For offices most transactions are below 150 sqm and availability is tight. So more small units can be justified. But this is a poor guide as to what is needed to address any deficiency in offer because consultations suggest a lack of growth on space, suggesting the 'gap' is above 150 sqm.

One possible solution is to focus on smaller and medium sized flexible workshop property. This is property that can be used for both offices or (light) industrial use. For small (and growing) firms such property is particularly attractive because their requirements change and flex over their lifecycle. Mezzanine floors can be used should more office space be wanted; removed if more industrial space is needed.

Addressing this gap via flexible property would also fit with the strongest local demand for industrial which is between 150 sqm and 350 sqm.

Unless something changes...

Unless something changes...

The analysis above draws us to a reasonably clear set of findings.

Firstly; from an existing residents perspective, they are very unlikely to be unemployed, likely to be earning above average wages and work in a managerial position. But are likely to be paying more for housing than neighbouring areas and also commuting out of the District to work. Most likely into Birmingham City.

While this is the outlook for the average resident, for those unable or unwilling to commute out of the District, they are still very likely to be employed, but earning only regional average wages and still exposed to the high house price market.

For non-commuting residents the **local workplace economy has failed to grow in line the regional or national averages and Bromsgrove has failed to capture high growth sectors.** For those residents who do not commute their local job prospects have deteriorated, as evidenced by almost no workplace wage growth.

Given the imbalance between the lacklustre workplace economy, but strong resident economy outward commuting has become the only viable option for local residents.

There is no 'magic bullet' to this problem. Our opinion is that while a number of strategies can be entertained, including skills, training and business promotion none are likely to succeed unless land and property is made available for local firms and new residents. With industrial property vacancy rates especially at zero and local growing firms being forced to look outside the District for their larger property needs it is clear that addressing the supply of land is the most urgent action.

The workplace economy cannot grow unless both issues, land for jobs and land for workers (houses attractive to working age residents) are addressed in tandem.

The big picture

1. The resident economy is good with high earnings. But eroded by high house prices

2. The workplace economy is only *average*. It has failed to grow in line with neighbours. Workers need to commute out to achieve high earnings.

3. Neither the resident nor workplace economy can grow because there is too little development land.

Guiding approach

In this section, we identify an overall approach for overcoming the obstacles and seizing the opportunities highlighted in the diagnosis. To do this, we have set out a series of ambitions for Bromsgrove, together with an underpinning evidence base which shows why we think these ambitions are important.

We set out some new economic development ambitions for Bromsgrove – but do not aim to supplant the Local Plan process, or create a fixed set of objectives. Our aim is to look at how Bromsgrove might capitalise on the opportunities available to it

In the next part of this report, we set out our suggestions for a new set of economic development ambitions for Bromsgrove.

We have created these ambitions following our work in the earlier ‘diagnosis’ section of this report, which looked at the opportunities and challenges facing Bromsgrove.

We have discussed these ambitions at both public and private sector workshops in Bromsgrove. The exercise undertaken was informal, however, and further work could be undertaken to arrive at a firm set of priorities and to allocate resources. Below, we have presented the ambitions thematically, rather than in any particular order of priority.

The focus of most of the options is around the release of land for homes and/or jobs. This is natural given all evidence suggests land has been undersupplied in the past. But here the focus is on how to best shape this land so that it best meets the ambitions of Bromsgrove and is best placed to overcome the obstacles we have identified. All the potential strategies are trend breaking – they represent a departure from the ‘business as usual’ position because our analysis suggests business as usual is not beneficial here.

The ambitions and investable propositions presented here represent a series of broad principles, rather than a detailed action plan. The propositions will be further developed through a wider process of review, and the detail defined in later months.

Work is currently being undertaken on the Local Plan refresh.

We are not trying to replicate or supplant the Local Plan work here, and we defer to that (statutory) process. Our objective is to pull together information for transport, retail, employment, and housing to understand what opportunities could be created in Bromsgrove. As noted in the introduction we are setting the groundwork for interventions over the long term and beyond the shorter time horizon the development plans prioritise. As a general rule development plans only make land allocations for at the most 15 years and often shorter periods.

Our work does however feed into the plan process stimulating the longer term strategic planning debate. It is advantageous for the Council to take a proactive approach to its future growth strategy. Setting out an ambitious ‘stall’ for landowners, agents and developers, to respond to. So that, in due course, the correct sites and proposals are available to be allocated in the plan.



By 2036, Bromsgrove could have provided mid-sized sites for the high tech manufacturing supply chain on a new portfolio of land

How could this be achieved?

A new portfolio of land to help deliver a step change

A new Plan review to take a new approach to development at motorway junctions

Making Strategic employment land provision in the area

Why is this issue important? A brief review of the literature and local context

Economic modernisation depends fundamentally on the market's ability to reconfigure built assets on housing and employment sites in response to economic and social change. If making these changes to the built environment cannot be made profitable for an entrepreneur, then an area's economy will suffer very serious negative effects over time: it creates a shortage of locations in which modernising investment can take place.

Our analysis above has shown that the local economy lacks a whole 'tier' of medium and larger sized firms. But this is not because the District lacks a solid foundation of small and growing firms. Instead the District lacks property and land for these firms to grow into, and so out of necessity they locate elsewhere.

The District has also failed to secure a share of the region's previous economic growth. Again because of the lack of land the District has been unable to claim its share of growth.

While the availability of land cannot guarantee success, it may not be developed, a lack of land guarantees failure.

To break out of this cycle a new type of employment site is needed. One that is attractive and can compete to retain growing local firms, and also tap into the Industrial Strategy and growing West Midlands manufacturing economy.

Here we focus on industrial and manufacturing land because in general there is no strategic need for new office sites. Our 2015 work for the West Midlands Chief Executives, since endorsed by the Land Commission, concluded that there was no need for new strategic office sites. But the same report found a shortage of industrial land and property; including along the M42. Importantly for the District the research found market demand was strong enough to support speculative development.

For Bromsgrove the M42 is a economic advantage which could be better used to accommodate supply chains feeding the West Midlands manufacturing economy. This would obviously include logistics, but also second tier manufacturing which needs to be accessible to the regional manufacturing base and the UK as a whole. The motorway is subject to congestion at times - but this is a feature shared across the region. Whilst the Borough has a well developed strategic road network, with dualled

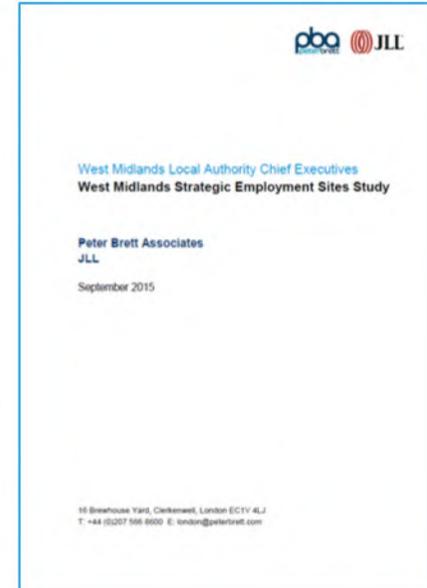
strategic roads such as the A435, A441, A448, and these corridors do aid attraction and may well offer up land opportunities, the high quality network is not uncommon across the West Midlands. What really sets Bromsgrove apart from many other competing Councils is that two of the motorway junctions are reasonably unconstrained and undeveloped. Although Green Belt, and without sight of detailed constraint evidence, for this report land at these junctions (or accessible to, via the high quality linking roads) could offer a distinct competitive advantage where there is a regional shortage of similar accessible sites.

For the residents such a site would provide employment opportunities closer to where they live and reduce the distance residents need to travel to work. If successful it would add a new dimension to the District's employment mix, and so new opportunities to attract or retain younger residents.

One concern is that while it would be an aspiration, such a site would attract higher value industrial occupiers, and we cannot set aside the scope that land is developed for warehousing and logistics.

In the past there has been a reluctance to provide warehousing sites because they are perceived as providing low density employment (fewer workers per sq m) and lower value compared with other types of space. This may have been the case in the past, but manufacturing is increasingly automated. Logistics has also been viewed as being of lesser economic benefit; because it adds less value to the industrial chain than a factory. But, warehouses are a vital part of the wider supply chain for manufacturing firms and also, for residents, they are needed to efficiently distribute goods and services in the new retail economy.

Finally, the changes to local government finance, introduced by Central Government, means that Councils can no longer afford to ignore what could be a valuable source of new business rates revenue – regardless of whether that be manufacturing or logistics.





By 2036, a new Garden Community could be delivering homes - alongside office space and light industrial space focused at a local market

How could this be achieved?

A new Plan review with a new approach to housing development

Planning permission for a new zero carbon village of 5,000 open market and social homes, with a new upper school, GP surgery, pub, and local shopping

Office space subsidised by housing development

Self-build housing as a thriving component of the new community

The Council could be active in the land market, and could buy agricultural sites, captures land value uplifts from the resulting planning permissions, and recycles value back into infrastructure delivery

Through an improvement in the quality of design and infrastructure provision

Why this ambition is important?

Our work shows that new homes are needed in Bromsgrove, both to cope with population growth and demographic change, and to begin to moderate prices.

If major housing expansion is needed, the question is how best to approach the situation.

- **At the national scale, the focus through the nineties was on PPG3's 'brownfield first, greenfield last' approach.** This held back greenfield land in the hope that development might be forced into brownfield site (PPG3, 2000). This principle remains today but brownfield land is finite and many areas are now running out of supply.
- **In the first decade of this century, focus also moved to providing urban extensions to existing settlements.** However, there were genuine concerns about the ability of existing settlements to cope with edge developments, and political difficulties in expansion given that green spaces around existing settlements are prized for their informal leisure uses and amenity.
- **Increasing focus is now falling on the ability of new settlements to deliver the housing that the UK needs – as shown in the Housing White Paper *Fixing our broken housing market* (2017).**

Over the long term, more housing supply can be expected to moderate the price rises of market housing, and be used to provide affordable housing too.

“The truth is that the current planning and development model, which meets housing needs...by pressing sequential development into and up against existing communities, drives high densities and low quality, and so ramps up local people’s opposition to development. Such development, building on the next field, endlessly adding to existing communities, directs development to the very bits of environment most precious to people – at the end of their garden, the gateways to the town, the fields they most treasure precisely because they are on their doorstep. It makes new housing development politically toxic for local politicians.

As a consequence, limited land releases result in high density, poor quality estates, often without services or jobs, without so much as a café or shop. Each proposal is fought at the planning stage as if it were the last word (stop it and protect the town), yet in reality each is just a small step on a never ending conveyer belt – gradually encircling the community with ever more dormitory housing estates.”

Policy Exchange (2015) *Garden Villages*

A 5,000 home development would have a sales value of over £1.6 billion. If land value uplifts can be captured for the community, then huge sums can be created for reinvestment – alongside Council Tax receipts (say, £7.5m pa)

The local authority should be aware of the scale of investment that this would represent. Assuming a home could be sold for the average house price (£285k average Bromsgrove price, plus a typical uplift for a new home of say 15%), then a 5,000 home scheme would have a sales value of over £1.6 billion pounds.

If an average band D Bromsgrove home pays £1,500 Council Tax per year, then receipts would be £7.5m per year from the new development.

However, great care would need to be given to the issue of land value capture – otherwise, the value created by new development will simply disappear in increased land values which accrue to landowners only.

The UK system – which sees permission predominantly granted to major housebuilders - is not effective at holding on to the huge uplift in land values created when planning permission is granted. If the desired future is to be delivered, then the Council will need to think carefully about how to set up the development so that the dramatic, unearned increase in land value created by designating land for housing (rather than agriculture) is obtained for the benefit of all – rather than simply accruing to private interests. This is morally defensible – given that the value is created by democratically-led policy decisions, and no entrepreneurial risk has been taken in exchange for the windfall gain. It is also commercially sensible, because development can proceed more rapidly if it is backed up by timely infrastructure provision. This point is accepted across the political spectrum.

As URBED point out in their Wolfson essay, the ability of countries such as Holland and Germany to build to such high standards and to plan so effectively is not because they have better designers, planners and developers. It is rather because they operate with a different economic and regulatory framework. The quality of what we build is, at its heart, an economic rather than a design issue and is the focus for the first part of this essay. In the UK most of the money and talent in the

housebuilding industry is focused on unlocking the land through a contested planning system; on the Continent it is focused on what is built on that land.

There is increasing interest in the process of land value capture. Key to these reforms is to redirect the huge sums that are invested in the purchase of housing land in the UK into the provision of infrastructure and the development of quality homes.

URBED were recently asked by a local authority client to explore the implications of offering a landowner £50k/ ha for a green field site that would create 5,000 new homes. Without accepting the offered land price, the site would not get permission. Financial modelling demonstrated that the development would create £100m in land value, more than paying for its own infrastructure and even providing the Council with a way of cutting Council Tax – or ceasing the collection of Council Tax entirely.

There could be a major role for green field development in this Bromsgrove, meaning that these concepts are highly relevant. The uplift in values from green field agricultural use to housing development is the use shift that creates the value needed to pay for infrastructure. The key is to use green field development to demonstrate to developers that markets for high quality development do exist in a housing market, and then potentially recycling some of the value uplift to remediate more challenging sites in more challenging inner urban land markets. In Stoke-on-Trent, for example, the Council is in the position of owning many of the green field sites sought for housing development, and could recycle capital receipts into remediating land ex-industrial land in Burslem.

Could similar approaches be taken in Bromsgrove? This is not a new model. It is the modern-day equivalent of the way that the great estates were built, and indeed the way that the modern European schemes (and UK new towns such as Milton Keynes) were developed.

The employment mix

One of the principles of any new settlement is the mix of development – including the employment offer. Given the limited ‘need’ for additional jobs in the District, the Council has scope to use any new settlement to fill any qualitative gaps in the local employment property offer rather than simply seeking a quantum of jobs.

There is a temptation for a new settlement to be promoted as one balancing homes and jobs within the community.

But here given the shifting and aging population in the District this could be a mistake. The new homes, and new workers, are likely to be needed to ‘top up’ the District’s existing labour supply, and this cannot happen if the new settlement is entirely balanced.

This does not necessarily mean the community is unsustainable. The challenge will be to ensure those workers can access the District’s main employment areas as sustainably as possible.

Turning to the type of employment needed. As noted above the District has a shortage of industrial space and limited office space.

The employment focus as part of any new strategic development ought to be on addressing the industrial deficit first; followed by small offices. As noted elsewhere there is an overlap between offices and industrial. So this provision could take the form of B1(c), flexible, light industrial units that could be used for either offices or lighter forms of industrial use. This form of development would fit with the District’s existing small business sector strength.

From our experience this type of mix is not always freely offered by

developers. Partly because many are focused simply on balancing a set job target, and B1(c) employs people at a lower density than stand alone offices. But also, for a housing focused developer, light industrial can be seen as a poor use of land which requires larger amounts of landscaping than an office scheme, and more land for access and servicing.

So to secure this mix the Council needs to be clear that the driver of an employment mix ought to be the quality of the offer, and not simply driven by job numbers.

Finally, agents report that freehold is the ideal commercial tenure from the small business occupier perspective. But is not generally offered by developers – who prefer leasehold. Ideally the Council should secure land for freehold business use as part of any large proposal.

New Settlement Summary

The Council has the ability, through the grant of planning permission or through making an allocation, to create a significant value uplift for land owners and developers.

Making a new large allocation, in the form of a new settlement, may be a necessity in order to meet housing needs. Including those of Birmingham.

Accepting that this may be the case - the challenge for the Council is to move from seeing this strategic development as a burden to an opportunity.

There are a number of steps we have outlined to secure this.

The first is to ensure that the Council is able to capture as much of the value uplift as possible. This is to help pay for the infrastructure needed to support the proposal and ideally benefit the District as a whole.

There are various models available to do this and within this report we can only scrape the surface of the issue. We note that the cleanest model (for the Council) is where it owns the land. This is the model adopted by Shepway Council in Kent. But this may not be open to Bromsgrove. Other models are available.

Secondly, the Council needs to scope and set out exactly what it expects from any strategic development – the Council's 'shopping list'. This would include all the necessarily infrastructure and required mix of development, but also 'would like' benefits. This needs to be done early so the list is fully

factored into the value of the land at an early stage. That way the Council has the best opportunity to secure items on the 'long list'.

Finally, it is vital that the Council is not put into a position where there is a monopoly supplier. As many sites as possible should be considered, and it may be that strategic housing needs could best be met by a mix of smaller proposals.

Given the cost of promoting a such a strategic site is possible that developers have not yet considered assembling a site of this scale.

So the Council may not be aware of all the potential options open to it.

One route to explore is the merit of publishing a 'prospectus' document, outside the formal plan making process.

This is where the Council is able to set out its expectations and gauge the development industry's interest in meeting this. With a view to allocating sites in later plan rounds. Such a document does not commit the Council to making allocations, but is helpful in ensuring that all possible options are available for consideration.



By 2036, planning teams function as development agencies, and the wider public sector will have a reputation for innovation, leadership and entrepreneurialism

How could this be achieved?

Controlled risks taken in an entrepreneurial search for a return

Planning functions as a development agency: land purchase, CPO, site assembly is run through the planning teams

Hard-hitting delivery & project management functions shared across the sub-region

Teams resourced and empowered to make a real difference: this is active development planning, rather than development control

Bromsgrove develops a thriving 'growth coalition' where local businesses, politicians, academics, and officers meet together to arrive at solutions

Bromsgrove reputation for radical solutions to complex social and political issues

Use of 'big data' to continually rethink how to stay close to users' needs

Through employing 'nudge theory', and Bromsgrove will be regularly running X-prizes to arrive at policy solutions

Why is this issue important?

The level of change and innovation likely to be needed in Bromsgrove policy over the coming period suggests that it needs to build its capacity to innovate, lead and act entrepreneurially.

The changing political and economic context for local authorities is tending to force the public sector to adopt a more entrepreneurial development role, using and adding to its own assets. Continued public sector funding austerity compels local authorities to be increasingly innovative in the way that they raise revenue. A number of solutions arise from possible development in Bromsgrove, and arise from the possibilities generated through increased Council Tax receipts (driven by underlying household growth) and Business Rates in order to continue to serve the area and its residents. Authorities could commission a review of public sector property to develop an understanding of the scale and potential of the public sector property portfolio in the area, with particular focus on the potential to a more entrepreneurial approach to the development of land around future infrastructure assets. We anticipate that such an exercise would show how better use of assets would deliver more commercial development or housing and particularly affordable housing, new public sector services and a financial return to local authorities.

Clear and consistent leadership has been long identified by various academic studies of regional and city growth as being critical to growth, through its effects on de-risking both public and private investment. Prof Michael Parkinson's conclusions over a decade ago bear re-reading. He states that "a key characteristic of successful cities is their strategic capacity to exploit their assets," and that leadership needs strategy, stating that "Manchester in particular has a very robust strategy". The Treasury (2011) states that the past decade has seen increasing recognition of the need for coordination and strategic decision-making across areas.

Evidence suggests that the public sector might usefully sponsor a pro-active and innovative policy development and delivery process. NESTA work (2008) suggests that policymakers should think in terms of an

"AC/DC model". Absorptive capacity (AC) allows a place to identify, value and assimilate new knowledge. Absorptive capacity is made up of three elements - a) the capacity to access networks of knowledge and innovation; b) the capacity to anchor external knowledge from people, institutions and firms; and c) the capacity to diffuse new innovation and knowledge in the wider economy. Development capacity (DC) allows a place to either create or exploit new knowledge.

Bromsgrove might benefit from a network to create a 'collective intelligence'. Work by NESTA (2013) states that, 'in an age of "combinatorial" innovation – where major breakthroughs are likely to involve knowledge from different fields, and joint working between thinkers, doers and communicators - being good at collective intelligence will be a crucial determinant of success for businesses, for governments, and for countries. Understanding more about how collective intelligence happens, and devising and implementing effective tools for fostering it should be a major project for the UK in the next decade'.

The network will need to include local Government, private businesses, utilities, the third sector academia, and consultancies in the creation of a "growth coalition". The foundations of such a growth coalition are already in place, and may develop further once a course of action has been decided upon, and results are starting to become obvious.

An innovation prize for Bromsgrove?

Innovation prizes have a long history of stimulating successful technological improvements. Famous examples include the Longitude Prize (won John Harrison for his navigation clocks).

Research by the US National Academy of Engineering, the leading engineering advisory body to the US Federal Government, recommends that the "US Congress encourage federal agencies to experiment more extensively with inducement prize contests". There is a lot of interesting literature on this issue. Recent examples of such an approach in the UK have been taken around planning policy in Wimbledon, and have yielded interesting and useful results. Bromsgrove could use this process as a longer term way of creating a "collective intelligence" for the area – and, with skilful PR, could have the process itself create positive publicity for the area.

The importance of innovation and agility: the need for a well resourced planning teams focused on project delivery

Planning has become increasingly concerned with questions of 'how' development can be delivered, and 'when' - rather than just 'what' development is desired and 'where'. With this shift comes a focus on the *means* of securing development rather than simply the ends, and an increasing focus on delivery issues. This shift could be encouraged, with a particular focus on delivery.

This is not especially new: for example, the Killian Pretty review of 2008 sought to deliver a more “a positive and proactive approach to shaping, considering, determining and delivering development proposals.” However, the implications of this change should not be underestimated. Major projects are likely to need pro-active involvement from planning authorities could be actively viewed as projects in themselves – not as an application that will materialise at some point in future.

The authorities involved in planning will need to:

- play an active role in enabling development and planning infrastructure, or running applications more carefully to ensure that what is needed is provided when it is needed.
- get an understanding of what needs to happen; and seek to understand, and then bring about the right response. That could mean a highly proactive approach, working alongside public sector investors and developers to ask questions like: how do we fix the barriers to positive change? What do we do next? When? Who is responsible? What is the right planning role?
- Understand how to solve real-life issues on the critical path. The issues on the critical path are those which directly impact the planned project completion date. Management intervention and funding could be focused on these issues.

Should an active project management approach be adopted, this could include each “project” comprising the following.

- A project sponsor. This needs to be a senior officer who has the

experience and line management authority to break through internal organisational silos.

- A clearly defined project manager. This individual would be held responsible for project progress and delivery.
- A clearly defined project team and project management structures.
- Excellent links between the project team and developers/investors. We are not suggesting that any development should be waved through. But the public interest is not necessarily inimical to the private interests of the developers. The local authorities need to operate as a joint delivery partner alongside the developer in assisting delivery.

As major applications come through the system, a ‘Roadmap’ could be needed to help to get site assembly, remediation and infrastructure in place. It would take a very direct, task-oriented approach to delivery. It would undertake the following tasks. Understanding how to solve real-life issues on the critical path; identify and help manage delivery risks; focus on how any problems will be resolved; and define issues in time sequence. The process can help the political process by clarifying decisions that need to be taken, when they need to be taken, and what the ramifications of choices might be.





By 2036, Bromsgrove will have excellent connections by public transport to jobs in Birmingham

How could this be achieved?

Through upgraded train and bus services linking with Birmingham, with infrastructure development as required

Walking, cycling and bus links to Bromsgrove station will be improved

Creation of an integrated transport application across Bromsgrove and Combined Authority area that connects information, payment, and access across all transport systems

Why this issue is important?

The long awaited electrification and re-signalling project at Bromsgrove will soon be completed. At the moment only four medium distance trains a day call at Bromsgrove. The commuter service to Birmingham is infrequent and does not run to a 'clockface' timetable. But this will shortly change. So the challenge for Bromsgrove is how best to capitalise on this.

Transport investment improves connectivity and can raise commercial and residential values, so improving site viability and encouraging development activity. However, transport investment is not a magic bullet which will solve all viability problems. An LSE review on transport economic impact studies (LSE 2015) found that the quality of studies on the impact of transport on land and property is variable.

In all cases there is great variability in the models employed; the data used; the variables measured and hence there are difficulties comparing results. The LSE reported the following:

- A 1% increase in accessibility as expressed in the travel time, discounted access to employment opportunities (and correlated property prices (Ahlfeldt 2011)).
- Mikelbank (2001) suggested that home prices rise in response to transportation improvements that occur along shortest-path routes connecting individual homes to the region's CBD or to the local shopping centre;



- Many studies have found a positive relationship between transport infrastructure investment and the prices of land or housing (e.g. McDonald and Osuji, 1995; Haughwout, 1997; Boarnet and Chalermpong, 2001).
- A study of US towns over two decades showed house value premiums for homes within a quarter to half mile from train stations ranging between 6.4% to 45%.
- A study of residential property values in Buffalo NY found that average property values increased by \$2.31 for every foot closer the home was to a light rail station.

How to best capitalise?

Rail projects tend to have a positive effect on residential property prices, although the size of the effect varies considerably depending on the type of residential unit and its proximity to provision. The LSE's work found that for evaluations showing positive effects, the degree of price appreciation ranged from extremely small to quite substantial. For example, a study which looked at the impact of light rail in Charlotte, North Carolina found effects that ranged from near zero up to around 13%, depending on:

- the type of property (for example, 'condominiums' see a greater increase than single-family properties); and
- proximity from the station (for example, single-family homes within half a mile of the station see no impact, whilst condominiums within half a mile are subject to a greater increase than those further away).

No effect on commercial property prices resulting from rail has been found. The LSE found one good quality study on rail effects on commercial prices – but it found no effect.

There is also some limited, empirical evidence, that improving rail connectivity can have a detrimental effect on the commercial market. By improving rail access the investment has made it easier for workers to commute out and firms (offices and retail) to service their catchments from a single centrally located location.

For Bromsgrove what this suggests is the Council needs to be

prepared for a significant increase in residential demand for property while not expecting the rail improvements to stimulate office demand.

High density residential homes may be more viable to deliver around stations. But this *may* come at the cost of making homes even less affordable for those who do not commute out of the District.

What this suggests is that it is important that the District delivers a range of different housing sites, on and off the rail network and avoids the temptation to think that all homes ought to be rail accessible.



Image courtesy Google

By 2036, a new junction has been created on the M42, relieving the A38

How could this be achieved?

Through a new M42 junction

Part funded by new housing development

Why this issue is important

Bromsgrove is the main settlement and we would expect it to remain so in the future. But further development opportunities are limited without overcoming significant constraints.

Research shows that the A38, in particular, is highly congested. Housing growth and trend growth are expected to raise demand further, and other things being equal, more congestion will result.

We undertook a brief literature review to investigate the relationship between transport infrastructure, property prices, and land development. We did not look at other transport impacts, agglomeration or efficiency. The review would tend to suggest that transport provision can have a role in creating new site opportunities, particularly when existing sites are constrained by a lack of transport provision. We have summarised the findings below – with the proviso that Bridget Rosewell (2013) points out that identifying the payback to any kind of infrastructure is surprisingly difficult. Infrastructure projects are general purpose technologies - and separating their impact out from everything else is analytically very awkward.

The literature review shows that we cannot reliably quantify an effect of transport investment on sales values of development (or consequent land values), but that benefits would be broadly positive in a growing or otherwise constrained economy such as Bromsgrove's.

Road projects tend to have a positive effect on property prices, although the effect in prices may depend on distance to the

project (and the effects can vary over time). The LSE (2015) found that road projects also have a positive effect on productivity. House prices immediately adjacent to roads may fall. Prices near new roads, but not immediately adjacent, tend to rise. There are no findings on the effects of roads on commercial values, but productivity rises for industries that use roads intensively.

The literature review also showed that the benefits from earlier transport projects were lost because a complementary policy package did not accompany investment. The review suggests that there would be considerable value in ensuring that sites were available in order to capture the growth arising from investment. This is because economic growth is only generated by transport investment if the other ingredients for growth are in place. One of these ingredients is the availability of suitable site locations.

Evidence suggests though, that great care will need to be taken with regard to the planning of strategic road infrastructure.

There is good evidence that new road infrastructure simply encourages additional trips, meaning that congestion rapidly returns.

As we set out below, it is arguably fair to say there would be a risk that a new junction and link road project would be seen as 'just another roads project' by Highways England. Bromsgrove would need to be very certain that new investments in strategic roads and motorway junctions did not create more harm than good.

A new M42 junction (to either entirely replace or bolster J1) is likely to need supporting development nearby to help pay for it

Clearly, a new motorway junction would represent a major piece of infrastructure. National funding from DfT/ Highways England would be necessary.

However, the business case would be greatly assisted should the scheme unlock development sites. Government's new **project assessment methods** look at how projects raise land values and so induce land use change: each would have a positive demand side effect, particularly on housing.

An integrated package of funding, perhaps including contributions from S106/ S278 or a strategic infrastructure CIL might also be required to assist.

An integrated planning package would be desirable. This would ensure that any new junction and link road would be integrated into economic growth and housing objectives. Environmental considerations are now also very important, with the Government.

The importance of the natural environment is growing in policy terms. We understand that it is the UK Government's view is that there is a need for a new body to hold the Government to account on environmental issues. There will be a consultation in 2019 as to how such a body would work and what scope it should have. This could be one of the most significant green issues of 2019, because the shape and powers of the new body could have implications for decades to come. **The Industrial Strategy also states that "infrastructure upgrades" are required to "enhance natural capital"**. An independent body might decide to sanction Government if it decided that a new junction and link road failed to improve biodiversity

Our approach is aligned with the work of Professor Peter Jones at UCL. Prof Jones has postulated that Transport Planning needs to be 'turned on its head'. He suggests that, rather than to continue with 'predict and provide', we should employ a 'vision and validate' approach. This would envisage what we want 'good growth' to look like, and use forecasting and design skills to test scenarios in order to identify the approach which will provide us with the best opportunity of achieving that vision.

Transport planning has been through a number of stages. In this report, we want to make sure that the approach adopted is clearly updated to what has been called "Stage 3".

- Stage 1 was the approach which became popular in the early 1960s – where planning took place around vehicles. Places like Birmingham were the result.
- Stage 2, which came in the late 1980s onwards, emphasised the role of public transport.
- Stage 3 is now being adopted in Manchester and London. Transport provision is being made to fit the other quality of life deliverables for local people, for example making sure that great housing, good jobs, walking and cycling are at the centre of provision given their positive effects on outcomes such as social capital and health.



Image courtesy Westmill Solar co-op

By 2036, a council and community joint venture is generating enough energy for 120,000 homes, creating £1m business rates and an 8% shareholder return

How could this be achieved?

A scaled up version of Oxfordshire's Westmill Solar co-op has been implemented

Nil subsidy is required

The site is on 890 acres of low-grade farmland - the equivalent of 900 football pitches.

NOTE: TARGETS FOR STRATEGY EXERCISE ONLY. THEY ARE INTENDED TO STIMULATE DEBATE. THEY HAVE NO EFFECT ON PLANNING OR OTHER POLICIES.

The UK is bound by legislation to reduce CO₂ by at least 80% over the 1990 baseline levels by 2050. There may be an opportunity to generate more local energy – and a source of local revenue – from mature renewables

The UK recognises the importance of dealing with climate change. The Climate Change Act makes dealing with this issue legally binding, and commits the UK to reduce carbon emissions by 80% on the 1990s levels. The 2050 carbon target is managed through 'carbon budgets' set out on a five-year rolling basis. The UK has set five carbon budgets covering successive five-year periods up to 2032. Brexit will make no difference to the carbon targets.

There is a need to create low carbon sources of energy. Mature renewables schemes are now possible without subsidy, can create a steady return on investment, and create significant business rate income.

However, the current planning regime works against the delivery of on-shore wind in the following ways.

- New onshore wind development has been excluded from renewable investment mechanisms in the UK since 2015.
- Onshore wind is highly sensitive to local objections: The Energy Act 2016 together with the Infrastructure Planning (Onshore Wind Generating Stations) Order 2016 removed onshore wind farms of over 50MW in size from the NSIP regime (which was determined centrally by the Planning Inspectorate) and returned the decision making powers to Local Planning Authorities.
- When determining planning applications for wind energy development involving one or more wind turbines, the NPPF directs local planning authorities to only grant planning permission if the development site is in an area identified as suitable for wind energy development in a local or neighbourhood plan; and if, following consultation, it can be demonstrated that the planning impacts identified by affected local communities have been fully addressed and therefore the proposal has their backing. This has proven to be a very high hurdle for projects to overcome.

If Bromsgrove does wish to pursue this opportunity, it is likely that

scheme promoters would need to take a different approach to scheme development.

Schemes of this type may obtain the support of the local population if there is a clear set of benefits to local people. These are likely to go beyond the usual modest payments to local community development funds, and might include

- opening those large investments to local investors as shareholders (as at West Mill in Oxfordshire)
- opening up possibilities of direct energy sales to local communities and businesses to get into "new energy systems" around local decentralised grid, backed up by nationally owned transmission grid;
- publicly owning the resources, so that local communities benefitted not only from business rates, but also directly from the sale of energy; and
- hypothecating – even if notionally – the business rate and charge income from the facilities to local spending, such as adult social care.

CASE STUDY: There has been a step change in the viability of solar power generation. Solar farm proposals in Kent could create £1m pa in Business Rates: is there an opportunity here for Bromsgrove?

The proposed Cleve Hill Solar Farm is near the Kent town of Faversham. The site is on 890 acres of relatively low-grade farmland - the equivalent of 900 football pitches. Government policy of excluding solar from clean power auctions is driving larger projects in a bid to get the economics to work, and this scheme benefits from the proximity of a sub-station serving the London Array.

At 350 MW capacity, the £400m Cleve Hill scheme would have five times the capacity of the UK's current largest solar farm. (Britain's biggest existing solar farm is at Lyneham in Wiltshire. It produces 69MW and is owned by the government). The project would provide enough power for around 110,000 households if it comes online as planned in 2020. There are proposals to use battery storage technologies, which would store any excess solar power and distribute it to the grid when it is needed.

A medium sized conventional plan provides around 1,000 MW.

Solar farms are required to pay Business Rates. A proportion of business rates are now retained locally. Based on current estimates of the potential generation capacity of Cleve Hill Solar Park, the revenue generated for Kent and Swale councils could be in excess of £1 million per annum.

Proposals with a generating capacity exceeding 50MW are considered to be a Nationally Significant Infrastructure Project (NSIP). This means that, rather than applying for permission through the local planning authority, scheme promoters apply for a Development Consent Order (DCO) through the Planning Inspectorate. The application will be determined by the Secretary of State for Business, Energy and Industrial Strategy.

The final design and scale of the project will have regard to several environmental and technical variables alongside feedback received from consultation and the findings of an environmental impact assessment.





Image courtesy Bromsgrove DC

By 2036, the town centre could have a more compact and stronger retail core, and will be a centre for living, working and leisure

How could this be achieved?

Through adjustment in the mix of retail to other uses in the centre of Bromsgrove.

Residential numbers could rise to make the centre more vibrant.

A broadening and consolidating of existing and new uses, particularly residential, leisure, food & beverage and community uses.

Town centre retail not just another economic sector – it is the ‘shop window’ of an area, and has a major role in place perception

There is a structural shift under way in retailing. It is important to understand what this might mean for Bromsgrove.

- **Polarisation: Most National comparison (non-food) retailers are increasingly concentrating their trading activities in a smaller network of large stores concentrated in high order centres, shopping malls and regional centres.** Since the downturn, the quality and diversity of the retail offer in the largest ‘Top 100’ centres has improved relative to small and medium town centres which have struggled to retain key anchor retailers. Out of centre retail parks have also become increasingly attractive to retailers since the downturn. The share of comparison retail sales conducted through town centre shops declined from 64% in 2002 to just over 40% by 2013 and out of centre superstores and retail parks have been one of the main beneficiaries (PBA 2013).
- **Digital technology:** Digital technologies facilitating online sales have altered the ways in which retailers utilise physical floorspace and it is likely that new technologies will impact on the retail sector in unpredictable ways.
- **Growth of commercial leisure: there is currently a shake-out under way in the restaurant sector due to falling sales and oversupply.** Jamie’s Italian, Prezzo and Byron Hamburgers are closing less profitable sites (FT, 8 March 2018). Over the longer term, however, commercial leisure uses are likely to constitute a growing share of town centre floorspace driven in part by the increase in household leisure expenditure and reduced demand for retail space in secondary centres. As shown in the table, Experian expect that leisure spending growth will reach 1.3% in the long-term (2026-2035) which is a reversal of the historic trend of declining per capita leisure expenditure (1997-2009). Nationally, spending on food

and drink typically accounts for almost half of total leisure spending (37% in 2016). There is scope for town centres to capitalise on this trend. The development of a strong commercial leisure offer can help to increase footfall (particularly outside of core retail hours) and increase visitor’s dwell-time in centres.

- **Restructuring of the convenience sector:** since the economic downturn major convenience (food) retailers have increased their network of small in-centre stores and invested in online shopping while discount food operators such as Aldi and Lidl have increased their market shares.
- **Further bank closures will undermine high streets:** HSBC has shut the most outlets of any bank since the start of 2015, reducing nearly 30 per cent of its network across the country by closing 321 branches. The state-backed lenders Royal Bank of Scotland and Lloyds Banking Group shut 191 and 180 branches respectively. (FT, December 2016). The process is not played through: in February 2016, the Royal Bank of Scotland announced it would close 150 branches and cut more than 750 full-time jobs, citing a “dramatic shift” towards mobile and online banking (FT, March 2017)

These trends accentuate a growing failure of town centres and retail parades to successfully adapt to change, as:

- Some retailers are not surviving at all, whilst many need fewer shops with a bigger footplate (some need no shops),
- Major players care about their neighbouring retailers, and are able to dictate ‘pick lists’ on which retailers they would like to be situated next to.

Growth per capita	Annual average growth (%)				
	199-2007	2008-2011	2012-2015	2016-2025	2016-2035
Total retail	5.1	-0.5	2.1	1.8	2.1
Convenience	-0.3	-3.2	-1.0	-0.1	0.1
Comparison	8.0	0.6	4.1	2.7	3.0
Leisure	-0.9	-3.3	1.7	1.2	1.3

Dataset: : Summary of long –term retail expenditure growth
Date: November 2016
Source: Experian Retail Planner Briefing Note 14

A range of policy responses could accelerate investment in, and modernisation of, the town centres in order to get in front of change

In planning for retail and town centre uses in Bromsgrove, there are a range of policy options available to secure these objectives of protecting, consolidating or intensifying the town centre. The Council could consider exploring the following options.

- **Local Development Orders** – explore the use of LDOs to shape change and accelerate its delivery. This could include promoting intensification or change.
- **Permitted development and repurposing** – making local businesses aware of the options available to them without the need for planning permission and taking a positive stance on prior approval applications. The widening of legislation to allow greater flexibility was introduced by Government in part to allow the less fit-for-purpose stock to ‘fall out’ of the market. This includes allowing retail to residential conversions (A1 to C3) and retail premises to convert restaurants (A1 to A3 conversions). District centres and retail parades could be repurposed, to be centres of living, working and leisure. A diversified range of town centre users will be required, with retail floorspace being proactively reassigned to residential, community, employment and other uses.
- **Compulsory purchase** – fragmented ownership is often the main barrier to delivering change in town centres. There are successful examples in the sub-region: for example, Birmingham City Council has used CPO powers in the past to facilitate regeneration of the Shard End and Swan centres. The

benefit of single ownership is it allows greater curation of the retail offer and reduces the risk of there being a ‘race to the bottom’ in order to simply secure a tenant - which can lead to the overconcentration of A5 uses, betting shops and charity shops.

- **Reviewing the retail hierarchy and town centre boundaries** – considering de-designating some smaller centres in the context of the overall network of centres and tightening the definition of the core of the centres and allowing the peripheral parts to fall away, thereby consolidating the retail core.

As part of our consultation a number of respondents noted that Bromsgrove town centre lacks a ‘worker economy’ .

There is limited office stock in a town centre and this means few ‘workers’ to add vibrancy to the centre during the day. We don’t consider ‘large office’ development is a reasonable prospect, but the Council could direct smaller office development, and flexible office space, into the town centre.

Some noted that previous decisions on where to locate small offices and incubator space had not helped – locating them on out of town centre sites. Also that public sector land disposals in the town centre were often on the basis of ‘highest value’ whereas the land or property could be more beneficially used for employment.



By 2036, Bromsgrove could upskill young adults and reskill working people quickly to respond to changing business needs and economic circumstances

How could this be achieved?

Through co-operation between businesses and FE provision to give the area the skills it needs to compete

Improved links between Heart of Worcester College and businesses

Why this issue is important?

Skills are a very important determinant of productivity.

They drive life chances (ODPM – SEU 2004) and dramatically affect lifetime earnings (BIS 2013).

Schools' performance has very significant long term economic implications.

People entering the school system now will enter the labour market between 2033 and 2035, and leave the labour market around 2075. Fixing the performance of underperforming schools would represent a major long term economic development strategy in itself.

Attracting graduate level skills is critically important to an economy.

The skills of the workforce and technical expertise in a region are the most important drivers of knowledge-based industry business location choices (DfT undated). In OECD countries a 1% increase in the number of graduates adds 1.1% to GDP growth (BIS 2012).

FE and in-work reskilling is likely to be critical.

Research has shown that a 1 percentage point increase in the number of people being trained adds 0.6% to productivity. (Van Reenen et al 2016)

Lifelong learning will also be critical to create long term economic resilience.

Professor Arturo Bris states that 60% of the jobs for the next generation do not yet exist, and that 1 job in 5 will disappear in the next 5 years.” Over the longer-term, Andy Haldane (Bank of England Chief Economist) suggests that we may be on the cusp of a fourth Industrial Revolution. Automation of routine administrative, clerical and production tasks may affect major swathes of the labour market. 15 million jobs may be at risk within the UK. If these trends do materialise, workers in higher skilled jobs will tend to be insulated, as well as those with in jobs that demand high levels of creativity, caring and emotional intelligence. A rapid response to economic change will require a high quality skills response (Haldane 2015).

We have not carried out a detailed review of skills provision in the area, and the relationship with existing skills demands. This would need separate study. However, the DfE Area Reviews set out the relationship between local authorities and local post-16 education and skills providers

The Area Reviews point out that colleges need ongoing support from LEPs and the Authorities. The main points are as follows:

- Regular information on the changing economic and educational needs of the area and any new opportunities which are emerging.
- Strengthening the role played by senior business leaders in colleges by encouraging employers to apply for positions on the board of their local college, or to play another active role in the college.
- Ensuring decisions about Combined Authority/LEP local growth and capital funding and adult skills funding are aligned directly to recommendations that will address local economic growth and in particular to support funding of higher-level specialist facilities.
- Working closely with groups of colleges involved in establishing apprenticeship training agencies or other forms of apprenticeship companies. These have the potential to improve and increase the apprenticeship offer and deliver a more inviting, coherent and joined-up programme. They could be particularly important in helping SME and micro businesses participate in the national drive for growth in apprentices and in encouraging employers who are new to apprenticeships to get involved.
- Encouraging larger employers with skill shortages and gaps to sponsor a college or part of its specialist provision.

The Area Review process was undertaken in 2016, and looked at post 16 education and training across the Marches and Worcestershire area. The Area Review aims to create *'a permanent step-change in how employers, LEPs, the Authorities and colleges work together.'* (DfE 2016, 14).

As Area Review points out, *"LEPs and local authorities are expected to retain their focus on driving changes, and assessing how implementation of recommendations is contributing to local economic performance"*.

Route map

Here, we set out a high level action plan

Actions for Employment:

- A) In line with the PBA Strategic Sites Study for the West Midlands Chief Executives (2015) consider whether the Green Belt land around the (largely) unconstrained motorway junctions could be released for new, largescale, industrial uses. Commercial attractiveness falls away the further from the junctions development occurs. But there is also scope close the junctions where the access road is high quality and the market perception remains that the site is highly accessible. The important factor is that the development needs to attract a 'Motorway premium' and this is not diluted.
- B) In growing its employment base the Council should look to how it can support, through new sites, the continued improvement in the West Midlands manufacturing economy. This is most obviously through logistics sectors but also the manufacturing supply chain which needs to be highly accessible to other industrial firms in the region (and nationally)
- C) This would be to meet footloose demand, not previously attracted to the District because sites have not been available. In line with the strategic sites work a 25ha (min) site ought to be considered. A large site could also meet the needs of local firms seeking to expand.
- D) In the event of competing proposals, employment or housing, the priority should be to allocate land for employment. This is because to be successful and compete on a regional scale employment sites need to benefit from the best possible access to the Motorway.
- E) The value of the commuter economy should not be underestimated. Bromsgrove will not compete with Birmingham for large offices and very high paid employment. So the challenge is how best to move the working population into and out of the City as sustainably as possible. And providing a wider range of local employment opportunities for those who do not need or want to commute. Not all these jobs need or should be high skilled or high wage; the local economy needs to offer a range to suit residents over their whole career cycle. Future evidence base documents

may need to be realistic about future commuting assumptions.

- F) For local employment (small units) this needs be secured on the strategic housing sites and developers should be encouraged to offer freehold plots. We suggest focusing on the small workshop model of light industrial units which can address both the gap in the local industrial market but are also flexible to use as grow on office space where there is demand. Developers should be encouraged to deliver sites and property that can be used for either offices or industrial through minor internal change (such as mezzanine floors to increase office content, space for servicing via light goods vehicles and provision to install roller doors as needed).
- G) Conditions for the High Street remain challenging. Growing a well paid resident workforce should help offset otherwise declining high street spend. Consideration should also be given to securing new small, flexible office space in Bromsgrove town centre – using Council assets where available to boost the daytime population in the town centre and also help meet a local need for additional small unit floorspace.

To secure the best outcome for both employment and housing (the workplace and resident economy), the Council needs to see itself not as (only) fulfilling a regulatory function. A function where the Council assesses proposals devised and promoted by others. It needs to move into one where the Council sets the agenda for potential developers. This will require short term resources.

Actions for Skills and Training

For this report it is difficult to make significant recommendation in this area.

This is for the simple reason that, at the moment, there are few residents to benefit, unemployment is very low and resident wages high.

While economic activity rates may be falling in aggregate this is not due to a lack of opportunity to work and is most likely to be connected to the aging of the population coupled with the outward migration of younger people and inward migration of older people.

This conclusion should not be read to mean the skills and training is unimportant. Above we have shown how vital it is that the workforce is skilled to meet future business needs.

But, as a priority the lack of land for economic development and housing, to accommodate a new working age population, is more pressing.

Actions for Housing

Given the need for accommodate a new round of strategic growth is likely, then the challenge for the Council is how best to shape this and maximise the benefits to Bromsgrove.

The Council needs to avoid the risk that a 'monopoly' supplier emerges who controls the only developable site.

Actions for Housing:

- A) Identify the Council's preferred delivery route for strategic new settlements, and other major housing development projects. This could include stating a preference for partnership or full Council ownership.
- B) Draw up the 'wish list' of infrastructure and other benefits the Council would like to seek from promoters of strategic development
- C) Test the market, outside the plan making process, to see whether (or to what extent) site promoters can deliver on the Councils 'wish list'. Possibly via a non-statutory 'prospectus' type document. This should include options for a range of sizes and possible locations in the District.
- D) Work with preferable candidate sites to move sites towards allocation in the emerging plan, or a review of that plan in 5 years. Accepting that new settlements may not make a meaningful contribution to short and medium term needs, but the Council is best to start considering options as early as possible.
- E) While a new settlement solution is likely, Bromsgrove town centre runs the risk of becoming left behind, with an aging population and lack of vibrancy without new housing. But further expansion at Bromsgrove town is only likely via a new junction and (most likely) strategic housing to help support this investment. So the two themes need to be seen as conjoined.

Using the new National Planning Policy Framework to Bromsgrove's advantage

The Government is currently consulting on changes to the National Planning Policy Framework. In this work we cannot undertake a full audit of this change. But in the context of new housing, new settlements and potential new employment land it is worth noting that the proposal could de-risk the Council's policy choice to adopt a proactive housing and economic agenda.

This is for two key reasons:

Firstly, under the old Guidance the number of jobs in a plan was directly coupled to the number of homes. This acted as a disincentive for councils to adopt high aspirational job growth targets ('*taking a gamble*' a site or area would attract inward investment), because this could be used by some parties at examination to inflate housing targets. Housing targets could not be made contingent on the job target actually being delivered.

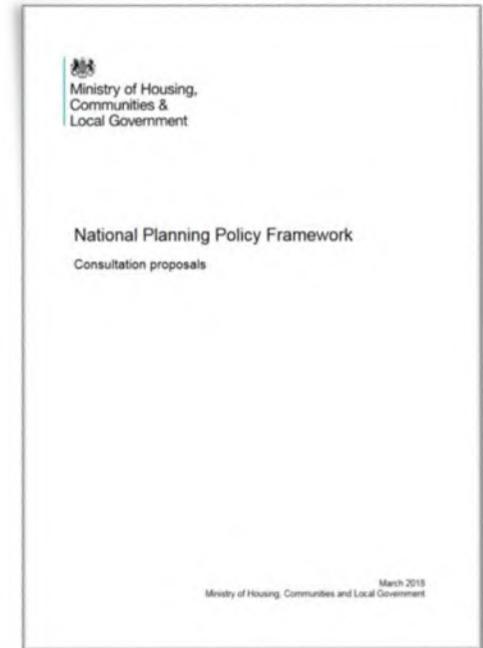
The new (proposed) policy changes 'decouples' housing and job targets - providing that the minimum number of homes (as per the Standardised Method) are provided for. A council that wishes to promote a high job target to facilitate economic aspiration as opposed to economic 'need', is much freer to do so with reduced risk that their aspirational economic objectives will be used against them at examination.

The second reason is that the proposals allow councils to adopt a range of housing targets. And only the bottom of the range, which should be at least the Standardised Minimum, applies for the 5 year land supply or delivery tests. For strategic sites where there is considerable uncertainty over timing and delivery this range could be useful.

A site can be allocated within the upper target; and so carry the status of a full land allocation, but not be counted towards the 5 year land supply or delivery test. It makes it easier to make allocations that are likely to span plan cycles. At the moment promoters need the certainty that the site will be supported by the council, in the form of a land allocation. Once allocated they can work with infrastructure providers and funders to deliver the project. But making this allocation carries significant risks for council if delivery is delayed.

A high and a low target could also allow councils to over-allocate development land where it is helpful to encourage completion between promoters or allocate sites.

However, this is all contingent on Bromsgrove finding more land that its minimum 'need'.



Prioritising projects

The analysis presented suggests that Bromsgrove needs to create:

- Opportunities for businesses and organisations in highly skilled, highly knowledge intensive industries to locate in Bromsgrove
- Excellent transport linkages to the area, to connect Bromsgrove to wider labour markets that are particularly important for knowledge intensive employers
- Superb, highly distinctive living and working environments, that attract the high quality investment and workers needed to prosper in future

To deliver this, the Council will need to:

- Introduce additional planning and regulatory flexibility to allow change to happen
- Focus on programmes where genuine added value can be delivered – and stay focused on those.
- Employ a common approach, ‘welding’ Council services/teams together, to drive forward the wider growth coalition for the area
- Brigade public and private funding streams to deliver change

APPENDICES

Appendix A

'Business as Usual' economic scenarios

Jobs

Using data from Experian Economics

Bromsgrove benchmarked against a range of West Midlands Local Authority areas

		Bromsgrove			Birmingham			Sollhull			Wolverhampton			Dudley			Sandwell			Walsall		
SIC Categories		Jobs '17 Change 2017-36			Jobs '17 Change 2017-36			Jobs '17 Change 2017-36			Jobs '17 Change 2017-36			Jobs '17 Change 2017-36			Jobs '17 Change 2017-36			Jobs '17 Change 2017-36		
cat		000s	000s	Percent	000s	000s	Percent	000s	000s	Percent	000s	000s	Percent	000s	000s	Percent	000s	000s	Percent	000s	000s	Percent
A	Agriculture, Forestry & Fishing	0.2	-0.1	-50%	0.5	-0.4	-80%	0.3	-0.1	-33%	0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0	
B	Extraction & Mining	0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0	
C	Chemicals (manufacture of)	0.0	0.0		0.7	-0.2	-29%	0.0	0.0		0.9	-0.1	-11%	0.5	0.0	0%	1.0	-0.2	-20%	0.0	0.0	
C	Computer & Electronic Products (manufacture of)	0.0	0.0		1.1	-0.7	-64%	0.2	-0.1	-50%	0.3	-0.1	-33%	0.4	0.1	25%	0.3	-0.1	-33%	0.8	-0.4	-50%
C	Food, Drink & Tobacco (manufacture of)	0.0	0.0		3.2	-0.8	-25%	0.2	0.0	0%	1.4	0.0	0%	0.8	0.1	13%	4.5	-0.5	-11%	0.6	-0.1	-17%
C	Fuel Refining	0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0	
C	Machinery & Equipment (manufacture of)	0.5	-0.2	-40%	2.3	-1.6	-70%	0.0	0.0		1.0	-0.4	-40%	2.0	0.3	15%	1.8	-0.8	-44%	0.7	-0.4	-57%
C	Metal Products (manufacture of)	0.2	0.0	0%	10.2	-3.5	-34%	0.3	0.0	0%	5.7	-0.8	-14%	6.8	-0.7	-10%	8.6	-2.1	-24%	7.0	-2.6	-37%
C	Non-Metallic Products (manufacture of)	0.0	0.0		3.4	-1.1	-32%	0.6	-0.1	-17%	0.6	-0.1	-17%	1.6	-0.1	-6%	1.7	-0.4	-24%	1.2	-0.4	-33%
C	Other Manufacturing	0.3	0.0	0%	5.0	-1.6	-32%	0.4	0.0	0%	1.8	-0.2	-11%	3.6	-0.4	-11%	2.1	-0.5	-24%	0.8	-0.3	-38%
C	Pharmaceuticals (manufacture of)	0.0	0.0		0.6	0.3	50%	0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0	
C	Printing and Recorded Media (manufacture of)	0.9	-0.3	-33%	1.7	-0.8	-47%	0.0	0.0		0.9	-0.3	-33%	0.2	-0.1	-50%	0.1	0.0	0%	0.5	-0.3	-60%
C	Textiles & Clothing (manufacture of)	0.0	0.0		1.2	-0.6	-50%	0.0	0.0		0.7	-0.3	-43%	0.2	-0.1	-50%	0.7	-0.3	-43%	1.2	-0.6	-50%
C	Transport Equipment (manufacture of)	0.9	0.0	0%	7.6	-3.8	-50%	10.0	-1.1	-11%	2.1	0.1	5%	1.1	0.9	82%	2.5	-0.2	-8%	0.5	-0.2	-40%
C	Wood & Paper (manufacture of)	0.0	0.0		2.3	-0.9	-39%	0.4	-0.1	-25%	0.8	-0.2	-25%	0.9	-0.2	-22%	1.2	-0.4	-33%	0.5	-0.2	-40%
D/E	Utilities	0.5	0.1	20%	3.8	-0.2	-5%	1.3	-0.2	-15%	1.2	-0.3	-25%	0.7	-0.2	-29%	7.2	1.6	22%	1.7	0.1	6%
F	Civil Engineering	0.0	0.0		2.4	0.3	13%	0.6	0.0	0%	1.2	0.1	8%	0.4	0.0	0%	0.9	0.2	22%	0.4	0.1	25%
F	Construction of Buildings	1.3	0.0	0%	16.1	2.4	15%	4.2	0.5	12%	1.9	0.4	21%	2.7	0.1	4%	1.4	0.2	14%	1.9	0.2	11%
F	Specialised Construction Activities	3.0	0.3	10%	16.9	3.6	21%	5.2	0.9	17%	4.0	0.9	23%	7.1	0.8	11%	8.1	1.9	23%	5.1	0.8	16%
G	Retail	2.7	-0.1	-4%	45.7	3.6	8%	11.5	-0.2	-2%	10.9	-0.2	-2%	14.3	-0.7	-5%	12.2	-0.5	-4%	12.2	0.0	0%
G	Wholesale	3.3	0.1	3%	33.5	4.4	13%	4.9	-0.5	-10%	9.2	-0.2	-2%	11.0	0.2	2%	13.7	1.9	14%	8.8	-0.2	-2%
H	Air & Water Transport	0.0	0.0		0.0	0.0		1.7	0.3	18%	0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0	
H	Land Transport, Storage & Post	1.2	0.1	8%	30.9	2.2	7%	10.0	1.4	14%	7.8	1.3	17%	4.5	0.4	9%	12.8	2.6	20%	12.6	3.1	25%
I	Accommodation & Food Services	3.7	0.6	16%	36.1	10.4	29%	10.4	2.5	24%	5.9	1.0	17%	6.2	0.8	13%	5.8	1.5	26%	4.9	1.2	24%
J	Computing & Information Services	0.8	0.0	0%	6.0	0.3	5%	4.3	0.5	12%	0.9	0.3	33%	1.2	0.1	8%	0.7	0.1	14%	0.5	0.0	0%
J	Media Activities	0.3	0.0	0%	2.8	0.1	4%	0.5	0.0	0%	0.8	0.2	25%	0.4	0.1	25%	0.1	0.0	0%	0.0	0.0	
J	Telecoms	0.0	0.0		2.6	-0.1	-4%	0.4	0.0	0%	0.4	0.1	25%	0.4	0.0	0%	0.3	0.0	0%	0.4	0.0	0%
K	Finance	0.8	0.1	13%	20.3	2.6	13%	2.7	0.0	0%	3.1	0.2	6%	1.7	0.1	6%	1.8	0.3	17%	0.9	0.3	33%
K	Insurance & Pensions	0.7	-0.1	-14%	2.2	-0.3	-14%	0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0		1.4	0.0	0%
L	Real Estate	0.9	0.1	11%	10.0	1.9	19%	2.4	0.5	21%	2.7	0.8	30%	1.2	0.2	17%	2.8	0.8	29%	2.2	0.7	32%
M	Professional Services	2.7	0.2	7%	54.7	8.2	15%	11.0	1.7	15%	7.2	1.6	22%	6.9	0.8	12%	5.5	1.1	20%	6.0	1.5	25%
N	Administrative & Supportive Services	3.9	0.3	8%	56.4	7.3	13%	16.6	1.9	11%	9.9	2.6	26%	11.5	0.1	1%	12.8	1.5	12%	11.6	1.5	13%
O	Public Administration & Defence	1.0	-0.1	-10%	28.9	-0.7	-2%	3.7	0.0	0%	5.4	-0.6	-11%	4.8	0.3	6%	3.0	0.1	3%	2.9	0.0	0%
P	Education	4.6	0.4	9%	63.6	8.8	14%	10.0	1.1	11%	11.1	1.8	16%	12.5	2.1	17%	10.8	1.1	10%	11.5	1.4	12%
Q	Health	2.1	0.4	19%	52.5	14.8	28%	4.6	0.9	20%	10.9	2.0	18%	11.0	2.6	24%	8.4	1.9	23%	9.5	2.8	29%
Q	Residential Care & Social Work	3.4	1.0	29%	25.9	11.8	46%	5.8	2.1	36%	6.1	2.1	34%	7.2	2.9	40%	8.2	3.2	39%	5.6	2.6	46%
R	Recreation	1.2	0.0	0%	13.5	2.6	19%	2.2	0.3	14%	3.3	0.5	15%	2.3	0.1	4%	2.2	0.2	9%	3.1	0.7	23%
S	Other Private Services	1.9	0.0	0%	16.0	1.0	6%	3.6	0.0	0%	2.1	-0.1	-5%	2.8	-0.2	-7%	8.9	2.1	24%	2.2	-0.2	-9%
TOTALS 89		43.0	2.8	7%	580.6	69.3	12%	130.0	12.2	9%	122.2	12.1	10%	128.9	10.4	8%	152.1	16.3	11%	119.2	11.1	9%

SIC	Categories	Bromsgrove			Wyre Forest			Wychavon			Redditch			Worcester			Stratford		
		Jobs '17 Change 2017-36			Jobs '17 Change 2017-36			Jobs '17 Change 2017-36			Jobs '17 Change 2017-36			Jobs '17 Change 2017-36			Jobs '17 Change 2017-36		
		000s	000s	Percent	000s	000s	Percent												
A	Agriculture, Forestry & Fishing	0.2	-0.1	-50%	0.4	-0.3	-75%	2.1	-0.7	-33%	0.0	0.0		0.0	0.0		3.1	-0.3	-10%
B	Extraction & Mining	0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0	
C	Chemicals (manufacture of)	0.0	0.0		0.0	0.0		0.0	0.0		0.6	-0.1	-17%	0.0	0.0		0.0	0.0	
C	Computer & Electronic Products (manufacture of)	0.0	0.0		0.2	0.0	0%	0.9	0.6	67%	1.5	-0.2	-13%	0.3	0.2	67%	0.2	0.0	0%
C	Food, Drink & Tobacco (manufacture of)	0.0	0.0		0.0	0.0		3.5	0.4	11%	0.6	0.0	0%	0.0	0.0		0.3	-0.1	-33%
C	Fuel Refining	0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0	
C	Machinery & Equipment (manufacture of)	0.5	-0.2	-40%	0.4	-0.1	-25%	1.0	0.5	50%	0.8	-0.2	-25%	1.3	0.8	62%	0.6	-0.1	-17%
C	Metal Products (manufacture of)	0.2	0.0	0%	0.9	-0.2	-22%	1.1	-0.1	-9%	3.1	-0.2	-6%	3.4	0.0	0%	1.0	-0.4	-40%
C	Non-Metallic Products (manufacture of)	0.0	0.0		0.4	-0.1	-25%	0.9	-0.1	-11%	0.2	0.0	0%	0.5	0.0	0%	0.2	-0.1	-50%
C	Other Manufacturing	0.3	0.0	0%	0.9	-0.1	-11%	0.7	0.0	0%	1.2	-0.1	-8%	0.1	0.0	0%	0.5	-0.2	-40%
C	Pharmaceuticals (manufacture of)	0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0	
C	Printing and Recorded Media (manufacture of)	0.9	-0.3	-33%	0.0	0.0		0.2	0.0	0%	0.2	0.0	0%	0.0	0.0		0.0	0.0	
C	Textiles & Clothing (manufacture of)	0.0	0.0		0.6	-0.2	-33%	0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0	
C	Transport Equipment (manufacture of)	0.9	0.0	0%	0.6	0.3	50%	0.9	1.4	156%	1.1	0.2	18%	0.4	0.6	150%	8.3	4.2	51%
C	Wood & Paper (manufacture of)	0.0	0.0		0.5	-0.1	-20%	0.9	-0.1	-11%	0.0	0.0		0.0	0.0		0.0	0.0	
D/E	Utilities	0.5	0.1	20%	0.4	0.2	50%	0.7	-0.1	-14%	0.0	0.0		1.2	-0.2	-17%	0.0	0.0	
F	Civil Engineering	0.0	0.0		0.2	0.0	0%	0.3	0.0	0%	0.0	0.0		0.0	0.0		0.2	-0.1	-50%
F	Construction of Buildings	1.3	0.0	0%	1.0	-0.1	-10%	1.4	-0.2	-14%	0.3	0.1	33%	0.5	0.0	0%	2.1	-0.4	-19%
F	Specialised Construction Activities	3.0	0.3	10%	2.0	-0.1	-5%	3.0	-0.3	-10%	1.8	0.4	22%	1.4	0.2	14%	3.2	-0.5	-16%
G	Retail	2.7	-0.1	-4%	5.3	-0.3	-6%	5.4	0.3	6%	4.7	-0.4	-9%	5.4	-0.6	-11%	6.2	-0.5	-8%
G	Wholesale	3.3	0.1	3%	3.3	-0.3	-9%	5.0	0.9	18%	4.4	0.4	9%	3.2	0.2	6%	5.6	0.2	4%
H	Air & Water Transport	0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0	
H	Land Transport, Storage & Post	1.2	0.1	8%	1.8	0.1	6%	3.8	0.6	16%	2.2	0.6	27%	2.8	0.4	14%	2.2	0.2	9%
I	Accommodation & Food Services	3.7	0.6	16%	2.8	0.5	18%	3.9	0.4	10%	1.7	0.5	29%	3.5	1.0	29%	7.3	1.3	18%
J	Computing & Information Services	0.8	0.0	0%	0.3	0.1	33%	0.8	0.0	0%	0.5	0.0	0%	1.1	0.2	18%	1.6	0.5	31%
J	Media Activities	0.3	0.0	0%	0.0	0.0		0.5	0.1	20%	0.0	0.0		0.4	0.1	25%	0.5	0.1	20%
J	Telecoms	0.0	0.0		0.0	0.0		0.0	0.0		0.5	0.0	0%	0.4	0.0	0%	0.0	0.0	
K	Finance	0.8	0.1	13%	0.5	0.1	20%	0.4	0.1	25%	0.4	0.0	0%	1.2	0.1	8%	1.2	0.3	25%
K	Insurance & Pensions	0.7	-0.1	-14%	0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0		1.3	0.0	0%
L	Real Estate	0.9	0.1	11%	1.0	0.1	10%	1.5	0.2	13%	0.3	0.1	33%	2.6	0.6	23%	1.7	0.3	18%
M	Professional Services	2.7	0.2	7%	1.7	0.0	0%	3.5	0.3	9%	3.1	0.8	26%	3.2	0.6	19%	8.8	1.3	15%
N	Administrative & Supportive Services	3.9	0.3	8%	2.6	0.1	4%	4.8	0.2	4%	4.1	0.0	0%	5.0	0.4	8%	6.0	1.4	23%
O	Public Administration & Defence	1.0	-0.1	-10%	1.0	-0.1	-10%	2.5	-0.3	-12%	0.9	-0.1	-11%	2.7	-0.1	-4%	1.1	-0.2	-18%
P	Education	4.6	0.4	9%	3.9	0.0	0%	4.4	-0.1	-2%	2.9	0.5	17%	5.8	0.4	7%	6.1	1.5	25%
Q	Health	2.1	0.4	19%	2.2	0.3	14%	2.1	0.1	5%	3.1	0.6	19%	6.2	0.8	13%	1.6	0.0	0%
Q	Residential Care & Social Work	3.4	1.0	29%	2.0	0.7	35%	2.4	0.5	21%	1.6	0.6	38%	4.7	1.4	30%	4.4	0.4	9%
R	Recreation	1.2	0.0	0%	1.9	0.2	11%	1.8	0.1	6%	0.4	0.1	25%	1.9	0.2	11%	3.7	0.1	3%
S	Other Private Services	1.9	0.0	0%	1.1	0.0	0%	1.6	-0.1	-6%	0.9	-0.1	-11%	2.0	0.0	0%	3.0	0.1	3%
	TOTALS	43.0	2.8	7%	39.9	0.7	2%	62.0	4.6	7%	43.1	3.5	8%	61.2	7.3	12%	82.0	9.0	11%

Appendix B

'Policy-on' economic scenarios

Jobs and Gross Value Added (GVA)

Using data from the Strategic Economic Plan baseline and D2 scenario
Bromsgrove benchmarked against a range of West Midlands Local Authority areas

JOBS	BASELINE																	
	Bromsgrove				Bromsgrove		Birmingham		Solihull		Wolverhampton		Dudley		Sandwell		Walsall	
	Baseline jobs				D2 above 2030 base													
	2014	2030	Change 2014-30	Percent	@ 2030		@ 2030		@ 2030		@ 2030		@ 2030		@ 2030		@ 2030	
Employment (000s)	000s	000s	000s	Percent	000s	Percent	000s	Percent	000s	Percent	000s	Percent	000s	Percent	000s	Percent	000s	Percent
Agriculture	0.71	0.56	-0.15	-21%	0.27	48%	0.17	50%	0.12	49%	0.02	53%	0.08	51%	0.09	47%	0.02	51%
Mining and Quarrying	0.00	0.00	-0.00	-37%	0.00	172%	0.02	260%	0.01	182%	0.00	291%	0.00	0%	0.00	0%	0.00	0%
Food, beverages and tobacco products	0.16	0.15	-0.00	-2%	0.04	29%	0.68	30%	0.03	26%	0.31	28%	0.20	30%	0.94	27%	0.16	29%
Textiles, leather and clothing	0.04	0.03	-0.00	-11%	0.01	16%	0.18	17%	0.01	16%	0.12	16%	0.04	16%	0.10	17%	0.18	14%
Wood products, paper products printing	0.63	0.60	-0.03	-5%	0.12	20%	0.61	22%	0.05	18%	0.25	21%	0.12	20%	0.16	21%	0.14	20%
Coke, chemicals, pharmaceuticals	0.01	0.01	-0.00	-8%	0.00	32%	0.34	27%	0.00	54%	0.17	27%	0.08	28%	0.23	27%	0.10	26%
Rubber, plastic other non-metallic goods	0.21	0.21	-0.01	-4%	0.02	12%	0.43	13%	0.07	12%	0.11	12%	0.19	12%	0.18	12%	0.13	12%
Metals and fabricated metal goods	0.32	0.29	-0.03	-10%	0.02	6%	0.53	7%	0.02	6%	0.29	6%	0.35	6%	0.44	6%	0.37	6%
Computers and electronic goods	0.12	0.10	-0.01	-12%	0.02	17%	0.20	18%	0.03	17%	0.07	18%	0.08	18%	0.05	17%	0.13	19%
Machinery, motor vehicles and other transport	0.99	0.86	-0.12	-12%	0.06	7%	0.60	7%	0.51	7%	0.20	7%	0.16	7%	0.22	7%	0.09	7%
Furniture, other manufacturing & repair and installation of	0.23	0.22	-0.01	-6%	0.02	11%	0.62	13%	0.03	11%	0.31	12%	0.47	13%	0.27	12%	0.11	13%
Electricity, gas, steam and air conditioning	0.00	0.00	-0.00	-17%	0.00	43%	0.23	16%	0.08	13%	0.00	9%	0.04	18%	0.60	11%	0.00	0%
Water supply, sewerage and other remediation activities	0.36	0.39	0.02	7%	0.08	20%	0.39	20%	0.06	16%	0.10	19%	0.10	19%	0.13	19%	0.17	17%
Buildings construction, engineering & specialised construction	3.56	4.41	0.85	24%	0.75	17%	4.94	17%	1.30	17%	1.57	17%	2.12	19%	1.95	18%	1.43	17%
Wholesale and motor vehicles trade	3.22	3.48	0.26	8%	0.47	13%	4.79	14%	0.70	13%	1.35	14%	1.61	14%	2.04	14%	1.26	14%
Retailing	2.72	2.91	0.19	7%	0.71	24%	10.97	23%	2.56	23%	2.53	24%	3.29	24%	3.07	25%	2.86	23%
Land transport and transport via pipelines	0.28	0.31	0.03	11%	0.06	19%	3.07	24%	0.35	22%	0.54	21%	0.40	22%	0.83	20%	0.64	23%
Water and air transport	0.00	0.00	0.00	0%	0.00	0%	0.05	74%	0.66	54%	0.00	0%	0.01	83%	0.00	0%	0.00	158%
Warehousing and support activities	0.34	0.39	0.05	16%	0.05	13%	0.86	16%	0.63	14%	0.06	12%	0.06	13%	0.24	14%	0.81	15%
Postal and courier activities	0.13	0.14	0.01	5%	0.02	12%	0.92	19%	0.10	16%	0.25	15%	0.12	16%	0.60	14%	0.31	17%
Accommodation	0.39	0.43	0.04	11%	0.12	27%	1.23	26%	0.74	25%	0.16	27%	0.16	28%	0.13	27%	0.14	27%
Food and beverage service activities	2.96	3.21	0.25	8%	0.78	24%	7.44	25%	1.73	26%	1.19	25%	1.40	27%	1.19	25%	1.03	26%
Publishing, motion picture and broadcasting activities	0.24	0.25	0.01	4%	0.13	52%	1.00	52%	0.25	53%	0.39	51%	0.23	52%	0.09	52%	0.05	55%
Telecommunications	0.24	0.27	0.03	13%	0.07	25%	1.02	27%	0.19	25%	0.17	24%	0.13	25%	0.18	24%	0.14	26%
Computer programming and information services activities	0.95	1.08	0.13	14%	0.23	21%	1.78	24%	1.18	21%	0.25	20%	0.36	21%	0.18	19%	0.15	20%
Financial service activities	0.26	0.24	-0.02	-6%	0.06	25%	3.21	29%	0.59	28%	0.69	27%	0.37	35%	0.46	30%	0.14	22%
Insurance, reinsurance and pension funds	0.82	0.84	0.02	3%	0.17	21%	1.01	27%	0.09	34%	0.06	31%	0.03	42%	0.01	59%	0.28	20%
Activities auxiliary to financial services	0.34	0.35	0.02	5%	0.07	19%	2.09	20%	0.15	19%	0.10	19%	0.10	19%	0.11	19%	0.03	18%
Real estate activities	0.85	1.01	0.16	18%	0.27	26%	2.79	27%	0.60	27%	0.74	25%	0.28	18%	0.70	28%	0.63	26%
Legal and accounting activities	0.46	0.56	0.09	20%	0.13	23%	5.21	23%	0.36	22%	0.29	22%	0.58	24%	0.63	22%	0.25	22%
Activities of head offices	0.98	1.35	0.36	37%	0.23	17%	3.08	17%	0.89	16%	0.78	17%	0.53	17%	0.16	14%	0.31	16%
Architectural and engineering activities	0.76	0.97	0.20	27%	0.16	17%	2.09	17%	0.42	16%	0.18	14%	0.40	17%	0.17	13%	0.22	15%
Scientific research and development	0.01	0.01	0.00	33%	0.01	63%	0.14	63%	0.02	63%	0.01	63%	0.01	63%	0.01	63%	0.00	63%
Advertising and market research	0.40	0.49	0.09	24%	0.16	32%	1.11	32%	0.38	30%	0.13	32%	0.12	33%	0.07	30%	0.03	29%
Other professional, scientific	0.56	0.65	0.09	16%	0.15	23%	0.92	23%	0.25	23%	0.09	22%	0.15	23%	0.09	22%	0.09	22%
Veterinary activities	0.16	0.22	0.05	32%	0.06	26%	0.14	25%	0.09	26%	0.09	26%	0.10	26%	0.06	26%	0.05	27%
Rental and leasing activities	0.30	0.39	0.09	32%	0.10	27%	0.77	29%	0.35	26%	0.13	23%	0.08	18%	0.46	29%	0.54	32%
Employment activities	0.49	0.61	0.11	23%	0.08	14%	3.62	15%	0.35	14%	0.36	14%	0.32	14%	0.24	14%	0.67	15%
Travel agency, tour operator and other	0.14	0.17	0.03	18%	0.03	19%	0.39	21%	0.07	19%	0.06	18%	0.11	19%	0.03	16%	0.04	18%
Security and investigation activities	0.37	0.44	0.07	20%	0.00	1%	0.05	1%	0.01	1%	0.01	1%	0.00	1%	0.01	1%	0.00	1%
Services to buildings and landscape	1.75	2.19	0.43	25%	0.01	1%	0.10	1%	0.03	1%	0.04	1%	0.02	0%	0.04	1%	0.01	0%
Office administrative, office support	0.61	0.79	0.18	30%	0.10	12%	1.47	13%	0.38	12%	0.18	12%	0.14	12%	0.11	12%	0.37	13%
Public administration and defence	1.09	0.96	-0.14	-12%	0.02	2%	0.76	3%	0.06	2%	0.13	2%	0.08	2%	0.03	1%	0.05	2%
Education	4.26	4.43	0.17	4%	0.11	2%	1.37	2%	0.25	3%	0.28	3%	0.30	3%	0.22	2%	0.26	3%
Human health activities	2.09	2.33	0.24	12%	0.31	13%	7.61	13%	0.68	14%	1.51	13%	1.71	13%	1.25	14%	1.31	14%
Residential care activities	1.54	1.72	0.18	12%	0.26	15%	2.02	17%	0.42	17%	0.60	16%	0.61	16%	0.51	16%	0.44	17%
Social work activities	2.06	2.32	0.25	12%	0.40	17%	4.23	21%	0.75	18%	0.67	18%	1.26	19%	1.28	18%	0.79	19%
Arts, entertainment and gambling activities	0.31	0.37	0.06	19%	0.10	27%	2.20	26%	0.20	27%	0.36	26%	0.38	28%	0.28	25%	0.47	27%
Sports activities and amusement	1.12	1.37	0.25	23%	0.25	18%	1.24	19%	0.38	19%	0.41	19%	0.29	19%	0.29	18%	0.35	19%
Activities of membership, repair of computers & Other products	1.73	2.03	0.30	17%	0.40	20%	3.75	20%	0.71	20%	0.62	20%	0.71	21%	1.15	20%	0.64	22%
Total	42.28	47.10	4.82	11%	7.68	16%	94.45	16%	19.94	16%	18.87	15%	20.48	16%	22.28	16%	18.39	16%

JOBS									
	Bromsgrove		Wyre Forest		Redditch		Stratford		
	D2 above 2030 base		D2 above 2030 base		D2 above 2030 base		D2 above 2030 base		
	@ 2030		@ 2030		@ 2030		@ 2030		
Employment (000s)	000s	Percent	000s	Percent	000s	Percent	000s	Percent	
Agriculture	0.27	48%	0.17	49%	0.01	0%	0.88	45%	2.1
Mining and Quarrying	0.00	172%	0.00	161%	0.01	192%	0.01	172%	0.1
Food, beverages and tobacco products	0.04	29%	0.01	26%	0.18	30%	0.06	27%	2.7
Textiles, leather and clothing	0.01	16%	0.10	15%	0.01	17%	0.01	16%	0.8
Wood products, paper products printing	0.12	20%	0.08	21%	0.08	20%	0.05	18%	1.8
Coke, chemicals, pharmaceuticals	0.00	32%	0.03	27%	0.11	26%	0.02	27%	1.1
Rubber, plastic other non-metallic goods	0.02	12%	0.04	12%	0.03	12%	0.03	11%	1.3
Metals and fabricated metal goods	0.02	6%	0.04	6%	0.18	6%	0.05	6%	2.3
Computers and electronic goods	0.02	17%	0.03	18%	0.23	19%	0.02	16%	0.9
Machinery, motor vehicles and other transport	0.06	7%	0.04	7%	0.10	7%	0.19	7%	2.2
Furniture, other manufacturing & repair and installation of	0.02	11%	0.09	13%	0.15	12%	0.04	11%	2.1
Electricity, gas, steam and air conditioning	0.00	43%	0.00	0%	0.01	65%	0.00	0%	1.0
Water supply, sewerage and other remediation activities	0.08	20%	0.05	19%	0.02	24%	0.02	17%	1.2
Buildings construction, engineering & specialised construction	0.75	17%	0.52	18%	0.37	15%	0.83	16%	16.5
Wholesale and motor vehicles trade	0.47	13%	0.39	13%	0.67	14%	0.70	13%	14.5
Retailing	0.71	24%	1.10	21%	1.32	27%	1.49	25%	30.6
Land transport and transport via pipelines	0.06	19%	0.14	21%	0.15	24%	0.17	21%	6.4
Water and air transport	0.00	0%	0.00	121%	0.01	618%	0.01	89%	0.8
Warehousing and support activities	0.05	13%	0.02	12%	0.08	14%	0.06	13%	2.9
Postal and courier activities	0.02	12%	0.04	15%	0.03	14%	0.02	11%	2.4
Accommodation	0.12	27%	0.16	28%	0.10	38%	0.59	24%	3.6
Food and beverage service activities	0.78	24%	0.51	27%	0.46	35%	1.17	27%	17.7
Publishing, motion picture and broadcasting activities	0.13	52%	0.05	51%	0.09	61%	0.12	51%	2.5
Telecommunications	0.07	25%	0.03	23%	0.24	22%	0.04	23%	2.3
Computer programming and information services activities	0.23	21%	0.07	19%	0.12	20%	0.44	19%	5.0
Financial service activities	0.06	25%	0.05	26%	0.07	34%	0.05	20%	5.8
Insurance, reinsurance and pension funds	0.17	21%	0.00	0%	0.03	120%	0.27	18%	2.1
Activities auxiliary to financial services	0.07	19%	0.05	19%	0.04	20%	0.13	19%	2.9
Real estate activities	0.27	26%	0.29	24%	0.13	44%	0.47	27%	7.1
Legal and accounting activities	0.13	23%	0.09	22%	0.17	21%	0.15	20%	8.0
Activities of head offices	0.23	17%	0.11	16%	0.22	16%	0.54	15%	7.1
Architectural and engineering activities	0.16	17%	0.08	15%	0.15	16%	0.96	16%	5.0
Scientific research and development	0.01	63%	0.00	63%	0.00	63%	0.14	62%	0.3
Advertising and market research	0.16	32%	0.02	31%	0.05	30%	0.10	28%	2.3
Other professional, scientific	0.15	23%	0.04	23%	0.03	23%	0.21	22%	2.2
Veterinary activities	0.06	26%	0.05	23%	0.03	35%	0.06	24%	0.8
Rental and leasing activities	0.10	27%	0.04	26%	0.09	32%	0.09	26%	2.8
Employment activities	0.08	14%	0.11	15%	0.24	14%	0.08	14%	6.2
Travel agency, tour operator and other	0.03	19%	0.01	19%	0.05	20%	0.10	19%	0.9
Security and investigation activities	0.00	1%	0.00	1%	0.00	1%	0.00	0%	0.1
Services to buildings and landscape	0.01	1%	0.00	0%	0.00	0%	0.00	0%	0.3
Office administrative, office support	0.10	12%	0.05	12%	0.15	13%	0.34	13%	3.4
Public administration and defence	0.02	2%	0.01	2%	0.02	2%	0.01	1%	1.2
Education	0.11	2%	0.07	2%	0.09	4%	0.14	3%	3.2
Human health activities	0.31	13%	0.30	13%	0.47	15%	0.24	14%	15.7
Residential care activities	0.26	15%	0.19	15%	0.17	21%	0.31	17%	5.8
Social work activities	0.40	17%	0.21	17%	0.25	20%	0.49	17%	10.7
Arts, entertainment and gambling activities	0.10	27%	0.26	25%	0.10	44%	0.44	23%	4.9
Sports activities and amusement	0.25	18%	0.21	19%	0.08	27%	0.25	20%	4.0
Activities of membership, repair of computers & Other personal services	0.40	20%	0.22	21%	0.25	24%	0.60	21%	9.4
Total	7.68	16%	6.19	17%	7.65	17%	13.22	18%	

GVA		BASELINE																	
GVA (£m2011)		Bromsgrove				Bromsgrove		Birmingham		Solihull		Wolverhampton		Dudley		Sandwell		Walsall	
		Baseline jobs				D2 above 2030 base		D2 above 2030 base		D2 above 2030 base		D2 above 2030 base		D2 above 2030 base		D2 above 2030 base		D2 above 2030 base	
		2014	2030	Change 2014-30	@ 2030		@ 2030		@ 2030		@ 2030		@ 2030		@ 2030		@ 2030		
Employment (000s)	000s	000s	000s	Percent	000s	Percent	000s	Percent	000s	Percent	000s	Percent	000s	Percent	000s	Percent	000s	Percent	
Agriculture	17.46	20.09	2.63	15%	20.47	102%	15.09	104%	11.64	102%	1.12	107%	5.11	105%	6.40	101%	1.79	104%	
Mining and Quarrying	0.18	0.17	-0.01	-7%	0.83	484%	1.39	572%	2.42	0%	0.21	603%	0.00	0%	0.00	0%	0.00	0%	
Food, beverages and tobacco products	6.48	9.67	3.19	49%	6.13	63%	110.08	65%	6.88	61%	50.51	62%	24.81	64%	129.13	62%	21.40	64%	
Textiles, leather and clothing	1.37	1.88	0.50	37%	0.79	42%	30.21	43%	1.58	42%	16.56	42%	5.28	42%	12.31	42%	35.24	40%	
Wood products, paper products printing	26.85	39.31	12.46	46%	19.78	50%	116.38	52%	9.74	48%	39.61	51%	16.77	51%	25.53	51%	23.35	51%	
Coke, chemicals, pharmaceuticals	0.82	1.15	0.33	40%	0.85	74%	105.43	69%	0.48	96%	38.79	69%	16.19	70%	51.24	69%	27.76	68%	
Rubber, plastic other non-metallic goods	9.81	14.46	4.65	47%	4.30	30%	84.58	31%	13.82	30%	18.39	30%	29.26	30%	30.82	30%	22.92	30%	
Metals and fabricated metal goods	14.53	20.11	5.58	38%	3.13	16%	115.39	16%	4.23	15%	55.07	16%	59.17	16%	84.99	16%	72.97	16%	
Computers and electronic goods	6.31	8.49	2.18	35%	4.15	49%	51.62	50%	8.64	48%	16.46	50%	15.30	50%	10.36	49%	27.18	51%	
Machinery, motor vehicles and other transport	54.73	73.57	18.84	34%	14.29	19%	172.41	20%	140.83	19%	52.40	19%	34.58	20%	51.82	19%	21.82	20%	
Furniture, other manufacturing & repair and installation of	12.49	17.94	5.45	44%	5.44	30%	125.56	33%	8.83	30%	66.41	31%	68.46	32%	51.73	32%	20.45	32%	
Electricity, gas, steam and air conditioning	0.00	0.00	0.00	0%	0.37	0%	136.79	35%	61.71	32%	6.79	28%	14.63	0%	392.42	30%	0.14	0%	
Water supply, sewerage and other remediation activities	25.67	41.63	15.96	62%	19.38	47%	152.59	47%	51.14	43%	34.04	46%	29.17	46%	40.36	46%	78.64	44%	
Buildings construction, engineering & specialised construction	141.33	209.13	67.80	48%	57.09	27%	408.24	27%	114.80	27%	113.85	27%	125.77	29%	125.92	28%	96.12	28%	
Wholesale and motor vehicles trade	146.15	227.59	81.44	56%	39.45	17%	464.39	17%	77.17	17%	112.02	17%	112.23	18%	147.23	18%	101.10	17%	
Retailing	66.07	102.13	36.06	55%	30.29	30%	547.31	28%	147.16	28%	108.06	29%	117.42	29%	111.78	30%	118.27	28%	
Land transport and transport via pipelines	10.24	15.04	4.80	47%	5.17	34%	225.00	39%	30.09	37%	45.78	36%	27.18	37%	64.55	36%	39.53	38%	
Water and air transport	0.00	0.00	0.00	0%	0.15	0%	5.06	128%	86.87	109%	0.10	0%	0.85	138%	0.17	0%	0.32	212%	
Warehousing and support activities	14.99	22.80	7.82	52%	6.00	26%	84.97	29%	74.62	27%	7.44	25%	6.40	26%	24.71	27%	68.28	28%	
Postal and courier activities	4.45	6.12	1.67	38%	1.39	23%	56.99	30%	7.85	26%	19.27	25%	7.11	26%	41.36	25%	16.87	27%	
Accommodation	9.38	14.67	5.29	56%	5.05	34%	56.72	33%	35.38	32%	6.43	34%	5.44	35%	4.95	34%	5.26	34%	
Food and beverage service activities	57.73	87.94	30.21	52%	25.97	30%	263.97	31%	62.45	32%	37.71	31%	36.66	32%	34.23	30%	30.40	31%	
Publishing, motion picture and broadcasting activities	11.11	18.42	7.31	66%	29.02	157%	235.53	158%	55.54	158%	86.92	156%	39.21	158%	18.57	157%	8.93	161%	
Telecommunications	12.90	23.16	10.26	80%	14.19	61%	222.61	63%	46.73	61%	36.33	60%	22.64	61%	37.31	60%	25.92	62%	
Computer programming and information services activities	53.42	96.74	43.32	81%	57.01	59%	445.93	62%	339.85	59%	65.45	58%	77.72	59%	46.14	57%	33.68	58%	
Financial service activities	22.92	31.71	8.79	38%	16.13	51%	795.27	56%	154.34	54%	165.45	53%	62.93	61%	85.42	56%	48.16	48%	
Insurance, reinsurance and pension funds	46.06	69.84	23.78	52%	27.45	39%	141.03	46%	11.99	53%	6.97	50%	2.51	61%	0.94	77%	53.85	39%	
Activities auxiliary to financial services	26.92	41.64	14.72	55%	21.55	52%	660.17	52%	49.83	52%	29.67	52%	23.79	52%	27.08	52%	11.29	51%	
Real estate activities	170.67	271.07	100.40	59%	119.23	44%	1,477.59	44%	337.79	45%	345.25	43%	373.50	36%	293.39	45%	276.43	44%	
Legal and accounting activities	8.71	15.34	6.63	76%	8.17	53%	552.17	53%	36.90	52%	24.27	53%	41.94	54%	54.37	53%	21.46	52%	
Activities of head offices	22.60	45.38	22.78	101%	18.78	41%	412.06	41%	116.36	41%	81.54	41%	49.75	41%	20.31	38%	33.71	40%	
Architectural and engineering activities	16.03	29.82	13.79	86%	12.00	40%	251.96	40%	49.77	39%	18.42	37%	34.02	40%	19.55	37%	22.41	38%	
Scientific research and development	0.18	0.35	0.17	95%	0.64	182%	24.96	182%	3.19	182%	1.22	182%	0.92	182%	0.77	182%	0.38	182%	
Advertising and market research	7.81	14.20	6.39	82%	10.45	74%	121.04	74%	41.38	71%	10.64	74%	9.38	74%	6.19	72%	2.34	70%	
Other professional, scientific	8.85	15.12	6.27	71%	9.76	65%	99.56	64%	26.02	64%	7.48	63%	11.19	64%	8.16	63%	7.36	63%	
Veterinary activities	2.23	4.34	2.11	94%	2.23	51%	9.10	50%	5.64	51%	4.59	52%	4.77	51%	3.25	51%	2.53	53%	
Rental and leasing activities	10.51	19.53	9.02	86%	8.61	44%	58.63	47%	34.49	43%	12.28	40%	9.75	36%	33.98	47%	34.28	49%	
Employment activities	13.62	23.63	10.01	74%	8.16	35%	316.81	36%	38.21	35%	36.02	35%	36.22	35%	20.79	35%	50.79	36%	
Travel agency, tour operator and other	5.71	9.46	3.75	66%	4.00	42%	44.69	44%	10.80	43%	7.63	41%	17.22	42%	3.96	40%	4.36	42%	
Security and investigation activities	10.07	16.99	6.92	69%	0.15	1%	1.96	1%	0.51	1%	0.41	1%	0.14	1%	0.41	1%	0.09	1%	
Services to buildings and landscape	34.69	61.00	26.31	76%	0.32	1%	2.61	1%	1.02	1%	1.12	1%	0.66	0%	1.09	1%	0.18	0%	
Office administrative, office support	21.22	38.77	17.54	83%	12.18	31%	171.88	32%	55.46	32%	24.24	31%	20.74	31%	12.57	31%	37.01	32%	
Public administration and defence	48.33	54.12	5.79	12%	0.89	2%	36.04	3%	4.17	2%	6.61	2%	3.74	2%	1.71	1%	2.64	2%	
Education	140.89	163.72	22.83	16%	3.89	2%	58.01	2%	9.73	3%	9.26	3%	9.59	3%	7.14	2%	8.60	3%	
Human health activities	72.54	108.07	35.53	49%	31.12	29%	620.05	29%	67.09	29%	119.93	29%	134.40	29%	103.65	29%	97.05	29%	
Residential care activities	29.79	44.47	14.69	49%	13.03	29%	78.38	32%	20.09	31%	23.54	30%	23.65	30%	20.82	31%	15.69	32%	
Social work activities	42.93	64.30	21.37	50%	20.93	33%	168.40	36%	38.29	33%	27.40	33%	49.98	34%	54.78	34%	29.56	35%	
Arts, entertainment and gambling activities	6.88	9.42	2.54	37%	2.76	29%	64.87	28%	6.65	29%	9.62	28%	8.09	30%	8.47	27%	10.94	29%	
Sports activities and amusement	16.64	23.47	6.84	41%	4.76	20%	23.68	21%	9.19	21%	7.94	21%	4.56	21%	6.46	20%	6.40	21%	
Activities of membership, repair of computers & Other pe	65.48	86.49	21.01	32%	22.28	26%	233.74	26%	47.48	26%	34.48	26%	31.05	27%	57.47	26%	24.70	28%	
Total	1,556.74	2334.47	777.74	50%	750.18	32%	10,658.91	33%	2,576.87	33%	2,051.70	30%	1,861.83	30%	2,396.73	30%	1,700.54	30%	

GVA (£m2011)		Bromsgrove		Wyre Forest		Redditch		Stratford	
		D2 above 2030 base		D2 above 2030 base		D2 above 2030 base		D2 above 2030 base	
		@ 2030		@ 2030		@ 2030		@ 2030	
Employment (000s)		000s	Percent	000s	Percent	000s	Percent	000s	Percent
Agriculture		20.47	102%	11.08	103%	0.36	0%	84.22	99%
Mining and Quarrying		0.83	484%	1.10	473%	0.42	0%	2.86	7661%
Food, beverages and tobacco products		6.13	63%	1.77	61%	11.00	30%	10.89	62%
Textiles, leather and clothing		0.79	42%	16.01	41%	0.90	17%	2.09	41%
Wood products, paper products printing		19.78	50%	10.89	51%	5.29	20%	11.22	48%
Coke, chemicals, pharmaceuticals		0.85	74%	5.43	70%	10.29	26%	5.08	69%
Rubber, plastic other non-metallic goods		4.30	30%	5.99	30%	2.39	12%	6.13	29%
Metals and fabricated metal goods		3.13	16%	6.99	16%	12.71	6%	11.62	15%
Computers and electronic goods		4.15	49%	5.61	50%	18.37	19%	7.38	48%
Machinery, motor vehicles and other transport		14.29	19%	9.39	19%	8.64	7%	58.13	19%
Furniture, other manufacturing & repair and installation of		5.44	30%	12.96	32%	9.99	12%	10.35	30%
Electricity, gas, steam and air conditioning		0.37	0%	0.06	0%	1.04	0%	0.14	0%
Water supply, sewerage and other remediation activities		19.38	47%	13.16	46%	2.46	0%	13.31	44%
Buildings construction, engineering & specialised construction		57.09	27%	30.07	28%	17.73	15%	73.80	26%
Wholesale and motor vehicles trade		39.45	17%	29.32	17%	45.35	14%	69.64	17%
Retailing		30.29	30%	43.15	26%	49.27	27%	76.59	30%
Land transport and transport via pipelines		5.17	34%	9.81	36%	7.12	24%	16.33	36%
Water and air transport		0.15	0%	0.18	175%	0.83	618%	0.83	144%
Warehousing and support activities		6.00	26%	2.09	25%	4.80	14%	7.52	26%
Postal and courier activities		1.39	23%	2.64	25%	1.46	14%	1.90	21%
Accommodation		5.05	34%	5.16	35%	3.44	38%	28.02	31%
Food and beverage service activities		25.97	30%	12.97	32%	12.49	35%	41.16	32%
Publishing, motion picture and broadcasting activities		29.02	157%	12.02	156%	6.41	61%	36.04	156%
Telecommunications		14.19	61%	6.33	59%	20.94	22%	13.94	59%
Computer programming and information services activities		57.01	59%	20.44	57%	10.80	20%	163.90	57%
Financial service activities		16.13	51%	10.16	52%	8.44	34%	20.01	46%
Insurance, reinsurance and pension funds		27.45	39%	0.11	0%	1.89	120%	58.66	37%
Activities auxiliary to financial services		21.55	52%	11.64	52%	4.62	20%	52.76	51%
Real estate activities		119.23	44%	116.30	42%	38.19	44%	235.71	45%
Legal and accounting activities		8.17	53%	7.14	52%	6.63	21%	18.46	50%
Activities of head offices		18.78	41%	11.01	40%	10.49	16%	80.10	40%
Architectural and engineering activities		12.00	40%	6.99	38%	6.73	16%	125.29	39%
Scientific research and development		0.64	182%	0.11	182%	0.05	63%	26.04	181%
Advertising and market research		10.45	74%	1.86	72%	2.07	30%	12.61	69%
Other professional, scientific		9.76	65%	3.16	64%	1.14	23%	23.72	64%
Veterinary activities		2.23	51%	2.25	48%	0.90	35%	4.63	49%
Rental and leasing activities		8.61	44%	2.35	43%	4.25	32%	6.97	44%
Employment activities		8.16	35%	7.31	35%	8.48	14%	7.30	34%
Travel agency, tour operator and other		4.00	42%	1.36	42%	2.49	20%	11.61	43%
Security and investigation activities		0.15	1%	0.02	1%	0.09	1%	0.01	0%
Services to buildings and landscape		0.32	1%	0.05	0%	0.04	0%	0.04	0%
Office administrative, office support		12.18	31%	4.49	31%	7.04	13%	38.28	32%
Public administration and defence		0.89	2%	0.71	2%	1.16	2%	0.88	1%
Education		3.89	2%	2.50	2%	3.21	4%	5.09	3%
Human health activities		31.12	29%	27.66	29%	18.06	15%	23.81	29%
Residential care activities		13.03	29%	9.01	29%	3.61	21%	14.88	31%
Social work activities		20.93	33%	10.24	32%	5.89	20%	25.96	33%
Arts, entertainment and gambling activities		2.76	29%	4.63	27%	2.18	44%	14.19	25%
Sports activities and amusement		4.76	20%	2.84	21%	1.03	27%	4.39	22%
Activities of membership, repair of computers & Other personal services		22.28	26%	9.57	27%	11.35	24%	32.34	27%
Total		750.18	32%	528.11	31%	414.56	17%	1,596.86	35%



Peter Brett Associates LLP is a leading development and infrastructure consultancy. As an independent consulting practice of planners, economists, project managers, property professionals, engineers and scientists, we provide trusted advice to create value.

All of our work, from the engineering of landmark buildings and critical infrastructure to the spatial planning and economic evidence in support of development, is evidence based and informed by a deep understanding of what it takes to deliver construction.

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